Chinese bargain hunters are changing the retail game

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Since 2009, Chinese e-commerce giant Alibaba has turned Nov 11 into China's equivalent of the US' Cyber Monday. When Chinese shoppers astonished the world this year by spending $14.32 billion in one single day participating in the 11/11 Singles' Day Shopping Festival, US retailers responded by stepping up their efforts to set the table for those same deep-pocketed Chinese shoppers this holiday season.   
Transaction volume-wise, China's Singles' Day has now become larger than both Cyber Monday and Black Friday combined - as well as a closely-watched barometer of Alibaba's performance.  
In the Bay Area, it seems that each and every department store and shopping mall, from the city to the suburbs, is inundated by Chinese shoppers and visitors.   
They are not hard to spot - they usually travel in groups and utter shrieks of joy in strange dialects when they read deeply-cut price tags, sweeping up mountains of goods off their shopping lists without a second thought.   
I decided my first-hand knowledge of how Chinese shoppers are reshaping American retail would not be complete without a field trip to outlets and malls on Thanksgiving night.   
After our family dinner on Nov 26, my brother, who came from China to visit a few days ago, proposed an expedition to San Francisco Premium Outlets, about a 30-minute drive from our home.   
"I heard stores will have serious discounts and real deals this time of year," said the physician by profession, adding he especially wanted to check out adult apparel, shoes and handbags.   
We hit the road around 8 pm, only to get stuck in traffic - cars strung out in an endless line moving at a snail's pace. Well-prepared for the congestion, we talked on a wide array of family topics until we ran out of steam. Three hours later, we finally entered the parking lot and it took us another hour to find a parking space.   
When I had to elbow my way through masses of Chinese-speaking customers, and waited hours in line at checkout with Chinese-speaking shoppers, I came to realize that my fellow countrymen are modifying the American retail industry culture in many ways.   
Stores need to hire Chinese-speaking salespeople to explain merchandise and discounts; cashiers need to learn how to swipe credit cards bearing China Union Pay logos; luxury brand advertisements, banners and signs need to be in explicit Mandarin to lure Chinese shoppers.  
Dave Ackerman, sales and business development director for premium outlets in Livemore, said retailers are learning to serve Chinese clients in the context of different eastern cultures and customs.   
"We understand that our Chinese friends like deals, so we fill up our racks with products of high quality at reasonable prices," Ackerman said, adding that it involved weeks of planning, decorating, unpacking and stocking.   
With a difficult sales season for fashion and apparel in the domestic market and deep discounts failing to ignite buyers' interest, US retailers are now relying on getting Chinese shoppers into their stores and up to the cash register.   
Although there is no hard data yet on how much Bay Area merchandise was bought by Chinese shoppers this Black Friday, my brother spent roughly $6,000 in three hours, his most expensive buy being a MaxMara coat.   
"It cost me 3,000 bucks here, but in China I would need to spend 30,000 RMB, ($5,000) or 67 percent more, on the same piece," he said.   
I'm sold.

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