

Research on the Intelligent Risk Control Optimization in Internet Finance Companies based on the Lazy Economy Point of View

Zhang Chiyutao

Wuxi Taihu University, Wuxi City, Jiangsu Province, China

1851059027@qq.com

ABSTRACT

This study adopts the “lazy economy” as its research framework, operationalizing the degree of exposure to the lazy economy through two observable variables: consumer behavioral dependency and digital service penetration. Using bad debt rates, risk capital, complaint rates, and the number of regulatory penalties as corporate risk metrics, the study empirically examines the impact of the lazy economy on the risks faced by internet finance firms and investigates the moderating role of intelligent risk control. The findings indicate that the higher the exposure to the “lazy economy,” the higher the risk level of internet finance enterprises; intelligent risk control exerts a significant negative moderating effect, effectively mitigating the risk shocks caused by the “lazy economy.” Finally, based on the research conclusions, this paper proposes optimization strategies for intelligent risk control in internet finance enterprises, providing practical guidance for the industry’s sound development.

Keywords: “Lazy Economy”; Internet Finance Enterprise Risk; Intelligent Risk Control in Internet Finance Enterprises

1. INTRODUCTION

Under the influence of digital technology, the steady enhancement of the household consumption power, and the more effective functioning of society, the philosophy of consumption has been developing constantly. More people are putting more emphasis on convenience and experiential lifestyle, with an increasing number of consumers being prepared to spend money to save time and make their lives more efficient, thus leading to a better quality of life. The concept of the lazy economy has spread to the financial services industry, and is now a major source of change in the internet finance industry. Nevertheless, during its process of growing its user base and business size, it also introduced a considerable amount of hidden hazards. The financial behaviors that arise in the context of the “lazy economy,” which include frequent, low-value transactions, fast credit approval, low-decision making, and high dependence, are vulnerable to causing problems, including credit default growth, the slow identification of risk control, compliance pressure, and increased complaints and penalties, and directly affect the operating stability of enterprises and the sustainable development of the industry. In light of this situation, what is a scientific approach to identifying, measuring, and eliminating the dangers associated with the so-called “lazy economy” has become a burning practical issue of the internet finance companies.

At present, there is an active research activity in both academia and the industry related to the “lazy economy”, internet finance risks, and intelligent risk control. The available literature mainly addresses the consumption features, business models, and social consequences of the “lazy economy,” or alternatively, addresses the reasons behind the occurrence of internet finance risks and the efficacy of intelligent risk control technologies. As an example, Xiao Ming chao stated that under the trend of consumption upgrade, people’s demands of the quality of life are getting higher and higher^[1]. The “lazy economy” is no longer like the “efficiency laziness” of the past, where people have no time to cook instant noodles, but has transformed into today’s laziness in pursuit of a better enjoyment of life. Xie Ping et al. suggest that in the case of internet finance, it must be developed through supervision, enabling growth under the constraints of a bottom-line mentality and regulatory red lines^[2]. According to Wang Qiufei et al., the application of big data to business analysis and processing has become commonplace in most businesses^[3]. Cheng Ping et al. formulate and build a technical architecture of enterprise big data intelligent risk control by incorporating emerging technologies like big data and artificial intelligence^[4]. Li Xiaoqing has established a complete intelligent risk control system involving banking risks with the help of the concept of big data and AI^[5]. Nonetheless, there are two significant weaknesses: Firstly, there is no working definition or quantitative evaluation of the exposure level of the lazy economy: there is a gap in the empirical structure of translating the abstracts into observable and measurable factors, so it is not easy to evaluate its real-world impact on corporate risk; Secondly, the current studies tend to be narrow focused on what risk is or how strong the technology is, without causal experiments that would bring together the concept of the lazy economy, corporate risk, and intelligent risk control into a

holistic analytical scheme. It cannot thus adequately demonstrate whether intelligent risk control is a mediator between the lazy economy and corporate risk or explain the underlying mechanism, thus leaving a gap in research.

