

Research on Internet Financial Services to Assist the Development of Small and Medium sized Enterprises in Shiyan City

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Abstract. In the current financial environment, Internet finance, with its efficient and convenient characteristics, is gradually becoming an important force to promote the development of SMEs. For Shiyan City, as the main body of the market economy, the healthy development of small and medium-sized enterprises plays an irreplaceable role in local economic growth. However, due to various factors such as funding, technology, and management, small and medium-sized enterprises in Shiyan City often find themselves at a disadvantage in market competition. This paper analyzes that Internet finance has brought new development opportunities for small and medium-sized enterprises in Shiyan City. To provide useful reference for the development of small and medium-sized enterprises in Shiyan City with expectations

Keywords: Internet finance, minor enterprises, development opportunities, market competition, development strategy

1 Introduction

Internet finance, as a model of integration of finance and technology, is reshaping the traditional financial service model with its unique advantages. Through Internet technology, Internet finance has broken the geographical restrictions, making financial services more popular and convenient. At the same time, Internet finance has also realized the collection, analysis and processing of massive data by means of advanced technologies such as big data and cloud computing, thus improving the efficiency and accuracy of financial services ^[1]. In addition, the intelligent development of Internet finance also brings more possibilities for it, such as innovative applications such as intelligent investment advisory and intelligent risk control, which further improves the intelligent level of financial services.

2 Development status of Internet finance

2.1 Scale and Growth of Internet Financial Market

In recent years, the global Internet financial market has shown a trend of vigorous development. Taking China as an example, the scale of the Internet financial market has been expanding, and various innovative products and services have emerged in endlessly. Online

payment, online lending, Internet insurance, Internet funds and other sub fields have achieved rapid growth, injecting new vitality into economic development. Figure 1 (Internet finance).

As an important city in Hubei Province, Shiyan's Internet financial market also shows a trend of rapid growth. More and more investors and consumers have begun to accept and use Internet financial products and services, which has promoted the continuous expansion of the market scale. At the same time, Shiyan Municipal Government also actively supports the development of Internet finance, and has introduced a series of policies and measures, which provide a strong guarantee for the healthy development of the market. With the continuous progress of technology and the continuous change of market demand, the Internet financial market in Shiyan still has great growth potential. In the future, with the emergence of more innovative products and the improvement of regulatory policies, the Internet financial market is expected to continue to maintain a rapid growth trend and contribute more to the local economic development

2.2 Internet Financial Innovative Products and Services

In recent years, the Internet financial market has shown a prosperous scene of a hundred flowers blooming and innovation iteration. As a pioneer of Internet finance, third-party payment has won the favor of users with its convenient and secure features. Through smartphones or computers, users can perform payment operations anytime, anywhere, greatly improving payment efficiency and experience. P2P online lending, as an emerging force in the field of Internet finance, has realized direct lending between individuals by building an online platform. This lending model breaks the constraints of traditional financial institutions, providing borrowers with more flexible and convenient financing channels, and also providing investors with new investment choices. Crowdfunding is another innovation in the field of Internet finance. Through crowdfunding platforms, entrepreneurs or project owners can publish financing needs and attract a large number of netizens to invest. This financing method not only lowers the financing threshold, but also provides entrepreneurs with more sources of funding. Internet finance has also emerged more cutting-edge applications such as virtual currency and smart contracts. These innovative products and services not only enrich the level of the financial market, but also provide more diversified and personalized financial services for small and medium-sized enterprises and users.

2.3 Internet Financial Supervision and Policy Environment

The rapid development of Internet finance has not only promoted the innovation of the financial industry, but also brought a series of regulatory challenges. In order to ensure the stability of the market and the rights and interests of users, governments around the world have strengthened the supervision of Internet finance. The Chinese government attaches great importance to the supervision of Internet finance, and has issued a series of policy documents that define the principles and requirements for the supervision of Internet finance. These policy documents aim to regulate market order, prevent financial risks, and protect the legitimate rights and interests of investors and consumers [2]. At the same time, the government has also strengthened the daily supervision and risk assessment of Internet financial enterprises to ensure that their business operations are compliant and their risks are controllable. In addition to government regulatory measures, industry self regulatory organizations have also played an important role. The Internet Finance Industry Association

and other organizations promote the healthy development of the Internet finance industry by formulating industry norms, conducting business training and other ways.

