Research on the Construction and Mechanism of Rural E-commerce Platform Model

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Abstract
Rural e-commerce, as a new form of trade, has the characteristics of digitalization and information. E-commerce platform brings high efficiency of economic activities through highly sharing of information resources. In this paper, the author analyze the construction and mechanism of rural E-commerce platform model. In the development of rural e-commerce, in addition to ensuring the stability of production, logistics and other basic environment, but also to promote the network infrastructure, e-commerce platform and the development of SMEs. At the same time, we should also pay attention to the brand cultivation of agricultural products in rural areas, and establish a modern network marketing channels.

Key words: E-commerce platform, logistics system, rural infrastructure, rural e-commerce

1. INTRODUCTION

Rural e-commerce as a new form of trade, not only in the rural small and medium enterprises between the rapid spread, but also quickly into the rural households, as long as there is a computer, a mobile phone, anytime, anywhere in this invisible network big market free trading. Internet technology makes the world become a unified whole, people use various functions of Internet brings great convenience for production and life, e-commerce is no exception, either B2B or B2C mode, or C2C mode, they are all people online trading and shopping is very convenient choice. The use of electronic commerce to save a lot of manpower, material and financial expenditure, people can not be geographical restrictions, to complete complex trading activities in the past in a very simple and easy way. Although the rural small and medium-sized enterprises using e-commerce technology is a gradual process, but all kinds of enterprise e-commerce solutions plan must also be with the changes in customer demand changes, business needs and the development of the market environment and the management environment and the expansion or adjustment to all the clients to consider the principle, in order to improve customer satisfaction as the ultimate goal, there is enough room and space for e-commerce transactions, whenever and wherever possible expansion extension.

In recent years, with the rapid development of China's economy, rural areas and the outside world are more closely linked together, and the villagers' income and consumption levels have been greatly improved. Coupled with the popularity of the Internet, rural areas have produced large-scale Internet users. Therefore, to maintain sustained growth, a huge Internet market is likely to appear in China's rural areas with rural online shopping market. According to the "39th China Internet Development Statistics Report" by the China Internet Network Information Center (CNNIC) released on December 2016, China's rural Internet users have reached almost 201 million. At the same time, the government has given positive support to the development of rural e-commerce market and the promotion of rural consumption. In September of 2015, the Ministry of Commerce and other nineteen departments jointly issued the opinions on accelerating the development of rural e-commerce, which include the necessity of e-commerce, the solution of relevant problems, investment funds and other issues. Therefore, with the white-hot competition of B2C e-commerce enterprises in the city, the successful occupation of rural areas is essential. However, for the rural Internet e-commerce consumer new consumer market, study on the new way of sustainable development is very important.

In fact, as early as 2014, our country began to encourage Jingdong, Alibaba, Suning and other large B2C e-commerce enterprises to actively implement the strategic sinking strategy and to settle in the rural market. With "million village plan" of Alibaba and Jingdong " Jingdong help service shop", the major e-commerce enterprises began to brush on the walls of various villages advertising, through the slogan easy to understand and easy to attract the attention of the majority of rural residents. In a certain sense, such propaganda is necessary first through the concentration of bombing "brush wall" behavior, which quickly changed the traditional concept of consumption of the rural consumer, which is the primary business development approach. But B2C e-commerce enterprise publicity can not only stay in a single brush wall publicity to explore the new economy under the new normal business model. In the eyes of rural consumers, it is necessary to build a complete, unified and clear image of the e-commerce , and thus the formation of rural e-commerce sustainable development, which is main problem of China's B2C e-commerce enterprises facing with.

2. THE DEVELOPMENT STATUS OF RURAL E-COMMERCE
2.1. rural e-commerce

In foreign countries, governments have attached great importance to rural e-commerce infrastructure development and construction, particularly focus on improving the Internet to enhance the efficient rural e-commerce. For example, the American people can be achieved on agricultural sales, financial management, information collection and online transactions and other activities through the Internet. At present, the US online commodity trade has amounted to 6.65 billion US dollars, accounting for 23.3% of the total amount of farm transactions. The main commodities of online transactions are agricultural means of production, mechanical equipment and feed. The production of information network transactions accounts for 36% of the total transaction volume, and the network transactions is about 288 million US dollars, including 67% of livestock products and 33% of agricultural products. Since 2016, the US rural e-commerce consumption rate is about 26%, which is significantly higher than the same period of other retail sales. In 2017, the US survey of rural e-commerce companies have shown that the number of CSA-related farms in the country was about 12,600, which is 5.5% of all farms. The United States has set up the rural e-commerce database to support CSA all the farms up to 2600, which has covered all over the country. The main status of rural e-commerce construction in the United States is listed in Table 1.

