Research on the Promotion Strategy of New Energy Vehicles in Agricultural Products Distribution

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ABSTRACT

The rapid development of e-commerce has greatly increased the flow of agricultural products, and then led to the development of agricultural logistics. However, the traditional fuel vehicles have serious pollution. They not only do not meet the requirements of the sustainable development strategy of our country, but also become the bottleneck of the development of agricultural products logistics. New energy vehicles have become the effective means to solve this problem due to its "low pollution" characteristics. By studying the existing problems of agricultural products distribution and the development situation of new energy vehicles in China, this paper puts forward the promotion strategies of new energy vehicles in the field of agricultural products distribution, and provides decision support for logistics enterprises, new energy automobile manufacturers and industry management departments to further application and promotion.

KEYWORDS

New energy vehicle; agricultural products distribution; promotion strategy.

INTRODUCTION

In China, energy-saving and emission-reduction has become an urgent and important task. Agriculture is the foundation of our national economy, and our government attaches great importance to the logistics safety of agricultural products and the impact of logistics on the environment. Because new energy vehicles have the advantages, low noise, unlimited number, in line with the development of green logistics, which make it more and more widely use. However, the application of new energy vehicles in agricultural logistics is still less. In the field of research, most scholars have studied the theory and technology in the transportation industry about new energy vehicles.

THE NECESSITY OF NEW ENERGY VEHICLES IN THE FIELD OF AGRICULTURAL PRODUCTS DISTRIBUTION

(1) New Supply Brings New Demand

Before Taobao, Jingdong and others led the Internet shopping become popular, consumption appeared to be more in paper. With the rapid development of electronic business, people's daily consumption habits has been changed, followed by Tmall,

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Jingdong, SF best and so on, which enable users to buy fresh fruits and vegetables all over the world. This is an unprecedented new experiences, these new experience is a new supply. At the same time, unlike traditional cars driven by gasoline and diesel, new energy vehicles are driven by electricity, which is a new supply in the automotive market. In the logistics market of agricultural products, new energy vehicles will stimulate consumers to pay attention to them and use them widely.

(2) Constantly Updated and Improved Technology

When the new energy vehicles provide consumers another choice of car, whether or not consumers can use it widely, an important reason is whether the quality of the product meets the requirements of consumers. Initially, there is new energy cars with short range, long charging time, high battery maintenance cost problem. However, the new energy vehicle technology continues to improve, such as charging once, mileage is moving from tens of kilometers to hundreds of kilometers. And this can fully meet the demand of daily logistics of agricultural products.

(3) Create a Better Environment

“The electric vehicle charging electric infrastructure development guide” which NDRC, National Energy Administration, MIIT, MHURC jointly prepared, proposed moderate advance construction, new decentralized charging more than 4 million, to meet the 5 million electric car charging demand in 2020, according to the principle of “pile station first”. If the guidelines were to be implemented, and cities would be able to do so without restrictions on new energy vehicles purchases and parking, the distribution of agricultural products in cities would be bright.

(4) Environmental Protection Requirements daily promotion

With the increase of motor vehicle emissions, air quality is decreasing, especially in the daily use of logistics vehicles, which can't be ignored. Fruits and vegetables belong to the necessities of People's Daily life, so distribution of daily demand is very big. Therefore, for the distribution of fruits and vegetables must be escalated on emission control. Compared with traditional logistics vehicles, the new energy vehicles without consider emissions of atmospheric pollution, so they must became popular in the field of agricultural products distribution.

CURRENT SITUATION AND PROBLEMS OF NEW ENERGY VEHICLES IN THE FIELD OF AGRICULTURAL PRODUCTS DISTRIBUTION

Application Situation

China is a big agricultural country, and agriculture plays an important role in the development of national economy. [1] At present, the high circulation cost and more intermediate circulation have become prominent problems. The development of new energy vehicles in agricultural products distribution not only solves the problem, but also alleviates the shortage of energy, and closely conforms to the requirements of the Green Logistics of agricultural products. In recent years, relevant ministries and commissions have introduced policies to encourage the application of new energy vehicles in the field of logistics distribution.

On September 12, 2014, “the medium and long-term development of logistics industry planning” has been clear overall goal to 2010, establish the basic modern logistics service system with reasonable layout, vigorously develop the green logistics.[2]
On October 9, 2015 electric vehicle charging infrastructure development guide give priority to the construction of the bus, taxi and logistics and other public services charging infrastructure, add more than 3850 bus charging station, 2500 taxi charging station, 2450 sanitation logistics and other special vehicles charging station.

