THE USER, AS KEY ELEMENT FOR PLATFORMS – THROUGH THE LENS OF ALIBABA

Françoise Paquienséguy, Miao He

THE USER, AS KEY ELEMENT FOR PLATFORMS – THROUGH THE LENS OF ALIBABA

Françoise PAQUIENSÉGUY – Full Professor of Information and communication sciences
Elico EA 4147 -SciencesPo Lyon
Miao HE - Phd Lecturer – Shi liangcai School of Journalism and Communication **-** Zhejiang Sci-Tech University **-** Hangzhou - China

ABSTRACT:

The user has sometimes been known as a "consumactor" and, as a producer of usages, he has always summoned appropriation within a social dimension. Such a social realm is fundamental, since usage is created and generated through the process of personalizing and integrating it to the practices and constraints of daily life. But the centralization and the all -inclusive offer from the Internet Giant change everything because the user assumes all the roles as digital worker through his digital labor. This is the double question which we will be discussing here: 1/ which place and role do users and their usages have amid digital platforms? 2/ are the notions of usage and user pertinent to study once places and roles have been established? We will attempt to answer these questions using the *Alibaba Group* platform as a relevant example.

KEY WORDS:

User – Digital labor – Platforms – Alibaba – China – Business Models – Information and Communication Sciences

INTRODUCTION

In Information and Communication Sciences, the concepts of use, usage and user have always been examined in terms of action, reaction (prescribed uses) or opposition (De Certeau, 1990), ever since they were first described 30 years ago. The genealogy of these terms, which we have already studied and discussed (Paquienséguy, 2012: 1979-212), shows that they bear the trace of action; in two ways : in a reductionist sense when it comes to simple use, and in an amplificatory sense when it comes to consumption. The user has sometimes been known as a "consum-actor" and, as a producer of usages, he has always summoned appropriation within a social dimension. Such a social realm is fundamental, since usage is created and generated through the process of personalizing and integrating it to the practices and constraints of daily life. Although the mark left by technology is less significant when using a longitudinal approach, the two terms of "user" and "usage" have allowed us to distinguish two very different models in existence in the 1980s: on one side, the media – which calls upon television viewers, people and audiences (Esquenazi, 2003) – on the other side, "new" information and communication technologies for which the concept of user has been custom-made. The first model induces the co-construction of meaning to interpretation within media logics of reception. The second model induces a voluntary action, a way of participating which has evolved with the technologies (and techniques).

One is increasingly able to characterize the user with great precision as technological and industrial offerings multiply and as content has proliferated in barely quantifiable amounts[1] in the last 20 years. Far from being "a sociology of usages", these more modern thoughts attempt to show all aspects of the user and to grasp all angles. The user therefore crosses over the paradigms of prescription, participation, production, dissemination, conception, algorithms, value creation… not to forget innovation, which is thought, in this case, to be ascending. Such paradigms characterize the current industrial platforms that form social media today, and for which users, while not the finality, are nevertheless central.

Users are more and more invested and active in the industrial process of valorization and have slid away from the precise position they occupied – and which they can still occupy when they are dealing with connected objects, artefacts or terminals on their own (Paquienséguy, 2014). As always, this position is determined by the economic model(s) that support the industrial offer. But in this case, users have moved away from the last position, along the lines of diffusionism. They have also moved away from the retroactive anticipation of the vortex model (Akrich, 1988) in which, along the lines of socio-constructivism, their interaction with the offer remained segmented, limited and seen in terms of industrial strategies, recognizing them as users of content and artifacts. Abducted by the centripetal force generated by the prevalent platforms (GAFA or BAT), users have therefore slid towards a central position which no longer places them within industrial strategies, for which they used to be the target. They are instead placed in models of content generation, traffic, influence, valorization and monetarization of data and value creation.

And this is the double question which we will be discussing here: 1/ which place and role do users and their usages have amid digital platforms? 2/ are the notions of usage and user pertinent to study once places and roles have been established? We will attempt to answer these questions using the *Alibaba Group* platform as a relevant example.

Thanks to China's huge demographic dividend and development opportunities, the Chinese Internet industry has witnessed rapid growth in recent years: in 2015, it had reached

[1] 10 hours' worth of videos are uploaded on YouTube every minute, amounting to 14 400 hours of additional videos per day.

11.62 billion Yuan. At the end of December 2016, the overall market value of China's Internet listed companies is 5 trillion and 400 billion yuan. The three Internet giants in China are *Baidu*, *Alibaba* and *Tencent*, known as BAT. *Baidu*, like *Google*, mainly engages in search engine services; *Alibaba* is an Internet company that started as an e-commerce service; *Tencent*, the largest supplier of social media network platforms in China, has grown and thrives providing instant communication services. Its revenue mainly comes from *Tencent Games*.

In recent years, *i.e.* before and after its initial public offer, *Alibaba* has increased its investment in the cultural and creative industry. Its deployment in the field is known as the “Cultural Kingdom of *Alibaba*”. When it comes to why it decided to invest in such a domain, some people think that “Ma Yun’s personal preferences account greatly for such a decision[2].” Ma Yun once said (Liu, 2013): “China’s existing problem is that, as the economy grows, people’s minds get empty. If the cultural industry fails to keep up with economic growth, China will only remain a *nouveau riche* country and its fortunes won’t last long. The greatest contribution Hollywood has made for the United States is that it has helped transfer American values and form a unique value system for the country. In this light, China should find and uphold its own values. And to do so, at *Alibaba*, we will increase our investment in the cultural industry. ”

In his time (1994), Pierre Chambat had been one of the first to radically break away from a linear vision of innovation, which placed the manufacturer at the heart of the process and the user at the end of the chain. But as radical and forward-looking as his vision was, it no longer suffices to take into account the situation of media users and distributing platforms. And this is even more the case with the *Alibaba Group*, one of China’s oligopolies, similar to GAFA.

1.1 DEFINING THE USER THROUGH THE PLATFORM

These platforms do indeed convey and format a vision of users closely linked to the platforms’ economic models and strategies. The user is placed in a central position and performs the functions of a member, an ambassador, a consumer, a producer of content, a provider of data, a mediator, etc. Constantly solicited on various – but nonetheless complementary – actions and positions, the user ensures the central function of the model offered by the platforms. To paraphrase a commercial slogan from the 1970s, the principle at work here implies that the platform exists only when the user uses it. But, before moving onto the second part, we will start by using the term “user” in the sense of “utilizing something” and not in the sense of “making usages of something”, arguing that the member of a platform uses the platform’s services, tools and functionalities. This first level of use is essentially accounted for in the algorithmic, statistic and analytical activities of the platform.

