EXPLORING GEN Z CUSTOMER EXPERIENCE ON THE ESTABLISHMENT OF FIRST-STORE DESIGN IN BEIJING, CHINA

XI CUIYU

SULTAN IDRIS EDUCATION UNIVERSITY

2023

EXPLORING GEN Z CUSTOMER EXPERIENCE ON THE ESTABLISHMENT OF FIRST-STORE DESIGN IN BEIJING, CHINA

XI CUIYU

THESIS PRESENTED TO QUALIFY FOR A
DOCTOR OF PHILOSOPHY

FACULTY OF ART, SUSTAINABILITY & CREATIVE INDUSTRY
SULTAN IDRIS EDUCATION UNIVERSITY

2023

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ACKNOWLEDGMENT

Thanks for the help of all the people and departments who have guided and supported me, this thesis was completed. In particular, I would like to express my sincere gratitude to my supervisor, Associate Professor Dr. Muhammad Zaffwan Idris, for his insights, patience, supervision, and encouragement. Throughout the research process, he had a significant impact on the progress of my thesis. Likewise, I am grateful to Ms Taughnee Stone of the Endeavor Creative branding agency for giving me consent to use his online Brand Personality Test. I am grateful to all the students who participated in the questionnaire test and to the five participants in the implementation of the study. Thanks also to examiners, classmates, and friends who provided suggestions for this research. My deepest gratitude to the Faculty of Art, Computing and Creative Industry, Sultan Idris Education University, for full support. Indeed, I am grateful to the wisdom of my husband Liu Shunli, elderly parents, for supporting my decision to study in Malaysia. Thanks to all for their continuous encouragement and hard work. My most profound salutations to my husband, my ever-loving daughter, who endure with patience in my busiest and most challenging time. My apology for them for the burden. To my daughter, Liu Wancen, I feel ashamed I cannot spend more time with you, but I believe my experience will inspire you to strive for the best life in the future.

ABSTRACT

This study aimed to explore Gen Z customers' experiences (CX) at first-store design concept through personas based on brand personality using Service Design (SD) approach in Beijing, China. By adapting an ethnographic research design, this study analyses the CX dimensions of first-store, and provides insight into the entire journey service of first-store. First-store's CX exploration is based on the following models: Aaker's brand personality theory (already verified for China), CX dimensions for traditional stores, Customer Journey Map (CJM) stage distribution (pre, during and post-visit), and the model of S-O-R (Stimulus, Organism, and Response). Using the brand personality test, the study identified five ideal personas (Sincerity, Ruggedness, Excitement, Sophistication, and Competence), and from 109 respondents, the top scorer was selected for each type of persona as the participant. The data from five personas were collected through three phases (pre, during, and post-visit). This study used multiple tools as data collection methods: service safaris, mobile ethnography, and contextual interviews. Three fashion first-stores were selected as cases studies in Beijing, China. With the help of smartphone tools, Mobile Ethnography acquires data in various forms such as video, images, and text. Data were analyzed using constant comparative approach through five coding cycles according to each personas' key information. Different forms of data were used to cross-check the observations to capture patterns behind the personas performing behaviors. The findings indicated three theoretical models: CX dimensions on fashion first-store, touchpoints of fashion first-store CJM, and touchpoints for different effects on fashion first-store CX. This study proposes some new dimensions of the first-store experience: get fashion information, look forward to the future, hygiene, interaction experience, spatial experience, value identification given by the brand. Finally, this study formulated a guideline for brand managers and designers to establish the optimized first-store design concept.

