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FROM THE EDITOR



The past year and a half saw the stay-home economy as the new norm. In this issue, we take a close look at the new and current trends in the Asia-Pacific retail industry as it adopts digitalisation of its marketplaces, as well as the impact of digital transformation on traditional retail channels.

Four out of 10 shoppers in Southeast Asia now prefer online shopping over in-store visits as the pandemic forced malls to limit or even shutter operations. In the same vein, digital influencers are now using their platforms to sell their own products and reach more consumers.

We have sat down with Alibaba's General Manager of Global Business Development Lynn Dong discussed how the company is helping international merchants break into the China market. See the full interview on page 14.

In an exclusive interview, Steven T. Tan, President of SM Supermalls in the Philippines, shares the retail giant's plans to launch more 'smart cities' and make use of e-commerce channels to reach far-flung locations. Read the full interview on page 24.

We have also sat down with Yuki Yamada, CEO of Uniqlo Malaysia and Singapore, to discuss how the employment of digital channels has provided an improved shopping experience for customers after the apparel giant implemented the "price tag scanner" and the same-day Click & Collect service. Read the exclusive interview on page 28.

This issue also features the 2020 Top 100 Retailers in APAC, as well as the winners in the Retail Asia Awards 2021. See the full coverage on pages 30 and 36.

Read on and enjoy!

Tim Charlton

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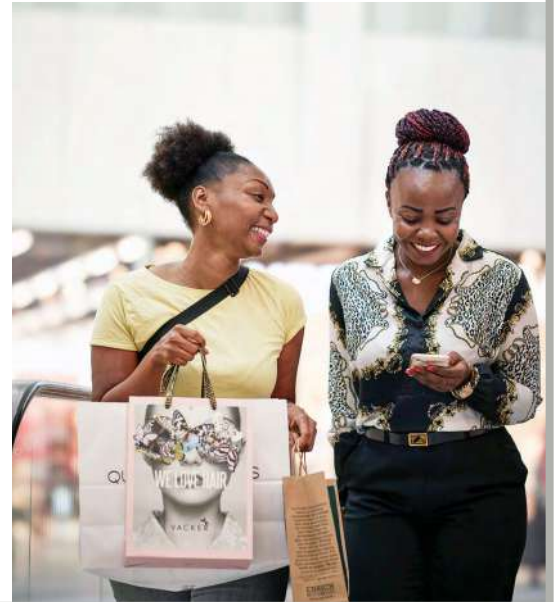
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4 OUT OF 10 SEA SHOPPERS NOT MISSING IN-STORE SHOPPING



Consumers prefer the use of virtual tech for their shopping experience

In a survey titled VMware Digital Frontiers 3.0 Study, it was revealed that four out of 10 SEA shoppers do not miss shopping in-store.

The study points to the increased trust of personal data to retailers, which would be used to create a personalized shopping experience. The application of technology, such as artificial intelligence and virtual reality, is seen by the study as the next steps for retail in Southeast Asia.

Sixty percent of respondents also stated that they would switch to another competitor if the digital shopping experience was lacking. This ranks higher than respondents in other regions with the US, Germany, France, and the UK charting in at 50%, 40%, 36%, and 51%, respectively.

Key figures from the study include the following:

- 54% would prefer shopping with a retailer that knows their personal preferences.
- 63% are agreeable with the use of virtual technology for their shopping experience.
- 70% believe in the benefits of artificial intelligence for society in the next five years.
- 64% state that they would leave a website if their issue could not be solved there.
- 41% would visit a rival brand's app or website if next-day delivery was not offered.
- Sanjay K. Deshmukh, vice president and managing director, Southeast Asia and Korea, VMware, took these conclusions as a reaction towards the current state of the pandemic.

"The pandemic has led to a digital sprint for the retail sector as it has permanently changed the way consumers shop. In Southeast Asia, businesses are now facing their 'sink or swim' moment of leveraging cutting-edge innovations such as cloud and modern apps to redefine how they connect with customers digitally or risk losing them to a competitor."

These statistics emphasise the importance of e-commerce brands optimising digital channels for a seamless shopping experience.



Both top global names and local brands are on the rise in China

How will China's FMCG sector shift post-pandemic?

A stay-home economy has driven up demand for both top global brands and local names for the fast-moving consumer goods (FMCG) sector in China. This is expected to foster domestic consumption over the next few years, as consumers cling to brands they trust the most, analysts have revealed.

According to a report from Bain & Company, whilst sales for the top five brands dropped 6% YoY in Q1 2020, all other brands fared much worse with 11% losses on average. Similarly, local brands endured a 4% loss, compared with 14% for foreign brands, as consumers clung to more familiar ones. There was also a shift to non-premium goods, which lost only 1% versus the 12% for premium goods.

Strong brand equity

A separate report from Morgan Stanley agreed, saying that the FMCG leaders will gain share, whilst the tails are getting fatter on this front. The report explained that the sector is not highly concentrated, and its market share distribution follows a barbell shape. The strong brand equity of leading brands gave them an advantage amidst heightened safety concerns.

"In addition to that, scale advantages, strong supply chains (ensuring consistent flow of goods), sound financial positions (no working capital issues given interruptions), and well established distribution networks (ability to tackle all channels or redeploy goods across different channels) are all key factors for leading players to gain market share," the report added.

Amidst lockdowns, quarantines and

a tentative recovery, consumers have also quickly adapted their spending patterns. This has impacted FMCG producers in a variety of ways, depending on their importance to consumers' needs both during and after the lockdowns, analysts found.

Bain found that hygiene products and brands that were widely used in stay-at-home situations not only surged during the pandemic, but also continued booming amidst recovery. "People spent more time cooking at home, so they bought more soy sauce, for example. Sales of these products remained strong as restrictions lifted, with consumers' renewed commitment to their health and a continuing interest in cooking," the report stated.

Sales see-saw

Meanwhile, consumer products that could be stocked up such as frozen food, packaged water and household cleanser were hyped during the lockdown weeks but eased afterwards. Consumers did not see the need to buy more of these items as restrictions were lifted.

This was the other way around for products such as beer, skin care and pet food. "Sales dropped dramatically during the pandemic, only to quickly recover as consumers repurchased the products," according to the report.

Lastly, categories such as makeup, which is not considered as essential for consumers wearing masks, and impulse categories such as candy declined, but are likely to just slowly improve in an L- or U-shaped recovery.



A kirana store located in Mumbai

Long work hours, higher incomes boost India's corner store demand

India is seeing a surge in demand for convenience store shopping as the population works long hours and income levels begin to expand, according to a Fitch Solutions report.

Consumers in the country are projected to spend 24.9% of their incomes on food and drink items by 2024, where they are expected to spend the most. Total household spending within the food and non-alcoholic drinks sector is tipped to grow 7.3% over 2020 to 2024.

According to data from the National Sample Survey Organisation (NSSO), Indian urban workers worked an average of 53 hours per week in 2019, compared to the

40 hours average for OECD countries. This meant that they have less time for shopping in malls and would be more reliant on convenience stores.

Despite pricier products in convenience stores, more consumers are expected to be able to afford them given an increase in disposable incomes, which Fitch projects to grow by 5.7% over the medium term.

"Whilst we note that Indian consumers still have planned purchase cycles and prefer weekly grocery runs, convenience shopping for food and drink plays an important role in consumers shopping patterns, specifically in urban areas," the report stated.

The convenience store offering in India

began with cost, family-run kirana, or mom and pop/corner stores, with their long opening hours, wide variety of items, and high penetration rate in residential areas.

Soon, the entry of e-commerce players is also expected to spark an evolution in the sector. E-commerce giant Amazon and grocery delivery firm JioMart have already entered the convenience store space through tie-ups with local kirana stores.

Modern convenience

Meanwhile, new entrants like 7-Eleven have expanded into the market, bringing with them their modern convenience store model. "We are now witnessing the entry and expansion of players that operate a modern-convenience store model, as well as e-commerce players initiating strategies in this sector," Fitch noted.

However, they are expected to face a challenge from incumbent advantage, similar to the situation in China where 7-Eleven accounts for only 1.8% of the market despite being the largest foreign store chain in the country. The market is instead dominated by local brands like uSmile (19%), Easy Joy (36%), Meiyijia (12%) and Tianfu (4%).

New entrants to India are expected to face regulatory challenges, as the country's laws require several items to have a maximum retail price. Further, the Model Shops and Establishment Act 2015, which allows stores to operate 24/7, has not been ratified in all states.

"This means the convenience chains that seek a longer term expansion strategy nationwide, might be curtailed in their expansion plans, unless they plan to work shorter hours," the report added.

CHARTIST: China's social commerce market set to hit \$363b in 2021

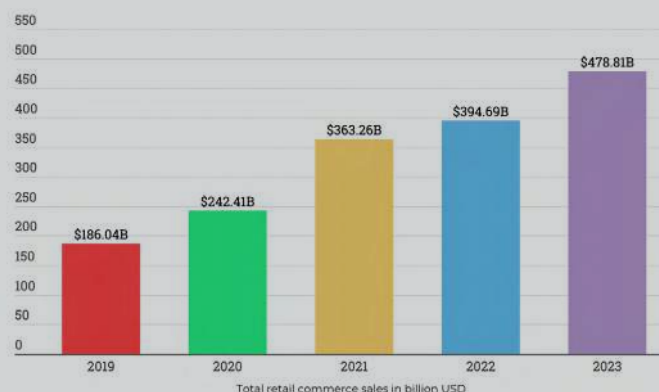
Selling products online to Chinese consumers? Make sure to promote your products on social media as well. China's retail social commerce sales market is estimated to hit \$363.26b in 2021, skyrocketing by over \$100b in just a span of a year, according to a Finaria study.

Retail social commerce refers to the use of social media and networking sites, such as Weibo and RenRen—Facebook, Twitter, Instagram to the non-Chinese—to promote products. It is a subset of e-commerce, and it made up 11.7% of the total e-commerce sales in China in 2020. Market

share will climb to 13.1% in 2021, and is forecasted to reach 13.9% in 2022 and 14.3% by 2023.

Market research company eMarketer partly attributes this rise to China's smartphone-driven e-commerce culture.

Chinese rural communities coming online also drove its growth. For example, farmers were reportedly key in transforming local social commerce site Pinduoduo into the fastest growing e-commerce site in the country. eMarketer noted the platform's e-commerce revenue totalled \$251.76b in 2020, just five years after it launched.



Source: eMarketer

Influencer-made brands and products take centre stage in PopBox

All sectors have shifted increasingly to digital as lockdowns kept the public at their homes. E-commerce has also seen growth in Asia-Pacific, with online retail sales penetration expected to rise to 18% in 2025 from 12% in 2020, according to a report from GlobalData.

Kosuke Sogo, CEO and co-founder of AnyMind Group, said that before, they are creating individual online stores for each influencer brand. But in late July, they opened PopBox, which is an e-commerce retail store featuring brands created by influencers.

Influencer-made commerce

AnyMind Group, founded in Singapore in 2016, is engaged in building an end-to-end commerce platform for influencers, businesses, marketers, and online publishers. The group is also providing various software for business analytics, cloud manufacturing, e-commerce enablement, marketing, and logistics.

"We have been helping influencers around the region to create their own brands and products and sell them directly to consumers. PopBox is a progression of that, where we have a consolidated store for influencer-created products and brands," Sogo said.

PopBox is currently available in Thailand and Japan. Sogo said they chose these

countries to house the retail stores due to the rise of the creator economy there.

There are about 50 million content creators globally, according to a report by venture capital firm Signalfire.

AnyMind Group, a business that has been digital, announced its move into the direct-to-consumer space at the onset of the pandemic. Sogo noted that the shift to digitalisation created "more familiarity and trust between general consumers and online commerce, which plays in well to our move into the direct-to-consumer space."

Home of influencers

Currently, there are 23 influencers and creators that are involved with PopBox, but Sogo said that the group has a "strong pipeline of influencer brands under development" and they are planning to add more in the future.

"At AnyMind Group, we have one of the widest already-established offerings for online influencers in the region, spanning brand collaborations through our influencer marketing platform AnyTag, content monetization through our Creator Growth business line, and also tools for online influencers to create their own brands and products," he said.

AnyMind has its own internal analysis tools that determine if an influencer has the



AnyMind Group builds an end-to-end commerce platform for influencers and online publishers

potential to be successful when they launch their own brands. They are also open to working with new influencers who want to work with them, aside from those in their pool, Sogo said.

The CEO noted that, initially, they placed influencer products and brands that they helped create through their direct-to-consumer offerings. The group is also working on connecting its cloud manufacturing platform, AnyFactory, to PopBox, he said.

Logistics are also being handled by AnyMind Group's logistics platform, AnyLogi, which is connected with other international and domestic platforms such as FedEx Express, Fuji Logitech, BoxMe, Keepack, Otto, Boxful, amongst others, which help in the management of inventories, payment confirmation, shipping, and delivery.

"Our mission is to make every business borderless, and we will continue to develop more solutions to help businesses, influencers, and publishers to grow.

APAC to dominate global value apparel market by 2024

Asia Pacific is set to emerge as the epicenter of the value apparel market by 2024 with its market share expected to reach nearly 50% during the same period, data from GlobalData revealed.

China was the largest value apparel market in terms of sales in 2019, followed by United States and United Kingdom. Whilst China will retain its dominance through to 2024, India is expected to surpass United Kingdom, becoming the third largest and the fastest-growing value apparel market by 2024.

India's value sales is estimated to account for nearly 23% of the total apparel sales in 2024. Globaldata noted that economies like China and India are home to the world's largest-growing middle classes and thus play a key role in driving global value apparel demand. This makes them an attractive market for established value fashion brands.

A rising unemployment and economic uncertainty have had a detrimental impact on the way consumers shop for apparel.

"Impulsive spending on apparel products is off the cards now, and 'value for money' has become the key criterion to attract the shoppers," the report stated.

Low-end apparel sales are projected to grow at the highest compound annual growth rate (CAGR) of 3.5% during 2019-2024 compared with CAGR of 1.5%, 1.9% and 1.9% of premium, luxury and mass market sales, respectively.

GlobalData's retail analyst Ankita Roy has advised that value retailers should aim to maintain consumer interest and encourage them to spend by creative digital marketing on social media platforms like Instagram and Pinterest that hold significant appeal.

"The apparel sector is the hardest hit domain by COVID-19 within retail with shoppers trading down on clothing and footwear purchases. However, 2020 can be said to have provided favorable conditions to value retailers as more shoppers gravitate towards value for money offerings," Roy said.



India and China have become key players in the global apparel market



Pinduoduo



Cizzle is one of many success stories from Pinduoduo's New Brand Initiative (NBI), which builds on its pioneering consumer-to-manufacturer (C2M) model that integrates consumer insights into production decisions and helps manufacturers create strong brands.

Pinduoduo is the winner of the Domestic E-Tailer of the Year – China award at the Retail Asia Awards 2021. Through NBI and C2M, Pinduoduo has partnered more than 1,500 manufacturers to develop brands like Cizzle and generate over 460 million orders in the last two years.

As China's largest agriculture platform, Pinduoduo is also applying NBI and C2M to help farmers and agri-merchants build strong agricultural brands and thrive in the digital economy.

Find out more about Pinduoduo here: <https://stories.pinduoduo-global.com>



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MINISO seeks to attract older buyers in Singapore with \$2 concept stores

The Japanese retail brand aims to provide the best possible value with super cheap, yet quality items.



MINISO branch at Bishan Junction 8 Shopping Centre in Singapore

Miniso is already known for selling cheap yet fashionable products, but they are taking it a step further with their \$2 concept stores in Singapore. And they already have their eyes set on stingier, older customers looking for cheap quality goods amidst the high cost of living in Singapore.

Good quality for a cheap cost

First launched at HarbourFront Centre and IMM Mall in October 2019, the concept stores offer a wide-ranging selection from household goods to electronic devices. These include fans, coffee machines, keyboards, Bluetooth earphones, bags and organiser, a press release revealed. As they promise, these are all priced at S\$2, whereas a branded pair of headphones for instance would typically cost around \$25. This is also the case for a desk lamp that would have been priced \$15, or a bag that would normally cost \$8 to \$9.

The \$2 concept store was initially a trial run to attract older and price-sensitive consumers with a reselection of goods based on price.

Although Singapore's economy is considered to be very developed, the cost of living is also very high, which prompts strong demand from local consumers for goods that are both high-quality and affordable.

In particular, many consumers are still taking a wait-

MINISO's recently opened this new branch at the IMM Mall in Singapore



and-see approach on MINISO's collaboration offerings, such as the Marvel x Miniso official licensed store, the spokesperson noted.

"We started with MINISO outlets (\$2 concept stores) as a bridge between the lower price and good quality products that can reduce the psychological burden of consumers' consumption threshold and build their trust and confidence for MINISO," the company told *Retail Asia* in an exclusive correspondence.

The stores were well-received—by its third weekend in November 2020, the IMM store recorded sales volume four times the usual sales figure of their stores, and consumers each bought 12 products on average, according to a press release.

MINISO also said that the transaction unit price for each customer reached a peak of above \$25.03 (RMB176.7), but there was still associated purchase rate ranging between 1.3 and 5.0. They also found that the growth rate of sales of their outlet was three to four times over the normal stores.

"On the eve of the opening of IMM MINISO outlet, hundreds of people stood in line outside the store to get coveted items for the first time. Three hours before the opening time, many MINISO fans and loyal consumers waited in a long queue outside the store," it noted.

Founded in 2013 by Ye Guofu and Miyake Junya, the fast fashion brand and variety store established itself in China and has since expanded with 4,000 stores across over 90 countries by the end of 2019, with an average monthly growth rate of 80 - 100 stores, according to its company website. This includes Singapore, where it has already launched 31 stores since launching operations in the city in 2015.

Optimising MINISO's operation model

MINISO has adopted a double model for its business in the city. Besides the \$2 store, it also runs the Marvel x Miniso official licensed stores in Westgate, VivoCity, NEX, North Point City and more. The brand aims to bring the attention of trendy youth with Marvel-themed merchandise like tumblers, lamps, keychains and plush toys.

Their spokesperson noted that with this setup, it aims to cover as wide a variety of consumers as possible.

The company plans to expand the categories of its \$2 stores to further cover the demand of their consumers' daily lives, and bring in more designers and IP products. They are also looking to optimise their operations to eventually form a unique business model for these outlets. Further, they have been gradually setting up \$2 zones in all stores.

"We hope to use this as a market "laboratory" to continuously optimise MINISO's operation model, products and services in the Singapore market," the spokesperson from the fast fashion brand said.

SAP Industries Forum lays out the groundwork for retail's future

Euromonitor expects global consumer expenditure to double to US\$84t by 2030.



The sudden influx of online traffic due to the new norm of social distancing and circuit breaker measures has created a dramatic shift across industries, more so evident in retail.

On 23 April 2020, software specialist SAP, in collaboration with Retail Asia, hosted a 60-minute webinar entitled SAP Industries Forum: Reimagining the Future to talk about what's happening in the world of retail.

Tomorrow's shoppers

Estelle Yang, senior business development manager at market intelligence firm Euromonitor, started her session by providing a general profile of Gen Z shoppers, who are more ethical and conscious when it comes to their purchases. With consumer expenditure expected to double by 2030 from US\$48t to US\$84t, she cautions advertisers to avoid any cliché advertising to appeal to Gen Z, who are also more multicultural and sensitive to gender biases.

Emphasising the ongoing shift to a circular economy, Estelle shared a few use cases on technologies that are keeping up with the pragmatic nature of future shoppers, including mobile app Karma, which allows users to buy surplus food at half the price to reduce wastage.

In Europe, Norwegian supermarket operator Extra has introduced unmanned shopping during off hours. Consumers can gain access to an unmanned store through Extra's mobile app, and identity verification is matched using the Norwegian bank ID system.

Sustainability perspective

Picking up on the first session was ZALORA's

CEO, Gunjan Soni, who revealed that 54% of Gen Z shoppers are willing to spend another 10% on sustainable products, with 50% of millennials echoing the same sentiment. However, the CEO mentioned that despite the dire need to focus more on sustainability, the retail fashion industry accounts for 10% of global carbon emissions, with 73% of the clothing produced after usage ending up in landfills.

To address this, ZALORA is now offering pre-loved items to cater to more conscious individuals and to ignite such an advocacy for the industry. The company is also building a repository of sustainable tagging from materials, processes to sourcing practices. As ZALORA aims to seek transparency throughout the entire supply chain, consumers can easily identify and purchase products that incorporate sustainable materials. "We realized that it's just not enough to audit and select or reject some factories, it's also very important to educate and to help them remedy their actions. Simply put, we want to be the leaders in helping our factories produce correctly," Gunjan said.