Table 1. the main situation of rural e-commerce construction in the United States

<table>
<thead>
<tr>
<th>E-commerce business platform</th>
<th>Introduction</th>
<th>main products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dairy</td>
<td>2015 began on the line, the daily turnover is about 2 million</td>
<td>Milk, food</td>
</tr>
<tr>
<td>Local Harvest</td>
<td>Covering 30,000 family farms</td>
<td>Agricultural products</td>
</tr>
<tr>
<td>Farm-AG-loans</td>
<td>Online Agricultural Loans</td>
<td>Agricultural finance</td>
</tr>
<tr>
<td>Farm Machinery Locator</td>
<td>Agricultural machinery sales</td>
<td>Agricultural machinery</td>
</tr>
<tr>
<td>Advanced Nutrients</td>
<td>Fertilizers, nutrients</td>
<td>Fertilizer</td>
</tr>
<tr>
<td>Agriculture Products</td>
<td>Related building materials, agricultural products and fence</td>
<td>Materials</td>
</tr>
<tr>
<td>Seam</td>
<td>International and domestic market transactions and consultation between the two markets</td>
<td>Agricultural products</td>
</tr>
<tr>
<td>Frambid</td>
<td>Registered users are about 10 million, 90% for US customers</td>
<td>Agricultural Products, Bidding Cotton trade</td>
</tr>
</tbody>
</table>

Figure 1. Rural e-commerce shopping transaction size market share in China

At present, major e-commerce enterprises in China are including Tianmao, Jingdong, Suning Tesco and so on. According to the monitoring data of the China E-commerce Commerce Research Center, we can see that the third quarter of 2017, China’s rural e-commerce transactions have amounted to 0.6 trillion Yuan. Tianmao ranked first with the market share of 56.2%. Jingdong ranked second with the market share of 25.1%, as shown in Figure 1. For the growth rate, Jingdong and Suning Tesco have the rural e-commerce business growth.
According to the current China's e-commerce enterprises through the introduction of rural commodity types and business models, e-commerce model can be classified to the following three types. The first type is the platform of e-commerce providers, which refers to the online business to provide commodity trading platform, and is not related to the individual consumer transactions, such as the day cat. The second type is integrated e-commerce enterprises, which mainly sell a wide range of products, involving clothing, cosmetics, 3C products, and the typical e-commerce enterprises include such as Dangdang and Jingdong. The third type is the vertical type of e-commerce, with the sales of products of specialization and specific characteristics, such as the expansion of commodity before the Jingdong, and such enterprises mainly operate a specific single product, and then gradually diversified to operate the product transformation. However, with the development of demand, most of these enterprises have to adapt to the integrated e-commerce site changes, such as Dangdang, Jingdong Mall, Suning Tesco and other vertical B2C, which are the original site according to the needs of development expanding rural integrated e-commerce website.

At present, China's e-commerce enterprises in the first and second tier cities in the market has been relatively saturated, so they have to take the channel sinking development, open up three or four lines of urban and rural markets, and becomes their top priority of the development of e-commerce enterprises. At present, the major business enterprises in the rural areas have taken the main development strategy as follows.

2.2. Establishment of village-level online shopping service station

At 2014, Alibaba had announced the "rural Taobao" project including the launch of thousands of counties and million villages plan, and in three to five years, they will invest 10 billion Yuan to establish 1,000 county-level operations center and 100,000 "village service station" for rural consumers to provide purchasing, on behalf of the return of goods, selling agricultural products and a series of services, buying through the local service station. Therefore, consumers can enjoy the exclusive price of rural areas.

