



20 Top Trends in Tech

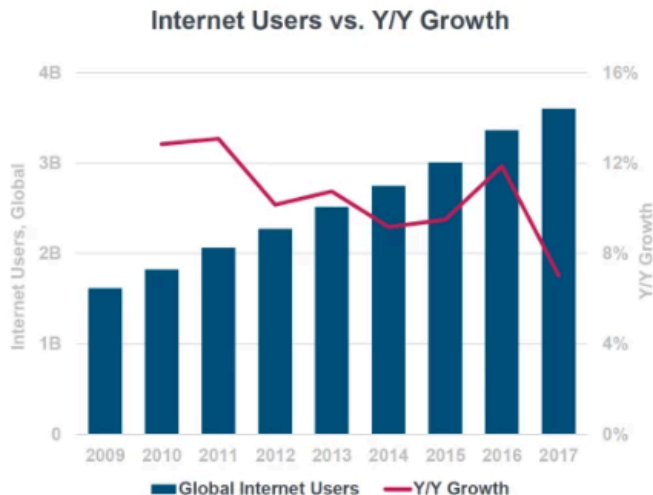
SOURCE: <https://techcrunch.com/gallery/mary-meeke-internet-trends-2018/>

Global Internet Users =
Slowing Growth @ +7% vs. +12% Y/Y

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The End of Easy Web Growth

Half of the world population, or 3.6 billion people, are now on the internet, thanks to falling prices for Android smartphones and a doubling of the total Wi-Fi networks since 2015. But the internet's user growth rate is slowing, as we still need cheaper data plans and more education about why people need the web. As the internet approaches saturation, apps will see tougher growth because there are fewer fresh users to sign up.



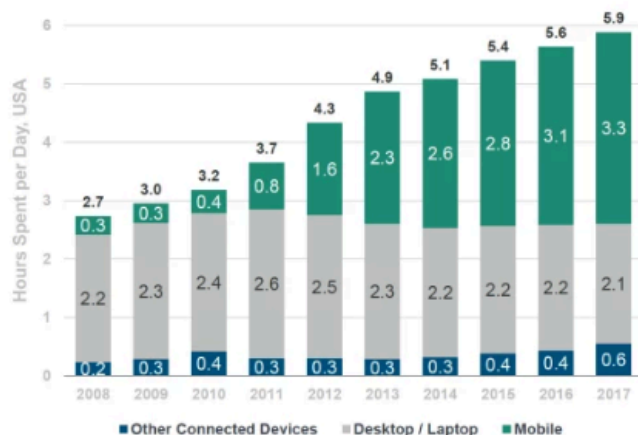
Digital Media Usage @ +4% Growth... 5.9 Hours per Day (Not Deduped)

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Addicted to Screens

U.S. adults now spend 5.9 hours per day on digital media, up from 5.6 in 2016. That's largely driven by increases in mobile usage. But we're starting to see the "Time Well Spent" movement igniting backlash against apps that purposefully maximize how long we use them, so businesses will have to focus more on creating meaningful interactions and value rather than designing dark patterns that trap our attention.

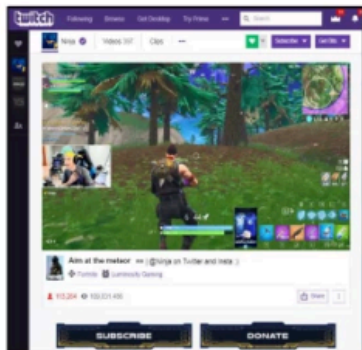
Daily Hours Spent with Digital Media per Adult User



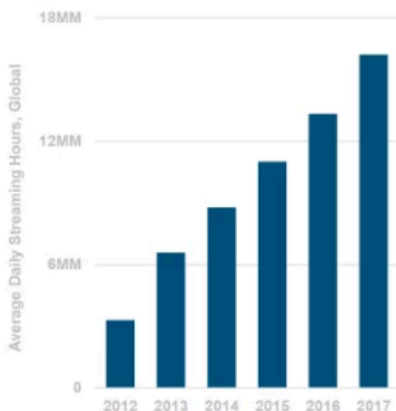
...Video = New Content Types Emerging

Fortnite Battle Royale

Most Watched Game on Twitch



Twitch Streaming Hours



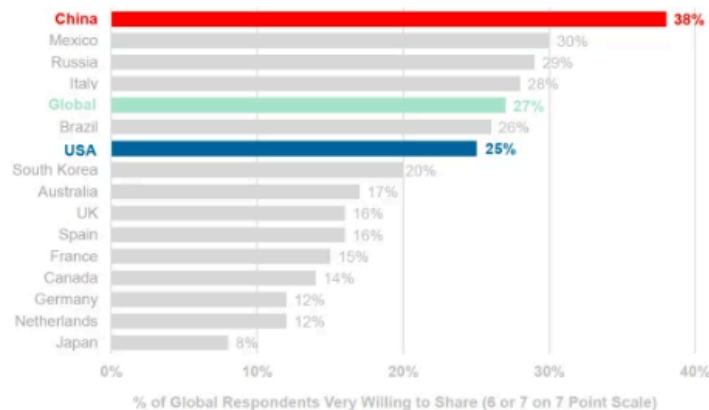
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New Mobile Mediums

Big screens and fast connections are unlocking new types of mobile experiences like the wildly popular battle royale shootout game Fortnite. Twitch streaming and total mobile video viewing hours continue to rise, unlocking potential for new game streamer tools and teen content factories.

