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M. INFLUENCE
MATTERS.

THE FINTECH LANDSCAPE IN CHINA



**An Overview for FinTech Companies
Expanding in China**

EDITED BY
Influence Matters



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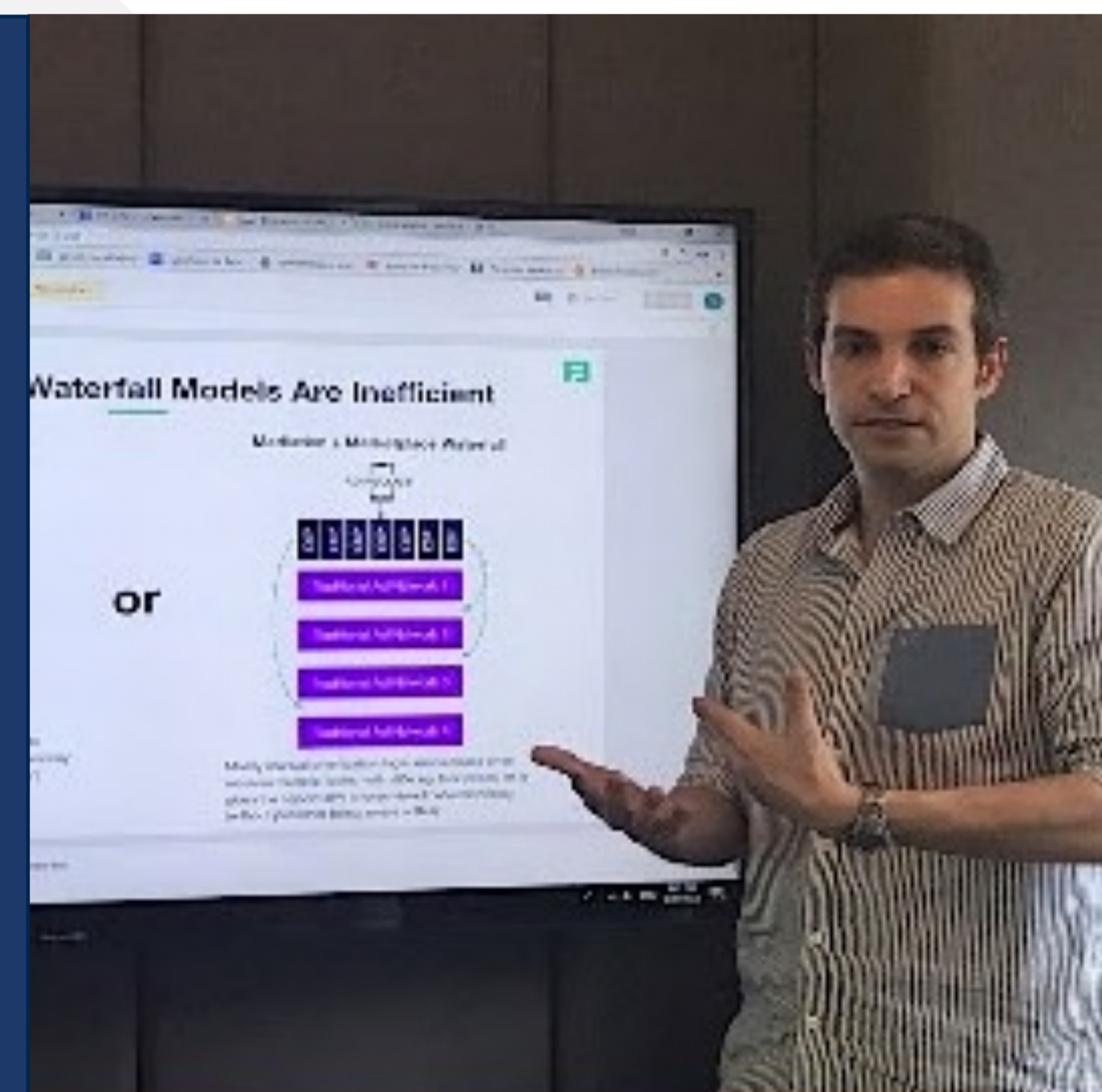
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Message from Simon



WeChat Pay started a FinTech revolution in China in 2017 that the world is still catching up to. Despite being the most populous country in the world, China became the first mostly cashless economy within a couple of years. That revolution came with the need for robust internet and cloud infrastructure, cybersecurity standards, and regulation.

At Influence Matters, we have been fortunate to support the growth of the industry by bringing global technology leaders and their solutions to the most forward-looking market in the world for fintech based services. In this report, we are proud to share some of our observations on the current state of FinTech, from the application, business and regulation levels.

Simon Vericel

Founder & Managing Director at Influence Matters

Simon has been in China since 2002, helping cross-border B2B tech businesses make sense of the Chinese market and helping them connect with their ecosystem of influence in a fast-changing business and innovation environment.

An Unfinished Financial Technology Revolution

INTRODUCTION

Recalling that we use mobile payments and transfers on a daily basis, and effortlessly experience various financial services such as digital banking, wealth management, and loans through various apps. Bank cards and wallets seem to be becoming objects of the last century for Chinese people, left forgotten in some corner of our homes. Financial technology, a term that seems somewhat unfamiliar in ordinary life, is almost every day taking various forms in people's daily lives and playing an important role.

From the perspective of business communication, people seem to have fallen into the topic of FinTech at the same time. 2017 was called the year of financial technology.

In particular, the rapid development of cross-border businesses in China in recent years has gradually made people aware that with the popularity of new information technologies such as big data, cloud computing, AI, and blockchain, the new generation of information technology is constantly breaking the boundaries of traditional financial services. The integration and development of information technology and finance has enabled the financial industry to take big steps into a new FinTech era.



On the one hand, state-owned large banks joined hands with internet giants to drive the transformation and upgrading of traditional finance; on the other hand, Internet giants returned to technological innovation to drive the transformation of traditional finance with technology.

Zhang Chun, executive dean of the Shanghai Advanced Institute of Finance

FINTECH + TECHNOLOGY IN CHINA

Regardless of the level of technology, infrastructure, market application, innovation activity, and development potential, China's development in the field of FinTech is leading the world. Many high-tech Internet companies have developed financial businesses several years ago, such as Ant Group, which started with Alipay's business and gradually expanded its business scope to include banking, insurance, securities, and more; Tencent, Baidu, and others have also established financial divisions and obtained relevant licenses. At the same time, FinTech companies have also received huge financing and built financial infrastructure. In the past, the seemingly solid and high barrier payment field has gradually been "dissolved" by capital.

On the other hand, the rapid development of FinTech has also given rise to many irregularities and risks. Especially after the economic development entered the stage of improving quality, how to define the boundary between technology and finance, and how to balance the speed of business development with risk control, these issues not only affect the development norms of FinTech but also continue to test the wisdom of practitioners and market regulators.

What is FinTech + Technology?

The term "FinTech" was first proposed by Citibank in 1993 and was synthesized from Finance + Technology. China's central bank has also referred to the definition of the [Financial Stability Council](#) and pointed out that "financial technology is a technology driven financial innovation aimed at using modern scientific and technological achievements to transform or innovate financial products, business models, business processes, etc., to promote quality and efficiency in financial development."

