

Empirical Analysis on the Impact of Poverty Alleviation by Rural E-commerce on Farmers' Income

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Authors' contributions

This work was carried out in collaboration among all authors. All authors read and approved the final manuscript.

Article Information

ABSTRACT

According to the data of 200 valid questionnaires collected in 11 poor villages of 7 townships, 5 counties in Zhumadian region, this paper use the Difference-in-differences(DID) model to calculate the change difference of the per capita net income, per capita agricultural operating net income, and per capita non-agricultural net income between the farmers who have participated or so. After that, this paper used the fixed effect model to analyze the effect of other control variables on the farmers' income. The research results are as follows: The rural E-commerce poverty alleviation policy has a significant positive impact on per capita net income, per capita net agricultural operating income, and per capita non-agricultural net income of farmers, and the income structure of the farmers' family can be changed in the short term through poverty alleviation.

Keywords: Poverty Alleviation; Rural E-commerce Poverty Alleviation; Farmer Income; DID Model

1. INTRODUCTION

In November 2016, the State Council Poverty Alleviation Office, together with the National Development and Reform Commission, the Central Network Information Office, the Ministry of Commerce and other national ministries and commissions in China jointly issued the "Guiding Opinions on Promoting Accurate Poverty Alleviation for E-commerce", which first proposed the guiding ideology and overall objectives, basic principles, main tasks and safeguards, etc., of rural e-commerce poverty alleviation. The top-level design for rural e-commerce poverty alleviation has initially been completed. Since then, relevant ministries and commissions of the State Council of the People's Republic of China have successively issued a large number of supporting policy documents, fully supporting poor rural areas to formulate medium and long term plans and implementation rules for rural e-commerce poverty alleviation according to their actual conditions. Under this background, the Zhumadian area in Henan Province vigorously promotes the rural e-commerce precision

41 poverty alleviation project, and strives to solve the problems of restricting the development of
42 e-commerce in poor counties and poor villages and the implementation of rural e-commerce
43 poverty alleviation projects, and promotes characteristic industries and rural e-commerce to
44 integrated development in poor counties and poor villages. It is benefit to transform the
45 advantages and resources of poverty-stricken counties and poverty-stricken villages into
46 incomes of farmers, and help more poor farmers to participate in various ways such as e-
47 commerce, offline employment, online sales, land transfer, and share-based dividends. The
48 local e-commerce poverty alleviation activities expand the income sources of poor
49 households, and steadily increase household income levels. Therefore, the studying of the
50 rural e-commerce poverty alleviation has significance for the implementation of e-commerce
51 poverty alleviation in other regions.

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53 **2. RURAL E-COMMERCE POVERTY ALLEVIATION**

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55 In December 1984, the World Telecommunication Development Independent Commission
56 issued The Missing Link, also known as the Maitland Report or the Report of the Maitland
57 Commission, clearly stating to strengthen the infrastructure construction of information and
58 communication technologies(ICT) in developing countries[1], improving communication
59 conditions for urban and rural residents, expanding information communication and
60 exchanges, driving the country's economic take-off and development, and reducing the size
61 of the poor. This report is the earliest research literature on the field of information poverty
62 alleviation. It has pioneered the use of ICTs to reduce poverty in developing countries. It
63 provides the most primitive theoretical guidance for developing countries to carry out
64 information poverty alleviation in the practice.

65 At present, scholars have carried out theoretical and practical discussions on information
66 poverty alleviation, rural e-commerce, and rural e-commerce poverty alleviation. Charles
67 Kenny argues that information and communication technology (ICT) is a powerful tool for
68 empowering and increasing income in developing countries [2]. It also points out that
69 broadcasting and telephone are the most suitable communication tools for the poor, and the
70 government should concentrate on opening private and community broadcasts. Expand the
71 use of telephone services to effectively play the positive role of information and
72 communication technologies in promoting poverty alleviation and poverty alleviation in poor
73 areas. Adeniji [3] studied how information and communication technologies can improve the
74 utility of small producers in Nigeria, pointed out that the advantages and potential of
75 information and communication technologies are in enhancing food security and alleviating
76 poverty. Burga and Barreto [4], Shimamoto et al, [5] found that the widespread use of the
77 Internet and mobile phones have a significant positive effect to understanding market
78 information for farmers, increase agricultural product sales prices, increase agricultural
79 product sales, and increase rural employment and improvement of production and living
80 conditions based on rural survey data from Peru and Cambodia. Nora Abdalla Hassan
81 Basher [6] pointed out in the study of poverty in Sudan that information and communication
82 technologies have an important impact on people's awareness, education, health,
83 employment, environment, social equity, agriculture and grazing. The government should
84 formulate the correct investment, resource policies and rules and regulations to create a
85 good development environment, promote the progress of information and communication
86 technology in poverty-stricken areas, and benefit its economic and social development and
87 poverty improvement.

