



Lazada Indonesia enters Q4 with volume growth of more than 150% – significantly benefiting SMEs

Jakarta, 3 October 2016 – Lazada Indonesia today revealed that current volume growth has accelerated to more than 150% compared to the same period last year. Key contributing categories are FMCG and Fashion, which are both increasing more than three times compared to last year. Furthermore, about 80% of the orders are placed from mobile devices validating Lazada's investments into mobile as an increasing share of Indonesia's population gets access to the Internet via their smartphones. Lazada Indonesia has been making significant investments in its platform for the benefit of the Indonesian consumers and sellers as it prepares to enter the last quarter of the year.

"Our rapidly growing orders in categories such as FMCG and Fashion shipped all across the country further demonstrates that Lazada has truly become the one-stop shopping destination of choice for all Indonesians," said Florian Holm, co-CEO of Lazada Indonesia.

SMEs as biggest gainers

As Lazada becomes the online shopping platform of choice for more Indonesian consumers, its success is also helping local SMEs. To further support SMEs, the company recently made selling on its platform free of commission -- an initiative which will ultimately also benefit consumers through a more competitively priced assortment. This initiative has strongly contributed to SMEs achieving sales growth of up to 10 times since the beginning of the year.

Partnering with global brands

Brands are also benefiting from the growth as they enter into close partnerships with Lazada Indonesia to provide access to exclusive products to consumers across the country. Recently, Lazada collaborated with L'Oréal Paris for the *My Superstar Look* campaign endorsed by celebrities Maudy Ayunda and Dian Sastrowardoyo, both followed by millions of fans on social media. The partnership resulted in a 10 times uplift in sales and thousands of new customers for L'Oréal Paris. Levi's and Lazada are working together to create an engaging onsite experience including product story videos, and fit and size guides to educate consumers to find the right Levi's. This season the companies are conducting joint marketing campaigns on the Levi's® 511 Slim Fit Jean for men and Levi's® 711 Asia Skinny Jean for women.

"After assessing the huge eCommerce potential for Levi's in Indonesia, we decided to invest in the Lazada platform to successfully sell our products online," said Daniel Sjogren, GM of Levi's Indonesia. "Lazada has leading marketplace expertise as well as very strong logistics operations and multiple payment options to ensure Levi's customers enjoy a best-in-class online shopping experience," he added.

Driving customer experience

As part of its all-round effort to deliver the best customer experience, Lazada Indonesia has recently launched a free shipping service enabled by its last-mile logistics arm and its network of reliable Indonesian delivery partners. Product orders with free shipping are seeing significant uptake among customers in both big and small cities outside Greater Jakarta/Jabodetabek including Samarinda, Balikpapan, Makassar, Madiun, Medan, Palembang and Bandung. To complement this free shipping service, the company has also extended its cash-on-delivery option to more products to further enhance customer satisfaction.

Integration efforts with Alibaba initiated

Lazada Indonesia's strong growth comes on the back of Alibaba Group's investment announced in April this year. The two companies are very excited about recently initiated integration efforts to further improve

the platform for the benefit of Indonesian consumers and sellers. The first results of the collaboration are already live. To reduce lead-time to the end consumer, Lazada has already started to use Cainiao (Alibaba's 47% owned logistics network) to pick up parcels from Lazada merchants in China. Lazada has also entered into a partnership with UCWeb (an Alibaba subsidiary) to drive more traffic to the platform and hence higher sales for merchants across the country.

Online Revolution is coming

As we move into Q4, Lazada Indonesia is preparing for more initiatives and for the Online Revolution, the busiest online shopping and selling event of the year, to support sellers and consumers across Indonesia. From November 11 to December 12 (11.11 to 12.12), Indonesian consumers will enjoy a massive assortment of products with flash sales, special promotions, attractive deals and engaging activities. The campaign is a timely opportunity for Indonesian SMEs to participate and expedite their business growth.

"Since we created the Online Revolution in 2012 to introduce consumers to online shopping, the event has sparked a shopping frenzy that's breaking records year after year. No other eCommerce player in Southeast Asia can claim a similar achievement. This year's Online Revolution will bring our ecosystem of trusted brands, sellers and customers together to realize the huge potential of online shopping in Indonesia. We are highly confident that Lazada's Online Revolution 2016 will be the most exciting retail event that will benefit consumers and partners immensely," said Mr. Holm.

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ABOUT LAZADA GROUP

Lazada Group operates Lazada, Southeast Asia's number one online shopping and selling destination, with presence in Indonesia (www.lazada.co.id), Malaysia (www.lazada.com.my), the Philippines (www.lazada.com.ph), Singapore (www.lazada.sg), Thailand (www.lazada.co.th) and Vietnam (www.lazada.vn). Launched in March 2012, Lazada is pioneering eCommerce in the region by providing customers with an effortless shopping experience with multiple payment methods including cash-on-delivery, extensive customer care and free returns. Lazada features a wide product offering in categories ranging from consumer electronics to household goods, toys, fashion and sports equipment. Lazada offers brands and merchants a marketplace solution with simple and direct access to about 560 million consumers in six countries through one retail channel.

MEDIA CONTACT

Sarimah Salamon

Lazada Group

+65 94308043

sarimah.salamon@lazada.com