

Research on University Students' Financial Management under the Background of Internet Finance

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Abstract: With the rapid development of the digital economy, university students, as a special group, are receiving increasing attention in the current financial consumer market. University students, as the main group in the Internet era, are large in scale and frequently used Internet. Internet finance has a subtle impact on university students' understanding of financial management. Based on the development background of Internet finance, this paper points out that college students have low risk tolerance, lack of financial knowledge, and blocked information sources. Then this paper proposes that college students should reasonably allocate their own funds, actively learn financial knowledge, and make full use of network information. The paper aims to standardize the investment and financial behavior of university students, help improve their financial abilities, and guide the healthy development of investment and financial management among university students.

1. Introduction

In recent years, with the rapid development of Internet technology and electronic technology, Internet technology has fully penetrated into the financial industry, greatly reducing the time and cost of financial transactions, and expanding the boundaries and markets of services. The advantages of Internet finance are favored, and gradually become an indispensable tool and payment method for people. The Internet will promote the financial industry into a new era.

In the context of the Internet financial era, the traditional financial model has been unable to meet people's growing demand for better development, and the Internet financial model has been favored by more and more people ^[1]. Internet finance refers to a new financial business model in which traditional financial institutions and Internet enterprises use Internet technology and information communication technology to realize financing, payment, investment and information intermediary services. It is an emerging field combining the traditional financial industry with Internet technology. It is a new model and new business that is naturally generated to meet new needs after being familiar and accepted by users on the level of network technology such as security and mobile.

In the context of today's networked era, the network economy is also rapidly changing with the rapid development of technology, and the inherent advantages brought by these technologies also determine that they will rapidly change with the development of technology, constantly moving

towards new fields. In the situation where the development trend of the future financial market cannot be fully predicted, as the main force in the development of the future financial field, university students' understanding of online finance is related to the development of the future social financial industry. Therefore, it is very important to study the current situation of university students' financial management in the context of Internet finance and guide them to establish correct financial management concepts.

2. Analysis of University Students' Financial Environment under the Background of Internet Finance

2.1 Growth of Available Wealth Management Funds

The vast majority of university students do not have work income, and the main source of funding is the living expenses provided by their parents. Only a small number of university students have additional income from working and scholarships and other reward funds. Among them, the monthly living expenses of most university students are around 1000-1500 yuan, and a small number of university students can reach 2000 yuan or more. Almost no student's monthly living expenses are less than 1000 yuan. Nowadays, in this era of Internet finance with rapid economic development, people's living standards are constantly improving, and university students' idle funds used for financial management have also been greatly improved. At the same time, a variety of Internet financial products have been launched, making more and more university students from bank savings to use Internet financial products to obtain interest income. Now more and more university students want to invest more idle funds in Internet financial management, which shows that Internet financial management is gradually infiltrating into university students' financial management concepts.

2.2 Diversified Selection of Financial Products

Before the era of Internet finance, there were few products that university students could use for financial management. The main way of financial management was bank savings, which was relatively simple. Moreover, bank savings was not convenient and fast for university students, nor could it arouse their interest in financial management. With the advent of the Internet financial era, more and more Internet financial financing channels have emerged around the "Internet+", attracting the interest of many university students, making the financial management methods available to university students become diversified, such as using online financial products such as Yu'e Bao, Zero Money Connect, and Financial Connect, among which the most popular financial management method for university students is to use Yu'e Bao for online financial management^[2]. Because of the emergence of various Internet financial products, university students' choices have become diversified. The Internet financial products have various functions and are easy to use. Therefore, university students are gradually interested in financial management and pay more attention to financial management^[3].

2.3 Gradual Formation of Financial Management Awareness

With the advent of the Internet financial era, university students' idle funds have gradually increased, making them willing and able to invest more funds in financial management. At the same time, Internet financial products have mushroomed in the Internet era. These diversified financial products have gradually attracted the attention of university students, so that university students who had no idea of financial management have formed a certain sense of financial management. At

the same time, through these financial products, we can understand some knowledge related to financial management, so that university students' financial management concept is gradually strengthened, and gradually understand the importance of financial management. However, due to the lack of systematic learning of financial management knowledge among university students in school, there is still a lack of financial awareness and ability.

3. The Overall Situation of Financial Management for University Students

With the development of the social economy, people's concept of financial management is becoming stronger and stronger. As a special group in contemporary society, university students with good financial management skills are also an essential skill. Students who enter university are filled with curiosity and excitement, but they are also prone to encountering many discomforts and confusions. So, how to better manage your material wealth, plan your college life reasonably, manage every penny well, and enable you to manage your finances and plan your life reasonably under limited material wealth, so that money can generate money and allow you to enjoy the joy of life under limited material wealth.

