

Daniel Zhang -- *Chairman and Chief Executive Officer*

Thanks, Rob. Hello, everyone. Thank you for joining our earnings call today. We started this fiscal year with a strong quarter.

Over the past 22 years, Alibaba has grown into a company encompassing consumer Internet and industrial Internet with multiple engines driving our long-term growth. In consumer business, we operated the largest consumer marketplace globally with 1.18 billion annual active consumers as of June 30, 2021. During the first fiscal quarter, our annual active consumers grew from 890 million to 912 million in China and from 240 million to 265 million outside of China, representing quarterly net adds of 45 million in total. At the beginning of this fiscal year, we announced a plan to invest all of our incremental profit this year into core strategic areas such as technology innovation, support programs for merchants to lower their operating cost, user acquisition and experience enhancement, merchandising and supply chain capabilities, infrastructure development and new business initiatives.

They were designed to enlarge our total addressable market, differentiate consumer and merchant value propositions from our competitors and generate greater consumer engagement and purchase frequency. Now I would like to share an update on the business progress in these strategic areas. For our China retail marketplaces, a key strategic area for our incremental investments is to evolve from one super app of Mobile Taobao into a multi-app product metrics. We are glad to see Taobao Deals' progress in user acquisition in less developed areas, contributing to over 10 million of our new AACs during the quarter, thanks to its value for money value proposition.

Idle Fish, which is expanding from a marketplace for secondhand product trading to a consumer-to-consumer community-based marketplace for products and services, reached over 100 million MAUs during the quarter. Mobile Taobao, our flagship app for China retail marketplaces, is focusing on creating a more engaging shopping and discovery experience while satisfying the diversified consumer demand with the most comprehensive product offerings. New Retail is another strategic area for our incremental investments where we have built a multi-format business model to serve a wide range of consumer needs. Today, our consumer can enjoy one-hour doorstep delivery of products ordered online through Freshippo and Taoxianda, or same-day or next-day delivery of groceries purchased from Tmall Supermarket, or order value-for-money products delivered next day to neighborhood pickup points.

We believe such multi-format, multiservice level New Retail infrastructure built on a highly efficient digitalized supply chain and fulfillment model can best satisfy the diversified demand of different consumer segments in different regions. Our Community Marketplaces business grew approximately 200% quarter over quarter in terms of GMV, while we expanded the gross floor area of our regional distribution centers at a faster rate at 260% quarter over quarter to provide better logistics support for business growth. We view Community Marketplaces not as an independent market segment but one of the multiple business formats in New Retail, which is meaningful to us for continuous consumer acquisition and engagement. In the past few months, Chinese regulators have issued rectification requirements

against Community Marketplace players selling below cost, which hurts the market integrity and community livelihood.

We have paid full attention to the regulatory requirements, and we'll continue to operate with discipline. We are committed to building a sustainable digital community marketplace with improved -- with improvement of livelihoods and create incremental value for our consumers. In local service -- in Local Consumer Services, we completed an important organizational upgrade and formed a business matrix consisting of Ele.me, Amap and Fliggy. Ele.me and Amap will be our major consumer entry points for local services to home and to destination, respectively.

During the quarter, Ele.me achieved strong order growth of over 50% year over year. We will continue to increase our investments in Ele.me, especially to grow the contribution of nonmeal categories and to further enhance our operating efficiency. Amap, after years of investments, is evolving from a map service provider to an important entry point for consumers' discovery of local services near their destinations. Today, our consumers can find a wide range of services in Amap such as ride hailing, fuel services, hotel booking, tourist attraction ticketing and so on.

During this fiscal year, we expect to attract over 100 million transacting consumers in Amap across the destination-based local service. Fliggy, Fliggy, our vertical business for travel services, will focus on organizing high-quality supply of hotel rooms, transportation and tourist attraction services for consumer platforms, such as Amap and Alipay, to further expand its penetration in our more than 900 million annual active consumer base in Alibaba Ecosystem. In our international market, we continue to see strong growth in both revenue and AAC across our consumer-facing business, achieving 265 million AAC, over RMB 10 billion revenue and a 55% year-over-year revenue growth during the quarter. Lazada recorded over 90% year-over-year order growth for the quarter and Indonesia and Vietnam achieving the highest growth of over 100% year over year.

