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Marketing Strategy Based on Customer Relationship Management to Increase Customer Loyalty at UD Sumber Agung Store, Nganjuk Regency

Nur Arfiah Salis[1], Fedianty Augustinah[2*], Sarwani[3]
[1,2,3]Business Administration Study Program, Faculty of Administrative Sciences Dr. Soetomo University Surabaya
Corresponding Author: Fedianty Augustinah, fedianty.augustinah@unitomo.ac.id

A R T I C L E I N F O

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A B S T R A C T

Customer loyalty in MSMEs does not grow spontaneously, but is a resultant of planned strategic interventions. This study examines two managerial instruments marketing strategy and Customer Relationship Management (CRM) as determinants of customer loyalty at UD Sumber Agung, a shallot distribution business actor in Nganjuk Regency. By involving 96 respondents selected using the Cochran formula, the research instrument was verified through validity and reliability tests before the data were analyzed using multiple linear regression. The estimation results result in the equation $Y = 4.678 + 0.324X_1 + 0.456X_2$, where CRM displays a more dominant coefficient weight. Partial tests confirmed the significance of marketing strategies ($t = 3.874$; sig. = 0.000) and CRM ($t = 3.192$; sig. = 0.002). Simultaneously, both had a significant effect on customer loyalty ($F = 48{,}220$; sig. = 0.000). These findings confirm that the synergy between structured marketing and adaptive customer relationships is an irreplaceable combination in building consumer loyalty in MSME-scale commodity trading businesses

INTRODUCTION

The trade sector in Indonesia is experiencing very rapid development in line with the increase in basic needs (Taufiqqurrachman & Handoyo, 2021). The growth of the residential sector that continues to increase from year to year encourages the flourishing of micro, small, and medium enterprises (MSMEs) engaged in the sale of staples (Sinha et al., 2024). In Nganjuk Regency, East Java Province, competition between shops is getting tighter along with the emergence of various shallot farmers who offer various similar types. This reality forces business owners to shift away from simply focusing on product excellence. In order to be able to survive and be expansive in a crowded market, business actors are required to design a solid and long-term proximity strategy with their consumers.

Customer loyalty is the most important asset in the sustainability of a business, especially in the MSME sector which relies on repeated visits and word-of-mouth recommendations (Mujianto et al., 2023). According to (Griffin, 2010) Consumer loyalty is not simply measured by how often they re-shop. Truly loyal customers are characterized by their willingness to promote the product or service to their social circle, while remaining loyal and not easily tempted by market penetration from competitors. In building customer loyalty, it is greatly influenced by the purchase experience, trust in product quality, ease of transactions, and personal relationships between sellers and buyers that are established in the long term.

Customer Relationship Management (CRM) is one of the strategic approaches that is increasingly adopted by various types of businesses to maintain and increase customer loyalty (Gazi et al., 2024). CRM is This strategy combines three important things: people (HR), technology, and the way the company works (processes). All three are used together to manage the relationship with buyers as best as possible. As a result, both the company and the buyer get huge profits in the long run. (Kotler & Keller, 2022). The implementation of this effective CRM helps companies map specific consumer needs and preferences. With this data, the company is able to provide services that are personal, on target, and provide maximum benefits for each individual customer.

The UD Sumber Agung store located in Nganjuk Regency is one of the trading businesses engaged in the procurement and distribution of shallots for household needs, MSMEs, catering, restaurants and modern/traditional markets, serving retail and wholesale. In the face of increasingly competitive competition, UD Sumber Agung is required to continue to innovate in marketing strategies, especially in an effort to design and maintain close relationships with loyal buyers. However, based on initial observations made by researchers, the implementation of CRM strategies at UD Sumber Agung is still conventional and has not been systematically structured, so it has the potential to hinder efforts to increase customer loyalty optimally.

Some of the problems found at UD Sumber Agung include the absence of neatly compiled and stored buyer information data, the lack of a structured loyalty program, and the lack of optimal personalized marketing communication to loyal customers. This condition has resulted in some customers switching to competitors who offer more attractive promotional programs. On the other hand, research conducted by (Augustinah et al., 2022) It shows that the use of a planned, data-driven marketing strategy can significantly increase a business's competitive advantage, even in the midst of uncertain economic conditions. These findings underscore the importance of a more systematic approach in designing marketing strategies for MSMEs.

