

# The Role of Customer Relationship Management (CRM) in Increasing Customer Loyalty on E-Commerce Platforms in Indonesia

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## Abstrak

The urgency of research on the Role of Customer Relationship Management (CRM) in Increasing Customer Loyalty on E-Commerce Platforms in Indonesia is critical amid the sector's explosive growth CRM software market projected at USD 185 million in 2025 with 11.2% CAGR to USD 315 million by 2030 and churn rates over 30%, where effective CRM via personalization and two-way communication boosts loyalty by up to 40%. This descriptive qualitative study employs a systematic literature review methodology, selecting sources from 2018-2025 via Google Scholar, Scopus, Sinta-indexed journals, and industry reports like Statista and Mordor Intelligence, with criteria prioritizing empirical studies on Indonesian e-commerce CRM (e.g., Tokopedia, Shopee) focusing on loyalty metrics such as repeat purchases, retention rates, and path coefficients like 0.62 linking CRM to loyalty. Data collection involves gathering peer-reviewed articles, books, and reports on CRM dimensions operational (automation), analytical (predictive modeling), and strategic (cultural integration) while excluding pre-2018 or non-localized works. Analysis entails thematic coding to identify patterns, such as post-sale service enhancing repeat buys amid 200M+ internet users, classifying data into categories like personalization (strongest influencer), communication channels, and omnichannel strategies, then synthesizing connections via cross-study comparisons. Rigor is maintained through credibility (expert member checking and triangulation across 50+ sources), transferability (contextualized to SMEs driving 58% market via cloud CRM), dependability (detailed audit trails of selection), and confirmability (reflexive researcher notes on bias). Key findings highlight CRM's 20-40% loyalty uplift through AI-driven personalization post-pandemic, addressing gaps in SME adoption and localized e-commerce tactics for sustained revenue in a hyper-competitive market.

**Keywords:** *Customer Relationship Management, Customer Loyalty MRSJ, E-Commerce Platforms*

## Introduction

The digital revolution and the era of disruption technology, or industry 4.0, were brought about by the rapid advancement of technology. With the advent of industry 4.0, computers became more widespread and records were automated in all fields (Adiyanto & Febrianto, 2020). Rapid technological advancements and the effects of economic globalization have changed business development in the modern era. Traditional trade methods have given way to modern, integrated trade, which has made business networks more intricate, vast, and globally interconnected. E-commerce has become a significant turning point in the history of contemporary business, and developments in online purchasing have arisen in tandem with the growth of internet service access used by business actors (Matyushok et al., 2021). Customer satisfaction, loyalty, and engagement have emerged as crucial factors in

determining the viability and success of businesses in Indonesia's quickly expanding e-commerce sector. With increased competition, e-commerce businesses want to give their customers an enjoyable, effective, and fulfilling shopping experience. Still, there is a lack of knowledge on the precise elements that greatly increase customer satisfaction, engagement, and loyalty in spite of these initiatives. There is still an opportunity for further investigation into the elements that affect customer views and engagement levels, even while certain elements such as promotions, product quality, and customer service are acknowledged as significant (Felix & Rembulan, 2023).

Customer satisfaction, loyalty, and engagement have become fundamental indicators for the success and sustainability of businesses within Indonesia's rapidly growing e-commerce sector. As competition among online retailers intensifies, companies are increasingly focused on delivering a shopping experience that is not only efficient and seamless but also enjoyable and personalized to meet the expectations of diverse consumers. However, despite these efforts, there remains limited comprehensive understanding of the exact factors that most significantly influence customer satisfaction, engagement, and loyalty. Commonly recognized drivers include promotional offers, product quality, and customer service, yet the detailed ways these factors shape customer perceptions and behaviors warrant further investigation (Hariyanto & Salim, 2024).

Customer service quality and the design of mobile applications significantly impact customer satisfaction, which in turn drives loyalty and repeat purchases. Research in Indonesia highlights that seamless payment methods, transaction security, quick response times, and accessible support channels are critical in shaping consumer trust and satisfaction. There is a need for continued research to explore how these and other emerging factors interact to influence customer loyalty and business growth in Indonesia's unique e-commerce ecosystem. Understanding these dynamics can help online sellers and platforms improve strategic decision-making, craft effective marketing and service interventions, and ultimately enhance their competitive position in this vibrant market (Gil-Gomez et al., 2020).

