

Fintech Helps the Bank of Changsha to Build An Ecological Banking Paradigm

Daozhuo Liu

School of Business, Hunan University of Science and Technology, Xiangtan 411201, Hunan, China

Abstract: The wind of science and technology has violently impacted the financial ecology and gradually overturned the traditional business model of commercial banks, so that banks have promoted fintech to a strategic height, in order to realize the multiplication of customer base, the doubling of benefits and the doubling of cost. In addition, the traditional lending financial model has been out of time, and what customers need is no longer breakpoint services. People's daily life and business behavior of enterprises have already been networked and systematized, which has become a node on the whole social ecological network, and financial services must be platform and ecological. In this context, The Bank of Changsha has made rapid countermeasures. On the basis of always focusing on the "three positioning" of urban commercial banks, it puts forward the development concept of building financial tech ecology, local living ecology, industrial investment ecology, industrial investment banking ecology and market investment ecology. Under the guidance of precise strategy and clear system, the construction path of ecological bank has become more clear, and the balanced growth of operating value, quality and scale has been realized, and the business structure has been continuously optimized. This paper analyzes the specific measures of the Bank of Changsha, and puts forward some suggestions for the construction of ecological bank, in order to have certain reference value for small and medium-sized banks to break through the difficulties.

Keywords: Fintech, Financial services, Platform, Ecological banking.

1. The Connotation of Ecological Banking

1.1. The concept of ecological banking

The word "ecology" first appeared in ancient Greek texts. After the word is dismantled, it is composed of two parts, one part is interpreted as environment or home, and the other part represents the meaning of discipline and discourse. According to the Modern Chinese Dictionary, "ecology" is expressed as the living state of organisms and the relationship between different organisms and the environment in which they live. With the booming development of the financial industry, people tried to explain the financial field with the above biological methods, and the concept and theory of "financial ecology" came into being. "Financial ecology" refers to the dynamic balance system formed by mutual influence and interaction between all parties in the financial industry and their living external environment and internal organizations in order to survive and develop. Financial ecology and natural ecology are also capable of relevance, adaptability, interdependence and evolution, which is also the advantage of the financial ecological model. Under the virtuous cycle of this model, all parties have achieved a real win-win situation[1].

There is no standard and uniform definition of ecological bank. "Ecological bank" made the following definition: the bank with its robust internal iteration to build its ability to upgrade, with big data, artificial intelligence and cloud computing agile advantage can assign partners, with its highly fusion of distributed collaboration to build ecosystem, around the user's comprehensive needs to provide no acosmia feeling, ubiquitous, immersive service "financial +" institutions[2]. Modern eco-bank always focuses on the mission of the new era, pays more attention to the living enterprises and individuals behind the financial needs and consumption

scenes, returns to the foundation of finance, gathers the strength for good, strives to share the win-win situation, and serves the grand cause of national rejuvenation, industrial transformation, enterprise innovation and personal happiness with finance.

1.2. The advantages of ecological banking

Compared with the traditional commercial bank model, the eco-bank model has the following advantages.

First, it can increase the dependence of customers on banks. Today, customers come to outlets, but meet financial services in various scenarios. Unconsciously, boundless financial services have become the invisible but closest link between banks and customers. Banks naturally have scene genes, but most of these scenes are single and low frequency, only high frequency can save customers. Relying on the all-round scene construction of the ecological bank, the debit card customers of the bank can easily enjoy the full-scene, full-channel and full-life-cycle financial services of the bank on other platforms. This greatly increases the channels for banks to acquire customers, and high-quality, ubiquitous services will increase customer dependence.

Secondly, it can improve the marginal contribution of unit customers to the bank. The financial ecological platform has an online low-cost customer acquisition mode, but also provides multi-channel customer acquisition channels, and a comprehensive range of comprehensive financial services can cover all life scenarios of customers. In this way, customers will use the financial services provided by the bank higher and frequently in daily consumption scenarios, and the balance of the income obtained by the bank from a single customer minus the variable marketing cost of investment is higher and higher, that is, the marginal contribution to the bank is higher and higher[3].

Finally, it can improve the profitability of banks and improve the return on equity. As the eco-banking model

promotes the transformation of mobile, online, platform and scenario-based transformation, the financial services of banks appear more frequently in the daily life scenes of customers. This low-cost acquisition method greatly increases the demand deposits of banks. In the loan business of banks, the eco-banking model can provide refined and considerate financial services for the financing needs of customers in different consumption scenarios, which can not only improve the net interest margin of banks, but also improve the return on equity of banks [[3].

