

Investigation of Rural E-commerce on Targeted Poverty Alleviation under the Rural Revitalization Strategy: A Case Study of Linxia Hui Autonomous Prefecture

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Abstract: Targeted poverty alleviation by E-commerce is one of the ten projects of Targeted poverty alleviation in China. Targeted poverty alleviation by E-commerce in rural areas has important practical significance for farmers in minority areas to increase their income and get rid of poverty and become rich. Linxia Hui Autonomous Prefecture has a wide range of poverty and a large number of poor people. It belongs to a typical deep poverty area. The task of poverty alleviation is arduous, and it is the main battlefield of poverty alleviation in China. Based on the analysis on the actual situation of targeted poverty alleviation of rural E-commerce in Linxia Hui Autonomous Prefecture, this paper puts forward a new way to develop Targeted poverty alleviation of rural E-commerce in minority areas.

1. Introduction

On October 18, 2017, Chinese president Xi Jinping pointed out in his report to the Nineteenth National Congress that the whole Party and the whole society should be mobilized to adhere to Targeted poverty alleviation and poverty alleviation so as to ensure that by 2020, all the poor people in rural areas will be lifted out of poverty, and all the poor counties will be lifted out of poverty so as to achieve real poverty alleviation and poverty alleviation. At present, our country has entered the crucial period of fighting against poverty and winning the battle to build a well-off society in an all-round way[1]. As the short board of building a well-off society in an all-round way, the vast rural poverty-stricken areas urgently need to take measures to achieve poverty alleviation and prosperity. Linxia Hui Autonomous Prefecture, as a typical poverty-stricken area, needs to take many measures to ensure that it can achieve the goal of poverty alleviation in all respects by 2020[2]. Therefore, Targeted poverty alleviation through E-commerce has become an indispensable way and means of Targeted poverty alleviation in Linxia Hui Autonomous Prefecture. For the research objectives, the questionnaire was design for rural E-commerce on Targeted poverty alleviation in Hui autonomous prefecture of Linxia, and we investigated the poverty village, poverty rate as well as the poverty incidence at selected regions. Totally, more than 300 questionnaires were conducted, covering the town and rural levels.

2. Poverty Analysis and Targeted Poverty Alleviation of E-Commerce in Linxia Hui Autonomous Prefecture

Poverty Situation in Linxia Hui Autonomous Prefecture.

In November 2017, the General Office of the State Council issued the Opinions on the Implementation of Supporting Poverty Alleviation in Deeply Poverty-stricken Areas, which pointed out that the deep poverty-stricken areas include three districts, three states and three categories of people [3]. Linxia Hui Autonomous Prefecture is one of the key areas for poverty alleviation. Linxia Prefecture, founded in November 1956, is one of the two major Hui Autonomous Prefectures in

China and two minority autonomous prefectures in Gansu Province, located in the southwest of central Gansu Province and in the upper reaches of the Yellow River, with a total area of 8169 square kilometers, it has jurisdiction over one county-level city, five counties and two autonomous prefectures with a total population of 2.2 million. There are 30 minority nationalities, including Hui, Dongxiang, Baoan and Sala, accounting for 52.9% of the total population [4].

In 2016, there were 175,700 poor people and 412 deep poverty villages in Linxia Prefecture, of which 323 were poor villages and 89 were non-poor villages [5]. The incidence of poverty was 32.16%. The specific data of 8 counties (cities) in the whole Prefecture are shown in Figure 1. Through the joint efforts of the state government and local enterprises, Linxia officially lifted off poverty and caps in 2017. By the end of 2018, 160 poverty-stricken villages in the prefecture had been lifted out of poverty and capped. The number of poor people had dropped to 163,800, and the incidence of poverty had dropped to 8.97%. Although the rural poverty alleviation in Linxia has achieved great results in recent years, there is still a big gap compared with the poverty incidence of 1.7% in the whole country. There are still 489 impoverished villages in the state in urgent need of getting rid of poverty and taking off their hats. Linxia has a large number of high-quality characteristic agricultural products, through E-commerce to achieve the process of characteristic agricultural products, so as to achieve the increase of farmers' income. In order to get rid of poverty and become rich in rural areas by means of E-commerce.

