Social CRM Analysis with Netnography Methods for Increasing Customer's Confidence (A Study Case: PT. Telkom Indonesia)

Juneth N. Wattimena[1] and Wiranto H. Utomo[2]

[1, 2] Information System Department, Faculty of Information Technology, Satya Wacana Christian University, Salatiga,

Central Java 50711, Indonesia

[1]junethwattimena@gmail.com, [2]wiranto.uksw@gmail.com

ABSTRACT

PT Telkom Indonesia is one of the internet service providers which has many consumers. Looking at the increasing social media user, therefore social media can be used as a media to increase the CRM that PT Telkom Indonesia has. Social CRM is a renewal from the CRM that has been applied before in PT Telkom Indonesia to support its business process. The data collection and the analysis stage use netnography method, where the analysis will be done toward the postings in twitter and online interview. This research is focused more to the correlation and interaction to the costumers online, and the method used is netnography to minimize the purpose of the social media in increasing the social CRM. The result of this research is to give a description of CRM social application so that the company is able to weave a good relationship and fulfill what customer need.

Keywords: *Netnography, Social CRM, Social Media.*

1. INTRODUCTION

Media social is an online media which gives facility to the customers for communicating with other people fast and directly [1]. The rapid increasing of media social usage in all over the world makes the company needs to involve its business process in social media activity.

In 2015, there are more than 284 million *twitter* active users and more than more than 40 million *twitter* active users in Indonesia. Besides the multitude users, twitter also has an interesting feature that can be used for business necessity. The increasing media social user can be a big chance for the company to combine between media social user with CRM usage in the company. This CRM innovation is known as social CRM.

Social CRM is often used by companies to increase the communication and interaction with customers. One of the companies that apply social CRM is PT Telkom. With various customers using it, therefore PT Telkom is expected to serve customers with quick service and needs. The problem faced is how PT Telkom can keep the relationship with numerous customers for being loyal to the company. The other problem is PT Telkom wants to know any critic, suggestion, and comment from the customers for increasing company's service.

Most of the interaction between the customers happen in media social platform, which is out of company's range like facebook, twitter, blog, e-mail, and other communities [2].

Besides social CRM method, netnography method will be used as the method of data analysis. The usage of netnography can make the customers feel more comfortable if we socialize and known in the digital world, more efficient, and can express more in delivering critic and suggestion towards company's performance. The advantages of netnography method in social CRM is the quickness in getting the information about better knowledge to the customer's social thoughts, without consu-ming a long time and a big cost.

Based on the analysis above, this research is done to analyze social CRM with netnography method in increasing the trusworthiness of PT Telkom's customers and become a consideration for the company in involving the customers' directly in its business process.

2. RELATED WORK, RESEARCH PURPOSE, AND CONTRIBUTION

2.1 Related Work

The research entitled "Using Social CRM to Influence Customer Service and Loyalty: A Perspective in the Airline Industry" explains about how the company can use social CRM. The data collection method uses qualitative and quantitative method with aductive approach, which are chosen from case study with interview technique and online observation. The interview which was done to JetBlue submitted 502 tweets and was analyzed for netnographic research, and 26 responses along the online survey. The application of social CRM gives a primary effect in increasing chance to collect suggestions directly from the customers and give an understanding about the company for increasing

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the chance for collecting suggestions from the customers and understanding to increasing the service offered in the future[3].

The other research entitled "Managing Customer Relationship in the Social Media Era: Introducing the Social CRM House" explains on how CRM needs to adapt with the emersion of social media. This research discusses how the involving of social media affects the company and its supporting business area. The technology has been enabled the consumers to filter the CRM advertisement and message, comparing the competitor's price every where by mobile, and distributing positive and negative messages to the customers. The conclusion of this message is that there is a CRM enhancement for lasting in the market competition with involving the consumer and giving value for the cooperation [4].

2.2 Research Purpose

This research aims at analyzing the usage of social media by the company in using social CRM. The advantages of this research is to help the company for having a good relationship with customers and applying the social CRM strategies as well as having suitable social media which is appropriate with the strategy from the company.

