

Constructing a Long-term Mechanism of Returning Home to Start a Business and Boosting the Revitalization of Rural Industry

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Abstract: From the theoretical level, the push-pull theory is used to verify the underlying logic of returning home entrepreneurship under the background of rural industrial revitalization, and the restrictive factors of returning home entrepreneurship are explored from both personal and social aspects. The dialectical relationship between rural industrial revitalization and returning home entrepreneurship is deduced through the principle of "expected value theory", with emphasis on analyzing the pulling effect of expected income of returning home entrepreneurship and the promoting effect of expected utility of rural industrial revitalization. From the empirical level, based on the survey data of returning entrepreneurship in 30 provinces and cities in China, a binary logistic model is constructed to empirically test the factors affecting the quality of returning entrepreneurship under the background of rural industrial revitalization. Through theoretical research and empirical analysis, this paper constructs a long-term mechanism for returning home to start a business from four aspects: establishing a business management system, building a business education platform, developing a systematic project of "number merchants and new farmers" and improving the policy guarantee system, so as to boost the revitalization of rural industries.

Keywords: Returning home to start a business; Revitalization of rural industries; Principle of action; Influencing factors; Long-term mechanism

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1. The Factors that Affect the Return of Entrepreneurship

The influencing factors mainly include self-factors and external factors.

(1) Self-factors are mainly reflected in capital, technology, management experience and industrial choice. Start-up capital is one of the main conditions for starting a business. Although entrepreneurs who return home have some savings, they are often short of large investment in starting a business, loans often do not have enough collateral, and credit loans are very low for start-ups, so funds will become the biggest obstacle to the success of starting a business. Technically, the skills or experience acquired by these groups in working in cities are often relatively simple, especially the operation technology of factory assembly lines, which is difficult to be used in the systematic operation of enterprises. In terms of experience, many first-time entrepreneurs often lack the knowledge of finance, management, legal affairs and risk awareness needed for starting a business. Industry selection is also very important for entrepreneurs who return home. In order to be stable, entrepreneurs who return home tend to follow the trend and choose a certain industry, which leads to local industry surplus and unsalable products, which leads to entrepreneurial failure. In addition, choosing some industries that are not suitable for local water and soil and have not formed the upper and lower industrial chains are all important reasons for entrepreneurial failure.

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(2) External factors are mainly reflected in the effectiveness of public policies and the matching of public resources. The utility problem of public policy is that it is difficult to implement the policy of returning home to start a business. In recent years, policies have emerged in an endless stream. However, there are many phenomena in the implementation of policies, such as "hot on the top and cold on the bottom", "only sunshine without warmth" and "there are thousands of policies, all of which are gold bars, and the phenomenon of inaction or even chaos by relevant departments is common at the grassroots level, which causes returning entrepreneurs to lose confidence in the government and weaken their enthusiasm for starting a business. The problem of supporting public resources is that rural education resources, medical resources, transportation logistics resources and information resources are obviously backward compared with cities.

2. Reveal the Mutual Promotion Mechanism between Returning Home Entrepreneurship and Rural Industrial Revitalization

Among many famous theories formed by the research of motivation psychology, the theory of expected value is one of them. The theory holds that the motivation of receiving and completing something is determined by the possibility of success and the value obtained after success. In other words, the expected level of achieving the goal and the profit it brings are positively related to the individual's motivation to achieve the goal. Based on this theory, the motivation of returning home entrepreneurship is determined by the expected return of returning home entrepreneurship and the expected utility of rural industry revitalization.

