eCommerce in Southeast Asia

Adrian Vanzyl | September 2015

Ardent Capital

Adrian@ardentcapital.com

Agenda

- Data Overload
  - 50 Slides of current data
    - eCommerce
    - Southeast Asia
    - These slides are online at www.ardentcapital.com
  - Panel
    - aCommerce, Moxy, Redmart, Clozette
    - Series of eCommerce questions
  - Open discussion and questions from audience

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Ardent = eCommerce

- Why is that?
  - Our three main portfolio companies
  - Our investors

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Ardent Capital
The Leading Operator Venture Capital Firm in S.E. Asia

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FOUNDED IN

2012

Investments in 7 countries

TH, ID, PH, HK, MY, SG, and Sri Lanka

Team SEA Exits over

$110M

Team Global Exits

$3B+

CASH ON CASH

5.4x

For investors to date

PORTFOLIO

19

Investments to date (4 core commerce group and 15 venture investments)

aCommerce - The Leading End-to-End Ecommerce Solutions provider in S.E. Asia

FOUNDED IN
2013
Now operate in 3 countries

ENJOY
522%
yearly growth on net revenue

ACTIVE CLIENTS
139
66 Brands
59 Retailers
12 Marketplaces
2 Resellers

STAFF
>600
at July 2015, Including c. 80 tech staff

OPERATES IN THE KEY MARKETS OF:

Thailand   Indonesia   Philippines

MOXY
have it all

Beauty   Fashion Accessories   Mom & Baby   Living   Gadgets   Muslim Style   Collections   Magazine

#1 Online Women Shopping Destination

Founded in	Staff	With Over	Growth
2013	**>80**	**550K**	**206%**
With over 80 staff in Thailand and Indonesia	In Thailand and Indonesia	Visitors/ Month	Year-on-Year from 2013-2014 figures

Put Your Colors On Your Beautiful Smile

BELANJA SEKARANG

DAFTAR SEKARANG

RAINBOW CHARGER!

RANDOM COLOR FOR YOUR ANDROID

ORIGINAL PRICE 30.000

RP. 1,000 ONLY!

*PEMBELIAN 1 CHARGER / ORANG

Bizzy
EVERYTHING FOR BUSINESS

Founded in
2015

69
Active customers

$980
Basket size

>30
Dedicated staff

A marketplace for supplies,
services and merchandising

Our Investors

Ardent itself has investment from **Sinar Mas, Recruit, GMO and Siemer/Wavemaker** and has co-invested with these companies

JAPAN

HK

SG

USA

THAILAND

MALAYSIA

INDONESIA

AUSTRALIA

RECRUIT

B DASH VENTURES

docomo

EastVentures

SUMITOMO CORPORATION EQUITY ASIA LIMITED

SXE VENTURES

CyberAgent Ventures

GMO INTERNET GROUP

AXIS

WAVEMAKER LABS

8capita

COENT Venture Partners

Asia Venture Group

axiata

SIEMER VENTURES

inspire ventures

InVent Power up your business

WALDEN INTERNATIONAL

500 STARTUPS

JL CAPITAL PTE LTD

sinarmas

ASIA PACIFIC DIGITAL

BATAVIAINCUBATOR

ideosource

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About Me

- **Dr Adrian Vanzyl**
  - Based in Bangkok, previously in San Francisco & Australia

- **Ardent Capital**, Bangkok - *CEO and Co-Founder*

- **Blumberg Capital**, San Francisco - *multiple roles over 12 years (CTO & CEO of two portfolio companies, LP, Advisor)*
  - Current fund $150M. Investments include Hootsuite, DoubleVerify, Nutanix

- **SLI-Systems**, San Francisco - *Co-Founder, Board Member*
  - NZX listed. Leading search solution for global eCommerce companies

- **LinkExchange**, San Francisco - *VP Business Development*
  - Sold to Microsoft for $260M. Then Group Manager in Small Biz portal, launched in 22 markets.

- **LookSmart**, San Francisco – *CTO*
  - IPO NASDAQ. Peak market cap of US$3B

- **Sausage Software**, Melbourne AU - *CTO and Board Member*
  - First internet IPO in AU. Peak market cap AU$1.7B

- MD degree (MB BS Hons I), Monash University, Australia.

SEA Population is Massive

SEA is bigger (2x) than the US and bigger than the EU
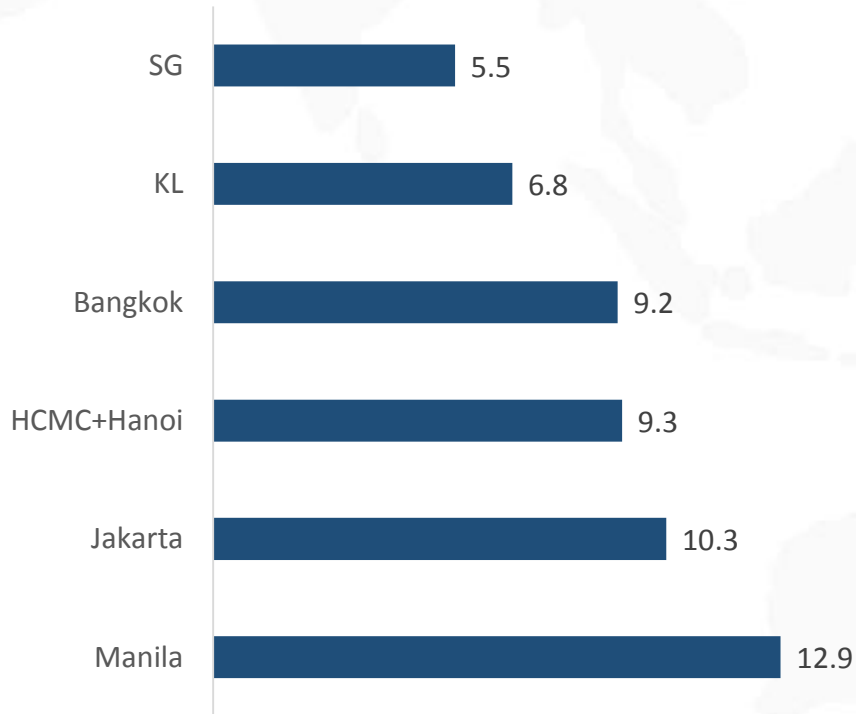
Population (in Millions)

Country	Population
Vietnam	93
Thailand	68
Singapore	5
Philippines	101
Myanmar	54
Malaysia	30
Laos	7
Indonesia	254
Cambodia	15

Population (in Millions)

- SEA, 627
- US, 319
- EU, 741
- China, 1392
- India, 1262
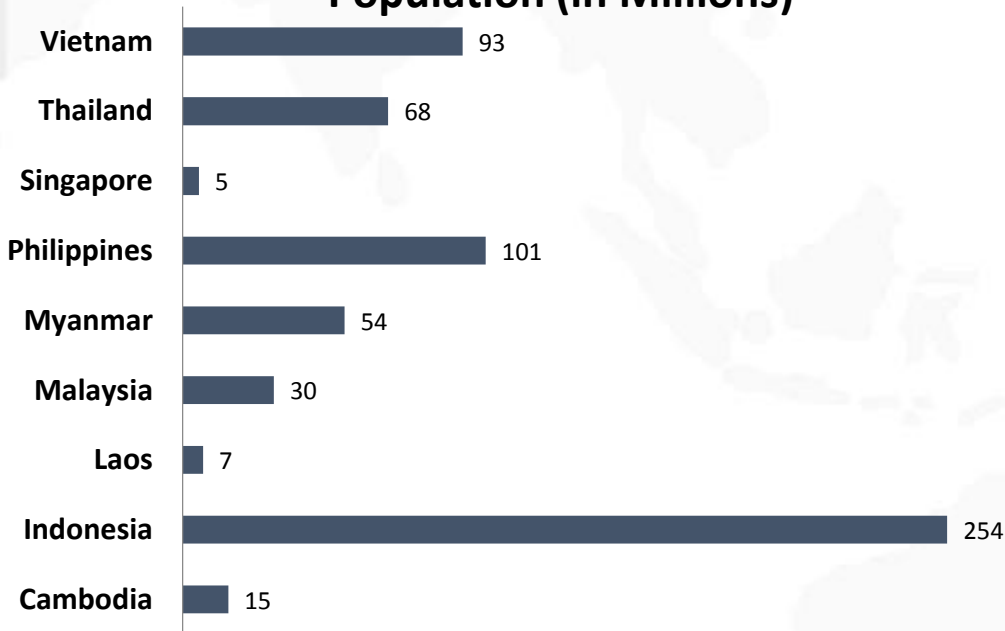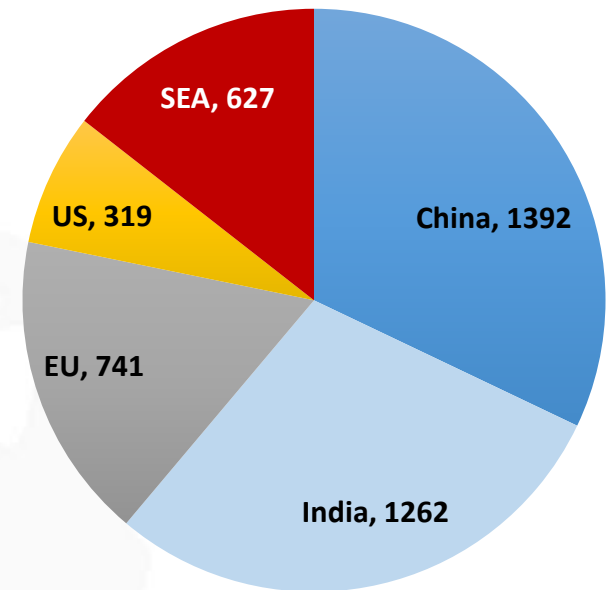
Source: World Population Review (2014)

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54 Million are in Major Cities

5.4x Seoul, 67x San Francisco, 40% more than California

Population (in Millions)

City	Population
SG	5.5
KL	6.8
Bangkok	9.2
HCMC+Hanoi	9.3
Jakarta	10.3
Manila	12.9

Source: CIA World Factbook

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Young: More Than 67% Are Under 35 Yrs...

