

New Idea of Adopting Online Platform Sales for Rural Agricultural Products Backlog Problem Under Epidemic

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Abstract. Agricultural products are the basic national economy and an important pillar product to protect people's livelihood, "people are food for the day", food is the most basic human survival resource, the basic position of agriculture in the national economy, prominently expressed in the role of food. However, since the outbreak of the new corona virus in 2020, agricultural products around China have been stagnant, and it is of great importance to actively respond to the call of the national policy for rural revitalization and high-quality agricultural development to help solve the problem of stagnant agricultural products. With the rapid development of China's Internet and e-commerce in recent years, it has become very common for China's traditional industries to involve in Internet platform sales, which has greatly broken through the restrictions of time and space and effectively reduced transaction costs. The rapid development of the agricultural products online sales industry is expected to gradually become a new development opportunity for agricultural products sales in the future. Therefore, this paper proposes a new idea of agricultural products-market-customer online sales based on the actual situation at present.

Keywords: Agricultural products, national economy, e-commerce, online sales.

1. Introduction

Since the outbreak of the new coronavirus in 2020[1-2], provinces and cities around the country have adopted strict closed management measures, but as the country has successively adopted a longer period of strict control of traffic, closed quarantine, delayed return to work and other strict preventive control measures [3]. Especially in some areas where the epidemic is serious, the local government has adopted a more serious one-size-fits-all policy, and these changes have brought negative impacts on agriculture that cannot be avoided [4-5]. For example, in many rural areas, road control due to the epidemic will directly cause an increase in vegetable transportation time and labor costs [6]. The "road closures" in many places have caused difficulties in transporting vegetables and fruits, especially across provinces and regions, and a large number of agricultural products cannot be effectively transported to densely populated cities and regions, so there is a rush of vegetables and fruits in many cities, and the shelves of vegetable markets and supermarkets are often empty [7-8]. However, the corresponding backlog of farmers' agricultural products and poor logistics have led to an imbalance in supply, resulting in an upward trend in the prices of agricultural products [9-10]. However, the survey found that behind the high price of vegetables and fruits, the majority of farmers are not really benefited, and are facing huge inventory pressure.

However, the existence of an e-commerce network platform has given farmers new opportunities. This paper will propose a new idea to help sell agricultural products during the epidemic, and will adopt a series of expansion strategic measures such as centralization strategy, cost reduction, research and development technology, market development, and finally achieve the strategic development goal of efficient operation of agricultural products - market - the customer. Introduction to the market

1.1. Analysis of the current situation of online sales of agricultural products

Agricultural products are the basic national economy and an important pillar product to ensure people's livelihood. "People's food is the sky", food is the most basic survival resource for human beings, and the basic position of agriculture in the national economy is highlighted by the role of food,

which provides food, foodstuffs, industrial raw materials, capital and export materials for other sectors of the national economy.

With the rapid development of the Internet and e-commerce in China in recent years, it has become very common for China's traditional industries to involve in Internet platform sales, which has greatly broken through the restrictions of time and space and effectively reduced transaction costs. In this context, the online marketing mode in the form of public welfare to help rural revitalization and mutual farming, with "Internet+" as the background, has rapidly emerged. In recent years, the development of the whole agricultural industry chain in China has accelerated. Data show that China's total agricultural output value has been climbing in the past 10 years, with 6,581.573 billion yuan in 2018 and 10.7 trillion yuan in 2020. Combined with the endless new models, Chinese agricultural goods consumption is entering a transformation phase, and with the help of policies, Chinese agricultural goods online channels are developing at a high speed. Data show that the consumption scale of China's agricultural products online channel is expanding, which has reached 610.7 billion yuan in 2020 and is expected to reach 789.3 billion yuan in 2021. The rapid development of the agricultural products online sales industry is expected to gradually become a new development opportunity for agricultural products sales in the future. See Figure 1

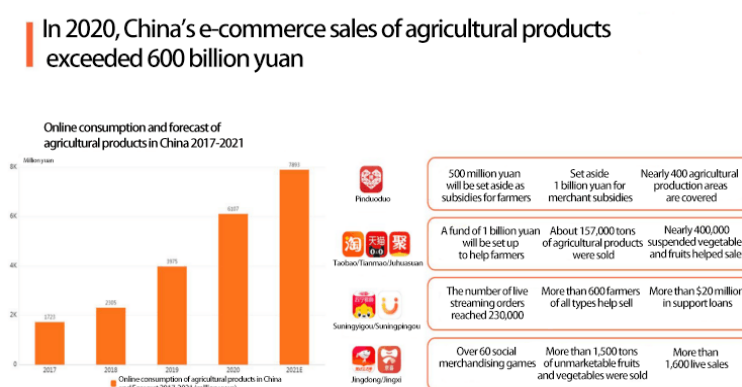


Figure. 1 Online Consumption of Agricultural Products in China and Forecast, 2017-2021

