

New Trend in China: the Study on the Interactive Modes between P2P Platform and Traditional Bank



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- Under the background of developing internet finance in China, this project focuses on the interactions between P2P platform and bank, represents the status quo of the industrial developments, also, studies the causes, advantages and disadvantages of each interacting mode. Eventually, the project provides substantial suggestions to industry insiders and envisages to P2P development in the future from the aspect of market operation.

- As a new product of internet finance, P2P lending provides risk-control and high profits, it satisfies Chinese people's requests for petty loan that traditional bank cannot take full care of.

- In order to cope with the challenges from P2P industry and to maintain preponderance, several commercial banks have developed "P2P products of bank".

- From the perspectives of profit rate, risk control, etc., normal P2P platform and "P2P platform of bank" have respective strengths and weaknesses, which result in their innovative collaborations. Since the latter half of 2014, an increasing amount of P2P platforms and banks have built collaborative relationships. The main collaborative modes are building fund trusteeships on provision of risk and trading fund.

- Although collaborating on fund trusteeship has certain risks and doubts, generally speaking, the collaborations are mutual beneficial and win-win to both P2P platforms and commercial banks.

- Look into the future, emerging P2P platforms and traditional banks ought to and have to carry out collaborative developments from the following three aspects. (1) Pay enough attention and adjust to supervisory policies in time; (2) reinforce and maximize the features of products based on Chinese market, develop core competitiveness of the company; (3) update and apply new technologies continually, develop cross-field collaborations actively.

PLEASE NOTE: THE ABOVE IS A SUMMARY OF A MORE COMPREHENSIVE STUDY. FOR THE FULL VERSION, PLEASE CONTACT SIWEI LETITIA XIE DIRECTLY.