

Research on the Co-creation Mechanism and Realization Path of Social Capital Participating in Rural Tourism Farmers' Value from The Perspective of Common Prosperity

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Abstract: In this paper, farmers in tourist destinations are taken as an example to study the co-creation mechanism of social capital and rural farmers' value under the background of common prosperity. Through the case study and contribution study of the value co-creation mechanism of the consortium, this paper establishes the value co-creation mechanism of farmers in rural tourist destinations with social capital as a universal model, and verifies the accuracy and fitting precision of the model with existing cases. Taking the leading enterprises, the support of government policies, tourism and agricultural products as variables, this paper studies their impact on rural economic income as a whole. Through model research, this paper solves the problems of market mechanism disorder and unfair distribution in the three distributions of common prosperity, and combines the concept of rural tourism development and value co-creation. The research results are universal, providing a reference model for social capital to participate in the development of value co-creation of farmers in tourist destinations, and providing new ideas and ideas for farmers in tourist destinations to achieve common prosperity.

Keywords: Co-creation mechanism, Common prosperity.

1. Introduction

Common prosperity is the essential regulation and striving standard of socialism, and it is also the fundamental principle of socialism in China. It means that all people will eventually achieve prosperity through hard work and mutual help, and it is universal prosperity on the basis of eliminating polarization and poverty. The "2035 target" and "2050 target" put forward in the ninth report of the Party clearly reflect the requirements of improving living standards, narrowing the gap and realizing common prosperity. Developing rural tourism can bring more income to local farmers, which is an important way to revitalize the countryside and achieve common prosperity. With the government's policy support, the cooperation between foreign enterprises and rural farmers with the participation of social capital can develop tourism and promote the sales of local agricultural and sideline products, so as to achieve the effect of creating the value of all subjects. For the model of this study, the external factors are divided into foreign enterprises and the government, the internal factors are divided into local tourism development and local agricultural and sideline products industry development, and the linkage mechanism is divided into two modes: joint-stock cooperative system and cooperative management system. A perfect and reasonable value co-creation mechanism needs the joint efforts of all subjects to resist market risks and raise the absolute interests of the interest link. By analyzing the influence of external factors and internal factors on the income of this interest link composed of government, foreign enterprises, community collective economy and village, this study establishes the best universal model of rural and social capital and income, and puts forward the universally applicable ways and plans to revitalize rural economy to realize the value creation of each subject.

2. Conceptual Analysis

2.1. Conception

2.1.1. Common prosperity

Common prosperity is a concept of political economy put forward by the Central Committee of the Communist Party of China in 1935, and its essence is to achieve equal synchronous prosperity through the transformation of agricultural production relations. After the reform and opening up, Deng Xiaoping made it clear on this basis that the highest value goal of socialism is to achieve common prosperity. With the development of the times, the concept of common prosperity has also made new progress. Now, the meaning of common prosperity means that all the people finally reach a well-fed living standard through hard work and mutual help, that is, universal prosperity on the basis of eliminating polarization and poverty. "Common" means eliminating unreasonable differences between economic regions and people; "Richness" means that people's material wealth has reached a level that can be distributed at will.

2.1.2. Value creation

The initial concept of value co-creation is to jointly create value between enterprises and consumers, which can be understood in this study as a consortium of interests composed of government, head enterprises and farmers to jointly create value. In this paper, value co-creation is divided into four levels. First, it is to realize its value co-creation within the village; Second, it is necessary to achieve value co-creation among the interests of the government, enterprises and villages; Third, it is necessary to realize the co-creation of values among the whole ecosystem, so as to share ideas, complement functions, share responsibilities and share resources; Fourth, realize value co-creation at the whole social level

2.2. Figures

1.model building

ΔK For the change of capital stock; S is the savings rate; SY is the proportion of investment used for capital concentration; Is the proportion of output used for direct capital concentration; K is depreciation. $\beta\delta$

The equation can be established from the equation relation:

$$1/K = 2sAB + AB - (2s +)AB - \Delta K \beta \delta \beta \delta$$

1) $1/K > 0$ indicates economic growth, and the greater the $1/K$, the higher the economic growth. $\Delta K \Delta K$

2) $1/K$ is proportional to the investment. ΔK

2.Model data analysis

(1) Quota analysis of each part of rural overall income

Tourism income accounts for about 40% of the total income (agricultural income+tourism income), and tourism income

can account for about 20% of the total income in poor areas. In this resort, 90% of the area is for agriculture and 10% for tourism and leisure, but 70% of its income comes from tourism and 30% from agriculture.

