Relationship Marketing on Loyal Customer: A Descriptive Study of Total Bangun Persada’s Customer Care Department

Rizky Jaya Putra & Elke Alexandrina

To cite this article:

Ultimacomm publishes research articles and conceptual paper in the field of communication, mainly digital journalism and strategic communication. It is published twice a year by the Faculty of Communication of Universitas Multimedia Nusantara

Published in Partnership with

Full Terms & Conditions of access and use can be found at http://ejournals.umn.ac.id/index.php/FIKOM/about
Relationship Marketing on Loyal Customer: A Descriptive Study of Total Bangun Persada’s Customer Care Department

Rizki Jaya Putra, Elke Alexandrina
London School of Public Relations Jakarta
rzkijayap@gmail.com, elke.a@lspr.edu

Abstract
Total Bangun Persada (TOTAL) is a construction company that builds international-standard buildings focusing on high-end market segmentation. It has customer care department which maintains relationships with the customer. TOTAL’s customer care after-sales service takes place after the project maintenance period, to support TOTAL’s core service: “building construction.” The research is meant to discover how TOTAL’s customer care contributes to the relationship marketing strategy. Data analysis of the study would describe relationship marketing on customer market and to define the obstacles of the communication process in customer care activity. The qualitative methodology applied to describe the communication process of relationship marketing strategy. TOTAL has ‘differentiation focus’ competitive advantage by providing lifetime guarantee in their after-sales-service. TOTAL’s relationship marketing on customer market defined by their after-sales-service, which not limited to serve building repairs – compensation for damages besides civil work might occur if the cause was within TOTAL’s scope of work. With no significant communication obstacles apparent, TOTAL provides multi-channel integration for their customers such as email for communicating detailed information; mobile contact for short message or call for immediate response. A loyal customer has positive response about TOTAL’s after-sales-service responsiveness provided by the Customer Care Department.

Keywords: after-sales service, customer relationship management, relationship marketing

INTRODUCTION
Total Bangun Persada, from now on will be referred to as TOTAL, is a private construction company operating in Indonesia. They have built more than 800 buildings, including commercial buildings, office complex, shopping mall, college, school, houses of religious worship, and hospital. TOTAL focuses on prestigious high-rise buildings segmentation, their projects include Central Park Mall, GKBI Building, Verde Apartment and Allianz Tower in Jakarta. TOTAL has a relatively high number of repeated customers, managed to gradually grow their new customers from 26,04 percent in 2014 to 31,42 percent in 2015. Furthermore, in 2016, it increased to 34,26 percent (Total Bangun Persada, 2017). A good
relationship with the customers needed to maintain such a high number of repeated customers.

TOTAL also provides after-sales service operated by their customer care department. When the construction process is over, TOTAL’s customer care maintains the relationship by answering customer’s inquiries. Bundschuh and Dezvane (2003) stated that after-sales service is one important activity for manufacturing companies such as transportation. They explained in ‘How to Make After-sales-services Pay Off’ (2003) that besides producing certain products, manufacturing companies’ customers tend to look for reliability, which built to last. Some well-established companies gain higher revenues from maintenance or installation “service” rather than their “product” sales (Bundschuh & Dezvane, 2003). Saccani, Johansson, and Perona (2007) mentioned after-sales service in their journal article titled Configuring the After-Sales Service Supply Chain that manufacturing industry has three major activities of after-sales service which is essential to be delivered thoroughly. They are field technical assistance, spare parts distribution, and customer care (Saccani, Johansson, & Perona, 2007).

After-sales service in a construction company will be different from other goods after-sales service. This is due to the construction company sells its ‘service’ instead of ‘goods.’ From earlier studies, the definition of after-sales service is “after-sales services for manufactured goods encompass the set of activities taking place after the purchase of the product devoted to supporting customers in the usage and disposal of goods” (Saccani, Johansson, & Perona, 2007). We could agree that the “purchase” in a construction company is contract signing. Next, when the construction process has finished, there is the project maintenance period, TOTAL’s customer care - after-sales service takes place after the project maintenance period, and this is where customer care supports TOTAL’s core service: ‘building construction.’ After the construction process is over, TOTAL’s customer care maintains and improves the relationship with customers by answering customers’ inquiries.

