



Empower Japan, Empower the World

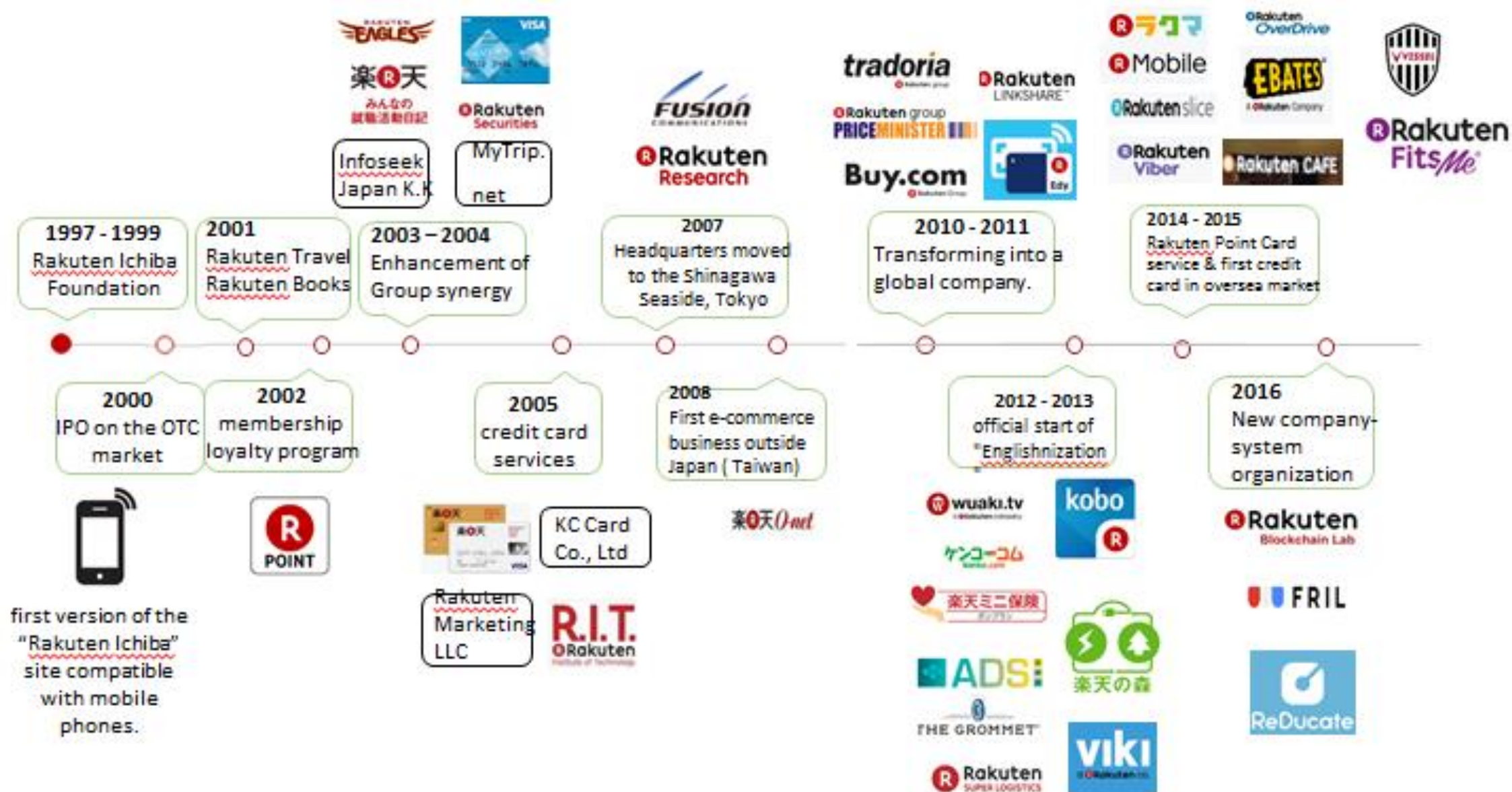
WIJARNAKO Dania
NINH Phuong Lien

At a Glance

Founded	: 1997
Capital	: ¥204,562mil (Dec,31,16)
Consolidated Revenue	: 781.986 million yen (FY 2016)
Employees	: 14,134 (Worldwide)
Membership	: 1 billion+
Global Presence	: 29 countries and region
Merchants	: 44,528