It can be seen from this ratio that tourism income accounts for a high proportion of annual income in rural areas, and it is a highly efficient method to directly increase rural tourism income if you want to improve the overall annual income in rural areas. In order to achieve the ultimate goal of common prosperity, the development and development of rural tourism is also an essential link. Therefore, the overall model must take the revenue of rural tourism as the entry point, and analyze the proportion of the promotion effect of government, township enterprises and other influencing factors on the actual revenue of rural tourism through data.

1) Total rural business income

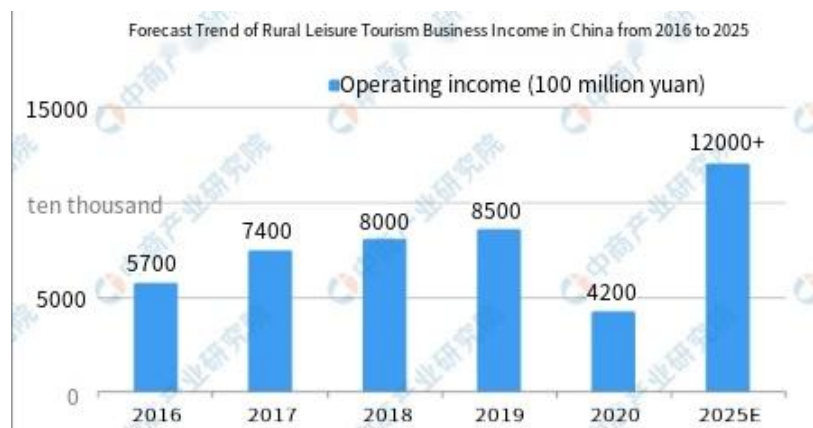


Figure 1. Operating income of rural tourism in 2016-2025 (Source: China Commercial Industry Research Institute)

From the data in the figure, it can be seen that the operating income of rural tourism has maintained steady growth every year since 2016 (from 2016 to 2019, the number of tourists decreased significantly in 2020 due to the epidemic, resulting in a sharp decline in tourism revenue). The growth rate is about 8.88% per year. Although there was a big fluctuation in 2020 due to the epidemic situation, the predicted revenue in 2025 has reached 1.2 trillion yuan after the overall unsealing.

After deducting the impact of inflation (inflation rate of 2.8% in 2019, 3.3% in 2020 and 1.1% in 2021), the total marketing revenue is about 1,117.7 billion yuan, which is an overall increase (due to 2020) It can be seen that the development trend of rural tourism in China is obviously improving, that is, the capital stock is > 0 and k is > 0 . $\Delta K \Delta K$

(2) Government policy support

Table 1. China's Relevant Policy Support in 2016

2016	Opinions on the Implementation of Financial Aid for Poverty Alleviation in the 13th Five-Year Plan of Document No.1 of the Central Committee "The 13th Five-Year Plan for Rural Tourism Poverty Alleviation Project"	the State Council 7 departments including the National Development and Reform Commission and 11 departments including the National Development and Reform Commission.
	Notice on the implementation of major tourism and leisure projects	National Tourism Administration National Development and Reform Commission, Tourism Bureau

In 2016, in the "Thirteenth Five-Year Plan" tourism, the annual marketing volume of rural tourism economy increased by 12.28% from 2016 to 2017, which was also the most obvious year of improvement in 2016-2019.

And in 2020, after the epidemic had a significant impact on rural tourism, the country continued to introduce policies after the full opening up. The number of days of isolation in foreign countries has changed from 14+7 to 7 days of hotel isolation or independent home isolation, and the travel code has been fully offline, so that Chinese people are no longer bothered by

the travel changes on the travel code. Comprehensively improve the evaluation rules of medium and high risk areas, and then completely cancel the title of "risk area", and the epidemic situation in COVID-19 has changed from epidemic situation to common disease. All policies related to or not related to the tourism industry indicate the comprehensive unblocking, which also lays the foundation for the development of China's tourism industry in 2023.

