
Improving the Pricing Policy for Corporate Clients of a Commercial Bank

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Abstract: The article considers the issues of forming an effective pricing policy of a commercial bank. The analysis of pricing methods of credit products for corporate clients of a commercial bank is carried out. The advantages and disadvantages of pricing models offered to Uzbek banks for improving the pricing policy of lending to corporate clients are highlighted. The proposals on improving the pricing policy of lending to corporate clients of Uzbek banks by using the advantages of the cost-profitability model and the target pricing model are substantiated. The need for easing the monetary policy implemented by the state is outlined in order to create favorable conditions for business development in the country.

Key words: pricing policy, corporate clients, commercial banks, pricing models, credit product.

Introduction.

The efficiency of commercial banks is directly related to the pricing policy they use. As a result of taking into account the totality of expenses for the provision of various types of banking services and the formation of reasonable prices for them, commercial banks are able to adequately respond to changing market conditions. In modern conditions, the price management process is becoming very important for the current operational activities of a commercial bank, and often for the strategy of its further functioning. Commercial banks influence the pace of economic development of the country by providing financial resources, satisfying the society in the required amount of money. The amount of resources provided by banks is largely determined by the pricing policy of credit institutions. This policy is constantly being improved through the introduction of new pricing models in an ever-changing economic environment. In this regard, it is important to use foreign experience in the field of pricing banking products.

The purpose of the study: to study the pricing methods of credit products for corporate clients of a commercial bank and describe ways to improve them, taking into account the global banking experience.

Literature review.

The main research methods used in the work are analysis, synthesis, and the hypothetical-deductive method. The theoretical basis of the work includes the works of foreign scientists aimed at researching the pricing of credit products for corporate clients of a commercial bank (Bespalova O.V., Govenko I.A., Gubarkov S.V., Dobysh E.A., Zverev A.V., Iskajyan S.O., Kiseleva I.A., Sorokin A.A., etc.). The empirical basis of the article is the results of the author's research aimed at studying the pricing features of credit products for corporate clients in the process of developing and implementing new banking products in Uzbek banks (Oktobank JSC, Turonbank JSCB, CHAB Trustbank and others).

Analysis.

To develop an effective pricing policy aimed at increasing the profitability of a commercial bank, it is necessary to know the methods of marketing research, analysis and market assessment, as

well as to know the methods of assessing the competitiveness of both the bank as a whole and the services separately and, accordingly, have highly qualified marketers, analysts and experts in their arsenal.

The purpose of using these techniques is to ensure the competitive advantages of a credit institution and ensure a balance between credit and deposit policies for the long term, while increasing the volume of funds raised, placing them in the form of resources at a favorable interest rate, ensuring an increase in the profitability of the bank's loan portfolio, its financial stability and solvency [1].

When determining the price of credit products for corporate clients in the form of an interest rate, credit institutions must take into account the receipt of the maximum possible income from this transaction and at the same time the availability of this credit product for the customers themselves. This ratio causes problems in determining the optimal price for credit products of legal entities, due to the insufficient amount of financial resources from the client to service loans and other features of the use of borrowed funds of the bank. This is the main difficulty for commercial banks in setting prices for credit products to corporate clients: the need to coordinate their benefits and the interests of corporate business.

Before improving the pricing policy, credit institutions need to know which factors most strongly influence it and how these factors can be influenced. To do this, it is necessary to constantly monitor the level of development of the credit system both in the whole country and at the level of the region in which the bank operates, while assessing the degree of development of the corporate business sector, that is, its capabilities, problems, etc.

An equally important task is to assess the pace of economic development in the region and, accordingly, in the country as a whole according to the main economic indicators: GDP, inflation rate, economic situation in the sectors of the national economy and the state of the foreign exchange market.

When improving the pricing policy of credit products for corporate clients, a credit institution should identify these factors, while it is advisable to use various methods to ensure a balance of interests of partners in a credit transaction.

Thus, in order to improve the pricing policy of credit products for corporate clients, it is necessary to use new models in the pricing system for this service and for this segment

of consumers. It is advisable to use methods that have been successfully tested abroad and are actively used in pricing when lending to corporate businesses in foreign banks.

The most effective and promising pricing models for lending to corporate clients are considered to be:

Table 1. Advantages and disadvantages of pricing models offered to Uzbek banks to improve the pricing policy of lending to corporate clients[2].

No	Name of the model, method	Advantages	Disadvantages
1	The "cost plus" model	Allows you to calculate costs and set the required margin on loans	The complexity of calculations, high requirements for the quality of the source information
2	The price leadership model	The presence of a clear guideline when setting the price of a credit product for corporate clients is the "prime rate".	The model does not take into account differences in the costs of credit institutions
3	The rate setting	The model allows you to	The model leads to a decrease in

	model is lower "prime rate"	create a competitive banking product taking into account the interests of customers.	the bank's profit from deposit and credit activities.
4	The model of setting the maximum rate (the "cap" rate)	Using the model increases customer loyalty to banking services.	The model does not take into account the dynamics of market prices for loans.
5	The rate setting model based on the "cost-return" principle	Formation of credit products taking into account the needs and capabilities of customer groups	The probability of a decrease in the bank's total income on deposit and credit transactions.
6	The method of target pricing	The best management of the bank's profitability on deposit and credit transactions	The probability of a decrease in demand for the bank's credit products due to inflated interest rates on them
7	Contractual pricing method	Maintaining loyalty to the bank from the most important customers	The inability of the bank to use the method in relation to all types of customers.

The analysis of the advantages and disadvantages of the above-mentioned models, the possibilities of their application in modern economic conditions, showed the need to develop a new pricing model for credit products for corporate clients that would combine the interests of all interacting parties.

To improve the pricing policy of lending to corporate clients, Uzbek banks need to use the positive aspects of the cost-profitability model and the target pricing model. The cost-profitability pricing model will allow you to best manage the process of forming the final price of a banking product, and the target pricing model will allow you to calculate costs and set the required margin on loans. This will not only eliminate the disadvantages of each of the methods, but also smooth out their negative impact on the formation of the price of a credit product for corporate clients, which will have a positive impact on the pricing policy of all banking activities.

Thus, the disadvantage of the cost-profitability model – a decrease in certain categories of necessary costs, which can lead to a deterioration in the quality of the offered banking products, will be offset by the advantage of the target pricing model – the compilation of such a cost calculation that will allow you to set a guaranteed margin. This approach to the pricing of banking products will allow determining such interest rates on corporate loans that will provide competitive advantages to commercial banks in the corporate lending segment.

In conclusion, It should also be remembered that the procedures for improving the pricing policy of commercial banks are directly influenced by the monetary policy developed and implemented by the state. In conditions of increased uncertainty in world markets and instability of the external factor as a source of development, it is necessary to develop the domestic economy. In particular, it is important to ensure favorable conditions for business development and domestic demand in general, which will require a more lenient monetary policy on the part of the state. At the same time, it is important to complement these measures with targeted ones

actions to maintain investment activity in the regions. In this regard, it is advisable to contribute to the expansion of the financial base of the regions and its sustainability. This requires an integrated approach that will involve various sectors of the economy in the process.

List of literature:

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