

# **Digital Disruption in 2016-2020:**

## **Where Is Growth Coming From – and Is That Where You Want to Be?**

Dr. Kati Suominen

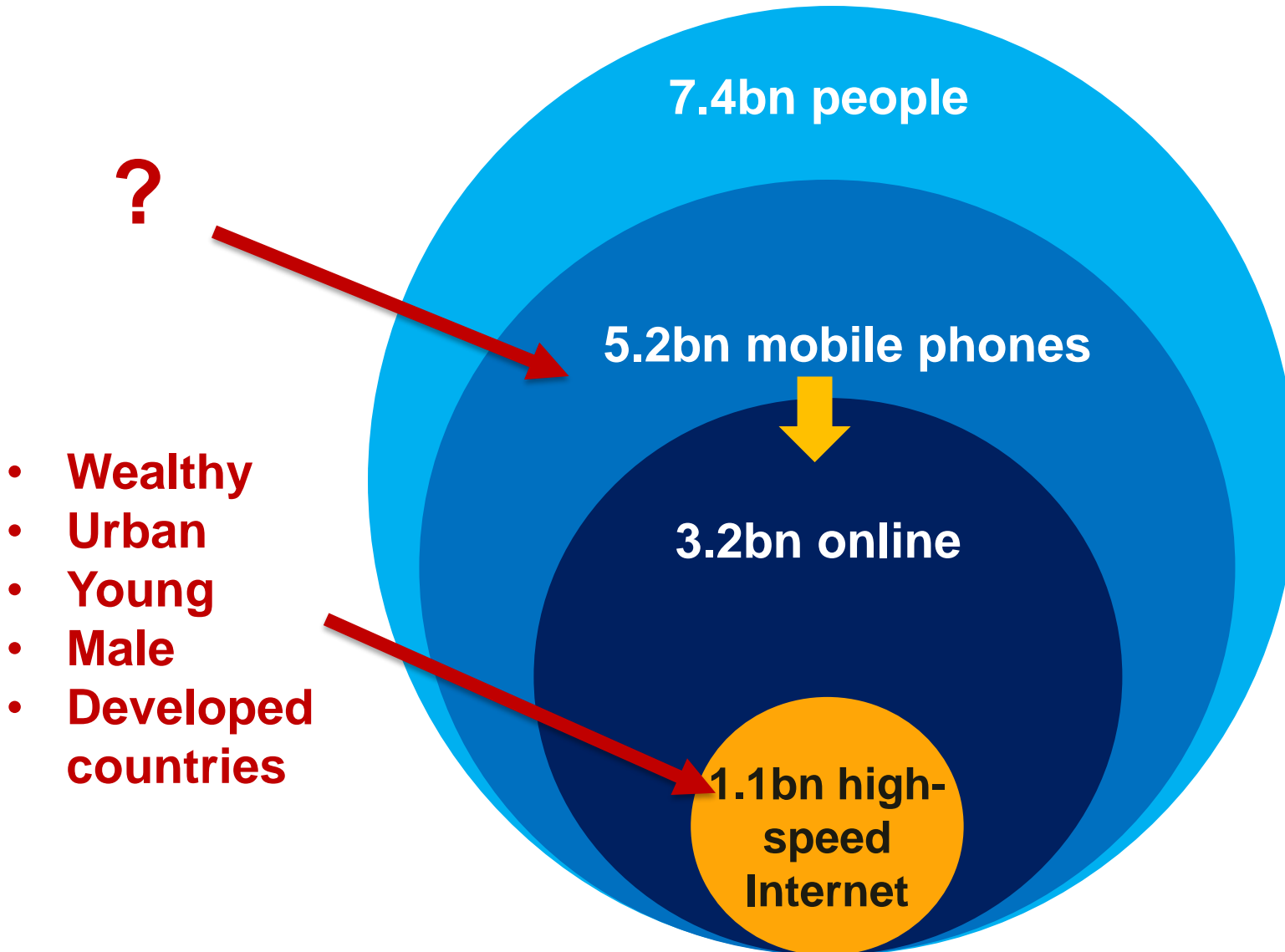
Founder & CEO, NextradeGroup & TradeUpCapital Fund  
Adjunct Fellow, Center for Strategic and International Studies (CSIS)

11 August 2016

eCommerce Day, Buenos Aires

[kati@nextradegroupllc.com](mailto:kati@nextradegroupllc.com)

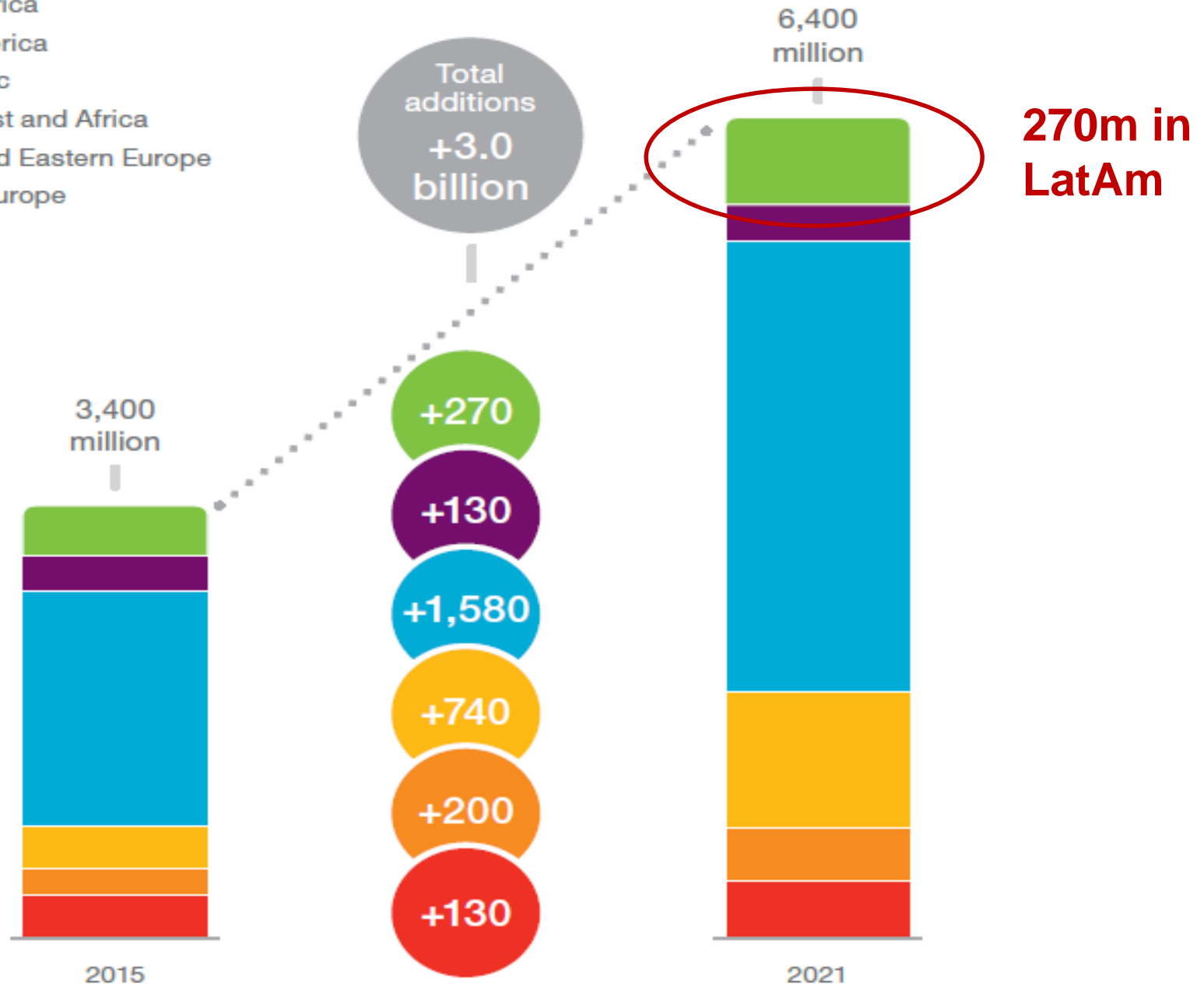
# Ecommerce is still driven by only a handful of humanity...



