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Innovative Models and Risk Regulation of Digital Finance Driving the Structural Upgrading of the Sports Industry

-- Also on the Deep Integration of "Sports + Finance" in Guangzhou

Dongjin He [1], Zhengshen Huang [2], Bosi Zeng [1, *]

[1] Department of Physical Education, Guangdong University of Finance, Guangzhou, China
[2] School of Law, Guangdong University of Finance, Guangzhou, China

ABSTRACT

Under the wave of deep integration between the digital economy and the real economy, digital finance, as an advanced form of financial technology (FinTech), is gradually becoming a key variable in reshaping industrial logic and promoting structural upgrading. As the head of the "Five Happiness Industries" and a new growth pole of the national economy, the high-quality development of the sports industry urgently needs to break the shackles of traditional financial repression and achieve efficient resource allocation and iterative upgrading of industrial forms through digital means. Based on industrial economics, information economics, and financial development theory, this paper constructs an analytical framework of "Technology-Capital-Industry" to deeply analyze the internal mechanism of digital finance driving the structural upgrading of the sports industry. It points out that digital finance empowers the sports industry to achieve a transition from factor-driven to innovation-driven by alleviating information asymmetry, reducing transaction costs, extending industrial chains, and accelerating technology spillovers. The paper selects Guangzhou as an empirical sample. Combining policy texts such as the "Guangzhou Sports Industry Development Plan" and regional industrial characteristics, it uses qualitative analysis methods to conduct a panoramic scan of the development status of "Sports + Finance" in Guangzhou. The research finds that although Guangzhou has a solid foundation in the sports industry, the traditional financial system still suffers from structural pain points such as imbalanced credit rationing, lack of intangible asset pricing, and insufficient coverage of supply chain finance when facing new business formats characterized by "light assets, heavy experience, and high volatility." Based on this, this paper creatively constructs four innovative models: a sports whole-industry-chain supply chain finance model based on blockchain and IoT, a sports intangible asset (IP) securitization and pledge financing model based on big data, a sports consumer finance innovation model embedded in life scenarios, and a regional digital industry-finance ecological platform model based on government-bank-enterprise coordination. At the same time, this paper does not avoid the new risks that may be brought about by the intervention of digital finance. It focuses on analyzing data privacy leakage, algorithmic discrimination, regulatory arbitrage, and systemic technological risks, and proposes a dual risk prevention framework of "RegTech + Ethical Regulation." Finally, combining the dual strategic goals of Guangzhou building an international sports city and a benchmark city for digital finance, systematic practical paths including top-level design optimization, digital infrastructure construction, composite talent cultivation, and the Greater Bay Area coordination mechanism are proposed. The aim is to provide forward-looking theoretical support and decision-making references for the digital transformation and industry-finance integration of China's sports industry.

KEYWORDS

Digital Finance; Sports Industry; Structural Upgrading; Innovative Models; Risk Regulation; Guangzhou Experience; Integration of Industry and Finance

1. INTRODUCTION

1.1. Research Background and Macro Context

Currently, the global economy is undergoing the Fourth Industrial Revolution characterized by digitization, networking, and intelligence. With its high innovation, strong permeability, and broad coverage, digital technology is reorganizing global factor resources, reshaping the global economic structure, and changing the global competitive landscape at an unprecedented speed. The Report to the 20th National Congress of the Communist Party of China pointed out from a strategic height that it is necessary to "accelerate the development of the digital economy, promote the deep integration of the digital economy and the real economy, and create internationally competitive digital industrial clusters." This strategic deployment points out the direction for China's industrial upgrading, that is, to achieve the improvement of total factor productivity (TFP) through digital transformation.

As the core and blood of the modern economy, the digital transformation of the financial industry—Digital Finance—utilizes frontier technologies such as big data, cloud computing, artificial intelligence, and blockchain to greatly expand the boundaries of financial services, reduce service costs, and improve service efficiency. Digital finance is no longer just the online migration of traditional financial businesses but has profoundly changed the reach, risk control logic, and service ecology of finance, becoming a new engine for promoting high-quality development of the real economy [1]. Especially in the post-pandemic era, the contactless service and precision irrigation capabilities of digital finance have played an irreplaceable role in supporting the resumption of work and production for SMEs and stabilizing the industrial chain and supply chain.