[2] X.N. Li (2015), Ambition of Alibaba and Tencent toward Cultural Industry and Their Obviously Different Routes [OL]. http://www.tmtpost.com/216412.html, March 27, 2015

The user's place has always been defined by the economic model in which its practice fits in. This is why the industrial offer precedes (Lacroix, Mœglin, Tremblay, 1992:247-248) the establishment of usages, even in a historical context which saw the emergence of the sociology of uses. Similarly, digital platforms now require that their users perform a variety of actions, and this can be explained through three strong trends.

First of all, platforms implement "*systematic strategies of innovation and the exploration of alternative business models*" (Benghozi, 2012:4) continuously and rapidly, in an effort to find an optimum point or to find stability. They depend on utilizing the users to the maximum since all of the latter's resources are solicited, directly or indirectly. In 2009, in a utopian vision of the social web's development, which we have previously discussed (Paquienséguy, 2012:229-240), Benkler argued that networks derived their wealth from the information economy, to which users contribute through their activities. In this way, Benkler shares Rifkins' view, for whom new economic models involve the reintroduction of the commons ideology (sharing locations, data, access, etc.) and autonomous production, which has both become an artisanal and a personal activity (through 3D printers and solar collectors). This is all implemented by free individuals who promote novel ideals linked to the notions of sharing and respecting natural resources. In this case, the user is the common good. He is the crucial element behind the framework that supports, develops and assists industrial goals (making goods and consumer products). In other words, *Alibaba* is inspired by emerging economic models and technological procedures – borrowing from new ventures in creative industries and "*zero marginal cost*" productions – in order to capture the added value (both financial and symbolic) of these new models to create (financial) value and to integrate them to its own offer. This offer remains resolutely industrial and capitalistic and is testimony to *Alibaba* (as it is supported by the party) and its capacity to adapt extremely rapidly and with great flexibility to the international GAFA market.

Secondly, the fact that *Alibaba* integrates these economic models to its own industrial environment *via* its portfolio of companies, subsidiaries, broadcasting rights, etc., means that it owns two companies that contribute to the proliferation of the user figure: *Taobao*, an online site/service/ selling platform, wholesale and retail, reserved for the Chinese market, and *AliPay*, a site/service/application that enables online payments that are directly integrated to the application which, in turn, leads to the transaction. The first company makes the user a consumer, prescriber, informer and producer of data relative to everyday consumer goods, either manufactured or symbolic. The second company systematically utilizes the geo-localized information of the user's daily payments (taxi, restaurant, shops, etc.). For example, it can suggest to choose meals at restaurants (for restaurants with no paper menus) to order and to pay, therefore generating statistics that allow, amongst other things, better flow management (this is a Chinese organizational specialty which is based on a continuous and cross-sectorial preoccupation).

Thirdly, these platforms offer a portal for the user. Such portals both unify and opacify: they regroup various business models and make them cohabitate under a single banner, mainly when entering the space. Being an *Alibaba* client does indeed mean that there's an interface, a client account, the centralization of information and a unified mode of payment (*Alipay*), which highlights the role of the one-stop shop with single identifiers, just as it is possible to connect to Booking or Instagram through a Facebook account , thanks to Facebook's various partnerships and acquisitions.

These three observations carry specific, yet converging, mandates. Here, users are forced to change their statuses and roles according to the place that is allocated to them by the service's economic model and the platform's expectations. In order to function economically, the platform needs the user to be versatile, and imposes this through strategies made to carry out its role as a third party player. The requirement pertains to the use of the platform for the purpose of creating value and data, and less for the creation of content. Content is in fact unified in a disorganized way due to the platform's single and generalized access. As is highlighted by Bouquillion when he exposes the three constructive paradigms of the industrialization of symbolic goods, "*the industrial actors who initiate these movements lead active strategies but, beyond their efforts, various social, cultural and political norms must also be reconsidered*" (Bouquillion, Miège, Mœglin, 2013:32). The figure of the user and his operating practices are inevitably permeated by these norms for the construction of usages on these platforms. In other words, the user is doubly defined by the platforms: he is seen as a polymorphic user within the universe of the platforms, depending on the algorithmic strategies and routines that are implemented. The user is also considered to be a social agent who can carry out change in his own social environment, which is itself impacted by the ways in which the types of access and consumption evolve (in terms of culture, mobility, social relations, education, etc.). The generic sentence of *Alibaba Group's* 2015 activity report is a perfect illustration of this: "*To understand Alibaba, one must understand how China is changing*". The company sees itself as a driving force and as the embodiment of societal changes in the country.

Alibaba is quickly penetrating into every aspect of the cultural industry and, although Ma Yun[3] often describes *Alibaba's* investment as a patriotic attempt to "strengthen national thought", such patriotism is in fact driven by the exploding growth of the cultural industry in China (an area which is still managing to grow at a rapid pace while China's overall economy is slowing down), especially that of the film business. Driven by such two forces as "patriotic feelings and profit", *Alibaba* will certainly not stand aside and simply watch.

1.2 THE BASIC STRUCTURE OF THE CULTURAL AND CREATIVE PLATFORM BUILT BY *ALIBABA*

It is also very informative for us to look at the platforms that are aggregated by the *Alibaba Group*: their main strategies consist in fine-tuning the balance between their available functionalities, software and applications and the way these are used by members of the platform, by advertisers, by other partners producing content and by consumer goods

[3] He is the founder of Alibaba.com and Chief executive officer of the Alibaba Group.

providers. Such a dichotomy is induced by the notion of a two-sided market (Roche and Tirole, 2003: 990-1029). This confirms the third party position of the platform and its role in adjusting and organizing markets (Benghozi, 2001). Regulation occurs both directly and continuously, based on the feedback and statistics that result from usage. This is how the user becomes central to the process.

This type of platform seems to serve the purpose of strongly prescribing access and appeal to its services and to configure access according to use. This serves to optimize the offer in order to provide a vertical integration of services and, in this way, to retain the loyalty of customers. This is particularly true the *Alibaba Group* in China.

