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Problems and ways to optimize the use of payment cards in the banking system to increase profits

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Abstract

The relevance of the research topic is due to the fact that in the present conditions the level of development of information technologies in the banking sector objectively determines the emergence of new methods and mechanisms for conducting payment procedures. At present, there is a high activity of Chinese credit organizations in the development of an electronic payment system, reduction of paper technology. This process is characterized by: an increase in the issue of plastic cards, an increase in turnover and balances on card accounts, an expansion of the range of services using bank cards. During the development of the plastic market, different types of plastic cards were created, differing in purpose and technical characteristics. Operations with bank plastic cards have opened up new prospects for financial services for customers of Chinese banks. Today, various payment systems are being deployed and gaining momentum in China, an increasing number of Chinese citizens are becoming participants in the system of cashless payments based on the use of bank cards. It's concluded that as a result, the need to study plastic cards for development, identify problems and ways to solve them is one of the important development problems in the field of cashless payments.

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Keywords

Plastic cards, bank payments, issue of payment cards, banking system, profits.

Introduction

Payment system is a set of procedures and rules, as well as a technical infrastructure that provides the ability to transfer funds non-cash way from one entity to another [Banks of China..., www].

The essence of the payment system is the timeliness and reliability of the transfer and accounting of payment resources allocated for making payments [Banking system of China, www].

With the effective functioning of the payment system, transaction costs are significantly reduced, and there is an opportunity for better liquidity management both in banks and enterprises. Various failures, unintentional or unexpected delays in payments significantly undermine the credibility of the payment system, economic agents begin to doubt whether payments will be made at all. All this leads to an increase in risk, and thereby an increase in the costs of participants in the payment system and to a payment crisis.

The main tasks facing the payment system are the following [Banks of China..., www]:

- uninterrupted, safe and efficient operation;
- reliability and durability, guaranteeing the absence of disruptions or complete failure of the payment system;
- efficiency, providing a fast, economical and accurate output of the workflow;
- a fair approach, for example, requiring participation in the payment system of persons who meet the necessary qualification criteria.

The main function of any payment system is to provide dynamics and stability of economic turnover. Availability of effective payment system contributes to the control of monetary lending, helps banks to actively manage liquidity, thereby reducing the need for large and excess reserves. This simplifies the process of formulating the monetary program and speeds up the implementation of financial policy operations.

The structure of the payment system includes the following elements [Binder, Kononov, 2021]:

- institutions that provide services for the implementation of monetary transfers and repayment of debt obligations;
- financial instruments and communication systems, providing transfer of funds between economic agents;
- contractual agreements regulating the procedure for non-cash calculations.

The elements of the payment system are closely interconnected, their interaction is carried out according to certain rules, enshrined in the regulatory legal acts of the state and international agreements [Banking system of China, www].

The work of the Chinese payment system as a whole is built in accordance with the relevant legal acts, on the basis of which the rules for its functioning have been developed. They are the same for any system and determine the set of procedures that are necessary for the functioning of the payment system and the transfer of funds from one economic agent to another. Payment system procedures include established forms of non-cash payments, payment document standards, as well as various means of information transfer (communication lines, software and hardware).

The main participants in the payment system are the central bank, commercial banks, non-banking institutions, including clearing and settlement centers. They act as institutions providing money transfer and debt repayment services. Ensuring the continuity of settlements is assigned directly to the central bank of the state. The work of the payment system is closely related to the implementation of the main goal of the central bank, ensuring the stability of the banking system.

The currency of the payment system depends on its country of origin and provides maintenance of

the technical infrastructure. The world's most famous payment systems VISA International Service Association and MasterCard Worldwide are both from the United States, although the latter, however, has become more European after the absorption of the European payment system Eurocard.

