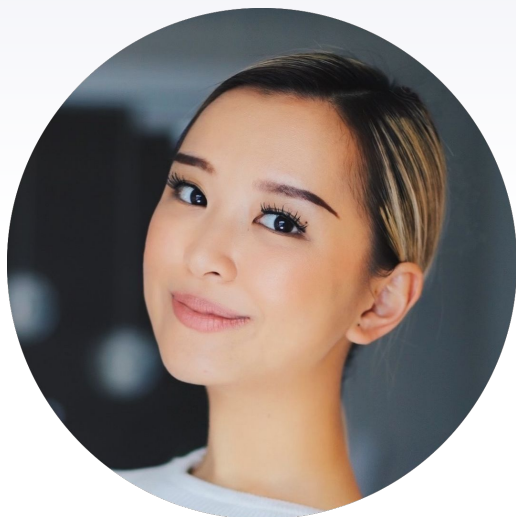


Kickstarting Your Product Growth Strategy

The guiding principles and practices



A quick introduction



May Chin

- Principal Product Manager, **Growth**
- Brought in to lead the formation of a new **growth hacking** and **product analytics** business unit in ZALORA
- Formerly at **Mindvalley**, **Lazada**, **iPrice**

Agenda

1. The product analytics landscape
2. The Growth backlog
3. Growth initiatives examples
4. Key takeaways



1. Establish your product analytics landscape



► The Revenue function.

$$\left(\begin{array}{c} \text{Sum of} \\ \text{catalog} \\ \text{views} \end{array} \right) \times \left(\begin{array}{c} \text{Catalog} \\ \text{CTR} \end{array} \right) \times \left(\begin{array}{c} \text{Add to} \\ \text{Cart} \\ \text{Rate} \end{array} \right) \times \left(\begin{array}{c} \text{Cart to} \\ \text{Checkout} \\ \text{Rate} \end{array} \right) \times \left(\begin{array}{c} \text{ABS} \end{array} \right)$$