Turning to the sports industry, as a green industry, sunrise industry, and health industry, it plays an important role in meeting people's growing needs for a better life and building a new development pattern. As China's per capita GDP exceeds 12,000 USD, the sports consumption structure is upgrading from physical consumption to participatory and experiential consumption. The sports industry is in a critical "window period" of transforming from scale expansion to quality improvement and from factor-driven to innovation-driven. However, for a long time, China's sports industry has faced severe "financial repression." Traditional commercial bank credit models rely heavily on real estate collateral and static financial statements, while sports enterprises are mostly "light asset, heavy operation" small and medium-sized enterprises (SMEs). Their core assets (such as event copyrights, athlete values, data assets) are characterized by intangibility, volatility, and difficulty in confirming rights, leading to a serious "mismatch" between financial resources and sports industry demands [2].

In this context, the rise of digital finance provides a new opportunity to solve the financing dilemma of the sports industry and promote industrial structural upgrading. Digital finance can use the "long-tail effect" to cover sports SMEs that are difficult for traditional finance to reach, use big data risk control technology to solve the information asymmetry between industry and finance, and use scenario finance to stimulate the upgrade of sports consumption. Therefore, deeply exploring the innovative models of digital finance driving the structural upgrading of the sports industry, identifying potential risks, and regulating them has important theoretical significance and practical value for promoting the modernization of China's sports industry. Especially for a region like Guangzhou, which is committed to building a "World Sports City" and a "Digital Finance Benchmark City," exploring the deep integration path of "Sports + Finance" is imminent.

1.2. Literature Review and Theoretical Evolution

1.2.1. Research on the Relationship between Digital Finance and Industrial Upgrading

Domestic and foreign academic circles have formed rich results on the impact of digital finance on industrial upgrading. The mainstream view is that digital finance promotes the rationalization and advancement of industrial structure through three channels: first, the capital accumulation effect, by reducing financing constraints and promoting the flow of capital to high-productivity sectors; second, the technological innovation effect, as digital finance can provide risk capital more matched to corporate R&D activities, accelerating technological iteration; third, the consumption driving effect, where convenient payment and credit tools release residents' consumption potential and force supply-side reform. For example, Tang Song et al. (2020) found through empirical research based on China's provincial panel data that digital finance has a significant positive promoting effect on industrial structure upgrading, and there is regional heterogeneity [3].

1.2.2. Dilemma and Outlet of Financial Support for Sports Industry

Regarding the financing problem of the sports industry, scholars generally believe that the contradiction between "light assets" and "heavy collateral" is the core crux. Zhou Yidong (2023) pointed out that the core competitiveness of sports enterprises is often reflected in intangible assets, while traditional accounting standards and bank risk control systems make it difficult to price them fairly [4]. To solve this problem, Huang Haiyan (2019) proposed the idea of building a diversified investment mechanism, emphasizing the coordination of government guidance funds and social capital. With the development of FinTech, some scholars have begun to pay attention to the application prospects of blockchain technology in sports copyright protection and supply chain finance, believing that technology empowerment is the key to solving trust problems.

1.2.3. Research Review and Marginal Contribution

Looking at existing literature, although there are voluminous studies discussing digital finance and the sports industry separately, systematic research combining the two to deeply analyze the micro-mechanism of "digital finance driving the structural upgrading of the sports industry" is still insufficient.

First, existing research mostly focuses on macro-level correlation analysis, lacking deep deconstruction of specific mechanisms (such as information mechanism, credit mechanism).

Second, discussions on innovative models mostly stay at the conceptual level, lacking operational model construction combining specific scenarios (such as sports manufacturing supply chains, sports service consumption ends).

Third, there is insufficient attention to new risks such as data ethics and algorithmic discrimination that digital finance may bring to the sports industry.

Fourth, deep case studies combining specific regional (such as Guangzhou) industrial characteristics and policy environments are scarce.

This paper aims to fill the above gaps and explore the "Guangzhou Solution" for digital finance empowering the sports industry through the deep coupling of theory and practice.

