

ALIBABA'S MEDIA CONGLOMERATE DREAM

SHIH Hui Min & Lincey QI

EAI Background Brief No. 1144

Executive Summary

1. On 27 January 2016, China’s State Council reinforced the importance of integrating “Made in China 2025” with “Internet Plus” to guarantee the supply of high-quality and high-end products.
2. At the Leading Group for Overall Reform in 2014, President Xi Jinping called for the building of several home grown new-style media groups that are strong, influential and credible.
3. Xi also urged the integration of traditional media and new media that should be supported by technology and abide by the rules of news communication and the law.
4. China has overtaken the United States for the first time as the world’s biggest “acquiring nation” for mergers and acquisitions in the technology industry.
5. In April 2016, Alibaba Group affiliate Ant Financial Services Group completed a US\$4.5 billion round of funding. It was the largest round of private funding on record in the global technology sector.
6. Despite its tight grip of the internet economy, the government still supports “state-approved” internet companies including Alibaba. Alibaba is in collaboration with the government to create a beneficial business environment for Chinese internet firms.
7. Jack Ma has cultivated over 16 years of good relationship with the government. Ma and Alibaba have often been lauded by Premier Li Keqiang. During President Xi’s state visit to the United Kingdom and the United States in 2015, Ma played an active role as his trade envoy.
8. Alibaba’s media landscape building began in 2009. By 2015 the company had acquired no less than 25 media companies of different genres and platforms.

9. Politically, Alibaba's acquisition of the *South China Morning Post* and other traditional news media is in line with the Chinese leadership's call for strengthening international discourse power.
10. Commercially, Alibaba is aiming to build a comprehensive media ecosystem. Its media can accurately read the economy and consumers' preferences, and help small and medium-sized enterprises promote their products.