In view of these practical requirements and conceptual gaps, the research paper will address the following two central questions: Firstly, how to operationalize the extent of exposure to the “lazy economy” to measurable variables in order to quantify its effects on the financial sector; and secondly, if intelligent risk control can be an effective way of reducing corporate risk and can be regarded as a stable mechanism to reduce risks related to the “lazy economy”. To answer these questions, this study defines the degree of exposure to the “lazy economy” by two main observable measures, which are consumer dependence on behavior (instant-fulfillment consumption proportion) and the level of penetration of digital services (data aggregation in a single ecosystem). Such variables are applied to measure the extent of exposure to the “lazy economy” in financial situations in a given timeframe. Two indicators are used to measure corporate risk, namely, bad debt ratio and user complaint rate. At the same time, intelligent risk control is taken as a moderating variable to create a moderated causal model, evaluating the primary effect of “lazy economy” exposure on corporate risk, as well as the moderating effect of intelligent risk control on this relationship.

Through comparison of enterprise risks across different levels of risk control using empirical information, the paper demonstrates the concept of buffer of intelligent risk control under the framework of the lazy economy and its practical implications in the reduction of bad debt, stabilization of risk capital, and reduction of complaints. On this basis, and through the combination of the behavioral features of the lazy economy and risk transmission reasoning, the research suggests specific optimization approaches to intelligent risk control that can be used by internet finance companies to theoretically support and practically guide them in improving their abilities to prevent and control risks and have sound operations.

2. DEFINITION OF CORE CONCEPTS

2.1 Degree of Exposure to the “Lazy Economy”

It is a key indicator that indicates the level of the impact of the so-called lazy economy on the activities in the internet finance business. In this paper, it is operationalized as two observable aspects with the precise definitions being:

Consumer Behavioral Dependency: This concept relates to how much a consumer depends on accessible financial services in the form of instant fulfillment and one-click processing. It can be calculated by the percentage of financial spending that includes instant fulfillment with greater percentages indicating more significant behavioral aspects of the so-called “lazy economy.”

Penetration of Digital Services: It indicates how much data is aggregated and what services are covered in the context of consumption, credit, and payment situations in any internet finance ecosystem. It is an indicator of the extent to which the ecosystem can anchor users financial behavior; more data aggregation means greater penetration of the so-called lazy economy.

2.2 Risks Faced by Internet Finance Companies

In view of the nature of the risk transmission inherent in the so-called lazy economy, this paper has identified risks in four aspects, namely, operational, capital, reputation, and compliance. They are both loss of operation and negative effects caused by companies simplification of their processes and their reduced control of risks to suit the “lazy economy” model: The bad debt ratio is an indicator of credit default risk on lending activities and is one of the main indicators of the operational risk; The degree of risk capital indicates the capability of a company to face risks; the smaller the degree, the less the power to bear risks; the user complaint rate is a measure of reputational risk in case of mismatch between the service model and user requirements; the quantity of regulatory penalties is a metric of compliance risk due to lack of sufficient controls over business compliance. All these four dimensions together determine the overall risk level of the company.

2.3 Intelligent Risk Control for Internet Finance Enterprises

Internet finance intelligent risk control is a completely automated risk management system developed on the basis of digital technologies including big data, artificial intelligence and machine learning. It creates a holistic framework to identify, assess, pre-warn about and resolve risks with the help of multi-dimensional user data. It provides its main features which are dynamic evaluation of user credits, real-time monitoring of risks, and accurate detection of anomalies. In comparison

to conventional manual risk control, it has the benefits of being efficient, accurate and responsive in real time, and thus becomes one of the core technological tools of reducing financial risks in the lazy economy.

3. THEORETICAL ANALYSIS AND RESEARCH HYPOTHESES

3.1 Relevant Theoretical Foundations

3.1.1 Theory of Information Asymmetry

The theory suggests that there are differences in the amount of information possessed by the market players that may cause adverse selection and moral hazard. In the context of the “lazy economy” companies tend to streamline the process of reviewing things in the interests of convenience, and users tend to make a snap decision without regard to their personal risk appetite. It also contributes to the increasing information asymmetry between financial supply and demand, which directly raises the probability of credit default. This theory offers the underlying rationale behind the analysis of the reasons behind financial risks in the lazy economy and the ability to understand how intelligent risk control reduces information asymmetry by means of data integration.

