

PRESS RELEASE : E-COMMERCE LANDSCAPE IN A REOPENED ECONOMY



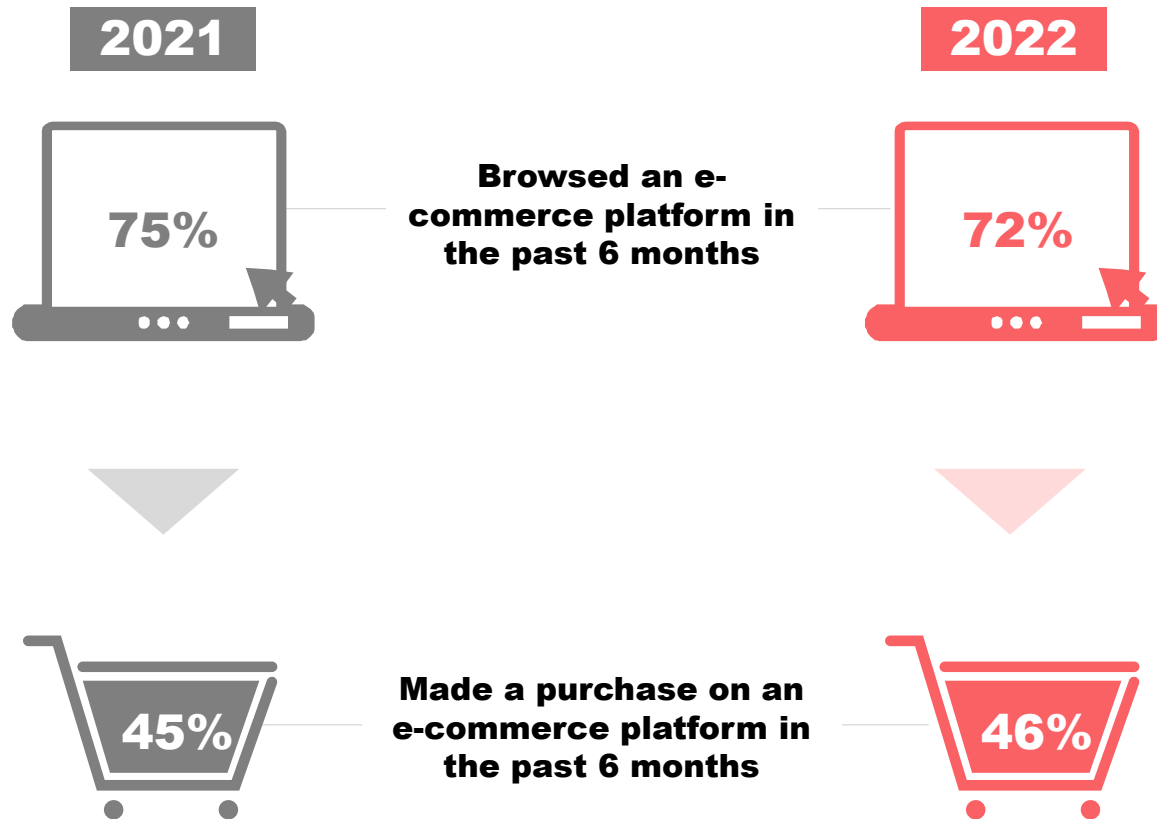
Ipsos Malaysia

9th June 2022

GAME CHANGERS



E-COMMERCE USAGE STABLE AS PHYSICAL RETAIL REOPENS



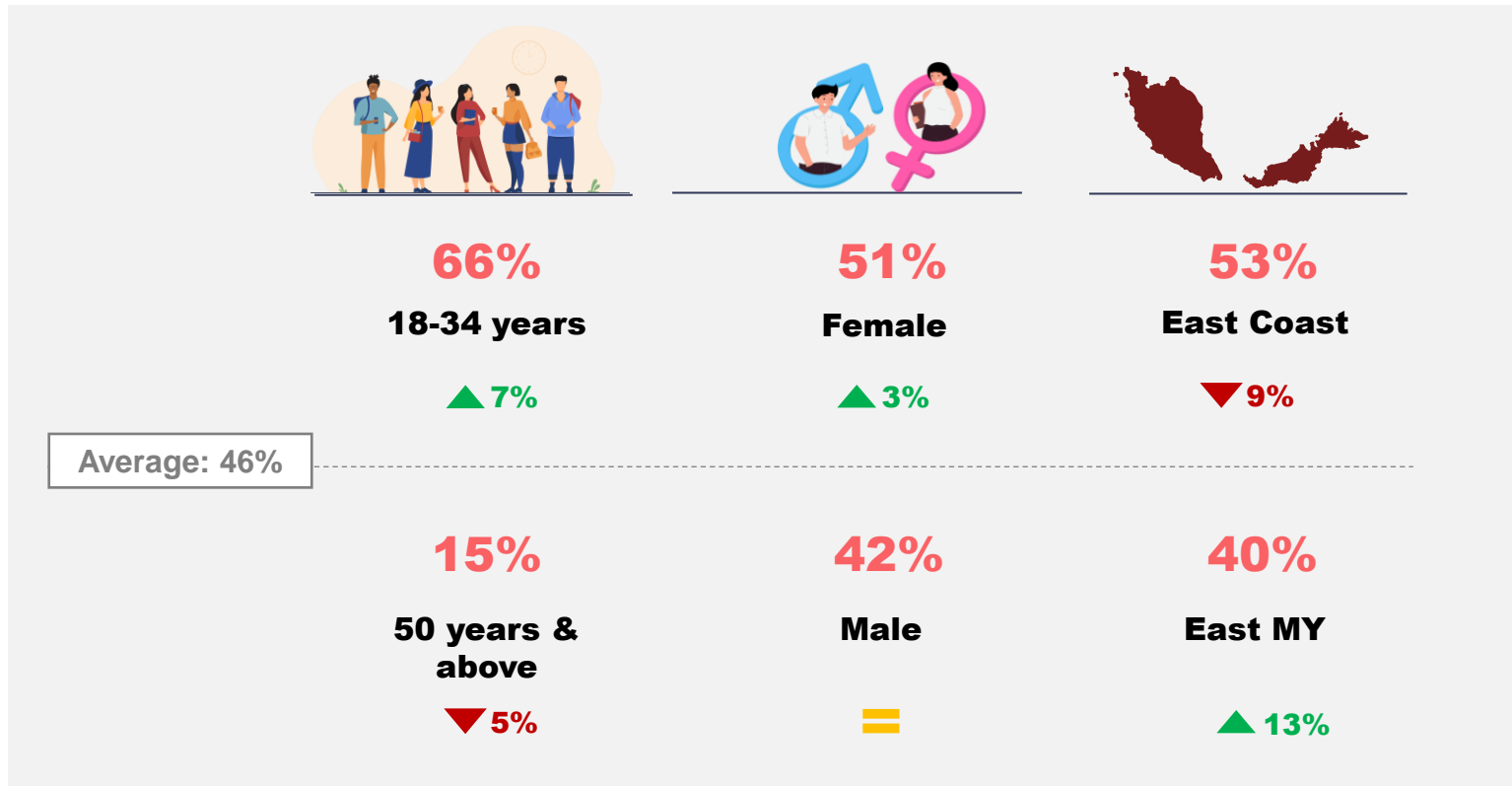
As life start to return to normal, it's evident that many elements of the 'new normal' continue to stick.

Almost half of Malaysians have made a recent purchase on an e-commerce platform, which is similar to one year ago when the pandemic was at its height.



DIVERGING ONLINE SHOPPING TRENDS BY LIFESTAGE

Made a purchase on an e-commerce platform in the past 6 months





 Indicating change from April 2021

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Nationally representative sample of N=1,005 Malaysian aged 18-74 years, covering 16 ecommerce platforms. Conducted in April 2022.

The trends in online shopping are diverging between people at different life stages. Among young people, there's continued movement towards online shopping, while a drop among the 50+ segment indicate a return to pre covid habits.

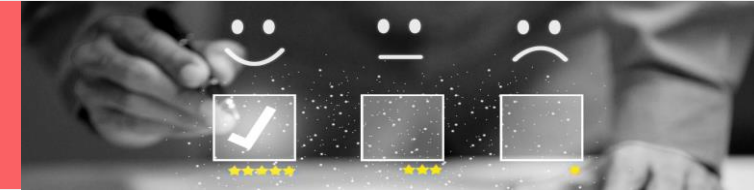
East Coast states still have a higher share of e-commerce shoppers than any other region, but the regional differences are less distinct than in 2021.

A slight uptick in online shopping among women - for men it remains unchanged.

