RM19 Free Shipping Package (FSP)

Edited: 11/04/2020

OBJECTIVE

In this lesson, we will learn how Free Shipping Package is able to add more value to your buyers when it comes to offering shipping subsidies to attract them to shop more on your store.

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1. What is Free Shipping Package (FSP)?
2. How does Free Shipping Package (FSP) work?
3. Fees & Rates
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5. FAQ

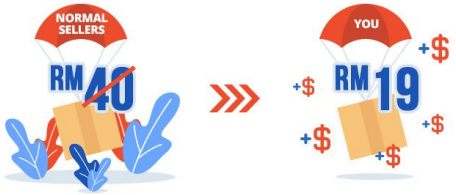
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What is Free Shipping Package(FSP)?

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What is FSP?

- Your Buyers only need **RM19 to qualify** for Shopee Free Shipping



- Comes with **additional Marketing exposure** from Shopee



- In exchange for an **additional service fee** on your orders

✚ 3%*

*Effective 1st March, the additional service fee is subjected to 6% SST

How does Free Shipping Package(FSP) work?

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How Does it Work?

SHOPEE
FREE SHIPPING PROGRAM

POS Laju | DHL | J&T EXPRESS | ninja van



FEATURES	BEFORE	AFTER
Free Shipping	RM40 minimum spend + usage of Free Shipping Voucher (FSV)	**RM19** minimum spend + usage of Free Shipping Voucher (FSV)
Campaigns + Marketing Benefits	N/A	• Exclusive Campaign Collection • Additional Free Shipping Voucher • + More (refer next slide)
Fees*	2.12% Transaction Fee	2.12% Transaction Fee **+3.18%** (refer next slide) Service Fee
Commitment Period**	N/A	Min. 1 month

*Effective 1st March, transaction fee and service fee are subjected to 6% SST.
** Participants cannot voluntarily withdraw from the package before the commitment period is up

Fees & Rates

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Implementation of SST on the Calculation of Fees

Take note that **effective 1st March 2020**, **SST will be charged on top of current fees**. Any orders that are being placed on 1st March 2020 onwards will have an **additional 6% SST charges** added on top of existing **service fee, transaction fee, *commission fee and withdrawal fee.**

Order Created	Payment released on	SST Charges	Reason
28th Feb 2020	1st March	NO	**MUST** be order created on 1st March onwards
27th Feb 2020	1st March 2020	NO	**MUST** be order created on 1st March onwards
1st March 2020	1st March 2020	YES	Because order created on 1st March onwards
15th March 2020	20th March 2020	YES	Because order created on 1st March onwards

Note: *Commission fee is only applicable for Shopee Mall sellers.

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Below are the fees breakdown for the corresponding programmes:

Fee	Before	After 6% SST	Applicable for
Transaction Fee	2%	2.12%	All sellers
Free Shipping RM19 - FSP (Service Fee)	3%	3.18%	Sellers who joined RM19 Free Shipping Package (FSP)
10% Coins Cashback - CCB (Service Fee)	4%	4.24%	Sellers who joined 10% Coins Cashback Programme (CCB)
Free Shipping RM19 - FSP & 10% Coins Cashback - CCB (Service Fee)	6%	6.36%	Sellers who joined RM19 Free Shipping Package (FSP) **AND** 10% Coins Cashback (CCB)
Withdrawal Fee from Seller Wallet (After 3rd withdrawal)	RM0.11	RM0.12	Sellers who exceeded 3 free manual withdrawal per week

How does Service Fee work for:

RM19 Free Shipping Package (FSP) Sellers (Service Fee: 3.18% (after SST))

Assumptions:

- Buyer uses Free Shipping Voucher
- Seller sets Discount Promotion of 5% off for the product
- Parcel is less than 3kg and it is ship using J&T Shopee Supported Logistics

BUYER'S VIEW	
Original product price	**RM 100.00**
(-) Seller borne discount	-RM 5.00
Selling price	**RM 95.00**
Selling price	**RM 95.00**
(+) Shipping fee charges	RM 4.13
(-) Free shipping voucher	-RM 4.13
Total buyer paid amount	**RM 95.00**

