

Development Trend of Agricultural Products E-Commerce Platform

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Abstract

Agricultural products e-commerce platform is the core population of agricultural products e-commerce ecosystem, and its development shows the following trends.

Keywords

Agriculture products ; Electronic Commerce ; application.

1. The Self-supporting Platform Will Present a Competitive Market Structure

Agricultural products in the production, storage and transportation, consumer and industrial goods exist significant differences, especially the seasonal and regional makes "the masses" exists in the "far" logistics of agricultural products is not economic point, combined with the platform is difficult to achieve monopoly on agricultural product supply, electric business platform of agricultural products, especially the proprietary platform as a whole will present a competitive market structure. The leading proprietary platform has the advantage of being the first mover, cultivated a group of consumers with high stickiness, and will gradually exert the scale effect to achieve profits in a certain region; However, with the gradual improvement of infrastructure such as third-party cold storage and cold chain joint distribution, the new platform does not have a large exit cost, and the high-frequency consumption characteristics of agricultural products can be used to achieve economies of scale within a certain range. Therefore, the agricultural products e-commerce platform will present different development trends from traditional industrial products e-commerce oligopoly competition and monopolistic competition. In the long run, it will be a competitive market with a large overall scale.

2. Well-known Third-party Platforms and Self-operated Platforms Infiltrate Each Other

In the "bilateral market" of well-known third-party platforms, consumers gather a large number of buyers, which is more reliable than online stores entered. In addition, the financial strength is usually relatively strong, and the "blue ocean" market of agricultural products e-commerce is attractive. Some well-known third-party platforms begin to integrate resources and infiltrate their own business. For example, Tmall, a third-party platform, launched "miaoshengxian" to deeply integrate with the merchants on the platform to enter the self-run market. It deeply engages in the import business in the world's origin of fresh food, adopts unified warehousing and unified logistics, and cooperates with Cainiao to promote efficient and timely delivery of logistics services.

Well-known proprietary platform business momentum in some area, often spending on sourcing organization, warehousing logistics system construction is bigger, better foundation and consumer concentration reaches a certain scale, have certain popularity and market

reputation, in order to increase the category of agricultural products, promoting the utilization of self-built logistics infrastructure, some well-known proprietary platform started to shop in platform. For example, the self-run platform jd gives full play to its advantages of consumer gathering and logistics, and opens its self-run platform. On the one hand, high-end agricultural products merchants are introduced to jd's open platform, and on the other hand, fresh and cold chain logistics solutions are fully opened to merchants. For example, I started to develop B2B business for catering enterprises in 2016 on the basis of strengthening the self-run B2C model. Yiguo fresh also starts to develop into a platform, opening fresh e-commerce platform to allow suppliers to enter, and building anxian cold chain logistics and distribution system to provide services to settled suppliers.

3. Self-run Platform Penetrates Upstream and Downstream of the Industrial Chain

In order to ensure the supply of goods to stabilize consumer expectations, improve quality to enhance customer experience, improve the level of standardization to solve the quality disputes caused by contactless delivery, reduce intermediate links and increase profit margins, the self-operating platform penetrates into the upstream agricultural products production and processing links through joint production and "buyer" direct purchasing. By means of self-built farms, joint farms, exclusive orchards, whole package gardens, graded package gardens and other means, joint production transforms the information advantages of consumer demand possessed by the platform into production process guidance. "Buyer" direct purchasing in the production area is organized by professional purchasing personnel from the platform to the production area according to the product standards established by the platform, and the consumer demand information is transmitted to the production end through repeated games.

The unique characteristics of agricultural products put forward higher requirements for warehousing, logistics and distribution. Usually, the whole process of cold chain support, such as pre-cooling in producing area, cold chain transportation, cold storage in sales place, temperature control and distribution, is required, and the timeliness of distribution is also required to ensure the fresh quality of agricultural products to improve user satisfaction, reduce process losses and reduce costs. Large public cold storage is often difficult to carry out primary processing, packaging and other activities, temperature distribution and storage and storage time is long. Therefore, the self-run platform improves the overall efficiency by building a cold storage in the multi-temperature zone close to the consumer market, and guarantees the "last kilometer" cold chain environment by innovating the temperature control packaging and time-limited delivery, and penetrates into the downstream logistics and distribution links of the industrial chain.