2. THEORETICAL LOGIC: MECHANISM ANALYSIS OF DIGITAL FINANCE DRIVING STRUCTURAL UPGRADING OF SPORTS INDUSTRY

2.1. Connotation, Extension, and Technical Characteristics of Digital Finance

Digital finance refers to financing, payment, investment, and other new financial business models realized by traditional financial institutions and internet technology companies using digital technology. Compared with traditional finance, digital finance has three significant techno-economic characteristics:

Data-Driven Credit Reconstruction. The credit basis of traditional finance is Assets, while the credit basis of digital finance is Data. Through the mining and analysis of massive unstructured data (such as transaction flows, social behaviors, logistics trajectories), financial institutions can restore the true operating status of enterprises, reduce reliance on financial statements and collateral, and achieve precise and dynamic credit evaluation.

Scenario-Embedded Seamless Service. Digital finance emphasizes that "financial services are everywhere, but not in bank outlets." Financial services are no longer independent business links but are seamlessly embedded into specific scenarios of sports consumption, production, and circulation. For example, obtaining installment services directly when purchasing expensive sports equipment, or automatically triggering supply chain financing when enterprises purchase raw materials.

Long-Tail Coverage with Inclusive Attributes. Relying on the extremely low marginal cost of the internet, digital finance can break through the limitations of physical outlets and cover a large number of dispersed, small-amount sports SMEs and long-tail consumers. This is particularly important for the sports industry, which is dominated by SMEs and presents a pattern of "large industry, small enterprises."

2.2. Driving Mechanism: Deep Empowerment in Four Dimensions

2.2.1. Information Mechanism: Reducing Information Asymmetry and Optimizing Resource Allocation

The sports industry, especially the sports service industry, has products characterized by intangibility, non-storability, and simultaneity of production and consumption, leading to high information asymmetry between production and demand, and between banks and enterprises. Traditional banks have difficulty penetrating the operational "black box" of sports enterprises. Digital finance uses big data technology to collect "alternative data" of enterprises in multiple dimensions such as e-commerce platforms, payment terminals, and tax records to build a holographic portrait. This "information visualization" process effectively alleviates information friction in the credit market, guides funds to flow to high-efficiency and high-growth sports innovation enterprises, accelerates the exit of inefficient enterprises, and thus promotes the survival of the fittest and optimized allocation of resources within the industry [5].

2.2.2. Capital Mechanism: Broadening Financing Channels and Accelerating Capital Accumulation

The upgrading of industrial structure cannot be separated from intensive capital investment. Digital finance has greatly broadened the financing sources of sports enterprises through models such as crowdfunding, P2P (after regulation), and digital supply chain finance. Especially for sports technology enterprises in the start-up stage (such as smart wearable device R&D), digital finance can accelerate capital accumulation through digital matching of equity crowdfunding and venture capital. This capital formation mechanism supports enterprises in conducting high-risk, high-return technological R&D and scale expansion, promoting the industry's transformation from labor-intensive to capital-intensive and technology-intensive.

2.2.3. Demand Mechanism: Stimulating Consumption Upgrading and Forcing Supply-Side Reform

According to the theory of demand-induced innovation, consumption is the ultimate driving force for industrial upgrading. Digital payment and consumer credit (such as Huabei, Baitiao) reduce consumers' payment thresholds and liquidity constraints, making the consumption of high-value-added products such as high-unit-price sports training, high-end sports equipment, and sports tourism possible. The demand upgrade on the consumer side is rapidly transmitted to the production side through market price signals, forcing sports enterprises to carry out technological transformation, product innovation, and service improvement, thereby achieving the advancement of the industrial structure.

2.2.4. Technology Mechanism: Promoting Technology Spillovers and Improving Total Factor Productivity

Digital finance itself is a high-tech industry, and its development has significant technology spillover effects. The deep cooperation between FinTech companies and sports enterprises brings not only funds but also digital management concepts and technical tools. For example, in order to obtain digital credit, sports enterprises must establish digital financial management systems, Customer Relationship Management (CRM) systems, and Supply Chain Management (SCM) systems. This process objectively improves the digital management level and operational efficiency of sports enterprises, thereby improving the Total Factor Productivity (TFP) of the entire industry.