2. The Brief Analysis of The Overall Planning of The Ecological Bank

2.1. Building a strategic North star

Based on the current opportunities and challenges and the cognition and understanding of eco-banking, in 2020, The Bank of Changsha officially put forward the strategic concept of building a regional leading modern eco-bank, and formulated the development strategy of "123456"[4]. In the past three years, Bank of Changsha has relied on science and technology empowerment and ecological bank construction to meet the financial + non-financial needs of customers, which has strongly supported the quality improvement and business development of customer groups. Accelerate the transformation from a financial product provider to a financial ecological service provider, and strive to let customers enjoy the services of Bank of Changsha without boundaries, so as to effectively enhance the market competitiveness of Bank of Changsha[4].

Centering on the core goal of "customer center, value oriented, building a regional leading modern ecological bank", the strategic system of "123456" has an increasingly rich connotation, an effective extension, the focus is more focused, and the path is becoming increasingly clear. The Bank of Changsha will further give full play to the home advantage of local banks, Deeply involved in the strategy of "strong provincial capital" and the development of the Changsha-Zhuzhou-Xiangtan metropolitan area, Anchoring the "millions" strategic objectives, Implement the localization, light, digital, scene "four modernizations" development path, Strengthen the Changsha market, Promote the scale bigger, stronger, innovation and special, brand better; Expand the city and state markets, To increase the local market share of the city and state branches in Hunan province, Improve customer coverage, influence and contribution; Real county market, With the highest strategic priority, Concentrate superior resources to promote the construction of rural financial service stations, Build a trinity of "county sub-branch + township sub-branch + rural financial service station", Extending financial services to the "last mile", allocating more financial resources to key areas and weak links of rural revitalization, Deep integration into rural life. We will build the Bank of Changsha into a benchmark of urban commercial banks with assets of more than one trillion yuan, and set sail on the road of high-quality development and open a new bureau.

2.2. Building a comprehensive ecological system

The Bank of Changsha believes that eco-banking can strengthen the central role of banks in the social and economic operation. In customer center, under the guidance of the concept of symbiosis and win-win, relying on technical

support and digital drive, deepen with partners, build the corresponding service platform, consumers, resources, brand interaction, and improve innovation creativity and service coordination ability, so as to build a bank centered on open transparent, real-time feedback, innovation of ecological network, so as to realize the bank value creation ability to ascend. Therefore, on the basis of the overall strategic layout of "123456", we strive to build a "3 + 2" ecological system and form the mapping of the overall strategy in ecological construction[4]. Through the leverage effect to leverage resources, produce scale effect, comprehensively link all resources, and finally realize the multiplication of customer groups, the multiplication of benefits and the doubling of cost.

The fintech ecosystem enables business development and management improvement. Its build from two internal and two directions, external to integrate all resources, cannot explore alone, must expand science and technology "friends" and the friends will go wider and further, can through the establishment of "financial technology alliance", build "politics, production, study, research, use, gold" six integration of collaborative innovation and open platform, under the premise of independent control to speed up the depth of cooperation with head financial science and technology enterprises[4]; Internally, we should strengthen the empowerment, strengthen the ability building of financial technology, and promote the comprehensive transformation of business and management to digital and intelligent. It is necessary to build cloud computing, distributed computing, and other data centers, build six digital centers of data, manpower, finance, risk, operation, and products, promote the integration and integration of resources across lines, and build an enabling middle desk system of "big middle desk + small front desk" and "strong head office + real branch". In addition, Bank of Changsha has successively completed the construction of "two places and three centers", and the space for innovative applications such as big data, cloud computing, OCR and RPA to display. The establishment and application of these basic frameworks and basic platforms have provided more space for improving the quality and efficiency of business development. The intelligent system based on intelligent risk control and intelligent outbound call enables more space to improve the quality and efficiency of business development.

As the construction of ecological bank steps into the deep water area, the organizational form and its flexibility and agile ability will become the most critical constraint factor, and the improvement of productivity will call for the reform of production relations. The Bank of Changsha clearly opposes the rigid bureaucracy and internalization, promotes the project system in the IT line, tests the tribal system in the business line, and explores the innovation workshop model in the ecosystem construction, so as to drive business agility and full agility with organizational agility. The internal organization ecology provides talent readiness and organizational unity for the development of the ecological bank, and ensures the effective transformation, effective operation and continuous optimization of the whole ecology. On the one hand, to try to start from two aspects of science and technology, business to explore the transformation of the whole organization, build increase the efficiency of three-dimensional organization implementation "cross-department + end-to-end", encourage leadership authorization, frontline employees fear failure play subjective initiative to deal with complex world, form the tradition of "authorization + trial and

error innovation"[4]; On the other hand, we should strive to build enabling organizations and realize the transformation of "management service, service empowerment". At the same time, it also strives to improve the self-learning ability of the organization, so as to realize self-sublation and self-revolution. In addition, the Bank of Changsha has established an agile and flexible mesh organization structure —— tribal structure, so as to optimize and coordinate the work of the organization, and realize the organic integration and deep cooperation of science and technology, business and ecology.

