

E-COMMERCE IN CAMBODIA

A comprehensive overview of Cambodia's E-commerce landscape. Addressing challenges, initiatives and the future.

2022



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Introduction to the 2022 report

As the third rendition of our hallmark E-commerce Report, PROFITENCE has aimed to provide an in-depth study on Cambodia's E-commerce landscape for the year 2022.

While research on this subject has come a long way, there is still a significant lack of easily accessible and publicly available information to better help consumers, the private sector and the Government to further progress the role that E-commerce plays in today's society. To address this issue, in 2022 we set out to produce a one-stop report applicable to all stakeholders.

The report will include a national consumer behavior study with a sample size of 1,500 respondents across all 25 provinces (with a focus on major cities). Building on the success of our previous year's report our 2022 study covers a wide range of additional topics including E-commerce marketplaces, E-trade and most in-line with the Ministry of Commerce's (MoC) current focus, cross-border E-commerce and export readiness. With a coverage of 10 nascent and established industries, this report dives into specific insights and challenges from our survey results, with additional insights from industry experts.

This year, we provide recommendations fitted to the Cambodian context in an attempt to provide further value to both the private and public sector operating within E-commerce in Cambodia.

We are thankful for the support that MoC, in their mission to promote domestic and cross-border E-commerce, have provided us in attempting to produce a data-driven report. We would also like to thank all the industry experts that we interviewed, as well as the sponsors of this report in aiding with the necessary insights and data points.

We sincerely hope that the production, and launch, of this report sets the tone for what further research is to come and look forward to seeing the progression of one of the fastest growing segments in Cambodia's economy.



Mr. Subhadeep Chowdhury
Director and Co-Founder
PROFITENCE

Foreword - MoC

In the context of 4th Industrial Revolution (IR 4.0), digital technology is a key driving force of industrial competitiveness and business operation, significantly contributing to high productivity, increased export, job creation and economic growth. With the view to long-term opportunities of IR 4.0, the Royal Government of Cambodia (RGC) of the Sixth Legislature of the National Assembly identified the need for "Preparation for Digital Economy and Forth Industrial Revolution" in the 3rd side of the 2nd rectangle of the Rectangular Strategy Phase 4.

To realize the above-mentioned vision of the RGC, the Ministry of Commerce (MoC) with financial support from the Enhanced Integrated Framework (EIF) undertakes a number of initiatives to formulate (i) Cambodia Trade Integration Strategy (CTIS) 2019-2023 which one of the chapters focuses on e-commerce as a new source of growth; (ii) A National E-commerce Strategy as a guiding map for e-commerce sector development under a harmonized and well-coordinated framework; and (iii) Go4eCAM Project as an e-commerce project booster to develop commerce ecosystem.

The 2022 E-commerce Report by PROFITENCE was conducted following surveys and direct consultations with public sector, development partners and private sectors. For the Ministry of Commerce, it had led several initiatives to ensure that legal and policy frameworks for e-commerce are established and implemented. The Ministry had led to adopt the Law on E-commerce which was promulgated on 02 November 2019 to serve as an important legal foundation for e-commerce sector development, especially for protecting and building trust among e-commerce users as well as attracting foreign investors in e-commerce sector. In addition, e-commerce is also one of the major topics in trade negotiations at regional and global levels. For instance, Cambodia has signed and endorsed the ASEAN Agreement on Electronic commerce which is an integral part of legal and regulation framework

accelerating e-commerce growth in ASEAN. E-commerce is also included in the Regional Comprehensive Economic Partnership (RCEP) and other on-going negotiations. In the parallel vein, the Ministry have joint with other international organizations such as WTO, UNCTAD, UN ESCAP and others to secure that Cambodia is in line with international legal frameworks and initiatives.

MoC would like to extend its support to PROFITENCE and their publication on the 2022 E-commerce landscape in Cambodia. As a holistic, independent and data-driven overview, this report serves its purpose in alignment with the Royal Government of Cambodia's Digital Society and Policy Framework 2021-2035 and the Ministry of Commerce's E-Commerce Strategy 2025. It is timely to reflect on the many achievements that have taken place across this space, but more importantly, critical, that the future of E-commerce in Cambodia is articulated with a mutual understanding that public-private cooperation is necessary. As an e-commerce enabler and facilitator, MoC strongly hopes that this report will serve as a key document for all stakeholders involved in the ecosystem and can be used as guiding book to their individual benefits which would contribute to country's economic development, especially transforming Cambodia into a digital economy in the future as well as realizing Cambodia's vision of becoming a high-middle-income country in 2030 and high-income country in 2050.



LCT. TEKRETH Kamrang
Secretary of State
Ministry of Commerce

Executive Summary

Since the implementation of E-commerce Law in 2019, Cambodia's E-commerce ecosystem has been set to become one of the region's fastest growing E-commerce markets. Today, the E-commerce landscape is likely to witness sustainable growth, driven by strong **government support**, a growing **urban population**, high **internet penetration and social media adoption rates**, higher **consumer spending**, and a robust **technology start-up ecosystem**. In large, these key points have allowed Cambodia to become a destination for innovative E-commerce solutions across numerous sectors.

1 Survey Details & Key Findings

Survey Details: A digital survey of n=1500 was disseminated for a period of 8 days in July, 2022. With coverage across all 25 provinces, it focused on consumer behavior surrounding E-commerce.

Key Findings: Fashion and Apparel remain as the most purchased items online (same finding in 2021). A majority of respondents allocate between USD 11 to USD 50 per month for online shopping. Promotions/discounts available online are the main reason online shopping is a preferred platform for many. A lack of trust, especially for consumable and wearable goods, is the main reason behind a (minor) preference of cash on delivery over online payments. However, the gap between payment preferences have reduced significantly over the past 2 years between online vs. cash payments; there is almost an even split in 2022. Convenience seems to be the biggest factor influencing greater preference for digital payments methods.

2 Industry Insights

Banking: Growing number of integrated digital payment systems have led to higher cashless payment adoption.

Food and Grocery Deliveries: Demand for food and grocery deliveries have not dropped to pre-COVID levels.

Insurance: Lack of education on benefits of Insurance persists, individuals still prefer an in-person experience with agents.

Online Education: Lack of unique data in Cambodia, and still in a nascent stage with limited local choices for consumers.

Logistics: E-logistics is growing rapidly. There is also a rising demand for quick commerce in Cambodia.

Ride-hailing/Transportation: Usage declines outside of major cities. Growing trend for companies to expand into Super apps.

Fashion: Remains the most purchased item online, dominated by sellers across social media platforms.

Beauty and Cosmetics: Consumer base has shifted with a younger population. Growing online presence is driven by int'l. trends.

Healthcare: Growing demand for all-in-one digital health platforms. Industry is still in a nascent stage.

Media and Entertainment: Lower growth rate today as opposed to pre-pandemic. Willingness to use premium subscription models are still limited.

3 Moving Forward

Core Recommendations for the Private Sector:

1. Promote registration of businesses, encouraging a shift from unregulated social media markets.
2. Enhance public-private-development with the Government.

Core Recommendations for the Government:

1. Increase data security, implementation and monitoring for consumer protection through a regulated, interoperable and connected database.
2. Increase coordination amongst Government agencies on the support provided to MSMEs.
3. Increase adoption of online tools to allow for more G2B and G2C services.
4. Seek inputs and advice from the private sector on innovations and technologies that will affect E-commerce.

Our Report Over the Years

2022

A comprehensive report, deep-diving into numerous key industries, within a national context.

✓ **10 Industries covered extensively**

✓ **National consumer behavior study**

*n=1500, country-wide with focus on major cities.

✓ **Ministry support**

✓ **ASEAN Comparison**

✓ **Close collaboration with industry leaders and experts**

• Detailed challenges, and industry analysis

✓ **New aspects covered:**

- Quick commerce
- E-commerce marketplaces
- E-trade and export readiness

✓ **Recommendations for Public and Private Sectors**

2021

A more extensive and holistic report analyzing a few key industries and trends.

• 6 Industries covered

• City-wide consumer survey

*n=155, circulated within Phnom Penh.

• Overview of E-commerce ecosystem

• Thailand comparison with key takeaways

✗ Recommendations

✗ Insights from public/private sector experts

✗ In-depth industry research

2020

A general understanding of the emerging E-commerce ecosystem in Cambodia.

• Brief overview of E-commerce ecosystem.

• Basic outline of government initiatives

• Thailand comparison

✗ Primary data (consumer survey)

✗ Insights from public/private sector experts

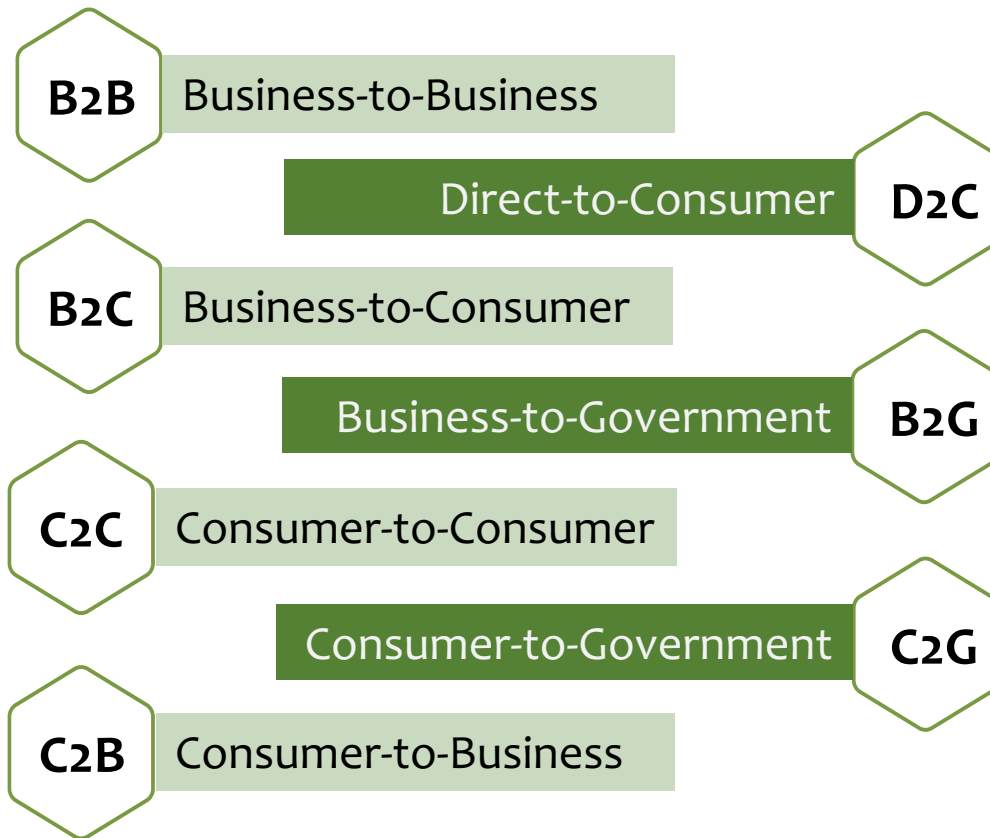
✗ Industry research

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8	E-commerce Challenges				

E-Commerce Definition

“An E-commerce transaction is the sale or purchase of goods or services, conducted over computer [or mobile] networks by methods specifically designed for the purpose of receiving or placing of orders. The goods or services are ordered by those methods, but the payment and the ultimate delivery of the goods or services do not have to be conducted online. An E-commerce transaction can be between enterprises, households, individuals, governments, and other public or private organizations.” (OECD, 2011)



E-Commerce includes a variety Of goods and services



Digital Products



Crowdfunding



Wholesale



Subscriptions



Retail



Physical Products



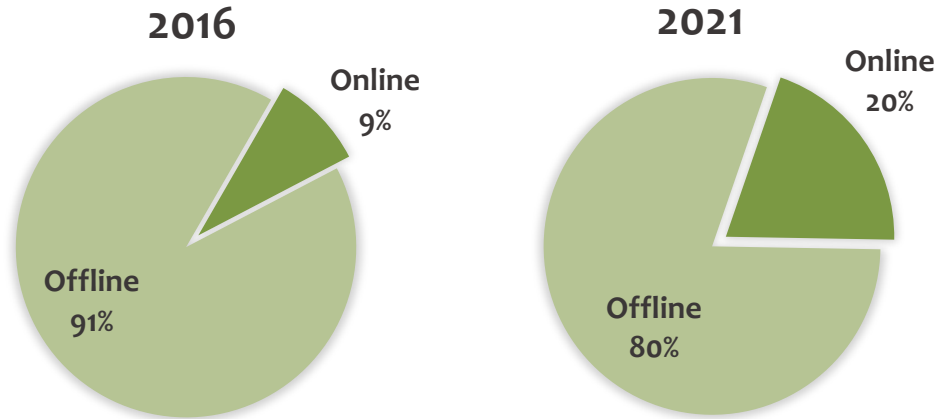
Drop-shipping



Services

Global E-commerce Overview

GLOBAL RETAIL MARKET SIZE



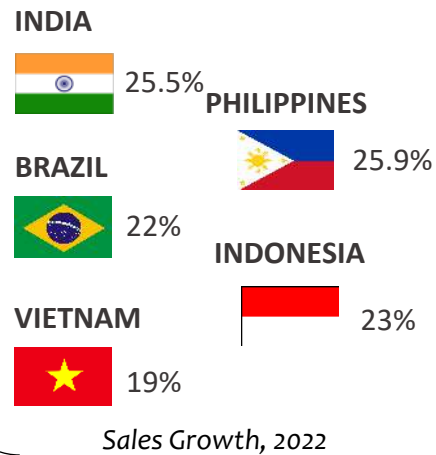
2016: USD 13.9 trillion

2021: USD 15.6 trillion

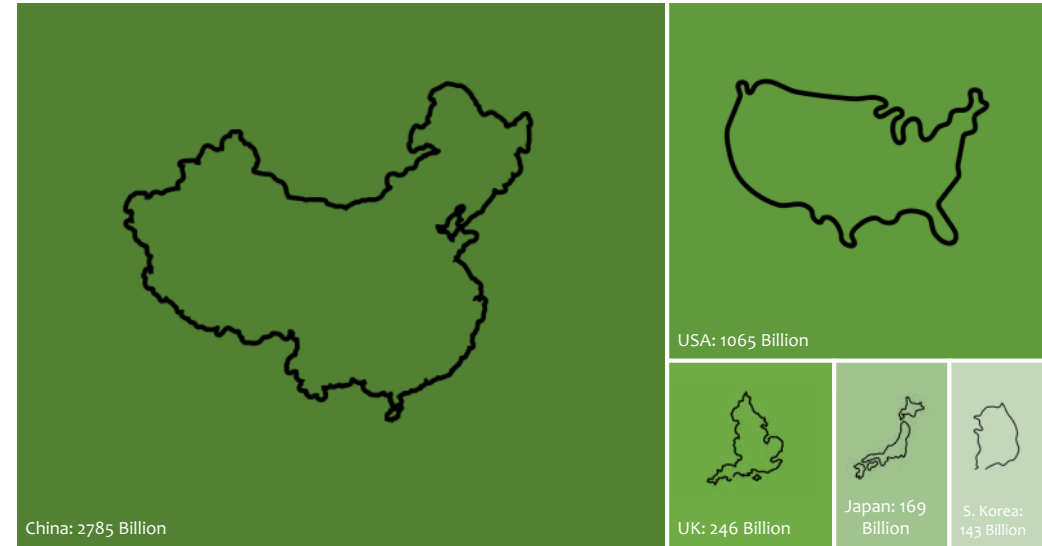
Asia Pacific region made up **~60%*** of *retail* E-commerce sales globally.

- Three out of the five biggest E-commerce markets are in **Asia**. (See chart on the top-left)
- Three out of five fastest E-commerce sales growth rate are in **Southeast Asia**.
 - This reflects the region's E-commerce potential.

*Asia Pacific: USD 3.3 Trillion, Global: USD 5.5 Trillion



TOP 5 COUNTRIES RANKED BY RETAIL E-COMMERCE SALES, 2022



TOP GLOBAL MARKETPLACES BY GMV*, 2021



Cambodia Market Overview



Population

16.8 M

*2022, estimated



Capital City

Phnom Penh

Population: 2.2 M



Urban Population (2019)

6,135,194

39.4% of total population in 2019



Population Density (2021)

96/km²



Population Age

from 15 to 64 (2021)

10.9 M



National Currency

Riel ([NBC](#))



GDP

USD 30.544 Billion

*2022, estimated



GDP Per Capita

USD 1,842

*2022, estimated



Land Area

181,035 km²

25 provinces/towns

Export & Import (15y) from 2006 to 2020 (in USD Million)



Main import partners:

- China
- ASEAN
- Thailand
- Vietnam
- EU

Main export partners:

- USA
- EU
- China
- Japan
- ASEAN

Language

Khmer 97%
Others 3%

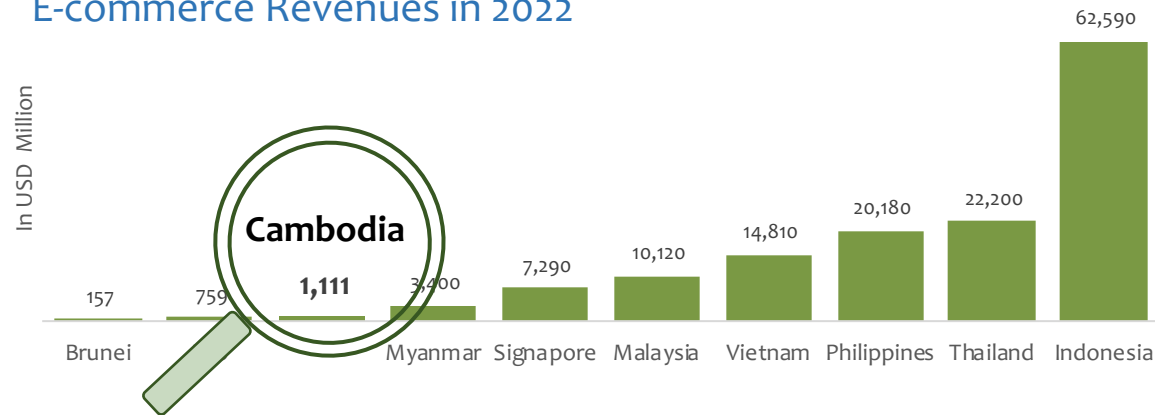
Religions (2019)

95% Buddhism
5% others

Cambodia E-commerce Overview

E-COMMERCE MARKET SIZE

E-commerce Revenues in 2022



MARKET TRENDS

- Across Asia, a majority of online shoppers still compare prices online, and prefer to touch and feel products before making a purchase.
- Mobile device usage is boosting E-commerce (~70% of retail websites visits worldwide came from mobile devices).
- Majority of E-commerce users are a young population, and they are introducing E-commerce to their parents as well.
- E-commerce will continue to be driven by tech-savvy consumers who prefer a quick and seamless shopping experience.
- Majority of online websites cater to serve a small number of urban consumers.
- Government initiation, strategies, and regulations come in to bring fairness to both consumers and sellers.

Cambodia E-commerce Marketplaces

There are **10+** online marketplaces in Cambodia.

Most common product sale on E-commerce marketplaces are **daily used products** from fashion to electronic tools.

Challenges for new SMEs trying to operate online marketplaces:

1. **Human Resources:** Lack of skilled talent and digital literacy, especially for low-income producers of goods and services.
2. **Partnerships:** Lack of fast, affordable, and reliable logistics service providers.
3. **Logistics:** Complicated postal addressing system in rural areas.
4. **Payments:** Limited financial technology penetration, and lack of exposure to alternative payment methods.

Many supermarket businesses use an **omnichannel** sales strategy.

Customers can purchase products both at **physical stores** and **online stores**. On websites and mobile apps, companies offer self-service or are partnered with delivery companies.

In 2022, the number of Facebook users was **78%** of internet users.

Social commerce platforms, especially Facebook, are still amongst the more popular online marketplaces in Cambodia.



CAMBODIA TRADE

CambodiaTrade is an E-commerce marketplace operated by the Ministry of Commerce, launched in March 2022. It serves Cambodia's small and medium enterprises to sell their Made-in-Cambodia products online to potential clients in domestic and cross-border markets.

Increased economic opportunities and exposure for Micro, Small, and Medium Enterprises (MSMEs)

The platform plays a vital role in supporting vulnerable enterprises during the country's transformation towards a digital economy under its Digital Economy and Society Policy Framework 2021-2035.

A gateway to greater cross-border exports

Cambodia's E-commerce is almost exclusively domestic E-commerce. Partnerships with global logistics provider DHL open the door for domestic products to be accessed by a global consumer-base. The variety of international payment gateways further promote the purchase of local products in foreign markets.

Cambodia E-commerce Export Readiness

Cross-border E-trade is a largely untapped market for growth in Cambodia. Over the last two years, the Ministry of Commerce, alongside its international trade and program partners have focused on promoting trade facilitation through digitalization.

Two notable Government initiatives:

Improving Small Package E-Trade for SMEs (SeT4SME)

Primary Objectives:

1. Contribute to Cambodia's undertaking of digital trade facilitation to enhance the enabling environment for cross-border trade.
2. Strengthen Cambodia's e-Trade environment for SMEs, by establishing an e-trade portal and helping Cambodia's SMEs take full advantage of an improved customs clearance process of postal shipments and postal service, resulting in time and cost reductions for their small package exports and imports.

Go4eCam

The Ministry of Commerce partnered with Cambodia Post, Khmer Enterprise, UNDP and the UPU to implement an E-commerce ecosystem program in Cambodia (Go4eCAM), aiming to provide the necessary conditions for MSMEs to go digital and to gain access to much needed finance for E-commerce uptake and business formalization to support export readiness.

There are three key areas which should be focused on when preparing micro, small and medium enterprises for e-trade. These are highlighted within a Cambodian context below:

Digital Skills and Entrepreneurship

- Digital literacy across Cambodia is still low, impacting the potential for traditional businesses to expand further.
 - This attributes to many entrepreneurs still being weary, and unsure about moving to digital platforms.
- E-trade participants must be proficient in digital literacy and business development, adapting cognitive, social, and technical skills to the digital business environment.

Legal and Regulatory Framework

- Based on a short internal survey, the top reason merchants don't want to expand into cross-border E-commerce is **regulatory complexities**.
- Informal and unregistered businesses on social media platforms lack access to proper channels where they can conduct cross-border E-commerce in a safe, secure and regulated manner.

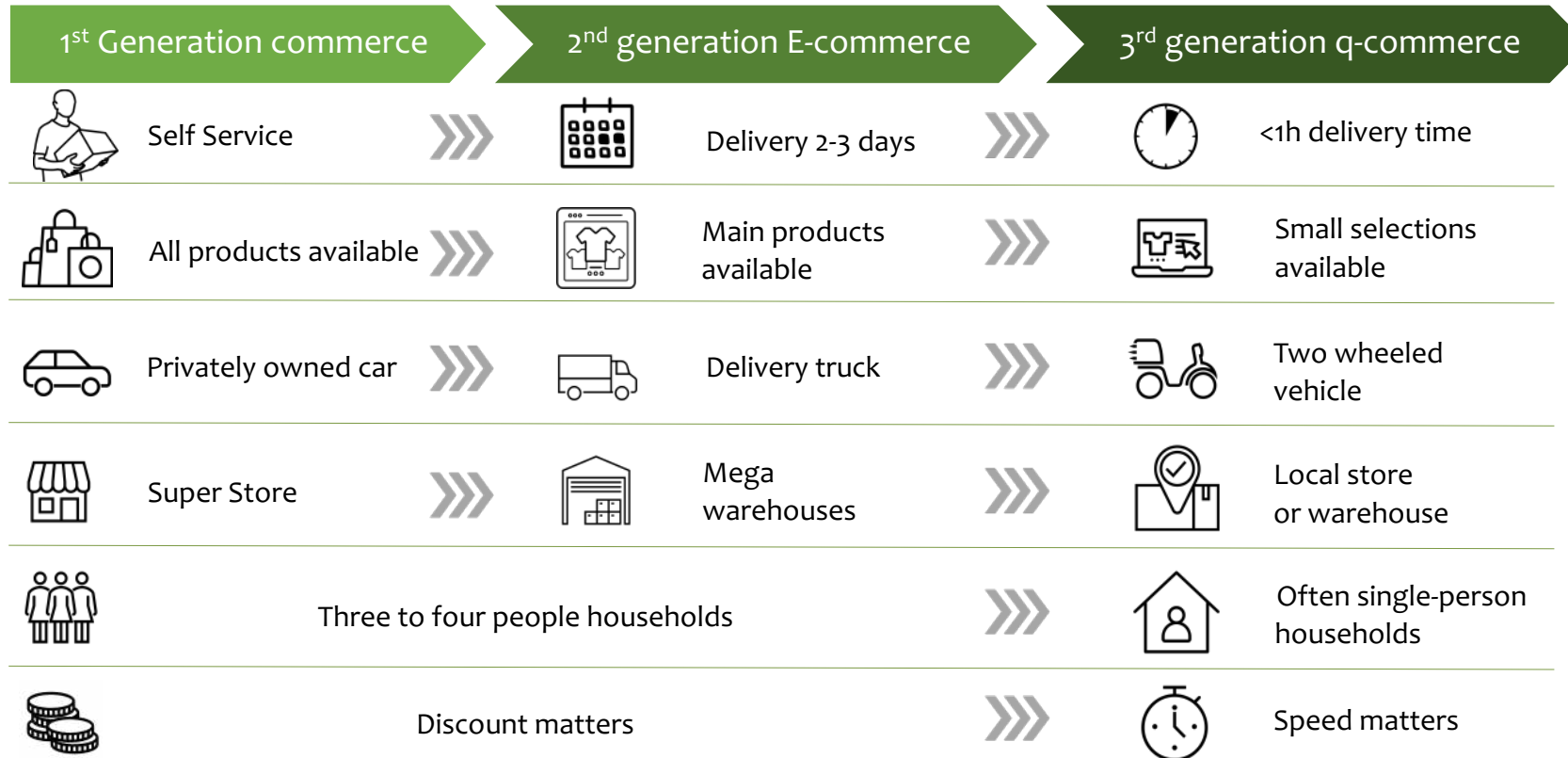
E-trade Logistics and Trade Facilitation

- The costs of cross-border trade are especially high for small businesses shipping small packages.
- Reducing trade transactions costs by enabling digital automation of trade data (such as implementation of an Electronic Advanced Data system) will be key to connecting local businesses with foreign markets and value chains.