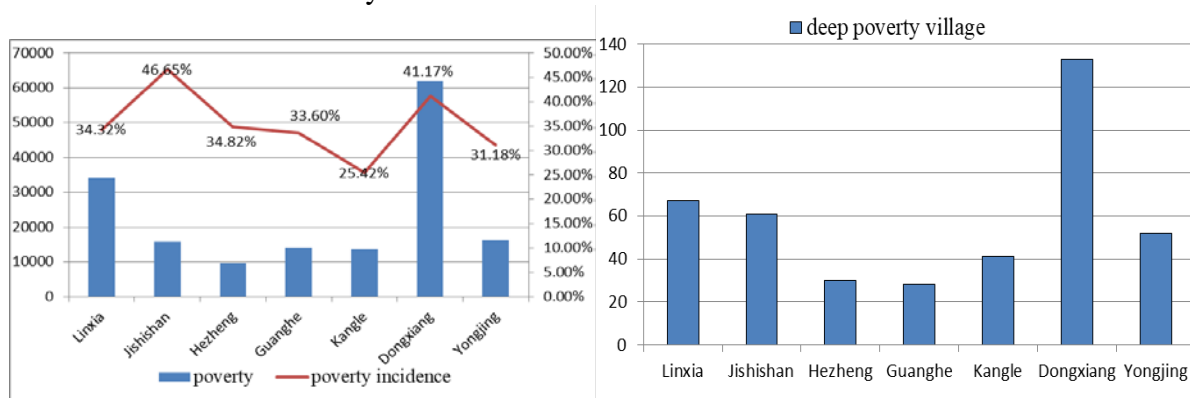


Fig. 1. basic situation of deep poverty villages in Linxia

3. Targeted Poverty Alleviation of Rural E-Commerce

3.1 The Current Situation of E-commerce Development.

The development of E-commerce in Linxia Hui Autonomous Prefecture has shown a rapid growth trend in recent years. In 2016, the development of E-commerce has taken shape. There are 8 E-commerce service centers, 25 E-commerce service stations and 800 network outlets in Linxia Hui Autonomous Prefecture. The annual E-commerce transaction volume is 120 million Yuan. From the perspective of E-commerce transactions, compared with Lanzhou's 98 billion Yuan, Zhangye's 1.999 billion Yuan, Longnan's 6.46 billion Yuan, Tianshui's 3.5 billion Yuan and Qingyang's 1.532 billion Yuan (Table 1), Linxia's electronics still need to be further strengthened.

Table 1 Comparing the Scale of E-Commerce in Linxia with Major Cities in Gansu Province

Regions	E-commerce service center, station, point (number)	E-commerce company/online shop	E-commerce transaction vol (100 million yuan)
Zhangye	6 centers, 9 stations	200	19.99
Lan'Zhou	6 centers, 54 stations, 570 points	2000	980
Linxia	8 centers, 25 stations	800	1.2
Weinan	10 centers, 150 stations, 495 points	10389	64.6
Tianshui	8 centers, 113 stations, 1312 points	700	35
Qingyang	8 centers, 81 stations, 509 points	6053	16.32

