

# Research on Innovative Strategies for Selling Rural Agricultural Products on the Internet

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**Abstract:** At present, the majority of Chinese villages, especially the less developed areas of rural agricultural products to expand the market (i.e., selling, etc.) facing a series of problems, while the development of rural e-commerce has also come to some new opportunities. To this end, we need to innovate management strategies in the production, marketing and circulation of agricultural products to promote better access to markets for agricultural products. In terms of product supply, it is necessary to optimize and adjust the original breeding, planting, processing and manufacturing industries, i.e., the main industries supplying products to the network, and produce products more suitable for the needs of the masses. On the other hand, in terms of marketing, the new industry of “live streaming with goods” should have a sound supervision and constraint mechanism in product quality, live streaming technology, complaints and feedback, etc.; in terms of distribution of products for online shopping, based on the expansion of live streaming business, i.e., the massive growth of online shopping, it is necessary to accelerate the promotion of cold chain logistics for the seasonal, fresh and other essential products of the masses' life. The construction of relevant supporting facilities is needed to ensure that seasonal products are delivered with quality and freshness, and at the same time, some products can be guaranteed to be stored and transported across the seasons, so as to better satisfy the high-quality demand of the masses for online shopping of daily necessities.

**Keywords:** Rural Agricultural Products; Internet Selling; Innovative Strategies.

## 1. Introduction

China's vast rural areas, based on online selection, purchase, delivery, etc. has given rise to the rapid development of online shopping (this paper mainly refers to the sale of goods from the countryside) related business in the countryside. At present, some industries in rural areas are facing transformation and adjustment to provide more online optional products; at the same time, along with the rapid development of the new industry of e-commerce live with goods, it is required to correct the non-standard behavior in the development of this industry, and it is also necessary to explore the problem of constructing a cold-chain logistics system that matches with the huge amount of online shopping products (especially fresh products). In short, to explore innovative strategies for online selling of products in rural areas (innovative action plans for the development of related industries) is to explore new ways out of rural development, and then promote the industrial revitalization of the countryside, which is of great significance to China's rural areas, especially the less-developed ones.

The existing literature has mainly studied the factors affecting the development of domestic rural industries-such as poor logistics, insufficient supply of raw materials, stagnant product sales, and employment challenges-and the corresponding countermeasures (Jiang Heping et al. 2020; Ye Xingqing et al. 2020; Sichuan Association of County Economics Research Group 2020), but Comparatively speaking, not much research has been done on the specific dilemmas and new ideas for development faced by the current rural agricultural products selling, especially the research on the standardized and innovative development strategy of network selling is also relatively small. In this paper, we focus on the main problems faced by rural agricultural products' online sales, i.e. from product production to product

distribution, and discuss some innovative new development strategies.

## 2. The Urgent Need to Solve the Problem of Rural Online Shopping

### 2.1. Product end: Variety and Scale of Rural Farming Need to be Adjusted in Time

In February 2020, the Standing Committee of the National People's Congress (NPC) issued a new regulation banning animal trading (i.e., the Decision of the Standing Committee of the National People's Congress on Comprehensively Prohibiting the Trade in Illegal Wild Animals, Eliminating the Abusive Practice of Eating Wild Animals, and Effectively Guaranteeing the Lives, Health and Safety of People), which makes some restrictive regulations on the rearing of wild animals. Based on this, the countryside animal breeding industry needs to reduce or even stop domestication of wild animals.

At present, there is a great increase in the demand for medicinal and foodstuff special agricultural products that can improve immunity, which provides a good opportunity for the adjustment, optimization, and rearranging of planting varieties and areas (i.e., planting structure) in the places of origin of those specific medicinal raw materials and medicinal and foodstuff special products that can improve immunity.

### 2.2. Marketing Side: Rural E-Commerce Promotion Products to Be Further Standardized

Currently people are gradually increasing online shopping. The main reference basis for online product selection, generally look at the previous shopper's evaluation (good and bad reviews, etc.), but also by watching live, especially the

origin of officials, netroots (network celebrities), local specialty industries, business owners, such as “live with the goods”, to understand the performance and quality of the product. That is, by watching the live broadcast to understand the growth of agricultural products, processing, storage, sorting, transportation, and other full links of the whole process or part of the link part of the process of the real situation, to enhance the quality of direct sales of products of trust, and thus be willing to order to buy. At present, 34% of rural practitioners sell goods through video, rural e-commerce contains huge business opportunities [1].

