

RETAIL

## Even a pandemic will not keep Singles' Day from record sales

November 11, 2020



*Livestreaming is very popular in China. Image credit: Alibaba*

By ELLEN KELLEHER

Singles' Day, the world's largest ecommerce holiday, is expected to see record sales for a 12th consecutive year as the coronavirus pandemic continues to boost online shopping, particularly among Chinese luxury shoppers.

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According to a new study by Chinese consultancy C2 Global, a historic number of affluent Chinese shoppers will spend Nov. 11 scooping up the latest streetwear, footwear and apparel on Chinese ecommerce platforms [Alibaba](#) and [JD.com](#), among others, as a form of retail therapy as life returns to relative normality in the country in the wake of the COVID-19 crisis. Consumers' eagerness to spend will provide a boost for global brands which are seeking to offset diminishing revenues in other markets.

"We expect Singles' Day 2020 to be stronger than ever and COVID likely accelerated some of this growth," said Renee Hartman, cofounder of [C2 Global](#). "We surveyed consumers in October 2020 about their plans for Singles' Day, and 63.5 percent of survey respondents plan to spend the same or more this Singles' Day than in 2019, despite the impact of COVID."

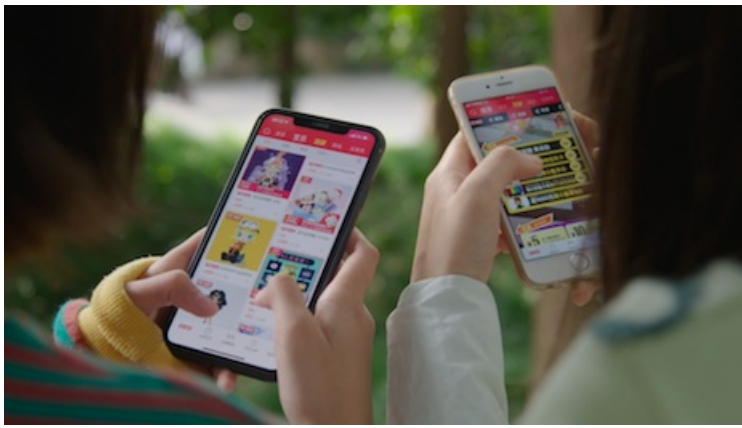
C2 Global surveyed 1,145 Chinese consumers in October 2020 to analyze their outlook for Singles' Day 2020.

Alibaba's creation takes off

Made popular by Alibaba, Singles' Day in China originated as a shopping holiday encouraging unmarried people to indulge in self-gifting. Held annually on Nov. 11, the double "11/11" is seen as a symbol of single people standing together, according to C2 Global.

Singles' Day has achieved record sales year after year. In 2019, for example, Singles' Day sales on just Alibaba and JD.com combined to hit U.S. \$68 billion, more than twice as much as the U.S. \$28 billion gleaned in the five-day period from Thanksgiving to Cyber Monday.

Alibaba's Tmall and JD.com reap most of the sales on the shopping holiday, but other platforms taking part include Pinduoduo, Suning and VIP.com.



Consumers spent tens of billions in the 24 hours of Singles' Day. Image credit: Alibaba

The annual shopping extravaganza, which is celebrated by almost all ecommerce platforms in China, is known for steep discounts and also extends to limited-edition launches, celebrity livestreams and special marketing campaigns meant to maximize sales over this 24-hour period.

The number of luxury brands participating in Singles' Day is also expected to grow this year, as Tmall and JD.com have both been actively courting them to join the festivities.

French fashion label Dior, for instance, already released its first Singles Day capsule collection in its WeChat store in October. The collection includes limited-edition handbags that can only be bought on Singles' Day.

Other luxury brands that have previously participated in Singles' Day include Burberry, La Perla and Rimowa. This year, Balenciaga, Cartier, Prada and Valentino all launched early Double 11 campaigns on Tmall ([see story](#)).