1.2. The current development of online sales of agricultural products

Although China's agricultural products online sales industry has made rapid development and great progress, in the e-commerce platform to promote, more agricultural products to reach consumers directly, the quality of consumer trends in the richness of consumer demand for agricultural products, while quality and logistics is the agricultural goods e-commerce urgent need to improve. In the future, we still need to strengthen the role of e-commerce platforms to support agricultural products, the demand for online purchasing experience continues to upgrade, improve product quality, optimize logistics services is expected to become an important grasp of the future e-commerce platform to compete for users. See Figure 2

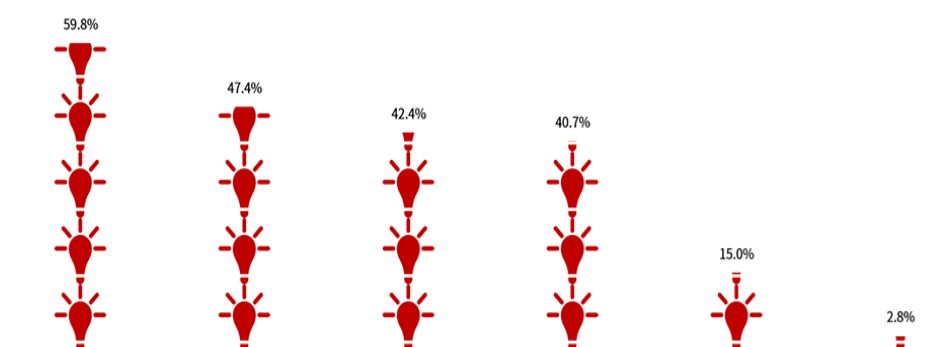


Figure. 2 Perceived shortfalls in agricultural consumption among Chinese residents surveyed in 2021

1.3. Target market

The survey shows that most of the people who are willing to buy agricultural products online are young people aged 20 to 26 who have entered the workplace, and the population distribution is mainly in densely populated urban areas such as Tianjin, Hebei, Henan, and Guangdong. Therefore, using the online sales mode of agricultural products can effectively realize the direct connection between rural and urban areas and the needs of urban people, effectively help farmers to solve the problem of stagnant agricultural products under the epidemic, revitalize the sales path of agricultural products, directly connect the supply side and the demand side, stabilize the balance of supply and demand of agricultural products after the impact of the epidemic to a certain extent, reduce the backlog of stagnant agricultural products, enhance the confidence of farmers in producing and growing agricultural products, and bring vitality to China's agricultural production; at the same time, it is in line with the supply-demand of supermarkets, restaurants, and hotels. restaurants and hotels to match the supply-demand and realize the correspondence between supply and demand.

Therefore, as the initial investment, we will take the young people in these areas as the primary choice for publicity and promotion, because this group has a higher degree of acceptance and more skilled operation for online shopping, and a higher degree of satisfaction for purchasing agricultural products on the Internet, and most people have a greater potential demand for fresh vegetables and fruits that can be purchased conveniently on the Internet with richer and cheaper categories. Combining the traditional marketing mode with the Internet, through the online channel, more consumer groups can be radiated, and it is possible to develop different marketing programs for different advertising audiences, thus improving the target of marketing and providing the possibility to develop sales channels for agricultural products, thus improving the influence and recognition of agricultural products and increasing the sales volume, and also achieving reciprocal consumers in terms of price and variety.

Satisfaction with buying products online, type of products purchased, frequency of purchase, age, and what attracts people to buy products online are the most important statistical variables in determining the customer base. The following are the relationships between people's willingness to buy agricultural products online and the above aspects as shown by the results of this market survey.

(1)Relationship between willingness to buy agricultural products online and satisfaction with online purchase of agricultural products. See Figure 3.

