The Empirical Analysis of Debt Structure and Corporate Performance Based on China's Tourism Company

Zangen Lin[1,*], Lan Xiao[2], Rudia Lim[3]

[1]College of Management and Economics, Tianjin University, Nankai District, Tianjin, China
[2]School of International Business, Tianjin Foreign Studies University, Tianjin, China
[3]College of Liberal Arts, Korea University, Seoul, R. O. Korea
*corresponding author

Abstract: In recent years, with the rapid development of China's national economy, the tourism industry has gradually entered the golden age. However, the performance of the tourism enterprises listed is not satisfactory, the tourism industry is booming, the performance of the tourism industry has not been rapid, in most years, the performance of the tourism industry is not as good as other industries, individual years or even a decline in performance. This paper tries to explore the causes of this phenomenon from the perspective of debt structure, analyzes the relationship between debt structure and corporate performance from the overall structure, date structure and source structure of the debt used Stata software to process data. The empirical results show that the total scale of the tourism listing corporation is negatively related to the performance of the debt. Long term liabilities, short term liabilities and performance of tourism listing corporation are significantly negative correlation. Tourism listing corporation bank loans and performance are significantly negative correlation. Commercial credit and performance are significantly negative. Based on the empirical results, it is concluded the policy suggestions.

1. Introduction

The tourism industry, which is known as the "smoke-free industry", is listed as the three major industries in the world, along with the automobile industry and the petroleum industry. The development of tourism has become an important indicator of the modernization of a country or a region. In recent years, with the rapid development of China's national economy and the stimulating dual demand from both domestic and foreign markets, China's tourism industry has gradually entered a golden age. In the year of 2016, domestic tourist arrivals reached 4.82 billion, generating domestic tourism revenue of 513.2 billion yuan; inbound tourist arrivals reached 173 million, generating foreign exchange tourism revenue of 87.9 billion US dollars. The total revenue of the tourism industry for the whole year was 4.5 trillion yuan, it was an increase of 10.29% compared with the same period in the year of 2015. According to the estimates of the Chinese National Tourism Administration, China's tourism revenue has maintained a high growth rate of more than

10% in the past five years. If this growth is maintained, by the year of 2020, the proportion of China's tourism revenue will account for with 15% of GDP, China will also move towards to number one tourist host country in the world.

With the tourism industry increasingly becoming the new pillar and new growth point of China's national economy, a large number of eligible tourism companies have begun to seek listing for better development. In the year of 2009, the State Council adopted the "Opinions on Accelerating the Development of Tourism", which once again opened up policy channels for the listing of large Chinese tourism companies. By the end of the year of 2016, there were 47 tourism companies listed on the Shanghai and Shenzhen stock exchanges. Tourism companies have significantly improved their operations and internal management through listing. Compared with other tourism companies in the same industry, listed tourism companies have considerable advantages, but compared with other industries, the performance of the tourism industry is not satisfactory. The vigorous development of the tourism industry has not accelerated the performance of listed tourism companies. In most years, the performance growth of listed tourism companies is not as good as that of other industries, and even some years have experienced a decline in performance.

The tourism industry is a capital-intensive and highly environment-dependent industry. Industry upgrades often rely on quality routes and high-quality tourism projects. There is no doubt that this will cause huge financial pressure on listed tourism companies and whether it can be properly resolved. The financing problems of listed tourism companies determine whether they can effectively improve the operating performance of listed tourism companies. Throughout the scholars' previous research on corporate financing, most of them focused on equity financing, but few studies on debt financing, and few studies on debt financing of listed tourism companies. Compared with equity financing, debt financing also has its distinctive characteristics in terms of the effect on corporate governance. Based on the above background, this article studies how to improve the performance of tourism listed companies from the perspective of debt structure used Stata software to process data.

2. The Impact Analysis of Debt Structure on Company Performance

2.1. The Impact Analysis of the Overall Debt Structure on Company Performance

According to Western classic theory, MM theory believes that the amount of debt has no effect on the company. The revised MM theory, prioritized financing theory, and control theory believe that debt can improve the company's performance; while bankruptcy theory believes that debt will reduce the company's performance; trade-off theory and agency theory believe that the company has the best debt ratio. At the point of best debt ratio, the company's performance can be maximized. Scholars such as Gross and Hart (1982) [1], Frank and Goal (2003) [2], Myers and Muffle (1984) [3] have drawn positive, negative and quadratic correlation conclusions from an empirical perspective.

