



## IMPROVING THE MARKETING PROCESS IN EXTRACTIVE INDUSTRY USING SERVICE EXCELLENCE APPROACH: A STUDY IN PT. COALNESIA

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### Abstract

PT Coalnesia is one of the largest coal mining companies in Indonesia, with sales in the domestic market of approximately 60% of total sales. This makes the domestic market has an important role in this company. About 70% of the domestic sales are supplies for electricity generation needs. At this moment, the government also has 35,000 megawatt power plant development program, which is the potential to increase sales with new customers. The relationship between PT Coalnesia and its customers in the domestic market has been established for decades with long-term contracts. However, this does not guarantee that PT Coalnesia is the first choice of its customers. With the tight competition of coal suppliers in the domestic market, also to increase customer satisfaction, PT Coalnesia needs to set a strategy to differentiate its services from other companies.

In this study, the author used a qualitative method by conducting interviews with 5 people consisting of 3 customers and 2 employees of PT Coalnesia to know the level of their satisfaction and the ability of the company to provide these services. In addition, the author also did observation during 3 months internship in this company and used secondary data to support this research.

As a strategy to evaluate the services of PT Coalnesia, the author has used Customer typology using Apostles Model and The Six Pillar of Customer Experience, from the results of the research, PT Coalnesia needs to implement a new marketing strategy that prioritizes service. PT Coalnesia can use Service Excellence Method as a reference in providing services to customers.

**Keywords:** Coal Industry, Indonesia Coal market, Customer Satisfaction, Service Excellence.

### 1. Introduction

The domestic consumption of coal in Indonesia in recent years has a rapid increase because the Indonesian government is committed to its ambitious energy program. One of the developments is to increase the capacity of power plant with the 35.000 Megawatt program, which is targeted to complete in 2019, with 20.000 Megawatt or about 60 % of the total capacity is expected to use coal.

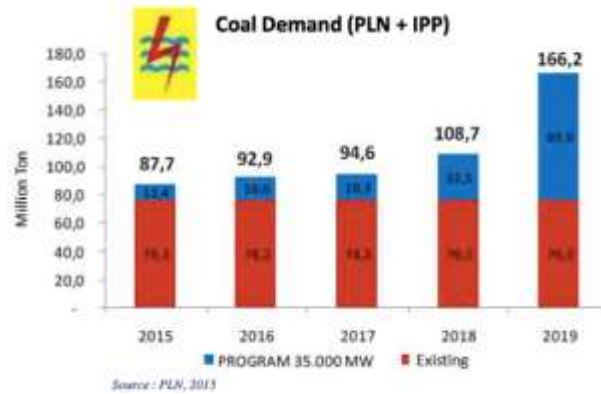


Figure 1. Coal Demand for PLN Group with 35GW Program

From the government’s perspective, coal is considered the quickest, easiest and cheapest way to provide millions of people with electricity. The 35,000 MW program requires \$73 billion of investment in generation, transmission and distribution. Most of the projects are to be developed by IPPs, while PLN will be responsible for the construction of transmission and distribution lines.



Figure 2. Total Consumption for Domestic Use

According to Ministry of Energy and Mineral Resource Republic of Indonesia the compound annual growth rate (CAGR) for Coal from 2017 to 2019 are predicted to grow 7.9%. The total consumption of coal in Indonesia are mostly used for power plants, and between 2018 to 2019, it is predicted to grow 10%. This moment also used by other competitor both the existing and new to enter the coal domestic market, therefore PT Coalnesia needs to set a strategy to differentiate the company with other competitor. Improving the quality of the service could be one of the strategies for PT Coalnesia to improve the customer satisfaction so it will increase align with the domestic sales.

Some of the buyers in the domestic market are another SOE which is the PLN group (Perusahaan Listrik Negara). About 70% of the total domestic sales in PT Coalnesia goes to PLN group, therefore the power plant sector has an important role in company’s domestic market. The state-owned electricity company, PT PLN, also has significant influence over energy policy, and those also impacting the coal demand. The relationship between PT Coalnesia and the buyers in domestic market are already intertwined for decades. Maintaining the relationship becomes crucial for PT Coalnesia in domestic market since the company has a long-term contract with main customers.

