Initial Research on Internet Plus Investors’ Educational Pattern

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Abstract. Under the circumstance of internet-based financing and thriving of investment as well as soaring expansion of fortunes management, it is a pressing issue to intensify the education for investment. The advantages of Internet plus can solve the series of problems caused by traditional education concerning investment such as limited audience, simplified forms, feeble relevance or lack of participation etc., furthermore they can strengthen supervision for online education and educators as well as discard disadvantages brought about by Internet plus. The following article is presenting some ideas which can enlighten the existing investment education.

The Age Background of Investor Education

Investor protection has been one of essential goals of finance and investment markets’ supervision of which the education for investors is redeemed as the highlight. Mature and experienced investor is the important sign for smooth development of financial market. Our country’s framework for financial investment educational system has been established, however, due to abundances of financial products and complicacy of investing risks, there exist obvious deficiencies in the present educational system for investors. Especially for the past few years, the idea of “the whole nation financing” has become common gradually. Internet-based finance is just like a catalyst which aggravates the collision between immaturity of investors and complicacy and risks of financial market. In the year of 2015, 896 internet-based loan platforms” run away with the loans”. These investors invest 100 thousand RMB, on average, which can be all the savings of a family or the lifelong earnings of a certain investor. The above malignant incidents have revealed feeble supervision of Internet financing. Apart from supervision itself, the defense for investors’ rights and interests and relevant education for them should also deserve our attention. With the expanding number of investors, the issue of their education has become more obvious. In the meanwhile, there exist some opportunities brought about by internet plus age. It is the sensible attitude and method to innovate modes of education for investors, conform to the trends, seize the chances and face the challenges by means of Internet thinking and technology.

Shortcomings of Traditional Investors’ Educational Pattern

(I) Basic Information of the Current Investor Education

Investor education is a systematic social activity with goals, plans and organizations aiming at personal investors. It aims to spread investment knowledge, initiate investment experience, cultivate investment skills, propose rational investment concepts, remind relevant investment risks, and inform investors’ rights and protective approach, so as to improve investor quality.

At present, the Chinese investor education frame has already been formed preliminarily. China Securities Regulatory Commission and the agency play a leading role in investor education. Some self-regulatory organizations (including securities associations and securities exchanges) and non-profit organizations (such as fund companies of investor protection) are the subjects of investor education of public welfare. Operating agencies of securities, futures and funds start to integrate
investor education into various business links. The press and web portals establish a column of investor education, but Chinese investor education is keeping in a preliminary exploratory stage by comparing with rapid development of Chinese investment financing market and the increasing financing demands of numerous investors. It is necessary to combine with the current physical truth to explore a more effective investor educational pattern.

(II) Existing Problems in the Traditional Investor Education

1. A Few Audiences and Difficult to Satisfy Demands

China has already ensured the policy to bring investor education into the national educational system. The investor education should begin with children, but the current colleges enhance examination system, which causes the exam-oriented education, so that it is hard to integrate the concept and content of investment and financing education into the daily course learning in the elementary education stage. Moreover, educational forms are single and are difficult to attract learners’ interest and attention, so that the best education time is missed. In the higher education stage, except that students who major in finance can receive the systematic investor education and training, unprofessional students can only get access to academic forums or public courses. Even if in a college campus, universality of the investor education is low.

In the investment process, some audiences accepted the investor education from relevant financial organizations. For example some financing organizations will organize clients to participate in social clubs, community gathering, various financial knowledge lectures, even the exchange meeting of health knowledge in the process of business exhibition to convey investment philosophy and market financial products. Thus it can be observed that these profit financial organizations, aim to market products and services, which determines that investor education of these organizations is limited in width and depth.

2. Unfair Investor Education with Urban and Rural Difference and Population Difference

As mentioned before, financial organizations abide by the Twenty-eighty Law. When selecting marketing objects, they aim at 20% of rich groups who can bring value to them, while 80% of bottomed groups are often neglected. In these 80% of groups (including people in lots of underdeveloped areas), the most typical ones are rural peasants. These groups receive lower level of education and have lower incomes, lower ability to receive information outside and fewer channels to acquire information. Such a situation is unfair for the investor education of peasants. Moreover, the unfairness of investor education will be caught into a “vicious cycle”. Vulnerable groups (such as “peasants”) will have fewer opportunities to receive relevant education, thus their investing and financing ability will be lower, so that they will be poorer and fall behind, and they can’t be favored by financial organizations. The extreme situation of such unfairness will result in some malignant events, such as illegal fund raising. Finally a serious social problem may be caused for this reason.

