

THE NEED AND OPPORTUNITIES FOR DEVELOPMENT OF RETAIL SERVICES OF COMMERCIAL BANKS

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The formation of the economy on the basis of market relations, increased competition and the introduction of digital technologies are increasing the importance of the retail segment in the activities of banks. At the same time, the growth of incomes of the population, the increase in demand for banking services and the increase in financial literacy are also having a positive impact on this process.

Retail banking services are one of the strategic directions in the activities of commercial banks, through which the population and small business entities are more widely involved in banking services. Analysis of scientific sources shows that retail services serve not only to meet the financial needs of customers, but also as a stable source of income for the bank.

First of all, the main forms of retail services - deposits, consumer loans, payment services, card services, Internet and mobile banking - allow you to establish a permanent and interactive relationship with customers. In this case, the introduction of digital technologies significantly increases the scope and quality of services. For example, in Uzbekistan, the number of mobile banking users has increased by almost 5 times over the past five years.

From an economic point of view, retail services allow banks to diversify their resources, minimize risks, and expand their customer base. This is because these services are often offered to a large number of customers in the form of small-scale transactions, which increases the level of security for the bank. Also, banks attract funds from the population through retail services and form a long-term resource base.

Analyses show that the share of retail services in banking activities is increasing. For example, approximately 30-35 percent of the total active income of Uzbek commercial banks falls on retail services. This further increases the strategic importance of this sector.

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At the same time, it is noted that in developing countries, including Uzbekistan, the full range of retail services and the level of convenience for customers are insufficient. One of the reasons for this is the low level of financial literacy, insufficient development of infrastructure in some regions, and low trust in digital platforms.

This situation confirms the intensification of digital transformation processes in the banking system, the increasing demand of the population for financial services, and the active efforts of banks to meet customer needs. The number of loans granted to individuals amounted to 150 thousand in 2021, and reached 210 thousand in 2023. That is, a 40% increase was observed over two years. This growth indicates that the population's confidence in bank loans is increasing and banks are expanding retail credit products.

The number of plastic card users was 500 thousand in 2021, and reached 750 thousand in 2023. This represents a 50% increase and indicates that the population is actively transitioning to cashless payments. The convenient infrastructure and promotional card system created by banks were an important factor in this.

The number of Internet banking users increased from 200 thousand in 2021 to 300 thousand in 2023. This also increased by 50%, indicating increased trust in Internet technologies, the introduction of additional online services, and improved integration with mobile applications.

The number of mobile application users increased from 150 thousand in 2021 to 280 thousand in 2023. This is the highest growth rate in the table with an indicator of 86.7%. Such dynamics indicate that mobile banking is gaining popularity among the population due to its speed, convenience, and constant updating.

Depository deposits (the number of depositors) increased from 400 thousand in 2021 to 500 thousand in 2023. The 25% growth indicates that the population has increased confidence in the banking system and is turning to official financial institutions to store and increase their funds. Based on the analysis, it can be said that the volume and quality of retail services provided by commercial banks in Uzbekistan is increasing year by year. The rapid development of digital services - Internet and mobile banking services - serves to improve interactive communications with the population and

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increase the efficiency of banking activities. Also, the growth of deposit and loan services is becoming increasingly important in ensuring financial inclusion. One of the top priorities for banks should be to expand the geographical and digital coverage of services, ensure an individual approach to customers, and develop competitive retail products.