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QUALIFICATION WORK

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on: **Improving of the enterprise's strategic management**

Completed: student of
073 «Management» (EP «Administrative Management»)

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TASK

on qualification work for student

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1. Theme of Improving of the enterprise's strategic management
Qualification work:

Supervisor Tetiana Kharchenko, PhD, Associate Professor

approved by the university from

2. Deadline for student completed project (work)

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educational methodical manuals, monographs, textbooks on the subject of research, scientific publications, economic and financial statements for the period of 2020-2022

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The analyze of various types of enterprise development strategies, as well as the identified features of the strategic planning and forecasting processes implemented within them, the author developed a scheme that reflects the specifics of the planning and forecasting processes depending on the type of hotel enterprise strategy being implemented, within which strategic planning and forecasting can be separate independent stages of strategy implementation, its result, and even elements of a mixed interaction system.

5. Date of assignment:

CALENDAR PLAN

№	Title the stages of the degree project (work)	Date of performance project stages	Note
1	Definition and approval of the thesis, preparation of the plan - schedule of work	December 2022	done
2	Selection and analysis of literary sources, the preparation of the first theoretical chapter	December 2023	done
3	Preparation and presentation of draft of the first chapter of the thesis	January 2024	done
4	Collection and processing of factual material, synthesis analysis of application issues in the enterprise	February 2024	done
5	Making the theoretical part of the thesis, summarizing the analytical part	February 2024	done
6	Design options improve the research problem	March 2024	done
7	Completion of the project part of the thesis, design chapters	March 2024	done
8	Previous work and its defense review	March 2024	done
9	Checking the authenticity of the thesis	March 2024	done
10	Deadline for student completed the thesis	March 2024	done
11	Defense of the thesis	March ,22 2024	done

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SUMMARY

Wang Yidi. Improving of the enterprise's strategic management.

Master's thesis in the specialty 073 «Management», EP «Administrative Management» SNAU, Sumy-2024 - Manuscript.

Based on the analysis of various types of enterprise development strategies, as well as the identified features of the strategic planning and forecasting processes implemented within them, the author developed a scheme that reflects the specifics of the planning and forecasting processes depending on the type of hotel enterprise strategy being implemented, within which strategic planning and forecasting can be separate independent stages of strategy implementation, its result, and even elements of a mixed interaction system.

At present, Alibaba has a large market advantage in B2B, but it is concentrated in large and medium-sized cities. In the vast number of small and medium-sized cities and rural areas, the e-commerce infrastructure of small and medium-sized enterprises is being constructed at a high speed, and e-commerce awareness is gradually awakening. Alibaba to build a strong e-commerce platform needs to purchase a large number of hardware and software products, hardware Alibaba can be purchased and leased, there are a large number of suppliers to choose from. In terms of software, Alibaba's core software comes from self-developed or affiliated companies. So the bargaining power of suppliers is very low.

Alibaba Group's revenue from its China business was RMB15.637 billion in fiscal 2020, and RMB29.167 billion (US\$4.692 billion) in fiscal 2021; revenue from its international business was RMB3.765 billion in fiscal 2020, and RMB4.160 billion (US\$669 million) in fiscal 2021; and revenue from cloud computing and Internet infrastructure was RMB515 million in fiscal 2020, and RMB650 million (US\$105 million) in fiscal 2021. Revenue from cloud computing and Internet infrastructure was RMB515 million in fiscal 2020 and RMB650 million (approximately US\$105 million) in fiscal 2021; and revenue from other businesses was RMB108 million in fiscal 2020 and RMB540 million (approximately US\$87 million) in fiscal 2021.

It can be seen from this that the proportion of revenue and profit of China's business and other businesses has increased. At this stage, Alibaba B2B still has huge revenue. As the main revenue of the group, other projects are also in continuous development. With the continuous expansion of the scale, the revenue of other projects will become larger and larger. Alibaba has a very sufficient source of funds.

Keywords: strategic management, development program, innovation strategy.

АНОТАЦІЯ

ВАНГ ЙІДІ. Удосконалення стратегічного управління підприємством. Магістерська робота за спеціальністю 073 "Менеджмент", ОПП "Адміністративний менеджмент" СНАУ, Суми-2024 - Рукопис.

На основі аналізу різних типів стратегій розвитку підприємства, а також виявлених особливостей процесів стратегічного планування та прогнозування, що реалізуються в них, автором розроблено схему, яка відображає специфіку процесів планування та прогнозування залежно від типу готелю. стратегія підприємства, що реалізується, в рамках якої стратегічне планування та прогнозування можуть бути окремими самостійними етапами реалізації стратегії, її результатом і навіть елементами змішаної системи взаємодії.

В даний час Алибаба має велику ринкову перевагу в B2B, але вона зосереджена у великих і середніх містах. У величезній кількості малих і середніх міст і сільської місцевості інфраструктура електронної комерції малих і середніх підприємств будується з високою швидкістю, і обізнаність про електронну комерцію поступово пробуджується. З точки зору програмного забезпечення, основне програмне забезпечення Алибаба надходить від власних розробників або дочірніх компаній. Отже, переговорна сила постачальників дуже низька.

Дохід Алибаба від китайського бізнесу склав 15,637 мільярда юанів у 2020 фінансовому році та 29,167 мільярда юанів (4,692 мільярда доларів США) у 2021 фінансовому році; дохід від міжнародного бізнесу склав 3,765 мільярда юанів у 2020 фінансовому році та 4,160 мільярда юанів (669 мільйонів доларів США) у 2021 фінансовому році; дохід від хмарних обчислень та Інтернет-інфраструктури склав 515 мільйонів юанів у 2020 фінансовому році та 650 мільйонів юанів (105 мільйонів доларів США) у 2021 фінансовому році. Дохід від хмарних обчислень та інфраструктури Інтернету становив 515 мільйонів юанів у 2020 фінансовому році та 650 мільйонів юанів (приблизно 105 мільйонів доларів США) у фінансовому 2020 році. 2021 фінансовий рік; а дохід від інших підприємств становив 108 мільйонів юанів у 2020 фінансовому році та 540 мільйонів юанів (приблизно 87 мільйонів доларів США) у 2021 фінансовому році.

З цього можна побачити, що частка доходів і прибутку китайського бізнесу та інших підприємств зросла. На цьому етапі Алибаба B2B все ще має величезний дохід. Будучи основним доходом групи, інші проекти також постійно розвиваються. З постійним розширенням масштабу дохід інших проектів буде ставати все більшим і більшим. Алибаба має цілком достатнє джерело коштів.

Ключові слова: стратегічний менеджмент, програма розвитку, інноваційна стратегія.

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INTRODUCTION

Relevance of the topic. With the continuous development of the Internet era and the enhancement of globalization, the development of the Internet is more rapid and smooth under such a general background. At the same time, the Internet as its carrier of a new business operation mode - e-commerce is increasingly recognized and favored by people. The economic value and huge business opportunities covered by e-commerce are also becoming increasingly apparent. Now the global economy is in a fierce competition. With the vigorous development of e-commerce, it has injected new vitality into other industries, such as logistics industry, and also brought a huge impact on the traditional retail industry.

Alibaba Group was founded in Hangzhou, China, in 1999 by Ma, a former English teacher, and 18 partners from different backgrounds. Since launching its first website to allow Chinese SMEs to reach global buyers, Alibaba Group has grown into an ecosystem encompassing Chinese commerce, international commerce, local lifestyle services, Cainiao, cloud, digital media and entertainment, innovative businesses and more. Alibaba takes small and medium-sized enterprises as the entry point of its development mode to enter e-commerce. After more than ten years of continuous development, Alibaba stands out as the benchmark enterprise of e-commerce worldwide. As the largest e-commerce platform in China, Alibaba Group has been leading the trend of e-commerce in China for more than ten years. As an enterprise that affects e-commerce industry and traditional retail industry, it is of profound significance to study the development strategy of Alibaba Group.

This thesis mainly analyzes and summarizes the enterprise strategy management of Alibaba Network Company briefly. It analyzes and studies the advantages and disadvantages of its enterprise strategy management, so as to provide guidance and help to the development of Chinese e-commerce related enterprises.

The aim of the thesis is: This paper evaluates Alibaba's current strategic choices, and puts forward some suggestions on its future development strategy on the basis of analysis.

According to the purpose, the main objectives of the study were identified:

-to carry on the theory analysis and "enterprise strategic management" concept research;

- to learn about Alibaba Group;
- to analyze the external and internal environment of Alibaba;
- to determine Alibaba's corporate strategic options;
- to analyze the existing problems of Alibaba;
- to promote the further development of the enterprise to make strategic management suggestions.

Object is a set of theoretical, methodological, and practical aspects of the process of identifying ways to improve the competitiveness of the enterprise.

The subject is to promote the strategic development of Alibaba Group.

Research methods: literature research - the concept analysis and research of enterprise strategic management; statistical analysis, data grouping and summarization - study the market situation of enterprises and analyze the competitiveness of competitors; factor synthesis analysis - development of methodologies to improve competitiveness.

Information base is CNKI. CNKI is the largest academic paper database and academic electronic resource integrator in China, including more than 95% of officially published Chinese academic resources.

Scientific novelty of the results. The concept of enterprise strategic management: the enterprise determines its mission, sets the strategic objectives of the enterprise according to the external environment and internal conditions of the organization, plans to ensure the correct implementation and realization of the objectives, and relies on the internal capabilities of the enterprise to put such planning and decision-making into practice, and controls a dynamic management process in the implementation process. Its characteristics are as follows: First, strategic management not only involves the formulation and planning of strategies, but also includes the management of the implementation of the formulated strategies, so it is a whole-process management. Second, strategic management is not a static, one-time management, but a cyclic, repetitive dynamic management process, which needs to be based on changes in the external environment, changes in the internal conditions of the

enterprise, as well as the feedback information of the results of strategic execution, and the process of repeated a new round of strategic management, is uninterrupted management.

Personal Achievements:

1 Wang Yidi IMPROVING THE STRATEGIC MANAGEMENT OF ENTERPRISES. Матеріали науково-практичної конференції викладачів, аспірантів та студентів Сумського НАУ (25-28 квітня 2023 р.). Суми, 2023. С. 378.

2 Wang Yidi SUPPLY CHAIN DISRUPTIONS AND RESPONSE TO EMERGENCIES IN THE MANAGEMENT SYSTEM OF ENTERPRISE. *Економіка підприємства: сучасні проблеми теорії та практики*: Матеріали дванадцятої міжнар. наук.-практ. конф., 8 вересня 2023 р. Одеса: ОНЕУ, 2023. С. 365 - 367.

The structure and scope of work. Qualification work consists of an introduction, three chapters, conclusions and suggestions, a list of references, which consists of 26 titles. The main text is placed on 58 pages of computer text, the work contains 2 tables, 8 figures.

CHAPTER 1.

THEORETICAL BASIS OF STRATEGIC MANAGEMENT

Usually, what we call enterprise strategic management refers to the exploration of the survival and development of enterprises from a long-term and global perspective under the environment of fierce competition. Enterprise strategic management is at the core of modern management, and it is also one of the most important functions of senior managers in contemporary enterprises, because it is related to the success or failure of enterprise management. Corporate strategy management is roughly divided into three main levels. That is, corporate strategy, business strategy and functional strategy. These three levels respectively correspond to different levels of enterprise strategy formulation, evaluation of the implementation of each level of enterprise strategy, and control and further management of it.

