



Lazada

LAZ LIVE

Retail New Normal

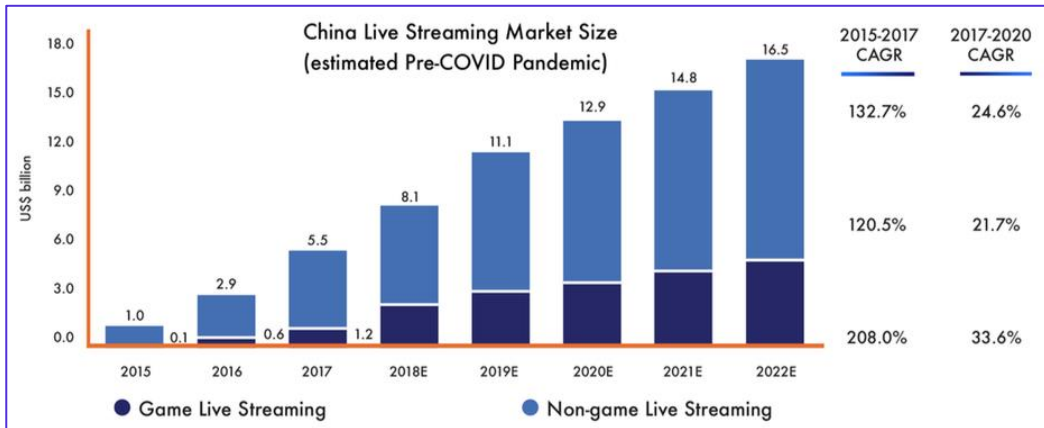


Situation Analysis

New normal, the great opportunity to grow Lazada through LazLive

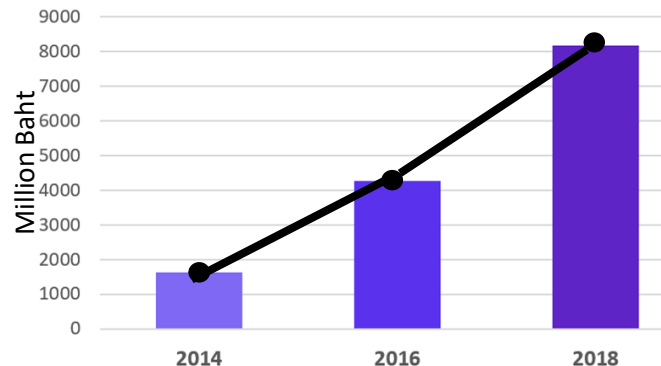


China Live Streaming Market Size



In China, Live Streaming has been a key potential and significant success strategy in expanding e-commerce market for many years.

Lazada Thailand revenue



During New Normal Period

85% of digital consumers in SEA have been involved with new digital applications

Key Implication

To achieve a leap growth in Lazada, Lazlive must play a significant role especially during new normal.