In essence, FinTech is the combination of financial services and underlying technology, using technologies such as AI, machine learning, big data, cloud computing, and blockchain to create new service models in areas such as financial payments, financing, investment, insurance, and infrastructure.



Source 1: Prospective Industry Research Institute

About finance technology and technology finance

Based on this, the FinTech industry can be roughly divided into two main themes: Financial Technology (FinTech) and Technology Finance.

The main body of FinTech is technology-driven companies represented by technology companies, internet companies, and technology-focused internet finance companies. In the Chinese market, the most representative companies are Ant Group, Tencent, Baidu, Pinduoduo, ByteDance, Meituan, and Didi; and overseas financial technology companies such as Paypal, Visa, Riskified, Checkout.com, etc.



The main body of Technology Finance is the financial industry represented by traditional financial institutions and internet finance, such as various bank entities and insurance entities.

Therefore, they have significant differences:

- **Different starting points:** The starting point of FinTech is technology, which has the basic infrastructure property of providing technology services for financial businesses. The concept is also parallel to military technology, biotechnology, and other fields. The starting point of Technology Finance is finance, that is, financial business, services, and products used to serve technological innovation, which is a typical representative of financial services to the real economy. The concept is also parallel to consumer finance, agriculture-related finance, etc.
- **Different goals:** The goal of developing FinTech is to improve the overall efficiency of finance using technological means. The goal of developing Technology Finance is to use financial service innovation to serve the real economy and promote technological innovation and entrepreneurship.
- **Different participating entities:** The main body of FinTech is technology-driven companies represented by technology companies, internet companies, and technology-focused internet finance companies. The main body of Technology Finance is the financial industry represented by traditional financial institutions and internet finance.
- **Different ways of implementation:** The way to achieve FinTech innovation is through technological breakthroughs. The way to achieve Technology Finance innovation is through the development of financial products.
- **Different product forms:** Specific FinTech products include third-party payments, big data, financial clouds, blockchain, credit reporting, AI, biometric wallets, etc. Specific Technology Finance products include investment and loan linkage, technology insurance, technology credit, intellectual property securitization, equity crowdfunding, etc.

FOCUS ON FINANCE TECHNOLOGY (FINTECH)

As a PR and Marketing consulting company focusing on the B2B technology field, in this article, we will focus on FinTech, and take the Chinese market as a window to look at the FinTech landscape.

Development History of Financial Technology

In 1992, the Ministry of Civil Affairs approved the [China Technology Finance Promotion Association](#), marking the beginning of China's active construction and promotion of the application of scientific and technological achievements in the financial environment, and the gradual and deep integration of technology and finance. To this day, the China Technology Finance Promotion Association has been involved in the research and drafting of various acts that promote the rapid development of financial technology and has conducted relatively systematic and in-depth explorations and practices in improving financial services and third-party services over the past 30 years.

According to the [Chinese Financial Technology Report \(2020\)](#), the financial technology development in China can be divided into three stages:

- **Financial Technology 1.0 stage:** Financial informationization stage. In the 1980s, with the development of economic globalization and the demand for complex financial services, the financial industry established IT departments and adopted software and hardware applications to achieve paperless, automated, and electronic office and business operations to improve efficiency and reduce costs. Technology companies did not participate in financial business but played a role in providing technical and service support. The credit system, clearing system, and other commonly seen systems today are the products and representatives of this stage.
- **Financial Technology 2.0 stage:** Internet finance stage. At the beginning of the 21st century, financial businesses gradually established online business platforms, and at this stage, the channels for traditional financial services underwent changes and subversion. The combination of Internet technology and financial business scenarios began to change user behavior, and user data and information from mobile and Internet platforms increased exponentially. In China, from 2013 to 2015, a group of P2P lending, mobile payment, and online account opening platforms emerged, and [Internet banks](#), Internet securities, and Internet insurance companies were also established.
- **Financial Technology 3.0 stage:** New finance stage. The market structure and resource element boundaries of finance and technology further merged and developed, and the scale of synergistic effects was released. A large number of original financial businesses have changed their collection of financial information, risk pricing models, investment decision-making models, quantitative investment, digital currency, etc., through technologies such as big data, AI, and cloud computing, while significantly improving financial service efficiency and improving traditional financial pain points and user experience. At this stage, service methods and service logic have been further overturned and changed.

The Emerging FinTech Players in China

First, from the perspective of the industrial chain, FinTech companies in the Chinese market can be divided into:

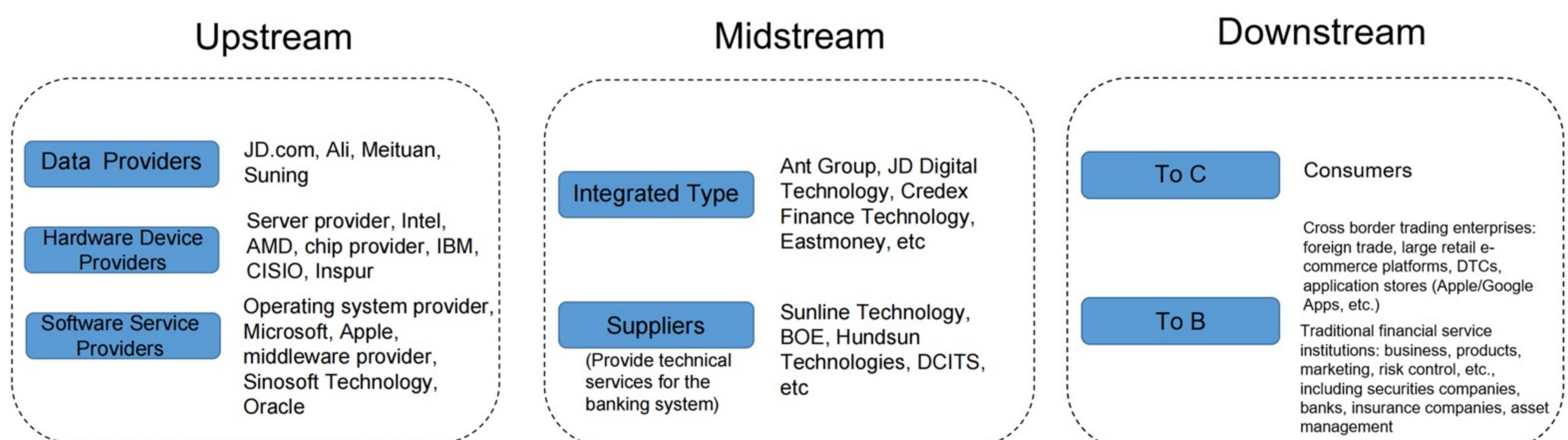


Figure 2. Source: Prospective Industry Research Institute

In Figure 2, FinTech service providers in the midstream of the industry chain include cross-border payment and cross-border payment risk control:

Cross-border Payment Players		
Name	Country	Business in China
<u>连连数字</u> Lian Lian Global	China	Cross-border collection platform
<u>PayPal</u>	US	Payment service provider/one of the most extensive third-party payment tools
<u>PingPong</u>	China	Cross-border payment platform
<u>空中云汇</u> Airwallex	China	Cross-border payment platform
<u>XTransfer</u>	China	Cross-border e-commerce collection platform
<u>转赢科技</u> TransferMate	Ireland	Provide cross-border remittance solutions for enterprises, including international collection, foreign exchange management, overseas payment, risk management and other services
<u>PingPong Payments</u>	China	Cross-border payment and settlement service provider, providing payment, settlement and remittance services for cross-border e-commerce sellers
<u>同花顺支付</u> Flush payment	China	Provide global remittance services and provide individual and corporate customers with a variety of cross-border payment solutions.
<u>Payoneer</u>	US	A company focusing on cross-border e-commerce payment and settlement services, providing cross-border sellers with a variety of payment and settlement solutions.
<u>远鑫支付</u> FOMO Pay	Singapore	A cross-border payment service provider, providing cross-border payment solutions in China, and cross-border collection and payment.
<u>Thunes</u>	Singapore	A cross-border payment service provider that helps merchants make international payments more conveniently.
<u>Checkout.com</u>	UK	Global Payments and Anti-Fraud Management
<u>Ayden</u>	Netherlands	Cross-border Payment Acquiring Solution
<u>Stripe</u>	US	Cross-border payment, financial management

Payment Risk Control Players		
Name	Country	Business in China
<u>Riskified</u>	Israel	Payment risk control Anti-fraud management
<u>Forter</u>	US	Payment Fraud Prevention and Payment Security Solutions
<u>Welab</u>	HK China	Digital Bank, Payment Risk Control
<u>Advance AI</u>	China	Anti-fraud risk management
<u>Sift</u>	HK China	Provides global real-time fraud detection and prevention solutions
<u>Signifyd</u>	HK China	Provide comprehensive fraud protection solutions
<u>Kount</u>	HK China	Provides integrated fraud prevention and digital identity verification solutions
<u>Accertify</u>	HK China	Provides integrated fraud prevention and payment risk management solutions
<u>易生金服</u> <u>E-life Financial</u>	China	Tourism payment, tourism finance, tourism value-added services
<u>CyberSource</u>	US	Payment service provider
<u>DataVisor</u>	US	AI payment risk control company
<u>Tongdun</u>	China	Payment risk control solution
<u>Riskified</u>	Israel	Payment risk control Anti-fraud management
<u>Forter</u>	US	Payment Fraud Prevention and Payment Security Solutions

Financial technology companies in the Chinese market can be divided into three categories based on their business type. The first category is C-side Financial Services, which provides financial services directly to end consumers through platforms like Alipay and WeChat Pay. The second category is B-side Financial Services, offering financial services to corporate customers in the form of B2B or B2B2C, with companies like Reapay, Adapay, Alipay, and WeChat Pay operating in this space. The third category is Infrastructure, comprising companies that provide technical services such as identity verification, anti-fraud, and bank integration to support the operations of C-side and B-side financial service providers, including UnionPay International, Yijiupay, Allinpay, LianLian Pay, Riskified, and Thunes.

Category	Business	Representative Company
C-side Financial Services	Provide financial services to end consumers	Alipay, Wechatpay, etc
B-side Financial Services	Provide financial services to corporate customers in the form of B2B or B2B2C	Reapay, Adapay, Alipay, Wechatpay, etc
Infrastructure	These companies do not directly provide financial services in the traditional sense, but provide technical services such as identity verification, anti-fraud, and bank integration for the above two types of companies in the form of low-code or API&SDK	UnionPay International, Yijiupay, Allinpay, LianLian Pay, Riskified, Thunes, etc.

CASE STUDY

Riskified – From 0 to 1 to 100 in China Leadership Building a Market Leadership from Scratch in China with Go-Global Merchants

CHALLENGES



Riskified, a fraud detection and protection platform for ecommerce merchants, was preparing to grow aggressively in China following a 9 figure funding round that put them squarely in Unicorn territory. Riskified had a few customers in China, but no real presence yet. The funding round would allow for the opening of an office and building a dedicated team in the country.

STRATEGY



Influence Matters built a multi-pronged strategy that would target specific priority industries in China that have large amounts of overseas credit card orders, and specific positions in each target company. In our 3 years program process, we continuously adjusted media partnerships and promotional focus through periodic feedback and exposure metrics, with important milestones to assist in the growth of Riskified's business through a progressive communication plan.



To support the marketing effort, we built owned platforms including the official WeChat account and the Chinese website, developing content strategies in line with the positioning, and turning them as resources and content hubs for eCommerce merchants in China.

IMPACT



In the first three years, Riskified entered the Chinese market, its marketing and communication network in the local market grew from non-existent to one of the most connected in the industry, as Riskified grew from 0 to close to 100 employees in China. Its solutions became a regular feature in top business and vertical press in China, and became known for winning business from leading brands in China including Honor, Chow Sang Sang, and Spring Airline.

[Read the full case study](#)



China's Financial Technology Regulatory System and Cross-border Financial Organizations

REGULATORY ORGANIZATIONS & CHINESE FINTECH INSTITUTIONS

In recent years, various levels of Chinese government organizations have made arrangements for the regulation of financial activities, requiring all types of financial activities to be regulated in accordance with the law.

To address the prominent contradictions and issues existing in the financial sector, on March 7, 2023, during the first session of the 14th National People's Congress, the State Council's institutional reform plan was announced, with financial institution reform becoming a key focus of this round of State Council institutional reform. Among the 13 reform proposals, 6 are related to financial reform: establishment of the National Financial Supervision and Administration Bureau; deepening the reform of the local financial regulatory system; restructuring the China Securities Regulatory Commission as a directly governed institution under the State Council, with the China Banking and Insurance Regulatory Commission no longer retained; coordinating the reform of branches of the People's Bank of China; improving the management system for state-owned financial capital; enhancing unified and standardized management of personnel in financial regulatory departments.

On May 18, 2023, the [China National Financial Supervision and Administration Bureau](#) was officially established, marking the exit of the China Banking and Insurance Regulatory Commission, which had been operational for 5 years, from the stage of history. The Chinese financial regulatory system shifted from a "one bank, two commissions" configuration to a "one bank, one bureau, one commission" arrangement.

As a directly governed institution under the State Council, the [China National Financial Supervision and Administration Bureau](#) is responsible for unified regulation of the financial industry excluding the securities sector. This includes institutional regulation, behavioral regulation, functional regulation, protection of financial consumer rights and interests, strengthening risk management and prevention, and the ability to investigate and handle illegal and irregular activities in accordance with the law. Experts in related industries have pointed out that the establishment of this organization emphasizes preventing the formation of regional and systemic financial risks, reducing regulatory gaps and overlaps, and implementing effective behavioral and functional regulation.