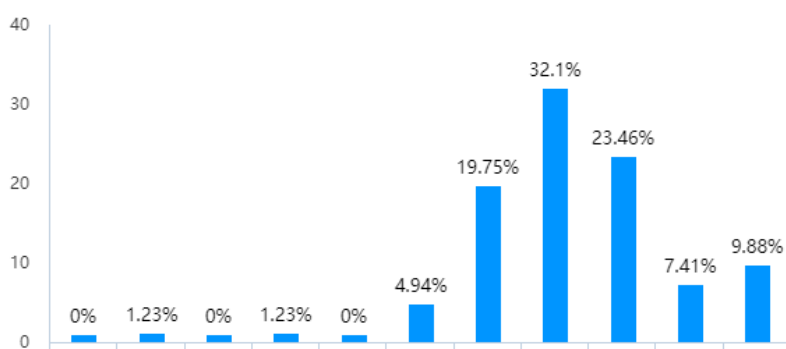


Figure. 3 Relationship of satisfaction with online purchase of agricultural products

From the above chart, we can see that most people are satisfied with the agricultural products purchased online, which proves that there is a large market in this field, but at the same time, there is also a certain amount of room for improvement. I think our platform can seize this opportunity by selling some agricultural products that are less well-known in the countryside but of good quality, and at the same time help solve the problem of stagnant farmers' agricultural products.

(2)Relationship between willingness to buy agricultural products online and the type of agricultural products purchased. See Figure 4.

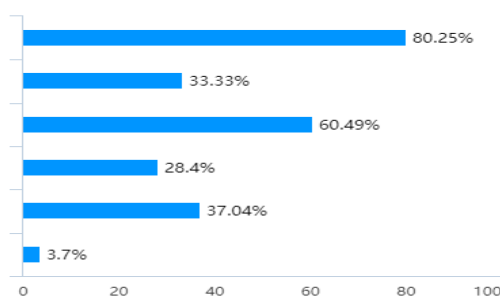


Figure. 4 Network purchase of agricultural products varieties

According to the survey, people mainly demand fresh vegetables, fruits, and finished products of vegetables and fruits, I think our platform can adjust the quantity ratio of various agricultural products storage according to this to ensure the freshness of various agricultural products.

(3) Relationship between willingness to buy agricultural products online and purchase frequency. See Figure 5.

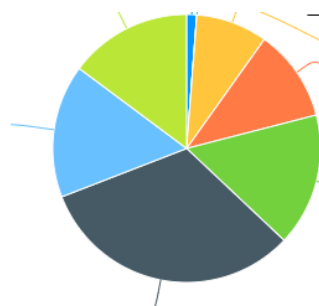


Figure. 5 Frequency of online purchase of agricultural products

The results of this survey show that people mainly buy agricultural products on the Internet 2-3 times a month, because agricultural products are cyclical products, we think we can adjust the logistics, storage, and sales time of agricultural products according to this, to ensure the timely sales of agricultural products and the freshness of quality.

1.4. Criteria for customer purchase

1.4.1. Problems faced by target customers

(1) Limitations of agricultural products themselves

As a necessity of life, no one can live without agricultural products, and the assurance of food safety is closely related to the health of each of us consumers. However, there is still a part of the online platform using false propaganda to sell bad agricultural products, affecting people's life and health.

Second, unlike other online products, agricultural products have a short shelf life and are highly perishable.

Thirdly, restricted by the production cycle of agricultural products, the high cost and low profit of retailing agricultural products have hindered the development of network marketing channels.

(2) Agricultural products are expensive online

Although online marketing can bring great convenience to farmers and consumers. However, the marketing of agricultural products should not simply introduce a business model, but should also study the demand orientation of consumers. The limitations of online marketing make it impossible to meet the immediate needs of consumers like offline supermarkets. Price is a major constraint for consumers. However, as of now, many agricultural products have high prices and poor after-sales service, resulting in unsatisfactory sales.

(3) Insufficient network publicity for agricultural products

Agricultural products producers, that is, farmers are limited by the cultural quality and technical mastery, the lack of understanding of online marketing, the promotion of online marketing has a certain restrictive effect.

1.4.2. Optimization measures in the face of target customers and the product advantages of our platform

- (1) Improve the quality of agricultural products and optimize the user experience
- (2) Provide low prices
- (3) Create special brands of agricultural products based on online platforms

1.5. Competitive Analysis

1.5.1. Porter's five forces model analysis

According to the "Porter's Five Forces Model" proposed by Michael Porter in the early 1980s, he believes that there are five forces that determine the scale and degree of competition in an industry, which together affect the attractiveness of the industry and the competitive strategy decisions of existing firms. The five forces are the competitive ability of existing competitors in the same industry, the ability of potential competitors to enter, the substitution ability of substitutes, the bargaining power of suppliers, and the bargaining power of buyers.

According to the "Porter's Five Forces Model", we have made the following competitive analysis.