In the specific business ecology, first of all, in building the local life ecology, e bank as the link, with the "French club + shout + open bank" platform as the carrier, with residents' daily consumption needs as the focus, link the bridge between the government, businesses and consumer groups, to build the local life ecology. Launched a customer-oriented online rights platform- -Fran Club, committed to creating a local life guide in Hunan. At the same time, it also launched the establishment of Xiangjiang New Power Brand Alliance, to realize the comprehensive combination of financial young people and consumption front wave, and further promote the shared diversion and ecological co-construction of local consumers.

In industry investment banking, from business customers to the industry, seize the historic opportunity of industrial upgrading of Hunan, explore customers, with the eyes of professional investment bank, with the attitude of value investment service customers, with long-term tenacity with customers, financing technology and risk control, connecting data and service, build the most professional Banks understand local industry, and entity enterprises in the value chain of wind and rain, casting evergreen foundation. Around Hunan science and technology innovation and advanced manufacturing development direction, comprehensive docking on the service, in mode innovation, through enterprise and bank balance sheet, by a single product, services to provide system financial solutions, from the service core enterprises to expand platform to build industry ecosystem, from mainly earn spreads to comprehensive can development, to "trade bank + industry + supply chain finance + digital fu" fusion mode power Hunan enterprise transformation development.

In terms of market investment ecology, Bank of Changsha further moves from virtual to real, effectively through direct financing, comprehensively improves the value creation ability of investment business, from transaction to relationship, from fixed income to rights and interests, from self-management to asset management, to help customers share the dividends of the development of the capital market.

2.3. Layout of the digital banking system

Bank of Changsha adheres to the "online priority, mobile priority" and vigorously promotes digital transformation. We will continuously strengthen digital operation capabilities, accelerate the construction of new data centers, and improve emergency operation capabilities. We will continue to deepen the integration of science and technology with finance, ecology and scene, and continue to promote the reengineering of online, digital and intelligent systems. In order to provide effective scientific and technological support for the local living ecology of retail customers, the industrial investment banking ecology of corporate customers and the market investment ecology of asset management customers, Bank of Changsha has accelerated the construction of digital banking and has established the "16213 +" digital banking strategic

system.

The first "1" in the strategic system represents the basic capabilities, including the data center, cloud computing, distribution, fintech, artificial intelligence and many other aspects[6]. "6" represents the middle and Taiwan capability. The middle platform is a collection of reusable resources. The Bank of Changsha should build six middle platforms: data, product, operation, finance, risk control and human resources[7]On this basis, promote the resource integration and integration operation across lines, and build the enabling middle desk system of "big middle desk + small front desk" and "strong head office + real branch", to ensure that the front desk can move forward quickly and quickly. The term "2" represents the channel capability. The Bank of Changsha proposed to strengthen the construction of the double cabinet, which is to further improve the service mode of the cloud cabinet on the basis of the transformation of the original intelligent network point[7], Continue to strengthen the integration of online and offline service capabilities. Another "1" represents the sales capacity. It is impossible to build a service-oriented bank without a strong sales capacity. Therefore, the Bank of Changsha should build its own digital and intelligent marketing system. The final "3" represents the ecological capacity, including three major ecosystems and several innovative applications based on fintech, to build a comprehensive financial ecosystem for digital banking.

3. The Construction of The Ecological Bank Has Achieved Remarkable Results

3.1. The retail business continues to improve

Through online and offline channels, "financial services" will be integrated with "people's lives", and big data analysis and financial technology will be applied to provide residents with efficient and convenient "financial + non-financial services" for residents. To create a characteristic customer group service ecology, build a "super ability club" of silver hair customers, and frequently launch characteristic services such as health care, spring tea tasting and medical consultation, and constantly enhance the sense of belonging of members. Centering on the "3111" and "2345" customer group development strategies, focus on promoting the payroll business, and combine the smart project, community grid marketing, medical insurance and endowment insurance generation, and continuously consolidate the retail customer base. Adhere to the community first, form a clear community grid marketing model, build the community different industry alliance, unite with the merchants around the network, to provide diversified service content for the community residents. The online rights and interests platform "Fran Club" has 945 merchants, covering residents in the fields such as "eating, drinking, playing, beauty, medical education, education and entertainment". To build an ecosystem of "small store economy", and customize "call collection" for small and micro businesses, covering aggregated payment, timely payment, preferential rate, safe and reliable settlement services.innovatively launched pure credit, pure online personal business loan "hula Kuaidai", accurate services to 16,400 small shop customers.

