

Digital Skills and Customer Relationship Management in Business Enhancement – An Application for the Participants of NCER Lifelong Education in Baling Community College

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Abstract

Digital skills recently significantly impacted the social relationship of the new millennium society. Based on the awareness of this current reality, many strive toward implementing this method in every aspect of life, including businesses. Therefore, the Northern Corridor Economic Region (NCER) course participants should not be left out of the changes, including knowledge of life and entrepreneurship skills. Knowledge in finding opportunities related to entrepreneurship must be updated so that the products can be marketed through the correct channel and medium. The research conducted on NCER course participants who did business during the course organised by Baling Community College, Kedah, is to observe the enhancement in their businesses following the training attended in the college's digital application. This research aims to observe the relationship between digital marketing, customer relationship management, and the enhancement of their businesses. 45 participants of the NCER course from Baling Community College Kedah were involved in this research. The questionnaire answered by the respondents was then analysed using SPSS version 21. Overall, the result found that most NCER course participants have enhanced their sales using digital marketing platforms and can improve customer relationships.

Keywords: digital marketing, customer relationship, entrepreneurship

1.0 Research Background

Digital skills have empowered almost all aspects of life these days. This skill is highly demanded in every corner of life, social, work, education, entrepreneurship, or business. Hence, stakeholders and the government made much effort to ensure Malaysians can master digital skills. This can be seen from the significant changes in the digital era, which the government actively works on through education, the economy, and society in closing the gap between the rural and city areas (Hanif, 2018).

2.0 Problem Statement

Digital skills application was inculcated in all participants of the Northern Corridor Economic Program course, also known as NCER Baling Community College, coming from various fields and clusters through the program organised by CSR Petronas Malaysia. The primary purpose is to ensure NCER participants are not left behind by the current trend of business marketing patterns besides equipping them with technical field skills parallel to the entrepreneurial activities which require both initiatives in generating income. Both comprehensions of skills or initiatives function as a career path in entrepreneurship that will have an impact on increasing national household income. The increment of participants' product sales and service indeed requires effort from the participants in entering digital marketing. The diversity of their effort must be maximised so that the increase in sales which is the measure of entrepreneurial objective, can be achieved.

Thus, this training provided by Baling Community College is an effort to pass knowledge and skills to be applied. After a series of training and practices, a study must be conducted to observe whether each training provided was applied and contributed to the increment of business sales or vice versa. The application should be practised in real business to increase NCER course participants' business income. Therefore, the effectiveness of this application course must be observed from the participants' success in using digital applications for their businesses.

In respect of that, several questions arise which require specific observation on the effectiveness of the digital skills application method towards the NCER participants' business improvement: i) What are the digital marketing strategies that helped NCER participants improve their business? Moreover, ii) What is customer relationship management that helped NCER participants improve their business? Based on the questions above, there is a need to study the effectiveness to observe the implementation, impact, and implication.

3.0 Digital Marketing

Digital marketing is any form of marketing involving electronic devices (Marketer, 2018). Digital marketing is also a form of action in selling products and services via social media, SEO, email, and mobile applications (Ponde, 2019). Sokolova & Titova (2019) defined digital marketing as a marketing component that uses the internet and digital technology online such as using a desktop, mobile devices and media, and other digital platforms to promote products and services. It is a part of the marketing method used to promote products and services to provide convenience for users to obtain relevant information (Gawade, 2019). Various tools and devices, including mobile phones (SMS and MMS), social media, advertisements, and search engines, are mediums in digital marketing (Sokolova & Titova, 2019). In this decade, digital marketing has been more effective than traditional sales methods (Sokolova & Titova, 2019). Hence, in digital marketing, there is no boundary between sellers and customers, which means cheaper costs and opens more extensive business marketing. The availability of smartphones, tablets, laptops, televisions, videos, emails and other technologies will surely help increase the sales of products and services (Piñeiro-Otero & Martínez-Rolán, 2016).

4.0 Digital marketing strategy

A digital marketing strategy is an action plan that must be developed through an online networking method to attract customers to business products or services (Sokolova & Titova, 2019). Based on the SME definition (National Entrepreneur and SME Development Council, 2020), seven digital marketing strategies can be applied for businesses which are a) Informative marketing – by using brief information, short videos, or social media sharing through online network marketing, b) Online Retailing – by initiating online shops so that customers can directly obtain the item or services through the internet, c) Mobile application – by creating mobile applications so that users can download in their smartphones or gadgets, d) Social media channels – by developing a business profile online in social media, e) Email marketing – by using graphical messages to convey information related to products or services to users via their email, f) Attention-grabbing wordings – using phrases or words that can be easily searched and attracting customers, g) User-friendly websites – by developing websites that are responsive, informative and attractive which can encourage users' interaction.

