

DIGITAL TRANSFORMATION PROCESSES OF BANKING SERVICES IMPROVEMENT

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Abstract. Digital transformation of retail banking services, service channels in digital banks, analysis of statistical data on the types and volume of retail loans, and the experience of developed countries in the development of retail banking services are covered. During the preparation of the scientific work, the methods of data comparison, data grouping, and expert evaluation were effectively used, and the authors' conclusions and suggestions on the development of retail banking services in the process of digital transformation were presented.

Keywords: bank branches, 24/7 smart offices, websites, mobile application, FinTech, retail banking, retail credit.

INTRODUCTION

Globally, in recent years, the banking industry has been providing its customers with an improved digital banking experience with new technologies, products and partnerships. The banking industry is investing heavily in digital transformation opportunities and solutions to uncertain economic realities.

Although the banking industry seems to understand what it takes to compete with alternative digital banking providers and meet the needs of an increasingly demanding consumer, it is wary of fully digitizing banking services.

Often, traditional banks are reluctant to introduce digital banking services due to fear of risk or to reduce costs. Historically, banks have done so by expanding their branch network to expand coverage and brand strength. However, due to the increased demand for contactless services during the pandemic, digital services have increased exponentially, and digital FinTech firms have risen to the top by offering convenience and security to customers and bank employees.

MAIN PART

Despite the fact that different industries have developed different strategies and approaches for selling products, the importance of a personal approach to selling products remains high. Undoubtedly, a personal approach to selling products requires

two-way communication, which in the case of banks involves a personal approach aimed at taking appropriate measures to convince the other person.

The satisfaction after selling the products cannot be ignored. It always serves as a basis for establishing long and profitable relationships. The importance of marketing in supporting a personal approach to selling products depends on parameters that determine consumer satisfaction and perception of services. It can be seen that many international banks do not have an easy way to sell banking products even with marketing services.

Because standardization is always subject to different normative frameworks, cultures, languages and social concepts. The services produced by banks are, of course, profit-oriented, but at the same time, it is necessary to provide services based on customer demand. Since the 1970s, the development of banking technologies and software by banks to meet customer demands has become increasingly popular. First of all, let's start by understanding the meaning of the word "retail". The word "retail" is interpreted differently in many foreign languages. The term "retailing" means "retail sale" in English, while the word "retailer" means "to cut something into pieces" in French.

Structural challenges in most banks require digital data-driven analytics to engage and develop customer relationships. According to a Capgemini Research Institute for Financial Services Analysis survey, legacy systems and outdated core banking modules have the effect of hindering efforts to optimize data and customer-centric growth strategies by 95%, while under-digitization of data is affecting customer lifecycles.

Banks have a large and diverse amount of customer data called "Big Data", FinTech to create a database that integrates financial data, social media data, lifestyle data, behavioral data and other data. 73% of leaders expressed their desire. It turned out that 80% of them were worried about the reliability of the data, 70% said that there was a lack of data, and 43% were worried about the deletion of data. If we talk about the 5 retail banking trends that are expected to be observed in the world in 2023:

- changes in industry dynamics are seeking to acquire modern FinTech in order to create convenience for customers through digital transformation of banks through innovative banking services and to strengthen the capabilities of retail banking services;

- in order to create and activate new values with bank customers, it provides retail banking services that provide advice on managing "green" and sustainable practices, as well as financial health and solving problems related to the costs of customers. Improving customer engagement through customer experience research based on banks' customer-centric marketing strategies;

the sustainability of the business, the transformation of Digital ID into a universal, multi-purpose identification system, and studying how banks move data to cloud technologies. To study the new directions of retail banks in stabilizing the high-risk decentralized financial market.

Bank of America is redesigning 50 percent of its branch network to meet changing customer needs. JPMorgan Chase plans to open 400 community center branches to cover about 93% of the US population.

Banks continue to transform their branches from transaction centers into experience centers based on innovation, taking into account their multi-channel experiences, having studied the needs of their customers. Digitally transformed branches will be equipped with simplified layouts, more digital and self-service tools to save costs and sell more banking services, improve efficiency.

CONCLUSION

In the development of retail banking services, the legal framework of the country's banking system for retail banking services, state policy in relation to the banking system, social status of the population, the location of the bank, branches and banking service centers, the image of the bank, the quality and price of the services provided by the bank, customer service special attention should be paid to aspects such as etiquette and culture, professional and professional level of employees.

First of all, in the development of retail banking services, the modification of existing retail banking services leads to digitalization and improvement of the offered retail banking services by changing the technological parameters of traditional banking services.

Secondly, the introduction of completely modern banking services, which are fundamentally different from the existing ones.

The convenient development and implementation of these services in accordance with the needs of customers requires increased competition between banks and other non-banking FinTech organizations, the development of new segments of financial services and the creation of new technological digital services based on financial technologies.

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