



# The Analysis of the Impact on Digital Inclusive Finance to Rural Industry Revitalization

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## ABSTRACT

With the continuous development of digital technology, digital finance and traditional inclusive finance are further integrated to form a new model of digital inclusive finance, which alleviates the financial exclusion in rural areas and brings opportunities and challenges to the revitalization and development of rural industries. This article mainly analyzes the promotion effect of digital inclusive finance on rural agricultural product processing industry, tourism and rural e-commerce, and explores how digital inclusive finance can develop industrial digitization and supply chain finance in rural areas based on actual cases. Digital inclusive finance has a positive impact on the revitalization of rural industries, which is mainly reflected in the improvement of the convenience and safety of farmers' financing, and the emergence of new financial service models. A sound data analysis and tracking system should be established to further improve the financial availability of rural industries and promote the quality of employment for farmers, thereby promoting the revitalization of rural industries.

**Keywords:** *Digital Finance, Inclusive Finance, Rural Industry, Industry Revitalization, Influence*

## 1. INTRODUCTION

### 1.1. Research Background

The rural revitalization strategy is one of the important development measures put forward by China. The No. 1 central document of 2022 pointed out that we needed to keep agriculture stable as a base and do a good job in our work which are related to agriculture, rural areas and farmers. What's more, we needed to promote rural vitalization on comprehensive efforts. On the basis of digital technologies such as mobile Internet, network and communication services, mobile data and cloud computing, digital financial inclusion is a wide variety of financial services that the formerly inadequate population can enjoy for a long time provided by different ways from financial institutions, which includes deposit, payment, financing, insurance, financial management. It includes not only the digital innovation of traditional financial institutions to original products, but also the Internet financial products provided by some new quasi-financial institutions. The involvement of digital inclusive finance in rural financial services can alleviate financial exclusion to a certain extent, improve the availability of rural household financing, and promote the digital upgrading and revitalization of rural industries to help the

early realization of rural revitalization.

Finance is an indispensable measure to promote high-speed and high-quality economic development. Since inclusive finance was listed as an important topic in G20 Summit, with the rise of China's digital economy, there are more and more studies on digital inclusive finance and rural industry revitalization, and some research results have been achieved. Scholars at home and abroad have quantitatively analyzed the relationship between them by establishing models, regression analysis and threshold effect.

### 1.2. Literature Review

The No. 1 central document of 2022 was the first to point out that develop rural digital inclusive finance, which can promote supply-side structural reform, promote traditional inclusive finance to develop more rapidly, speed up the transformation of digital bank (Zhang Xiying, Wu Jiajun & Wang Yihuan, 2022). On the one hand, digital inclusive finance can promote the wealth growth of rural households by expanding household income and rationally allocating assets (Zhang Kaihui, 2022). On the other hand, the development of digital inclusive finance has brought a turning point for solving rural financial problems because it has changed

the operation mode of traditional financial institutions, that is, provide more effective financial services for vulnerable groups which can facilitate and diversify financial services for the revitalization of rural industries (Kang Shusheng, Yang Nana, 2022). Digital inclusive finance has played an important role in the aspect of activating social innovation, easing corporate financing constraints and narrowing the urban-rural income gap. Developing digital inclusive finance can promote high-quality economic growth to some extent (Zhang Zhenhua, Yang Zhaohui, 2022). In the meanwhile, the rural revitalization of digital finance is also confronted with problems including weak Internet infrastructure, high risks and lack of big data credit investigation system (Xu Chenjie, Li Fan, 2021).

### **1.3. Research Significance**

Rural areas are the mainstay of rural vitalization. Industries are the support to the development of rural areas. Industrial revitalization is the material foundation of rural revitalization, which means that only the revitalization of the industry can enhance the attractiveness of the countryside to promote the development in all areas of rural areas. Industrial revitalization has long been regarded as the key to rural revitalization. However, it is rarely mentioned that how digital inclusive finance can promote the revitalization and development of rural industries. Therefore, it is critical to study how the development and implementation of digital inclusive finance may better serve rural areas in order to boost the development and integration of rural industries revitalization.

