The Effectiveness of the Concept of CRM Application for SMEs during the COVID-19 Pandemic

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Abstract. Small and medium enterprises (SMEs) are the business sector that has felt the impact of the COVID-19 pandemic in Indonesia. With this pandemic, all business lines that became the axis of economic growth in Indonesia experienced a significant decline. The purpose of this study is to determine the effectiveness of the use of the concept of customer relationship management (CRM) to increase the sales of an SME engaged in food supply services during the Covid-19 pandemic. The result of this research is the formation of a website that can help SMEs in promoting products online in order to increase sales.

1. Introduction
The pandemic is not just talking about a health disaster, but this has caused a decline in the economic sector. Not only large industries are feeling the impact of this pandemic, but small and medium enterprises in Indonesia are starting to feel it. According to the Central Bureau of Statistics, around 84.20 percent of Small and Medium Enterprises (UKM) experienced a decrease in income [1][2]. The decline in consumer demand due to COVID-19 is predominantly experienced by food and drink supply companies[3]. In an effort to prevent, control and break the chain of transmission of the virus, Indonesia has implemented a lockdown so that business actors, especially food service providers, have stopped selling. In the city of Padang, the SMEs that drive the economy are food service providers (Catering). This business development has been very rapid and has resulted in competition among business actors [4]. As a result of COVID-19 and the lockdown implemented in Padang City, customer demand has decreased. In response to this, the use of the internet and Information Technology (IT) is one way for business actors to maintain and even increase revenue [5][6]. Social distancing result in limited conventional marketing methods. Online means are a promising solution. The role of web-based information technology demands to be more creative and innovative in order to pamper consumers to remain loyal [7]. The way to be able to retain consumers is to create information technology based on Customer Relationship Management (CRM) [8][9].

2. Methodology
This research begins with analyzing and identifying problems. Then collect data and analyze the extent to which the effectiveness of using a CRM-based website. This research framework is carried
out systematically as a guide for researchers in conducting research so that the results do not deviate from the final goal. The following is a research framework:

![Research Framework](image)

Figure 1. Research Framework

This study begins by identifying the problem whose purpose is to obtain targeted research results. In addition, there are restrictions on the problems under study so that they do not deviate from the final results to be achieved. Then the next stage is to analyze supporting theories such as books, journals, articles and data related to the research topic. After all the supporting theories have been collected, the next step is to analyze the data. This process aims to determine the method that will be used to solve the problem. After the method is obtained, then a system analysis is carried out, where at this stage the researcher will analyze the concept of the method used, namely the concept of Customer Relationship Management (CRM), then see the level of effectiveness of the concept. The implementation stage is to combine the CRM method with website-based information technology. The conclusion stage is to refine the system after testing as a whole.

3. Result and Discussion

Sales transactions at UKM Catering can be seen in the graphic image below from March (the beginning of the pandemic in Indonesia) to August 2020:
Judging from the graph above, that SMEs in the food service sector experienced a decrease in transactions. This happened due to the COVID-19 pandemic which prohibits Indonesian citizens, especially the City of Padang, from holding events that involve crowds such as weddings. Apart from that, this decline is also due to social distancing policies that make it difficult for consumers to make transactions directly. This study uses the Customer Relationship Management method which consists of several phases [10]. The CRM phase includes acquiring new customers, then increasing the number of customers and keeping existing customers. The information technology used in SMEs includes these three phases. The benefits of using the CRM method are maintaining customer loyalty, where customer loyalty not only increases business value, but can attract new customers [11]. Another benefit is cost savings, the existence of targeted product offerings has a great chance of products being sold. The operational level is more efficient so that services to consumers are faster and reduce negative assessments from consumers [12].

The following is an analysis of a CRM-based system that makes it easier for consumers to interact with SME owners online:

1. Acquire phase

The new consumer registration is designed to provide access to consumers to join and place orders for food service products from SMEs.
2. **Enhance Phase**  
   The stages of providing the best service through the ease of viewing the products provided by SMEs

![Figure 4. Service Menu](image1)

3. **Retain Phase**  
   Make it easy for consumers to place orders and interact with owners

![Figure 5. Contact Us](image2)

4. **Conclusion**

   The COVID-19 pandemic has a major impact on all sectors of the economy in Padang City. One sector that is feeling the impact of the pandemic is SMEs in the food service sector. This research produces a sales information system that is able to assist SMEs in promoting products and retaining consumers. This online information system is considered to make it easier for consumers to interact with SMEs, so that SMEs do not feel like they are losing consumers and are even able to find new consumers in the midst of a pandemic. Because the majority of consumers who previously carried out direct transactions by visiting a store or place of selling, now tend to use an online system and utilize information systems using the CRM method. The use of the CRM method in this information system can make the system more focused and focused on improving service to consumers. So that consumers who feel anxious to transact directly feel helped by this information system with easy, practical and safe services.

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