Quick Commerce (Q-commerce)

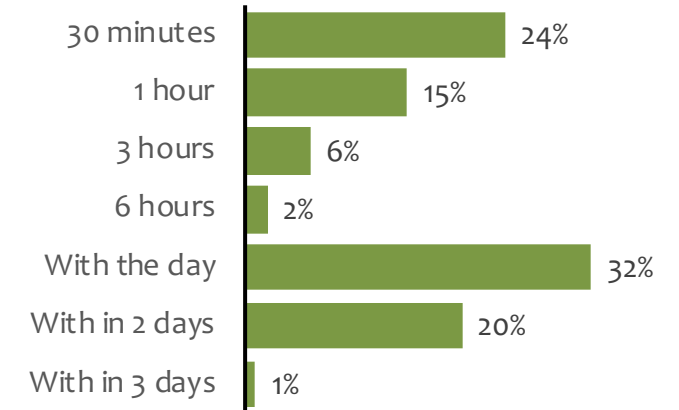
CONCEPT BRIEF

- **E-commerce vs Q-commerce:** E-commerce often refers to the online purchase, or sale, of goods or services, which can take 1-3 or longer days to deliver, whereas Q-commerce is a form of E-commerce that delivers small quantities of goods in the shortest possible time.
- Q-commerce aims to deliver in a 10 minute to 1 hour time-span.
- To deliver such short times, retailers rely on online ordering systems, fulfillment hubs placed strategically in densely populated areas, and a two-wheeled delivery team.
- There is no dedicated quick commerce player in Cambodia, however local players such as *Nham24* are expanding into this segment of E-commerce.



CAMBODIAN PREFERENCE FOR QCOMMERCE

Acceptable delivery time



66% of consumers are willing to pay an extra price for faster/same-day delivery.

Evolution of E-commerce Drivers

Affordable Mobile Data



Mobile internet

USD 4 per month for 4G
2% of minimum wage (USD 194)

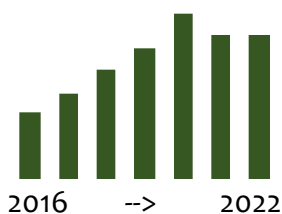
Growing Urban Population



Urban population
(% of total population)

2008: 20%
2019: **39.4%**

High Internet Usage



18M internet users in 2022 as compared to 8M in 2016¹

(4G coverage is 80% of the population)

Supportive regulatory framework

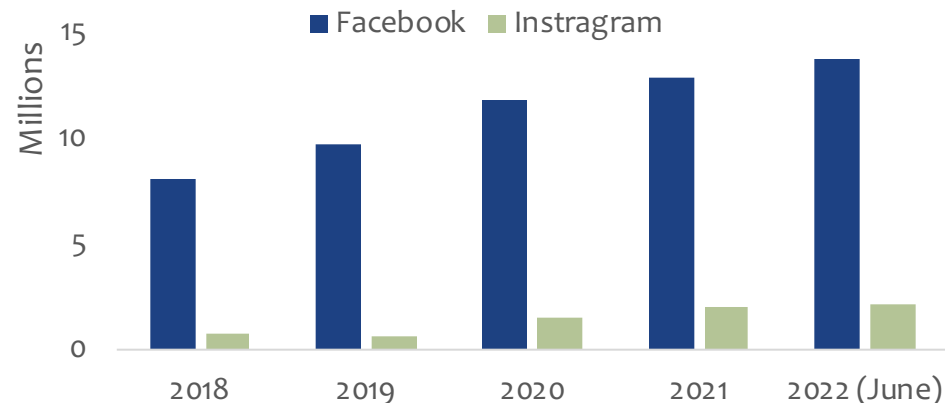


E-commerce Law

passed in 2019

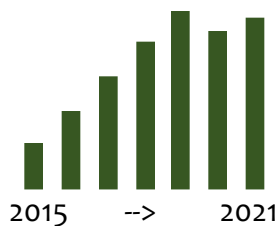
Since 2019, additional framework on tax regulations (2022), registration, licenses and permits (2020) have been implemented.

SOCIAL MEDIA USERS (2018-2022)



There are **12,845,400** Facebook users in **Cambodia** as of **December 2021**, which accounted for **74.2%** of its entire population.

Higher consumer spending



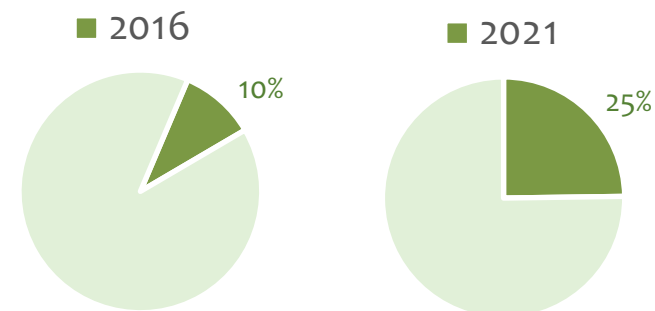
GDP per capita in 2022:
USD 1842
up 6.4%
from USD 1,730 in 2021.

Growing Digital Startup Market



In 2022, there are over **300** active technology startups.

INCREASED CARD PENETRATION



Percentage of debit + credit cards to population.

E-commerce Challenges



Limitation of Payment Systems

- Cash-based culture.
- Fragmented financial literacy initiatives.
- Some businesses cannot offer all payment options.
- Limited trade-finance instruments for SMEs.

Lack of Trust

- Consumers are not confident in the quality of domestic products, so they source internationally.
- Lack of clear refund policies creates doubt in consumers.
- Consumers are not convinced when sellers request to pay in advance.
- Some sellers request the consumers to pay in advance over concern that consumers will ask to return the goods.

Lack of IT infrastructure & talents

- ICT infrastructure is primarily available in major cities across the country, but development in rural areas is still needed.
- There is a gap between major cities, provincial cities, and rural areas in terms of mobile 4G services.
- E-commerce boomed during covid-19, and remains a fairly new concept; there is a lack of trained IT professionals to support and digitalize platforms.

Limitation of Digital Skill

- Cambodia is at a low level of digital literacy in digital and technological adaptation; less than one-third of the population has basic digital skills (CDRI 2020).
- According to RGC, only approx. 30% of Cambodians have the skills necessary to conduct internet searches and operate digital systems for communication and information sharing in 2021.

Lack of Logistics Control

- Last-mile services at border & rural areas are limited due to poor addressing and fragmentation of service providers.
- Domestic delivery companies still have limited knowledge in managing returns, parcel delivery, and real-time traceability of packages.
- Road infrastructure & warehouse facilities at the border need to develop more.
- Innovation (cloud computing, AI, etc..) needs to improve for 3PL service suppliers and enterprises.

Late Information & Process

- Lack of a centralized system to store information and regulation on E-commerce for everyone.
- Extensive documentation requirements increase the time needed to register, creating additional burdens for micro and small businesses.



Summary of Government Initiatives

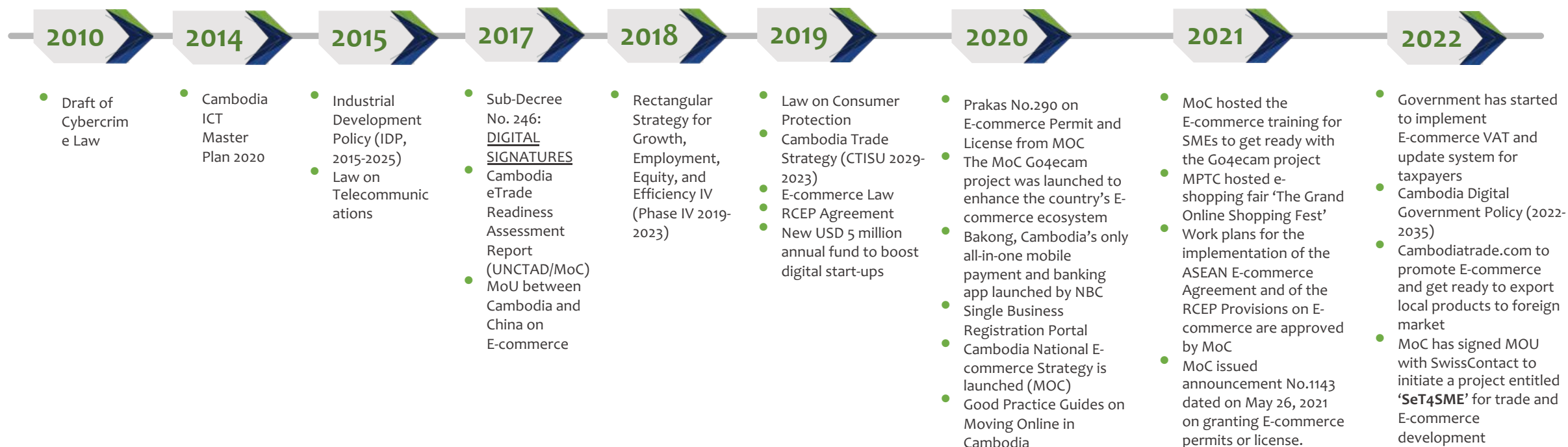
A summary of relevant government policies, legal framework and initiatives to promote the digital economy and E-commerce in Cambodia are listed below:

“

*Cambodia is exploring new sources of growth as it progresses towards a middle-income economy, with a stronger role by services combined with increased digital adoption. This translated in the development of a robust E-commerce ecosystem: In the space of four years the Royal Government of Cambodia passed a law, developed a strategy, **created dedicated registration mechanisms, and imposed VAT on***

***E-commerce for foreign players on par with more advanced economies.** Currently, efforts are focused on getting the private sector to adopt digital tools, businesses to move from offline to online and to spark cross-border E-commerce. A truly remarkable journey, when 5 years ago, there was barely any E-commerce activity in Cambodia.*

- **Sven Callebaut**, International Trade Policy and Digital Trade Advisor, Ministry of Commerce



Government Initiatives [1/4]

A summary of relevant government policies, legal framework and initiative to promote Digital Economy and E-commerce in Cambodia are listed below:

Year	Government Initiative, Policies and Legal Frameworks	Key Objectives
2010	Draft of Cybercrime Law	Aims to define the awareness measures, to prevent and combat against all cybercrimes to ensure law enforcement concerning cybercrimes, as well as to ascertain safety and legal benefits in using and improving information and communication technology.
2014	Cambodia ICT Master Plan 2020	Aims to provide Pilot Projects for the successful implementation of “Enriching e-Services” among four strategic thrusts of the Masterplan.
2015	Industrial Development Policy (IDP, 2015-2025)	Aims to address structural challenges and to invest in key industrial infrastructure, both hard and soft, to be in line with the potential, competitive advantage and development of the Cambodian industry, and define various interconnected measures at the macro and sectorial level and at specific interventions in response to actual needs. The policy changed every 5 years.
2015	Law on Telecommunications	Aims to ensure safe, reliable, affordable, quality telecommunication infrastructure to fulfill the needs of social and economic development, ensure development, governance, and regulation of the telecommunication sector, and ensure the protection of internet users.
2017	Sub-Decree No. 246: <u>DIGITAL SIGNATURES</u>	Aims to regulate and promote the use of digital signatures in Cambodia. A “Digital signature” is defined as the data which is linked to an electronic message used to confirm the identity of the digital signatory and to verify the original status of the electronic message. To be considered a digital signature, it must properly and specifically affirm the identity of the digital signatory, confirm the original status of the electronic message, and certify the time and date that the digital signature was executed.
2017	Cambodia eTrade Readiness Assessment Report (UNCTAD/MoC)	The first ever comprehensive diagnostic of <u>Cambodia’s readiness for E-commerce</u> is produced, prioritizing actions to bridge the gaps with best regional performance.
2017	MoU between Cambodia and China on E-commerce	China and Cambodia will step up E-commerce cooperation in areas such as policy communication, capacity building, personnel training and joint research, especially under China’s strategic One Belt, One Road initiative.
2018	Rectangular Strategy for Growth, Employment, Equity, and Efficiency IV (Phase IV 2019-2023)	Aims to develop entrepreneurship and a digital ecosystem that is beneficial for new business start-ups, promotes digital business systems, and partnership cooperation with the private sector.

Government Initiatives [2/4]

A summary of relevant government policies, legal framework and initiative to promote Digital Economy and E-commerce in Cambodia are listed below:

Year	Government Initiative, Policies and Legal Frameworks	Key Objectives
2019	Law on Consumer Protection	Aims to ensure the protection of consumers and contributing to the promotion of fair competition. The objectives is define the rules and mechanisms for contributing to the creation of the trading environment, in which: <ul style="list-style-type: none"> - The rights and interests of consumers are protected; - The trading is fairly competitive, and - Consumers and business persons conduct activities together with trust. (Cambodia Commerce)
2019	Cambodia Trade Strategy (CTISU 2029-2023)	Cambodia's 4 th trade strategy, developed by the Ministry of Commerce includes a dedicated chapter and roadmap on E-commerce (chapter 11) and on digital transformation and industry 4.0 (chapter 12) (CTISU)
2019	E-commerce Law	The goals for this law: <ol style="list-style-type: none"> 1) To determine the authenticity, perfection and reliability of an electronic form; 2) To promote the development of legal and business framework in order to conduct safe electronic commerce; 3) To prevent and enforce against acts which are harmful to data and information systems; 4) To eliminate obstacles which hinder electronic commerce and which created by the uncertainty of requirements of written documents and signature; 5) To facilitate electronic filing of documents with public institutions and promote an efficient delivery of services of public institutions through the use of reliable electronic records; and 6) To establish rules, regulations, and standards regarding the authenticity and perfection of electronic records.
2019	RCEP Agreement	Launched by ASEAN Leaders at the 12th summit in Phnom Penh and signed by the RCEP ministers on Nov 15, 2020, on the occasion of the fourth RCEP summit in Hanoi, Vietnam. The agreement establishes a comprehensive, modern, high-quality partnership framework that provides mutual economic benefits that will facilitate the expansion of regional trade and investment supply chains, support to the world on the multilateral free trade system (MoC). Chapter 12 of the agreement is dedicated to E-commerce. It entered into force in January, 2022.
2019	New USD 5 million annual fund to boost digital start-ups	In a bid to ease the transition into a digital economy, the government will create a USD 5-million annual fund to strengthen the tech start-up scene in the country, Prime Minister Hun Sen said (Khmertimes).
2020	Prakas No.290 on E-commerce Permit and License from MOC	Aims to mention the Provision of Permits and Licenses for Electronic Commerce. The law applies everyone who conducts businesses or transactions through electronic means including: <ol style="list-style-type: none"> (i) natural persons; (ii) sole proprietorships; (iii) legal entities; and (iv) branches of foreign companies.

Source: [Soksiphana](#), [Cambodia Commerce](#), [Khmertimes](#)

Government Initiatives [3/4]

A summary of relevant government policies, legal framework and initiative to promote Digital Economy and E-commerce in Cambodia are listed below:

Year	Government Initiative, Policies and Legal Frameworks	Key Objectives
2020	The MoC Go4ecam project was launched to enhance the country's E-commerce ecosystem	The 3-years project implemented by MoC includes 8 components that aim to: (1) Increase economic opportunities for small and medium enterprises (SMEs) by giving them a doorway to the digital economy through an E-commerce platform. (2) Improve E-commerce in provinces, give extra help to businesses owned by women and develop the B2B marketplace. (Khmertimes)
2020	Bakong, Cambodia's only all-in-one mobile payment and banking app launched by NBC	Aims to modernize the payment system in Cambodia and to respond to the growth of the economy and financial technology, enabling interoperability between institutions, enhancing the efficiency, and security of a payment system, promoting financial inclusion and promoting the use of [cashless] Khmer riels.
2020	Single Business Registration Portal	A new online business registration system launched by the government aims to approve applications within eight (8) working days and expand the system to all ministries and institutions – meaning all licenses and certificates will be issued digitally going forward.
2020	Cambodia National E-commerce Strategy is launched (MOC)	Aims to promote economic growth and preparedness for a robust digital economy between the public, private and development partners. There are 10 chapters comprised of: 1) Strategy and Policy Focus and institutional coordination, 2) Legal and regulatory frameworks, 3) SME regulations, 4) Information and communications technology (ICT) infrastructure, 5) Digital knowledge/skills infrastructure, 6) Payment systems, 7) Domestic E-commerce/trade logistics, 8) Cross-border trade, 9) Access to finance, 10) Trade information and in-market support.
2020	Good Practice Guides on Moving Online in Cambodia	MoC, with support from the Government of Australia and TradeWorthy Ltd., launched 4 good practice guides (GPG) to help MSMEs move from offline to online during the pandemic, with focus on (1) Food delivery, (2) Consumer Goods, (3) Groceries and (4) Travel and Transport. The GPG are available in English and Khmer .
2021	MoC hosted the E-commerce training for SMEs to get ready with the Go4ecam project	Small and medium-sized Cambodian companies are to receive government training on how to make the most of the digital economy in which it is an important part of its Go4eCAM project. The Digital Business Training Program for Small and Medium Enterprises is co-financed by the Ministry of Commerce, the Ministry of Economy and Finance, the United Nations Development Programme and a Cambodian entrepreneur (Khmertimes).






Government Initiatives [4/4]

A summary of relevant government policies, legal framework and initiative to promote Digital Economy and E-commerce in Cambodia are listed below:

Year	Government Initiative, Policies and Legal Frameworks	Key Objectives
2021	Work plans for the implementation of the ASEAN E-commerce Agreement and of the RCEP Provisions on E-commerce are approved by MoC	<u>The work plans</u> will help mainstream key policy, legal and regulatory improvements in the work of several Government entities. The workplan formulation were spearheaded by the ASEAN Coordinating Council on E-commerce (ACCEC), led by the Ministry of Commerce in Cambodia. Areas of work include data protection, data privacy, cybersecurity, electronic payments, cross border paperless trading, location of computing facility and cross-border data flows. It was entered into force in January, 2021
2021	MPTC hosted e-shopping fair ‘The Grand Online Shopping Fest’	The intention of the festival is to negate the economic effects of Covid-19 on the small-business economy in Cambodia, shift purchasing behaviour online, support local small businesses to digitalise, and provide an unprecedented opportunity for both vendors and customers to promote and access deals and a range of products from wherever they are located across the country.
2021	MoC issued announcement No.1143 dated on May 26, 2021 on granting E-commerce permits or license.	MoC invited the businessman, sole proprietor, company or foreign branch that is operating E-commerce business activity to apply for an E-commerce permit or license no later than the 1 st December 2021; failure to comply is subject to fined in cash or ceased the business activities or faced with other measures as stated by laws and regulations. The deadline is extended to 1 st March 2022.
2022	Government has started to implement E-commerce VAT and update system for taxpayers	The implementation is in response to the revenue collection strategy 2019-2023. Registered taxpayers who receive digital goods/services or E-commerce activities from a non-resident, whether the non-resident has registered for VAT or not, will need to pay 10 percent VAT to the GDT on behalf of the non-resident under a VAT reverse charge mechanism.
2022	Cambodia Digital Government Policy 2022-2035	Aims to build a smart government based on the use of digital infrastructure and technology as an ecosystem for governance system modernization and reform in a transparent and credible manner to develop an inclusive digital economy and society.
2022	Cambodiatrade.com to promote E-commerce and get ready to export local products to foreign market	The platform is launched by MoC enabling artisans, retailers, social enterprises, and manufacturers to make the transition from conventional business operators to global entrepreneurs. It has spawned out of a public-private initiative and brought onboard a myriad of pandemic-hit micro-, and small-and-medium enterprises (MSMEs) with over 1,000 local products on display.
2022	MoC has signed MOU with Swisscontact to initiate a project entitled ‘ SeT4SME ’ for trade and E-commerce development	A two-year project (2021-2022) for the Alliance, implemented by Swisscontact in partnership with the Ministry of Commerce (MoC). This project aims to support Cambodia in improving its trade performance and driving inclusive growth in the country by enhancing trade facilitation implementation with more transparency in trade practices and reduced time and cost of cross-border e-trade. It will also support the interphase of the GDCE Customs Clearance System and Cambodia Post CDS system for faster clearance of low-value shipment

E-commerce in the ASEAN Region [1/2]








	Cambodia 	Laos 	Myanmar 	Thailand 	Vietnam 
Responsible ministry (Name of ministry)	- Ministry of Commerce - Ministry of Posts and Telecommunications	- Ministry of Industry and Commerce - Ministry of Technology and Communications.	- Department of Trade under - Ministry of Commerce.	- Ministry of Commerce - Office of the Consumer Protection Board	- The Ministry of Industry and Trade
E-commerce Law (year enacted)	Enacted in 2019	Decree on Electronic Commerce, 2021	Draft E-commerce Guideline, 2020	Electronics Transactions Act, enacted in 2001	Decree on E-commerce, 2013
Consumer protection Law (year enacted)	Enacted in 2019	Enacted in 2010	Enacted in 2019	Enacted in 1979	Enacted in 1999
VAT on E-commerce (yes/No)	Yes	Yes	No	Yes	Yes
Data Protection Law (Yes/No)	Yes (a part of E-commerce law in 2019)	Yes, enacted in 2017	No	Yes, enacted in 2019	Yes, Draft degree on Cybersecurity in 2019



E-commerce in the ASEAN Region [2/2]



	Brunei 	Indonesia 	Malaysia 	The Philippines 	Singapore 
Responsible ministry (Name of ministry)	Ministry of Transport and Info-communications	- Ministry of Trade	- Ministry of Domestic Trade and Consumer Affairs	- Various ministries, depending on the industry of E-commerce	- Ministry of Trade and Industry
E-commerce Law (year enacted)	No	Enacted in 2020	Electronic Commerce Act, 2006	Enacted in 2000	Enacted in 2020
Consumer protection Law (year enacted)	Enacted in 2011	Enacted in 1999	Enacted in 2012	Enacted in 2018	Enacted in 2003
VAT on E-commerce (yes/No)	No	Yes	Yes, GST (Goods and Services Tax)	Yes	Yes, GST (Goods and Services Tax)
Data Protection Law (Yes/No)	No	Part of Law on Electronic Information and Transactions, 2016	Yes, enacted in 2010	Yes, enacted in 2012	Yes, enacted in 2012



Cambodia E-commerce Ecosystem SWOT

STRENGTHS

S

- Large pool of young population that drives E-commerce (<25 years old) cover 60% of the total population)
- Growing internet subscribers base (from 8.1 million in 2016 to 18 million in 2022)
- Strong government initiatives
- Cheap data plan

WEAKNESSES

W

- Consumer still prefers traditional markets or retail stores
- IT infrastructure and trained IT professionals
- E-commerce penetration outside of the capital city
- Infrastructure and logistics
- Cash-based culture

OPPORTUNITIES

O

- Adoption of E-commerce tools: Google Friendly Content Marketing, SEO
- Potential for export and cross-boarder E-commerce
- Government initiatives and partnership strengthening

THREATS

T

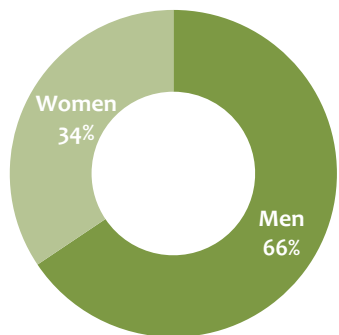
- Competition
- Fraud
- Low barriers to entry for international players
- Monopolies

E-Commerce Ecosystem

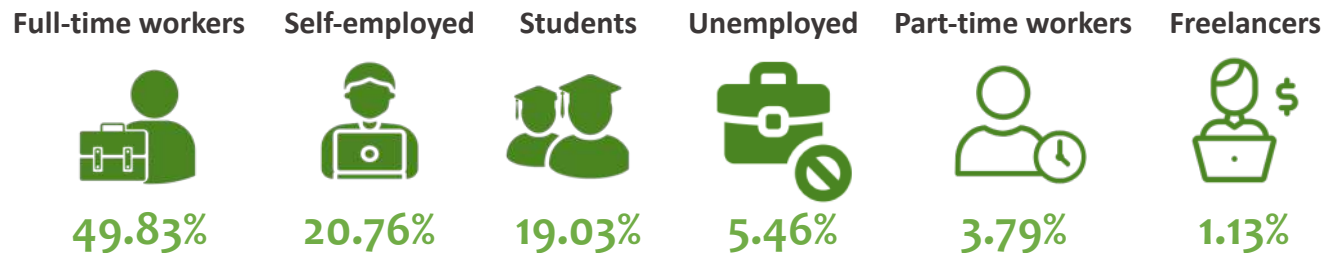


*The above-mentioned are only industries highlighted in this report

SURVEY METHODOLOGY

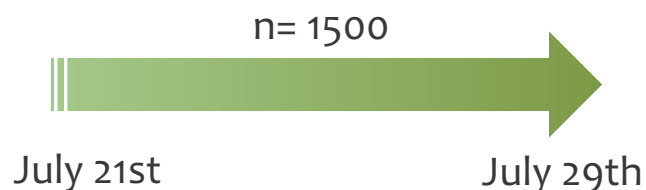


The survey was completed by **66% of men** and **34% of women** with a total number of respondents of **1,503** across cities and provinces in Cambodia shop online **at least 1 time** per month.