## **2. DEVELOPMENT BACKGROUND AND SIGNIFICANCE OF DIGITAL INCLUSIVE FINANCE**

### **2.1. Development Background**

There were 8 principles and 66 action suggestions in G20 High-level Principles on Digital Financial Inclusion released by G20 Hangzhou Summit. The definition of digital inclusive finance was “all initiatives aimed at promoting inclusive finance through the usage of digital financial services in general” given by G20 High-level Principles on Digital Financial Inclusion [1].

Digital inclusive finance refers to a range of formal financial services, using digital technology, provided to the groups that lack of access to and lack of financial services, and the financial services they provide must meet the needs of the people they serve. They are also required to be responsible, affordable and sustainable for service providers.

Four characteristics of digital inclusive finance include extensive service coverage, popular consumer groups, digital risk management, and cheap transaction

costs [2]. Many innovations have been made in the following aspects: financial business models, products and services, and organizational structures. Digital inclusive finance has enriched the main providers of financial services, extended the tentacles of financial services, and improved market competitiveness, which means that It offers fresh ideas and ways for addressing a variety of issues in the field of inclusive finance. Digital inclusive finance has become an important service mode in the inclusive financial system. The development of inclusive finance enables more people to get more comprehensive financial services. It lowers the cost of financial services while also increasing their convenience. At present, the deep integration of digital technology and inclusive finance has become the focus and hot spot in the field of financial innovation.

### **2.2. Significance of Development**

#### **2.2.1. Digital Inclusive Finance with Wide Radiation and High Popularity**

Traditional financial services are subject to serious financial exclusion. Rural areas, as vulnerable groups, with high transportation costs and serious information asymmetry often find that it is difficult to enjoy financial services provided by formal institutions. Digital inclusive finance breaks the space limitation of traditional financial institutions serve peasant households by the IT technology and online service model. It greatly expands the coverage of financial services, and improves the availability of financing for peasant household which means that it can promote the digital transformation of financial institutions and the reduction of financial business operation costs, effectively alleviate the financing problems faced by the development of rural industries, and promote the mechanization and large-scale operation of rural industries.

#### **2.2.2. Ensuring the Precision Implementation of Policy-base Funds for Rural Industries**

According to the no. 1 Central Document of 2022, China Banking and Insurance Regulatory Commission puts forward that we need to increase the availability of agriculture-related credit and increase the efficiency and quality of financial services in rural areas. For example, Agricultural Development Bank and large and medium-sized commercial banks should strive to realize growth rate of inclusive agricultural loans is higher than that of the banks' average loan. Besides, we need to continue to maintain the basic financial services in its jurisdiction, improve the quality and efficiency of basic financial services, and enrich the types of services. The application of digital technology can help expand inclusive financial services to natural villages and expand the size of the general agricultural loans to increase its coverage in rural areas, so that help banks and financial institutions to

better complete the indicators proposed by China Banking and Insurance Regulatory Commission and ensure that the policy financial support have a precision implementation to every household.

### ***2.3. Main Fields of Rural Industries Applied by Digital Inclusive Finance***

#### ***2.3.1. Construction of E-commerce Platform for Agricultural Products***

E-commerce platform has a relatively complete supply chain, and a huge amount of transaction and user information. It uses existing resources to introduce digital finance, and combine them to production and marketing channels and financial support for rural areas and peasant households [3]. For example, the e-commerce platform for agricultural products and agricultural materials built by the government are strongly professional, and such kinds of platform generally mainly focus on agricultural products with special characteristics with a huge transaction scale and have been spawned a series of ancillary services which provide support for online production and marketing of bulk agricultural products.

