



Countdown to  
**Alibaba's 2017 11.11  
Global Shopping Festival**

 **FUNG BUSINESS INTELLIGENCE**

Asia Distribution and Retail

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On 31 October, 2017, Alibaba Group kicked off its annual 11.11 Global Shopping Festival (“11.11”). The main theme of this year’s 11.11 is “Elevating New Retail with deeper engagement”, promising even greater choice for shoppers and deeper levels of consumer engagement. This year, Alibaba will further take New Retail to center stage and promote the 11.11 Global Shopping Festival – this “Chinese phenomenon” to the world.

At the 11.11 launch press conference, Alibaba announced the following key initiatives:

- **Pop-up stores (智慧快闪店)** – a collaboration with more than 100 domestic and international brands to set up 60 New Retail-powered pop-up stores in 52 malls across 12 cities in China. These stores will curate consumer experiences specific to the brands and products through features such as magic mirror, augmented reality (AR) product information display, and vending machines.
- **Smart stores (智慧门店)** – the conversion of nearly 100,000 stores throughout China into “smart stores” to bring a range of New Retail experiences such as facial-recognition payments and scan-and-deliver O2O shopping to consumers.
- **Tmall Corner Stores (天猫小店) and Rural Taobao Service Centers (村淘服务站)** – During 11.11, 4,000 Tmall Corner Stores (with monthly merchandise volume over 10,000 yuan in locations with higher traffic) are at the frontline for global FMCG brands. Meanwhile, in rural area, 30,000 Rural Taobao Service Centers will participate.
- **Retail as entertainment** – as part of the launch of the 11.11 festive season, the “Tmall Collection 2017: See Now, Buy Now” fashion show was held on 31 October 2017. Brands showed off their latest collection through livestream broadcasting and offered audiences the chance to buy the things they see on the runway in real time. This was truly an O2O experience for consumers. Viewers watching the show can enjoy the show while shopping on their phones or saving the items for a later date.
- **Consumer engagement** – an AR game called “Catch the Cat” to drive online traffic to offline locations. Consumers will use their mobile device to catch the virtual Tmall Cat mascot to win special perks, discounts and coupons for use at online and offline stores. Also, “Red envelopes” worth 250 million yuan will be shared among Chinese consumers through various interactive games.

2017 marks the ninth consecutive year of Alibaba's 11.11 Global Shopping Festival. Key highlights of this year's event include:

## New Retail

2017 is the inaugural year for New Retail and this year's 11.11 Global Shopping Festival will showcase to the world what New Retail is and how the future of retail could look like.

This year's 11.11 will not only be a sales event on mobile phones' screen, but will be a global sales event with full retail consumption scenario. Specifically, more than 1 million merchants from local and overseas will utilize various online-offline integrations to enhance merchant operations and create exciting engaging consumer experiences; Tmall will open 60 pop-up stores in 12 cities, 4,000 Tmall Corner Stores, 30,000 Rural Taobao Service Centers and 100,000 new retail smart stores.

## Gateway for International Brands; Chinese Brands Going Global

Another highlight of this year's 11.11 is the synergy of globalization. More than 140,000 brands will participate in 11.11 in 2017, offering 15 million quality products. International brands including LVMH, Estee Lauder, SMCP and other global luxury groups will participate.

On the other hand, as part of this year's 11.11, Tmall World (天猫出海) is supporting 100 Chinese Brands including HLA, Peacebird, Pechoin, Gree, Haier, Joyoung and Shanghai Jahwa to offer special promotions to Chinese consumers in Asia.



Photo source: Alizila.com

## Our comments

Fung Business Intelligence believes that this year's 11.11 is a test for Alibaba to manifest its New Retail strategy. It will showcase how Alibaba can bring together consumers, retailers, logistics companies, financial institutions, online and as well offline stores around the world, and through those smart stores, pop-up stores, corner stores to bring a range of New Retail experiences such as facial recognition payment and "scan-and-deliver O2O shopping" to consumers.

Alibaba hopes to demonstrate its latest retail technologies to help brands offer better consumer experience. It also hopes to make retail experience more "entertaining" – interactive promotion campaigns like "Red Envelops", AR games, pop-up stores – all using technologies to drive online and offline foot traffic and to create noise for the annual festival.

Last year, Alibaba started to promote 11.11 globally and named the event as a "Global Shopping Festival". This year, there is a major push to raise international awareness and participation to the event. We believe that the unprecedented scale combined with innovative technologies will continue to drive the 11.11 Global Shopping Festival to reach new heights.



"11.11 is not just a holiday for our Chinese users, but a holiday celebrated across the globe...maybe our foreign friends don't celebrate Chinese New Year, but I believe they definitely celebrate 11.11."

**Daniel Zhang**  
CEO of Alibaba Group



"The 11.11 Global Shopping Festival is where entertainment and retail become one...regardless of their physical location, consumers will be able to participate in more experiences than ever, all showing the reality of New Retail."

"The real reason to pay attention to 11.11 for those outside of China is that it gives you a glimpse into the future of retail. We will be unveiling new innovations that change the retail game not just in the online world, but also how we are helping physical retailers enhance their operations and the experience for consumers through digital technology."

**Chris Tung**  
CMO of Alibaba Group

source: [Alizila.com](http://www.alizila.com)

Reference:

<http://www.alizila.com>

<http://alibabaneews.com/>

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