

# Study on Rural Residents' Consumption Structure under Urbanizaion of Guiyang

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**Abstract.** Taking the consumption structure of rural residents of Guiyang as the research object, this paper analyzed the impact of the urbanization level of Guiyang on the consumption structure of rural residents with the Gray Relational Analysis method and found out the main factors that restrict the consumption structure of rural residents in the process of urbanization in Guiyang: low-income level, large gap between urban and rural areas, inadequate urban-rural integration and rural infrastructure, incomplete coordinated development of urban and rural areas as well as the lacking of consumption knowledge and concept. Finally, the paper put forward countermeasures and suggestions on the basis of the actual situation of Guiyang City to provide a reference for the consumption structure optimization of Guiyang rural residents.

## Introduction

Since the reform and opening up, China's economy has achieved remarkable achievement, and now it has become the second largest economy in the world. An important reason is that market economy plays the essential role in resource allocation, which directly promotes the optimization and upgrading of the spatial distribution of economic activities. According to the dualistic economic theory, the promotion of urbanization will strongly promote the optimization and upgrading of industries[1]. In the process of urbanization, the consumption structure of residents is the most important link that affects the optimization and upgrades industries. Because the optimization of residents'consumption structure will increase the demand of the whole social consumer group for higher quality commodities, change the demand structure of society, and then affect the supply structure of society, so as to achieve the goal of optimizing industrial structure[2]. In the consumption structure of residents, the consumption structure of rural residents deserves special attention and research. According to the previous research results, the consumption structure of rural residents generally has the problems of low consumption level, low consumption level and solidification of consumption mode, which make it difficult to change and improve[3].

In recent years, Guiyang has been urbanized vigorously. The urbanization rate has been increased from 61.17% in 2000 to 73.25% in 2015[4]. At the same time, the consumption level of rural residents in Guiyang City has also undergone corresponding changes under this background, and has been improved to a certain extent. Taking clothing expenditure and transportation and communication expenditure as an example, the per capita clothing expenditure of rural residents in Guiyang was 77.24 yuan in 2000, which rose to 687 yuan in 2015[5]. In terms of transportation and communication, the per capita transportation and communication expenditure of rural residents in Guiyang in 2000 was 43.16 yuan, while it soared to 1547 yuan in 2015. In terms of consumption structure, the consumption of rural residents in Guiyang City has changed from a single focus on food expenditure in the past to a multiple focus.

Obviously, urbanization has promoted the income of farmers, upgraded the level of consumption, optimized the consumption structure, and thus promoted the economic development. However, as a western provincial capital city, Guiyang's urbanization level is not high, the consumption level of rural residents is far from that of urban residents, and the consumption structure is still unreasonable. Therefore, in the process of urbanization, how to improve the consumption capacity of rural residents and optimize the consumption structure of rural residents

has always been a major problem facing today's society[6]. This topic is about analyzing and solving these problems. Guiyang City is the capital of Guizhou Province, standing at the forefront in the economic development process of Guizhou Province. It can be said that it plays a banner-oriented role in the economic development of Guizhou Province as a whole, has a very high representative in the analysis of the consumption structure of rural residents in the urbanization process of Guiyang City, and has a great impact on the optimization of the consumption structure of the vast rural areas of Guizhou Province and even the western region of China. Far-reaching enlightening role, which will also lay the foundation for Guiyang, Guizhou and even the whole western underdeveloped areas of urbanization development government to formulate relevant policies. Therefore, it is of great practical significance to study the consumption structure of rural residents in the process of urbanization in Guiyang City.

## Empirical Analysis

This paper uses grey correlation analysis to analyze the relationship between urbanization level and consumption structure of rural residents in Guiyang. The development of factors between systems will produce correlation degree with time or different objects, and the measurement of correlation degree is called correlation degree. If the two factors are synchronized or consistent in the speed of development, then there would be high degree of correlation between them. On the contrary, if the two factors are inconsistent or inconsistent in the speed of development, the correlation between them is very low. The grey relational degree analysis method is precisely to analyze the relational degree between the elements by quantifying the relational degree coefficients. According to this theory, when the correlation coefficient is greater than 0.85, the correlation between the two is the strongest; when the correlation coefficient is greater than 0.65 and less than 0.85, the correlation between the two is considered to be strong; when the correlation coefficient is greater than 0.35 and less than 0.65, the correlation between the two is medium; when the correlation coefficient is less than 0.35, the correlation between the two is very weak.

