



Research on Path of Digital Economy Driving the High-quality Development of Modern Service Industry in Wenzhou City

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Abstract. First of all, this paper discussed the development status of modern service industry in Wenzhou. It is found that modern service industry in Wenzhou has some problems, such as low level of service industry, low proportion of high-tech service industry, relatively scattered service industry layout, low market openness, insufficient support for manufacturing industry and weak competitiveness of enterprises. Then it analyzed the mechanism of digital economy driving the high-quality development of modern service industry in Wenzhou, including: industrial digitalization promotes the agglomeration of modern service industry, digital industrialization promotes the high-end of modern service industry, and digital economy promotes the rationalization development of modern service industry. Finally, this paper put forward the realization path of digital economy driving the high-quality development of modern service industry in Wenzhou.

Keywords: Digital economy; Modern service industry; High-quality development; Wenzhou city

1 Introduction

Digital economy involves the integration of modern technology with information technology and economic development, and strengthening the application of modern technology and information technology in process of traditional economic development and economic research^[1]. According to the research, the scale of China's digital economy reached 50.2 trillion yuan in 2022, accounting for 41.5% of GDP. The added value of digital producer services increased from 15.1 trillion yuan in 2019 to 21.2 trillion yuan in 2023, occupying 28% of added value of service services to 31%. The party's 20th report emphasizes that "accelerate the development of the digital economy, promote the deep integration of digital economy and real economy, and build an internationally competitive digital industrial cluster", and deploy to push the expansion of digital economy at the national level. In the context of digital economy, it is significant to push the high-quality expansion of modern service industry.

Chinese scholars have made a preliminary exploration of the problem of digital economy driving the development of modern service industry. Ren (2020) put forward the development of digital economy paths from five aspects such as promoting digital industrialization, strengthening digital integration cultivation action and government digital development, accelerating the transformation and upgrading of traditional industries, strengthening digital economy carrier construction and building “double gen” new ecological, gathering digital economy development elements and strengthening hardware and software support and so on^[2]. Cao and Li (2021) analyzed the opportunities, challenges and paths of digital economy to push the transformation of service industry, and pointed out that the game of global digital powers is intensifying and the digital service rules have not been unified. China should continue to strengthen the sustainable development of digital transformation of service industry and accelerate the construction of double-cycle development pattern of digital service industry^[3]. Ren and Huang (2021) analyzed the digital economy drive the development of sports industry high quality mechanism from the macro, medium, micro three levels, analyzed the problems that the digital economy drove the quality development of sports industry. Based on this, they proposed the implementation paths of digital economy to drive the high-quality development of sports industry^[4]. Li et al. (2022) examined the phenomenon of “service industry mystery” existing in China’s service industry and analyzed the mechanism of digital economy driving the high-quality development of service industry from the micro, medium and macro levels, and finally puts forward the suggestion of digital economy driving the high-quality development of service industry^[5]. Zhang et al. (2022), with the help of a three-element decomposition analysis framework, studied the role of diversified expansion of the service industry on high-quality economic development. The study shows that the diversified expansion of service industry can effectively drive for high-quality economic development through diversified development of service creativity, networked development of service bases and rapid improvement of service efficiency^[6]. Ren and Gong (2023) believed digital economy takes a significant part in improving the labor productivity of service industry and driving the transformation and upgrading of service industry, and analyzed the theoretical mechanism and realization path of the development of digital economy to drive the transformation and upgrading of the service industry^[7]. Jiao et al. (2023), on basis of analyzing the mechanism of digital economy driving the deep integration of modern service industry and advanced manufacturing industry, constructed the evaluation index of the integration of two industries and the development of digital economy, and used multiple linear regression model and intermediary impression model to analyze path mechanism of digital economy to promote integrated evolution of two industries^[8]. Under the background of continuous expansion of opening up in digital economy, Internet and other fields, there are few studies on the modern service industry driven by digital economy, and there is no in-depth research. So, it is of great academic value and practical significance to explore mechanism and path of digital economy to drive high-quality development of modern service industry.

Wenzhou’s modern service industry is developing steadily. In 2023, the added value of the city’s service industry reached 494.43 billion yuan, an increase of 6.8% over the previous year, accounting for 56.6% of GDP. However, there are still some problems

in the development of modern service industry in Wenzhou city, such as weakening momentum of global economy, increasing downward pressure on the domestic economy and low primacy of central city. Therefore, this paper first analyzes present situation of high-quality development of modern service industry in Wenzhou city, then analyzes mechanism of digital economy driving the high-quality development of modern service industry, and finally puts forward the implementation path.

2 Development Situation of Modern Service Industry in Wenzhou

2.1 Overall Scale of Wenzhou's Modern Service Industry

As one of three major central cities in Zhejiang Province, Wenzhou has always stood at the forefront of Zhejiang province in the development of modern service industry, with advantages such as large scale, excellent structure, high proportion and large contribution. From 2015 to 2022, the added value of tertiary industry and modern service industry in Wenzhou are growing continuously, showing an increasing trend, indicating that the development scale of modern service industry in Wenzhou is constantly expanding, and the overall development trend of modern service industry is good. In 2015, the added value of Wenzhou's modern service industry was 127.847 billion yuan. By 2022, the added value of modern service industry increased to 263.526 billion yuan, an increase of 135.679 billion yuan more than 2015.

In addition, the proportion of added value of modern service industry in GDP increased from 27.37% in 2015 to 32.82% in 2022, and the proportion of added value of modern service industry in GDP increased year by year. The proportion of added value of modern service industry in the added value of the tertiary industry increased from 53.66% in 2015 to 58.93% in 2022, indicating that modern service industry has gradually become the leading industry in Wenzhou. Generally speaking, Wenzhou's modern service industry is developing well.

