## 2 Alibaba.com®

#### THE MARKET

Alibaba.com is the world's leading marketplace for global trade and is the leading provider of online marketing services for importers and exporters. The Alibaba websites allow users to browse company information and trade leads by 27 industry categories and 1200 product sub-categories, ranging from textiles to electronics. It operates four interlinked marketplaces: Alibaba International (www.Alibaba.com), the world's leading import-export business-to-business marketplace

that offers an English language site the international trade community with members from over 220 countries; Alibaba China, (www.china.Alibaba.com), Chinese-language website that serves as China's largest businessto-business marketplace domestic trade; Alibaba Japan (japan.Alibaba.com), a Japaneselanguage site facilitating the export and import business between Japan and China; and TaoBao (www.TaoBao.com), China's most popular consumer-to-consumer auction site that offers quality products at the best price.

The advantage that Alibaba.com has over its competitors is that it has pioneered e-commerce in China and global trade by focusing on serving its members, with the most active marketplaces in each of its categories. Alibaba.com assists business people in building trust online, making e-commerce possible for small and medium-sized enterprises and helping to contribute to China's economic development. Alibaba.com has become the number one destination for buyers and sellers to find trade opportunities and promote their businesses online.

#### **ACHIEVEMENTS**

Alibaba.com has made giant strides in building its company and in shaping the online business industry. Its success reflects the founders' ingenuity, creativeness and drive, all of which originated out of a small apartment in Hangzhou, China.

Since its birth, Alibaba.com has overcome and survived many challenges and obstacles, including the bursting of the internet bubble and the SARS epidemic (during which more than 500 of its employees were quarantined, but the Alibaba.com site remained operational).





Alibaba.com was named Best of the Web: B2B for four years in a row by Forbes magazine and was selected as the most popular B2B website by readers of the *Far Eastern Economic Review*.

Alexa.com has ranked Alibaba.com and Taobao.com number one in their respective markets.

The website has also been selected by US-based Entrepreneur magazine as one of

the top 100 websites for

entrepreneurs.

In 2001, Alibaba.com's CEO Jack Ma was honoured as the featured recipient of the Asian Business Association Business Leadership Award in Los Angeles, where U.S. President George Bush sent his congratulations to winners of the award.

#### **HISTORY**

Alibaba.com was founded by a group of 18 people in an apartment in Hangzhou, China, in March 1999. The new company was funded by their personal savings and the change in their

pockets. Jack Ma was the founding chairman and chief executive officer.

In the five short years since, Alibaba.com has grown to become a profitable internet portal and a global presence, with 1,500 employees focused on the needs of more than 7,000,000 registered members from 220 countries and territories.

Under Mr Ma's leadership, Softbank Corporation, Goldman Sachs, Fidelity Capital and Investor AB invested an initial combined US\$25 million in Alibaba.com. Mr Ma has also attracted Softbank CEO Masayoshi Son and former WTO director-general Peter Sutherland to the company's Board of Advisors.

Alibaba.com's institutional investors also include Granite Global Ventures, Venture TDF Pte Ltd of Singapore, Japan Asia Investment Co, Ltd and Transpac Capital.

#### THE PRODUCT

Alibaba.com offers services that enable buyers and suppliers in international trade to source information about one another. For buyers, Alibaba.com's web site offers an award-winning sourcing tool that contains the world's largest database of active suppliers in 27 industry categories, including suppliers who are prequalified by Alibaba.com, via a third-party credit agency. For suppliers, Alibaba.com is the platform for displaying products and company information and also for targeting the global buying community.

Alibaba.com and Taobao.com allow buyers and sellers in China and around the world to post buying and selling opportunities, browse products and trade leads, send inquiries and negotiate deals online.