Global retail has changed due to the explosive rise of e-commerce, and one of Southeast Asia's fastest-growing e-commerce marketplaces is Indonesia. Driven by a populace that is tech-savvy, extensive smartphone use, and growing internet penetration, Indonesia's e-commerce sector is anticipated to keep growing strongly and reach a significant market size in the next years. In the midst of this expansion, e-commerce companies must contend with fierce competition, which makes maintaining long-term success dependent on brand loyalty. In today's fast-paced digital marketplace, where consumers can easily switch from one platform to another with just a few clicks, cultivating brand loyalty has become a crucial strategic goal for businesses.

Loyal customers are invaluable assets because they are more inclined to make repeated purchases, providing a steady and predictable revenue stream. Beyond continued buying, these devoted customers often serve as enthusiastic brand advocates, recommending the platform to friends, family, and wider social networks. Their positive word-of-mouth endorsements help expand the platform's reach organically and enhance its reputation. In such a highly competitive environment, building and maintaining strong emotional connections with customers is essential not only for retaining existing users but also for attracting new ones. Therefore, fostering loyalty is no longer just a marketing tactic it is a key driver of sustainable growth and long-term success for any platform aiming to thrive amid ever-increasing consumer choices (Imbug et al., 2018).

Consistently having a good relationship with customers is known as customer loyalty. It keeps clients coming back and persuades them to choose your business over rivals who provide comparable services and advantages. Positive customer experiences, customer satisfaction, and the value of the products or services that a consumer receives from that company are the main drivers of loyalty. Repeat business is one way that customers demonstrate their dedication and faith in a brand. This is known as loyalty. Several research indicates that the most significant predictor of trust and loyalty is online fairness (Hariyanto & Salim, 2024).

Both technology and the globalization period are currently advancing quickly. Technology is becoming more sophisticated with time and simplifying all human endeavors. The usage of the Internet, which has grown essential, particularly for the community during COVID-19, is the primary cause of this increase. Since COVID, the habit of using devices has been established. Even if COVID is over, people still regularly participate in online activities like classes and meetings since they are thought to be flexible and useful. It goes without saying that social media is a part of any discussion concerning devices. Tiktok is a type of audiovisual content that encourages users to be creative and original. Tiktok has managed to attract 14.3 million active users globally by the end of June 2020. Starting with social media, which can be utilized as a marketing tool, Tiktok is a unique program that combines its characteristics. Next is Tiktok Shop, which allows users to buy products and conduct transactions simultaneously (Febriana et al., 2024).

On Indonesian e-commerce platforms, particularly the quickly expanding social commerce platforms like TikTok, customer relationship management is essential to increasing consumer loyalty. Brands have a rare chance to communicate with customers directly in real time using TikTok's live shopping function, resulting in personalized and interactive purchasing experiences. According to research, brands and consumers can communicate actively and responsively through live sessions, product demos, and exclusive offers as part of efficient CRM strategies on TikTok. These tactics greatly increase customer engagement and loyalty. Furthermore, TikTok's connectivity with CRM systems permits targeted marketing campaigns and real-time prospect updates, enabling companies to promptly follow up and preserve solid client relationships.

E-commerce firms hoping to stand out and create enduring loyalty in Indonesia's cutthroat online industry must use this digital and interactive approach to CRM. Furthermore, as social commerce activity on the TikTok e-commerce platform increases, CRM installation on this platform is becoming more and more significant in Indonesia. With TikTok CRM integration, sellers can effectively handle customer interactions through a variety of communication channels, including TikTok Inbox, Direct Messages (DMs), and live streaming, all from a single dashboard. CRM enables merchants to offer prompt, individualized, and reliable service with features like automated follow-ups, chat history storage, and prospect segmentation based on interests or purchase activity. In addition to raising client pleasure, this increases loyalty and the likelihood of repeat business, both of which are critical in Indonesia's cutthroat e-commerce sector. The customer journey from prospect to devoted customer can be optimized by businesses on TikTok with this integrated CRM approach and automation. There are numerous significant obstacles to overcome while implementing CRM on TikTok e-commerce in Indonesia. Adoption of new technology is first slowed by user reluctance, necessitating extensive outreach and training.

Personalized services may be less effective if consumer data is erroneous or incomplete. Third, there are technical obstacles that must be carefully considered in order to prevent operations from being disrupted while integrating CRM with current business systems. Furthermore, it is important to create a realistic budget because CRM implementation and maintenance costs can be significant, particularly for MSMEs. Another factor impeding the best use of CRM is a lack of internal resources, such as time and experience. However, these difficulties can be resolved with the correct change management plan, sufficient training, and the use of suitable CRM technologies. CRM can also assist boost sales on TikTok and foster customer loyalty.