Through the overall analysis of the enterprise, the senior management of the enterprise can further forecast and plan the future development of the enterprise. Make full use of and develop the human and material resources of the enterprise, so that the management is more optimized, the enterprise profit is further improved, and the overall strategic objectives of the enterprise are realized. However, because the enterprise strategic management involves the long-term and overall problems and challenges of enterprise development, it often has the following characteristics:

First, the integrity of enterprise strategic management. Specifically, the integrity of enterprise strategic management also includes two meanings, that is, enterprise strategy is a complete management process and enterprise is a complete whole. A deeper understanding of this feature means that enterprise strategic management emphasizes the overall optimization of the enterprise rather than the importance of a certain functional department or strategic unit in the enterprise. Enterprise strategic management is standing in the holistic perspective, each unit and department of the enterprise strategy and target decision-making, which are closely related to the purpose of the enterprise.

Second, the long-term nature of enterprise strategic management. The strategic management of enterprises is faced with a long time cycle, not only the return on investment in a short period of time, but also the long-term, efficient and stable development of enterprises. Generally speaking, the time span of enterprise strategic management is at least more than three years, five to ten years, more than ten years.

Third, the authority of enterprise strategic management. Enterprise strategic management is a prerequisite for the effective operation of an enterprise, and it is particularly important for giving full play to the overall benefit function of its strategy. If its authority is poor, it will not be able to give full play to the implementation of the quick choices made by the enterprise leaders on the major issues faced by the enterprise, which will also bring obstacles to the development of the enterprise.

The last one is environmental adaptability. Enterprise strategic management is closely related to the external environment of the enterprise. Enterprise strategic management can better enable enterprises to adapt to their environment and make use of their environment more effectively. Because an enterprise is inseparable from its external environment, it is inevitable that it will be affected by the external environment. In order to make its environment produce better effects on its development, enterprise strategic management plays a good role in promoting it again.

The first stage is the strategic analysis stage. Specifically, strategic analysis refers to the systematic analysis of the development environment of the enterprise by the manager through the use of certain analytical models. Then the process of the development trend of the enterprise and the process of environmental change are judged to a certain extent. Through these initiatives, we seek to discover an optimal level of enterprise development and the environment in which the enterprise operates. The results of this judgment are used to plan and provide basis for the scientific development of enterprises. And usually, the strategic analysis is generally through the enterprise's external environment and internal environment to achieve the common analysis. The external environment of an enterprise consists of four basic factors, namely, social culture, economic environment, technological environment and political law. The analysis of these factors can enable enterprises to better understand their own external environment, to better adapt to and use the environment, and to use it as a

resource for their own development. In general, the internal environment of an enterprise refers to the basic resources and basic conditions of the enterprise itself, which not only includes the intangible resources that can be controlled and mastered by the enterprise itself, that is, tangible resources, but also includes the human resource management ability, financial analysis ability and corporate culture of the enterprise. With a full understanding of their own situation, enterprises can better recognize themselves, adjust and improve their shortcomings, develop their strengths and weaknesses while formulating strategies, make more effective use of their own resources, and improve and train their core capabilities in a more targeted manner.

The second stage is called the strategy formulation stage, its essence is strategic decision-making, that is, according to the results of strategic analysis to formulate and select the process of strategy. Enterprise strategy formulation needs to focus on solving two basic problems: First, it is necessary to clarify the business scope of the enterprise, that is, the industry in which the enterprise can engage in business activities, the target market of the enterprise, and the services or products that the enterprise can use to meet the different needs of customers. Second, we should establish the competitive advantage of the enterprise in the target market. In other words, it is necessary to identify the value advantages of the products or services provided by the enterprise to customers in order to surpass the competitors.

The third stage is called the strategy implementation stage. When an enterprise's strategy is successfully completed, it needs to take certain practical actions, so that the strategy formulated by the enterprise can get practical results. Under normal circumstances, the implementation of the strategy is carried out from the following points: First, the allocation and planning of enterprise resources must be carried out. Specifically, it also includes the resource planning and allocation of the company and strategic business units. The second is the enterprise organization structure planning and adjustment. Scientific and reasonable organization structure can provide strong support for the realization of enterprise strategy. The third is the command and coordination of enterprise leaders. Top managers of enterprises must have firm execution and clear understanding, and be good at mobilizing employees' enthusiasm

and coordinating the work of different departments. Only the right leader can implement the established business strategy.

In order to function effectively in the conditions of a market economy, enterprises need to determine the direction of further development, which will become a guarantee of successful activity. To determine the direction of development, enterprises use strategic planning as the main and most used method of strategic management. Strategic planning allows you to determine the main priorities of the company's strategic development, ensure the fulfillment of the set goals by all company employees, evaluate the achieved results and regulate the company's trajectory taking into account changes in the external environment. In its absence, it is difficult for the enterprise to respond to rapid changes in the external environment and to make the right management decisions, insufficient awareness of the importance of planning can be a sign of low-quality management of the enterprise.

Enterprise management must be considered from two directions: operational and strategic. Operational management is aimed at making management decisions that affect the current profitability of the enterprise, focusing on the internal environment of the enterprise, using short- and medium-term planning.

Strategic management was studied by well-known foreign and domestic scientists, such as I. Ansoff, B. Berman, A. Thompson, F. Kotler, M. Porter, V. Gerasimchuk, Z. Shershnyova, O. Vikhanskyi, A. Naumova.

I. Ansoff treated strategic management as an activity related to establishing the goal and tasks of the organization, with the support of a number of relationships between the organization and the environment, which enable it to achieve its goal, correspond to its internal capabilities and allow it to remain receptive to external requirements [1, c.45].

A. Thompson saw strategic management as a process by which managers establish long-term directions of the organization's development, its specific goals, determine strategies for their achievement, taking into account all possible internal and external circumstances, and implement selected action plans.

M. Porter, who is considered one of the authoritative scholars of strategic management, using the idea of the value chain, proposes to consider strategic

management as an analysis of internal processes and interactions between various components of the organization in order to determine how and where value is added. At the same time, the strategy is the positioning of the organization in relation to the industry environment [2, c.263]

Z. Shershnyova offers the following content of strategic management: it is the implementation of a concept that combines target, system, situational and integral approaches to the enterprise's activities, which makes it possible to set development goals, compare them with the existing potential, bring them into line with the latter, developing and implementing strategic set [3, p.92]

O. Vikhansky considers strategic management as the management of an organization that relies on human potential as the basis of the organization, orients production activities to consumer requests, flexibly reacts and makes timely changes in the organization that meet the challenges of the environment and allow creating competitive advantages that as a whole, it enables the organization to survive in the long term, while achieving its goal [4, p.134].

Taking into account the scientific works of foreign and domestic authors, diverse views on the definition of strategic management, we can state that strategic management is a multi-faceted, formal-behavioral management process that helps to formulate and implement effective strategies that contribute to balancing relations between the organization, including its individual parts, and the external environment, as well as the achievement of established goals [5, c.3].

The purpose of strategic management is to define goals and strategies, develop and ensure the implementation of a system of plans as tools for the implementation of strategic guidelines for the improvement of the enterprise and its separate subsystems, which is the basis for ensuring its competitive existence in the long term [6, c.2].

The advantages of strategically oriented enterprises include [7, c.14]

- reduction to a minimum of negative consequences of changes taking place, as well as factors of "uncertainty of the future";

- the ability to take into account objective (external and internal)

factors that shape changes, focus on the study of these factors, form relevant information banks;

- the opportunity to obtain the necessary basis for adopting strategic i tactical decisions;
- facilitate the work of providing long- and short-term efficiency and profitability;
- an opportunity to make the organization more manageable, because in the presence of a system of strategic plans, it is possible to compare the achieved results with the goals specified in the form of planned tasks;
- the possibility of establishing a system of stimulation for development flexibility and adaptability of the organization and its individual subsystems to changes;
- ensuring the dynamism of changes through the acceleration of practical actions regarding the implementation of strategic plans based on the appropriate system of regulation, control and analysis.

Scientists distinguish the following principles of successful strategic activity of the enterprise [10, c.10]

- every enterprise is an open socio-economic system, that changes, develops and restructures in a dynamic, often hostile environment;
- newly created enterprises have a high level of flexibility and reactivity, which enables some of them to ensure survival. Further, they become more stable: this means that for change and development, special measures must be developed, which take the form of more or less well-founded strategies, taking into account how external (market) and internal (production) factors;
- the consistent development of an enterprise or organization is connected with the formulation of clear, simple and achievable goals, which find expression in the system of technical and economic, quantitative and qualitative indicators (for example, profit, turnover, product quality level, budgetary characteristics, etc.), as well as in the system of strategies for their achievement, which is interpreted in the "strategic recruitment";
- even in the case of the application of a strategic management system with a "strategic na6ip" orientation, there comes a time when they become obsolete and begin

to restrain the development of the enterprise. To avoid this negative state, a strategy is constantly needed review and update;

- support for changes, innovations of various types must be ensure an effective system of motivation, social and psychological support, which contributes to the implementation of strategic actions;

- ensuring the dynamism of changes through the acceleration of practical actions regarding the implementation of strategic plans based on the appropriate system of regulation, control and analysis;

- creation of production potential and a system of external relations, which are susceptible to changes and make it possible to achieve future goals.

The implementation of these principles ensures the construction of a well-founded sequence of actions regarding the implementation of the concept and formation of the strategic management system.

The development of a joint vision of the organization is carried out on the basis of discussions, assumptions about the positions, sizes, and reputation of the enterprise in 3-5 years. Defining such a vision will help to choose a development strategy, which in turn will contribute to achieving the planned positions.

In order to turn the shared vision of the organization into reality, it is necessary to develop a number of goals that can cover different categories: programs, resources, management, relations, institutional development, and others.

Development of an action plan, which deals with goals and objectives, defines work plans on an annual basis. Once the longer-term elements of the strategic plan have been developed, it is time to provide a concrete work plan to begin implementing the strategy.

The completion of the development of the strategic plan is accompanied by the creation of a written document, in an arbitrary form, which summarizes the results and decisions made, and contains all important steps.

Monitoring of all future actions and results is a necessary element of strategic planning, taking into account its indicators of possible changes in strategy. During monitoring, the reasons for the incomplete achievement of the set goals are determined and appropriate measures are taken.

Financial stability and positive dynamics in profitability, the presence of customers, clients or consumers of products or services, i.e. the source of the company's income, are characteristic features of the implementation of programs for the sustainable development of an enterprise or organization; comfort of work, competence, social security provided to personnel, i.e. factors that create competitive advantages in personnel productivity; the positive impact of activity results on public consciousness from the point of view of environmental protection and consumption of energy resources; positive assessment of the company's activities by society, staff and business partners. Indicators should be used as tools for evaluating the economic and ecological results of previous management decisions regarding the development of economic activity and preventing erroneous future decisions when controlling the degree of achievement of established development goals [23, c.85].

The methodology, which is based on the calculation of only quantitative indicators, is not able to reveal the mechanism of supporting the sustainable development of the enterprise based on managerial decisions. Along with quantitative indicators, it is necessary to use qualitative indicators, this will provide an opportunity to provide an in-depth understanding of the problem of economic sustainability of the enterprise's development. The study of economic processes at the enterprise level is of key importance. It is at this level of management that you need to pay attention to what opportunities each economic entity has to support and achieve sustainable development of the enterprise.

Ensuring the sustainable development of the enterprise is reflected in the achievement of systems of goals (economic, social and environmental) based on the consistent implementation of the principles of responsibility to society. In this case, profit is no longer the ultimate goal, to which management activity should be directed. It is one of the economic goals and performs an important function - it acts as a means of achieving the entire system of goals. Scientists Rodionov L.N. and Abdulina L.R. propose to consider as a criterion for assessing the sustainable development of the enterprise the indicator of achieving stable rates of economic growth of the main activity of the enterprise, obtaining profit, sufficiency for self-financing of economic development and ensuring sustainable growth in dynamics [23, p.85-89].