Based on the above theory, this paper finds that the impact of debt on company performance actually depends on the comparison of positive and negative effects on corporate governance. The positive effect of liabilities on the company is mainly reflected in the reduction of external shareholder agency costs, interest taxation gains and financial leverage effects, while the negative effect is mainly reflected in the loss of financial difficulties and the increase in debt agency costs. The role of the former depends to a certain extent on the subjective wishes of the company managers, while the role of the latter mainly depends on the hard requirements of creditors. Especially when the company's managers have been unable to continue to improve the company's performance through their subjective efforts, the latter has become a key factor in determining the company's performance. The market environment, industry environment, financing environment, legal environment and debt type of the company's survival and development will be different, and

the rigid requirements of the creditors will be inconsistent. This may be also why scholars in different countries will appear completely opposite conclusion when studying the relationship between debt structure and company performance. In China, due to the late development of the capital market, various supporting systems are also very imperfect. In general, the positive effect of debt will be greatly reduced, and the negative effect of debt will increase.

2.2. The Impact Analysis of the Debt Maturity Structure on Company Performance

Whether it is short-term debt or long-term debt, the company must repay principal and interest. When the company has a good project with a positive net present value, the company will often choose short-term debt, because the project time is longer than the debt time, the company will not fall into financial difficulties and cause insufficient investment [4]. At the same time, short-term debt requires repayment of principal and interest within a short period of time. Company managers must make solemn choices for projects, which avoids the problem of excessive investment caused by the company's abundant cash flow and the "asset replacement problem caused by investing in high-risk projects" [5]. Short-term debt financing can reduce the agency cost of an enterprise and help improve the company's performance.

Compared with short-term debt, the long-term debt is more obvious in the interest tax benefit due to the long borrowing time, but the long-term debt is also due to the longer borrowing period, and the project time is longer than the debt time. The company manager is very likely to use the remaining time of the project to carry out Unreasonable investment, especially when the market interest rate is lower than the company's long-term debt interest rate, and the company cannot pay off in advance or needs to pay high fees in advance, this situation is more likely to happen [6]. And in general, the transaction cost of long-term debt is relatively high, and collateral will be set up, and the increase in transaction costs and the setting of collateral will also reduce the company's performance.

2.3. The Impact Analysis of the Debt Source Structure on Company Performance

A large proportion of corporate debt comes from bank loans, so the impact of bank loans on the company is the largest compared to other sources of borrowing [7]. Bank loans usually have a large amount. Before the loan, the bank as a professional currency management institution has a credit department that will carry out a strict credit review on the borrower. It will not force liquidation, which can reduce the cost of bankruptcy of enterprises. And when the bank signs the contract, in order to prevent the company from using the loan in accordance with the purpose of the loan, various terms will be designed. The design of these terms is conducive to increasing the agency income of the enterprise. In order to ensure the safe recovery of loans after borrowing, banks will also participate in the governance of the company through various forms to help the company improve its performance [8].

Commercial credit refers specifically to loans provided by downstream suppliers in the supply chain. Commercial credit is a kind of loan that the company can use for free during the credit period [9]. Unlike bank loans, commercial credit is a loan provided by a downstream company in the supply chain based on a true purchase-sale relationship. Therefore, it has the characteristics of scattered funds, small single amount, no mortgage, and no formal credit review process. Commercial credit loans are not repaid after the credit period expires, and the lender can rely on legal means to require the borrower to apply for bankruptcy, but even in China, even if the borrower goes bankrupt, the lender rarely receives compensation [10]. In this case, even a high-quality company will suffer a large bankruptcy cost once a liquidity crisis occurs. Moreover, the lender providing commercial credit cannot know the use of the funds obtained by the upstream company, so it cannot limit the

use of the funds, and it is impossible to participate in corporate governance to help the upstream company improve its performance [11].

