

**IMPROVING THE IMPACT OF DIGITAL FINANCIAL
TECHNOLOGIES ON THE TRANSFORMATION OF BANKING
SERVICES IN THE REPUBLIC OF UZBEKISTAN**

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Annotation: The article examines the processes of digital transformation of banking services under the influence of digital financial technologies. Special attention is paid to the role of FinTech solutions, artificial intelligence, big data and mobile platforms in the modernization of the banking sector of the Republic of Uzbekistan. The main directions of digitalization of banks are analyzed, problems and risks are identified, and measures are proposed to improve the impact of digital financial technologies on the development of banking services in the digital economy.

Keywords: digital financial technologies, banking services, FinTech, digitalization, artificial intelligence, banking system of Uzbekistan.

In the context of global digitalization, the financial sector is undergoing significant structural changes. Banking institutions are forced to adapt to new

market requirements associated with the growth of digital services, changes in customer behavior, and increased competition from FinTech companies. For the Republic of Uzbekistan, the digital transformation of the banking sector is an important factor in enhancing the resilience of the financial system, expanding financial inclusion, and accelerating economic development. The relevance of this study is driven by the need to improve mechanisms for implementing digital financial technologies in banking activities, taking into account national characteristics and strategic development priorities. Artificial intelligence, blockchain, mobile technologies, cloud computing, and big data are pushing banks toward the digitalization of services, payments, lending, security, and operations. Studies demonstrate faster transactions and higher customer satisfaction, while also highlighting challenges related to cybersecurity, regulation, and infrastructure.

Digital transformation has reshaped the operational, strategic, and interpersonal dynamics of the banking industry, placing technological innovation at the center of competitive advantage and customer engagement. Banks around the world increasingly use digital tools to improve efficiency, reduce costs, and deliver personalized services. However, the impact of these innovations goes beyond automation and cost savings; it transforms the nature of customer relationships and long-term loyalty. This article examines the role of digital transformation in the banking sector, with a focus on the impact of technological innovations and the development of an integrated system to achieve success in customer relationships.

The study examines three key aspects of digital transformation. First, technological innovations are assessed through advances in artificial intelligence, blockchain, mobile banking platforms, and big data analytics, highlighting their role in product development, fraud detection, and the optimization of customer experience. Second, the article analyzes the transformation of customer interactions, emphasizing the shift toward

omnichannel engagement, real-time service delivery, and predictive personalization, which collectively redefine the criteria for customer satisfaction. Third, organizational adaptability is evaluated, noting the importance of aligning digital strategies with workforce upskilling, regulatory compliance, and cultural readiness for innovation.

The findings emphasize that while digital transformation enhances operational efficiency and market reach, its long-term value lies in strengthening trust, transparency, and the building of meaningful customer relationships. Challenges such as cybersecurity risks, digital exclusion, and resistance to change remain significant barriers. To address these issues, the article proposes an integrated framework for customer relationship success. Banks can move beyond transactional efficiency toward sustainable, customer-centric growth.

The study concludes that digital transformation, when strategically integrated with relationship-building practices, provides a foundation for customer loyalty, competitiveness, and the long-term success of banking in the digital era.

In recent years, Uzbekistan has witnessed active development of digital financial services. Commercial banks are introducing mobile applications, remote banking systems, electronic payments, and online lending. Government support for digitalization plays a significant role, aiming to expand cashless payments and promote financial inclusion. The growing number of users of mobile banking and electronic payment services indicates the formation of stable demand for digital banking services. Process automation significantly reduces service delivery time, improves accuracy, and lowers operational costs. The use of intelligent systems reduces the workload on staff and enhances management efficiency. Digital technologies provide access to banking services for populations in remote regions, contributing to the development of financial inclusion.

Conclusion

Digital financial technologies have a significant impact on the transformation of banking services, shaping new models of service delivery and management. For the Republic of Uzbekistan, their effective implementation is an important factor in the development of the financial system and the economy as a whole. Enhancing the impact of digital technologies requires a comprehensive approach that integrates innovation, security, and government regulation.

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