

An Analysis on the Development Status and Marketing Problems of Special Agricultural Products in Yunnan Plateaus—Taking Two counties and One District in Kunming City as an Example

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Keywords: Special Agricultural Industry in Plateaus; E-Commerce; Content Marketing

Abstract: "China's economy is transitioning from a phase of rapid growth to a stage of high-quality development," as emphasized in the Report of the 19th National Congress of the Communist Party of China. Currently, the marketing of agricultural products in China start relatively late at a slower rate. However, in the wake of constantly accelerating the pace of agricultural modernization in China, the development of agricultural product marketing has also demonstrated a swift and violent momentum. In the beginning of 2018, Kunming Government issued “Measures for the Implementation of Reducing the Cost of Real Economy Enterprises in Kunming City”, which aimed to reduce tax fees and costs for the development of real economy enterprises. This thesis takes special agricultural industries in Kunming plateaus in Yunnan Province as a starting point for investigation and research and applies relevant professional theories to reasonably analyze the status and problems of special agricultural products in Yunnan Plateaus. Furthermore, taking full advantage of superior conditions and developing the new model of “e-commerce + content marketing”, the special agricultural industries of Yunnan Plateaus are transforming from the reckless pursuit of output to the equal emphasis on quality and efficiency, which accelerates the pace of structural reform on the supply chain of agriculture, and promotes the development of the agricultural real economy.

I. Development Status of Special Agricultural Products in Plateaus in Two Counties and One District of Kunming City, Yunnan Province

(1) Special Agricultural Products in Plateaus in Two Counties and One District

1. Luquan County

Luquan County introduces leading companies and cutting-edge technology companies in the industry, promotes to transfer from unified, self-sufficient and extensive agriculture to industrial, large-scale, commercial and elaborate agriculture, launches a mature APP “Mr. Fresh for Grapefruits of Lu brand”, and builds "Lu brand" and "green series". Kunming Nanor Ranlumu Agriculture Technology Co., Ltd. has been designated as a company for production and supply by National Government Offices Administration. What’s more, Angelica and Cymbidium of Fusheng brand are rated as famous agricultural products in Yunnan Province, Saba pigs are certified by China Protected Geographical Indication Products, wild mushrooms, walnuts, chestnuts, Sichuan Pepper, black goats, Shaba hams, black-bone chickens, reservoir fishes, honey and highly processed wine of Langzhitang are well received, and national embroidery is famous both inside and outside the province.

2. Xundian County

Xundian County is one of 16 commercial sheep base counties, one of 36 counties for commercial cattle base and one of 24 live pig transfer counties in Yunnan Province. Furthermore, Xundian County is identified as one of 20 “Townships of Yunnan Traditional Medicine” in the first batch in

Yunnan Province. There are 18 enterprises (cooperatives) for planting and processing Chinese herbal medicine in the county. Depending on abundant water resources, Xundian County has achieved gratifying results in the fishery and breed aquatics. Especially, salmons and trouts are cultivated in clean water and low temperature. Since Xundian County has a long history, and aquaculture technique is mature, the scale of breed aquatics ranks among the top in the province. "Rainbow Trouts" become a famous representative in Xundian County. The fish cultivation in rice fields realizes the organic combination of rice growing and fish farming, ameliorates the ecological environment, maintains food safety, and upgrades farmers' income. Xundian's cured beef is enrolled into the list of The Intangible Cultural Heritage in China and registered and protected in China Protected Geographical Indication Products of the Administration of Quality Supervision, Inspection and Quarantine. Xundian County has established a sound system for industrialization development and accelerated the development of modern agriculture.

3. Dongchuan District

There are over 10 trademarks of agricultural products that have been registered by Yuan Administration for Industry and Commerce, including "Michelia Alba DC", "Jinyuan" noodles, "Qintong Mountain" noodles, agricultural products of "Red Earth", goose products of "Goose Restaurant", and series of agricultural products of "Sun Valley".

(2) Marketing Channels of Plateaus' Special Agricultural Products

Offline marketing model

1. Direct Marketing by Farmers

Direct marketing is a sales model that farmers can sell directly to consumers through farmers' markets;

2. The Sales Model of Multi-level Middlemen

The sales model of multi-level middlemen is a model that farmers can sell agricultural products through middlemen;

3. The Sales Model of Agricultural Products Mainly on "Processing + Sales"

The sales model of agricultural products mainly on "processing + sales" is a new pattern of sales that farmers sell agricultural products to some processing enterprises, and then those enterprises produce agricultural products into high-value products after conducting intensive processing, which enhances the added value of the products. This model is effective and fast. What's more, it is the best way to truly achieve the benefits of farmers and market participants. When we review the geographical advantages of Luquan County, we find that it has convenient transportation. It is about 70 kilometers away from Kunming Changshui International Airport. Furthermore, there are Guizhou-Kunming Railway, Kunming-Qujing Expressway, Songming-Daibu Expressway in Yunan territory, and the National Highway 213 interlaces with National Highway 320, making it advantageous for the circulation of agricultural products.