Customer focus

Rounding up the lineup of speakers was Aditya Utama, SAP Southeast Asia's retail industry business architect, who delved into the importance of adopting a customer-centric mindset within retail organisations. Apart from integrating multiple touchpoints,

he said that this transformation would entail a cultural change that would involve every department, stakeholder, and frontliner onboard.

Aditya shared SAP's framework wherein business decisions are supported by operational and experiential data. By properly integrating physical and digital touchpoints to gather feedback, as well as carefully identifying key metrics to drive engagement, Aditya cited how retailers can plan the assortment and allocation of products or services that would give added value to customers.

New reality

With the unprecedented revenue shortfall across the Asia Pacific region, SAP explained that the webinar was aimed at addressing the main concerns for retail companies during these trying times to help cope with the new reality.

Today's retailers have witnessed disruptions in the supply chain due to restrictions on movement resulting in non-availability or delivery delays. SAP is pushing forth measures to secure the supply of essential goods, stabilise the supply chain to ensure better inventory management, and serve the community through cashier-less payment processes.

During the Q&A session, the round of speakers discussed the shifts in work arrangements as well as purchasing habits due to the pandemic. Aside from the spike in demand for essentials, preference is shifting towards tops and comfortable clothing wear, as well as baking tools, fitness equipment, DIY and personal care products. In China and South Korea, where confinement is steadily being lifted, a form of "revenge spending" is picking up particularly in the luxury goods category. As consumers wake up to a new reality post Covid-19, the speakers expect that the industry as a whole may be in a good position to bounce back, but industry collaboration and technology adoption will play a pivotal role to realise a sustainable and pragmatic future.

SAP is pushing forth measures to secure the supply of essential goods, stabilise the supply chain, and serve the community through cashier-less payment processes.

How Handmade Heroes is carving a niche with natural skincare products

The Singapore-based startup has grown its workforce by 10 times since starting as a two-person team.



Handmade Heroes founder Lynsey Lim

Singaporeans are increasingly seeking out products made with environmental sustainability in mind. According to a study by Nielsen, nearly four in five are willing to pay premium prices for products that contain environmentally friendly or sustainable materials. With that, businesses have eagerly grabbed the opportunity to cater to the demands of conscious consumers with a wide range of green products.

Amongst these businesses is Handmade Heroes, which started offering natural skincare products in 2015, aiming to address a lack of beauty and wellness products that were both fully natural and at an affordable price. Its products, ranging from lip balms to body scrubs, are all made by hand in small batches.

"Handmade Heroes offers a variety of natural skincare products—from lip balms and shampoo to face masks and hand sanitisers—that are vegan, paraben-free, cruelty-free, and halal-certified. Launched in 2015 in Singapore, Handmade Heroes aims to make chemical-free, quality, everyday skincare accessible at affordable prices," said Handmade Heroes founder Lynsey Lim.

Natural and affordable skincare

Lim shared that she started the business from her own experiences on being conscious of what goes on her skin and on her interest in natural skincare. However, she found that when looking for organic products, it was either too

Keeping products affordable has always been a key focus for Handmade Heroes, which aims to make natural quality skin care accessible to everyone



expensive or that brands that were never "fully natural".

"Keeping our products affordable has always been a key focus for us. I created Handmade Heroes with the purpose of making natural quality skin care accessible to everyone. With that in mind, we are able to maintain relatively low price points as all of our design, R&D and manufacturing processes are performed and managed in-house. This has also allowed us full control over the quality of our products," she added.

Their Coccolicious Luscious Lip Scrub product is Amazon's best-selling lip scrub, and Handmade Heroes has been the top-selling natural skincare brand since 2016 on Amazon. Some of its best sellers include No-No Nasties Sanitiser, made with ethyl alcohol derived from sugar cane and without chemicals or artificial fragrances; Butt Kickin' Deep Detoxing coffee scrub to stimulate circulation and exfoliation whilst improving skin appearance; and Natural Baby Kit, a nourishing baby care product quintessential for every natural mother and baby.

Amazon best-seller

By selling on Amazon, Lim shared that they quickly began to see their sales ramp up with a 160% average annual increase. This allowed them not only to expand internationally, but also to tide through current market uncertainties. On 20 March 2020, they closed their production facility and opted for employees to work-from-home. However, they were still able to operate and sell online.

"Being listed on Amazon's marketplace helped us to achieve high growth. Amazon opened new markets to us, including the US, UK and Germany, and allowed us to scale our business. As such, we have been leveraging Amazon's fulfilment services to deliver across the world," Lim said.

Currently, more than 80% of Handmade Heroes' sales comes from Amazon, and the company has since grown from a two-person team to a 20-member company, with an increase in working space and facilities by 25 times from when they first started.

"Our whole process, from start to finish, is in-house—from research and development (R&D) to manufacturing to quality control. This has allowed us to ensure the high quality of our products across categories," Lim added.

Recently, Handmade Heroes received its halal certification, which will allow them to tap into more growing markets such as Indonesia and the Middle East. "Securing the halal certification was a challenging process as the standards to fulfil are very high. For starters, we need to ensure that all of our ingredients are halal-certified, and our processes abide by the strict requirements," Lim recounted.

Lynsey revealed that they are working on new products in the pipeline as the company invests heavily into specialised equipment to enhance texture, consistency and function.



ACCESS

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コアラマットレス





We've made an effort to support our brands and merchants through this difficult period in a bid to turn the "danger" into "opportunity" for SMEs to prepare for the future



Lynn Dong
General Manager
of Global Business
Development
Tmall Import and
Export
Alibaba Group

How Alibaba is helping international merchants to break into the China market

The e-commerce giants have rolled out English-language customer-service and a self-service registration system in recent months to give international merchants a platform in China.

With people pushed to stay at home amidst the pandemic, e-commerce businesses have seen a significant surge in demand. Alibaba in particular saw a 43% YoY rise in orders for imported products in their Tmall Global platform, which is dedicated to overseas brands and retailers, during the 618 Mid-Year Shopping festival in 2020. However, facing this growing demand could prove challenging for merchants that are keen on diversifying beyond their home markets but are dealing with tight budgets and limited knowledge of the China market.

Reaching out to these merchants, Tmall Global rolled out several initiatives involving the waiving or reduction of service fees, logistics costs and agency service fees, as well as an English-language customer-service and self-service registration system for brands.

In an exclusive interview with *Retail Asia*, Alibaba's general manager of global business development and key accounts for Tmall Import and Export, Lynn Dong discussed more about these initiatives, as well as some recent developments in China's and Asia-Pacific's e-commerce scene.

Can you describe the trends in China's and Asia-Pacific's e-commerce landscape for the past three to six months. What has changed in your operations since the COVID-19 pandemic emerged?

The e-commerce landscape in China and Asia Pacific has definitely changed quite a bit as a result of the COVID-19 pandemic. Over the past six months or so, we have seen a boom in demand on Alibaba's platforms for daily necessities such as groceries, and medical and personal hygiene supplies such as face masks and hand sanitisers.

More recently, as Chinese people become more health-conscious as a result of the pandemic, many have also turned to e-commerce for a range of health-related products, from hula hoops to treadmills, gluten-free starches and health supplements.

According to data from our recent 618 Mid-Year Shopping Festival, imported goods were particularly in high demand in the Chinese market. During the sale, the total value of orders for imported products on Tmall Global settled through Alipay increased by 43% in 2019, whilst the total value of imported products shipped through the [consignment solution] Tmall Overseas Fulfillment programme (TOF) tripled (199% growth).

As many brands and merchants' physical and offline sales have been affected during this period, digital commerce is set to play an increasingly important role in business recovery around the world post-COVID-19.

We have made it our priority to onboard even more international brands and merchants to increase the

diversity of our offerings, and provide these brands with an effective online channel to connect with consumers there.

What strategies have you adopted to respond to the resulting shift in consumer demand?

As China and many other countries have experienced or continue to be in a state of lockdown, we observed more consumers turning to e-commerce as a substitute for their usual shopping at physical stores to buy daily necessities, medical and personal hygiene supplies, and other day-to-day needs. We have also seen a growing trend of "revenge buying" in recent months, as Chinese consumers indulge in spending sprees to make up for time lost in lockdown.

We have redirected and redoubled our efforts accordingly to speed up our merchant recruitment and product sourcing processes, creating opportunities for more offline brands and merchants from around the world to go online and satisfy the demand we have seen.

We also leveraged the recent 618 Mid-Year Shopping Festival to create more accessibility to the China market for overseas brands and merchants. We brought together more than 25,000 overseas brands to take part in the sale, launching a total of more than 400,000 new products. We saw this as a strong opportunity to tap on China's online consumption rebound to boost these global brands' exposure and to catalyse their sales.

What initiatives have you launched to reach out to businesses during the pandemic? What pain points are you trying to address?

The pandemic has understandably affected supply chains and businesses' ability to operate as per normal, and our brands and merchants have been visibly and similarly affected too. As a platform operator that strives to foster a healthy business environment, we've made an effort to support our brands and merchants through this difficult period in a bid to turn the "danger" brought about by the pandemic into "opportunity" for SMEs to prepare for the future through digital transformation.

One of the measures is to speed up the onboarding process for the brands and merchants through Tmall Global's brand-incubation programme announced in April 2020. Under this programme, we rolled out an English-language customer-service and self-service registration system for brands, and a process to ensure new online storefronts will be operational within 30 days of registration. We also offer newly-joined brands and merchants incentives to hit pre-agreed targets, which motivates them to grow and flourish on our platform.

We have also announced a comprehensive set of measures to support brands and merchants on Tmall

INTERVIEW



Global during the COVID-19 outbreak. Among other measures, we have waived their platform service fee for the first half of 2020, and reduced their other operating expenses such as logistics costs and agency service fees.

As a whole, Alibaba Group mobilised our various business units to lend help to businesses around the world through our Spring Thunder initiative, which capitalises on the expertise and know-how of the Alibaba ecosystem to enable SMEs to stay afloat. We also introduced a similar initiative in Singapore, known as the Sprout Up initiative, to support local exporters in their plans to reach the overseas market through our B2B platform Alibaba.com.

How have these measures helped your merchants cope with the crisis?

Here's an example. The COVID-19 outbreak has stalled sales from offline retail channels for many overseas brands, pushing them into dire distress. Nevertheless, Korean SME cosmetics brand JungSaemMool continued to thrive on the Tmall Overseas Fulfillment (TOF) model despite the crisis. While offline duty-free shops and department stores were hit hard in South Korea, JungSaemMool, which opted into TOF via the programme's Korean warehouse in April 2019, made up for the sales it lost in its home market through the 618 Mid-Year Shopping Festival. The brand's sales during the 618 campaign in 2020 even grew 50 times compared with the same period in 2019. JungSaemMool has gained significant brand recognition among Chinese consumers after about a year of adopting the TOF model, and has recently expanded its collaboration with Tmall Global with the launch of its own flagship store on the platform—which signifies its official market entry in China.

How do you see the e-commerce landscape shifting in China and Asia Pacific as a whole after COVID-19?

The shift towards e-commerce is going to be the reality of retail, and not a trend. What the pandemic has done is to accelerate this journey, and give brands more confidence that online commerce is not only viable, but a viable sales channel that should complement their offline retail presence. Consumers at the same time are also gaining confidence in shopping online during the pandemic, especially given the convenience and sheer variety easily available through online retail.

Diversification of online retail strategies will only seek

Alibaba aims to bring 1,000 new international brands to China through its Tmall Global platform in 2021



to grow, such as the use of gamification and livestreaming in e-commerce shopping. During our 618 mid-year sale, sales of 1,700 different agricultural products doubled year-on-year through gamification engagements. Apart from pent-up demand, Tmall also made its 3D shopping technology widely available to brands during 618, which helped the stores using the new feature attract five million visitors and quintupled their average conversion rates of consumers in just three days. These online avenues will only gain more interest in the future as we continue to reinvent digital technologies and digital retail penetration.

What are your future plans? What's in store for Alibaba?

We want to continue our commitment and existing efforts in supporting businesses through the pandemic and beyond, and stay true to our mission—to make it easy to do business anywhere.

SMEs are a vital part of any economy, and need help in navigating cross-border challenges and actually securing the opportunities available in other markets. During the past few months, our cross-border commerce units such as Tmall Global and Kaola have devised three new strategies to work towards helping them overcome this, and to meet the growing Chinese consumer demand for international products and brands. These strategies are to focus on new brands, new categories and new products.

For brands without a physical presence in China, we have been working with them to set up a flagship store on Tmall Global, or leverage the TOF model which provides overseas brands and merchants the opportunity to test the Chinese market at a lower cost and risk.

Another concept we have been working on is launching joint promotions with domestic and overseas influencers via Taobao Live. Especially in China, influencer-led engagement with shoppers is extremely effective but may not be a familiar mechanic with overseas brands, and we hope to help brands explore doing so.

Our aim is to bring 1,000 new international brands to China through our Tmall Global platform in 2021 and support more brands and merchants during and beyond this pandemic.

How do you see the digital retailing landscape at the moment? What trends have arisen as a result of current market conditions?

We are starting to see business recovery take-off in recent months, as consumers in China have begun to spend more than before the early stage of the pandemic. We are determined to continue our focus on enlarging our product selections and offering brands more innovative tools and technologies to accelerate their digital transformations and empower them to forge deeper engagements with their customers.

More importantly, we have seen that brands who took the opportunity to go all-in on digital and online platforms are emerging stronger. While the road to a post-pandemic recovery is challenging and long, we hope to provide SMEs around the world with learnings based on the experience of their successful counterparts in China, and help them regain their momentum.

GLOMARK Wins Big at the Retail Asia Awards 2021

Sri Lanka's most innovative turn-a-round grocery platform and biggest digital campaign are under one name and redefining the retail trade in the country.



Andrew Dalby - CEO Softlogic Supermarkets (PVT) Ltd

As the latest entrant to Sri Lanka's Modern Trade fraternity, Softlogic GLOMARK made big at Retail Asia Awards by winning key country awards for 2021 in being adjudged as the "Supermarket of the Year - Sri Lanka" & securing the award for "Digital Innovation of the Year - Sri Lanka" for its astute strategy of revolutionizing the supermarket industry in a short time span. This was a result of its motive in redefining the industry in terms of technology use in creating convenience, agility and disrupting the landscapes of modern retail trade of Sri Lanka.

"It is a proud and an exciting occasion where we take pride in bagging not one but two awards as one of the latest entrants to the modern trade fraternity in Sri Lanka. By winning the Supermarket of the Year Award - Sri Lanka at the Retail Asia Awards 2021 signifies the dedication and the hard work towards the right direction by all at GLOMARK. From the inception itself Softlogic GLOMARK had been committed to inspire the living standards of Sri Lankans by personifying a global supermarket experience. It is this commitment that has prompted us to be a dynamic and a disruptive player in the market. With this award we have renewed our commitment to the retail sector and the Sri

Lankan consumers," said Andrew Dalby, CEO of Softlogic Supermarkets (Pvt) Ltd.

Softlogic GLOMARK is known for its widest selection of goods sourced from around the world and delivering freshness, high quality for a one-of-a-kind customer journey harnessing the best of technology for a superlative consumer experience.

Through the initiatives such as Sri Lanka's first Self-Checkout counter operated outlet, GLOMARK's E-commerce platform (www.glomark.lk) that offers the largest supermarket product range in the country with doorstep delivery within 4 hours and also with the Strategic partnership with PickMe - Market place (Largest tech-mobility provider in Sri Lanka), GLOMARK became the 1st mainstream supermarket in Sri Lanka to offer the omni channel customer experience and convenience further revolutionized the offering where orders coming through this channels, getting to customer doorsteps within 1 - 2 1/2 hours.

GLOMARK has expanded their physical footprint to 10 stores with two formats - Softlogic GLOMARK (Medium & Large sized Superstores & Softlogic GLOMARK ESSENTIALS). This comes as a discerning strategy to have the larger format of Softlogic GLOMARK along with the mini format GLOMARK Essentials as part of Softlogic's plans for rapid expansion and growth of the GLOMARK brand. Alongside opening its 10th outlet, the flagship stores under the GLOMARK brand amidst COVID - 19, GLOMARK made the inspiring decision of conducting the entire launch campaign digitally.

Head of Marketing at Softlogic Supermarkets Mr. Gayan Caldera, stating the background of the Digital Innovation Award winning campaign, "GLOMARK stands to offer an inspirational supermarket experience & within the same lines, the digital campaign was introduced to inspire our customers, competitors & communities to rally around in this very special landmark occasion. The campaign is unique since all event communication activities were carried out



Gayan Caldera - Head of Marketing Softlogic Supermarkets (PVT) Ltd

digitally. This not only helped GLOMARK to disrupt the entire landscape of Social Media message tonality, but also helped to carry out a very successful awareness drive related to our flagship store opening at CR & FC - Colombo 07, whilst maintaining proper safety measures amidst the Covid-19 epidemic. The dynamics of the entire campaign was based on a reciprocal tone created, by which the background of the campaign was established for hearty conversation to be continued interestingly and engagingly with industry stakeholders across digital platforms, harping on the digital freedom of speech."

Furthermore, the campaign was made disruptive where there was a social invite by GLOMARK to its mainstream competitors in the Modern Trade industry, which grabbed the attention of the entire city. Not only the competitor brands came on to greet GLOMARK on the opening event, but also over 85 local and international brands that aligned themselves in sharing their wishes for the first time in the history of social media in Sri Lanka. With the proposition of personifying inspiration to its customers, GLOMARK was able to reach 6 million plus impressions digitally for the well-executed 360 digital campaign making it the Digital innovation of the Year.

GLOMARK stands to offer an inspirational supermarket experience and within the same lines, the digital campaign was introduced to inspire our customers, competitors, and & communities to rally around in this very special landmark occasion

RETAIL INSIGHTS 1: OMNICHANNEL



Omnichannel is the way forward for APAC retailers

As physical stores reopen, online spending may drop to 13.4% by end-2021 but never below pre-COVID levels.

New business models had to rise to meet customer demands and keep businesses alive and going since the pandemic wreaked havoc in 2020. For industries such as, the seamless integration between online and offline channels worked like magic as they became the main drivers of businesses and the economy amidst a year of uncertainties.

Omnichannel retail

The pandemic has been one of the biggest catalysts for growth for omnichannel retail in APAC, with online sales accounting for US\$994.9b in 2020 up by 28.1% from 2019, according to reports from GlobalData.

“The pandemic-induced lockdown has accelerated a move towards digital retail that was already underway. It is increasingly becoming clear that omnichannel retail will take the

center-stage of retail development in the Asia Pacific region over the next five years with online sales expected to grow by 98.3% during 2020 to 2025,” said Ankita Roy, Retail Analyst for GlobalData.

To give perspective, GlobalData reported that in 2020, online retail consisted of 12.3% of retail sales across the region compared to just 5.6% in 2015 and is further expected to grow by 5.2 percentage points from 2020 to 2025 to reach 17.5%.

“These figures indicate that retailers were already embracing omnichannel strategies before the pandemic, however, COVID-19 has accelerated the strategy across the region as demand increased and more consumers were converted to the service,” Roy said.

Similarly, IGD Senior Business Analyst - Asia Jiong-Jiong Yu mentioned that the omnichannel

Retailers have embraced omnichannel strategies before the pandemic, but COVID-19 has accelerated the strategy across APAC



business model has been well-established in China since 2019 and was pioneered by retail giants Alibaba and JD.com.

“The pace of evolution in retail from multichannel to omnichannel was fast even before the pandemic, but the onset of COVID-19 meant retailers had to drive these changes quicker than ever before,” Yu said.

Omnichannel retail today

Omnichannel retail is more than just the integration of online and offline retail channels, but about meeting the demands of consumers, whose lives have been disrupted with the recent changes, through these new channels.

This is because consumers today are becoming smarter, seeking more convenience without sacrificing quality—which is why retailers are now compelled to bring worthwhile experience for them across touchpoints to keep them interested. For Roy, retail is bound to parallel societal changes.

“Moving forward, brands and retailers need to treat the internet not just as complementary to the in-store experience, but rather as a key channel that expands their reach globally. And so, the online experience must be

smart, personalised, and engaging,” Roy said.

The GlobalData analyst added that with continuous improvements in access to smartphones, the number of internet users in the Asia-Pacific region is expected to increase by 24% and broadband subscribers are likely to grow by 17.6% from 2020 to 2025.

