



# **Analysis On Daraz**

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# Introduction

Daraz is a leading online marketplace that connects buyers and sellers, offering a diverse range of products including electronics, fashion, beauty, and more. With a user-friendly platform and a wide reach across multiple countries in Asia, Daraz provides a convenient and secure shopping experience for millions of customers.

# Business-to-Business Model



## **Seller Partnerships**

Daraz engages in partnerships with various sellers, ranging from small businesses to larger enterprises.

## **Bulk Purchases and Wholesale**

The B2B model on Daraz involves sellers offering products in bulk or wholesale quantities.



## **Supplier Relationships**

Daraz establishes relationships with suppliers and manufacturers to ensure a diverse range of products is available on the platform.

## **Corporate Solutions**

Daraz may offer corporate solutions for businesses, providing a dedicated platform for bulk orders, customized services, and tailored solutions to meet the specific requirements of corporate clients.



# Business-to-Consumer Model

## Online Marketplace for Consumers

Daraz operates as an online marketplace where individual consumers can browse, select, and purchase a wide variety of products.

## Commission-Based Revenue

Daraz earns revenue through a commission-based structure. Sellers pay a percentage of the transaction value to Daraz for the services provided, including the use of the platform, payment processing, and logistics.

## Customer-Focused Promotions

Running promotions, discounts, and marketing campaigns directly targeting individual consumers which aim to attract and retain customers, especially during special events and festive seasons.

## User-Friendly Interface

The platform provides a user-friendly interface through its website and mobile app, allowing consumers to easily navigate, search for products, and make purchases.

## Payment Options for Consumers

Daraz facilitates multiple payment options for consumers, including credit/debit cards, digital wallets, and cash on delivery.

## Customer Reviews and Ratings

Daraz encourages customers to leave reviews and ratings for products, contributing to a transparent and trustworthy shopping environment.





**Daraz, a leading e-commerce platform in South Asia, operates a complex business process that involves managing various aspects of online transactions, from order placement to product delivery and customer service. Here's a breakdown of Daraz's business processes:**



# Order Processing and Management



- **Customer Order Placement:** Customers browse the Daraz website or mobile app, selecting products and adding them to their cart. They proceed to checkout, providing shipping and payment information.
- **Order Confirmation and Payment Processing:** Daraz confirms the order with the customer and processes the payment through their chosen method.
- **Inventory Management:** Daraz checks inventory availability to ensure the ordered products are in stock. If an item is out of stock, the customer is notified, and the order is adjusted accordingly.
- **Order Fulfillment:** Daraz prepares the order for shipment, packing the items and generating shipping labels.
- **Order Shipping:** Orders are handed over to the chosen courier partner for delivery.
- **Delivery Tracking:** Customers receive tracking information to monitor the status of their orders.
- **Order Completion:** Once the order is delivered and acknowledged by the customer, the order is marked as complete.



# Customer Service and Support



- **Customer Inquiries**

Customers can reach out to Daraz customer service through various channels, including phone, email, chat, and social media.



- **Order Assistance**

Customer service representatives assist customers with order-related issues, such as tracking, cancellations, or returns.



- **Product Information and Support**

Customer service provides product-related information and troubleshooting assistance to customers.

# Marketing and Promotions



- **Marketing Campaigns:** Daraz runs marketing campaigns to attract new customers and promote products.
- **Targeted Advertising:** Daraz utilizes customer data to deliver personalized ads and promotions.
- **Social Media Engagement:** Daraz engages with customers through social media platforms, building brand awareness and customer loyalty.







# Data Management and Analysis



<b><u>Customer Data Collection</u></b>	Daraz collects customer data through their website, mobile app, and transactions.
<b><u>Data Analysis</u></b>	Daraz analyzes customer data to gain insights into customer behavior, preferences, and purchasing patterns.
<b><u>Personalized Recommendations</u></b>	Daraz uses data analytics to provide personalized product recommendations to customers.
<b><u>Business Insights</u></b>	Daraz derives business insights from data analysis to inform decisions regarding marketing strategies, product offerings, and operational efficiency.

# Revenue Model

Daraz acts as a platform connecting buyers and sellers, taking a cut from transactions and offering additional services to boost revenue.

## Commission on sales

- Daraz generates its revenue through as selling products of other vendors to the consumer and charging a percentage of the selling price of the sold products. The commission rate varies depending on the product category.

