MINISO's Digital Transformation Pathway: A Case Study

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Abstract. Under the wave of digital transformation in the global retail industry, traditional retailers face the challenge of shifting from "scale expansion" to "efficiency-driven" development. MINISO, as a benchmark brand in fast-fashion retail, offers significant reference value for its digital transformation practices. This study focuses on the motivations, pathways, and outcomes of MINISO's digital transformation, employing methods such as corporate disclosure data, industry reports, and case interviews. Research findings reveal that MINISO achieved inventory turnover reduction to 28 days and procurement cost savings of 18% through a digitally integrated supply chain system connecting 1,100+ suppliers. By constructing a user data platform with 3.5 billion behavioral tags, the company realized a 19% increase in repurchase rates and significant growth in IP-licensed product sales. Organizational restructuring emphasized data-driven metrics in performance evaluations, fostering cross-channel synergies. Financial results demonstrate a 2025 Q1 revenue of RMB 4.43 billion with a 39.8% overseas growth rate, highlighting the success of large-format stores like MINISOLAND. A SWOT analysis indicates strengths in global network and IP partnerships, while challenges include data fragmentation and competitive digital barriers. MINISO's transformation exemplifies a replicable paradigm centered on "supply chain efficiency + user experience + organizational agility," requiring further unification of data platforms for sustainable growth.

Keywords: Digital Transformation, IP Ecosystem, Omni-channel Retailing3.

1 Introduction

Against the backdrop of profound transformation in the global retail industry, digital transformation has emerged as a core pathway for enterprises to break through growth bottlenecks and reconstruct competitive advantages. With the upgrading of consumer demands, acceleration of technological innovation, and deepening of omnichannel integration trends, traditional retail enterprises are confronting strategic transformation challenges in shifting from "scale expansion" to "efficiency-driven" development. As a benchmark enterprise in the global fast-fashion retail sector, MINISO's digital transformation practices hold typicality and reference value—evolving from supply chain integration in its startup phase to full-domain data-driven operations in the deepened digital intelligence era, MINISO has leveraged technological empow-

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erment to upgrade from "high-quality low-price" to a "data-empowered IP ecosystem," offering a replicable transformation paradigm for the industry [1].

This case study focuses on the motivations, pathways, and outcomes of MINISO's digital transformation. By integrating macro trends such as the rise of the "hard discount" model and iterative consumption demands of Generation Z in the retail industry, it analyzes how MINISO achieves synergistic growth in global operations through digital supply chain management, construction of a user-centric operational system, and organizational culture reshaping. Additionally, based on the SWOT analysis framework, this study reveals potential risks and opportunities during the transformation process, providing strategic references for similar enterprises. Drawing on multiple sources of evidence—including corporate public disclosures, industry reports, and in-depth case interviews—the research aims to comprehensively present the practical logic of digital transformation in retail contexts.

2 Development Trajectory and Transformation Motivations

2.1 MINISO Corporate Profile

MINISO is a globally leading fast-fashion retail brand. Leveraging robust global supply chain integration capabilities, large-scale procurement operations, and highly efficient operational management, MINISO has successfully implemented a consumer-friendly pricing strategy that balances product design aesthetics with fundamental quality standards, thereby establishing the cornerstone of its market competitiveness. Regarding product strategy, the company covers ten core categories including daily necessities, creative home goods, health and beauty products, and trendy accessories. It maintains an extensive SKU portfolio with rapid iteration cycles to align with evolving consumption trends. Notably, MINISO has elevated IP co-branding collaborations to a core strategic priority, establishing in-depth partnerships with globally renowned intellectual properties such as Disney, Marvel, Sanrio, and the Palace Museum Cultural IP. Through co-branded products, MINISO continuously attracts younger consumer demographics, enhances brand visibility, and strengthens differentiated competitive advantages.

The company's business model integrates offline experiential retail with online channels, forming an omnichannel retail ecosystem. Through digital transformation initiatives, MINISO continually optimizes supply chain efficiency and operational effectiveness. Concurrently, the company actively constructs a comprehensive omnichannel retail ecosystem that combines physical stores, proprietary e-commerce platforms (APP/mini-programs), third-party e-commerce platforms, and social media marketing.In summary, MINISO has evolved into an innovative lifestyle and home goods retail conglomerate characterized by distinctive IP-centric design, a value-for-money positioning strategy, and extensive global influence.