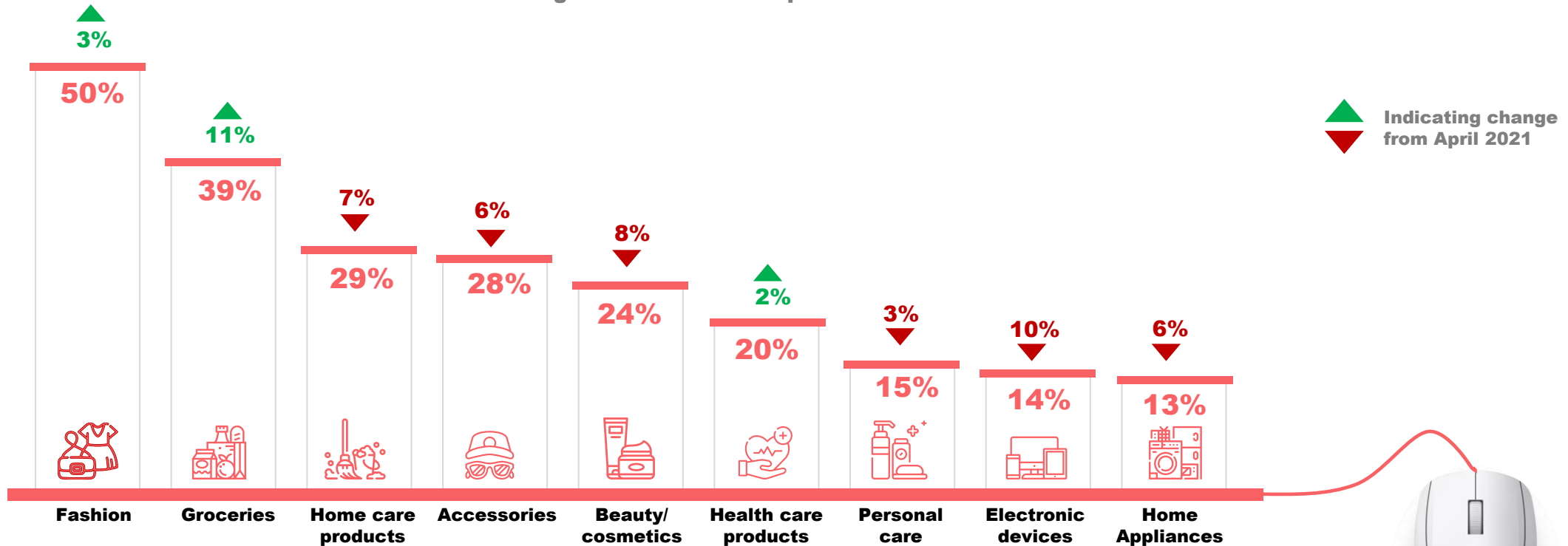


HIGHER STICKINESS FOR FASHION ITEMS & GROCERIES

As the pandemic recedes and the removal of movement restrictions allows brick & mortar retail to return to normal, a new picture for online shopping emerges – there's continued high demand for fashion items and groceries online, while Malaysians are less inclined to buy more pricey specialty items such as electronics and home appliances online compared to last year.



