STRATEGIC

DEVELOPMENT REPORT

GAP

·REVOLUTION

·REVITALISATION

·RESONANCE.
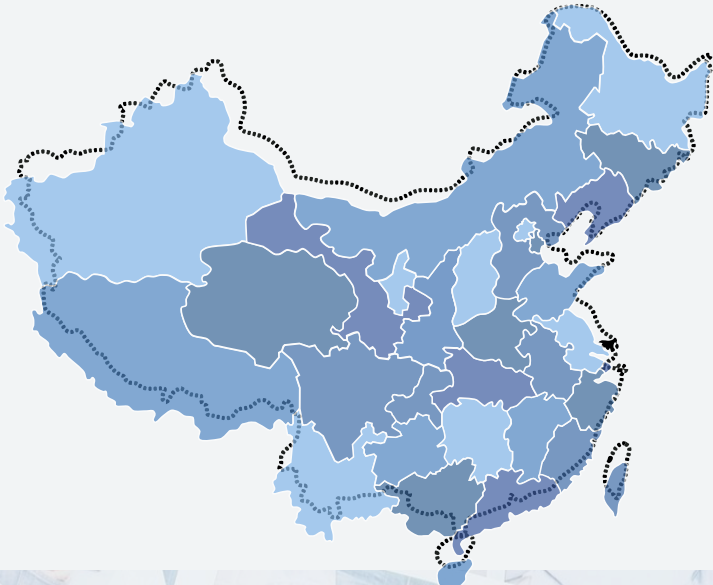
EXECUTIVE SUMMARY

In the 1980s, Gap was a true game changer in the apparel industry; they started with groundbreaking advertisements showcasingx, 2021). However, as times changed, Gap got lost in the fashion trends, failing to transition to fast fashion retailers that focus on speed and low prices or to reach the high-end market (Charles, 2021). Gap faces continued low sales as consumers' memories of them have shifted from what was once textured and unique to cheap and low value.

In order to solve this problem, Gap needs to find its own place in the market and tell consumers who it is. The stratgeic brand report identifies the reasons for Gap's decline (Figure 1.1) and the opportunities that exist in the Asian market by looking inward and outward using a situational analysis model (Figure 1.2). Finally, in the looking forward phase, a Market penetration strategy is developed for Gap by integrating all the findings.

Meanwhile, the strategic brand report develops a unique 3R strategy for Gap to meet changing consumer needs and maintain the brand's long-term success. Gap must cultivate a fashionable, fast, and adaptable culture (BoF, 2018).

FUTURE GAP BRAND IDENTITY PRISM
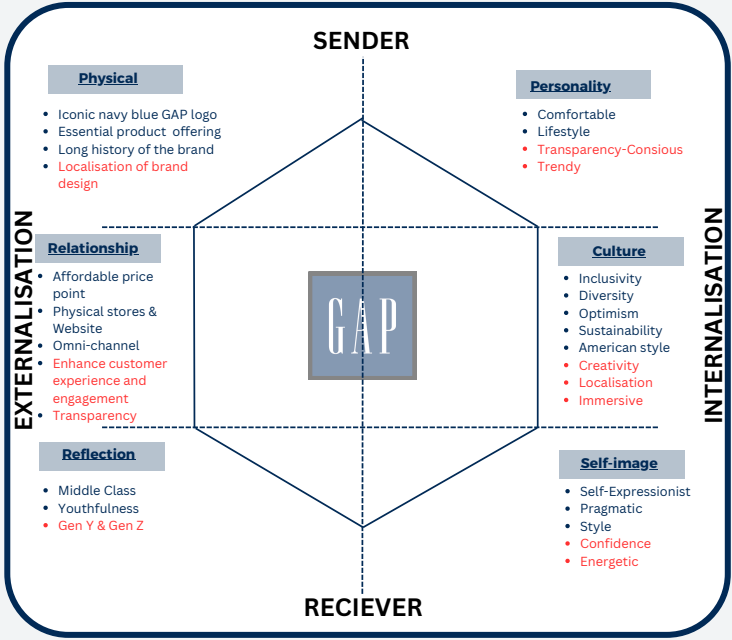
Future GAP Brand identity prism of GAP adapted from Kapferer's 2012 prism (Strategic Brand Report, 2024)

The aspirational consumers of the future are predominantly **Gen Z and Millennials**. These young people are key drivers of change in today's society and workplace, especially in the context of accelerating digitalization (LSE, 2022). The common thread between these groups is their high level of digital proficiency and mastery of social media.

5% Growth in retail sales, including products and services, is anticipated this year, positioning China as the largest growth market globally (Zipser 2023).