= \$\$\$\$

		GLOBAL			MY			SG			ID			PH			HK			TW		
Main KPIs	Sub KPIs	Web	Mobile Web	Mobile App	Web	Mobile Web	Mobile App	Web	Mobile Web	Mobile App	Web	Mobile Web	Mobile App	Web	Mobile Web	Mobile App	Web	Mobile Web	Mobile App	Web	Mobile Web	Mobile App
Onboarding completion rate	OVERALL COMPLETION RATE			2.06%			13.81%			0.11%			0.04%			0.11%			0.49%			246.34%
	Onboarding Country selection Dropoff			83.71%			9.92%			99.93%			99.97%			99.92%			17.45%			99.99%
	Onboarding Language selection Dropoff			83.71%			-60.12%			-21072.37%			769%			-118493.22%			-45.18%			-1219516.67%
	Onboarding Login Dropoff			-160.24%			2.43%			-51.23%			-1213175.00%			-185.93%			76.4%			-195.72%
	Onboarding Tutorial Dropoff			97.94%			16.35%			16.67%			45.07%			36.00%			49.79%			45.49%
Mobile web to app install rate																						
Feature discoverability	Search bar usage rate	24.63%	4.8%	17.69%	24.46%	4.89%	26.00%	24.46%	4.89%	26.00%	37.71%	5.27%	28.67%	22.75%	20.48%	0.00%	32.05%	0.00%	34.23%			9.77%
	Visual search discovery rate			0.43%			0.50%			0.49%			0.41%			0.36%			0.47%			0.30%
	Visual search usage rate			38.37%			33.84%			42.05%			43.99%			28.64%			52.59%			44.74%
	Bubble navigation CTR																					
Feature usability	Filter usage rate	5.54%	192%	54.59%	5.84%	2.40%	61.48%	6.54%	2.55%	65.02%	4.78%	2.11%	52.00%	5.21%	1.58%	48.41%	5.62%	0.00%	52.39%	5.50%	1.86%	58.57%
	Sort usage rate	0.07%	16.33%	23.27%	0.05%	19.69%	21.16%	0.05%	17.84%	19.50%	0.11%	23.11%	25.59%	0.11%	11.69%	23.62%	0.00%	0.00%	18.28%	0.13%	14.17%	27.70%
Category Banner CTR	Categories banner CTR 1																					
	Categories banner CTR 2																					
Catalog to PDV CTR	OVERALL	0.54%	1.46%	11.89%	0.53%	1.46%	12.67%	0.57%	1.62%	12.90%	0.48%	1.36%	12.14%	0.59%	1.51%	12.16%	0.56%	1.57%	14.06%	0.58%	1.33%	17.00%
	SRP catalog to PDV CTR	0.76%	1.40%	14.02%	0.73%	15.7%	14.17%	0.89%	18.2%	14.44%	0.47%	11%	717%	0.84%	1.33%	13.78%	0.84%	1.46%	14.98%	0.61%	1.41%	7.40%
	Visual SRP catalog to PDV CTR			6.37%			6.66%			6.30%			6.39%			6.37%			5.92%			7.42%
	Category catalog to PDV CTR																					
	Best seller catalog to PDV CTR			76.6%			4.45%			4.35%			10.19%			5.93%			31.6%			2.23%
	Recently viewed catalog to PDV CTR			12.77%			10.34%			20.47%			17.58%			18.12%			2.24%			21.24%
	Complete the Look catalog to PDV CTR			0.35%			1.24%			1.8467%			0.25%			0.39%			1.37%			0.25%
	Just for You catalog to PDV CTR			28.32%			25.90%			22.20%			86.99%			25.40%			12.89%			12.17%
	Similar Items CTR																					
	You May Also Like CTR			9.87%			10.34%			11.36%			9.13%			9.25%			11.98%			11.52%
