eCommerce Innovations

Presenter: Gabriel

Agenda

1 THE PAST OF ECOMMERCE

2 THE SUCCESS OF AMAZON

3 THE FUTURE OF ECOMMERCE

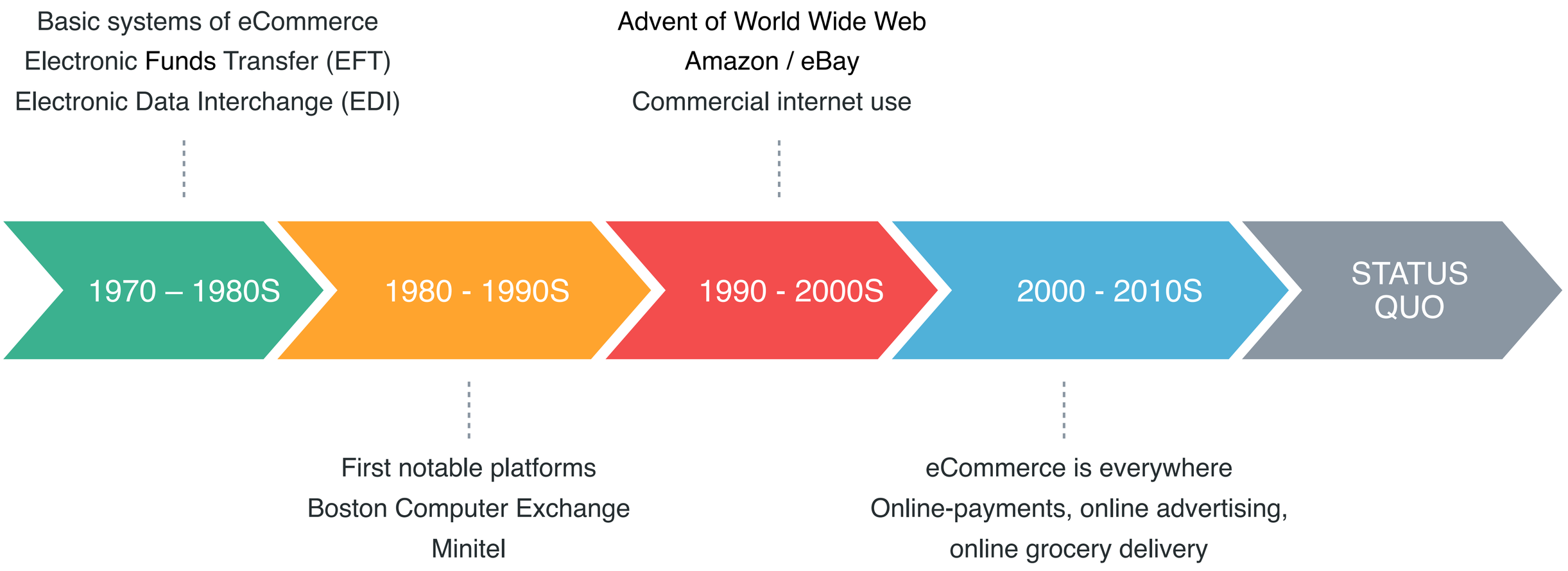
4 STATUS QUO ECOMMERCE

5 AMAZON

6 RECO

The past of eCommerce

The past of eCommerce



The Rise of E-Commerce in the United States

E-Commerce sales as a percentage of total retail sales in the United States*

@StatistaCharts

* not seasonally adjusted

Source: U.S. Census Bureau

statista

American E-commerce players

Amazon

1994

amazon.com is one of the most famous eCommerce organizations and currently leading online platform, with headquarters located in Seattle, Washington. It was founded in 1994 by Jeff Bezos and was one of the first American eCommerce players.

eBay

1994

Founded as "AuctionWeb“ Pierre Omidyar started a service that allowed users to bid on each other’s used items.
Focus on the "average guy" instead of tech-companies.

Dell

1994

dell.com was the first company to record 1M USD sales online in 1997. High level of customization via internet became a huge success and got imitated by the entire market.