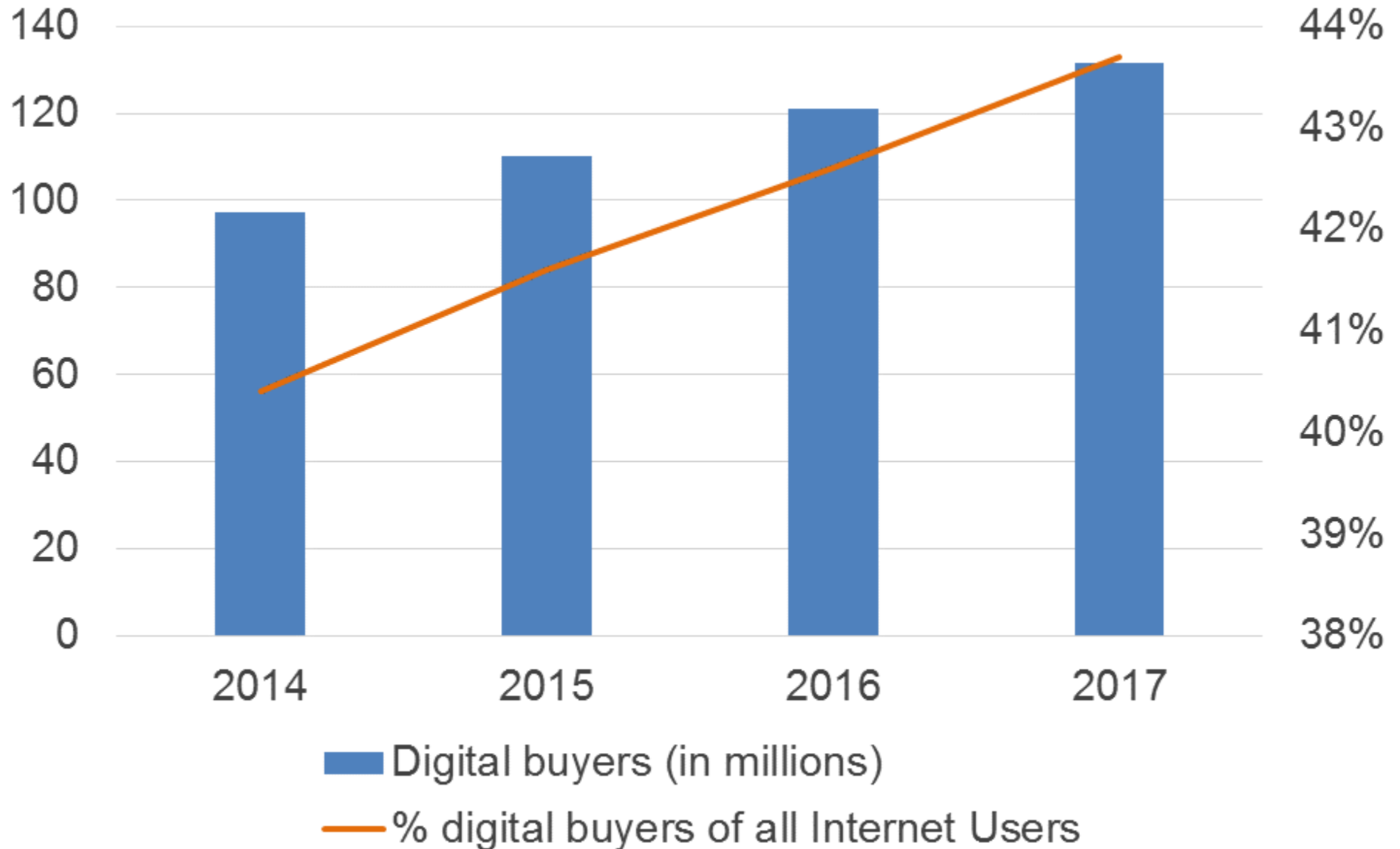
# Megatrend 1: Huge Growth in Internet Users

Smartphone subscriptions per region 2015–2021

- Latin America
- North America
- Asia Pacific
- Middle East and Africa
- Central and Eastern Europe
- Western Europe