2.3 Research Contribution

The contribution of this research for the company is to give a description about the development of social CRM in analyzing the performance and service in PT Telkom by producing behavior and response from the customer or from the company itself. By looking at the analysis from the social media, the company can enhance the service more and considerate the service or busines strategy which is suitable with what consumer needs. The contribution of this research for the future that it is expected that it can give new description in its correlation with social CRM analysis, netnography, and the development of social CRM.

3. SOCIAL CRM, NETNOGRAPHY, AND SOCIAL MEDIA

3.1 Social CRM

Social CRM is the development from the traditional CRM system which has existed before.
There are some basic differences here:

Table 1: The Differences Between Traditional CRM and Social CRM [5].

Traditional CRM	Social CRM
The features of approaching customers—selling, marketing, and support, is still isolated by back office and supply chain.	It is fully integrated with the company's value chain which includes the customers as the part of it.
Creating a close relationship with customers.	Creating a real and transparant interaction with the customers. Using knowledge to make a meaningful dialogue.
Creating the consumer process from the company's point of view.	Creating the consumer process by identifying that the relationship with the customers include the behavior of finding information and the contribution information.
The marketing is focused at the very specific message sending process and appropriate with the target to the customers.	Marketing is the front line in creating the dialogue with the customers, involving the customers in activities and discussions, observing and directng dialog between the customers.
The business is focused at the product and services which can satisfy the customers.	The business is focused at the surrounding and the experience which involves the customers.
Practical and operational.	Strategic.
Focuses on the correlation between the company and the customers.	Focuses on the relationship iteration (in the company, partners, and customers), and specificly identify involving and allowing 'influential nodes'.
The company sets the relationship with the customers.	The customers collaborate with the company.
The technology focuses on the operational aspect like selling, marketing, and support.	The technology focuses on operational and social and integrates the customers with all the company value circle.
The relationship between the company and the customer is like the relationship which is set by the company.	The relationship between the company and the customer should be equal and the customer should hold an effect in every other aspect.

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Next, there are some steps which are happened in social CRM which can be able to be explained in process in Figure 1.
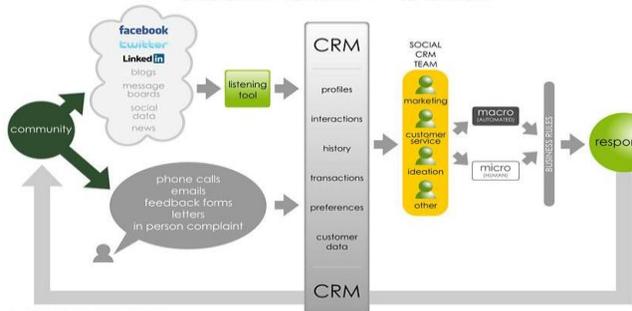

Fig. 1. The Process of Social CRM[6].

The process of social CRM in Figure 1 can be explained with looking at the combination between social media and the CRM that the company used to broaden the service and marketing strategy easily.

3.2 Netnography

Netnography (online ethnography/virtual ethnography) was popularized by Robert Konzinets in 1997. Netnography is a tendency of some people who feel unable to be interviewed, expressing opinion, or asking directly in the real community. The observation in netnograhy can be done in a mailing list discussion, which is followed with more depth exploration by online chatting with the respondent.

The advantage of netnography is the quickness in collecting information, the cost used is the lowest compared to the other methods, and this method is considered more natural and cannot disturb the originality from what happened with trusted language. On the other hand, the disadvantage of netnography is located in how proficient an ethnographer in implementing the collected information, and about someone's identity in virtual world which is often does not describe the real condition.

The stages in netnography is divided into five parts. The first stage: *entrée*, which identifies the objective and constructing research formulation. The second stage: data collection. Here, the data is collected by involving and interacting as well as observing the communication happened between the visitors of web/news, mailing, blog, and its kind. The third stage: analysis and interpretation, which is the same with the marketing research in general. The researcher is able to start the analysis by making classification from the activities and trend happened. The fourth stage: research ethics. It is aimed at minimizing bias in the research. The next step:

member check. Here, the brainstorming is done with the other team to get a reliable analysis and conclusion[7].

