

Research on the Regional Brand Construction of Agricultural Products under the Background of Internet

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Abstract—In recent days, the low identification degree of regional agricultural products leads to the common phenomenon of low market recognition and low perceived ability of consumers, together making it hard to establish regional brand. Through investigation and analysis, this paper establishes the regional brand construction model of agricultural products, verifies the geological characteristics, humanity history, government, association, enterprise and peasant households as well as other factors in the model with the regional brand construction process of Jilin Rice as an example, and then put forward suggestions for the regional brand development of agricultural products under the background of internet.

Keywords—Agricultural products; Regional brand; Internet; Suggestions

I. INTRODUCTION

General Secretary Xi Jinping pointed out during the reports of the 19th National Congress of the Communist Party of China, the main conflicts of the society in our country had been converted to the conflicts between the increasingly good life of people and the unbalanced and insufficient development [1]. From the marketing perspective, conflicts always means that the existence of opportunities. In order to embrace the new era of good life, and avoid homogeneous products from causing

the occurrence of excess productivity phenomenon, enterprises cannot unilaterally emphasize on productivity and sales any more, instead, they should carry out brand-oriented marketing activities; if the target customers can select the brand without hesitation, the enterprise can obtain brand premium, and this is especially true considering the marketing of agricultural products with relatively low quality identification degree [2].

II. REGIONAL BRAND CONNOTATION OF AGRICULTURAL PRODUCTS

There hasn't had any unified definition about the regional brand of agricultural products yet, and the explanation with higher industrial identification degree is: certain type of agricultural products from the same region can have higher awareness and reputation in the market, and then trusted by customers, and then form a regional characteristic and overall image; generally, it is constituted by a regional brand plus the name of the agricultural product, such as Changbai Mountain Ginseng, Jilin Rice, and Anji White Tea. When being compared with the brand construction of common enterprises, the construction of regional brand involves more stakeholders, and obvious function of the government and industrial associations, so all of these have made the construction more complicated. Refer to Table 1 for the difference.

TABLE I CHARACTERISTIC COMPARISON OF REGIONAL BRAND AND ENTERPRISE BRAND [3]

| Regional brand characteristics | Enterprise brand characteristics |
|--|---|
| Comprehensive representation of multiple enterprise regional brands | Single enterprise name, logo and association |
| Thousands of motive forces | Only one motive force |
| The regional brand effect is large and durable | The brand effect is small and short |
| Scale and scope economic effects of advertising, promotion, research and development, etc. | It is weak and difficult to exert its scale and scope economic effect |
| The association is rich, non-exclusive and non-competitive and it has positive external effect | The association is lacked, the emotion is single, and the enterprise life cycle is relatively short |
| Public articles | Private products, and they are competitive and exclusive |
| The role of the government is powerful | The role of the government is little |
| The success probability is higher | The success probability is lower |

The main type includes:

Firstly, the enterprise brand is converted to regional brand. The leading enterprises within certain region have brand ownership, the management right, disposal right and residual claim right, and then through relying on the brand awareness and reputation, and other relevant supporting enterprises within the region will sign brand using agreement with it, and share brand resources, such as CHNT.

Secondly, the regional brand is formed with the support of the government. And then under the planning and guidance of the government, with the assistance of industrial association, register in the name of the team, association or other organizations for the use of members during commercial activities within the region, and enterprises within the region will jointly share the brand ownership, such as Changbai Mountain Ginseng.

Thirdly, it is the market spontaneous type regional brand. Many enterprises within certain region don't have brand, and when selling products, they will uniformly use regional brand, spontaneously form regional characteristic commercial brand, such as Pinggu Peach.

In our country, the brand development of agricultural products started relatively later than the development of industrial products, but in the recent years, the late-starting advantages for the regional brand construction of agricultural products have highlighted in the recent years, for instance, the periodic results for the regional brand construction of West Lake Longjing Tea, Wuchang Rice, Changbai Mountain Ginseng and other characteristic agricultural products have been shown initially. Successful regional brand construction

can drive the development of local economy, and increase the income of local peasant households. Behind the back of "prosperous" regional brand development of agricultural products, this has also exposed the tragedy of brand commons, consumption credit overdraft and other problems, and next, we will elaborate through taking the regional brand construction of Jilin Rice as an example.