#### ***2.3.2. To Meet the Financing Needs for Leisure Tourism in Rural***

The early investment period of tourism industry is very long, showing that before the completion of construction, there is no operating income, large investment amount, and large demand for funds for the demand side. Some tourism projects have a long-time span to develop, slow cost recovery, high risks and a long time consuming and a high threshold set by commercial banks and other financial institutions in the loan, so that it is difficult for tourism labors to obtain adequate credit support. However, digital inclusive financial products provide broader financing channels to better meet the reasonable financing needs of tourism labors. In the process of digital inclusive finance supporting the development of tourism industry, credit institutions participate in the design process of tourism products, provide product consulting services, analyze the feasibility of project financing, so as to reduce risks.

#### ***2.3.3. Micro-credit Benefiting Agribusinesses and Peasant Household***

Digital inclusive finance was fixed for the first time in the No. 1 Central Document in 2021, in which it requires the development of digital inclusive finance in rural areas, supports cities and counties in building regionally shared agriculture-related credit information databases, and vigorously develops small credit payments for peasant household. With the support of digital technology, credit assets formed by the information such as transaction, logistics, payment in

rural can be a means of financial services. It can provide a strong guarantee for financial institutions' risk control if combined with big data such as rural land right confirmation, planting situation and agricultural subsidies. The digital inclusive financial model relies on big data and digital technology. Financial institutions can expand the scope of credit beyond the traditional credit system and recognition to rural enterprises and peasant households, who have no experience with the loan, innovation, and entrepreneurship, to truly realize inclusive digital finance in villages and families [4].

## **3. ANALYSIS OF THE IMPACT OF DIGITAL INCLUSIVE FINANCE ON SEVERAL RURAL INDUSTRIES**

### ***3.1. Extending the Industrial Chain of Agricultural Processing Industry***

In 2020, the gross output of agricultural processing industry and agriculture in China is far lower than that of developed countries, and the conversion rate of agricultural processing is nearly 18 percentage points lower than in developed nations. In July 2020, in order to accelerate the development of rural industries and promote comprehensive rural revitalization, the National Development Plan for Rural Industries (2020-2025) was issued by Ministry of Agriculture and Rural Affairs, which put forward six key tasks to promote the development of rural industries during the 14th Five-year Plan period, one of which was to improve the processing industry of agricultural products. According to the National Development Plan for Rural Industries (2020-2025), the development goal of China's agricultural product processing industry in 2025 is that China's agricultural product processing revenue is expected to reach 32 trillion yuan in 2025, with an average annual growth rate of 6.5%. The ratio of total output value of agricultural product processing industry to that of agriculture will increase from 2.3:1 to 2.8:1, and the conversion rate of agricultural product processing will increase from 67.5% to 80%. The above indicators will be significantly improved compared with 2020, but there is still a certain gap between the development level of agricultural processing industry in China and that of developed countries. Besides, the agricultural processing industry needs further innovative development.

Digital inclusive finance can make up for the development of processing industry for agricultural products in China, such as small scale, poor quality and underdevelopment, to promote China's agricultural product processing industry. Taking Chaoyang agricultural products processing industry as an example, it is not hard to find that the relative unity of the development model and service function of agricultural product processing industry in Chaoyang, which focuses on traditional industries, and the dominance of

agricultural and sideline food processing industry. However, the structure of agricultural product processing industry is at the primary processing level. The deep processing capacity of agricultural resources is obviously insufficient, and most of the agricultural resources are still in the stage of primary storage and processing, which belongs to the superficial primary processing with low industrial level. Besides, now it forms the status of high output value and low added value of products due to short industrial chain extension, low product quality specification [5]. Taking “industry and finance” as the concept, digital inclusive finance connects the traditional agricultural markets which are decentralized with modern digital technology. Based on the integration of logistics and capital flow information in the agricultural industry chain, the data and applications in the process of product circulation are collected, so as to reduce the circulation links of products, shorten the industrial chain, provide digital financial services matching the industrial chain, which can reduce the financing threshold and cost, and improve industrial efficiency [6].

