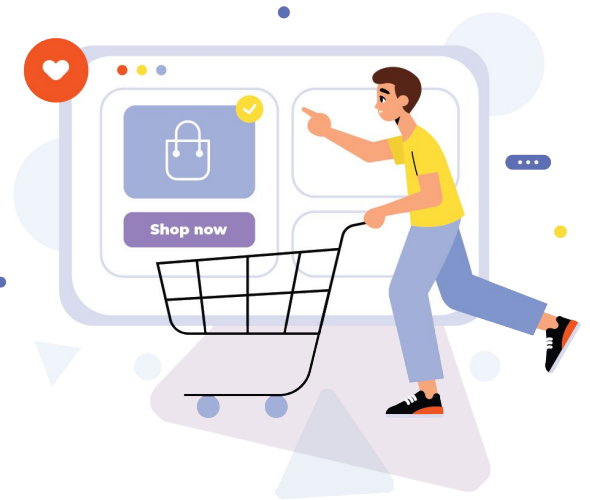# Visual Shopping Trends Report, 2020 (China)

Covid-19 has changed the way consumers shop online and offline

How have consumers' shopping habits changed due to COVID-19? What role does technology play in managing the change in consumers' shopping behavior and expectations?

In our 4th Annual Shopping Survey, we have included China for the first time in 2020. We surveyed over 600 consumers from China to find out how Covid-19 has impacted their shopping behavior for non-essentials, such as fashion items, and what they were expecting from their shopping experiences. We also sought to better understand how consumers get inspired, discover, search, and buy products online and offline.

Covid-19 impact on online shopping

79% are spending more $$ online

More　Less　No change

86% are spending more time online

68% prefer online vs in-store

Online　In-store　No preference

Lockdowns took different forms around the world, but their impact on consumer behavior was universal. While China recovered and eased lockdown restrictions, including reopening stores, earlier than others across the world, an overwhelming 86% of Chinese shoppers are now spending more time shopping online than they did before.

The increase in time spent online also led to more money being spent (on non-essential items). 79% of consumers in China saw themselves increasing their spending online in 2020.

We saw increased spend in sportswear and fitness products given the boom in LIVE workout sessions through social media platforms to stay healthy at home.

Work-from-home arrangements led to higher spending on home categories to ensure a proper work setup. Kitchenware also saw a rise with consumers cooking and baking more, which was evident from content posted on social media.
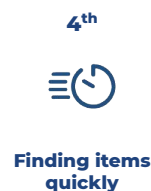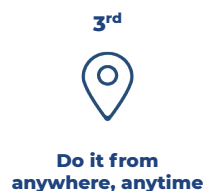
Convenience drives the shift towards online

We asked consumers to rank what they liked about shopping online and in-store, and below are our findings & suggestions on what online stores should have to attract customers & capture the growing share of the ecommerce pie.

1.   **Online Stores should be straightforward and easy for customers to discover products quickly**
     For online shopping, consumers relied on recommendations and reviews the most, followed by a wide range of products to choose from on a single platform. The convenience of shopping from anywhere and speed also played a big role in consumers' online shopping.

1st	2nd	3rd	4th	5th	6th
Recommendations and reviews	Better choice of products	Do it from anywhere, anytime	Finding items quickly	Finding the best price	No need to carry shopping bags

2. **Digital enablement, both in-store and via smartphones elevates the offline shopping experience**

For in-store shopping, the ability to touch and feel a product before an actual purchase is consumers' top preference. Ranking number two on what they like about shopping in-store is the ease of being able to browse products. While being online gives a consumer access to a wide range of products and information at their fingertips, being in-store literally puts the products in their hands.

1st **Trying products before buying**

2nd **Easy to browse**

3rd **Inspired from what's in the mall**

4th **Assistance from store staff**

Challenges for physical retail merchants are: How to still allow the benefits of in-store shopping such as Touch, Feel & Browsing of product information but still ensure consumers' safety first?

The top consumer preferences for offline and online shopping find a way to complement each other through omni-channel or harmonized retail. More and more brands and retailers are merging these two worlds to allow consumers more flexibility in how they shop; browse and try in-store, purchase their products online from within the store, have products delivered to their homes.

