Study on the Path of Digital Economy for High-Quality Economic Development

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Abstract. In recent years, the financial sectors have encountered significant challenges due to the international trade disputes, particularly between China and the United States. Furthermore, the outbreak of the new tube epidemic has further complicated matters for enterprises, impacting their profitability and foreign trade operations. In response, the financial industry has embraced the digital economy as a crucial aspect of its development, supported by advancements in science and technology and favorable national policies. The global economy is now predominately characterized by digitalization, marking the beginning of a new era for human society. The latest information and communication technologies have reached a mature stage of widespread implementation. Recognizing the pivotal role of the digital economy, leading nations worldwide have strategically chosen to seize new opportunities in the technological revolution and industrial transformation by prioritizing digital economic growth. The aim of this paper is to investigate the digital economy and its principal influencing factors. Drawing upon existing theoretical research, the analysis will focus on various dimensions, including the sustainable framework of the digital economy and its contribution to the high-quality development of the overall economy. The paper will examine the impact of the digital economy on economic growth and propose targeted countermeasures across different dimensions.

Keywords: Digital economy; high-quality economic development; the path.

1. Introduction

Opportunities and challenges of China's digital economy [1]. The digital economy is a novel economic form propelled by data resources and information and communications technology. It has emerged as the most dynamic, fastest growing, and overwhelmingly influential sector in China's economic progress, leading to profound transformations in societal productivity and lifestyles. With the evolution of the digital economy and information technology, China has embarked on a new phase of development prosperity. In recent years, this advancement has considerably propelled the digital value-added of China's conventional industries [2]. The utilization of digital technology to optimize production, management, and service approaches has substantially enhanced the competitiveness and ingenuity of associated industries, thus expediting China's economic transformation and progress. Moreover, the high value-added nature and job potential of the digital economy have generated an array of employment opportunities for society, particularly among the younger generation [3]. Furthermore, the development of the digital economy not only fosters the further enhancement of intellectual property protection in China but also serves as a vital impetus for technological innovation. Additionally, the growth of the digital economy, serving as the foundation for the establishment of digital and smart cities, has significantly contributed to the rapid development of such cities in China. The significance of this research lies in its ability to stimulate economic growth and international competitiveness, while also nurturing technological innovation and advancement. "Digital innovation New growth theory suggests that compared with direct investment in production in the field of technological innovation investment in innovation has a significant spillover effect investment effect is higher, and can be expanded by improving the level of human capital and training competitive innovation units to the basic elements of innovation drive, which will improve the quality of economic development.

Since 2020, the rapid progress of the digital economy, digital technology, the management of the COVID-19 pandemic, resource allocation, medical diagnosis, and other critical factors have played a

significant role. Online courses, live streaming, and the digitalization of goods transportation have become crucial methods to address the declining income of the population and the consumer crisis. These measures have also contributed to the overall structure of information technology, such as the Internet and the Internet of Things, and have driven the continuous growth of the digital economy market.

To improve the efficiency of resource allocation and promote a "long tail" effect for consumers, the era of the digital economy has witnessed the emergence of platform companies utilizing artificial intelligence, big data, cloud computing, and other technologies. These companies aim to reduce information transmission costs, facilitate internet connectivity and communication, and minimize information asymmetry between producers and consumers, thereby enhancing transaction efficiency. Within the context of the digital economy, China must expedite the improvement of macroeconomic policies to achieve the long-term goal of promoting high-quality economic development in the market. A combination of market forces and effective government intervention is vital for this.

To ensure the smooth and rapid growth of the digital economy, China should establish a market system that aligns with the demands of the digital era. This includes enhancing information and data disclosure, protecting intellectual property rights, promoting business model and technological innovation, and increasing public awareness of information. Only by undertaking these measures will China be able to effectively fulfill its role and achieve swift and sustainable development in the digital economy.

2. Impact of the Digital Economy

2.1. Impact of the Digital Economy on Society

Primarily, it has bolstered the rapid advancement of information technology, rendering the acquisition and dissemination of information more convenient and pervasive. The Internet enables individuals to access a wide range of information anytime and anywhere, significantly enhancing the scope of societal knowledge. Furthermore, the digital economy has fortified the capacity for innovation and competitiveness, propelling the upgrade and transformation of diverse industries. Through digitalized products and services, businesses can better cater to consumers' needs and offer personalized and tailored experiences, thereby fostering sustainable economic development.[4] Moreover, the digital economy has facilitated the intelligent advancement of cities, as the implementation of smart cities and intelligent transportation systems has enhanced efficiency and convenience in urban management, ultimately improving residents' quality of life. In conclusion, the impact of the digital economy on society is extensive and far-reaching, exerting positive influences on informatization, innovation, employment, and urban development.