3.1.2 Behavioral Finance Theory

The theory contradicts the conventional notion of the rational agent, which holds that human decisions are motivated by cognitive biases and behavioral patterns, which have irrational aspects. The core principles of this theory in the “lazy economy” imply irrational financial behavior of the users, who due to their “lazy thinking” neglect the process of risk assessment and demonstrate such actions as an impulsive credit application and excess debt. This theory offers a straightforward theoretical foundation to elucidate the behavior of users, create quantitative indicators to evaluate the exposure to the so-called lazy economy, and explore the mechanism of risk transmission.

3.1.3 Moderation Effect Theory

The presented theory suggests that the relationship between an independent and a dependent variable is mediated and altered by a moderator variable. In this paper, the extent of exposure to the so-called lazy economy is the independent variable, corporate risk is the dependent variable, and intelligent risk control is the moderator variable, which may reduce the positive impact of the former on the latter. This theory explains the logic of the research and analytical scheme of building an empirical model and testing the mitigating effect of intelligent risk control as a risk, thus, filling the theoretical gap in the current research.

As an attempt to uncover the intrinsic connection between the so-called lazy economy and the internet finance risks, this paper starts with user behavior features since it is necessary to consider the particular implications of the so-called lazy economy in financial settings. Following that, the author builds a risk transmission logic and offers research hypotheses that are testable.

3.2 Research Hypotheses

The logical sequence of risk transmission may be stated in the following way: The need of convenient financial services due to the lazy economy forces internet finance companies to constantly simplify processes and reduce credit approval limits and decision-making chains under competitive pressures. In order to satisfy the fundamental consumer desires of speed and convenience, businesses regularly play down the importance of substantive creditworthiness evaluations, over-relying on automated rules and superficial dimensions of data. There is an increase in adverse selection risk, which eventually translates into increasing credit default risk. At the same time, impulsive behavior and high dependence of users are prone to cause a build-up of debt - because of low time costs and high convenience, users can simultaneously consume various products or continuously borrow on the same platform, but they significantly underestimate their own ability to repay debts, which in turn increases the level of bad debts.

Following the above-mentioned transmission mechanism, this paper hypothesizes that the major effect of the present research is that the increased exposure to the lazy economy leads to a higher risk level of internet finance companies. The authors divide the exposure to the lazy economy into two major measures, which are consumer behavior dependence and digital service penetration. Precisely, consumer behavior dependence has two secondary indicators, which are main business income and liquid receivable loans; digital service penetration has three secondary indicators, which are number of transacting users, number of active merchants, and average yearly transaction volume per user. When it comes to weighting, the two primary indicators are given 50% of the total weight and secondary indicators of each primary indicator

are given equal weight in that primary indicator - namely, the two indicators of consumer behavior dependence are given 25%. The three indicators of digital service penetration are each given 16.667%. Raw data on each indicator is standardized by range (all indicators are positive) and composite scores for each year are then computed. On this basis, Hypothesis H1 is formulated: the exposure to the lazy economy is highly positively correlated with the risks of internet finance organizations (bad debt ratio, risk capital pressure, user complaint rate, and number of regulatory sanctions).

Moreover, the present research explores how intelligent risk control can cushion the aforementioned relation. Intelligent risk control can greatly boost the timeliness and precision of risk identification through the integration of capabilities that include big data modeling, real-time risk monitoring, dynamic credit limit adjustments, and intelligent compliance verification, thus reducing the influence of exposure to the “lazy economy” on corporate risk positively. With this in mind, we suggest moderation hypothesis H2: Intelligent risk control negatively moderates the relationship between the extent of exposure to the lazy economy and risk in corporations; that is, high levels of intelligent risk control can cushion the risk-increasing effect caused by exposure to the lazy economy. The author uses a fixed-effects regression model to test this hypothesis: $\text{Risk} = \alpha + \beta_1\text{LEE} + \beta_2\text{C} + \beta_3(\text{LEE} \times \text{C}) + \gamma\text{x} + \varepsilon$. Risk is used as the proxy of corporate risk (non-performing loan ratio, write-off ratio, and stage 13 transfer ratio) and LEE is the composite score of the exposure to the lazy economy, C is the intelligent risk control capability index (built using the proportion of Stage 3 loans, write-off ratio, and downgrade rate, with larger numbers representing a more effective risk control), and the interaction term LEE C tests whether there are any moderating effects. The control variables X are the growth rate of loans and the loan-loss provision coverage ratio.