Age profile of ASEAN netizens

Country	15-24	25-34	35-44	45-55	55+
Indonesia	43%	27%	19%	8%	4%
Malaysia	37%	26%	22%	10%	6%
Philippines	40%	31%	16%	9%	5%
Singapore	24%	27%	25%	17%	8%
Thailand	45%	29%	14%	7%	4%
Vietnam	42%	32%	14%	8%	5%
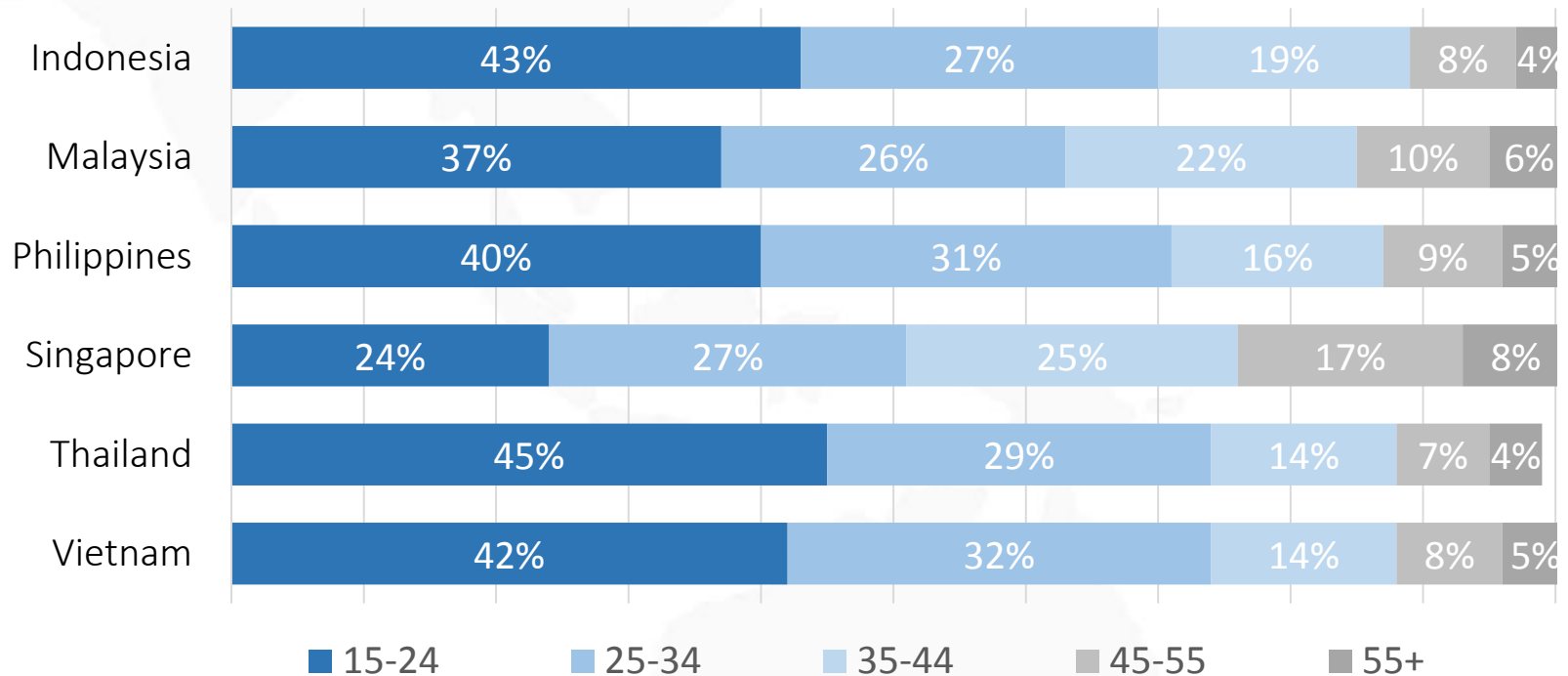
Source: UBS report "ASEAN E-commerce" / Global Demographics 2014

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...And Becoming Richer!

Income per capita is growing fast enough to drive rising affluence, much faster than global average

Legend: 2009-14 | 2014-19 | 2019-24

	2009-14	2014-19	2019-24
Global Avg	2.0%	1.5%	1.2%
Indonesia	4.1%	2.7%	2.3%
Thailand	4.6%	2.1%	1.30%
Philippines	4.1%	1.4%	0.8%
Malaysia	5.7%	3.2%	2.0%
Singapore	6.3%	2.9%	1.5%

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Structural Shift of Internet Usage in Asia

- Internet usage epicenter outside the US
- US and Europe is no longer the epicenter of internet usage

Bar chart: 1996 — Outside US 34%, US 66%; 2015 — Outside US 90%, US 10%
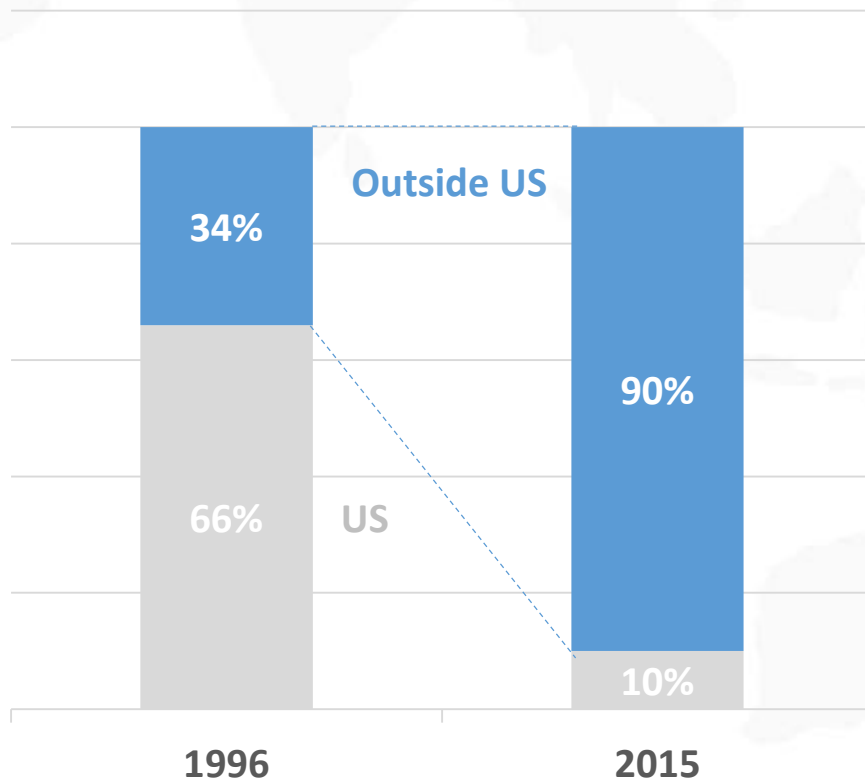
Internet Users in the World
Distribution by World Regions - 2014 Q2

- Asia 45.7%
- Europe 19.2%
- Lat Am / Carib. 10.5%
- North America 10.2%
- Africa 9.8%
- Middle East 3.7%
- Oceania / Australia 0.9%
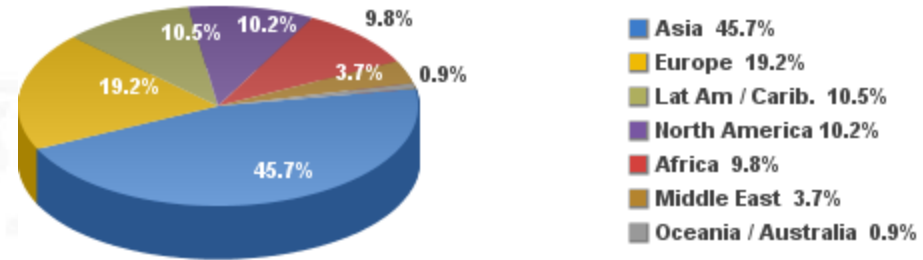
Source: Internet World Stats - www.internetworldstats.com/stats.htm
Basis: 3,035,749,340 Internet users on June 30, 2014
Copyright © 2014, Miniwatts Marketing Group

Source: Internet World Stats

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Comparing SEA Online Landscape

	Total Population	Internet Users	Active Social Network Users	Mobile
SEA ONLINE SNAPSHOT	**630 million** Total Population	**220 million** Internet Users	**211 million** Active Social Network Users	
	45:55 Urban: Rural	**36%** Internet Penetration	**34%** Social Network Penetration	**119%** Mobile Penetration
GLOBAL ONLINE SNAPSHOT	**53:47** Urban: Rural	**42%** Internet Penetration	**29%** Social Network Penetration	**98%** Mobile subscriptions Penetration
IMPLICATION FOR SEA	**Effective reach to upcountry population**	**Relatively low internet penetration but going up fast**	**Crazy about social media**	**Everyone has at least 1 cell phone**

Source: Global Digital Statistics Jan 2015

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SEA Spend >5 Hrs While East Asia Only <4 Hrs
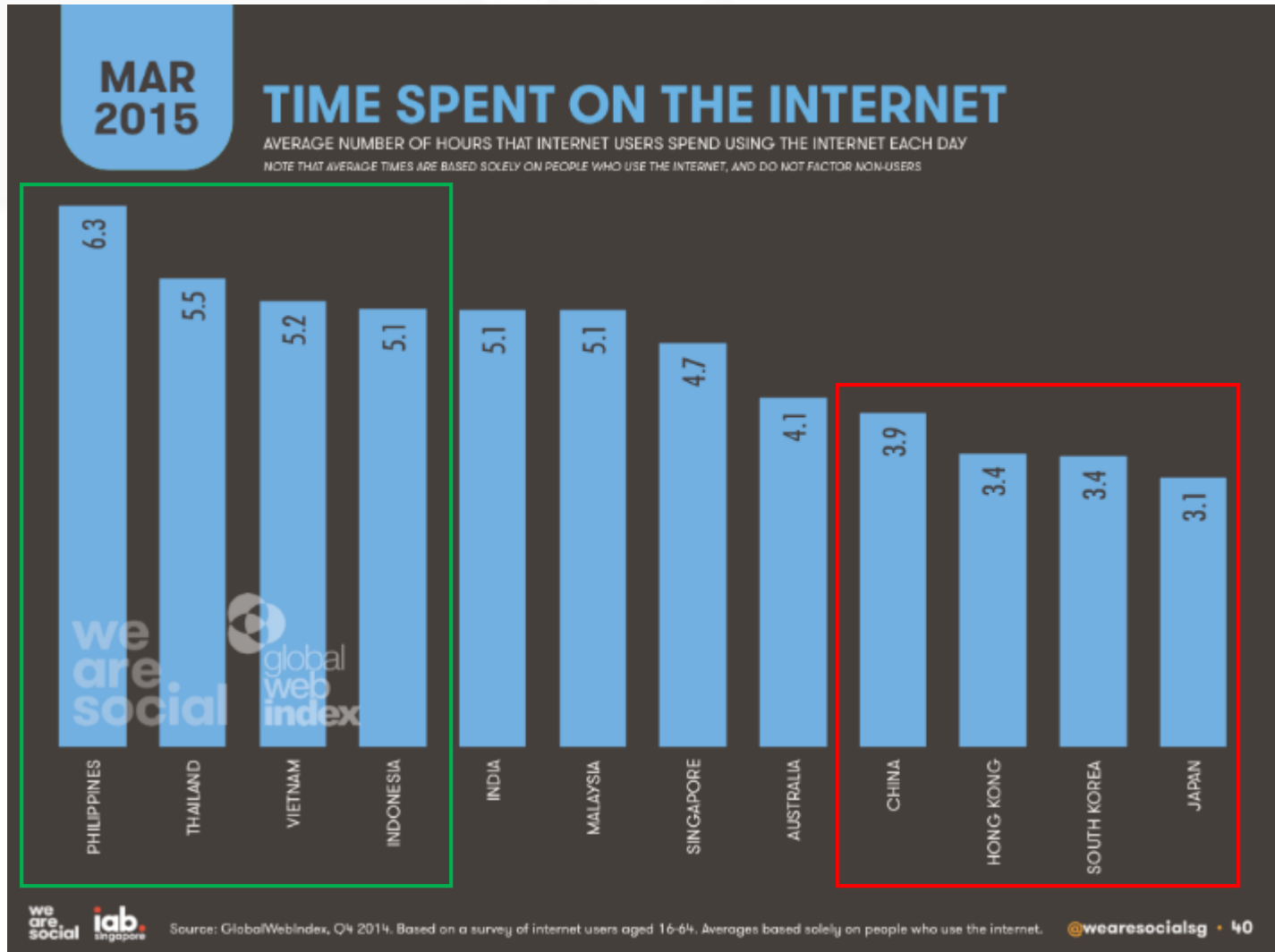
Source: Global Web Index Survey, We Are Social Mar 2015

