

**MULTIPLY™**

**About Multiply,  
and how we have used data mining to increase profits**

13 Feb 2012

# Multiply's Evolution



- 2004, Multiply Inc. setup by Peter Pezaris, Michael Gersh dan David Hersh with headquarters in Boca Raton, Florida, USA
- Started as social network for sharing media, photos, videos and links.
- September 2010, Naspers Limited (NPSN-JSE) invested in Multiply.
- Multiply now focused on being the largest e-commerce marketplace in South East Asia
- December 2010, **PT Multiply Indonesia** setup. Currently 54 people, growing to 150 by Q1 2012

# Naspers Group



- Naspers owns more than 70 internet businesses around the world
- Naspers operates the leading e-commerce platforms in emerging markets, among others :

- **TenCent**  
in China
- **Ibibo**  
in India
- **Multiply, Lelong, Buzzcity, Sulit**  
in South East Asia
- **Allegro**  
in Eastern Europe
- **Ricardo**  
in Western Europe
- **Kalahari**  
in Africa
- **Buscape**  
in Latin America



# “New” ways of making profits



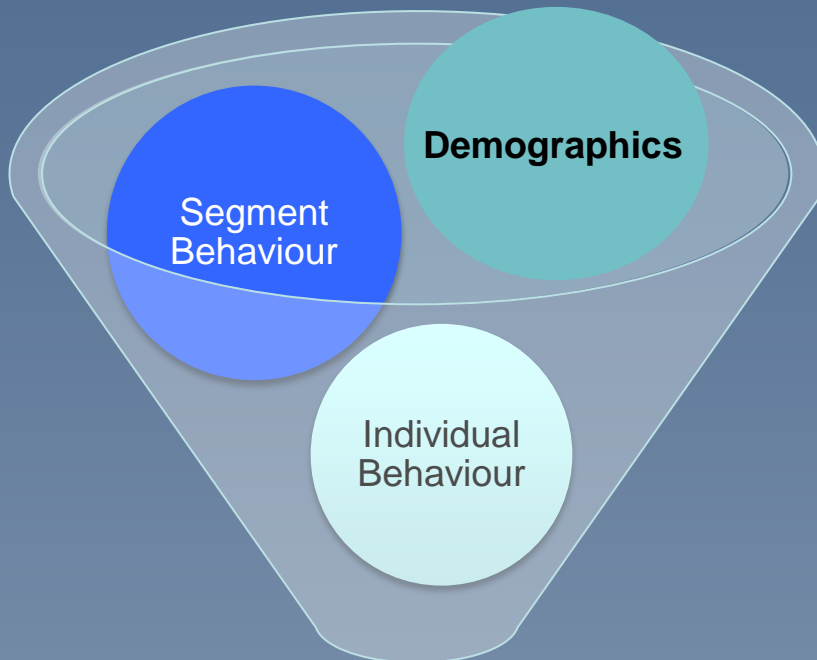
- Cut costs
  - Cut production costs
  - Cut the distribution costs
- Higher concentrated Margins
  - Premium positioning targeting niche
  - Loss leader
  - Freemium
- Cross Sell & Up Sell
  - Lower lead acquisition cost
  - Lower advertising cost
  - Measurable conversion rates

# E-commerce profit sources



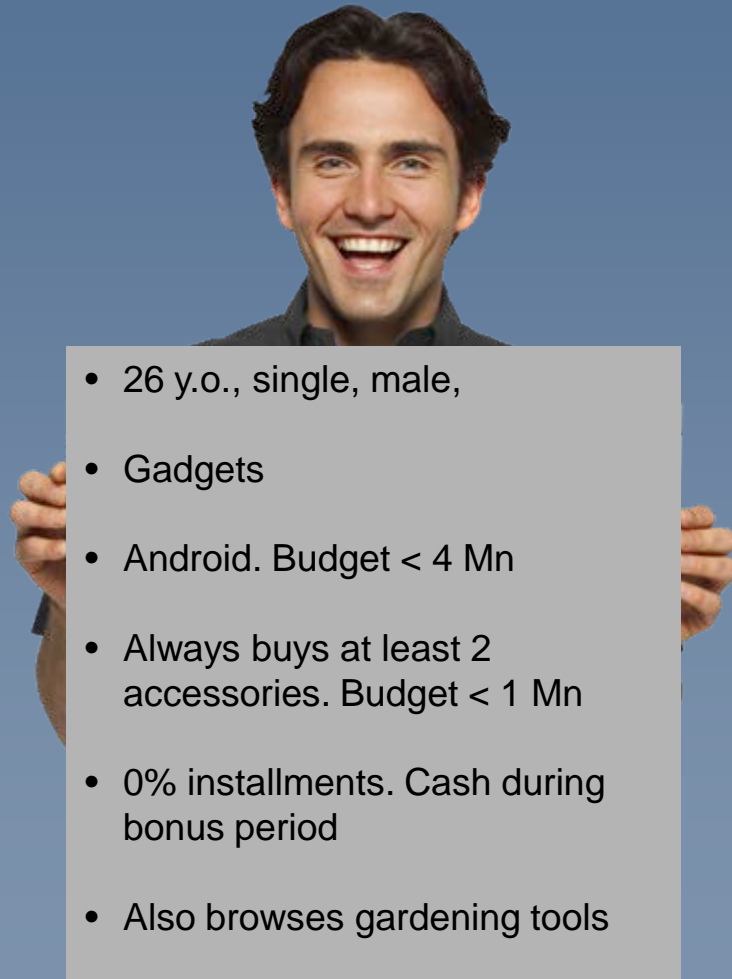
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# E-commerce Cross Sell – Up Sell



