

# The Realistic Dilemma and Optimization Path of Sustainable Development of China's Live Agricultural Products E-Commerce

Jialin Yin, Xi Yang

School of Economics, Guizhou University, Guiyang, 550000, China

## Abstract

Live e-commerce is a new marketing model that has emerged in recent years and is increasingly becoming an important way to sell agricultural products. At present, the problem of sustainable development of agricultural products live e-commerce is prominent, and this paper believes that the lack of marketing elements is the reason why the sustainable development of agricultural products live e-commerce is hindered, which is manifested as difficulty in establishing association, lagging demand response, difficulty in realizing win-win situation and hindering relationship maintenance. The live broadcast e-commerce of agricultural products faces four realistic dilemmas: the lack of local broadcast talents in rural areas, highly homogeneous live content, inefficient live broadcast sales strategy and relatively backward in rural logistics. To realize the sustainable development of agricultural products live e-commerce, the key lies in cultivating live talent team, innovating live e-commerce content, actively creating product brands and increasing investment in logistics construction.

## Keywords

E-commerce; Live E-commerce; Agricultural Products E-Commerce; Marketing Elements.

## 1. Introduction

In recent years, as the construction of China's digital countryside and other work continues to advance, the coverage of China's live agricultural products e-commerce continues to expand, which plays an important role in widening sales channels for agricultural products and promoting farmers' prosperity and income. According to statistics, in the first quarter of 2020, the country's agricultural products-related live broadcast more than 4 million, many stars and local government officials appeared in the live broadcast of e-commerce to help farmers sell thousands of agricultural products[1]; Taobao data show that as of September 2021, Taobao-related live streaming has reached a cumulative total of more than 2.3 million sessions, with sales of agricultural products exceeding 5 billion yuan[2]. In order to further accelerate the development of direct broadcast e-commerce of agricultural products, in February 2022, the central No.1 Document proposed for the first time to promote the standardized and healthy development of direct broadcast e-commerce of agricultural products. Driven by national policies and social capital, the live broadcast e-commerce of agricultural products is booming, and is increasingly becoming an important way for the sales of agricultural products, which urgently needs to attract scholars' attention and in-depth discussion.

At present, the domestic research on agricultural products live e-commerce is in the initial stage, and there are few relevant research results, mainly focusing on the analysis of the phenomenon of government officials live selling goods to help farmers [3,4], the research on the value of agricultural products live e-commerce model [5,6], and the empirical research on the impact factors of agricultural products live e-commerce [7,8,9].

It can be found that scholars have analyzed the direct broadcast e-commerce of agricultural products from multiple perspectives, which provides a useful reference for understanding the

basic characteristics and development status of direct broadcast e-commerce of agricultural products, but it still needs to be further supplemented. On the one hand, the current research focuses on the analysis of the relationship between government officials, online celebrities and consumers in the live broadcast e-commerce of agricultural products, pays less attention to the villages and farmers as the beneficiary, and ignores the sustainable development of the live broadcast e-commerce of agricultural products after officials and web celebrities return to their jobs. On the other hand, live broadcast e-commerce of agricultural products is essentially a new marketing model of agricultural products, but few studies have explored it from the perspective of relationship marketing. In view of this, from the perspective of relationship marketing, this paper attempts to explore the sustainable development of direct broadcast e-commerce of agricultural products, analyze the reasons for the obstacles in the sustainable development of direct broadcast e-commerce of agricultural products and the realistic dilemmas faced, and put forward relevant countermeasures for the sustainable development. The possible marginal contribution of this paper lies in the analysis of the causes of the sustainable development of direct broadcast e-commerce of agricultural products from a different perspective, which further enriches the relevant theoretical research and has a positive guiding significance for the long-term and healthy development of direct broadcast e-commerce of agricultural products.

## **2. Analysis on the Reasons of Hindering the Sustainable Development of Live Broadcast E-commerce of Agricultural Products**

At present, the sustainable development of agricultural products live e-commerce problem needs to be solved[10] From the perspective of relationship marketing, this paper believes that the lack of marketing elements is the reason why the sustainable development of live agricultural products e-commerce is blocked.

