

Research on the Current Situation and Development Strategy of Henan Logistics Industry

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Abstract

Based on the reality of Henan Province, this paper analyzes the logistics industry in Henan Province, the results show that the overall development of the logistics industry in Henan Province is better, but there are still some problems such as lagging behind the construction of logistics specialization, slow progress of logistics informatization, and lack of green logistics development. Facing these problems, the paper puts forward some suggestions, such as promoting the reform of the supply side of logistics, strengthening the construction of regional infrastructure, developing the third party logistics and so on, to provide support for the construction of ecological civilization in Henan Province.

Keywords

Henan; logistics; development strategy.

1. Introduction

Henan is located in the central part of China. It is the junction of the two main north-south East and west main roads of China's railways and highways. Transportation has always been a pillar industry in Henan Province. In recent years, Zhengzhou, Zhoukou and other places have become increasingly prominent as national transportation centers, playing an increasingly strong role. On this basis, the economy of Henan Province has made considerable development, logistics industry as a supporting role is also reflected incisively and vividly. However, in the process of development there is excessive unit energy consumption, unreasonable production planning caused a large amount of waste of resources.

In recent years, fog and haze and pollution have repeatedly invaded the Central Plains, and have a great impact on the production and life of the local people. Low-carbon environmental protection issues have become more prominent in our vision[1], the Chinese government after several years of supply-side reform practice, environmental problems have been significantly improved[2]. The Central Committee of the Communist Party of China has made clear that it is necessary to realize green production mode and build economic and social ecological civilization. Low carbon logistics, as one of the ways to achieve green development, will play a more important role in the future. Vigorously developing low carbon logistics can effectively reduce carbon emissions and improve the local ecological environment. In recent years, the rapid development of computer technology and large data platform has led to significant changes in the economic and social environment. Henan logistics industry is facing major challenges in the current socio-economic environment [3]. Therefore, we need to clarify the main problems of logistics industry in Henan Province, explore the main ways of green development of logistics industry, and complete the transformation from logistics industrialization to logistics information.

2. Logistics Industry in Henan

2.1. Henan Logistics Development

Most of Henan Province is located in the North China Plain and the middle and lower reaches of the Yellow River plain, with flat terrain and fertile soil. Therefore, Henan has become the most important food producing province in China. Henan Province has the most complex highway system in China, with the freeway ranking first in the country in terms of traffic mileage. The two major arteries of the Chinese railway, the Beijing-Guangzhou line, intersect with the Longhai line, Zhengzhou. All these have brought unique conditions to Henan's logistics.

2.2. Problems of Agricultural Logistics in Henan

2.2.1. Supply Chain Is Too Long, Middle Links Are Too Many

In America, Europe and other developed countries and regions, the supply chain is "supplier-product distribution center-retailer-user" direct order product supply chain, suppliers directly contact with large wholesalers, large retailers (supermarkets). Circulation is mostly a few rings, and specific orders can be queried. The supply chain form of Henan products is "individual supplier - purchaser of origin - regional purchaser - primary distributor - Secondary distributor - customer" mode. Because the circulation link is too long, the price of the products entering the consumer market will rise obviously due to the price increase of the intermediate link layer by layer, thus harming the interests of consumers.

2.2.2. Low Degree of Specialization of Logistics

At present, the logistics cost of manufacturing industry is high, which accounts for more than 50% of the total cost. Taking agricultural products as an example, the average damage rate of agricultural products in Henan can reach about 30%. This data is far from the average level of the world advanced level in North America and Europe. France is similar to the area of Henan in terms of its territorial area. The damage rate of agricultural products in France is only about 5%. There are two basic reasons. One is that the supply chain of agricultural products in Henan Province is too long, resulting in the increase of intermediate links and long product turnover time. The second is the low specialization of agricultural products logistics. Agricultural products are different from other products. As a kind of fresh products, it needs specialized cold chain logistics to carry out logistics operations. In developed areas such as Europe and the United States, agricultural products need to be pre-cooled at the beginning of the supply chain, and then refrigerated, transported, stored, refrigerated wholesale until they enter the final refrigerator for sale. Nowadays, logistics in Henan province is mainly carried out under normal temperature, resulting in a high rate of product damage.

2.2.3. Fragile of Agricultural Logistics Informatization

Although Henan has the Central Plains urban agglomeration as a national-level urban agglomeration, most areas are still in rural areas with weak infrastructure. Because of the low level of information development and the imperfect agricultural information exchange network, the vast rural areas are difficult to collect and process agricultural products related information. The vast number of users' information acquisition ability and information discrimination ability are inadequate, unable to grasp effective information in a timely manner. Because the information transmission is not smooth, amplifying the lagging effect of the market rule. In developed countries, the probability of such a situation will decrease significantly. The supplier can inform the purchaser in time through the hotline network, and the purchaser can make his inventory information public through the network to minimize the loss of this part.