88 ZhengWensheng et al. [7] believed that rural e-commerce has potential economic
89 advantages, such as online cooperation could bring opportunities with low input and high
90 output effects, reduce information asymmetry of farmers, reduce transaction costs, and
91 achieve effective resource allocation through transaction monitoring, reduce market risks

92 and so on. Based on the field research of Shaji Town in Jiangsu Province, Wang Xiangdong
93 [8] believed that poor farmers could use the Internet and third-party e-commerce trading
94 platforms to create online stores, directly connect to the online consumer market, master
95 order rights and pricing power, and get rid of information weakness, and engage in online
96 sales of offline industries, achieve stable employment, obtain wage income, raise household
97 income levels, and then achieve income increase and poverty decrease .The farmers' C2C
98 direct sales (ie, farmer's online shop) were simple, fast and easy-to-follow new ways for
99 farmers to sell. The rich product categories, perfect brands, flexible promotion methods and
100 effective rights protection were continuing to expand the sales of store products and the
101 increase of farmers' income.

102 Zhu Jiarui et al. [9] conducted a comprehensive and in-depth analysis of the unique
103 characteristics, construction principles and processes of rural e-commerce poverty
104 alleviation model, and believed that the role of poverty alleviation in promoting rural e-
105 commerce poverty alleviation was directly related to e-commerce rural poor poverty
106 alleviation. According to the different roles of poverty alleviation, the rural e-commerce
107 poverty alleviation models were defined the public institution-led model, the agricultural
108 enterprise-led model and the professional cooperative-led model. The advantages and
109 disadvantages of these three models were further analyzed. On this basis, Zhang Yan et al.
110 [10] and MengBaocheng et al. [11] further defined the rural e-commerce poverty alleviation
111 models of an individual business model, a cooperative operating model, an enterprise-driven
112 poverty alleviation model, a public institution-led model, and commissioned professional
113 operators model.

114 Ma Zebo [12] based on the questionnaire survey of 630 farmers in the frontier ethnic areas,
115 from the perspective of farmer endowment and regional environment, analyzed the
116 willingness of farmers to participate in rural e-commerce poverty alleviation and its
117 influencing factors. The results showed that the higher the education level, the stronger the
118 willingness of participation; the lower the household income level, the greater the probability
119 of participation. The perfect e-commerce logistics system, the moderate scale of agriculture,
120 the high degree of standardization of agricultural products, and the government's vigorous
121 promotion could help to encourage farmers to participate in rural e-commerce poverty
122 alleviation activities. The farmers' low awareness of rural e-commerce, the lag of e-
123 commerce infrastructure construction in poverty-stricken areas, the lack of rural e-commerce
124 service system, and the limited scale of agricultural production and management were four
125 major obstacles affecting farmers' willingness to participate in rural e-commerce poverty
126 alleviation [13].

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129 China is witnessing the following development in Information and Communication
130 Technology (ICT) application in rural areas: Internet infrastructure is strengthened; E-
131 commerce in rural areas is thriving; rural information service is upgraded; A solid progress
132 has been made in Agricultural Internet of Things and rapid deployment of big-data
133 technology[14].

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136 Poverty reduction involves both balanced development and human rights protection. There
137 are many ways to reduce poverty, and the use of financial instruments in poverty reduction is
138 a universal tool and method throughout the world [15]. In order to ensure the realization of
139 the general goal of poverty reduction, it is necessary to make overall plans for e-commerce
140 poverty reduction, lay a solid foundation for targeted poverty reduction industries, give full
141 play to the leading role of talents and technologies, strengthen infrastructure construction,

142 promote e-commerce in poverty alleviation, and improve the accuracy of targeted poverty
143 reduction[16].

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145 In summary, in actual operation, e-commerce poverty alleviation has not yet played an
146 effective role in precision poverty alleviation because it still faces some problems. Mainly
147 reflected in the weak foundation of e-commerce poverty alleviation industry, insufficient
148 innovation ability and the corresponding public services are not in place. And there are few
149 positive papers on poverty alleviation policy by use of DID model. Therefore, our research
150 has contributed to solving the problems.