The supporting role of rural enterprises:

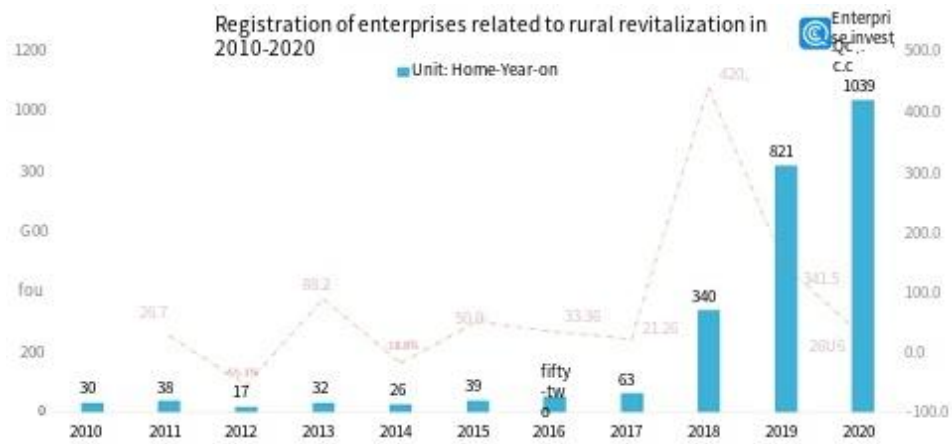


Figure 2. Total number of registered rural enterprises (data source: enterprise survey; Statistical time: February 21.03.04)

According to the data, it can be seen that since 2015, when China proposed to comprehensively revitalize the countryside, the number of registered enterprises related to rural revitalization has started to rise steadily. In 2016, the policy of revitalizing rural tourism was promulgated, and the number of registered enterprises in 2017-2018 increased significantly, with a growth rate of 439.68%.

Moreover, because the market is lagging behind, it is

reasonable and in line with market characteristics for rural revitalization enterprises to start growing substantially in 2018. Moreover, through the data in the previous table, we can see that after experiencing the growth peak in the first year, the growth amount of rural support enterprises in the second growth stage is almost equal to that in the first stage, which can better reflect the promotion effect of rural support enterprises on the turnover of rural tourism.

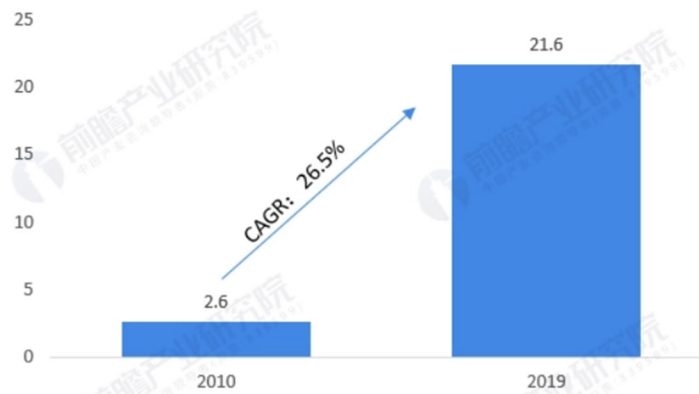


Figure 3. Changes in the registered quantity of related enterprises in Nongjiale Year from 2010 to 2019

It can be seen that the 26.5% growth of farmhouse music has also brought a positive impact on the annual operating income of rural tourism.

(3) Development of local agricultural and sideline products

It can be assumed that the demand for agricultural products that are not supplied by tourism increases slightly every year, and the rest of the increase is the demand for agricultural products by rural tourism. Tea and fruit are analyzed as the

main agricultural products in rural tourism industry. Because in rural tourism, the tourism income mainly includes farmhouse music, accommodation and agricultural and sideline products, so the income of agricultural and sideline products is also an important data to measure the development of rural tourism.

