



Training on Customer Driven Value Marketing in Improving Customer Satisfaction on SME Products

Nur Hidayah^{1*}, Darrell Christopher², Darren Jonathan³

¹⁻³Faculty of Economics and Business, Universitas Tarumanagara Jakarta, Indonesia

E-mail: ¹⁾ nurhidayah@fe.untar.ac.id

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*Corresponding author:

Nur Hidayah

nurhidayah@fe.untar.ac.id



ABSTRACT

Customer driven value is a marketing approach that takes social and environmental responsibility into account, while meeting consumer needs and business interests. It also emphasizes the importance of caring for and increasing the capacity of future generations to meet their needs. The activity partner is engaged in a culinary business located on the east ring road, Mulyo 2 RT 28 Kel Talang Bakung, Paal Merah Jambi. In its activities, it faces problems, especially in terms of customer driven value. This activity aims to support partners in increasing understanding of marketing based on the value that must be provided to customers, so that partners can increase competitive advantage. The method of this activity focuses on customer driven value, especially in terms of how business owners interact with the environment and related interests. This strategy also assists partners in efforts to increase the value of products aimed at customers by providing more experiences that can increase customer satisfaction. The activity method is carried out through offline training through the zoom application. This activity expects partners to increase value to customers in marketing their products. The results of the activity show that the implementation of the training went smoothly, the partners enthusiastically accepted the material presented by the PKM leader.

Keywords: Customer Driven Value, Training, SME

1. Introduction

Creating the best product is one of the most important things in running a business, but customer satisfaction is also important, therefore, in the world of marketing must understand marketing based on value, also known as customer-driven value marketing customer value (Cinthya, 2020). The purpose of customer driven value marketing is for businesses to understand that customer driven value marketing sees value-based marketing as an effort to increase the value of products aimed at customers by providing more experiences that can increase customer satisfaction (Sheng, 2019).

A value-based marketing strategy is an idea that can be tailored to current customer needs and is an opportunity that businesses can create (Ishaya et al., 2020). Businesses that offer additional value for customer satisfaction may experience losses in a certain period of time, but this strategy will increase customer satisfaction and build long-term relationships with customers, therefore, this marketing concept can be applied to long-term goals.

People out there are now exploiting the food business trend. However, business competition in the food industry is growing and getting harder. This keeps food businesses busy looking for new business ideas to make people prefer to buy their products. Satisfying customers is the way for businesses to survive in the tough competition. Increase product value by gaining customer trust and satisfaction (Junior et al., 2019). The

fulfillment of customer satisfaction makes the product sold have its own value in the eyes of customers. The value or value that customers expect can be realized if they make a perception of the good or bad of a product/service they use, then the customer evaluates or assesses the experience of using a product or service in the same use. The possibility of a transaction increases along with the customer's perceived value of an item or service.

Value has an important role in order to represent a product. If the customer determines the quality of the product or service that the customer uses and then assesses the experience when using it, the value or benefit expected by the customer will be reflected in this process (Qomariah & Wibowo, 2019). Business people are currently striving to build a beneficial image in the eyes of society so that customers can trust the products they offer. If the product brand successfully generates favorable value for customers, the opportunity to achieve significant profits will increase.

The partner who is the place of activity is a culinary business, the results of observations made through interviews with partners regarding customer driven value marketing that can help business owners in developing their business, increasing customer satisfaction and increasing value so that the products sold have more value or value than their competitors. To maintain the continuity of the business process or business and maintain product quality and product competitive quality, through these reasons the FEB Untar Team feels the need to explain to partners about customer driven value marketing and its importance for the continuity of the food business owned by partners. The main problem to be solved is how to increase the understanding and knowledge of business owners about the importance of implementing customer driven value marketing in running and managing a business.