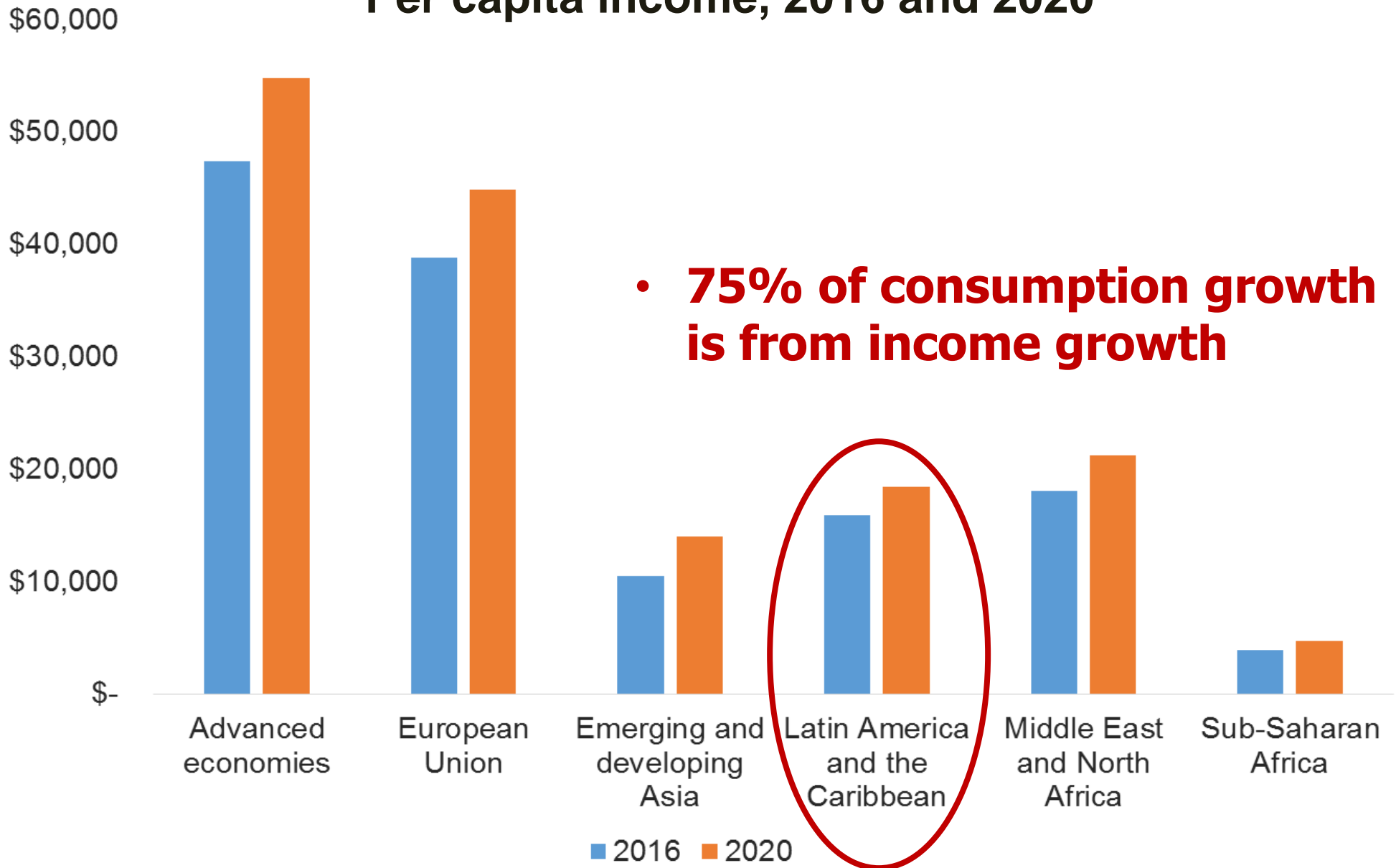


# More & More of LatAm Netizens = Digital Buyers

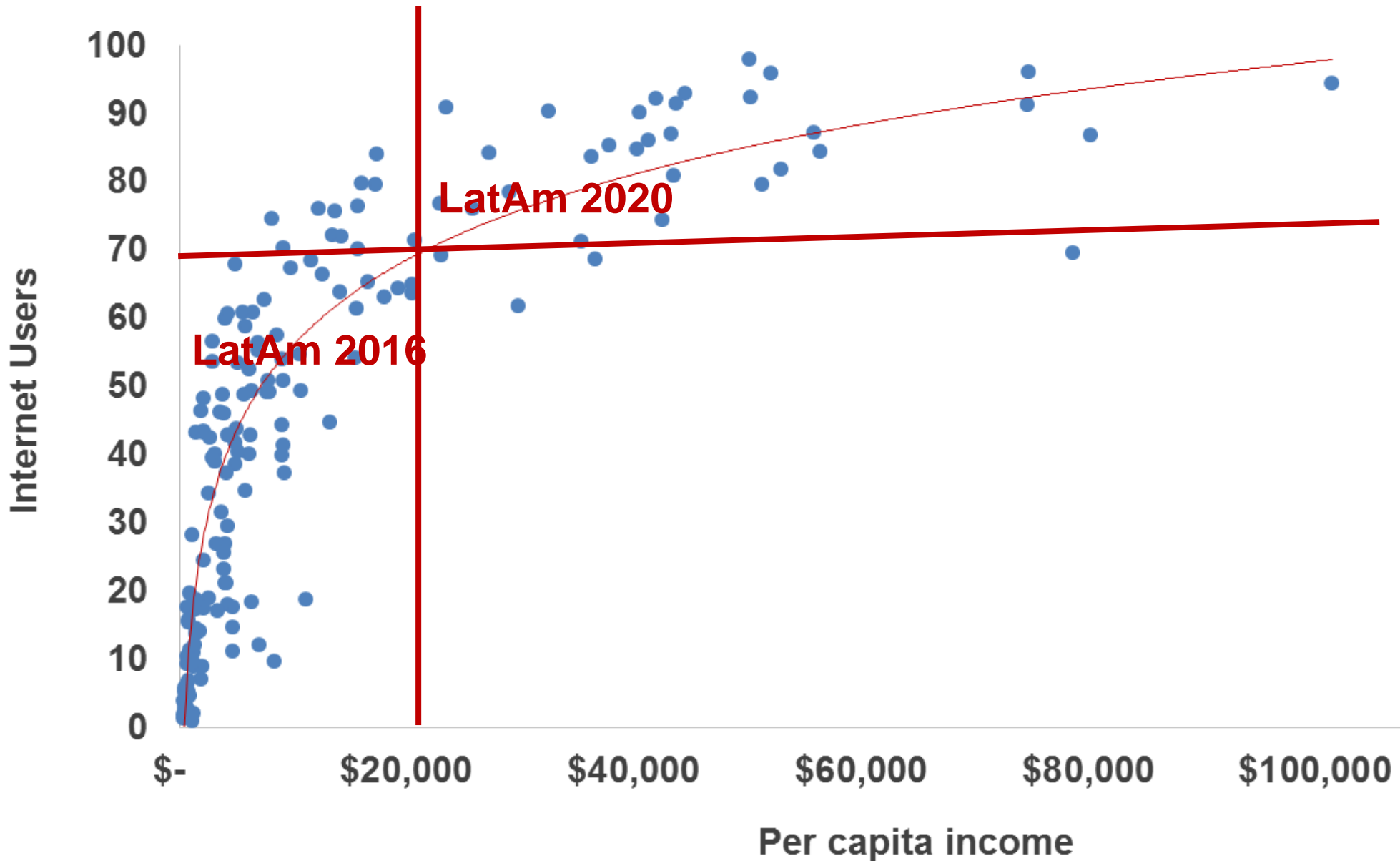


# Megatrend 2: Incomes Are Growing

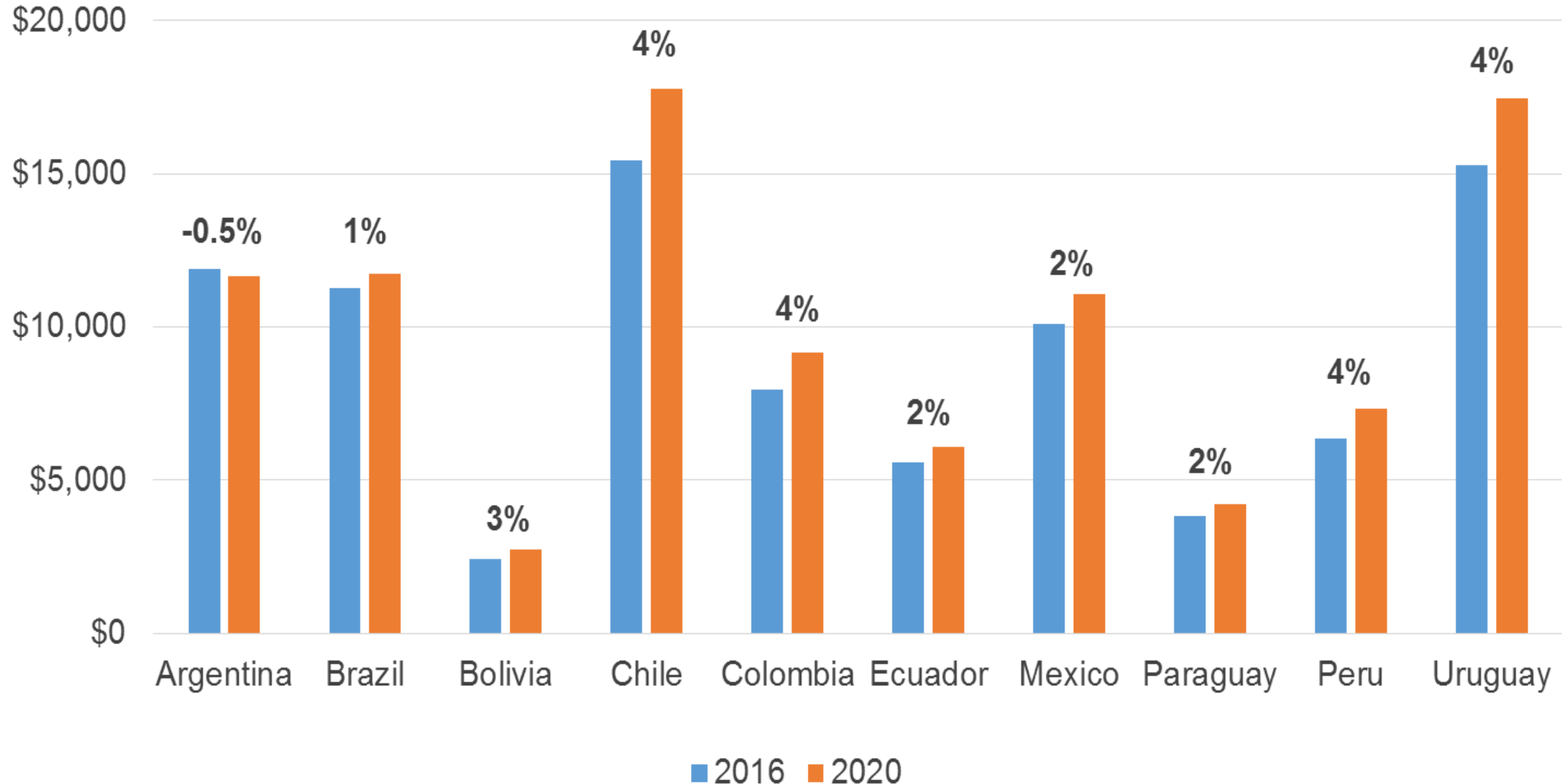
## Per capita income, 2016 and 2020



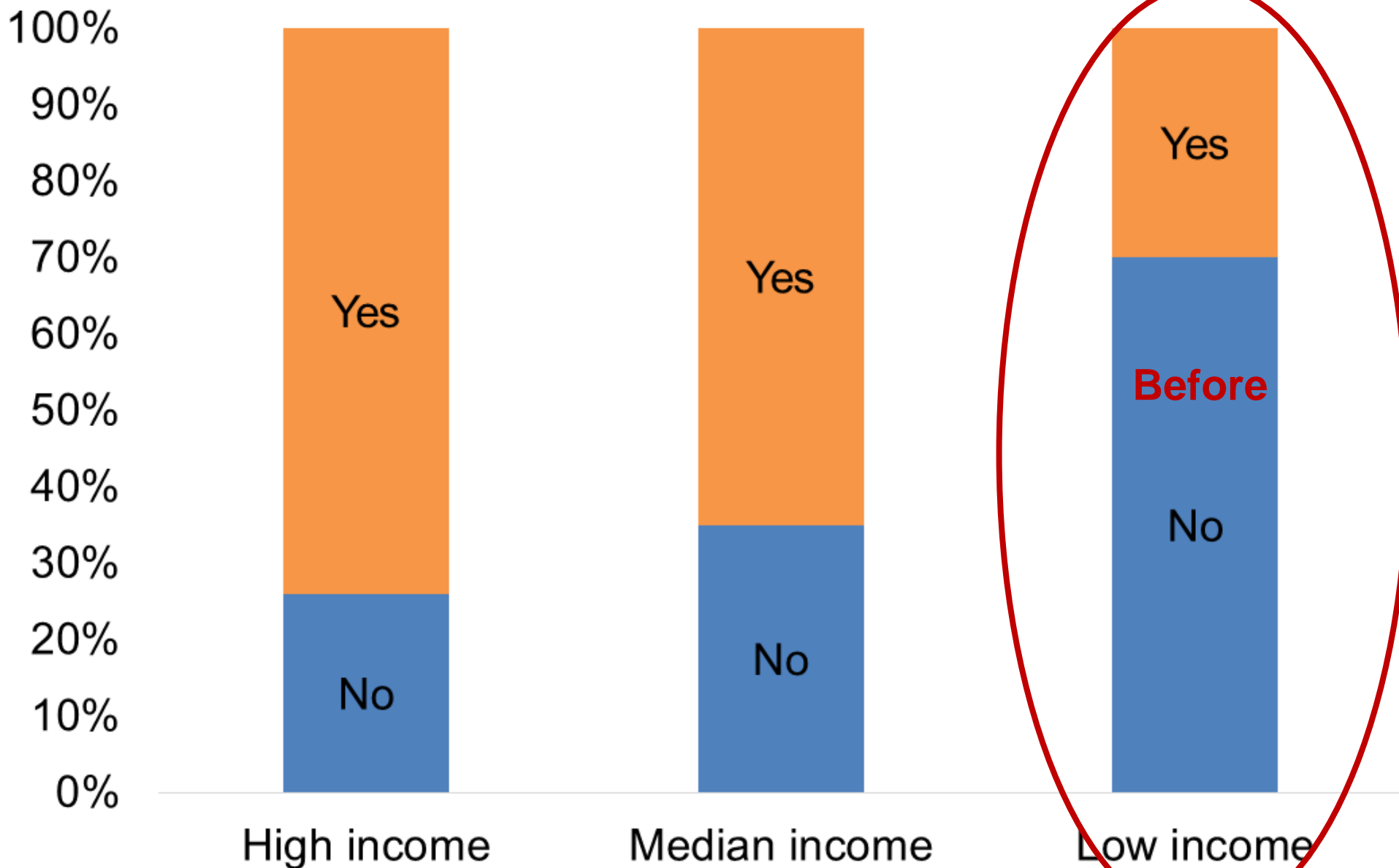
# Income Growth → Internet Use, Consumption



