



GLOBAL SHOPPING
FESTIVAL 2019

EVERY SINGLE WISH COUNTS

Countdown to 2019 11.11 Global Shopping Festival - Nov. 7, 2019



Welcome to this week's newsletter, which includes the latest insights and updates on the 2019 11.11 Global Shopping Festival. In this issue, we will update you on the dazzling shopping experience conducted through our livestreaming phenomenon and pre-sale results that are exceeding expectations for some of the world's leading brands. We will also take you behind the scenes to see how brands, merchants and Alibaba's ecosystem are mobilizing resources to prepare for the shopping spree as we head for the big day.

Alibaba Pushes Closer to \$200B Import-to-China Goal



At the China International Import Expo (CIIE) in Shanghai, Alibaba Group Executive Chairman Daniel Zhang hailed the company's progress in meeting its goal of importing [\\$200 billion worth of goods into China by 2023](#), saying Alibaba had in the first year met its internally set annual targets to reach the goal. Some 113 brands had pegged their first entry into China – via dedicated cross-border e-commerce site [Tmall Global](#) – to the Expo.

Nearly 700 brands on Tmall Global, including LVMH, Procter & Gamble, Unilever, Johnson & Johnson and Nestle presented over 1200 new products at the event. These new products have already received significant attention from media and consumers before CIIE, and many will be on offer for Alibaba's 2019 11.11 Global Shopping Festival. They include the world's first smart photochromic contact lens by Johnson & Johnson, and P&G's Opté™ Precision Skincare device.

Tmall Global sources from 78 countries and regions, with over 22,000 brands providing goods from 4,300 different categories. Pet, electronics and health product categories are among the fastest-growing categories with respective 110.1%, 62.3%, 58.6% growth rates. Other categories, such as cosmetics, health and food also maintained around 90% growth rates.

64 Brands Each Hit RMB100 Million GMV for 11.11 Pre-Orders



As we head towards 11.11, impressive pre-sales and pre-order figures continue to roll in. Check out some of the highlights:

- Over 64 brands achieved over RMB100 million pre-order GMV in sales, twice the number of brands compared to last year. Cosmetic brands such as Lancôme, L'Oréal and Olay, as well as electronics brands like Apple, Dyson, Siemens and Philips, are leading the sales records.
- In particular, Estee Lauder became the first brand to achieve RMB1 billion GMV of pre-orders in the festival's history.
- The iPhone 11 has surpassed RMB100 million in pre-orders as a single product.

Innovating New Products for 11.11



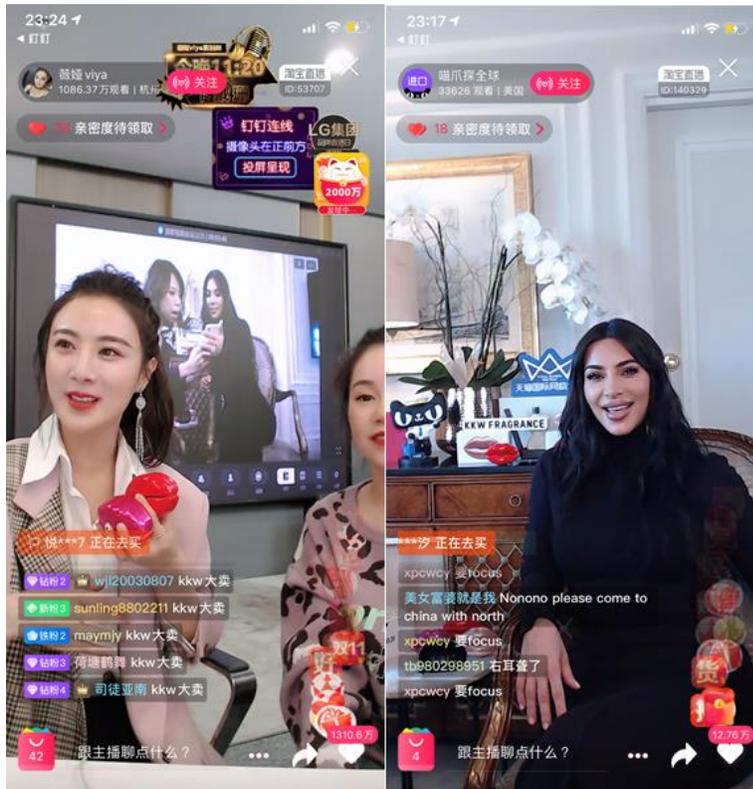
Brands are leveraging the Alibaba ecosystem to launch previously unreleased items exclusively for the world's largest one-day shopping event.

