



SARONA

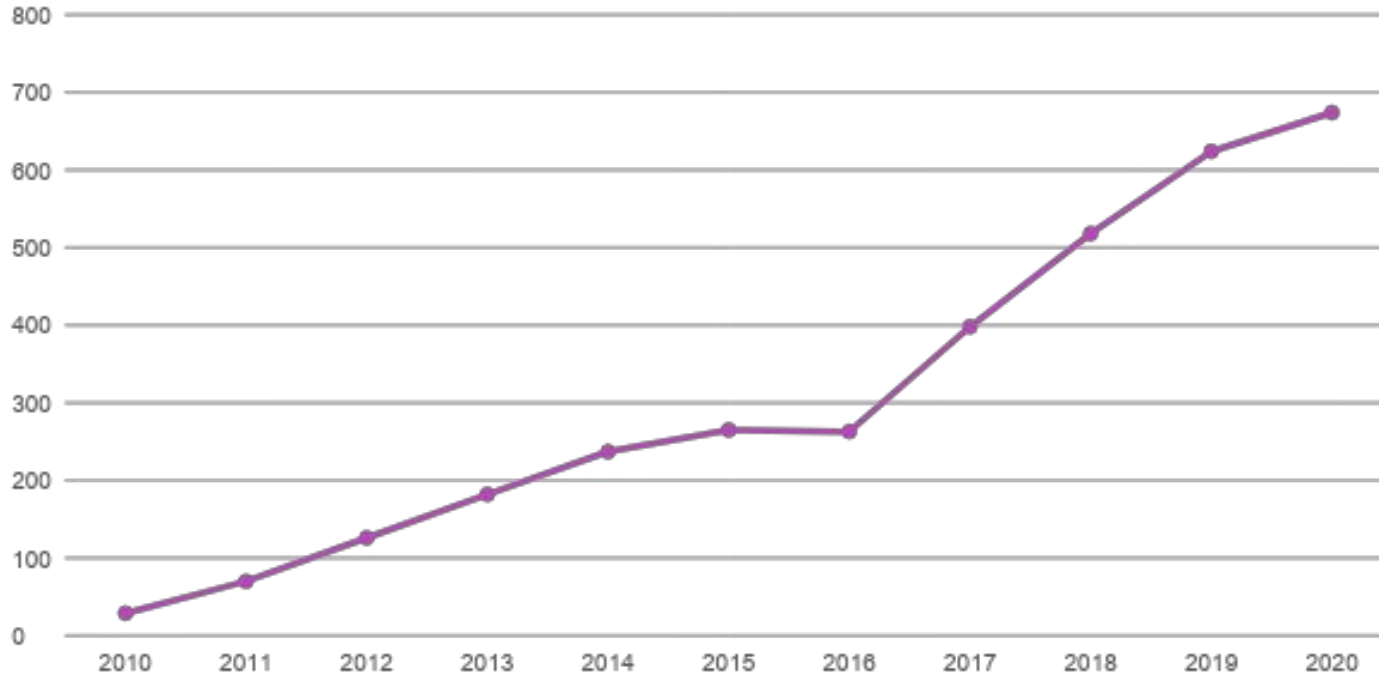
COMMERCE VENTURES

THE ISRAELI RETAIL & COMMERCE TECH ECOSYSTEM

Yael Kochman
Sep, 2022

THE RISE OF ISRAELI RETAIL TECHNOLOGY

ISRAEL RELATED RETAIL TECH STARTUPS BY FOUNDING YEAR



ISRAELI COMMERCE TECH IS BOOMING! 2021 LANDSCAPE:

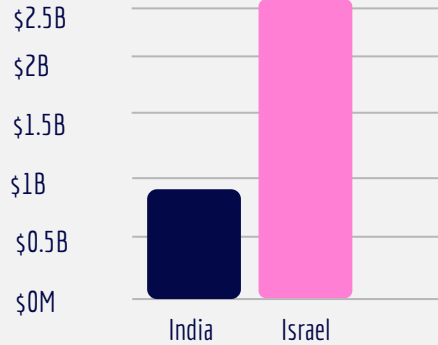


Startups
in Israel

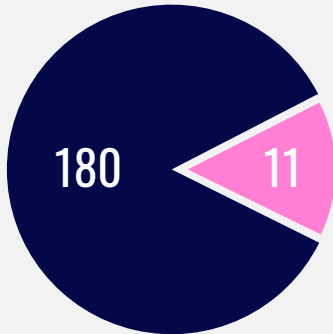


Retail tech
related startups
in Israel

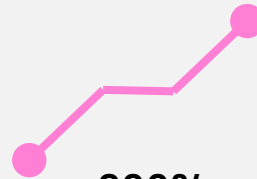
INVESTMENT IN RETAIL TECH STARTUPS



Total Israeli
Exits
(M&As, IPOs)



Exits related to
retail & commerce
tech (1 of which is
Sarona Partners'
portfolio company)



Investment growth in
retail tech since 2020



\$25.6B

Invested in
Israelitech startups in
2021



\$2.6B

Invested in Israeli retail
& commerce tech
startups

**“IF YOU ARE A RETAIL EXECUTIVE AND YOU HAVE
YET TO VISIT ISRAEL,
IT IS TIME TO BOOK YOUR TICKET”**

Chris Walton, Forbes / Apr 19

CAPITAL RAISED BY STAGE

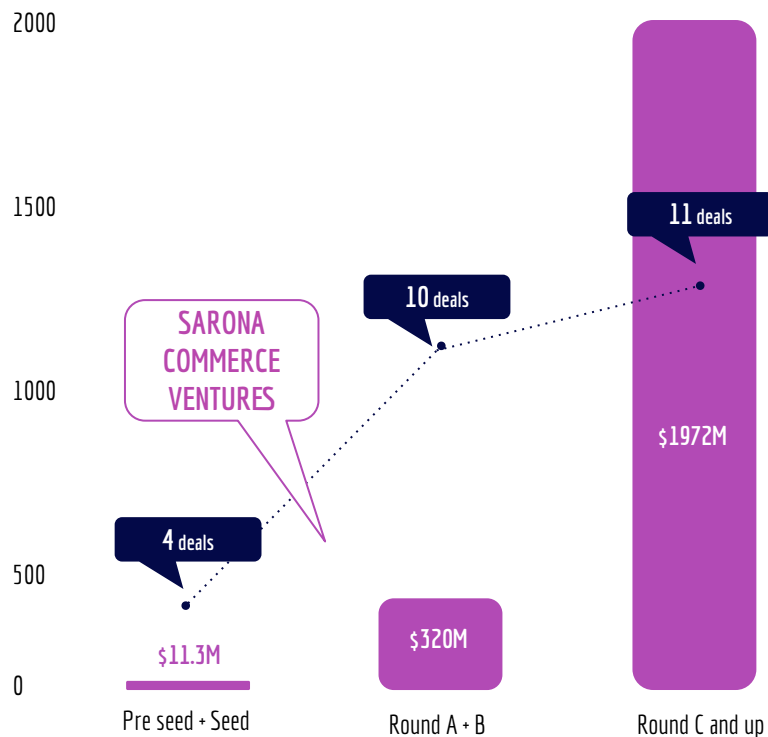
86% of capital invested in C+ stages!

There is a huge gap in the earlier stages: pre-seed A

Reason:

There are no VCs focused on investing in retail & commerce tech!

This is the gap we are aiming to close.