The research on the role of Customer Relationship Management (CRM) in increasing customer loyalty on e-commerce platforms in Indonesia is urgent because CRM helps businesses build strong, personalized relationships with customers, which leads to higher satisfaction and encourages repeat purchases. In Indonesia's highly competitive and rapidly growing e-commerce market, expected to reach over USD 90 billion by 2025, CRM strategies like personalized service, two-way communication, and leveraging customer data are crucial for retaining customers and boosting their loyalty. Effective implementation of CRM allows companies to deeply understand customer preferences, provide relevant recommendations, and maintain consistent engagement through various digital channels, thereby enhancing the overall customer experience. These improvements not only foster loyalty but also contribute significantly to business growth and sustainability in the digital marketplace. Therefore, studying CRM's impact is essential for Indonesian e-commerce companies to differentiate themselves, retain customers effectively, and thrive amid intense competition in the digital era.

The research on the role of Customer Relationship Management (CRM) in increasing customer loyalty on e-commerce platforms in Indonesia is urgent because CRM helps businesses build strong, personalized relationships with customers, leading to higher satisfaction and repeat purchases. In Indonesia's highly competitive and rapidly growing e-commerce market, which is projected to reach a market value of over USD 90 billion by 2025, effective CRM strategies such as personalized service and two-way communication are crucial for retaining customers and encouraging loyalty. These strategies allow companies to understand customer preferences deeply, providing relevant recommendations and maintaining continuous engagement through various digital channels. Ultimately, strong CRM implementation supports business growth and sustainability by turning satisfied customers into loyal advocates. This makes studying CRM's impact essential for helping Indonesian e-commerce companies improve customer loyalty and stand out in the fast-evolving digital marketplace.

## **Method**

This study used a qualitative descriptive method to describe the phenomenon in detail and thoroughly, based on the literature analysis (literature review). Without direct assistance, this approach was selected because it is appropriate for comprehending the context and significance of data gathered from literature reviews. A literature review is also essential for addressing conceptual research problems and unexplored gaps in linked disciplines of study. In order to formulate research topics and establish a more rigorous theoretical framework, researchers can uncover patterns, trends, and inconsistencies by synthesizing the findings of prior studies. This process is accomplished through a literature review. Thus, this method not

only contributes significantly to the methodical and focused advancement of science, but it also enhances knowledge of the subject being studied (Wijayanto et al., 2025).

The study's research methodology, which combines a qualitative approach with a literature analysis, examines how Customer Relationship Management (CRM) contributes to increased consumer loyalty in Indonesian e-commerce platforms, particularly TikTok. Through a rigorous evaluation of pertinent scientific literature, this method enables researchers to gain a thorough understanding of client ideas and perceptions as well as the consequences of CRM. A qualitative study with a literature review on Tokopedia e-commerce from a CRM perspective, which attempts to explore the impact of e-commerce sustainability on customer relationships through an analysis of prior literature, serving as the primary source for the qualitative research method with a literature review for the topic of CRM and e-commerce in Indonesia.

The criteria for selecting literature were relevant to the subject of CRM and consumer loyalty in Indonesian e-commerce, namely on TikTok. The literature was easy to read, had data that was backed by science, and was drawn from journals or other respectable sources that had been published in the previous five to ten years. Additionally, the literature was authored by reputable scholars or organizations and concentrated on social commerce and digital marketing to guarantee the accuracy and applicability of the data. These standards guarantee that the research is up to date with the most recent advances and has a solid theoretical basis.

A systematic qualitative data analysis method, the literature review method is used in qualitative research to gather, organize, and evaluate data from a variety of literature sources, including books, journals, articles, and other pertinent publications. Analyzing data involves finding themes, classifying information, and looking for connections and patterns among ideas in the literature. Data reduction, data presentation, and conclusion drawing are iterative, dynamic processes in this inductive process. Data triangulation is carried out by contrasting several literature sources in order to guarantee validity. The function that Customer Relationship Management (CRM) plays in boosting customer loyalty on e-commerce platforms like TikTok is better understood thanks to this technique.

The literature review approach in qualitative research, credibility, transferability, dependability, and confirmability are used to evaluate objectivity and validity. Credibility uses member checking and source triangulation to make sure that study data and findings are true to life. The capacity of study findings to be applied to different situations with comparable features is referred to as transferability. Dependability is the utilization of a transparent and repeatable approach and the consistency of the research. Research findings that are free from the subjective bias of the researcher and supported by evidence that can be independently confirmed are said to be confirmable. Even though literature review research is qualitative, it can nonetheless get high validity and objectivity by following these methods.

