

The E-commerce

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Introduction:

- ▶ E-commerce has transformed the global economic landscape, driving economic growth, innovation, and job creation.
- ▶ Algeria has made significant strides in digitalization, with a surge in internet penetration and mobile device adoption.
- ▶ This study explores the trends, challenges, and opportunities associated with E-commerce's rise in Algeria's evolving digital landscape.

What is E-commerce?

- ▶ E-commerce, or electronic commerce, is the buying and selling of goods or services over the Internet. Due to its convenience and cost-effectiveness, it is a popular choice for businesses. It involves transactions between suppliers and customers as well as internal organizational transactions.
- ▶ E-commerce has evolved to include mobile devices, tablets, laptops, and wearable products. It encompasses various business models, including business-to-business (B2B), business-to-consumer (B2C), consumer-to-consumer (C2C), and consumer-to-business (C2B) transactions.



The importance of E-commerce

E-commerce is a vital tool for businesses, offering benefits like customer satisfaction, faster delivery times, efficient inventory management, reduced overhead costs, and increased visibility.

It also expands market reach without infrastructure investments.

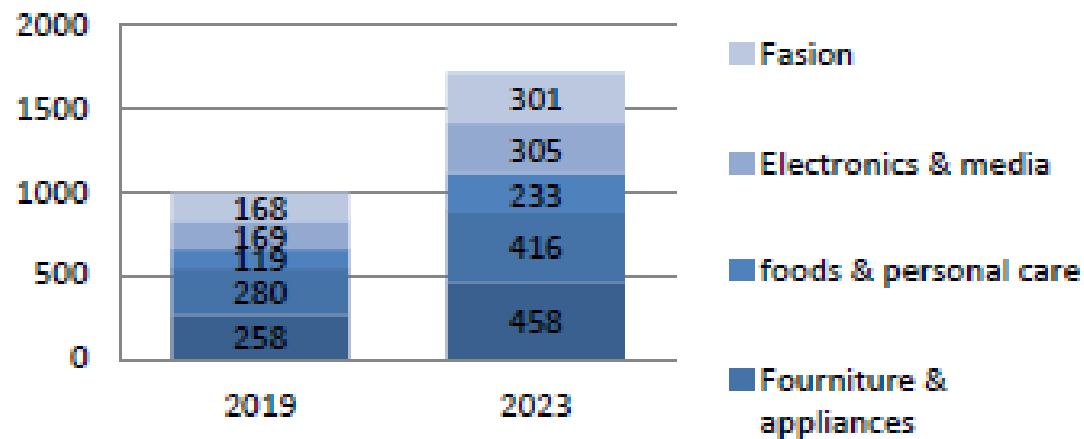
The COVID-19 pandemic has accelerated e-commerce growth, enhancing communication, customer satisfaction, and economic growth by facilitating trade and market efficiency.



The Rise of Algerian E-commerce

- ▶ E-commerce market size: As of 2021, Algeria's e-commerce market was estimated to be worth around US\$300 million.
- ▶ The value of online sales expected to reach 560 million USD by 2022.
- ▶ The number of e-commerce users in Algeria has increased by 35% over the past five years.
- ▶ The revenue share of e-commerce fashion amounts to 16.8% in 2021
- ▶ The Algerian government is taking steps to promote the growth of the e-commerce sector, including the adoption of a legal framework for electronic transactions and the development of online payment systems.

E-Commerce: revenue projection in million US\$



► The Algerian e-commerce market, which reached US\$993.6m in 2019, is expected to grow at 14.6% from 2019-2023, reaching a market volume of US\$1,711.4m by 2023.

The rise of e-commerce in Algeria

- ▶ The market is expected to reach US\$1,068.00m in 2023, with 11.34% from 2023-2027, and a projected market volume of US\$1,641.00m by 2027.



- ▶ The Algerian government is working to improve the legal and regulatory framework, enhance consumer protection measures, and promote digital entrepreneurship.

- ▶ The market is expected to reach 17.46m users by 2027, with a user penetration of 33.2% and a projected 36.3% by 2027.
- ▶ The Algerian government is also focusing on improving internet penetration and bandwidth to boost e-commerce.



The trends of the Algerian e-commerce

01

Steady Revenue Growth:

The Algerian E-commerce market exhibits consistent revenue growth, projected to reach approximately \$1,068 million in 2023.

02

Increasing User Base and Penetration:

The user base of E-commerce in Algeria is expected to expand substantially, reaching around 17.5 million users by 2027, indicating a steady rise in user adoption.

