

LECS® www.lecs.com

A new brand online business solution!

LOTTE ON
E-COMMERCE
CUSTOMIZING
SERVICE





What is LECS?



Brand Marketing

LECS Promotion
LECS Membership



Online MD

LECS Design
LECS Display



Online Store Setup and Operation

LECS Front L
ECS Admin L
ECS Hosting L
ECS Interface



Logistics and Customer Services

LECS Stock-Logis
LECS Store-Logis
LECS CS



+α Service

LECS Reporting
LECS Help



Success Stories



LECS Service Package

What is LECS?

Lotte E-commerce Customizing Service

To set up a unique online store right now

All you need is **an appealing product.**

LECS is the **complete solution**
to **support your brand online business.**

**An online store suited to the brand image is fundamental.
Increasing customer satisfaction is essential!**

An increasing number of brands are pursuing to distribute their products online directly. A well-made online store alone cannot result in a successful online business. How you advertise, attract customers, display products, process orders and payments, distribute, serve customers etc. totally differ from operating an offline store.

Consult with LECS

LECS not only sets up a shopping mall system like any other service providers do, but also actively provides online marketing activities using LOTTE ON's 22 million customer network. Furthermore, it's a comprehensive service that offers so much. Top online store operation based on 20 years of expertise, excellent logistics service from purchasing and packaging to delivery and also professional customer service. With LECS as your partner, you can share the benefits of our 20 year know-how of operating an online shopping mall.

**Maximize success rate of brand online store and minimize risk!
This is the core value of LECS.**

LECS partnership begins with its efforts to minimize risk, which is so susceptible when a brand tries to set up an individual shopping mall directly. The E-commerce platforms built upon LOTTE ON's skills and expertise, give LECS more development period and operating costs competitiveness compared to other companies. LECS is an innovative win-win business model that pursues to grow together with the customers.



**LECS
Promotion**

Targeting 22 million LOTTE ON members

Worried of having no customers once the online store opens? LECS provides various marketing activities to gain members and customers for your brand online store once it opens.

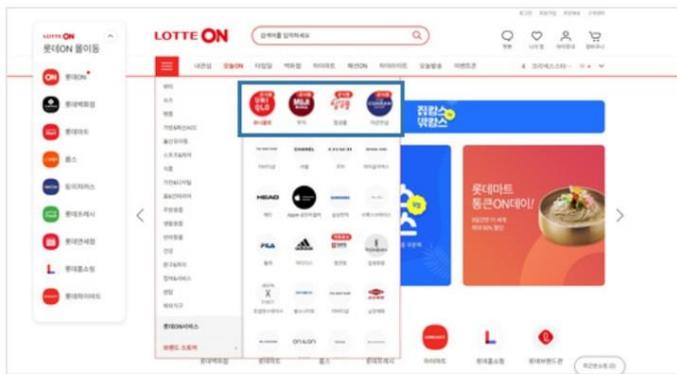
You can find your potential customers suited to your brand characteristics among our 22 million LOTTE ON members. Information on your selected products and special events are sent to specially selected customers by e mail.

Attract customers through advertising on LOTTE ON

Visited by 4 million users a daily, the country's largest online shopping mall LOTTE ON promotes your brand online store.

By promoting the brand online store to the LOTTE ON visitors intending to shop, purchasing customers can be enticed. Promotion through LOTTE ON will not only provide a demonstration effect but also a gathering effect to the online store.

LECS brand e-Commerce link on the main page of LOTTE ON



<PC>



<MOBILE>

LECS brand advertisement on the main page of LOTTE ON

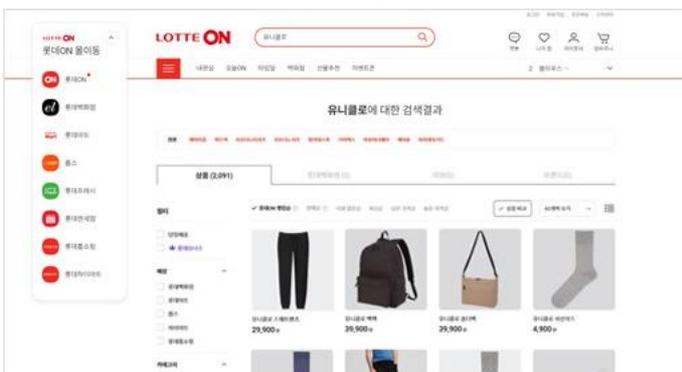


<PC>



<MOBILE>

LECS brand item search and display by using search function of LOTTE ON



<PC>



<MOBILE>

Online advertising agency

Keyword search, banner ads on portal sites, online affiliate ads, SNS marketing, word of mouth marketing... Although you're aware of the positive effects, it's probably all too unfamiliar and complicated! Unsure how to spend your online advertisement budget?