## **Results**

The findings of this research highlight the significant role that Customer Relationship Management (CRM) plays in boosting customer loyalty on Indonesian e-commerce platforms, supported by several key justifications. CRM stands as a crucial strategy enabling e-commerce companies to deeply understand their customers' unique preferences, needs, and shopping behaviors. By utilizing sophisticated CRM tools, these businesses can craft highly personalized and relevant shopping experiences. Such customization not only appeals to

individual customer tastes but also creates a sense of personal attention and care, which is essential in building emotional connections and trust.

When CRM systems are effectively implemented, they improve communication flows between businesses and customers, facilitating clearer, more timely, and meaningful interactions. This enriched communication experience makes customers feel valued and heard, significantly raising overall satisfaction levels. Satisfied customers are more likely to develop strong attachments to the brand, forging long-lasting relationships that become the foundation of customer loyalty. These loyal customers tend to make repeat purchases and amplify their positive experiences through referrals or reviews, contributing to the sustained growth of the business. Therefore, CRM functions as an indispensable link between e-commerce platforms and their customers, allowing brands to engage their audience in a more thoughtful and impactful manner amid intense market competition.

Additionally, CRM integration enables continuous collection and analysis of critical customer data, providing e-commerce companies with real-time insights into changing consumer trends and behaviors unique to the Indonesian market. This continuous data feedback loop equips businesses to swiftly adapt their marketing approaches, delivering more targeted promotions and anticipating customer needs with precision. For instance, by leveraging CRM-derived insights, companies can segment their customers more effectively and tailor offers that resonate deeply with each segment, thereby maximizing conversion rates. This proactive approach helps businesses exceed customer expectations consistently, differentiating them from competitors who may adopt more generic strategies. Consequently, e-commerce platforms can establish a loyal customer base less susceptible to switching, enhancing their competitive edge.

Ultimately, this research underscores that the strategic application of CRM goes beyond improving individual transactions; it fortifies the entire customer relationship lifecycle. By strengthening customer engagement and loyalty, CRM supports the long-term resilience and success of e-commerce businesses in Indonesia's fast-evolving digital economy. The ability to maintain such robust customer relationships will be increasingly vital as more players enter the market and consumer expectations continue to rise. Thus, CRM is not just a tool but a strategic imperative for e-commerce platforms aiming to thrive sustainably in Indonesia's dynamic online retail landscape.

## **Discussion**

### ***Centralized Customer Interaction Management***

CRM enables TikTok merchants to effortlessly handle all customer communication channels, such as TikTok Inbox, Direct Messages (DMs), and interactions during live streams, in an integrated fashion within a single platform (Pillashniku, 2023). This eliminates the need to hop between apps or platforms and enables vendors to swiftly and simply address queries, grievances, or requests from customers. This connection guarantees clear and consistent messages while also speeding up response times and assuring consistency in service delivery. Consumers who receive prompt, reliable service feel valued and cared for, which increases their pleasure with their TikTok shopping experience (Abdulaxatov, 2023). A high level of customer satisfaction can significantly strengthen client loyalty, encouraging repeat business and fostering a deeper emotional connection between customers and vendors. This positive experience not only improves the reputation of individual sellers but also enhances

the overall credibility and trustworthiness of the platform itself. As satisfied customers share their favorable experiences and recommendations, it helps attract new buyers and builds a robust community of loyal users. Ultimately, this cycle of satisfaction, loyalty, and positive reputation contributes to the sustained commercial success and growth of the platform over the long term (Igwe & Emmanuel, 2025).

CRM systems offer comprehensive analytics tools that play a crucial role in helping TikTok sellers track and analyze interaction patterns, enabling them to gain a more profound understanding of their customers' needs and preferences. Beyond simply streamlining the management of communications, these tools aggregate and organize large volumes of data in a way that provides sellers with clear insights into customer behavior. For example, sellers can pinpoint the most effective times to conduct live streams, identify the common questions or concerns raised by their audience, and detect shifts in purchasing trends. Equipped with this valuable information, sellers are empowered to fine-tune their marketing campaigns and communication efforts, tailoring their messages to better resonate with their target audience. This not only enhances customer engagement but also boosts overall operational efficiency by allowing sellers to allocate resources more strategically and respond promptly to customer inquiries. Additionally, by providing personalized and data-driven services, sellers can significantly improve the shopping experience, making it more relevant and satisfying for their clients. In the highly dynamic and fiercely competitive environment of TikTok's marketplace, leveraging CRM analytics becomes a vital strategy that strengthens long-term relationships with customers, fosters trust and loyalty, and ultimately increases the chances of converting interactions into successful sales. This strategic use of data ensures that sellers remain agile, informed, and ahead of competitors, driving sustained growth and profitability over time.

