



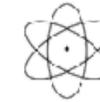
AKQA



Business Transformation



Branding, Marketing,  
& Media



Insight & Advanced  
Analytics

The architects of future  
brand experiences



Product, Service,  
& Industrial Design



Technology  
& Engineering



Architecture &  
Interior Design

## The Retail Landscape is Changing

“In the future, pure e-commerce will be reduced to a traditional business and replaced by the concept of New Retail-the integration of online, offline, logistics and data across a single value chain.”

- Jack Ma



1. Shopper's behavior, and expectations, have evolved



2. Retailers need to be able to weave non-linear narratives



3. The future of retail lies in united retail ecosystem



4. We should rethink the role of physical retail in a sales journey

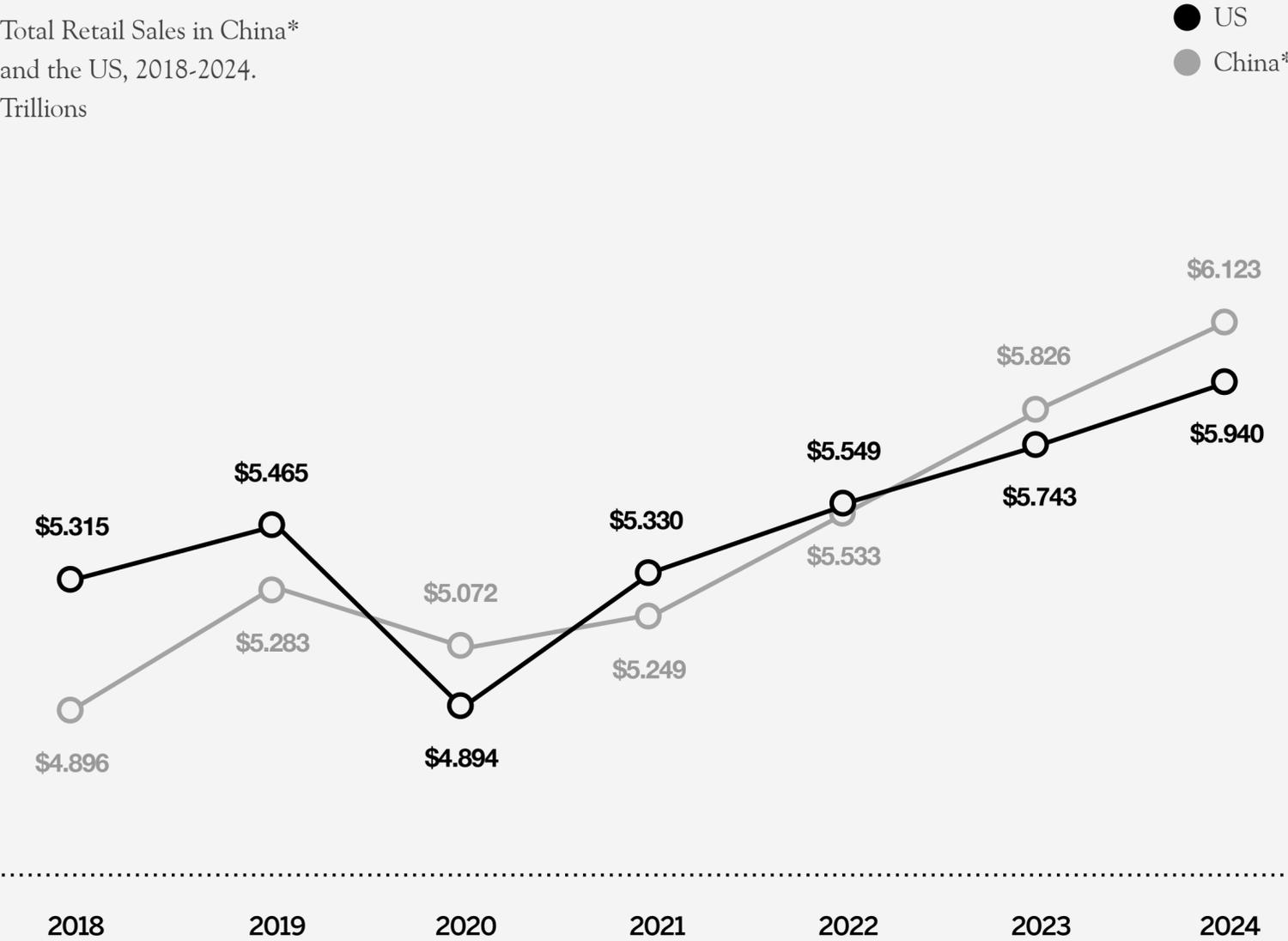
# Quick Facts

- Retail sales of consumer goods alone accounted for more than 50% of China’s GDP growth in the past decade.
- China overtook the US in 2020 in value of total retail sales, with it’s surge powered by it’s unique ecosystem.
- China’s market is highly diversified and creates an environment of hyper competition and innovation.
- In 2019 eCommerce accounted for about 35% of total retail sales in China (up from 15% 2018). 80% of this is mobile.
- Social commerce sales in China in 2019 outpaced the US by a multiple of ten.

Sources: Trading Economics, eMarketer, The Centre for Economics and Business Research



Total Retail Sales in China\* and the US, 2018-2024.  
Trillions



Note: excludes travel and event tickets, payments such as bill pay, taxes or money transfers, food services and drinking place sales, gambling and other vice goods sales; \*excludes Hong Kong.