Analysis

Instilled Mindset

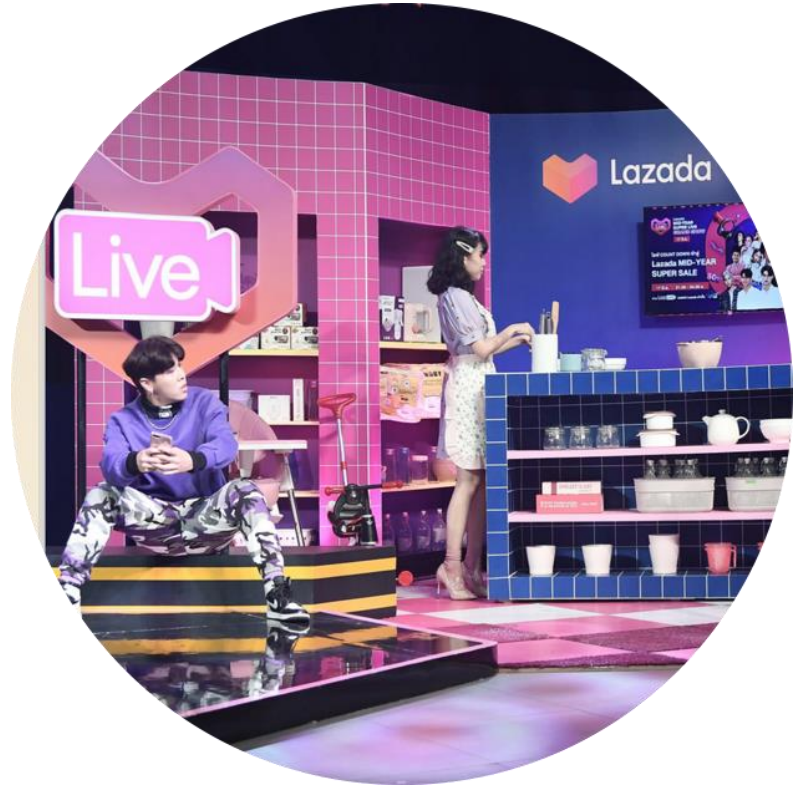
Faithful Marketplace

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Key Question

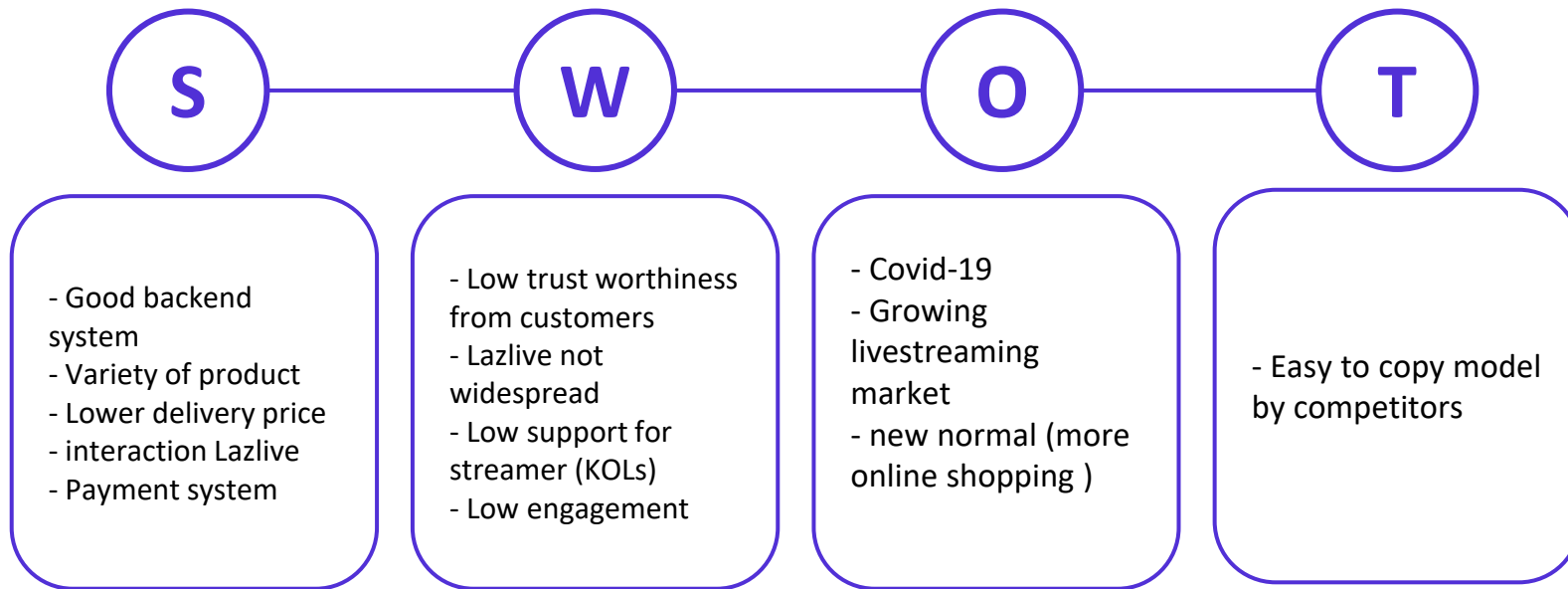
How to catch new normal trend as an opportunity to exponentially expand lazLive in Thailand ?





Company Analysis

Using SWOT to explore problem through weakness



Key Implication

Catch opportunities and fix company weakness

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Key Issue

To success like China, there are three main issue hindering LazLive



Key Issue

Lack of Awareness and motivation

Although Lazada is famous among millenials, the majority of them misconcept or are not aware of “LazLive”.

Being KOL and selling through live streaming are still not considered as a good decision.



Lazada have to raise awareness of LazLive and trigger motivation of beingKOL and sellers.

Low trust

Low trust from customer to shop in live streaming since some of them used to receive products which had lower quality than expectation



lazada need to focus on building trust among sellers and KOLs

Unconvincing and irrelevant content

several streamers (KOL, sellers) could not make lazlive’s content more interesting even they have several stuff to sell, resulting in low viewers and low conversion rate



Lazada should have content creating assistant

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Executive Summary



Objective

Exponentially
expand LazLive
in Thailand new
normal

Key Issues

Lack of awareness

Low trust

Unconvincing and
irrelevant content

Recommendations

INSTILLED MINDSET

Raise key awareness and
Trigger key motivation on all
customer, KOL and seller

FAITHFUL MARKETPLACE

Build trust among customers

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Supporting system for
streamers

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27.96 %
Revenue
CAGR

Capture more than
8 million viewers
and increase
conversion rate

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1

A dark blue silhouette of a human head in profile, facing left. Inside the head is a large white circle. The background is a solid blue color.

