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ZALORA bets big on Luxury e-commerce in Southeast Asia

Online demand for Luxury products remained resilient in the face of the pandemic



Singapore, 14 June 2021 — ZALORA, Asia’s Fashion, Beauty and Lifestyle Destination announces the ZALORA Luxury Festival, happening from 14th to 20th June. Luxury is the fastest growing category among ZALORA’s expanded offering since its introduction in 2020. As customer behaviours shifted to an increase of online shopping since Covid-19, the e-commerce platform recognised a growing demand for Luxury in Southeast Asia.

The Southeast Asia Opportunity

As our region surfs the winds of change and a new landscape for e-commerce, evolving demographics and a rising middle class make Southeast Asia ripe for the business of Luxury. Shoppers are more mobile-savvy and connected, while brands have moved to quickly adopt e-commerce in the face of the pandemic. This increased online penetration and maturing of the e-commerce ecosystem gave rise to more sophisticated consumers. Coupled with the emergence of alternative payment methods, such as Buy-Now-Pay-Later models, it’s no surprise that customers are seizing this opportune moment to make Luxury purchases.

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Mapping the Demand

ZALORA reported strong numbers of Luxury and Premium purchases at the end of 2020 around its 10.10 and 11.11 sales. Since then, the category has been one of the fastest-growing segments with unique customers outperforming others by ten times. A comparison in ZALORA's markets between 2020 and Q1 2021 demonstrates a 183% YoY growth, promising the potential of the category and its key components - Luxury, Premium, Luxury Outlet and Pre-Loved.

While ZALORA's customer base are predominantly in the 25-35 age group, the unique Luxury buyers are mostly 36 and up. Though all of ZALORA's countries saw an increase in the Luxury interest, Singapore, Hong Kong, Malaysia and the Philippines reported most significant growth. There was a noticeable interest in bags, wallets and shoes, which make up a large portion of ZALORA's Luxury category assortment.

Further to these behavioural shifts are an uplift in interest for Sustainable products including demand for Preloved fashion items. The positive response since the introduction of ZALORA's Preloved segment demonstrates the interest of shoppers for a circular fashion ecosystem, one of the core motives for the company's Sustainability Strategy. Complementing this initiative is a partnership with Reflaunt, a platform that conveniently enables customers to resell their preloved luxury goods. Customers simply list their products with Reflaunt and they will take care of the pick up, logistics, authentication, curation and operations. Reflaunt will be on ZALORA within the Luxury category, giving customers more options to shop their aspirational brands with peace of mind.

"As shoppers continue to prioritise quality over quantity, and look for ways to invest in more high-value items that provide superior quality as well as the best after-sale satisfaction, we expect that interest in luxury products will continue to grow in the long term. We will continue strengthening our relationships with our brand partners, and expanding our Luxury and Premium international brand offering" said Eric Cheang, Buying Director at ZALORA.

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ZALORA Luxury Festival

Adding to the excitement of this announcement, ZALORA will host the inaugural Luxury Festival this 14th to 20th June. Shoppers have access to over 6,000 items from their favourite brands such as Gucci, Prada, Burberry, Chloe, Ferragamo, Balenciaga, Saint Laurent and more with irresistible deals in celebration of the launch.

The week-long event is powered by PayLater by Grab, where users can choose to pay for their purchase the next month (postpaid) or via four monthly instalments. The best part about using PayLater is that there are no hidden fees. As long as users pay on time, there is 0% interest and no upfront costs. Customers can indulge in the offers that go up to 50% off exclusively during the Luxury Festival with this flexible way to pay, which also entitles them to additional Grab reward points if they select the postpaid option. Simply opt for the PayLater by Grab option at checkout, and receive notifications for repayment reminders.

Discover ZALORA Luxury [here](#).

Press images [here](#).

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ABOUT ZALORA GROUP:

ZALORA

ZALORA is Asia's online fashion and lifestyle destination. Founded in 2012, the company has a presence in Singapore, Indonesia, Malaysia & Brunei, the Philippines, Hong Kong and Taiwan. ZALORA is part of Global Fashion Group, the world's leader in online fashion for emerging markets. ZALORA offers an extensive collection of top international and local brands and products across fashion, luxury, beauty and lifestyle categories for men and women. Offering up to 30-day free returns, speedy deliveries as fast as 3 hours in some markets, free delivery over a certain spend, and multiple payment methods including cash-on-delivery, ZALORA is the online shopping destination with endless fashion possibilities.

ABOUT GLOBAL FASHION GROUP:

Global Fashion Group is the leading fashion and lifestyle retail destination in Asia Pacific, Latin America and CIS. We connect over 10,000 global, local and own brands to a market of more than one billion consumers through four established e-commerce platforms: THE ICONIC, ZALORA, dafiti and lamoda. Through an inspiring and seamless customer experience enabled by our own technology ecosystem and operational infrastructure, we are dedicated to being the #1 fashion and lifestyle destination in our markets. With 17 offices and 10 fulfilment centres across four continents, GFG proudly employs a dynamic and diverse team with deep local knowledge and expertise. In 2019, GFG delivered over 34.6 million orders to 13.1 million Active Customers. (ISIN: LU2010095458.)

For more information visit: www.global-fashion-group.com