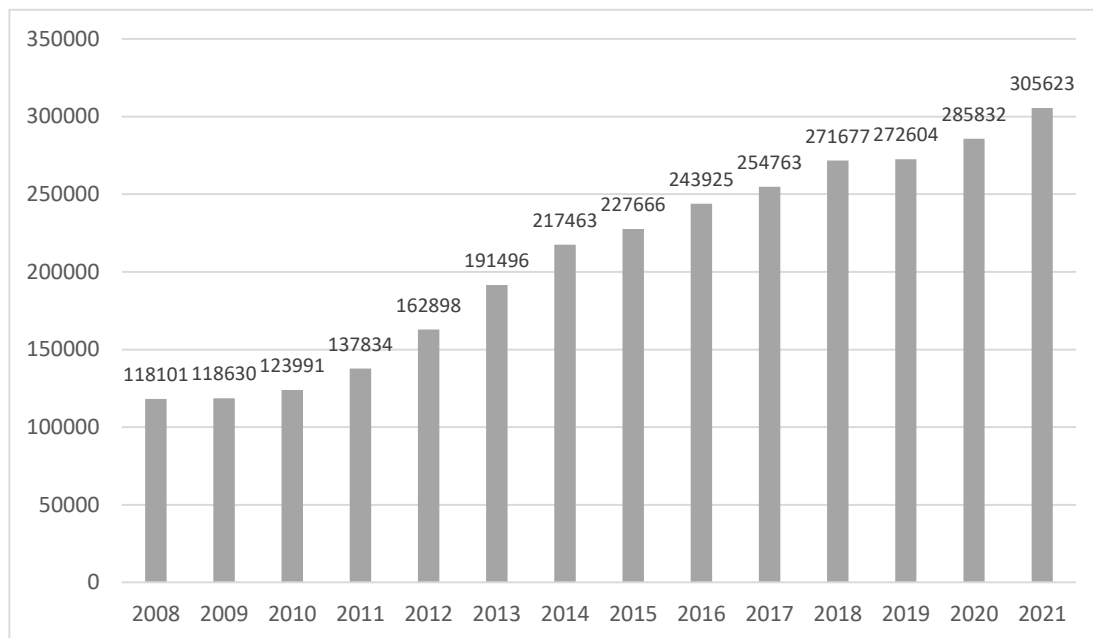
In 2002, China decided to create its own UnionPay payment system. The initiators were the State Council and the State Bank of the People's Republic of China on the basis of the Association of Chinese Banks. For promotion in the world, UnionPay International (UPI) was subsequently created. The shareholders are more than 200 financial institutions, the largest of which owns no more than 6% of the shares. Today, more than 1,700 financial institutions act as partners of UnionPay, issue cards of this payment system in 48 countries. Payment for goods and services with these cards is possible in 168 countries of the world, which gives the right to talk about an application to fight for a significant part of the market with the most famous payment systems (VISA and MasterCard) [China – The growth of bank lending, www].

Let's analyze the Chinese market of payment cards based on the statistical data of the Bank of China for the period from 01/01/2008 to 01/01/2021. An analysis of the dynamics of the number of bank cards presented in Table 1 showed that this segment is developing rapidly.

Table 1 - Number of payment cards issued by credit institutions by types of cards, (thousand units) [Ginzbur, 2021]

Year	Total bank cards	including:		
		payment cards	of them:	credit cards
payment cards with "overdraft"				
2021				
1.01.21	305 623	266 480	-	39 143
2020				
1.01.20	285 832	248 648	-	37 184
2019				
1.01.19	272 604	237 521	-	35 082
2018				
1.01.18	271 677	239 522	-	32 155
2017				
1.01.17	254 763	224 619	34 230	30 144
2016				
1.01.16	243 925	214 461	37 621	29 464
2015				
1.01.15	227 666	195 904	39 726	31 761
2014				
1.01.14	217 463	188 275	39 463	29 189
2013				
1.01.13	191 496	169 013	31 788	22 483
2012				
1.01.12	162 898	147 872	25 833	15 026
2011				
1.01.11	137 834	127 787	22 452	10 047
2010				
1.01.10	123 991	115 390	21 268	8 601
2009				
1.01.09	118 630	109 335	26 826	9 296
2008				
1.10.08	118 101	108 616	29 573	9 485

For the period from 01/01/2008 to 01/01/2021, there has been an increase in the number of bank cards issued by credit institutions. As of 01.01.2008, the total number of payment cards issued by credit institutions amounted to 118,101 thousand units, and as of 01.01.2021 – 305,623 thousand units, which is 187,522 thousand units more. The dynamics of the issuance of payment cards is shown in Figure 1.



