

# The Changing Face of Retail in China

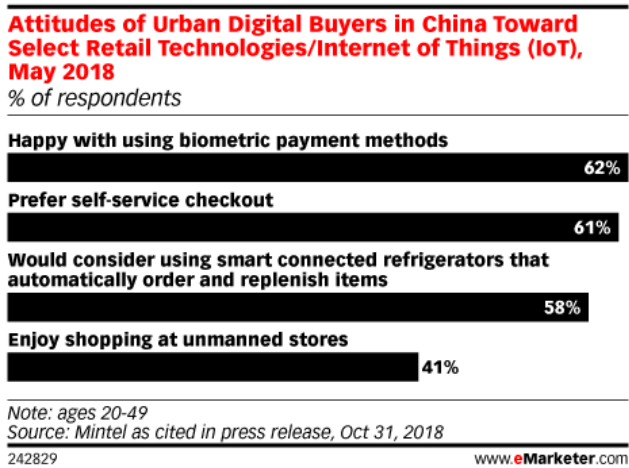
## Article

China's tech-driven retail revolution is turning stores into laboratories for retail experiments and introducing consumers to completely new shopping experiences.

At the heart of this make-over is artificial intelligence (AI) enabling services like facial recognition and unmanned retail stores.

Biometric payment, typically based on facial recognition technology, facilitates a cashierless checkout experience by linking to a shopper's account. According to a survey conducted last

year by Mintel, most digital buyers in China are happy with this payment method, and 41% said they enjoy shopping at unmanned stores.



That’s good news for retailers, including BingoBox, which are opening several unmanned retail operations in the country. These convenience-store sized locations use sensors and computer vision technology to track shoppers’ movements and the items they pick up from shelves—similar to Amazon Go in the US.

“BingoBox introduced this concept in its Shanghai store,” said Patrick Vinuy, vice president of APAC retail industry technology at JDA. “Consumers grab, scan and then pay for the selected items via their mobile phone.”

The facial recognition tech also is used as a security feature for when they exit the store, Vinuy added.

“Unmanned stores are best used for functional and convenience-type purchases,” said Mark Tanner, managing director at China Skinny. “Currently, the experience of facial recognition payments isn’t greater than just using mobile payments. There is the advantage of not having to pull out your smartphone, but most consumers already have it out. Right now facial recognition is more novel and at the testing stage. When it’s faster and smoother, it will have more utility.”