III. REGIONAL BRAND CONSTRUCTION MODEL OF AGRICULTURAL PRODUCTS

Food safety is currently a hot topic, and consumers hope that the consumption of green products can ensure their own safety on the dining table, but the unique quality concealment of agricultural products can always make it impossible for consumers to correctly recognize the information about agricultural products; besides, most agricultural product enterprises won't set corresponding department to implement quality control and information feedback for the safety problems of after-sales food, and this has seriously influenced the purchasing enthusiasm of consumers[4]. Thus, the establishment and promotion of regional brand for agricultural products will effectively transmit the quality information of agricultural products to consumers, and help consumers make purchasing decisions; as for the approach for setting the relevant department to provide after-sales and maintenance, it can effectively occupy the high-end market, and highlight the dilemma of failing to realize the brand premium of agricultural products. As per several main factors influencing the regional brand construction of agricultural products, the regional development model [4] of agricultural products is specially set as follows:

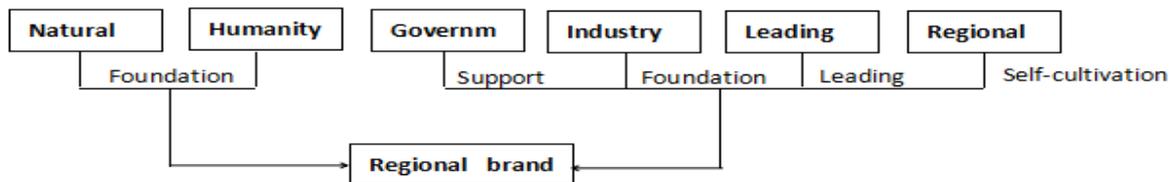


Fig. 1 Regional Brand Construction Model of Agricultural Products

Unique soil, climate, and water quality will form unique ecological environment, and since it is very difficult to copy natural resources, this has made the geological mark agricultural products possess natural monopoly, and generally possess special quality, and can easily obtain high premium in the market, and the after registration, the average price for geological mark agricultural product can realize 20%-30% of average amplification [5].

Due to the unique geological characteristics of different geological regions, regional culture with unique characteristics can be generally formed, such as Heilongjiang Basin Culture, and Yangtze River Basin Culture. The local humanistic image, planting history and other humanistic connotations can often run through the local agricultural product brand design process, and can effectively improve brand influence.

The government can construct service platform for the regional brand development of agricultural products, constantly perfect the relevant laws and regulations, maintain and perfect

the market order, and create a good development environment for the regional brand construction of agricultural products.

The industrial association plays an active leading role in the regional integration of agricultural products, industrial service, industrial coordination, industrial self-regulation, and industrial representative, etc.

The leading enterprises play the demonstrative leading role in the regional brand construction of agricultural products, and it is the core for the regional brand construction of agricultural products. The peasants are responsible for the planting and harvesting of agricultural products, and they are the foundation for the regional brand construction of agricultural products.

Whether the peasants can conduct "intensive cultivation" in source, and control the quality of agricultural products can be very important to the regional brand construction of agricultural products.

IV. CASE RESEARCH—THE REGIONAL BRAND CONSTRUCTION OF JILIN RICE

A. *Brief introduction about the regional brand of Jilin Rice*

Jilin Province is a big province of grain and rice, and the rice planting area in the entire province can cover about 13,000,000mu, and the coverage rate of fine varieties can reach up to above 80%. The unique resource advantages have bred qualified rice; Jilin and Changchun City are known as “the Home of Tribute Rice” and “the City of Qualified Japonica Rice in China” [6]. However, due to the lack of demonstrative leading role of leading enterprises for a long time, 1,227 rice processing enterprises created above 900 rice brands in the entire province, and almost 3 enterprises among 4 enterprises will have their own brands, and such respectively independent and scattered marketing mode have lowered the marketing price of Jilin Rice; besides, there is no unified marketing strategy, which has led the low cognition value of the market for Jilin Rice, and it still fails to obtain the price and position matching with its own quality, and cannot realize premium; and the benefits generated to peasants, enterprises and the local are far away from the ideal effect. During the Two sessions in 2015, General Secretary Xi Jinping pointed out that, “agriculture is the advantage of Jilin, and rice is the brand of Jilin”, and this has pointed out the direction for the development of rice in Jilin Province. Jilin Province has gathered strength and established rice industry alliance, and strives to create the regional public brand of “Jilin Rice”. Currently, the effect of regional brand construction has been showed initially.