AliExpress continued its strong momentum in its major markets, such as Spain, France and Russia, leveraging the improved cross-border logistics solutions in partnership with Cainiao. However, as the European Union recently abolished the VAT exemption for imported goods below EUR 22 effective on July 1, 2021, we expect AliExpress' business growth in Europe will be negatively impacted starting the December quarter -- in the September quarter. Over the long run, we remain confident toward the growth prospects for our international retail markets, and we'll continue our commitment to invest in this area. Cainiao, the digital logistic infrastructure operator for our consumer business, delivered another solid quarter with over RMB 10 billion revenue and a revenue growth of 50% year over year, which is an indicator of healthy business development across multiple segments.

The consumer logistics segment, Cainiao Post, an important network of consumer-facing logistics service points, continued to process increasing volume of packages. Cainiao Post operators also are seeing new business opportunities in our Community Marketplaces business, which offers the potential to their role from logistics service providers to community group promoters. In supply chain segment,

Cainiao sees a major business opportunity in providing manufacturers with a highly efficient supply chain and logistics services alongside the rapid growth of Taobao Deals. In global logistics segment, Cainiao's development of cross-border export logistics network from China to our major markets in Europe significantly improved the logistic experience for our users on the e-commerce platforms, which supported further business volume growth in e-commerce and logistics in a virtuous cycle.

Alibaba Cloud's revenue increased by 29% year over year during the quarter primarily driven by robust growth in revenue from customers in the Internet, financial services and retail industries. From a product perspective, solutions for storage and analytics, learning, efficiency and safety use of data were among the important growth engines for Ali Cloud and deliver higher revenue growth than the overall business, reflecting common demands by enterprise customers as cloud infrastructure replaces traditional IT infrastructure. Similar to the last quarter, the slower year-on-year revenue growth of Alibaba Cloud was primarily due to revenue decline from a top cloud customer in the Internet industry which has stopped using our overseas cloud service due to local regulatory requirements. Excluding this -- excluding the revenue from this customer, Alibaba Cloud's revenue growth this quarter would be close to 40% year over year.

As an important partner to the International Olympic Committee, Alibaba's cloud solution, in collaboration with Olympic Broadcasting Services, is supporting service delivery for writing -- for Rights Holder Broadcasters for the first time during the Olympic Games Tokyo 2020, transforming how the Olympic Games are broadcasted to the world since Tokyo 1964. Other than the update on our business side this quarter, I believe our investors will be even more focused on the recent regulatory change in the China Internet industry and expected impact on Alibaba. We are in the process of studying the regulatory requirements, evaluating the potential impacts on our relevant businesses, and we will respond positively with actions. We believe all these new regulations aim to foster the healthy development of the Internet industry over the long run.

In the context of China's economic growth and livelihood improvement, this is consistent with Alibaba's long-term mission and vision to serve SMEs with digital technology, to serve the underprivileged groups and to serve our consumers' demand for a better life. We continue to stay optimistic about the long-term potential of China's economy and the long-term growth prospects of Alibaba. We will fulfill our responsibilities as a platform in accordance with the regulatory requirements and continue to carry out our commitment to be a good company that creates long-term value for the society in China and globally. Thank you all.

Now I will turn it over to Maggie, who will walk you through the details of our financial results.

Maggie Wu -- *Chief Financial Officer*

Thank you, Daniel. Hello, everyone. Let me start with the financial highlights for the June quarter. We delivered a strong revenue growth of 34% year-on-year to RMB 206

billion during this quarter, which was mainly driven by robust growth of our China commerce retail business, Cainiao logistics and international commerce businesses.

