

Research on Family Demand for Internet Financial Products under the Development of Financial Digitalization

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Abstract: With the continuous development of financial digitalization, Internet financial products have become an important choice for family finance. However, there are some differences and characteristics in different families' demands and behaviors for Internet financial products, which in-depth study is of important reference value for financial institutions and Internet enterprises. Through a comprehensive and in-depth analysis of families' demand for Internet financial products, this paper helps them to better meet customer needs and promote the healthy development of Internet finance.

1. Introduction

With the rapid development of financial digitalization, the emergence of Internet financial products provides people with more choices for investment. Family is the basic unit of social economy, and the demand for Internet financial products has been closely concerned. Understanding the demand of families for Internet financial products is of great significance to improve the competitiveness of products and meet the investment needs of families. Therefore, this paper aims to explore the family demand for Internet financial products under the development of financial digitalization, and provide reference for relevant institutions.

2. Background of the development of financial digitization

2.1 The development status of financial business digitalization

With the rapid development of Internet technology, the digital trend of financial business is increasingly obvious. Digital financial business has become the key development direction of major financial institutions and Internet enterprises. In the development of digital financial business, the application of fintech has played a crucial role. First of all, the development status of digital financial business is mainly reflected in the payment, financial management, loan and other fields. In terms of payment, mobile payment tools such as Alipay and WeChat payment have become an indispensable payment method in People's Daily life. In terms of financial management, the development of Internet financial products provides investors with more convenient and efficient investment choices. In terms of loans, the emergence of new loan models such as P2P lending has

provided more flexible and low-threshold financing channels for small and micro enterprises and individuals. Secondly, the development of digital financial business has also brought about a series of changes. The emergence of digital financial business has broken the monopoly position of traditional financial institutions, increased the competition in the financial market, and improved the efficiency and quality of financial services. At the same time, the development of digital financial business also makes financial institutions and investors pay more attention to the analysis and application of data, and improves the accuracy and intelligence of financial business. However, the development of digital financial business also brings some challenges. Some Internet financial enterprises have problems such as false publicity and fraud, which have damaged the interests of investors. In addition, the digital financial business is also facing risks in network security and other aspects. In order to improve the development quality of digital financial business and protect the rights and interests of investors, the regulatory authorities need to strengthen the supervision and standardization of digital financial business to ensure the fairness, transparency and order of the market. At the same time, financial institutions and Internet enterprises also need to strengthen risk management and information disclosure to improve the security and reliability of digital financial business [1].

2.2 The influence and significance of financial digitalization

The development of financial digitalization has exerted a profound influence and significance on the financial industry and the whole society. It not only improves the efficiency and quality of financial services, but also promotes economic development and social progress. First, the development of financial digitalization has accelerated the popularization and coverage of financial services. Traditional financial services often need manual operation and on-site handling, and there are time and space restrictions. The emergence of digital financial services has improved the convenience and efficiency of financial services, and accelerated the popularization and coverage of financial services. Especially in some remote areas and developing countries, digital financial services have become an effective way to solve the lack of financial services. Secondly, the development of financial digitalization promotes financial innovation and economic development. Digital financial services provide more diversified and efficient financial products and services for all kinds of enterprises and individuals. Digital financial services also promote the development of financial innovation, promote the competition and upgrading of the financial market, and play a positive role in promoting economic development and improving social productivity. In addition, the development of financial digitalization also helps to break the monopoly position of traditional financial institutions and promote the competition and innovation in the financial market. Traditional financial institutions occupy the market share for a long time, which makes the market uncompetitive. The emergence of digital financial services increases the competition in the market and promotes the upgrading and development of the financial market. However, the development of financial digitization also brings some challenges and risks. For example, in the development of digital financial services, risks such as personal information leakage and cyber attacks have also emerged. Therefore, the regulatory authorities need to strengthen supervision and regulation to ensure the safety and reliability of digital financial services. In short, the development of financial digitalization is of great significance for promoting the popularization of financial services, promoting economic development and social progress. But at the same time, digital financial services also need to master the risk management and supervision to ensure the healthy development of digital financial services [2].