Firstly, it is difficult to establish association. The personal attributes of the host and the atmosphere of the live broadcast scene it creates can influence the inner psychological state of the consumer, thus affecting the consumer's trust in the anchor and desire to buy[11]. In live e-commerce, consumers' trust in farmers and their products is often mediated by anchors, and this trust is a prerequisite for establishing relationships with consumers, which is largely influenced by the personal characteristics and abilities of anchors. Currently, China's live agricultural products e-commerce mainly relies on government officials and net stars to drive development. However, government officials are unlikely to engage in the rural live e-commerce industry for a long time, and it is equally difficult for net stars to sustain their behavior. In contrast, farmer anchors do not have the authoritative and traffic characteristics of officials and net celebrity anchors, so they do not have advantages in gaining consumer trust, which makes it relatively difficult for them to establish relations with consumers.

Secondly, the demand response lags behind. Research shows that consumers' willingness to buy is closely related to their psychological needs, and the live content that conveys emotional value is one of the core elements to meet consumers' psychological needs[12]. At present, the main live content of agricultural products live e-commerce is focused on the sale, this kind of live broadcast initially developed by the famous anchor has been imitated by many new anchors, which helps new anchors to quickly get on the right track in a short time. However, in the long run, a large number of live broadcast contents that lack originality are stereotyped, showing a high degree of homogeneity, which is easy to cause consumers' aesthetic fatigue and difficult to adapt to consumers' increasingly diversified psychological and consumer needs.

Thirdly, it is difficult to achieve a win-win situation. From the sales strategy of various live broadcast e-commerce of agricultural products, most businesses only attract consumers by setting full discount and low price. On the one hand, this simple way of discount lacks differentiation and cannot produce sustainable attraction to consumers, and the long-term low-

price sales strategy will sacrifice the interests of farmers and dampen their enthusiasm for participation; On the other hand, such concessions are often perceived as "deals given by anchors", which further strengthen the relationship between anchors and consumers, and make it difficult to establish a connection with farmers as the suppliers of products, thus failing to achieve a win-win situation between consumers and farmers.

Finally, relationship maintenance is hindered. At present, the overall construction level of China's rural logistics is not high, the development of logistics infrastructure is relatively lagging behind, the quality of logistics services is low and other issues seriously limit the speed of delivery of agricultural live e-commerce products[13]. In particular, some fresh agricultural products have high requirements for transportation and storage, and the lower level of rural logistics makes it difficult to guarantee that the quality of agricultural products does not change during transportation, which can easily make consumers have negative emotions that the real products do not match with the publicity, and further reduce consumers' live shopping experience. The quality of logistics services in live e-commerce largely determines the level of consumer satisfaction and loyalty[14]. In today's context of gradually depleting Internet traffic dividend, establishing long-term relationship with consumers is the key condition for sustainable development of agricultural live e-commerce. Inefficient rural logistics services will seriously affect consumers' shopping experience, reduce consumers' satisfaction and loyalty, and ultimately hinder farmers' maintenance of long-term relationship with consumers.

### **3. The Real Dilemma of the Sustainable Development of Agricultural Live E-commerce**

From the perspective of relationship marketing, the reason for the difficulty of sustainable development of agricultural live e-commerce lies in the lack of necessary marketing elements, which is manifested in four aspects: the lack of rural local live talents and the lack of endogenous development momentum; the serious homogenization of live content, which is difficult to meet the diversified needs of consumers; the inefficient sales strategy, in which farmers sacrifice their interests but do not get returns; the relatively backward level of rural logistics construction, which affects farmers' maintenance of long-term relationships with consumers.

