

# 2019 Global Research Report OF Female Entrepreneurship & Employment

China Women' s University & AliResearch

## **Chapter1 Research Background: Globalization 4.0 & Digital Economy Era**

**D**uring the World Economic Forum 2019 : "Globalization 4.0: Shaping a New Architecture in the Age of the Fourth Industrial Revolution", the founder and executive chairman, Klaus Schwab, put forward the following statement: "Fully digital... It's changing the way of everyone connecting with the world. Through the exchange of ideas and services, we can achieve 'more cooperation, better tolerance and lifelong learning' ." Among the discussions, women's business power is an important component.

**I**n the historical moment of technological revolution, industrial revolution and the transformation of economic development mode, entrepreneurs will collide with the "spark" of the momentum, and merge into the era of "subversion and creation", "interconnect and share", "release and tap oneself". It should be stated that the "golden age" of entrepreneurship is just in the emergence.

### **1.1 Globalization 4.0: The "Golden Age" of Women's Entrepreneurship**

**E**very day, we receive messages from all over the world. Digital economic and technological advances make it easier. Relying on digital and virtual systems between countries, artificial intelligence (AI) , Internet of Things (IOT) have changed and are still changing everyone's work and life. "The future has come and will come." We are embarking on the road of the future just as we are facing the eve of the "singularity".

#### **1.1.1 Globalization 4.0 + Industry 4.0: Opportunities for Sharing and Intelligence**

**G**lobalization 4.0, with digital economy as its core, will inevitably bring about comprehensive and profound market and social changes. With the industrialization 4.0 revolution, it will affect every country's industry infrastructure, and bring changes in the entire economic and management system. When the two 4.0 add up, they pose a series of challenges. However, synergies and sharing also surge with each individual involved.

**I**n globalization 4.0, the world is not only "flat", but also "everyone's" . It is possible, on the downside, the "Black Swans" or "Grey Rhinoceros" could happen again sometimes in the future...However, we should emphasize that after the flattening of the world dimension, women participate in the process of globalization

through various paths such as digital platforms, so that it is easier to obtain resources, reduce costs, achieve inclusiveness and better development.

Industry 4.0, supported by advanced technologies such as artificial intelligence (AI) and 5G, has brought a lot of discussions on industry-wide intellectualization. What we want to emphasize more is the opportunity tide that follows. Each industrial revolution in the history brings new industries and a large number of entrepreneurial employment opportunities. This time is no exception. Industry supply chain based on digital restructuring, blurred industry boundaries, integration of virtual and reality, refinement of high-quality products and services... Japan even put forward the concept of "Social 5.0" and anticipated the future of "Super-Intelligent Society". At the same time, the access threshold of the digital economy is lower and the environment is more gender-neutral<sup>1</sup>. Therefore, women will have more opportunities to be employed in better jobs and accumulate wealth, and will also have more opportunities to influence and change the world.

### **1.1.2 "Digitally Together" : Links Between Small Enterprises and the World**

"Cross-border transaction has become the norm, Small Enterprise has been linked already." The "Digitally Together" in the process of technology advancement has come into reality: supersensory experience, interconnection of all things, supersecond intelligence<sup>2</sup>, and previous "breakpoints" will gradually be linked together smoothly. Ali Fliggy "New Travel Alliance" will form an "unlimited binding mode". Behind the scene is Ali's leading cloud computing capability, artificial intelligence R&D, global mobile payment, big data connection and other networked collaboration. Among them, Small Enterprise either actively participates in creating small and refined "invisible champion" enterprises like existed in Germany, or opening the world window with "long-term focus on market segmentation + excellent market response ability"; or passive "involvement".

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<sup>1</sup> YiCai Global, "Digital Economy has become a popular way for Chinese women to make progress in their work and wealth" (2019)

<sup>2</sup> Roland Berg Report, Embrace the 5G New World (2019)



Fig1 5G Ecological Panorama

Source: Roland Berger

## 1.2 Enabling Chinese Female Entrepreneurs & Employee in the Digital Economy

The State Council, China's Cabinet, issued a document on "Opinions on Promoting High-quality Development of Innovation and Entrepreneurship and Creating an Enhanced Edition of Entrepreneurship & Innovation"(2018), In the document, it states that "Deeply Promoting female innovation and entrepreneurship, and encouraging more women to participate in innovation and entrepreneurship practice"<sup>3</sup>, which indicates that women's entrepreneurship has entered the Top Design of the Central Government, and urgently needs to be further promoted and implemented. In fact, Chinese female entrepreneurship and employment is a key item embedded in the framework of national strategy, industrial restructuring and technological development and in the context of economic change. In the past, digital platform has provided more possibilities for Chinese women to start-up and being employed. In the future, the platform technology enhancement will also provide more empowerment for women.