Hours Spent Per Day on Media

- Internet
- TV
- Radio

	Indonesia	Malaysia	Singapore	USA
Internet	5.3	5.32	5.18	2.12
TV	4.4	3	2.15	4.31
Radio	1.4	2	1.47	1.2
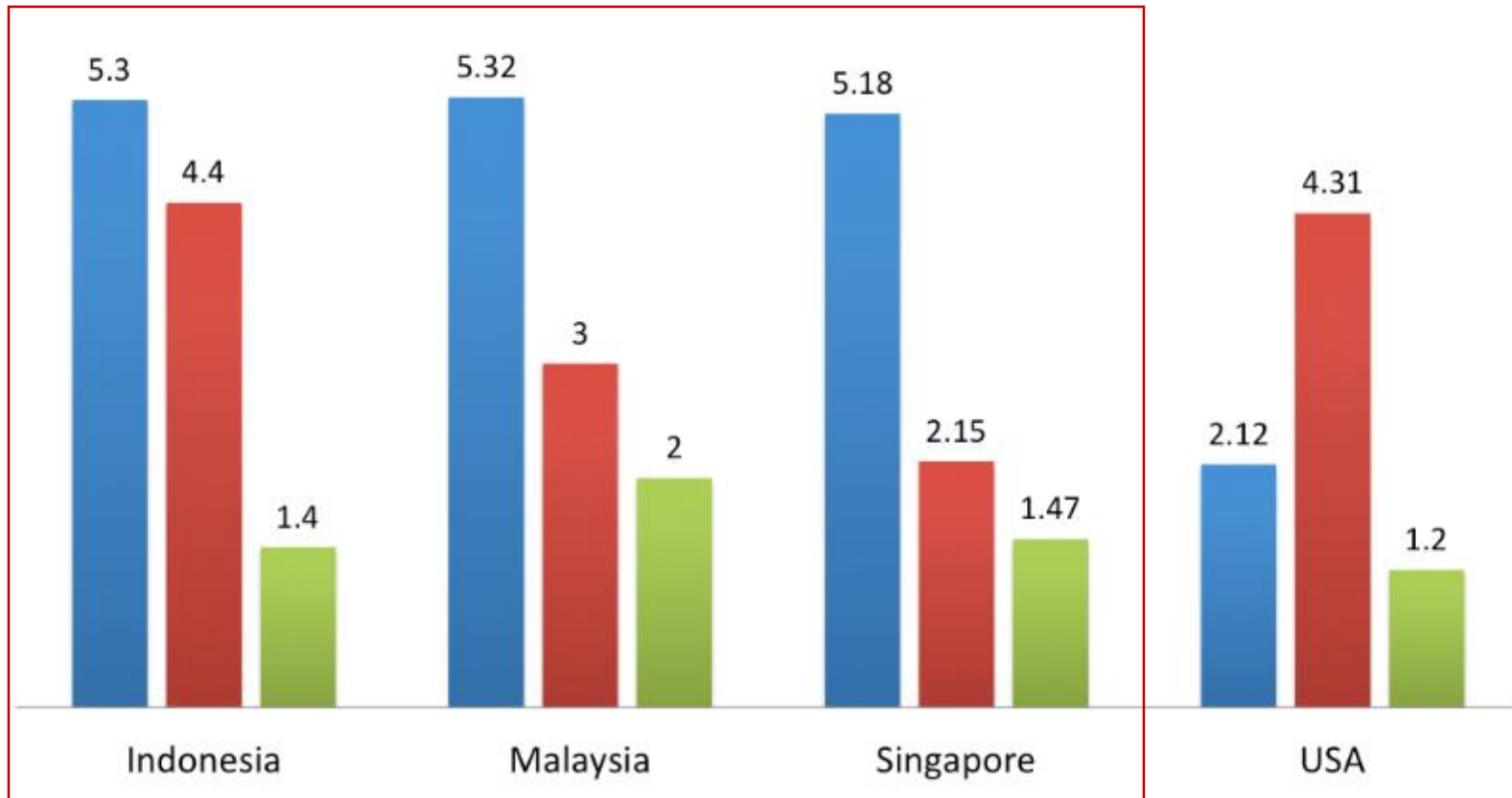
Source: Nielsen; eMarketer 2014

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And 50%+ Use Mobile While Watching TV

Source: GlobalWebIndex Which of the following devices have you used while watching TV?

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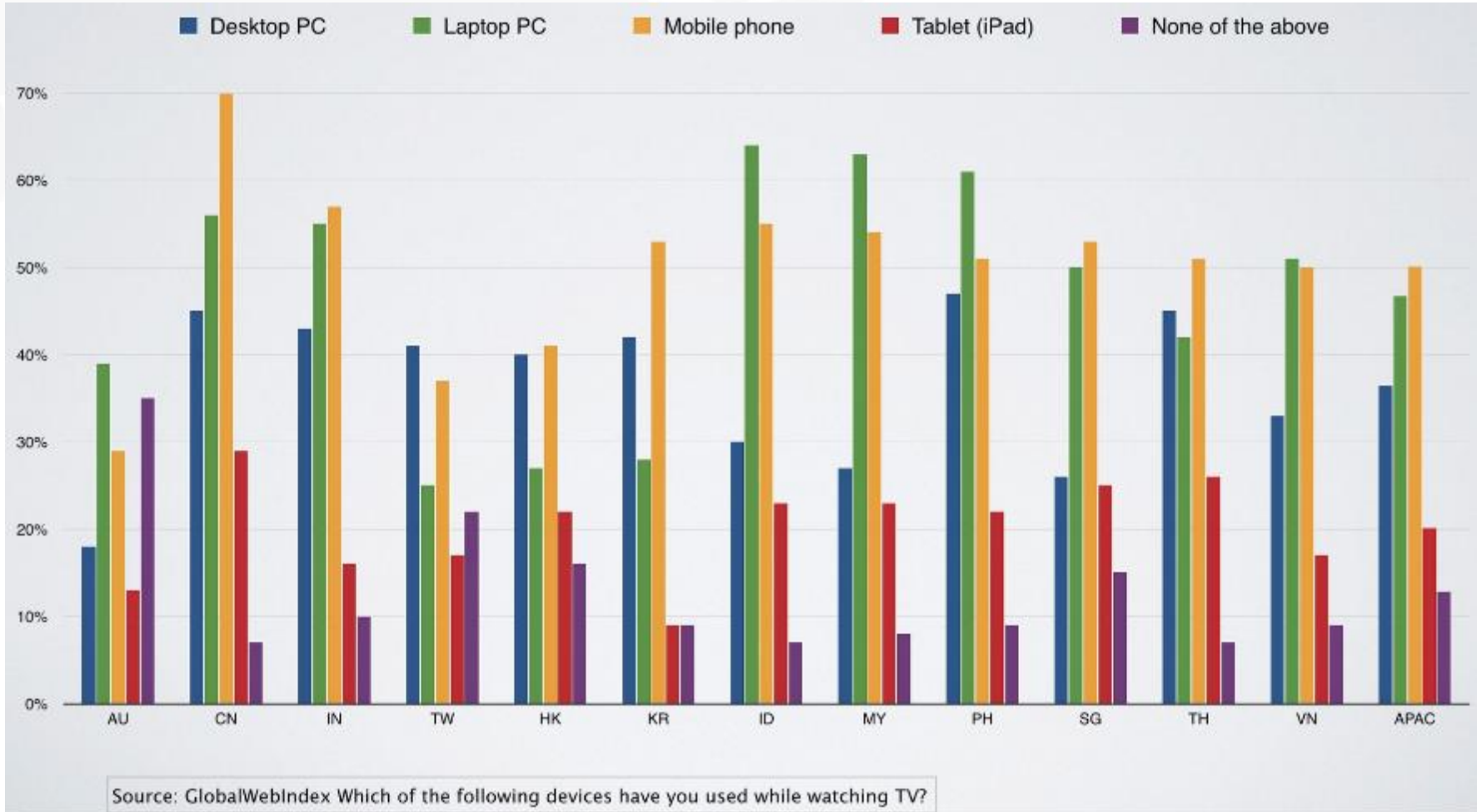
SEA Has Highest Mobile Penetration Rate

All major SEA countries are now all above the global average in mobile penetration

Country | Penetration

Singapore 152%
Thailand 150%
Vietnam 141%
Malaysia 137%
Indonesia 121%

SEA Avg 119%

Philippines 114%

Global Avg 98%

China 95%

Higher Mobile Penetration
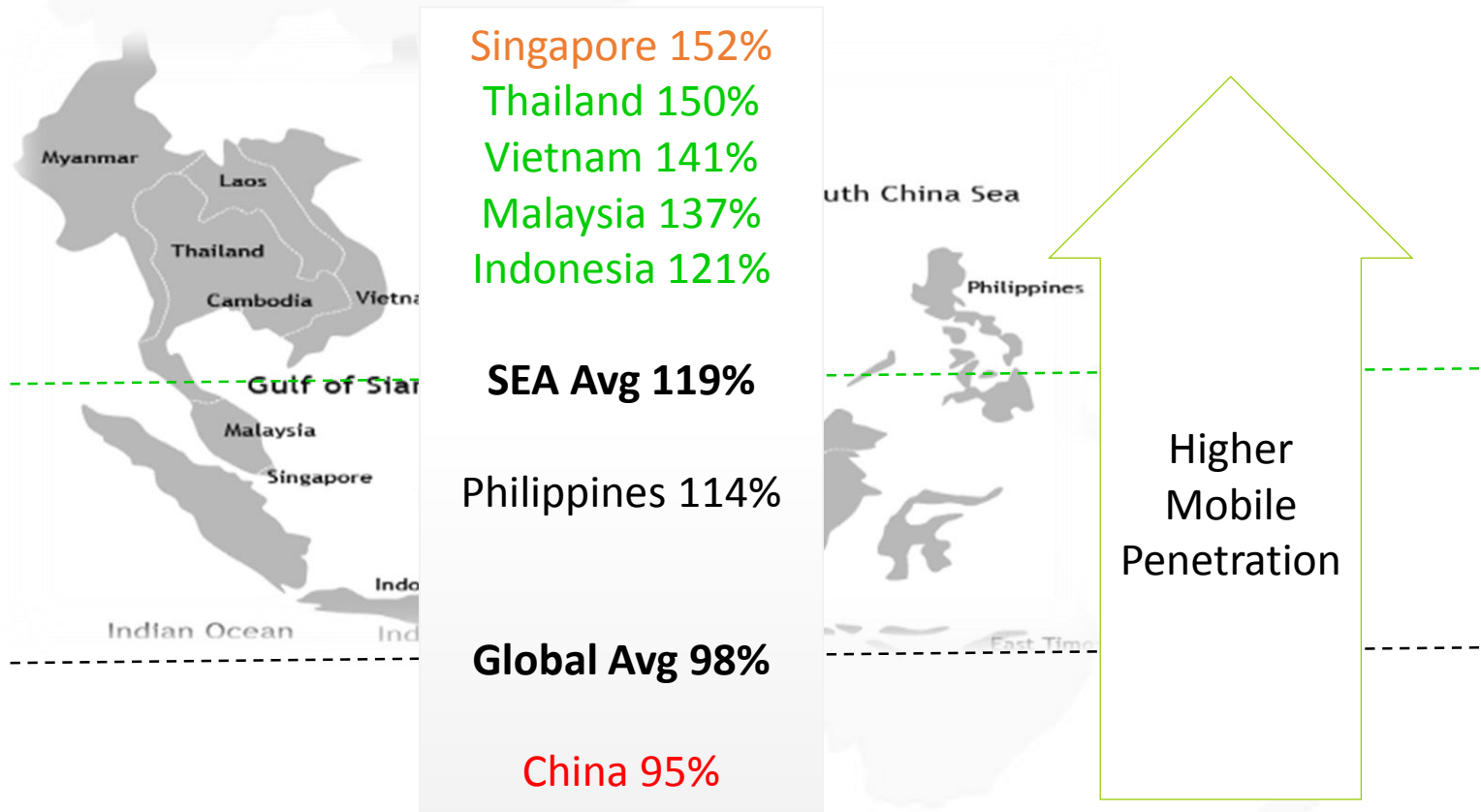
Source: Global web index, We Are Social Report Mar 2015