Picture 1 - Issuance of bank cards, total [China - The growth of bank lending, www]

It can be concluded that there is a steady increase in the volume of issuance of payment cards. Such dynamics is associated with the distribution of their payment cards by credit institutions through the introduction of a cashback service, an increase in interest on the balance of funds, the creation of bonus programs and promotions for customers, as well as the introduction of free services subject to certain conditions of the bank. Such methods allow you to attract both new customers and retain existing ones by providing them with unique offers.

Of the total number of issued bank cards, the volume of issue of payment cards for the analyzed period increased by 157,864 thousand units and amounted to 266,480 thousand units. Payment cards are one of the most popular payment cards, which is also confirmed by the statistical data, graphically presented in Figure 2. The volume of credit cards for the study period increased and amounted to 01/01/2021 39,143 thousand units. Such changes may be due to an increase in consumer prices and, as a result, the costs of the population. If we compare the statistics on overdraft payment cards for the period from 2008 to 2021, we can conclude that the demand for them grew until 2017, but in recent years such cards have not been distributed.

Consider the structure of settlement and credit cards issued by credit institutions. The analysis of statistical data as of 07/01/2021 showed that payment cards prevail in percentage terms (86.9%), and credit cards account for 13.1%, which is clearly shown in Figure 2.

Methods

In the study, the authors used some methods such as analysis and synthesis, induction and deduction, historical and logical, abstraction and concretization.

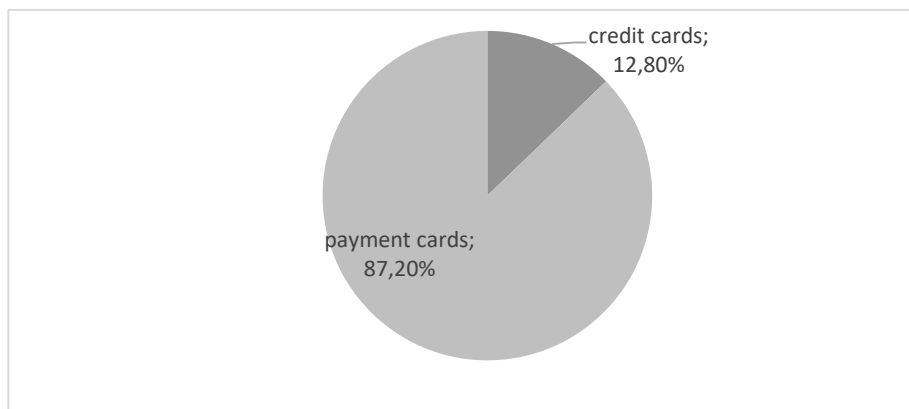


Figure 2 - The structure of settlement and credit cards issued by credit institutions as of 01.01.2022 [Chinese banking system, www]

Results

Bank of China is the longest running bank in China. It was formally established in February 1912 and successively served as the Central Bank, the International Monetary Bank, and the International Trade Bank. After 1949, he worked for a long time as a state specialized bank for foreign exchange and foreign trade, managed the state foreign currency, carried out international trade settlements, money transfers and other non-trade operations with foreign currency. In 1994, it was transformed into a fully state-owned commercial bank providing all types of financial services, and has grown into a large commercial bank with a full range and strength in both domestic and foreign currencies. In 2006, it was the first bank to be listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange, and became the first bank to be listed on the "A+H" exchange in China. Bank of China is the sole official banking partner of the Beijing 2008 Summer Olympics and Beijing 2022 Winter Olympics. It is the only "Dual Olympic Bank" in China. In 2011, the Bank of China was the first emerging market country, and then was selected as a global systemically important bank for 10 consecutive years, and its international status, competitiveness and combined strength ranked among the world's largest banks. Starting from 2021, with the start of the 14th Five-Year Plan, Bank of China will be in sync with national development, enter a new stage of its own reform and development, and fully open a new path to build a modern world-class banking group [Top 20 Drone expos..., www].

