The Analysis and Prospect for Small-size E-commerce Enterprise in Improverished Mountain County Assisting Industrial Poverty Alleviation

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**Abstract.** In recent years, driven by China's "Internet + " strategy, local small e-commerce enterprises have contributed a lot to the rapid development of resource-based poor counties. The experience of its development can be used for reference by the poor mountain counties with certain resource advantages to win the battle against poverty and implement rural revitalization. Taking the citrus industry in Zigui County, Yichang City, Hubei Province as an example, through field research, the paper considers that the small-scale e-commerce enterprises in Zigui County have their own characteristics in pushing citrus to the market, helping the precise poverty alleviation by the "new rural people + Taobao Shop" mode and WeChat business mode relying on social media. Then, in view of the problems existing in its development, the paper puts forward some suggestions for further development of the idea of e-commerce to help farmers.

**Introduction**

Zigui is a famous "hometown of navel orange in China". It has a long history of planting citrus and has a large-scale history of orange cultivation for nearly 100 years. The development of navel orange industry makes the rural economy of this poor mountainous area develop rapidly. In recent years, driven by China's "Internet+" strategy, the rapid promotion of rural e-commerce and the atmosphere of mass innovation and entrepreneurship, relying on the unique advantages of four seasons fresh orange, local small e-commerce enterprises rise suddenly, connect and smooth the small citrus farmers with the big market, and play a very important role in the citrus industry poverty reduction. According to statistics, in 2017, the number of online shops in the countryside of Zigui county reached 9.855 million, an increase of 1.693 million compared with 2016, driving the employment of more than 28 million people, and the income level of farmers climbed year by year. At present, all rural villages in the county are connected with optical fiber and logistics nets are fully covered. E-commerce sales channels of agricultural products have been established through 150 village-level e-commerce service stations [1]. Moreover, through the gradual deepening of navel orange brand and the popularization of mobile Internet, local small-commerce enterprises mainly including "taobao store" and "WeChat business", are rapidly flourish, which improve farmers' income and employment, and promotes the comprehensive implementation of "targeted poverty alleviation" strategy [2].

**The Present Situation for Zigui Small E-Commerce Enterprises Help the Citrus Industry to Achieve Targeted Poverty Alleviation**

As a national demonstration county of agricultural e-commerce development, Zigui county has witnessed rapid development of e-commerce. By the end of 2018, Zigui has developed 1,558 e-commerce enterprises, and opened 3,074 online stores on Ali, Jing dong,Suning and other e-commerce platforms, with more than 16,000 employees. Zigui county online store sales RMB 1.65 billion in 2018, which Zigui navel orange has a sales volume of 126,000 tons and a sales volume of RMB 1.36 billion through e-commerce and WeChat business.
Main Operation Modes and Channels of Zigui Small E-Commerce Enterprises

"New Farmer + Taobao Shop" E-Commerce Mode. New farmers refer to those who have scientific and cultural qualities, master modern agricultural production skills, and possess certain operational and management capabilities. They take agricultural production, management or service as their main occupation and agricultural income as their main source of livelihood, and live in rural or urban areas [3]. With the continuous development and brand degree deepening of Zigui county citrus industry, more and more college students back and down to the countryside, become rural migrant workers, veterans and scientific and technological personnel, etc., return to Zigui citrus planting areas using local characteristics, open online stores sell oranges through T-mall, Jingdong, and other electric business platform in the rapid development of Internet era. Rural mobile e-commerce in developed countries refers to an e-commerce mode in which farmers conduct business activities with intelligent terminal equipment, which includes the whole transaction process such as online payment and after-sales service of product marketing and commodity trading [4]. Yandengbao village in Guojiaba town of Zigui county has established a professional production cooperative services including fertilizer, biological pesticide, mechanical transportation, irrigation, technology and sales for members. The club set up a service organization with its own taobao shop to solve the problems such as capital, market development and product sales in citrus production for its members, and formed the e-commerce mode of "new farmers + taobao shop".

![Diagram](image)

Figure 1. "New Farmer + Taobao Shop" E-Commerce Mode.

WeChat Business Mode Relying on Social Media. WeChat business is a new business model based on social media. With the continuous popularization of mobile Internet, mobile social media in China is booming [5,6]. And the emergence and rapid development of Internet, WeChat business has become an important force to promote the development of network economy, it also become one of the two major channels of Zigui citrus online sales. Depending on the unique resource advantage for having fresh orange in the four seasons of Zigui, WeChat business for Zigui citrus has a sharp rise in the number of online sales. Take the Pinhaoguo electronic commerce co. LTD as an example, the company set up reasonable network management background, make full use of the Internet data function, such as data collection, data analysis, obtain flow big clients, target group, the forces of digital marketing and "one-to-one" communication advantage on WeChat, through accurate marketing data to improve the efficiency of management, and effective financial data and accurate sales model to promote their own development. So as to provide a more systematic and perfect sales platform for WeChat business.
Problems and Deficiencies In The Development of Zigui Small E-Commerce Enterprises