2.2. Impact of the Digital Economy on Business

The digital economy has become a pivotal catalyst for business advancement in today's era, and its influence on businesses is wide-ranging. Primarily, the digital economy offers a plethora of opportunities and markets for enterprises. By harnessing the potential of the Internet and its affiliated technologies, enterprises can surpass conventional geographical barriers, broaden the reach of their market endeavors, and attain a global edge [5]. Additionally, the digital economy has revolutionized the operational modes and business models of enterprises. Leveraging digital technology empowers enterprises to achieve heightened efficiency and intelligence in production, sales, and logistics, while also catering to consumer demands for personalized and tailored products and services. Moreover, the digital economy fosters collaboration and innovation amongst enterprises. Internet platforms provide an avenue for resource sharing, cooperation, and groundbreaking ideas, thereby curbing collaboration costs and augmenting innovation capacities. Lastly, the digital economy also presents risks and challenges. Information dissemination and data acquisition in the digital realm expose companies to issues such as information security and user privacy, along with the pressing need to tackle intensifying competition. To summarize, the impact of the digital economy on enterprises

encompasses a wide array of facets, including market expansion, operational methodologies, collaboration and innovation, as well as risk challenges. Enterprises must proactively respond to the opportunities and challenges borne out of the digital economy to sustain their competitive advantages and achieve enduring growth.

2.3. Impact of the Digital Economy on People

The digital economy encompasses an economic model that harnesses advanced technologies like the Internet, big data, and artificial intelligence. Its goal is to transform the traditional economy into a digitized and interconnected system. This rapid evolution has not only revolutionized the operational methods and business models of traditional industries but has also directly impacted people's lives.

Primarily, the digital economy offers people enhanced convenience through services such as online shopping, payment systems, and the sharing economy. These advancements provide people with greater convenience and a diverse array of options. Moreover, the emergence of the digital economy has created a multitude of new professions like online marketing, e-commerce management, and data analysis. This surge in job opportunities presents fresh possibilities and expanded choices in the labor market. Simultaneously, the digital economy has boosted labor productivity, leading to improved work efficiency and economic returns for individuals.

Additionally, the digital economy has facilitated innovative developments in education, healthcare, and culture. These advancements translate to increased access to learning opportunities, medical treatment options, and entertainment for people. However, the growth of the digital economy has also given rise to challenges that must be addressed, such as data privacy and cybersecurity concerns.

By enhancing our proficiency in digital technology and fostering security awareness, we can maximize the benefits and well-being offered by the digital economy for individuals and society as a whole [6].

2.4. Impact of the Digital Economy on the Macro-economy

At the macroeconomic level, the digital economy has significant implications. Firstly, its progression stimulates economic growth. By extensively implementing digital technology, traditional industries undergo enhancements and transformations, while new industries thrive, injecting fresh momentum into the overall economy. Secondly, the digital economy propels the advancement and optimization of industrial structures. The pervasive use of digital technology empowers traditional industries to operate and manage with improved efficiency and intelligent systems, thus enhancing competitiveness throughout the industry. Simultaneously, the digital economy has fostered innovative industrial forms and business models, prompting substantial adjustments, transformations, and upgrades within industrial structures.

Furthermore, the digital economy revolutionizes the functioning of the economy and market landscape. The adoption of digital technology expedites and streamlines information exchange, driving the integration and optimization of both the industrial and supply chains, ultimately enhancing market efficiency and transparency. Moreover, the digital economy transcends geographical limitations, fostering interconnectedness within the global market and encouraging the development of international trade and cooperation. The impact of the digital economy on the macro economy encompasses the promotion of economic growth, the elevation and refinement of industrial structures, and changes to the mode of economic operation and market structure [7].

3. Relationship between the Digital Economy and the Traditional Economy

3.1. Differences and Linkages between the Digital and Traditional Economy

In terms of macroeconomics, the digital economy holds significant implications. Firstly, its advancement drives economic expansion. Through extensive integration of digital technology, traditional industries witness enhancements and transformations, while emerging industries flourish,

injecting new vigor into the overall economy. Secondly, the digital economy propels the progress and optimization of industrial structures. The widespread utilization of digital technology empowers traditional industries to operate and manage more efficiently with intelligent systems, ultimately bolstering competitiveness across the entire sector. Concurrently, the digital economy has instigated inventive industrial forms and business models, prompting considerable adjustments, transformations, and upgrades within industrial structures.

