

Alibaba sells US marketplace 11 Main

BY CAROLINE PARRY

Chinese ecommerce giant Alibaba is selling its US-based boutique marketplace 11 Main to social shopping site OpenSky just a year after its launch.

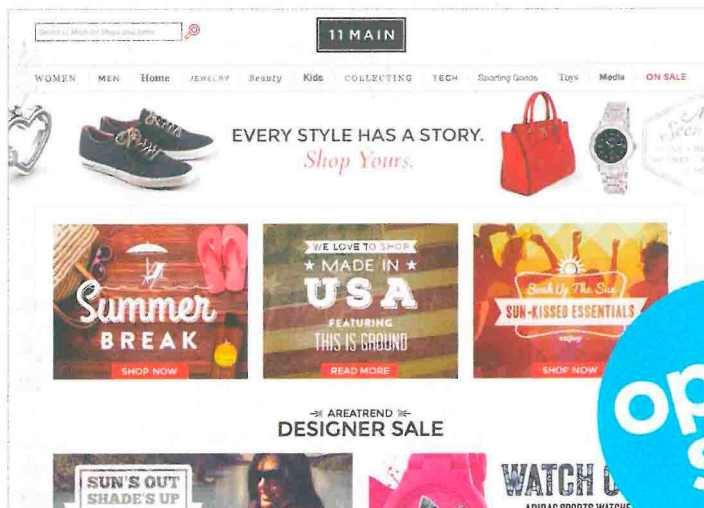
Alibaba will retain a “significant” but undisclosed stake in the combined business.

It is not known if OpenSky intends to retain the 11 Main brand but it has been reported that several of the marketplace’s management team have already left the business.

The deal also includes retail software start-ups Auctiva, Vendio and SingleFeed, which Alibaba acquired in 2010 and 2011.

11 Main, Alibaba’s first foray in the US ecommerce market, has around 2,000 listed merchants at present, up from 1,000 sellers when it launched last June.

According to reports,



Alibaba is selling the 11 Main marketplace to shopping site OpenSky

11 Main processed 1.3 million orders by early April.

OpenSky has more than 50,000 stores on its site.

1.3m

11 Main orders processed by April 2015

Alibaba launched the marketplace in a bid to offer an online equivalent of the “independent high street experience” and

an alternative to Amazon and eBay, which dominate the US ecommerce market.

However, sellers have criticised it for lacking a distinctive market positioning and for not properly curating its offer, which led to some sellers leaving the site.

It has also been suggested that Alibaba placed greater emphasis on helping US retailers such as Macy’s sell goods to China rather than making 11 Main a top priority.

Alibaba, which operates websites including Alibaba.com and Taobao in

China alongside logistics and payments services, was valued at \$230bn (£146bn) when it floated in the US last September. It is worth \$213bn (£135bn) at present.

open sky