LECS handles external online site ads so that your advertisement expenses can be spent efficiently. We plan and execute effective ad portfolios dedicated to your brand, not only on Korea's main portal sites such as Naver and Daum but also on various online ad channels.



LECS
Membership

Brand operated membership

It gives the brand ownership on customer database with legal responsibility.

Through managing the customer DB directly, the brand can use the data for CRM by analyzing the purchase history and more. LECS helps you to securely hold customer information, safely perform changes on the terms and conditions and extract/process member information. However, if you choose to run your own brand operated membership intensive and continuous marketing activities will be required to gain customers and members.

Primed LECS membership

It's a membership that allows brand marketing and advertising to reach 22 million LOTTE ON members.

From the first day of opening an online store, 22 million LOTTE ON members will become your potential customers. No need to worry about additional costs of acquiring new customers or legal obligations related to customer data security.

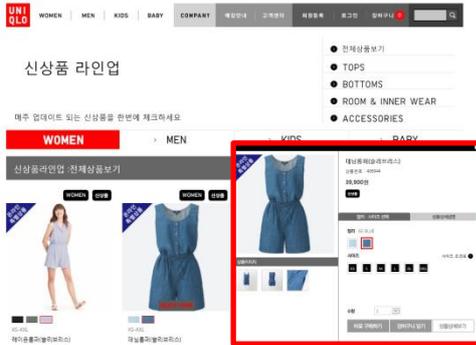
Even with LECS membership, it's possible for the brand to request customer analysis and various marketing activities. In this case however, as LECS holds legal responsibility on membership management, Lotte Family's membership policy need to be followed.



Store design suited to the product features

Space planning and product display that emphasizes product features suited for online selling
Interior concept of offline store to be associated with the online store!

Your online store will be planned and produced using your desired design concept. Utilizing the product style, color, size, technological methods etc. products will be displayed to bring out their most competitive features. Vivid communication with customers can take place in online stores also, not just through shop assistants' words.



With a quick view function, you can buy the item on the list page easily

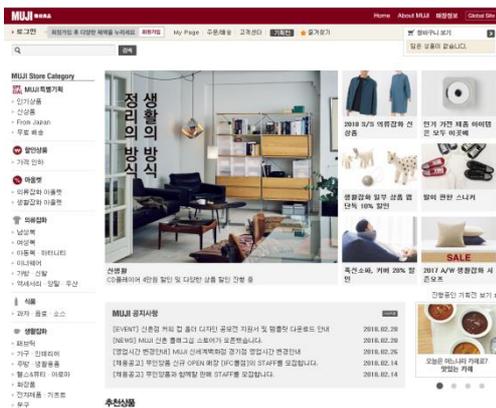


Find your perfect fit and enjoy shopping

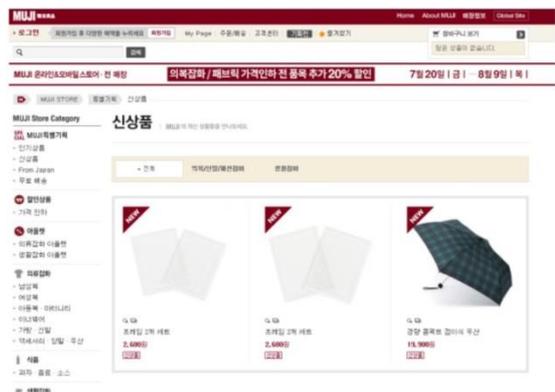
Exhibition space created by your brand

Do you long for an online store that acts as a "branding channel" expressing both the brand image and corporate identity?

When selling in a large online shopping mall, displaying products consistent with the shopping mall design standard and strategy can be an obstacle. But brand online store enables a brand's exhibition space to be run freely in harm ony with a brand's launch of new products and seasonal plans. Greet customers with an individual online store that makes your brand features stand out.