2.2 MINISO Development Milestones and Key Events

The evolution of MINISO can be categorized into three distinct phases.

Founding Phase (2013–2018). In 2013, MINISO inaugurated its inaugural store in Guangzhou, establishing its "high-quality, low-price" strategy. Leveraging China's supply chain advantages, the company rapidly expanded its retail footprint. By 2016, it initiated global expansion into Southeast Asian markets, surpassing 1,000 stores worldwide. A pivotal milestone occurred in 2018 with its listing on the Hong Kong Stock Exchange, where capital raised was allocated to overseas growth and supply chain enhancements [2].

Initial Digital Transformation Phase (2018–2022). Collaborating with Weimob, MINISO standardized and digitized foundational systems including ERP and POS platforms, consolidating consumer and channel data. In 2020, the company deployed RFID technology to enable intelligent store management, improving inventory accuracy and replenishment efficiency. The 2021 launch of its proprietary pop-toy brand TOP TOY targeted younger demographics, diversifying its market presence [3].

Advanced Digital Intelligence Phase (2022–Present). From 2022 onward, MINISO co-developed a business middleware platform with Weimob, integrating order processing, inventory, and membership data to support multi-brand and multi-format synergies. In 2023, the company implemented a proprietary AI-driven restocking algorithm that allocated RMB 10 billion in merchandise inventory with precision and automated over 85% of routine replenishment operations. Strategic moves in 2024 included acquiring select operations of Yonghui Superstores to accelerate offline channel consolidation, while introducing the experiential MINISO LAND store format—enhanced by IP-themed immersive environments. By 2025, the "Quality Expansion and Large-Store Strategy" was launched, resulting in 8 MINISO LAND outlets and 43 flagship stores, with large-format stores progressively increasing their revenue contribution.

2.3 Current Development Status of MINISO

MINISO demonstrates multifaceted development characteristics across operational dimensions. Regarding scale expansion and financial performance, the company achieved Q1 2025 revenue of RMB 4.43 billion, representing 19.3% year-over-year growth, with overseas markets surging 39.8% to emerge as a critical growth driver[4]. Concurrently, MINISO optimized its global store network through a net addition of 617 overseas stores, accounting for 65% of total global expansion. In channel innovation and experiential enhancement, the company prioritized developing MINISO LAND flagship stores and benchmark outlets. Through IP-themed initiatives such as Disney's Stitch series collaborations, MINISO created immersive consumption sce-

narios, while global pop-up campaigns in 2024 drove 37% sales growth in related product categories.

Regarding digital capability advancement, a technologically empowered ecosystem was established via strategic partnerships: The procurement platform developed with ShangYue achieved full-process digitalization, reducing procurement costs by 18%, while RFID technology implemented through XinDa IoT covers over 90% of stores, compressing inventory turnover cycles to an industry-leading 28 days, *Being at the forefront of the industry* [5].

2.4 Driving Forces behind MINISO's Digital Transformation

Industry Evolution Imperatives. The retail sector is navigating a critical phase of intelligent digital transformation, wherein artificial intelligence and big data technologies are fundamentally reconfiguring supply chains and consumption scenarios. The deployment of intelligent replenishment algorithms and AI-guided shopping systems has elevated product recommendation accuracy by 60%, shifting the consumption paradigm from "consumer-initiated search" to "product-centric engagement." Amidst omnichannel integration trends, brands synchronize online touchpoints (mini-programs, community operations, livestream commerce) with physical stores to construct holistic traffic pools, driving online channel sales to 22% of total revenue in 2024—a 15-percentage-point increase from 2020 [6]. Supply chain integration capabilities have emerged as a core competitive determinant, compelling MINISO to leverage digital systems in reducing warehousing cycles from 3.5 days to 1.92 days while achieving 98% on-time shipment rates, substantially exceeding industry averages. These technological adaptations represent both strategic responses to industrial currents and essential measures for sustaining market relevance.

