# Typical Experience Exploration of Internet plus "Targeted Poverty Alleviation": Investigation and Research on E-Commerce Poverty Alleviation in Liancheng County, Fujian Province

### **Run Jiang**

No. 689, Huadian Road, Hanzhuang Town, Lianchi District, Baoding City, Hebei Province, China 1436615105@qq.com

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**Abstract:** "Targeted poverty alleviation" is a major decision-making arrangement of the Party Central Committee at present. Under the macro background of big data era and the comprehensive rise of Internet plus, it is of great social practical significance to use innovative thinking to explore the experience of Internet plus targeted poverty alleviation to lead farmers out of poverty.

The project takes rural Internet plus targeted poverty alleviation as the entry point, and interviews and case analysis are used to conduct empirical research on e-commerce poverty alleviation experience of Liancheng, summarizing the experience of "government + e-commerce platform + association" operated by local e-commerce. The government-led "uplink" and "downlink" are used to explain their advantages and analyze their disadvantages. Then, combined with China's e-commerce development experience, I summarize some corresponding countermeasures to improve.

#### Introduction

In 2015, "Internet plus" was written into the government work report and became a major measure at the national level, bringing a huge Internet revolution to Chinese society.

"Internet plus" has promoted the integrated development of all industries and the Internet. Since it became a national strategy, the whole country has set off a boom in the development of e-commerce. 2015 has become a key node in the development of e-commerce in all regions.

After a comprehensive comparison of the development situations of e-commerce in many places, the author selected Liancheng County, Longyan City, Fujian Province as the investigation site and visited the e-commerce office, e-commerce industrial park and e-commerce enterprises in Liancheng County.

Via field investigation and interview, I came to know the role of the government, enterprises, associations and farmers in promoting e-commerce poverty alleviation in the region by learning about the production, processing, transportation, sales and other links of agricultural products, and the e-commerce operation mode of "government + e-commerce + association" was summarized.

# **Exploration and Summary of Poverty Alleviation Experience of Liancheng E-Commerce**

**Specialized Agency--E-commerce Office.** In response to the national targeted poverty alleviation policy and the implementation of the poverty alleviation work of the county government, the e-commerce office of the bureau of commerce of Liancheng County has clear setup and division of functions.

Besides, the county's finance department has set up a special fund for e-commerce, with an annual fiscal fund of 5 million yuan to implement rolling management, which is mainly used for talent introduction and training, enterprise introduction and cultivation, publicity and recommendation, investment, e-commerce demonstration system construction, industrial development foundation and system construction, etc.

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While the e-commerce office plays a more significant role, including conveying the documents and spirit of the government, carrying out the poverty alleviation work of e-commerce, formulating supportive policies to provide financial and policy support for the investment, operation and development of e-commerce industrial parks, coordinating and solving problems such as the landing of rural Taobao in the park, the establishment of county-level operation center, the site selection and promotion of rural Taobao service centers and introducing talents and organize technical training. At the same time, it provides guidance for the development of the association and enterprises and encourages the e-commerce industry to set up corresponding mutual aid associations, explore the sales path of agricultural products e-commerce, and share development experience.

**Uplink-- E-Commerce Industrial Park.** In order to solve the problem of scattered e-commerce enterprises, the local government led to build a unified platform to gather the industry.

Liancheng's e-commerce industrial park is a new type of industrial park integrating warehousing, logistics, operation, incubation and public services. E-commerce enterprises can directly carry and settle in the park.

The government also provides corresponding subsidies and supports to provide relevant public services, such as free office and storage space rent for three years for entering e-commerce legal personnel enterprises, and free storage space rent for two years for express logistics enterprises.

**Uplink--association.** Liancheng model of e-commerce has a distinguishing characteristic that the association role is obvious.

The local hakka culture prevails in Liancheng, and there is a deep-rooted sense of "solidarity", from which industry associations came into being. When e-commerce rose in Liancheng, the e-commerce association rose accordingly, and the government called on the whole to enter the e-commerce industrial park to promote the formation of the e-commerce system in Liancheng.

The industry association aims to propaganda and expand the awareness of e-commerce among various groups to its members, to promote information communication, including information exchange between the government, farmers and e-commerce enterprises and to unite the industry, common development and growth. Such as Liancheng county townsman network mutual aid association, ground melon dry association, white duck association, etc., these industry associations share townsman network to explore the development path of e-commerce of agricultural products.

**Downlink--Logistics into the Village.** In recent years, driven by the "Internet plus" wave, JD, Ali, and other e-commerce giants have entered the rural e-commerce market.

On the basis of e-commerce platform, they build the circulation network for the e-commerce development of counties in our country.

In 2015, Liancheng County introduced Alibaba's rural Taobao, which quickly covered all towns and townships in Liancheng County. The service network layout covers 17 townships (towns) in the county, with the coverage of 100%. At the beginning of its establishment, it had more than 90 service centers and 61 websites in operation. There are 35 logistics and express delivery enterprises, 280 delivery points in the country. And the volume of logistics and express delivery items per day reach more than 10,000. It can be concluded that the logistics system of the county is gradually established to provide a solid foundation for the development of e-commerce.

#### **Problems in Poverty Alleviation of E-Commerce in Liancheng**

There Lies a Lack of E-Commerce Talents. Liancheng County is located in the mountainous area, which is one of the key poverty-stricken counties at the provincial level. Its demand for e-commerce talents should be more than 25,000. Compared with the existing 12,000 employees, there is a big gap, especially the lack of high-quality and compound e-commerce innovative talents. In addition to the lagging education and training system, there is only one vocational secondary school setting up e-commerce professional, so the growth rate of local e-commerce talent is slow.

