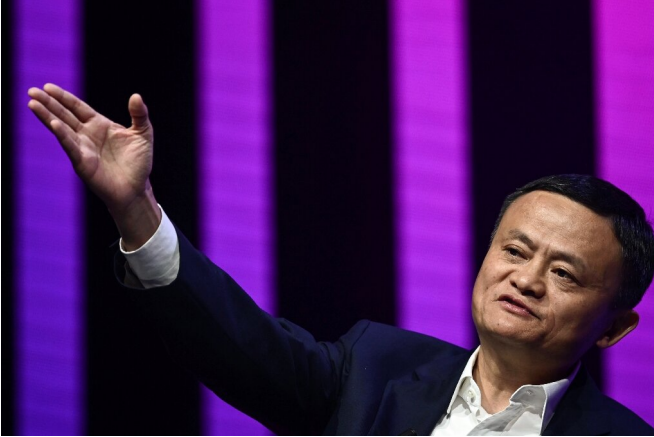


# On the march: Ant Group, China's fintech sensation

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Jack Ma launched Ant Group with the goal of simplifying personal finance in China

With a name belying its giant ambitions, China's Ant Group on Tuesday launched a history-making \$34 billion IPO in Hong Kong and Shanghai.

Backed by Jack Ma, China's richest man who founded the Alibaba e-commerce empire from his bedroom two decades ago, Ant is a financial technology titan that is stitched into the [everyday life](#) of hundreds of millions of Chinese people.

But outside China it is less well known. So what is Ant?

## Ma's early vision

Ant Group is the parent company of Alipay, China's pioneering digital payments firm, which was founded by Ma in 2004.

A former teacher, Ma started in digital sales with the Alibaba e-commerce giant but his ambitions then turned to the potential for simplifying [personal finance](#) in China.

He envisioned a cashless society based on "trust and credit" where buyers' cash is held in escrow by Alipay for merchants to send their goods with a guarantee of return for any unhappy customers.

In interviews Ma likes to recount how the start of Alipay was met with derision, saying: "Everybody said 'Jack this is the most stupid model we've ever seen, nobody will use it.'"

It now claims one billion users, in part thanks to Ma's gift for navigating China's red tape and gatekeepers.

From payments for food deliveries, instant loans to micro-investment and insurance, Ant has mushroomed into an integral part of everyday Chinese life.

The corporate spiel says the Ant name derives from the company mantra of empowering ordinary consumers: "We believe small is beautiful, small is powerful."

## Colonising Chinese finance

Ant's reach is astonishing.

It is the world-largest digital payments platform, claiming 731 million monthly users on the Alipay app using more than 80 million stores.

That equated to \$17.6 trillion in payments as of June this year, 25 times more than US giant Paypal.

The company is leading the line on blockchain technology and says it has a capacity to match one billion transactions a day on the so-called AntChain.

Its financial products have revolutionised personal finance across a vast country where around 10 percent of the population remains unbanked.

The Alipay app launched in 2013 a "Yu'eBao" service, which allows ordinary people to play money markets from their e-wallet.

The "leftover treasure" concept gave entry to investments of as little as one yuan, briefly becoming the world's biggest fund with nearly \$200 billion in circulation.

Meanwhile, Zhima Credit (or Sesame Credit) is its credit scoring system, and Bangnitou—an artificial intelligence powered investment adviser—hoovered up 200,000 customers within six months of its launch.

### **On the march**

Armed with the data of hundreds of millions of people, boundary-pushing AI and pockets soon to be stuffed with IPO cash, Ant says it intends to keep innovating and rolling into new markets.

Domestically, Alipay is pushing facial recognition payments technology.

Abroad, the vast, young tech-friendly populations of Southeast Asia and India are seen as fertile ground for its products.

But there are challenges ahead. Tencent's WeChat, the second player in China's digital payments market, is gobbling up [market share](#).

Meanwhile, global trust in Chinese technology has taken a hit with fears of data harvesting on behalf of China's ruling Communist Party. That could forestall Ant's march.

But seemingly not that of Jack Ma. China's richest man stands to make around \$27.8 billion from his 8.8 percent stake in Ant if the share sale goes to plan.

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