TOTAL builds differentiation from other companies in the business line through innovation and quality. They implement innovative integrated services for the project. While doing their role as a primary contractor, they also provide ‘design and build method’, such innovation that would benefit the project developers. TOTAL differentiates their quality by utilization of excellent materials and professional employment. Moreover, they have after-sales services in their differentiation strategy (Total Bangun Persada, 2017).

Quality is a value that TOTAL’s customers achieve from their service. TOTAL is a construction company that builds international-standard buildings, focuses on high-end market segmentation. The premium services they offer implements after-sales service that supports their quality differentiation from other companies in the construction business line. TOTAL provides contractor, design-and-build services for the customer. Project owner or developer is the one that TOTAL is responsible for. Since TOTAL is having a high number of repeated customers, it shows that they gradually maintain and improve their services to meet customer needs. The satisfied customer would enhance the desirable word of mouth (WOM). Customer satisfaction is one critical consideration for
TOTAL to do their service. To have a good customer relationship, delivering high-quality service that meets customer needs is substantial. TOTAL delivers quality service through Customer Care as their relationship marketing.

TOTAL has a survey on their stakeholder to measure their performance and services improvement, this is called ‘customer satisfaction index.’ It has increased between 2015 and 2016, from 75.3 percent to 79.15 percent, respectively (Total Bangun Persada, 2017). Ms. Janti Komadjaja, President Director of Total Bangun Persada, stated on the ‘board of directors report section’ of the 2016 annual report:

“The Company’s business strategy has been aligned to always take into account the quality of buildings developed by the Company, this is quite substantial considering that TOTAL’s customers are dominated by repeat customers, which prove that they are satisfied with our products” (Total Bangun Persada, 2017).

Such a high number of repeated customer needs be supported by a well-managed relationship. Through the development of practices, marketers build relationships with customers to have long-term customer loyalty (Gumersson, 2011). Gumersson (2011) defined relationship marketing in the book of ‘Total Relationship Marketing’ as “interaction in network relationships”. The result of relationship marketing is a marketing network. It is a profitable – mutual relationship of stakeholders, consists of customers, employees, suppliers, and others related to the company (Kotler & Keller, 2014). Christopher et al. (1991) explained the key stakeholders in the ‘Six Markets Model of Relationship Marketing’, which include: customer, supplier, referral, employee, influencer, and internal markets. While customer care department maintains communication with customers, implementing a marketing strategy would be hard if marketing management stand-alone without support from other departments. Quality and customer service both support the marketing objective. Relationship marketing stands as an integrated strategy to maximize customer-oriented marketing services (Christopher, Payne, & Ballantyne, 1991).

The study would explain how TOTAL’s customer care applies relationship marketing and customer relationship management towards its loyal customers. Anderson and Kerr (2002) defined customer relationship management (CRM) as: “Customer Service Management is a comprehensive approach for creating, maintaining, and expanding customer relationships.” In the book of Customer Relationship Management (2002) Anderson and Kerr mentioned “approach” within the definition to show CRM as the way of managing a relationship. Payne and Frow (2005) have studied the implementation of CRM through interaction identification process. The study conceptualized the ‘generic process framework’ of CRM activities. They concluded that CRM process starts with the strategy development process; value creation process; then, the multichannel integration process; moreover, information management process; and up to the performance assessment process (Payne & Frow, 2005). Construction business like TOTAL, should maintain their customer relationship well to look after the business sustainability.

THEORETICAL FRAMEWORK
Relationship Marketing and CRM concepts have been discussed in earlier studies such as the article by Cohen, Cull, Lee, & Willen (2000) which explained about the importance of after-sales service and supply chain management. The study titled *Saturn’s Supply-Chain Innovation: High Value in After-Sales Service* (2000) mentioned the competition of the automotive market in the USA in the late nineteen nineties. During that period, there was another significant factor that supports automotive dealer’s revenues besides “production” sales. It was the after-sales service (Cohen et al., 2000).

CRM also discussed in Babin Pokharel’s (2011) study. He writes about the application of CRM in banking. During the rise of the technological advance era, the dynamics of businesses has changed to be more demanding. He explained that during this digital era, information-technology potential should be utilized for the banking sector, to understand customer profiles, to detect their needs and potential profitability areas to achieve customer satisfaction and competitive advantage, thus profitability (Pokharel, 2011).

