



Alibaba Group

11.11 Global Shopping Festival
OVERVIEW



Who is Alibaba?

Alibaba is a global technology company operating the largest online and mobile commerce marketplaces in the world

Our ecosystem of commerce, digital media and local services is supported by enabling businesses of logistics, payments, digital marketing and cloud computing

OUR MISSION

To make it easy to do business anywhere

OUR VISION

To build the future infrastructure of commerce

To be a company that lasts at least 102 years

The China Opportunity

CHINA MARKET

MACRO SHIFTS

Manufacturing →
consumption economy

HUGE RETAIL MARKET

China's total retail
market was nearly \$5
trillion in 2016⁽¹⁾



UNDERDEVELOPED BRICK-AND-MORTAR

Over 80% of total retail
market is offline in China⁽²⁾

TREMENDOUS E-COMMERCE GROWTH

By 2020, China will account for
nearly 60% of global e-
commerce⁽³⁾

CHINESE CONSUMER

GROWING MIDDLE CLASS

Population to exceed
600 million within 5
years⁽⁴⁾

HUGE SPENDING POWER

Aggregate net cash reserves
of more than \$4.6 trillion⁽⁵⁾



UPGRADING LIFESTYLE

Demand for high-quality
international goods

MOBILE FIRST BEHAVIOR

79% of transactions
via mobile devices⁽⁶⁾

Our Evolution

WE STARTED
as an e-commerce
business

Connecting buyers
and sellers



Platform model to build
the future infrastructure
of commerce



WE BENEFITED
from China's growing
internet population and
underdeveloped
brick-and-mortar



TODAY, WE ARE
the largest retail commerce
company in world

And much, much more than
just a sales channel



\$547 billion

GMV on China retail marketplaces
in FY 2017

Alibaba's China retail marketplaces are
bigger than all U.S. e-commerce sales
combined

Building the Infrastructure of Commerce

CORE COMMERCE



DIGITAL MEDIA & ENTERTAINMENT



LOCAL SERVICES



DATA-DRIVEN

DATA-REFUEL

SERVED BY PAYMENTS, FINANCIAL SERVICES, LOGISTICS, ADVERTISING, DATA MANAGEMENT & CLOUD COMPUTING



PAYMENT & FINANCIAL SERVICES

CAINIAO 菜鸟网络

LOGISTICS

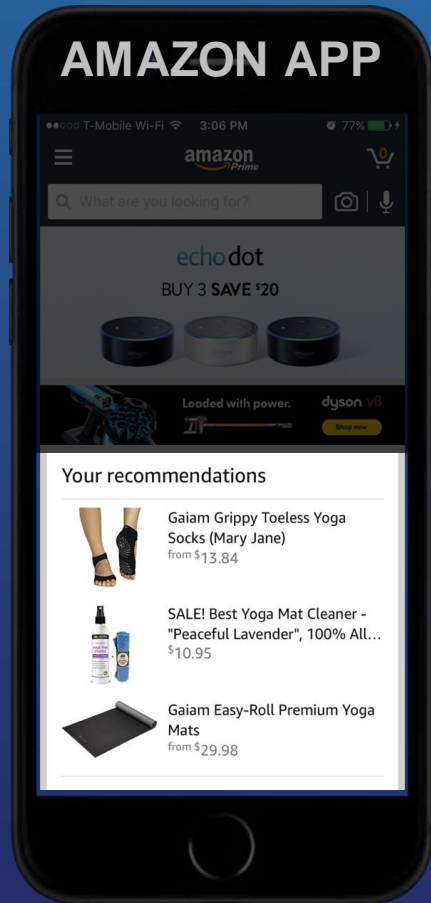
阿里妈妈
Alimama.com

ADVERTISING
DATA MANAGEMENT PLATFORM



CLOUD COMPUTING

Alibaba is a Lifestyle Portal



Tmall: Global Brands
Group Buying
Tmall Global
Food Delivery

Supermarket
Mobile Phone Top-Up
Travel Booking
On-Demand Home Service



>7.8times*

of app launch per user daily



30minutes**

average time user spends in the app daily

Compared to 8.2 min on Amazon**

*For the month ended May 31, 2017.