The variables are set as follows:  $X$  = urbanization rate;  $X_1$  = the proportion of food consumption expenditure;  $X_2$  = the proportion of clothing consumption expenditure;  $X_3$  = the proportion of residential consumption expenditure;  $X_4$  = the proportion of household equipment consumption expenditure;  $X_5$  = medical expenditure;  $X_6$  = transportation and communications expenditure;  $X_7$  = cultural entertainment consumption expenditure;  $X_8$  = other expenditure.

According to the data from <<Guiyang Statistical Yearbook>>, the average correlation coefficient of each period was calculated and the final correlation degree was calculated:  $R_{01} = 0.8553$   $R_{02} = 0.9333$   $R_{03} = 0.8367$   $R_{04} = 0.8993$   $R_{05} = 0.8466$   $R_{06} = 0.4920$   $R_{07} = 0.9262$   $R_{08} = 0.8424$

According to the above calculation results, the impact of urbanization level on the consumption expenditure of rural residents in Guiyang is different. From 2000 to 2015, the impact of urbanization rate on rural residents' consumption expenditure ranged from high to low as follows: Cost of clothing > Expenditure on cultural, educational and entertainment goods and services > Expenditure on household equipment and services > Expenditure on food > Expenditure on health care > Expenditure on other services > Expenditure on housing > Expenditure on transportation and communications.

## Conclusion

During processing of urbanization, the income of rural residents in Guiyang City has been greatly improved, which has a close impact on the consumption expenditure of rural residents in clothing, cultural, educational, entertainment and family equipment and services[7]. Consumption expenditure on clothing, cultural, educational, entertainment and family equipment and services reflecting rural residents' life and material and spiritual enjoyment ranks first and second and has a very high degree of correlation with urbanization, which indicates that Guiyang City has been effectively transformed the consumption concept and mode of rural residents in the process of

urbanization, and that people are more pursuing high-level consumption enjoyment and are no longer satisfied with urbanization. Single survival and security needs. The impact of urbanization on food expenditure, health care expenditure, residential expenditure and other services consumption expenditure is slightly weak, but also maintained a high degree of correlation (all above 0.8). It can also be concluded that urbanization has significantly improved the rural residents' consumption capacity in basic life areas such as diet, health care and housing. The relationship between urbanization and transportation and communication expenditure ranks last, which shows that the urbanization process of Guiyang city has not realized urban-rural linkage, rural infrastructure has not yet been integrated with the city, and the impact of urbanization on rural transportation and communication is not particularly deep. Although we can see from Table 4.1 that the expenditure on transportation and communication has increased the most in 16 years, this does not mean that the construction of transportation and communication in Guiyang has reached a high level, because the starting point of transportation construction in Guiyang is relatively low. Taking the representative index of Road area per capita in transportation as an example, in 2000, the average road area per capita in Guiyang City was 4.54 square meters, while the national average was 8.8 square meters; in 2012, the average road area per capita in Guiyang City was 8 square meters, while the national average was 11 square meters. As a provincial capital city, Guiyang has not reached the national average level in terms of transportation, which fully reflects the backwardness of transportation and communication construction in Guiyang city. Therefore, the large increase of expenditure on transportation and communication can only indicate that the rural transportation and communication in Guiyang has developed rapidly in the past 16 years, but its development still lags far behind the high standard level and does not really keep pace with the pace of urbanization.

According to the results of empirical analysis, this paper puts forward that the urbanization would be operated further smoothly by following measures: 1. Increasing farmers' income and narrowing the gap between urban and rural areas 2. Establishing a new urban-rural integrated planning and management system, realizing the coordinated development of urban and rural areas 3. Increasing the construction of rural infrastructure, relying on the advantages of big data to improve the consumption environment 4. Making efforts to improve the consumption knowledge and consumption concept of rural residents, so as to enhance the consumption structure of rural residents in Guiyang City.

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