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 Headline: Web retailers join hands for membership programme



(From left) RedMart chief executive and co-founder Roger Egan, Lazada Singapore chief executive Alexis Lanternier and general manager of Uber Singapore Warren Tseng at the launch of membership programme LiveUp at the Lazada office yesterday. ST PHOTO: KUA CHEE SIONG

60	\$28.80	\$49.90
days of trial period for new users	annual membership fee for a limited time	regular annual membership fee

Web retailers join hands for membership programme

Move by the likes of Lazada, RedMart gives them head start before Amazon opens here

Charmaine Ng

In anticipation of the launch of Amazon here, online shopping site Lazada and online supermarket RedMart teamed up with other online services here to launch a membership programme yesterday.

And retail experts said such moves could work in favour of e-commerce sites.

The programme, called LiveUp, offers users benefits such as rebates and discounts for Netflix, Uber, UberEats and Taobao Collection.

Currently, new users will get a 60-day trial. Subsequently, membership costs \$28.80 a year for a limited time. Its usual annual membership fee is \$49.90.

Among the benefits are a six-month Netflix subscription, 10 per cent rebate on Lazada, and \$10 off every 10th ride on Uber for up to 12 times a year. More partners are ex-

pected to come on board.

The announcement comes after tech news site TechCrunch reported last month that Amazon's launch here has been delayed to "later this year", instead of the first quarter as earlier planned.

While Amazon has yet to make a formal announcement on its plans in Singapore, it is expected to set up a warehouse here for faster shipping and easier returns.

Yesterday, Lazada Singapore chief executive officer Alexis Lanternier told The Straits Times he believes the LiveUp membership programme will put up a strong competition against the incoming e-commerce giant, which is likely to also offer its Prime membership here.

In the United States, it costs US\$99 a year and offers perks such as free two-day or same-day shipping, streaming of movies, TV

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Lock-in strategy may work: Experts

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shows and music, and unlimited cloud storage for photos.

Mr Lanternier said: "We have a head start at Lazada as we've been here for a longer time... But the membership programme is something that Amazon is strong in, and we didn't have."

"It's something we wanted to do because it makes sense for our customers, but we also want to give Amazon no chance, so we are bringing something to the table."

Mr Lanternier previously headed Amazon France's video games and software division.

In 2015, e-commerce was worth US\$1 billion (S\$1.4 billion) and made up 2.1 per cent of retail sales in Singapore, and could increase to US\$5.4 billion and 6.7 per cent by 2025, according to a report released by Temasek and Google last year.

Retail experts told ST that the pre-emptive move to stave off Amazon's move into Singapore could work.

Senior lecturer of marketing Geoffrey Da Silva, from Singapore Management University, said: "It's a lock-in strategy to build a loyal base of customers, and whoever is the first to do it will be the winner."

Singapore Polytechnic senior retail lecturer Sarah Lim said the fact that established tech companies here have banded together gives them a good chance of fending off the competition.

She added: "I wouldn't be surprised if other retailers are also looking to retain or recapture their market because by the time Amazon arrives, it would be too late to react."

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