### 3.2. Promoting the Development of Rural Tourism

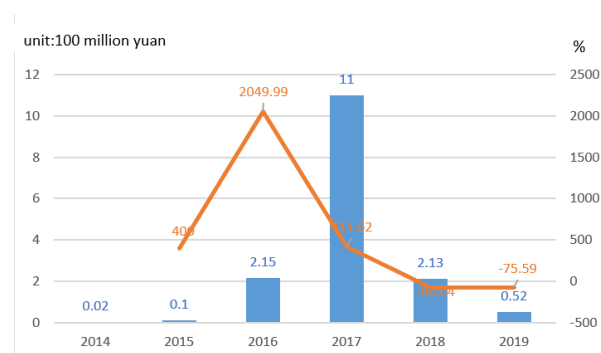
The financial services traditional inclusive finance provides are still limited by branches and business outlets through such kind of finance is inclusive. For investors who are engaged in rural tourism, substantial capital is required, and the temporary shortage of capital sometimes needs to finance by financial institutions. Small and medium scale enterprises are faced with difficult and expensive financing problems because of the lack of a good system to evaluate the risk ability of capital demanders in traditional financial system [7]. Breaking geographical limitations, digital inclusive finance makes it convenient for remote areas without outlets to access financial resources. At the same time, digital inclusive finance using digital technology assesses the credit level of the financing party more accurately and efficiently. In other words, it effectively reduces the financing difficulty of the capital demand side, and alleviates the possible funding gap of the builders originally engaged in the tourism, to promote the improvement of the construction of the rural tourism.

On the other hand, digital inclusive finance reduces the threshold of financial services and transaction costs, and promotes the personalized and customized development of financial services. And then it derives various new financial products. Digital inclusive finance has improved the consumption level of residents, that will increase the demand for tourism and other spiritual entertainment activities to a certain extent. From the perspective of consumers in tourism, consumption growth has become a major driving force behind the development of rural tourism. The themes of the supply and demand of rural tourism will further promote the

development of rural tourism after having enjoyed the benefits of digital inclusive finance.

### 3.3. Providing Innovative Financing Model for E-commerce in Rural

With rapidly expanding Internet technology, all kinds of enterprises relying on digital technology continually carry out technological and financial innovation, and are committed to developing new digital financial services, among which the e-commerce industry is the most representative and influential. E-commerce is one of the most rapid and largest fields in rural industry. In recent years, in response to national policies, rural e-commerce has been greatly popularized and developed. On the one hand, it can help peasant households overcome credit limits by merging digital inclusive finance with rural e-commerce, particularly for those who are decentralized and reliant on petty loans to apply for financial services. On the other hand, digital inclusive finance provides peasant households with a unified information service platform, which can provide timely entrepreneurial information, with digital technology. At the same time, digital inclusive finance is an effective means to solve the capital demand and payment settlement in the development of rural e-commerce because it breaks the limitations of physical financial service outlets with low costs. Finally, compared with the traditional financial transaction mode, digital inclusive finance improves the security of financing. What's more, farmers' e-commerce entrepreneurs are more likely to gain general recognition from the society.



**Figure1** Financing Amount and Growth Rate of Rural E-commerce Industry

(Photo credit: Original)

(Data Source: Web Economy Company)

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(The picture is not commercially available.)

Data showed that in 2019, China's rural e-commerce financing totaled 52 million yuan, down 75.59% year on year. The peak growth of rural e-commerce declined for two consecutive years in 2017, 2018 and 2019. From 2015 to 2019, the financing of rural e-commerce industry was 0.1 million yuan, 215 million yuan, 1.1 billion yuan,

213 million yuan and 52 million yuan respectively.

