

Development Problems and Countermeasures of Rural E-commerce

Zhaoxiang Chen, Na Hou, Tuanqi Wu

School of Economics and Management, Shihezi University, Shihezi, 832000, China

Abstract

With the gradual rise of e-commerce, China's economy continues to develop. In the past few years, rural e-commerce has gradually come into people's sight, driving the development of rural economy. However, there are certain problems in the development of rural e-commerce, such as infrastructure, large gaps in the proportion of physical services, and so on. In this article, we analyze the problems in the rural e-commerce economy and propose corresponding solutions.

Keywords

rural e-commerce, physical services, corresponding solutions.

1. Introduction

In recent years, the rapid development of rural e-commerce has become an important force to innovate agricultural product trading methods, increase farmers' income, guide agricultural supply-side structural reforms, and promote rural revitalization. With policy dividends, technological progress, and the return of talents, rural e-commerce has entered a period of historical opportunity of "benefiting people and time", and has entered the "fast track" for comprehensive development.

The report of the 19th National Congress of the Communist Party of China for the first time in 2017 proposed the implementation of rural revitalization strategies, stating that the issue of "three rural issues" must always be taken as the top priority of the party's work, and the principle of giving priority to agriculture and rural development must be adhered to. [1] In December of the same year, the Central Rural Work Conference made an overall deployment of the rural revitalization strategy and proposed an implementation timetable and roadmap. As "Internet +" gradually penetrates into the agriculture, rural areas, and farmers, the organic combination of rural e-commerce as the "real economy and the Internet" can not only enrich the rural consumer market, but also promote the continuous optimization of rural and urban resource elements, and promote rural one-two-three Industrial integration and development, promoting agricultural transformation and upgrading. Rural e-commerce has become an important means to solve the "three rural" issues, and it is also an important starting point for implementing the rural revitalization strategy.

According to the National Bureau of Statistics, the per capita disposable income of residents in China in 2018 was 28,228 yuan, an increase of 8.7% over the previous year. Among them, the per capita disposable income of urban residents was 39251 yuan, an increase of 7.8%; the per capita disposable income of rural residents was 14,617 yuan, an increase of 8.8%. The median per capita disposable income of residents throughout the year was 24,336 yuan, an increase of 8.6% over the previous year. Among them, the median per capita disposable income of urban residents was 36413 yuan, an increase of 7.6%, which was 92.8% of the average; the median per capita disposable income of rural residents was 13,066 yuan, an increase of 9.2%, which was 89.4% of the average. As China's residents' income increases and consumer demand continues to escalate, residents' consumption has entered a new stage of diversified demand

development and structural optimization and upgrading. Consumers have higher requirements for product quality, service experience, and personalized needs.

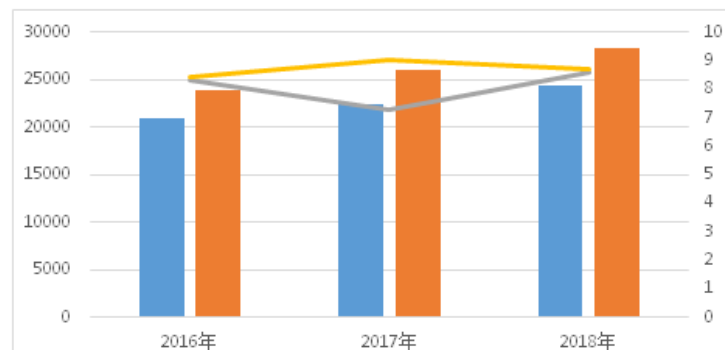


Figure 1. Average and median per capita disposable income of residents in China in 2018

In terms of expenditure, the per capita consumption expenditure of residents in China in 2018 was 19853 yuan.

Among them, the per capita consumption expenditure of urban residents was 26,112 yuan, an increase of 6.8%; the per capita consumption expenditure of rural residents was 12,124 yuan, an increase of 10.7%. [2] It can be seen that the growth rate of per capita consumption expenditure in rural areas in 2018 is significantly higher than the growth rate of urban per capita consumption expenditure.

It can be seen that in recent years, the income of rural population has increased year by year, and the gap between urban and rural areas is gradually narrowing.

The development of rural e-commerce is also following the trend, and should adapt to changes in consumers' sensitivity to quality requirements, from price-oriented to quality-oriented, from simple sales to more service-oriented, providing consumers with more differentiation and personality Services.

This requires rural e-commerce to comprehensively upgrade and optimize the industrial chain of production, sales, and after-sales to better meet the needs of consumer upgrades.

In recent years, capital has paid more and more attention to rural e-commerce. Taobao Affordable, Lecuntao, and Big Harvest all received financing support in 2017; fresh e-commerce companies such as Yiguo Fresh and Song Xiaocai, and rural financial service providers such as Fresh Finance, Agricultural Staging, and other institutions have received varying amounts of money. Investment; Huitongda, which is deeply cultivating the rural market, received high investment from Ali in 2018. It is believed that with the increasing support of high-quality capital, rural e-commerce will have more strength to activate the commercial value of rural resources. Capital will help rural e-commerce to continuously optimize and upgrade, will create a sustainable business form for the development of rural e-commerce, and continue to empower the country's rural revitalization strategy.