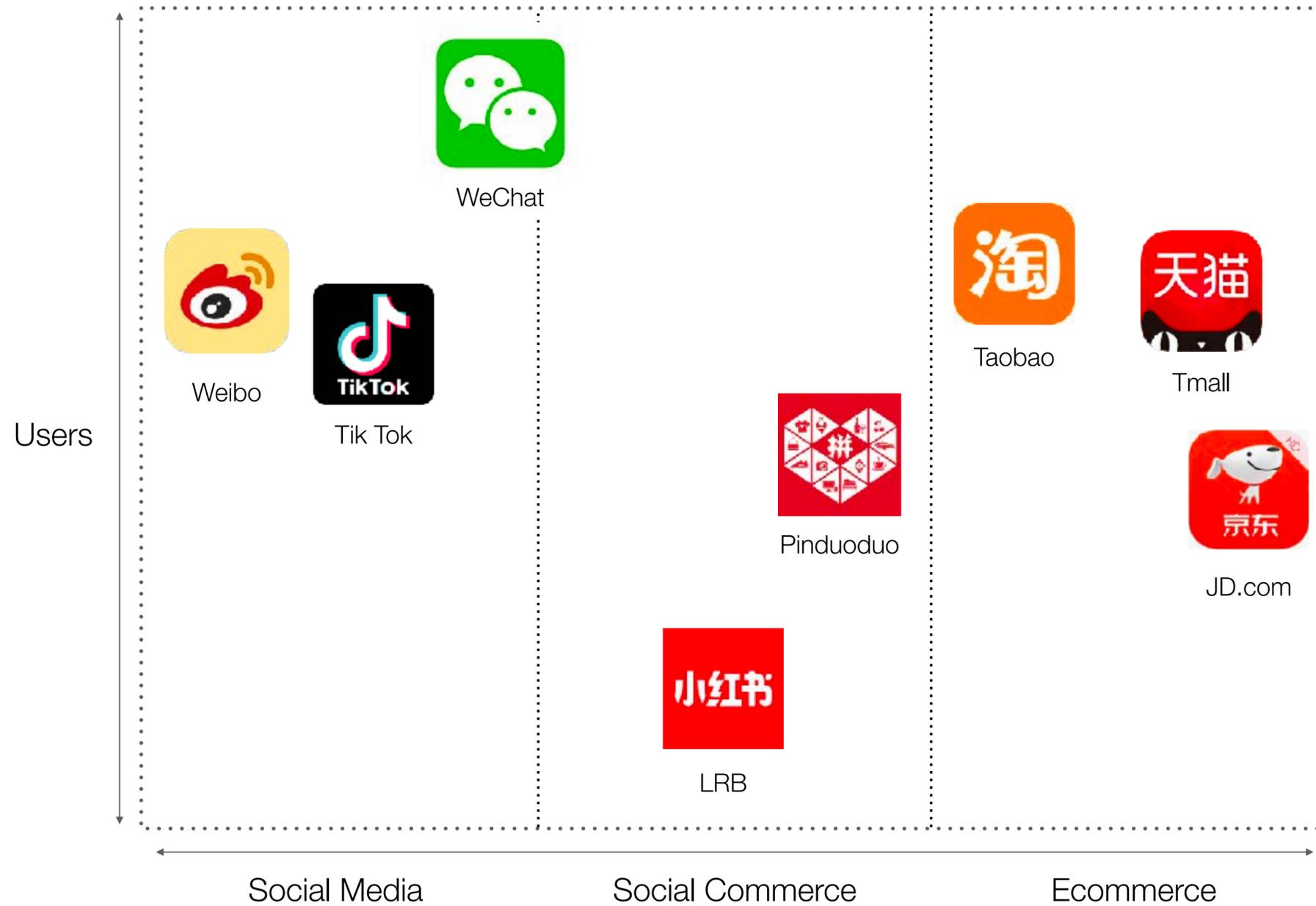
Source: eMarketer, May 2020

97.5% of China's internet users are primarily mobile internet users.

Wechat has more MAUs than there are internet users (1Bn vs 829M).

Over 60% of all time spent on mobile apps in China is spent within Wechat.

