

China's Alibaba names CEO Eddie Wu to head its e-commerce business as its growth falters

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The logo of Chinese technology firm Alibaba is seen at its office in Beijing on Aug. 10, 2021. China's Alibaba Group says its CEO Eddie Wu will head its core e-commerce business, as the company seeks to drive growth and fend off fast-growing online shopping rivals like Pinduoduo. Credit: AP Photo/Mark Schiefelbein, File

China's Alibaba Group says its CEO Eddie Wu will head its core e-commerce business, as the company seeks to drive growth and fend off fast-growing online shopping rivals like Pinduoduo.

Wu is replacing Trudy Dai, a longtime Alibaba executive who was one of the founding employees of the [company](#).

Alibaba's chairman Joe Tsai said in an internal letter dated Wednesday that Dai will help set up an asset management company aimed at improving returns on capital and "enhance shareholder value."

The reshuffle came after PDD Holdings Inc., which operates online shopping platform Pinduoduo and U.S.-focused e-commerce site Temu, surpassed Alibaba in [market value](#) in the past month.

As of Tuesday, PDD's market capitalization of its U.S.-listed stock was \$199.41 billion. Alibaba's was \$191.75 billion.

Alibaba founder Jack Ma earlier this month praised PDD for having managed to grow bigger than his Hangzhou-based company, which had for years been China's biggest e-commerce player.

Alibaba needs a "brand-new strategy" and a change in the firm's organizational principles and systems to a "brand new environment," Tsai said in his letter.

Alibaba's Hong Kong-listed stock rose 3.5% in trading Wednesday following the announcement.

The company restructured its businesses in March, splitting them into six units that would eventually raise their own capital and go public. Its cloud unit had been expected to be among the first to hold an [initial public offering](#), but Alibaba later scrapped plans to spin-off the business,

citing uncertainties over U.S. export curbs on advanced chips used for [artificial intelligence](#).

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