Discussion on the Concept and Model of New Retail Energy Finance

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Abstract. The development of intelligent and automated information technologies such as 5G and blockchain has provided development conditions for new retails in energy finance. At present, State Grid Corporation of China is vigorously promotes the construction of ubiquitous power Internet of Things, and takes the function of revitalizing the power supply business hall and the innovative side-by-side service mode of electricity generation as the starting point to create a new “hub-type, platform-type, shared-type” energy finance retail business. But however, the current concept of new retail energy finance is still unclear, and the plan is still unclear. Through a large number of capital collections, research and interviews, the project team discussed the concept, necessity and mode of the new energy retailing retail for reference!

Keywords: Energy finance; Information technology; New retail; Model.

1. The Concept and Connotation of New Retail Energy Finance

In October 2016, Alibaba proposed the concept of “new retail”: the combination of online and offline depth, through the integration of modern intelligent logistics, highly integrated with big data, cloud computing and other innovative technologies, realizing the integrated integration from customer demand to logistics warehousing, production and manufacturing. Energy finance is to involve finance more comprehensively and deeply into the development of the energy industry, especially to embed the genes of financial innovation into the energy industry, and to exert the keen effect of finance on resource allocation, making it the main driving force for promoting high-quality energy development. With the development of the Internet, the adjustment of energy industry institutions, and the innovation of financial services, the connotation of new retail of energy finance is also expanding. The research team believes that the new energy finance retail in the narrow sense is based on the power business hall to carry out financial business. This service is one-way and information asymmetrical. In the broad sense, the new retail of energy finance is to embed financial in the process of upgrading the national energy structure, integrate it into the process of sales and service of energy-related products, revitalize the power supply business hall, maximize the endowment of energy resources, and maximize the efficiency of operation. And through the optimal implementation form to meet customer needs, to achieve customer value and corporate value added, while enabling the system to achieve a total profitable goal of the overall solution.

2. The Necessity Analysis of New Retail Energy Finance

(1) Promoting energy finance New retail is an important way to adapt to the new trend of integration of industry and finance in central enterprises. The report of the 19th National Congress of the Communist Party of China stated that it is necessary to deepen the reform of the financial system and enhance the economic capabilities of financial services. The combination of industry and finance is a combination of financial capital and industrial capital, and it is an inevitable trend for the central
enterprises to become better and stronger in the future. In recent years, central enterprises have achieved many positive results in the integration of industry and finance, and in promoting production, and have developed a variety of new models of integration of industry and finance. In this context, the development of new retail energy finance, the use of energy resources endowment to provide comprehensive and professional financial services to the society, to maximize the energy allocation efficiency of the energy industry and the efficiency of the use of financial capital, is an effective way to adapt to the new trend of combining production and integration of central enterprises.

(2) Promoting energy finance New retail is an effective measure for the company to cope with external competition pressure and maintain competitive advantage. The new round of power system upholds "controlling the middle and releasing the two ends", demanding to adhere to the market direction, gradually introducing the power sales business, further introducing competition, improving the operation mechanism of the electricity market, and encouraging more and more market participants to participate in the sale. In the electricity market, the distribution business will be developed in a mixed-ownership manner, and the incremental power distribution investment business will be released to eligible market entities. In the future, in the field of placing electricity business, the company will directly compete with social capital and face greater external competitive pressure. Promoting energy finance New retail can take advantage of the company's leadership and influence in the industry, and use its own advantages to achieve business model innovation, thereby maintaining competitive advantage and responding to external environmental changes.

(3) Promoting energy finance New retail can create new profit growth points for the company. At present, the company faces greater pressure on profit growth and needs to continuously innovate its business model and find new profit growth points. On the one hand, the reform of the power system introduced the external market competition mechanism, which weakened the company's profit margin in the field of power distribution; on the other hand, as a public utility enterprise, the company assumed a large amount of social responsibility and has been continuously policy-oriented for the past two years. The price cuts continue to compress the company's profit margins, making the company's continued development facing challenges. Energy Finance New retail is a business model innovation based on the company's existing resources. The new retail approach can promote the rapid development of the company's financial sector, thus providing a new growth engine for the company as a whole.

