

ANALYSIS OF DEVELOPMENT PROBLEMS AND COUNTERMEASURES OF SME: A CASE OF REAL ESTATE ENTERPRISE IN BEIJING*

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Abstract

The rapid development of domestic economy has brought some opportunities to the development of the real estate industry, but it has also caused the overheating of real estate investment in different scopes and degrees, and the continuous occurrence of real estate speculation has seriously hindered the healthy development of the real estate industry. In order to effectively solve the negative impact of the development of the real estate industry, The State Council and local governments at all levels have introduced a number of real estate regulation measures since 2003, but the effect is limited. Analyzing real estate market management from the perspective of governance is of great significance to the healthy development of real estate related surrounding industries and steady economic growth. The results showed that, the constant release of market demand is a good guide to the normalization of the market. However, repeated epidemics at home and abroad may affect the market recovery in future. Judging from the strong rebound of stock housing, stock housing transactions may be delayed, but not suppressed. At the same time, small fluctuations in market trends caused by the epidemic will gradually return to normal in the future. We will adhere to the positioning that houses are for living in, not for speculation, and adopt city-specific policies to promote the steady and healthy development of the real estate market. In future, the real estate market regulation will still maintain the current tone to promote the smooth operation and healthy development of the market.

Keywords: Small and medium-sized real estate enterprises; Development strategy; Financing strategy; Development countermeasures.

Introduction

Research Background

As the real estate market mature, high yield and high risk industry makes on the other hand By many small and medium-sized real estate enterprises in Beijing, on the other hand, the small and medium-sized real estate enterprises is faced with serious challenges, such as small and medium-sized enterprise internal management is weak, the financing channels of a single, relatively more stringent conditions of real estate financing, etc (Cheng, 2004). The real estate products provided by the real estate industry are both means of living and means of production, and the real estate economy created by the real estate industry is the foundation and leading industry of the economy. In view of the large proportion of small and medium-sized enterprises in real estate enterprises, the healthy development of small and medium-sized real estate enterprises in Beijing is directly related to the sustainable development of Beijing's real estate industry, and also affects the stability and predictability of Beijing's macroeconomic, as well as the smooth operation of the national economy to a certain extent.

* Received: January 20, 2023; Revised: February 25, 2023; Accepted: March 31, 2023

Study the actual situation of small and medium-sized real estate enterprises in Beijing, from the various level research faces the problems of small and medium-sized real estate enterprises, and based on the problems in policy design is very necessary, and to further in-depth analysis of Beijing's property, small and medium enterprises, expect advice to promote the healthy and orderly development of small and medium-sized real estate enterprises.

Objectives of the study

There are mainly two objectives of the study as follows:

1. To analyze the current situation of small and medium-sized real estate enterprises in Beijing.
2. To show the development status and existing problems of small and medium-sized real estate enterprises in Beijing.

Research Problems

The main problems faced by small and medium-sized real estate enterprises in Beijing are as follows:

1. How to solve financing difficulties?
2. How to improve the problem of backward enterprise management?
3. How to attract talents?

Theoretical framework

From the perspective of sound management and enterprise development, this paper analyzes the countermeasures for the development of small and medium-sized real estate enterprises in Beijing (Fan, 2016; Fang, 2016). It is pointed out that the government should promote the development of small and medium-sized real estate enterprises by establishing and perfecting their management organizations. We will develop and improve commercial associations, trade associations and other social intermediary organizations. Credit companies explore financing channels for small and medium-sized real estate enterprises. Enterprises should establish brand concept, highlight the advantages of "specialization, refinement, specialization and novelty", accelerate enterprise integration and enhance their own competitiveness. Through the information analysis of the complex factors in the development environment of small and medium-sized real estate enterprises, it provides a systematic and effective way of thinking for the development of small and medium-sized real estate enterprises.

Literatures Review

In May 2020, the sales area of new commercial housing in Beijing was 638,000 square meters, down 6.7% year on year. Among them, residential transaction area of 518,000 square meters, down 15.8% year on year; Office transaction area of 17,000 square meters, year-on-year growth of 41.7%; The transaction area of commercial business was 31,000 square meters, up 1.21 times year on year. In May 2020, the total land transaction area of the city was 433,200 square meters (construction land area), down 8.70% from the previous month and up 1.74 times year-on-year (Gu et al., 2017). The constant release of market demand is a good guide to the normalization of the market. However, repeated epidemics at home and abroad may affect the market recovery in the future. Judging from the strong rebound of stock housing, stock housing

transactions may be delayed, but not suppressed. At the same time, small fluctuations in market trends caused by the epidemic will gradually return to normal in the future. We will adhere to the positioning that houses are for living in, not for speculation, and adopt city-specific policies to promote the steady and healthy development of the real estate market. In the future, the real estate market regulation will still maintain the current tone to promote the smooth operation and healthy development of the market.