Previous research conducted by (Amalia et al., 2024) on expedition service companies in Surabaya show that brand awareness and perceived quality have a significant influence on consumer decisions in using a service. These findings reinforce the importance of an integrated marketing strategy based on a deep understanding of customer behavior and preferences. Meanwhile, (Halizah et al., 2024) Through his research, it is proven that price variables and consumer lifestyle characteristics have a role in triggering retail commodity purchase decisions. These empirical findings are a strong theoretical reference in implementing customer relationship management (CRM) in the marketing system of UD Sumber Agung.

The importance of CRM strategy is also increasingly recognized in the context of MSMEs in Indonesia. Various studies show that the implementation of an adaptive CRM that is tailored to the capacity and characteristics of MSMEs can have a positive impact on customer satisfaction and loyalty (Augustinah & Widayati, 2019). In the ever-evolving digital era, the integration of conventional CRM approaches with digital technology also opens up new opportunities for MSMEs to expand service reach and improve the quality of interactions with customers. (Azizah et al., 2024) emphasized that optimal service quality is a key factor in retaining customers in MSME-scale trading businesses.

Based on the above background description, the researcher is interested in conducting an in-depth research entitled: "Customer Relationship Management-Based Marketing Strategy to Increase Customer Loyalty at the UD Sumber Agung Store, Nganjuk Regency". This research is expected to comprehensively identify and analyze the CRM strategy implemented by UD Sumber Agung, as well as evaluate its effectiveness in increasing customer loyalty as the basis for developing a more optimal and sustainable marketing strategy.

THEORETICAL REVIEW

Marketing Strategy

A marketing strategy is a complete roadmap that regulates how the company utilizes all its capital and assets to realize the sales targets it wants to achieve. According to (Kotler & Keller, 2021) Marketing strategy is the mindset or work foundation that the company uses to achieve sales targets. It contains important decisions about who the targeted consumer is (target market), how the product image wants to be known (positioning), and the most appropriate combination of sales tactics (marketing mix). An effective marketing strategy always departs from a deep understanding of customer needs and wants, competitive conditions, and the Company's internal strengths and weaknesses (Hakim & Rahmawati, 2025).

In the context of MSMEs, marketing strategies do not always have to be complex and costly. Research conducted by (Augustinah et al., 2022) that MSMEs can formulate effective marketing strategies by utilizing SWOT analysis as the basis for strategic decision-making. The right strategy for MSMEs is one that is able to optimize internal strengths while taking advantage of opportunities that exist in the external environment, especially in today's rapidly growing business digitalization era.

The marketing mix is a core pillar of sales tactics. Initially, this concept only included four basic elements (4P), namely product, selling value (*price*), location (*place*), and publication (*promotion*). However, for businesses in the service sector, this formula expands to 7Ps by including elements of employees (*people*), service procedures (*processes*), and supporting facilities (*physical evidence*) (Tjiptono, 2020). In the UD Sumber Agung goods procurement material business, the four basic elements of the marketing mix must be managed in an integrated and consistent manner in order to provide the best benefits for consumers while building strong competitiveness in the local market environment.

Marketing strategy indicators

Corey in the (Tjiptono & Chandra, 2012) The implementation of marketing strategies is constructed by five interconnected indicators, namely:

1. Market selection, the first step to determine the consumer group to be served. This process is done by mapping the market (segmentation), then selecting the most potential group as the company's sales focus.
2. Product planning, including determining the type of goods to be marketed, arranging product variations (product lines), and designing the value of excellence for each item. The products here are seen as a complete package of benefits for the buyer—including physical quality, brand reputation, ease of access, warranty, repair service, technical assistance, and emotional closeness between the seller and the buyer.
3. Pricing, the process of formulating a nominal nominal amount of money that is commensurate with the value of economic benefits received by consumers.
4. Distribution system, an intermediary system that involves wholesale and retail networks to ensure that products can reach the end user smoothly.
5. Marketing communication (promotion), tactics to introduce products and attract consumers are carried out through a combination of advertising, face-to-face marketing (*personal selling*), and public relations (*public relations*).