3. The characteristics of the Internet financial products

3.1 Rich in product variety

There are a wide variety of Internet financial products, including money funds, bond funds, stock funds, P2P lending, crowdfunding and other forms. The yield of these products is higher, the risk is relatively small, in line with the needs of the majority of investors. First of all, the money fund is a wealth management product based on the money market, with a relatively low yield and less risk. Money fund is usually a relatively stable investment choice, suitable for short-term capital management and investors with high liquidity. Secondly, the bond fund is a wealth management product based on the bond market, with a relatively high yield and less risk. Bond funds are usually suitable for medium-and long-term investments, and investors can buy bond funds to obtain stable returns. Third, the stock fund is a financial product based on the stock market, its yield is relatively high, but the risk is correspondingly large. Equity funds are often suitable for long-term investments and can reduce risk through diversified investments. Fourth, P2P lending is a loan product provided by non-bank financial institutions, with a relatively high yield, but also a high risk. P2P lending platforms need to strengthen risk control and information disclosure to protect investors' rights and interests and capital security. Crowdfunding is a way to pool the power of all people to provide financing for specific projects or enterprises. Investors can invest according to their own interests and needs. Crowdfunding platforms need to strengthen the screening and management of projects to protect the rights and interests of investors and investment safety.

3.2 Low investment threshold

The investment threshold of Internet financial products is usually low, which generally only needs a few hundred yuan and can be invested. This is a very attractive way to invest for small investors. Compared with traditional financial products, the threshold of Internet financial products is lower and more convenient, so that more people have the opportunity to participate in financial management. First of all, the low investment threshold of Internet financial products is due to the richness and flexibility of their product categories. Different types of financial products can meet the needs of different investors, and can also be selected according to the financial strength of investors. Secondly, the low threshold of Internet financial products also benefits from the application of Internet technology. Through the Internet platform, investors can invest either at home or in the office, without having to open accounts or buy financial products in banks or other financial institutions. This convenience and low threshold have attracted more small investors. However, the low threshold of Internet wealth management products also brings some risks. Some criminals or platforms may attract small investors to invest through false propaganda or deception. In addition, some high-risk wealth management products may also bring certain risks. Therefore, Internet financial management platforms need to strengthen risk control and information disclosure, improve the transparency and fairness of products, and protect the rights and interests of investors and capital security. At the same time, investors also need to choose according to their own risk tolerance and investment purpose, rational investment, to avoid blindly follow the trend or greedy for high returns and fall into risk [3].

3.3 High flexibility

Internet financial products have a high flexibility, investors can buy and sell at any time, regardless of the time and space restrictions, convenient and fast. At the same time, investors can choose different financial products according to their own needs to meet different investment needs.

First of all, the flexibility of Internet financial products lies in the convenience of their operation. Investors can buy and redeem financial products anytime and anywhere through the Internet platform, without considering the restrictions of time and space, which greatly improves the convenience and flexibility of investors. Secondly, the flexibility of Internet financial products lies in the diversity of their products. Investors can choose different types of financial products according to their risk tolerance, investment objectives and financial strength. For example, for investors with low risk appetite, they can choose relatively stable money fund or bond fund; for investors with high risk tolerance, they can choose high risk and high return financial products such as stock funds. However, there are also some risks to the flexibility of Internet financial products. For example, investors may blindly follow suit or buy and sell frequently because of sentiment or market fluctuations, resulting in losses or missed investment opportunities. Therefore, investors need to choose according to their own risk tolerance and investment purpose, rational investment, to avoid blindly follow the trend or greedy for high returns and fall into the risk. At the same time, Internet financial management platforms also need to strengthen risk management and supervision, improve the transparency and fairness of financial products, and protect the rights and interests of investors and capital safety.

3.4 Risk and safety

The characteristics of high yield and low threshold of Internet financial products have attracted many investors, but they have also brought certain risks. Investors need to pay attention to the risk and safety of financial products, and choose the appropriate products for investment. First of all, the risk of Internet financial products is mainly manifested in two aspects: market risk and credit risk. Market risk refers to the market risk that the yield of financial products is affected by market fluctuations, including the market risk of investment varieties such as stocks and bonds; Credit risk refers to the risk that financial product issuers or borrowers fail to repay the principal and interest on time, including the credit risk of high-risk financial products such as P2P lending. Secondly, the security of Internet financial products is also an important factor that investors need to consider. Investors need to choose a formally qualified financial management platform to invest. At the same time, investors should also pay attention to the security measures of the platform, such as data encryption, real-name authentication, to ensure their own investment security. In order to improve investors' risk awareness and protect investors' rights and interests, Internet financial management platforms need to strengthen the risk assessment and information disclosure of financial products. The platform should provide detailed introduction of financial products and risk tips to help investors fully understand the characteristics and risks of financial products. At the same time, the platform should also take effective risk management measures to reduce the risk of financial products. When investing in Internet financial products, investors need to choose carefully, understand the risk and safety situation, and rationally allocate the investment portfolio to achieve a stable and safe investment purpose [4].