2. Methodology

The interview activity was held to provide partners with an understanding of customer driven value marketing, which can help partners increase their knowledge and excel from other competitors. In the implementation of the activity, the steps taken in relation to the focus of the business problem are the introduction of the concept of consumer behavior through social media marketing. Therefore, the activity process is divided into three parts:

- a) Preparatory Stage. This preparatory stage aimed to initially observe the main problems faced by the SMEs. The main focus of activities at this stage are:
 - Obtaining a deeper understanding of the SMEs' conditions.
 - Conducting in-depth interviews with SME owners through online platforms to identify the main problems that must be addressed immediately so that they do not continue.
- b) Implementation Phase. Preparation of understanding materials and scheduling of socialization activities, preparation of all needs for socialization, division of tasks with team members to be socialized to SMEs, developing socialization procedures, preparing supporting equipment and facilities, delivering materials on the importance of marketing values in increasing sales of SME products, ending with a discussion session.
- c) The final stage of the activity. At this stage, an evaluation is conducted to assess the success of the program by preparing a complete report that includes outputs that must be published and additional outputs such as Intellectual Property Rights (IPR).

3. Results and Discussion

3.1. Profile and Location of the object business

The partner of this activity is a culinary business owned by Mrs. Sunarti with the business name RVA Kitchen. The main products sold are tumpeng rice and traditional cakes. This business started in 2018 with the first brand Griya Tumpeng, because initially it only focused on tumpeng. The business is running smoothly, with the reason for opening this business is to increase family income as well as a love for kitchen activities, especially cooking. In 2021, the business brand changed to RVA Kitchen due to increasingly diverse customer

requests. In addition to tumpeng rice, the business also sells traditional cakes, boxed rice, mini tumpeng, chips, and cookies for Lebaran. Here is a picture of the partner's product:



Figure 1. RVA Kitchen's Products

3.2. IPSTEKS (Science Technology and Arts (STEM)) Delivered to Partners

3.2.1. Definition

A customer-driven marketing strategy, at its core, is an approach that puts the customer at the center of all marketing and business decisions. The strategy prioritizes understanding and catering to customer needs, wants, and behaviors (Utama & Murti, 2022). It goes beyond transactions and aims to foster long-lasting and meaningful customer relationships. In this approach, customers are not viewed as passive recipients of marketing messages but as influential and active stakeholders shaping brand image and growth. They play an important role in creating shared value and providing insights that inform marketing strategies (Abadi et al., 2020).

3.2.2. Important Role

- a) **Increase Customer Loyalty:** A consistent value and personalized experience, a customer-centric approach then can foster long-term relationships. This, in turn, fosters loyalty, increasing the likelihood of repeat purchases and customer referrals.
- b) **Improves Brand Image:** When customers feel truly understood and valued, it reflects positively on the brand's reputation. This enhanced brand perception can attract new customers and strengthen ties with existing customers.
- c) **Increase Customer Satisfaction:** Customer-based strategies aim to meet or exceed customer expectations at every touchpoint. As a result, overall customer satisfaction increases, which is directly related to business growth.
- d) **Increases Profitability:** Research shows that acquiring new customers costs five times more than retaining existing customers. A customer-centric approach focuses on retention, cost reduction, and ultimately results in higher profitability.
- e) **Facilitates Innovation:** Customer feedback is a rich source of innovation, providing insight into evolving needs and potential improvements. Hence, customer-centered strategies can drive product and service innovation.

3.2.3. Factors that Affect Customer Value

Several factors, both from the perspective of business actors and target consumers, can affect customer value. Utama and Murti (2022), states that some of these factors include:

- a. Product or service function
- b. Unique selling point
- c. Price
- d. Quality
- e. Product or service resources
- f. Branding and marketing
- g. Target consumer preferences
- h. Income level of target consumers
- i. The target consumers' experience in using similar products or services.

Based on the points above, it can be seen that three components come from the target consumers; therefore, businesses cannot fully control these components. For example, consider the target customer preferences acquired by competitors. It is clear that entering an industry where competition is fierce is not easy. The majority of customers usually already have brand preferences. To achieve this, businesses must have an approach that will attract customers' attention. Study the needs of competitors' customers. The results of this study can help you create value that certain consumer demographics have never had. However, don't forget to measure the value that has been created.