03

Sectoral Distribution

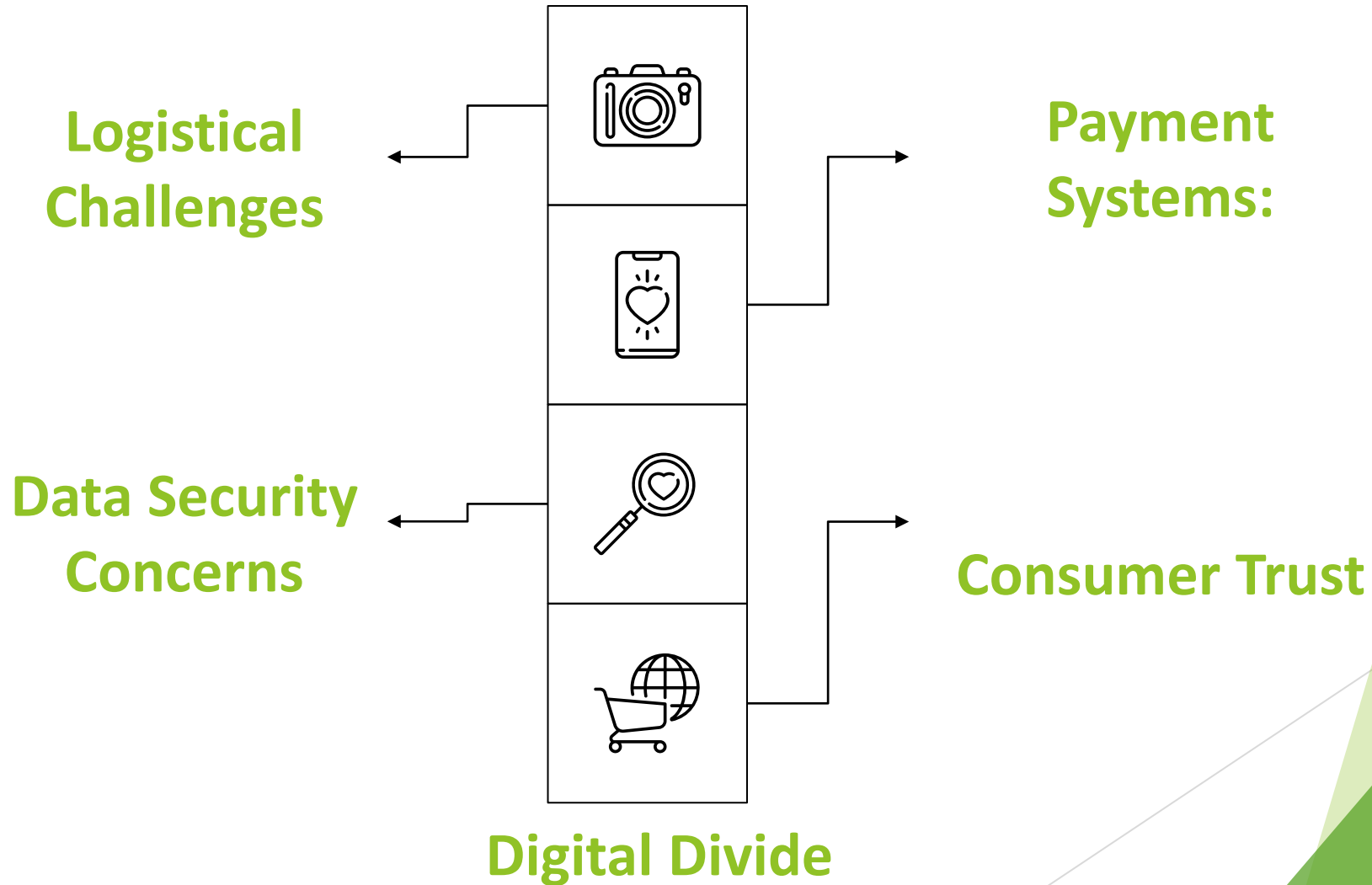
Food & Personal Care (27.0%), Electronics & Media (26.9%), Furniture & Appliances (22.0%), Toys, Hobby & DIY (14.6%), and Fashion (9.6%)

