

Research on the development status of Shaanxi commerce and trade circulation

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Abstract

Wholesale and retail trade is one of the important symbols to measure the economic development of an area. It is the bridge and link between producers and users, and is in the most active part of the market economy. Since ancient times, Xi'an has developed commodity trading market, radiation range, commodity circulation market system more perfect, perfect and reasonable layout of the advantage, coupled with its wholesale market concentration is high, the degree of competition is relatively low, so its profitability is relatively strong. Until now, the major wholesale markets in Xi'an remained an important gathering place for trade flows. Studying the development of Shaanxi's commerce and circulation industry will help us to grasp the overall development of Shaanxi. This article analyzes the development of Shaanxi's commercial circulation industry from three aspects of wholesale, retail and retail chain, and provides policy advice for Xi'an to build an international trade metropolis.

Keywords

Commerce circulation; Statistical analysis; Wholesale; Transaction.

1. An Overview

At present, the development of China's retail industry structure is realized from the traditional department to modern department stores, department stores, from department store to theme from single operation to the transformation of the chain business, showing a multi format coexistence situation of retailing.

At the same time, Chinese chain retail enterprises have experienced decades of rapid growth, has entered a period of steady growth, change the mode of enterprises starting from the epitaxial growth mode to simple extension and endogenous growth and, in the traditional sales field, re integration of resources in the large-scale expansion of deep cultivation to improve the operating efficiency at the same time remains kaijiangtuotu. Retail chain in the wholesale and retail industry should not be underestimated.

In the development of Xi'an retail chain speed is relatively fast, the composition of ownership formed by private enterprises, joint ventures, independent, diversified pattern of state-owned enterprises at the same time as, international retail chain have also entered the city of Xi'an. The United States WAL-MART, Germany's metro, Carrefour of France have been settled in the Shaanxi market, the formation of the coexistence of domestic and foreign enterprises cooperation and competition in retail chain business in the market.

According to the above, select the limit above the wholesale, retail, and retail chain as the representative object, it is expected to make a more professional and accurate evaluation on the development status of Xi'an trade circulation industry multi format.

2. Descriptive statistics analysis on the development of trade circulation industry in Shaanxi Province

2.1 Development status of wholesale industry

According to the data of the database content memtech, Shaanxi Province, most of the commercial circulation industry in Xi'an City, and because of the limited statistical data, we choose Shaanxi Province in actual analysis data. Selection of wholesale and retail and retail formats of these three

articles, analyzing the changes in the period from 2010 to 2015 (for the national statistical yearbook of 2016 has not yet been published data, so the project only to 2015 data analysis). The following is a survey of the development of three major formats in Shaanxi Province during the 6 years from 2010 to 2015.

Table 1 .Table 2010-2015 status of wholesale development in Shaanxi

Shaanxi: Wholesale Trade above Designated Size	frequency	2010	2011	2012	2013	2014	2015
Number of legal person enterprises	year	407.00	469.00	571.00	700.00	864.00	912.00
Year-end number of employees	year	6.22	6.04	6.91	7.76	8.43	7.96
Purchases of goods	year	2476.40	3781.50	4485.20	5039.99	5259.82	4667.20
Purchases of goods: imports	year	50.30	67.80	19.00	234.46	301.32	26.12
Commodity sales	year	3024.00	4105.60	4810.00	5375.39	5563.01	5251.49
Final merchandise inventory	year	170.60	158.50	208.40	176.11	239.72	189.58
Main business income	year	2822.41	3602.30	4357.80	4913.19	5096.61	4858.28
Main business cost	year	2388.74	3316.81	4046.70	4593.68	4766.09	4560.80
Taxes and surcharge for main operations	year	25.26	26.12	28.40	33.74	30.32	46.18
Main business profit	year	406.93	259.37	282.70	285.76	300.20	251.30

data sources:Wind database

As shown above, Shaanxi province since 2008, retail sales rose from 180 billion 800 million in 2009 increased by two times more than in 2014 rose to 556 billion 300 million by the end of 2015, although a slight decline, but remained at a level of 525 billion 100 million. At the same time, the 912 enterprises of the province of the wholesale number since 2008 324 increase to 2015, shirupozhu. Employees jumped by nearly 46%, up to 79 thousand and 600, from 43 thousand and 300. However, the stock of enterprises showed a trend of fluctuation, and the stock was 18 billion 958 million yuan at the end of 2015, down 21% from 2014. However, the turnover of commodities still has a slow turnover.