Brand online store with global designs



A brand online store that emphasizes new outdoor products

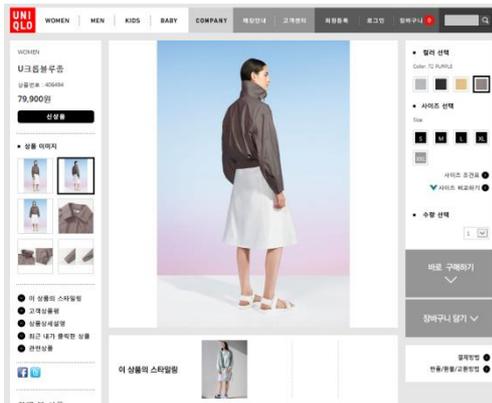


Store product display support

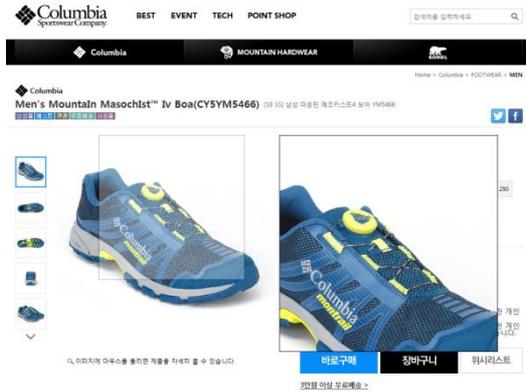
Familiar with offline store MD, but lack experience in online store display?

Displaying techniques of fashion apparel, sportswear, furniture, living accessories, cosmetics and foods will all differ on an online store.

Product image and details are displayed to make the product merits appeal to the customer and lead them to buy. LECS thinks together with the brand on the best product display arrangement. An online store can also follow and implement the brand's overall sales promotion strategy, just like an offline store.



Assorted frames, colors, and sizes to display fashion apparel



Function focused sportswear display

Sales promotion event planning and operation

Introduce your newly launched seasonal products effectively at the online store first!

Taking the brand's promotional plans into consideration, exhibition space for events is arranged whilst setting up the online store. Assorted templates are provided for seasonal launch events as well as regular events.

LECS also supports irregular events corresponding to a brand's needs.



Various theme-based product display events



Season relevant events filled with pleasure



E-Commerce Platforms built upon 20years of operation expertise

E-Commerce Platforms built upon 20years of online shopping mall operation are presented.

Order/payment system that has proved its convenience through the LOTTE ON customers has been applied. Various promotional functions can additionally be applied such as special sales, coupon usage and set discounts.

An independent online store takes at least one year to set up. However, with LECS and its EC platforms, it just takes 4 months on average to develop following the brand's demands and conditions.

Standardized and convenient selling and purchasing functions

Simple and easy price management and order/payment methods are the strengths of LECS EC platforms.

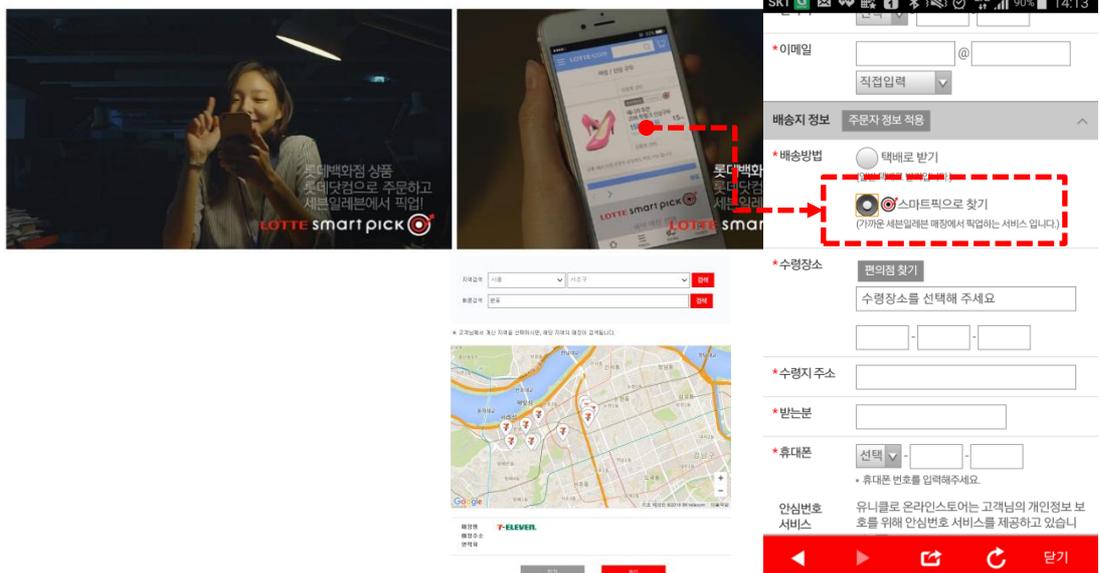
Various pricing functions such as LECS coupon, mileage award/usage, discounts, and special sales facilitate the brand's anticipated promotional strategies. Additionally, LECS offers promotional functions that are actively utilized abroad such as set product sale and discount by color. By adding a product/s into to the cart and keying in brief payment details, purchase is completed. Other payment methods such as credit card, real-time money transfer and mobile payment are also available.