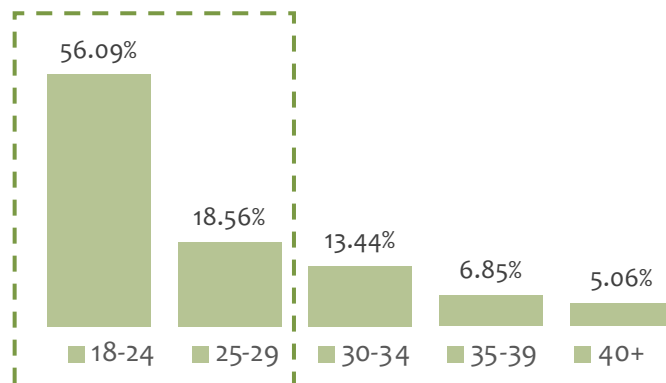


The top three (3) job status' of respondents are **full-time workers, self-employed, and students.**

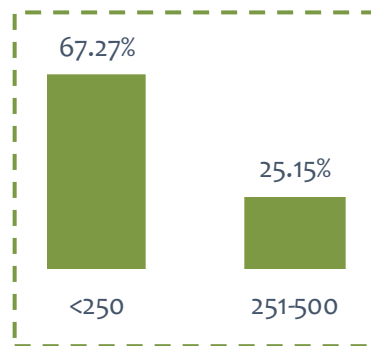
SURVEY TIMELINE



- Others: 31.67%
- Siem Reap: 12.71%
- Battambang: 9.98%
- Phnom Penh: 38.66%
- Takeo: 4.19%
- Sihanoukville: 2.79%



The majority of respondents were between **18 to 29** years old. This age range accounts for **more than 70%** of the sample size.

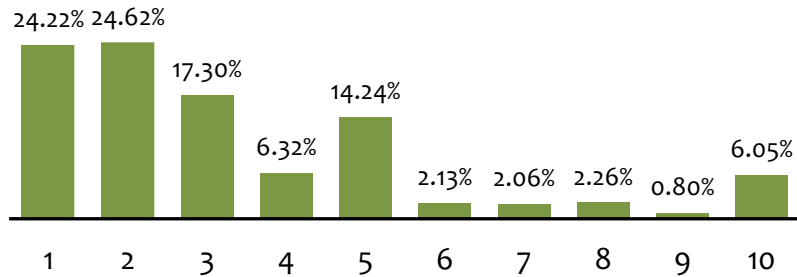


Over **90%** of respondents have a monthly income of **USD 500 or less**

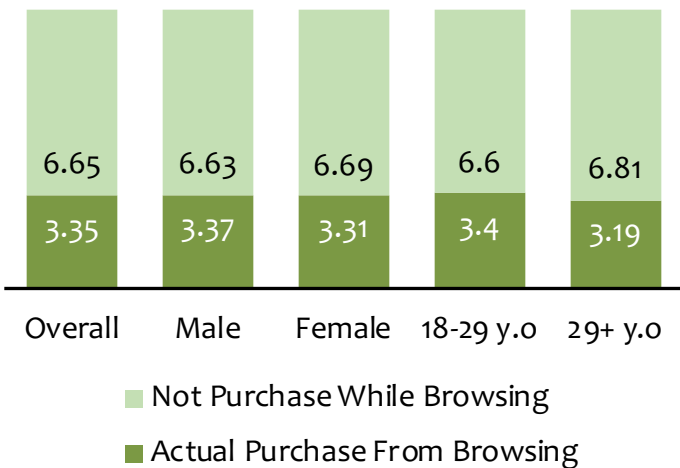


Survey Responses - Generic Insights about Online Shopping [1/2]

If you were to browse an online shopping platform 10 times, how many times would you actually purchase something?



Comparison of purchase average out of 10 times when browsing



Out of 10 times browsing an online platform, **close to half** of the respondents do actual buy either **1 or 2 times**.

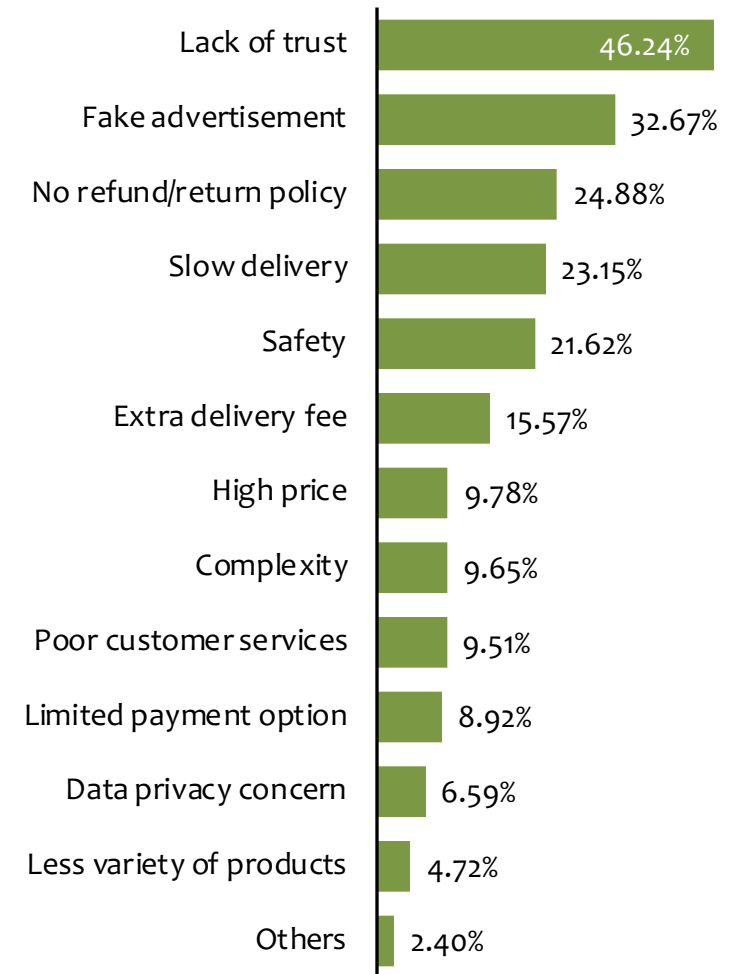
Respondents have a higher tendency to **window shop** when browsing online without purchasing a product. Some may come back several times on a platform to check a product before actually purchasing it.

Average frequency of **actual** purchases from browsing is **lower** than no purchases.

The reason for a low level of online purchases may be explained because of trust or transparency.

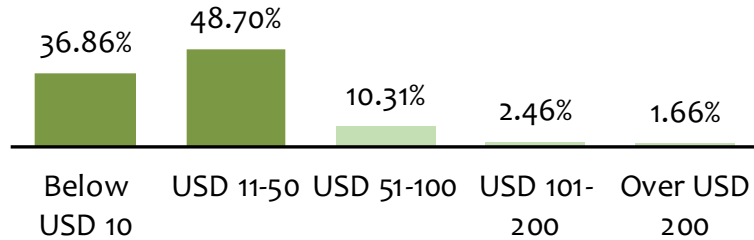
The top two challenges highlight a deep **distrust** of respondents of the online world as well as **fear of fraudulent tactics** (fake ads) which may be used to deceive them into buying/paying for online products/services.

What are your challenges for online shopping/payment/booking?



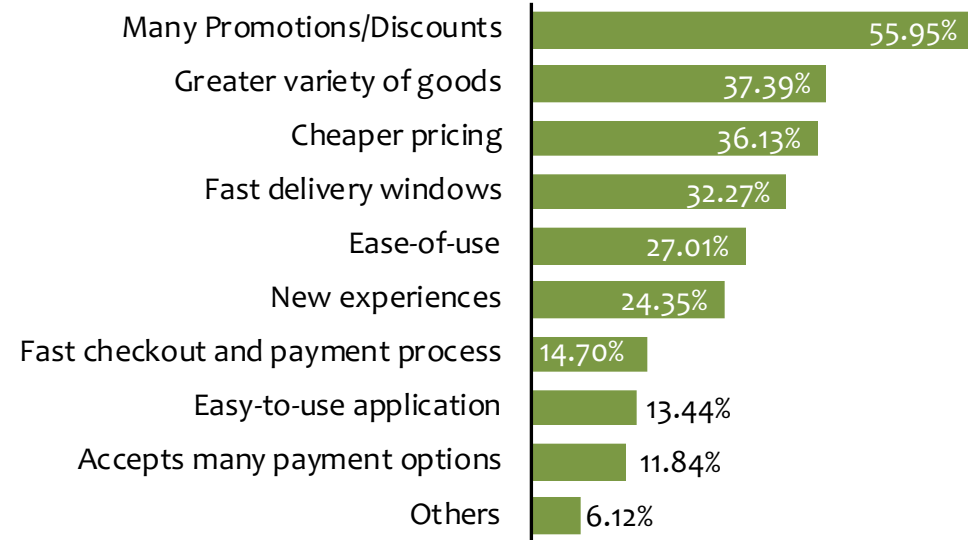
Survey Responses - Generic Insights about Online Shopping [2/2]

On average, how much of your monthly budget do you spend or allocate for online shopping?

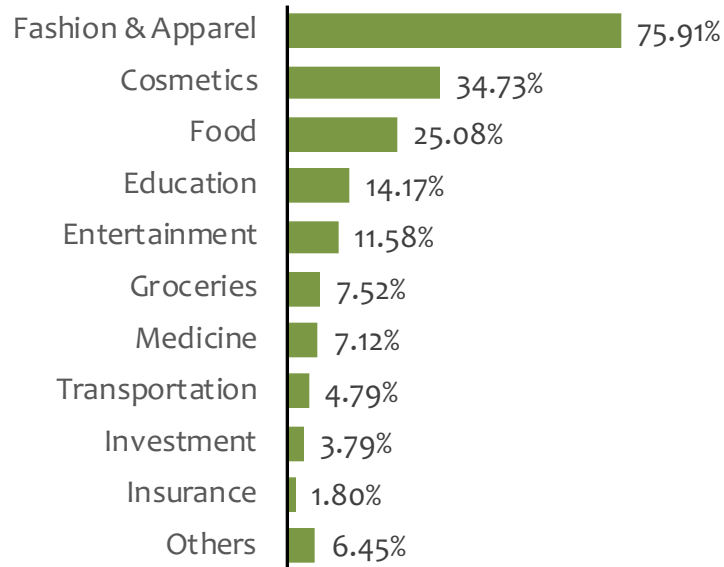


Almost half of the survey-takers spend between USD 11 to USD 50 on online shopping, compared to about a third who allocate less than USD 10.

What benefit(s) about online shopping make it your or one of your preferred platforms?



What do you tend to purchase the most online?



An overwhelming majority of participants often buy fashion and apparel through online channels. Insurance is the product bought online the least, people still prefer buying insurance products offline/in-person (68%) than through online channels.

When talking about the benefits of online shopping, securing a lot of promotions/discounts tops the list as it was the mentioned the most by respondents, followed by a greater variety of goods and cheaper pricing.

Cambodians have favorite online platforms to use when it comes to each industry. Foodpanda is especially preferred over others when people search for food or groceries even though respondents still prefer shopping for groceries in person (64%) likely due its perishability, while Facebook dominates cosmetics, medicine and fashion areas.



Industry Focus

BANKING / ONLINE PAYMENT GATEWAY





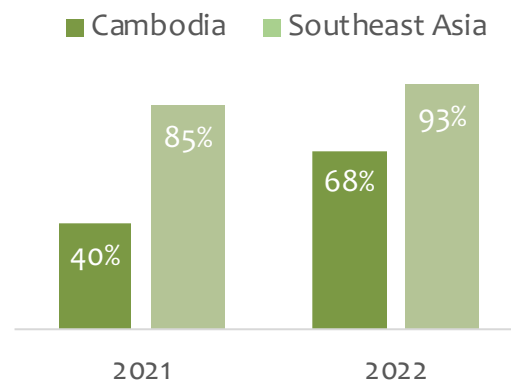
MARKET UPDATE

- National Bank of Cambodia (NBC) is focusing on promoting online payment in Cambodia through its creation of the Bakong system (2019), by 2021 there were **287,558 registered accounts**, and 55 bank and financial institution members.
- In 2021, Bakong operated **8.16 million transactions** (80% in USD) with a USD transaction volume of **USD 2.89 billion**, an 8,200% increased from 2020.
- NBC's KHQR has been widely adopted in 2022, facilitating cross-bank payment.
- Currently, NBC is working with the Techo Startup Center (TSC) of the Ministry of Economy and Finance to implement electronic know-your-customer (e-KYC).
- As of December 2021, there are **154,842 credit cards**, **4,043,822 debit cards** and **10 million** bank depositor accounts.

MARKET TRENDS

- Cashless payment adoption in Cambodia has grown from 40% in 2020 to 68% in 2021. This trend will continue to rise as more than 40% of consumers plan to use cashless payments more often in the future, according to a VISA survey.
- Covid-19 initially encouraged cashless payments as consumers are worried about Covid exposure. Especially across the capital, **cashless payment has become the new normal** after consumers experience its ease of use.
- Banks and financial institutions are promoting QR code payment for consumers and merchants.
 - QR code usage in Cambodia has gained popularity; with **4.4 million** transactions worth approximately **USD 233 million** in 2021.
 - Synergized with KHQR, usage of QR codes will continue to grow higher.

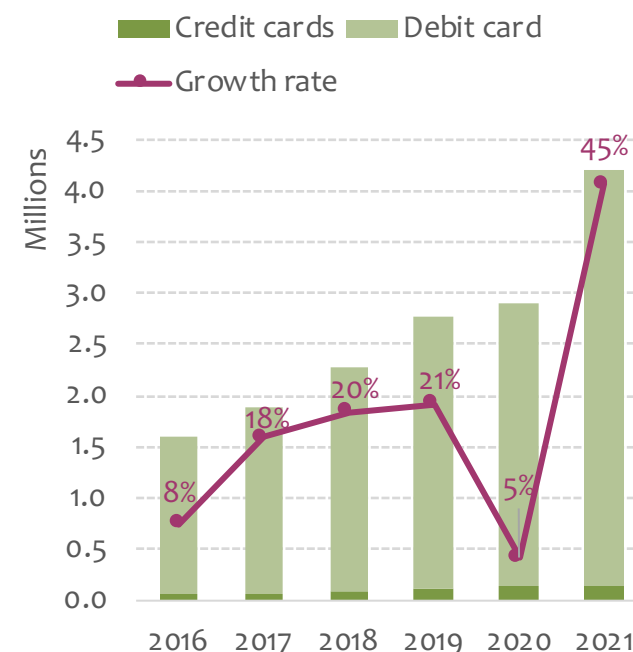
CASHLESS PAYMENT ADOPTION



E-PAYMENT TRANSACTIONS

Worth **\$102 billion** in 2021.
Increased **34.5%** since 2020.

NUMBER OF CARDS



Leading Industry Players | Banking/online payment gateway



Traditional banks have expanded into digital banking through the use of innovative API integration, mobile banking and strictly digital products.

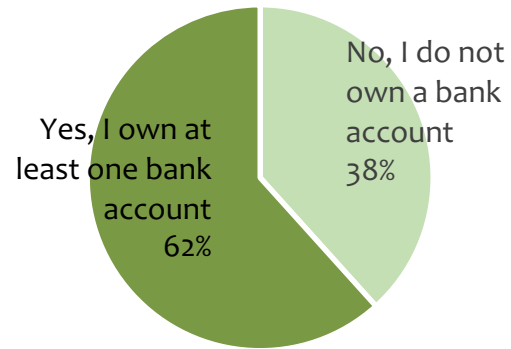
	ACLEDA	ABA	Wing
Year Established	1993	1996	2009
Year released app on Google Play Store	2017	2014	2016
Market Coverage (As of Dec 2021)	262 branches Cambodia	81 branches Cambodia	1 branch + over 10,000 Wing agent 100% coverage of the districts in Cambodia
Number of ATMs and point of sale (POS) (As of Dec 2021)	909 ATM terminals 4,462 POS	612 ATM terminals 3,290 POS	2 ATM terminals 13,699 POS
Offered Services	<ul style="list-style-type: none"> • Deposits • Loans • Cash management • Money transfers • Trade Finance • Digital banking • Other 	<ul style="list-style-type: none"> • Deposits • Loans • Money transfers • Payment • Self-banking • Digital banking • Other 	<ul style="list-style-type: none"> • Deposits • Loans • Money transfers • Credit referral services • Payments, WingPay • Corporate services • Other
Debit cards issued (As of Dec 2021)	1,518,387 debits cards	1,436,167 debit cards	N/A

Survey Responses | Banking/online payment gateway

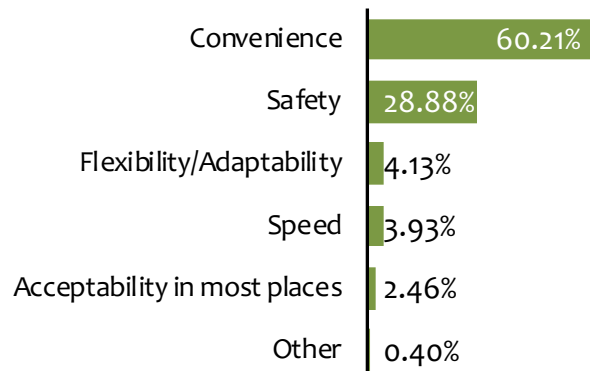


62% of respondents own at least one bank account. Consequently, cash payment for online shopping is slightly above 40% which meaning almost 60% of respondents use online payment methods for online shopping. To explain their preference for the payment methods they chose, convenience/comfort is the top reason, and another priority of respondents is safety. Nationwide, slightly over half of the respondents seem to use Wing as a payment method for their online shopping (53%), however cash is still preferred by a majority of them (42%).

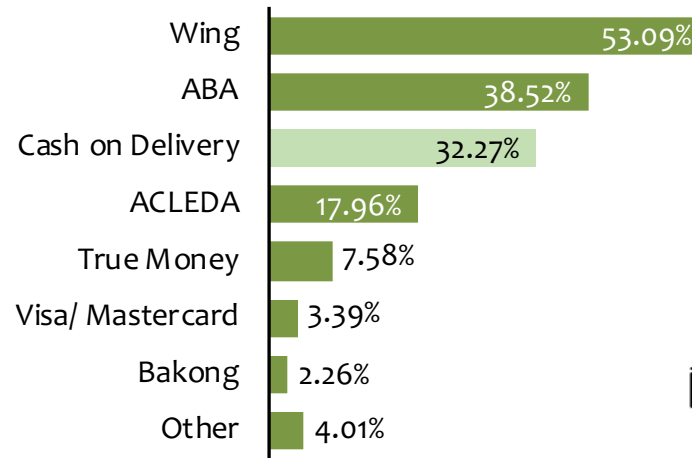
Banking Account Ownership



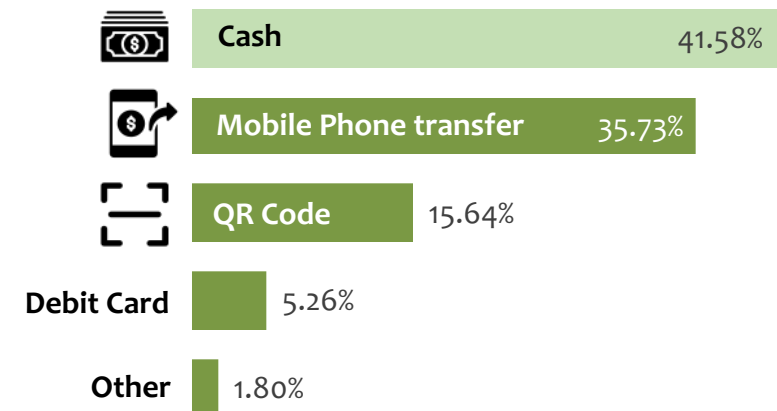
Why do you prefer this type of payment method?



When shopping online, what payment method do you use?



When shopping online, what type of payment do you prefer the most?





Has acted as a **catalyst** to improve financial inclusion over the last 2 years. Individuals may not have bank accounts, but can still access digital payments through their Bakong wallet directly.

KHQR paved the way for **smaller banks or late adopters** to participate in the market. Bakong has had successful integration across different interfaces, and banks, significantly improving digital payments across multiple platforms.

From our results, although respondents often use Wing to pay for their online orders (53.09%)



Cash is still preferred by a majority of them (41.58%). Specifically, cash is prioritized while **purchasing food** (51.08%) and **groceries** (40.61%).



Seems to be the preferred payment option for **online clothes**.

Mobile banking transfer has dominated visa/master cards

4-6 years ago, only Visa/Mastercard were available as payment for E-commerce. Nowadays, transferring money through mobile app become more popular for domestic E-commerce payments. 70% of all visa/Mastercard purchases in Cambodia were used for international marketplaces.



Its important to note that Cambodia has become a hub for innovative digital payment solutions. As a fundamental building block of an E-commerce ecosystem, digital payments are no longer an issue for domestic E-commerce. Consumers have numerous non-banking options as outlined above. Although not adequately regulated, there is a growing interest in digital currencies, such as bitcoin, amongst the younger Cambodia demographic.

10,11,501 → **60%**
Bank deposit accounts (2021, traditional banking) → Bank penetration

More **unique** user data points on bank penetration are necessary for governments and private players to strategize and improve financial inclusion. Disaggregated data on different types of accounts across different types of financial institutions should be more readily available.

Based on our survey results, respondents explain that **convenience** and **safety** are the top 2 reasons for their payment preference of choice.

For online payment methods to be even more prevalent:

- **Consumers** need to become **more educated** on **financial services** and **digital literacy**
- **More payment methods** need to be increasingly integrated across all industries.