4. Development Trend of Agricultural Products E-Commerce Stores

Produce electricity network operators shop is produce electricity business ecosystem key species, its development presents the following trends, new farmers will become the main store, large agriculture, agricultural cooperatives, large-scale farms, agricultural products processing enterprises, the circulation of agricultural products wholesale and retail enterprises new agricultural management main body, on the agricultural production and processing have the sourcing organizations such as scale, standardization of commercialization, advantages, developing agricultural electricity supply conditions. However, the storage and distribution links mainly rely on third-party logistics, and it is difficult to bear the high development and operation costs of the technology platform, so it becomes the best choice to enter the third-party platform to operate online stores. In the development of online stores with a certain size,

online stores can also be supplemented by the short board to develop into self-supporting platform.

With the development of agricultural products e-commerce market and the improvement of the penetration rate, agricultural operators will face the choice of traditional sales channels and direct sales to consumers. Traditional sales channels are often based on the social embeddedness of benefit coupling mechanism, but in the middle of the electricity to the benefits of redistribution, close to the consumer demand information of the advantages of the rapid response and consumer price increase, driven by a net of agricultural leading enterprises will accelerate, thereby in a certain period of time into a pattern of traditional channels and channels of electricity coexist.

Decentralized farmers due to the limited scale of production, network marketing ability, combined with seasonal factors lead to get the user cost is higher, a net directly faces the scale economy, scope economy, the promotion of the plight of difficulties, and therefore do not have a high level of organization of agricultural production region rural agricultural electricity appropriate USES "online + farm households" model, in a certain area of farmers by the importance and the "new farmers" rural electricity led means of open a shop. First, the online shop can play a role in integrating scattered production in a certain rural area, forming a relatively stable supply. Second, it can also promote industrial division and cooperation, and give full play to the professional advantages of rural e-commerce leaders in online store operation, marketing, primary processing and packaging. Third, it can provide consumers with stable supply of goods with rural characteristics, which is convenient for consumers to reduce the search cost by collecting online stores, so as to improve the repurchase rate and form a stable consumer group.

4.1. Online Shop Survival of the Fittest Will Aggravate Polarization

Though platform economic scale have higher requirements to the online population, but the increase in the number of online stores and the long tail of the consumer search costs, the cost of trial and error exists equilibrium, too much increased the number of online consumers search for the time and cost, combined with the store management level differences, leading to online stores will accelerate the polarized phenomenon. On the one hand, the leading online stores can spread word of mouth faster and more widely, and the brand effect and scale effect will continue to be strengthened. Based on the cultivation of sub-categories, online stores with sales of billions or billions will gradually increase, and even unicorn online stores will develop into independent platforms. For example, the sales volume of three squirrels, a nut online marketing brand, exceeded 5 billion yuan in 2016, among which the sales volume reached 508 million yuan in just one day on nov 11. On the other hand, due to the lack of attractive agricultural products, the poor operation level of some online stores leads to fewer and fewer users, and thus reduced to zombie stores are delisted. For example, we detected that the sales of chongqing online shops selling agricultural products on ali platform reached 1,440 stores in 2016, which was severely polarized.

4.2. "Hot Style" Accelerates the Branding Process of Online Stores and Agricultural Products

The high-frequency consumption characteristics of agricultural products make consumers' "stickiness" of consumption channels often higher, and the improvement of repurchase rate must be built on the basis of stable consumer groups, but online stores often face the dilemma of high "customer acquisition" cost. The creation of "hot style" is usually the signal display mechanism of brand effect, the credibility mechanism endorsed by the government, the quality assurance mechanism for returning and replacing goods without any reason and the promotion mechanism of platform drainage, etc., all of which form a combination of one or several factors,

and have high requirements for the goods collection ability, quality control ability and third-party logistics cooperation of the online store.

