

Research on E- Commerce Development and countermeasure in the Rural Areas in Hubei under the Background of the Internet +

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Abstract. Internet+ is a formation of a new economic development model through contact with the traditional industries, after applying to agricultural fields it can create a new agricultural marketing model for products, thus have a very active role to the development of society. Under the guidance of action plan for Internet +, rural electronic commerce in Hubei province has great development space. The innovative development of E-commerce in rural areas is of great significance based on Internet +. Based the definition of the related concepts on Internet +, this paper describes the necessity of rural development of e-commerce in Hubei Province, analyzes the existing problems of e-commerce in rural areas in Hubei province under Internet +, and puts forward the strategies of developing e-commerce of agricultural products in our province smoothly from the perspective of the Internet +.

Introduction

"Internet +" represents a new form of society, that is to make full use of the function of Internet to optimize and integrate the allocation of resources in the community, then integrate the scores of Internet in the fields of economy even the whole society deeply to enhance innovation and productivity, and form the new economic development form as the infrastructure and tools under the Internet. In recent years, the "Internet +" has affected and transformed a number of industries, the current popular e-commerce, Internet Banking, online travel, online video, online real estate industry are all the masterpiece under "Internet +".

"Internet + agriculture" is a kind of operation mode with the most eye-catching for traditional agricultural in the transformation and upgrading process. "Internet + agriculture", refers to the application of Internet technology to the traditional agricultural production, use the advantage of network to improve the level of agricultural production and agricultural product quality management, to promote the integration process of the supply and marketing industrialization of agriculture, to realize significant improvement of agricultural production efficiency and the economic benefits. It is an important way to promote the production and transformation of agricultural products, also an important channel to ensure the people's livelihood and food security and income level of farmers. On March 2015, Premier Li first time put forward the "Internet +" action plan in the government work report conference. In May 2015, the State Council published "suggestion on promoting the development of e-commerce to accelerate the cultivation of new economic power" to put forward to strengthen the Internet and agriculture and rural areas integration development and promote the development of rural e-commerce. At the same time, the first central document in 2016 also used a lot of text answered the problem concerns to the development of rural e-commerce. Therefore, in order to make the vitality of "Internet + agriculture", it is necessary to develop the rural e-commerce, especially e-commerce of agricultural products, to open the rural consumer market and product market, to promote sustainable development and upgrading for agriculture. According to figures released by the Institute of Ali, the past two years, proportion of rural consumption in Taobao continues to improve, in 2015 the Taobao village in the country reached 780, increase of 268%. Rural consumption on Taobao exceeded 460 billion in 2016. The next five years, China's agricultural e-commerce trading volume will occupy

about 5% of agricultural products trading volume, mobile commerce agricultural products for about 2%, cross-border e-commerce of agricultural products accounted for 1%. With the implementation of "Internet+" plan, the government will pay more attention to the development of the e-commerce of agricultural products, more policy would be tilt to the agricultural business, so that the integration of Internet innovation and production, operation, management, service of agricultural deeply, accelerate the transformation of agricultural development and promote the transformation of agricultural industry.

The Current Situation of Rural E-commerce in Hubei

Hubei province is an important province located in central China, belongs to the Yangtze River Economic Belt is one of the provinces developing rural e-commerce earlier. In 2015, the turnover of e-commerce reached 1 trillion and 100 billion, ranked first in the six central provinces in China. According to statistics released data by the Hubei Provincial Bureau, the number of Internet users in Hubei has reached 26 million in 2015, ranked in the top ninth in the provinces and municipalities. The first half of 2016, the rural e-commerce enterprises reached 3000 households, the new e-commerce shop 40 thousands in Hubei Province, the data directly created about 200 thousand jobs to the Hubei province, the e-commerce turnover in rural areas of Hubei province nearly reached 10 billion RMB. For the rural e-commerce pilot county, Chibi, Macheng, Huangmei, Xishui and other 8 counties entering 200 rural electronic commerce, comprehensive demonstration county list in 2015, and 7 counties of Zhuxi, Luotian, Shennongjia forest area added in, the support strength of Hubei government for the development of rural e-commerce is really obviously. For the brand industry, Chibi kiwiberry and Zigui orange as the representative of the country's famous brand of agricultural products also developed a large number of farmhouse tourism relying on the tourist attractions. For the e-commerce enterprise settled in, more than 80% of the e-commerce platform or enterprises opened a store or promotion shop in rural areas in Hubei Province. For the platform construction, formed agricultural e-commerce development pattern based on the third party platform such as Jingdong and Taobao, Hubei agricultural enterprises self built website and some government system self built e-commerce platform model as a primary. Since "characteristics of China" Hubei museum established in Taobao in 2012 to the end of 2015, there are more than 1200 categories of Hubei agricultural products online sales, annual sales more than 2 billion RMB. As of 2015, only Wuhan have 98 agricultural e-commerce providers, 17 self business platform, active online members of Hubei agricultural products business platform "green network" reached 135 thousand in 2015, trading volume has exceeded 10 billion RMB. The top 10 business platform invest actively, Alibaba, Jingdong, Amazon, Suning, Tencent and other e-commerce giants built the national headquarters, construction operations center and business logistics center, important constructing e-commerce projects cost investment over 1 billion more than 20 , with a total investment of 50 billion. By May 2016, Hubei possessed a total of 21 operating centers in county, township service stations of 194, village service points of the 2266. From the research, Hubei province has worked relatively solid in the development of rural e-commerce, the development of rural e-commerce rapidly in the province's agricultural products.

