



Creating Deep Customer Relationships



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Capital Markets Day 2019

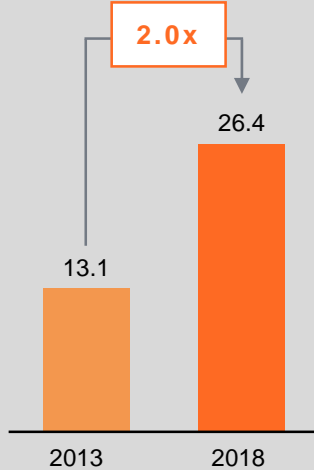
February 28, 2019

Zalando.
The Starting Point for Fashion
Our Vision

Our Customer Base Is Growing, Engaging More with Us And Happier Than Ever with Our Service

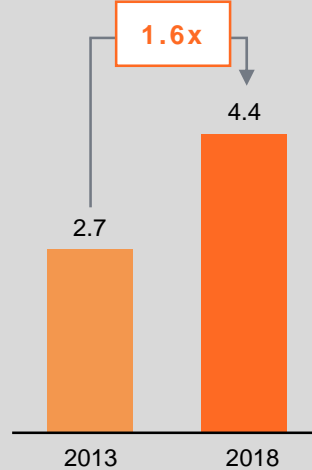
Active Customers

(# m)



Order Frequency

(# per customer, LTM)



Customer Satisfaction

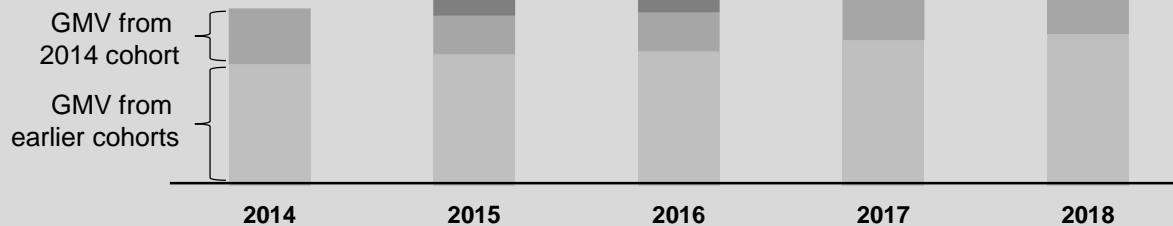
(Group NPS)

