

## **Abstract**

In recent years, the rapid development of Internet finance has seized the financial market with a variety of business modes, which has had a strong impact on traditional financial institutions. This thesis analyzes the characteristics and main modes of Internet finance to explore the impact and future development of Internet finance. Due to the variety of Internet financial modes, this thesis uses a representative model of third-party payment to study the impact on residents, governments, and commercial banks. The main models used are OLS, panel data models, and VAR models. In order to explore the future development of Internet finance, this thesis not only compares the development of Internet finance in the United States, Europe, and China, but also analyzes the differences in the development of various regions. In addition, the thesis uses SWOT analysis to analyze the current environment of Internet finance, and speculates on future development trends and development measures that can be taken.

**Keywords:** Internet finance, third-party payment, regional differences, future development