According to a statement from Mr. Diokha, the Domestic Marketing Manager, the company doesn’t really know the customer satisfaction level on their service. This is because the customer survey to identify the customer satisfaction is not running well. He said, PT Coalnesia also has an unclear strategy toward customer service and how every individual in the company should treat the customer.

Since the coal business is mostly B2B business, it is very important to maintain the customer loyalty, because 84% OF B2B sales begin with referral (HBR, 2016). The customer loyalty play is an important role to give the company positive reputation. Therefore, the company also needs to develop a new strategy to improve customer loyalty. According to this situation, the main problem in PT Coalnesia domestic market are:

1. PT Coalnesia doesn't really know the customer satisfaction level on their service
2. PT Coalnesia has unclear strategy towards customer service
3. PT Coalnesia needs to develop a strategy to improve customer satisfaction

According to the problem, the objective of this final project is to analyze customer relationship in PT Coalnesia and managing the service excellence to improve customer satisfaction. There are three main objectives of this research:

1. Evaluate the relationship of PT Coalnesia and its customer to know the satisfaction level of the customers toward the service
2. Identify the service strategy in the company
3. Develop a service strategy to improve customer satisfaction towards the company

## 2. Business Issue Exploration

The value chain describes the internal activities a firm engages in when transforming inputs into outputs (Rothaermel, 2015). The core business of the company is coal mining, this framework will analyze the value chain in PT Coalnesia in the coal mining. This value chain analysis will explain how the company does business. To be more specific on the problem in domestic market, the author will analyze more about in marketing and sales sector.

### Coal Mining Value Chain



#### a. Exploration

The first process on the coal mining is the exploration, in this activity, PT Coalnesia are able to do the research and analyze the geological data to explore a new coal reserve. However, due to the limit capability, the company still need to hire outsourcing third party for technical feasibility study.

#### b. Production

In the production side, PT Coalnesia is already well known for their capability. The company are able to produce different type of coal in single mine. In this last five years, the company kept increasing the rate of coal production due to the rising demand for medium calorie coal.

#### c. Supply Chain and Distribution

For the distribution, the Company cooperates with PT Kereta Api Indonesia (PT KAI) in to transporting coal from the mine to ports. Since the company has high dependency to PT KAI, the company has a long term contract regarding the transportation price to minimalize the risk of price increases.

#### d. Marketing and sales

Marketing and sales in the company divided in two divisions, domestic and export market. The domestic market takes up to 60% of the total sales. The company also has dependency on few clients.

e. Trading

The trading activity in the company handles by company's subsidiaries, PT Coalnesia Star.

The process below the marketing & sales activity is analyzed to have better understanding about the marketing process in the domestic market. The main activity is divided into five steps based on KPMG template as seen on the figure below.

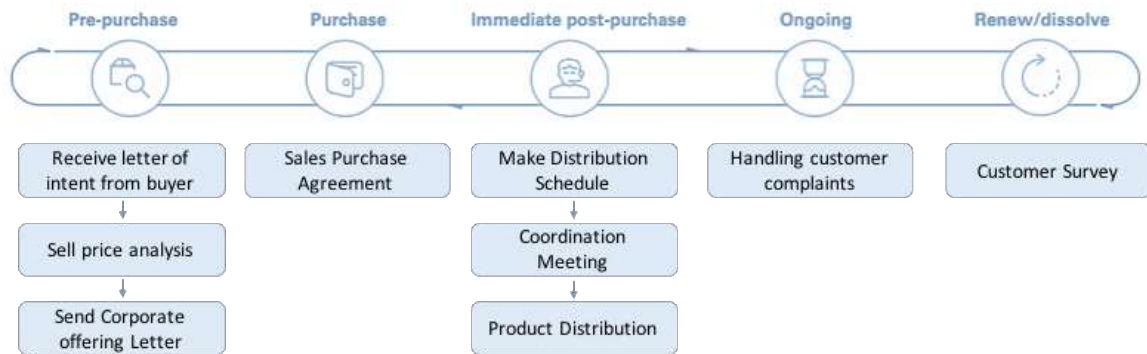


Figure 3. Marketing Process in PT Coalnesia Domestic Market

- Pre-purchase

The marketing process in the company usually begin with receiving the letter of intent from buyer, since most of the domestic customer already have a long-term contract. Then the marketing team will analyze the customer needs and the sell price before sending the corporate offering letter.