MENEROKA PENGALAMAN PELANGGAN GEN Z TERHADAP PENUBUHAN REKA BENTUK *FIRST-STORE* DI BEIJING, CHINA

ABSTRAK

Kajian ini bertujuan untuk meneroka pengalaman pelanggan (customers' experiences - CX) Gen Z terhadap terhadap rekaan konsep *first-store* melalui persona berdasarkan personaliti jenama menggunakan pendekatan Reka Bentuk Perkhidmatan (Servis Design - SD). Dengan menyesuaikan reka bentuk penyelidikan etnografi, kajian ini menganalisis dimensi CX *first-store* dan memberikan cerapan tentang keseluruhan perjananan perkhidmatan *first-store*. Penerokaan CX *first-store* adalah berdasarkan model berikut: Teori personaliti jenama Aaker (telah diverifikasi di China), dimensi CX untuk kedai tradisional, Peta Perjalanan Pelanggan (Customer Journey Map - CJM) berperingkat (pra, semasa dan pasca lawatan), dan model S-O-R (Stimulus, Organism, and Response). Dengan menggunakan ujian personaliti jenama, kajian mengenal pasti lima persona yang ideal (Ikhlas, Ketabahan, Keterujaan, Kecanggihan dan Kecekapan), dan daripada 109 responden, skor tertinggi dipilih untuk setiap jenis persona sebagai peserta. Data daripada lima persona telah dikumpul melalui tiga fasa (pra, semasa dan pasca lawatan). Kajian ini menggunakan beberapa kaedah pengumpulan data: perkhidmatan safari, etnografi secara mudah alih, dan temu bual kontekstual. Tiga *first-store* fesyen telah dipilih sebagai kajian kes di Beijing, China. Dengan bantuan alat telefon pintar, kaedah Etnograf mudah alih dapat memperoleh data dalam pelbagai bentuk seperti video, imej dan teks. Data dianalisis menggunakan pendekatan perbandingan berterusan melalui lima kitaran pengekodan mengikut maklumat utama setiap persona. Bentuk data yang berbeza digunakan untuk menyemak silang pemerhatian untuk menyaring corak di sebalik tingkah laku persona. Penemuan kajian menunjukkan tiga model teori: dimensi CX pada *first-store* fesyen, titik sentuh CJM *first-store* fesyen dan titik sentuh untuk kesan berbeza pada CX *first-store* fesyen. Kajian ini mencadangkan beberapa dimensi baharu pengalaman *first-store*: dapatkan maklumat fesyen, nantikan masa depan, kebersihan, pengalaman interaksi, pengalaman ruang, pengenalan nilai yang diberikan oleh jenama. Akhir sekali, kajian ini merumuskan garis panduan bagi pengurus dan pereka untuk membangunkan rekaan konsep *first-store* yang dioptimumkan.

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LIST OF ABBREVIATIONS

App	Application
CAQDAS	Computer-Assisted Qualitative Data Analysis Software
CEIM	Customer Experience Interaction Model
CJM	Customer Journey Map
COVID-19	Coronavirus Disease 2019
CX	Customer Experience
Gen Z	Generation Z
HEI	Human-Exhibition Interaction
KOL	Key Opinion Leader
PAD	Pleasure-Arouse-Advantage
SD	Service Design
S-O-R	Stimulus-Organism-Response
TMT	Telecommunication, Media, Technology
UX	User Experience
VIP	Very Important Person

APPENDIX LIST

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CHAPTER 1

INTRODUCTION

1.1 Introduction

Commercial and store displays are crucial visual marketing tools (Gauri Bhatia & Kholiya， 2016) that researchers and designers have never stopped studying (Roschk, Loureiro, & Breitsohl, 2017). When the literature was reviewed, hundreds of articles just explored the effects of light and colour on sales (Oh, 2016; Tantanatewin & Inkarojrit, 2018; Nasir & Morgan, 2017). This research sought to scientifically explain the effects of different store design elements on visual marketing and store ambience (Ko, Kim, Choi, & Sung, 2016; Tantanatewin & Inkarojrit, 2018; Shah, 2018). It makes this research constantly reflect on the design of physical stores.

Researchers always consider things from the designers' perspective when talking about store design. The designer completes the design plan based on his own experience and explanation of the store. However, with the rapid development of online transactions, the impact of online transactions on physical stores is significantly significant (Barwitz & Maas, 2018; Peltola, Vainio, & Nieminen, 2016). Retailers and managers have to rethink the design of their services to customers as consumers increasingly use online channels for their purchases. Consumers' buying behaviour is a mixture of physical store and online behaviour (Neslin et al., 2006; Anderl, Schumann, & Kunz, 2016). The "first-store" concept, which is promoted through social media while focusing on the customer experience (CX), started in China in 2017 during the development of the experience economy (Degen, Melhuish, & Rose, 2017; Ruiyide, 2019b). As a new retail model, the first-store integrates multiple online and offline shopping channels to provide customers with comprehensive services. Therefore, the design of the first-store requires designers and managers to change their thinking from designer-centric to customer-centric.

This study provides a further explanation for understanding the customer experience in the fashion first-store. Further, the findings of this study provide important insights for first-store designers. This research allows them to understand the customer experience in first-store better while creating customer-centric first-stores in future fashion first-store designs. This research provides a theoretical model for designers to change thinking from designer-centric to customer-centric.