Operational Efficiency Demands. Confronted with managing 7768 global stores (as of March 2025), digital transformation constitutes the principal mechanism for addressing managerial complexity and cost pressures. Within supply chain operations, high-frequency product refresh strategies—exceeding 8,000 annual SKU introductions—necessitated a 40% improvement in inventory turnover efficiency, achievable solely through digital demand forecasting and automated replenishment systems. Empirical 2024 data reveals that while overseas operations contributed 40% of revenue, logistics costs surged 18% year-over-year, compelling the adoption of intelligent logistics systems to optimize cross-border distribution. At store-level operations, digital price tag systems eliminated manual repricing labor, while AI-powered store inspection tools reduced staffing requirements by approximately 15%. Crucially, the corporate data platform's real-time monitoring of 3213 international stores dramatically compressed management decision cycles [7].

Personalized Consumption Requirements. The precision marketing ecosystem leverages private domain channels—including enterprise WeChat and community

management—to implement stratified user segmentation and personalized engagement. Weekly targeted distribution of coupons and new product information boosted repurchase rates by 19%. Product innovation strategies have intensified IP collaboration initiatives through co-branded offerings with global franchises such as Disney and Marvel, augmented by private-domain user research facilitating product co-creation. Illustratively, the Stitch from Lilo & Stitch merchandise series exceeded RMB 50 million in initial monthly sales, while TOP TOY's vinyl plush products surpassed one million units sold quarterly, collectively embodying data-driven product development methodologies [8]. Enhanced instant retail services and AI shopping assistants address escalating consumer demands for convenience and immediacy. Nearly 20,000 instant retail partner stores nationwide provide "online ordering with hourly delivery," and AI chatbots in physical stores resolve over 85% of customer inquiries. These initiatives holistically elevate consumption experiences while strengthening brand loyalty.

3 Pathways of Digital Transformation

3.1 Digital Supply Chain Management System

Within its supply chain operations, MINISO implements a digital supply chain management system to integrate over 1,100 suppliers and streamline multi-tiered supply processes. Suppliers establish digital linkages through this system to access real-time sales data from MINISO's retail endpoints. By simplifying supply chain workflows and enhancing operational efficiency, MINISO collaborates with suppliers to optimize production planning dynamically, achieving synchronized data exchange that minimizes inventory risks while improving production efficiency and cost control [9].

This digitally empowered supply chain enables agile manufacturing, rapid inventory turnover, and accelerated product launches. Furthermore, leveraging its global network of nearly 5,300 stores, MINISO employs a volume-driven pricing strategy to ensure cost-competitive product offerings without compromising quality [10]. Collectively, these mechanisms fortify supply chain resilience against global uncertainties while effectively meeting worldwide demand.

3.2 Data Integration and User-Centric Operational Architecture

MINISO's omnichannel digital ecosystem integrates offline and online data streams. Physical stores capture customer profiles and consumption behaviors through QR code-driven engagements with official accounts and mini-programs, while e-commerce platforms and social media channels harvest user browsing and purchasing patterns. These disparate data sources are consolidated into a unified data repository, dismantling preexisting silos between online and offline information systems [11].

The company has established a User Data Middle Platform that aggregates extensive consumer insights, assigning an average of 89 behavioral tags per user—spanning lifecycle stages, interest categories, and product preferences—to construct a

comprehensive system encompassing 3.5 billion user tags. This centralized platform enables systematic management and analytical processing of tagged data, generating precise user profiles that underpin targeted marketing campaigns and operational optimizations [11].

3.3 Cultivating Data-Driven Organizational Culture

Traditional retail enterprises often fragment data across departmental systems (e.g., ERP for procurement, POS for stores, CRM for marketing). MINISO's data middle platform centralizes information governance, mandating cross-functional adherence to unified data standards. Supply chain teams must adjust replenishment plans based on real-time store sales data, while marketing departments design initiatives leveraging user tag analytics—with all strategic decisions anchored to consolidated data outputs from the central platform. This framework transforms cross-departmental collaboration from experience-based intuition to data-validated consensus.

To institutionalize data-centric practices, MINISO incorporates key metrics into performance evaluations. Franchisee assessments now include data-driven indicators such as private domain conversion rates and member repurchase frequency alongside traditional sales and profit measures. Headquarters monitors franchisee performance via SCRM systems in real-time, rewarding operators exceeding user engagement metrics with premium inventory allocations, marketing resources, and incentives. Conversely, underperforming franchisees must develop corrective action plans supported by targeted training. This metric-linked evaluation system shifts franchisee focus from transactional sales to sustained user relationship management, aligning with corporate digital strategy while advancing enterprise-wide data asset accumulation and value extraction.

