

Impact of IT Strategies on Customer Satisfaction Among SME Leaders During Disaster Disruption: A Study of the Midwestern Region, United States

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Abstract: Customer satisfaction remains one of the key challenges affecting business continuity in small and medium-sized enterprises (SMEs) during disaster disruptions in the Midwestern region of the United States. These disruptions pose significant organizational threats, leading to closures, customer disloyalty, poor organizational image, and hindered economic development. The aim of this study is to examine how the adoption of IT strategies by SME leaders can enhance customer satisfaction and improve business sustainability. A review of existing literature was conducted, and the Customer Relationship Management (CRM) model was adopted as the theoretical framework for this research. A qualitative approach with a multiple case study design was utilized. Semi-structured interviews were conducted with four SME leaders to gather in-depth insights while ensuring data saturation was avoided. Ethical considerations, including informed consent, confidentiality, and anonymity, were strictly maintained during the research process. The findings revealed that the adoption of IT strategies significantly enhances customer relationships and satisfaction among SME leaders in the study region. Consequently, it is recommended that SME leaders continue to implement strategic IT methods in their service delivery and provide staff training on IT techniques and approaches to sustain customer satisfaction.

Keywords: Customer satisfaction, Disaster disruption, IT strategy, SME leaders.

INTRODUCTION

The role and importance of strategic IT usage in maintaining customer satisfaction cannot be overstated, especially as many SME leaders in the United States face challenges in developing and implementing effective information technology solutions to retain customers and ensure business continuity during disaster disruptions (Tomilawo, 2024; Demirel, 2022; Mensch & Pry, 2021). Existing literature from various scholars emphasizes that SMEs are globally recognized as integral components and key players in driving industrial development within any nation. Slack, *et al.*, (2020) further validate this assertion, noting that disaster disruptions faced by most SME leaders may stem from natural occurrences or human errors, resulting in financial losses, customer disloyalty, and, in some cases, business closures.

The success of any business organization heavily relies on the strategies adopted by its leaders, as business strategy encompasses a series of decision-making actions aimed at achieving organizational goals and navigating competitive market forces. According to Dazzi, *et al.*, (2023), the growth and development of businesses are largely dependent on the organization's commitment to integrating adaptive IT strategies to ensure sustainability. Similarly, researchers have highlighted that businesses with robust and well-structured IT frameworks are better equipped to manage disruptions, fostering organizational resilience and continuity. Evidence gathered from scholarly publications indicates that the adoption of IT

strategies plays a critical role in ensuring sustainability, continuity, and customer satisfaction, particularly among SME leaders in the Midwestern region of the United States.

The primary purpose of small and medium-sized enterprises is to meet customer needs and enhance productivity. Scholars such as Mensch and Pry (2021) and Slack, *et al.*, (2020) argue that customer satisfaction is a crucial factor in achieving higher productivity. Padilla and Ascarza (2021) relate customer satisfaction to effective customer management, which involves the treatment and attention business leaders provide to their customers to elicit valuable feedback. This feedback helps organizations assess their goods and services, ensuring they meet customer needs and expectations. In summary, IT strategies are not merely technical tools but essential components of a comprehensive approach to maintaining customer satisfaction and ensuring business resilience. SMEs that effectively implement these strategies are better positioned to navigate disruptions, maintain customer loyalty, and achieve sustained growth.

This paper aims to investigate various IT strategies adopted by SME leaders in sustaining customer satisfaction during disaster disruptions in the Midwestern region of the United States. The research involves conducting in-depth interviews with SME leaders who possess at least three years of experience using IT strategies to maintain customer satisfaction during such disruptions. The

study focuses on addressing issues related to business closures, customer disloyalty, and maintaining dynamic customer relationships within challenging business environments.