(4) The development of science and technology provides technical support and development opportunities for new retail of energy finance, and also puts forward realistic and urgent requirements for new retail of energy finance. At present, the development of new generation information technologies such as mobile Internet, cloud computing, and Internet of Things is integrated with modern manufacturing and traditional industries. The development of technology has changed the original one-way “production-consumption” relationship, and consumers are no longer limited, instead, it can influence the supply of products by upstream producers through individualized and diverse needs. On the one hand, the development of technology has provided technical conditions for new retail of energy finance, which has spawned the development of new retail of energy finance. On the other hand, technology application has the characteristics of short conversion time and fast iteration. If it cannot keep up with technology development, it will promote energy finance. New retail, innovative sales model of existing financial products, will be in a competitive disadvantage in the industry, facing the risk of being eliminated.

(5) New retail of energy finance has positively promoted the development of energy Internet enterprises and the construction of ubiquitous power Internet of Things. With the implementation of the energy Internet strategy and the ubiquitous development of the power Internet of Things, the company's financial industry needs to continuously innovate business models in serving the main grid and service energy industries, giving full play to the functions and values of industry and finance, and strengthening risk prevention and control of financial business. Since the establishment of the company's financial industry, the “main service industry” has been the primary position, and the ability to serve the main business of the power grid has been continuously improved in terms of fund management, internal and external financing, and insurance protection. Under the situation that the energy Internet and the ubiquitous power Internet of Things continue to develop in depth, the company's financial industry should give full play to the company's core hub advantages in the power
grid industry chain, provide targeted financial services, and innovate financial products and models. The development of new retail energy finance can provide a good foundation for further unlocking business potential and expanding profitability in the future.

3. New Energy Retail Selection Model of the Company

(1) Analysis of organizational patterns

At present, based on the business system with the traditional power supply service as the core, the company has vigorously expanded the ubiquitous power Internet of Things emerging business. Energy Finance New retail needs to build an interactive, network-based, multi-dimensional organizational structure that fits the business development model in a new context. The design is as follows from the two phases of the near and the future.

Recent Program: Establishing the New Retail Management Working Group of Energy Finance

Established a new retail management team for energy finance, including personnel from relevant departments of the provincial company, relevant personnel of the Yingda Finance Department, and relevant personnel of the electric vehicle company. The management work meeting was held regularly, and the marketing department of the headquarters could send relevant personnel to participate. The basic structure.

The working mechanism of this program is to uniformly exchange, research, formulate and deploy corresponding management work in the form of convening working meetings, and all relevant departments work together. Specifically, it includes: 1 the specific transformation plan of the business hall and the functional area configuration; 2 the collaborative work plan of each business system of the business hall; 3 the overall training, incentive and emergency plan system of the business hall.

Long-term plan: create a matrix organization structure

Evolved from the management working group, through the integration of all business personnel in the business hall, all business integration training, strengthen communication, collaboration and cooperation; give full play to the effectiveness of the business hall ecosystem.

The working mechanism of this organization design mainly includes the following characteristics: First, the organizational platform is higher, the internal resources of the system can be more comprehensively integrated, and the working mechanism of efficient and smooth operation can be established quickly and effectively. The second is to be able to achieve a higher level of direct dialogue, thereby enhancing the right to speak in professional dialogue between formats. The third is to strengthen the ability to communicate internally and externally. At present, the company's industrial and financial business is highly correlated with the main business, which helps the company to accurately locate the role of different businesses in the company.

(2) Analysis of business model

Through the service flow, business flow and capital flow, the power business hall is activated to create an electric business environment ecosystem. First, the business category: through the integration of various businesses into the network, to achieve business, I have you, you have me; second, the service flow: refers to the spread and flow of services generated in various stages of the business, including pre-, in-, and post-event phases. The service content includes both physical services and value-added services. Third, the flow of funds includes both the flow of funds between members and the transfer of physical goods and their ownership, as well as financial products provided by financial institutions to companies/individuals that require funds. The retail energy finance system operation model shown as below.
(3) Analysis of platform mode

At present, the company has platforms such as State Grid Mall, “Electronic e-Link”, “State Grid Business Travel”, “Love Ruyi” and other platforms, focusing on new retail business. The company has platforms such as “Electronic E-Link” and “Huonong Gang”. Most of the platforms are independent construction, and users, professions, and channel resources are relatively scattered. The scale, flow, data, and brand have not yet formed a synergistic amplification effect. The future platform design takes the service company's “three-type and two-network” modern enterprise construction as the fundamental requirement, taking the function of revitalizing the power supply business hall and the innovative power-side marginal service mode as the starting point, taking “online + offline + data system” as the means to launch new energy retail business. Through finance as a convergence point, we will build a comprehensive new platform for all parties, value sharing, efficient interaction, and convenient interconnection. From decentralization to intensiveness is the direction of future development.