- Purchase

The purchase happens when both parties already agreed with the contract. The contract usually consists of the coal type, volume, price and distribution schedule.

- Immediate Post-Purchase

After both parties have agreement, the distribution process starts with making the distribution schedule. Most of PT Coalnesia contract now are FOB which means the company only delivers the coal from the mines to the port then the delivery using ship will be handled by the third party chosen by the customers. Therefore, in this phase, the company needs coordination meeting with all the parties before the coal distribute.

- Ongoing

During the process, the marketing team role is to handle the problem that may occur during the distribution and also have the coordination meeting with all parties.

- Renew/Dissolve

After all the process is completed, the marketing team need to make sure that the business has ended well with all parties. Customer satisfaction survey needed to evaluate and improve the service.

**7Ps marketing Mix**

The 7Ps helps companies review and define key issues that affect the marketing of its products and services. It is called a marketing mix because each element of the marketing mix is related to the others. The challenge for marketing is to ensure that the elements of the mix work together to achieve the marketing objectives. Using this framework, it could define which element should be improved to achieve the target market.

a. Product

Unlike any other industry, the coal industry only has limited product, the differentiation is in the ingredients that contain in the coal. The company has a typical quality of the coal with low ash, low sulphur, high HGI and high AFT that is ideally suited for consumption in power stations and industrial plants. PT Coalnesia has four medium – high cv coal types. Gaseous emissions and particulate airborne emissions are lower than any other solid fuel. The amount of captured ash waste is very small on an absolute basis and very low compared to other coals. Looking at this situation, there are no problems about the product in the company.

b. Price

The coal price for domestic markets, especially for power plant use are regulated by the government. The benchmark price for coal sales is regulated by MoEMR Regulation No. 17/2010 (as amended by MoEMR Regulation No. 66/2010), which states that the sale of coal should be aligned with the benchmark price issued by the Government. The HBA (Harga Batubara Acuan) is calculated based on average coal prices in local and international market indexes, namely the Indonesia Coal Index, Newcastle Export Index and the Newcastle Global Coal Index for the previous month. The HBA is then used to determine a coal benchmark price (Harga Patokan Batubara - “HPB”), which is adjusted for individual coal quality characteristics. Looking at this situation, the price of the coal could not be adjusted or improve to be one of the company’s competitive advantage. On the other hand, coal is a commodity product that the user will always need despite the price. So, this element is not the concern of the problem that needs to be solve.

c. Place

The company holds mining concession (IUP) operation production with a total managed area of 93,977 ha located in South Sumatera. Looking at the PT Coalnesia’s mine place in South Sumatera, this considered as the strength of the company since most of the customers took place in Java. Based on the customers’ statement, they are likely to buy from PT Coalnesia because the close distance between the PT Coalnesia’s ports and the power plant, rather than buying from coal company in Kalimantan. So, there are no problems found in this segment.

d. Promotion

Promotion is the activity of communicating information from the seller to consumers or other parties in the sales channel to influence attitudes and behavior. Promotion can be done using advertising, sales promotion, personal selling and in more recent times social media. In the coal mining industry, which mostly is B2B business, promotion is not really necessary, since the product is a commodity product. So, promotion is not really a concern for the company.

e. People

People are one of the important resources in the company. The performance of the company relies on the people who run them from front line sales staff to the Managing Director. Having the right people is essential because they are as much a part of the business to offer product or service. People in this element, including customer service, skill & experience, and CRM. Looking at the company situation, the quality of their human resource are mostly capable enough to handle the job in coal mining industry, their skill and knowledge about coal industry are undoubted. But, the author has found some issue in the company about customer service and CRM. Therefore, in this research, the author will explore more about the people in the company in order to find the business solution.