Traditionally, the definition of smes is still vague, so qualitative standards still exist in a certain market. Scholars believe that the definition of smes from a qualitative perspective is mainly based on the location of enterprises in the industry, which requires the classification of the industry and its enterprises (Guo, 2003 Li, 2017). Drawing on the research definition of small and medium-sized enterprises in the United States, small and medium-sized enterprises are calculated based on the position of enterprises in the industry, which mainly means that enterprises occupy an absolute share in the total income of the industry, and enterprises can influence the competition status of the whole industry. Under this definition, in the 1970 s, Britain's research to small and medium-sized enterprises as the three characteristics, one is the enterprise in a smaller share of the market, the market value of a single enterprise small and quantity is more, the second is the management organization of the small and medium-sized enterprises is still not finalize the design, three is the enterprise in the decision-making at the parent level, no policy decisions.

Status at the qualitative level, with a standard to classify the small and medium-sized enterprises mainly rely on market behavior, the scale of the enterprise often need to define according to enterprise scale, because often large-scale enterprises in the city court can easily made rapid dominance, once the large-scale enterprise has the power in the market, will form into an absolute monopoly, This may have an impact on the operation of the entire enterprise market, or is very adverse. Therefore, from the perspective of healthy market development, how to make smes become the most active part of the market is the standard for defining smes. This kind of definition is also a kind of protection to the enterprise market economy, but also a kind of protection to the small and medium enterprises, otherwise the malignant development and monopoly of large enterprises will lead to the destruction of the market economy. Effective competition can further activate the development vitality of small and medium-sized enterprises, which is of great significance to the development of market economy and also an important basis for the development of small and medium-sized enterprises (Hou and Ma, 2016).

In addition to qualitative standards, we generally accept quantitative standards. In terms of the classification standards of smes in countries around the world, they are all defined according to the level of three indicators: the number of employees, the paid-in capital level in the operation of enterprises, and the annual turnover level. Small and medium-sized enterprises are often defined by choosing one or two indicators from these three indicators, and few countries use all three indicators to measure small and medium-sized enterprises. In the UK, the number of small enterprises is usually less than 25 people, while the number of medium-sized enterprises is between 25 and 100 people.

Social division of labor has long stratified enterprises, the finer the division of labor, the higher the level of enterprise stratification. From the perspective of production efficiency, the finer the division of labor, the higher the efficiency of market operation. From the current development law of real estate industry, small and medium-sized real estate enterprises are the most dynamic elements in the current social and economic construction, or just because of the continuous development and expansion of small and medium-sized real estate enterprises economy cannot bear all the functions and division of labor, so many small and medium-sized real estate enterprises are needed to support and realize these functions and division of labor (Guo, 2003). So in a small real estate enterprise and the competition between large real estate enterprise, but more cases, large-scale real estate enterprises and small and medium-sized real estate enterprises in the society there are a lot of collaboration (Gu & Zhang, 2004), this is a win-win situation, more is to be able to lead the whole real estate industry and the development of social economy, it is very important to the dynamic elements.

From the perspective of the main body composition of the market economy, the development scale of China's small and medium-sized real estate enterprises has reached a certain extent. According to the relevant data of the National Bureau of Statistics, small and medium-sized real estate enterprises have accounted for more than 90% of the total number of real estate enterprises. The market share of the enterprise is mainly two indicators, one is the level of sales of goods already built, the other is the total sales area. These two indicators directly reflect the market share of real estate enterprises. If analyzed from these two indicators, the dispersion of the current real estate industry is large. There are monopolistic or large real estate sales companies in the industry, but small and medium-sized real estate companies occupy more than 70 percent of the market in both first-tier and second-tier cities (Huang & Zhao & Xia , 2016). Small and medium-sized real estate enterprises turn to third - and fourth-tier cities and achieve good development mainly based on two factors: first, the land transfer price of small and medium-sized cities is relatively low, so the capital for real estate development is relatively low, which is suitable for the intervention of small and medium-sized real estate developers; Second, small and medium-sized cities have tasted the benefits of the development of real estate industry in the process of economic development, so the development demand of real estate industry is greater. Based on the above reasons, small and medium-sized real estate enterprises have taken small and medium-sized cities as the main stronghold of development, and based on small and medium-sized cities to close to big cities (Jin, 2007).