3. Relatively Traditional Educational forms and Poor Sense of Experience and Participation

On the one hand, in the government-oriented traditional investor education, educational forms are relatively simple, lack personality and hard to attract learners. On the other hand, acquisition of investment skills needs “practicing” for a long time to place learners into the investment “environment”, so that they can be personally on the scene and combine with basic theoretical knowledge to do comprehensive judgment on the precondition of considering various environmental factors. The “practicing” and “environment” means that the investor education should make learners have favorable sense of experience and participation in educational forms, but the traditional educational forms are deficient in this aspect.

4. Poor Educational Pertinence and Educational Contents without System

The traditional investor education doesn’t subdivide learners and fails to teach according to students’ ability”. When the supervision departments carry out education, it “treats learners equally without discrimination”. When financial organizations educate investors, they don’t classify learners, either. When schools in the national educational system educate students, they also seldom consider
individual demands of learners. The traditional educational pattern has in the center the educational subjects, but learners are forced to accept uniform educational contents passively. Therefore, educational contents have no system or subdivision. Teaching investment skills of futures to a common retired worker will not acquire good educational effects.

5. Difficult Comments and Invalid Feedback on Educational Effects

The traditional investor education is difficult to evaluate its educational effects. First of all, educational objects are scattered. Most of learners are out of the academic education system, so it is hard to do tracking and survey. Whether their learning knowledge is mastered, whether contents learned are matched with their ability and demands, whether investors will apply these skills in the future, and whether this can improve rationality of investors. All of these problems can’t receive effective feedback. Moreover, it is impossible to improve educational activities and enhance educational efficiency.

Advantages and Disadvantages of “Internet plus” Investor Education

(I) Analysis of Advantages and Disadvantages between the Traditional Educational Pattern and Internet plus Educational Pattern

By settling literatures, the author analyzes respective features of the traditional educational pattern and Internet plus educational pattern and finds that the latter has more advantages by comparing with the former, but the latter also has some disadvantages.

Table 1. Comparison of Advantages and Disadvantages between the Traditional Educational Pattern and Internet plus Educational Pattern.

<table>
<thead>
<tr>
<th>Comparative items</th>
<th>Traditional educational pattern</th>
<th>Internet plus educational pattern</th>
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<tbody>
<tr>
<td>Audiences</td>
<td>Fewer and limited by areas</td>
<td>More and not limited by areas</td>
</tr>
<tr>
<td>Timeliness</td>
<td>Weak and lagging</td>
<td>Strong and convey the latest content in time</td>
</tr>
<tr>
<td>Educational experience</td>
<td>Give priority to teachers’ teaching and learners accept knowledge passively</td>
<td>Concentrate on learners’ active learning, simple, convenient and interesting learning process</td>
</tr>
<tr>
<td>Effect evaluation</td>
<td>Single evaluation basis and simple evaluations</td>
<td>Abundant evaluation basis and scientific evaluations</td>
</tr>
<tr>
<td>Information screening</td>
<td>Information goes through professional processing by teachers. Information content is accurate, timely and is easy to discriminate</td>
<td>Educational contents are of varying quality. Learners are hard to judge the accuracy and the timeliness of contents</td>
</tr>
<tr>
<td>Educational subjects</td>
<td>Clear educational subjects</td>
<td>Vogue educational subjects</td>
</tr>
<tr>
<td>Interactivity</td>
<td>Give priority to offline education and strong interactivity</td>
<td>Give priority to online learning and poor interactivity</td>
</tr>
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</table>

(II) Problems in the Traditional Investor Education Solved by Using Advantages

In the investor education, some problems in the traditional investor education can be solved readily by applying the thought and advantages of Internet plus

1. Effective Expansion of Educational Audiences and Promotion of Educational Fairness

Under the background of Internet plus, educational resources are open and free. Education can destroy traditional geographical limitation, identity limitation and time limit, especially for the
investor education with universality. Learners can receive free educational resources issued by the supervision department uniformly through various network terminals. No matter he/she is a student or white-collar worker, poor or rich, lives in a city or a village, learners can acquire educational resources equally. It is significant to realize universality and fairness of the investor education for realizing inclusive finance in the financial investment field.

2. Learner-centered and Improvement of Educational Pertinence and Experience

In the times of “Internet plus”, user experience is the top priority. In terms of education, it should aim at learners’ demands and have learner experience at its core. As for improving educational pertinence, big data and cloud computing technology can be utilized to do smart analysis of learners’ tendency, interest, ability and goals, formulate an educational content module suitable for different subdivided groups. Learners can select a module or way to learn in line with systematic testing recommendations. In terms of satisfying learner experience, optimization of designing educational contents, teaching methods and educational products can be utilized to make learning process simple, convenient and interesting and help learners to participate in it deeply. Foreign countries have experience in improving experience of Internet plus investor education. Such a practice realizes happy “experiential learning” by developing educational network games. Players can simulate realistic situations in games, so as to increase real-world experience, mobilize learning interest, motivate learning motivation, and increase “stickiness” of independent studying continuously. American securities industry and monetary market association develop and promote three financial game projects, for the sake of promoting the investor education—“the road to invest”, “stock market game” and “writing competition of investment”. The New York Stock Exchange utilizes IBM's “Hotmedia” technology to make citizens check the scene of the exchange on the network in real time and reduce distance between the public and exchange market. The website of the Financial Industry Regulatory Author (FINRA) is popular and easy to understand, lively and vivid and has practicability. Columns include “Protect yourself”, “how to invest” and “market data”. Consumer Financial Protection Bureau (CFPB) sets up toll-free call for consumer consulting. The website also provides detailed financial scheming knowledge, so that investors can share experience and lessons or propose some recommendations on the internet.