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Still Room for Smartphone Growth in SEA

🛒

■ Smartphone Penetration

Country	Penetration
Singapore	87%
Hong Kong	87%
Malaysia	80%
Australia	75%
China	71%
Thailand	49%
Japan*	42%
Vietnam**	20%
Indonesia	23%
India	18%
Philippines	15%
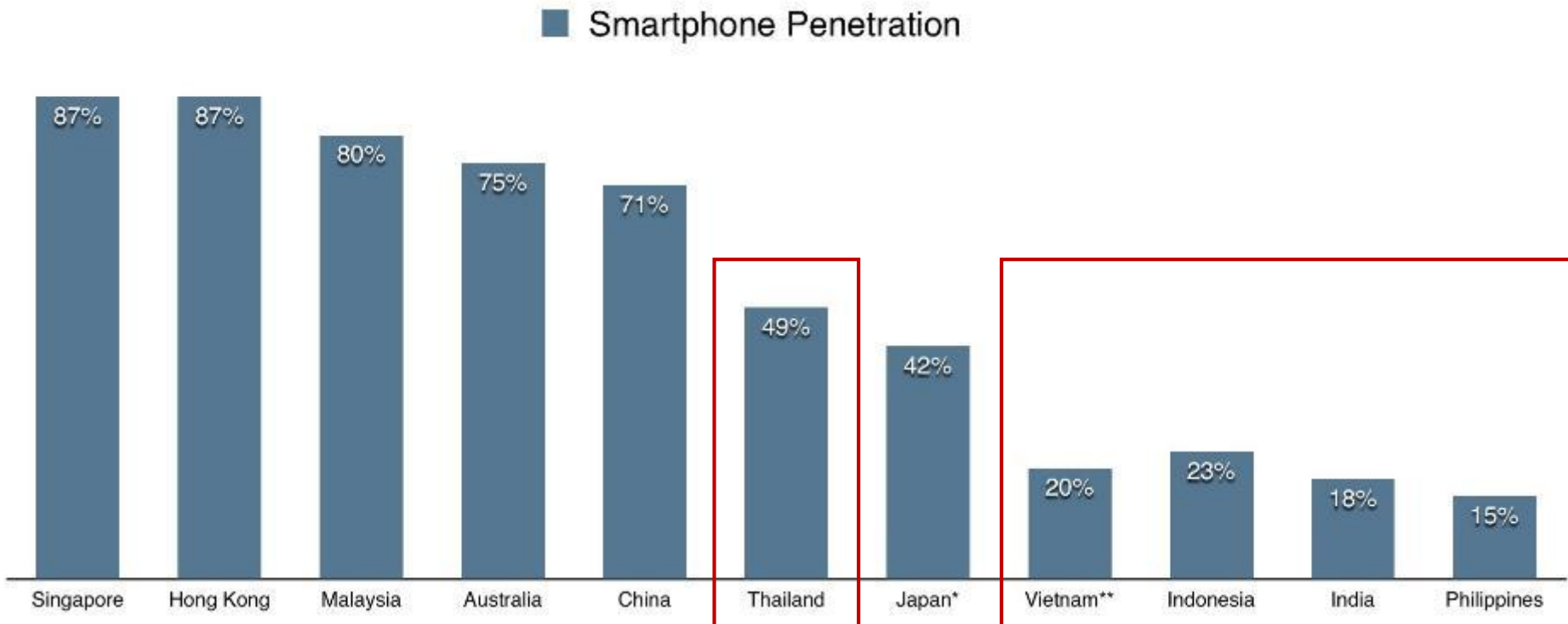
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More Affordable Smartphones for Everyone

Then

>$500

iPhone

iPhone 3G[S]

8GB
$549.00
Ships: By June
24th

Ships: By June 24th
Free shipping

Now

$75-$200 (51% mkt share, up from 46%)

Xiaomi	Doogee	Elephone	Doogee
Xiaomi Redmi 2 Smartphones 4G LTE Snapdragon 410 64-bit 4.7" Screen	DOOGEE TURBO MINI F1 4G LTE Smartphone MTK6732 64bit 4.5 Inch QHD Screen	Elephone P6000 4G LTE Smartphone 5.0 Inch HD 64bit Quad Core Dual SIM	DOOGEE TITANS2 DG700 Quad-Core 4.5" IPS Screen 4000mAh Waterproof IP67
★★★★★ 11 Review(s) $140.00 **$129.98**	**$119.98**	★★★★★ 1 Review(s) **$138.98**	$440.00 **$139.98**
ADD TO CART	ADD TO CART	ADD TO CART	ADD TO CART

Doogee	Doogee	Doogee	Leagoo
CUBOT X9 Smartphones Octa Core MTK6592 5.0 Inch HD IPS Screen Dual SIM	Doogee DG350 Smartphone 4-Core 4.7 Inch OGS HD Screen	Doogee DG800 Valencia Smartphone 4.5" Creative Back Touch Android 4.4	LEAGOO Lead 1 Smartphone 5.5 Inch HD Screen Quad Core Smart Wake
★★★★★ 3 Review(s) **$149.98**	★★★★½ 2 Review(s) **$119.99**	★★★★★ 3 Review(s) **$128.98**	**$135.98**
ADD TO CART	ADD TO CART	ADD TO CART	ADD TO CART

Other brands: Oppo, OnePlus, Qmobile, Coolpad, Karbonn, Smartfren, Xolo, i-Mobile, Micromax, Himax, Mito, MyPhone, CherryMobile

>$200

Samsung	Samsung	iPhone
32GB - $200 64GB - $300 128GB - $400	32GB - $300 64GB - $400 128GB - $500	16GB - $200 64GB - $300 128GB - $400

ASEAN already bigger than USA for smartphones

EU: 170m

USA: 200m

ASEAN: 220m

(and growing faster)

Source: http://techtrader.co.za/pavblog/blog&id=18, http://www.nextbuying.com/mobile-smart-phone-under-150/?mode=grid

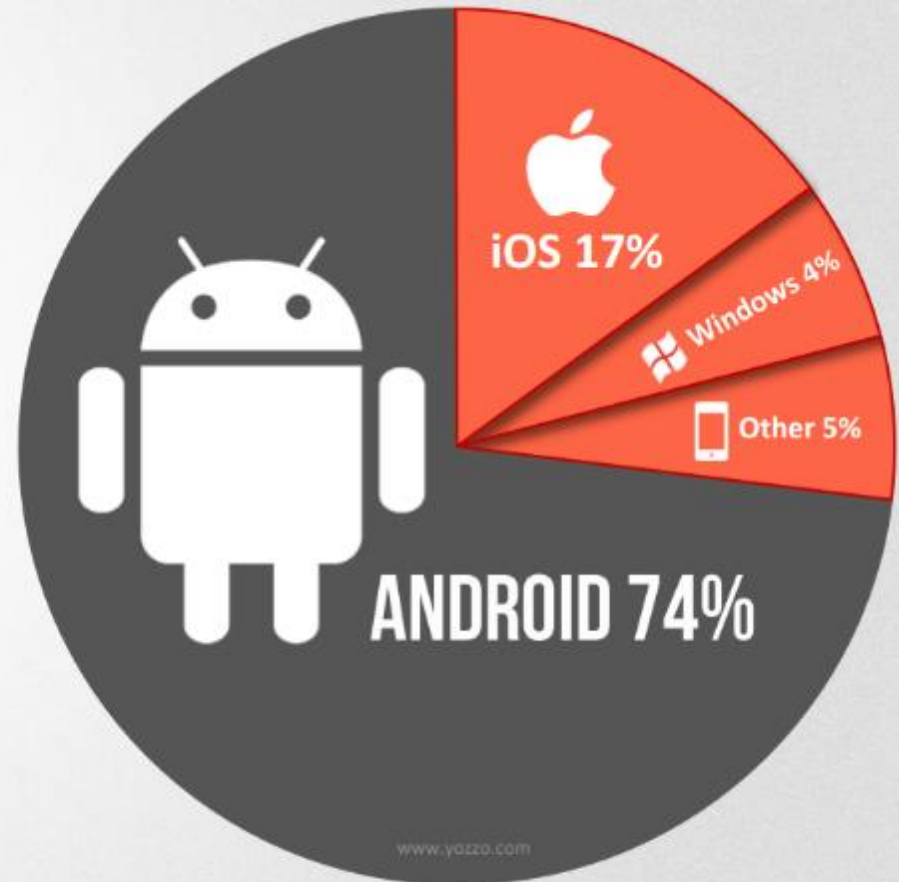ARDENT

Mobile Operating System Market Share

ANDROID REMAINS THE DOMINANT SMART DEVICE OPERATING SYSTEM IN THE THAI MARKET.