LITERATURE REVIEW AND THEORETICAL FRAMEWORK

A literature review is a critical element in developing any research work, as it synthesizes the contributions of scholars related to the research inquiry. For this study, the Customer Relationship Management (CRM) Theory is adopted to explain how IT can be utilized during disaster disruptions to maintain customer satisfaction and ensure business continuity. The selection of this theory provides a logical, comprehensive, and scientific foundation for understanding the insights of past and present scholars. The CRM model is particularly relevant because it emphasizes the importance of meeting customer needs before, during, and after any disaster, whether natural or human made. According to Cavaliere, *et al.*, (2021), the core principle of implementing the CRM model is to enhance customer satisfaction by delivering services that meet their expectations, thereby fostering customer loyalty. Rajeshwari & Kumar (2022) support this view, asserting that sustaining customer satisfaction depends on business leaders' acknowledgment of customer feedback and their commitment to continuous improvement in products and services.

The CRM model advocates that SME leaders must understand the factors influencing customer satisfaction and align their strategies to address these factors. This approach is crucial for fostering business resilience during disruptions. Pańkowska, *et al.*, (2020) further validate this perspective, noting that the effective application of technology in trade significantly enhances organizational efficiency and customer service. Similarly, Nugraha, *et al.*, (2022) highlight that variables such as competence, commitment, and information technology have a dominant effect on service quality. The primary data collected in this study corroborates these findings from the literature. It reveals that business leaders who effectively implement IT strategies during disasters can maintain customer relationships and ensure business continuity. Therefore, SME leaders are advised to adopt well-structured IT strategies and disaster response plans, as these are critical for sustaining customer satisfaction and fostering long-term loyalty. This conclusion underscores the importance of preparedness and strategic IT

adoption in navigating disaster disruptions successfully.

MATERIALS AND METHODS

This study employed five (5) key materials, comprising four secondary sources and one primary source, to ensure a comprehensive analysis. The secondary materials include the review of publications which included journals, articles, textbooks, magazines, and catalogues to establish a theoretical foundation and gather insights from previous research. The review of Organizational Business Plans such as examined business strategies to understand the planning and implementation of IT strategies in SMEs. Also, the review of Progress Reports and Compliance Documents: Assessed reports to identify patterns and trends related to customer satisfaction and business continuity. Finally, the review of Regulation Documents: Analyzed compliance regulations to understand the framework within which SMEs operate during disaster disruptions. Primary Material: - The primary data was collected through semi-structured interviews with open-ended questions. Four SME leaders from different organizations in the Midwestern region of the United States were purposefully selected to participate in the study. These participants were chosen based on their experience in implementing IT strategies to sustain customer satisfaction during disaster disruptions. A qualitative research method was adopted to provide an in-depth understanding of the participants' experiences, perceptions, and behaviors. According to Busetto, *et al.*, (2020), qualitative methods enable participants to explore complex issues and express their viewpoints candidly, making it particularly suitable for this study. A multiple case study design was utilized to identify critical issues and determine specific courses of action for addressing the challenges faced by SMEs. This approach allowed for a detailed examination of each case, providing rich, contextual insights. Data was collected through face-to-face in-depth interviews with the four SME leaders in their respective study locations. This method ensured detailed responses and minimized data saturation. Ethical considerations, including informed consent, confidentiality, and anonymity, were strictly observed throughout the process. Thematic analysis was used to analyze the data collected from the interviews. The responses were screened, edited, and coded, focusing on key themes such as IT strategy implementation, customer satisfaction, and business continuity. Simple percentages and

frequencies were also employed to support the thematic findings.

RESULT

The study utilized a qualitative multiple case study approach to examine the impact of IT strategies on sustaining customer satisfaction during disaster

disruptions among SMEs in the Midwestern region of the United States. Five directors were initially selected, and after obtaining their consent, face-to-face interviews were conducted. Four interviews were deemed appropriate for analysis after a thorough screening and coding process.

Table 1: Distribution by Consent rate

| Number of Interview conducted | The number of Consents received | Response Rate (%) |
|-------------------------------|---------------------------------|-------------------|
| 5 | 4 | 80 |

Source: Author's Field Survey 2024

The table above focused on the approval of consent from selected participants. Out of the five (5) participants initially selected, four (4) provided useful data for the analysis due to the successful approval of their consent letters. Additionally, supplementary data was collected on IT strategies, procurement policies, customer satisfaction, and

sustainability practices from documents provided by the four companies. One participant withdrew from the study due to a lack of synchronization between their responses and the research questions, which made their input unsuitable for analysis.

