

Innovative Retailing – China – August 2019

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This report looks at the following areas:

- Unmanned stores are not a 'pull' product
- Pop-up stores are in
- Vending machines are good for diversified submarkets

Technology has given rise to a new generation of shopping behaviours, where efficiency and convenience are valued. With Chinese consumers curious about what changes new technology can bring to their lives, brands and companies should figure out how to get consumers to come back after their first taste of "high tech" retail.

The consumer survey shows a general trend across all consumer groups: people who have not tried the new technologies show considerable interest in them, but those who have tried them seldom go back to experience them again. The elephant in the room is consumer motivation. Consumers are naturally drawn to quick and easy entertainment that requires zero pressure and commitment. Mini karaoke has been relatively more successful because it offers consumers the option to entertain themselves, either alone at locations of their choosing or with others while they wait to be seated at restaurants. It is a fun and stress-free experience.



"The application of technology in retail can only prosper when consumers' needs are kept in mind. Consumers crave entertaining and exciting experiences and want to make their purchasing decisions as convenient as possible. Pop-up stores are an effective tool to strengthen companies' sales and marketing capabilities."

– Roger Shi, Research Analyst

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