(3)Online Marketing Model

The e-commerce model of "dynamic management information system of digital rural poor household + e-commerce platform" achieves the effective connection between the two platforms, and the targeted poverty alleviation organically integrates with the comprehensive rural demonstration counties by e-commerce, which promotes agricultural products to walk away from countryside and enter into the market.

1. Main Promotion Methods

Main promotion methods include the integration of information channels, full mobilization of cadres, the connection of e-commerce resources and effective support of data. These multiple online marketing methods can promote resource sharing. E-commerce platform enterprises can adopt a

variety of flexible e-commerce poverty alleviation methods such as “e-commerce + cooperatives + farmers” to jointly drive the continuous increase of agricultural products and help poor households increase their income and acquire wealth according to the scale of cultivating and planting agricultural products and the government's orientation for industrial poverty reducing policy.

2. The Main Marketing Results

The two counties and one district have established e-commerce public service centers. With the help of "Internet +" model, they have infused multiple channels to promote "online" and "offline" sales and formed large-scale e-commerce industrial parks with full industry chain integrating with electronic information, network operations, packaging and printing, of which Luquan E-commerce Public Service Center consists of four parts, namely, Internet + Party Construction Big Data Platform for Promoting Poverty Alleviation, the Party Building Platform of the E-commerce Incubation Park, E-commerce platforms represented by Zhu Bajie, and Luquan "Internet + Industry" Shared Service Center. Luquan County strengthens the training of the natives and the introduction of outside talents, introduces state-owned shopping malls, Lecuntao, Zhubajie and other e-commerce enterprises, gives play to the dual advantages of the introduced enterprises and local enterprises, regards Lecuntao and other e-commerce platforms as carriers to create "Luquan Featured Museum", and drives the whole county to set up over 100 e-commerce enterprises. E-commerce public service centers not only solidify the foundation for rural e-commerce development, but also effectively mobilize rural entrepreneurship and employment.

II Marketing Problems of Special Agricultural Products in Plateaus

Enterprises mainly adopt the model of word-of-mouth marketing with the combination of self-owned brands + geographical brands. Enterprises produce their own products for sale. Although some companies have developed for intensive processing, they have failed to form a large scale. Generally speaking, the added value of agricultural products is small. However, retailers directly sell agricultural products to consumers, which runs into problems of forcing down the prices by buyers, encountering poor sales, and receiving low profit margins.

(1) Weak Consciousness and Insufficient Brand Investment

The weak consciousness of agricultural brands of Yunnan Plateau is reflected in the following: Firstly, most agricultural producers pay little attention to the brand value. Secondly, most farmers or leading enterprises misunderstand brand construction, fail to establish preferable brand ideas and concepts, and neglect brand packaging and marketing strategies.

(2) Asymmetry in Market Information

Most of the agricultural products that have flowed into the market are preliminarily processed products. It is widely acceptable that farmers sell products and price goods by themselves, and those products lack of market competitiveness to a certain extent, resulting in low efficiency in the whole market. There are few leading enterprises. Consequently, most of farmers mainly sell offline. The e-commerce model is planned but has not yet been operated, which directly affects the sales of agricultural products. However, in order maintain the continuous increase of agricultural products, companies must apply a certain means to establish a series of ecological systems to open their channels. Since each product has its own characteristics, not all agricultural products are suitable for sales through e-commerce channel. There are differences in the difficulties of QS certification, standardized standards and requirements on freshness and values for different types of agricultural products. Therefore, the market is required to be capable of strictly supervising the marketing of agricultural products. In 2017, the IP strategy of "pure origin" was launched in rural Taobao, which focused on the superior source area of the supply chain, to help local agricultural products with good quality enter cities and open sales channel.

(3) Difficulties in Introducing Agricultural Marketing Talents

Although many enterprises collaborate with local academies of agricultural sciences at the present stage, there is a shortage of highly qualified talents with technical expertise in the marketing, and it is more prominent that enterprises fail to attract and retain talents. The quality of the labor force is generally low, and those people are insufficient in certain professional knowledge, incapable in accepting new technology and new knowledge quickly, and inferior in pioneering ability, which slows down the development process of large-scale agriculture for industrial production.