During the last four years, Android has increased its lead in the smartphone market from 32% in 2011 to 74% Q1 2015

Similar trend we see in Indonesia: 80% Android

iOS 17%

Windows 4%

Other 5%

ANDROID 74%

www.yozzo.com

Presentation by Yozzo Co.,Ltd. • www.yozzo.com • June 2015

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Social Media Drives Internet Penetration in SEA

	Active Internet Users to Total Population	Active Social Media Users to Total Population
Singapore	81%	91%
Malaysia	66%	56%
Thailand	54%	52%
Vietnam	45%	33%
Philippines	44%	42%
Indonesia	28%	29%
SEA Average	36%	34%
Global	42%	29%

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LINE - Some Interesting Stats

- **600M+ users** worldwide and growing
  - From nothing in 2011
- **3 of top 10** countries are in SEA
  - **33M** users in Thailand (Feb 2015)
  - **30M** in Indonesia (Sep 2014)
  - **10M** in Malaysia (Sep 2014)
- **7%** of APAC adult internet users use LINE monthly
  - **Vs. 5%** for global
- **1.8bn** stickers sent per day
  - **250k** per month minimum charged on each sponsor stickers account

Number of LINE stickers purchased 12.4M sets (Aug 2014)

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Facebook – Some Stats from Thailand

- **Thailand has the 3rd largest** Facebook population in the world with 35 million users

- **Bangkok has more Facebook users** than any other city in the world with 20 million

- **93% of Thai Internet users** access Facebook every week, compared to 47% globally

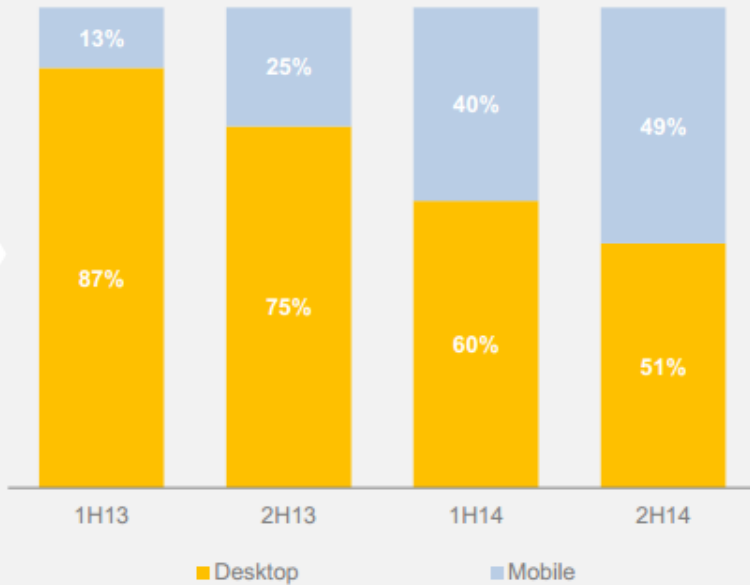- **19 million**, access Facebook through their mobile device.

FACEBOOK IN THAILAND

30M
Active Users
per Month

Return Daily
66%
Of all users

28M
are active on
Mobile device

19.8M | 18.5M
People Log In | Are Active On
Everyday | Mobile Devices
Everyday

PEOPLE IN THAILAND ARE HIGHLY ENGAGED ON FACEBOOK

496.5 M
Photo Uploads

16.5 B
Comments

12.83 B
Likes

265.3 M
Status Updates

191 M
Wall Posts

Highly engaged people on facebook in thailand interacting with friends, family and brands they care about; photo uploads, comments,likes status update and wall posts per user are all much higher than global average.

Source: Yozzo.com June 2015 report, Syndacast 2014

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Mobile-First Behavior

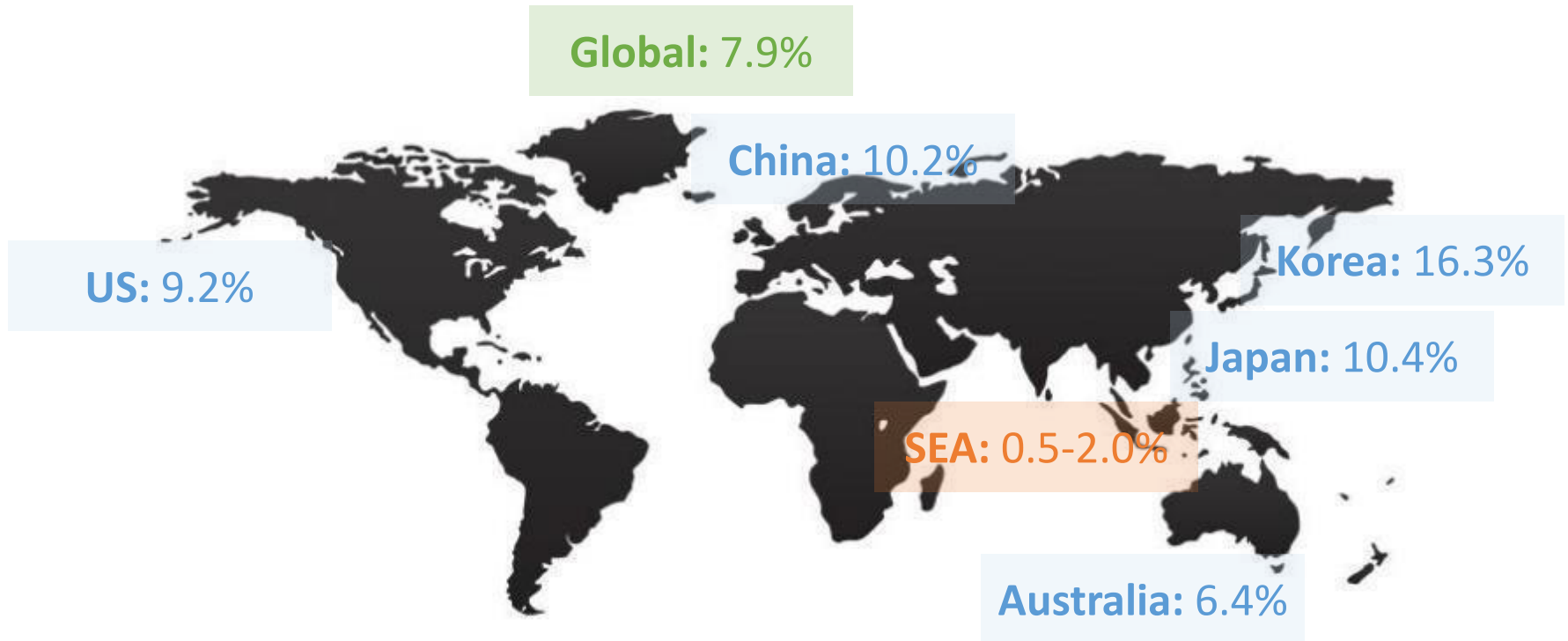## Lazada Traffic Overtime

~50% TRAFFIC COMES FROM MOBILE

Chart — Desktop vs Mobile:
- 1H13: Desktop 87%, Mobile 13%
- 2H13: Desktop 75%, Mobile 25%
- 1H14: Desktop 60%, Mobile 40%
- 2H14: Desktop 51%, Mobile 49%

Legend: ■ Desktop   ■ Mobile

Online Shopping Source

Chart — Mobile Shopping vs Desktop:
- Global: Mobile Shopping 44%
- SEA: Mobile Shopping 56%

Legend: ■ Mobile Shopping   ■ Desktop

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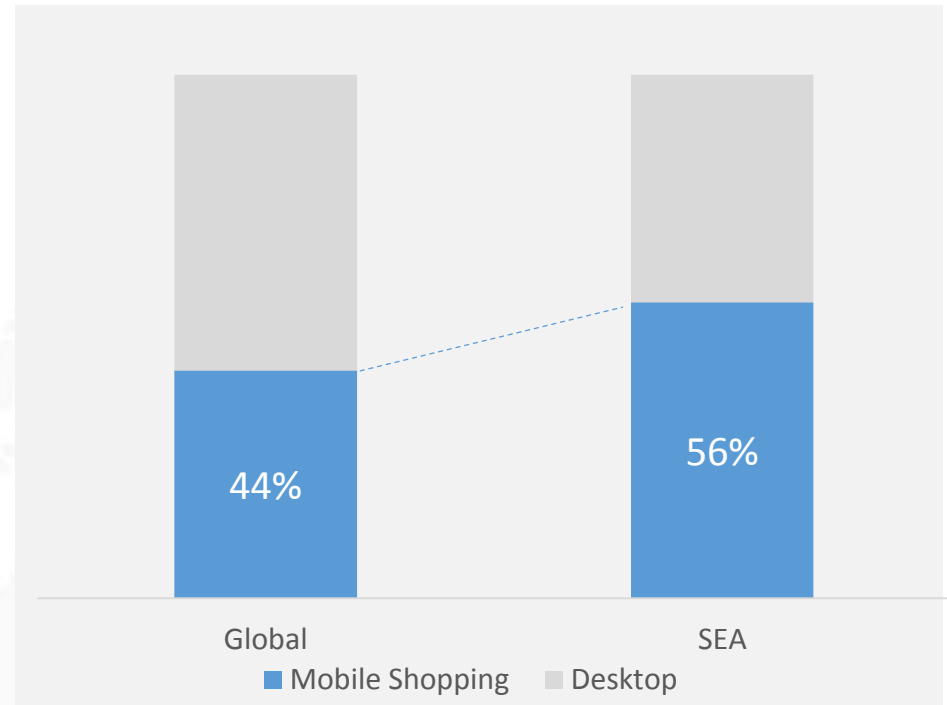
SEA Has Very Low eCommerce Penetration

E-commerce shopping makes up just 1-2% of total retail sales in SEA. This compares with 16% in Korea, 9% in the U.S. and 8% global average

E-Commerce as % of Total Retail Sales (2014)

Global: 7.9%

China: 10.2%

US: 9.2%

Korea: 16.3%

Japan: 10.4%

SEA: 0.5-2.0%

Australia: 6.4%

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Global share of B2C online retail sales

(%)	Share of world population	Share of global GDP	Share of B2C online retail sales
Indian subcontinent	23	3	0.8
China	19	14	19.7
Africa	15	3	0.2
Asean	**8**	**3**	**0.5**
Central and South America	8	8	3.0
North America	6	26	30.2
Western Europe	6	24	26.8
Eastern Europe + Russia	5	5	3.4
Others	5	5	0.8
North Asia	3	8	12.8
Australia / NZ	1	2	1.8
World total	**100**	**100**	**100**

Source: CLSA report Sept 2015

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ASEAN's Market Potential is Massive

A.T. Kearney forecasts a theoretical e-commerce market size of **USD67 – 89 billion** for ASEAN in the future, with Thailand and Indonesia, having biggest growth potential

E-commerce market size (USD billion)

Country	Theoretical Potential
Vietnam	5 - 7
Singapore	7 - 10
Philippines	8 - 12
Malaysia	10 - 15
Thailand	12 - 15
Indonesia	25 - 30

