



prosus



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The AI x Ecommerce Revolution

How AI is shaping the Future of Online Marketplaces

January 2025



Investing in the AI-enabled Future of Ecommerce.

Prosus is a global technology company, unlocking an AI-first world for its 2 billion customers. With investments in more than 100 companies across the world, Prosus builds local ecommerce champions in growth markets.

With leading positions in Food Delivery, Classifieds and Fintech, Prosus has created its own unique technology ecosystem, driving innovation, knowledge sharing and growth across its portfolio.

Through the Prosus Ventures team, the Group invests in new technology growth opportunities within AI, social and ecommerce platforms, fintech, B2B software, logistics, health, blockchain, agriculture and more.

The team actively backs exceptional entrepreneurs who are using technology to improve people's everyday lives.



Global startup and venture capital intelligence platform.

Dealroom.co is a global intelligence platform for discovering and tracking the most promising companies, technologies and ecosystems. Clients include many of the world's foremost organizations such as Sequoia, Accel, Index Ventures, McKinsey, BCG, Deloitte, Google, AWS, Microsoft, Stripe.

Dealroom partners closely with local tech ecosystem development agencies and enablers, to create a comprehensive multi-dimensional blueprint of the tech ecosystem, including capital, talent, innovation, entrepreneurship and overall economic dynamism.



Fabricio Bloisi

—
CEO

prosus

“Welcome to The Future of Ecommerce in the Age of AI. This comprehensive report offers a data-driven analysis of the transformative trends, challenges, and opportunities shaping ecommerce in the next decade.

Marketplace platforms have emerged as a dominant economic force globally, revolutionising how businesses and consumers interact. Now, artificial intelligence represents a seismic technological shift, poised to reshuffle the deck once again.

In this rapidly evolving landscape, AI adoption is no longer optional—it's imperative. Companies leveraging AI are accelerating their relevance to consumers, enhancing personalisation, and driving unprecedented growth.

At Prosus, we're committed to leading this AI-driven transformation. We invite you to join us on this exciting journey as we explore the limitless possibilities AI brings to the world of ecommerce.”

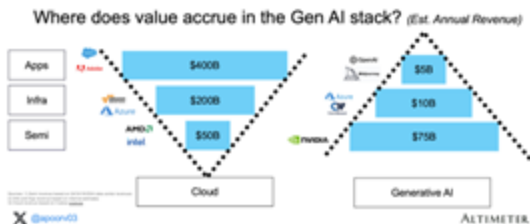
The DeepSeek moment for Ecommerce - Key Takeaways

DeepSeek launch will drive accelerated value creation at the application layer

One of the biggest implications of the DeepSeek release is that we're closer to the value accrual inversion between apps <=> infrastructure than many expected.

DeepSeek has shown that models and infrastructure are already rapidly commoditizing.

Most value creation will occur in the application and data layer. The world should get ready for a whole new generation of apps to emerge

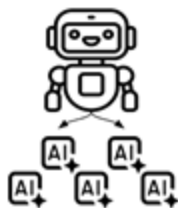


The future of ecommerce is Agentic

New AI applications helps supercharge marketplace network effects. AI helps drive liquidity with more listings, higher conversions to transaction, and more repeat purchases

In the Age of AI, only the biggest platforms will have the (data) scale required to win

The next frontier: Agentic AI will make autonomous purchasing decisions for us



Ecosystems best positioned to win

The true value of any application lies in its data and metadata—the oxygen fueling AI's potential.

Ecosystem plays unlock unique set of vast, interconnected data at scale, primed for AI innovation.

To thrive in this era of agentic AI, companies must adapt their tech stacks accordingly.



1. State of Marketplaces

2. The DeepSeek moment: How AI shapes ecommerce

3. Ecosystems: The road to US\$100bn+ platforms

4. Implications for Prosus

Online marketplaces are big business

**\$1.3
Trillion**

**Revenues of
all global
online
marketplaces
(public)**

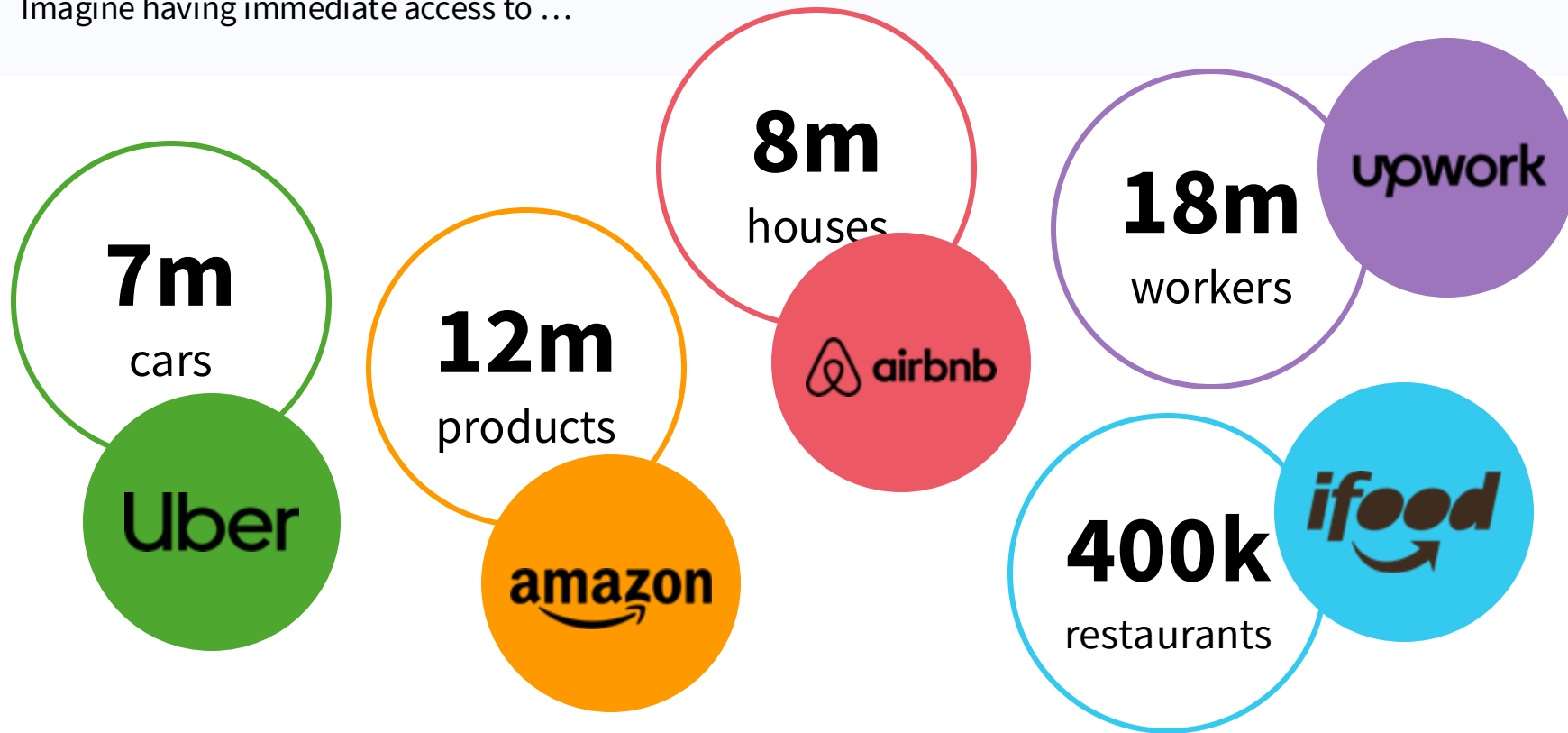
**\$4
Trillion**

**Enterprise
Value of all
global online
marketplaces
(public)**



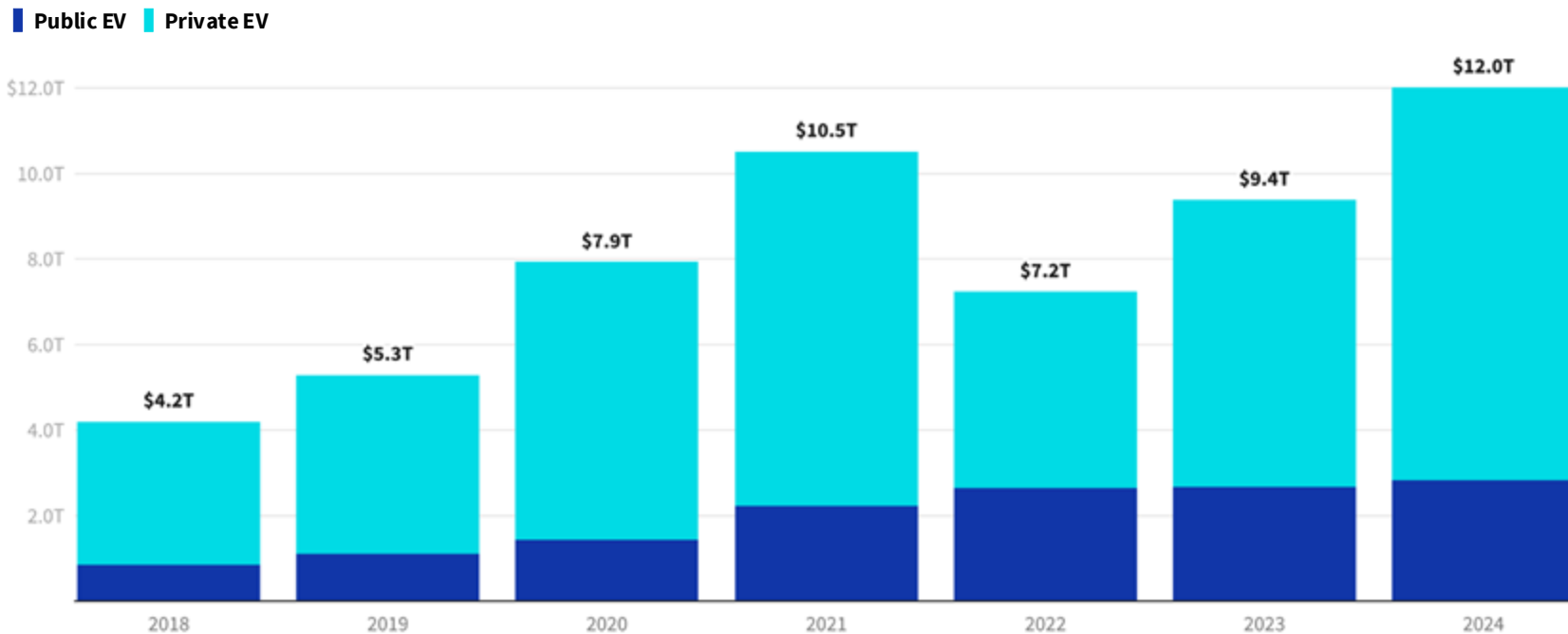
Why? Marketplaces are great at solving big consumer needs