Information-oriented competitiveness enhancement, strategic decision-making based on big data and information is an important support for the current development of enterprises, for the real estate industry, the collection and decision-making of policy information is very important. Large real estate enterprises can obtain the development information and policy trend of the government from different levels, while the information sources and policy information sources of small and medium-sized real estate enterprises are particularly narrow (Li, 2003). Policy information collection can guarantee the strategic orientation of real estate enterprises, and policy orientation can determine the demand orientation of enterprises' products to a certain extent, so it can greatly affect the competition pattern of small and medium-sized real estate enterprises in the market. From the current development situation, the current information decision-making strategy orientation of small and medium-sized real estate

enterprises mainly comes from three sources: one is the policy information of the government's livelihood projects; Second, the fluctuation of the real estate market; Third, the development direction of foreign real estate at all levels, as well as the real estate development policy information of various countries (Li, 2007). Only after mastering the above three aspects of information, small and medium-sized real estate enterprises can have certain advantages in the real estate development market, and can greatly improve their core competitiveness. As for the real estate market, strategic plans usually take five years as the standard. Compared with a planning cycle of more than ten years for large enterprises, five years for small and medium-sized real estate enterprises is a short-term strategic plan. Therefore, how to obtain more competitiveness, or the core content of competitiveness is the cycle content of strategy. For small and medium-sized real estate enterprises, short-term strategy is an important content to help them obtain competitiveness (Li, 2012).

To sum up, the real estate industry has become an indispensable part of China's economic and social development, not only because houses and residences are the traditional needs of The Chinese people, but also because living and working in peace and contentment is an important goal of the Chinese people. Both large real estate enterprises and small and medium-sized real estate enterprises are important tools and foundations for realizing residents' goals (Li, 2017).

The market environment mainly involves people's housing demand, such as the existence of a large number of rigid demand groups, the gradual increase in the demand for improved housing. With the improvement of people's quality of life, higher demands are placed on the surrounding environment, transportation, safety, medical care, shopping, and schools 19. They also need socialized and community-based housing (Li, 2017).

The financing channels of real estate enterprises can be carried out through bank credit, private placement financing, trust financing and financial leasing. However, as small and medium-sized real estate enterprises are in a competitive disadvantage compared with large real estate enterprises, financing channels such as private equity financing and trust financing are not suitable for small and medium-sized real estate enterprises, but the funds they can raise are limited. Coupled with the small and medium-sized real estate enterprises is different from the large real estate company lies in its not through listing, issuing bonds and other forms in the market on a large scale to collect, this determines the Chinese small and medium-sized real estate enterprises in the financing channels can only rely on a limited form of bank loans, greatly limits its funding sources and the subsequent ability of capital operation and development (Li and Ma, 2017).

It has been mentioned above that at present, financing loans of smes in China are single in form, and their main source is bank credit. Compared with large enterprises, smes are at a competitive disadvantage. At the same time, small and medium-sized enterprises are also facing the difficult problem of financing and loans. This problem is largely caused by the main body of the bank, in the loan review on the small and medium satisfaction of more stringent constraints, these have restricted the loan of small and medium enterprises. However, the impact of the financial crisis has become greater. In this context, in order to minimize the impact of the financial crisis, the government has carried out stricter assessment on the loans

of small and medium-sized enterprises. On the one hand, it has standardized the internal management mechanism, and on the other hand, it has controlled the external loans. Therefore, small and medium-sized enterprises encounter more stringent test, in the loan review of major banks for small and medium-sized enterprises has become a stingy, few approved small and medium-sized enterprises loan application (Li, 2005).

Research Methodology

Through reading a large number of relevant articles at home and abroad, this paper adopts empirical analysis methods such as literature content analysis, case analysis, observation and qualitative analysis to study the influence and theoretical knowledge of small and medium-sized real estate at home and abroad:

1. Analyze the market positioning strategies of small and medium-sized real estate enterprises through the combination of economic marketing theory and practice;

2. comparative analysis, small and medium-sized real estate enterprises target market segmentation, cultivate core competitiveness. Small and medium-sized real estate enterprises in the development of market positioning strategy can consider according to different potential target groups to carry out target market segmentation, which is conducive to fully understand their own competitiveness, this marketing application and consumer behavior analysis;

3. Literature review: through reading the customer-oriented core competitiveness system, the author can make the products developed by small and medium-sized housing enterprises more meet the needs of customers in a short term, make profits quickly and stand firm in the industry; In marketing, market strategy and other aspects with the help of theory, literature knowledge and specific examples to win more development opportunities and development of small and medium-sized real estate enterprises are systematically analyzed and combed. The related problems are combed and studied.