Based on the conclusions of earlier studies, Saturn automotive ends up as the best company for parts availability and having the highest percentage of customers who repair their cars in the manufacturer’s retailers. Saturn maintains its customer relationship through its after-sales service. Through the competitive service price, thanks to the excellent supply chain management, maximizing the cost and repair service. Saturn has met customer requirements due to fulfilling the expectation of reliable and easy to care automotive (Cohen et al., 2000).

Moreover, the second journal article *Customer Relationship Management: Related Theories, Challenges and Application in Banking Sector* (2011) explains how CRM should be in the banking sector. Babin Pokharel (2011) mentions ‘Generic Strategic Framework’ for competitive advantage operated in banking as well. Especially how a bank should have differentiation service for each customer, as he stated: “A broad target service differentiation is not for banks they are looking for profitability. That is why today, many banks use customer segmentation to service its customers rather than given the same service to all customers” (Pokharel, 2011). It is not recommended to have the cost leadership strategy in banking. Since cost leadership has no significant effect on interest rates, loan rates, or stable financial condition for the bank itself (2011), this is why differentiation in customer service is preferable. Both previous studies put emphasize on how business compete with good customer relationship. On this study, the researcher defines Total Bangun Persada’s relationship marketing on customer market.

**Relationship Marketing**

This study describes the relationship marketing of Total Bangun Persada. Relationship marketing is an integrated activity of marketing strategy; through the development of practices, marketers build relationships with customers to have long-term customer loyalty (Gumersson, 2011). The importance of relationship marketing reflected in the definition of marketing itself. The new definition of marketing released by American Marketing Association (AMA) on 15 September 2004 as follows: “Marketing is an organizational function and a set of processes for creating, communicating and delivering value to customers and for managing customer relationships in ways that benefit the

Turning an existing customer to a higher relationship level could be more rewarding. It is easier to identify their needs rather than spending time and cost to attract prospective ones, as Payne (1993) explained in the book of *Relationship Marketing: Six Markets Framework*. To do this, one’s business needs to do personalized communication, by having knowledge of what each customer is buying. They have different needs and needed an appropriate offering. Having a differentiated offering is essential for customer satisfaction (Payne, 1993).

Next, there is a referral market. Payne (1993) mentioned that one of the best forms of marketing is the one done by its customers. Since customer has experience with one’s product or service when they are satisfied, they would spread the positive referral to others. A company should develop a relationship with the referral market because they have the potential power to expand the business (Christopher et al., 1991). Both existing customers and intermediaries should be considered as the business prospective (1991). Once the marketing effort put on referral sources, the company should be able to monitor the results (Payne, 1993).

Moreover, having a relationship with the supplier has its advantage. Payne (1993) mentioned relationship marketing in supplier market has the concept of “collaborative selling.” Through marketing point of view, there are two approaches of supplier market relationship marketing (Payne, 1993). Firstly, the traditional adversarial cooperation – the practice to maximizing benefit from suppliers for one’s advantage. The newer approach has a collaborative marketing strategy to improve quality and controlling cost (Christopher, Payne, & Ballantyne, 1991).

The fourth form of the six markets model, Payne (1993) mentioned the recruitment market (or employee market), which means the human capital that a company should have. This includes skilled people that deliver service and put company’s the culture into practice (Payne, 1993). Recruitment market defined by Christopher, et al. (1991) as: “managing staff intakes and induction process for new employees means an improvement in the reliability of staff and a direct opportunity for the inculcation of company culture.” Managing this market can be done by a demographic study of how many graduates and how many people within the age group in a particular area are qualified for the work (Payne, 1993). Recruitment can also be done by having a partnership with colleges (Payne, 1993).

Next, there is influencer market (Christopher, Payne, & Ballantyne, 1991). It is a set of activities that requires communication to the public in order to support customer market – whether directly or indirectly (Christopher et al., 1991). It does intersect with public relations, as it is within the aim of customer relationship (Christopher, et al., 1991). Influence market might differ from one industry to one another; Payne (1993) mentions the example such as a company on the stock market would have broker, analyst, and a financial journalist on their influencer market.
Furthermore, the sixth market in the model was the internal market, which has two aspects: employee as an internal customer and supplier (Payne, 1993). The company makes its employees provide excellent service and makes them be the best representation of the company in delivering the service for customers (Payne, 1993). Christopher et al. (1991) explain internal marketing as: “developing plans and actions to identify and collaborate in the management of the internal activity which has its goal the enhancement or success of the external marketing plans,” this is why the internal market is important. They need to be responsive in communication to develop relationship marketing with customers.