**For the month ended February 2017. Source: Quest Mobile, ComScore

Retail as Entertainment

More Content and Connections

From transactions to consumer media and community



Sharing & Recommendations

Explore

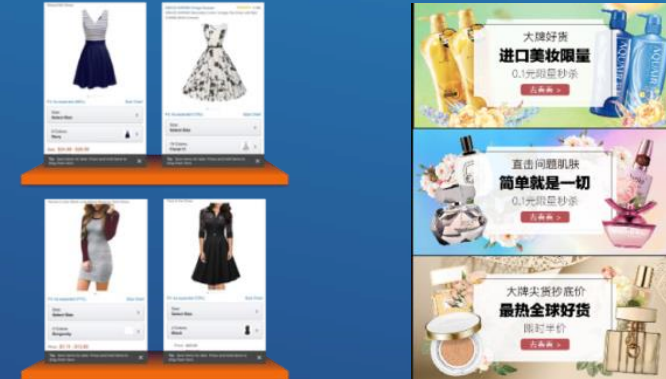
Community

Content

Livestreaming

More Intelligent

AI-driven user experience and operating efficiency



Algorithm selecting the best merchants to serve consumers

AI-enabled text and visual presentation

China Retail Marketplaces

500+ million mobile monthly active users

Content

1.15 million content creators

Livestreaming

More than 50% of users browse the products

Why Brands Work with Alibaba

500M+ Consumers

Access to over half a billion highly engaged consumers that rely on Alibaba's marketplaces



Targeted data-driven marketing that leverages the entire Alibaba ecosystem



Platform model means Alibaba doesn't compete with merchants, it helps them grow



Alibaba handles all payments, logistics and technology infrastructure, so they can focus on their product and brand



Not just for big brands, but friendly for SMEs, entrepreneurs, farmers, etc.

Gateway for International Brands to Reach China

P&G

ESTÉE LAUDER

M·A·C

SHISEIDO

Mondelēz
International

Nestlé

MARS



BOSE

BOSCH

dyson

Levi's

★ macy's



COSTCO
WHOLESALE



GAP

OLD NAVY

GUESS



Alibaba Group

11.11 Global Shopping Festival
PRIMER





Evolution of 11.11: From a 1-day Sale to a Festival Season

First celebrated on November 11, 1993 at Chinese universities as a celebration of being “single” – dubbed Singles Day for the four “1”s

Alibaba adopted Singles Day in 2009 inviting Chinese consumers to buy themselves gifts in the spirit of an “Anti-Valentine’s” Day

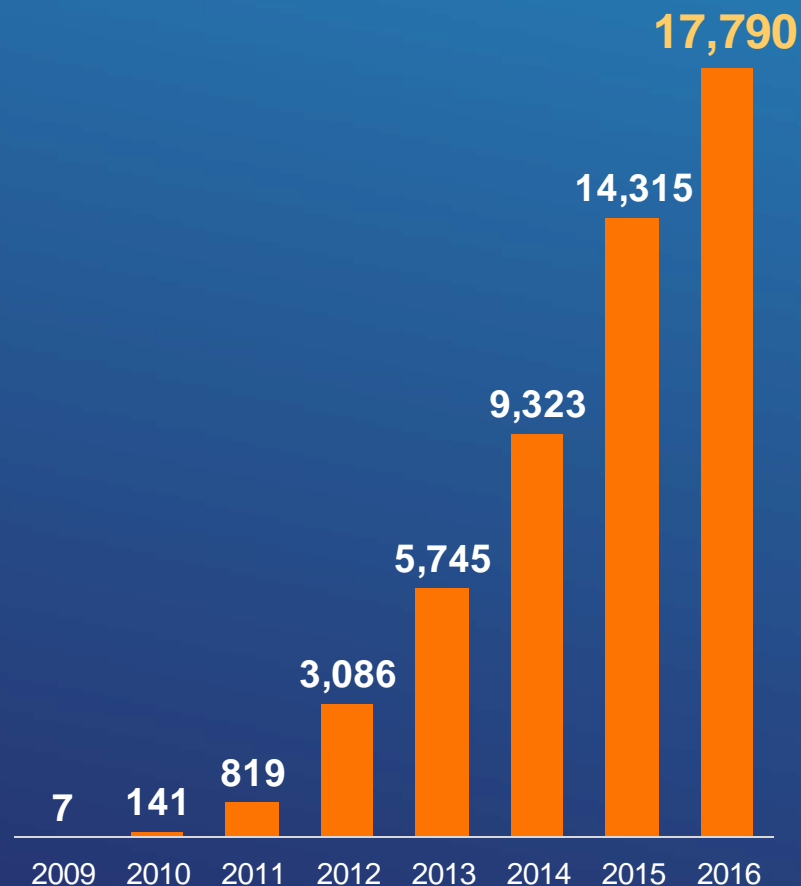
Since Alibaba’s first 11.11, the festival has grown from 27 brands in 2009 to more than 100,000 participating merchants in 2016