**Instilled
Mindset**



Instilled Mindset



To be a sustainable success “LazLive”, we need to fulfill the key gap in every component throughout the ecosystem



CUSTOMER

Lack of awareness of “Lazlive”
Misconception of “Lazlive”



Seller

Lack of motivation in uplifting
profit through “Lazlive”



KOL

Lack of motivation in joining
LazTalent to be new talented
KOL



KEY POINT

we need to find



Key Awareness

we need to deliver **key awarenesses**
and instill them in customers’ mindset

Key Motivation

we have to trigger **key motivation**
on KOL and seller directly to the
point

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70% online shopping are **Millennials** and **gen Z**

MILLENNIALS' INSIGHT



80 % of millennials trust recommended by influencers who they trust
Millennials place engagement as the key value



62% agree that brand engagement on social networks enhances customer loyalty



41% of millennials consume more online streaming during new normal

GEN Z' INSIGHT



75 % of gen Z want their hobby to be full-time jobs



52% of gen Z want to be youtuber, vlogger, and blogger

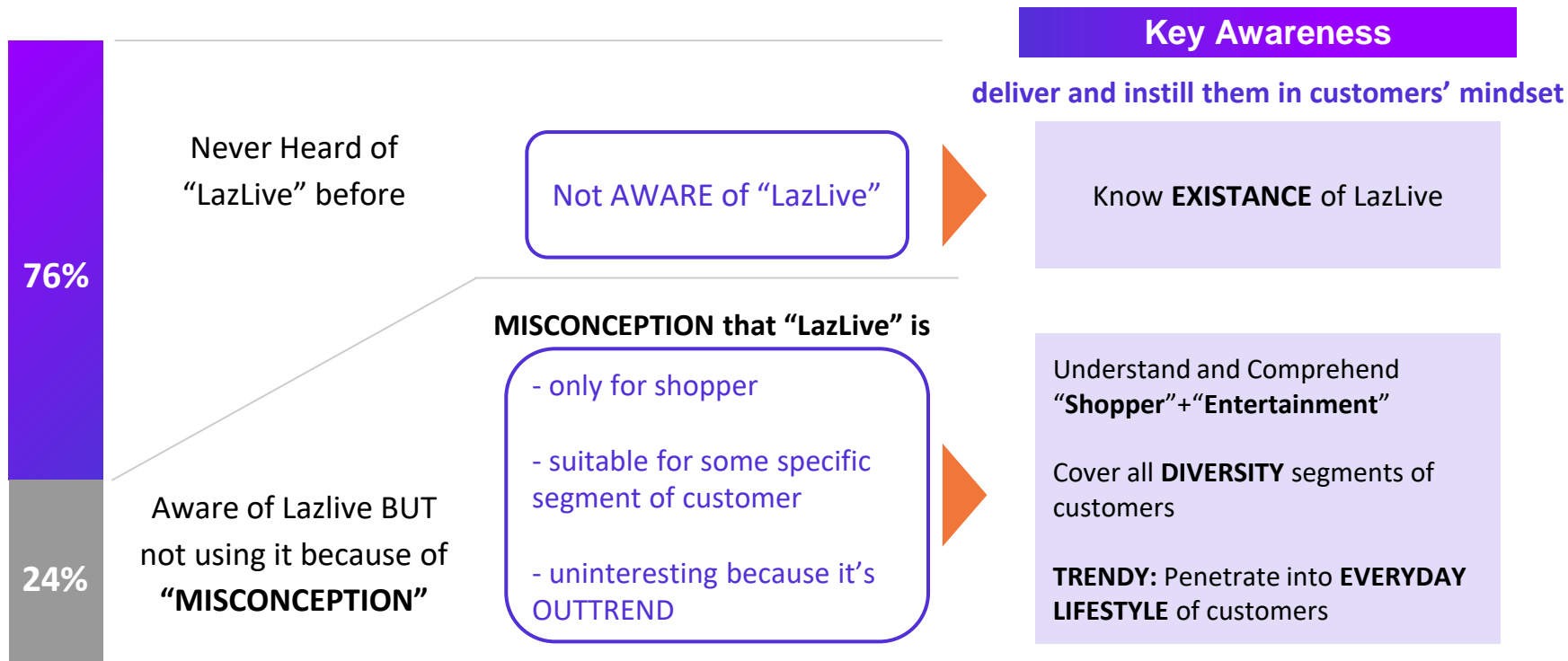


38% of gen Z consume more online streaming during new normal

Key Implication

Millennials and genZ customers, a highly potential segment is going to be a key significant factor in success Lazlive

why Millennials & Gen Z do not watch LazLive



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KOL analysis

Gen Z & MILLENNIALS' INSIGHT



75 % of gen Z want their hobby to be full-time jobs



> 50% of them dream of being social influencers

What are the keys that make them want to be?