![Figure 2. Survey data for village-level online shopping service station application](image)

At the same time, Jingdong is also actively layout of the rural market to help service shop mode of local consumer word of mouth spread, and develop local members instead of not familiar with the online purchase of consumers orders and other forms of channels for consumers to provide a full range after-sales service. These services also includes large-scale home appliance distribution, installation, maintenance, maintenance, replacement and other services to solve the troubles of "last 1 km" for rural e-commerce, so that rural consumers can closely contact with the e-commerce. At present, Jingdong in the rural development of the promoters have been close to 20 million people, nearly 1,400 county-level service centers. These are the store's shopping service center, member experience center, online shopping training center functions. Village-level online shopping service station application results survey data is shown in Figure 2. 27.72% of rural consumers are always using the service station, 16.3% of rural consumers began to use the service station.
appeared on the walls of the villages and towns. These slogans easy-to-understand tend to attract the attention of the majority of rural residents. And in a certain sense, this development model is quite necessary. This concentrated bombing of the wall can promote the behavior of the rural consumers to change the long-term traditional concept of consumption. It can be said to be a subtle guiding process, which is the primary model of rural e-commerce development. Figure 3 shows that 23.15% of rural consumers rely entirely on rural commercial wall to promote the use of e-commerce, and then start the application of e-commerce providers. 38% of rural consumers are promoted to begin the contact with the wall E-commerce.

![Image](image-url)

**Figure 3.** Rural e-commerce brush wall to promote the application of the results of the survey data

### 2.4. Developing model of rural Taobao APP

At present, the rural Taobao APP has been on the line, and the main page of the goods has involved in clothing, household appliances, daily necessities, grain and oil food, agricultural and other agricultural retail business. It has a number of well-known brands and rural Taobao officially signed, such as Guomei, Haier and so on. Rural Taobao APP has been in the design for mobile phone, and they are quite different from the Taobao APP on mobile phone focus on the whole product, or on a certain window in line with the city people's diversification of the habit of operation. Therefore, the overall design of rural Taobao APP interface is very simple, and a single product entrance is also enlarged several in addition. In 2017, Alibaba will further optimize the rural Taobao APP, which can increase the local life channel for rural consumers to provide convenience of wedding, education and other services in addition to the convenience of the city.

![Image](image-url)

**Figure 4.** Results of survey data for rural Taobao APP application

So the special design of rural Taobao APP greatly facilitate the use of e-commerce products and are not good at using rural consumers. In the promotion of rural Taobao APP, it is mainly by the e-commerce leader from door to door recommendations in the WeChat on the promotion, and WeChat public number will push a variety of affordable goods every day, and responsible person will establish the village Amoy micro-group in
addition to the e-commerce. The group will push a variety of affordable products to answer consumer questions. Rural Taobao APP application results survey data shown in Figure 4. Rural consumers of 35.33% rely entirely on rural Taobao APP and therefore begin to use e-commerce providers. Rural consumers of 54.89% begin to contact the e-commerce through rural Taobao APP.

3. THE APPROACH OF SUSTAINABLE DEVELOPMENT OF RURAL E-COMMERCE

For the developing model of rural consumer, we must try to base on the rural consumer's living environment and consumption characteristics, and then develop a corresponding sustainable development strategy in order to optimize the development mode. And we should actively build the overall framework for the development of rural e-commerce, including business flow, information flow, capital flow, logistics, website establishment, online payment, distribution system, macro policies and regulations, technical support and standardization construction, as shown in Figure 5. Combined with the experience of rural development of China's e-commerce enterprises, we explore the following rural commercial sustainable development approach under new economic normal.

![Figure 5. Overall framework of rural e-commerce](image)

3.1. E-commerce information dissemination model with rural characteristics

The e-commerce information is composed of the website name information and the overall design information of the e-commerce. First of all, the characteristics of rural e-commerce is to spread to meet the consumer's concept and attract consumers to produce a good interaction, so that the e-commerce communication has the inherent advantages. Alibaba has announced the rural power business strategy soon after it launched for rural consumers. "Rural Taobao" is to create rural Taobao proprietary domain name, so that it can accurately convey the characteristics of the e-commerce, and consumers believe that "rural Taobao" is designed and opened for rural consumers, and enhance the "rural Taobao" recognition of the rural consumers. At the same time, the information on the home page of the overall design is directly related to the impression that the image and the goods or services of the online shopper, therefore the e-commerce planning and design is very important. Rural e-commerce providers involved in a wide range of products, so if the enterprise and product understanding is not deep enough, and it will be difficult to find the exact location of the e-commerce. Rural consumers are difficult to accept the complexity of things, so the e-commerce design should take efforts to create in line with the rural consumer's visual habits.

