

# China's online holiday sets record \$9.3B sales

November 12 2014, by Didi Tang



In this Nov. 11, 2014 photo, Alibaba Group Executive Chairman Jack Ma speaks in front of a giant screen showing real-time sales figures of e-commerce giant Alibaba, on the "Singles' Day" online shopping festival at the Alibaba headquarters in Hangzhou in east China's Zhejiang province. China's largest Internet retailer rang up more than \$9 billion during the country's biggest online shopping holiday, smashing last year's figure to set a record for a single day of sales. (AP Photo)

China's largest Internet retailer rang up more than \$9 billion during the country's biggest online shopping holiday, smashing last year's figure to

set a record for a single day of sales.

Analysts said the "Singles Day" figures from e-commerce giant Alibaba show a continuing shift to online shopping over brick-and-mortar stores at a time of slowing economic growth in China.

Singles Day was invented by Chinese college students in the 1990s as an anti-Valentine's Day when people could buy something for themselves. It was set for Nov. 11 because of the date's four "ones."

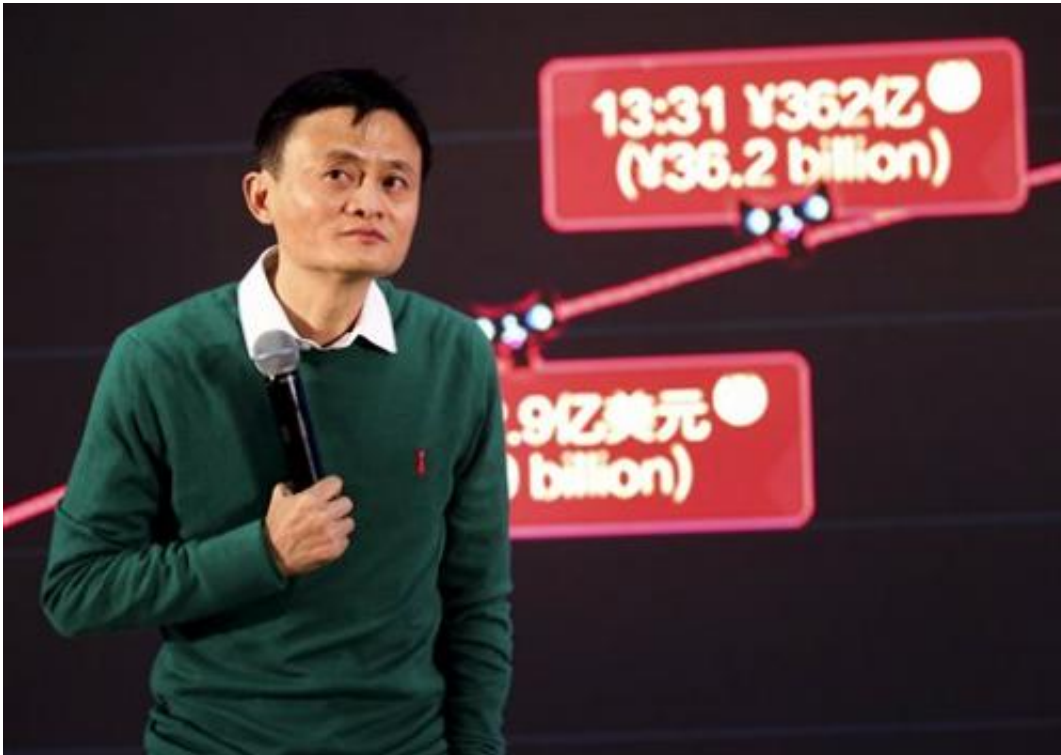
But Hangzhou-based Alibaba Group, which is known for its retail sites Taobao and Tmall.com, turned it into a day of online shopping for all with bargain deals. Other Chinese online retailers also have followed suit.

The record sales this year are "more indicative of changes in consumer habits rather than a bellwether of China's overall economy," said Derek Xin, a Beijing-based retail analyst at Hisend Research.

China's economy, the world's second largest, grew 7.3 percent last quarter, the slowest pace in five years.

In 2012, Alibaba posted sales totaling \$3 billion on the Singles Day, surpassing Cyber Monday in the United States. Last year's total was \$5.71 billion.

Alibaba Group announced this year's record sales of 57.1 billion yuan (\$9.32 billion) for Tuesday shortly after midnight. During Singles Day, a giant screen at the company's headquarters shows the sales figures updating in real time.



In this Nov. 11, 2014 photo, Alibaba Group Executive Chairman Jack Ma pause as he listens a question in front of a giant screen showing real-time sales figures of e-commerce giant Alibaba, on the "Singles' Day" online shopping festival at the Alibaba headquarters in Hangzhou in east China's Zhejiang province. China's largest Internet retailer rang up more than \$9 billion during the country's biggest online shopping holiday, smashing last year's figure to set a record for a single day of sales. (AP Photo)

Including other online retailers such as JD.com, total sales Tuesday were an estimated 67 billion yuan, said Jiang Jianlin, senior market analyst at IDC China.

He said the Internet has been a particular draw for the spending power of people in China's second- and third-tier cities that aren't well serviced by traditional retailers.

Online shopping has kept retail sales robust despite the slowdown in the country's economy, said Liu Yuanchun, professor of economics at Renmin University in Beijing.

"It has changed the commercial ecology and drastically lowered costs," Liu said. "Online shopping will continue to grow at fast speeds and could boost China's future economy."

© 2014 The Associated Press. All rights reserved.

Citation: China's online holiday sets record \$9.3B sales (2014, November 12) retrieved 3 May 2024 from <https://phys.org/news/2014-11-china-online-holiday-93b-sales.html>

<p>This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.</p>
--