

The Role of E-CRM and E-Marketing In Increasing Market Orientation in Alligator Roastery Medan

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ABSTRACT

This study aims to determine the influence of E-CRM and E-Marketing on Market Orientation in Alligator Roastery. This research uses descriptive and quantitative methods as well as data sources in the form of primary and secondary data. The population in the study is all consumers on Alligator Roastery by 2023. The sample size is 110 consumers with a tolerable error rate of 5%. The data were analyzed by multiple linear regression analysis method. The results showed that E-CRM partially had no positive and insignificant effect on Market Orientation at Alligator Roastery. E-Marketing partially has a positive and significant effect on Market Orientation in the Café Alligator Roastery business. Based on the results of hypothesis testing simultaneously, it is known that the results of the F-test show that E-CRM and E-Marketing simultaneously affect Market Orientation in Alligator Roastery. The magnitude of R Square is 50.3% which means that E-CRM and E-Marketing can explain their influence on Market Orientation by 50.3%.

Keywords: e-crm, e-marketing, market orientation, digital, business café

INTRODUCTION

Industrial revolution era 4.0 has brought many changes in the order of human life. Many activities that used to have to be done conventionally can be controlled with just 1 mobile phone. Given that people today like to consume information through the internet, this momentum is used by many businesses to reach more consumers through the digital world. One business that utilizes the role of digital technology to improve market orientation is Alligator Roastery.

Alligator Roastery is one of the cafes located on Jalan Kenanga No. 17, Medan Maimun District, Medan City and known to have started operating in 2016. Based on the results of observation, sales results at Alligator Roaster have increased and can be seen in the following data.

Figure 1. Alligator Roastery Sales Results for 2019 – 2022



Source: Alligator Roastery, 2023

This increased sales result shows that Alligator Roastery has succeeded in increasing market orientation during its business. Aprizal (2018: 32) explained that market orientation is a philosophy in marketing strategy that considers that product sales do not depend on sales strategies but on consumer decisions in buying products. Therefore, it is very important for business actors to pay attention in accordance with the orientation to consumers and competitors in order to meet consumer demand in the market because with the increasing market orientation, it will have an effect on higher loyalty Consumers to buy at the place of business because it feels that it is the most in accordance with what consumers need in achieving the satisfaction desired by consumers.

In order for market orientation to increase, especially for consumers, it is necessary to adapt several strategies by utilizing digital technology innovation components, one of which is through electronic customer relationship management (E-CRM) strategies. Rusmanto (2020: 20) argues that electronic CRM or E-CRM (Electronic Customer Relationship Management) is a new trend in CRM that utilizes the power of the internet. With E-CRM, every businessman can better understand the actual customer behavior in the market so that it can help business people improve their market orientation after managing various information obtained through the application of E-CRM.

Based on the observations made by researchers, in order for the business to be more market-oriented, Alligator Roastery uses an E-CRM strategy where every consumer who places an order can directly take advantage of the webstore link developed by Alligator Roastery. Payment can also be done through the webstore link. Every consumer transaction becomes important information that will be inputted by Alligator Roastery through a digital system. From the information obtained through the digital system, Alligator Roastery can promote to consumers if they have not visited for a long time, provide rewards to consumers for transactions that are often made by consumers, and can be a medium for consumers to submit suggestions and improvements that need to be made by Alligator Roastery. It is undeniable that the business performance of Alligator Roastery at any time can increase which is marked by rapid sales growth due to its increasingly market-oriented business. From this it can be understood that the higher the effectiveness of implementing the E-CRM strategy, it will also have an impact on the increasing business that is carried out oriented to the market, causing consumers to remain loyal to the café.