Imagine having immediate access to ...



















Relevance of Marketplaces is reflected by all time high valuations




















































Global combined Marketplace Enterprise Value by ownership



Online marketplaces have created some of the biggest outcomes

Valuation (\$)	Number of companies	Example companies
1 Trillion +	1	
100 Billion+	4	  
50 Billion+	6	    
10 Billion+	21	       
5 Billion+	17	  
1 Billion+	36	    

Top Performing* Marketplaces (Global, private companies only)

Name	Website	Type	HQ		Name	Website	Type	HQ
 Anyvan	anyvan.com	Couriers			 iFood	ifood.com.br	Food Delivery	
 Avito	avito.ru	Classifieds			 inDrive	indrive.com	Ride hailing	
 Bolt	bolt.eu	Ride hailing			 Meesho	meesho.com	Commerce	
 Breadfast	breadfast.com	Groceries			 Ninja	ananinja.com	Delivery	
 Carro	carro.sg	Cars			 Ovoko	ovoko.com	Car parts	
 Cera	cerahq.com	Health			 Safi	safi.co	Waste	
 Cookunity	cookunity.com	Chefs			 Urban Company	urbancompany.com	Freelance labor	
 EquipmentShare	equipmentshare.com	Equipment			 Urban Sports Club	urbansportsclub.com	Sports	
 Fever	feverup.com	Events			 Vinted	vinted.com	Fashion	
 Foodsmart	foodsmart.com	Dieticians			 Whatnot	whatnot.com	Live shopping	
 Fora	foratravel.com	Travel			 Zen Educate	zeneducate.com	Teachers	
 Headway	headway.co	Therapists			 Zepto	zeptonow.com	Groceries	

Source: Dealroom.co

Note: *Ranking of best performing marketplaces based on Dealroom signal score from January 20, 2025.

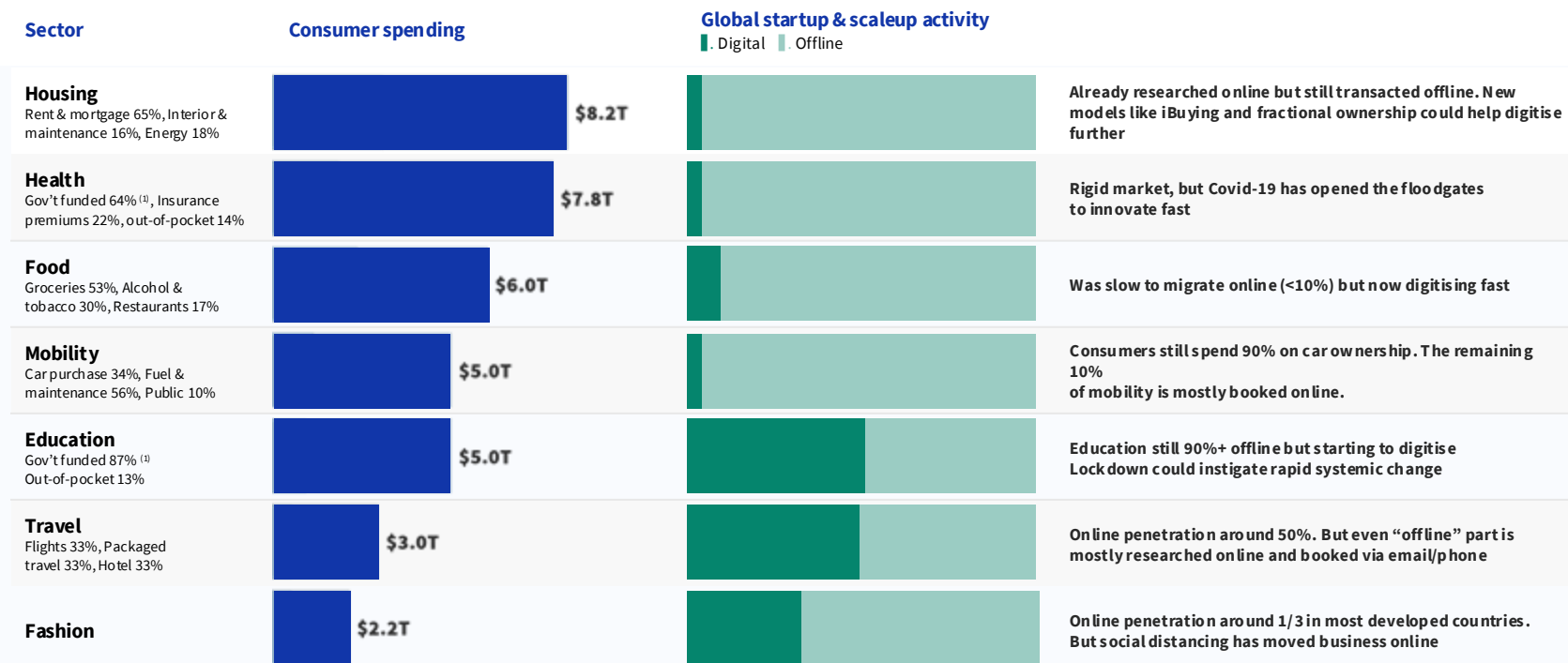
Signal is a composite relative score ranking based on growth momentum and quality of founding team. Ordered alphabetically.



= Prosus portfolio company

dealroom.co

In most industries, Marketplaces are still in their early innings



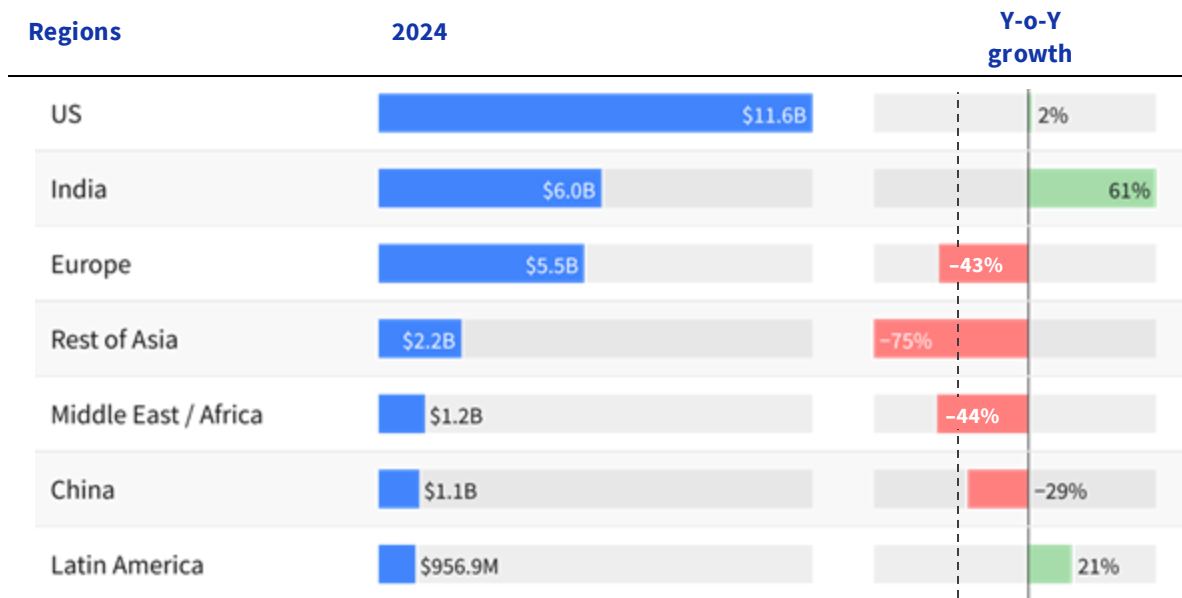
Source: Dealroom analysis based on data from Eurostat and World Bank

1. Government funded is added to consumer spending here since consumers still decides/influences where to buy healthcare
2. Estimate based on top-10 most valuable companies in the sector. Combination of public and private valuations

The US leads with more than 40% of total marketplace funding.

India's impressive growth can be attributed to a few mega-rounds raised this year.