Before the era of Internet finance, there were limited ways of financing suitable for university students. The way of financing commonly used by university students was bank savings. Most university students were basically unable to achieve economic independence, let alone a stable source of income. The main source of funds was the living expenses given by their parents. A small number of students had work study, part-time income, scholarships and other capital income, but could not replace the living expenses given by their parents. Due to the influence of the historical background, people's living standards are generally low, so there are very few funds that can be used for financial management, and most of them directly obtain interest income through bank savings^[4]. Moreover, most university students have not developed a certain level of financial awareness. Firstly, due to limited idle funds, and secondly, they have not found suitable financial products, resulting in a relatively weak financial concept among university students. And because university students mainly manage their finances through bank savings, with a single range of financial products, most of them have weak financial awareness and lack financial knowledge, and have not formed a correct financial concept^[5]. Now, in the Internet financial environment, university students are affected by family, society and a variety of emerging financial products and other factors, and gradually form their own financial concept from no financial concept. However, due to the relatively weak financial awareness of university students and the lack of financial knowledge and ability, university students' personal consumption expenditure is not planned, consumption is not rational, consumption structure is unreasonable, and there is no personal financial goals and planning, so the formed financial concept does not conform to the Internet financial environment.

Nowadays, as a special consumer group under the Internet financial environment, contemporary university students have special consumption psychology and habits due to their age, school education and campus environment, which makes them form different financial concepts. However, due to the weak financial awareness, lack of financial knowledge, and lack of financial experience among university students, there are some problems and deficiencies in the financial concepts formed by them. Cultivating correct financial concepts can directly affect the formation and development of university students' worldviews. Therefore, the research on the current situation of university students' financial management in the context of Internet finance and financial suggestions has helped contemporary university students to plan their living expenses reasonably, and how to manage their financial affairs reasonably has provided a safe environment and practical foundation. As a new force in the new era and an important part of the society, university students,

in the context of the rapid development of Internet finance, have high research value and the urgency of in-depth development. They are committed to promoting the integration of knowledge and practice, and better and more efficient investment in financial technology services.

4. Analysis of University Students' Financial Problems in the Context of Internet Finance

4.1 Insufficient Remaining Disposable Funds and Low Risk Tolerance in Financial Management

According to the survey results, the main source of income for university students is the living expenses provided by their parents, with the majority of living expenses ranging from 1000 to 1500 yuan, and living expenses accounting for over 90%. Their lower income level determines that their main expenses are only for clothing, food, housing, and transportation, and they are unable to allocate a large amount of funds for financial investment. In addition, due to the relatively heavy academic burden on university students, there is great uncertainty and instability in the income of part-time jobs outside of school. Scholarships also have problems such as small amounts and long acquisition cycles, resulting in significant income instability. This leads to less disposable funds for university students, less investment and financial management, and lower risk tolerance, resulting in a significant decrease in the willingness, ability, and scope of financial management for some students.

4.2 Weak Financial Awareness and Lack of Financial Knowledge

Most university students lack the correct consumption concept, are relatively casual, and have many unreasonable consumption problems. Moreover, most of them do not have the correct concept of financial management, and even if they have surplus living expenses, they will not use these funds for investment and financial management. It can be seen that university students have not formed an effective understanding of investment and financial management. The main reason why university students have a low understanding of investment and financial activities is that they are still in the campus and have insufficient understanding of financial management. They also lack sufficient understanding of future career planning and living arrangements, and cannot recognize the importance of investment. However, most university students want to improve their consumption level. Driven by this ideology, some university students are exposed to campus loans, which ultimately leads to financial ruin and financial ruin.

Nowadays, the Internet is developing rapidly, but before that, there were few financing channels for the masses in China, mainly including bank deposits and stocks. Bank deposits can be said to be investments made by every resident in China who makes deposits, but the returns on bank deposits are relatively low. For university students who have low disposable funds, the biggest role of deposits is not investment, but to ensure the safe custody of funds. The second main investment path for university students is stock investment, but it is well known that the stock market is highly volatile, and even experienced investors find it difficult to grasp the market trends, let alone university students who have limited knowledge of the stock market. Therefore, for university students, although stock investment may bring higher returns, its risk is directly proportional, so stock investment is not suitable for university students to invest. Compared to fund investments with slightly lower returns but significantly reduced risks, the vast majority of students do not have sufficient understanding ^[6].