Legend: ■ 2014A ■ 2018E ■ Theoretical Potential

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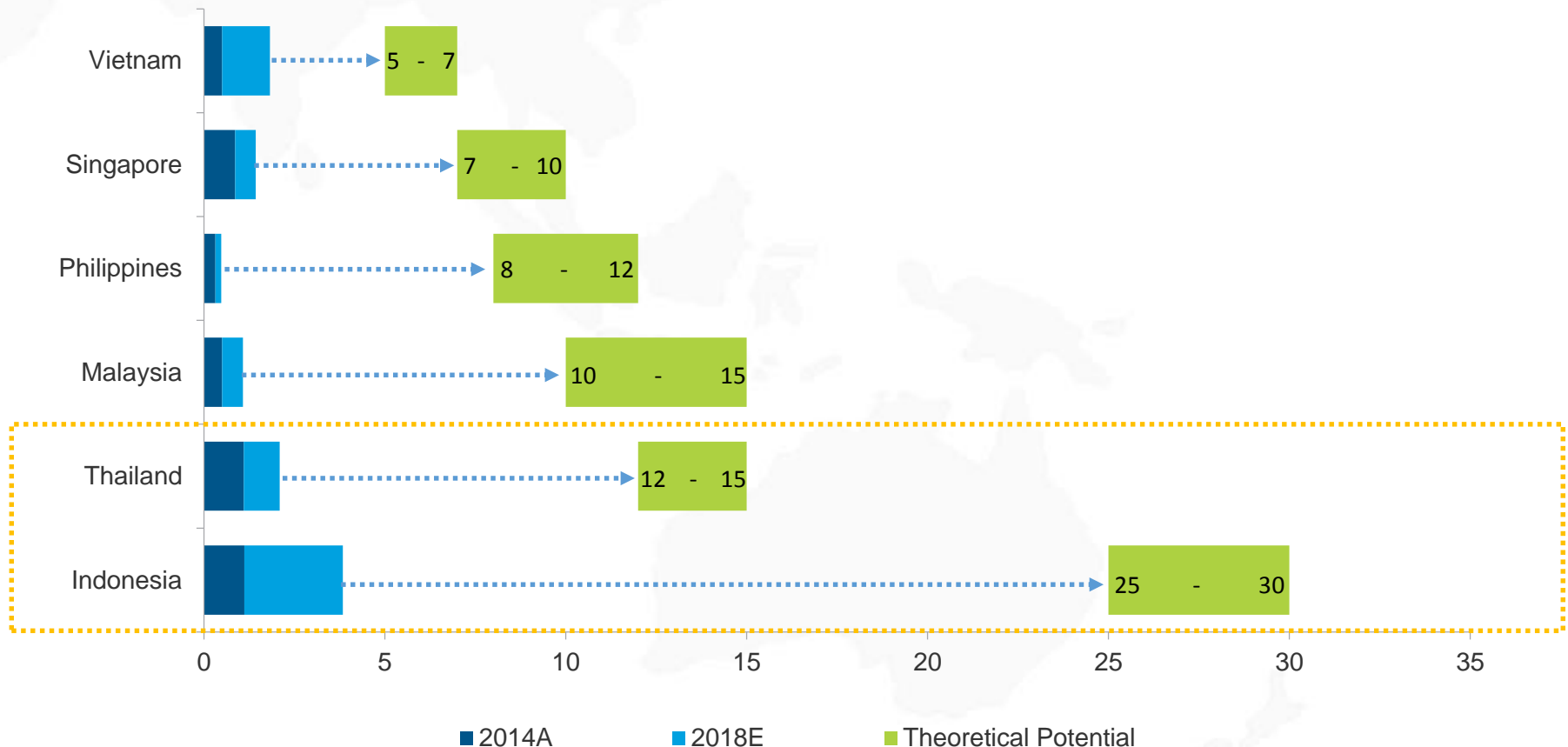
ASEAN is at Inflection Point for E-Commerce

Bottleneck converting offline to online

- ~~Internet penetration~~
- ~~Basic regulations~~
- Warehouse readiness
- Last mile delivery
- Payment
- Talent
- Tax and customs
- Online security

Toward full potential

Inflection

Where we are

Early beginnings
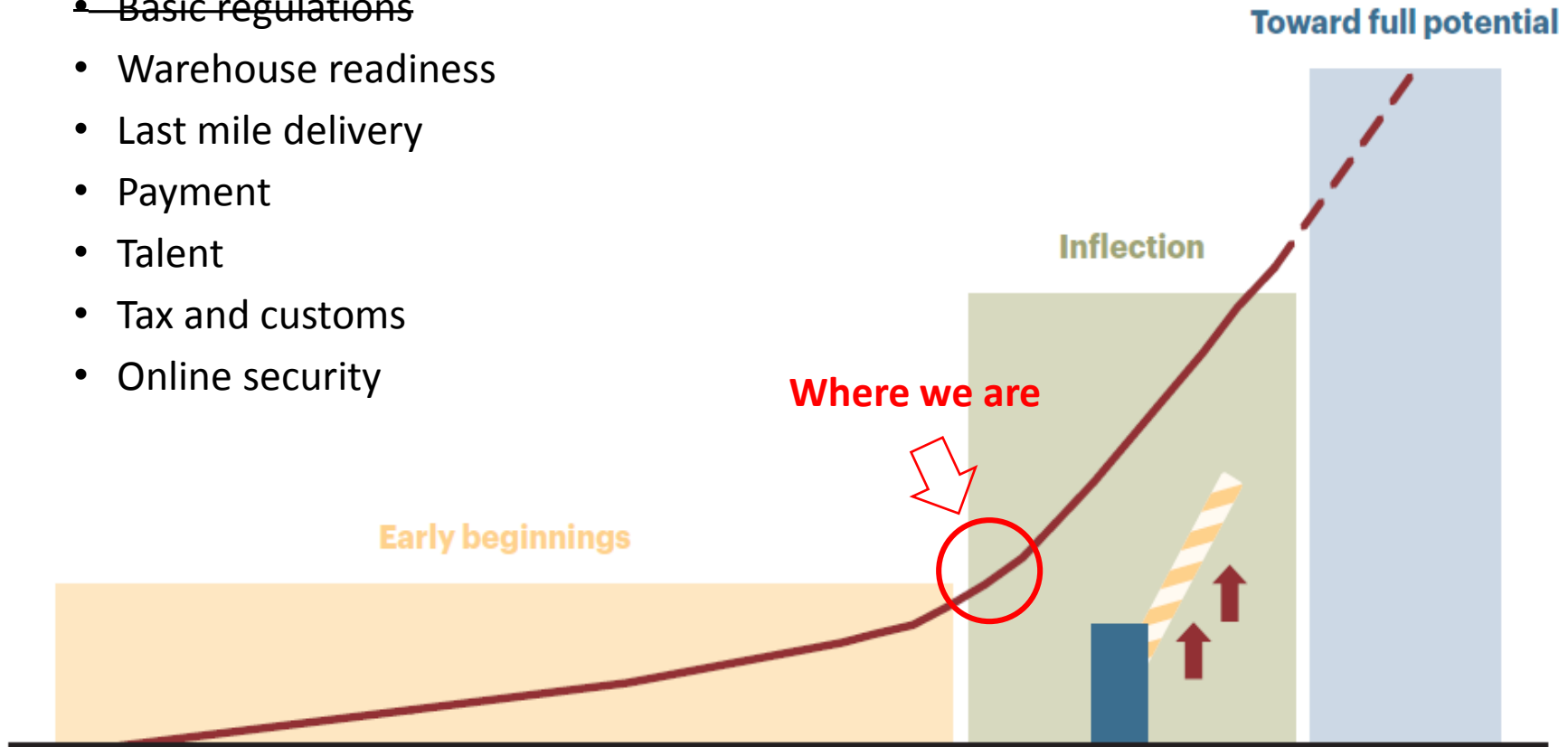
Source: A.T. Kearney Analysis

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In Only 5 Years..

	2010	**2015**
Internet Population	150M	225M
Internet Penetration	25%	36%
Social Platform	FB, Hi5, BBM	FB, LINE, Instagram, Twitter, Path
Mobile Choice	Nokia, Blackberry	Android, iPhone, BB
eCommerce Revenue	1Bn	7Bn
Payment Method	Bank transfer	Transfer, COD, Credit card, e-Wallet, e-banking
eCommerce Model	B2C retail, C2C Forum	B2C retail, B2C Marketplace, C2C Classified, B2B
Mobile Commerce	0%	30%

Source: We Are Social, Euromonitor, East Ventures, 2015

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Digital Development in Global Perspective

HOW COUNTRIES SCORED ACROSS FOUR FACTORS ON THE
DIGITAL EVOLUTION INDEX (OUT OF 100)

Achieved high level but losing momentum

1 STALL OUT

2 STAND OUT

High level of digital development and continue upward

Low score currently and facing significant challenges to grow

3 WATCH OUT

4 BREAK OUT

Potential to develop strong digital economies though overall score still low

RATE OF CHANGE IN DIGITAL EVOLUTION FROM 2008–2013

Rapidly receding — Slowly receding — Slowly advancing — Rapidly advancing

Source: Digital Evolution Index, The Fletcher School at Tufts University, https://hbr.org/2015/02/where-the-digital-economy-is-moving-the-fastest

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Major Activities of Listed Players in SEA

- **Sep 2013**: Alibaba.com launched SEA site, sea.taobao.com in SG

- **Aug 2014**: Alibaba.com invest S$312M to purchase 10% equity in *Singapore POST* to secure eCommerce logistics network in SEA

- **Oct 2014**: *Singapore POST* announced the S$182M construction of eCommerce Logistics Hub in Singapore. Expected to complete by Jan 2016

- **Feb 2015**: LIPPO GROUP to launch Mall with targeted investment of $500
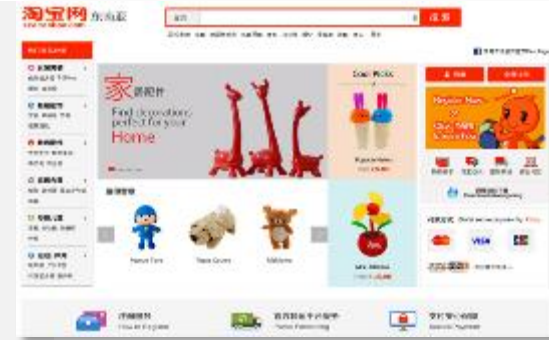
COMING SOON # 1 eCommerce IN INDONESIA

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- **2012 and before**
  - **true** had WELOVE SHOPPING.com
  - CPALL had ShopAt7.com
  - INTOUCH hosted AIS the StartUP

- **Feb 2013**: dtac hosted dtac accelerate

- **May 2013**: **true** launched **true**MART

- **May 2013**: **true** hosted true incube

- **Jan 2014**: Big C launched Cdiscount.com in ASEAN

- **Mar 2015**: CPN launched Central online shopping www.central.co.th

- **Aug 2015**: **true** launched corporate VC fund

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Challenges for Offline Retailers

- **Sales cannibalization** of offline operations
- **Discounted prices** and margin pressure
- **Offline store-opening** opportunity overstated
- **Channel integration** will be a major challenge
- **Profit focus** can be a disadvantage
  - Benchmark from ASEAN listed offline retailers[1]
    - EBITDA margin 13%
    - ROE 19%
    - ROIC 20%
- **New online ventures** will initially be loss-making
  - Lazada
    - EBITDA margin % of net revenue: -95%