The "Financial Technology Development Plan (2022-2025)" issued by the People's Bank of China (PBOC) puts forward guidance for the development of financial technology in the new era, clearly defining the overall approach, development goals, key tasks, and implementation guarantees for the digital transformation of finance. This also signifies that under regulation, financial technology will further emphasize technological innovation and development, utilizing the power of technology to activate the next generation of financial services. For detailed provisions, please refer to the table on the following page:

	Content
General Idea	<ol style="list-style-type: none"> 1. Adhere to the development principles of "digital drive, wisdom for the people, green and low carbon, fairness and inclusiveness" 2. Based on strengthening the application of financial data elements 3. Aiming at deepening financial supply-side structural reforms 4. Focusing on accelerating the digital transformation of financial institutions and strengthening the prudential supervision of financial technology 5. Injecting digital elements into the entire process of financial services 6. Integrating digital thinking throughout the entire chain of business operations
Development Goals	<p>Focus on the technology-driven and data empowerment of financial innovation, promote my country's financial technology from "pillars and beams" to a new stage of "accumulation and momentum", and strive to achieve a leapfrog improvement in overall level and core competitiveness by 2025.</p>
Focus Mission	<ol style="list-style-type: none"> 1. Strengthen financial technology governance, comprehensively shape digital capabilities, improve the financial technology ethics system with multi-party participation and collaborative governance, and build a digital ecosystem that promotes mutual advancement. 2. Comprehensively strengthen data capacity building, promote the orderly sharing and comprehensive application of data under the premise of ensuring security and privacy, fully activate the potential of data elements, and effectively improve the quality and efficiency of financial services. 3. Build a green and high-availability data center, set up a safe and ubiquitous financial network, lay out an advanced and efficient computing power system, and further consolidate the "digital base" for financial innovation and development. 4. Deepen the financial application of digital technology, improve the application system and mechanism of scientific and technological achievements with equal emphasis on safety and efficiency, continuously expand the industrial ecology of open innovation, cooperation and win-win, and open up the "last mile" of the transformation of scientific and technological achievements. 5. Improve a safe and efficient financial technology innovation system, build an integrated operation platform that integrates business, technology, and data, establish an intelligent risk control mechanism, and fully activate the new momentum of digital operation. 6. Deepen the intelligent reconstruction of financial services, build diversified and integrated service channels, strive to create a barrier-free service system, and provide the people with more inclusive, green and humanized digital financial services.

	Content
Focus Mission	<p>7. Accelerate the all-round application of regulatory technology, strengthen the construction of digital regulatory capabilities, implement penetrating supervision of financial technology innovation, and build a risk firewall for finance and technology.</p> <p>8. Do a solid job in the cultivation of financial technology talents, continue to promote the construction of standard rules and regulations, strengthen the implementation of laws and regulations, and escort the steady and long-term development of financial technology.</p>
Implement Safeguards	All parties must strengthen organization and coordination, increase investment, do a good job in monitoring and evaluating planning and implementation, and ensure that various tasks are implemented and achieved practical results.

CASE STUDY **Thunes.**

Thunes- Thought Leadership for a Global Payments Accelerator Building trust for a digital cross-border payment solution provider in China

CHALLENGES



Thunes, a cross-border payment technology company, was committed to achieving global payment interoperability through digital technology, promoting financial inclusivity and facilitating payment connectivity. As a newcomer to China, Thunes aimed to establish trusted relationships with various enterprises involved in cross-border online transactions, particularly those operating in emerging markets.

STRATEGY



Influence Matters implemented a comprehensive positioning and content strategy to establish Thunes as the “Global Payments Accelerator” in the Chinese market. Thunes’ services and brand information were strategically disseminated through various channels, including mainstream business media, payment-focused media, and cross-border media.

To project Thunes as a pioneer in the cross-border payment sector, Influence Matters crafted compelling bylined articles, customer case studies, and corporate press releases. To maximize reach and engagement, Influence Matters leveraged WeChat as the central communication hub for Thunes in China. Through this platform, Thunes’ brand story was narrated from multiple perspectives, including its solution, products, and overall corporate identity.

IMPACT



Thunes achieved widespread recognition across various top-tier media categories and successfully built a dedicated audience on the WeChat platform. These achievements reflect the successful implementation of Thunes’ positioning and content strategy.



Read the full case study



CROSS-BORDER FINANCIAL ORGANIZATION

About finance technology and technology finance

Associations

- **CNAPS:** China National Advanced Payment System, which provides interbank payment and settlement services for commercial banks as part of the World Bank's technical assistance loan project. It is a system that provides final fund settlement for payment business between commercial banks and between commercial banks and the People's Bank of China. It serves as the hub system for fund settlement of electronic remittance systems of various commercial banks, an important bridge connecting domestic and foreign banks, as well as the core support system of the financial market.
- **China Clearing Organization:** China Payment and Clearing Association is a self-regulatory organization of China's payment and clearing service industry. Established on May 23, 2011, it is a national non-profit social organization legal person with the approval of the State Council and the approval of the Ministry of Civil Affairs and registered with the Ministry of Civil Affairs. The association's business supervisory unit is the People's Bank of China.
- **China UnionPay:** With the approval of the State Council and the approval of the People's Bank of China, on the basis of merging 18 bank card information exchange centers, 85 institutions jointly funded and established the China Bank Card Federation, headquartered in Shanghai. As of the end of November 2020, UnionPay's global acceptance network had extended to 179 countries and regions, and more than 9 billion UnionPay cards have been issued domestically and overseas.
- **China Cross-border Payment System:** CIPS, supervised by the People's Bank of China, is a wholesale payment system specializing in RMB cross-border payment and clearing services. It aims to further integrate the existing RMB cross-border payment and settlement channels and resources, improve the efficiency of cross-border clearing, meet the needs of RMB business development in major time zones, improve transaction security, and build a fair market competition environment.

In addition, there are many FinTech associations and organizations in China, including [China Internet Finance Association](#) (Beijing), [China FinTech Association](#) (Beijing), [China Artificial Intelligence Finance Association](#) (Beijing), etc. These associations and organizations aim to promote development and cooperation in the field of FinTech and provide policy support and technology exchange platforms for enterprises.

Hubs

Beijing

The seat of the Chinese central government, Beijing is home to numerous well-known FinTech enterprises and startups, including Xiaomi Finance, UnionPay QuickPass, PayPal, and more.

Shanghai

China's economic and financial hub, and one of the international financial centers. It boasts abundant financial resources and a pool of technical talents. Many renowned domestic and international FinTech companies and institutions opt to establish branches or headquarters in Shanghai. Notable Chinese FinTech enterprises such as Ant Group, Lufax, Visa, and others.

Shenzhen

China's tech and innovation hub, with a continuously growing number of FinTech companies. Many startups also choose Shenzhen as their base of operations. Renowned domestic FinTech enterprises like Tencent Financial Technology and Huawei Financial Technology are based.

Hong Kong SAR

Pioneering in digital payments in China and one of the international financial centers, Hong Kong features stable financial infrastructure and a relatively comprehensive regulatory framework. The FinTech innovation ecosystem is vibrant. The regulatory environment is relatively open, with a strong emphasis on compliance and regulation.

Important Global FinTech associations

The three major global clearing systems, SWIFT, CHAPS, and CHIPS, all have operations in China, but their business scale is relatively small compared to local payment and clearing systems. The Chinese banking industry mainly uses these systems as intermediaries for overseas payments and settlements.