Today Bank of China is the most global and integrated bank in China. Bank of China is headquartered in Beijing and has branches in 61 countries and regions in mainland China and overseas. Bank of China branches in Hong Kong and Macau are local issuing banks. Bank of China has a relatively perfect global service network, has formed corporate finance, individual finance and financial market as the main commercial banking operations, covering investment banks, private equity, securities, insurance, funds, aircraft leasing, asset management, financial science and appliances, financial leasing and other areas of a comprehensive service platform to provide customers with comprehensive financial services.

Bank of China is a bank with a high sense of mission and responsibility. Throughout 109 years of development, Bank of China has always adhered to the spirit of striving for excellence, strived for the welfare of society, the wealth and power of the country, considered patriotism and love for the people as the soul of its business, considered honesty above all the foundation of its business, considered reform and innovation as the path development, considered people as the basis of its development,

created an excellent brand image, and was widely recognized and praised by the industry and customers. Faced with a promising historical period of opportunity, Bank of China, as a large state-controlled commercial bank, will be guided by Xi Jinping's socialist ideology with Chinese characteristics in a new era, rely on a new stage of development, implement a new development concept, serve a new development model, and carry out a noble mission. Integrating the world and benefiting society. We must practice the values of excellent service, sustainable creativity, openness and inclusiveness, collaboration and shared win, and drive vitality, responsiveness and key breakthroughs. To build a modern world-class banking group in every possible way, to make a new and more significant contribution to the realization of the Chinese dream of the great rejuvenation of the Chinese nation, to the realization of the people's aspirations for a better life, and to building a community of a common destiny for mankind [ibid.].

As of the end of 2021, the Bank of China had 11,699 domestic and foreign institutions. These include 11,142 institutions in mainland China and 557 institutions in Hong Kong, Macau, Taiwan and other countries. There are 10,652 commercial banking institutions in mainland China. Among them, there are 38 first-level and directly subordinate departments, 364 second-level departments, and 10,249 grass-roots departments.

As of the end of 2021, the Bank of China employed 309,384 people. Mainland Chinese institutions employ 284,044 people, including 271,939 people in commercial banks in mainland China, 25,340 people in Hong Kong, Macau, Taiwan and other government institutions [ibid.].

Bank of China has its own subsidiary in Russia in Moscow. This Bank serves clients from Russia, China and other countries. Deep knowledge of both the Russian and Chinese markets allows Bank of China to more fully meet the individual needs of customers.

Bank of China provides loans to companies – legal entities that do business in Russia, as well as to the largest Russian companies. The advantages of such programs are:

- working capital financing;
- pre-export financing;
- financing under the guarantees of Chinese banks;
- organization and structuring of international and Russian syndicated and club loans;
- lending to the buyer for the purchase of equipment / services of the PRC (export buyers' credit) with the involvement of the export insurance agency of the PRC – Sinosure;
- financing covered by EXIAR;
- lending to Russian subsidiaries of large Chinese companies within the credit limits set by the Bank of China for the Group of Companies.

Discussion

Commercial banking business is the traditional main business of Bank of China, including corporate financial business, personal financial business and financial market.

Corporate financial transactions are the main source of profit for Chinese banks. In 2007, corporate finance continued to focus on improving customer service, promoting common business relationships, strengthening product innovation and management transformation, building the corporate financial sector and strengthening line management. Bank of China pursues the development strategy of serving key large and high-quality corporate clients, pays attention to long-term cooperative relationships with large and high-quality clients, at the same time clearly defines small and medium enterprises as an important part of the company's financial activities, and strives to become efficient, professional and

able to meet the general needs of small and medium-sized enterprises. The financial activities of the company include [ibid.]:

1) Deposit operations. Bank of China is actively responding to the impact of the rapid development of the capital market on RMB corporate deposit operations and is actively developing corporate RMB deposit operations.

2) Credit transactions. Bank of China continues to strengthen its loan restructuring, increase investment in key support industries, and optimize the allocation of credit resources.

