

# The Importance of Customer Relationship Management in the Financial Service Industry

Mr. Salman Dhokadia<sup>1</sup>, Mr. Jadhav Aditya<sup>2</sup>, Mr. Singh Asim<sup>3</sup>

Assistant Professor, Lilavati Lalji Dayal Night College of Commerce, Charni Road, Mumbai<sup>1</sup>

SYBMS, Lilavati Lalji Dayal Night College of Commerce, Charni Road, Mumbai<sup>3</sup>

TYBMS, Lilavati Lalji Dayal Night College of Commerce, Charni Road, Mumbai<sup>4</sup>

**Abstract:** *The customer is the central emphasis of service marketing. Expert knowledge is necessary for designing products and services in the financial services industry. The banking industry is the most ancient and crucial sector in the financial services industry. Customer Relationship Management (CRM) greatly influences the service business by effectively acquiring and retaining clients for long-term efficiency. Relationship marketing was officially incorporated into the field of service marketing during the early 1990s. Banks realised that it was more financially advantageous to retain and incentivize current clients rather than actively seek new ones. The fundamental purpose of CRM is to obtain and retain customers. As a result, banks now highly value thorough customer satisfaction, which signifies that the consumer is content and satisfied with the service. Therefore, the researcher's objective was to examine the degree of satisfaction with customer relationship management approaches in selected private sector banks in this study. Service providers, especially banks, are often concerned about their lack of comprehension regarding Customer Relationship Management (CRM). Financial institutions have their own strategies to sustain relationships with consumers.*

*Nevertheless, it is crucial to take into account the clients' opinion of banks' CRM efforts. By promptly addressing consumer demands through CRM activity, banks can enhance customer awareness and establish a significant client database. Thus, the notion of CRM could be emphasized in a manner that banking customers are handled with utmost deference and respect. Consequently, banks are required to enhance consumer happiness by offering current financial services and delivering more user-friendly experiences, thereby ensuring that engaging in modern banking becomes a delightful experience for clients.*

**Keywords:** Dedication, Customer Relationship Management, Fidelity, Banks Service Quality, Financial service industry