A general diagnosis of the current state and a complex analysis of the internal environment are usually carried out through research and consideration of the main indicators of the enterprise's activity. Therefore, it is necessary to select those indicators that most fully characterize the social, economic and ecological spheres of activity, and are actually the prerogatives and defining features of the concept of sustainable development.

The economic and social level of activity of foreign and Ukrainian enterprises contrasts greatly with each other, and care for the environment in Ukraine represents isolated cases. At the same time, environmentalists around the world call on representatives of the business world and society to pay attention to the problems of global warming and large-scale pollution of the planet and suggest focusing on environmental protection, which should become one of the priorities for Ukrainian enterprises. However, these initiatives require significant budget funding, so for those entities that have just started on the path to achieving sustainable development or are beginning to emerge from a long-term crisis, it is impossible to simultaneously achieve accelerated positive changes in the financial, social, production and environmental spheres at the same time. The implementation of proactive actions aimed at improving the main characteristics of these areas should take place gradually, but with significant attention paid to each direction.

The evaluation of sustainable development programs is represented by the main financial and non-financial indicators. Financial indicators are the result of activity; they evaluate how effectively the company's strategy was developed and implemented, how profitable the actual decisions of the management were. But these indicators are not able to present a complete picture of the existing problems, which may have caused an undesirable financial result [23, p. 85-89].

This problem can be solved only thanks to non-financial indicators that signal deficiencies in the main areas of activity. It is thanks to non-financial, anticipatory indicators that it is possible to predict the development of events in the future and prevent unwanted deterioration of the financial potential of the enterprise.

The manifestation of the sustainability of the internal system of the enterprise depends on its initial features and starting characteristics. For enterprises with low

starting conditions, positive dynamics and high growth rates can be considered signs of sustainable development. The ultimate goal is to ensure compliance of activity results with certain standards that belong to the sphere of sustainable development. Therefore, approaches to recognizing development as sustainable depend on the situation and reference indicators in the industry.

CHAPTER 2.

STUDY OF THE FUNCTIONING OF THE STRATEGIC MANAGEMENT SYSTEM OF THE ENTERPRISE

2.1. Organizational and economic principles of enterprise functioning

Since entering the twenty-first century, China's Party Central Committee and State Council have always attached great importance to the development of e-commerce, and have taken a number of measures and issued a series of policy documents. One of the more programmatic documents is the "Opinions of the General Office of the State Council on Accelerating the Development of E-Commerce" of 2005.

In 2007, the National Development and Reform Commission (NDRC) and the State Council Informatization Office jointly issued China's first "Eleventh Five-Year Plan for E-Commerce Development", which clearly sets out the national e-commerce development goals during the Eleventh Five-Year Plan period. The development of e-commerce has attracted attention at the national level.

In order to fully implement the National Informatization Development Strategy 2006-2020, the Outline of the Twelfth Five-Year Plan for National Economic and Social Development and the Opinions of the General Office of the State Council on Accelerating the Development of E-Commerce, the Ministry of Industry and Information Technology (MIIT) issued the E-Commerce "Twelfth Five-Year Plan" in 2012. The plan identifies the main tasks of e-commerce development in the "Twelfth Five-Year Plan" period: one is to comprehensively promote the deepening and popularization of e-commerce applications; the other is to develop and expand the e-commerce service industry, focusing on the promotion of the industrialization of e-commerce services; and the third is to accelerate the improvement of the e-commerce institutional environment.

At the same time, the promulgation and implementation of laws and regulations such as the Electronic Signature Law, the Electronic Payment Guidelines, the Interim Measures for the Administration of Online Commodity Transactions and Related

Services, the Measures for the Administration of Payments by Non-Financial Institutions, and the Code of Practice for Third-Party E-Commerce Transaction Platforms, have provided legal safeguards and policy bases for the formation and development of the e-commerce market.

With the continuous development of China's e-commerce, the relevant laws and regulations and policies will be improved day by day, e-commerce will usher in a good, stable and healthy legal policy environment.

Alibaba as an e-commerce giant, as a model in the industry, will greatly benefit from the policy advantages brought about by the regulations and policies; at the same time, in the constraints of the regulations and policies are bound to bear the brunt.

Since 1990, the development of e-commerce has gone through 24 years. Its development can be summarized in three stages. In these three stages, through the influence and cultivation of various events, e-commerce has been slowly integrated into people's lives.

Budding stage (before 2003): the Internet economy is in full swing, making the Internet into everyone's business, for the future development of e-commerce to create the soil.

High-speed development stage (2003-2007): the outbreak of "SARS" made the characteristics of e-commerce, such as long-distance, non-contact, time and space irrelevance and so on, have been infinitely enlarged. For the development of e-commerce ushered in an unprecedented opportunity. It is also this period, e-commerce began to enter people's lives.

Transformation and upgrading stage (2008-present): the arrival of the financial crisis, foreign exports fell sharply. Make the country vigorously stimulate domestic demand. E-commerce in this node also ushered in a new round of rapid development. During this period, a large number of e-commerce consumers have been cultivated. People's e-commerce consumption habits can be developed.

According to the statistics of the National Bureau of Statistics, at the end of 2022, the total population of mainland China was 1411750000. The China Internet Network Information Center (CNNIC) announced that by December 2021, the number of Internet users in China had reached 618 million, with a total of 53.58 million new

Internet users in the whole year. The Internet penetration rate was 45.8%, 3.7 percentage points higher than that at the end of 2020. According to the monitoring data of China Electronic Commerce Research Center (100EC. CN), as of December 2021, the number of online shoppers in China had reached 312 million, up 26.3% year on year, compared with 247 million in 2020. It is estimated that by 2022, this scale will reach 380 million.

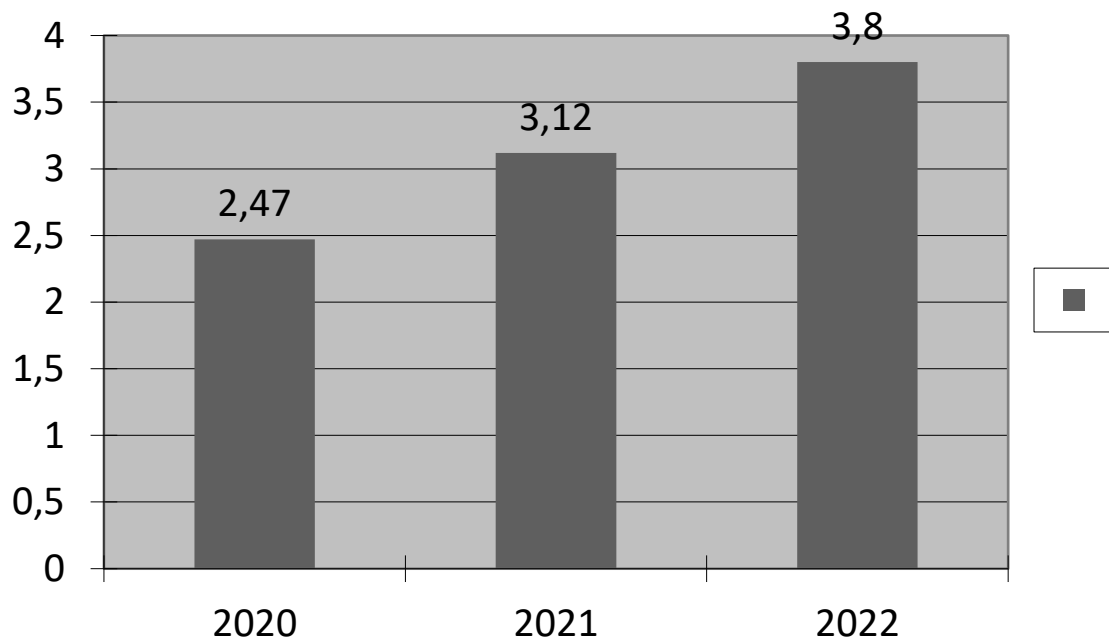


Figure 2.1 - Growth chart of China's online shopping users from 2020 to 2022

The results of the survey show that the largest number of online shopping users are between the ages of 25-30, with more than half of the total, 56%, in the age group of 19-30. 17% of the online shopping users are between the ages of 31-35, 12% are between the ages of 35-40, and 11% are above the age of 40.

The proportion of online shoppers over 31 years old has reached 40%, indicating that the proportion of older online shoppers in the total number of online shoppers has increased significantly under the leadership of younger online shoppers, and that users in this age group can attract the attention of e-commerce enterprises due to their strong purchasing power.

China's total population is huge, with the rapid development of China's Internet, the network is more popular as well as the rapid development of the logistics industry,

the population of online shopping is also rapidly increasing, and e-commerce involves a large demand for commodities, the potential consumption of large, that is, e-commerce, the potential market is large.

The 21st century is known as the Internet era. Various advanced Internet technologies emerge in endlessly, and the speed of technology change is increasingly rapid. On May 22, 2023, the international TOP500 organization released the latest list of the world's top 500 supercomputers, and China's "Sunway Taihu light" ranked seventh with 93Pflop/s. With the supercomputer's data computing, analysis capabilities continue to improve, will be a better and more efficient service for e-commerce. E-commerce talent is also a key factor in the development of e-commerce. According to the China E-commerce Research Center monitoring data show that as of December 2022, e-commerce service enterprises directly engaged in more than 2 million people.

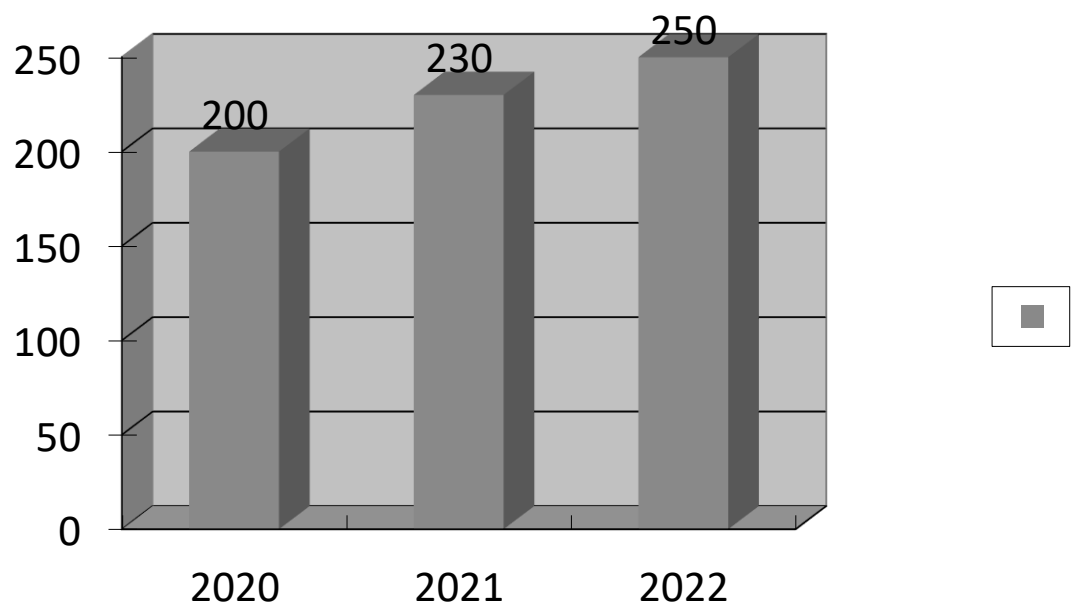


Figure 2.2 - The number of direct employees of Chinese e-commerce service enterprises from 2020 to 2022

Industry environment analysis:

We mainly use the Porter's Five Forces model to analyze the industry environment from the following five aspects. Namely.