Of course, it should be noted that, at present, the strict sense of the live broadcast with goods due to the anchor (especially the head broadcast) himself high requirements, the threshold of entry is also high, the public really do not easy, the effect is significant mainly network celebrities, local officials and so on the live broadcast made. And more is suitable for mass entrepreneurship short video with goods, because short video does not require a fixed time, not just limited to the introduction of the product, can be multi-dimensional display that is, through the evaluation, unboxing, drama, seeding (publicize the excellent quality of a commodity to entice people to buy) to promote the product; however, due to the short interactive effect of the short time is poor, not as good as the live with the goods to allow consumers to understand the performance of the product to reduce the decision-making cost of the consumer. This article focuses on the product promotion perspective, due to short videos and strictly live can be on the product live show (general short videos have a certain number of clicks and original works can be opened on the live function), and short videos with goods and live with the convergence of the trend of the increasingly obvious, so this article does not strictly differentiate between the short video and live with goods, collectively known as “live with goods”.

Currently, how to guarantee the credibility (authenticity) of live streaming with goods (sales) deserves in-depth discussion. This is because the live streaming of certain products may be exaggerated, or deliberately passed off as fine products, but the actual product sold (the product in the hands of the consumer) is some other substitute, etc. In addition, some platforms live with goods live technology is poor, the picture is rough; some live product contrast, experience is weak, that is, the product display is mostly self-talking, self-praise, third-party participation in the experience of feeling show less; some live products in the price discounts on the “spin”, the product quality is not introduced or fuzzy introduction and so on. Some live streaming products are “spinning” on price discounts, and the quality of products is not introduced or vaguely introduced.

### **2.3. E-commerce Logistics Side: Difficulties Remain in Effective Operation of Cold Chain Logistics**

Cold chain logistics development should meet the shopping requirements of online customers during the ongoing epidemic. In particular, it should meet the needs of customers who order fresh and seasonal products online, i.e., it should strive to deliver the goods as soon as possible in an insured, quality-assured and fresh manner.

Online ordering, receipt of goods, each orderer hopes to receive a reliable quality of products, the current rural agricultural products online purchase and distribution has become the norm, there may be receipt of goods in a timely

manner, not fresh, the problem of efficient cold chain transportation of agricultural products is particularly urgent. For this reason, the place where the agricultural products are sent needs to build cold chain transportation enterprises locally or cooperate in leasing more cold chain transportation services, and construct corresponding supporting facilities to promote timely, fresh and quality delivery of seasonal products to order customers. In addition, besides seasonal products, during the natural disaster continuation period (or single-season products), agricultural products with cold storage and freezing facilities will also overcome the seasonality as well as the impact of localization of sales, i.e., it is possible to supply high-quality and special agricultural products (preserved and quick-frozen products, etc.) directly from the place of origin at regular and irregular intervals for a long period of time by relying on the cold-chain logistics.

The current dilemma is that cold chain logistics services in most villages are in a fragmented and irregular state. Local self-built cold chain logistics system (warehousing, sorting, transportation, delivery, etc.) has not been really established based on insufficient capital investment, and the cold chain logistics service leased by agricultural products producers is not standardized, especially when “outsourcing enterprises” (third-party logistics enterprises, etc.) move in and ask for expensive prices, which makes them lose or weaken the desire of countryside farmers to The possibility for rural farmers to quickly drive product sales and gain substantial profits through live broadcasting and other means is lost or weakened.

## **3. Innovative Strategies for Further Development of Rural Agricultural Products Online Selling**

### **3.1. Multiple Measures to Strengthen and Optimize the Breeding Industry to Ensure the Supply of High-Quality Food Online**

That is, for the breeding industry, we should reduce the varieties of breeding industry and provide moderate compensation for possible losses; at the same time, we should carry out technical training for breeding entrepreneurship. For the specialty farming industry, we support cooperation with well-known enterprises in the industry and encourage the development of multiple conservation functions for major agricultural products, etc.