Overall Add-to-Wishlist CR	OVERALL	4.35%	1.81%	34.19%	4.35%	1.81%	34.19%	0.51%	2.99%	0.82%	0.83%	4.55%	1.26%	0.52%	2.74%	1.01%	4.35%	1.81%	34.19%	0.70%	4.96%	0.99%
Catalog to Wishlist CR	OVERALL				1.06%	8.16%	1.37%															
Catalog to Add-to-Cart CR	OVERALL	0.18%	0.13%	0.43%	0.24%	0.17%	0.51%	0.25%	0.16%	0.51%	0.51%	0.10%	0.51%	0.16%	0.14%	0.49%	0.11%	0.11%	0.48%	0.52%	0.08%	0.08%
	SRP to Add-to-Cart CR	0.20%	0.13%	2.91%	0.20%	0.13%	2.08%	0.20%	0.13%	2.08%	0.08%	0.13%	2.08%	0.17%	1.33%	1.87%	0.14%	0.10%	2.93%	18732.37%	0.10%	0.14%
	Visual SRP to Add-to-Cart CR			0.01%			0.01%			0.03%			0.00%			0.21%			0.46%			0.00%
	Best seller to Add-to-Cart CR			119%			0.46%			0.82%			0.29%			8.21%			5.52%			#DIV/0!
	Category screen to Wishlist CR																					
	Recently viewed to Add-to-Cart CR			108%			1.48%			0.78%			0.32%			8.21%			2.10%			1.88%
	Complete the Look to Add-to-Cart CR			0.0064%			0.1590%			0.2184%			0.01048%			0.0016%			0.0028%			0.0053%
	Similar Items CTR																					
Wishlist to Add-to-Cart CR	Similar Items CTR			0.98%			0.60%			0.64%			0.32%			4.11%			3.57%			3.45%
	Bubble navigation to Wishlist CR				0.00%	6.19%	1169.72%															
PDV to Wishlist CR					0.85%	4.64%	1.94%															
PDV to Add-to-Cart CR		23.41%	4.52%	4.35%	32.36%	3.60%	4.97%	27.79%	4.18%	4.67%	22.47%	2.22%	3.00%	40.11%	4.27%	4.87%	26.39%	4.41%	4.23%	23.41%	4.52%	4.35%
PDV to Checkout CR		3.84%	0.74%	0.71%	5.81%	0.77%	0.60%	5.62%	0.99%	0.82%	3.29%	0.32%	0.34%	4.90%	0.52%	0.52%	5.46%	0.96%	0.73%	3.84%	0.74%	0.71%
Wishlist to Cart CTR																						
Go to Checkout Button CTR																						
Overall Add-to-Cart CR		3.00%	1.08%	1.06%	3.58%	1.22%	1.09%	3.41%	1.23%	1.06%	2.08%	0.77%	0.92%	3.11%	1.38%	1.29%	2.94%	1.13%	0.95%	2.41%	0.78%	0.89%
Cart to Checkout CR		712%	12.53%	9.80%	8.09%	14.71%	9.33%	6.88%	13.76%	10.42%	775%	12.07%	11.05%	5.72%	9.83%	8.48%	0.00%	13.67%	10.28%	7.00%	10.76%	11.24%
Overall Checkout Rate		1.53%	0.27%	1.54%	0.34%	0.56%	1.75%	2.51%	0.53%	1.66%	1.92%	0.28%	1.59%	1.94%	0.34%	1.64%	2.04%	0.43%	1.44%	1.53%	0.27%	1.54%
Checkout Completion Rate	OVERALL				16.73%	16.73%	100.00%															
	Checkout Log in Step CR			126.69%			85.15%			0.00%			#N/A			#N/A			#N/A			#N/A
	Checkout Delivery Step CR			43.83%			0.91%			100.00%												
	Checkout Payment Step CR			38.16%			37.90%			100.00%												
Average basket size	OVERALL	\$95.87	\$88.65	\$41.02	\$88.22	\$78.11	\$59.17	\$104.93	\$112.68	\$87.68	\$64.69	\$45.22	\$58.94	\$71.59	\$58.14	\$65.07	\$145.67	\$139.95	\$109.39	\$190.22	\$97.78	\$67.12