f. Process

Process is an activity that shows how the service is given to consumers while purchasing goods. The author has observed that the marketing process in the domestic market in the analysis before, start from pre-purchase until renew/dissolve. Looking at the situation, the marketing process could be improved by implementing a new service strategy that could increase the performance of the company. By setting up a service standard in every step of the marketing process, the company could increase the satisfaction of the customer so that it will be beneficial for the company.

g. Physical Evidence

Physical evidence covers the elements of the physical environment that customer experienced in the company. The author has observed how customers come to PT Coalnesia and how they serve their customers at PT Coalnesia offices. The company facility is one of the keys to evaluate the standard in customer service, below is the author observation on PT Coalnesia's office.

- The security is the first person faced by the customer, they quickly help the customer to get direction into the office
- The receptionist are always in place and immediately call the person that the customer wants to meet, they also escort the customer to meeting room
- PT Coalnesia has several medium sized meeting rooms to meet their customer, the facilities considered good enough.

**Customer Typology using Apostles Model**

Apostles model is a framework developed at Harvard Business School, this framework can be a starting point at developing an effective strategy for PT Coalnesia. This framework can be used to identify the customer satisfaction level of PT Coalnesia.

Table 3. Customer Segments in The Apostles Model

<b>Customer Segments in The Apostle Model</b>			
<b>Categories</b>	<b>Satisfaction</b>	<b>Loyalty (Repurchase)</b>	<b>Behavior</b>
Loyalist/Apostle	High	High	Staying and supporting
Defector/Terrorist	Low to Medium	Low to Medium	Leaving or having left unhappy
Mercenary	High	Low to Medium	Coming and going; low commitment
Hostage	Low to Medium	High	Unable to switch, negative word-of-mouth

To evaluate the customer type using this framework, the author already conducted interviews with some of the PT Coalnesia's customer in the domestic market. In PT Coalnesia total sales, about 60% of the coal demand is in domestic market. In this case the author interviews three respondents that represent the coal fired power plant, those three respondents who are considered can represent the domestic market customers because 70% of the domestic market goes to power plant use. When the author asked the respondent on how do they assess the level satisfaction with the company service, on scale 0-10 how much they will score PT Coalnesia service, one of them go with point 8.5 and two of them with 8. They also added the statement that they are actually quite satisfied with PT Coalnesia customer service, but they want PT Coalnesia to improve their service, especially the commitment to fulfil the coal volume based on the contract.

According to the customer, the product of PT Coalnesia is considered excellent, they surely will repeat the purchase, because PT Coalnesia can ensure the quality to be consistent. Based on the interview with PT Coalnesia's customers, the author can conclude that most of PT Coalnesia customers is in Near Apostles type. They are generally satisfied and loyal but they need something more. On the other hand, it is because they have a long term contract with PT Coalnesia and they also stuck with the company because their power plant is mostly designed to use PT Coalnesia coal.

### **Six Pillar of Customer Experience**

To evaluate deeper about how the customer thought about PT Coalnesia and as the basis to develop service standard, the author use Six Pillar of Customer Experience (KPMG, 2017) to identify the factors that contribute to a long-term sustainable and profitable relationship between businesses and between companies and consumers (KPMG, 2017), since most of Coal company use B2B business model. The Six Pillar in B2B Experience consists of personalization, integrity, expectation, resolution, time and effort, and empathy. The analysis of PT Coalnesia's customer experience can be seen in the statement below.

#### **a. Personalisation**

Personal relationships refer to close connections between people, formed by emotional bonds and interactions. These bonds often grow from and are strengthened by mutual experiences. The relationship of PT Coalnesia and the customer can be considered really closed, as they have been cooperate for a long time, especially in domestic market since the company has a long-term contract with main customers. The customer of PT Coalnesia admits that they have emotional bonds with the person in charge and the relationship considered close as if friends.

