

CHINA GATEWAY: BUILDING A CHINA-READY BUSINESS

 Alibaba Cloud

Alibaba Cloud
China Gateway

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INTRODUCING CHINA GATEWAY

Are you looking at establishing a business presence in China, developing a go to market strategy there, or deciding how to deliver the best online experience for your customers in Mainland China?

As the leading cloud provider in the country, Alibaba Cloud knows what it takes for businesses to be successful in China, and has helped many international companies, such as Philips, AirAsia and Strikingly, to grow.



**ALIBABA CLOUD WILL
HELP YOU DELIVER A
SECURE, STABLE AND
HIGH-PERFORMING
WEBSITE**

China Gateway is our dedicated channel that will support you on every step, as your business in China develops. Our solid computing technology and unrivalled expertise will guide you through compliance and regulatory issues that are specific to the country, such as applying for an ICP License and ensure that you know how to protect your website against malicious attacks. Our team can also explain how our comprehensive cloud infrastructure and services create efficiencies that will save time and provide a better online experience for your customers, such as integrating online payments and offline logistics.

Alibaba Cloud will help you deliver a secure, stable and high-performing website for your customers in China, and beyond. This means that dwell time, content discovery and – ultimately – conversions will all increase, so you can focus on growing your business and exceeding your KPIs.

ABOUT ALIBABA CLOUD

Alibaba Group, headquartered in Hangzhou, China, is on a mission to make it easy to do business anywhere. It has ambitious growth goals and aims to help to solve problems for billions of people as it expands.

Alibaba provides vital technology infrastructure and marketing capabilities to help businesses grow their products and services online. The group spans commerce, cloud computing, digital media and innovation.

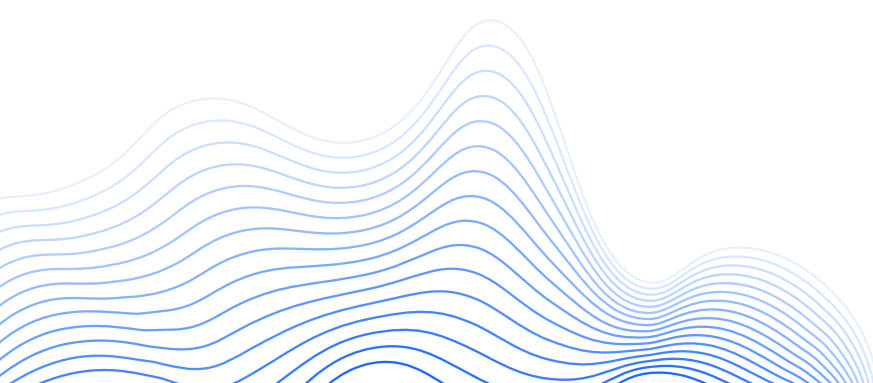
Alibaba Cloud is China's largest public service cloud provider¹, offering cost-effective solutions that help businesses meet their networking and information needs, and provides them with an easy way to integrate with other products and services in our ecosystem.

Alibaba Cloud has an international network of over 19 data centers, including access to Mainland China, delivering cross-border connectivity through 52 Availability Zones, powered by over 1,500 CDN Nodes.²

Users benefit from having one account that provides access to a suite of connected products that are flexible, scaling as their business grows, whether they are an international conglomerate working on retail innovation or a startup taking their first steps to launch the business in China.

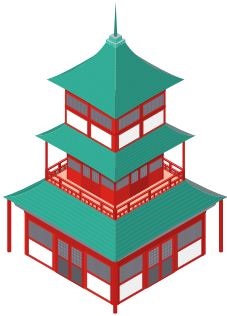


**ALIBABA CLOUD IS
CHINA'S LARGEST
PUBLIC SERVICE
CLOUD PROVIDER**



THRIVING IN CHINA

China is an increasingly hot destination for multinational corporations and SMEs alike. And when they arrive, they find a highly digital and connected society. Chinese customers are travelling internationally more than ever before, with over 145 million trips abroad taken in 2017.³ Mobile is the go-to platform of choice, and China boasts the world's largest mobile payment market. This is driven by online shopping, especially festivals such as 11-11 or Singles' Day, and powered by mobile payment apps, including as Alibaba's Alipay.