Lazlive's KOL (current reality)

35%

Passion

▶ have full-time job to do: not enough time to fulfill passion

12%

Fame

▶ not gaining more popularity since it's outtrend

10%

Career

▶ only part-time: gain insufficient income (can't be a main career)



SELLER analysis



Lazada

3 revenue stream through Lazada

	WASTE	Expected Increase In Revenue	Real Increase In Revenue
General way	-	-	-
Live on their own	TIME	\$\$\$	\$
Hire KOL to livestream	MONEY	\$\$\$\$	\$

(only few get as expected) points to the MONEY row.
(most cases) points to the UNWORTHY box.

UNWORTHY

Key Motivation

High-paid **career** fulfilling your **passion** while making you **influential**

WORTHINESS
apparent revenue growth compared to wasted time and money

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Raise KEY AWARENESS + Trigger KEY MOTIVATION

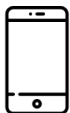
Through 3 potential ways



CRUCIAL INSIGHT



80 % of millennials **trust** recommended by **influencers** who they trust
Millennials **follow** their trusted **influencers** in different channels

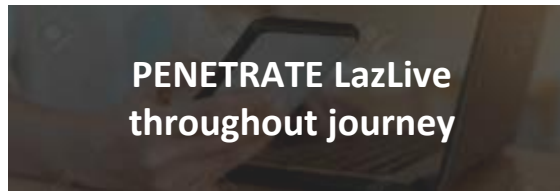
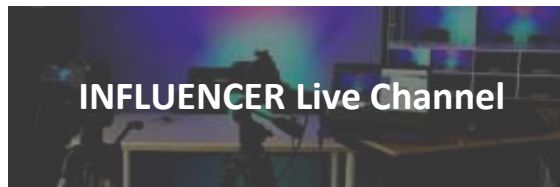


About **80%** of millennials **have Lazada app** but only 20% know LazLive
Most of shoppers **searching** for product before purchase **in Lazada app**



75 % of gen Z want their **hobby to be** full-time **jobs**
78 % prefer **different channels** depending on context

3 POTENTIAL WAYS



**Instilled
Mindset**

Analysis

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Influencer Live Channel

Penetrate LazLive

Incubating Programme

Influencers' Characteristics

that can effectively create an impacted turnover



1. FASHION/COSMETIC

- Main segment of Thais online shopping products -> 77.7%
- In China: these two are the Fastest growing category.

2. GAMING

- 72% of live hours watched is on Gaming (Main existing segment accessible to livestreaming)



Requisite Action of influencers

hire influencers to take action as follows:

- register **their own channel in LazLive** (not just joining special events hosted by lazada)
- advertise their LazLive channels in other digital platforms
- a content in each influencer's livestreaming has to be **trendy** and response both "Shopper" and "entertainment" and also **vary in their speciality-category**
- more content about **career as a "LazLive's KOL"** and **successful sellers** (holding to previous **key motivations**)

KEY ADVANTAGE

- ✓ To create customers engagement and awareness
- ✓ Perception of shoppertainment
- ✓ trendy image

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PENETRATE LAZLIVE THROUGHOUT CUSTOMERS' JOURNEY

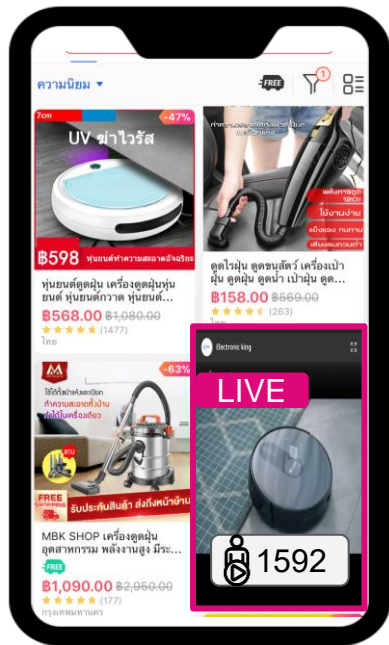


Influencer Live Channel

Penetrate LazLive

Incubating Programme

Throughout their experience in Lazada, we aimed to trigger customer in exact spot and increase system's traffic by developing **User Interface and User Experience** of our platform through 2 parts



Analysis

Embed/ Pop-up Live

When searching for specific category, the **related live will be embedded** in the interface

The popular related live with thousands of viewers will be popped up to **trigger their curiosity** and their **fear of losing special deals to others**

KEY ADVANTAGE

- ✓ Higher Click Through Rate (CTR)
- ✓ Awareness of 'LazLive' connecting with all segments' need

