Bring Southeast Asia eCommerce Opportunity to Crossborder Sellers
Agenda

- Why selling on Lazada?
- How to sign up on Lazada?
- Selling on Lazada
- Seller successful stories
eCommerce is booming in Southeast Asia

Southeast Asia’s E-Commerce market to surpass US$25 billion by 2020 despite market challenges, finds Frost & Sullivan

Southeast Asia is the next e-commerce wonderland: DHL eCommerce CEO Charles Brewer

Clash of e-commerce titans in South-east Asia
Untapped eCommerce Opportunities
Only 3% Online Retail Penetration Rate

- SEA: The world’s fastest growing internet region.
- Expected to grow to more than US$200 billion by 2025
- eCommerce is the fastest growing at a whopping 32% annually

HUGE POTENTIAL FOR GROWTH
(ECOMMERCE SALES AS PERCENTAGE OF TOTAL RETAIL, %)

<table>
<thead>
<tr>
<th>Country</th>
<th>eCommerce Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHINA</td>
<td>14% - 293 billion</td>
</tr>
<tr>
<td>USA</td>
<td>14% - 270 billion</td>
</tr>
<tr>
<td>SEA</td>
<td>3% - 6 billion</td>
</tr>
</tbody>
</table>

Source: Bain & Co, Temasek Holdings & Google
3 Mega Trends in Southeast Asia

Booming macro environment

- **Strong GDP growth** 5.5% p.a. by 2020.
- **Young population** 60% of SEA population will remain younger than 35 years old in 2020

Rising adoption of online shopping

- **Rapid urbanization** tier 3/4 cities growth
- **260M internet users**, mainly on mobile devices

Mobile is leapfrogging

- **Increase in smartphone penetration** with low-cost Android mobile phones and tablets (US$50-100)
A Mobile-First Market
SEA Higher than Global Average

Source: We are social
**COMPANY OVERVIEW**

- **The leading** online shopping and selling destination in Southeast Asia
- **Widest** footprint in the region
  - Launched in 5 markets in March 2012: Indonesia, Malaysia, the Philippines, Thailand and Vietnam
  - Launched in Singapore in May 2014
  - Headquartered in Singapore
- One-stop shop to access ~30 million products, sourced locally and internationally, across more than 15 categories
- Created an end-to-end ecosystem enabled by best-in-class logistics and payment capabilities
- Backed by the world’s largest retail commerce company – Alibaba Group

**LAZADA PRESENCE**

- Lazada B2C eCommerce market position
- HK / Shenzhen Sourcing hub
- Thailand
  - Pop: 68m
- Vietnam
  - Pop: 93m
- Malaysia
  - Pop: 30m
- Singapore
  - Pop: 6m
- Indonesia
  - Pop: 254m
- Philippines
  - Pop: 108m

Source: Company Information, IMF Database

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Lazada Group – Crossborder Overview

Meeting the **growing popularity and demand of international goods** in Southeast Asia

Scalable solution for sophisticated sellers to **access six markets** with one contract

**Centralized account management** via Seller Center

Comprehensive customer support, including **customer service in local languages** at free of charge

**Superior logistics capabilities** enable Chinese merchants to drop off their parcels at the LGS sortation centers in Shenzhen or Yiwu

Source: Company Information

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A wide assortment of products, from electronics to lifestyle; a one stop shop.
Lazada’s Seller Centre
Enabling sellers to make the best decision

ILLUSTRATED SELLER DASHBOARD

A multi-functional and powerful tool that empowers and informs sellers on their business with Lazada.

Ensuring sellers don’t miss out on business opportunities

Keeping local sellers updates on the latest news in the eCommerce ecosystem

Alerting the seller to what’s pertinent to their business; enabling them to sell better with Lazada

Helping sellers to track their business performance with Lazada
Marketing through leading applications

MARKET LEADING MOBILE PLATFORM...