2.2 Employment Status of Modern Service Industry in Wenzhou

The number of people working in Wenzhou's modern service industry increased from 2.1626 million in 2015 to 2.4887 million in 2022. The proportion of Wenzhou's modern service industry employment in total employment increased from 38% in 2015 to 43% in 2022, indicating that the proportion of, such as information transmission, software and information services, finance, real estate, scientific research and technology services is high, and the general progress level is large. In addition, the proportion of added value of modern service industry in GDP in Wenzhou has increased year by year, indicating that the labor productivity of modern service industry is higher than that of traditional service industry, and the rapid development of modern service industry helps structural optimization and upgrading of service industry.

2.3 Modern Service Industry Fixed Asset Investment Situation in Wenzhou

The fixed asset investment in Wenzhou modern service industry from 2015 to 2022 showed an increasing trend. By 2022, the fixed asset investment in Wenzhou modern service industry reached 271.364 billion yuan, an increase of 78.098 billion yuan compared with 2015. In addition, the proportion of fixed asset investment in Wenzhou modern service industry in overall social fixed asset investment increased from 38.56% in 2015 to 48.44% in 2022, indicating that Wenzhou gradually attaches more importance to the development of modern service industry.

Although, modern service industry in Wenzhou development has achieved great results, but there are still some problems, such as service industry level is not high, high-tech service industry, service layout is scattered, low market openness, support for manufacturing is not enough and enterprise competitiveness is not strong and a series of problems. Therefore, this paper first analyzes the present condition of high-quality development of modern service industry in Wenzhou, then analyzes mechanism of digital economy driving the high-quality development of modern service industry, and finally puts forward the realization path.

3 Mechanism Analysis of Digital Economy Driving the High-Quality Development of Modern Service Industry in Wenzhou

3.1 Industrial Digitization Pushes Agglomeration of Modern Service Industry

The core of realizing agglomeration evolution of modern service industry is to improve the production efficiency of modern service industry and achieve the scale benefit and high-quality progression of modern service industry. The essence of industrial digitalization is technological empowerment. By permeating digital transformation into the production activities of the entire industry, transaction costs can be reduced through digital elements, organizational costs can be reduced through flat management, virtual agglomeration can be strengthened through platform-based collaboration. In this way, the dilemma of cluster development of modern service industries can be solved, thereby improving production efficiency and achieving economies of scale and characteristic development.

3.2 Digital Industrialization Promotes High-End of Modern Service Industry

The core of realizing high-end development of modern service industry lies in promoting optimization of industrial structure of service industry with high-end development as a goal. The operation mode of digital industrialization is to collect, screen, sort out

and analyze a lot of data to form valuable data products to sell, and then form a intertwined digital industry network. Digital industrialization can promote the expansion of service scope through empowerment of digital elements, build a digital platform through digital elements, realize the innovation of service mode and the standardized development of industry, and promote personalized service by the stimulation of individual economy, enabling the high-end development of modern service industry.

3.3 Digital Economy Promotes Rational Development of Modern Service Industry

The core of the rationalization development of modern service industry lies in improving the modernization level of traditional service industry guided by labor productivity. In China, service industry with high labor density and low added value rate accounts for a large proportion, while the advantages of modern service industry and high-end service industry with high talent factor and knowledge factor are not prominent enough. The structure of modern service industry needs to be optimized, and its role as the core driving force of economic growth has not yet been played.

4 Digital Economy Drives Realization Path of High-Quality Development of Modern Service Industry in Wenzhou

4.1 Give Full Play to Role of Digital Platform to Promote Production and Consumption Upgrading At Micro Level

First, we should continue to develop and introduce the latest digital technology, upgrade the production mode and product content of traditional service industry, namely, modern service industry, and realize the development strategy of diversity and private customization. Second, we should realize the online transfer of traditional service industry through digital technology and break the geographical restrictions of traditional service industry. Third, the emergence of digital platforms has increased information channels of consumers. Enterprises should build a highly transparent digital platform from the perspective of optimization and integration of whole product value chain.

4.2 Strengthen Digital Upgrading of Modern Service Industry and Promote Coordinated Development of Industries at Middle Level

Industry is core carrier of meso economy, and the implementation of digital transformation to reshape the digital competitiveness of national industries is a key step in China's industrial upgrading. First, we will accelerate the upgrading of information technology services in modern service industry, and improve digital infrastructure such as 5G and data centers. Second, accelerate the digital upgrading of modern service industry to achieve the digital level of production, transportation, trading and other links, and enhance the production efficiency of modern service industry. Third, we will use digital

technology to accelerate the digital upgrading of modern services such as scientific research, education and finance, and further deepen the digital penetration of upstream and downstream industrial chains.

4.3 Create a Good Policy Environment, Build a Safe Network, and Optimize Development Environment For Digital Economy at Macro Level

Sound laws and regulations and a good policy environment will build a safe network for the development of digital economy and provide a guarantee for digital transformation of industry. First, the digital transformation of governance system. The government and enterprises have formed an advanced governance structure with complementary advantages, division of labor and coordination, and improved the market supervision system and policies of the digital economy. Second, we will improve laws and regulations on intellectual property protection and build a security network for digital economy. Third, the high-quality development of digital economy must be based on digital security, establish a safe and efficient data security system, and strictly limit and supervise the permission and use of enterprises to obtain and use private information.

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