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**Abstract:** *This article discusses the types of modern banking services offered to customers by the commercial banks operating in our country, the problematic aspects related to the provision of these services and ways to eliminate them. The analysis of regulatory and legal frameworks, the important aspects of improving modern banking services were discussed. Conclusions are formed.*

**Key words:** *commercial banking, modern banking services, factoring operations, forfeiting operations, bank customers, income in the form of interest, savings, financial resources, credit.*

**Methodology:** In this article, methods such as grouping and comparison, factor analysis, analysis, synthesis, analysis, comparison, scientific works of economists, comparative analysis with the author's experiences are widely and effectively used.

**Literature Review:**

A number of scientific researches have been conducted on the improvement of modern services of commercial banks. Among them, Mishkin and Frederic S ((2016). The Economics of Money, Banking, and Financial Markets. Pearson"), one of the scientists who contributed to the research on risk management of commercial banks and offering digital transformation services. On the topic of the impact of fintech on the development of non-traditional services of banks, Robert E. Litan showed in his work entitled The Future of Banking: Fintech's Impact on Banking". Saunders, A. & Cornett, M. M. (2017).

Financial Institutions Management: A Risk Management Approach McGraw-Hill contains important ideas on improving banks' risk management and innovative services.

Alt, R. (2021). "Customer-Centric Banking: Strategies for the Future". International Journal of Bank Marketing, 39(2), 123-145 in this article analyzed customer-oriented approaches and innovations in banking services. In addition, in the work "Financial Technology: The Future of Banking", Mark Johnson wrote important aspects about the development of financial technologies and their impact on banking services, blockchain artificial intelligence and the use of big data.

This literature contains in-depth analysis and strategies for improving the non-traditional services of commercial banks. Each piece focuses on the challenges and

opportunities that arise in the process of digital transformation for banks, as well as provides practical recommendations that can be used to meet customer needs and improve their competitiveness.

**Introduction:** In the process of globalization, all countries of the world want to develop not only socially, but also economically. In this regard, it is important to determine the domestic opportunities available in the country and to use them effectively. Among other things, one of the important factors is to increase and improve the quality of services provided by banks and their services to the population, which are considered to be the engine of the economy, and to find and implement modern banking services based on advanced foreign experiences. If commercial banks offer high-quality and diverse services to customers, not only the income of commercial banks will increase, but also the well-being of the population will ultimately lead to an increase in the country's rating. this shows how urgent it is to improve non-traditional services of commercial banks.

table 1

**Analysis of loans on the balance of loans allocated by commercial banks to individuals and legal entities**

*billion soums*

Indicators	As of September 1, 2023	As of September 1, 2024	Chan ges (%)
<b>Total credit balance</b>	<b>444 723</b>	<b>509 676</b>	<b>15</b>
<b>Credit balance allocated to individuals</b>	<b>134 288</b>	<b>166 906</b>	<b>24</b>
Mortgage loans	53 507	63 759	19
Microloans	20 856	36 469	75
Consumer loans	39 929	42 053	5
Education loans	2 712	5 082	87
Loans for business development	17 211	18 404	7
Other loans	74	1 139	1433
<b>Credit balance allocated to legal entities</b>	<b>310 435</b>	<b>342 770</b>	<b>10</b>
Loans allocated to legal entities that are not credit organizations	296 755	324 345	9
Leasing and factoring	1 654	2 384	44
Interbank loans	989	658	-33
Microcredits	5 631	10 471	86
Syndicated Loans	5 406	4 912	-9

Offering non-traditional services by commercial banks is considered relevant in some respects. We can explain it as follows:

➤ Today, customers expect more transparent, fast and convenient services to be provided by commercial banks on time. Non-traditional services can meet these requirements.

➤ Commercial banks ensure their competitiveness by providing non-traditional services and diversifying the types of services.

➤ Effective use of technologies such as smart banking, blockchain and artificial intelligence in offering non-traditional banking services increases the quality of services.

➤ Commercial banks serve to increase social responsibility by providing non-traditional services, that is, they contribute to sustainable development, etc.

**Analysis and results:** Today, commercial banks provide various services to clients. Among these services, the expansion of traditional and modern types of banking services of the bank, as well as the improvement of the quality of services, increase the confidence of the population in the services provided by banks. In addition, the activity of commercial banks, which are considered the engine of the economy, will be improved, and as a result, the economy of the country will improve and the welfare of the population will be improved.

We can say that the following group of services can be performed in the manner summarized by commercial banks.

➤ banks ensure the safety of funds by attracting clients' funds and using them effectively, and cause an increase in income in the form of interest on your deposited funds;

➤ the possibility of obtaining loans from commercial banks when customers need financial resources;

➤ effective organization and offering of modern and remote banking services by commercial banks;

➤ offer and use of modern payment systems.

Today, in our country, commercial banks provide the services shown in table 2.

table 2

#### Types of services of commercial banks

Individuals	Legal entities
Money transfers, Deposits	Credit products, including in foreign currency
Bank cards, Credit products	Lease
Conversion practices, Mobile banking	Factoring
Individual safes and cells, Billing and cashier services	Conversion practices
Accepting payments, making utility payments	Internet banking

<b>Individuals</b>	<b>Legal entities</b>
Savings certificates, reliable property management	Individual safes and lockers
Individual safes and cells, Billing and cashier services	Billing and cash services
Accepting payments	Foreign credit lines
Making utility payments	Project financing
Savings certificates	Conclusion of an insurance contract on behalf of insurance organizations
Safe property management	Certificates of deposit
Acceptance of payments	Safe property management

Among the services of commercial banks, their non-traditional services have a great place and importance. Commercial banks operating in our country today offer a number of non-traditional types of services to clients. These include Fintech services, Crowdfunding services, Peer-to-peer (P2P) lending, Blockchain and crypto assets, Insurance and risk management, factoring, forfeiting operations. We can analyze the operations performed on banking services through table 3.

