

A Survey and Research on Stimulating Consumer Demand through the Circulation System in the Context of Rural Revitalization

Siyu Wei¹, Minmin Feng², Biqi Zhu³, ShiYun Gao⁴, Youfu Qiao^{5*}

School of Mathematics and Statistics, Zhaoqing University, Zhaoqing, Guangdong, China

DOI: <https://doi.org/10.5281/zenodo.15719042>

Published Date: 23-June-2025

Abstract: In the context of global economic integration and domestic economic transformation, China's efforts to expand domestic consumer demand have propelled high-quality economic development. With the acceleration of urbanization, the consumption potential in rural areas has also become increasingly evident. The rural circulation system, which connects production and sales, is crucial for the vitality of the rural consumer market and the quality of life of rural residents. Therefore, this study is committed to exploring the current status, challenges, opportunities, and role in stimulating market vitality of the rural circulation system. It employs various methods to analyze the development status of different regions and their impact on consumer behavior. Furthermore, it identifies key factors for improving circulation efficiency and stimulating consumption vitality. By comparing domestic and international cases, the study summarizes experiences and provides suggestions for building an efficient and convenient modern circulation system to promote rural consumption growth.

Keywords: Domestic Consumption, Rural Revitalization, Rural Circulation System, Regional Balanced Development.

I. INTRODUCTION

With the comprehensive implementation of the Rural Revitalization Strategy, rural areas in China are experiencing new opportunities in terms of economy, society, and culture. Driven by strategic policies such as rural revitalization, rural industries are thriving, and the living and consumption standards of villagers are gradually improving. Against this backdrop, the circulation system, as a key link between production and consumption, plays a crucial role in stimulating rural consumption and promoting rural economic development.

However, during the rapid economic development in China, the deficiencies in the circulation system have led to the widening of the urban-rural digital divide, the exacerbation of dual-structure contradictions, and the one-way flow of production factors, all of which are detrimental to overall economic development. Therefore, this project targets urban and rural consumers in different regions, aiming to analyze the mechanisms through which the circulation system stimulates consumer demand in order to narrow the urban-rural economic gap and promote integrated urban-rural development in the new era.

The high-quality development of the rural circulation system is an urgent need to ensure the smooth circulation of the national economy and to promote the orderly flow of goods and production factors. It is of great significance for driving integrated urban-rural development and expanding domestic consumer demand. By studying how the circulation system can effectively stimulate consumer demand, it is possible to promote the upgrading of rural consumption, unleash the huge potential of the rural market, and drive the sustainable growth of the rural economy. This research provides theoretical guidance and practical solutions for the optimization of the rural circulation system, enhances the consumption attractiveness and competitiveness of rural areas, promotes balanced urban-rural economic development, and plays a positive role in narrowing the urban-rural gap and achieving common prosperity. Deepening the understanding of the potential of the rural consumer market is a key link in realizing the goals of the Rural Revitalization Strategy.

II. RESEARCH ANALYSIS

Income and Consumption Status and Main Characteristics of Consumers under the Two-way Urban-Rural Circulation System

This survey collected samples from urban and rural consumers in different regions and reached the following conclusions.

a) Income has increased, but the urban-rural income gap remains significant

Over the past decade, the income level of the majority of people has increased, and this increase is perceived as significant by most respondents. However, the general public still has a clear perception and understanding of the income gap between rural towns and cities, and they believe that this gap is substantial. This reflects the current reality of unbalanced urban-rural development in China, where, despite an overall increase in income levels, the economic development and residents' income in rural areas remain generally lower than those in urban areas.

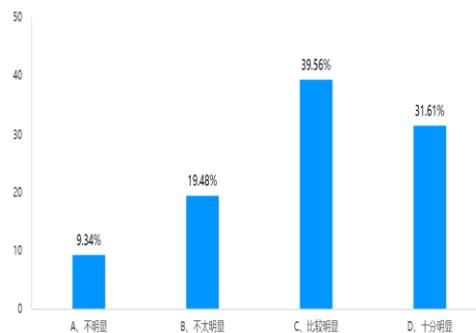


Figure 1: The income gap between rural towns and cities

b) Consumer demand has increased significantly, and the consumption structure has become diversified.

As shown in Figure 2, nearly 70% of respondents believe that their consumer demand has increased significantly over the past decade, indicating a clear propensity to consume. In terms of consumption items, housing is the most concerned category, followed by healthcare and food, which are essential living necessities. In addition to these, entertainment consumption also occupies a considerable proportion. This suggests that the current consumption structure is becoming more diversified, and consumers have the means to satisfy needs beyond their basic daily requirements.

