Supply Chain Analysis Based on New Retail Models in B2B Context--Taking Hema Fresh as an Example

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Abstract. With the continuous progress of Internet technology, the retail industry is undergoing digital transformation, and supply chain management plays an important role in the transformation of the retail industry. This paper has an in-depth discussion of Hema Fresh's new retail model based on the B2B background and analyzes the retail model transformation path of Hema Fresh from the perspective of digitalization. This paper explores the problems in the supply chain of supermarket chains driven by new retail. Hema Fresh needs to integrate digital means in the transformation of the new retail model and plan the layout in combination with the actual situation of the actual enterprise development. This paper analyzes the development path of Hema Fresh by combining the actual cases and concludes that Hema Fresh needs to reconstruct the supply chain structure to increase its market share. By analyzing the actual situation of enterprise development, it puts forward the transformation and upgrading strategy of Hema Fresh, hoping to provide effective suggestions for the development of retail enterprises.

1 Introduction

Against the backdrop of fierce competition and change in the traditional retail industry, retail enterprises need to optimize their supply chain management through digital means to improve the efficiency, transparency, and responsiveness of the supply chain, and transform from the traditional retail model to the new retail model. The new retail model of retail enterprises is to use digital technology data analysis and other means to combine online and offline sales models to attract consumers through online platforms and provide more personalized and convenient services in offline retail stores. Retail enterprises optimize supply chain management to improve operational efficiency and enhance consumers' consumption experience, thus achieving digital transformation. They also carry out supply chain management to improve operational efficiency and reduce operational costs. Such changes can meet the new requirements of consumers' shopping methods in the new era and help retail enterprises adapt to the fast-changing market. The supply chain of retail enterprises involves logistics, inventory management, supplier selection, and cooperation, and due to the diversity of retail products, retail enterprises have formed a supply chain network consisting of multiple supply chains. With the changes in the consumer market and the operation of B2B e-commerce platforms, the collaborative development of the supply chain of retail enterprises is facing great challenges. Digitalization and retail model transformation are crucial in the supply chain structure change of retail enterprises. Hema Fresh has achieved a leading position in the fresh food industry by improving customer satisfaction to increase its market share. This paper analyzes the supply chain of Hema Fresh and deeply analyzes how Hema Fresh improves enterprise customer satisfaction and market competitiveness under the new retail model.

2 Literature review

Under the impetus of economic globalization, the transformation and upgrading of retail enterprises has become a new trend. In the exploration of the new retail model, retail enterprises need to quickly adjust their business strategies to adapt to market changes and rationally lay out their supply chains to respond to market demand, improve their market competitiveness, and enable them to develop sustainably and efficiently. As consumer demand is constantly changing, the new retail model needs to make corresponding changes according to the changes. New retail emphasizes the importance of the supply chain in the transformation and upgrading of enterprises and fully integrates the use of information technology into the construction of the supply chain. Therefore, from the perspective of new retail, many scholars have thought about the transformation and upgrading of retail enterprises.

Yang Xu, when analyzing the path of supply chain transformation and upgrading of supermarket chain enterprises in the context of new retail, proposed that in the era of new retail, the supply chain reconstruction of supermarket chains should combine online and offline [1]. Lai Chuan Walmart as a research case proposes that new retail is a combination of "online + offline + logistics" operation mode [2].

Bao Zimin studied the optimization path of a new retail supply chain under the background of the digital economy and proposed that the retail enterprises in the
new retail industry should improve the flexibility and agility of the supply chain to meet the changes in consumer demand [3]. He Lanhong analyzed the innovation path of the business model of traditional retail enterprises in the new retail era and proposed that JD Logistics provides consumers with selectable delivery time, and the market competitiveness of the enterprise has been significantly improved [4].

In the new retail era, with the changing needs of consumers, retail enterprises need to transform the retail model. By improving digitalization, reshaping the supply chain structure, and improving the efficiency of enterprise operations. Retail enterprises can satisfy the needs of consumers, improve customer satisfaction, and enhance the overall competitiveness of the enterprise.

