# 《E-commerce and rural Economy》

**Abstract:**

With the development of technology, e-commerce has developed very well in China's big cities or developed provinces. These areas have mature network facilities, developed transportation and mature express delivery system. This infrastructure has enabled e-commerce to flourish in these places and has also boosted the economies of these regions. But when we look at the countryside, these things will be different. In the remote areas of our country, the economy is not so developed. Under the competitive advantage of the developed e-commerce in big cities, through the analysis of the background of rural e-commerce, this paper thinks about the development of rural e-commerce, and uses the knowledge learned in the classroom to find a way to help the rural economic development.

**KEYWORDS**: rural e-commerce、Internet、development、infrastructure、

**Introduce：**

Rural e-commerce is a very important means to improve rural economic development. The development of e-commerce in rural areas not only brings economic development, but also promotes the development of science and technology, transportation and education. With the rapid development of the Internet of things, it is a great challenge but also an opportunity to develop rural e-commerce。And for e-commerce, this is also a huge opportunity, with broad prospects for development: First，a large rural market. In last year's census, 41.5% of the population lived in rural areas. That is to say, there are nearly 650 million rural people. Second, the development of rural mobile network is very fast. The mobile Internet access rate in rural areas is 5.5 points higher than that in urban areas. It's hard to imagine, but it's a fact. Third, there is a large demand for online shopping in rural areas. These are mainly the demand for daily necessities. However, with the development of these years, rural people's demand for non daily necessities is gradually increasing, especially for the technical products in the city。Fourth, rural exports to cities have become more than ever before. Not only in the rural areas, but also in the urban areas. The rural areas need to export rice, corn, wine, pork and other food to the cities. This has a direct impact on the rural economy. To sum up, it is very valuable to study how to develop rural e-commerce, which is the key to the development of rural areas.

## 1. the background of rural e-commerce

#### **(1). Progress in infrastructure**

After the "11th Five Year Plan" and "12th Five Year Plan" construction, China's rural infrastructure, especially the construction of living infrastructure, has made great achievements[1]. Take rural traffic roads as an example. By the end of 2015, the mileage of rural roads (including urban areas, small towns and rural areas) in China was 3.9806 million kilometers, an increase of 9900 kilometers compared with the end of last year, including 2,313,100 kilometers of village roads, an increase of 88500 kilometers. The total number of townships (towns) connected with highways accounts for 99.99% of the total number of townships (towns), of which the number of townships (towns) connected with hardened roads accounts for 98.62% of the total number of townships (towns), an increase of 0.53 percentage points over the end of last year; the number of villages connected with highways accounts for 99.87% of the total number of villages in China, of which the number of villages connected with hardened roads accounts for 94.45% and an increase of 2.68 percentage points. During the "12th Five Year Plan" period, 5000 new villages and roads were built in China, nearly 900 towns and 80000 villages were connected with hardened roads, over 1 million kilometers of newly reconstructed rural roads were opened to traffic, with a total mileage of 3.95 million kilometers, basically achieving the goal that all towns and villages in the eastern and central regions were connected with hardened roads, and 80% of the roads in the western regions were connected with hardened roads; villages and towns in China have access to hardened roads More than 99% and 93.2% of the buses arrive in rural areas.

The improvement of traffic conditions provides a solid foundation for the development of rural e-commerce. On this basis, the rural people have opened their eyes, broadened their way of thinking, and become better receptive to new things from the city, so that they can feel the convenience brought by e-commerce. By the end of 2017, the proportion of China's administrative village broadband reached 96%. In 204,000 villages, Yinong information society[2] has been established, accounting for 1 / 3 of the national administrative villages. By 2020, Yinong information society will basically cover all administrative villages. Yinong information society enables farmers to enjoy convenient information services without leaving the village. Through the development of agricultural public welfare services, e-commerce services, training and experience services, the level of using modern information technology to develop agriculture has been improved, and the problems of agricultural production and daily healthy life have been solved for farmers. The construction of Yinong information society reduces the information gap between urban and rural areas, promotes the integration of rural areas and information society, promotes the equalization of urban and rural information services, enables rural areas to use information technology to arm agriculture, uses modern technology to promote agricultural modernization, and promotes the development of rural e-commerce.

From the above content, the rural infrastructure development is very fast under the policy support of our country. This shows that e-commerce has potential in rural China

**(2).** **The power of the Internet**

Network as the basis of e-commerce, the development of rural areas must be inseparable from it. In the 40 years of reform and opening up, all kinds of enterprises have launched different strategies to build their economic exchanges with the rural areas according to the actual situation of our country. Online business is a company or individual that realizes commodity trading through network means, including businessmen, individual shopkeepers and centralized online sales platforms such as Taobao, Jingdong, Pinduoduo, etc. At present, many e-commerce platforms, such as Alibaba and Jingdong, regard rural areas as one of their development strategies and vigorously promote the development of rural e-commerce. For example, Jingdong is speeding up the opening of rural and urban sales channels, striving to create a consumer festival about agricultural products, and carrying out the promotion of agricultural products under the combination of online and offline[3]. By 2018, more than 1700 Jingdong Bang service stores have been set up in China, more than 250 agricultural related enterprises have cooperated with agricultural material e-commerce, and more than 120 authorized Jingdong agricultural material service centers have been established. Over 3 million kinds of commodities have been launched in 832 poverty-stricken counties across the country, with sales of over 50 billion yuan, directly driving 700000 poverty-stricken households to increase their incomes. Jingdong Logistics has launched more than 5 million "Qingliu boxes" and 5000 new energy vehicles.