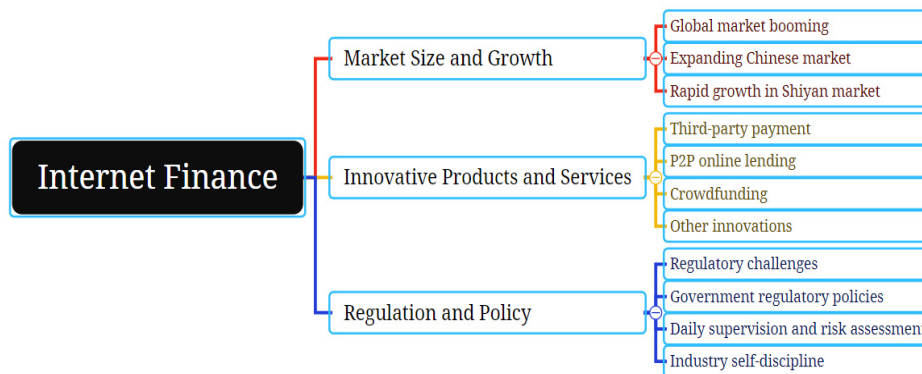


Figure 1. Internet finance.

3 The Main Problems Faced by Small and Medium-Sized Enterprises in Shiyuan City

3.1 Difficulty in Financing

Small and medium-sized enterprises in Shiyuan City face many challenges in financing. Due to the relatively small scale of enterprises and the lack of sufficient collateral and guarantee capabilities, traditional financial institutions have strict approval standards for their financing needs, and the approval process is cumbersome. At the same time, the incomplete construction of the credit system for small and medium-sized enterprises and the lack of sufficient credit records and evaluations have also increased the difficulty of financing. This makes it difficult for small and medium-sized enterprises in Shiyuan City to fully tap their market potential due to financial bottlenecks in expanding production scale and improving technological level.

3.2 Lack of Competitiveness

In the context of globalization and increasingly fierce market competition, small and medium-sized enterprises in Shiyuan City are facing the problem of insufficient competitiveness. Due to limited resources, small and medium-sized enterprises often find it difficult to compete with large enterprises in areas such as technological innovation, brand building, and marketing. At the same time, small and medium-sized enterprises also have certain limitations in obtaining market information, analyzing market trends, etc., which leads to their relatively weak position in market competition.

3.3 Low Management Level and Efficiency

Some small and medium-sized enterprises in Shiyang City have obvious deficiencies in management level and efficiency. Due to the lack of a scientific management system and advanced management concepts, these enterprises often encounter problems such as resource waste and decision-making errors in their operations. At the same time, some small and medium-sized enterprises do not attach enough importance to talent introduction and cultivation, resulting in a lack of high-quality management and technical talents, which further restricts the development of enterprises. These issues not only affect the operational efficiency of enterprises, but also limit their sustainable development capabilities.

4 Countermeasures for Internet Finance to Boost Development

4.1 Improve the Internet Financial Supervision System

In order to ensure the healthy and stable development of the Internet financial market, Shiyang Municipal Government should actively promote the in-depth cooperation with the financial supervision department to jointly build a sound Internet financial supervision system. This system should cover the registration, operation, risk management and other comprehensive regulatory requirements of Internet financial enterprises to ensure that enterprises operate in compliance. At the same time, the government should also strengthen the daily monitoring and risk assessment of the Internet financial market, timely identify and deal with potential risks, and maintain the stability of the market. In addition, the government should establish an information sharing mechanism, strengthen communication and collaboration among regulatory departments, and form a regulatory synergy.

4.2 Promote the Innovation of Internet Financial Products

In view of the actual financing needs of small and medium-sized enterprises in Shiyang City, Internet finance enterprises should actively develop and promote financial products and services that meet their characteristics ^[3]. For example, an intelligent risk assessment and credit evaluation system can be developed based on big data and cloud computing technology to provide more accurate and efficient financing services for small and medium-sized enterprises. At the same time, innovative models such as supply chain finance and accounts receivable financing can also be explored to meet the diverse financing needs of small and medium-sized enterprises. In addition, Internet finance enterprises should also pay attention to the user experience and convenience of products, improve service quality, and attract more SMEs to use Internet finance products.

4.3 Strengthen the Self Construction of Small and Medium-Sized Enterprises

Small and medium-sized enterprises in Shiyang City should make full use of the development opportunities of Internet finance to strengthen their own construction and development. Firstly, enterprises should actively introduce advanced management concepts and technological means, optimize internal processes and management structures, improve operational efficiency and market competitiveness. Secondly, enterprises should focus on technological innovation and brand building, increase research and development investment, improve product quality and

technological content, and create a brand image with market competitiveness. In addition, enterprises should strengthen talent cultivation and introduction, improve employee quality and ability level, and provide strong talent guarantee for the sustainable development of the enterprise.