Meeting shoppers' needs better

Meanwhile, Yu described that the development of omnichannel strategies in the food and consumer goods sector varies by country.

In China, omnichannel is more mature with the focus shifting to rural areas for untapped growth. Whilst in South Korea, omnichannel is still relatively new, so retailers are making big investments in delivery services, logistics, and IT to meet shoppers' demands. Retailers are also transforming their stores to be more compatible with online operations.

Yu also mentioned that there are many other countries in the region, such as the Philippines, Vietnam, Indonesia and India where online grocery penetration is low. However, these markets are showing strong online growth due to changing shopping habits.

As omnichannel retail capabilities continue to increase in the APAC region, retailers are now investing to enhance these channels due to the surge of smart buyers.

“Omnichannel retailing ultimately meets shoppers' needs better, enabling them to buy anywhere, at any time in any way they want. It will become an increasingly indispensable way for consumers to shop in Asia,” Yu said.

GlobalData's Q1 2021 survey revealed that convenience (73%) and time-saving aspects (67%) are the two primary drivers of online shopping in the APAC region. Shoppers also relied on online channels to take advantage of lower prices (48%) and variety and choices available (47%).

“COVID-19 pandemic has made online shopping more of a permanent lifestyle. Against this backdrop, the online channel is benefitting and is overcrowded with prospects... Investments in omnichannel capabilities will help retailers to cater to shoppers with a changed set of

preferences,” Roy said.

Meanwhile, a huge aspect of omnichannel retail present today is collaborating with other industry players to ensure smooth operations. Since the pandemic fast-tracked the need to meet consumer demands in a more efficient way, retailers have since teamed up with other marketers, suppliers, and third party logistics companies, amongst others—which, according to Yu, is essential in building trust, a solid foundation for omnichannel to thrive.

“Brands need to select the right companies to partner with, choosing those that share the same vision or with complementary capabilities. It's important to take the long view, for example, discount platforms might generate short-term sales gain but may dilute brand identity longer term. Brands should be reviewing their strategies and market position in the post-COVID environment,” Yu said.

Roy also noted that some retailers are using technologies such as non-fungible tokens (NFT) to monetise value and exclusivity, by ensuring traceability through the supply chain and retail operations.

“The integration of NFTs in business will help retailers to maintain credibility and transparency for customers,” Roy said.

A huge opportunity for retailers

The need to integrate online channels in businesses is not an easy task. A lot of time, effort, and resources must be put into being able to operate successfully in such an unfamiliar and challenging environment.

Roy mentioned that those struggling with omnichannel retail strategies must consider selling on marketplaces as it reduces their fixed costs of operating physical stores and also allows them to showcase their product and service range to a wider customer base.

“To turn the COVID-19 pandemic into an opportunity, retailers must use technology to expand the geographical footprint of their services. Partnership with logistics and supply chain startups will enable retailers to offer cutting-edge logistics services such as delivery by drones and autonomous vehicles and robots,”

Consumers' extended use of social media offers opportunities to retailers to use digital platforms as retail touchpoints to translate into sales and consumer loyalty



Roy said.

Several physical store retailers have switched to online marketplace models to expand their reach and explore new business avenues.

“Consumers' extended use of social media and greater internet penetration offers opportunities to retailers to use digital platforms as retail touchpoints to translate into sales and consumer loyalty. From new product launches to creating buzz around the product, social media is an excellent tool to attract consumers,” she added.

Meanwhile, Yu acknowledged the complexity and the challenges for the struggling retailers, including cost, capability, coordination, and cultural change. To address this, the first steps are to establish a future vision, recruit the right people, invest in data, and digitise the supply chain, Yu said.

The future of retail

The analysts believed that omnichannel retail is here to stay and it will become the main retail model in the next few years, helped by further advances in technology.

“As the economy continues to recover and countries reopen borders, omnichannel retail will develop even further, creating more opportunities for companies to collaborate and learn from each other,” Yue said.

Although stores reopen this year, GlobalData expected the yearly growth in online spending to drop back to 13.4%, but this is still \$352.1b in more than consumers have spent since 2019.



IGD Senior Business Analyst - Asia Jiong-Jiong Yu (Source: IGD.com)

What you see is what you get: Livestreaming gains traction in Singapore

Logistics provider J&T Express and e-commerce platform Mdada.live hope to cash in on this shopping trend.

Online shopping is here to stay, even as vaccination rates improve and gradually allow more people to go outside and shop in physical stores again. A study from VMware found that four in 10 shoppers in South Asia are not planning to go back to old physical shopping habits, whilst a separate Euromonitor study sees sales opportunities of over US\$68.5b in e-commerce in APAC.

But that means that discerning shoppers would find fewer opportunities to inspect their potential buys past photos and written product descriptions. Numbers and sizes are not exact when it comes to clothes, freshness is hard to gauge in photos when it comes to food.

Enter livestreaming, also known as liveselling, where sellers host live videos of themselves and their goods on e-commerce and

social media platforms. There they demonstrate their products, chat with their customers, and entertain their audience. The trend is growing across Southeast Asia, and Singaporean businesses are taking notice. Logistics firm J&T Express has hosted a successful livestream digital fashion show in August, whilst social commerce platform Mdada.live just launched a livestreaming hub with eleven studio spaces complete with equipment and technical teams.

“Livestreaming allows consumers to have an up-close-and-personal experience of the product or service as the livestreamer carries out a live demonstration to show the quality or effectiveness of the product or service. In addition, livestreams tend to be less staged and have elements of conversational topics and nuances added to showing relevance of the products and services that live streamers have experienced. Such

Livestreaming accelerates consumers' purchasing journey because they are shifting swiftly from awareness to purchase



content will resonate better with the customer,” said Mdada.live Co-founder Pornsak Prajakwit in an interview with *Retail Asia*.

“It also accelerates consumers purchasing journey because they are, at the moment, shifting swiftly from awareness to purchase. Time-limited offers such as one-off coupons used to generate a sense of urgency are effective and can result in conversion rates almost ten times higher than conventional e-commerce sales,” said J&T Express Singapore CEO Andrew Sim in a separate interview with Singapore Business Review.

The trend has brought in numbers for both companies. Mdada.live boasts 20,000 followers with monthly seven-figure revenue and over 100,000 monthly views since its inception in September last year. The platform has amassed 1,600,000 livestream views from across 500 livestream shows. With its Live-



Livestreaming allows consumers to have an up-close-and-personal experience of the product or service

RETAIL INSIGHTS 2: LIVESTREAMING



J&T Express Singapore CEO Andrew Sim

Stream Hub, it expects a monthly eight-figure revenue within the next six months, as it ups its capacity to 1,000 hours of livestream commerce sessions per month, an approximate 80% increase in hours. For its part, J&T has been keen to notice an increase in delivery demand following large livestream events.

Livestream shopping

Anyone with a mobile phone, computer, and/or web camera can host their own livestreaming session, but results may vary, especially when the seller does not have a strong base of customers. In that case, Sim recommended that sellers partner themselves with reliable e-commerce platforms that would host and promote their sessions.

Then there are platforms like Mdada.live that churn out livestream sessions up to eight hours at a time, hosted by skilled ambassadors that can maintain a high level of energy whilst engaging with their audience. The hosts notify customers if they're selling pre-loved or organic products, in which product images might not be accurate to the real thing. In that case, Mdada.live also sends photos of the product to customers' WhatsApp so they can check the condition for themselves.

Fashion, beauty, and wellness products are the most popular liveselling items, driven by demand from trendy Gen Z and millennial customers. Prajakwit also noted a demand for art pieces and displays, with one Mdada livestream session hitting almost six figures in sales.

But J&T's Sim noted another growing market as livestreaming gains traction: senior citizens.

"Whilst livestream shopping tends to attract younger consumers such as Generation Z and millennials, more middle-aged and senior consumers are also turning to livestream shopping. This change in consumer preference amongst older consumers has been largely driven by the pandemic, forcing them to relook at the way they shop due to physical restrictions," Sim said.

Mdada's Prajakwit also stressed the importance of livestreaming as a shopping experience.

"Consumers are no longer looking for well-priced affordable and quality products and services these days, they are also looking for an out-of-the-norm shopping experience that

Fashion, beauty, and wellness products are the most popular liveselling items, driven by demand from Gen Z and millennial consumers



can engage them as they watch the live-stream sales during their free and personal time," he said.

Indonesia-based J&T has seen livestreaming grow not only in Singapore, but also Malaysia, Vietnam, the Philippines, Cambodia, and Thailand. Indonesia and China, in particular, has the fastest growth.

"China is obviously the fastest growing e-commerce market in the world and livestreaming is playing a significant role in driving this purchasing behaviour. For example, driven by livestreaming, Taobao's annual singles-day last year accounted for US\$6b worth of sales, which is incredible," Sim said.

The future of liveselling

Homegrown Mdada.live sees a path to expansion in other regions, noting that livestream commerce is definitely here to stay.

"Slowly turning into a mainstream alternative to over the counter and e-commerce, brands should also start evaluating its awareness and standing in this space as a way to gain greater market share. Mdada.live will continue to leverage on the vast untapped potential of the SEA region, with plans for expansion across borders in the near future," said Prajakwit.

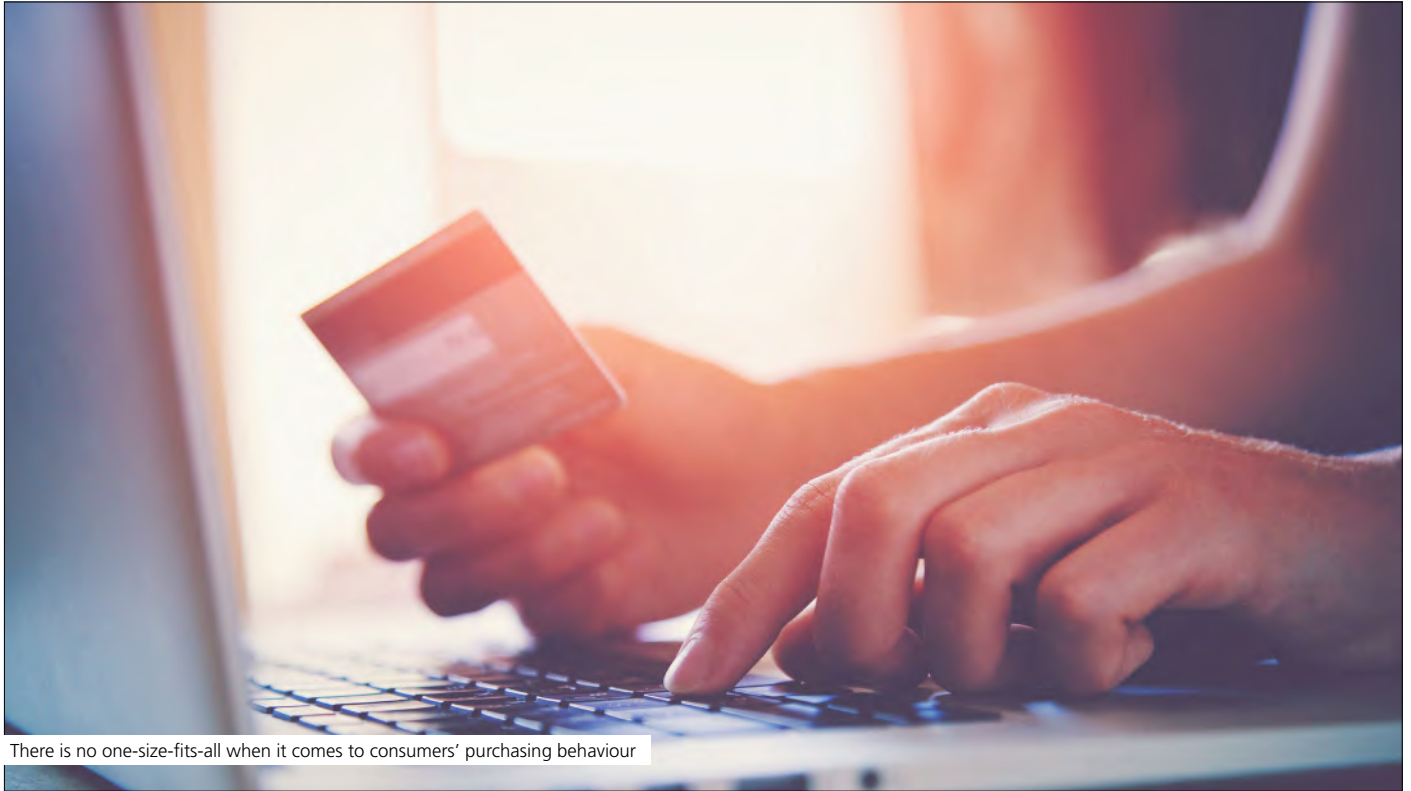
So is video the future not only in social media, but in e-commerce as well? For Singapore, signs are pointing to yes.



Mdada.live founders

What does 'gold standard' mean for Asia's payments and e-commerce scene?

The market's diverse challenges open the door for solutions that tackle country or region-specific issues.



There is no one-size-fits-all when it comes to consumers' purchasing behaviour

In order for Asian firms to attain the “gold standard” in payments and e-commerce, they must first accept that there is no one-size-fits-all in achieving that level, according to Payoneer Vice President for Asia Pacific Nagesh Devata. In fact, the firms that have been successful have adapted to the preferences of individual markets.

“In Asia, there is a diverse set of challenges across many nuanced markets with individually complex needs. When you compare this to the US or Europe, there is generally a level of commonality across these markets that is unseen within Asia.”

But whilst this complexity can definitely be a challenge, it also presents an opportunity to develop solutions that will address country- or region-level issues particularly as the sector seeks to service the underserved, he said.

When considering Asia as the

“gold standard” in payments and e-commerce, one has to look into the level of innovation that the Asian market has witnessed over the past few years, especially since the pandemic began, Devata explained. Challenges to innovation such as legacy infrastructure and systems are often sidestepped in Asia and in other developing regions in order to lower the period needed for development, he added.

“This opportunity, coupled with intense competition, a huge test-pool of diverse markets, and a highly educated and motivated workforce create a transformative landscape that is moving at a much faster pace than in the west.”

Retail Asia spoke to Devata to find out more about the differences between the respective payments markets in Asia and the West, how disruptions have been affecting the region, and what the future holds.

The payments landscape in Asia often needs to service a much broader socio-economic range than its Western counterparts



What are the most notable differences between the respective payments markets in Asia and the West?

The payments landscape in Asia often needs to service a much broader socio-economic range than its western counterparts, meaning that payment providers in Asia must meet the unique needs of many disparate demographics through nuanced and hyper-localised solutions. This diversity in requirements is something that, for example, North America, does not need to address on the same scale.

Device proliferation and preference is another notable difference between the payments landscape in Asia and the West. In Asia, consumers prefer mobile devices, whilst the West generally leans toward using desktop devices.

Despite their differences, Asia and the West also share some

RETAIL INSIGHTS 3: CARDS AND PAYMENTS

characteristics between their respective payments market — both demand a seamless user experience on their device of choice and a range of solutions that are individualised to meet their needs. Although both markets focus on the payments experience, they will generally take a different approach, due to factors such as cultural, regulatory, and geographic differences.

Where does the Asian payments scene currently?

One of the main drivers of how the payments landscape will evolve, post-pandemic, will be the rate of vaccination within each country. COVID-19 remains to be a huge disruptor for the industry in Asia, which in turn continues to drive innovation and increased demand for digital payments.

As economies begin to re-open, we may see a resurgence of physical retail, but it is also likely that we will see the convergence of physical and digital retail, resulting in a culture of omni channel commerce.

The pandemic has normalised the digitalisation of our day-to-day lives, i.e., digital check-out, the utilisation of digital platforms, and other elements of a contactless experience. As users look to incorporate these digital tools into their physical interactions, we will see businesses that offer these types of solutions thrive. How businesses choose to adapt will dictate how they will do in a post-COVID environment, irrespective of country.

The era of digital payments

Aside from the fact that customers are quick to change their demands as they see fit, what else can payments and e-commerce firms in Asia learn from the surge in digital payments?

The pace of change seen in the digital payments space proves that despite the technological and cultural progress that has been made over the past 18 months, which was previously expected to occur over a much longer time period, there is a chance that consumer preferences can pivot very quickly. We've seen that users are able and willing to change how they make



Nagesh Devata

payments; and it would be prudent for payment and e-commerce firms to plan for regression of some sort in digital payment habits.

However, even though a resurgence in physical payments is expected, those who did not evolve to meet the needs of users in the pandemic will still find themselves at a disadvantage. Those who are able to reconcile both digital and physical experiences will be able to meet a broader set of consumer demands, and ultimately be better suited to a post-COVID world.

What can the market expect as the rest of the decade unfolds?

I anticipate some macro trends that were amplified by the pandemic, such as the gig-economy and freelancing, being here to stay. I also expect to see an acceleration in social commerce and the incorporation of e-commerce and digital payments into our daily lives. We will see both physical and digital experiences work to complement each other, which ultimately will lead to a better experience for all.

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INTERVIEW

SM Supermalls looking to create 'smart cities'

SM keeps doors open amidst the pandemic, adapting omnichannel retail strategies.

When the Philippine government ordered the shutdown of malls except for essential services and asked workers to stay home in March 2020, SM Supermalls president Steven T. Tan knew he had a problem. The easy solution was to do nothing, but for Tan there were opportunities in this crisis. Perhaps nowhere else in Asia are shopping malls as important to the people as the Philippines, and with SM's Mall of Asia being the largest, they are certainly super scaled.

In this interview, Tan shares how he and his team sprung into action: by repurposing laid off jeepney drivers to do deliveries, by establishing a 1 million Viber social community channel, by allowing customers to pick-up their orders curbside—all whilst working with tenants to keep commerce flowing and keeping all employees on the payroll even if they were ordered to stay at home.

Fast-tracking omnichannel retail

From the start of the lockdown, SM already knew that the changes it had to take would not stop on corporate and tenant needs alone. Customers had to be up the priority list, whether they be from commercialized cities or in far-flung areas. SM focused on developing its omni channel retail efforts in order to meet the new demands and needs of its customers.

Curb-side pick-up, home delivery, and personal shopper services were immediately made available in its shopping malls. SM also tapped into third-party applications like GrabFood and LalaFood to make their tenants reach a wider market amidst the pandemic.

"[We] fast-tracked our omni channel retail efforts so that whether you want to buy anything from the malls or have it delivered to your home or you just want to pick it up on curbside, [you] can actually call a personal shopper to do your errands for you or you order from the countless third-party application apps that we partner with," Tan shared.

In far-flung areas where these third-party applications are not available, SM partnered with displaced jeepney and tricycle drivers to deliver orders.

Aside from the corporate working class who lost their jobs during the height of the pandemic, public transport drivers were also out of business as most public transport operations in the Philippines were halted by the government whilst the lockdown was in full swing.

"There are a lot of places where third-party apps are not yet available. ... we used displaced jeepney drivers or tricycle drivers that were not allowed to take passengers to facilitate delivery of orders for the mall, for the shopping centre," Tan explained.

He shared that by doing so, many jeepney drivers were able



SM president Steven T. Tan discusses how they adapted mobile channels to reach their customers amid the pandemic (Photo by SMSupermalls.com)

to learn and adapt in providing a more sustainable transport service through deliveries.

"They cannot even ply the road or take any passenger, so what they did was they also pivoted. They also transformed their business from a jeepney driver taking on passengers to a delivery service for the shopping centre, to deliver goods for the people," he said.

Adapting to the 'new normal'

SM Supermalls also had to adapt and turn to mobile channels in order to reach their customers.

During the lockdown, movement was restricted for everyone who were not considered essential workers. This resulted in the majority of Filipinos switching to now-giants in e-commerce Shopee and Lazada in order to fulfill their shopping needs.

Other online sellers outside these two platforms would also opt to deliver their goods via Grab, Lalamove, or other delivery or courier service. This spike in online retail shopping introduced a new change to local buying and selling trends in the Philippines.

Tan said the very next day the first lockdown was imposed, SM set up its own Viber community. From having 100,000 followers overnight, it now has millions.

"[Our] Viber community is the biggest Viber community



SM focused on developing its omni channel retail efforts to meet the pandemic-era demands and needs of its customers

created. We created that Viber community the following day the mall was on lockdown. The mall was locked down on March 16 [2020]. On March 17, the Viber chat group is already up and overnight we had over 100,000 followers,” he added.

