



Politecnico di Milano

Scuola del Design | A.A. 2014/15

Master Degree in Product Service System Design

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MyHoming in Shanghai.

A product service system that enhances the urban network of shops and activities in Shanghai.

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This thesis is aimed at designing and developing a service system able to reveal the multi-faceted offer of the city of Shanghai.

Nowadays Shanghai seems to be overfilled of retails supplying a standardized offer that flatter the retail market. This is consequentially hiding those unique and peculiar business that want to differentiate their identity from the vast majority of the other shops.

To understand the actual situation, first, have been carried out a desk research of existing publications, papers and studies in order to understand and identify the retail situation of Shanghai with all its characters involved.

Secondly, have been carried out a “on-field” research made of data collecting and interviews to shopkeepers and possible user in order to have a clearer idea about the urban network made by people and shops.

Based on the evidences collected in the previous steps has been designed and developed a product-service system to be prototyped and implemented in the city of Shanghai.

The output of this research is AAA, a system that spots and localizes interesting and unique shop or activities for the (con)temporary citizen that wants to feel “like at home”. In this way users, using the website or the mobile application can enjoy and discover the urban network of shops and activities built up for them from AAA team.

Keywords: *local shops, urban network, mapping, Shanghai retail network*

Questa tesi è finalizzata all'idealizzazione e allo sviluppo di un sistema di servizio in grado di rivelare le diverse offerte della città di Shanghai.

Oggi giorno Shanghai sembra essere eccessivamente ricca di negozi che offrono tutti lo stesso prodotto caratterizzati quindi da un'offerta standard che appiattisce il mercato. Questo porta a nascondere quei business unici e peculiari che vogliono differenziare la propria identità dalla maggioranza degli altri negozi.

Per capire la situazione vera e propria, prima di tutto, è stata fatta una "desk research" di pubblicazioni già esistenti, documenti e studi per capire e identificare la situazione del commercio di Shanghai e tutti i suoi attori coinvolti. Successivamente è stata fatta una "on-filed research" caratterizzata dalla raccolta di dati e interviste ai diversi proprietari di negozi e possibili utilizzatori in modo tale da avere un'idea più chiara riguardo la rete urbana fatta di persone e negozi.

In base alle informazioni raccolte nei punti precedenti è stato disegnato e sviluppato un sistema di prodotto-servizio per la proto tipizzazione ed implementazione nella città di Shanghai.

Il risultato della ricerca è MHS, un sistema che individua e localizza negozi interessanti e unici o attività per il cittadino (con)temporaneo che vuole sentirsi a casa. In questo modo gli utenti, usando il sito web o l'applicazione mobile, possono godersi e scoprire la rete urbana di negozi e attività sviluppate per il team di MHS.

Keywords: *negozi locali, rete urbana, mappatura, Shanghai retail network*

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than 120 Mo



Nike Store,

Uniqlo,

s and more

Donald's [*]

in Shanghai City

*Small statues at DongTai market of Shanghai
Vsco / Soulfix*



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Retail market in Shanghai





In the next chapter the conformation of the Shanghai retail market and all the characters involved in it are investigated: starting from a brief history of the Chinese retail market and going through an analysis of different kind of shops, from the big mall to the local grocery store, in order to define a clear scenario of the state of the art.

A deeper understanding of this scenario means having a strong base of knowledge where to built up a efficient service for the city of Shanghai.

Retail market history & growth

Since 1978, when it first opened its economy to foreign direct investment, China's GDP has grown at a rate of 9.9%. China's economy has averaged an impressive ¹ 11.7%² growth rate since it joined the World Trade Organization (WTO) in 2001.

Urbanization, growing middle class and creation of wealth: China is home to 1.35 billion people³, while an average of 3.8% of the population moves to cities each year. The urbanization and rapid acceleration of wealth is creating a burgeoning middle class. Disposable income per capita of households in China's Tier 1 cities (Shanghai, Beijing, Shenzhen, Guangzhou) has grown 10.6% annually over the past 10 years⁴.

Rapid growth of retail sales: Retail sales, which have been increasing at a robust pace over the past decade, are forecast to grow at around 10% per year from 2012 to 2015. Together with the rapid growth of personal wealth, domestic and international retailers are eager to expand their footprint in the country.

The country's retail market is evolving as quickly as it grows. With higher incomes and increasing affluence, consumers are demanding better quality and unique products and services.

Also, new technologies are revolutionising the way retailers are running their businesses. Key aspects of this transformative phase include:

Aggressive store expansion is replaced by improving store

¹ DTZ China Insight High-end retail investment – Ranking the Opportunities (May 2011)

² International Monetary Fund – 2010 estimate based on GDP (PPP)

³ Population Division of the United Nations Department of Economic and Social Affairs

⁴ National Bureau of Statistics of China - 2012

productivity. Some domestic retailers used to adopt aggressive expansion strategies to boost brand visibility, only to find that such disorganised business expansion created many problems. Hence, a number of brand owners have started to close unprofitable stores and focus on improving core competencies.

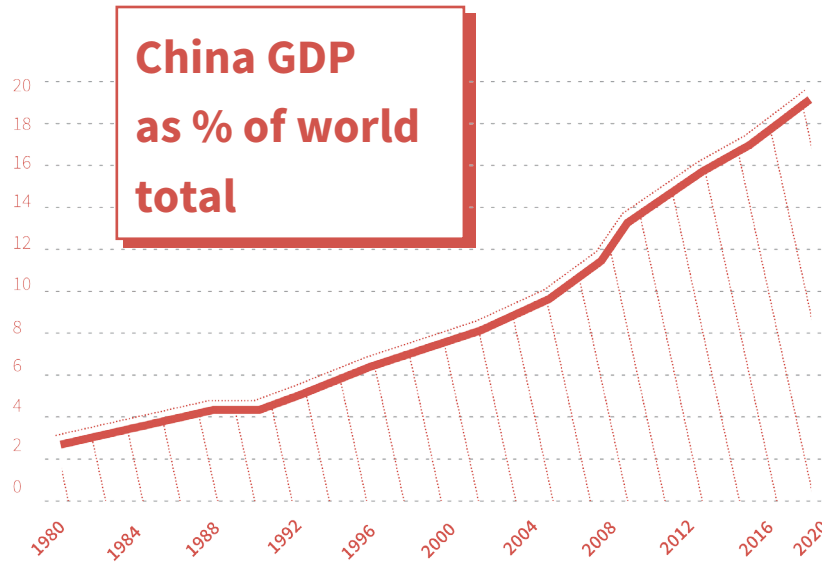
Retailers launch their own private labels or proprietary brands. Amid increasing competition, retailers are looking for ways to stand out from their competitors.

Launching private labels or proprietary brands is a profitable way for retailers to underline uniqueness, pushing up margins while improving customer loyalty. Yet, private label penetration is still at a low level in China. A lack of experience, skills and strategies on how to launch private labels remain significant challenges.

Mobile-commerce is increasingly popular, as is mobile payment. The mobile sales channel has become extremely important. Transaction values have seen a tremendous leap, up 181.0% yearover-year (YOY) to reach 37.52 billion yuan during the second quarter 2013 (2Q13).

Increasing numbers of e-payment providers have launched mobile services, making such payments increasingly easier, safer and more popular.⁵ Digital marketing is ever more prevalent. Social media is having an explosive impact on consumer purchasing decisions. Influential social media websites are believed to be in-

5 „China will overtake US as world's No 1 consumer: study%, Zhang Yuwei



creasing the sales conversion rate and encouraging more customers to purchase goods. Many retailers have been leveraging huge SNS website user databases to promote products and enhance profitability.

By 2015, the retail market will double in key tier-two cities, according to HSBC research, and shopping malls will account for 74 per cent of the retail market in these cities, up from 51 per cent currently. Tier 3 and tier 4 cities become the development focus. With ongoing urbanisation and rising incomes, consumption is growing fast in lower tier cities. Tier 3 and tier 4 cities are expected to be the key focus for China's retail business development over the next few years as competition gets tougher in tier 1 and tier 2 cities.

10.6%

GDP's annual growth of China's Tier 1 cities (Shanghai, Beijing, Shenzhen, Guangzhou) households

9.6%

Retail's sales annual growth in Mainland China

74.6%

Retail sales' growth in shopping malls of China's Tier 2-3 cities in 5 years

3.8%

People moving to cities every year [China has 1.4 billion people]

“By 2015 shopping malls will account for 74 per cent of the retail market tier 2-3 cities”

HSBC

2 2

Shanghai retail players' analysis

The considerable retail market in Shanghai is made of thousands of units all different from each other. Despite being composed by several parts they can be grouped into five main subsections: shopping mall, luxury retail store, boutique and local shop.

In order to analyze a retail, according to professor Francesca Murialdo's studies ⁶, there are four relevant elements that helps to show and define the soul of a shop:

[Identity] is how the retail shows his value and his mission.

[Window] is the connection between the retail identity and the consumer.

[Entrance] is the limit between the the brand/retail's area and the world outside.

[Display] is how products or services are shown to the customer.

Using these four elements have been carried out an analysis (IWED analysis) for each subsection.

5 „China will overtake US as world's No 1 consumer: study%, Zhang Yuwei

Shopping mall culture in China

The rise of the moneyed Chinese consumer may be old news. But the rise of consumers who insist on parking as close as possible to a doorway and who drink cappuccinos above a skating rink while their five-year-olds run circles around a potted palmetto has just started to hit commercial developers. That's why shopping malls will surpass office and residential space as the most profitable type of property investment on the mainland over the next two to five years, thanks to the nation's booming middle class and its fast-growing income. HSBC forecasts that 93 million Chinese households will join the middle class by 2015.

The China Chain Store and Franchise Association expects the number of mainland malls to jump 40 per cent to more than 4,000 by 2015.

Considering these data is not hard to understand why in the city center of Shanghai we can find a shopping mall at every corner. People want to have everything in the same place; restaurants, cinemas, shops and gym has to be nearby, better if they are in the same building.

*New South China Mall, Dongguan
Vsco/Herbit*



One of the best ways to explore a culture is through its marketplaces. From the chic malls in Milan to the vegetable stands in La Paz, shopping centres (whatever form they come in) serve as national symbols that reflect on local citizens' lifestyles and daily habits. So what can we learn from Chinese malls? From the state-of-the-art to the antiquated and from the posh to the bargain-bin, by taking a look at some of China's most recognizable malls we quickly see just how miscellaneous this country really is.



1) The Big and the Desolate – New South China Mall, Dongguan

The New South China Mall holds the heavy weight title of being the largest mall in the world, period. Opened in 2005, the complex is 890,000 square metres in total area and has space for 1,500 stores. It's also got everything from a roller coaster, go-kart track, massive restaurant square and seven zones modelled after famous international regions: Amsterdam, Paris, Rome, Egypt, Venice, the Caribbean and California all represented. With so much, it's ironic that the only thing this leviathan lacks is customers and stores. It's wedged between Shenzhen and Guangzhou, but too far away from either or to make it easily accessible by public transportation. With no customers businesses stayed clear, making the whole complex more than 99% vacant. The largely unoccupied, quiet, barren, dusty and dilapidated atmosphere has led people to start calling it "Ghost Mall", quite a demeaning term for a project that was suppose to eclipse all others as number one.

2) The Modern/High-Tech – Xidan Joy City, Beijing

With flashing neon lights, radiant colours and hypnotic music, the spaceship-like Xidan Joy City in Beijing is packed with enough futuristic gadgets to make even the most die-hard Star Trek fan blush. It also boasts some pretty over-the-top attractions. First of all, it stands at a goliath height of 13 stories. Second, there's a six-story single-system escalator – one of the largest in the world. Third, it has China's largest digital movie theatre with 13 screens in a 10,000 square metre arena. Fourth, it's home to Beijing's largest cosmetic market. Fifth, a 20,000 square metre food court satisfies the hungry with an impressive international selection. Sixth, there are regular music shows and other performances to energize drea-ry-eyed shoppers. Seventh, there's an upscale hotel and apartment complex right next to the action. And last but not least, apart from the cool gizmos and flamboyant displays, it's not a bad place to go shopping either. There's a plethora of department stores selling everything from household appliances, international designer tags and cutting edge electronics, including one of China's five (authentic) licensed Apple Stores.

Xidan Joy City, Beijing
VSCO/ Hoops



“Shopping malls will surpass office and residential space as the most profitable type of property investment on the mainland over the next two to five years”

HSBC



3) The Classy – Three on The Bund, Shanghai

Three on the Bund is the most luxurious shopping centre in China and a landmark for the mega-rich residing in or visiting the “Paris of the Orient.” The building itself is a classic Free Renaissance structure while the interior has been remodelled by the world famous architect Michael Graves. It’s home to several award winning restaurants (Jean George’s, Nougatine, Whampoa Club, New Heights), the HOW (House of Wine) wine tasting bar and Shanghai’s most exclusive private dining venue, the Cupola. The Shanghai Gallery of Art and Evian’s first established spa outside of France are added treats in this already opulent playground. With so many fine distractions, it’s hard to remember that Three on the Bund is actually a mall. Don’t forget about the various designer boutiques and Giorgio Armani’s China flagship store Armani/Casa. For details concerning price, well, in a place like this, if you have to ask, you most certainly can’t afford it!

