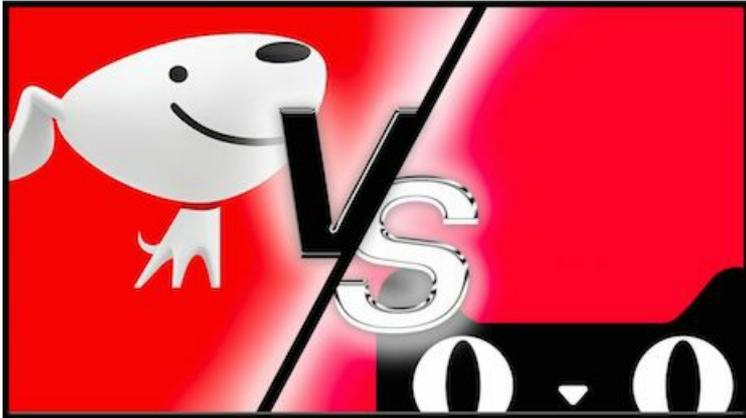


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JD.com vs. Tmall: China's luxury ecommerce battleground

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Competition between Tmall and JD.com in the luxury sector is more heated than ever as luxury players are getting on board with digital channels in China. Image credit: Shutterstock. Composote: Haitong Zheng

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Over the last two decades, ecommerce giants [Alibaba](#) and [JD.com](#) have gone head to head for the title of leading online retailer in China.

In 2008, Alibaba's [Tmall](#) spun off from [Taobao](#), creating a more exclusive and official outlet for [luxury brands](#), while JD.com expanded its reach from an everyday electronics retailer to a full-fledged ecommerce platform.

To date, Tmall's active users and its share in China's business-to-consumer ecommerce market continue to be ahead of JD.com.

In the luxury sector, however, Tmall and JD.com tend to be more evenly matched, which can best be seen through their partnerships with leading luxury fashion retailers [Net-A-Porter](#) and [Farfetch](#), respectively.

Though the digital landscape of luxury retail is organically driven by direct-to-consumer e-shops the official flagship stores themselves and online retailers such as [Net-A-Porter](#) and [Farfetch](#), these brand-authorized channels can offer exclusive shopping experiences from packaging, purchasing and shipping, and thus better communicate with targeted, highly valued consumers.

For brands that are new to China's digital selling channels, it is best to launch on either Tmall and JD.com platforms that come with built-in infrastructures that allow a brand to quickly enter China's vast market.

And as the [COVID-19](#) pandemic stirs the industry into further digitalization, global luxury houses are now resorting to ecommerce more than ever.

For example, over the last month, Prada and Miu Miu launched Tmall flagship stores and the oldest fine leather luxury house in the world, Delvaux, embarked on its ecommerce journey via JD.com, with more global luxury brands in the wings on both platforms.

Here, *Jing Daily* recaps Tmall and JD's overall performance in the ecommerce battleground and their initiatives in

the luxury sector, as well as consumers' perceptions of each.

There is no standard answer for players queuing up to join China's **ecommerce** channels, but luxury brands should look for the best platform to get their brand message across to their valued clientele and which platform can fuel their omnichannel strategies best.

TMall VS. JD.com: China's Luxury E-Commerce Battleground

| Tmall | Player | JD.com |
|--|--------------------------------------|---|
| 711 Million | Active Users | 362 Million |
| 2008 (Tmall spun off from Taobao) | Founded | 2008 (JD became a full-fledged e-commerce platform) |
| 63.6% | Market Share ¹ | 24.4% |
| Income: middle-class and above make up 65 percent of Tmall users while 20 percent are upper-middle class Major age groups: millennials and post-millennials Area: Yangtze Delta, Guang Dong Province, and Central Plain | User Demographic ² | Income: users are evenly divided in terms of income range Major age groups: millennials and Gen Xers Area: across the country, specially North China and Si Chuan Province as well as lower-tier cities |
| Net-a-Porter | Retail Partner | Farfetch |
| Burberry, Prada, Giorgio Armani, Bottega Veneta, TOD'S, Valentino, Maison Margiela, Alexander McQueen, Bally, Cartier, Ermenegildo Zegna | Participating Brands | Delvaux, Salvatore Ferragamo, Proenza Schouler, MSGM, Gucci, Prada, Miu Miu |
| "Luxury Pavillion": Alibaba Group's dedicated channel for luxury and premium brands "Hey Box": Tmall's gateway for product debuts | Brand Capabilities | "JD Luxury": JD's luxury branch growing out of its luxury portal Toplife "JD Rubik's Cube": JD's gateway for product debuts |
| Sleek, user-friendly, personalized Offers wide-range products and trendy releases | User Experience | Classic e-commerce curation, reliable Offers fast and high-end delivery services |
| Orders are processed by brands and packages are shipped from brands | Logistics | Packages are shipped from JD warehouses or brands, depending whether the e-shop is run by JD or the brand |
| SF Express (third-party delivery service provider) | Shipping | JD Luxury Express and white glove delivery services are available for luxury partners |
| Early stages plagued with counterfeit issues | Cons | The platform lacks fashion genes as it is well-known for its 3C products, standing for computers, telecommunication, and consumer electronics |
| Chinese millennial and Gen-Z generations grew up with Taobao | Consumer Perception | Local consumers perceive JD as offering quality and authenticity |
| "It's just a natural thing for me to browse Taobao everyday, from daily supplies to luxury handbags." – Xu Xi, millennial shopaholic "I used to look to daigous before designer brands like Acne Studio and Maison Margiela are | Consumer Feedback | The Delvaux flagship store on JD.com is deliberately curated and well-stocked from classic styles to newly-launched limited editions." – Chinese millennial Weibo user "I can get a By Far bag from JD with the same-day delivery service. It's way more convenient than |

| | | |
|--|-------------------------|--|
| available on Tmall." – Miss Chen, Gen Z shopper | | ordering from the official site." – Gen Z Little Red Book user who lives in Beijing |
| Taobao's aggressive expansion into creating digital-friendly content has fueled Taobao to be a leader for luxury brands. The site's growing brand list, livestream capabilities, and legacy recognition together earns its spot as the top e-commerce property for luxury. | The Jing Verdict | JD.com's leg up comes in its play to authenticity, coupled with high-end logistics. Overall, it lacks the cooler elements that resonate with younger luxury digital consumers. However, JD.com is viable e-commerce property for luxury brands aiming to have a wide presence in the Chinese market. |
| <small>1 (Chinese B2C e-commerce platforms by 2019 Q4) 2 (2018 E-commerce Consumers Report released by iFlytek)</small> | | |

Tmall vs. JD.com: China's luxury ecommerce battleground. Source: Jing Daily

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