In addition to E-CRM, Alligator Roastery also adapts the e-marketing strategy in increasing market orientation every time. Fawzi, et al (2022: 79) argue that electronic

marketing (e-marketing) is a marketing activity carried out electronically using the internet network. The form of e-marketing strategy carried out by Alligator Roastery is marketing on social media and utilizing search engine optimization features on Google so that Alligator Roastery is more widely known among the public. With the e-marketing strategy, the market orientation has increased markedly which is marked by sales growth that has increased significantly every year. It can be understood as a whole, that basically if you want the pioneered business to be more market-oriented, the effectiveness of using e-marketing strategies must also be maximized.

Based on this phenomenon, researchers are interested in conducting more in-depth research at Alligator Roastery related to the description that has been described and to prove whether it is true that each factor studied has an influence on increasing market orientation and the benefits obtained if maximizing the application of each factor studied in improving Market orientation.

LITERATURE REVIEW

Market Orientation

Aprizal (2018: 32) explained that market orientation is a philosophy in marketing strategy that considers that product sales do not depend on sales strategies but on consumer decisions in buying products. Elondri, et al (2022: 21) argue that market orientation is something important for companies in line with increasing global competition and changes in customer needs where companies realize that companies must always be close to their markets. Based on this understanding, every businessman must have a commitment to create creations in order to provide superior value for customers.

Market orientation indicators consist of (Aprizal, 2018:30):

1. Customer orientation
2. Competitor orientation
3. Market information

E-CRM

Rusmanto (2020: 20) argues that electronic CRM or E-CRM (Electronic Customer Relationship Management) is a new trend in CRM that utilizes the power of the internet. Rahman, et al (2023: 125) explained that E-Customer Relationship Management is a type of information system with customer relationship management services with company businesses. Based on this definition, it can be understood that E-CRM is a means that provides convenience in meeting customer needs.

E-CRM indicators include (Santoso, et al, 2023:38):

1. Information quality
2. Easy of navigation
3. Customer service efficiency

E-Marketing

Fawzi, et al (2022: 79) argue that electronic marketing (e-marketing) is a marketing activity carried out electronically using the internet network. Novia, et al (2023: 62), mention that online media marketing or e-marketing is a marketing process that uses the internet, where consumers can obtain information about products, make buying and selling transactions, promote products that have been consumed by consumers, even consumers can also promote sellers or companies whose products have been purchased by these consumers. It can be concluded that with the application of e-

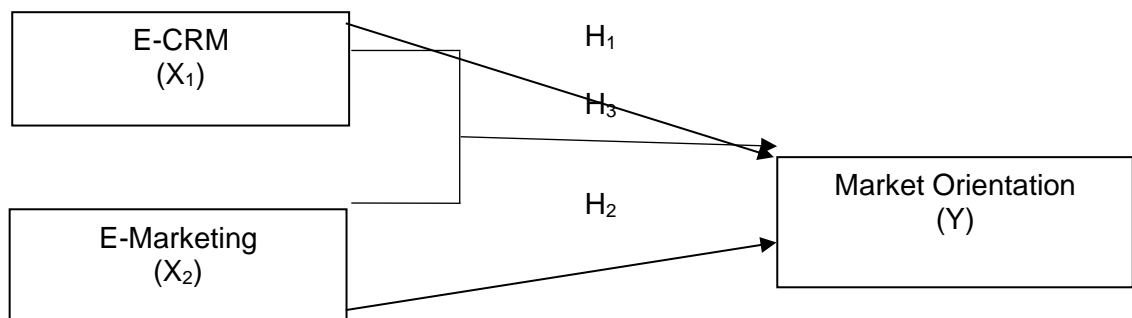
marketing, every businessman can easily get many customers and be more effective in marketing.

E-marketing indicators include (Rajkumar, et al, 2014: 17):

1. Listing
2. Likes on social media
3. The time visitors spend
4. Professionals sharing information
5. Followers and mention

Here is the framework of thinking in this study:

Figure 1. Frame of Mind



Based on this framework, the research hypothesis is described as follows:

H₁: There is not influence of E-CRM on market orientation.

H₂: There is an influence of E-Marketing on market orientation.

H₃: There is an influence of E-CRM and E-Marketing simultaneously on market orientation.

