



Mobile Banking - Ways to Develop a Modern Banking Service

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ABSTRACT

This article describes in detail the formation of "Mobile banking" as a modern banking service, its role and importance in the organization of banking services. It has been revealed that mobile banking is one of the foundations for banks to enter the new system and its advantages. The possibilities of remote banking services provided through the Mobile banking application were also presented, as well as the risks in this process. In addition, the reforms being implemented in the country to further improve the quality of customer service of banks and the convenience created for the population to use banking services were analyzed. Also, scientific and practical recommendations on the areas of further development and improvement of remote banking services provided by banks through mobile banking applications and improving their quality were proposed.

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The rapid development of digital technologies and their software has led to lower costs, improved quality and ease of use in the banking products and services market. Modern smartphones and tablets are able to do things that were previously only possible on the basis of computer technology. Such advances in information and communication technologies are widely used in the banking sector as well as in other sectors. In particular, the establishment of services such as "Mobile banking", "Online

banking" by commercial banks in our country makes it easier for individual and corporate bank customers and residents to use banking services.

In the 21st century, which is interpreted as the information age, the rapid increase in the flow of information, the development of the Internet and information technologies in a geometric progression - the digitalization of various services and technologies, as well as the organization of interactions in the "online" mode, is an objective necessity and an inevitable process.

After all, as the President of the Republic of Uzbekistan, Shavkat Mirziyoyev, said, "There is no future for the country's economy without a digital economy."

In Uzbekistan, the legal framework for the creation of the necessary legal conditions for the consistent reform of the banking system, its further development and the strengthening of the competitive environment in this field is being improved. In particular, the decree of the President of the Republic of Uzbekistan dated May 12, 2020 "On the strategy of reforming the banking system of the Republic of Uzbekistan for 2020-2025" No. rapid measures to ensure adequate security of the financial services, as well as to reduce the impact of the human factor in the provision of financial services.

This decree approved the "Strategy for reforming the banking system of the Republic of Uzbekistan for 2020-2025". This strategy focuses on increasing the popularity of financial services and envisages the implementation of the following main measures:

- ensuring a competitive environment in the banking sector by creating equal conditions for the implementation of banking activities, regardless of the presence of a state share in the capital of some banks;
- introduction of new business models of banks, including those based on "digital banking" principles;
- application of international quality standards of banking services;
- optimization of operational and capital costs of banks;
- further increase of national currency deposits of legal entities and individuals, as well as international capital of banks attracting additional resources to the banking system due to its market entry, etc.

In addition, it is shown that the participation of banks in the regions will be ensured by expanding the network of compact "banking services offices" in all regions, which provide a set of basic banking services and do not require a large number of management personnel, and the optimization of the existing network of branches, as well as the wide introduction of "mobile banking" services.

In conclusion, it is no exaggeration to say that the evolution of banking products and services is taking place at a new stage..

It is known from world practice that the cheapness of banking products and services does not ensure the expansion of the scope of its users. In recent years, new forms of financing and increased demand for technological services have fueled the rapid growth of telecommunications in the banking sector. With the development of smartphones and gadgets and the global expansion of the Internet, information and communication technologies are increasingly recognized as important tools for development, contributing to global integration and improving the efficiency of the banking system, like many industries.

Smartphones in particular have become important gadgets used in our daily lives. With the help of various applications, they can use it not only for communication, but also for various purposes, for example, access to social networks, use the Internet, watch videos, navigate, count steps, perform banking operations, etc.

In general, mobile technologies have revolutionized the global banking and payments system. This provides banks with additional convenience for customers in developed countries and new opportunities for large populations in emerging markets.

Today, 32 commercial banks are operating in our country. Each bank has developed its own mobile applications, and through these mobile applications, banking services are being provided remotely 24/7. This bank's mobile applications, developed with the help of modern information technology programs, can be called "Virtual banking" for users.

According to the analysis, the number of commercial banks operating in the republic increased by 2 last year, and their number reached 32. Also, the number of branches of these commercial banks is 861 as of January 1, 2021, and this indicator has increased by 11 or about 1.3% compared to the corresponding period of the previous year. As of January 1, 2021, the number of banking service centers (service offices and ATMs) was 1,222, which increased by 172 or 14.1% compared to the corresponding period of the previous year. As of January 1, 2021, the number of 24/7 substations was 1452, this indicator increased by 550 or 37.9% compared to the same period last year.

During 2020, the number of commercial banks increased by 2, and as a result of the main focus on banking services offices and 24/7 branches, it can be observed that their number is increasing significantly. This indicates that favorable conditions are being created to satisfy the needs of the population and business entities for banking services..

The use of banking services through commercial banks, their branches, banking service centers (service offices and mini-banks) and 24/7 branches replicates traditional banking activities to some extent. That is, in this case, the client will have to visit the bank (other forms). Of course, it also depends on the type of service being used. For example, it is necessary to visit bank institutions (or branches) in cases such as receiving money from a plastic card in the form of cash, obtaining loans.

However, an easy and convenient solution to remote use of popular banking services, which is in increasing demand today, is Mobile banking and Online banking services. Not only is it convenient to use these types of services remotely, but it also saves time and costs in going to the bank..

In general, the remote service system can be divided into two types according to the nature of the services provided to customers:

- informative;
- transactional.

In this case, informational banking is focused on providing financial information to customers, while transactional banking provides an opportunity to carry out financial transactions..

Currently, commercial banks offering "Mobile banking" service provide their clients with a number of remote banking services.

Although commercial banks have made some progress with mobile banking applications, there are still a number of challenges in meeting the requirements for banks.

They can include:

- lack of skills of the population to use all remote services provided through "Mobile banking";
- identification problems in the provision of services for bank asset operations (for example, notifications about going to a bank branch through applications to undergo identification);
- the length of time it takes to process and respond to information received through applications in some remote services;
- lack of complete development of specific manuals and instructions for remote service;

When further improving the quality of "Mobile banking" applications and banking services provided through them, it is appropriate to take into account the following:

- further improvement and simplification of the appearance of "Mobile banking" applications (design) and elimination of malfunctions (interruptions with the server);
- preparing videos on the use of "Mobile banking" applications in an understandable way and making them available to the public through the bank's official website and social networks;
- further improvement of the system of reliable identification of users of mobile banking services and its remote implementation;
- Extensive use of artificial intelligence and digital technologies in the analysis of information received through applications in order to provide fast and high-quality service through "Mobile banking" applications;
- Development of guidelines specifying the procedures for the implementation of remote microloans, microcredits and overdrafts through "Mobile banking" applications;
- it is necessary to ensure information security in the provision of remote banking services and to apply new innovative forms of information security by studying international experiences in this regard.

In conclusion, through the development of "Mobile banking" applications, excessive red tape in our daily life, spending excessive time in queues, and corruption in the field of banking services will be eliminated, thereby improving the living conditions of the population.

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