#### **3.1. Lack of Local Broadcast Talents in Rural Areas**

Behind the development of live e-commerce of agricultural products driven by government officials and web stars and other anchors, is the reality of the lack of local live talent in the countryside. Public data show that on the mainstream live e-commerce platforms such as Taobao, Tiktok and Kuaishou, 2.16% of the head anchors represented by Jiaqi Li and Xinba occupy nearly 90% of the market share, and the polarization phenomenon is serious in the live e-commerce. With the industry development is becoming more and more mature, live broadcast e-commerce requires more and more professionals, team-based operation has also become essential, new anchors who fight alone will find it more and more difficult to gain a foothold in the live broadcast e-commerce industry in the future. Despite the fierce competition in the live broadcast e-commerce industry, the low access threshold facilitates farmers' live broadcast sales, and the phenomenon of farmers' self-broadcast in the live broadcast e-commerce of agricultural products is becoming more and more common. However, there are two disadvantages of farmer self-broadcast: First, the growth cycle of new anchors is long, need to accumulate over a period of time to form a fixed consumer base. In the absence of halo effect and fan base, ordinary farmer anchors cannot get high live fever and consumer trust in the early stage of live broadcast like government officials and net stars who bring their own advantages. Second, most farmers' anchors have not received systematic live broadcast training, lacked professional live broadcast skills, and had a large gap with professional anchors in product

introduction, audience interaction, etc. Moreover, farmers' anchors are mostly self-broadcast, and lack of professional live broadcast teams for long-term planning and operation. Although there are many instances in reality that farmers' anchor has achieved good live sales results, on the whole, the direct broadcast e-commerce industry is easy to get started and difficult to master, the farmers' long-term competitiveness is weak, the lack of professional training and other problems are widespread, and the rural direct broadcast talents are relatively scarce, which makes the development of agricultural direct broadcast e-commerce lack of endogenous power.

### 3.2. Highly Homogeneous Live Content

Good live broadcast content can meet the psychological needs and shopping needs of consumers, and is one of the important factors for the sustainable development of live broadcast e-commerce of agricultural products. However, the homogenization of live broadcast content is very serious at present. Open major e-commerce platforms to find agricultural e-commerce live broadcast rooms. It can be found that multiple live broadcast rooms sell similar agricultural products at the same time. These live broadcasting rooms have a single variety of goods, simple set design, and the live broadcasting style of the anchor is also similar. In the live broadcasting process, except that the anchor introduces products, there is basically no audience to participate in communication and interaction. The overall atmosphere of the live broadcasting room is relatively low, which is difficult to impress the audience, and cannot stimulate the emotional resonance and shopping desire of consumers.

In contrast, the live broadcast room of the net celebrity has formed a unique competitive advantage in many aspects of the live broadcast content. To sum up, first, in terms of commodity display, the webcast room has multiple cameras stands from different angles, and its live camera can be switched and zoomed in as needed, to show the audience a full range of products. Second, in terms of commodity types, there are a variety of products sold by the net celebrities in the same live broadcast, which are different in brand and price. The overall live broadcast audience is wider, which can better meet the different shopping needs of consumers. Thirdly, in terms of the live broadcast atmosphere, the net celebrity, with his or her professional speaking skills and understanding of products, can make consumers have more trust when introducing goods, improve the desire of consumers to communicate with the anchor, meet the interactive needs of consumers, and further improve the atmosphere of the live broadcast room, attracting more people to participate. Therefore, if the farmer anchor lacks differentiated live broadcast content, it will not be able to arouse consumers' interaction and purchase desire, and it will be difficult to form a unique competitive advantage, which is not conducive to the long-term development of agricultural product live broadcast e-commerce.

### 3.3. Inefficient Live Broadcast Sales Strategy

At present, the sales strategy of most live broadcast e-commerce of agricultural products is single and inefficient, and the lack of brand effect of products leads to stagnant sales. From a practical point of view, with the continuous improvement of consumers' income level, in addition to the price factor, the influence of brands on consumers' shopping decisions is becoming more and more obvious. However, since most of the self-broadcast merchants' agricultural products are self-grown and self-sold, and do not have the brand effect, most of them choose the low-cost marketing strategy of sacrificing part of their profits to obtain more orders, such as 9.9 yuan a box and pay five for six in order to win the favor of more consumers. However, the competition of low-cost marketing is also fierce. In the case of general preferential policies, low-cost marketing no longer has a competitive advantage, but has become an industry consensus, which makes it a doubt whether the sales method based on profit sharing can bring more orders. In addition, the problem of benefit dislocation also exists in the low-cost goods marketing of aid anchor. For example, the low-cost marketing strategy of professional anchor

to help farmers bring goods will, to a large extent, be regarded by consumers as the concessions and benefits won by the anchor, which will make consumers have a good impression on the anchor. In this process, the consumer trust brought by low-cost marketing is concentrated on the anchor. Farmers and businesses sacrifice part of their profits but cannot establish a trust relationship with consumers, resulting in the phenomenon of benefit dislocation. On the one hand, the low-price marketing strategy requires farmers to bear higher costs but difficult to obtain corresponding returns, which will harm the interests of farmers in the long run and is not conducive to the sustainable development of live broadcast e-commerce of agricultural products.