E-Commerce Logistics Costs are Relatively High. With the complex terrain and rugged mountain in Zigui county, the road construction is not easy so the logistics transportation cost is high [7]. At the end of 2018, there are still some villages in Zigui county are not connected to the hardened roads and have not been popularized as the roads reaching every farmer’s house. “To be rich, build roads first”, rural road construction is the key to make farmers rich, and also the key to make rural e-commerce "rich". In terms of storage equipment, citrus purchasing enterprises are seriously lack of refrigeration and fresh preservation equipment, resulting in citrus cannot be timely frozen, prone to decay. Citrus transport vehicles in villages and towns lacks of preservation and refrigeration measures, resulting in the orange quality being affected, more prone to decay and increased losses in the transport process.

Professional E-Commerce Talents are in Short Supply. In rural areas, due to poor infrastructure, few employment opportunities and low income, a large number of rural people leave the country, and those who stay in the countryside are mostly lack e-commerce related knowledge and network operation technology. Zigui county has introduced some corresponding talent security policies but the Zigui rural e-commerce is far from the city center, so there is still a certain gap of talent fault problem. Rural e-commerce has a high demand for professionals and experience, so there is an urgent need for high-quality talents who can quickly adapt to the industry development and sensitively grasp the market environment [8]. Due to Zigui special geographical location, it is hard to attract excellent compound talents, so it is difficult to effectively improve the professional quality of local e-commerce personnel only by short-term training to meet the labor force need. At the same time, rural material, life environment, economy and environment is relatively backward, also hinder the development of high quality electric businessmen to rise, makes these rich e-commerce practical experience and operation ability talents are reluctant to stay at Zigui to promote agricultural e-commerce business and rural development, high-quality talents turnover in rural areas is relatively serious [9].

Insufficient Incentive Policies for the Development of E-Commerce Enterprises. Government departments do not pay enough attention to small e-commerce enterprises, and support policies for small e-commerce enterprises are insufficient in depth and breadth. The threshold for relevant e-commerce policy is too high, the scope is too small, small-commerce enterprises cannot meet the application criteria. In addition, many enterprises and shop owners engaged in online sales of citrus in Zigui county are needed policy carrying out at early stage, especially agricultural products e-commerce, as a livelihood project, should be fully supported.
Suggestions of Zigui Small E-Commerce Enterprises to Help the Citrus Industry Reduce Poverty Continuously

Increase the Ideological Guidance of E-Commerce to Help Farmers

First of all, "To help people must first help their wisdom, reduce poverty must first get rid of blindness," organization should strive to develop the intelligence of rural workers, carry out lectures on e-commerce poverty alleviation education, and guide poor farmers to realize the importance of reduce poverty to lifting them out of poverty. Some organization will vigorously carry out the training of practical scientific and technological skills and e-commerce knowledge of orange farmers, according to the development plan of modern agricultural industrialization and the local characteristic citrus industry in Zigui, carry out the short-term training of practical planting technology and e-commerce operation technology for orange farmers, and solve the technical blind spots of existing agricultural personnel. The government should optimize the technical training service, implement the quality strengthening project, let the poor people master the skills to get rid of poverty and become rich, look at social change based on the perspective of development, and promote their own growth based on the concept of development. Secondly, to train e-commerce talents, the government should vigorously cultivate e-commerce, e-commerce management, and new agricultural talents who are good at e-commerce management and entering poor villages to teach farmers. Open regular e-commerce training courses, so that poor farmers can master the operation skills of e-commerce. Finally, farmers are encouraged to become suppliers and outlets under the training of rural e-commerce. With the support of local policies, poor households, through "one-on-one" docking with local e-commerce enterprises and support departments, help poor households who have the ability to set up outlets to improve the operational efficiency of online stores. Only by comprehensively improving the quality of farmers' ability, enhancing the ability of orange farmers to become rich, and enhancing the "hematopoietic" function of farmers themselves, can finally achieve the goal of getting rid of poverty and becoming rich in an all-round way.

Building a Large Chassis of Traffic Logistics for the Development of E-Commerce

Perfecting logistics infrastructure is an important part of sustainable development of rural logistics. Firstly, well done a good job of village road maintenance, to effectively keep the logistics line unhindered, improve the township logistics system, with many forms, multi-channel to promote "express delivery to the countryside", improve the express service business in Zigui county. Secondly, establish circulation processing distribution center, make the distribution center has a modern level, so that citrus products can be delivered to the processing place on time, can be refrigerated in time, through the distribution center safely transport, to arrive in the sales area. The effective improvement of logistics infrastructure can bring into full play the agricultural products, give out the greatest value. Thirdly, from the point of view of the actual development of Zigui county, the construction of cold chain logistics base should be constructed and perfected as soon as possible. In view of the existing problems of cold chain logistics transportation in Zigui County, such as equipment, funds and other problems, effective measures should be taken to promote the development of cold chain logistics industry in Zigui county.