3.3 Social Media

Basically, social media is the newest development from the internet-based web technologies, which enable people to be able in communicating, participating, sharing, and creating an online network so that they can distribute their own content. Sending something in blog, twitter, or youtube video can be reproduced and viewed directly by million people free[8].

The total of internet users in Indonesia reach 70 million or 28% from total population. The social media users like facebook ammount around 50 million or 20% from the total population, while the twitter users reach 40 million or 16% from total population[9].

The social media used in this research is twitter, facebook, and email that PT Telkom has.

4. RESEARCH METHOD

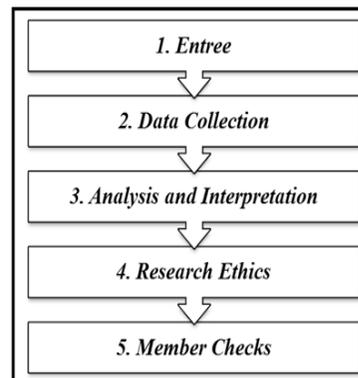The research stages in Figure 2 can be explained as follows.

Fig. 2. Research Stages of Netnography[7].

The first step: entrée, is an identification to the objective and make a research. The objective identification is done by seeing the research background. The research formulation is designed like writing scientific article, it is to make the introduction, literature review, research methodology, result and discussion, conclusion, and references. This research methodology is done based on the netnography stages.

The second step: data collection. In this step, the data which correlates with the research is collected such as social CRM, the data from PT Telkom, netnography, and other data. The social CRM, netnography, and data which is correlated with the research, is obtained from the searching result from Google, books, and some other correlated journal sources. The data which comes from

PT Telkom is obtained with some ways, it is the feedback data from PT Telkom's twitter and the interaction data between the company and the customers by online in facebook and email. The data obtained include the interaction between the customer with the (part of development), offered data services, and the user of social media in supporting the performance as well as answering customer's complaint.

The third stage is analysis and interpretation, which is the analysis from the feedback data obtained from the twitter account of PT Telkom. This process is done with using Microsoft Excel 2010 which will present some of graphic results from postings in twitter. From the feedback data in twitter, they are divided into some kind of analysis, which is: kinds of twitter postings, the respond from PT Telkom towards customer's complaint, and customer's behavior towards PT Telkom's performance in Twitter.

The fourth step is research ethics, which present analysis result. This step is focused into two main parts which is the customer's point of view about the company and the company's point of view about the customer which are obtained from twitter. Next, the description about the company's point of view about the customer is obtained from the online interview data from facebook and PT Telkom's email. The intended research ethic is seen when the research fully hiding her existence in doing the interview so that the information can be easily obtained and can keep the secrecy of the information.

The fifth stage is member checks, which is doing brainstorming with the other team member in order to get an analysis and conclusion. Nevertheless, in doing this research, the researcher does not have any team (individually). As the result, the researcher do her research alone and concluding the analysis result in the other stages and giving recommendation which become the consideration of PT Telkom later in enhancing the service and maintaining the customer.

5. RESULT AND DISCUSSION

5.1 Research Result

Based on the netnography research method, the result obtained is described as follows.

(1) The first stage result: is about the aim of the result is to analyze the usage of social media by the company in using social CRM. Next, for the research formulation, it is done with the netnography stages and supporting theories.

(2) The second stage is about the web visitor's communication data, mailing, and blog. In order to

know whether it is suitable with the implementation in the research field, therefore the research will be done by analyzing 372 tweet posts (in October 2014) with the feedback between the customer and the company like portrayed in Figure 3.

Fig. 3. Customer Complain on Twitter.

(3) In this analysis, the difference between the male customer and female are 250 and 132 (with the percetage 65% and 35%). The time average needed to reply the customer's twitter posting is 1 to 5 minutes. The data is managed with Microsoft Excel 2010.