Tmall Unveils List of Top 3,000 11.11 Pre-Sale Items



On Nov. 1, Tmall unveiled its list of the 3,000 best-selling products during 11.11 pre-sales period up to that point. The list, which covers product categories such as cosmetics, apparel, electronics, mobile phones, food, home, auto and more is used by consumers for “shopping guidance” to find the best deals as they enter the 10-day countdown to the 24-hour 11.11 shopping window.

Livestreaming Goes Global for 11.11



Kim Kardashian West, the American reality TV star, social media icon and businesswoman, launched her name-brand KKW Fragrance on Tmall Global in October 2019. On November 6, Kim took part in a Tmall Global influencer event and conducted her first-ever livestream to China with the country's top key opinion leader, Viya Huang, drawing 13 million viewers and selling out of her stock. International brands have increasingly adopted this popular marketing channel to share content and brand stories directly with consumers. In turn, this has brought the offline experience for each product online in an interactive and engaging way. International influencers are also gaining more popularity among Chinese consumers through livestreaming.

11.11 Livestreaming Highlights:

- The number of merchants who used livestreams increased 200%. Total GMV through livestreaming has increased 50 times.
- Popular sectors leveraging livestreaming include cosmetics and apparel, home appliances, fashion and jewelry, auto, food and beverage.
- L'Oréal's pre-sales GMV has increased 700% compared to livestreaming it did last year. The brand hosted 17 hours of livestreaming on the first day of pre-sales, attracting nearly 1 million views and tens of thousands of new fans.

Journey of a Golden Dragonfruit: From Rural Farm to Tables of Urban Chinese Shoppers



Dong Wenrong, a farmer in Sanya who works at the local Alibaba Digital Agricultural Hub, is ready to provide a new yellow dragon fruit from Ecuador to thousands of Chinese urban shoppers during 11.11.

This type of dragon fruit, known as “the Hermes of fruits,” is sold at over 100 RMB each. Dong has not tasted any of the fruit he planted, but he certainly appreciates the taste of technology. Thanks to intelligent technology applied to implement precision-driven scientific farming practices, Dong is using mobile phones to do all of his farm work during the day. At night, he uses nighttime stimulating sunlight-filling technology that makes the Alibaba Dragon Fruit R&D Base such a beautiful sight in the dark.

Dong’s Dragon Fruit R&D base is just one of the 1000 digital agriculture hubs Alibaba is building across China, leveraging technology to increase farming efficiency. Income of local farmers like Dong has gone from 4,000 yuan a year (\$560+) to 50,000 yuan a year (\$7,100).

These hubs, together with 1,000 direct suppliers, will be able to achieve farm product next day delivery to 11 cities, including Beijing, Shanghai, Guangzhou, and Shenzhen, during the 2019 11.11 shopping festival.