SELLER'S VIEW	
Selling Price	**RM 95.00**
(x) Service fee rate	3.18%
Service fee	**RM 3.02**
Total buyer paid amount	**RM 95.00**
(x) Transaction fee rate	2.12%
Transaction fee	**RM 2.01**
Total buyer paid amount	**RM 95.00**
(+) Free shipping voucher used	RM 4.13
(-) Shipping fee paid by Shopee on your behalf	-RM 4.13
(-) Service fee	-RM 3.02
(-) Transaction fee	-RM 2.01
Payout to Seller	**RM 89.97**

Notes:

- Service fee will only be charged on completed orders
- Coins cashback voucher values are credited to the buyer not the seller

How does Service Fee work for:

RM19 Free Shipping Package (FSP) AND 10% Coins Cashback Programme (CCB) Sellers (Service Fee: 6.36% (after SST)

Assumptions:

- Buyer uses Free Shipping Voucher
- Seller sets Discount Promotion of 5% off for the product
- Parcel is less than 3kg and it is ship using J&T Shopee Supported Logistics

BUYER'S VIEW	
Original product price	**RM 100.00**
(-) Seller borne discount	-RM 5.00
Selling price	**RM 95.00**
Selling price	**RM 95.00**
(+) Shipping fee charges	RM 4.13
(-) Free shipping voucher	-RM 4.13
Total buyer paid amount	**RM 95.00**

SELLER'S VIEW	
Selling Price	**RM 95.00**
(x) Service fee rate	6.36%
Service fee	**RM 6.04**
Total buyer paid amount	**RM 95.00**
(x) Transaction fee rate	2.12%
Transaction fee	**RM 2.01**
Total buyer paid amount	**RM 95.00**
(+) Free shipping voucher used	RM 4.13
(-) Shipping fee paid by Shopee on your behalf	-RM 4.13
(-) Service fee	-RM 6.04
(-) Transaction fee	-RM 2.01
Payout to Seller	**RM 86.95**

Notes:

- Service fee will only be charged on completed orders
- Coins cashback voucher values are credited to the buyer not the seller

How does it drives more sales?

GROW YOUR SALES UP TO 420% WITH SHOPEE FREE SHIPPING PACKAGE



Marketing Benefits

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Prerequisites to join FSP

1. Shopee Subsidized Shipping Program



4 SHIPPING PROGRAMS CAN CO-EXIST!

2. Sellers will need to meet a minimum requirement of 10 successfully completed orders in order to be selected.

Shopee Rm19 Free Shipping Sellers Rate

Shopee RM19 Free Shipping Sellers

SHOPEE FREE SHIPPING CHANNEL*	REGION	BY SPENDING MINIMUM RM19
Pos Laju	West Malaysia (WM)	RM5.04 (Free Shipping for first 5kg)
	East Malaysia (EM)	RM5.30 (Free Shipping for first 1kg)
DHL eCommerce	West Malaysia (WM)	RM4.77 (Free Shipping up to 3kg)
J&T Express	West Malaysia (WM)	RM4.66 (Free Shipping for first 3kg)
Ninja Van	West Malaysia (WM)	RM4.03 (Free Shipping for first 3kg)

RM19 Free Shipping Package

For Existing Participants	
FEATURES	**REQUIREMENTS**
Free Shipping (Min. Spend)	RM19
Guaranteed Shocking Sale Slot	1 per month
Additional Service Fee	+3%
Commitment Period*	Min. 3 Month

Existing participants will continue to enjoy the entitled 1 Shocking Sale slot per month. However, if the participant drop-off from this package and re-sign up again anytime starting from 6th January 2020 onwards, they will no longer be entitled to the 1 Shocking Sale slot per month.

