

# The Impact of Digital Inclusive Finance on Residents' Consumption in the Context of Double Circulation

## -- Research on Quantile Model based on Provincial Panel

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### Abstract

Consumption is the core power source of the "double cycle". How to comply with the trend of consumption upgrading and comprehensively promote consumption is very important to smooth the "double cycle" at home and abroad. Based on the provincial panel data from 2013 to 2019, a fixed effect model is built to explore the impact of digital Inclusive Finance on the upgrading of residents' consumption from a macro perspective. The empirical results show that digital inclusive finance can improve the consumption level and optimize the consumption structure of residents; The impact of digital Inclusive Finance on Residents' consumption upgrading has urban-rural and regional heterogeneity, and different dimensions and business types of digital Inclusive Finance have different impacts on Residents' consumption upgrading; The upgrading of industrial structure has a positive regulatory effect on digital Inclusive Finance to improve the consumption structure of residents. The conclusion of the study provides a certain reference for China on how to tap the consumption potential, enhance the endogenous power of the double cycle, and help China's high-quality economic development.

### Keywords

Dual Cycle; Digital Inclusive Finance; Consumer Upgrading; Industrial Structure Upgrading; Panel Quantile Model.

## 1. Introduction

In recent years, due to the impact of the COVID-19, trade between countries has been blocked, and the global economy has been recovering hard. It is unrealistic to rely on external demand to drive the economy. If we want to maintain the stable development of China's economy, we must expand domestic demand and rely on domestic forces to achieve high-quality economic development. In the new development pattern, the internal circulation is the main body, the active consumption market and the vigorous development of new consumption are the necessary conditions for the internal circulation, and consumption, as the purpose and driving force of production, can guide supply through demand and promote the upgrading of production end industries; Industrial upgrading provides a material basis for consumption upgrading and drives the upgrading of consumer products, thus promoting the mutual promotion between the supply side and the demand side and helping the domestic economic cycle.

Although China has the most potential and the largest domestic consumption market in the world, the consumption potential of Chinese residents needs to be further tapped. In 2019, China's resident consumption rate was 38.79%, far lower than the world average consumption level of 58%. Among the world's major economies, China's resident consumption rate is relatively backward. The sluggish resident consumption is not conducive to the formation of a

new "double cycle" development pattern with the domestic big cycle as the main body. Under the current situation of increasing external uncertainties, the lack of internal power has become the main factor restricting China's economic development. Therefore, the most important thing to build a new development pattern is to comprehensively promote consumption. In recent years, on the one hand, China's consumption has shown a new development format, the consumption reform has accelerated, and great changes have taken place in the consumption mode, consumption concept and consumption capacity; On the other hand, the rapid development of digital technology has made great achievements in big data and cloud computing. Digital Inclusive Finance has the characteristics of wide coverage of consumer groups, tight connection of consumer markets, and diversified consumption scenarios. Can industrial upgrading help residents' consumption upgrade, so as to unblock the blocking points of large-scale circular production and consumption? Under the new development pattern, has digital Inclusive Finance strengthened the endogenous power of "double circulation"? The discussion of the above issues is not only conducive to China's exploration of a new way to promote the upgrading of residents' consumption, but also of great significance to the scientific formulation of a virtuous cycle policy system under the new development pattern to release the consumption potential through digital Inclusive Finance, promote consumption upgrading, open up the "blocking point" of internal circular consumption in the economy, and then build a harmonious and progressive industrial upgrading and consumption upgrading. [1].

## 2. Literature Review

As for how to build a "double cycle" new development pattern, Wangyiming proposed that the core of building a new development pattern is "cycle". Promoting consumption upgrading and accelerating the cultivation of new consumption are important starting points for promoting economic cycle. Chenyanbin believes that the key to building a "double cycle" is to improve residents' income and consumption level and expand the scale of productive investment. In essence, the core of building a new development pattern is to enhance the endogenous power of the dual cycle, and the upgrading of residents' consumption is an important endogenous power for building the dual cycle. Fully tapping domestic consumption demand is the foothold for building a new development pattern of the dual cycle. Liuyaofei and guanzhijie proposed that consumption play a fundamental role in unblocking the "double cycle". The expansion and upgrading of domestic consumption can coordinate the benign development of the "double cycle". To build a new development pattern of the "double cycle", it is necessary to increase the total consumption and improve the consumption level[2].