According to incomplete statistics, following a series of investments and self-cultivation, the number of companies under *Alibaba* that are linked to the cultural industry is nearing 30. These include, but are not limited to, such leading companies as *Youku Tudou Inc.*, *Enlight Media*, *Huayi Brothers*, *Bona Film Group*, *Wasu Media*, *Sina Weibo*, *XiamiMusic* and *Guangzhou Evergrande Taobao Football Club*. In addition, Ma Yun also occasionally engages in capital operations, such as establishing *Yunhuang and Yunxi* Capital with Shi Yuzhu and Xie Shihuang (one of the founders of Alibaba) to buy the shares of *Wasu Media*. *Yunfeng Fund* is one of *Alibaba*'s secret weapons. According to relevant materials, Ma Yun and Yu Feng, creators of *Target Media*, jointly established the fund and invested in companies such as *Sougou*, *Momo*, *Damai.cn*, *LeTV Sports* and *Guanyinxiang.com*. According to a document submitted by *Alibaba* to the United States Securities & Exchange Commission in June 2014, Ma Yun holds 40% of *Yunfeng Fund* shares. As shown in the table in the appendix, *Alibaba* has now built a huge network that includes film, video, music, games, sports and arts.

How can usages be defined in such national (demographic), ideological (monopolistic), cultural (international) and technical (high-tech) contexts?

2.1 THE PERTINENCE OF THE NOTION OF USAGE

We will not revisit the various definitions surrounding the notion of usage, since we have already discussed these definitions and also positioned them in the digital era (Paquienséguy, 2012). We will instead focus on two elements that are central to these definitions as a whole: the social nature of usage, through its influence on communicational, informational and cultural practices, and its anchorage in ICTs. Both concepts are under investigation here.

The social aspect of these "usages" is put growing up due to the number of users of services provided by the *Alibaba Group* and due to the latter's panoramic range of offers. Such usages can be approached mainly through an economic lens since the associated contexts of usage are extremely varied. For example, a Chinese person can either use the national online paying platform *Taobao* or *Alipay* to take a cab, whereas a French person uses the Alibaba.com website as an alternative to Amazon. It is therefore difficult to talk about the usage of the platform since it is so diversified, and even harder to talk about the usage of

Alibaba services. The offer as a whole can indeed be perceived through analysis, but not through action or connection. So… what kind of usage are we talking about? Difficult to answer… That of a service provider or of an operator? Is it a type of software that looks like a portal similar to a shopping mall? Does it go so far as to carry a national "Internet +" ideology, embodied by the *Alibaba Group*?
The anchorage of such social usages in ICTs is hegemonically confirmed, going as far as restructuring tertiary sectors that are far removed from *Alibaba*, but that nevertheless use *Alibaba's* services and applications (such as cabs or restaurants). The notion of usages has never been applied to such an industrial group before, the latter carrying with it an extremely complex, evolving and hegemonic range of offers. Even France Telecom, in its heyday, limited itself to its core business and barely expanded its services to a few ancillary activities, whereas the present Alibaba conglomerate has emerged within a few short years, and has unprecedented leverage.

This is why the central question here is to try to understand in what regards usages are needed, or, in simpler terms, understanding "what" we make use of. The notion was created in the 1980s in a socio-technical context and, although it provided variable answers, these became more obvious when analyzed: usages of the video recorder, usages of the debit card, usages of the home computer. Usage was becoming social, as it was caught in a mass effect on one hand, and in practices that upheld change in relation to culture, communication or information on the other hand. As Robert Boure reminds us: "*The social usage of a technical tool or a service only happens when it is used regularly and becomes a habit that is integrated to daily life at work and/or in the domestic sphere*"[4]. The beginning of the century perturbed this notion since usage then focused on dematerialized software tools, effectively outdistancing the terminals that provided access: the usages of *Facebook*, usages of the web 2.0, usages of certain thematic platforms studied in doctoral works (*Allociné, Babélio, Instagram*…). Can we continue to consider the "usage" of platforms in this way?
Analyzing the situation clearly isn't easy in an economy that is dominated by services whose primary aim is to create behaviors, processes and values shared by users. The central position of the user – who is summoned to be active, consistent and versatile – makes him very different from the user as he had previously been viewed: a consumer who fit in an industrial offer, itself held and managed according to its own objectives and prior standards. To put it simply: to the *Alibaba Group*, the user is a buyer, both a consumer of services and of commercialized products, and a user of the platform and its applications. Users have actually been defined in such abrupt terms in *Alibaba's* 2015 annual report, which is solely composed of two categories, that of "buyers" and "sellers". Finally, if there are any usages, they are social and are composed of the entire set of acts, non-acts and acting modalities of buyers and sellers on a scale that has become significant, if only because of the group's

---

[4] Research notebooks from the blog « Hypothèse » from the Labex « Structuration des mondes sociaux » http://sms.hypotheses.org/3340, consulted June 6, 2016

extent, which boasts that it connects « 2 billion consumers on our global marketplaces connecting with tens of millions of small businesses »[5]. If social usages do exist, they are defined in Bourdieu's terms[6] as the actions of transposition and concretization of a field of practice or a field of thought (for him, Marxism, culture, photography…). One must therefore keep in mind the weight and the power of *Alibaba's* presence in the Chinese economy and culture, and beyond.

Economic models, on one hand, and the strategies of construction of the offer on the other, form the characteristics of the *Alibaba Group* and are the models for services, content and products destined to a massive client base, to the extent that the threshold effect and their longevity make them social. In other words, the study of the social usages of the *Alibaba Group* entails the study of *Alibaba's* economic models as well as its content and services, which are all facets of the ways in which the portal is used and how user clients are positioned.

2.2 AN ECONOMIC MODEL CENTERED AROUND THE COMPLEXITY OF USAGE

Not one but several economic models are caught in a complex and diverse offer, which is unified in terms of visibility through its logos, colors, recognizable graphics and, just like the good genie inside the lamp, embodied by several mascots which have become familiar, such as the black cat from *TMall*[7] or the little man from *Taobao*. Whether it is industrial online retail, B2B or P4P sales or crowdfunding projects, integrated payment systems such as *Kuaidi Dache*[8] or *AliPay*, subscriptions for internal audiovisual or cinematographic productions[9], the economic models are different because they adapt to the content, to the production modalities and to access. The case of the *Alibaba Group* would be fascinating to study for its stock portfolio and its development strategies, but let us stay focused on the user. The accumulation of economic models puts the user in different positions and is used in various, synergistic, ways. Utilized in this way, the user becomes central to *Alibaba*, which looks to optimize its offer in terms of the user's base unit: the

---

[5] Annual Report, 2015, http://ar.alibabagroup.com/2015/connecting-buyers-sellers/index.html, consulted July 10, 2016

[6] Bourdieu, P. *Leçon sur la Leçon*, Editions de Minuit, 1982

[7] *TMall* is a platform used by *Alibaba* which offers retail sales based on the B2C model. Its characteristic lies in the fact that it mainly targets consumers from continental China, Hong-Kong, Macao and Taiwan. In June 2015, it was supplemented by *TMall Global*, which opened eleven "country pavilions", including one in France. These are true figureheads to encourage access to the Chinese market for international companies.
Source: http://www.web2asia.com/china-e-commerce-lead/tmall-global-international-cross-border-sales/

[8] Chinese version and rival of Uber, for which Alibaba is one of the majority shareholders, alongside the investment manager *Tiger Global Management*. It is a smartphone application used to reserve a private car and to pay for the transaction.