China Internet Users = More Willing to Share Data for Benefits vs. Other Countries per GfK

*Would you share personal data (financial, driving records, etc.)
for benefits (e.g., lower cost, personalization, etc.)?*



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Who Will Trade Privacy for Product Benefits

In what I think is Meeker's most interesting slide, she shows that 38 percent of Chinese citizens are willing to provide sensitive private information in exchange for product improvements, compared to just 25 percent of Americans. That means China could gain a data advantage that lets it more rapidly develop new technologies and services.

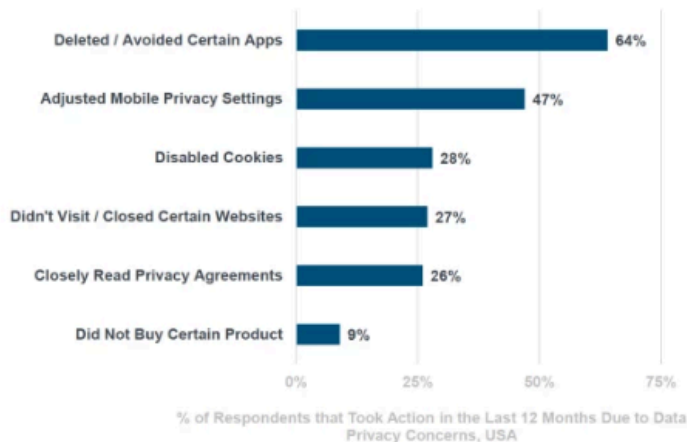
...Most Online Consumers Protect Data When Benefits Not Clear

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Privacy Scandals Trigger Deletion

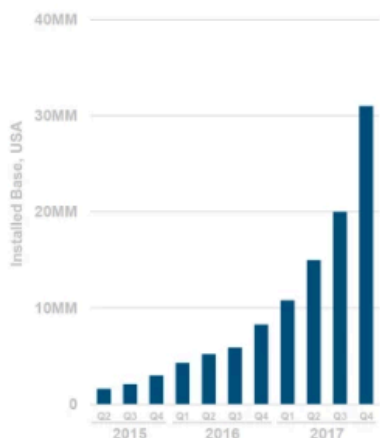
Users are taking the easy route of deleting apps that offend their privacy rather than clearing their browser cookies or digging into privacy policies. But more alarming is the 10X increase in observed malware since the start of 2016, meaning users and businesses may need to focus more on security than privacy.

Consumers Taking Action To Address Data Privacy Concerns

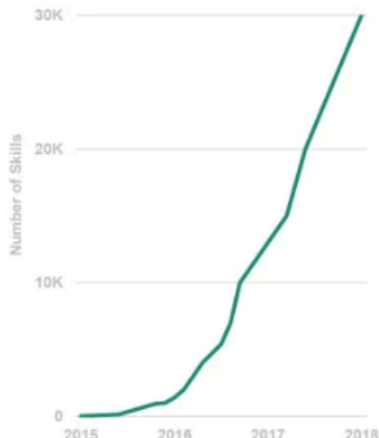


...Voice = Product Lift Off

Amazon Echo Installed Base



Amazon Echo Skills

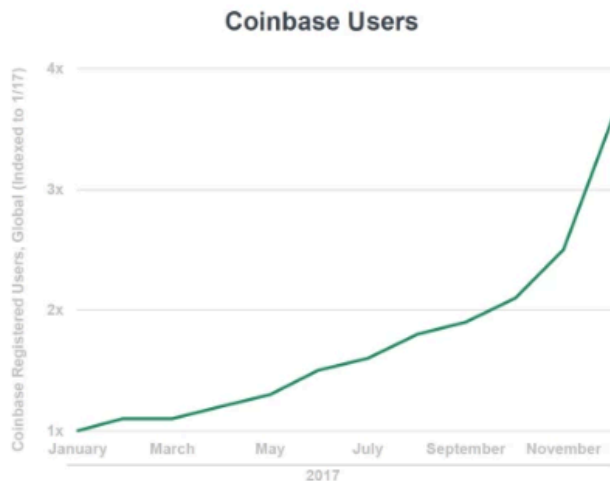


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2017 - The Year of Voice

Thanks to speech recognition reaching 95 percent accuracy in some cases, the mainstream is now rapidly adopting smart speakers and assistants. Amazon Echo's install base went from more than 10 million to more than 30 million units in 2017, while developers are seizing on incentives to build voice skills. New ways to shop, listen to music and get news will emerge from this natural interface.