3) Operations of financial institutions. Bank of China pays great attention to all-round cooperation with financial institutions, providing customers with more comprehensive services through mutual customer referral, resource sharing, and joint development of new products. Bank of China also clears US dollars, euros and yen through its branches in New York, Frankfurt and Tokyo, which are local clearing banks.

4) Operations in international settlements and trade finance. The international settlement business is the predominant business of the Bank of China. Bank of China strengthens ties between domestic and foreign institutions in order to ensure the rapid development of international settlements and trade finance.

5) Other corporate financial transactions. Bank of China provides payment and settlement services, including bank drafts, promissory notes, cheques, transfers, banker's acceptances, orders for collection, collection, centralized payments, safekeeping of checks, and safekeeping of bills.

Personal financial business is one of the strategic development priorities of the Bank of China. The Bank of China continued to improve the management system and operating mechanism of individual financial transactions, build the individual financial sector and strengthen the management of individual business lines, focus on promoting the transformation of outlet operating methods, establishing a multi-level customer service system, and reforming retail credit marketing methods and process. approval, and strengthen product and service innovation, optimize business and revenue structure, and expand revenue streams.

1) Savings and deposit operations. In line with the need to preserve and increase personal financial assets, Bank of China is actively adjusting its business strategy and promoting the coordinated development of savings and financial operations.

2) Bank of China actively promotes "direct passenger" marketing services, promotes and improves the online centralized approval system.

3) Intermediary operations for one person. Bank of China's individual intermediary operations include: local and foreign currency remittances, personal settlements and sales of foreign exchange, foreign exchange, agency insurance and fund transactions, collection and payment transactions.

Individual settlement and sale of foreign exchange, and individual international money transfers are traditional advantages of the Bank of China. Bank of China is constantly expanding the points of acceptance and sale of foreign currency, strengthens cooperation with international money transfer companies, and increases the sources of foreign exchange transactions. Further segmentation of the market for individual foreign exchange transactions, integration of numerous foreign exchange products into a single service, creation of the "Bank of China foreign exchange" brand.

Bank of China, taking advantage of the good opportunities for the rapid expansion of the capital market and the rapid development of various new investment products, actively developed commission funds, agency insurance and other operations, achieved a jump in the growth of agency income.

Bank of China is actively expanding its personal finance management business and is committed to the professional construction of the "Bank of China Financial Management". The number of single-

standard financial centers has reached 366, and there are more than 1,000 financial management studios and many special financial management cabinets in retail outlets, which creates a wide and multi-level financial management channel for private clients; A professional financial management team has been established, which includes more than 200 financial and investment management consultants and more than 2500 financial management managers, to provide clients with specialized services such as investment management programs and investment management products; A special passage for honored guests of the Bank of China Financial Management has been opened at major urban airports in the country, which will improve the system of additional services for clients of the Bank of China Financial Management.

Bank of China provides private clients with a high net worth of personal financial assets of more than \$1 million in private, exclusive, rich and high-quality services, which has become a new platform for the development of personal financial transactions of the Bank of China. Bank of China's private banking customers and management assets are growing rapidly, and the advantage of the first issue is clear.

Bank of China continues to step up its efforts in the development, marketing, service and system building of bank card products.

The activities of the Bank of China in the financial market mainly include: independent trading and agency transactions in financial instruments in local and foreign currencies, various types of investments in securities or indices in local and foreign currencies, debt capital market operations, financial and asset management operations on behalf of clients, financial agencies and fiduciary transactions, etc. Bank of China conducts capital transactions primarily through five trading centers established in Beijing, Shanghai, Hong Kong, London and New York.

The Bank of China's global investments include mainly foreign currency investments and local currency investments. Bank of China's foreign exchange investments mainly include government bonds, institutional bonds, credit bonds, home loan mortgage bonds (MBS), asset mortgage bonds (ABS), money market funds, etc.

The operations of the Bank of China are mainly classified into stand-alone operations, quoted market transactions and related customer transactions. In terms of market quotes, Bank of China emphasizes the balance between business development and liquidity risk control in the market. In the interbank market, Bank of China maintained its leading position in the settlement and sale of foreign currencies, precious metals, yuan bonds and yuan swaps. In terms of trading on behalf of customers, the Bank of China actively seized the market opportunities for raising yuan interest rates and increasing exchange rate fluctuations, stepped up the promotion of hedging instruments such as forward settlement and sale of foreign exchange, structured yuan interest rate swaps, which stimulated growth non-interest income.