2.2.4. Lack of Logistics Coordination

In order to improve the efficiency of logistics, in developed countries and regions, local governments and central governments have special personnel and organizations to coordinate

the production and sales of suppliers. It is a non-profit cooperative organization representing the interests of farmers, combining scattered farmers through alliances. It plays an important role in organizing production, sales and circulation. Although similar institutions exist in China, the coverage area and coverage intensity of coordination mechanism in Henan Province are inadequate because of the different receipts. Because of its small size, it has weak power to speak in the face of powerful buyers. Under the current "big market small customer" pattern, we can not effectively guarantee the interests of suppliers.

2.2.5. Low-Carbon Logistics Development Lagged Behind

The implementation of low carbon logistics needs green and low-carbon environment, and it needs the dual efforts of the government and enterprises. At present, because of the difference in population and economic development level, Henan province can not achieve low carbon logistics environment. There are many problems in Henan agricultural logistics, such as no load, repeated transportation and so on. In a considerable number of areas, due to inadequate infrastructure, the actual load rate is only 20%-40% or even lower. In some areas where cold chain logistics is established, the supply chain is broken because of the incomplete connection of supply chain, and the economic benefits can not be achieved. That part of enterprises can only choose to abandon the advanced logistics operation means, exacerbating the waste of energy.

3. Logistics Development Strategy in Henan

3.1. Establish Urban Clusters and Build Shared Logistics

Henan belongs to the Central Plains region is the birthplace of Chinese civilization, Henan Province has a national-level Urban Agglomeration - the Central Plains urban agglomeration, most of the cities in Henan Province are small, relatively concentrated population. Regional logistics should be based on the central city, focusing on radiating the city, expanding the scale effect of urban clusters, reducing logistics costs, thus stimulating economic development. The relative concentration of population provides effective conditions for developing shared economy. Enterprises and individuals with qualifications should be encouraged to carry out the distribution mode of "everyone distribution" and activate the idle resources in the market so as to solve the "last kilometer" problem. Develop shared logistics to improve the efficiency of operational vehicles and further enhance economic vitality.

3.2. Establish Communication Mechanism and Vigorously Promote Supply Side Reform

Develop modern logistics, we must establish corresponding information platform. The establishment of information platform is not only to establish information exchange sites, but also with information collection and induction, information processing, information feedback and other functions. It can introduce current market information to logistics practitioners and customers in real time, avoid blindly expanding production scale and reduce unnecessary waste of resources caused by incomplete information in logistics. The government should transform the existing information platform. The coordination among departments should be strengthened to monitor the information, eliminate the distorted information, prevent the occurrence of false information and reduce the loss caused by information distortion. Good communication can reduce the resistance in system integration. The relationship between logistics industry and economy is a feedback regulation relationship. Economic development provides demand for logistics industry, logistics industry provides service supply, and feedback to the economic system to boost the thrust. Only by strengthening communication can we achieve the balance between supply and demand. Logistics system should respond quickly to market information, timely understand the contradiction between supply and demand, carry out supply-side reform of logistics industry, adapt to market demand and improve service

pertinence. It is not only limited to the transportation services in the past, but also should cultivate new economic growth points from the perspective of supply chain and value chain to promote the coordinated development of logistics services and economy.

3.3. Vigorously Develop Logistics Standardization

In Henan Province, there are obvious low degree of standardization and unreasonable packaging. For example, in picking and sorting, there are differences between grades in different regions. China's residents' consumption can be continuously strengthened, regardless of the new consumption concept, individualized and privatized consumption demand is rising year by year. The products represented by personalized consumption are generally difficult to standardize. Because of these problems, the Henan government should take corresponding measures to implement product classification system, vigorously promote the use of pallets, turnover boxes and other professional tools, improve logistics efficiency, reduce the loss of products in the transport process.