Moreover, the digital economy revolutionizes the mechanics of the economy and market landscape. The adoption of digital technology accelerates and simplifies information exchange, facilitating the integration and optimization of both industrial and supply chains. Consequently, market efficiency and transparency are enhanced. Furthermore, the digital economy transcends geographical boundaries, establishing interconnectedness within the global market and fostering the development of international trade and cooperation.

3.2. Impacts and Challenges of the Digital Economy on the Traditional Economy

The digital economy refers to the utilization of the internet and information technology for economic activities, and it is rapidly emerging worldwide, bringing extensive effects and hurdles to the conventional economy. Primarily, the ascent of the digital economy has revolutionized the traditional economy's methods of production, circulation, and consumption. By utilizing internet platforms, traditional enterprises can engage in more effective communication and sales with consumers. Meanwhile, the emerging sharing economy has introduced innovative service models.

Furthermore, the digital economy sector, spearheaded by e-commerce, has become a burgeoning source of economic growth, playing a constructive role in expanding both domestic and international markets, as well as fostering employment opportunities. However, this digital revolution has also presented formidable challenges to the traditional economy. Conventional enterprises must adapt to the rapid pace of digital transformation, enhance their technological capabilities, and bolster their capacity for innovation to withstand the competitive pressure from internet-based enterprises. Additionally, the development of the digital economy has introduced new security risks, including cybersecurity concerns and data privacy breaches. The traditional economy must fortify its information technology security measures to effectively tackle these challenges. Consequently, the digital economy offers both prospects and obstacles to the traditional economy, compelling it to proactively respond, transform, and upgrade in order to adapt to this new economic landscape.

3.3. Paths of Integration between the Digital Economy and the Traditional Economy

The process of blending the digital economy with the traditional economy incorporates various dimensions. Firstly, to achieve this fusion, it is crucial to establish a resilient and adaptable digital infrastructure. This infrastructure should be based on digital technology, including reliable and high-speed networks, as well as advanced hardware equipment. Secondly, the government should enhance its policy support and guidance for the digital economy. This involves developing relevant laws and regulations, promoting digital economic innovation among enterprises, while also protecting consumer rights and interests. Additionally, employing technological tools such as big data and artificial intelligence strategically can improve the efficiency and competitiveness of the traditional economy, thus exploring further opportunities for the integration of the digital and traditional economies.

Furthermore, this necessitates comprehensive talent training, enhancing individuals' digital skills, and fostering their ability to innovate. Lastly, the integration of the digital economy and the traditional economy requires collaborative efforts from all sectors, including government, enterprises, academia, and social organizations. Through cooperative endeavors and the sharing of resources and expertise, we can collectively propel a beneficial interaction and achieve synergistic development between the digital economy and the traditional economy. Ultimately, this will inject a fresh impetus into the overall enhancement of the socio-economic landscape.

3.4. Impact of the Digital Economy on Economic Restructuring

The digital economy refers to an economy that heavily relies on information technology, driving economic progress and transforming the economic system through digital technologies like the Internet, big data, and artificial intelligence. The emergence of the digital economy has had extensive effects on economic restructuring. Primarily, it breaks the limitations set by the traditional economic model, facilitating the integration of established industries with emerging digital industries, thus promoting industrial rejuvenation and optimization. Additionally, the rapid advancement of the digital economy has given rise to innovative catalysts for economic growth, driving employment expansion and the improvement of its quality, thereby injecting renewed impetus into economic development. Ultimately, the digital economy has revolutionized the structure of the conventional economy, reconfigured its economic framework, and presented distinctive opportunities and challenges for economic progress [8].

4. Practice of Applying the Digital Economy in High-Quality Economic Development

4.1. Application of the Digital Economy in Optimizing Resource Allocation

First and foremost, the digital economy has transformed the business model of the conventional economic arena. By utilizing internet platforms, companies can fully digitize online transactions, supply chain management, and marketing. This enhancement enables more effective matching of production factors and enhances resource utilization.