Total adjusted EBITA was RMB 42 billion, a decrease of 8% year over year. Our main China retail marketplace businesses continued to generate solid profitability, but, as discussed last quarter, we're investing our excess profits in key strategic areas and have increased spending in specific programs designed to support our merchants. For businesses other than commerce, we saw improving profitability of our cloud computing segment and narrowing losses for our DME segment. For June quarter, net income was RMB 42.8 billion or USD 6.6 billion.

Non-GAAP net income was RMB 43.4 billion or USD 6.7 billion, up 10% year over year. Alibaba has evolved into a multi-engine company with businesses across different runways, and our revenue continues to be more and more diversified. During the quarter, customer management revenue contributed 39% of overall revenue while it used to be a much higher percentage of total revenue in the past years. We now have many more revenue streams from a diversified base of businesses that are also fast growing.

Businesses such as Cainiao and international retail commerce grew 50% or more and were important drivers of our organic revenue growth. Talk about the investment in key strategic areas. Within our commerce segment, we're investing in a number of key strategic areas to strengthen consumer experience, enhance loyalty, penetrate into less-developed areas in China and further expand our presence internationally. Now let's look at the financial impacts of these investments during the quarter.

First, Idle Fish and Taobao Live have achieved a robust user growth as we increased our investment in these growth businesses. We have also increased our spending on specific programs throughout the quarter to support our merchants' operations in our China retail marketplaces. Service fees for several software tools designated to improve their marketing and business analytics capabilities were waived. Merchants logistics costs relating to customer returns were also significantly reduced.

Combined impact of these investments resulted in a 6% growth to RMB 60 billion in commerce adjusted EBITA before key strategic investments. Commerce adjusted EBITA decreased to RMB 45.6 billion. The decrease reflected stepped up investment in key strategic areas with combined losses increasing RMB 8.7 billion year over year to RMB 13.9 billion for the quarter. The primary areas of incremental investments were in Community Marketplace, Taobao Deals, Local Consumer Services and Lazada and other investment businesses.

All of these businesses illustrated robust growth with key operating performances, as you can see in the slide, right-hand side of the slide. Daniel just now also talked about the -- all of these growth metrics. As discussed on our call last quarter, we're committed to investing our excess profits into strategic areas within commerce as they address new consumption demand, and we'll continue to expand our addressable market in China. We believe these businesses have the potential to be

the long-term revenue growth drivers that continue to catalyze our multi-growth engine in the future.

Now let's look at our overall cost trends for the quarter. Excluding SBC as a percentage of revenue, cost of revenue ratio increased in June quarter due to higher proportion of our direct sales businesses from the consolidation of Sun Art, which resulted in increased costs of inventory mainly. Our cost of revenue excluding Sun Art and other EP, 1P business was relatively stable compared to the same period last year. These direct sales businesses will continue to strengthen our New Retail initiatives, especially in the development of our product sourcing capabilities.

Sales and marketing ratio also increased which was primarily due to an increase in marketing and promotional spending for key strategic areas and growth initiatives. Also, these areas are focusing on new user acquisition and engagement enhancement in our marketplace. G&A expense ratio remained stable at 3% during the quarter. So the revenue and EBITA by segment.

This slide provides you with an overall summary of our segment revenue and profitability for June quarter. Next, let me speak about our important segments. So let's take a closer look at the revenue and profitability of our business segment -- commerce segment first. CMR grew 14% year over year to RMB 81 billion.

This growth was primarily due to the growth of online physical goods GMV, our China retail marketplace. The growth also reflected the increase in revenue from new monetization formats such as recommendation fees, etc. China retail others revenue grew 82% year over year to RMB 55 billion due to consolidation of Sun Art and strong growth from our direct sales businesses, including Tmall Supermarket and Hema. Commerce adjusted EBITA decreased by 11% primarily due to the investment we talked about just now.

Alibaba Cloud. The cloud revenue grew 29% year over year to RMB 16 billion. Similar to last quarter, the slower quarterly revenue growth is primarily due to the revenue decline from the top customer in the Internet industry that has terminated their relationship with respect to their international business due to nonproduct-related requirements. Going forward, we believe that our cloud computing revenues will be further diversified across customers and industries.

