evolving, risk management has become an essential issue that the real estate sector must address. This article explores the real estate financial innovation link between innovation and risk control, based on a study of domestic and international literature and instances.

The real estate business is one of the pillar industries of our country's national economy, and real estate financing is a crucial support for its growth. Real estate financial innovation has become a significant driving factor for the development of the real estate business, thanks to the constant advancement of financial innovation. Real estate financial innovation is critical to increasing the efficiency of real estate finance, expanding financing channels, and lowering financing costs. It also offers greater investment alternatives to investors.

Market risk. Market risk is the risk that the value of an investment will decline due to market fluctuations. The main market risks faced by real estate financial innovation include real estate market fluctuations, changes in the macroeconomic environment, policy risks.

Credit risk. Credit risk refers to the risk of losses incurred by creditors due to the failure of the debtor to fulfill its contractual obligations. In real estate financial innovation, credit risk mainly manifests as the debtor's inability to repay on time or default.

Liquidity risk. Liquidity risk refers to the risk that debtors are unable to obtain required funds in a timely manner under market pressure. In real estate financial innovation, liquidity risk mainly manifests as poor capital turnover, leading to increased difficulty in financing.

Real estate financial innovation refers to improving the efficiency and convenience of real estate financing and investment through innovation of technical means and financial tools on the basis of traditional real estate financing and investment methods. However, real estate financial innovation also brings a series of risks, such as market risk, credit risk, liquidity risk. Therefore, how to effectively deal with the risks of real estate financial innovation has become an important question.

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# DIGITAL TRANSFORMATION OF THE CHINESE BANKING SECTOR

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***Summary.*** *The article examines the impact of WeChat and Alipay on traditional banking, highlighting their ability to provide real-time interactions and services. QR code payments have become popular and surpassed traditional banks. Although traditional banks have introduced mobile banking platforms, they still lag behind Alibaba and Tencent. Some banks, like China Construction Bank, have*

*launched their own e-commerce platforms and personalized recommendations using user data. The study explores the survival of traditional banks in the digital era and offers insights into the future development of traditional banks and other financial industries.*

China excels in e-commerce, digital payments, and digital banking. COVID-19 spurred the digital transformation of the banking sector, with technology-focused banks emerging as winners. Fintech and emerging technologies like AI, data, cloud, and blockchain are reshaping the industry. Increased budget allocations towards digitalization are observed, while the Chinese government promotes cashless payments and its digital currency initiative. Giants Alibaba and Tencent have experienced significant growth in the banking industry, with Alibaba becoming a lending leader and Tencent supporting the majority of online activities in China. These shifts bring both opportunities and challenges, necessitating adaptive measures for long-term growth.

Digital banking can be categorized into three types. The first type includes full digital banking platforms like Alipay and Tencent, which accumulated millions of users through e-commerce and social networking. These platforms expanded their services with QR code payments based on user needs, gradually changing consumer habits. In China, QR code scanning became the preferred payment method, leading to a decline in cash consumption. In 2019, Alipay accounted for 53.8 % and 54.2 % of the market share in Q1 and Q2, respectively, while Tencent's WeChat Pay accounted for 39.9 % and 39.5 %, demonstrating widespread adoption of the new payment method. Alipay, specializing in payment platforms, officially separated from Taobao in 2004 and now covers almost all electronic payment platforms in China. The advantage of Alibaba's e-commerce platform, Taobao, has become apparent as the number of online shoppers continues to increase. Alipay's market share in mobile payments will expand further. Alipay and WeChat follow a similar path of starting as platforms with a large user base and expanding to become third-party payment platforms and then entering other businesses like lending. Alipay initially provided guaranteed payment service to its mother app, Taobao, and gradually expanded to merchants and scenarios, offering services like credit card repayment and charity payments. WeChat also allows users to pay for taxis using their mobile phones. These payment platforms predicted the trend of cashless payments and cater to the general public.

The second category includes Fintech companies that leverage data and technology to transform the financial industry. China stands out as a fast-growing economy in terms of financial technology investment. Chinese Fintech companies attracted significant venture capital investment, surpassing Western markets and becoming global leaders in the field. The large user base, extensive market potential, and rapid application of new technologies position China as a hub for leading Fintech giants.

The third category is traditional banks undergoing digital transformation. Digital banking refers to banking services provided through the internet or other networks using personal computers or smart devices. This includes traditional banking operations and extends to sectors like securities and insurance. Mobile banking is an extension of online banking, offering convenient financial services through smartphones, often referred to as “electronic wallets”. Banks like China Merchants Bank, Bank of China, and China Construction Bank offer mobile banking services in China, which can be categorized into fee checking, shopping, and financial management.

WeChat and Alipay have disrupted traditional banking with more interactions and services based on real-time information. QR code payments changed payment habits, overshadowing traditional banks. Traditional banks recognized the need for change and established mobile banking platforms, but they fall short compared to Alibaba and Tencent. Despite this, traditional banks have a chance to compete with digital giants by using mobile device sensors to enter the consumption ecosystem. QR codes can be sensors for transactions and interactions, allowing banks to understand user preferences and expand their business. They should enhance e-commerce platforms and lower credit card application thresholds to adapt to changing trends. Traditional banks, like China Construction Bank, have launched their own e-commerce platforms, offering financial and shopping services. They leverage user data to personalize recommendations and offer affordable shopping. Using mobile phones as "mobile credit cards" is preferred. Users can download banking apps for various transactions. Bank of China focuses on technology advancement and innovation, prioritizing customer needs through a mobile app. Key initiatives include: cross-border, education, sports, and pension scenarios. They offer international services for businesses and individuals and remote account opening for students.

In conclusion, the digital transformation in banking and the presence of giants like Alibaba and Tencent have changed consumer preferences and payment methods. WeChat and Alipay have disrupted traditional banking services with QR code payments. Banks have launched their own mobile platforms, but still lag behind in convenience and customization. However, banks can compete by using touchscreen technology, improving electronic platforms, collecting user data, and partnering with institutions and landlords. Overall, banks must adapt to changing demand and provide innovative digital services to stay competitive.

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## BRAND MARKETING STRATEGY (TAKING XIAOMI AS AN EXAMPLE)

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***Summary.*** *This article mainly talks about Xiaomi's marketing strategy, including products, promotions, pricing, brand marketing offerings, emphasis on product innovation, and smart use of hungry marketing. This successful case can serve as*