Traditional farming, especially wildlife species that were not previously prohibited by regulations but are now prohibited from farming, such as wild boars, tiger frogs, wild ducks, crocodiles, etc., need to be appropriately subsidized and subsidized by local governmental departments for the loss of their reduction (localities can formulate subsidy standards that are in line with local conditions according to the scale of the farming, the cost of inputs to the farming, etc.). Especially in some underdeveloped mountainous areas, forest areas, the government initially encouraged and have loan support (preferential loans) to support the development of these industries, more should be given to the farmers to compensate for certain losses. For local governments that have financial difficulties and are unable to honor the compensation for a while, the credit can be accomplished by reducing or waiving taxes and fees for other enterprises that the farmers are operating.

Currently, the owners of the farming industry should be based on the traditional breeding varieties (i.e., looking for

varieties in the catalog of livestock, poultry and aquatic products permitted by the state, see documents such as the National Catalogue of Livestock and Poultry Genetic Resources published and implemented by the Ministry of Rural Affairs and Agriculture), expanding or optimizing production capacity according to the new needs of the industrial development, and seeking new breakthroughs in revenue. For example, increase or optimize the breeding of traditional pigs, cattle, seafood, etc. to provide fresh products. For this purpose, new technical counseling and training are needed, which government departments can provide to farmers for free or at low cost by purchasing services or organizing training directly. For farming entrepreneurship carried out by farmers (especially returning rural migrant workers) (including those who adjust the original direction of farming to continue farming entrepreneurship), all-round support such as space, credit, project approval, tax incentives, and stocking subsidies should be given [2].

For the planting industry, according to the market development needs, to expand or optimize the production capacity of traditional Chinese medicine raw materials as well as health care specialties, that is, we should do a good job in the market research, not blindly expand, the government departments involved in agriculture should give the planting households and the relevant enterprises to pair up to provide multi-directional support. Especially with the end of the pandemic, domestic and foreign demand for domestically produced related Chinese medicine products decreased, etc. In this regard, pharmaceutical raw materials, immunity-enhancing health care raw materials origin (such as Guangdong Patchouli base, etc.) Government departments should organize, mobilize, and encourage planting owners and related well-known pharmaceutical and health care products enterprises twinning, with the help of these enterprises to facilitate the collection of market information channels, a more accurate understanding of market dynamics, optimize the scale of the product planting and processing, reduce the risk of possible inputs.

In addition, in order to improve consumers' immunity, on the premise that basic food rations are guaranteed, agricultural operators should be encouraged to cultivate and develop diversified health-care functions of major agricultural products (i.e., cultivate and develop special agricultural products such as Vitamin C-rich potatoes, iron-, zinc- and selenium-rich wheat, and high-resistant amylose-rich rice, etc.), which is beneficial for the masses to improve their physical fitness. By expanding the multifaceted health care functions of agricultural products, the integrated management of consumer health can be further realized by leveraging the rigid consumer demand for agricultural products such as food (and even vegetables and fruits) [3].

### **3.2. Promote the Standardized Operation of Live Broadcasting with Goods**

At present, the live with goods platform, live “host” (refers to live, the same below) is also numerous, there are well-known netizens, local officials, general business owners. For the live product how to be continuous monitoring, for breach of trust “host” how to establish an integrity mechanism to punish, there is an urgent need to improve the relevant regulations and systems, as well as the corresponding supervision and implementation agencies.

First, establish an integrity rating system for weblogs. That is, to establish different platforms to jointly evaluate and

recognize the integrity level; different levels of network broadcasters to give different permissions (that is, the qualification of the anchor with goods and live account grading classification is closely linked), for peddling counterfeit and shoddy products (especially to the customer caused serious losses) of the permanent closure of the account, that is, eliminating the possibility of their opening the live stream again on any platform.

Secondly, a continuous dynamic monitoring system for live products should be established. That is, the whole process of live products (i.e., production, processing, storage, transportation, distribution and other processes), the need for third-party measurement and evaluation organizations to join, especially for the processing of manufactured products to carry out the necessary clearance checks to ensure that the quality of the product is up to standard [4]. To establish an effective dispute and complaint resolution mechanism (which can be carried out through the establishment of a special rights protection agency for live streaming with goods), the government market supervision department and the relevant live broadcasting enterprises, through the live broadcasting platform to jointly collect complaints (big data), the establishment of a dynamic tracking and processing mechanism guided by the government, monitored by the platform, and participated by the broadcasters and customers. At present, although there is a “basic specification for live video shopping operations and services” (implemented in July 2020) [5] led by the Media Shopping Professional Committee of the China General Chamber of Commerce, which defines the rules of the basic industry, it is not a regulation and is not legally binding. It is still necessary to formulate and improve relevant industry regulations (including quality supervision, pricing mechanisms and other core content) to effectively guarantee that live products are reasonably priced, quality monitoring is in place and complaint and remedy channels are smooth.