B. *Analysis on the regional brand construction process of Jilin Rice*

To realize self-adjustment within 3 years, adapt to the market consumption upgrading demand, and become the structural reform sample for the grain supply side of Jilin Province, the regional brand construction of Jilin Rice cannot be separated from making endeavors considering the following aspects:

(1)The sufficient utilization of natural resource advantages; Jilin Province is located at the world’s “golden rice belt”, with big diurnal temperature variation, long sunshine duration, profound black soil layer, fertile soil and other environment characteristics; besides, it also has the irrigation of Songhua River, Liao River and other flowing water, gathering fine weather and favorable geographical position, and it has formed a natural advantage for planting fine japonica rice [7]. Currently, the various regional brands of Jilin Province, such as Shulan Daohuaxiang, Wanchang Changlixiang, Chagan Lake Yuanlixiang, Meihe Xiaoding and other qualified varieties, and they are favored by consumers, which have laid a solid foundation for the regional public brand construction of Jilin Rice.

(2) The excavation of regional culture; from Tang Dynasty to Qing Dynasty, Jilin Rice has always played the role of tribute rice for the royal family, with long planting history. A book called Tribute Rice was published through focusing on “royal tribute rice” and playing cultural card, and then a documentary called World Tribute Rice was filmed, and by

virtue of Jilin Rice Cultural Festival, it has vividly elaborated the superior planting environment and long historical culture of Jilin Rice, enriched regional brand connotation and characteristic culture, and effectively promoted the value cognition of consumers for Jilin Rice as well as the awareness and reputation of regional brand.

(3)The policy support of the government; Jilin Provincial Government gives high attention and preferential policy for the regional brand construction of Jilin Rice, implements Jilin Rice Brand Construction “Five-One” Engineering, starts “Chinese Good Grain&Oil” Action Plan, organizes the revision of Jilin Rice Local Standard higher than national standard, guides the rice processing leading enterprises to organize “Jilin Rice Industrial Alliance”, constructs Jilin Rice Online E-business Platform, and effectively increases the development vigor of rice enterprises in Jilin.

(4)The demonstration of leading enterprises; adopt the management mode of making SL Group, Linjiang Rice and other representative rice processing leading enterprises adopt unified seed supply, unified fertilizer supply, unified technical standard, unified prevention measures, and unified grain purchasing from the planting to the harvesting, to ensure rice quality. Besides, under the lead of the government and industrial association, 33 rice production enterprises with stronger strength within the region and certain product popularity, including Linjiang Agriculture, Baishun Rice, SL Group and Jianyue Rice as well as target market distributors and professional brand planning and operation institutions have constructed Jilin rice Industrial Alliance. The rice production enterprise within the alliance uniformly uses Jilin Rice LOGO text and identification, and the enterprise brand has become the sub-brand of Jilin rice. This has exerted a good demonstration and leading function in the regional brand construction of Jilin Rice.

(5)The guidance of industrial association; establish Jilin Rice Association, compile rice industry development plan, and promote fine varieties to vast peasants, promote fine rice base and agricultural comprehensive standardization demonstration area construction, carry out geological mark certification work, cooperate with brand publicity and market exploitation, gradually construct brand rice quality supervision system, etc., and think what the enterprises will think and regard the urgent demands of enterprises as top priority, conduct practical work for enterprises and peasants and solve difficulties, and promote the formation of regional brand for Jilin Rice.

(6)The reinforcement of brand awareness for peasants; the implementation of brand strategy in SL Group and other leading enterprises have made enterprises develop fast, and firstly get the benefits brought by scaled economy. These tangible interests have aroused the brand construction awareness of peasants, and can cater for market demand, and organize planting.

V. THE EXISTING PROBLEMS IN THE REGIONAL BRAND CONSTRUCTION OF JILIN RICE

A. *Consumers don't have high regional brand perceptive value for Jilin Rice.*

According to the investigation, in the northeast region, most people don't know about the brand of Jilin Rice, and when mentioning rice, most people will think about its competitor—Wuchang Rice; however, in the south, people will collectively call the rice produced in northeast region as Northeast Rice, and think that it is expensive and the taste is not so good. Jilin Rice is positioned at the middle and high-end of the rice market due to its long historical culture and better quality, but currently, there are obvious difference between the value cognition about Jilin Rice but and the positioning.

B. *Most rice enterprises haven't conducted organic certification yet*

Along with the improvement of people's living level and the increasingly emphasis on personal health, the consumption of organic agricultural products is the trend. Due to the high threshold of organic certification for soil, water quality and even the air, etc., the inspection process is relatively complicated, with small scale, low productivity, high labor cost, and certain risk, and currently, there are few rice enterprises conducting organic certification in Jilin Province.