As one of the new agricultural operation subjects, rural e-commerce is located in rural areas and has imitations such as lack of collateral, limited commercial value, certain management risks. The petty loan, with no collateral warranties, emergency and convenience, is the most urgent and most in demand financial service for rural e-commerce. The big data micro-credit loan model refers to loans are made to capital demanders on the basis of big data and the individual characteristics and the transaction big data of capital demanders on the platform [8]. E-commerce companies integrate and upload the data of customers with large loan needs accumulated for banks to analyze and use. At the same time, banks share their small and micro business customers' data with e-commerce companies. And then e-commerce companies use big data to integrate customer information and lend funds to customers who can bring benefits and development for them. The problem of insufficient customer resources of e-commerce microfinance can be solved and its market share can be expanded in this model.

#### 4. NEW PATH TO DRIVE THE REVITALIZATION OF RURAL INDUSTRIES BY DIGITAL INCLUSIVE FINANCE

The revitalization of agriculture, rural areas and farmers is mainly reflected in three aspects including operation, service and production. There is still a lot of space for the development of related industries because of the limitations of digital inclusive finance in rural areas and the lack of a sound rural financial service system. It is of great significance to the realization of rural revitalization strategy to discuss the new path of digital inclusive finance driving the development and integration of rural industries and enhance the positive effect of that on industrial revitalization.

##### 4.1. Speeding up the Process of the Industry Digitalization

Using digital technology to promote the digitization of agriculture requires that make up the weak links in rural information construction as soon as possible, build a rural information collection system, and promote information construction and improve services in rural areas. Digital technology should be extended to rural industries, especially agriculture. We should strengthen support for digitalization of featured agricultural products, guide, plan and build digital agricultural industrial parks, and improve capabilities such as agricultural precision management, remote control and intelligent decision-making. We also need to improve the information system for sales integration of agricultural products, and encourage "Internet+" agricultural products to sell out of villages and into cities. Besides, we should support

leading enterprises and new business entities to carry out precision planting, promote intelligent agricultural machinery and the deep integration of digital technology with rural industries for it requires to strengthen the comprehensive application of agricultural big data. We should also promote the data collection of the whole chain of agricultural production, processing and circulation, establish intelligent agricultural databases, conduct data analysis and prediction, and guide agriculture to precisely produce and marketing.

##### 4.2. Spurring a New Mode of Rural Supply Chain Finance

Agricultural supply chain finance cooperates all resources to form a community of interests and develops many kinds of loan models based on actual trade or transaction which can reduce the credit constraints on peasant households and effectively improve the possibility of peasant households with low qualifications to obtain credit. It is difficult to hedge the individual risk of farmers. The problem of credit rationing of financial institutions is more serious. According to agricultural supply chain finance on real agricultural production and order transaction, it has advantages such as enterprise endorsement and closed-loop operation of funds in terms of peasant households financing, and is helpful to solve the financing problems of rural households, especially poor households [9]. It can turn individual high risks into manageable risks for the whole by supply chain finance chain to alleviate peasant households' financing difficulties, so that the poor can access financial resources, and then expand the scale of agricultural production.

Calculating according to the agricultural supply chain finance accounted for 5% (Note: The ratio of primary industry value added to GDP is approximately 5%) of China's supply chain finance, we can roughly obtain the scale data of China's rural supply chain finance market.

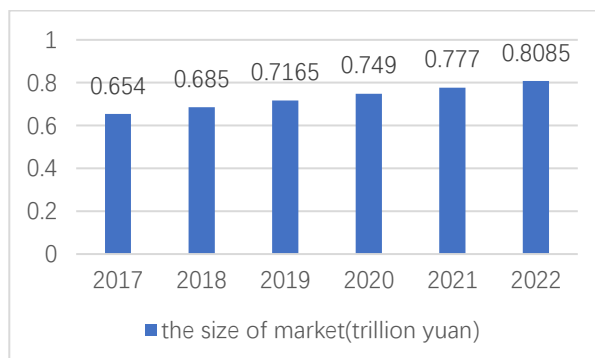


Figure 2 China's Rural Supply Chain Financial Market Scale

(Photo credit: Original)

(Data Source: Settled by Qianzhan Industrial Research Institute)



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As can be seen from the figure above, the scale of China's rural supply chain finance market is in a constant rising trend from 2017 to 2022. But its overall size is small, only a small part of the national market, showing that this model in rural areas is still in its infancy. And its pace of expansion has also been slow and the trend of rapid expansion has not yet emerged due to lack of publicity or policy support.