Again, it is necessary to establish a standardized training system for small and medium-sized broadcasters (meaning those with less attention). That is, the establishment of the government to pay or bear most of the costs, the head of the broadcast network red participation, expert guidance, experienced with the goods official demonstration of standardized agricultural live training system, guide small and medium-sized broadcasters live with goods. At present, most of the small and medium-sized podcasters is the owner of the business of agricultural products, such as online live with goods and not too familiar with live products have few customers, many of which is a one-time shopping is no longer being concerned. Therefore, how to improve the quality of live, attract customers to continue to pay attention to, buy products, really need more practical skills and other training. Training should focus on improving the live owners of live software and hardware facilities familiar, focus on improving legal knowledge (practitioners code of conduct, etc.), integrity awareness, brand knowledge, marketing knowledge and basic live art (especially compared to similar products and experiential display technology), so as to ensure that the live with goods live product display is credible, clear, cost-effective (not just a price reduction in promotions, as mentioned above to be) Comparison of similar products, reflecting the cost-effective), to ensure that online and offline consistent (marketing products and sold products consistent, etc.), in order to attract more repeat customers, that is, to stabilize the consumption of “fan base”.

In short, the new live with goods has become a new means of rural promotion of products, the formation of a new e-commerce business, but due to the initial period, the norms need to be improved. To this end, on the one hand, the need to further improve industry standards, strengthen industry self-regulation, on the other hand, to improve the regulatory system and improve the corresponding supervision and constraints mechanism (the core that is the establishment of the integrity of the host file and supporting the establishment of the constraints mechanism, the introduction of professional third-party regulatory system, etc.), training to improve the host live technology, improve the live product complaint relief and other after-sales service, in order to promote the standardization of the live broadcasting industry development.

Through the construction and improvement of the above system, can combat, eliminating live in the counterfeit and shoddy goods, so that live products really become the people feel at ease to consume the products, which also makes the network live broadcasting (with goods) really become the agricultural products sales “tool”.

### **3.3. Improve the Cold Chain Logistics and Distribution System That Matches with Massive Online Shopping**

The construction of cold chain logistics and distribution system includes cold chain facilities, cold chain logistics organization, cold chain service standard construction and so on. Based on the current rural cold chain service organization dispersion, cold chain service is not in place, etc., this paper here focuses on exploring the issue of perfecting cold chain enterprise organization in rural areas. The strategy of promoting the construction of cold chain facilities and cold chain service standards can be found in the relevant implementation opinions of the Ministry of Agriculture and Rural Development and the relevant industry standards.

The organizational improvement of rural cold chain service mainly includes the improvement of local cold chain logistics enterprises and the introduction of standardized third-party logistics enterprises. First of all, localized joint-stock cooperative cold chain logistics enterprises can be established in agricultural products production areas (the original traditional logistics companies can be transformed into joint-stock system as the basis). As the cold chain logistics itself is a large investment, whether it is renting logistics vehicles, building public cold storage warehouses, as well as standardized sorting, packaging, sending teams, etc., all need a lot of investment, and it is necessary to aggregate local stakeholders to participate together. Local e-merchants (agricultural product producers and operators) can join this type of enterprise in the form of shares. This type of enterprise integrates the pre-cooling, standardized packaging, transportation, warehousing, sorting, and distribution operations of the cold chain logistics system for agricultural products, and delivers the products of decentralized e-merchants to customers quickly through cold chain logistics. The cold chain service for local e-commerce products is provided at preferential charges, and the profits of the cooperative enterprises can be regularly distributed to the shareholders. During the construction of cold chain storage and transportation enterprises, diversified social capital should be strongly encouraged to enter. Currently, the government can also issue special government bonds to mobilize social capital to make up for the lack of investment capital for such enterprises.