3. REALITY SCRUTINY: STATUS QUO, PAIN POINTS, AND OPPORTUNITIES OF "SPORTS + FINANCE" IN GUANGZHOU

3.1. Panoramic Scan and Structural Characteristics of Guangzhou Sports Industry

As a national central city and the core engine of the Guangdong-Hong Kong-Macao Greater Bay Area, Guangzhou has a solid foundation and strong momentum in the sports industry. According to the "Guangzhou Sports Industry Development Plan," Guangzhou has initially formed a modern sports industry system with the sports service industry as the main body and the sports manufacturing industry as the support, presenting distinct regional characteristics:

3.1.1. Spatial Layout: "One Core, Multiple Points, Belt Connection"

Guangzhou has formed an event and training cluster centered on Tianhe Sports Center, gathering a large number of event operation companies and high-end fitness institutions; a sports goods manufacturing cluster focused on Huadu and Panyu, owning multiple national-level sports industry demonstration units; and an outdoor sports leisure belt relying on Conghua and Zengcheng, utilizing mountain and water resources to develop industries such as equestrianism, mountaineering, and camping. This differentiated spatial layout provides a basis for the differentiated supply of financial services.

3.1.2. Format Characteristics: "Accelerated Conversion of Old and New Kinetic Energy"

In terms of traditional formats, Guangzhou has time-honored sports manufacturing brands such as Double Fish and DHS, which are transforming towards intelligent manufacturing. In terms of new formats, the e-sports industry in Tianhe District is developing rapidly, with leading enterprises such as NetEase Games, Huya Live, and TT Voice, and a complete e-sports industry chain; relying on coastal advantages, Nansha District has begun to scale up water sports industries such as sailing and kayaking.

3.1.3. Digital Trend: "Initial Results of Digital-Real Integration"

More and more sports enterprises are beginning to use digital technology for transformation. For example, the "Quntitong" platform integrates hundreds of sports venue resources in the city, achieving full-process digitization of booking, payment, and evaluation; some sports manufacturing enterprises have begun to apply the industrial internet for flexible production.

3.2. Realistic Pain Points of Financial Support: Deep-seated Structural Contradictions

Although Guangzhou is at the forefront of the country in financial reform (e.g., hosting the Guangzhou Futures Exchange), in the deep integration of "Sports + Finance," it still faces deep-seated contradictions where traditional financial models struggle to adapt to the characteristics of new business formats:

3.2.1. Imbalanced Credit Rationing: Traditional Credit "Unwilling to Lend"

A large number of sports SMEs in Guangzhou (such as youth sports training institutions, small event operation companies) are typical light-asset enterprises lacking hard collateral such as real estate and land. Moreover, the sports industry is greatly affected by seasonality and event cycles, with volatile cash flows. Traditional banks' credit approval models struggle to adapt to this volatility, leading to widespread "unwillingness and fear to lend," and the problems of difficult and expensive financing for sports SMEs remain prominent [6].

3.2.2. Missing Asset Pricing: Intangible Assets "Difficult to Assess"

Guangzhou possesses a large number of high-quality sports IP assets (such as the Guangzhou Marathon brand, e-sports team brands, image rights of famous athletes) and data assets. However, due to the lack of a unified, fair, and tradable intangible asset evaluation and trading system, these most valuable assets are difficult to "liquidate" in the financial market. Intellectual property pledge financing often becomes a formality or fails to meet corporate funding needs due to low evaluation values.

3.2.3. Supply Chain Finance Breakpoints: "Narrow Coverage" for End Enterprises

Although some leading enterprises have implemented supply chain management, a large number of contract manufacturing enterprises and raw material suppliers at the end of the industrial chain are still outside the supply chain finance services. Due to the weak willingness of core enterprises to confirm rights and unblocked data chains, the accounts receivable of upstream and downstream SMEs are difficult to convert into financing credit, resulting in huge capital turnover pressure.