C. *The deep processing of Jilin Rice and the comprehensive utilization of subsidiary product are backward*

Jilin Rice occurs in the market mainly through the primary processing products, and it is located at the lower end of the product value chain, while the technical R&D for creating rice with more additional value is the short slab. Besides, the main subsidiary products of rice aren't effectively developed and used, either, and cannot contribute forces to the market competitive advantages of its main products.

D. *Fail to fully utilize internet media.*

The establishment of official website for Jilin Rice is aimed to exert a function of promoting and publicizing the regional brand of Jilin Rice by virtue of network platform on one hand; on the other hand, it is hoped to expand sales channel by virtue of the network platform. However, judging from the current condition, the official website of Jilin Rice updates information very slow, has few activities, and this can be hard to attract the attention of consumers; so it fails to exert the function of regional brand awareness and reputation; as can be seen from statistic data, the transaction volume of Jilin Rice through the official website, Taobao and Tmall is lower than its competitors.

VI. REGIONAL BRAND CONSTRUCTION STRATEGIES FOR AGRICULTURAL PRODUCTS UNDER THE BACKGROUND OF INTERNET

To sum up, several opinions about the regional brand construction of agricultural products are put forward as follows in combination with the common problem of low identification degree of agricultural products:

A. *Conducting regional brand publicity and promotion by virtue of geological regional advantages*

Different geological environments have cultivated different characteristics of agricultural products, and the image for the origin of agricultural products is the foundation for forming the regional brand image of agricultural products. It is requested to publicize and promote regional characteristics by virtue of regional advantages, improve regional brand awareness, and the value perception of consumers for agricultural products of the region. The specific contents can be promoted through perfecting the construction of internet website, holding various forms of agricultural product festivals, filming documentaries of agricultural products, and publishing relevant readings, etc.

B. *Exerting the function of governmental macroeconomic regulation and control, and guiding regional brand construction*

The market economy emphasizes on using the intangible force of "market" to adjust resource configuration, but in the regional brand construction, it is requested to exert the macroscopic readjustment and control function of the government. Since the difference is big in the geological environment and resources of each region, the government should conduct unified planning as per the actual conditions of the region, recognize regional advantages, provide political guidance, conduct trust supervision, integrate valid resource and collectively create regional brand, and realize the regional economic interest maximization.

C. *Exerting the function of association radiation, and improving scientific research innovation capacity*

Industrial association should fully play the role of platform, actively publish government policies, industry information, the market of agricultural products and other information, and provide opportunities for vast peasants, agricultural enterprises and merchants; play the role of bridge bond, and closely connect enterprises within the region, form community interest, assist the government and enterprise in publicity and promotion, and promote the fast and sound development of agricultural enterprises.

D. Creating a batch of leading enterprises, and leading regional integrated development

Leading enterprises are the subject for the regional brand construction of agricultural products, and generally, they have bigger scale and stronger strength. Leading enterprises should reinforce scientific research input, strive to conduct scientific research innovation, improve the technical contents and additional value of agricultural products, actively conduct organic agricultural products certification, create enterprise brand, and improve enterprise profits; construct the mode of enterprise + peasants, organize the product requested by the market of peasants, and drive the integrated development of enterprises and peasants within the region; by virtue of the network, realize the valid docking of online sales and offline sales and expand sales market.

E. Improving the regional brand awareness of peasants, and cultivating new professional peasants

Peasants are the first link for the value chain of agricultural products, and the quality of agricultural products will directly influence the awareness and reputation of regional brand and whether peasants can establish regional brand awareness is the key point for the regional brand construction of agricultural products. It is requested to reinforce the publicity of peasants, and ensure the quality of agricultural products from planting to production and sales, and make peasants feel the increase of practical incomes. Besides, it is also requested to reinforce training for peasants, and make them master the corresponding technologies requested for modernized agriculture, or peasants can obtain the relevant knowledge about the production and processing of agricultural products through network and other approaches, understand about the dynamic conditions about market demand, and produce agricultural products suitable for market demand.

VII. CONCLUSION

The brand marketing of agricultural products is a big trend for the future development of agricultural products, and it is requested to rely on the local natural resources and humanity history, take the government policy as the support, the industrial association as the bridge, the leading enterprises as the subject, and the high-quality products of agricultural products as the guarantee, and then expand the publicity and promotion, increase regional brand identification and promote regional industrial transformation and economic development.

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