Timeline and Brands

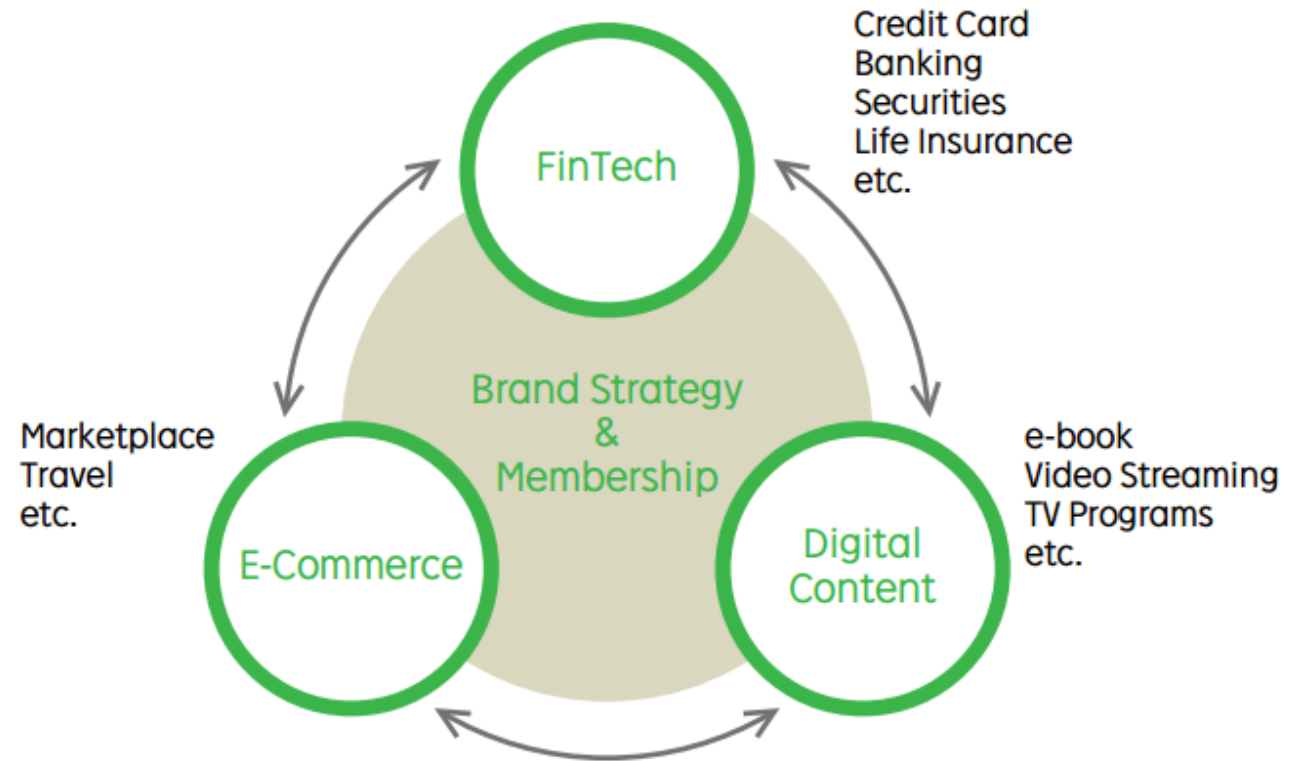


Corporate Philosophy and Value Creation Model

Corporate Philosophy

**“Empowerment” of
Individuals and Society
through the Internet**

Business Model



Diversification: Rakuten Ecosystem



Rakuten Ecosystem 'Single Brand, single membership'
linking diverse services through a common membership and loyalty program