Customer Relationship Management (CRM)

Customer Relationship Management (CRM) is a business tactic that centers on how companies organize and maintain interactions with their buyers on a regular and long-term basis. According to (Buttle & Maklan, 2019) As a fundamental business strategy, CRM aligns between the organization's internal operational mechanisms with the external ecosystem. This synergy is directed to construct and distribute added value for the target market to bring sustainable profitability. CRM involves collecting, analyzing, and using customer information to build more personalized and meaningful relationships.

In its implementation, CRM includes three main dimensions, namely operational CRM, analytical CRM, and collaborative CRM (Payne & Frow, 2013). Operational CRM focuses on digitizing and automating work mechanisms that interact directly with the consumer line (*front-office*). The implementation of this aspect includes contact database governance and customer service system optimization. CRM analytics deals with the collection and analysis of customer data to generate useful insights in strategic decision-making. While collaborative CRM emphasizes on the integration of various communication channels to provide a consistent and cohesive customer experience across all points of interaction.

The application of CRM in MSMEs has different characteristics compared to large companies. (Augustinah & Widayati, 2019) In his research, it was found that MSMEs tend to implement CRM in a simpler but still effective form, such as manual recording of customer data, special discount programs for loyal customers, and personal communication through social media. Although simple, this approach has proven to be able to build a strong emotional bond between MSMEs and their customers, which ultimately contributes to increased long-term customer loyalty.

According to (Priansa, 2017) The success of the CRM pillar relies on three key interrelated indicators, namely:

1. People are the company's staff or employees who act as the driving force in running the CRM system in the field.
2. The process is in the form of a series of mechanisms and rules of the game that guide employees to better understand, get closer, and be sensitive to the needs of customers.
3. Technology (technology), a digital tool that functions to accelerate and maximize employee performance and system efficiency, especially in managing daily interactions with consumers.

Customer Loyalty

Consumer loyalty is a form of strong loyalty to continue using or repurchasing a product in the future. This attitude keeps them afloat, even if there is a momentary persuasion of trends or advertising strategies from competing brands that try to influence them to change their hearts (Oliver, 2014). Customer loyalty is not only seen from the habits of consumers who often shop again. More than that, there is a psychological aspect in the form of inner closeness and a deep sense of loyalty from consumers to a brand or company.

(Griffin, 2021) Identify four types of loyalty based on high and low levels of repurchase and relative high attachment, namely: no loyalty, weak loyalty (inertia loyalty), latent loyalty (latent loyalty), and premium loyalty (premium loyalty (premium loyalty (premium (premium loyalty (premium At the premium loyalty level that is the dream of every consumer business actor, it is no longer just a loyal buyer. They transform into key supporters who promote the store to their meeting networks, while also having a strong bulwark against staring at competitors, despite the lure of more affordable rates.

(Amalia et al., 2024) In his research, it strengthens the importance of brand awareness and perceived quality in building customer loyalty in the service and trade sectors, where high *brand awareness* in consumers is directly correlated with the formation of more consistent and solid loyalty commitments.

Customer loyalty indicators put forward by (Kotler & Keller, 2022) Includes:

1. Regular repurchases
2. Purchases between product or service lines
3. Refer to others
4. Demonstrate immunity to competitor attraction.

Conceptual Framework

The conceptual framework of this research is built on the understanding that CRM-based marketing strategies are the main variables that affect customer loyalty at UD Sumber Agung. CRM implementations that include customer database management, loyalty programs, personalized service, and effective marketing communications are expected to increase customer satisfaction which in turn encourages the formation of long-term customer loyalty.

The components of CRM, namely customer databases, loyalty programs, personal services, and marketing communications, interact synergistically in influencing customer loyalty as measured through indicators of repurchases, referrals, and resistance to competitors. This framework refers to the CRM model put forward by (Payne & Frow, 2013).

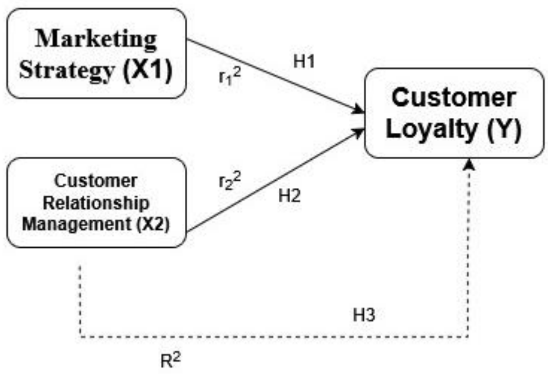

Figure 1. Research Concept Framework
Source: Processed author (2026)

Information

: the influence of the variables X1 and X2 on partial Y

: the influence of the variables X1 and X2 on simultaneous Y

Parsial Hypothesis

H1: Marketing Strategy has a positive and significant effect on Customer Loyalty
H2: Customer Relationship Management has a positive and significant effect on Customer Loyalty

Simultaneous Hypotheses

H3: Marketing Strategy and Customer Relationship Management simultaneously have a positive and significant effect on Customer Loyalty.