3 Retail model transformation path for retailers

3.1 Retailers transforming from traditional to new retail

In the new retail era, with the constant changes in the market and consumer demand, retail enterprises need to change the traditional retail model and transform it into a more scientific new retail model. Taking Hema Fresh as a representative, supermarket chains use the new retail model to realize the transformation and upgrading of supply chain retail enterprises. The supermarket supply chain under the new retail model mainly includes four parts, the supplier system, logistics and distribution system, marketing system, and e-commerce platform operation[5].

Hema Fresh optimizes the layout of offline stores, strengthens the cooperation between enterprises and suppliers, and builds an open partnership. A modern logistics system combining online and offline was built by Hema Fresh, to adjust the supply chain structure, improve the logistics efficiency, and reduce the logistics cost. Hema Fresh applies information technology to analyze the needs of consumers, strengthens the communication between the enterprise and the consumers, realizes the timely feedback of the customer's information, and improves the quality of customer service. Hema Fresh also conducts overall planning for upstream and downstream resources, builds an e-commerce platform, improves online retail business, and provides value-added services[6].

3.2 Digital transformation of retail companies in the context of B2B

In the era of digitalization, the digital transformation of retail enterprises has become the key to improving their competitiveness. The traditional retail model suffers from the conflict of online and offline retail channels, low product variety, and homogenization of marketing means. Retail digital transformation is the transformation of traditional retail business processes by retail enterprises using digital technology, to optimize the enterprise's supply chain management by improving operational efficiency and customer service quality and allowing retail enterprises to quickly adapt to new changes in the market and technological environment [7].

With the continuous development of the Internet, the way consumers shop is also changing, and retail enterprises need to meet the changing market demand promptly. Digital transformation provides new opportunities for retail enterprises. Traditional retail enterprises use digital transformation to comprehensively utilize online and offline resources. Using digital means to obtain real-time feedback information, timely adjust enterprise operation strategy, maintain market flexibility, quickly improve customer service quality, and satisfy consumers' shopping needs.

The new retail format of Hema Fresh has greater integration potential compared with traditional retail supermarkets, and the online and offline retail systems can achieve better integration. Under the new retail model, online and offline interaction is one of the important features of new retail. Online e-commerce platforms and offline entity retail supermarkets are united, applying online shopping malls as well as cell phone APPs and other ways to link up with the development of brick-and-mortar stores, and promoting the use of smartphones by consumers to carry out offline payment, as well as account binding to better enhance the customer experience of consumers[8].

In the context of B2B, retail enterprises can improve operational efficiency, reduce operational costs, optimize supply chain management, and use digital means for inventory management, thus enhancing the overall competitiveness of enterprises.

Hema Fresh improves the quality of end customer service by improving the supply chain network. With the construction of cell phone clients, consumers tend to use cell phone clients for shopping, placing orders on their cell phones, and picking up goods in stores. Due to the increasing number of supermarket orders, the supermarket will combine online and offline planning. In the construction of an online platform, the supermarket will analyze the shopping style of consumers and continuously improve the construction of the supply chain system. In the construction of offline stores, the supermarket will optimize the internal process of supermarkets, build the supermarket service network, and adjust the offline distribution methods. Through the establishment of a global supply chain network, the rational use of digital means, such as intelligent inventory management. Digital supply chain management, to achieve reasonable deployment of inventory, reduce inventory costs, improve the response speed of the supply chain, improve supply chain operational efficiency, and enhance the competitiveness of enterprises [9].

3.3 Retailers building online intelligent platform operation models

With the changing needs of consumers, market competition in the retail industry has become
increasingly fierce. Retail enterprises can enhance communication with consumers through the establishment of online platforms, social media, and other channels to improve the timeliness and effectiveness of information feedback, prompting them to continuously adjust their operational strategies and improve the quality of customer service, thereby enhancing their overall competitiveness.

Hema Fresh makes full use of digital means to analyze customers' consumption behavior. Through the e-commerce platform to collect data related to the operation of the supermarket, the use of big data technology to analyze consumer shopping habits and consumer demand. The use of customer surveys to collect feedback, to build a targeted marketing strategy for consumers, and the platform to place marketing advertisements accurately[10].