Of consumption growth will occur in urban areas, and by 2030, most middle-income households will be concentrated in China and other regions (McKinsey, 2021). **80%**

Overall, given the large size of the **Chinese market**, Gap can revitalize its business in China, where Gap can not only reduce its dependence on the U.S. market, but also **diversify strategically**.
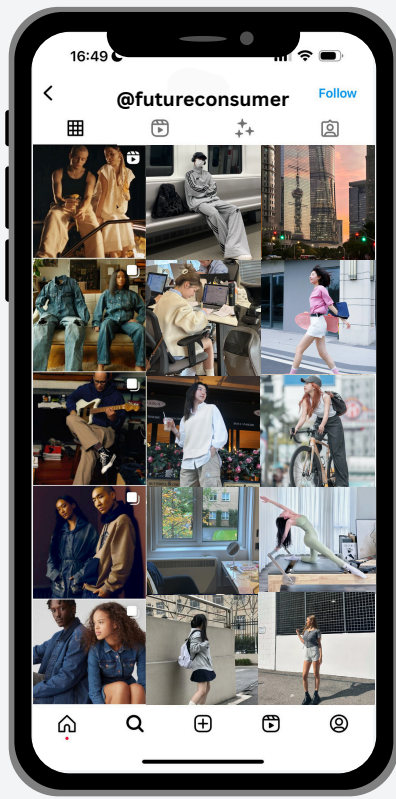
BRAND ISSUES

- BRAND POSITION UNCLEAR
- LACK OF ASIAN MARKETS
- TARGETING LACKS PRECISION
- LACK OF INNOVATION
- SUPPLY CHAIN SUSTAINABILITY DEFICIENCIES

Figure 1.1: Gap Identified Brand Issues (Authors own, 2024)

@futureconsumer Follow

18-35

GAP INC. 50 EST. 1969

Tech-Savvy

Health-Conscious

Trend-Driven

Self-Valuing

Experience-Seeking

3R STRATEGY

Revolution
Repositioning and revolutionizing brands to meet modern markets

Revitalisation
Revitalizing the Chinese market through localization strategies

Resonance
Resonating with consumers through enhanced customer experience and engagement

Gap

RECOMMENDATIONS

2024.

Pop Up Store

Product Line Extensions

Develop In-app Game

GAP
Expand flagship store

Systematic supply chain

Future.

STRATEGIC OBJECTIVES

"GAP FOCUSES ON EXCITING EMERGING CONSUMERS WITH INNOVATIVE FASHION CONCEPTS, MAKING THE BRAND MORE YOUTHFUL AND THE SHOPPING EXPERIENCE ENJOYABLE".
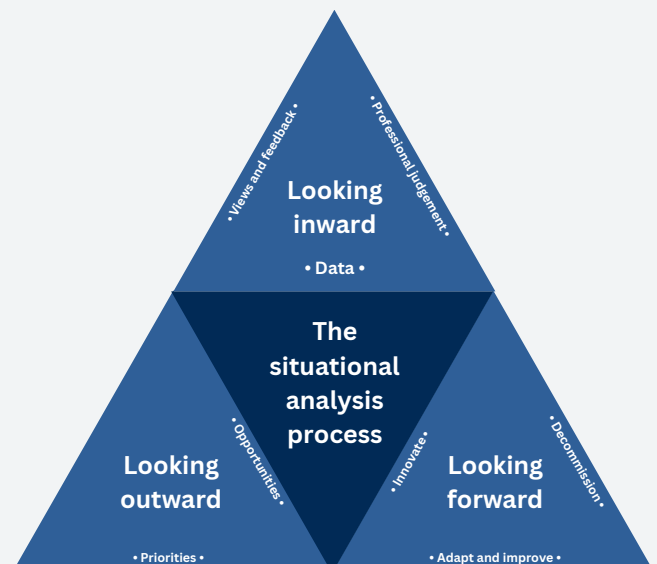
New Mission Statement

🔍 **Establish clear brand positioning** 🎤

🔍 **Revitalising the Chinese market** 🎤

🔍 **Strengthen brand innovation** 🎤

🔍 **Retargeting customer segments** 🎤

🔍 **Improve supply chain efficiency and transparency** 🎤

Strategic objectives (Strategic Brand Report, 2024)

Looking inward

• Views and feedback • • Professional judgement •

• Data •

The situational analysis process

Looking outward

• Opportunities • • Innovate •

• Decommission •

Looking forward

• Priorities • • Adapt and improve •

Figure 1.2: The Situational Analysis Model (NSW Government, 2023).