This research study involves several fashion first-stores in the Sanlitun business centre in Beijing, China. The goal is to reposition commercial store display designs by studying the customer experience of the fashion first-store. Besides, this study provides another way to evaluate the design concept of physical retail stores from the perspective of customer experience.

1.2 Background of the Research

As of June 2019, the number of Chinese Mobile e-commerce users has exceeded 700 million. The scale of mobile e-commerce has expanded, and the number of users of various e-commerce platforms in China has gradually increased. In this case, in the development strategy of 2019, each e-commerce platform pays more attention to how to open the entrance and attract people, such as expanding offline stores, completing scene layout, etc. (AI Media Report Center, 2019). In the first quarter of 2019, Alibaba's operating revenue was 93.05 billion yuan (equal to 60.54 billion RM). The new retail revenue of the core e-commerce business increased by 51% year on year, while the domestic recent retail sales maintained a high growth rate of 40%. Alibaba has opened up vast number of new online and offline retail through cooperation with different offline stores. The new retail model has become a unique economic growth point (Alibaba Group, 2019).

Since Ma Yun and Alibaba first proposed the concept of “new retail,” integrating traditional e-commerce and offline resources has become the main development form of new retail in China. Judging from the development speed of China's “first-store economy” in the past two years, the “first-store” is expected to become the latest practical sample of new retail (IT Beacon, 2019).

From 2015 to 2017, cities such as Shenzhen and Chengdu in China began to consciously achieve the purpose of urban marketing by counting the number of “first-stores” opened.

In 2018, Shanghai took the lead in first-store inventory. Beijing, Shanghai, Chengdu, Shenzhen, and other cities have issued official documents to clearly support the development of first-store economy (Guo, 2019; Ruiyide, 2019b). 2019 is the year when the first-store story in Beijing broke out. As of September, 540 first-stores opened in Beijing (Ruiyide, 2019c; Ruiyide, 2019a).

First-store is different from the traditional retail stores in the past. It is the representative of new retail. It is a complex that integrates online multi-channel and offline physical stores. First-store is not only selling products but also promoting a new lifestyle. That is to say, the consumer’s consumption level has changed from a single ‘buy something’ to a ‘focus on a diversified lifestyle’ (Ruiyide, 2019b). Therefore, the service design of first-store is also diversified and centred on the customer experience. Because the concept of first-store is too novel, at present, China only has statistics on the first-store economy. There is no research related to first-store service design or customer experience among first-store.

China's Gen Z (post-95s) grew up in the Internet era, and they are also a generation growing in the rapid development of China's economy. In the next 5-10 years, they will be the backbone of the middle-class consumer class (Accenture, 2018). Due to the rapid changes in China's economic development, the growth environment between generations is hugely different. Gen Z has different consumption concepts, fashion consciousness, and shopping characteristics from other generations (Wang, 2016).

1.3 Problem Statement

Firstly, in order to provide better service design for establishing first-store concept, designers and managers need to change their thinking from design-centred to customer-centred. However, there are lack of relevant studies so far. Through the literature reviewed, it can be found that most of the current studies focus on the influence of the physical store atmosphere formed by the design elements of the store on the customers (Turley & Milliman, 2000; Stein & Ramaseshan, 2016; Ballantine, Jack, & Parsons, 2010; Amalia Triantafillidou, Siomkos, & Papafilippaki, 2017).

From a design-centric perspective, Turley and Milliman (2000) studied the influence of store atmosphere on shopping behaviour. They pointed out that exterior, general interior, store layout, interior display, and human Touchpoints for Variable Effects are all stimulating elements of the store atmospherics. In 2016, Stein and Ramaseshan (2016) concluded that store atmospherics is a prominent factor in customer experience touchpoints. Still, there is no mention of how touchpoints in-store design and customer experience interact. In the context of "experience economy," some studies focus on how the store atmosphere establishes the experience of hedonic values (Amalia Triantafillidou et al., 2017; Ballantine et al., 2010). It proposes a framework for human-exhibition interaction (Nan and Liang, 2019) or tries to identify design elements that influence customer experience (Terblanche, 2018; Cachero-Martínez & Vázquez-Casielles, 2017). These studies are still asking and answering questions design-centric. In fact, these studies aim to provide better guidelines for designers to design optimized physical stores. Basically, these studies are from a designer-centric perspective. However, the customer experience theory emphasizes the customer-centred service design (Nasir & Morgan, 2017; Holtzblatt & Beyer, 1997). It proposes that customers are the source of all innovation, and customer demand and customer experience are the driving force for innovation. Therefore, customers themselves become a part of the design process, and the role of designers and organizations is to understand customer needs and customer experience fully. The ultimate goal of researching customer experience is to improve the service design of the store. In order to provide better service design for establishing first-store concept, designers and managers need to change their thinking, from the previous design-centered to customer-centered service design concept. However, there are no relevant studies and results so far.

