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Ding Yining

aying to shop at a supermarket may seem to be a waste of money, let alone paying for two membership plans at one time. However, many are willing payers, and they have made it trendy.

Shanghai consultant Chen Xiaoyi, who has been comparing prices and product types from Costco and Alibaba's grocery chain Freshippo, believes that shopping at the two stores with different plans is a wise decision.

"Costco has more imported and Western-style cooking materials, whereas I prefer pre-cooked dishes and local seasonal food at Freshippo," she explained.

She didn't hesitate to pay 199 yuan (US\$28) for a one-year membership at the Pudong Costco store after learning that it was a 20-minute drive from her home.

"There are over a dozen cheeses to choose from at Costco, whereas Freshippo has a much larger selection of Chinese-style dishes, instant food and pre-cooked packs," she explained.

It offered a special discount of 100 yuan off the original fee of 299 yuan in advance of the new opening.

Chen spent about 1,800 yuan on the first day of the new store's opening, when the United States retail giant offered discounts on salmon, bakery items, and other fresh foods.

Shoppers are certainly becoming more savvy when it comes to deciding where to buy groceries and what types to buy at specific stores.

Despite the lack of delivery service, which is now required by all major retailers such as RT Mart, Walmart and Metro, the store remains appealing to those looking for new product types and ways to save money on their grocery shopping.

The Minhang District store, which opened in 2019, made to the top 10 stores out of over 800 Costco locations worldwide



Savvy city shoppers have a wider choice when buying groceries



Customers shop at Sam's Club in Shanghai. — Ti Gong

in terms of average purchase

Senior Vice President of Costco Asia Richard Chang believes the Shanghai market is now "more mature and catching up with developed markets," with a strong willingness to spend on products that provide good value for money.

Shanghai is the only city in the country with two Costco stores, as well as a dozen membership-only supermarkets from Sam's Club, Freshippo and Metro. The State Council's work report delivered during the latest session of the National People's Congress prioritized stimulating domestic consumption and expanding lifestyle services.

Customers are reconsidering their grocery shopping plans as the pandemic fades, and retailers are upgrading their offerings.

Customers' strong sentiment and willingness to spend on groceries and consumer goods are being backed by multinational and local retailers. Walmart's Sam's Club also accelerated its expansion in China last year, with the opening of six new locations, the most since the company entered the country more than two decades ago.

On the domestic supply side,

local supermarket chains are expanding their connections with fresh farm products in order to differentiate themselves from retailers selling imported goods.

To ensure supply to the local market, Shanghai is encouraging online retailers to expand their collaboration with agricultural product bases.

Over the last year, special campaigns have been launched to help promote local agricultural products and strengthen ties with growers and distributors.

A framework for high-quality agricultural development will be established in the city by 2025, according to the Shanghai Agricultural Commission, and several intelligent vegetable and fruit gardens will be established to promote intelligent agricultural production bases.

New models have emerged to connect with local farms.

To diversify the supply of spring seasonal fresh farm products, Meituan has partnered with farmers' cooperatives in Qingpu District.

It added roughly one-third more seasonal spring vegetables than last year, and sales of popular varieties like goji leaves and broad beans more than doubled.

Sourcing and shipping vegetables from farms on the city's outskirts to supermarket outlets and delivery site warehouses could keep them fresh while reducing waste from transportation, according to Zhu Hongfang, a researcher at the Horticulture Research Institute of the Shanghai Academy of Agricultural Sciences.

Freshippo will add 11 farming bases in eight towns in the Pudong New Area over the next two years, sourcing directly from local growers and implementing smart supply chain facilities.

To meet the grocery chain's supply and distribution demands, the seeding, growing and crop protection processes will adhere to strict protocols, Freshippo said.