4.4 Promote the Deep Integration of Internet Finance and the Real Economy

The deep integration of Internet finance and the real economy is an important way to realize the benign interaction between financial capital and industrial capital. Shiyang Municipal Government should actively promote the connection and cooperation between Internet finance and the real economy, and encourage Internet finance enterprises to provide more diversified and personalized financial services for the real economy. At the same time, the government should also guide social capital to invest in the real economy through the Internet financial platform to support the development and innovation of SMEs. In addition, the government should also strengthen policy support and guidance to create more favorable conditions and environment for the deep integration of Internet finance and the real economy. Figure 2. (Strategies for Boosting the Development of Internet Finance)

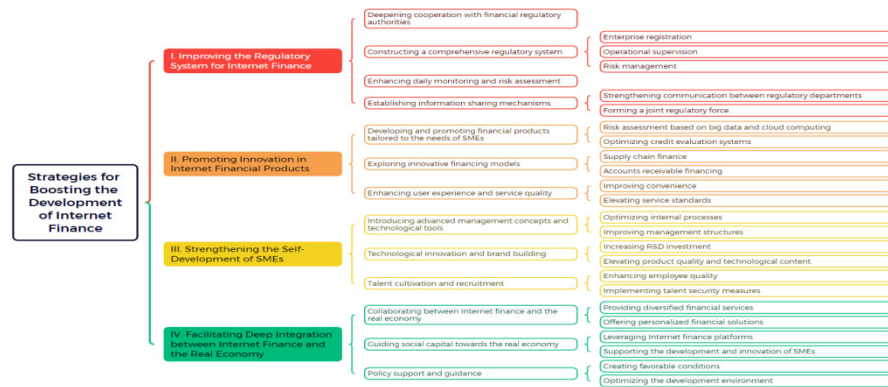


Figure 2. Strategies for Boosting the Development of Internet Finance.

5 Conclusion and Outlook

Internet finance, as the product of the combination of finance and technology, provides a new financing approach and development opportunities for SMEs in Shiyang City. Through in-depth analysis of the main problems faced by SMEs in Shiyang City and the countermeasures of Internet finance in promoting the development of SMEs, this paper draws the following conclusions:

Firstly, there are obvious deficiencies in financing, competitiveness, and management level among small and medium-sized enterprises in Shiyang City, which seriously restrict their development and growth [4]. However, the rise of Internet finance has provided new financing channels and service models for SMEs, which helps alleviate their financing difficulties and enhance their market competitiveness.

Secondly, in order to give full play to the role of Internet finance in promoting the development of small and medium-sized enterprises, Shiyuan Municipal Government and Internet finance enterprises need to work together. The government should improve the Internet financial supervision system to ensure the healthy and stable development of the market; Internet financial enterprises should promote product innovation to meet the diversified needs of SMEs. At the same time, SMEs should also strengthen their own construction, improve their management level and competitiveness, so as to make better use of the advantages of Internet finance.

Finally, the deep integration of Internet finance and the real economy is the key to realize the benign interaction between financial capital and industrial capital. By strengthening policy guidance and support and promoting the connection and cooperation between Internet finance and the real economy, we can promote the rapid development of SMEs in Shiyuan City, and further promote the prosperity of local economy.

6 Expectation

Looking into the future, Internet finance has great potential in boosting the development of SMEs in Shiyuan City. With the continuous progress of technology and the continuous improvement of the market, Internet finance will provide more convenient, efficient and personalized financial services for SMEs.

First, with the in-depth application of big data, cloud computing, blockchain and other technologies, Internet finance will be able to more accurately assess the credit status and operational risk of SMEs, and provide them with more accurate financing support ^[5]. At the same time, innovative applications such as intelligent investment advisory and intelligent risk control will further improve the service quality and efficiency of Internet finance.

Secondly, with the continuous improvement of the regulatory system and the increasingly mature market environment, Internet finance will develop more regularly and steadily. The government will strengthen the supervision of Internet financial enterprises to ensure their compliant operation; At the same time, industry self regulatory organizations will also play a more important role in promoting the healthy development of the Internet financial industry.

Finally, the deep integration of Internet finance and the real economy will become the future development trend. By strengthening policy guidance and support and promoting the connection and cooperation between Internet finance and the real economy, we can promote the positive interaction between financial capital and industrial capital and achieve sustainable economic development.

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