(4) The information appears from depth people's interaction which shows what customers want, their lifestyle and what they are fond of [10].

(5) The third stage result is the analysis from the data obtained in the twitter postings, which are classified into four main parts, they are complaints, compliments or gratitude for the company's services, questions, and generally related with various services offered by PT Telkom.
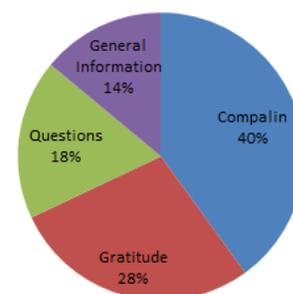

Fig. 4. The Percentage of Posting Types in Twitter

The Figure 4 explains about the percentage of posting types in the twitter account of PT Telkom, including complaints (40%), gratitude (28%). The big percentage in the complaining category gives unfavorable ratings to the company in handling

the customer's complaint. Many media become the tool to deliver complaints, but it is lack of follow-up from the complaints delivered by the customers. Besides complaints, 28% appreciation and gratitude from the satisfied customers, and 18% is used to ask questions related to the services provided. As much as 14% is the general information presented by the related company in its correlation to the cheap internet packet, how to make the connection faster, and other things.
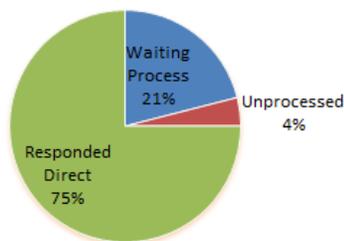

Fig. 5. The Percentage of Company Respons to Customer Complaints.

How PT Telkom responds the complaint from customers can be seen from 372 twitter posts. The percentage of company's response can in figure 5 can give a good assesment to the company because 75% of the complaint are responded direct.
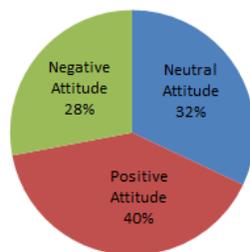

Fig. 6. The Percentage of Customer Attitudes on Twitter.

At 372 twitter posts from customers can be analyzed customer behavior on twitter shown in figure 6. As many as 40% of customers are still positive to question and satisfaction with the services and services provided by PT. Telkom.

(6) The result from the fourth stage is to minimize research coverage with classifying some factors

which become important part in doing social CRM analysis with netnography method along the research. The result in this stage is divided into two parts as described like follows.

The result of customer's point of view about company:

The consumer's existence to the company is very important to develop the company align with its objective. Based on the data obtained in this research, there are some important parts which are able to answer the objectives of the research based on the customers' point of view towards the company, they are:

(a) The positive behavior and the trustworthiness from the customers to the company, especially for PT Telkom which is expected to make interesting services and offers for the customer, and answer all the complaints and critics delivered. Based on the data analysis result done toward the twitter postings it can be explained that almost all customers has positive behaviors when delivering complaints, critics, or questions to PT Telkom. Besides positive behavior, there is also negative behavior from the customers because the complaints have not been followed-up.

(b) The communication between the customers and the companies is what should be done by every service organization, both the company or government's institution. The busines communication between the company to the is what should be done by every service organization, both the company or government's institution. The busines communication between the company to the customer can be done with various media such as advertisment, optimizing the service of customer service and media social communication. This is needed as the important part in running the company's strategy for giving many advantages. Having a delightful relationship and goof communication with the customer or probable customer can make company's reputation becomes good. As a result, the customer can evaluate definitely how the quality and credibility of the company in serving the customer.

(c) The reliability in the customer's service quality which is the main key of the successfulness and the basic part in building the company strategy in many areas. The effort of PT Telkom in enhancing the service quality of Speedy internet in giving the best service so that it can fulfill the

customer's need is useful to give facilities, accelerate, and enhance the employee's performance in its service. PT Telkom gives various interesting services for customers like the development of Speedy's product with various services according to customer's need with the price and the quickness of the procedur and the service system. Either the role of the customer service or interaction in social media is able to give a service which answers every customer's problem.