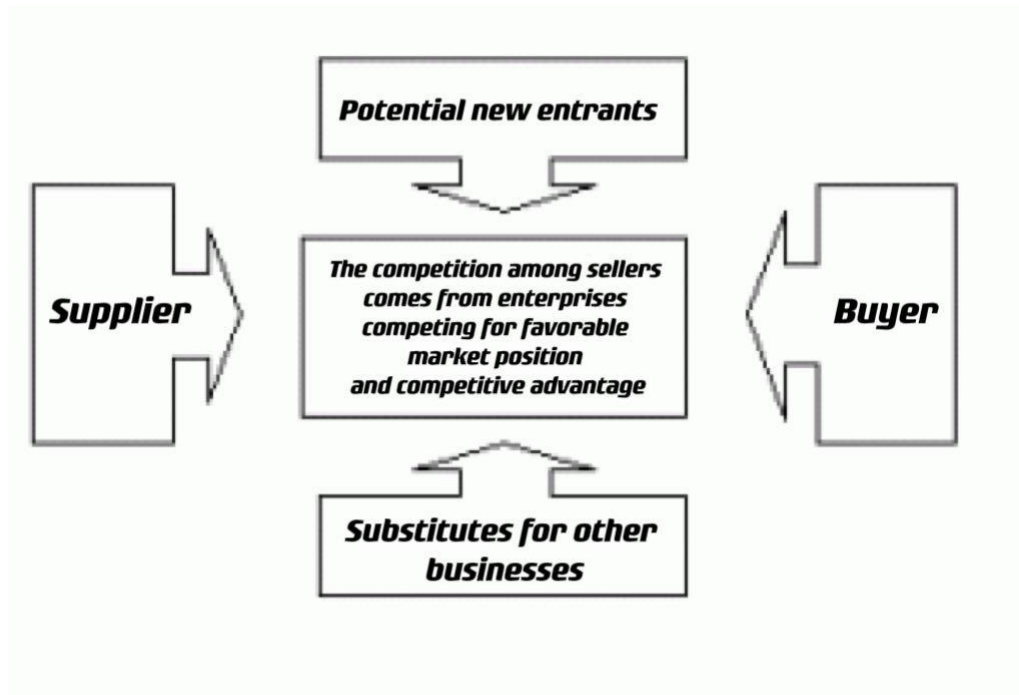


Figure 2.3 – PEST analysis of enterprise

I. Competitiveness of existing competitors

1. B2B:

(1) global resources network: in the overseas version of the members do have to compete with Ali, but in the domestic members, Ali is now far ahead of the global resources, now with strong financial support, in the overseas version of the members of the growth of Ali is clearly better than the prospects of global resources a lot. The

(2) Huicong network: launched in 2004 to buy and sell through itself is a mistake, no good will increase bandwidth and servers, just blindly in the CCTV put tens of millions of advertising costs, and overdraft their own publications on hand to accumulate the advantages of the resources, plus one-third of Ali's overseas members to contribute to seventy percent of the revenue, but Huicong at the outset is just aiming at the domestic members.

(3) ChemChina: The first pure network company listed in A-share market, ChemChina has not been able to compete with Alibaba for at least five years. After all, it is impossible to compete with Alibaba only by relying on the chemical industry, and Alibaba, which is now listed, has the money to buy ChemChina. Based on the above analysis, Alibaba Baba currently faces little threat from competition in the same industry, at least no real threat in the short term.

2. B2C:

Jingdong Mall: Jingdong Mall mode is a typical network dealer mode, and Wal-Mart, Carrefour, Gome Electrical Appliances and other hypermarkets business model is similar to a fixed supplier of goods, self-management, self-financing. Jingdong Mall to determine a good marketable products, looking for suppliers of goods, and then sold through the online mall. This model has a wide range of products, profit gains higher advantages. Jingdong Mall can also adjust the center of gravity of product sales in a timely manner according to changes in market demand. But also exists at the same time more competitors, a single product category, supplier default and other shortcomings.

3. C2C:

Tencent Paipai: Paipai is Tencent's C2C online retail e-commerce platform. As an important part of Tencent's diversified operation, nearly 800 million Tencent QQ users easily exceeded 300 million users, providing a solid user base for the development of Paipai. As an important part of Tencent's overall development strategy, Paipai has long positioned itself as a "popularizer and innovator of e-commerce in China" to promote the comprehensive popularization and development of e-commerce in China. Since the customers targeted are mainly middle-aged and young people, Paipai mainly advocates fashion and trendy brand culture, and advocates the establishment of a mutual aid and honest community centered on user self-management, so as to form a safe and reliable one-stop online shopping platform and provide users with honest and safe online shopping services.

At present, Paipai mainly has several major channels: women, men, online games, digital, mobile phones, life, sports, students, special offers, mothers and babies, toys, premium products, hotels, etc. The QQ Special Zone also includes products and services with Tencent characteristics, such as QCC, QQ pets, QQ shows, QQ dolls, etc.

It is worth mentioning that, as a powerful third-party online payment platform, CaiPuTong can independently provide users with safe and convenient online transaction services, making Paipai.com one of the few e-commerce websites in China that carries out the business of third-party payment platform.

In recent years, Paipai has made breakthroughs in traffic, transaction volume and number of users, and has developed into one of the most influential C2C platforms in China, second only to Taobao.

II. Threat of substitutes.

Alibaba's biggest competitors are not B2B websites such as Global Resources and Huicong, but search engine service providers such as Google, Baidu and Sohu. With the development of user habits and technology, the two will intersect. For a small and medium-sized enterprise, there are many ways for customers to find themselves through the Internet. One is through Alibaba, one is through portal advertising, and the other is through search engines. The customer will compare the three advertising effects. In the future, Alibaba's "Chinese suppliers" and "Chengxintong" not only need Alibaba to provide B2B services, but also need search engine services. How to integrate the search business with the existing B2B business is crucial for Alibaba.

III. Threat of new entrants.

At present, Alibaba has a large market advantage in B2B, but it is concentrated in large and medium-sized cities. In the vast number of small and medium-sized cities and rural areas, the e-commerce infrastructure of small and medium-sized enterprises is being constructed at a high speed, and e-commerce awareness is gradually awakening.

"One Call, One Hundred Responses" has been developed since 2003, which has the first mover advantage in the B2B vertical search field. In addition to the national channel roadshow in the past year, the channel team was rapidly established. The business spreads all over the country, goes deep into the vast rural areas of the second and third tier cities, and has obvious advantages. Even in terms of domestic geographical coverage, Alibaba is not inferior.

IV. Supplier bargaining power

Alibaba to build a strong e-commerce platform needs to purchase a large number of hardware and software products, hardware Alibaba can be purchased and leased, there are a large number of suppliers to choose from. In terms of software, Alibaba's core software comes from self-developed or affiliated companies. So the bargaining power of suppliers is very low.

V. Bargaining power of purchasers:

Alibaba Group mainly targets two groups of customers, namely SMEs and online consumers. There is a difference in the bargaining power of these two groups as service users, i.e. buyers.

Usually, due to the limitations of human, material and financial resources, SMEs urgently need to carry out e-commerce activities with the help of e-commerce service providers. And SMEs for e-commerce service needs are very high and complex, such as marketing needs, warehousing and logistics needs. Alibaba must target small and medium-sized enterprises in the transaction process of a series of needs to provide comprehensive services. Many small and medium-sized enterprises to carry out e-commerce business, in the operation and transaction process can use Alibaba specialized e-commerce services to open up the market and increase profits. Alibaba registered members of the enterprise due to long-term use of related services, has fully accepted the service process and form, has formed a fixed habit in the process of business activities, and give up the platform to seek a new platform for the conversion cost is too high, so they hope that through the continuous use of value-added services provided by Alibaba to continue to develop, which leads to in the with Alibaba for the "Bargaining" with Alibaba seems "weak". However, Alibaba will also launch preferential strategies and value-added services to attract more fee-paying members, or give SMEs some bargaining space under pressure from other competitors. The company is also looking for a way to attract more paid members

Online consumers may easily give up using a certain e-commerce service platform due to various reasons, such as users cannot find suitable products on the website, users think that the quality of the products is serious, users think that the price of the products is not affordable, and they are not satisfied with the payment and delivery methods, etc. However, the fundamental reason is that there are better alternative platforms for them to choose from, which results in the switching costs of the consumers when they make online purchases. This results in low switching costs and relatively strong bargaining power for online consumers.

Internal environment analysis:

I. Physical resources

1. Alibaba Group now owns subsidiaries:

(1) Taobao, founded on May 10, 2003, was invested by Alibaba Group. Operate C2C business. At present, it has nearly 500 million registered users and more than 60 million regular visitors every day. Tmall mall operates B2C business. The difference from Taobao is that businesses and enterprises act as sellers, so they have absolute quality assurance.

(2) Alipay, initially launched as a network transaction tool by Taobao in order to solve the credit problem in network transactions, launched the "third-party guaranteed transaction mode". At present, Alipay, as an independent payment platform, has more than 650 million registered users.

(3) Amoy, Amoy commodity search is a new service experience launched by Taobao.

(4) bargaining, is Taobao's group-buying platform, the main push network goods group buying.

(5) Alimama, Alibaba's a new Internet advertising trading platform. Mainly for the release of website advertising and buying platform.

(6) Ali software (Aliyun), in September 2009, Alibaba Group announced the establishment of "Aliyun" Alibaba Cloud is composed of the original Alibaba Software, Alibaba Group R&D Institute, and the underlying technical teams of B2B and Taobao. The goal is to create an advanced cloud computing service platform centered on data.

(7) Amoy Flowers, the type of content mainly includes video, documents, e-books, web novels, music and pictures and other forms.

(8) China Yahoo, China Yahoo is a portal search site opened by Yahoo in September 1999 in China.

(9) IWOM is committed to building the first brand of e-commerce in the field of life services. The site provides consumers with reviews and consumer guides, and is a platform for merchants to publish promotional information, conduct word-of-mouth marketing and implement e-commerce.

(10) World Wide Web, World Wide Web is committed to providing enterprise customers with complete Internet application services, the scope of services covers basic domain name services, hosting services. Enterprise mailbox, website

construction, network marketing, voice communication and other application services; as well as high-end enterprise e-commerce solutions and consulting services to help enterprise customers to truly realize the application of e-commerce, improve the competitiveness of enterprises.

(11) Gaode, is China's leading provider of digital map content, navigation and location services solutions. It is a leading provider of digital map content, navigation and location services solutions in China

2. Financial situation.

Alibaba Group's total revenue for the fiscal year 2021 (ended March 31, 2021) was RMB15.613 trillion, and for the fiscal year 2022 (ended March 31, 2022) was RMB16.113 trillion (approximately US\$2.57 trillion).

Alibaba Group's revenue from its China business was RMB15.637 billion in fiscal 2020, and RMB29.167 billion (US\$4.692 billion) in fiscal 2021; revenue from its international business was RMB3.765 billion in fiscal 2020, and RMB4.160 billion (US\$669 million) in fiscal 2021; and revenue from cloud computing and Internet infrastructure was RMB515 million in fiscal 2020, and RMB650 million (US\$105 million) in fiscal 2021. Revenue from cloud computing and Internet infrastructure was RMB515 million in fiscal 2020 and RMB650 million (approximately US\$105 million) in fiscal 2021; and revenue from other businesses was RMB108 million in fiscal 2020 and RMB540 million (approximately US\$87 million) in fiscal 2021.

For the first nine months of fiscal 2022 (ended December 31, 2021), Alibaba Group's total revenue was RMB 40.473 billion (US\$6.511 billion), compared to RMB 25.843 billion for the same period last year. Revenue from China business was RMB35.167 billion (US\$5.657 billion), compared to RMB21.925 billion in the same period last year; revenue from international business was RMB3.557 billion (US\$572 million), compared to RMB3.117 billion in the same period last year; and revenue from cloud computing and Internet infrastructure was RMB560 million. Revenue from cloud computing and Internet infrastructure was RMB560 million (US\$90 million), compared to RMB484 million in the same period last year; and revenue from other businesses was RMB1,189 million (US\$192 million), compared to RMB317 million in the same period last year.