# Strong Income Growth in LatAm 2016-2020

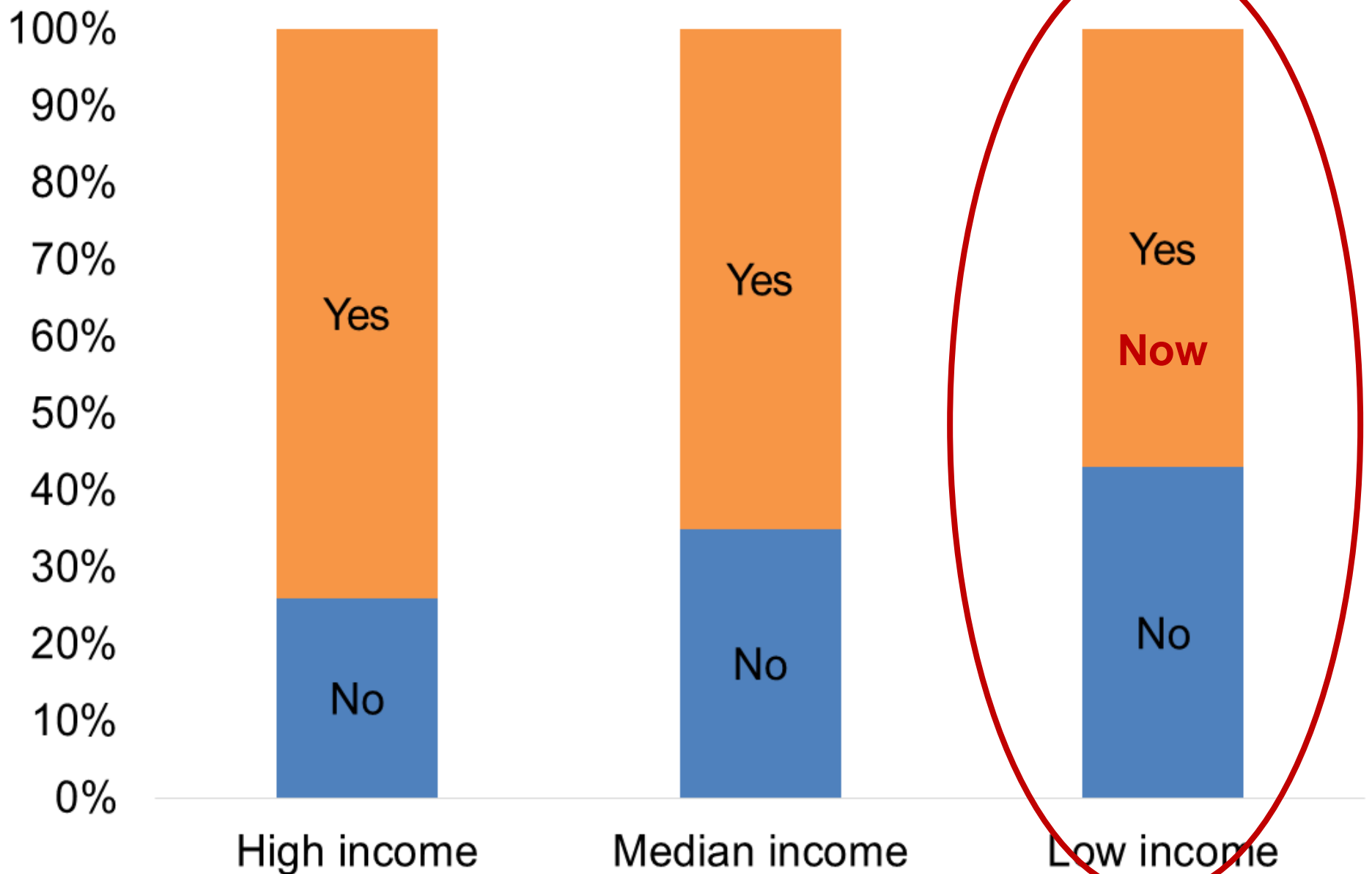


# Megatrend 3: More Low Income Online Shoppers – do you buy online?

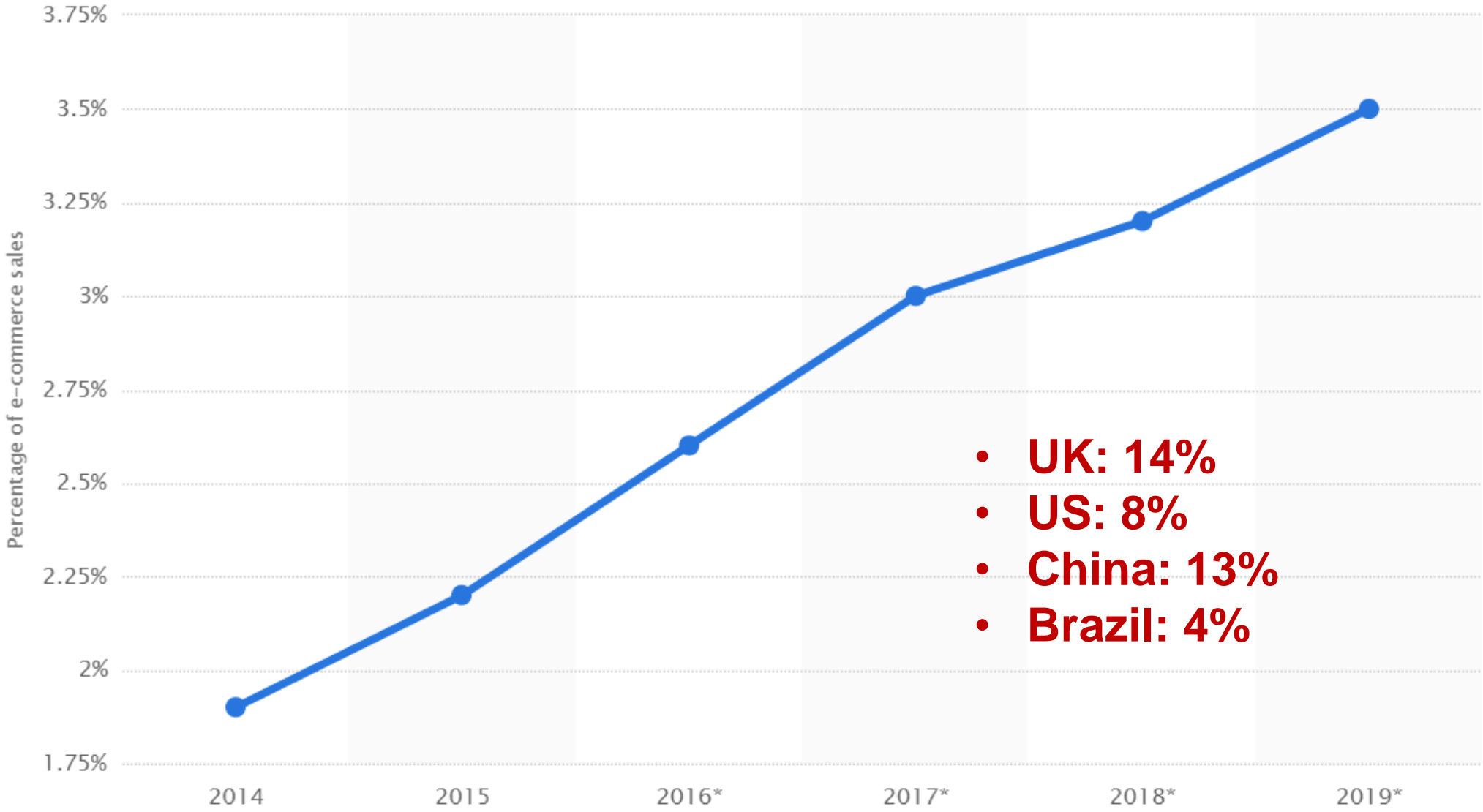




# Megatrend 3: More Low Income Online Shoppers



# → Ecommerce as % of LatAm Retail Growing



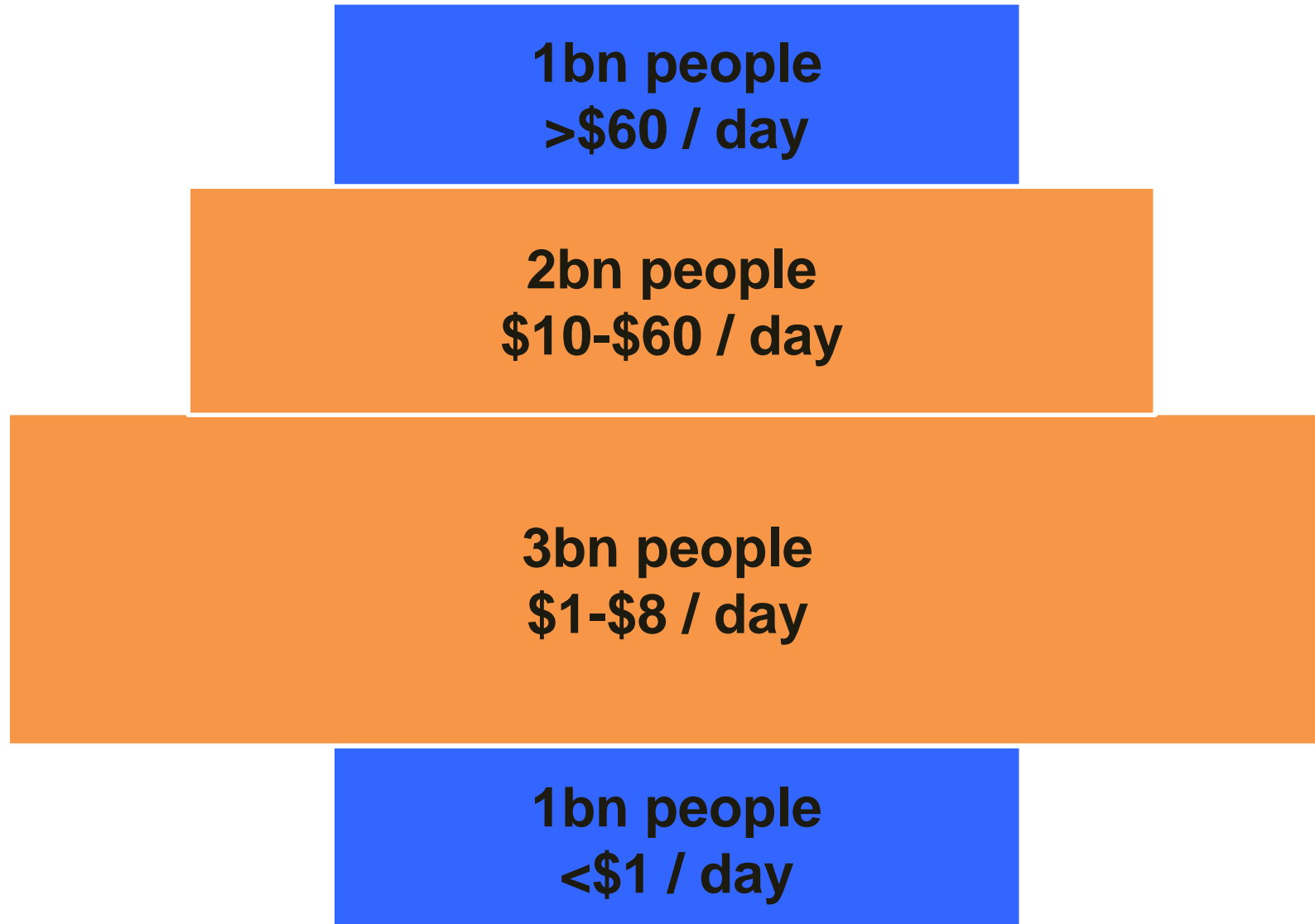