* 2021 data

COMMERCE TECH SUB DOMAINS

Retail Digitalization

- Smart carts
- Smart shelves
- Self checkout
- Seamless checkout
- Associates enablement
- In store analytics

Pricing & Payments

- Dynamic pricing
- Buy now, pay later
- Fraud prevention
- Returns management

Logistics & Supply Chain

- Warehouse automation
- Replenishment & Inventory management
- Route optimization
- Last mile delivery
- IoT

Direct to Consumer

- Innovative D2C brands
- Marketplaces
- E-commerce enablement
- Consumer goods

Marketing & Experience

- Customer experience
- Conversion optimization
- Data & analytics
- AR/VR/MR

Other

- Sustainability
- Accessibility
- Fashion tech
- Food tech



RETAIL GIANTS ARE BUYING INTO ISRAELI COMMERCE TECH: NOTABLE ACQUISITIONS 2018-2021

TOTAL INVESTMENT		SOLD FOR	
\$2M	Invertex	undisclosed	NIKE undisclosed
\$10M	donde	undisclosed	shopify undisclosed
\$105M	dynamic yield	\$300M	McDonald's 2.85X
\$14.5M	PROFITECT	\$107M	ZEBRA 7.4X
\$8.3M	Visualead	\$15M	Alibaba Group 1.8X
\$15M	ZEEKIT	\$200M	Walmart 13.3X
\$22M	CB4	\$150M	GAP 6.8X

**SARONA COMMERCE: THE FIRST FUND IN ISRAEL TO
FOCUS ON EARLY-STAGE RETAIL, COMMERCE & SUPPLY
CHAIN RELATED STARTUPS**

**SAMPLE OF OUR
COMMERCE TECH
PORTFOLIO**

ByondXR creates interactive 3D experiences for leading global brands that go beyond an online catalog and immerse buyers in the shopping experience.

L'ORÉAL Olay
ck LANCÔME 
GIORGIO ARMANI
beauty

“

ByondXR set out to make the commerce experience more natural, less digital, and more human.

”

- Forbes



Hexa is a powerful 3D tech stack to create, manage, display and analyze 3D products. Clients use Hexa's technology to lower visualization costs, increase sales, improve customer acquisition cost and globally display/distribute their immersive content.

3D converted products can increase conversion rate by almost **40%**

★ macy's **DOONEY & BOURKE**

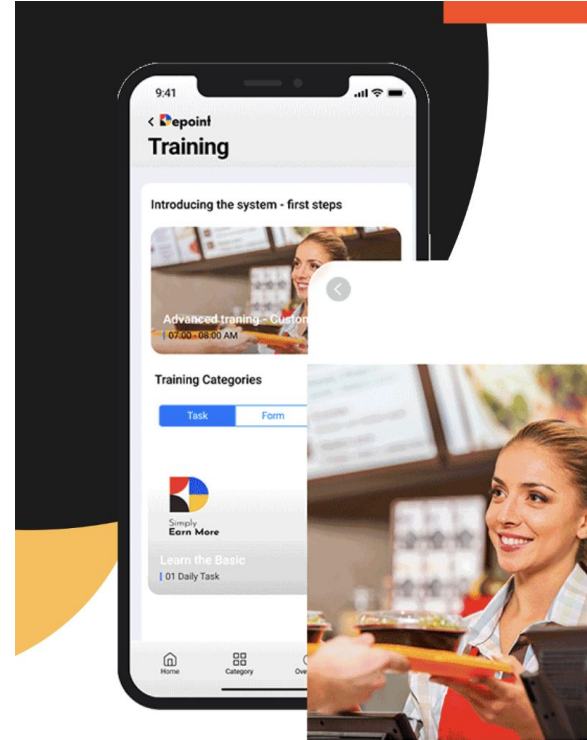
Bouclair



Depoint is a One-Stop-Shop for retailers to manage their employees, stores, systems, and processes – all in one place, enabling retail organization's innermost workings to become instantly visible, accountable, and trackable.



