

Strategic Customer Relationship Management as a Tool to Strengthen Customer Interest in Islamic Banking: The Case of Bank Muamalat Metro Branch

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Article Information	ABSTRACT
Received: February 12, 2025	Customer Relationship Management (CRM) is a strategic approach used by organizations to maintain effective communication and establish long-term relationships with customers. In the banking sector, high-quality service delivery plays a crucial role in building trust, enhancing corporate image, and attracting customer interest. This study aims to examine the Customer Relationship Management strategies implemented by Bank Muamalat KCP Metro in attracting customers. A qualitative descriptive research design was employed. Data were collected through semi-structured interviews and documentation, and analyzed using qualitative data analysis with an inductive approach. The findings indicate that the CRM strategies implemented by Bank Muamalat Indonesia KCP Metro are moderately effective. The bank has applied continuous service programs to maintain customer loyalty, implemented individualized service approaches based on customer needs and preferences (one-to-one marketing), and established cooperative partnerships with external institutions and companies beyond its core banking products through partnering programs. These strategies contribute to strengthening customer trust and increasing customer interest in Islamic banking services. The study provides practical insights into CRM implementation in Islamic banking institutions.
Revised: March 17, 2025	
Online: March 20, 2025	
Keywords: customer relationship management; CRM strategy; customer interest; Islamic financial institution	

1. Introduction

The banking industry is currently facing intense competition, requiring banks to continuously improve not only product quality but also service performance to attract and retain customers. As service-oriented institutions, banks rely heavily on customer trust, which is built through consistent, high-quality service and effective communication. Good service quality can generate positive perceptions, foster customer confidence, and strengthen long-term relationships between banks and customers [1].



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Smart International Management Journal, March 2025, Vol 2, No 1

Customer Relationship Management (CRM) has emerged as a strategic approach to understanding customer needs and managing long-term relationships. Through CRM, banks can deliver personalized services, enhance communication, and create mutually beneficial interactions that influence customer interest and purchasing decisions [2]. Effective CRM implementation plays a crucial role in promoting banking products, addressing customer concerns, and developing emotional bonds that encourage customer loyalty.

Empirical observations at Bank Muamalat KCP Metro indicate that factors such as compliance with Islamic principles, friendly marketing communication, competitive initial deposits, attractive profit-sharing schemes, and fast service delivery influence customer interest. In addition, marketing personnel apply planned communication strategies to promote banking products and engage potential customers. These practices highlight the importance of CRM strategies in maintaining customer trust and attracting new customers. Therefore, this study aims to examine how Customer Relationship Management strategies are implemented at Bank Muamalat KCP Metro and how these strategies influence customer interest.

In the context of Islamic banking, CRM implementation carries additional dimensions related to ethical values, sharia compliance, and trust-based relationships. Customers of Islamic banks tend to place strong emphasis on transparency, fairness, and religious conformity when selecting financial services. Consequently, CRM strategies in Islamic banking must not only focus on service efficiency and personalization but also align with sharia principles to strengthen customer confidence and institutional credibility [12]. Previous studies suggest that effective CRM in Islamic financial institutions contributes significantly to customer satisfaction, loyalty, and positive word-of-mouth communication [11].

Despite the growing body of literature on CRM in the banking sector, empirical studies focusing on CRM practices at the branch level of Islamic banks in regional areas remain limited. In particular, there is a lack of in-depth qualitative analysis examining how CRM strategies are operationalized in daily banking activities and how they influence customer interest. This study seeks to address this gap by providing empirical evidence from Bank Muamalat KCP Metro, offering insights into continuity marketing, personalized service approaches, and partnership-based strategies within an Islamic banking framework. The findings are expected to contribute to both academic literature and managerial practices in Islamic banking institutions.

2. Materials and Method

Research Design and Location

This study employed a qualitative field research approach to explore Customer Relationship Management (CRM) strategies in a natural setting. Qualitative research is appropriate for understanding social phenomena through direct interaction with participants and for capturing meanings embedded in real-life contexts [3]. The research was conducted at Bank Muamalat



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Indonesia, Metro Branch Office (KCP Metro), focusing on CRM strategies used to attract customer interest.

A descriptive qualitative design was applied to describe and interpret existing conditions related to CRM implementation. The findings are presented in narrative form rather than numerical data, aiming to provide a comprehensive explanation of the observed phenomena [4].

Data Sources

The data consisted of primary and secondary sources. Primary data were obtained through direct interviews with marketing staff and fifteen customers of Bank Muamalat KCP Metro. A snowball sampling technique was applied, where initial informants recommended subsequent participants to obtain broader and more in-depth information [3]. In total, fifteen customers were interviewed to gather insights related to CRM strategies and service quality.

Secondary data were collected from supporting materials, including books on banking and Islamic financial institutions, Customer Relationship Management literature, academic journals, and relevant articles that support the research framework.

Data Collection Techniques

Data were collected through interviews and documentation. Semi-structured interviews were conducted using predefined guiding questions while allowing flexibility to explore participants' opinions and experiences in greater depth [5]. The interviews involved marketing personnel, customer service staff, and customers of Bank Muamalat KCP Metro. Documentation techniques were used to complement interview data and included company profiles, internal reports, and photographic records relevant to the research topic [6].