4 Potential Risks and Opportunities

4.1 Industry Analysis of New Retail and IP Product Markets

Amidst transformative shifts in consumer markets, the New Retail and IP product sectors demonstrate robust vitality and distinctive evolutionary trajectories. New Retail leverages internet infrastructure alongside big data and artificial intelligence technologies to comprehensively upgrade production, distribution, and sales processes. This paradigm integrates online services, offline experiences, and modern logistics—reshaping business structures and ecosystems—with China's domestic market scale exceeding RMB 3 trillion in 2023, achieving a compound annual growth rate (CAGR) of 115%. Future development prioritizes intelligent and personalized dimensions, where technology will continuously empower product recommendation systems and customer service operations amid surging demand for customized offerings.

Concurrently, the IP product market exhibits vigorous expansion, with China's IP retail sector surpassing RMB 150 billion in market value and engaging over 600 million enthusiast consumers. IP merchandise spans diverse categories including toys,

stationery, and apparel. Consumer preference data reveals 76% of purchasers perceive IP products as more appealing, while 67% allocate premium budgets for such items. IP-driven new product lines have become critical growth accelerators, evidenced by JD Supermarket's 91% increase in IP product launches and 157% year-over-year sales surge in 2024. Looking forward, deeper integration between IP and retail will drive operational diversification and ecosystem development, with emerging IP franchises poised to inject renewed dynamism into the market.

4.2 SWOT Analysis

Table 1. SWOT Analysis of MINISO's Digital Transformation

Strengths ● Extensive global store network and supply chain coverage. ● Fast SKU iteration (over 8,000 SKUs), highly responsive to consumer trends. ● Strong IP collaborations (Disney, Marvel, Sanrio, etc.). ● Multi-channel digital reach (WeChat Mini Programs,JD.com, Douyin, etc.).	Weakness ● Fragmented customer data infrastructure, no unified Customer Data Platform (CDP). ● Homogeneous digital experiences across stores. ● Weak internal digital capabilities and cross-team coordination. ● Over-dependence on third-party e-commerce platforms.
Opportunities ● Al/big data for demand forecasting and dynamic pricing. ● Rapid rise of social and live commerce. ● Gamified digital formats (e.g,digital collectibles,metaverse) to attract Gen Z. ● ESG-driven branding via digital carbon footprint tracking.	Threats ● Competitors like SHEIN and Pop Mart already operate with advanced digital moats. ● Cross-border compliance and data governance pressures. ● High capex in digital innovation with uncertain ROI. ● .Low switching costs and hyper-informed users via social reviews.

Strengths. As delineated in Table 1, MINISO has established a globalized store network and integrated supply chain infrastructure, leveraging extensive physical presence and efficient supply chain coordination to achieve profound market penetration [12]. The company’s rapid SKU iteration mechanism—exceeding 8,000 SKUs annually—utilizes agile supply chain capabilities to respond dynamically to consumption trends, sustaining consumer engagement through frequent product refreshes. Strategic IP collaborations with industry leaders including Disney, Marvel, and Sanrio harness emotional resonance and traffic potential to empower differentiated product competi-

tiveness. Furthermore, a multi-channel digital engagement matrix spanning WeChat mini-programs, JD.com, Douyin, and other platforms constructs an omnichannel consumption ecosystem that expands user touchpoint boundaries.

Weaknesses. Table 1 indicates persistent challenges in MINISO's customer data infrastructure, characterized by fragmented systems lacking a unified Customer Data Platform (CDP). This fragmentation impedes consolidated consumer insights necessary for precision marketing and demand forecasting. Additionally, standardized digital experiences across stores fail to deliver regionally customized interactions aligned with demographic variations. Internal limitations include insufficient cross-departmental coordination and data-driven decision-making inefficiencies that constrain organizational agility. Overreliance on third-party e-commerce platforms further exposes the company to operational constraints under platform governance rules and traffic allocation mechanisms, potentially compromising profit margins and operational autonomy.