- **SWIFT**, the Society for Worldwide Interbank Financial Telecommunication, is managed by the Society for Worldwide Interbank Financial Telecommunication Association. The use of SWIFT provides secure, reliable, fast, standardized, and automated communication services for bank settlements, greatly improving the speed of bank settlements.
- **CHAPS** is the "Clearing House Automated Payment System" created by the Bank of England in London and is one of the largest real-time gross settlement systems in the world. It can only be used to settle pound sterling transactions in the UK. In November 2017, the system was managed by the Bank of England. Its direct participants include traditional commercial banks and some international and custodian banks.
- **CHIPS** is operated by the New York Clearing House Association (NYCHA) and is one of the largest private payment clearing systems in the world, mainly used for the settlement of cross-border US dollar transactions.

EMVco is a professional organization that develops and maintains international payment standard specifications. EMV stands for Europay, Mastercard, and Visa, the three companies that collaborated to develop the initial EMV payment standard with the aim of improving the security of payment cards and reducing fraud. Later, banks, payment institutions, card brands, and technology providers such as American Express, JCB, and China UnionPay joined the organization to jointly develop and maintain globally unified payment standards.

Crypto and Blockchain and FinTech in China

The Bank of England defines a Central Bank Digital Currency (CBDC) as the electronic form of central bank money that households and businesses can use for payments and storing value. Currently, numerous central banks worldwide are actively engaged in or planning to explore the research and application of digital currencies.

China's version of CBDC, known as the digital RMB (Renminbi), is issued by the People's Bank of China (PBOC) and operated by designated operators for public exchange. It holds equivalent value to physical cash and coins, while also featuring controllable anonymity, value attributes, and legal tender characteristics. Presently, key aspects under discussion concerning the offline use of CBDC encompass security, privacy, potential risks, proposed solutions, as well as applicability and operational factors, sparking discussions within China's CBDC domain.

In China, there has been active development in the innovation and application of underlying technologies like cryptocurrency and blockchain in the market. However, in the financial sector, these innovations have faced regulatory measures from supervisory authorities in recent years. This is due to concerns regarding their impact on decentralization, financial stability, money laundering, and other risks.

In 2017, the Chinese government prohibited the initial coin offerings (ICOs), a popular means for blockchain startups to raise funds. During the same year, the government also shut down cryptocurrency exchanges and forbade financial institutions from engaging with cryptocurrencies. In terms of promotion and dissemination, the mainland region has adopted a cautious and prudent stance towards advertising and endorsing cryptocurrencies. This reflects the government's seriousness about the sector and its vigilance towards potential risks.

In Hong Kong, in contrast to the mainland region, relevant authorities are accelerating efforts to apply cryptocurrency technology within the financial sector. In terms of regulation, the Securities and Futures Commission (SFC) recently introduced a new regulatory framework for cryptocurrency exchanges, requiring them to obtain SFC approval and comply with various regulations, including anti-money laundering and counter-terrorism financing requirements. These new rules aim to strengthen investor protection and ensure the integrity of Hong Kong's cryptocurrency market.

In May 2023, the Hong Kong Monetary Authority announced the launch of a "Pilot Program" for the digital Hong Kong Dollar. Sixteen financial, payment, and technology companies have been selected to conduct the first round of trials within this year.

These companies include major banks such as Bank of China (Hong Kong), China Construction Bank (Asia), Industrial and Commercial Bank of China (Asia), Fubon Bank (Hong Kong), Standard Chartered Bank (Hong Kong), and HSBC. Apart from banks, international card organizations like Mastercard and Visa, FinTech companies like Ripple and ARTA, traditional card business and printing companies including Jardine, Tap & Go, and Alipay, among others, are also participating.

These enterprises will delve into potential use cases for the digital Hong Kong Dollar across six categories, including comprehensive payments, programmable payments, offline payments, tokenized deposits, third-generation Internet (Web3) transaction settlements, and tokenized asset settlements. Notably, companies such as Mastercard Asia/Pacific Pte. Ltd. and Boston Consulting Group will focus on application plans related to Web3 transaction settlements and tokenized asset settlements. The actions of these leading companies are continuously sending new signals, bringing forth more opportunities and possibilities for the application of digital technology in the financial payment sector.

CASE STUDY



Paxos – Building Trust That Stands Out

Building trust for a regulated digital asset infrastructure platform in China

CHALLENGES



Paxos Trust is a regulated financial institution building infrastructure to enable movement between physical and digital assets. Paxos was the leading innovator globally, looking at building trust with Chinese crypto professionals amid a rapidly changing regulatory environment.

STRATEGY



Influence Matters developed a “China safe” positioning and content strategy, ensuring the company and its services were portrayed as an enabler of trust according to regulations in China. Paxos’ message of trust and compliance would then be delivered with aggressive thought leadership media relations with leading business, financial and digital assets press.

Our social media plan connected Paxos with influencers on Wechat, Weibo and Zhihu in the finance and digital assets space to connect with the blockchain communities. To solidify the public trust of the company, Influence Matters would build the CEO’s and company’s reputation at finance events in China and HK, such as Money 20/20 and Token 2049, with ambitious media relations programs.

IMPACT



In the first 6 months, the Paxos Trust was featured in over 250 articles in leading finance press, including in-depth articles in 36Kr, Economic Observer and Sina Finance, and one of the most talked about digital settlement solution that can be trusted by Chinese investors.



Read the full case study



Chinese Media's Views on FinTech

RECENT HOT TOPICS FROM FINANCIAL TECHNOLOGY MEDIA

Empowering Finance Through Technology

告别互联网，金融科技正抵达新战场

Farewell to the Internet, FinTech Is Arriving into a New Battlefield

December 12, 2022, 21st Century Economic Network

Summary: The author believes that as the trend of the Internet gradually fades away and the drumbeat of the digital economy gradually intensifies, FinTech has gradually reached a new stage of development. At this stage, for the financial industry, "de-Internetization" is a major direction of change: traffic is no longer the ultimate pursuit, and platforms are no longer the classic model. In the post-Internet era, FinTech is no longer closed and isolated, but has become a part of the real economy and industrial operations, participating in industrial operations, and gradually becoming full-link, full-process, and full-system. For FinTech, this change may make a real breakthrough in the development of FinTech.

金融科技：金融的回归，科技的进化

FinTech: The Return of Finance, the Evolution of Technology

November 21, 2022, Economic Daily

Summary: FinTech is not synonymous with Internet finance, nor is it the venter of Internet finance. It necessarily needs to come out of a development model that is completely different from internet finance in order to achieve long term development. The essence of FinTech is to return to finance, combine with the real economy, and deeply empower the development of the real economy, and this return also needs the help of technology, and new ways and methods of returning to the real and empowering industry need to be found from the new technology.

云计算是如何改变金融科技的？

How Is Cloud Computing Changing FinTech?

April 25, 2021, Ebrun

Summary: The rhythm of cloud computing development is also like AI technology capabilities, which has penetrated into all aspects of our lives and deeply affected the process of industrial digitization. 2020 sees cloud computing being recognized and adopted on a larger scale, with more organizations migrating their infrastructure to the cloud and more than 55% of organizations indicating that they are using multiple public clouds. It is worth mentioning that the FinTech industry is leveraging the advantages and characteristics of cloud computing, thereby driving the industry's forecasted CAGR of 23.84%. Based on this, the author proposes five ways in which cloud technology will drive FinTech into the future: self-service applications; new security features; data management; scalability and flexibility; and innovation potential. Additionally, best practices for cloud adoption in finance require attention to three things: encryption and access controls; data isolation and data management; and disaster recovery plans.

