



# Building great customer experiences

CMD 2021

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Our vision is to be the  
**Starting Point** for Fashion

# Bringing our vision to life by improving the core experience and elevating distinct propositions

## Improving the core (fashion) experience



Endless choice



Seamless convenience



Tailored digital experience

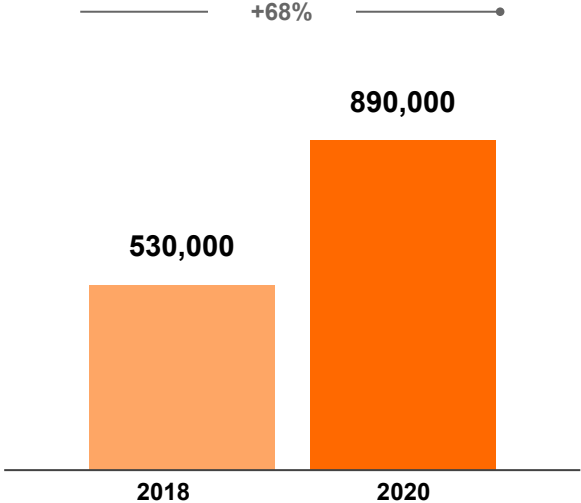
## Elevating distinct customer propositions

**Pre-Owned**  
**Beauty**  
**Zalando Lounge**  
**Designer**  
**Zalando Plus**  
**And more.**

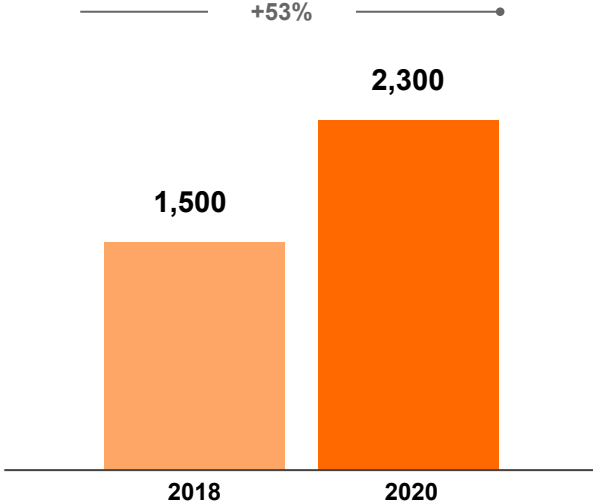
# Offering our customers more choice and freshness