Massimo Dutti



Advanced training - Customer experience

04:35 15:00



BuyWith is an online shopping Livestream platform for brands, retailers, influencers & experts to host live shopping events

Livestream selling has a **70%** conversion rate average for luxury goods

67% user engagement during average livestream

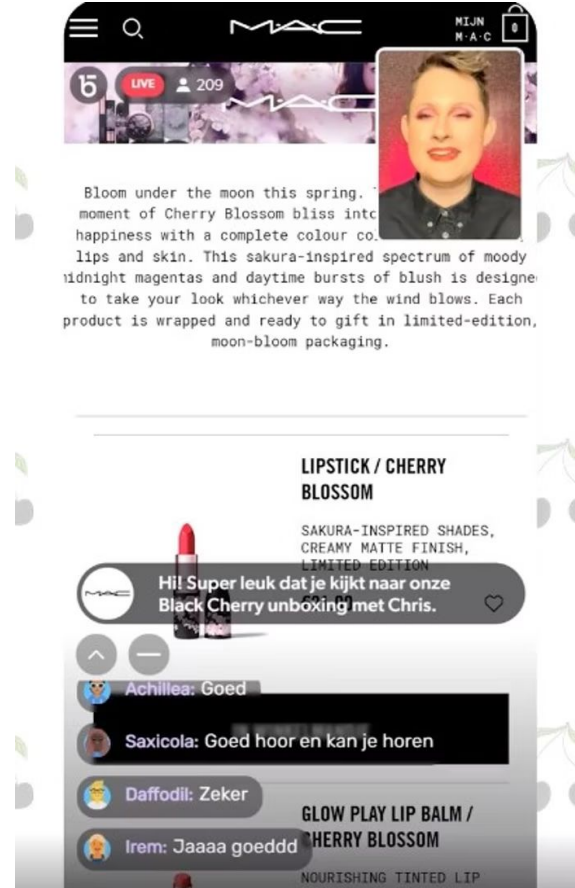


ESTÉE LAUDER



Charlotte Tilbury
MAC

BOBBI BROWN



Radd. is an eCommerce technology for boosting influencer and customer UGC via LIVE and data driven story reviews.

Barry M.