3.2 Poverty Alleviation Effectiveness of E-commerce.

With the advent of the Internet era, it is the general trend that E-commerce drives rural development. How to smoothly solve the problems of poor sales of rural products, backward rural economic development and income generation for farmers through E-commerce has become an important part of the development of E-commerce to help the Targeted poverty alleviation in rural areas. Since 2018, Linxia has fully implemented the comprehensive demonstration project of E-commerce entering villages, fostered and developed rural E-commerce supply chain, comprehensively promoted the development level of rural E-commerce, promoted the docking of production and marketing, and created a new way for farmers to increase their income and become rich. By 2018, there will be 6 comprehensive demonstration counties in Linxia. Linxia, Guanghe, Zhengxian, Jishishan and Dongxiang Counties, supported by the special funds for poverty alleviation through E-commerce provided by the Provincial Commerce Department, have built 33 new E-commerce service stations in villages and towns to achieve full coverage of 124 townships; 214 new E-commerce service stations at village level to achieve full coverage of 560 poverty-stricken villages; the total number of business incubator Parks in the prefecture has reached seven, with more than 120 enterprises stationed. By promoting the mode of E-commerce + outlets + farmers in Hexian County, the special products will be launched in Gansu Province and sold to the whole country. In August 2017, more than 50,000 kilograms of Bingtangxin apples, more than 5,000 kilograms of lilies and more than 150,000 Yuan of offline retail products were promoted and sold online by E-commerce enterprises, which helped 260 poor households in Yongjing County increase their income by about 500 Yuan per household and opened up a new way for farmers to increase their income and become rich.

4. Existing Problems of Targeted Poverty Alleviation of E-Commerce in Linxia Prefecture

4.1 Poor Willingness to Extricate from Poverty.

Although the government has issued many Poverty Alleviation Policies to help poor households get rid of poverty, some poor households in Linxia are not willing to take the initiative to get rid of poverty because of the objective factors such as geographical location and educational level. Some poor households still have the lazy idea of "waiting, depending and wanting". There are also some poor households who are hardworking and down-to-earth, but because of their conservative thinking and lack of fighting spirit, they cannot effectively use the poverty alleviation policies given by the government to come from self-development.

4.2 Poor Infrastructure

Linxia Prefecture is located in the northwest minority areas of China. It is sparsely populated, the rural population in villages and towns is scattered, the natural conditions are harsh, the mountains and gullies are deep, and the advantages of cluster are lacking [6]. The enthusiasm of communication operators to invest in infrastructure construction such as network base stations and service stations is not high, which leads to the inaccessibility of broadband and 4G networks in some villages and communes and the construction of infrastructure such as rural roads. Setting up relatively lagging, the cost of rural logistics distribution is high, the enthusiasm of logistics enterprises is not high, and the construction of service outlets is not in place.

4.3 Lack of Professional E-commerce Talents.

As a whole, people engaged in logistics distribution in Linxia prefecture have a low level of education and no formal logistics professional training. For most people engaged in rural logistics distribution, the income of logistics distribution is not their main source of income, which leads to their low level of attention to logistics services. Most of the graduates who have received formal logistics training are difficult to choose rural work after graduation, not to mention the deep poverty-stricken rural work like Linxia. Therefore, the serious lack of advanced logistics management theory and professional E-commerce talents is also an important factor restricting the Targeted poverty

alleviation of Linxia E-commerce.

4.4 Lack of Public Service Platform.

The development of E-commerce cannot be separated from the development of logistics system, which is closely related to the construction of information system. At the same time, the cultivation cycle of agricultural products is long, storage and storage conditions are harsh, and the rural logistics storage and storage system is not perfect[7]. Even if logistics enterprises establish logistics service centers, they only reach the township or even county level, and it is difficult to reach the level of service to village.

4.5 The Inadequate Cultivation of Market.

Rural E-commerce and logistics market due to market decentralization, long distance from the receiving point, inconvenient transportation and other factors of their own, resulting in the delivery of couriers need to spend more costs. Because the logistics cost is greater than the revenue, many express companies do not deliver orders in rural areas. Most of the express delivery at the village level needs villagers to collect them at the township level by themselves. Delivery door-to-door and door-to-door pick-up business cannot be comprehensive at the village level, which to some extent restricts the development of E-commerce in the rural market.

4.6 Imperfect Regulatory System.

The production of agricultural products and the demand for agricultural products are uncertain due to the influence of natural conditions and market. Linxia Prefecture is located in the transition zone between Qinghai-Tibet Plateau and Loess Plateau. There are many valleys and less flat land in Linxia Prefecture. Therefore, the production areas and producers of agricultural products are relatively dispersed, and large-scale mechanized production cannot be realized [8]. Moreover, because of the low added value of agricultural products, most products cannot endure long-term storage, and the quality evaluation of agricultural products is difficult to unify. The existing government function based on territorial management is difficult to play a role in the whole industrial system.