[9] After having bought 60% of the shares of *Chinavision*, a film and television show Production Company, in March of 2014, its internal subsidiary, *Alibaba Pictures*, aimed to compete with Netflix in January 2015. Several famous directors now have contracts with *Alibaba*, such as Wong Kar-Wai (*In the Mood for love*) or Jean-Jacques Annaud. In 2015, China also became the second biggest film market in the world, behind the United States.

latter is, above all, the owner of a brand new smartphone. In fact, access to the Internet and to *Alibaba's* applications is done almost exclusively on smartphones, and China's leading mobile operator, *China Mobile*, currently boasts 826 million subscribers[10]. Here too, we would need to look more closely at the anti-*Google* and anti-*Apple* strategies that *Alibaba* is launching through the development of a mobile OS under *Linux* (*AliYin*), which equips the three smartphones that it has created and commercialized. Although the current market of a bit over a million is still insignificant, applications by the *Alibaba Group* – such as its payment application (*Alipay*), map service and geo-tracking – are based on the *Linux OS*. In order to complete its integration, the group bought *AutoNavi* in April 2014, a Chinese editor specialized in digital cartography, navigation services and geo-tracking. Up until then, *AutoNavi* provided mapping software to *Samsung* and to the mobile operator *China Mobile*. In China, it is the most popular mobile mapping service in terms of the number of users, with 31.3% of market shares in front of *Baidu* (26.6%).[11]

When one of the 557 millions of smartphone users[12] turns a phone on[13], he is caught in *Alibaba's* technological, economic and informational universe, all the way up to the assessment of consumer experience through a grade. Finally, users are led to be creative since they have interiorized the platform's offer and its logics of access and payment for both symbolic and merchant goods. Analyzing the relationship structure of the industry platform reveals that the *Alibaba Group* relies on the diversity of its offer, both through its various modes of operation and the different economic models on offer.

By developing *the Alibaba Group*, Jack Ma, its CEO, continues to work on a project of cyber-sovereignty, which makes this Chinese group the first worldwide player of online commerce and which gives it control over the dissemination of products and ideas in various lines of business. It is that we go to see by targeting our analysis on several of these strategies in the field of the cultural industries, at first.

2.2.1 FILM AND VIDEO

Looking at the scale of investments, we can see that *Alibaba* places the greatest of importance in the film industry and has launched several large-scale capital operations in this field. This has included purchasing the HK stock "Cultural China" in March 2014, changing its name to *Ali Film* in August and injecting self-cultivated businesses like *Taobao Film* and *YLB.taobao.com* into it. By making *Ali Film* one of its major businesses, *Alibaba* took full control of the ticket-selling system supplier *YKSE*, participated in the privatization of

[10] http://www.chinamobileltd.com/en/about/overview.php

[11] Source: http://www.bloomberg.com/news/articles/2014-04-11/alibaba-agrees-to-buy-autonavi-in-1-5-billion-mapping-deal, consulted June 26, 2016.

[12] *AlibabaGroup* Activity Report, 2015, http://ar.alibabagroup.com/2015/ch-context/index.html, consulted June 18, 2016

[13] Assuming that it is turned off, which is unlikely ;)

Bona Film and invested in *Dadi Cinema*, *Huayi Brothers*, *Enlight Media*, *New Base* and *Bale.cn, Furthermore*, *YLB.taobao.com* also made investments in *Uppicture* through *Alibaba*. Such diversification was initiated[14] as early as June 2013 when the group bought 60% of the shares of *ChinaVision*, a producer of videos, mainly serials, but which is also holder of the rights to broadcast British soccer on the Internet in China for the upcoming three seasons.

As we can see it below, in the table n°1, an injection of capital is always associated with further strategic cooperation between two parties. After becoming *Enlight Media's* second largest shareholder, *Ali* signed an Agreement on Strategic Cooperation Framework, covering such contents as film investment, production, IP (Intellectual Property), channel distribution, derivatives and ticket sales. For instance, *Alibaba* shall enjoy priority rights toward investment in *Enlight Media* films; for films that are jointly produced, invested in and issued by the two parties, or for projects in which the two parties cooperated, tickets shall be sold on *Taobao Film* (dianying.taobao.com) first.