3. **Consumers want Size & Fit recommendations and smartphone-led digital experiences**

We asked consumers to rank what they want to see in-store and online. For online shopping, Fit & Size Recommendations are top on consumers' wishlist, followed by price recommendations. However, for in-store, digital experiences are what consumers are looking for.

1st **Size and fit recommendations**

2nd **Best price recommendations**

3rd **AR and VR**

4th **Smarter recommendations**

As this survey shows, we know that it's not about 'Offline' versus 'Online', rather how the two channels complement each other to give the consumer the best shopping experience that leads to conversion.

A major global sportswear brand uses ViSenze's visual AI technology in their stores to enable a digital concierge experience to simplify the shopping process and increase sales. With this feature, shoppers can scan any shoe on display to get product information and size availability directly on their phone, and request a trial. The store associate then brings the shoe out to try on.

TV shows/ movies are the biggest source of shopping inspiration

With the rapid rise in live streaming and short form videos, consumers are engaged and inspired by video content more than ever. It comes as no surprise that TV Shows/movies take up the top spot for inspiring shoppers in China. Live selling on social platforms is now fast becoming a multi-billion dollar industry - with China leading the way.

Social media platforms such as WeChat, Weibo, and Tik Tok are among the most popular platforms that have inspired consumers, and are rightfully ranked as their number two shopping inspiration.

1st	2nd	3rd	4th	5th
TV shows/ movies	Social Media	Print (Magazines, Newspapers, Posters)	Outdoor inspiration	Friends' style and recommendations

Product recommendations remain the most influential way consumers discover and purchase products

When consumers see something they like, they want to get it. 77% of consumers said that if a product was out of stock, they would like to see visually similar product recommendations. With 93% of consumers buying using product recommendations, out of stock doesn't lead to a lost sale.

While Visually Similar Recommendations and Style Recommendations take the top 2 spots for consumers' shopping preference, another popular recommendation is Complementary Recommendations.

Aside from buying what they initially intended to, consumers are inspired to discover new products that are complementary to what they are browsing. Recommendations such as 'Style it with' or 'Complete the look' allow brands and retailers to personalise shopping experience and cross sell other product categories.

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In order not to lose a sale opportunity or to increase the likelihood of a consumer buying a recommended product, brands need to make sure their product catalog data is enriched and well tagged so that relevant alternative and complementary product recommendations can be made.

| 1st	2nd	3rd	4th	5th
Visually similar recommendations	Style recommendations	Complementary recommendations	Others who also brought this	What's trending

Text search alone is not enough for product discovery

One of the biggest challenges to conversion is the difficulty in finding the right product. Poor and inaccurate search experience remains one of the top frustrations that consumers have when shopping online.

When we discuss how consumers find a product they are looking for, the modus operandi is to try to find it by describing it with text.

Chinese consumers also shared their struggles with using text search to find the actual product. Being unable to describe a product accurately results in too many search results which can be frustrating to filter through. This inevitably leads to drop offs. There are also those who may have started off the search journey with text but ultimately resorted to image search results instead.

Text search must be specific	Get too many search results	Often leads to images anyway
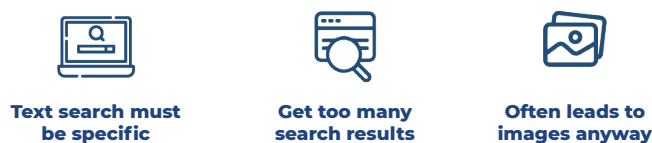
These challenges have led consumers to embrace Visual Search as a better way to find products more easily. Leading brands and retailers are already embracing visual AI because of its growing popularity and effectiveness.

Top 3 ways Visual AI enables product discovery

Search by image on retailer website

Search by image on smartphone

Directly buy from social media

Conclusion

Covid-19 accelerated changes in consumer behavior, and it's clear that online is witnessing a significant shift in adoption - a shift that is likely to be permanent. That being said, offline shopping is still a dominant segment and will continue to play an important role in consumers' buying journeys. But it is technologies such as Visual AI that is proving adept at helping retailers address the changing expectations and demands of consumers and delivering convenience, flexibility and a seamless experience to them, whenever, wherever and however they shop.

Running Shoe Upper

Brand

Running Shoe Sole

To find out more about how visual AI can help your business

Reach out to us