Starting this quarter, we reclassified the results of DingTalk business to cloud computing segment. Because DingTalk remains in the investment phase, the reclassification of DingTalk financials resulted in lower of -- cloud computing profitability and did not materially add to revenue during the quarter. After incorporating DingTalk, Ali Cloud still generated adjusted EBITDA of RMB 340 million. Next, our DME.

DME revenue during the quarter was RMB 8 billion, reflecting an increase of 15% year-on-year. The increase was primarily due to the increase in revenues from Youku and Ali Pictures. Adjusted EBITA losses continued to narrow to RMB 0.4 billion

during the quarter. This is primarily due to improved quality of content that resulted in reduced losses in Youku and Ali Pictures.

Now let's review some of the line items for selected financial metrics. Interest and investment income was RMB 14 billion in the quarter. Decrease was partly due to lower net gains arising from the fair value changes of our investments. The above-mentioned gains were excluded from our non-GAAP net income.

Share of results of equity method investees was RMB 6 billion in June quarter. The year-over-year increase was mainly due to the increase in share of profit of our equity investment company, including Ant and two other companies. So that's the selected financial metrics notes. And for the quarter, net income attributable to ordinary shareholders was RMB 45 billion or USD 7 billion.

Non-GAAP net income was USD 7 billion, an increase of 13% during -- mainly due to an increase in share of profit of equity method investees. We continue to have a strong net cash position. As of June 30, cash and short-term investments were RMB 471 billion, which is approximately USD 73 billion. Free cash flow was RMB 21 billion.

The decline of approximately RMB 16 billion year over year was driven mainly by, first, partial settlement in the amount of RMB 9 billion of a RMB 18.2 billion Anti-monopoly Fine, which is the payment of the penalty; and increased spending in key strategic areas and growth initiatives. Now to conclude my prepared remarks, I'd like to talk about three things. Number one, our guidance for the fiscal year remains unchanged. Number two, our investments in new strategic growth areas remain on target, and all the businesses we have invested are showing rapid growth.

In the coming quarters, we'll continue to invest additional capital into programs that support our merchants and developing new businesses in strategic growth areas that will help us increase consumer wallet share and penetrate into new addressable markets. Our strong profit and cash flow generation capability gives us the internal resources to focus on long-term value creation. Number three, we are increasing our share repurchase program from USD 10 billion to USD 15 billion. This is the largest share repurchase program in the company's history because we are confident of our long-term growth prospects.

Since April 1 until now, we have repurchased approximately 18 million of our ADS for about USD 3.7 billion. Now let's open up for Q&A. Thank you.

Rob Lin -- *Head of Investor Relations*

Hi, everyone. For today's call, you are welcome to ask questions in Chinese or English. A third-party translator will provide consecutive interpretation for the Q&A session. Our management will address your questions in the language you asked.

Please note that the translation is for convenience purpose only. In the case of any discrepancy, our management statement in the original language will prevail.

[Foreign language]. So now, operator, please connect speaker in SI conference line now, and then we'll start the Q&A.

Thank you.

Questions & Answers:

Operator

[Operator instructions] First question comes from the line of Thomas Chong of Jefferies. Please go ahead.

Thomas Chong -- *Jefferies -- Analyst*

Thank you very much for management. Good evening and thank you for taking my question. My first question has to do with the multi-app strategy that you presented in your prepared remarks just now. In particular, we note that Taobao Deals is developing very well with robust growth in the user base.

I'm wondering if you could tell us, please, what KPIs you have set and are looking at in terms of the ongoing development of Taobao Deals in terms of the kind of user base you intend to reach and your monetization strategy. Secondly, I'd like to ask about the recent media reports that we've all been reading about, increased connectivity that is expected to be realized in the Internet industry. I'm wondering how management views these reports, these ideas of opening up more connectivity and cooperation across different platform companies in terms of traffic, in terms of collaboration with the other portals.