### **3.4. Relatively Backward in Rural Logistics**

With the rapid development of express delivery to villages, China's rural logistics distribution service has developed to a certain extent. By the end of 2020, the coverage of express outlets in villages and towns in China has reached 98%, and rural post offices have achieved full coverage. However, compared with the level of urban logistics, there is still a big gap, which is mainly manifested in the difficulty of delivery, high cost and more time. At present, China's rural express outlets are concentrated in villages and towns, while many villages are scattered. Farmers are often dozens of kilometers away from villages and towns. It is not convenient to send or pick up pieces. In particular, the rural areas in Western China are sparsely populated, and the overall demand for express services in towns and townships is small. Some towns and townships are far away from the county, and the transportation cost of a single express is high. Express enterprises need to reach a certain amount of express to cover the transportation cost. Many outlets' revenue and expenditure situation is not ideal and it is difficult to make profits in the short term, which also causes farmers to wait longer for their products to be delivered to consumers. In addition, due to the vulnerability of some fresh products, they are sensitive to bumps and temperature changes during transportation. The loss of goods caused by long-term transportation is easy to make consumers feel cheated by the wrong goods and reduce their shopping experience. Since the distribution efficiency of products has become an important factor affecting consumers' shopping experience, it is urgent to further improve the construction of rural logistics network, optimize the service quality of rural express, and improve the efficiency of express distribution of agricultural products, so as to promote the sustainable development of live broadcast e-commerce of agricultural products.

## **4. Countermeasures and Suggestions for Sustainable Development of Live Broadcast E-commerce of Agricultural Products**

### **4.1. Cultivate Live Talent Team**

To cultivate the local live broadcasting talent team in rural areas, it is necessary to increase the endogenous development power of live broadcasting e-commerce of agricultural products, so that farmers can fully enjoy the dividends of live broadcasting e-commerce [15]. Local governments can support the establishment of a rural live broadcasting talent center integrating training, sales and management, introduce professional institutions for live broadcasting skills training, and create a local live broadcasting talent team. Local rural cooperatives, according to the actual situation, guide farmers who have the conditions and willingness to actively participate, implement unified management of local agricultural products, and conduct online sales through live talent centers. At the same time, focus on establishing a long-term cooperative relationship with professional anchors, and make use of the popularity and traffic advantages of professional anchors to lay a good foundation for the development of local live broadcast e-commerce of agricultural products in the early stage and improve the enthusiasm of farmers for follow-up participation.

## 4.2. Innovative Live E-commerce Content

To innovate the content of live agricultural products e-commerce, local people should deeply develop the content that consumers are interested in, such as the process of growing agricultural products, farmers' life, rural scenery and local culture, and to comprehensively present the local face. The potential of rural life should be fully explored, combined with local natural scenery, folk culture and other characteristics, and combined with the sale of agricultural products to improve the richness and hierarchy of live content. In the process of live broadcast, paying attention to the use of camera and showing products for consumers in all aspects are necessary, and anchors should fully activate the atmosphere of the live broadcast room to further improve the interactivity of consumers.

## 4.3. Actively Create Product Brands

There have been many successful cases of branding agricultural products in China, Such landmark type brands as West Lake Longjing, Kuerle Pear and the brands with names such as Sunshine Rose Grape. Branding can not only deepen consumers' impression of products and promote the formation of fixed consumer groups, but also further promote the standardization of agricultural production. Therefore, based on their own product advantages or cultural advantages, farmers should actively create agricultural product brands with local characteristics, increase the added value of agricultural products, and meet consumers' higher-level value needs, which can not only improve consumers' shopping experience, but also drive farmers' income to increase, realizing a win-win situation for both consumers and farmers.