LuoHu, Shenzhen
I/sco/ Avion J



4) The Copy-Cat – Luo Hu Commercial City , Shenzhen

It's no secret that China is the counterfeit capital of the world and perhaps no other mall best embodies that fact than the five-story Luo Hu Commercial City. Located between Hong Kong and downtown Shenzhen, this place has every knock-off imaginable: North Face jackets, Rolex watches, pirated DVDs, Apple iPhones/iPads, Gucci bags, Nike shoes, Panasonic TVs, Chanel cosmetics and any other look-a-like product that you can't afford at Three on the Bund. Here, you can even get a massage, your nails done and teeth cleaned for a discount price. Luo Hu has a seedy side, however. Prostitution and drug dealing are increasingly prevalent while begging, pick-pocketing and scams are also quite common, so keep an eye out when haggling down the price of your shiny new "SQNY" Playstation!



5) The Old and the Unique – The Middle and West Asia International Trade Market, Kashgar

The name says it all. This open-air, Silk Road bazaar in Xinjiang specializes in goods from Western and Central Asia rather than products from the Orient. Being the largest bazaar in northwest China and one of the country's oldest shopping centres at 2,000 years old, Pakistani crafts, Saudi dried fruits, Chinese silk, Turkish textiles and Middle Eastern spices are sold right beside Uyghur carpets, jewels, musical instruments, traditional clothing, pottery and water pipes. Apart from this long-established merchandise, one can also find an array of modern goods ranging from motorcycles to electronics. Just like any good mall, there's a sprawling food court, but you won't find any McDonald's or KFC here. Instead, suckling lamb kabobs, unleavened flat bread, zhua fan (a Uyghur rice dish), fresh fruits, ripe vegetables, fermented mare's milk and, the local favourite, stewed goat head, are just some of the delectable snacks waiting to be devoured. Make sure to go on Sunday when the livestock market is in full swing. It's an exceptional experience that rivals Tokyo's Tsukiji Fish Market with the auctioning of sheep and other animals from all corners of the Tarim Basin

IDENTITY // Shows the identity of the mall itself rather than the offers, architectural masterpiece

WINDOW // Doesn't show all the information about inside (only shops with direct access to the street), panels and advertising about the internal offer (restaurant, gym, etc.)

ENTRANCE // Huge entrance, multiple access from the street and, most of the times, from the metro

DISPLAY // Shows the identity of the shopping mall through installation

VIEWED ANALYSIS

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Luxury retail IWED

In Shanghai most of the luxury retail stores are situated on Nanjing Road and the Bund Area.

Most of the represented brands are renowned western Brands, placed in the upper price segment of the market. The concentration of the same brand retailers can be surprisingly high, even for a metropolis like Shanghai: within a few blocks range the same brand can be found multiple time, both with flagship stores and with smaller retailer stands inside shopping malls.

IDENTITY // Shows the identity of the brand (logo, colors, mood, etc.), luxury and premium

WINDOW // Shows few products, very detailed and very curated, impossible to see the interior of the shop from outside

ENTRANCE // Clerks welcoming the customer, classy

DISPLAY // Installation made by high level retail designers

JEWELRY ANALYSIS

THEMED ANALYSIS

IDENTITY // Shows the identity of the shop (at first sight, less recognizable than a luxury brand one), more personal and somehow introspective

WINDOW // Shows some products and, most of the time, the interior of the shop, one or two windows

ENTRANCE // No clerks welcoming you at the entrance because of the small number of people working there

DISPLAY // Mix between products and small installation generally designed and organized by the shopkeepers or clerks

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Boutique IWED

Boutiques which can be found in less trafficked and chaotic streets of Shanghai are addressing a more sophisticated customer segment. The customers of those kind of smaller sized shop research a different shop experience, as they require exclusivity and uniqueness at a lower price tag, when compared to the luxury stores above mentioned.

Those shops are located mostly on Julu Lu and the French Concession, where the concentration of expats is considerably higher than other locations in Shanghai.

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Generic Store IWED

Everyday shops, aimed at satisfying everyday needs of the population can be found in enormous quantities in almost every location of the city. As their target is the inhabitant of Shanghai, those shops are generally difficult to be found in the most touristic or upperclass areas of Shanghai. The further away one moves from the city center and goes deeper into the highly populated areas, the greater the number of smaller shops which can be found, up to the point where along the same street within 1 kilometre several shops can be found offering the same products at the same price levels, this is the case, for instance, of grocery shops and fresh markets.

IDENTITY // Identity is given by the products shown outside, “accidental” identity, not really designed

WINDOW // In the window there are most of the products sold in the shop

ENTRANCE // Normal entrance or directly on the streets

DISPLAY // Products are displayed without a clear organization

VIEWED ANALYSIS

Online Shopping

Despite online shopping cannot be associated and directly compared to the traditional live shopping experience, the online shopping phenomenon is growingly imposing as one as the main shopping experience and the one of the most popular way to procure for specific items, often at more favourable prices, without the hustle of going from shop to shop to find it.

As explained in an article published on the Times in 2010 online shopping first started in 1994 when Pizza Hut started an online ordering service on their webpage in USA. Another early actor was Amazon, which started selling real tangible products through websites, and eBay started online auction. According to 2003-2010 Annual Report of international ⁷ Electronic Commerce by Chinese Electronic Commerce Research Center, with the wide diffusion of Internet banks as well as the development of express delivery industry, in 2002, the turnover of online shopping in USA reached the level 1 billion USD. And this number kept on increasing by 15% annually during the following 6 years. In China, the first online deal was realized in 1998. In 1999, with the establishment of the first B2C website 8848.com, China gradually stepped into its own online shopping era. After the downturn of the market in 2001, Taobao created a special C2C operation model which helped its market share jump from 8% to 59% between 2003 and 2005.⁸ By 2007, the turnover of online shopping in China reached 56.1 billion RMB (around

⁷ „Amazon's 15th anniversary: A brief history of online shopping. Time, July 16, 2010

⁸ China online shopping research report, iResearch, 2006

⁹ Annual Report of Chinese Electronic Commerce development, 2010

¹⁰ Report on Chinese e-commerce, Liberation Daily, Aug. 2009

6.3 billion Euros), with an increasing rate of 117.4% comparing with 2006. In 2010, there are more than 148 million online consumers with a total turnover of 57 billion Euros in the Chinese online shopping market.⁹

1999-2002: getting started

In 1999, the first Chinese B2C website 8848.com was established, followed by the establishment of the first C2C website Eachnet. But during that time, Internet is really a new thing to most Chinese people. The companies are so eager for instant success and quick profits, and this new industry is not maturely developing, in 2001, the e-commerce of China came to a downturn in the market.¹⁰ In 14th, Jan. 2002, 8848.com went bankrupt. And some other C2C website also closed down because of the financial problems. During these three years, Chinese e-commerce market went through a lot of challenges.

2003 - 2005: growing fast

In 2003, Taobao was launched. The same year, Ebay spent 180 million US dollars to acquire Eachnet, then started working in Chinese market, and became the biggest competitor of Taobao.

Taobao created its special C2C operation model, de-

“You could take the Internet enthusiasm that was happening in 1999 and 2000 here in the U.S., and in China it was three-to-five times more ebullient.”

Mary Meeker

veloped a new instant messaging program for a better communication between buyers and sellers, created the third-party payment Zhifubao, while ebay is still following the old marketing method. Less than a year, Taobao won the competition. Its market share jumped from 8% to 59% within two years. At the same time, this competition promoted the standardization of the e-commerce market in China.

In 2005, the Chinese online shopping market was developing rapidly driven by the rapid growth of the whole national economy with a monthly growth rate of more than 12%.

2006 - 2007: returning to normal development

Following the good trend of e-commerce, Chinese online shopping marketing is getting mature gradually and after the rapid growth in 2005, it is returning back to the normal development. There is Merger and acquisition happening from time to time in the industry, while several big ecommerce companies: Taobao, PaiPai, Tom eachnet and Zhuoyue Amazon, start showing theutmost potential.

2008 - 2009: growing upstream

In 2008, the financial crisis affects almost all the industries and markets around the world, but in China, the online retail industry keeps a positive growing momentum. Price advantage and convenience of online shopping become more prominent during the economic crisis, which motivate more consumers to choose shopping online.¹¹

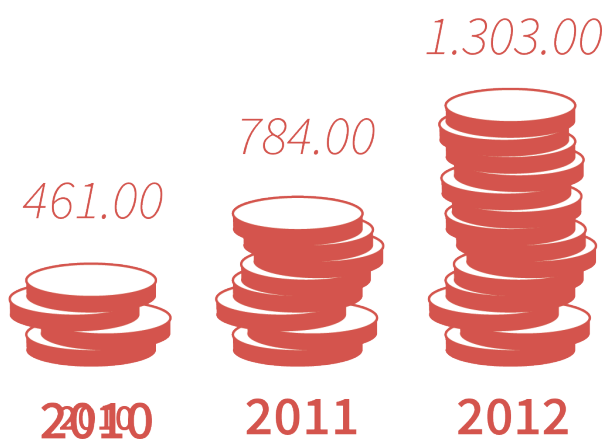
2010 - now : stepping into a mature periodo

After 10 years' development, Chinese on-line shopping is stepping into a stable developing period. Related law system has been enacted to monitor and administrate the industry. A stable market is formed after the competition between different companies.¹²

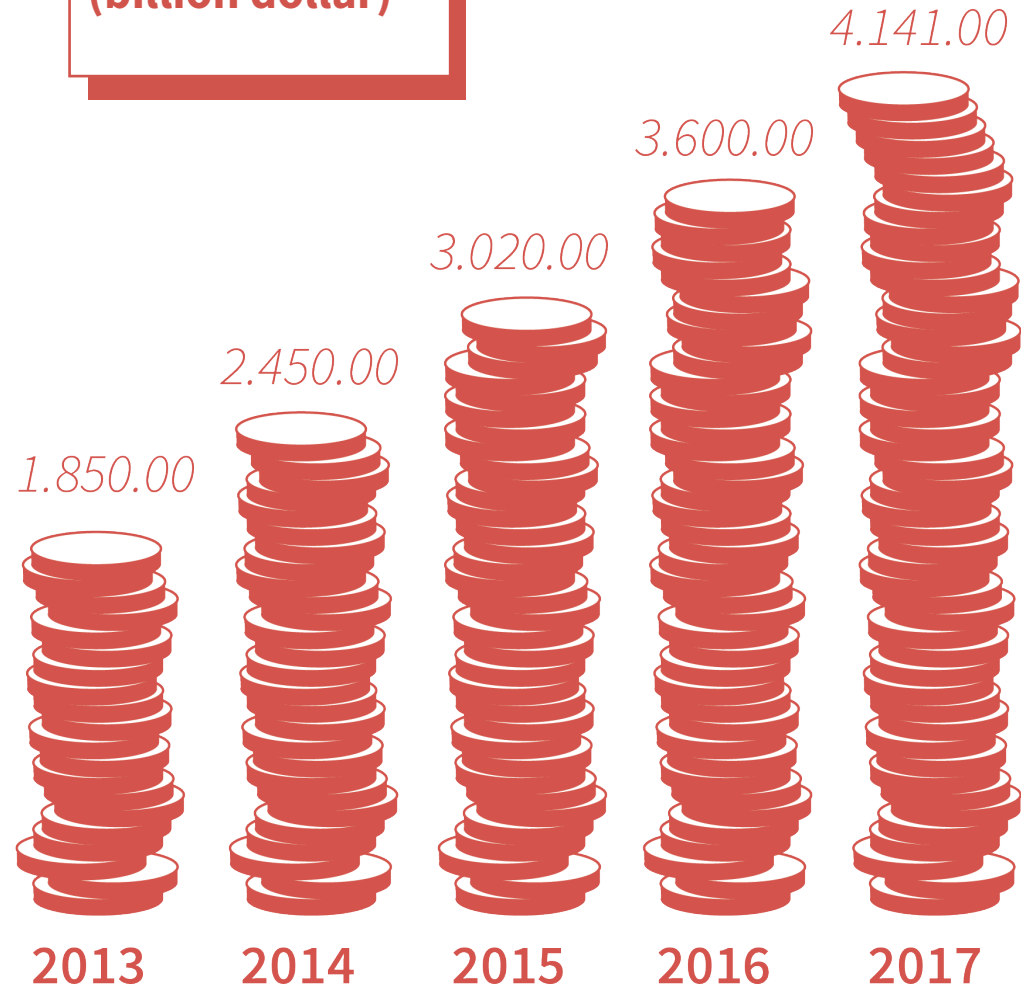
The process of the diffusion of online shopping in China can be seen obviously from the statistics of the growing number of online consumers as well as the increase of the turnover of online shopping.