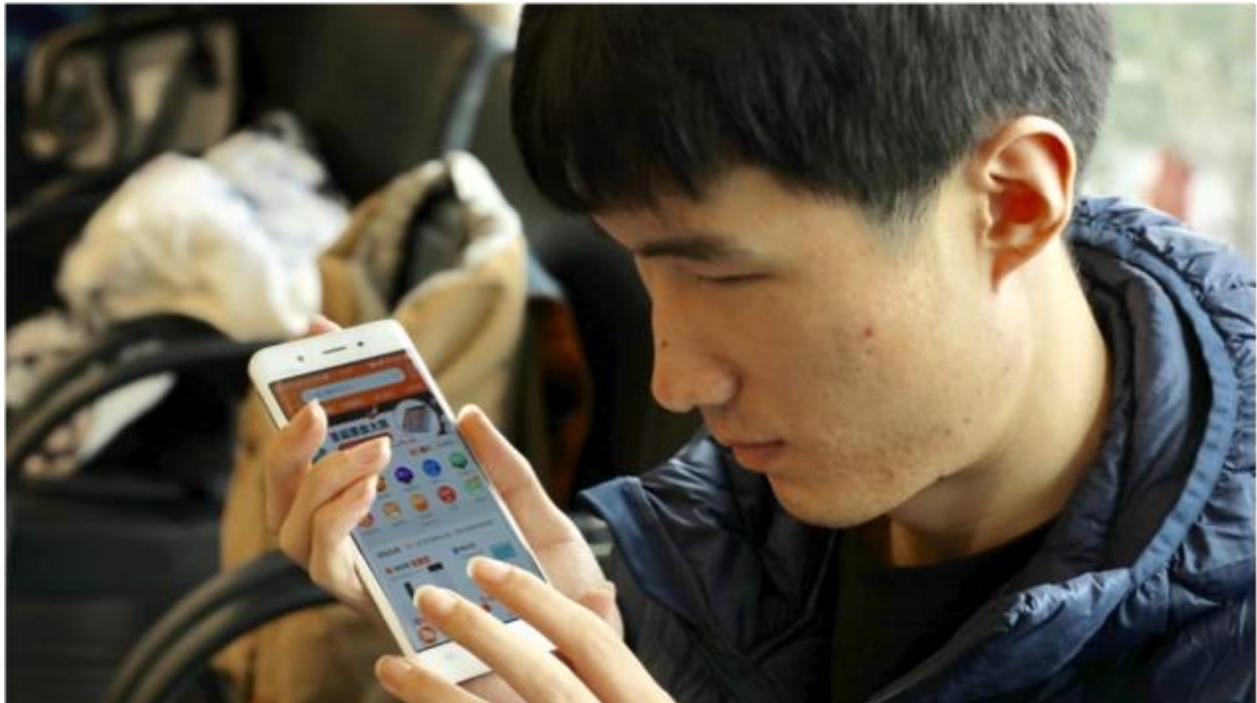
Juhuasuan All-In for 11.11



Juhuasuan, a marketing platform on Taobao, is ready to provide high-quality and low-cost products for Chinese consumers in lower-tier cities during 11.11 by digitizing manufacturers on the supply side.

Juhuasuan is joining hands with 1,000 brands to co-develop 1,000 top-selling products targeting lower-tier cities in China. They are mobilizing the production power of over 2,000 industrial zones, 1,000 digital agriculture hubs, 5,000 digital factories, and 50,000 production lines to provide C2M products (customer to manufacturer) that best meet the demand of lower-tier city consumers by providing them with extremely cost-effective products.

New Technology Means More-Inclusive 11.11 for 300,000 Visually Impaired Consumers



This 11.11 Alibaba is trying to ensure visually impaired consumers are not left out of the shopping festival. The New Retail technology team has been tasked with making shopping more accessible to blind and partially-sighted users.

Through Optical Character Recognition technology, blind or visually impaired consumers can use screen-reading software on product-display pages that describes images as the page is scanned. For the first time, using an audio guide, the vision-impaired can also partake in gameification, such as winning “red packets” by completing online challenges.

500 Million Tons of Goods Fill Cainiao's Warehouses, Ready for 11.11 Dispatch

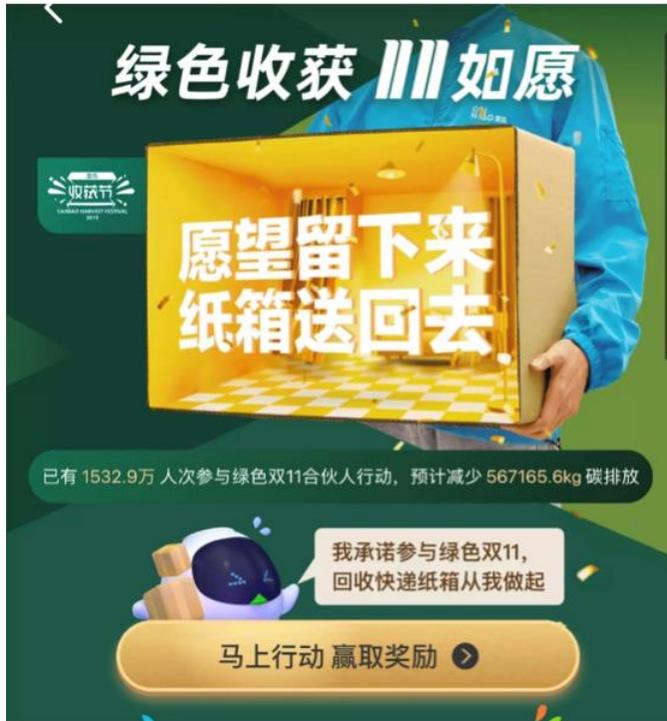


Cainiao has a pre-11.11 record in inventory volume of 500 million tons of goods in its warehouses. The categories with highest volume are face masks, female care products, shampoos and shower gels.

Cainiao is also arranging inventories according to geographical demand estimated by smart logistics technology. Demand for thermal underwear, for example, has increased in the southern part of China, with winter approaching, and high-quality rice and flour is what northern China consumers need for winter.

Imported products have been shipped to Cainiao's bonded warehouse. Leading categories include cosmetics, health, mother and baby products.

Over 15 Million Consumers Pledge to Go Green This 11.11



As of Nov. 5, over 15 million people have signed up for Alibaba's 11.11 green initiative online, pledging to recycle packages, buy eco-friendly products and take other measures good for the environment, suggesting this year will be one of the greenest 11.11 shopping festivals ever.

The recycling/reuse of each parcel is expected to reduce 37 grams of carbon emissions. In the past year on Tmall, over 40 brands have dispatched 150 million tape-free eco packages and have saved over 200 million meters of tape, enough to circle the earth 5.6 times.