3. Empirical Analysis of the Factors Affecting the Quality of Returning Home Entrepreneurship Based on the Binary Logist Model

(1) Variable design

1) Explained variables

The measurement method of the explained variable (Y) is mainly based on the research of Clack, Davis and Harnish(1984), and three measurement questions are set for the quality of returning entrepreneurship: "the income brought by entrepreneurship", "the operation of entrepreneurial entities" and "the social status compared with that without entrepreneurship". In the measurement, Richter's five-scale method is used to set the options, where 1-5 represents "very dissatisfied", "relatively dissatisfied", "average", "relatively satisfied" and "very satisfied" respectively. According to the respondents' choice of each question, the average value is taken to get the quality score of returning home entrepreneurship. Then, according to the score value, the quality of returning home entrepreneurship is assigned, with 4 points as critical. If the score value is greater than 4, it is assigned as 1, which means that the quality of returning home entrepreneurship is higher. On the other hand, if the score value is less than 4, then the assignment value is 0, which means that the quality of returning home entrepreneurship is low. In this way, we can get a 0-1 variable reflecting the quality of returning home entrepreneurship.

2) Explain variables

The main explanatory variables are five variables: the level of rural industrial planning (X1), financial support (X2), assistance policy for returning home to start a business (X3), rural infrastructure environment (X4) and rural business environment (X5). Each specific indicator is set by the Likert five-level scale method, and the 0-1 variable of each variable is obtained.

3) Control variables

The control variables are age (M1) and education level (M2). The age of returning entrepreneurs is divided

into three age groups: "20-30 years old", "30-40 years old" and "over 40 years old" according to the actual age of returning entrepreneurs at the time of investigation, and the corresponding values are 1-3; The educational level of entrepreneurs who return home is assigned from 1 to 5, corresponding to "primary school and below", "junior high school", "technical secondary school or high school", "junior college" and "undergraduate course and above" respectively.

(2) Theoretical model and data samples

1) Theoretical model

Because the dependent variable, the quality of returning home entrepreneurship, is 0-1, we use the binary logistic regression model for empirical study. The binary logistic regression model is constructed as follows:

$$\text{Logit}(Y_i) = \text{Ln}[Y_i / (1 - Y_i)] = \alpha + \beta \sum_{i=1}^5 X_i + \gamma \sum_{i=1}^2 M_i + \varepsilon \quad (5-1)$$

In the equation, Y represents the quality of returning entrepreneurship, X_1 to X_5 denote the influencing factors of returning entrepreneurship quality, specifically: rural industrial planning level, financial support intensity, entrepreneurship support policies for returning individuals, rural infrastructure environment, and rural business environment; C represents control variables, and ε stands for the random error term of the model.

2) Data samples

The data used in this paper is the data collected by the research group from October to December, 2024. The respondents of this questionnaire survey are entrepreneurs returning from 30 provinces and cities (except Tibet), and a total of 550 questionnaires were distributed. After eliminating the invalid questionnaires, 548 valid questionnaires were actually recovered, with an effective rate of 99.64%, which is generally good.

(3) Empirical results and analysis

1) Descriptive statistics and correlation analysis of main variables.

Firstly, the statistical data of the samples show that the average quality of returning entrepreneurs is 0.6496, and 64.6% of returning entrepreneurs have a higher quality level than the average. The average level of rural industrial planning is 0.6496, the average level of financial support is 0.7172, the average level of supporting policies for returning businesses is 0.6223, the average level of rural infrastructure environment is 0.7117, and the average level of rural business environment is 0.7482, indicating that 68.6% of returning entrepreneurs think that the level of local rural industrial planning is much higher than the average level, and 71.3% of returning entrepreneurs think that local financial support is very strong. 61.8% of returning entrepreneurs think that the local policy of helping returning entrepreneurs is reasonable, 70.7% think that the local rural infrastructure construction environment is very good, and 74.4% think that the local rural business environment is very good. And the average age of the respondents is mainly between 30 and 40 years old, and their education level is concentrated between technical secondary schools or high schools.

2) The Pearson correlation test of each variable by SPSS software shows that the overall correlation between the quality of returning entrepreneurship and other variables is high, but the correlation between each variable is not high, so the selected variable is suitable for model regression analysis.

