



# What is Omni-Channel?

Omnichannel is a multichannel approach to sales that seeks to provide the customer with a seamless shopping experience whether the customer is shopping online from a desktop or mobile device, from a social media platform or in a bricks and mortar store.

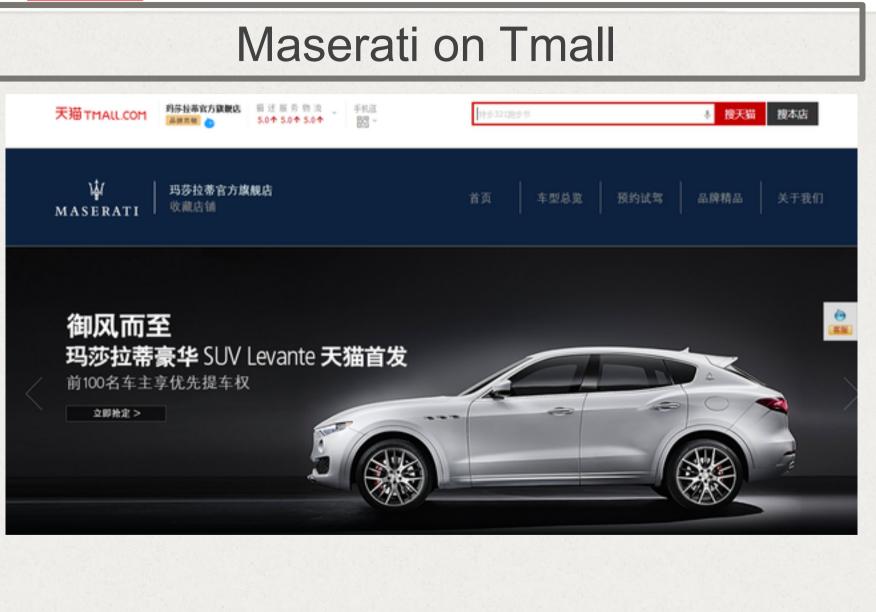


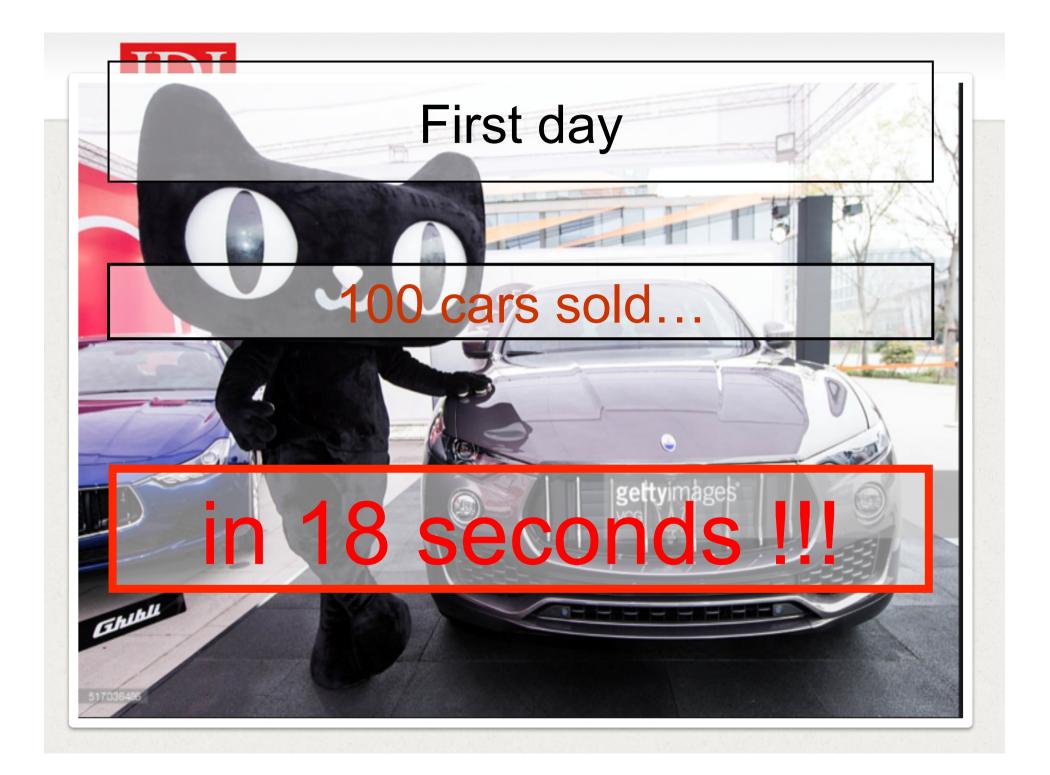