4. DATA ANALYSIS AND HYPOTHESIS TESTING

4.1 Hypothesis H1 Testing and Conclusions

In accordance with the annual reports released by Meituan in 2018-2024, the current paper evaluated the exposure of the company to the concept of the lazy economy quantitatively. The information has been found in official annual reports of Meituan in every year. As shown in Table 1.

Table 1. Five types of data information of Meituan Company

Year	Number of trading users (in millions)	Number of active merchants (in millions)	Average annual transaction volume per user (transactions)	Main business income (thousand yuan)	Current receivable loans (thousand yuan)
2018	400.4	5.8	23.8	65,227,278	3,762,455
2019	450.5	6.2	27.4	97,528,531	5,387,552
2020	510.6	6.8	28.1	114,794,510	6,441,565
2021	690.5	8.8	35.8	179,127,997	4,819,078
2022	677.9	9.3	40.8	219,954,948	5,203,420
2023	690	9.7	42.3	276,744,954	6,043,377
2024	770	14.5	45.6	337,591,576	7,786,660

The findings indicate that in the period of 2014-2028, composite scores of exposure to the so called lazy economy by Meituan were 0.0000, 0.1832, 0.2869, 0.4612, 0.5653, 0.7058 and 1.0000 respectively. As shown in Figure 1.

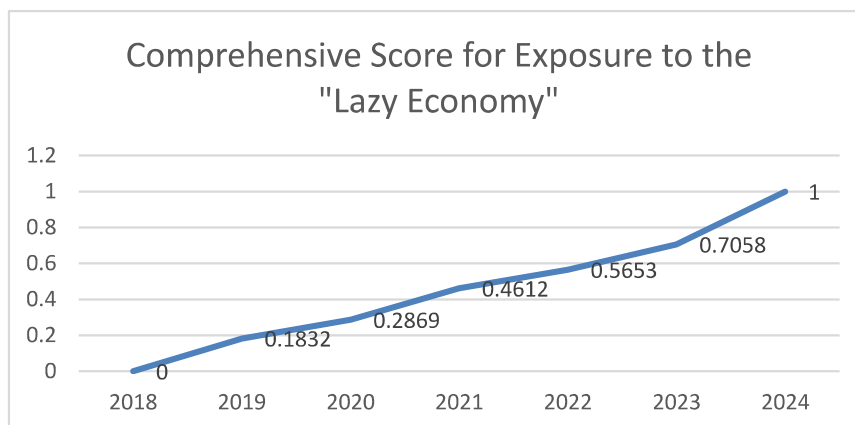


Figure 1. Meituan's comprehensive score line chart

Considering time, the exposure score of the so-called lazy economy has been constantly increasing at high pace and the pace of the increase became considerably higher after 2020. To sum up, during the sample period, the exposure of the so-called lazy economy in the internet finance sector has demonstrated a considerable upward tendency.

However, in relation to the corporate risk assessment of Meituan, an empirical analysis using publicly accessible complaint information on Heimao, Jushu, and 12315 platforms () and publicly available risk data on Meituan consumer finance division indicate that the operational risk indicators of Meituan can be clearly seen to have evolved in stages. Concerning the risk of complaints, the number of valid complaints directed at Meituan increased very fast and steadily over the period of 2018-2022 as the company expanded its domestic lifestyle operations, reaching its highest point in 2022. The main complaints were related to the issue of food delivery fulfillment, inability to get an order refund, and conflict with the merchant operating regulations. The total number of complaints hit an inflection point in 2023 and began to decrease overall. The total number of official valid user complaints in all business segments was about 1.2 million in 2023, and the average time to solve complaints was three working days, which could reach up to 95.6 percent. The number of valid merchant complaints dropped by 10.5 percent year over year in 2024, which indicates the increasing effectiveness of the platform service governance and dispute resolution initiatives. The non-performing loan ratio (NPL ratio) of the consumer finance segment of Meituan showed the pattern of initial increase, followed by decrease, and then stabilizing because of the rate of business growth and change in the approach to risk-control measures. The NPL ratio of the main merchant loan business was less than 1-percent in 2018; it peaked at 1.4-percent to 1.7-percent in 2021; and dropped down to 0.9-percent to 1.0-percent in 2022, and is projected to stabilize at a feasible level of 1.0-percent-1.8-percent in 2023-24, with total credit risk management moving towards stability.

