



The phenomenon of lifestyle retail in China: from literature review to research propositions

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With the rapid growth of China's economy, Chinese consumers' purchasing power and life quality are improving quickly. In addition to shopping products for the utilitarian reason, Chinese consumers now also shop for the symbolic values and meanings of products. Not only do luxury fashion companies like Gucci and Louis Vuitton target China as their primary consumer market, but also some foreign lifestyle retailers such as Ikea and Apple are opening more stores in metropolitan areas in China (e.g., Beijing, Shanghai). According to Helman and Chernatony (1999), a lifestyle retail brand (LRB) is defined as a focused store, targeting a particular market segment based on the lifestyle of a specific group of consumers. A set of symbolic values and meanings for that particular lifestyle are created for expanding the utility of the retailer into consumers' personal lives. Although some scholars studied the impact of lifestyle retailing on certain brands and its importance for current and future fashion industry, very few of them have examined how Chinese consumers perceived lifestyle fashion stores and their willingness to shop these stores.

In this study, we focused on apparel lifestyle fashion stores (e.g., Anthropologie), which convey their values and meanings by building attractive physical store environment and providing unique products and/or services. The purpose of this study was to investigate the phenomenon of lifestyle retail in China. In specific, we utilized a review of literature method to explore (1) the meanings and functions of lifestyle retailing in China, (2) Chinese consumers' current lifestyles, and (3) the influence of store environment under lifestyle retailing. The total number of publications that we reviewed was 56, most of which are academic journals or books. Four research propositions were developed as the outcomes of our literature analysis and the guidance for the future empirical studies in this emerging research area. Current study is calling more research attention to the phenomenon of lifestyle retail in China.

Lifestyle retailing: As the Internet continues to become the center of people's lives, traditional bricks and mortar retailers are facing intensifying challenges from online retailers such as Amazon in the U.S. and Taobao and JD in China. Many previous studies stressed that in order to compete with the aggressive online retailers some innovative bricks and mortar retailers (e.g., Anthropologie) have started to differentiate themselves from other traditional retailers by offering personal and memorable shopping experience, which online stores are not good at offering and are very special in China. Some scholars asserted that lifestyle retail stores are more competitive than traditional retailers in today's world because lifestyle retailers sell more than products and gain higher customer loyalty. While traditional fashion retailers are still focusing on purely selling products at low prices to compete with online retailers, lifestyle retailers like Anthropologie have shifted toward more about selling memorable shopping experience and

providing homelike store environment, which motivate consumers to put down their cellphones and computers and come out to shop in physical stores. Anthropologie has a very specific target market and knows well about their customer's needs and wants. Thus, the following research propositions (RP) are proposed:

RP1. Compared to traditional fashion retailers, lifestyle fashion retailers are more competitive when competing with online retailers in metropolitan areas in China.

RP2. For the memorable shopping experience that lifestyle fashion retailers offer, Chinese consumers would prefer to shop at their physical stores instead of shopping the similar products online.

Chinese consumers' fashion lifestyle: Lifestyle is a psychological term referring to people's style of living and the features of behaviors in everyday life. Ko, Kim and Kwon (2006) defined fashion lifestyle as consumer's attitudes, interests, and opinions toward fashion products. Bernd Schmitt (1997) stated that the segments of Chinese consumers were very different from cities to rural areas. As people have different demographic backgrounds and lifestyles, localization is needed for advertising and marketing. Although urbanization has been happening in China since two decades ago, urban households still consumed more than twice as much as rural households in 2015 (Nie & Palmer, 2016). Thus, we proposed the third research proposition below:

RP3. Chinese consumers living in metropolitan areas are more suitable as target market for lifestyle fashion retailers due to the stronger power of consumption and more developed lifestyle.

Store environment: Donovan and Rossiter (1982) used a theoretical framework called Stimulus-Organism-Response (S-O-R) to demonstrate that the store environment (S) influences consumers' internal evaluations (O), which generate behavioral responses (R). Anthropologie is a good example as a lifestyle retailer implementing that theory. Anthropologie's customers stay in their stores for an hour and fifteen minutes in average, which is longer than most other retailers, and they spend averagely \$80 per visit, which is higher than the average customer expenditure experienced by other bricks and mortar chain store retailers. Therefore we propose the fourth research proposition below:

RP4. Successful store environments in lifestyle fashion stores can affect Chinese consumers' internal evaluations, which mainly reflects in the average time and money they would spend in the stores.

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