深度 | 监管科技纵深发展，自上而下的金融机构数据治理怎么走？

In-depth Report | As Regtech Goes Deeper, How Does Top-down Data Governance for Financial Institutions Go?

May 27, 2022, 21st Century Economic Network

Summary: In May 2022, the CBIRC issued the “Statistical Management Measures for Banking and Insurance Supervision”, which is the first time in the past 20 years that the CBIRC has updated the administrative norms related to regulatory statistics. In recent years, regulatory requirements for risk management of banks and insurance institutions have been increasing, and with the promotion of regulatory technology, the reporting of regulatory data has become a top priority, thus making regulatory data governance a necessary path for the digital transformation of financial institutions.

The author reviews twenty years of financial regulatory data governance and believes that China's financial data governance has entered a phase of refined compliance development.

金融科技监管要安全审慎

FinTech Regulation Needs to Be Safe and Prudent

November 07, 2022, China Economic Network

Summary: In recent years, China's FinTech has developed by leaps and bounds, but new technologies and new models have also changed the way traditional financial risks are generated, manifested and transmitted, and the rapid development of financial technology has brought unprecedented challenges to regulation. To avoid regulatory loopholes and vacuum zones, we must first improve the financial rule of law, bring all types of financial activities into regulation in accordance with law, and use the latest technology to empower regulation. The development of China's FinTech emphasizes financial innovation under the premise of safety and prudence, with the aim of guiding the financial industry to use the latest technology to improve the quality and efficiency of finance, ultimately creating a safe and inclusive environment for financial development and better serving the real economy.

深度解读：国务院发布“数据20条”，意味着什么？

In-depth Interpretation: What Does the State Council's Release of Data 20 Mean?

December 20, 2022, Huxiu

Summary: On December 19, 2022, the Opinions of the Central Committee of the Communist Party of China and the State Council proposed 20 Articles on Data policy initiatives. These initiatives cover four institutional guarantees: data property rights, circulation and transactions, income distribution, and governance. The opinions emphasize the need for orderly development of data cross-border circulation and transactions, establishing a credible data circulation system, and promoting open development and fair competition in the international market. They also suggest exploring safe and standardized data cross-border flow methods for specific application scenarios like cross-border e-commerce, payment, supply chain management, and service outsourcing.

Analysis of Financial Technology Development Trends

美国千亿规模的FinTech，对我国市场有何启示？

What Is the Enlightenment of the 100 Billion-scale FinTech in the United States to the Chinese Market?

December 9, 2022, Huxiu

Summary: The author analyzes the U.S. FinTech market and believes that there are three positive signs in the FinTech VC ecosystem: the quality of FinTech talent is unprecedentedly good; infrastructure is stimulating front-end innovation; FinTech is integrating more closely with all types of customers and vertical industries. The author also pointed out three major trends that are beneficial to FinTech in terms of global development: the globalization of talents, business and telecommuting will make a huge difference; more data in financial services is being unlocked, and more systems are being connected together; and the integration of compliance, anti-fraud and these capabilities with payment scenarios are entering the mainstream.

金融科技赋能绿色金融

Financial Technology Empowers Green Finance

January 25, 2022, China Foreign Exchange Journal

Summary: In the future, FinTech will be more deeply applied in areas such as green asset valuation, green financial market mechanism construction and environmental benefit data collection and analysis, thereby promoting the development of green finance and low-carbon transformation and upgrading.

2022中国金融科技专利技术报告：哪些城市专利数量最多？未来发展趋势如何？

2022 China Financial Technology Patent Technology Report: Which Cities Have the Highest Number of Patents? What Is the Future Development Trend?

December 13, 2022, Jiemian

Summary: On December 13, the 2022 China Financial Technology Patent Technology Report was released, stating that the top three major investment areas in FinTech in 2021 are payment technology (46%), blockchain and cryptocurrency (27%), insurance technology (13%). In terms of technology distribution, China pays more attention to big data and cloud computing technology. Liu Yong, Dean of the Zhongguancun Internet Finance Research Institute, proposed five trends for future development, including "data available but not visible", privacy computing to help build the data ecology of the financial industry, zero trust technology to provide a new concept of cybersecurity for digital financial services, and privacy computing to provide security for data.

关于2022，这20个趋势值得关注

20 Trends to Pay Attention in 2022

January 17, 2022, Huxiu

Summary: The article identifies trends to watch in 2022 in the FinTech space, notably the emergence of more FinTech innovations in emerging markets, with a number of B2B FinTech companies for SMEs offering digital and payment optimization services. 2022 will also see the integration of more Crypto infrastructure such as transfers, wallets, revenue-as-a-service, escrow, etc., as well as the integration of encryption ecosystems in many major financial and banking organizations.

金融科技的新战场

The New Battlefield of FinTech

December 19, 2022, SOHU

Summary: The author believes that FinTech has entered a new stage of development in which finance returns to the entity and empowers the entity. In such a new stage, FinTech players should start to devote themselves to the actual operation of the industry, support the industry through deep integration with the industry, transform the industry, and reshape the industry; at the same time, they should focus more on digital technology, commercialize it to achieve the perfect integration of technology and business.

CASE STUDY checkout.com

Checkout.com – Media Thought Leadership Program

Rapidly growing Checkout.com's reputation as a cross-border payments leader

CHALLENGES



Checkout.com, a global leader in cross-border payment solutions for ecommerce merchants, was relatively new to China and was mostly known for a record-breaking funding round of \$1Bn at \$40Bn valuation. With aggressive plans to grow, fast becoming one of the largest cross-border ecommerce markets in the world, it needed merchants in China to know about its solutions.