Daniel Zhang -- *Chairman and Chief Executive Officer*

Thank you. Well, on your first question regarding the multi-app strategy, as I said in my earlier remarks, with the development of Taobao Deals, we are working on building a more complete app matrix to better serve the different needs of different consumers. We already have a very large consumer base with over 900 million AACs, and they all have different preferences. In fact, the same user could well have different preferences and different needs when interacting in different contexts for different use cases.

So it's very important to us to be able to cater to all of those different kinds of needs and demands with an appropriate product metrics. Taobao Deals has a very clear value proposition, namely offering users the best value for money, and it's precisely that extremely clear positioning and value proposition that has allowed Taobao Deals to grow so well. An important goal of Taobao Deals is to help us grow the user base, adding incremental new users, especially from the less developed regions of China, and also to cater to the special demands of certain consumers when they're

looking for value for money. So Taobao deals is all about growing the user base, growing the business and catering to these different kinds of demands.

And we're particularly pleased to note that the development of Taobao Deals has already resulted in incremental growth of our user base in China, our AAC number in China, by 10 million. Of course, while leveraging Taobao Deals to satisfy these kinds of demands, we're also hard at work building a highly efficient supply chain direct from manufacturer or producer, including industrial manufacturing bases, agricultural production bases, direct-to-consumer logistics and supply chain. Second, let me address the question about connectivity. We're aware that there have been media reports in this connection, and this will be a question of interest, I'm sure, to many investors.

Our view on connectivity has been consistent and extremely clear. We believe that connectivity is a core value of the Internet, and we also believe that openness is a fundamental and should be a fundamental characteristic of the digital economy. When you can achieve circulation of users of information, of data not only within but across and among different platforms, that certainly will be conducive to realizing greater social value to a greater extent than the smaller circulation that can only be achieved within the same platform. So we do see cross-platform openness and connectivity as a positive trend that could unlock greater dividends in the Internet era.

We note that this issue of connectivity and openness is also a concern to our merchants and consumers. For merchants and in particular for SMEs, it would certainly reduce their traffic acquisition costs and help improve their operating efficiency and make it more convenient for them to do business at lower cost. Similarly for consumers, it would enable a better user experience across platforms for shopping, for payment, for accessing different services and bring a greater level of convenience to them as well. So for all of the key stakeholders on Internet platforms, we see this as a positive.

We also take note of the launch by MIIT of a regulatory review and rectification project on Internet companies with a particular focus on practices like the discriminatory blocking of links to other platforms or blocking of services offered by other companies. We will attach great importance to this review and rectification project and, of course, ensure our compliance with all regulatory requirements. And to borrow a popular thing lately, we will work to find a common ground and move forward together.

Thomas Chong -- *Jefferies -- Analyst*

Thank you.

Operator

Our next question is from the line of Eddie Leung of Bank of America Merrill Lynch. Please go ahead.

Eddie Leung -- *Bank of America Merrill Lynch -- Analyst*

Good evening guys. Thank you for taking my question. Just two quick questions about regulation. The first one is we have seen some regulatory focus on data in general.

So how might that affect our compliance and IT infrastructure costs? And then secondly, in the past few months, we have also seen media reporting regulators seems to be looking at the use of heavy subsidies in the industry, including some vertical pieces. So how might that affect our investment strategy and user acquisition tactics in some of these new initiatives? Thank you. [Foreign language]

Daniel Zhang -- *Chairman and Chief Executive Officer*

OK. Let me answer these two questions. First, about data. Well, I think actually, in recent months, the Chinese regulators issued the data -- or I think in June, they issued the Data Security Law.

And in recent months, they also have issued a guidance and also to -- waiting for comments about the data security review. We believe this is very, very important. And we believe these laws and legislations will safeguard the long-term development of digital economy, because as digitalization is an inevitable trend and data is becoming -- is a case of -- it's a common understanding that data is a core asset for a company, for people and even for a country. So to -- adopting these legislations relating to data security is very important.