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154 3. THE THEORETICAL MODEL

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156 The dual difference model, also known as the Difference-In-Difference Model (DID model), is
157 a quantitative analysis method that evaluates the net impact of a policy, a project, or a
158 behavior on the target. A DID model for evaluating the impact of rural e-commerce poverty
159 alleviation on farmers' income is

$$160 Y = \alpha + \beta T + \lambda P + \theta TP + \varepsilon \quad (1)$$

161 Y is the dependent variable, indicating the per capita net income of the farmers. And P is a
162 dummy variable, indicating whether the affected households participate in the rural e-
163 commerce poverty alleviation, that is, participation means P=1, no participation means P=0.
164 T is a dummy variable, indicating that the affected farmers participate in rural e-commerce
165 poverty alleviation, that is, T=0 means before participation and T=1 means after participation.
166 ε is a random disturbance item, which represents other un-measurable factors affecting the
167 income of farmers.

168 For the treatment group farmers, P=1, the DID model can be simplified as: $Y = \alpha + \beta T + \lambda + \theta T + \varepsilon$.
169 Then, the incomes of the treatment group farmers before and after the participation are

$$170 Y = \begin{cases} \alpha + \lambda + \varepsilon, T = 0 \\ \alpha + \beta + \lambda + \theta + \varepsilon, T = 1 \end{cases} \quad (2)$$

171 Furthermore, the average change in per capita income of the treatment group before and
172 after the implementation of rural e-commerce poverty alleviation is

$$173 \text{Diff}_A = (\alpha + \beta + \lambda + \theta + \varepsilon) - (\alpha + \lambda + \varepsilon) = \beta + \theta \quad (3)$$

174 For natural group farmers, P=0, the DID model can be simplified to $Y = \alpha + \beta T + \varepsilon$. Then,
175 the income of the natural group farmers before and after the implementation is:

$$176 Y = \begin{cases} \alpha + \varepsilon, T = 0 \\ \alpha + \beta + \varepsilon, T = 1 \end{cases} \quad (4)$$

177

178 Furthermore, the average change in per capita incomes of the natural group farmers before
179 and after the implementation of rural e-commerce poverty alleviation is

$$180 \text{Diff}_B = (\alpha + \beta + \varepsilon) - (\alpha + \varepsilon) = \beta \quad (5)$$

181 Therefore, the net effect (net impact) of rural e-commerce poverty alleviation on the income
182 of participating farmers is

$$183 \text{Diff} = \text{Diff}_A - \text{Diff}_B = (\beta + \theta) - \beta = \theta \quad (6)$$

184 That is, the parameter of WP in the model is a double difference estimation value, which
185 represents the net effect or net effect of rural e-commerce poverty alleviation on farmers'
186 income, and also represents the policy effect of rural e-commerce poverty alleviation.

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4. DATA SOURCE AND STATISTICAL DESCRIPTION OF THE BASIC CHARACTERISTICS OF THE FARMERS INTERVIEWED

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This section may be divided by subheadings. It should provide a concise and precise description of the experimental results, their interpretation as well as the experimental conclusions that can be drawn.

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4.1 The distribution of Data

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The data used in this paper was from the household survey in Zhumadian area, where 214 questionnaires were completed, 14 unqualified questionnaires were removed, and the remaining 200 questionnaires were valid, in which farmers of 136 questionnaires participated in e-commerce poverty alleviation, accounting for 68%. There were farmers of 64 questionnaires not participating, accounting for 32%. In addition, 84 of the 200 households surveyed were poor households, accounting for 42%. 116 households were out of poverty, accounting for 58%. The specific distribution of the interviewed farmers is shown in Table 1.

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Table 1. Distribution of the interviewed farmers

Distribution	Zhuanta township	Erlangtownship	Tandian town	Yushan town	Wangan town	Shaodian township	Liupentown
Participating farmers	31	16	25	37	27	0	0
Not-Participating farmers	13	4	8	11	9	14	5
total	44	20	33	48	36	14	5
The proportion	22%	20%	16.5%	24%	18%	7%	2.5%

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In the Zhumadian area, the implementation of rural e-commerce poverty alleviation was relatively late. Since 2016, the support policies for promoting the implementation of the rural e-commerce poverty alleviation project have been intensively released. The poverty-stricken counties, poverty-stricken townships and poor villages have been encouraged and supported to implement rural e-commerce poverty alleviation, which initially achieved significant poverty alleviation results. In addition, according to the actual situation of pre-investigation in Songji Village in Xiping County in Zhumadian in early 2018, and the availability and accuracy of farmers' income data, the time of year before the participation of rural e-commerce poverty alleviation was selected in 2015, the time of year after participation of rural e-commerce poverty alleviation was selected in 2017. It could accurately measure the direction and influence degree of rural e-commerce poverty alleviation on farmers' income.