# By 2020

- 270m new Internet users in LatAm, 3bn globally  
→ *Most lower income*
  - LatAm shopper is wealthier by 10-15%
  - More low-income Latin Americans shop online
- *How do you get at this massive market?***

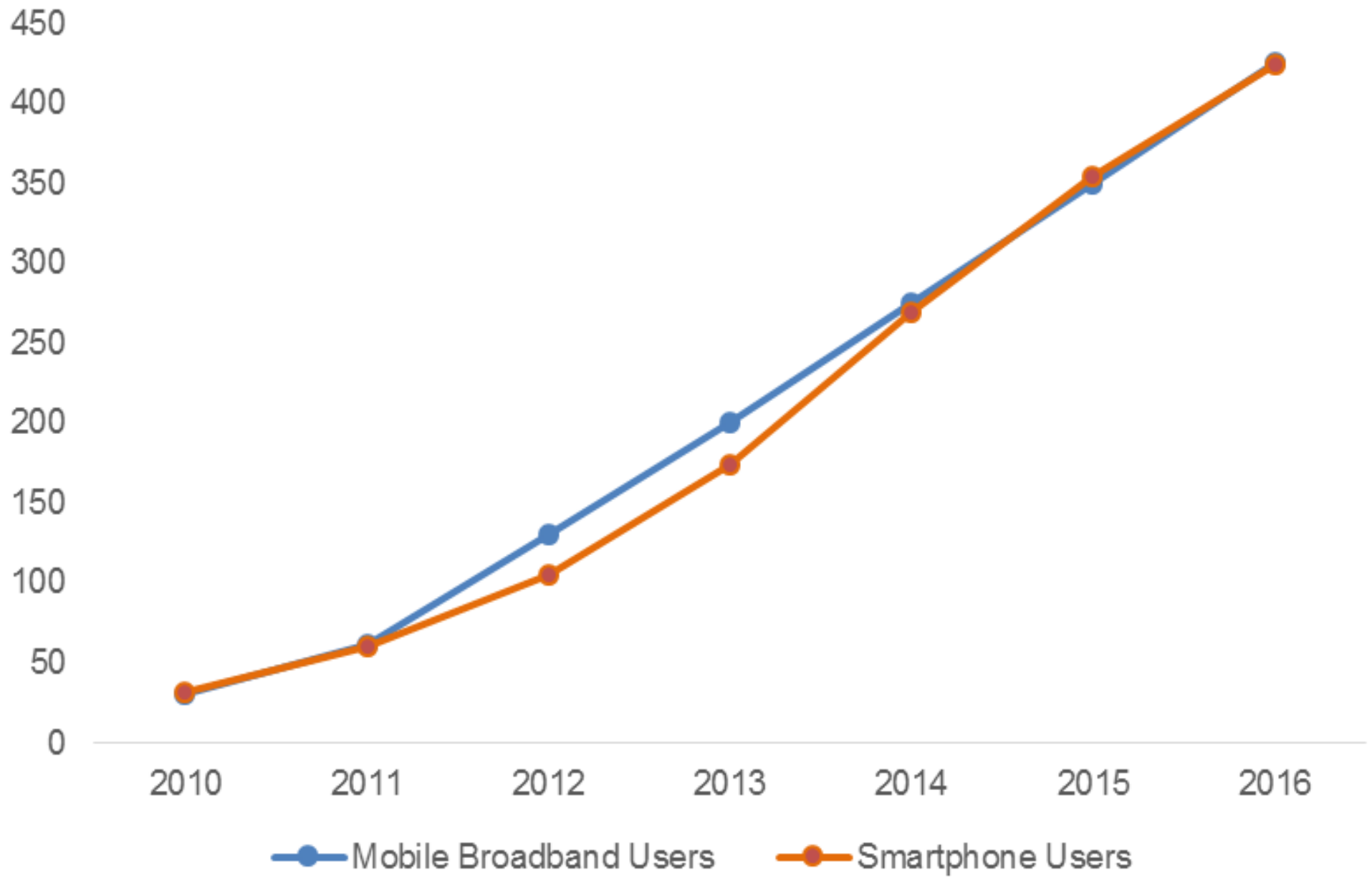
# Global Income “Pyramid”