On the one hand, the "hot style" effect makes online stores and their agricultural products easier to be searched by consumers, easier to be influenced by the word-of-mouth effect to make purchase decisions, and easier to play the scale effect to improve the profitability, so creating "hot style" has become the main marketing means to build the store's own brand. On the other hand, "hot style" is popular with consumers, which will greatly improve the network communication range and speed of featured agricultural products, thus occupying the cognitive consensus of consumers. Online shop clusters build similar products "hot style" to accelerate the branding process of agricultural products. For example taobao net sale "gannan navel orange" water "red", "a", "general farmers", "fruit", "xing au fruit", "fruit", "uncle jiangnan", "famous fu garden" and so on online stores cluster, have to build sales of millions of their respective level of "hot style", to promote the brand "landmark" pin into net brand armband.

4.3. Supply of Products

(I) agricultural specialties:

Homemade sausage rice wine soil wine soil honey mushroom dried lotus seed tea

(ii) handicraft:

Handmade silver jewelry handmade bamboo crystal root carving wood carving

(iii) hardcover gifts:

Fish cake acacia flower honey pu 'er tea pecan hairy crab

5. Target Market Analysis

5.1. Development Status of Agricultural E-Commerce

At present, e-commerce in China is in a stage of rapid development, covering all aspects of our life, such as books, home appliances, electronic products, clothing and textiles. It can be said that all walks of life have begun to integrate into the e-commerce this broad platform. Then, e-commerce can be so favored by more and more widely accepted by the population? We think there are three reasons: first, it widens the geographical space of buyers and sellers. Through the trading platform provided by e-commerce, buyers and sellers can conduct relevant negotiations and transactions without meeting each other, greatly saving the cost and time of transaction. At the same time, the scope of transactions is no longer limited to a city or a province, but expanded to the whole country and even the world, and the growth of the number of transactions is also very considerable. The second is to clarify the basic situation of the market. By displaying the price, quantity and basic introduction of all kinds of commodities on the website, buyers can have a relatively clear understanding of the whole market situation and buy the goods they need at a reasonable price. For the sellers, they can know the demand status and requirements of the buyers and adjust their business strategy accordingly, which can minimize the risk. Third, shorten the intermediate link. As e-commerce transactions occur directly between buyers and sellers, and some links in the middle are omitted, transaction costs and prices are greatly reduced, achieving the win-win goal. As a result of the above three points, people involved in e-commerce transactions have been a lot of convenience and benefits, has been recognized by everyone.

Therefore, combined with our analysis of the characteristics of e-commerce, if e-commerce can be introduced into the trade of agricultural products, so that farmers and vendors can directly engage in dialogue, exchange product information, trade, it can be a more satisfactory solution to this problem. Moreover, in the era of the rapid development of the Internet, more and more rural areas are connected to the Internet, which also provides extremely important basic convenience for the realization of agricultural e-commerce.

Besides the scientific nature, the e-commerce of agricultural products management also has considerable practical application value.

Target customer analysis

City people

Urban people have always been the biggest consumers of agricultural products, because urban people do not grow agricultural products, and popular online shopping. Urban people have a greater awareness and acceptance of online shopping in e-commerce. Therefore, urban people will become the main customer group of this project.

The rural population

Due to the backward knowledge of rural people compared with urban people and their low understanding of e-commerce, the online sales market is small. But with the construction of new countryside, the potential of rural market will be further tapped.

Presents the crowd

In the past, most of the Chinese New Year holidays and gifts are popular tobacco, alcohol, health care products and so on. Now it's popular to give specialty produce. Like green vegetables, organic vegetables and so on.