For New Sign-Ups (starting from 6th Jan onwards)	
FEATURES	**REQUIREMENTS**
Free Shipping (Min. Spend)	RM19
Guaranteed Shocking Sale Slot	N/A
Additional Service Fee	+3%
Commitment Period*	Min. 1 Month

*** Participants cannot voluntarily withdraw from the package before the commitment period is up**

Additional Package Benefits

MARKETING BENEFITS	
Free Shipping Image Overlay	 Lowered min. spend image overlay in search results
New Participants Collection	• 5x SKUs will be featured in “Weekly New Deals” collection page for the first week (will be reduced to 3 SKUs from 2nd week onwards) • Shopee Voucher for the collection (10% Coins Cashback min spend RM50 cap at RM7)
Exclusive Campaign Collection	Featured in always-on campaign (3x SKUs per week)
Extra Free Shipping Vouchers	At least 1 extra FSV will be provided to buyers which is usable only with FSP participants
Free Shipping Friday	• Exclusive exposure featuring FSP participants on every Friday • All Shocking Sale submission will prioritize FSP participants on that day

Ad-Hoc Marketing Benefits*

MARKETING BENEFITS	
Lowered Free Shipping Minimum Spend	Further reduction in free shipping minimum spend (e.g. RM19) or during platform-wide reduced min. spend periods (e.g. RM11/RM12 etc)
Additional Big Campaign Free Shipping Voucher	Extra FSV usable only with FSP participants during Big Campaigns
Exclusive Big Campaign Collection	Exclusive FSP Collection during Big Campaigns

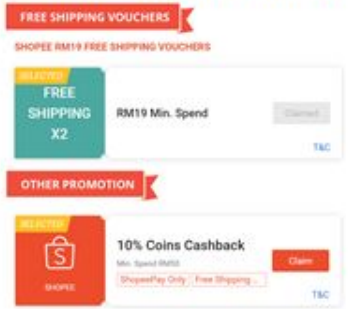
* At Shopee's discretion, no additional cost to participants

Illustration of marketing benefits





Extra Free Shipping Voucher



Free Shipping Image Overlay



Illustration of Campaign Collection Page

New Participants Collection



Exclusive Campaign Collection



Free Shipping Friday Shocking Sale



Overview of Free Shipping Package (FSP)

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How to Sign Up?

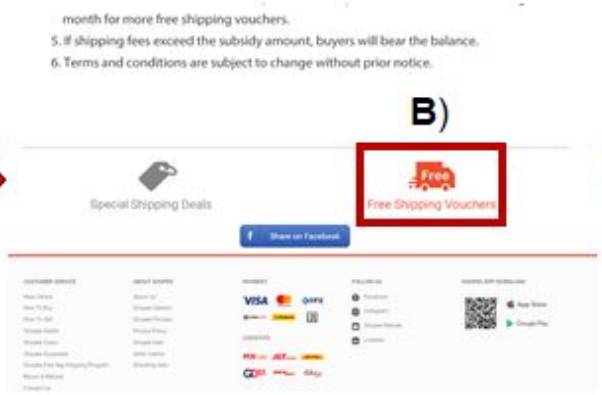
- Sellers may sign up the ‘Free Shipping Package’ through the RM19 Free Shipping microsite.
  (Refer next slide for more detailed information)

- Package Activation will take place every:
  - Wednesday, 12am
  - Friday, 12am

Illustration of FSP microsite



A)



B)

C)



D)



Illustration of FSP microsite

E)



Logistics Channels for Shopee RM19 Free Shipping Package Sellers

Channels	Shopee RM19 Free Shipping Package Sellers	Normal Sellers
Ninja Van	✓	✗
J&T Express	✓	✓
Pos Laju	✓	✗
DHL eCommerce	✓	✗

Legend: ✓ eligible for fully subsidised free shipping

Join Shopee RM19 Free Shipping package or enable J&T Express to enjoy fully subsidised free shipping today

F)



G)



Terms & Conditions

1. Sellers will be activated every Wednesday and Friday 12 a.m.

2. From 6th Jan 2020 onwards, all new sign-ups would need to commit for a minimum of 1 month upon activation and are not entitled to 1 Shocking Sale Slot per month.

3. Existing sellers and sellers who sign up before 6th Jan 2020 would need to commit for a minimum of 3 months upon activation and are entitled to 1 Shocking Sale Slot per month.