Smartpick after work! Buy online and pick the item at a nearby store

Omni Service is to buy online and pick the item without having to wait.

You do not have to get your ordered item by delivery. Rather, get your item at a nearby Seven Eleven store whenever you want.



Online Store Setup and Operation



LECS
Admin

Store operation and management by E-Commerce specialists

Online store! Leave the operations to the LECS specialists and focus on product and marketing.

LECS's EC specialized operational experts promptly process overall operational duties from product information registration and order/payment to logistics/delivery and customer services. A fully operating online store requires at least one EC specialist per department (store operation, marketing, web designing, web planning, customer logistic s, and customer services).

LECS offers operational services to reduce the brand's burdens of EC specialist recruitment and management.

Simple store management tool for any user

A potential complex online store management can be operated by the brand with ease.

When a brand wishes to manage its online store directly, a user-friendly operation tool (EC admin) is offered. This tool provides functions that simplify store operation duties like one-time mass product registration and reserved delivery. Any information needed for performance tracking such as sales, purchase and visitors status can also be searched.



LECS
Mobile

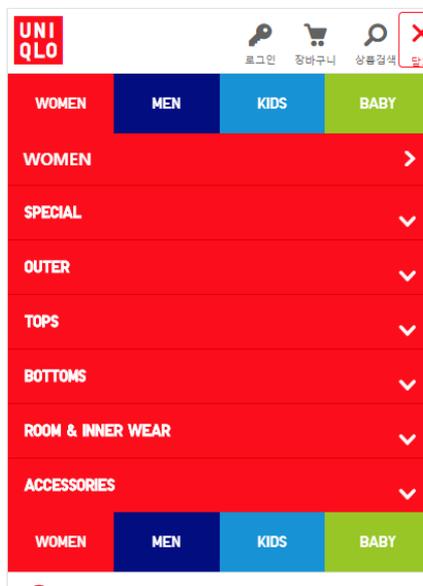
PC, Tablet, and Smart phone customized store

Online store shadows customers whenever wherever, 24 hours a day
PC in the office, smart phone to and from work and tablet at home or outdoors

Online store can be launched on various mobile devices as well as PCs. Online store appropriate to the features and exhibition display space of each device are created. Meet customers through new and diverse networks. Voted by the experts and consumers, mobile shopping application developed by LOTTE ON was awarded "App of 2011" in the field of distribution and shopping mall commerce. Consult with LECS on mobile shopping channel setup and operations.



Mobile main page



Convenient mobile navigation



Mobile suited product display

Online Store Setup and Operation



Safe hosting services

Korea's top quality hosting service

No need to purchase expensive servers and operate computer management resources yourself. Premium EC Hosting provides trustworthy service for the brand.

It's a stable, high quality hosting service that can handle even the busiest and unexpected moments with flexibility.

24/7 monitoring service, Green Light

Non-stop LECS monitoring center, all day long and all year round!

Through monitoring the valued brand online store 24 hours a day, any system issues are spotted instantly and resolved. System failure prevention management is the top priority and any failure information is delivered to the brand promptly. The objective of Green Light is to minimize customer inconvenience by resolving any system failure immediately.



System and error status of online stores at a glance on electronic display



Green Light control room is awake all day and all year round for continuous operation



Interfacing the brand's management system such as ERP

Key management and online store information at a glance on your ERP

Business convenience and efficiency are enhanced by interfacing important online store information with the brand's ERP system. Online store order and inventory details can be provided without any additional system development or adjustment to the existing ERP system.

Essential online store performance information required by management and people in charge are provided in a timely manner.