GAP×GREENLIFE
A/W 24

OVERVIWE & CONTEXT

In light of the living cost crisis threatening the adoption of sustainable lifestyles, the concept of **'affordable sustainability'** has gained significant attention in recent years (Euromonitor, 2023). Although Generation Z and Millennials are regarded as highly climate-conscious groups, the pressure of living costs leads 96% of them to prioritize price factors when shopping (Edited, 2024). In China, the high cost of sustainable products results in a significant **'intention-action gap'** among consumers: Many claim to support sustainable development, yet their actual purchasing behavior is infrequent.
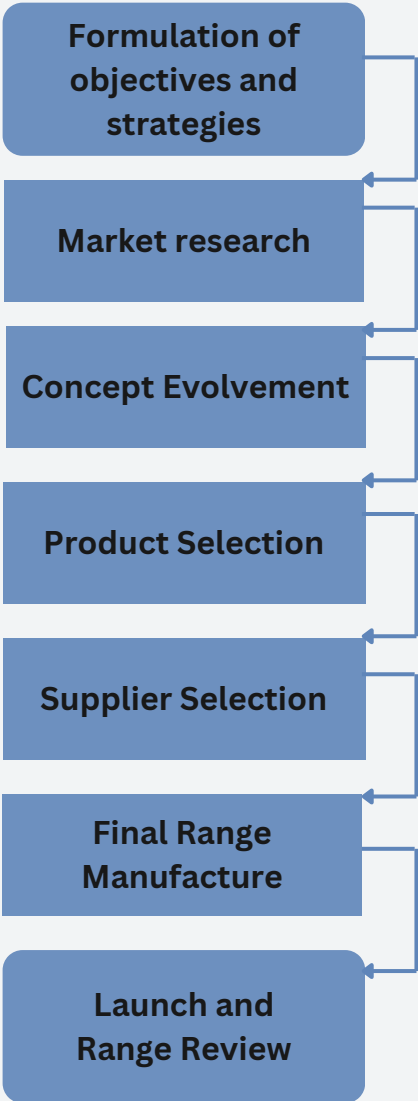
Addressing this market gap, GAP has the opportunity to launch a product line emphasizing affordable, well-defined sustainable products, specifically targeting **18-34 young female consumers**. With such a product line, GAP can not only meet the actual purchasing power of young consumers but also carve out a niche in the competitive market and lead the trend in sustainable fashion.

OBJECTIVES.

1 Reinvigorate GAP's brand identity and lead the trend in Sustainable Fashion

2 Renew classic designs and introduce 'affordable sustainable' product lines

3 Redirect focus towards the 'future consumer'

PROCESS MODEL

Doing with Main 7 steps

- Formulation of objectives and strategies
- Market research
- Concept Evolvement
- Product Selection
- Supplier Selection
- Final Range Manufacture
- Launch and Range Review

PRODUCT DEVELOPMENT.

- Organic cotton
- Recylced polyster
- Lyocell
- Recycled Nylon

HEX: #6F9373
HEX: #000000
HEX: #E1979B
HEX: #012B5D
HEX: #EDE9E3
HEX: #DAD2C6
HEX: #6A95B5

KEY FINDINGS - COMBINING CONCEPTS FOR BRAND DEVELOPMENT

1. Screening GAP's classic styles and recognisable brand identity, and drawing on the sustainable product features of other brands, designing Easy pull-on style and time-tested timeless styles, while maintaining GAP's popular colour palette.

2. Analyse the success factors of affordable sustainable collections from competing brands in the market, such as the fabric selection of H&M Conscious, and combine them with GAP's successful practices in sustainability to identify four key fabrics

3. Create garments for the target consumer that are form-fitting, casual and comfortable, and suitable for a variety of everyday occasions.

VISUALISATION

PRICE ARCHITECTURE

The collection consists of 32 pieces with an average price of **£30.47**, using organic cotton to minimise water waste and lower cost recycled materials. By taking into account all sourcing sources, the collection is made from the lowest cost fabrics, ensuring a **retail margin of over 85%** for the entire series.

Organic cotton (India) **£1.64/kg**

Recylced polyster (China) **£0.81/kg**

Lyocel (China) **£2.03/kg**

Recycled Nylon (China) **£2.07/kg**

Hero

£55-£40

Top Price

classic

£30-£40

Medium Price

Basic

£15-£30

Basic Price

JUSTIFICATION

As Gap's CEO Richard Dickson stated, "Gap brand has tremendous heritage as a pop culture brand." But it falls short in Insufficient sensitivity to consumer needs and macro-environmental trends compared to other competitors. For Gap, leveraging its strengths and maintaining a keen sense of market dynamics is key to success.

Thus, the series retains Gap's branding identity and most popular silhouettes while refining and simplifying its color palette (Edited, 2024). It offers 10 clothing styles and a maximum of 7 colour ranges, with a total of 32 garments, and is priced with the target consumer's affordability in mind. And it effectively meets the target consumers' needs for most **daily occasions**. The choice of materials includes comfortable, soft organic cotton and more cost-effective recycled eco-friendly materials. The introduction of logo with green buds and eco-friendly green hang tags will attract more target customers.

This series embodies the key concept of 'Afford Sustainability', ensuring the commercial viability of the plan while also achieving high profit margins for Gap and helping it regain market share in China. By progressing in sustainable materials, Gap not only strengthens its commitment to sustainability but also enhances its brand image.