3.2.4. Tips for Developing Customer Value

Developing customer driven value marketing is essential to building strong relationships with customers and driving long-term success. Prentice et al. (2019) points out some tips to help implement this approach effectively

- a) Understand the Customer: Invest time to understand customer needs, preferences, and concerns. Use surveys, interviews, and analysis to gather insights into their behavior and motivations.
- b) Segment the Audience: Divide the customer base into segments based on factors such as demographics, behavior, and preferences. This allows tailoring marketing efforts to specific groups and delivering more relevant messages.
- c) Create a Value Proposition: Develop a clear value proposition that highlights the unique benefits that the product or service offers to the customer. Focus on how the offering solves his problem or fulfills his desires better than other alternatives.
- d) Personalize Your Marketing: Use customer data to personalize marketing messages and offers. Greet customers by name, recommend products based on their previous purchases, and customize promotions to customer interests.
- e) Educate and Inform: Provide valuable content that educates and informs your customers on topics related to your industry or products. This helps build trust and position your brand as a knowledgeable authority.
- f) Focus on Benefits, Not Features: Instead of just listing the features of the product, emphasize the benefits it provides to the customer. Explain how the offering improves customers' lives, saves them time, or solves specific challenges they face.
- g) Ask for Feedback and Listen: Actively seek feedback from your customers and use it to improve your products, services, and marketing efforts. Show customers that you value their opinions and are committed to meeting their needs.
- h) Build Relationships: Focus on building long-term relationships with your customers rather than just making a one-time sale. Interact with customers on social media, respond efficiently to customer queries, and thank them for their support.
- i) Measure and Analyze Results: Use key performance indicators (KPIs) such as customer satisfaction, retention rates, and customer lifetime value to measure the effectiveness of customer value-based marketing efforts. Analyze the data to identify areas for improvement.

- j) Stay Agile and Adapt: Customer needs and preferences may change over time, so be prepared to adjust marketing strategies. Stay agile and responsive to market changes and customer feedback.

By applying these recommendations, you can develop a customer value-based marketing strategy that effectively attracts new customers while fostering loyalty and advocacy among existing ones. The training activity is detailed in the accompanying PowerPoint presentation.