A SURVEY FOUND THAT **64 PERCENT** OF COMPANIES WITH A PRESENCE IN CHINA HAVE REPORTED HIGHER REVENUES AND PROFITABILITY

Global businesses currently active in China are thriving: A survey of international companies with a presence in China by Bain and Company, found that 64 percent reported higher revenues and profitability, particularly in the industrial and consumer sectors.⁴

China is also a hotbed of innovation, from Smart Cities to Artificial Intelligence, Internet of Things to e-commerce. Chinese consumers have embraced digital technology, adopting facial recognition, cashless payments and self-service stores. This helps to make the country a great space for businesses to experiment and innovate. Over half of the executives that Bain surveyed said they were using more advanced digital technology in China than elsewhere in the world, with 90 percent planning to continue their investments.⁵ The Chinese marketplace isn't just a huge opportunity, it can make your business more competitive around the world.

CLOUD INFRASTRUCTURE AND SERVICES FOR ORGANIZATIONS



CHINA GATEWAY WILL
HELP ENSURE THAT
THE DIGITAL ASPECTS
OF YOUR BUSINESS
ARE ONLINE IN CHINA
AS QUICKLY AS
POSSIBLE

China Gateway helps international businesses of all sizes and at different levels of commitment to adapt their operations for China. Whether companies are dipping their toe into the Chinese market by launching a lean operation with no office, or are partially committed to bringing the business to China by establishing an office with a few members of staff – right through to companies launching a full operation there, even going all in, acting as native players and thinking in a local way – Alibaba Cloud can help.

China is a huge, fragmented market, geographically, socially and economically. Whatever the size of your business, it is important that it not only has the capacity to cope with these demands, but also provides a cross-border connection that seamlessly links your business in China to your headquarters, anywhere in the world.

China Gateway will help ensure that the digital aspects of your business are online in China as quickly as possible, that your business is equipped for e-commerce, is fully secure and provides a great experience for its users.



China Gateway helps international businesses of all sizes and at different levels of commitment to adapt their operations for China.

Let's explore what Alibaba Cloud's comprehensive cloud solution could mean for businesses with different levels of commitment and various sized-companies, and what products could be useful in different scenarios, to see how China Gateway can support your business now and help it grow in the future.

LEAN OPERATIONS

Companies that are just starting to dabble in doing business with China often have to overcome issues [around latency and creating a stable connection](#), particularly if they are offering a digital service based in a home country.

Businesses in this phase are often concerned about speeding up web-browsing, apps and access to information, such as its HQ's systems. To get off to a good start, they must ensure that their digital products and services are providing a great experience for users and their teams can access the information that they need.



To get off to a good start, businesses must ensure that their digital products and services are providing a great experience for users and their teams can access the information that they need.

Website load speed is crucial anywhere in the world, but particularly vital in a mobile-centric market like China. The best option to minimize latency, improve SEO visibility, and provide high availability is to host in Mainland China. Key supporting services that China Gateway can guide you through include whether it is necessary to apply for an [ICP License](#), establishing a VPN for reliable and secure data connections and introduce Alibaba Cloud's Networking services, such as [Cloud Enterprise Network \(CEN\)](#), that is designed to provide your business with a stable network anywhere in the world, and ensure that connections are high-speed, available and secure.

PARTIALLY COMMITTED OPERATIONS

A partially committed operation will likely have more people on the ground in China and be starting to ramp up its business in China – such as establishing an R&D branch or outsourcing team in Mainland China that works closely with an international business and operations team. For this kind of company, establishing robust cross border operations that enable remote employee access, remote DevOps, remote data transfer and secure access to branch offices, is vital to the entire international business.

Our suite of network products and services allow you to scale your website and applications to serve customers in other regions with low latency and high availability, supporting businesses as their needs evolve from basic cloud networks to globally interconnected networks. Cross-region users of benefit from interconnections that are secure, reliable and flexible.



**MOVING DATA CLOSER
TO CUSTOMERS
CAN DRAMATICALLY
IMPROVE THE USER
EXPERIENCE**

China Gateway can guide this company through key supporting services including [Cloud Enterprise Network](#) and [VPN](#), whether it might need a [NAT Gateway](#), providing a [public network gateway](#) for a [VPC](#), and setting up Infrastructure as a Service (IaaS) that will provide the backbone for cross-border DevOps.

As businesses expand their international operations, their networking requirements become more significant, and need to be designed to connect multiple offices and branches around a region and across borders, providing secure, fast and compliant networks. As business needs can evolve rapidly, it is important that any solution is flexible and can be deployed quickly. CEN interconnects networks around the world, allowing companies to build a scalable business system in the cloud. This means that different branches or satellite offices can access their network using services such as Smart Access Gateway and VPN Gateway and be confident it will be high-quality and secure.