### 1.2.1 Openness and Self-growth of Digital Platform: Reducing the Threshold of Entrepreneurial Learning Curve and Resource Acquisition

On the super giant digital economy platform, complex multi-user links have spontaneously formed a

<sup>3</sup> Source from State Council website (2018)

socialized division of labor system<sup>4</sup>. Under the circumstances of breaking "resource island" and "digital ruins", the digital ecology constructed is open, self-growing and free to disassemble and assemble like building blocks<sup>5</sup>, which achieves the maximum effect of disseminating, acquiring and using of data. It significantly lowers the threshold of learning and resource acquisition for entrepreneurs:

— **Simplify technology choice: technology threshold is gradually lowered, and the "golden path" of entrepreneurship is freely chosen.** Ali provides various technical solutions to help female entrepreneurs develop new products and services directly based on platform technology, taking advantage of the best infrastructure to start a business, forming the "golden path" of entrepreneurship.

— **Providing digital services: expanding knowledge and skills boundaries, with "toolbox" combination empowerment.** Ali provides "business consultant" data analysis tools, "intelligent energy service", "Luban", "Aliwood" and so on, so that women entrepreneurs can get what they need and empower them on demand.

— **Integration of platform subject: break through the constraints of time and space, multi-subject participation in the innovation process.** The knowledge and information feedback obtained by the women shopkeepers of Tmall Platform interacts with users, can help reduce the risk of product innovation.

**Chinese women entrepreneurs are shortening the identification period of business opportunities and expanding the search space for business opportunities through digital platforms. At the same time, they dare to conquer in the business world, lead the team to realize value creation, and also establish a colorful image of women's leadership.**

### 1.2.2 The Shift from "Industrial Thinking" to "Digital Thinking": Enhancement of Employment Concept

Aurelio Ravarini & Gianmaria Strada describes the state of employment in digital thinking: "Intelligent Work", "Task Free Assignment" and virtualization<sup>6</sup>. In addition to the traditional employment, the flexibility of employment, cross-organizational boundaries, self-organizational exploration of work content, rapid

<sup>4</sup> Gao Hongbing (the president of Aliresearch,2017,2018)

<sup>5</sup> The FST Network CEO, Jack Chu(2018) believes that modular industrial thinking allows independent small modules to freely change interfaces like Lego building blocks and eventually stack modular libraries that support complex business models.

<sup>6</sup> Aurelio Ravarini & Gianmaria Strada (2018)

iteration of skills... All of them have become the characteristics of "digital employment". Airbnb landlord, slash youth, Upwork remote work, big V red man... The connotation and boundary of employment are extended accordingly.

Digital economy provides women with broader employment choices: platform-based "on-demand gathering and dispersing" contract, "traditional field + digital technology" derived new employment opportunities, enrichment and diversified of digital economy employment scenarios, from which women can get more inclusive employment opportunities.

In the digital economy, Chinese women are exploring more possibilities of career development path, breaking the "hidden threshold" and "glass ceiling", and connecting themselves to the global workplace; while the digital platform provides support and empowerment, fully stimulates individual potential, and to realize the career development of women's.

We can see that women entrepreneurs are deeply embedded in various business fields and exert leadership and power with women's entrepreneurship. They are good at doing business and play an important role in the industry.

We can see that these female entrepreneurs in the process of digitization embody four characteristics: "altruism, inclusion, toughness, decisive". They are on the horizon of starting-up, resisting setbacks and navigating through the storm, and their professional development and personal characteristics are mutually advancing.

Female entrepreneurs show value with their characteristics in the digital economy era, they are striving for the future, we should encourage them to try their best against the storm.