¹¹ China online shopping research report%, iResearch, 2008-2009

¹² Chinese e-commerce marketing statistics report%, Chinese E-commerce research center, Jan. 2011



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**Chinese Online
Transaction
(billion dollar)**

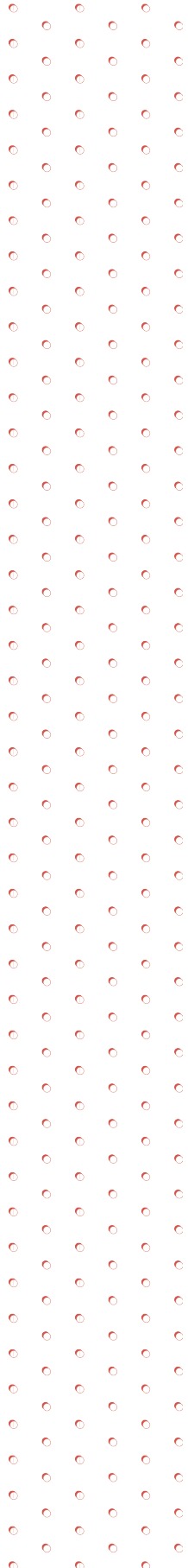


According to the Statistical Report on Internet Development in China from 2000 to 2010, in 10 years, the number of Internet users in China rose from 22.5 million to 420 million () the growing number of netizen is the steady base for the development of online shopping market. With the wide spread of the Internet, online shopping industry is developing rapidly during these 10 years.¹³

Taobao is owned by Chinese e-commerce giant Alibaba and the brainchild of founder Jack Ma. It is a free-to-use online marketplace with some 800 million product lines - from food to clothes to technology. It boasts 50 million unique visitors a day and is the top destination for three quarters of the country's online shoppers. Across China, online companies large and small are learning how to be effective e-commerce players - or fail like US eBay, which was trounced by upstart Taobao back in 2006. In 2010, China's online shopping industry had a turnover of \$80bn, and grew 87% year-on-year.

China's 420 million internet users spend around a billion hours each day online - and last year, 185 million made at least one online purchase.

 13 China Internet Network Information Center, 2011



According to Boston Consulting Group, the volume is expected to increase fourfold by 2015. Online shopping now accounts for more than 5% of China's retail sales, and Taobao's sellers are behind 70% of the country's on-line transactions.

E-commerce is changing the way Chinese consumers think about shopping: online, it is more social than a hard sell. It's a new engaging experience to savour.

In Chinese retail, trust is a rare commodity. There are plenty of fakes online, and buyers are often cursed by scams or shoddy goods.

Still, consumer faith in e-commerce stores is remarkably robust. That's because, apart from its convenience, on-line shopping has shifted the balance of power from sellers to buyers. China's consumers have the upper hand like never before - and it's not just because there are more traders at their fingertips than in the local High Street.

Learnings & Design Oppor

The research focused on the Shanghai's market situation has provided a deeper and clearer understanding of the current status of the services and the market features, and the involved players which interact in the network. The number of **big malls is increasing exponentially** and the process does not show signs of change. This process is **erasing from the city map a large number of small and medium sized shops**, and is standardising the offer to the clients, as each mall is a copy of the next, which is often, just around

Opportunities

1

the corner. Further, the research has provided the relevant information on how to categorise the different retail levels. Not only, but also the existing and the **new emerging trends** have been identified, and parallel, how to enhance the urban network and actually show the actual and real offer available today on the Shanghai market.

3

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*From big
to local*





During the next chapter the is conducted a desk research to understand, in the city of Shanghai, the implication of gentrification phenomenon on the urban network of shops and activities and “onfield” research conducted to identify and understand what could be considered “authentic” in a globalized city like this. The goal of the following chapter is to identify the culture of authentic places and clarify how is possible to reconnect them with the urban network overfilled of malls and western luxury shops. Is the gentrification a negative phenomenon or could be useful to start new trends and new opportunities for the city?

3**1**

The phenomenon

Gentrification is any facet of urban renewal that inevitably leads to displacement of the occupying demographic. This is a common and widespread controversial topic and term in urban planning. It refers to shifts in an urban community lifestyle and an increasing share of wealthier residents and/or businesses and increasing property values. Gentrification is typically the result of increased interest of external citizens to live in a certain environment. Early “gentrifiers” may belong to low income artists or boheme communities, which increase the attractiveness and flair of a certain quarter. Further steps are increased investments in a community by real estate development businesses, local government, or community activists and more economic development, increased attraction of business and lower crime rates. In addition to these potential benefits, gentrification can lead to population migration.

In a community undergoing gentrification, the average income increases. Poorer pregentrification residents who are unable to pay increased rents or property taxes find it necessary to leave.

There are several approaches that attempt to explain the roots and the reasons behind the spread of gentrification. Bruce London and J. John Palen (1984) compiled a list of five explanations: (1) demographic-ecological, (2) sociocultural, (3) political-economical, (4) community networks, and (5) social movements.

1) Demographic-ecological

The first theory, demographic-ecological, attempts to explain gentrification through the analysis of demographics: population, social organization, environment, and technology. This theory frequently refers to the growing number of people between the ages of 25 and 35 in the 1970s, or the baby boom generation. Because the number of people that sought housing increased, the demand for housing increased also. The supply could not keep up with the demand; therefore cities were “recycled” to meet such demands. The baby¹⁴ boomers in pursuit of housing were very different, demographically, from their house-hunting predecessors. They married at an older age and had fewer children. Their children were born later. Women, both single and married, were entering the labour force at higher rates which led to an increase of dual wage-earner households. These households were typically composed of young, more affluent couples without children. Because these couples were child-free and were not concerned with the conditions of schools

¹⁴ „Gentrification, Displacement, and Neighborhood Revitalization“ Palen, J. John; London, Bruce (1984)

and playgrounds, they elected to live in the inner city in close proximity to their jobs.

These more affluent people usually had white-collar, not blue-collar jobs. Since these white-collar workers wanted to live closer to work, a neighbourhood with more white-collar jobs was more likely to be invaded; the relationship between administrative activity and invasion was positively correlated.¹⁵

2) Sociocultural

The second theory proposed by London and Palen is based on a sociocultural explanation of gentrification. This theory argues that values, sentiments, attitudes, ideas, beliefs, and choices should be used to explain and predict human behavior, not demographics, or “structural units of analysis” (i.e., characteristics of populations).¹⁶ This analysis focuses on the changing attitudes, lifestyles, and values of the middle- and upper-middle-class of the 1970s. They were becoming more pro-urban than before, opting not to live in rural or even suburban areas anymore. These new pro-urban values were becoming more salient, and more and more people began moving into the cities. London and Palen refer to the first people to invade the cities as “urban pioneers.”

These urban pioneers demonstrated that the inner-city was an “appropriate” and “viable” place to live, resulting in what is called “inner city chic”. The opposing side of this argument is that dominant, or recurring, American values determine where people decide to live, not the changing values previously cited. This means that people choose to live in a gentrified area to restore it, not to alter it, because restoration is a “new way to realize old values”.

15 *Gentrification, Displacement, and Neighborhood Revitalization* Palen, J. John; London, Bruce (1984)

16 *Gentrification, Displacement, and Neighborhood Revitalization* Palen, J. John; London, Bruce (1984)

17 *Gentrification, Displacement, and Neighborhood Revitalization* Palen, J. John; London, Bruce (1984)

A corner of Shoreditch, London
Vasco/ Jamal





3) Political - economic

The third theoretical explanation of gentrification is political-economic and is divided into two approaches: traditional and Marxist. The traditional approach argues that economic and political factors have led to the invasion of the inner-city, hence the name political-economic. The changing political and legal climate of the 1950s and 60s (new civil rights legislation, antidiscrimination laws in housing and employment, and desegregation) had an “unanticipated” role in the gentrification of neighborhoods. A decrease in prejudice led to more blacks moving to the suburbs and whites no longer rejected the idea of moving to the city. The decreasing availability of suburban land and inflation in suburban housing costs also inspired the invasion of the cities. The Marxist approach denies the notion that the political and economic influences on gentrification are invisible, but are intentional. This theory claims that “powerful interest groups follow a policy of neglect of the inner city until such time as they become aware that policy changes could yield tremendous profits”. Once the inner city becomes a source of revenue, the powerless residents are displaced with little or no regard from the powerful.¹⁷

4) Community networks

The community-network approach is the fourth proposed by London and Palen. This views the community as an “interactive social group.” Two perspectives are noted: community lost and community saved. The community lost perspective argues that the role of the neighborhood is becoming more limited due to technological advances in transportation and communication. This means that the small-scale, local community is being replaced with more large-scale, political and social organizations. The opposing side, the community saved side, argues that community activity increases when neighborhoods are gentrified because these neighborhoods are being revitalized.

5) Social movements

The fifth and final approach is social movements. This theoretical approach is focused on the analysis of ideologically based movements, usually in terms of leader-follower relationships.

Those who support gentrification are encouraged by leaders (successful urban pioneers, political-economic elites, land developers, lending institutions, and even the Federal government in some instances) to revive the inner-city. Those who are in opposition are the people who currently reside in the deteriorated areas. They develop countermovements in order to gain the power necessary to defend themselves against the movements of the elite. These countermovements can be unsuccessful, though. The people who support reviving neighborhoods are also members, and their voices are the ones that the gentrifiers tend to hear.¹⁸

18 *Gentrification, Displacement, and Neighborhood Revitalization* Palen, J. John; London, Bruce (1984)



Paper & Cup, Dalston, London
Vsco/Clarenz

The Creative Class

The Creative Class is a socioeconomic class identified by American economist and social scientist Richard Florida in 2002. According to Florida, the Creative Class are a key driving force for economic development of post-industrial cities in the United States.¹⁹

Florida describes the Creative Class as comprising 40 million workers (about 30 percent of the U.S. workforce). He breaks the class into two broad sections, derived from Standard Occupational Classification System codes:

≈ **Super-Creative Core:** This group comprises about 12 percent of all U.S. jobs. It includes a wide range of occupations (e.g. science, engineering, education, computer programming, research), with arts, design, and media workers forming a small subset. Florida considers those belonging to this group to “fully engage in the creative process.”²⁰ The Super-Creative Core is considered innovative, creating commercial products and consumer goods. The primary job function of its members is to be creative and innovative. “Along with problem solving, their work may entail problem finding”.

≈ **Creative Professionals:** These professionals are the classic knowledge-based workers and include those working in healthcare, business and finance, the legal sector, and education.

They “draw on complex bodies of knowledge to solve specific problems” using higher degrees of education to do so.²¹ In addition to these two main groups of creative people, the usually much smaller group of Bohemians is also included in the Creative Class. In his 2002 study,

19 *The Rise of the Creative Class*, Florida, R. (2002)

20 *The Rise of the Creative Class*, Florida, R. (2002)

Super Creative Core, an artist
Vsco/Mook





*Creative Professional, Leeds
Vsco/Finnegard*

21 *The Rise of the Creative Class, Florida, R. (2002)*

22 *The Rise of the Creative Class, Florida, R. (2002)*

23 *The Rise of the Creative Class, Florida, R. (2002)*

Florida concluded that the Creative Class would be the leading force of growth in the economy expected to grow by over 10 million jobs in the next decade, which would in 2012 equal almost 40% of the population.

Florida says that the Creative Class is a class of workers whose job is to create meaningful new forms (2002). It is composed of scientists and engineers, university professors, poets and architects, and also includes “people in design, education, arts, music and entertainment, whose economic function is to create new ideas, new technology and/or creative content”.

The designs of this group are seen as broadly transferable and useful. Another sector of the Creative Class includes positions that are knowledge intensive; these usually require a high degree of formal education.²² Examples of workers in this sector are health professionals and business managers, who are considered part of the subgroup called Creative Professionals. Their primary job is to think and create new approaches to problems. Creativity is becoming more valued in today’s global society. Employers see creativity as a channel for self-expression and job satisfaction in their employees. About 38.3 million Americans and 30 percent of the American workforce identify themselves with the Creative Class. This number has increased by more than 10 percent in the past 20 years.

The Creative Class is also known for its departure from traditional workplace attire and behavior. Members of the Creative Class may set their own hours and dress codes in the workplace, often reverting to more relaxed, casual attire instead of business suits and ties. Creative Class members may work for themselves and set their own hours, no longer sticking to the 9–5 standard. Independence is also highly regarded among the Creative Class and expected in the workplace²³.

Example from the world: London

If we want to understand with a proper example the real facts about gentrification in the big cities all around the world, we should start to look at London, the UK capital. After the Second World War people start to move in dismissed areas that were considered industrial and not really attractive as residential areas.

Due to the cheap rent, people that cannot afford a nice apartment in Chelsea or Kensington moved their lives in neighborhoods like Camden or Islington. And this is a still on-going phenomenon, with different subject. At the beginning of the 90's, artists, freaks and bohemian's presence started to be consistent in Shoreditch area, that was considered "bit better than a dump". Suddenly, ²⁴ those new inhabitants begun to transform the area in an interesting meltin' pot of culture and creativity. In one hand they created a spectacular picture representing the culture and sub-culture of London with all his bars, trends, restaurants and shops.

On the other hand, started an unstoppable movement made of raising prices of properties. Where ten years ago were living artists belonging to the lower-middle class, now bankers and lawyer have their apartments. Once this happens one time, it will happens again. The "Creative Class" cannot afford living in those new "cool and residential" areas and doesn't want to be part of something that changed so much since they have arrived there.

They just prefer to find new places instead of fighting to keep the neighborhood as it was.

Nowadays, London is living this situation. Exactly the

²⁴ *Chasing Cool, The Economist, Apr. 2008,*

²⁵ *Why this 'Shoreditchification' of London must stop, The Telegraph, Jan. 2014,*



A view of London
Vsco/Clarenz

same of the past twenty years, but with an incredible pace. If the shifting from Notting Hill to Shoreditch had taken 10 years, the new “migrations” are much faster. The gap between Shoreditch and Dalston was just 2 years. And between Dalton and Peckham was even less.²⁵ So far London is the best example of gentrified city all around the world.

“The creative individual is no longer viewed as an iconoclast. He—or she—is the new mainstream.”

Richard Florida

Gentrification in Shanghai: Tianzifang

As in every metropolis in the world, also Shanghai has its own phenomenon of gentrification. Every shanghaiense and every tourist knows about the creative labyrinth of Tianzifang.