## Payment Processing

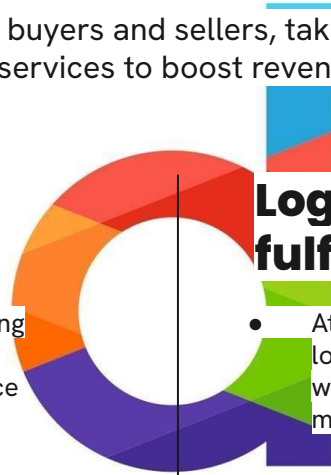
- The payment process facilitates the transaction between buyer and seller and ensures a secure transaction. Daraz charges a small fee to its sellers for transecting through the Daraz payment process.

## Logistics and fulfillment

- At Daraz, sellers can access a variety of logistic and fulfilment service. Including warehousing, deliveries and return management.

## Advertising

- Daraz likely generates revenue through advertising by offering businesses the opportunity to promote their products or services on the Daraz platform. This could include sponsored listings, featured placements, or targeted ads to reach specific audiences, creating a source of income for Daraz




# Sustainable Success: Daraz Enduring Presence in the Bangladesh Market

Daraz had implemented various strategies to sustain and grow its business in Bangladesh:

- **Localized Approach:** Embraced a regional strategy, understanding the unique needs and preferences of the Bangladeshi market. Includes offering products that are popular among local consumers and tailoring marketing strategies to resonate with the local audience.
- **Diverse Product Range:** Through a varied product selection across electronics, fashion, beauty, and household categories, they targeted a broad audience with distinct preferences and needs.
- **Partnerships and Collaborations:** Diversifying its product range, Daraz forged local partnerships, fostering growth for small and medium-sized enterprises (SMEs) in Bangladesh.
- **Technology and User Experience:** Investing in technology, the platform improved user experience through user-friendly apps, secure payments, and efficient deliveries, emphasizing the importance of a seamless and trustworthy online shopping experience for customer retention.
- **Sales and Promotions:** Engaging in frequent sales and promotions, Daraz utilized discounts, special offers, and exclusive deals to attract and incentivize online shoppers, a common practice in the e-commerce industry.

# Key Threats to Daraz's Business in the Bangladesh Market"

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- Intense Competition: The competitive landscape in the e-commerce sector poses a threat, with other platforms vying for market share and customer attention.
  - Regulatory Changes: Changes in regulations or government policies could impact its operations, requiring the platform to adapt to new compliance standards.
  - Logistics Challenges: The infrastructure for logistics and transportation in Bangladesh may present challenges, leading to potential delays and disruptions in product deliveries.
  - Cybersecurity Risks: The threat of cybersecurity breaches and data compromises may undermine customer trust and the platform's reputation.
  - Counterfeit Products: The sale of counterfeit or fake products may damage Daraz's reputation and impact customer trust in the platform.
  - Political Instability: Political instability in the region may create an uncertain business environment, affecting operations and decision-making.

# Sustainable Business Strategies for Daraz in the Future Bangladesh Market

## Strategic Partnerships

- Build strong bondings with local businesses, manufacturers, and sellers to enrich product variety and strengthen market presence.

## Adaptive Regulatory Compliance

- Proactively monitor and adapt to regulatory changes, fostering strong ties with authorities for seamless operations within legal boundaries."

## Optimized Logistics Solutions

- Optimize supply chain and delivery systems to overcome logistics challenges. Forge partnerships with trustworthy logistics providers to ensure timely and uninterrupted product deliveries.

## Robust Cybersecurity Measures

- Deploy advanced cybersecurity measures to protect customer data from potential threats. Regularly update security protocols and conduct comprehensive audits to identify and address vulnerabilities.

## Anti-Counterfeit Measures

- Enforce strict quality control and verification procedures to guarantee product authenticity on the platform. Join hands with brand owners and the police to stop the selling of fake goods.

## Risk Mitigation Strategies for Political Instability

- Develop backup plans for handling issues caused by political instability. Diversify business operations and stay ready to quickly adjust to changing situations.

# Conclusion

Daraz stands as a transformative force in the realm of e-commerce, redefining the way consumers experience online shopping. With a global reach and an expansive product range, Daraz has successfully merged convenience, innovation, and reliability on its digital platform. By prioritizing customer satisfaction and forging strategic partnerships, Daraz has not only become a key player in the digital economy but also a trusted destination for quality products. As Daraz continues to evolve, it remains a symbol of the dynamic and ever-expanding possibilities in the world of online retail, shaping the future of commerce with each transaction.



▪ **Thank you!**