The ‘six market model’ projects on how important it is for marketers to analyze how to deliver effective customer relationship management. This study would describe TOTAL’s relationship marketing through Renart and Cabré’s (2005) *7 keys to effective Relationship Marketing*, they are core business, gradual approach, two-way process, reluctance, a virtuous circle, top management support, and multi-channel approach.

**Customer Relationship Management**

Adrian Payne and Pennie Frow explained customer relationship management (CRM) in the journal of ‘*A Strategic Framework for Customer Relationship Management*’ (2005):

“CRM is a strategic approach that is concerned with creating improved shareholder value through the development of appropriate relationships with key customers and customer segments. CRM unites the potential of relationship marketing strategies and IT to create profitable, long-term relationships with customers and other key stakeholders. CRM provides enhanced opportunities to use data and information to both understand customers and co-create value with them” (Payne & Frow, 2005).

The book of *Customer Relationship Management* (Anderson & Kerr, 2002) defined CRM as “Customer Service Management is a comprehensive approach for creating, maintaining, and expanding customer relationships.” They mention “approach” within the definition to show CRM as a way to maintain and expand relationships with the customer (Anderson & Kerr, 2002). Payne & Frow (2005) study conceptualized the ‘Generic Process Framework’ for the implementation of CRM activities. It starts with the strategy development process; value creation process; then, the multichannel integration process; moreover, information management process; and the performance assessment process (Payne & Frow, 2005).

**METHODOLOGY**

This study utilizes the descriptive-qualitative method to analyze the communication process of after-sales service conducted by TOTAL’s Customer Care. Denzin and Lincoln (2011) define qualitative research as a set of complex interpretive studies, with contradicting between method and interpretation may occur, intersecting all human discipline including, physical sciences (p. 6). The “hard data” given by qualitative researchers are documentation of real events such as photos study, sound recording, and certain behavior observation of social interaction (Neuman, 2014, p.177).
The researcher would conduct in-depth interviews with two managers who are in charge of customer relationship management of TOTAL. Furthermore, the writer of this study also needs feedback from one of TOTAL’s loyal customer. TOTAL’s Marketing Manager Ratna Sumantri and Customer Care Manager Sutoyo provide their view on customer relationship management. On the other hand, customer feedback provided by one of TOTAL’s loyal customer: Ramayana’s Department Store, as Arianto, Head of Operational – Property Division of Ramayana share the business’ experience of TOTAL’s after-sales service.

The information attained shall describe how customer care contributes to Total Bangun Persada’s relationship marketing, thus defining communication obstacles on customer care department’s after-sales service. Further application of the study would be practical as well. The research might serve as a valuable study reference for further effective application of customer care department’s after-sales-service as a relationship tool.

DISCUSSION

Relationship Marketing and CRM

The concepts of both relationship marketing and CRM interconnected to each other. In this discussion part, author of this study decides to merge similar elements found in the two concepts, such as ‘multi-channel approach’ in relationship marketing and ‘Multichannel Integration Process’ in the Generic Process Framework of CRM (Renart & Cabré, 2005; Payne & Frow, 2005). Both explain the channels of communication utilized by one’s business to reach customers (Renart & Cabré, 2005; Payne & Frow, 2005).

- Core Business

Customer relationship would build of core service has met with the expectation (Payne, 1993). Based on internal informants, Total Bangun Persada is a main contractor specialized in high-rise buildings. This statement backed up by Ratna Sumantri (2018), TOTAL’s Marketing Manager, as she stated that TOTAL builds mid to high-rise building with minimum project scale between 100 and 200 billion Rupiahs. Constructing high-class building as the core service, in order to meet customers’ expectations – Sutoyo, Customer Care Manager mentioned that:

“TOTAL gives guarantee even after the maintenance period is over – if a technical failure happened to the building, then we provide guarantee” (Primary data, 14 March 2018).

On the other hand, one of TOTAL’s customers, Ramayana describes TOTAL’s service as a reliable contractor. As stated by Arianto, Head of Operational Team from Ramayana’s Property Division:

“Our division usually contacts TOTAL to handle some technical issues....we are in contact with TOTAL’s Customer Care for repair-projects or building issues. After the building construction has completed of course, then it is handed to the Operational Team..... If there are problems of water leaking, ground level
collapsing, these kinds of problems we can complain to TOTAL’s Customer Care” (Primary data, 2018).

