

E-COMMERCE

Alibaba creates unit to offer data intelligence services

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Alibaba Group Holding has created a new subsidiary called Lingyang Intelligent Service to help companies in their digital transformation, a move that deepens the e-commerce giant's pivot to the enterprise market.

The new business unit, which pulled together existing digital capabilities within the Hangzhou-based firm, represented "an important step for Alibaba after thoughtful consideration", chairman and chief executive Daniel Zhang Yong said.

The subsidiary will provide "data-intelligence-as-a-service" to help enterprises in decision-making and operational efficiency. Alibaba coined that marketing term to distinguish what Lingyang offers from software-as-a-service, a long-

standing enterprise delivery model in which software is accessed online via subscription.

The core team of Lingyang "knows the best about data" in Alibaba, the company said, because it had supported many major events such as the annual Singles' Day shopping festival. It will provide solutions to enterprises across industries by leveraging the expertise of Alibaba in applying data intelligence to manufacturing, marketing and various services.

Alibaba vice-president Peng Xinyu, an expert in corporate data management, serves as chief executive of the new subsidiary.

At present, Lingyang's 11 core products include Dataphin, Bizphin, Quick Audience, Quick BI (for business intelligence), Business Adviser and Operation Adviser.

Lingyang, which means antelope in Chinese, adds a new

member to Alibaba's well-known "zoo". The company's business units are named after animals or insects, including retail chain Freshippo and financial technology affiliate Ant Group.

The launch of the subsidiary reflects Alibaba's effort to engage new market segments and industries, as online retail competition intensifies in its home market amid weak consumer spending and a flagging economy.

Alibaba has been expanding

its reach into the enterprise services market through cloud computing unit Alibaba Cloud.

Cloud computing services enable companies to buy, sell, lease or distribute a range of software and other digital resources as an on-demand service over the internet, just like electricity from a power grid. These resources are managed inside data centres.

Alibaba Cloud, which offers cloud computing services in 25 regions around the world, recently reported it turned in an annual profit for the first time in 13 years. The firm posted a 1.1 billion yuan (HK\$1.28 billion) profit for the 12 months to March 31, its first such result since 2009.

In the first quarter, Alibaba Cloud had a market-leading 37 per cent revenue share of the country's US\$27.4 billion cloud infrastructure services sector, research firm Canalys said.

Alibaba owns the *Post*.

37%

Alibaba Cloud had a revenue share of this much in China's cloud infrastructure services sector in the first quarter, research firm Canalys says