**Let's re-recognize these women "in Power", who are either strong minded and exert their influence around the world, or look to the future and dig deep into the field of digital technology, or have a keen sense of the market and strive to create a better life, or combine exquisite crafts with technology to inherit tradition and culture... Their feelings, ambitions and talents make them "women with their own fragrance of soul".**

## Chapter2 Alibaba and Chinese Female Entrepreneurship & Employment

Alibaba's founding period can not be separated from women's participation, growth period can not be separated from the strong support of women, and today in the huge diversified business empire, still supported by tens of thousands of women shopkeepers, women customers, women employees and senior executives. **"Women... Make life and the world better" . Ali and women are growing up together, experiencing setbacks and blooming life together, have witnessed the changes and rise of China in the past 20 years together.**

### 2.1 A 360-Degrees Overall View of Alibaba's Entrepreneurship & Employment Ecology

Since the 2007 Ningbo Conference, Ali has defined the "Moon Running Plan", and now has a business ecosystem of millions of members, "To Make it Easy to do Business Anywhere" is the unique business model.

Ali Entrepreneurship & employment ecosystem includes the redevelopment of new rural areas of First Industry, advanced manufacturing of Secondary Industry and emerging service industry of Third Industry. The Entrepreneurship & Employment system breaks the data island and keeps iterating dynamically. The entrepreneurship ecosystem is divided into internal business circle and external ecological circle. The two circles are interconnected with multi-subjects participating in the innovation process. Ali's digital technology "toolbox" provides key input for the functional departments at all levels of the enterprise, and realizes the closed loop system of artificial intelligence, large data participation.

Ali's employment ecology is divided into platform direct employment and derivative employment, showing the coexistence of employment, part-time work, ecologically related employment and other types. At the same time, digital skills enhancement and the emergence of new occupations, new forms of employment show a spiral trend of improvement.

