

COMPANIES

# Alibaba expands in Mongolia with new platform

**E-commerce giant teams up with tech group to offer 'millions of products'**

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Alibaba Group Holding is expanding its business foothold in Mongolia, as the e-commerce giant's wholesale marketplace 1688.com joins forces with local technology group Intelmind to launch a new platform.

The new online marketplace, ShopyyHub.mn, aimed to offer "millions of products" sourced from 1688.com's network, providing Mongolian consumers and businesses with products from Chinese manufacturers, Intelmind said, announcing the strategic partnership yesterday.

The site will allow online shoppers in Mongolia to consolidate purchases from other regions into a single order and delivery, with most packages taking seven to 10 days, according to Intelmind. The collaboration comes as

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Mongolian technology group Intelmind - Alibaba's partner in the venture - owns or invests in a portfolio of this number of tech companies

Alibaba, owner of the Post, banks on 1688.com as a new growth engine. Chief executive Eddie Wu Yongming, who took the reins last September, has planned for the platform to undergo "strategic-level innovation" to "face the larger market with [its] own strategies".

Alibaba has recently started selling some 1688.com products on Taobao, its flagship consumer-facing online shopping platform, to tap a wider pool of users and test products in a larger market.

Meanwhile, the Hangzhou-based giant is also expanding its overseas e-commerce operations to seek new customers amid weak consumer sentiment at home.

The company plans to invest US\$1.1 billion in South Korea over the next three years to grow its e-commerce presence by building new infrastructure and supporting local merchants, according to a report by Seoul-based news agency Yonhap in March.

AliExpress, the international online retail platform of Alibaba, has also been in talks to invest US\$72.4 million for a 5 per cent stake in Ably, operator of South Korea's top women's shopping app, according to a report in April by The Korea Economic Daily.

Mongolia, known for its vast mineral resources such as coal, copper and gold, has been seeking to diversify its economy in recent years. Part of the initiative involves enhancing digital infrastructure and connectivity, with

e-commerce emerging as a key driver. The country of 3.4 million people relies on China for investments, while Beijing sees Mongolia as a connector for trade with Central Asia.

Intelmind's new platform, which sought to facilitate cross-border trade opportunities, "underscores our dedication to driving innovation and fostering economic prosperity in Mongolia", company co-founder and chief executive Mendbayar Tseveen said.

Ulaanbaatar-headquartered Intelmind, which owns or invests in a portfolio of 18 tech companies, in 2017 launched its own online marketplace Shopyy.mn. It has since become one of the major e-commerce platforms in the country.