Secondly, as two critical stages in the customer journey map (CJM) of first-store, the previous researchers did not mention the customer experience on pre-visit and post-visit. According to the literature review, most studies have focused on the retail store atmosphere on customers. There are many significant research results, such as the model of the influence of retail atmospherics (Turley & Milliman, 2000), the conceptual model of retail store characteristics effects (Triantafillidou et al., 2017), and the conceptual model of customer experience dimensions in store (Cachero-Martínez & Vázquez-Casielles, 2017). Some studies have even focused on the effect of store atmosphere on hedonistic experience (Ballantine et al., 2010). The problem with these studies is that the entire customer journey is not taken into account, and these studies only focus on one stage of the during-visit in store. From a customer journey map perspective, the store's customer experience should be summarized in three phases: pre-visit, during-visit, and post-visit (Lemon & Verhoef, 2016; Mondragon, Mendez, Mauricio, & Diaz, 2019). Especially the first-store is a complex of multi-media and multi-channel, unlike traditional brick-and-mortar stores. The stage of pre-visit and post-visit are essential parts of the first-store's customer journey map. In the concept of the first-store, various mobile apps and social media platforms have become crucial channels for advertising and marketing. Therefore, the customer experience on first-store should not be limited in the stage of during-store. However, there are no current studies that use the tools of customer journey map to analyze customer experience on stores.

Thirdly, there are only a few articles in the existing literature on the characteristics of Gen Z experience requirements. According to the market segmentation theory and the current China new consumers index (Ruiyide, 2018), Gen Z, as the primary target consumer group of the first-store, is the largest and most potential consumer group in China in the next five to ten years (Accenture, 2018). As Wang (2016) has analyzed, due to the rapid changes in China's economic development in the past 40 years, Gen Z has an entirely different growth background and education background from other intergenerational groups in China. Their unique growing environment and consumption values make them have more different experience needs from other generations. Growing up in the era of rapid development and popularization of e-commerce in China (Accenture, 2018), they are accustomed to online shopping. Their motivation for experience is stronger and more detailed than other intergenerational groups. Although some researchers have proposed conceptual frameworks of various customer experience experiences or dimensions theories (Amalia Triantafillidou et al., 2017; Turley & Milliman, 2000; Cachero-Martínez & Vázquez-Casielles, 2017), they are not based on market segmentation of customer groups. Apart from an Accenture (2018) business survey report showing that the consumer attitudes of China's Gen Z are characterized by emphasis on personality, experience, and convenience, other studies focusing on the experience characteristics of China's Gen Z are rare. According to Aaker's theoretical model of brand personality (Aaker, 1997), when the Gen Z group is divided into five types of sincerity, excitement, competence, sophistication, and ruggedness, do consumers with different brand personality tendencies have different experience needs and purchase motivations in the new retail model of first-store?

Fourthly, there is a lack of adequate and credible research results to provide designers with some guidelines to help them improve the customer experience on establishment of first-store concept service design. In the past, designers designed traditional brick-and-mortar stores with a designer-centred mindset. According to his or her own design experience and brand requirements, the designer pursues visual marketing and perfect store atmosphere through the treatment of visual elements in physical stores so as to promote sales and customer experience. However, the first-store, which only appeared in 2019 and was strongly supported by the government, emphasizes online and offline multi-channel shopping mode, which means that customers may not purchase during-visit in the physical store (Ruiyide, 2019b). Because customers can place orders at any of the three stages of pre-visit, during-visit, and post-visit (IT Beacon, 2019), designers need to understand the complete customer journey map (CJM), not limited to the stage of during-visit in the physical store. Traditional business display design guidelines based on visual marketing (Ali Soomro, Abbas Kaimkhani, & Iqbal, 2018) and physical store atmosphere foil guidelines

(Ballantine et al., 2010) do not apply the first-store concept establishment requirements. Designers and managers urgently need scientific and practical design guidelines to help them build better first-store concepts and provide more intimate services and customer experience for their customers.