# The Digital Landscape

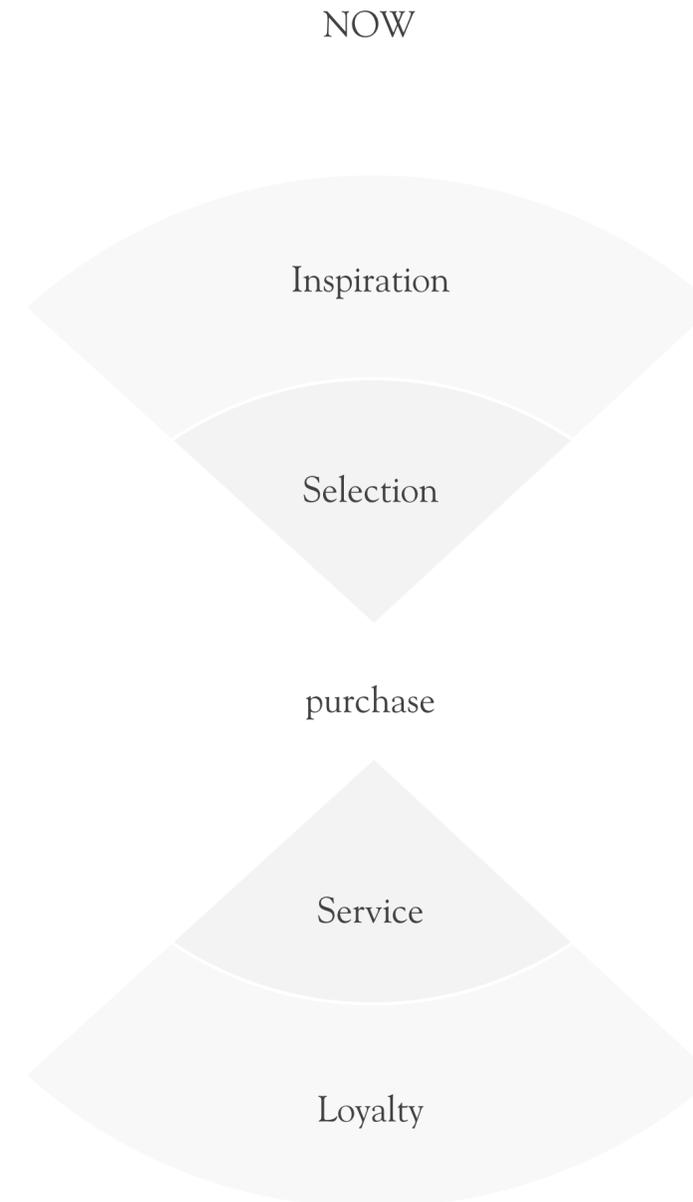
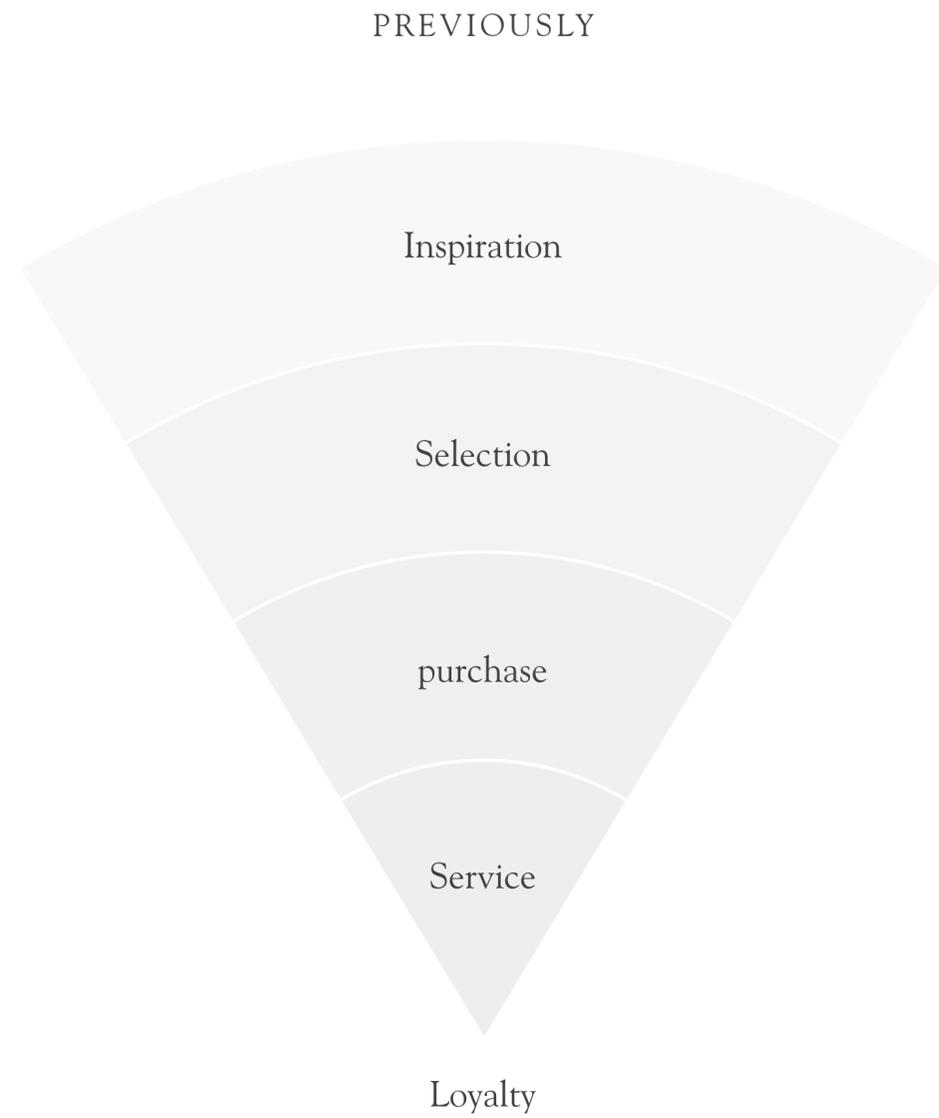


# The Impact of Gen Z

- Gen-Z have a range of social platforms to choose from that fit their specific niche interest and passion. Note WeChat is nowhere to be seen.



# Retail's role in the consumer journey has evolved



# The future of retail

- “New retail” demands for a greater customer centric business model.
- Businesses need to define what O2O means for their customers and business.
- Focus on experiences over features, capabilities and services.
- Engage and test, making sure to provide value in return for engagement.



# Key Principles

How might we create brand experiences that attracts customers' attention and generate conversion



Social Commerce



Experiential



Omnichannel



Personalization

# Shift of Key Principles



Social commerce



Experiential



Omnichannel



Personalisation

PREVIOUSLY

Word of Mouth

Heightened Experiences

Siloed Channels

Many To One

NOW

KOL

Augmented Experiences

Curated Channels

One To One

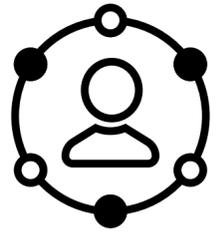
FUTURE

KOC

Immersive Experiences

Omnichannel

One To Many



# Personalization

Yesterday brought to you by tomorrow



# Personalized

Yesterday brought to you by tomorrow

In years gone by, customers around the world were won over and then stayed loyal through individual relationships with sales associates who knew and understood them. Today, it is increasingly hard to maintain consumer loyalty in China where the sheer volume of interactions between brands and consumers mean personal interactions have given way to mass convenience. 70% of Chinese shoppers consider real-time personalized offers to be important for their overall experience (PWC, Retail and Customers).

Progressive brands now use a bevy of tools at their disposal to recapture the power of personalization of yesteryear, but this time at scale and with greater intimacy than ever.