RESEARCH METHODS

This research uses descriptive research methods and quantitative methods. According to Ghozali (2021: 19), explained that descriptive research provides an overview or description of a data seen from the mean value, standard deviation, variance, maximum, minimum, sum, range, kurtosis, and skewness (astonishing distribution). Quantitative research is explained by Sugiyono (2019: 15), as a research method based on the philosophy of positivism, used to examine certain populations or samples, data collection using research instruments, quantitative / statistical data analysis, with the aim of describing and testing hypotheses that have been set. Data sources in this study are primary data sources obtained from surveys in the form of questionnaires and interviews, as well as secondary data sources in this study obtained from sales result recording books and data acquisition through field observation data.

The population in this study is all consumers who made a purchase in 2023 for an unknown amount. The research sample was obtained using the Hair formula, so that the number of maxum samples was obtained as many as 110 respondents.

Data collection techniques with questionnaires, literature studies, and interviews. The type of questionnaire distributed to consumers is a closed questionnaire, which means that consumers choose answers to statements that are already available with the Likert scale.

Test Validity and Reliability

The validity test was carried out by distributing questionnaires to customers as many as 30 respondents, the formula $df = n - 2$, then the value $df = 28$. The value of r_{table} is 0.361. Ghozali (2021:67), explained that if r_{count} is greater than the r_{table} and the value is positive then the indicator item or statement is declared valid. The test criteria according to Ghozali (2021:62) a variable is called reliable if it gives a Cronbach Alpha value of > 0.70 . The form of validity testing and reliability can be seen through the following table.

Tabel 1. Validity and Reliability Test Results

Variable	Indicator	Value of Validity and Reliability	Conclusion
E-CRM (X ₁)	Quality of Information	0,679	Valid
		0,783	
	Ease of Navigation	0,825	
	Customer Service Efficiency	0,745	
		0,795	
<i>Cronbach Alpha</i>		0,579	
<i>Cronbach Alpha</i>		0,826	Reliable
E-Marketing (X ₂)	<i>Listing</i>	0,676	Valid
		0,506	
	<i>Likes on Social Media</i>	0,736	
		0,647	
	<i>The Time Visitors Spend</i>	0,414	
		0,500	
	<i>Professionals Sharing Information</i>	0,726	
		0,727	
<i>Followers and Mention</i>	0,713		
<i>Cronbach Alpha</i>		0,831	
<i>Cronbach Alpha</i>		0,823	Reliable
Market Orientation (Y)	Customer Orientation	0,694	Valid
		0,746	
	Competitor Orientation	0,644	
		0,784	
	Market Information	0,780	
<i>Cronbach Alpha</i>		0,674	
<i>Cronbach Alpha</i>		0,806	Reliable

Source: Research Results, 2023 (Data Processed)

Classical Assumption Test

Multicollinearity Test

The criteria for multicollinearity testing is if the *tolerance* value ≤ 0.10 or equal to $VIF \geq 10$ (Ghozali, 2021: 157). The results of the multicollinearity test can be seen in the following table presentation:

Tabel 2. Multicollinearity Test Results

Coefficients ^a		
Model	Collinearity Statistics	
	Tolerance	BRIGT
(Constant)		
E-CRM (X ₁)	. 997	1.003
E-Marketing (X ₂)	. 997	1.003

a. Dependent Variable: Market Orientation (Y)

Source: Research Results, 2023 (Data Processed)

The tolerance value of each independent variable is greater than 0.10 and the VIF value of all variables is not more than 10, so the regression model used does not occur symptoms of multicollinearity.

Heteroscedasticity Test

Here are the results of heteroscedasticity testing with glacier tests in the following table:

Table 3. Heteroscedasticity Test Results

		Coefficients ^a
Model		Itself.
1	(Constant)	.171
	E-CRM (X1)	.153
	E-Marketing (X2)	.302

a. Dependent Variable: ABS_RES

Source: Research Results, 2023 (Data Processed)

Regression models are free from heteroscedasticity because the significance value of all variables X is greater than 0.05.

