ABSTRACT: Customer Relationship Management (CRM) plays a crucial role for businesses as technology advances and consumer demands continue to rise. However, CRM implementation faces challenges from both external and internal factors within an organization. Ineffective CRM implementation can lead to customer dissatisfaction, decreased loyalty, reduced profitability, and missed business opportunities. This research aims to improve the MILKY CRM loyalty program by identifying the key root causes and proposing alternative solutions, ultimately determining the best alternative to enhance the program. The methodology includes in-depth interviews and analysis using the Kepner-Tregoe framework, which involves problem analysis, decision analysis, and potential problem analysis. Supported by external and internal analyses such as Porter's Five Forces, Customer Journey Mapping, and an Integrated CRM Scorecard, the results are then utilized for a SWOT analysis.

The problem analysis identified 21 attributes as the root causes affecting MILKY CRM loyalty program performance. These attributes include Consumer Behaviour, Change, Aggressiveness of Competitors, CRM Agency Capability, Healthcare Apps Strategic Partnership, Potential New Segments generated by New Entrants, CRM Differentiation, Strong Brand Reputation, Content Management, Ability Services Program, Customer Engagement, Customer Experience Improvement, Win Back Lapsed Customers, Incomplete metrics tracking on CRM scorecard, Financial Budget Constraints, Personalization Services & Rewards, Digital Acquisition Transition, Segmentation & Tiering Review, Balancing Strategy on Customer Acquisition & Retention, IT System Capabilities, and Human Capability on CRM. In the decision analysis section, alternative solutions were generated through TOWS analysis, and the best alternative was determined using the Analytical Hierarchy Process (AHP) tool. The top chosen strategy, Strategy #2: Optimizing CRM & Organizational Strategies for Enhanced Customer Engagement & Operational Efficiency (W/O Strategies), is recommended for future improvement. Focus areas include communication, resources, technology, and KPI metrics to mitigate potential problems. Overall, this research provides valuable insights and recommendations for enhancing the performance of the MILKY CRM loyalty program, ensuring its effectiveness in meeting customer needs and driving business success.

KEYWORDS: Analytical Hierarchy Process, CRM, Customer Journey Mapping, Kepner Tregoe, SWOT, TOWS.

INTRODUCTION

Customer Relationship Management (CRM) is crucial for businesses as technology advances and consumer demands increase. CRM implementation faces challenges from both external and internal factors. These include competitive landscapes, economic factors, shifts in consumer behavior, data quality, integration issues, resource constraints, and technology limitations. Ineffective CRM implementation can lead to customer dissatisfaction, decreased loyalty, reduced profitability, and missed business opportunities. By addressing the declining trend in monthly active users and customer dissatisfaction, the company can adapt to changing market dynamics and maintain a competitive edge. This research aims to improve the MILKY CRM loyalty program that implemented by a multinational Food & Beverages company. It identifies the key root causes of underperformance and proposes alternative solutions to improve the program.

MILKY CRM loyalty program is one of Customer Relationship Management program that implemented under one of well known brand on multinational company in Indonesia. The MILKY CRM Loyalty Program performance on 2023 indicates gaps that potential generate issues on its performance and effectiveness. Overall metrics that measure on MILKY CRM loyalty program compared to its KPI, only achieved on 60-70% out of 100%. The metrics that impacted such as Member Registration, Monthly Active Users, Connectivity Rate, and Loyalty Contribution. Through this research aimed at improving the CRM program, there is
an opportunity to enhance the MILKY CRM loyalty program. Aligned with the objective of this research to identify key root cause and its alternative, as well as determine the best alternative to improve MILKY CRM Loyalty Program.

**LITERATURE REVIEW**

This chapter provides the theoretical foundation for the research on the MILKY CRM loyalty program, detailing theories such as Customer Relationship Management (CRM), Kepner-Tregoe Decision Analysis, Porter's Five Forces, Customer Journey Mapping, CRM Scorecard, SWOT & TOWS Analysis, and Analytical Hierarchy Process.

