

Research on the Integration Development of Producer Service Industry and Manufacturing Industry

Zheng Jinsheng

Jiangxi Radio and Tv University, Nanchang, Jiangxi, 330046, China

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Abstract: In recent years, with the development of China's social economy, the degree of economic service is also deepening, which makes the integration development trend of producer service and manufacturing industry more and more significant. In this process, it presents more obvious stage characteristics. In the early stage of economic service, it is an integration development driven by manufacturing industry. While in the middle and late stage, its function has changed greatly, and it has become an integration development driven by producer service industry and manufacturing industry. In recent years, there has been a relatively obvious phenomenon of integration in China, but the degree of integration is relatively low, mainly reflected in the insufficient supporting role of producer service industry to manufacturing industry. Therefore, it is essential for us to actively promote the transformation of the servitization of manufacturing industry, build a perfect integration development platform, and create a good external environment for integration development.

1. Introduction

The separation and integration of value chain lay the foundation for the integration development of producer service industry and manufacturing industry. The development of social economy makes the social division of labor more detailed, which greatly increases the value-added links of value chain, and also makes its structure more complex. During the process of value creation, those non core auxiliary functions will be eliminated. The separation of value chain, on the one hand, should be considered from the development of enterprises, which needs to help enhance the core competitiveness of enterprises. On the other hand, whether there is a technical feasibility existing independently in the value chain link after being separated should also be taken into account. For an enterprise, its core competitiveness mainly lies in those specific strategic links. Therefore, in the process of value chain separation, those links with strategic value chain will be preserved, while those without core value chain will be decomposed. During the enterprise development, it is necessary to integrate the scattered value chain according to the market demand, the development trend of market and its own core competitiveness, and form a new one. In order to integrate the scattered value chain more effectively, on the one hand, there needs to be complementarity between value chain links, on the other hand, the technical barriers of value chain integration must be eliminated, so as to integrate the scattered value chain into a new one. Different links the strategic value chain is in, distinct main tasks of enterprises there will be. When the strategic value chain is in the production and manufacturing link, enterprises are required to vigorously carry out production and manufacturing in order to improve the competitiveness of products. Those non core producer services that have little to do with core competitiveness will be separated. Meanwhile, to improve competitiveness, enterprises will retain those producer service links related to production and manufacturing. For the sake of further enhancing the production and manufacturing capacity, enterprises also take off the value chain links related to production and manufacturing from others, and effectively integrate them with their own core value chain links. When the strategic value chain is in the production and service link, the focus of enterprises' development will change from the initial production and manufacturing department to the production and service department. The value and economic benefits of enterprises are increased mainly through the producer service link. At this time, the core of value chain has also changed, separated from the initial processing and

manufacturing, and integrated with the key value link of producer service industry. After integration, enterprises will decreasingly depend on the manufacturing of products, while increasingly depend on the service quality. For such enterprises, the processing and manufacturing of products have become auxiliary, while service has become the main content, such as the famous CE company and IBM company. The core of enterprises' value chain is to provide more comprehensive services for customers.

The penetration and extension of value chain, to a large extent, promote the integration of producer service industry and manufacturing industry. Their mutual penetration and extension is included in the penetration and extension of value chains. However, at present, in China, the penetration is lack of bidirectional and mutual characteristics. It is mainly the penetration of producer service industry into manufacturing industry, but lacking the penetration of manufacturing industry into producer service industry. This situation is mainly manifested in the following aspects: Firstly, product R & D in producer service industry penetrates into product R & D in basic activities of value chain in manufacturing industry. Secondly, logistics distribution in producer service industry penetrates into logistics distribution in manufacturing industry. Thirdly, maintenance service in producer service industry penetrates into production operation in manufacturing industry. Fourthly, the marketing and brand sales services in producer service industry penetrate into the brand sales links in manufacturing industry. Fifthly, the after-sales services in producer service industry penetrate into the after-sales services in manufacturing industry. In addition, the purchasing service, accounting service, human resource service and legal service in producer service industry also penetrate into the corresponding supporting activities of manufacturing value chain. Through continuous penetration and gradual separation of the original value chain, the reorganization is realized to form a new one. While the new value chain is with a stronger value-added ability, which helps to enhance the core competitiveness of enterprises and promote their healthy development. The extension of value chain is mainly reflected in the extension of manufacturing industry to the upstream and downstream of producer service links ^[1]. The extension of manufacturing industry to the upstream mainly lies in the extension of logistics and procurement, R & D and design. This reflects the service-oriented manufacturing concept of manufacturing industry, so that the production activities can better meet the needs of customers and provide better services for customers. This kind of customer-oriented service activity realizes the integration of manufacturing industry and customers, and makes the manufacturing industry understand and master customers' needs more comprehensively. Customers are also able to directly or indirectly participate in product development and manufacturing, which better reflects customers' wishes and needs. At the same time, the integration of manufacturing industry and customers also makes customers participate in specific decision-making, change the traditional independent decision-making mode of manufacturing industry, and form an interactive decision-making mode with customers as the core, which is helpful to improve the scientific decision-making of manufacturing industry. The extension of the manufacturing industry to the downstream producer service link is mainly manifested in the extension to the downstream brand marketing and after-sales service, which can embody the service concept based on manufacturing ^[2]. In this process, products will be used as the carrier of services, and services become the main value-added method. Enterprises increase revenue by providing better services, so services have become the core. In a word, the penetration and extension of the value chain of manufacturing industry will eventually make manufacturing industry develop towards the service-oriented direction. With the continuous penetration and extension of the value chain, the boundary between producer service industry and manufacturing industry will become more and more blurred, and finally form the trend of integrated development.