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4.2 Statistical description of the characteristics of the farmers interviewed

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The basic characteristics of the farmers mainly include age, gender, whether or not the head of household, education level, total family population, non-agricultural labor ratio, and family cultivated area. The statistical description of the characteristics of the interviewed farmers is shown in Table 2.

227 **Table 2. Statistical description of the characteristics of the interviewed farmers**
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Variable	Minimum	Maximum	Mean	Standard Deviation
Age	1	5	3.38	1.03
Gender	0	1	0.57	-
Whether or not the head of household	0	1	0.58	-
Education level	1	4	2.04	0.73
Total family population	1	11	3.62	1.68
Non-agricultural labor ratio	0	1	0.57	-
Family cultivated area	1	14	4	1.8

229 *Note: The classification of age of the interviewed farmer: 1.39 years old and below, 2.40-49 years old,*
 230 *3.50-59, 4.60-69, 5.70 years old and above; gender: male 1, female 0; whether or not the*
 231 *head of household: yes 1, no 0; educated level: 1. Not attended, 2. Elementary school, 3.*
 232 *Junior high school, 4. High school, 5. College and above.*
 233

234 **Table 3. Gender of the interviewed farmers and the distribution of “whether or not**
 235 **the head of household”**
 236

Variable	the number of people	proportion (%)
Male	113	56.5%
Female	87	43.5%
Head of household	115	57.5%
Non-head of household	85	42.5%

237 **Table 4. Age of the interviewed farmers**
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Age	39 years old and below	40-49 years old	50-59 years old	60-69 years old	70 years old and above
Number of people	9	32	58	77	24
Proportion (%)	4.5%	16%	29%	38.5%	12%

240 **Table 5. Education level of the interviewed farmers**
 241
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Education level	Not attended	Elementary school	Junior high school	High school	College and above
Number of people	44	111	42	3	0
Proportion (%)	22%	55.5%	21%	1.5%	0

243
 244 It can be seen from the above table that the proportion of males and females in the surveyed
 245 households was 56.5% and 43.5% respectively, of which the proportion of household heads
 246 was 57.5%, the youngest was under 39 years old, the maximum age was over 70 years old,
 247 and the average age was 50-59. The number of interviewed households between the ages
 248 of 40 and 69 accounted for 83.5%, indicating that the survey covered all age levels, and

249 could reflect the implementation of the poverty alleviation. The level of education of the
 250 interviewed farmers was generally low. The number of rural households who had not
 251 attended school and only attended primary school was 155, accounting for 77.5%, which
 252 was generally in line with the current rural population. The number of people was between 1
 253 and 11, and the average number per household was 3-4. The average and standard
 254 deviation of non-agricultural labor ratio were 0.57 and 0.49 respectively, indicating that most
 255 of farmers in the survey area were more willing to go out or work locally in order to obtain
 256 higher wage income than agricultural income. The average cultivated land area of the
 257 interviewed households was 4 Mu.

258 **4.3 Satisfaction of the interviewed farmers participating in rural e-commerce** 259 **poverty alleviation**

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 262 According to Table 6, nearly 69.1% of the respondents indicated that they were very
 263 satisfied or satisfied with regard to raising the income level. In terms of the improvement of
 264 family living standards, 52.9% of the respondents indicated that they were very satisfied or
 265 satisfied. It can be seen that in the process of implementation, rural e-commerce poverty
 266 alleviation could indeed enrich the sources of income, optimize the income structure,
 267 increase household income, and at the same time significantly increase expenditures and
 268 improve living standards. In terms of overall satisfaction, 61.8% of the surveyed households
 269 expressed satisfied or very satisfied, and only 11.8% of the surveyed households expressed
 270 dissatisfied or very dissatisfied.