Findings and research significance

Findings

By studying the development status and existing problems of small and medium-sized real estate enterprises in Beijing, this paper puts forward that the government can support small and medium-sized real estate enterprises from the policy, so as to create a good living environment and development competition environment for the small and medium-sized real estate industry in Beijing, so as to promote the healthy development of small and medium-sized real estate industry. This paper discusses the special background of the development of small and medium-sized real estate enterprises and the important theoretical and practical significance of the research. It reflects that the current study of the existence and development of small and medium-sized real estate enterprises, there is lack of theory for small and medium-sized real estate enterprises at home and abroad, but the relevant theories of small and medium-sized enterprises are also applicable to small and medium-sized real estate enterprises.

The development bottleneck faced by small and medium-sized real estate enterprises in Beijing is mainly the policy environment and market environment. From the characteristics of the current policy system, economic development policies, bank loan policies, land soliciting policies, real estate industry development norms and other policies for the people's livelihood,

all of which affect the structure of the real estate industry and enterprises to a great extent. The success of financing for small and medium-sized real estate enterprises in Beijing is the key to their survival. Small and medium-sized real estate enterprises should insist on financing innovation and explore suitable financing methods: explore effective private financing methods; strengthening the construction of enterprise culture is the solution. Successful corporate culture can not only stimulate the enthusiasm of all employees, but also is an effective means to retain and attract talents. To strengthen the internal management, enhance the core competitiveness of enterprises, which is the key to an invincible enterprise. To realize the real core competitiveness of enterprises, only from their own to give full play to the competitive advantages of enterprises.

Generally speaking, the real estate market situation is still bullish on, the small and medium-sized real estate enterprises at present although faced with a severe market environment, and itself has a lot of the “bottleneck” problem to be solved, but as long as the corporate decision makers can in the new market environment change timely enterprise development strategy, actively broaden the financing channels, strengthen the project management model innovation, Will be able to stand firm in the new market environment, and even realize the leapfrog development of small and medium-sized real estate enterprises.

Research Significance

On the basis of the existing research, this paper tries to discuss the development status of small and medium-sized real estate enterprises in Beijing, the reasons for the financing difficulties of small and medium-sized real estate enterprises and the countermeasures to solve the development problems of small and medium-sized real estate enterprises, and tries to improve the development level of small and medium-sized real estate enterprises, which has a certain theoretical significance. Through the analysis of the current situation of the development of small and medium-sized real estate industry in Beijing, through the analysis of the advantages and disadvantages of the environment, this paper objectively analyzes the internal advantages and external opportunities of the development of small and medium-sized real estate enterprises in Beijing, as well as the internal disadvantages and external resources. On this basis, from the perspective of market positioning, it also puts forward some constructive suggestions for external government's financing strategy and talent policy (Hu, 2016). In the face of more intense market competition and complex business environment in the future, value reference can help them win a better survival and development space, and the research of this topic has preliminarily reached theoretical guidance and practical significance.

Conclusion and recommendations

Advantages and opportunities for small and medium-sized real estate enterprises. It can be seen from the analysis of the internal advantages of small and medium-sized real estate enterprises that, due to their moderate scale, they are more flexible in operation and operation, and have a faster ability to reflect decisions. Moreover, their internal organizational structure is clear, which ensures their ability to execute strategies. Started with many small and medium-sized real estate enterprises from the grassroots and the local amorous feelings, community environment is very understanding, because of the small and medium-sized real estate enterprises more than the income level of medium of the general public, so the specific

geographic location preferences and habits of people more understanding, this to collect customer data, analysis of customer needs and make strategic plan is very good.

Small and medium-sized real estate enterprises in Beijing can give full play to their geographical advantages and seriously study the market demand. They can analyze the market situation from the beginning of land purchase and analyze the demand of different income groups for residential areas, transportation, hospitals, schools, life and other aspects. At the same time, learn from the experience of other cities at home and abroad in the development and construction of environmentally friendly real estate, from the perspective of energy saving, green environmental protection, convenient life of the masses to create livable real estate, so as to establish brand effect for their own enterprises to win better development.

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