

The Dilemma and Development Suggestions of China's Agricultural Products E-Commerce under the Background of the Epidemic

Xiang Siyu, He Jiaying

Beijing Wuzi University, Beijing, China

ABSTRACT

The background of the epidemic situation provides opportunities and challenges for the development of e-commerce of agricultural products in China, and this paper focuses on analyzing China's agricultural products under the background of the epidemic. The development of e-commerce has problems in product supply, channel transportation, consumer demand, investment attractiveness, etc., and puts forward development suggestions from two aspects: e-commerce operators and the government. Finally, the implementation effect and development prospect of agricultural e-commerce are analyzed and prospected.

KEYWORDS: *new crown epidemic; Agricultural products; E-commerce*

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I. INTRODUCTION

The "2020 China Agricultural Products E-commerce Development Report" pointed out that as B2B e-commerce enters a new stage of industrial Internet, fresh community group buying has become a new format of explosive products, holiday e-commerce has become a new fashion, and the live broadcast mode of agricultural product production areas is large. In the first year, the pilot of innovative application of the supply chain has achieved remarkable results, and a new pattern of e-commerce for agricultural products has been formed.

Under the background of the epidemic, the 2020 China Agricultural Products E-commerce High-level Seminar (Online Conference) was held, focusing on topics such as agricultural product e-commerce model innovation, e-commerce poverty alleviation, and the impact and opportunities of the epidemic on agricultural product e-commerce. Experts attending the meeting believed that under the epidemic, the innovation of agricultural product e-commerce model has entered a new period of development, and the digital transformation of agricultural product e-

commerce will accelerate. At the meeting, Hong Tao, Dean of China Academy of Food (Agricultural Products) Safety E-Commerce and Director of the Institute of Business Economics of Beijing Technology and Business University, released the "2020 China Agricultural Products E-commerce Development Report", "2020 China Agricultural Products E-commerce Innovation Report" and "2020 China Agricultural Products E-commerce Logistics Development Report". He said that agricultural product e-commerce has both opportunities and challenges under the epidemic, and the development trend should be accelerated in the future to make the digital transformation of agricultural product e-commerce play a greater role.

II. The dilemma of China's agricultural product e-commerce under the background of the epidemic

Affected by the new crown epidemic, in the first quarter of 2020, the national agricultural product e-commerce enterprises generally suffered large losses, compared with the fourth quarter of 2019, the profit

level Most of the declines are more than 35%, and some have even reached 60%. Some enterprises have broken capital chains, difficulty in cash flow turnover, and difficult operations. As the pandemic continued, a large number of restaurants closed their doors, the market demand for agricultural products fell sharply, and orders from agricultural growers and reprocessors plummeted throughout the quarter, and incomes fell sharply. The impact of the epidemic on the e-commerce operation of agricultural products is specifically manifested in the following aspects.

1. Transportation and distribution are blocked

At present, the various modern facilities in the countryside are not comparable to those in the cities. Rural resources are scattered, shopping groups are not concentrated, and transportation is inconvenient, which has caused inconvenience in the express collection and mailing process. Although there are many express delivery stations now, due to traffic restrictions and many other reasons, product delivery to homes cannot be specifically realized. The "last mile" problem of rural logistics has not been completely solved. It is precisely because of the logistics restrictions in the countryside that the supply within the city cannot be delivered in time. At the same time, due to the control and closure of most roads in China during the epidemic prevention and control period, many orders for agricultural products cannot be delivered. And many agricultural products have seasonal restrictions, and as soon as the season passes, its demand will drop a lot. And the failure to issue orders will lead to a large number of chargebacks and cancellations that would have occurred, which will greatly reduce the transaction volume of agricultural products in e-commerce trading activities.

2. The production order in the supply link is chaotic

On the one hand, trapped by the epidemic, people can only substitute at home, and many agricultural products can only be stored in the fields or vegetable greenhouses or mountain forests without being harvested, which will lead to a significant reduction in agricultural production; On the other hand, some enterprises or family workshops can no longer process agricultural products, which is affected by many factors such as road blockages, workers unable to return to work, and factory production rooms closed, which also affects the output of agricultural products on the one hand, and then reduces the supply of agricultural products on e-commerce websites and platforms. These two factors have caused the breakdown of the enterprise supply chain, resulting in the disorder of the production order of the enterprise.

