

e- Community Profile

- **Community Name: Luye Tea Rice Village**
- **Business Category: Wholesale, retail, culture, sports, leisure services, accommodations, and restaurants**
- **Location: Taitung County**
- **Number of Community Members: 10**
- **Major Business Items: Leisure Services, Accommodations, Restaurants, Wholesale, and Retail**
- **Website: <http://lyee.incubportal.net/>**
- **e-Business Instrument : common community website**

Website Community Reinvents a Rice-Tea Village

The Unexpected Honor of a Champion Tea

In the second tea contest in 2005, the champion tea sold for a sky-high price of NT\$880,000 per kilo, superseding the NT\$460,000 price tag for the 2004 champion tea. The 2005 champion tea hailed from none other than Luye Village of Taitung County. Chen Hsi-chin, the farmer who grows the champion tea, was very pleased but also surprised at the exorbitant price of his tea.

Chen Hsi-chin's tea is a unique "Fulu tea" of Taitung County's Luye village, whose profile, though, is lower than tea varieties from Nantou county of Alishan.

Tourists are Unfamiliar with Luye's Champion Tea and Rice

Untainted from industrial pollution, the Taitung area boasts abundant tourist resources, including a unique landscape, humanistic feature, leisure tourism, and indigenous

agricultural products. However, it was not until the broadcast of a tea drink commercial with renowned singer Wang Li-hung that people discovered that Taitung is home to a champion tea. Due to lack of adequate promotion, most people don't think of buying Taitung tea or rice, except perhaps to buy some as a present during their stay in the county. It is clear that simple Taitung farmers know how to grow tea and rice that strikes a chord with the public, but don't know how to package and market them.

Need to Upgrade Marketing of Taitung Resources

Located in the Taitung Rift Valley, Luye village boasts an abundant water supply, good weather, and fertile soil, making it an important tea production site. Following the appearance of champion tea and champion rice in the region in 2005, Luye has become home to tea and rice production, and true to its name. In recent years, the village government has dedicated itself to the development of agro-tourism, promoting paragliding on the Luye plateau, improving the road system, and building tourist facilities, making Luye an emerging scenic spot. Nowadays, Luye is sprinkled with tourism tea plantations and red sugar-cane fields, offering a unique rural landscape for tourists.

Despite the wonderful resources, local tourist businesses just wait passively for the patronage of tourists and even have to face empty stores during typhoons or bad weather, unable to compete with the tourist industry in Western Taiwan. With the increasing influence of the Internet on a wide variety of industries, it has become imperative for Taitung to utilize Internet technology and e-commerce to promote the products, services, and innovation of the Taitung tourist industry.

e-Business Breaks Development Bottleneck

Located in remote mountainous areas, the rate of repeat visits by tourists in the short term is not high; therefore, breaking the restrictions of time and space has become a major challenge for businesses in the Luye area.

Few businesses in Luye area have implemented e-commerce. Under the assistance of the Council of Agriculture, tea farmers in Luye have established production and marketing teams, but the tea sales rate is not high, relying mainly on the patronage of tourists who arrive in tour buses.

Some businesses have moved into online marketing but most of them still embrace the more traditional method of placing an e-catalog display on someone else's website or one run by the government, without sufficient space for their own material or the capability to update their posted content themselves.

Computerization of Luye Tea Village

The formation of the website Community of Luye Tea Village was an accident. Members of the e-Business assistance team happened to be at the Lienchi Tea Shop in Luye. When drinking tea with Lien O-na, owner of the shop, and enjoying the beautiful scenery of Luye, they regretted the limited number of visitors who traveled to such a wonderful place due to inadequate promotion, and then had the idea for setting up a website Community for the Luye plateau. During the one-year evaluation process, it happened that the Small and Medium Enterprise Administration of the Ministry of Economic Affairs started to implement the “Bridging the Digital Divide of the SME Project.” However, it was very difficult to convince tea farmers, without any computer knowledge, to utilize computers and access the Internet. The situation was aggravated by the experience of a tea shop that was cheated by an information service provider for website installation.

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In addition, most tea business managers in Luye are of advanced ages, in their 50s and 60s, with phobias regarding computer use and online operation. Therefore, the website Community project was almost aborted before it started. Thanks to the painstaking efforts of the owner of the Lienchi Tea Shop and the e-business assistance team, finally 10 businesses in the fields of tourism tea plantations, handicrafts, and B&Bs (bed and breakfasts) agreed to join the project.