- Improved customer engagement
- Awarded by Google Play “Top Developer App”.
- Featured on Apple App store’s Shopping Category

- Best-in-class Android and iOS applications optimized site for all major browsers
- Innovative mobile marketing leveraging chat apps

App downloads: ~60 million

#1 App in SEA Shopping Category

During online revolution 2016

Source: Company Information, AppAnnie

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# Marketing – examples of large campaigns benefiting Sellers and Brands

## 5 Major Regional Campaigns per Year

<table>
<thead>
<tr>
<th>Campaign</th>
<th>Month</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tet / Lunar New Year</td>
<td>February</td>
<td>Celebrate the lunar new year in SEA</td>
</tr>
<tr>
<td>Lazada Anniversary</td>
<td>March</td>
<td>Celebrate Lazada’s birthday, Great deals for customers</td>
</tr>
<tr>
<td>Ramadan</td>
<td>June</td>
<td>Celebrate Ramadan with Lazada</td>
</tr>
<tr>
<td>Superbrands</td>
<td>July</td>
<td>Onsite showcase of Lazada’s best brands</td>
</tr>
<tr>
<td>Online Revolution</td>
<td>November-December</td>
<td>Biggest sale of the year with mega days on 11/11 and 12/12</td>
</tr>
</tbody>
</table>

## On-going Local Campaigns

- **Tet / Lunar New Year**
  - February:
    - Celebrate the lunar new year in SEA
- **Lazada Anniversary**
  - March:
    - Celebrate Lazada’s birthday
    - Great deals for customers
- **Ramadan**
  - June:
    - Celebrate Ramadan with Lazada
- **Superbrands**
  - July:
    - Onsite showcase of Lazada’s best brands
- **Online Revolution**
  - November-December:
    - Biggest sale of the year with mega days on 11/11 and 12/12

## Typical Campaign Sales Uplift

- **Daily Revenues**
  - Normal Day
  - Campaign Day

- **5-10x growth**
Payments
Lazada offers a wide variety of reliable payment options

- Unsophisticated, with a significant portion of the payments through cash
- Approximately 70% of residents do not have access to traditional banking services
- Credit Card penetration in some markets is below 5%
- To offer the best online shopping experience, Lazada offers multiple payment methods:
  - Cash on Delivery
  - Credit/Debit Card
  - Paypal/AMEX
  - MasterPass
  - HelloPay

Source: Company Information, McKinsey
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How to sign up on Lazada?
What are the steps to create your shop?

1. Application Form
   - Go to www.lazada.com/sell.
   - Complete your application form and upload a valid corporate Business Registration document.
   - Sign e-contract

2. Activate Seller Center
   - You will receive an email entitled “Registration for Seller Center”.
   - Reset your password to activate your Seller Center account.

3. Get Trained
   - You will receive an email entitled “Get trained and pass the test”.
   - You can either (1) attend a live webinar or (2) watch interactive videos and pass our short test

4. Payment Provider Sign Up*
   - You will receive an email entitled “Lazada - Sign up and Link your Crossborder Payment Provider”.
   - Sign Up to our payment third party by providing the required documents
   *Note that this step is not mandatory to go live but highly recommended

5. 1 SKU approved
   - You will receive an email entitled “Upload your first SKUs”
   - Upload 1 SKU in your Seller Center account, follow the requirement and have at least 1 SKU approved by Lazada Quality Control.

If you have any questions during the registration process, please contact HK PSC
1. Submit your request under Enquiry Form
2. Select “New Seller Registration Status” for “topic of your question”
3. Select “All” for “Venture with issue”

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Forms
- Seller Sign up Form
- Sign-up for LGIS
- Add a brand
- Returns Claim
- Content Grouping Request
- Seller Center API Support

Enquiry Form
Sell across Southeast Asia with Lazada!
How to sign up on Lazada?
Step 1. Complete the application form

- Fill in online signup form in English at [http://www.lazada.com/sell](http://www.lazada.com/sell)
How to sign up on Lazada?