3.2.4. Digital Divide Obstruction: Data Risk Control "Difficult to Model"

Some traditional sports enterprises (especially old venues and individual training institutions) have weak digital foundations, and business data remains in manual accounting or standalone software stages, unable to precipitate effective, standardized data assets. This leads to digital finance's "data risk control" models being unable to function due to a lack of high-quality data input, forming "data islands."

3.3. Historical Opportunities for Deep Integration

Currently, Guangzhou is facing multiple strategic opportunities such as "Dual Zone" construction and dual-city linkage, providing unprecedented policy dividends for "Sports + Finance."

On one hand, Guangzhou is building a "Digital Finance Innovation Demonstration Zone" and a "National Business Environment Innovation Pilot City," with policies encouraging financial innovation.

On the other hand, the preparation for the 2025 Guangdong-Hong Kong-Macao Greater Bay Area National Games will bring huge capital demands for sports infrastructure construction, event operations, and security services, providing a broad testing ground and explosion opportunity for the application of digital finance in sports scenarios.

4. INNOVATIVE MODELS: PATH SELECTION FOR DIGITAL FINANCE DRIVING STRUCTURAL UPGRADING OF SPORTS INDUSTRY

Aiming at the above pain points and combining the technical advantages of digital finance, this paper creatively constructs four innovative models for digital finance to drive the structural upgrading of the sports industry.

4.1. Sports Whole-Industry-Chain Supply Chain Finance Model Based on IoT and Blockchain

For the sports goods manufacturing industrial clusters in Huadu and Panyu, Guangzhou, supply chain finance based on the Internet of Things (IoT) and blockchain should be vigorously developed to solve the problems of difficult confirmation of rights by core enterprises and difficult credit penetration in traditional supply chain finance.

4.1.1. Model Construction and Operation Process

Data Acquisition Layer: Deploy IoT sensors on production lines, warehousing, and transport vehicles of core enterprises (chain masters) and their upstream and downstream enterprises to collect real-time full-process data such as raw material procurement, production progress, inventory changes, and logistics trajectories.

Data Depository Layer: Use the distributed ledger and tamper-proof characteristics of blockchain technology to upload the collected data to the chain in real-time for storage, forming a "digital twin" trade background.

Smart Contract Layer: Financial institutions develop financing products based on smart contracts. When on-chain data triggers preset conditions (such as goods warehousing, logistics signing), the smart contract automatically executes lending and repayment operations.

4.1.2. Innovation Value and Upgrading Effect

This model transforms the "subject credit" of enterprises into "data credit" and "object credit" of the industrial chain. It gets rid of excessive reliance on strong confirmation of rights by core enterprises, achieves multi-level penetration of credit on the industrial chain, and can precisely irrigate "long-tail" suppliers at the end of the chain. This will effectively alleviate the capital occupation pressure of upstream enterprises, ensure the stability of the industrial chain and supply chain, and promote the transformation of Guangzhou's sports manufacturing industry towards high-end, intelligent, and service-oriented [7].

4.2. Sports Intangible Asset (IP) Securitization and Pledge Financing Model Based on Big Data

For digital sports, e-sports, and event operation enterprises in Tianhe District, the focus is on breaking through the bottleneck of intangible asset financing and activating dormant IP value.

4.2.1. Model Construction and Operation Process

Value Assessment: Use big data technology to crawl social heat, traffic data, user interaction data, and historical monetization data (tickets, peripherals, advertising) of sports IPs across the network, build machine learning-based cash flow prediction models and value assessment models, and provide fair valuation ranges.

Structured Design: For mature event IPs with relatively stable cash flows, explore issuing Asset-Backed Securities (ABS) or Asset-Backed Notes (ABN) based on event ticket revenue, copyright revenue, and broadcasting revenue.

Online Pledge: For growing IPs, promote the establishment of an online intellectual property pledge financing platform, verify IP ownership through blockchain, and achieve "instant valuation and instant lending."

4.2.2. Innovation Value and Upgrading Effect

This model solves the core problem of "difficult valuation and difficult risk control" of sports intangible assets, achieving asset standardization and liquidity. It turns the creativity, brand, and data of sports enterprises into "real money," greatly supporting the rapid expansion of the "light asset, high growth" sports service industry and promoting the tilt of the industrial structure towards high-value-added service industries.