271
 272 **Table 6. Satisfaction of the interviewed farmers in rural e-commerce poverty**
 273 **alleviation (%)**
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Item	very satisfied	satisfied	generally	dissatisfied	very dissatisfied
Raising the income level	3.7%	65.4%	22.8%	7.4%	0.7%
The improvement of family living standards	1.5%	51.4%	28.7%	13.2%	5.2%
Satisfaction	2.2%	59.6%	26.5%	10.3%	1.5%

275 **5. AN EMPIRICAL ANALYSIS OF THE IMPACT OF RURAL E-COMMERCE** 276 **POVERTY ALLEVIATION ON FARMERS' INCOME** 277

278 **5.1 An Empirical Analysis of the Impact of Single Variable of E-commerce** 279 **Poverty Alleviation on Farmers' Income** 280

281 **5.1.1 Variable selection and descriptive statistics** 282

283
 284 In this paper, the impact of rural e-commerce poverty alleviation on the income of farmers
 285 was studied. The changes in the per capita net income before and after the implementation
 286 of rural e-commerce poverty alleviation were analyzed. At present, the income sources of
 287 rural households in Zhumadian area were mainly agricultural income obtained from
 288 agricultural production, wage income obtained by going out or working nearby, income from
 289 land transfer, capital purchase and so on, transfer income from national preferential policies.
 290 The wage income, property income, and transfer income were unified into non-agricultural
 291 income for the model significance test. Therefore, the per capita net income of the farmer for
 292 Y, the net income per capita agricultural operation for YN, and the net non-agricultural
 293 income for YF were respectively taken as the explanatory variables to analyze the net

294 impact of rural e-commerce poverty alleviation on the income of participating farmers.
 295 According to the year for the surveyed farmers to participate in the rural e-commerce poverty
 296 alleviation mainly in 2016 and the accuracy of the farmers' past income records, the year of
 297 income of the households before and after the survey was selected as 2015 and 2017. It
 298 could more accurately measure the direction and impact of rural e-commerce poverty
 299 alleviation on farmers' income and income structure. Therefore, this paper used a total of
 300 400 samples farmer income data in 2015 and 2017.

301
 302 The statistical description of the main explanatory variables in this paper is shown in Table 7.
 303 The minimum value of Y, YN, and YF is 0 Yuan. The main reasons might be those
 304 interviewed farmers cannot be engaged in agricultural production or go out to work nearby
 305 due to their ages and serious illness. The maximum values of Y, YN, and YF were 13718.2
 306 Yuan, 3823.3 Yuan, and 15800 Yuan. The average values of Y, YN, and YF were 6729.27
 307 Yuan, 1441.22 Yuan, 5288.05 Yuan. The standard deviation was 4164.29 Yuan, 705.53
 308 Yuan, and 3732.75 Yuan. The maximum value of YF was as high as 15,800 Yuan. The main
 309 reason might be that the interviewed farmer not only transferred the household contracted
 310 farmland to the special agricultural product planting base established by the e-commerce
 311 enterprise, but also obtained a stable land transfer fee and also got priority to work in the
 312 base. More family members were allowed to work nearby, go out to work, extend the time
 313 spent on work, and obtain higher income from work. Thereby substantially the non-
 314 agricultural income of farmers' families was increased.

315 **Table 7. Statistical description of the dependent variables**

Dependent Variable	Minimum	Maximum	Mean	Standard Deviation
the per capita net income of the farmerY (yuan)	0	13718.2	6729.27	4164.29
the net income per capita agricultural operationYN (yuan)	0	3823.3	1441.22	705.53
the net non-agricultural incomeYF (yuan)	0	15800	5288.05	3732.75

318
 319 **5.1.2 Model estimation results and explanation**

320
 321 Table 8 shows that from the perspective of per capita net income before the implementation
 322 of rural e-commerce poverty alleviation, the per capita net income of participating
 323 households was 4181.83 Yuan, while the per capita net income of the non-participating
 324 households was 3502.55 Yuan, the former was 679.28 Yuan more than the latter. The
 325 income level was not much different. After the implementation of rural e-commerce poverty
 326 alleviation, the per capita net income of participating households was 11,231.53 Yuan, and
 327 the per capita net income of non-participating households was 4494.27 Yuan. The former
 328 was 6278.26 Yuan more than the latter. The difference between the previous differences
 329 was 5,067.98 Yuan. That is, DID value was 5,067.98 Yuan. After the implementation of rural
 330 e-commerce poverty alleviation, the per capita net income of participating households
 331 increased by 7047.70 Yuan than before the implementation, while the per-capita net income
 332 of non-participating households increased slightly. After the implementation, the increase
 333 was only 1441.72 Yuan before the implementation. It showed that the positive net impact of
 334 rural e-commerce poverty alleviation on the per capita net income of farmers was 5607.98
 335 Yuan.
 336