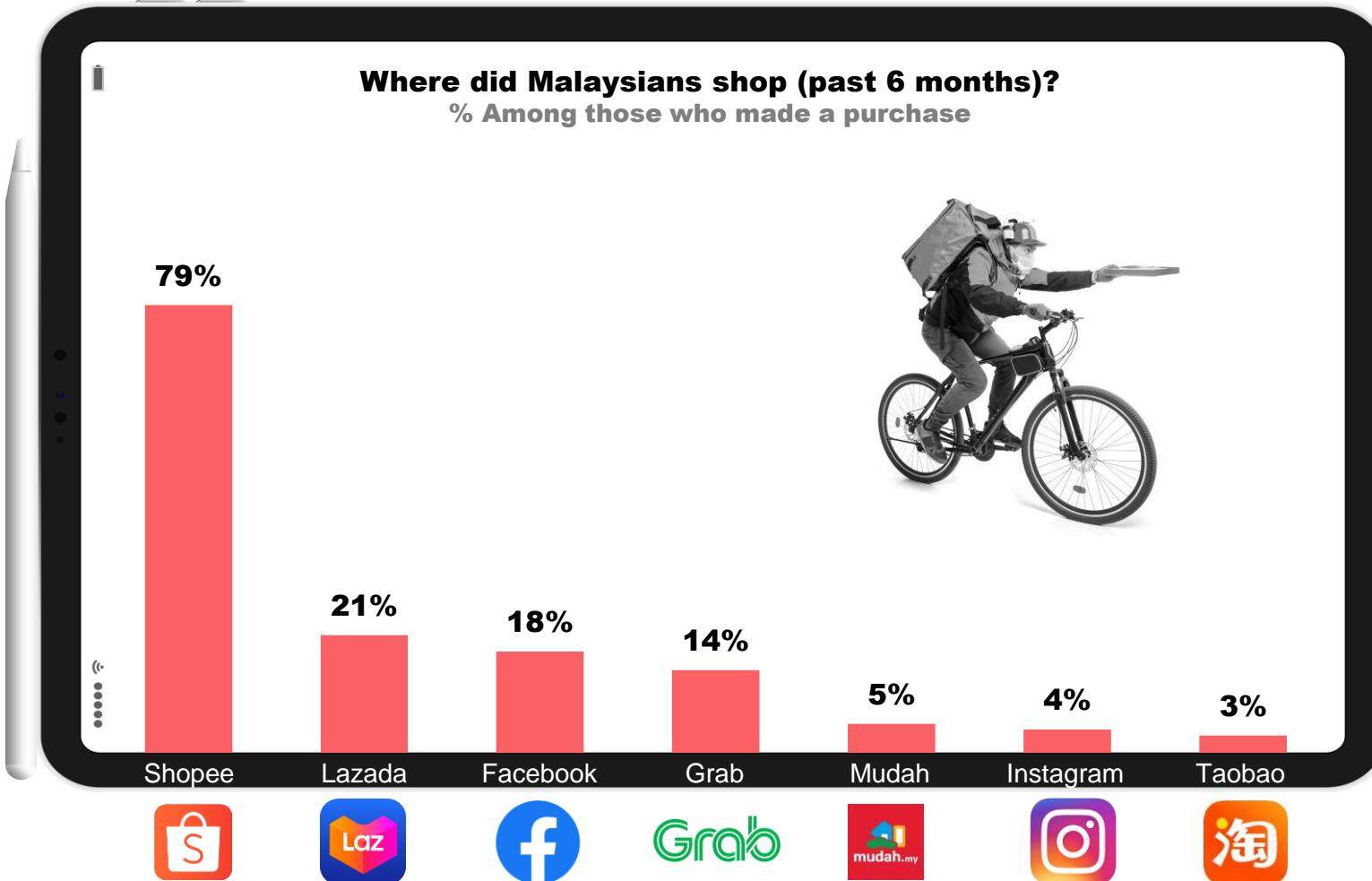
What did Malaysians purchase on e-commerce platforms (past 6 months)?
% Among those who made a purchase



▲ Indicating change from April 2021
▼

SHOPEE REMAINS PLATFORM OF CHOICE

Shopee maintains its position as the leading e-commerce platform in Malaysia, boosted by word of mouth – Malaysians are fairly loyal to their preferred platform, using between one and two online retailers on average.



1.5

Average number of e-commerce platforms online shoppers have used to make a purchase in the past 6 months

Promoters
(Highly likely to recommend after usage)

52%



Shopee

32%

Average (16 brands)

MAIN APPEAL OF TOP E-COMMERCE BRANDS



The major e-commerce retailers in Malaysia attracts shoppers by offering good value for money, staying relevant in the face of changes in consumers' lifestyle and needs, and delivering services that are customer centric.

Top online retailers' strongest attributes %Agree



Provides good value for money



Products relevant for people's lifestyle



Puts its customers first



E-commerce landscape in a reopened economy

The retail sector experienced a major shake up when the Covid-19 pandemic emerged in March 2020 – overnight, consumers of all walks of life had to rely on online shopping as a necessity rather than a convenient option. More than two years on, the move towards online shopping looks to be structural; as the country has opened, Malaysians have the same propensity to shop online as they had one year ago when the pandemic was at its height.

However, trends are diverging between people at different life stages. The share of young people shopping online continues to increase, while for older people, the uptick in online shopping during the pandemic appear to be more cyclical – many are now returning to old habits.

There's also a divergence in terms of product categories purchased – online shopping of fashion items and groceries have become a mainstay, while a drop in online purchases of electronic devices, home appliances and cosmetics may reflect a pivot back to physical retailers for pricier specialty items.

Among the online retailers, Shopee maintains its dominant position in the Malaysian market, with good value for money as a major pull factor.



Lars Erik Lie
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Game Changers

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You act better when you are sure.