**A. CRM Scorecard**

CRM is crucial for success in today's global economic landscape, enabling companies to manage customer experiences effectively, improve productivity, and maintain competitive advantages. However, as mentioned by inadequate CRM performance can lead to significant consequences like customer dissatisfaction, loss of loyalty, decreased profitability, and missed business opportunities, highlighting the importance of maintaining strong CRM performance (Payne, 2005).

A CRM Scorecard is a strategic management tool used to measure the effectiveness of a CRM program, including metrics like customer interactions, satisfaction levels, engagement rates, and overall impact on business objectives. Perspectives of a CRM Scorecard include Organizational Performance, Customer, Process, and Infrastructure, providing a comprehensive framework for evaluating CRM impact. For MILKY’s CRM program, the primary objectives of the CRM Scorecard are to monitor and evaluate CRM initiatives' success, ensure alignment with business goals, and facilitate data-driven decision-making. Establishing clear performance metrics and regularly monitoring them helps assess CRM initiatives’ effectiveness and identify improvement areas (Reinartz, 2004).

**B. Kepner Tregoe Analysis**

The Kepner-Tregoe (KT) analysis is a systematic approach from basic rational process, started from assessing and clarifying, relating cause effect, making choice and anticipating the future. This research on MILKY CRM program, KT analysis supporting on assessing & clarifying section such as identification and define the problems. Next is relating the cause and effect with analyzing root causes the problems. Followed by making choice, with evaluating alternatives solution that feasible to solve the problems and implementing the effective solution. Lastly, anticipating the future problems, delivering continuous improvement through data-driven decision-making. This is became the ultimate goals to improve customer satisfaction and loyalty while driving business growth. (Kepner & Tregoe, 2013)

**C. Porter Five Forces**

Michael Porter's Five Forces theory is used to identify the root cause of gaps in CRM performance by evaluating MILKY CRM's competitive dynamics. This framework highlights the high barriers to entry, significant bargaining power of technology suppliers, and intense rivalry among competitors, shaping MILKY’s CRM strategies. (Porter M. E., 2008) By understanding these forces, MILKY can identify opportunities for innovation, allocate resources effectively, and develop personalized marketing strategies that enhance customer loyalty and satisfaction, providing critical insights for informed decision-making and maintaining a competitive edge in the dynamic market of children's nutrition.

**D. Customer Journey Mapping**

Customer Journey Mapping visualizes the steps customers go through when interacting with MILKY’s CRM program, providing a detailed view of customer experiences, emotions, and pain points. This mapping helps understand and enhance customer relationships by identifying key touchpoints, understanding customer needs and pain points at each stage, and optimizing CRM strategies to enhance satisfaction and loyalty. By personalizing communications and ensuring a seamless and consistent experience across all channels, MILKY can create more targeted and relevant marketing campaigns, improve customer engagement, and foster long-term loyalty. (Jim, 2016)

**E. SWOT Analysis**

A SWOT analysis evaluates MILKY’s CRM program's internal and external factors, identifying its strengths, weaknesses, opportunities, and threats. Integrating insights from Customer Journey Mapping, Porter’s Five Forces, and the CRM Scorecard, this analysis helps understand internal capabilities and limitations, recognize external factors impacting success, and provide strategic
decision-making insights. Conducting a SWOT analysis prioritizes actions to leverage strengths, address weaknesses, capitalize on opportunities, and mitigate threats, ensuring the CRM program remains effective and competitive.

**F. TOWS Analysis**

TOWS analysis extends SWOT analysis by helping organizations develop strategic options by matching internal strengths and weaknesses with external opportunities and threats. For MILKY’s CRM program, TOWS analysis involves creating actionable strategies that leverage strengths and opportunities while addressing weaknesses and mitigating threats. This approach ensures alignment with organizational goals, enhances customer satisfaction, improves operational efficiency, and maintains competitiveness in a dynamic market, transforming SWOT insights into effective strategies through systematic combination.