Challenges of eCommerce in the past

1 TRUST

2 SECURITY

3 AWARENESS

4 ACCESSIBILITY

Status Quo of eCommerce

1st
2nd
3rd
amazon
JD.COM
京东
多·快·好·省
Alibaba Group

The 10 largest ecommerce markets (by billion USD)
Canada $30
US $340
France $43
Germany $73
Russia $20
China $672
UK $99
South Korea $37
Japan $79
Brazil $19

A portable device experience mCommerce

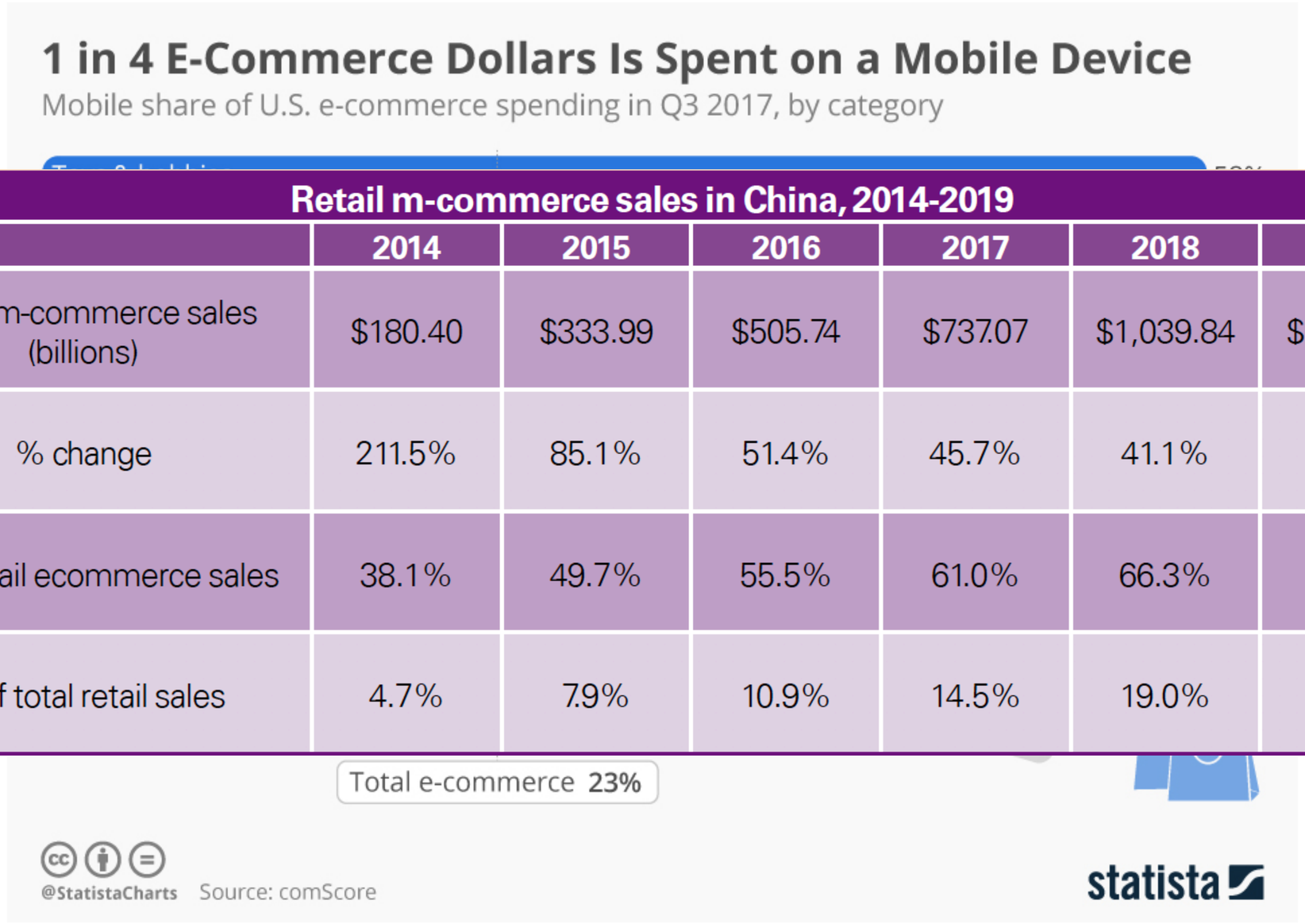
Mobility

Reachability

Ease of transaction

Security - biometrics, face recognition, fingerprints

Location tracking



Retail m-commerce sales in China, 2014-2019

	2014	2015	2016	2017	2018	2019
Retail m-commerce sales (billions)	$180.40	$333.99	$505.74	$737.07	$1,039.84	$1,410.72
% change	211.5%	85.1%	51.4%	45.7%	41.1%	35.7%
% of retail ecommerce sales	38.1%	49.7%	55.5%	61.0%	66.3%	71.5%
% of total retail sales	4.7%	7.9%	10.9%	14.5%	19.0%	24.0%