Industry Focus

FOOD AND GROCERY DELIVERY





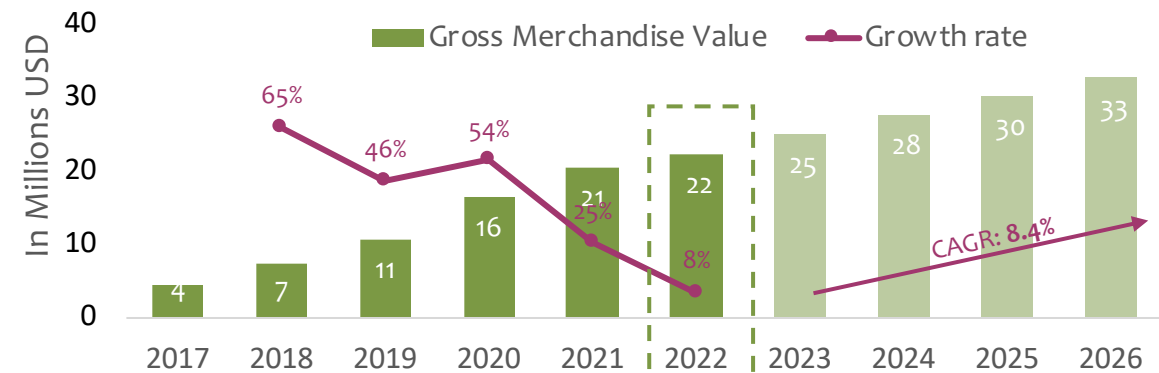
MARKET UPDATE

- **Gross merchandise value (GMV)** of online food delivery was projected at **USD 22.35 million** in 2022, at an 8% growth rate, with approximately **1 million users**.
- GMV is forecasted to reach USD 33 million in 2026 with a CAGR of 8% in 2022-2026.
- The 8% growth rate in 2022 is lower than Southeast Asia's GMV growth rate of 16.5% implying that **Cambodia's market has under-performed compared to the region**.
- The **average revenue per user (ARPU)** in the online food delivery is projected at **USD 29.35** annually in 2022.
- There are many local and international players, yet the market is operated in an **oligopoly** structure where, less than 5 companies capture most of the market share.

MARKET TRENDS

- **Cash and online payments are close to being balanced.** On average, payment for food and grocery delivery services are 55% cash on delivery and 45% online.
- **Growth has slowed down significantly in 2021 and 2022** in contrast to the high growth experienced in 2018.
 - In 2022, slow growth can likely be attributed to eased restrictions on dining-out and people generally feeling safer in public spaces.
- The industry has **high growth potential**. In order to capitalize on this, in 2022:
 - Businesses in the food delivery sector are beginning to expand into other product offerings such as groceries, cosmetics, home goods, electronics, pharmaceutical products and more.
 - Businesses are expanding into other provinces and key cities as these are largely untapped markets.
- There is high competition in the market and several top companies are offering lots of promotions and discount to attract users.

GROSS MERCHANDISE VALUE (GMV)



“ Post-easing restrictions, a lot of customers flooded to eat out as they were unable to do so for a long time, which decreased demand for food deliveries. However, the orders have not dropped to pre-COVID levels but rather plateaued at a new baseline which, in most countries, is still 2-3 times higher than pre-COVID levels.

While growth may seem slow as a % of overall delivery orders, in absolute terms it is indeed higher. That being said, grocery deliveries on the other hand, are growing both in % and absolute terms.

- Sai Kiran Singanamala, Head of Innovation and Growth, Hungry?

Leading Industry Players | Food and Grocery Delivery



There is a high level of competition in the food delivery market, primarily dominated by a few international players and a few local players.

	Foodpanda	Nham 24	WOWNOW
Year Established	2019	2015	2020
Market Coverage	Phnom Penh + 14 provinces	Phnom Penh + 11 provinces	Phnom Penh + 3 provinces
Payment Options	Cash on Delivery, ABA, Union Pay, Master/Visa Card.	Cash on Delivery, ABA, ACLEDA Bank, Alipay, Chip MongPay, e-money, Master/Visa Card, Phillip Bank, Pi Pay, Sathapana Bank, WeChat Pay.	Cash on Delivery, ABA, Master/Visa Card, Union Pay, in-app Wallet, WeChat Pay, Wing Pay.
Offered Services	<ul style="list-style-type: none"> • Food, drink, grocery • Cosmetics • Electronics, home goods • Flower • Bakery • Pharmaceutical products • Other 	<ul style="list-style-type: none"> • Food, drink, grocery • Flower • Beauty & Fashion • Pharmaceutical products • Stationery & Electronics • Pets products • Bakery • Other 	<ul style="list-style-type: none"> • Food, drink, grocery • Electronics, home goods • Flower • Pharmaceutical products • Cosmetics • Online shopping (overseas and domestic) • Hotel booking • Online payment services • Other
Marketing Strategy	Promo code, buy 1 get 1, social media influencers, discount, free delivery, coupons, invite friends, etc.	Promo code, buy 1 get 1, social media influencers, discount, free delivery, coupons, membership, referral, free delivery for USD 20+ order, etc.	Promo code, buy 1 get 1, social media influencers, discount, coupons, lucky draw, invite friend, etc.

Leading Industry Players | Food and Grocery Delivery



Grocery delivery is dominated by food delivery apps while dedicated online grocery platforms are still nascent and largely still operate as local start-ups.

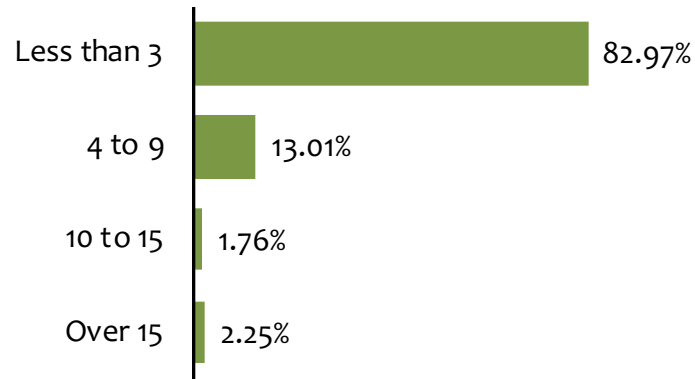
	Delishop	Grocerdel	AEON Online
Year Established	2019	2019	2019
Market Coverage	Phnom Penh, Kampot, Siem Reap	Phnom Penh	Phnom Penh (Delivery to 23 provinces/cities)
Payment Options	Cash on delivery, Wing, ABA, VISA, Mastercard, UnionPay, JCB and KHQR	Cash on delivery, Pi Pay, ABA, VISA, UnionPay or Mastercard, QR code scan upon arrival.	Cash on delivery, VISA, Mastercard, AEON point card.
Offered Services	<ul style="list-style-type: none"> • Nuts & seeds, • Vegetable & Fruit, • Bakery • Covid-19 protection product, • Meat, • Beverage & alcohol, • Pet product, • Kid product, • Tech Accessories • Other 	<ul style="list-style-type: none"> • Bakery • Fruit • Vegetable • Alcohol • Beverages • Dessert • Kid products • Other 	<ul style="list-style-type: none"> • Grocery • Meat & fish • Fruit & vegetable • Kids and baby products • Pet products • Electronic • Stationary • Fashion and sport • Other
Marketing Strategy	Free delivery for USD 50+ order, discount, fast delivery, buy 1 get 2, etc.	Discount, free delivery, promo code, plastic-free package, fast delivery, refer friends, etc.	Discount, give away, answer questions to win prize, lucky draw, social media influencers, etc.

Survey Responses | Food and Grocery Delivery

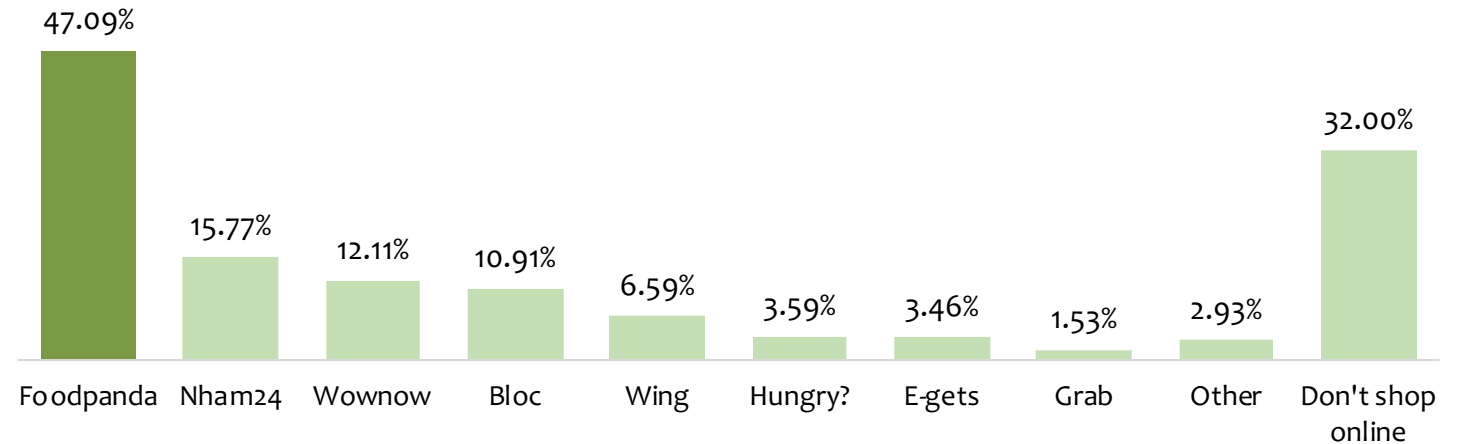


In regards to items which tend to be purchased the most online, people residing in Phnom Penh (37%) are more likely to buy food online than those living in Battambang (23%), Siem Reap (26%) and other cities (13%). To pay for food delivery, 51% of the participants pay cash upon delivery, followed by ABA (43%), Wing (30%), and ACLEDA (15%) and females (60%) are much more inclined to pay by cash than males (47%).

On average, how often do you order food online in a week?



On what online platforms do you often purchase food?



- Among those who order food online, the frequency to do for a majority of them (83%) is less than 3 times a week.
- It is notable that male survey-takers, order food more frequently than female ones and older respondents (above 29-year-olds) have a higher likelihood to do so compared to younger respondents.

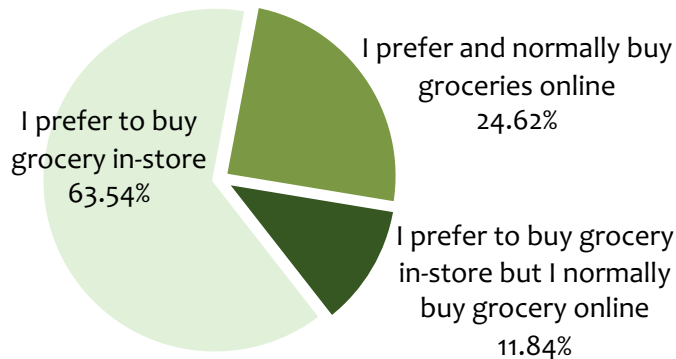
- Foodpanda has become the most popular online platform used by respondents, creating a significant gap with its competitors in this online platform race.
- 32% of the respondents answer that they do not go on online platforms to order food.
- Interestingly, the platforms that are favored by major city residents differ. Residents of Phnom Penh's are inclined to choose Nham24 and Wownow (20%), those in Battambang opt for Wing (13%) and people living in Siem Reap prefer Wownow (15%).

Survey Responses | Food and Grocery Delivery



The survey results show that food delivery apps, which also provide grocery delivery, gains popularity in online grocery market while online presence of traditional supermarket is far less popular. To pay for their groceries, more than 2 in 5 Cambodians (41%) use cash, followed by ACLEDA (36%) and ABA (16%).

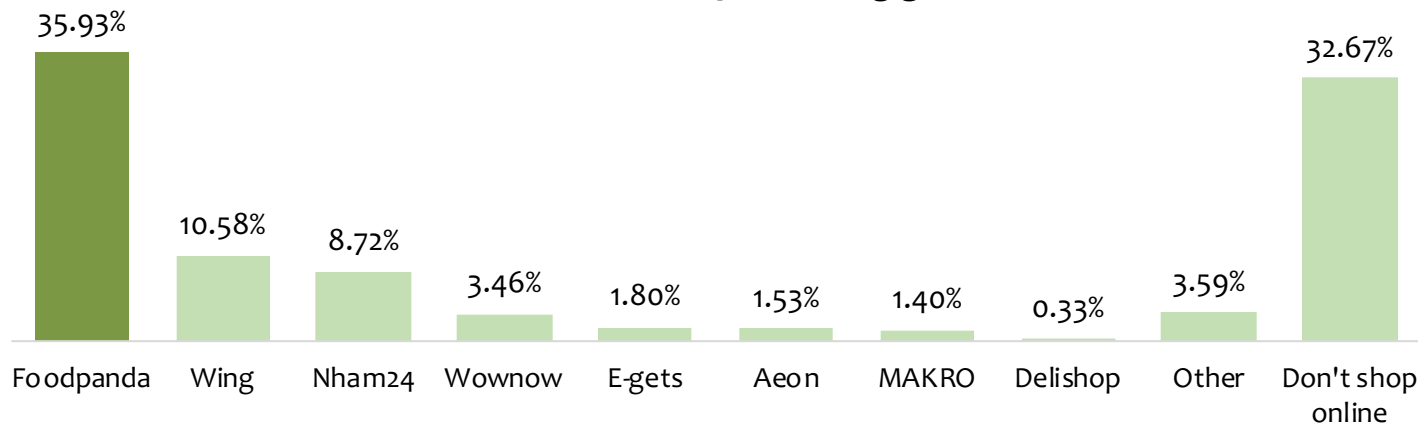
Where do you normally buy groceries and what is your preferred platform to buy groceries?



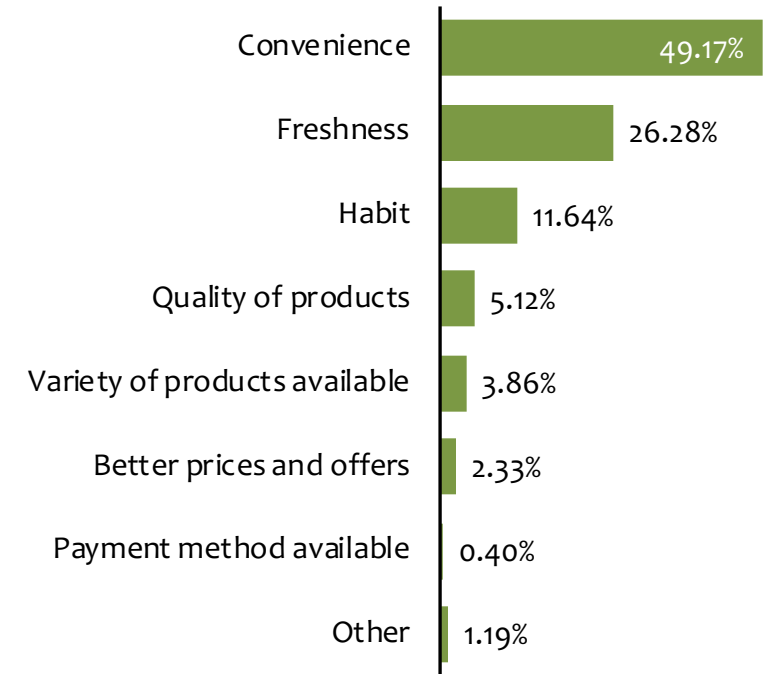
Almost 2 in 3 Cambodian respondents say they buy groceries in-store, compared to about one third who buy groceries online.

- Foodpanda remains the top platform for online groceries.
- Wing and Nham24 are the top 2 and top 3 choices, respectively, from respondents in Food and Grocery delivery.
- Phnom Penh respondents prefer Nham24 (10.50%) over Wing (6.54%).

Online Platforms for purchasing groceries



Most important reasons when choosing places/platforms for groceries



- Convenience is the top reason why respondents chose the places/platforms for grocery buying, follow by freshness and habit.
- Payment method available is chosen the least as consumers have multiple options; to pay online or cash on delivery.



Grocery delivery is still in the growth stage.

64%

respondents prefer to buy groceries **in-store**

25%

prefer to shop through **online channels.**

12%

remaining like to buy groceries **in-store but often buy them online.**

Convenience
Freshness
Habit

are the **top 3 reasons** why respondents choose places/platforms for grocery buying.

Consumers have been educated.



Entry of international firms helped promote and **educate** Cambodian consumers about **food and grocery delivery practices**. A large number of first-time users before and during the pandemic has created a solid educated consumer base in the city. This indicates that **the industry is approaching its maturity stage.**

High competition



There are numerous similar delivery service companies in the market plus restaurants and supermarkets are expanding into online stores providing self-delivery services. Consumers have many **alternative choices** in ordering food or grocery online.

Today, for the industry to achieve higher growth in the new normal:

Old players need to prevent customers from switching to other apps by:

- Managing good customer relationships to build loyal customers (do not rely only on promotion to boost Gross Merchandise Value).
- Innovating new features such as
 - ✓ Integrate the option to add more than one restaurant/location into one delivery.
 - ✓ Consider integrating with ride-hailing services to compete with super-apps.

Newcomers have the advantage of entering an already existing educated consumer base. However, they may **face difficulty in convincing loyal consumers** from existing apps.

Newcomers need to plan and implement **marketing strategies** such as

- ✓ Leverage using influencers and any marketing strategies to appeal to a majority of the younger population.
- ✓ Offer competitive promotions.



Industry Focus

INSURANCE





MARKET UPDATE

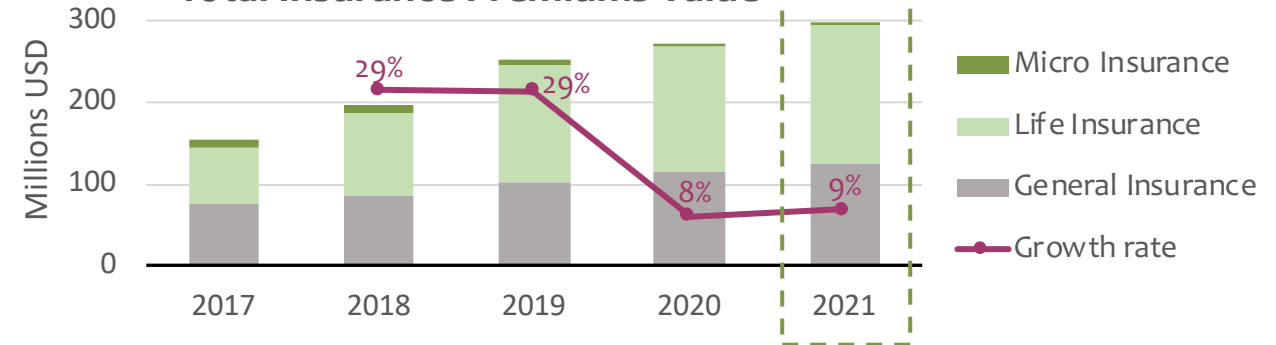
- Insurance total gross premiums reached **USD 298 millions** in 2021 (9% rise from 2020). Insurance density reached **USD 18.75 per capita** with **penetration rate of 1.11%** in 2021.
- A sub-decree on insurance was issued in 2021 to guarantee good governance, efficiency, free and fair competition, and to protect interests and gain the public's trust, in compliance with the Law on Insurance.
- Cambodia Strategic Development Plan for Insurance sector 2021-2030 was adopted by the Non-Bank Financial Service Authority Council in September 2021, **targeting 5.5% insurance penetration rate and USD 135 for insurance density in 2030.**
 - The strategic plan prioritizes on strengthening Insurance Regulator of Cambodia (IRC), strengthening capacity and contribution of private sector to the insurance sector development, establishing “National Insurance School or Institute”, and launching a system of compulsory insurance for all types of motor vehicles.

MARKET TRENDS

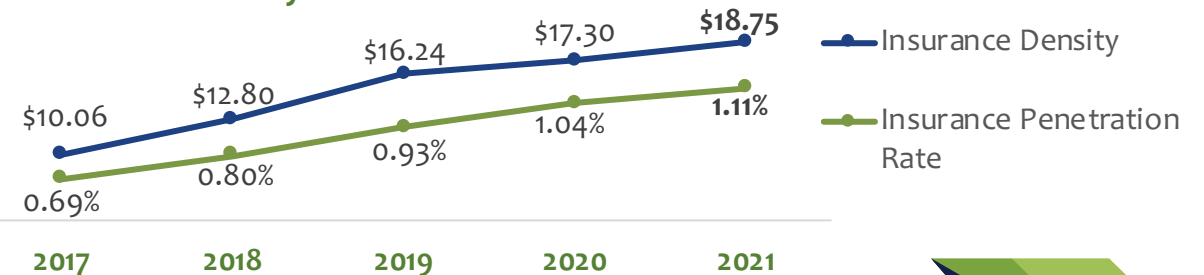
- Life insurance has captured a majority of the insurance market share since 2018, in 2021 it captured **57%** of the market (IRC Annual Report).
 - High market share of life insurance results from many leading international life insurance companies entering the Cambodia market after life insurance was introduced in 2012.
- Insurance premiums were severely interrupted in 2020 and 2021 by the pandemic resulting in slower growth compared to 2018 and 2019.
- Despite product information and availability online, consumers still call customer service or visit the office to check and make the purchase **due to a lack of trust.**
- Insurance Selling Machines (ISM) were introduced by Prudential in 2022 to make protection solutions accessible for more Cambodians.
- Insurance companies are focusing on digitalization by expanding into **bancassurance business.**
 - Partnering with financial institutions allows customers to pay insurance premiums online and offering fully digital insurance.
 - Using insurance technology (InsurTech) such as data analysis and AI to improve user experience and acquire more customers.

MARKET SIZE

Total Insurance Premiums Value



Insurance Density and Penetration rate



Leading Industry Players | Insurance



The industry is competitive; top international brands capture most of the market share in the Kingdom.

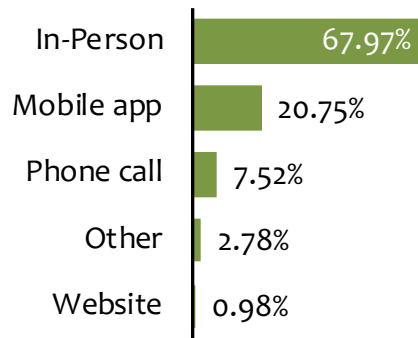
	Prudential	Manulife	FORTE
Year Established	2013	2012	1996
Market Coverage	Phnom Penh, Battambang, Siem Reap, and Kratie.	Phnom Penh, Kampong Cham, Preah Sihanouk, Siem Reap, Banteay Meanchey, and Battambang.	Phnom Penh, Siem reap, Battambang, Kampong Cham, and Kampot.
Payment Options	ACLEDA bank, Wing bank, ABA bank, Sathapana bank, Canadia bank, Cambodian Public bank, PPCBank, JTrush Royal bank.	Cash/cheque at Manulife offices, Sathapana bank, ABA bank, CIMB bank, FTB bank, J-Trust Royal bank, May bank, CAMPU bank, Phillip bank.	Visa, JCB or Master Card, Cambodian Public bank, Amret Microfinance, Wing bank, Pi Pay, ABA bank, ACLEDA bank, Sathapana bank.
Offered Services	<p>Life insurance</p> <ul style="list-style-type: none"> • Bite-sized insurance • PRUMySafety • PRUTector and PRUDailyProtect • PRUអនាគតក្នុងខ្លួន • PRUទ្រព្យខ្លួន • SafeLife • Loan Safe • PRUTector and PRUMyHealth. • Insurance Selling Machine (ISM) 	<p>Life insurance</p> <ul style="list-style-type: none"> • Manulife Savings Protector • Manulife Education Protector • Manulife MediCash • Manulife Child Protection Benefit • Manulife Critical Illness Benefits • Manulife Boribo • Manulife Family Protector • Manulife Home Loan Protector • Manulife Group Protector • Manulife Group Protector (For Group Credit Life). 	<p>General insurance</p> <ul style="list-style-type: none"> • COVID-19 insurance • COVID-19 outbound insurance • Personal accident & IEMA insurance • Travel insurance • Personal accident insurance • Fire insurance • Figtree blue insurance • Traveller's insurance • Medi+ insurance • Automobile insurance • Corporate insurance
Market Strategy	Rewards, educational contents, free health tracker, social media posts etc.	Lucky draw, educational content, discount programmes, social media posts, etc.	Lucky draw, special events/rewards, social media posts, educational content, etc.
Digital Integration Status	Fully integrated (Buy and pay online)	Partially integrated (Online payments)	Fully integrated (Buy and pay online)

Survey Responses | Insurance



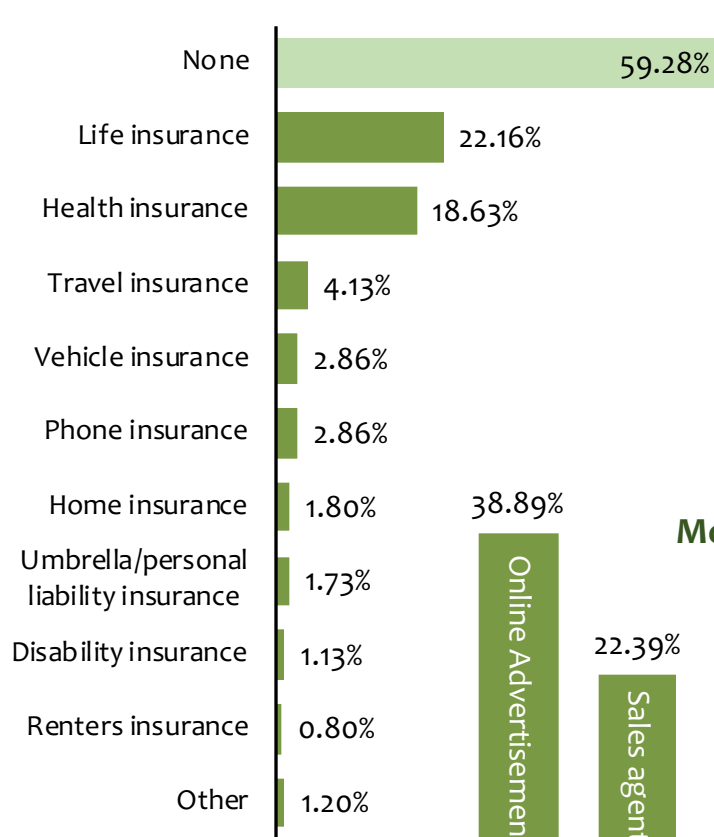
In regards to items which tend to be purchased the most online, insurance is the product bought the least (1.80%), which means that people prefer buying insurance products offline/in-person (67.97%). It is also notable to observe that 17.32% of respondents that own at least one insurance product have bought from different companies other than the ones displayed in the survey.