In addition, the main business costs and the main business profits doubled and doubled, and promoted the entire wholesale industry tax intensity, led to the overall interests of the promotion.

But the worry is, from 33 billion 810 million yuan in 2008, wholesale industry debt also increased year by year, to 2015 has reached 123 billion 474 million yuan, the growth rate of up to 72.6% is much higher than the increase rate of fixed assets and income. Data analysis found that in 2014, the indicators have reached the commanding heights, in 2015 to pick up later. At the same time, rising rigid costs also crowding profit margins. The cumulative effect of prices rising year after year and a variety of factors superimposed, resulting in restrictions on wholesale, operating costs have risen substantially.

2.2 Retail industry development status.

Shaanxi's retail industry in recent years, the development is not Everything is going smoothly., by can be seen in the figure above, the main business profit increase but the trend is not obvious in the state, the main business income increases, the cost is also increasing. Although the number of retail employees has risen from 94 thousand and 900 in 2008 to 207 thousand and 700 in 2015, there has been an increase in liabilities. The balance of the retail industry above Designated Size expanded

from 18 billion yuan in 2008 to 90 billion 700 million in 2015, and the growth of debt has a significant impediment to the composition of sales profits. Although sales have shown a substantial increase, profits have been growing slowly.

Table 2. Table 2010-2015 status of retail development in Shaanxi

	frequency	2010	2011	2012	2013	2014	2015
Number of legal person enterprises	year	1,162.00	1,409.00	1,754.00	2,261.00	2,542.00	2,852.00
Year-end number of employees	year	13.29	14.85	16.95	19.27	20.43	20.77
Purchases of goods	year	1,067.80	1,476.20	1,740.40	2,098.72	2,518.14	2,659.03
Purchases of goods: imports	year	24.80	27.70	28.20	40.50	94.43	81.15
Commodity sales	year	1,200.10	1,639.70	1,887.50	2,333.87	2,825.82	3,082.76
Final merchandise inventory	year	119.00	140.80	154.60	191.50	222.69	234.56
Main business income	year	1,104.90	1,428.08	1,714.20	2,115.53	2,459.46	2,713.22
Main business cost	year	904.41	1,232.86	1,472.60	1,821.40	2,145.91	2,372.85
Taxes and surcharge for main operations	year	10.39	16.23	16.30	20.22	22.58	25.85
Main business profit	frequency	181.98	178.99	225.30	273.91	290.97	314.52

data sources:Wind database

Since 2010, with the advent of the Taobao, Jingdong as the representative of the electricity supplier, the development of the retail network has a state of retail growth started to slow down, facing the domestic economy continued downward, the dual factors make the retail entity encountered in the development of "winter", by the end of 2014, enterprises above the limit retail retail sales in Shaanxi an increase of only 11.1%.

The online retail development of the rapid expansion of the scale, the larger the diversion of consumer groups in the physical retail purchasing power, at the same time, there is a part of the online retail consumption has been brought to the provincial diversion, Shaanxi real retail business impact obviously. Shaanxi's overall retail performance as a decrease in passenger flow, lower gross profit margins, operating performance declined significantly.

2.3 Current situation of retail chain industry

In the past eight years, the development of retail chain enterprises in Shaanxi is very good, especially since 2013. The number of chain stores jumped by nearly 15 million in 2012 and 2013, and sales increased from 2 million 500 thousand to 10 million in 2013.

Table 3. 2010-2015 year development status of Shaanxi retail industry

	frequency	2010	2011	2012	2013	2014	2015
The number of head office	year	26.00	26.00	26.00	53.00	59.00	61.00
Total stores	year	586.00	652.00	659.00	1,934.00	2,206.00	2,407.00
Year-end number of employees	year	1.69	1.90	1.93	3.55	3.61	3.61
Retail business area at the end of the year	year	49.60	71.19	68.93	219.30	252.13	290.64
Commodity sales	year	194.39	244.98	279.57	1,026.77	1,036.70	909.47
Purchases of goods	year	155.53	190.38	217.08	857.30	878.07	796.90
Unified distribution purchase	year	90.78	128.06	129.96	613.07	627.79	622.52

data sources:Wind database

Among them, small cosmetics and food chain enterprises to develop the best. Since 2013, the retail distribution of the retail chain in Shaanxi has been maintained at a high level, at around 60 billion yuan. This is also an important reason for the development of the retail chain, and it is also a key factor that distinguishes it from the traditional wholesale and retail trade. In addition, sales of chain stores are gradually increasing because of their easy training and quick return. Since 2013, they have been 102 billion 677 million, 103 billion 670 million and 90 billion 947 million respectively.