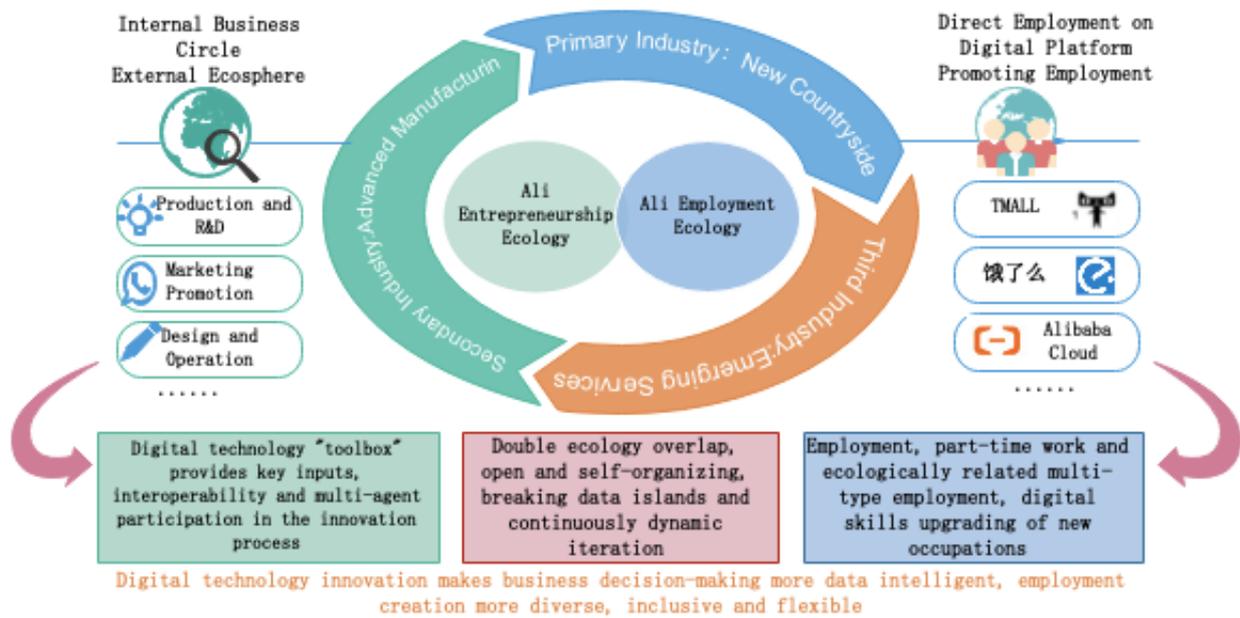
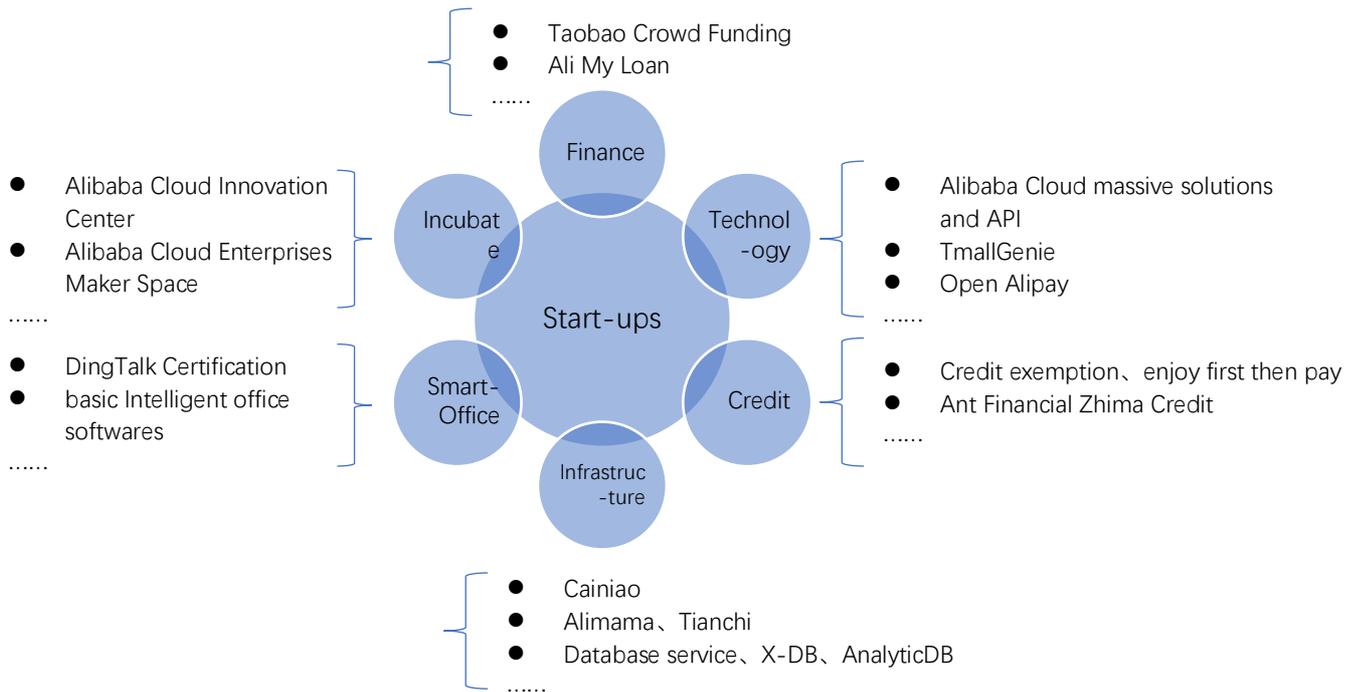


Fig.2 Ali's Entrepreneurship & Employment Ecosystem

### 2.1.1 Ali Business Ecology 360 Degrees

Ali has the characteristics of "big platform, multi-mode and rich ecology". The entrepreneurship ecology can be divided into "Center-Multipole" distributed characteristics. The "Center" refers to groups of entrepreneurs on every platform, while the "Multipole" is the multipole enabling system in Ali's business system.

The group of enterprises on Ali platform is mainly concentrated in the domestic e-commerce platforms such as Taobao, Tmall, Juhuasuan, 1688, Ali Fliggy (mainly referring to the hotel business), and the international e-commerce platforms such as [www.alibaba.com](http://www.alibaba.com) and AliExpress. For the operation of the enterprise, Ali provides six aspects of support: financing, science and technology, credit, incubation, office, infrastructure and so on. Taking AI and Big Data as examples, shopkeepers can use a series of tools, services and solutions including "Business Staff data analysis tools", "Web Traffic Promotion Services", "Digital Marketing Solutions", and "Intelligence Enhancement" Services. And "Alimebot", "Aliwood", "Luban", "wireless home page interactive black technology" have become the choice of many businesses.



