

DIGITAL FINANCIAL TECHNOLOGIES AND SMALL BUSINESS

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Abstract

Entering the digital economy era accelerates the pace of development business sphere and brings radical transformations to the modern economic system, especially from the point of view of small businesses. One of the key aspects that require serious analysis and research are financial technologies that are penetrating into various areas of small business activity. This scientific article examines modern financial technologies and their impact on small businesses by analyzing the impact of these technologies on financial results and resource management. Particular attention is paid research into data analysis methods and development of financial instruments, aimed at increasing the efficiency of financial management and improving economic indicators of small businesses.

Keywords

financial technologies, digital tools, digital economics, digital technologies, small business, financial opportunities, Innovative solutions, integration of financial technologies.

Financial technology, or fintech (financial technology), has changed many sectors of the economy, including the way small businesses operate. technologies give small businesses access to innovative tools and services, that were previously unavailable to him. Today, the influence of financial The impact of technology on small businesses continues to grow, helping to improve efficiency, financial inclusion and economic growth. In this article The main directions of financial technologies that help small businesses are reflected business to develop, and also describes a number of advantages of financial technologies.

Small businesses always face the pressing issue of securing financial resources. resources, and this is a long-standing difficulty he faces. Traditional procedures, related to loan requests and collecting the necessary documents, often caused complexity and chaos. However, a breakthrough came with the emergence of fintech (financial technology) platforms that transformed the funding landscape by

providing new sources of funding for small businesses capital. This gives small businesses greater access to financial resources beyond the usual banking channels, thanks to peer-to-peer lending platforms , crowd funding and online lenders. Models Fintech-based lending involves the use of advanced algorithms and alternative data for more comprehensive analysis creditworthiness, thereby offering more inclusive financing options and helping small businesses pursue their strategic goals. ambitions for growth. Fintech (financial technology) tools make it easier for small businesses to manage their finances. enterprises. Cloud accounting programs and mobile applications allow entrepreneurs to control expenses, process invoices and conduct approvals financial transactions in real time. Accounting automation and data integration contribute to the automation of financial processes, which not only saves time, but also reduces the number of errors.

The integration of financial technologies has significantly changed the way small businesses accept payments. Mobile wallets, contactless payments and Online payment gateways are examples of digital payment technologies that have revolutionized the way transactions are carried out. In addition, Point of sale systems and data analytics help improve service customers, increase sales volumes and increase revenue.

It becomes more convenient for enterprises easier access to a wider range of financial services at better prices conditions, since traditional financial services can come with high costs and strict requirements, while fintech (financial technology) platforms are focused on attracting more customers, which in turn reduces costs and promotes a personalized approach to the needs of small businesses.

Range The range of financial services available to small businesses is expanding to include digital banking services, business accounts, insurance coverage and retirement planning, which makes these services are more accessible and contribute to long-term success. Moreover, financial technologies actively use data analytics and Artificial intelligence to provide small businesses with valuable information.

Using artificial intelligence improves understanding of consumer behavior and needs of small businesses. In addition, data analysis improves understanding of market trends, allowing for more effective adapt products and services to customer needs. In other words, analysis data gives small businesses the competitive edge they need and helps them operate successfully in an ever-changing business environment. Financial technologies are fueling the growth of e-commerce and digital platforms, creating opportunities for online customer service, without the need physical presence.

Small businesses are actively developing in the online segment, so how fintech is delivering more convenient and intuitive user experiences interfaces for interacting with websites, and provide secure online payment facilities. This also helps improve resource management, the process orders and tracking of deliveries. In general, the implementation of financial technologies activates small businesses and allows them to compete with large enterprises global market, increasing sales volume and growth opportunities.

However, when discussing the progress of financial technologies in the small business sector, one should not lose sight of an important aspect that is becoming essential an obstacle not only for small businesses, but for all companies operating in online environment is a question of cybersecurity .

Let's look at this issue in more detail. With the development of financial technologies and the popularization of online transactions in small business, cybersecurity and risk management issues are becoming key eliminating the negative consequences of fintech (financial technology) technologies. An increasing number new fraud and cybercrime schemes are a regular threat, growing as fast as the internet as a whole. Cybercriminals are constantly find vulnerabilities and ways to influence clients of various companies. However, Fintech (financial technology) companies are closely monitoring the dynamics and tighten cybersecurity controls every year, allowing for the use of Advanced anti-fraud techniques to protect sensitive financial information data.

To reduce cybersecurity issues , encryption is used, multi-factor authentication and continuous monitoring. As one of the recent research, a new product will achieve commercial success in 2024 Positive Technologies – PT Extended Detection and Response (PT XDR). It was released in the first half of 2023. According to statistics, in the period from the moment of release to 2024 there were 10 implementations of the technology have been carried out (the largest installation was in infrastructure with more than 20,000 assets) and more than fifty successful projects have been completed projects.