4. Marketing Exposures (Campaign Collection) will be pro-rated for sellers who join mid-month.

5. This package is only applicable to sellers who are participating in any of the following Shopee Free Shipping Programmes. (For sellers who have participated in all 4 free shipping programmes, buyers will enjoy reduced minimum spend free shipping from all 4 couriers in their store).

- Poslaju Free 5KG Shipping Program
- Shopee x DHL eCommerce Free Shipping Program
- Shopee x J&T Express Free Shipping Program
- Shopee x Ninja Van Free Shipping Program

6. Sellers will need to meet a minimum requirement of 10 successfully completed orders in order to be selected.

Terms & Conditions

7. You will receive an in-app notification if your shop has been activated for the RM19 Free Shipping Package.

8. Information keyed into the form must be valid and accurate in order for your account to be activated.

9. Buyers would need to have a minimum spend of RM19 per order and utilize a Free Shipping voucher in order to qualify for the free shipping.

10. By signing up for this package, sellers will be charged an additional Service Fee (+3.18%) for ALL orders (including orders not using RM19 Free Shipping).

11. Service Fee will be on top of the prevailing Transaction Fee.

12. The Weekly Exclusive Campaign Collection will feature the top 3 selling products that are currently in stock from each sellers. Shopee selection of SKUs will be final and no changes will be allowed.

13. Only invited sellers are eligible to participate in this package.

14. Shopee reserves the right to remove any seller who violates the terms of use without prior notice.

Terms & Conditions

15.Shopee reserves the right to terminate the package at any given time without prior notice.

16. Any seller who reaches Penalty Tier 2 (or above) will be automatically suspended from the Free Shipping Package. Suspension is effective immediately. For more information on the penalty tier system, please refer to the Help Centre.

