Research on the Development Path of Rural E-commerce under the Rural Revitalization Strategy

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Abstract: The key to rural revitalization is the industrial prosperity. Nowadays, the vigorous development of rural e-commerce is becoming the driving force for the prosperity of rural industries and a new engine for rural revitalization. In order to promote the steady implementation of the rural revitalization strategy, it is necessary for the development of rural e-commerce to take root in agriculture, rural areas, serve farmers and innovate rural e-commerce business mode. Through the case study of Jingyu County, a demonstration county of China's “e-commerce in countryside”, this paper analyzes its rural e-commerce development mode, finds out the policy implications of developing rural e-commerce in China, which are used to promote rural e-commerce in Jilin Province, so as to effectively realize the leap-forward development of rural social economy in Jilin Province.

1. Introduction

With the implementation of the rural revitalization strategy and the continuous emphasis on “agriculture, rural areas and farmers”, the development of rural e-commerce has become the focus of government and e-commerce companies. Rural e-commerce has not only changed the traditional trading mode of agricultural products, but also played a significant role in transforming agricultural development mode and promoting agricultural transformation and upgrading. Although the development of rural e-commerce is in a strong momentum at present and has a promising prospect, China's rural e-commerce innovation ecosystem has not yet been complete, with immature internal conditions and external conditions. Governments, e-commerce companies and agricultural product manufacturers are in urgent need to adopt a multi-pronged approach to change the traditional ideas, expand the effective supply of agricultural products, improve infrastructure and introduce e-commerce professionals, so as to promote the development of rural e-commerce in China.

2. Status-quo of Rural E-commerce Development from the Perspective of Rural Revitalization

2.1 Analysis of the Status-quo of Rural E-commerce Development

From the status quo of rural e-commerce development, in recent years, driven by the development of modern agriculture and the expansion of rural demand, rural e-commerce has achieved fast development, and the long-term problem of difficult buy and sales has been greatly alleviated. Relying on e-commerce, traditional agriculture has accelerated the transformation and upgrading to modern agriculture, and the diversity, convenience and safety of rural residents have been continuously improved. Statistics show that in 2018, the scale of rural e-commerce in China reached RMB126 million.

Platform construction for the promotion of agricultural products; at the government level, multi-sectors actively build agricultural products e-commerce platform through purchase and sales matchmaking, etc., to achieve the docking of production and marketing, and to solve the disconnection of supply and demand. At the market level, localities have established agricultural e-commerce trading websites. Relying on agencies including villagers' mutual aid groups and agricultural cooperatives, extensive cooperative links with farmers have been established for online...
sales of local specialty agricultural products. A variety of agricultural products e-commerce trading websites in China have opened up the market for many rural specialty agricultural products, which has boosted the local economy and increased farmers' income.

Platform construction for the promotion of consumer goods in countryside; in recent years, the "e-commerce into the countryside" comprehensive demonstration pilot provinces designed by the Ministry of Commerce of the People's Republic of China has been vigorously building the three-level rural e-commerce public service network of "county-level e-commerce service centers, township e-commerce service stations, village-level e-commerce service points", playing a good role in policy propaganda and market guidance. Under the support of national policies, "going to the countryside" has become a new business growth point for many e-commerce companies, playing an active role in enriching the supply of rural consumer goods and improving the quality of life of rural residents. However, the problem of high logistic cost caused by the backward infrastructure in the vast rural areas has greatly hindered the healthy and sustainable development of rural e-commerce.

2.2 The Development of Rural E-commerce Encounters Bottleneck

The backward infrastructure leads to high circulation costs. The circulation industry is the basic industry and the leading industry for the development of the national economy. As an intermediate link between production and consumption, it bears the dual function of transforming products into commodities, and realizing commodity value and use value. The five-level circulation structure of “broker-origin wholesaler-sales wholesaler-retailer-consumer” is the most important circulation mode of Chinese agricultural products. The intermediate links are complicated, the scale of farmers and retail terminals is small, resulting in the high cost of circulation and difficulty in in-depth marketization. The first is the lagging behind informatization construction, with the problems such as incomplete network coverage, poor signal, and low network speed. The second is the imperfect logistics infrastructure. Many rural areas are lack of logistics infrastructure such as large-scale storage and cold chain of agricultural products. In terms of the sales of agricultural products in the city, due to the "small and scattered" production methods, the short shelf life of agricultural products, the great loss of fresh food in logistics, and high packaging costs, the online agricultural products have relatively high logistic costs. In terms of consumer goods going to the countryside, the rural population has a relatively scattered residence and a small amount of distribution, resulting in a higher cost of single-piece commodity logistics. In terms of consumer goods going to the countryside, the rural population is in relatively scattered distribution and a small amount of distribution, resulting in a higher cost of single-piece commodity logistic cost. Third, the financial services industry is lagging behind. The low population density in rural areas together with the high operating costs of banks and other financial institutions to open outlets have led to a significant decline in financial services in rural areas.

On the issue of rural leaders and construction talents, the rural area is lack of talents and the industry development is short of driving force. The development of rural e-commerce is inseparable from professional talents, especially those who are proficient in network technology, online marketing, logistics management and familiar with the laws governing the operation of the agricultural economy. The localities have insufficient training on rural e-commerce talent training, and are lack of relevant policies and measures to guide and encourage Internet talents to go to the countryside. Consequently, these factors have led to a serious shortage of rural e-commerce talents, and the industry development will be inevitably lack of driving force.

