

# *Study on the Development Path of Retail Industry of Tai'an Retail Industry from the Perspective of "New Retail"*

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**Keywords:** Tai 'an City, Internet, Big data, The new retail

**Abstract:** Tai'an City has made certain achievements in exploring the development path of "new retail", but there are also problems that the transformation of traditional offline retail enterprises lacks motivation, the slow growth of residents' disposable income restricts the development of the consumer market, and the comprehensive competitiveness of large supermarkets needs to be improved. Based on the analysis of the new retail policy environment and the current situation of new retail development in Tai'an in recent years, this paper proposes a new path for the development of the new retail industry in Tai'an, which has positive significance for promoting the healthy development of the new retail industry.

## 1. Introduction

The COVID-19 pandemic since 2019 has accelerated the transformation of consumers' shopping concepts and ways. Thinking on the Internet, big data, 5G and digital financial reform background, the traditional business model is replaced with new retail model enterprise from a mere product producers into a comprehensive service provider, the consumer also from users to upgrade important value for the enterprise to create, the relationship between the consumer and producer is more cooperation and win-win. [1] In the future, the enterprise development strategy of "customer as the center, value co-creation as the guidance" is the best choice for retail enterprise transformation and upgrading. Xiaomi's concept of co-creation, the cross-border operation of hema Xiansheng, yonghui and Suning's retail are all the embodiment of value co-creation.

## 2. An overview of the development of new retail industry in Tai'an

### 2.1 Development Status of New Retail of Agricultural Products

In 2020, Tai'an City will vigorously promote the application of e-commerce in rural economic construction, improve the construction of e-commerce industrial parks, cultivate leading e-commerce enterprises in agricultural products, and incubate rural outlets. reached 7 billion yuan.

Eight villages in Tai'an City have been rated as China's "Taobao Village" by Alibaba, and one township has been rated as China's "Taobao Town". Xintai City vigorously promotes the e-commerce platform in the county. At present, more than 600 village-level service stations have

been built, and the transaction volume of agricultural products has exceeded 100 million yuan.

## **2.2 Development status of new retail industry in shopping malls and supermarkets in Tai'an City**

Major supermarkets are speeding up the development of online cashier systems based on their own APPs. Consumers can scan the electronic price tags or barcodes of goods in the store to purchase goods directly, which is fast and avoids queuing, which greatly improves the shopping experience of consumers.

The merchant promises that if consumers use the supermarket APP to buy various products online, including daily necessities, food, fresh fruits, vegetables, aquatic products, meat, etc., as long as the delivery range is within 3 kilometers from the supermarket, free delivery and the fastest delivery can be arranged. Served in 30 minutes, guaranteed fresh taste.

## **2.3 The development status of new retail with live streaming**

"Live broadcast and bring goods" has witnessed the power of the Internet, and is rapidly growing into a new e-commerce model that promotes commodity sales in various places, opening up a "green channel" for agricultural products to go to the world.

In the base of a cherry planting base, an online company is carrying out live broadcasts, and the transaction volume reached more than 60 orders in just 2 hours, with a turnover of more than 2,000 yuan. Live streaming brings goods into thousands of households through mobile live streaming software, and consumers can truly see the appearance of the product and whether the production environment is safe, which increases their shopping satisfaction[2]. As a result, the marketing method of agricultural products has been transformed from offline sales to online and offline simultaneous sales, which greatly increases the popularity of agricultural products and the sales volume of products.

## **3. Problems in the development of new retail industry in Tai'an**

### **3.1 The transformation of traditional offline retail enterprises lacks motivation**

Due to the impact of the epidemic, Tai'an's economic growth has been slow, and the retail revenue has declined compared with the original. The development of traditional retail enterprises is facing the problem of transformation. However, due to the economic downturn, consumption has decreased significantly, which has brought great pressure to the transformation, and the lack of funds is the biggest obstacle. Some companies decide to transform in time, but the high cost of offline stores and the investment of online sales equipment resources cannot be completed in the short term. Not only that, but also faced with the huge labor cost and the inability to resettle in the transformation.

Compared with developed cities, Tai'an City does not provide enough professional support for new retail enterprises. The dual influence of internal and external factors makes the development of new retail slow. Not only that, Tai'an has a small population and insufficient mobility, and the internal driving force for enterprise transformation is insufficient. At present, only food and catering retail enterprises have high enthusiasm for transformation.

### **3.2 The slow growth of economic income restricts the development of the consumer market**

In the first quarter of 2021, the disposable income gap between urban and rural residents in

Tai'an will further narrow, but the per capita disposable income of rural residents is only 56.3% of that in urban areas. The rural population base is huge, and the potential for consumption of household appliances, household appliances, automobiles and other bulk consumption needs to be tapped. At present, the coverage of social security such as pension and medical care in Tai'an is not complete, and the social security capacity needs to be further improved.

The slow economic growth caused by the epidemic has caused some uncertainty in people's expected income, especially when it is difficult for rural residents to increase their income[3]. They tend to compress the basic living consumption expenditure first, resulting in a decrease in consumption tilt and an increase in saving tendency, thus inhibiting the market demand for consumption. In addition, whether it is urban residents or rural residents, the three types of rigid expenditures of family purchase, children's education, and medical care account for a large proportion of total income, which also squeezes residents' daily consumption expenditure, which has brought a lot to the growth of new retail. pressure.

### **3.3 Pillar industry - tourism has suffered serious losses due to the epidemic, affecting the development of the retail industry**

The economic growth of Tai'an City is driven by the development of the tourism industry, but the epidemic situation has been repeated in the country, and the tourism industry has not recovered to the level before the epidemic. According to the data released by the "China Tourism Development Report 2020", the number of domestic tourists in the first half of 2020 was 1.168 billion, a year-on-year decrease of 62%, and the domestic tourism revenue was 0.64 trillion yuan, a year-on-year decrease of 77%[4]. The growth of small business and supermarket turnover has brought a lot of losses.

## **4. Suggestions on the development of new retail development in Tai'an**

### **4.1 Create a digital marketing service system**

Through the comparative analysis of customer consumption habits, merchants can better understand the changes in consumer demand, so as to adjust product strategies in time, provide consumers with a variety of product choices, and increase the success rate of marketing. Therefore, it is necessary to make full use of and mine big data.

China's consumer market has huge potential, and whoever can tap the demand pattern behind the consumer group will be able to occupy a favorable position in the fierce competition. Therefore, what manufacturers need to do is to use big data to segment consumers, design and produce products that meet their preferences according to the needs of consumers of different age groups, shopping apps, platforms, social apps, video apps, video websites, grass growing Platforms, etc. collect user consumption data to achieve precise marketing.

### **4.2 Create payment and financial services systems**

Increase the development of APPs for restaurants, supermarkets, and retail stores and online scan code payment services. First, develop and implement a more secure "face payment" function in all retail locations as soon as possible[5]. Second, realize the "non-inductive payment" function of shopping mall parking lots as soon as possible, so that consumers can feel the convenience of offline consumption. Third, speed up the research and development of the function of fingerprint payment, and cooperate with facial recognition to realize double insurance of online and offline payment transactions.

### 4.3 Create a smart logistics integration system

Enterprises should integrate online ordering, online transactions, electronic payment, warehousing, transportation, data mining, product design, manufacturing and other links into the intelligent Internet of Things system, subversively reshape the entire retail industry chain, and in This process provides new business opportunities for third-party logistics[6]. Create a logistics warehousing model that integrates "business + warehousing + technology" with integrated management and control with socialized operation thinking.

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