The first is to unify service channels and user portals. Based on the enterprise portal and mobile application platform of the integrated platform, establish a unified access portal for the e-commerce business application system, and promote the entry sharing and user diversion of the existing platforms. The second is to coordinate customer management and data analysis. According to the common needs of business and customers, we manage, mine and share data such as supplier credit, customer service and behavior, and give play to the value support of the company's data assets for various business services. The third is to optimize business service processes. Starting from meeting user needs and improving user experience, we will continue to improve and optimize existing business and service processes, and provide one-stop service and system solutions for users in combination with "Internet +".

(4) Product model analysis

For the products covered by the energy finance “new retail” business and the corresponding services, a unified product service portfolio system is constructed according to the product service supply-sales-after-sales chain. Products include financing products, including receivables financing, prepaid financing, inventory financing, insurance products, and asset management products. The two-step model of the product. The first phase is mainly based on electricity/energy, designing financial products that are strongly related to electricity/energy, opening up the market and implementing the strategy of “marketing for capital”; the second phase fully spreads the company's financial products.

The first is to embed finance into the "window" of the business hall. For private business, the customer pre-stores a certain amount of electricity charges, and can freely donate the property and insurance related to the electricity and the customer; in the business related to the electricity fee, the peer-to-peer marketing securities and fund-based financial products; for the public business, for example In the process of implementing the expansion business of the customer industry, the company provides financing services to customers. For the analysis of electricity consumption of the group customers, some new types of electricity-value-added financial service products are designed in a targeted manner.
On the one hand, it can save money for customers, and on the other hand, it brings value to the enterprise and achieves a win-win goal. The second is to embed financial into the products and corresponding services covered by the new “new retail” business, the first phase to provide financial services related to products (industry chain related financial services); the second phase to provide extended financial services (all Financial product services). In the electric vehicle system, finance can play a capital advantage, expand the purchase volume by reducing funds, reduce product procurement costs, provide professional financing and loan services to customers, and provide auto insurance services to customers by utilizing the company's professional and brand advantages; In the networked home appliance system. By signing a financial service agreement with well-known smart IoT home appliance manufacturers at home and abroad, customers who purchase smart home appliances prefer YingDa financing. Bundling the company's financial products with smart home appliances. For example, if customers purchase smart home appliances to different levels, they will give different types of financial products (property insurance, life insurance, etc.). Small-scale genuine home appliances system, can be point-to-point precision marketing, develop financial products and services related to electricity / energy; precision poverty alleviation agricultural products system. On the one hand, it will intervene in the supply area and provide financing assistance. On the other hand, customers can give poverty alleviation products when purchasing/investing a certain amount of financial products or services.

(5) Analysis of profit model

The profit in the power business circle ecosystem mainly includes the main business (electricity fee + industry expansion report, etc.), financial institutions and four new formats of profit. The profits of these three types of enterprises promote each other and develop together. The profit model of the main business includes the existing profit, as well as the profit from the increase in electricity consumption caused by the potential increase in electricity consumption such as electric vehicles, smart appliances, and rural electrification, and the service cost of adding financial services in the process.

The profit of financial institutions is combined with the company's power basic data resources to classify the qualifications of customers and design targeted financial service products for different customers. In the initial stage, service customers mainly used electricity-related related financial products to occupy the market and train customers' viscosity. With the cultivation of the market, diversified financial products provide diversified services to realize value added. For the four new formats involving related financial products, financial institutions and the four formats expand the market by sharing customers and sharing profits, reducing unit costs through transaction volume increase, and increasing product profit margins. The Solution overall framework of new retail energy finance shown as below.

**Figure 2.** The solution overall framework of new retail energy finance.
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