...Payments = Digital Currencies Emerging



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Crypto Fever

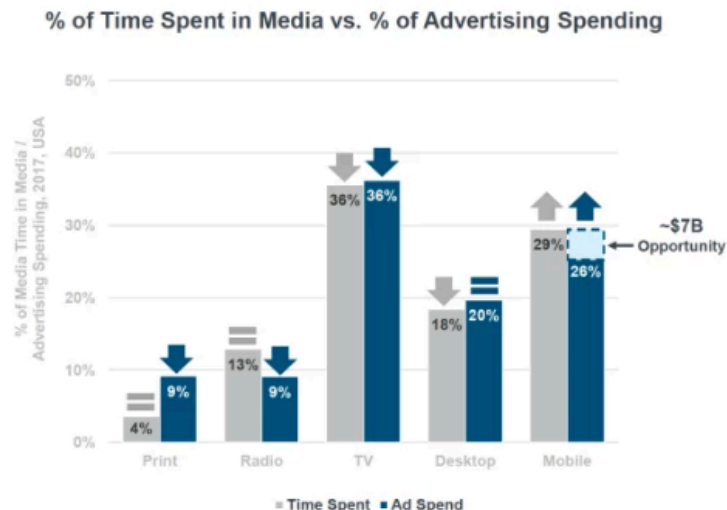
Meeker only devoted a single slide to crypto, showing Coinbase has nearly quadrupled its user base since the start of 2017. Yet much of the necessary blockchain infrastructure to legally derisk the space so hedge funds and private equity and pour in remains unbuilt, creating opportunities for new startups like crypto auditors and custodians.

Advertising \$ = Shift to Usage (Mobile) Continues

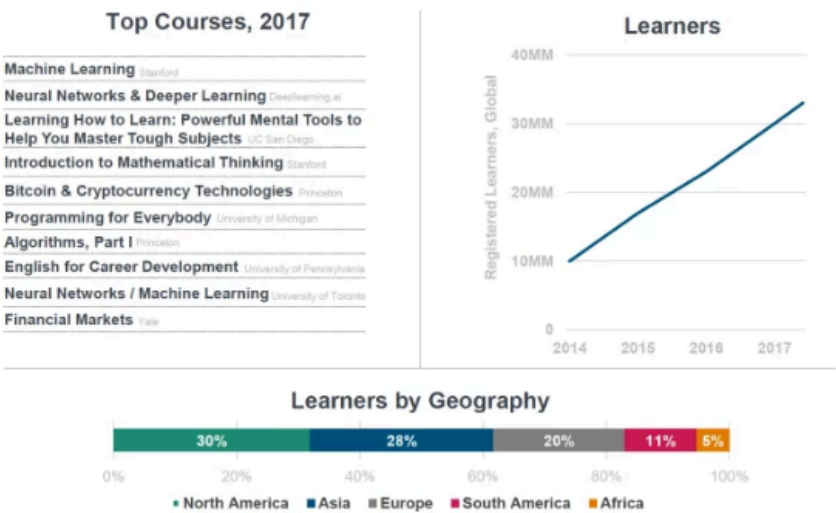
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The Mobile Ad Gap

Attention is shifting to mobile faster than ads, with 29 percent of time spent there but only 26 percent of ad dollars, creating a \$7 billion gap. But ad-hosting platforms, specifically the Google-Facebook duopoly, are increasingly becoming responsible for policing the content their ads sit next to.



Lifelong Learning =
33MM Learners +30% (Coursera)...



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Cheap Education to Fight Debt

Seeking to earn more and pay down skyrocketing student loan debt, more people are becoming lifelong learners. YouTube sees 1 billion hours of education video watched per day and online school Coursera saw a 30 percent growth in enrollment in 2017. But automation threatens to displace jobs and our education system can't teach everyone to be more capable than robots or AI, so we'll likely have to develop a form of universal basic income that doesn't destroy people's sense of purpose.

Investment (Public + Private) Into Technology Companies =
High for Two Decades

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Tech Investment Is Strong

Public and private tech investment is near a 20-year high. All of the top six R&D + capex spenders are tech companies as the industry moves to invest more of its revenue in research. Giants who won the last eras of search, social and commerce are reinvesting their profits to win the next battles over AI, self-driving cars and crypto.

