

Brief Biography of  
**Jack MA**

  
Alibaba.com<sup>TM</sup>



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## **Jack Ma**

**Jack Ma can be profitably described as the headline of the Internet success story that is sweeping China. He is not only the richest Chinese today with an estimated net worth of more than \$23 billion but is the pioneer of e-commerce in a country whose economy was for many decades restricted by communist ideology. Ma's fame and wealth largely rests on the spectacular success of the Alibaba Group, an umbrella company of several Internet-based businesses that he founded and of which he continues to serve as the executive chairman. When Alibaba went public in 2014, it created history as the biggest IPO in the world till date, doing a business worth a whopping \$150 billion. Today the Alibaba Group has nine major subsidiaries: Alibaba.com, Taobao Marketplace, Tmall, eTao, Alibaba Cloud Computing, Juhuasuan, 1688.com, AliExpress.com and Alipay.**

### **Early life**

Born as Ma Yun on September 10, 1964, in Hangzhou, in the southeastern part of China, Jack Ma grew up in a time when China was still shut off from western culture and market economy. His parents were traditional musicians and his family consisted of an older brother and a younger sister. Despite his diminutive size, Ma Yun was enterprising from an early age. Eager to learn English, he showed tourists around in his hometown and even made friends with visitors from other countries. This was in the aftermath of US President Richard Nixon's visit to Hangzhou 1972 which put the city in the tourist map of the world. In fact it was through one such association that he got his nickname – Jack – named by a foreigner who found it too difficult to pronounce the boy's traditional Chinese name.

Formal education however was not accessible so easily to Jack Ma. Though he finished high school, he had difficulty getting into a college. After having failed entrance examinations to college twice, Ma proved successful the third time when he was accepted in Hangzhou Teacher's Institute. He graduated from this institute in 1988 and in order to become financially independent began looking for jobs. Once again he was faced with repeated rejections – one of the most notable being the global fast-food brand KFC. Eventually Ma was able to land a job in a university where he was required to teach English. Though the pay was a meagre \$12 a month, the young teacher quickly became popular with his students. It was also around this time that he met Zhang Ying, his future wife.

### **Budding Entrepreneur**

With his language skills and natural bent for entrepreneurship, it was only a matter of time before Ma started his own business. This was a translation venture and further opened up the world to him. In 1995 Ma visited the US in order to recover a payment for a Chinese client. Apart from being his first overseas trip, the US visit proved momentous in another very important way – it introduced him to the fascinating world of internet and made him aware of

its immense commercial possibilities. According to an anecdote, when Ma searched “beer” while using the Internet, he was puzzled to find that the search results did not turn up any Chinese company. Eventually he decided to start his own internet-based company in China and this paved the way for Alibaba.



Even then, success did not come easy to Ma. His first two ventures did not do well and not surprisingly he had a difficult time, getting investors for his third project. But he finally managed to get together around seventeen friends in his apartment and convince them to support his plans for the first online marketplace in China. Thus Alibaba was born as a site that enabled Chinese exporters to post their product listings and sell to customers globally.

## **From Strength to Strength**

Soon the online marketplace became so popular that buyers and sellers from other parts of the world began using the service regularly. This helped it to get investment from major financiers like Goldman Sachs which pumped in \$20 million as well as SoftBank, a Japan-based telecom company which shored up Ma’s start-up with another \$5 million. By October 1999 thus Alibaba was on firm footing and clearly a success.

However this was also a time when the e-commerce scene was getting hotter with the entry of many players, among which some like e-Bay were often responsible for pushing the smaller ones into extinction. When Ma’s Alibaba was similarly threatened with the arrival of e-Bay in China in the early 2000s, he decided to launch a nifty competitor named, Taobao.

Eventually a bigger success came in 2005 when Yahoo agreed to invest \$1 billion in Alibaba in exchange for about a 40% stake in the company. This proved to be a win-win situation for both sides as on one hand it enabled Ma to withstand competition from global ecommerce giants like eBay and on the other, it returned Yahoo a massive \$10 billion when Alibaba went public in September 2014. The company’s initial public offering turned out to be the largest in the economic history of the United States, garnering \$25 billion for the company. This made Alibaba one of the most valuable tech companies of the world and its founder, Jack Ma the wealthiest man in China. On that day, he announced “Today what we got is not money. What we got is the trust from the people,”

## **Legacy**

To a large extent Ma’s incredible financial success, is due to his forward looking ideas and belief in team work. Back in the days when Alibaba was still a fledgling company, Ma ensured that his employees could work in a trusting and highly motivated environment. He convinced his small team that they would survive, “We will make it because we are young and we never, never give up,” equally he ensured that everybody working for him had a lot of fun as well - In fact, he is believed to have celebrated the first profits of his company by gifting each employee

a can of Silly String to freak out with. Later during the days of tough competition, he apparently encouraged his employees to do handstands during breaks to maintain a sense of energy and optimism. Upon Alibaba's stupendous success at the IPO, Ma reminded his employees what the company stood for, saying that he hoped they would use their newfound wealth to become "a batch of genuinely noble people, a batch of people who are able to help others, and who are kind and happy."



Jack Ma has himself led the way with several philanthropic initiatives, especially those which work to protect the environment. He is on the global board of The Nature Conservancy besides being the leading supporter of 27,000-acre nature reserve in China. Additionally he is deeply interested in the traditional Chinese practice of Tai-Chi and is a firm believer in its benefits for the mind and body. On the personal front, Ma has been lucky to be supported by a long marriage – he has two children, a daughter and son, who is an undergrad at UC Berkeley. A firm believer in enterprise and hard work, Ma continues to encourage future generations in his own country and across the world to dream big, both for oneself and the community.