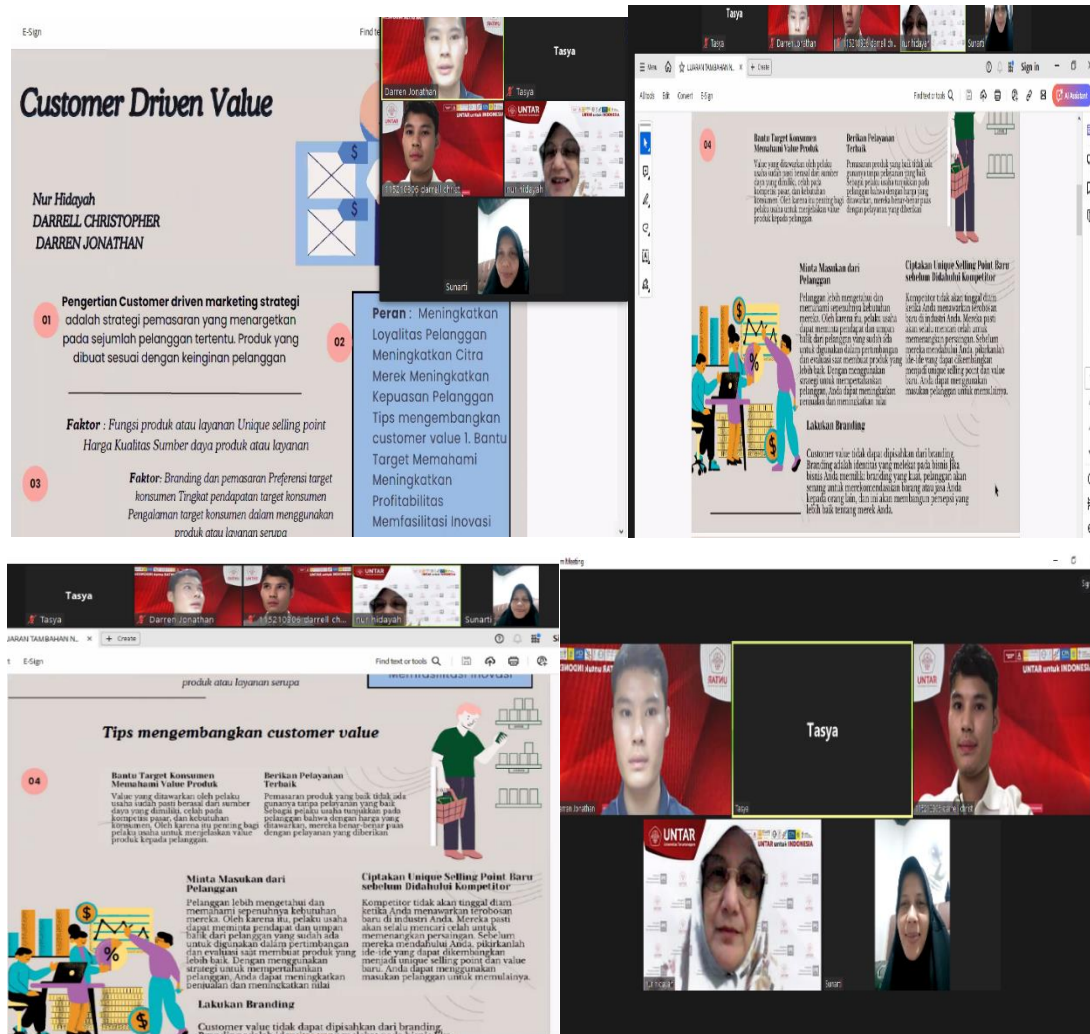


Figure 2. Training Activity

At the end of the activity, a pretest and posttest were conducted, regarding the delivery of the activity material that had been carried out. Partners were asked to answer a questionnaire about whether they understood the material that had been delivered after participating in the socialization activities. Using a Likert scale with the provisions: very do not understand (5), very understand (4) understand (3), quite understand (2), do not understand (1). Very do not understand Based on partner answers from filling out the pre-test and post-test in table 1.

Table 1. Recapitulation of Partner Answers

Indicator	Categories	Answer	Percentage (%)
The material on the introduction to the concept of customer-driven value has helped the participant gain a clear understanding.	Completely do not understand	0	0
	Do not understand	0	0
	Understand to some extent	0	0
	Understand	0	0
	Fully understand	100	100%
The material on the critical role of customer-driven value has enabled the participant to gain a clear understanding.	Completely do not understand	0	0
	Do not understand	0	0
	Understand to some extent	0	0
	Understand	0	0
	Fully understand	100	100%
The material on the factors influencing customer value has helped the participant gain a clear understanding.	Completely do not understand	0	0
	Do not understand	0	0
	Understand to some extent	0	0
	Understand	0	0
	Fully understand	100	100%
The material on tips for developing customer value has helped the participant gain a clear understanding.	Completely do not understand	0	0
	Do not understand	0	0
	Understand to some extent	0	0
	Understand	0	0
	Fully understand	100	100%

The results of the evaluation of partners' answers to understanding the material were well understood. Evidenced by the answers of partners who 100% can understand the material presented.

4. Conclusion

The results of this activity can be summarized as follows. Materials on value-based marketing strategies were delivered through training using PowerPoint presentations, which included a basic understanding of marketing, value-based marketing, its benefits, and other related topics. The socialization and delivery of materials through Zoom meetings went well. Partners showed high enthusiasm in receiving materials from the activity team, by actively participating in discussions and question-and-answer sessions during the socialization process.

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