At present, supply chain finance is a credible path to practice digital inclusive finance which has developed to the stage of online supply chain finance platform. Taking the Internet platform + industrial chain integration model as an example, we can find that at present, large-scale and well-developed Internet platforms in the market have begun to develop rural financial services on the basis of e-commerce platforms. The advantages of large Internet platforms in developing rural supply chain finance are mainly reflected in two aspects: First, the platform has a large amount of transaction data. By accumulating a large amount of historical data of agricultural products, The platform uses big data technology to enhance the adequacy of market supply and demand, reduce the flow cost and ensure the authenticity of transactions. Second, form a closed loop of funds between the issuance and repayment of loans, with high controllability and low risk, which means that the interests of platforms and farmers can be guaranteed.

## 5. FINANCIAL INNOVATION HELPING REVITALIZE RURAL INDUSTRIES: TAKING SHENZHOU INFORMATION AS AN EXAMPLE

Shenzhou Information is a senior information construction company, supported by digital technology convergence applications including big data, IT, and, block chain, to develop an innovation model featuring "technology + data + scenarios". It is committed to using digital technology to achieve the transformation of inclusive finance, Fintech and digitalization of various industries [10].

### 5.1. Big Data Service Platform of Rural Finance

Take the big data service platform of Agriculture, Rural Areas and Farmers Finance developed by the company as an example for analysis. Driven by new technologies like big data, AI, Internet of Things, 4/5G and 3S, and based on the big database of finance for agriculture, rural areas and farmers, the platform conducts collection, fusion management, modeling analysis and application of agricultural and rural data, and supports the deep integration innovation of financial services and various agriculture-related application

scenarios, for example, industrial poverty alleviation, agricultural insurance, e-commerce of agricultural products, management of new business entities which are related to agricultural industry development, and farmers' credit investigation, credit evaluation, risk evaluation which are related to rural credit investigation. This platform is aim to build agricultural production and service system with advanced financial Fintech, help finance focus on rural key areas and weak links, to better meet the diversified and multi-level financial demand in rural revitalization, promote the integration of urban and rural, building inclusive, trade, industry, and rural development finance and agricultural rural credit reporting ecosystem in agriculture and rural areas.



**Figure 3** Product Functions of Big Data Service Platform of Agriculture, Rural Areas and Farmers

(Photo credit: Original)

According to the product function concept diagram, the big data service platform of Agriculture, Rural Areas and Farmers provides complete financial data services from data collection, management, analysis to application. It provides the data support for products and service innovation of financial institutions and guarantee companies. It also provides financial products and services of agriculture, rural areas and farmers by independently developed and cooperates with financial institutions to carry out joint innovation and research of financial services and products to expand the rural market and benefit agriculture, rural areas and farmers.

The platform will bring different value to different service objects. When it comes to financial and credit institutions, it mainly facilitates the innovation of various financial products and services for agriculture, rural areas and farmers, including portraits of financial subjects, rural credit investigation, credit evaluation or risk evaluation of agriculture, rural areas and farmers, digital credit investigation and digital risk control models. When it comes to rural areas, it markets for rural customers, expands business, and universal benefits for agriculture, rural areas and farmers. When it comes to general peasant households, it can fill in their credit investigation gap, and provide loans, insurance and capital carry forward services, to help them increase income and get rich. When it comes to agriculture-related enterprises, it can provide financial services to key links in the development of agricultural industrial chains such as production, supply

and marketing, with the focus on address the pain points including difficult, expensive and slow financing. When it comes to the government, it can improve the management system for investment management in rural areas, boost the flow of capital to the countryside, and accelerate the digitalization of agriculture and rural areas, to boost rural revitalization.