3. Product quality is not guaranteed

The production of agricultural products is different from industrial manufactured products, which rely on standardized industrial lines for processing and production, and agricultural products are mostly limited by the natural environment, because of this, some agricultural products are difficult to have unified standards like industrial manufactured products, which also causes the problem of uneven agricultural products bought by customers on the Internet.

It is difficult for people to know the difference in the quality of agricultural products and dare not buy them. Especially some agricultural products with simple packaging, after removing the express packaging, are purely three-free products, and consumers are difficult to convince. During the epidemic prevention and control period, people pay more attention to the quality of life, and people often choose to stay away from agricultural products whose quality is not guaranteed. At any time, product quality issues are the focus of consumer attention, and one of the dilemmas of agricultural product e-commerce is to build a standardized evaluation system for agricultural products and ensure the quality and safety of agricultural products.

4. The level of e-commerce brand building of agricultural products is low

Most of China's e-commerce brands are comprehensive platforms, selling mixed types of goods, without distinguishing the characteristics and quality of various products, while mostly focusing on online sales, and offline sales are mostly more relaxed, such as Taobao, Pinduoduo and other e-commerce platforms, which leads to most of the more famous characteristic agricultural products on the Internet are difficult to find offline, consumers can not actually see the goods before purchasing, understand the quality of agricultural products in various places, and thus give up consumption; When purchasing from platforms such as Meituan, consumers will encounter false publicity and other problems, and the goods are not correct, and the problems under these e-commerce brand building have led to the delay in opening the online sales path of agricultural products.

5. Decline in consumer demand

Due to the complete shutdown and production suspension during the epidemic prevention and control period, many people do not have stable income, household disposable assets have declined significantly, coupled with the suspension of express delivery and logistics obstruction, the public's desire to buy has declined. In addition to daily necessities

such as rice and noodles, the demand for other agricultural products has dropped sharply. The decline in consumer demand directly affects the sales of agricultural products on e-commerce platforms.

6. The online sales channels of agricultural products are not fully opened

At present, e-commerce sales channels have become an important way to sell all kinds of goods. Online sales channels for agricultural products have also received attention from all parties. However, compared with some other daily necessities, the development of online channels for agricultural products, although in the form of direct sales on official websites, live broadcast goods, and third parties. There are many forms of e-commerce platforms, but there is still huge room for improvement in the efficiency and innovation of channel operations. Many excellent agricultural product operators lack the awareness of online channel development, and do not seize this opportunity, catch the train of market trends, and establish a suitable sales method online.

7. Agricultural e-commerce is not attractive enough for social capital investment

Agriculture has strict requirements for weather, land, and planting technology, and factors such as weather and soil quality are difficult to intervene through artificial factors, and the resilience to emergencies such as floods, droughts, and epidemics is relatively weak. As a result, agriculture is a weak industry, and if the strength of social capital is not strong enough, there is no capital to make direct agricultural investment. The development of agricultural e-commerce requires the active cooperation of farmers, and through visits, we found that most farmers' agricultural products have been booked before maturity, leaving very little for agricultural e-commerce to absorb; Secondly, at present, the average age of the agricultural labor force in the society is rising, and the lack of trust and understanding of "e-commerce" itself leads to the difficulty of agricultural e-commerce if it wants to have a stable supply source, which requires long-term infrastructure construction and vigorous publicity of China's e-commerce platform, and at the same time has to have appropriate policy preferences, but China's grassroots government in recent years has focused on improving rural conditions and less actual promotion of agricultural e-commerce, which has led to a long investment cycle and high risk from social capital to agricultural capital. The resistance to market fluctuations is poor, and the attractiveness of agricultural e-commerce to social capital investment is seriously lacking.

III. Suggestions for the development of e-commerce for agricultural products under the background of the epidemic

A. Traditional e-commerce platforms participate in the construction of agricultural e-commerce, make use of their own advantages, and achieve a win-win situation

1. Traditional e-commerce platforms use logistics advantages to efficiently connect the supply and demand side of agricultural products

In view of the obstruction of transportation and distribution mentioned above, due to the limited rural supply chain environment and infrastructure construction, it is difficult for farmers to achieve independent transportation. If you want to make the product "go out", you need to find a way to get the person who acquired it to "walk in". With the platform's experienced and perfect logistics and transportation capabilities, the last mile transportation range can be opened. Farmers' products are purchased and transported by the platform and directly to the platform delivery warehouse, which can easily achieve efficient docking of the supply side, greatly reducing upstream costs and benefiting both sides.

