



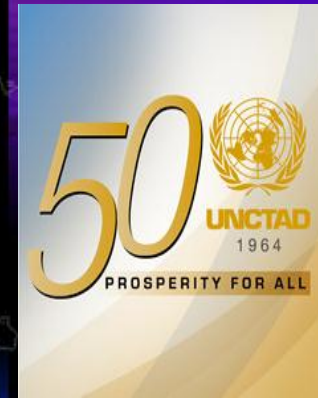
Expert Meeting on
**THE IMPACT OF ACCESS TO FINANCIAL SERVICES,
INCLUDING BY HIGHLIGHTING THE IMPACT ON REMITTANCES ON
DEVELOPMENT: ECONOMIC EMPOWERMENT OF WOMEN AND YOUTH**

12-14 November 2014

**SESSION 5:
NEW TECHNOLOGIES TO IMPROVE ACCESS TO FINANCIAL SERVICES**

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E-commerce Innovation and Micro Finance: The Case of Alibaba in China

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Geneva Switzerland

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Founded in 1999 in China, Alibaba Group is a family of e-commerce businesses that include consumer e-commerce, online payment platforms, business-to-business marketplaces, mobile applications and internet television.

Alibaba Background Information

A decorative graphic in the top right corner of the slide. It features a stylized globe with several vertical bars of varying heights and colors (blue, purple, black) overlaid on it, creating a modern, digital aesthetic.

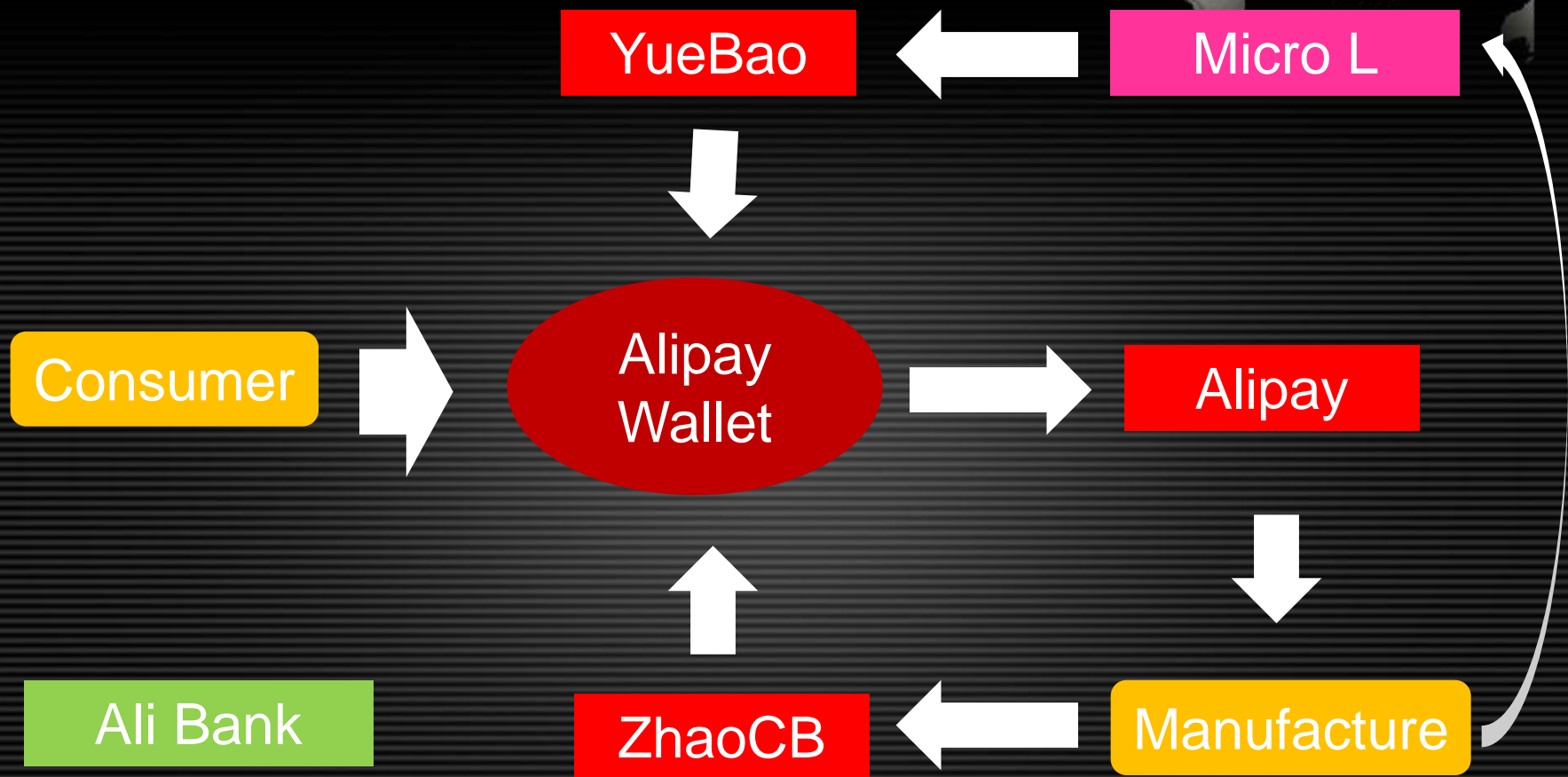
- Yahoo owns 24 percent of the group.
 - In June 2013, Alibaba launched Yu'e Bao, an online savings and investment product. As of December 2013, Yu'e Bao reported deposits of USD 30.4 billion and 43 million clients.
 - As of 2013 Alipay, the online payment arm of Alibaba, had approximately 300 million users, including 190 million active users of Alipay Wallet.
 - During the quarter ending in September 2013, Alibaba reported an operating profit of USD 786 million on revenue of USD 1.78 billion. The company raised USD 21.8 billion
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Six of Alibaba's affiliated financial entities