Normality Test

The normality test aims to test whether in the regression model has a normal distribution.

Table 4. Normality Test Results

Construct	N	M	SD	Asymp Sig. (2-tailed)
	110	0.000	2.537	0.200

Source: Research Results, 2023 (Data Processed)

Value is 0.200 > 0.05 then it can be concluded that the residual data are normally distributed.

Multiple Linear Regression Analysis

The results of multiple linear regression analysis testing are presented in the following table:

Table 5. Multiple Linear Regression Analysis Test Results

Construct	B	Std. Error
Constant	7.719	1.555
E-CRM (X1)	0.039	0.037
E-Marketing (X2)	0.373	0.036

Source: Research Results, 2023 (Data Processed)

$$\text{Market Orientation} = 7.719 + 0,039 \text{ E-CRM} + 0,373 \text{ E-Marketing} + e$$

The constant value (a) = 7.719, meaning that when the value of the independent variables namely E-CRM (X₁) and E-Marketing (X₂) is 0 then the Market Orientation is fixed at 7.719. Coefficient b₁X₁ = 0.039, meaning that when E-CRM (X₁) increases by 1%, then Market Orientation (Y) will increase by 0.039. Coefficient b₂X₂ = 0.373, meaning that when E-Marketing (X₂) increases by 1%, then Market Orientation (Y) will increase by 0.373.

Hypothesis Testing

Test t

Hypothesis testing with t test in this study used a significance level of 5% and a 2-sided test. The terms of hypothesis testing are as follows:

1. H_0 is accepted if $t_{count} < t_{table}$
2. H_a is accepted if $t_{count} > t_{table}$

The value of $dk = n - k = 110 - 2 = 108$, then the value of t_{table} is 1.9822. The result of t_{count} can be seen through the presentation of the following table.

Table 6. Test Results Test t

Construct	t	Sig.
E-CRM (X1)	1.064	0.290
E-Marketing (X2)	10.386	0.000

Source: Research Results, 2023 (Data Processed)

It is known that t_{count} is smaller than t_{table} , which is $1.064 < 1.9822$ and with a significant level of $0.290 > 0.05$. So in this case H_0 is accepted so that it can be concluded that E-CRM does not have a positive and insignificant effect on increasing market orientation on Alligator Roastery so that H_1 is rejected. It is also known that t_{count} is greater than t_{table} , which is $10.386 > 1.9822$ and with a significant level of $0.000 < 0.05$. So in this case H_2 is accepted so that it can be concluded that E-Marketing has a positive and significant effect on increasing market orientation on Alligator Roastery.

Test F

It is known that the numerator $dk = 2$ and the denominator $dk = 110 - 2 - 1 = 107$ then the F_{table} is 3.08. The value of the F_{table} will be compared with the calculated F value. The following results of the F_{count} can be seen through the table below:

Table 7. F Test Results

Construct	F	Sig.
E-CRM dan E-Marketing	54.060	0.000

Source: Research Results, 2023 (Data Processed)

F_{count} is greater than F_{table} , which is $54.060 > 3.08$, it can be concluded that E-CRM and E-Marketing simultaneously have a positive and significant influence on Market Orientation. So, H_3 is accepted.

Test Coefficient of Determination (R^2)

According to Ghozali (2021:147), the coefficient of determination (R^2) essentially measures how far the model is able to explain the variation of the *dependent* variable. The following are the results of the Coefficient of Determination Test (R^2) in the table below:

Table 8. Test Results of Coefficient of Determination (R^2)

Construct	R Square	Std. Error
E-CRM dan E-Marketing	0.503	2.561

Source: Research Results, 2023 (Data Processed)

Obtained R square value of 0.503, meaning that Market Orientation can be explained by E-CRM and E-Marketing variables of 50.3%.