**G. Analytical Hierarchy Process**

The Analytic Hierarchy Process (AHP) is a structured decision-making tool that helps prioritize alternatives by breaking down complex problems into a hierarchy of simpler sub-problems and assigning weights based on their relative importance. For MILKY’s CRM program, AHP uses inputs from TOWS analysis to evaluate and prioritize strategic alternatives systematically. AHP ensures logical, consistent, and comprehensive decision-making, aligning strategies with business objectives, improving customer satisfaction, and driving sustainable growth by synthesizing complex information into actionable insights.

**RESEARCH METHODOLOGY**

This chapter outlines the research design for the MILKY loyalty program, detailing the framework of research methods, data collection methods, and data analysis. The research design begins with identifying the root causes of underperformance in the MILKY CRM Loyalty Program and exploring potential alternatives for future improvement. The research questions focus on understanding these root causes, possible alternatives for development, and the best solutions to enhance the program. The conceptual framework involves situation appraisal, problem analysis using tools like Michael Porter's Five Forces, Customer Journey Mapping, and the Integrated Model CRM Scorecard, and SWOT. Next, for decision analysis conduct using TOWS and AHP, this analysis to generate and assess alternative solutions. The data collection method involves gathering data from both primary sources (semi-structured interviews) and secondary sources (CRM performance reports, customer feedback reports, and academic journals). Interviews are conducted in two phases to identify root causes and explore alternative solutions, this ensuring comprehensive examination and well-supported final recommendations. Respondents for the interviews are selected based on their knowledge and experience in the field. Data analysis method using qualitative thematic analysis, following stages such as data familiarization, initial code generation, theme searching, theme reviewing, defining and naming themes, and generating the report. Primary data from interviews are documented and recorded, ensuring quality by cross-reference notes and recordings. Secondary data are gathered from reports and feedback. Thematic analysis helps identify patterns within the data, with a detailed process to ensure thorough examination and accurate reporting. Final analysis connects the findings to the research topic and existing literature, providing a comprehensive understanding of the MILKY loyalty program's performance and potential improvements.

**RESULT AND ANALYSIS**

Result and analysis on this research started with the situation appraisal. Situation appraisal begins with the examining of underperformance metrics of the MILKY CRM loyalty program in 2023. This CRM program has underperformed compared to key performance indicators for 2023, showing a decreasing trend compared to 2022. The performance indicates that the CRM program achieved only 60-70% of its KPI targets. Additionally, this program received dissatisfaction contacts from consumer feedback. Based on this situation, the research aims to identify key root causes and their alternatives, as well as determine the best solutions to improve the MILKY CRM Program. Problem analysis to identify the root causes conduct with Porter's Five Forces, Customer Journey Mapping, CRM Scorecard, and SWOT Analysis. Continued to decision analysis will using TOWS and AHP to determine best alternative solutions.

**A. Problem Analysis Based on Porter's Five Forces**

In the dynamic and competitive business of grow-up milk, addressing the root cause of underperformance in the MILKY CRM loyalty program is crucial for maintaining customer satisfaction and achieving business goals. This research analyzes the MILKY CRM loyalty program using Porter's Five Forces framework to identify root cause issues from external factors impacting its performance.
The analysis, conducted through in-depth interviews, examines the threat of new entrants, the bargaining power of suppliers and buyers, the threat of substitute services, and the intensity of rivalry among existing competitors.

- The threat of new entrants to the MILKY CRM loyalty program is assessed as low. Expert observations indicate that new segments generated by new entrants present opportunities rather than significant threats. High barriers to entry in the market contribute to security against new competitors. However, new entrants may use pricing strategies targeting specific segments. Currently, new segments created by these entrants offer opportunities rather than threats.

- The bargaining power of suppliers for the MILKY CRM loyalty program is assessed as medium. There is potential for growth in areas such as business understanding, speed, ownership, and initiative of the CRM agency. The CRM agency's performance is met the standard, meanwhile the rapidly changing business environment in CRM, poses as a weakness.