On the whole, the overall retail and wholesale, retail and retail formats in Shaanxi have been developing steadily, while the overall growth is steady. However, the wholesale and retail industries still show a slow growth rate. The average level of some data reflecting economic growth is lower than the national average, and there are some requirements about the market regulation, environmental protection, infrastructure construction, urban planning and technology. The circulation, market wide, investment income is not enough.

Then, from what aspects to find the problem, what is the problem and how to solve the problem are all obstacles to the construction of an international trade metropolis in Xi'an. The premise of finding the problem is to analyze the phenomenon itself, and then make a comment on the difficulties encountered in the process of building an international trade metropolis in Xi'an so as to find out the problems, and then correct and solve them.

3. Xi'an trade circulation industry development problems

According to the analysis can be found, Shaanxi trade circulation industry in the process of operation, multi format layout index and international open exchange index accounted for relatively large, and shows the running situation of the index for economic development relatively clear. However, there are obvious deficiencies in economic development indicators. We can see from the side, not return investment problems still exist in current trade circulation industry operation in Shaanxi, the problem of higher high, inadequate investment in scientific research, opening degree of dependence on foreign trade. Some auxiliary functions can not keep up, the technical efficiency is low, the operating efficiency can not be crossed, all of which require special attention.

3.1 Lack of attraction for international brands and financial institutions

International trade metropolis is certainly a well-known international well-known brands, luxury goods are the battleground, but also the development base of these brand agents. Therefore, Xi'an has

approved foreign investment in retail shops, but settled in Xi'an international well-known brand agents in Guangzhou, much lower than Hongkong, Shanghai and Beijing; Seg, golden century, Kaiyuan mall and other high-end business enterprises have attracted thousands of brands in Xi'an. But this is only the construction of distribution centers and display centers in Xi'an, has not yet become the base of these well-known brands and production base base.

At the same time, the international trade city will usually have set up branches in more than half of the world's top 500 enterprises, the number of foreign financial institutions reached more than 100, the proportion of foreign population 5%-20%, currently Xi'an multinational corporations in the number is not up to the requirements of foreign financial institutions, only about 20, the foreign population is less than 10%, with the international there is a great gap between the standard and business city. Establishing a good international exchange environment, attracting more foreign enterprises to Xi'an and attracting more foreigners to live and study in Xi'an has become an urgent task for Xi'an to build an international trading metropolis.

3.2 Characteristic development is not obvious

Although Xi'an has eleven lines of the wholesale market, but the overall radiation market is not strong, the degree of internationalization is not high, the lack of leading market development, can attract a large number of foreign businessmen entering the procurement market is not much, and the Xi'an into an international shopping center requires a certain gap. In addition, although Qinling Mountains Xi'an south of the Five Ridges characteristic culture, but did not Qinling Mountains south of the Five Ridges characteristic culture and commercial street very good integration, did not form a Qinling Mountains south of the Five Ridges characteristic culture business atmosphere.

Commercial network planning is lack of binding, and some of the urban commercial formats are too dense, leading to vicious competition. The network layout is not balanced, the town, the old city center city, mass consumption more convenient, urban and urban expansion, new development and construction of the new residential community business developed, the daily consumption of residents is not very convenient. The rural areas, especially the outlying rural areas, are underdeveloped because of the underdeveloped traffic and commercial facilities.

3.3 The development of different formats is unbalanced

The competition pattern among the industry, trade and industry organization is mainly industry concentration, specialized division of labor, cooperation level, entry condition and competition behavior. Through the analysis of the current situation of Xi'an's trade and commerce, it is found that there is a lack of industrial concentration and specialized division of labor.

The socialized production under the modern economic condition requires the enterprises of trade and circulation to develop in the direction of intensive, scale economy and specialized production cooperation. However, the innovation of traditional circulation system of Xi'an commercial circulation industry organization structure form is difficult to break through the inherent constraints, resulting in commercial enterprise scale is not reasonable, especially difficult to form economies of scale with large enterprises. Although it is larger than before, it runs under the condition of diseconomies of scale, extensive operation of enterprises, ignoring connotation construction, losing the power and ability of innovation.