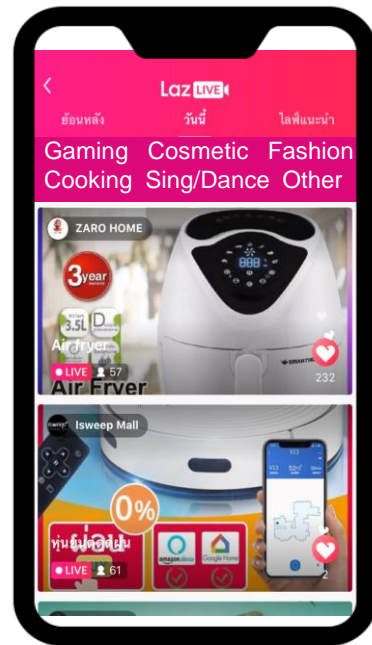
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Display main categories

When getting in "LazLive" Main menu, display them all main categories to clarify our **position as a platform accessible to all segments**



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Incubating Programme

Incubate KOL and seller via 2 sessions



Influencer Live Channel

Penetrate LazLive

Incubating Programme

Roundtable



Participation Portion:

- 2 of success KOL
- 2 of success sellers
- 6 of LazTalent participants
- 6 of sellers (not using tools)

***“Create more interaction
between KOL and sellers”***

Hire successful tool-using sellers to

- emphasize **“Worthiness”** of tools (apparent revenue growth)
- share **from bad starting experience to accomplished one** (To encourage others)
- exchange **selling tips** and **key pain point** of customers

Hire successful KOL to

- share experience and **key benefits of this career**
- exchange **tips of using your passion to grab attention and being KOL as a main career**

LazTalent

We intend to make LazTalent, which is initially exceptional programme for encouraging and upskilling KOLs **more well-known and interesting** by broadcasting LazTalent as a **reality show** through **TV broadcasting and other digital online media** in order to attract and recruit new presenters/KOLs .

CHANNEL for LazTalent:



KEY ADVANTAGE

- ✓ Build sellers' mindset to adopt tools and use in efficient way
- ✓ Attract more people interested in LazTalent programs

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2

FAITHFUL MARKETPLACE





WHY CUSTOMERS DO NOT BUY PRODUCTS IN LazLive

Sellers are not trustworthy enough

buyers do not trust products' quality and the shop
(used to have bad experience on low quality product)

buyers want additive information to compare with
other stores

Key implication

Lazada should
build trust
among
consumers



Build Trust among customer

Through 2 ways



KEY INSIGHT



88% of consumer **trust online reviews** as much as personal recommendations



customers are likely to **spend 31% more** on a business with **excellent reviews**

4

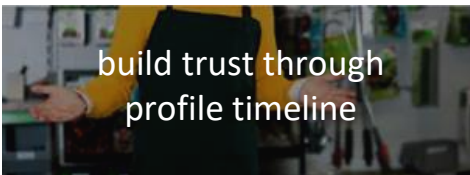
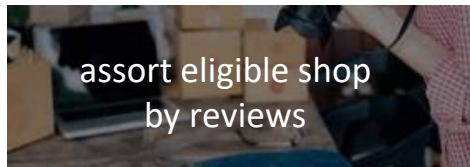


92% of users **will use a local business** if it has at **least a 4-star rating**



one star increase lead to a **5-9% increase** in a business **revenue**

TO CAPTURE THEM BY



**Faithful
Market
Place**

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Assort eligible shop by reviewing system



New reviewing system: more engagement and more accurate result

customer journey when reviewing product

EVENT	Current	New
Customers receive product	-	pop-up reviewing page
Review process start	Desire to review	rate and comment the product
	Click to sellers' account	
	Click To review	
	Choose product to review	
	rates and comments the product	

Assort eligible shop by reviews

New reviewing system lead to more reviews by

- Facilitate customers to review product
- More customers engagement
- More accurate in choosing and click to review process
- More reviews to assure product quality

Build trust through profile timeline

More trustful market place

More quantity and quality of reviews will make the **reviewing system reliable** which bring about to high score sellers more **credible and trustful**

Seller regulation

Considering from complaints and reviewing system, which sellers performed **below-standard** will **automatically be suspended**

KEY ADVANTAGE

- ✓ Customers are more likely to buy products
- ✓ Sellers gain more revenue and felt like keeping up the standard to remain their qualities

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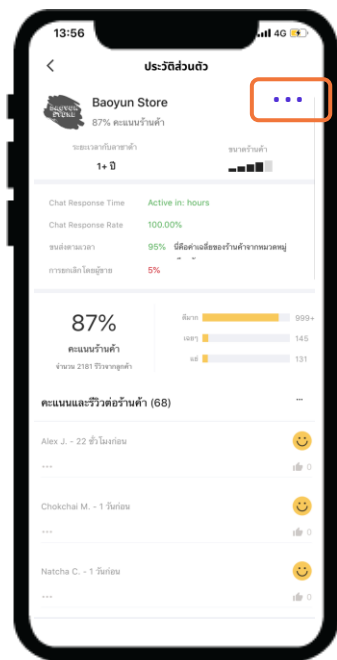
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Build trust through profile timeline

