

RETAIL

## Singles' Day draws out luxury participants looking to boost holiday sales

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Promotional image for Tmall's 11.11 Global Shopping Festival

By SARAH JONES

Shopping holiday Singles' Day is attracting luxury department stores and brands looking to woo Chinese consumers with deals.

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Held each year on Nov. 11, a date with four lonely numbers, Singles' Day has turned into the single largest online shopping day of the year, far surpassing Cyber Monday in recent years. Singles' Day is again expected to break its own records again this year, giving participating brands the opportunity to drive sales among this powerful group of luxury customers.

"Singles' Day adds a new and powerful opportunity for retailers to maximize the crucial fourth quarter holiday shopping window," said Jennifer Wang, co-founder/chief marketing officer of [Dealmoon](#).

"The biggest benefits are to attract new customers who are only willing to experience your product for the first time at an 'introductory rate,'" she said. "According to many of our partners, 70 percent of the customers we bring for them are first time shoppers for that merchant.

"[Another benefit is] to generate huge sell-through without hurting the brand image, as consumers of Chinese descent, expect every product to have a special price on Singles' Day."

### Doling out deals

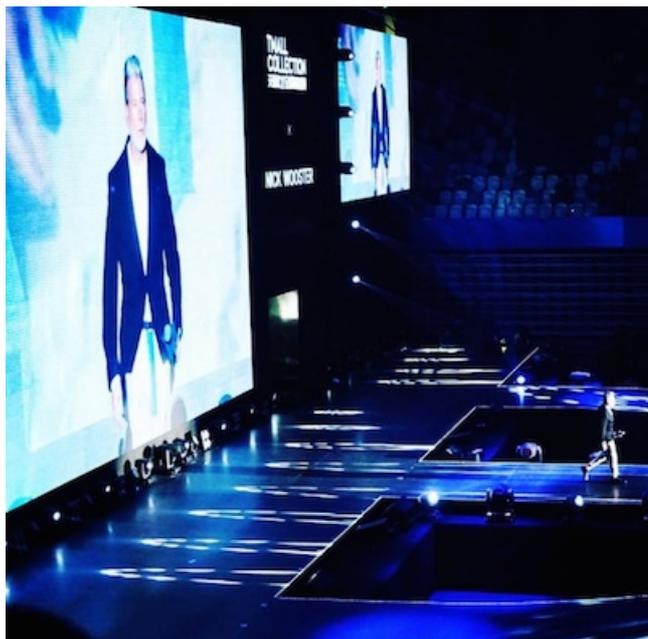
Singles' Day started in the 1990s on college campuses in China, as students banded together to show pride in being uncoupled, creating a kind of anti-Valentine's Day. In 2009, Alibaba began promoting the date as a major shopping day.

In 2015, Singles' Day sales surpassed Cyber Monday purchases by four times, or \$14 billion to Cyber Monday's \$3.1 billion. While Black Friday remains in the top spot for total sales, aided by bricks-and-mortar purchases, Singles' Day is the number one online shopping day.

Today, most Singles' Day activity centers primarily on Alibaba Group's Tmall. This year, the online retailer gave merchants the ability to better engage and raise awareness for their brand via live-streaming, virtual reality shopping,

interactive content, games and omnichannel offers.

Burberry and La Perla were among the luxury houses that participated in Tmall's large-scale fashion show hosted as a kick off to the 11.11 Global Shopping Festival.



*Tmall's 11.11 fashion show*

Tmall gathered 200 top models and celebrities for an interactive, live-streamed runway presentation that ran eight hours on Oct. 23. As they watched, consumers could pre-order pieces at a deep discount by pressing a "buy now" button, with transactions completing on Nov. 11 during the shopping holiday Singles' Day ([see story](#)).

Over the years, Singles' Day has also extended to other nations. For the fourth year, the U.S.-based Dealmoon is hosting a Singles' Day event.

Dealmoon, a Web site that serves up discounts and offers to Chinese Americans, is making a big push for Singles' Day. Among the more than 200 luxury brands taking advantage of its audience of 6 million shoppers are six major U.S. department stores, including Neiman Marcus, Saks Fifth Avenue, Bergdorf Goodman, Bloomingdale's and Nordstrom.

High-end beauty labels are also getting in on the action, with La Mer, Lancme and Este Lauder advertising offers on Dealmoon.



*Dealmoon Web site*

Not limited to affordable luxury goods, one deal lists a Glashtte men's Senator Automatic timepiece, typically \$24,100, for \$9,800, one of the discounts of 25-80 percent. Some others are offering a site wide 50 percent off.

Last year, a number of the retailers who partnered with Dealmoon saw \$1 million in sales in just 48 hours, making this a means to expand their important fourth quarter revenue.

With Chinese Americans hungry for deals on more than just utilitarian products, Dealmoon has become the largest distributor in the U.S. for many luxury brands.

A rising middle class has helped China become a luxury powerhouse, with consumers there contributing 46 percent

of the total luxury spend globally. A Chinese consumption upgrade means that average consumers have an interest in luxury handbags and skincare, wanting better for themselves than what they grew up with ([see story](#)).

"Each year, we are seeing more and more brands participating in Singles' Day events and the offers are getting better each year," Ms. Wang said. "The first year we asked our partners to participate in Singles' day event, only 20+ merchants responded.

"Four years later, we have 250+ brands offering their best of the year offers, with millions of products included in the sale event," she said. "The growth has been 600 percent year over year and the caliber of brands keeps getting better and better.

"The luxury market sometimes does not like to discount, but in order to attract this particular consumer, Chinese Americans, it is necessary - as that is just how they shop. It's cultural. Some of our brands have made \$1 million in revenue in just 48 hours on Singles' Day."

Supporting singles

Michael Kors is participating in the event for the second year.

Looking at Singles' Day as an opportunity for engagement as well as commerce, the brand is dealing out a casino-themed HTML5 experience on WeChat, inspiring consumers to #BetOnYou.



*Michael Kors' WeChat experience*

Here, consumers can spin a virtual roulette wheel or play a game of Blackjack against a computer for a chance to win a promotional code. This offer can be redeemed in Mainland China, Macau and Hong Kong either in-store or online.

On social media, the brand is continuing its celebration of the number one with images and GIFs that also bring to mind casinos. Editorial content on the Destination Kors site provides ideas for self-gifting with gambling word puns.



*Michael Kors' Singles' Day campaign image*

In Michael Kors stores in Greater China, consumers will be able to play their own game, rolling dice for a chance to receive a branded deck of cards with their purchase.

"We highly encourage brands to put their best of the year offer on this day, to meet a Chinese American shopper's cultural expectation," Dealmoon's Ms. Wang said.

"In China, sites are doing 50 percent off everything, and we have partners who do that in the U.S., but some of our brands, like Ferragamo, are so popular with this customer, they sell their product higher than retail and have sold millions of dollars of product through us," she said. "Some of our partners only offer 11 percent discounts and sell more than \$1 million in a matter of hours.

"We also encourage brands to not only include their best products in the sale event, but also to highlight them, only for this special occasion. It's the best time to have people talk about how great these products are, and to be seen by millions of others. Our editorial team places special mentions on these product posts, to help the brands attract new customers."

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