**More choice...**  
Number of SKUs available at Zalando



**...and freshness**  
Number of new SKUs every day

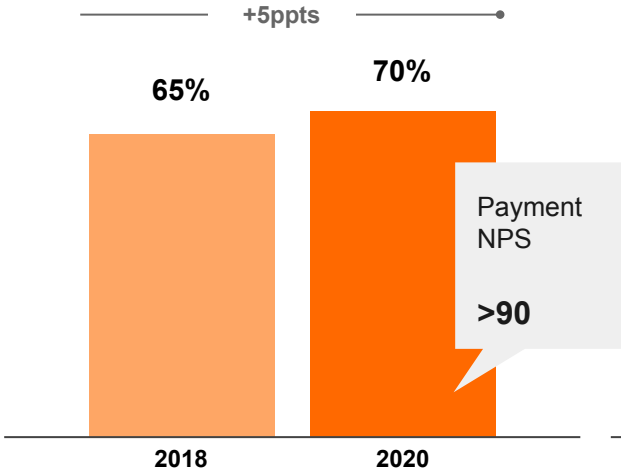


# Making payments, delivery and returns more convenient

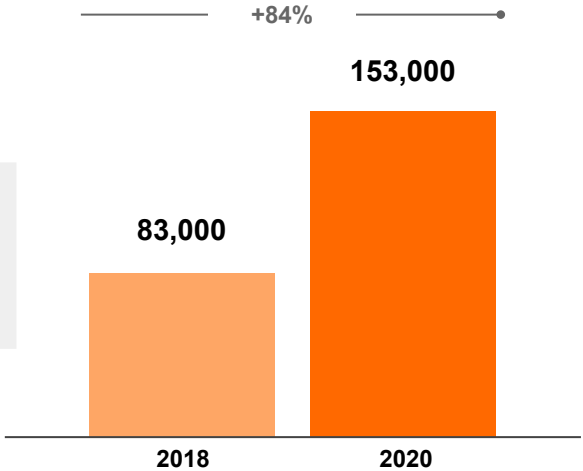


Seamless Convenience

**Improved payment...**  
Offering rate in % of buy now, pay later options<sup>1</sup>



**...and convenience offer**  
Number of pick-up and drop-off points



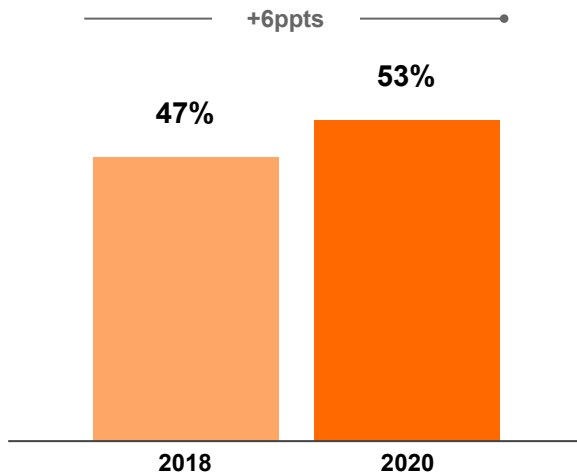
1) Fashion Store only

# Allowing customers to engage with us in a more relevant way

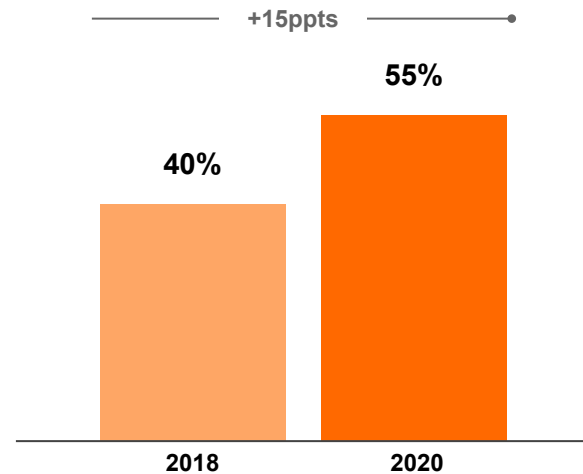


## Tailored Digital Experience

**Higher engagement...**  
Share of customers<sup>1</sup> visiting 5 (or more) times per month<sup>2</sup>



**...driven by higher App visits**  
App visit<sup>3</sup> share in %



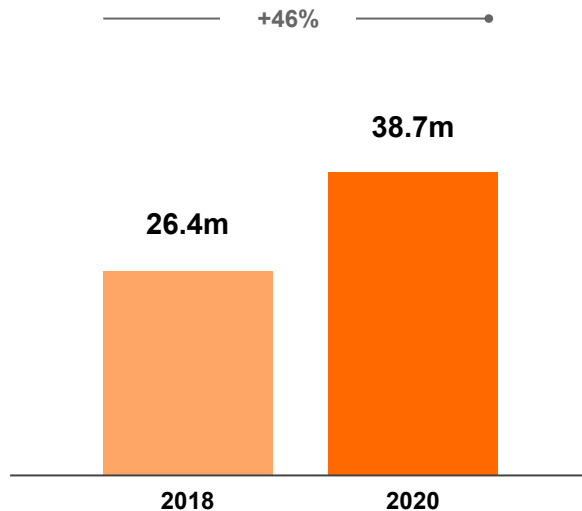
1) Here defined as "logged-in visitor"

2) Fashion Store only

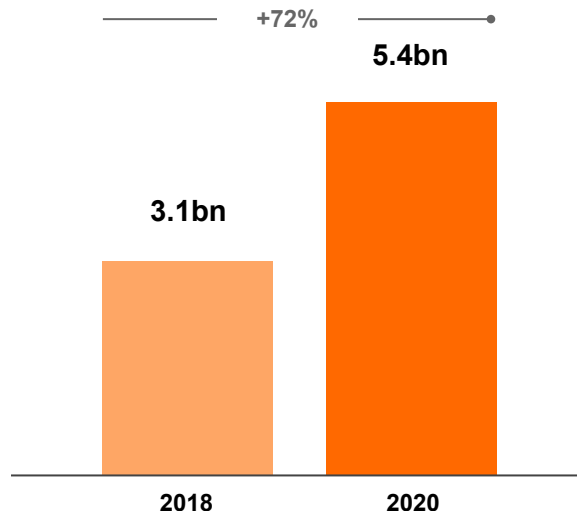
3) Based on the change in consent management following the privacy requirements, part of the data is estimated on a statistical method

# As a result, our customer base is growing, visiting us more often and happier than ever with our experience

Active customers



Site visits<sup>1</sup>



Customer satisfaction  
(Zalando Fashion Store NPS)