International Distribution Institute



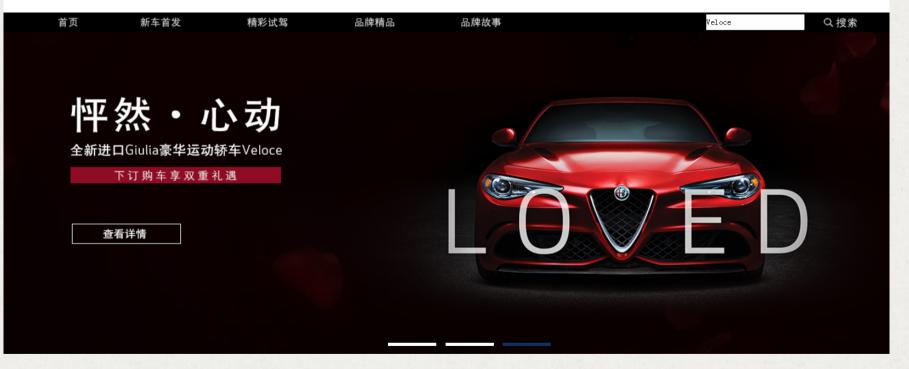




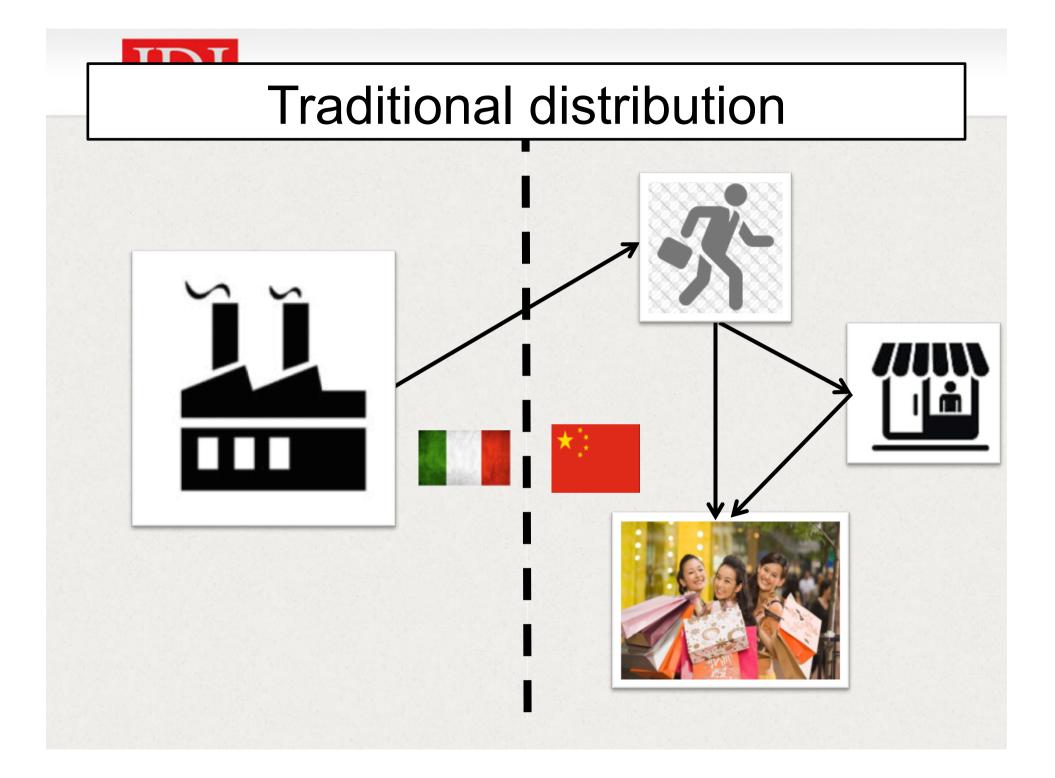
### Alfa Romeo hits the gas on Tmall

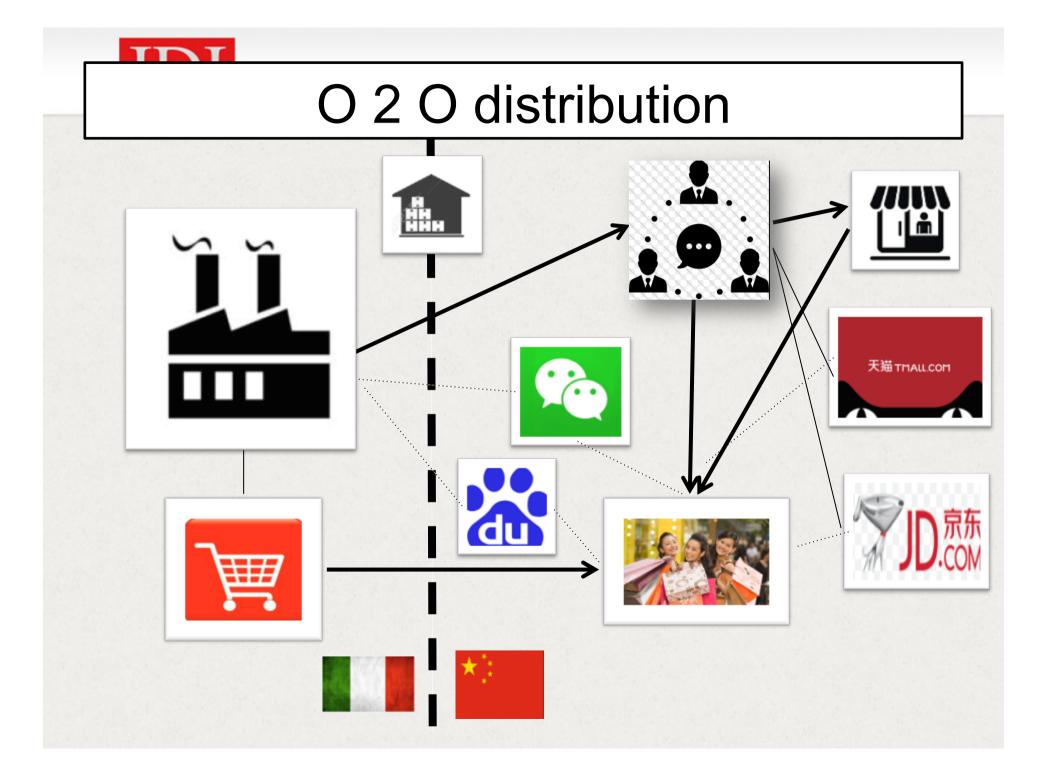
https://alfaromeo.tmall.com





#### 350 cars in less than 33 seconds



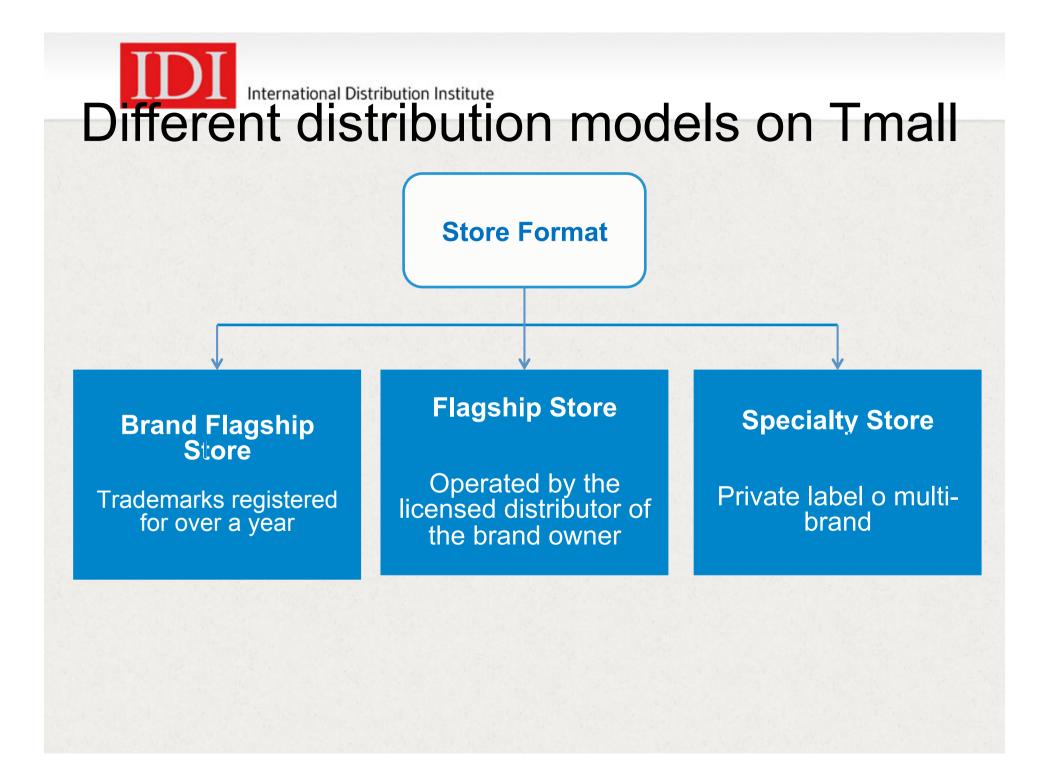


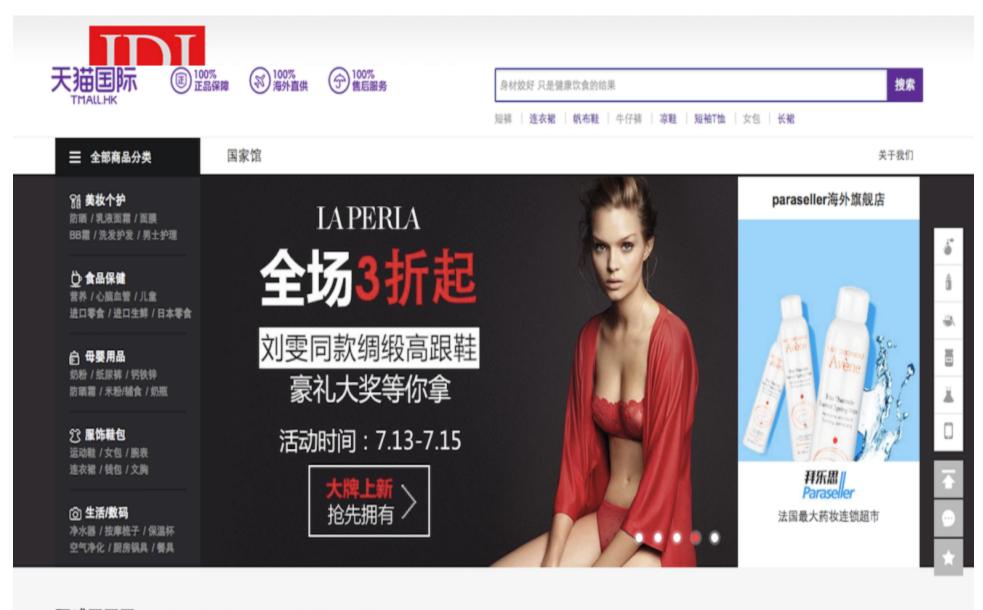


- Products stored in Mainland China