Preferred Method to buy Insurance

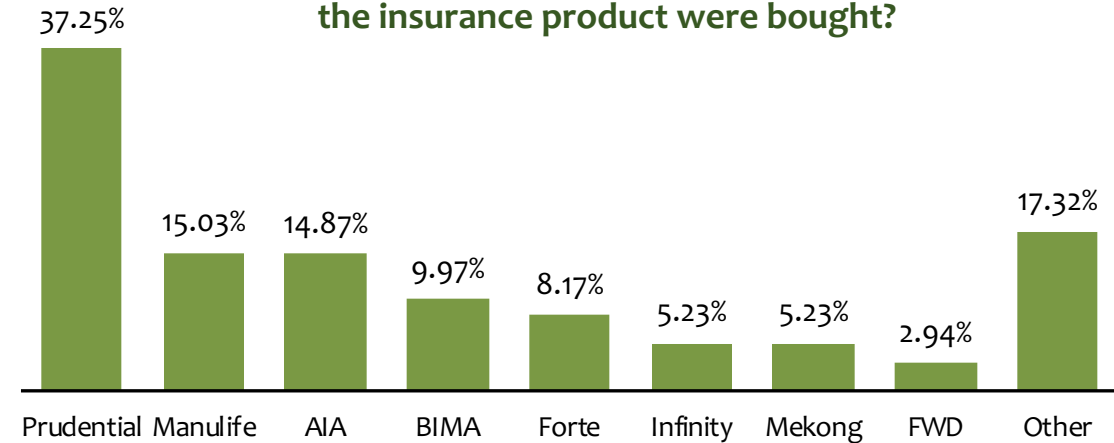


- More than half of respondents answered that they do not own any insurance product.
- Among those who own an insurance product, life insurance and health insurance top the list, which may see a sharp rise given the pandemic outbreak.
- Furthermore, Prudential is by far the most bought insurance product company, followed by Manulife and AIA.

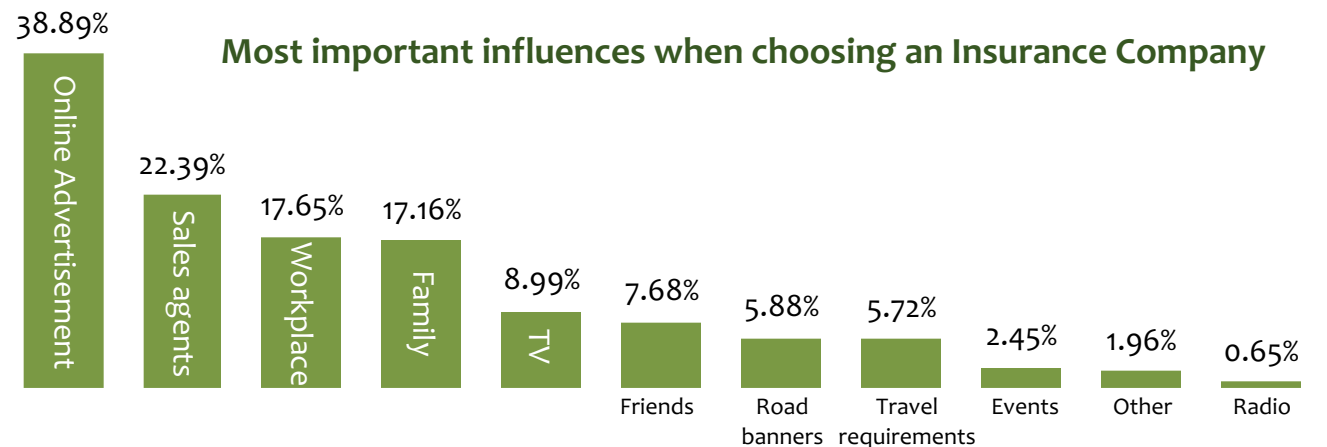
Insurance Product Ownership



From which company the insurance product were bought?



Most important influences when choosing an Insurance Company





Gap in Out-of-Pocket Expenditures and Insurance Penetration.

Most recent available data for Out-of-pocket healthcare expenditure in Cambodia was approximately USD 948 million in 2019, highlighting the population's willingness to pay*. In comparison to Insurance penetration, there is a wide spending gap present, showcasing a huge opportunity for insurance players.

**The number has since grown, but no government verified data is available.*

Insurance digitalization



During the introduction of digitalization (last 2 or 3 years ago), a **mobile application** for insurance was introduced. From fully relying on purchasing insurance policies through agencies or at the office to being able to buy insurance, manage, and submit claims on a mobile app, this trend is currently available to some insurance companies in Cambodia.



Additionally, **Insurance Selling Machine (ISM)** for purchasing insurance is launched in the market targeting the young population in the country.

The total value of Insurance Premiums are equivalent to 1.11% of Cambodia's GDP.

1.11%
Insurance Penetration Rate

According to our survey, **3 out of 5** people **do not own** any insurance policies. Approximately 20% of respondents have bought life insurance, followed by health insurance at approximately 18%. For this number to grow, Cambodian consumers need more education on the benefits of insurance policies, and must be given a variety of Insurance products (short and long-term).

Sales channels for insurance:

Marketing strategies bring more visibility to get the policies sold, and the most important influences are:



online advertising,



sales agent,



and workplace referral.

It highlights the importance given to digital marketing campaigns to have higher visibility and catch the target audience's attention.



Industry Focus

ONLINE EDUCATION





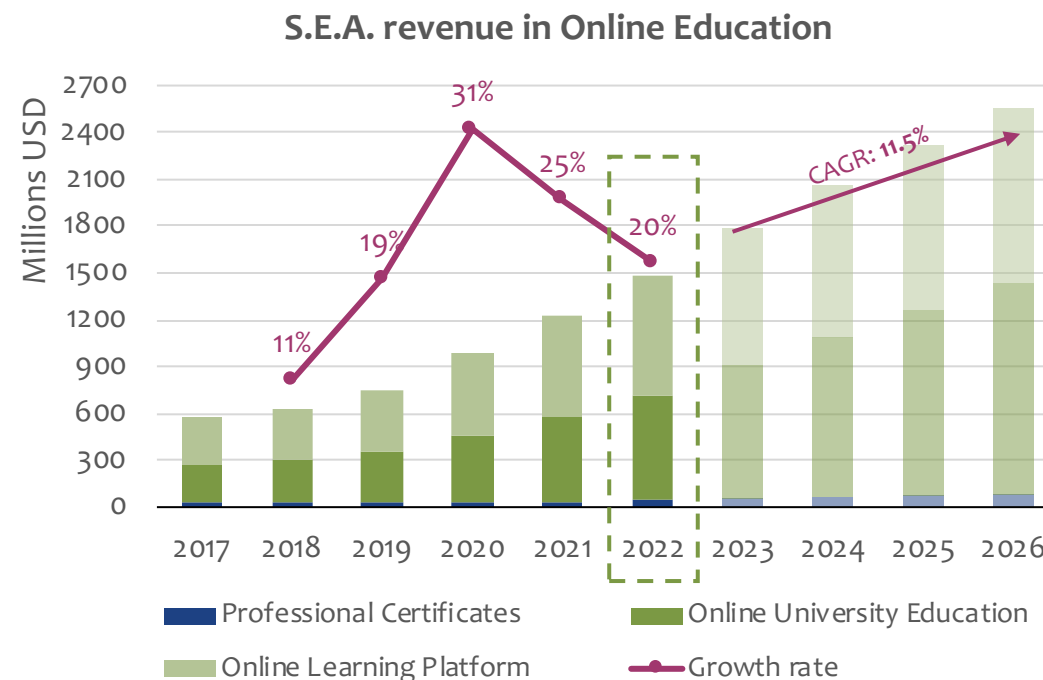
MARKET UPDATE

- As a result of its novelty, there is a significant lack of data surrounding Online Education in Cambodia. This section focuses on Southeast Asia instead to get a better glimpse of progress in this sector as a whole, and its implications for education in Cambodia.
- Southeast Asia (SEA) revenue in the Online Education is estimated at **USD 1,485 million** in 2022, a 20% growth from 2021, forecasted to reach USD 2,555 million in 2026.
- This market size in 2022 is made up of Online Learning Platforms (51%), Online University Education (46%), and Professional Certification (3%).
- The average revenue per user (ARPU) in online education, in Southeast Asia, is projected at **USD 55.78** in 2022.
- Cambodia's education sector is working towards digital reform in line with the Digital Economy and Social policy framework of Cambodia (2021-2035).

MARKET TRENDS

- The region has observed high growth for online education, and Cambodia is likely to follow this trend.
- In S.E.A., growth peaked at 31% in 2020 resulting from the pandemic. It has maintained a growth rate above 20% until 2022.
- While direct payment was more common, many private schools and universities are partnered with local banks, making tuition payment online and more convenient.
- Part of market share in higher education level is captured by international online courses platform as it is accessible by students globally with thousands courses available, while local firms offer limited courses.
- The pandemic provided the opportunity to unlock digital learning across education levels. Over the last two years, no less than 3 million students out of nearly 4 million studied online.
- As students have experienced online learning during the pandemic, according to our survey, 78% of students prefer blended learning and 14% prefer more online education while 6% does not prefer online education.

SOUTHEAST ASIA MARKET SIZE



Leading Industry Players | Online Education



Online education in Cambodia is a nascent industry. Local players are small because most students still rely on schools/institutions and employed consumers usually go for international platform to develop new skills for their careers.

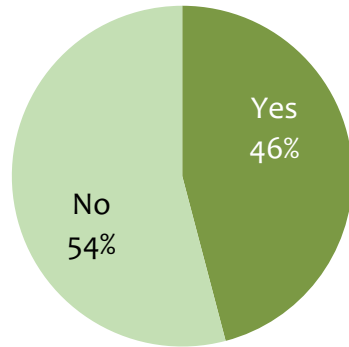
	E-School Cambodia	OneSala	Coursera
Year Established	2018	2020	2012
Market Coverage	Cambodia	Cambodia	Worldwide
Payment Options	ABA, ACLEDA, Canadia, Chip Monk, Wing, True money, and E-money.	Wing, ABA PAY, Credit/Debit Card, and Onesala's Point	Visa, MasterCard, Discover, JCB, American Express, PayPal, and other options depend on countries.
Offered Services	<ul style="list-style-type: none"> • Online education through Khmer K-12 • Languages training • other 	<ul style="list-style-type: none"> • Online course • Kid education • One2Share - OneSala TalkShow • OnePress • Other 	<ul style="list-style-type: none"> • Online course • Online degree • Professional certificates • Coursera Plus • Other
Marketing Strategy	Partner with MOEYS, Discount, Free contents, educational post, etc.	Free contents, scholarships and Job announcements, discount, reward, etc.	Free course, advertisement, discount, etc.
Service platforms	App	App	Website/App

Survey Responses | Online Education

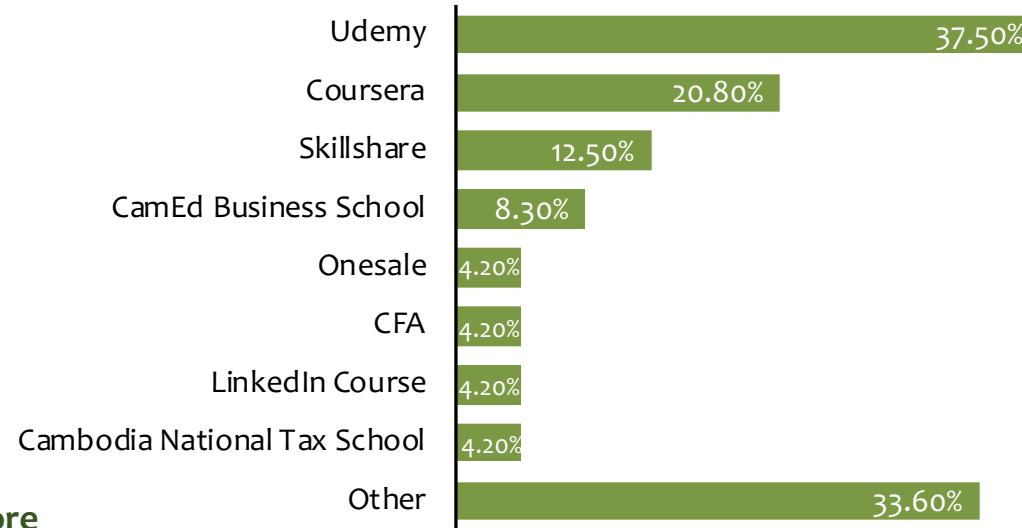


* **Disclaimer:** Survey for online education industry was conducted separately with 74 respondents of whom 94% reside in Phnom Penh. 73% of them are 18-24 years old.

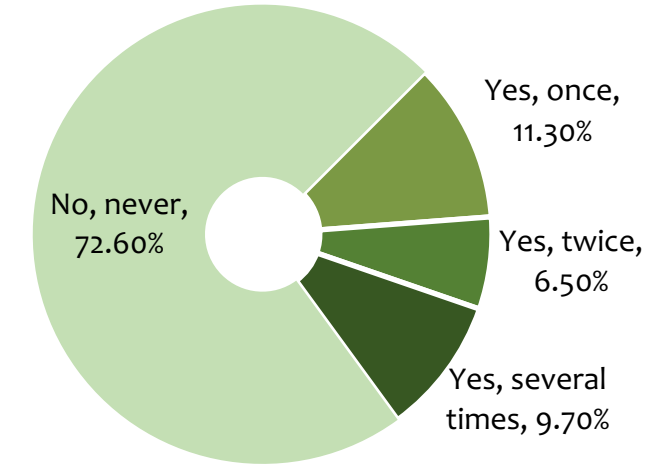
Have you ever purchased any online courses?



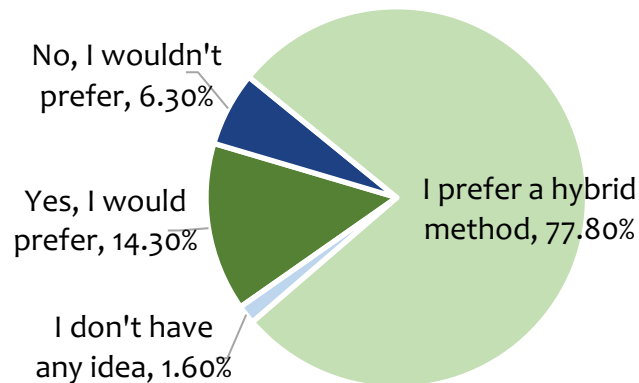
Which platform have you purchased online courses?



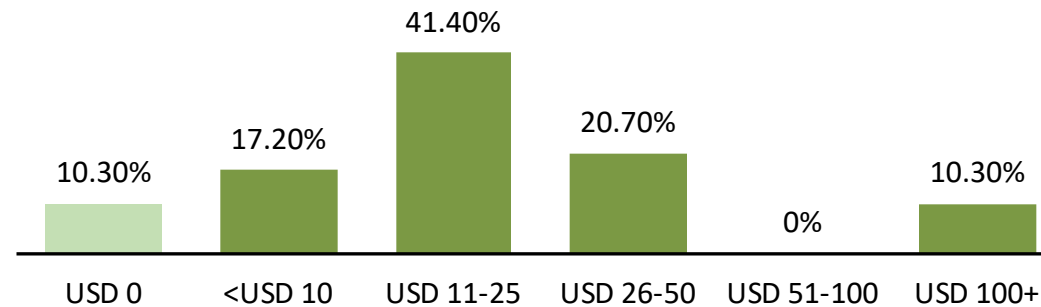
Have you ever purchased an e-book?



Would you prefer education to be more online in the future?



How much do you spend on online courses, in USD, per month?





Online certification platforms are now being appreciated and accepted by companies when candidates apply for jobs. Most of the players have emphasized certifications by industry like:



Google, LinkedIn, and other popular universities like Harvard, and MIT have gained huge popularity in the global online education market.



Higher education online courses are dominated by international players. Local firms should improve their quality and increase the number of demanded courses.

The largest consumer base of education are students in primary and high school.



Over 90% of 6-to-14-year old's attend school, indicating huge market potential in the education industry below the high school level.

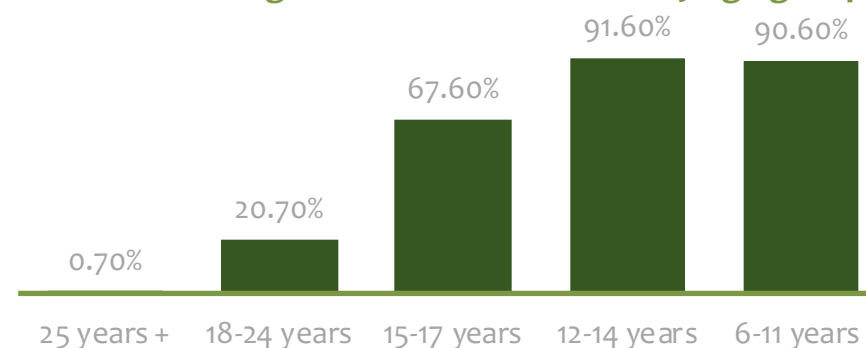
Recommendation: invite more players to **build digital learning platforms** for primary school and high school students.

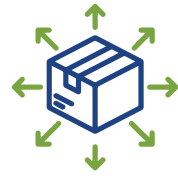
The pandemic has been a catalyst for a primarily online education experience.



Online education was experienced by students at all levels across the kingdom during the pandemic. This opens a market opportunity for online education businesses to enter the Cambodian market, as students have experienced and engaged in this nascent industry.

Percentage of school attendance by age group





Industry Focus

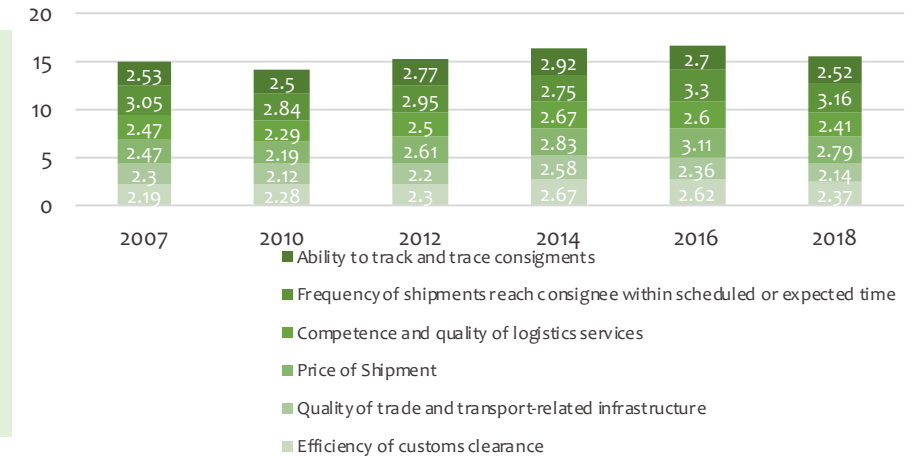
LOGISTICS



MARKET UPDATE

- Triggered by recent Russia-Ukraine affairs, hikes in global oil prices have placed pressure on fuel prices in Cambodia. The president of the Cambodian logistics association said that **the price of delivery services in Cambodia has increased by approx. 15%-20%**.
- In line with our 2021 report, e-logistics has continued to dominate the market in 2022. Consumers still order products from China, and Thailand, through agencies like Lazada, Alibaba, and others. Mobile apps or websites and various e-payment methods are available at any delivery company.
- According to the World Bank, Cambodia's Logistics Performance is at an average level for the region. Government initiatives will play a key part in its improvement.

Logistics Performance Index Breakdown



MARKET TRENDS

- For a well-developed E-commerce ecosystem to thrive in Cambodia, it needs to be integrated with **e-logistics**.
- The World Bank projected that by 2030, Cambodian firms will move **four times more goods** through highways, ports, airports, and warehouses, **showcasing high growth in the industry**.
- Cambodian Post has initiated the Express mail service (EMS) and other e-logistics services for senders to track on the web in 2020.
- A Cambodian startup, Jalat, an all-in-one logistic portal, has developed an AI-driven application showcasing Cambodia's emerging E-commerce sector in line with the government's Digital Economy and Society Policy Framework 2021-2035.

Traditional vs. e-Logistics

Traditional	E-logistics
 <p>In the past, people used to send items by traveling to the bus company or drop the item the Cambodian Post.</p>	 <p>E-payment is there to make it easy to transfer money.</p>
 <p>Due to the limited reach of bares, trains, and aircraft, most goods were delivered by lorries.</p>	 <p>Online booking to pick up items from home is applicable on the mobile app or website.</p>
 <p>For small quantities of goods, the common transportation are small trucks, vans, cars, and even motorcycles.</p>	 <p>Tracking or tracing can be done online.</p>
	 <p>Now, consumers can see the price of the items by adding weights and destinations within a few clicks.</p>

DISCLAIMER: Data on the Logistics sector is highly aggregated, and combines **both** Transport and Storage statistics

Leading Industry Players | Logistics



E-logistics is a relatively new concept with a few players, where traditional logistics companies have dominated the market.

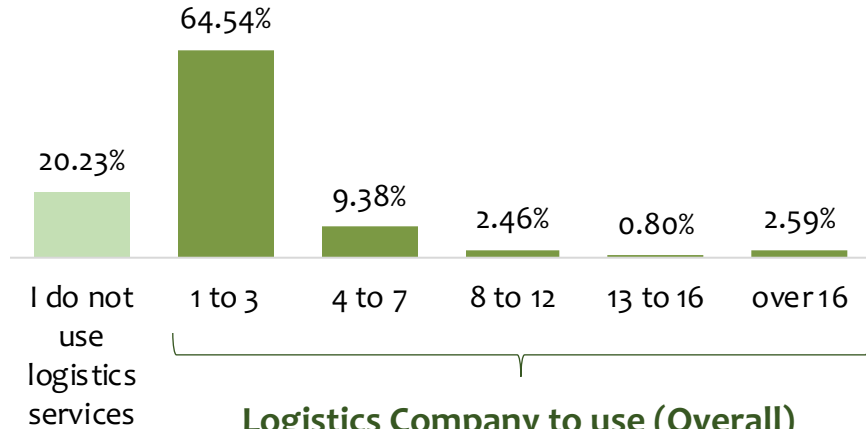
	Joonak	Virakbuntham	J & T Cambodia	DHL Cambodia
Year Established	2015	2004	2015	2016
Market Coverage	Cambodia, Thailand, Vietnam, China	All provinces in Cambodia, Vietnam, Thailand	All provinces in Cambodia, Malaysia, Vietnam, Thailand, and the Philippines	Phnom Penh, Sihanoukville, Siem Reap, and 220 countries and territories.
Payment Options	Cash, ABA	Cash, ABA, Visa & Master Cards, Union Pay, JCB	Cash, ABA	Cash, ABA, Visa & Master Cards
Offered Services	<ul style="list-style-type: none"> • Shipping • Express Delivery (Motor, Tuk Tuk) • Pick up items • Tracking • Same day Delivery • Others 	<ul style="list-style-type: none"> • Rental Services (VET Bus, VIP Minibus, VIP Minivan) • Door-to-door pick up & delivery • Book speed-boat • Book bus ticket • Others 	<ul style="list-style-type: none"> • Order to pick up items • Door-to-door pick up & delivery • Shipping • Tracking • Others 	<ul style="list-style-type: none"> • DHL Express Worldwide • DHL Express at a specific time (12:00 & 9:00) • Tracking • Door-to-door delivery • Others
Marketing Strategy	\$1-\$7/kg, giveaway, free training video, 5000 riels in Phnom Penh, discounts, free pick up, etc.	Discounts, membership, games, 5000 riels in Cambodia, 3000 riels in Phnom Penh, feature outlets, series, etc.	\$1-\$7/kg, 4000 riels within city, cross-border delivery discounts, vouchers, super sales, etc.	Discounts, events, CSR activities, ESG activities, games, seasonal posts, feature outlets, etc.
Status of e-logistics	Integrated	Partially Integrated	Integrated	In development, unavailable in Cambodia.