The district comprises a neighborhood of labyrinthine alleyways off Taikang Road, and is therefore also referred to as Taikang Road or Taikang Lu. Tianzifang is known for small craftstores, coffee shops, trendy art studios and narrow alleys. It has become a popular tourist destination in Shanghai, and an example of preservation of local Shikumen architecture, with some similarities to Xintian-di. Tianzifang is largely hidden from the neighbouring streets, as it grew from the inside of the block outward, although there are now shops on Taikang Lu itself. Historically Lane #248 was a key entrance that, in order to gain access to the commercially developed area, required walking about 50m through whilst be surrounded by local residents' life, including bicycles, hanging laundry, etc. until finally emerging in the 'new' area.²⁶

The neighborhood was originally built in the 1930s as a Shikumen residential district. It remained very local until about 2006 when it was slated for demolition to make way for redevelopment.

Opposition among local business owners and residents, as well as a famous artist Chen Yifei who had a studio in Tianzifang, in addition to a group submitted a proposal to the local government to preserve the Taikang Lu area and its traditional architecture and ambience. Rezoning of Tianzifang began in 2005/2006 with nearby art schools

26 A High-Fashion Lane in Shanghai, New York Times, Mar. 2007,

and studios, and later small international business owners found out about Tianzifang through the local grapevine. Its development began very slowly with local merchants, a New Zealand store, Japanese restaurants, and a tea house setting up in the district. From the beginning of 2007, journalists, visitors and local residents began to visit the area and spread the word about a cosy little lane district that housed some interesting and creative businesses. Additional articles in both local and foreign media such as the New York Times helped increase awareness of this older and unusual community, that stood out among the more modern and commercial shopping areas of Shanghai.²⁷

Tianzifang has become a major tourist attraction and has more than 200 diverse small businesses

27 *Rising Taikanglu, Chinadaily, Dec. 2006*

*Tianzifang, Shanghai
VSCO/Oberdus*



such as cafes, bars, restaurants, art galleries, craft stores, design houses and studios, and even French bistros. Despite all the businesses selling trendy foreign goods, the area does not have the look of having been overly beautified - electricity cables are still strung overhead, and air conditioning units are obvious on the outside of the buildings. The district is distinctly different from Xintian-di, another Shikumen redevelopment in the vicinity to the north, in that it has managed to preserve its residential feel, adding to its appeal.

USER // Tourists, expats, middle-high class Chinese

SHOP // Cafès, restaurants, design studios, atelier. No international chains.

PRICE // Much more than the city's average (ex. meal 80-90 yuan, beer 50 yuan)

HOSPITALITY // There are no language barriers (most of the shopkeepers speak fluent english and menus are in english too). Shopkeepers and personnel are helpful and nice.

The case of Julu Lu

A different development occurred to the north-west area of the Former French Concession.

Infact, in the neighborhood around Julu Rd. we can find a different situation about shops offer, climax and environment. Small boutiques, vintage shop and little european-taste cafes are more than the 80% of the working activities there. The main clients of these shops are middle-high class chinese people and expats, unsatisfied of the poor offer of Nanjing Rd and The Bund area. In Julu Rd. tailor-made high quality dresses take place of luxury brands like Gucci or Louis Vuitton.

But, this situation is not the consequence of a neighborhood modified after gentrification phenomenon. In fact Julu Rd. never have been a dismissed suburb where the “Creative Class” moved in because of the low rent prices generating that kind of social movement that we have seen before. Indeed during the past decade the price of rent, like in all Shanghai’s city center, had increased a lot, and people that were living in this area couldn’t afford anymore that cost.

The answer given from the inhabitants was unexpected. Instead of leaving the area to the middlehigh class, most of them decided to open shops, boutiques and cafes in order to be able to afford the rent. Moreover they positioned their businesses in a medium-high quality range market in order to attract the actual clients. With this strategy, people living in Julu Rd. had the possibility to stay in their properties generating also a great interest around it.

USER // Expats, middle-high Chinese class, few tourists.

SHOP// Boutiques, cafès, international and chinese restaurants. Low percentage of international.

PRICE // Close to the city's average (ex. meal 50-60 yuan, beer 45-50 yuan)

HOSPITALITY // 50% - 60% of shopkeepers speak english. Shopkeepers and personnel are helpful and nice but more discreet and reserved.

3 6

What about a normal street? Zhenning Lu

Zhenning Road is a street situated in Changning district. Doesn't have any touristic attraction nearby and could be considered part of a residential area. The majority of the shops on this street is made of groceries, small restaurants, mechanic's workshop and generic store. A traditional fresh market is taking place every morning and after 7 pm the street starts to be full street food stalls. Buildings reach maximum the sixth floor and is still possible to see old lane houses made of red bricks. There is any trace of luxury retail store, big malls or international chain store as Starbucks here. Zhenning Road is not an isolated and unique case in Shanghai.

USER // Chinese people and few expats living in that area.

SHOP// Groceries, chinese restaurants, fresh market, street food, hairdresser.

PRICE // Low - medium price (meal 20-30 yuan, beer 7-10 yuan)

HOSPITALITY // The big majority of shopkeepers doesn't speak english at all. Shopkeepers and personnel are helpful and nice in a sincere and friendly way even if the language barrier is high.



*A view of Zhenning Lu, Shanghai
VSCO/ Mauryt*

Learnings & Design Oppor

Despite it is apparent how the three above mentioned areas are substantially different as they provide different experiences, and host diverse inhabitants; they still show some similar traits. For once they all are non-obvious touristic attractions, they almost **completely lack western chains** and provide the goers with a glimpse of authenticity and genuine feeling of China. Obviously, the different frequenters are drawn to one destination rather than the other also given the price tag of the shops and restaurants that are present in the area. An example of this can be Tianzifang, despite the looks that might be misconceiving the price target is high and the cost for living and eating is not

Opportunities

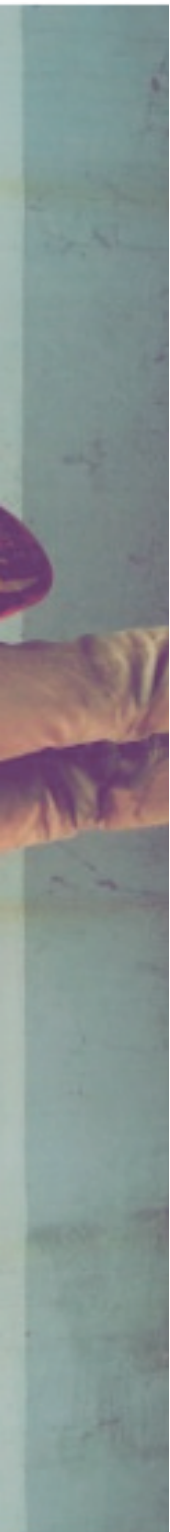
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affordable by all the population. Opposite are streets as is Zhenning lu, **where locals shops and where the authenticity is showed** by the kind of shops present, price levels and targeted consumers.

It is therefore necessary to **apply caution when dealing with the gentrification phenomenon** as it is not necessarily true that it would be impossible to find a true and authentic “traditional” shop, rather that modern and revisited versions of them; but it is important to pay caution when look for true traditional places, and consider other areas, probably less renowned, such as Zhenning Lu in Shanghai rather than the expensive and fancy Tianzifang.

40

*East mixed
with West*



Shanghai, during his history, have always been considered the most brilliant and developed city in China. The great port of the city is one of the most important of the world since the 19th century, transforming Shanghai in a real melting pot of people and different cultures. Shanghai is that stunning place where East meets West and ancient meets modern. Skyscrapers divide the same neighborhood of financial skyscrapers. Shanghai could be considered as the capital of fashion, arts and design in China. This attitude of Shanghai of being always a step forward to the other Chinese cities is reflected on his inhabitants (Kirst, J. 2012). In fact Shanghai has a multifaceted composition made of a mix of people, races, culture and costumes that makes the city unique. It's the first city in China that started to admire the West culture and the first that tried, with success, to incorporate in his drama this culture. The first car driven in China, was in Shanghai. The first metro system and the first sewer in China were built in Shanghai too.

Western Myth

Even if Shanghai is so multicultural, Chinese people are still the wide majority of the population (more than 92% of the total). By the way, we have to consider that, after the policies of “opening up” of the 90’s, Shanghainese middle-high class has changed a lot.

The view of multinational corporations in China has changed dramatically since the late 1970s, when the nation opened its economy and welcomed foreign direct investment, and global players such as Volkswagen, Coca Cola and 3M began exploring the market.

During the 1980s, other Multinational Companies (MNC) such as Motorola, Philips and NEC were received with open arms. They enjoyed corporate tax rates half those imposed on local companies, and they paid no duties on their capital goods imports. In general, they were revered by government and consumers alike. Even into the 1990s, as China and its people developed a better understanding of MNCs, the foreign companies were the objects of awe and admiration. At that time, Chinese consumers exhibited an almost unconditional preference for MNCs’ products and services. This fact, created a figure that you can meet in Shanghai: the middle-high class Chinese that loves to dress and live as a foreigner. China now is the number one luxury spender worldwide. Over two-thirds of luxury spending by Mainland Chinese consumers was done overseas in 2013, making up 29 percent of total global luxury spend, according to the China Luxury Market Study from consultancy firm Bain & Company

released in December 2013. This year, the numbers continue to grow as more and more Chinese travel abroad.

≈ Brand Reputation

Brand reputation is a decisive factor in the perception of Chinese consumers. In China, the ability of traveling abroad and wearing Western brands often enhance the person's social status. Chinese consumers are driven by social status and are highly brand-aware. Due to the Chi-

nese government's ongoing anti-corruption campaign, however, today's Chinese luxury shoppers prefer understated logos rather than big ones. However, they are still buying big brands. European high-end brands with top-notch reputation, such as Louis Vuitton, Gucci, and Prada, attract a record number of wealthy Chinese each year. Walk into any Louis Vuitton store in the US, you will find Mandarin-speaking associates introducing products to Chinese shoppers. In recent years, "Made in

USA" brands, including Tory Burch, Kate Spade, and Michael Kors, become increasingly popular in China, especially among young middle-class consumers. Known as

“Walk into any Louis Vuitton store in the U.S., you’ll find Mandarin-speaking associates introducing products to Chinese customers”

**“When our thousands
of Chinese students
abroad return home,
you will see how
China will transform
itself.”**

Deng Xiaoping



*A shopping mall, Shanghai
VSCO/Bulletd*

“affordable luxury” brands, they are less expensive than the high-end brands listed above and are often more flexible in style. However, this doesn’t mean that brand reputation is less important for Chinese, but that brand reputation is not all about being expensive. Young Chinese consumers are more likely to buy based on uniqueness rather than as a show of wealth.

“Affordable luxury” for them is like the fresh air, and is quickly building up a reputation as a part of a new lifestyle. Many brands now realize that “affordable luxury” is where a large portion of growth is going to be. Many Chinese consumers believe that Western brands have better quality than Chinese brands, so it’s not hard for a Western brand to create a good reputation in China. However, without cultural awareness and sensitivity in marketing, the established reputation can be destroyed overnight.

≈ Brand Story

Whether it's an ultra luxury bag or a daily facial cream, Chinese consumers want to feel different when they use what they have get from the West. A brand story that appeals to Chinese consumers contributes considerably to the Chinese consumers' emotional brand attachment. Chanel's foray into brand storytelling is a good example of how luxury brands should advertise. The company's founder, Coco Chanel, is the woman behind the legend. She had a complicated life: a miserable childhood that she ran from; a series of men in her life, each different from the others but none of them made her happy in a lasting way.

Eventually, she gained confidence and courage to challenge tradition and celebrate being herself. At a time when the fashion world was dominated by constricting corsets, Chanel revolutionized the rules by introducing comfortable, casual clothing that borrowed fabrics and attitudes from men's fashion, which resonated so much with young women in that era. It's more than apparel; it's a way of living and a way of thinking. "Luxury must be comfortable, otherwise it is not luxury," said Coco Chanel. Chinese consumers are very social media savvy, and a powerful brand story like Chanel's can quickly go viral online. Spread your brand story, and ensure Chinese people forget about it. Remember that successful brand stories are not exclusive to big luxury brands. Some brands we see in our everyday lives, such as Apple, Toms, and Starbucks, also mastered story telling in China and achieved great success.

"Luxury must be comfortable, otherwise it is not luxury"

≈ Star Products

Nothing is more important to a brand than its products. Stars products of a brand can be its best sellers, award-winning products, or the most popular products. In the collectivistic culture of China, an individual's purchase decision is easily influenced by others, and consumers tend to buy products widely talked about.

Skincare brands are adept at knowing how a star product can make a brand. For example, Clinique 3-Step System Kit, which includes three products to cleanse, tone, and moisturize the facial skin, has been very popular in China for years. "Three steps, three minutes" offers users a simple but effective way of daily skin care, which has helped Clinique to achieve great revenue and long-lasting fame in China. Some sought-after skincare products have nicknames by their Chinese buyers. For example, Lancôme 'Advanced Génifique' Youth Activating Concentrate is known as the "little black bottle" in China, and Erno Laszlo 'Phelityl' Night Cream is "tofu cream".



AAlexander Wang collection
VSCO/ MGBAM

≈ Product Exclusivity

The main reason for Chinese shop for luxury items abroad is to avoid high tariffs. But another reason that should not be neglected is that some collections and items are exclusively sold overseas. There is an old Chinese saying that goes: value comes from scarcity. So, in addition to saving money, Chinese consumers who shop abroad also look for exclusive products that can differentiate them from buyers in China.

