

The Study on E-Commerce Based on Agribusiness Model for Improving the Operational Satisfaction of Community Farming Business at Shouguang City, China

Changping Liu

North Bangkok University, Bangkok 10220, Sai Mai

Abstract: The rapid development of e-commerce changed consumer shopping habits and sales market structure. In the context of the rural revitalization strategy and the internet economy, more and more agricultural product sales companies utilized e-commerce platforms to expand their sales channels and hope to solve the problems of low efficiency and high cost of traditional e-commerce distribution and provide new channels for product sales. Due to the lack of standardization, enterprises' online and offline connections were not close enough for agricultural product circulation and customer satisfaction in the Shouguang City of Shandong Province, leading to the poor customer shopping experience and low satisfaction.

Keywords: E-Commerce; Agribusiness Model; Community Farming Business

1. Introduction

With the continuous improvement of people's living standards in our country, people have also put forward higher requirements for quality, safety, and greenness in agricultural products. Current agricultural industry management and supply cannot meet people's needs. This problem also needs to resolve a series of contradictions, including enabling small farmers and modern agricultural development to achieve an organic connection, promoting the practical improvement of comprehensive agricultural benefits, and further expanding the channels for farmers to increase income. The growth of China's agricultural industry e-commerce is still very lagging, and e-commerce can effectively promote economic development.

2. Theoretical Basis

2.1 Agricultural industry management e-commerce (Gao 2014).^[1]

The core of O2O e-commerce lies in its combination of online payment and offline experience, which allows the two to achieve complementary advantages. Under this model, the online platform and logistics supply chain have carriers and offline physical outlets, providing customers with more high-quality, rich, and diverse products.

2.2 E-commerce characteristics for agricultural industry (Doshi and Desai 2016)^[2]

Focus on localized marketing - the localized marketing model of O2O, convenient services can be provided to local communities and villages.

Deep fusion data analysis - the O2O business model, the database can ultimately retain the user's shopping traces and perform in-depth processing, combined with user behavior and business scenarios to predict customers' lives and provide each customer group's consumption preferences to the company.

The shopping experience continues to improve - the traditional e-commerce model, consumers can only judge the quality of the product through the description of the merchant and sharing of the shopping experience of other consumers and cannot intuitively see the effect of the product.

2.3 Model of Customer Expectation (Ma and Ren 2018)^[3]

Cognitive differences are produced under the combined effect of customer expectations and product experience, directly affecting customer satisfaction. In addition, customer satisfaction will be affected and influenced by customer expectations and product experience.

2.4 Satisfaction Index Model (Li 2019)^[4]

The three significant factors of product quality, value harvest, and customer expectations would all affect customer satisfaction. The sense of value that the customer ultimately obtains is determined by the combined effect of quality and expectations, which then directly affects their satisfaction.

3. Understanding of Improvement for the Operational Satisfaction of Community Farming Business

(1) Analyze the challenges under the local integrated agricultural management model in Shouguang City: The main difference between the dynamic and integrated agricultural systems lies in the management concept. In an integrated agricultural system, management decisions are predetermined, such as the type and quantity of commodities to be produced. In a dynamically integrated system, the best available knowledge is used to make decisions at the most appropriate time. As agricultural systems move up in the hierarchy, their complexity, amount of management required, and sustainability will increase.

(2) Search the factors influencing the agricultural industry's business satisfaction through website services, physical store services, perceived value, customer expectations, brand effects, logistics quality, and network trust: This research focuses on development background, analysis of extensive agricultural operation methods and problems encountered in satisfaction; customer demand-oriented, combined with website services, physical store services, perceived value, and other satisfaction factors to construct a relevant index system.

4. The Conceptual Framework for the Research Study

First The relationship between influencing factors of website service, physical store service, perceived value, brand effect, logistics and trust of the network platform, and satisfaction of agricultural operations management.

second Using correlation analysis testing, all influencing factors are shown a relationship with the satisfaction of agricultural operations management except brand effect significantly. It could interpret that the brand effect has less influence on agribusiness due to the sales of common food crops.

5. The Countermeasures for the Benefits of Using E-Commerce for Improving Community Farming Business

5.1 Market outlet diversification

E-commerce can expand the marketing channel portfolio for your business. Different outlets usually have high traffic and activity periods, followed by a low activity or inactivity periods. Although online stores can also experience these ebbs and flows, if you have a product supply throughout the year, it can also provide a stable presence, which can become very valuable. (Chen 2020).^[4]

5.2 Expanded customer base

Customer groups are usually targeted groups or people with similar interests, making them more likely to be interested in products or services. Repeat buyers in the customer base usually return to the company that successfully meets their needs. These repeat customers may make patronizing the company as a habit. These customers usually conduct free marketing through word of mouth, as long as they remain satisfied (Du 2014).^[5]

5.3 Business expansion

Other than customer base expansion, the business of agricultural products can also expand to different areas that more viewers can purchase products from the online platform. On the other hand, business operations can be extended not just by selling their products; it could also serve as an agent in mixing up with other popular products from third parties for increasing a more comprehensive range of product offerings.

5.4 Data collection

The data collecting on product sales would be precious in this generation. Through analytics, the history of sales, customer preference of price, service, and quantity would be serviced as marketing information that could improve future business promotion and marketing strategy (Negrao 2018).^[6]

6. Conclusion

The importance of corporate brand and product awareness in consumer decision-making has become increasingly prominent at this stage. Agricultural industry operators are more likely to remember those distinctive brands. Enterprises should focus on building brands in the process of operation and management. When the brand effect is formed, more and more consumers will remember and accept the enterprise's products. The marketing and promotion work can also be carried out more smoothly. High-quality products and services are the foundation for companies to cultivate their brands. Based on this, the public's sense of trust can be gradually built up to form a good reputation. Agribusiness enterprises should pay more attention to obstacles while cooperating, such as social issues such as economic incentives, strategic adjustments, conflicts between enterprises, and trust. There are no specific legal regulations on the legal use of consumers' personal information and transaction records and the security and authorization of service, which effectively protects customers' privacy and other legitimate rights and interests.

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