Building a new development pattern of "double circulation" is inseparable from financial innovation. It is necessary to constantly improve the financial innovation system and enhance financial inclusiveness. Inclusive finance takes into account efficiency and fairness. Therefore, it is necessary to coordinate and promote "Online + offline" services to meet the diversified choices of consumers. Under the background of financial technology empowerment and the vigorous development of digital economy, digital Inclusive Finance, based on the cycle path and strategic base point of the new development concept and new development pattern, is very important to release the consumption potential and accelerate the construction of a modern financial system suitable for the "double cycle". Therefore, the academic community is increasingly concerned about the mechanism and effect of digital Inclusive Finance on Residents' consumption. On the one hand, some scholars focus on the macro effect of the development of digital Inclusive Finance driving the growth of residents' consumption. Jianghongli and jiangpengcheng found that digital inclusive finance can not only improve the consumption rate of residents, but also promote the transformation of residents' consumption from basic consumption to development enjoyment consumption. In addition, digital inclusive

finance can also improve the consumption level of residents through the intermediary effect of narrowing the urban-rural income gap and promoting the upgrading of industrial structure. Improve the consumption structure of residents. Yangweiming et al. Calculated the income demand elasticity of eight consumption items by using ELES model, and believed that the consumption of residence, household equipment and supplies, transportation and communication, culture, education and entertainment were advanced consumption. The empirical analysis showed that digital Inclusive Finance could significantly improve the consumption level of residents and optimize the consumption structure of residents. On the other hand, some scholars focus on exploring the micro mechanism of digital Inclusive Finance affecting residents' consumption. Yi Jian and Zhou Li use CFPS data to study and find that digital inclusive finance mainly promotes residents' consumption through two mechanisms: smooth liquidity and smooth payment, and the promotion effect of digital Inclusive Finance on Residents' consumption will also be affected by urban and rural areas, regions, income levels and human capital factors. Hezongyue, songxuguang, xiejiazhi and wujingru conducted empirical research on micro data, and found that digital Inclusive Finance significantly promoted residents' and households' consumption by facilitating payment, easing credit constraints and reducing uncertainty. Zhang Xun and others found that digital finance mainly promotes residents' consumption by improving payment convenience, and the relaxation of liquidity constraints is not the main reason[3].

To sum up, most of the existing studies analyze some hypotheses in the classical consumption theory from different perspectives, such as easing liquidity constraints, facilitating residents' payment, and reducing transaction costs, which provide experience and methods for this paper. However, there are still the following areas to be further studied: first, the core of building a new development pattern is circulation, However, the existing literature rarely discusses the relationship between digital finance and residents' consumption from the perspective of unblocking the economic cycle, fails to build a macro analysis framework for expanding consumption, and clarifies the mechanism of digital Inclusive Finance affecting consumption upgrading and enhancing the endogenous power of "double cycle" within this framework. Second, the existing studies mainly focus on the relationship between digital Inclusive Finance and residents' consumption level. Few studies have studied the impact of digital Inclusive Finance on Residents' consumption upgrading, and few literatures have explored the regulatory effect of digital Inclusive Finance driving residents' consumption upgrading around the new development pattern of "double cycle". Third, some literatures have different opinions on the distinction between basic consumption and development and enjoyment consumption. Few literatures define basic consumption and development and enjoyment consumption according to the actual consumption situation of Chinese residents[4].

The marginal contributions of this paper are as follows: first, according to the actual consumption situation of Chinese residents, the development and enjoyment consumption are redefined by using the nearly perfect demand system (almost ideal demands system- TEM, AIDS model) proposed by Deaton and muellbauer. In this model, income and price jointly affect residents' consumption, and the previous demand models have not taken price into account. Second, from the new perspective of unblocking the economic cycle, we will study the theoretical mechanism of digital Inclusive Finance to promote the upgrading of residents' consumption, explore the relationship between digital Inclusive Finance and the upgrading of residents' consumption under the new development pattern of "double cycle", expand relevant research boundaries, and boost the benign and accurate cycle of the economy. Thirdly, considering the benign cycle between the supply side and the demand side in the economic cycle, using the adjustment effect model, taking the industrial structure upgrading as the adjustment variable, this paper studies the adjustment role of production links in the process

of digital Inclusive Finance promoting the upgrading of residents' consumption under the background of "double cycle"[5].