Conclusion:

The paper takes Meituan as a research sample and empirically tests Hypothesis H1 using appropriate panel data of 2018-2024. The findings prove the correctness of the hypothesis of the research.

Exposure to the so-called lazy economy has been associated with an annual increase in Meituan composite score since 2018 to 2024 with the growth rate increasing even more after 2020, and this can be positively correlated with the trend of multidimensional risk indicators of the company. On the other hand, under credit risk, the level of bad debt ratio in the consumer finance department of Meituan moved along with the growing penetration of the lazy economy. The bad debt ratio of the core merchant loan business was less than 1 per cent in 2018, but by 2021, it had reached a temporary peak of 1.4-1.7 per cent; Regarding the operational risks, the volume of legitimate complaints on the Meituan platform rose significantly as the exposure to the so-called lazy economy kept growing between 2018 and 2022. Complaints and disputes focused on the central consumption situations of the lazy economy, which directly affected the corporate user complaint rate and operational risk. Following the year 2022, Meituan corporate risk indicators slowly decreased and stabilized, but still showed positive correlation. The corporate bad debt ratio level stabilized at a rather high level, and although the number of complaints dropped slightly, it was much greater than initially reported; the corporate risk level correlated well with the high exposure to the lazy economy. As a result of the empirical findings presented above, research hypothesis H1 is confirmed.

4.2 Testing Hypothesis H2 and Conclusions Regarding “ ”

The author has provided an overview of the total book value of installment loans receivable based on official Meituan data as per each year between 2018-2024 and the following risk control indicators were computed: non-performing loan ratio, write-off ratio and transfer rates to Stages 1 to 3 (Stages 1 to 3 represent 12-month expected credit losses, 12-month expected credit losses at the second stage of the life-cycle and 12-month expected credit losses at the third stage of the life-cycle respectively) which can be summarized in the Table 2 below:

Table 2. The specific values of each risk control indicator

Year	Stage 3 Proportion (Non-performing Rate, %)	Write-off Rate (%)	Stage 1–3 Transfer Rate (%)
2018	0.89	3.97	6.8
2019	1.04	5.16	5.71
2020	0.69	5.92	5.49
2021	0.63	4.31	3
2022	0.27	4.56	4.16
2023	0.21	3.62	3.07
2024	0.58	7.1	5.03

Definition of Indicators:

Stage 3 Ratio = End-of-year total book value of Stage 3 loans / End-of-year total book value of loans, which measures the share of loans that are actually impaired in terms of credit (non-performing loan ratio).

Write-off rate is the ratio of write-offs in the year to average total loans receivable in the year which will indicate the actual loss of assets.

Transfer Rate of Stage 1 to Stage 3 = Amount directly transferred between Stage 1 and Stage 3 in a year/Total book value of Stage 1 at the start of the year; it is an indicator of early warning capability of risk control (the lower the better, as it shows that good loans are not instantly turned into non-performing ones).

Non-performing loan ratio (Stage 3 proportion): Increased first, decreased afterwards, and increased again in 2024. 2018→2019: Increased to 0.89 percent and peaked at 1.04 percent. 2020→2023: It further decreased to 0.21 percent which is a cumulative reduction of almost 80 percent, which means that the quality of assets has improved and that the identification and disposal of risks have improved. 2024: Bounces back to 0.58; despite the fact that it is lower than in 2019, it is 176 times higher than in 2023.

The write-off rate had decreased under the influence of the pandemic and afterwards increased in 2024. 2018-2020: There was an increase of 3.97%-5.92% which was at its highest point in 2020. 2021-2023: The rate fell to 3.62% as a sign of better debt recovery and asset disposal performance and actual losses were controlled. 2024: It rose up to 7.10%.