# Deepening customer relationships

## Innovating the way we engage our customers

Improving the core experience

Elevating distinct customer propositions



# Improving the core experience

**Discover your brands**  
Follow brands to see more from them first.

**Make it your own**  
Get suggestions made for you, based on your likes and sizes.

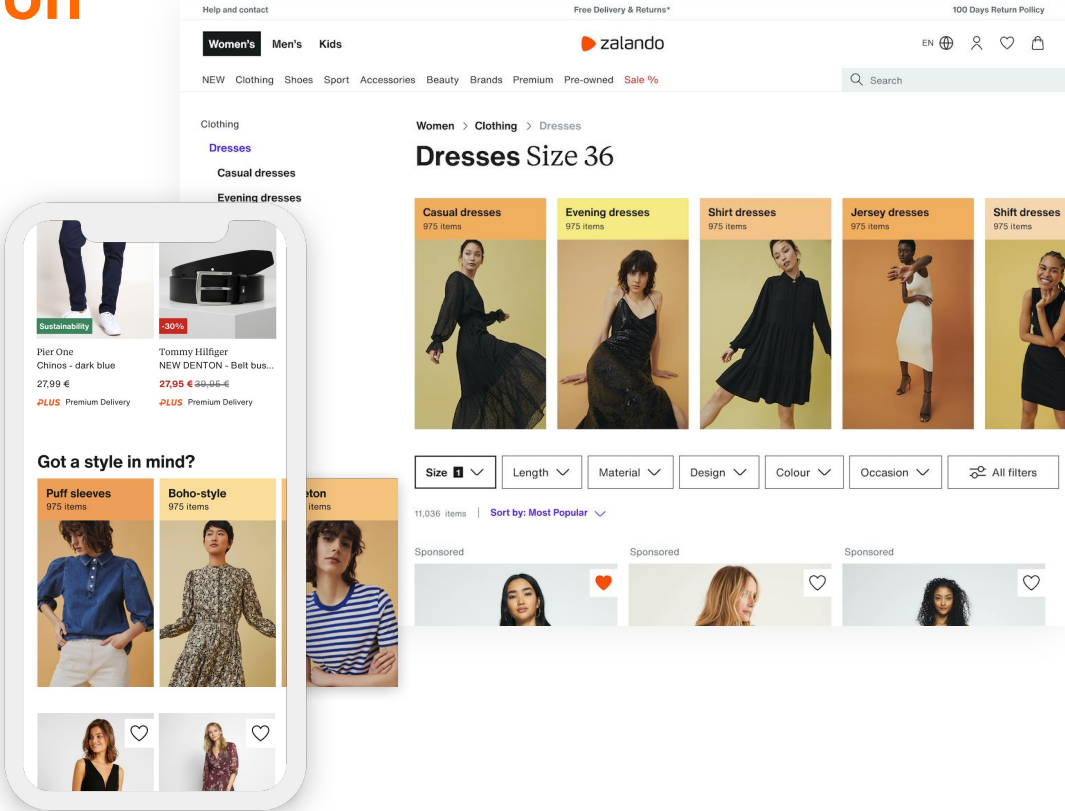
**Change for the better**  
Shop pre-owned items and trade in your own.

**Get the Plus treatment**  
Zalando Plus members get first dibs on sales and free fast delivery.

**Inspiration and advice**  
Discover trends and stories

# Improving the core experience: Providing new and fashion specific ways to browse

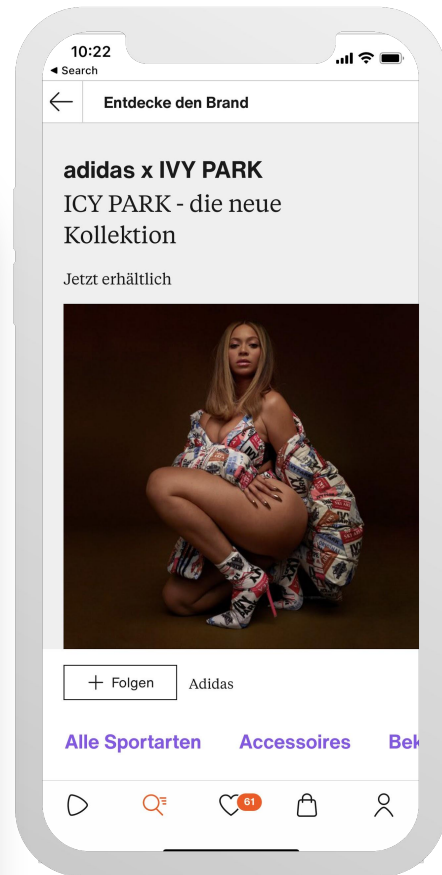
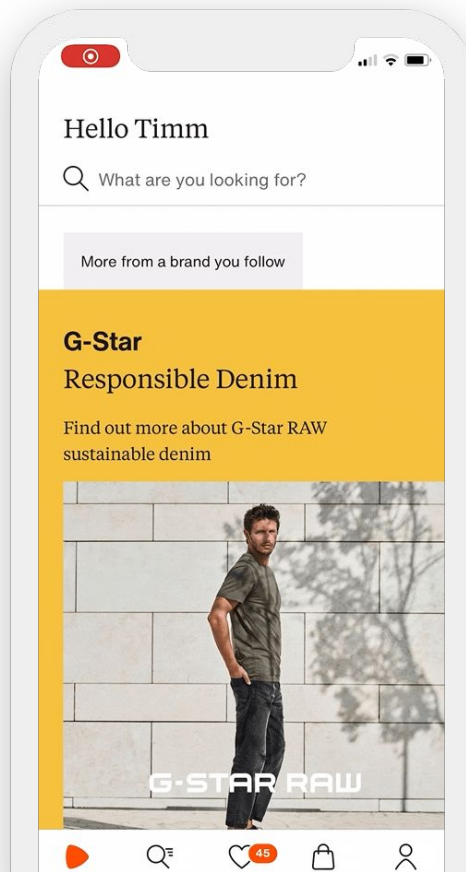
**65%** of the time our customers spend on catalog pages is used to browse through our categories