“Our Chinese customers usually come here with bag images in their phones,” a sales associate at Coach said. “And they like to buy bags that are only sold here in the States.” Like Coach, many brands produce different collections in different countries. The best way for Chinese to get items that have “scarcity value” is to take advantage of their overseas trips. As for those people who don’t have either money or time to travel abroad, all they can do is to ask someone to bring or mail certain products back for them. In fact, seeing an increasing demand for exclusive Western products, many Daigou (middleman buyers) businesses have sprung up, that specialize in acquiring foreign goods for Mainland Chinese consumers. Today, Daigou has become a huge phenomenon in China. Some students who study abroad make a large profit with these businesses.

“I flew half way around the world to be here,” said Jing Li, a 25-year-old independent traveler from Beijing. “Products here are cheaper and many collections are not available in China.” So, what does this all mean in a nutshell? Chinese tourists are interested in products that can



Adidas Yeezy 350 Boost,
VSCO/ Snikkers

enhance their social status and make them feel different. Brands with a compelling reputation, a memorable story, sought-after star products, and exclusive limited editions are what Chinese tourists spend money on. Besides the brand itself, marketing is also vital to attract Chinese consumers and the most effective way to spread the word about your brand in China is through digital marketing, especially social media campaigns.

New Trends

However, beginning in 2000, when per capita GDP climbed above US\$1,000, and especially since 2001, when China joined the World Trade Organization, both the Chinese government and consumers have changed their perceptions of MNCs drastically. MNC projects now are scrutinized much more for their fit with national interests. Furthermore, MNCs increasingly are getting local treatment. The coming equalization of the corporate tax rates (to be phased in as of January 1, 2008) between local and foreign companies attests to this. MNCs are now held to the same, if not stricter, standards than local competitors in terms of areas such as employment standards and environmental standards. And they are finding that those standards are enforced much more rigorously.

Chinese consumers also have become more demanding. As a rule, shoppers no longer see much difference between products made by Chinese companies and those made by MNCs.

Indeed, their expressed purchase choices often are cast as negative reflections of how much more they had expected of MNCs. In some ways, China's consumers feel

“When in McDonalds arrived in China, while being marketed as a copy of the American format, is a diner where Chinese people sit for many hours.”



*A chinese girl in front of Chanel
Vsco/ Modf*

let down. The cachet of the MNC is no longer there; savvy shoppers now emphasize objective details and product quality. The life of international brand is no longer easy as it was at the beginning of the century. Open a market in China is much difficult and needs a serious strategy in order to succeed. Let's give some example. When in McDonalds arrived in China, while being marketed as a copy of the American format, is a diner where Chinese people sit for many hours. Unlike most Western branches, in China the décor and the seats are inviting a long hangout. While McDonalds, along with KFC and other enterprises have introduced the fast food culture in China, they have also made adjustments, making the meaning of 'fast food' attractive to the local developing culture. Similarly, Pizza Hut in China is a semi-fancy restaurant with a thick

*The Shelter, one of the best club in Shanghai
Visco/Wombatz*



menu, where pizza is by no means the main course. While Pizza Hut offers modernity, it also establishes a new cultural meaning as a middle class hangout, misleading customers who believe that this is merely an extension of a Western dining style. Another example could be the one of two big fashion brand. Ralph Lauren and Ermenegildo Zegna have had opposite experiences. Ralph Lauren recently opened up a new flagship store in Shanghai's Bund area and has plans to open up 15 or so more stores mostly in Shanghai and Beijing. The problem is that the company should be opening stores in other cities and in better locations. Most Shanghai residents buy luxury



*Feiyue shoes, a chinese masterpiece
VSCO/RO9*

products on trips abroad to Europe or Hong Kong, where the prices are lower and the cachet greater. Those who do buy at home don't go to the Bund; they consider it a shopping destination more for foreigners than for locals. Ralph Lauren has completely misunderstood who its target market is and where they shop.

Zegna, on the other hand, is enjoying soaring sales in China, because it has 75 sales points, mostly in second- and third-tier cities. It even celebrated its centennial in Shanghai rather than in Milan, because China is where it sees the future.

4

3

Actual Situation

In the past few years a new phenomenon have interested the Shanghainese middle class. The big differences (culture, religion, interest, hobby, clothes, etc.) that were common ten years ago between chinese and expat is nowadays decreasing. Chinese people are not looking anymore to luxury western products with admiration, and is common in Shanghai to see group of chinese people in clubs “meant to be for expats”. Probably, this fact is due to the increasing presence of expats in the city and the higher number of chinese students studying abroad. Vintage shops in the Former French Concession, used to be good only for “laowai”, are now being frequented by young chinese people, that are looking something different from H&M and Zara.

If there’s going to be a place in the world were east culture will mix completely with west culture, creating a new identity , that place would be, for sure, the city of Shanghai. In fact, in Shanghai, there are not only chinese people that are cutting the gap with expats, but also the opposite. More and more expats and foreigner students are also starting to live closer to the chinese culture. Chinese Mobile APPs like the sharing music platform DUOMI, or the booking system for taxi DIDI DACHE are widely



Vance of Joy, a vintage store in Shanghai
Vsco/ Mitchy

used by the expat community; even if the language barrier is still strong people enjoy the APPs functionalities. Another example could be Taobao. One person out of 4 uses Taobao frequently. One out of two had use Taobao at least once in his shanghainese experience. These are incredible numbers and data if we consider that Taobao platform is only in mandarin.

Learnings & Design Oppor

What comes out from this chapter is that the gap between East and West, in Shanghai, is decreasing. These are the most relevant key findings:

1. Design a solution that is suitable **both for chinese and foreigners** (languages and functionalities).

tunities

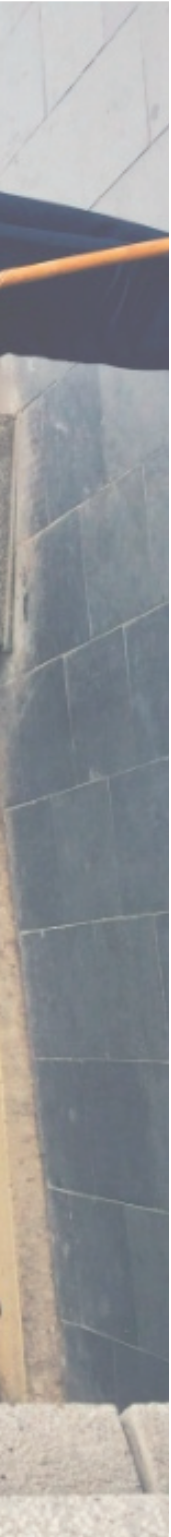
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2. Both chinese and foreigners may be interested in experience **unique places**.

3. More and more foreigners are starting to use services meant to be “**only for chinese**”

50

*The
qualitative
survey*



A

survey to understand. A survey to know more. In order to collect impressions and understand what people are looking for in Shanghai have been carried out a qualitative survey.

This survey aimed to achieve a deep understanding of the people, shifting the attention from the masses to the individual enabling radical new opportunities. Service design places more emphasis on qualitative over quantitative research methods.



Qualitative research helps designers dive deeper to understand “chaos and emotions”, because designers are interested in people’s needs, behaviors and motivations.

In this way have been collected insights from twenty people, considered possible users of the service. All the questions have been asked in order to understand three main important issues for the project:

≈ If the service would solve an effective problem for some citizens of Shanghai

≈ Appealing of the idea among possible users

≈ Define the steps to follow for the concept phase (key points)

// INTERVIEW F2F

Insights from 20 people

Age 18 - 38 belonging to different social class

Question 1: **What do you miss living in Shanghai?**

Question 2: **What do you do when you miss something?**

Question 3: **It's hard to find interesting places in Shanghai?**

Question 4: **How do you find interesting places?**

Question 5: **Would you trust places chosen by other people?**

[LUNA]



25 y.o. | Italian | Speaks Chinese

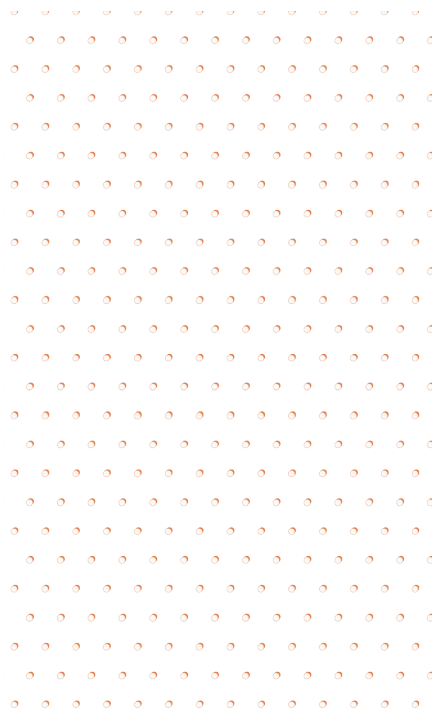
Q1 // *Food, clothes, Tv, nature, hygiene, “particular places”*

Q2 // *Look for nice cafes, have a walk in the most beautiful places in Shanghai, stay with my friends*

Q3 // *Yes, everything looks the same if you don't pay attention*

Q4 // *Mouth by Mouth, other expat, SmartShanghai*

Q5 // *If they are similar to me yes*





LEHNI

21 y.o. | Chinese | Speaks English

Q1 // *Food, friends, fields*

Q2 // *Discover new places in areas that I've never been before hoping to find something new*

Q3 // *Depends what you're looking for*

Q4 // *Mouth by Mouth, web*

Q5 // *If the system works, why not?*

Learnings & Design Oppport

After the insights from the survey have been collected and analyzed the main findings are:

1. The majority of the people interviewed is **not (completely) satisfied by Shanghai's retail market and are looking for different solutions.**
2. The majority of the people interviewed, when not satisfied by Shanghai's retail market, is looking for shops and activities that let them **"feel like home"** or brings them back to a peaceful and calm situation already experienced before living in Shanghai (typical food, trusted shop).

unities

4

3. The majority of the people interviewed wants to have an experience that **let them feel unique and authentic.**

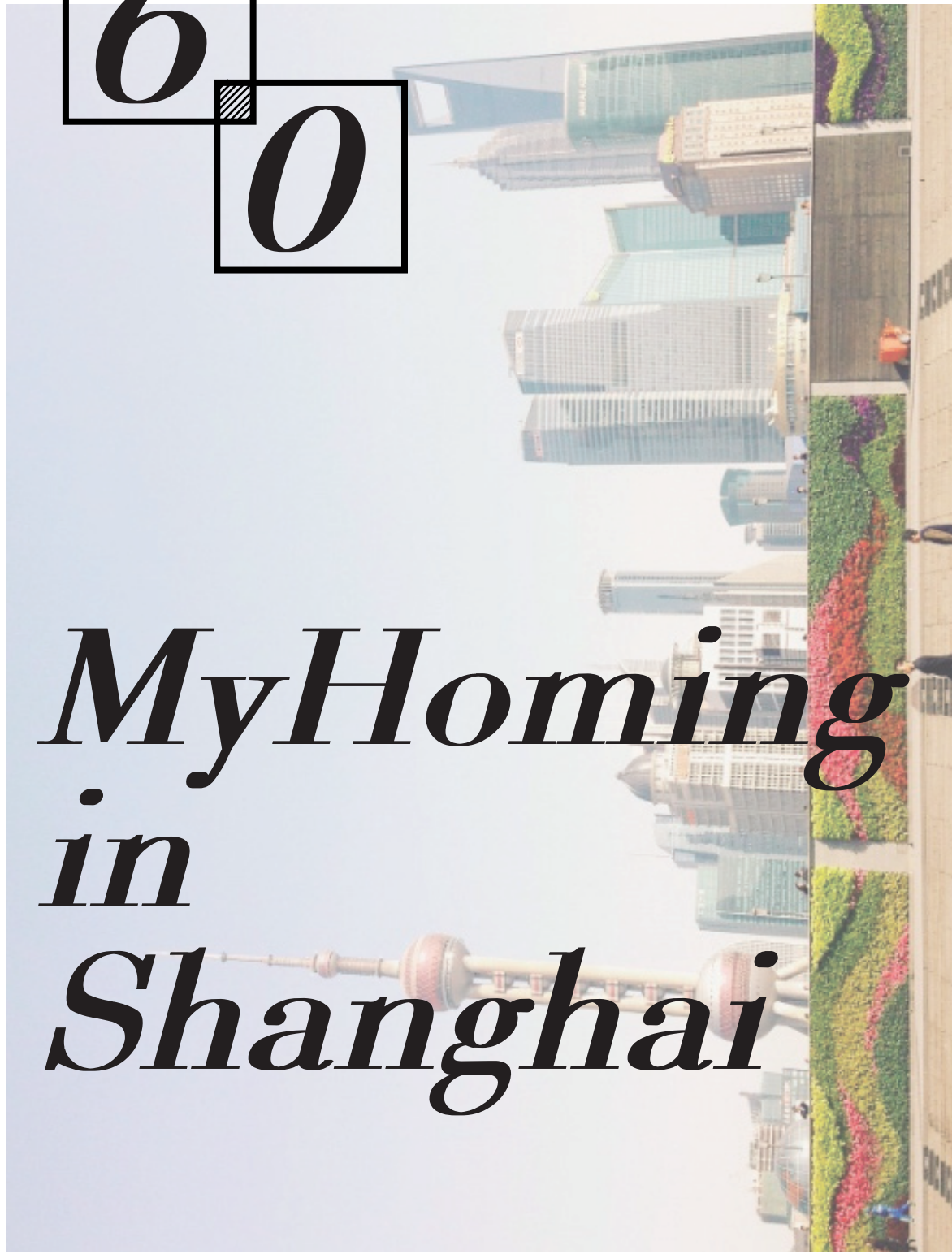
4. All the people interviewed **would use a service that let them know authentic and unique places.**

5. All the people interviewed would trust somebody's else advice if the system work in a **clear way.**

6. The majority of the people interviewed, in order to describe authentic, trusted and unique places have used, at least once, these following words: "**particular**", "**peculiar**", "**only mine**", "**less foreigner**", "**less laowai**", "**still unknown**".