It can be seen from this that the proportion of revenue and profit of China's business and other businesses has increased. At this stage, Alibaba B2B still has huge revenue. As the main revenue of the group, other projects are also in continuous development. With the continuous expansion of the scale, the revenue of other projects will become larger and larger. Alibaba has a very sufficient source of funds.

II Human resources

Alibaba Group has a good team, although Jack Ma has stepped down and retired, but Jack Ma is still serving as chairman of the board of directors, Jack Ma has always emphasized the team spirit, his sentence "customers first, employees second, shareholders third" values for its brought a lot of elites, Alibaba's employees from the initial eighteen Luohan, to a large number of elites today, to 20221 grew to 12,000 people, to 2022 reached more than 20,000 people.

Alibaba in the recruitment of staff at the same time, but also pay great attention to the training of employees, a substantial increase in the expenditure on staff training, focusing on training the quality of employees, but also through the means of salary increases and other means of stabilizing the existing staff, so that Alibaba's overall human resources level of gradual stabilization and improvement. At the same time for the staff assessment is very strict, especially focusing on higher potential and better performance of employees, for poor performance of employees, the implementation of elimination.

III Intangible resources

1. Vision:

We aim to build the commerce ecosystem of the future. Our vision is for customers to meet, work and live at Alibaba and to continue to grow for at least 102 years.

2. Mission:

Alibaba Group's mission is to make the world no difficult business.

3. Blueprint:

MEET AT ALIBABA.

We facilitate millions of business and social interactions every day, including user-to-user, consumer-to-business and business-to-business interactions.

WORKING AT ALIBABA.

We provide our customers with the business infrastructure and data technology that allows them to build their businesses, create value, and share the results with our other ecosystem participants.

LIFE IN ALIBABA:

We are committed to expanding the range of products and services that make Alibaba an important part of our customers' daily lives.

4. Corporate Culture:

Alibaba Group's six values play an important role in how we run our business, recruit talent, evaluate our employees, and determine their compensation, which are:



Figure 2.4 - Alibaba Group's Corporate Culture

5. Sustainable development perspectives:

Alibaba Group is committed to being an enterprise that creates value for society. With the motto of "making the world a better place to do business," we are committed to changing the way small businesses and entrepreneurs do business and bringing consumers more choices of products and services. Our online and mobile commerce

platforms also play a leading role in creating jobs, providing business opportunities and enriching the lives of millions of consumers in China and around the world. In addition, Alibaba Group actively participates in sustainable corporate social responsibility programs to contribute to offline and online social development, including.

Alibaba's core competencies

People always think that Alibaba's technology is probably the worst in China's Internet. Baidu Li Yanhong knows technology and Ma Huateng's technology, but only Ma Yun doesn't learn anything. It seems that Ma Yun is very bad. Because of this, Alibaba's technology is the strongest in BAT, because they respect technology. Just because you don't understand technology, it doesn't matter if you don't understand technology. You should respect and love technology. So, this is Alibaba's way up to now. This is one of Alibaba's core competitiveness - respect for technology.

I am a loser, can not spell father - Ali's "nuclear weapons" is the values and ideas of the real, today Ali's proudest thing is that we really influence a lot of Alibaba people's ideas, values and lifestyles. Alibaba's first product is our employees, followed by our software, technology, followed by a variety of operational projects, especially focusing on employees, that only employees change and grow, in order to make products and technology growth and change. This is Alibaba has never insisted. This is also one of the core competitiveness of Alibaba - people-oriented.

2.2. Analysis of the state of the strategic management system of the enterprise

SWOT analysis:

Strengths

1. Because Alibaba respects technology, Alibaba's technology is the best in the industry and has strong competitiveness.

2. With a large customer base, Alibaba Group, through years of operation, has a huge customer base unmatched by others. The customer types are mainly small and medium-sized enterprises and online consumers. In 2022, the number of Alibaba B2B platform members exceeded 75 million, the number of online shops exceeded 10

million, and the number of paid members exceeded 1 million; Alipay's registered users exceeded the 600 million mark, its daily transaction volume exceeded more than 1000, and its daily transaction volume exceeded 5 billion yuan. More than 65 institutions cooperated with Alipay, and more than 500000 merchants chose to use Alipay; Tmall has more than 400 million buyers, 40000 merchants and 70000 brands.

3. It has a huge market share. Alibaba has the largest market share among B2B, Taobao, etc.

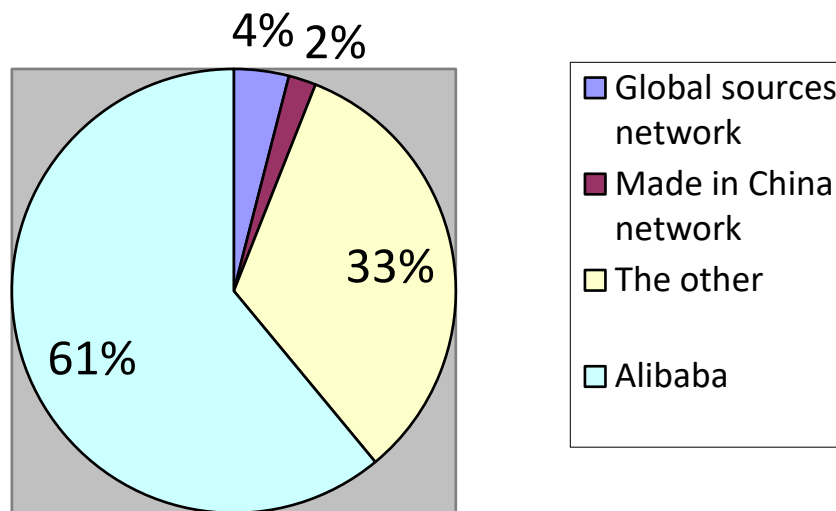


Figure 2.5 - Domestic B2B market share in Q2 2022

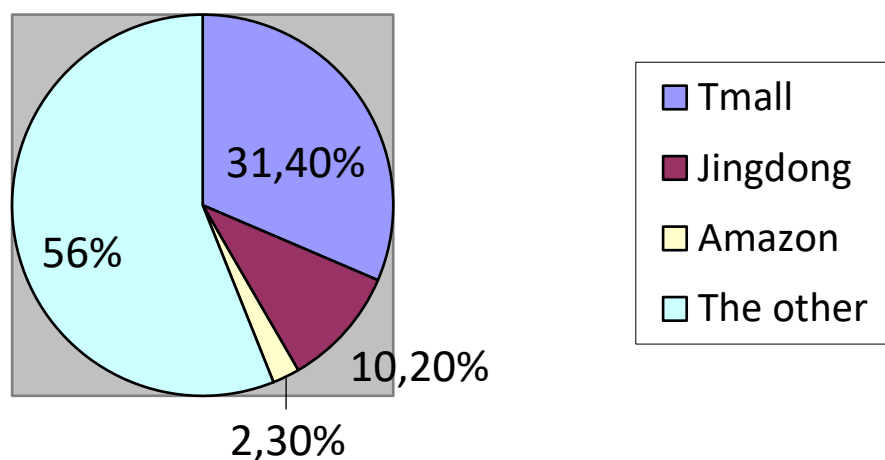


Figure 2.6 - Domestic B2C market share in Q1 2022

4. Perfect customer platform. From B2B to B2C to C2C vertically, and from information to payment to logistics horizontally, Alibaba has the best and most complete business transaction platform in China.

5. Human resources. Alibaba puts employees in the first place, invests a lot of costs in employees to improve their quality, and also puts Alibaba's thoughts deep into the psychology of every employee and pays attention to the training of talents.

Weaknesses:

1. Bureaucratization of institutions. With the expansion of the Alibaba Group, the expansion of the organization, resulting in internal management bureaucratization, decision-making and response time has become slower.

2. Information is not flexible enough. Alibaba's information is not flexible enough, reflecting the information is not timely.

3. The credit system is not sound. E-commerce, the most important is integrity, but because of Alibaba's credit system is not sound, resulting in many consumers suffer losses, similar to Taobao, many merchants brush a large number of single brush evaluation, cheating the vast consumer groups.

4. A large number of peers are competing with each other. Resulting in fierce competition in the market, Alibaba's profits have been reduced.

Opportunities:

1. The development potential of e-commerce is huge. With the development of society, more and more people come into contact with e-commerce, for the development of e-commerce provides a lot of space.

2. With the continuous increase of users, the level of consumer consumption is improved. With the popularization of the Internet and the improvement of the level of consumers, online shopping will enter a period of rapid development, which is conducive to expanding the market.

3. The adjustment of domestic industrial structure. The country's "Twelfth Five-Year Plan" proposes to develop e-commerce at a high speed.

Threats:

1. Competition in the market. More and more people find good prospects for e-commerce, so many people want to enter this industry, and more competitors, resulting in fierce competition in the market, will make Alibaba's market share impact.

2. Inadequate service capacity. With the increase in the number of consumers, the ability to serve consumers has also increased, the development of quality service capacity in order to grasp consumers more firmly.

3. Logistics constraints. Because the development of e-commerce cannot be separated from the logistics factor, the development of e-commerce closely follows the development of logistics, so the development of logistics limits the development of e-commerce.

Through the analysis and summary of the internal and external environment and other key factors of Alibaba Group, we can get the SWOT analysis matrix of Alibaba Group, which lists the strengths, weaknesses, opportunities and threats respectively - the strategy is as follows:

Table 2.1 - SWOT analysis matrix of Alibaba Group

	Strengths: 1. Technology 2. A large client base 3. Having a large market share 4. A well-established customer platform that 5. Human resources	Weaknesses: 1. Bureaucratization of institutions 2. Information is not flexible enough 3. The inadequacy of the credit system 4. Large number of peers competing with each other
Opportunities: 1. The development potential of e-commerce is enormous 2. The increasing number of users of 3. The restructuring of domestic industries	SO Strategy: Utilizing the resource advantages and service capabilities of Alibaba Group, the company has rapidly developed and grown to occupy an absolute leading position in the e-commerce service industry.	WO strategy: Divestment of key non-core businesses and large-scale market expansion to increase market share.
Threats: 1. Competition in the marketplace 2. Inadequate service capacity 3. Logistical constraints	ST Strategy: Utilizing the strengths of the Group to respond to industry trends and improve the competitiveness of our services.	WT Strategy: Divestment of key non-core businesses, launching innovative service offerings or shifting to other industries for growth opportunities.

First of all, Alibaba's ultimate strategic purpose is to establish an e-commerce ecosystem. A complete business system should integrate information flow, logistics and cash flow.

From this perspective, Alibaba's group strategy will focus on three information flow platforms, namely B2B (Alibaba. com), B2C (Tmall) and C2C (Taobao. com), and gradually radiate to the logistics and financial layers.

Making a platform is Ali's skill, and its advantages and achievements are self-evident. However, in the process of its rapid expansion, problems such as credit and standardization have been exposed, and Ali has to pay attention to them.

Doing logistics shows Ali's ambition. In 2005, Ali allied with Tianjin Datian Group and Homeexpress, two major domestic logistics giants, to establish China's first e-commerce third-party logistics alliance. In 2010, Alibaba formed a strategic alliance with UPS, the world's largest logistics company, which will provide logistics services for Alibaba's "AliExpress" customers. In 2014, Alibaba and Haier formed an alliance to build a complete open system for home appliances, including logistics and distribution.