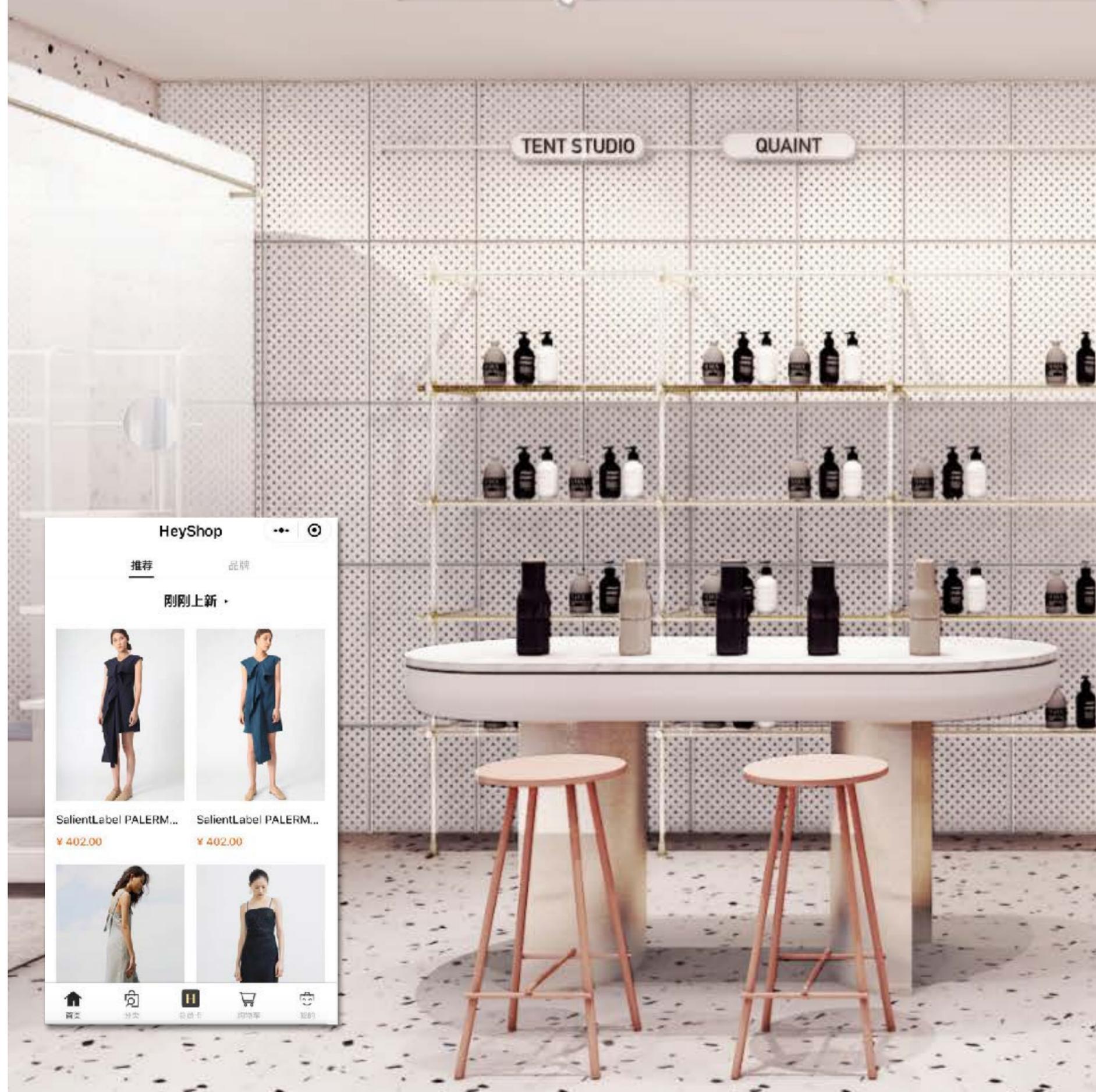
AKQA partner HeyShop is a platform which allows retailers and brands all over the world to open their own online store and serve Chinese consumers. The organization has now branched into physical retail stores.

Their physical retail store is a strong example in ‘how-to’ new retail. At the heart of their business model is data, Data enabled HeyShop to serve a market of one customer, all at the same time. This information is used in decisions about all aspects of their business from what makes the cut for the physical store, to where it’s placed and how it’s priced.

Mapped spaces monitor how people move throughout the store and RFID tags track how shoppers interact with product and how that translates (or doesn’t) to sales. In their new flagship store, HeyShop is now working with curious customers to trial a facial recognition login feature to recognize customers when they enter the store in order to provide them with a highly personalized service. Together, Heyshop and AKQA strive to create and deliver personalized experiences to the brands they work with.

# Heyshop

- Heyshop is a new retail business that blurs the edges between online and offline retail strategies.
- Each store is between 600-1,000sqm, and incorporates a wide variety of technology.
- Technology bridges the data gap between physical in-store consumer interaction and online behavior tracked across Heyshop-powered WeChat Mini Programs.
- Heyshop track five things in store...
  - 1.How many people enter the store
  - 2.Who enters the store
  - 3.Where do they go in store
  - 4.What they interact with
  - 5.What they buy





Co-curated Inventory



Offline to Online Marketing



Personalised Service & Tracking



Miniprogram Platform -in-Platform



Flexible, Instant Delivery



Limited Time Collaborations



# Experiential

When shopping becomes souveniring



# Experiential

## When shopping becomes souveniring

At AKQA we believe that the interface is the brand. That is, modern brands are the sum of experiences people have with them - not just one stand alone piece of content, interaction or campaign (or even a handful of them). Compelling modern brands are built holistically using a non-linear narrative. Rather than assuming that everyone will follow a particular path in their discovery of the brand, we need to ensure each touchpoint plays its role in an overall brand story.

Some time ago, the role of a physical retail space was to incite and conduct purchases. Increasingly however, brands from Starbucks through to bookshops in China's lower-tier cities are using these spaces to allow consumers to experience the brand - driving awareness, and generating loyalty. In China, 31% of millennials would consider an experience is immersive if it contains mixed reality (R3, 2019).

Partnering with L'Oréal, AKQA Shanghai and Paris are creating an immersive experience center for one of their cosmetics brand. It is a phygital location for brand discovery, social engagement, purchase destination and educational center for all cosmetics needs, making it one of the most sophisticated experiential cosmetics brand destination in China.

Through 8 months of research to understand millennial and GenZ purchase behavior and makeup needs, AKQA was able to set the foundation of the stores' architecture and interaction design. Providing customers with engaging in-store experience with makeup artist and products, feeding into a interactive digital experience that can live on any platform.

Customers are presented products that match their personal preference upon entering the store, both physically and digitally. They can virtually test products that meets their needs based on a skin-type analysis, effectively enabling purchase anywhere, anytime. The purpose is to remove any form of friction, while simultaneously providing customers with 'how-to' tips and tricks, employing an always on delivery method empowered by smart utalization of data analytics. Doing so, customers essentially become a co-creator of their personal interaction with a brand.

Objective

Envision L'Oreal Paris' first flagship retail experience,  
for China's Generation Z.