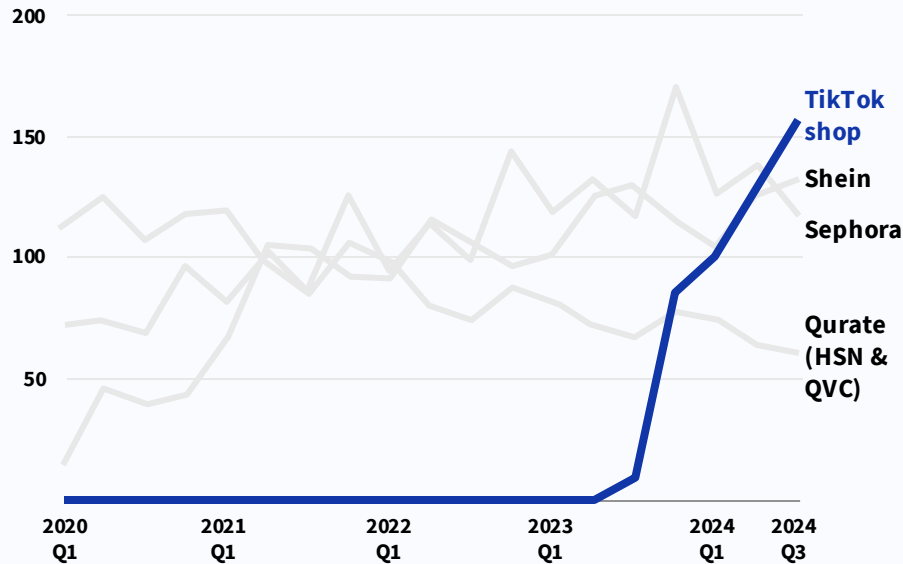
Top Marketplaces regions by Funding for 2024 and year-over-year growth



Average marketplace drop -37%

Rise of social commerce is unbundling the traditional marketplace model

Indexed US quarterly spending at TikTok Shop, Shein, Sephora & Qurate

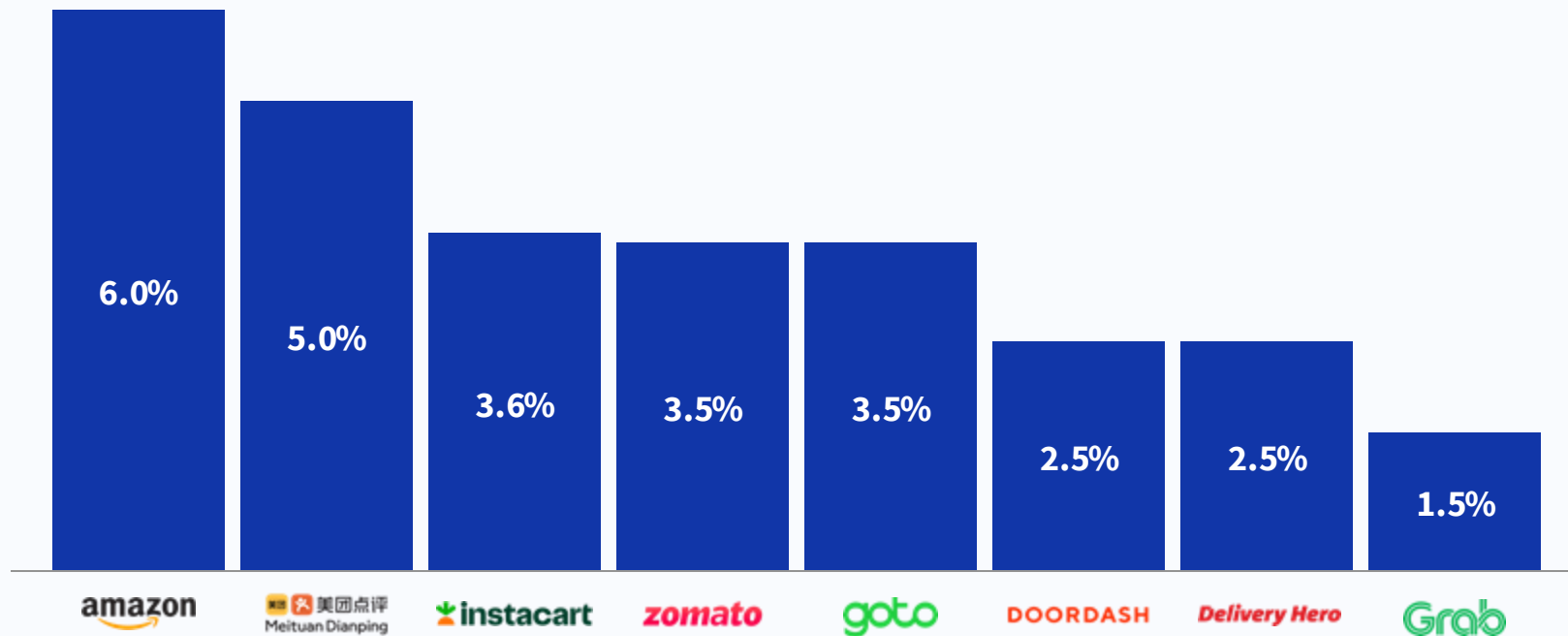


“TikTok made me buy it...”



Marketplaces are becoming media companies

Advertising revenue, % of Revenue (2023)



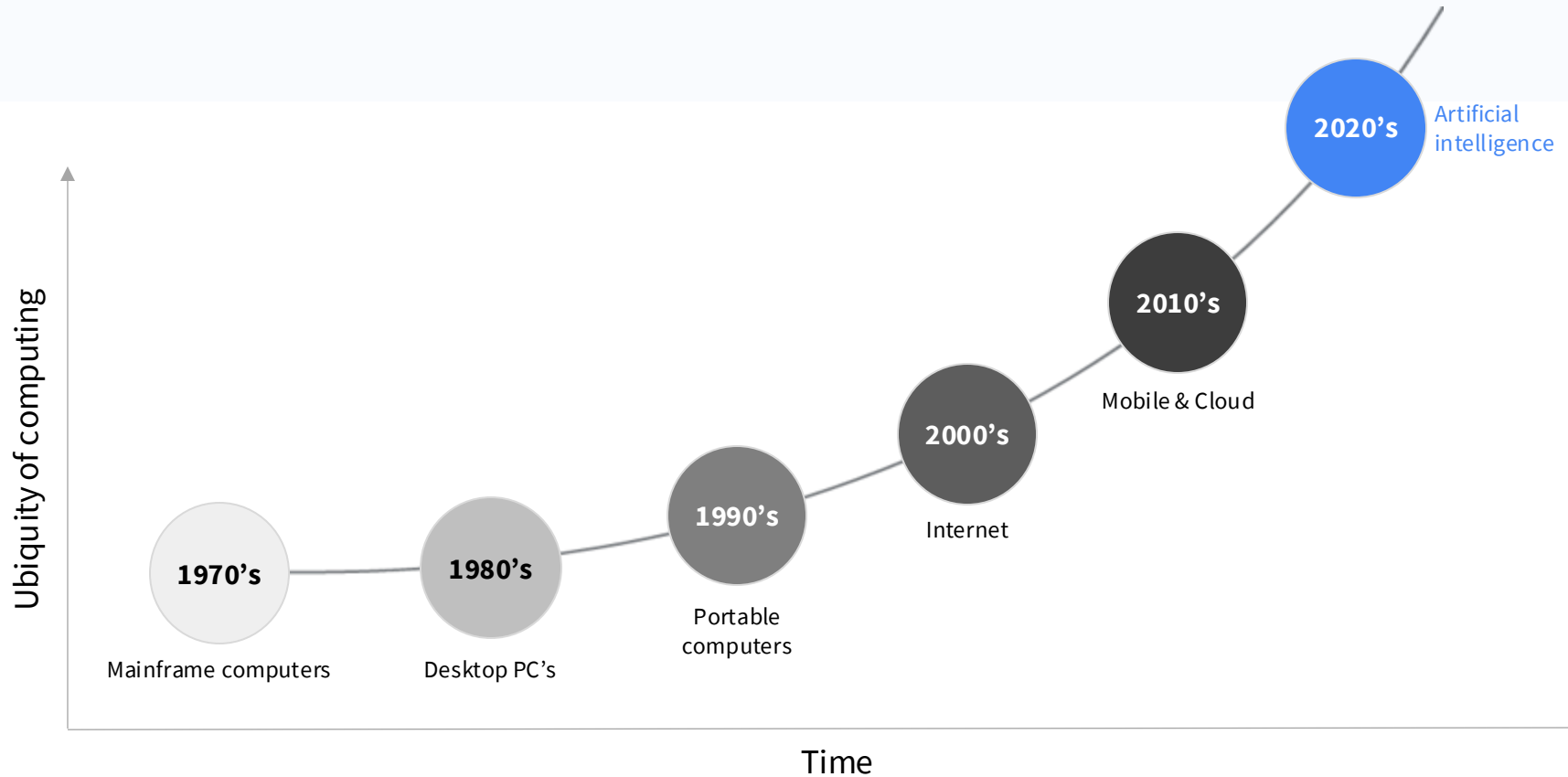
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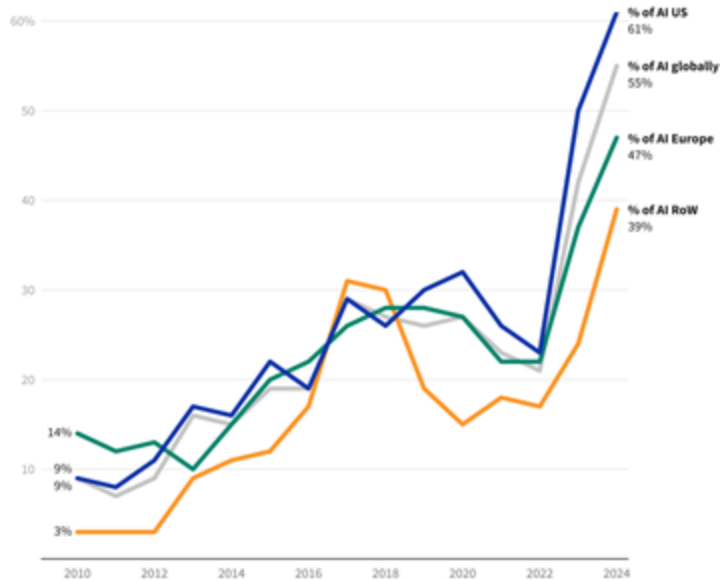
4. Implications for Prosus