1.4 Research Objectives

i. To determine a model focusing on Gen Z customer experience dimensions on fashion first-store in China.

ii. To analyze a framework on touchpoints (pre-visit, during-visit, and post-visit) related to the Gen Z customers to get the optimized experiences on fashion first-store.

iii. To analyze positive or negative influence between the fashion first-store touchpoints and Gen Z customer experience at the stage of pre-visit, during-visit, and post-visit.

iv. To formulate a guideline for Gen Z customer experience designers to improve on establishment of fashion first-store concept service design.

1.5 Research Questions

i. What is the suitable model focusing on Gen Z customer experience dimensions on fashion first-store in China?

ii. What is the framework on touchpoints that exist in fashion first-store through Customer Journey Map related to the Gen Z customers?

iii. What is the relationship between touchpoints and the Gen Z customers in order to provide the optimized experiences on fashion first-store?

iv. How to improve the Gen Z customer experience on service design of establishment fashion first-store concept?

1.6 Theoretical Framework of Research

The research is interdisciplinary. This research is based on the discipline of customer experience, consumer psychology, and environmental psychology (Figure 1.1). The researcher analyzes and observes the research process through three theories as lenses: the model of S-O-R, models on customer experience, and brand personality.

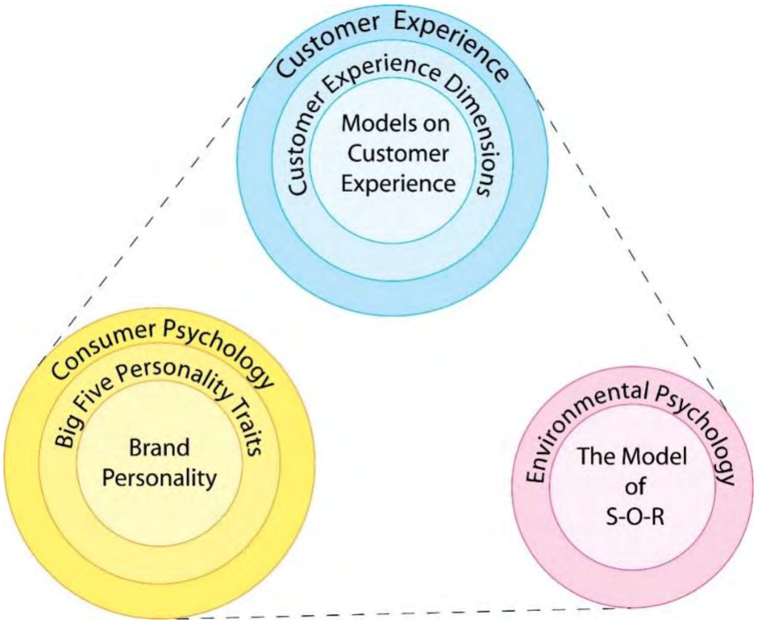
Customer Experience
Customer Experience Dimensions
Models on Customer Experience
Consumer Psychology
Big Five Personality Traits
Brand Personality
Environmental Psychology
The Model of S-O-R

Figure 1.1. Theoretical Framework of Research

Firstly, in the field of environmental psychology, according to the literature review, previous studies on the effect of store atmosphere were mainly based on the model of S-O-R to analyze data. The model of S-O-R means the environmental stimulus, the organism (emotion states, pleasure, arousal, dominance), and the response (approach or avoidance). The model depicted how people respond to stimuli in the environment in three steps: Stimulus, Organism, and Response. Environmental (S) incentives lead to two comparing forms of responses (R) in the customer: avoidance or approach. These behaviours are generated by the customer's internal assessment (O) of different environmental cues.

Furthermore, the model shows that any environment produces an emotional mode in individuals and can be characterized in three dimensions: Pleasure-

Unpleasant; Arouse-Avoid; Advantage-Obedience (PAD). Finally, the model manifests a relevance between the stimuli in the surrounding, the customer's emotional mode and the approach or avoidance doings caused by the interaction of incentives and emotion. It helps retailers to understand how distinct stimuli affect customer response. Then it is crucial to understand what factors in the surroundings bring about delight and arousal in customers. As a mature theoretical model in environmental psychology, the model of S-O-R has become one of the theoretical models often used in the field of environmental art design. This theory provides good support for interpreting ecological design factors, display design factors, and so on.