### 3. Theoretical Mechanism

The proposal of the new development pattern of "double circulation" is not only the result of external pressure such as Sino US trade friction, but also the necessity of internal power. With the development of digital economy, the economic cycle is no longer limited to the traditional economic cycle, and the information cycle has become a new role in the economic cycle. On the one hand, digital Inclusive Finance has improved residents' accessibility to financial services. Digital payment, financial management, insurance and other services not only meet residents' financial needs, but also improve residents' consumption and payment experience, stimulate residents' consumption needs, and leave a large amount of information on the Internet. Digital inclusive finance uses big data technology to widely collect a large amount of payment, search, lending and other data deposited on the Internet, Conduct portrait modeling for customer characteristics, layer customers through modeling, and mine customers with potential lending needs for targeted marketing. At the same time, because the cost of obtaining information for financial institutions is reduced, the phenomenon of information asymmetry is alleviated, and the behavior of customers after obtaining loans will feed back the customer portrait modeling, to a certain extent, assist digital Inclusive Finance to identify the risks of borrowers, continuously optimize the risk control model, and reduce the risk losses of financial institutions. Information circulates continuously in the process of obtaining customers before the loan and feeding back after the loan. Digital inclusive finance can master more accurate information, ease the liquidity constraints of residents, increase the immediate consumption capacity of residents, promote the improvement of residents' consumption level and the optimization of consumption structure, and promote the value cycle of consumption activities. On the other hand, digital inclusive finance can also carry out product innovation according to the customer information, and improve the accuracy of financial services. With the continuous circulation of information in the digital inclusive financial system, digital Inclusive Finance has become more and more complete in mastering customer information. From it, digital Inclusive Finance has obtained a large amount of information conducive to innovative financial products. The types, duration, price and other elements of financial products have gradually adapted to the actual needs of customers. Residents have obtained efficient, convenient and accurate digital financial services through digital Inclusive Finance, At the same time, a large amount of customer data has been deposited in the process of use, which provides a basis for the development of financial products that better meet the needs of residents, so that digital inclusive finance can better play an inclusive role[6].

In the virtuous circle between customers and digital Inclusive Finance, information has not only completed customer portrait modeling and optimized the risk control model, but also improved the accuracy of financial services and the accurate fit to customer needs, so that digital inclusive finance can better ease the liquidity constraints of residents, increase residents' financial income, improve residents' future expectations, thus promoting the growth of residents' consumption level, and finally realize the transformation from "quantity" to "quality", Optimize the consumption structure of residents and enhance the endogenous power of "double circulation".

### 4. Establishment and Analysis of the Model.

#### 4.1. Variable Selection and Data Description.

This paper holds that the upgrading of residents' consumption is the result of the joint optimization and upgrading of the total consumption (improved upgrading) and the

consumption structure (revolutionary upgrading), and it is the embodiment of the comprehensive changes of consumption level and consumption structure. Residents' consumption level. Expressed by per capita consumption expenditure of residents, the data is from EPS database. The consumption structure of residents has been upgraded. The increase in the proportion of the sum of per capita development and enjoyment consumption expenditure to per capita consumption expenditure represents the upgrading of the consumption structure. The data are from the China Household Survey Yearbook and EPS database. Among them, the definition of development and enjoyment consumption adopts the AIDS model proposed by Deaton and muellbauer, carries out regression analysis on the panel data of 31 provinces in China from 2013 to 2019, and calculates the expenditure elasticity of eight categories of consumption expenditure (food expenditure, clothing expenditure, housing expenditure, household goods and services expenditure, transportation and communication expenditure, education, culture and entertainment expenditure, medical care expenditure, other goods and services expenditure), According to the expenditure elasticity, this paper analyzes the characteristics of residents' consumption structure[7].

#### 4.2. Build Panel Quantile Regression Model

The spatial weight matrix selected in the empirical part of this paper is the adjacency weight matrix. On this basis, the Moran test of the spatial correlation between the per capita consumption expenditure of residents and the digital financial inclusion index from 2011 to 2020 is carried out. The Moran test of the financial benefit index can reject the null hypothesis of "no spatial correlation", and the Moran index is greater than 0, indicating that there is a positive spatial correlation between the development of digital financial inclusion and residents' consumption in various provinces and cities, that is, the characteristics of spatial agglomeration .