Table 2: The table below shows that demographic positions of the participants

| Participant Code | Organization Code | IT Strategies Experience (years) | Function in Organization of SME;s leaders | Developed Strategy for sustaining customer satisfaction (yes/no) |
|------------------|-------------------|----------------------------------|---|--|
| P1 | O1 | 8 | Director | Yes |
| P2 | O2 | 22 | Director | Yes |
| P3 | O3 | 12 | Director | Yes |
| P4 | O3 | 18 | Director | Yes |
| P5 | - | - | Director | No |

Source: Author's Field Survey 2024

The leaders (Directors) interviewed identified a key theme: the utilization of appropriate IT strategies for sustaining customer satisfaction during disaster disruptions. Data gathered from the interviews, supported by company documents, revealed that SME leaders employed diverse IT strategies to effectively manage disasters within their industry. The findings indicated that the interviewed SME leaders utilized various IT tools, including the Clover platform, email systems, social media, and phone systems, to (a) manage disaster disruptions, (b) maintain business continuity, and (c) sustain customer satisfaction. Participants P1, P2, P3, and P4 acknowledged the significant impact of IT strategies in sustaining customer satisfaction and managing disasters within their respective SMEs. The primary data revealed that implementing platforms like Clover, along with communication tools such as email,

phone systems, and social media, played a crucial role in maintaining customer relationships and ensuring business resilience during disaster disruptions in the Midwestern region of Indiana.

The first recorded interviews from the selected participants states that

"During the pandemic, we utilized Clover, a platform for online orders and payments. Customers could contact us through email or phone to place orders. Additionally, we utilized Instagram for customer communication and order processing.." SME1P1

The above statement were made in support of the percentage of the positive stance of the respondents to the "Clover platform" under IT utilised strategies for sustaining customer satisfaction during disaster disruption. In otherway round, another participant interviewed explained

that the use of social media platform will aid the sustainability of customer satisfaction as follow :

“During the last pandemic, we strategically allocated additional resources to our IT team to enhance our website. This allowed our customers to easily communicate with us online, reducing the need for in-person visits to our office. Consequently, we intensified our presence on social media platforms like Instagram to engage with our customers effectively..” SME2P2

Another participant interviewed on the field, comments on issue surrounding the node of “phone system as stated below;:

“Yes, during the pandemic, we relied heavily on online orders for customers since they couldn't come to the restaurant directly. We facilitated this through third-party platforms, phone calls, and our website.”. SME3P3

The last participant interviewed lay emphasis on the issue surrounding the node of “phone system as stated below;:

“COVID-19 pandemic affected business in a negative ways but the ability of a manager to adopt technology to foster continuity in business will determined the process or procedure of maintaining customer satisfaction during disaster disruption My business strive to maintain customer satisfaction during COVID-19 because it technology is not used the organization will loss customer to the hands of other competotors in the market who are more grounded in the use of technology to maintain custiomer relationship to promote loyalty”.SME3P4

The outcome of the research shows that the four (4) SME leaders interviewed unanimously agreed that technology plays a vital role in maintaining customer satisfaction during disaster disruptions. They emphasized that utilizing IT strategies during such periods not only sustains customer relationships but also improves the organization's image and strengthens overall customer management.

The findings align with the perspectives of Chen, Hsieh., *et al.*, (2021), who explain that adopting IT strategies can increase productivity and enhance customer relationship management (CRM). CRM processes leverage IT to help businesses acquire, understand, and meet customer needs and expectations, thereby fostering long-term relationships. Additionally, Nugraha, *et al.*, (2022) highlight that information technology enhances

operational effectiveness, noting that cloud computing, in particular, provides access to essential data services over the Internet, which is crucial for maintaining continuity during disruptions. These insights underscore the importance of IT in building resilient, customer-focused SMEs that can navigate challenges while maintaining high standards of service and customer satisfaction.