- + Minimizes customer acquisition costs
- + Maximizes the lifetime value of each Rakuten member to the Group
- + Drives growth of gross transaction value

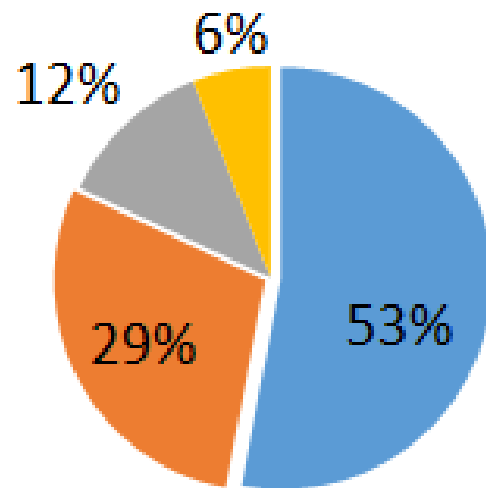
Rakuten's Global Presence



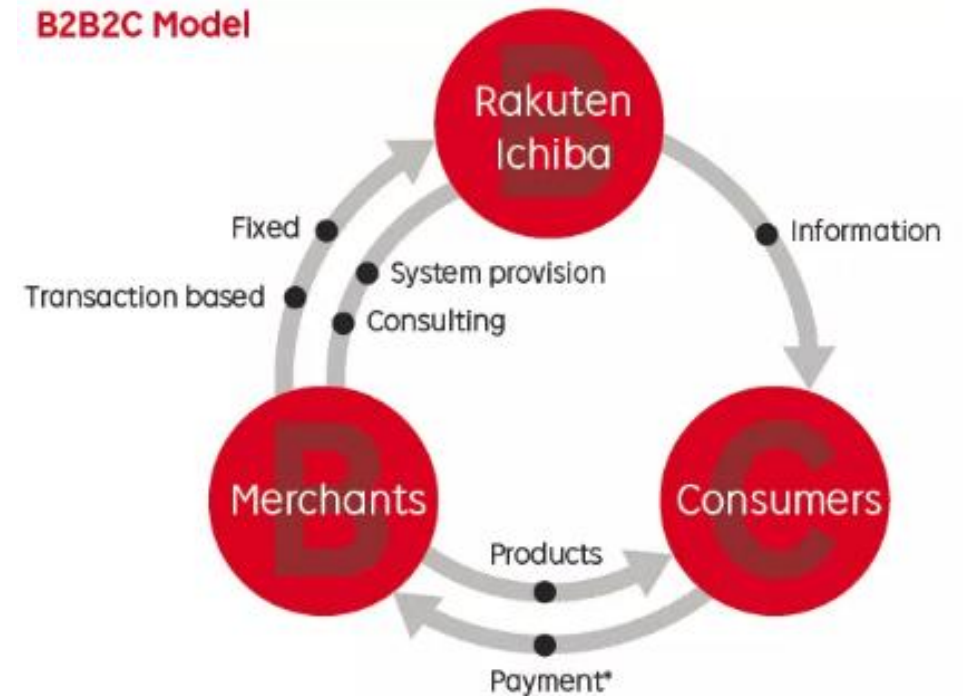
Rakuten in Japanese Market

Market share of e-Commerce platform in Japan

■ Amazon ■ Rakuten Ichiba
■ Yahoo! Japan ■ Other sites



B2B2C Model



Rakuten's Human Resources Development

Mission: Diversity × Solidarity = Empowerment of People and Society

Employees (current as of December 2016)

Number of nationalities : 70+

Women in management : 21%

Employees taking childcare leave : 112 (2015) → 135 (2016)