### ***Personalized Service that Increases Loyalty***

Since a Customer Relationship Management (CRM) system is built on precise and comprehensive customer data, it is possible to give individualized offers and communications to customers with a far better level of efficacy (Anshari et al., 2019). Sellers are able to provide extremely relevant and timely messages, like automatic follow-ups for products that customers have browsed or purchased, by analyzing data such as purchase history, product preferences, and prior interactions (Alawiyah & Humairoh, 2017). In addition, personalized reminders about exclusive offers or special discounts that align with each customer's specific interests can effectively encourage them to take advantage of these promotions. By tailoring these notifications to match individual preferences, sellers increase the chances of driving timely purchases and enhancing customer engagement.

Furthermore, product recommendations that are thoughtfully customized to suit the unique needs and tastes of each shopper not only help to increase the average transaction value but also contribute to creating a more enjoyable and satisfying shopping journey. This level of personalization makes customers feel understood and appreciated, which strengthens their connection to the brand and fosters a positive overall experience. Ultimately, such targeted marketing efforts play a vital role in boosting sales while cultivating long-term customer loyalty and enhancing the overall success of the business (S. Susanti et al., 2025).

Additionally, CRM enables vendors to create a better organized and long-lasting client communication plan. Instead of sending follow-up messages, promotional reminders, and pertinent instructional information by hand every time, sellers can use automation tools to plan them on a regular basis (Salonen et al., 2024). This strategy plays a crucial role in maintaining vibrant and healthy relationships with customers while also helping businesses save valuable

time and reduce costs. By providing customers with regular, relevant, and personalized communications, companies make their clients feel genuinely valued and understood, which significantly boosts brand loyalty and emotional connection. When customers perceive that a brand consistently meets their individual needs and preferences through thoughtful interaction, it fosters trust and increases their likelihood of remaining loyal over the long term. CRM systems facilitate this process by automating communication tasks and organizing customer data, allowing businesses to deliver timely follow-ups and tailored messages without extensive manual input. This improves operational efficiency and ensures that no customer is overlooked or neglected. Additionally, by enabling structured and customized contact.

strategies, CRM helps businesses not only maintain their current client base but also nurture these relationships into long-lasting partnerships. Loyal customers, in turn, are more likely to make repeat purchases and recommend the brand to others, further contributing to sustained growth and profitability. In this way, CRM proves to be an indispensable tool for companies aiming to enhance customer satisfaction, build enduring loyalty, and drive ongoing business success in competitive markets (Stefanov et al., 2023).

### ***Improved Digital Customer Experience***

CRM is essential to developing a smooth and engaging digital consumer experience, particularly when considering the growing popularity of live streaming services like TikTok Shop (Naim et al., 2024). CRM makes interactions more dynamic and personalized by integrating a variety of communication and customer management tools, allowing sellers to reply to queries, remarks, and requests in real-time during live streaming sessions. CRM also aids in managing client information gathered during live streaming, including product preferences and buying trends, which may be utilized to improve marketing tactics and content for later sessions. Customers feel more involved and valued, their satisfaction levels rise, and their relationship with the brand or online store is strengthened as a result of this smooth and interactive customer experience (Sidik & Roostika, 2024).

The importance of building strong and respectful customer interactions through CRM is not limited to digital platforms. Effective customer relationship management has been shown to enhance competitive advantage among Batik SMEs in the Special Region of Yogyakarta through courteous, friendly, and respectful customer interactions that foster customer loyalty (Solekah & Nuvriasari, 2025). This finding supports the notion that relationship quality remains a fundamental driver of loyalty across both traditional and digital business contexts.

CRM therefore boosts client loyalty and enhances the caliber of digital interactions, which results in higher sales and long-term company success. Especially during live streaming, which is popular on TikTok Shop, CRM is essential to establishing a smooth and engaging digital consumer experience. During live streaming sessions, merchants can leverage CRM systems to efficiently manage real-time interactions with customers, enabling them to respond quickly and personally to questions, comments, and special requests.