Source: CLSA report Sept 2015, Rocket 2014 Results

1) 2014 performance of listed offline retailers under CLSA coverage

Governments' Initiative to Support

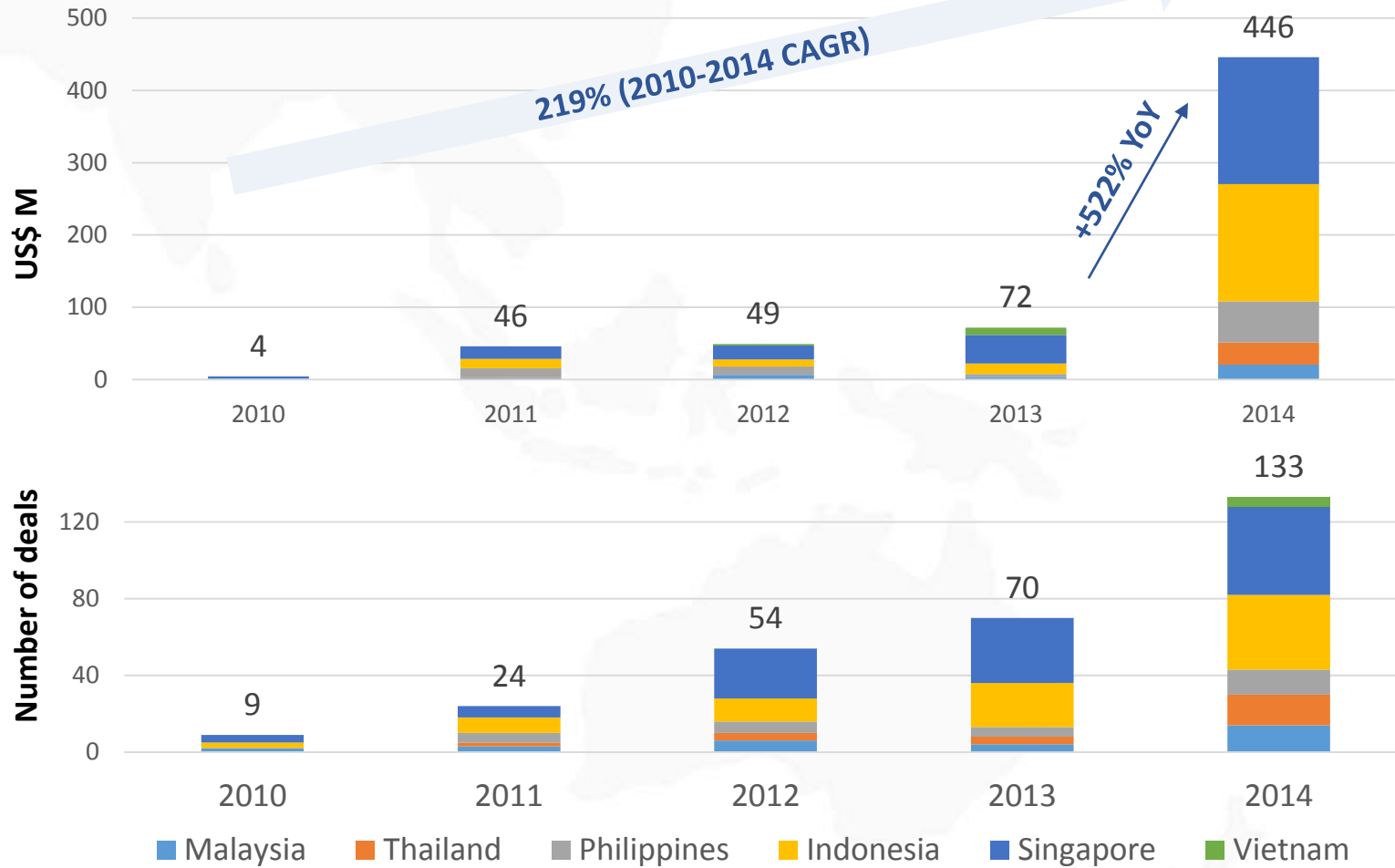| Singapore Government	Companies venturing abroad can defray up to 70% of the cost of implementing an online business strategy.
Indonesia Government	The government plans to issue "e-commerce roadmap" by 3Q15 to provide clear guidelines regarding logistics services, payment gateways and tax —among others — for the e-commerce industry.
	The Minister of Communications and Information Technology initiates an idea to raise about Rp12tn (US$1bn) to help develop Indonesia digital startups.
Thailand Government	The Ministry of Commerce has called for e-commerce traders to register with the department under the Business Act so they will get a legal business licence and protection under the law.

Source: BofA Merrill Lynch Global Research, Channel News Asia, Jakarta Post, Bangkok Post, Company disclosures

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SEA Tech Funding Has Reached Inflection Point

Investment by country

US$ M

219% (2010-2014 CAGR)

+522% YoY

- 2010: 4
- 2011: 46
- 2012: 49
- 2013: 72
- 2014: 446

Number of deals

- 2010: 9
- 2011: 24
- 2012: 54
- 2013: 70
- 2014: 133

■ Malaysia ■ Thailand ■ Philippines ■ Indonesia ■ Singapore ■ Vietnam

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Closer Look into the Unicorns

Company	Valuation	Country	Sector
Xiaomi	46.0	China	Hardware
Flipkart	15.0	India	eCommerce/Marketplace
DJI Innovations	10.0	China	Hardware
Lufax	10.0	China	Fintech
Kuaidi Dache*	8.8	China	On-Demand
Meituan	7.0	China	eCommerce/Marketplace
Dianping	4.1	China	eCommerce/Marketplace
VANCL	3.0	China	eCommerce/Marketplace
Snapdeal	2.5	India	eCommerce/Marketplace
Olacabs	2.4	India	Transportation
Trendy Group International	2.0	China	Clothing & Accessories
Coupang	2.0	South Korea	eCommerce/Marketplace
One97 Communications	2.0	India	Fintech
Mu Sigma	1.5	India	Big Data
Koudai Gouwu	1.4	China	eCommerce/Marketplace
Lazada	1.3	Singapore	eCommerce/Marketplace
Quikr	1.0	India	eCommerce/Marketplace
Zomato Media	1.0	India	Social
InMobi	1.0	Singapore	Adtech
Mogujie	1.0	China	Social
Fanli	1.0	China	eCommerce/Marketplace
iwjw.com	1.0	China	eCommerce/Marketplace
Panshi	1.0	China	Adtech
BeiBei	1.0	China	eCommerce/Marketplace
GrabTaxi	1.0	Singapore	Transportation
Yello Mobile	1.0	South Korea	Mobile Software & Services

- Out of **130 unicorns** earlier this year, **30 are from Asia**, of which **13 are in eCommerce**

Source: CB Insights

Most Funds Flow in SEA to eCommerce and Mktplace

Num. of Deals by Vertical

Legend: Q4 2014 (blue), Q1 2015 (orange)

Vertical	Q4 2014	Q1 2015
Marketplace	20	24
Ecommerce	11	22
Enterprise	10	14
FinTech	10	11
Software	8	7
Ad Tech	4	5
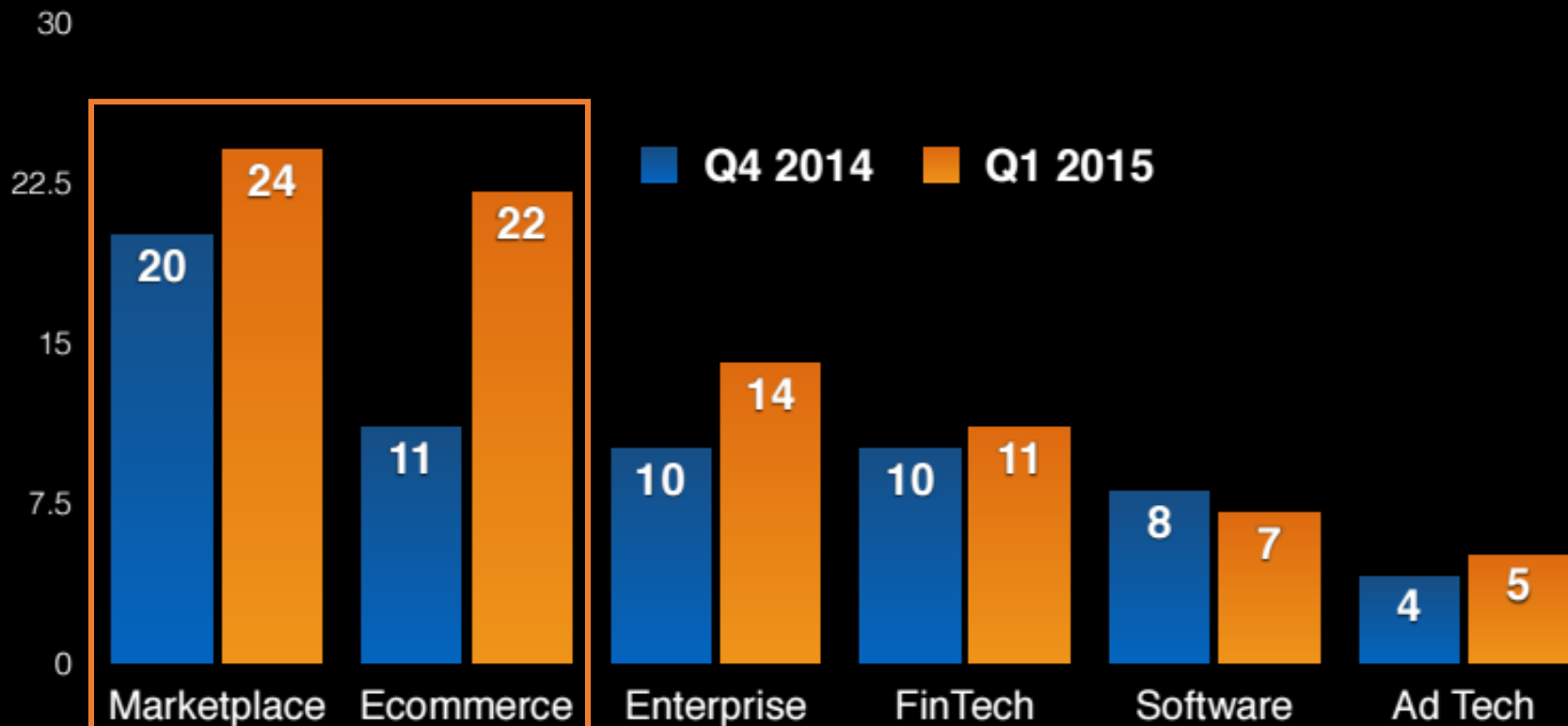
Source: Techlist

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SEA's Recent Sizeable eCommerce Deals

Company	When?	Deal	Round Size
redmart	Aug 2015 July 2014	Bridge Series B Garena and Eduardo Saverin	USD26.7mm USD23.0mm
Luxola WWW.LUXOLA.COM	July 2015	Acquired by SEPHORA PERFUME-MAKE UP-SKINCARE	Undisclosed (8 digits)
acommerce Powering eCommerce	May 2015 June 2014	Rights Issue Raised Series A	USD5.0mm USD10.7mm
livingsocial (SEA business)	April 2014	Acquired by iBuy	USD18.5mm

SEA Companies Recently Raised Over $100M

Company	When?	Deal	Round Size
GRABTAXI	Aug 2015	Chinese investors	USD 350 mm
	Dec 2014	Soft Bank	USD250 mm
Lazada	December 2014	Led by Temasek Holdings	USD249 mm
tokopedia	October 2014	Raised from Softbank and Sequoia Capital	USD100 mm

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SEA Has Seen Several Notable Exits

Company	When?	Exit	Values
HOTDEAL.vn	Aug 2015	Acquired 30% by trans cosmos	Undisclosed
Luxola (www.luxola.com)	July 2015	Acquired by SEPHORA	8 figures
xurpas	Dec 2014	IPO at The Philippine Stock Exchange Inc. (pse)	$365M (Market Cap as of Jun '15)
JobStreet.com	Feb 2014	Acquired by seek	$524M
viki	Sep 2013	Acquired by Rakuten	$200M
[a·mo·bee]	Mar 2012	Acquired by SingTel	$321M

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Next?