60

*MyHoming
in
Shanghai*





Considering the research reported so far in the previous chapters and considering the interview carried out to possible user, now it's time to find a solution for the starting question that gives a meaning to this project. During next pages will be explained how MyHoming Shanghai has been developed starting from MyHoming Milano experience.

Case studies

Foursquare

Foursquare is a location-based social network. Foursquare lets the user search for restaurants, nightlife spots, shops and other places of interest in their surrounding area. It is also possible to search other areas by entering the name of a remote location.

The app displays personalised recommendations based on the time of day, displaying breakfast places in the morning, dinner places in the evening etc. Recommendations are personalised based on a number of factors including a users check-in history, their “Tastes” and their venue ratings. The app also learns about the places they like to go as they move through the world and uses this to personalise their experience. Foursquare eschews the traditional concept of letting users leave long-form reviews, and instead encourages the writing of “Tips”. Tips are short messages about a location which let other users know what is good (or bad) there. Tips are strictly limited to 200 characters in length.

Users have the ability to ‘Like’ tips left by other users, which makes those tips more prominent. As a reward for leaving quality tips, a user can also earn “expertise” in a particular location (e.g. a neighbourhood or city) or category (e.g. Italian restaurants). Expertise is awarded based on the number and quality of tips a user writes, a tip’s quality being measured based on the number of views, saves and “likes” it receives from other users. When a user earns expertise, their tips are made more prominent and a label indicating their expertise is added beneath relevant tips.

SOCIAL NETWORK

USER // 50 Million

TARGET// They're traveling, not familiar with the surroundings and they don't have a direct way to get information (or are not willing to use the offered ones)

SPOTTED VENUE // 27 Million

COST// Free

BUSINESS MODEL // data selling (biggest "free-rights" database of venues)

GOOD // Usage of "tastes", different methods of research

BAD // Too generic, lack of standards

AroundMe

AroundMe is an app launched in 2008. Using this location data, the user can search the area around him for a whole range of things, from hospitals to movie theatres, and car parks to pubs.

Tapping on a category AroundMe will not only gives the user a written list of places he might find useful, it will also drop pins on a map to show precisely where they are situated. Tapping one of these pins, or on the name of the place you would like to visit, will bring up their details, allowing the user to find their contact number, view their address or, with a tap, go to their Google Details page, with reviews, opening hours and more.

Tapping the eye icon in the top of the display and

holding the device up will allow the user to view the location of the nearby attractions onscreen in a virtual environment. This not only gives him a simple direction pointer; it will also tell him how far is the location. During last three years AroundMe signed contract of collaboration with Booking.com, Opentable.com, Four-Square, and loads of other top notch localized data providers in order to increase his database and create new possible business. "AroundMe is leading the way in local search, so that our users can find what they want, when they need it".

MOBILE APP

USER // 6 million x month active

TARGET // They're traveling, not familiar with the surroundings and they don't have a direct way to get information.

a. look for sightseeing opportunities, cultural or other events as well as museums or historical sites.

b. in a hurry, needing a place to eat or where to stay (primary needs)

SPOTTED VENUE // 40 Million

COST // Free

BUSINESS MODEL // advertising & data selling

GOOD // simple interface and usability

BAD // too generic, lack of filters

WEBSITE

USER // 315 million monthly visitors

TARGET// Travelers, tourists, business people

SPOTTED VENUE // 4,5 Million

COST// Free

BUSINESS MODEL // advertising

GOOD // Creation of a great community

BAD // oo many fake comments, lack of filter, lack of standard, on TripAdvisor's map there's everything and nothing

TripAdvisor

TripAdvisor is a travel website company providing reviews of travel-related content. As claimed from the company, TripAdvisor is “the world’s largest travel site, enabling travelers to plan and book the perfect trip”.

Through TripAdvisor the user can plan his trip, checking all the reviews made by other users. Comments, rating and picture are all generated by user. In fact TripAdvisor was one of the first web platform based on “user-generated contents”. The user, through TripAdvisor web platform, can also book directly accommodation, dinner and any kind of attraction.

WEBSITE

USER // 200.000

TARGET // Travelers, tourists, business people

SPOTTED VENUE // 10.000

COST // Free

BUSINESS MODEL // What a space is a service opened by (Im) possible Living that creates profit for the company. The idea is to create a platform that match the request of those users that want to rent a temporary place and the offer of landlords. 75% of the rentable places have been spotted by (Im)Possible living.

GOOD // Business model, creation of “free-rights” database

(Im)Possible Living

(Im)Possible Living is a start-up project launched in 2011 in Milan. It is the first global community born to map and give new life to abandoned buildings. The goal of the company is to build a worldwide database of abandoned buildings, provide tools and knowledge to help our users start rescue projects, connect professionals to help on the design process and find money to make these projects become real. This mapping and spotting activity is done mostly by the user that, once he has found the abandoned building, can localize it using the impossible living application. The role of the user is not only this one. In fact every user can vote the quality of the abandoned building and, most of all, suggest a possible new solution for the spotted building. The most brilliant solution, voted by the community, may have the possibility to be realized.

MyHoming: the partner

MyHoming is a collaborative web platform launched in 2013 by Laura Galluzzo and Angela Ponzini.

The goal of MyHoming is to match demand and offer of local quality services for the (con)temporary inhabitants of Milan. The idea of this project came out taking a look at some data about the city of Milan. Even if Milan has a great cultural and touristic potential, services made for hospitality are mostly inefficient and badly designed. Moreover, Milan is seen as the Italian capital for fashion, art, craft, innovation and design but, due also to the economic crisis, 429 activities and shops had closed in the first semester of 2013. The aim of MyHoming is to improve the 29 services quality offered in Milan and give a new life and new opportunity to small-medium local shop and refresh their business.

MyHoming motto is “my homing is my own way to feel like home”. In order to let every user “feel like home” MyHoming has the goal to spot, localize and reveal small-medium activities around Milan that could satisfy the user research.

my  homing

MyHoming in Shanghai

The goal of this project is also to understand how to scale and replicate MyHoming system and success in the city of Shanghai. The research has been conducted in order to create a strong base of knowledge made of data, trends and analysis that will be the starting point of this project. Through this research phase has been discovered that some elements of MyHoming Milano could work also in a different environment, but some other has to be modified to make the system works perfectly.



Two shopkeepers in Shanghai
Instagram / Vitoplantamura

6**4**

MHS Personas

Understanding for whom we are designing is the first step of a project. If this detail is not clear, probably the project won't work.

That's why the first thing to clarify, in order to replicate MyHoming system in Shanghai, is who could be the possible user of the service.

In order to show clearly who are the identified user have been designed five personas that identify and study the profile of a possible user included in MHS system.



JENNIFER

- 23 Y.O.
- SHANGHAI
- SPEAKS ENGLISH

Jennifer is a software engineer student at Fudan University. She's born and grew up in Shanghai. She's passionate about new technologies and new trends. Really frequent user of social media such as Wechat, Facebook and Weibo. Lot's of her high school's classmate use to hang out together in classy and chic bars or club, but she prefers to spend her week-end in international and underground clubs. Jennifer's ideal Sunday starts with a brunch at her favorite Wagas in French Concession, continues having a walk looking for some shops where to buy new clothes and ends with an aperitif in Tianzifang area.

Gregorio is a graphic designer based in Shanghai since 2007. He's very busy with his job but always finds some time to attend events and art exhibition.

Since Greg lives in the city since almost 10 years is always happy to share his Shanghai knowledge with people. If a person is looking for a dentist or a nice Sichuan's restaurant, Gregorio, for sure, knows where to address him.

GREGORIO

- 32 Y.O.
- MILANO (ITA)
- SPEAKS CHINESE





BEN

- 27 Y.O.
- MANCHESTER (UK)
- DOESN'T
SPEAK CHINESE

Ben is studying Biology at Manchester University and he's arrived in Shanghai at the beginning of March as exchange student for 8 months.

He's really passionate about fashion, photography and chinese food. Ben loves to move around Shanghai with his new bicycle in order to discover new areas and interesting place or people to shoot them picture. During his trips, he always find nice and cheap restaurant where to eat amazing fried noodles or bars hidden inside a typical lane to drink a cappuccino. Ben is a student and doesn't have a great quantity of money, so is always happy to find cheap and amazing solution.



Mr. Fang runs his restaurant since 30 years. His restaurant is not in a touristic area of Shanghai so customers are always the same. He loves to cook for them and play cards with the most closest ones. Sometimes happens that new clients come inside the restaurant and Mr. Fang receives them with a huge smile. He looks forward to let them try his amazing dumplings. If Mr. Fang is happy to see new clients, is even happier when these people come back with friends.

MR. FANG

- 62 Y.O.
- SHANGHAI
- DOESN'T SPEAK ENGLISH

WANG

- 30 Y.O.
- TIANJIN
- SPEAKS ENGLISH

Wang moved in Shanghai after he graduated from UCLA. Since he was a teenager his dream was to open a skate shop. And he did it in Shanghai. The Attic, his shop, is not a usual skate shop. In fact Wang started to organize events like movie-nights, concerts, dj sets and art exhibition. He's also planning to open a small coffee shop inside. The Attic's customers will have the possibility to buy a pair of shoes and, at the same time, drink a cup of brazilian coffee and listening to good music.



MHS System

MHS is a product service system designed to enhance the urban network of shops and activities in Shanghai. Taking inspiration from the great example of MyHoming model, involved in this project as partner, MHS is the experiment of replicate a successful system in a different scenario.

The main goal of MHS is not showing everything the user has around. We are talking about qualitative information about the area, not quantitative. MHS prefers to have on his map one unique and rare shop instead of having twenty restaurants that look exactly the same.

Moreover, the aim of MHS is giving to the user a particular and specific kind of experience. In a crowdsourced system this couldn't be possible because every user has a different idea about what to spot. Following MyHoming footprints and experience, also MHS will not be directly crowdsourced from the user.

MHS network is built in three possible ways, always granting the affidability of what the user is looking for:

- / suggested places from the community of MHS
- / MHS mapper put shops and activities on the map using
- / suggested by group of interest (bicycle lovers, fishing enthusiasts, coeliac, vegan, animal friendly,..) sensitive targets (working mothers, disabled people, blind,..), blogger, trendsetter and association

In this way, the selection of shops and activities is always following the criteria and the mission of MHS without losing credibility and trust.

M H S FLOW

GROUP
- O.I.

INFORMATION
MATERIAL
CASH
EMOTIONAL

SUGGEST
FAME

M H
S

MAPPER'S KIT
EXPENSE REFUND
SHOP'S INFORMATION
SUGGEST

MAP
PERS

SUGGEST
FEEDBACK

SPOT ON THE MAP
SHOP'S INFORMATION

USER

SHOPPING
GOODS
EXPERIENCE

SHOP



DIRECT OFFER

INDIRECT OFFER

USER

SHOP

CITY

OFFER GIVEN THROUGH

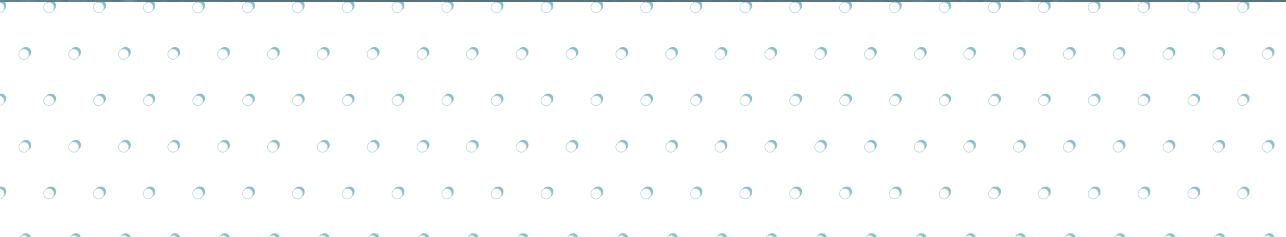
WEBSITE
MOBILE APP
ADV
INSHOP INFO

ONLINE ADV
OFFLINE ADV

NEW - EXPERIENCE
DISCOVER - NEW SHOP
SATISFY - THE QUEST

NEW - BUSINESS
MORE - VISIBILITY
DIFFERENT - CLIENTS

MORE - ATTRACTIVENESS
ENHANCE THE URBAN NETWORK OF SHOPS



6 6

MHS Offering map

MHS is a very simple system from which users and shopkeepers could benefit. The research of is going to be easier and more effective for the user, without losing that important feeling of discovering a new neighborhood or city.