Survey Responses | Logistics

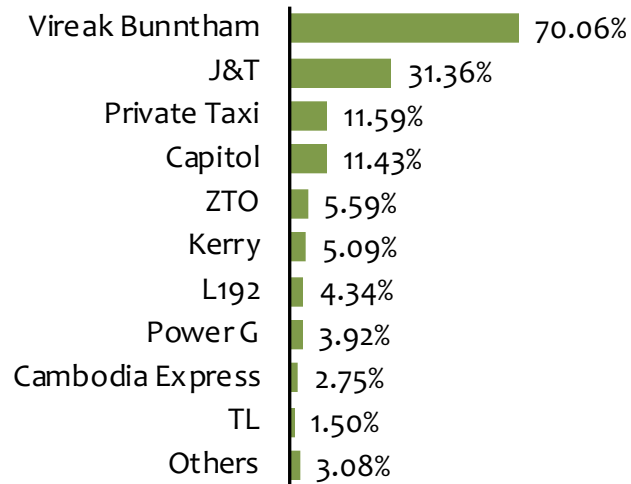


A vast majority of the respondents use logistics services between 1 and 7 times per month and Vireak Buntham is the most preferred logistics company. Regarding delivery time, 2 in 3 of the respondents are willing to accept the delivery time ranging from within the day.

Frequency to use logistics services per month

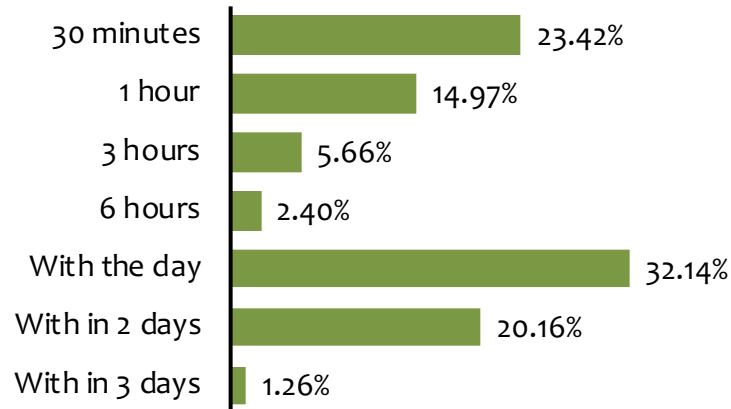


Logistics Company to use (Overall)



Male respondents tend to use logistics services more than female respondents and Phnom Penh's residents use the services more than those staying in other cities.

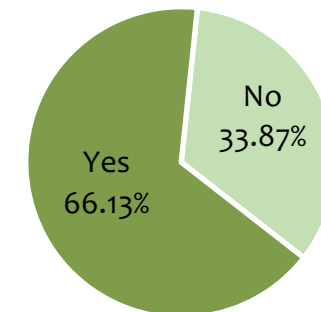
Acceptable delivery time



- Male respondents tend to use logistics services more than female respondents.
- Phnom Penh's residents use the services more than those staying in other cities.
- Female participants (45.91%) often opt for J&T more than males (23.99%).

- More than half of the respondents (56%) are willing to accept the delivery time ranging from within the day (32%) to 30 minutes (23%).
- When the waiting time extends further, people seem to lose their patience.
- Remarkably, people residing in Phnom Penh tend to prefer a 30-minute wait for their packages to come (31%) more than within-the-day deliveries (26%).
- Besides, in Battambang (27%), Siem Reap (29%), and other cities (26%), people are more willing to wait for their packages to come later (within 2 days) compared to those living in the capital (9%).

Willingness to pay an extra price for faster/same-day delivery





Existing and new companies should introduce **the quick commerce concept** to adapt to consumers' needs.



We have asked about the acceptable timeframe of delivery, and 32% would prefer **within-a-day** delivery followed by **30 minutes** delivery (23%)



Not only is it a good strategy for a company to achieve customer satisfaction, but 66% of respondents are also willing to **pay an extra fee**.

Companies should focus on **niche markets**.



Customers go to **different apps for discounts** rather than focus on the quality of the app. Inducting a loyal customer base stands as one of the key challenges within the competitive logistics customer base.

A **successful strategy** to help boost sales for slow-growing companies, especially as the fear of COVID decreases.



Utilizing the mobile payment systems



working with third-party agents

This will enable the companies to resell the tickets, which has helped to increase the volume of sales.

In our survey, over 60% of the total respondents use logistics services **between 1 to 3 times per month**.

There are 70% of them said they use Vireakbuntham and 31% use J&T.



Vireakbuntham is a dominant player in the market whereas

J&T is the second key player although it is an international brand.



Yet, both companies have many hubs across the cities and provinces in Cambodia.

Super app (all-in-one app)

Is a platform that includes both banking merchants and logistics companies, has created **ease of payment** for customers, booking the tickets, or delivering the products all in one place within a few clicks. Companies who have the ability to create one will have first-mover advantage in Cambodia. We are already seeing developments with local Super apps such as Nham24.





Industry Focus

RIDE HAILING/ TRANSPORTATION





MARKET UPDATE

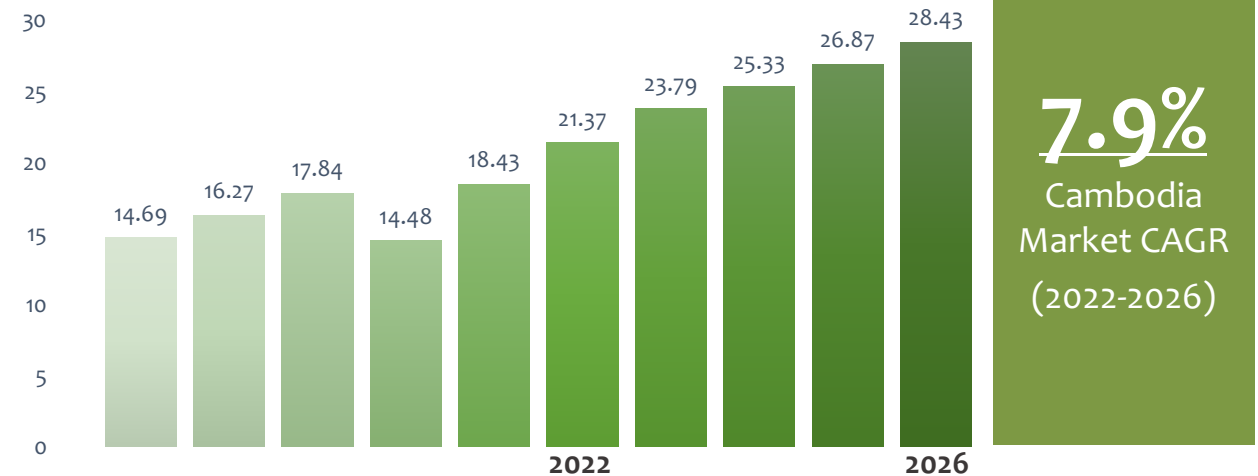
- Revenue from the ride-hailing and taxi segment in Cambodia is projected to reach **USD 21.37M in 2022**.
- Singaporean-registered companies like Grab and Tada captured most of the market share although Passapp used to be the dominant player at the end of 2021.
- Online ticketing is dominated by local companies like Bookmebus and Camboticket.

MARKET TRENDS

- **Ride-hailing market is expanding towards super-apps** where customers can additionally order food and other products.
- **Companies are focusing on improving consumer experiences and safety;** reducing the number of clicks on your app and increasing identity verification.
- Competitiveness, rising oil prices, and government strategy/policy¹ encourage companies to expand to other verticals like electrical vehicles (EV).
- Online booking has rolled out even since 2016 to replace traditional hiccups (vans, bus, motorbike, etc..), save time, and reduce the complexity of negotiating the price.
- According to our survey responses, most respondents still **prefer** their own transportation although the ride-hailing market is growing.
- Usage of ride-hailing apps is primarily concentrated in major cities. The advent of using apps to book ride-hailing is still in its nascent stages across less dense provinces.

MARKET SIZE

Cambodia Ride Hailing & Taxi Market (in million USD)



The revenues forecast show a promising future for ride-hailing in Cambodia and the Southeast Asian Region. Grab, one of the leading players across Southeast Asia, has started operations in Cambodia. Rapid urbanization, government initiatives, digital adoption, a young population, and e-payment option can be the factors to shift consumer attitudes and behavior toward ride-hailing services.



Taxi-booking mobile apps entered the market

Cab, tuk-tuk, rickshaw, SUV car

Electric Vehicles (EVs)

Leading Industry Players | Ride-hailing/Transportation



E-transportation is dominated by international companies like Grab and TADA. Local companies have emerged in the market, and there are some companies that have exited the market due to the limitation of business vertical expansion.

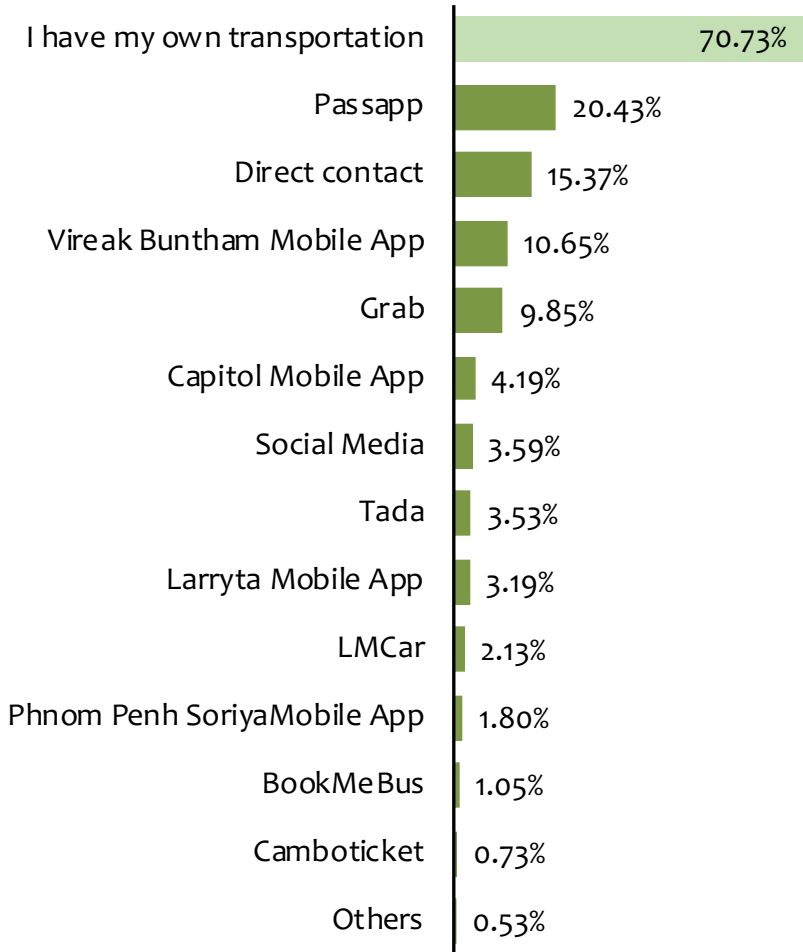
	Grab	TADA	PassApp Taxis	LM Car
Year Established	2017	2019	2016	2020
Market Coverage	Myanmar, Vietnam, Thailand, Malaysia, Singapore, Indonesia, Philippines, Cambodia (Phnom Penh, Siem Reap)	Cambodia (Phnom Penh, Siem Reap), Singapore	Phnom Penh, Siem Reap, Sihanoukville, Battambang, Kampong Cham, Kampot	Phnom Penh, Sihanoukville
Payment Options	Cash, Voucher, Visa & Master Card	Cash, Visa & Master Cards, Voucher	Cash, Visa & Master Cards	Cash, Visa & Master Cards
Offered Services	<ul style="list-style-type: none"> • GrabFood • GrabExpress • JustGrab • GrabRemorque • Grab Maxima • GrabSUV • Grab TukTuk • Travel • GrabMart • Grabbike • Corporate 	<ul style="list-style-type: none"> • Tuk Tuk • ONion T1 (E-Tuk Tuk) • Car • SUV • Express • Students 	<ul style="list-style-type: none"> • Rormork Rickshaw • Classic Car • SUV 	<ul style="list-style-type: none"> • Rental (Class, Deluxe, Business Plus, First Class) • Intercity service • Airport Transfer
Marketing Strategy	Influencers, games, promos code, referral code, events, discounts, ambassadors, discounts with Visa cards, challenges, lucky draws, etc.	Referral code, vouchers, discount, invite friends, events, etc.	Rewards, promotion, member point, discounts, promo code, mid-year sale, etc.	Discounts, promo code, seasonal discounts, video series, games, coupons, events, etc.

Survey Responses | Ride-hailing/Transportation

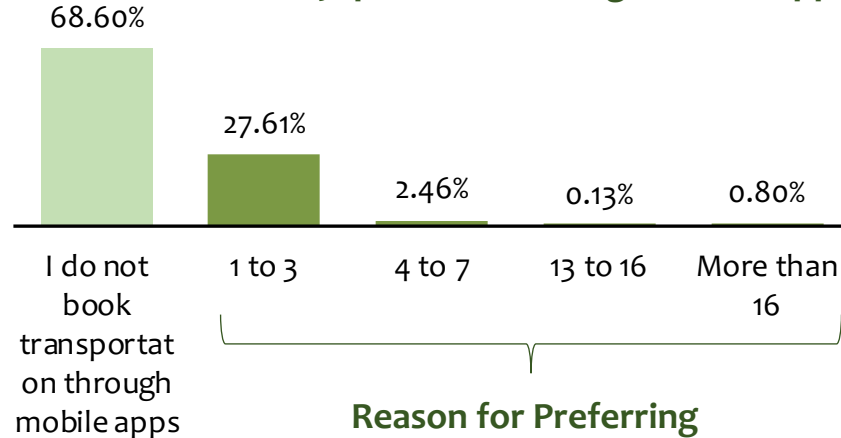


Nearly 7 in 10 respondents do not book transportation through mobile apps, while 27.61% do between 1 and 3 times. It is likely that most respondents likely have their own transportation, and prefer to use it. Nation-wide, Passapp is the top app chosen for booking transportation.

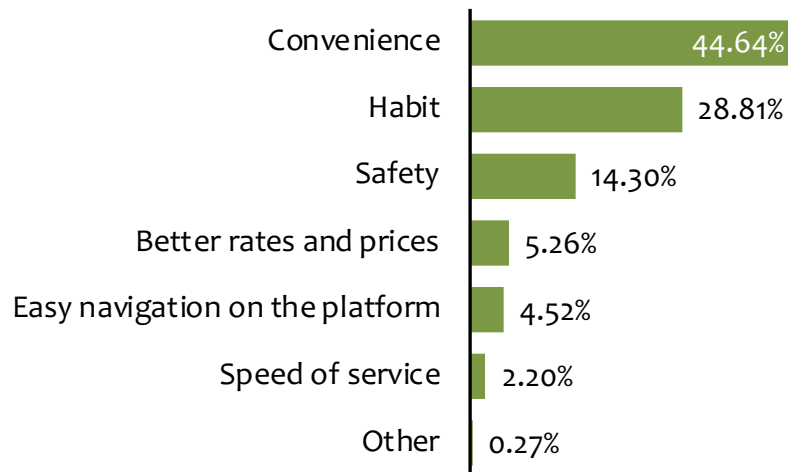
Preferred Platform to book transportation



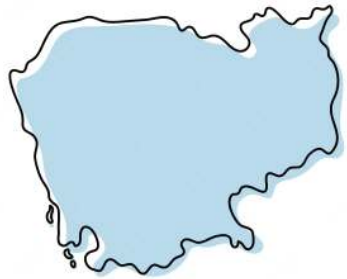
Frequency to book transportation within the city/ provinces through mobile apps



Reason for Preferring Platform of Transportation



- Male (35%) respondents have a higher likelihood to book transportation more than 1 time per week compared to female (23%).
- Top 3 reasons for preferring transportation platforms are convenience, habit, and safety.
- These are in line with online shopping in general, further affirming the importance of these factors when choosing online platforms among respondents.
- Percentage of female participants (18%) who consider online ride-hailing/booking platforms safe is higher than male respondents (13%).
- In Battambang, more respondents have the tendency to choose the platforms out of their habit (33%) than those living in Phnom Penh (29%), Siem Reap (27%) and other cities (28%).



Ride-hailing industry in Cambodia is dominated by a few key players, catering to **big cities** (Phnom Penh, Siem Reap, Sihanoukville) translating into a **largely untapped market in other provinces.**

Although the majority of respondents **use their own transportation**, 27.61% of respondents **book it online.**



is the dominant player **across provinces in Cambodia** whereas



is known to be popular in **Phnom Penh.**

Grab should do more marketing to expand its popularity across the cities and provinces.

Technology has played a big role in the ride-hailing sector; customers prefer two clicks to book rides.

Electric Vehicles have introduced blockchain technology for the ride-hailing industry.

There is still a need for digital literacy amongst drivers. Those who know how to use technology clearly can better serve customers, navigate routes more efficiently and offer a variety of payment options.

The ride-hailing market is still new according to industry experts meaning that not many people book transportation through online platforms.



68.6% of respondents answered that they do not book transportation through mobile apps. Consumers prefer using their own transportation because of convenience, habit, and safety.

New ride-hailing businesses are not suggested to enter the market for now due to the high barriers to entry and the strong market position of existing and international brand players.



Industry Focus

FASHION



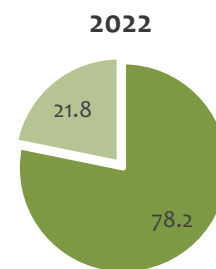
MARKET UPDATE

- The E-commerce segment of Fashion in Cambodia has an **estimated revenue of USD 284 million in 2022**. By 2025, it will reach USD 443.2 million.
- MoC's iTrade bulletin reported that revenues from the fashion industry have covered ~30% of the total E-commerce revenues (USD 970 million) in 2022.
- The average spending per user on fashion dropped to USD 116.72 in 2022 from USD 125.42 in 2021; however, it is projected to reach USD 135.94 in 2025.
- MoC has reminded small online sellers to apply for E-commerce licenses; threatening penalties of up to 10 millions KHR.

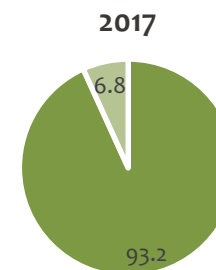
MARKET TRENDS

- Based on survey results, Fashion and Apparel was the most purchased item online by a large margin.
- Since 2019, rapid urbanization, a growing base of high-income consumers, and an emerging middle class are contributing to a fast-growing fashion industry.
- More international brands are coming into Cambodia creating more choices for consumers. These brands applied e-payment and QR at the store and websites for browsing products.
- There are a growing number of online platforms which allow easy access to trendy styles across-borders from countries like Thailand, Hong Kong and Singapore.
- In comparison to 2021, our survey results this year show that Facebook, Instagram, and Tiktok are still the leading sales platforms.
- Our survey results show that **livestreams and influencers have become one of the leading drivers of sales. Online purchases have increased from 6.8% in 2017 to 21.8% 2022.**

Purchases split by online and offline

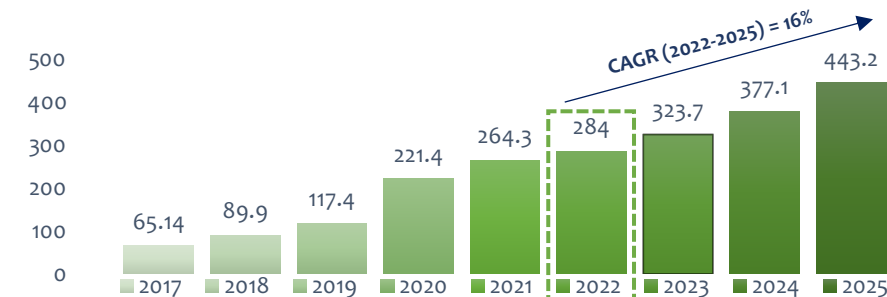


■ Offline ■ Online

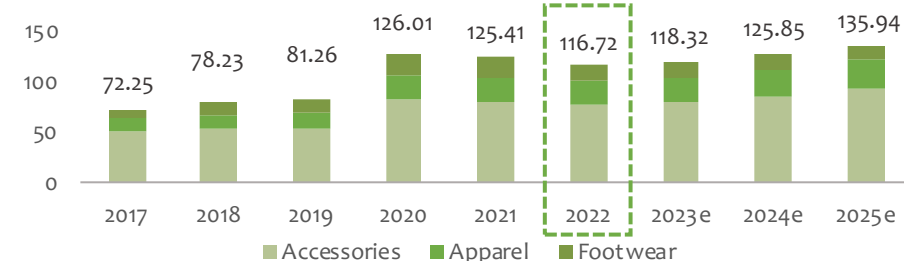


■ Offline ■ Online

E-commerce Revenues of Fashion in Cambodia



Average Spending Per User by Segment (in USD)



Leading Industry Players | Fashion



Online fashion has emerged in Cambodia; shop owners can use Facebook and Livestream for online business adoption. Paying for and dropping orders have been replaced by a few clicks on Livestream or other social media platforms within a few minutes.

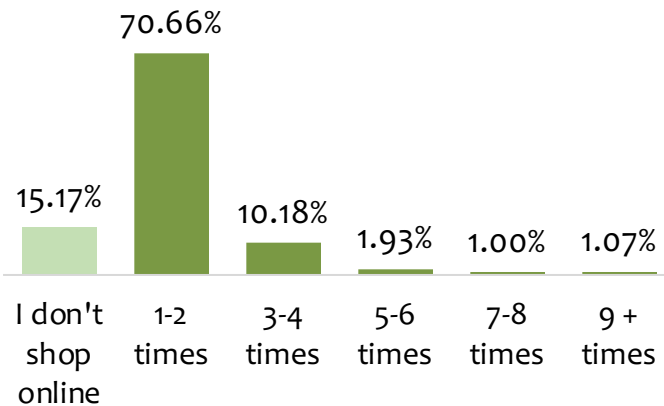
	Little Fashion	H & M	Zando
Year Established	2010	2022	2015
Market Coverage	Cambodia	Cambodia,	Cambodia
Payment Options	Cash, ABA, Wing, ACLEDA	Cash, ABA, ACLEDA	Cash, ABA
Offered Services	<ul style="list-style-type: none"> • Clothes • Accessories • Beauty • Electronic • Others 	<ul style="list-style-type: none"> • Clothes • Accessories 	<ul style="list-style-type: none"> • Clothes • Accessories
Marketing Strategy	Livestream, flash sales, seasonal posts, modeling, discounts, etc.	Discounts, Modelling, etc.	Livestream, flash sales, seasonal posts, modeling, discounts, events, membership cards, etc.
Platform	App, website, Facebook, Instagram, Telegram, Livestream, Tik Tok	Website, Facebook, Instagram, Youtube, Pinterest	App, website, Facebook, Instagram, Telegram, Tik Tok

Survey Responses | Fashion



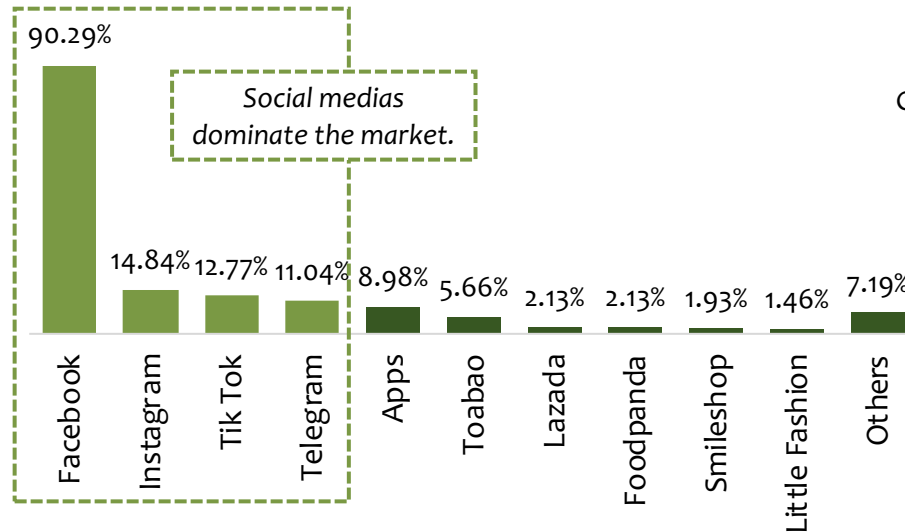
In regards to items which tend to be purchased the most online, fashion and apparel is the top 1 chosen by 76% of respondents. Facebook is the top online channel for clothes shopping, and it makes up for 90% of respondents which is much higher than other listed channels combined. To pay for their clothes, respondents have the tendency to use Wing the most (47%), followed by ABA (40%), cash on delivery (37%) and then ACLEDA (18%).