+14pts

2014 - 2018

Consequently, We Continue to Observe Healthy Development of Our Customer Cohorts

Total GMV per cohort¹ and order year

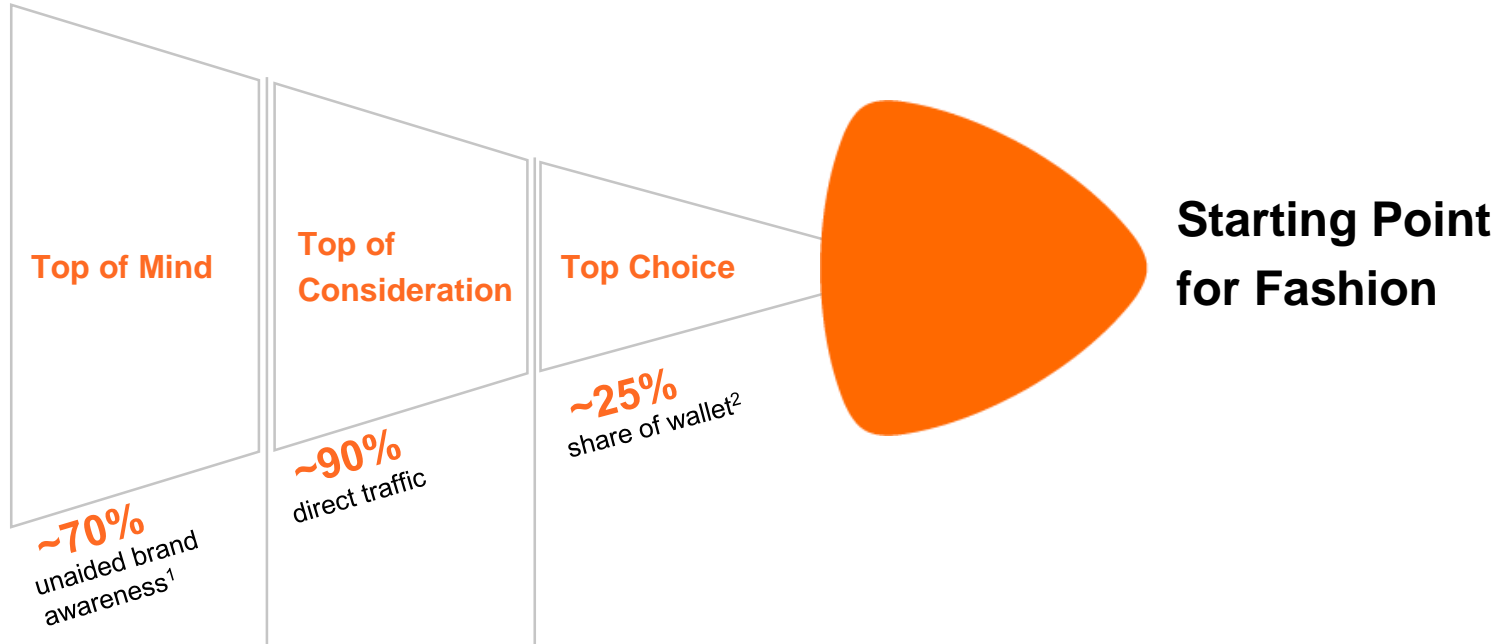


1. Old cohorts grow again over time

2. Customer churn goes down

3. Every new cohort is bigger than the previous one

As a Starting Point, We Need to Be Top of Mind, Top of Consideration and Top Choice for Our Customers



Elevating the Customer Experience

What We Want Our Customers to Say About the Starting Point for Fashion

Assortment



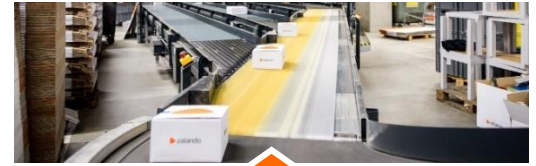
“If it’s not on Zalando,
it doesn’t exist”

Digital Experience



“Zalando always knows what
I want and what inspires me”

Convenience



“I always buy fashion on Zalando
– it’s so convenient, why would
I look anywhere else?”

Zalando’s Holistic Fashion Proposition



“Zalando is my one-stop-shop for everything I want in fashion”

Our Customers Can Avail of Desirable and Fresh Assortment – but There Is Still a Huge Opportunity

Assortment

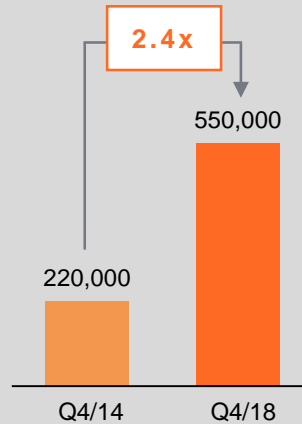
Desirable and complete



“If it’s not on Zalando,
it doesn’t exist”

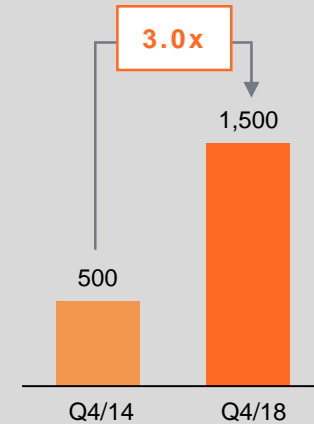
Assortment Is Complete...

(# of SKUs available at Zalando)



...and Fresh

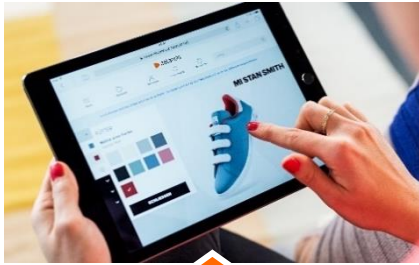
(# of new SKUs every day)