Data Analysis

Data analysis was carried out using an inductive qualitative approach. Data obtained from interviews, field notes, and documentation were systematically organized, reduced, and interpreted to identify patterns and themes related to CRM strategies [3]. The inductive process allowed conclusions to be drawn based on empirical findings regarding how CRM strategies were implemented to attract customer interest at Bank Muamalat KCP Metro [6]. Data credibility was ensured through source triangulation and cross-validation between interview results and documentation.

3. Result

Organizational Profile of Bank Muamalat KCP Metro

Bank Muamalat Indonesia KCP Metro was officially established on 15 November 2010 and operates under the Lampung Regional Branch network. As part of the first Islamic bank in Indonesia, Bank Muamalat applies fully sharia-compliant principles in its operations. The branch supports



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retail and institutional customers through various savings, financing, and digital banking products. Its organizational structure consists of managerial, operational, marketing, customer service, and supporting staff, each contributing to service delivery and customer relationship management [7].

The availability of diversified sharia-based products—such as savings accounts, deposits, hajj financing, digital banking services (Muamalat DIN and QRIS), and sharia insurance partnerships—forms the institutional foundation for implementing CRM strategies tailored to customer needs.

Implementation of Customer Relationship Management Strategies

The results indicate that CRM implementation at Bank Muamalat KCP Metro involves all organizational units, from frontline employees to back-office staff [8]. CRM practices are embedded in daily service activities, emphasizing continuous interaction, customer engagement, and relationship building. Three primary CRM strategies were identified:

1. Continuity Marketing

Continuity marketing is implemented through long-term service programs such as reward-based savings schemes and bonuses for high-value customers. These programs aim to strengthen customer retention by offering tangible benefits aligned with sharia principles. Such initiatives encourage customers to maintain long-term relationships with the bank and enhance perceived value.

2. One-to-One Marketing

Bank Muamalat KCP Metro applies personalized services by segmenting customers into priority and non-priority categories based on financial contribution and preferences. Priority customers receive customized services, including personal visits and exclusive communication, while non-priority customers continue to receive standardized high-quality services. This approach reflects personalized CRM practices that recognize individual customer needs without compromising service equity.

3. Partnering Programs

Strategic partnerships with institutions and companies, including government agencies and sharia insurance providers, constitute another key CRM strategy. These collaborations expand service reach, enhance product integration, and strengthen institutional credibility. Partnerships also facilitate cross-service promotion, contributing to customer acquisition and trust-building.

Customer Perceptions and Interest Formation

Interview findings reveal that customer interest is influenced by both internal and external factors. Internal factors include product knowledge and occupational background, which shape financial capacity and decision-making. External factors encompass product quality, service quality, promotional activities, and branch accessibility [9].



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Customers generally perceive Bank Muamalat KCP Metro as offering reliable sharia-compliant products, low administrative costs, and friendly service. Positive service experiences foster satisfaction, loyalty, and word-of-mouth recommendations, which play a significant role in attracting new customers.

One-to-One Marketing and Service Personalization

The bank applies one-to-one marketing by segmenting customers into priority and non-priority groups based on financial contribution and service preferences. Personalized services include flexible transaction handling and proactive customer visits. This approach aligns with CRM theory emphasizing individualized interaction as a determinant of customer satisfaction and loyalty [8].

Partnering Programs and Network Expansion

Partnership strategies are conducted through collaborations with governmental institutions, educational organizations, and sharia-compliant insurance providers. These partnerships expand service accessibility and enhance institutional credibility. Strategic alliances have been widely recognized as effective mechanisms for strengthening customer trust and expanding market reach in financial institutions [10].

Factors Influencing Customer Interest

The results reveal that customer interest is influenced by internal factors such as product knowledge and occupational background, as well as external factors including product quality and service quality. High service quality and sharia compliance emerge as dominant drivers of customer preference. These findings are consistent with prior research indicating that service excellence and product suitability significantly affect customer intention in Islamic banking [11].

4. Discussion

The findings demonstrate consistency with the CRM framework proposed by Sheth, Parvatiyar, and Shainesh, emphasizing continuity marketing, personalization, and partnership-based relationships. Service quality emerges as a central element linking CRM strategies to customer interest and loyalty. Effective CRM implementation enhances customer satisfaction, strengthens trust, and supports sustainable growth in Islamic banking institutions.

These findings reinforce the CRM framework proposed by Sheth et al., particularly in the context of Islamic banking, where trust and ethical compliance play a central role in relationship continuity.

5. Conclusions

This study concludes that the Customer Relationship Management (CRM) strategies implemented by Bank Muamalat Indonesia KCP Metro have been applied at an adequate and effective level. The bank has successfully adopted continuity marketing through sustained service



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delivery, personalized interactions based on customer needs (one-to-one marketing), and partnership programs with external institutions beyond its core banking products. These strategies contribute to strengthening customer relationships and enhancing customer engagement.

The findings indicate that product quality and service quality are the most influential factors in attracting and retaining customers. High-quality sharia-compliant products, combined with responsive and customer-oriented services, play a central role in building customer trust and satisfaction. In addition, customers' educational background and occupational status support decision-making processes by shaping financial awareness and capacity, thereby influencing interest in using Islamic banking services.

Overall, effective CRM implementation serves as a strategic tool for fostering long-term relationships, increasing customer loyalty, and supporting the sustainability of Islamic banking institutions in a competitive financial environment.

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