04

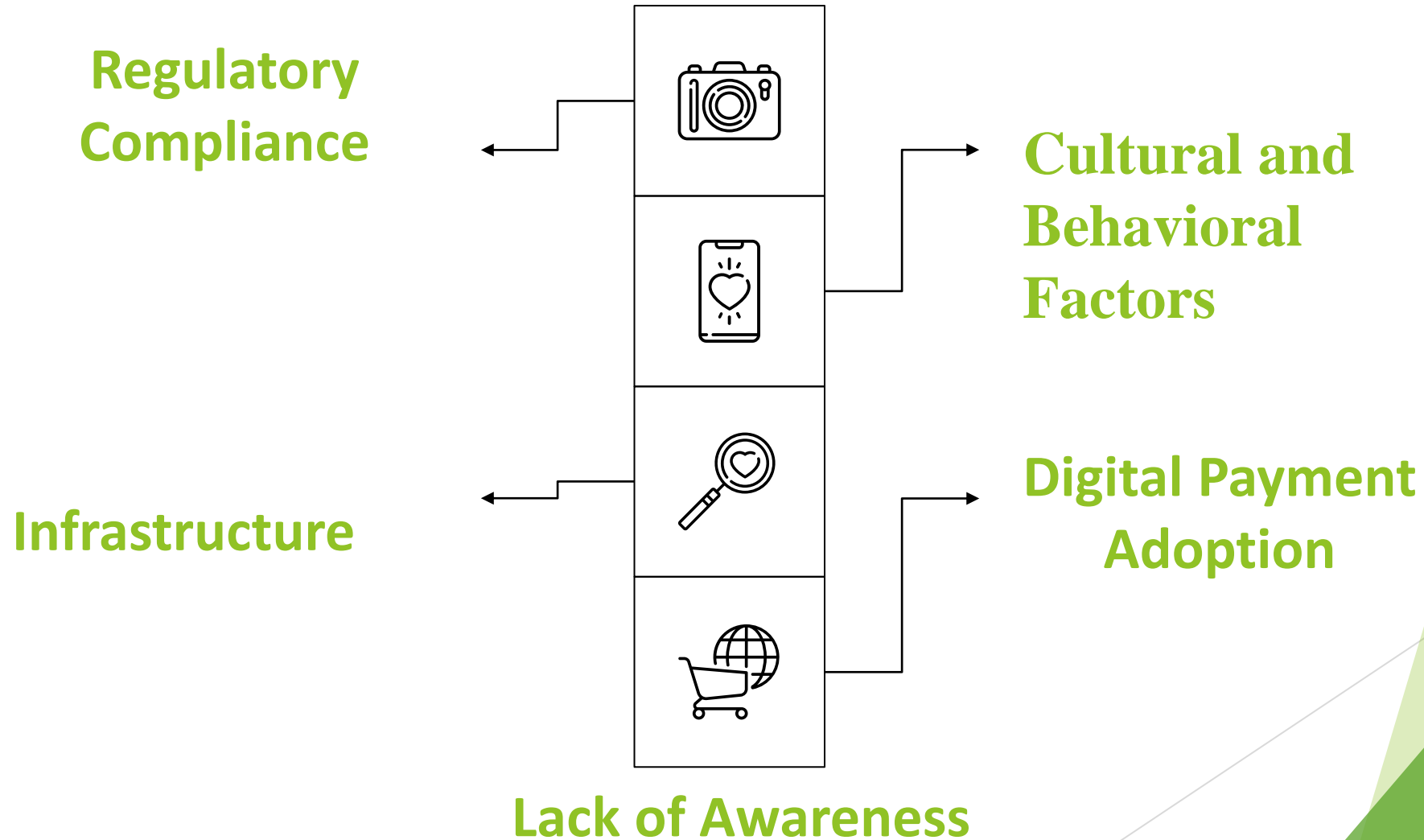
Government Initiatives and Market Expansion:

The arrival of leading E-commerce platforms like Jumia, OuedKniss, Batolis, and IdealForme has further catalyzed market expansion.

The Challenges Faced by Algerian E-commerce.



The Challenges Faced by Algerian E-commerce.



Opportunities for E-commerce Development in Algeria

- ▶ **SME Involvement:** Small and medium-sized enterprises (SMEs) are playing a crucial role in economic and social development, with e-commerce offering opportunities for growth.
- ▶ **Cross-border E-commerce for Algerian businesses:** Algeria's e-commerce market is growing, with 291 online retailers and an estimated \$5 billion market potential.
- ▶ **Government Initiatives:** The Algerian government is taking steps to support e-commerce growth, including increasing internet penetration and implementing regulations to support and protect the local retail industry.

Thank You

Do you have any questions?
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