The future of eCommerce

eCommerce & Delivery drones

Higher degree of efficiency

Significantly lower cost

Less logistical hassle and traffic

Less pollution

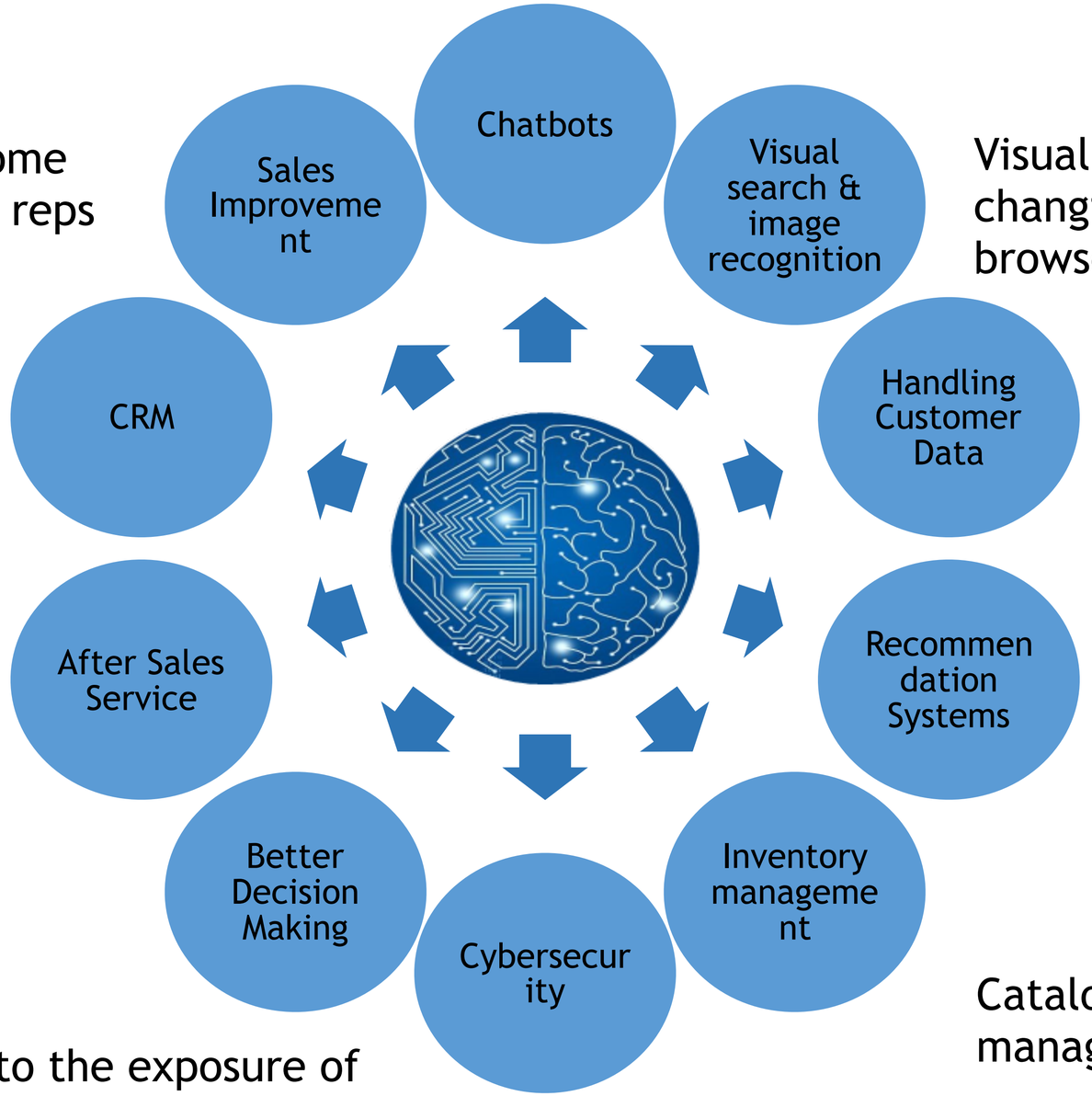
JD launched a test-run in Shanghai in 2018