# Improving the core experience: Letting customers discover and follow Brands they love

2.3x

Customers who follow brands visit  
our platform more compared to  
customers not following Brands



# Improving the core experience: Creating a unique version of Zalando for every single customer

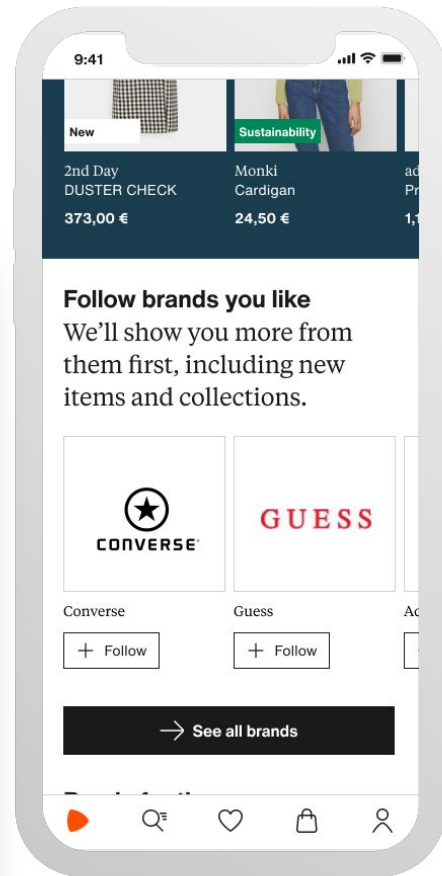
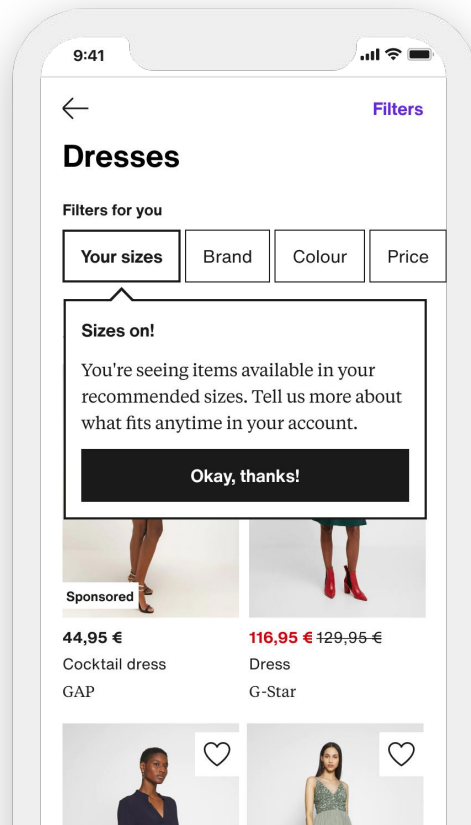
**“I re-ordered exactly the same size I bought in 2016 from a physical store. I married those jeans. They fit perfectly.”**

**– Customer, Germany**

# Improving the core experience: Creating a unique version of Zalando for every single customer

50%

of all items ordered in Q4 2020  
included *Zalando Size Advice*



# Elevating distinct customer propositions

**Soft, tactile fabrics**  
We will hug again  
Discover cosy loungewear →

**A lookbook experience**  
Curated edits from designer labels

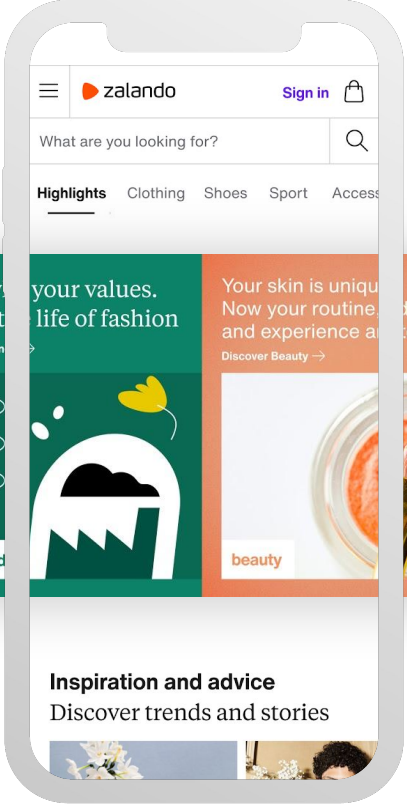
**Limited offers on loved brands. It's a big deal.**  
Shop Zalando Lounge →

**Your style your values.**  
Extend the life of fashion  
Explore Pre-owned →

**Your skin is unique.**  
Now your routine and experience are too.  
Discover Beauty →

**Zalando Plus means more !!!**  
**More offers, more choice, and more advice.** Oh, did we mention **free faster delivery?**