In addition, energy-saving and low-carbon products have become more popular among consumers. According to Aliresearch, over 41% of consumers who have purchased eco-friendly products were born in the 90's or later.

Looking at those products, the pre-sale turnover of energy-saving air-conditioning and environmentally-friendly building materials coatings have increased by 41% and 80%, respectively, during this year's pre-sale period. Trash bins that segregate refuse by category have also sold 560,000 units during the pre-sale period, an increase of nearly 200% compared to the same period last year.

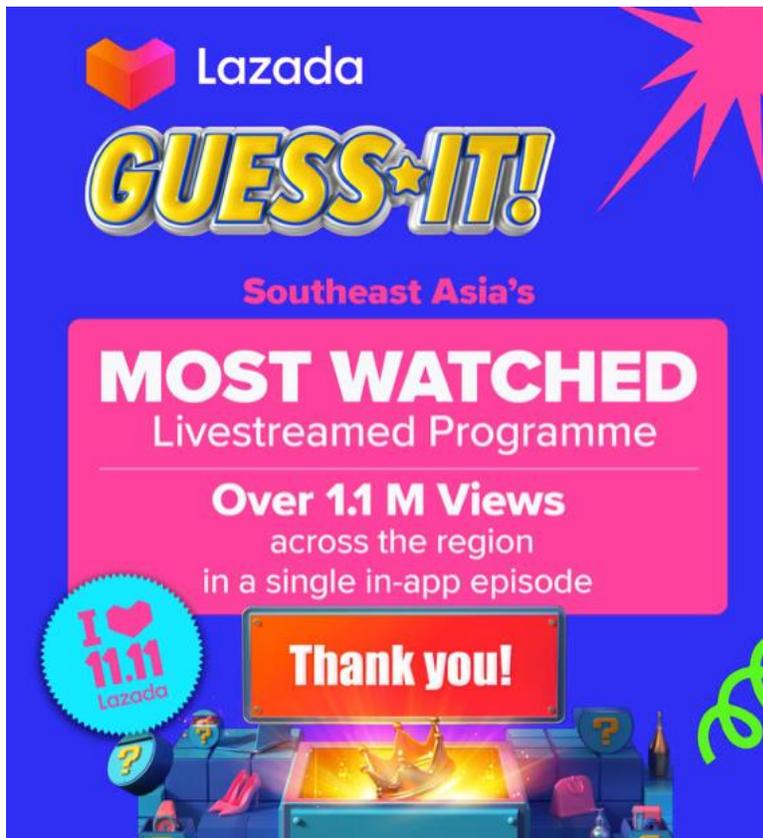
In terms of green transport, consumers who purchased electric scooters and electric motorcycles increased by 109% and 522%, respectively, compared with last year.

Bargains Galore Online and Offline for 11.11 Grocery Shopping



11.11 promotions from Tmall Supermarket, Tao Xian Da, and RT-Mart mean Chinese consumers have more online and offline discounts and coupons for best-selling grocery items than ever before. They can choose in-store shopping and scan a QR code to get coupons, or simply click through their mobile phone to get the same amount of discounts online and have grocery items delivered to their home.

Lazada 11.11 Gameshow Tops SE Asia's Livestreaming Charts



Lazada's in-app interactive gameshow, GUESS IT! King, became the most-watched livestreamed program across Southeast Asia when it returned to the platform in a four-hour marathon on Monday. Hitting a record 1.1 million views, the show featured an entertaining format with KOLs playing variety show games and stronger product integration highlighting some 11.11 must-buy items. Lazada's country CEOs and CMOs also went on their local show as special guests.

The event was held across Lazada's six markets on the same day. Each market's performance was strong on its own, with Indonesia taking the lead and notching over 634,000 views.

The success of this event demonstrates the continuous need to engage consumers in innovative ways that will enhance their shopping experience, providing them quality entertainment and elevating the Lazada platform to a lifestyle destination.

In addition, more than 300 journalists attended press events across Malaysia, Indonesia, Thailand and the Philippines this week, where they also experienced the various ways in which Lazada is bringing its Shoppertainment features to life.

Alipay Opens to International Travelers in China in Time for 11.11 Global Shopping Festival



Alipay, the mobile payments and lifestyle platform owned by Ant Financial, [is opening its platform to international travelers in China](#) for the first time.

Tourists visiting China can now download and use the app during their trip. All they need is an overseas phone number, a visa and their bank card to sign up for Alipay's "Tour Pass" mini-program.

They can top up in increments of as much as RMB2,000 (\$285), and use the service to not just make offline payments, but also to hail cars, purchase train tickets or book hotels, among other features available within the Alipay app. Most importantly, they can fully experience the worlds' largest shopping event if they are in China during 11.11.