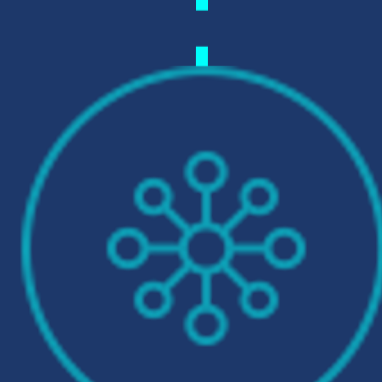
STRATEGY



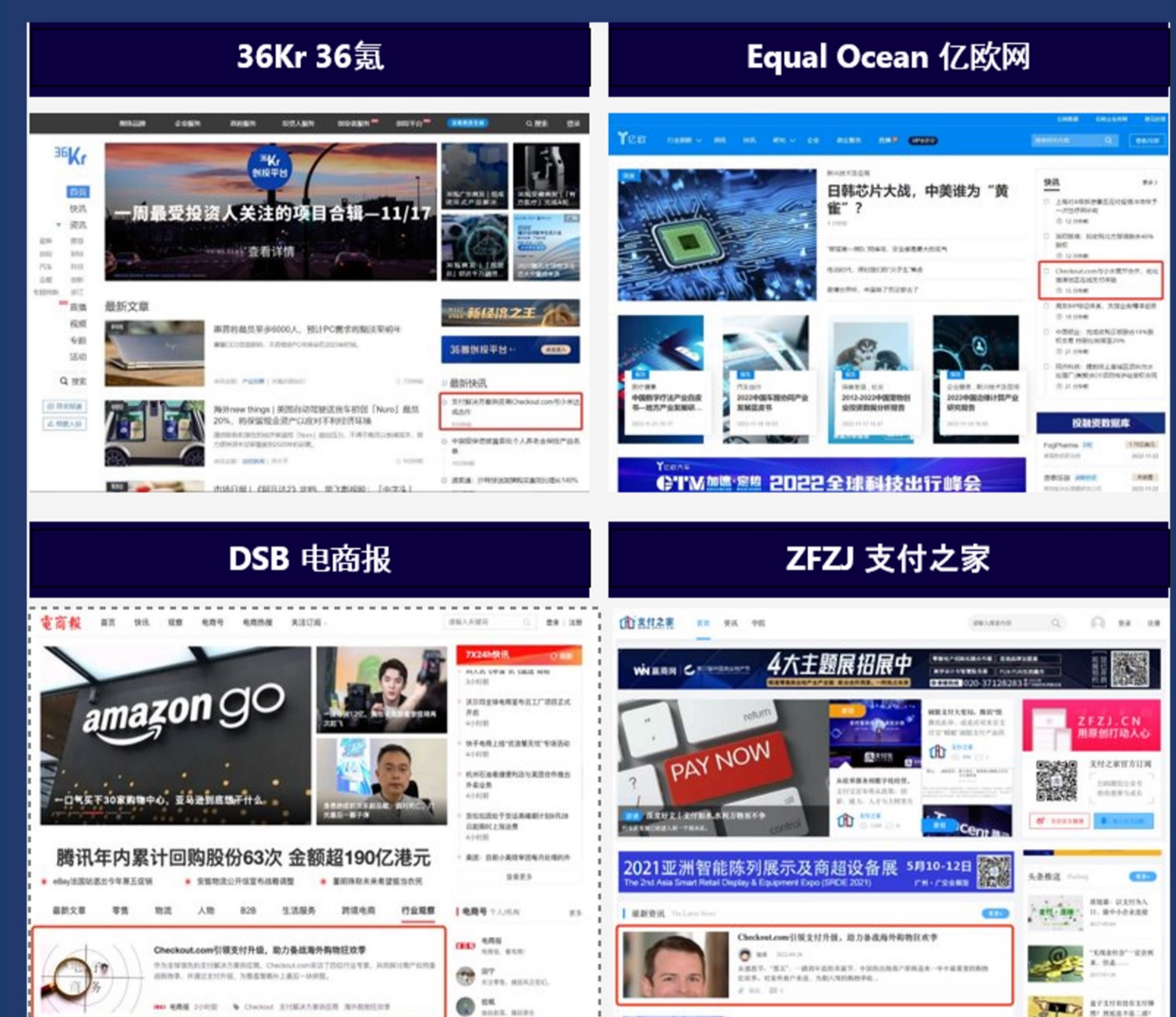
Influence Matters proposed to focus on building awareness around key case studies with Chinese merchants the company was already working with, as well as international brands recognized in China to show strength and experience. As a secondary strategy, we would develop a series of byline articles based on Checkout.com's many ecommerce and payments industry reports to demonstrate the expertise and technological leadership.

The content developed by Influence Matters would be pitched to select top tier press targeting CFOs, CROs and ecommerce directors in China including eBrun, CIFnews, Baijingapp, 36Kr and all to top business press in China.

IMPACT



Checkout.com went from known only for a funding round to the perceived leader in cross border payments in less than a year, with 21 front page coverage and over 150 articles in all target press.



[Read the full case study](#)



NAVIGATING CHINA'S FINTECH AND CROSS-BORDER E-COMMERCE MEDIA LANDSCAPE

China's FinTech and cross-border ecommerce industries have witnessed remarkable growth and transformation in recent years. These sectors have become increasingly reliant on media outlets to disseminate information, foster industry connections, and facilitate global expansion. In this article, we will explore the challenges and industry needs faced by businesses in these domains, highlighting the role of key media outlets in addressing these requirements, and how to engage with them successfully.

Market Challenges and Industry Needs:

China's FinTech and cross-border ecommerce industries face several challenges and have unique industry needs that must be addressed for sustainable growth. Some of the key challenges include:

- **Regulatory Complexity:** The evolving regulatory landscape poses challenges for businesses operating in FinTech and cross-border ecommerce. Compliance with ever-changing regulations and policies requires constant monitoring and adaptation.
- **Trust and Security Concerns:** Ensuring customer trust and data security is crucial in FinTech and cross-border ecommerce. Businesses must address cybersecurity threats, build robust fraud prevention measures, and establish transparent practices to gain customer confidence.
- **Global Expansion:** With the increasing demand for international market access, companies need support in navigating cultural differences, local regulations, and market dynamics when expanding overseas.
- **Technological Advancements:** Staying at the forefront of technological innovations is essential for businesses to remain competitive. Embracing emerging technologies like blockchain, artificial intelligence, and big data analytics can drive operational efficiency and enhance customer experiences.

To overcome these challenges and fulfill industry needs, businesses in the FinTech and cross-border ecommerce sectors must leverage targeted media engagement effectively. Media outlets specializing in FinTech and cross-border ecommerce play a vital role in addressing the challenges faced by businesses. These outlets provide valuable insights, industry updates, and networking opportunities, enabling companies to stay ahead in this rapidly evolving landscape.

Vertical Media: The Industry-specific Knowledge Hubs

Vertical media outlets are dedicated to specific industries or verticals, offering in-depth information on how companies' products and services can be effectively utilized in those sectors. These outlets serve as knowledge hubs, providing case studies, testimonials, and whitepapers that showcase companies' expertise in their respective fields. With a vast number of vertical industry media outlets in China, businesses can access valuable industry-specific insights to inform their strategies and decision-making.

Media in Cross-Border Ecommerce: Bridging Global Opportunities

Media focused on cross-border ecommerce in China play a crucial role in sharing information related to the country's cross-border trade supply chain. Such outlets keep a keen eye on the dynamics of global players going global, industry developments, regulatory updates, and insightful business reports. By bridging the information gap, these media outlets facilitate Chinese companies' expansion into international markets and help them successfully navigate the complexities of cross-border commerce.

Let's delve into some notable media outlets in these domains:



Global Thinking 智象出海

Global Thinking is top-tier media, a go-global service organization with an international perspective and layout, providing high-quality information for Chinese go-global enterprises, helping them link global emerging market resources, and promoting Chinese new economy enterprises to go global.



Ebrun 亿邦动力

Ebrun is a top-tier e-commerce media in China, providing e-commerce information, cases, data, research, etc. around the internet industry, B2B, B2C, C2C, cross-border e-commerce, mobile e-commerce, e-commerce services, retail, e-commerce capital, e-commerce policies, and other fields.



Beluga 白鲸出海

Beluga is a Chinese media company that focuses on providing information and insights about business and technology, particularly in the context of global markets. The name “白鲸出海” translates to “Beluga Sets Sail” in English. The company is known for its analysis of international business trends, technological advancements, and market dynamics.