Of course, the power of the Internet is more than that. In recent years, China's anchor industry is more and more developed. Many anchors began to publicize their hometown's agricultural products, which directly improved the popularity of agricultural products by a stage.

**2. Problems at this stage**

Although rural e-commerce has some conditions to take off, there are still some problems that can not be ignored in the development process.

**(1). Logistics system is not perfect[4]**

In China's very remote areas, the development of transportation is still a problem that can not be ignored[5]. This directly leads to the difficulty of material circulation. In this case, the timeliness of agricultural products can not be guaranteed. When agricultural products can not be delivered to the city in time, then the demand of the city can not be met, which limits the development of rural e-commerce. And until now, major capital enterprises (Alibaba, Jingdong, Suning e-commerce) and some state-owned enterprises (Yinong Information Society) have developed e-commerce in rural areas. But they can't really share logistics services. This leads to the waste of resources and low efficiency, which increases the operating cost of rural e-commerce and is very unfavorable to its development.

**(2). Lack of professionals**

At present, the training of rural e-commerce talents and rural informatization construction talents in China has a great lag. Rural e-commerce talents[6] should not only understand network technology, e-commerce management, logistics and distribution, but also be familiar with rural areas and agricultural products. From the perspective of rural population structure, many college students from rural areas know not only e-commerce, but also rural areas and farmers. However, young people are more eager to live in big cities, which leads to the lack of college students willing to work in rural e-commerce. Those who stay in the countryside are often old people. Their education level is low, the training of e-commerce knowledge is difficult, and their ability to accept new knowledge is poor.

**3. Methods of rural e-commerce development**

In the face of the above problems, the reasonable arrangement of countermeasures is essential.

**(1). Strengthen informational infrastructure**

Information infrastructure is the premise of informatization[7]. In 2020, China will enter a moderately prosperous society in all respects. In other words, China's society will be informationized. Rural e-commerce development must catch up with this opportunity. And our mobile platform is developing at an amazing speed. With the rise of new e-commerce models, such as fast hand, Tiktok and other apps, the requirements for the network are becoming higher and higher. This requires more high bandwidth and low latency. Therefore, China's basic network operators and the government should increase the construction of Internet infrastructure and communication base stations in rural areas to improve the quality of information services in rural areas.And improving the bandwidth can also make social software popular in rural areas, and further improve the information construction in rural areas.[8]

**(2). Strengthen the brand of agricultural products**

Contemporary consumers pay more attention to premium brands. For the producers in a region, they must know how their agricultural products come from and how to pack them so that users can remember. At the same time, they need to adapt to the new consumption mode, create a healthy and sustainable agricultural industry, so that the rural and urban can correspond in the supply relationship, so as to promote their agricultural products. Agricultural products should reflect local characteristics. For example, Mapo Tofu in Sichuan Province is completely spicy. Because of this feature, Mapo Tofu in Sichuan can be spread all over the country even was known in other countries. In terms of quality, it is not only the rural e-commerce that faces, but also the problem that e-commerce has been trying to solve since its development. E-commerce platforms such as Taobao and Jingdong launch customer evaluation functions. According to this function, the quality of the products of the merchants can be truly reflected. But some businesses will use some malicious software to brush higher scores. This results in the evaluation system not working very well. So for agricultural products, building a good brand needs to be done step by step. In developing rural e-commerce and building a good brand, rural areas must strengthen the management and supervision of agricultural products. The monitoring process should include planting, processing, packaging, sales and after-sales service. Each of the above links must be implemented in strict accordance with the regulations. In this way, we can improve the customer experience, increase the customer's trust in agricultural products, and get wide recognition from customers. If the number of people approved goes up, the popularity will naturally increase. Because online customers will share the products they feel good with their friends. This is also an important part of building a good brand.

**(3) Support of national policies**

As a socialist country, the Chinese government should introduce favorable policies to support rural e-commerce[9]. First of all, the government should reduce taxes and increase subsidies to the farmers who develop rural e-commerce. Such a policy can attract a large number of farmers to develop e-commerce[10]. Even in a short period of time can not see the effect, but for the long-term development of rural e-commerce, this is what the government must do. Moreover, the government should not only offer preferential policies to farmers, but also encourage rural e-commerce talents. It includes attracting a series of talents who know technology and planning to develop e-commerce in rural areas. In addition, the government should also encourage Chinese Internet enterprises to support rural e-commerce. For example, when an Internet enterprise makes an app, the app should have the ability to promote rural e-commerce and promote products with local characteristics.Finally, policies must build more roads for rural areas. The previous traffic construction has achieved great success, but it is far from enough. There are a large number of rural areas that have not solved the traffic problems. Even some children have to climb the cliff to go to school, let alone develop e-commerce to sell agricultural products to the city.[9]

**4.Conclusion**

The development of rural e-commerce is an important part of the rise of rural economy. In recent years, the Internet has increasingly become the mainstream communicator of economic development. Rural areas should take advantage of this opportunity to develop economy. And the Internet of things is coming. If rural e-commerce develops and improves in advance, it will surely adapt to the era of the Internet of things.

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