3.4. Develop Third Party Logistics According to Local Conditions

In view of the current uneven development of cities in Henan, we need further development and reform. Because each city is located in a different geographical position, has the resources, the existing level of development, facing bottlenecks, it needs to be treated differently for each city. First of all, facing the cities with a single industrial structure (such as Jiyuan City), in order to promote the upgrading of enterprises and avoid excessive dependence on local pillar industries, we should properly develop tourism services, culture and other tertiary industries in line with their own conditions. Let the pillar industries better serve the local economy and promote the development of the local economy. For those cities with reasonable industrial concentration, we should take precautions and leave some room for reform in development planning. Combined with their own situation to find suitable development path to avoid vicious competition with other cities. Further opening up the market and strengthening the utilization of private capital and social capital. As a professional logistics service provider, the third party logistics has rich logistics service experience and perfect logistics information processing system. It develops the third party logistics according to the local resource endowment and serves the local economy. As the third-party logistics industry in Henan Province is not developed, there is still a certain gap with the advanced level of Europe, the United States and even domestic. In addition, the limitation of China's financial market and the insufficient utilization of non-governmental capital lead to a great discount in the efficiency of third-party logistics, which can not effectively increase the sales radius of products. Guide small third party logistics enterprises, and promote the equal cooperation between small logistics enterprises and large logistics enterprises. Improve the scale of logistics organization, deepen the form of logistics organization, realize effective resource merger, optimize transportation routes, and reduce unit energy consumption.

3.5. Improve Logistics Information Platform

Collage and enterprises should be encouraged to join forces and enterprises to promote technological innovation. The asymmetric development of technological innovation in space and time is also a factor leading to industrial agglomeration. The technological diffusion caused by technological innovation has resulted in a large number of enterprises of the same type in a region. Henan Province should make use of existing resources to encourage enterprises to cooperate with schools, build existing universities and improve the level of existing universities. We should actively introduce high level scientific research institutions and high level universities, and actively explore institutional innovation. Reduce the transaction cost of each link, improve the convenience of each link, and provide a suitable technical and institutional environment for enterprises. Universities and research institutes should continue to study the modern logistics elements such as warehousing, transportation network, transportation

equipment and product market. Increase fixed investment, establish modern product warehouse and improve storage service quality. A reasonable transportation network should be planned to improve the quality of product transportation service. As soon as possible to build regional distribution centers to regional distribution centers, improve the information construction of regional service centers, regional centers should not only be goods trading places, but also have a certain function of information exchange. Rational planning of storage service sites, expansion of storage service radiation area, improve the quality of modern logistics services.

3.6. Reduce Supply Chain Length

There are a series of problems in the logistics of Henan Province, such as too long intermediate circulation link, too high logistics cost, high rate of loss and so on. We must shorten the supply chain length and reduce the intermediate links. Developing the linear supply chain, reducing unnecessary intermediary links and improving the efficiency of logistics allocation of resources can not only increase the income of producers, but also reduce the price of products, so that consumers can enjoy better service. Perfect the local infrastructure construction, construct the industry which matches with the industry, widen the industrial radiation surface, ensure the normal operation of the industrial chain. Through the government-led absorption of private idle capital to establish public warehouses, strengthen the scale effect of logistics enterprises, improve logistics efficiency, reduce logistics costs.

3.7. Increase Policy Guidance and Increase Total Factor Productivity

There are many exogenous variables in the coordinated development of logistics and economy, and government policy support is very important. The government should increase policy guidance and strategic encouragement, adjust the policy support between logistics industry and economic development in real time, reduce the obstacles of coordinated development, and optimize the policy environment of logistics industry and economic development. Promulgated policies to support and encourage coordinated development, using both market rules and macro-control, to find a suitable path for their own development. Compared with "soft" means such as propaganda and consumption, the formulation of laws and regulations can regulate logistics enterprises on the basis. For the logistics enterprises that wantonly destroy the environment, the government may, according to the relevant laws and regulations, impose administrative penalties on the high-energy-consuming logistics enterprises, such as time-limited rectification until closure and rectification; those who have caused serious consequences and violated the criminal law may be penalized according to law and be held responsible. Corresponding policies can also be issued to deepen the reform of the system and improve the level of marketization, so as to stimulate the vitality of enterprises, introduce social investment, improve total factor productivity, and escort the scientific and rational development of logistics.

4. Conclusion

Based on the transformation from logistics industrialization to logistics informationization, this paper analyzes the current situation of logistics in Henan Province, and puts forward the problems of logistics specialization lagging behind, the slow progress of logistics informationization and the lack of green logistics development in Henan Province. This series of problems not only led to the slow growth of Henan's economic development, but also an important manifestation of the imbalance of Henan's economic structure. All of these indicate that we must make reforms in building logistics development in Henan. Based on this, the paper puts forward some suggestions, such as promoting the reform of the supply side of logistics, strengthening the construction of regional infrastructure, and developing the third party logistics, to provide support for the construction of ecological civilization in Henan Province.

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