5.0 Customer relationship management

Customer relationship management is a communication method dealing with existing and new potential business customers (Sahid, 2019). Customer relationship management is the combination of practices, strategies and technologies used by the

company to manage and analyse customer interactions and data throughout the customers' life cycle (SME Corporation Malaysia, 2020). The aim is to increase the quality of customer service relationships, help customer retention and spur sales growth (Sahid, 2019). The system in customer relationship management should be able to organise customers' data across different channels or mediums of business, between customers and company, that can be accessed via a website, telephone, direct conversation, direct email, marketing substance, and business social network (Buttle & Maklan, 2019). The management of customer relationships will help business staff deal with customers in obtaining specific information such as customers' personal information, purchase history, and concerns (Manmanagement, 2019). Customer relationship management helps businesses build a rapport with customers, leading to the development of customer loyalty and retention. Customer loyalty comes from excellent customer relationship management, leading to good business results.

6.0 NCER

Northern Corridor Economic Program, also known as NCER, is a Skills & Entrepreneurship Program (Skills and Entrepreneurship Training) and is one of two (2) components developing a series of empowering NCER programs focusing on enhancing skills, academic and socioeconomic. Another program, the second component, is to empower NCER – Academic (Corporate Communication Unit, 2021). Empower NCER – Skills & Entrepreneurship provides the participants with the knowledge and empowerment they require to increase marketability or become business owners (Athukorala, Pr; Narayanan, 2017). It is open to economic assistance recipients, indigenous groups, women, youth, unemployed graduates, terminated employees, and indigenous people from B40 communities (Corporate Communication Unit, 2021).

The program was expanded to include small business owners, micro companies, and terminated employees in the B40 group (Corporate Communication Unit, 2021). This parallels the additional step instructed by the Malaysian government for PKS under the PRIHATIN SME+ Stimulation Package, which was announced for the first time on 6th April 2020 (Corporate Communication Unit, 2021). Through the program's cooperation with various agencies and organisations, participants will receive training and related certificates, together with access to opportunities for job placement. They will also benefit from the buyback arrangement for their products and services (Athukorala, 2017).

These NCER participants had attended the Lifelong Education course in Baling Community College in the culinary field. They were also equipped with digital application skills to boost their business

sales further. The participants came from many different types of food businesses. They were trained to use the computer and social media so that their product sales could be improved and marketing could be expanded.

7.0 Research Design

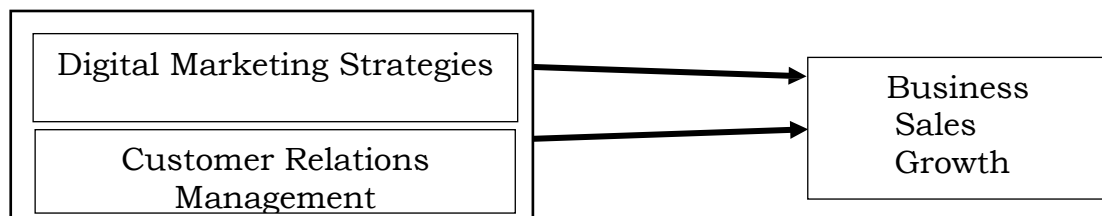


Figure 1.1: Conceptual Framework

8.0 Research Objectives

The general objective of this research is to observe the relationship between Digital Marketing Strategies and Customer Relationship Management influencing the Sales Growth of NCER participants in Baling Community College. Based on the research framework above, the specific objectives of the research are:

- i. To study the digital marketing strategies in influencing NCER participants' sales growth.
- ii. To study the customer relationship management in influencing NCER participants' sales growth

9.0 Research Methodology

Research methodology discusses the selection of research design, data collection method, determination of population and sample choices, pilot test, and data analysis method used in the processes and collection of the research data. This descriptive research involves selecting a research design using a quantitative method. Data collection via questionnaire was employed cross-sectionally on 45 participants of NCER. Meanwhile, the analysis unit is focused on the NCER participants who received training from PSH Lifelong Education in Baling Community College Kedah.

The research sample comprises the focused group, the participants from a group sponsored by CSR Petronas from various fields and clusters conducting businesses, and have attended a business digital skills application course in Baling Community College Kedah. The research instrument involves a questionnaire developed using Bahasa Malaysia as an intermediate language and underwent the reliability test via SPSS version 21.

The pilot test conducted on the questions was performed on the group of participants for food involving 20 who attended the

digital application course and are working with a business. Every misspelt and misunderstood word and phrase were corrected to enhance respondents' comprehension of the questions.

10.0 Data Analysis

Quantitative research data involving the use of SPSS software version 21 shows a high Cronbach alpha value and is reliable (Pallant, 2016) for each variable, as in Table 1.1 below.

Table 1.1: Cronbach Alpha Report

Variabel	No. Of Items	Cronbach Alpha Value
Digital Marketing Strategies	11	.880
Customer Relations Management	11	.801
Sales Growth	11	.847

Next is the statistics testing analysed based on research objectives and questions.