Therefore, with the increasingly rapid development of e-commerce, talent shortage has increasingly become a bottleneck hindering its further development.

**E-commerce Awareness Needs to be improved.** The development of e-commerce in Liancheng County starts so late that all people's awareness of e-commerce lags behind. On the one

hand, influenced by the inertia of thinking, most people are still accustomed to the traditional business model. On the other hand, the high investment in e-commerce makes enterprises pay insufficient attention to its development, some leading enterprises are lacking in driving force for development of the industry and in awareness of establishing e-commerce brand in the industry, so it is difficult for them to make e-commerce play the leading role in the innovation of traditional enterprise marketing model.

As is known, most of the enterprises in the county make use of websites for market promotion and marketing information release and so on, barely for e-commerce.

There Lies a Lack of Strategic Thinking on Brand of Agricultural Product. The county is abundant in agricultural products, but there are few famous brands of high-quality agricultural products that can be fully recognized by consumers at home and abroad. Moreover, due to the homogeneity of agricultural products, the phenomenon of "free-riding" marketing or mutual suppression generally exists, and they are lacking in the overall marketing mix idea.

The Circulation System of Agricultural Products Needs to be improved. Liancheng County is located in mountainous area, there is no doubt that the logistics cost is high. As the rural population lives dispersedly, the distribution path is longer. Besides, the demand scale is so smaller that it's not easy to form scale economy.

In addition, the core of e-commerce development in Liancheng is to develop the two-way logistics of "industrial products to the countryside" and "agricultural products to the city", forming an organic circulation of logistics, information flow and capital flow.

Frankly speaking, although the industrial products in Liancheng County can be sent to the countryside, it is difficult for the agricultural products those are produced by scattered small farmers to go up due to the imperfect information system, the incomplete safety system of agricultural products and the low level of logistics modernization.

The Connection between Enterprises and Cooperatives Needs to be strengthened. According to the survey, the e-commerce enterprises settled in the e-commerce industrial park have their own "processing plants" when focusing on sales, subcontracting, logistics and other businesses.

In addition to focusing on traditional sales channels, some local large enterprises have their own e-commerce departments through innovation, such as Zixin enterprise. Some enterprises, such as Funong enterprises, realize their online sales through contracting e-commerce platforms.

But each of these uplink approaches faces the problem of small volumes.

Under the cultural rendering of its hakka culture, various associations and cooperatives greatly promoted centralized production.

According to the survey, in the case of rice, agricultural cooperatives believe that the price of packaged rice will soar after being sold through e-commerce platforms, which is not applicable to the price expectation of daily necessities of the general public. But co-operatives have a lot of resources at their disposal, and the problem of coordinating remains to be seen.

## The Perfect Strategy for the development of E-Commerce in Liancheng.

The Talent Pool of Local E-Commerce Professionals should be formed by Taking in Experts from outside with Training inside. Liancheng County should improve the training mechanism and introduction mechanism of e-commerce, carry out various forms of e-commerce training, and improve the ability of grassroots government, agriculture-related enterprises, rural cooperative organizations and farmers to apply e-commerce. They can improve the social welfare and social security systems to retain and attract talented people.

The County should lead the Establishment of E-Commerce Awareness and Promote Pilot E-Commerce Model. The primary task for county area's electronic commerce development is to establish electronic commerce consciousness. Compared with the developed areas of coastal e-commerce, Liancheng started the development of e-commerce later. Although the government guided and promoted the development of e-commerce more vigorously, the whole people's awareness of e-commerce was still lagging behind. On the one hand, the government should

actively call on the public to learn and apply the knowledge and skills of e-commerce development, and integrate into the new trend of e-commerce development. On the other hand, leading enterprises should give full play to driving force, and apply e-commerce innovatively in enterprise marketing mode.

They also ought to form Brand Strategy Thought, and Build Unique Brand. Brand is an intangible quality asset. Brand construction can be focused both on enterprise brand construction and on regional brand construction.

More importantly, in the process of brand building, they ought to establish the concept of collaboration to achieve multi-party cooperation.

For example, ground melon dried processing enterprises can jointly build a unified local ground melon dried brand and cooperate with each other instead of suppressing each other to achieve a win-win situation. For some other agricultural products that have not yet established a brand, the government should take the lead to actively conduct the construction of regional brand, so that the relevant rural e-commerce enterprises in the region can generally benefit and form a beneficial effect of brand construction.

**Build and Improve the Logistics System supporting E-Commerce.** Firstly, to improve the construction of e-commerce intermediary as well as to strengthen the government's support for e-commerce intermediary links, such as express delivery industry, transportation, finance and other enterprises. In addition, to strengthen the integration of third-party logistics services and various payment tools is conducive to solving the problems of inconvenient transportation in rural areas and logistics into villages.

In the meanwhile, to carry out the plan to bring e-commerce services into rural areas, integrate the original rural circulation network resources, and accelerate the promotion of "one village one store" construction. For instance, in each administrative village, they are able to build e-commerce service nets that provide service such as bargaining transaction, payment, and so on. In addition, they are supposed to integrate existing resources from express enterprise, post offices and supply and marketing cooperatives. In order to create convenient logistics and reduce e-commerce costs, they have to organize the construction of logistics distribution centers and logistics distribution centers to relieve the restriction of logistics on e-commerce.

**Industry Associations further play a Role in Achieving Resource Sharing.** The civil trade association in Liancheng should integrate information from all sides, hold regular exchange meetings to promote information exchange, and feed back common technology and equipment information to enterprises, so as to better play the function of service and coordination of enterprises.

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