- Fast delivery 1/3 days on order
- Store: Business License
- Chinese legal person
- Chinese Team needed Payment in CNY



- Products imported by pre-ordering
- Products Stored Abroad Slow Shipping
- Business located abroad
- International companies
- No Chinese Team needed





环球买买买 没时间去看世界, 就把世界送到你面前



## **WeChat**

- 889.3 million monthly active users
- They spend an average of 90 minutes on the platform every day



#### WeChat Store

#### What is WeChat Shop?

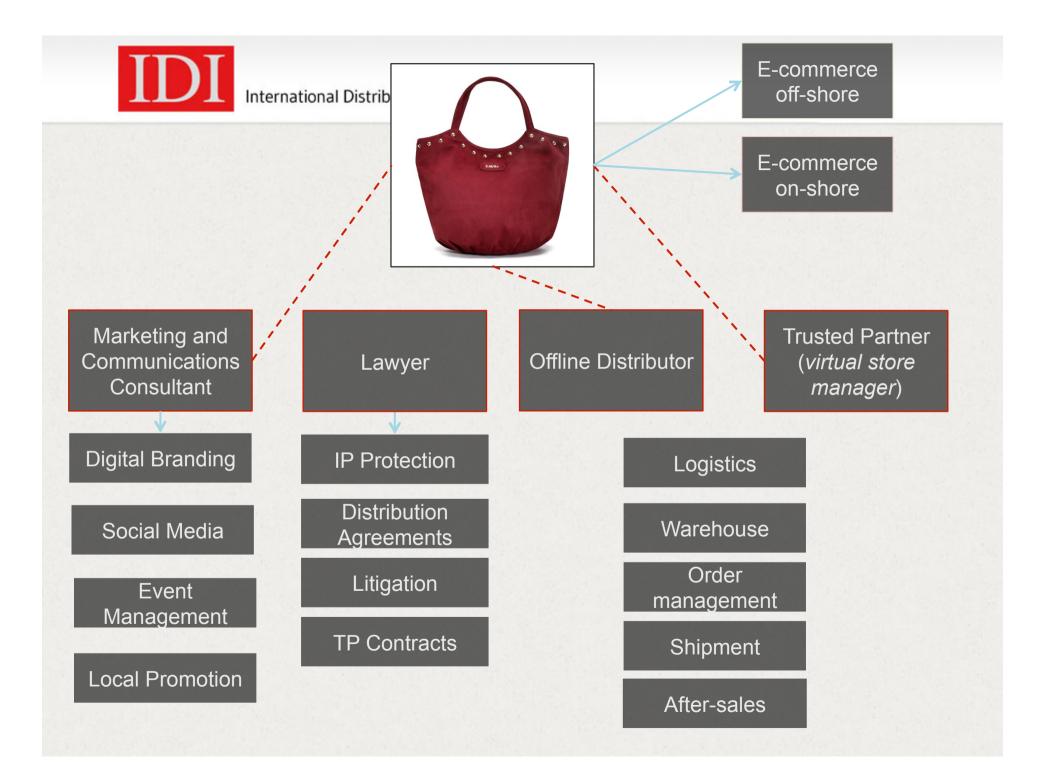
WeChat started out as messaging APP, and quickly extended its functions to include social medias and services. However, the core of WeChat business model is ecommerce: the ability of WeChat to become the electronic wallet of its users.