From exploring fresh ideas to reach their customers, Tan shared that SM Supermalls also provided rental relief for tenant partners and assisted in the reopening of their businesses. The same benefits were provided for micro, small and medium enterprises (MSMEs) which first opened or fought to survive during the pandemic.

“Our tenant partners were very much affected negatively of course but we didn’t stay still. First, SM [gave] rental relief. Then, we used the time to prepare them for the reopening of the malls,” Tan said. “We promoted our safe malling procedures heavily, help the so-called MSMEs or micro and small and medium entrepreneur tenants to open and survive. We also invested heavily in technology to keep the malls clean and COVID-free.”

Mall expansion plans post-pandemic in the Philippines and China

With shoppers going back to the malls in the recent months, Tan is positive that the SM shopping mall experience will continue to be a hit among Filipinos.

“We are bullish about the Philippines and I think as soon as the vaccine is here, we foresee that there will be a return to a high growth to our economic status as we have had in the previous years prior to the pandemic,” he said.

New malls will open in the Philippines by the third quarter of this year. Included in the list of newly opened and soon-to-be-launched malls are SM Butuan and another SM in Zamboanga in Mindanao, SM City Roxas in Visayas, and SM City Grand Central in Monumento in Luzon.

“We do not intend to slow down on our commitments to grow especially in underserved regions such as Mindanao... SM Butuan and SM [in] Zamboanga have opened to high volumes of foot traffic all eager to have the branded SM experience,” Tan shared.

“These are all happening within the year... the tenants are already constructing. We are opening these malls by third quarter this year. But aside from new malls, we also have many malls which are expanding and renovating in the next five years,” Tan said, adding that renovations will also be done to existing malls.

Compared to the situation experienced by the company in the Philippines, however, Tan said construction activities in China progressed fast last year.

“Last year, China was a revelation. At the beginning of last year, the pandemic did have a certain impact in SM’s new project in China but with the efforts and support [by] their government pushing for the economy to move forward, [they] recovered very quickly,” he recalled.

“[Once] the pandemic lockdown was lifted, we were able to start construction by the second quarter of 2020 last year as there was not really so much restriction in terms of construction as compared to operational malls,” he added.

SM Supermalls is poised to open SM Xiamen Phase 3 and SM Yangzhou soon, adding to the retail giant’s already stellar portfolio in China.

Curb-side pick-up, home delivery, and personal shopper services were immediately made available in SM shopping malls



Tan shared that business recovery was faster in China. The country closed its borders in February 2020, resulting in an earlier reopening date. By May 2020, the malls reached 80% of its previous year’s sales.

“We closed malls here in the Philippines mid-March but in China, as early as [the] first or second week of February they already closed... In late March they were already back to normal, and as early as May last year, they were almost at 80% of the previous year’s sales,” Tan revealed.

Future SM projects to include ‘smart cities’ and digitalisation of services

Tan compares shopping malls in the Philippines as modern-day plazas. This, partnered with Filipinos’ preference of shopping in person, makes SM’s projects a hit in the country.

“Filipinos are more tactile... I think it’s [in] the Filipino culture that they really want to meet up with friends, go out and dine together, and to go out to the mall, unlike in China where you have other areas where you could enjoy—like go to parks, go to museums, etcetera,” he said.

The retail and real estate giant owns and operates residential condominiums, office buildings, several e-commerce centres, resorts, convention centres, concert venues, and a university, apart from its numerous shopping malls and stand-alone supermarket branches.

Tan shared that in the future, SM is looking into creating more “smart cities”, similar to that of the Mall of Asia complex located in Pasay City in Metro Manila. The Mall of Asia complex covers 67 ha, in which the shopping centre alone occupies 19 ha of footprint.

“I think SM still is very committed to [developing] sustainable, resilient and smart communities through its real estate portfolio, whether it is shopping malls that are integrated with schools,” he said.

“We have a lot of assets [that] are part of a community where everything is within easy reach and transportation is not going to be a problem, so [in] the future there would be smart cities that would be put up all over the country,” the SM president emphasised.

When asked if SM is positioning itself alongside international giants such as Alibaba, Tan said the company would prefer to work with them rather than compete.

“We’re not here to compete with any online or e-commerce platform. As a matter of fact, we embrace them. We welcome them to our malls,” he said.

“Customer is king. You have to give whatever they are looking for and make it available to their doorstep,” Tan said. “A brand has to be both shoppable and shippable. It cannot just be either or.”



Tan compares shopping malls in the Philippines to modern-day plazas



The Philippines experienced the highest increase in the usage of shopping apps in Southeast Asia since Q2 2020

How embedded finance eases Philippines' e-commerce woes

Embedded finance aims to simplify transactions and improve overall customer experience in the Philippine retail scene.

The Philippine e-commerce landscape has significantly emerged since the COVID-19 pandemic hit the world, as consumers turned to online shopping to meet their needs and desires.

Despite e-commerce and digital services not being the most accessible to the Philippines in the previous years, the Philippines have recently adapted and caught up to its Southeast Asian counterparts in terms of employing digital channels in the retail industry.

A research by e-commerce company iPrice Group, in collaboration with app analytics platform App Annie and web analytics services SimilarWeb, revealed that the Philippines experienced the highest increase in the usage of shopping apps (53%) in Southeast Asia since Q2 2020.

At the same time, the country also

The Philippines is catching up to its Southeast Asian counterparts in terms of using digital channels in the retail industry



saw the largest increase in basket size (57%), compared to neighbouring countries, since the pandemic hit.

The upward trend seen from these activities poses challenges to the Philippine retail industry, which includes the need to revamp traditional retail strategies and to cope with current shifts on consumer behaviours.

This is what embedded finance aims to address.

Simplifying transactions through embedded finance

Embedded finance aims to improve customer experience through a seamless integration of banking, payments, or credits in a transaction. This comes as the recent years see customers' preference for convenience and ease in their shopping experience.

According to Vishwas Mysore, CredoLab senior director for global

presales and solution consulting, improved customer experience just follows as a consequence of implementing embedded finance, as simplification of the transaction process is its core.

"It is as simple and intuitive as the embedded advertising on social media and search of yesterday, and the embedded retail on social media of today," Mysore added.

A report by private equity firm Lightyear Capital shows that the embedded finance market is expected to increase tenfold from \$22.5b in 2020 to \$230b in 2025.

The model is commonly seen in online marketplaces such as Lazada and Shopee, specifically on the checkout page.

Mysore mentioned that embedded card payments are made available through ShopeePay or through options to pay via credit or debit cards. Whilst, mobile wallet app GCash is also available on Lazada, along with buy now pay later (BNPL) options such as Cashalo and BillEase. For merchants, there is Shopify, an embedded banking which provides sellers easy revenue management on their own platform.

Mysore also noted that despite embedded finance's seeming acceleration in the Philippine retail market, there are still gaps that need to be addressed, amongst which is the issue of shopping cart abandonment for e-commerce merchants.

Cart abandonment

A report by market data firm Statista found that in March 2020, 88% of shoppers around the world abandoned their carts on a retail platform. The reasons for doing so range from needing more time to mull over a purchase, changing one's mind about the purchase, to simply not having the preferred option for mode of payment.

Mysore mentioned that alternative payment options, as well as credit lines like a BNPL purchase or an equated monthly installment (EMI) purchase, have significantly reduced customers' cart abandonment.

However, he stated that implementation is key to solving this kind of problem.

“Security issues, development costs, down-time and other issues make businesses hesitant to delve into newer more robust payment options. And underwriting credit is an unknown risk for retailers and non lenders. Embedded credit needs embedded scoring and this is where a partnership with fintech companies like CredoLab would be integral to implementing an embedded finance solution,” Mysore said.

Making credit more accessible

CredoLab's embedded scoring solution takes a fresh approach to risk, as it harnesses smartphone metadata to provide highly predictive risk insights with a protective approach to personal data.

“Through our machine learning algorithms, we convert non-personal digital footprints into a powerful credit score that can identify the customers who have the willingness and ability to repay,” Mysore said.

He added that by providing embedded scoring to neobanks, digital fintech lenders, P2P platforms, market aggregators, BNPL, and e-wallets, CredoLab modernises its approach to lending as they make risk assessments more accurate, reliable, and secure.

“By working with these industries, we're enabling more Filipinos access credit for consumption, lifestyle, or business,” Mysore said.

Embedded finance benefits both customers and e-commerce businesses in terms of overall ease and convenience of transactions.

For customers, ease of payment is one of its biggest advantages as it “creates a frictionless checkout experience, allowing customers to pay by whichever method they would prefer.” BNPL options also encourage responsible spending by allowing customers to spread out their spending to avoid exceeding their monthly budgets.

On the other hand, embedded finance can help e-commerce businesses by reducing their customer turnover at the checkout stage through streamlining their customer's shopping experience.

“With far fewer carts abandoned and improved customer experiences,

businesses can benefit from higher conversion rates, revenues, and customer loyalty in the long run. Embedded finance can also help small business owners easily manage their revenue and minimise customer acquisition costs,” Mysore said.

Revamping retail strategies

With the Philippines having the largest increase in online shopping since the pandemic, the online first way of shopping has accelerated. Embedded finance has made online shopping more accessible for Filipinos with little to no credit history as it streamlines processes and allows multiple methods of payment.

Businesses are now compelled to adopt such a paradigm as banking and financial services in the Philippines are shifting online, and this is transforming the way consumers pay or sign up for credit.

“Store credit is being replaced by credit cards and BNPL on the consumer side and P2P lending platforms and aggregators and marketplaces on the business side,” he said.

Since consumers are vetting for a more convenient and personalised shopping experience nowadays, giving them multiple embedded payments can accelerate the overall process as it allows them to skip dealing with third-party vendors for online transactions.

“Consumers today are also more inclined to spend responsibly, given that many have been affected financially by the pandemic. Having

Embedded finance has made online shopping more accessible for Filipinos with little to no credit history



BNPL options takes away the pain of making big purchases by spreading these out into smaller portions,” Mysore added.

He also mentioned that e-commerce businesses can also work with embedded finance solution providers like CredoLab to offer lucrative payment options at controlled risk.

“CredoLab specialises in alternative credit scoring, which can open up doors to Filipinos with little to no credit history. This will allow businesses to not only reach a wider pool of consumers, but also focus on their core business strategy while credit risk is controlled by means of embedded credit scoring,” he said.

Embedded finance ‘still in infancy’

Despite the growing trend on the use of embedded finance, it is still in its infancy. E-commerce businesses would have to convince more Filipinos to choose these solutions over cash, as the Philippines has the lowest banking penetration in Southeast Asia.

A 2019 survey conducted by the Bangko Sentral ng Pilipinas found that around 51.2 million Filipinos were unbanked.

“More Filipinos have opened up bank accounts since the pandemic hit to receive government cash assistance. It is only natural that as more Filipinos use their smartphones to access their bank account or pay for shopping or utility payments, fintech and embedded finance will grow exponentially in the near to medium term,” Mysore said.

Nevertheless, embedded finance is going to be present in other sectors such as banking, investments, and insurance. Mysore also believes that the Philippines will adopt the paradigm on a wider scale in the coming years, especially as the Philippine government continues to push for a cashless society.

“By working with financial services providers and e-commerce platforms themselves, we're hoping to help increase financial independence and empowerment in the Philippines through our alternative credit-scoring solutions,” he said.



Embedded finance can help small business owners manage their revenue and minimise customer acquisition costs

INTERVIEW

UNIQLO hinges on digitalisation

Implementing the same-day Click & Collect service to improve shopping experience.

UNIQLO aims to provide clothing for all; and customer shopping experience, both in-store and online, comes along amongst the top priorities of the apparel industry giant.

Physical stores remain an important part of the company's retail operations and UNIQLO continues to refurbish them to give new experiences to their customers. But the company is also employing digital services that will further enhance its customers' shopping experience.

Notable digital tools they are using are the "price tag scanner functions" and the same day Click & Collect service in its online store.

Retail Asia caught up with Yuki Yamada, CEO of Uniqlo Malaysia and Singapore, about the innovations they implemented and trends in the apparel industry.

What does UNIQLO Singapore and Malaysia prioritise in providing service and developing products?

Ever since our company was founded, we have regarded our mission as providing clothing to improve the lives of people everywhere. We create clothing for everyone. This is reflected in our slogan, "MADE FOR ALL," which remains a core element of our LifeWear philosophy. Our priority has always been our customers with a focus on their shopping experience both in-store and online, where they can expect excellent service and seamless transition from one to the other, such as through our Click & Collect service and catering of more sizes through selected physical stores and our online store.

Our products, under the umbrella philosophy of "LifeWear," reflect very well on customers' needs in their daily lives. We provide a wide variety of daily essentials for women, men, pregnant mothers and their babies, and young children. They include accessories from face masks to socks and footwear; and clothes for everyday wear at home, work or for leisure, as well as functional sports utility wear, AIRism for cool, breathable comfort and HEATTECH to keep warm.

How did the pandemic affect the business operations of UNIQLO especially in Singapore and Malaysia? How did you cope?

At UNIQLO, we are always adapting to stay on top of our customers' needs. With different phases of lockdown and physical store re-opening, the pandemic has naturally accelerated the shift to digital in both Singapore and Malaysia. We pivoted our business to provide our offerings to consumers online, leveraging our established digital presence.

However, to be successful, e-commerce and physical stores need to achieve synergy, which is why our physical stores remain just as important. We continue to refurbish our stores to provide a better shopping experience whilst upholding high standards of safety through safe distancing



Yuki Yamada, CEO of Uniqlo Malaysia and Singapore



E-commerce and physical stores need to achieve synergy to provide a better shopping experience whilst upholding high standards of safety and efficiency

measures and regular disinfectant procedures. In Singapore, we introduced UNIQLO Town, which offers three distinct experiences at our stores along the shopping belt Orchard Road to give shoppers an engaging and hyper-local retail experience in-store.

On the e-commerce front, we continue to improve our efficiency and transform our distribution system to ensure swift delivery of online purchases.

As a business, we are also committed to having a positive impact on society. Last year, we were quick to launch our AIRism masks, and the take-up rate was highly encouraging. We have partnered with foodpanda in Singapore and distributed 13,000 AIRism masks to their entire fleet of riders. More recently, we have also partnered with hawerheroes.sg to distribute 15,000 packs of AIRism masks to hawkers all around Singapore.

UNIQLO Singapore's flagship store in Orchard Central will be celebrating its anniversary. What programmes or innovations are you implementing following this feat?

During the month of October, UNIQLO Singapore's flagship store located at Orchard Central will be celebrating its fifth anniversary. Customers can look forward to a refreshed in-store shopping experience from a pop-up coffee cart and a plant nursery, to weekly in-store workshops, including

upcycling workshops and embroidery workshops. Another highlight of the anniversary is a new weekly live streaming series giving customers a first look at the week's Limited Offer items and ways to style them, as well as the launch of the same day Click & Collect service on our website, where customers can access even more sizes, shortlist items to place on their wishlist, and check the availability of their desired products before heading to stores.

There will also be showcases of some of our product innovations, putting the spotlight on our LifeWear Masterpieces—products from our core line-up that carry incredible technology and are representative of our brand. These include 3D knit items, created using specialised knitting machines that achieve seamless knitwear with beautiful silhouettes, and soufflé yarn items that offer fluffy comfort and don't scratch the skin.

How would these innovative services benefit both the business and the customers?

They reinforce the product innovations that UNIQLO has continued to offer to our customers—simple clothing made to better suit the evolving needs of the community and enable them in embracing new lifestyles and values. At the same time, the workshops and weekly live streaming shows aim to inspire customers in styling their own looks with our collections whilst adding to their experience with our products by giving pre-loved clothes a new lease of life.

As the CEO, how would you describe leading a business during the pandemic?

The pandemic has brought about unprecedented changes in the way we live. It is most important to us that we continue to meet our consumer's needs with our products. Even before the pandemic, there have been three principles that guided me in leading the business:

Be open with our employees. At UNIQLO, we have always aimed to be open with our employees as we empower them to adopt the mindset of a business leader and be part of the decision-making process with our Global One and Zen-in Keiei management principles. This openness is also important during the pandemic when we aim to share information early and often to minimise uncertainty. This transparency of information sharing and open communication encourages an environment that allows staff to feel more involved and engaged with the business.

Making decisions with our customers in mind. With the pandemic bringing about unprecedented changes in the way we live, what has been most important to us is that we continue to meet our consumers' needs with products at an affordable price. In this new normal, we've observed that they are pivoting towards essentials and increasingly prioritising comfort, value and quality. We believe that UNIQLO LifeWear is well positioned to cater to the new lifestyle needs, providing high-quality and affordable everyday clothing to cater to all occasions, be it telecommuting, indoor workout, lounging at home, or playtime for kids.

Revisit our shared brand value to contribute to the community we operate in. Having lived in five different countries has helped me learn about working with people from diverse cultures and backgrounds. UNIQLO is a global

Uniqlo has seen a pickup on apparel that is suitable for “work from home” and therefore an increase in purchases of smart-casual wear and loungewear



business, but it respects the culture and the traditions of each community and neighborhood in which it operates. We strive to build stores with strong local connections and contribute to the community and economic development in the countries and regions we operate in.

What current trends have you observed in the apparel retail industry?

With the acceleration towards digitalisation, we continue to identify ways to leverage digital tools to engage our customers and support them with a seamless shopping experience. For example, we have an in-depth and comprehensive guide on our website to inform them on how to measure clothing and body dimensions so the clothes they buy are a good fit.

From late last year, we have implemented the “price tag scanner” function, where customers are able to view details and information of a product simply by scanning its price tag; and a new payment function where customers are able to pay for an item in store to secure stock of an item online. Additionally, with the recent launch of our same-day Click & Collect service, customers can easily secure their desired stock at the physical store ahead of time via our online store.

In general, with people spending more time at home, we have also seen a pickup on apparel that is suitable for “work from home” and therefore an increase in purchases of smart-casual wear and loungewear. Ultimately, we continue to see customers who seek comfortable and functional clothing that offers great value for money.

What's next for Uniqlo Singapore and Malaysia?

We will continue our efforts to promote sustainability and support the community. Apart from collecting pre-loved UNIQLO items and donating them to underprivileged communities, we also work with low-income women to upcycle fabric scraps recycled from our alteration service.

In Malaysia, we will expand our Retail Training Programs to provide people with disabilities, marginalised, and refugee youth with retail skills, as well as school outreach to educate students about sustainability. In Singapore, we are looking to expand the presence and awareness of our sustainability initiatives through our Sustainability Corners in stores.



RANKINGS: TOP 100 RETAILERS



Retailers are integrating technology, activities and services to offer a seamless omnichannel experience

Tech giants bolster Asia Pacific as retail innovation hub

Southeast Asia continues to be an APAC powerhouse despite political unrest.

The Asia Pacific will continue to be an innovation hub for the retail industry despite the slight dip in sales due to disruptions caused by the pandemic, according to Euromonitor International.

Its e-commerce recorded a double-digit growth for 2020. Tech-savvy consumers and world class-mobile connectivity enabled digital transformation in many industries such as retailing.

Tech giants, such as Alibaba and JD.com, continued to push the retail industry in APAC forward, with digitalisation, connectivity, and demographics being the key growth drivers in the region's evolution as an innovation hub post-pandemic.

Many fintech players are also entering the scene, taking advantage of the current situation wherein retailers are scrambling to integrate their online and offline operations to better serve customers who demand omnichannel shopping experiences.

Retail amidst the pandemic

The year 2020 saw a rise in grocery sales triggered by the pandemic. Some markets saw consumers buy essentials in bulk to lessen trips to the grocery

Retail giants push the industry in APAC forward with digitalisation, connectivity, and demographics as key innovation drivers



store and the mall.

Consequently, large store-format players, like AEON Group, Auchan Group, and Yonghui Superstores Group, benefited most as customers sought out retailers with a greater variety of items.

"Auchan's growth in China and Taiwan helped it overtake Shinsegae's position as the sixth-largest grocery retailer in Asia Pacific in 2020, the only major change in ranking amongst top store-based grocery retailers," Euromonitor observed.

Physical stores overshadowed

However, not all markets recorded positive growth of grocery retailers in 2020. Consumers in Indonesia, South Korea, and Thailand saw e-commerce retail values expand by 53%, 23%, and 69%, respectively, to the detriment of all other channels, including bricks-and-mortar shops and grocers, as consumers turned to online platforms for essentials.

Leading the top grocery retailers in APAC is Seven & I Holdings Co Ltd with \$59.7b acts, followed by AEON Group with \$25.1b acts, and FamilyMart Uny Holdings Co Ltd with \$21.3b acts.

