

More than half of Southeast Asian consumers search for products directly on eCommerce marketplaces

- Report released by Lazada finds 57% of shoppers in the region search for products directly on eCommerce marketplaces, establishing eCommerce platforms as a new search engine
- Lazada continues to invest in technology and consumer insights to create value for brands, sellers and consumers in line with company's focus on long-term business growth
- LazMall an important platform in which Lazada will invest, with focus on improving customer engagement and retention

SINGAPORE, 1 September 2022 – Lazada today released its Lazada Sponsored Solutions' (LSS) thought leadership report, "Transforming Southeast Asia: From Discovery to Delivery", at its LazMall Brands Future Forum (BFF) 2022 held here at Resorts World Sentosa.

Now in its third edition, LazMall Brands Future Forum (BFF) is a trade event that brings together the region's industry leaders and Lazada partners to exchange ideas and innovations aimed at enabling brands and sellers to thrive and offer a differentiated retail experience in Southeast Asia. The event featured presentations from Lazada executives, a panel discussion with LazMall's top brands as well as interactive booths showcasing some of Lazada's experiential shopping technology.

With eCommerce user penetration expected to reach 413 million users by 2025, more dynamic shopping journeys are seeing 57% of shoppers in the region searching for products directly on eCommerce marketplaces. This shift away from commonly-used search engines highlights the importance of eCommerce marketing solutions and the digitalization of businesses to remain resilient and relevant amid rising global interest rates and inflationary pressures.

"eCommerce marketplaces like Lazada have surpassed social media and search engines to become the discovery channel of choice. The behavior and mindset change during the past two years have driven more high-quality consumers who are looking for high-quality authentic products, and high-quality experiences, to come to LazMall. Brands now have the opportunity to build mindshare and connect with consumers using the tools from Lazada, to accelerate their growth in the eCommerce space and engage the right audience," said James Dong, Chief Executive Officer, Lazada Group who gave the keynote speech at the event.

In their joint address, James Chang, Lazada Group's Chief Business Officer and Brigitte Daubry, Lazada Group's Chief Customer Officer shared that LazMall remains a key offering which Lazada will continue to grow and invest in to uplift customer experience, engagement and retention.

The eCommerce industry in Southeast Asia underwent tremendous growth from 2019 to 2021, driven by unprecedented buyer adoption during the pandemic. As consumers resume their post-pandemic lifestyles, Chang revealed that Lazada remains confident as buyers continue to purchase, with 8 out of 10 consumers continuing to shop online for ease and convenience, despite a lower average spend per user compared to the past two years. LazMall also saw an unexpected surge in buyer growth, and moving forward will centre its efforts around engaging and retaining customers beyond price and promotion.

Reinforcing Chang's sentiments, Daubry spoke about the importance of deep customer understanding and insights in creating more value for shoppers, and to provide them a differentiated retail experience from offline stores and other industry players.

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Lazada's surveys found that customer stickiness and retention was most likely with wider product assortment, competitive pricing, increased convenience and varied options, as well as a highly-personalised shopping experience.

The LSS report showed that search-led discovery and product recommendations aided shoppers in the decision-making process, with 94% of shoppers using the search function to discover products on Lazada, and 94% actually purchasing the products they found through search. Additionally, 71% of shoppers purchased products as a result of Lazada's tailored-to-user 'Recommendations' feature.

Lazada's state-of-the-art technology, powered by Alibaba's cloud infrastructure is the enabler behind the platform's offerings, from consumer engagement, seller empowerment and partner integration. Howard Wang, Lazada Group's Chief Technology Officer explained how the company's data intelligence helps brands and sellers target audiences more accurately, and boost conversion. Wang shared that this is further amplified with the use of augmented reality (AR), which elevates business outcomes and enhances the brand experience for shoppers.

He also spoke about Lazada's AR technology which enables users to try on beauty products in real-time with true-to-life results, enabling brands to provide a customised and ultra-realistic virtual shopping experience. Virtual Try On (VTO) features rich functions that allow consumers to select and try on products such as eye shadow, eyeliner, foundation and blush from wherever they are. VTO has seen significant success with LazMall brand partners in the beauty space, contributing to a substantial conversion uplift of up to 3.1X and up to 11% increase in average order value.

To celebrate LazMall's partnership and growth alongside valued brand partners, the winners of the BFF 2022 Awards were also unveiled at the hybrid event. The annual Awards serve to recognise and honour top performing and innovative global and Southeast Asian brands on LazMall, to promote excellence demonstrated within the online retail landscape and the agility in adapting business strategies in an ever-evolving demanding environment.

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About Lazada Group

Lazada Group is Southeast Asia's pioneer eCommerce platform. For the last 10 years, Lazada has been accelerating progress in Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam through commerce and technology. Today, a thriving local ecosystem links about 160 million active users to more than one million actively-selling sellers every month, who are transacting safely and securely via trusted payments channels and Lazada Wallet, receiving parcels through a homegrown logistics network that has become the largest in the region.

With a vision to achieve USD100 billion annual GMV, Lazada aims to serve 300 million shoppers by 2030, and be the best at enabling brands and sellers in digitalizing their businesses.

In 2022, the Lazada Foundation was set up to empower youths and women for the digital future, close the gender digital divide and uplifting communities by creating positive impact. More information can be found here <https://group.lazada.com/en/foundation/>.

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Annex (Media Kit)

- [Transforming Southeast Asia: From Discovery to Delivery 2022 Report](#)
- About Lazada Brands Future Forum
- Lazada BFF Speakers
- Speech by James Dong, Chief Executive Officer, Lazada Group
- LazMall BFF Awards 2022 awards and winners

To access the media kit, as well as visuals (including b-rolls), you may visit this link:

<https://drive.google.com/drive/folders/1lqr4jg1FvTUkv8K922FJnMg4mfRvzld5>