Bank of China launched 331 products for structured financial management in local and foreign currencies. RMB Asset Management launched 16 issues and 8 products [ibid.].

Bank of China further streamlined customer service and began providing financial advice throughout the year.

Bank of China actively seizes the favorable opportunities of the rapid development of the capital market, actively expands all types of asset management activities, such as fund management commission, trust management and annuities, social security, insurance, QDII, QFII, trust management, financial asset management on Special Accounts and Private Equity Funds, while at the same time strengthening risk management and internal controls to continuously improve the level of information technology and the quality of fund and trust management services. There is a steady and rapid growth

of commission and trust operations of the fund.

In 2007, Bank of China successfully qualified as an enterprise annuity account manager, holding the dual qualification of account manager and trustee, which created a favorable environment for the development of enterprise annuity business.

Bank of China has been widely recognized in the international market, so the income and profit are constant. Of course, with the appearance of new competitors in the financial market, it means that the market is distributed among companies and the Bank each time occupies an ever smaller share in the financial services market.

In order for the company to be able to stay at this stage and avoid a recession, it is necessary to introduce constant innovations. So far, the company is doing well, in the form of introducing new technological and digital innovations. Thus, the latest ideas will help the Bank of China compete in the market.

At present, customers are familiar with the various products of the bank, a large number of new customers are starting to enter the bank, and the market is gradually expanding. The volume of bank deposits and loans is growing rapidly, and profits are growing rapidly. Other banks, seeing profitability, entered the market to compete, which led to increased competition, a gradual slowdown in corporate profit growth, and finally to the maximum level of profit throughout the life cycle.

In 2021, the net profit of the Bank of China was 205.096 billion yuan, up 3.205 billion yuan or 1.59% year-on-year, and the net profit attributable to the owners of the parent company was 192.870 billion yuan, up 5.465 billion yuan or 2.92% more than the same period last year. The average return on total assets (ROA) was 0.87%, while the return on net assets (ROE) was 10.61%. Total assets of 244026.5.9 billion yuan, up 1632.915 billion yuan or 7.17% more than at the end of last year. The total liabilities amounted to 22239.822 billion yuan, up 1446.774 billion yuan or 6.96% from the end of last year. The equity capital was 2162.837 billion yuan, up 186.141 billion yuan or 9.42% more than at the end of last year [ibid.].

Table 2 - Financial indicators of the Bank for 2021 [ibid.]

	Scale (million yuan)	Annual rate (%)
Total Assets	24402659	7.17%
Remaining credit in RMB	14183385	8.82%
Remaining deposit in RMB	16879171	6.71%
Balance of bad loans	207273	
Bad loan ratio	1.46%	6.87%
Reserve coverage	177.63%	-2.69%
Tier 1 capital adequacy ratio	11.28%	-0.17%
Income	565531	2.98%
Gross profit	246378	-1.70%
Net profit	192870	2.92%
ROA	0.79%	-3.97%
ROE	8.92%	-5.94%

From the point of view of the Bank of China itself, the capital is growing at a fast pace, and revenues and profits are growing at a good pace. This is mainly due to the fact that in recent years, the Bank of China has continued to promote the reform of regional administration and intensive activities of overseas institutions, has taken important steps in the regional integration of overseas institutions and the construction of regional headquarters, and the overseas service network covers 61 countries and regions. From 2015 to December 31, 2021, Bank of China completed more than 600 major overseas

projects and completed various types of lending support to countries and regions totaling more than \$185.1 billion. Leading industries are syndicated loans, M&A loans and other high-end structured finance transactions. The client base of foreign institutional investors has significantly expanded, and the volume of transactions in the interbank bond market has significantly increased. RMB's overseas clearing banks cover "half of the country" and RMB's cross-border settlement and clearing volume remains the industry leader.