Through the above theoretical analysis and discussion, it can be seen that different debt structures have completely different impacts on corporate governance and also have different effects on company performance. This article will analyze the relationship between debt structure and performance of Chinese tourism listed companies from three aspects: overall debt structure, debt maturity structure, and debt source structure.

Based on the above theoretical analysis, this article proposes the following hypothesis.

▪ H_1: The overall size of liabilities is inversely related to company performance.

▪ H_2: Short-term liabilities are positively related to company performance, and long-term liabilities are negatively related to company performance.

▪ H3: Bank loans are positively related to company performance, and commercial credit is negatively related to performance.

3. Sample Selection and Data Sources

3.1. Sample Selection

This article selects 47 tourism listed companies listed on the Shanghai and Shenzhen stock exchanges of December 31, 2016 as the research sample, and the research interval is the year of 2010 to 2016. In order to further ensure the reliability of the results, this paper will conduct the next screening and elimination of the research samples according to the following principles.

▪ Excluding ST companies in the sample, such companies do not represent the normal development of listed tourism companies, and the financial data of such companies often appear abnormal.

▪ Exclude companies listed after 2010 and listed companies whose main business has been transformed into tourism after 2010 in the sample. This is because companies with initial listing or initial transformation are often unstable in company performance, which may cause some deviation.

▪ The default listed companies whose data are discontinuously appear in the sample are excluded.

After the screening and elimination of the above process, this paper finally selected 24 listed companies, a total of 168 observations as a sample to study the relationship between the debt structure and performance of tourism listed companies.

3.2. Data Sources

The data used in this article comes from the listed company data disclosed by China Securities Network, Shanghai Stock Exchange website, Shenzhen Stock Exchange website and Wind database. The data is processed with the help of EXCEL software and EVIEWS8.0 software.

4. Variable Selection and Model Building

4.1 Variable Selection

4.1.1 Corporate Performance

This article takes the performance of listed tourism companies as the dependent variable. Different scholars' research adopts different indicators for the evaluation of company performance, but in general they can be divided into two categories: one is the book profit indicator, and the other is the market value indicator [12]. The book profit index mainly includes the return on net assets, the

return on total assets, the earnings per share, the profit margin of the main business and other indicators, and the market value indicator mainly includes the indicators such as Tobin Q, PE, and PB [13]. Judging from the numerous literatures in the past, scholars have used a single indicator to measure the company's performance, as well as multiple indicators to measure. In a single indicator, scholars prefer to use the return on net assets and Tobin Q value.

Compared with European and American markets, China's capital market is still an emerging capital market. The immaturity of investors often leads to a large deviation between the market price and the intrinsic value of the stock. If the price-earnings ratio (stock price/earnings per share), the price-to-book ratio (Stock prices/net assets per share) and other market indicators to measure company performance are largely inaccurate. Moreover, many of the sample companies studied in this article come from the small and medium-sized board and the GEM, and the deviation will be greater if measured by market indicators. Based on the above considerations, this paper uses the rate of return on net assets as an indicator to measure company performance, and introduces it into the model as the dependent variable [14].

Return on net assets = net profit at the end of the period / average common shareholders' equity

4.1.2 Selection of Debt Structure Variables

This article studies the impact on corporate performance from the three aspects of the overall debt structure, debt maturity structure and debt source structure of listed tourism companies [15]. According to the purpose of this research, this paper will select the debt structure of listed tourism companies as independent variables, and the specific choices of its indicators are shown below.

a) Selection of overall debt structure variables

Asset-liability ratio (DAR): Asset-liability ratio is the percentage of total liabilities to total assets, which describes the proportional relationship between total assets and total liabilities. The asset-liability ratio reflects how much of the total assets are derived from liabilities. This indicator can measure the company's financial leverage as a whole. The calculation formula is as follows.

Asset-liability ratio = total liabilities at the end of the period / total assets at the end of the period

b) Selection of debt maturity structure variables

Short-term debt-to-asset ratio (SD): The short-term debt-to-asset ratio is the percentage of total short-term liabilities and total assets, which describes the ratio of short-term liabilities to total assets. Short-term liabilities include short-term interest-free liabilities and short-term interest-bearing liabilities. In the company's accounting, short-term interest-free liabilities are mainly reflected in accounts payable, bills payable, accounts receivable, employee payable, dividends payable, and other payables. Short-term interest-bearing liabilities are mainly through short-term borrowings, non-maturity due within one year Current debt and other subjects reflected. This paper chooses the sum of the interest-free short-term liabilities and interest-bearing short-term liabilities to measure the company's short-term debt financing amount. The calculation formula is as follows.