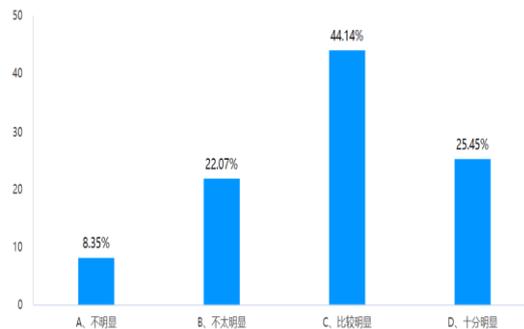


Figure 2: The distribution of the degree of increase in consumer demand

Factors Influencing Consumer Demand under the Circulation System

a) Changes in Income Level are the Primary Drivers of Consumer Demand

The survey results indicate that income level is the main factor influencing consumer demand. Income serves as the foundation and prerequisite for consumption. An increase in income directly enhances consumers' purchasing power, which is the fundamental factor driving the growth of consumer demand.

b) The Expansion of Consumption Channels Stimulates Consumer Demand

The survey results show that online shopping has become the predominant consumption model. The proportion of live-streaming shopping, WeChat business, and platform-based shopping far exceeds that of traditional brick-and-mortar store shopping. The emergence of new consumption channels, such as online shopping, has made consumption more convenient and faster. It enables consumers to shop without leaving their homes, thereby increasing their desire to purchase.

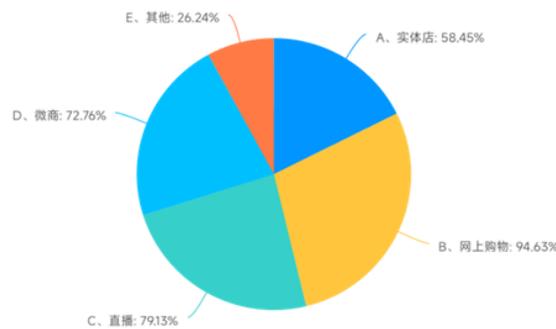


Figure 3: The main consumption channels at present

c) The variety and price of goods are fundamental factors influencing consumer demand.

Under the two-way urban-rural circulation system, the trading process of goods has reduced the impact of "information asymmetry" and "middlemen profiteering." The emergence of platforms like Taobao has not only alleviated geographical restrictions on goods but also increased the variety of products available to consumers. Moreover, these platforms enable direct communication between suppliers and consumers, minimizing the involvement of middlemen. The increased variety of goods can meet consumers' diverse needs, while lower prices directly enhance purchasing power, thereby boosting consumer demand.

d) Advances in logistics technology and improvements in the logistics system make the consumption process more convenient and secure.

Under the two-way urban-rural circulation system, improvements in logistics technology have made the flow of goods between urban and rural areas more convenient and rapid. The enhanced logistics system can better address issues such as lost goods, allowing consumers to obtain products in a shorter time and with greater ease. This, in turn, increases consumers' willingness to spend.

e) Credit tools alleviate liquidity constraints and increase consumer demand.

The survey results indicate that when facing financial constraints, many people tend to rely on credit tools such as Huabei (Ant Credit) and JD White Bar to meet their consumption needs. The availability of these credit tools has alleviated the issue of insufficient income to cover consumption, thereby increasing consumer demand. However, they may also lead to excessive consumption in some cases.

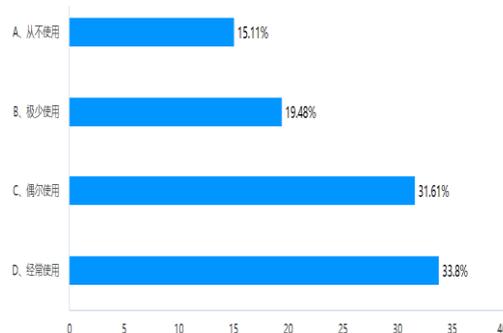


Figure 4: The frequency of using credit tools.

III. ANALYSIS OF POTENTIAL ISSUES

Imbalance in Urban-Rural Circulation Infrastructure

There is a significant gap between urban and rural areas in terms of transportation, information, and logistics infrastructure. This limits the effective circulation of agricultural products and the consumption potential of rural residents. The backwardness of rural logistics infrastructure leads to high logistics costs and poor efficiency and service capabilities.