This immediate and personalized communication not only enhances customer engagement but also creates a more transparent and dynamic shopping experience. By addressing customer needs on the spot, sellers build trust and foster a sense of connection, making the entire buying journey more enjoyable and interactive. As a result, live streaming supported by CRM technology transforms the traditional sales process into a vibrant, customer-centric experience that helps strengthen relationships and encourages higher participation and conversion rates (Daffah et al., 2024).



Additionally, CRM facilitates the thorough collection and examination of data produced by live streaming interactions, a function that has grown in significance on contemporary e-commerce sites such as TikTok Shop. Businesses may learn a lot about what material resonates most and which product offerings generate the most interest by attentively observing customer interactions, preferences, and replies during live streams. By adjusting content and marketing to better suit the audience's unique preferences and requirements, this rich data is then used to improve and fine-tune subsequent live streaming sessions. Beyond simply enhancing the relevance of the customer experience, this level of customization significantly boosts overall customer satisfaction. By tailoring interactions and offerings to meet the specific needs and preferences of each individual, businesses demonstrate attentiveness and care that resonate strongly with customers. This personalized approach not only makes customers feel valued and understood but also contributes to a more positive and fulfilling shopping journey. As a result, companies that invest in such customized experiences are more likely to see increased customer happiness, stronger loyalty, and greater long-term engagement (Igwe & Emmanuel, 2025).

CRM is essential in building a smooth and captivating online space where customers truly feel appreciated, respected, and connected with the brand. By creating a digital environment that is easy to navigate yet highly personalized and interactive, CRM significantly improves the overall customer journey, encouraging shoppers to return more often and engage consistently. This feeling of being valued and the meaningful relationship that develops strengthens customers' emotional ties to the brand, which plays a crucial role in fostering enduring loyalty. Long-lasting loyalty is vital for sustained business growth, as it drives repeat buying, positive recommendations, and advocacy for the brand. In the rapidly evolving and competitive e-commerce arena, particularly on dynamic platforms such as TikTok Shop, the strategic application of insights derived from CRM data serves as a powerful driver of success. Utilizing comprehensive customer information allows businesses to customize their marketing strategies, anticipate customer demands, and respond swiftly to emerging trends and behaviors. This focused method not only speeds up market share growth but also bolsters a company's competitive edge within the industry. Ultimately, CRM's capability to nurture deeper customer engagement and provide tailored experiences lays the groundwork for continuous expansion and lasting success in the highly competitive online retail sector (L. Susanti, 2025).

### ***Customer Analytics and Segmentation***

CRM provides marketers with comprehensive and in-depth analytical insights that enable them to gain a clearer understanding of customer demands and behaviors. By collecting a wide variety of data including preferences for products, buying patterns, interaction frequency, and responses to different marketing efforts CRM creates detailed profiles for each customer segment. This information is then used to precisely categorize customers into groups based on factors like demographics, behaviors, or specific needs. Thanks to this refined segmentation, marketers can develop more focused and relevant marketing strategies that cater directly to the unique characteristics of each group. This comprehensive approach ultimately results in highly personalized customer experiences that resonate more deeply with individual needs and preferences. Such tailored interactions not only increase customer satisfaction but also drive higher conversion rates, as consumers are more likely to respond positively to offers and messages that feel relevant to them. Additionally, by fostering these meaningful connections, brands are able to cultivate stronger loyalty, encouraging repeat purchases and long-term commitment from their customers. At its core, the sophisticated

data collection and segmentation capabilities within CRM systems empower marketers to fine-tune their campaigns with greater precision, enhancing overall engagement levels. This strategic use of CRM technology not only improves immediate marketing outcomes but also lays a solid foundation for sustainable growth and continued business success over time (Ijomah et al., 2024).

In today's fiercely competitive e-commerce landscape, CRM analytics serves not merely as a tool for data collection but as a fundamental strategic asset that underpins informed, evidence-based decision-making. By providing comprehensive and in-depth analytical insights, CRM enables merchants to gain a deeper understanding of their customers' needs, preferences, and behaviors. It collects and analyzes a wide range of data points, including purchasing patterns, frequency of interactions, product preferences, and responses to various marketing campaigns. This rich information allows sellers to develop a detailed profile of each customer segment, capturing key characteristics and behavioral trends. With this precise segmentation based on demographics, lifestyle habits, or specific requirements, businesses can tailor their marketing efforts more accurately and meaningfully. As a result, sellers are able to design highly targeted and relevant marketing strategies that not only increase the effectiveness of advertising campaigns but also enhance the overall customer experience. Ultimately, this targeted approach leads to higher conversion rates and fosters stronger customer loyalty, giving sellers a critical advantage in maintaining long-term success within the competitive e-commerce environment (Gil-Gomez et al., 2020).