In 2016, Alipay processed \$17.8 billion in GMV, more than 2.5X larger than all Black Friday + Cyber Monday sales from U.S. merchants combined

It has become a holiday season for Chinese shoppers where **retail is entertainment**

It is test-bed for **new retail** innovations and a glimpse of what the future of retail will look like

Gross Merchandise Volume (\$MM)



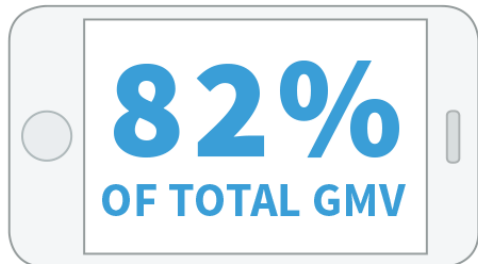
2016 Highlights

NEARLY
100,000
TOTAL MERCHANTS

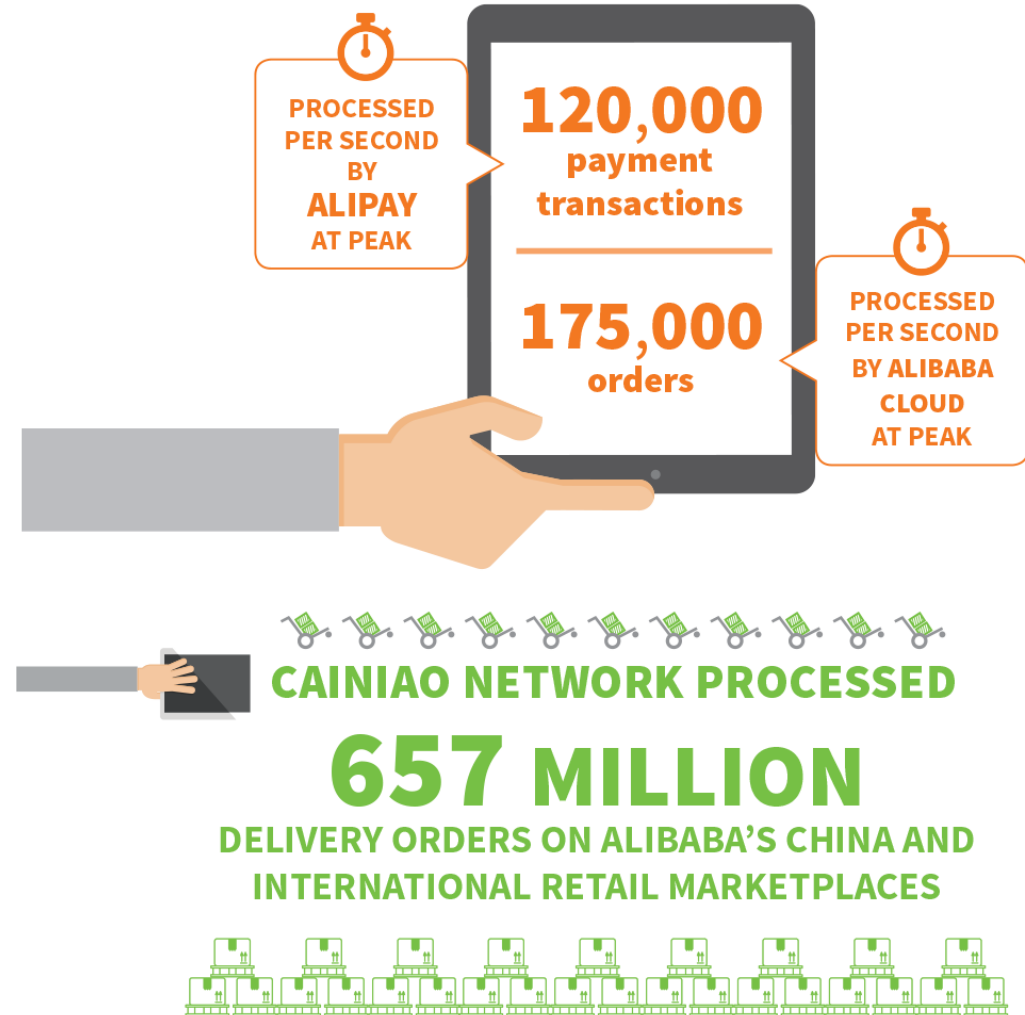
USD **17.8 BILLION**
TOTAL GMV
(RMB 120.7 BILLION)

