

Top Chinese E-Retailer JD.com Enters Battle for Russian Shoppers

By [The Moscow Times](#)

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Chinese e-commerce companies are gaining ground as the cross-border market develops.

Major Chinese e-commerce company JD.com has launched sales in Russia, seeking to stake out a position against its compatriot Alibaba in a bid for the country's growing online retail market, news agency RBC reported Tuesday.

JD.com, which according to its own data accounts for around 59 percent of e-commerce sales in China, hopes to become Russia's top online retailer over the next five years, said Victor Xu, president of JD's international business group, RBC reported.

In starting up a business in Russia, its first international market outside China, JD.com will face stiff competition from Alibaba, the massive Chinese e-retailer that raised \$25 billion with its 2014 IPO — a world record.

Alibaba's online retail service AliExpress was one of Russia's 10 most popular websites in April

this year, with around 19.6 million monthly users, news agency Bloomberg reported, citing data from analytics firm TNS.

Unlike Alibaba, which operates as an online platform for small vendors, much like U.S firm eBay, JD.com manages every aspect of sales from warehousing to shipping.

Foreign firms are taking an increasing interest in the burgeoning Russian e-commerce market, and with good reason: the cross-border e-commerce market grew from \$3 billion to \$5 billion between 2013 and 2014, a report issued in December by industry watcher East-West Digital News (EWDN) found.

Chinese e-commerce companies, whose cheap offerings have appealed to many Russians struggling from last year's devaluation of the ruble currency, are gaining ground as the cross-border market develops.

Chinese firms accounted for around 70 percent of all packages shipped to Russia from overseas last year, up from 40 percent the previous year, according to EWDN.

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