2. The Growth backlog



The growth backlog

Hypothesis 1	Status	Success metric	Projected uplift	Revenue projection	Priority
Hypothesis 2	Status	Success metric	Projected uplift	Revenue projection	Priority
Hypothesis 3	Status	Success metric	Projected uplift	Revenue projection	Priority
Hypothesis 4	Status	Success metric	Projected uplift	Revenue projection	Priority
Hypothesis 5	Status	Success metric	Projected uplift	Revenue projection	Priority
Hypothesis 6	Status	Success metric	Projected uplift	Revenue projection	Priority

The growth backlog

Topic	Status	Environment	Country	Main KPI	Epic Link	Hypothesis	Projected Impact	Goal	Simplicity	Impact	Priority
Collapse all filters by default	8 - Success measurement	Web	All	Feature usability	SHOP-22129	By collapsing all filters by default, users will be more easily able to see all available attributes, therefore encourage filter usage.		Increase Catalog to PDV CTRs by 0.10 pp	4	2	6
Display Suggested Searches upfront on all SRPs	7 - Live	All apps	All	Catalog to PDV CTR	SHOP-22395	By making Suggested Search more accessible, we reduce the risk of users seeing inaccurate searches, therefore increasing Catalog CTRs on SRPs.		Increase Catalog CTRs by 0.001 pp	2	1	3
Create possibility to Add to cart from catalog	7 - Live	Android	All	Catalog to Add-to-Cart CR	DROID-5474	By enabling Add-to-Carts from Catalogs, we reduce friction and # of steps in the Add-to-Cart funnel, therefore increasing overall Add-to-Cart CRs.		Increase our overall Add-to-Cart rate by 0.28 pp	2	2	4
Experiment with a virtual dressing room to boost conversions	7 - Live	Web/MWeb	All	PDV to Checkout CR	TRELLO	This virtual dressing room will help to reduce uncertainty on product suitability, therefore potentially increasing PDV to Checkout CRs.		Increase PDV to Checkout CR by 0.04 pp	3	1	4
Experiment with displaying available VCs on PDV	7 - Live	Android	All	Checkout Completion Rate	SHOP-23128	Displaying available VCs on PDV for eligible products will generate higher purchase intent		Increase PDV to checkout rates by 0.1 pp	5	5	10
Experiment with having a recommendation module on Cart page	7 - Live	MWeb	All	Average basket size	SHOP-23201	By having a Recom module on our app/mWeb cart pages, we encourage users to purchase more products, therefore potentially increasing AOV.		Increase AOV by 7%	3	1	4
Experiment with VC per SKU on Cart	7 - Live	Android	All	Checkout Completion Rate	DROID-5835 IOS-4842	Enabling users to apply VC per item on Cart will generate higher purchase intent		Increase Cart to Checkout CRs by 0.45pp	5	4	9
Measure the impact of RR autocomplete	7 - Live	All apps	All	Catalog to PDV CTR	DROID-5834 IOS-4840	RR's Autocomplete endpoint performs better against our current /generic endpoint at serving more relevant search recommendations to users		Increase Catalog CTRs by 0.5 pp	5	4	9
Move complete the look section to above the details section on PDV	7 - Live	Web	All	Average basket size	SHOP-23197	By making the Complete the Look feature more visible, we might then encourage users to interact with these Complete the Look items and potentially increase their AOV.		Increase AOV by 5%	5	1	6
Test different overlay tags on Catalog for vouchers	7 - Live	Web/MWeb	All	Catalog to PDV CTR	-	By condensing the design of the voucher display and displaying only main voucher information instead of long text, it would be easier for users to understand that there are discounts available for the product and would click in more to check that out.		Increase Catalog CTRs by 0.09 pp	4	2	6
Test out different versions of our Hero Banner (Rotating vs Non Rotating)	7 - Live	Web/MWeb	SG, MY, TW, HK	Category Banner CTR	-	Having a rotating hero banner distracts users, which makes it more unlikely for them to scroll down and discover further content and also less likely to click on the first visual in the rotating banner as they are distracted by the following banners in the rotation.		Increase Catalog to PDV CTRs by 0.10 pp	4	2	6
Add a BUY NOW button on PDV (MWeb)	7 - Live	MWeb	All	PDV to Checkout CR	SHOP-22121	By enabling the user to go straight to checkout, we bypass one step in the purchase funnel, therefore increasing PDV to Checkout rates.		Increase PDV to checkout rates by 2 pp	2	1	3
Experiment with removing item measurements and model measurements	7 - Live	Web/MWeb	All	PDV to Checkout CR	SHOP-23387	By removing item & model measurements, we save on production costs while not incurring a significant loss in CR.		Increase PDV to checkout rates by 0.01 pp	5	1	6
Measure the impact of segment agnostic search (UI/UX only)	7 - Live	All apps	All	Catalog to PDV CTR	DROID-5678	Segment agnostic search makes it easier for users to see search results across all segments, therefore helping them to find products they like more easily - which increases CTRs and conversions.		Increase Catalog CTRs by 0.5 pp	4	4	8
Test out ZRS against RR on PDVs to see which performs better	7 - Live	All apps	All	PDV to Checkout CR		RR's Recommend endpoint performs better against our current ZRS endpoint at serving more relevant recommendations to users		Increase Recom module CTRs by 0.5pp	5	4	9
Experiment with ZRS vs. RR Recommend	7 - Live	Web/MWeb	All	Catalog to PDV CTR		RR's Recommend endpoint performs better against our current ZRS endpoint at serving more relevant recommendations to users		Increase Recom module CTRs by 0.5pp	3	4	7
Test having a direct Add-to-Cart option for all recom modules	6 - In progress	Android	All	Catalog to Add-to-Cart CR	SHOP-23002	By enabling users to add recom products to cart directly, we may encourage purchases of recom products and therefore potentially increase AOV.		Increase AOV by 5%	3	1	4
Make Recom modules on PDV more prominent/engaging	6 - In progress	Web/MWeb	All	PDV to Checkout CR	SHOP-23198	By increasing the noticeability/engaging factor of our Recom modules, we will encourage users to add more recommended products to cart		Increase AOV by 3%	5	1	6
Measure the impact of segment agnostic search	6 - In progress	All apps	All	Catalog to PDV CTR	DROID-5678	Segment agnostic search makes it easier for users to see search results across all segments, therefore helping them to find products they like more easily - which increases CTRs and conversions.		Increase Catalog CTRs by 0.5 pp	4	4	8

