



Lazada's LazMall Brands Future Forum (BFF) 2021 Key Takeaways 1 September 2021

Lazada Group held its second edition of LazMall Brands Future Forum (BFF) 2021, at Marina Bay Sands Expo & Convention Centre in Singapore on 1 September 2021, with a mix of in-person and virtual attendees from across the region.

Themed ***Rising to the Future: Southeast Asia's Digital Commerce***, various executives from Lazada shared about the growth of LazMall and its continued commitment to helping brand partners grow. Leveraging Lazada's eCommerce infrastructure and capabilities in AI, technology and digital marketing solutions, customised strategies can be developed to enhance the customer lifecycle, delivering a premium online shopping experience.

During the welcome speech, **Chun Li, Chief Executive Officer, Lazada Group** remarked how innovation, creativity, cutting-edge technology and stunning customer experiences have continued to transform eCommerce, resulting in a great online migration, with over 70% of the Southeast Asia's population now using the internet.

The Lazada platform has more than 110 million annual active consumers, and online transactions have grown 100 per cent year-on-year¹. In just three years, **LazMall has grown to house over 32,000 local and international brands**, with a high-quality customer base who are willing to spend more to purchase from brands they know and love, as well as discovering new brands on the platform.

New buyers on the LazMall channel nearly doubled year-on-year², and the value of purchases made by LazMall customers is twice that of an average buyer on the Lazada platform. With increased consumer trust and confidence when purchasing higher value items. LazMall Prestige launched as a premium offering across the region, giving shoppers access to renowned brands like Bacha Coffee, Bang and Olufsen, Coach, La Mer, Salvatore Ferragamo and many more.

James Chang, Head of Strategic Accounts and Retail, Lazada Group, continued by emphasising that as online retail grows, adoption of a long-term digital commerce strategy that is unique to each brand is key. To ensure success, Lazada offers fully customised business and marketing tools and solutions, tailored to the needs of each brand and their customers.

- **One unified customer experience:** Creating one holistic message and experience for all go-to-market channels through enriched data and technology. Finding the most appropriate time to convey a message that maximises the reach of their brand experience to customers.
- **Membership loyalty programmes:** Ensuring two types of programmes are available for all brands - integrating existing brands' membership programmes seamlessly as part of their LazMall store. For those without an offline version, LazMall will create simple solutions where brands can still provide incentives to their customers and encourage repeat purchases.

On winning customer loyalty and trust, **Raymond Yang, Chief Product Officer, Head of Platform Operations, Lazada Group** shared that the Lazada's ecosystem provides a full suite of customisable

¹ For the period Dec 2019 to Dec 2020

² First half of 2020 VS first half of 2021

features such as premium decoration tools, user segmentation, and APIs including online-to-offline solutions to help brands grow their customer base.

Other customer-centric solutions include:

- **Customer Engagement Management:** This function aims to provide brands with an advanced customer operation experience. Brands are in better control of valuable customer assets, so they can offer customised rewards to different customer groups based on their buying journey.
- **Universal Shopping Campaign:** Guaranteed strong returns on investment in terms of orders and traffic uplifts for brands, by combining Lazada's leading performance marketing solutions – Sponsored Affiliates, Sponsored Discovery and priority placements. These are backed by a series of smart algorithm, enabling automatic selection and optimisation of SKUs, keywords, and creatives. The results mean highly affordable and time-efficient campaigns that brands can run easily.

Key highlights of the upcoming 9.9 Biggest Brands Sale:

- Unveiled LazMall's first regional brand ambassador, Hallyu super star, Hyun Bin.
- Features that customers can enjoy as they add-to-cart and check out: Pre-sale and co-branding, Crazy Brand Mega Offer, Flash Sales, Free Shipping, Lazada Bonus, Platform and category vouchers.
- Newest addition on LazGames – Lazzie Star where shoppers can help Lazada's mascot Lazzie "level up" to become a Super Star. Users can complete a series of daily tasks and special missions that will unlock exclusive platform and seller vouchers as well as Lazada Bonus rewards to use during 9.9.

As part of celebrating LazMall's third anniversary, and counting down to the 9.9 Biggest Brands Sale, – the first of Lazada's year-end mega campaigns – the event also presented the second BFF Awards Ceremony.

The BFF Awards 2021 honoured **nine top performing and innovative global and Southeast Asian brands** on the LazMall channel with **The Estée Lauder Companies** taking home the most coveted award **LazMall Brand of the Year**, and **Samsung** winning the **Best Brand Partnership Award**.

The Awards celebrates excellence demonstrated within the online retail landscape, the agility in adapting business strategies in an ever-evolving commerce environment, as well as constant creativity in seeking fun and interactive ways to enhance customers' online shopping experiences.

This year's winners included:

Best New Brand Launch Award	Nike
LazMall Rising Star Award	Coach
Best New Product Launch Award	Lancôme for Lancôme Advanced Génifique Youth Activating Concentrate
LazMall Marketing Excellence Award	Shiseido Group
LazMall Innovation Excellence Award	Starbucks
Lazada Partner Award	Synagie
Best Use of Lazada Sponsored Solutions Award	L'Oréal Consumer Products Division

For more information on the BFF Awards, please refer to the **Annex 1**.