#### **b. Integrity**

Integrity precedes trust, which is the foundation of all relationships. In order to gain the customer trust, a company must show their integrity through their employee by doing the right things in a reliable way. According to the customer statement about PT Coalnesia employee, they already show good integrity. Those can be stated throughout the customer experience, the customer confesses that they can trust and have no worries with the person in charge in PT Coalnesia to do their work well. Mrs. Nisya, the administration manager of PT Power of Indonesia said that, "PT Coalnesia is a big coal company in Indonesia and has a good image among the customer, so far the quality and quantity of the PT Coalnesia's coal is one of the best".

#### **c. Expectation**

Consumer expectation generally refers to the needs and wants regarding goods or services. Meeting the customer expectation is one of the challenges to provide a good customer service, therefore PT Coalnesia needs to understand who are the customer and what they want. The customer of PT Coalnesia admits that the quality of PT Coalnesia coal is one of the best in Indonesia, the only things that they concerned is the commitment of PT Coalnesia to fulfill the volume based on the contract. Mr. Edward, the operation manager of Alai Power Plant expected PT Coalnesia to be more concerned about their commitment, He said, "in quality, there is no problem with PT Coalnesia's coal, the only problem is their commitment to supply the coal in volume that has been agreed before".

#### **d. Resolution**

Resolution means the ability to turn a poor experience of the customer into a good experience. PT Coalnesia itself is very concerned about the customer complain, this is one of the assessments inside the marketing division that can affect individual performance. The person in charge is very responsive to solve customer's complaints. According to the PT Coalnesia's customer, Mr. Tomy from PLN, they have a good experience with PT Coalnesia in handling the problem during the business process,

there has been dirt on the coal delivered to PT PLN, and when they complain about it, PT Coalnesia directly handles the problem in the same day.

e. Time and Effort

Time and Effort means to respect the customer time and minimizing customer's effort. In the coal business, an accurate time of distribution is a big concern, every shipment of the coal already scheduled and it needs to be done precisely. To make sure the distribution is running on time, PT Coalnesia and the customer has meeting in the early, middle and at the end of each month to evaluate the distribution. PT Coalnesia also initiate to fulfil the customer need by minimizing customer effort, such as initiative to come for a meeting in customer's office, and handle the obstacle in the process of business without counting heavily on the customer.

f. Empathy

A Company needs to show empathy by thoughtfully shaping the customer experience. Looking at the closeness of PT Coalnesia and their customer, it can conclude that the customer already feel the empathy for them. The relationship between PT Coalnesia and the customer is not only because of financial benefits.

### Service Strategy Analysis

To analyze the service strategy in PT Coalnesia, the author uses service strategy analysis by which the element is part of the Service Excellence Model by PQM Consultant. Using this analysis, the company could identify how they do the service so far in order to improve the delivery of services to the customers. A company should have a clear strategy to provide service towards the customer, how they want the customer to experience their service. As Mr. Diokha said, PT Coalnesia didn't really have the strategy about customer service.



Figure 5. Key Elements of Service Strategy

To achieve a deeper understand about service strategy in the company, there are three key to design the service strategy which are desired outcomes, customer expectation and process capability. Based on the interview with the internal department about the service strategy the result is as stated below.

- Desired outcomes

The outcomes should align with the company vision and mission, the company wants to be the world class energy company that cares about the environment, moreover to be the best among the competitor.

- Customer expectation

The customer expects assurance about the quality, quantity and the competitive price.

- Process Capability

PT Coalnesia has excellence competencies about coal, but the company also need to improve in others aspect, especially in business strategy to enter new market. The company also need to improve the capability related to customer service.



### 3. Business Solution

The first problem is that the company doesn't know the satisfaction level of the customer, and to analyze it the author use customer typology Apostles Model. Based on the interview with PT Coalnesia's customers, the author can conclude that most of PT Coalnesia customers is in Near Apostles type. They are generally satisfied and loyal but they need something more. On the other hand, it is because they have a long term contract with PT Coalnesia and they also stuck with the company because their power plant mostly designed to use PT Coalnesia's coal.