**table 3****Analysis of non-traditional services of commercial banks**

<b>Type of service</b>	<b>2021 y. (mln. soums)</b>	<b>2022 y. (mln. soums)</b>	<b>2023 y. (mln. soums)</b>	<b>Changes (2021-2023), %</b>
Online Banking	1500	2300	3500	133%
Mobile Banking	1200	1800	3000	150%
Electronic Money Transfers	800	1200	2000	150%
Financial Advice	600	800	1200	100%
Blockchain Based Services	400	600	1000	150%
Artificial Intelligence Services	200	300	600	200%
Using Big Data	150	250	500	233%
Automated	700	900	1300	86%

Type of service	2021 y. (mln. soums)	2022 y. (mln. soums)	2023 y. (mln. soums)	Changes (2021-2023), %
Services				

According to statistical data, non-traditional services of commercial banks show a significant increase in 2021 compared to 2023. Among banks, online banking and mobile banking services are leading the way, and the use of artificial intelligence services and big data are showing significant growth.

table 4

#### Rating of banks on non-traditional banking services

№	Banks	Online banking (%)	Mobile banking (%)	Electronic money transfers (%)	Financial advices (%)
1	Xalq Bank	95%	90%	85%	80%
2	Biznes ni Rivojlantirish Bank	90%	88%	80%	75%
3	Turon Bank	85%	85%	75%	70%
4	Asaka Bank	80%	80%	70%	65%
5	Kapital Bank	75%	78%	68%	60%
6	Ipoteka Bank	70%	75%	65%	55%
7	Pravda Bank	68%	72%	60%	50%
8	Hamkorbank	65%	70%	58%	45%

As it can be seen from the above, Xalq Bank, Business Development Bank and Turon Bank are leading in non-traditional banking services with online banking, mobile banking, electronic money transfers and financial consulting services with a result of 90%-70%.

However, commercial banks face a number of challenges in offering modern banking services. For example:

- Due to the lack of technological infrastructure needed to offer digital services, some banks are using legacy systems, which hinders the introduction of innovations.
- Failure to properly analyze the needs and requirements of customers can lead to the development of services in the wrong direction.
- Security issues related to digital services (attacks, data theft, etc.) can damage the bank's reputation.
- It is becoming more difficult to attract and retain customers in an environment of increased competition.

➤ Competition between departments within a bank can make service delivery difficult.

In order to solve the existing problems in the provision of non-traditional services of commercial banks, it is necessary to strengthen modern technologies, security measures, study the needs of customers and ensure internal compliance. By solving these problems, banks will be able to improve the quality of their services, win the trust of customers and strengthen their competitiveness.

According to the experience of commercial banks in foreign countries, the largest bank in the world is the Industrial and Commercial Bank of China (ICBC). It is one of the “big four” financial institutions of the country. It controls one-fifth of China’s entire banking sector. According to the latest data, ICBC's assets are estimated at 5,580 billion dollars and the market capitalization is 242 billion dollars. This gives it the status of the largest bank in the world. The bank was founded in 1984 and currently has more than 450,000 employees. The headquarters of the company is located in Beijing. About 70 percent of the company's shares belong to the state. The number of customers of this private bank is 680 million.

In Uzbekistan, banks provide services of providing deposits, loans, debit cards and credit cards. But in addition, ICBC has greatly improved the services of online banking, mobile banking and WeChat banking, which are now popular.

Foreign commercial banks play an important role in the international financial system. They actively participate in the development of global economic relations, the implementation of foreign exchange operations, the financing of international trade and the provision of investment opportunities. They also support export and import operations, perform calculations in different currencies and operate in forex markets. It also provides investment banking, asset management and financial advisory services.

Foreign commercial banks exist in many countries, each with its own expertise and strategies. They continue to provide convenience to their customers through modern technology and services. Banks often work in accordance with international standards and look for innovative solutions to provide safe, transparent and efficient customer service.

**Conclusions and suggestions:** In order to improve the quality and efficiency of non-traditional banking services by commercial banks, it is considered appropriate for commercial banks to perform the following tasks:

- Study of customer needs;
- Introduction of innovative technologies;
- Training of employees;
- Ensuring security;
- Improving communication with the client;
- Diversification of services;
- Cooperation and strategic partnerships;
- Compliance with laws and regulations, etc.

As a result of the implementation of the above-mentioned tasks by commercial banks, it is possible to simplify the process of customer service, listen to their opinions and provide them with prompt service. By using new technologies such as digital platforms, mobile applications and artificial intelligence, non-traditional services are organized more efficiently and conveniently. Training of bank employees on new services and technologies increases the quality of customer service. By expanding the spectrum of non-traditional services and offering new services, the expansion of the customer base is ensured, compliance with the laws and regulations in the financial market, thereby achieving a number of results, such as increasing customer confidence. According to statistical data, Xalq Bank is one of the most advanced banks that has improved non-traditional banking services in Uzbekistan. Its online banking services customers make up 95% of the total, but Hamkorbank's online services show the lowest rate. Also, issues of improving modern services of commercial banks increase the competitiveness of banks and are important in meeting the needs of customers. Innovative solutions, digital banking services, mobile applications and blockchain technologies help increase the efficiency of banks. Also, banks can diversify their activities by improving customer relations, providing personalized services and creating new financial products. The process of improving non-traditional services is also important for ensuring financial stability and improving risk management mechanisms. As a result, banks will have the opportunity not only to offer financial services, but also to contribute to economic development. Such an approach will ensure a sustainable and innovative future for the banking sector.

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