

Acting on Xi's vision

China's top Internet companies are inspired by top leader's words of support at recent Party congress

By HE WEI

hewei@chinadaily.com.cn

Chinese Internet firms said they are gearing up their pace of development as General Secretary Xi Jinping's speech in October at the 19th National Congress of the Communist Party of China has given the economy new impetus to grow as a result of increased innovation and a wave of entrepreneurship.

By leveraging technological prowess and business model innovation, tech giants and startups alike have expressed their readiness and confidence to satisfy "people's ever-growing needs for a better life", as Xi said in his opening address at the congress.

Jack Ma, chairman of Alibaba Group, said entrepreneurs are the "pivotal forces" to help ease "unbalanced and inadequate" development, which stands in the way of people's pursuit of a better life.

"To us, this spells both indispensable responsibilities and huge opportunities," he said, adding that companies should utilize their vast resources and financial abundance to bring affluence and promote equal development.

Alibaba and JD.com, another e-commerce major, have sharpened their focus on precise poverty reduction, employing big data technologies. The two companies have helped to empower the nation's poverty-



People walk past the headquarters of Alibaba Group in Hangzhou, East China's Zhejiang province. WANG DINGCHANG / XINHUA

stricken population by providing a platform for them to sell local specialties online and boosting sales via digital marketing measures.

"Under the guidance of the Party, JD.com is a major beneficiary of the deepened reform and constant improvement of the business environment," said Long Baozheng, the company's Party secretary and vice-president.

"We will assist the structural

supply-side reform and rejuvenate the real economy by opening up our platforms and capabilities, and shoulder more corporate social responsibilities."

China's new economy, which includes the adoption of information technologies across various sectors, is estimated to account for 12 percent of the country's GDP this year, according to a report published in September by Renmin University

of China and China Chengxin Credit Management.

In his address to the congress, Xi called for more efforts to foster new areas of growth through further integration of the Internet, big data and artificial intelligence with the real economy.

Eric Jing, CEO of Ant Financial, an affiliate of Alibaba, said his company is committed to better serving the real economy through digital means,

which effectively lowers financing barriers for smaller merchants and offers easier access to loans.

"We will make sure that our payment, wealth management and credit services can improve the welfare of the unbanked and underbanked population, and optimize the operating conditions of hundreds of thousands of mom-and-pop shops," he said.

Zhong Yongjian is Party secretary of Meituan-Dianping, a group-buying and dining information platform. He said deepened integration between the Internet and the real economy is in accordance with the company's mission to facilitate "better eating and better living" through information technologies.

Meituan-Dianping has poured resources into Party building in the company, including establishing a member database and developing a smartphone application that allows users to take online courses and watch broadcasts of Party meetings.

Bike-sharing firm Mobike has said that it will continue to firmly implement the major development concepts of "innovation, coordination, greening, opening-up and inclusiveness", bringing premium services to its 200 million users who favor low-carbon transportation.

"We will throw full force into building a smart society by adopting Internet of Things and artificial intelligence technologies," said Wang Xiaofeng, Mobike's cofounder and CEO.

Fintech forces banks to adapt

Traditional lenders explore technology paths to provide the competitive services expected by digitally active consumers

By JIANG XUEQING

Chinese banks are highlighting the importance of financial technologies, or fintech, for client acquisition, service improvement and risk management amid intensified competition between financial institutions and fintech firms.

Professional services company EY defines fintech firms as "organizations combining innovative business models and technology to enable, enhance and disrupt financial services".

Fintech firms have seen a wide adoption of their services in China in different fields, including money transfer and payments, financial planning, and borrowing.

Sixty-nine percent of digitally active consumers in the Chinese mainland use fintech services, according to online interviews con-

ducted by EY this year on fintech adoption across 20 markets.

The EY report said that "consumers are drawn to fintech services because propositions are simpler, more convenient, more transparent and more readily personalized. This has a ripple effect across the industry as consumers come to expect these characteristics in all financial products," regardless of whether such products are related to retail banking, wealth management or insurance.

The booming fintech services have already enabled some Chinese Internet-based companies to make considerable progress in the financial sector.

Liu Jianjun, executive vice-president of China Merchants Bank (CMB), said: "I don't think traditional banks are completely lagging behind in terms of technology appli-

cation, not to mention their huge advantage in owning a large amount of client transaction data. I believe commercial banks will find a path with bright prospects regarding financial technologies as long as they attach great importance to relevant investments."

Headquartered in Shenzhen, in South China's Guangdong province, CMB is a commercial lender known for retail banking and has positioned itself as a "fintech bank". It will strive to develop fintech to give stronger support to consumer finance, Liu said.

Merchants Union Consumer Finance Co, jointly founded by a wholly owned subsidiary of CMB and State-owned telecom giant China Unicom, developed its business and risk control systems based on cloud computing and big data technologies. Apart from acquiring

customers online, the company runs a digital business.

Similarly, a growing number of Chinese banks are exploring fintech in terms of big data analytics, facial recognition and blockchain. Some of the technologies are already used to improve everyday banking services.

Huaxia Bank, a Beijing-based commercial lender, has been promoting the use of third-party data in processing customers' applications for credit cards.

It started to source information on even prospective clients' educational background from third-party credit agencies, to zero in on well-educated, returns-minded young people, thus increasing its credit approvals by more than 8 percent.

Wang Hanming, chief information officer at Huaxia Bank, said: "We will take cloud computing, big data and artificial intelligence as punch points

in our battle for digital transformation."

At the same time, the bank is planning to build a research and development platform related to artificial intelligence.

"Based on the platform, we will use both internal and external data of our bank to transform traditional niche marketing, risk management and personalized services," Wang said.

Huaxia Bank has researched robo-advisers, which are digital platforms that provide automated, algorithm-driven financial planning services with little or no human supervision.

Based on real-time data analytics and analysis of traders' mental characteristics, robo-advisers will choose the right time for the clients to make investments and improve returns.

Wang said the launch of robo-adviser products will be determined by market conditions.