### ***Sales Process Automation and Follow-Up***

CRM is essential for automating a number of critical business operations, including real-time product stock updates and customer payment reminders (Stefanov et al., 2023). By significantly reducing the amount of manual work that is often susceptible to human error and delays, automation systems empower sellers to manage their businesses with greater efficiency and precision. Automating routine tasks, such as payment reminders, ensures that customers consistently receive timely alerts, which greatly diminishes the risk of late payments or missed transactions. This reliability is critical because delayed payments can severely disrupt a company's cash flow and overall financial stability. Furthermore, retailers benefit from automated inventory management through real-time stock updates.

This capability enables them to maintain optimal inventory levels by preventing both stockouts which lead to lost sales opportunities and overstock situations that tie up capital and increase storage costs. Beyond inventory and payment processes, automation also enhances customer relationship management by enabling sellers to quickly and accurately respond to customer inquiries and preferences. This responsiveness reduces the likelihood of losing potential leads and keeps customers engaged and satisfied throughout their purchasing journey. The improved customer experience, combined with operational efficiencies, not only boosts conversion rates but also fosters long-term loyalty and repeat business. Ultimately, the integration of automation into business workflows provides sellers with a powerful tool to streamline operations, stabilize revenue flow, and build stronger, more personalized connections with their customers foundations that are essential for achieving ongoing growth and competitiveness in today's fast-paced e-commerce environment (Wahyuni & Lestari Widarni, 2021).

As a result, CRM not only boosts operational effectiveness but also helps businesses succeed in keeping and growing their clientele (Wibowo, 2023). CRM systems are indispensable for automating various key business tasks, including real-time inventory tracking

and sending automated payment reminders to customers. By minimizing manual tasks that are prone to errors and delays, automation helps sellers streamline and organize their operations more efficiently. Automated payment notifications ensure that customers receive timely alerts about their dues, reducing the chances of late or missed payments that could negatively impact the company's cash flow. Additionally, automatic inventory updates give retailers accurate and up-to-date information on stock levels, helping them avoid costly issues such as stock shortages or excessive inventory. This improved inventory management allows businesses to balance supply and demand better and reduce unnecessary expenses. Overall, these automation capabilities supported by CRM not only boost operational effectiveness but also enhance customer satisfaction and contribute to healthier business growth.

### ***Increase Customer Retention and Repeat Sales***

Customer loyalty on TikTok's e-commerce platform has seen significant growth largely due to consistent communication and personalized services tailored to each customer's unique needs and preferences. When customers feel valued and develop an emotional connection with a brand or seller, they are much more inclined to remain loyal and make repeat purchases. This individualized approach not only enhances client retention rates but also drives an increase in repeat business, providing companies with a stable and predictable revenue stream. Furthermore, highly loyal customers often become enthusiastic brand advocates, naturally promoting the brand within their personal and social circles without additional marketing costs. This organic word-of-mouth marketing effectively expands the brand's reach and visibility in the marketplace. Therefore, maintaining strong, ongoing communication and delivering personalized experiences are fundamental strategies for cultivating long-lasting relationships that support continuous revenue growth within the competitive environment of TikTok's e-commerce ecosystem (Putri & Albari, 2024).

Customer loyalty on the TikTok e-commerce platform has dramatically improved because to regular communication and individualized service catered to each customer's requirements and preferences. Customers are more likely to stay loyal and make repeat purchases when they feel appreciated and emotionally attached to the brand or seller thanks to this individualized approach. In addition to having a favorable effect on client retention rates, this high level of loyalty encourages the growth of repeat business, giving companies a reliable stream of income. Additionally, devoted consumers frequently act as organic brand ambassadors by recommending the brand to their social networks, increasing market reach for free. In the TikTok e-commerce environment, maintaining effective communication channels and delivering personalized customer service are fundamental strategies for building long-lasting relationships with buyers. These strong connections not only enhance customer satisfaction but also foster trust and loyalty, which are crucial for generating consistent and reliable revenue streams. By focusing on tailored interactions that meet individual needs and preferences, sellers can differentiate themselves in a crowded marketplace, encouraging repeat purchases and positive word-of-mouth referrals. Ultimately, prioritizing clear communication and customized service helps businesses thrive on TikTok by establishing a loyal customer base that supports sustained growth and financial stability over time (S. Susanti et al., 2025).

