



Clozette, Sift & Pick form business alliance empowering Japanese merchants to venture into SEA E-commerce ecosystem

Reaching a new generation of digital-savvy consumers in one of the world's largest economies

SINGAPORE, Nov. 24, 2020 -- Together with Sift & Pick, an online marketplace, full-service new media company Clozette announced today a new partnership designed to offer Japan-based merchants a one-stop e-commerce solution facilitating entry into the Southeast Asian market.

Based on a report by Google and Temasek Holdings, the SEA internet economy could surpass the US\$200 billion mark in size by 2025. Global events such as the COVID-19 pandemic have made e-commerce more relevant than ever in the lives of consumers, accelerating the rise of social commerce.

A regional survey conducted by independent marketing research specialist Econsultancy observed changes in online shopping behaviours in June 2019:

- 29% of respondents spent more than US\$100 monthly on online purchases
- Almost 59% say over 25% of online purchases made were influenced by social media
- 44% of social shoppers say they have made three or more online purchases in the past month as a result of seeing social media posts or ads
- 82% shared their purchases over social media, creating strong word-of-mouth endorsements.

A first-of-its-kind collaboration in SEA, the collaboration between Sift & Pick and Clozette leverages Shoppin'guu, a discovery shopping platform operated by Cool/JP, a business unit formed with an investment into Clozette by Cool Japan Fund – a public-private fund under the Ministry of Economics, Trade and Industry of Japan. A digital platform that specialises in all things Japan, Cool/JP brings together the best of editorial authority with the scale and authenticity of curated user-generated content, leveraging Clozette's network of over 4,000 creators, influencers and talents that boast a collective social reach exceeding 800 million followers.

The alliance marries Clozette's deep-rooted knowledge of content consumption behaviour amongst millennial & Generation Z consumers with the expertise of Sift & Pick in e-commerce innovation, logistics and payment infrastructures that offers users a seamless, secure omnichannel shopping experience through their curated global e-commerce marketplace, and physical retail store at Changi Airport in Singapore.

"Our special partnership with Sift & Pick allows us to offer merchants in Japan exciting market entry opportunities in SEA that were previously not possible. COVID-19 heightened global demand for increased digital touchpoints through social engagement solutions such as influencer marketing, snackable videos and livestream selling, and as a pioneer in the social commerce space, we are uniquely placed to address the needs of today's consumers given our proven proficiency in social storytelling, our extensive network and rich insights into the Southeast Asian market, having worked with over 300 global, international, and local brands over the past decade," said **Roger Yuen, Founder & Chief Executive Officer, Clozette.**

"We are delighted to partner with Clozette to bring more Japanese brands into Southeast Asia. Adding to our carefully curated selection of fashion, beauty, lifestyle and home and living products will provide our diverse customer base with a richer shopping experience. Shoppin'guu's blend of storytelling is very well-suited to drawing out the heritage, high quality and uniqueness of many

Japanese brands that are often neglected, and we look forward to seeing how our collaboration will further delight shoppers with new brand discoveries on our marketplace," added **Cavin Poh, General Manager, Sift & Pick.**

A survey conducted by Shoppin'guu in October 2020 across Singapore, Malaysia, the Philippines, and Indonesia on consumer shopping intent in the new normal towards merchants in Japan provided valuable insights, including but not limited to the following (link to full report at the end):

- Over 63% of respondents indicated they have been spending more online on non-essential items, compared with pre-COVID spending.
- Quality is the top association and motivation for a consumer's purchase decision on Japanese products. However, 69% of the respondents have never purchased online directly from Japan due to concerns about the return and refund policies, or language barriers.
- On factors that influence online purchase decisions, user experience (i.e., website design, responsiveness, ease of search for products) is more valued than delivery lead time.
- Japanese skincare products are most desirable amongst respondents with fashion coming in second. This is followed by lifestyle goods such as tableware and homeware.

The two companies will work closely on category development, supply chain and fulfilment, data and influencer marketing, and social commerce. Under this partnership, sellers and brands in Japan, including Small-Medium Enterprises (SMEs), stand to gain from the collective resources and expertise of the alliance to face challenges specific to online retail in SEA, beginning with a series of webinars on SEA market entry strategy. They will also benefit from an easy, affordable means of entering the region through a selection of onboarding packages starting from JPY300,000.

To find out more about SEA market entry onboarding packages, contact kaz.iwasa@clozette.co.

To register for the SEA market entry strategy webinars: www.cooljp.co/webinar

To view the full survey report, please go to: www.cooljp.co/survey

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About Clozette

Clozette is a full-service new media company focused on trends and contemporary culture for the new consumer that specialises in a novel category of storytelling that marries the best of editorial authority with the added authenticity and scale of curated user-generated content across platforms. The company has enabled over 300 brands and partners across Southeast Asia and Japan, powered by a wide variety of digital assets and an inclusive network of more than 4,000 creators, influencers and talents boasting a collective total of 800+ million followers online.

Clozette owns and operates CoolJP, a business unit and ecosystem that bridges opportunities between Japan and Southeast Asia. The company is venture-backed by Walden International, Phillip Private Equity and the Cool Japan Fund, a public-private fund under the Ministry of Economy, Trade and Industry of Japan.

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About Sift & Pick

Sift & Pick is an online marketplace started in 2018 centred around letting shoppers discover brands and products that are original and of uncompromising quality. Built by shoppers for shoppers, every product is lovingly handpicked by working directly with brand owners and designers, allowing Sift & Pick to bring authentic, under-the-radar designer goods closer to individuals. Sift & Pick now partners with more than 200 global brands to carry over 2,000 fashion, beauty and lifestyle products. For more information, visit <https://www.siftandpick.com/about-us>.

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