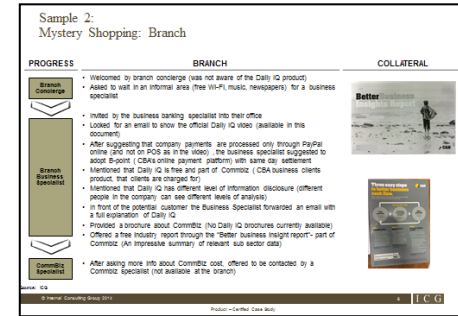
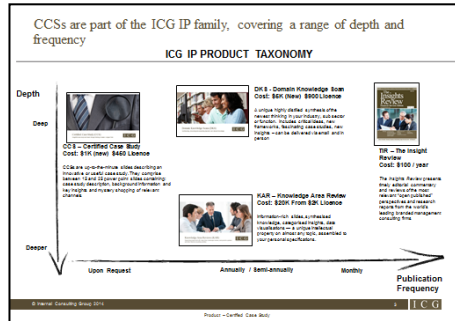
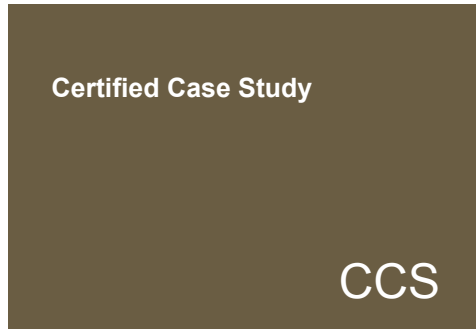


# Certified Case Study (CCS) 001 – Rakuten



## Certified Case Study

### Prices:

**AUD \$750**  
(Global License)

**AUD \$450**  
(Country / Internal Team License, PPT file)

**AUD \$250**  
(Internal Team License, PDF)

**The CCS 001 (Certified Case Study) on Rakuten is a document containing information rich slides which comprehensively describe the Rakuten case study and is certified by ICG to be based on publicly and externally sourced information only.**

CCSs are a unique intellectual property for clients wanting to be across the latest developments in their industry. It comprises 28 pages of PowerPoint slides that contain:

- Rakuten overview: a Japanese electronic commerce and internet company that added value services to the core ecommerce platform to drive growth and profits
- Case study description, including background information and key insights
- Relevant media extracts regarding Rakuten, including some quotes from the press
- Certification by ICG that all information is verified as accurate at time of publication and no information was obtained as part of any engagement ICG may or may not have with Rakuten
- CCS 001 is a companion resource to our monthly global periodical The Insights Review (TIR), deeper full dives on a specific topic – our Knowledge Area Reviews (KARs), and our unique highly distilled synthesis of the newest thinking in an industry, sub sector or function – Domain Knowledge Scans (DKSs).

# Agenda

Section	Component	Description
1	Overview	<ul style="list-style-type: none"><li>• Rakuten - What is it?</li><li>• Why Rakuten is an ICG Certified Case Study</li></ul>
2	Context	<ul style="list-style-type: none"><li>• Rakuten business model</li><li>• Global market (peers and substitutes)</li></ul>
3	Detailed Description	<ul style="list-style-type: none"><li>• Rakuten value proposition</li></ul>
3	Relevant Media	<ul style="list-style-type: none"><li>• Media coverage and relevant quotes</li><li>• Case studies and detailed interviews</li></ul>
4	Marketing Collateral and Brochure ware	<ul style="list-style-type: none"><li>• Marketing Campaign</li><li>• Collaterals</li><li>• Videos</li><li>• Social Media</li></ul>
5	Appendix	<ul style="list-style-type: none"><li>• Other ICG source of insights</li></ul>

## Sample 1: Rakuten Business model:

E-commerce ecosystem as the core business to which adding value services to create a competitive customer proposition

### KEY INSIGHTS

- In the early stages of its business model evolution, Rakuten **focused on its core business** of providing an **electronic marketplace** where consumers and merchants can interact and effect purchases
- It became clear that **many other types of value added services** were required or desirable to make the marketplace functional, highly integrated, and scalable, and so to **create the competitive value proposition** for which Rakuten is now so well known
- Initially these value adding complementary services were supplied by third party vendors, however Mikitani saw an opportunity to create a **better customer experience** and drive greater profitability by incorporating these services into the Rakuten business model – to **supply more of the components of the full ecommerce Market Ecosystem**
- As global competitors have discovered, the Rakuten “ecosystem play” **generates far more value than the sum of its parts**
- The key factor is that **information flowing through the ecosystem** can be captured, analysed, and acted upon using **Big Data Analytics** to drive superior levels of service and profit returns
- After internal validation, Rakuten has **extended its franchise a step further**, by adding technology consulting in Big Data analytics to its set of market offerings
- Since 2008 Rakuten has hosted its own Technology Conference with Big Data Consumer Analytics as its major focus
- Rakuten has a “Start up School” for technology led innovation