Interfacing customer DB, store POS, mileage and point system

Interfacing the brand's existing sales system with key online store data with ease

Brand's customer DB, offline store POS, mileage and points can also be linked to the LECS EC platform. Combining online and offline management is made possible through interfacing with the brand's existing system.

Logistics and Customer Services



Exclusive logistics center and customer delivery service

LECS deals packaging and delivering hundreds and thousands of products a day with care. Online store logistics management differs from the standard B2B logistics which involve delivering to stores in boxes. Not only should the products being sold online reach the customers safely but refund & exchange and returned goods should also be taken care of without error.

LECS operates an exclusive online logistics center to provide B2C services for individual customers. The logistics center located in Yangji, Gyeonggi-do stores products in single units, packs for each customer and delivers to the destination safely. LECS logistics service records show that 99.6% of products are distributed within 24 hours of receiving the order and 0.03% of products are out-of-stock after receiving the order. No need to worry about flooded orders during seasonal sales and events. The level of logistics service remains consistently high regardless of sudden sales fluctuation.

LECS exclusive logistics center information

Storage area (Pyeong/m ²)	Manpower input (people)	Storage capacity (pieces)	Delivery (month)
43,633	82	1,600,000 pcs	MAX 1,200,000 pcs

* Number of staffs at the LECS logistics centers are adjusted to cope with seasonal needs and the brands' sales fluctuation.



View of LECS logistics center



View of LECS logistics center



Packaging zone



Consolidated packaging zone



Consolidated packaging zone



LECS
Stock-Logis

Value-added logistics services

Consult with LECS for your desired exceptional logistics service.

LECS provides additional services like packaging multiple items into a single product and free gift and sample packaging services. Packaging, using brands' own boxes printed with the brand logo is also available. Full care is given to managing not only the product inventory but also additional inventory like free gifts. LECS provides specialized B2C logistics, experience their various optional logistics services.



LECS
Store-Logis

Department store online mall packaging, customer service, parcel service

Stores need to focus on the visiting customers. Leave the online mall packaging and delivery to LECS.

Having a hard time serving store customers whilst packing and responding to online sold products? Do you have more assistants picking and packing products rather than serving store customers? Don't delay further, consult with LECS. Store assistants' burdens of packing, checking returned goods and customer service will be carried out by LECS.



LECS
CS

Customer service dedicated for each brand

"Brand dedicated consultants" for brand customized professional customer service

"Brand dedicated consultants" with full knowledge of the brand and the ability to swiftly serve customers accurately, are allocated and operated. To maintain high customer service, customer Q&A response manuals are provided to all consultants and regular training is conducted on new product details. By constant monitoring of customer order and delivery status, quick responding CS system is equipped. No need to worry about unhappy resilient customers. LECS's skilled consultants are continually trying to convert customer dissatisfaction to satisfaction.

Brand online store designated Customer center number

Communicate with customers through the brand's own customer service channel.

ARS system reflecting the brand characteristics is provided.

Communicate with customers through the brand designated call customer center number and recorded announcement holding brand's value. Customers' dissatisfaction of conventional malls' monotonous customer service can be relieved by our system.

15 LECS dedicated CS employees on average, customer service suited to the brand's characteristics

Location: Sinpung-ro, Yeongdeungpo-gu, Seoul, Republic of Korea



LECS dedicated customer service group



LECS consultants dealing with customers



LECS Reporting

Reliable calculation of sales

even takes care of online store's sales settlement accurately.

Sales settlement of online stores involves matching thousands of sales, returns, refunds and cancellations of each customer, one by one.

Thousands of sales, returns, refunds and cancellations are made every month at an online store. Sales calculation involves matching all these data one by one, by each customer. LECS will support your workload that puts lots of pressure every month.

Provision of sales performance and customer analysis report

Curious on how to manage the huge amount of online store generated data like visitor report, purchase performance, orders, refunds and returned products?

LECS provides brands with essential and standardized management indexes on a regular basis.

And the results of diverse online marketing and promotional events? Immediate and assorted analysis of promotional results makes continuous growth of promotional effects possible.



LECS Help

Prompt action against regulations and provision of government related affairs

LECS quickly identifies and reacts to frequently changing regulations.

E-commerce related regulations are frequently being amended and newly created lately due to its rapid growth. New regulations can occasionally result in a disaster due to not being knowledgeable of it.