AI is the next platform shift

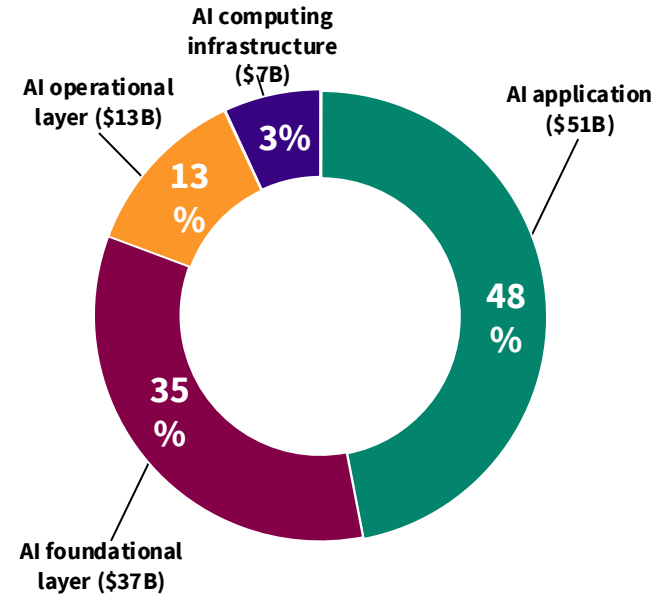


AI drives >50% of all VC funding already; mostly in infrastructure and LLMs

% of Software VC funding going to AI - Global

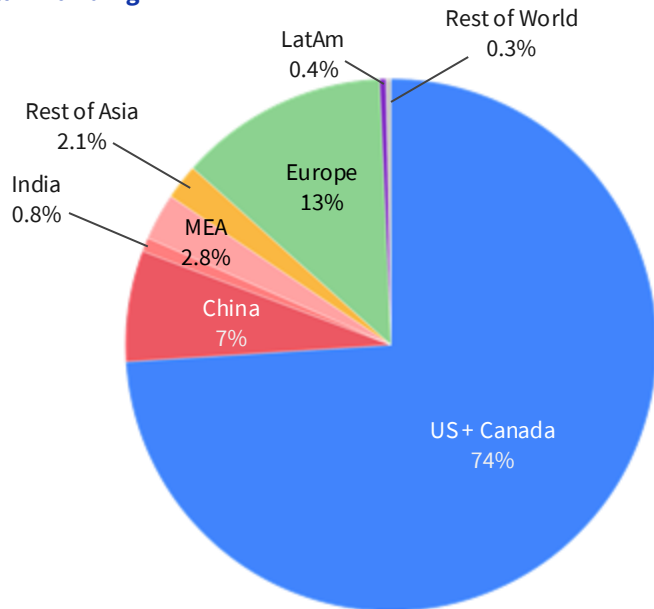


Global AI VC funding by layer, 2024

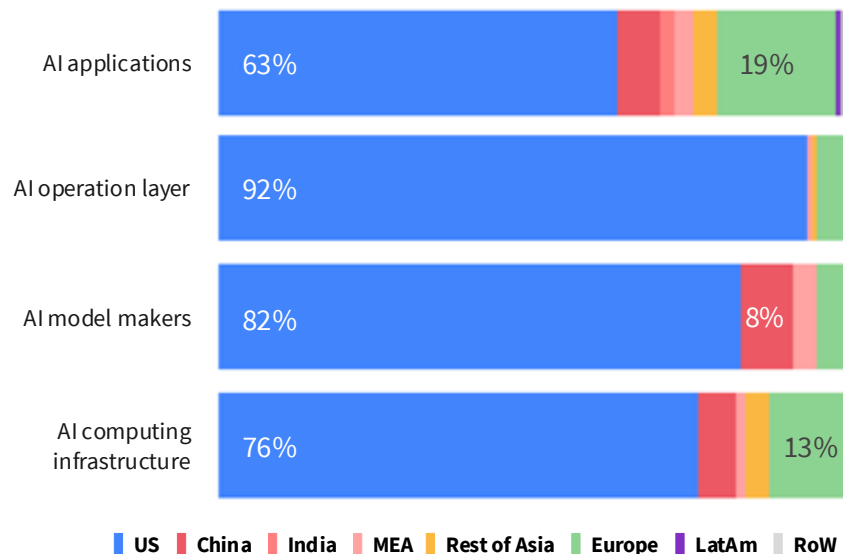


Rest of world well behind the US, but doing better in applications

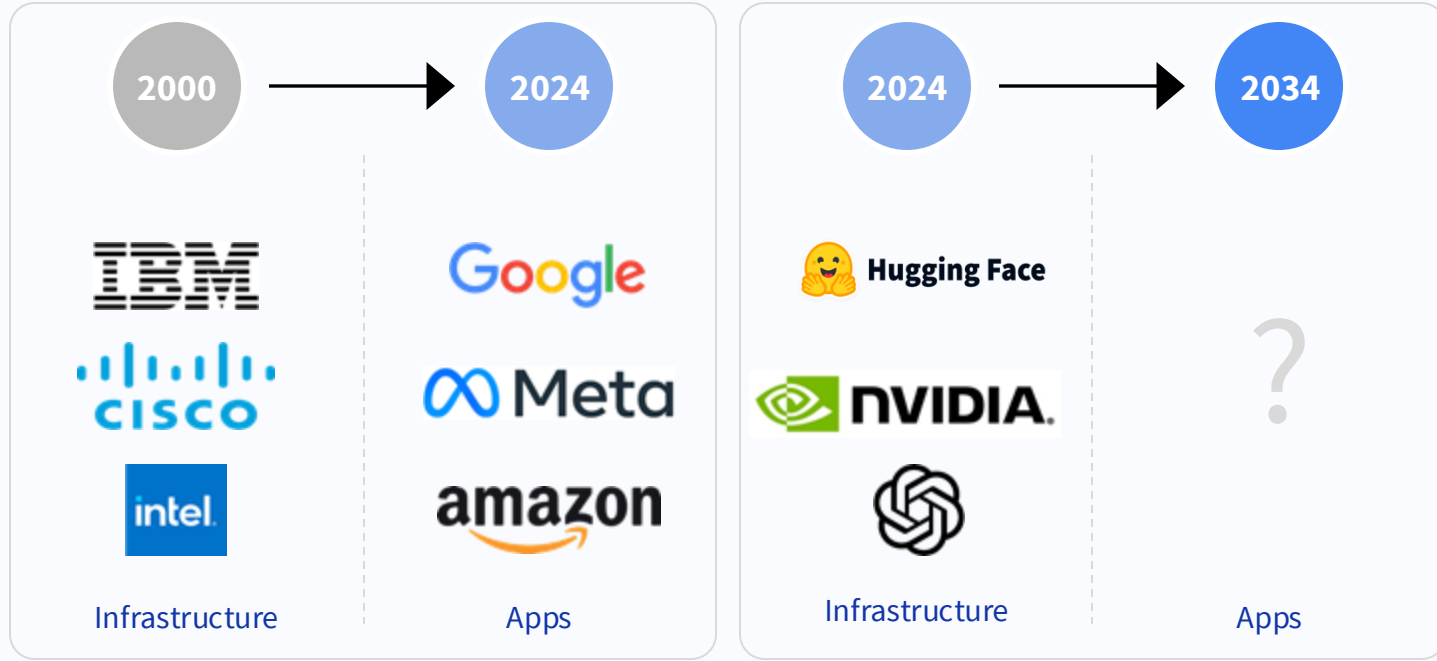
All AI Funding



By layer (2023-2024)