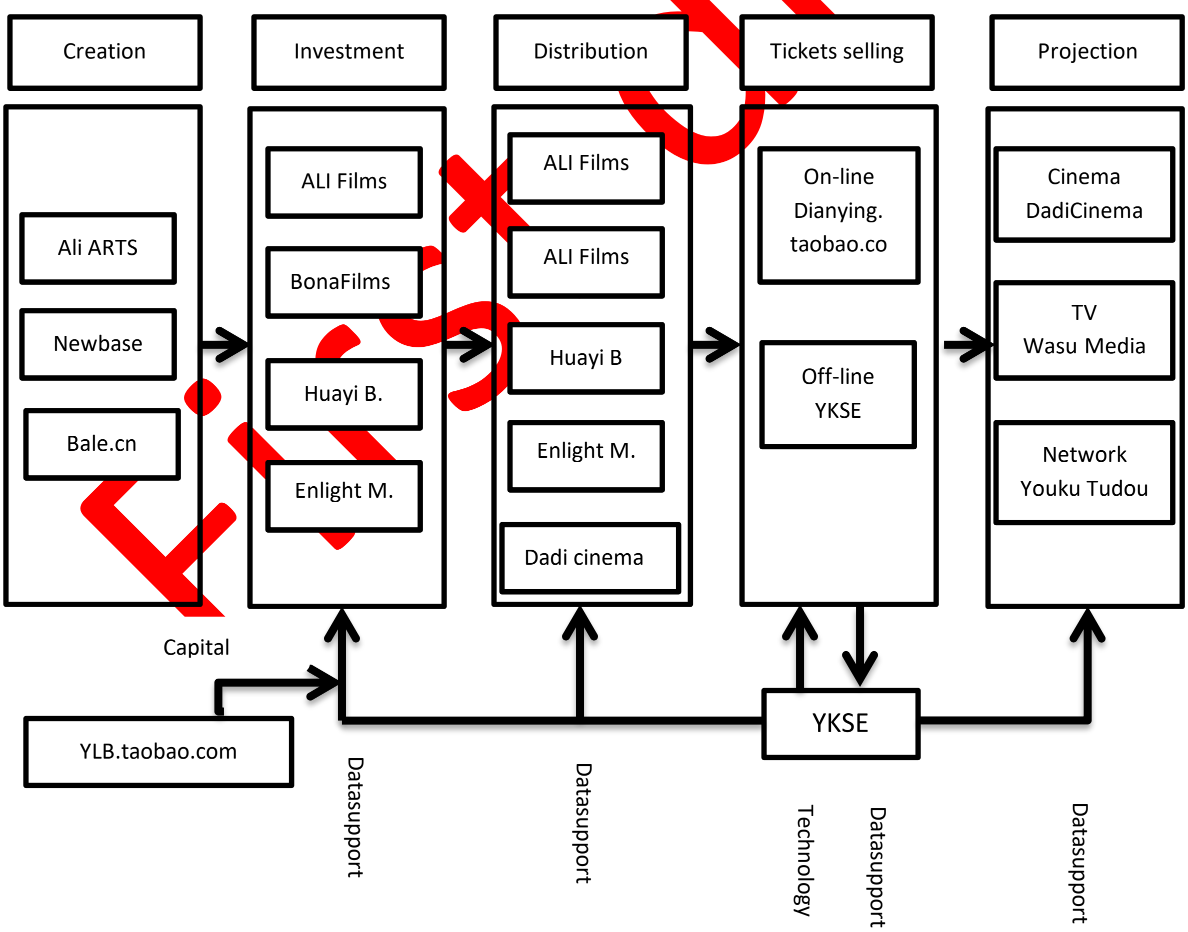

Table n°1: ALIBABA MOVIES STRUCTURE

[14] Source : *Le Monde*, May 7, 2014

The cooperation between *Alibaba* and *Dadi Cinema* focuses the cinema level and covers ticket operations, membership management, cinema operations, film distribution and derivative products. *Alibaba* provides an electronic ticket solution to *Dadi Cinema* and helps it effectively use the *Ali* ecological resources, which includes *Taobao* film tickets. Besides, the two companies have also launched an in-depth cooperation on the joint issuance, promotion and arrangement of films. Under the agreement, not only has Ali expanded new business channels for the *YKSE* film ticket-selling system (Fenghuang Jiaying) and *dianying.taobao.com*, but it has also found a way to guarantee the row piece rate of films that are invested in, produced or issued by *Ali Film*. When *Ali* communicated the fact that it was purchasing *Dadi Cinema* shares, Ali Film had found the last link to its own industry chain.

In this case, the user plays all of the roles of a web spectator who appreciates online buying. The diversity of roles given to the *Alibaba* client corresponds to the diversification of *Alibaba's* offer – aiming to capture all of the Chinese consumer's anticipated or triggered postures, and more. We find ourselves to go beyond De Certeau's prescriptive and constraining offer, since *Alibaba's* offer is already very complete in industries linked to culture, communication, arts and sports, and since *Alibaba's* final goal has not yet been reached.

2.2 MUSIC

Ali Music is another one of the company's active business platforms. In January, 2013, *Alibaba* purchased *XiamiMusic*. In December of the same year, *Alibaba* purchased *TTPOD*. In March 2013, *Alibaba* merged the two into *Ali Music*, attracting musicians like Gao Xiaosong, Song Ke and He Jiong to join. In February, 2016, the Group purchased 4% of the shares of *S.M. Entertainment*, a company with popular groups such as TVXQ, Super Junior, Girls' Generation and EXO.

However, the development of *Ali Music* has not always been successful. After a cruel copyright battle, *Qmusic* (Kugou and Kuwo) – *Ali Music's* competitor – won the copyrights to 20 million musical works, *QQ* won the copyrights to 15 million musical works, while *Ali* only obtained that of 2.5 million musical works. What made it more difficult for *Ali Music* was that *Tencent*, *Qmusic* and *Netease Cloud* reached a cooperation agreement, leaving *Ali Music* to develop alone in the market. According to the data released by several market survey companies, *TTPOD* and *XiamiMusic* have all witnessed a decrease in their market shares.

As a result, *Ali Music* held an astonishing press conference and changed the name of *TTPOD* into "*Ali Planet*", a pan-entertainment transaction platform providing services such as fan economy, interactive live broadcasts and musical product transactions. It has been said that *Ali Music* is designed to be another *Alibaba* in the music industry as we can see it, above, in the table n°2.