3.2. Rural e-commerce development to highlight the high quality and low prices

The most important factor for rural consumers online shopping is the price of goods and the quality of goods. Therefore, the promotion of goods in the e-commerce must meet the consumer psychology of rural consumers, focusing on highlighting the quality of durable goods, affordable prices, so that consumers really
feel the benefits of online shopping. Good quality of goods is the basis of rural e-commerce, therefore by highlighting the quality of products, e-commerce enterprises own the product processing technology, and have used raw materials in the e-commerce communication. By these ways, rural consumers can feel the quality of goods, and then establish a good image of rural e-commerce brand. In terms of price, rural consumers always have high sensitivity of on the price, so that e-commerce enterprises can take low-cost penetration strategy, both e-commerce enterprises in the process of developing commodity prices, and grasp the principle of small profits and then dominate the market. At the same time, e-commerce companies can also implement discount pricing strategies, such as discounts on major holidays, when consumers buy large quantities of goods or a group, they can have additional price concessions. For the seasonal products, we can take anti-season promotional strategy to stimulate farmers to buy in advance. But the low-cost promotional strategy can not be in long-term use. When the e-commerce has already achieved a certain degree of visibility, it is necessary to shift the focus of the strategy to the e-commerce, because long-term low-cost promotions will reduce the image of the e-commerce in the minds of consumers.

**Figure 6.** rural e-commerce platform

### 3.3. Clear information promotion demand for rural e-commerce

Rural e-commerce promotion is the business to persuade consumers to buy their products activities to promote the appeal in order to promote the purchase of consumer behavior, it must be clear their needs. For rural consumers think, in order to achieve good communication effect. First of all, China's B2C e-commerce enterprise brand advertising demands in the content selection to combine the understanding and ability of rural consumers to choose the appropriate dissemination of information, so simple and easy to understand; in the demands of policy to rational appeal, True and accurate information about the products and services, clearly inform consumers of the purchase of goods or services to obtain the benefits. In the creative content of advertising, according to the psychological design of farmers scenes, pictures and copy, and as far as possible to rural consumers living environment as a creative source. Because rural consumers have low incomes and no fixed sources of income, most of them have developed a thrifty lifestyle, the main obstacle to rural consumer spending is not economic reasons, but some of the ideas advocated by the product Fashion, the trend, enjoy the concept of consumption with rural consumers do not match, so the e-commerce enterprises must convey to the rural consumers a new concept of consumption.
3.4. The brand communication media strategy of rural e-commerce development

The medium is the main channel for the communication between the e-commerce enterprise and the rural consumer. The choice of the different media will produce different communication effect. The different media also have the advantages and disadvantages of the information transmission because of the difference of the communication mode. From the perspective of the use of rural e-commerce providers, they only have the exact choice of media or media portfolio, and they are able to open the smooth flow of information channels. Traditional media are including television, radio, newspapers, magazines and other four traditional media. As well as outdoor billboards, wall advertising also belong to the rural characteristics of the media. For the choice of traditional media, rural e-commerce enterprises should point to a combination to integrate marketing communication theory, therefore forming a basis for optimizing the combination of various media while maintaining the unity of the dissemination of information. In the investigation of rural consumers through what approach to understand the e-commerce brand, the highest proportion is television advertising. Therefore, the TV is the main channel of information sources for rural consumer, while the popularity of television in rural areas has reached 100%. Therefore if B2C e-commerce brand want to quickly develop the rural market, television media is still the primary choice. In addition, according to the depth survey of rural consumers, the TV programs including local county and Taiwan and CCTV in the rural ratings have accounted for a very high proportion of rural residents favorite ones, and there are usually TV series, weather forecasts, and more like TV drama such as arts class, rural themes and health programs, watch time mostly concentrated in the night. So the rural e-commerce advertising should pay more attention to the channel selection and time to select the targeted, so as to effectively spread the e-commerce information.

4. CONCLUSIONS

In the context of the new economic normal background, the development of rural e-commerce is a groundbreaking, exploratory work, and we must have the spirit of advancing with the times, take the characteristics of development approach. The sustainable development approach for rural e-commerce is to highlight the rural e-commerce information content strategy, e-commerce website information demands to be simple and clear. We should as far as possible adapt to rural consumers living environment as the background of the creation of e-commerce providers to reflect the personalized information, product information to highlight high quality and low prices. In the training of rural consumers' brand loyalty, we should vigorously promote the experiential marketing and public relations communication suitable for rural consumers, and establish the credibility of rural e-commerce enterprises according to the local government platform. We should focus on the use of word-of-mouth communication and sales terminal communication, so as to promote the new economy under the normal development of rural e-commerce.

References:


