

Research on the Impact of Urbanization on Rural Residents' Consumption in Anhui Province

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Abstract: With the rapid upgrading of social economy and consumption structure, urbanization has also ushered in a qualitative improvement under the trend of modernization, not only the urbanization rate is getting higher and higher, but also the quality of life of residents has been significantly improved. In recent years, the urbanization rate in Anhui has increased year by year, and the urbanization level has been influenced by modern technology, and the consumption structure of residents has also changed dramatically. From the data of Anhui urbanization level, it is found that urbanization in Anhui affects the consumption structure of rural residents from 2010 to 2020, and the empirical evidence is carried out by using gray correlation analysis, which shows that the stronger correlation of urbanization in Anhui is the consumption of household goods and services, and the weaker correlation is the consumption of residence, thus the corresponding countermeasures are proposed on the basis of the empirical results. Based on the empirical results, we propose corresponding countermeasures.

Keywords: Urbanization, Consumption structure, Gray correlation analysis.

1. Introduction

Based on the new development stage, it is crucial to implement the new development concept, build a new development pattern, take a people-oriented approach and build a new high-quality urbanization road with Chinese characteristics. During 1978-2019, China's urbanization rate increased from 17.92% to 60.60%. With the continuous development of urbanization and the improvement of the living standard of rural residents, the consumption potential of rural residents has been released, the consumption structure has been optimized and upgraded, and the consumption structure index of rural residents has increased significantly. The No. 1 document of the Central Government in 2021 pointed out that to revive the nation, the countryside must be revitalized. We should insist on addressing the "three rural issues" as the top priority of the whole party, take the comprehensive promotion of rural revitalization as a major task to achieve the great rejuvenation of the Chinese nation, and accelerate the modernization of agriculture and rural areas with the efforts of the whole party and society, so that the majority of farmers can live a better life. To comprehensively promote rural revitalization, we must comprehensively promote rural consumption. Rural revitalization and rural consumption expansion and quality improvement are a mutually promoting relationship. Consumption is the real long-term driving force of economic growth, and is one of the "troika" that directly drives economic growth. As one of the developing regions in central Anhui, the consumption of rural residents plays an important role in boosting domestic demand and stimulating economic growth. At present, the consumption of rural residents in Anhui still has the problems of low consumption level and unreasonable consumption structure waiting to be solved. With the deepening of the government's economic work and the accelerated pace of urbanization, urbanization has become a realistic choice to start the consumption demand of rural residents and optimize and upgrade the consumption structure of rural residents. Therefore, it is necessary to conduct an in-depth study on the relationship between the urbanization

process and the changing trend of consumption structure of rural residents.

2 Literature References

Domestic scholars have a long history of research on the relationship between urbanization and consumption, but the research findings are not consistent. The current research results are divided into two aspects: First, they affirm that urbanization has a promotional effect on consumption. Urbanization has a positive effect on residents' consumption demand, and urbanization is conducive to expanding residents' consumption demand, while rural residents' consumption demand is conducive to accelerating urbanization and changing the structure of China's economy. Promoting urbanization changes residents' income, which in turn changes their consumption expectations and consumption behavior. At the same time, urbanization will cause residents to be influenced by the demonstration effect and thus change their consumption tendency, expanding their consumption demand and stimulating economic development. In the empirical analysis of the impact of urbanization on residents' consumption, provincial and municipal data are mostly used to analyze it based on the VAR model, and it is concluded that the duration of urbanization construction, age of residents, consumption habits and different regions have different effects on residents' consumption. Second, it is argued that urbanization has no actual pulling effect on residents' consumption. At this stage, farmers' income is mainly used for subsistence consumption of food, clothing, housing and transportation, and it is not guaranteed for other types of consumption.

To sum up, foreign scholars conduct relevant research from industrial structure, regional development, income, environment and other factors, China is in the economic transition period, various market structures and related systems are not yet perfect, and there are differences in the research results of domestic scholars.

3 Empirical Analysis

The research of this paper focuses on the changes of urbanization in Anhui from 2010 to 2020, comparing the order of strengths and weaknesses of different factors at key nodes through correlation analysis, and analyzing the percentage expenditure of eight consumption structures, etc. according to the successive changes of urbanization rate in Anhui. The impact of changes in rural residents' consumption, the magnitude of consumption and the characteristics of consumption in the process of urbanization in Anhui are explored in depth.

3.1. Steps of grey correlation calculation

The system behavior sequence was first determined. Anhui urbanization rate A is designated as the reference main sequence and consists of food B1 and clothing B2, residence B3, living services B4, transportation and communication B5, entertainment services B6, medical B7, and other consumption hierarchy B8. The calculation is based on the urbanization rate of Anhui rural residents from 2010 to 2020 and the proportion of each consumption expenditure test.

The selected data were dimensionless processed, and the gray correlation coefficient $ri(n)$ was calculated according to the formula, and the results are shown in Table 2.

Table 1. Anhui and China's urbanization level, 2010-2020

Urbanization rate of Anhui (%)		Urbanization rate of China (%)	
year	Urbanization rate	year	Urbanization rate
2010	44.07	2010	49.95
2011	45.51	2011	51.27
2012	46.49	2012	52.57
2013	51.00	2013	53.73
2014	49.50	2014	54.80
2015	51.57	2015	56.10
2016	52.95	2016	57.35
2017	54.44	2017	58.52
2018	55.44	2018	59.58
2019	56.50	2019	60.60
2020	59.06	2020	63.89

Table 2. Results of gray correlation coefficients

year	B1	B2	B3	B4
2010	1	1	1	1
2011	0.962	0.912	0.945	0.8
2012	0.865	0.864	0.759	0.806
2013	0.76	0.703	0.743	0.723
2014	0.7	0.506	0.404	0.901
2015	0.666	0.474	0.416	0.716
2016	0.617	0.449	0.407	0.803
2017	0.585	0.44	0.373	0.632
2018	0.564	0.423	0.377	0.715
2019	0.548	0.44	0.404	0.66
2020	0.538	0.421	0.427	0.608
year	B5	B6	B7	B8
2010	1	1	1	1
2011	0.791	0.893	0.93	0.861
2012	0.949	0.916	0.812	0.902
2013	0.451	0.701	0.333	0.606
2014	0.69	0.588	0.59	0.486
2015	0.772	0.565	0.71	0.456
2016	0.796	0.545	0.73	0.437
2017	0.737	0.546	0.761	0.418
2018	0.723	0.546	0.659	0.443
2019	0.674	0.539	0.806	0.435
2020	0.593	0.491	0.767	0.38

Results: As can be seen from the above table, a gray correlation analysis was conducted for 8 evaluation items (proportion of diet, proportion of clothing, proportion of housing, household goods and services, transportation and communication, education, culture and entertainment, health care, and other goods and services) and 11 items of data, and the urbanization rate was used as the "reference value" (parent series) to study the correlation (correlation) between 8 evaluation items (proportion of diet, proportion of clothing, proportion of housing, household goods and services,

transportation and communication, education, culture and entertainment, health care, and other goods and services) and the urbanization rate. The correlation (correlation degree) between 8 evaluation items (food and drink, clothing, housing, household goods and services, transportation and communication, education, culture and entertainment, health care, and other goods and services) and the urbanization rate was studied, and the correlation degree was used as a reference for the analysis, and the coefficient of discrimination was taken as 0.50 for the gray correlation

analysis, and the correlation coefficient value was calculated by combining with the formula for calculating the correlation coefficient. Then the correlation degree value is calculated for evaluation judgment.

Table 3. Relevance results

Evaluation items	B1	B2	B3	B4
Relevance	0.709	0.603	0.569	0.76
Evaluation items	B5	B6	B7	B8
Relevance	0.743	0.666	0.736	0.584

The correlation coefficients are weighted by the above correlation coefficients, and the final correlation value is between 0 and 1. The larger the correlation value is, the stronger the correlation with the "reference value" (parent series), which means the higher the evaluation. According to Table 3, the ranking of Anhui urbanization rate on the consumption structure of farm households from largest to smallest is household goods and services > transportation and communication > health care > food expenditure > education, culture and entertainment > clothing > other goods and services > housing.