The event concluded with a panel discussion titled **Looking Forward: What's Next for Southeast Asian Digital Commerce** hosted by Emma Paterson, Regional Head of Strategic Brand Solutions at LazMall, Lazada Group. The panel brought together **Kevin McGuigan, Vice President and Managing Director, Southeast Asia Region and Country Leader of Singapore at 3M; Jerome Hamlin, Head of Industry for E-Commerce at Google; and Juliana Chu, Vice President of Digital and Ecommerce, Asia Pacific at Shiseido.**

During the session, Google's Hamlin referenced the latest e-Conomy Southeast Asia report³, which highlighted how acceleration in digital consumption impacts brands' engagement with consumers. The shifts in consumer behaviour have tripled the number of "Seller" & "Seller Center" related searches since the start of the pandemic. This increased choice for consumers has led to greater expectations of quality and service from the brands that they shop with online. He also noted that consumers are increasingly spending more time on video platforms like YouTube, and it is increasingly important for brands to think how they can be part of this video consumption shift through creator engagement, and data-driven advertising .

Similarly, discussing how brands can retain customer loyalty, Chu commented how Shiseido successfully tapped onto LazMall solutions to improve customer experience, which ultimately led to capturing new user growth. Chu advised that brands can increase their "stickiness" and in turn drive customer loyalty by keeping consumers engaged via delivering targeted customer experience. Examples she cited include Shoppertainment features to give a "fun" shopping experience especially for younger consumers, as well as beauty technology that mimics physical in-store shopping experiences such as virtual try-on of make-up products. She highlighted how the majority of consumers would plan their purchases ahead of mega campaigns, hence brands should start planning early, incorporating strategies to drive sales and stand out to customers. This can be done by looking at past consumer purchasing behaviour analytics to predict and deliver personalised product recommendations and customer experience for consumers.

To ensure success during campaign periods, McGuigan recommended that brands have clear objectives and kickstart preparations at least three months in advance, with close collaboration between internal teams and Lazada. A basic framework for first time planners to ensure positive customer experience throughout should include careful planning of inventory and projecting various scenarios for a smooth execution of campaigns.

McGuigan explored the different ways in which 3M approaches distribution and assortment strategies, and discussed how consumer education is vital to keeping consumers engaged with a brand, especially on digital platforms. This includes content that helps articulate how a product is different in quality and price point when compared to alternatives. He also commented on an interesting discovery on LazMall product reviews where brands are learning "reverse consumer education" where customers are sharing alternative uses of their products.

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About Lazada Group

Founded in 2012, Lazada Group is the leading eCommerce platform in Southeast Asia. We are accelerating progress in Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam through commerce and technology. With the largest logistics and payments networks in the region, Lazada is a part of our consumers' daily lives in the region and we aim to serve 300 million shoppers by 2030. Since 2016, Lazada has been the Southeast Asia flagship platform of Alibaba Group powered by its world-class technology infrastructure.

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³ Please refer to <https://economysea.withgoogle.com/>

Annex 1

LazMall BFF Awards 2021 Award Categories

	Award Category	Description
1	LazMall Brand of the Year	This award is the most coveted award of the LazMall BFF Awards and recognises a brand that exemplifies keen entrepreneurial spirit and innovation in the eCommerce industry. The winning brand has consistently delivered outstanding outcomes through participation in various LazMall initiatives and campaigns, and has demonstrated strong support for LazMall's ongoing commitment to deliver 100% authentic and quality products to consumers in Southeast Asia.
2	Best Brand Partnership Award	The success of LazMall brands is measured through a combination of metrics such as store operations and adoption of commercial tools, and the participation in campaigns to drive engagement, that go beyond sales. This award spotlights a brand that has distinguished itself as a leader through exemplary always-on operational executions.
3	Best New Brand Launch Award	LazMall is a leading online shopping mall in Southeast Asia, boasting one of the widest assortment from a growing number of popular brands, with more choice for consumers added every day. This award celebrates a new brand that opened to great fanfare and consumer anticipation across the region.
4	LazMall Rising Star Award	This award recognizes the brand that has achieved astounding positive month-over-month growth on LazMall through using a combination of commercial tools, marketing solutions and data insights. The brand has proven to be the region's fastest growing brand on the platform, cementing its status as an industry leader, reaching to millions of customers through the Lazada platform within a short period of time.
5	Best New Product Launch Award	LazMall brands maintain a wide assortment of products and continuously innovate to bring the latest, trendiest and premium product range to their discerning consumers. This award spotlights a brand that has developed the best promotional and communications plan to drop their latest new product via LazMall where the brand subsequently increased their buyers penetration and boosted sales.
6	LazMall Marketing Excellence Award	This award celebrates the brand that has embraced and adopted the best use of the LazMall Super Series Campaigns. The brand has participated in activations such as Super Brand Day and Super Brand Parade to offer the best branded experience, promotions and deals for its customers, together with unique hero products made available on its LazMall store.
7	LazMall Innovation Excellence Award	Lazada has always encouraged innovation throughout the platform. This award spotlights a brand that has shown agility to innovate in times of change, while continuing to intimately engage and scale their buyers base on LazMall.
8	Lazada Partner Award	The eCommerce landscape in Southeast Asia is made possible and sustainable by the commitment, belief and trust of many stakeholders within the ecosystem. Lazada Partners have played a vital role in enabling and driving business growth in a brand's online journey with LazMall. This award recognises a Lazada Partner that has successfully delivered best-in-class service, execution and consultation, exceeding LazMall's expectations and standards.
9	Best Use of Lazada Sponsored Solutions Award	Lazada is constantly developing best-in-class tools and curating industry insights and knowledge to enable and empower brands to connect

		with Southeast Asian consumers through an effective and optimised approach that utilises Lazada Sponsored Solutions, data and tools. This award recognises a brand that has actively adopted recommended solutions with the greatest mileage and sales uplift
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