Meanwhile, non-grocery specialists and mixed retailers slipped by 14% in 2020 due to store closures and in-store traffic drops. The pandemic caused a period of uncertainty that caused consumers to be careful with their discretionary spending.

AEON Group dominated the non-grocery specialists and mix retailers, beating the trend with a slight growth in 2020 driven largely by an increase in the demand for daily necessities and hygiene products, benefiting its health and beauty retail brands, Welcia and Tsuruha.

The group's brands offered innovations to leverage new consumer shopping habits, introducing the Sporsium and Topvalu ranges of sportswear for outdoor activities and implementing Regi Go, a self-checkout system to reduce queuing times and interaction at in-store checkouts.

"As consumers spend more time at home, the product category mix has shifted towards improving or complementing this lifestyle. Consumers wish to enjoy their time spent at home and are more likely to spend money if the value generated from a purchase outweighs the cost," Euromonitor said.

Retail innovation

Retail brands specialising in apparel like Fast Retailing Co. Ltd who own Uniqlo saw the worst performance in 2020 compared to 2019 as social occasions became sparse. Additionally, jewelry and watch specialist retailers also saw slips in revenue as the pandemic continues to affect tourism.

Euromonitor said that as consumers return to stores, non-grocery specialists and mixed retailers are positioning themselves as more than just retail outlets, aiming to be lifestyle destinations where consumers can shop, indulge, and enjoy their time.

"Retailers are integrating technology, activities and services to offer a seamless omnichannel experience. Shinsegae Co Ltd in South Korea leads retail innovation by routinely transforming its Busan Centum City flagship store with concepts like a spa, a cinema, and

RANKINGS: TOP 100 RETAILERS



E-commerce dominated APAC with retailers rushing to establish their online presence

even an art exhibition venue to increase consumer visits,” it added.

Not surprisingly, e-commerce dominated the Asia Pacific with retailers rushing to establish their online presence or get hosted on a third-party site.

Chinese e-commerce retailers, Alibaba and JD.com, spearheaded the e-commerce sector in the Asia Pacific, getting ahead of retail giants such as Amazon, eBay, and Walmart.

Rise of social commerce

Innovations grew from e-commerce, aimed at, not only giving consumers a unique experience, but to pull in more sales, as well.

Social commerce also saw a huge boom in the Asia Pacific. Brands utilised social media approaches such as livestreaming, gamification, and online influencers, to engage and sell to consumers.

In October 2020, Chinese e-commerce retailer Suning.com partnered with Douyin, a popular Chinese social media platform, for branded livestreams, where users can make purchases from Suning without leaving Douyin.

The collaboration granted the e-commerce giant access to Douyin's young and fast-growing consumer base and provided insights on consumer preferences and media consumption behaviour to adapt their offerings and engagement strategies.

Euromonitor said that the Asia Pacific will continue to be largely driven by young and tech-savvy consumers, rising mobile penetration rates and the increased adoption of

online shopping by consumers.

“Retailers that innovate and integrate the consumer end-to-end journey seamlessly across product discovery, payments, and fulfilment are best positioned to benefit. The rising popularity of mobile wallets, especially in the Southeast Asia region where many consumers remain unbanked or underbanked, is expected to accelerate growth of e-commerce in the region” Euromonitor said.

Southeast Asia as a powerhouse

Southeast Asia's retailing industry suffered a 6% decline in 2020 despite efforts from governments to set up a contingency plan to tackle the pandemic. The second and third waves of infection still occurred in most Southeast Asian countries, resulting in a slowdown for domestic business recovery.

With consumers in APAC becoming more tech-savvy and many brand players explore omnichannels, e-commerce will maintain influence on the retailing industry



However, the crisis gave way for industry players to leverage the e-commerce boom in the region. Euromonitor's rankings saw Tokopedia overtaking Seven & I Holdings to rank first in 2020 and Sea Ltd, brand owner of Shopee, also saw its ranking rise by five places to become the third-placer.

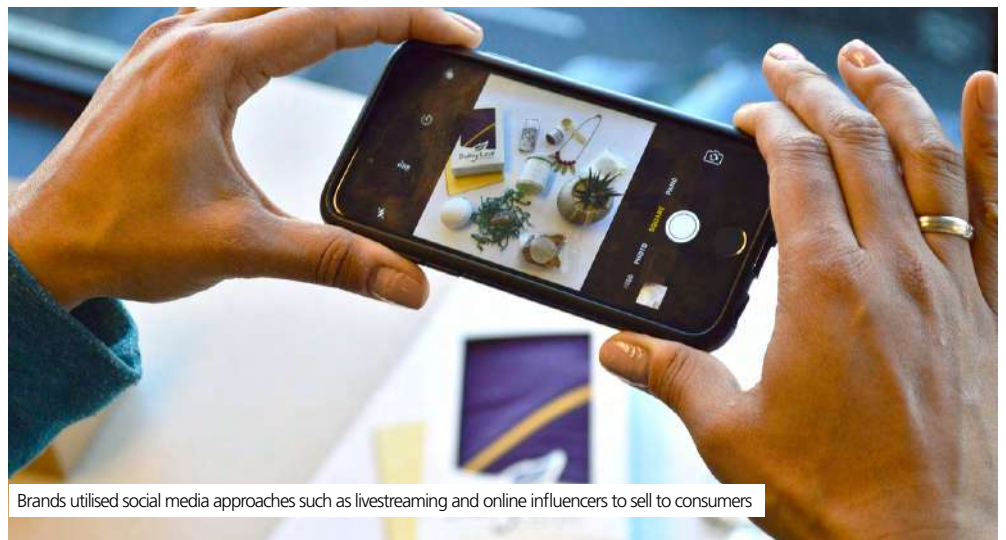
Euromonitor observed that this only shows how vibrant and dynamic a landscape the Southeast Asia region is. E-commerce platforms played a huge part in onboarding brick-and-mortar brands into online retailing.

“With consumers in the region becoming more tech-savvy and many brand players forced to explore the omnichannel, e-commerce, and omnichannel are expected to maintain their influence on the overall retailing industry,” Euromonitor said.

The future of retail performance

Euromonitor noted that some countries in the region faced uncertainty due to political situations, such as the recent coup d'état in Myanmar, and continuous political unrest in Thailand that have raised concern amongst international parties and may slow down investments from foreign investors.

However, overall, the retailing value of Southeast Asia is still able to register forecast growth at a 6.7% compound annual growth rate (USD, constant, year-on-year exchange rate) over the next five years (2021–2025) due to a strong rebound performance post-pandemic.



Brands utilised social media approaches such as livestreaming and online influencers to sell to consumers

RANKINGS: TOP 100 RETAILERS

“Although the overall region may recover from the pandemic, retailers in the region need to continue to innovate and explore new ideas in order to overcome other types of challenges,” Euromonitor said.

Southeast Asian markets

For Singapore, 2020 was a challenging year for the retailers especially for the apparel and footwear, and jewellery and watch specialists which saw a steep decline in their revenues due to the decreased social occasions, reliance on tourism, and permanent closure of physical stores.

“The retail recovery for Singapore is expected to be a dynamic, uncertain and multi-year process due to Singapore’s reliance on external demand for economic growth.

Amidst a muted outlook, consumers are expected to focus on the essential and the functional, with spending on discretionary goods expected to be limited,” it said.

Meanwhile, Euromonitor said retail recovery in Indonesia is expected to be gradual. Department stores and specialist stores mostly in shopping centres with significant traffic are expected to see early recovery, whilst stores that sell essential products will see sales level to normalize, it said.

Homeware and home improvement retailers will see growth as consumers continue to stay at home, whilst bag and luggage retailers “will find forecast period challenging” as consumers’ confidence in travelling remains low.

Indonesia has also suffered in 2020 due to social restrictions and temporary lockdowns.

There was also a decrease in demand for food, drink, and apparel after the government barred its citizens from travelling during Ramadan and Eid al-Fitr due to the pandemic, a period which usually contributes up to 40% of annual sales.

In Malaysia, grocery retailers performed well during the lockdowns as consumers cooked at home more. The rise in online cooking videos and demonstrations helped boost the sales of grocery retailers, as well.

Euromonitor said e-commerce will remain popular to support work-



Retailers selling non-essential goods such as apparel and footwear are likely to see very slow recovery post-pandemic

E-commerce demand will be supported by consumers returning to normal hectic schedules and valuing the convenience of e-commerce apps and websites



from-home setup and busy lifestyles. In fact, some retailers have closed their physical stores to fully embrace their online stores. The outlook for retailing in Malaysia, however, remains challenging as the economic and financial impact of the pandemic “are likely to linger.”

“Disposable income is expected to contract leading to considerable price sensitivity,” it said. “With job layoffs and the downsizing of large companies, retailers selling non-essential goods, such as apparel and footwear specialists are likely to see very slow recovery. Along with lingering social distancing measures lasting at least into 2021, this will slow down recovery for some retailing channels over the forecast period.”

Retail performance post-pandemic

Meanwhile, the Philippines, which has one of the longest COVID-19 lockdown periods globally, will see its retail sales return to pre-pandemic levels by 2022, whilst economic growth will return to pre-pandemic levels by end-2021, slower than its neighbouring countries in the region.

“E-commerce will be significant in retail recovery with consumers still wary of going out until the virus is completely contained, or vaccines become widely available,” Euromonitor said, adding that the sector accelerated its growth further during the pandemic.

A trend that grew in the Philippines in 2020 is the community store, which has been present before the pandemic, as consumers want the most convenient ways to complete their shopping.

Further, Euromonitor said retailing in Thailand was affected in almost all retail categories due to the lockdowns in March to May 2020, but non-grocery products were hit hard as consumers prioritise grocery or essential goods.

E-commerce demand post-pandemic

Retailers also focussed on mobile e-commerce as consumers use mobile devices to buy products. They also adopted digital payment technologies, which is seen to continue to grow. Non-grocery retailers, meanwhile, are using augmented reality for online product testing.

“It is expected that the impact of COVID-19 in the forecast period will be less dramatic than in 2020. However, the negative impact on sales remains ongoing in non-grocery categories, such as apparel and luxury items, since customers will continue to cut down on non-essential spending,” Euromonitor said.

Vietnam was able to manage the spread of COVID-19 but sales in some retailing sectors like apparel, footwear, and beauty plummeted due to the decline in tourism.

Euromonitor said retailers in Vietnam also strengthened their omnichannel strategies to improve the image of their brands. E-commerce sales also surged, and online promotions are becoming more popular, with the introduction of livestream platforms.

“Looking forward, retailing in Vietnam is expected to return to pre-pandemic value sales growth rates. More consumers will be willing to spend on non-grocery items given a positive economic outlook. Store-based retailing sales will bounce back strongly,” Euromonitor said.

“E-commerce demand will be supported by consumers returning to their normal hectic schedules and convenience of buying products through apps or e-commerce websites,” it added.

RANKINGS: TOP 50 ASEAN RETAILERS

2020 RANK	GLOBAL BRAND OWNER	2019 acts (US\$ Million)	2020 ACTS (US\$ MILLION)
1	Tokopedia PT	7,439	11,683
3	Seven & I Holdings Co Ltd	12,939	11,532
2	Sea Ltd	5,157	8,739
4	Tesco Plc	6,929	6,504
5	Sumber Alfaria Trijaya Tbk PT	6,210	6,437
6	Salim Group	5,832	6,221
7	Alibaba Group Holding Ltd	3,737	5,599
8	Central Group	6,307	5,543
9	SM Retail Inc	6,312	5,406
10	Mobile World JSC	4,387	4,474
11	Bukalapak.com PT	2,432	3,657
12	Mercury Drug Corp	2,967	3,516
13	Puregold Price Club Inc	2,874	3,418
14	Dairy Farm International Holdings Ltd	3311	3,203
15	Big C Supercenter PCL	3,405	3,006
16	Robinsons Retail Holdings Inc	2,845	2,755
17	NTUC FairPrice Co-operative Pte Ltd	1,940	2,519
18	AS Watson Group	1,960	2,019
19	AEON Group	2,047	1,868
20	Saigon Union of Trading Cooperatives	1,522	1,576
21	Amway Corp	1,195	1,102
22	99 Speedmart Sdn Bhd	970	1,079
23	Trans Retail Indonesia PT	1,028	970
24	FPT Corp	891	915
25	Sheng Siong Group Ltd	682	881
26	Ace Hardware Corp	970	871
27	Mall Group Co Ltd, The	1,051	860
28	Giosis Group	626	858
29	Mydin Mohamed Holdings Bhd	931	857
30	Masan Group Corp	1,152	853
31	Erajaya Swasembada Tbk PT	878	842
32	Djarum Group	552	814
33	Home Product Center PCL	875	798
35	Rocket Internet AG	565	778
36	Metro Retail Stores Group	710	727
37	Fast Retailing Co Ltd	902	636
38	Econsave Cash & Carry Sdn Bhd	611	611
39	Inter IKEA Systems BV	696	610
40	Lotte Group	590	555
41	Herbalife Nutrition Ltd	510	546
42	CVC Capital Partners Ltd	1,278	537
34	Amazon.com Inc	429	525
43	LVMH Moët Hennessy Louis Vuitton SA	651	506
44	Pico JSC	457	497
45	JD.com Inc	251	488
46	Matahari Putra Prima Tbk PT	591	464
47	FamilyMart Uny Holdings Co Ltd	493	461
48	Mr DIY Trading Sdn Bhd	558	460
49	Cao Phong Co Ltd	423	454
50	Natura&Co	79	450

Source: Euromonitor

RANKINGS: TOP 100 RETAILERS

2020 RANK	GLOBAL BRAND OWNER	2019 acts (US\$ Million)	2020 ACTS (US\$ MILLION)
1	Alibaba Group Holding Ltd	298,523	367,060
3	JD.com Inc	221,923	261,231
2	AEON Group	76,564	79,987
4	Seven & I Holdings Co Ltd	80,198	77,235
5	Pinduoduo Inc	32,056	57,000
6	Suning.com Co Ltd	43,121	50,067
7	Amazon.com Inc	36,723	43,293
8	Walmart Inc	32,607	34,482
9	Shinsegae Co Ltd	24,816	24,751
10	FamilyMart Uny Holdings Co Ltd	22,329	21,255
11	Lotte Group	25,170	21,057
12	Coupang Corp	12,532	20,095
13	Vipshop Holdings Ltd	18,409	19,569
14	Japan Consumers Cooperative Union	15,008	16,261
15	Lawson Inc	16,311	15,877
16	Yamada Denki Co Ltd	14,887	15,591
17	Fast Retailing Co Ltd	16,215	15,586
18	China Resources Enterprise Ltd	14,551	15,348
19	Auchan Group SA	14,129	14,682
20	Naver Corp	8,334	14,278
21	Pan Pacific International Holdings Corp	13,795	13,870
22	eBay Inc	12,501	13,549
23	Rakuten Inc	11,414	13,154
24	Yonghui Superstores Group	11,510	12,781
25	Softbank Corp	11,392	12,436
26	Tokopedia PT	7,439	11,683
27	Apple Inc	10,651	11,278
28	GS Holdings Corp	11,228	11,217
29	Costco Wholesale Corp	9,963	11,082
30	Isetan Mitsukoshi Holdings Ltd	11,457	10,809
31	Sea Ltd	5,943	10,367
32	GOME Electrical Appliances Holding Ltd	11,925	10,209
33	Hyundai Department Store Co Ltd	10,808	10,155
35	AS Watson Group	9,956	9,791
36	SK Telecom Co Ltd	7,776	8,441
37	Sinopec Corp	7,806	8,198
38	Bic Camera Co Ltd	7,861	7,614
39	Dairy Farm International Holdings Ltd	6,985	7,175
40	Bailian Group Co Ltd	7,239	7,079
41	K's Holdings Corp	6,453	7,053
42	LIFE Corp	6,525	7,014
34	Cosmos Pharmaceutical Corp	5,998	6,831
43	BGF Retail Co Ltd	6,919	6,803
44	Edion Corp	6,963	6,693
45	Carrefour SA	6,053	6,544
46	Yodobashi Camera Co Ltd	6,495	6,520
47	Tesco Plc	6,929	6,504
48	Homeplus Co Ltd	7,144	6,488
49	Sumber Alfaria Trijaya Tbk PT	6,210	6,437
50	Takashimaya Co Ltd	7,302	6,411

Source: Euromonitor

RANKINGS: TOP 100 RETAILERS

2020 RANK	GLOBAL BRAND OWNER	2019 acts (US\$ Million)	2020 ACTS (US\$ MILLION)
51	Sundrug Co Ltd	5,599	6,258
52	Amway Corp	6,480	6,236
53	Salim Group	5,832	6,221
54	Beijing Xiao Mi Co Ltd	6,682	6,176
55	Nitori Holdings Co Ltd	5,341	5,963
56	Hankyu Hanshin Toho Group	6,527	5,890
57	Wumart Stores Inc	4,300	5,777
58	Wemakeprice Inc	5,300	5,702
59	Central Group	6,307	5,543
60	Sugi Holdings Co Ltd	4,890	5,517
61	Alphabet Inc	4,994	5,482
62	SM Retail Inc	6,312	5,406
63	J Front Retailing Co Ltd	6,291	5,362
64	Matsumotokiyoshi Holdings Co Ltd	5,560	5,096
65	Arcs Group Co Ltd	4,728	5,040
66	Shimamura Co Ltd	4,764	4,860
67	Reliance Group	6,068	4,831
68	LVMH Moët Hennessy Louis Vuitton SA	5,044	4,781
69	Daiso Sangyo Co Ltd	4,628	4,694
70	Mobile World JSC	4,387	4,474
71	Chyuan Lien Enterprise Co Ltd	4,003	4,291
72	Beijing Hualian Group Investment Holding Co Ltd	4,617	4,204
73	adidas Group	4,159	4,121
74	Nike Inc	3,920	3,991
75	Anta (China) Co Ltd	3,907	3,956
76	Future Group	4,633	3,938
77	Suntory Holdings Ltd	4,248	3,908
78	The Coca-Cola Co,	4,203	3,667
79	Bukalapak.com PT	2,432	3,657
80	Tokyu Corp	3,833	3,624
81	Yamazaki Baking Co Ltd	3,593	3,610
82	Valor Co Ltd	3,375	3,534
83	Mercury Drug Corp	2,967	3,516
84	Fuji Yakuhin Co Ltd	3,294	3,458
85	Puregold Price Club Inc	2,874	3,418
86	Cocokara Fine Inc	3,231	3,319
87	Dongguan Sugar & Wine (Group) Co Ltd	2,899	3,318
88	CJ ENM Co Ltd	3,316	3,291
89	DCM Holdings Co Ltd	3,012	3,204
90	Chongqing General Trading Group	3,628	3,181
91	Cainz Co Ltd	2,931	3,126
92	Izumi Co Ltd	3,223	3,061
93	Heiwado Co Ltd	2,914	3,044
94	Infinitus (China) Co Ltd	3,326	3,044
95	Big C Supercenter PCL	3,405	3,006
96	Bright Food (Group) Co Ltd	3,019	2,958
97	Avenue Supermarts Ltd	3,184	2,869
98	Create Super Drugstore Co Ltd	2,474	2,808
99	Robinsons Retail Holdings Inc	2,845	2,755
100	Beijing Wangfujing Department Store Co Ltd	3,384	2,740

Source: Euromonitor

Here are the winners in the Retail Asia Awards 2021

The retail industry continues its move forward amidst numerous bankruptcies, uncertainties, and fears surrounding the pandemic. And while the struggles are real, the opportunities for growth are also substantial. As consumers move seamlessly between online and offline experiences during these challenging times, the rise of newer store concepts, customer-centricity, personalised experiences, direct-to-consumer businesses, private labels, and e-commerce-related investments have grown not just in Asia, but also the rest of the world.

Indeed, when the COVID-19 virus threw its most gruesome lemons at us, the retail industry still managed to make a lemonade stand—and earn a decent profit on the side.

In recognition of retail companies that continuously strive to grow their business and provide their customers with unforgettable shopping experiences, the Retail Asia Awards 2021 honoured these enterprises by awarding the 38 winners through digital award presentations on 12-16

July 2021.

These retail champions were also accompanied by virtual interviews as they shared their thoughts about winning the prestigious awards programme.