We Allow Customers to Spend More Time with Us in a Relevant Way

Digital Experience

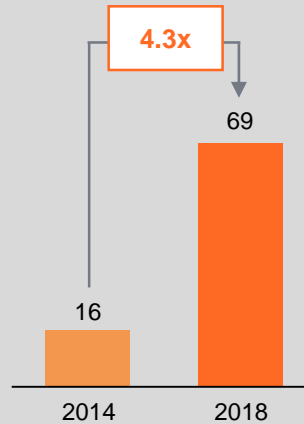
Personalized inspiration



“Zalando always knows what I want and what inspires me”

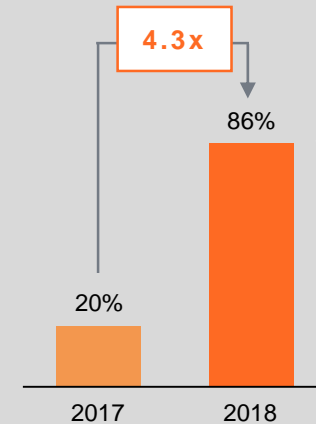
More Time Spend with Us

(time spend on the app;
per user per month in min)



Increasing Size Recommendations

(size flags as share of wholesale assortment)

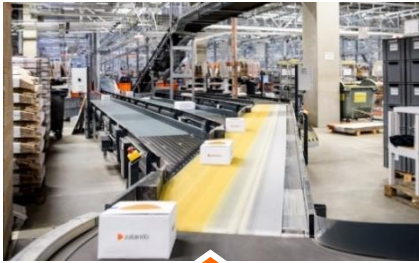


size-related returns
-4%

We Make Our Payments and Our Returns Easier

Convenience

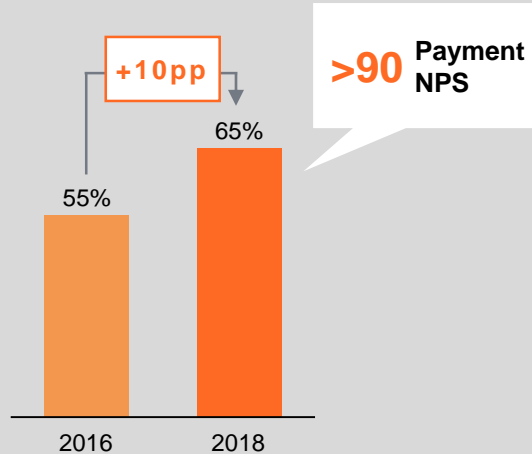
Frictionless service experience



“I always buy fashion on Zalando – it’s so convenient, why would I look anywhere else?”

More Deferred Payments Offered ...

(share of customers offered deferred payments)



...and easier returns

(NPS Q4/18)

93%

of customers are very happy with ease of returns

By Introducing Customers to Our Services We Cover More of Their Needs and Spend

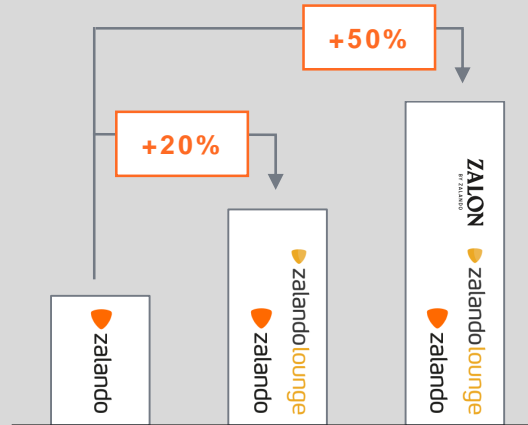
Zalando's Holistic Fashion Proposition



“Zalando is my one-stop-shop for everything I want in fashion”

GMV per Active Customer

(in %)

