

# The Future of Marketplaces in Central Asia: Trends and Opportunities

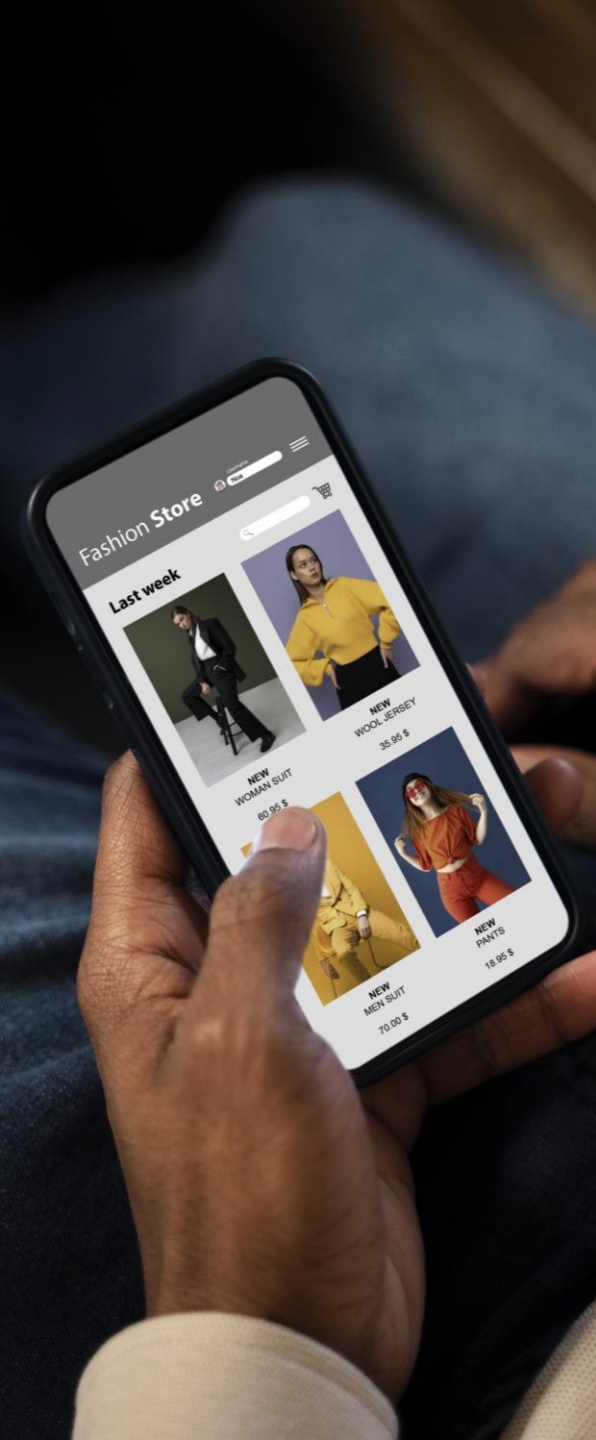
May 12, 2022



# Kazakhstan has the most advanced e-commerce market in Central Asia

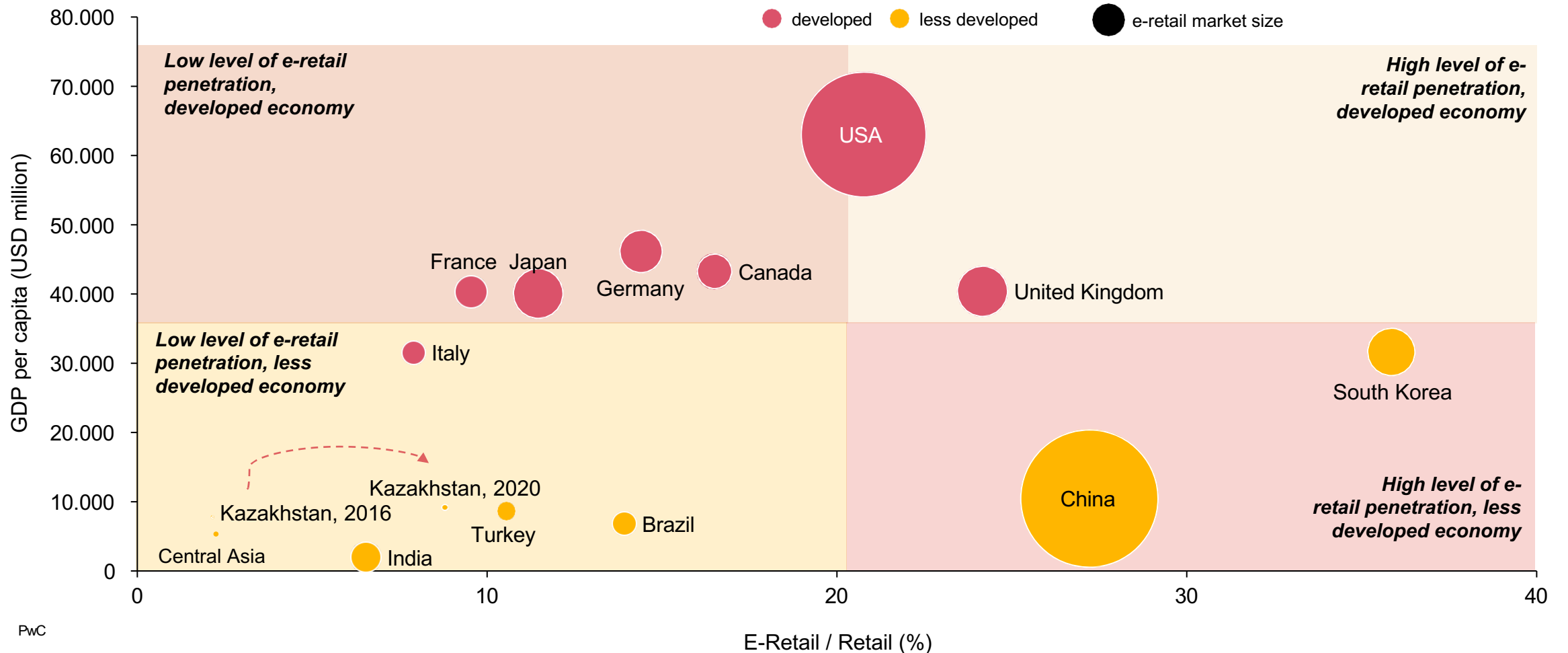


Market share of e-commerce in the total retail market