GAP

HOW TO IMPLEMENT

1 **Launch a sustainable product line** in 09/2024 to attract consumers from competitors like Uniqlo and H&M, aiming for at least 25% sales growth within the first month, measured against the previous quarter's sales.
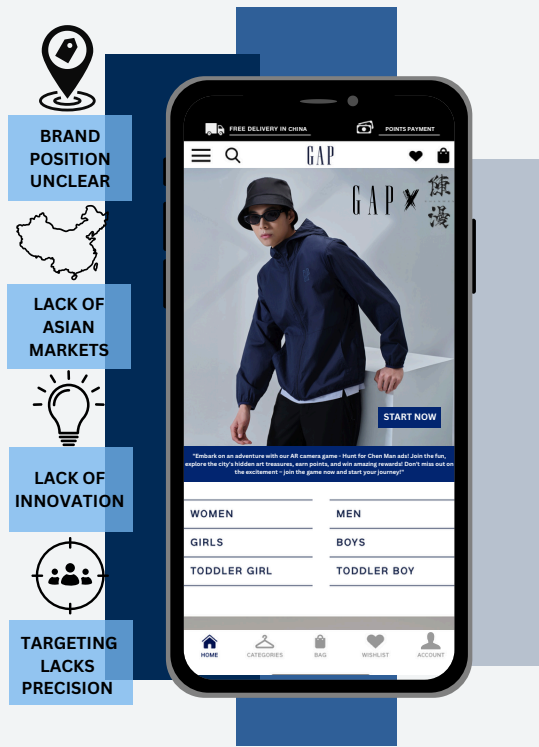
2 **Set up a customer feedback system** in 10/2024 to gather insights on the GAP sustainable line, analyze data quarterly, and adjust products and marketing. Aim for a 20% improvement in brand loyalty and customer satisfaction within a month of system implementation.

3 Achieve at least a 10% **market share** among young female consumers with this line by the end of fiscal year 2024, calculated by sales growth percentage in China.

IN-APP GAME INTERACTIVE ADVERTISING CAMPAIGN

OVERVIWE & CONTEXT

BRAND POSITION UNCLEAR

LACK OF ASIAN MARKETS

LACK OF INNOVATION

TARGETING LACKS PRECISION

In the Strategic Brand Development Report (2024), Gap proposed the **3Rs strategic direction** to **focus on brand innovation** by **revolutionising its brand image** and **revitalising the Chinese market**. Therefore, this project proposes to **follow this strategic direction** by **launching a marketing campaign** in **collaboration with a local Chinese photographic artist** and **incorporating in-app gaming interactions with modern AR technology** as part of its marketing communications mix. This innovative marketing concept is proposed to **address the four issues of Gap identified** in the Strategic Brand Development Report (2024). Implementing this strategy will **enable Gap to effectively communicate a new, youthful image** of the brand, **bridging the gap in the digital and marketing space** and keeping pace with modern technologies and trends. It will also be able to **revitalise the Chinese market** by making full use of its **localisation strategy** to appeal to the **young Chinese target market** of the future and strengthen the connection between the brand and its customers.

OBJECTIVES

1. Use **technology integration to develop a fun and valuable interactive mobile app** to **create an engaging experience** for a **young target group**, thereby **deepening the interaction and connection between the brand and its consumers**.

2. Help Gap **develop a brand image consistent with its new mission statement** through an innovative marketing campaign that integrates in-app game and artistic collaborations.

3. Through advertising and marketing campaigns with local artists, the **brand's exposure and awareness will increase** while **attracting more Chinese consumers' attention and interest** in Gap, **strengthening Gap's influence and competitiveness in the Chinese market**.

4. Through **creative marketing tools and a loyalty system** to optimise Gap's marketing channels and **improve the effectiveness of advertisements**, thus **increasing the conversion rate** of users **from the trigger point to the final purchase** to **cope with the financial difficulties** Gap faces.

RESEARCH & ANALYSIS

Collaborating with a Chinese photographer on an innovative interactive marketing campaign using a localisation strategy to **capitalise on mobile gaming and new technology opportunities** is critical to engaging young Chinese consumers and revitalising the Chinese market. Commercial, best practice and consumer insights revealed **common themes of AR functionality, gamification and national tide pursuits**.

"**YOUNG CHINES PEOPLE** regularly use their mobile phones for various digital activities, with **90 % RELYING ON MOBILE DEVICES** on a daily basis" (Deloitte China, 2023).

"Driven by a sense of national pride, **70 %** of **GEN Z** consumers **BUY** fashion **PRODUCT** from **NATIONAL BRAND**, and nearly **80 %** of them **PREFER BRANDS WITH CHINESES ELEMENTS** to foreign brands" (Statista, 2023).

"The **XR MARKET IN CHINA** is expected to grow to **$11.6 BILLION** by 2028 at a CAGR of 10.29%" (Statista, 2023).

"**CONSUMERS** increasingly **EXPECT AN INTERACTIVE EXPERIENCE**, with **82 %** of respondents indicating a willingness to share personal data in exchange for a better customer experience" (Pwc, 2023).

VISUALISATION & SUMMARISE GAME RULES
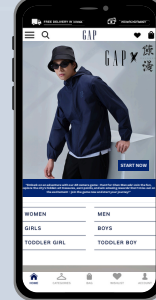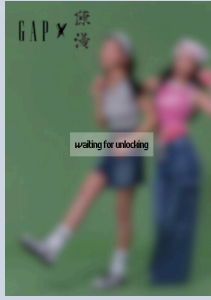
1 Gap will collaborate with Chen Man on a series of ad blockbusters that blend traditional Chinese elements with modern aesthetics, using a localised strategy. During the game, customers do not know precisely how many adverts total or points each advert represents, so they need to explore and discover this information independently.

2 These adverts will be randomly placed in different areas of various cities in China, such as metro stations and bus stops. No customer knows exactly where and when these adverts are placed, they need to figure out and discover for themselves.