And China is not the only country doing this. Actually, when you look at what happened in U.S. and Europe, regulation on critical information infrastructure, personal data protection, so on and so forth, has been already being implemented. So for Alibaba, digitization is our -- is core to our business.

Data security is always the core tenet tenet of our business. And we -- as always, we pay highest attention to this topic. And right now, we are carrying out a self-compliance checks on the latest regulatory requirement. And we strongly believe that to further strengthen the data protection will enhance the long-term health, development of the digital economy.

[Foreign language] Now for the second question, about the subsidies and the way of acquisition of new customers, I think -- generally speaking, I think we are very happy to see the recent, I mean, actions and guidance from the regulators for an orderly market. We -- as always, we believe that subsidies cannot create the long-term value of the business, cannot create the long-term value of the customers. So if you look at the Alibaba history, actually we never grow our business on subsidy -- based on subsidies. [Foreign language] We strongly believe that the key thing is still the value creation for the long term.

And so that's why we -- in this year, when we plan our incremental investment, we always believe -- focus on the value creation. And we strongly -- we think that for

other companies who continue as loss making but still try to, I mean, enlarge their scale by subsidies, I think at the end of the day, they have to let the market see the real results of how to make profit. [Foreign language]

Operator

Our next question is from the line of Alex Yao of JPMorgan. Please go ahead.

Alex Yao -- *JPMorgan Chase & Co. -- Analyst*

Thank you. A couple of questions, if I may. First of all, I'd like to ask about the KPIs you are applying and will be applying to evaluate the success of these incremental investments. We see very clearly in the financial results that you've released the spending side of the equation and where these investments have gone.

But could you tell us a little bit more, please, about the ROI on those investments, how you'll be tracking that? What are the KPIs you'll be looking at internally? Will it be user growth or other KPIs perhaps? And then my second question, by way of follow-up on the earlier question about data, I'm wondering how these new regulatory requirements and developments will perhaps affect Alibaba's ability going forward to make use of data, to collect data, process data, utilize data, especially for monetized services like advertising. If you could speak about that in a bit more detail.

Maggie Wu -- *Chief Financial Officer*

Thank you. Hi there. Well, if you refer to the PowerPoint that I prepared to go along with my earlier prepared remarks, you will see that we outlined all of these incremental investments that we're making in terms of the different areas they're going to. So as you say, where the expenditure is being channeled is very clear.

We have our Community Marketplace business Taobao Deals, local services. In the international business, Lazada, New Retail and, to a lesser extent, also Cainiao. And then on the right-hand side of that very same slide, we give data to show how that spending is paying off. And you'll see that in all of those different areas, progress is being made and things are going very well.

Yet, in terms of GMV in the Community Marketplace business in the first quarter, up by 200%; or be it in the GFA, RDC area, we increased by 260%. So that's an upfront investment in capacity that will pay off down the road with higher orders and higher GMV. We also showed there that Idle Fish has grown to an MAU user base now of over 100 million. In Taobao Deals, the AAC user base has exceeded now 190 million.

Ele.me orders, up by 150%. So in the different business areas, I think different metrics should be looked at to understand the return on investment. Certainly, in the consumer business, number of users is a very important metric to keep tracking. As Daniel shared earlier, our total AAC number in China and overseas, taken all together, has now reached 1.18 billion with the domestic user base in China, the AAC number now having reached 912 million.

So the overall China plus global user base has grown by 45 million. Also, as Daniel has previously stated, we have a goal in the foreseeable future, within, say, three quarters, to grow our domestic user base in China to one billion or more. Now you may say it's not a very big stretch to get from 900-plus million to one billion, but that's actually a huge difference. If you think of that user base interacting with all of these different businesses, be it Local Consumer Services, be it Idle Fish, be it Taobao and so on, we're talking about growing that user base further but also significantly enhancing stickiness so that those users avail themselves of all of those different businesses.