- Alipay, est. 2004, an online payment tool
 - Yu'e Bao, est. June, 2013 a USD 93 billion money market fund
 - Alipay Wallet, est. Nov. 2013, a mobile payment application
 - Zhao Cai Bao, April, 2014, a platform that allows individuals and small businesses directly borrow from investors, 15 billion transaction
 - Ant Micro, est. Aug. 2014, a micro loan provider to 700 thousand SMMEs until May, 2014
 - Ali Bank, an affiliated private bank
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The Structure: Ecosystems, B2C



Alibaba B2B E-commerce Platforms



Alibaba Third Party Platforms to facilitate International Trade

Prio Transaction (Information exchange)

- Alibaba.com
- MadeinChina.com
- Globalmarket.com
- Trade2cn.com
- Global Sources

Transaction (Cross border Trading Exchange)

- Aliexpress.com
(Alibaba)
- Dhgate.com
- M2Cmart.com (Global market)
- Ebay.cn
- Rakuten Global Market

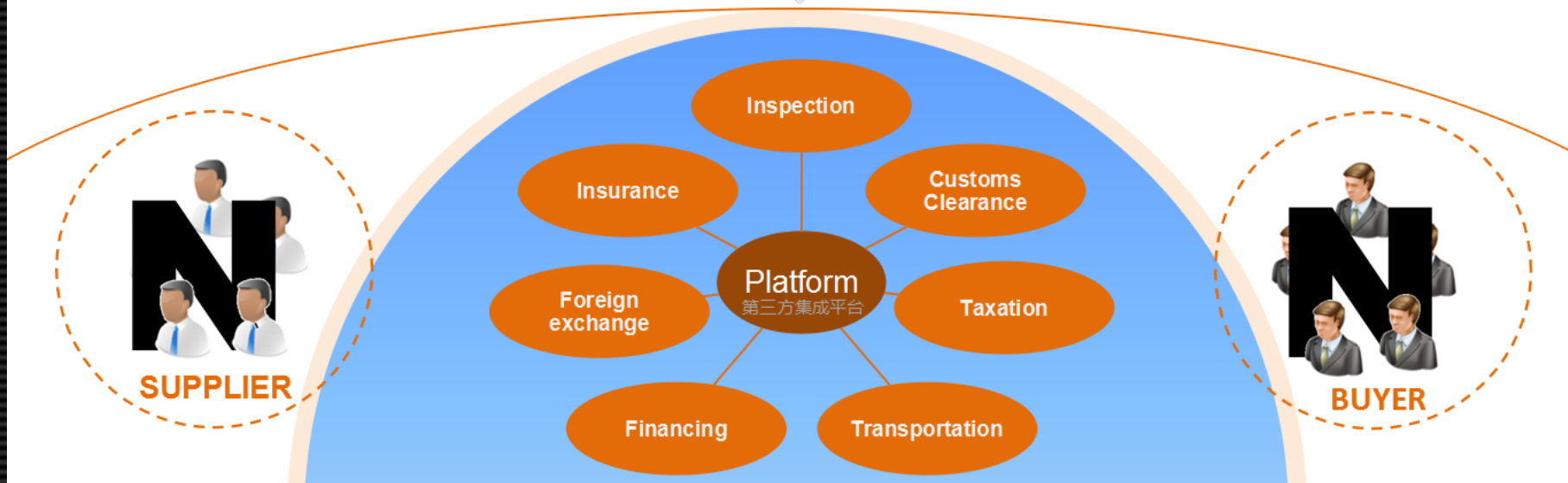
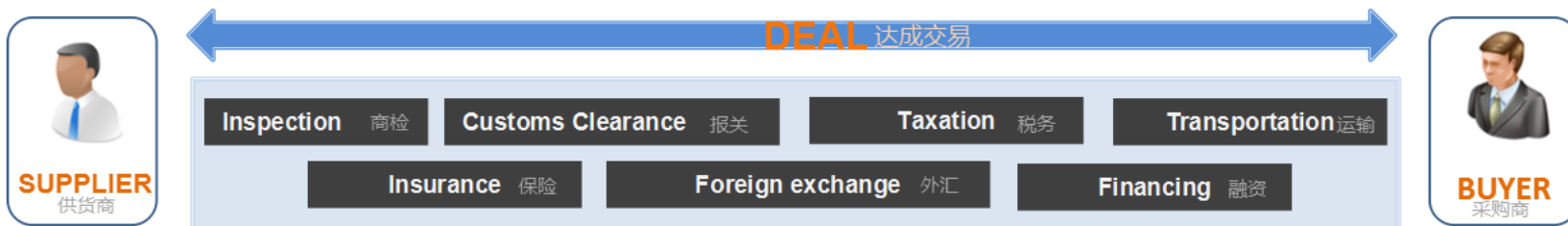
After Transaction (Paperless trading and integrated service)

- Onetouch.cn (taken over by Alibaba)
- Shi Mao Tong in Ning Bo City

B2B Platform Financing



N+1+N Mode N+1+N



B2B Platform Financing and Control



Prior 1-Time Application

Historical Data

- Transaction History
- Business Evaluation
- Credit Score
- Feedback from Buyers
- Dispute & Refund Records

Loan Approval

Real Time Assessment

- Business Transaction
- Logistic Fulfillment
- Cash Flow
- Risk Alerts

After Approval

Pro-Active Monitoring

- Dynamic Credit Evaluation
- Order Fulfillment Tracking
- Transaction Behavior
- Abnormal Activities
- Platform Store Control

Implications



- Financing is the key facilitator of doing business.
 - Traditional financing and Internet financing can be integrated on one platform.
 - IT innovation can increase financial market efficiency
 - Third party platforms can help SMMEs participate in global trade under trusted environment.
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Thanks



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