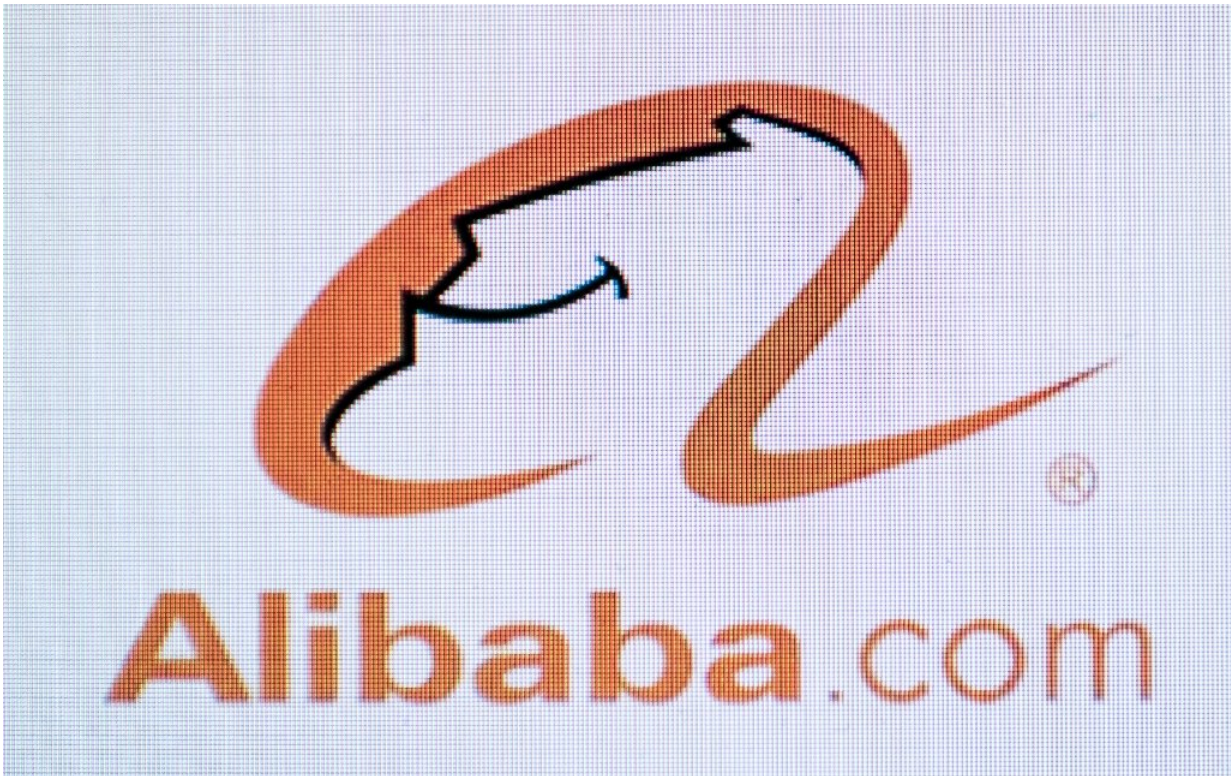


Alibaba pays \$3.6 bn to take over China hypermarket giant SunArt

October 19 2020



Alibaba has taken control of SunArt which runs hundreds of hypermarkets in China as it expands its grip on the mainland retail sector

China's e-commerce behemoth Alibaba has bought a controlling \$3.6 billion stake in SunArt which runs hundreds of hypermarkets on the mainland for French shopping giant Auchan.

The move to take a 72 percent holding in SunArt tightens Alibaba's grip on China's vast [e-commerce](#) sector as it looks to soak up the new customers pushed online to buy groceries, [fresh food](#) and healthcare products by the coronavirus.

It also hands over control of 13 million square metres (140 million square feet) of retail space in scores of cities across the country.

SunArt was created by Auchan in 2000 with Ruentex Group and joined in an "alliance" with Alibaba in 2017.

That tie-in gave the Chinese firm ownership of around a third of the hypermarket company.

Alibaba quickly set about transforming SunArt from a traditional bricks-and-mortar hypermarket to an online groceries hub, matching its wider e-commerce goods business.

"Sun Art has made significant progress in the digital transformation," Alibaba said in a statement Monday announcing its \$3.6 billion investment.

The supermarket chain has since been "leveraging resources and technology from the Alibaba ecosystem."

The buyout of SunArt will boost a promise to deliver groceries within 30-60 minutes of being ordered over Alibaba's Tmall platform, the statement added.

© 2020 AFP

Citation: Alibaba pays \$3.6 bn to take over China hypermarket giant SunArt (2020, October 19) retrieved 1 May 2024 from

<https://techxplore.com/news/2020-10-alibaba-bn-china-hypermarket-giant.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.