

RETAIL

## Alibaba looks to elevate ecommerce via Luxury Pavilion loyalty program

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Alibaba's Luxury Pavilion has added a loyalty program. Image credit: Alibaba

By STAFF REPORTS

Chinese ecommerce giant Alibaba's Luxury Pavilion is helping brands deliver experiences and services to top customers through the launch of a loyalty program.

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Launched last year, Luxury Pavilion today sells merchandise from almost 50 luxury brands, including Burberry and Maserati. Through the newly created Luxury Pavilion Club loyalty program, shoppers will gain access to perks such as exclusive offers, celebrity events and door-to-door returns.

"The launch of Luxury Pavilion Club is the latest move from Alibaba to bring the online shopping experience to a new level with a premium touch," said Jessica Liu, president of Tmall fashion and luxury, during a launch ceremony in Shanghai on April 11.

### Joining the club

Luxury Pavilion is an invite-only platform on Alibaba's Tmall ([see story](#)). More than 100,000 of Luxury Pavilion's customers spend \$159,000 or more a year.

Looking to better cater to these top shoppers and bridge the online and offline experience for luxury brands, Luxury Pavilion has launched its own loyalty program.

Those who are in Luxury Pavilion will be automatically enrolled in the program, which provides services such as flexible payment options and priority purchases.

The tiered program's premier level unlocks benefits such as exclusive offers for Luxury Pavilion or a personal shopping concierge and experiences such as a spa treatment at the Four Seasons.



*Alibaba's Luxury Pavilion. Image credit: Alibaba*

Reflecting the growing importance of younger generations to the luxury market, half of shoppers across Alibaba's platforms were born after 1990. This age group also accounts for one-third of Luxury Pavilion's customer base.

Helping brands to reach this "new middle class" with growing spending power, Alibaba is leveraging its Uni Marketing platform. By using analytics and customer data, the platform helps brands target potential clients.

The 28 Luxury Pavilion brands that have used Uni Marketing have reached an average of 6.5 million customers.

"[We want to] better serve the 100 million consumers that form the New Middle Class,' and help them move closer to the lifestyle of their dreams," said Jet Jing, president of Tmall, during the presentation.

China's spectacular growth in luxury consumption recently is primarily driven by Chinese women buying ready-to-wear fashion, jewelry and cosmetics, according to Bain & Company.

Per Bain's "2017 China Luxury Market Study," China's luxury consumption is outstanding and outpaces much of the world. In addition to the value of Chinese consumers traveling outside of Asia, Bain's report also notes that Chinese domestic spending has outpaced overseas purchases in the last year ([see story](#)).