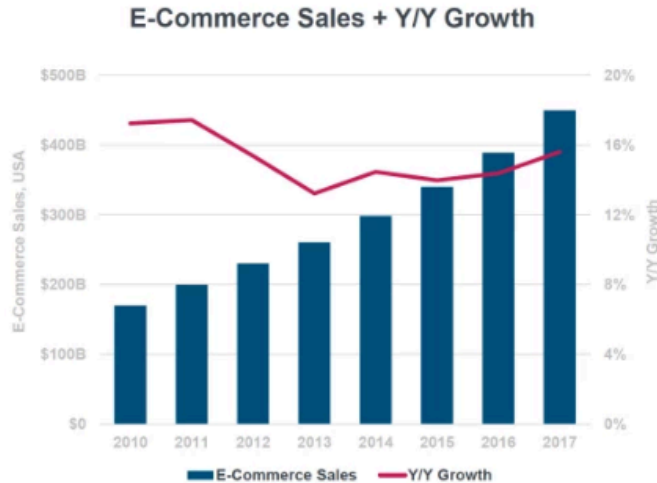


E-Commerce =
Acceleration Continues @ +16% vs. +14% Y/Y, USA

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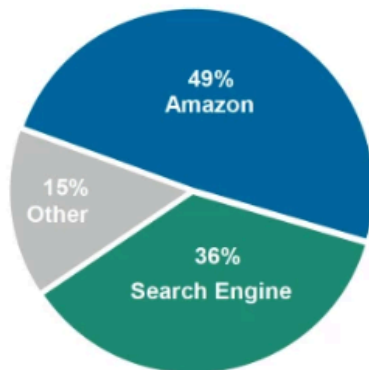
E-commerce Booms

E-commerce growth quickened in 2017 as sales reached 13 percent of all retail sales. Users are eager to shop on mobile so user experience-focused brands with apps have a chance to displace brick-and-mortar stores.



Product Finding =
Often Starts @ Search (Amazon + Google...)

Where Do You Begin Your Product Search?



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Amazon Dominates Search but Lacks Discovery

More U.S. product searches now start on Amazon than Google. The giants are converging as Google pushes Shopping results and Amazon ramps up sponsored product ads. But Amazon still relies on Facebook, Instagram, Pinterest and YouTube to inspire demand, showing it could use its own visual product discovery feature.

Alibaba & Amazon = Similar Focus Areas...

Alibaba = Higher GMV...Amazon = Higher Revenue (2017)

Alibaba

\$509B = Market Capitalization
 \$701B = GMV(E) +29% Y/Y
 \$34B = Revenue +31% Y/Y
 60% = Gross Margin
 \$14B = Free Cash Flow
 8% = Non-China Revenue as % of Total**

Amazon

\$783B = Market Capitalization
 \$225B = GMV(E) +25% Y/Y
 \$178B = Revenue +31% Y/Y
 37% = Gross Margin
 \$4B = Free Cash Flow
 31% = Non-USA Revenue as % of Total**

| | | |
|--|----------------------------------|--|
| Tmall / Taobao / AliExpress / Lazada / Alibaba.com / 1688.com / Juhuasuan / Daraz | Online Marketplace | Amazon.com |
| Intime / Suning* / Hema | Physical Retail | Whole Foods / Amazon Go / Amazonbooks |
| Ant Financial* / Paytm* | Payments | Amazon Payments |
| Youku / UCWeb / Aisports / Alibaba Music / Damai / Alibaba Pictures* | Digital Entertainment | Amazon Video / Amazon Music / Twitch / Amazon Game Studios / Audible |
| Ele.Me (Local) / Koubei (Local) / Alimama / (Marketing) / Cainiao (Logistics) / Autonavi (Mapping) / Tmall Genie (IoT) | Other | Alexa (IoT) / Ring (IoT) / Kindle + Fire Devices (Hardware) |
| Alibaba Cloud | Cloud Platform | Amazon Web Services (AWS) |

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Amazon versus Alibaba

Amazon may earn more revenue but Chinese commerce giant Alibaba has more gross merchandise volume and is aggressively expanding into countries like India and Indonesia. Both are bundling services with a breadth and price that competitors can't match.

Subscription Service Growth = Driven by...
Access / Selection / Price / Experience / Personalization

| Online Subscription Services Representative Companies | | Subscribers 2017 | Growth Y/Y |
|--|--------------------|---------------------|---------------|
| Netflix | Video | 118MM | +25% |
| Amazon | Commerce / Media | 100MM | -- |
| Spotify | Music / Audio | 71MM | +48% |
| Sony PlayStation Plus | Gaming | 34MM | +30% |
| Dropbox | File Storage | 11MM | +25% |
| The New York Times | News / Media | 3MM | +43% |
| Stitch Fix | Fashion / Clothing | 3MM | +31% |
| LegalZoom | Legal Services | 550K | +16% |
| Peloton | Fitness | 172K | +173% |

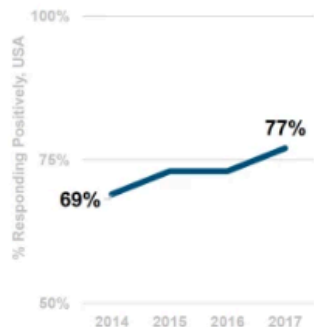
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Subscriptions Suck in Dollars

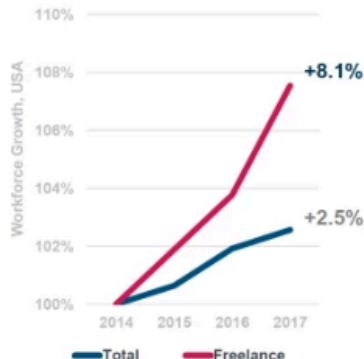
Users are increasingly willing to pay a monthly fee for easy access to content, driving subscription growth of 25% for Netflix, 43% for The New York Times, and 48% from Spotify which benefits from using an ad-supported limited access tiers to upsell subscriptions. For cross-promotion, more services are joining bundle alliances that give users discounts for subscribing to multiple apps at once.

Technology = Makes Freelance Work Easier to Find...
Freelance Workforce = 3x Faster Growth vs. Total Workforce

*Has Technology Has Made It
Easier To Find Freelance Work?*



**Workforce Growth –
Freelance vs. Total**



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Internet Unlocks Freelancing

The freelance workforce grew 8.1 percent since 2014 while the total workforce has grown just 2.5 percent, as people are using the internet to find jobs and earning opportunities on Uber, DoorDash, Etsy and Airbnb. The on-demand workforce is expected to hit 6.8 million jobs in the U.S. in 2018 as unemployment sank to 3.9 percent compared to the 5.8 percent 70-year average. People crave flexibility, meaning there are plenty to staff new on-demand startups.

Transportation as % of Household Spending = Vehicle Purchase % Declining...Other Transportation % Rising

Relative Transportation Spending =

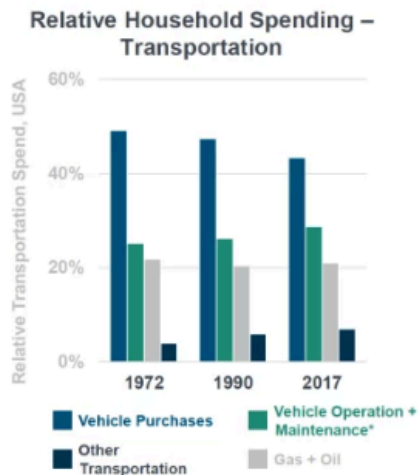
Vehicles Stay On Road Longer...

@ 12 vs. 8 Years (1995)
Average Car Lifespan

...Other Transportation Rising

+30% vs. 1995
Public Transit Usage

~2x Y/Y (2017)
Ride-Share Rides



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Key Droppers Shift Transportation Spend

Americans are spending less on car ownership and replacing their cars less often as more spending goes toward on-demand transportation. Uber's gross bookings roughly doubled in 2017, while it saw 50 percent driver growth. In dense cities like New York and Chicago, it's often cheaper to commute by Uber than personal car.

...Today's Top 20 Worldwide Internet Leaders *Today* = USA @ 11...China @ 9

Public / Private Internet Companies, Ranked by Market Valuation (5/29/18)

| Rank 2018 | Company | Region | Market Value (\$B) | |
|--------------|-------------------|--------|--------------------|---------|
| | | | 5/29/13 | 5/29/18 |
| 1) | Apple | USA | \$418 | \$924 |
| 2) | Amazon | USA | 121 | 783 |
| 3) | Microsoft | USA | 291 | 753 |
| 4) | Google / Alphabet | USA | 288 | 739 |
| 5) | Facebook | USA | 56 | 538 |
| 6) | Alibaba | China | -- | 509 |
| 7) | Tencent | China | 71 | 483 |
| 8) | Netflix | USA | 13 | 152 |
| 9) | Ant Financial | China | -- | 150 |
| 10) | eBay + PayPal* | USA | 71 | 133 |
| 11) | Booking Holdings | USA | 41 | 100 |
| 12) | Salesforce.com | USA | 25 | 94 |
| 13) | Baidu | China | 34 | 84 |
| 14) | Xiaomi | China | -- | 75 |
| 15) | Uber | USA | -- | 72 |
| 16) | Didi Chuxing | China | -- | 56 |
| 17) | JD.com | China | -- | 52 |
| 18) | Airbnb | USA | -- | 31 |
| 19) | Meituan-Dianping | China | -- | 30 |
| 20) | Toutiao | China | -- | 30 |
| Total | | | \$1,429 | \$5,788 |

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China Takes More Top Tech Company Spots

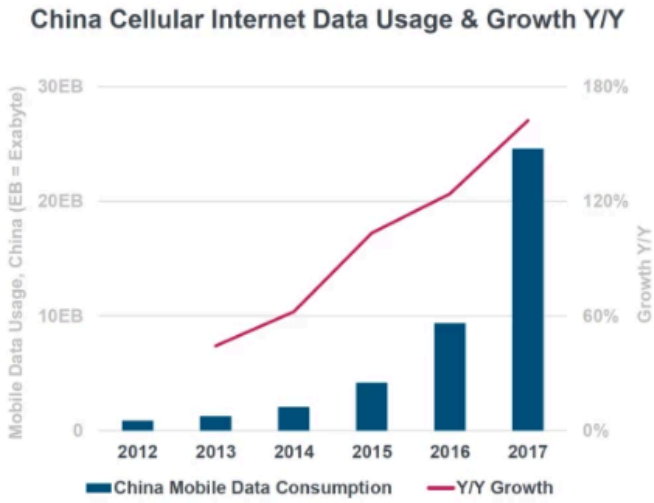
China now hosts 9 of the top 20 global internet companies, while the U.S. hosts 9. These businesses are poised to collide as they all seek to invade developing nations to find growth.