The result of company's point of view to the customers:

The company involves social media as the part that supports the performance and the relationship with the customers or the probable customers. Based on the data obtained in this research, therefore there are some important parts which is able to answer the research objectives from the company's point of view to the customers, they are:

(a) The certainty in serving the customer's complaints and questions, where the complaints and questions often characterized as something uncomfortable to be heard, but unconsciously it is the beginning for knowing what customer wants and needs. The trust and credibility from a company will be kept on its track when the company can handle all the complaints delivered. PT Telkom-Speedy has shown that every complaints and questions delivered towards twitter, facebook, email, or other social media has been followed-up by the company. Besides that, the complaints and the questons delivered by the customers may be delivered not only in the office hours, but also every time towards the social media that PT Telkom has.

(b) The newest service provided, which is the customer will keep on trusting a company when there is a transparency and communication created. Unconsciously, the customer feels involved and needs to know newest idea and modification from the company. The newest service is often offered by PT Telkom to its customers towards social media. The importance of offering the new service to the customer is that in order to be able to be more focused in developing the service enthused by the customers. PT Telkom also can notify the customer that there is a new service designed according to what society needs or even the capacity of the service is better than the in-progress service.

(c) The positive behavior in answering the customer's complaints. The company's behavior in responding every suggestion from the customer is an important thing related to the relationship happened to them. Based on the data obtained in PT Telkom, the company (admin as the one who manage the social media) gives a positive behavior in every question or complaint delivered. The explanation given to the customer can be easily understood and the information is suitable to the offered products. Besides that, the company initiatively offering the suggestion without being asked if the customer having difficulties in finding what is suitable with his needs.

(7) The fifth stage's result is about the effort of concluding the analysis result completely and becomes the conclusion which will give recommendation in order to enhance the service and maintaining PT Telkom's customer.

5.2 Discussion

Research on social CRM analysis with netnography methods have been applied to various fields. Some of the similarities and differences observed in a comparison with the other research.

The research entitled "Identifying Effective Indicators in the Assessment of Organizational Readiness for Accepting Social CRM" explains about social CRM which believes that it has to prioritize more on the customer and the involved relationship, not just the product and services provided[11]. The similarity and diverencess between the Shokolehyar research and the research in this journal is discussing about the social CRM but not discussing about netnography, and more focused on the customer's importance, and the giving of the capital in evaluating the readiness of the organization in applying social CRM. The method used in this research is CRM method and TAM method (Technology Acceptance Model) which is one of the behavior theoretical approaches used to examine the information adoption process. The weaknesses from TAM method are: no behavioral control, no cross-cultural consideration, and only giving the very general information or the result about the behavior of the system user in receiving the information technology system.

The other research titled "CRM to Social CRM: the integration of new technologies into customer relationship management" explains the new model for social CRM, including designing new initiative in involving the customer and adaptation for taking the responsibility from the effect of social media

technology in CRM[12]. The similarity and the differences between Choudhury and this research is discussing about social CRM, but not discussing about netnography and focused to the interactive relationship with to the customers. The method used is the CRM method combined with the customer's equity. The advantages from the method used is focused on the contemporary phenomena in the society and giving a facility to share the two-way information between the marketer and the customer, and it is supported with the customer's involvement. The disadvantages of this method is that the research is only applied in one team, not catagorizing the organization besides the parameter from the CRM implementation, and not discussing from the customer's point of view. In this research, it is described too about the effort in enhancing the trust from the customer which is based on the previous CRM. The contribution in this research is like the model development for social CRM including the contemporary marketing theory and the practice as well as the social media technology usage in facilitating the information process which will affect the marketing performance. This research earns a proposal on the social CRM model with considering the importance of the collaboration between the marketer and the customer as well as increasing the customer's relationship enhancement.