Physical Retail



Mobile Experience

L'ORÉAL  
PARIS

NIA

CLZ

ZEDONIA

TODAY'S  
SPECIAL



L'Oréal Paris

# House of Worth

## An Omnichannel Concept Store

L'Oréal Paris engaged AKQA to create the experience for their first ever concept store, in celebration of the 50th anniversary of 'you're worth it'. The store is located in the heart of Shanghai's busiest shopping district, the stage for the world's most ambitious brands to experiment with the future of retail.

Conceived by AKQA Shanghai, the L'Oréal Paris store functions as a gateway that gives entry to a unique space which is a fusion of all the best things that Shanghai and Paris have to offer. Visitors can use face scanning technology to receive a printed skin analysis report and personally-coded key to unlock their beauty throughout the store. Visitors can also use this key to explore their recommendations in store, and learn how the recommended products help with improving the quality of their skin. Recommended products can be directly picked-up in store, delivered to any address in China, or added to their digital shopping basket, linked to their account on the L'Oréal WeChat mini-program, to be purchased at a later moment.

Xylia Chen, Associate Merchandising Director L'Oréal Paris said: "The 'L'Oréal House of Worth' concept store represents the most modern manifestation of the L'Oréal brand. It is the ultimate realisation of the 'you're worth it' lifestyle".

[View the work](#)





SKIN  
DIAGNOSIS

SCIENCE OF SKINCARE

诞生于1909年，L'Oréal Paris  
始终坚持以科学为驱动，不断探索  
Beauty 1909，为肌肤带来全新  
L'Oréal Paris has been the pioneer  
in creating the world's first