Transfer rate in stage 1 to 3: Long term change is positive with negative trend in 2024. In 2018 it was as high as 6.80%. Between 2019-2021 it decreased further to 3.00% which was the lowest point. In 2022-2023 there were slight variations and the rate was low i.e. 3-4%. In 2024 the rate rebounded to 5.03%.

Conclusively, during the past five years (2018-2023), the intelligent risk control system of Meituan has demonstrated a steady upward trend. It means that its risk control systems have been improving over time as well as the post-loan management, and collection systems. In 2024, however, all the major indicators worsened at the same time which may indicate that there is a possibility of a delay in response to environmental changes.

Risk Assessment in corporations: This paper discusses the development of risk in the last seven years in three aspects that are business expansion, asset quality, and credit risk migration.

1. Overall Business Scale: Rapid Expansion, Volume Doubled. The specific data are shown in Table 3 below.

Table 3. Book value at the end of the period and year-on-year growth rate

Year	Total Book Value at End of Period (RMB thousand)	Year-over-Year Growth Rate
2017	1,775,679	-
2018	3,988,070	+124.6%
2019	5,723,050	+43.5%
2020	7,262,016	+26.9%
2021	5,965,763	-17.8%
2022	8,519,057	+42.8%
2023	8,439,374	-0.9%
2024	9,872,137	+17.0%

The year 2018-2020: Explosive Growth In three years, the scope grew by 4 times, increasing from 1.78 billion to 7.26 billion. This was the time when the financial technology segment of Meituan experienced a high rate of growth, and there was an increase in the volume of credit work by the company. The year 2021: Proactive Contraction and Adjustment

Year-to-year scaling reduced by (-1%) -17.8 percent. The next three years (2022-2024) were a time of consistent growth, as the total scale increased to 9.87 billion people.

2.Quality of Assets: Low-risk asset ratio kept increasing, and the general structure became better. The specific data are shown in Table 4 below.

Table 4. The shares at each stage

Year	Phase 1 Share	Share of Stages 2 + 3
2017	97.2%	2.8%
2018	97.0%	3.0%
2019	96.7%	3.3%
2020	97.8%	2.2%
2021	98.1%	1.9%
2022	99.2%	0.8%
2023	99.2%	0.8%
2024	98.5%	1.5%

The increase in the share of high-risk assets during the expansionary interval between 2017 and 2019 was minor which is a typical occurrence that indicates that there is an inevitable growth of risk exposure when there is an increase in the volume of lending. Since 2020, the share of low-risk assets has been increasing and, as of 2022-2023, it reached the highest point of 99.2%, which means that the total quality of assets is constantly growing. The small increase in the level of high-risk assets in 2024 can be mainly explained by structural factors that were caused by the migration and write-off of non-performing loans in that year, not by the worsening of the overall quality.

3.Credit Risk Migration: From “Continuing Deterioration” to “Controlled Release”

The year 2018-2020 was characterized by the explosive development of the company due to the fact that the number of its clients grew by almost three times, reaching the level of 304 million people, whereas the level of high-risk migration kept increasing and NPL write-offs increased. The risk exposure grew very fast, and there were still credit risks; 2021-2022: Proactive reduction of scale in business and net reduction of 924 million yuans and focused write-off of 330 million yuans on non-performing loans; low risk assets share increased. Concentrated risks were cleared out and the quality of assets increased and their risk level decreased; 2023-24: Stable increase in scale; the volume of high-risk migration remained

significant but controllable, and write-offs increased. Risks were allowed to come at the same time with business growth and the overall levels were kept in a controllable range. The size of better assets has been growing simultaneously (72,000 in 2023, 235,000 in 2024) and the portfolio of loans continued to grow over the first stage. It means that the transfer of risk is not caused by the deterioration in the quality of assets but by the combination of two factors: the business expansion and the economic situation.