LECS promptly checks for changes on related schemes or regulations and reflects it on the IT system as well as business processes and trains staffs.

If a regulation related trouble occurs, LECS's specialists will provide government related affairs in order to resolve the problem.

LECS at a glance



Why LECS

Role of LECS (Lotte E-Commerce Customizing Service)

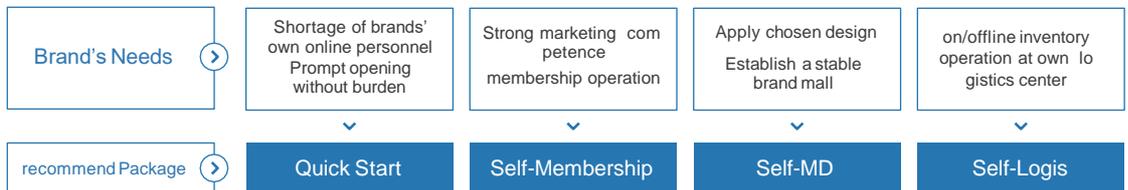
With LECS, an online store can be established when effective cost, time, and stable operation is made possible.

Classification I	Online store established and run directly by the brand	Online store established and run by LECS
Establishment period	Around one year	Around 4 months on average - Based on customized website around LECS platforms
Establishment Cost	1billion (KRW) for initial set up - Includes website planning, system development, and server purchasing cost	Set up an advanced EC store with ZERO initial set up cost - Korea's exclusive official online store, various conditions by sales volume - High quality EC platforms and secure hosting service
Service standard management	Difficult to maintain a consistent level of service during sudden order volume fluctuations - Difficult to quickly solve problems if using separate outsourcing for logistics/delivery, CS and other functions	LECS 's specialized operational services will offer a high level of satisfaction and pleasant shopping experience to customers - 0.03 % out-of-stock after order and 95% CS responses. - 99.6% distribution within 24 hours of order



LECS Package

LECS is able to adjust service functions according to a brand's environment and requirements.



Brand Marketing	Membership	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Promotion	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Online MD	Design	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>
	Photo	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>
	Display	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>
Online Store Setup and Operation	Front	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Admin	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Hosting	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Interface	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Logistics and Customer Services	Stock-Logis	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	Store-Logis	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	CS	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
+CSservice	Help	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Reporting	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>



The only store, accessible anytime and anywhere
UNIQLO's official online store

UNIQLO's **top store**
 showing **extraordinary growth**

www.uniqlo.kr

UNIQLO's online store manager

"By operating a single online store, management responsibilities have been minimized. Despite of this, we believe that our sales are significantly higher than those brands that are selling through numerous online shopping malls.

Being a directly managed mall, operating profits of UNIQLO online store is well managed by removing middleman costs. UNIQLO directly takes care of display management and online marketing following the Global UI. Other operational functions are carried by LECS. Thanks to LECS operating most of the EC functions (LECS Membership, LECS Stock-Logis, LECS CS etc.), UNIQLO could utilize its competency on fast stabilization and sales increase. I believe this was the key to our success."

One store, One price policy

Through operating a solitary online store, intensive customer marketing and price management is made feasible

Largest product assortment

Overcome space limitation of a store, all styles, sizes and colors available online

Selling chances maximized with integrated inventory management

Overcome space limitation of a store, all styles, sizes and colors available online





Nature, Naturally, Nothing

MUJI Official Online store

“Products are made on **future of consumption point of view**, which emphasizes nature-friendliness. Our aim is not to lure customers to buy products, but to make them think ‘This is enough’ and provide **rational satisfaction**.”

www.muji.com

MUJI Online Store Manager

“One goal of MUJI, a global brand, is not to let customers feel the sense of difference in every MUJI store at every country.

This is also the same for online. LECS has met these needs of MUJI and launched the online store in 2012.

Furthermore, LECS supports MUJI on customer management, C/S management, delivery management and so on, which helps MUJI to focus on sales.

Currently, MUJI Korea online site has become a role model of other countries with the increase in sales.

One Store, One Price Policy

With one online store operation, efficient price management and focused customer marketing is possible.

Special Offer for Online Store Members

Every month, MUJI gives 10% discount coupon for mail magazine subscribers. Also, MUJI sends LMS with events information, which are online exclusive.

Brand Customized Support

LECS supports analysis of brand by suggesting and supporting on reinforcement of product competitiveness and expansion of promoting channels and so on.