2. Traditional e-commerce platforms take advantage of their operational advantages to set up stalls to professionally help the sales of agricultural products

If the business platform organizes the acquisition of products, it must be injected into the platform's strong operational capabilities. The purchase of agricultural products at the grassroots level is often limited by the ability of local organizations, and problems such as chaotic procurement and uneven quality are prone to occur. Farmers have good products but no good channels, and they struggle to sell them in long production. Therefore, e-commerce platforms need to join this process and fill the channel gap. The platform sets up local acquisition points, and professional and technical personnel answer questions become solutions. In recent years, Pinduoduo has developed vigorously in the direction of agriculture, and the "10 billion agricultural research project" set up last year is such an agricultural science and technology inclusive project. Taking Pinduoduo's 2021 "Apple Harvest Season Live Broadcast" event as an example, in order to sell apples piled up due to abnormal climate, farmers reached an agreement with the Pinduoduo platform. By uniting six major apple producing areas, Pinduoduo has pulled up a wave of apple "Double 11" sales. Using its platform appeal and live broadcast influence, it helps farmers sell accumulated products and earn a fortune through tens

of billions of subsidies and other methods at the sales end.

3. Traditional e-commerce platforms use publicity advantages to help brand communication of agricultural products

E-commerce, as the name implies, is to digitize business communication and data, on the one hand, online communication instead of physical transactions, saving manpower, material and financial resources, on the other hand, it can cross the distance of time and space. The informatization characteristics of e-commerce platforms play a crucial role in agricultural transactions. In addition to the basic way of online sales, what is more important is the time value of information in the data age. In real life, it takes years to form a fruit fame and sales habit in the region, and in the era of data, only a few live broadcasts are needed.

In the "Apple Harvest Season Live Broadcast" activity, referring to the emerging live broadcast with goods, the shouts for selling fruits were also put into the live broadcast hall. Common apples have also become unique and delicious and sought-after in the mouths of anchors with goods, which eventually achieved a sales trend. With its own strong publicity power, traditional e-commerce platforms can easily connect the industrial chain and create "big brands" of agricultural products.

B. Farmers actively touch the Internet, and the government vigorously supports them

1. Abandon tradition and embrace innovation

If ordinary farmers want to open up the market, they must not rely on traditional sales channels. The traditional agricultural product market sales model and distributor procurement method are extremely vulnerable to practical difficulties such as the epidemic. Neither agricultural products nor farmers themselves can withstand natural and man-made disasters. The rise of big data information in the 21st century is undoubtedly an opportunity for farmers to innovate. The coronavirus pandemic is a link for agriculture to reach the net. If farmers want to enter the Internet agricultural products market, they cannot rely on the unilateral connection of the platform alone.

First of all, it is necessary to ensure the stable quality of agricultural products, traditional agricultural technology is outdated, farmers can appropriately turn to agricultural research institutions, learn from professional and technical personnel suitable for their own land quality and quantity improvement technology. So as to establish an effective and scientific planting program.

Secondly, new media social platforms such as WeChat public account, Douyin, and Kuaishou provide farmers with a basic understanding of e-commerce, and naturally arouse farmers' interest in e-commerce platform sales. In order to sell their products without leaving home, farmers should take the initiative and actively cooperate with social enterprises. You can refer to the operation mode of e-commerce, open electric stores, and move from offline distribution to online retail.

In addition, it is necessary to get rid of the traditional "pick how much to sell" mentality, e-commerce sales require that within a week to be able to complete picking, packaging, delivery to reach consumers, so only a stable and continuous supply of goods and customers can achieve profitability. The seasonal and freshness requirements of agricultural product production require farmers to negotiate the sale of special products with the platform. The unified centralized sales tide like the "Apple harvest season live broadcast" is a typical case. More of these specific ways need to be explored by farmers in continuous cooperation.