China Gateway can guide you through how to set up your Cloud Enterprise Network in just four steps: create a CEN instance, add network instances, purchase a bandwidth package and then configure cross-region bandwidth. This simple configuration is boosted by bandwidth packages that are flexible to allow you to allocate bandwidth between 19 different regions, helping your company to save on traffic costs.

Other partially committed companies might be ramping up their business in China by looking into local storage and consumer web access. By moving data closer to their customers and looking into content distribution in China, they can dramatically improve the user experience of their digital services. To host your website on a server in China, your company will need to do ICP filing, described in more detail below. China Gateway can provide you with vital consulting support around compliance issues as well as guide you through services such as [Elastic Compute](#), [VPN Gateway](#) and [NAT Gateway](#) – to build a scalable business system in the cloud. For example, providing public network connections can be a cost-effective way for multiple VPC-connected ECS instances to share bandwidth, helping to reduce costs.

Another scenario for a partially committed operation could involve a traditional big enterprise with a China branch looking to create a Cloud Exchange Connection. [China Gateway could advise them on whether they need to apply for an ICP.](#)

China Gateway also helps companies discover how to establish a Dedicated Line connection and Service Level Agreement. Cloud Exchange Integration is one of a number of Alibaba Cloud products that could have a positive effect on the business by helping Customer VPCs in China and the business' HQ to connect with its enterprise system.



FULLY COMMITTED OPERATIONS

Fully committed operations are concerned with issues such as providing a high level of real time customer service and how best to carry out cross-border business. They might be looking into overseas shopping and relying on resources across different countries, as well as launching in multiple regions in China.

China Gateway provides a market-tested ICP consulting support for businesses, as well as advice on how best to provide real time access to services to customers and explore how connecting to the closest data center will balance the company's traffic.

Fully committed operations often need to focus on accelerating their network connection globally and successfully integrating people and functions across multiple locations. [Cloud Enterprise Network](#) can help with this, facilitating global business management and low latency communication between HQ and international offices, both in China and around the rest of the world. By providing access to multiple VPCs and regions, overall communication, collaboration and business processes all improve.

Data is a vital asset for any business, and users need to be confident that if any problems arise, the company won't suffer. CEN offers at least four independent redundancy links between any two nodes, ensuring that data and information will not be lost if any problems or errors do occur.

Additionally, Alibaba Cloud's complete security offering and products such as its Site Monitoring Service and Global Traffic Manager will help to detect and flag when a site is becoming overloaded, ensuring that damaging outages do not occur.

And, for all-in businesses, China Gateway can provide guidance about how Alibaba Cloud's full range of products, through partners and the wider Alibaba offering, can help them scale. This covers everything from logistics and marketing to e-commerce and entertainment and will be covered in more depth in our next section.



Moving data closer to customers and launching content distribution in China can help companies dramatically improve the user experience of their digital services.



COMPLIANCE GUIDELINES

Complying with Government regulations and being confident that you understand the relevant laws and how they apply to your business is a vital responsibility for business leaders.

For example, the Chinese government has introduced guidelines on cyber governance, in a similar style to GDPR in Europe, covering key information infrastructures and network operators. It takes into account network security risks, content security risks, personal information protection and cross-border data transfer and should improve safety and security for consumers, businesses and governments.



China Gateway's implementation consultants ensure that your business is on the right side of the law.

China Gateway's implementation consultants provide detailed advice on managing these features and ensuring that your business is on the right side of the law.



FAST TRACK YOUR ICP LICENSE

An Internet Content Provider (ICP) license is a mandatory legal requirement by the Chinese Government. It is a state-issued registration number that allows you to host your website on a server or Content Delivery Network (CDN) node located inside Mainland China. The application comes after selecting hosting and domain, but before a site can go live.

The requirements for acquiring a license are relatively high, and restricted in certain areas, but China Gateway can provide you with assistance throughout the application process. Once you have registered an Alibaba Cloud account and submitted your company details, we review your application within one day and confirm if the documents have been submitted successfully.

Fast tracking your digital entry makes a significant difference to how quickly your business is able to get its digital assets up and running. Application approval time can be cut from up to 24 months to as little as three months.

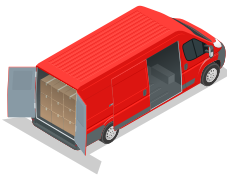


COMPREHENSIVE SOLUTION

In addition to exploring how our cloud solution can work best for your business, China Gateway can also guide you through how Alibaba Group's other business units can make it easier for your company to succeed in China. Here are how some of those elements, including online payments, e-commerce, logistics and digital marketing, can work for your business.

