

PROBLEMS OF THE FINANCIAL TECHNOLOGIES MARKET DEVELOPMENT: GLOBAL TRENDS AND NATIONAL FEATURES

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Abstract: *In modern conditions, which are dictated by the need for wide introduction of various online technologies in various spheres of human life against the background of the general trend towards digitalization of economic processes, the market of financial technologies has become significantly more active. On the one hand, the financial system attracts an increasing number of users, on the other hand, new innovative financial products are created and financial technologies are improved. All this leads to the need for a substantive study and scientific generalization of the processes taking place in the market of financial technologies, in order to understand and predict its impact on the activities of economic entities and the national economy as a whole.*

Keywords: *financial technologies, market of financial technologies, financial services, innovativeness, internet banking, non-banks, cryptocurrencies.*

In recent years, especially under the influence of the coronavirus pandemic, many social and economic spheres of life in Ukraine were transformed, including the market of financial technologies. When studying it, it is difficult to make comparisons with European or American counterparts, since the instability in the domestic economy affects both the financial sphere directly and, in general, the legislative framework and environment important for the development of the industry. Nowadays, the Ukrainian market of financial technologies (FinTech) is

actively developing, moving towards simpler and more accessible financial services, contributing to the transparency of the economy, and attracting more and more consumers to the modern financial system. We can say that today the FinTech market, both in Ukraine and in the world, is experiencing an incredible rise, its products are increasingly becoming a part of our everyday life, so it is important to study the main trends that determine its development to adequately assess and forecast the impact of finan-

cial technologies on the market and the efficiency of the national economy.

Examining the most visible and significant global trends in the development of the FinTech market, it is worth noting the following. The last three years may without exaggeration be called turning points for the financial services sector. The trigger for the acceleration of global digitization was the COVID-19 pandemic, followed by strict quarantine restrictions. Subjects had to switch completely to using online banking services for a certain period. With the easing of restrictions, visits to bank branches began to recover to some extent, but during the lockdown period, online banking has already become understandable for customers. Therefore, the noticeable expansion of the scope of use of Internet banking became one of the key trends in the FinTech market. Internet banking became the most popular type of remote banking service that provides access to accounts and banking operations at any time via the Internet (using gadgets such as a computer, tablet or smartphone). Although for decades banks were the only option for their customers to obtain a variety of financial products and services, now the position of traditional banks is rapidly being lost. Artificial intelligence, Big data, the Internet of Things, blockchain, robot-consultants are creating new serious challenges to traditional banking services.

Another important trend in the development of the FinTech market was the emergence of new players - neobanks. This is the name given to fintech companies that operate under their own banking license or based on an already existing bank and work exclusively in a digital format and do not have branches. They have many advantages compared to tradi-

tional banks, both for consumers and for the institutions themselves. One obvious advantage is that digital banks don't have to worry about investing in physical locations. They are free of the costs that traditional banking institutions have, so they offer lower service fees, better interest rates, and create many other incentives for their customers. Traditional banks, despite everything, will retain an important role due to their reliable accounting and protection of personal data. Neobanks create not only financial, but also non-financial products.

The development of insurance technologies, crowdfunding, P2P lending, blockchain and the cryptocurrency market should be noted among other global trends.

Attracting investments into the industry is very important to increase the efficiency of financial services. In this regard, one more important trend can be noticed: investors consider the FinTech market as a very attractive and profitable niche, so investments in the industry in recent years may step up.

Technological innovations in the market of financial services are widely implemented in Ukraine as well. The Ukrainian state has identified digitization as one of the priorities of national economic development. In particular, one of the goals of the NBU Strategy until 2025 is to move towards the activation of financial technologies and open banking policy to support society's transition to digital banking.

If earlier Fintech was considered as a product primarily needed by financial organizations, today it has come as close as possible to a specific consumer, making services more convenient, streamlined, and accessible to the public. Thus, it may be argued that today the activities

of the FinTech market are primarily aimed at meeting consumers' demand, that is, it is their demands and needs that drive the industry.

Despite the undeniably positive impact of innovative financial technologies on economic development at both the micro and macro levels, there are many problems and threats associated with their use. These include, first of all, the low

financial literacy of individual users, the spread of cyber-attacks and unwanted content, as well as the misuse of personal data. Despite these problems, further global prospects for the development and implementation of innovative financial technologies and their penetration into all spheres of human life are unquestionable.

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