

Alibaba leverages on technology to deliver customer values

Alibaba delivers CX values through technological innovations, strengthening customer relationship with a strong brand story and a robust customer-first culture.





Alibaba prioritised self-innovation and incubation of new ideas above all else over the past 20 years.

Our digital economy infrastructures empower the whole society with the potential and opportunity to innovate and incubate even more new ideas. 



Alibaba was established in 1999, by a group of 18 friends led by Jack Ma. Having started as an e-commerce website for Chinese businesses, Alibaba has grown into a global leader in online and mobile commerce, cloud computing, and digital media and entertainment. 20 years after its inception, Alibaba was listed as Forbes Top 100 Digital Companies of 2019.

Having selected Alibaba among Twimbit's Top 10 APAC companies to ace CX, we studied the best practices behind the success of the company





Highlights



Alibaba recorded a revenue of USD 72 Billion in 2020, up by 35 percent Y-o-Y for core commerce segment.



As of March 31, 2020, Alibaba had a total of 117,600 full time employees



Jack Ma, the founder of Alibaba received the Forbes Lifetime Achievement Award in 2019.



Challenges

The Alibaba group of founders saw potential in the market landscape. These include:

1

A chance to enable small enterprises to grow in and compete with domestic and global economies.

2

The possibility to innovate and nurture technology as a platform for enterprises

3

The rising numbers of internet users in China indicate that there is a need for an e-commerce platform that could deliver efficiently and timely.



Employee experience

a. Customer-centric culture to deliver the best value to customers

Embedded into the core value of the company, the first of the six company values read “customers first, employees second, shareholders third”. They believe that by creating sustained customer values, they can garner long-term trust and loyalty and ultimately increase shareholders profits. The value system also becomes a guiding principle for employees.

b. Strategic compensation program to drive high performance

Alibaba incentivises high performing employees with stocks compensation bonuses. This perk gives employees a strong sense of ownership of the company. In return, they show improved drive at work, knowing that the results of company’s performance in turn benefit them and their future.



Digital experience

a. Technological innovations to create a digital economy

From the very beginning, Alibaba has been steadfast in their innovations to prepare the brand for the era of digital economy. They successfully assembled a digital economy powered by cloud computing, that encapsulates e-commerce, finance, logistics and big data. This has helped in creating a dynamic ecosystem offering answers to all of the consumer needs.

b. Leverage on AI to offer personalised services

They leveraged on AI to allow their e-commerce platform (for example, Taobao and AliExpress) to understand customer behaviour, basing the services offered on customer preferences. They utilise big data to provide product suggestions, identify preferences and thus, better meet the needs of their customers.



Brand experience

a. Nurture emotional connection to create brand stickiness

The followers of Alibaba connect well with Jack Ma’s story. His life story about his struggles and failures inspired many of the brand’s followers. Besides, his drive and ambition that led to the birth of the giant e-commerce business it is today has put him as an admirable figure among global leaders. This helped Alibaba build a strong connection and a large base of loyal customers.

b. Philanthropy works to bring the brand closer to its community

The Jack Ma Foundation was established in 2014. Among the causes supported by the Foundation are education in China, African entrepreneurship and the Queen Rania Foundation in the Middle East. The brand becomes known among global citizens through its philanthropy around the globe. Customers find that supporting the business lifts up their spirits, as they are contributing towards good causes.



98% customer retention

They boast a whopping 98 percent customer retention rate for customers who spend USD 1,500 on Alibaba's China retail marketplace.

70% from less developed areas

Approximately 70 percent of the annual active consumers from China retail marketplace come from less developed areas.

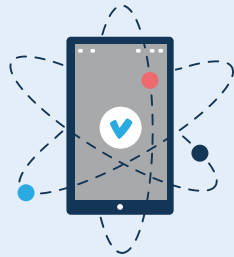
960 million consumers

They have recorded 960 million annual active consumers on the various Alibaba platforms across the globe.





1



Optimise the use of technology and innovation to deliver customers value

Technology is the future of business. Companies need to make full use of technology and innovations to capture market potential while delivering high customer value. Alibaba for example has helped millions of small businesses to deliver values throughout the country and even abroad through digital economy.

2



Nurture connection between brands and customers to earn long lasting loyalty

Brands need to create an emotional connection based on values with customers. Brands that makes customers feel good build a strong connection, thus reaping the benefit of customer loyalty. In Alibaba's case, they have managed to connect well with customers through the founder's aspiring story and his philanthropic acts.

3



Strategic principle setting to drive results

To deliver a successful CX strategy and behaviour in organisations, the company needs to define a strategic guiding principle for employees. High performing organisations such as Alibaba have a simple, yet powerful vision and mission statement centred towards creating value for customers.



Insights that find you

How we think

Our aim is to produce exponential impact for every business and career through the power of research. We understand the industry to know that the way research is produced, personalized and consumed needs to change. We are the catalysts to bring a fresh and new perspective to you.

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