Short-term debt-to-asset ratio = total short-term liabilities at the end of the period / total assets at the end of the period

Long-term debt-to-asset ratio (LD): The long-term debt-to-asset ratio is the percentage of total long-term liabilities and total assets, and describes the proportional relationship between long-term liabilities and total assets. Long-term liabilities are mainly reflected in the two subjects of long-term loans and bonds payable in company accounting. This article selects the sum of these two subjects to measure the company's long-term debt financing amount. The calculation formula is as follows.

Long-term debt-to-asset ratio = total long-term liabilities at the end of the period / total assets at the end of the period

c) Selection of debt source structure variables

Bank loan asset ratio (BD): The ratio of bank borrowing assets is the percentage of total bank borrowings and total assets, which describes the proportional relationship between bank borrowings and total assets. Bank loans are mainly reflected in the two subjects of long-term loans and bonds payable in corporate accounting. This article selects the sum of these two subjects to measure the company's long-term debt financing amount. The calculation formula is as follows.

Bank loan asset ratio = (period short-term borrowing + period long-term borrowing) / total assets at the end of the period

Commercial Credit Asset Ratio (CD): Commercial credit asset ratio is the percentage of commercial credit financing amount and total assets, and describes the proportional relationship between commercial credit financing and total assets. Commercial credit is mainly reflected in the three subjects of accounts payable, bills payable and accounts received in advance in company accounting. This article selects the sum of these three subjects to measure the company's commercial credit financing amount. The calculation formula is as follows.

Commercial credit asset ratio = (end-end accounts payable + end-end bills payable + end-end advance receipts)/total assets at the end of the period

4.1.3 Selection of Control Variables

This article mainly studies the relationship between the debt structure and performance of listed tourism companies. Therefore, this paper selects company performance as the dependent variable of the model, debt structure as the independent variable of the model, and selects some factors that have a significant impact on performance as the model control variable [16]. This article will select the following two indicators as control variables.

a) Company Growth (GROW)

Generally speaking, companies with good growth ability will raise funds better than general companies. Therefore, when encountering good investment opportunities, such companies are also more likely to seize the opportunity to enhance the company's value. This paper selects the growth rate of total assets as the index to measure the growth of the company.

Company growth = (total assets at the end of the period-total assets at the beginning of the period) / total assets at the beginning of the period

b) Company size (LNSIZE)

Company size is one of the most important factors affecting performance. Generally speaking, the larger the company size, the better the performance. In China, the logarithm of the company's total assets is often used as an indicator to measure the company's size, and this article will also adopt this method.

Company size = LN (total assets at the end of the period)

4.2 Model Building

In this paper, we establish three panel data regression models to study the impact of overall debt structure, debt maturity structure, and debt source structure on the performance of listed tourism companies. The regression equation is as follows.

The model (1): The impact of the overall debt structure on the performance of listed tourism companies.

$$ROE_{it} = \alpha_i + \beta_{1i}DAR_{it} + \beta_{2i}GROW_{it} + \beta_{3i}LNSIZE_{it} + \varepsilon_{it} \tag{1}$$

The model (2): The impact of debt maturity structure on the performance of listed tourism companies.

$$ROE_{it} = \alpha_i + \beta_{1i}SD_{it} + \beta_{2i}LD_{it} + \beta_{3i}GROW_{it} + \beta_{4i}LNSIZE_{it} + \varepsilon_{it}$$

(2)

The model (3): The impact of debt source structure on the performance of listed tourism companies.

$$ROE_{it} = \alpha_i + \beta_{1i}SD_{it} + \beta_{2i}LD_{it} + \beta_{3i}GROW_{it} + \beta_{4i}LNSIZE_{it} + \varepsilon_{it}$$

(3)

Among them, α represents the intercept corresponding to the corresponding equation, β represents coefficient corresponding to the independent variable, ε represents residual, i represents each sample company, t represents selected year.