Payment cards in China at the moment are one of the main directions for the development of banking services. Cards are in demand as a financial service as a means of payment for corporate clients and individuals, as well as the most convenient way to get a loan.

The main problems in the development of the payment card market are the lack of infrastructure and the low level of financial literacy of the population. In addition, a certain role in slowing down the development of the market is played by the low level of income of the population.

Let's highlight several problems related to payment cards from the Bank of China banking product line:

1) An increase in the interest rate.

Bank in the period 2020-2022 raised interest rates by 4-5 percentage points. It was in 2020 that the development of the Chinese banking sector slowed down under the influence of a number of factors: the pandemic, oil prices began to decline; economic sanctions; decrease in income; depreciation of the yuan. Undoubtedly, these events led to a change in the key rate, which changed 6 times in 2020 (from 5.5% to 17%). This led to a sharp change in the interest rate policy of the Bank of China [China – The growth of bank lending, [www](#)].

According to Rosstat, in 2021, real wages in China fell by 7.8%, real disposable income decreased by 3.4%. It was at this point that the Bank of China raised the interest on the use of credit funds, as the demand for obtaining cards and opening a line of credit increased significantly, but the share of "non-returns" on issued credit cards also increased.

2) No offers for students.

Students are now one of the economically active categories of consumers, so we believe that this category of consumers should be considered as potential customers and a banking product, such as a credit card, should be developed for them.

When issuing a loan to a student, the Bank of China may face risks. Even if the client manages to earn extra money in his spare time, this income cannot be called stable. There is practically no guarantee of the absence of delays and other force majeure.

But there are also positive aspects. Students who are just entering adulthood really want to show themselves from a reliable side. They realize how important their first experience is for their future credit history. The bank will also not be a loser: meeting the needs of young people, it acquires regular customers for the future. After graduating from college, most consumers will prefer an already familiar lender to get a more serious loan. Youth cards will become a kind of advertising for the Bank of China, and therefore the Bank needs to start working with this group of the Chinese population.

3) There have been changes in the mechanism of organization of the salary project.

Previously, Bank of China and the client signed an agreement to service the enterprise for the payment of funds to employees using bank cards issued by the bank. In this case, the bank was not able to change the terms of the contract unilaterally.

At the moment, the bank offers to get acquainted with the wording of the conditions on the official website of the Bank of China, after which, if the organizations agree, they sign a bilateral offer agreement. In most cases, the bank reserves the right to change them or introduce new options without

signing an additional agreement. The practice of using this system will show whether the interests of the Bank will diverge from the interests of the other party. As a solution to this problem, the following can be proposed: notify the client in advance about the upcoming change in the conditions under the salary project contract.

4) Lack of ATMs in settlements remote from cities.

Often, Bank of China payroll card holders have to travel to neighboring settlements to make any monetary transactions.

5) Cash withdrawal fee

You can withdraw money for free only at Bank of China ATMs, and you will have to pay a commission of 1% for withdrawing money from third-party terminals. This is a lot compared to the cards of other banks. In a “foreign” bank, you will have to pay a commission, and the Bank of China will take the commission, but it will also share with the “foreign” bank that installed the ATM. Thus, the problems that the cardholder may encounter in the process of using it were highlighted. These problems undermine the confidence of potential consumers and disappoint existing bank customers. As a result, the bank loses its customers and the profit it could have made.

Recommendations and conclusions

Solving problematic issues in the use of cards should help strengthen the reputation of the Bank of China and restore consumer confidence in modern bank services, and, consequently, expand the number of card users and increase the bank's profit.

Thus, after analyzing the problems associated with the circulation of Bank of China payment cards, we can offer the following solutions:

1) The problem of high interest rates on credit cards is complex from an economic point of view and cannot be changed without solving the issue of inflation, since interest rates cannot be lower than the rate of inflation.

At the moment, Bank of China should revise credit card rates and reduce them by 2-3 percentage points in order to return customers who have abandoned this bank product, as well as in order to reduce overdue credit card debt that credit card holders have. Bank of China cards at the moment.