Insufficient Application of Information Technology

The application level of information technology in rural areas is low, with a lack of professional logistics talent and underdeveloped logistics informatization. The logistics network node system is incomplete, resulting in low logistics delivery efficiency. This prevents the full utilization of technologies such as big data and the Internet of Things to enhance circulation efficiency.

Incomplete Policy Support and Supervision Mechanisms

There is a lack of specific policies and measures to ensure the smooth operation of two-way urban-rural circulation, and the regulatory mechanisms are not well-developed.

Insufficient Rural Financial Services

The rural financial service system is not well-developed, making it difficult for farmers to obtain financing, which restricts the development of the rural circulation system.

Green Circulation and Sustainable Development

During the development of the circulation system, ecological and environmental protection may be overlooked, leading to resource waste and environmental pollution.

Absence of Shared Service Platforms

Rural areas lack shared service platforms, such as shared logistics and agricultural machinery, resulting in low resource utilization efficiency.

IV. POLICY RECOMMENDATIONS

Increase Investment in Infrastructure

The national and local governments should increase investment in rural infrastructure, improve rural roads, storage facilities, cold chains, and other logistics facilities, and strengthen the foundational construction of rural logistics. This will fundamentally address the issues of industrial goods not being able to enter rural areas and agricultural products not being able to reach urban markets. Establish county-level rural e-commerce logistics and distribution centers to integrate multiple courier and express companies, enabling unified operations and time-sharing tasks to reduce the delivery costs per item.

Promote Informatization

Develop rural e-commerce to enhance the ability to collect, transmit, and analyze information on agricultural products, thereby promoting the efficient circulation of these products. Establish an informatized service platform for rural logistics to improve logistics efficiency and service capabilities.

Training and Technology Popularization

Conduct information technology training to improve farmers' digital literacy and popularize the application of modern information technology in rural areas. Strengthen the cultivation of logistics talent to enhance the informatization level of logistics distribution. Connect producers and consumers directly through e-commerce platforms to reduce intermediary links, lower transaction costs, and save time.

Improve Policy Support and Financial Services

The government should introduce policies to support the construction of information technology infrastructure in rural areas, such as broadband network coverage. Specific fiscal, tax, and financial preferential policies should be introduced to

encourage corporate investment in rural areas and promote farmers' entrepreneurship and innovation. Establish and improve the rural financial service system, develop rural microcredit, and provide convenient financial services for farmers. Localities should use service industry development funds to support the construction of county-level commercial systems, integrate relevant local fiscal subsidies and government special bonds, and support the construction of rural circulation facilities. Improve the rural credit system, lower the threshold for financial services, and enhance the coverage and accessibility of financial services.

Promote Green Culture

Promote green packaging and transportation to reduce resource waste and environmental pollution in the circulation process. Popularize the concept of green consumption in rural areas to raise farmers' awareness of ecological protection.

Establish Shared Service Platforms

Leverage the concept of the sharing economy to promote resource sharing, such as the construction of shared logistics, shared agricultural machinery, and shared e-commerce platforms.

V. CONCLUSION

The theory of rural circulation systems in the context of rural revitalization is of great significance to a comprehensive economic development strategy. Establishing a rural logistics and circulation system is key to promoting the upgrading of rural consumption. However, to drive rural economic development, it is necessary to achieve multi-party collaboration and innovative services. This study focuses on urban and rural consumers in different regions, and their consumption tendencies under the influence of the logistics system hold important research significance and reference value. It is hoped that these findings will contribute to the in-depth implementation of rural revitalization, achieve high-quality rural economic development, and realize common prosperity.

VI. ACKNOWLEDGMENT

This work is supported by the 2024 College Students' Innovation and Entrepreneurship Training Program Project of Zhaoqing University (X202410580110).

REFERENCES

- [1] Wang Jiahao. *Research on the Integration of Urban and Rural Commercial Circulation Under the "Internet+" Background* [D]. Hebei University of Economics and Business, 2020.
- [2] Wang Yue. *Theoretical and Empirical Research on Expanding Rural Consumption Through a Dual Urban-Rural Circulation System* [D]. Anhui University of Finance and Economics, 2015.
- [3] Zhang Zhiling. *Research on the Construction of Rural Circulation Systems in Shanxi Province Under the Rural Revitalization Strategy* [D]. North University of China, 2020.
- [4] Dong Pinghua. *Government Functions in the Construction of Rural Commodity Circulation Systems* [D]. Qingdao University, 2009.
- [5] Wang Chunjuan. *Research on Digital Economy-Driven Efficiency Transformation in China's Circulation Industry* [D]. Capital University of Economics and Business, 2022.