337 From the perspective of net income per capita agricultural operation, before the
 338 implementation of rural e-commerce poverty alleviation, the per capita agricultural operating
 339 net income of participating households was 869.88 Yuan, while the non-participating
 340 households were 773.23 Yuan, the difference between the two was 96.65 v, which showed
 341 that between participating households and the non-participating households it was not
 342 different much before the implementation. After the implementation of rural e-commerce
 343 poverty alleviation, the per capita agricultural operating net income of participating
 344 households was 2146.83 Yuan, while the non-participating households were 1318.83 Yuan,
 345 the difference between participating households and the non-participating households was
 346 828 Yuan. It can be seen that the participation of households and non-participating
 347 households differed greatly after implementation. Compared with before the implementation,
 348 the difference was 731.35 Yuan. That is, DID value is 731.35 Yuan. It indicated that the
 349 positive net impact of rural e-commerce poverty alleviation on the per capita agricultural net
 350 income of households was 731.35 Yuan.

351
 352 From the perspective of per capita non-agricultural net income, after the implementation of
 353 rural e-commerce poverty alleviation, the per capita agricultural operating net income of
 354 participating households was 9084.69 Yuan, an increase of 5772.74 Yuan than that before
 355 the implementation, showing that rural e-commerce poverty alleviation was involved.
 356 The influence to per capita agricultural operating net income of farmers was very
 357 significant. The per capita agricultural operating net income of non-participating households
 358 was 3,256.44 Yuan, which was only 896 Yuan more than before the implementation. The
 359 change was not so much. The difference of added value of operating net income between
 360 the per capita agriculture of participating farmers and non-participating farmers was 4,876.74
 361 Yuan, which indicated that the positive net impact of rural e-commerce poverty alleviation on
 362 the per capita non-agricultural net income of farmers was 4,876.74 Yuan. Among them, the
 363 per capita non-agricultural net income of participating farmers was 9084.69 Yuan, a net
 364 increase of 5772.74 Yuan than that of before the implementation, with a growth rate of 174%.
 365

366 **Table 8. Mean difference of income of farmers before and after participation**

The per capita net income of the farmerY (Yuan)	Participating farmers	Non-participating farmers	Diff
2015	4181.83	3502.55	679.28
2017	11231.53	4944.27	6287.26
Diff	7049.70	1441.72	5607.98
the net income per capita agricultural operationYN (Yuan)	participating farmers	non-participating farmers	Diff
2015	869.88	773.23	96.65
2017	2146.83	1318.83	828.00
Diff	1276.95	545.60	731.35
the net non-agricultural incomeYF (Yuan)	participating farmers	non-participating farmers	Diff
2015	3311.95	2729.31	582.64
2017	9084.69	3625.44	5459.25
Diff	5772.74	896	4876.74

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5.1.3 DID model estimation results

371 The following is a significant test of the DID estimates in Table 9 using SPSS (20.0) software.
 372 The results are shown in Table 9.

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 374
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Table 9. Significance test results

Variable	Coefficient	Y	YN	YF
C (cons)	α	3502.545***	773.233***	2729.313***
T	β	679.289	96.652	582.637
P	λ	1441.724***	545.597***	896.127**
TP	θ	5607.967***	731.351***	4876.615***
R ²		0.617	0.600	0.541

376 Note: *, **, and *** indicate significant levels at 10%, 5%, and 1% respectively.

377 Table 9 shows the DID coefficients of Y, YN, and YF are 5607.967, 731.351, and 4876.615
 378 respectively. And all of them are significant at the 1% level. The coefficient λ of P is 1441.724,
 379 545.597, and 896.127 respectively. And the former two are significant at the 1% level, and
 380 the latter is significant at the 5% level. These demonstrate that rural e-commerce poverty
 381 alleviation has a significant positive impact on farmers' net income, agricultural net income,
 382 and non-agricultural net income. That is, after the implementation of rural e-commerce
 383 poverty alleviation, agricultural operating income, and non-agricultural income have all
 384 increased significantly between the treatment group and the natural group income.