DISCUSSION OF FINDINGS

The findings derived from the four interviewed participants indicated that adopting IT strategies has a positive impact on business survival and the maintenance of customer relationships within organizations. The SME leaders emphasized that IT strategies help sustain the organizational image and contribute to effective disaster management as challenges arise. According to the insights from participants P1, P2, P3, and P4, the addition of advanced IT strategies is crucial for meeting customer needs and mitigating disaster disruptions among SMEs.

One participant highlighted that integrating advanced IT strategies enables business owners to maintain customer satisfaction before, during, and after disaster disruptions. This participant also stressed the need for government support in advancing businesses by formulating policies that address IT challenges and the digital transformation issues faced by SMEs. Such support would promote business sustainability and ensure customer satisfaction during disruptions. These findings align with existing scholarly contributions. For instance, Nugraha, *et al.*, (2022) explained that the frequent use of information technology enhances operational effectiveness through cloud computing, providing businesses and individuals access to data services over the Internet. Similarly, Hamidinava, *et al.*, (2021) noted that IT strategies improve services by enabling data storage and retrieval from the cloud, which is crucial for business continuity and economic policy formulation.

Furthermore, Bettiol, *et al.*, (2022) emphasized that information technology plays a significant role in fostering business innovation. Innovation involves developing new processes or enhancing existing services and products to address real-world challenges effectively. This perspective underscores the role of IT in driving sustainable growth and ensuring businesses can adapt to changing environments, particularly during disaster disruptions. In summary, the study

demonstrates that IT strategies not only enhance customer satisfaction but also strengthen business resilience, supporting the long-term sustainability and innovation of SMEs.

CONCLUSION

The study concluded that the four SMEs interviewed have a clear understanding of the impact of IT strategies in sustaining customer relationships, which in turn promotes customer satisfaction, loyalty, and enhances organizational image and productivity. All four (4) SME leaders who participated and consented to the study affirmed that the IT strategies adopted in their organizations significantly enhance customer satisfaction before, during, and after disaster disruptions in their respective business environments. The participants agreed that business operations cannot be separated from the use of IT, whether before, during, or after a disaster disruption, due to the global demands and expectations of customers. They emphasized that IT strategies are essential for businesses to thrive and survive, as they provide business owners with tools to access and manage customer relationships effectively. Furthermore, IT strategies contribute immensely to the growth and development of businesses by ensuring that customer satisfaction is maintained through high-quality services that meet customer needs, regardless of the challenges posed by disaster disruptions.

RECOMMENDATIONS

Based on the findings of this study, the following recommendations are proposed to address the challenges faced by SMEs that are not IT-oriented before, during, and after the pandemic in the study locations:

I. Regular Forecasting with SMART Goals:

SMEs should adopt the SMART (Specific, Measurable, Achievable, Relevant, Time-bound) framework to forecast business plans and formulate policies. Regular forecasting will help ensure that business strategies align with changing market conditions and customer needs, ultimately improving business continuity during disruptions.

II. Ongoing Staff Training on IT Strategies:

SME leaders should continuously invest in training their staff to use modern IT strategies effectively. Regular training sessions will ensure that employees are proficient in utilizing technology to maintain customer relationships and satisfaction, enhancing organizational resilience and adaptability.

III. Government and NGO Support for Financing SMEs:

Government agencies and non-governmental organizations (NGOs) should provide financial assistance to SMEs by offering small and medium-scale loans. These loans will support SME leaders in strengthening their IT capabilities and ensuring business continuity before, during, and after disaster disruptions.

IV. Customer-Inclusive Business Development Policies:

SME leaders should create customer-inclusive policies that encourage customer participation in business development. Providing avenues for customers to contribute to the organization's growth and policy formulation can help foster loyalty and align business offerings with customer expectations.

V. Development of IT Platforms for Product Distribution:

SME leaders should develop or enhance IT platforms that facilitate easy access to and distribution of products, either online or through other digital means. This would improve business efficiency, foster strong business relationships, and enhance customer satisfaction by providing convenient and reliable services. By adopting these recommendations, SMEs can better utilize IT strategies to improve customer satisfaction, maintain business continuity, and enhance resilience against future disruptions.

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