

Union bank of india

[Finance](#), [Banks](#)



INTRODUCTION: Union Bank Of India

Father of the Nation, Mahatma Gandhi, inaugurated the Union Bank Of India on November 11, 1919. It covers all the sectors of the society, be it agriculture, industry, trade and commerce, services or infrastructure, the bank plays a major role in rendering services to the financial needs of every section. Apart from this, the bank also extended financial support to educational, housing and trade sector.

In 1947, the bank had only 4 branches which include 3 in Mumbai and 1 in Saurashtra. The bank was nationalised in 1969 and at time of nationalisation the bank had total 240 branches all over India.

In June 2000, Union Bank acquired Bank of America's highly profitable operations in Pakistan and went on to become one of the largest private commercial banks. The acquisition added a new dimension to Union Bank's business and enhanced its customer base, deposits, and loan portfolio quality. This acquisition also enhanced Union Bank's corporate image in the domestic financial market.

PRODUCTS AND SERVICES OFFERED BY UNION BANK:

Deposits Account:

- Cumulative Deposit Scheme
- Deposit Reinvestment Certificate
- Union Flexi-Deposit
- Union Insured Recurring Deposit
- Union 94 Months Double Scheme

- Monthly Income Scheme
- Tax Exemption Deposits
- Union Float Deposits
- Union Unfixed Deposits For NRI
- FCNR (B)
- Foreign Currency Deposit
- RFC

Customer Relationship Management

CRM (customer relationship management) is an information industry term for methodologies, software, and usually Internet capabilities that help an enterprise manage customer relationships in an organized way. It happens by maintaining and updating the contacts of customer.

This is for the:

1. Existing customers
2. Prospective customers

For example, an enterprise might build a database about its customers that described relationships in sufficient detail so that management, salespeople, people providing service, and perhaps the customer directly could access information, match customer needs with product plans and offerings, remind customers of service requirements, know what other products a customer had purchased, and so forth.

It consists of the following:

- Helping an enterprise to enable its marketing departments to identify and target their best customers, manage marketing campaigns and generate quality leads for the sales team.
- Assessing the organization to improve telesales, account, and sales management by optimizing information shared by multiple employees, and streamlining existing processes (for example, taking orders using mobile devices)
- Allowing the formation of individualized relationships with customers, with the aim of improving customer satisfaction and maximizing profits; identifying the most profitable customers and providing them the highest level of service.
- Providing employees with the information and processes necessary to know their customers, understand and identify customer needs and effectively build relationships between the company, its customer base, and distribution partners.

CRM Strategies Adopted By Union Bank of India

Nowadays, many businesses such as banks, insurance companies, and other service providers realize the importance of Customer Relationship Management (CRM) and its potential to help them acquire new customers retain existing ones and maximize their lifetime value. At this point, close relationship with customers will require a strong coordination between IT and marketing departments to provide a long-term retention of selected customers.

- Union Bank aims to increase customer profitability with any customer retention. It is a sound business strategy to identify the bank's most profitable customers and prospects, and devotes time and attention to expanding account relationships with those customers through individualized marketing, pricing, discretionary decision making.
- According to Union Bank of India having and acting upon deeper knowledge about the customer, ensure that the customer such as how to fund the customer, get to know the customer, keep in touch with the customer, ensure that the customer gets what he wishes from service provider and understand when they are not satisfied and might leave the service provider and act accordingly.
- Union Bank of India has a database of its customers and informs them about the various schemes offered by the bank.
- The bank has a suggestion box in which customers of the bank can give their views and suggestions.
- The bank also has a helping desk where the customers can ask their queries. This is a very good strategy to retain the customer.
- The bank provides the information to its customers about any change in the interest rate of advances.
- They attend all the customers who are present in the bank, so that they do not feel neglected and not switch to any other bank.

CRM Strategy of Public Sector Banks

Public sector CRM strategy must be aligned to the organization's purpose in order to realize a sustained achievement of CRM objectives and successful

customer relationships. While CRM strategies differ among implementers, the most successful strategies have several criteria in common.

- Alignment between the organization's mission and the CRM strategy; a good strategy is a direct reflection of the mission and supports the mission in direct, clear and easy to understand terms.
- Strategies must be customer focused; they speak to the positioning and involvement of the customer relationship.
- CRM strategies require executive sponsorship and complete buy in; the rank and file take their queues from the executive team so the executives must visibly, vocally and actively sponsor the CRM strategy for it to be successful.
- Strategies are an iterative process; as the the organization evolves so to will the CRM strategy.

They mainly focus on the following:

- To win back or save customers
- To attract new and potential customers
- To create loyalty among existing customers and
- To up sell or offer cross services.

CONCLUSION

- CRM in banking industry entirely different from other sectors, because banking industry purely related to financial services, which needs to create the trust among the people. Establishing customer care support during on and off official hours, making timely information about interest payments, maturity of time deposit, issuing credit and debit

cum ATM card, creating awareness regarding online and e-banking, adopting mobile request etc are required to keep regular relationship with customers.

- The present day CRM includes developing customer base. The bank has to pay adequate attention to increase customer base by all means, it is possible if the performance is at satisfactory level, the existing clients can recommend others to have banking connection with the bank he is operating. Hence asking reference from the existing customers can develop their client base. If the base increased, the profitability is also increase.
- Hence the bank has to implement lot of innovative CRM to capture and retain the customers. There is a shift from bank centric activities to customer centric activities are opted. The private sector banks in India deployed much innovative strategies to attract new customers and to retain existing customers. CRM in banking sector is still in evolutionary stage, it is the time for taking ideas from customers to enrich its service. The use of CRM in banking has gained importance with the aggressive strategies for customer acquisition and retention being employed by the bank in today's competitive milieu. This has resulted in the adoption of various CRM initiatives by these banks.
- Private Sector Banks have been able to implement the CRM practices more effectively as compared to the Public Sector on the basis of of the service quality level being provided by these banks.