At the same time, the explanatory variables of residents' consumption in surrounding provinces and cities, as well as the influence of independent variables such as the development of digital inclusive finance and per capita GDP on the consumption of residents in the provinces and cities are considered. This paper chooses the SDM model to study the impact of digital financial inclusion on household consumption. It shows that the consumption of residents in surrounding provinces and cities has a positive impact on the consumption of residents in this province and city, which further confirms that the consumption of residents in each province and city presents the characteristics of spatial agglomeration.

This part builds a panel quantile regression model to conduct an empirical analysis of the consumption promotion effect of tax cuts and fee reductions in the context of the new dual-cycle development. The panel quantile regression model is also a weighted minimization residual error that modifies the traditional linear panel model. The regression estimation method of the sum of absolute values, in the form of:

$$Y_{it}(T | X_{it}, D_{it}) = \alpha_i + \beta_T X_{it} + \theta_T D_{it} + \varepsilon_{T,it} . \quad (1)$$

Among them:  $Y_{it}$  is the explained variable,  $X_{it}$  is the explanatory variable,  $D_{it}$  is the control variable,  $\beta_T$  and  $\theta_T$  are the marginal effect parameters at the  $T$ th quantile, and  $\varepsilon_{T,it}$  is the unobserved random item.

In the traditional mean linear model, all sample points are given the same weight in the estimation procedure, so the relative importance of the sample points has nothing to do with the position of the sample points in the sequence; and in the quantile represented by equation (1) In the numerical model, the relative importance of the sample points is constrained by the

weight of the sample points in the sequence. The sample points within a given quantile level are given a higher weight.

Therefore, the parameters  $\beta_T, \theta_T$  and  $\varepsilon_T$  are actually conditional estimates under the conditions of a given quantile and a sample set  $\{Y_{it}, X_{it}, D_{it}\}$ . In the estimation procedure, the panel quantile model described by equation (1) is estimated by minimizing the conditional loss function in equation (2):

$$\min_{\alpha_T, \beta_T} \sum_{T=1}^{T=M} \sum_{i=1}^{i=N} \sum_{t=1}^{t=T} |W_T L_T| \quad (2)$$

Among them:  $W_T$  is the weight of the quantile of  $T \in (1, 2, \dots, M-1, M)$ ;  $L_T$  is the loss function of the panel quantile model parameter estimation,  $L_T$  is expressed by equation (3):

$$L_T = Y_{it}(T | X, D_{it}) - (\alpha_i + \beta_T X_{it} + \theta_T D_{it}) + \lambda \left( \sum_{i=1}^{i=N} |\alpha_{T,i}| \right) \quad (3)$$

The panel quantile model can not only effectively eliminate the normal distribution assumption based on the minimum residual square sum panel model for the unobserved residual items; it can also analyze the heterogeneity and adjustment of the parameter values at different locations in the sample interval. Direction to better reflect the rich information in the sample data set. Therefore, this study chooses the panel quantile model for empirical analysis to improve the value and accuracy of the research.

### 4.3. Descriptive Statistical Analysis

The coefficient of the digital inclusive finance index is significantly positive at the level of 1%, indicating that the digital Inclusive Finance has a significant role in promoting the consumption level of residents. The results of control variables show that income is the key factor determining consumption. At present, the main reason for the difficulty of consumption recovery is the weakness of the demand side in the social production chain. Therefore, increasing residents' income and continuously improving consumption propensity will promote consumption recovery, thus increasing the endogenous driving force of the economic cycle; The level of transportation development has a significant positive impact on Residents' consumption level. The main reason may be that the more developed the transportation is, the more it can promote residents' cross regional consumption, and the stronger the attraction of external consumption. In addition, the "space-time compression effect" of developed transportation strengthens the close ties between regions. The traffic time is compressed, breaking the spatial structure of the city. The phenomenon of cross provincial shopping and tourism is common, stimulating residents' consumption demand. However, the level of local economic development has a restraining effect on Residents' consumption, mainly because the house prices in economically developed areas are too high, so local residents must save money and accumulate long-term savings in order to buy a house. At the same time, the rent in economically developed areas is relatively high, and the rent pressure of local tenants is large, so it may have a restraining effect on other consumption of residents in economically developed areas.