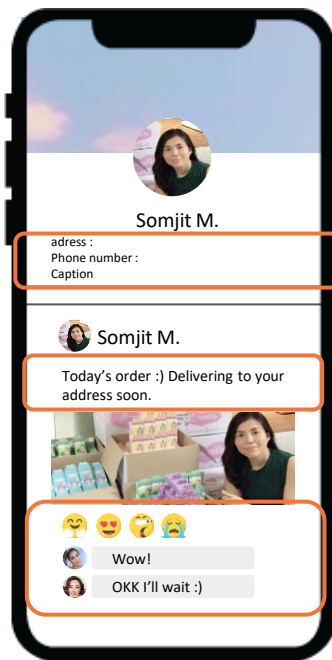


Assort eligible shop by reviews

Build trust through profile timeline



Click here to see additive profile



Fill necessary information

Sellers : Post caption about your daily life

Customers: React and comment to sellers

Add more **profile feature** to explore more about sellers and KOL

buyers can **comment or react** on each post: sellers, buyers and KOLs become closer

show their lifestyle and post any caption on their profile

KEY ADVANTAGE

- ✓ build more trust through connectivity and similarity between buyers' interest and KOLs&sellers' lifestyle
- ✓ more interaction and engagement

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3

LAZ's
SUPPORTER





Streaming analysis



WHY Trustworthy streaming with famous KOL have LOW CONVERSION RATE

Some live streamings product and content not related

Content of live is not trendy, interesting and diverse enough

Not enough interaction and engagement to light up the atmosphere

THINGS LAZADA SHOULD IMPROVE

G

Guideline streaming strategies

F

Fresh content and marketing tips

R

Recommending tools to increase engagement and appeal customers to buy

Key Implication

LazLive should have support systems for streamers

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KEY INSIGHT

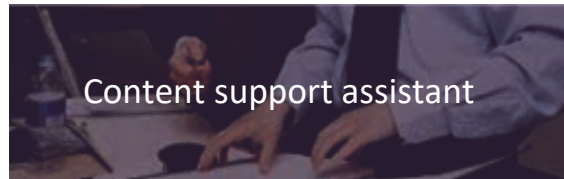


Most of streamers are part-time KOLs or sellers which **don't have** sufficient **time** and any **team** to **create** interested **content** for daily live streaming

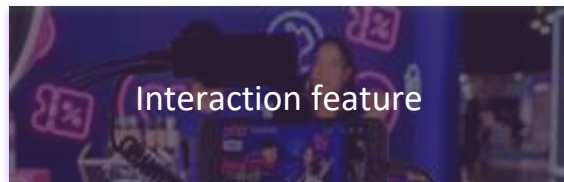


When business **interacts** with its customers, it helps **increase conversion** **by 3 to 5 times** better than static commerce

TO SUPPORT THEM BY



Content support assistant



Interaction feature

**LAZ'S
SUPPORTER**



CONTENT SUPPORT ASSISTANT

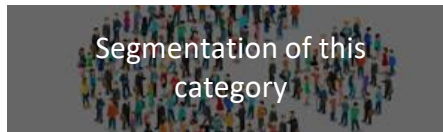
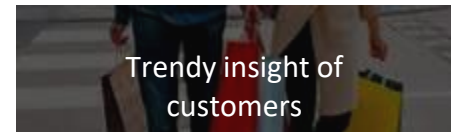


Content support assistant

Interaction Feature

We will use **big data** to catch trendy event and **provide the highlight content** to each livestreamer so that they could come up with **up-to-date and interesting content**

Data we provide:



In the long run, Lazada should establish new department for grooming and assisting potential KOL about content and connection with each brand and campaign

KEY ADVANTAGE

- ✓ Give beneficial information for streaming
- ✓ Reduce time to prepare live of streamers
- ✓ Sustainably build KOL as a career
- ✓ Catch more customer via trendy content