- The bargaining power of buyers for the MILKY CRM Loyalty Program is assessed as high, presenting a significant challenge as customers have substantial influence over the market. Consumer behavior changes, influenced by macroeconomic conditions and the Middle East Crisis in the last quarter of 2023, directly affect purchasing power and buying behavior. The demand for convenient and simple programs highlights the strong influence of customers, categorizing the bargaining power of buyers as a threat to CRM performance. enhance the agency's performance and deliver more impactful loyalty programs.

- The threat of substitute services in the MILKY CRM loyalty programs is assessed as low. Substitute services are not root causes of underperformance. However, the emergence of healthcare applications as substitutes in the CRM services program context presents potential for beneficial partnerships rather than threats. Differentiation in CRM services is essential to address potential challenges from these substitutes, turning them into opportunities for the next CRM integration program.

- The rivalry among existing competitors in the MILKY CRM loyalty program is assessed as high. Intense competition is a significant challenge, potentially leading to a loss of market share. MILKY CRM's differentiation in services, such as community and expert services, along with its strong brand reputation, helps maintain its position despite competitors' significant investments in various promotions and rewards.

**B. Problem Analysis Based on Customer Journey Mapping**

Understanding the customer experience throughout the entire customer journey is crucial. This research analyzes the problem in the MILKY CRM loyalty program using Customer Journey Mapping, based on in-depth interviews with experts and customer feedback reports. The objective is to identify root causes of CRM underperformance from the customer's perspective throughout the journey, including assessments of pain points and emotions experienced along the way.

The customer journey mapping defines stages and phases, describing consumer activities, touchpoints, emotions, and pain points. The acquisition stage includes three phases: pre-acquisition awareness, gathering information, and registration. During this phase, customers are exposed to advertisements or program information on social media (Instagram, Facebook), product packaging, and interactions with frontliners at physical stores. The sentiment of customers in this phase is neutral. Identified pain points include the need for clear and visually appealing content about the program. Solutions involve improving content management to attract potential customers and communicate the program's value, benefits, and terms and conditions more effectively.

In gathering information phase, customers seek information about the MILKY CRM loyalty program from various touchpoints (website, social media, packaging, community, and frontliners). Customers' sentiment remains neutral. Pain points include challenges in accessing clear and visually appealing information. Solutions involve providing quick access to information across all touchpoints to enhance understanding and interest. When customers decide to join the program, they undergo the registration process through the website or WhatsApp. Customer sentiment during this phase reflects negative feedback due to challenges in the registration process. Pain points include difficulties in registration, lack of seamlessness, and challenges in completing the process. Solutions involve streamlining the registration process for a smoother customer experience.

Customer Journey Mapping identifies various stages and phases with corresponding pain points and solutions to improve the MILKY CRM loyalty program. Key areas for improvement include content management, seamless registration, enhanced submission and redemption processes, effective communication, and re-engagement strategies for lapsed customers. These insights are considered for further analysis using the CRM Scorecard and generating alternative strategies through TOWS analysis.
C. Problem Analysis Based on CRM Scorecard

The CRM scorecards serve as a performance measurement framework designed to diagnose and assess the effectiveness of CRM practices. These tools are used for monitoring and enhancing the performance of customer relationship management initiatives. CRM scorecards provide a detailed view of various performance metrics, allowing organizations to evaluate their CRM activities comprehensively (Hyung-Su Kim 2009). This research analyzes the MILKY CRM loyalty program using CRM scorecards to identify the root cause issues contributing to the program’s underperformance.

The analysis of the MILKY CRM scorecard reveals several key issues. Organizational performance metrics, such as loyalty contribution, showed underperformance due to financial budget constraints and incomplete metrics tracking on customer equity. Customer aspects revealed underperformance in customer loyalty and value metrics, influenced by changing consumer behavior and the lack of regular tracking for customer satisfaction metrics. The process aspect highlighted underperformance in customer acquisition due to a shift towards digital channels, while customer retention metrics exceeded targets, this strength due to brand reputation and CRM system capabilities. However, customer expansion metrics were not yet implemented as KPIs. Infrastructure aspects showed issues with IT system capabilities and a lack of regular tracking for IT and human capital metrics.

