# **AliExpress Choice Cheatsheet**

- Choice is a premium service launched by AliExpress in March 2023
- AliExpress orders rose + 60% YoY in the 3 months ended Dec. 31, driven by Choice



### What is Choice?

- Choice combines AliExpress marketplace structure with Alibaba Group-wide logistics capabilities
- Choice shortens the supply chain by sourcing directly from merchants and factories
- In Alibaba's fiscal year to March 31, Choice was available in 215 countries and regions
- In January 2024, over half of AliExpress' orders were placed via Choice

## How does it work?

- AliExpress users can access Choice through a tab on the platform's website or app
- Most products in the Choice category are eligible for free shipping over a certain threshold (\$10 in many markets)
- Delivery is guaranteed within a certain window depending on where the shopper orders from

# Do merchants benefit?

- Choice simplifies the selling process for merchants
- Sellers can focus on product development and manufacturing, while AliExpress handles logistics and other services
- Choice works with merchants to ensure quality control and to refine product selection
- Merchants are able to expand more efficiently internationally with Choice

# Why is delivery fast?

- Choice delivery is handled by Alibaba's logistics arm Cainiao
- Cainiao has already established an international network of shipping routes and warehouses
- Cainiao uses data analytics and algorithms to cut delivery times and improve efficiency

# How are Choice and Alibaba linked?

 Choice is a part of AliExpress, which sits within an Alibaba business group called the Alibaba International Digital Commerce Group

#### How successful is it?

- Choice has significantly improved AliExpress' user retention rate and purchase frequency
- AliExpress order volume rose over 60% YoY for the quarter ended Dec. 31
- Ahead of Black Friday 2023, inventory at Cainiao's AliExpress joint warehouses jumped nearly 900%