ONLINE PAYMENTS

[Alipay](#) facilitates online, mobile and in-store payments and has over 520 million users.⁶ Users have a digital wallet and make payments direct from their mobile phone, without the need for cash, facilitating fast and easy transactions, particularly online.



**CAINIAO NETWORK
HELPS TO IMPROVE
THE EFFICIENCY OF
DELIVERY SERVICES**

LOGISTICS

[Cainiao Network](#) is our logistics data platform that provides real-time access to information for both buyers and sellers, helping them to improve the efficiency of their delivery services. Its fulfilment network has grown by 170 percent year-on-year and enables 24-hour domestic delivery and 72-hour international delivery.⁷

E-COMMERCE

[Taobao](#) is an e-commerce and content app that is redefining the shopping experience through innovative content and smart, personalized recommendations. In the year ending 31 March 2018, the app had 552 million active annual consumers and approximately 1.5 million content creators produced short-form videos and live-broadcast events, encouraging dwell time and brand engagement on the app.⁸

[Tmall](#) is a business-to-consumer e-commerce platform that allows merchants to reach new customers and gain data insights. It hosts 70,000 online brand stores, including H&M, Nike and Samsung, serving 400 million online customers.⁹

DIGITAL MARKETING AND VIDEO

[Alimama](#) is Alibaba Group's marketing technology and big data platform. It combines demographic attributes, consumption data, physical location, browsing behavior, payment method and social data, along with other data points for 630 million users.¹⁰ You can create personas and develop an unrivaled understanding of your customers and potential customers in Mainland China. Sellers using Alibaba's e-commerce platforms, such as Taobao and Tmall, are able to tailor product recommendations, and personalize storefronts, based on customers and their buying habits.

[Youku](#) is China's leading online video and streaming service, hosting user-generated content, licensed movies, TV shows and original content. It also offers live streaming, including showing all of the FIFA World Cup matches in China. Developing original content, such as reality shows and drama series, helped drive daily average subscribers by over 160 percent year-on-year.¹¹



CASE STUDIES

FORD¹²



Ford is one of the world's largest and oldest automotive companies, however the global auto industry is undergoing a significant transformation. This shift is driven by electrification, autonomous vehicles, and shared mobility.

China is both the world's largest auto market, and one of its most dynamic digital markets. Ford needed to deliver customized digital solutions to meet the needs of fast-paced, always-on Chinese consumers.

Ford worked with Alibaba Cloud to devise a new digital platform to cater for young, digitally savvy Chinese consumers. Created in just six months, thanks to the speed, scalability and flexibility of Alibaba Cloud's technology, Ford Mall offers a new channel for prospective consumers to access vehicle information and services. Users can easily view make and model details, dealer showroom locations and pricing.

"We are impressed by Alibaba Cloud's scalable and flexible technology and its strong ecosystem that enables us to rapidly deliver customized digital solutions for our Chinese customers," says Robert Hou, Director, Mobility Platforms and Products, Ford Asia Pacific.

Since launch, Ford has seen a significant increase in its online traffic in China, and the platform has helped to drive sales of 7,000 units.

Alibaba and Ford-owned subsidiary Autonomic worked together to bring the world's leading transportation and mobility solution for connected vehicles to China. Transportation Mobility Cloud (TMC) is a cloud-based mobility platform that provides data and infrastructure for developers to quickly build value-added software programs for connected cars.

The 2019 Ford Kuga also features a new in-vehicle infotainment system powered by Alibaba Cloud's AliOS. The system has smart functions including natural language processing and remote controls so drivers can easily access information and services across both Ford and Alibaba's ecosystems.

These various developments show how Alibaba supports Ford's "In China, For China" strategy, helping the historic automotive brand maintain its reputation for innovation and ability to deliver at "China speed".

SHISEIDO¹³The Shiseido logo, featuring the brand name in a stylized red font with a white outline.

Japanese cosmetics company Shiseido leverages Alibaba Cloud's platforms to better connect with customers and power its new retail strategy in China.

As part of Shiseido's VISION2020 program, the Chinese market is the driving force in promoting growth and digitalizing the business, particularly in e-commerce and retail. Shiseido values the speed, scale and innovation in China, and is striving to better connect with its customers there.

The brand created a pop-up store in Shanghai where customers could try its products both in real time and virtually, through Augmented Reality, before purchasing via mobile.

Alibaba Cloud's reliable security solutions, such as Web Application Firewall and Anti-DDoS, met Shiseido's high standards and could be quickly deployed. Shiseido also uses cloud computing products such as Elastic Compute Services (ECS) to support its digital strategy and online platforms.