Overall, the root causes for the underperformance of the MILKY CRM loyalty program include financial constraints, incomplete metrics tracking, changing consumer behavior, digital acquisition challenges, and IT system limitations. Addressing these issues can help enhance the effectiveness and performance of the CRM program.

Figure 1. MILKY CRM Scorecard Analysis

D. Problem Analysis Based on SWOT

After identifying the root cause of underperformance in MILKY CRM using Porter’s Five Forces, Customer Journey Mapping, and CRM Scorecard, the next step is to analyze these root causes using SWOT Analysis. This involves pinpointing root causes generated from the previous analyses to gain a comprehensive understanding of the problem and develop effective strategies. The root causes of MILKY CRM’s underperformance generated 21 attributes, the list are: consumer behavior change, aggressive competition, CRM agency capability, strategic partnerships with healthcare apps, potential new segments from new entrants, CRM differentiation, strong brand reputation, content management, service program ability, customer engagement, customer experience improvement, efforts to win back lapsed customers, incomplete metrics tracking on the CRM scorecard, financial budget constraints, personalization services and rewards, digital acquisition transition, segmentation and tiering review, balancing customer acquisition and retention strategies, IT system capabilities, and human capability on CRM.
The root causes were analyzed using SWOT analysis and categorized based on strengths, weaknesses, opportunities, and threats. This SWOT analysis provides a clear framework for understanding the various factors impacting MILKY CRM and guides the development of targeted strategies to address these challenges.

Table 1. SWOT Analysis of MILKY CRM Loyalty Program

<table>
<thead>
<tr>
<th>Strength (S)</th>
<th>Weakness (W)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Brand Reputation</td>
<td>• CRM Agency Capability</td>
</tr>
<tr>
<td>• CRM System Capability</td>
<td>• Customer Experience Improvement</td>
</tr>
<tr>
<td>• CRM Differentiation</td>
<td>• Win Back Lapsed Customers</td>
</tr>
<tr>
<td>• CRM Agency Capability</td>
<td>• Incomplete metrics tracking on CRM scorecard</td>
</tr>
<tr>
<td>• Customer Experience Improvement</td>
<td>• Financial Budget Constraints</td>
</tr>
<tr>
<td>• Win Back Lapsed Customers</td>
<td>• Personalization Services &amp; Rewards</td>
</tr>
<tr>
<td>• Incomplete metrics tracking on CRM scorecard</td>
<td>• Digital Acquisition Transition</td>
</tr>
<tr>
<td>• Financial Budget Constraints</td>
<td>• IT System Capabilities Issues</td>
</tr>
<tr>
<td>• Personalization Services &amp; Rewards</td>
<td>• Human Capability on CRM</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunity (O)</th>
<th>Threat (T)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Healthcare Apps Strategic Partnership</td>
<td>• Consumer Behavior Change</td>
</tr>
<tr>
<td>• Potential New Segment Generated by New Entrants</td>
<td>• Aggressiveness Competitor</td>
</tr>
<tr>
<td>• Content Management</td>
<td>• Brand reputation &amp; CRM Differentiation</td>
</tr>
<tr>
<td>• Ability Services Program</td>
<td>• Expanding New Opportunities</td>
</tr>
<tr>
<td>• Customer Engagement</td>
<td>• Technology for Enhancing CRM strategy</td>
</tr>
<tr>
<td>• Segmentation &amp; Tiering Review</td>
<td>• Balanced CRM strategy for Acquisition &amp; Retention</td>
</tr>
<tr>
<td>• Balancing Strategy Customer Acquisition &amp; Retention</td>
<td>• Optimizing organizational structure for improved performance</td>
</tr>
<tr>
<td>• IT System capabilities – Opportunity on data memory management &amp; new tech adoption</td>
<td>• Win back strategies for lapsed customers</td>
</tr>
</tbody>
</table>