3. The Bottleneck of Rural E-commerce Development under the Perspective of Rural Revitalization

3.1 The issue of the "last kilometer" in agricultural production

China is a large agricultural country boasting of a vast territory, of which rural areas account for more than 70%. However, on the one hand, the rural households are scattered and the degree of organization is not high; on the other hand, the logistics distribution sites are numerous and
complicated, mainly based on the collection of supermarkets and rural cooperatives, and the single-piece charges are high, making it difficult to achieve unified management.

3.2 The obstacle posed by the concept of farmers and the participation of farmers in e-commerce

For a long time, many villagers still adhere to the old and backward concepts, and it is difficult for them to accept new consumption patterns. They are skeptical about buying and selling agricultural products online. In addition, the large number of migrant workers going out, the remaining women and the elderly will aggravate the seriousness of this problem. Due to the “dual-rural structure of urban and rural areas”, urban resources and rural resources are unevenly distributed, social integration is weak, and rural production and lifestyle is short of proper guidance.

3.3 Serious homogenization of agricultural products, lack of standardization system

On the one hand, the characteristics of agricultural products determine the difference in the quality of agricultural products. Some varieties have a wide range of cultivation and are not unique to a particular region. This will result in a small difference in the quality of agricultural products sold online. On the other hand, it is difficult to determine the standardization of agricultural products, or in lack of standardized identification of certain agricultural products, which will make the online sales of agricultural products only rely on the reputation of the merchants and the consumers' own judgment.

3.4 The lack of rural e-commerce talents

The backward infrastructure in rural area has a huge gap with the city, making the related subjects such as college graduates and scientific researchers be reluctant to participate because of the poor conditions. For the e-commerce talents that have been introduced, they are in low work efficiency, lack of initiative due to the lack of reasonable and effective training mechanisms and incentive mechanisms, which will lead to the loss of talents on long-term basis.

4. Rural E-commerce Development Strategy in the Perspective of Rural Revitalization

4.1 Establish a rural logistics information platform

The data shows that most rural areas in China have network coverage, but the Internet construction is still not perfect, resulting in the fact that rural areas cannot inquire logistic information like that in towns, which greatly reduces the farmers' shopping enthusiasm. To realize the connection between rural and urban areas, the construction of rural information platforms is indispensable. The use of GPS, supply chain management and other technologies for the distribution of goods, and the entire process of design to help farmers to timely check the status of goods, provide channels for the export of agricultural products, thereby providing technical support for the development of rural e-commerce and solve the issue of last kilometer delivery.

4.2 Policy guidance, farmers' participation, and mutual construction and sharing

With policy as the benchmark guidance point, activate the market competitiveness of rural e-commerce. It is necessary to improve the enthusiasm of agricultural participation entities in e-commerce, and strengthen the integration of agricultural production and e-commerce market. With the e-commerce industrial park as the carrier of rural e-commerce development, we need to continuously improve the comprehensive service capabilities of the park, attract entrepreneurial teams, and recruit merchants to engage in e-commerce. The policy should be accurate and focuses on solving the bottleneck problem of rural e-commerce.

4.3 Agricultural product characteristicization, branding and standardization

Identify the differences by relying on regional features to explore the selling points of agricultural products. Marketing companies should be introduced for promotion and package, and strengthening the transmission of brand core values. The agricultural experience activities such as cultural festivals
and harvesting of agricultural products are carried out offline to expand brand effectiveness. Products with local brand features should be developed to increase publicity, visibility. In the meantime, pay attention to the process of product packaging, increase the added value of products, and help the development of rural e-commerce industry.

The government should develop a standardized system for agricultural product supply chains to regulate and manage all aspects including production, processing and transportation. Moreover, industry standards such as qualification certification, integrity certification, and food-related safety certification for agricultural product network sales quality should be established. In the same time, smart agriculture should be gradually developed to improve the traceability system construction of agricultural products, carry out quality certification of pollution-free agricultural products, and enhance consumers' trust in products.

4.4 Strengthening the cultivation of rural e-commerce talents and improving the ecology of rural e-commerce

The development of rural e-commerce is inseparable from the construction of talents. It is restricted by rural environmental factors. Although the government has introduced many policies to encourage college students to join the construction of rural areas, the degree of response is not satisfactory. Talents will become the main weakness in the development of rural e-commerce. Therefore, it is necessary to provide suitable employment positions to returning migrant workers or college students returning home to start business, so as to release employment pressure.

Furthermore, we should make resource integration of the existing ecological rural e-commerce, establish a rural e-commerce data center between counties, create an eco-farm e-commerce sharing platform, realize rural e-commerce data, information and visualization, and lay the foundation for further development of agricultural product sales channels.

5. Summary

Nowadays, rural e-commerce has become a county-level rural resource connector and excavator in the vast countryside. It has brought about a smoother flow of logistics, an improved operating atmosphere, a return of talents, and an organic combination of industry and e-commerce. In particular, with the development of e-commerce poverty alleviation, some poor people in poverty-stricken areas began to be included in many links of the entire rural e-commerce industry chain, achieving income growth and poverty alleviation. At present, around the issue of rural revitalization strategy and centered by the goal of industrial prosperity, more attention should be paid to how to further enhance the attractiveness of rural areas through e-commerce, let more resources return to the countryside, and return to the entire rural e-commerce ecosystem.

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