3. Utilization of Big Data and Formation of Effective Educational Evaluations

By virtue of big data, information of all kinds educated is easy to be collected for learners without time-space limit. Moreover, costs of collection are also greatly reduced. This ensures comprehensiveness and reliability of information. Information can cover learning process, learning performance, emotional factors and practical ability of learners. This provides powerful support for forming accurate and systematic evaluations on the investor education. The supervision department can improve educational activities with pertinence through feedback on the educational evaluation system or it can construct a scientific growing model of learners through data mining, so as to create conditions for forming a scientific investor educational system.

(III) Avoidance from Disadvantages to Overcome Shortcomings of the Internet plus Investor Education

1. Reinforcement of Supervision on Educational Contents

It is necessary to formulate a uniform standard for educational contents. Such a uniform standard can’t be inflexible. It is necessary to formulate in accordance with educational contents with different properties. For example, according to functions of the investor education’s contents, it can be divided into three categories, investor decision-making education, asset allocation education and right protection education. The right protection education has the public management function and has public welfare. It mainly looks at safeguarding legal rights of investors. The authority, accuracy and effectiveness of the content must be guaranteed. There must be a strict and uniform definition. It can’t “divide policies from various sources”. This may be disputed. In this way, when there is a dispute or doubt, investors can have legal basis and be well-documented. When there is epidemic
unreal information, investors may not “hard to distinguish between the true and the false”. Investor decision-making education and asset allocation education stipulate basic knowledge points of educational contents, teaching purposes and teaching requirements, but the expression of specific contents has no regular and uniform standards.

2. Reinforcement of Supervision on Educational Subjects

In order to coordinate with the supervision department to supervise investor educational contents, it is necessary to improve the supervision on the vogue educational subjects on the internet. Relevant departments, such as CSRC, should audit qualification of educational subjects. Non-profit educational subjects, such as industry associations, should assist CSRC to formulate a uniform standard and issue authorized information. For-profit educational subjects, such as investing and financing organizations and media, must be recorded in the supervision department. Contents and information issued by them must be supervised and tracked by relevant departments. Subjects that issue deceptive, false and deluded information must be investigated for legal responsibilities.

3. Enhancement of Online Education’s Interactivity

The online feature of Internet plus education makes interactivity the hindrance of its development all the time. Learners can’t interact and communicate with teachers and classmates face to face. Whether Internet plus investor education can avoid from this inherent disadvantage effectively depends on innovation. For example, class notes, classmate group, PPT sharing, We Chat group of after-class discussion should be introduced in courses of live broadcast and recorded broadcast. Moreover, it is also necessary to reinforce the interaction between teachers and students, so that class may have more “stickiness”. Such interaction also can be extended to offline education from online education to realize online teaching and offline interaction. Exchange of interaction can be organized in a community or a unit. Moreover, according to learners’ identity and age, different activities can be organized. People in a community have lots of intersections in daily life, so offline interaction will have fewer costs. In addition, the aged may have some difficult operation in terms of acquiring investor educational resources through the internet. It exactly uses offline activities to relieve operational obstacles. Such an online+offline pattern can better improve width and depth of Internet plus investor education.

Problems Concerned by Developing Internet plus Investor Education

(I) Content-Centered and Forms-Assisted

The key of Internet plus investor education is still educational contents. Educational resources are integrated by using the internet technology, so that educational contents may have more pertinence and bring better experience to learners. This is the key to realize investor education. On the other hand, the way of internet, such as Official Accounts, MOOC, social groups and online games, can be used to push educational contents and this is an effective form. Both of them should be concentrated, but don’t put the cart before the horse. Forms should serve for contents, but can’t only have the “appearance” of forms and just neglect promotion of connotations to push rigid, simple and disconnected contents as usual.

(II) Technical Support

It is impossible to develop “Internet plus investor education” without constructing internet infrastructures and being supported by cloud computing. Particularly, in order to give full play to its advantages of openness and extensive audiences, it is necessary to construct internet infrastructures in wide urban-rural areas, design and provide teaching terminals with the better experience in man-machine interaction. In rural areas, it is necessary to train peasants for preliminary internet operations below the line and cultivate the habit to apply the internet.
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