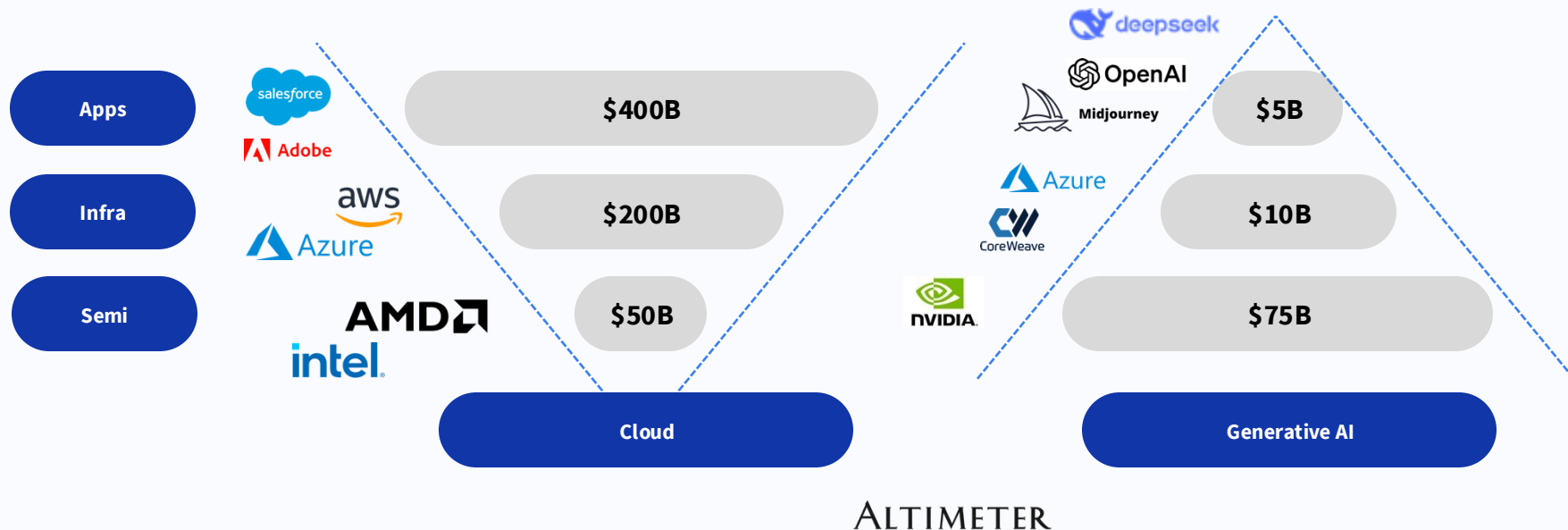


We have seen this movie before...



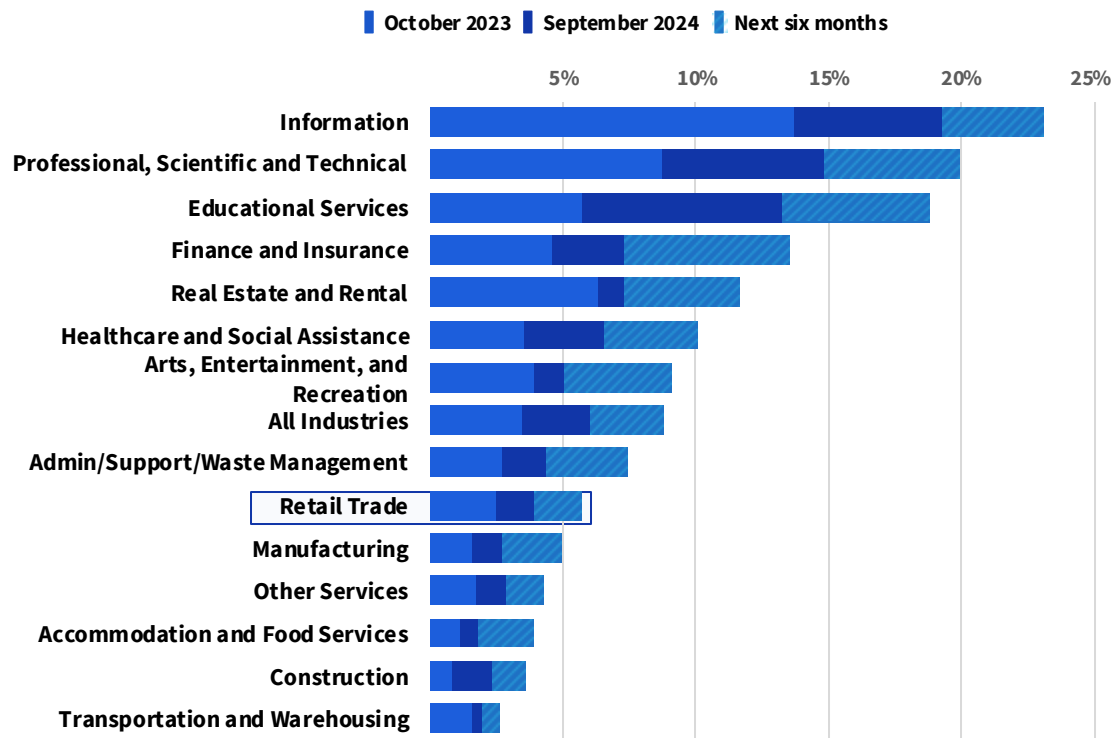
One of the big implications of open source is that we're closer to the value accrual inversion between apps<> infrastructure than many expected

Estimated annual revenues by stack



AI adoption in ecommerce is still in its very early days

Share of US firms using AI by Sector (%)



The DeepSeek moment: Implications for the Future of Marketplaces

By making high-quality AI models more accessible through open-source releases, DeepSeek allows for :

- Lower barriers to integration for AI applications
- Enhanced user experience
- Increased efficiency in operations
- A surge in innovation
- Shifting competitive dynamics from being purely about scale to innovation

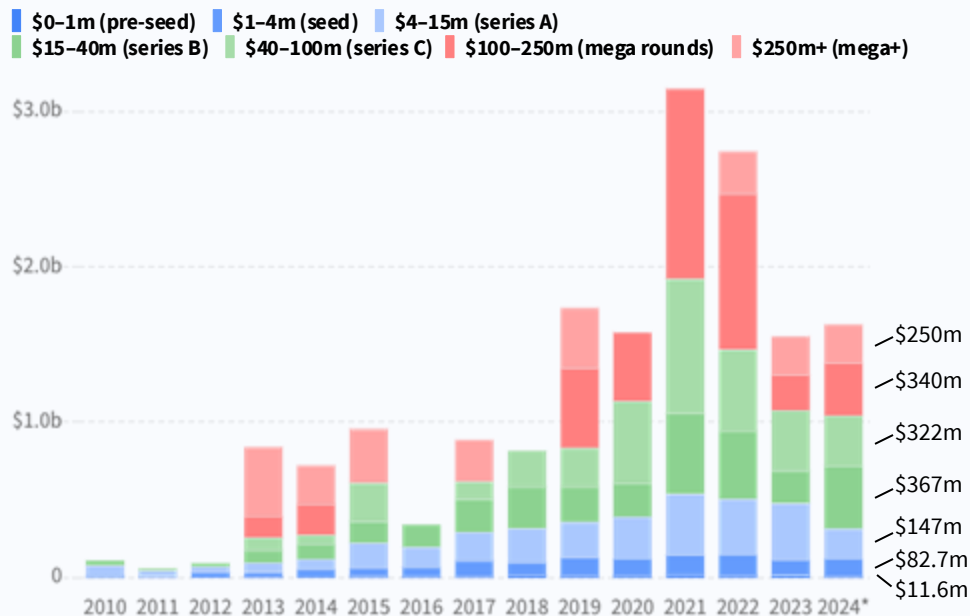


mistral

∞ Meta

Some first AI enabled ecommerce applications are emerging

VC funding in AI x ecommerce applications



Relevant AI applications with ecommerce related applications that raised a large Series A/B*