The solution to Near Apostles customer are that the company should not easily satisfied and think that if the customer is satisfied enough than they do not have to do more and instead look for another client. The company should nurture the relationship with the customer, especially when they are devoted to the brand. Therefore, the next step to develop service strategy will align with the objective of the company to increase the customer satisfaction. This strategy is expected to improve the marketing process in the company to have a better performance towards the customer. The goal of this method is to improve the customer satisfaction from the Near apostles type into Apostles type. The Apostles type of customers have a characteristic of high loyalty, high satisfaction, staying and supporting, and the most important is they are willing to give a good referral. So, this strategy could improve the company capability to get a new customer, especially could help the company with the government program of 35 GW power plant development that will increase the demand of coal consumption in domestic market.

#### Six Pillar of Customer Experience

After knowing how their customers experience the PT Coalnesia services, this framework can also guide the company about the things that PT Coalnesia should do in order to deliver the service. These six points of concerned in customer experience could be used as an insight for PT Coalnesia provide a good customer service standard that could improve the customer satisfaction. In the B2B business, the relationship occurs between and across teams. In fact, the best organizations are those that are able to manage the delivery of an experience through a team of teams. Below is the marketing process that happens in PT Coalnesia, with the service standard that should be implemented in each step of the process.

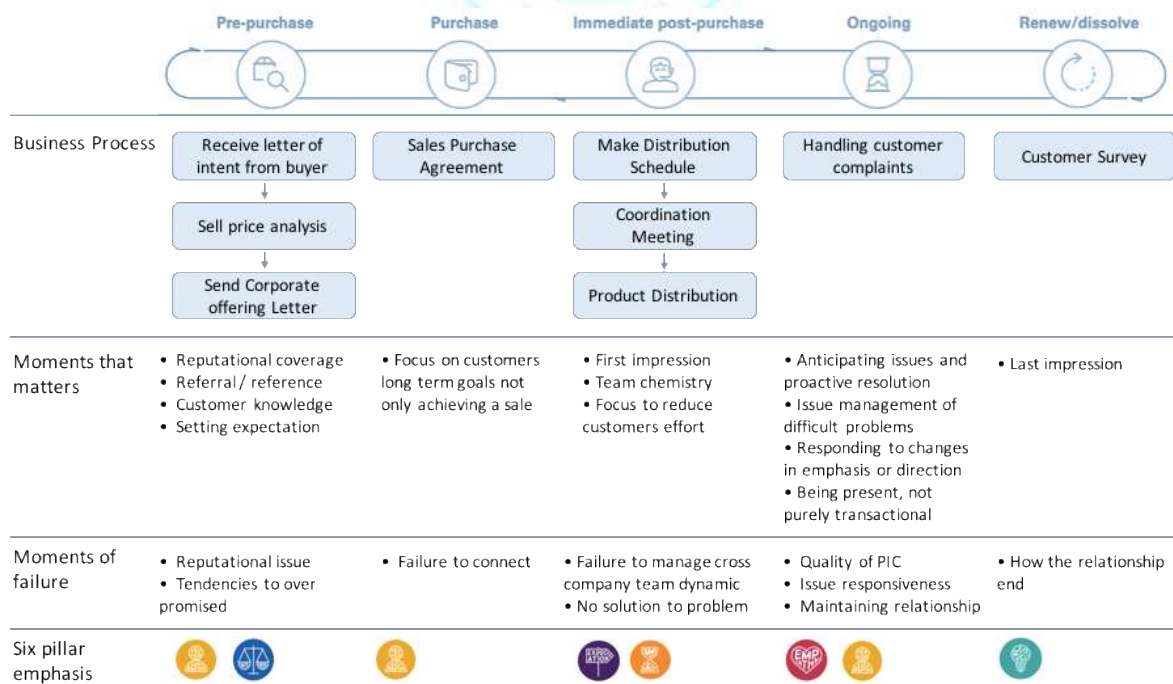








Figure 6. PT Coalnesia Service Standard

According to KPMG Nunwood consulting, the author uses these six points of concern in customer experience that has been match with the situation in PT Coalnesia, this could be used for the company to provide a good customer service that could improve the customer satisfaction. This can also be used as a guide to set the service standard. The table below is the detail of six pillar emphasis that could be the basis of the employee concern and behavior towards the customers during the marketing process as seen in the figure