The Restrictive Factors of Developing Rural E-commerce in Hubei

Infrastructure in Rural Area Needs to be Improved. According to statistics provided by "statistical yearbook of Hubei province in 2015" shows that as of the end of 2014, Hubei mobile network signal has been basically covered all the administrative villages, but in the some area fiber and broadband is still lacking, although the ratio has reached more than 95%, but the fiber proportion is less than 70%. At the same time, as part of the rural terrain landform is complex, the Internet infrastructure often fails, which inhibits the development of rural e-commerce progress in Hubei province to a certain extent. Rural area in Hubei, such as Enshi, Shennongjia, and west side in Dabie Mountain Area, rural road traffic has not yet reached the average level, while the local agricultural products are also very unique, therefore, road traffic inconvenience has brought some

disadvantages to the development of e-commerce in rural areas of Hubei province.

Existing Defects in Rural E-commerce Model. Nowadays although the overall scale of e-commerce in rural areas of Hubei Province is big, it still in the stage for decentralized management, uneven distribution, fight separately, even if part of the agricultural production enterprises have a certain amount of money and strength to build their own platform, not formed the scale and group effect, no driving effect on rural economic development for the whole. Dispersed retailers production also led to the standardization and intensive level is not high in circulation of agricultural products; lack of awareness to the agricultural product brand promotion, lack of experience of cultivate and advertise brand awareness; the agricultural production quality control system covering the quality inspection, cleaning, grading and packaging, refrigerated and screening other aspects has not been established, the quality of agricultural products traceability system is not perfect; the ability to control the circulation of the organization is not strong, the agricultural products supply chain efficiency is not mature, all these drawbacks restrict the formation of agricultural products upstream.

Logistics Network can't Keep Up with the Pace of E-commerce Development. Compared to urban express and logistics companies pick-up and delivery door to door, rural e-commerce facing dilemma is how to get through the town to the village "the last mile ". Hubei province especially, most of the rural area is too far from the county, transportation costs increased significantly. Therefore, the majority of express delivery and logistics companies end of the distribution within the county, which greatly affected the development of rural e-commerce in Hubei province. From the investigation of several counties, promoting the development of rural e-commerce model is a county operations center, some township village service station, a number of service outlets, adding a logistics distribution system. The efficient transport and logistics information system has not yet to achieve full coverage; cold chain storage and other infrastructure is not perfect, is a greater impact on the transportation of fresh agricultural products; small volume of rural logistics, high distribution cost, no-load return serious, the effective operation of the rural e-commerce logistics "first mile" and "last mile" system in the difficulties.

The Overall Quality of Rural E-commerce Practitioners is Low, Lack of Professionals. Rural youth in our province are mostly migrant workers, most of residents in rural area low cultural quality and backward ideas, lack of application capacity of e-commerce. Rural area lack of business professionals with knowing rural policy, clear ideas, experienced skills, especially high-quality with the genes of Internet, cultural and innovative and "feelings and sense of mission". New farmers are relatively scarce which can't meet the urgent needs of the current development of rural e-commerce. Agricultural products + e-commerce business is in need of high-quality talents, this kind of talents not only demand of the ability of network management, but also it can grasp the characteristics and laws of agricultural economy. Specifically, it is necessary to predict the market trends and operations rely on their own ability. Of course, also need to use network technology to control site operation, transaction subject communication work. The actual electronic commerce graduates in university are still difficult to reach the demand of the development of rural e-commerce.