Through the above analysis, we can realize that the integration development of producer service industry and manufacturing industry has stage characteristics ^[3]. In the early period of economic service, the integration development of the two is mainly driven by manufacturing industry. In order to meet the demand of manufacturing industry, producer service industry constantly makes adjustments and achieves development. Therefore, the development of producer service industry in this stage strongly depends on manufacturing industry. With the continuous improvement of

economic service level, the integration development becomes more obvious. At this time, the dependence relationship between the two has changed greatly. The manufacturing industry relies more and more on the producer service industry, which creates greater market demand for the manufacturing industry. While the core of value chain also shifts from the initial manufacturing to the producer service link. In this case, the dependence of producer service industry on manufacturing industry is gradually reduced, but the integration degree of the two is growing. At present, in China, the industrialization development has entered the late stage. In some developed areas of our country, the proportion of service industry is relatively higher, and some can even reach about 60%. In this context, there is an urgent need for economic transformation from the traditional industrial economy to the service economy.

2. Measures to Promote the Integration Development of Producer Service Industry and Manufacturing Industry

With the development of China's industrialization, there has been a relatively obvious phenomenon of industrial integration between manufacturing industry and producer service industry. However, due to the limitation of development level, the current trend of this integration development is not obvious. The integration development of the two is mainly reflected in the integration development promoted by manufacturing industry, which highlights the role of manufacturing industry, and ignores the pulling effect of producer service industry. Therefore, we should fully recognize the shortcomings in the process of integration, enhance the transformation of economic development mode, and promote the transformation and upgrade of industrial structure. During development, it is essential to take producer service industry as the core and actively promote the integration development^[4]. Specifically, we need to start from the following four aspects:

2.1 Promote the Transformation of Service-Oriented Manufacturing Industry

Service-oriented manufacturing industry is the main development trend of manufacturing industry in the future. Therefore, we should encourage manufacturing enterprises to analyze their own advantages, carry out specialized operation, and promote their own development. Therefore, enterprises are required to actively apply the decomposition and reorganization of value chain to separate the non core structure in the traditional value chain, that is, to outsource the non core links in the industrial chain in the upstream and downstream to specialized producer service manufactures, which will not only help to highlight the core competitiveness of enterprises, but also give full play to the advantages of producer service manufactures, so as to realize the integration development of producer service industry and manufacturing industry. Those enterprises that have conditions are encouraged to restructure the value chain, promote transformation, and change from traditional products providing to services providing, such as R & D design, management and operation, equipment leasing and facility maintenance, which can not only realize the extension of value chain, but also promote the sustainable development of enterprises themselves. This will help to increase the added value of industry, and then enhance the economic benefits of enterprises. Thus, it is of great necessity to focus on cultivating producer service enterprises with strong value-added ability and high brand value. The development of producer service industry can better coordinate with the production activities of manufacturing industry, and then form the interaction between the upstream and downstream of the industrial chain to achieve integration development.

2.2 Build an Interactive Platform for the Integration Development

The interactive platform of integration development of producer service industry and manufacturing industry promotes the information exchange between the two. At the same time, it can also integrate the information of industry itself, share the market supply and demand information, understand the government policy, master the cooperation and coordination information and so on, so as to make the information exchange more smooth and create favorable conditions for the integration development of the two. The interactive platform can solve this kind

of information exchange problem, increase information exchange channels, and then realize the effective docking between them, which is of great significance to promote the integration development.

2.3 Encourage the Agglomeration Development

Geospatial factors have a greater impact on the integration development of producer service industry and manufacturing industry. The aggregation of geospatial factors is conducive to the allocation and application of resources, the development of markets, and the interaction and integration of value chain links, which can further promote the integration development. To encourage the agglomeration development of the two, it is essential to give full play to the radiation effect of manufacturing industry as well as the cluster effect of the development of manufacturing industry. More related producer service industries will be attracted through manufacturing industry, so as to achieve the agglomeration development of the two. This can make the communication and cooperation among enterprises more convenient and improve the speed and effect of integration development.

2.4 Create an External Environment Conducive to Integration Development

First of all, formulate relevant policies and measures that are conducive to integration development, appropriately relax the industry access system, and let more enterprises participate in the industry competition. Non-public capital is encouraged to participate in the reform and reorganization of manufacturing industry and producer service industry. Those enterprises with potential should be chosen to develop firstly. Secondly, pay attention to improving the environment for talents. This needs to start from the personnel training mechanism, and actively cultivate a new personnel training mechanism combining production, learning and research. It is necessary to combine the needs of integration development of producer service industry and manufacturing industry to train talents and cultivate more new talents in line with integration development. In view of the existing employees, it is essential to improve their comprehensive quality, and improve their professional knowledge and ability through training or other ways. Moreover, high-end talents are advised to be actively introduced and a favorable talent environment should be created, laying a foundation for integration development.

3. Conclusion

The integration of producer service industry and manufacturing industry is an inevitable trend, but the degree of integration in China is relatively low. Therefore, we should actively take measures to promote the integration of the two.

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