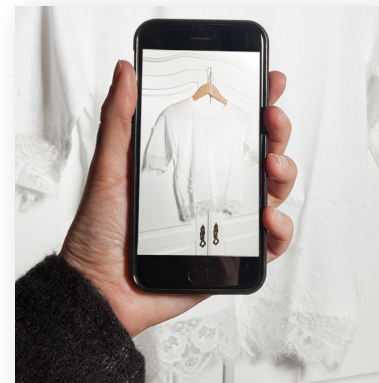
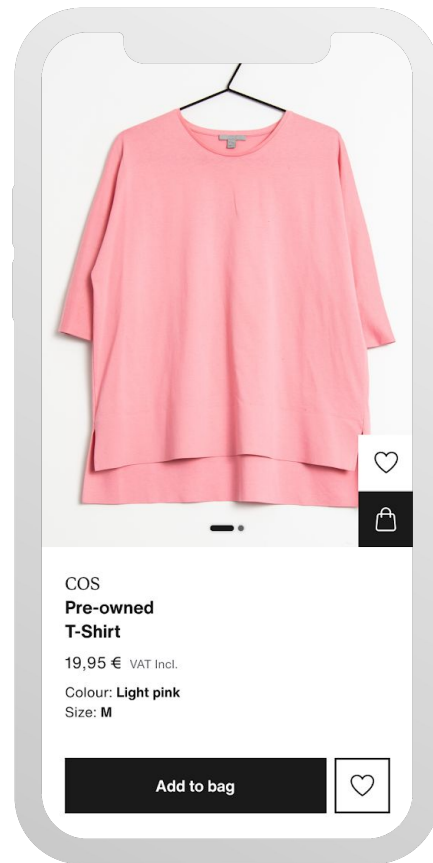
**fashion** **designer** **zalandolounge** **23 H 45 M 20 S** **pre-owned** **beauty** **PLUS**



# Elevating distinct customer propositions: Letting customers buy pre-owned items and trading items in they no longer wear

25%

90-day in category repurchase rate  
in Pre-owned - significantly higher  
than in other categories



#### Handy tip

Take a photo during daylight against a white background for the best results

Select photos

Take a photo

# Elevating distinct customer propositions: Serving our Beauty customers a multisensory experience

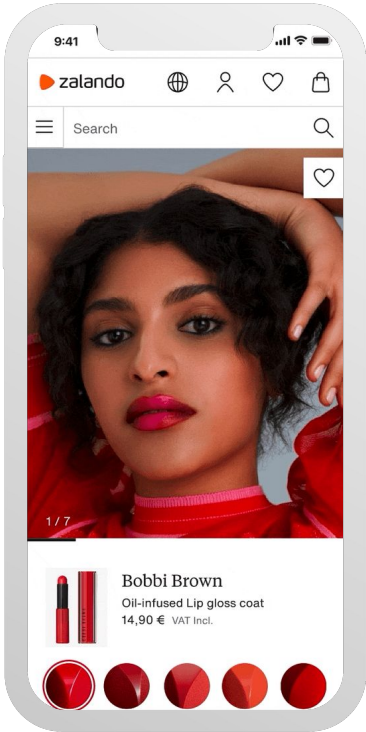
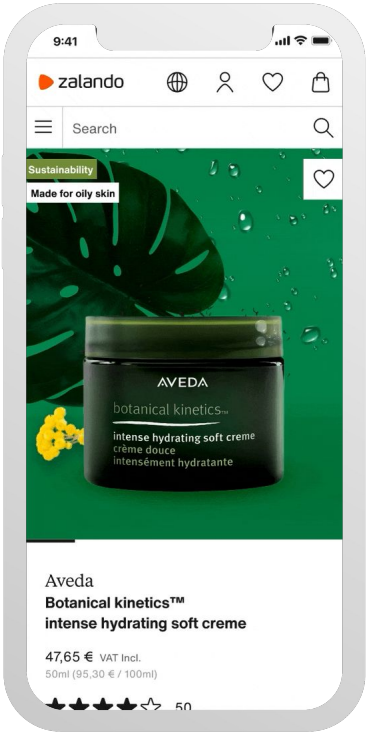
“**One of the ‘small routine’ moments** that brings me comfort is when I have that short ‘me moment’: using my favourite coconut scrub - this fragrance relaxes me and reminds me of how I try to wind down after a very long day at the office and especially at the end of a long busy week.

– Customer, Italy



# Elevating distinct customer propositions: Serving our Beauty customers a multisensory experience

**60%** | Share of Beauty orders containing at least one fashion item



# Elevating distinct customer propositions: Serving our Beauty customers a multisensory experience



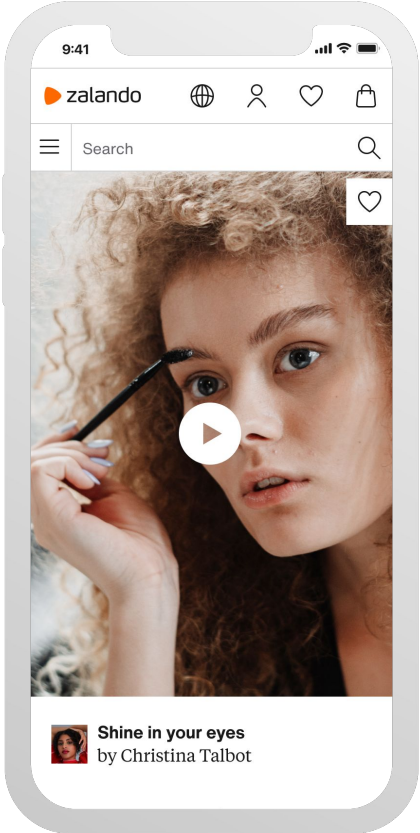
**Bedtime face routine**  
Here's what you should keep in mind to sort through all the noise.