5. Solutions for Targeted Poverty Alleviation by Rural E-Commerce

5.1 Promoting and Cultivating the Endogenous Motivation.

Promoting the activities of building spiritual civilization in rural areas, intensifying the propaganda of Targeted poverty alleviation policies, and focusing on the discovery and popularization of typical poverty alleviation and prosperity, in order to transform the spiritual outlook of farmers in poor areas. Respect the principal position of poor farmers in industrial poverty alleviation, let poor farmers participate in the construction of industrial poverty alleviation projects, the grasp of industries and the allocation of funds in all aspects, enhance the enthusiasm and protagonist consciousness of poor farmers, eliminate old and conservative ideas, so as to cultivate the endogenous motive force of poor farmers to get rid of poverty and get rid of spiritual poverty.

5.2 Improving the Infrastructure Construction of Rural Logistics.

In order to develop rural E-commerce, we should continue to improve the infrastructure of rural areas, speed up the construction of rural roads to reach households, speed up the pace of agricultural products leaving the village, and reduce the cost of logistics express delivery; secondly, we should speed up the full coverage of Internet infrastructure to achieve optical fiber access to households. At the same time, for remote areas that do not have optical fiber network, we should speed up the pace of coverage of 4G network, realize network coverage through the way of 4G network communication, and solve the network problems in rural areas.

5.3 Introducing from Outside and Cultivating from Inside to Build Professionals.

Guidance refers to the introduction of external excellent talents to Linxia through recruitment, introduction of expert consultants, cooperation with universities, and order-based training with enterprises in areas rich in E-commerce talents such as the eastern coast, so as to enrich E-commerce talents in Linxia. Internal training refers to the internal selection of outstanding returning college students from various villages for training, to achieve the purpose of training local E-commerce talents in Linxia, to establish a complete E-commerce talent training system and charity reserve in the region, and ultimately to achieve self-sufficiency of E-commerce talents.

5.4 Scientific Development Characteristic Advantage Industry.

Linxia Prefecture should take measures according to local conditions, according to the implementation opinions of six major industries in Gansu Province and the three-year plan of action, combine the economic development and resource endowment of its respective counties, highlight the characteristics and advantages of their respective industrial development, actively explore and adhere to the idea of poverty alleviation and sustainable development with characteristics, high-quality, high-end and high-efficiency, and build a leading brand effect. Enterprises should construct the whole industrial chain development model, accelerate the process of industrial development scale, and form the regional economic development model of "one village, one product" and one county, one industry.

5.5 Speeding up the Cultivation of Rural Logistics Market.

Strengthen policy guidance and financial support, cultivate multi-form and multi-level rural logistics entities, and rationally layout rural logistics service outlets. Encourage private capital to participate in the development of rural logistics, guide E-commerce enterprises to develop and strengthen rural logistics business, and explore new models of rural E-commerce development. At the same time, we should also support a number of leading rural logistics enterprises, give full play to their advantages of large scale, full function, advanced technology and high degree of modernization, and play a demonstration and driving role in the development of rural logistics.

6. Conclusions

Targeted poverty alleviation of rural E-commerce is an important carrier of rural poverty alleviation in China at this stage. Targeted poverty alleviation of rural E-commerce can effectively link the supply of agricultural and agricultural resources with market demand, lift the resource and capacity constraints in poor areas, and open up a new direction for rural poverty alleviation. Linxia has a large number of high-quality characteristic agricultural products, through E-commerce to achieve the process of characteristic agricultural products, so as to achieve the increase of farmers' income. In order to get rid of poverty and become rich in rural areas by means of E-commerce, Linxia must overcome all kinds of difficulties in the Targeted poverty alleviation work assisted by E-commerce so as to achieve the goal of getting rid of poverty and capping the whole state.

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