**Fig.3 Ali's Entrepreneurship Ecosystem-"Center-Multipole" Distribution**

Ali's entrepreneurship & employment ecology also presents a combination mode of "online expansion + offline extension". For example, Ali shopping mall "qinchengli" has created an "offline shop + black technology" model, AR technology shopping guide, "facial recognition" and "magic fitting" are full of characteristics.

In exploiting the market for young fashionable groups, Ali has also formed a unique entrepreneurial ecology. For example, there are hundreds of millions of people on Taobao's cosmic platform. It has built a complete industrial chain from design, authorization to production. Those stores such as "Triple delusion", "Meow house shop", "Puppets and Dolls" are among many that have exemplary high sales records<sup>7</sup>.

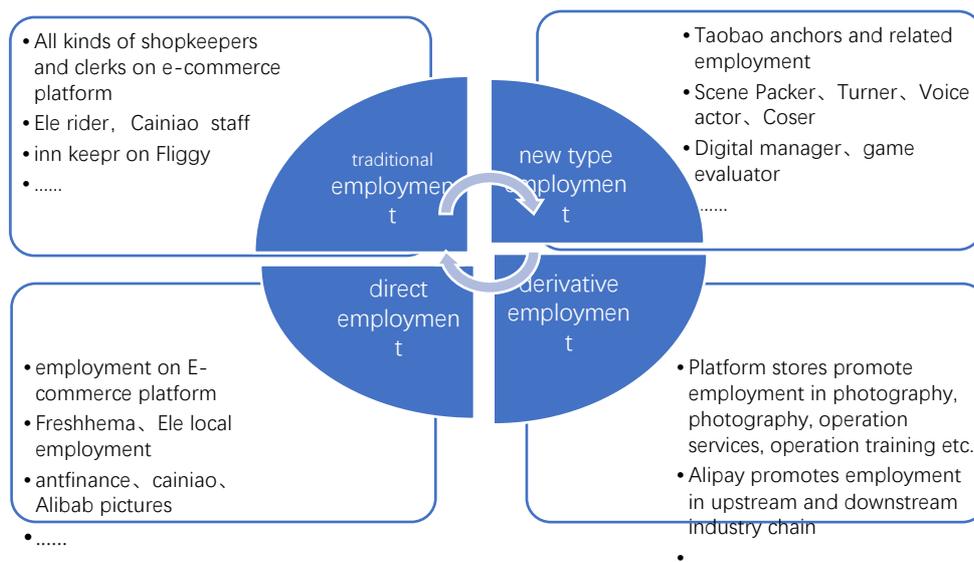
### 2.1.2 Ali Employment Ecology 360 Degrees

Ali's employment ecology can be divided into two dimensions: "traditional-new" type employment and "direct-derivative" employment. "Traditional" employment mainly refers to the original employment such as

<sup>7</sup> Souce come from NKJ.cn

business employment, while "new" employment mainly refers to new occupation and new employment forms. "Direct" employment mainly refers to all kinds of employment directly linked to the platform, and "derivative" employment mainly refers to all kinds of related employment arising around the platform. Among them, "new type + derivative" has become a new direction of future employment in the process of digital economy.

"New" type employment, such as live packers who set up studio layout, high-definition camera debugging and lighting just like building blocks, and directly "off-site design, assembly, the last day to move into the live studio, the average construction period is about 10 days"<sup>8</sup>. These new forms of employment are expected to emerge more and more in the future, forming a continuous "derivative + new" employment characteristics, with constantly dynamic iteration.



**Fig.4 Ali's Employment Ecology: Traditional-New Employment and Direct-Derivative Employment**

Ali's employment system also shows the fairness and the glory of human nature. For example, "Model Mother" -- "Sunshine in Adversity, Be the Best Yourself". In 2005, Zhou Lihong, a mother who fight with cancer for life,

<sup>8</sup> Live Packer Information from "Qianjiang Evening News" that "Live webcasting is hot for these professions: tuner, scene packer"

refused to accept donations to raise her daughter. In Taobao, she opened a shop named after her daughter, "Magic Bean Baby House". After Zhou Lihong left the world in 2006, three generations of "Model Mothers" relayed to run the shop for free. In the same year, Ali Group launched the "Model Love Project", thousands of poor women embarked on the road of e-commerce entrepreneurship, changing the fate of countless people...<sup>9</sup>

