

CHAPTER I

INTRODUCTION

1.1 Background

Businesses in Indonesia are expanding quickly year after year. There is fierce competition in the business sector as a result growth of businesses. Every businesses must adapt to the times. High levels of competition force every management to operate their business professionally and optimally in order to maintain high standards of quality in the face of intense rivalry.

According Febriyan and Sulistyowaty (2014), The expansion of the marketing industry and the escalating level of competition have led to many marketing firms focusing exclusively on attracting new clients when in reality, loyalty among existing clients should be increased and maintained. initiatives to retain and boost a customer's loyalty over time. A company's capacity to quickly identify and address changing consumer needs has emerged as a key business competence.

Every competition in the business world inspires business people to develop new innovations to retain customers. In addition, maintaining good relations with customers is a good innovation to retain customers. having a good relationship with customers is a good step to retain customers in a company. a way that can be used by companies to maintain and attract new customers and loyal customers is by implementing Customer Relationship management (CRM). Customer relationship management is a general term for a collection of relational strategies used by businesses to strengthen relationships with customers.

In addition, another way to be able to enter the market, namely with competitive competition, is to shape service quality in accordance with the minds of consumers. Service quality is one of the most important aspects in the service sector considering that consumers today are increasingly wise and critical of the level of service they receive. According to Tjiptono and Chandra in Indrasari

(2019), service quality will be closely related to customers because it can build relationships with customers. closely related to customers because it can build long-term relationships that are profitable for the company.

Based on field observations, there is one business partner in Bengkalis Regency that has weaknesses in maintaining good customer relations and customer satisfaction. The business partner is the Bengkalis Chamber of Commerce and Industry. The Indonesian Chamber of Commerce and Industry is an umbrella organization for the business world, especially MSMEs. The Indonesian Chamber of Commerce and Industry is the only organization that houses Indonesian entrepreneurs both in the realm of state business, cooperative business, and private business.

According to Law No. 1 of 1987 regulating Chambers of Commerce and Industry. In order to achieve a robust and fiercely competitive Indonesian business world that depends on the true advantages of domestic resources, The Indonesian Chamber of Commerce serves as a venue and vehicle for advice, communication, information, representation, consultation, facilitation, and advocacy of Indonesian businesses. The Indonesian Chamber of Commerce and Industry is an organization that accommodates Indonesian entrepreneurs, as well as being a strategic partner of the Government in encouraging the movement of the business world in Indonesia. one of the customers of the Indonesian Chamber of Commerce and Industry is Micro, Small and Medium Enterprises (MSMEs). Through the application of CRM, it is hoped that The Indonesian Chamber of Commerce and Industry Bengkalis can build good communication and relationships with its customers while responding to customer wants and needs.

Based on the background that has been described, the authors are interested in conducting research entitled: **"The Influence of Customer Relationship Management (CRM) and Service Quality on Customer Satisfaction at the Bengkalis Chamber of Commerce and Industry"**.

1.2 Formulation of the Problem

Based on the description of the background presented above, the formulation of the problem for this study is:

1. Does Customer Relationship Management (CRM) affect on Customer Satisfaction at the Bengkalis Chamber of Commerce and Industry?
2. Does Service Quality affect on Customer Satisfaction at the Bengkalis Chamber of Commerce and Industry?
3. Does Customer Relationship Management (CRM), Service Quality affect on Customer Satisfaction at the Bengkalis Chamber of Commerce and Industry?

1.3 Purpose of the Study

Based on the formulation of the problem, the objectives of this research are:

1. To find out the affect Customer Relationship Management (CRM) on Customer Satisfaction at the Bengkalis Chamber of Commerce and Industry.
2. To find out the affect Service Quality on Customer Satisfaction at the Bengkalis Chamber of Commerce and Industry.
3. To find out the affect Customer Relationship Management (CRM), Service Quality on Customer Satisfaction at the Bengkalis Chamber of Commerce and Industry.

1.4 Significance of Study

Based on the identification, this study expects to provide significant information for several parties:

1. For the company.

This research is expected to provide information on how the effect of implementing customer relationship management and service quality in building relationships with customers, so as to increase Customer Satisfaction at the Bengkalis Chamber of Commerce and Industry.

2. For institutions.

This research is expected to provide information and additional reading as an addition and input for interested parties on the topic of the Influence Customer Relationship Management, Service Quality on Customer Satisfaction.

3. For the field of the study concerned.

The results of this study are expected to provide information and development for other research in the future,

4. And for the author.

This study is expected as a way to apply the knowledge gained by the author during lectures with practice in the field so that it can add insight to the author

1.5 Scope and Limitation of the Problem

Based on the problem identification above, this research will only be conducted on customers at the Bengkalis Chamber of Commerce and Industry. This research will take primary data on customers at the Bengkalis Chamber of Commerce and Industry and secondary data from previous research.

1.6 Writing System

In this study, it is divided into Five chapters, and each chapter of the researcher provides an explanation sequentially. The chapters will be presented in a systematic order as follows:

CHAPTER I : INTRODUCTION

Is an introductory chapter that describes the background, problem limitation, problem formulation, research objectives, research benefits, and research systematic.

CHAPTER II : LITERATURE REVIEW

Expressing the theoretical basis and theoretical basis that will be used in the completion of research both in general and specific theory which consists of previous research and theoretical basis.

CHAPTER III: METHOD AND ACCOMPLISHMENT PROCESS

In this chapter describes the method of conducting research, which consists of location, time and object of research, types and sources of data, methods of data analysis, types of research, and research schedules and budgets.

CHAPTER IV : RESULTS AND DISCUSSION

In this chapter the author will elaborate on the discussion of the results of research analyzes that have been carried out by interviewing, observing, and other sources.

CHAPTER V : CONCLUSIONS AND SUGGESTIONS

In this chapter the author will describe the conclusions obtained from the discussion as well as the suggestions to be submitted by the author.

REFERENCES

APPENDICES

WRITER BIOGRAPHY