Frequency of online clothes shopping per month (overall)



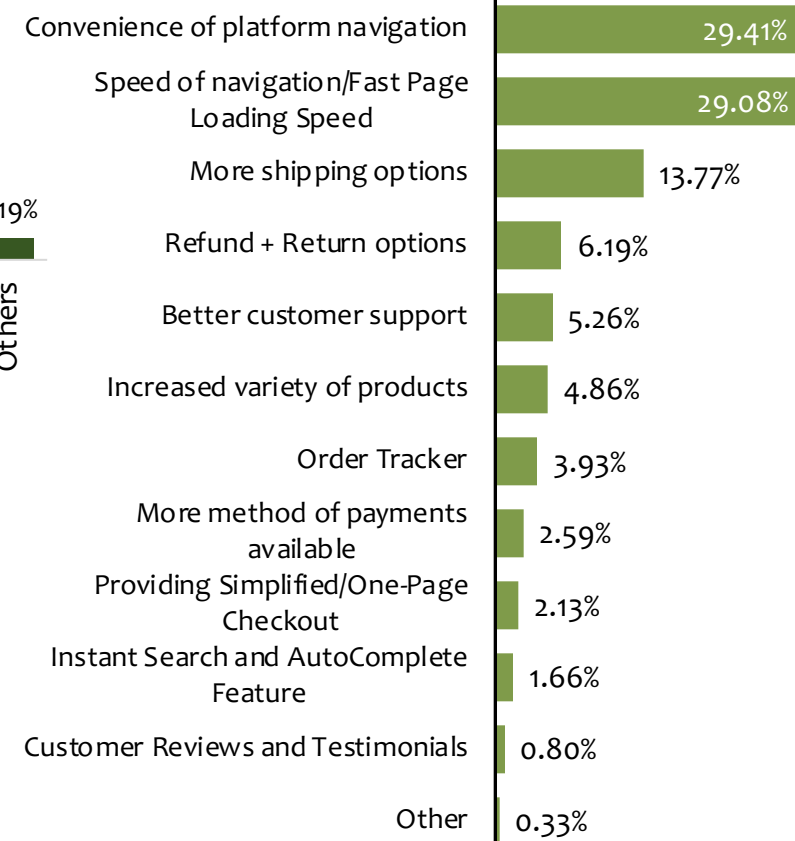
- Majority of the participants shop for clothes online 1 to 2 times per month.
- Female respondents are likelier to do clothes shopping online than their male counterparts.
- Residents living in Battambang have the highest tendency to shop for clothes online amongst all cities listed.
- Those who are older than 29 years old are less likely to do so compared to those who are between 18 and 29 years old.

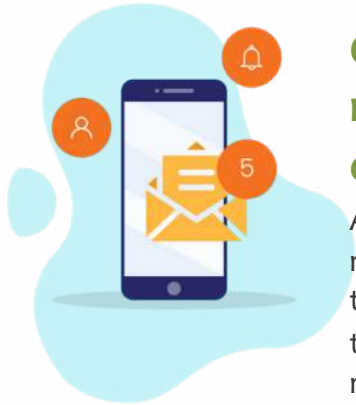
Preferred online clothes shopping platform



- Instagram (17%) is favored by respondents aged from 18 to 29 years old over Telegram (9%), whilst it is the opposite among those above 29 years old with Telegram gaining 16% points and Instagram achieving only 8%.
- Notably, Tiktok is the second most famous in cities including Battambang (19%), and Siem Reap (17%).
- To enhance the experiences of customers, online stores should prioritise site navigation-related features such as convenience and speed.

Most important feature to improve customer's experience





Online sellers should push notifications of new arrivals and create more discounts at different timelines consistently

According to our survey, there are about 70% of the total respondents who buy clothes and apparel items at least 1 to 2 times per month while there are about 10% said they buy 3 to 4 times per months. Surprisingly, there are 15.17% of our respondents said they do not buy clothes online at all.



Facebook is the standout platform for fashion,

with over 90% response, followed by Instagram and Tik Tok. Therefore, online sellers utilize Facebook as the main platform, as Instagram and Tik Tok alongside Facebook. Compared to our last report, this trend has not changed at all. Taobao is also popular platform to females than males.

Suggestion:

- Producing creative videos
- Push more Ad. Campaigns
- Focus on digital advertising to create a strong online brand position.



淘宝网
Taobao.com

Wing and ABA are the top preferred payment methods for fashion shopping, followed by cash.



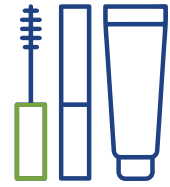
47%
responses



40%
responses



37%
responses



Industry Focus

BEAUTY AND COSMETICS





MARKET UPDATE

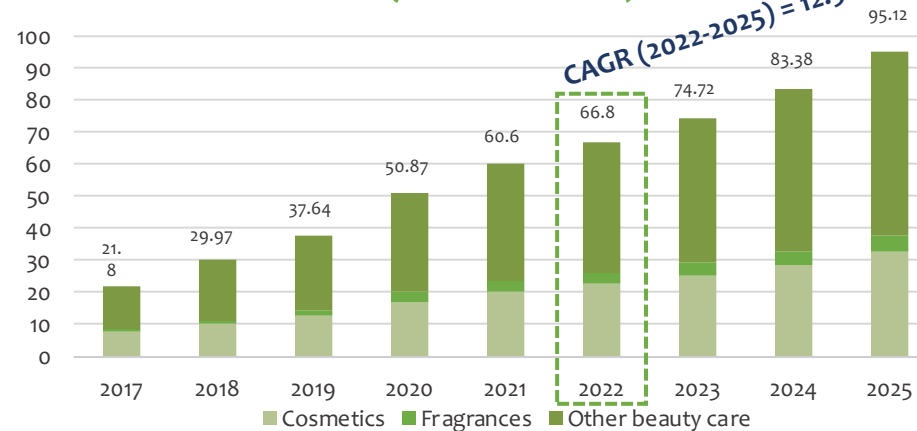
- The E-commerce segment of the beauty and cosmetics industry in Cambodia has an **estimated revenue of USD 67 million in 2022**. By 2025 it is expected to grow to USD 95 million.
- Social media has become the most common platform for online sellers who sell beauty and cosmetics products. Website and mobile apps are not widely used for this industry.
- Beauty and cosmetics platforms are beginning to expand to provide health products as well; Mayura is a good example of this.
- Khmertimes reported that the rapid growth of beauty and cosmetics arises from middle-income consumers.

MARKET TRENDS

- Almost 10 years ago, most active consumers were between 15 and 40 years old; however, most consumers nowadays are young adults below 25. Consumer demographics in this industry have reformed as the younger population in Cambodia's grows.
- Online purchases increased to 30.8% in 2022 from 15.3% in 2017. That could be because the same consumers are more familiar with online payment, unlike new consumers who prefer cash-on delivery.
- International suppliers like ABW, Stylekorean, Gmarket, and others allow both wholesalers and end-users to purchase on their websites.
 - Industry insider reported to Khmertimes in 2013 that **Korean culture and lifestyle are key drivers in this industry**.
 - The extensive presence of Korean beauty brands today may indicate that this is still the case.

MARKET SIZE

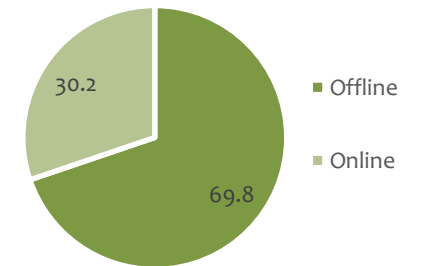
Revenues categorized by products (in million USD)



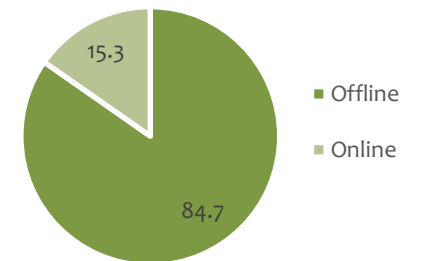
Cambodian consumers largely purchase other beauty care, which includes beauty tools and accessories.

Purchases split by online and offline

2022



2017



Leading Industry Players | Beauty & Cosmetics



The E-commerce business for beauty and cosmetics is emerging. More shop owners rely on social media to operate their business. Moreover, we see the trends in websites and apps created and the adoption of online payment has surged.

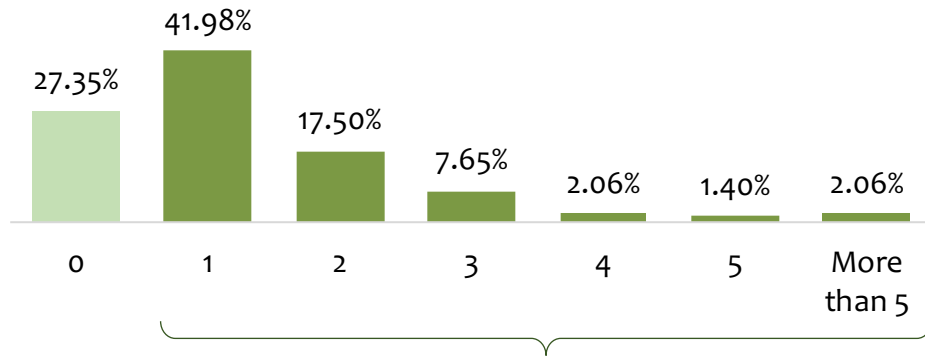
	Costmebeauty	Mayura	Soko Skins
Year Established	2015	2020	2015
Market Coverage	Cambodia	Cambodia	Cambodia
Social Media Reach	<ul style="list-style-type: none"> Facebook (55,677 likes, 563 checked in) Instagram (6,181 Posts, 79,5k Followers) Youtube (554 subscribers, 53 videos) 	<ul style="list-style-type: none"> Facebook (108,593 likes, 29 checked in) Instagram (845 Posts, 5,624 Followers) Youtube (50 subscribers, 39 videos) 	<ul style="list-style-type: none"> Facebook (35,803 likes, 119 checked in) Instagram (5,941 Posts, 8,984 Followers) Telegram (37 Subscribers)
Payment Options	Cash, ABA	Cash, ABA, Visa & Master Cards, Union Pay, Wing	Cash, ABA
Marketing Strategy	Influencers, seasonal sales, flash sales, download the app to get points & membership, challenges, discounts, brand discounts, giveaways, USD 35 purchase for free item, store design, etc.	Seasonal sales, Mayuraday, brand discount, discount USD 1 every Monday, games, promotion, promo code, gift vouchers, flash sales, etc.	Seasonal Sales, free samples, new arrival offer, Brand discount, Black Friday sales, payday sales, buy 1 free 1, flash sales, etc.
Ordering Process	Apps & social media 1. Select product 2. Chat with sales team on social media 3. Confirm order & payment	Website & apps 1. Register 2. Select products 3. Fill information 4. Confirm payment	App 1. Register 2. Select products on the website 3. Fill in information & address 4. Confirm shipping fee 5. Confirm payment *Deliver the same or next day

Survey Responses | Beauty & Cosmetics



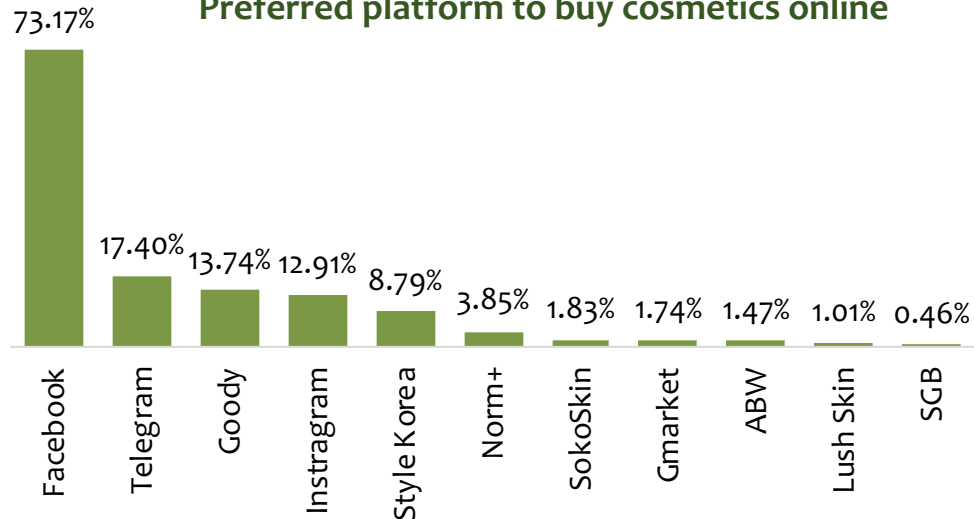
Regarding items which tend to be purchased the most online, cosmetic products rank second with 42% of respondents ordering cosmetic products online once a month. Females tend to purchase much more than males, and Battambang's residents tend to purchase more cosmetics than people in other provinces including Phnom Penh.

Monthly Frequency of ordering cosmetic products



- Female respondents tend to order cosmetics online more than male respondents.
- Those who are 18 to 29 years old are more likely to order than those who are older than 29 years old.
- Facebook, Telegram and Goody are the three popular chosen by respondents when buying cosmetic online.

Preferred platform to buy cosmetics online



Instagram vs Telegram

- Female respondents favor ordering cosmetics through Instagram (21%) over Telegram (16%), as opposed to males, who prefer Telegram (18%) and Instagram (8%).
- Instagram (16.4%) is used to purchase cosmetics online by Phnom Penh's residents slightly more than Telegram (15.9%), while Telegram is more popular than Instagram in Battambang, Siem Reap, and other cities.



Industry players should offer a **one-stop marketplace** and include a **variety of products** for customers to make decisions.



Young consumers are easily swayed by **global culture** and trends. Online sellers should use flexible **marketing and promotion** based on the global trend.



Developing an app requires time; however, the succession of development is not guaranteed. So, the company should do a **deep market study and proper validation** before deciding to choose mobile app's as its core platform.



Facebook is the most preferred platform for cosmetics, however **other social platforms** like Instagram, website, mobile app, etc. will be necessary to attract more consumers.



Repeated customers tend to do **online payments** whereas **new customers** prefer **cash on delivery**.



Industry Focus

HEALTHCARE

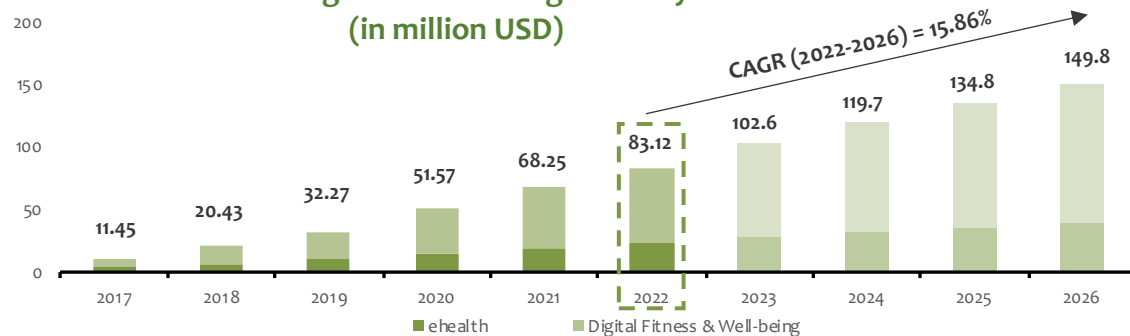




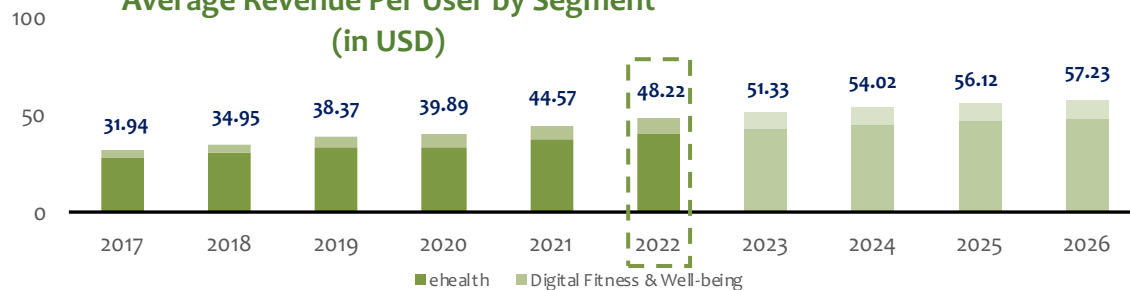
MARKET UPDATE

- The revenue for the Health tech sector in Cambodia is estimated to be **USD 83.12 million by 2022**. By 2026 it is expected to reach USD 110.7 million.
- MoH launched the online registration system in 2019 for any company that wishes to sell or import medical products to Cambodia.
- As of 2021, ADB reported there were approximately **10 active health tech startups in Cambodia**, double compared to 2018.
- The government has initiated several key digital programs such as Patient Management and Registration system (PMRS), Health information system (HIS), Health financing management system, and beyond; urging the key players to promote its modernization for a more convenient, inclusive, and effective service.
- Digital health growth has emerged; digitalization allows patients to meet doctors online. Users can schedule digitally in the mobile app.

Revenues for Digital Health categorized by services
(in million USD)



Average Revenue Per User by Segment
(in USD)



MARKET TRENDS

- In 2020, the Government launched its first-ever health technology solution (app) called the ‘Smart Hospital e-Health Peth Yoeung Programme’.
 - The app allows patients and doctors to manage and digitize medical records and make appointments automatically through mobile phones.
 - Smart health cards and QR code technology were also introduced.
- In line with the growing digitalization of Cambodia, more Health-tech ventures are starting to emerge like Meetdoctor, Pilltech, and others.
- The increase in average revenue per user on eHealth and Digital Fitness & wellbeing indicates that there is room for the health tech sector to grow.
- Regardless of ehealth emergence, people *still* prefer to go to their local pharmacies because they are concerning the quality of products. Moreover, some pharmacies that have put products selling online have not registered.
- If you check some online pharmacies app, you will see the pharmacist’s disclaimer that you need to consult with them before deciding to buy any products.
- According to our survey, most respondents show interest in all-in-one healthcare platforms meaning they support the idea of establishing an all-in-one mobile app. Yet, the increase in estimated average revenues per segment can be an opportunity.

Leading Industry Players | Healthtech



Cambodia is now seeing the growth of online business in the healthcare sector.

Traditional pharmacies have become online pharmacies; online consultations and physician appointments have been introduced to the market.

	MeetDoctor	PillTech	Ucare Pharmacy	Peth Yoeung
Year Established	2021	2019	2004	2019
Market Coverage	Cambodia	Cambodia	Cambodia	Cambodia
Payment Options	Cash, ABA	Cash, ABA	Cash, ABA	Cash, ABA
Offered Services	<ul style="list-style-type: none"> • Online consultation • Find physician and medical information • Set appointment • Testing • Online pharmacies • Others 	<ul style="list-style-type: none"> • Point of sale for small and medium pharmacy owners • Real-time report • Smart purchasing • Accounting system • Others 	<ul style="list-style-type: none"> • Health Check up • Online pharmacies • Others 	<ul style="list-style-type: none"> • Data Management • Medical records • Revenue & accounting management • Operational management • Others
Marketing Strategy	Tips about health, the Doctors talk show, competition, events, etc.	Seasonal Post, welcome new partners, giveaways, promotion, event, competition, video, etc.	Influencers, events, promotion, flash sales, tips about health, seasonal post, etc.	Tips about health, news, inspirational quotes, seasonal post, etc.
Platform	App, website, social media	App, website, social media	App, website, social media	App, website, social media

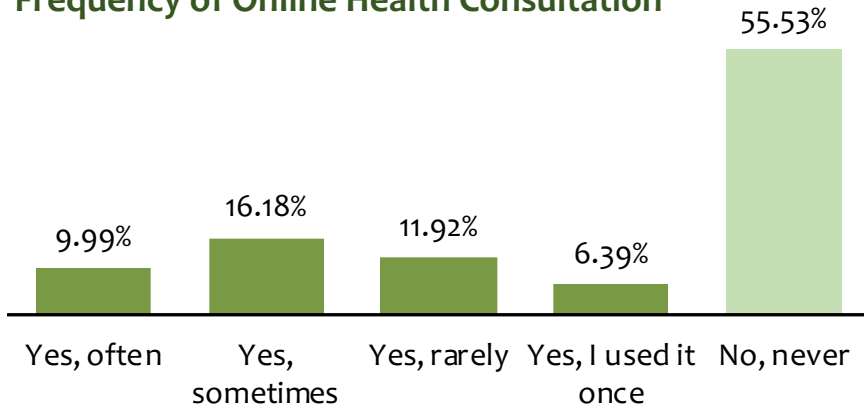




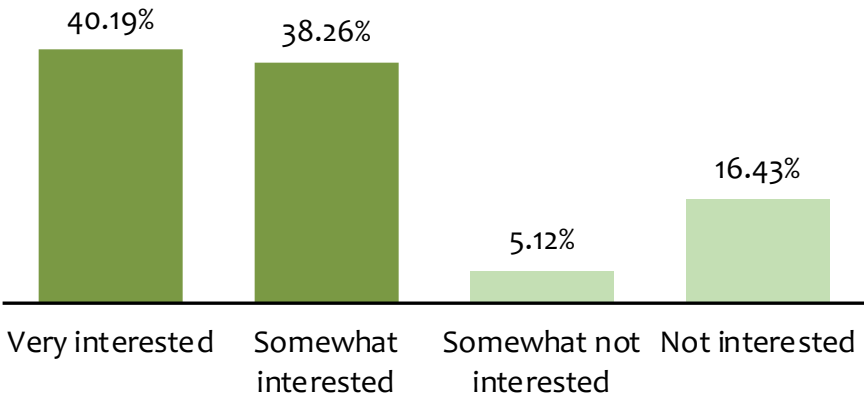
Survey Responses | Healthtech

Over 4 in 5 participants (83%) do not order medicine online. The most used online platform for medicines is Facebook, followed by Foodpanda and Telegram. 56% of the respondents have never done online health consultation trial, while 44% of them have done it before.