China Mobile Internet (Data) Usage = Accelerating...+162% vs. +124% Y/Y

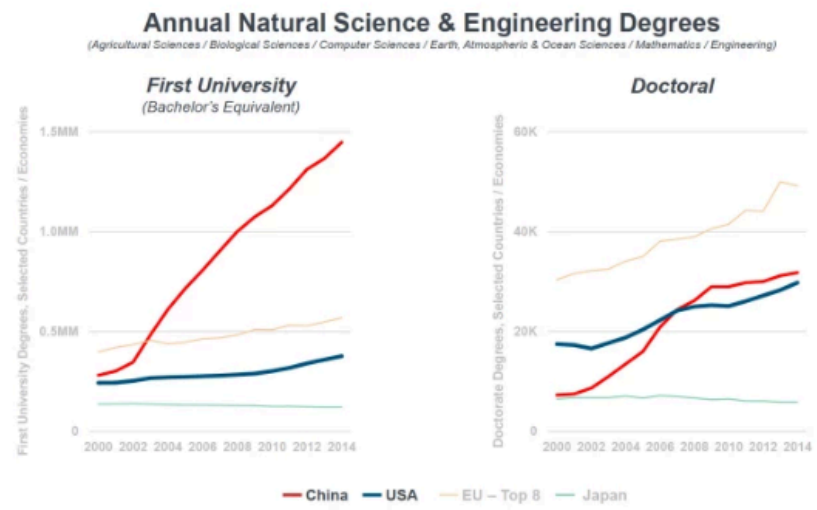
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Video Drives China Mobile Usage Hike

Mobile data usage in China went up a staggering 168 percent in 2017, driven by a shift from social networking to short-form video viewing. Apps like Douyin (Tik-Tok) and Kuaishou offer Vine-like entertainment, while iQiyi is pouring investment into original video just like Amazon.



Natural Science & Engineering Higher Education =
China Graduation Rates Rising Rapidly per National Science Foundation



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China Chases AI

Massive AI research investments by corporations and the government has led the country to start placing in international AI competitions formerly dominated by the U.S. and Japan. Meanwhile, the country is graduating far more science students. Some experts expect China to climb to AI parity with the U.S. within five years.

USA = 56% of Most Highly Valued Tech Companies Founded By... 1st or 2nd Generation Americans... 1.7MM Employees, 2017

Immigrant Founders / Co-Founders of Top 25 USA Valued Public Tech Companies, Ranked by Market Capitalization

| Rank | Company | Mkt Cap (\$MM) | LTM Rev (\$MM) | Employees | Founder / Co-Founder (1st / 2nd Gen Immigrant) | Generation |
|------|---------------------------|-------------------|-------------------|-----------|--|--|
| 1 | Apple | \$923,554 | \$239,176 | 123,000 | Steve Jobs | 2 nd - Syria |
| 4 | Amazon.com | 782,808 | 177,866 | 566,000 | Jeff Bezos | 2 nd - Cuba |
| 3 | Microsoft | 753,030 | 95,652 | 124,000 | — | — |
| 2 | Alphabet / Google | 739,122 | 110,855 | 80,110 | Sergey Brin | 1 st - Russia |
| 5 | Facebook | 537,648 | 40,653 | 25,105 | Eduardo Saverin | 1 st - Brazil |
| 6 | Intel | 257,791 | 62,761 | 102,700 | — | — |
| 7 | Cisco | 202,083 | 48,096 | 72,900 | — | — |
| 8 | Oracle | 188,848 | 39,472 | 138,000 | Larry Ellison / Bob Miner | 2 nd - Russia / 2 nd - Iran |
| 11 | Netflix | 152,025 | 11,693 | 4,850 | — | — |
| 10 | NVIDIA | 150,894 | 9,714 | 10,299 | Jensen Huang | 1 st - Taiwan |
| 9 | IBM | 129,835 | 79,139 | 366,600 | Herman Holterith | 2 nd - Germany |
| 12 | Adobe Systems | 119,271 | 7,699 | 17,973 | — | — |
| 13 | Booking.com | 100,013 | 12,681 | 22,900 | — | — |
| 14 | Texas Instruments | 108,912 | 14,961 | 29,714 | Cecil Green / J. Erik Jonsson | 1 st - UK / 2 nd - Sweden |
| 15 | PayPal | 95,858 | 13,094 | 18,700 | Max Levchin / Luke Nosek / Peter Thiel / Elon Musk*** | 1 st - Ukraine / 1 st - Poland / 1 st - Germany / 1 st - South Africa |
| 16 | Salesforce.com | 94,260 | 10,480 | 25,000 | — | — |
| 17 | Qualcomm | 86,333 | 22,360 | 33,800 | Andrew Viterbi | 1 st - Italy |
| 19 | Automatic Data Processing | 57,237 | 12,790 | 68,000 | Henry Taub | 2 nd - Poland |
| 21 | VMware | 55,262 | 7,622 | 20,615 | Edouard Bugnion | 1 st - Switzerland |
| 20 | Activision Blizzard | 53,772 | 7,017 | 9,635 | — | — |
| 18 | Applied Materials | 52,439 | 15,463 | 18,400 | — | — |
| 23 | Intuit | 50,471 | 5,434 | 8,200 | — | — |
| 22 | Cognizant Technology | 43,597 | 14,810 | 260,000 | Francisco D'Souza / Kumar Mahadeva | 1 st - India** / 1 st - Sri Lanka |
| 24 | eBay | 37,304 | 9,567 | 14,100 | Pierre Omidyar | 1 st - France |
| 25 | Electronic Arts | 34,763 | 4,845 | 8,800 | — | — |