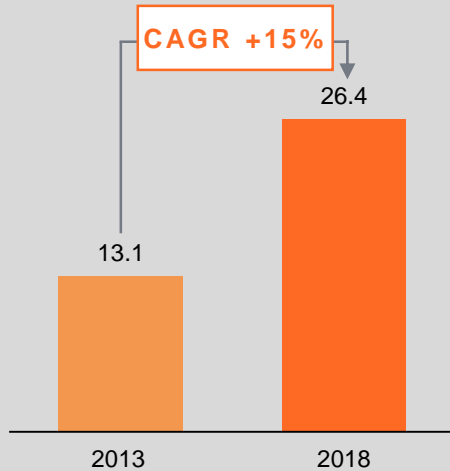


Focusing on Deep Customer Relationships

Already Today, Our Deepest Customer Relationships Are the Fastest Growing

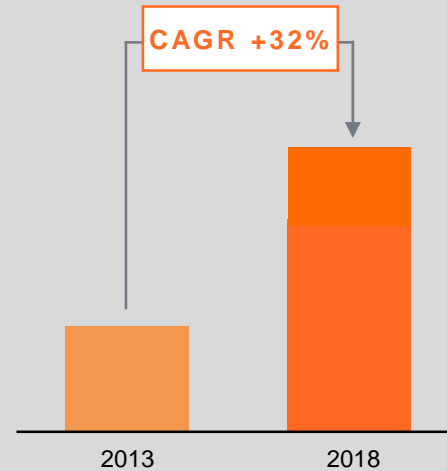
Total Active Customers

(in # m)



Active Customers Spending >€500

(p.a. in # m)



We Will Move from a “One-Size-Fits-All“ Offering to a Differentiated Customer Experience

First Years of Zalando...

One-size-fits-all customer experience



...Zalando in the future



Unmatched



Premium



Market standard

With Zalando Plus We Make Our Offering Even More Attractive



Share of wallet

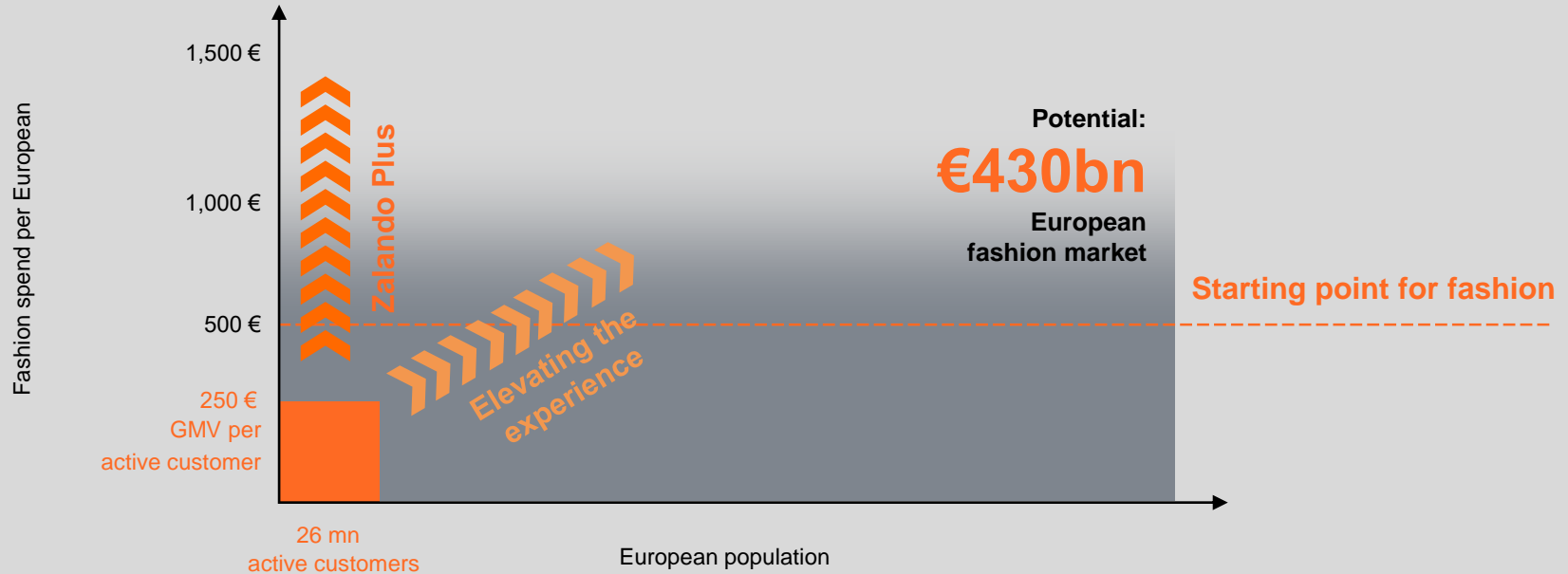


Customer
satisfaction



Customer
Lifetime Value

The Potential Still Remains Paramount – Deep Customer Relationships Are the Biggest Prize to Win



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