### ***5.2. Successful Cases: Building a National Tea Industry Big Data Center to Help Industrial Finance Development***

The tea industry chain not only involves many business entities but is long. The main demand of each link is complex and changeable. Therefore, Shenzhou Information construction single product big data, through the data portrait in whole industrial chain of single product, to achieve data integration and industrial chain information connectivity, which breaks the information gap in key links including produce, supply, and sales, to help financial capital to the rural. Shenzhou Information and Tea Research Institute of CAAS have jointly constructed the “1+3” big data center system, that is “national tea whole industry chain big data center + big data collection system + gig data mining and operating system + tea industry big data sharing service system”. This system forms a perfect data resource database for the whole industry chain of tea, modelling data, and finally builds multi-functional portal websites for different audiences such as the public, the government and tea business entities, which can realize the application analysis of key links including tea production, circulation, and consumption and the overview analysis of the national tea industry, to comprehensively promote the development and application of big data in the tea industry, and drive the high-quality development of the tea industry with big data [11].

### ***5.3. Case Inspiration***

The establishment of the tea industry big data information service platform has further improved the basic value and service value-added chain of tea. The former focuses on key links in the upper, middle and lower reaches of tea, horizontally integrates key business units into separate internal accounting, and forms an industry value chain with performance and profitability as the core. Value-added services focus on keys including tea surrounding industries, rural agriculture and characteristic towns, and build specific business segments including information services, tea futures, supply chain finance, block chain, educational tourism, education and scientific research, and the integration of industry and education to build industry brands and sustainable development. Use digital technology to solve practical issues in developing the chain of the tea industry, which can promote the innovation of digital supply chain, and promote the development of the industry. It plays a

significant role in promoting regional economy, helping real economy enterprises in rural revitalization get rid of operating difficulties and healthy development of industrial chain, which can help real economy steady recovery, and realizing coordinated development and innovation in regions.

## **6. SUGGESTIONS**

### ***6.1. Improving the Possibility and Convenience of Farmers' Loans***

Digital inclusive finance breaks the limitation of time and space, reducing transaction costs and improving the convenience of peasant households' loans. However, it is still necessary to further lower the threshold of bank lending and improve the availability of loan funds. We should establish advanced data tracking and analysis platform. For example, the bank collects more transaction information from peasant households through their bank card usage records and analyzes and evaluates their personal qualifications. Based on the transaction information of them in the past, a new credit evaluation mechanism can be established as a reference to appropriately reduce the requirements of the collateral, fill the credit gap of people in rural areas, and improve the possibility of people in rural areas to obtain credit [12].

### ***6.2. Establishing a Advanced Data Analysis and Tracking System to Ensure the Safety of Loan Funds***

Digital inclusive finance has changed the way of information dissemination, which means that through big data, more real and comprehensive information can be obtained, so that financial institutions can more accurately judge the credit level of farmers and the risk level of financial investment. Peasant households can be helped to make decisions to further improve the quality of agricultural development by the integration of agriculture-related information and big data. In addition, it is necessary to establish a public credit investigation platform dominated by the government and subjected by financial institutions to strengthen information sharing and alleviate information asymmetry. Enterprises and individuals with good credit shall lower their credit requirements and provide more credit support, and those with poor credit records shall be punished and their credit threshold shall be raised. For financial institutions, public and transparent credit records and a complete credit investigation system are conducive to alleviating information asymmetry and effectively avoiding adverse selection and free-riding. Banks are more willing to grant loans with confidence after knowing farmers' credit investigation [13]. For peasant households, the establishment of public credit investigation platform can help them understand the loan policies of banks, and they

are more inclined to borrow from banks than private lending, which has a positive role in alleviating their financing difficulties, and also has a certain constraint on their behaviors, to form a good mutual relationship.