3 Customers will follow the Chinese instructions under the advert to download the Gap app, open the homepage, click Start, and begin exploring and capturing the adverts of Chen Man.
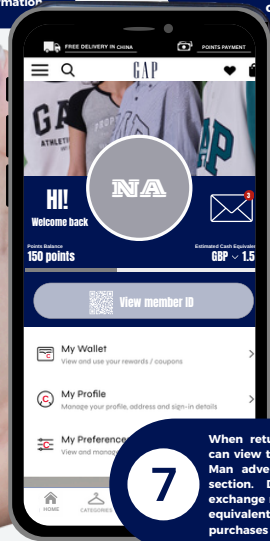
7 When returning to commercial mode, customers can view the points earned for capturing the Chan Man adverts in the AR game in the "Account" section. Depending on regional settings and exchange rates, these points will be converted into equivalent cash vouchers to support consumer purchases in offline or online shops.
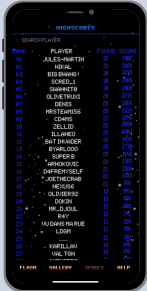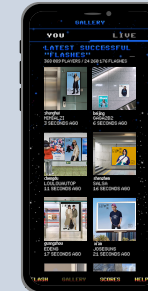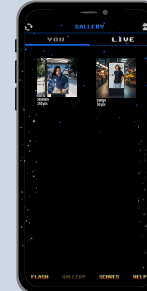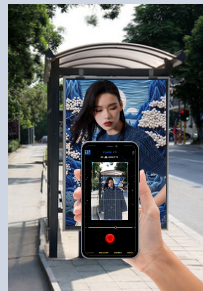
4 When customers are commuting or travelling, if they notice an advertisement for Chen Man's collaboration with Gap, they can capture it using the app's AR camera. The in-game AR camera will automatically recognise and filter out the Gap products in the advertisement and present them to customers in AR form.

5 Each advert captured represents a different number of points, which are accumulated in the customer's account.

6 In the gallery section of the game, customers can view information such as their capture history, points, and locations. In addition, they can view live data such as capture history, achievements, and rankings for customers across China.

JUSTIFICATION

Guided by the **3Rs strategic direction** in the Strategic Brand Development Report (2024), the **In-App gaming interactive ad campaign** encapsulates critical themes of **digital innovation**, responding to **the continued popularity of interactive experiences, mobile gaming and XR technology among the target consumer group** (Statista, 2024), effectively **engaging the target audience to refocus on the brand's image**. In addition, considering **young Chinese consumers' preference for national tide** (Mintel, 2024), adopting a **localisation strategy and collaborating with Chinese local photographic artist Chen Man** to produce the advertisements were effective in **capturing their attention and strengthening the emotional connection between the brand and consumers** (Li et al., 2019). This marketing strategy enables Gap to **use innovative strategies such as localisation, AR and gaming to create a memorable interactive experience** for target consumers, effectively **increasing the brand's exposure and awareness** and **driving Gap's revitalisation in the Chinese market** to **achieve the objectives** mentioned above.

EXPAND FLAGSHIP STORE

The project recommends the launch of a new **experiential flagship store** in **China** to solve some of the issues Gap is facing as mentioned in the Group Development Report (2024), and it will demonstrate how to create a **youthful**, attractive store that gives consumers an **immersive shopping experience.** The flagship shop through the design that emphasize American style **enhances brand's personality** and add **localised** in-store atmosphere **(Chinese elements)** and **personalised** experiences to strengthen consumers' willingness to buy (Mazhar Ali, 2023). The new flagship store includes a floor of experiential retail space to **rise consumer engagement**.

In order to truly achieve one of the brand's objectives: **to reduce the gap with the next generation** (Howland, 2023), the flagship store will transform its traditional in-store environment into an **experiential flagship** shop in accordance with the **3R strategy** (Group Development Report, 2024), through **innovation** to optimise the in-store environment, enhance **interaction** with consumers and to **revitalise** Gap's operations in the Chinese market.

OVERVIWE & CONTEXT

CHINA FLAGSHIP

GAP

LACK OF ASIAN MARKETS

LACK OF INNOVATION

TARGETING LACKS PRECISION

CONSUMER AND MARKET RESERACH

- China is the world's largest apparel exporter; as of the first two months of 2024, China's apparel retail trade revenue was approximately ¥252 billion(Statistics, 2024).

- Gen Z and Millennials are increasingly placing an emphasis on offline experiences, and brands that combine the physical with the digital are more likely to capture their attention and enhance loyalty (mall 2023).

- Generation Z is growing in spending power, becoming the future of modern retail (WARC, 2019) and seeking immersive and personalised brand experiences. (Forbes, 2023).

- Integrating flagship into the retail strategy will help brands to strengthen their core brand values and enhance their positioning in the market. Flagship shops not only enhance brand image, but also provide a valuable communication impact with consumers (ELLE, 2024).

OBJECTIVES

1 Reinventing the atmosphere and style of Gap store.

2 To attract future consumers （GenZ and Millennials） through immersive in-store experiences.

3 To enhance Gap's brand awareness and influence in the Chinese market through the flagship shop's display and promotion.