5. Empirical Analysis

5.1. Empirical Results and Analysis of the Relationship between Overall Debt Structure and Company Performance

5.1.1. Correlation Analysis

In order to ensure the reliability of the results of panel data regression analysis, before performing regression analysis, first use Pearson correlation analysis method to test the degree of correlation between variables. It is generally believed that the greater the correlation coefficient of the two variables, the stronger the correlation. When the correlation coefficient is greater than 0.6, the problem of multicollinearity needs to be considered. The correlation test results of the model 1 are shown in Table 1 below.

Table 1: Correlation analysis results of the model one.

	ROE	DAR	GROW	LNSIZE
ROE	1			
DAR	-0.359***	1		
GROW	0.225**	-0.031	1	
LNSIZE	0.282***	0.324***	0.288***	1

Note: ***, **, and * are significant at the levels of 1%, 5%, and 10%, respectively

Table 1 shows that the correlation coefficient of return on equity (ROE) and asset-liability ratio (DAR) is -0.359 at a significance level of 1%, indicating that the performance of listed tourism companies is negatively related to the overall size of liabilities, which is related to the hypothesis one matches exactly. The correlation coefficients of ROE, company growth (GROW), and company size (LNSIZE) are 0.225 and 0.282, respectively, indicating that the performance of listed tourism companies is positively correlated with company growth and company asset size. The correlation coefficients between the variables are less than 0.6, indicating that there is no strong correlation between the variables. In summary, the possibility of multiple collinearity among the variables in the model is very weak, and the variables can be directly included in the model one for regression analysis.

5.1.2. Regression Result

Table 2: Regression result of the model one.

Variable	Coefficient	Standard deviation
C	0.52 (0.92)	0.55
DAR	-0.57*** (-4.98)	0.12
GROW	0.15*** (3.89)	0.05
LNSIZE	-0.02 (-0.43)	0.03
R^2	0.78	Adjusted R^2	0.69
F value	10.97	P value	0.0000
DW	1.80		

Note: ***, **, and * are significant at the levels of 1%, 5%, and 10%, respectively.

In Table 2 regression results can be seen. R^2 is 0.78 and adjusted R^2 is 0.69. Generally speaking, the closer the value of the coefficient of determination is to 1, the higher the degree to which the explanatory variable explains the explained variable, and the better the equation fits. Looking at the goodness of fit of model one, the overall significance test of model one has an F value of 10.97 and a P value of 0.0000. Passing the overall significance test of the equation indicates that the explained and explained variables are at 95% confidence level is linearly related. The DW value is 1.80. Generally speaking, the closer the DW value is to 2, the lower the degree of autocorrelation of the variable. Therefore, it can be considered that there is no autocorrelation in this model. The regression coefficient of the return on net assets and the asset-liability ratio is -0.57, and the t value is -4.98. The T test shows that the performance of listed tourism companies is significantly negatively correlated with the company's asset-liability ratio, and each increase in the asset-liability ratio. At one percentage point, the rate of return on net assets fell by 0.55 percentage points, and the debt had an adverse effect on the company's performance.

5.2. Empirical Results and Analysis of the Relationship between Debt Maturity Structure and Company Performance

5.2.1. Correlation Analysis

Table 3: Correlation analysis results of the model two.

	ROE	SD	LD	GROW	LNSIZE
ROE	1				
SD	-0.440 ***	1			
LD	0.003	-0.055	1		
GROW	0.225 **	-0.132	0.129	1	

	0.285 ***	0.195 **	0.259 ***	0.289 ***	1
LNSIZE					

Note: ***, **, and * are significant at the levels of 1%, 5%, and 10%, respectively

Table 3 shows that the correlation coefficient of return on equity (ROE) and short-term debt-to-asset ratio (SD) is -0.440 at a significant level of 1%, indicating that the performance of listed tourism companies is negatively correlated with short-term liabilities, which is related to hypothesis two do not match. The correlation coefficient between the return on net assets (ROE) and the long-term debt-to-asset ratio (LD) is 0.003, indicating that the performance of listed tourism companies is positively related to long-term debt, which is also inconsistent with hypothesis two. According to the above table, the correlation coefficients between the variables are less than 0.6, indicating that there is no strong correlation between the variables. In summary, the possibility of multiple collinearity among the variables in the model is very weak, and the variables can be directly included in the model two for regression analysis.