2) To attract new customers, the bank should start working with students and develop a marketing offer for them, namely a student credit card. To do this, Bank of China needs to develop special conditions for this category of customers, in particular, there should be more flexible requirements for seniority and proof of income. A student's income can be not only from a scholarship, but also from additional work, but in principle, it is possible to allow a credit card to be issued with only a scholarship from the state in the asset. A certificate of scholarship or a certificate of employment can serve as proof of income. The annual maintenance of the student card should be optimal for students. Otherwise, this card should be similar to other credit cards of the Bank, however, the limit should be set depending on the student's income.

3) The practice of using the opportunity to change the conditions by the bank unilaterally will show whether the interests of the bank will diverge from the interests of the client. As a solution to this problem, the following can be proposed: notify the client in advance about the upcoming change in the conditions under the salary project contract.

4) The problem of lack of ATMs in settlements remote from cities and high fees for cash withdrawals can be solved with an increase in the network of ATMs, or by concluding an agreement between several banks on the possibility of withdrawing funds without commission.

For the development of operations on the use of payment cards, it is important to consider the other side, the side of the client. For Bank of China, it is necessary to implement the direction of increasing the technical literacy of cardholders, through a free service of consulting and informing the contingent, the most conservative in this regard, persons of pre-retirement and retirement age. This will increase the coverage of the contingent of plastic card holders with Internet banking. It is necessary to popularize various detailed video tutorials.

The most striking trend that can radically change the card payment turnover is the personalization of services. This refers to the growing individualization of payment cards, which must be developed in order to achieve the goal of reducing cash circulation in the payment turnover. An important direction in improving the payment turnover of Bank of China through the use of payment cards lies in the plane of the human factor: it is informed about the possibilities of personalizing services for the consumer. At the same time, the aggressive policy of distributing credit cards, especially mailing without a client's application, has an extremely negative impact on the level of banking risk. The massive use of this sales channel, which was previously used, could lead to a serious credit crisis through payment cards and undermine the credibility of cards as a payment instrument. In addition to credit and reputational risks, this kind of policy leads to an increase in fraudulent transactions [Chinese banking system, www].

Thus, in order to build an effective system for the development of operations using payment cards in the additional offices of the Bank of China, it is necessary to develop such areas as:

- microcredit;
- training of personnel in methods of effective sales;
- improvement of technical literacy of cardholders;
- personalization of services.

It should be remembered that the main burden of identifying banking threats and risks arising from operations with plastic cards lies with the units that directly carry them out. Risk management departments are most often involved in the accumulation and evaluation of the information received. Therefore, the functioning of the risk management system in this area mainly depends on how competently the system for tracking emerging threats in departments is built and how current decisions are made.

Thanks to the proposed innovations, the advantages of Bank of China will be manifested, new opportunities and new customers will open up. Further development of events depends on the general macroeconomic situation in the country, the actions of the state and the management of Bank of China to develop the promising segment of card lending.

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Проблемы и пути оптимизации использования платежных карт в банковской системе для увеличения прибыли

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Аннотация

Актуальность темы исследования обусловлена тем, что в современных условиях уровень развития информационных технологий в банковской сфере объективно определяет появление новых способов и механизмов проведения платежных процедур. В настоящее время наблюдается высокая активность китайских кредитных организаций в развитии системы электронных платежей, сокращении бумажных технологий. Этот процесс характеризуется: увеличением эмиссии пластиковых карт, увеличением оборотов и остатков на карточных счетах, расширением спектра услуг с использованием банковских карт. В ходе развития рынка были созданы разные виды пластиковых карт, отличающиеся по назначению и техническим характеристикам. Операции с банковскими пластиковыми картами открыли новые перспективы финансовых услуг для клиентов китайских банков. Сегодня в Китае внедряются и набирают обороты различные платежные системы, все большее количество граждан Китая становятся участниками системы безналичных расчетов на основе использования банковских карт. Сделан вывод, что необходимость изучения пластиковых карт для развития, выявления проблем и путей их решения является одной из важных проблем развития в сфере безналичных расчетов.

Для цитирования в научных исследованиях

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Ключевые слова

Пластиковые карты, банковские платежи, выпуск платежных карт, банковская система, прибыль.

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