“At the beginning, I even didn’t know how to start a computer. Thanks to the education courses provided by the assistance team twice a week, plus the guidance of our young staffers, I finally managed to access the Internet, but I still have to refer to my notes occasionally,” recalls Lien O-na of the Lienchi Tea Shop. Despite the difficulties, Lien, in her mid-50s, persevered.

Online Marketing Boosts Revenue at Low Cost

Less than half a year after its inauguration, the website Community has started to produce benefits. Many customers visit the website Community before deciding to book accommodations. Many became acquainted with Luye via the website Community. Although tea sales still rely on orders via phone calls, the accommodation occupancy rate increased considerably due to promotion by the website Community. The website Community even planned a series of package tours for customers. “Relax your mind and body by visiting the tea shops of Luye, where you can enjoy aromatic spring tea while enjoying the landscape of the countryside and surrounding mountains.” This passage posted on the website spurred many online surfers to visit Luye. The innovative marketing has also induced sales growth for tea and other indigenous agricultural products. Lien O-na estimates that the revenues of the website-Community members have increased by 5% in just three months following the inauguration of the website Community.

“Now I can simply ask potential customers to visit our website to find out about our products without having explain them myself,” a staffer of the Yunfang Tea Plantation said of the website, adding “Many public functionaries became acquainted with our products due to the linkup of our website with the website of the National Travel Card and came to visit our tea shop, buying our tea as well.”

The owner of the Hosheng Tea Plantation notes that the website Community has helped her to achieve considerable savings on marketing expense. Now she can send out promotional materials via e-mail without any cost, compared with NT\$10,000 to NT\$20,000 for producing DM or other print promotional materials in the past. Other members point out that they have to spend only NT\$10,000 to NT\$20,000 for joint online marketing each time, compared with NT\$50,000 to NT\$100,000 for newspaper or TV promotions in the past. Website management cost at least NT\$12,000 per year in the market, but under the “Bridging the Digital Divide for SMEs Project,” they can manage their websites themselves, without any extra cost.

Business Tips

In addition to the cost savings, members of the website Community note that it is very convenient to communicate with customers via the website, and the illustrated descriptions on the websites allow customers to understand their products effectively, prompting them to place orders. They are jointly using the promotional effect of

e-business to attract more customers.

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Comments of the Assisting Team

Following the installation of the website Community, via online promotion and media reporting, Luye Plateau has become a hot scenic spot in Taitung, on a par with the Chihpen hot spring. Luye has become not only a home to tea and rice, but also a promising tourism tea village. The assistance team hopes to invite more enterprises to join the “Bridging the Digital Divide of the SME Project,” which can not only help small and medium enterprises cut their costs for website installation, but can also gather together businesses to create a portal site with features similar to a shopping arcade. The effect of joint marketing provided by a website Community is absolutely higher than that of individual effort.

Members of the Website Community of the Luye Tea and Rice Village

Members	Websites
Lienchi Tea Shop	http://lc550808.incubportal.net/incubation/index.phtml
Yunfang Tea Plantation	http://twteaking.elink.tw/e-link/front/bin/home.phtml
Hosheng Tea Plantation	http://550867.elink.tw/e-link/front/bin/home.phtml
Seven Bowl Tea and Indigenous Agricultural Products Shop	http://7bowltea.elink.tw/e-link/front/bin/home.phtml
Mingming Tea Shop	http://551028.elink.tw/e-link/front/bin/home.phtml
Fulushan Leisure Farmhouse	http://furu.elink.tw/e-link/front/bin/home.phtml
Atu's Shop	http://ado.elink.tw/e-link/front/bin/home.phtml
	http://550678.elink.tw/e-link/front/bin/home.phtml

Aunt Aichiao's Tea Plantation	
Chinshan Tea Plantation	http://551883.elink.tw/e-link/front/bin/home.phtml
Chuan Feng Tea Shop	http://chuanfeng.elink.tw/e-link/front/bin/home.phtml

Caption 1: Lien O-na, owner of Lienchi Tea Shop and representative of the Luye Industry Website Community

Caption 2: Thanks to advertisement and promotion, Yufang Tea Plantation has augmented its business profile.

Caption 3: Taitung Luye Industry endeavors to promote Luye with common platform marketing.

Caption 4: Luye website Community members discuss and learn together.

Caption 5: Even foreign friends like to come to Luye to relieve stress.