5.2.2. Regression Result

Table 4: Regression result of the model two.

Variable	Coefficient		Standard deviation
C	0.33 (0.92)		0.48
SD	-0.51*** (-4.42)		0.12
LD	-0.32*** (-2.90)		0.15
GROW	0.02*** (3.30)		0.05
LNSIZE	-0.01 (-0.22)		0.03
R^2	0.81	Adjusted R^2	0.75
F value	14.89	P value	0.0000
DW		2.41	

Note: ***, **, and * are significant at the levels of 1%, 5%, and 10%, respectively

It can be seen from the regression results in Table 4. The R^2 is 0.81, the adjusted R^2 is 0.75, the F value is 14.89, and the P value is 0.0000, indicating that the model two fits ideally, and the explanatory variables explain the explained variables to a higher degree. The DW value is 2.41, indicating that the autocorrelation of the model is low. The regression coefficient of the return on net assets to short-term debt-to-asset ratio is -0.51, and the t-value is -4.42. With the T test, the short-term debt-to-asset ratio increases by one percentage point each, and the return on net assets falls by 0.51 percentage points, indicating the performance of listed tourism companies It is significantly negatively correlated with the company's short-term debt ratio. Short-term liabilities have an adverse effect on the company's performance. The empirical results are inconsistent with hypothesis two. In the empirical analysis, the reason for the negative correlation between the return on net assets and the ratio of short-term liabilities to assets may be. From the perspective of company project selection, short-term loans face liquidity pressure on debt service for a long period of time. The development of listed tourism company projects often has the characteristics of long cycle and long construction period, and an excessively high proportion of current liabilities Not only can it not prompt the

company managers to choose a good project cautiously, but it is also more likely to prompt the manager to have short-sightedness in the choice of the project, not focusing on long-term profitability and the cultivation of core competitiveness. From the perspective of creditors, the tourism industry is a highly environmentally dependent industry. In order to ensure the safety of loaned funds, creditors are more inclined to short-term borrowing. When the listed tourism companies, especially listed tourist attractions companies, have a good project, they must not Repeatedly seeking short-term loans from the debtor to meet the demand for funds, and excessive transaction costs will have an adverse impact on the company's performance. This may be a negative correlation between the return on net assets and the ratio of short-term liabilities to assets during empirical analysis. The assets of listed tourism companies are not very liquid, and short-term liabilities will bring greater bankruptcy costs. This may also be the reason for the negative correlation between the return on net assets and the ratio of short-term liabilities to assets during empirical analysis. The regression coefficient of the return on net assets and the long-term debt-to-asset ratio is -0.32, and the t-value is -2.90. The T test shows that the performance of listed tourism companies is significantly negatively correlated with the company's long-term debt ratio. Percentage point, the return on net assets fell by 0.32 percentage points, and long-term liabilities had an adverse effect on the company's performance, and the empirical results were fully consistent with hypothesis two.

5.3. Empirical Results and Analysis of the Relationship between Debt Source Structure and Company Performance

5.3.1. Correlation Analysis

Table 5: Correlation analysis results of the model three.

	ROE	BD	CD	GROW	LNSIZE
ROE	1				
BD	-0.208 **	1			
CD	0.151 *	-0.276 ***	1		
GROW	0.225 **	0.048	-0.015	1	
LNSIZE	0.285 ***	0.124	0.497 ***	0.289 ***	1

Note: ***, **, and * are significant at the levels of 1%, 5%, and 10%, respectively

Table 5 shows that the correlation coefficient between ROE and bank loan-to-asset ratio (BD) is -0.208 at a significant level of 5%, indicating that the performance of tourism listed companies is negatively related to bank borrowings, which is related to the hypothesis two do not match. The correlation coefficient between ROE and commercial credit asset ratio (CD) is 0.151 at a significant level of 10%, indicating that the performance of tourism listed companies is positively related to commercial credit, which is also inconsistent with hypothesis two. According to the above table, the correlation coefficients between the variables are less than 0.6, indicating that there is no strong correlation between the variables. In summary, the possibility of multiple collinearity among the variables in the model is very weak, and the variables can be directly included in model three for regression analysis.

