

# **Based on the Analysis of China's Financial Reform and Development, How Current Financial Innovation Affects the Direction of Financial and Economic Development in Emerging Markets**

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## **Abstract**

With the continuous implementation of the innovation of my country's emerging financial market, my country's commercial production efficiency and output have greatly increased, and the product categories under the new China's financial reform have become more abundant. Under such circumstances, my country's new China financial reform The deficiencies of the emerging financial markets in the downstream are gradually exposed and dealt with, such as weak infrastructure, high costs, and imperfect supply chains, which have caused great obstacles to the development of my country's commercial economy. This article will conduct an in-depth study on the current situation of the emerging development of the financial market under the financial reform of my country's new China, and propose effective strategies for the commercialization of commercial product finance, hoping to promote the improvement of my country's commercial economic efficiency.

## **Keywords**

**The Emerging of Financial Markets under the Financial Reform of New China; Development Status; Commercial Economic Benefits.**

## **1. Introduction**

Foreword: At this stage, commerce is the focus of my country's modernization construction. The commercialization of modern financial products under the new China financial reform, as an important basic service content for product production, sales and residents' life under the new China financial reform, plays an important role in the development of commercial industrialization. plays a very important role. A sound financial market emerging system under the new China financial reform can not only reduce the cost of products under the new China financial reform and improve commercial competitiveness, but also provide convenience for residents to purchase products under the new China financial reform. Therefore, at this stage, our country must accelerate the development of the emerging financial market under the financial reform of New China, and lay the foundation for the development of my country's commercial economy.

## **2. Based on the Analysis of China's Financial Reform and Development in the Background of How Current Financial Innovation Affects the Financial and Economic Development of Emerging Markets**

First of all, the reform of financial system provides an institutional basis for accelerating China's financial development. Before the reform and opening up, China implemented a "unified" financial system under the planned economic system. Due to the institutional defects in this

financial system, the financial sector is actually the cashier of the financial sector, which seriously restricts the development of finance. Therefore, the monetization degree and financial deepening degree of China's economy have been at a low level for a long time. By 1978 before the reform, the monetization degree coefficient ( $M2 / GNP$ ) of China's economy was only 57.83%, and the financial deepening degree coefficient was only 57.9%. This low degree of economic monetization and financial deepening not only restricts the development of finance itself, but also makes it difficult for finance to play its central role in promoting the development of national economy, which restricts the development of China's economy. By 1978, China's GNP was only 362.41 billion yuan, while the per capita GDP was only 379 yuan. In the 26 years from 1952 to 1978, GNP increased by only 4.3 times and the per capita GDP increased by 2.18 times. However, after the reform of the financial system, the long-term institutional problems restricting financial development have been basically solved, which has stimulated the internal vitality of financial development, so that China's finance has achieved considerable development in the 21 years from 1979 to 2000. The process of economic monetization was basically completed in the early 1990s. The coefficient of financial deepening has been 150.56% by 2000, and the financial scale has been expanding. The total amount of financial assets was 20462.01 billion yuan in 2000, and the proportion of financial assets in GDP has reached 28.9%. The rapid growth of Finance and the continuous expansion of scale have greatly promoted the rapid development of the national economy, which makes the central role of financial development in the development of the national economy increasingly prominent. By 2021, China's GDP has reached 114367 billion yuan, and the per capita GDP has rapidly increased from 385 yuan in 1978 to 80980 yuan in 2021, an increase of 210.33 times.

### **3. Analysis of the Status Quo of the Commercialization of Commercial Product Finance in My Country**

To carry out the analysis of the current situation of the commercialization of commercial product finance in my country, the main contents of the research can be summarized as the main mode of financial market emerging under the financial reform of New China, and the analysis of the specific problems faced by the emerging development of the financial market under the financial reform of New China at the current stage. point, the relevant content is as follows:

#### **3.1. The Evolution Path of Financial Development System Reform under New China**

China's finance has begun to change significantly. The proportion of securities financial assets in total financial assets has increased from 6.7% in 1990 to 17.7% in 2000, and the proportion of insurance assets has been close to 2%; Second, the change of monetary structure. Since the implementation of financial reform in 1979, the total amount of money has increased rapidly. The overall trend is that the growth of  $M2$  is faster than that of  $M1$ , and the growth of  $M1$  is faster than that of  $M0$ , which just reflects a basic law in the process of economic monetization. Therefore, the monetary structure has also undergone great changes: the proportion of  $M0$  in  $M2$  and  $M1$  in  $M2$  show a downward trend year by year. The proportion of  $M0$  in  $M2$  has decreased from 23.83% in 1978 to 10.89% in 2000, while the proportion of  $M1$  in  $M2$  has also decreased from 65.24% in 1978 to 39.48% in 2000; Third, the change of financing structure. In the early 1980s, stocks and corporate bonds began to appear, but their scope and scale were very small, and they were basically the nature of internal financing. By the 1990s, with the deepening of reform, especially the rapid development of the stock market, the proportion of direct financing began to rise significantly. In 2000, the proportion of direct financing had reached 27.94%, of which the amount of domestic stock financing had reached 149.852 billion yuan, accounting for 1.23% of the loan increase of 134.661 billion yuan that year. The rapid

growth of securities financial assets has not only changed the structure of financial assets, but also made great changes in the financing structure of enterprises. This change has an extremely important impact on the future economic development. As a result, the pattern that Chinese enterprises rely on a single bank loan for survival and development for a long time has been broken and began to gradually turn to direct financing in the capital market. In this way, on the one hand, it is conducive for enterprises to go to the market, accept market competition and improve their competitiveness. On the other hand, it reduces the pressure on banks and is conducive to the implementation of prudent monetary policy. By 2021, the current financial background environment is further increasing the proportion of direct financing. Among the new social financing scale the year before last, bond and stock financing accounted for about 37%. At present, there will be more room for development, especially the bond market has great potential.

Second, the emerging model of the financial market under the new China financial reform. The "third party" in this model is neither a supplier of products under the new China's financial reform nor a demander of products under the new China's financial reform, but is usually a financial business enterprise, entrusted with the production of products under the new China's financial reform. from the person who needs it to the person who needs it. In fact, it belongs to the category of financial commercialization agency services

Third, the new China financial reform under the financial market emerging park model. At the current stage, after years of development of the financial market emerging under the new China financial reform, a large number of financial market emerging parks under the new China financial reform have been formed. Warehousing, distribution, circulation processing, customs declaration, inspection and quarantine and other functions are integrated, which realizes the effective connection of all aspects of financial commerce, and reduces the cost of financial commerce to a certain extent.

In fact, looking back on the development of China's financial industry since the reform and opening up, we have been constantly exploring and moving forward in the call for reform and innovation from many parties, for fear of sluggish development and loopholes, but the financial industry is not like the real industry, and its operation has certain risks. Once mistakes are made in reform and innovation, it will have a huge negative impact. Therefore, when dealing with relevant reform and innovation issues, they often take a rigorous attitude and do not dare to rashly advance. If they find it inappropriate, they try to make timely adjustments.

At this stage, China's financial reform and innovation are very scientific. In terms of reform, the management has designed specific improvement goals and directions. In terms of innovation, grass-roots units are encouraged to independently try new methods and seek new breakthroughs. In fact, it is precisely the In this way, the prosperity of Internet finance is a typical manifestation of financial innovation. The vitality generated by it makes the whole society excited, and it also makes people full of expectations for the subsequent improvement of the financial system. But in the short term, financial reform and innovation will have a certain impact on China's economic development, while in the long run, financial reform and innovation will inject more impetus into China's economic development.

Among the above-mentioned models, the wholesale market-led financial commercialization model occupies the dominant position. According to the statistics of the Ministry of Commerce of my country, as of the end of 2013, the number of wholesale markets for products under the new China financial reform has exceeded 4,500.

### **3.2. Analysis of the Specific Problems Faced by the Emerging Development of the Financial Market under the Financial Reform of the New China in the Current Stage**

In view of the current situation, there are still some deficiencies in the emerging development of the financial market under the financial reform of New China, the most obvious of which are the large losses, high costs, and weak value-added ability. In terms of cost of commercialization, the commercialization cost of grain finance in my country and the proportion of the emerging financial market under the financial reform of the new China are more than twice that of the emerging financial market under the financial reform of the new China in the United States. Analysis of relevant data can understand the society of our country. The overall financial commercialization structure is still unreasonable, and the costs incurred are also relatively high, which is significantly higher than that of western developed countries. On the whole, the cost of financial commercialization in the United States is much lower than that in my country. The reasons for this phenomenon can be summarized in two aspects: First, the emerging financial market under my country's new China financial reform is mostly road transportation, and the utilization rate of railway freight is not high. Second, the emerging links of the financial market under the financial reform of my country's new China are very cumbersome and require many loading, unloading, storage and transportation. Under the influence of two reasons, it is difficult to effectively reduce the cost of the emerging financial market under the financial reform of my country's new China.