(4) Analysis of sample regression results

Using SPSS software to analyze the logistic regression results of the factors affecting the quality of returning home entrepreneurship, the explained variable is the quality of returning home entrepreneurship. The empirical results show that the level of rural industrial planning, financial support, rural infrastructure environment and rural business environment will positively promote the quality of returning home entrepreneurship, and the impact of

rural industrial planning level and returning home entrepreneurship support policy is significant at the level of 10%, while the impact of financial support, rural infrastructure environment and rural business environment is 5%.

4. Building a Long-term Mechanism to Promote the Revitalization of Rural Industries by Returning to Their Hometowns

Based on the interactive relationship between returning home entrepreneurship and rural industrial revitalization and the empirical analysis of the factors affecting the quality of returning home entrepreneurship, this paper puts forward four long-term mechanisms to build returning home entrepreneurship to promote rural industrial revitalization.

(1) the establishment of entrepreneurial management system. Entrepreneurial groups returning home also play a role in helping rural industries to revitalize. They can establish an entrepreneurial organization management system, which will be managed by the local rural revitalization bureau. Resident teams at all levels and relevant government departments will continue the measures related to poverty alleviation, and learn from the poverty alleviation model to set up a file for returning home entrepreneurs. First, establish a "statistical card" for returning home entrepreneurs. The contents of the card include collecting statistics on the number of entrepreneurs, current situation, industry and industry scale. Technology, capital, talents and other factors, timely and accurately understand the operation and development of returning entrepreneurs. Second, establish a "contact card" for entrepreneurs, carry out pairing assistance for returning entrepreneurs, and formulate personalized assistance measures to help returning entrepreneurs in finding projects, grasping production and promoting sales, so that the resident team can become a strong support for returning entrepreneurs, forming a situation of "success is known, difficulties are helped, and failure is managed".

(2) Build a platform for entrepreneurship education. What many first-time entrepreneurs lack most often lies in their lack of policy understanding, industry understanding and judgment on industry selection, lack of financial, management and legal knowledge needed for starting a business, and weak risk awareness. The local human and social departments can take the lead in setting up a platform for entrepreneurship education. First, coordinate the propaganda work on policies and regulations and establish a special entrepreneurship consultation window. The main function of this window is to help returning entrepreneurs answer questions, focus on solving technical problems that may be encountered in the whole process of entrepreneurship and the life cycle of enterprises, and provide targeted and personalized policy and legal consulting services. The second is to improve the education and training system, and carry out targeted training for entrepreneurial groups in modern agriculture, digital agriculture, rural tourism, rural e-commerce, enterprise management and other entrepreneurial hotspots to improve their development capabilities.

(3) Strengthen the systematic project of "building a new agriculture by using numbers". Digitalization is changing the rural economic ecology, allowing data elements to go to the countryside, and establishing a digital stage for returning home to start a business is an important weapon to help revitalize rural industries. First, promote the digital transformation of rural industries, improve digital supporting facilities, digital business environment and smart agriculture, and improve the digitalization covering the production, processing, storage and transportation, marketing and brand of entrepreneurial enterprises for entrepreneurial groups. The second is to build rural commercial systems such as rural digital circulation network, agricultural product market network, digital market subject cultivation, digital finance, market supervision, etc., so as to drive some rural small and micro start-ups to directly enter the digital stage, lead the general trend through the digital transformation of small and micro enterprises, and boost the industrial chain supply chain to extend to the countryside. The third is to promote the transformation of production and organization methods, guide returning entrepreneurs to face the market through "number quotient", improve the degree of organization and standardization, and drive the industry to enrich the

people and increase income.

(4) Improve the policy guarantee system. Compared with cities and towns, the degree of marketization in rural areas is low, and policy factors have a great influence on returning entrepreneurs, which is manifested in the frequent adjustment of some policies, which makes returning entrepreneurs at a loss, and in the excessive care of the government, which leads entrepreneurs to "wait, rely on and want" the government. Once they lose government care, it is difficult to survive in the market.

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