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Immigrants, They Get the Job Done

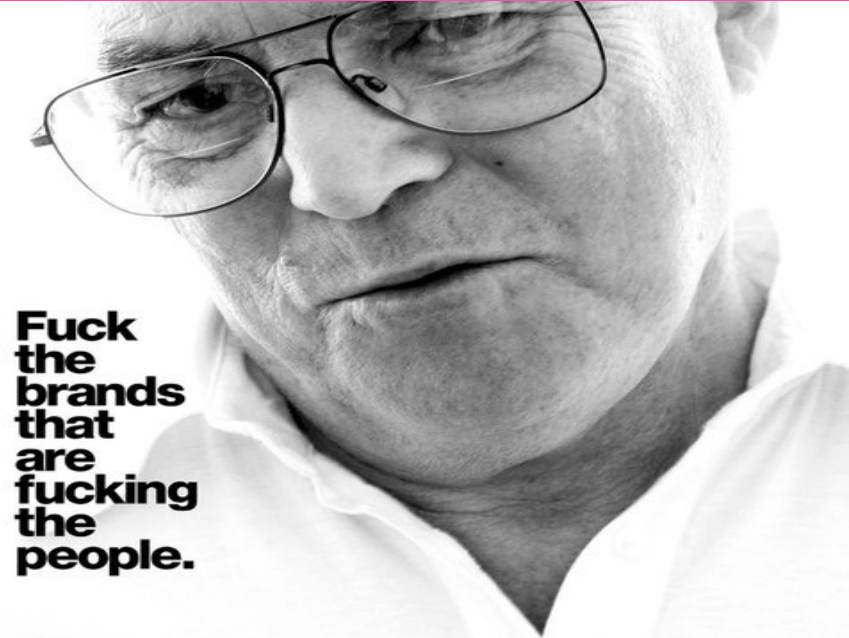
Fifty-six percent of top U.S. technology companies were founded by a first- or second-generation immigrant. Business leaders need to stand up against new government policies that will restrict high-skilled immigration and visas for science graduates, or we risk these massive employers being founded elsewhere.

“If we took the mission statements of 100 large industrial companies, mixed them up while everyone was asleep, and reassigned them at random, would anyone wake up tomorrow and cry, ‘My gosh, where has our mission statement gone?’”

- Hamel and Prahalad

Consumer Trends

GENERATION G & R.A.K



**Fuck
the
brands
that
are
fucking
the
people.**

At American Apparel, we are on the cutting edge of a new business movement- we are a socialist-capitalist fusion, looking out for everyone touched by our business practices, whether they are an individual customer or a garment worker. We are rebuilding the system of T-shirt manufacturing and distribution from the ground up.

We do not need to exploit cheap labour to make valuable product. We

are challenging the garment manufacturing paradigm, which has transformed the T-shirt industry into a global slave trade where workers commonly earn as little as fifteen cents an hour.

At American Apparel we are re-discovering the essence of the basic T-shirt- an item once considered an icon of American freedom and youth culture. What is important to us is that we are taking advantage of art, design and technology in order to bring our customers the exciting T-shirts they love to wear.

Employing over 1000 people, our downtown Los Angeles facility is a unique manufacturing community and design lab, supported by loyal, well paid employees who receive basic benefits such as health care and enjoy the rewards of a job well done.

For more information about our exclusive cotton product line, and our ground breaking political mission, please visit our web site: www.americanapparel.net

Consumers: You can buy our products 24-7 online for immediate delivery or maybe find them at your favorite retailer.

Promoters: If you're showcasing an event, band, record label, company or film, ask your screen printer to use sweatshop-free American Apparel garments. Or, contact us directly if you need a screen printer referral or additional wholesale information.

Classic Girl™ Standard American™ americanapparel.net Sweatshop Free T-shirts™

American Aparrel & KLM

EXPERIENCE IS THE PRODUCT



TOPSHOP PRESENTS THE
HELMUT NEWTON
PHOTO MACHINE

IN STORE

LONDON OXFORD CIRCUS
JUNE 10TH - 15TH
MANCHESTER ASKDALE
JUNE 17TH - 22ND
DUBLIN ST STEPHENS GREEN
JUNE 17TH - 22ND

Topshop is proud to showcase the twentieth century's most influential, intriguing and controversial photographer, Helmut Newton and his ingenious 'Newton Machine'.