> Alibaba.com allows business people to post trade leads of buy and sell offers in various industry categories. Members can post, view and respond to buy/sell offers as well as browse offers to cooperate with potential partners around the world. Each day Alibaba.com members post over 8,000 buy and sell offers with an average of six responses for every offer posted. Each offer is personally screened by a member of Alibaba.com's service team prior to being posted to insure it meets Alibaba.com's clear and consistent format. Members can



*Required in	nformation Jordan Tian (Tommy	Electric Indust	rial Co., Ltd.)		
*Subject:	Want to buy kettles, le	arge quantity			
• Message: (20-4000 charactery)	Dear Sir, We are one of the leading wholesalers of home products in France. We are very interested in your products. Would you please quote us on FOS Frankfurt for 1000 bettles as soon as possible. Thanks.			N CONTRACTOR N	Save Message  Load Message  Members can save messages f future use.  Character count: [215]
	response by 5 J		3		
What other	information would you	like to know	about the above supplier(s):		
Price     Minimum order quantity     Sample availability/cost			Specifications/international standards met Delivery time		
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operational base in Hangzhou. There are branch offices in California, Geneva, Shanghai and Beijing, and 12 regional sales offices throughout China.

Recently Alibaba.com has invested heavily in its online auction subsidiary Taobao.com, which has become China's most popular consumer-to-

consumer auction site.
Alibaba.com is
determined to meet the
needs of China's
developing and growing
online shopping sector

**BRAND VALUES** 

Alibaba.com's brand values are summed up by its logo, the Alibaba Smile. The company hopes that whenever any business person uses or even thinks of Alibaba.com, it will bring a smile to their face. Unlike other online business service providers, Alibaba.com is perceived as more than just a B2B catalog or directory of businesses. Alibaba.com is truly a "business people to business people" marketplace, with an active community of members.

Alibaba.com commits itself to nine values that pervade the entire culture, keeping the focus on

teamwork and a customer-first

Alibaba.com and Taobao.com have become an essential part of business people's lives in China and around the world. Laid-off workers have found jobs because of Alibaba.com. Exporters have found new markets. Buyers have saved time and money. And even couples have met on Alibaba.com and eventually got married. It is just another day in the life of Alibaba.com.

The greatest impact that Alibaba.com has is on its members. In reality, the Alibaba.com websites belong to its members more than to the company itself. Therefore this gives the members a feeling that the website is a part of their daily lives.

Alibaba.com's perception and thoughts on brand development is that technology is a means to an end, rather than an end to itself.

The internet is just a tool for connecting people. The Alibaba brand is not so much about the internet as about a meeting place for people who are serious about doing business. The vision of Alibaba.com is to become the number one destination for global buyers and sellers to find trade opportunities, promote their businesses and conduct transactions online.

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receive trade lead updates via e-mail with Alibaba.com's Trade Alert service.

Members may also post/search product and photo descriptions, a

valuable research tool that makes products both visible and vivid.

The website has created a global buyer/seller company directory that provides company profiles and product/service overviews. Each member of Alibaba.com can choose to use a personalised Alibaba "assistant", which offers an integrated service using Alibaba.com's trade management tools.

Trust is an important issue surrounding all online business transactions, therefore Alibaba.com has created a "TrustPass" designed to help business people win trust, to know their partners and to display their credibility online. TrustPass is an interactive trust profile for overseas business people to build trust online.

China Gold Suppliers is a service that allows suppliers in mainland China to build a premium online catalogue and company profile linked to the Alibaba.com marketplace and search engine. China Gold

Suppliers receives the highest priority listing in all search results and in various listings.

#### RECENT DEVELOPMENTS

Alibaba.com has established offices in Asia, Europe and North America. Alibaba.com is considered a truly global company. It is headquartered in Hong Kong and has its by providing improved technology and services.

#### **PROMOTION**

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Alibaba.com conducts the bulk of its marketing and promotions through television advertising, trade show promotions and word-of-mouth campaigns.

One such campaign, in which Alibaba.com conducted a nationwide search for the top

e-business person from among its members, generated widespread domestic and international media attention.

Despite all its achievements, Alibaba.com believes its business is just getting started. The long-term goal is to serve all business people around the globe by helping their process of doing business.

### THINGS YOU DIDN'T KNOW ABOUT ALIBABA.COM

- O September 10, 2004, was Alibaba.com's 5th birthday
- O Jack Ma named the company after Ali Baba of *The Book of One Thousand and One Nights*, and chose the name because it is a name that everyone knows worldwide
- O Alibaba.com's web properties have over 7,000,000 registered members from 220 countries and territories, with a growth rate of over 25,000 members each day
- O Each day Alibaba.com members post over 8,000 buy and sell offers with an average of six responses for every offer posted



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