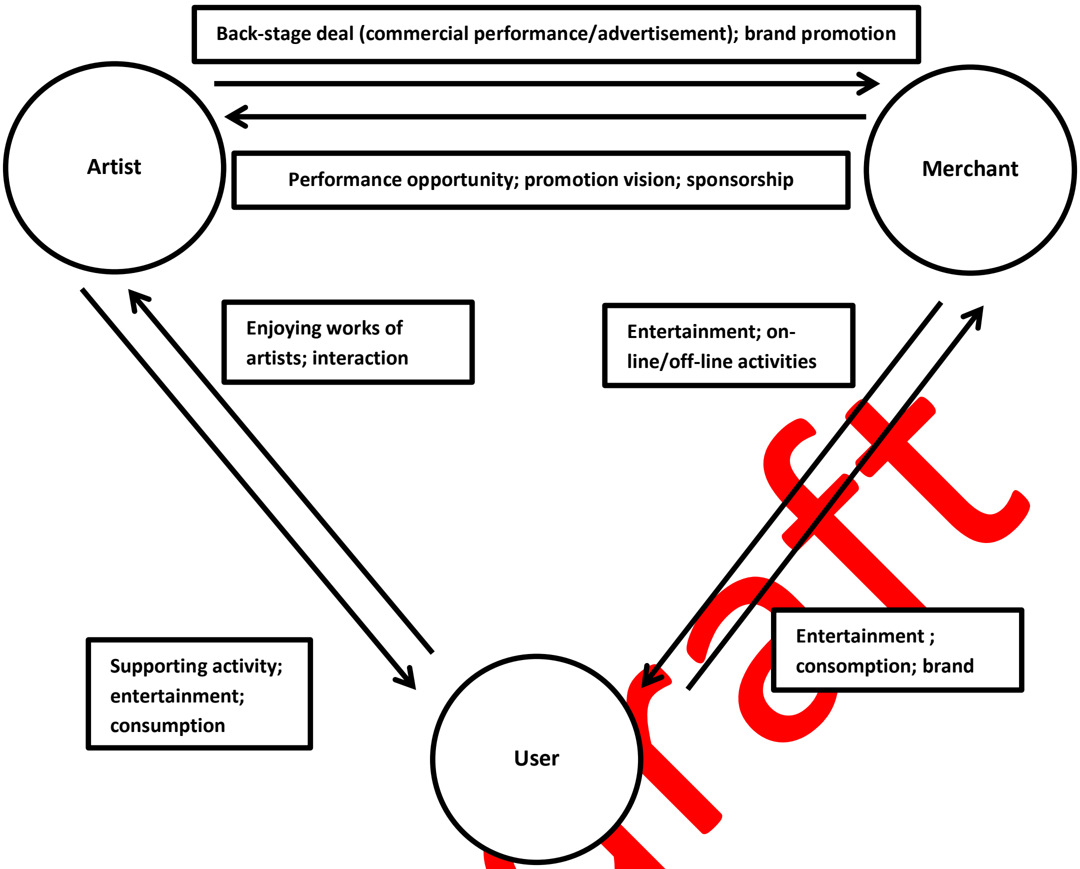

Table 2: What is *Ali Planet*
The largest pan-entertainment transaction platform in China

The construction of the *Alibaba Group* hinged on the idea of building a fact monopoly of cultural products and contents as supported by social networks and means of payment. The system works as a paradoxical principle when we see the diversity of the means of consumption and consumers. The number – when limited to China – of *Alibaba Group* users cannot allow us to think that the panoramic offer centralizes usages in a stereotypical way. The offer is built on a very, very, large scale and is consumed on an even larger scale. In the end, usages are not uniform. People can choose their own products, cultural goods, social networks, etc. The main commonality is that people build their social and cultural lives around the *Alibaba's* offer. Empowerment then becomes a key notion of its profit-sharing in the meaning of the actor-network theory.

2.2.3. DIGITAL ENTERTAINMENT

For *Alibaba*, *Youku Tudou Inc.,* which was purchased for 4.5 billion dollars, is another ideal platform. In May 2016, *Ali Digital Entertainment* group merged its copyright content, purchasing and self-production teams with *Youku's* relevant business teams. Meanwhile, it also integrated its Virtual Reality (VR) business product technical team and Business Development (BD) team with that of *Youku* to build the largest digital entertainment platform.

Another one of *Alibaba's* significant moves in the digital entertainment field consisted in purchasing Wasu Media shares for 6.5 billion Yuan. As one of the 7 holders of Internet television content licenses in China, the span of *Wasu Media* covers TV programs, interactive television, Internet television, cable networks and IPTV. It is said that *Wasu Media*, with the help of *Alibaba's* enormous internet resources, could become a major force in *Alibaba's* "*living room internet*" strategy, and even become a media emperor. The strategic agreement signed by the two parties' shows that, despite transferring *Wasu Media's* internet video services to the *Ali Cloud Platform*, the two parties will also cooperate to build a cloud video solution for the Internet, radio and television industries, so as to accelerate the construction of an ecological circle based on video business.

The integration of *Ali Digital Entertainment* is already on its way. On May 26, 2016, Mu Yang, general manager of *Tmall Box*, the Digital Entertainment Division of Alibaba, announced, in his speech titled "OTT Ecological Multi-screenization of *Ali Digital Entertainment*", that "content on *Youku* and *Tudou* will be fully integrated into the platform of *Ali Digital Entertainment*." In the future, as policies change, the cooperation between *Tmall Box* and *Wasu Media* will definitely take place as expected.

In March 21, 2017, Ali's determination of integrating the entertainment sector was proved by its official announcement the acquisition of *Damai*, an entertainment ticketing platform. *Damai* will form a synergy after joining Ali music and other entertainment products, which could help the growth of the unity of ecological team.

Step by step Alibaba offers to its members and customers all the applications and access to cultural contents in the logic of "all in one". The whole chain depends on Ali, on both sides: the content side (from production to broadcast) and the user side (from connection to consumption), that is why it plays its part of two sides market structuring actor.

2.2.4 ARTS AND GAMES

Ali Arts and *Ali Games* were established in similar ways. In April 2015, *Alibaba* integrated the capabilities of channels that include *Taobao Reading*, *UC Bookstore* and *shuqi6.com*, and established *Ali Arts* in the *Ali Mobile* Business Division. According to data from *EnfoDesk*, *shuqi6.com* accounts for the second largest market share and is the most active one among all the other mobile reading APPs.

During the press conference marking the establishment of *Ali Arts*, chief editor Zhou Yun said that *Ali Arts* could form in-depth cooperating relationships with *Ali Film*, *Enlight Media* and *Huayi Brothers* in movie and TV adaptations. *Ali Arts* has also formed strategic cooperation relationships with *fbook.net* and *book.sina.cn* to cultivate top-level literature IP.

Ali Games is also the result of an external acquisition and content integration. In November 2014, *Alibaba* announced that *9game.cn* would take charge of its mobile game business under its mobile business division. On January 15, 2016, *UC Jiuyou* officially changed its name into "*Ali Games*". Its president Lin Yongsong remained the president of *Ali Games* while Yu Yongfu, president of the mobile business division, became the director of Ali Games. March 17th, Ali officially announced to enter the game field. It will bring 1 billion funds to help the game *IP ecological development*, launch the IP fission program with *Ali Literature, Ali Pictures* and *Youku* in 2017.

Ali Game will bring a new form three directions. Firstly, in the cultural entertainment group, Ali will assemble the advantages of *UC*, *Youku, Ali Pictures and Literature*, make the game as the collection point, thereby forming a new IP fission configuration including hot series, film, literature and animation, amplifying the value of IP in the ecological cycle. Secondly, not only the TV series, fiction and animation can be derived for the new game IP, the trans boundary contents of TV series, fictions and animations also can be custom-made by the pure game IP, thereby extending the users, achieving a significant breakthrough. Third, based on the good international reputation of Alibaba and the advantages of entertainment groups, *Ali Game* will integrate the global resources, to bringing an open cooperation.

