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JD.com's revenues rise 31pc in Q2

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JD.com is leveraging services such as white glove delivery to attract more high-end brands. Image credit: JD.com

By STAFF REPORT'S

Chinese ecommerce site JD.com is looking to further position itself as the go-to platform for high-end brands, seeking to attract more premium companies as partners.

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In the second quarter of 2018, brands including Carl F. Bucherer and Balenciaga made their debuts on JD.com, adding to the retailer's portfolio of luxury brands. JD.com's \$18.5 billion in second quarter revenues fell short of expectations, but reflected a growth of 31.2 percent.

Joining JD

While JD does not exclusively retail luxury goods, it is working to gain more high-end partners. In the second quarter, the company added Carl F. Bucherer to its JD.com platform, marking the 130-year-old watchmaker's first ecommerce venture.

Balenciaga similarly debuted an online flagship store on JD's Toplife platform this past quarter. As part of Toplife, the brand is able to give consumers access to round-the-clock customer service and white glove delivery.



Balenciaga has launched a store on JD. Image credit: Balenciaga

JD also debuted Japanese lifestyle brand Muji on its platform in the quarter.

On Aug. 15, the retailer announced it had inked a deal with Ferragamo to launch a direct-operated flagship store on JD.com. Similarly, in July Christian Louboutin debuted its first online pop-up store on Toplife.

As JD.com's sales rise, its expenditures on fulfillment and marketing are climbing at a similar rate, with each growing almost 30 percent in the quarter.

Part of its investment includes the launch of "Flash Delivery," which gets certain types of merchandise to consumers within minutes or an hour. This service leverages city distribution centers and brands' offline stores to achieve faster fulfillment.

JD is also enhancing its customer service through artificial intelligence. The company's open AI platform NeuHub has helped to develop a sentiment analysis API, allowing JD's AI customer assistant Jimi to respond more closely to consumers' emotions, improving customer satisfaction.

Last October, JD.com gave high-end brands a comprehensive way to reach China's affluent consumers through the launch of Toplife.

In August, JD.com was reported to have a dedicated luxury ecommerce channel in the works, following news that its local competitor Alibaba was continuing its own upscale retail push ([see story](#)). Despite Alibaba's massive reach and recent high-end retail advances, JD.com has established itself as a trusted online partner for luxury brands due to its well-known reputation of not tolerating counterfeits ([see story](#)).

"As China's most trusted ecommerce platform, JD continues to win over quality-focused customers with a premium shopping experience and an unrivaled level of service, no matter where they choose to shop," said Richard Liu, chairman and CEO of JD.com, in a statement. "We are also seeing more corporate clients, both Chinese and international, leveraging JD's superior technology and retail infrastructure to help take their businesses to the next level.

"We will continue to prioritize technology innovation to empower our partners with enhanced capabilities and improved efficiency, helping us to realize our Retail as a Service' strategy, and driving our next phase of growth," he said.