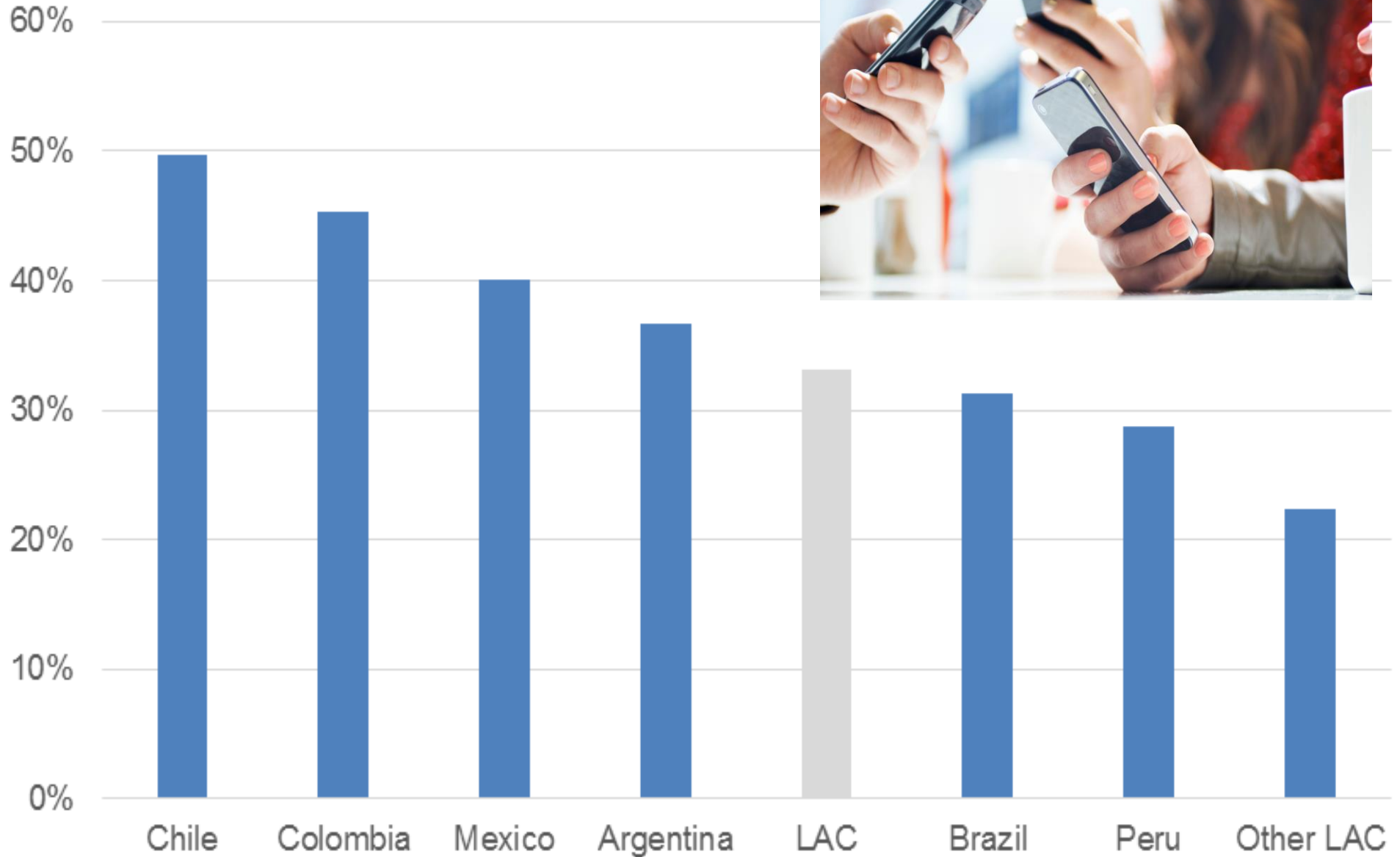
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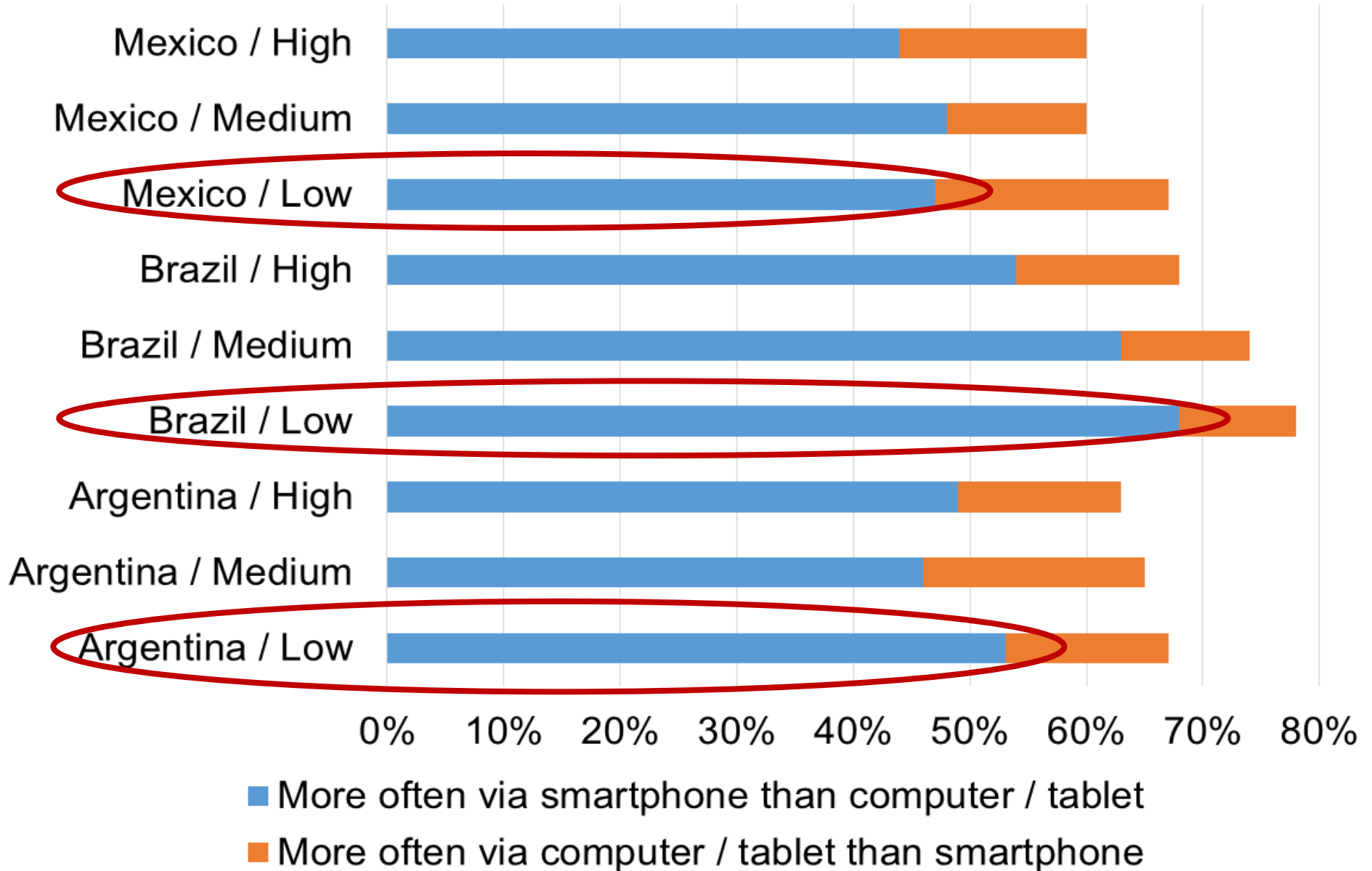
# Mobile Use Is on Fire