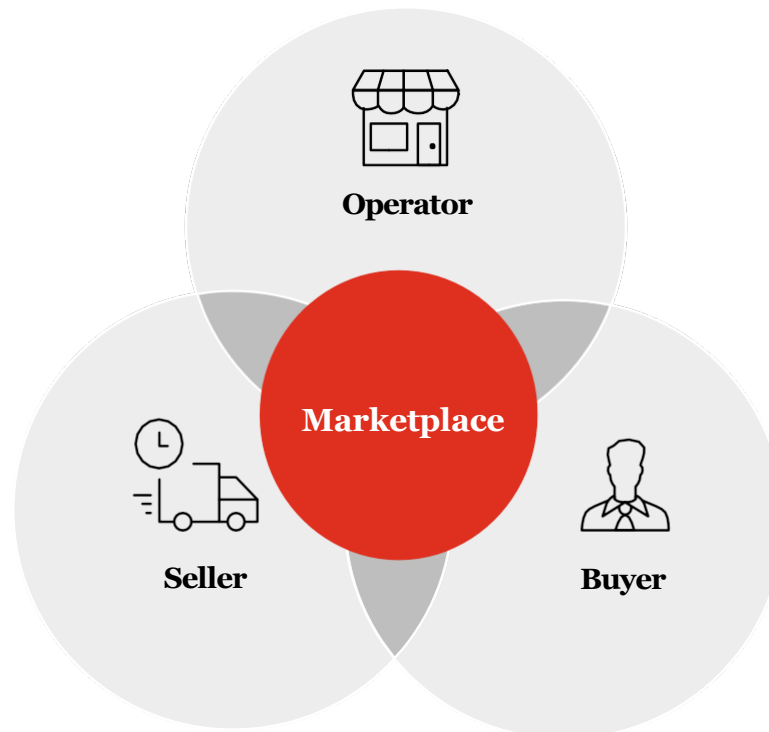
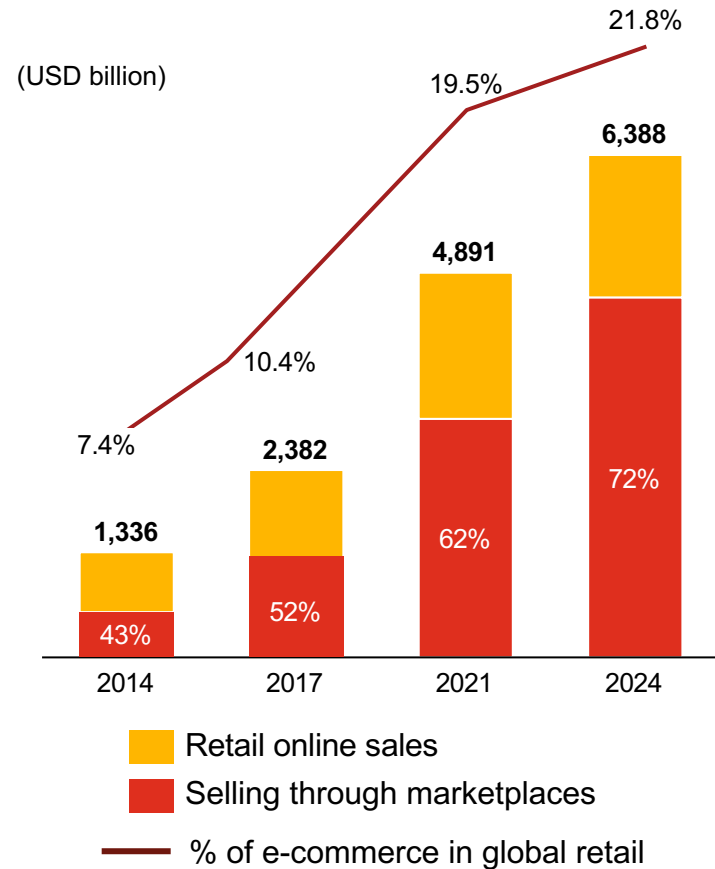


# E-commerce in Central Asia shows great growth potential because its current level in the region is much lower than the global level

## Relationship between e-retail penetration and GDP per capita



# Global trends show a growing share of marketplaces in retail sales



## EV/EBITDA multiplier from the Top 50 post-IPO marketplaces

	IPO data	EV/EBITDA April 2022
 <b>mercado libre</b>	2007	X 60
 <b>Etsy</b>	2015	X 26
 <b>zalando</b>	2014	X 13
 <b>allegro</b>	2020	X 12
 <b>Kaspi.kz</b>	2020	X 12