5.3.2. Regression Result

Table 6: Regression result of the model three.

Variable	Coefficient		Standard deviation
C	-0.97**(-2.59)		0.39
BD	-0.46***(-3.23)		0.15
CD	-0.26(-0.85)		0.33
GROW	0.18**(2.15)		0.04
LNSIZE	0.06***(2.71)		0.03
R^2	0.23	Adjusted R^2	0.19
F value	7.51	P value	0.0000
DW		1.49	

Note: ***, **, and * are significant at the levels of 1%, 5%, and 10%, respectively

It can be seen from the regression results in Table 6. R^2 is 0.23, adjusted R^2 is 0.19, the goodness of fit of model three is not ideal, but F value is 7.51, P value is 0.0000, through the overall significance test of the equation, it shows that the degree of interpretation of the explanatory variable to the explained variable is still Higher. The DW value is 1.49, indicating that the autocorrelation of the model is low. The regression coefficient of the ratio of return on net assets to bank borrowing assets is -0.46, and the value of t is -3.23. After the T test, the ratio of bank borrowing assets increases by one percentage point, and the return on net assets decreases by 0.46 percentage points, indicating the performance of listed companies It is significantly negatively correlated with the company's bank borrowings and liabilities. Bank borrowings have a negative impact on the company's performance. The empirical results are inconsistent with hypothesis three. In the empirical analysis, the reason for the negative correlation between the return on net assets and the loan assets of commercial banks may be: At present, China's bond market is underdeveloped, commercial banks are still the main source of loans for various enterprises, and the banking industry has been in a long-term position in China. With a monopoly position, the loan risk management model of commercial banks has not improved much in recent years. Instead of using the advantages of banks to actively participate in corporate governance to help companies successfully repay interest, it is still a "one size fits all" model. The instability of the tourism industry's income and time makes the use of loans by commercial banks more stringent than other industries, which forces listed tourism companies to choose financing projects with low risks and low returns. It is conducive to the improvement of the performance of listed tourism companies. The regression coefficient of the ratio of return on net assets to commercial credit assets is -0.26, and the value of t is -0.85, which fails the T test. The regression coefficient shows that the performance of the listed tourism companies is negatively correlated with the company's long-term debt ratio. For every increase of the commercial credit asset ratio by one percentage point, the return on net assets drops by 0.26 percentage points. Commercial credit borrowing has an adverse effect on the company's performance. Empirical results Consistent with hypothesis three.

6. Conclusions

Based on the premise of western classic theories, this article analyzes the relationship between debt structure and company performance in detail in light of China's actual conditions, and proposes

three major hypothesis. n the empirical part, this paper selects the data of 24 tourism companies listed on the Shanghai and Shenzhen stock exchanges from 2010 to 2016 as samples, to verify the debt structure and the structure of the listed tourism companies from the aspects of overall debt structure, debt maturity structure, and debt source structure. The relationship between performance, the empirical results are as follows. Total liabilities of listed tourism companies are significantly negatively correlated with performance. The short- and long-term liabilities of listed tourism companies are significantly negatively correlated with performance. Bank loans of listed tourism companies are significantly negatively correlated with performance, while commercial credit loans are negatively correlated with performance. According to the empirical results and the specific situation of the listed tourism companies, this article draws the following enlightenment, hoping to help the listed tourism companies improve the company's performance by improving the governance of debt financing.

6.1. Appropriately Reduce Asset-Liability Ratio and Actively Introduce Strategic Investors

At present, the asset-liability ratio of listed Chinese tourism companies is generally lower than that of developed countries. However, due to the great difference between the improvement of China's various mechanisms and laws and regulations and Western developed countries, many problems still need to be resolved. Therefore, under the current circumstances, the listed tourism companies can only use their advantages in the stock market to appropriately reduce the asset-liability ratio and continue to carry out equity financing. Tourism listed companies can introduce strategic investors in the form of targeted additional issuance. Strategic investors have close business links with the company and have advantages in capital, technology, management, market, and talents. They can increase the number of listed tourism companies in tourism. Product innovation ability and the company's core competition. The investment period of strategic investors is generally five to seven years, and it can also meet the capital needs for the development of listed tourism companies in a longer period of time. In order to introduce strategic investors, listed tourism companies need to constantly improve the internal governance structure of listed tourism companies, improve the three meetings system, and strengthen the mutual checks and balances and mutual supervision of companies.