Pricing

Fetcherr Beyond pricing Bn Buynomics

Inventory management

Syrup Autotone Pensa Dexory

Marketing mix

Datarize Prescient

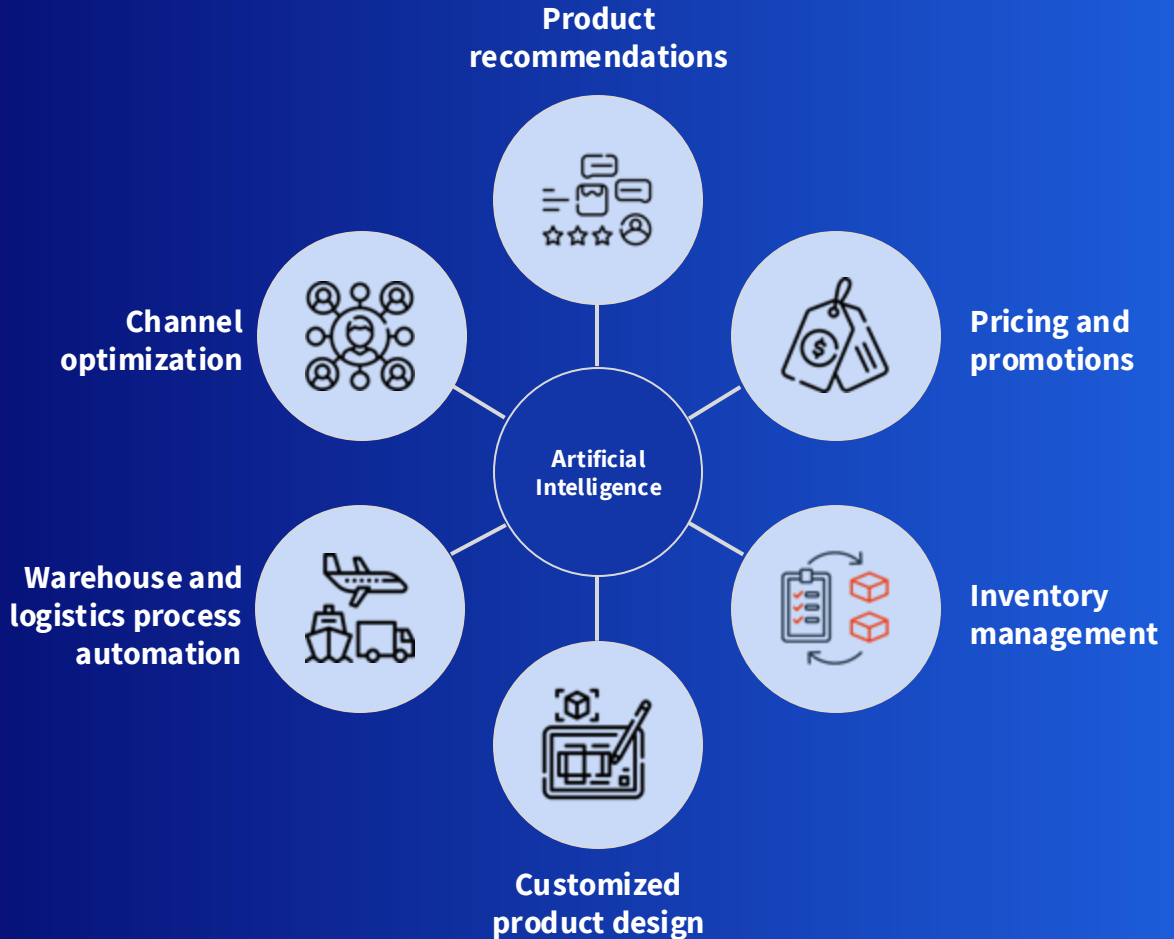
KYC/AML/transaction monitoring

Fourthline Sardine Sumsub Hawk

Tools for eCommerce growth

Carbon6 Topsort Cimate

AI applications can help supercharge marketplace network effects



AI offers marketplace users new ways of searching

OLX Magic creates a new buying experience based on a conversational interface

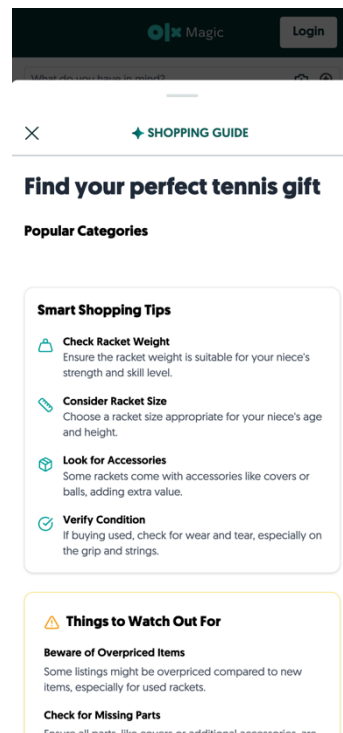
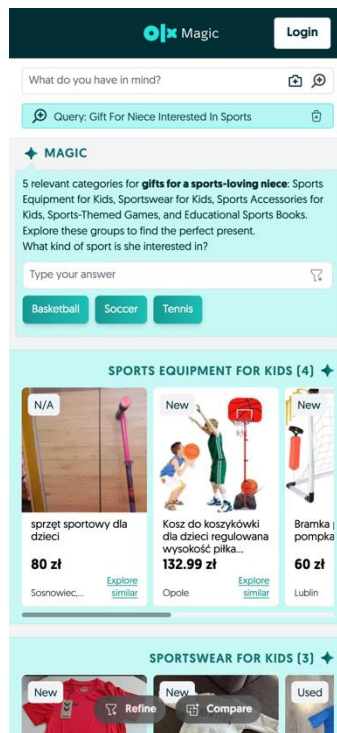
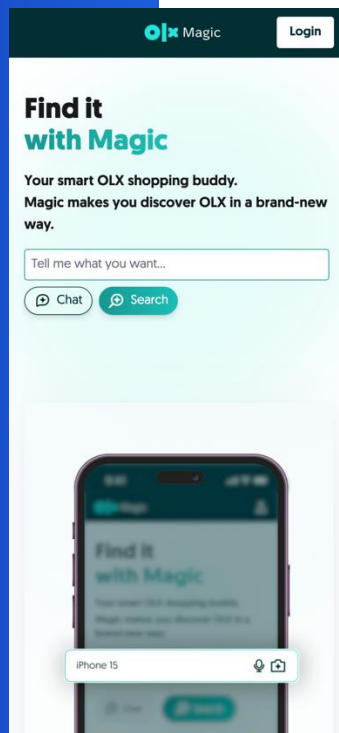
Improve experience compared to traditional search

Unlock needs (search for a solution not only for a product)

Attract younger audience with features common in social media

Expand beyond classifieds

Try it now



AI is already making marketplace operations significantly more efficient



Proven AI applications
from across the Prosus
ecosystem

[Read more](#)



Logistics

- AI has simulated decades worth of route testing
- 30m orders are delivered using 25m AI generated 'most efficient' routes per month
- Cost to deliver has been reduction by 16%



Trust & Safety

- AI moderates 95% of the 2 million listings per day
- AI processes more than 7 million images daily, at human level accuracy
- GenAI further reduced cost for detecting bad content by an additional 15%



Marketing & Growth

- 75% of budget invested using AI
- 30% reduction in re-acquisition costs (at no conversion impact)
- 19% in monthly savings
- 2x the number of managed variant experiments



Customer Support

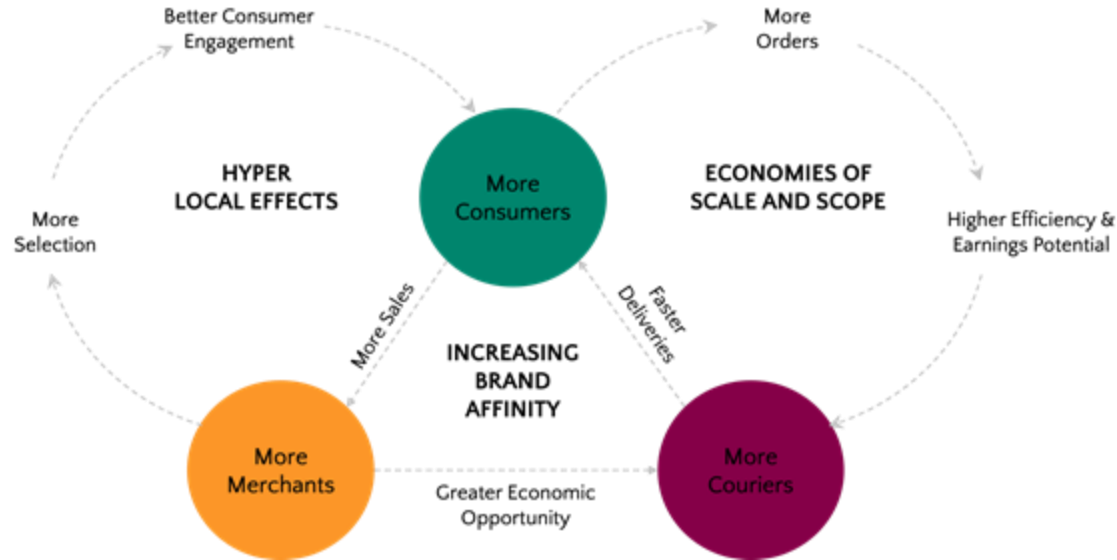
- More than 56% of all support automated for customers, 74% for drivers and 14% for Partners
- 40% reduction in support costs
- Customer satisfaction up 5 percentage points



Fraud Prevention

- AI responsible for 60% of all payment decisions
- Reached 0.1% charge backs and 97% approval rate
- Saving 4% per month in abusive vouchers
- Saving 5% per month in abusive refunds

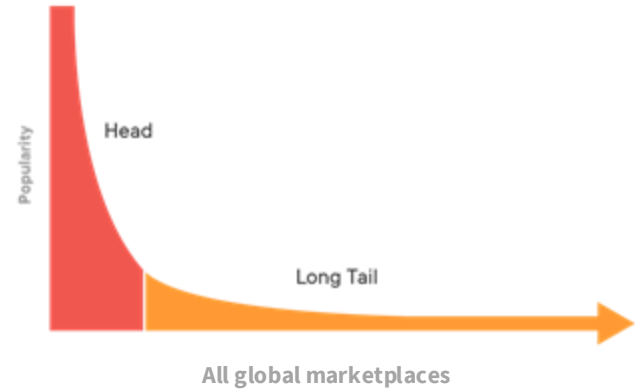
The end result? AI should drive more liquid marketplaces



AI should drive more liquid marketplaces — with more listings, higher conversions to transaction, and more repeat purchases

AI will transform competitive landscapes even more into a power law

AI will transform every industry, but some will move faster than others. In the Age of AI, only the biggest platforms will have the data scale required to win



Winning marketplaces will win bigger

- Network effects in marketplaces favor scale
- Benefits of scale drive towards to industry consolidation
- AI will only reinforce network effects
- Ecosystems will become even more prevalent as AI benefits from more data

The tail of marketplaces will be longer

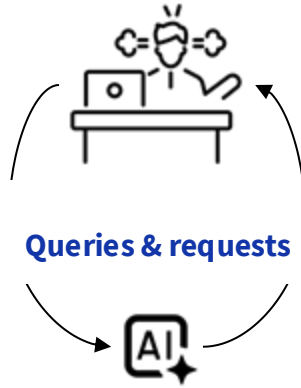
- Generative AI is lowering barriers to entry
- Never been easier and cheaper to launch a new marketplace

The next frontier: The future of Ecommerce is Agentic Commerce



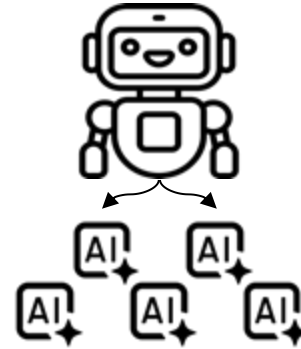
Agentic AI will make autonomous purchasing decisions for us

