

CHINA'S DIGITAL SUPPLY CHAIN AND ALIBABA: OPPORTUNITIES FOR EU COMPANIES

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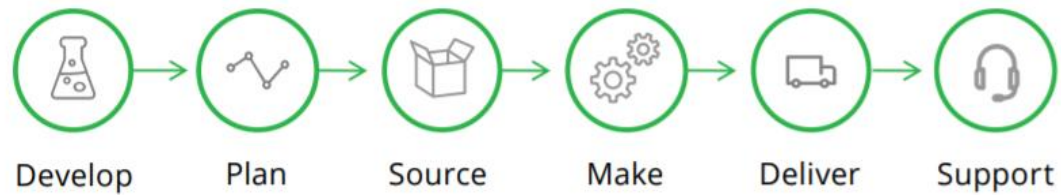


- What is “Digital Supply Chain”
- Digitalization of Alibaba Group
- Alibaba during the time of Covid-19
- Opportunities in China

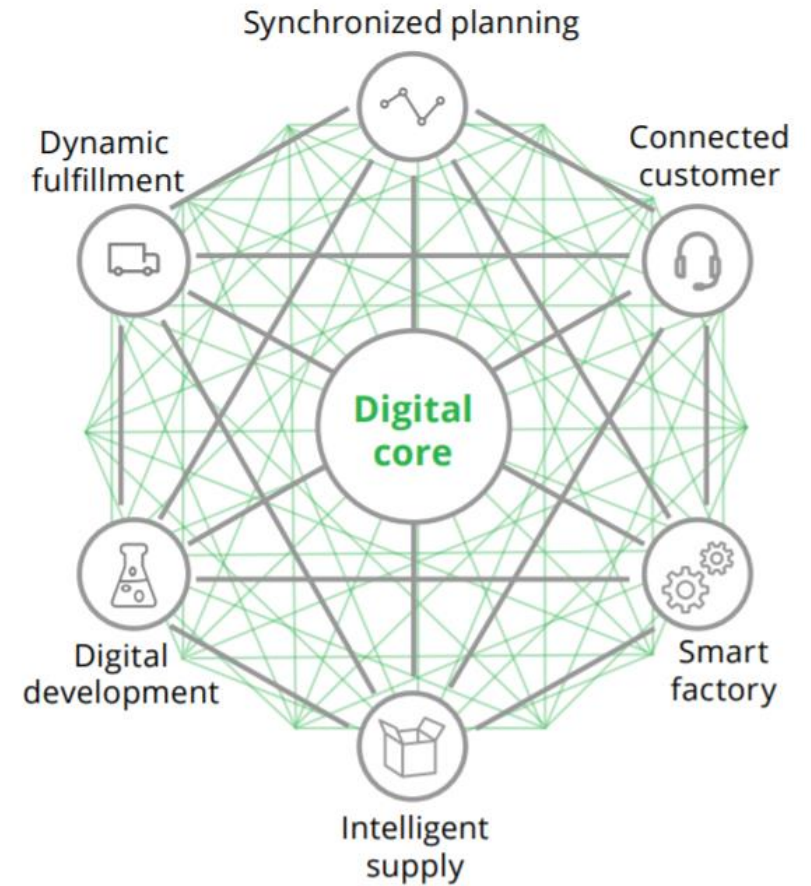


Digital Supply Chain

Traditional supply chain



Digital supply networks



Key focus is on:

Integration

Communication

Information

Actions

Technologies:

Internet of things (IoT), automatization, machine learning

Cloud optimization

Data analytics, RFID

China powering the digitalization of supply chain due to:

Mobile-first consumer behavior

Well developed e-commerce industry

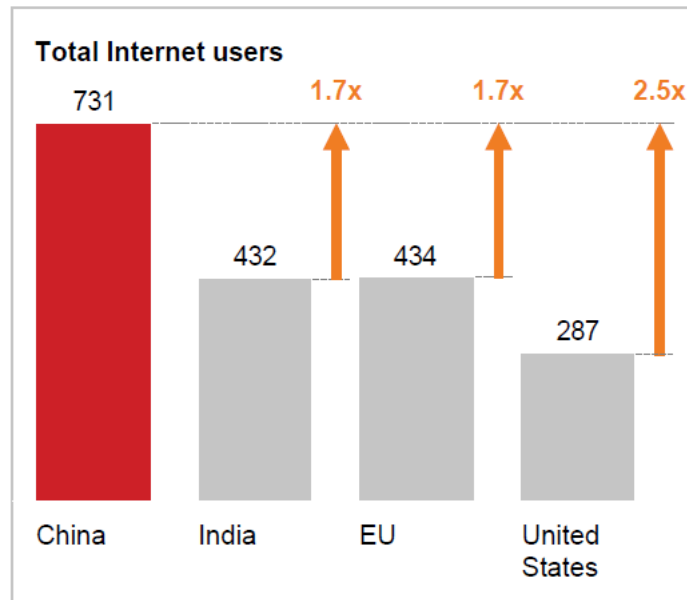
Trusted digital payments infrastructure





Digitalization of Alibaba Group





让天下没有难做的生意

To Make it easy to do business anywhere



让天下没有难做的生意

To Make it easy to do business anywhere

Locally-oriented Platforms



Cainiao – Logistics company (2013)



TaoBao – C2C platform (2003)



Alipay – Payment platform (2004)



TMall – B2C platform (2008)

Internationally-oriented Platforms



Aliexpress – B2B,B2C E-commerce platform (2010)



Tmall Global – B2B,B2C E-commerce platform (2014)



Lazada – B2C E-commerce platform (2016)



Alibaba Cloud – Cloud Services(2009)



Youku – Video Hosting service(2006)



Ele.me – Food Delivery (2008)



He Ma fresh – Grocery stores (2017)



Alibaba during Covid-19

- **Fast delivery of critical supplies**
- **Online Donations**
- **Robot deliveries**
- **Contactless Delivery**
- **Talents' adaptation**
- **Online Consultation (AliHealth)**