So then just to finish the answer, internally we will evaluate the success of these investments in different ways in different businesses but primarily in three dimensions, the first of which I was just speaking about, the user base growth but also applications and experience. So when it comes to user base, something very important to understand that differentiates us from the other platforms and makes those numbers even more meaningful is that these users are using different apps and different services within the Alibaba Ecosystem, and we'll continue to grow their usage across those different apps. Secondly, when it comes to applications, we're tracking, of course, order growth and GMV growth, and we'll continue to report to you on that. And then the third dimension is user experience, and that would include improvement in supply as well as in fulfillment.

And going forward, we'll certainly be sharing with you more specific KPIs in that context. For example, in our Community Marketplace business, our on-time delivery rate, which is already very high. But going forward, we will be reporting to you in more detail on KPIs in each of those three dimensions.

Daniel Zhang -- *Chairman and Chief Executive Officer*

Thank you. This is Daniel. To answer the second question regarding data, Alibaba has always held itself to the highest standards and the strictest of requirements when it comes to collecting data and utilizing data. We've always done that consistently, and we'll continue to do that as new legislation and new policy requirements are developed.

We will ensure strict and full compliance with the requirements of the law as well as with the implementation guidance that is further developed. It is our commitment to deliver robustly on our commitment to data security and data protection. Your question also touched on the potential impact of new laws and policy requirements around data collection and utilization in terms of revenue growth, business growth. I would simply underscore that Alibaba has never looked at data utilization or algorithm utilization as a single stand-alone KPI or a single factor that we rely on in growing the business.

And to give a specific example to illustrate what I mean by that, in our consumer advertising business, we have never sought to leverage data or algorithms to achieve the maximization of monetization in the consumer advertising space. We think it's much less important to maximize click-through rates compared to the paramount

importance of providing a top-quality user experience, a high level of user satisfaction. So we've always approached the utilization of data with the intention of growing value for the community, for the users and society. Therefore, we see the enactment of data security legislation and efforts to ensure data protection and the stricter use of data as positive in terms of being able to foster value for society in the long term and to allow good companies like Alibaba to grow and create more value for their customers and themselves.

Rob Lin -- *Head of Investor Relations*

Thank you. Just a minor correction on the English translation before. I think we meant to say Ele.me food deliveries order growth is 50%, not 150%.

Operator

Our next question is from the line of Piyush Mubayi of Goldman Sachs. Please go ahead.

Piyush Mubayi -- *Goldman Sachs -- Analyst*

Thank you for taking my question. I have two questions. The first is on the cloud growth rate, which is down to 29% from 37%. Can you just take us through what happened in the quarter to -- that resulted in that step-down in growth rate? When we have seen the impact of the customer moving out in the previous quarter, so how much of it was that customer? And also, if you could just shed some light on what the core growth rate for the cloud business in China is, that would be helpful.

And the second is in looking at CMR, could you just give us a feel for how the CMR is trending versus the core GMV for your business? And any color around how GMV projections would look like through the -- potentially the next quarter? And I ask that because through the quarter or through the past quarter also, we had -- even based on NBS data, we had a sluggish May but a remarkably better June. And I presume that a lot of the improvement in June was fostered by you. And if that pace of growth is a function of how you're fostering growth, I wonder how the rest of the year looks. [Foreign language]

Maggie Wu -- *Chief Financial Officer*

Thank you, Piyush, for your questions. Let me answer the two and then maybe Daniel will supplement. So for cost/revenue, we talk about the top -- this one single top cloud customer's impact on our revenue. So without this impact, our core revenue would have been showing close to 40% year-on-year growth.

And we do see strong growth in many industries within our core business like Internet, finance and retail sector, etc. Talk about this one customer impact. We expect this impact to continue for the remainder of fiscal year and until the full exit of this customer's international revenue. So looking forward, as you've seen, they are -- many changes and also new rules and regulations comes out.

There might be impact on other customers. For example, like online education customers. However, overall, we still believe the addressable market for China cloud service is still huge, and we just kept focusing on all of these solutions, products and technology upgrades to ensure the customer experience and to grow the business. So that's for the cloud.