Rural E-commerce Development Strategies under "Internet+ agriculture" in Hubei Province. In order to meet the opportunity of Internet +, to develop rural e-commerce better in Hubei, according to study some restricting factors of the rural e-commerce for the development of our province, this paper puts forward some corresponding measures:

The Government should Strengthen Guidance. The provincial government departments should integrate related funds to support new agricultural e-commerce entities; the provincial commerce departments to strengthen the guidance of rural e-commerce entities in the sale of agricultural products; the provincial banking regulatory bureau should issue specific business rules and regulations about the rural e-commerce entities, guide related agricultural financial institutions and agricultural financing guarantee to control risk and threat. Further clean up and standardize the financing service fees, earnestly implement the relevant relief policy, reduce the cost of financing; agricultural management departments should guide in the land circulation and encourage develop appropriate scale of operation; the financial institutions should accelerate the construction of rural

credit guarantee service system, to support the new e-business entities. Thus form a closed and sustainable circulation system with development "business flow, logistics flow, capital flow and information flow."

Build up Agricultural Products Industry Chain. Firstly, promote the standardization of agricultural production. The government should guide enterprises, rural cooperatives and other business entities to expand the standardization of agricultural production, realize the standardization on production facilities, processes and product. To speed up standards for agricultural products online sales, promote the product differentiation, production standardization and packing standardization. Secondly, fostering the large-scale rural business enterprises, cultivating and transforming rural e-commerce entities, and actively promote the transformation of agricultural enterprises from the traditional sales model to the "Internet +" mode, push the "small size" and "retailer" transfer to "large" entities. Thirdly, for the great popularity agricultural products, encourage they choose order production. By achieve controlling, tracking the whole process throughout the entire production, in order to achieve the purpose for consumer confidence.

Accelerate the Construction of Rural E-commerce Platform, Perfect Broadband Services and Connectivity. E-commerce website is an online trading market, is the network platform to carry out e-commerce activities, the more the number of platform, the more opportunities to provide for farmers and agricultural enterprises. At present, the number of the rural e-commerce sites in our province needs to be further improved, the quality also needs to be further improved, should speed up the construction of rural comprehensive e-commerce platform, to provide convenience for the trade of agricultural products as well as the rural market circulation of information. Meanwhile government should integrate the existing enriching service platform in rural area, improve the rural broadband network, unified set rural e-commerce service station, both realize agricultural products outside and other goods into the rural area.

Cultivating Rural E-commerce Talents and Improving Farmers' Information Technology Ability. The degree of farmers' understanding of e-commerce and the ability of application and to use information directly affect the development of rural e-commerce in our province. Therefore, we must pay attention to training the talent of e-commerce, to speed up the cultivation of compound information talents, cultivate new farmers which not only understand technology but also business management. Especially focusing on the training of personnel in rural areas for the township cadres, college-graduate village official, returning youth, so it beneficial for the use of WeChat, micro-blog, QQ space and other network media to promote local agricultural products, endorsement for hometown products. Rural area also can establish a professional e-commerce training base and cultivate professional teachers, develop incentive policies and measures to appeal those young people who have the local feelings, entrepreneurial passion, attracting them to return hometown to create business, and strive to cultivate a group compound talents not only understand the theory, but also understand the business operation, not only manage online shop but also can lead all villagers to get richer. At the same time, play the advantages of higher education in our province with excellent university resources, such as major for agronomy, agricultural information and other related professional majors in the Huazhong Agricultural University training of personnel, to cultivate rural e-commerce talents, leading the development of rural e-commerce. The most important thing is to improve the cultural quality and agricultural science and technology level of farmers, and then cultivate their ability of information technology and knowledge of e-commerce, teach them to use computer, search the required information on the Internet, online transactions, so as to improve their information quality to promote the long-term development of the rural e-commerce.

Conclusion

To sum up, under the guidance of Internet +plan, agricultural e-commerce business in China will get more big development space. At the same time, the activity of fresh agricultural products has decided its development in the logistics, infrastructure, personnel training and other aspects still

need to be perfect, so as to solve the current practical problems to promote agricultural products in the process of e-commerce. As a result, the relevant government departments as well as practitioners in the industry should work together to create a new model of agricultural e-commerce which can adapt to the actual consumer demand meanwhile convenient and efficient development. Most importantly, the government should improve the income level of farmers, especially the level of disposable income of farmers. Only when the disposable income level with real growth, while the level of rural social security has increased substantially, the farmers have the ability to try the e-commerce and the new shopping mode, to adapt to the modern economic development model. The provincial government should work together with e-commerce enterprise to increase consumer concept of propaganda in rural areas, and gradually change the traditional concept of consumption and marketing of farmers in order to promote the concept of farmers online trading and online trading habits. With advanced tools and methods based on the humanized service and guidance as the premise, with professional rural e-commerce talents as the support, to increase farmers' income, improve the rural environment, rural e-commerce development in our province will enter a new stage.

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