REMOTE BANKING ADOPTION IN UZBEKISTAN: GROWTH ACROSS BANKS

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Remote banking has rapidly become a core channel for delivering financial services by improving convenience and reducing transaction costs for customers. Using bank-level annual data from Uzbekistan for 2018–2025, this study describes how remote banking adoption expanded from 7.96 million users in 2018 to 74.18 million in 2025, while showing strong differences across banks in starting scale, growth speed, and timing of acceleration. The national diffusion pattern is documented and cross-bank heterogeneity is quantified using growth indicators and a simple clustering approach that segments banks into "leaders" and "followers," providing practical insights for digital banking strategy and policy.

Annual bank-level data on the number of users of remote banking service systems in Uzbekistan for 2018-2025 are analyzed together with the national total. Aggregate diffusion is characterized using year-over-year (YoY) growth rates and the compound annual growth rate (CAGR) over the full period. Cross-bank heterogeneity is assessed by comparing banks in terms of (i) initial scale (2018 users), (ii) growth intensity (bank-specific CAGR), and (iii) latest scale/market position (2025 users and share of the national total). Banks are then segmented into "leaders" and "followers" using a simple clustering approach based on standardized features (CAGR, 2025 share, and initial scale), highlighting differences in adoption trajectories across institutions.

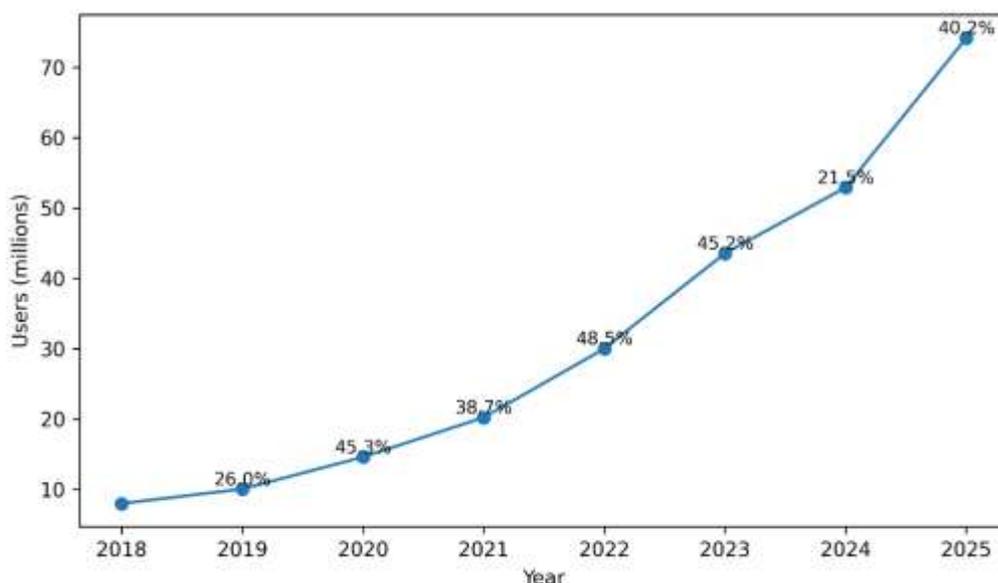Figure 1. Total remote banking users in Uzbekistan (2018–2025)

Figure 1 shows a clear shift from early adoption to mass usage in Uzbekistan's remote banking: total users expanded from 7.96 million (2018) to 74.18 million (2025) about a 9.3× increase (~37.6% CAGR). Growth occurs in waves, with the most pronounced acceleration in 2020-2023 (notably +45.3% in 2020, +48.5% in 2022, and +45.2% in 2023). This is followed by a temporary slowdown in 2024 (+21.5%), and then re-acceleration in 2025 (+40.2%), indicating that diffusion continued strongly after a short moderation phase[10].