METHODOLOGY

Approaches and Types of Research

The study applied a quantitative method through a case study design. The selection of this quantitative approach is based on the purpose of the research to objectively measure and test the influence between variables of the phenomenon of implementing CRM strategies on MSMEs trading businesses in the field of procurement and distribution of shallots, which can be adequately explained only through numbers and statistics. According to (Creswell & Poth, 2017) The quantitative approach allows researchers to measure the relationships between variables, test hypotheses, and analyze data statistically to obtain objective proof of a social or humanitarian phenomenon.

Research Location and Time

This research was carried out at the UD Sumber Agung Store located on Jl. Sukomoro Gondang Ngrami Village, Sukomoro District, Nganjuk Regency, East Java Province. The selection of the research location was based on the consideration that UD Sumber Agung is one of the trading business stores in the field of procurement and distribution of shallots that has existed for a long time and controls a significant consumer base in the Nganjuk Regency area. The estimated duration of this study was designed for six months, which was divided into the pre-survey phase, data retrieval in the field, data computing, and finalization of study report reporting.

Population

Population is the totality of the target or research object that has special criteria that are in line with the direction of the research. For this study, the population coverage targeted all consumers who were recorded as having transacted at the UD Sumber Agung Store, Nganjuk Regency throughout the research period. Given the growing number of customers and cannot be known for sure (infinite population), the number of samples is determined using the Cochran formula.

Sample

Samples are representations or representations of a part of the population group taken to describe the overall condition of the research object. Since the size of the total population cannot be clearly ascertained, the calculation of the sample quota in this study relies on the Cochran formula. The Cochran equation is:

$$n = \frac{Z^2 pq}{e^2}$$

Description:
n= number of samples
Z= Z-value at 95% confidence level (1.96)
p= Success Ratio (0.5)
q= $1 - $ p (0.5)
e= margin of error of 10% (0.10)

Sample calculation:

$$n = \frac{(1{,}96)^2(0{,}5)(0{,}5)}{(0{,}10)^2} = 96{,}04$$

Through the formula estimate above, a calculation of 96.04 was obtained which was then adjusted (rounded) to 96 respondents. Thus, the sample size analyzed in this study amounted to 96 customers of the UD Sumber Agung Store, Nganjuk Regency. The sampling method was executed through *the purposive sampling* technique, where the inclusion criteria targeted consumers who partnered with at least one transaction and showed willingness to fill out questionnaire instruments.

Data Source

Data Primer

The primary data in this study was obtained directly from the first source through in-depth interviews with key informants. The research informants consisted of: (1) UD Sumber Agung owners as strategic decision makers, (2) managers or heads of sales who are responsible for the implementation of marketing strategies, (3) employees who interact directly with daily customers, and (4) loyal customers of UD Sumber Agung who have shopped for at least one year in the past year.

Data Seconds

Supporting information or secondary data is collected from internal store documents, sales history, reference books, scientific journal articles, and other marketing literature that is in line with the research focus. The role of this data is to complement and reinforce the main data (primary data) obtained through interviews and direct observations in the field. In addition, this secondary data helps to provide a more comprehensive picture of the trade industry map, especially in the supply chain and distribution of shallots in the Nganjuk Regency area.

Data Collection Techniques

There are three main ways used to collect data in this research, namely in-depth interviews, direct observations in the field (observation), and collection of supporting documents. The in-depth interview process is done through a semi-structured model; This means that the researcher uses a list of questions that have been prepared as a reference, but the chat is still made casual and flexible in order to explore new information that suddenly appears during the interview.