4.3. Sports Consumer Finance Innovation Model Embedded in Scenarios

For the broad sports consumption market (fitness training, sports tourism, high-end sports equipment), develop embedded scenario finance to release consumption potential.

4.3.1. Model Construction and Operation Process

Scenario Embedding: Financial institutions connect API interfaces with various sports consumption platforms (such as fitness APPs, venue booking mini-programs, marathon registration systems) to seamlessly embed credit granting, payment, installment, and other financial services into users' consumption links.

Product Innovation: Launch "Buy Now, Pay Later" (BNPL) services to reduce users' decision-making thresholds; develop "sports training installment loans" for teenagers to alleviate the pressure of one-time payments for families.

Credit Incentive: Based on users' exercise data (such as step count, calories, exercise frequency), develop "Sports Bank" type products. Users' health behaviors can be converted into credit points, used to increase credit lines or enjoy loan interest rate discounts.

4.3.2. Innovation Value and Upgrading Effect

This model not only reduces consumption thresholds and smooths consumption expenditures, stimulating demand for high-unit-price sports services; more importantly, the "exercise for credit" model establishes a positive incentive mechanism, encouraging fitness for all, promoting the expansion and quality improvement of the sports consumption market, and driving the upgrading of the sports industry from the demand side.

4.4. Industry-Finance Information Matchmaking Model Based on Platform Ecology

Aiming at the problem of bank-enterprise information asymmetry, build a regional sports industry digital finance comprehensive service platform to create a "highway" for industry-finance docking.

4.4.1. Model Construction and Operation Process

Data Integration: Led by government departments (Sports Bureau, Financial Bureau), legally and compliantly integrate government data such as industry and commerce, tax, social security, provident fund, water, electricity, and gas, as well as operational data of sports enterprises in government procurement and honors/qualifications, to build a "Guangzhou Sports Enterprise Credit Big Data Platform."

Supply and Demand Matching: Financial institutions settle in the platform and release customized credit products; sports enterprises release financing needs on the platform. The system uses AI algorithms to automatically match supply and demand parties and generates "credit physical examination reports" of enterprises to recommend to banks.

Policy Coordination: Integrate government policy tools such as interest discounts and risk compensation into the platform, so enterprises can apply for policy support with one click when applying for loans, achieving "policy finding people."

4.4.2. Innovation Value and Upgrading Effect

This model achieves the interconnection of government, bank, and enterprise data, significantly reducing the customer acquisition cost and risk control cost of financial institutions, as well as the financing search cost of enterprises. It builds an open, transparent, and efficient industry-finance ecosystem, improving the overall efficiency of financial resource allocation [8].

5. RISK REGULATION: POTENTIAL RISKS AND PREVENTION OF DIGITAL FINANCE INTERVENTION IN SPORTS INDUSTRY

While digital finance empowers the sports industry, it also introduces new risk variables. If effective regulation is lacking, it may lead to new financial exclusion or even systemic risks. We must adhere to "equal emphasis on development and security" and build a comprehensive risk prevention system.

5.1. Deep Analysis of Potential Risks

5.1.1. Data Security and Privacy Leakage Risk: The "Achilles' Heel" of the Digital Age

Digital finance relies heavily on data elements. In sports scenarios, it involves highly sensitive information such as users' personal biometric information (face, fingerprints), physical health data (heart rate, medical history), location trajectories, and consumption habits. Once data leakage or abuse occurs, it will not only seriously violate consumer privacy but may also trigger secondary crimes such as telecommunications fraud and even threaten national data security [9]. Especially with the popularity of wearable devices, the risk of cross-border transmission of massive health data cannot be ignored.

5.1.2. Algorithmic Discrimination and Technology Black Box Risk: Fairness Concerns Behind Efficiency

When financial institutions use machine learning algorithms to score the credit of sports enterprises or individuals, the algorithm model may be based on biases in historical data (such as discrimination against specific regions, genders, or specific types of sports projects), leading to unfair financing opportunities. For example, algorithms may mistakenly label the e-sports industry as "high risk, not proper business," thereby systematically rejecting loan applications from e-sports enterprises. At the same time, the "black box" nature of deep learning algorithms makes it difficult for regulatory authorities to penetrate their decision-making logic, increasing the difficulty of supervision.

