

Research on the Effect of Internet Financial Payment on Financial

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Abstract: With the rapid development of new generation information technologies such as mobile Internet, the traditional financial industry has ushered in the era of financial technology. Internet finance has subverted traditional financial payment methods and transaction methods, and traditional financial services, traditional financial institutions, traditional financial models and traditions. The financial supervision approach presents new challenges. This paper studies the role of Internet financial payment in promoting financial reform, and analyzes the development and changes of financial reform in response to Internet financial payments.

1. Introduction

Finance originates from the transaction of asset rights and funds between urban and rural residents and entities in the real economy sector. Among them, urban and rural residents are suppliers of funds, and entities are the demanders of funds, and the transaction objects are the assets and interests of entities [1]. This fundamental principle is revealed by both the two-sector model of macroeconomics and the history of financial development in developed countries. In the past ten years, Internet finance has become a hot topic, and it has not only become the hottest financial topic [2]. It has been widely discussed in various circles, and all kinds of understandings are inconsistent. Moreover, Alipay, P2P online lending, crowdfunding and Yu'e Bao have many Internet finance models [3]. Or products, giving people a colorful thinking impact and a visual impact. Some people think that unlike the bank-led indirect financial model and the direct financial model dominated by financial markets, Internet finance seems to be opening up a third financial development model [4]. The Chinese financial system is facing the "subversion" of Internet finance. Internet financial payment realizes fund transfer based on third-party payment, and through the modern information technology such as big data and cloud computing, mining customer information and managing credit risk, thereby realizing efficient allocation of financial resources and further expanding financial boundaries, but also A new risk hazard has emerged.

2. Internet Finance Payments Bring Challenges and Opportunities to Financial Reform

Internet financial payment realizes efficient financial resource allocation and expands financial boundaries [5]. At the same time, financial technology has greatly enriched the financial ecosystem. The mobile scene-based trading model has greatly increased the frequency of financial transactions. The bank is the final liquidator of funds, and the transaction volume is also It has risen sharply.

Internet finance will inevitably bring about tremendous improvements in financial functions, which will likely bring about major changes in the entire banking industry and even the financial industry [6]. The impact of Internet financial payments on traditional finance, along with QR code payment, face payment, and iris payment, Various payment technologies, such as ApplePay, are maturing [7]. With an efficient platform and rich scenes, financial technology companies infiltrate all aspects of people's lives, providing customers with convenient and efficient payment services, and banks are gradually retreating in the entire payment transaction. The character is marginalized [8]. Taking commercial banks to collect mobile phone bills as an example, commercial banks started to collect mobile phone bills at the counter, and gradually expanded the omnichannel [9]. By 2015, the traffic volume reached its peak, but with the impact of third-party Internet payment such as WeChat and Alipay, The business volume has been decreasing year by year, and the current

average monthly business volume is less than 10%.

The characteristics of the Internet have accelerated the process of financial disintermediation. Under the financial and technological situation [10], Internet finance companies have used the customer base accumulated under the original Internet business model to use payment as an entry point and quickly penetrated into various fields of financial services, to a certain extent. The credit intermediary function replaces the role of traditional financial institutions.

3. Internet Financial Development Deficiency and Countermeasures

3.1. Analysis of the future development of internet finance in China

Internet finance has a great momentum of development, but the problems it faces are also very obvious, as shown in Figure 1. There are hidden dangers in information security issues, affecting the growth of Internet finance. With the continuous development of Internet finance, online Internet financial transactions continue to penetrate the public life, and it has gradually evolved from the initial tentative purchase behavior into a habitual financial management of the public. The way, but because this mode is completely online, the information security problem of users in this mode is becoming more and more prominent. With its Internet attributes, Internet Finance has mastered the customer information needs of customers, such as consumer demand, credit information and trading habits, through large data resources, which has facilitated its own development and brought security risks to its own development. It is precisely because of the huge data support of big data itself that its massive data resources are exposed to many risks such as information security disclosure. These security information including customer personal privacy and personal property are closely related to their own credit, once the personal information security of customers is seriously Threats, Internet finance will lose the trust of customers in a short period of time and lose a lot of customer resources, thus affecting the development and perfection of its own system. Therefore, one of the most important factors for the future development of Internet finance is the maintenance of information of customers. Only by ensuring that customer information is not leaked, can we continuously improve the industry's own system and promote the standardization and upgrading of the industry.

