

The ways of using the fintech system for the development of innovative financial services

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Abstract. Technologies permeate all spheres of activity. But especially in finance. According to the study, more than 60% of payments in the world are made online. The level of funding in the field is increasing, as is interest.

The purpose of the work is to study the possibilities of creating a fintech system for the development of innovative financial services.

Despite the fact that the terms “fintech”, “block chain”, “cryptocurrency”, “mining” are still unfamiliar to the average Ukrainian, the first work on block chain, or a cryptographically protected chain of blocks, was described back in 1991 by Stuart Haber and Scott Stornetta [1].

Companies take an active part in all spheres of life of Ukrainians-fintech, marketing, development, government decisions. For example, in October 2017, an updated version of the information system of the state land cadastre was implemented using block chain. However, fundamental changes are needed in the level of financial knowledge and skills, in behavior or attitude to finance [2, p. 159].

Consumers have only basic knowledge and skills and as a result use mostly the simplest services such as payments and settlements. Other services are used either in case of extreme need (credit cards), or according to tradition (deposits of less than 10% of the population), or even without realizing the essence of the service (used intuitively). That is why the formation of knowledge about finances in everyday life and the development of key entrepreneurial and financial competencies becomes a priority [2, p. 147].

Currently, commercial banks and insurance companies are the most effective participants in the financial market of Ukraine. Therefore, new financial instruments are developing most actively in the banking and insurance business spheres.

First, we will consider innovative financial services in banking: lending, mobile banking, credit scoring, crowdfunding. General characteristics of such financial services include:

- the possibility of lending, improving the provision of deposit services without the help of traditional financial intermediaries;
- operate only as an Internet platform or software application for a PC or smartphone;
- alternative sources of information are used when assessing potential risks;
- there is no central supervisory body;
- the classic services of financial intermediaries are completely repeated, but their convenience and availability are improved [3].

In the insurance business, companies using big data and machine learning in the insurance industry have been around since 2011. They are united by the term InsureTech and began to appear actively in Ukraine [4].

Modern tools have made it possible to implement online insurance. For example, a person

wants to insure his property without leaving his home. She downloads the application, artificial intelligence analyzes open data, calculates risks and offers possible insurance conditions.

Insurance telematics also appeared. This is an opportunity to remotely analyze the personal data of the insured person. For example, by analyzing a customer's driving style or health indicators, the company enables more cautious people to save on their insurance policy.

Thus, the general processes of implementation of financial technologies in the banking and insurance sectors, development of new IT solutions for the modern consumer require further development of electronic document flow, improvement of its application practices.

Ключові слова: fintech system, banking, insurance, innovation, financial services.

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