3. Growth initiatives examples



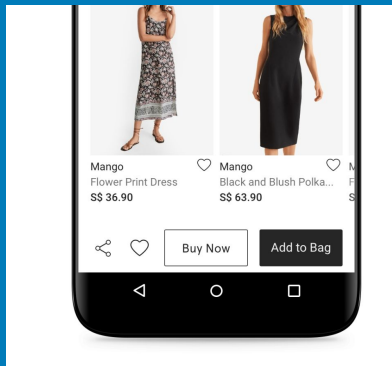
Problem scenario

We noticed that our **Product page to Checkout rates** have been lower than normal in Q3. We would therefore like to launch some experimental features to see how we can alleviate this.

Initiative 1

Concept: Testing out a BUY NOW button on PDVs.

Example below:



Environment: Android only

Ventures: ALL

Duration: 1-10th June

The results

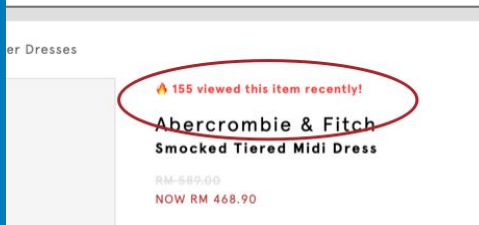
- There was a large **revenue uplift** in the Variant **of 6-figures**.
- From this experiment, it seems to be clear that **users have a desire to perform single-product checkouts**, and having the BUY NOW button helped them to achieve this desire in a more streamlined way.
- This experiment was a key learning for the GH squad in general, where we surmised that:
 - **App experiments** take **longer** to develop but bring much **larger marginal returns** when done right
 - Experiments are **most effective** when we **alter/streamline fundamental parts of the purchase funnel** rather than just test UI/UX changes

Initiative 2

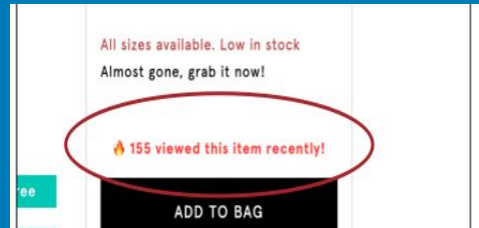
Concept: Showing number of pageviews on PDVs to stimulate FOMO and excitement

Example below:

Variant 1
33 % of traffic



Variant 2
33 % of traffic



Environment: Web only

Ventures: ALL

Duration: 11/5/21 -> 1/6/21

The results

- We saw an overall **revenue uplift of 4-figures**.
- **Variant 2** in general had a **better performance** across the funnel, mostly driven by increments in **Purchase CR - which was 5% higher globally**.
- Other interesting points to note in this experiment:
 - This experiment validates the usual best practice that social proof messages are **most effective** when placed in locations **high intent users are more likely to see**, i.e.: Var. 2's position right above the Add to Bag button

4. Key takeaways



1. Growth is a process.

Growth is not a one-time project. It is a fundamental mindset shift which needs to be **continuously embedded** within every Product team's cadence.

2. Be scrappy!

You don't need fancy tools to implement a growth process in your company. What is more important is **having the right mindset**.

3. You don't know what you don't know.

Let's face it - nobody is able to predict the success of a feature. Hence, mitigate risk through **experimental launches** where success can be measured in a statistically robust way.

4. Be laser-focused.

At the end of the day, all features must drive Revenue in some form. However, narrow your focus to **target specific parts of your Revenue function** so that you are specific in how you aim to launch a successful feature.

Thank You

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