32% YoY Growth

MOBILE GMV



82%
OF TOTAL GMV



2016 Mobile Engagement

Mobile Engagement Statistics on November 11, 2016

16

TIMES



of App Launches
per Active User

51

MINUTES



Time Spent
per Active
User

82

%



Mobile
GMV %

90

%



% Payment
Transactions
on Mobile at
Peak⁽¹⁾



(1) During the first 30 minutes of 11.11, 2016



More Than Just A Shopping Day

11.11 showcases the entire Alibaba economy at scale

140,000
brands

15 million
product listings

60,000
international brands
and merchants

75%
of the world's most
valuable consumer
brands⁽¹⁾

3 million
logistics personnel to
facilitate millions of
orders

NEW RETAIL

Digitizing the
offline retail world

RETAIL-TAINMENT

Consumers visit our
platforms to have fun,
not just shop

GATEWAY TO CHINA

International brands
tap into the Chinese
consumer market

What is New Retail?

New Retail is Alibaba's strategy to redefine commerce by enabling seamless engagement between the online and offline worlds

FOR MERCHANTS

LEVERAGES TECHNOLOGY

Digitize 82% of offline retail in China

EMPOWERS MERCHANTS

Stay relevant in the digital economy

ENHANCES MARKETING

Innovative brand building opportunities

DRIVES PERFORMANCE

More efficient operations and sales growth

Digitize and transform every aspect of the retail value chain

Product Innovation

Consumer Acquisition

Customer Service

Feedback & Insights

Merchandising

Payments

Logistics

FOR CONSUMERS

Retail as Entertainment = Retail-tainment

PERSONALIZATION

Data-driven preferences not only based on purchases, but ads clicked, search terms, links shared with friends, physical stores visited, merchandise browsed, TV shows watched, etc.

CONVENIENCE

Buy online, pick-up in store or have it delivered from the nearest retail store; try in-store and delivered home – options that cater to the consumer's lifestyle preference

CUSTOMER SERVICE

In-store-quality customer service in the virtual world; "try on" in virtual dressing rooms and get product recommendations directly from brands or popular influencers

Test-bed for New Retail Innovation



SMART
STORES &
POP-UPS



TMALL
CORNER
STORES



11.11
COUNTDOWN
GALA



GAMIFICATION

Smart Stores & Pop-ups



ESTÉE LAUDER

MAC

SHISEIDO

- 1,000+ brands will convert over 100,000 physical locations into “smart stores”
- 50+ pop-up stores by leading global brands in tier-1 cities across China
- Browsing, shopping tours, virtual fitting rooms
- Personalization (e.g., custom make-up colors and engraved baby products)
- Payments and logistics

Tmall Neighborhood Convenience Stores



- More than 500,000 local neighborhood convenience stores and mom-and-pop shops
- Alibaba digitizes these businesses, including merchandising, inventory management and logistics
- Leading international brands such as Mondelez, Lay's, Ferrero and P&G participate to serve more than 100 million consumers

See-Now, Buy-Now Fashion Show



- Fashion show featuring 25+ top international brands such as Polo Ralph Lauren, GAP, Levis and Victoria's Secret
- Broadcast on Alibaba's platforms (Youku, Weibo, Taobao, Tmall & UC Web) as well as via Beijing TV and Toutiao
- Viewers can buy what they see on the runway directly within the app or on broadcast TV by shaking their phones
- Consumers can upload photos of themselves and "try on" outfits in virtual fitting rooms

Gamification



- Tmall's "Catch the Cat" allows consumers to earn promos in a "Pokemon GO"-style game
- Tmall cat mascots featured in thousands of stores such as Starbucks and KFC across China
- Drives consumers to physical retail stores via their mobile devices

11.11 Countdown Gala



- Event to kick-off the 24-hour shopping period
- Broadcast on all Alibaba platforms and across China
- Directed by David Hill, producer of multiple Super Bowls and the 88th Academy Awards
- Features international celebrities
- “See-Now, Buy-Now” lets viewers buy certain styles that appear on stage



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Thank You