The index coefficient of digital Inclusive Finance is significantly positive at the level of 1%, indicating that digital inclusive finance can promote the transformation of residents' consumption structure from basic consumption to development and enjoyment consumption. Moreover, convenient transportation has a certain driving effect on Residents' willingness to travel, promoting residents to increase tourism and transportation expenditure, and promoting

the transformation of consumption structure; The coefficient of financial supervision is significantly negative, indicating that the strengthening of financial supervision has made digital Inclusive Finance tighten the investment of relevant businesses, to a certain extent, curbed the financial support of digital Inclusive Finance to the "long tail people", which is not conducive to the "long tail people" to ease the liquidity constraints through digital Inclusive Finance to promote consumption upgrading. Therefore, the relevant financial regulators should find a balance between financial innovation and financial stability, maintain financial prosperity and development on the premise of ensuring financial stability, and avoid financial regulation restricting the benign development of digital finance.

The impact of digital Inclusive Finance on consumption upgrading of different consumer groups and regions is different, and the impact of various dimensions of digital Inclusive Finance on consumption upgrading of residents is also different.

From the perspective of residents' consumption level, digital Inclusive Finance has a significant role in promoting the consumption level of urban and rural residents, and it has a more obvious role in promoting the consumption level of rural residents. From the perspective of the upgrading of residents' consumption structure, the development of digital Inclusive Finance has a significant impact on the upgrading of rural residents' consumption structure, while the impact on the upgrading of urban residents' consumption structure is not significant. In general, the development of digital Inclusive Finance has played a more obvious role in promoting the consumption upgrading of rural residents. The reason may be that the essence of digital Inclusive Finance is "universal" and "preferential". The main service objects are low - and middle-income people. Based on equal opportunities, controllable risks and affordable costs, it focuses on providing financial services to residents in rural areas. Therefore, compared with urban residents, Digital inclusive finance plays a greater role in promoting the upgrading of rural household consumption. Therefore, in order to make the achievements of the development of digital inclusive finance more and more equitable benefit all the people, solidly promote common prosperity, and place the realization of common prosperity of all the people in an important position, it is necessary to make full use of digital Inclusive Finance, eliminate poverty, improve people's livelihood, drive 800million Chinese farmers to continuously improve their propensity to consume, and provide a basic basis for China's stable economic development To lay a solid foundation for building a new development pattern of "double circulation" with internal circulation as the main part.

In terms of residents' consumption level, the effect of digital Inclusive Finance on the consumption level of residents in the East, central and western regions is significant. Among them, the effect of the eastern and central regions is better than that of the western region. The reason may be that compared with the western region, the Eastern and central regions have a relatively high level of financial and economic development, the Internet coverage and financial facilities are relatively complete, and digital financial services such as Internet payment, wealth management and lending are more popular, Therefore, the effect on the improvement of residents' consumption level is relatively great. Although the Internet and financial infrastructure in the western region have been continuously improved in recent years, it is still relatively weak compared with the eastern and central regions. Especially in the remote and poor areas in the western region, there is still a gap between the Internet and financial supply and the eastern and central regions. Therefore, the role of digital Inclusive Finance in promoting the upgrading of residents' consumption in the western region is weak. In terms of upgrading the consumption structure of residents, digital inclusive finance only has a positive impact on the consumption structure of residents in the central region. The reason may be that the economic development level of the eastern region is in the leading position in the country, the income level of residents is high, and most residents have begun to pay attention to high-end consumption. Therefore, the transformation of the consumption structure of residents in the

eastern region is less affected by digital Inclusive Finance; In addition, the large population and developed economy in the eastern coastal areas have led to high housing prices. Most young people have made long-term savings to purchase real estate, which has inhibited the optimization of consumption structure. Therefore, it is necessary to resolutely adhere to the positioning of "housing without speculation" put forward at the 19th National Congress of the Communist Party of China, curb the property of real estate investment, strengthen the property of residence, guide real estate to return to its "original intention", prevent real estate foam, and reduce the "crowding out effect" of real estate on Residents' consumption. However, the impact of digital Inclusive Finance on the upgrading of residents' consumption structure in the western region is not significant, which may be related to the fact that the Internet and financial facilities in the western region still need to be improved, and the asset evaluation mechanism and guarantee mechanism need to be further improved. Therefore, the western region should continue to expand the coverage of the Internet, optimize the allocation of resources, and improve the availability of financial services, Strengthen the role of digital Inclusive Finance in promoting the optimization of residents' consumption structure in the western region.