Analysis

Instilled Mindset

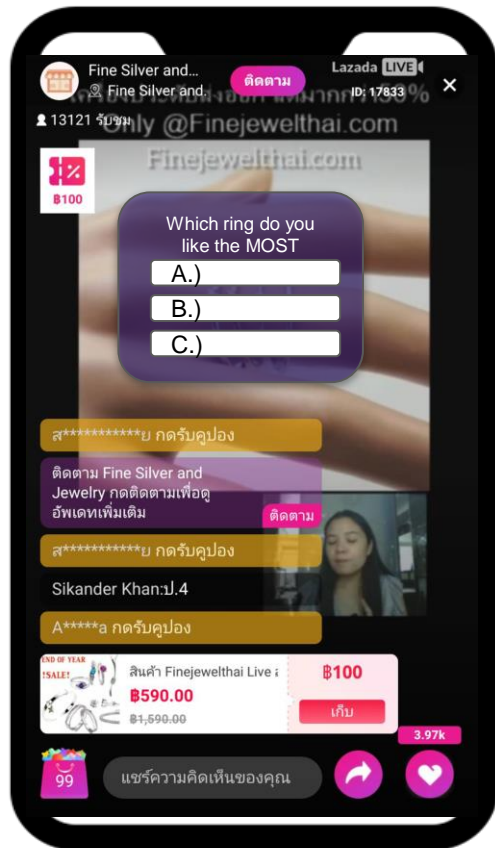
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INTERACTION FEATURE



Content support assistant

Interaction Feature

The **interaction feature** allow streamers to have **more interaction** with customers and bring **more participate** from them

Strategy

Promote streamers to have more interaction with viewers



Using interaction feature to create viewers' participation



Take interaction between streamers and customers to conversion

Example interaction features :

Poll ,Auction mode ,Emotional sticker and etc.

KEY ADVANTAGE

- ✓ Light up the atmosphere of live streaming (Streamers want to stream, Customers want to come back)
- ✓ Higher engagement lead to higher conversion rate

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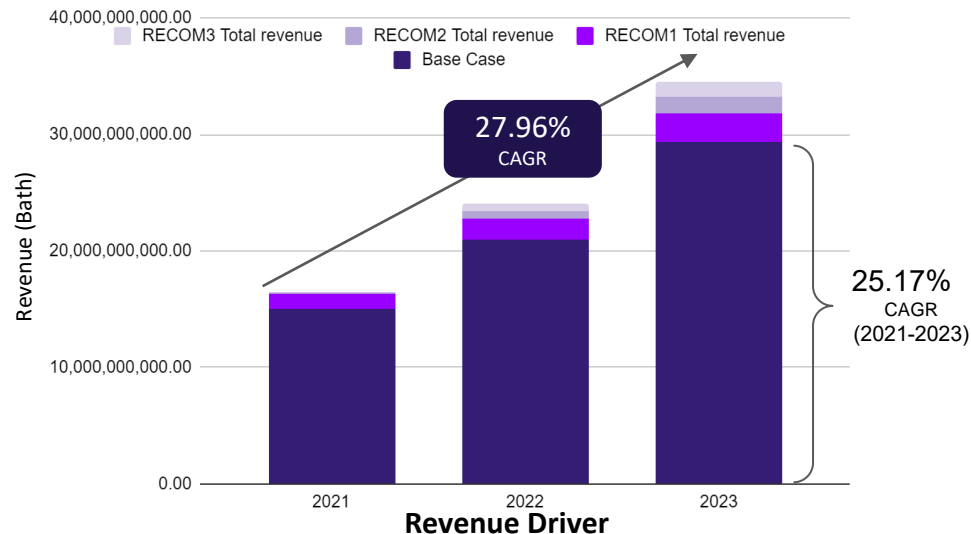
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Finance: Revenue & Cost Estimation



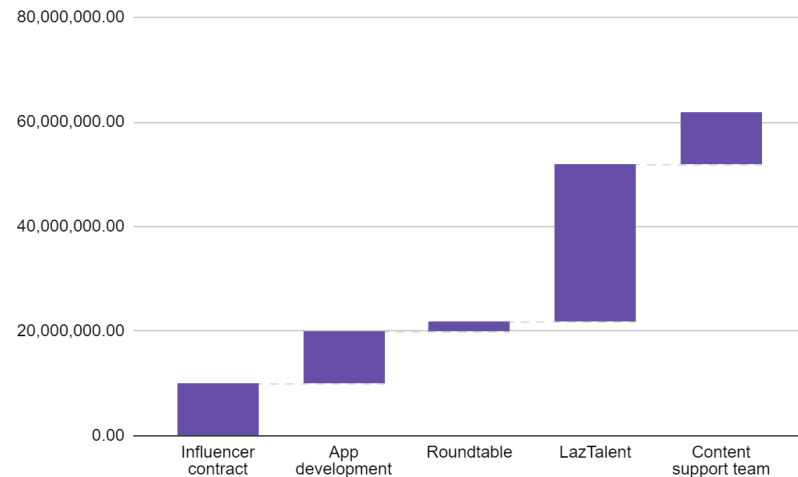
Revenue Forecast



Reach 8 M LazLive viewers
focus on gen Y and gen Z

Increase conversion rate by
build trustful marketplace and
great streaming experience