Innovating New E-Commerce Type to Poverty Alleviation

The current mode of rural e-commerce is mainly the wholesale trading mode of agricultural products through the integrated network virtual market using intelligent terminals, and the settlement of the transaction is completely handled by the third-party virtual platform [10]. In recent years, through the innovation of e-commerce development mechanism, integration of e-commerce, logistics and agricultural resources, Zigui county focus on building e-commerce industry poverty alleviation new business type. Huawei Logistics Park in Zigui county forms a centralized comprehensive industrial park with small e-commerce enterprises, logistics warehousing, product packaging as one of the whole. Zigui county, as a national demonstration county of agricultural e-commerce development, combined with the development of citrus industry, focuses on promoting e-commerce to help agriculture and poverty alleviation with the cooperative mode of "e-commerce
enterprises + cooperative farmers", guiding cooperatives or poor households to improve the quality of products to meet requirements of network sales, through e-commerce management channels, cooperative management standards. Poor households can manage production and develop citrus e-commerce sales [11]. By gradually improving the quality of citrus, constantly optimizing varieties, setting standards, strengthening supervision, government brand promotion, enhance brand image, build good public praise and other ways, constantly improve the value of citrus brands and products, promote the citrus industry to gradually standardize, scale, brand continuous evolution.

Perfecting the Mechanism of Promoting Poverty Alleviation by E-Commerce

Combined with the specific characteristics of rural poverty alleviation in Zigui county, giving full play to the unique resource advantages and e-commerce poverty alleviation advantages, promote the accurate poverty alleviation of rural e-commerce in Zigui county. To construct a unified and coordinated long-term mechanism to promote the accurate poverty alleviation of rural e-commerce in Zigui county, including the organizational guarantee mechanism, that is, under the organization and leadership of the Zigui county Government, to establish a coordination group for the accurate poverty alleviation of rural e-commerce in order to promote the related work; the resource support mechanism, that is, according to the needs of rural e-commerce poverty alleviation in Zigui County, to support funds, technology, information, talent and other resources; Operation of tracking mechanism, to strengthen the rural e-commerce poverty alleviation plan, implementation, inspection and feedback; Communication and coordination mechanism, to maintain the united front at all levels, e-commerce enterprises and other rural e-commerce accurate poverty alleviation communication and coordination; performance evaluation mechanism, to carry out the performance evaluation of rural e-commerce precision support, to analyze the performance of rural e-commerce poverty alleviation, to sum up the successful experience, and to strengthen the benchmarking demonstration effect [12].

Conclusion

The Poverty Alleviation by E-Commerce Will further Help the Poor Households Getting Rich

Zigui county takes the poor households of citrus planting in Zigui county as the key object, takes the continuous increase of the income for poor orange farmers as the core, firmly make a good job in the market operation, basic match, association guidance, pilot demonstration and other key links. The poor village of citrus planting realizes the use of electronic commerce to sell citrus products, volume increases by more than 20% annually. The administrative village of the county has fixed mobile broadband. The broadband network basically covers most of the poor villages dominated by citrus planting. In 2018, the poor villages dominated by citrus cultivation basically popularized the application of e-commerce, and the village-level e-commerce service stations in poor villages sold the high-quality citrus for poor households and purchasing production and living materials, with an average annual increase of over 10% through e-commerce. According to the documents, Zigui county has introduced specific measures such as building a new generation communication infrastructure and service system, increasing the support of logistics express delivery, expanding the scale of online stores, increasing the cultivation of network brand, strengthening financial services and demonstration guidance, which will help to win the fight against poverty and further play the positive role of rural e-commerce.

Small E-Commerce Enterprises will Further Promote the Rural Revitalization of Resource-Based Poor Counties

The growth of rural e-commerce can accelerate the flow of information, promote industrial coordination and promote the disclosure of market and product prices [13]. In recent years, the development of agricultural e-commerce has increased the average income of farmers with e-commerce way by about 20000 yuan. In order to fully implement the Strategic Plan for Rural Revitalization and promote the supply-side structural reform of agriculture, the Ministry of
Agricultural villages have put forward the goal of reaching 800 billion yuan in e-commerce transactions for agricultural products by 2020. With the rapid development of rural e-commerce, it is expected that the income of farmers with e-commerce will make a leap in the next three years, and the annual income growth is expected to reach 50,000 yuan [14]. Small sized e-commerce enterprises are the innovation for the development of e-commerce in resource-based poor counties and an important means to change the mode of agricultural development. Through mass entrepreneurship and innovation, small-sized e-commerce enterprises play the role of market mechanism, so that can establish a mechanism of interest connection to farmers. Through the organic combination of online and offline, the real economy and the Internet economy will have superposition effect. In addition to increasing the income of poor households in the whole industrial chain, it will be more benefit to promoting agricultural upgrading, rural development and the increase of farmers’ income, and realizing the strategic goal of rural revitalization.

References