## 5. Research Conclusions and Policy Implications

Based on the panel data of 31 provinces and cities in China from 2013 to 2019, this paper analyzes the impact of digital Inclusive Finance on Residents' consumption upgrading under the background of the new development pattern of "double circulation". The results show that digital inclusive finance can improve the consumption level and optimize the consumption structure, and has a more obvious positive impact on the consumption upgrading of rural residents; From the perspective of sub regions, digital Inclusive Finance has significantly promoted the consumption level of residents in the East, middle and west regions, but has no significant impact on the optimization of consumption structure in the East and west regions, which may be related to the high housing prices in the East and the imperfect relevant facilities and mechanisms in the West; From the multi-dimensional regression results of digital Inclusive Finance, the coverage and use depth can significantly promote consumption upgrading, but the degree of digitalization can only improve residents' consumption level, and has no obvious effect on optimizing residents' consumption structure; From the regression results of different business types of digital Inclusive Finance, insurance services, credit services and credit services can significantly promote the upgrading of residents' consumption, but payment services, monetary fund services and investment services can only improve residents' consumption level, and have no significant effect on the improvement of residents' consumption structure, which may be due to the lack of guarantee and value-added effect of payment services The value-added effect of monetary fund services and investment services has a certain time lag. Moreover, the above conclusions are proved to be relatively reliable through endogenous discussion and robustness test. In addition, the upgrading of industrial structure has a positive regulatory effect on the optimization of residents' consumption structure by digital Inclusive Finance, promoting a virtuous cycle of production and consumption, thus better promoting the upgrading of residents' consumption structure and helping to build a new "double cycle" development pattern. In order to make digital inclusive finance better enhance the endogenous power of "double cycle", this paper puts forward the following suggestions:

### 5.1. Strengthen Digital Financial Innovation and Improve the Financial Supervision System

Build a digital, convenient and diversified digital inclusive financial service system, accurately deliver financial resources through digital technology for different consumer groups, consumption regions and consumption modes, promote consumption expansion and quality



improvement, enhance financial support for new consumption areas, explore the vertical development mode of the whole industry chain of scenario finance, and boost material consumption and industrial productivity, information consumption and digital transformation. A virtuous and precise cycle of service consumption and industrial structure optimization; We will build and improve the digital financial regulatory framework, gradually promote the application of regulatory technology in financial regulatory practice, strengthen the ethical review of financial technology, and effectively balance incentive innovation and risk prevention by using the regulatory sandbox.

### **5.2. Based on the Supply Side Structural Reform, Make up for the "Supply Gap"**

Digital inclusive finance should accurately serve independent innovation subjects, avoid "shifting from real to virtual", break the "low-end lock" of consumption at the demand side, and enterprises should fully understand the new characteristics of economic cycle in the digital economy era, pay attention to the importance of information production factors, and extract information conducive to enterprise innovation and production services through data mining and Analysis on the premise of meeting the requirements of data compliance supervision and customer information protection; In addition, enterprises should provide accurate and convenient services for residents through digital technology, further mine new data through digital platforms, improve their own technological innovation ability, promote the upgrading of industrial structure, and make up for the "supply gap" of domestic medium and high-end products.

### **5.3. Accelerate the Pilot Promotion of Digital Currency and Continue to Optimize the Payment Service Environment**

Accelerate the pilot promotion of digital currency, constantly optimize the functions of digital currency, create rich application scenarios, and build a digital RMB ecosystem. Given that China's third-party payment platforms play a major role in scenario payment and consumption, digital currency should strengthen cooperation with third-party payment platforms and financial institutions, work together to build a payment and settlement system, support the rapid access of digital currency to third-party channels, so as to be applied to payment and settlement in various stores, ensure that digital currency has a sufficient number of application scenarios, and build and improve the digital RMB cross-border settlement system, Ensure the convenience of residents' cross-border consumption, avoid the risk of exchange rate fluctuations, and stimulate residents' consumption enthusiasm[8].

### **5.4. Strengthen Residents' Digital Finance Education to Alleviate "Digital Anxiety"**

Strengthen the popularization of residents' financial knowledge, narrow the "digital divide" between urban and rural areas, improve residents' digital financial literacy, enhance residents' ability to control digital financial technology, and avoid new financial exclusion; Pay attention to the health of financial consumption, advocate consumers to establish a correct concept of financial consumption, pay attention to customers with insufficient potential consumption ability, consume moderately and rationally, and avoid falling into the trap of consumption in advance of debt.

## **Conflicts of Interest**

The authors declare that there are no conflicts of interest regarding the publication of this paper.

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