4.3 Few Channels for Understanding Relevant Information and Limited Sources of Information

Affected by the surrounding environment and their own professional knowledge, students studying at a finance and economics university often pay attention to the price trends of financial products, and actively understand the market trends and product types of wealth management. We will also actively pay attention to relevant securities websites, financial wealth management apps, etc., conduct simulation operations or practical training, actively familiarize ourselves with corresponding wealth management rules and requirements, and master some rules and operational skills of the financial market. For students in other universities, the school offers fewer courses on financial management, which makes students less familiar with this knowledge. In the face of the Internet world with complex information, it is difficult to grasp the authenticity of information. In the face of numerous information and wide effects, it is difficult to grasp the authenticity of information, which leads to a relatively simple grasp of relevant financial management knowledge, and less understanding of the source and understanding of financial products. This phenomenon can lead to high financial risks and easily fall into the trap of financial fraud.

5. Financial Strategies for University Students in the Context of Internet Finance

5.1 Reasonably Allocate self-owned Funds and Cultivate Good Financial Management Habits

Most university students have no spending plans and are accustomed to spending money freely, often leading to impulsive spending. This leads to less wealth accumulation among university students, resulting in a corresponding decrease in investment and financial management. In response to the above issues, students should be aware of the seriousness of the problem. University students should pay attention to accounting details, understand their monthly fund allocation, learn to summarize and pay attention to each expenditure, in order to cultivate good investment and financial habits. Schools should actively organize some work-study program to help students experience that money doesn't come easy, learn to consume in a planned manner, not blindly follow trends and compare, and maximize the strengthening of students' investment and financial awareness, cultivating good investment and financial habits.

5.2 Actively Learn Financial Management Knowledge and Avoid Blindly Following the Trend

According to survey research, most students have a problem of insufficient understanding of financial management knowledge, unable to develop corresponding financial plans based on their own situation, and blindly following the trend to purchase hot selling products in the market. Therefore, university students should also make full use of school resources, the Internet and other platforms to constantly learn financial knowledge and improve their professional quality. They can also actively participate in some competitions related to investment and financial management to accumulate experience. During these processes, one can gain a deeper understanding of their own situation and develop financial planning that is more practical and reasonable. It is also possible to analyze and understand some possible financial traps, reduce one's own losses, make full use of various simulation competitions, constantly distinguish the authenticity of information in a simulated real trading environment, judge the price trend of financial products, accumulate corresponding financial management skills and methods, strive to accumulate knowledge and experience in campus, and better manage finances.

5.3 Master Investment and Financial Management Skills and Fully Utilize Online Information

The development and application of Internet finance, to a certain extent, provide people with many convenient services, but there are also many financial traps, resulting in many people who have less access to relevant professional knowledge have difficulty judging some financial risks and finally lead to various degrees of property losses. Therefore, it is necessary to summarize some investment and financing skills in practice, make full use of the advantages of Internet interactive information, extensively consult materials, accumulate experience, and avoid risks to a certain extent. For example, the most common financial management method among university students is to purchase funds, and based on the current trend of funds in 2021, most funds have a downward trend. It is not difficult to see from the declining funds that some newly established funds with short operating periods have shown a continuous downward trend in recent years, which means buying such funds with caution. In addition, investing in stocks is also one of the financial management methods for many contemporary university students. However, there is often more uncertainty in stocks, and there may occasionally be sudden rises or falls. At this time, it is necessary to maintain a calm mind, think rationally, carefully analyze its trend, be vigilant, and avoid being caught in traps due to temporary success, and also avoid giving up and falling into shadows due to temporary failure. The most important thing is that both purchasing funds and stocks have a certain degree of periodicity. It is necessary to regularly observe their trends, conduct rational analysis. We can not just focus on immediate benefits and overlook long-term benefits. We also can't blindly purchase financial products with short cycles and high returns.

6. Conclusion

To sum up, in the era of rapid development of Internet finance, the ability of investment and financing has become the core competitiveness of university students, which will have a profound impact on their future development. Therefore, the Internet financial management platform should design financial products that meet the development needs of university students, constantly carry out financial innovation, build a new platform to help the transformation of the digital economy, inject fresh blood into the platform, help the Internet financial industry develop stably for a long time, continue to promote the standardization, intelligence, specialization and popularization of financial projects, and promote the innovative development of financial technology. At the same time, university students should invest rationally, use financial products correctly, and do a good job in risk prevention and control, so that their money can be scientifically and reasonably planned, arranged, and managed to achieve maximum benefits and create more wealth for society and individuals. At the same time, universities should strengthen the teaching of financial management knowledge, add relevant elective courses, and cultivate students' financial management abilities; The government should start with institutional measures and regulatory efforts to ensure the supervision and guarantee of investment and wealth management throughout society; National institutions should also safeguard the development of university students, create a good investment and financial environment, standardize corresponding platforms, eliminate financial fraud, avoid financial risks, and improve their investment and financial capabilities.

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