5.1.3. Over-indebtedness and Credit Risk: Catalyst for Irrational Consumption

Convenient consumer credit (such as "one-click installment") may induce young groups with a lack of self-control (especially college students) to over-borrow on sports equipment, sneaker speculation, and e-sports recharging, exceeding their actual repayment ability and falling into a "debt trap." In addition, the sports industry is greatly affected by policy adjustments, event cycles, and public health emergencies (such as epidemics), and is highly volatile. If the risk control model of digital finance relies excessively on historical data without fully considering the sudden changes in industry characteristics, it may trigger systemic default risks.

5.1.4. Regulatory Arbitrage and Compliance Risk: Chaos Under the Cloak of Innovation

Some institutions under the banner of "digital sports finance" or "sports blockchain" may actually engage in illegal fundraising, usury, virtual currency speculation, and other illegal activities. They use the lag and blank areas of regulatory rules for arbitrage, which not only disrupts the normal financial order but also damages the healthy development of the sports industry.

5.2. Risk Regulation Framework: Technical Governance + Institutional Regulation

5.2.1. Construct a Penetrating Supervisory Technology System (RegTech)

"Manage technology with technology." Regulatory authorities should use big data, blockchain, knowledge graphs, and other RegTech means to access transaction data of sports finance platforms in real-time and build a risk monitoring and early warning system. Achieve dynamic monitoring and penetrating supervision of key indicators such as capital flow, interest rate levels, non-performing rates, and leverage ratios, ensuring they are "visible, manageable, and early warned."

5.2.2. Establish a "Sports Finance Regulatory Sandbox" Mechanism

Establish a "Sports Finance Regulatory Sandbox" in Nansha and other Free Trade Zones in Guangzhou. Allow qualified financial institutions and technology companies to conduct pilot trials of innovative products such as sports intellectual property securitization, data asset pledging, and sports token economy under the premise of controllable risks and limited scope. Through small-scale real-environment testing, test product risk points, accumulate regulatory experience, correct product design, and promote to the whole city after maturity. This protects innovation vitality and prevents risk diffusion.

5.2.3. Strengthen Data Governance and Ethical Review

Issue the "Sports Industry Financial Data Security Management Specification," clarify the boundaries of data collection, storage, use, processing, and transmission, and strictly implement the principles of "user authorization, minimum necessity, and desensitization processing." Establish an algorithmic ethics review mechanism requiring financial institutions to periodically disclose the basic logic, parameter weights, and fairness assessment reports of algorithms to prevent algorithmic discrimination. For applications involving biometric information, implement stricter "white list" management.

5.2.4. Improve Investor Protection and Consumer Education

Strengthen risk education for sports finance investors and consumers. Carry out activities such as "Digital Finance Knowledge Entering Sports Venues, Campuses, and Communities" to improve public financial literacy and advocate a sports consumption concept of "living within one's means and rational consumption." Establish and improve a diversified resolution mechanism for financial consumption disputes, unblock complaint channels, and severely crack down on false propaganda and unfair terms.

6. PRACTICAL PATH: SUGGESTIONS FOR DEEPENING THE INTEGRATION OF "SPORTS + FINANCE" IN GUANGZHOU

Based on the above theoretical analysis and risk regulation framework, and combining the strategic goal of Guangzhou building an international sports city, the following systematic practical paths are proposed.

6.1. Top-level Design: Construct a "Digital Sports Finance" Policy Support System

It is suggested that the Guangzhou Sports Bureau, together with the Municipal Local Financial Administration Bureau and the Municipal Bureau of Industry and Information Technology, issue the "Implementation Opinions on Promoting Digital Finance to Support High-Quality Development of the Sports Industry."

Clarify Directions: Clarify key areas (intelligent manufacturing, digital sports, outdoor sports) and lists of encouraged and restricted projects for digital finance to support the sports industry.

Fund Guidance: Establish a Guangzhou Sports Industry Digital Finance Guidance Fund, focusing on investing in sports enterprises applying digital technology for transformation and upgrading, leveraging the amplification effect of fiscal funds.