Yang Fan Chu Ha 扬帆出海

Yang Fan Chu Hai is committed to serving Chinese internet companies going global and has successfully helped thousands of Chinese companies push their business overseas. Promoting the globalization of Chinese internet companies going global and cultivating elite talents is the company's mission to sail overseas.

Vertical Media: The Industry-specific Knowledge Hubs

FinTech media outlets focus on technology-driven financial solutions, cross-border payment industries, and product information news. These platforms keep industry stakeholders informed about the latest developments, regulatory changes, and advancements in the FinTech space.

The logo for Pay Baike, featuring the Chinese characters "支付百科" in white on an orange rectangular background.

Pay Baike 支付百科

Pay baike is a well-known payment media and it is dedicated to sharing payment industry information and special research results. It mainly focuses on payment platforms, payment regulations, etc.

The logo for Mobile Pay Pass, featuring the Chinese characters "移动支付网" and the website address "mpaypass.com.cn" in blue.

Mobile Pay Pass 移动支付网

Mobile Pay Pass is a media dedicated to the research in mobile payment, focusing on entrepreneurship and innovative development in the mobile payment industry, and providing the development of the mobile payment industry with the latest information. Its audience include entrepreneurs, investors, industry practitioners, researchers, and users who focus on the development of the mobile payment field.

The logo for Zhifuquan, featuring the Chinese characters "支付圈" in red and white.

Zhifuquan 支付圈

A third-party payment industry portal website, focusing on business operations, consumer rights protection, industry policies and other related information.

The logo for ZFZJ, featuring the Chinese characters "支付之家" and the website address "WWW.ZFZJ.CN" in blue.

ZFZJ 支付之家

A well-known new media platform in the payment industry, with a platform perspective focusing on the industry and providing comprehensive services. It has sections such as information, academy, events, and forums, meeting the diverse and personalized demands of the payment industry practitioners.

Engaging with targeted media outlets is crucial for businesses in China's FinTech and cross-border ecommerce sectors. These platforms provide valuable industry insights, foster networking opportunities, and help companies navigate the complexities of international expansion. Collaborating with the right media outlets can significantly enhance a company's brand visibility, credibility, and growth potential.

Promoting International Collaboration with Influence Matters

Influence Matters can help international companies achieve their goals in China's fintech and cross-border ecommerce sectors. By leveraging our extensive network and expertise, Influence Matters assists businesses in identifying and collaborating with the right media outlets to enhance brand visibility, establish thought leadership, and drive business growth. Contact Influence Matters today to explore how our tailored media solutions can propel your company's success in China.



About Influence Matters

Influence Matters is a young, fast-growing & passionate entrepreneurial public relations and marketing services firm focused on helping B2B tech companies to create performance-driven influence in China. We serve our clients from our offices in Beijing and Shanghai, and cover APAC through our network of partners.

We strive to bring a new, flexible and nimble stakeholder engagement offer to China, tailored to and accessible for fast growing businesses that need a strong partner which can focus on shaping and telling their story, building influence efficiently and consistently, so they can focus on creating technologies that make the world a more interesting place.

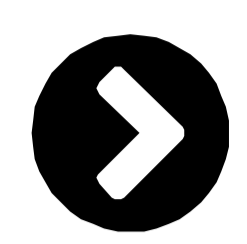
Our Services – From Awareness to Demand

Stage	Awareness & Discovery	Interest & Demand	Target & Qualify	Nurture & Connect
Intelligence	<ul style="list-style-type: none"> ✓ Communications stakeholder map (Media, events, trade associations) ✓ Media and social listening 	<ul style="list-style-type: none"> ✓ Marketing partners map 	<ul style="list-style-type: none"> ✓ Business stakeholder map (Deciders, Adopters, super-connectors) 	<ul style="list-style-type: none"> ✓ Touchpoint reports
PR	<ul style="list-style-type: none"> ✓ Education and thought leadership media programs 	<ul style="list-style-type: none"> ✓ Product/solutions focused media programs ✓ Vertical media programs ✓ Media demos 		<ul style="list-style-type: none"> ✓ Hyper-targeted account based media activities
Social	<ul style="list-style-type: none"> ✓ Education and product/solution intro on owned social media 	<ul style="list-style-type: none"> ✓ ROI and benefits content ✓ Product/solutions deep-dive ✓ Gated content 	<ul style="list-style-type: none"> ✓ Wechat communities 	<ul style="list-style-type: none"> ✓ Segmented Wechat communities ✓ Targeted Wechat content
Digital	<ul style="list-style-type: none"> ✓ Corporate and product introduction website 	<ul style="list-style-type: none"> ✓ Product ad campaigns ✓ SEM ✓ Influencer campaigns ✓ Gated content 	<ul style="list-style-type: none"> ✓ EDMs 	<ul style="list-style-type: none"> ✓ Targeted Wechat push ✓ EDMs
Events	<ul style="list-style-type: none"> ✓ Sponsorship at trade events 	<ul style="list-style-type: none"> ✓ Trade shows and conferences presence ✓ Open webinars 		<ul style="list-style-type: none"> ✓ Closed webinars ✓ Closed salons and roundtables ✓ Owned conferences
Tools	<ul style="list-style-type: none"> ✓ China optimised website ✓ Social media properties 	<ul style="list-style-type: none"> ✓ sCRM for data collection ✓ China hosted website 	<ul style="list-style-type: none"> ✓ sCRM for qualification 	<ul style="list-style-type: none"> ✓ sCRM for retargeting and data sync with global CRM

Our Fintech & Ecommerce Clients



Key Takeaways



Understanding the Emergence of Fintech in China

To grasp the phenomenon of fintech's rise in China, it's essential to explore its development through the lens of the industrial chain. Within the Chinese market, fintech companies can be categorized into three distinct stages. By gaining a comprehensive understanding of this progression and identifying the key players involved, companies can significantly enhance their ability to enter the market and navigate the dynamic fintech landscape.



Unveiling the Regulatory System and Cross-border Financial Organizations in China

China's remarkable progress in information technology infrastructure, coupled with its vibrant fintech ecosystem and diverse fintech application scenarios, has positioned it as a driving force for advancing and transforming financial services. Of particular importance is the unveiling of the regulatory system, which plays a crucial role in shaping the environment for fintech operations. Additionally, China's cross-border financial organizations contribute to the country's financial development, fostering connections and collaborations on a global scale.



Navigating China's Fintech Media Landscape

China's fintech sector increasingly rely on media outlets to disseminate crucial information, foster valuable industry connections, and facilitate global expansion. Consequently, understanding the challenges and industry requirements faced by businesses in these domains is of utmost importance. Equally significant is recognizing the pivotal role played by key media outlets in addressing these needs and effectively engaging with them to achieve success.



Partner with local experts for creating influences

Partnering with a reliable communication expert can help companies achieve their goals for greater influence and reputation in China's semiconductor industry. These experts can provide valuable insights into the market and culture, as well as develop effective messaging strategies and build relationships with key stakeholders.

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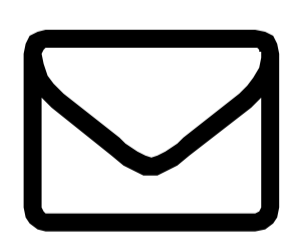
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