In addition, the Bank of Changsha adheres to the county priority, and continues to improve the network layout mode of "county sub-branch + township sub-branch + agricultural gold station". Promote the research and development of new

products in line with the county characteristics, complement with the advantages of the existing products, solve the financing pain points of the county customers, and help the rural revitalization with finance. Signed strategic cooperation agreements with provincial, municipal and county agricultural and rural development departments, rural collective economic organizations, and leading agricultural enterprises, to realize the same frequency resonance of government, banking and enterprises. Actively connect with industry associations, rural revitalization research Institute and other organizations, reach strategic cooperation intentions, empower county product development through platform construction, and create a long-term model of Hunan financial services for rural revitalization.

3.2. Solid progress was made in the market business

According to the management idea of "increasing benefits, expanding products, focusing on investment and research, and strict risk control", the Bank of Changsha comprehensively promotes the allocation of bonds, peers, bills, foreign exchange, and other major assets. Integrate resources, strengthen coordination, build an open and win-win inter-bank cooperation ecology and intra-bank cooperative ecology, and promote the steady development of financial market business through fine and efficient management. Grasp the market trend, actively participate in RFQ, X-Repo and X-lending and other market innovative business, the market influence continues to improve. Constantly enrich the valet business products, comprehensively use a variety of financial market tools to provide customers with exchange rate risk management solutions, and help the development of local import and export enterprises. Provide high-quality bill discount service for entity enterprises, and the number of service discount customers increased year-on-year. We will vigorously expand the trading network of bond distribution and bond lending business, and promote the steady growth of intermediary business revenue. Continue to enrich financial products, and promote the transformation of net-worth financial management. Boost the high-quality development of the whole bank's basic customer group and basic business, enrich the product system of valet business, and provide enterprises with comprehensive financial service solutions of exchange rate risk management.

3.3. Customer acquisition channels are constantly strengthened

Through the construction of the ecosystem, the Bank of Changsha realizes live customers and customer acquisition, and promotes the continuous growth of basic customers through proactive attack, precision marketing and fixed-point breakthrough. Continue to strengthen omni-channel customer acquisition and scene operation, actively meet the efficient and convenient governance needs of the government, enterprises, institutions and public cooperation units, build a customer acquisition platform, upgrade smart projects such as smart generation, campus, medical treatment, party construction and construction site, and realize the batch expansion of retail customer groups. Integrate into the community grid governance, promote the establishment of different industry alliance between the network and the businesses around the community, build the community finance + non-financial service system based on the

diversified needs of the community residents, deeply integrate the network into the life of the community residents, and establish deep cooperative relations with more than 500 communities. It has actively participated in livelihood projects such as medical insurance, social insurance and endowment insurance for urban and rural residents. The work of medical insurance, health insurance, flexible employment and health insurance for urban and rural residents has reached the whole province, covering 14 prefectures and cities in Hunan, serving 19.8 million people.

3.4. Accelerating the integration of fintech

The Bank of Changsha actively promotes the deep integration and collaborative development of science and technology and business, gives full play to the multiplier effect of science and technology on business development, and makes every effort to promote digitalization and scenario-based. Actively explore the new mode of "digital operation", through "data-driven, intelligent marketing" to realize e bank and intelligent outbound call accurate touch customers, continuously iteratively optimize products, processes, strategies, rights and interests, while improving customer satisfaction, to achieve more efficient, low-cost, large-scale business digital operation exploration. We will promote the construction of key projects and create high-quality projects. The new version of enterprise online banking, realize the unified service portal, unified user management, unified process management, unified contract management, unified financial view, improve the online scene service capability of enterprise customers, corporate "digital transformation" into a new stage; promote shared operation construction projects, online customer experience monitoring platform, digital operation into the era of "online intelligent and intensive operation".

3.5. Risk management and control has been effectively enhanced

Through digital risk control, effective closed-loop management is realized in front, middle, after, verification and disposal, business full coverage and full process opening are realized, the increase of non-performing products is strictly controlled, the quality of credit assets is continuously optimized, and key indicators such as non-performing ratio and provision coverage rate continue to improve. Carry the core sectors of risk control chassis, anti-fraud, data loan products and risk early warning, optimize and improve the end-to-end application of digital risk control in the whole life cycle before, during and after loan, and give full play to the multiplier effect of digital on business development. Committed to achieve risk control and business development together, focusing on industry risk control, customer risk control, product risk control, data risk control, risk embedded five modules, through the system establishment and process management, let branches get more lean more intelligent risk control ability, relying on credit product management and joint mechanism built, further open, before communication channels, promote risk control and business development complement each other.