Cost Reduction and Efficiency Increase: Include the digital transformation of sports enterprises in the scope of financial subsidies, provide a certain proportion of subsidies for enterprises' expenses in purchasing cloud services and building digital management systems, reduce the cost of "going to the cloud, using data, and empowering intelligence" for enterprises, and consolidate the data foundation for the intervention of digital finance.

6.2. Infrastructure: Build "Sports Industry Brain" and Credit Data Base

Relying on Guangzhou's existing government data platforms such as "Suizhiguan," accelerate the construction of the "Guangzhou Sports Industry Brain."

Data Aggregation: Break data islands and fully collect multi-source data such as administrative licensing, administrative penalties, event approval, venue operation, and social security payments of sports enterprises to form a "digital ledger" of the city's sports enterprises.

Credit Evaluation: Establish an enterprise credit evaluation index system with characteristics of the sports industry, setting differentiated evaluation weights for different formats (manufacturing, service, operation). For example, for event operation enterprises, focus on assessing their past event safety records and brand influence.

Open Empowerment: Under the premise of ensuring data safety, legally and compliantly open data interfaces to financial institutions, supporting banks to develop pure credit loan products based on tax credit, electricity consumption data, and procurement data (such as "Sports e-Loan").

6.3. Product Innovation: Promote "Scenario-based, Customized" Financial Solutions

Encourage financial institutions in Guangzhou to set up "Sports Finance Business Divisions" or specialized branches to deeply cultivate sports segments.

Promote "Cloud Volume Loan": For sports technology enterprises using cloud services, issue pure credit loans based on their cloud resource usage, activity, and growth rate.

Pilot "Copyright Loan": Cooperate with the Guangzhou Intellectual Property Exchange Center to establish a sports event copyright value assessment model, promote copyright pledge financing, and introduce insurance companies to develop "intellectual property pledge financing guarantee insurance" to share bank risks.

Innovate "Order Loan": For sports manufacturing enterprises and event service enterprises undertaking National Games orders, provide unsecured financing based on government procurement contracts or core enterprise orders to solve stocking capital needs.

6.4. Ecology Construction: Cultivate a Composite Ecosystem of "Sports + Finance + Technology"

Build an Industry-Finance Matchmaking Platform: Regularly hold "Guangzhou Sports Industry Project Capital Matchmaking Meetings," set up online investment and financing zones, release financing demand lists for key sports projects, and achieve precise matching between projects and funds.

Cultivate Composite Talents: Support universities in Guangzhou such as Guangdong University of Finance and Guangzhou Sport University to open interdisciplinary majors in sports finance, encourage financial institutions and sports enterprises to jointly build internship bases, and cultivate composite talents who understand both sports operation laws and digital financial instruments [10].

Introduce Professional Service Agencies: Vigorously introduce and cultivate professional sports intangible asset evaluation agencies, sports big data analysis companies, and sports legal consulting agencies, improve the intermediary service ecology, and reduce transaction costs of industry-finance docking.

7. CONCLUSION

The deep integration of digital finance and the sports industry is an inevitable choice for industrial upgrading under the wave of the technological revolution, and it is also an important handle for Guangzhou to achieve new vitality in the old city and "Four Aspects of New Brilliance." Through innovative models such as supply chain finance, intellectual property securitization, consumer finance, and digital platforms, digital finance can effectively solve the financing pain points of the sports industry and drive the upgrading of the industrial structure towards high-end, intelligent, and green directions. However, this process is also accompanied by new risks such as data security and algorithmic ethics, requiring the joint participation of the government, market, and society to build a dual prevention framework of "Technical Governance + Institutional Regulation."

Looking to the future, Guangzhou should fully leverage its advantages as the core engine of the Greater Bay Area, pilot first in institutional innovation, data governance, and ecological cultivation, and create a leading "Digital Sports Finance" demonstration highland nationwide. This will not only inject a continuous stream of financial living water into the high-quality development of Guangzhou's sports industry but also provide replicable and promotable experience samples for other cities across the country. With the deepening of practice, digital finance will surely become a powerful engine for the takeoff of the sports industry, boosting China's move from a major sports country to a sports power.

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