	2015	2020
Internet Population	225M	360
Internet Penetration	36%	62%
Social Platform	FB, LINE, Instagram, Twitter, Path	?
Mobile Choice	Android, iPhone, BB	+Xiaomis and alike?
eCommerce Revenue	7Bn	70Bn
Payment Method	Transfer, COD, Credit card, e-Wallet, e-banking	+Fin tech, on-demand, social discovery?
eCommerce Model	B2C, C2C, B2B	
Mobile Commerce	30%	>50%

Summary

- **BIG**: bigger than US (2x), bigger than EU

- **Young and rich**: much younger population than US and EU and becoming richer

- **Internet focused**: more time spent on the internet than other media

- **Mobile:** well over 100% penetration in most markets

- **Social:** everyone is on social media (Facebook, LINE)

- **Growing fast**: eCommerce CAGR 2011-2014 is 25.1%

- **Inflection point:** both eCommerce and funding in the region is growing ever faster than before

- **Less competition:** not (yet) dominated by global players

- **Capital available:** funding available from seed to growth

We're Here

Thank You

Adrian Vanzyl

Adrian@ardentcapital.com

Twitter: @ardentcapital

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What Next?

Our view: themes shaping SEA eCommerce in the next 5 years

1. M&A consolidations in B2C

2. Digital agencies will adapt or go extinct

3. The marketplace space will get overcrowded

4. Cross-border eCommerce will accelerate with AEC

5. Demographic evolution: foreign entrepreneurs will flood the market

6. The Uber-ization of logistics and everything else

7. Mobile commerce still crippled by poor UX

8. B2B eCommerce will be the new black

9. COD will remain necessary to win SEA

https://www.techinasia.com/10-trends-shape-southeast-asian-ecommerce-2015/

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Asian Messaging Apps Monetization

Asian messaging leaders may move into becoming Central Communication Hub with commerce, transportation, payment services

While Facebook messenger and Whatsapp do not

Messaging Platforms – Asia In-Country Leaders = Developing Evolving Playbooks...

	TALK	**WeChat**	**LINE**
Name	KakaoTalk	WeChat	LINE
Launch	March 2010	January 2011	June 2011
Primary Country	Korea	China	Japan
Messaging	✓	✓	✓
Group Messaging	✓	✓	✓
Voice Calls	Free VoIP calls (2012)	WeChat Phonebook (2014)	✓
Video Calls / Chat	✗	✓	Video call update (2013)
Payments	KakaoPay (2014)	(2013)	Line Pay (2014)
Stickers	(2012)	Sticker shop (2013)	(2011)
Games	Game Center (2012)	(2014)	(2011)
Commerce	Kakao Page (2013)	Delivery support w / Yixun (2013)	Line Mall (2013)
Media	Kakao Topic (2014)	✓	✓
QR Codes	✓	QR code identity (2012)	✓
Food Delivery	✗	Partnership with Foodpanda (2014)	Launched beta in Thailand (2015)
Taxi Services	Kakao Taxi (2015)	Taxi services w/ Didi Dache (2014)	Launched taxi service in Tokyo (2015)
User Stories / Moments	Kakao Story (2012)	WeChat Moments	Line Home (2012)
Developer Platform	KakaoDevelopers	WeChat API	Line Partner (2012)

Source: KPCB's Mary Meeker's 20th Annual Internet Trend Report

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2015 Largest Deal Goes into Mobile Commerce

Korea's Coupang raises $1B from SoftBank in world's largest round so far in 2015

- **Coupang** founded in **2010**

- Become **Korea's largest online retailer**

- **Mobile commerce** accounts for 75 percent of revenues

- **Focuses on speed of delivery** using a combination of logistics technology it has built coupled with an army of so-called **"Coupang Men"** who both deliver goods and act as customer service reps

Social and Mobile Commerce in SEA
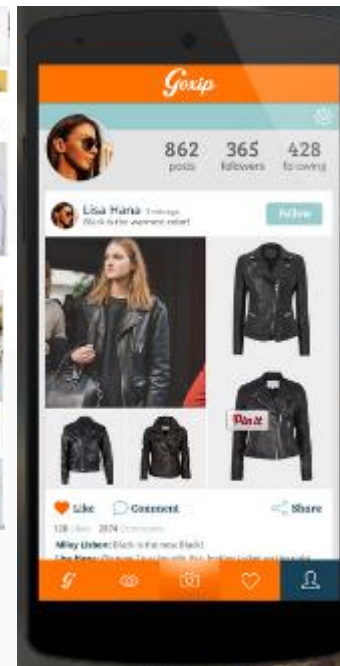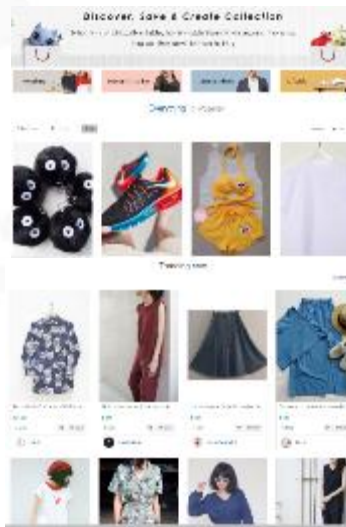
Sharing economy: marketplace + on-demand fulfilment for everything?

**2nd Generation Online Platforms / Marketplaces for _Services_ Rising =
Optimizing for Mobile Internet Devices + On-Demand Local Delivery**

**Many Mobile-Enabled Urban Millennials Believe =
Should Get What They Want (Products / Services / Work) When They Want It**
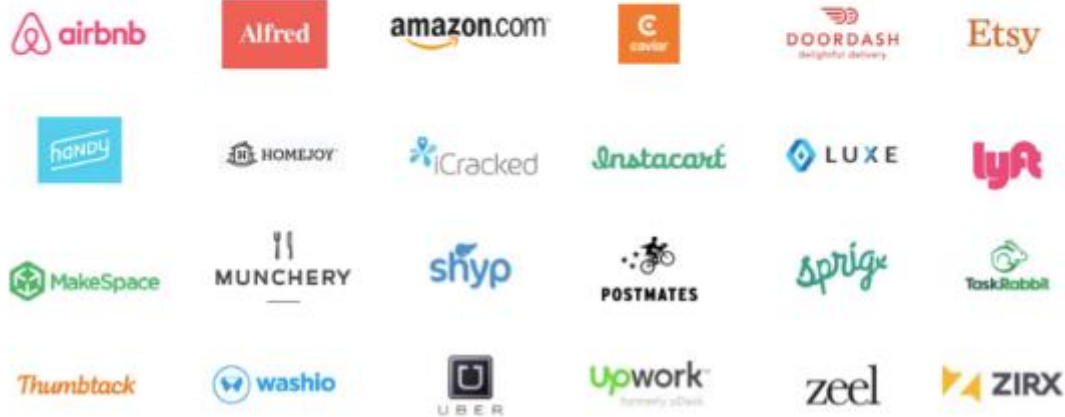
**...'Just in Time' Products + Services
= Enabled by Mobiles + Sensors + Humans**

Selected On-Demand Company Fulfillment Time Estimates

Transportation		Food		Delivery	
LUXE	~10 min	caviar	<20 min	POSTMATES	Typically within 1 hour
lyft	Within minutes	DOORDASH	Typically within 1 hour	shyp	~20 min
UBER	Within minutes	MUNCHERY	Typically within 20-40 minutes		
Dining		sprig	15 min	**Travel**	
OpenTable	Instant booking			airbnb	Instant booking
Entertainment		**Groceries**			Instant booking
SeatGeek	Instant booking	Instacart	Typically within 1-2 hours		

Source: KPCB's Mary Meeker's 20th Annual Internet Trend Report

Rising of On-Demand in SEA

Indonesian motorcycle taxi startup Go-Jek is hiring 16,000 new drivers at a sports stadium

💬 4 Replies

Go-Jek, an Indonesian on-demand motorcycle service, is in the process of creating 16,000 new jobs in four days.

The startup booked a section of Jakarta's Gelora Bung Karno sports stadium for a mass recruitment event, held from August 11 to 14, as part of a larger job fair. However, interest for Go-Jek's sign up booths overshadowed others, local media reported.

Yesterday and throughout this whole week, @gojekindonesia booked out an

GrabTaxi raises $350m in fresh funding

20 Aug 2015 at 00:14 · 1,713 viewed · 0 comments
WRITER: AFP

Tweet

SINGAPORE - Southeast Asian taxi-booking app GrabTaxi Holdings Pte Ltd said Wednesday it had raised more than $350 million in the firm's biggest ever fundraising to boost its business in the rapidly growing market.

Singapore-headquartered GrabTaxi, which competes with the likes of Uber, said in a statement the funds came from investors that included China's sovereign wealth fund China Investment Corporation and Coatue Management, a US firm that invests in technology companies worldwide.

GrabTaxi, which was launched in 2012, said it has a presence in 26 cities across six countries in Southeast Asia

Didi Kuaidi, China's biggest taxi app firm, is also among the big-name sources of the fresh funding.

Singapore Online Grocer RedMart Raises $26.7M Ahead Of Southeast Asia Expansion

CrunchBase

RedMart

Public Internet Company Market Capitalizations – 1995 → 2015...
Top 15 Companies by Market Capitalization = 1995 @ $17 Billion → 2015 @ $2.4 Trillion

Global Public Internet Companies, Ranked by Market Capitalization

As of December, 1995

	Company	Home Country	Market Cap. ($MM)
1	Netscape	USA	$5,415
2	Apple	USA	3,918
3	Axel Springer	Germany	2,317
4	RentPath	USA	1,555
5	Web.com	USA	982
6	PSINet	USA	742
7	Netcom On-Line	USA	399
8	IAC / Interactive	USA	326
9	Copart	USA	325
10	Wavo Corporation	USA	203
11	iStar Internet	Canada	174
12	Firefox Communications	USA	158
13	Storage Computer Corp.	USA	95
14	Live Microsystems	USA	86
15	iLive	USA	57
	Total Market Cap of Top 15		**$16,752**

As of May, 2015

	Company	Home Country	Market Cap. ($MM)
1	Apple	USA	$763,567
2	Google	USA	373,437
3	Alibaba	China	232,755
4	Facebook	USA	226,009
5	Amazon.com	USA	199,139
6	Tencent	China	190,110
7	eBay	USA	72,549
8	Baidu	China	71,581
9	Priceline Group	USA	62,645
10	Salesforce.com	USA	49,173
11	JD.com	China	47,711
12	Yahoo!	USA	40,808
13	Netflix	USA	37,700
14	LinkedIn	USA	24,718
15	Twitter	USA	23,965
	Total Market Cap of Top 15		**$2,415,867**

Source: KPCB's Mary Meeker's 20th Annual Internet Trend Report

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