It is explained by internal informants, Sumantri and Sutoyo, that TOTAL’s core service is mid to high-rise building construction. Furthermore, TOTAL’s service does not end when the construction and maintenance period is over, but rather continuous in the future if structural or technical failure issues occur to those buildings (primary data, 2018).

Provide quality guarantee through customer care – after-sales service. This statement is confirmed by TOTAL’s customer, as Arianto from Operational Team of Property Division for Ramayana Department Store – mentioned that TOTAL not only built Ramayana’s buildings. TOTAL’s Customer Care would help the Ramayana’s Operational Team for building maintenance – even in case of roof leakages and collapsing ground (Arianto, primary data, 2018).

• Gradual Approach; Strategy Development Process

While determining the business strategy, CRM should be congruent with the business’ vision (Payne & Frow, 2005). Besides business strategy, there is customer strategy, it is managing customer data for personalized communication and delivering appropriate services; clear segmentation for prospective customer assessment (Payne & Frow, 2005).

Delivering relationship-building activities gradually, if there is a good response for current activity, then further improvement for relationship activity could be established. Author of this study tries to disclose the relationship process between TOTAL and its customers from prospective phase to repeated order. During the interview Ratna Sumantri stated that TOTAL has two types of customer;

“We could divide them into two types of customer, first there is repeated order or loyal customer and the other is the new customer” (Primary data, 2018).

Gradual approach from new customer to loyal customer also done for Ramayana, as it has been TOTAL’s repeated customer for more than a decade, since the first project done by TOTAL in 1995 (Sumantri, primary data, 2018). Sutoyo explained the process as firstly, TOTAL has to win the project by tender process (primary data, 2018). Then, TOTAL provides service based on quality and safety standards. Sutoyo mentioned that TOTAL has to work well, since Ramayana could compare TOTAL’s work result to other contractors.’ Sutoyo stated that if Ramayana satisfied due to TOTAL’s work output has matched their needs, they might ask TOTAL again for future projects (primary data, 2018).

The gradual approach from new customer to loyal customer requires a strong business strategy. Sumantri described that TOTAL develops their strategy starting in contract negotiation: “We focus on the contract. So when we sign the contract, we commit to our responsibility mentioned in the contract. The strategy is to obey the contract, I think that is the key to our actions” (primary interview, 2018).
Sumantri explained that the business strategy of ‘committing to contract’ is congruent with TOTAL’s business vision to deliver service excellence, she stated that the commitment is real, not just a cliché business principle (primary data, 2018).

“... we are the kind of contractor that is always set up everything before we achieve agreement. ...for example, there is a contractor that always say everything is okay, but in the end, after the contract has been signed they try to put on more materials, more work that wasn't mentioned earlier in the contract; so what TOTAL do is committed to the contract agreement” (Sumantri, primary data, 2018).

Whereas the customer strategy of CRM is personalized service (Payne and Frow, 2005). Arianto from Ramayana described how TOTAL could keep up with Ramayana’s demand to build a 4-stories store building within six months (primary data, 2018). He also mentioned that almost all Ramayana’s buildings were built by TOTAL, due to their trust that TOTAL will be able to fulfill Ramayana’s demand (primary data, 2018).

- Two-Way Process; Information Management Process

Relationship marketing provides mutual benefits for both parties involved (Renart & Cabré, 2005). Sumantri explained the relationship with a customer could benefitting both sides if the project was handled with openness to gain trust, “because their project is our project,” she said (primary data, 2018). Sutoyo stated that TOTAL’s commitment to customer satisfaction would bring mutual benefits:

“If we assist customer complain, of course, they would be happy. The building maintained well and functioning properly. The benefit for us would be, having a satisfied customer afterward. We hope that the customer will build a new building with us. TOTAL might be chosen again by project owner” (Sutoyo, primary data, 2018).

Every customer would have different needs. Therefore businesses need to manage data repository and IT systems, in order to utilize customer data to deliver appropriate service (Payne & Frow, 2005). Sutoyo stated that they have a database on customer service history: “We have the database on when the project was built, when the project is completed and handed over to owner, first hand over and second hand over (primary data, 2018).