E. Decision Analysis Based on TOWS

Decision analysis in this research involves generating alternative solutions and assessing potential outcomes, based on TOWS analysis. Following the SWOT analysis, TOWS analysis provides strategic insight by considering all factors analyzed in the SWOT. This approach is used to generate alternative solutions for the MILKY CRM Program. The TOWS analysis of MILKY CRM loyalty program identified 4 alternative strategies as follow:

<table>
<thead>
<tr>
<th>TOWS</th>
<th>Strength</th>
<th>Weakness</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>S/O Strategies</td>
<td>W/O Strategies</td>
</tr>
<tr>
<td>Opportunity</td>
<td>Comprehensive CRM Strategies for Enhance Customer Engagement &amp; Growth</td>
<td>Optimizing CRM &amp; Organizational Strategies for Enhance Customer Engagement &amp; Operational Efficiency</td>
</tr>
<tr>
<td></td>
<td>• Healthcare Partners Integration</td>
<td>• Maximizing CRM Agency Potential for Growth and Operational Excellence</td>
</tr>
<tr>
<td></td>
<td>• Deep Personalization and Tailored Rewards</td>
<td>• Optimizing organizational structure for improved performance</td>
</tr>
<tr>
<td></td>
<td>• Brand reputation &amp; CRM Differentiation for Engagement &amp; Community</td>
<td>• Win back strategies for lapsed customers</td>
</tr>
<tr>
<td></td>
<td>• Expanding New Opportunities</td>
<td>• Cost-effective solutions</td>
</tr>
<tr>
<td></td>
<td>• Technology for Enhancing CRM strategy</td>
<td>• Adopting updated technologies and improving CRM agency coordination</td>
</tr>
<tr>
<td></td>
<td>• Balanced CRM strategy for Acquisition &amp; Retention</td>
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</tbody>
</table>

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**F. Decision Analysis Based on AHP**

The next step of decision analysis conducted in this research is the assessment of potential alternative solutions. After generating alternative solutions using TOWS analysis, the assessment was carried out using the Analytical Hierarchy Process (AHP). AHP, a multi-criteria decision-making tool, was used to determine the best alternatives by employing the Expert Choice 11 application to facilitate the pairwise judgments of each respondent, comparing the relative importance of attributes and alternatives. The measurement scale ranges from 1 (indicating equal importance) to 9 (representing extreme importance). Pairwise comparisons between attributes and alternative solutions ensure consistency by measuring the consistency ratio (CR), with a maximum acceptable value of 10%. If the CR exceeds 10%, the judgment process needs to be recalculated until it falls below 10%, ensuring reliable AHP results. This research involved one-on-one in-depth interviews with key stakeholders, including the Head of Marketing Technology, Consumer Data Brand Manager, and GM of CRM agency, to ensure the consistency ratio.

Based on SWOT and TOWS analysis, attributes and alternative solutions were generated, with key stakeholders providing judgments and researchers ensuring consistency ratios. The goal of the AHP analysis was to determine the best alternative solutions for improving the MILKY CRM loyalty program, with 21 identified attributes influencing the decision-making process. The results showed that the W/O strategy, focusing on optimizing CRM and organizational strategies, was the top choice with a weighting of 36.8%, followed by the S/O strategy at 26.7%. The remaining options, W/T and S/T strategies, obtained results of 22.5% and 14%, respectively.

Experts recommended prioritizing the W/O strategy to address urgent issues, transforming weaknesses into opportunities, while maintaining the S/O strategy as a foundational approach.
G. Potential Problem Analysis

Strategy that chosen was an option W/O Strategy: “Optimizing CRM & Organizational Strategies for Enhance Customer Engagement & Operational Efficiency”, this strategy identified as the best alternative to improve customer loyalty. Meanwhile, important to acknowledge that there may potential problems that could occurred during the implementation of this strategy. There are 4 aspects that need to be aware such as Communication, Resources, Technology and KPI metrics. Following is the list of potential problem analysis from selected best alternatives.