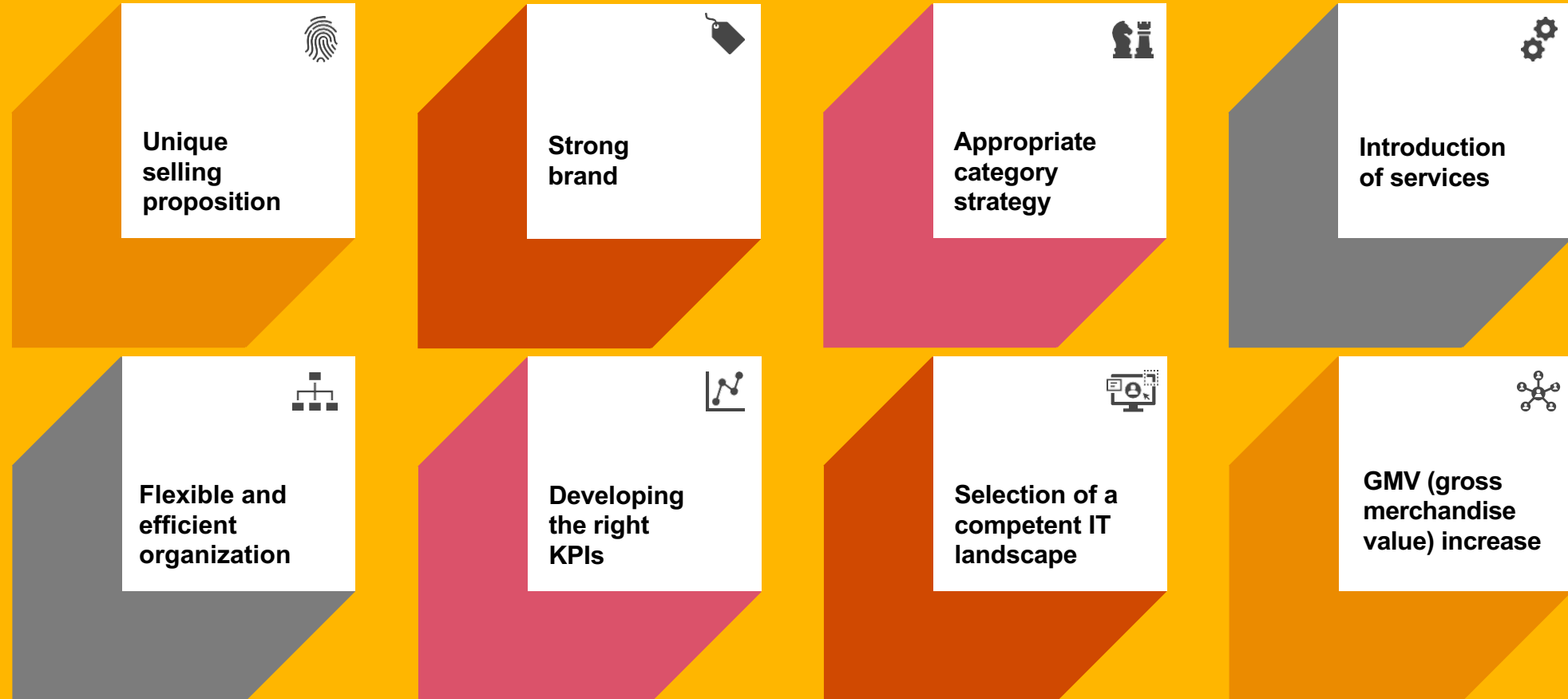


Successful marketplaces are built on three pillars:  
e-com platform, financial services, and logistics

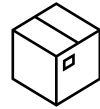


Comprehensive marketplace development requires a reliable ecosystem focused on user comfort, efficient logistics and convenience of financial services

# Success of a marketplace depends on a clear strategic view of the market during the life cycle



# There are several barriers to the development of marketplaces in Central Asia



## Underdeveloped domestic and cross-border logistics

- Slow delivery speed
- High shipping cost



## Limited access to infrastructure

- Low penetration of the Internet and related technologies
- Limited delivery of financial services



## Unformed consumer habits

- Commitment to offline channels
- Lack of confidence in online shopping
- Low digital literacy

With the development of logistics, expansion of access to digital infrastructure and adaptation of business to the realities of e-commerce, the market can grow faster

### Development of logistics and transport potential

- Automation of processes that speed up processing and delivery
- Implementation of modern technologies such as postamats (parcel terminals) and drones

### Expanding access to digital infrastructure

- Widespread adoption of affordable high-speed Internet
- Increasing the coverage of the population with necessary gadgets
- Providing a wide range of financial services for purchases

### Consumer Engagement and Business Transformation

- Developing an intuitive and trustworthy platform
- Adaptation of business models for e-commerce





# Thank you!

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