

Slide 1

Good afternoon Ladies & Gentlemen, my name is Philipp-Emanuel.

And in representation of my team, I will share today, how ENIAC could enter the Brazilian market.

Slide 2

So here's the situation:

Brazil is attractive and Eniac wants to move fast – within one year.

To realise this, Magist could be the shortcut we need, that provides existing local structure and marketplace access.

Slide 3

Basically, we inquired following points:

Is Magist compatible with Eniac's brand and products?

Are their delivery standards & quality a fit to our needs?

And what might to be considered if we use it as our entry point?

Our analysis is based on real marketplace data from Magists Database and refined by a few additional background research on Brazil's e-commerce scene.

Slide 4

To gather some understanding of the environment in which magist operates, we start by having a look on brazils market conditions in general.

Brazils online market is pretty huge and still growing – around 41 billion euros in 2018. - as shown by the diagram

Increased mobile shopping through better internet, and the rising popularity of digital payment methods are the main forces behind this trend.

Compared to countries like Spain or Italy, the setup is appears to be similar – so we can assume that Eniac's products would also find a market there.

Spoken generally: the demand is there, and the timing looks good.

Slide 5 User Growth

Now let us check the user numbers.

Because of incomplete order data we received from magist, we adjusted our timeframe from March 2017 to July 2018 to exclude possible examination flaws.

The red line shows the customer development, while the blue one is representing active sellers.

— both are identified as users of the Magist platform.

At the beginning, we see a rapid market growth, and both lines rise almost in parallel, showing that buyers and sellers are closely connected.

Toward the end, both graphs drop sharply.

That might seem like the market is shrinking, but since both decline at a similar rate, it rather suggests that there is still demand, but supply is lacking — meaning there's room for ENIAC to enter the market.

To avoid interpretation errors, it could be useful to request data verification from magist for the second half of 2018.

Slide 6 Product Mix

What about magist's price situation and product environment?

As the left diagram reveals, we are dealing with a mixed platform, that provides a range of different product categories.

ENIACs product sector currently makes one fifth of magists product variety.

Tech related product prices, displayed by the middle diagram, make 137€ in average.

Compared to our products avg, with 540€, you can notice quite a huge gap.

Magists numbers reveal that current tech sellers put their focus on lower price categories than we do.

The right side diagram compares current revenues on magist.

Tech related sales are generating more than a quarter of all revenues.

In proportion to the 1/5th share of total products, this looks quite promising.

All in all those numbers indicate some good market foundation for ENIAC to built upon.

Slide 7 – Delivery Performance

Now let's have a look at the delivery performance.

Around 92 % of Magists deliveries arrive on time, with an average delivery time of 12.5 days.

That sounds a lot compared to European standards, but for Brazil, it's actually normal, because the country is huge and infrastructure isn't always ideal.

Slide 8

What about the customer satisfaction that we analysed by product reviews.

Eniac-like products are rated averagely by 4 out of 5 stars, which is better than the overall Magist average.

Written reviews, revealed a positive feedback share of about 68 %, compared to 64 % overall.

Negative feedback rates are 3% lower than the total average, so do neutral ones by 1%.

To put things in a nutshell: Customer satisfaction rates on ENIAC related products appear to be outperforming, compared to all products.

Slide 9 – Summary, recommendation

To close our short presentation, let me summarise our findings:

Brazil is definitely worth it – the market is big, the growth is there, and the demand for good tech exists.

Magist can be a great entry point for ENIACs market conquest.

But take into account that we do not deal with a pure tech seller! Means: They might be not prepared for a premium brand like ours yet.

Recent losses of active tech sellers on Magist, promise good chances for ENIAC to directly jump into that service gap for potential demands.

We'd recommend starting small – maybe with a few selected products first, and test the markets reaction.

Finally we recommend to have an eye on deliveries for they don't serve European standards yet.

Slide 10

Dear Ladies & Gentlemen,

We hope that our presentation gave you the right insights for a safer decision making.

If there are remaining questions, please feel free to ask us as a group!

Thanks a lot for listening and have a profitable day!