This year's entries were judged by an elite panel of judges consisting of Anson Bailey, Head of Technology, Media & Telecoms, Hong Kong and Head of Consumer & Retail ASPAC, KPMG; Olivier Gergele, EY Asean Consumer Products and Retail Leader, EY; Tian Bing Zhang, Asia Pacific Consumer Products and Retail Sector Leader, Deloitte; Uthaya C Ponnusamy, Partner, F&B, Retail and Consumer Products, RSM Singapore; Michael Cheng, Asia Pacific, Mainland China and Hong Kong Consumer Markets Leader, PwC; and Michelle Evans, Senior Head of Global Digital Consumer Research at Euromonitor International. Singapore Retailers Association (SRA) also took part in the event as one of our supporting partners.

Retail Asia congratulates the following winners:

Araz Supermarket LLC

Food & Beverage Retailer of the Year - Azerbaijan

Arzooo.com

Electronics & Appliances Retailer of the Year - India

BHG (Singapore) Pte Ltd.

Store Retail Initiative of the Year - Singapore

Daraz

E-Mall of the Year - Pakistan
CSR Initiative of the Year - Pakistan

Decathlon Indonesia

Sustainability Initiative of the Year - Indonesia

DLF Avenue, Saket

Brand Transformation of the Year - India

Dmall (China) Technology Limited

CSR Initiative of the Year - China
Digital Initiative of the Year - China
Omnichannel Strategy of the Year - China

Eu Yan Sang (Singapore) Pte Ltd

International Retailer of the Year - Singapore

Flipkart Group

Domestic E-Tailer of the Year - India
Sustainability Initiative of the Year - India

Flipkart Group - Kalyan Krishnamurthy, CEO

CEO of the Year

Food Folks @ Lau Pa Sat

Food & Beverage Retailer of the Year - Singapore

ITAB Shop Concept (China) Co. Ltd

Pop-up Retail Project of the Year - China

Jaykay Marketing Services (Pvt) Ltd.

Food & Beverage Retailer of the Year - Sri Lanka
Sustainability Initiative of the Year - Sri Lanka

K11 Concepts Limited

Digital Initiative of the Year - Hong Kong

Kmart Australia Limited

International Retailer of the Year - Australia

Koala Sleep Japan KK

Furniture Retailer of the Year - Japan

KrisShop Pte. Ltd.

Omnichannel Strategy of the Year - Singapore

Lotus's Thailand

Hypermarket of the Year - Thailand

Majid Al Futtaim Lifestyle

Pop-up Retail Project of the Year - United Arab Emirates
Store Design of the Year (Large) - United Arab Emirates

Makro Supermarket (Darvoza Savdo LLC)

Convenience Store of the Year - Uzbekistan
Domestic Retailer of the Year - Uzbekistan

Metro (Private) Limited

Department Store of the Year - Singapore

NTUC FairPrice Co-Operative

Hypermarket of the Year - Singapore
CSR Initiative of the Year - Singapore

Orchard Turn Developments Pte Ltd

Marketing Initiative of the Year - Singapore

Pan Pacific Retail Management (Singapore) Pte Ltd

Discount Store of the Year - Singapore
Retail App of the Year - Singapore

Pinduoduo Inc

Domestic E-Tailer of the Year - China

Reliance Retail Limited

Marketing Initiative of the Year - India

Rustan Commercial Corporation (Rustan's Department Store)

Domestic E-Tailer of the Year - Philippines

SENAYAN CITY (PT. MANGGALA GELOLA PERKASA)

Mall of the Year - Indonesia

Sharjah Cooperative Society

Hypermarket of the Year - United Arab Emirates

CSR Initiative of the Year - United Arab Emirates

Omnichannel Strategy of the Year - United Arab Emirates

Softlogic Supermarkets (Pvt) Ltd

Supermarket of the Year - Sri Lanka

Digital Initiative of the Year - Sri Lanka

SPAR China

Hypermarket of the Year - China

TFP Retail Sdn. Bhd.

Supermarket of the Year - Malaysia

Sustainability Initiative of the Year - Malaysia

The Coffee Club

Brand Transformation of the Year - Australia

The Mall Group Co., Ltd.

Mall of the Year - Thailand

Supermarket of the Year - Thailand

Brand Transformation of the Year - Thailand

Store Design of the Year (Large) - Thailand

UNIQLO Singapore

Apparel Retailer of the Year - Singapore

Watson's Personal Care Stores Pte Ltd

Health & Beauty Retailer of the Year - Singapore

Store Design of the Year (Large) - Singapore

Watsons International

Health & Beauty Retailer of the Year - Asia

CSR Initiative of the Year - Hong Kong

Marketing Initiative of the Year - Hong Kong

Watsons Personal Care Stores (Philippines), Inc.

Health & Beauty Retailer of the Year - Philippines

Marketing Initiative of the Year - Philippines

YesStyle.com Limited

Cosmetics Retailer of the Year - Hong Kong



Daraz



DLF Avenue, Saket



Dmall (China) Technology Limited



Metro (Private) Limited



Jaykay Marketing Services (Pvt) Ltd.



YesStyle.com Limited

EVENT: RETAIL ASIA AWARDS 2021



FairPrice



FairPrice



Kmart Australia Limited



Food Folks @ Lau Pa Sat



ITAB Shop Concept (China) Co. Ltd



Koala Sleep Japan KK



KrisShop Pte. Ltd.



Lotus's Thailand



Majid Al Futtaim Lifestyle



Makro Supermarket (Darvoza Savdo LLC)



Pinduoduo Inc



Reliance Retail Limited



Sharjah Cooperative Society



Softlogic Supermarkets (Pvt) Ltd



TFP Retail Sdn. Bhd.



Watsons International



The Mall Group Co., Ltd.



Eu Yan Sang (Singapore) Pte Ltd



UNIQLO Singapore



The Coffee Club



Pan Pacific Retail Management (Singapore) Pte Ltd



Watsons Personal Care Stores (Philippines), Inc.



Watsons SG

Delivering the most customer connected Australian café experience



Facing the risk of becoming irrelevant amidst an abundance of independent cafes and larger chains, The Coffee Club undertook a transformation to become the most customer connected Australian café experience.

In 2019, with the guidance of the brand agency Accompany, The Coffee Club underwent a facelift: receiving a distinctive icon based on a stylised 'C' to invoke conversation, community, and care that is also simple, contemporary, and stylish. Its revised visual identity also aimed to promote a distinct premium and gourmet image compared to other coffee chains and fast-casual restaurants. As well, new uniforms,

plate ware and cup ware were brought in to invoke a casual, youthful and stylish vibe.

In addition to new signage and dishware, The Coffee Club's store designs were revamped to embody a 'suburban garden' feel to express the Australian lifestyle, featuring share-tables, greenery, terracotta tile finishes and distinctive corrugated steel black bulkheads.

The Coffee Club repositioned the brand targeting parennials by revamping its kids' menu, introducing new communication channels with popular blogs, and launching a new platform 'Your Happy Place' geared towards mothers and families.

The brand has also built various digital connections with its customers launching a rewards app, online marketplace, delivery platforms and virtual brands.

Internally, The Coffee Club built a store leader and shift leader program and revised its service program 'Service with Heart', aimed at making the experience for customers, franchisees, and their employees personal, easy, and rewarding (PER).

"Making a positive impact on society has been part of our culture and there are many facets to sustainability that we have changed within our business," said Nick Bryden, CEO of the company. Within The Coffee Club, over half (57%) of corporate roles are held by

females.

As well, it sources RSPCA-approved Australian poultry, whilst 100% of The Coffee Club's coffee is purchased under the Sustainable Coffee Program.

Apart from introducing single-walled coffee cups in 2020, which saves an estimated 69 tonnes of paper per year from landfills, the "Simply Cups" upcycling program was also introduced to The Coffee Club in November 2020. Based on current takeaway beverage consumption, the program saves an estimated 10 million takeaway coffee cups from landfills every year.

The Coffee Club is known for its coffee. However, there is a lot more than just coffee.

With more store formats than direct competitors the brand offers leading master franchise opportunities tailored to suit each market needs.



Nick Bryden, CEO of Minor DKL Food Group

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Email: international@minordkl.com.au

The Coffee Club aims to become the world's most loved and relevant café chain, bringing the iconic café culture that Aussies know and love to other countries around the world

THE COFFEE CLUB



Delivering the Australian café experience to the world.

From humble beginnings in Brisbane, Australia to the Middle East, Asia and more international markets, we've delivered moments of happiness to millions of customers. Today we aim to become the world's most loved and relevant café chain.

We want to bring the iconic café culture that Australians know and love to the world. We want customers to "find their happy place" with The Coffee Club. We are a 30 year success story known for good food, great service and excellent coffee.

With close to 450 stores across fourteen countries, we are the largest Australian café chain in the world.

There's no better time to join our family at The Coffee Club.

- 4 Core formats ranging from Kiosk to Drive Thrus
- Industry leading Average Transaction Value (ATV)
- Adaptable menu for any market
- Award winning coffee roasted in Melbourne



For more information please visit coffeecub.com.au/franchising/international

FairPrice elevates grocery shopping in new Parkway Parade branch

It also launched the FairPrice On Wheels initiative to bring groceries directly to shoppers.



FairPrice Xtra Parkway Parade

Whilst the rest of the market is trying to adapt to the changing landscape in retail and shifting consumer behaviour, FairPrice is on top of its game. Gaining interest to bring the community back together in daily activities, the supermarket giant launched FairPrice Xtra Parkway Parade in the hopes of bringing the physical experience back to grocery shopping.

NTUC FairPrice General Manager (Hypermarket), Tan Huey Ling said that the idea was brought about by the interest to create a place where shoppers can come together to do other activities apart from their grocery errands whilst in the vicinity of the hypermarket.

Tan acknowledged the emergence of e-commerce and how it was welcomed the retail industry, especially during the circuit breaker, there has still been a gap to be filled in bringing back the social experience to the shoppers.

"The inspiration comes from the emerging place-making trends that speak to the

needs and wants of this neighbourhood. FairPrice Xtra Parkway Parade boasts of being the first supermarket in Singapore where we focus on it being 'Social First, Supermarket Second', she said.

Tan said that the concept is to create an experiential space for shoppers. With FairPrice Xtra Parkway Parade, the aim is to shift the idea of grocery shopping from being a routine chore to becoming an immersive experience. At the same time, it aims to have shoppers go to the different sections of the supermarket instead of just getting in and out after they have purchased everything they need for the day.

"There is a space for shoppers to dine-in after doing their grocery shopping, and The Bar to relax in. It is definitely a shift in the supermarket category for us," Tan added.

In its collaboration with a local seafood restaurant, Ban Tong Seafood, shoppers are welcomed into a separate space where they select ingredients and have different types of dishes prepared for them. They can then eat their hot meals at the designated dine-in

areas inside the store.

There is also The Bar, which is opened in partnership with Pernod Ricard. Shoppers will be able to pick from a selection of cocktails and snacks that are made using ingredients also coming from the supermarket.

As for fans of fresh spices, shoppers are directed to Jeya Spice where they can pick from 40 different types of spices such as cardamom, cloves, turmeric which can be curated for specific dishes. It also uses 28 key spice powders and has included new spices which feature candlenut, asam keping and asam gelugur.

The dine-in area also houses other offerings such as Tiong Hoe Coffee, House of Bakers, and Alfero Gelato, amongst others, which are within reach from the Kids Play Area.

Bringing back personalised experiences

According to Tan, apart from the diverse areas introduced to this interactive concept for the hypermarket, they have also

integrated personalised aisles for specific groups.

To promote sustainability, they have self-help refill stations built inside. Products available include coffee, tea, and nuts, which shoppers may choose to pick and mix whilst helping reduce waste from packaging.

For those with specific health needs, FairPrice has a dedicated separate aisle for organic offerings, instead of having them segregated in different bays.

Meanwhile, for international shoppers, they also have premium condiments and other international spices to offer them a taste of home.

In having all these features properly laid out in one location, Tan said that the key was to have a categorised space planning. The company made sure that all three store entrances of the FairPrice Xtra Parkway Parade were fully utilised to create a holistic and safe shopping journey for the shoppers.

"With many new initiatives and keeping the core categories with slightly smaller floor space, the team went through many rounds of discussion and planning to make sure the customer journey is intact," Tan said.

"As for the live kitchen with the 'Pick, Cook, & Enjoy' concept and a need to create a more comprehensive kitchen, the challenges start streaming in, such as the kitchen and cooking equipment not meeting the correct site requirement in the limited time frame. The working team resolved it through multiple contacts and help from various colleagues and vendors," she added.

Despite these challenges, the team remained committed to bring a new experience to its shoppers and support businesses. "We are staying true to FairPrice's social mission to moderate cost of living and helping the small and medium enterprises (SMEs) to grow," she said.

"With that in mind, we had set up the Made In Singapore corner and brought in SMEs, such as Tanglin Gin, Ebenezer Coffee, and Tung San Food Industries on the common journey to grow their business," she added.

FairPrice planned the launching of this branch mostly during the pandemic.

It also had to implement measures to comply with health and safety protocols on-site, such as installing screen guards, SDST microbial coatings on high contact surfaces, noting dine-in pax restrictions, and social

distancing reminder stickers alongside the launch, and having a fishbed buzzer system to reduce crowds from queues.

FairPrice On Wheels

Complementing this latest branch is their new offering to bring their services closer to home.

FairPrice On Wheels was conceptualised to aid the aging population in having access to food and supply. Its main goal is to fill this gap by bringing the service directly to the communities, which are far from supermarkets.

"FairPrice on Wheels was an initiative to provide essentials to estates with a higher concentration of low-income seniors who needed to walk a distance of more than 1 kilometre to the nearest supermarket," NTUC FairPrice General Manager (Supermarket/FP Shop) Traves Tan said.

"These vans brought key supplies, such as rice, bread, cooking oil, fresh fruits, and vegetables to them so it could help shorten grocery runs. In addition, discounts for the senior citizens that can be enjoyed in-store were available when they purchased via FairPrice on Wheels, too," he added.

Whilst the initiative is facing a couple of challenges, such as maintaining the trucks and securing suitable carpark lots to properly carry out the service, FairPrice is exploring the option of serving two sites per day.

"Having a truck specially fitted to meet our purpose—being the first grocery truck in Singapore, the truck will have to

be custom-fitted for our purpose. For example, to power the truck for POS, chiller, freezer, air conditioners, we require a different generator that is approved by the National Environment Agency," he said.

"To further optimise the truck, we are exploring options like serving two sites per day. Whilst this will allow us to serve more estates, this results in higher cost inefficiencies. Getting approval from the authority to reserve the parking lots is also a challenge, particularly so in locations where parking lots are limited," he added.

Tan said that this initiative has been well-received since it was launched. They have been receiving requests for the truck to serve different estates.

"For instance, we deployed the truck to serve the residents when the wet market was closed for deep cleaning and sanitization," he said.

"During the Circuit Breaker in 2020, many elderly were cut off from vital supply lines for both food and company, and this problem became more acute. As the nation's grocer, we knew it was something we needed to help with," he concluded.

FairPrice's efforts to put their shoppers' interests first remained unnoticed. It was awarded two major awards in the recently concluded Retail Asia Awards: the Corporate Social Responsibility (CSR) Initiative of the Year – Singapore award for their FairPrice On Wheels initiative and the Hypermarket of the Year – Singapore award for FairPrice Xtra Parkway Parade.



We are staying true to FairPrice's social mission to moderate the cost of living and helping the Small and Medium Enterprise (SME) to grow

The Mall Group Thailand Sweep the Big Four Retail Asia Awards

The retail operator was acknowledged for embarking on an ambitious brand renewal programme.



The Mall Group Thailand recently celebrated winning four awards at the prestigious Retail Asia Awards 2021. The wins were especially gratifying as the group faced stiff competition from great brands and great companies from around the region. Many of whom are facing the same difficulties and restraints during a very challenging period for the Thai and Asian retail industry.

'When we started the project, we were not thinking about winning awards. Our intention was to revitalise the brand to meet changing customer needs and raise the standard of the retail landscape in Thailand. Proving that we can upgrade a 100% Thai-owned mall and go on to win the most respected retail awards in Asia brings us immense pride, not only for The Mall Group but also for the Thai people,' said Achara Umpujh, Senior Executive Vice President of The Mall Group Thailand. 'This is the culmination of a 40-year retail journey and is a recognition of the hard work and effort put in by thousands of people who contributed to the project's success,' she added.

The Mall Group, one of Thailand's most successful retail operators, faced increasing competition from both traditional mall operators and the growing online shopping phenomenon. In response, the group embarked on an ambitious brand renewal programme.

It was to be a 360 degree brand transformation that went far beyond cosmetic changes to logos and uniforms. And it would introduce a striking new concept to Thailand, changing the face of shopping in the country.

Mall of the Year - An Icon Transformed.

The first of the group's malls to undergo the transformation to Lifestore was The Mall Lifestore Ngamwongwan. This 30-year-old mall had done faithful service, but with changing tastes and shopping patterns had lost some of its former sparkle, especially with younger shoppers. The mall underwent an extensive 2-year renovation but remained open throughout. The design and refit teams worked floor-by-floor with minimal disruption to shoppers.

The Mall Lifestore Ngamwongwan opened its doors in November 2020 and proved an instant hit with the local community and shoppers from further afield.

The Mall Lifestore Ngamwongwan has been considered a great success both in terms of design, functionality and customer traffic.

Interviews have revealed that shoppers love the look and feel of the transformed space, enjoy the variety of entertainment and

dining options, and appreciate many of the innovative services provided.

Services such as the first ever pre-booking car park App, allowing customers to guarantee a parking space before arrival, or the convenient public van station on-site that brings customers right into the mall.

Families in particular have discovered that The Mall Lifestore offers something for everyone, from kids to seniors, making it the perfect place for a family day out.

The brand transformation has proved an unqualified success with both shoppers, tenants and staff. In turn, the renewed popularity of the store among a younger demographic has drawn in an increasing number of famous brand names who are keen to have a presence in the mall.

Brand Transformation of the Year - The Lifestore.

The Lifestore concept was at the heart of the group's new customer centric brand strategy.

To meet the challenges of digital disruption, The Mall Group needed to turn the physical store space into a captivating environment, making it more enjoyable and engaging for all consumers. The design brief was to turn The Mall into a rewarding place to enjoy leisure time once more; a fun physical world offering experiences that could not be replicated on-line.

It would offer a profusion of leisure, entertainment, and creative experiences that would spark delight and engage customers at every level. They included Harborland, a huge children's fun park, Thailand's rooftop water park, a digital games zone, cinema and numerous community arts and crafts projects.

To match the Thai's love of eating out the Lifestore would provide a vast mix of dining options from around the world. A kaleidoscope of colours, flavours and experiences designed to appeal to all segments of the market, whatever their budget or tastes.

In this way the Lifestore would offer a complete experience from dining, to leisure, to

We wanted to revitalise the brand to meet changing customer needs and raise the standard of the retail landscape in Thailand

shopping, to learning. Experiences that would entice customers to spend more time in the physical space of the mall.

Store Design of the Year - Thinking Differently.

The design team was asked to move away from the old department store/mall mix that predominates in Thailand — to think differently and come up with a radical new design that would end this traditional division.

The result was a design that broke down the barriers between department store and shopping mall to create a smooth, seamless shopping experience. An open-plan design that ensured built-in flexibility on every level. And one that was easy to re-purpose quickly and cost-effectively in order to respond to changing market needs at short notice.

Another key feature was the abundance of natural greenery and light built into the master-plan. This nature inspired bio-diversity created the feel of a green sanctuary from the busy city streets surrounding the Lifestore.

Supermarket of the Year - A World-Class Gourmet Destination.

The Mall Group's Gourmet Market is Thailand's number one premium supermarket chain, positioned as a 'World Class Gourmet Destination'.

To stay on top, the Gourmet Market team is constantly seeking to improve in every area of operation. In 2019, the team decided to take a bold step that would make a real difference and create meaningful new customer experiences.

The result was a transformation that involved a complete overhaul of design, merchandising, and customer interaction. All achieved within 10 months, and while the supermarket remained open for business



The Mall Lifestore Ngamwongwan

during normal shopping hours.

The Gourmet Market at Siam Paragon was chosen as the pilot outlet. This is one of The Mall Group's most successful properties and a hugely popular destination in central Bangkok. Here the new concepts would be put to the test by its most discerning shoppers.

The design team strove to create unique experiences and visual merchandising that would tantalise the senses on every level. These included the Farm Market Zone with its atmosphere of rustic wooden barns, or the Town Hall Zone, reminiscent of old Europe with its classic markets and speciality shops.