Cost Breakdown



Total cost of Implementation : 62 M

Analysis

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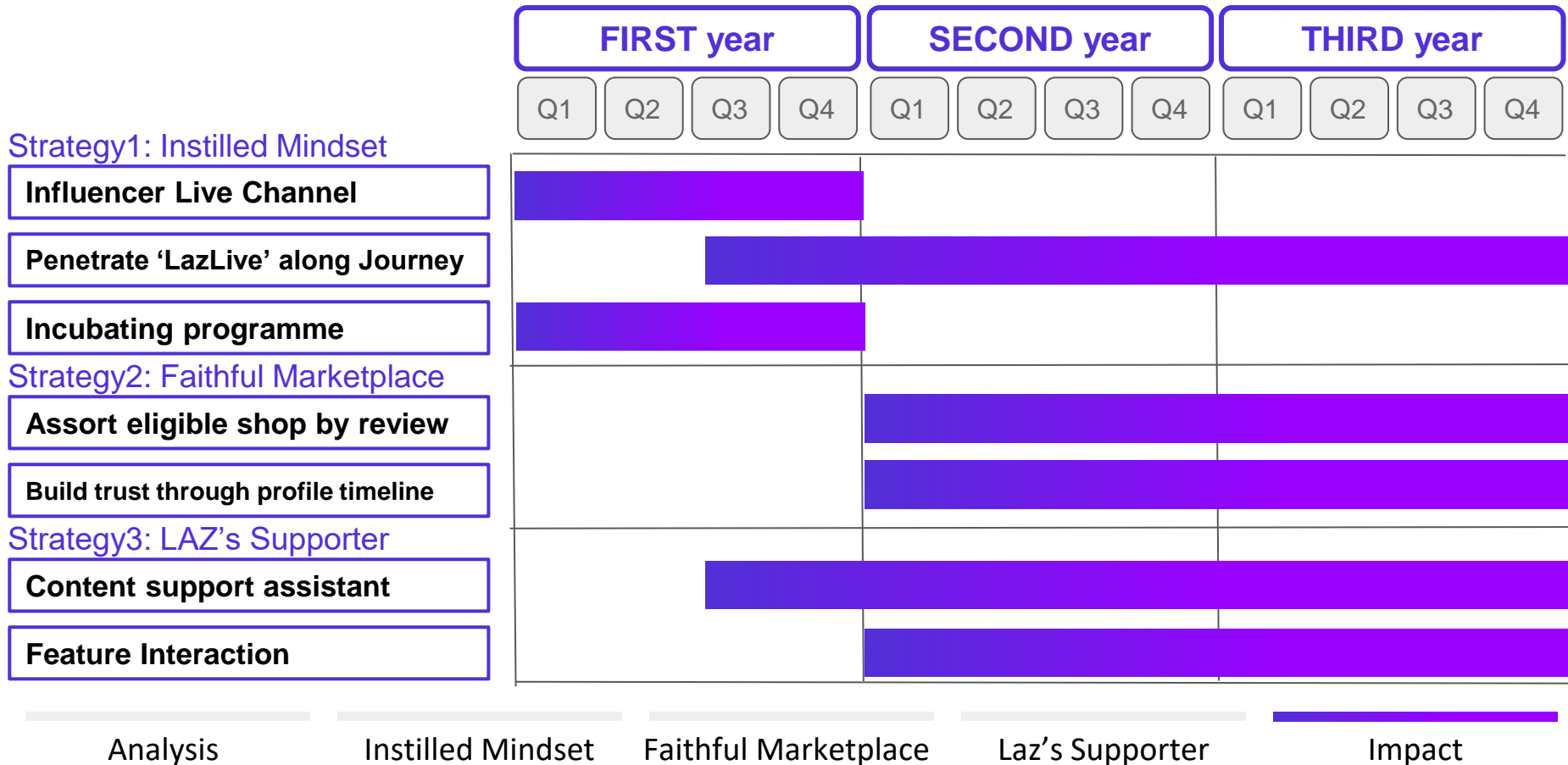
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Implementation Timeline Plan





Risk and Mitigation



RISK

ABILITY TO MITIGATE

MITIGATION ACTION

Strategy1

Influencers are not able to present key point to raise awareness and motivation



In the first phase, Lazada should establish special team for assisting these influencers (create all content, contact with other brands and stakeholders)

Strategy1

Adding live video throughout the platform may cause lacking and bugs



Frequently improving platform and hire potential IT team to develop

Strategy2

LazLive and Lazada still could not gain trust among customers



Develop new entire internal process of choosing and checking sellers from the beginning
+Reposition our brand as a trustworthy market place

Strategy3

System cannot provide insight trends and more assistance for streamers



Cooperate with the expertise AI or ML company to find more accurate model

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