On the other hand, the level of specialization and collaboration is low. After the reform of the economic system of Xi'an into the construction of a new era, breaking the traditional system, as the main independent, self financing appears gradually, and cause, zero storage transport each division of the situation objectively. In the traditional business management thought and management of administrative departments, in the wholesale, retail, storage and transportation of the state enterprise segmentation is difficult to combine, to cooperation, to small and complete development, greatly weakening the innovation function of circulation industry.

4. Policies and suggestions for the development of Xi'an's trade circulation industry

In the market economy, the nature of capital pursuit of profit will inevitably lead to the appearance of external diseconomy. In order to profit, some enterprises will destroy the order of competition, the natural environment and damage the interests of consumers. Relying solely on market automatic regulation will lead to market failure, resulting in a huge waste of social resources. Therefore, it is necessary to strengthen the guidance of the Xi'an municipal government to the market order.

4.1 The establishment of fair, transparent, open commercial circulation, industrial development and competitive environment

Trade circulation industry competition of an investment diversification of the industry, and China's accession to the WTO the full liberalization of the market, more requirements of government should establish a fair, transparent and open market competition environment, and gradually reduce the direct intervention of the trade circulation industry, let the market mechanism fully play a regulatory role. In the aspects of financing, government investment, market access, industry construction and development planning, the domestic and foreign retail trade and other domestic industries will be treated equally, and the national treatment shall be implemented. Here, the city of Xi'an trade circulation industry not because of powerful foreign trade giants, and require protection or for the government to formulate preferential policies, the best protection is open, is actively involved in the market competition.

In recent years, the state has formulated relevant policies and measures to cultivate and support the development of large commercial and circulation enterprises. In February 9, 2017, the Ministry of Commerce and other 5 departments issued a "logistics development plan", "13th Five-Year" proposed that by 2020 the wholesale and retail enterprises logistics cost rate decreased to about 7%. To promote the restructuring of China's commercial enterprises restructuring are the requirements of these documents, to accelerate the development of large-scale commercial circulation enterprises, promote the rapid development of chain operation, to encourage private capital to enter the field of modern logistics, commodity wholesale and retail.

4.2 Facing the leading position of commercial circulation industry, speeding up the reform and development of trade circulation industry

It can be further expanded and developed by speeding up the strategic reorganization of the trade and circulation industry and realizing the scale economy, and expanding the strength in the fierce competition. For the majority of the Xi'an commercial circulation enterprises, the current should adapt to the modern management mode and management mode as soon as possible, according to their own research and scientific development planning and strategy, identify the appropriate market positioning and business development, establish a complete procurement, logistics, distribution and timely and reliable information management system. We should promote the modernization of the trade and circulation industry through the reform of the circulation system of Commerce and trade. Especially to further promote the development of modern circulation methods, such as chain operation, logistics distribution and e-commerce. A break from Xi'an City, accelerate the establishment and improvement of the logistics system, to achieve a reasonable flow of business and logistics, accelerate the construction of e-commerce, improve the level of information technology, accelerate the pace of the construction of distribution center, in order to control the logistics cost, improve profit rate and circulation efficiency.

4.3 We will strengthen government macro control and standardize the market order of commercial and circulation industries

In view of the relative confusion of the market order of Xi'an's commercial and circulation industry, the Shaanxi provincial government should strengthen the macro control of the trade and circulation industry. On the one hand, the scientific development of the overall planning under the new situation of Xi'an International Trade City Construction and development, development planning and

adjustment and reasonable development of the District, the clear number, commercial outlets in different regions of the scale, structure and layout, to avoid blind expansion and disorderly development due to the confusion of the market order; on the other hand, standardize trade circulation in the industry, especially the management behavior of foreign trade circulation enterprises, encourage the legitimate, transparent and fair competition on the basis of cross regional, cross industry, cross ownership mergers and cooperation, joint venture, to avoid black box operation. We should also break departmental divisions, trade monopolies and regional blockades, strengthen law enforcement efforts against unfair competition, and promote the free flow of goods and production elements throughout the national market.

Some domestic scholars believe that countries should learn from Japan and France experience, making trade circulation industry in China to limit excessive entry and excessive competition law point of view, I think this approach not only with China's opening policy against, also at odds with the developed countries to formulate relevant laws and regulations of the mind. Because of the management of large stores represented by Japan, they still pay attention to the role of market self-regulation, and try to avoid unnecessary interference by the administration in economic activities

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