2. The government attaches importance to and helps and supports

At the platform level, on the one hand, the government can help build a sales platform, help build a bridge between e-commerce enterprises and logistics and cold chain transportation enterprises, and strengthen the connection between the industrial chain. On the other hand, the government can accelerate the implementation of technology, introduce advanced Internet technology, improve product sales efficiency, and make further progress in information services. Grasp the e-commerce platform's desire for the development of the agricultural e-commerce market, give policy support, help the platform connect with farmers, and strive to promote the integration, mechanization and intelligence of agricultural product production.

In the direction of rural households, the government should strengthen support for rural e-commerce, and can consider joining social enterprises to promote special support policies for agricultural enterprises, such as tax discounts, broadband exemptions, and high-speed fee reductions for agricultural products. And by organizing training on Internet technology, farmers can improve their awareness of e-commerce, so as to make better use of e-commerce platforms. It also plays a role in improving the rural e-commerce environment and can attract more professionals.

IV. The of the implementation of agricultural e-commerce

4.1. Agricultural e-commerce promotes the construction of two cycles

Rural e-commerce can give full play to the advantages of efficient docking of production and marketing supply and demand, being able to connect domestic and international markets, and active innovation capabilities, and has played an important role in serving the construction of a new development pattern in the new era. According to the 2021 National County Digital Agriculture Rural Development Level Evaluation Report, from the perspective of regional conditions, the online retail sales of county agricultural products in East China will reach 148.17 billion yuan in 2020. It accounted for 42.2% of the national county agricultural product network retail sales, ranking first. In terms of growth rate, the online retail sales of agricultural products in the northeast region grew the fastest, with a year-on-year increase of 69.8%. In East China, Central China, Northeast China, Northwest China and other regions, there has been a positive growth in county online retail sales, and Kuaishou's "2020 Kuaishou Sannong Ecology Report" shows that the number of e-commerce transactions of creators in Sannong exceeded in 2020 50 million, Kuaishou Sannong e-commerce users increased by 330% compared to 2019. The e-commerce economy of agricultural products has blossomed throughout the country. Moreover, according to data from China Economic Network, the country's rural online retail sales reached 1.79 trillion yuan in 2020, a year-on-year increase of 8.9%, and agriculture was in rural areas The online retail market provides support for driving consumption growth and contributing to the domestic economic cycle. Whether it is live streaming e-commerce, community group buying, fresh food e-commerce, cross-border e-commerce, crowdfunding agriculture and other new models are booming. Cross-border e-commerce of agricultural products has also smoothed the international and domestic dual circulation, and the total retail import and export volume of cross-border e-commerce of agricultural products in China reached 6.34 billion US dollars in 2020, a year-on-year increase 19.8%. The development of cross-border e-commerce of agricultural products under the epidemic economy can effectively promote the high-quality development of agriculture and cross-regional connectivity. Through the operation of agricultural e-commerce, it can provide important support for the domestic economic cycle and the international and domestic dual circulation.

4.2 The development prospects of agricultural e-commerce are promising

The development of agricultural e-commerce is not a one-day effort, but a huge process that takes a long time. Therefore, for agricultural e-commerce at this stage, the most important thing is to lay a solid foundation and solve the current problems one by one. At this stage, there are a lot of opportunities and advantages in the development of agricultural e-commerce, and what we need to do is to firmly grasp the opportunities and seize the opportunity with the right medicine. Escort the high-quality development of agricultural economy.

First of all, we must grasp the market, as a large agricultural country, China's agricultural market potential is immeasurable, with the development of network and information technology, the arrival of the information age is inevitable, and the online economic activity brought about by the epidemic is a catalyst, making agricultural e-commerce gain huge opportunities. Merchants should not only seize the opportunity and boldly join the market, but also move towards branding and platformization, gather a large number of retail investors of agricultural products, and carry out unified and standardized branded production and sales, which is the key to becoming a leader in the industry.

In recent years, the government's assistance to the three rural issues and the Internet + has pushed the boat smoothly for the development of agricultural e-commerce, both in terms of capital and market support, which has provided a guarantee for agricultural development, so that the development of agricultural e-commerce has a follow-up momentum. The sale of agricultural products must be down-to-earth and act in accordance with policy provisions to be carried out for a long time while stepping on the information wind.

Based on this research, the development of agricultural e-commerce must start from both production and consumption, not only to continuously expand the main body of e-commerce, but also to ensure the quality of e-commerce operation and increase the supply and development of rural e-commerce. For consumers, we should also increase marketing efforts, take consumers as the center, and promote consumption enthusiasm.

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