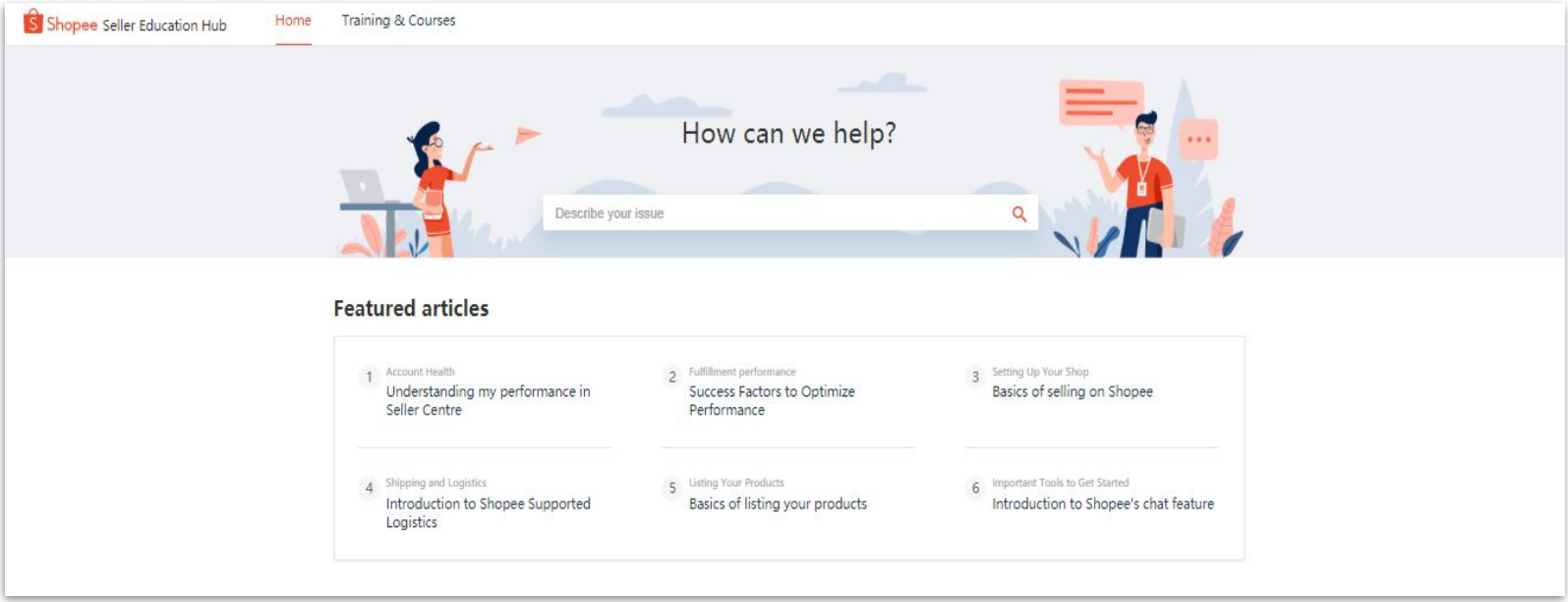
Seller Education Hub

Learn more about best practices for selling on Shopee via Seller Education Hub:

https://seller.shopee.com.my/edu/

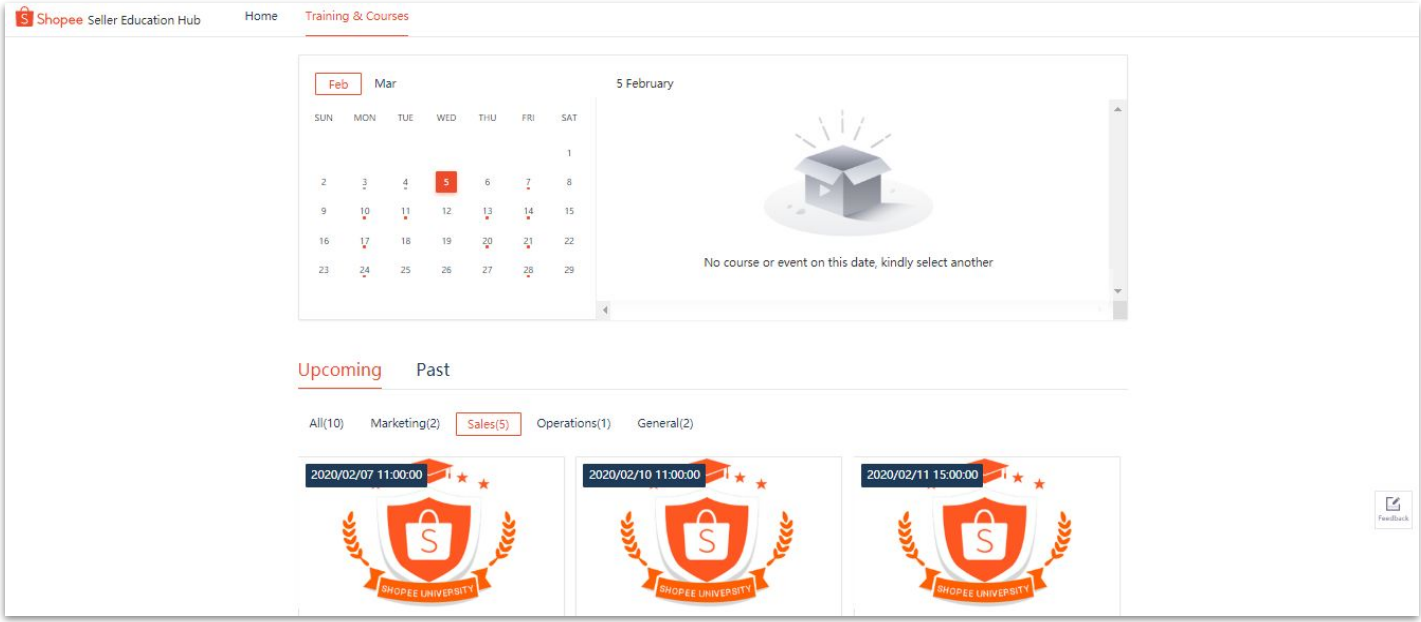
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Learn more from Shopee Seller Education Hub



https://seller.shopee.com.my/edu/

Learn more from Shopee Seller Education Hub



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THANK YOU

ขอบคุณ | Cảm ơn bạn | Salamat | Terima kasih

ありがとうございます! | 謝謝 | 감사합니다!

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