RESULTS

From the distribution of questionnaires at Alligator Roastery, data were obtained as many as 110 consumers as research respondents. Data regarding respondents' descriptions

obtained through the distribution of questionnaires are from gender, age, information about cafes, and frequency of visits. It is known that consumer respondents with the female gender are more dominant, which is as many as 71 people or 64.5% reserved for consumers with male types of alcohol as many as 3.9 people or 35.5% of the total all respondents. Based on age, it is known that consumer respondents aged 21 years to 30 years are more dominant, which is as many as 70 people or 63.6% of the total number of respondents. Consumer respondents aged 31-40 years were 23 people or 20.9%. Consumer respondents aged under 20 years were 9 people or 8.2%, and consumer respondents over 40 years old were 8 consumers or 7.3%. Based on café information, the most dominating are consumers who obtain information through e-marketing, namely as many as 60 consumers or 54.5%, 39 consumers or 35.5% who know the café through friends or closest people, and as many as 11 consumers or 10% who know the café after looking for information themselves. Based on the frequency of visits, the most dominating are consumers who visit once a week with 63 consumers or 57.3%. As many as 32 consumers or 29.1% who visit 2-3 times a week, and as many as 15 consumers who visit more than three times a week.

DISCUSSION

The Effect of E-CRM on Market Orientation

From partial hypothesis testing (t-test) it is known that E-CRM does not have a positive and insignificant effect on increasing Market Orientation in Alligator Roastery. The results of this study are not in line with previous research conducted by Eltahir, et al (2021) with the research title Comparative Study of Customer Relationship Management (CRM) and Electronic Customer Relationship Management (E-CRM) where the results showed that E-CRM variables had a significant effect on expansion in market orientation.

The Effect of E-Marketing on Market Orientation

From partial testing (t-test) it is known that the E-Marketing variable partially has a positive and significant effect on increasing Market Orientation in Alligator Roastery. The results of this study are in line with previous research conducted by Wahirayasa and Kusuma (2018) with the research title The Role of E-Marketing in Mediating the Influence of Market Orientation on Business Performance where the results showed that E-Marketing partially had a positive and significant effect on Market Orientation.

The Effect of E-CRM and E-Marketing on Market Orientation

Based on the results of the F test, it is known that E-CRM and E-Marketing simultaneously affect the increase in Market Orientation on Alligator Roastery. The results of this study are in line with previous research conducted by Rithmaya, et al (2023) with the research title Customer Relationship Management Through Market Orientation and Organizational Innovation to Improve Online Business Marketing Performance where CRM has an influence on Market Orientation. The results of this study are also in line with previous research conducted by Altahrawi, et al (2023) with the research title The Moderating Role of Market Orientation with Relation to E-Marketing, Marketing Capability, Learning Capability, Innovation Capability, and Organisational Performance where the results showed that E-Marketing and variable X others simultaneously influence the improvement of Market Orientation.

CONCLUSION

Referring to the results and discussion of the research, it can be made several conclusions that the results of research in multiple linear regression analysis mean that if each independent variable is valueless, then Market Orientation is as big as a constant. The results showed that E-CRM partially did not have a positive and insignificant effect on Market Orientation in Alligator Roastery. This can be seen through the result of t_{count} smaller than t_{table} . The results showed that E-Marketing partially had a positive and significant effect on Market Orientation in Alligator Roastery. This result can be seen from t_{count} greater than t_{table} . The results showed that E-CRM and E-Marketing simultaneously have a positive and significant effect on Market Orientation in Alligator Roastery. This can be seen through the calculated F value which is greater than the F_{table} . Referring to the results of the coefficient of determination or R square, it is known that E-CRM and E-Marketing can explain Market Orientation by 50.3%.

The academic advice that the researcher gave is for the next researcher who wants to continue the research that the researcher has done, it is recommended to continue the research using other variables that can affect Market Orientation, such as digital marketing, e-service, social media marketing, e-commerce, and website quality. It is expected that researchers can further expand the scope of the respondents studied. It is hoped that researchers can further increase the number of research samples so that they better represent the actual situation.

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