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## Alibaba reports 61pc revenue increase thanks to mobile, apparel sales

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Alibaba's Luxury Pavillion has been a driver of growth. Image credit: Alibaba

By STAFF REPORTS

Chinese ecommerce giant Alibaba had an excellent quarter ended on June 30, with a 61 percent increase in revenue year-over-year.

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The company now has close to 600 million daily active users, making it an incredibly powerful platform for Chinese retail. The many luxury brands that work with Alibaba are likely to have their confidence in the platform bolstered due to this news.

"Alibaba had another excellent quarter, with significant user expansion and even more robust engagement across our growing ecosystem," said Daniel Zhang, CEO of Alibaba Group, in a statement. "Our China retail marketplace business continues to gain share, with new retail initiatives driving further revenue growth and enabling our retail partners to seamlessly serve customers.

"We are executing our plan of providing more value and choice to users along the consumption continuum, with digital entertainment and local service offerings that tap into big addressable markets beyond core commerce," he said. "We will continue to invest in strategic business opportunities and innovation to sustain our competitive advantage and for long-term growth."

### Earnings report

As part of its successful quarter, Alibaba has pointed to the continued development of sales from Tmall.

Notably, Tmall's luxury umbrella Luxury Pavillion was able to add several new big name brands to its portfolio, including MCM, Moschino and Giuseppe Zanotti.

Tmall's sales of premium apparel and home goods have been especially strong.

Alibaba has also cited mobile as one of the key channels through which it has been successful, noting that the company saw 634 million monthly active users over the course of June 2018.

The company has continued to experiment with emerging technologies to engage new customers. For example,

Alibaba has opened a concept store that offers shoppers and luxury retailers a look at a new frontier for fashion retail digitization.



*Alibaba has opened an artificial intelligence-enabled concept store for a limited time. Image Credit: Alibaba*

Dubbed "FashionAI," the pilot boutique harnesses artificial intelligence capabilities for a stress-free shopping experience. While it is only open for a few days, the store will act as a temporary testing ground for innovative retail formats ([see story](#)).

"We delivered another great quarter with 61 percent revenue growth as well as strong profit growth, excluding one-time items," said Maggie Wu, CFO of Alibaba Group, in a statement. "We are pleased with the strength and rapid growth of our business at such significant scale.

"The exceptional growth across our major segments of core commerce, cloud computing and digital media and entertainment validates our strategy of investing in customer experience, product, technology and infrastructure for the future," she said. "We remain confident in our ability to continue to gain market leadership by delivering unique value propositions to our business customers, partners and consumers."

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