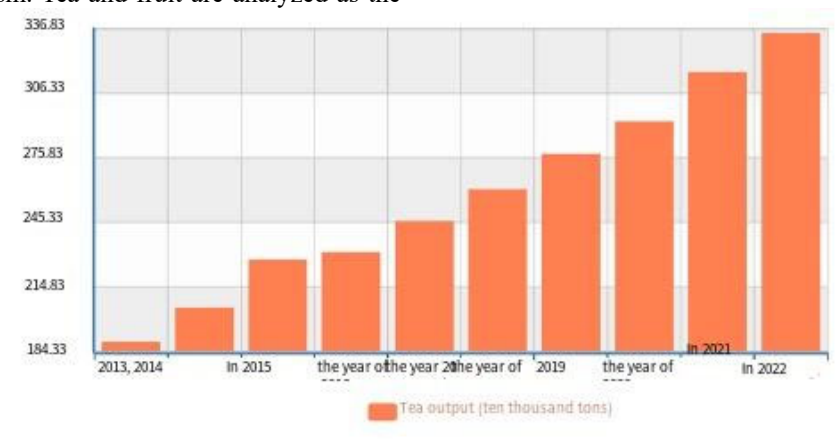


Figure 4. Changes of annual output of tea in a village

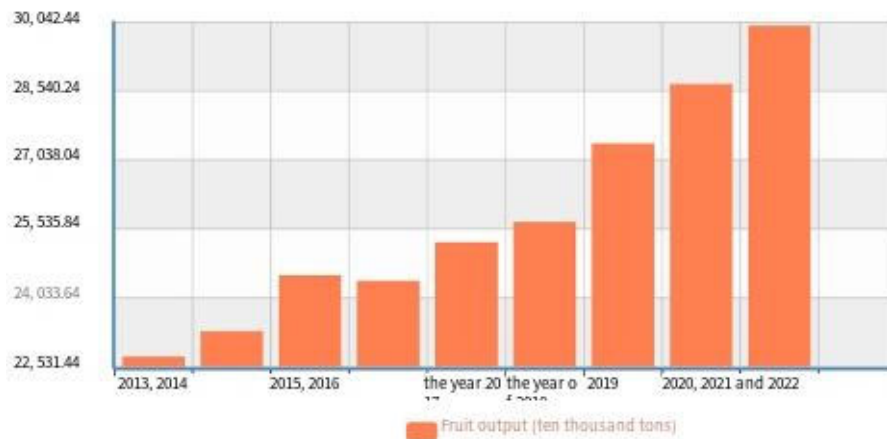


Figure 5. Changes of fruit yield in a rural area

From these two pictures, we can see that the changes of the two main agricultural and sideline products were relatively stable before 2016 (the tea output changed by less than 2%, and the fruit output showed a downward trend), but after 2016, both agricultural and sideline products showed a steady upward trend, and both agricultural and sideline products ushered in a peak growth rate after the rural revitalization enterprises began to explode in 2018, which can further explain the overall promotion of rural tourism business income by rural revitalization enterprises.

Moreover, although in 2020, other industries or other aspects of rural tourism have received a strong impact from the epidemic situation of the new museum, because the state promptly launched the policy of helping agriculture during the epidemic situation and helped villages actively sell local specialties through live webcasting and bringing goods, so as to ensure that the normal income of villagers will not be affected, which also confirms the positive promotion of China's national policies to rural tourism.

3. Literature References

The idea of value co-creation originated from Fang, which can be traced back to the 19th century. Storch pointed out in the research literature of service economics in 1823 that the process of service needs the joint participation of providers and customers, implying the idea that producers and consumers jointly create value (2014)[2]. As a new theory, value co-creation has attracted scholars' extensive attention in recent years and expounded the concept of value co-creation. For example, Normann and Ramirez pointed out that the interaction between suppliers and consumers is the basic part of value creation, and the focus of successful enterprise strategic analysis lies in the value creation system itself (1993)[3]. Lush and Vargo put forward that value co-creation is realized through resource integration, and enterprises and consumers are resource integrators, during which consumers have to make great efforts and take certain risks, such as physical, psychological, social and time risks (2006)[4]. Prahalad and Ramaswamy put forward that enterprises do not create value independently, but create unique experiences with customers in an interactive way to create value together (2004)[5]. In the field of agriculture, there are few definitions. Scholars mostly study agricultural regional brands through qualitative analysis. The research contents mainly include the basic connotation, characteristics, stakeholders, development problems and strategies. The research degree mainly includes:

(1) regional resource endowment; (2) Agricultural industrial clusters; (3) Market competitiveness. Typical research results include: Li Yalin (2012) [6] believes that agricultural regional brands are agricultural products with high popularity and high recognition by consumers in regions with unique resource endowments; Wu Juan (2008)[7] thinks that the agricultural regional brand is an agricultural product brand with geographical location as the core, and on the basis of the development of agricultural industrial clusters, consumers' overall cognition of the image of the origin of agricultural products; CARD Institute of Agricultural Brand, Zhejiang University (2013)[8] defines the agricultural regional brand as an agricultural product brand that is shared by relevant interest groups within the region where the agricultural product brand originated, has the same values in agricultural product quality management, brand marketing and communication, and aims at improving market competitiveness; Tian Yunzhang (2013)[9] thinks that agricultural regional brand is an agricultural product brand shared by relevant institutions, enterprises and farmers in a certain region, which can enhance the regional brand agricultural products and regional image together. The above research generally believes that agricultural regional brands have regional dependence, industrial cluster and public goods. Governments, trade associations, scientific research institutions, agricultural enterprises and other organizations have played an important role in the formation and development of agricultural regional brands. They have gradually formed regional brands of agricultural products through brand positioning, outsourcing design, planning and marketing publicity (2010)[10]. The strategies of developing agricultural regional brand mainly include: excavating the unique resource advantages in the region; Do a good job in the promotion of agricultural regional brands; Implement and improve the quality supervision of agricultural products and standardize the certification standards for agricultural products brands; Support the first enterprise to develop first, and then attract other partners to promote the development of regional brands of agricultural products (2020)[11].