4 Supply chain system change for retailers

4.1 Opportunities and challenges of digital transformation for retailers

The change in the supply chain system is an important part of the change in retail enterprises. In the fierce market competition, retail enterprises need to break through the traditional operation and development mode and re-establish the supply chain system that adapts to the current situation of enterprise development, to consolidate the overall strength of the supply chain and enhance the market competitiveness of retail enterprises. In the context of B2B, the digital transformation and reform of the supply chain is an important direction for retail enterprises based on the consideration of their strategic development. In the context of fierce market competition, the reshaping of business models is the key to enhancing the core competitiveness of retail enterprises[11].

4.1.1 Supply-side and demand-side changes

The competitive pressure on the supply side of retail enterprises has increased, and the supply-side structural reform needs to be implemented. Under the influence of supply-side reform, the demand side relative to the supply side has also changed, and the procurement methods of the demand side have become more diversified.

In terms of supply-side reform, Hema Fresh has introduced digital means to realize the effective supply of goods by adjusting the structure of the supermarket supply chain, thus improving the overall efficiency of the supply chain. From the perspective of digital development, new retail belongs to the digital revolution, which is a supply-side structural reform for retail enterprises, and the transformation of Hema Fresh's new retail model is a change in consumer digitization, terminal digitization, and marketing data. Hema Fresh provides a variety of digital channels, such as small programs, mobile APP, official websites, etc., to carry out Omni-channel marketing, so that the combination of online marketing, customer service, and offline experience, so that consumers can select goods from online, and also can contact the goods in offline supermarkets. In addition, Hema Fresh also realizes reasonable inventory management, establishes a supply chain system, improves data and visualization of inventory, realizes inventory sharing, promotes customers' offline experience and chooses online shopping, prepares goods on demand according to customers' needs, improves customer satisfaction, and also reduces the inventory cost of the enterprise; thus reducing the cost of the supply chain, and improves the efficiency of the enterprise's operation.

In terms of demand-side reform, Hema Fresh adopts information technology to improve the overall supply chain of the enterprise and ensure that consumers can buy the products they need from Hema Fresh. From the perspective of demand, new retail is empowering consumers and needs to be consumer-oriented, starting from consumers' needs and adjusting the supply of products according to consumers' needs. Therefore, in addition to providing consumers with the products they need, Hema Fresh also analyzes the actual needs of consumers to provide the appropriate services and scene experience, creating a comprehensive retail supermarket for consumers. Supermarkets should form the operation mode of "online + offline + logistics", utilize big data, artificial intelligence, and other emerging technologies, integrate physical retail and e-commerce retail, and upgrade the supply chain of supermarkets intelligently to meet customers' needs; improve the efficiency of distribution of goods in supermarkets, reduce the cost of the supply chain, and improve the shopping experience of consumers; perfect the internal supply chain of supermarkets; and improve the shopping experience of consumers. Consumers' shopping experience; improve the internal structure of supermarkets, construct the network of supermarket services, reduce the cost of consumer choice, so that consumers can benefit from it, and satisfy the needs of consumers for shopping.

4.1.2 Games between upstream and downstream supply chains

In the era of digitalization, the game between distributors and retail enterprises is the key issue. From dealers to retail enterprises, and then from retail enterprises to consumers, for the upstream dealers of retail enterprises, retail enterprises need to adopt digital means to make a reasonable layout of the supply chain.

For Hema Fresh's upstream distributors, the focus of realizing digital transformation is to carry out empowerment, and retail enterprises should help distributors establish a digital operation system. Hema Fresh realizes product transparency and information management by updating product parameters, prices, sales, and other data in real-time on a third-party platform, making it more convenient and efficient for dealers to view product information; allowing dealers to
place orders in real-time, collecting dealer data for analysis, and making promotional campaigns more targeted; realizing the platformization of dealer business, strengthening the cooperative relationship between dealers and the enterprise. It also promotes the digital transformation and upgrading of the supply chain.

