



## The supermarket without cash *New Shopping experience in Hema Fresh*

During our trip in Shanghai, we visited one hypermarket named Hema Fresh, which is a subsidiary of Alibaba Group. Hema adopts a totally new model in retail industry. It is a self-operated full-industry-chain that covers running the stores, purchases, sales and delivery.

We arrived Hema at noon and began our exploration by small groups. First step, we downloaded Hema app, which can scan the bar code or QR code of the goods in shelf to show the information. We picked out some snacks and beverages, then put them in the virtual shopping cart in the app by scanning and clicking. At the self check-out machine, we scanned the app and purchased by Alipay, the mobile payment app of Alibaba.

Compare with traditional market and store, Hema not just replaces cash with mobile payment, it also combines other kinds of services, including catering and delivery. We had our lunch in a Chinese fast food restaurant in the food street, and tried the coconut machine which drilled hole in the coconut for drinking. The experience was so wonderful!

We consider that Hema and Alibaba grasp this **new trend of Smart Retail** to change the industry and enhance the consumer experience by taking the advantages of technologies including IoT, mobile payment, etc. Meanwhile, Hema also faces challenges. Since the model depends on whole system supporting, which **increases the cost of developing and maintenance**, so that it is **difficult for Hema to expand their business rapidly**.

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