

EVERY SINGLE WISH COUNTS

Countdown to 2019 11.11 Global Shopping Festival – Issue #2



Welcome to our second newsletter offering insights into the 2019 <u>11.11 Global Shopping Festival</u>. In this issue, we present new exciting products and features available to consumers during 11.11 and the cutting-edge ways they'll be shopping. This year, consumers will get unparalleled perks, from buying cars at deep discounts via livestream, and installment options from some of the world's biggest luxury names, to packages for the Olympic Games Tokyo 2020. We'll also give you an inside look at how merchants and brands around the world are mobilizing to meet demand for the world's largest shopping extravaganza.



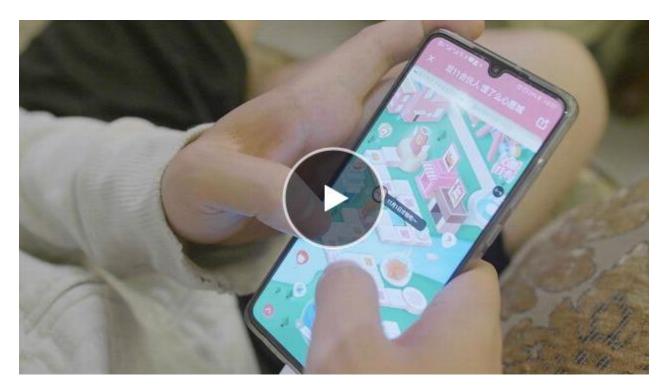
Taylor Swift Confirmed for 11.11 Countdown Gala



Taylor Swift has officially joined the lineup for Alibaba's 11.11 Countdown Gala, a live show produced by Youku, running in the hours leading up to the 11.11 Global Shopping Festival. The multiple Grammy Award-winning singer-songwriter's albums have sold over 40 million copies around the world, and her most recent album, Lover, is China's most-consumed full-length international album ever. Swift joins a lineup of international and local celebrities at Shanghai's Mercedes-Benz Arena, including G.E.M., Hua Chenyu, Kana Hanazawa, Ju Jingyi, Li Ronghao, Luo Yunxi, Jackson Yee, Zhang Jie and Zhang Yixing.



How Chinese Consumers Shop for 11.11



How do shoppers in China take full advantage of the world's biggest shopping day? This is how. And watch how brands are readying themselves for Alibaba's 2019 11.11 Global Shopping Festival.



Brands Upgrade Tmall Stores to Flagship 2.0



Ahead of 11.11, many Tmall merchants are opening upgraded Tmall Flagship Store 2.0. storefronts. Version 2.0 offers new features and tools for brands to further engage with customers via rich, interactive content and an omnichannel experience. Estee Lauder, Bobbi Brown and MAC have rolled out an AR makeup function for consumers to "try on their products" virtually. Just 25 minutes after presales started, Estee Lauder topped its 2018 11.11 sales, while Bobbi Brown's turnover increased 1.5 times. Korean eyewear brand Gentle Monster used 2.0's "second-floor" function to showcase its brand history, pre-sale bestsellers and glasses guide to offer personalized shopping suggestions.



11.11 Offers New Consumer Experiences



11.11 is a shopping festival, but it's about more than just shopping. Shopping has become about content consumption, exclusivity, unique experiences and the pursuit of a lifestyle people could barely imagine just a decade ago.

Pre-Sale & Other Highlights:

- 1. On Taobao Livestream, 55 cars were sold in just 1 second. Premium auto brands, such as Volvo, are part of this year's car-buying promotion.
- 2. 6,000 sets of high-end 24K gold custom version of ARTISTIC & CO Phantom beauty instruments sold out in 30 seconds after pre-sales started on Tmall.
- 3. Stay-at-home consumers can enjoy over 55 local services during 11.11, including spa treatments, shoe repairs, laundry service, luxury goods maintenance, home appliance cleaning, whole house cleaning, floor drain deodorization and more.
- 4. Easyhome, China's largest home-improvement supplies and furniture chain, is offering delivery services for online orders covering a 15-kilometer radius in major Chinese cities.



Brands Offer Special 11.11 Discounts

Third-party data shows 37 high-end cosmetics products are selling at lower prices during 11.11 pre-sales than at duty-free shops through discounts offered by international brands. Dyson is launching its largest promotion of the year across its main product categories during 11.11, as well as making 24-month installment payment options available to consumers. Overall, 93 participating luxury brands, including 40 making their 11.11 debut, are offering payment by installments to Chinese consumers. And consumers can also purchase Shanghai Disney package tickets at 40% off on 11.11.





Over 100 Wine Labels Take Part in 11.11



Tmall Global is bringing top Bordeaux wine brands to consumers during 11.11, including Lafite, Latour, Mouton and Margaux. Overall, more than 100 famous wine brands from across the world will participate in 11.11, bringing 3 million bottles to Chinese consumers.