2.2.5 SPORTS

The most famous investment ever made by *Ali Sports* was to purchase 50% of the shares of the Guangzhou Evergrande *Taobao Football Club* for 1.2 billion Yuan in 2014. However, this has not been *Alibaba's* only move in the sports industry. In 2015, when *LeTV sports* launched the A+ round of financing, Yunfeng Fund was one of the leading investors.

On September 8, 2015, *Alibaba Sports Group* was officially established. Instead of constantly purchasing companies, *Ali Sports* focuses its business on athletic IP and has cooperated with the Club World Cup, the Chinese Boxing Association and the World Rugby Union to introduce relevant sport events into China. It also announced the launch of *E-sport games* and *Holmgang.*

It is reported that *Ali Sports* is going to integrate e-commerce, media, marketing, video, family entertainment, intelligent devices, cloud computing and financing platforms into an industry ecology connecting all such elements as events operations, copyright, media, commercial development and ticket sales.

Moreover, the group's propagation strategy in the sports world has extended to e-sport since 2015, when it created its own subsidiary[15], *AliSports World Electronic Sport Games (WESG)*, an organizer of e-sport tournaments and competitions in which e-teams compete against each other in video game battles of international and widely distributed games such as *Dota1, Country-Strike and Starcraft2*.

With this particularly strongly strategy in e-sport Ali opens the door of all the virtual application and overall those of e-health witch would be the next step.

2.2.6 NEWS

Alibaba's list of investments also includes companies such as *Sina Weibo* and *Momo* as well as news agencies and information organizations, such as *21 Century Media Group*, *Zhejiang Daily Media*, *Caixin.com*, *Huxiu.com* and *Nanzao.com*. However, such a move has given rise to concerns among government departments. An article in the overseas edition of *People's Daily* pointed out: "*Business tycoons are not purchasing media to occupy the entrance of market, but to enhance the power of their voice.*[16]"

In December 2015, it bought back the famous Hong Kong newspaper *South China Morning Post* after having negotiated the previous year with the State conglomerate *Shanghai Media*, in the prospect of developing a joint entertainment platform[17].

The Ali entertainment industry matrix has been formed by UC and YoukuTudou as the main distribution engines, meanwhile, Ali pictures, games, literature, entertainment, sports, music, application distribution and Shenma Search as other components.

CONCLUSION

Ali, Tencent, Baidu, Millet and other Internet giants have implemented "*the Internet ecological - grafting type*" development strategy. They rely on the group's ecology and find advantages in the whole resource, which they established by making strategic investments and by creating business departments. This then allows them to join and cut into cultural and creativity industries.

The creative cultural layout of Alibaba started with *Alibaba Pictures*. Meanwhile, *Alibaba Music* and *Alibaba Games* were also set as important future projects. At the very beginning, *Alibaba Digital Entertainment* included pictures, music, online education and games. *Alibaba* then purchased the *China Cultural Media Group*, and later injected *YuLeBao*

---

[15] Source: http://www.dailymail.co.uk/sciencetech/article-3518144/Now-win-MILLION-dollars-playing-video-games-Alibaba-launches-world-s-highest-paying-eSports-tournament.html, consulted on June 26, 2016

[16] Lu Zehua. Logic Behind "Capital-Media Marriage" [N]. Overseas Edition of People's Daily, 11th edition on June 20, 2016

[17] Source: *Le Monde*, June 11, 2014

and *Taobao Films* as underlying assets, thus contributing to *Alibaba's* rapid expansion into Pan Entertainment and leading *Alibaba Pictures* to form a complete industry chain. The symbol of *Alibaba Picture's* establishment and integration is the Pan Entertainment layout of *Alibaba*.

On June 15, 2016, the *Alibaba Group* announced to the world and officially established "*Alibaba's big entertainment section*". This section covers *Ali Pictures*, *Youku Tudou Inc.*, (YOKU), *Ali Music*, *Ali Sports*, *UC, Ali Games, Ali Literature*, and a digital entertainment group. This means that the basic strategic arrangement on which Jack Ma had insisted – *Ali Group's* double H (Health and Happiness) strategy – was completed in the Universe of *Ali Music*, as the can see it, below, in the table n°3[18].

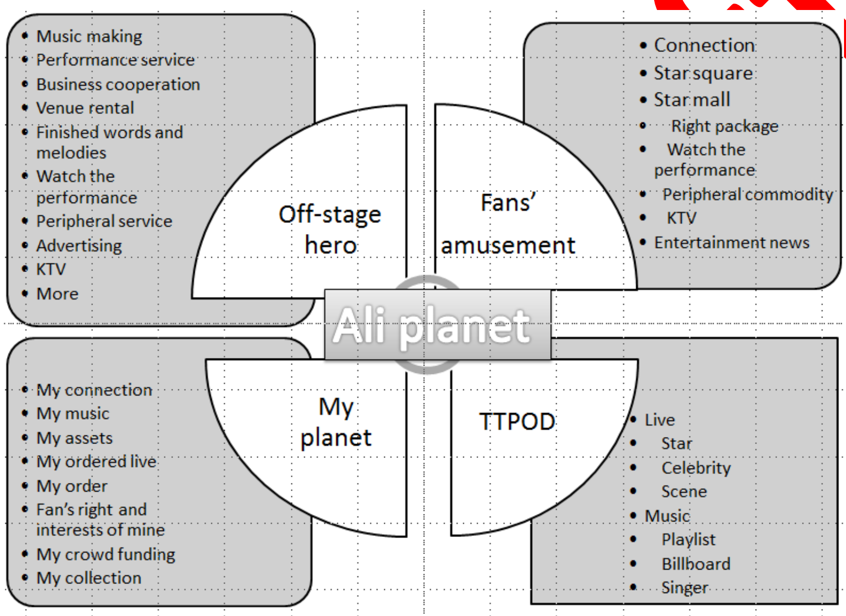

Table n°3: *The diagram of Ali Planet's structure and function, the music platform of Alibaba*

At the same time, we are now in the era of big IP (intellectual property), and all the companies are working around "IP" to scramble for resources and to plan development. All of *Ali's* cultural and creativity companies must integrate optimization to ensure that their resources can maximize business. Although *Ali* has not been involved in cultural and creativity industries very long, it is optimistic to think that *Alibaba* will continuously develop in music and pictures, and even in sports. Ali can even arrange for video exports now that it has the ability to integrate IP horizontally. But in the long run, *Ali's* development remains to be observed in cultural and creativity industries.