**Easy 3-step skincare routine**  
A trio of essentials for a clean, happy, moisturized complexion.




**How to combat dryness**  
Hydrate your skin in a few simple steps.



### Guide to DIY Beauty Salon At-home Beauty Treatments



**Deep Nourishing Haircare**



**Premium skin**

[Explore all our skin care routines →](#)

# Elevating distinct customer propositions: Zalando Lounge surprises fashion lovers with fresh deals every day

Up to  
**75%**

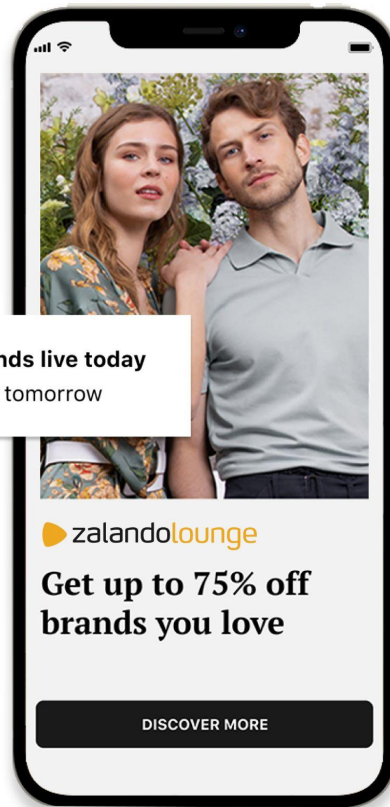
Discount offered

**72h**

Limited runtime of campaigns

**1bn**

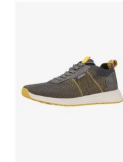
GMV in 2020



ends in 10<sup>h</sup> 04<sup>m</sup> 49<sup>s</sup>

**Never miss our  
limited time offers**

LAST SEEN



**S. Oliver  
Sneakers**

-75%

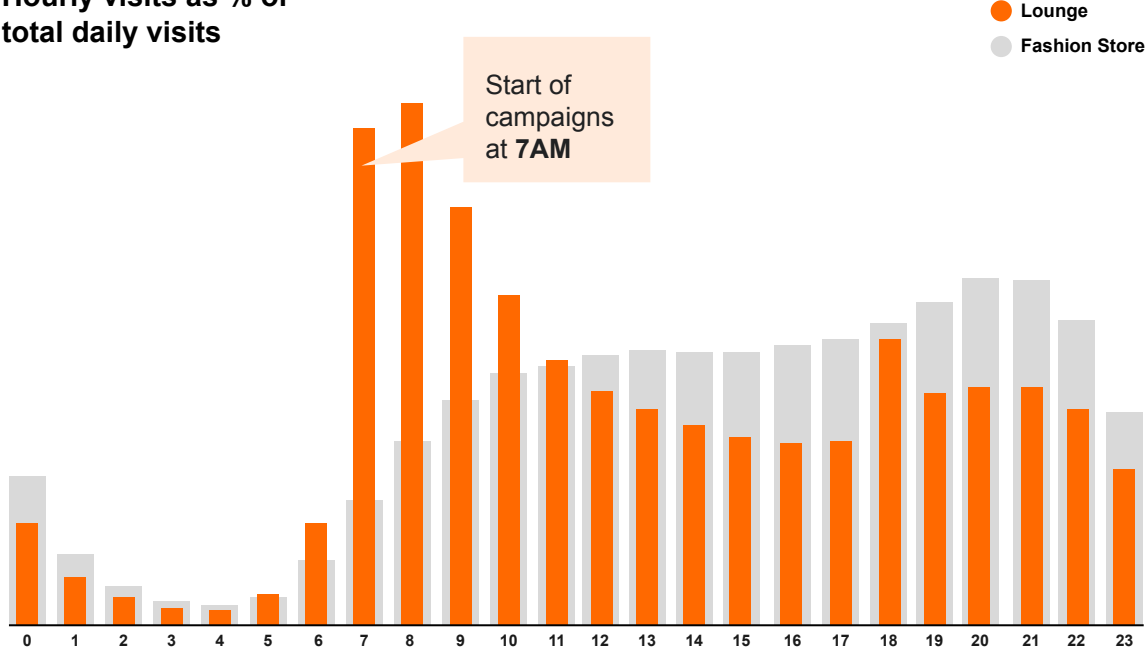
**Keep track of your  
favourite deals**