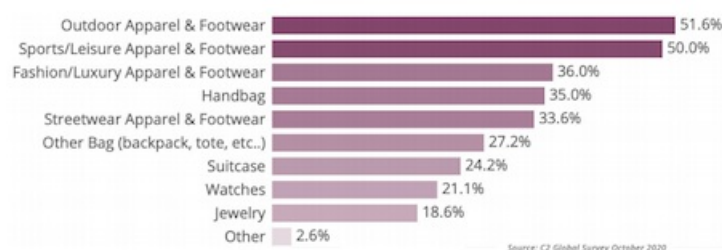
The majority of consumers, 63.5 percent, plan to spend the same or more on Singles' Day than in 2019 according to C2 Global.

Most respondents polled plan to spend 2,000 RMB to 4,000 RMB, or U.S. \$300 to \$600 at current exchange rates, on Singles' Day and to make three purchases on Alibaba platforms such as Taobao and Tmall. JD.com is the most popular non-Alibaba owned platform, followed by Pinduoduo and VIP Shop.

Last year, Tmall's total sales amounted to \$38.4 billion on the back of purchases of brands such as Apple, Bose, Gap, H&M, L'Oreal, Nike and Uniqlo. JD.com's sales, meanwhile, came in at \$29.2 billion thanks to interest in mobile phones, home appliances and digital products.

Thus far this year, the figures for online sales on special event days have been staggering. During China's midyear 6/18 shopping holiday the second largest ecommerce festival in China and a bellwether for Singles' Day sales from Alibaba and JD.com combined to reach \$135.6 billion, showcasing the potential growth for Singles' Day 2020.

While 23.6 percent of respondents plan to spend the same as in 2019 on Singles' Day, COVID has changed which items they plan to buy. About half of respondents plan to spend more on fresh food, while 47 percent will spend less on travel.



Consumers are expected to spend more on outdoor apparel than luxury fashion as fitness enthusiasm persists. Image credit: C2 Global

Domestic brands are expected to be wildly popular, thanks to the rise of Chinese patriotism and the increased popularity of domestic designers. Fifty-six percent of respondents plan to purchase more Chinese brands in 2020 compared to 2019, compared to 24 percent looking to spend more on foreign brands this year.

Fitness is also in vogue, as 51.6 percent of respondents hope to purchase outdoor footwear and apparel for the gym.

Sustainability is popular this year with 75 percent of respondents reporting that brands' corporate sustainability

practices will influence what they purchase today.

Livestreaming is key

More brands are relying on livestreams to engage with Chinese consumers. Tmall Luxury has expanded its livestreaming options, introducing Soho Live this summer ([see story](#)).

According to C2 Global, 30.8 percent of respondents will purchase a product that they saw on a livestream organized by an influencer or celebrity.

Already, Austin Li, Viya and Cherie, China's three leading live-streaming influencers, have worked to influence Singles' Day sales by arranging a 7.5 hour livestream in the weeks at Tmall's pre-sale event on October 20.

Pre-sales play a critical role in the weeks leading up to Singles' Day.

Mr. Li's presentation alone, which covered 126 brands, managed to sell 10 million items worth 3.91 billion yuan or roughly \$591 million at current exchange while Viya's talk on 149 brands triggered 7.2 million items being sold, which raked in 3.87 billion yuan or \$584.9 million.

Looking back to Singles' Day 2019, about half of brands selling on Tmall used video to drive attention leading up to Nov. 11. Additionally, 7 percent of Alibaba's total \$38 billion in sales from Singles' Day happened during livestreams.

For the beauty category, livestreaming was particularly lucrative, driving 16 percent of the sector's Singles' Day sales on Alibaba.

Este Lauder was the top pre-sale label for Singles' Day 2019, due in part to its livestreaming strategy. Almost a month before the shopping holiday, the brand invited influencers and personalities to appear for sessions ([see story](#)).

This year, the key influencer at Singles' Day 2020 will be COVID-19 as Chinese consumers rush to treat themselves to a few indulgences in challenging times.

"Singles Day was first designed as a holiday to treat yourself, and is still largely viewed this way," Ms. Hartmann said. "C2 Global has been tracking Chinese consumer sentiment since March of 2020, and although life in China has largely returned to normal, one trend that has prevailed is a desire for self care, with 56% of respondents citing an increase of self-care as the primary way in which their lifestyle has changed post-COVID."