The research entitled "The search for innovative partners in co-creation: identifying lead users in social media through netnography and crowdsourcing" explains the netnography application for making the approach done by the consultant company[13]. The similarity and the difference between the Brem's research with the research in this article is in discussing about netnography but not discussing about social CRM, and emphasizing more on the knowledge in making the innovation for producing the product ideas which can answer the customer's expectation. The method used is netnography and crowdsourcing. The strength of this method is that the company does not need to hire an expensive-cost consultant for obtaining a suggestion or solution for soving the problem, and the existence of the crowdsourcing can spread quickly. The weakness of this method is the license safety is not maintained because of the wide coverage from the people to give the opinion. In this research, it is explainedabout the effort to enhancing the customer's trust obtained from the analysis result of 24 main projects. The role of netnography has a similarity with social CRM which is to show the newest way for involving the user with using the social media and giving more information to have an interesting knowledge in the success of the leader.

The other research is done entitled *"The relevance of netnography to the harness of Romanian health care electronic word-of-mouth"* explains the netnography application in medical world in enhancing the patient who can solve the physical problem and the time problem[14]. The similarity and the difference between the Bratucu's research and this research is that the research is discussing netnography but not discussing about the social CRM and refer more to the recommended age ethnography procedure. The method in this research is netnography and the word-of-mouth marketing method. The strength of this method is about the interaction created give the face-to-face communication which enable someone to be more transparent towards the problem faced and having a big role in the patient's decision making. The weakness of this method is that the customer will spread every news, both the satisfying service and the unsatisying service which is observed in a health service. The netnography role has similarity with the social CRM in enhancing the customer's trust which is not-fully found. Many customers are not fully involved in the system in this hospital.

The research done in this article discusses the social CRM and netnography method. The difference which can be seen from the previous research is more focused in the relation and the interaction to the customer online, and the method used for netnography to minimize the media social use in enhancing social CRM. The using of netnography in analyzing the social CRM with earning some of the important parts has been discussed in the research research done. With considering the marketing strategy focus which is appropriate with the pattern and what customer wants and can know what is needed by the customer. The application of the social CRM without the support of optimizing the social media in constructing the relation with the customer is not efficient. The business strategy and building the trust between the customer and the company can be done with: providing internet sevices with an affordable price, the follow-up from the critic and the input delivered by the customer toward the social media that the company provides every time without considering the service hour, or making some events or meetings which involves the customer and the company directly so that the relationship will be closer and can be easily interact.

6. CONCLUSIONS

The good relationship with the customer is not only maintained, but also attempted to be developed. Some strategies done by the company to give satisfaction and

enhancing the customer's trust. Based on the data analysis about the application of social CRM using netnography technique which is done in PT Telkom, it can be concluded that the social CRM strategy in PT Telkom including making and creating the relationship with the customers, preserving the relationshp with the customers, developing the relationship with the customer with building a community, to make the customers loyal to the company and broaden the marketing network of PT Telkom.

The strategy to preserve the relation with the customer including building the kinship and the close relationship with the customer, helding a promotion or involve directly about the customer, and making the customer fanpage. To develop the relationship with the customer includes to quicken the customer in delivering the complaints, and always responding the complaints kindly and politely to create a better relationship with the customer.

PT Telkom has used the social media in its business process to interact with the customer. This can be seen from the customer who delivers the input to PT Telkom by twitter. The usage of social media in maximizing the social CRM has been done, it means that how the company can make a good relation and fulfill what the customer needs.

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AUTHOR PROFILES:

Juneth N. Wattimena is a senior college in Information System Department, Information Technology Faculty, Satya Wacana Christian University, Salatiga, Indonesia. Despite studying inorder to achieve M.Cs degree tittle. Research specialization is in field of social customer relationship management and netnography.

Wiranto H. Utomo is a lecture and professor in Information Technology Faculty, Satya Wacana Christian University. He got master degree in Computer Engineering at Gajah Mada University in 2002 and his PhD at Gajah Mada University in 2011. He has bear dozens of studies that published on IJCSI, IJWA, MASAUM, Journals, IJCA, and in International Conference including IWAS of the ACM. Research specialization of Prof. Dr. Ir. Wiranto Herry Utomo, M.Kom. is in the field of web service, SOA, software engineering, and e-Business project.