

Alibaba racks up record-smashing \$35 billion in Singles' Day sales

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Biggest one-day shopping fest sees as many as 256,000 transactions per second

SHANGHAI • Alibaba, the Chinese e-commerce giant, said its Singles' Day sales extravaganza hit 168.3 billion yuan (\$34.6 billion), smashing its own record from last year and cementing it as the world's biggest shopping event.

Once a celebration for China's lonely hearts, Singles' Day has become an annual 24-hour buying frenzy that exceeds the combined sales for Black Friday and Cyber Monday in the United States, and acts as a barometer for China's consumers.

As tills shut at midnight yesterday, Alibaba's live sales ticker registered 168.3 billion yuan or US\$25.4 billion, up 39 per cent from 120.7 billion yuan last year - more than double the 2016 gross domestic product of Brunei (US\$11.4 billion).

The event began soon after a star-studded performance featuring tennis star Maria Sharapova, Hollywood's Nicole Kidman and American rapper Pharrell Williams in Shanghai late on Friday.

As midnight hit, a deluge of pre-orders helped drive sales to 10 billion yuan (\$2.1 billion) in just three minutes.

"In terms of scale, it just dwarfs any other event out there," said Mr Ben Cavender, Shanghai-based principal at China Market Research Group.

Shoppers around China and some 200 countries and regions scooped up discounted lobster, iPhones and refrigerators at a rate of as many as 256,000 transactions per second.

Couriers and robots are expected to deliver an estimated 1.5 billion parcels over the next six days.

"This is a big event for China, for the Chinese economy," Mr Joseph Tsai, Alibaba's co-founder and vice-chairman, said. "On Singles' Day, shopping is a sport, it's entertainment."

Alibaba rivals such as JD.com also reported brisk business.

While there is no definitive explanation on the origins of Singles' Day, it is believed by many to have been conceived in the 1990s as a day for China's legions of unmarried young adults to celebrate their lack of romantic commitments. It takes its name from the way Nov 11 is written numerically as 11/11, which resembles "bare branches", a Chinese expression for the unattached.

The day was unremarkable until 2009, when Alibaba turned the occasion into an online shopping festival. The yearly buying binge has become crucial for manufacturers and retailers across the country, accounting for a significant share of annual orders for many businesses.

But environmentalists accuse Alibaba and other e-tailers of fuelling a culture of excessive consumption and mountains of waste. Greenpeace said Singles' Day deliveries last year created 130,000 tonnes of packaging waste - less than 10 per cent of which is recycled.

Analysts say Alibaba will take Singles' Day global as Chinese e-commerce growth rates are expected to slow in the years ahead. It already has a substantial stake in Lazada, an online retailer in South-east Asia and recently launched an electronic trading hub in Malaysia.

"This is just the start. We will see tens of billions of dollars injected abroad (by Alibaba)," said Mr Li Chengdong, a Beijing-based independent e-commerce analyst. "It could end up dominating e-commerce in developing countries."

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