- Basic demographics and segments
- Customer behaviour to each individual
- Cross behaviour between different product/service categories
- Measurable and trackable conversion rates
- A-B testing of multiple offers

# E-commerce Behavioural Analysis



- 26 y.o., single, male,
- Gadgets
- Android. Budget < 4 Mn
- Always buys at least 2 accessories. Budget < 1 Mn
- 0% installments. Cash during bonus period
- Also browses gardening tools

- What info do I seek
- What products do I Browse
- What products do I purchase
- When & Where do I purchase
- How much is my budget
- How do I pay

# E-commerce Offer A-B Testing



- Other products viewed ...
- Other products purchased ...
- When to conduct promos, on what and how much
  - Discounts
  - 0% installments
  - Clearance sales



# Banking services

## Needed by E-commerce stakeholders

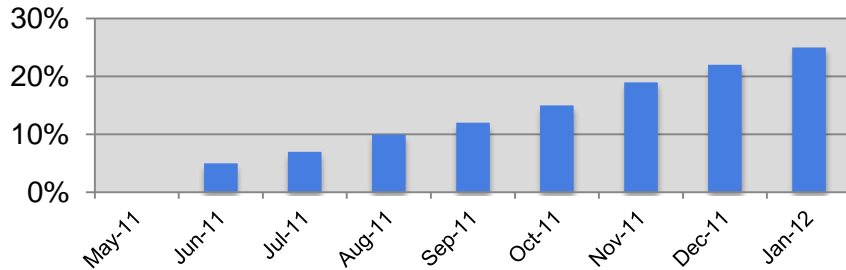


- Mobile payment with instant verification
  - Large screen online
  - Small screen online
- Financing for shopping
  - Credit card
  - Installments
  - KTA
- Financing for Merchants
  - Loans

# Increasing Multiply Buyer Lifetime Value

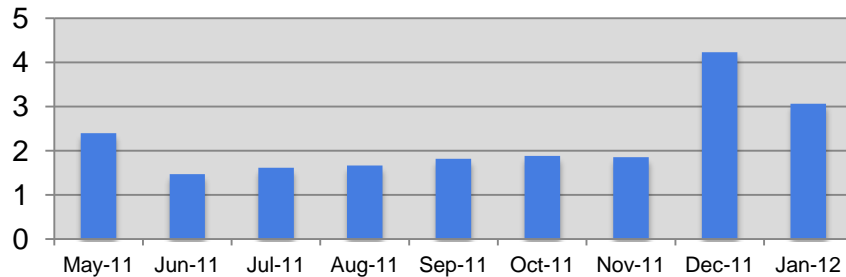


## Buyers w/ Repeat Transactions



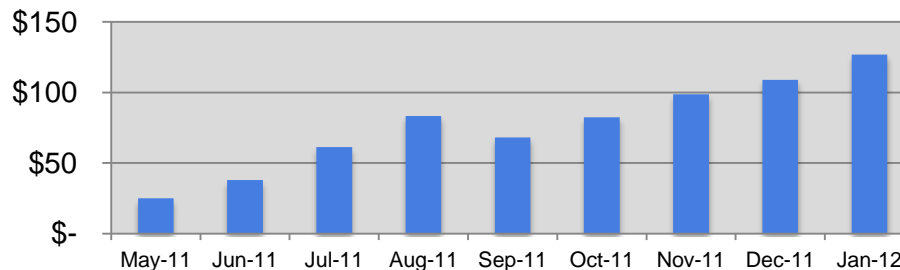
Month to month repeat buyers increased to almost 30% ...

## Transactions / Repeat Buyer



... with more than 3 transactions per month ...

## Transaction Value / Buyer / Month



... contributing > \$125 transaction value per month...

# E-Commerce Models



# MULTIPLY – Factsheet



**2.3 Mn**  
Registered Members

**75,000**  
New Products each  
month

**7 Mn**  
Unique Visitors per  
month

**17 – 130 – 600**  
Product Categories  
Level 1 – 2 – 3



**68,000**  
Merchants with  
Permanent Storefronts

**3,000**  
New Stores open every month

**THANK YOU**