Having customer insights stored in the database, TOTAL’s Marketing Department could consider which customer should to be approached. Customer insights lead to service personalization such as building construction completion within 6 to 7 months referring to Ramayana’s demand to support their business vision, they also have been provided discussion in ‘design and build’ phase of construction.
• Reluctance; Performance Assessment Process

Marketing department study which customers might be reluctant to relate to TOTAL’s service. In order to know which customer requires attention, TOTAL did customer satisfaction survey that is done by an external consultant (Sumantri, primary data, 2018). Based on the customer survey result, marketing department creates the list of customers that might need more attention – to be approached by customer care (Sumantri, primary data, 2018). Furthermore, the head of customer care, Sutoyo stated that his department opens for complaints (primary data, 2018).

“After we built their buildings, then the building has problems, of course, we are open for complaint...we are ready to provide service...” he said (Sutoyo, primary data, 2018).


Micro View of Performance Assessment Process done by TOTAL such as customer satisfaction survey done by consultant (Sumantri, primary data, 2018). Thus, in Macro View Sumantri said that having customer satisfaction survey keeps TOTAL’s after sales activities cost-effective, since TOTAL knows exactly which customers requires more attention (primary data, 2018). Besides that, TOTAL also “improve, innovate, and train” their human resource based on the standard operation (Sumantri, primary data, 2018). Sumantri believes that doing a good work according to quality standards is one important effort to be cost-effective, she stated that “...provide quality service, not causing a problem on the project, that is our effort for cost effective; every year we try to improve our service” (primary data, 2018). TOTAL’s Customer Care Department confirmed that a job that is done properly – according to quality standards is one solution for cost-effective (primary data, 2018). Even though there is after sales operation to fix customers’ building, Sutoyo described that all risks had been calculated by learning from last year’s budget (primary data, 2018).

• Virtuous Circle; Value Creation Process

Renart & Cabré (2005) explained that the Virtuous Circle in relationship marketing means exploits customer information to personalize customer service and satisfaction. Sumantri described that the personalization of service formed
during the negotiation process (primary data, 2018). She mentioned that before TOTAL set up the contract, they have a long discussion about the cost and scope of work mentioned in the agreement. Before the construction project started, TOTAL openly negotiates with project owner because they are going to commit to the responsibilities mentioned in the agreement (primary data, 2018).

Moreover, TOTAL has to consider what the value of service for its customers is. The Value Creation Process of CRM means to determine what value that company could provide to its customer; value that company receives from customers; and maximizing the lifetime value of customer segments (Payne & Frow, 2005). Sumantri explained that TOTAL has commitment value from the roots of the company “...we have to be trusted, reliable, fair deal. Back in 1971 when this company founded, at that time construction business had a bad image. It is said that they cheat all the time. So when this company established during that time, we want to be a construction business known for integrity. And the most important thing is fair dealing, cheating the material quality is common in this business. Even sometimes, project owner wanted to reduce the concrete quality to get more money from reduced cost. But TOTAL committed to doing quality service” (primary data, 2018).

How TOTAL delivers commitment and integrity value through personalized service could be described by one of its customer, Ramayana. As TOTAL able to build four buildings per year, and even being punctual in finishing a building store construction within seven months, fulfilling Ramayana’s demand (Arianto, primary data, 2018). TOTAL’s integrity value proven with Ramayana as the loyal customer has their project handled by TOTAL dated back to 1995 (Sumantri, primary data, 2018).

To provide personalized service and deliver values to customers, TOTAL has a long discussion about the cost and scope of work mentioned in the agreement. Before the construction project started, TOTAL openly negotiates with project owner because TOTAL will commit to the responsibilities mentioned in the agreement (primary data, 2018). TOTAL’s Customer Care have roles in delivering commitment and integrity values as described by Arianto that once the walkway in front of Ramayana store in Cibadak, Sukabumi has collapsed, he called Customer Care for an urgent response – then TOTAL’s team dispatched right away one day after the call (primary data, 2018). TOTAL’s commitment to their guarantee and personalized service reflects by their quick response in handling complains. Arianto, representing one of TOTAL loyal customer Ramayana, has a positive view on TOTAL’s response in assisting Ramayana’s building problem.