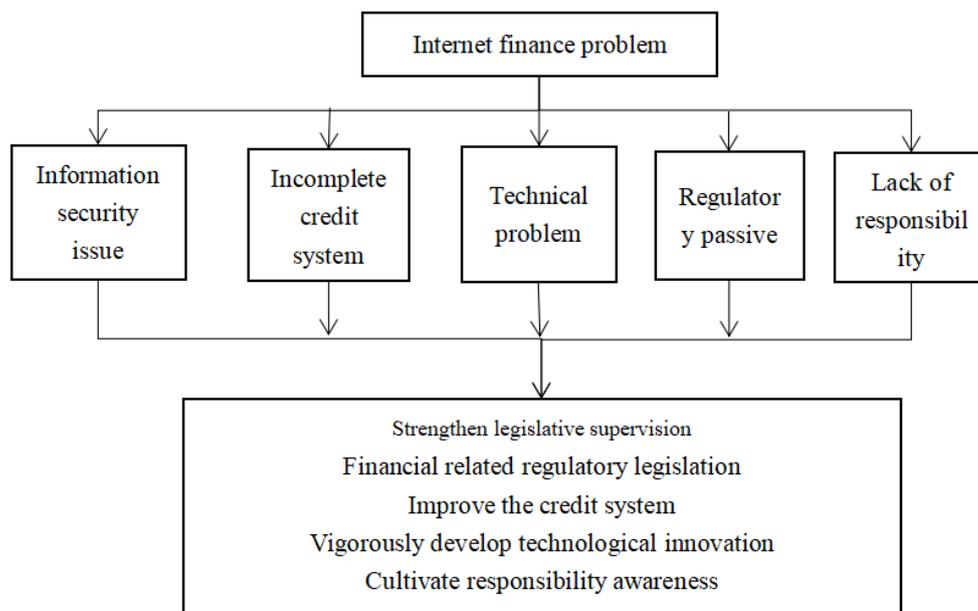


Fig.1. Internet finance problems

China's credit system has been imperfect. With the continuous development of the Internet financial industry, online lending, P2P and other platforms have increasingly higher requirements for customers' credit information. The imperfect credit system has become a corporate credit on the basis of increasing corporate transaction costs. The loopholes in the system, if the loopholes are

arbitrarily enlarged, will seriously affect the industry normative environment of Internet finance. Taking China's current hot P2P model as an example, the P2P model itself has the advantage of relatively low entry threshold and high return. The core of its operation is the operation of a good credit mechanism, and China's credit mechanism. The industry itself has a problem of incomplete system. The existing credit information system in China has problems such as scattered information, low degree of informationization, and low availability. The slow pace of the construction of the credit information system has led to a poor domestic credit environment. This has brought about a series of information asymmetry problems, which has greatly increased the risk of financial transactions, leading to a large number of fraudulent scams in the industry. Therefore, the continuous construction and improvement of the credit system will be a prerequisite and guarantee for the healthy development of the Internet financial industry in the future. The reform and development of the online and offline credit system is of great significance to the development of Internet finance, and it is the deepening innovation of Internet finance in the future. The problem that will be mainly dealt with.

All along, China's supervision of the online trading industry has been in a passive position. The institutional and legal norms of its industry have lagged behind the development of the industry itself, leading to the continuous emergence of Internet financial information risk events and affecting the benign evolution of the industry. At present, there are more than 300 P2P credit platforms in China. At the end of 2014, a number of P2P platforms represented by Hengrong Fortune were the cause of high-interest fraud cases, which alerted the entire industry to the risks of Internet financial transactions. If the industry's regulatory system is unable to keep up with its pace of development, there will be no beneficial norms in the industry, and if this situation persists, it may threaten the entire financial system.

Due to its own technical influence, the Internet itself has risk problems, mainly as a network security problem. Since the operation of Internet finance relies on the Internet platform, the security stability of the online operating environment will directly affect the operational risk factor of online investment and financing transactions. influences. Therefore, it is an indispensable condition for the industry to standardize the development of a new type of virus that constantly responds to various forms and improve the security of the network environment. Traditional financial industries, such as banks and securities companies, have long-term development and have strong control over their own market risks, operational risks, and technical risks. They can be controlled through effective identification of risks. Compared with the former, the development of online investment and financing transaction business is still in its infancy, and it has a relatively short period of time. Its risk and security control is relatively weak. Therefore, the construction and improvement of the Internet financial response risk system is the future development of Internet finance. A major direction.

Internet finance has evolved from the initial fragmentation to the current rise of the Internet, leveraging the continuous development and popularization of Internet technology in the context of the information age. Although Internet finance is a fusion of Internet technology and finance, its essence is still finance. Therefore, in view of its unique financial innovation attributes, the trading concepts of Internet financial transactions must also keep pace with its technology and model innovation. As far as finance is concerned, the parties to the transaction are not only buyers of commodities, but the essential purpose of investment is to make profits. Then, as a new type of investment, Internet finance is still based on profit-making rather than simple purchase. behavior. Taking China's current crowdfunding model as an example, the sense of responsibility and role transformation of both parties in online transactions is also a major direction for the development and construction of the Internet finance industry in the future.

3.2. Internet finance future development proposal

Strengthen legislative supervision, improve the credit information system, enhance technical support, and reduce industry risks. Compared with the traditional investment and financing transaction mode, the current Internet financial transaction model has problems such as imperfect

supervision system, imperfect credit information system and high technical risk. Therefore, it should reduce the risk of trade in the industry from the perspective of legislation, system improvement and technical support. To promote the sustainable development of the Internet financial industry.

