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MARKETING

Luxury brands invite shoppers to indulge for Singles' Day

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Neiman Marcus is promoting Singles' Day. Image credit: Neiman Marcus

By SARAH JONES

In honor of the shopping holiday Singles' Day, luxury marketers including Neiman Marcus and Dior are encouraging consumers to treat themselves.



Originally launched about 10 years ago by Chinese ecommerce giant Alibaba, Singles' Day has exploded into a global event with sales that surpass those of Black Friday. Rather than solely discount-centric messaging, brands are branching out with marketing that encourages shoppers to embrace self love through consumerism.

"Dealmoon introduced Singles' Day to America in November of 2013," said Jennifer Wang, chief marketing officer of Dealmoon. "Since then, Singles' Day has grown exponentially and become one of the highest trafficked days for Dealmoon in the calendar year. We call it our 'biggest party time' for our users.

"We are seeing extremely competitive offers across both fashion and beauty," she said. "For luxury brands, it's a time to get in front of this highly-affluent audience who are excited to purchase all of their favorite products for themselves and their families."

Single celebration

Originally founded in the 1990s as an alternative to Valentine's Day for the uncoupled, Singles' Day turned into a shopping holiday in 2009 courtesy of ecommerce giant Alibaba. The event is held each year on Nov. 11, when the date features four ones, or singles.

The first shopping festival in 2009 saw total sales of \$7.8 million. As of 2018, sales for Singles' Day broke records, reaching \$30.8 billion.

Alibaba's Tmall is including green action as part of its annual 11.11 Global Shopping Festival celebrations, seeking to reduce the environmental impact of the retail day.

Tmall sales kicked off on Oct. 21 with a live-streamed see-now, buy-now fashion show. With hundreds of millions of consumers expected to participate, Alibaba is putting a significant focus on lower tier cities for this year's event.



Burberry fashions at the Tmall Collection show. Image courtesy of Alibaba

For this year's sale, 215 brands such as Shiseido, Lancme and YSL Beauty have created special merchandise. In total, Singles' Day on Tmall will see 200,000 brands participate, 22,000 of whom are international labels.

In addition to product releases, thousands of brands have upgraded their presence on the platform to a Tmall Flagship Store 2.0, which allows for more customization and immersive customer experiences such as augmented and virtual reality. Tom Ford and Giorgio Armani Beauty are among the brands that are debuting a new flagship experience during 11.11 (see story).

Looking to make a splash, Alibaba also tapped American pop star Taylor Swift to perform at its live-streamed Countdown Gala on Nov. 10 at Shanghai's Mercedes-Benz Arena.



Taylor Swift performing at Alibaba's gala. Image courtesy of Alibaba

In the first hour of Alibaba's sale this year, it generated \$12 billion in gross merchandise volume.

Increasingly, more international markets are getting involved in Singles' Day. Alibaba is repeating partnerships with Lazada in the Philippines and Daraz in South Asia.

India has its own UC Shopping Fest timed to Singles' Day through Paytm, VMate and 9Apps. For the first time, Singles' Day will also extend to Russia, Spain, Italy and Turkey through AliExpress.

Beyond China, shopping site Dealmoon began its 11.11 promotions early on Nov. 5. Included among the discounts are deals on Stadium Goods sneakers, Stella McCartney childrenswear and deluxe strollers from Bergdorf Goodman.

"Our audience feels a special affinity for brands that participate in Singles' Day, especially when they provide exclusive offers to our audience," Ms. Wang said. "It's also a time for our users to 'show off' and utilize the DM Moments, Dealmoon's proprietary social network, showing their peers all the great products they have recently purchased."

Seventy percent of Dealmoon's 17.6 million expat Chinese shoppers in the United States, Canada, Australia, Germany, the United Kingdom and France will buy something on Singles' Day. This marks the first time that Dealmoon is bringing Singles' Day to Germany, through its recently launched Dazhe.de platform.

For some brands, the shopping holiday can have a significant sales impact, with sold out inventory and millions of dollars worth of sales in a matter of hours.

"Brands need to build a relationship with the Chinese consumer leading up to Singles' Day," Ms. Wang said. "We always suggest setting the stage as early as possible.

"This is especially true for up-and-coming luxury brands that can use branding placements to engage with our audience ahead of Q4," she said. "During Singles' Day, the majority of our users are checking the Dealmoon app two to three times a day for an average of 10.5 minutes each session. On Dealmoon, the mobile app placements tend to perform significantly better than desktop placements.

"From a direct brand perspective, I think one thing that brands in the U.S. need to be cognizant of is that many of their own tools, such as their direct apps, do not meet the minimal standards for what most Chinese audiences are accustomed to. Therefore, it's important to engage with a platform that already has the Chinese audience to help enable their messaging."

On both its own Web site and Dealmoon, Dior Beauty is promoting a gift with purchase offer rather than a percent off its prices. The label has created an exclusive lipstick set that comes in a case embellished with fireworks.

Neiman Marcus is encouraging consumers to treat themselves to a new pair of high heels or new beauty products from brands such as Manolo Blahnik and Tom Ford.

Reveal your glowand re-up your beauty stashin time for Singles Day with new skin care and makeup must-haves from @TOMFORD beauty and more. https://t.co/nS6R4xLRbf #NeimanMarcus #TomFord #SinglesDay pic.twitter.com/kZIDLZv6Wo

Neiman Marcus (@neimanmarcus) November 7, 2019

Tweet from Neiman Marcus

Emilio Pucci is running a discount code, with the message that consumers should "love themselves" with new fashion.

Marc Jacobs is similarly promoting a sale on makeup products, inviting consumers to "brush up on their beauty game."



Emilio Pucci is pushing self gifting. Image credit: Emilio Pucci

Self gifting

The growing global approach towards Singles' Day could take off.

While U.S. consumers have plenty of options to celebrate loved ones in their lives throughout the year, recent research finds the demand for a retail-created holiday to fill the self-gifting void.

A.T. Kearney found that about a third of customers are interested in adding a new commercially-driven holiday to the calendar, supplementing existing dates such as Valentine's Day. Even as consumers trade in commercialism for experiences, there is still an opening for a brand to step in with an American answer to Alibaba's Singles' Day (see story).

Even though some luxury brands never mark down their products, sometimes sales can be a significant opportunity.

Luxury brands should consider offering discounts or offers on their best products to provide an entry point for consumers to experience them firsthand, according to the co-founder of Dealmoon.

The Chinese shopping recommendation site has become the largest distributor for a number of luxury brands in the United States, as it feeds Chinese Americans' demand for high-end goods. While discounting is often looked at negatively, the executive pointed to deals as a prime provocation for shoppers to put a brand's product in their cart for the first time (see story).

"If luxury brands are looking to test discounts, Singles' Day is the day," Ms. Wang said. "Many brands find success in offering discounts plus gifts with purchases."

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