In terms of financial commercialization loss, the loss rate of products under the new China financial reform in my country is dozens of times that of the United States. From the data point of view, more than 30% of the products under the new China financial reform are used in the financial commercialization process. However, the loss of products in the financial commercialization link under the new China financial reform in the United States is very small. There are three reasons for this phenomenon: First, under the financial reform of my country's new China, less professional equipment is used in the emerging financial market, and the degree of standardization is not high. Secondly, the proportion of cold chain in the emerging financial market under my country's new China financial reform is relatively low, and the cold chain connection has not yet achieved a comprehensive coverage of the entire financial business process. There is a huge gap between the refrigerated transportation capacity and refrigerated transportation rate and developed countries such as Europe and the United States, which is one of the reasons for the large loss of fresh products under the financial reform of New China. Finally, under the financial reform of New China, the number of loading and unloading in the emerging financial market is too many, which has caused great damage to the products under the financial reform of New China.

The value-added capability of the emerging financial market under the financial reform of New China is not strong. This is mainly because the deep processing technology of products is not advanced enough, and the allocation of resources has not been optimized, resulting in weak deep processing ability and poor quality of processed products. Consumers cannot buy to premium products. Compared with the developed countries represented by the United States, the United Kingdom, and Germany, these aspects have great disadvantages and need to be improved.

In modern business development, the innovative work of emerging financial markets is a long-term task to promote business development. Only by giving full play to the innovative work of emerging financial markets can we provide effective guidance and reference for commercial production and scientific research. . At this stage, with the development of my country's commercial industrialization, the traditional innovative work system of emerging financial markets has gradually fallen behind, and it must be improved and strengthened.

With the rapid development of Internet, big data, cloud computing and other technologies, my country has also entered the information age, so information resources also play an important role in all walks of life. As a basic industry in my country, a large amount of financial business information is also generated in commercial production and scientific research activities. This information is of great reference significance for the future development of business, especially in the process of commercial industrialization. However, at present, the commercial management departments in many parts of our country have not paid enough attention to the innovation of the emerging financial market. Due to not actively embracing the information age, not actively adapting to the environment, and still using traditional and lagging manual management methods, the management effect is extremely poor. In the context of the information age, modern financial business technology has been widely used. Although some business management departments in my country consciously introduce financial business technology into the innovative work of emerging financial markets, they do not have the equipment required for complete information management due to the constraints of manpower, material resources, financial resources, and technology. In addition, the low level of personnel information technology cannot provide good support for the innovative development of emerging financial markets, making it difficult to enhance its value and utility. Security is an issue that must be considered in the innovative information management of the emerging financial market. The openness of the Internet increases the risk of information leakage, and the innovation of the emerging financial market is an important document related to my country's commercial production and scientific research. Therefore, Security protection must be in place. However, considering the actual situation, there are still many information security loopholes in the process of innovative informatization management of emerging financial markets, which greatly hinders the modernization of my country's financial business development work.

On the whole, the importance of the development of financial business in the new era is mainly reflected in the following two aspects: First, the development of financial business has promoted the deepening of the process of business modernization. In the process of modern business development, the dependence on technology, equipment and talents is huge. In particular, talent is the key factor that determines its development. The development of financial business can provide comprehensive and complete information services for the general public, provide detailed and reliable technical data for the development of business activities, and promote the scientific and modern development of business.

Secondly, the innovation of emerging financial markets has promoted the construction and development of new villages. As an important strategic policy of our country, new village construction involves a wide range of content. The development of finance and business can provide detailed land, humanities and hydrological data for these aspects, and promote the in-depth construction of new villages.

