

Citibank's e-business strategy

Business, Strategy



Citibank changed its global strategy in 2000 because of stiffer competition and the dot com boom. However, their current E-business strategy is – Connect, transform and Extend (CABC, 2002). The core strategy of the bank is to offer a single web-enabled platform to all of its customers. In this paper we will discuss how Citibank's trade and cash group can develop different e-business products for different industries. Similarly, we will discuss how Citibank can identify what it can offer when the market is changing rapidly.

(1) In order to cater different industries Citibank can offer customized products to its customers.

The bank must identify the needs of the customer and then target them in an efficient and an effective way. The cash and the trade group must value the need of paperless environment and they must focus on developing an effective e-business strategy that can benefit the customers in the short and the long run. Products like CitiDirect can benefit the corporate customers because they can make online payments and can perform transactions anywhere in the world. This product has centralized the banking environment and customers all over the world can coordinate and contact each other through an online medium.

Similarly, products like check outsourcing systems can be developed by the bank (CABC, 2002). Through (COS) check outsourcing system corporate customers can place their payments online and the bank can perform operations by dispatching the checks to designated customers. Trade group can develop e-business products like risk mitigation and letters of credits. Similarly, cash management group can develop products like online accounting services, online payable and online cash management. All the

products that are developed must be customized and they must cater the needs of the corporate customers.

(2) Citibank can identify the changing trends of the market by identifying the needs of the customers. As soon as the needs are identified then the bank can target their needs through products that can help them in this changing environment. The entire environment is changing, customers are becoming difficult to handle because their demands are increasing. Similarly, competition is getting stiffer and stiffer and new entrants are entering the banking arena. The B2B environment is more prone to internet and because of security issues this environment is changing too.

These factors are quite evident in identifying what products and services can Citibank offer to their customers. The internet plays a major role in identifying the actual needs of the customers. Through emails and online forums Citibank can identify what their customers want and how can they build a proper e-business strategy to cater the needs of these customers. Surveys and questionnaires can also be an affected strategy in identifying what are the needs of the customer and what can Citibank offer in the rapidly changing environment.

After the identification phase of the changing environment Citibank can offer value added services to its customers. Customer relationship management services can be offered to the customers and they can help themselves through the efficient use of these services. Citibank has responded in a proactive way in this changing environment and they have developed e-projects which includes projects that are related to artificial intelligence(CABC, 2002). List of

<https://assignbuster.com/citibanks-e-business-strategy/>

References

CABC (Centre for Asian Business Cases). (06 June 2002). Case: Citibank's e-Business Strategy for Global Corporate banking. School of Business. The University of Hong Kong.