### ***6.3. Expanding the Scale of Innovation and Entrepreneurship in Rural Areas***

Digital inclusive finance promotes the expansion of “Internet+” innovation and entrepreneurship, which develops the employment level in rural areas. Therefore, the positive role of digital inclusive finance in promoting employment and entrepreneurship should be further played. Precise measures should be taken according to the social and economic development level in different regions, especially the development level of traditional finance [14]. Traditional less-developed areas should focus on expanding the coverage of digital inclusive financial services, for example, build a digital inclusive financial ecosystem to optimize rural network infrastructure. On the other hand, digital finance education and publicity shall be provided to peasant households to enhance their understanding of digital financial products and services, which can improve the depth of use of digital inclusive finance and give play to the characteristics of convenience and inclusiveness of digital finance. Areas with more developed traditional finance shall start from the supply side, and make full use of intelligent means to enrich digital financial products and reduce the cost of digital financial transactions, to broaden the employment channels for peasant households, and provide more development possibilities for innovation and entrepreneurship.

### ***6.4. The Government Guiding the Rural Employment Healthy Development***

The government should not only improve the income of farmers in agricultural work from the level of public policy, but also consider the current situation of a large number of agricultural labor transformation. In the process of steadily promoting the development of rural digital inclusive finance, it is necessary to focus on how to expand employment and create more non-agricultural employment opportunities, and gradually eliminate the institutional obstacles of peasant labor transfer and change the inherent mindset [15]. At the same time, with the help of cutting-edge technologies such as digital technology and Internet technology, problems including asymmetric employment information and narrow employment channels in rural areas will be alleviated and diversified employment options will be provided for farmers.

## **7. CONCLUSION**

### ***7.1. Key findings***

This article discusses the impact of digital inclusive finance on the revitalization of rural industries. by comparing the financing scale, financing methods and difficulty of some rural industries before and after the development of digital inclusive finance. Besides, the paper takes the big data service platform of agriculture, rural areas and farmers developed by Shenzhou Information as an example to study the digital services it provides for the development of rural tea industry. The main conclusions can be get as follows: On the one hand, digital inclusive finance mainly plays its positive effect on the agricultural industry, rural tourism and rural e-commerce by reducing the costs of commercial bank financial services, controlling the loan amount and risk, and creating new rural financing model, to alleviate financial exclusion in rural areas, and promote rural industries. Digital rural industry and rural financial supply chain, on the other hand, as a new path of rural industries, needs digital inclusive finance as a support, so we should consider the situation of development of industry, coordinate development of the digital inclusive finance and its specific financing needs, according to different needs to build a financing mode innovation which is highly targeted, high safety, high efficiency and convenient. We will promote the sound development of industries in rural areas so as to realize rural revitalization at an early date.

### ***7.2. Future studies***

It is necessary for all sectors of the industry and the government to jointly improve its operation mechanism for how digital inclusive finance can further be a positive factor in rural industries. The development and application of digital inclusive finance relies on big data analysis, which mainly faces two major problems including information completeness and security.

Firstly, it is urgent to solve the problem of incomplete information collection. The regional public credit information sharing platform construction is relatively backward. However, there has not yet establish inclusive financial service center or information platform, to realize data sharing with accumulation fund, tax, finance and other departments. Banks cannot collect data, make a loan approval independently, while inclusive finance also cannot have a comprehensive evaluation of the rural credit and reliability of the user.

Secondly, it is necessary to establish and improve the regulatory system of digital inclusive finance. Rural financial institutions mainly have the businesses including support agriculture, small businesses and micro businesses. Because of their own weakness and relatively high risk, the development of digital inclusive finance is objectively restricted. It is a key issue for future research on how to improve the inclusive digital financial



regulatory system, build a coordinated regulatory mechanism, and jointly prevent financial risks caused by the intersection of digital technology and financial services.

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