# Smartphone Usage Rates 30-50%



# Low-Income People Connect Online on Mobile

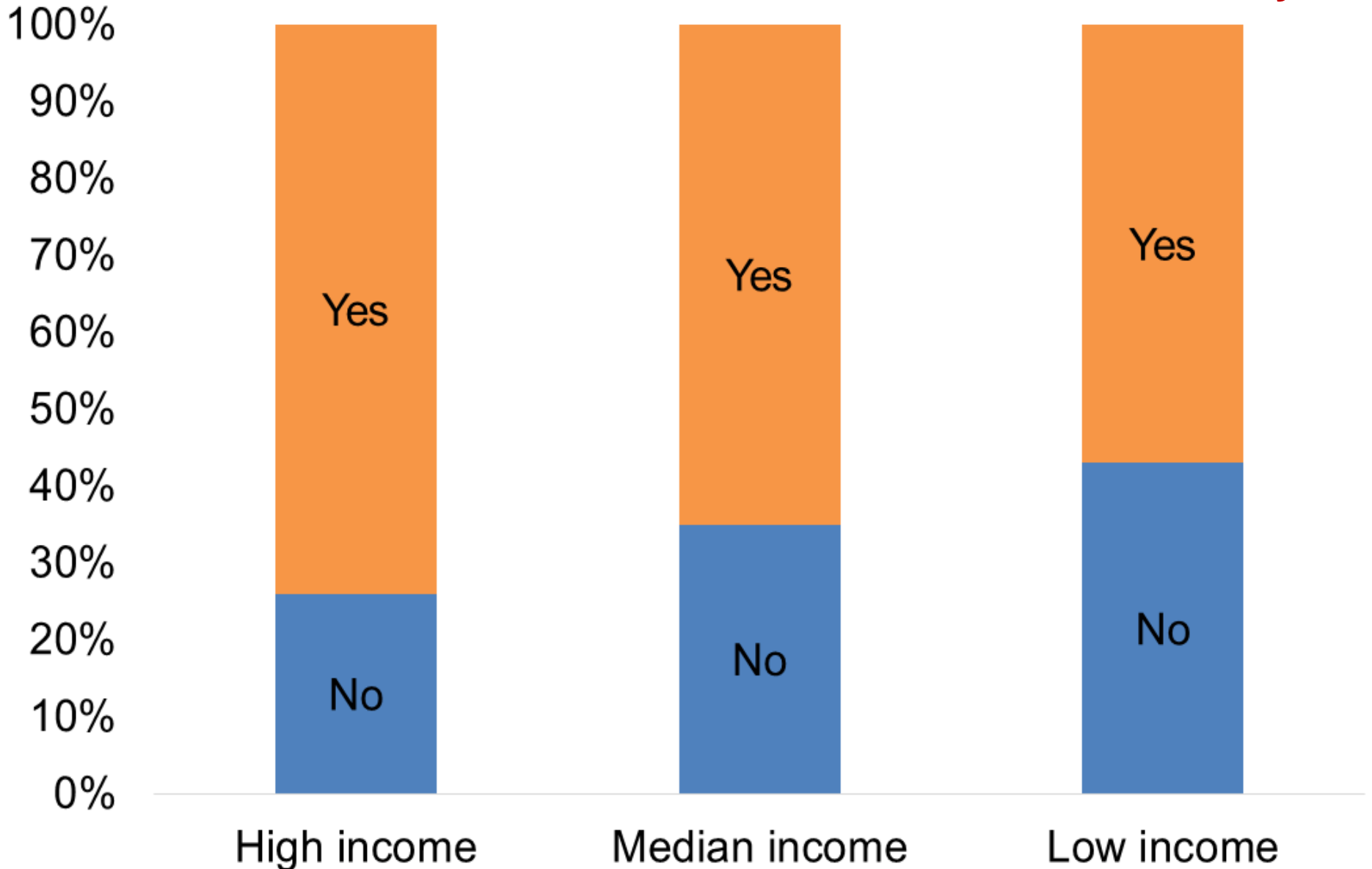


→ ***Go "Mobile First"***



**Buy online to save time**

**Buy online to find best fit, save money**

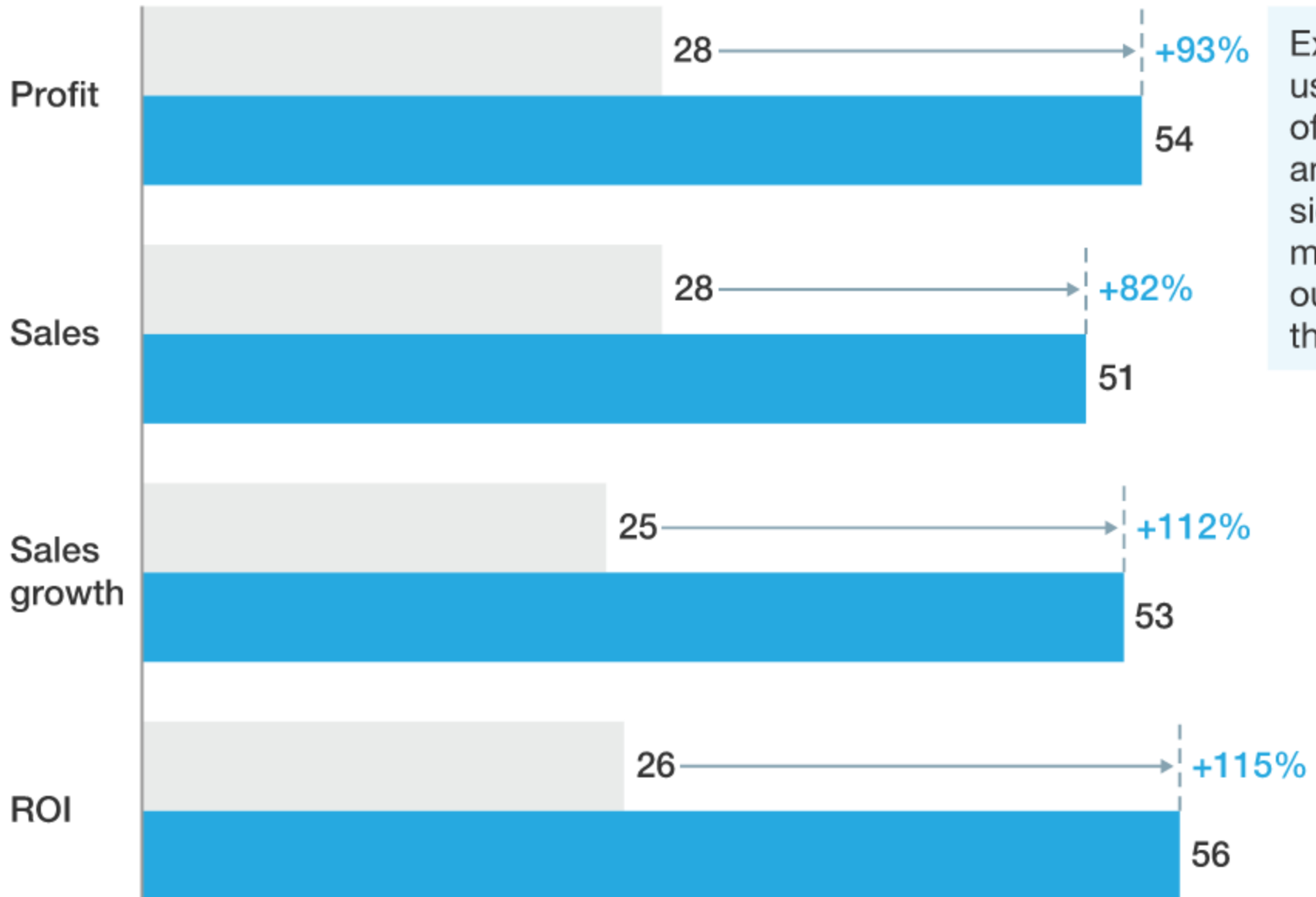


**→ Know Your Customer & what drives them**

# And Do Customer Analytics

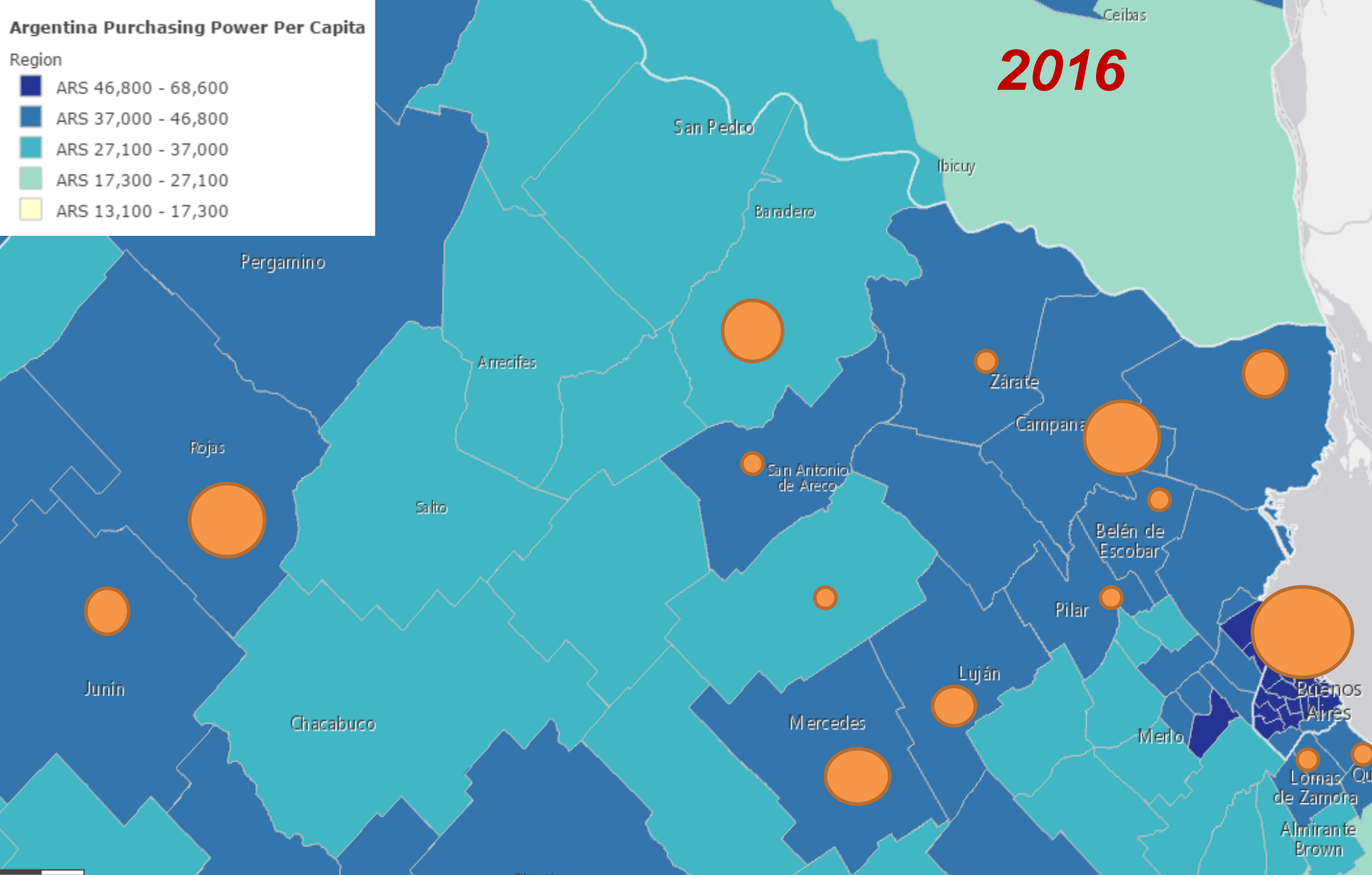
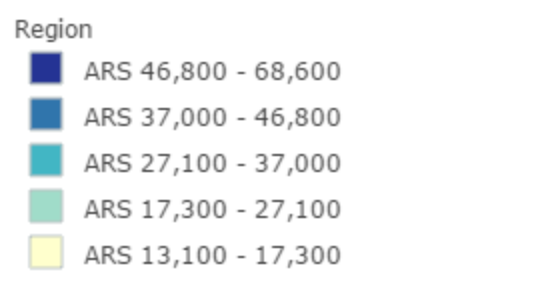
■ No extensive use of customer analytics<sup>2</sup>