With over 50,000 products available in 10,000 Sq meters of floor space, Gourmet Market offers Thailand's most comprehensive supermarket selection sourced from around the country and across the world. This includes an unrivalled selection of fresh produce, meats, seafoods, delicatessen items and farm-fresh vegetables.

And, if after all that shopping customers are feeling hungry they can pick their favourite

foods, then watch as they are cooked to perfection in the groundbreaking You Hunt We Cook, open kitchen.

Finally, Gourmet Market's pioneering Farm to Table range, which supports over 2,000 SMEs and farmers across Thailand, was extended and enlarged, making it the biggest offering of its kind in the market.

A Brighter Future

To win all four awards at the prestigious Retail Asia Awards was a milestone for The Mall Group Thailand, who have recently celebrated 40 years of successful operation. Despite the current challenges faced by the retail sector in Asia and around the world, The Mall Group is committed to the roll-out of the Lifestore concept across all The Mall brand properties over the coming years. The stunning success of The Mall Lifestore Ngamwongwan in attracting shoppers back into a physical mall space has shown that far from being outmoded the mall has a bright future with this bold new concept in Thailand.



Gourmet Market, Siam Paragon



Gourmet Market, Siam Paragon



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Sharjah Coop succeeds in innovating in line with evolving community needs

It sets up new examples for hypermarkets and omnichannel strategies in the UAE.



Sharjah Cooperative Society is also extensively using zero- and first-party data to confidently plan its product assortments, pricing, and promotion plans, and efficiently manage operations. It has partnered with subject experts (both internal and external) in order to enhance the quality of customer engagement.

The company's proactiveness during the COVID times and willingness to innovate led to a 7% year-on-year (YoY) sales revenue growth in 2020, a 200% increase in e-commerce YoY revenue, and a 13% increase in their market share.

Despite all of its business achievements, Sharjah Cooperative Society remained rooted in the community it serves. In 2020-2021, the company launched several corporate social responsibility (CSR) initiatives across multiple nations. Most of them were in response to COVID-19 pandemic and the destructive Beirut city explosion.

With a stellar performance across financial, innovation, and CSR pillars, Sharjah Cooperative Society makes a significant positive impact amongst all stakeholders—the customers, the vendors, the employees, and the community at large!

The Sharjah Cooperative Society was founded in March 1977 as the first cooperative society in the UAE. It holds a prominent position in the retail industry and is supported by a network of 40 branches and a strong digital arm—both are equipped with all modern shopping facilities and are spread throughout the emirate of Sharjah.

Its history is remarkably balanced where sustainable growth has gone hand-in-hand with shareholders' profits. All these are centred on the core company values of providing satisfaction and value to all its stakeholders in a socially responsible manner.

With a passion to deliver the highest possible customer satisfaction, Sharjah Cooperative Society is pioneering the formulation and implementation of innovative business practices and customer experience.

Sharjah Cooperative Society's omnichannel strategy lets its customers enjoy a seamless experience on their shopping journey according to their preferences. The customers have several options at their disposal. Whether this

means ordering online or on WhatsApp and having the items home-delivered; or ordering online and picking the items up at a store of their choice. Whatever option they choose, customers enjoy a unified experience across all channels. To further enhance customer convenience at their remote location, the company has recently launched MobiCoop—a shop-on-wheels that aims to fulfill the needs at their doorstep.



Sharjah Cooperative Society's omnichannel strategy lets its customers enjoy a seamless experience on their shopping journey according to their preferences

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تعاونية الشارقة
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Watsons Singapore ready for challenges ahead

By keeping consumers engaged and driving a seamless retail experience.



Watsons SG Takashimaya store front

When the going gets tough, the tough get going. This describes Watsons Singapore in their swim against the tide of a retail apocalypse, made more apparent than ever by the onset of the COVID-19 pandemic.

Whilst some retailers are still just realising the importance of e-commerce, Watsons Singapore had already embarked on this road of digital transformation since four years ago, pivoting to a business model known as “O+O”, which means “Online plus Offline”.

“Customers should really be able to shop as and when they please. We realised from early days that expanding the business to an O+O model will allow us to better serve them with a seamless shopping experience,” said Irene Lau, Managing Director of Watsons Singapore. “E-commerce has opened up an entire world of shopping options these days. For retailers like Watsons to compete, we had to transform. Fast. Developing O+O means creating an integrated ‘best of both worlds’ experience – a physical store to browse, engage with and discover; and an online store with more products and categories beyond what our stores carry. Developing O+O means creating an integrated experience to better meet our customers’ needs and to enable them to shop across any channel, anytime, anywhere.”

The new O+O standard is not just about having physical stores and an online store. It’s an entire ecosystem that is powered by technology, Big Data and AI. Whilst Watsons’ physical stores’ offerings are limited by the available space, being connected to digital platforms means the range of product offerings is much wider and more diverse. In a few clicks on either Watsons.com.sg or the Watsons SG App, customers can place their orders from Watsons Online and have them delivered to their doorsteps or picked up at Watsons stores.

Putting customers at the forefront of any decision is key to Watsons’ ability to rise to the top as the leading Health and Beauty retailer in Singapore. This is aided by rigorous processing of huge amounts of granular data as well as market trend analysis.

“We clearly understand the needs and trends of consumers, with insights gleaned from our huge base of members and the use of various predictive tools. With these insights, we have worked hard to expand the range of product categories offered online. Now, one can leave the heavy lifting to us such as buying floor cleaner and shower foam to shopping for more premium ranges of skincare and even perfume from Watsons Online,” enthused Lau. “In addition, consumers would find it a breeze to shop makeup online with the availability of the ColourMe feature on Watsons SG App.” ColourMe is an in-app function that allows shoppers to virtually try on the different makeup and hair colours, available from the many brands available at Watsons, before clicking to purchase online.

While Watsons Singapore has made considerable progress on the innovation and digital front, the company has not forgotten its responsibility towards the community. Watsons is helping homegrown Health & Beauty brands under their

“forSGbySG” initiative, giving brands like Ania, W.A.N.T and Rooki Beauty some much-needed visibility, reach and exposure. Each of these homegrown brands boasts a remarkable story of grit, perseverance and heart, and those are very human elements that Watsons and Watsons’ customers can connect with.

Joining over 450 brands worldwide, Watsons’ parent company, A.S. Watson, has signed as one of the signatories of the New Plastic Economy Global Commitment which unifies the global value chain behind a common vision for upstream solutions, supported by action-oriented targets for sustainability. Here in Singapore, Watsons has also joined the environmental battle to reduce one-time-use plastics.

“Taking ownership of our planet starts with small consistent actions.” Irene shares. Since late 2020, the Bring Your Own Bag (BYOB) Tuesday initiative across all stores has gained considerable traction with 75% reduction of plastic bags used on Tuesdays since launch. The company is gearing towards expanding the BYOB Tuesday initiative to 3 days a week from Monday to Wednesday with effect from mid September. 100% of the proceeds from the plastic bag charge imposed on BYOB Day go towards supporting WWF-Singapore’s conservation initiatives.

As the pandemic rages on, Watsons Singapore is confident that it will emerge stronger and better to be **the** Health & Beauty store for all local consumers.



Watsons Singapore embarked on the road of digital transformation pivoting to a business model known as “O+O” or Online plus Offline

watsons brand



The top choices for beauty & health.

Which one is your Watsons favourite?

Watsons continues to be one of the most accessible stores for all the health, beauty and wellness products you need. From supplements to bath soaps and facial masks, our wide range of products encourages everyone to live a cleaner, healthier and more balanced lifestyle – at an everyday low price for the best value. Read on to see what our favourites are or simply visit <https://www.watsons.com.sg/watsons/lc/2000000>

1 NATURALS BY WATSONS Olive Cream Bath / Argan Shampoo 490ml (U.P.: \$7.90 - \$12.90)

Made with nature's finest ingredients from around the world, Naturals' Olive Cream Bath and Argan Shampoo are 100% organic. The two have been dermatologically-tested to be vegan-friendly and free from harsh ingredients. The pair is an embodiment of the Clean and Sustainable Beauty we're always aiming for.

2 WATSONS Double HA Box Masks 5's (U.P.: \$14.90)

With over 881 million facial masks sold all over Asia, it's no surprise that we're considered Asia's no. 1 brand. Our wide range of Korean-made masks offer the best in the ever-evolving landscape of skincare trends.

3 COLLAGEN BY WATSONS Hydro Balance Water Bomb Gel 50ml (U.P.: \$20.90)

Upgraded with Smart Water Channel and formulated with Collume, an award-winning biodesigned Vegan Collagen that boasts 20x more power than traditional Marine Collagen, our Hydro Water Gel Bomb provides your skin with intense long-lasting moisture. With over 211 million units sold, our Korean-made, paraben-free, and dermatologically-tested product is trusted around the world.

4 WATSONS Vitamin B Complex / Vitamin C + Zinc Effervescent 15's x 3 (U.P.: \$19.90 - \$24.90)

Our German-made Vitamin B-Complex is one of our best-selling supplement products. It's been designed to give your nervous system and energy metabolism the boost they need to keep you in top shape, providing you with 1000mg of Vitamin C + 10mg of Zinc.

5 NUTRABLISS BY WATSONS Advanced Probiotics 3g x 30's (U.P.: \$39.90)

For the health enthusiasts, our Nutrabliss products are the perfect supplements for your workouts and diets. With an estimated 20.3 billion CFU in just one sachet, our Korean-made Advanced Probiotics contains 14 Probiotic+ 4 Prebiotic strains to help your digestive track. Not only is it purely organic, with zero artificial flavours, colours, gluten and preservatives, it also tastes delicious!

6 NUTRABLISS BY WATSONS Superfood Grain Mix 30g x 12's (U.P.: \$10.90)

Awarded Best Potential Superfood last 2021, our Superfood Grain Mix contains 27 types of whole grains, seeds, and beans that can give you all the nutrients and minerals your body needs. The perfect supplement for getting stronger and healthier.

7 WATSONS Fresh Baby Wipes 90's (U.P.: \$4)

As Asia's no. 1 Baby Wipes brand for 6 consecutive years, we have sold over 33 million packs since our launch in 2014. Our dermatologically-tested products are paraben and MIT-free.

8 WATSONS Square Puffs Facial Cotton 160's + 80's Triple Pack (U.P.: \$4.90)

For 12 consecutive years, our Square Puffs Facial Cotton has been Asia's no. 1 brand for cotton wools and buds. Made from 100% lint-free premium quality cotton, over 374 million units of our product have been sold since its launch in 2008.



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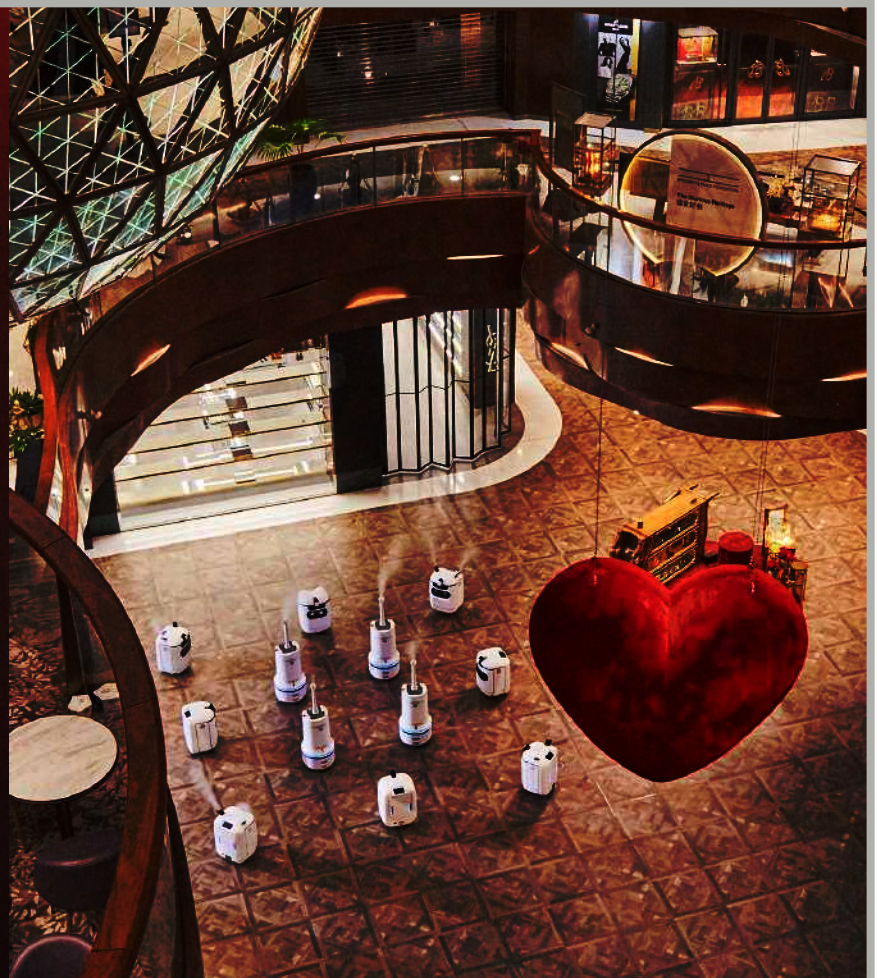
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Retail leaders weigh in on riding the social commerce wave

Shining the spotlight on the role of social media and other digital channels in consumer journey.

E-commerce is here to stay as customers shift to new buying preferences. Industry leaders recorded significant growth in online purchasing over the last year, and this will continue to progress as more consumers become more adaptive with buying from non-traditional channels in retail such as online.

Coined as the “now” consumer, purchasing is now driven by buyers who gain access to stores online through content posted on social media, said Tian Bing Zhang, Asia Pacific Consumer Products and Retail Sector Leader for Deloitte. Today, experience is central in driving customer growth.

“Experience is the true reflection of your brand story. You want your brand story to be reflected by each moment throughout the consumer journey, so that your customers could really feel it. That makes it concrete, and the brand becomes relevant,” he said.

Top 100 Retailers in Asia

Attendees of *Retail Asia's* “E-commerce Digital Conference” held last 21 May 2021 were given early access to Euromonitor International’s “Top 100 Retailers in Asia 2021.”

With consumers spending more time at home and online compared to before the pandemic, brands and e-commerce platforms are using social media to entertain, engage and sell to consumers. According to Euromonitor International Research Analyst for Services & Payments Quan Yao Peh, this includes tools such as live streaming, gamification, and social media influencers.

“Retailers and platforms are trying to build more authentic, instead of simply generic and transactional, relationships with their consumers. The pandemic

The pandemic and usage of video-calling services have lowered consumer psychological barriers towards participating in social commerce



and usage of video calling services has also lowered consumer psychological barriers towards participating in social commerce,” he said.

Buy now, pay later

Among the many trends seen in e-commerce that has helped improve performance in the retail sector is the “buy-now-pay-later” (BNPL) scheme. This payment is attractive to platforms which have customers that are unbanked or prefer to use other methods of paying for their goods, explained Atome HK Head of Partnerships Jonathan Cai.

“Buy now pay later usage in APAC is also expected to more than double from 2020 to 2024 from 0.6% of overall ecommerce spend to 1.3%. This is something that is definitely picking up even faster in markets like Singapore. A very similar trend is expected to happen in Hong Kong, where this form of payment is just starting to pick up now but is forecasted to hit 8% by 2024,” Cai said.

Atome VP of Business

Development (SG&MY) Bryan Quek added that with the success of the BNPN scheme over the last few months, user growth is seen to grow more than 20% MoM.

“We just launched with Zalora. In Singapore and in Malaysia, they saw a 70% growth in customers since using Atome after the soft launch. We’re going to roll out to Hong Kong, Philippines and Indonesia soon, and that’s just one of the players,” Quek said.

Riding the digital wave

Carousell Singapore Managing Director Ng Chee Soon said that there is no stopping the move of retail to online. The pandemic brought customers to e-commerce and brick-and-mortar stores will need to hop on this trend if they have not yet.

“In 2020, the e-commerce gross merchandise value (or GMV) in Southeast Asia reached US\$62b. It is also projected to grow to US\$272b by 2025, that’s a whopping 177% growth. While e-commerce has already been on an aggressive growth path, the COVID-19



EVENT COVERAGE: RETAIL ASIA CONFERENCE



Brands must reach customers via channels they prefer and are more likely to use

situation with lockdowns across the region helped to accelerate its adoption and growth,” he said.

“Unfortunately, not everyone is riding the wave. There are winners and losers. According to an article in Mizuho in January of this year, winners tend to have omni channel strategies while losers tend to be those that still haven’t quite figured out how to integrate a seamless omni channel strategy,” he added.

Chee Soon said that for new players looking to achieve success, three things must be kept in mind: To make data work for you, know your customers better, and use existing solutions.

“When you’re new and trying out a solution, you need to be patient while learning and adjusting to the new technology. We have an example of a 40-year-old watch shop owner who digitalised his business with the help of Carousell during the Circuit Breaker period,” he narrated.

“The proprietor Mr. Vinson Lee was not I.T. savvy and it was a challenge for him. But with the help of his son-in-law they found success, reaching a far wider audience and getting more business even on Sundays and nights when their physical stores are closed.”

Rethinking customer engagement

“The more personalised interaction you can give to your customer, the better the loyalty they can commit,” said Vivien Ang, Regional Manager

APAC, Infobip.

“We can see that 20% of the consumers actually switch brands because they feel that there’s a better quality of communication between them and the merchants. Here, 51% believe that communication is a lot more important,” she said.

Vivien said that great customer engagement equates to great customer experiences.

“When a customer has a great experience with your brand, they are likely to become a loyal customer. From onboarding, we make them feel welcome and we engage with them. At the same time, our platform helps you retain the loyalty of your customer by strengthening the relationship through consistent well-timed

The more personalised interaction you give to your customers, the better the loyalty they can commit

”

communication,” she said.

“The process looks relatively simple, but as a brand’s customer base grows, you’ll find that it’s actually quite hard to keep up. Because of this, we need to deploy technologies that can help you solve these challenges,” she added.

By turning a mechanical approach into human connections, Vivien said that the process goes beyond addressing customers by their names. It also helps to collect data and build a profile of the customer, understanding what their needs are as well as what are their wants.

“At the same time, we do event trigger automation, and this helps to improve the timing of your communication by setting up automated responses. We use it for activities such as signups and purchases,” she said.

The future of retail

With the fast-changing customer behavior, new ways must be adapted by retail. Vivien said that one of these is by using images and other similar tools to attract customers and to compete with other apps or features.

“Omni-channel communication has taken the market by storm recently today, customers are on many platforms. Brands need to be able to reach customers via channels customers prefer and more likely to use,” she concluded.



There is no stopping the move of retail to online. Stores must hop on this trend if they have not yet

How digital transformation changed the retail trade in Asia Pacific

The e-commerce scene shifted in the past year with social commerce, sustainability and luxury coming into play.

E-commerce has substantially grown as stay home policies left consumers shopping mainly through their phones, as seen not just in the region, but around the world as well. Along with this came new industry trends on social commerce, sustainability and luxury, amongst others that were shaped by digital transformation.

Online fashion retailer Zalora Group shared that the growth of social commerce is a key digital trend in the industry today as consumers seek a shopping experience that is beyond just a mere transaction.

“People want to go and buy online, but they also want to feel a bit the experience that they used to have or they still have on the offline space,” explained Quiron Cunha, Senior Strategy Director for Zalora Group.

“So, when they go online, they want to be inspired. They want to engage in it and that also brings social experience,” he also said, adding social commerce is a “very strong” way of retaining customers.

Cunha was speaking in the webinar, “APAC’s Digital Evolution:

The growth of e-commerce and new trends on social commerce, sustainability and luxury were shaped by digital transformation



Digital trends that changed the world,” hosted by global payment and commerce-enabling platform Payoneer and co-organised by *Retail Asia*.

The evolution of e-commerce
Payoneer APAC Regional VP of Enterprise Nagesh Devata noted social commerce is amongst the three segments that traditional e-commerce evolved to, along with freelancing and gaming.

Social commerce allowed sellers to enter social media platforms that previously consist of two players – the streamers and content providers. This can be seen in video-sharing sites like TikTok, which Devata said could allow sellers from China and other parts of Asia to reach consumers from Europe.

“Traditional e-commerce marketplaces incorporating social media was one aspect,” he said. “But then there’s two other sub segments, one was live streaming as a segment. And then the short form video was the other segment.”

Digital lifestyle service provider

PUC Berhad, for instance, just launched an influencer platform, in which it targets to reach up to 1,000 influencers. At present, it has engaged close to 700 who create video content not just in their official platform but also in other social media sites.