Secondly, CX research is based on the measurement dimensions of CX. The measurement of CX plays a vital role in insight into internal issues for the brand. Ideally, we should provide a reliable measurement of the CX (pre-visit, during-visit, and post-visit) and all touchpoints at different stages of the customer journey map (CJM). CX dimensions define how to experience is implemented and describe various aspects of the CX. Understanding the emotional response and experience dimensions caused by consumers in a marketing stimulating environment has an essential impact on retailer service design. Brand experience arises when customers consume or use products. Most researchers identified four dimensions of experience: sensory experience, intellectual experience, social experience, and pragmatic experience (Verhoef et al., 2009; Cachero-Martínez & Vázquez-Casielles, 2017; Cachero-Martínez & Vázquez-Casielles, 2018). Antecedents of emotional experience include sensory experience, intellectual experience, and social experience.

(1) The sensory experience includes the dimensions of the consumer's senses (tactile experience, scent experience, auditory experience, visual experience, taste experience, and multi-sensory experience), affecting consumer cognition, judgment, and behaviour. In the past, the sensory experience was used unconsciously by brands in service design, but now brands and retailers are pursuing the maximum use of the senses to stimulate CX. Sensory experience affects customers' perception of retail stores and brands (Helkkula, 2011; Moreira, Fortes, & Santiago, 2017). Environmental design factors based on sensory experience have become an important medium for retailers to create customer experiences. (2) When consumers become curious about a brand's image or interact with their employees, they will further think or imagine; this is the intellectual experience (Schmitt, 2010). Some research results have shown that stimulating customer curiosity can positively affect brands (Hill, Fombelle, & Sirianni, 2016). Thus, computer technologies such as virtual reality have been widely used in retail stores to stimulate customer curiosity (Scholz & Smith, 2016; Javornik, 2016). (3) Social experience mainly refers to the social awareness of consumers, the social status and image given by the brand, and the relationship with other consumers and employees (Ferguson, Paulin, & Leiriao 2007). An early study stated (Tauber, 1972) that the relationship between consumers and groups is one factor that makes their behaviours or decisions during the shopping process. (4) Pragmatic experience refers to the consumer's pursuit of efficient, valuable,

functional, convenient, and easy-to-use products in consumption, without fancying the appearance, aesthetics, or social metaphors of the product. It mainly refers to a selection criterion, such as saving money, cost-effective, reliable product quality, and simple and efficient purchase process (Walsh, Shiu, Hassan, Michaelidou, & Beatty, 2011). In order to satisfy the pragmatic experience of customers, retailers will provide products or services with a price-quality ratio or launch promotions that are more favourable than competitors. The goal is to gain the support of practical consumers who are keen to get information about prices and promotions.

Thirdly, in consumer psychology, this research is based on different psychological characteristics of consumption to create personas. Aaker (1997) applied the Big Five Personality traits model in psychology to carry out exploratory research on the dimensions of brand personality. In short, brand personality is the human personality characteristic of a brand in consumer cognition. According to Aaker (1997), it can be built from five dimensions: sincerity, excitement, competence, sophistication, and ruggedness. Building brand personality is compelling because consumers tend to regard the brand as an image, a partner, or a person when they build a relationship with the brand and even project the image of themselves onto the brand. The more consistent a brand's personality is with a consumer's personality or expected personality, the more consumers will prefer the brand. The dimensions of brand personality are different from cultural backgrounds. After an in-depth study by Chinese scholars (Bai & Hu, 2013; Xiang, 2010) based on Chinese cultural experience, Chinese localized brand personality vocabulary was included in the five dimensions of brand personality proposed by Aaker (1997). For further comparisons and discussions between two different cultural backgrounds, please refer to Chapter 2. Based on this theory, five target consumer personas with varying brand personalities can be selected.