When users are accessing your website via WeChat, they can use WeChat as a billing system to check-out through a "one-click-payment": this enables an extremely seamless user experience and a significant increase in your sales conversion rate.

Death List Five Shir 5 cotton mouth 1-1-

TRADITIONAL DISTRIBUTION	OMNI CHANNEL SETUP
<ul> <li>Brand protection in China</li> <li>Due diligence on distributor</li> <li>Compliance to import product standards</li> <li>Business model definition</li> <li>Contract with the distributor</li> <li>Management of any territorial or exclusive channel</li> <li>Handle of trade disputes and forgery</li> </ul>	<ul> <li>Selection of online sales channels</li> <li>Service contracts with Trusted Partners (TP) for opening and managing Virtual Store (s)</li> <li>Coordination of channels online and offline</li> <li>Management platforms e-commerce and social media and business plans for promotional activities</li> <li>Logistics (import — customs - FTZ and last mile)</li> <li>Customer care</li> </ul>





# **Exclusive or not exclusive?**

- $\checkmark$  China is a continental country
- ✓ Where is the distributor located?
- ✓ What is the commercial network?
- ✓ Where are the clients?
- ✓ E-commerce allows you to reach the whole China
- ✓ +100 cities > 1 mln inhabitants
- $\checkmark$  Link the eventual exclusivity to minimum turnover









## **Omni-channel seamless strategy**





# Alfa Romeo & Tmall

#### How does it work?

- Alfa Romeo forged an exclusive strategic partnership with Alibaba's Tmall to market and sell it cars online in China
- Tmall: it is the sole authorized internet channel for the Italian car brand
- Alfa Romeo will use Maserati's 45 dealerships in China to operate the offline part of its business;
- Consumers who place deposits online care redeem e-coupons and pick up the cars in physical outlets
- Alibaba said it drafted this kind of O2O business model to connect car brands, offline distributors and after-sales service provides, and offer a seamless online shopping experience for customers.



### How to coordinate different distributors?

- Different brands or different types of products available online / offline
- Order on line and pick up in store (store gets a commission + possible upsale + tracks the customer)
- Order in store and receive from e-commerce platform (same incentives + store does not need a big stock of products)
- Order on Wechat and decide where to pick up depending on location and type of product



# **Normative Framework**

- Applicable law: General Principles of Civil Law (民 法通则)
- Contract Law (合同法)
- Anti-Monopoly Law (反垄断法)
- Law against Unfair Competition (反不 当竞争法)
- Law on Trademarks (商标法)
- Law on Patent (专法).



# Chinese Anti-monopoly law (2007)

13.6: The term "monopoly agreements" as mentioned in this Law refers to the agreements, decisions or other concerted behaviors that may eliminate or restrict competition

14: Business operators are prohibited from reaching any of the following monopoly agreements with their trading parties:

1)Fixing the price of commodities for resale to a third party

2)Restricting the minimum price of commodities for resale to a third party



# Chinese Anti-monopoly law (2007)

46: Where the business operators reach and fulfill a monopoly agreement in violation of this Law, the Anti-monopoly Law Enforcement Agency shall order them to stop the violations, confiscate the illegal gains and impose a fine of 1% up to 10% of the sales revenue made in the previous year.

Where reached monopoly agreement has not been fulfilled, a fine of less than 500,000 yuan may be imposed.

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