3.2. Analysis of the empirical results

According to the analysis of the results in Table 2, it is found that the impact of urbanization rate on life is mainly reflected in the structure of consumption of household goods and services, the most obvious one is the accelerated urbanization process, which makes Anhui farmers pay more attention to transportation and purchase vehicles and other transportation substitutes. In addition, due to the modernization, most of the farmers in Anhui have developed e-commerce business, which also makes the communication consumption increase, and communication is indispensable to communicate with the outside world and contact with relatives in faraway places, so the proportion of transportation and communication consumption structure is greatly increased. With the rapid development of urbanization rate in Anhui Province, farmers' awareness of health care consumption has been improved, and they pay more attention to the investment in rural medical insurance, and their awareness of various expenditures to ensure medical security costs has increased. Education and entertainment are valued in the development of new urbanization, and farmers recognize the large investment in education and find leisure and entertainment in a high quality of life, so the consumption level is improved. The urbanization development has a low impact on the food consumption structure of farmers. As the urbanization development becomes deeper, the living standard of farmers is improved, but the services for living goods have been fully satisfied, so there is no structural need for change. The upgrading effect is obvious from the overall consumption, and the significant improvement in the quality of life also indicates that the urbanization rate has a very positive impact on the consumption expenditure of Anhui farmers.

4 Conclusion

There is an inevitable link between consumption and income, and income, as the basis of consumption, has greatly promoted the upgrading of consumption of rural residents in the development of urbanization rate, making the consumption structure more diversified, no longer limited to

food, clothing and warmth, but more extended to consumer entertainment and transportation information. Anhui farmers' income channels have been expanded on a large scale, which makes consumption have ample financial support. If you want to raise the income level of rural residents, adjust the rural industrial structure, promote the development of advantageous industries and special industries in rural areas, and promote the income increase of farmers by improving the competitiveness of products.

The development of urbanization not only enhances the consumption upgrade of rural residents, but also plays a positive role in the gradual growth of urbanization rate in Anhui, which plays a positive role in the change of consumption structure of rural residents, optimizes the direction of consumption, improves the quality of consumption, promotes the development of society, and provides a lot of help to the quality and comprehensive bearing capacity of towns. The urbanization process has gained sufficient power support, which is also an important promotion to further improve the consumption level of rural residents. In the future development of urbanization there is still a need to continuously activate the consumption market in rural areas and lead the upgrading of consumption structure making a new round of optimization of Anhui rural consumption structure.

The social security system is a fortress to protect the security of residents, and the empirical results show that urbanization has a significant impact on the health care of rural residents. If the social security system for rural residents is not improved, it will lead to a lack of consumption motivation of rural residents, which has a weakening effect on the planned implementation of consumption measures, the urbanization process is stalled and cannot help to upgrade industries, the investment in infrastructure construction. The low efficiency of infrastructure investments and the inability of important hubs such as railroad transportation to serve rural residents all limit the creation of a quality of life environment. Therefore, it is necessary to improve the social security system, strengthen the overall consumption ability of Anhui rural residents, cultivate potential consumption motivation, and create a social consumption environment suitable for urbanization in terms of basic environmental construction, so that the quality of life of rural residents can be further improved.

The problem of restricted release of rural consumption potential and poor circulation of factors in the construction of consumer market are the central problems faced in the economic and social development of rural areas. The upgrading of farmers' consumption demand is an objective trend and an inevitable reflection of rural people's aspiration for a better life after China's economic and social development enters a new era. In this regard, China should further promote the integrated development of urban and rural areas in the implementation of the rural revitalization strategy. The integrated development of urban and rural areas is not just an empty phrase, but should take the construction of the integrated market circulation mechanism between urban and rural areas as the hand, and strive to promote the integrated development of the allocation of factors and the supply of public products and services between urban and rural areas, so as to lay the foundation for the cultivation of rural industries and the continuous improvement of farmers' income, and enhance farmers' willingness to consume and dare to consume by continuously strengthening the supply of

public products to rural areas and providing underwriting guarantee for farmers' living. In the process, we will improve the rural consumption market and build a rural consumption market mechanism with the function of all-factor circulation.

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