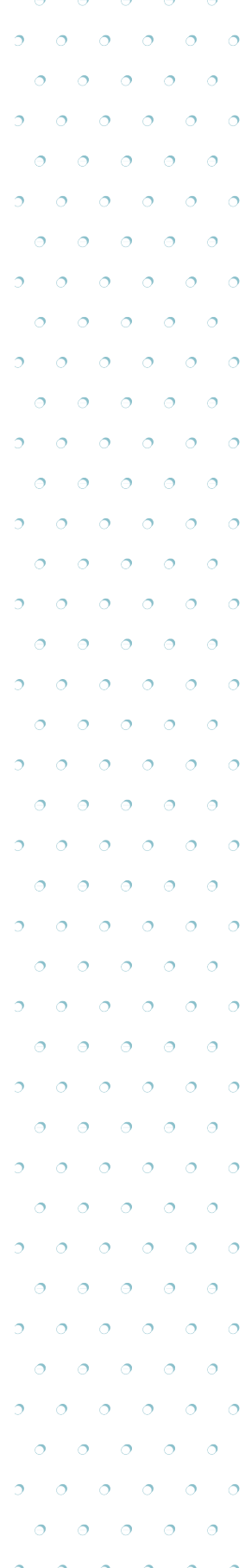
The shopkeepers highlighted on the service will have, first of all, more customer improving in this way their business. In this way, also the hidden and peculiar places will be finally on the offering map of Shanghai without following the rules written by the cashflow (Nanjing Rd, The Bund) and the gentrification phenomenon (Tianzifang, Yongkang Rd.), but following the “rules” of social innovation driven by design.

The offering is quite similar to the MyHoming one.

MHS Business Logic

MyHoming in Milan was a start-up as already explained. At the beginning the system was funded by investors and incubators that believed in the project and decided to make it real. MHS will be different because will start from an already existing project (MyHoming Milano) and will try to be implemented in a different reality, always without losing its roots.

That's why have been decided to keep the same business logic as it was in Milan. Basically the service is completely free for users and shopkeepers and mappers are payed by a refund of their expenses. The only way of earning money is through the "ad-hoc" mapping activity.





EXPENSE REFUND



COMPLETELY FREE

NO FEES TO BE "ON THE MAP"

NO FEES TO THE SERVICE

"AD HOC" - PERSONALIZED SERVICE OF MAPPING



- CREATE THE COMMUNITY

- COVER THE CITY AS MUCH AS POSSIBLE

DATA AND - INFORMATION

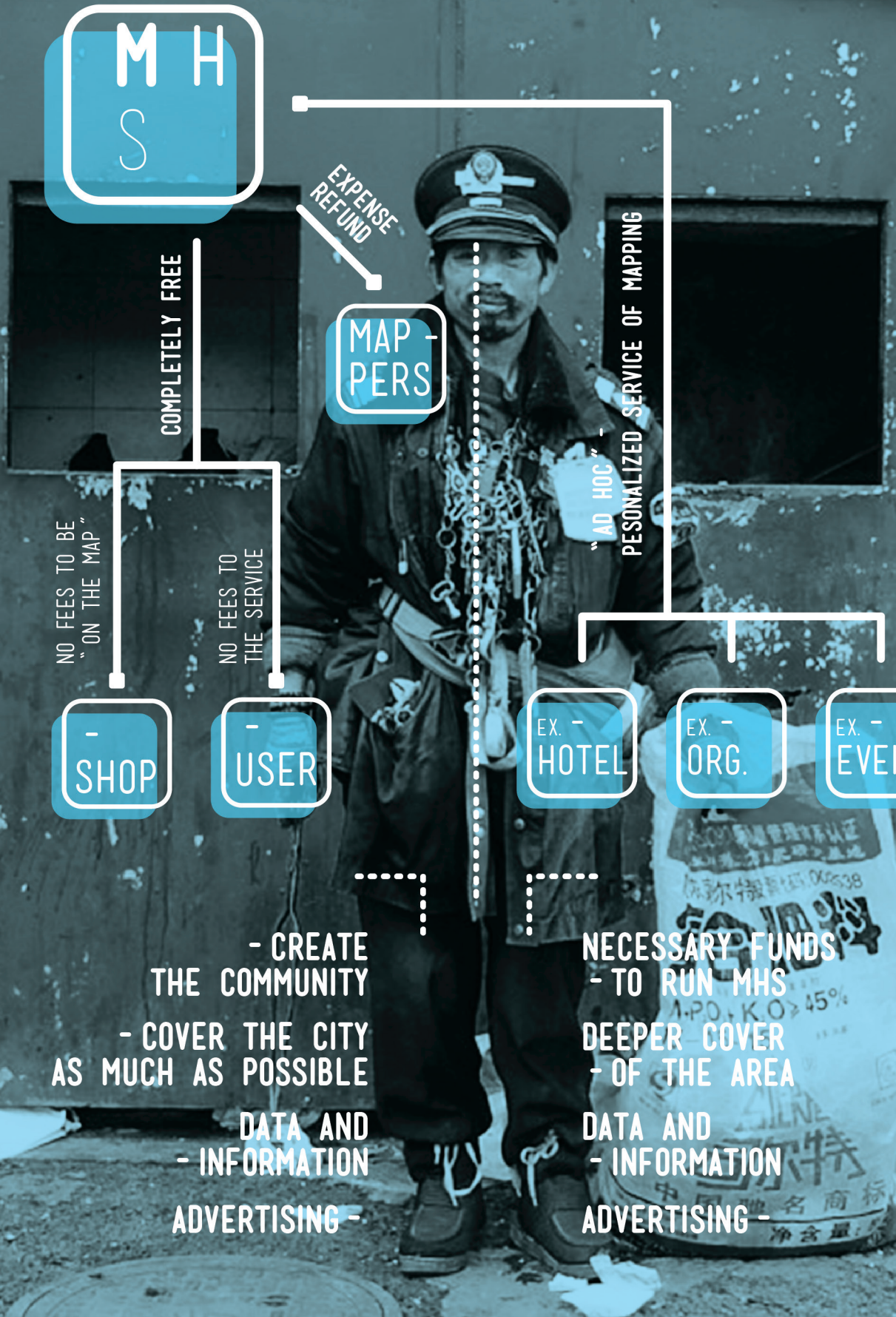
ADVERTISING -

NECESSARY FUNDS - TO RUN MHS

DEEPER COVER - OF THE AREA

DATA AND - INFORMATION

ADVERTISING -



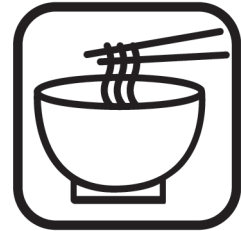
MHS Categories

The categories are fundamental for MHS. In fact, this is the way that every shop or activity is classified, simplifying the quest of the user and the collection of material for the mapper.

These category has to be very simple but not too generic otherwise become useless. MyHoming Milano has 7 different categories, but in my opinion, they are too many. In fact, for MHS, has been decided to reduce the categories to three: Food, Lifestyle and Services.

In this way the first time that the user will interact with MHS network won't be lost in understanding how to look for a particular shop. He will start from the three easy new category and then will go deeper satisfying his quest.

≈ **Food** ≈



≈**My Eat & Cook:**

*food delivery, take away,
restaurant, bars,
market, supermarket, wine
bar, café, tea room*

≈ **Lifestyle** ≈



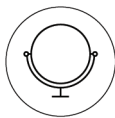
≈**My Shopping:**

*clothes shop, shoes shop,
book shop, photographer,
souvenir, design,
hobby, sport*



≈**My Leisure:**

*cinema, theatre, museum,
club, bowling*



≈**My Beauty & Wellness:**

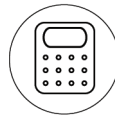
*gym, swimming pool, pitch
& field, hairdresser, barber
shop, pharmacy, piercing &
tattoo*

≈ **Services** ≈



≈**My Move:**

*transfer, turistic guides, car
& bike sharing,
touristic agency*



≈**My Work:**

*printing shop, internet
point, post office, shipping,
bank,
fixing, fablab, co-working
space*



≈**My Serendepity:**

*laundry, fixing
bikes and veichles, clean-
ing companies, computer
assistance*



MHS Mobile APP

A new touchpoint introduced in MyHoming Shanghai world is the mobile APP. Taking a look at the actual trends explained in the previous chapters, could be useful to implement an APP system for mobile. Considering that Chinese people use a lot of mobile applications for every need they have, designing an APP to better explore the MHS network would be successful.

Through the APP the user can explore and fulfill his needs in a really fast way. Geocalizing technology will keep the user update about shops and activities situated around him. Tapping on the icon of the shop the user can browse all the information of the shop such as address, name and typology of service. Is possible also to apply filters to the research or look for keywords that drive the user to find the best solution for his quest in few seconds!

MHS Mapper & Mapper Kit

An important figure of MyHoming network is the mapper that plays a fundamental role for the service.

The mapper is person, chinese or expat, that knows exactly the mission of MHS. Using the mapper kit given from MHS can go around one area and find/spot interesting activities and shops to put on MHS map.

What should a mapper use to spot the shop? The mapper kit consists in a interview/filling document for the shop owner and a camera to shoot pictures and small videos. There are also some branded touchpoint to give to the shop (flag to identify the shop, stickers, etc.) It's a very simple system that should assure the credibility and the trust of MHS.

Marco Polo is a small booklet that gives hints to the mapper, and suggest him how to behave and what to do during a mapping activity.



马可波罗

MARCO POLO

TRICKS, SKILLS
AND KNOW-HOW
TO BE A GOOD
MAPPER

Shop interview. *An explanation*

⇒ **Name of the shop and/or name of the owner**

⇒ **Address:** the address is important for the user in order to find the shop (always include the crossroad, ex: 838 Yuyuan Lu, Jiangsu Lu).

⇒ **Social:** give information about the social media that the shop is already using like Facebook page or any other.

⇒ **Shop Typology:** ask to the shopkeepers which is the shop typology (grocery, hairdresser, restaurant). Check the MyHomeing's categories to find the one that suits perfectly the shop that you're mapping.

⇒ **Opening time:** put a tick on the right square and add other info if necessary (ex. mon-fri 8/19, sunday closed)

⇒ **Credit Card:** put a tick on the right square

⇒ **Wi-fi:** put a tick on the right square

⇒ **Animal-friendly:** put a tick on the right square

⇒ **English:** put a tick on the right square. "Yes" if they speak english "no" if they don't and "Medium" if they speak basic english. Write also if any other language is spoken.

⇒ **Toilette:** put a tick on the right square

⇒ **History of the shop:** how and why the shop was born, when the shopkeeper become the owner, the relationship with the neighborhood/neighbors, particular products/services sold in the shop. Write down also the year of opening.

⇒ **Kind of shop:** write down which kind of shop is the one you're mapping.

⇒ **Typical/special product sold:** point out if there's something sold in the shop that makes it different and unique such as a typical dish.

⇒ **Brand sold:** point out which are the most representative brand sold in the shop.

⇒ **Other services:** other services such as delivery or take away.

⇒ **Part of other networks:** ask to the shopkeepers if his shop is already inside any other network such as TripAdvisor or SmartShanghai.

⇒ **Suggested from group of interest:** Point out if this shop has been suggested from Group of Interest such as bike lovers or vegan association.

⇒ **General overview:** put a tick on the right square in order to give a general grade to the shop



Always remember to take pictures and record audio during your mapping activity

MHS Prototype

Even if the implementation phase of MyHoming in sShanghai context mentioned in the previous pages seems to work it's necessary to test this solution in the real world.

It's necessary a solution that test and prototype the appealing of the idea among people and, moreover, the basic functionalities of MyHoming, such as the mapping activity.

For these reasons has been designed a workshop that took place in Tongji University on the 11th/12th of July. The workshop was opened to design students coming from different universities of China. The aim of this workshop is understanding if MHS is ready to be implemented in Shanghai testing its features in the urban network around Tongji Campus of Shanghai. 15 chinese students had ,first of all, collected suggestions about the best shop in the area and looked for impressions about MHS concept investigating also the personas pointed out in the project. After this phase, once all the material had been collected, the students have taken part in a real mapping activity with the goal of spotting interesting shop to put on MHS map.





楊
林
路

MIYUN ROAD

CHIFENG ROAD

TONGJI UNIVERSITY
LANGUAGE DEPT.



