

# Middle East E-commerce Industry Heating Up



The Middle East is on the cusp of a major e-commerce growth spurt, underpinned by the move by Amazon into the region with its acquisition of Souq.com. With a dynamic, young population and one of the highest global per capita internet penetration levels, the online spending potential is quickly emerging as one of the highest in the world. The growth of e-commerce in the region is complimenting traditional stores and aiding the shopping experience for the ultimate consumers.

Emaar Malls Group's acquisition of a majority stake in fashion giant Namshi, coupled with recent updates from Noon.com – also owned by Emaar Group chairman Mohamed Alabbar – and JadoPado, an online marketplace recently acquired by Middle East Venture Partners (MEVP) show us that local players are preparing to hold their own and battle the entry of Amazon.

In the online food delivery service sector, UberEats, Deliveroo and online platforms like MakeMyMeal are generating a majority of the business for many new restaurants. Older restaurants which have been operating for many years are also relying on these services for a significant amount of business.

With more growth expected soon, the Gulf e-commerce market is expected to grow to \$20 billion by 2020, according to a report by A.T. Kearney – it's no secret that M&A (mergers and acquisitions) are the new mantras of success for the Middle East region's e-commerce industry and recent deals are only serving to increase the competition in the space.

**Source: AME Info & Arabian Gazette**