eCommerce & AI & Blockchain

Solution support service

Robots are awesome customer service reps

Visual search is changing the way we browse



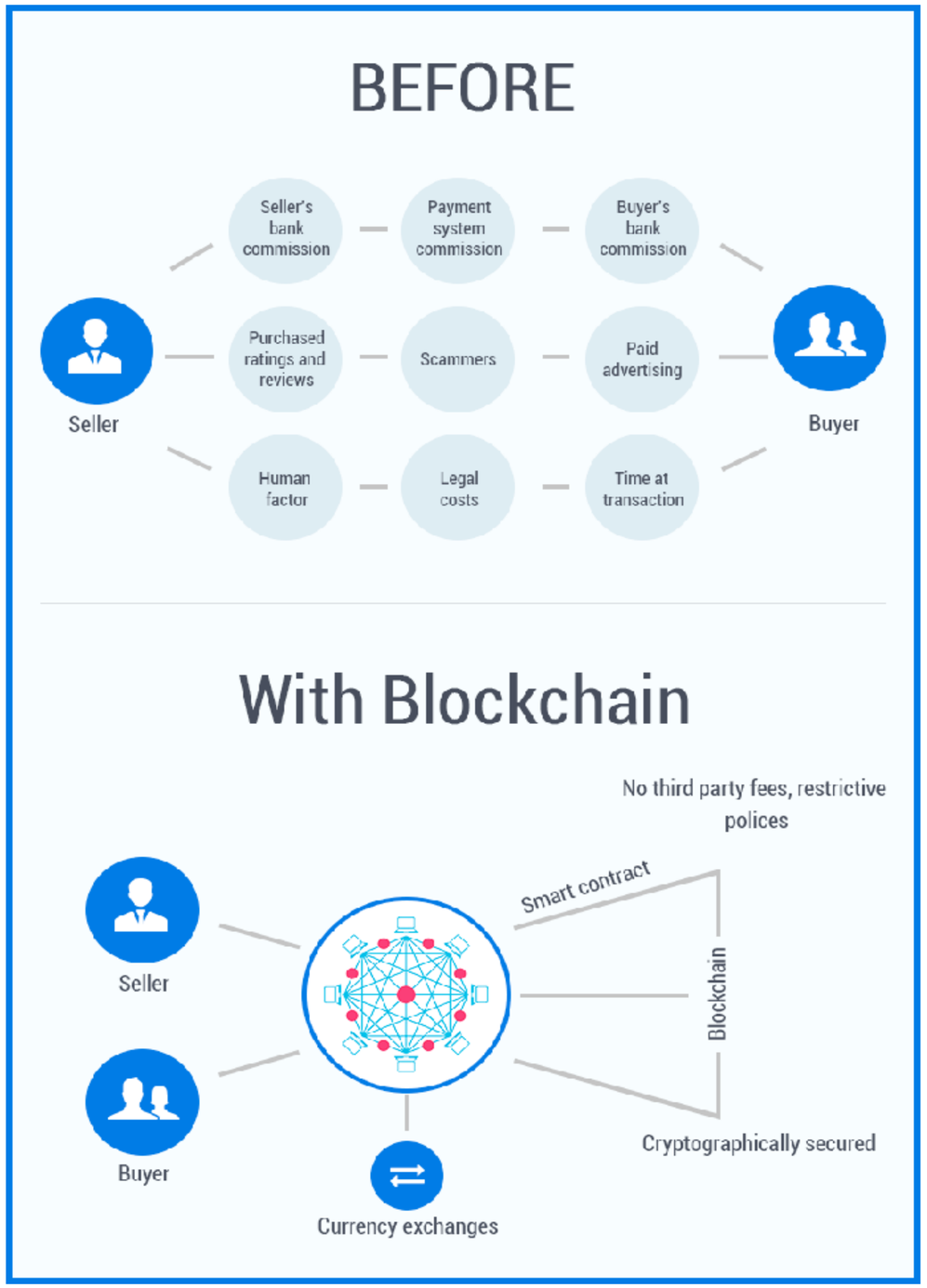
have to spend hours searching the product

automate the feedback form

AI systems build a correlation between the current demand and the future demand.

Catalogue management

lead to the exposure of private data and online fraud



Secured payment

Reduction of transaction costs

Authentic Transactions

Accuracy

Health Hazards

Payments

Proof of Ownership

Human Resources

Advertising and Marketing

Cybersecurity

Managing Operations

Safer Web World

Transparency

Opportunities in emerging markets

Developing markets in Africa & South America

Rapid increase of network coverage and general internet speed

No big eCommerce-player in Africa yet

The success of Amazon

Source: www.macrotrends.net/stocks/charts/AMZN/amazon/market-cap

The success drivers of Amazon

Elimination of distributors

Close cooperation with actual competitors

"Everything you want“ on a single platform

Various delivery-options

Customer-oriented service

Prime Membership

Fast track facility sorting centers

AWS – cloud services generating 7% of revenue

Projected future of Amazon

Amazon: The Road to $1 Trillion

Forecast gross revenue of Amazon.com, Inc. from 2018 to 2025 (in billion USD)

