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## MARKETING OF DIGITAL INNOVATION ON THE BANKING SERVICES MARKET

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**Abstract.** *The article scrutinizes the processes of digital innovations marketing on the banking market, it is justified that in modern conditions banks should focus on the use of digital technologies based on online and mobile services, and the optimal direction of their development is the combination of traditional banking technologies with innovations of fintech companies that will create a new structure of the banking services industry.*

**Keywords:** *marketing, banking, digital innovation, payments, lending, digital banking, digital infrastructure.*

In the context of the development digital innovations in the banking services market, the main directions of the use of innovative technologies are the implementation of payments, calculations and money transfer; lending; development of mechanisms for the functioning of digital banks and non-bank financial institutions; improvement the personal finance management methods, as well as the formation of a new infrastructure.

The most popular digital banking service is the implementation of payments payments from mobile devices. It is determined that the market share of mobile payments is still only 4–5% of the total world retail trade. Lending is undergoing significant changes in the digital economy, in particular, P2P lending appears, the essence of which is that financial institutions provide a certain information platform for communication between disparate lenders and investors, so that individuals can directly contribute loan to other individuals or businesses.

It is determined that in the P2P-lending model, the bank does not function as a financial intermediary, but performs purely technical functions. Among the main risks of P2P lending is the lack of clear responsibilities of the participants in the transaction, the guarantee of deposits, as well as the ability to

provide banks with indirect lending to related parties without reflecting such transactions in the financial statements.

A promising trend in the use of digital technologies that change the traditional structure of the banking system is the emergence of non-banks. The specifics of their activities is that they operate in an online mode based on the use of digital access technologies and account management in the mobile application.

In order to provide guarantees of compensation for losses of clients arising from fraudulent actions of third parties, it is proposed in the legislative documents to provide for the implementation of the principle of «zero liability», according to which such losses should be offset automatically by banks.

It is concluded that under current conditions banks should be guided by the use of digital financial technologies based on online and mobile services. The optimal direction of further development and ensuring the stable functioning of the banking system is the combination of traditional technologies with the advantages and innovations of fintech companies, which will create a new structure of the financial services industry.

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