Secondly, introduce third-party logistics enterprises to participate in cold chain services. It is difficult to implement cold chain services in rural areas, so it is inevitable to entrust third-party cold chain service providers to provide services. At present, the cold chain service of domestic third-party logistics enterprises can be divided into warehouse-type, transportation-type, distribution-type, supply chain-type (providing cold chain service throughout the process from purchasing to providing products to end consumers) and other modes. In the pre-cooling, storage, transportation and other links, e-commerce households can be contracted to entrust the cold chain service enterprises entering the countryside to engage in various cold chain links or integrated cold chain services. The key issue at present is that for the majority of rural households, they have to face the problem of price negotiation as to which link of cold chain logistics or integrated service to choose, and what kind of logistics enterprise to provide cold chain service for a certain number of products. This type of problem can be solved through local government industry associations or market management departments, which can determine the base price per unit of product service according to the market situation, and then flexibly agree on the pricing according to the operational qualification of each logistics enterprise.

In addition, whether it is a local cold chain enterprise or a third party logistics enterprise, the government should pay attention to supervision, i.e., the standardization of the operation of the enterprise and the legalization of the effective supervision, especially focusing on the social capital of the majority of the cold chain storage and transportation enterprises, and the supervision of the third-party cold chain logistics enterprises entering from abroad, so as not to turn the cold chain logistics service into a “money-grubbing” tool. It should not turn the cold chain logistics service into a “money-grabbing” tool, which will “heat up” the relevant enterprises but “chill” most of the merchants. In order to prevent enterprises (third-party logistics enterprises) from entering the countryside in an uncontrolled manner, county-level logistics and transportation authorities can take the lead, and several cold chain service enterprises can be selected by industry associations to carry out all kinds of standardized cold chain services in the county.

The construction of cold chain logistics system for agricultural products and related products that need to be preserved involves many aspects. The aforementioned discussion mainly focuses on the development problems of cold chain logistics from the perspective of organizational system, which is also the main obstacle facing the development of cold chain logistics in underdeveloped regions. Of course, in addition, the construction of cold chain logistics also needs to explore the cold chain infrastructure, cold chain service standards and the construction of product information platform, regional cooperation, the whole process (the first kilometer of the product, intermediate processing, the last kilometer) integrated management issues, etc., which is limited to the length of this paper will not be discussed in detail.

## **4. Conclusion**

Currently, industrial development in rural areas is facing problems such as poor product sales, which requires innovative industrial development strategies; for the rapidly developing rural online shopping industry, new strategies need to be explored in the areas of product production (supply

side) to transportation (logistics and delivery side).

That is, in the breeding industry, in accordance with the relevant newly promulgated national regulations, we should expeditiously reduce the number of breeding varieties that do not meet the requirements of the breeding catalog, and reduce the losses of the public through subsidies, etc.; we should also encourage farmers to start up new breeding projects (permitted by the state) by means of free training, and tax exemptions and reductions. For can enhance immunity medicine and food with characteristics of products, as well as traditional Chinese medicine raw materials can be optimized according to market changes in planting varieties, moderately increase the planting yield; at the same time, should vigorously develop the main agricultural products of the multi-dimensional conservation function. In terms of network marketing, it is necessary to strengthen the standardization and institutionalization of live streaming with goods to ensure that the product publicity is real, the customer experience is comparable to the right one, and the quality of after-sale products is guaranteed, which requires the joint participation of live streaming platforms, live streamers, government regulators, and independent third-party institutions in the society to promote. In the construction of cold chain logistics system, especially for seasonal and fresh products, it is necessary to improve the whole chain (pre-cooling, processing, storage, distribution and other links) cold chain services and corresponding management system. It is necessary to introduce capital from all sides, organize decentralized producers to form local joint-stock cooperative enterprises or provide cold chain services with the help of third-party cold chain logistics enterprises, so that special agricultural products and other products can be shipped to customers as soon as possible to preserve freshness and quality (and sometimes can be preserved across the seasons through refrigeration).

In short, whether it is to optimize the industrial structure (optimization of breeding, processing and manufacturing varieties), or innovative marketing methods and innovative organization and operation of cold storage and cold chain transportation, etc., are all further explorations on the strategy of selling agricultural products in order to better meet the needs of consumers for online shopping. These new development strategies will certainly promote the rural online shopping-related industries to get better development in a new starting point.

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