COLOR: WOOD, DENIM, BLACK

Adobe software has been used to create a visual of the Gap flagship design, floor plan and other resources.

VISUAL MERCHANDISING CONCEPT

AMERICAN STYLE

Casual

GAP FLOWER

VIRTUAL FITTING

MIRROR

New in: This area will adapt the in-store design and display to the different stylistic design themes of each season.

NEW IN

SELF-CHECKOUT

LIFT

MIRROR

China Limited Series

Baby Care Room

G^F New in Popular Series

1^F Women Children&Toddler

2^F Men Collaboration Series

3^F Experiential retail space Pets

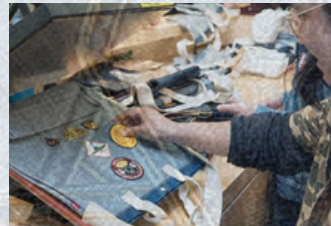**DIY Shop** & **Café**

JUSTIFICATION

Besides extending Gap's **brand awareness and influence in the Chinese** market, the launch of the new flagship store will allow Gap to gain a competitive advantage through **offline display** and marketing campaigns. With a **digital in-store atmosphere**, attract the target audience: Gen Z and Millennials. With the increase in customers, the number of potential customers also increases, which further promotes the **revitalization** of the brand.

In addition to the interior and overall design of the flagship store that reflects **American style,** the store also plans to sell and promote limited series Gap Chinese products and co-branded products with other fashion brands and celebrities. Adopt a localization strategy to add **Chinese cultural retail products** to the **DIY shop**, and use an experiential strategy to provide consumers with immersive shopping in flagship stores to promote brand development. The entire strategy successfully meets the **3R strategy** and is **consistent** with the objectives and intentions of the Group Development Report (2024), which enables Gap to use the in-store atmosphere to create a unique shopping experience for target consumers.

GAP
CHINA FLAGSHIP

Revolution

In-store atmosphere will be more youthful, with displays and visuals that incorporate the brand's core concepts of American style and casualness.

Revitalisation

Incorporate Chinese localised elements into in-store campaigns and product displays to revitalise the Chinese market, taking into consideration the local market and consumer preferences.

Resonance

Enhanced emotional resonance with GenZ and Millennials through immersive and digital in-store experiences and increased consumer engagement through experiential retail floors

3R Strategy (Group Development Report, 2024)

OVERVIWE & CONTEXT

The project will follow the '3Rs' strategy from the Strategic Brand Report (2024) and propose launching **experiential, themed pop-up stores** in China to address the brand's three key issues and focus future consumers on **Millennials and Gen Z.** The pop-up store will be **vacation-themed** in response to the global revival of travel interest after the pandemic and the trend of the vacation mode (BOF, 2023). Research shows that 79% of Gen Z and Millennials prioritise travel and experiences as their top consumption choices (Hendley, 2023), suggesting that the vacation theme **fits the interests and preferences of younger consumers** and will help to **refocus** the brand's target market on them. Therefore, the design and atmosphere of this pop-up store are summer and vacation-themed, so consumers can feel relaxed as soon as they walk in. Additionally, the pop-up store will integrate **digitisation, personalisation, experiential, and aesthetic elements** to create an **immersive** space where consumers can play interactive games through an AR mirror, customise clothing, and take photos with vacation-inspired installations. This approach will **enhance the consumer experience** and reinforce Gap's new **innovative and youthful** fashion philosophy. **Localised elements** will also be incorporated into the promotion to strengthen consumer interest in the Chinese market. The strategy also helps Gap to provide physical places for face-to-face interaction at a relatively low cost, **increasing its visibility in China** and **laying the foundation for the brand to revitalise** the markets.

Pop-up store promotion poster (Author's own, 2024)

LACK OF CHINA/ASIAN MARKETS   **TARGETING LACKS PRECISION**   **LACK OF INNOVATION**

KEY ISSUES

OBJECTIVES

1. **Attract The Gap's future consumers, Millennials and Gen Z, through digital, immersive and experiential pop-up stores.**

2. **Enhance consumer engagement by creating themed pop-up stores that offer a relaxing and joyful vacation atmosphere inside the store.**

3.**Revolutionize the brand by creating themed pop-up stores that adopt current trends and incorporate innovative technologies to meet modern market demands, thus conveying a youthful brand philosophy.**

4.**Enhance The Gap's visibility and strengthen consumer relationships in China and Asia by providing physical spaces for interaction.**

RESEARCH & ANALYSIS

- 85% of consumers tend to shop in physical stores, which have shifted from just a shopping channel to a place that provides a customer experience (McKinsey, 2022).

- Younger consumers crave an immersive shopping experience. 81% of Millennials and Gen Z look to AR to enhance the in-store shopping experience, while 65% emphasize that personalization plays an important role in making purchasing decisions (Scullard, 2023).

- China's pop-up stores are booming, with transactions growing yearly and expected to reach 832 billion yuan by 2025 (Statista, 2024). Studies have shown that brands that have adopted pop-up stores have seen a 46% increase in sales and a 66% increase in brand awareness (Farmer, 2023).