Having inspired many photographers, designers and artists over the years, Newton's iconic style and love of strong, powerful women is still heavily referenced today - as the forthcoming AW08 season of 'Fierce femininity' and killer heels showed us.

So what better time for Topshop to celebrate his work and present the 'Newton Machine' - Newton's very take on self-styled, self-shot photography.

HELMUT NEWTON

Portrait of an icon



TOPSHOP GALLERY

Your style shots



COMPETITION

Win a trip to Berlin

Elle Perotti Image ©The Helmut Newton Estate / Magnum Photography and Helmut Newton Portraids Glass Springs / Magnum Photography
Shop at Topshop.com or sign up to our weekly Style Notes
Copyright notices and terms of use

Karim Rashid's Bobble & Helmut Newton

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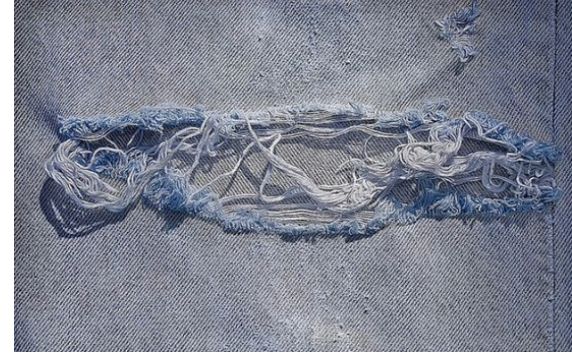


Take Home Improvement
into Your Own Hands.
You Can Do It. We Can Help.



Bag Borrow or Steal , Fuel, Home Depot and HSBC

ECO-CREDENTIALS



Weng Jie, Life Box, Ford, Patagonia and Toyota

ECO-ANXIETY

When someone talks about climate change, how do you feel?

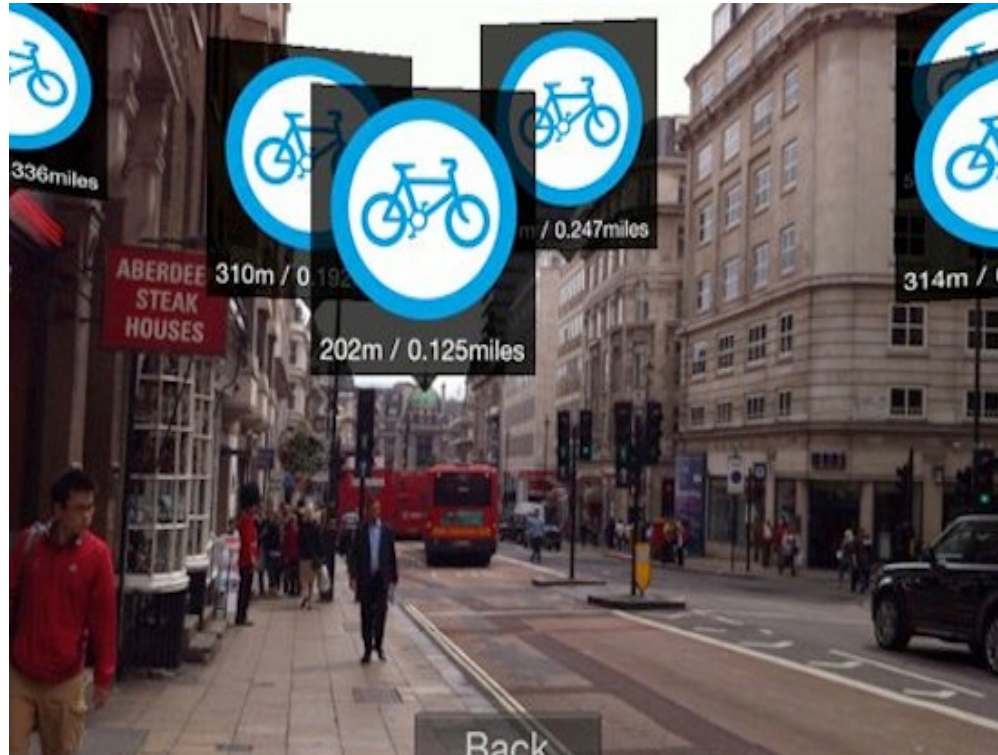


GOING CUSTOM



Saeco & Coke

EXTREME UTILITY



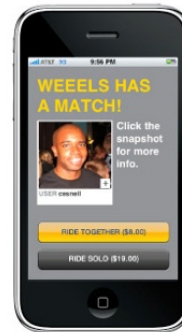
Delta Airlines and OTG Management, London Transport

EXTREME TRANSPARENCY



Whole Foods

WISDOM OF CROWDS



One Billion Minds, Groupon, Wheels, Nashaotbor

Reflection...