

Jack Ma explained why Alibaba is not like Amazon

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Alibaba - he's big in e-commerce in China - is often referred to as Amazon's big rival, but Alibaba's founder and chairman - **Jack Ma** - doesn't think that that is a reasonable comparison. He said that the two companies run on two completely different models and if there is any correlation, Alibaba's mission is to help businesses grow and become a model similar to Amazon.

You can read more about Jack Ma's life to learn more about this exciting and talented billionaire.

Jack Ma said in an interview with Emily Chang from Bloomberg: *[Amazon] bought and sold [product]. We are a platform. If Amazon is a big apple then we are an apple tree* . He pointed out that Alibaba owns more than 10 million large and small businesses that are selling on their site and his company helps them by providing a market, besides payment systems, logistics and computing power.



In other words, Amazon is like a retailer, selling goods from its own warehouse while Alibaba does not directly sell anything but simply serves as a middleman, connecting buyers and sellers. . Amazon also has a market from its own third party but the way to make money is a bit different. Amazon earns commissions on every item they sell, but Alibaba's Taobao market does not charge for transactions but only makes money from advertising.

Other models also cause some other problems for Alibaba. It makes the company have little control over the product sold on the page and thereby causes concern with counterfeit goods. There are reports that Alibaba may be lobbying for the US Trade Representative to not be included in the Notorious Markets List (list of markets - including actual markets). and the virtual market on the Internet - implicated or in the process of further investigation because there is evidence of a violation of commercial rights and counterfeiting of trademarks.

Many companies accuse that 80% of Alibaba's products are fake.



Jack Ma said in an interview with Bloomberg that the company is still trying to solve this problem and pointed out that Alibaba has a 7-day repayment policy with all counterfeit goods and the company also participates in law enforcement "arrest." nearly 500 people and destroyed millions of fake products "in 2014.

He said: " *If they buy a fake product from our site, we lose 5 customers. That means we are also victims of counterfeiting and we don't like it. Alibaba still is fighting it for years* ".

Author: Eugene Kim

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