LGBT : lectures and study sessions to raise awareness and address issues affecting LGBT people

Employees with disabilities : 2.1% (2014) → 2.4% (2016)

Program : IDEA Talks, Diversity and Inclusion internal homepage, Entrepreneurship program, English as main language

Employees from
all over the world
Data as of December 2015

69 countries



Women in the workplace
Rakuten Inc., data as of December 2015

37%



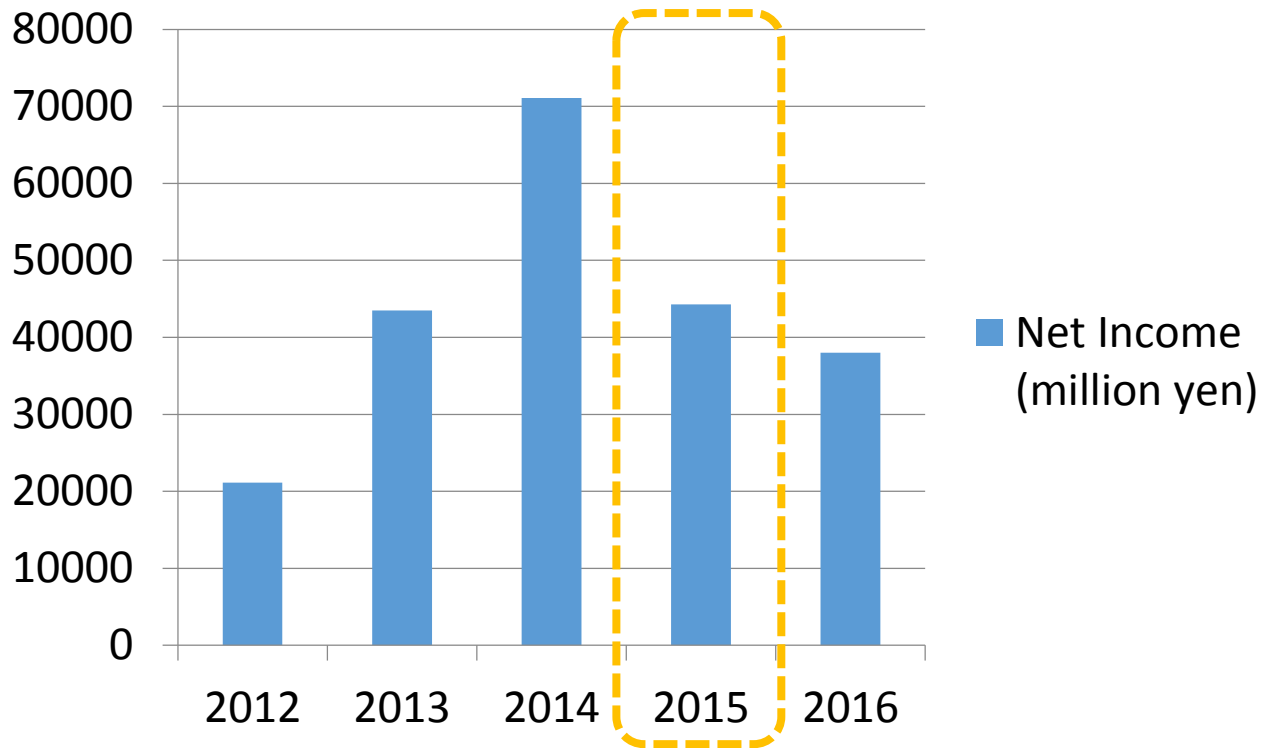
Women in
management positions
Rakuten Inc., data as of December 2015