Technology Upgrades for Customer Service Operations



Alibaba is enabling brands and merchants to optimize their 11.11 customer service using predictive technologies and smart tools for customer service professionals, linking transactions and inventory to customer service. Brands are already reporting success using the new technology earlier this year.

- 1. P&G reduced return lead time by 30% during this year's 618 promotion by using Alibaba's CCO "smart brain".
- 2. Through CCO's smart-promotion solution, merchants are reminded to keep their stock levels high ahead of big promotion activities to ensure customers have a good shopping experience.



Fliggy Rolls Out 1,111 Tokyo 2020 Packages



The 2020 Olympic Games will be in Tokyo, providing a rare opportunity for Chinese consumers to experience the Games without traveling too far. But event tickets are hard to get, and hotel rooms scarce. The Japanese government has introduced a solution that lets cruise ships dock at ports near Tokyo during the Olympic Games to offer temporary accommodations. On Oct. 29, Fliggy kicked off a promotional campaign, including 1,111 limited-edition tour packages. They pair cruises and hotel listings on the Fliggy platform with complimentary tickets from Alibaba to the opening ceremony or sporting events. Sales of the tour packages on Fliggy will begin at 11:11am on Nov. 11.



Cainiao Smart Tech Improves Experience for Brands and Consumers on 11.11



Cainiao has deployed the latest technologies for 11.11 to offer a seamless package pick-up-and-return experience for consumers and a more-efficient delivery operation for merchants.

- 1. Facial-recognition technology will be available at its smart lockers for consumer package pick-up.
- 2. Autonomous delivery cars will be used for package delivery & pick-up.
- 3. Smart supply chain technologies help brands optimize their merchandising strategy, down to the SKU level. Merchants can accurately deploy the right inventory in the right warehouse. For example, from July to September 2019, Cainiao smart supply chain technologies helped P&G's Tmall Flagship store improve inventory turnover by 37% and Nestlé's flagship store decrease days' sales of inventory by 40%.
- 4. For this 11.11, Cainiao is helping 100,000 Tmall merchants make supply chain decisions on their smart phones.
- 5. Cainiao's new smart warehouse in Wuxi started operations in October and is in full swing for 11.11. Over 1,000 robots powered by AI have boosted efficiency 60% from the previous generation and saved about 30% of the time to prepare products for shipping.



Lazada's 11.11 Redefines SE Asia Retail Experience



Lazada has made 11.11 a key industry growth driver, changing the way people shop and the way merchants do business in Southeast Asia. In line with its Shoppertainment strategy, Lazada will feature a range of activities from Nov. 1, enabling shoppers to have more fun as they shop in the lead up to the big day.

Highlights Include:

- 1. In-app livestreamed gameshow 'Guess It!' will level up to **"Guess It! King"** in running a four-hour marathon on Nov. 4, and across all six Lazada markets.
- 2. Offline-to-online innovations, such as **Stamp Hunt**, which enables consumers to head to partners' offline stores to scan QR codes and earn rewards.
- Super Show on Nov. 10 will be livestreamed in five countries, marking the debut of an interactive "Voucher Rain" segment, where viewers can use their Lazada app to collect exclusive 11.11 vouchers in realtime.

A countdown playbook of daily activities starting Nov. 1, with gameified **Group Missions** to make shopping a truly social event. Groups can explore 11 fun ways to earn vouchers as a team.



11.11 Outreach to Australia's Chinese Community



Australia held its first of five media and brand events in Australia for 11.11 this week. Over 40 Chinese community media and local KOLs attended the Melbourne event. There will be more events to come on 11.11, including local influencer, Australia & New Zealand media and Chinese media roundtables in Sydney.



Alipay's E-Wallet Partners Support 11.11 in SE Asia



Six Alipay e-wallet partners will support 11.11 in Southeast Asia this year. Consumers can pay on ecommerce platforms including Lazada or Daraz with these e-wallet partners, such as TrueMoney in Thailand, DANA in Indonesia, TnGD in Malaysia, GCash in the Philippines, bKash in Bangladesh and Easypaisa in Pakistan.



jÁndale! Thousands Gather in Spain as AliExpress Kicks Off 11.11 Festivities



Thousands of supporters and customers of AliExpress in Spain gathered Tuesday night in central Madrid's Plaza de Colón to kick off 11.11 festivities. AliExpress gave away prizes valued at over EUR40,000 from international brands and partners. And on 11.11, AliExpress will stream live for a full 24 hours, offering hourly raffles. Prizes include 11 KIA Picanto cars, seven electric M1 Pro motorcycles from NIU, electric bicycles, smartphones and others.