Furthermore, the digital economy has introduced greater flexibility and convenience to resource allocation. Through real-time big data analysis, enterprises can monitor market demand changes and consumer preferences, enabling them to adjust production and service provision accordingly, leading to precise resource allocation. Moreover, the digital economy's ability to accumulate data over time and establish more accurate prediction models further enhances the accuracy and efficiency of resource allocation.

Lastly, the digital economy also encourages resource sharing and recycling. Through sharing economy platforms, both individuals and companies can share idle resources and services, reducing resource wastage and improving resource utilization efficiency. Optimizing resource allocation through the application of the digital economy not only enhances economic efficiency but also brings about new avenues for economic development [9].

4.2. Application of the Digital Economy in Improving Productivity

The digital economy refers to a form of economy that utilizes sophisticated information technology and digital means to facilitate economic growth and enhance production effectiveness. The implementation of the digital economy plays a crucial role in enhancing production efficiency. Firstly, digital technology facilitates the acquisition and dissemination of information in a more convenient and efficient manner. For instance, enterprises can swiftly gather market information, consumer demands, and competitor intelligence through the Internet to carry out accurate market positioning and product design [10] Secondly, the digital economy offers intelligent production tools and management systems that can automate and optimize the production process. For instance, smart robots in factories can complete tasks with higher speed and precision, thereby enhancing productivity and reducing labor costs. Moreover, the digital economy has stimulated innovation and advancement across diverse fields. Through the application of digital technology, several industries can revolutionize their production methods and develop new business models. For instance, the emergence of e-commerce has transformed the traditional offline retail model, resulting in improved sales efficiency and consumer experience. In conclusion, the adoption of the digital economy has a vast and profound impact on boosting productivity.

4.3. Application of the Digital Economy in Enhancing Innovation Capacity

The term "digital economy" refers to the utilization of digital technology and network platforms to drive economic activities. In the rapidly advancing age of information, the digital economy, as a crucial economic form, plays a pivotal role in augmenting innovation. Firstly, the digital economy establishes a robust basis for innovation by offering a vast array of data and information resources. Thanks to digital information systems and network platforms, a plethora of data can be amassed, scrutinized, and utilized, consequently delivering all-encompassing and precise information support for innovation. Secondly, the digital economy propels transformations in the approach and process of innovation. While traditional innovation methods are confined by temporal and spatial constraints, the digital economy liberates innovation cooperation and knowledge sharing on a global scale, transcending these limitations. Moreover, the digital economy streamlines the creation and optimization of innovation ecosystems. Through digital technology and network platforms, innovators, entrepreneurs, and investors can establish seamless connections, thereby giving rise to a self-sustaining cycle of innovation ecosystems and facilitating the sustainable advancement of innovation. The implementation of the digital economy in enhancing innovation capacity not only furnishes ample information support for innovation but also catalyzes alterations in innovation methodologies and ecosystems, establishing a firm groundwork for sustainable economic development.

4.4. Application of the Digital Economy in Promoting Sustainable Development

The digital economy plays a pivotal role in advancing sustainable development. The swift progression of digital technologies opens up fresh prospects and hurdles for sustainable development. Firstly, the digital economy facilitates the smart and digitized transformation of the economy by offering efficient digital tools and platforms. This not only enhances productivity and diminishes the consumption of resources and energy, but also reduces carbon emissions and pollutants. Secondly, the digital economy stimulates the optimization and innovation of the economic structure. Through e-commerce, cloud computing, big data analysis, and other technological methods, the digital economy propels the modification and upgrade of traditional industries, fosters emerging industries, and expedites scientific and technological innovation as well as the evolution of business models. Once again, the digital economy has forged new realms of growth for sustainable development. The dynamic expansion of the digital economy has brought forth novel business models like the sharing economy and the circular economy, which possess exceptional advantages in resource utilization and waste management, thereby reducing environmental pressure while attaining economic growth. The digital economy manifests a vast array of applications and serves as a significant catalyst in promoting sustainable development.

5. Conclusion

In recent years, the financial sectors have faced significant challenges due to international trade conflicts, particularly between China and the United States. In addition, the COVID-19 pandemic has further hampered profitability and foreign trade for companies. However, with the support of national policies and advancements in science and technology, the financial sector is increasingly focusing on the digital economy as a key aspect of development. The global economy is embracing digitalization, marking a new era that demands attention. The latest generation of information technology has reached a stage of widespread application. Recognizing the significance of the digital economy, major countries consider its development as a strategic decision to capitalize on the opportunities presented by the new technological revolution and industrial transformation.

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