@StatistaCharts

Source: Bloomberg Intelligence Analysis

statista

The future tools of amazon

Photo- or video-recognition

More language options

AI assistance

Food delivery

Strong focus on AmazonFRESH

Amazon Healthcare

O2O-connection

How to face new competition

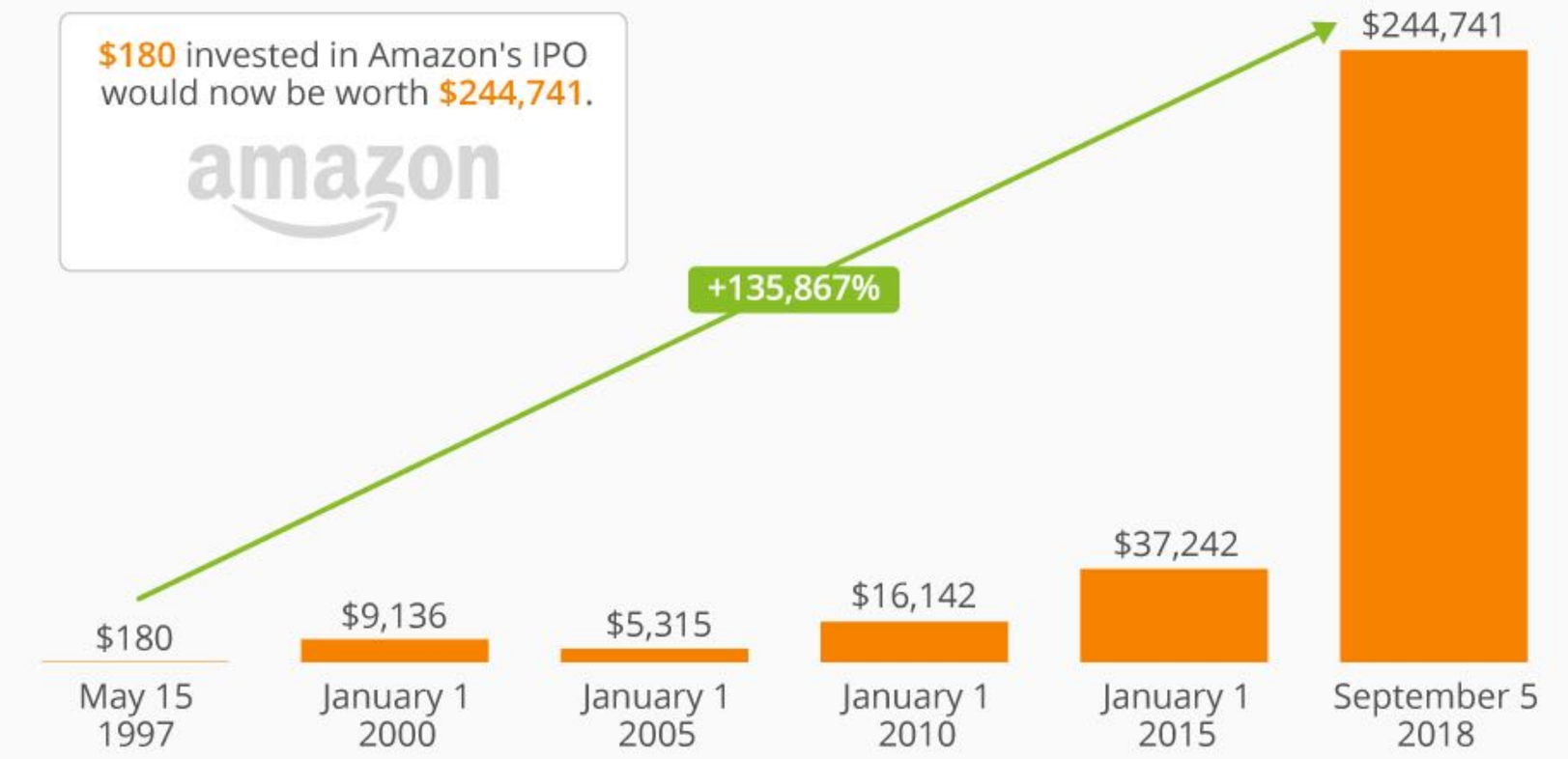
JD & Alibaba

Emerging middle- and upper classes do not associate Chinese products with a high level of quality

Paying attention to developing markets (e.g. Africa) where Chinese companies keep investing

If You Had Invested In Amazon's IPO

Value of 10 Amazon shares purchased in the company's IPO in May 1997*



* Amazon's IPO was priced at $18 per share.
The stock has been split three times (twice 2 to 1 and once 3 to 1) since then.

@StatistaCharts Source: Yahoo! Finance

statista

Questions?