## 4.4. Increase Investment in Logistics Construction

The improvement of rural logistics network is conducive to the "upward mobility of agricultural products", which can also increase farmers' income and promote rural consumption upgrading, and is an important part of rural revitalization and agricultural and rural modernization[16]. It is an important part of rural revitalization and agricultural and rural modernization. Therefore, the government should increase the investment in rural logistics network construction, improve the level of rural logistics infrastructure construction, and accelerate the growth of logistics power especially in the less populated areas. At the same time, it should actively cultivate diversified rural logistics business entities, introduce information technology such as Internet, artificial intelligence and big data, promote the construction of integrated logistics information platform in urban and rural areas, further realize rural logistics route optimization, logistics resource sharing and logistics demand prediction, so as to reduce rural logistics costs, improve rural logistics efficiency and lay a solid foundation for the sustainable development of live agricultural products e-commerce.

## References

- [1] 21st Century Industry Research Institut. 2020 China's Live Agricultural Products E-Commerce Report, [http://www.sohu.com/a/475734494\\_243993](http://www.sohu.com/a/475734494_243993).
- [2] Alibaba. Taobao Live: Lighting the Star Fire of Rural Revitalization, <http://zhuanlan.zhihu.com/p/440698001>.
- [3] Zhe Deng. The innovation development, risk challenges and long-term mechanism of government live broadcast + agricultural assistance[J]. China Administrative Management, 2020(10):80-85.
- [4] Wei Meng. Can the live broadcast of officials take effect in a lasting way to "keep fresh" [J]. People's Forum, 2020(Z2):52-54.
- [5] Mengying Zan, Zhengbing Wang. Live agricultural e-commerce: A new model for poverty alleviation through e-commerce[J]. Agricultural Economic Issues, 2020(11):77-86.

- [6] Yiwu Zeng, Changjiang Ma, Lili Li, Hongdong Guo. Direct broadcast e-commerce and value reconstruction of agricultural products on the market: mechanism and realization path[J]. *Agricultural Economic Issues*,2022(02):108-117.
- [7] Zhaoyang Lu. Webcasting and fresh produce e-commerce development: driving mechanism and empirical test[J]. *China Soft Science*,2021(03):18-30.
- [8] Ying Zhou, Haiyan Zhou, Lu Yu. The mechanism of influence of anchor behavior on audience's purchase decision under live farming model[J]. *Business Economics Research*,2021(19):96-99.
- [9] Xue Xiong, Chengxia Zhu, Haibo Zhu. The formation mechanism of consumer trust in live agricultural e-commerce: a mediating ability perspective[J]. *Journal of Nanjing Agricultural University (Social Science Edition)*,2021,21(04):142-154.
- [10] Hongdong Guo, Jiang Qu. A study on the sustainable development of direct broadcasting with goods to help farmers[J]. *People's Forum*,2020(20):74-76.
- [11] Xiaoyi Han, Zhengliang Xu. The influence of e-commerce anchor attributes on consumers' willingness to purchase online - a study based on the rooting theory approach[J]. *Foreign Economics and Management*,2020,42(10):62-75.
- [12] Yanhua Meng, Zhongwei Luo, Jiaqiu Liao. Webcasting content value perception and customer fit[J]. *China circulation economy*,2020,34(09):56-66.
- [13] Linbang Fan. Research on the problem and countermeasures of rural e-commerce express delivery to rural areas[J]. *Rural Economy*,2016(09):121-124.
- [14] Jie Yang, Lu Wang. Factors influencing consumers' willingness to repurchase under the "live streaming + e-commerce" model[J]. *China Circulation Economy*,2021,35(11):56-66.
- [15] Zhihe Wang. How "live broadcast + electric business" can help rural revitalization[J]. *People's Forum*, 2020(15):98-99.
- [16] XU Yang, Jun Li. Research on the relationship between county government, supply chain management and agricultural products on the market[J]. *Journal of Huazhong Agricultural University (Social Science Edition)*,2018(03):81-89+156-157.