Moreover, Payoneer’s Devata said the digital transformation in the past couple of years accelerated the growth of cross border commerce as seen in the rise of marketplaces.

More than 50% of digital transactions worldwide were made in marketplaces; and at present, these retail marketplaces are no longer just established at a global and regional level.

“Marketplaces are not just global or regional, but are very specific to the places we live,” Devata said. “And that has been another massive pivot in terms of driving cross border commerce as marketplaces are looking to expand.”

Green retail

Aside from social commerce and marketplaces, another trend seen in the last 12 months is the rise in sustainable products and green e-commerce as well as the growth of online buyers of high-end products.

Zalora’s Cunha noted seeing not only an increase in sustainable products in the market, but also a “substantial” growth in doing a more sustainable e-commerce. On the part of consumers, he said there is willingness to pay a slightly higher price for an eco-friendlier product as long as it remains fair.

Cunha added there are also more buyers of luxury products who utilised digital platforms as it registered a 3-digit year-on-year growth in luxury. He noted this growth is beyond the effect of the pandemic, rather it has grown into a trend where buying high-end products on online stores have

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Zalora Group

Senthil Kumar
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Janio Asia



Buying high-end products online have become the new norm

become the new norm.

“What used to be just a small part of the market going online to buy luxury, we’re seeing now that it’s becoming a little bit of the norm, as we have seen in the other category,” Cunha said.

He added the growth in this segment may come as a surprise, considering the impact of the crisis on businesses; but he linked this to a higher trust in e-commerce amongst consumers today.

How going digital helped both retail and logistics

The past year has been riddled with challenges both for retailers and logistic firms, but both industries pushed through the crisis via the digital route.

L’oreal India, for one, struggled with the very large market in India; of which, more than 60% are located in non-urban areas.

L’oreal India’s Chief Digital Officer Anil Chila identified two key factors to consider in India’s retail industry. The first is concerned about the necessary retail infrastructure to reach consumers across India; whilst the second is its rapid digitisation.

Chila noted that there are around 500 million smartphone users worldwide, who likely have access to the internet considering the low cost of data. This implies that there is a high presence of consumers who are using digital platforms that are outside urban areas.

“For us, reach was always a challenge and building a deep distribution network into India, but fortunately that’s where digital helps,” Chila said, noting that in comparison to other retail players in India, L’oreal is still a “youngster” as they have only been in the market for about 25 years.

On the logistics side, Janio Asia said catering to the “digital natives” had been the aim of traditional logistics players over the years. Whilst the pandemic disrupted traditional sales channels, it has forced consumers to switch to digital channels, bringing middle-aged and senior citizens into the online platform.

“A lot of companies and clients have previously dabbled with online sales as a form of channel sales strategy, but they were dabbling with

What used to be just a small part of the market going online to buy luxury is now becoming the norm beyond the effect of the pandemic



it more as a complimentary or a supplementary offering, as opposed to a very dedicated standalone offering that can basically provide full benefits to them,” Janio Asia Global head of Commercial Senthil Kumar said.

“As technology improves and as the physical processes improve, the online channel is not just here to stay, but it’s here to proliferate and thrive as well.”

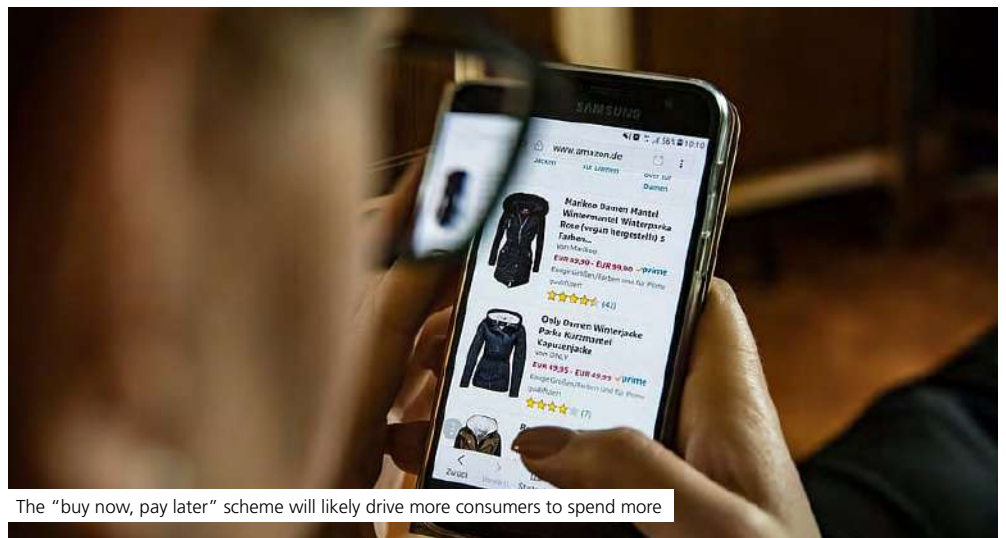
Buy now, pay later

Likewise, Malaysia-based PUC Berhad expects technology solutions to be critical in logistics, particularly in ensuring the seamless integration from purchasing up to the delivery of the product.

“From payment, we are increasingly talking about ‘buy now, pay later’ and with all this digital space, I think the world is becoming smaller in a way or borderless,” Group Managing Director and CEO Cheong Chia Chou said.

“Having to be able to buy anywhere literally and send it anywhere is really the moving forward trend,” he also said, adding the “buy now, pay later” scheme will likely drive more consumers to spend more.

Cheong noted in addition to this, granting cashbacks and lottery mechanisms could also be effective. He shared that PUC Berhad has partnered with lottery companies to offer a free lottery in exchange for a minimum spend of RM200 to encourage spending.



The “buy now, pay later” scheme will likely drive more consumers to spend more

Rise of automation: Does more self-service mean less work for people?

Diebold Nixdorf debunks myths on the rising use of self-service technology.

The rise of technology gave a rise to the automation of a lot of processes. Work that needed a human touch was soon replaced by high-powered AIs and computers.

This is especially true in the retail business as stores rely more on technology to give consumers a more friction-free shopping experience. With this reliance, fear started to grow that, soon, robots would replace workers in the store.

Diebold Nixdorf's Director of Advance Self Service Solutions Matt Redwood, however, debunked that theory in the recently concluded virtual fireside chat Self-Service: The Next Level Retail Evolution.

Redwood explained that in the early days there was a bit of resistance and reluctance amongst consumers as they thought that self-service devices would take away jobs from staff members they interacted with on a daily basis. But as time goes by, consumers are the ones starting to demand self-service.

He added that the issue with staff in retail stores has gone away.

"A lot of retailers now actually don't look at reducing staff in stores or removing staff in stores. It's about redistributing staff. So rather than having a member of staff behind the checkout scanning items, deploying self-service actually frees up that member of staff to be in the aisles, delivering the consumer experience where it really counts," Redwood said.

This makes it easier for stores to restock or even help direct consumers to the right aisle as they shop.

Redwood said these things tend to be noticed by consumers as they go around the store.

"Getting your front-end efficiency right, with the right combination of self-service devices, not only provides very flexible and efficient operations but also frees up your member of staff to deliver the consumer experience where it really matters: in the aisles,"

Self-Service: The Next Level Retail Evolution

Vipin Kalra
Regional Vice President and Managing Director - Retail Segment Asia Pacific
Diebold Nixdorf

Matt Redwood
Director of Advanced Self-Service Solutions
Diebold Nixdorf

Daniel Leung
Head of Store Systems and Space Solutions (GIT Asia)
AS Watson Group

Retailers need to be ready to offer a shopping experience that allows customers to just go with a very low touch



Redwood added.

Boosted demand

In the last two years, mature markets continue to accelerate the use of the move to self-service.

The rising trend is not driven by retailers alone, but consumers themselves continue to demand self-service from the stores.

Regional Vice President and Managing Director of Diebold Nixdorf's Retail Segment in the Asia Pacific Vipin Kalra explained that three key trends boosted the demand for self-service technology.

"First, the blending of channels; and, of course, the big shift was digital channels. The other point is that because of the hygiene requirement in most of our markets, there is a clear preference for low touch and self-service customer journeys in physical stores. Third, there is definitely a shift towards electronic modes of transaction and payment, and less and less use of cash," Kalra said.

Kalra added that with these three things together, retailers must be ready to deploy a flexible software platform that enables the move towards digital.

Retailers for their part must keep

in mind that the software or platform they use for their self-service devices can be installed without a hitch.

"Retailers need to be ready to offer a shopping experience that allows customers to just go with a very low touch, which is self-service, self-scanning, and self-checkout," Kalra further explained.

Understanding consumer needs

The virtual fireside chat also stressed the importance of understanding your customers' needs to gauge how soon they are likely to need a more self-service experience.

Daniel Leung, head of Store Systems and Space Solutions (GIT Asia) at AS Watson Group, said they regularly review their retail strategy to gain the insights needed to provide better service to their customers.

"It's important to observe and understand our customers. This is not only talking about the sales or basket components based on the historical transactions data but also qualitative feedback about the customer journey," Leung said. He added that you must keep in mind that this may vary throughout different customer segments or generations.

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SAP lays out groundwork for customer-centricity and digitisation for retailers

A “new world of customer experience” and innovation await retail businesses during the pandemic.

The banner is for a virtual event titled "CUSTOMERS TAKE CENTER STAGE: USING INNOVATION TO GROW YOUR BUSINESS". It features two speakers: Aditya Utama, Industry Business Architect at SAP Asia, and Alfred Choy, Sales Director for Customer Data Management and Marketing at APJ, SAP Customer Experience. The event is scheduled for May 28, 2021, on Friday, from 11:00AM to 12:00PM SGT. Logos for retail asia, THE BEST RUN, and SAP are visible at the top.

Many Singapore retailers have been scrambling to remain afloat as the retail industry becomes one of the hardest-hit sectors during the COVID-19 pandemic. As they adjust to the new normal, two key priority shifts have been gaining more weight when it comes to managing and thriving amidst the crisis: personalised customer experience and innovation.

These areas were the central theme in SAP and Retail Asia's 60-minute virtual round table titled “Customers take center stage: Using innovation to grow your business” last 28 May, Friday. It highlighted the importance of customer service during the pandemic, and showed how technology can better equip retailers in achieving this goal.

Adapting to customer-centric business model

The event started off with SAP's retail industry and business architect for Southeast Asia, Aditya Utama confirming the need for retailers to focus on customer-centricity during the pandemic. The pandemic has created a new reality where retailers are balancing between disrupting

The pandemic created a new reality: retailers must balance between disrupting the industry and serving consumers in new ways



the industry and serving consumers in new ways while continuously making profit. And with the disruption predicted to happen until next year due to subsequent waves of COVID-19, one important strategy of balancing both is to create in-depth experiences for customers which includes customer centricity.”

We always tell to put the customer at the centre of the organisations, which focuses on customer-centricity to make every decision from the product that we are going to sell from the product that we are going to do to research and development for the future—or even taking consideration to get a feedback from the customer even for after-sales services that we are providing.”

Understanding the Singapore retailer during the pandemic

Utama cited an Oxford Economics report covering three broad themes that define the Singapore retailer today. First, personalised and digital experiences are becoming one of the most important priorities in retail businesses. Second, business processes, data analytics, talent

and workforce are becoming the foundation of interconnectivity system thinking. Third, creating a personalised customer experience means retailers becoming data-centric and digitalised.

Utama also suggested three things that retailers can do to successfully implement it in their business:

“One is to work with the HR to plan the talents and even change the talent to fit the digital and innovations framework they are trying to build. Two, see how they can improve the data sharing between the organization itself and also across organisations. Lastly, adjust and facilitate partnerships that can help achieve this goal.”

Creating a unified customer-centric experience

Building from this discussion, Alfred Choy, Sales Director for Customer Data Management and Marketing, APJ for SAP Customer Experience, discussed the main issues involved in creating a unified customer experience. According to him, the challenge is not just creating good branding that can provide a highly beneficial experience to the customer—it's also about merging customer data that can establish a unified customer experience across all channels.

“It's about what you can do to increase your customer experience bit by bit in different areas,” he explained. “It could be your customer service, it could be your logistic provider, it could also be your marketing, because marketing is literally sitting in the front line of the customer and this is how you communicate and engage with your customer every day. So, to power up these kinds of marketing and provide a good customer experience, the whole customer lifecycle data will become the core of creating a unified customer experience.”



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Fashion retailers are faced with ageing inventory

Many retailers, especially fashion retailers, are stuck with excess amounts of inventory meant for their stores over the pandemic. However, with the high seasonality of fashion products, retailers are now being faced with ageing inventory and cash tied up in stock that is becoming obsolete.

At the beginning of the pandemic, retailers were worried about supply issues while experiencing an unprecedented boom in their e-commerce activity. However, as we start to emerge from the pandemic towards some semblance of normality, we are more likely to see a demand crisis in the fashion sector.

Online sales generally form a small percentage of retail in Southeast Asia. To illustrate, Singapore had an e-commerce penetration rate of 9% in 2020 even as the most mature market in the region. Even if e-commerce were to quickly rise to 30% of a retailer's total sales, it is not able to absorb all the stock sitting in stores.

To minimise the damage to the balance sheet, there is a significant opportunity for retailers to tap into the rapidly growing off-price segment and build new revenue streams.

Off-price retail is the selling of branded items at significantly lower prices than full-price stores. While brands may have never wanted to be distributed through these channels, it will enable them to move stock and leverage a product lifecycle that spans beyond just a season. If done well, doing so can also protect the brand and build greater customer loyalty.

Leveraging product lifecycles

Off-price channels should become a key part of e-commerce strategies as it provides a platform to sell to many consumers.

Many brands have a clear idea of their commercial operating model, which usually entails getting in a new product, seeing it gradually mature over time with a merchandising and discounting approach. There will always be leftover inventory, which can be a major opportunity if played tactically with off-price channels.

If brands plan ahead, they can have their products on the right off-price channels to keep the products moving. This will ensure their products have a life after the season ends.

Protecting your brand through off-price

Traditionally, the off-price segment is focused on bargains and deals for consumers, with merchandising focused on creating a deal package rather than a curated assortment.

Often, brands do not want to be associated with bargain hunting platforms; but there are now new platforms with strategic partners or shopping clubs for a more upscale segment.

Strategic partners of choice are now available to brands to ensure that their brand appearance, visuals, and merchandising of stock are still of high quality.

Outnet.com, a sister site to Net-a-porter.com, is a perfect example of this. They stock high-end brands at up to 75% discount and do so through high-quality imagery and content marketing, which does not diminish the brands associated with the platform.

Additionally, retailers can build their own shopping club process, which shields discounted products from being visible to everyone online to protect the image of the brands as high quality.

OnTheList.com in Hong Kong and Singapore is one example. The platform holds weekly flash sales exclusive to members, for over 250 brands with surplus inventory left over from seasonal sales. At each flash sale, OnTheList offers an average 75% off retail price, and they work directly with the brands to ensure that only new, authentic, and defect-free premium goods are part of their events.

Retailers can also use the opportunity to collaborate with resale platforms to recirculate their products and help address the growing concern of sustainability for consumers. By reducing the amount of products sent to landfills and encouraging less wastage, brands can help contribute towards greater circularity.

For instance, Retykle, one of the leading children's designer clothing resale platforms in Asia, allows buyers to browse thousands of gently used and new past-season items from over 2,000 leading brands. Items sold on the platform are also significantly marked down, from 50 to upwards of 90% off original retail prices. Brands featured on the platform include the likes of Adidas, Chloe, Dior, and Tommy Hilfiger.

In conclusion, off-price segments are no longer a scramble for a discount. Instead, they can be vital components of an overarching operating model to keep products moving. With more opportunities available from retailers today, brands can ensure their image is protected while also building new revenue streams.



Off-price segment is focused on bargains and deals for consumers



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Immersive visual experiences the key to in-store retail recovery



TA LOONG GAN

Managing Director,
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Across the globe, COVID-19 interrupted almost everything in the physical world with some activities and sectors saved only by digital. The technology players could bring new advantages and opportunities as business operations and client engagements all migrated successfully online. Inevitably, the retailers in mega malls and hospitality sectors faced the most significant challenges with numerous players either ceasing their operations or had to shift to a virtual alternative.

More than a year after the pandemic outbreak, the world has learned to pivot and adapt to the “new normal”. Several nations are on their way to recovery and are gradually loosening quarantine restrictions. It is imperative mega mall business owners seize the opportunity to build back better and attract mass visitors to not only bounce back from the disruption they faced but recoup the losses accumulated over the past 20 months.

Post pandemic pent-up demand for shopping

There is an undeniable pent-up demand from customers for the physical in-store experience recently. All around the world, the high street is making a huge comeback. Physical stores being the dominant channel for consumers even now, it is high time for shopping mall operators to ideate their future customer experiences and to develop robust, innovative and exciting post-pandemic strategies to attract traffic.

Online retail will continue to be a threat to traditional shopping even though we have seen a surge in physical shopping. Having grown accustomed to click-of-the-mouse convenience and price advantages, shoppers now have very different expectations for the real-world shopping experience. In addition to new deals and brands, consumers are looking for a more holistic and immersive in-store experience.

Engaging consumers through immersive experiences

Consumers are looking for an immersive, sensory-rich, performance-based experience from their in-store shopping. According to a recent study by Deloitte, mall owners need to re-look at the in-store environment as a stage where an immersive, interactive performance is on display, inviting consumers to participate.

Shoppers know what they want to buy and how much they're willing to pay and more importantly the experience that they expect in the retail environment. Therefore, smart mall owners must be cognizant of the consumer engagement by integrating the online augmented reality experience with digital engagement at their physical in-store environment.

Regardless, it is a unique, unmissable opportunity to engage, build a relationship with the customer, enhance brand value and create lasting positive perceptions.

Smart mall owners respond to consumer behaviour

How should mall owners be doing this?

Create new, differentiated in-store environments that meet the needs of the post-pandemic shoppers. This includes the “normal customer”

who just wants to grab, pay and run as well as the “explorer”, who is a ripe target for in-store sampling, demo stations, special offers and even marketing and promotional videos.

In order to accommodate and engage larger numbers of visitors to their venues, mall operators have to think about the best ways to create an audio-visual sensory spectacle that appeals to a wider group of consumers. By way of learning mall operators need only to look at large scale performance and hospitality events, where technologies including multi-modal audio-visual presentations, such as projection mapping, have wowed audiences, taking their experience to the next level.

In short, technology can redefine the visual display or the façade from the static to an immersive kaleidoscope experience of images, colours and sounds to impress and wow. In these instances, technology creates a whole new world, different immersive experiences floor by floor, ultimately leaving a stronger imprint on their audience and ultimately pulling traffic.

Projection mapping growing steadily

Over the past years, we have seen significant interest and growth in projection mapping; a 3D video projection technique that utilises light and colours to project highly realistic and breathtaking images on irregular shapes and surfaces, including industrial sites, buildings, and even city landmarks.

Mall owners should spot the opportunity and rethink how this could change the game for the way they interact with and attract their audiences. This technology can grab and retain people's attention and lure them. This impressive technique can bring buildings and objects to life, create immersive environments, and engage large audiences through memorable moments, even from a distance.

The mega mall industry is gearing up to emerge back stronger than before. On its way to recovery, the challenge is expected to be tougher for the operators, but exciting for consumers. At this point, the smart ones are those who are a step ahead in delivering to their customer audiences the best forms of entertainment and experience, fundamentally leaving them always wanting more.



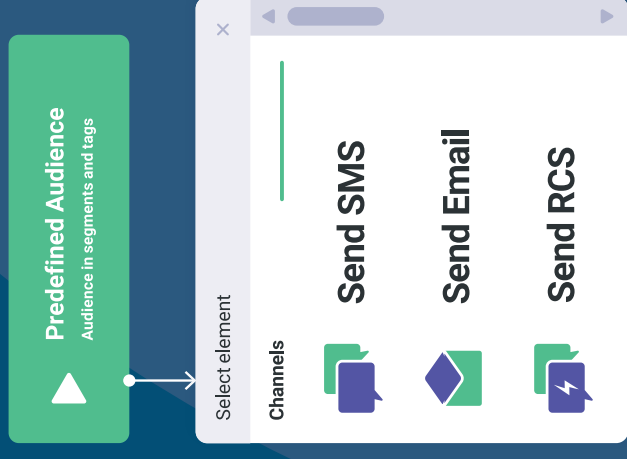
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