2. Development Status

E-commerce is based on the Internet platform, which enables transactions and related service activities on the platform. For traditional businesses, they are electronicized and networked. The rural e-commerce is a kind of e-commerce that serves rural areas and promotes rural development.

According to the 2016 China E-Commerce Report, rural netizens accounted for 27.4% of the total, with a scale of 201 million, an increase of 5.26 million or 2.7% over the end of 2015. In 2016, rural online retail sales also reached 894.54 billion yuan, accounting for approximately

17.4% of the country's online retail sales. There are more than 8 million online shops in rural areas, accounting for about 20.3% of the country's total, driving 20 million people into employment. Rural e-commerce has developed rapidly in recent years, but there are a lot of problems in the development.

3. Development Issues

3.1. The Problems of Agricultural Products Themselves

As rural e-commerce, most of the physical commodities are mainly agricultural products. Compared with ordinary e-commerce, agricultural products are often limited by factors such as their own production cycle, region, and short shelf life.

Sales difficulty.

And the freshness delivered to customers is also an uncontrollable factor, and the products are irrevocable, often causing many disputes.

There are many difficulties in marketing agricultural products.

3.2. Inadequate Infrastructure

The development of rural logistics facilities is relatively lagging. On the whole, there is also a lack of collaboration in this system. China's rural e-commerce is mainly operated by small households, and agricultural products reflect the status of small batches and large batches.

The majority of rural e-commerce companies are based in the wholesale market, which is inconsistent with the actual existence.

Cold chain logistics is also a major factor in the development of agricultural products, and the development of rural cold chain logistics is incomplete, which has limited the sales scope of agricultural products to a small range and played the role of incomplete rural e-commerce.

3.3. Large Gap between East and West

The eastern region has a good agricultural foundation, with online marketing amounting to 566.08 billion yuan, accounting for 63.3% of the country.

Despite the rapid development of the Midwest, online marketing amounted to 328.46 billion yuan, accounting for 36.7%, which is still quite different from the rural areas of the Eastern District.

In addition, the western region, especially the Yunnan-Guizhou region, has complex terrain and inconvenient transportation, which brings great difficulties to its development.

Less service type Rural online marketing is dominated by physical entities, accounting for 64.8%. The proportion of east and west is different, showing a situation of high in the east and low in the west.

3.4. Information Circulation

The market economy is lagging, and the market's information transmission is relatively slow. As a commodity with a relatively long production cycle, agricultural products are very susceptible to market lag.

Secondly, the rural area is relatively closed to the city and the information is relatively closed. Some information has lost its timeliness in reaching the rural area.

Information circulation channels are also complicated, and there are relatively few specialized agricultural product websites.

4. Development Countermeasures

4.1. Construction of a Platform

According to the characteristics of agricultural products, develop a characteristic development path. Features mean that local farmers can vigorously develop local specialty agricultural products according to the local unique geographical environment, and at the same time establish their own agricultural product brands and develop their own Brand advantage, cultivate excellent varieties in advanced technology, gradually open the market, expand its own industrial chain, and radiate the surrounding countryside.

At the same time, the issue of shelf life of agricultural products, we can use the pre-sale method to sell agricultural products in advance, reducing operation and logistics costs.

4.2. Enhancing Infrastructure

Fully improve social collaboration, increase the construction of infrastructure such as logistics, highways, etc., the operation mode of rural e-commerce has been changed to a small apartment type, and it has been transformed into a small batch, large batch operation mode.

The operation of chain logistics.

4.3. Policy Support

The state has issued a corresponding policy. The western terrain is relatively rugged. Fully develop local tourism based on local characteristics. Sichuan, Chongqing and Yunnan-Guizhou areas can develop their own tea, improve the quality of their tea, and develop characteristic tourism in karst landforms.

Wait.

At the same time, the state can tilt fiscal expenditures to give more financial support to the central and western regions.

References

- [1] ZHU Hong-chang, LI Yi-yi, DU Xiang-yu, et al. Development Status, Problems and Promotion Countermeasures of Rural E-commerce Logistics in China[J]. Logistics Engineering & Management, 2018.
- [2] Luo J. Development Status and Countermeasures of Rural E-commerce in China[J]. 2017.
- [3] Hua Jiang, Zhenxing Cui. Study on Problems and Countermeasures of E-commerce Information Security[C]// 2009 First International Workshop on Education Technology and Computer Science. IEEE, 2009.
- [4] ZHONG Shun-dan, HE Jun-lin. The Current Situation of E-Commerce Development of Agricultural Products in Fujian and Its Countermeasures[J]. Taiwan Agricultural Research, 2015.
- [5] Shimizu K, Ikeda N, Tsuboi M, et al. On the Problems and Countermeasures of the E - commerce development in our country[J]. 2001, 51(2):1-6.
- [6] Huang B, Shaban M, Song Q, et al. E-Commerce Development and Entrepreneurship and Entrepreneurship in the People's Republic of China[J]. 2018.