(1) Bargaining power of suppliers (bargaining) Our business is mainly conducted in cooperation with farmers and logistics companies, so our suppliers are mainly farmers and logistics companies. On the farmers' side, due to the support of relevant national policies and competition from competitors in the same industry, farmers have certain bargaining power and are more free to choose their cooperative partners. The farmers' agricultural production is mostly rough farming, with low technical level, influenced by natural environmental conditions and poor-risk resistance. Therefore, they face certain competition from farmers' bargaining power, peer price pressure, and quality problems of agricultural products. For logistics companies, it is difficult to sign long-term cooperation agreements with large logistics companies because the company is a start-up and its scale and market share are very low. In the market competition, we are under pressure from logistics companies.

(2) Bargaining (bargaining) power of the buyer The Company uses the Internet platform for the sale of slow-moving agricultural products, mainly through Internet sales to consumers. Since there are a certain number of companies of the same type in the market, consumers have certain bargaining power.

(3) Entry ability of potential competitors According to market research and analysis, this kind of market is still not saturated, and still faces certain potential competitors to enter the market thus causing competitive pressure.

(4) Competitiveness of competitors in the same industry. In this type of market, large Internet companies have been deeply involved for many years and have a large market share and mature business system. The market pattern is divided into large enterprises, and there is more pressure from competition from peer competitors. 5. Substitution capacity of alternatives Agricultural products are the main necessities of people's daily life, so the risk of substitution is low, but we still need to pay attention to product quality to prevent substitution by other companies' products of the same type.

1.6. SWOT analysis

SWOT analysis, i.e., situational analysis based on the internal and external competitive environment and competitive conditions. The main internal strengths, weaknesses, and external opportunities and threats closely related to the object of study are listed through a survey and arranged in the form of a matrix, and then analyzed by matching the various factors with each other with the idea of a system analysis, from which a series of corresponding conclusions are drawn. Using this method, we conduct a comprehensive, systematic, and accurate study of the scenario in which the

subject of the study is located, so that we can formulate appropriate development strategies, plans, and countermeasures based on the results of the study.

S: Strength: After extensive and sufficient research, our company can quickly grasp the market pain points, dock with farmers, and use the Internet platform to efficiently complete the various aspects of product release and distribution.

W: Weakness: The company is a start-up company facing certain deficiencies in the capital, technology, and other aspects of development, and is not as good as other mature companies in terms of market share.

O: Opportunity: The national strategy of rural revitalization and the government's policy of encouraging college students to start their own businesses provide strong support for the company's development.

T: Threat: At present, there are more Internet companies engaged in the same type of services in the market, and the company's development may be subject to their competition and suppression, and there are certain problems and risks in the quality of agricultural products due to the low level of production technology of farmers.

Therefore, according to the SWOT analysis, we can conclude that the company has certain advantages in terms of strengths (strength) and opportunities (opportunity), and faces certain threats (threat), so in the competition we can adopt the "SO strategy" and "ST strategy", that is, give full play to the advantages, take advantage of favorable conditions, fully exploit the strengths and avoid the weaknesses, participate in market activities, and strive for a favorable position in the market competition.

1.7. Sales Strategy

- (1) Regional sales to ensure logistics reliability
- (2) Change the traditional farmers' concept and create and promote an easy-to-operate online agricultural sales model;
- (3) Give full play to the culture of rural characteristics, and actively use a variety of network marketing channels and progress.

1.8. Market penetration and sales volume

1.8.1. Market Penetration Strategy

(1) Our platform will implement differentiated business strategies to create special rural agricultural products brand advantages to attract consumers because at present much fresh food business models is similar, product homogenization is more serious.

(2) Improve all aspects of the user shopping experience, such as the current daily fresh, Poundland and other mainstream platforms generally exist to buy fresh products cumbersome and complex, customers who want to obtain concessions need a variety of complex operation link procedures.

(3) Provide quality agricultural products services because as our economy develops, people's living standards also continue to improve. The pursuit of high-quality products has also become the demand of some users.

(4) To optimize our business model, we will provide customers with high-quality products and services, while also expanding our corporate and restaurant customers to capture such markets.

2. Conclusion

Our country is a large country of agricultural development, in the status quo of the new crown virus, the traditional publicity and sales channels of agricultural products are restricted in layers, however, I think our country's agriculture in this status quo can, with the help of the Internet, build a broader online agricultural products sales platform to develop a new market for the sale of our agricultural products. The online sales platform of agricultural products can solve the demand of people in the city who have difficulty in buying suitable high-quality agricultural products due to the

new crown epidemic, and at the same time, it can build a new agricultural products sales channel directly connected by farmers to consumers, which can drive the economic development of our countryside with endogenous power and promote the new development and transformation and upgrading of our agriculture.

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