Strengthen the legislative supervision of Internet finance and standardize and guide the healthy development of the Internet financial industry. The essential attribute of Internet finance is finance, and thus the concepts of financial risk and externality are still applicable to Internet finance. The supervision of the Internet financial industry is still essentially a government regulation act, which requires legislation to be regulated in a fair and equitable manner. However, since the advent of Internet finance, the Chinese government has not issued clear legal provisions for this online investment and financing transaction model. The current domestic legal provisions such as the Commercial Bank Law and the Securities Law are applicable only to traditional investment and financing. In the transaction mode, China's legislative supervision of the Internet financial industry has lagged behind its development. Until the 14-year "Government Work Report", the Chinese government first proposed the institutional level guidance and normative intentions to support the evolution of online investment and financing transactions. Therefore, strengthening the supervision and regulation of this industry and improving the operating environment of online investment and financing transactions are effective ways to promote its sustainable development.

China should establish a legal supervision system for the Internet financial industry based on its own innovative and competitive characteristics of online investment and financing transactions. Based on the traditional financial industry legal supervision system, combined with the characteristics of the Internet financial industry, the relevant laws should be revised. To fill the gap in the lack of Internet financial regulatory legislation. In view of the characteristics of Internet financial information technology, the construction of regulatory laws on network information security; according to the situation of the unfair competition caused by the Internet financial industry itself, the establishment of supplementary regulatory legislation specifically for the improper competition of the Internet financial industry; The financial nature of the Internet finance industry, in the context of economic regulation, strengthens the construction of specialized financial-related regulatory legislation for the Internet financial industry. The state should combine the normative constraints of the network platform with the norms and constraints of the economic-related industries. Through the integration of laws and regulations and technological innovations, the regulatory innovation of the online investment and financing industry will not only protect the industry, but also It plays a role in regulating and restricting, thus effectively realizing the role of innovation supervision.

In the future, we should vigorously improve the online and offline construction and development of the domestic credit system and improve its utilization rate. At the same time, countryThe family should issue a relevant credit information disclosure system, promptly and comprehensively disclose enterprises with low credit ratings or even use forged information, issue corresponding information supervision policies, standardize and improve the domestic credit system, and comprehensively collect the credit information of enterprises and individuals. And assessment, build a complete online and offline credit information system, through a series of functional, professional, and programmatic management such as collection, management, analysis, and establish a standardized, transparent and effective credit system to improve the effectiveness of credit information. Sexuality, improve the efficiency of information use, and reduce the risk of financial transactions.

Internet finance is a kind of financial innovation behavior. It integrates information technology innovation with financial products, relies on the Internet platform, and utilizes big data resources to realize online transactions with double transactions. This kind of financial innovation behavior is realized through continuous technological innovation and thinking mode innovation. It has high requirements for technology, and its development also depends on the realization of a safe environment of a good Internet platform. Therefore, vigorously developing technological innovation is to protect the Internet. The premise of deepening the development of finance is also

the guarantee for the deepening development of Internet finance. Internet financial transactions are online transactions, and the security and stability of transactions are based on the safe and stable operation of the network environment. Therefore, to reduce the risk of Internet financial transactions, we should vigorously develop technological innovation, strengthen the construction of a network security environment, provide a safer investment and financing environment for the continuous development of Internet finance, improve the development speed of Internet technology, and deepen the Internet. The innovative thinking of technology and financial concepts can reduce the risk of investment and financing transactions brought about by external factors, and accelerate the pace of Internet finance development.

Cultivate the sense of responsibility of both parties to the online transaction, through their entrepreneurial spirit and entrepreneurial spirit, through the human and material resources of the social public platform, through the establishment of a third-party comprehensive consulting and service platform, strengthen the promotion and cultivation of the investment ideas of the Internet trading parties, and cultivate Its keen market environment discrimination ability and long-term investment and financing transaction concept enhance its ability to evaluate investment and financing projects, transform the old investment and financing transactions with material funds as the main compensation model, pay attention to the long-term benefits of income and culture, Additional value such as the environment. Enhance the social responsibility awareness of both parties to the transaction, and promote the social and economic construction, people's livelihood construction, and environmental construction through the development of Internet finance. For example, through the online financing model of crowdfunding, the existing social infrastructure in China will be improved and social public. Retirement community construction work, etc., to solve the capital turnover dilemma caused by the project is too large, the continuous development of value Internet finance, and constantly improve the construction of China's credit information system, thereby increasing the added value of this financial innovation model.

4. Conclusion

The development of Internet and finance has greatly promoted the process of financial reform. For a long time to come, Internet finance and traditional finance need to develop together. Traditional financial institutions seek to develop countermeasures: improve business models, establish a symbiotic system, realize information sharing, and improve customer stickiness. Regulators should innovate the regulatory model. Improve the analysis ability of Internet finance company's payment platform data, establish a database of Internet finance company payment data, and provide a more comprehensive, detailed and cutting-edge data reference for policy formulation. The Internet financial payment platform is systematically connected to the online payment cross-bank clearing system to avoid the phenomenon of financial “disintermediation”, further improve its liquidation efficiency and liquidity management level, prevent payment risks, and strive to achieve optimal supervision results.

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