

Tmall Luxury Connects High-End Brands with China's "New Luxury" Gen Z Consumers

Shanghai, China, August 25, 2020 – Tmall Luxury, China's leading online destination for high-end and designer brands, announced new features to bolster luxury brands' connections with China's Gen Z, a digital-first fashion-forward customer base that is fast becoming a driver of global luxury consumption.

Tmall Luxury launched three new features to educate, entertain and engage the new generation of luxury buyers: Soho Live, a daily livestreaming service focusing on all things luxury; Soho Mag, a content-rich channel with the latest fashion news jointly developed with fashion editors and trend-setting influencers; and an upgraded membership program offering personalized services to high-value customers.

China's Gen Z's fondness for high-end goods is fused with their love for streetwear and anything inspired by pop-culture. For them, luxury is more than a status symbol. Fashion is a way of self-expression and identity. Under the "New Luxury" banner, Tmall is looking to celebrate the confidence, boldness and open-mindedness of this new class of luxury shoppers. Gen Z has demonstrated strong spending power for luxury products in China. A report by [McKinsey & Company](#)'s showed China's Gen Z spend an average of RMB 25,000 (US\$3,600) a year on luxury goods, already as much as their parents —the post-'65s/'70s generation.

Getting Younger

The same consumer patterns are evident on Tmall Luxury. Around 80% of the customers on the platform are 35 years old or younger, with highest concentration in the 26-30 age group. And with the number of luxury consumers in the 18-25 age group more than doubling between July 2018 and June 2019, this younger consumer segment is set to become a bigger driver in the luxury industry.

To tap into the "New Luxury" trend in China, top luxury players, such as Valentino, Balenciaga, Golden Goose, Hugo Boss and many others, are collaborating with Tmall Luxury to sharpen their appeal with this influential group of emerging luxury shoppers.

"By providing Tmall's unparalleled analytics and insights on luxury consumption in China, we empower luxury brands with a deeper and more accurate understanding of local consumer preferences," **said Mike Hu, Alibaba Group vice president and general manager of Tmall Luxury, Fashion and FMCG.** "These insights allow luxury brands to precisely tailor their communications to Chinese young audiences, while staying true to their brand identities."

Launched in 2017, Tmall Luxury is widely recognized by luxury brands around the world as the preferred platform to connect with China's young shoppers. To date, nearly 200 leading brands have opened flagship stores on Tmall Luxury Pavilion. The new Luxury Soho channel, which caters to young value-conscious consumers, has also attracted a growing number of brands.

“Being on a digital platform such as Tmall allows Golden Goose to talk to consumers across China about the brand's integrity, craftsmanship and its versatile range of products and to grow in a way that ensures both quality and quantity,” said Mauro Maggioni, Asia-Pacific CEO of Italian high-fashion brand Golden Goose, which launched on the Pavilion earlier this month. He added that China is most ideal market to tell the brand story thanks to the ecosystem that has already been in place.

New Features to Capture New Taste

Aside from being digital natives, another quality that sets China's Gen Z apart from the previous generations of luxury buyers is their penchant for creative content, social media and interactive features.

With that in mind, Tmall Luxury has launched Soho Live as a destination for luxury-focused livestreaming, helping designer brands effectively leverage the popular medium to engage their Chinese fans through real-time interaction with their favorite KOLs and fashionistas. This is complemented by another new content-marketing tool Soho Mag, which allows consumers to tune in anytime for the latest fashion trends as well as shoppable editorial features.

Tmall Luxury's incisive understanding of consumer trends in the luxury sector will help it to provide personalized, multi-tiered services to its high-end customers as part of its new upgraded membership program.

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About Tmall

Launched in 2008, Tmall (www.tmall.com) caters to consumers' ever-growing demand for high-quality products and premium shopping experience. It serves as a platform for consumers in China and overseas to buy both homegrown and international branded products as well as products not available in traditional retail outlets. A large number of international and Chinese brands and retailers have established storefronts on Tmall. In the 12 months ended March 31, 2020, Tmall was the largest third-party online and mobile commerce platform for brands and retailers in the world in terms of GMV, according to Analysys, and continues to grow quickly. Tmall is a business of Alibaba Group.

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