To do finance, Ali is one step closer to the grand dream. In 2013, Alibaba launched Yu 'e Bao. In September of the same year, Ali Finance formally submitted to the relevant financial regulatory authorities to establish Ali network bank application, the proposed Ali network bank registered capital of 1 billion yuan, to provide small and micro financial services, the business scope involves deposits, loans, remittances and other businesses. Relevant departments have listened to Ali financial report, and began to study the network bank.

Alibaba.com, Taobao.com, Ali has identified two basic strategies, namely, 1, adhere to the "free registration" strategy, 2, to establish a "focus on information flow" model.

It has been proved that the strategy of free registration has helped Alibaba's network quickly build a solid foundation for its future development, and has also won valuable market opportunities for Alibaba. The "focus on information flow" model has avoided the huge investment and energy consumption of self-built logistics, and is more comfortable in the field of e-commerce. However, at the early stage of Alibaba's

network development, the star enterprises in the e-commerce field were B2C model enterprises represented by 8848, and since there was no sufficient capital reserve as the basis, nor a steady flow of cash flow as the support, Alibaba's strategy of "focusing on information flow" and "free registration" undoubtedly required great foresight and boldness. By adhering to this free model, as of December 31, 2022, Alibaba had more than 38.1 million registered users and 432000 paid members worldwide. More importantly, the "first mover advantage" obtained through the free strategy is a key resource that cannot be copied. If current new entrants to the market reuse the strategy of Alibaba's network, it is difficult to achieve the same effect.

The development of Alibaba network to review the course of research is not difficult to find, throughout the development process of Alibaba's unique and close to the actual needs of the business logic of Alibaba's business model is one of the key factors, that is: the lake to create the sea - reclamation to create a field - mutual prosperity and coexistence. Alibaba in the creation of the beginning of the most urgent task is to the vast blueprint of e-commerce in front of the small and medium-sized enterprises, but also for their own to open up a "blue sea". Therefore, Alibaba has adopted a free model, hoping that in the short term can be "cake" bigger, that is, around the lake to create the sea stage. However, after all, free is not sustainable, Alibaba as a determination to become able to survive 102 years of e-commerce enterprises, profitability is necessary and necessary, when the "cake" has been made large, many sellers and buyers in Alibaba's platform to obtain the profits, gradually integrated into the e-commerce ecosystem, but also Found some of the problems that come with it, that is, the former sparsely populated online trading market has been crowded, the chances of being found by new buyers greatly reduced, even with new potential customers to establish contact, the other side as a result of access to more sellers, the price of goods in the commodity price and so on is also more sensitive to the profit than the original greatly reduced, and Alibaba. Alibaba the "bride" is also eager to be able to obtain their own profits in a reasonable way, so Alibaba's profitability needs and the desire of customers to be able to stand out of the desire to coincide, Alibaba through the provision of upgraded services and other forms of value creation for the customer, but also to obtain their own reasonable profits, the process is like Drifting in

the ocean in the lonely boat found an island can be sheltered, Alibaba through the e-commerce information in the ocean to create a rich island, to the hope of "landing" customers to sell "tickets", that is, around the lake to create the sea stage. According to Alibaba's strategic planning, Alibaba Group's overall development strategy is to help buyers and sellers from the past "meet in Alibaba" to promote the relevant e-commerce practitioners "work in Alibaba". According to this strategic conception, Alibaba Group's e-commerce industry chain will play the role of utility service provider in the e-commerce world, the e-commerce industry chain will provide e-commerce practitioners with various types of services suitable for their respective needs, and these services will mainly come from two aspects: a part of the key services will be provided by Alibaba's own development and the other will be provided by the other platforms. E-commerce service enterprises to provide, e-commerce practitioners in each take what they need at the same time will pay a certain amount of money, all types of e-commerce practitioners and service providers will be in the industry chain to realize their own value, and Alibaba together with the development and growth, that is, mutual prosperity and symbiosis of the concept.

2.3. Evaluation of the existing enterprise development program

Operational management of the strategy includes obtaining the necessary information about the strategies of the functional subsystems of the enterprise, such as the strategy of production, marketing, finance, personnel and taking measures to resolve current issues related to the adoption of operational decisions, control over their implementation.

In the event that the planned indicators of one of the functional strategies at enterprise do not correspond to the expected values, the corresponding process is immediately activated to maximize the indicators close to the original plan. This procedure is ensured by the presence of a system of mutual relations between the management processes of functional subsystems. During the implementation of any process, only the broken parts of the plan and, if necessary, related parts are adjusted, because there is no need to change the entire development plan of the enterprise.

In the enterprise such a tool as strategic activity planning is used for strategic management, it is organized in order to ensure the development of effective plans and achieve their maximum implementation. The main task of the enterprise's strategic planning and research unit is the formation of a unified economic policy of the enterprise based on the analysis of the state and trends in the development of the industry, economic planning and analysis of the economic state of the enterprise.

Work in the strategic planning division involves research and analysis of consumer preferences. The obtained data allow us to confidently recommend the right strategies. The unit plays a key role in the process of making important decisions of the marketing department and the company as a whole. This is achieved thanks to the combination of two areas of activity [39]:

- carrying out various types of research, allowing to assess how much the company effectively uses its capabilities in various areas;
- accumulation of a large amount of information, its in-depth analysis and provision of data for making strategic decisions.

The work in the strategic planning division of enterprise is aimed at the development and preparation of current functional plans, at the adjustment of medium- and long-term plans of economic activity and development of the enterprise. An important element in planning is taking into account the obtained results of activities and analyzing the main indicators in dynamics.

To evaluate the current strategies of the enterprise, it is necessary to analyze the indicators of the external and internal efficiency of the strategy. The internal effectiveness of the strategy, or the effectiveness of the enterprise, is characterized by the degree of achievement of the set long-term goals. At the same time, the qualitative assessment of the degree of achievement of the goal can be expressed quantitatively using a rating scale [40, p.110]. The final score of 10 points indicates incomplete achievement of all the set goals of the enterprise.

Having analyzed the available strategic resources in such areas as management organization, marketing, research and development, finance, organizational culture and technology and production, we can note the following, the management has considerable experience in management, built and established a communication system

on the enterprise, the presence of a clear division of management personnel, which ensures the absence of duplication of functions and the ability to control employees.

The marketing department is constantly working on building effective channels of distribution and sales of products. Surveys are regularly conducted regarding the quality of enterprise products and service in the company's stores, these measures have a positive effect on the loyalty of product buyers. The company's financial stability is ensured by the availability of large-scale orders from the state and enterprises of Ukraine.

Alibaba Group has extensive experience in the introduction of new equipment and new products. After all, the enterprise has a sufficient material and technical base for conducting research and introducing new products into production. The shoe production technology meets world standards, which gives the company additional advantages over its competitors. It is worth noting that the enterprise has partial automation of production, thanks to which there is an opportunity to manufacture a larger number of products and obtain savings on the scale of production.

The company has a high turnover of personnel. However, the management tries to fight it by using various measures, such as paying additional bonuses, conducting training and improving staff skills, sending the best workers abroad to learn foreign experience. One of the reasons for the deviation from the organizational goal is a long period of training and adaptation of new employees.

The strengths and weaknesses of the enterprise, as well as the threats and opportunities in the external environment, determine the conditions for the successful functioning of the enterprise. Therefore, at the final stage of the analysis of the enterprise's internal environment, it is necessary to evaluate its factors [40, c.133].

Based on the results of the assessment of the factors of the internal environment of the enterprise, we will compile a list of the actual strengths and weaknesses of the enterprise.

CHAPTER 3.

DIRECTIONS OF IMPROVING THE SYSTEM OF STRATEGIC MANAGEMENT

3.1. The influence of development factors on the improvement of the strategic management system of the enterprise

Alibaba Group itself is positioned to create "the world's largest e-commerce service provider." Its overall goal is twofold: first, to become the world's largest e-commerce service provider; and second, to become the world's best employer. We believe that these goals and positioning are fully in line with Alibaba's interests, and that it is entirely possible for Alibaba to achieve these goals.

After years of high-speed development, Alibaba Group has been in the domestic e-commerce service industry to produce a huge scale advantage, but in recent years the outbreak of a series of problems, exposing the Alibaba Group in the development process of "speed" and "quality" of the contradiction, from the long-term perspective, Alibaba Group must now strategically deal with the contradiction between the two, in order to achieve new and better development. In the long run, Alibaba Group must now strategically deal with the contradiction between the two, in order to achieve new and better development. The solution is to formulate a scientific and reasonable development strategy, especially the corporate development strategy. We believe that Alibaba should choose diversification strategy.

I Diversified growth is premised on getting the main business right

Stable and fairly advantageous main business is the main source of profit and the foundation of enterprise survival. Enterprises should try their best to maximize the benefit of economies of scale by maintaining and expanding the main business that they are familiar with and good at, and make the enhancement of core competitiveness of the enterprise as the first goal. On this basis, it should take into account "monism" and "diversification". The world's best enterprises, in the choice of business areas, are the first to establish their core business (i.e., the main business), and based on this,

consider diversification. Closely around their core business, with the original core business related to some special technology, conditions, management or resources as the basis for the continuous introduction of new products, so that the optimistic market bigger and bigger. Therefore, we can draw a conclusion: that is, to engage in some "diversification" (which is a basis for realizing the adaptation to environmental changes), but also through the core competencies of their own proficiency in the main business of the enterprise, the environmental changes in the adaptation and guidance has more power, can achieve very good development results.

II Diversification based on core competencies

Diversification, as a choice of development strategy, must be conducive to enhancing the core competitiveness of enterprises. Strictly speaking, core competitiveness is the basis for enterprises to obtain long-term and stable competitive advantages and excessive returns, and related diversification based on core competence can bring enterprises higher benefits and enhance their market adaptability and competitiveness. Regardless of the form of diversification implemented by an enterprise, it is crucial to cultivate and strengthen its core competence. A stable core business with considerable competitive advantages is the main source of profits and the basis for the survival of an enterprise. Enterprises should try their best to expand their market share by maintaining and expanding the core business that they are familiar with and good at in order to maximize the benefit of economies of scale, and should regard the enhancement of core competitiveness as the first goal and as the life of the enterprise. We should regard the enhancement of core competitiveness as the first goal and the life of the enterprise

III The relevance of the newly entered industry to the main business

The relevance of the new industry to the main business plays a key role in the success or failure of diversification. Relevance can be divided into tangible and intangible links. Tangible links can share the value activities between related businesses in terms of common channels, information, talents and so on. Utilizing the existing volunteers of the enterprise to develop the market, reducing the investment in the new market, and reducing the financial burden of the enterprise.

IV Utilizing the integrative role of corporate culture

As we all know, culture is the most fundamental component of business operations, and in a broad sense, it explains and influences all aspects of business operations. After diversification, cultural differences and conflicts often arise due to differences in the nature of business, and if effective measures cannot be taken to achieve cultural integration, both parties may suffer as a result of "internal conflict". In the process of cultural integration, the historical background of the formation of cultural differences should be analyzed in depth, the advantages and disadvantages should be judged objectively, and the possibility of cultural integration should be determined. Then, on this basis, we should absorb the advantages of both cultures and discard their shortcomings, so as to form an excellent culture conducive to the realization of corporate diversification strategy, and implement it in a practical and steady manner, so as to reach a real state of integration.

V Conducting effective trademark extension and shaping

When an enterprise adopts a development strategy, it has to enter new markets and meet new customers, and the trademark image that has been formed has a process of being recognized by the customers again. Therefore, enterprises should strengthen the association of the trademark, establish the advantages of the trademark, and position the trademark as "first-class design, first-class technology, first-class products, first-class quality, first-class service" when they effectively extend and shape the successful trademark. On the contrary, if we cannot effectively extend and shape the successful trademark, and cannot make the customers produce the overall beneficial associations, but only retained in the past customary understanding of the enterprise's diversification is very unfavorable. In addition, the enterprise to enter a new field, a new market must be favorable to the existing market of existing products, to have their own new features. Only in this way can customers change their concepts.