- In the post-epidemic era, as tourism has recovered and the vacation model has become a trend, many leading brands have created vacation clothing collections and pop-up or concept stores that are well received (BOF, 2023).

It indicates that consumers still have a strong interest in shopping in physical stores, further confirmed by the boom in pop-up stores. For younger consumers, immersive experiences are crucial; therefore, by adding digital and personalized elements, pop-up stores can engage customers more effectively. Meanwhile, vacation trends also inspire pop-up store themes, with specific themed pop-up stores offering unique immersive experiences and enhancing attractiveness.

LAYOUT FOR THE GAP'S 'HELLO VACATION' THEMED POP-UP STORE (AUTHOR'S OWN, 2024)

Vacation-themed promotional campaigns will be shown on the digital display screens.

Display **"Hello vacation" special collection** for the pop-up store.

AR mirror allows customers to **try on clothes virtually** and **play games** to enhance the **consumer experience.**

Photo area with vacation elements

DIY area allows customers to **customize** their garments

Display of The Gap's **classic collection**

The **circular bar** in the centre allows consumers to purchase drinks, and the design is in line with the vacation theme.

Digital Display Wall
Storage
Chairs and sofas
Product Display Area Limited Edition
Fitting Room
Entertainment Area
Circular Bar
DIY Area
Wall cutout
Photo Area
Product Display Area
Wall cutout
Checkout Counter
Entrance / Exit

Mood Board (Pinterest, 2024)

Colour: Blue, sand-coloured, woody

The primary color theme of the pop-up store is **blue**, which not only reflects the summer and vacation themes but also matches the brand's signature color.

JUSTIFICATION

With consumers, especially **younger generations,** seeking not just the product itself but the **customer experience** (Forbes, 2024), the pop-up store is ideal for **attracting** The Gap's **future consumers,** including Millennials and Generation Z, due to its strong connection to **youth culture** (Marciniak & Budnarowska, 2009). In China, pop-up stores are booming (Statista, 2024) and can effectively increase market awareness (Farmer, 2023), suggesting that the pop-up store strategy can help the brand **increase its awareness in China** and lay the foundation for revitalising the Asian market. The promotion will also be **localised** in order to enhance its appeal. Besides, the vacation-themed pop-up store design combines summer and vacation elements with brand features. It incorporates **innovative technologies such as AR** to keep up with **trends** and provide an **immersive consumer experience**, achieving differentiation and conveying a **youthful** brand philosophy. The pop-up store's low-cost and highly flexible nature provides a space that promotes consumer interaction, which stimulates interest and creates **deeper connections and resonance** (Picot-Coupey, 2014), helping the brand's future development. Therefore, implementing pop-up stores is a crucial strategy for The Gap to revitalise the Chinese market and address the issues of an unfocused target audience and lack of innovation. It is important to mention that this pop-up store strategy also aligns with the "**3R**" strategy proposed by the Strategic Brand Report (2024).

3R STRATEGY FOR POP-UP STORE

Revolution: The themed pop-up store incorporates **innovative technology** and creates a **youthful** atmosphere for Gap, helping it align with **current trends** and **meet young consumers' expectations**.

Revitalisation: The pop-up store integrated **localised marketing** to strengthen The Gap's presence and influence in the Chinese market, contributing to the brand's revitalisation and growth in China.

Resonance: The pop-up store's design optimised the customer experience, **providing interactive spaces and immersive experiences** to enhance consumer engagement and **deepen brand resonance.**

SYSTEMATIC SUPPLY CHAIN

OVERVIEW & CONTEXT

- Expand the Chinese market
- Return to a high-quality brand image, reduce spillover inventory, and improve the value of the product

- Innovative digital technology
- Multiple links to change the management model, improve efficiency, reduce the waste of excess costs

Figure 1 (Group Report, 2024)

- Connect with consumers, build a harmonious community, and understand consumer needs and trends
- Connect with upstream and downstream suppliers, strengthen management, improve their speed to complete tasks, and accurately convey order information
- Care for employees in the supply chain

RESEARCH & ANALYSIS

Shopping Channels For Chinese Consumers

47% Browse in the store but buy online

20% Browse in the store and online but buy in the store

19% Browse in the store and online but buy online

25% Browse online but buy in the store

Figure 2 (Mckinsey, 2020)

Chinese Gen Z have a **higher desire** to spend, and they tend to spend their monthly salary at the end of the month. They have a **higher impulse to buy**. 47% of consumers will continue to use their favorite brand, and 43% of Chinese Gen Z consumers believe that they are more willing to **choose a brand they are familiar** with than a new brand (Mckinsey, 2020).

About 40% of Chinese Gen z consumers **shop online**, they are used to an **omnichannel shopping experience**, and they tend to choose merchants with more transparency. Due to their shopping habits, the brand reputation brought by **online reviews** is an important part of their brand selection. Therefore, Gap should strive to bring good omnichannel service, improve Gen z's evaluation of brand experiences, and **improve the supply chain** is a part of bringing good services to them.