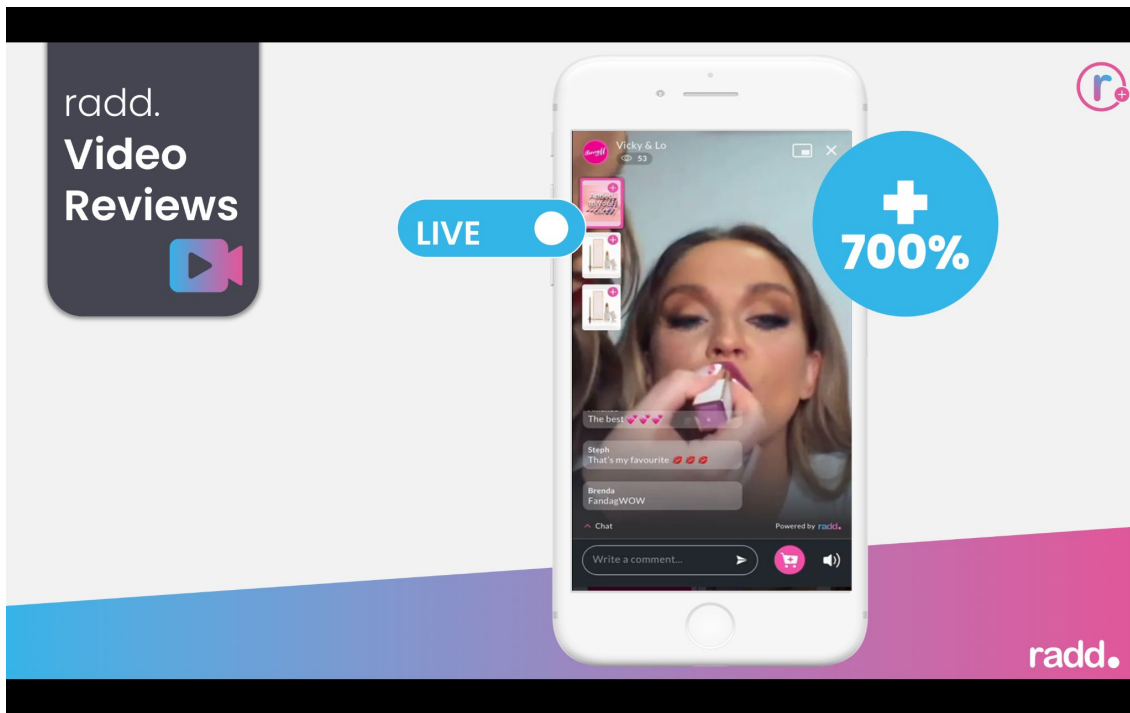
BEERBAZAAR

OPATRA®

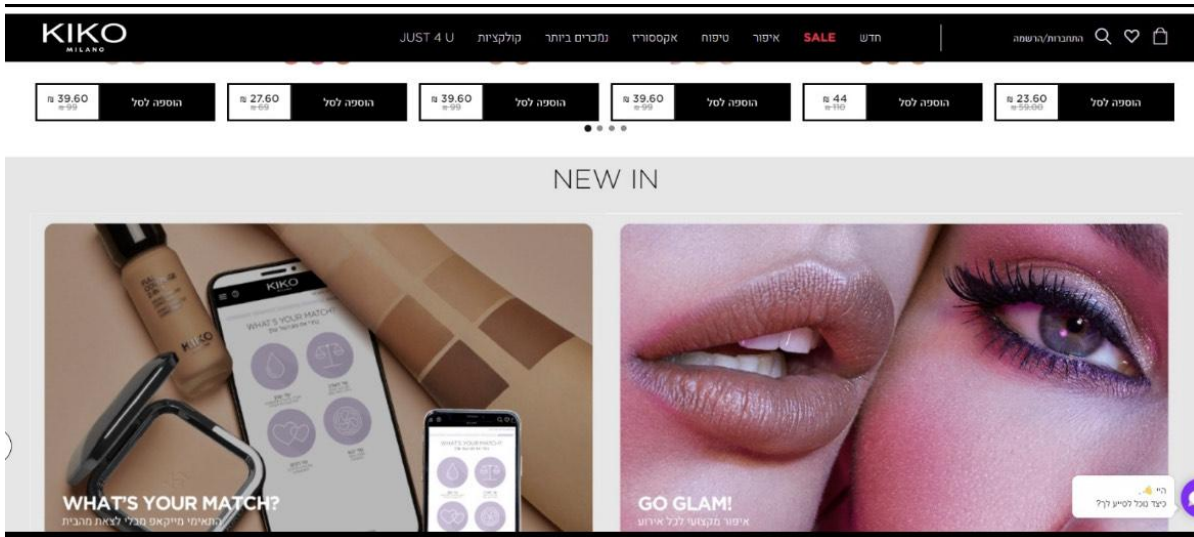
L O N D O N

“To have an added layer of social proof on the site from the user generated content has helped **drive sales** and **improve our conversion rate**”

-Ron Simchi, CMO of BeerBazaar



Selectika creates experiences consumers love and provide brands and retailers with the data they need. Using Image Recognition and Data Science. They extract rich product attributes from your catalogue, analyze shopper's preferences and based on their algorithms, they are able to provide each shopper with his own optimal digital assortment



KIKO
MILANO

ASTRO

TWENTYFOURSEVEN

FUGU tracks payments post-checkout, helping online sellers safely accept transactions they currently lose to fraud, false declines and payment churn.



50%

of friendly fraud blocked

40%

reduction in false declines

60%

of chargebacks recovered

70%

reduction in labor cost

**“RETAIL ISN'T DEAD.
ONLY BORING RETAIL IS.”**

Steve Dennis, Forbes / Mar 18

**INVEST IN THE FUTURE OF
COMMERCE.**



SARONA
COMMERCE VENTURES

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