The main task of the process of implementing the company's sustainable development strategy is to create the necessary prerequisites at the company for the implementation of the support provided by the strategic management system and the achievement of the final strategic goals of development based on the implementation of innovations, the use of advanced technologies, the improvement of the quality of the

products sold and the services provided, and the systematic improvement of personnel qualifications aimed at on the prosperity and growth of the population's quality of life.

Improvement of the strategic management system of the enterprise aimed at its sustainable development is an important aspect of the production activity of the enterprise. The conducted analysis made it possible to establish that the company's strategy is a whole complex of financial, legal, organizational, communication and marketing measures, the last of which plays an extremely important role.

Economic factors - ensuring high rates of economic growth due to increasing the efficiency of resource use, expanding the assortment, improving the financial indicators of the enterprise, increasing financial stability. Implementation and support of environmental and social factors will lead to improvement of the welfare of employees, improvement of personnel qualifications and improvement of environmental safety of products.

3.2. Justification of the feasibility of improving the system of strategic management of the enterprise

I Allocation of human resources

The allocation of human resources is generally composed of three elements.

1. Staffing of strategic positions with managerial and technical personnel, in particular the selection of key persons for key positions.

2. Establishing a reserve of human resources and technology for the implementation of the strategy, and continuously providing effective human resources for the implementation of the strategy.

3. In the process of implementing the strategy, attention is paid to the mix and balance of the integrated strengths of the entire team.

II Allocation of funds

The method of budgeting is generally used in enterprises to allocate various financial resources. And the budget is a document that shows the goals and strategies of the enterprise through financial or quantitative indicators. These types of budgets are usually used.

1. Zero-based budgeting. Rather than basing the budget on the previous year's budget, it starts all operations with a thorough cost-benefit analysis in order to prevent budgetary inefficiencies.

2. Planning budget. It allocates resources by planning project rather than by function. The planning budget has a longer duration, often synchronized with the project planning period, so that the resource requirements and effectiveness of a plan can be directly examined.

3. Flexible budgeting. It allows costs to vary with output targets, helping to overcome the "budget game" and increase budgetary flexibility.

4. Product life cycle budgeting. In the different life cycle of the product has a different need for funds, and each stage of the capital needs have different cost items. Then the product life cycle budget according to the characteristics of the different phases to prepare the capital expenditure plan and principles.

Innovative activity is directed, first of all, on overcoming of technical lag, reorientation of production potential on creation of competitive industrial productions development of which depends on the level of susceptibility of the enterprises to innovations. Thus, the innovative strategy of the enterprise in conditions of competition must not only ensure the achievement of goals but also achieve their best results, otherwise the company will not be able to compete for the market of its products. Success in this way depends on the mechanism of scientific development ideas, its development, implementation of results and consumption.

The most influential factor for innovation is the time factor, because even the most advanced technology will not succeed if it is offered late or enters an unprepared market. It is also important to consider the ability to transmit and receive information about innovative products in a short time, provided by modern communication technologies. In addition, the experience of implementing innovation strategies in other countries, the possibility of adopting alternative strategic programs for the region and the likely consequences are studied.

There are also studied the changes in economic and scientific-technological policy, choice of strategy and appropriate concentration of resources, improvement of the company's internal system. When developing a strategy and tactics of behavior,

domestic enterprises should determine the determining factor of innovation potential, which should be able to provide a competitive advantage to the international environment. It should be borne in mind that a competitive product will not appear without efficient flexible production, and a competitive country is the one that has a dynamic potential to produce new products – world market leaders. Strategic innovation planning is a subsystem in the general planning system at the enterprise in a market economy.

The object of strategic innovation planning at the enterprise is innovative activity, considering which we can note:

- in modern conditions there is an objective need for independent development of innovation strategy at the enterprise, based on the main goals and objectives of enterprise development, taking into account resource provision and risk factors, with preliminary forecasting of the state of the environment and own innovation opportunities;
- the main content of innovation is the development and implementation of scientific and technical policy in the field of new competitive products and its production and technologies in order to obtain the maximum possible profit;
- in the implementation of the innovation strategy importance of R&D and the degree of risk in their implementation increase;
- innovation is closely linked to all other activities in the enterprise, and above all, with production and marketing.

The company's strategy forms and orients the strategy of management of scientific and technological progress, i.e., determines the role, place, base and content of innovation. In turn, the innovation strategy deepens, clarifies and promotes the implementation of the company's strategy. It also contributes to the achievement of goals, priorities outside the enterprise in terms of the national economy, such as the rational use of resources; achieving highly efficient and favorable socio-economic results; achieving savings through the introduction of innovations in the entire network of production and non-production organizations and throughout the cycle "science – research – design work – research production – commissioning", both in terms of time and rationality and quality of work.

There is no single model of innovation strategy for all enterprises, as well as a single universal method of strategic innovation management. Each enterprise operating in a market economy is unique in its characteristics, so the content of strategic management of the innovation process is specific, and its forms and methods cannot be replicated for many enterprises. Virtually all thriving businesses owe their results to innovation, but not all innovative businesses succeed.

Accordingly, the innovation strategy of the enterprise should reflect the features of this path of development. The central element of strategic management is strategic planning. It is at this stage that the future success or failure of the firm is forced. Analysis and generalization of foreign experience allowed revealing the features of this process, to justify the need to develop a strategy of innovative development as an important component of the overall strategy of enterprise development.

The formation of the innovation strategy of the enterprise should be carried out in several stages (Figure 1).

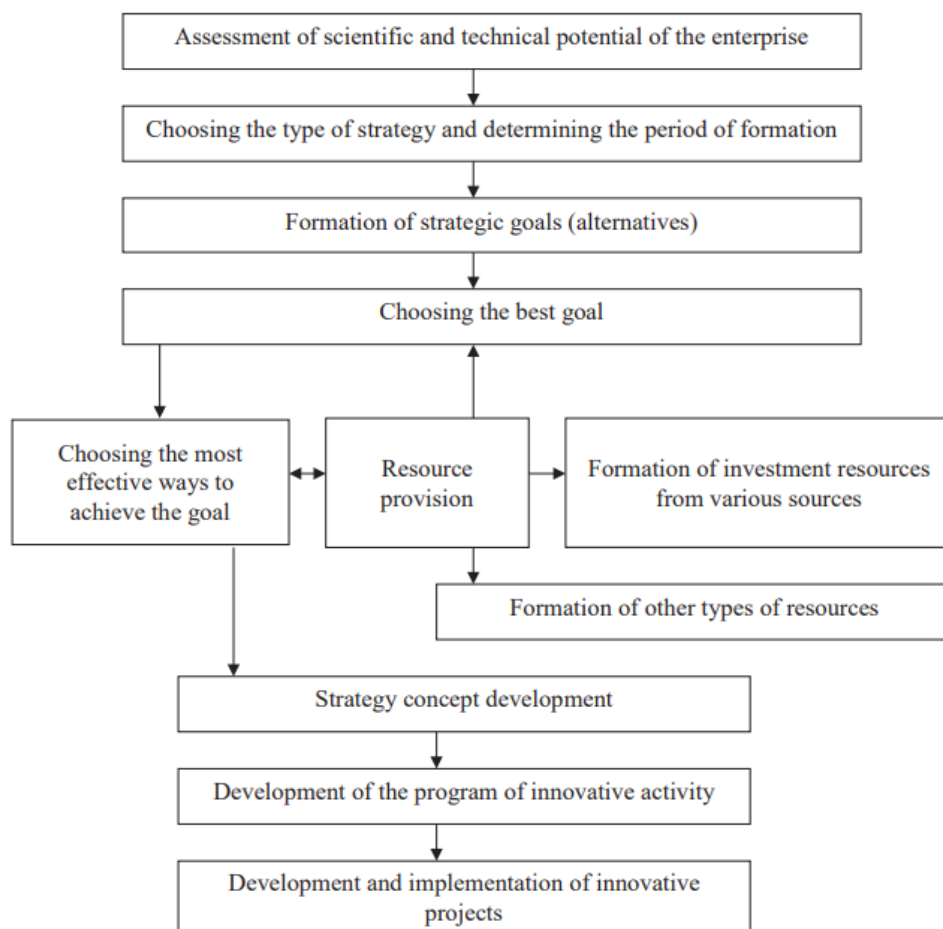


Figure 3.1 - The process of forming an innovative strategy of the enterprise

At the first stage, there should be carried out an assessment of the existing scientific and technical potential of the enterprise, which will identify its strengths and weaknesses. The next step is to determine the type of strategy. The choice of type of strategy depends on a number of factors: the global goal set by the company, its affiliation to a particular industry, the conditions of external and internal environment. In this procedure, it is important for the company to first anticipate the consequences that await it when choosing a particular type of strategy. In the same initial stages, another important issue is addressed, which is related to determining the period of validity of the strategy. Innovation takes a relatively long time.

The most responsible stage is the formation of the goal of the innovation strategy. The starting point is the purpose of the overall strategy of enterprise development. But other factors have a certain influence on this process. In particular, the formation of the purpose of the innovation strategy, largely depends on the means of organizing the innovation process in the enterprise. This process should be related to the stages of the enterprise life cycle. The main purpose of enterprise development, to which the goals of all other strategies should be subordinated, is to ensure the competitive advantage of the firm. It involves achieving the competitiveness of products, as well as gaining and strengthening positions in certain market segments (external or internal). The goals of the innovation strategy should be, first of all, aimed at improving the technical level of production, technological mobility of the enterprise, which will allow, if necessary, quickly and at the lowest cost to make the transition from obsolete to new products in the market. Of the alternatives, preference is given to the fact that can ensure the achievement of competitive advantage of the firm to the greatest extent and at minimal cost. Thus, the best option for the strategic goals of the innovation strategy, as well as ways and means to achieve them.

An important component of the formation of innovation strategy is its resource provision. The resource provision system is being developed in several areas. One of them is the formation of sufficient financial resources for the development of the enterprise. It involves finding new sources of funding, determining the optimal ratio of own and borrowed funds. Within the framework of this direction the tasks of introduction of effective mechanisms of investment of innovative projects are solved

also. Other areas of resource provision of the innovation strategy are related to logistics, staffing.

The main provisions of the innovation strategy are reflected in the concept and program of innovation of the enterprise. The concept contains the main directions of the innovation strategy and their justification, the program includes goals, objectives, stages of its implementation, interrelated in terms, resources and performers. The program also presents a list of specific measures for innovation. The most effective option is to develop and implement research and production projects for each event or a combination of them.

Thus, the innovation strategy provides the dynamics of the reproduction process in the enterprise, primarily in terms of its quality characteristics. It seems to play the role of an engine in the overall strategy. In a number of industrialized countries, it is the innovation strategy that characterizes the company's relations with competitors, consumers, suppliers. The type of the general strategy of the enterprise depends on it. Thus, the innovation strategy is a purposeful activity of defining the most important directions, choosing the priorities of perspective development, developing requirements for the development of the enterprise and a set of measures to achieve these goals.

3.3. Improvement of the system of strategic management of the enterprise

A forecast is a judgment about the probable state of an object in the future, which has a scientific basis for alternative ways and terms of their implementation.

The main features of the forecasting process include:

1. The basis of the forecast is the assessment of the present, while the basis of the future is a complex set of causes and conditions.
2. The forecast is probabilistic due to the uncertainty of the state of the research object in the future.
3. The basis of forecasting is the hypothesis about regularities.
4. The preparation of the forecast is based on scientific research of a quantitative and qualitative nature, in addition to a quantitative assessment for the future.