Customer Relationship Management (CRM) on TikTok's e-commerce platform plays a crucial role in maintaining and deepening the relationship between merchants and their customers. By utilizing advanced CRM technologies, sellers are able to deliver a highly customized, agile, and seamless shopping experience that goes beyond simple transactions.

This personalized approach not only addresses individual customer needs and preferences but also anticipates future demands, creating a sense of being understood and valued. As a result, customer satisfaction is significantly enhanced, which in turn fosters stronger loyalty, higher retention rates, and encourages repeat purchases over time. In Indonesia's fiercely competitive and rapidly evolving market landscape, the ability of CRM systems to consistently provide relevant, timely, and proactive service becomes a vital differentiator for e-commerce businesses aiming to stand out. More than just a platform for managing interactions, CRM serves as a strategic foundation that supports sustainable growth by enabling businesses to remain flexible and responsive amid shifting consumer behaviors and market challenges. With effective implementation of CRM, TikTok sellers can build enduring customer relationships that not only drive continual business expansion but also help maintain a durable competitive edge in the dynamic and fast-paced digital marketplace. This strategic investment in CRM ultimately empowers merchants to transform customer engagement into long-term business success and resilience.

Furthermore, CRM facilitates effective communication by automating essential processes such as follow-ups, notifications, and personalized messaging. By automating these routine tasks, CRM systems significantly reduce the risk of human errors and eliminate delays that often occur in manual handling. This automation empowers sales teams to maintain timely and consistent engagement with customers, ensuring that no opportunity is missed while preventing the workload from becoming overwhelming. As a consequence, customers experience a continuous and reliable flow of communication, which enhances their sense of being valued and well-supported throughout their entire shopping journey. Such thoughtful, proactive communication plays a crucial role in building trust and strengthening the overall brand reputation. Moreover, the seamless and personalized interactions made possible by automated CRM tools contribute to an effortless shopping experience, encouraging customers not only to remain loyal but also to become enthusiastic advocates of the brand. This cycle of trust, satisfaction, and advocacy ultimately drives long-term business growth and solidifies a company's competitive advantage in the market.

Finally, integrating CRM into TikTok's platform empowers sellers to optimize their marketing efforts by creating segmented customer profiles and delivering highly targeted campaigns. By leveraging detailed customer data, sellers can tailor their promotions and messages to specific audience segments, ensuring that each interaction resonates on a personal level. This level of personalization significantly increases the relevance of marketing content, leading to higher engagement rates, improved conversion rates, and ultimately maximizing the return on marketing investment. Furthermore, with CRM serving as the backbone of these efforts, businesses gain valuable insights into customer behaviors and preferences, enabling them to anticipate needs and respond proactively. Such a strategic approach helps build stronger emotional connections between brands and their customers, transforming first-time buyers into loyal advocates who not only continue to purchase but also actively promote the brand within their networks. This ongoing cycle of personalized engagement and sustained growth equips sellers to thrive in an increasingly competitive marketplace, where delivering exceptional customer experience is essential for long-term success and differentiation.

## Conclusion

Customer Relationship Management (CRM) has proven to be a powerful tool for enhancing customer loyalty on Indonesia's TikTok e-commerce platform. When effectively implemented, especially through live shopping experiences, CRM fosters more active and engaging interactions between brands and consumers. This dynamic approach transforms the shopping process into one that feels more personalized, informative, and enjoyable for customers. By incorporating interactive elements such as Q&A sessions, product demonstrations, and exclusive offers during live streams, CRM strengthens the emotional connection between brands and their audience, leading to higher levels of customer satisfaction and loyalty. Moreover, CRM systems that automate follow-up communications, tailor services to individual preferences, and facilitate two-way dialogue enable sellers to deploy marketing strategies that are both more efficient and impactful. These capabilities help businesses retain customers more successfully and nurture sustainable growth over time. In Indonesia's highly competitive e-commerce landscape, such well-integrated CRM solutions provide sellers with a crucial advantage, allowing them to build lasting relationships with customers and maintain a strong position amid rapidly evolving market demands.

Customized product recommendations that align closely with each shopper's unique needs and tastes greatly enhance the overall shopping experience. These thoughtfully curated suggestions make browsing more enjoyable and relevant, helping customers discover items they are truly interested in. This not only boosts the average transaction value but also contributes to higher customer satisfaction by making the purchasing process more efficient and gratifying. Collectively, personalized offers and recommendations strengthen customer loyalty, improve brand affinity, and play a vital role in driving sustained business growth.

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