6.2. Reasonable Choice of Liability Period According to Asset Structure

The company's debt maturity structure should be related to the company's asset structure. If the company faces large debts that need to be repaid immediately, and the company's cash flow is obviously insufficient, it can only realize assets to repay the debt. The company's assets can generally be divided into two categories, one is fixed assets and the other is current assets. The liquidity of fixed assets is weak. Once a liquidity crisis occurs, such assets will inevitably suffer large losses. The liquidity of liquid assets is relatively strong. Even if a liquidity crisis occurs, it needs to be realized immediately, and such assets will not suffer excessive losses. It is worth mentioning that there is a special class of intangible assets in the company's assets. The cost of bankruptcy of intangible assets is very high, and it may be worthless if it is urgently needed to be realized. The assets of listed tourism companies are mainly fixed assets and intangible assets, but relatively few current assets. In this case, listed tourism companies should reasonably choose the appropriate scale and duration of liabilities. It should be avoided as much as possible.

References

[1] Grossman, S.J., Hart, O.D. (1982) Corporate financial structure and managerial incentives in J. McCall.(ed.), The Economics of Information and Uncertainty, Chicago: University of Chicago, 107-146.

[2] Frank, M.Z., Goyal, V.K. (2003) Capital Structure Decision, Working paper, University of British Columbia. Social Science Electronic Publishing, 8-25.

[3] Myers, S.C., Majluf, N.S. (1984) Corporate financing and investment decisions when firms have information that investors do not have. Journal of Financial Economics, vol. 13, 55-78.

[4] Jensen, M.C., Mecking, W.H. (1976) Theory of the firm: managerial behavior, agency costs, and capital structure. Journal of Financial Economics, vol. 3, 305-360.

[5] Myers, S.C. (1977) Determinants of corporate borrowing. Journal of Financial Economics, vol. 5, 147-175.

[6] Brick, I.E., Ravid, S.A. (1985) On the relevance of debt maturity structure. Journal of Finance, vol. 40, 1423-1437.

[7] Diamond, D.W. (1984) Financial intermediation and delegated monitoring. The Review of Economic Studies, vol. 19, 85-110.

[8] Modigliani, F., Miller, M.H. (1985) The cost of capital, corporation finance and the theory of investment. American Economic Review, vol. 48, 261-297.

[9] Titman, S., Wessels, R. (1998) The determinants of capital structure choice. Journal of Finance, vol. 43, 1-20.

[10] Denis, D. J., Mihov, V.T. (2003) The choice among bank debt, non-bank private debt, and public debt: evidence from new corporate borrowings. Journal of Financial Economics, vol. 1, 3-28.

[11] Nakamura, L.I. (1993) Recent research in commercial banking: Information and lending. Financial Markets, Institutions & Instruments, vol.2, 73-88.

[12] Billett, M.T., Flannery, M.J and Garfinkel, J.A. (2005) Are bank loans special? Evidence on the post-announcement performance of bank borrowers. Journal of Financial and Quantitative Analysis, vol. 4, 733-751.

[13] Lu Changjiang, Wang Kemin. (2013) A research on the interaction mechanism of listed company structure, dividend distribution and management share ratio. Accounting Research, vol. 3, 39-48.

[14] Yang Jingbo. (2015) An empirical study on key factors affecting performance of China's listed tourism companies: based on the unbalanced panel data. Tourism Science, vol. 2, 73-85.

[15] Zhang Jinshan, Chen Junrong. (2016) An empirical study on the performance effects of share-spitting reform in tourism listed companies. Tourism Tribune, vol. 4, 32-45.

[16] Tong Pan, Lu Zhengfei. (2016) Debt financing, the sources of debt, and the firms' investment behavior: evidence from listed companies in China. Economic Research Journal, vol. 5, 75-84.