For Hema Fresh's downstream consumers, the key to digital transformation is to transform the channel model, so retailers should classify different customer groups, implement targeted policies, and implement a flat platform model to improve customer satisfaction. Since different customers may obtain product information from different channels, it is necessary to personalize the product push for different channels according to the consumption habits of customers to improve the conversion rate of customers. Different pricing policies apply to different customers, and customers also have a preference for the products purchased, so it is necessary to implement different types of pricing policies, the price policy for the product also needs to be specialized segmentation, to save time and cost of marketing, and improve the efficiency of business operations.

4.2 Transformation and upgrading of the supply chain system of retail enterprises

The key to the transformation and upgrading of retail enterprises is to reconstruct a market-oriented supply chain system, which requires a reasonable analysis of the original channels and combines the construction of the supply chain with the development of retail enterprises.

Hema Fresh carries out integrated construction of the supply chain, thus enhancing the transparency, data, and intelligence of the supply chain system. The construction of a B2B platform is a key part of the construction of the supply chain system, which utilizes the advantages of big data to help the retail enterprise realize real-time monitoring of the goods. Realize the visualization and transparent management of the goods, to enable the enterprise to coordinate the production, and rationally dispatch the transportation capacity. B2B platforms improve the efficiency of inventory management and enhance the speed of market response; analyze the customers through data means, improve the market response; and analyze the customers through data means. Analyze customers' consumption habits employing data, to optimize promotion methods, carry out omnichannel precision marketing, and improve the conversion rate of customers; carry out reasonable planning for offline stores. Satisfy customers' ever-changing needs based on improving the supply chain capacity of the enterprise; analyze customers' needs by collecting terminal data, and supply goods according to customer's needs, to reduce the required cost of inventory; improve the service consciousness of staff; and improve the cost of staff service; and improve the efficiency and transparency of the management of goods. Improve the service consciousness of the staff, enhance customer satisfaction, build a more reasonable supply chain system, and improve the overall market competitiveness of the enterprise.

4.3 Retailers use multiple combinations of distribution methods

Under the new retail model, retailers can use a variety of combinations of delivery methods to improve the efficiency of terminal services. The new retail model improves the overall efficiency of the supply chain by improving the construction of stores.

The improvement of distribution methods is an important part of Hema Fresh's supply chain system change. As Hema Fresh combines online and offline, it provides personalized delivery services according to customers' needs. For store pickup customers, the "online order + offline store pickup" method is more efficient, Hema Fresh combines online orders with store pickup to provide targeted services according to the different areas and times of the customer, enhancing the customer experience; for "self-pick-up + express delivery" customers, Hema Fresh combines online orders with store pickup to provide personalized services according to the customer's needs. For "self-pick-up + express" customers, Hema Fresh increases the transparency of inventory and distribution, utilizes Internet of Things (IoT) technology, combines digital means, and enhances the service consciousness of distribution personnel to provide customers with more convenient services; for "express + store" customers, Hema Fresh fully optimizes its internal operation process, strictly controls each link of distribution and checks orders. For "express + store" customers, Hema Fresh fully optimizes its internal operation process and strictly controls every link of distribution, checking the orders before distributing the goods. It can be seen that Hema Fresh designs a reasonable distribution process according to the customer order information to make the supply chain more efficient and improve the shopping experience of customers.

5 Conclusion

This paper analyzes the changes made by Hema Fresh in terms of supply chain and digitalization to discover the reasons why Hema Fresh has increased its market share. While building its supply chain structure, Hema Fresh has changed its retail model based on its experience in business development, incorporated digitalization, and improved its technologization, thus enhancing the timeliness of its supply chain and improving its market competitiveness. By emphasizing digital transformation and the application of new retail models, the importance of management methods for enterprise development is highlighted. Starting from the two aspects of supply chain reconstruction and retail model transformation, it fully combines the actual case of Hema Fresh, analyzes the supply chain for retail enterprises, and puts forward new viewpoints, which have reference value for the development of retail enterprises. However, the exploration of new retail needs to be combined with the actual situation of more enterprises, and more research should be carried out on the digitalization of retail
enterprises in the future in order to better explore the role of digitalization in the development of retail enterprises.

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