# Elevating distinct customer propositions: Lounge deals worth getting out of bed for

**25%** | DAU / MAU

**70%** | Share of new customers making purchase on the app

Hourly visits as % of total daily visits



# Elevating distinct customer propositions:

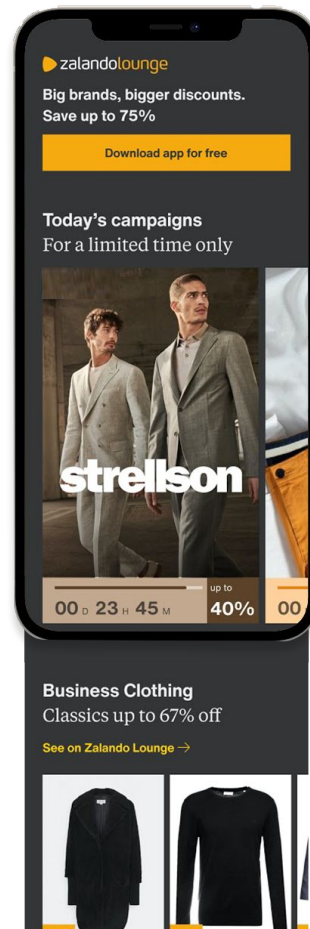
## Growing customer love with Zalando Lounge

12.3

Orders per customer from customers with at least one Order on Fashion Store and Lounge respectively (in 2020)

4.8

Order per customer on average in 2020 (group)



# Elevating distinct customer propositions:

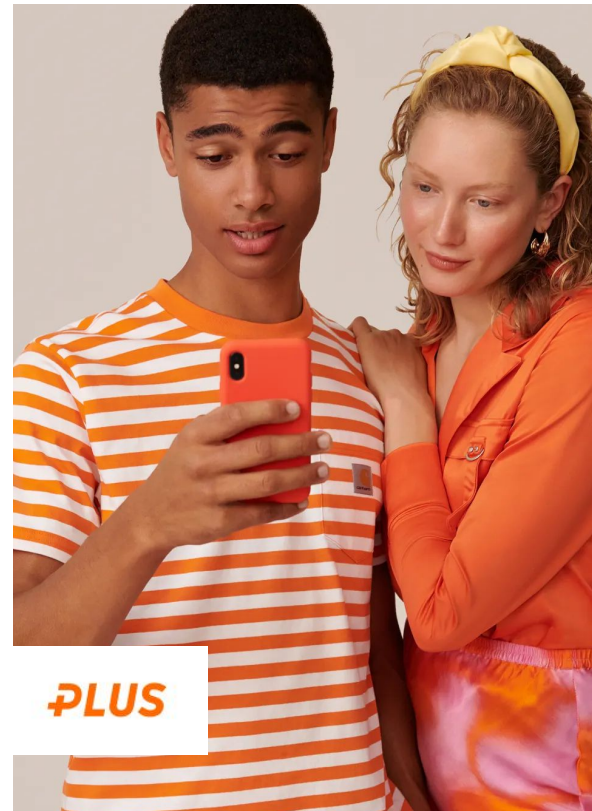
## Providing our best customers the best version of Zalando

**3x**

Higher GMV spend per Plus customer vs. average non-Plus customer (in Germany)

**+10pts**

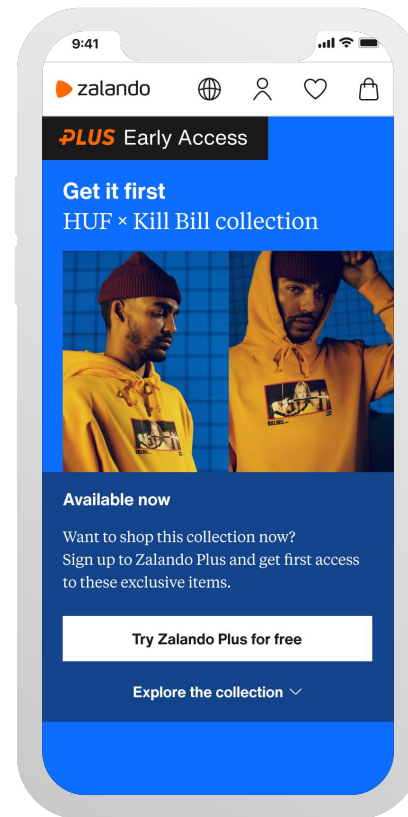
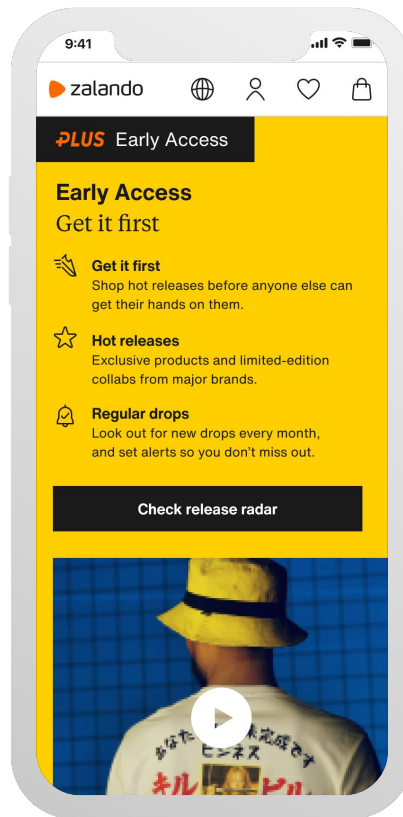
NPS score of Plus members significantly higher than non-members



