



METHODS FOR REDUCING THE RISKS OF ECONOMIC TRANSFORMATION

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Introduction

Digital transformation is rapidly influencing the banking industry on a global scale. Modern technologies, such as artificial intelligence, big data, blockchain, and mobile technologies, are fundamentally changing how banks provide services to customers. These changes offer banks the opportunity to enhance service efficiency, speed up operations, and improve overall service quality. By adopting these technologies, banks can not only create more convenience for customers but also rethink their business models.

Digital transformation significantly affects both internal and external processes in banks. Internally, automation and artificial intelligence help reduce operational costs and minimize human error. Externally, these technologies improve customer interactions and provide more tailored services, enhancing the overall customer experience. For example, mobile banking enables customers to access banking services 24/7, perform transactions, and monitor their accounts easily.

Blockchain technology plays a crucial role in increasing the security and transparency of banking operations. This technology allows real-time tracking of transactions and ensures

ABSTRACT

This article examines ways to develop the banking system and improve the efficiency of banking services in the context of digital transformation. It analyzes the impact of digital transformation, including technological innovations such as AI, big data, blockchain, and mobile technologies. The article discusses enhancing service efficiency through automation, AI, and blockchain technology, as well as improving customer experience and ensuring cybersecurity. It also explores innovative approaches and collaborations with fintech companies and startups. The article provides practical recommendations for adapting the banking system to the digital age and increasing service efficiency.

their reliability. Additionally, big data technology enables banks to conduct precise analysis of customer behavior and offer personalized services. This improves customer satisfaction by providing services that meet their specific needs.

Banks can further innovate by collaborating with fintech companies and startups, introducing new innovative products and services. Fintech startups bring new ideas and technologies to banks, enhancing their competitiveness. Additionally, banks can support startups by establishing incubation centers, fostering the development of new technologies.

This article explores in detail the ways to develop the banking system and enhance service efficiency in the context of digital transformation. It analyzes technological innovations, automation, artificial intelligence, blockchain, big data, customer experience, cybersecurity, and innovative approaches to improving banking services. It also provides strategies and recommendations necessary for banks to successfully implement digital transformation.

Global Situation

Overall Situation

The digital transformation of the banking system is progressing rapidly worldwide. Many banks are striving to improve service quality by adopting new technologies. Digital banking services play a crucial role in creating convenience for customers, increasing operational efficiency, and ensuring competitiveness.

Key Trends

- Growth of Mobile Banking:** Mobile banking is widely adopted and continues to grow. For instance, in China, mobile payment platforms like WeChat Pay and Alipay are contributing significantly to the cashless economy. Similarly, banks in the US and Europe are focusing on enhancing mobile banking apps.
- Implementation of Blockchain Technology:** Blockchain technology is used in the banking sector to enhance transparency and security. For example, J.P. Morgan has developed its JPM Coin cryptocurrency using blockchain technology. This technology is utilized to speed up international payments and financial contracts.
- Artificial Intelligence and Big Data:** AI and big data allow banks to analyze customer behavior and offer personalized services. For instance, HSBC uses AI to provide customer advice and detect fraud.
- Digital Banks (Neobanks):** Digital banks or neobanks operate entirely online, reducing costs compared to traditional banks. European digital banks like N26 and Revolut provide fast and convenient services to customers.

Situation by Country

- USA:** Digital transformation is highly advanced in the US. Major banks like Bank of America, Wells Fargo, and J.P. Morgan are actively implementing AI, automation, and big data technologies. Mobile banking apps offer numerous new services to customers.

2. **Europe:** European countries, particularly the UK and Germany, are focusing on the development of digital banks and fintech startups. Collaboration with fintech companies and the expansion of digital banking services aim to improve customer experience.
3. **Asia:** In countries like China and India, mobile banking and digital payment platforms are widely popular. In China, Alipay and WeChat Pay are widely used, while in India, digital payment systems like Paytm and Google Pay are significant. The fintech sector is rapidly growing and closely collaborating with banks.
4. **Africa:** In Africa, mobile banking and digital payment systems, such as M-Pesa, enable widespread access to financial services. Digitizing banking services increases financial inclusion.

Conclusion

Globally, the digital transformation of the banking system is progressing rapidly. Banks are focusing on improving digital services and creating new opportunities for customers. Mobile banking, blockchain technology, and fintech startups play a crucial role in the digital transformation of the banking sector. While the digital transformation process varies by country, the overall trend is that banks are placing significant emphasis on enhancing digital services.

Detailed Conclusion

Digital transformation is having a significant impact on the banking sector globally, opening new opportunities for banks. Modern technologies, especially artificial intelligence, big data, blockchain, and mobile technologies, are fundamentally changing how banks provide services to customers. These technologies improve service efficiency, speed up operations, and enhance service quality. This thesis has explored the ways to develop the banking system and enhance service efficiency in the context of digital transformation.

Key Conclusions:

1. **Technological Innovations:** Banks are using modern technologies such as artificial intelligence, big data, blockchain, and automation to provide high-quality services to customers. These technologies enable banks to speed up operations, increase security, and offer personalized services.
2. **Customer Experience:** Banks are enhancing customer interactions through digital channels and optimizing their overall experience. Mobile banking apps, web interfaces, and omnichannel approaches provide customers with convenient and intuitive services.
3. **Cybersecurity:** Cybersecurity is crucial in the digital transformation process. Banks must implement modern cybersecurity measures, such as encryption, multi-factor authentication, and regular security checks, to protect customer data.
4. **Innovative Approaches and Collaborations:** Banks can introduce new innovative products and services by partnering with fintech companies. This collaboration enhances banks' competitiveness and allows them to offer new services to customers. Additionally,

banks can support startups by establishing incubation centers, fostering the development of new technologies.

5. **Global Trends:** Digital transformation is widely progressing in the banking sector worldwide. In the US, Europe, Asia, and Africa, banks are focusing on enhancing digital services and creating new opportunities for customers. Mobile banking, blockchain technology, and fintech startups play a crucial role in the digital transformation of the banking sector.

Conclusion Recommendations

To successfully implement digital transformation, banks should adopt the following strategies:

- **Implement Technological Innovations:** Banks should adopt modern technologies to enhance operational efficiency and provide high-quality services to customers.
- **Customer-Centric Approach:** Banks should analyze customer needs and behavior to offer personalized services that improve customer satisfaction.
- **Focus on Cybersecurity:** Cybersecurity measures are essential in the digital transformation process, and banks must take necessary steps to protect customer data.
- **Innovative Collaborations:** Banks should collaborate with fintech companies and startups to introduce new innovative products and services.

Employee Training: Banks should regularly train employees on new technologies and cybersecurity to enhance their.

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