Perhaps the most important and effective tool for search for traces of a hacker in the infrastructure, is a system for detecting attacks in the network PT Network traffic Attack Discovery (PT NAD): its sales volume increased by 2.5 times. Ultimately, the industry standard MaxPatrol line demonstrated no less impressive dynamics: the number of installations of MaxPatrol SIEM (systems 254 detection of information security incidents in real time) and MaxPatrol VM (new systems generations for vulnerability management) in 2023 exceeded 600 and 350, respectively.

"By the end of 2023, the cybersecurity industry has come to the point of needing re-understanding the basic principles of building protection and responding to threats in business, industry and country scales, and in 2024 cybersecurity as an industry expects a period of active reassembly with a greater focus on practice effective protection . In the coming years, the information security market in Uzbekistan will finally become a market of domestic producers and will grow exponentially; the demand for technologies that can prevent will increase even more hacker attacks before companies suffer irreparable damage."

Small business plays an important role in the economy of the country and the world overall, because it stimulates innovation, creates new jobs and promotes economic growth. However, there is one obstacle that must be faced a large percentage of small businesses. We are talking about problems in lending and conducting lengthy payment calculation processes. And Fintech (financial technology) companies come to the rescue in this problem , changing the established rules of the game, offering solutions that expand opportunities for small businesses. Small businesses have traditionally had difficulty obtaining a loan from large financial institutions due to lengthy processes application process, strict requirements and high attrition and disapproval rates.

Fintech has revolutionized this space by leveraging technology and data analytics to provide small businesses with faster credit lines without any significant financial losses. Because the companies implementing financial technologies use alternative data sources and innovative risk assessment models for assessing the creditworthiness of small businesses. In progress The calculations take into account factors such as: cash flow structure, online transaction history and digital footprints. Such technology can provide estimates in real time real time, which speeds up the loan approval process several times.

At present time, the integration of financial technologies in small businesses demonstrates outstanding potential for optimizing operational processes and ensuring sustainable growth small businesses. There are strong grounds to argue that the use of modern financial technologies contribute not only to improving the efficiency business processes, but also provides many practical benefits, providing positive impact on the financial well-being of small businesses.

In this context, the rational use of financial technologies allows small entrepreneurs can save both valuable time and limited resources financial resources. These benefits allow small business owners to actively invest in additional strategic areas, including investments in innovation and development of your business. In addition, the availability of flexible repayment options, provided by financial technologies, allows entrepreneurs to more accurately adapt the terms

of financial transactions to your own needs, which represents a significant advantage.

This shows that financial technologies are a significant an incentive to improve the financial well-being of small businesses and contribute to their structural growth and development. Consequently, the integration of modern financial innovation is a critical factor in achieving long-term sustainability and prosperity of small businesses.

One of the important technologies that has a big impact on small businesses is is a blockchain . Blockchain is a technology that allows you to store and transmit data in the form of sequentially connected blocks. In this system, each block carries its own information and has a link to the previous block, thus forming an information chain. Thanks to this structure, data in blockchain technology becomes protected from changes and falsification. The blockchain network contains many participants, collaborating with each other with the whole processing and confirmation of operations. As a result, if we highlight the main thing, then blockchain helps to bypass traditional intermediaries and streamline the payment process, eliminate the need for manual reconciliation, reduce transaction costs and minimize the risk of errors or delays associated with traditional payment systems.

Let's sum up the article and highlight the main results of the use of financial technologies by small businesses:

- Promoting and stimulating growth and innovation by providing small businesses with the capital they need to invest in new technologies, expand their operations, and take advantage of market opportunities. This, in turn, stimulates economic development and job creation.

- Simplifying the payment system, which allows businesses to more easily meet their financial obligations, invest in inventory, and manage day-to-day operations more efficiently. By reducing their reliance on loans or external financing, small businesses gain financial strength and stability.

- Solutions provided by financial companies promote inclusion by leveling the playing field for small businesses.

The availability and speed of credit lines and payment settlements powered by financial technology make these services available to a wider range of entrepreneurs, including those in underserved communities or with limited credit histories. This empowerment of small businesses promotes economic diversity.

Conclusion: The impact of financial technology on small businesses is becoming increasingly significant. Financial technology has changed the way small businesses receive money, manage their accounts, process payments, and make data-driven decisions. Thanks to new technologies, small businesses are able to

successfully operate in a rapidly changing market, technology helps to adapt and optimize existing processes to modern realities.

The digital economy offers small businesses a whole new range of opportunities to strengthen and grow their financial management. Using digital technologies, data analysis, developing financial capabilities and improving employee skills all contribute to increasing the efficiency and effectiveness of small businesses in the digital economy.

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