From



- **Discovery:** finding options
- **Evaluation:** trying options
- **Purchase:** pick option, making a purchase
- **Delivery:** getting it delivered

To



- **Your AI Chief of Staff**
- **Constellation of millions of agents**

Time-constrained actor

Limited discovery

Shallow product evaluation

Suboptimal purchasing

Compute-constrained actor

Infinite discovery

Deeper product evaluation

Optimal purchasing

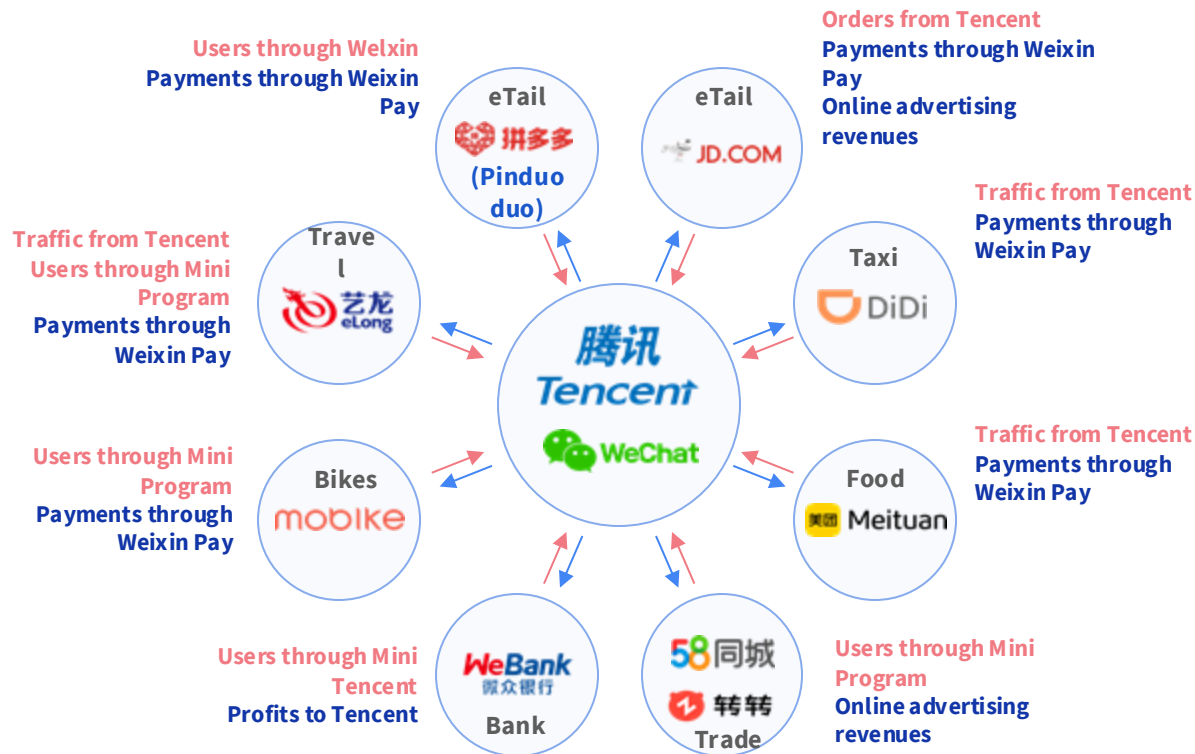
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Tencent showed that when you have something that works, you can build many things on top



