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AUTOMOTIVE

Alibaba looks to bring automobile buying to vending machines

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Autobahn is home to the largest luxury auto vending machine. Image credit: Amer Ghazzal/Barcoft Images

By BRIELLE JAEKEL

Chinese ecommerce platform Alibaba is looking to vehemently disrupt the auto industry by making it as easy to purchase a vehicle as buying a can of soda.



The ecommerce giant is introducing a new vending machine for luxury cars in China, which will allow users to browse vehicles on their smart phone and select a vehicle for purchase. While "vending machines" for automobiles exist in a theoretical sense in Singapore, they act as only simple storage facilities, but Alibaba's will allow users to buy a new car.

"Luxury Line Auto Rental notes that many customers already feel like they are being treated as disposable commodities by providers in all fields, including many of the very large car rental agencies," said Bob Westal, Cyberset Corp. "The agency notes that its customers tell them that picking up a world class sports car or luxury elite vehicle from them is a real pleasure because their staff takes time to understand their particular situation and make sure they get exactly what they are looking for."

Car buying of the future

Alibaba's general manager for the auto division explains the vending machine "will make buying cars as easy as buying a can of Coke."



Current Singapore vending machine

The initiative will include a large-scale building to house a variety of vehicles. Users will be able to browse and purchase cars through a mobile application or online that will then trigger their vehicle to become available.

A large storage facility in Singapore operates in the same manner as the Alibaba concept in which drivers no longer have to drive to their parking spot but instead, a technical process will do it for them.

However, Alibaba's concept will allow users to buy a vehicle. Once users purchase the vehicle online the car will be dispensed from the larger-than-life vending machine.



Image credit: CGTN

The Chinese market for luxury vehicles is significant, which is likely why Alibaba has decided to start its innovative car buying experiment there.

Alibaba innovation

The ecommerce giant is one of the biggest drivers of brand/retailer technology. The retailer looks to uncover new methods in selling various items in all industries.

For instance, the prominent ecommerce platform introduced enhancements to its intellectual property protection platform.

The company previously landed in hot water for comments made by Alibaba founder Jack Ma about counterfeit products being just as good as the original and for the seemingly lax policy the platform has taken towards counterfeiters. The new enhancements to its screening process seem to be a reaction to the negative press regarding its relationship with counterfeit sellers (see more).

Alibaba also announced the launch of a new invite-only platform designed explicitly and exclusively for luxury brands.

The platform is part of Alibaba's larger "New Retail" push to emphasize its luxury offerings. The invite-only Luxury Pavilion is geared toward high-net-worth Chinese consumers and will launch with products from Burberry, Hugo Boss, Zenith and others, with more on the way in the future (see more).

"The agency adds that truly superb automobiles are not candy bars or soft drinks and, when people pick up a car, they have a lot more to familiarize themselves with than a pull-tab on the top of an aluminum can," Mr. Westal said.

"They add that, in fact, when a customer is renting a Ferrari, Aston-Martin, or a Rolls-Royce, they expect and deserve the kind of personalized customer care that will help them get the most out of their car rental."

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