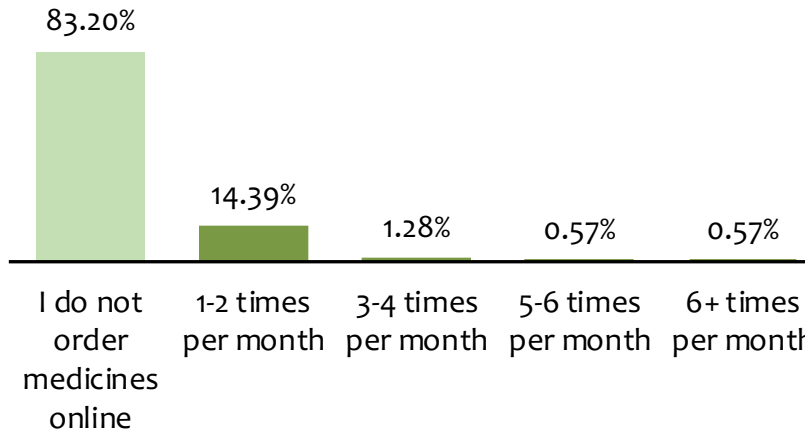
Frequency of Online Health Consultation



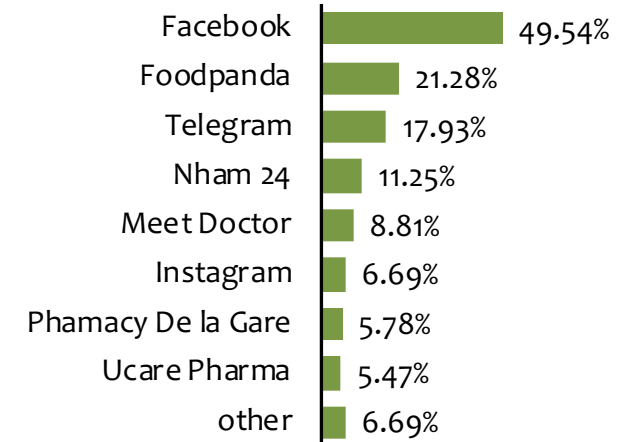
Level of Interest in an all-in-one platform in healthcare



Monthly Frequency of ordering medicines online



Preferred platform to buy medicine online



The highest frequency to purchase medicine online is 1 to 2 times a month (14%) with

- Older respondents purchase more than younger.
- **A majority of respondents are very or somewhat interested in an all-in-one platform for healthcare.**

- Male respondents are more likely to do online health consultation than their female counterparts with 29% of male participants either doing it often or sometimes, compared to only 21.12% of females.
- Moreover, those staying in Siem Reap have a higher likelihood to use online consultation trials than those in other cities.



Online sellers, particularly, pharmacists comply with the Ministry of Health (MoH)'s procedure for medical online selling.

- License
- Registration of the products
- Permission to advertise, etc.



Certified and Qualified owners

eHealth is known to rely on doctors/practitioners based expertise. Therefore the operators of the key businesses needs to ensure adequate qualification.

Suggestion: eHealth platforms should include the **qualification of pharmacists or doctors** to build trust with patients who use eHealth services.



About 80% of respondents prefer going directly to pharmacies rather than self-diagnoses and consult online due to:

- Unreliable website
- Lack of healthcare professionals
- Lack of proper guidance from professionals for side effects and any harmful interactions of illness.



Suggestion: (1) To provide training across provinces on utilizing digital health platforms. (2) Situating digital health 'agents' across the country to aid in teaching how to use platforms.



Facebook and Foodpanda are eHealth's main platforms

In the future, Telegram and Nham24 can be the next popular online platforms for eHealth services like virtual consultation and buying medicines. **However, a dedicated eHealth platform should be created for better health safety, data security, monitoring and evaluation of regulatory compliance.**



A positive sign for all-in-one eHealth platforms

A vast majority of respondents (78%) show their interest in an all-in-one healthcare platform, indicating a willingness for consumers to welcome the idea.



▶ Industry Focus

MEDIA AND ENTERTAINMENT





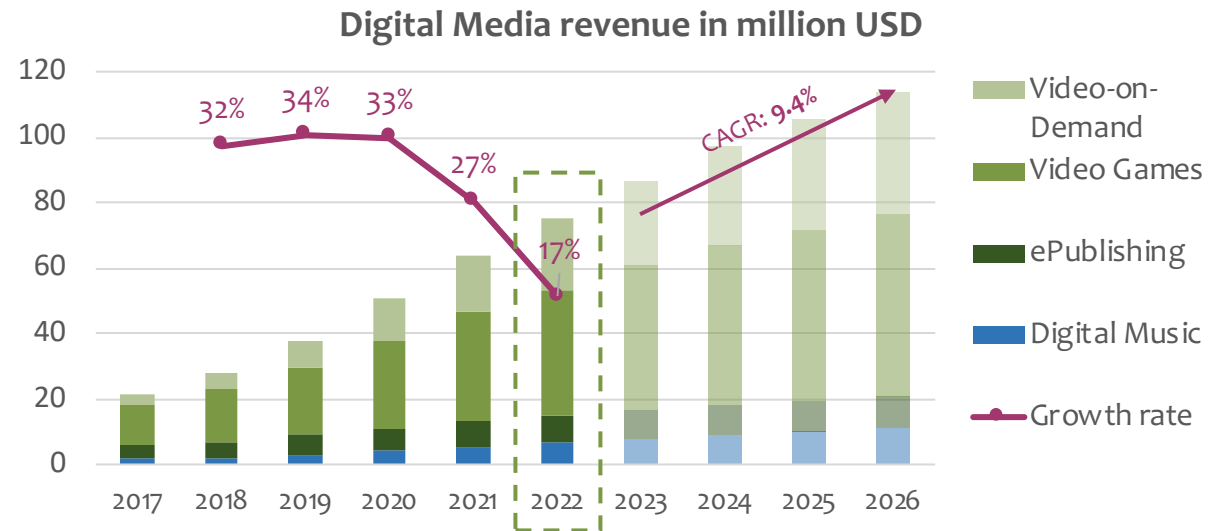
MARKET UPDATE

- Revenue in the Digital Media market is projected to reach USD 74.87m in 2022, a 17% growth from 2021.
- The market's largest segment is Video Games with a projected market volume of USD 38.7m in 2022, a 16.5% rise from 2021, with an **estimated 3.8 million players**.
- Digital music revenue in 2022 is USD 6.5m, capturing only 9% of digital media market share.
- Youtube ads started showing again in Cambodia around the 18th of August 2022, after it was halted by the media platform in April 2021.
- Foreign giants such as Netflix and Facebook registered for Value Added Tax (VAT) with the General Department of Taxation, effective April 1st 2022.

MARKET TRENDS

- The market experienced over a 30% growth rate *before* the pandemic. It has slowed down significantly in 2021 and 2022.
- There are **17.7 million internet users and 13.8 million Facebook users in 2022**. Expansion of mobile internet access leads to a steady growth in the demand for all types of digital media.
- Driven by Facebook users, many traditional media companies expand themselves into online versions and use Facebook as their platforms to deliver content to their readers, often linked to their websites.
- More than 50% of people state that **social networks and entertainment are their top reasons to go online**.
- **Utilization of premium subscription models for digital media and streaming services are still limited**. People prefer free content concentrated on big social media platforms such as Facebook and YouTube.
 - For example, Raksmeay Hang Meas, a music Company, is the most subscribed YouTube channel in Cambodia with roughly more than 6 millions subscribers.

Market size



Video games and video-on-demand cover 80% of market share in digital media revenue in 2022, a majority is captured by video games at **52%**. This indicates high potential for the **E-sports** industry in the kingdom.

Leading Industry Players | Media and Entertainment



Local players face tough competition with top international video and music streaming services plus free entertainment contents available on social media.

	Sastra Film	CamID	Pleng
Year Established	2015	2018	2019
Market Coverage	Cambodia	Cambodia	Cambodia
Payment Options	Top up card, ABA pay, Credit/Debit Card, KHQR, and Wing.	N/A	SmartPay, ABA Pay, and Credit/Debit Card
Offered Services	<ul style="list-style-type: none"> • Movies • Series • TV Shows 	<ul style="list-style-type: none"> • Movie • Series • TV Shows • Streaming e-sports 	<ul style="list-style-type: none"> • Music Streaming
Market Strategy	Television broadcasting, free content, etc.	Lucky spin rewards, free content, free 2GB internet for Metfone users, etc.	Free contents, earn Pleng Points and redeem exclusive merchandise, Refer friends, etc.
Premium subscription (per month)	USD 5.00	Free	USD 0.99

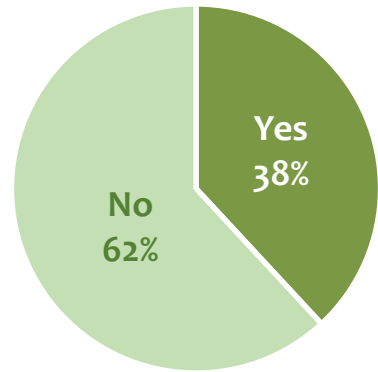


Survey Responses | Media and Entertainment

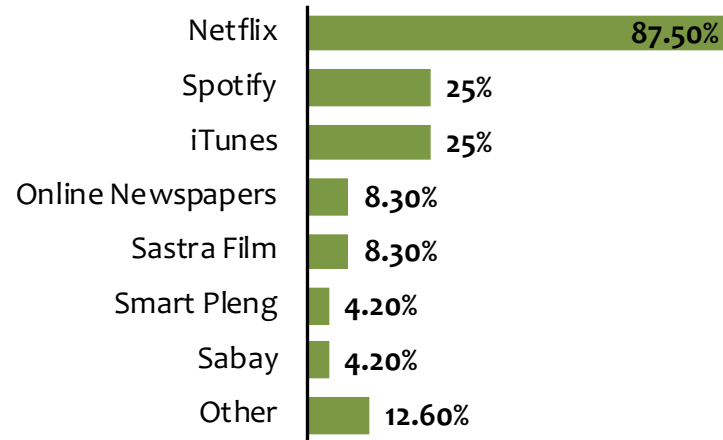


* **Disclaimer:** Survey for online education industry was conducted separately with 74 respondents of whom 94% reside in Phnom Penh. 73% of them are 18-24 years old.

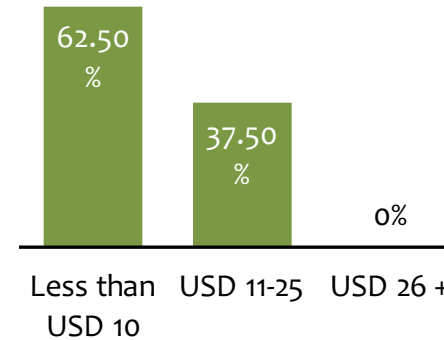
Do you have any online media subscriptions (Music, movie, entertainment)?



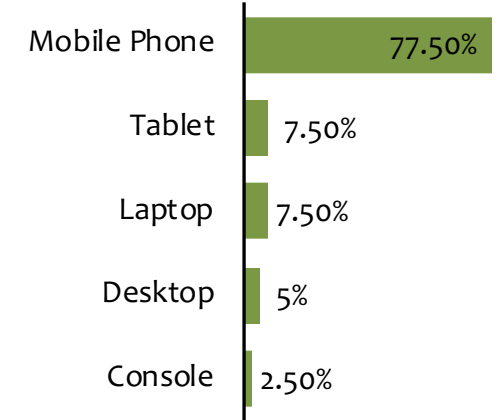
If yes, which ones?



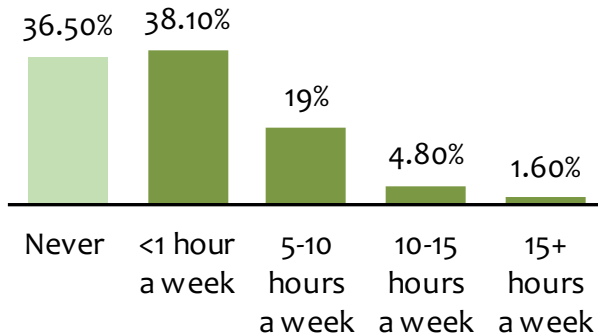
Per month, how much do you pay for these subscriptions?



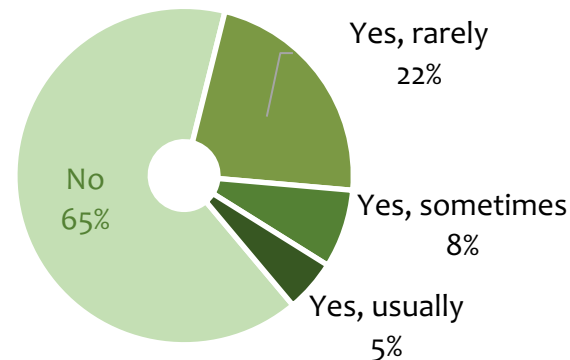
Which device do you use the most to play games?



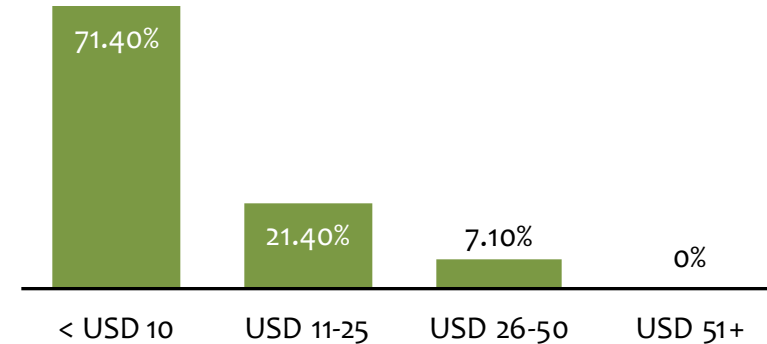
Do you play online games?



Do you ever make in-game purchases?



If yes, how much do you spend on in-game purchases per month?





Media platform is dominated by Facebook, the most visible digital advertising space.



The rise in the **number of internet** users comes a rise in social media usage. In Cambodia, people often use Facebook to **search** for news and events, as opposed to starting with a Google search.

This means that Facebook is a place for first impressions, and a place where, if a business has no presence, it will rarely be seen by potential clients/customers.

Suggestion: Having business presence on **Facebook** is important to keep **customer relationships**.

International companies dominate the local gaming sector due to:

- **High graphic quality**
- **Team sponsors**
- **A large number of players**
- **Platform development**
- **Event/competition with cash-prize**

Suggestion: Local game companies should improve their **gaming quality** and **push marketing efforts** such as hosting competitions, engaging with players on social media, etc. to better compete with international firms.



Game companies should focus on developing mobile game

From our survey, **78% of respondents** play games on mobile phones while the number of those who play games on tablets, laptops, desktops, and consoles is very low.



Video streaming platform

Netflix is subscribed by **88% of respondents** in our survey. This indicates that global platforms take precedent in consumer preference.

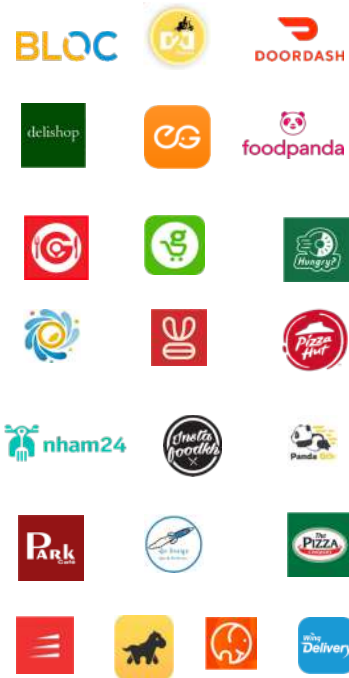
Competitor Landscape

*This is not an exhaustive list. The companies listed include both international and domestic enterprises that offer services in Cambodia, but may not have a physical location.

INSURANCE



FOOD AND GROCERY DELIVERY



MARKETPLACE



LOGISTICS



PAYMENT GATEWAYS/BANKS



FASHION & APPAREL



SOCIAL COMMERCE



BEAUTY & COSMETICS



ONLINE SUPERMARKET



ONLINE EDUCATION



RIDE-HAILING



HEALTH TECH



MEDIA AND ENTERTAINMENT



Recommendations to the Private Sector

Platforms

- Align terms and conditions with Government rules and regulations on E-commerce
- Promote registration of businesses, encouraging the shift from social media to dedicated E-commerce platforms
- Promote the use of the centralized and secure payment system Bakong.

Vendors

- Seek assistance from development partners and accelerators (for example Khmer Enterprise) to accelerate digitization and digitalization.
- Utilize the Government owned CambodiaTrade.com E-commerce marketplace for made-in-Cambodia products.

Business Associations

- Enhance public-private-development with the Government on legal and regulatory aspects of E-commerce.
- Increase understanding of members on E-commerce in Cambodia/
 - Training programs
 - Matchmaking companies with investors

MSMEs beginning their E-commerce journey

- Enroll in public/private E-commerce literacy programs.
- Utilize existing and readily available platforms (such as CambodiaTrade.com– if applicable).
- Build a network of development partners with experience in this space
- Utilize the growing network of local coworking spaces, competitions, incubators and accelerators, to prepare you for cross-border expansion.

Recommendations to the Government

Database and Trade Statistics

- Disaggregate trade statistics on e-trade by separating traditional commerce from E-commerce. This includes the import and export of goods/services facilitated through E-commerce platforms.
- Establish a consistently updated repository of up-to-date laws and regulations on E-commerce.
- Increase data security, implementation and monitoring for consumer protection through a regulated, interoperable and connected database.
 - Whereby the database draws information from all relevant ministries, and is accessible by all.

Incorporating Digitalization from Within

- Increased adoption of online tools by Government Agencies to allow for more G2B and G2C services.
- Enhance the E-commerce related services of the Cambodia Post as a cheaper and agile option for low-value shipments.
- Seek inputs and advice from the private sector for law, regulation making, and FTA negotiations, on innovations and technologies that will affect E-commerce in the near future.
 - Ex: AI, Regulatory Tech., Internet of Things, Data Security.

Inter-ministerial Coordination

- Increased coordination among Government agencies on the support provided to MSMEs in their online journey, such as but not limited to:
 - Help MSMEs record all documents and prepare them for registration and yearly tax payments.
 - Help setup digital systems to record business transactions with financial statements.
 - Implementing e-KYC.
 - Increasing the number of available online payment gateways on government portals.
- Improve the coordination on E-commerce issues within one Ministry, and have one department dedicated to E-commerce development.

Investments and Support

- Encourage and support targeted donor funded support;
 - With a focus on under-funded initiatives such as (1) Edu-tech and (2) Health-tech.
- Support Digital Startup Incubators to better serve E-commerce related initiatives.
- Incentivize leading associations and accelerators to support cross-border E-commerce.

Conclusion

Where we are today

Cambodians have their own favorite online platforms to use when it comes to each industry. In Brief:

Food Panda is preferred for food or grocery delivery, while Facebook dominates cosmetics, medicine and fashion areas.

Likewise, **Prudential** is trusted for insurance.

Vireak Bunntham dominates logistics and **Passapp** dominates ride-hailing/ transportation although almost 70% of respondents do not book transportation online mainly because they have their own transportation.

** Based on survey results*

Online businesses are usually expansions of traditional businesses. Today, we are seeing companies adopt omnichannel strategies.

1. Traditional banks and financial institutions launching mobile banking apps and opening online payment gateways for E-commerce activities.
2. Although the ride-hailing market is growing, most survey respondents prefer using their own transportation.
3. Restaurants sign up with food delivery apps or offer self-delivery, while consumers are educated on the food and grocery delivery practices.
4. The E-commerce segment in Fashion and Beauty & Cosmetics take place mainly on social media provided by traditional shops and online sellers.
5. Global companies in the gaming, video and music streaming sector capture a much higher market share compared to local companies.

The Industry life cycle typically consists of five stages - startup, growth, shakeout, maturity, and decline. Based on our analysis, we have identified the stages of the different industries mentioned in this report.

Start-up stage

- Online education
- eHealth

Growth stage

- Media and entertainment
- Insurance
- Logistic

Shakeout stage

- Banking and payment gateways
- Ride-hailing/Transportation
- Food and grocery delivery
- Fashion
- Beauty and cosmetics

6. Logistics companies partner with online marketplaces and social commerce sellers.
7. Insurance companies are focusing on digitalization by expanding into bancassurance business, making online payment for insurance available via mobile banking app.
8. Online education is experienced by students at all levels during the pandemic. This opens market opportunities. Hence, there is demand but a lack of supply.
9. eHealth is still in a very early stage and all-in-one platforms for healthcare are needed.

What to expect moving forward

Industries to look out in 2023



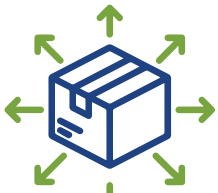
Insurance

Leading insurance players are pushing for a fully digital insurance experience considering Cambodia's growing digital penetration. Innovative solutions to traditional insurance products (such as Insurance ATMs and all-in-one platforms) are bringing exposure to provinces.



Healthcare

Healthcare, more specifically health-tech products such as all-in-one healthcare platforms and digital management systems, are set to revolutionize the way Cambodia navigates healthcare. Supported by local and international funding, health-tech startups are leading the way to improving the exposure of health-tech across Cambodia.



Logistics

Local, state-owned and international logistics service providers are set to benefit from better trade integration and implementation of a digital customs clearance system. Accessibility to foreign markets will improve, and demand for low-value shipments to foreign markets will increase.

The future of E-commerce is bright, as consumers continue to become more technologically savvy the private sector continues to push forward in line with the Government's roadmap for a digital economy.

The stability of the E-commerce ecosystem will likely depend on the ability of domestic players to compete in a saturated market dominated by foreign giants. Government regulations promoting greater competitiveness between local and foreign players will be key.

We can expect the Government, primarily through the Ministry of Commerce, to push for greater cross-border E-commerce. Expanding into global markets will become easier moving forward considering recent developments linking the electronic processing systems of the Cambodia Post and the Customs department (GDCE) for small packages; saving time and money for local MSMEs.

On an international level, trade integration developments between Cambodian and economic partners such as China, Korea and ASEAN will have a spillover effect in indirectly promoting cross-border E-commerce. We can expect it to bolster E-commerce initiatives across core exporting industries such as Agriculture, as demand for Cambodian Agri-Foods grows.

Additionally, international commitments acquired by Cambodia in bilateral and multilateral FTAs will be relevant to laws and regulations for E-commerce. To remain compliant with international obligations, the Government will likely have to amend or draft new regulations.

Resource Bank

Ministries

- Ministry of Commerce: <https://www.moc.gov.kh>
- Ministry of Economy and Finance: <https://mef.gov.kh>
- Ministry of Information: <https://information.gov.kh>
- Ministry of Industry, Science, Technology and Innovation: <https://misti.gov.kh>
- Ministry of Posts and Telecommunications: <https://mptc.gov.kh>

E-commerce Affiliated Associations

- Cambodia Women Entrepreneurs Association: <http://www.cweacambodia.org>
- Cambodia Association of Finance and Technology: <https://www.caftkh.org>
- The Association of Banks in Cambodia: <https://www.abc.org.kh>
- Young Entrepreneur Association of Cambodia: <https://yeacambodia.org>
- Cambodia Logistic Association: <https://www.cla.org.kh>

Chambers of Commerce

- American Chamber of Commerce in Cambodia (AmCham Cambodia): <https://amchamcambodia.net>
- European Chamber of Commerce in Cambodia (EuroCham Cambodia): <https://www.eurocham-cambodia.org>
- Cambodia International Chamber of Commerce (CICC) and Cambodia-China Councils Association for Economic Development (CAFED): <http://www.cicc.org.kh>
- Cambodia Chamber of Commerce: <https://www.ccc.org.kh/kh/home>
- International Business Chamber of Cambodia (IBC): <https://ibccambodia.com>

Government websites

- General Department of Taxation: <https://www.tax.gov.kh/en>
- Techo Startup Center: <https://www.techostartup.center>
- Startup Cambodia: <https://startupcambodia.gov.kh>
- Business Registration: <https://www.businessregistration.moc.gov.kh>
- Registration Service: <https://registrationservices.gov.kh/home-en/>
- Khmer Enterprise: <https://khmerenterprise.info>
- ម្ចាស់ធុរកិច្ច: www.business.gov.kh
- Cambodia Trade: <https://cambodiatrade.com/home-page>
- Digital SME Accelerator: <https://dsa.techostartup.center>
- Startup program: <https://startupcambodia.gov.kh/program?page=1>
- Registration Service: <https://registrationservices.gov.kh/home-en/>
- Commerce Cambodia iTrade Bulletin: <https://commerce-cambodia.com/2022/08/01/itrade-bulletin-vol-2-issue-01-for-july-2022/>
- National Digital Economy and Society Council website: <https://digitaleconomy.gov.kh>
- Go Digital Cambodia: <https://www.godigital.gov.kh/>

Document Resource Bank

- Google Drive: <https://drive.google.com/drive/folders/1rDYmiRCeQkkpo6XECXLNxa9kI6NwwqHU?usp=sharing>

Our Team

This year's report marks our third and largest E-commerce study yet. It is meant to serve as a one-stop report providing a holistic overview on the growing E-commerce landscape in Cambodia. More segmented studies on E-commerce are required to have a deeper understanding of various industries in Cambodia, PROFITENCE will be releasing follow-up articles in early 2023, drawing from this report, focusing on each Industry.

For 2023, PROFITENCE will be scaling up to produce a full-fledged **Digital Economy Study**. Featuring a larger sample size across consumers, producers and experts as well as coverage across more aspects of Cambodia's shift towards a fully Digital Economy.

To read more about what we do, visit <https://profitence.asia/>



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Disclaimer

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