4. Families' demand for Internet financial products

4.1 The characteristics of the family's demand for Internet financial products

Families' demand for Internet financial products has obvious characteristics. First, they pay more attention to the product yield rate and risk control. As investors, families pay more attention to the stability and risk control ability of products. Therefore, when choosing Internet financial products, they will pay more attention to the return rate and risk control ability of products. Secondly, they pay more attention to the flexibility and convenience of their products. Families are usually busy

with limited time, so when choosing Internet financial products, they pay more attention to the flexibility and convenience of the products. For example, the purchase and redemption of products, capital management and other aspects, need to be more flexible and convenient. Finally, they pay more attention to the service and experience of their products. When choosing Internet financial products, families pay more attention to the service and experience of the products, including product information disclosure, customer service, operation process and other aspects. Good service and good user experience can enhance customer satisfaction and loyalty.

4.2 The type of family demand for Internet financial products

The types of family demand for Internet financial products mainly include short-term financial management, medium-and long-term financial management, risk protection and other aspects. First of all, short-term financial management is one of the types of needs that families pay more attention to. Short-term financial management usually refers to financial products with short financial cycle and low risk, which are suitable for families for daily fund management and short-term investment, such as money funds, short-term financial products, etc. Secondly, medium-and long-term financial management is also one of the types of needs that families pay more attention to. Medium-and long-term financial management usually refers to financial products with long financial cycle and relatively high risk, which are suitable for long-term investment and financial planning, such as stock funds, bond funds, etc. Finally, families also pay more attention to risk protection financial products. Risk protection financial products usually refer to financial products with capital and interest protection or principal and income protection to a certain extent, which are suitable for families for risk avoidance and asset preservation, such as capital preservation financial products, insurance financial products, etc.

4.3 Family selection factors for Internet financial products

Families will consider a variety of factors when choosing Internet financial products. First, they will consider the yield rate and risk control ability of the product. Return rate and risk control ability are one of the factors that families pay the most attention to when choosing Internet financial products. Different families have different risk preferences and income expectations, so they need to choose products suitable for them. Second, they will consider the investment period and flexibility of the product. Families usually choose suitable investment duration and flexibility according to their financial goals and cash flow needs. For example, choosing short-term financial products to meet their daily fund management needs, and choosing long-term financial products to plan the future. Finally, families will also consider the service and trust of the product. Good service and good user experience can improve customer satisfaction and loyalty. For financial institutions and Internet enterprises, trust is also one of the important factors to attract customers and maintain their brand image [5].

4.4 Family investment behavior in Internet financial products

Families will also show certain investment behaviors when choosing and using Internet financial products. First, they usually choose the right products according to their financial goals and risk preferences. Secondly, they will also reduce risks through diversified investment, such as choosing multiple different types of Internet financial products for investment at the same time. Finally, families will also pay attention to the risk management and risk control ability of financial products, such as the credit rating, risk rating and other information of the products, to ensure investment safety and stable returns.

5. Conclusion

In general, Internet finance has become one of the important choices for family financial management, with the characteristics of rich product variety, low investment threshold and high flexibility. At the same time, families' demand for Internet financial products mainly focuses on asset appreciation, daily fund management and risk protection. For Internet financial enterprises, it is necessary to have a deep understanding of the needs and investment behaviors of their families, and provide better quality services and products to enhance customer loyalty and market competitiveness. At the same time, in the digital age, financial institutions and Internet enterprises also need to strengthen risk management and risk prevention to ensure the safety of customers' investment. In the future, with the continuous innovation and development of fintech, the Internet finance industry will continue to usher in new opportunities and challenges. Financial institutions and Internet enterprises need to constantly improve their technical capabilities and service level to promote the sustainable development of Internet finance.

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