On February 24, 2016, the five measures of the state council accelerated the development of new energy vehicles and expanded the proportion of new energy vehicles in cities such as buses, taxis and logistics. In government procurement, the proportion of new energy vehicles should be increased to more than 50%.

Existing Problems

(1) The High Logistics Cost of Agricultural Products
The cost of agricultural products distribution in China mainly includes delivery vehicle cost, fuel cost, personnel expenses and so on. And some of the road restrictions make fuel car distribution costs are high. Logistics cost account for about 60%, but the developed countries is about 10%.[3]

(2) Excessive Circulation of Agricultural Products
Agricultural products, from the origin to the table, mainly through purchase, wholesale, distribution and retail, some even need to go through second or third times distribution.[4] Circulation increase makes the increased circulation costs of agricultural products and low circulation efficiency.

(3) Poor Circulation of Agricultural Products Information
In the process of the circulation of agricultural products, due to the small size of the market, poor efficiency, poor information awareness resulted in the circulation of agricultural products is not timely, the logistics operation is difficult to play the integration of economies of scale.

(4) Low Level of Logistics Technology
Whether farmers market, wholesale market or retail stores distribution means are very old. The delivery tools are traditional trucks, and don’t meet the requirements of temperature distribution in the process of fruits and vegetables, leading to serious quality losses of fruits and vegetables in the process of distribution. In the process of agricultural products distribution, the application of modern logistics concepts such as “business objects” separation, green logistics and cold chain logistics is very little, and the circulation efficiency of agricultural products is difficult to improve.

PROMOTION STRATEGY

Product strategy
Introduction Period: From the perspective of product development, new energy vehicles, with the help of the market, can start from the lowest market as a breakthrough point, and then toward the higher market, such as cold chain vehicles. In terms of product design, it is mainly economical for the transportation of daily agricultural products. In order to make the new energy vehicles more extensive and influential in agricultural production, it should reduce the transportation cost as much as possible and show competitive advantages in price. In order to improve the competitive advantage, we should start with three aspects. First, we will expand advertising and promote the recognition of new energy vehicles by consumers.
Second, through technical guidance and training, we should develop the use of the population; third, strengthen enterprise culture construction, improve enterprise service ability.

Maturity Period: When the product entered the mature period, there will be more and more market competition that enterprises should continue to launch new products and services, such as the introduction of cold chain logistics vehicles, to ensure the products available in the market for long-term survival. Meanwhile, enterprises should explore the market for products, such as the new energy vehicles use area, provide customers with personalized service, and improve the product functions. In this period, the brand development strategy should be adopted, which is to say that the brand effect is highlighted in the whole process of enterprise development.

Declining Period: In the recession, you need to think about how you can pull your product out of the market and, through the innovation of technology, products and services, eliminate some of your previous products and launch new products at the same time. This period, we can fully use the influence of brand advantages and new energy vehicles in agriculture, so that enterprises can be constantly upgraded and better developed.

**Pricing Strategy**

Introduction Period: In the initial entry into the field of agriculture, a lot of publicity is needed to push the product to the market, so that consumers can fully understand electric vehicles. These product development costs, publicity costs need to be filled through product profits. Sometimes, price cuts are needed to promote products.

Maturity Period: At the mature stage of the product, discounts can be made on the price of the product, especially for customers who regularly use new energy vehicles to stimulate consumption. During the off season, discounts can be used to avoid the effects.

Declining Period: In the product recession phase, new products are introduced to the market to replace the old ones. With previous experience in the field of agricultural products, new energy vehicles can be more diversified in price positioning, especially in customer service strategy. To increase the subsidy to consumers to stimulate their enthusiasm, such as advertising campaigns, promotional activities and other rebates. At the same time, indirect price reduction or even direct price reduction can be adopted to improve the number of consumers, but the price system must be control in the appropriate level.

**SUMMARY**

The development of new energy vehicles in the distribution of agricultural products is the future development direction. Fog and haze treatment, energy-saving and emission-reduction, farming-supermarket docking, and the last kilometer provide an important opportunity to develop in the field of agricultural products distribution for China's new energy vehicles. The new energy vehicles have important significance on ecological civilization construction and sustainable development of logistics industry and other aspects of people's livelihood.
REFERENCES