Marketplaces are a great foundation for a compounding ecosystems play



Many high frequency use cases

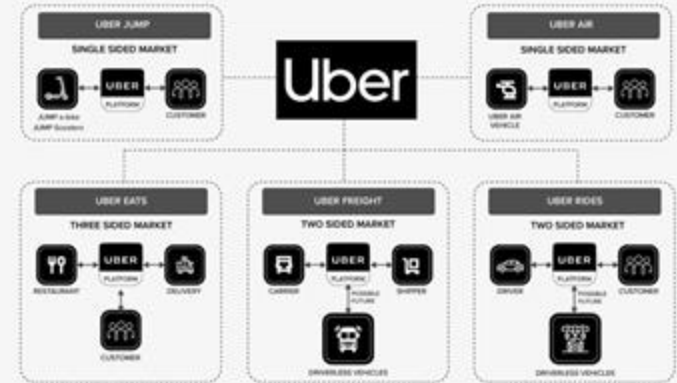


Compounding value in combining the supply and demand from two marketplaces

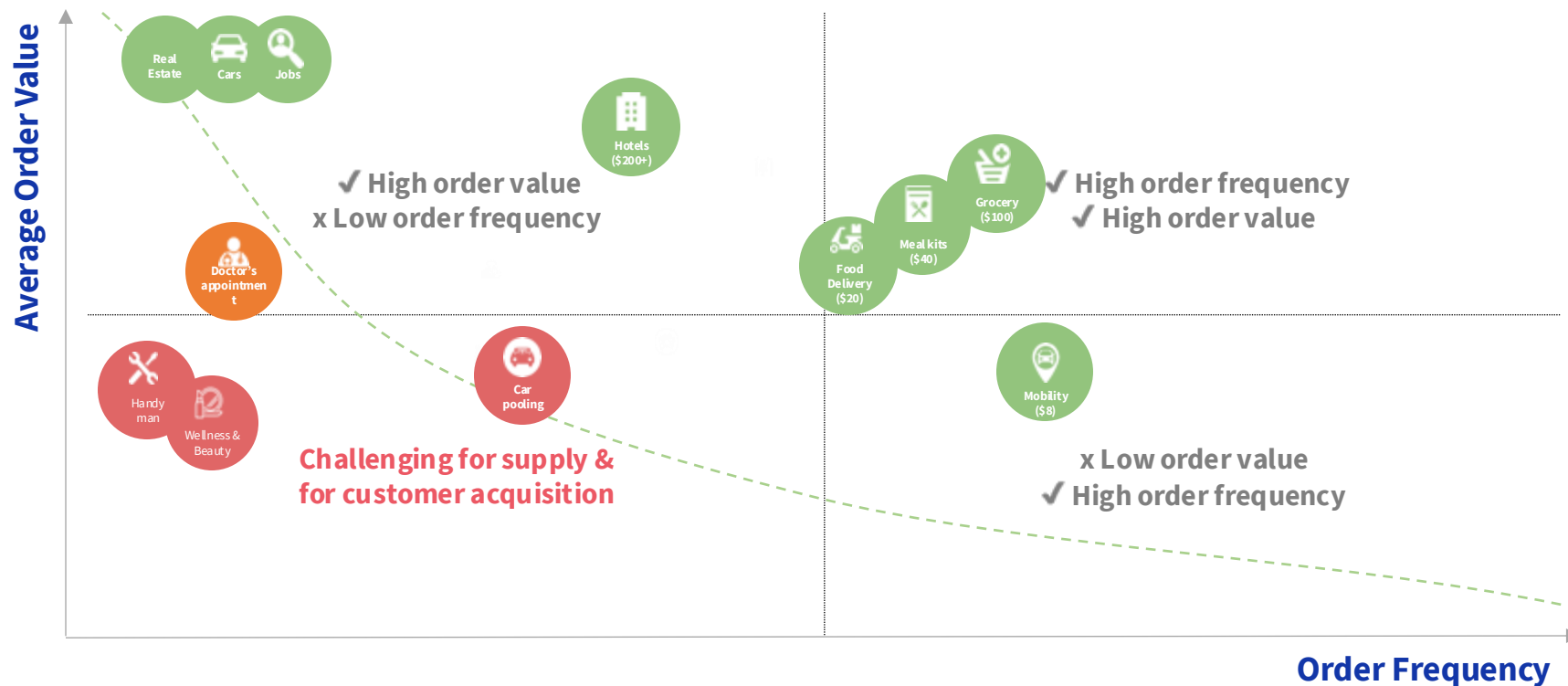


Transactional component offers natural foundation for FinTech play

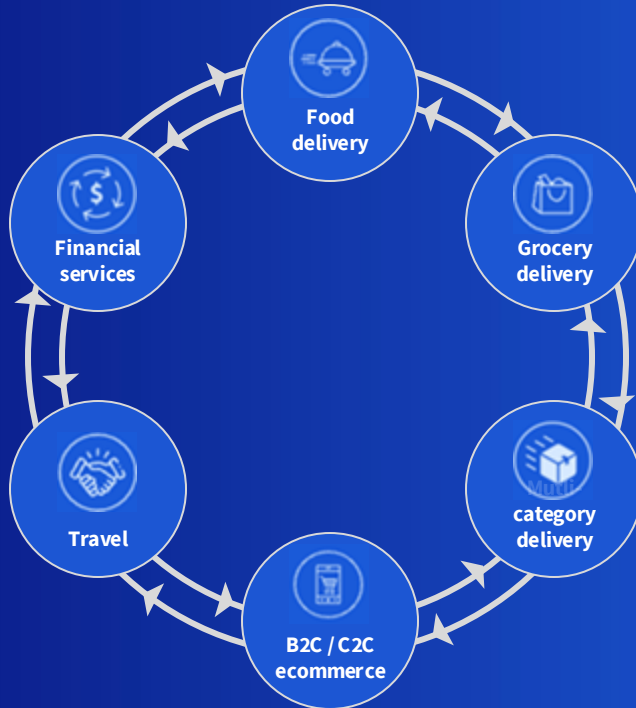
Business Model



Ecosystems thrive around high frequency use cases

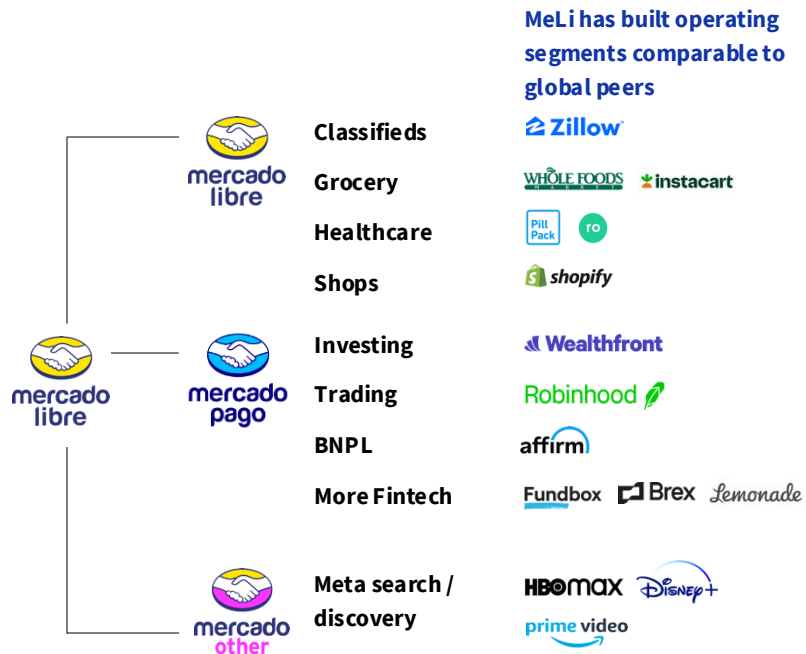


Various types of ecommerce platforms are increasingly morphing into one



- **Transactional** platform at core
- **High frequency** consumption patterns
- Strong **local / logistical** component

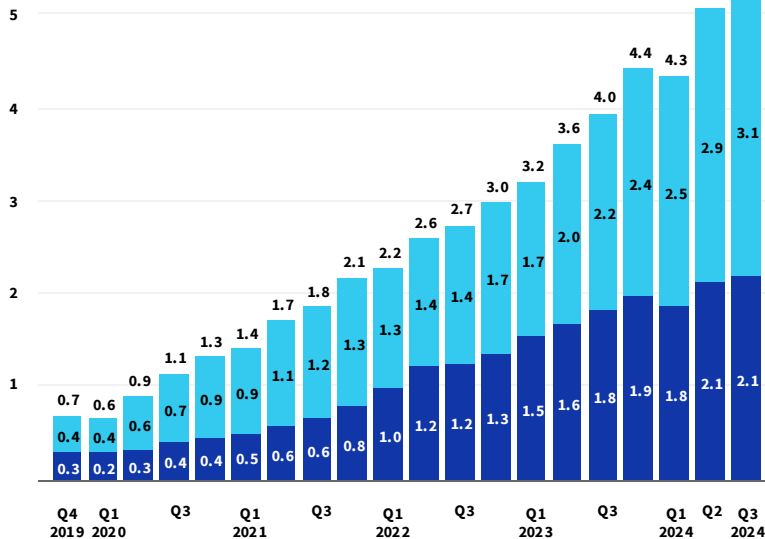
The power of ecosystems – MercadoLibre example



MercadoLibre Fintech v Commerce Revenue

Fintech Revenue (in \$Billions) Total change: +706%

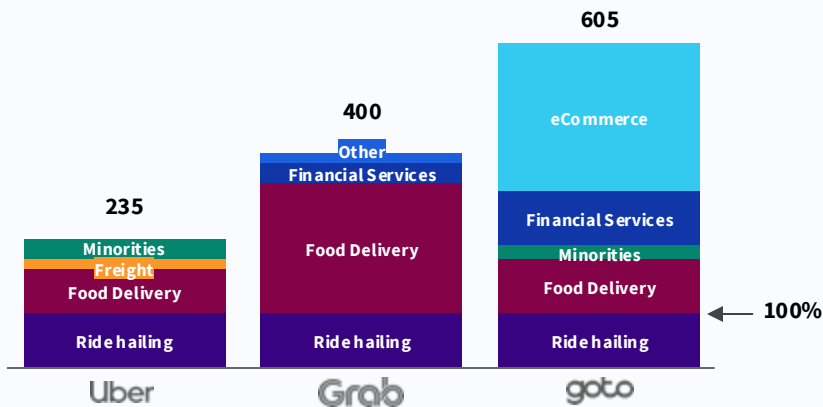
Commerce Revenue (in \$Billions) Total change: +662%



The power of ecosystems - ride hailing example

Ride sharing ecosystems

Sum-of-the-parts Valuation by Company, 2024



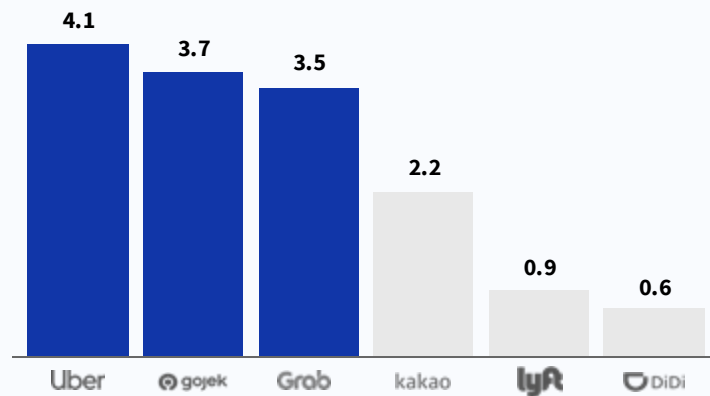
It is impressive to see what some of the ride hailing companies have managed to build on top of their core.

Value of the broader ecosystem is 2-6x the original ride hailing core.

Clearly lots of nuances here, but impressive nonetheless....

Ecosystem plays are more valuable

Valuation multiples of ride-sharing companies (EV/Revenues 2024)



Ecosystem players are leveraging numerous network effects, including in M&A transactions.

Their higher share price can serve as valuable currency in strategic M&A activities further reinforcing their already strong ecosystem.

Ecosystem plays offer a unique data scale to deploy AI



Food Delivery



Flights



Accomodations



Ticketing



Events



Pharma



eCommerce



Freight



Grocery



Rides

Identity

Unified login,
authorization,
personalization

Product

Catalogue, descriptions,
copy, merchandising,
bundling

Pricing

Dynamic pricing/ surge,
bundling, discounting,
subscriptions

Maps

Routing/ navigation,
pick up/ drop-off points,
ETA

Dispatching

Assignment, queuing,
batching, positioning,
fulfillment, shipping

Personalization

Recommendations, UX,
language

CRM

Transaction history,
behaviors, preferences,
churn prediction,
segmentation

Inventory

Inv. Levels, service
levels, distribution

Payments

Unified wallet, checkout
config, local payment
methods, pay-in/pay-out

Localization

Language, tax,
compliance

Service

Agent network,
automation, multi-
channel

Ordering

On-demand, scheduling,
multi-job

Trust

Risk, KYC, Fraud, AML

Data infra

Storage, search,
frameworks, configs,
pipeline, labeling

Supply chain

Storage location and
capacity, logistical
network

Marketing

Campaign optimization,
channel management,
promotions

Advertising

Channel mix, copy,
retargeting

Lifecycle

Error management,
receipts, returns,

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Prosus AI Strategy in four pillars

The logo for 'toqan' is displayed in white lowercase letters on a dark blue rounded rectangular background.

Amplify work

Everyone in Prosus to become more productive in their job using AI.



Innovate Faster

Every company in the group to become best in class in AI and innovation



Invest AI-First

Build a portfolio of investments that accelerate radical innovation.



Build ecosystem

Leverage data, knowledge, insights, AI, customers, to build and accelerate our whole ecosystems.

Towards a new unbundled tech stack to enable a World of Agentic AI



Methodology and definitions



Startups, scaleups, grownups and tech

Companies designed to grow fast. Generally, such companies are VC-investable businesses. Sometimes they can become very big (e.g. \$1B+ valuation).

When startups are successful, they develop into scaleups (>50 people), grownups (>500 people) and result in big companies, like Arrival or Northvolt.

Only companies founded since 1990 are included in this report.

Glossary & Definitions



Venture capital investment

Investment numbers refer to rounds such as Seed, Series A, B, C, late stage, and growth equity rounds.

Venture capital investment figures exclude debt or other non-equity funding, lending capital, grants and ICOs.

Buyouts, M&A, secondary rounds, and IPOs are treated as exits: excluded from funding data.

Investment rounds are sourced from public disclosures including press releases, news, filings and verified user-submitted information.



Marketplaces definitions

The marketplaces & e-commerce used in the reports include startups operating marketplaces or platforms connecting buyer(s) and seller(s) where goods or services are bought, sold or exchanged. Direct-to-consumer and e-commerce businesses are also included.

Some SaaS startups are also included in marketplace & e-commerce when they provide software to operate marketplaces/online stores, such as Shopify.

We consider a marketplace B2B where the exchanges/transactions happen between two businesses. Our definition of business includes professionals and freelancers.



Underlying data

Dealroom's proprietary database and software aggregate data comes from multiple sources: harvesting public information, user-submitted data verified by Dealroom, data engineering. All data is verified and curated with an extensive manual process.

Most underlying data from the report is available online via <https://dealroom.co/>

For more info please visit dealroom.co or contact support@dealroom.co