18%

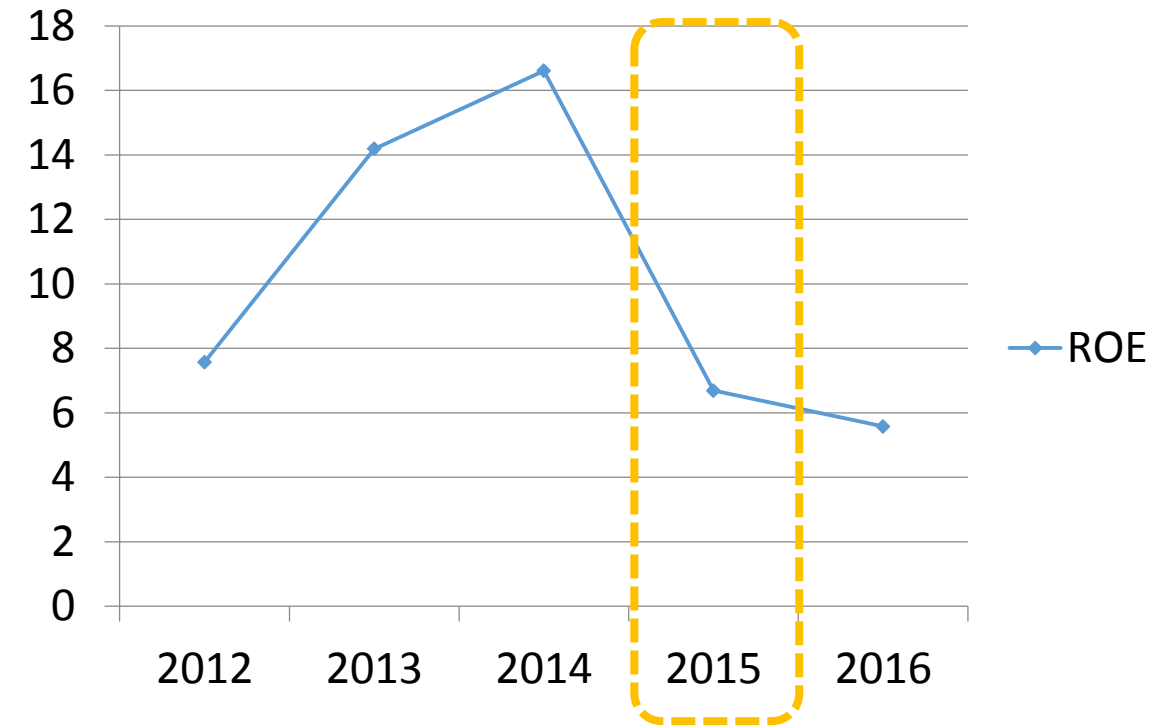


Rakuten's Financial Performance

Net Income (million yen)



ROE



2015: Head office relocation-related, impairment of goodwill and intangible, provision related to overseas subsidiaries.

Challenges: Japan and South-East Asia Market

Japan:

- The competition in the market is getting stronger (Amazon, Bic Camera, Yamada Denki, Yodobashi)
- For Rakuten Ichiba, the platform is not user friendly

SEA Market:

- Strong local competitors
- Low trust on Online Transaction
- Customer preferences to buy online goods from Social Commerce (ex: Instagram, Facebook, Line, Zalo)



Challenges: US and EU Market

US:

- Need for strategic direction of the company that Rakuten acquired (ex: Buy.com)

EU:

- Small market share (<1%). The market is dominated by eBay and Amazon
- Weak brand awareness

Global:

Presence of strong local competitors (SEA: Lazada, Zalora, Kaskus, Shopee; China: Alibaba, JD.com)



Recommendations

Japan

- More user-friendly interface
- English/other language version for Rakuten Ichiba

International

- Raise brand awareness
- Take advantage of the local companies' brand image (M&A)
- Introduce simpler seller onboarding process



A person stands on a path in a field at sunset, with their arms raised in a gesture of triumph or gratitude. Their reflection is visible in a puddle on the path. The sky is filled with colorful clouds, and a network diagram with various colored nodes and connecting lines is overlaid on the scene.

Thank you