Vargo et al. (2014)[12] reinterpreted the realization of value from a brand-new perspective, and put forward that value is not created by an enterprise alone, but is created by the interaction of all stakeholders in the price-value network after the customers in the interest chain and other enterprises or partners reach a common understanding. Yu Wenwei and others (2020)[13] think that value co-creation is a marketing

concept, aiming at encouraging consumers and brands to jointly design, develop and improve related products. It is a process in which consumers interact with enterprises, producers provide services and put forward price claims, and consumers continue to create new values through use. Zhang Yueli (2017)[14] found that the process of value co-creation of agricultural industrial clusters includes identifying stakeholders, building platforms, integrating resources, interacting with partners, building systems and norms, and establishing service ecosystems. Ling Hu Kerui et al. (2018)[15] systematically constructed the theoretical framework of service ecosystem through the main line of "foundation-process-goal", and then put forward the view that "service ecosystem originated from business ecosystem, service-oriented logic and service system".

Some scholars study value co-creation from the organizational model of rural tourism. In foreign countries, the early rural tourism organization model is mostly based on one household, and the form is relatively simple. Scholars mainly study the management and marketing organization model of tourist destinations. In China, first, many scholars divide rural tourism organizations into three types: government-led, enterprise-led, and village collective (community-led), or focus on the collective organization model. Study on the influencing factors and selection methods of rural tourism organization model by Erluo Xuwu et al. (2010)[16]. Luo Xuwu analyzed the main body and function of rural tourism organization mode, discussed the influencing factors and mechanism of rural tourism organization mode selection, and put forward the principles and methods of rural tourism organization mode selection.

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Since Ciborra put forward the concept that "platform organization is an organizational form that can build flexible resources, practices and structural combinations in the face of new business opportunities and challenges" (1996)[17], scholars have actively explored and considered that platform organization is "the product of the combination of Internet thinking and enterprises", highlighting the value concept of "openness, cooperation, sharing and win-win" (2018)[18]. Solved the problem of limited business scale and scope (2015)[19], focused on building a business ecosystem that includes interest communities such as employees, customers, suppliers and competitors, and mainly engaged in self-management (2019)[20], which includes three components: platform governance layer, middle-level resources layer and front-level entrepreneurship layer (2019)[21], with self-organization and boundaries. Therefore, rural tourism organizations are generally developed and operated by a

single organization or a mixed organization model, while the platform organization form is relatively new.

The related theory of value co-creation is deepening, but the research on the realization mode of value co-creation in rural tourism is rarely effective, and there is little literature research on the mode of agricultural value co-creation at this stage. Based on the theory of value co-creation and scholars' research results, this study takes farmers in tourist destinations as an example for case analysis, summarizes the external influencing factors into two types: government support and foreign head enterprises support, and divides the ways of interest linkage into two types: joint-stock cooperative system and cooperative management system, and calculates the economic benefits of the joint improvement of tourism income and agricultural products income for the purpose of resisting market risks, improving economic benefits and realizing rural revitalization. Starting from the key elements of the value co-creation mode between social capital and rural farmers in the view of common prosperity, this paper studies the operation mode of its value co-creation mode in order to provide experience for the development of value co-creation mode in other agricultural regions.

4. Conclusion

1.China's policies and the sale of agricultural and sideline products by leading rural enterprises will all have a positive role in promoting the development of rural tourism.

2.Because the mode of cooperation is divided into stock management system and cooperative management system. Share-holding cooperative system should be adopted in areas with higher income and more investment and better agricultural environment. This kind of region has the basic soil for adopting the joint-stock cooperative system, and on the basis of using a certain amount of capital, the joint-stock cooperative system can bring more growth in a shorter time. The cooperative management system is suitable for other situations, which can achieve the purpose of increasing income with less funds and lower costs and thresholds, so as to achieve win-win cooperation and common prosperity in the future.

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