Observations are carried out to directly observe store operational activities, interactions between employees and customers, as well as various aspects of CRM implementation that are seen in daily life. Documentation includes data collection from sales records, customer databases where available, promotional materials, and other documents relevant to the research focus. These three data collection methods are used synergistically to obtain comprehensive and valid data on the implementation of CRM at UD Sumber Agung.

Data Analysis Techniques

A quantitative approach based on statistical software computing was applied as a data analysis method in this study. The analysis procedure integrates several systematic phases, starting with *coding* and tabulation of data, followed by the presentation of descriptive statistics. The instrument test includes a test of validity and reliability, followed by the fulfillment of the requirements of a classical assumption test that tests aspects of normality, multicollinearity, and heteroscedasticity. As a final stage, simple linear regression analysis, coefficient of determination (), evaluation of the determination coefficient (), and t-test are implemented as the foundation in decision-making on the research hypothesis, R^2.

RESEARCH RESULTS

Validity Test

Table 1 Validity Test Results

Variable	Question Items	rCalculation	r_{Table}	Description
Marketing Strategy (X1)	X1.1	1,000	0,2006	Valid
	X1.2	0,672	0,2006	Valid
	X1.3	0,651	0,2006	Valid
	X1.4	0,630	0,2006	Valid
	X1.5	0,631	0,2006	Valid
Customer Relationship Management (X_2)	X2.1	0,549	0,2006	Valid
	X2.2	0,715	0,2006	Valid
	X2.3	0,583	0,2006	Valid
Customer Loyalty (Y)	Y.1	0,498	0,2006	Valid
	Y.2	0,525	0,2006	Valid
	Y.3	0,511	0,2006	Valid
	Y.4	0,482	0,2006	Valid

Source: Primary data processed with SPSS (2026)

Based on the validity test output, all instrument items in the Marketing Strategy (X1), Customer Relationship Management (X2), and Customer Loyalty (Y) variables were confirmed valid. This is based on the parameter where the calculated r coefficient of each statement item is consistently above the minimum table r value of 0.2006. Thus, all questionnaire indicators have valid reliability as measuring instruments in this study.

Reliability Test

Table 2 Reliability Test Results

Variable	Cronbach's Alpha	Description
Marketing Strategy (X_1)	0,896	Reliabel
Customer Relationship Management (X_2)	0,879	Reliabel
Customer Loyalty (Y)	0,909	Reliabel

Source: Primary data processed with SPSS (2026)

The reliability test results confirmed that all research variables met the criteria for reliability, with the Cronbach's Alpha coefficient consistently exceeding the minimum standard of 0.60. The robustness of this instrument is demonstrated by the scores obtained for the Marketing Strategy variable (X_1) of 0.896, the Customer Relationship Management variable (X_2) of 0.879, and the Customer Loyalty variable (Y) of 0.909. Thus, all instruments are proven to have high internal consistency for application in the research data collection process.

Normality Test (Kolmogoraf Smirnov)

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		96
Normal Parameters[a,b]	Mean	.8959928
	Std. Deviation	3.16738916
Most Extreme Differences	Absolute	.082
	Positive	.082
	Negative	-.057
Test Statistic		.082
Asymp. Sig. (2-tailed)		.124[c]

a. Test distribution is Normal.
b. Calculated from data.
c. Lilliefors Significance Correction.

Figure 2 Normality Test Results (Smirnov Kolomogoraf)
Source: Primary data processed with SPSS (2026)

The normality test using the One-Sample Kolmogorov-Smirnov Test method yielded an Asymp. Sig. (2-tailed) value of 0.124. This figure is above the 0.05 threshold, indicating that the distribution of the data or residuals in this study was proven to be normal. Consequently, the analysis model used has passed and met the normality assumption criteria.

Heterokedasticity Test (Scatterplot)

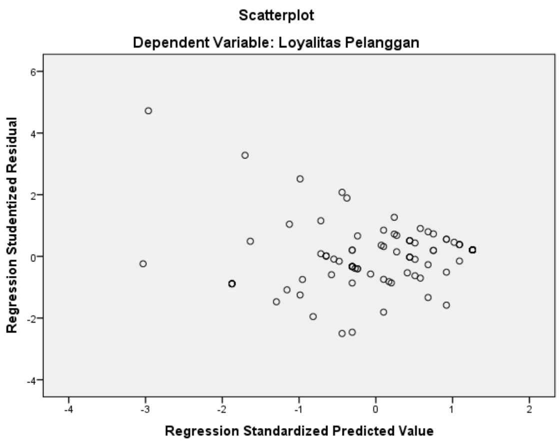

Figure 3 Heterokedasticity Test Results (Scatterplot)
Source: Primary data processed with SPSS (2026)