### RAKUTEN ECOMMERCE MARKET ECOSYSTEM



## Sales 2: Ecommerce sales in Rakuten key markets

Rakuten focus on the right markets, with growth of ecommerce in Asia Pacific steadily outpacing growth in other geographies – a trend which is expected to continue

### ECOMMERCE PROJECTION

## Ecommerce Sales Topped \$1 Trillion for First Time in 2012

FEB 5, 2013

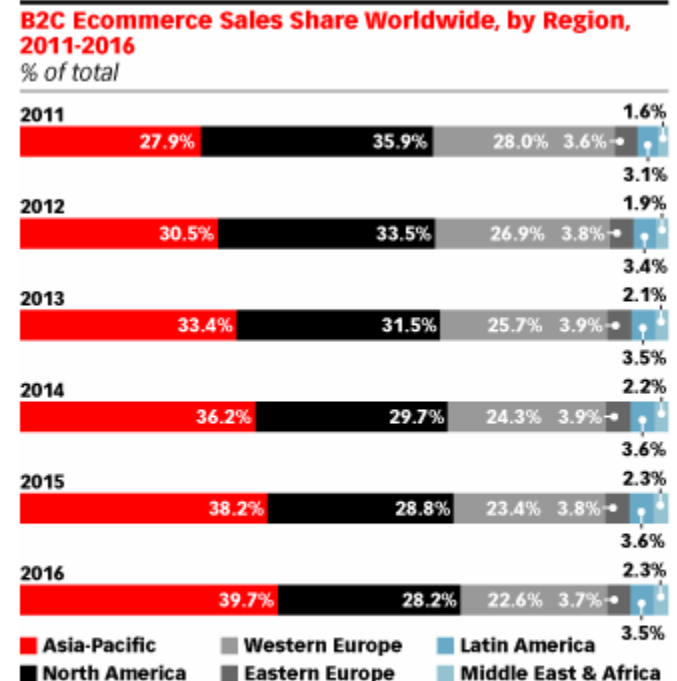


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### Asia-Pacific poised to surpass North America in B2C ecommerce spending

In 2012, B2C ecommerce sales grew 21.1% to top \$1 trillion for the first time, according to new global estimates by eMarketer.

This year, sales will grow 18.3% to \$1.298 trillion worldwide, eMarketer estimates, as Asia-Pacific surpasses North America to become the world's No. 1 market for B2C ecommerce sales.