Opportunities for European and Russian companies

China's Middle Class as Percentage of Urban Households

Emerging Middle Class



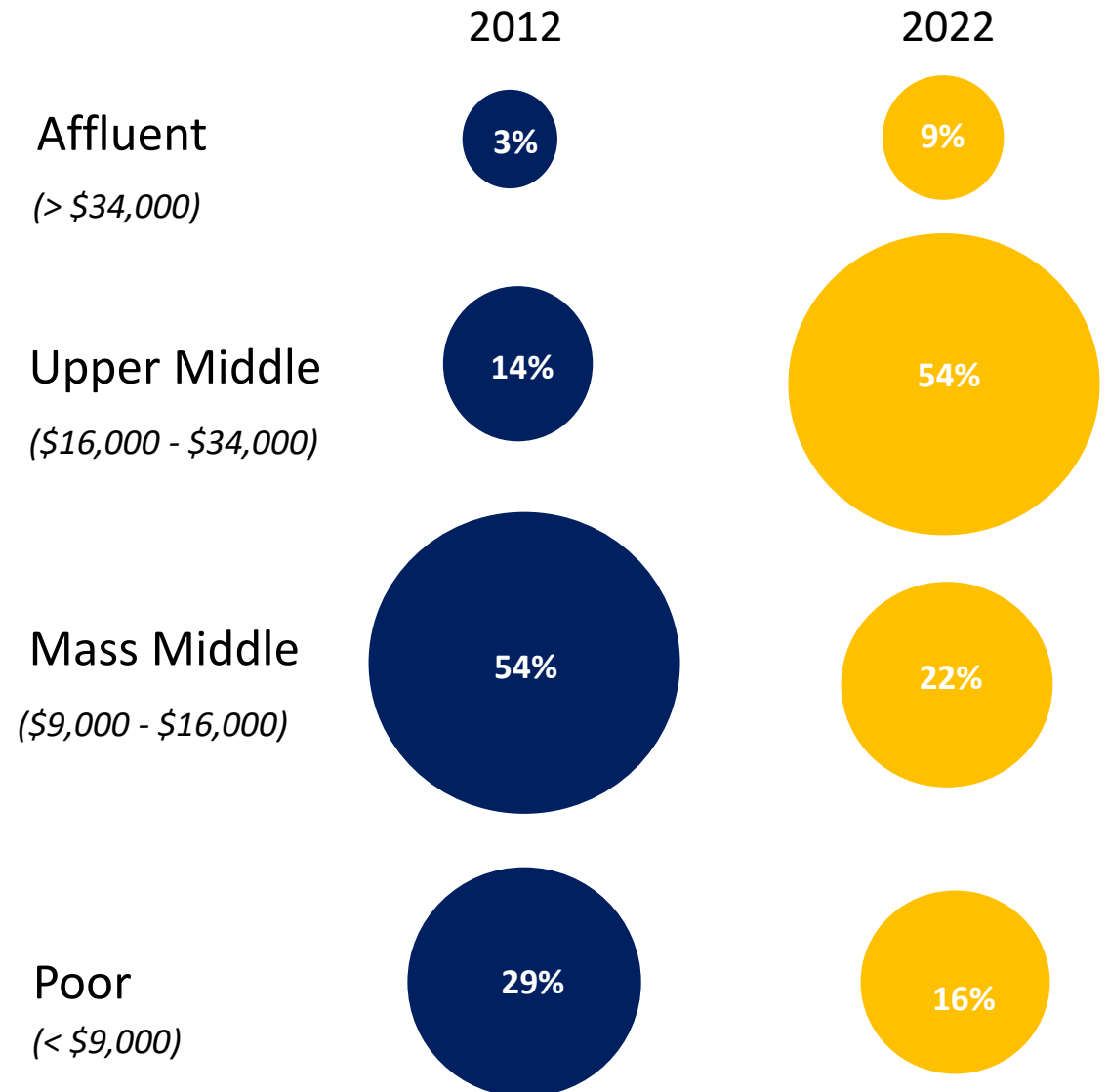
- Huge consumer growth
- Increasing domestic consumption

“The former factory workers now might be your target market”

Shaun Rein



- Digitalized Consumers
- Require customized packaging and flavors
- High loyalty to Chinese brands



Source: Business Insider

Opening your TaoBao shop:

Real-name/Company Verification
(Local Citizen/Local Company);

ID/License should be linked to the
Account;

Reading/Writing Chinese language
skills



Customer Service:

Customer Service support in native language

Limited response time



Zhibo – Chinese E-Commerce Livestreaming

24/7 Online livestreaming

Cart button that directs viewers to the shopping page



Value Chain Calculation: Chocolate

From: Germany **Import Duty: 8%**
To: Shanghai **VAT: 17%**

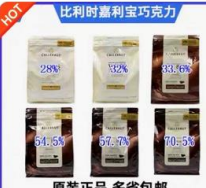
HS Code:
0901110000

FCA Value: US\$ 100,000
Freight: US\$ 5,000
Insurance: US\$ 400
Customs Duty: 8%
VAT: 17%
DPV: $100,000 + 5,000 + 400 = \text{US\$}105,400$
Customs Duty: $105,400 \times 8\% = \text{US\$}8,432$
CAP: $105,400 + 8,432 = \text{US\$}113,832$
VAT: $113,832 \times 17\% = \text{US\$}19,351.44$

Inbound Transportation: 3,8%
Warehouse Services: 4,3%
Total Markup: 16% (min. excl. VAT)

全部
天猫
店铺
经验

综合
销量
筛选



比利时嘉利宝巧克力


巧克力 四年老店 好评率100%巧克力 朱古力比利时嘉利宝黑豆 2.5kg54.5

店铺已被2.1万人圈粉 | 累积好评1千+

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