## **2.2 Characteristics of Chinese Female Entrepreneurship & Employment and Ali's Ecological Empowerment**

Chinese women's entrepreneurship & employment is a beautiful scenic line in China's economic development. "Bringing along beautiful things", "warm stories", "starting a business without self-limitation and breaking all kinds of impossible prejudices" become their typical label. **A large number of women's entrepreneurship & employment activities are either rooted in Ali's ecosystem, or with the help of digital technology services provided by Ali, Ali provides multi-dimensional empowerment.**

### **2.2.1 Female Entrepreneurs & Employees Deeply Rooted on the Ali Platform: "The Beauty of Growing Up"**

On Ali platform, the proportion of female entrepreneurs was 49.25%, while on AliExpress platform, the global express market, the proportion of female entrepreneurs reached 53.67%<sup>10</sup>. **In the era of digital economy, women realize the whole process of "entrepreneurship, innovation and wealth creation" based on Ali platform.** Throughout the past, enterprises running by women are no longer confined to "small and beautiful" on Ali Platform, but also shows "growing beauty". In Taobao Platform, the average annual turnover of women shopkeepers in 2018 is more than 200,000 yuan, doubled since 2014<sup>11</sup>. **These brave and strong women paddle in the commerce sea, rhythm with times, writing Cadenza in the Chinese business history.**

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<sup>9</sup> Source from Model Mother website

<sup>10</sup> Data from Ali Report "Big Data on Women's Social Responsibility for Entrepreneurship" (2019)

<sup>11</sup> Ali data (2019)

— **Sub-regional quantity of stores operated by women:** Guangdong, Zhejiang and Jiangsu are the top three provinces. Among the cities, Guangzhou, Shenzhen, Shanghai, Beijing and Hangzhou ranked the top five<sup>12</sup>.



Fig.5 Sub-regional Data of Women's Stores on Ali Platform

— **Quantity of stores operated by women in different industries:** In the top 20 rankings, female storekeepers are entering traditional male dominant industries, such as automotive supplies / cleaning / refitting, new cars / used cars, smart devices, etc. In Taobao Village, although most shops deal with traditional women's goods, still there are automotive supplies / automotive parts began to rank in the top 20 series<sup>13</sup>.

We can see that in the process of multi-dimensional growth, women have crossed the boundaries of traditional gender field and traditional scale of women's enterprises. Their growth and development show the situational characteristics of "infiltration + transition" coexistence.

For women entrepreneurs & employee on Ali Platform, the multi-dimensional path to improve their satisfaction can be considered from the following aspects: giving priority to provide better talent, capital, materials and other resources; giving priority to enhance the strength, pertinence and implementation of government policies; giving priority to provide effective training, guidance and counseling; giving priority to network technologies and costs such as data analysis; giving priority to the formation of women's judgment on industry and products.

<sup>12</sup> Based on Ali Data (2019)

<sup>13</sup> Based on Ali Data (2019)

## **Chapter3 Interconnections Between Alibaba and Female Entrepreneurship & Employment in the World**

### **3.1 Interconnections Between Ali and Female Entrepreneurship & Employment in Various Countries**

#### **3.1.1 Americas: Ali's Link with American Women**

—— "Red of five colors, the boundless of entrepreneurship"——The spirit of women's entrepreneurship is flourishing in the United States. Among them, the colored races are especially magical. They promote the overall growth rate of entrepreneurship. The spirit of equality and freedom in America has always been the cultural cornerstone of women's entrepreneurship & employment. And the spirit of innovation and struggle flowing in the blood has formed the innate pioneering spirit.

**We can see that from the origin of the relationship between Ali and American friends to the interconnection between Ali and the Americas, the "people's aspiration + rational allocation of resources" is the internal driving force. Through the platform, the female entrepreneurs and female consumers link up across the ocean, and promote a series of new opportunities, new ideas and new enhancements.**

#### **3.1.2 European: Ali's Links with European Women**

——"Blue of five colors, the steady and rigorous entrepreneurship"——The close tie between China and Europe is not only in the form of geography, but also in the form of economy. When the Eurasian Continental Bridge crosses the Eurasian continent, when the average trade volume is more than a million dollars per minute<sup>14</sup>, when the "Belt and Road" development goes beyond bilateral relations, the economic and trade exchanges between the two continents develop stably.