5.2. Feasibility Analysis

Policy feasibility

China's agriculture is facing the new situation of marketization and internationalization, and the competition of domestic and foreign agricultural products market is more intense. At the same time, we should realize the goal of building a well-off society in an all-round way put forward by the 16th CPC national congress. Therefore, how to adapt to the new situation, strive to enhance our city's agricultural competitiveness, develop the rural economy, increase the income of farmers, accelerate our city to build a well-off society in an all-round way, is the current party committees and governments at all levels must attach great importance to, seriously study and seize the implementation of the major issues. The government has carried out a series of guidance on e-commerce application of featured agricultural products and introduced many safeguard measures, which is a green light all the way.

Technical feasibility

China attaches great importance to the e-commerce of agricultural products and determines the goals and specific measures of network promotion. Through several years of rapid development, has trained a number of senior e-commerce talents, for the development of rural e-commerce to provide talent and intellectual support. Many agricultural products companies in China have set up online sales websites, which provide retail and wholesale online channels, which are very convenient for online trading customers. Farmers have boosted sales by placing some fresh produce and some vegetables packaged as gifts and other extensions on taobao, where they are sold on dangdang. If the litchi of shenzhen is exhibited in agricultural fair, be loved by large number of manufacturer, a few manufacturer signed trade agreement and the agreement that sell on the net with litchi plant in succession, litchi wholesale can undertake ordering on the portal website of manufacturer. All these have promoted the development of e-commerce of agricultural products in China.

Competitive analysis

Competitor analysis

At present, the main sources of competition in the agricultural products market are supermarkets, vegetable markets and taobao stores. Supermarkets and vegetable markets have occupied more than 90% of the market share by virtue of their advantages such as diverse products, low prices and convenient purchase. However, the agricultural products in

supermarkets and vegetable markets contain excessive levels of pesticides and fertilizers, which are harmful to human health and cannot be directly delivered to your door.

Although taobao stores occupy a small market share, but the momentum of development is good. But now the Internet is full of fake and shoddy products, and there are still very few shops with good reputation.

Competitive advantage and opportunity

Competitive advantage:

- (1) products are original ecology, organic agricultural products, health without pollution.
- (2) has a perfect logistics distribution system, to provide fast and convenient services for consumers, save consumers time.
- (3) reduce the middle turnover of agricultural products, greatly reduced the price of products.
- (4) reduce the intermediate turnover of agricultural products, increased the income of farmers.

Competitive opportunities:

At present, the government strongly supports the construction of agricultural products e-commerce.

(2) at present, the agricultural products e-commerce market has not yet saturated, the lack of a high reputation of suppliers.

A swot analysis

Strength Weakness

Original ecology, pollution-free, fast and convenient no physical display, consumer recognition is not high

Opportunity Threats

Government support, rural e-commerce process accelerated. Supermarkets and vegetable markets occupy huge market shares, and the online market also develops rapidly.

SWOT analysis summary

Using SWOT analysis method, clearly recognize the advantages, disadvantages, opportunities and threats of our town's agricultural website. Even in today's era of highly developed industrialization and modernization, agricultural economy still plays an important role in the whole national economy. The sound development of agriculture is related to the sustainable and healthy development of the national economy as a whole, and it is an important guarantee for national stability, social harmony and people living and working in peace and contentment. However, in recent years, with the continuous rise of CPI, the price of agricultural products has also seen a sharp rise, and even some of the prices of agricultural products have been maliciously hyped and ridiculously high. If it is understandable that urban residents complain about rising vegetable prices as consumers, why are farmers so distressed that they even kill themselves by taking poison? Where does the profit from rising spreads in agricultural commodities go, after adjusting for inflation? This is our advantage, by streamlining the purchase channels, so that the three parties to maximize the benefits.

6. Conclusion

Today, with the high development of e-commerce, people have realized the convenience and benefits brought by e-commerce, and their acceptance level is also increasing. Therefore, we feel that we can follow the trend of The Times and introduce this modern way of business transactions into ancient agriculture, so as to solve this problem by enabling farmers and vendors to have direct dialogue, exchange product information and trade.

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