5. The forecast is a guideline for planning, the basis for preparing a plan.
6. The forecast assumes the presence of many alternatives.
7. The essence of the considered phenomenon determines the temporal and spatial horizons of the forecast. Often it is taken for a repetitive and continuous process.
8. Time is the judge of forecast accuracy.
9. Objectivity and scientific integrity are the main requirements for a forecaster. Subjectivity is not allowed in the assessment of the past, present and future [4].

The economic forecast is designed to assess the state and search for alternatives to management decisions; identification of problems that are weakly expressed in the present, but possible in the future; simulation of variants of events taking into account the main factors [13].

In forecasting, the concepts of "object" and "forecasting background" are distinguished.

As an object of forecasting, it is appropriate to consider processes, phenomena and events that are dependent on the cognitive and practical activity of a person [1].

The forecast background is a set of external conditions that affect the object and underlie the validity of the forecast.

Usually, forecasting work is performed in several stages [4]:

1st stage – predictive retrospection;

2nd stage – predictive diagnosis;

3rd stage – prospecting;

The 4th stage is the evaluation of the forecast for reliability, accuracy and reasonableness.

This phasing is approximate in nature, with levels of modification depending on the basic forecasting method. Based on the considered approaches to the definition and classification of plans and forecasts, as well as the processes related to them, the author concluded that strategic forecasting of business activity should be understood as the process of forming alternative scenarios for the development of an organization's business activity on the basis of scientifically based judgments about the expected conditions of the object in the future and the terms of their achievement.

If we take into account that forecasting is often the basis of planning, then strategic planning of business activity can be defined as a set of measures to implement the most beneficial scenario for the development of the organization's business activity, which is accompanied by the development of plans and programs for their implementation.

As an example, the classification model of the components of economic strategy and the peculiarities of the planning and forecasting processes implemented within some of them.

Table 3.1 - Classification model of economic strategy component

ECONOMIC STRATEGY
Level 1: Achieving economic profit
1.1 Product strategy
1.2 Pricing strategy
1.3 Motivation strategy
1.4 Financial recovery strategy
1.5 Strategy of interaction with the markets of production resources
1.6 Strategy for reducing production costs
Level 2: Increase in market share
2.1 Competition strategy
2.2 Quality improvement strategy
2.3 Strategy of innovative activity
2.4 Strategy of strengthening market positions
2.5 Globalization strategy
Level 3: growth of the value/value of the company
3.1 Investment strategy
3.2 Strategy of economic growth
3.3 Business reengineering strategy
3.4 The strategy of maximizing the value of the enterprise

When implementing a product strategy, namely the formation of a product range of a hotel enterprise, it is necessary to take into account that for each brand or product/service, its own development plan must be developed, related to the general strategy of the enterprise, marketing plan, production and sales technology, which determines the circle management tasks. The development of the company's price strategy involves the following stages of implementation:

1. General research of the intended sales market or strategic economic zones (SZG).

2. Forecasting the market situation.
3. Determination of the market model from the point of view of competitiveness.
4. Determination of the product life cycle stage.
5. Choice of the company's pricing policy.
6. Study of factors affecting the level of the selling price.
7. Acceptance of the basic price level and determination of the rational dynamics of its change.

In this case, there is no planning process, and forecasting is one of the initial stages of strategy implementation, and for forecasting the market situation, a preliminary assessment of the capacity of the market, competitive environment, government policy and sales conditions is carried out. A detailed study of all price-forming factors should be carried out after the selection of the best market segments.

When implementing the strategy of innovative activity, the planning process is carried out at the stage of organizational and planning preparation of production, at which innovations are aimed at observing the principles of rational organization of the processes of creation and production of new products/services, reducing the labor intensity and duration of the manufacturing and delivery cycle. The investment strategy can be understood as the general direction (program, plan) of the enterprise's investment activities, the task of which is to lead in the long term to the realization of investment goals and obtaining the expected investment profit. It determines the target directions and form of investment activity of the enterprise, the method of formation of investment resources and the order of stages of realization of long-term investment goals. Summarizing the approaches to the classification of forecasts and plans described above, information about the interaction of these processes and the results of the author's research can be depicted in Figure 3.2.

According to this scheme, all strategies, depending on their type, can be divided into three groups. The first group includes strategies, in the development of which only the planning process is used, the second group includes strategies, the characteristic feature of which is the presence of only the forecasting process, and the third group includes strategies, the development of which includes both the planning process and the forecasting process.

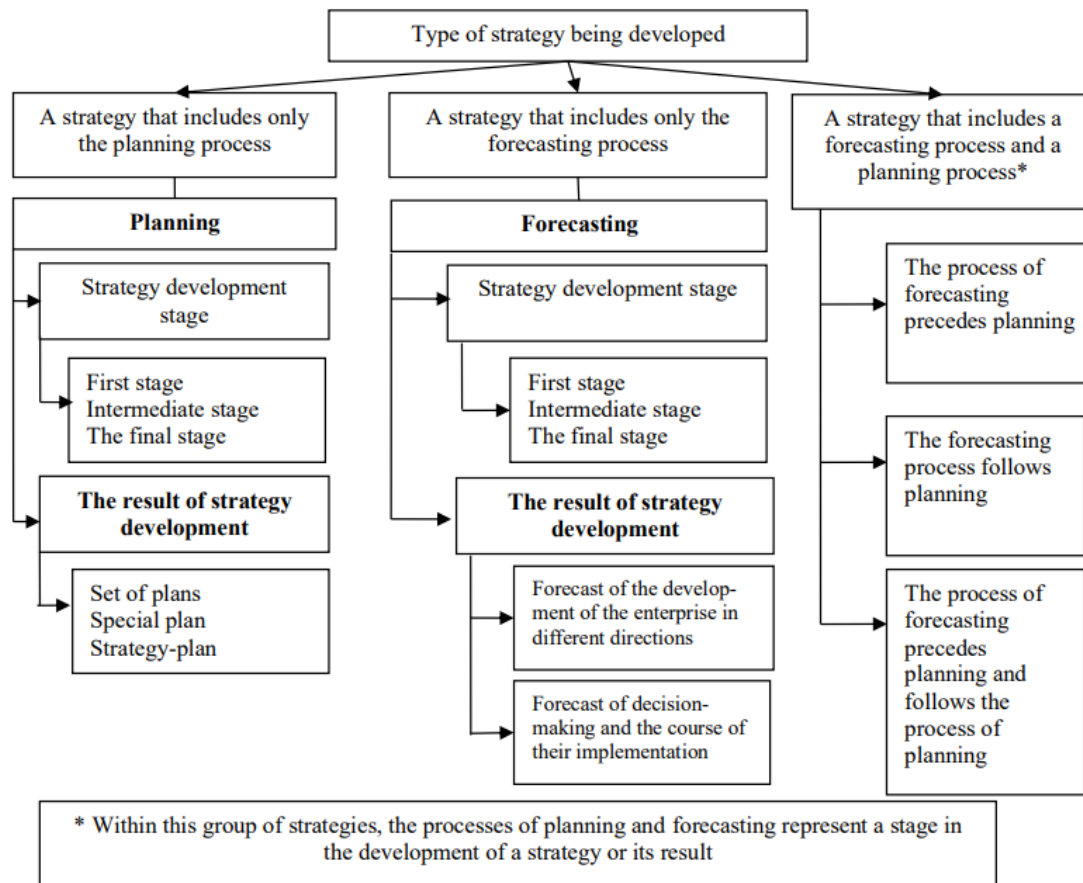


Figure 3.2 – Scheme of development of the strategy at the stages of planning and forecasting

At the same time, both strategic planning and strategic forecasting can be both a stage of strategy development and its final result. In the case of a mixed version, the process of strategic forecasting acts in relation to the planning process either as a stage that precedes planning, or as a stage that follows it, necessary to account for the consequences of decisions made in the plan or to control the implementation of the plan, or as a stage that precedes and follows it.

Guided by this scheme, it is possible, for example, to describe a product strategy as a strategy that contains only the planning process, which is the final stage of strategy development and the result expressed by a set of plans (a separate plan is developed for each product). The price strategy belongs to the strategies that contain only the process of forecasting, and forecasting appears as the initial stage – forecasting the market situation. The financial recovery strategy, as well as the investment strategy, belong to the strategies in which the plan is the result of the final stage – planning etc.

CONCLUSIONS

Thus, the analysis of the current state of science, technology and innovation Alibaba Group shows that the level of innovation, the state of production of high-tech products, funding for science, the development of infrastructure of innovative entrepreneurship in China lags far behind the world's leading countries. There is a mismatch between the scientific and technical potential of the country and the overall productivity of the national economy, due to the low efficiency of the national innovation system.

For each company, the problem of constant readiness to improve the process and product plays an important role. Strategic management of innovation differs in different enterprises depending on the initial state and setting goals, and also requires the use of new forms of organization of economic work. The study of the specific features of strategic planning and forecasting of business activity, the essence of these phenomena, their component composition and classification features made it possible to formulate the author's definitions of the concepts «strategic planning of business activity» and "strategic forecasting of business activity", in particular in the hotel and restaurant business.

Based on the analysis of various types of enterprise development strategies, as well as the identified features of the strategic planning and forecasting processes implemented within them, the author developed a scheme that reflects the specifics of the planning and forecasting processes depending on the type of hotel enterprise strategy being implemented, within which strategic planning and forecasting can be separate independent stages of strategy implementation, its result, and even elements of a mixed interaction system.

At present, Alibaba has a large market advantage in B2B, but it is concentrated in large and medium-sized cities. In the vast number of small and medium-sized cities and rural areas, the e-commerce infrastructure of small and medium-sized enterprises is being constructed at a high speed, and e-commerce awareness is gradually awakening. Alibaba to build a strong e-commerce platform needs to purchase a large number of hardware and software products, hardware Alibaba can be purchased and

leased, there are a large number of suppliers to choose from. In terms of software, Alibaba's core software comes from self-developed or affiliated companies. So the bargaining power of suppliers is very low.

Alibaba Group's revenue from its China business was RMB15.637 billion in fiscal 2020, and RMB29.167 billion (US\$4.692 billion) in fiscal 2021; revenue from its international business was RMB3.765 billion in fiscal 2020, and RMB4.160 billion (US\$669 million) in fiscal 2021; and revenue from cloud computing and Internet infrastructure was RMB515 million in fiscal 2020, and RMB650 million (US\$105 million) in fiscal 2021. Revenue from cloud computing and Internet infrastructure was RMB515 million in fiscal 2020 and RMB650 million (approximately US\$105 million) in fiscal 2021; and revenue from other businesses was RMB108 million in fiscal 2020 and RMB540 million (approximately US\$87 million) in fiscal 2021.

For the first nine months of fiscal 2022 (ended December 31, 2021), Alibaba Group's total revenue was RMB 40.473 billion (US\$6.511 billion), compared to RMB 25.843 billion for the same period last year. Revenue from China business was RMB35.167 billion (US\$5.657 billion), compared to RMB21.925 billion in the same period last year; revenue from international business was RMB3.557 billion (US\$572 million), compared to RMB3.117 billion in the same period last year; and revenue from cloud computing and Internet infrastructure was RMB560 million. Revenue from cloud computing and Internet infrastructure was RMB560 million (US\$90 million), compared to RMB484 million in the same period last year; and revenue from other businesses was RMB1,189 million (US\$192 million), compared to RMB317 million in the same period last year.

It can be seen from this that the proportion of revenue and profit of China's business and other businesses has increased. At this stage, Alibaba B2B still has huge revenue. As the main revenue of the group, other projects are also in continuous development. With the continuous expansion of the scale, the revenue of other projects will become larger and larger. Alibaba has a very sufficient source of funds.

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APPENDIXES