The results of the heteroscedasticity test using a scatterplot show that the residual distribution does not follow a specific pattern. The plot visualization shows that the observation points are randomly distributed around the zero-horizontal line without forming any specific accumulation or geometric pattern such as tapering or widening. This condition confirms that the residual variance is homoscedastic (constant) throughout the observation range. Consequently, the tested regression model is proven to be free from indications of heteroscedasticity symptoms, thus meeting the standard requirements of the classical assumptions.

Multicollinearity Test

Coefficients[a]

Model		Collinearity Statistics Tolerance	VIF
1	Strategi Pemasaran	.451	2.216
	Customer Relationship Management	.451	2.216

a. Dependent Variable: Loyalitas Pelanggan

Figure 4 Multicollinearity Test Results
Source: Primary data processed with SPSS (2026)

The results of the multicollinearity test show that the Marketing Strategy and Customer Relationship Management variables recorded a Tolerance value of 0.451 (above 0.10) and a VIF value of 2.216 (below 10.00). These findings indicate that there is no overly strong linear relationship between the independent variables. Thus, the regression model in this study is proven to be free from multicollinearity issues and successfully passes one of the classical assumptions.

Multiple Linear Regression Test

Coefficients[a]

Model		Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	4.678	1.303		3.590	.001
	Strategi Pemasaran	.324	.084	.419	3.874	.000
	Customer Relationship Management	.456	.143	.345	3.192	.002

a. Dependent Variable: Loyalitas Pelanggan

Figure 5. Multiple Linear Regression Test Results
Source: Primary data processed with SPSS (2026)

Based on the results of the multiple linear regression analysis, the following regression equation was obtained:

$$Y = 4.678 + 0.324X_1 + 0.456X_2$$

Where:
Y = Customer Loyalty

X_1 = Marketing Strategy
X_2 = Customer Relationship Management

The detailed interpretation of the linear regression equation model is explained as follows:

1. Constant Value (α=4.678): Represents that when the independent variables (Marketing Strategy and Customer Relationship Management) are zero, the magnitude of the Customer Loyalty variable is estimated to be 4.678.
2. Marketing Strategy Regression Coefficient (β_1=0.324): Indicates a unidirectional relationship, where each one-unit increase in the Marketing Strategy variable is projected to increase Customer Loyalty by 0.324 units, assuming other predictors remain constant (ceteris paribus).
3. Customer Relationship Management Regression Coefficient (β_2=0.456): Indicates that every one unit increase in the Customer Relationship Management component will increase the Customer Loyalty score by 0.456 units, under the condition that the Marketing Strategy variable does not change.

F Test (Simultaneous)

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	345.071	2	172.535	48.220	.000[b]
	Residual	332.763	93	3.578		
	Total	677.833	95			

a. Dependent Variable: Loyalitas Pelanggan

b. Predictors: (Constant), Customer Relationship Management , Strategi Pemasaran

Figure 6 F Test Results (Simultaneous)
Source: Primary data processed with SPSS (2026)

From the ANOVA test results, the calculated F value was 48.220 with a significance level of 0.000. Because the significance value is below the threshold of 0.05 (0.000<0.05), this proves that Marketing Strategy together with Customer Relationship Management together (simultaneously) has a positive and real influence on Customer Loyalty. As a result, the third hypothesis (H_3) is declared accepted.

T test (Partial)

Coefficients[a]

Model		Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	4.678	1.303		3.590	.001
	Strategi Pemasaran	.324	.084	.419	3.874	.000
	Customer Relationship Management	.456	.143	.345	3.192	.002

a. Dependent Variable: Loyalitas Pelanggan

Figure 7 t-test results (partial)
Source: Primary data processed with SPSS (2026)

1. The Effect of Marketing Strategy on Customer Loyalty (H1) The partial estimation results (t-test) in the coefficient table show that the Marketing Strategy variable produces a calculated t-value of 3.874 with a probability value (significance) of 0.000. Because this significance value meets the minimum requirement for null rejection (0.000 <0.05) and is supported by a positive regression coefficient of 0.324, this phenomenon confirms that Marketing Strategy contributes positively and significantly to Customer Loyalty. Therefore, H1 is empirically supported.
2. The Effect of Customer Relationship Management on Customer Loyalty (H2) Based on partial hypothesis testing, the Customer Relationship Management variable obtained a calculated t-value of 3.192 at a significance level of 0.002. This significance value, below the 5% alpha (0.002 <0.05), combined with a positive regression coefficient of 0.456, indicates that Customer Relationship Management has a positive and significant influence on increasing Customer Loyalty. Therefore, the test decision states that H2 is accepted.