- **Top Management Support**

Another aspect of relationship marketing is Top Management Support, by having support from top management to establish a long-term relationship, not just short-term results (Renart & Cabré, 2005). Sumantri mentioned that all directors in TOTAL were once the project manager (primary data, 2018). Whereas some of
them become a department director while functioning as several project director at the same time (Sumantri, primary data, 2018). She described that the top management was personally involved in the projects.

TOTAL’s Customer Care Manager, Sutoyo said that the Top Management is “very supportive, and it has been the company’s policy” to maintain the relationship with customers (primary data, 2018). He explained that customer care’s operational costs need the top management approval, by assessing the scope of work for customer care’s after-sales service based on the signed agreements with customers (Sutoyo, primary data, 2018).

Therefore, the relationship between TOTAL and their customers has been built since the negotiation process due to the open discussion on the work agreement. TOTAL ensure long-time relationship through after-sales-service which conducted by customer care. All of these factors supported by top management directors who are experienced in handling projects, and even involved in current projects as they are project director and department director at the same time (primary data, 2018).

- Multi-Channel Integration Process

Both relationship marketing and CRM have the aspect of multi-channel communication. Relationship building requires integration of communication channels for effective and efficient communication (Renart & Cabré, 2005). Therefore, Payne & Frow (2005) explained that CRM requires integration of communication channels to present a unified view of the customer, ensuring they have positive experience relating with the company. Sutoyo stated that TOTAL’s customer care use email:

“...we have a standardized email address, if they have any problems they could email right away to us, we will provide good response....” (primary data, 2018). Besides email, Sutoyo mentioned the use of other communication channels such as mobile phone and WhatsApp contact. Whereas there is active office landline contact as well (primary data, 2018)

Arianto from Ramayana’s Property Division supported Sutoyo’s statement as Arianto mentioned how he contacted TOTAL: “Usually I contact them by email” (primary data, 2018).

Arianto mentioned that TOTAL’s customer care email has ‘email blast’ mechanism, “I sent email to customer care, then it is blasted to their team,” Arianto said (primary data, 2018).

Hence if Arianto requires immediate respond for urgent matters he would make a call, then later send the details with photos attached through email (primary data, 2018). He mentioned that TOTAL’s Customer Care is quick to respond – only
one or two days after the call, the Customer Care team has arrived at the scene (Arianto, primary data, 2018).

Arianto stated that there are no significant obstacles in contacting TOTAL, customer care is proven to be responsive and act quickly (primary data, 2018). By managing customer complains through integrated channels, TOTAL made sure that they are easy to reach. Every channel serves its purpose based on different demands, such as WhatsApp contact for immediate respond and email for a detailed description of the complaint (primary data, 2018).

Business-to-Business (B2B)

There are terms known as B2B and B2C among marketers. They are the shorter forms of business-to-business (B2B) and business-to-consumer (B2C) (Chauhan & Anbalagan, 2014). The terms refer to the products and services selling process. While B2B is the selling process between companies, B2C is selling to end-user (Chauhan & Anbalagan, 2014). Business-to-business selling process mentioned as ‘business market’ in the book of Marketing Management (2014) as follows:

“The business market consists of all the organizations that acquire goods and services used in the production of other products or services that are sold, rented, or supplied to others. The major industries making up the business market are agriculture, forestry, and fisheries; mining; manufacturing; construction; transportation; communication; public utilities; banking, finance, and insurance; distribution; and services (Kotler & Keller, 2014).

Relationship between TOTAL and Ramayana considered as B2B given the fact that both of these parties are companies. TOTAL provides building construction service while Ramayana is a retail company offering one-stop shopping for clothing, accessories, electronic products and fast food restaurants (Ramayana, 2018). Ramayana builds their store buildings using TOTAL’s service and if technical problems occur regarding the civil works of their buildings, TOTAL is open for Ramayana’s complains and would provide after-sales service – executed by TOTAL’s Customer Care Department.