# Elevating distinct customer propositions: Expanding Plus benefits

3

New markets for Plus in 2021:  
France, the Netherlands and  
one more







## **[Video - customer experience]**



# Unlocking our growth potential by providing customers with even more opportunities and reasons to interact with Zalando

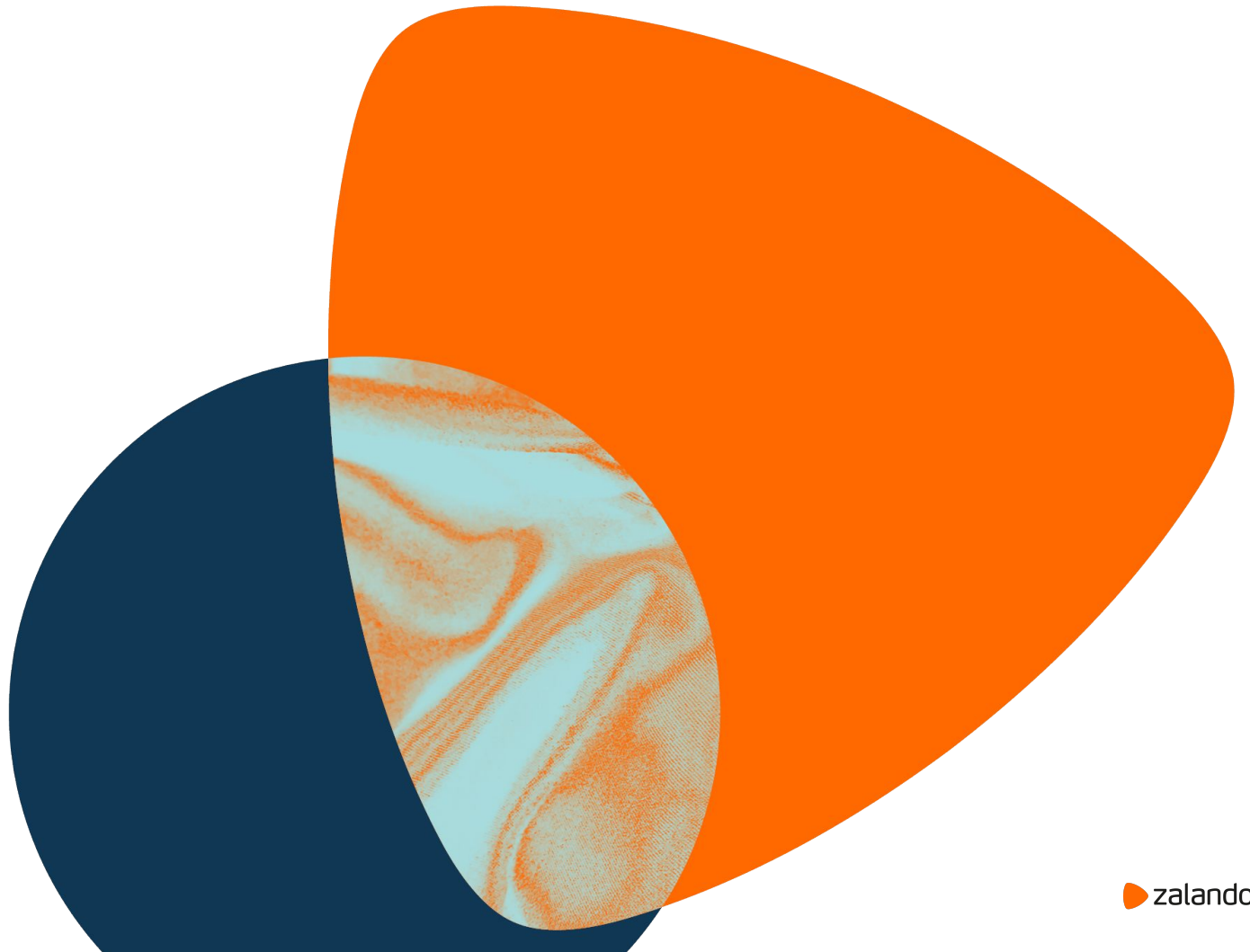
Customers per proposition (in #m)<sup>1</sup>

(for illustration only)



1) Active customers per proposition. Data for 2020 - Fashion Store represents core experience in this illustration

# Q&A



## Disclaimer

Certain statements in this communication may constitute forward looking statements. These statements are based on assumptions that are believed to be reasonable at the time they are made, and are subject to significant risks and uncertainties.

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Our actual results may differ materially and adversely from any forward-looking statements discussed in this communication due to a number of factors, including without limitation, risks from macroeconomic developments, external fraud, inefficient processes at fulfillment centers, inaccurate personnel and capacity forecasts for fulfillment centers, hazardous material / conditions in production with regard to private labels, lack of innovation capabilities, inadequate data security, lack of market knowledge, risk of strike and changes in competition levels.

