



# Rakuten

Rakuten, Inc. is a popular Japanese e-commerce company with its headquarters in Setagaya, Tokyo. The company was founded in 1997 by Hiroshi Mikitani under the name MDM, Inc., but two years later changed its name to Rakuten. The new name, which translates to "optimism," was adopted to reflect the company's attitude towards growth and development at a time when e-commerce was not considered a solid investment. Despite considerable skepticism, the company grew incredibly quickly, and years later, boasts over 1.2 billion users in 30 countries and regions around the world.

According to Mikitani, his idea for an online shopping mall was born when he ordered cup noodles from a local store, and they were delivered to his doorstep. Not long after, Rakuten Ichiba was created. At the time, the company had only six employees and 13 merchants offering goods on the website, but it didn't take much for the company to take off and within three years the number of merchants jumped to over 2300!

Although the original idea for Rakuten was a simple online store, the company soon developed into much more than that. By 2004 Rakuten acquired an internet portal and search engine known as Infoseek Japan K.K. Then they expanded into the online travel business by acquiring MyTrip, launched their own credit card, and even founded Rakuten Baseball, Inc. to manage their baseball team, the Tohoku Rakuten Golden Eagles. Rakuten also established an Institute of Technology in Tokyo. The following year the company expanded into the U.S. by acquiring the LinkShare Corporation.

In the years that followed Rakuten focused on Internet Finance and acquired eBank Corp. and BitWallet, and by 2011 they finally reached their goal of 1 trillion yen in gross transaction value. The next four years saw the company's expansion into the eBook business and the mobile phone industry with the addition of Rakuten Kobo, OverDrive, Rakuten Mobile and Viber.

In recent years, Rakuten hasn't shown any signs of slowing down. In addition to its successful baseball team, the company entered the Japanese Professional Football League by acquiring the Vissel Kobe club in 2015. The following year a research and development organization Rakuten Blockchain Lab was opened, the company continued its educational services with ReDucate and Rakuten Super English, and in 2017 they signed a deal making them the Main Global Partner of FC Barcelona.

Over the years Rakuten's development has been unpredictable. Having grown from a pure e-commerce company to managing finance, security, sports, telecommunications, and many other services Rakuten has attracted over a billion users and 15,000 employees who have together made it into one of the most successful companies in Eastern Asia and an e-commerce distributor that is often deservedly referred to as Japan's Amazon.