After-Sales Service

Bundschuh and Dezvane stated that after-sales service is one important activity for manufacturing companies such as transportation (2003). They explained in ‘How to Make After-sales services Pay Off’ (2003) that besides producing certain products, manufacturing companies’ customers tend to look for reliability which built to last. Some well-established companies gain higher revenues from maintenance or installation “service” rather than their “product” sales (Bundschuh & Dezvane, 2003). Saccani, Johansson, and Perona mention after-sales service in their journal article ‘Configuring the After-Sales Service Supply Chain’ that manufacturing industry has three major activities of after-sales service which is essential to be delivered thoroughly (2007). They are field technical assistance, spare parts distribution, and customer care (Saccani, Johansson, & Perona, 2007).
After-sales service in the construction company will be different from other goods after-sales service, due to construction company sells their “service” instead of “goods.” From earlier studies, the definition of after-sales service is: “after-sales services for manufactured goods encompass the set of activities taking place after the purchase of the product devoted to supporting customers in the usage and disposal of goods” (Saccani, Johansson, & Perona, 2007). We could agree that the “purchase” in a construction company is contract signing. Next, when the construction process has finished, there is a project maintenance period. Then TOTAL’s customer care - after-sales service takes place after the project maintenance period. This is where Customer Care activity supports TOTAL’s core service: “building construction.

**Competitive Advantage**

Porter (1985) explained how firms build a competitive strategy for its position in the industry. Porter explained that with various strength and weaknesses that one firm possesses, there are two basic ways to compete with competitors. They are ‘cost advantage’ and ‘differentiation’, which could be applied to broad market segmentation (Porter, 1985). The competitive advantage also applicable for narrow segmentation, they are called focus strategy. Porter (1985) classified focus strategy into ‘cost focus’ and ‘differentiation focus.’

TOTAL is a construction company that builds international-standard buildings, focuses on high-end market segmentation (Total Bangun Persada, 2017), by serving a segmented market, TOTAL provides a competitive advantage in focus strategy. TOTAL has a differentiation focus’ competitive advantage by implementing lifetime guarantee in their after-sales service. TOTAL’s after-sales service operated by customer care department does not limit to building repairs, compensation for damages besides civil work might occur if the cause was within TOTAL’s scope of work (primary data, 2018).

**CONCLUSION**

Based on the interview conducted on Total Bangun Persada and Ramayana, the study concluded that customer care of TOTAL works as after-sales service. Customer care delivers TOTAL values of integrity in quality service and providing lifetime guarantee to the customer market of relationship marketing (primary data; Christopher, et al., 1991).

Firstly, TOTAL delivers core service that meets with customers’ expectation, that is being a contractor specialized in premium high rise building thus providing lifetime guarantee to live up to its quality (Total Bangun Persada, 2017; primary data, 2018). Then, TOTAL gradually approaches the customer from new customer’s tender process, strategy being developed during contract negotiation in order to obtain customer data for delivering personalize service, learning the needs of customer during project completion and provide after-sales service through customer care department after project completed (primary data, 2018).

TOTAL also makes sure that there is a two-way process of communication (Renart & Cabré, 2005). TOTAL built trust and integrity by committing to the work specification
agreed upon, the customer received the service as it is on the agreement (primary data, 2018). As explained by Sutoyo and Arianto that TOTAL provide personal service such as fulfilling Ramayana’s demand for a building to complete within six to seven months, supporting Ramayana’s business vision (primary data, 2018). TOTAL seeks repeated order from the satisfied customer (primary data, 2018).

Furthermore, TOTAL did Value Creation Process (Payne and Frow, 2005) by building trust and integrity through committing to the work specification agreed upon. TOTAL is committed to the scope of work and other specifications on the contract (primary data, 2018). Hence, after the project has completed TOTAL’s after-sales-service not limited to building reparation, compensation for damages besides civil work might occur if the cause was within TOTAL’s scope of work (primary data, 2018). Customer care department provides fast-response after-sales service to achieve TOTAL’s value of ‘lifetime guarantee’.

Multichannel Integration Process (Renart & Cabré, 2005; Payne & Frow, 2005) done by TOTAL to make sure that the customer has no obstacles in contacting them, such as email for communicating detailed information; mobile contact for short message or call for an immediate response (primary data, 2018). Ramayana for example, is one of the loyal customers who has positive response about TOTAL’s after-sales service responsiveness as provided by the customer care department.

Besides customer market, the ‘Six Market Model of Relationship Marketing’ explained by Christopher et al. (1991) had five other market models that should be considered by a service company like TOTAL. Other fives are supplier, referral, employee, influencer and internal markets (Christopher et al., 1991). Because relationship marketing does not end by gaining profit from customer, the result of relationship marketing is marketing network, it is a profitable – mutual relationship of stakeholders, consists of customers, employees, suppliers, and others related to the company (Kotler & Keller, 2014).

BIBLIOGRAPHY