AREA TO MAP

同济大学

TONGJI UNIVERSITY

赤峰路

SIPING ROAD

四平路

四平路
SIPING ROAD

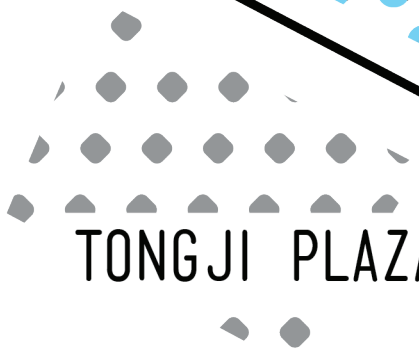
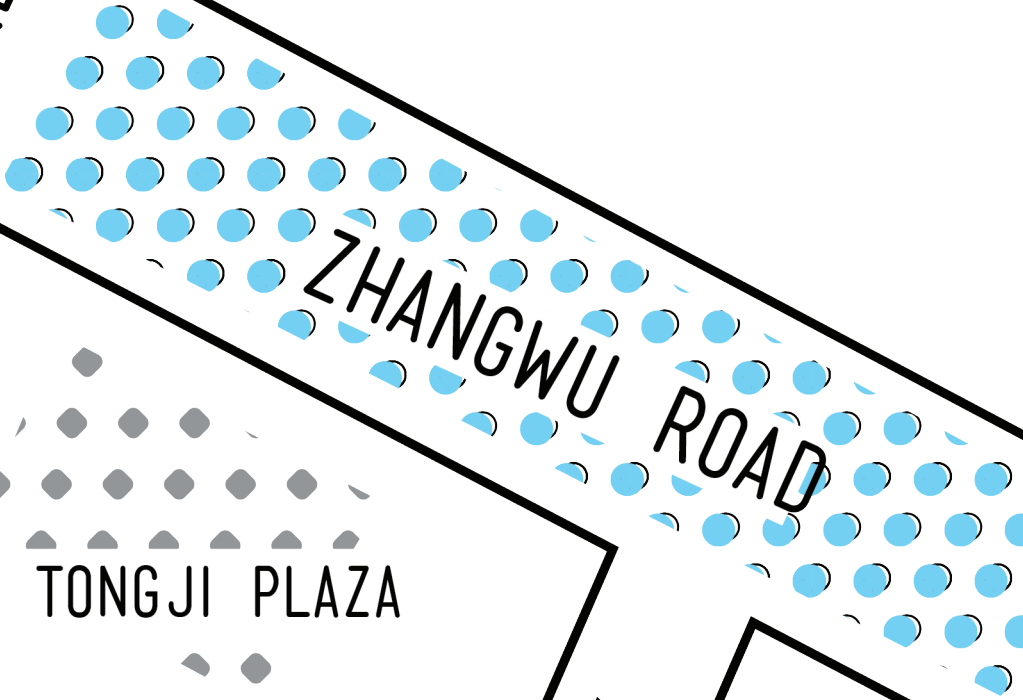
ZHANGWU ROAD

阜新路

FUXIN ROAD

TONGJI PLAZA

DESIGN DEPT.





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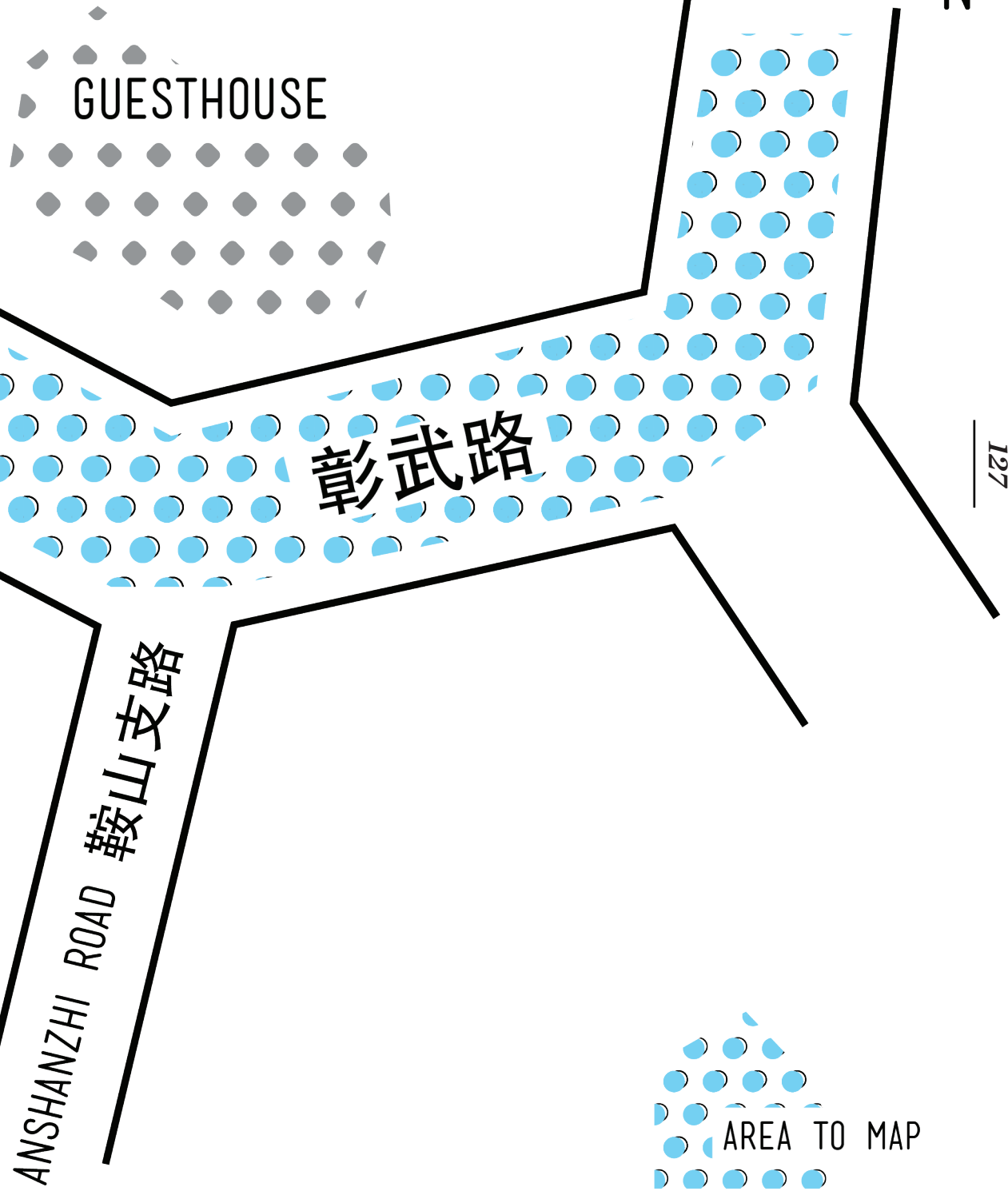
GUESTHOUSE

彰武路

127

ANSHANZHI ROAD 鞍山支路

AREA TO MAP



四平路

TONGJI PLAZA

ZHANGWU ROAD

DESIGN DEPT.

阜新路

FUXIN ROAD

ANSHAN ROAD

鞍山

GUESTHOUSE

彰武路

ANSHANZHI ROAD 鞍山支路

TIELING ROAD

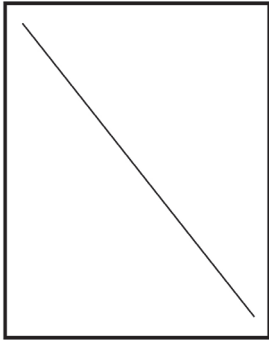
铁岭路

山路





FORMAT INTERVIEW - PERSONAS



Name //

.....

Age //

.....

Sex //

.....

Country & City //

.....

Which kind of goods do you buy in this area? (ex. clothes, vegetables) //

.....

How much time do you spend in this area in a week? //

Every day 1-2 days Few hours Never

Which are your favourite shops? (Name and address in order to find it) //

.....

Thinking about your first time in this area, which was the first shop that made you feel like at home? Why? //

.....

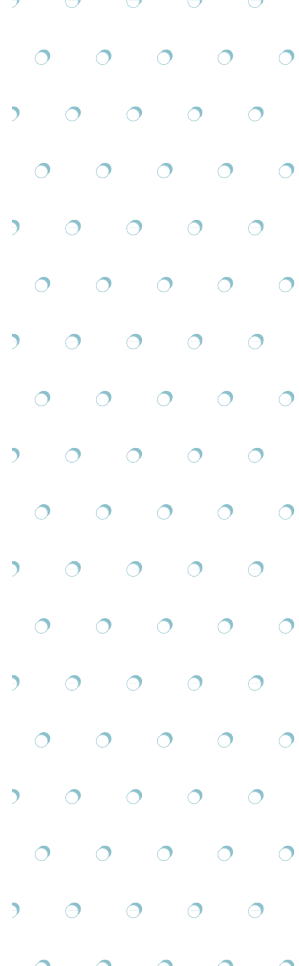
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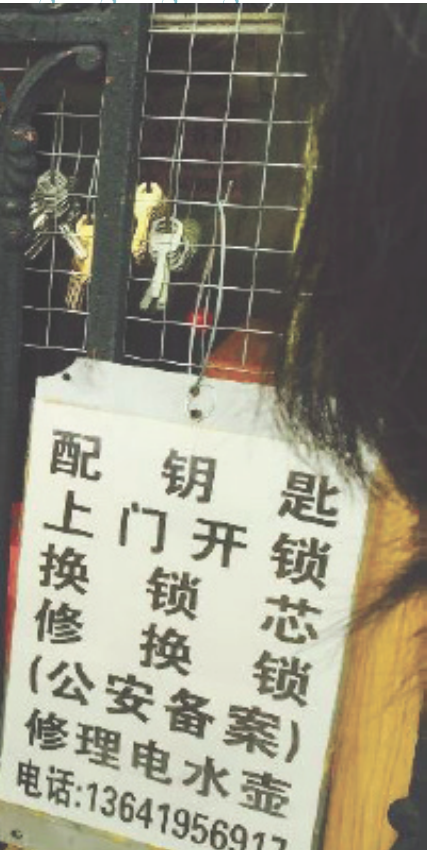
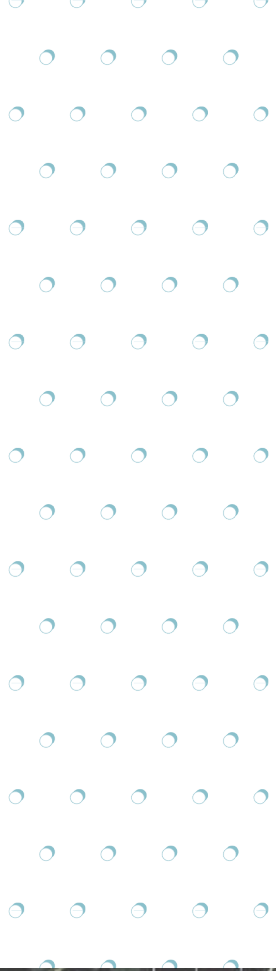
Would you use a service that aims to map the best shop of the neighbourhood suggested by people living nearby? Why? //

.....

.....

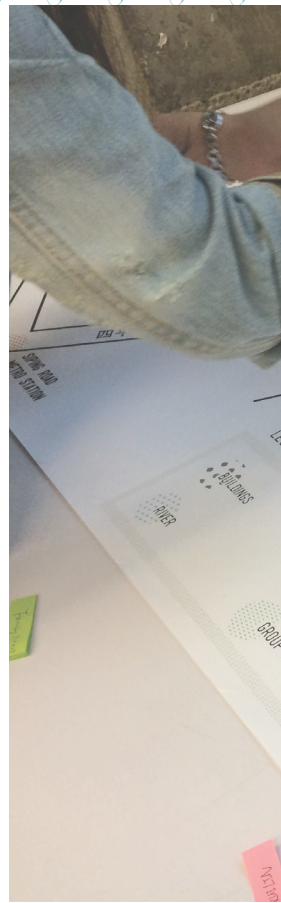
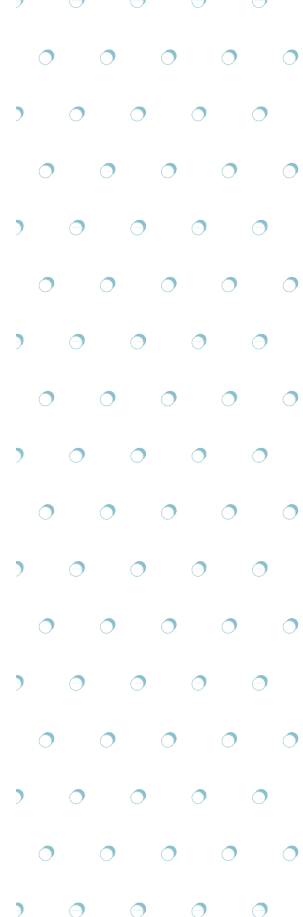
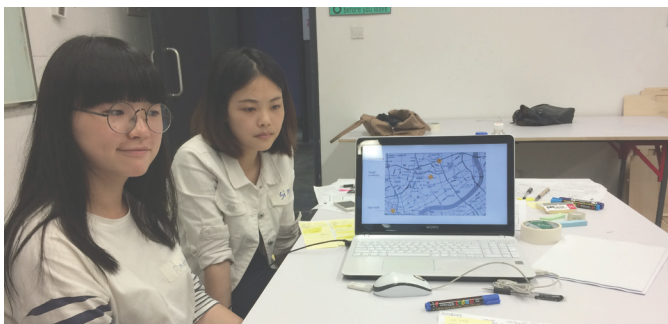
.....





Pictures taken by workshop participants during the mapping activity around Tongji Campus, Shanghai

The final activity of the workshop was to recollect all the information discovered during the mapping activity and create the first MHS database of shops around Tongji Campus.



Learnings & future MH Shanghai v

The workshop activity was a success. Shopkeepers were very interested in the activity and people living in the neighbourhood too. The research of new, interesting and unique shops gave back good results, spotting more than **20 shops** that could be part of MHS. If we consider that Tongji Campus neighbourhood is a really small area compared to the whole municipality of Shanghai **is clear the potential of a service like MyHoming in this city.**

A lot of shopkeepers suggested to use more **common media instead of going for a tech-solution.**

Future steps workshop

Tangible and simple could be better than an APP.

Paper based material is more convenient and applicable in this reality (depending on the area/user).

The competition among Mobile APP is very big in China and competitors are stronger and better known.

Students suggested to take a look at **2-3 tier cities where the competition is lower** and MH could be a real break and user could be very interested in using it.

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