Step 2 - 5

2. Just reset SC password

3. a) Join our online webinar or,
b) Watch videos and pass the test (≥ 50%)

4. Sign Up to Payoneer or World First as a corporate account and wait for approval (5-7 days)

6. Upload SKUs following content guideline; at least 1 SKU be approved (usually 3 working days)

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How to sign up on Lazada?
Reasons seller won’t go live

If your shop is still not live after MY SC activation, please check the following points:

1. To attend the online training (live webinar or video self learning + test with at least 50% of correct answers)

2. To upload SKUs in your MY Seller Center, and make sure at least 1 SKU pass QC
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Selling on Lazada
4 steps to sell and grow on Lazada

1. Listing
   Upload your products by single or mass upload following content guideline. Be aware of our products and category requirement.

2. Selling
   After uploading your products, customers can see them first on www.lazada.com.my. Learn how to promote your products.

3. Shipping
   You have to ship out orders within 48hrs. LGS only for all crossborder sellers.

4. Get Paid
   Payment provider account must be successfully integrated into Seller Center before seller can receive the payment.
Selling on Lazada
Resources: Online learning platform

Lazada University

- **Training Materials**: You could watch the video and PDF to learn by yourself.
- **Training Sessions**: Register and attend to the free online sessions we provide.

Go to Lazada University, to learn, to grow!
Lazada University website: [http://www.lazada.com/sell/university](http://www.lazada.com/sell/university)

HK PSC

- **Top Questions**: Quickly help you solve the common asked questions.
- **Request Form**: If you questions are not solved, please submit your request here.

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Selling on Lazada

Logistics: 100% Geographical reach in Southeast Asia

Source: Company Information

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Selling on Lazada
Logistics: Lazada Global Shipping

The benefits of using “Lazada Global Shipping” (LGS) and…

1. Significant improvement on LEAD TIME with daily injection in Southeast Asia

2. Competitive rate cards through CONSOLIDATION and LOCAL FULFILLMENT VOLUMES

3. IMPROVED CONTROL by managing hand over and volume allocation through in house managed sorting facilities at origin and destination

4. MODULAR APPROACH enabling more FLEXIBLE and SCALABLE management of partners to handle peaks and valleys and other unknowns diverse team with

…direct impact on your sales

6. Less cancelations & lost parcels
   - Higher % of success delivery
   - Lower % of cancelled / non delivered items

7. Increased sales
   - Shorter lead time lead to higher customer satisfaction level (NPS) and better shop ratings
   - Customers sort by delivery time and are more likely to find your products with shorter delivery times
   - LGS seller are eligible for special sales opportunities, e.g. flash sales

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Selling on Lazada
Logistics: Lazada Global Shipping

Sellers can drop off and/or request pick up for all orders based on dispatching country

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Selling on Lazada
Logistics: Lazada Global Shipping

Shenzhen Sortation Centre

Floor 3, Zone 1A, Block B, DEDI Industrial Park, Fuyuan Road, GaoXin Development Zone, FuYong Street, BaoAn District, ShenZhen, CHINA
深圳市宝安区福永塘尾高新开发区福园一路德的工业园B栋3楼

Hong Kong Sortation Centre

Unit B, 6/F, Roxy Industrial Centre, 58-66 Tai Lin Pai Road, Kwai Chung, Hong Kong
香港葵涌大连排道58-66号乐声工业中心6楼B单位

Yiwu Sortation Centre

2/F, Shentong Ecommerce Building, Lugang International Logistics Park
陆港国际物流园，申通电商大楼2楼

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Selling on Lazada
Payout solution: Payoneer and World First

- For now, there are two options as Lazada’s payment solution: Payoneer and World First
- Lazada will payout to your payment account on weekly basis
- Sellers can withdraw funds at any time to their local bank accounts in local currency.

Management Tools
- Online
- Mobile

Payoneer  WORLDFIRST
Seller’s Payment Provider Account  Seller’s Local Bank Account

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Seller successful stories
Our crossborder sellers’ journey to grow with Lazada

Consumer Electronics
- Xiaofei Tian
  Lazada Sales Specialist
  Bluesens
  China

Watches
- Andy Datt
  Planning & Marketing Executive
  Mainspring Boutique

Korean Health & Beauty
- Yu, Sang-gon
  Goni Global
  Korea

- Simon Kwong
  Woman’s Talk
LAZADA is your gateway to Southeast Asia, one of the world’s largest and fastest growing markets.
Thank you