385

386 **5.2 An Empirical Analysis of the Impact of Other Control Variables on** 387 **Farmers' Income**

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389 **5.2.1 Model design and variable selection**

390

391 In the above model, the effects of individual and family factors on the income of farmers are
 392 neglected. In order to increase the accuracy of this study, a fixed-effects model is used to
 393 study the evidence, as shown in equation (7):

394

$$395 Y_{fs} = \alpha + \beta T_s + \lambda P_f + \theta T_s P_f + X_{fs} + \varepsilon_{fs} \quad (7)$$

396

397 Where f is the farmer household, s is the period. Y_{fs} is the per capita income of the farmer f
 398 during the s period. P_f indicates whether the farmer f participates in the dummy amount of
 399 the rural e-commerce poverty alleviation. That is, participation in means $P_f=1$, not
 400 participating in means $P_f=0$. T_s is a dummy variable about farmers participate in the dummy
 401 quantity before and after rural e-commerce poverty alleviation. That is, before participation
 402 means $T_s = 0$, and after participation $T_s = 1$. X_{fs} is a set of observable variables that affect the
 403 income of farmers, including the age, gender, whether or not the head of household,
 404 education level, the total number of family members, the proportion of non-agricultural labor,
 405 and the area of cultivated land. ε_{fs} is another influencing factor that affects the income of
 406 farmers but is unobservable.

407

408 The independent variables include the three dummy variables (T, P, TP), the personal
 409 factors of the farmers and the family factors. The personal factors include the age, gender,
 410 whether or not the head of household, education level. Family factors include the total
 411 number of family members, the proportion of non-agricultural labor, and the area of cultivated
 412 land. Assume that X1 is the age of the farmer, X2 is the gender, X3 is “whether or not the

413 head of household” , X4 is the education level, X5 is the total number of family members,
 414 X6 is the non-agricultural labor ratio, and X7 is the family cultivated land (Mu).

415

416 **5.2.2 Model results and interpretation analysis**

417

418 Using SPSS 20.0 software and fixed effect mode $Y_{fs} = \alpha + \beta T_s + \lambda P_f + \theta T_s P_f + X_{fs} +$
 419 ϵ_{fs} (7), regression analysis was performed on the income of all surveyed households. The
 420 results are shown in the following table:

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422

423

Table 10. Model estimation results for the main control variables

Variables	Y	Y _N	Y _F
age X ₁	-6.623	2.781	-9.044
gender X ₂	155.459	122.731	32.728
whether or not the head of household X ₃	-237.182	-71.437	-165.745
education level X ₄	506.509**	57.708	448.800**
the total number of family members X ₅	1135.696***	19.374	1116.322***
the non-agricultural labor ratio X ₆	9986.067***	1174.862***	8811.205***
the family cultivated land (Mu) X ₇	94.371	71.706***	22.665
C (cons)	-2296.118*	316.302	-2612.419**
R2	0.524	0.256	0.526

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Note: *, **, and *** indicate significant levels at 10%, 5%, and 1%, respectively.

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Table 10 shows that the age of farmers has a negative impact on the per capita net income of farmers and the net non-agricultural income per capita, but they are not significant. The age has a positive impact on the net income of per capita agricultural operations, and it is not significant. “whether or not the head of household” has a negative impact on the per capita net income of farmers, net income per capita agricultural operation, and per capita non-agricultural net income, but and they are not significant. The education level has a significant positive impact on the per capita net income and per capita non-agricultural net income of farmers at the level of 5%. The total number of family members has a significant positive impact on the per capita net income, and the net non-agricultural income per capita at the level of 1%. The non-agricultural labor ratio has a significant positive impact on the farmer's per capita net income, the per capita farmer's operating net income, and the per capita non-agricultural net income at the level of 1%. The family cultivated land areas significant for per capita agriculture at the level of 1%.

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5.3. The Impact of Rural E-commerce Poverty Alleviation on Farmers' Income Structure

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Table 11 shows that the per capita agricultural net income, per capita net income, and per capita net income of per capita farmers accounted for 20.80%, 77.49%, and 1.71% respectively after the implementation of poverty alleviation in rural e-commerce. While the ratios were 22.08%, 75.81%, 2.11% respectively before the implementation of poverty alleviation in rural e-commerce. Per capita agricultural operating net income, per capita property net income decreased by 1.28 and 0.4 percent, and per capita wage net income increased by 1.68 percent. Those showed that the change of family income structure of non-participating households was not significant in the period of the implementation of rural e-commerce poverty alleviation. For the participating households, the per capita wage net income and per capita property net income accounted for 73.10% and 0.22% before the

452 implementation of rural e-commerce poverty alleviation, and 76.97%, and 3.92% after the
 453 implementation of rural e-commerce poverty alleviation. It was an increase of 3.87 percent
 454 and 3.7 percent respectively. Per capita agricultural operating net income accounted for
 455 26.68% and 19.11% respectively. It was a decrease of 7.57 percent. The household income
 456 structure of participating households had changed significantly comparing with that before
 457 and after the implementation of rural e-commerce poverty alleviation. And the income
 458 sources were more diverse. The ability of farmers to continue to increase revenue had
 459 increased significantly.