■ Extensive use of customer analytics



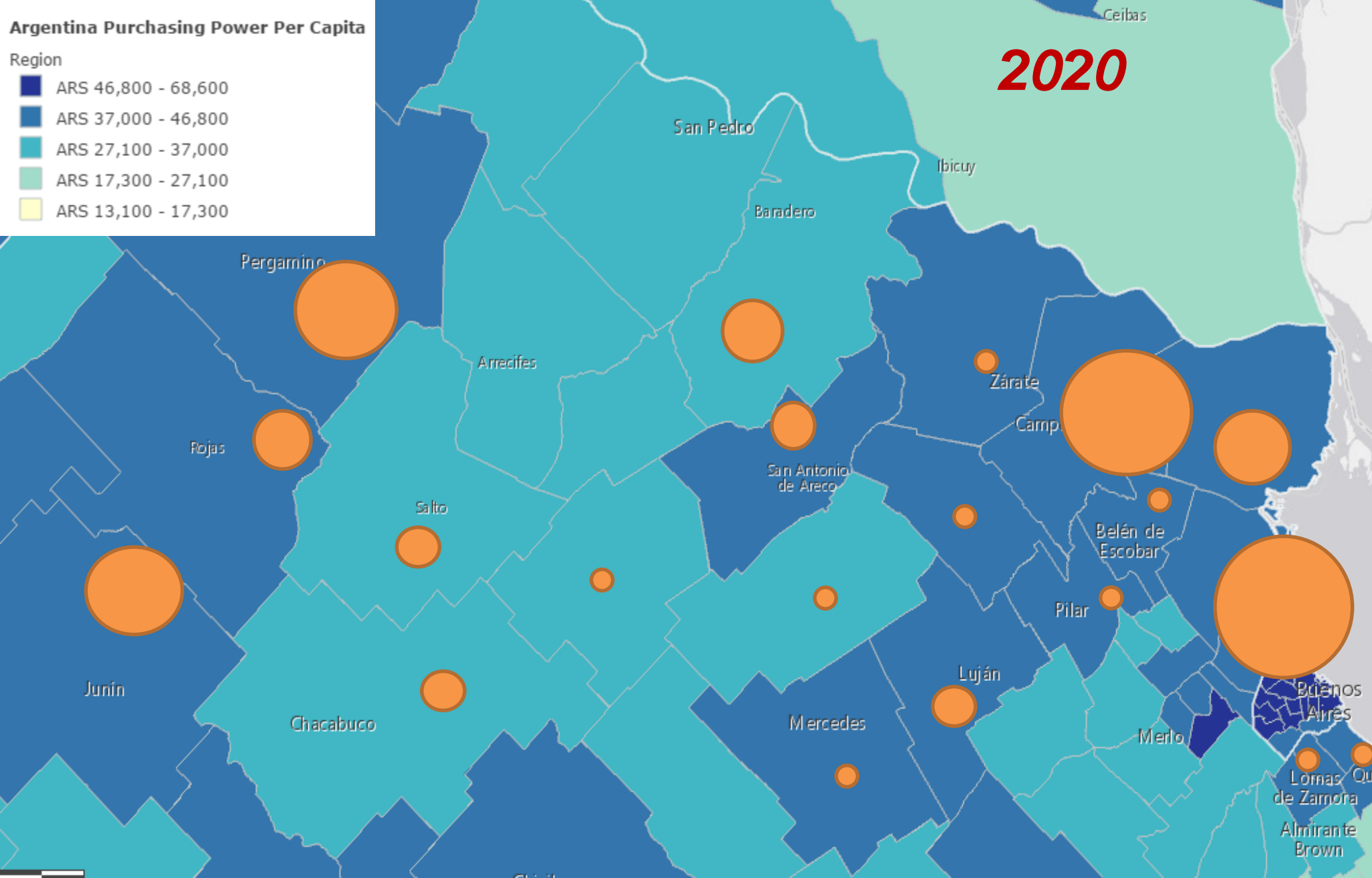
Extensive users of customer analytics are significantly more likely to outperform the market

# Argentina Purchasing Power Per Capita



Source: Esri data.

**→ Know Where Your Customer Is**



Source: Esri data.

And where she is *tomorrow*

# Cross-Border Ecommerce Grows Much Faster

Cross-border ecommerce growth =  
5x domestic ecommerce growth in  
2016-2020

