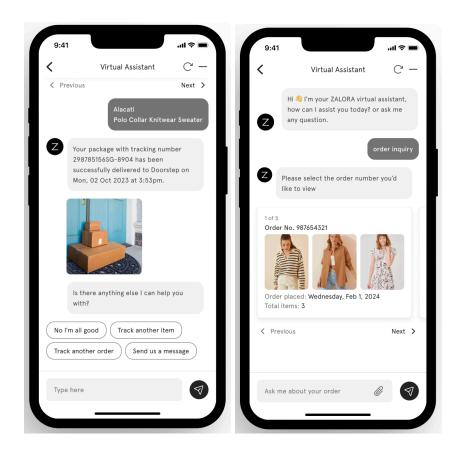


ZALORA LAUNCHES AI-POWERED CHATBOT ACROSS SOUTHEAST ASIA

Embracing the Era of Personalized AI Assistance for a Superior Online Shopping Experience



SINGAPORE, **6 JUNE 2024 – ZALORA**, Asia's leading fashion and lifestyle e-commerce platform and part of <u>Global Fashion Group (GFG)</u>, is proud to announce the launch of our Al-powered customer service chatbot, designed to provide seamless and personalised support to customers across Singapore, Malaysia, Philippines, Indonesia, Hong Kong and Taiwan.

An Intelligent Chatbot That Provides Personalised Support

Launched in early 2024, ZALORA's new Customer Service Al-powered chatbot is the result of a partnership between ZALORA's technology team and <u>Forethought</u>, a leading provider of customer-first Al experiences.

The chatbot leverages AI that is programmed to learn and understand the intent behind customer inquiries, to provide relevant, accurate responses in a <u>highly intuitive and visual format</u>. For simple queries, it leverages generative AI and draws from an ever-growing comprehensive knowledge base of FAQs, while for more complex questions, it utilises natural language processing to grasp the customers'

intentions before providing useful answers. The chatbot can adapt and respond to any language communicated with it, for instance, an entire conversation can be started in English and ended in Mandarin or any of the local languages seamlessly.

The biggest difference between ZALORA's new chatbot and standard industry counterparts is its deep integration with our consumer core services. This means, once customers sign into their ZALORA shopping profiles, the chatbot can directly access and offer personalised information linked to their accounts, this includes information about the status of their orders, deliveries, and returns.

Knowing customers don't always recall their order IDs, the chatbot's easy to understand UI concept presents purchases intuitively with pictures of individual items within each order. This is especially important to our ZALORA VIP customers who can easily navigate and sort through multiple orders.

Supporting Human Customer Service Capabilities

In addition to delivering a seamless customer experience, the chatbot is envisioned to support and augment the capabilities of our human customer service representative. Across the eCommerce industry, millions of customer service inquiries have to be answered each year, which traditionally requires a human customer representative to address.

Since the launch of our highly intuitive customer service chatbot, ZALORA's deflection rate has improved by 30% since launch, which exceeds our early targets. This means more questions can be answered by the AI-powered chatbot without the need for human assistance. For more complex enquiries, the chatbot will provide a summary of the conversation and hand it over to a human customer service representative if they need to step-in for further support.

This ensures shoppers need not restate the details of their conversation, which allows for a seamless customer service experience while also providing cost savings and time for our invaluable human representatives to focus on providing excellent personalised service to ZVIP customers and handling nuanced challenges that require human touch and understanding.

Proven Results and Continuous Improvement

The chatbot has already demonstrated its effectiveness, adding to our excellent customer experience proposition and has enabled our customer service teams to achieve upwards of 20% YoY improvements in Customer Satisfaction Score (CSAT) for markets like Singapore and Hong Kong, above our previous chatbot channels, and a Net Promoter Score (NPS) of over 80%, which is among the highest in the eCommerce industry, driving the best-in class customer experience. ZALORA plans to further integrate the chatbot into core services and explore new use-cases, ensuring a constantly improving superior online shopping experience for customers.

"As a fashion company at heart, we want to help our customers discover great products and brands that make them feel great and confident. ZALORA is known and loved for its industry-best customer service and we're continuously exploring ways to improve that experience, especially in a more scalable and digital-first way.

The innovation around Generative AI and Large Language Models (LLMs) has given us access to more capabilities and partnerships to deliver experiences to give our customers an elevated fashion shopping experience," shared **Liam Hutchinson**, **Director of Product**, **ZALORA Group**.

"The chatbot sits as part of our broader investments in automation & artificial intelligence under TITAN, our proprietary platform intended to lead Fashion eCommerce innovation in maintaining a safe and seamless experience for customers and taking the online shopping experience to the next level," added Sumit Jain, Chief Technology Officer, ZALORA Group

With Artificial Intelligence (AI) transforming how we live and interact, particularly in the realm of retail and eCommerce, ZALORA is committed to continuously embracing cutting-edge technologies to improve our customers' journeys and experiences, ensuring we remain at the forefront of delivering exceptional service across all our touch points.

Press materials can be found here.

For more information on the newly launched ZALORA Customer Service Chatbot, please reach out to the media contacts.

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About ZALORA

ZALORA is Asia's Online Fashion and Lifestyle Destination. Founded in 2012, the company has a presence in Singapore, Indonesia, Malaysia, the Philippines, Hong Kong and Taiwan. ZALORA is part of the 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 apparel, shoes, accessories, and beauty categories for men and women. Offering up to 30-day free returns, speedy deliveries as fast as 3 hours, free delivery over a certain spend, multiple payment methods, and a loyalty subscription program ZVIP, offering unlimited free and fast delivery. ZALORA is the online shopping destination with endless fashion and lifestyle possibilities.

About Global Fashion Group

Global Fashion Group is the leading fashion and lifestyle destination in LATAM, SEA and ANZ. From our people to our customers and partners, we exist to empower everyone to express their true selves through fashion. Our three ecommerce platforms: Dafiti, ZALORA and THE ICONIC connect an assortment of international, local and own brands to 800 million consumers from diverse cultures and lifestyles. GFG's platforms provide seamless and inspiring customer experiences from discovery to delivery, powered by art & science that is infused with unparalleled local knowledge. Our vision is to be the #1 fashion & lifestyle destination in LATAM, SEA and ANZ, and we are committed to doing this responsibly by being people and planet positive across everything we do.

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