

## FACTORS AND PREREQUISITES FOR THE DEVELOPMENT OF FINTECH INNOVATIONS IN THE NATIONAL ECONOMY

The current financial market cannot be imagined without the use of information technology, mobile applications, electronic means of payment, online transfers, online account management and more. However, these changes in the types of financial services and in the way they are delivered have been the result of intense technological change over the last decades. Although the opportunity for the development of the FinTech segment was ensured by the widespread adoption of computer technology, they cannot be considered as the only factor that caused FinTech to emerge. Moreover, the use of technological innovation in the financial sector was quite significant, indicating that there were additional factors that stimulated the diffusion of innovative technologies in the financial sector of the national economy. Thus, the objective of the article is to summarize and systematize the factors that contributed to the rapid development of FinTech innovations.

Based on the analysis of scientific sources, the author proposes to identify technological development as the main prerequisite and basis for the development of FinTech innovations, and the global financial crisis of 2008 as the trigger for the transformation of the financial sector and its dynamic digitization. The factors that contributed to the diffusion of technological innovations in the financial sector are classified into three groups: factors of change in consumer demand, factors of crisis of traditional banking and factors of regulatory nature. Consumer demand factors include changes in the social and demographic structure of the population that lead to changes in consumer behavior and expectations regarding the types of financial services and how they are provided. The factors of crisis of traditional banking characterize the changes in the banking market and its transformation after the 2008 global financial crisis. Regulatory factors combine the regulatory impact of national and supranational supervisory authorities on the banking sector, which indirectly facilitated the development of alternative finance and FinTech companies.

**Keywords:** FinTech; innovation; digitalization; financial sector; national economy.

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