Table 4. Six Pillar Emphasis

Six Pillar Emphasis	
	<b>Personalisation:</b> Building a special relationship with the customer through recognizing and responding each of the customer needs. Make the customer feel important and special as individuals. Provide proactive and relevant ideas and insight that add value to the customer.
	<b>Integrity:</b> Be transparent and open to the customer. Use the company expertise to deliver the promise to earn trust. The person in charge must be the one who oversee the work and make it clear how the company have added value.
	<b>Expectation:</b> Make sure to meet the customer expectation created at the beginning, do not over promise and under-deliver. Communicate clearly and open with the customer. Accurately set and reset the customer
	expectation as the project unfolds.
	<b>Resolution:</b> Fix problem with urgency when they arise. The supervisor and top management person should be visible when things get difficult and lead the resolution. Provide the customer with timelines, updates and plans for problem resolution.
	<b>Time and Effort:</b> Respect the customer time and respond them quickly. Find ways to save their time and cost by giving a better option if possible. Joined up internally with the customer, don't leave it to the customer to make connections.
	<b>Empathy:</b> Show that you care about the customer business and as individuals. See from their perspective and show that you understand, help them solve the problem. Provide an emotionally intelligent response to the problem.

The study by KPMG shows that organizations that prepare for the moments that matter, rather than trying to be ready for anything are the ones with a greater chance of success. This life cycle shows the moment that matters in every step of the business process, also the six pillars that emphasizes on the process. The company that is clear on its target experience at each stage of the life cycle are able to define their measurement and monitoring programs to ensure the consistency of delivery. Below is the life cycle that happen in PT Coalnesia sales process, the following matrix illustrates how the moment that matter play out across the business in the company.

### Service Excellence Model

Based on the explained situation, one of the solutions that could be proposed is using Service Excellence Model as the service strategy to improve the customer experience and maintain the customer loyalty. The author also found that in PT Coalnesia's marketing division which is closely related to the customer, there is no standard and socialization on how to do the customer service. Using Service Excellence Model the company can identify ways to improve the delivery of services in the public service. According to PQM Consultant, there are six key elements of service excellence that needs to be concerned toward the customer.



Figure 7. Service Excellence Model

a. Service Strategy

The first phase is designing a service strategy. This strategy is to provide guidance on clarification and prioritization of service. A company should have a clear strategy to provide service towards the customer, how they want the customer experience their service. There are three keys to design the service strategy, desired outcomes, customer expectation and process capability.

- Desired outcomes: evaluate the priority in customer service of the company, where this company positioned itself in front of the customer.
- Customer expectations: understand the customer expectation and compare what the competitors already done to provide the customer expectation.
- Process capability: How is the capability of the company to give the customer service.

b. Service Standard

The second phase is to set a service standard, this step is important for the company to have a guidelines that can be followed by the employee. This phase also can be done using Six Pillar Customer Experience as the basis to identify the moment that matters. The purpose of standardization are:

- Guarantee the consistency of the service
- As a benchmark for measuring performance
- As a basis for audit and also improvement
- Increase efficiency, performance and productivity
- Optimizing the function of the service chain in the company from internal to external

c. Training & Coaching

The third phase is training and coaching for the employee, this phase is necessary because of competency gaps such as knowledge, skills, attitudes and behaviour of the employee in serving external and internal customers. As the research shows, PT Coalnesia didn't have the training about customer service, so this step is very important.

d. Authority / Empowerment

Building an empowered environment for the employee is important. It is really important for the employee to have authority and feel empowered in the workplace. Work in a work climate that encourages honest and open problems could improve the ability of the employee to give good customer service. An Employee needs to have the authority to take action immediately, if there are problems so they can response to customer immediately.

e. Feedback

The company needs to evaluate the feedback from both the customer and internal department. The company needs to evaluate the feedback from both the customer and internal department. And in the internal department, the feedback from the employee could be useful for the company to audit the service standard. From this phase, the company is expected to get the information from the customer to make improvement for the next service standard.

f. Reward & Recognition

The last phase is to give rewards and recognition to motivate the employee. When employees and their work are valued, their satisfaction and productivity rises, and they are motivated to maintain and improve their good work. There are also some worries about rewards and recognition, it can create unhealthy competition and breaking down the spirit of teamwork, also the good work will not last long, especially if it turns out that reward no longer exists. In the end, with a good management and culture in the company the purpose of the rewards is to bring positive impact on excellent service behaviour.