(4) The Uncompleted Management System for Agricultural Marketing

Currently, Yunnan's management model for agricultural marketing belongs to a kind of functional management model to a certain extent, which can achieve order and information flow between the superior and subordinate. Communication can be timely and effective, but there are certain shortcomings. For example, different agricultural functional departments and institutions simply operate in their own ways. Generally speaking, the head of the agricultural department is responsible for many things, and the work that needs to be docked is also very complicated. It lacks measures to implement properly, and there is short of some coordinating bodies for formulating national agricultural policies and reforming China's rural economic system. Simultaneously, a lot of data indicate that China's scientific and technological system for agriculture is insufficient in innovation currently, the industry-university-research cooperation is disjointed, and overall coordination is poor. It is conceivable that the conversion rate and popularizing rate of scientific and technological achievements in agriculture will be unsatisfactory. Compared with other industries, the comparative advantages of agricultural investment are relatively low. As a result, a large amount of rural capital in the "non-agriculturalization" flow to non-agricultural sectors, and agricultural investment is the fundamental driving force for agricultural development. Therefore, the government firstly adopts various measures to encourage agricultural investment and continuously improves the management system for agricultural investment. Secondly, the government gradually reduces the proportion of capital mating regarding to agricultural fixed-asset investment in the central and western regions and carries out capital mating that won't increase the burden on farmers.

(5) The Restriction of Logistics on the Marketing of Agricultural Products

Most of agricultural products is high in transportation cost, and the logistics cost of many agricultural products usually exceeds the cost of goods little or largely. High delivery cost has severely restricted the development of e-commerce, resulting in the loss of most e-commerce platforms for agriculture for a long time. In addition, once a product is sold well, but express companies fail to quickly and effectively resolve logistics supply chain, which will become a bottleneck restricting the development of e-commerce. From August 2, 2017 to August 4, 2017, Tmall and Juhuasuan jointly held an activity named as "Snatching Delicacies from Yunnan". Within an hour of the launch of the activity, consumers from all over the country bought 1,500 kilograms of fresh matsutakes. According to the Tmall shop "Yunnan Gongtianxia", the delicate matsutakes have only three days to keep freshness. During the transportation process, they must not be handled in too cold, too humid and squeezed condition. How to deliver matsutakes to customers in a timely manner tests the capability of e-commerce logistics supply chain. Therefore, the solution to the logistics problem is also a major difficulty to promote the development of special agriculture in plateaus.

III. Analysis of Strategies for Constructing Marketing Model of Special Agricultural Products in Plateaus

(1) The Reinforcement of Brand Awareness on "Content Marketing"

Farmers have primarily chosen the traditional production pattern and sales model in China for a long time, and most of them still are insufficient in a certain awareness of brand construction and

marketing concepts. On the one hand, farmers are restricted by low cultural quality and ignorant of marketing. On the other hand, business operators have misunderstandings about whether to create a brand and how to create a brand. Therefore, the awareness of brand cultivation is of the essence for the development of agricultural products in China at this stage. Brand building and promotion are particularly important in the pattern of "e-commerce + content marketing" for agricultural products. In the current market for agricultural products, shaping favourable brands will form a virtuous circle for a certain agricultural product, making brand images increasingly influential. Content marketing is to allow potential consumers to actively establish brand awareness, disseminate effective information through intuitive visual videos or pictures, and more directly present the products and services provided by brands.

(2) Internet + Expanded Marketing Channels

Having short, frequent and fast features, Short videos are newly developing products in the era of the mobile Internet, which employs network media to enhance the output of product content. Moreover, they are abundant in information and liable to spread. Based on the current development of the Internet, it is necessary to accelerate the establishment of corporate brands, amplify brand awareness and depth of communication, acquire more consumers' favor, and enhance customer loyalty, to truly maximize marketing benefits with minimal cost. For example, the E-commerce Public Service Center by Landscape Xundian has built an e-commerce platform to promote Xundian's special agricultural products by means of content marketing. They not only have their own product mall, but also publish and push articles on their Official Account and sell products in WeChat shop. The system of "One Product One Code" that they set up means that consumers can learn about the basic information of a product by scanning QR code of the product. In 2011, the total value of agricultural inputs purchased by specialized cooperatives reached RMB202.8 billion, and the gross value of uniformly selling agricultural products of members achieved RMB 952 billion, which increased 49.4% and 66.7% respectively compared with 2010. Consumers have a direct understanding on products, and they can clearly see the superior quality of products and high-priority food safety. Actually, it's for the sake of preferably upgrading consumer loyalty and likability for products.

(3) The Demand-oriented Enhancement of Product Recognition

Companies should understand customer requirements and pinpoint customer positioning. In any type of market, it is necessary to understand customer demand in order to do a good job of consumer positioning, and then accurately select the carrier to promote content marketing. Marketers can adopt strategies of product promotion, brand building, high quality, and high pricing to win the favor of high-end customers as much as possible. Simultaneously, they must put people first and focus on consumer experience.

In the "Internet +" era, marketing is increasingly socialized and mobile. Content marketing can be visually indicated as "pulling marketing", which aims to enable consumers to have a more correct understanding on brands and achieve a higher degree of recognition through content interaction with target customers. Through big data analysis, enterprises can select more accurate channels to deliver products to promote deeper communication between consumers and enterprises.

Acknowledgement

This project is subsidized by the Research Center for Industrial Economy of Wuhan Textile University

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