1.7 Conceptual Framework of Research

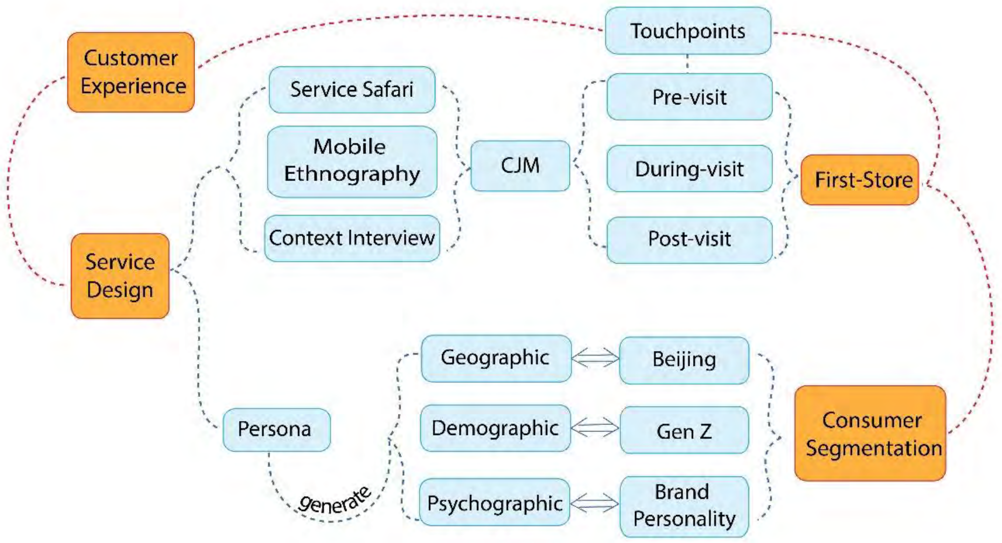
Customer Experience
Touchpoints
Service Safari
Mobile Ethnography
Context Interview
CJM
Pre-visit
During-visit
Post-visit
First-Store
Service Design
Geographic
Beijing
Demographic
Gen Z
Psychographic
Brand Personality
Persona
generate
Consumer Segmentation

Figure 1.2. Conceptual Framework of Research

The innovation of this research is that it uses a service design approach to survey the customer experience (CX) of first-store concept design (Figure 1.2). First, customer experience is the evolvement of a person's sensorial, affective, cognitive, relational, and behavioural responses to a firm or brand by living through a journey of touchpoints and continually judging this journey against response thresholds of co-occurring experiences in a person's related environment (Homburg, Jozić, & Kuehnl 2017). Thus, CX means all the touchpoints between a customer's experience and a brand. A touchpoint covers all the methods by which an individual can interact with a company or brand. The final goal of CX is to create the best experience for customers at all touchpoints. Second, the first-store is different from the traditional brick-and-mortar store, and big data drives it as a representative sample of new retail practices. It means that brands rely on the internet to upgrade and transform the production, circulation, and sales process of goods using technology such as big data and artificial intelligence and deeply integrate online services, offline experience, and modern logistics. It is driven by developing new technology and upgrading CX to transform the retail industry. In other words, first-store is the largest store opened by a brand in a region. It reflects the evolution of the world's first-store, Asia's first-store, China's first-store, the region's first-store, the new species store, the concept store, the experience store, the custom store, and the flagship store (Wen, 2019). It was unveiled as the brand's first location selection in the region, stimulating the brand's optimal resource allocation in terms of human resources, products, services, and marketing.

Furthermore, The service design approach emphasizes the importance of the experience-centric (Zomerdijk & Voss, 2010). Service design orchestrates service elements such as the physical environment, people (customers and employees), and service delivery process to help customers co-create their desired experiences

(Teixeira et al., 2012). It creates value through systematic and organized mining of tangible and intangible touchpoints. The essence of service design is to examine the relationship among people, things, behaviour, environment, and society from a systematic perspective by taking "touchpoints" in the service system as a clue so as to create a better experience and value for recipients through services. In this study, the researcher needs to have an in-depth and detailed understanding of the feelings of target consumers, including positive and negative experiences. The researcher explored the experience needs and behaviour patterns of target consumers through the exploration strategies of service design. Researchers need to collect detailed consumption experiences related to consumer personas and inductive the data step by step. At last, regards the market segmentation based on first-store economy in China, according to the theory of market segmentation, the target consumers of fashion first-stores in Beijing are divided into three ways: geographic, demographic and consumer psychographic. This provides important theoretical support for the selection of customer personas as participants in this study.