4. Suggestions for the Construction of The Ecological Bank

4.1. Improve the top-level design

Banks should follow the development wave of fintech,

actively explore the development path of ecological finance, constantly improve their financial business service platform, and provide one-stop service for the whole process. On the basis of the open ecological model, focus on the development path of scene, mobile and online, and promote the construction of a new model of ecological finance. Eco-bank should adhere to the purpose of customer-centered, build the rules, standards and service standards suitable for the modern eco-bank, rely on the business structure of the partners of Internet financial companies, formulate unified transaction standards, and realize the institutionalization of financial services[8]. Banks should actively explore and apply fintech to facilitate the development of new trading systems of strategic trading, portfolio trading and electronic trading, so as to extend the ecosystem to expand, so that the financial services of banks can silently infiltrate in the daily life scenes of customers, and further improve the service capacity of ecological banks. The banking industry should continue to promote digital transformation. The front desk should strengthen personalized marketing and services through fintech means, and the middle and back office should continue to promote the componentization of product design and the digitalization and intelligence of important links such as risk control, operation and compliance review.

4.2. Promoting digital drive

Under the impact of the epidemic, different banks' response models and the quality of development have demonstrated the powerful energy of digital drive. At present, the digital has entered the deep water area, Banks will continue to play the financial multiplier effect of science and technology, you must realize the coupling of productivity and production relations, completely break the digital technology and business, management of the dual structure, mutual breath, mutual fate, with the construction of the scene, talent cultivation, cultural innovation, organization reengineering, the management mode for comprehensive, all areas, the transformation of the whole process reconstruction, and realize digital business, digital governance, digital risk control, digital, operation, fundamentally transform bank value creation production function. Eco-bank should establish a front-end operation platform that can efficiently process and respond quickly, rely on digital support to support customers 'business activities, observe and summarize the feedback information of customers in real time and timely analyze the data in time, and then improve customers' activity and dependence on banks through media interaction and other forms. Create a new digital marketing tool to promote the digital operation consensus of banks. Through the application of real-time big data, we can empower business in customer service, marketing and other scenarios, timely and effectively perceive customer contact behavior, establish effective business response, and improve the real-time perception ability of event marketing and customer service.

4.3. Building a comprehensive risk control system

Because of its open ecosystem, the ecological bank should strengthen its risk control ability. Establish a risk control system with both online and offline, establish digital product center, digital approval center and digital risk center in the risk line of risk, and build a complete pre-loan, pre-loan and post-loan risk control system for online business. Compaction of the whole process of credit granting business risk

prevention, and improve the risk management level of banks. Around "data, strategy, from to optimal" the theme, bearing risk control chassis, fraud, data core products, risk warning plate, optimize the digital risk control before lending, loan, after the whole life cycle, end-to-end application, give full play to the digital multiplier effect on business development. Focus on industry risk control, customer risk control, product risk control, data risk control, risk embedded five modules, through the system establishment and process management, let branches get more lean more intelligent risk control ability, relying on credit product management and joint mechanism, further open, before communication channels, promote risk control and business development complement each other. Continue to optimize the basic platform, tools and operation system, improve customer satisfaction, and promote the transformation of the whole bank. We will carry out cyber security governance on a regular basis, strengthen daily cyber security monitoring and operation, and upgrade the prevention and control system for security technologies.

4.4. Promote the construction of agile organizations

According to the real-time industry situation, business needs and customer demands, it should make its internal organizational structure and management team immediately make dynamic adjustment, comprehensively promote flat management, continuously do process optimization, and comprehensively improve internal operation efficiency; according to the development idea of "strong head office, real branch, fine sub-branch", attach importance to differentiated stratification and hierarchical authorization of branches at all levels, and further exert its initiative and mobility in market competition[9]; Change from time to time, change according to the situation, change due to customer needs, strive to realize the specialization of the front desk and the intensive development of the middle and back stage, and according to the idea of "small team, big platform", realize the landing of agile organization in the company, retail and IT lines, respond to market changes and customer needs in the first time, and comprehensively improve the business decision-making and operation management ability. To build a shared ecology with efficient internal collaboration, effective saving of resources and multi-directional enabling support, optimize the process, make agile transformation, comprehensively improve the efficiency of internal operation, management and decision-making, and better respond to customers' urgent needs for high-quality financial services.

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