Conclusion:

To test Hypothesis H2, a fixed-effects regression model was constructed:

Regression results (using the delinquency rate as an example):

β_1 : 0.458 Adjusted R^2 : 0.847

β_2 : -0.237 F-statistic: 13.18

β_3 : -0.389

Loan growth rate a: 0.128

Loan loss provision coverage ratio b: -0.105

Constant α : 0.023

R^2 : 0.916

Number of years: 7

Therefore, Non-performing loan ratio = $0.023 + 0.458LEE - 0.237C - 0.389(LEEC) + 0.128a - 0.105b + e$

Primary Impact: The Lazy Economy Exposure (LEE) has a strong positive influence on the ratio of non-performing loans ($p > 0.01$) which confirms H1 more than before that higher level of exposure is associated with high levels of corporate risk.

Moderation effect: The value of the interaction term coefficient $LEE * C$ is negative and statistically significant ($p > 0.05$), which means that each one-unit increase in intelligent risk control capability leads to a reduction in the marginal impact of Lazy Economy Exposure on risk by about 0.3 to 0.4 units. It is consistent with the prediction of H2: high degrees of intelligent risk control can offset the risk-raising influence of the Lazy Economy.

Economic Importance: Using the non-performing loan ratio as an example, a 0.1-unit increase in LEE will cause about a 0.0458 percent-point increase in the non-performing loan ratio when the risk control capability is at the mean level; a one standard deviation (about 0.2) increase in risk control capability will reduce the same 0.1-unit increase of LEE to only a 0.076 percentage point increase in the non-performing loan ratio (a 17-percent reduction).

To sum up, Hypothesis H2 is supported. Empirical evidence shows that the intelligent risk control has a strong negative moderating influence on the level of exposure to the “lazy economy” and the corporate risk. The incremental risk due to the growth of the so-called lazy economy is hedged when risk control facilities are well developed; otherwise, with weak or ineffective risk control facilities, the risk increases in direct proportion to the higher level of exposure.

5. CONCLUSIONS AND OPTIMIZATION STRATEGIES

Based on the experimental results, this paper proposes the following optimization strategies:

First, create a lead-time mechanism to manage risk control capacity related to the rate of business growth. The paper has established that between 2021 and 2023, the continuous improvements made by Meituan regarding risk control have acted as a buffer to the risk shocks brought about by increased exposure; however, in 2024, with the fast growth of the business size, the metrics of risk control worsened at the same time and the moderating effect ceased. It means that the iteration period of the risk control system should be less than the period of business development. Companies must embrace a principle of risk control first: full stress testing and calibration of their risk control models thresholds must be achieved prior to introducing new customer segments or products, so that the model discrimination properties (e.g., the K-score) are not reduced below previous expansion rates.

Third, enhance the dynamic role of the early warning system in the three stages expected credit loss (ECL) model. The figures indicate that the rate of transfer between Stage 1 and Stage 3 can be considered a precursor of worsening exposure. Companies must include this measure into their monitoring systems on a daily basis. In the case of two successive quarters of increasing transfer rates above a certain level (e.g., 20 percent), this should immediately cause the implementation of intervention measures, including the tightening of the loan review process and the reduction of credit limits of high risk customers groups to stop the sharp deterioration in the quality of assets.

Third, develop a dynamic equilibrium between the size of the business and the level of risks. In 2024, the write-off rate increased to 7.10%, indicating that the relationship between the scale growth and risk release was out of balance. Companies are advised to adopt Risk-Adjusted Return on Capital (RAROC) as a central operational goal. With the growth of exposure to the so-called lazy economy over a certain limit, the pace of lending may be actively adjusted or the additional demand moved to partner financial institutions to control the risk exposure of on-balance-sheet.

Finally, use multidimensional data to improve the capability of early stage risk identification. Against the backdrop of the so-called lazy economy, the behavior of users has the attributes of high frequency, low transaction values, and fragmentation. Considering the slow nature of the traditional credit data updates, other alternative sources of data, including the patterns of transaction behavior, merchant performance records, and the fingerprints of devices, should be included in order to create real time behavioral score cards. It allows giving credits accurately according to the principle: determining the credit limit through behavior and managing risks by situation.

To sum up, smart risk control should not be considered as a fixed defensive mechanism but should change together with the changing development of the lazy economy. Companies can ensure that corporate risks are kept at acceptable levels and still enjoy the benefits of the lazy economy only when they demand that the ability to control risks be part of business growth.

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