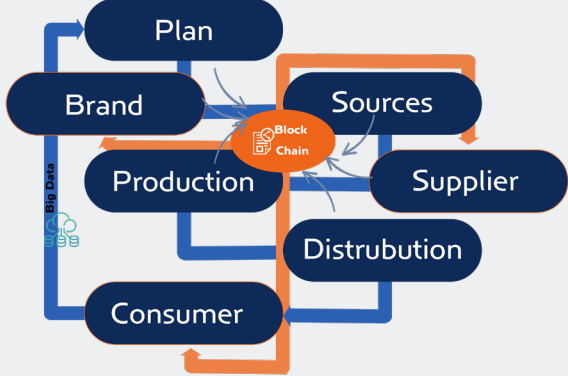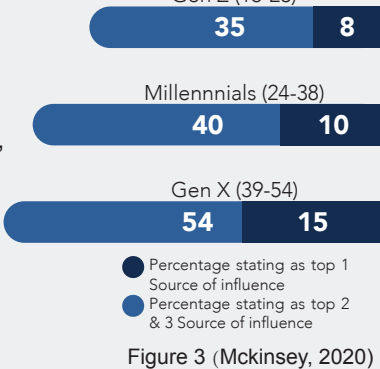### The Influence Of "In-Person Suggestion" On Consumers

Gen Z (16-23)
35   8

Millennnials (24-38)
40   10

Gen X (39-54)
54   15

● Percentage stating as top 1 Source of influence
● Percentage stating as top 2 & 3 Source of influence

Figure 3 (Mckinsey, 2020)

ooking back to the previous section, the **lack of innovative technology** and **poor supply chain** are two of the challenges that Gap needs to solve in rebranding and **exploring the Chinese market** in its strategy to re-establish an effective **brand positioning** and **brand image**. This shows that companies must strengthen the management of the supply chain and continue to develop the supply chain to achieve the **goal of high efficiency and low cost**. At the same time, with the advancement of the digital era, companies are beginning to research digital technology to provide an **integrated digital supply chain**, which is a cutting-edge technology that can not only **improve management efficiency** but also **attract young consumers** interested in high-tech, as well as become a new field that companies must explore.

Plan → Sources → Production → Distribution → Consumer → Recycle

Figure 4 (Author Own, 2024)

OBJECTIVE

Management
- Develop a big data system to predict the production quantity of products and plan inventory according to the needs of consumers. Ensure that no inventory overflows occur.

Sustainable
- According to the improved supply chain using blockchain, ensuring the normal operation of the system, the information is traceable and complete.
- And to ensure the rights and interests of employees, the enterprise does not exist illegal behavior.

Inventory
- It is reasonable and efficient to obtain the certificate of high recognition of the supply chain and positively plan the demand and adjust the inventory.

SYSTEMATIC SUPPLY CHAIN

VISUALISATION

Scan the **label** on the garment or open the e-product information card in the shopping website

Gap will be developing an **e-product information card** on their website & mobile app, which is an e-product information card that utilizes blockchain technology to string together supply chain information, communicating the details of the product's origin such as raw materials, production, and transportation to the consumer. It also helps them track the items they order online.

GMR300686CZ0

Sources

Trace the raw materials to the source and upload the information into the blockchain. Utilizing its properties guarantees information, credibility, security and high transparency.

Distrubution

Logistic information is displayed and can also be viewed by the supplier in the digitized supply chain. Consumers can view, via the e-product information card, historical logistic information with the status of the parcel (via sensors on the parcel).

SCM

Using supplier performance to manage the supply chain promotes supplier motivation and improves efficiency. Clear organizational goals ensure 'Resonate' and communication within the supply chain. Better products and services can be delivered to consumers.

Consumer

Gap use big data to analyze consumer preferences in the e-product information card of the products purchased by consumers to get the possible hot products for the next quarter and use it for inventory coordination.

Recycle

JUSTIFICATION

Gap should use **big data**, **blockchain** and other digital technologies to enhance its supply chain and standardize its management. Provide a highly efficient and **transparent** supply chain to consumers and relevant suppliers.

Enhance the **communication** and interaction between consumers, brands and suppliers. So that they can reach a common understanding. Gap's goal is to **revitalize the brand**, bring new experiences to consumers with new technologies and strategies, and ultimately reach a h**armonious ecosystem with consumers and suppliers**. Applying the **core 3R concept** to their integrated digital supply chain, standardizing management while providing **high-quality integrated services**. The analysis of consumers concluded that **omnichannel sales** and online shopping experience are the main shopping channels for Gen Z consumers in China, and the digital supply chain supports the **company's retailing**. It also creates a sustainable brand image with consumers who have high brand loyalty. This could enable Gap to come out with its own identity in China, creating a brand image of **high quality valuing sustainability** to attract the target group, and providing **quality services to build a good reputation**.

Resonance
Interaction
Revitalisation
Efficiency
Revolution
Innovation

Use iot and blockchain to monitor and record the recycling process of products. In the e-product information card, consumers can check whether the production is from recycled materials and related processes.

Logo Hoodie £20.00

PRODUCT INFORMATION

Scan — Scan the QR code for product details

Use blockchain technology to trace detailed product origin to the logistics proces

Label

YASHI XIE
XINYU SHAO
SHAN SUN
XUEMEN REN
CHENXI ZHANG