"Most of the (Shiseido technology) environment of the China Digital Strategy has been constructed and operated by Alibaba Cloud," says Keisuke Fujii, ICT Vice President, SHISEIDO China. "With the help of Alibaba Cloud, we have also achieved the security standards," he adds. reports and regular updates to ensure their platforms continue to offer the impressive functionality that its customers expect.

COSTA CRUISES¹⁴



Costa Cruises was the first international cruise company to enter the Chinese market in 2006, bringing its Italian heritage and high-quality experiences to customers.

Costa is looking to increase business efficiencies and use technology to improve the customer experience and add value for its holiday makers. Costa also has the challenge to increase Internet bandwidth on its cruise liners to facilitate this evolution and meet customer demand.

Costa worked with Alibaba Cloud to build an Artificial Intelligence platform for its call center – a unique project for the cruise industry. The AI solution incorporated Natural Language Processing, Question Answer Mapping and Machine Learning, contributing to an improved customer journey and increased efficiencies. In the first four months since its adoption, the AI platform saved 25 percent in business costs.

To help solve Costa's Internet bandwidth problems, Alibaba has enabled a 4G network that customers can access using their Alipay application. Alibaba Cloud also digitized Costa's on-board newspaper, Today, to bring more value to its Chinese holidaymakers.

Alibaba Cloud has helped Costa to improve its business and gain a better understanding of its customers and the rapidly evolving digital Chinese market. to local Internet regulations." Through a combination of clever coding and a hosting environment optimized for China, Sinorbis' clients are now achieving fast loading time for their websites in China from the moment they first publish their pages.

TEAMVIEWER¹⁵

TeamViewer is a global leader in remote connectivity solutions, bringing colleagues together across different platforms and devices. Since it was founded in Germany in 2005 it has grown to incorporate offices in the USA, India, China and Japan and employ 700 people. TeamViewer has been downloaded to 1.8 billion devices and is adding 400,000 new users every day, with 40 million connections online at any one time.

China is a strategic market for TeamViewer and seen by the company as a tech and innovation hub of the future. As a global technology and communications company, it has to provide access to high quality services all over the world, and fluidly across borders. Providing a low latency, stable, reliable and accessible business service for its customers was vital to TeamViewer's success.

Working with Alibaba Cloud meant TeamViewer had a local cloud partner in China that could offer a cost efficient and scalable cloud infrastructure. For example, TeamViewer is using Alibaba Cloud's Infrastructure as a Service to enhance and expand its services throughout China.

Alibaba Cloud's partnership with TeamViewer has delivered significant quality, availability reliability and performance improvements as well as enhancing the user experience for customers.

"Alibaba Cloud has been a great partner for TeamViewer and a catalyst for our growth in the wider Chinese regions. We see great potential to further expand our partnership through Alibaba's Cloud solutions," says Alfredo Patron, VP Business Development at TeamViewer.experience for 5th Avenue In Your Pocket's dedicated shoppers.

TERRITORY STUDIO¹⁶



Territory Studio is a design and animation studio, producing creative content for films, games, brands and commercials, with a unique approach to motion design, visual effects and digital experiences. It has over 100 employees working in offices in London, New York and San Francisco.

Territory produces a huge amount of data that needs to be accessible across its different offices, and regularly shares client sensitive information all over the world. It was looking for a partner who could help them back up, protect and guarantee the safety of the studio's data.

Alibaba Cloud has given Territory the security and peace of mind that frees them up to keep pushing boundaries creatively and try new things. The Territory Studio team says: "Working with someone like Alibaba allows us to concentrate on the things that we are good at and not have the more logistical worry that something could go wrong elsewhere."

Alibaba Cloud products such as China Gateway and Hybrid Cloud provide a solution that backs up data effectively and securely and provides easy access across international offices. Territory's work embraces the latest technology and so the team is excited about the fusing of creativity and technology taking place in China and partnering with Alibaba Cloud gives them the opportunity to think differently and reach new audiences.

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ABOUT

Established in September 2009, Alibaba Cloud is the cloud computing arm of Alibaba Group and develops highly scalable platforms for cloud computing and data management.

It provides a comprehensive suite of cloud computing services available from www.alibabacloud.com to support participants of Alibaba Group's online and mobile commerce ecosystem, including sellers and other third-party customers and businesses.

Alibaba Cloud is a business within Alibaba Group which is listed on the New York Stock Exchange (NYSE) under the symbol BABA.

www.alibabacloud.com/contact-sales