Figure 2. Heterogeneity in remote banking adoption across banks (2018–2025)
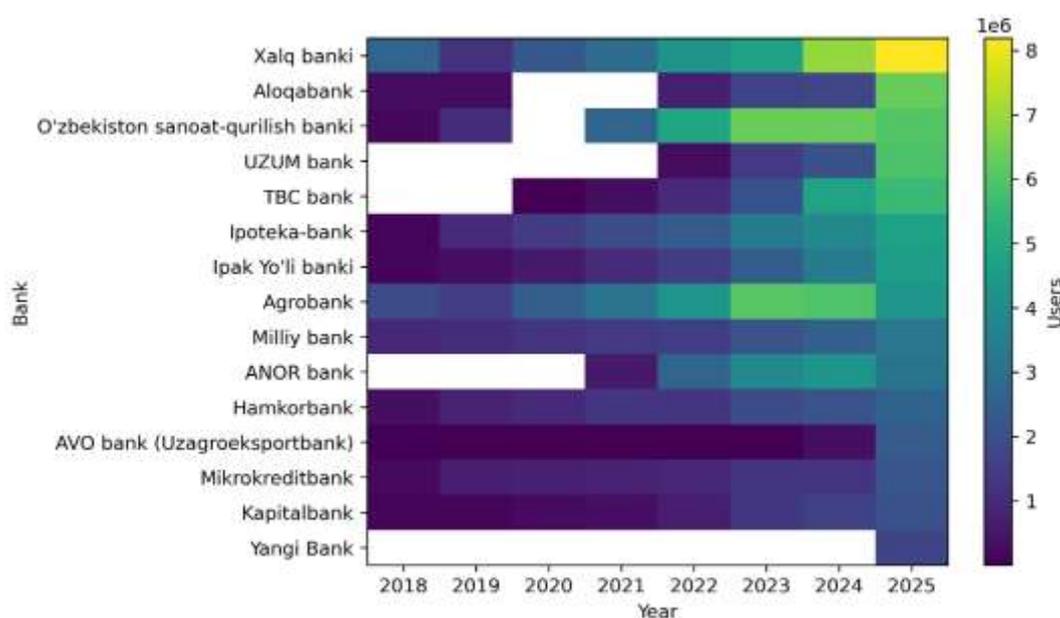

Figure 2 reveals that this national surge is driven by highly uneven bank trajectories and a concentrated group of high-scale institutions. By 2025, the largest user bases are observed in Xalq banki (8.19M), Aloqabank (6.28M), Oʻzbekiston sanoat-qurilish banki (6.01M), UZUM bank (5.90M), and TBC bank (5.59M), followed by a strong second tier including Ipoteka-bank (4.74M), Ipak Yoʻli banki (4.58M), and Agrobank (4.28M). The heatmap also highlights timing differences: some banks scale steadily over the whole period (e.g., large incumbents), while others show late take-off and rapid ramp-up in the final years (e.g., UZUM bank, TBC bank, and ANOR bank). Blank/white early-year cells indicate missing values or later availability/entry, reinforcing the need for a leader–follower segmentation when summarizing adoption dynamics across institutions[11].

The results imply that rapid diffusion of remote banking in Uzbekistan is shaped by both system-wide adoption momentum and bank-specific scaling capacity. For banks, the leader–follower pattern highlights the strategic importance of strengthening digital onboarding funnels, customer experience, reliability of remote channels, and service ecosystems that keep users active after registration.

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[10] https://cbu.uz/uz/

For policymakers and regulators, the observed heterogeneity suggests that sector-wide growth can be accelerated by measures that reduce adoption frictions—such as interoperability, consumer protection standards, and digital identification/verification infrastructure—while also supporting lagging institutions to avoid uneven access to digital financial services.

This study relies on aggregated annual counts of remote banking users and therefore cannot directly identify causal drivers such as pricing, product design, marketing intensity, regional coverage, or smartphone/internet penetration. In addition, differences in reporting definitions (e.g., registered vs active users) may affect cross-bank comparability in some years. Future work can extend the analysis by combining bank-level user data with explanatory variables and higher-frequency observations to test which operational and policy factors most strongly predict transitions from "follower" to "leader" trajectories.

Overall, bank-level evidence for 2018–2025 shows that remote banking adoption in Uzbekistan has entered a mass-usage phase, expanding more than ninefold over the period. However, diffusion is not uniform: a subset of banks reaches large scale and rapid growth earlier, while others exhibit delayed or slower adoption paths. By combining national trend analysis with bank-level growth metrics and leader–follower clustering, the study provides a structured, policy-relevant view of how digital banking scales across institutions and where targeted interventions can yield the greatest impact.

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[11] https://cbu.uz/uz/