BECAUSE  
YOU'RE WORTH IT.  
你值得拥有

SKIN  
DIAGNOSIS

L'ORÉAL  
PARIS  
YOUTH  
CODE  
SERUM TREATMENT  
FORMULATED IN FRANCE

L'ORÉAL  
PARIS

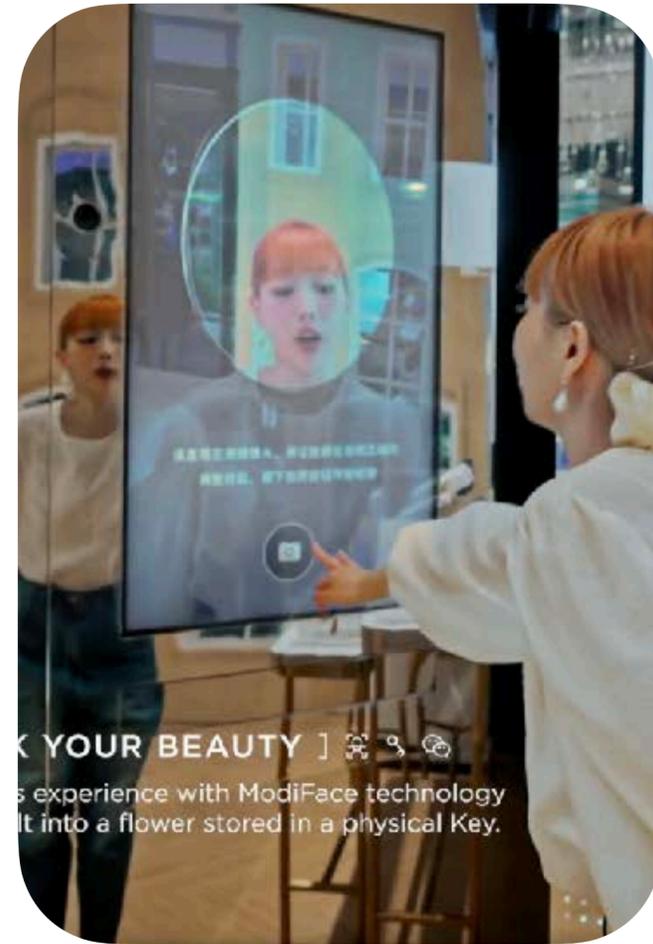
# L'Oréal Paris House of Worth



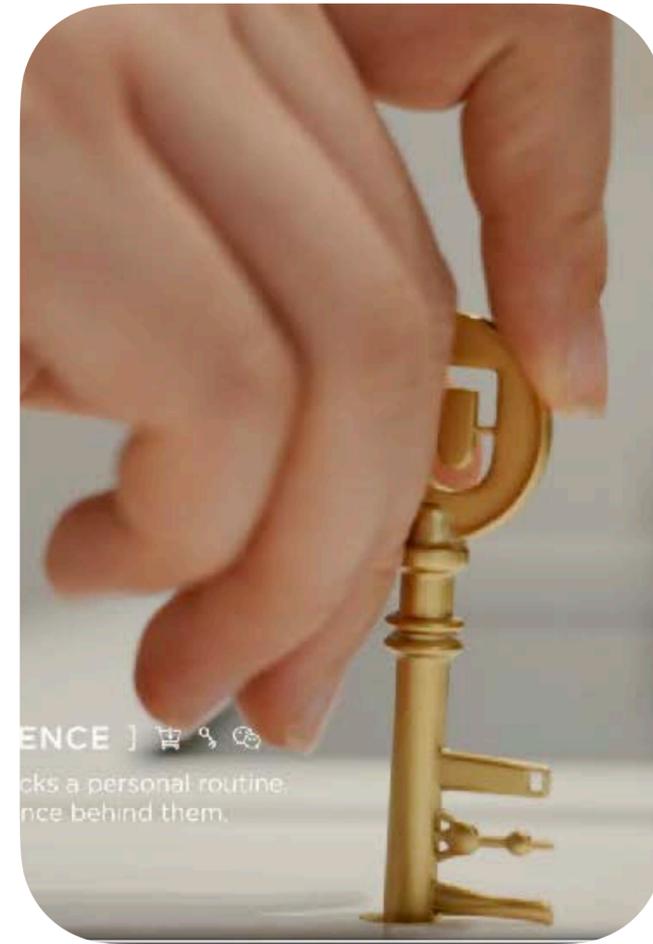
Immersive Bike ride



In-store livestream set



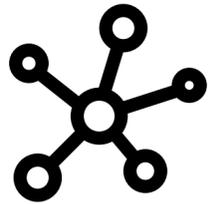
Skin Diagnosis



Key to the Maison

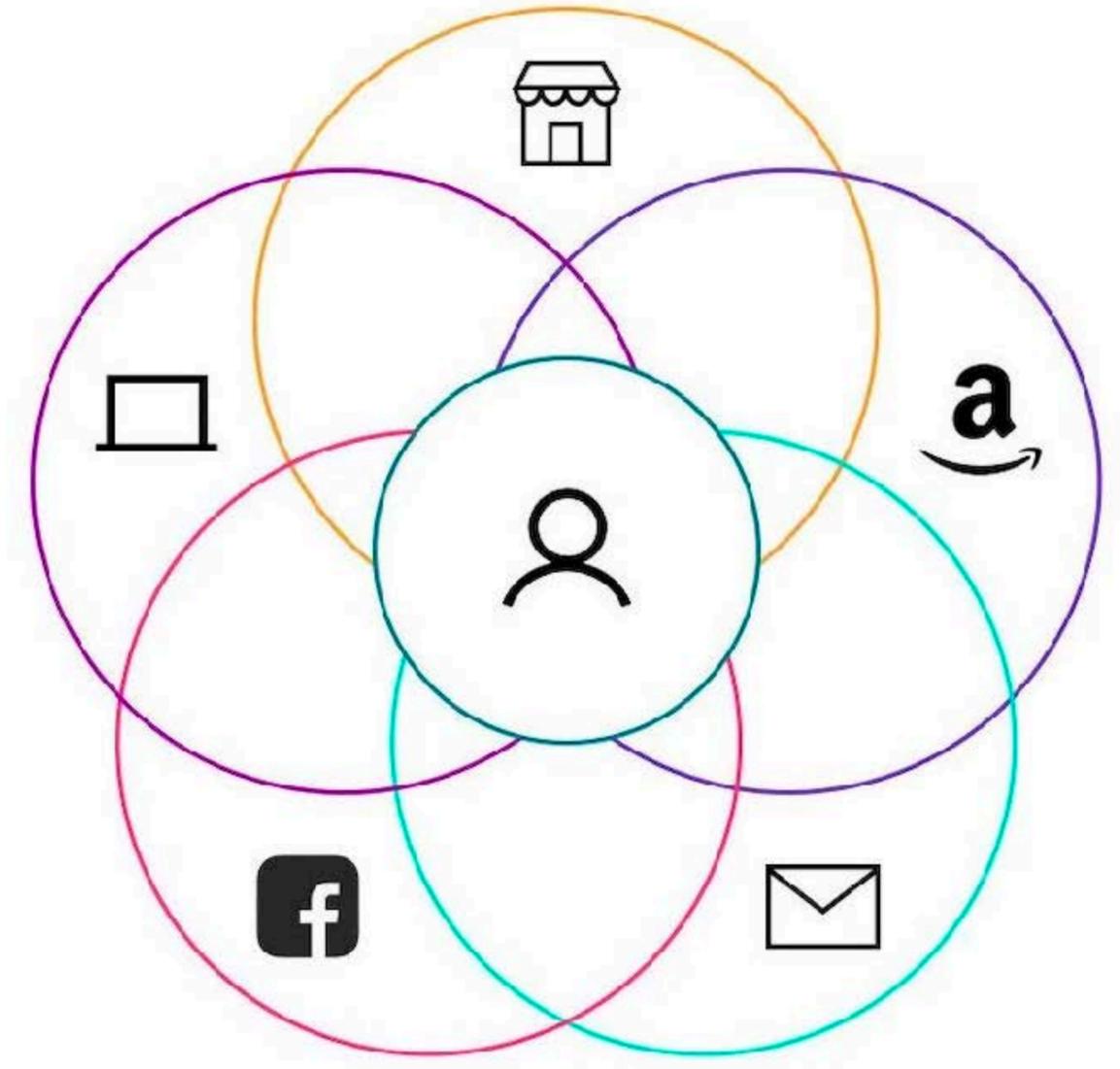


In-person beauty consultation



# Omnichannel

From brand instances to brand experiences



# Omnichannel

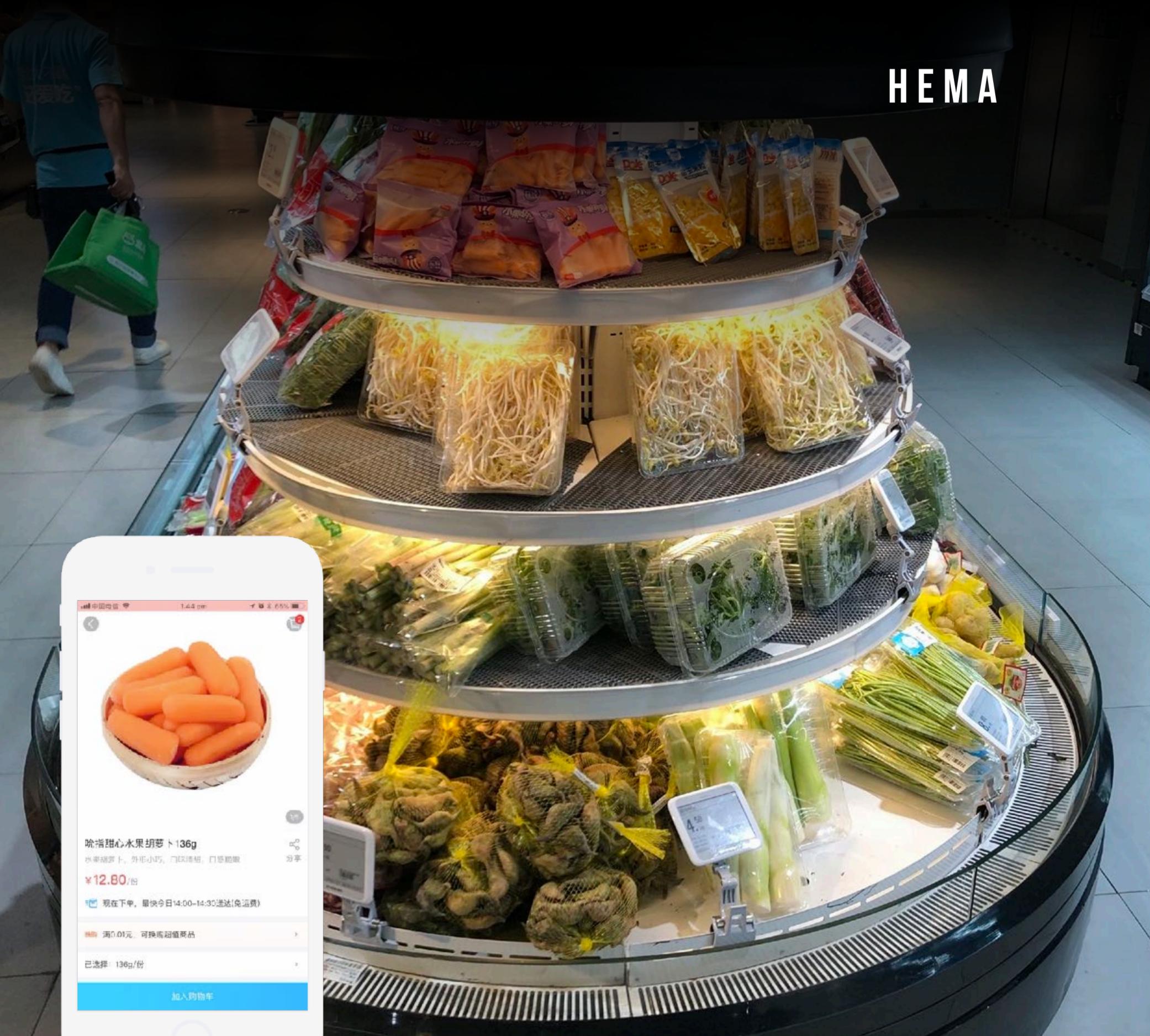
## From brand instances to brand experiences