**We can see that Europe has become a unique existence with its diversified economic and cultural ecology, rich sense of history and rigorous romance. European women, who are exquisite and love**

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<sup>14</sup> Data on trade flows are obtained from the website of the Ministry of Foreign Affairs of the People's Republic of China

life, are opening up their career and life with an international perspective.

### 3.1.3 Oceania: Ali's Link with Oceanian Women

—— "Green of Five Colors, vigorous entrepreneurship"——China is Australia's largest trading partner and largest export destination, and free trade agreements have brought closer business contacts between the two countries. China is also New Zealand's largest single export market, with new exports to China reaching 16.6 billion US dollars<sup>15</sup>. In Sino-Oceania economic and trade exchanges, Ali's bridge provides more choices for female entrepreneurs & employees.

**We can see that in the complementary Sino-Oceania economic and trade relations, Oceanian women not only "break through the invisible boundaries"<sup>16</sup>, build from scratch and start their own businesses, but also stimulate other women to start up and start great undertakings.**

### 3.1.4 Africa: Ali's Link with African Women

—— "Black of Five Colors, fertile land for entrepreneurship" ——Africa in the accelerating process of urbanization, a huge young middle class is emerging, just starting business should have explosive growth, which is embedded in the context of China-Africa economic and trade cooperation, and jointly " Beginning with Beauty, Towards the Future".

**We can see how much hope and expectation are rising in this growing continent. African women are releasing their enthusiasm, from being empowered to actively empowering others in their links with Ali. Many magical entrepreneurship & employment stories are happening in this vast and vibrant land.**

### 3.1.5 Asia: Ali's Link with Asian Women

——"Yellow of Five Colors, the vitality and hope of entrepreneurship" ——On this land with vast territory

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<sup>15</sup> Data from StatsNZ, New Zealand's official data agency (2018)

<sup>16</sup> From Janine Allis, founder of Boost Juice (Ocean Daily, 2015)

and huge population, from the two ancient civilizations of the world to the fate union of the "One belt and One road", "Yellow skin and black eyes" are our faces, interdependence is our common choice.

**We can see that in the "a strip of water" Asian region, female entrepreneurs are full of vigor, passion, desire and responsibility. They have changed everyone's work and life bit by bit with diversified entrepreneurship actions and unique entrepreneurship thinking.**

### **3.2 Challenges and Opportunities in Digital Economy**

**In the future, women will be more adaptable to the changes brought about by the digital economy and become the key force to promote progress and change.** When digital technology reduces the marginal cost of communication, women's willingness to share contribute to achieve more links and sharing.

**In the digital economic growth of globalization 4.0 + industry 4.0, women in the world will eventually break the barriers of entrepreneurship and find a new way of starting business & employment. They will eventually use their tranquility to gain new opportunities.**

## **Chapter4 Review of the Main Discoveries of the Report**

A new round of global scientific and technological revolution as well as industrial transformation has produced a historical opportunity with the transformation of China's economic development mode. China is facing a major historic choice evolving from an economic power to an economic superpower. As the engine of economic growth, "Entrepreneurship & Innovation" requires that the development strategy of enterprises be embedded in the national strategy, which provides the future prospects and directions for Small Enterprise entrepreneurship and internal entrepreneurship.

Characteristics of "New Normal" of China' economy was put forward on the Central Economic Work Conference: to enable individualized and diversified consumer industry/products into the mainstream; to encourage new forms of business, new products, new business investment opportunities emerge in large numbers; to make miniaturization and specialization become new features of industrial organizations. These characteristics provide a good opportunity for women to start their own businesses. In fact, the world's major economies are fallen into "gender dividend" competition, focusing on stimulating women's business power. Our report is conceived in this context, and attempts to explore the following research:

### **4.1 Female Entrepreneurship & Employment Prospect During Digital Economy Enhancement Era**

### **4.2 Characteristics and Empowerment of Female Entrepreneurship & Employment on Ali Platform**

### **4.3 Data and Case Sketches of Female Entrepreneurship & Employment in Different Countries**

This report is generated under the macro-background of the digital technology and digital economy. The research methodology includes both quantitative data analysis and qualitative case studies. The study presents the links between Ali and Chinese female entrepreneurs & employees, as well as the links between Ali and the world female entrepreneurs & employees. The main conclusions of the report include, the relationship between digital platform and women are interdependent and coexisting. Therefore, common progress and development between platform and individuals can be achieved in the future.

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