## Vocab Match

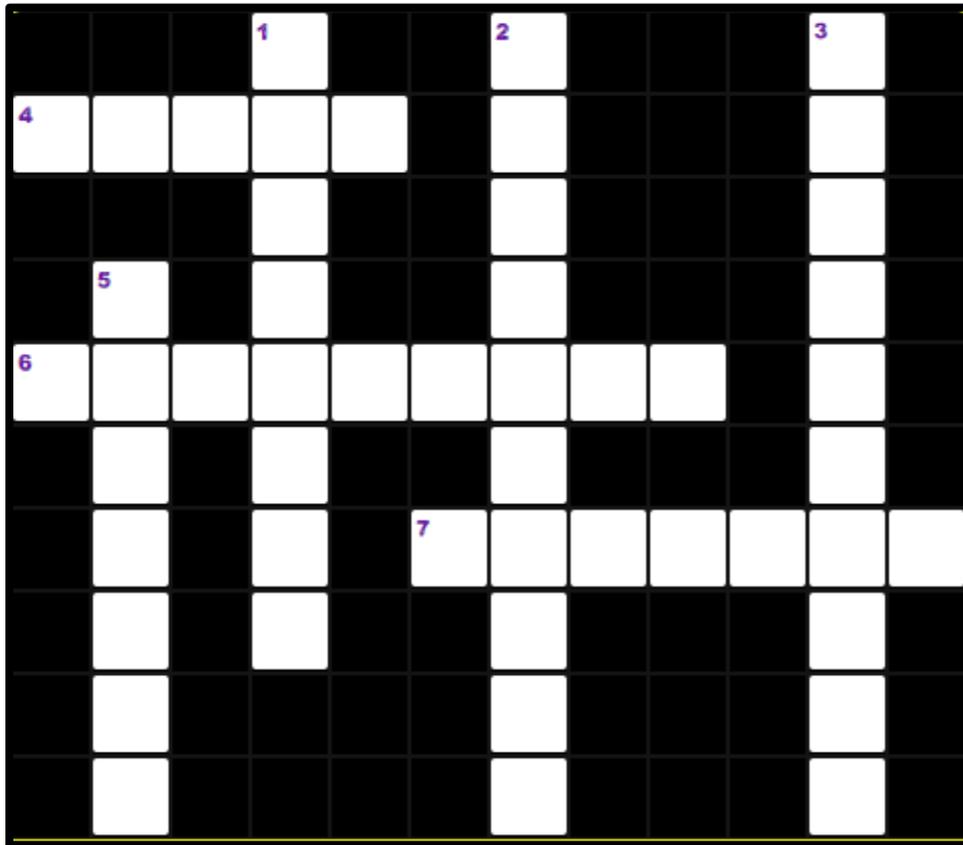
Name: \_\_\_\_\_

Word	Answer	Definition
1. e-commerce	1. ____	a. verb- represent or embody appropriately
2. optimism	2. ____	b. noun- hopefulness and confidence for the future
3. adopt	3. ____	c. verb- buy, obtain
4. reflect	4. ____	d. adjective- behaving in a way that always changes and can't be predicted
5. skepticism	5. ____	e. noun- exchange of money
6. acquire	6. ____	f. noun- online shopping
7. transaction	7. ____	g. verb- cause people to have interest in or come to a certain place
8. unpredictable	8. ____	h. noun- doubt
9. attract	9. ____	i. adverb- in a way that is rightful and deserved
10. deservedly	10. ____	j. verb- choose to take up or follow an idea, a course of action, a method, etc.

## Discussion Topics

1. What are the pros and cons of online shopping?
2. Do you shop online? What do you usually buy?
3. Do you think that physical stores will one day completely disappear? Why?
4. Why do you think more and more stores choose to sell their products online?
5. Have you ever had a negative online shopping experience?

# Rakuten



## Hint!

### ACROSS

4 verb- choose to take up or follow an idea, a course of action, a method, etc.

6 noun- online shopping

7 verb- represent or embody appropriately

### DOWN

1 noun- hopefulness and confidence for the future

2 adverb- in a way that is rightful and deserved

3 noun- doubt

5 verb- buy, obtain

Name: \_\_\_\_\_

## **Quiz**

**1) What was Rakuten's original name?**

a. MBA b. DMD c. MDM d. MDN

**2) What does Rakuten mean?**

a. optimism b. greatness c. happiness d. future

**3) What did Mikitani want Rakuten to be?**

a. an internet bank b. an online mall c. a telephone company d. a sports management company

**4) According to the article, how many countries and regions are Rakuten involved with?**

a. 20 b. 39 c. 30 d. 50

**5) Which product gave Mikitani the idea for his business?**

a. takoyaki b. miso soup c. okonomiyaki d. cup noodles

**6) How many employees did Rakuten start with?**

a. 5 b. 6 c. 7 d. 13

**7) For which sports does Rakuten own teams?**

a. baseball and football b. baseball and basketball c. a football and basketball d. all three

**8) Where was Rakuten's first overseas subsidiary opened?**

a. in Thailand b. In the U.K. c. in Singapore d. in the U.S.

**9) Which of these instant chat apps belongs to Rakuten?**

a. BlackBerry b. Viber c. Line d. WhatsApp

**10) What is Rakuten sometimes referred to as?**

a. Japan's Amazon b. Japan's Costco c. 15 Japan's Giant d. Japan's Walmart

# Key

Matching	Quiz
1. f	1. c
2. b	2. a
3. j	3. b
4. a	4. c
5. h	5. d
6. c	6. b
7. e	7. a
8. d	8. d
9. g	9. b
10. i	10. a

**PROJECT:** Students choose an online business and present about the company. Presentations should include history, background information and a SWOT on the company

Article written by: Jelena Kalaba

Source: <https://global.rakuten.com/corp/about/history.html>,

<https://rakuten.today/blog/founding-story.html>,

<https://www.techinasia.com/rakuten-infographic>