Correlation is used mainly to analyse the strength of the relationship between the considered variables and also measures if there is a relationship, that is, linear, between the given set of data and how well they can be related. Two primary standard measures used in the field of statistics for correlation are the Pearson and Spearman Rho correlation coefficients (Pallant, 2016). Pearson's correlation is one of the measures used to measure the strength and direction of the linear relationship between two variables (Pallant, 2016). Meanwhile, Spearman's rho correlation is a statistical method used to test assumptions about the existence of a relationship between variables when the data is ordinal scale (rank) or ratio/interval scale but does not meet the assumption of normality. Because the data of this study is not normally distributed, the Spearman Rho test was used.

11.0 Hypothesis Analysis

H1a: To study the digital marketing strategies in influencing NCER participants' sales growth

The analysis showed that the variable Digital Marketing Strategies could influence sales growth. This can be seen in the results of the p-value for the elements Digital Marketing Strategies ($p = 0.000$), which proves to be a p-value smaller than 0.05. This is in line with Pallant (2016), who states that if the p-value is smaller than 0.05 ($p < 0.05$), there is a correlation between the two variables and vice versa. Therefore, it was found that there is a significant

relationship between Digital Marketing Strategies with sales growth.

H1b: To study the customer relationship management in influencing NCER participants' sales growth

The analysis results of Spearman Rho correlation (Pallant, 2016) conducted on the independent and dependent variables showed few findings. The analysis showed that Customer Relationship Management influences respondents' sales growth. This can be seen in the p-value for the elements Customer Relationship Management ($p = 0.000$), which is a p-value smaller than 0.05. Again, this is in line with Pallant (2016), who states that if the p-value is smaller than 0.05 ($p < 0.05$), there is a correlation between the two variables and vice versa. Therefore, it shows a significant relationship between Customer Relationship Management and sales growth.

Table 1.2: Spearman Rho correlation test between Digital Marketing Strategies and Customer Relationship Management with sales growth

Spearman's	Digital Marketing	Correlation Coefficient	.592**
rho	Strategies	Sig. (2-tailed)	0.000
		N	45
		Correlation Coefficient	.602**
	Customer Relationship	Sig. (2-tailed)	0.000
	Management	N	45

On the other hand, Table 1.2 also shows analysis value to determine the strength of correlation (r) between Digital Marketing Strategy and Customer Relationship Management with the increase of customers. The value of the correlation coefficient for the element in variables Digital Marketing Strategies and Customer Relationship Management showed positive value. Hence, based on Rowntree Scale (1981), the level of correlation strength for each element can be explained in Table 1.3.

The value of the correlation coefficient for sales growth with Digital Marketing Strategies is 0.592. This portrays the medium strength of the relationship. Meanwhile, the value of the correlation coefficient for sales growth shows a medium-strength of relationship. It can be concluded that the strength of both of the variables gives medium positive impacts. Based on these correlational values, it can be reported that the variable Customer Relationship Management has a higher correlation than Digital Marketing Strategies in enhancing sales growth. It is also clear that

combining both factors contributes to the positive growth of NCER participants' businesses.

Table 1.3: Rowntree Scale for the correlation coefficient

Value of correlation coefficient (r)	Strength of Relationship
0.9 to 1.0	Very high, very strong
0.7 to 0.89	High, strong
0.4 to 0.69	Medium
0.2 to 0.39	Weak, low
0.0 to 0.19	Very weak

12.0 Suggestions and Conclusion

The results of the research conducted on the participants of the NCER course in Baling Community College who attended the Lifelong Education course clearly showed that the aspect of customer relationship management is an element that influences sales growth besides digital marketing strategies in the digital application that also helps in boosting their sales of business products. The objectives of the Lifelong Education Course conducted in Baling Community College to help NCER participants have displayed positive results by achieving the objectives set by the NCER management. The exposure to technical skills such as food products preparation and processing was combined with digital application skills and customer relationship management in developing competitive entrepreneurs in this modern world without borders.

Social media awareness must be expanded to every generation left out of modern trends. This opens new opportunities and marketing across borders to further increase income, increase job opportunities and close the economic gaps between B40 and M40. Focus on digital marketing strategy must be emphasised as the next step in providing high skills mastered in digital applications. The Community College's role will always be relevant to meet this need by providing skilled teaching staff to complete this knowledge further. This aligns with Sokolova & Titova (2019) statement that digital marketing is more effective than traditional sales methods.

To provide NCER participants with digital entrepreneurship skills, ongoing effort must be continuously provided to each participant to keep up with the changes in digital applications that have become the leading business channel. The process of opening minds and methods must be continuously done so that NCER Entrepreneurs can apply new business cultures in globalising their products, boosting both their income and national economy by penetrating current marketing without borders.

Training in improving Customer Relationship Management should also not be forgotten. Various forms of training in customer management skills need to be conducted to strengthen their

business further. These skills can be used either face-to-face or online method. With digital skills and supported with customer management skills will make their business more competitive. This aligns with Buttle & Maklan (2019), that insist on organising customers' data across different channels or mediums of business between customers and the company to become more established.

This study suggests looking at what skills need to be emphasised in digital marketing for future NCER courses. In order to see what form of training needs, a program needs analysis to be done to see what types of digital courses are needed to improve digital application skills for business for NCER participants.

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