So, we see with this study case how the user place mutes in *Ali Planet*. First in the internet company strategies, because he becomes the heart of the value generation and uses creation: he buys, he communicates, he advices, he watches, he builds the market

[18] Wang.J,Y.(2016), *Ali invested heavily in music industry chain, what a mess!* http://www.pintu360.com/article/72384.html

orientations and the new ways of consumption. Second, in the trends and way of live, the practices as we used to say in France, he is the motor of the change in entertainment, culture, trade, media, etc. Third, he is the first promotor of this way to be active in the city, as consumer, citizen, member, as “accelerated”, hyper connected and hypermodern person. His behavior impacts all the other urban activities in the smart city of Hangzhou and beyond and may be reveals the rise of a creative class.

In the further there years, *Ali Entertainment* will invest more than 50 billion RMB for launching the "Video UPGC Upgrade Strategy". *Ali Entertainment* will improve the content through big data and matrix business to strengthen the mutual benefit for UPGC ecology and partners. Inside the full content of Ali entertainment ecosystem, the contents of UPGC, TV series, variety show, film and animation will form efficient and complementary efforts to create more value for content producers, to provide a better experience for the user ~~content.~~

BIBLIOGRAPHY

- Benghozi, P-J., « Relations interentreprises et nouveaux modèles d'affaires », *Revue économique* 2001/7 (Vol. 52), p. 165-190.
- Benghozi, P-J., Lyubareva *I., Les Business models des plates-formes de contenu : étude et typologie à partir du cas de la presse,* Rapport de recherche, Approche par les marchés ou plates-formes multi-faces dans le domaine culturel et médiatique, Octobre 2012, 148p.
- Bouquillion, Ph., Miège B., Mœglin P., *L'Industrialisation des biens symboliques*, Grenoble : PUG, 2013
- Chambat P., « NTIC et représentation des usagers » dans *Médias et nouvelles technologies : pour une socio-politique des usages,* Rennes : Editions Apogée, 1994, pp. 45-59
- De Certeau, M. *L'invention du Quotidien, 1. Arts de faire*, Paris : Gallimard, Collection Folio Essai n°146, 1990
- Esquenazi, J-P., Mouchtouris, A., *Sociologie des publics*, Paris : La Découverte, Collection Repères n°366, 2003
- Lacroix J.G., Mœglin P., Tremblay G., « Usages de la notion d'usages », Les nouveaux espaces de l'information et de la communication, *Huitième Congrès National des Sciences de l'information et de la Communication*, Crédoc/SFSIC Lille3, pp. 239-248, 1992.
- Liu Y.(2013). Ma Yun talks the Ali empire: the empire is to fall, the ecological system cannot be dead [N]. South China Morning Post,2013-05-30.http://finance. ifeng.com/a/20130714/10161549_0.shtml.
- Paquienséguy, F., « La figure de l'usager revisité par le web2.0 : le cas de l'éco-citoyen » in Bonnet J., Bonnet R., Raichvarg D. *Communication et Intelligence du social*, Paris : L'Harmattan, Collection Communication et Civilisation, 2014, pp.135-143
- Paquienséguy, F., « Le consommateur à l'ère numérique » in Vidal G. (dir), *La sociologie des usages : transformations et continuités* Londres : Éditions Hermès Lavoisier, collection Traités, 2012, pp. 179-212
- Paquienséguy, F., « L'usager/consommateur, un binôme producteur de richesse », in Agostinelli S., Augey D., Laurie F., *La richesse des réseaux numériques*, Marseille : PUAM, 2011, pp. 229-240
- Paquienséguy, F., « Les Conso-acteurs des plates-formes participatives sont-ils (toujours – encore) des usagers ? » in *Revista Romana de Jurnalism si Comunicare* (Revue Roumaine de Journalisme et Communication), n°4/2009, december 2009
- Rochet, J-Ch., Tirole, J., *Platform competition in two-sided markets*, European Economic Association, june 2003 & (4), pp.990-1029

APPENDIX

Table n° 4: *The culture and creative industrial ecosytem of Alibaba*[19]

Plate		Company	Form	Remarks	Time
Film		Huayi Brothers	Shares held by Alibaba and Ma Yun: 8.03%	Alibaba+Ma Yun=The second largest shareholder	Jan., 2014
		Enlight Media	Investment, 8.78%	The second largest shareholder	Mar., 2015
		New Base	Investment, 20%		Sep., 2015
		Bale.cn	Investment, unknown		Aug., 2015
	Ali Film	Bona Film	Investment, 8.29%	Ali Film is one of the shareholders	Dec., 2015
		YKSE	Wholly-owned subsidiaries		Apr., 2015
		Taobao Film (dianying.taobao.com)	Injection of its own business		Nov. 2015
		YLB.taobao.com	Injection of its own business		Nov. 2015
		Dadi Cinema	Investment, 4.76%		May, 2016
Video		Youku Tudou Inc.	Investment, 20.7%		Oct. 2015
		Wasu Media	20%	Major investor: Ma Yun, Xie Shihuang	Apr., 2014
	Ali Digital Entertainment	Tmall Box	Self-owned business		
Music	Ali Music	XiamiMusic	Wholly-owned subsidiary		Jan., 2013
		TTPOD (Ali Planet)	Wholly-owned subsidiary		Dec., 2013
		S.M.Entertainment	4%	Korean Artists Agency	Feb., 2016
Sports		Guangzhou Evergrande Taobao Football Club	40%		Dec., 2014
	Ali Sports		Self-owned business		Sep., 2015
Games	Ali Games	UC Jiuyou	Self-owned business	Ali Mobile business	Jan., 2016

[19] Li Xiaonian (2015), *Ambition of Alibaba and Tencent toward Cultural Industry and Their Obviously Different Routes* [OL]. http://www.tmtpost.com/216412.html. March 27, 2015

				division	
Arts	Ali Arts	shuqi6.com		Ali Mobile business division	
		UC Bookstore			
Others		Sina Weibo	Investment, 30.5%		Apr., 2013
		Momo	Investment, 20.7%		Nov., 2012
Yunfeng Fund		Damai.com			
		Huayi Brothers			
		Youku Tudou Inc.			
		LeTV Sports			
		Guanyinxiang		Impression Liu Sanjie Workship	