460
 461 **Table 11. Changes in income structure of farmers**
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Income structure	Participating farmers		Non-participating farmers	
The net income per capita agricultural operation (Yuan)	22.08%	20.80%	26.68%	19.11%
The net income per capita wage (Yuan)	75.81%	77.49%	73.10%	76.97%
Per capita property net income (Yuan)	2.11%	1.71%	0.22%	3.92%
Sum	100%	100%	100%	100%

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464 **6. DISCUSSION**

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466 As a new way of poverty alleviation, rural e-commerce poverty alleviation has not been
 467 widely promoted in poverty-stricken areas in most developing countries, and relevant
 468 theories are lacking. This study uses the DID model to draw lessons from e-commerce
 469 poverty alleviation. This study studies the systematic impact of rural e-commerce on the net
 470 income per capita of farmers, per capita agricultural net income, and per capita non-
 471 agricultural net income, and the impact on farmers' income structure. It is an innovation in
 472 empirical research.

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474 Based on the above analysis, based on the in-depth analysis of the shortcomings and
 475 shortcomings of the existing research results, this search uses the DID model to empirically
 476 analyze the per capita net income of rural e-commerce poverty alleviation, per capita
 477 agricultural net income, per capita. The non-agricultural net income and the influence
 478 direction of the income structure and the degree of influence, and on this basis, in order to
 479 further accelerate the development of the rural e-commerce industry in the Zhumadian area
 480 and implement the rural e-commerce poverty alleviation project, put forward corresponding
 481 policy recommendations. This shows that policy interventions have a theoretical and practical
 significance for e-commerce to alleviate poverty and narrow the income gap.

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483 **7. CONCLUSION**

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485 The rural e-commerce poverty alleviation has a significant effect on farmers' income. The
 486 rural e-commerce poverty alleviation can greatly increase the agricultural operation income
 487 and non-agricultural income of the participating farmers, so as to increase the total income of
 488 the participating households. Thus it could help the participating farmers to increase income
 489 and get rid of poverty.

490

491 The rural e-commerce poverty alleviation has long-term effects on farmers' income. From the
 492 field research, the non-agricultural income of farmers mainly included wage income, land
 493 transfer fees, dividends for enterprises, and so on. The farmers achieved stable employment

494 by participating in offline production activities of local network operators.They sign land
495 transfer agreements with agricultural product e-commerce enterprises, and obtain stable
496 annual transfer costs. They applied for poverty alleviation microfinance and invested in local
497 poverty alleviation e-commerce enterprises to get a fixed annual corporate dividend. Poverty
498 township government and local leading e-commerce enterprises signed cooperation
499 agreements to guide them to sign acquisition contracts with poor farmers, which promised to
500 buy agricultural products produced by poor farmers at higher than market prices.It helped
501 poor farmers to improve agricultural operating income.

502
503 The rural e-commerce poverty alleviation can optimize the household income structure of
504 farmers in the short term. It can increase the wage income and property income of
505 participating farmers by increasing the opportunities for nearby employment, extending the
506 time of working outside the home, accelerating the transfer of contracted farmland, and
507 capital stocks to increase the wage income and property income of participating farmers. It
508 reduced agricultural income significantly to expand the income source of farmers and
509 optimize the family income structure.

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511 The limitation of this study is that although the DID model gives a quantitative analysis
512 conclusion of e-commerce poverty alleviation, in terms of theoretical construction, the e-
513 commerce poverty alleviation mechanism still needs further exploration. In addition, in reality,
514 how to reduce policy costs and improve the marginal efficiency of e-commerce poverty
515 alleviation policy is also an important research direction in the future. Finally, for the advent
516 of the 5G era, e-commerce poverty alleviation will also face new challenges and
517 opportunities, all of which have significant research value.

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520 **COMPETING INTERESTS**

521

522 Authors have declared that no competing interests exist.

523

524 **AUTHORS' CONTRIBUTIONS**

525

526 Q. Z. designed the study, performed the statistical analysis, wrote the protocol, and wrote
527 the first draft of the manuscript. N. Y. suggested research ideas and contributed to the data
528 analysis and revision of the paper. Z. F., and H. J. managed the literature searches, and
529 were responsible for questionnaire collection and data processing.

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