Omnichannel has undoubtedly been one of the go-to buzzwords of every consumer-facing industry for the past decade. The modern incarnation is less about simple 'integration' and more about putting the consumer at the centre of a brand's ecosystem, rethinking the provision of products and services accordingly. Mobile devices are increasingly used as the key with which a seamless, omnichannel experience is unlocked, allowing the end-user to transition without friction between touchpoints.

Hema supermarket is seen as the trendsetter, seamlessly blending online and offline elements into one cohesive end-to-end experience. The entire experience is enabled by the App which can be used to order for delivery, but also facilitates the in-store experience where customers can order whilst standing in the store and have items shipped ahead. All product in store (even live product) has a QR or barcode which can be scanned in the App to receive supply chain information, preparation tips and recipes. Vice-versa customers are also able to shop in the physical store but getting all the online benefits seamlessly powered by their unified CRM.

On a slightly smaller scale, AKQA partnered with Nike in the wake of the Shanghai Marathon to create the Never Done Shop - a mobile-centric omnichannel experience which challenged users to participate in real-world challenges in the weeks after the marathon. Participation earned currency in the pop-up store which could be used to purchase exclusive product and experiences. The cohesive experience resulted in 49% increase in Nike membership binding on WeChat.

# HEMA





H&M

# Loop

Let's Remake

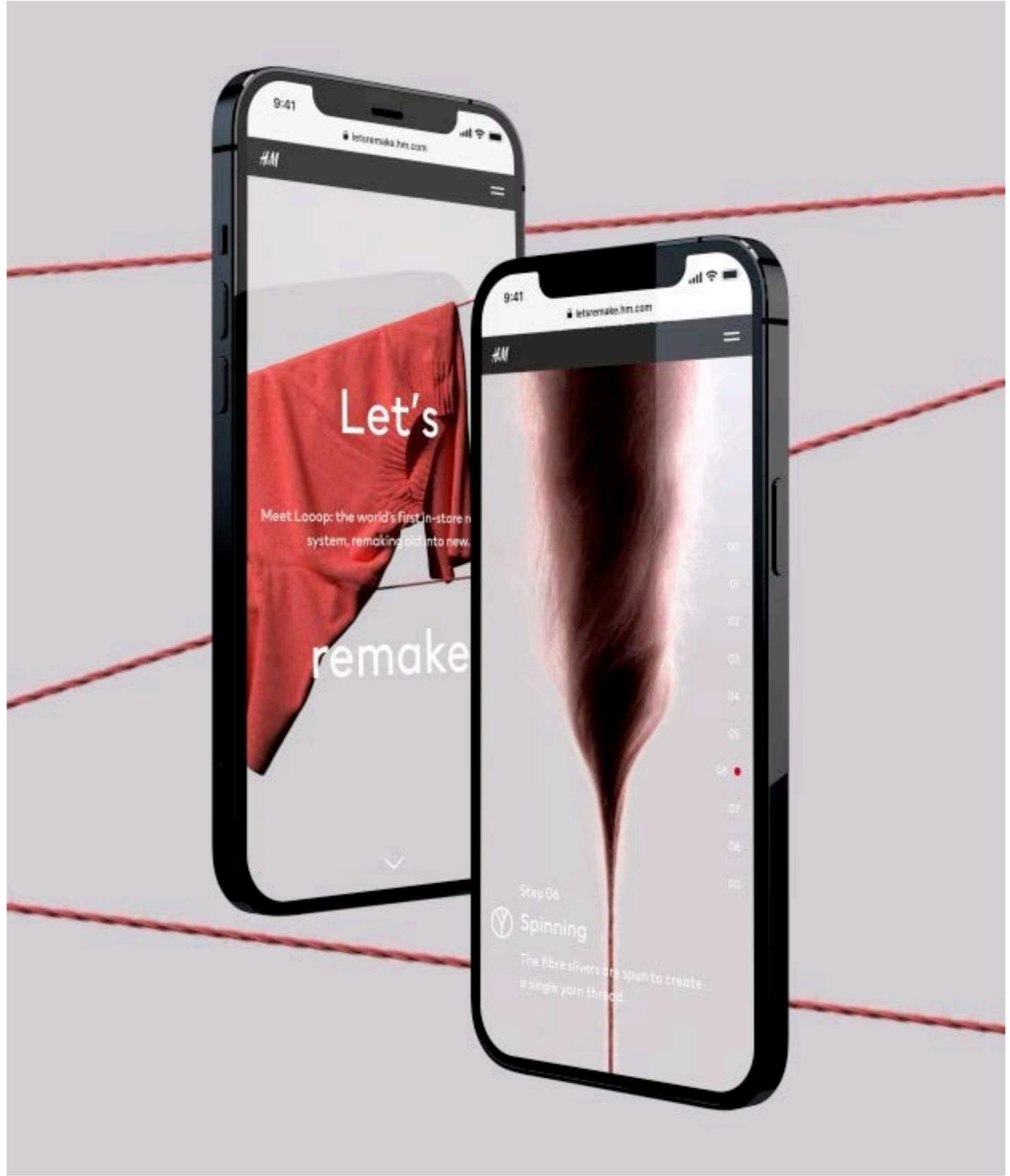


## Let's remake

Just 8 steps, our in-store recycling system turns your old garments into new ones. Never again will you have to throw your old clothes away. From old to new, it's all possible.