Opportunities. Emerging opportunities documented in Table 1 encompass AI and big data applications for demand forecasting and dynamic pricing optimization, enabling enhanced inventory turnover and pricing strategy refinement. Channel innovation prospects arise from explosive growth in social commerce and livestreaming e-commerce, creating contextualized marketing touchpoints for deeper user engagement. Consumer experience enhancements can be achieved through gamified digital formats—including digital collectibles and metaverse integrations—that align with Generation Z preferences to build immersive brand interaction ecosystems [12]. Corporate social responsibility initiatives present additional potential, where ESG-oriented digital carbon footprint tracking systems can bolster sustainable brand positioning while addressing regulatory requirements.

Threats. Competitive threats outlined in Table 1 stem from established digital moats built by rivals such as SHEIN and Pop Mart, which have solidified consumer mindshare in fast-fashion and IP toy segments. Cross-border operations face escalating compliance complexities, with divergent regulatory frameworks across markets amplifying operational risks and governance costs. Innovation-related challenges include high capital expenditures for digital initiatives coupled with uncertain ROI, testing corporate resource allocation and risk tolerance. Consumer-side vulnerabilities emerge from low switching costs and high information transparency enabled by social platforms, increasing susceptibility to competitor messaging and intensifying brand loyalty retention difficulties.

4.3 Synthesis of Risks and Opportunities

MINISO navigates a complex interplay of opportunities and risks within the New Retail and IP ecosystems, where technological innovation and shifting consumption

patterns simultaneously create growth avenues and operational challenges. AI and big data analytics enable intelligent operations that resolve supply-demand mismatches, transforming inventory and pricing efficiency. Social commerce and livestreaming platforms align with younger demographics' consumption habits, diversifying traffic conversion pathways. Gamified digital formats cater to Generation Z's experiential expectations, elevating brand engagement from transactional sales to value co-creation. ESG-oriented initiatives respond to sustainability imperatives, capturing green premium potential while constructing differentiated barriers [13].

Concurrently, competitive, regulatory, innovation, and consumer-centric risks profoundly test organizational resilience. Established players like SHEIN and Pop Mart have fortified cognitive and operational moats, compelling MINISO to transcend its value-for-money foundation through enhanced differentiation. Cross-border operations face escalating constraints from divergent data sovereignty regimes and trade regulations, amplifying data governance complexities and operational vulnerabilities [14]. High digital investment burdens coupled with uncertain returns challenge capital allocation precision. Social media transparency drives consumer switching costs toward zero, transforming brand loyalty competitions from product-centric rivalry to omni-touchpoint experience warfare.

To sustain growth momentum amidst this dynamic tension, MINISO must address critical imperatives: unifying its Customer Data Platform (CDP) to remedy data infrastructure deficiencies; leveraging IP and digital ecosystems to construct experiential innovation advantages; and fortifying cross-jurisdictional compliance frameworks to strengthen global operational resilience. Only through such balanced strategic alignment can the company solidify competitive barriers and adapt to the intricate evolutionary logic of the New Retail landscape.

5 Conclusion

MINISO's digital transformation has catalyzed a strategic evolution from "high-quality affordability" to a "data-empowered IP ecosystem" through digitized supply chain management, user-centric operational architectures, and organizational cultural restructuring. The implementation of intelligent replenishment algorithms and supplier collaboration systems compressed inventory turnover cycles to 28 days, while a unified User Data Middle Platform integrated 32 million private domain user tags to drive IP co-branded product innovation. Concurrently, embedding data metrics into franchisee performance evaluations accelerated the organizational shift toward data-validated consensus. Within the New Retail and IP economic landscape, RFID technology and digital procurement reduced supply chain costs by 18%, the TOP TOY brand captured 22% online sales share in the pop-toy market, and MINISO LAND flagship stores synergized experiential scenarios with omnichannel traffic.

Future competitiveness necessitates overcoming challenges including global data fragmentation, cross-border compliance complexities, and innovation investment-return imbalances. Strategic priorities should focus on constructing a unified Customer Data Platform (CDP), deepening AI applications, and exploring metaverse scenari-

os. MINISO's transformation furnishes the retail industry with a replicable paradigm centered on three pillars—supply chain efficiency user experience optimization, and organizational agility—demonstrating how data integration enables scalable value conversion across global operations.

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