According to the concept of first-store, the CJM includes three different stages: pre-visit, during-visit, and post-visit. This study collects and analyzes data in three stages of CJM using three instruments in service design: Service safari, mobile ethnography, and context interview. Service safari allows researchers to track all steps of the user and experience service, brand, or product in a way that is closest to the user. In the service journey, participants will be assigned some tasks. They are asked to explore all the services they experience, including good and bad, in the field or at different customer journey stages. When these participants experience specific services during the task, they need to observe everything and talk to the relevant customers. The purpose is to engage personas in an experience, “go out into the field,” travel through a subject matter on themselves, and “pursue for insights.” Mobile ethnography is a research approach to identify, evaluate and document the personas’ customer journey through a smartphone. It provides a new, holistic, customer-centric perspective, connecting each link of the entire service process. At the same time, contextual interviews are conducted in the environment or context in which the service process of interest occurs. This ethnographic technique allows interviewers to observe and probe the behaviour they are interested in (Schneider & Stickdorn, 2011). Crucially, contextual interviews avoid the loss of cognitive memory of specific details of the service system. It also helps the researcher better understand the physical environment and service system under investigation, thus helping the interviewers generate more insights.

This study is a qualitative study in which participants are recruited to select customer personas in service design. The selection of this process is based on market segmentation theory. From a geographic perspective, Beijing was chosen as the geographical scope of the customer personas, as it is the city with the most significant number of first-store openings in North China. From a demographic perspective, Generation Z in China, born between 1990 and 2000, was selected as the target consumer group with the most purchasing potential in the first-store business. They have different values, lifestyles, and consumption behaviours from other generations (Accenture, 2018). They grew up in the Internet era. They are also a generation growing in the rapid development of China's economy and will be the backbone of the middle-class consumer class. Compared with the consumption behaviours of different ages in China, Gen Z showed willingness to spend money, emphasising personality, experience, and convenience. In terms of digital consumption behaviour, Gen Z is accustomed to searching for online shopping information, using the mobile phone payment method, and attaching importance to sharing shopping experiences on social media (Accenture, 2018; Cui, 2017). Furthermore, from a psychographic perspective, five types of consumers with different brand personalities (Aaker, 1997) were selected as customer personas. Brand personality is the human personality characteristic in consumer cognition and can be built from five dimensions: sincerity, excitement, competence, sophistication, and ruggedness. Thus, participants representing the five brand personalities are selected to participate as customer personas in the entire service design research process.

1.8 Significant of the Research

When designers and brand managers change their thinking from design-centred to customer-centred, they must fully understand customers' real needs. As an essential consumer group in China's first-store economy, Gen Z's experience demand characteristics are of great significance to improving first-store's service design. The brands of first-store can do precise marketing according to the experience demand characteristics of Gen Z to enhance the quality of service and experience effect. The designer can provide first-store service with the optimized experience according to the experience demand characteristics of Gen Z.

The COVID-19 outbreak in 2020 had a massive impact on the world's economy. Many people have to stay at home, and online shopping has become a way for many families to maintain their daily lives in China and many countries. The World Health Organization predicts that epidemic prevention and control will become a long-term state. Shopping centres need to limit the number of customers. Some traditional shopping centres try to transform into online and offline integration models. The global outbreak of COVID-19 has accelerated the development of new retail models. Under the normalized mechanism of COVID-19 epidemic prevention, the new retail model of the first-store integrating online and physical resources will usher in a larger space for development in the world. The results of this study will provide theoretical support for the construction of the.

Omnichannel sales emphasize giving customers the best experience. However, there is currently a lack of research on omnichannel CX dimensions using service design theory. This study focuses on the first-store shopping experience of Gen Z consumers in China, which will provide solid support for omnichannel-related theoretical research. This research will help provide brand managers and designers with a new understanding of customers’ perspectives, as well as providing guidelines for designers to improve CX from the perspective of CX. It is an extension and enrichment of previous researchers’ traditional-store CX theory. The results of this study can be used as a reference for brands to set up omnichannel service models in regions other than Beijing.

The novelty of the present research is that it uses a service design approach to assess the omnichannel CX based for first stores. Researchers need to have an in-depth and detailed understanding of the feelings of target consumers, including positive and negative experiences. It is also necessary to explore the experience needs and behavior patterns of target consumers through the exploration of strategies for service design.

1.9 Summary

This study puts forward a new perspective to view and examine first-store design. Unlike designer-centred store atmosphere studies, this study attempts to solve problems through new service design theories and interdisciplinary research. In order to improve the economic benefit of first-store, this study explores the possibility of improving the service design of first-store from the perspective of enhancing CX. As first-store is a new concept, the findings of this study will also provide guidelines for first-store design.