<table>
<thead>
<tr>
<th>Potential Problem</th>
<th>Consequence</th>
<th>Possible Cause</th>
<th>Preventive Action</th>
<th>Contingent Action</th>
</tr>
</thead>
</table>
| Communication challenge | Internal: Conflicting perspectives among respective stakeholders. Customers: Ineffective messaging that may impact on customer response. | Internal: Ineffective communication among stakeholders Customers: Unclear messaging, limited customer insights. | Internal:  
- Clear and effective communication in place  
- Define objective of communication  
- Customers: Develop a comprehensive communication plan  
- Utilize customers preferred channels  
- Conduct customer research for better understanding | Internal:  
- Continuously monitor and evaluate the effectiveness of internal communication channels  
- Ensure that the objectives of communication are clearly defined and aligned with the organization's overall goals Customers:  
- Create a detailed communication plan that outlines the strategies, channels, and frequency of communication with customers.  
- Regularly conduct customer research to gain insights into their preferences, needs, and expectations. |
| Resources constraints | Inability to fully implement cost-effective solutions or adopt updated technologies. | Insufficient budget allocation or limited resource availability. Incompatible systems or lack of integration expertise. Inaccurate or incomplete data, hindering effective tracking and analysis of CRM scorecard metrics. | Conduct a thorough resource assessment and secure necessary funding or reallocate resources as needed. Conduct a detailed analysis of system compatibility and involve IT experts during the planning phase. Establish robust measurement systems, define clear data collection processes, and implement data quality control measures. | Prioritize and phase implementation based on available resources, explore alternative funding sources, or consider partnerships. |
| Technology Adoption Challenge | Technical difficulties or compatibility issues during the adoption process. | Incompatible systems or lack of integration expertise. Inadequate measurement systems, flawed data collection processes, or lack of data quality control. | | Develop backup plans, seek external expertise if required, or consider alternative integration approaches. |
| Measurement & Tracking challenge | | | | Regularly review and validate data, promptly address data quality issues, and refine measurement systems if necessary. |
CONCLUSION AND RECOMMENDATION
The research utilized the Kepner-Tregoe Analysis to appraise the situation and understand the issues plaguing the MILKY CRM Loyalty Program. It was found that the program's KPI performance averages only 60-70%, indicating significant underperformance in areas such as Member Registration, MAU Connectivity Rate, and Loyalty Contribution. To identify the root causes, the research employed various analytical tools including Porter’s Five Forces, Customer Journey Mapping, CRM Scorecard, and SWOT Analysis. This comprehensive analysis revealed 21 attributes contributing to the program's underperformance, including changes in consumer behavior, aggressive competition, CRM agency capability, strategic partnerships, IT system capabilities and others.

To address these issues, the research proposed four alternative strategies using TOWS analysis, each aligned with specific strengths, weaknesses, opportunities, and threats. The alternatives are:

- **Strategy #1** Comprehensive CRM Strategies for Enhanced Customer Engagement & Growth (S/O Strategy).
- **Strategy #2** Optimizing CRM & Organizational Strategies for Enhanced Customer Engagement & Operational Efficiency (W/O Strategy).
- **Strategy #3** Maximizing CRM Strategies for Risk Management Engagement and Differentiation (S/T Strategy).
- **Strategy #4** Driving Performance through Consumer-Centric Threat Mitigation & Recovery Initiative (W/T Strategy).

The AHP analysis determined that the best alternative to improve the MILKY CRM Loyalty Program is Strategy #2, "Optimizing CRM & Organizational Strategies for Enhanced Customer Engagement & Operational Efficiency," with a weighting result of 36.8%. Along this implementation, the recommendations suggest implementing strategies #1, #3, and #4 as continuous improvements. Preventive and contingent actions on potential problem are also recommended to be monitor, as mention on potential problem analysis section there are 4 aspects that may consider in communication, resources, technology, and KPI metrics.

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