DISCUSSION

The Influence of Marketing Strategy on Customer Loyalty

The marketing strategy was proven to have a positive and significant effect on UD Sumber Agung customer loyalty, with a regression coefficient of 0.324 and t calculated 3.874 (sig. = 0.000). This means that every one unit increase in the quality of the marketing strategy will lift customer loyalty by 0.324 units. These findings are in line with Kotler and Keller's (2021) that marketing strategies built from a deep understanding of consumer needs have a determinative power on purchase persistence.

In a commodity trading ecosystem such as shallots where product differentiation is physically limited marketing strategies serve as the main differentiator between business actors. UD Sumber Agung's ability to segment the market appropriately, from households to institutional customers, and align product offerings with the expectations of each segment is a critical determinant of the loyalty that is formed (Tjiptono, 2020). This is reinforced by Augustinah et al. (2022) who argue that MSMEs with a SWOT analysis-based strategy are able to build a more durable competitive advantage than those who simply react to market pressure.

The Effect of Customer Relationship Management on Customer Loyalty

CRM displays a regression coefficient that is more dominant than marketing strategies, which is 0.456, with a t count of 3.192 and a significance of 0.002. The superiority of this coefficient has a fundamental conceptual implication: that the depth of the relationship between business actors and their customers has a stronger magnetic power in retaining customers than variations of conventional marketing strategies. Buttle and Maklan (2019) stated that CRM as a core business strategy is able to create customer value that goes beyond just commercial transactions.

At UD Sumber Agung, CRM is not a sophisticated technology system, but rather comes in a more organic form: proactive communication, responsive complaint handling, and recognition of high-impact customers. The three pillars of CRM according to Priansa (2017) people, processes, and technology — all contribute, with the human dimension being the most influential. This finding is in line with Augustinah and Widayati (2019) who found that a simple but consistent CRM has been proven to build a strong emotional bond between MSMEs and their customers.

The Simultaneous Influence of Marketing and CRM Strategies on Customer Loyalty

The F-test resulted in a value of 48,220 with a significance of 0.000, confirming that marketing and CRM strategies together exert a significant influence on customer loyalty. Of note is the functional complementarity between the two variables: marketing strategies work at a macro level to shape the initial perception of consumers, while CRM operates on a micro-relational level to convert those perceptions into consolidated commitments. Both are mutually reinforcing, not substitutive in accordance with Oliver's (2014) loyalty model, which requires cognitive satisfaction as well as affective attachment.

CONCLUSIONS AND RECOMMENDATION

This research yields three main conclusions. First, the marketing strategy had a positive and significant effect on the loyalty of UD Sumber Agung customers (coefficient = 0.324; t = 3.874; sig. = 0.000), affirming that the consistency of the marketing strategy is the foundation for the formation of loyalty in the MSME commodity trade.

Second, CRM has a more dominant influence on customer loyalty than marketing strategies (coefficient = 0.456; t = 3.192; sig. = 0.002). In a relatively homogeneous product environment, the quality of the relationship between seller and buyer is the most decisive factor beyond price and product accessibility considerations.

Third, simultaneously the two variables had a significant effect on customer loyalty (F = 48.220; sig. = 0.000), with the equation $Y = 4.678 + 0.324X_1 + 0.456X_2$ as a predictive model. Customer loyalty optimization is a synergistic product of excellence in both dimensions at the same time, not from one-sided improvements.

Practically, UD Sumber Agung needs to formalize a CRM system that has been based on personal intuition through the construction of customer databases, systematic appreciation programs, and the use of digital platforms to strengthen interactions. In parallel, marketing strategies need to continue to be calibrated according to the dynamics of market demand in Nganjuk Regency and the surrounding area.

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