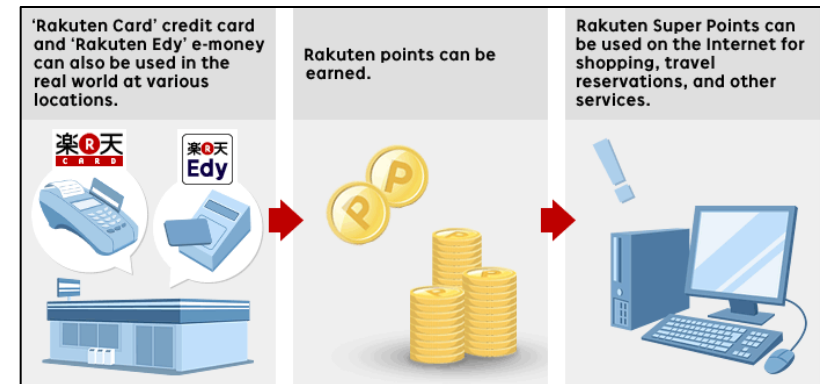
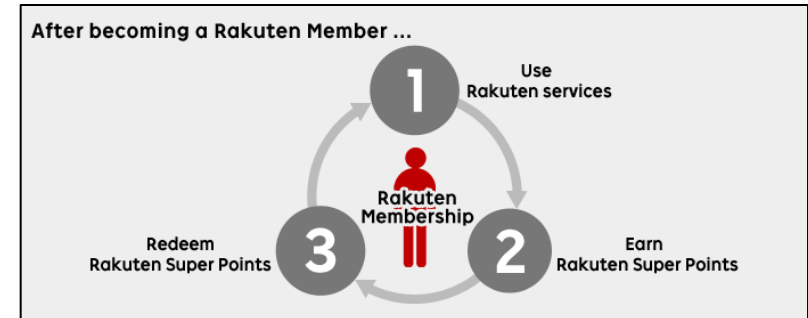
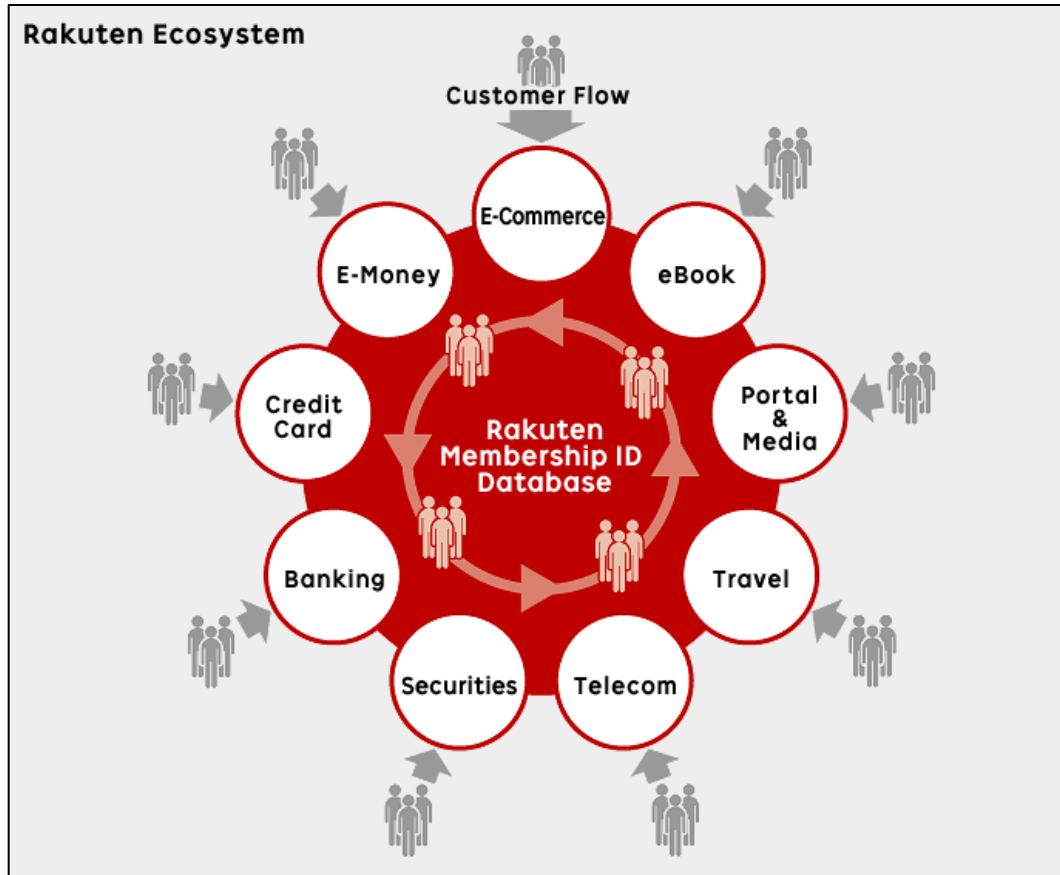
*Note: includes travel, digital downloads and event tickets purchased via any digital channel (including online, mobile and tablet); excludes gambling; numbers may not add up to 100% due to rounding*  
Source: eMarketer, Jan 2013

150894

www.eMarketer.com

# Sample 3: Rakuten Rewards Program

A key value driver in the Rakuten push into financial services is its Big Data driven comprehensive loyalty and rewards program, which links together all players in the financial services value chain, from the payer, through to payment gateway providers, lenders, merchants, and others



Source: [http://global.rakuten.com/corp/investors/policy/strength/business\\_model.html](http://global.rakuten.com/corp/investors/policy/strength/business_model.html)

## Sample 4: Quotes from the Press

### QUOTES

“We are always looking to empower small to medium sized merchants, we teach them, we give them email tools, and much more. It’s a priority, which has allowed us to become different from competitors.”

“Internet shopping is not just about price or efficiency. It should be a fun experiment”

Hiroshi Mikitani, CEO, Rakuten  
DLD, 24<sup>th</sup> Jan 2012

“For Rakuten, Japan’s largest retailer, digital analytics is more than a technique to optimise shopping carts. It’s a common language that weaves throughout multiple geographies as a fundamental element of the company’s globalisation strategy. By taking a strategic approach to analytics, Rakuten has realised industry-leading results”

Adobe Executive

WHEN Hiroshi Mikitani, one of Japan's most successful entrepreneurs and richest men, considered leaving Japan's prestigious business association, Keidanren, he announced it via Twitter—symbolically bypassing the old guard. This morning he followed it up by sending the group a formal letter of resignation.

“This is not what I should belong to. I am doing business to drive Japan to new Japan, and they want to protect old Japan. So I felt that for fundamental issues, I don't share the values of the current Keidanren,” he said in a telephone interview. Mr Mikitani is the founder and chief executive of Rakuten, an innovative retailer and by now an established household name in Japan. “Rakuten is a very value-oriented company, and we challenge many things,” he says. “If they were trivial issues, I could live with it. But if it is a fundamental philosophical difference, I don't think it's right to stay there.”

“In order to become successful in other countries, we need to have a global mindset. Japanese companies have been very homogenous. Because of the lack of ability to speak English, Japanese companies have remained largely focused on Japan”

Hiroshi Mikitani, CEO, Rakuten  
DLD, 24<sup>th</sup> Jan 2012



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