- 01 Cleaning
- 02 Shredding
- 03 Filtering
- 04 Carding
- 05 Drawing
- 06 Spinning
- 07 Twisting
- 08 Knitting

Meet Loop  
Our in-store recycling system  
turns your old garments into new ones.  
From old to new, it's all possible.





# Social commerce

Educational content over hard sales



# Social commerce

## Educational content over hard sales

Social commerce is currently making up 11.6% of retail e-commerce sales, and is expected to exceed 14.2% by 2023 (EMarketer, May 2020).

The most commonly known way of social commercing is using social media format to interact with existing and potential customers, with the purpose of generating sales. An example of the power of live-streaming is KOL Viya, who has set the record of generating 3 billion RMB in one live-streaming session, her success however did not only happen in that livestream room. Viya has a holistic approach to acquiring customers via unified messaging across multiple platforms such as WeChat, Douyin and Taobao, with the purpose to funnel customers into the same livestream channel, used to interact with them in her unique way, while generating sales.

The social commerce battlefield is a tough one, and brands need to differentiate their delivery-style from competitors, while simultaneously staying true to their brand to stand out. Instead of just following a social commerce hype, brands must identify their own engagement opportunity that can potentially lead to sales moments. Together with Nike, AKQA orchestrated a livestream event in the center theNike 001 Flagship Store in Shanghai to launch Next% Air Zoom and the coveted Alphafly running shoes. Leveraging the opportunity for the Next% Zoom family launch to be a celebration of future technology for the runner community at the hub of Nike's experiential center. The livestream created seamless integration between online & offline for the viewers, challenging them to move quickly to redeem awards.

Viewers were encouraged to actively participate in the livestream from the convenience of their own home. The livestream amassed a record breaking 1.06 million UV on mini program, 340K real time likes, 52K real time comments and the shoes are sold out in 10 minutes.

NIKE AIR ZOOM  
NEXT% 解锁之夜

NIKE AIR ZOOM  
NEXT% 解锁之夜

基普乔格、韩寒、李灿森、李晨  
和你一起解锁黑科技，领教新一代的快！

看直播参与抽奖赢全年免费“快”装备  
7月10日晚上8点  
即刻预约



THE NEXT  
GENERATION  
OF AIR FAS

# WeChat Campaign Launch Article



# Digital Ticket System

Generated ticket for livestream lucky draw

NIKE AIR ZOOM  
NEXT% 解锁之夜

7月10日晚上8点  
Nike 微信小程序

马拉松世界纪录保持者  
基普乔格

作家、导演、赛车手、跑者  
韩寒

特约主持人  
李晨

明星跑者  
李灿森

明星跑者全速上阵  
如何领你跑更快?  
直播一起来领教!

长按识别二维码, 关注NRC公众号  
即刻领取NEXT% 解锁券  
赢 Nike 全年免费“快”装备

NIKE AIR ZOOM  
NEXT% 解锁之夜

7月10日晚上8点  
Nike 微信小程序

马拉松世界纪录保持者  
基普乔格

作家、导演、赛车手、跑者  
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李灿森

明星跑者全速上阵  
如何领你跑更快?  
直播一起来领教!

领NEXT% 解锁券  
赢 Nike 全年免费“快”装备

即刻领券预约直播

NIKE AIR ZOOM  
NEXT% 解锁之夜

解锁券领取成功!

OSH 的解锁券编号

8	8	8	8
8	8	8	8

7月10日晚上8点, 来 Nike 小程序看直播  
与韩寒、李灿森一起解锁 NEXT% 潜能  
凭券编号抽取终极大奖!

长按识别二维码, 也领取你的 NEXT% 解锁券  
赢 Nike 全年免费“快”装备

长按上方图片即可保存、分享解锁券。  
请记录你的编号, 将作为兑奖凭证!

长按上方太阳码进入直播预约页面  
别错过赢取大奖机会!

8:00

Nike耐克  
5万 观看



小程序直播

Nike AIR ZOOM  
NEXT% 解锁之夜

30°



迷\*\* 正在去买

泳者: 来了

小了: 7

Agony: 我来了

小了: 6

元一: 岳父我来啦



22789



3:00

Nike耐克  
回放 | 106.1万 观看



小程序直播

Nike AIR ZOOM  
NEXT% 解锁之夜

30°



Hi 大家好! 我是埃鲁德·基普乔格

Cody.SE: 我爱Zoe!

冬天刚刚到: 希望中

T-chou: 我要我要

管理员: 购买ALPHAFLY NEXT%, 请戳3-4号链接

99+条新消息

00:17:23

15°



34.9万



02:20:33

12:02

Nike耐克  
回放 | 106.1万 观看



小程序直播

Nike AIR ZOOM  
NEXT% 解锁之夜

30°



: 1

MD: 跑者加油

Zz\_: 跑者加油

Rebecca: 159

阿贵: 加油加油

99+条新消息

00:38:33

15°



34.9万



02:20:33

# Final thoughts

Solve for one,  
scale for many

Test on an individual level, but  
remember you're still building for scale.

Think of experiences like  
they're software

"Just good enough", is more than enough  
when you master rapid iteration.

Lean in to the home  
advantage

Maximise the potential a specific  
channel offers to elevate an interaction  
into an experience.



# DISCOVERY Q&A

*Discussion and key learnings*

## CONTACT

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