#### **4. An Effective Strategy to Accelerate the Development of the Financial Market Emerging under the Financial Reform of New China and Improve Commercial Economic Benefits**

Carry out a comprehensive study on the effective strategies for accelerating the development of financial market emerging under the financial reform of New China and improving commercial economic benefits. Vigorously develop a financial commercialization model dominated by financial market emerging parks under the financial reform of New China, promote the integration of multiple industries, and promote the development of financial commercialization in the financial market under the financial reform of New China, and

innovate financial commercialization. Four points The specific research contents can be summarized as follows:

#### **4.1. Reduce the Cost of Emerging Financial Markets, Reduce Losses, and Enhance Value-Added Capabilities under the Financial Reform of New China**

First of all, on the basis of road transportation, accelerate the construction of a railway transportation system for the emerging financial market under the new China financial reform, and form a network for the emerging financial market under the new China financial reform of road-rail combined transportation. The full use of railway transportation capacity can not only share most of the pressure of road transportation and reduce transportation costs, but also greatly reduce the transfer links of financial and commercialization, improve the timeliness of financial and commercialized transportation, and improve the degree of intensification.

Secondly, strengthen technological innovation and exploration, improve the level of financial commercialization of emerging loading, unloading, transportation, and financial markets in the financial market under the financial reform of New China, and introduce specialized equipment and tools, such as screw conveyors. At the same time, improve the specialization level of transportation equipment, and change the bulk transportation of convertible vehicles to containers and refrigerated vans for transportation. In addition, improve the warehouse facilities, improve its professional level, and improve the warehouse types according to actual needs, such as special warehouses, three-dimensional warehouses, etc. Promote the comprehensive coverage of cold chain services to the emerging process of the financial market under the financial reform of New China as soon as possible. At the same time, product producers need to understand how the national policy supports the local production of specialty products, whether to establish a village cooperative credit cooperative, or to support it through other channels. own sales growth. Learn about Taobao and JD.com's policies on products and how they operate. For example, Taobao implemented the strategy of sinking villages in 2014. Taobao cooperates with the provincial government to establish cooperatives in counties and towns, through which the products of the villages can be distributed to the cities and the products of the cities can be distributed to the villages. You can also choose Taobao Live as a sales channel. This year, Taobao Live plans to incubate 1,000 product anchors, with annual sales exceeding 3 billion. The securities trading activities in the financial securities service supply chain run through the entire securities circulation process, and the securities trading activities are inseparable from the normal operation of the trading platform. Usually, service providers use the platform to get in touch with integrators and investment entities. At the same time, the platform will provide timely feedback on service requests from investors, and service integrators can use the information fed back by the platform to provide corresponding services. The comprehensive platform operation system mainly includes the trading platform and the information platform. The supply service products of suppliers and the securities sales services of listed companies are all carried out on the trading platform, and investors rely on securities companies or make investment decisions through analysis. , the information obtained is provided by the information platform. The financial securities service supply chain system is relatively short, so that it can respond to customer requirements in a more timely manner, and scientifically carry out product design and resource optimization and integration. At the same time, suppliers can also learn about market changes at the first event, enhance the core competitiveness of the enterprise, and then improve the customer's decision-making participation and customer satisfaction. In addition, financial securities market trading activities are obviously short-term, and the shocks caused by them are relatively large. Therefore, a short service supply chain can further ensure the response speed of service integrators and service providers, provide investors with a timely and effective market, avoid

Investor returns have suffered enormously. First of all, it is necessary to ensure that the service platform has good comprehensiveness and sharing. Among them, comprehensiveness means that the service platform has the characteristics of covering the entire securities trading market and extended fields, and can meet the financial securities information needs of all enterprises and ensure the basic guarantee of trading services, and this feature can further ensure the supply chain of financial securities services. management quality. Secondly, each enterprise in the service supply chain can realize openness and sharing in the use of information, and the sharing of information can realize the openness and transparency of information resources by the subject, and further realize the efficiency of information resource management and the optimal allocation of resources. Thirdly, integration services must have the characteristics of integrity and diversity. Service integrators are the key link in the management and resource optimization of the actual supply chain, and are also an important link in the normal operation of the financial securities service supply chain. The diversity of integration services is the flexible management of structural systems and systems, which can strengthen and optimize management effects and operations while meeting customer needs. The support of the policy means that you will get support when you enter, and there will be sales. This is a very good choice, very suitable for self-employed to operate. Through the above measures, the loss of products in the financial commercialization link under the new China's financial reform can be greatly reduced. The backwardness of consciousness and concept is an important factor hindering the improvement and optimization of financial business development work. In this regard, the majority of cadres and the masses must be made aware of the importance of innovative work in the emerging financial market. In this regard, targeted educational activities should be carried out to publicize the significance and importance of financial and commercial development work to the general public and the staff of competent departments, and to strengthen cognition and understanding. At the same time, strengthen the legal awareness of cadres and the masses [3]. Only in this way can a favorable environment be created for the development and strengthening of financial business development.

