

The News and Intelligence You Need on Luxury

RETAIL

What luxury brands can learn from Taobao boutiques

December 16, 2019



An online customer service team does not just answer customer questions it also works as a personal shopper and micro-influencer, mimicking today's popular livestreamers in China. Image credit: Nodress Taobao Shop. Illustration: Haitong Zheng/Jing Daily

By A LUXURY DAILY COLUMNIST

By Zhuoxuan Peng

Subscribe to **Luxury Daily**Plus: Just released
State of Luxury 2019
Save \$246

"Hi Beautiful, I am online. Have a question? One moment, and I will solve it."

This is what you can expect to hear from a Taobao boutique's customer service representative at almost any time of day.

Unlike the luxury customer service on Tmall, which uses a more official tone and takes longer to respond, Taobao boutique's customer service team is so prompt and amicable, you feel as if you are having a real-time, in-store conversation with a salesperson or even a close friend.

Shopping on Taobao boutiques for fashion items has become extremely trendy with young and fickle Chinese consumers because they offer strong branding and design as well as more value for money.

Despite Taobao boutiques' somewhat different position, there are some things traditional luxury brands can learn from Taobao sellers to better understand and serve Chinese consumers.

Below, *Jing Daily* analyzes in detail the two major factors that affect Chinese consumers' shopping behavior:

1. China's 360-degree online customer service is bigger than you think

While a consumer in the West can usually wait an additional evening for customer service to get back to them, a Chinese consumer would have already turned to other options. That is because they are used to getting what a Taobao boutique's customer service can offer them: full-time customer service with minimum downtime.

Most customer services offered by Taobao boutiques are online for more than 16 hours every day of the week.

When offline, automated messages are sent to ensure that customers are well informed. This prompt and well-rounded service is a top priority for Chinese, particularly when it comes to online sales.

But the dedication of an online 360-degree customer service stands for something bigger than just promptness it allows a company to build an intimate relationship with customers in an ecommerce environment.

With Taobao boutique's customer service, sales associates sometimes even try on a product for the customer.

"Some of my customer service team members like to have a friend-to-friend conversation with the customers, forming a very intimate and down-to-earth relationship with them," said Gogo Wang, a fashion blogger turned Taobao boutique owner, "and I think it is very hard to find this level of intimacy and service with luxury brands."

Therefore, luxury brands should set greater standards for their customer service team to compete like local teams.

An online customer service team does not just answer customer questions it also works as a personal shopper and micro-influencer, mimicking today's popular live-streamers in China.

2. Knowing the Chinese's pain point in fashion and helping to solve it

Chinese customers' affection for Taobao boutiques goes beyond exceptional customer service. It is also about the personal styling and fitting recommendations offered by Taobao boutique owners, most of whom share a similar body shape with customers.

"It matters a lot whether the boutique owner's body shape matches the customer's," Ms. Wang said. "If they share the same body shape, the owner is like a good friend [that's] solving her troubles by finding the right outfit for her specific body shape."

Despite a countrywide body empowerment trend in China, Chinese customers are still looking for outfits to fine-tune their body shape, and they have very specific demands.

On Little Red Book, more than 400,000 notes are hashtagged with "looks that make me appear skinny," and 130,000-plus notes are hashtagged with "looks that make my legs look longer."

By solving these problems for Chinese women, boutique owners are elevating their relationships with consumers and building trust.

"The boutique owner might not have 5 million followers on Weibo, but whoever follows them is very loyal and has high customer stickiness," Ms. Wang said.

This makes it clear that brands and sales associates should put more effort into learning Chinese customers' body shape concerns and outfit needs, so they can give them personalized recommendations.

But more profoundly, brands can form a deeper relationship and personal connection with the customers by doing so.

Chinese consumers trust KOLs, and Taobao boutique sellers rely on a similar way of working.

By emphasizing these techniques in bricks-and-mortar stores and online shops while also collecting and analyzing data about these specific Chinese concerns brands can form a more intimate relationship with these customers.

Reproduced with permission from Jing Daily. Edited for clarity and style.

© 2020 Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your feedback is welcome.