There will be some near-term bumps and continued impact from that top customer. One more thing to add to the cloud revenue is about a concentration risk you might have in mind. So if we take out that one customer, our top 10 external customers' revenue contribution to our total revenue is just single digit. So we're pretty diversified in the cloud revenue.

So question 2, about CMR growth. The CMR growth is -- has this linear relationship with the GMV growth. So we see the -- that relationship is still there. One thing I want to highlight is that CMR as a percentage of total revenue right now is 39%.

So we do have a lot of new revenue streams coming in, and I think it grows the revenue pie. Going forward, GMV growth, I think with the -- the total national GMV growth, you can tell from the NBS data, we are quite representative to the total pie. If you look at our over RMB 8 trillion total GMV as a percentage of total China consumption, it's becoming very important and essential. So it can't be very different from the whole national online GMV growth.

Daniel, you want to supplement? Oh, sorry. [Foreign language] One thing to add before I give it to Daniel is that the future revenue stream, I think whatever we're investing nowadays, including all of these new strategic business areas, including all these infrastructure like supply chain capability and fulfillment capability construction, they aim to -- all of these aim to provide value -- additional value to our customers. Once we get the scale of the -- development of the business and the customers keep coming to use our services, there will be opportunity for us to monetize the value provided. So this is going to be new revenue resources to our overall group revenue.

Thank you. [Foreign language]

Daniel Zhang -- *Chairman and Chief Executive Officer*

Yes. Just to add a few words on the cloud business. I think the most important thing is to look at the cloud business is about the total addressable market in the long term. And I think all the people will -- can recognize that today, it's just at the beginning stage.

And just Maggie shared with you the -- in terms -- shared with you our business situation from a customer portfolio perspective. Now I just want to add a few words on the -- on it from a product perspective. I think today, for many enterprise customers, how to run an efficient, I mean, infrastructure is a -- basically, it's an entry point, I mean, services they need when they decided to move to cloud. And over time, we are happy to see that they get used to -- when they move to the cloud, they will

have a higher demand in terms of how to collect and especially the computing and the usage of the data.

So that's why they have a high demand on the -- not only on the data storage but also on the data analytics, on the database and even data security-relevant services. So actually, this is exactly what I said in my remarks, that in this particular quarter, we see a very -- if you look at the growth rate by product, by services, actually the services for data usage, data storage and data analytics, data securities, actually their growth is higher than the average. So I think it's more like we have this entry point services as ours. And then going forward, we try to upsell and cross-sell many more services to our enterprise clients when they are in the process of digital transformation.

[Foreign language]

Operator

Next question is from the line of Jerry Liu of UBS. Please go ahead.

Jerry Liu -- *UBS -- Analyst*

Yes. Thank you, management. I have a question also on investment, which we have been discussing, but I'd like to know if you could tell us a bit more about the investments you're making in the marketplace-based core and also, in particular, in Taobao Live streaming.

Daniel Zhang -- *Chairman and Chief Executive Officer*

Thank you. Well, I'll take that question. I think it's a very simple answer. When you ask about the marketplace-based core and the EBITA there and how we should look at that, we're investing, as we've said, in new businesses.

So when we used to talk about marketplace-based core, it was Taobao and Tmall. But now we're working hard on building all of these different businesses, each with its own unique and compelling value proposition and collectively forming a matrix of marketplace-based core businesses. So that requires that we take a different perspective in evaluating marketplace-based core profit. In terms of live streaming, we see that not merely as a new approach to selling goods online.

Rather, we see it as an integral part of a merchant's overall approach to digital operation. So one of the key things that Alibaba brings to merchants and that distinguishes Alibaba is our ability to provide multi-dimensional, multi-use case, multi-value services 365 degrees across an entire ecosystem, creating value for merchants, and live streaming is just one part of that. And what merchants really want and need is the ability to conduct life cycle management of their customers, the ability to track and measure a range of KPIs around their customers, the revenue, profitability and not just the ability to track the success of one or two live streaming

sessions. That's just one part of the process, but the bigger picture is the customer life cycle.