Finally, improve the value-added capabilities of products under the financial reform of New China, make every effort to enhance the deep-processing capabilities of products under the financial reform of New China, and actively introduce advanced processing equipment and deep-processing technologies.

#### **4.2. Vigorously Develop a Financial Business Model Dominated by the Emerging Parks of the Financial Market under the Financial Reform of New China, and Promote the Integration of Multiple Industries**

Nowadays, the financial commercialization model mainly adopted in my country is still dominated by the wholesale market. Although these existing financial commercialization models have formed a good connection between various levels and entities, the problem of cumbersome financial commercialization procedures does not solve the problem. not fundamentally resolved. In this regard, it is necessary to change the strategic concept in time, break the traditional single-type financial business zone development model, vigorously develop the financial market emerging zone under the financial reform of New China, and realize the integration of various business formats such as transaction, distribution, office, and innovative economic development. High degree of aggregation, on the one hand, further strengthens the closeness of the links of the financial market emerging system under the new China financial reform, and on the other hand realizes the effective integration of the financial market emerging and urban development under the new China financial reform. With the continuous development of my country's commerce, the scale of innovation in emerging financial markets has also continued to expand, and the types and distribution of information have become more extensive. Under such circumstances, it is necessary to systematically

regulate the development of financial business and provide correct guidance for the development of specific work. At the same time, information management is an inevitable trend in the development and development of financial business. In order to avoid leaving loopholes in procedures, it is also necessary to regulate it. At the same time, the complexity of financial and business development work has put forward higher requirements for the quality of managers. In order to cope with the increasingly tedious work, it is necessary to strengthen the training of management talents, improve their professional knowledge and skills, business ability and sense of responsibility. Complete your work carefully and rigorously.

#### **4.3. Promote the Development of the Emerging Financial Market in the Financial Market under the New China's Financial Reform**

First of all, we must recognize the importance and necessity of third parties, strive to build a more professional third-party financial business service platform around the products under the new China financial reform, provide services by charging commissions, and continuously improve service quality and efficiency. At the same time, the financial business service platform provides channels for bilateral transactions, earns transaction commissions, and is responsible for financial business distribution. In the process of financial commercialization, funds do not enter the hands of the first and second parties, but are temporarily kept by a third-party platform to better deal with transaction risks and ultimately achieve a win-win situation for the three parties.

Second, create a closed-loop product financial business under the financial reform of New China. Through the form of "base integration + marketing + traffic + transaction + supply chain service + word-of-mouth marketing", the effective display of all dimensions of product production, processing and transportation under the financial reform of New China is realized. For example, my country's SF Express can provide consumers with a full range of one-stop services, such as direct mining at the origin, cold chain storage and transportation, and exclusive financial and commercial fast delivery, etc., to ensure that all consumers can get fresh new China Products under financial reform.

#### **4.4. Innovative Financial Business Distribution Model**

In the burgeoning financial market under the financial reform of New China, in view of the various security risks existing in the development of innovative and information-based management of the emerging financial market, business management departments must pay more attention to security issues and accelerate the construction of financial and commercial development system security Protection system, and actively introduce the most advanced virus protection software. At the same time, strengthen the supervision and management of innovative personnel in emerging financial markets, and at the same time, the responsibility restraint mechanism will minimize the phenomenon of irregular operations, ensure the standardized development of financial business collection and entry, and promote the improvement of the security level of financial business development. my country's commercial development has a broader space for development and a brighter development prospect.

Concluding remarks: To carry out a discussion on the innovative economic development model of emerging financial markets under the financial reform of New China, on the basis of clarifying the research background of the innovative economic development model of emerging financial markets under the financial reform of New China, combined with the current situation of commercialization of commercial product finance in my country. Accelerate the development of new China's financial reform under the financial market emerging, comprehensive research on effective strategies to improve business economic benefits, to lay a stable foundation and provide a strong development impetus for the overall development of my country's business. To sum up, under the new situation of social development, accelerating the development of the



emerging financial market under the financial reform of New China and building a sound modern financial commercialization system have become one of the key factors affecting the commercial development of our country. In the process, we should take targeted measures to improve the problems existing in the emerging financial market under the current financial reform of my country's new China, such as innovating the distribution model of financial commerce, developing financial commerce, etc., which can provide consumers with It is convenient and can also reduce the cost of financial commerce.

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