#### 4. Implementation Plan

The Six Pillar of Customer Experience and The Service Excellence model is two theoretical basis that will be used to form this implementation plan. Both theoretical bases are needed because improving service levels is an ongoing process. Improving means following a circle of continuous improvement and measurement, it's an unending progress of doing little things better and then setting and achieving ever-higher standards. The Six Pillar are needed in the implementation to identify the moment of truth to set up the service standard. Then, the other framework is using Service Excellence Model which could assist the company with the step to continuously build improvement initiatives toward previous service. All of the process is in marketing division. The implementation of the strategy will conduct through 4 stages as explain below.

a. Preparation Stage

○ Evaluate Customer Experience with Interview

To begin the implementation, the company should first evaluate the customer experience in order to make a good service strategy. In this phase could be done using the Six Pillar Customer Experience as the basis to understand the customer experience and expectation about the company's service.

○ Analyzing the Interview Result

After conducting the interview, the result should be analyzed in order to find the basis for service standard. Customer expectation is one of the element to set service strategy.

b. Develop Service Strategy

○ Evaluate the Company's Service Strategy

Before setting up a new strategy, the company should first evaluate the customer service that has been conduct in the company. One of the key elements to set service strategy is process capability, this phase could analyze the capability of the company in delivering the service.

○ Setting Service Strategy

A company should have a service standard in order to be successful in delivering the service to customers. How they want the customer experience their service. The company could use Service Excellence Model as their service strategy to deliver the service.



- Analyzing Moment of Truth

To set up service standard, the company should analyze the moment of truth, the standard should implement in each moment when the company meets the customers.

- Set Up Service Standard

It is very important for the company to have service standard as the guideline for the employee to do customer service. The company could use The Six Pillar Customer Experience as the basis in set up the service standard in each moment of truth.

- c. Establish Culture of Service Excellence

- Socialization of Service Strategy

Establishing the culture of Service Excellence begin with socializing the service excellence. As the new service strategy has been set up. Socialization is necessary to introduce the employee with a new way to deliver the customer service.

- Training & Coaching

This activity's purpose is to distribute and accelerate the employee knowledge of the new service strategy, they are thought about how to deliver the service, the moment that matter in every aspect and the moment of failure that could happen so they could have a better understanding on how to handle the problem during the business process with customers.

- Implementing Service Excellence

After the employee understands how to deliver the better service, the implementation of service excellence begin along with marketing & sales process happen in the company. This new strategy should be carried out onwards, but to identify the process this strategy will be evaluate after 3 months.

- Empower the employee

Building an power environment for the employee should begin since the first time this strategy implement until then. It is really important for the employee to have authority and feel empowered in the workplace. In order for this phase to be success a good leader is needed to encourage the employee. Work in a work climate that encourages honest and open problems could improve the ability of the employee to give good customer service.

- d. Evaluation

- Collecting Feedback from Customer

The evaluation stage can begin with collecting feedback. The feedback from customer could be collect using interview methods.

- Collecting Feedback from Internal Department

Feedback from the internal department also important to know how the employee has been implement the strategy and the obstacle that they face.

- Analyzing the Feedback Result

The feedback from customer and internal department can be analyzed as the basis to improve the strategy for the future.



- Auditing Service Standard

After analyzing the feedback result, the company could audit the service standard based on the situation for future improvement.

- Reward & recognition

In order this strategy could be success, the company could implement rewards and recognition for the employee to encourage them to give the best for the customers.

### **5. Limitation**

Based on problem identification, this research is only analyzed from marketing strategy sight by focusing the customer relationship management. This research also limited in B2B business in domestic coal industry. Future research on other areas such as supply chain & distribution and trading could be useful to support the analysis.



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