

# MARKETPLACE COMMISSIONS

Updated 1<sup>st</sup> March 2023



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**01**

# ADJUSTMENT OF MARKETPLACE COMMISSION FEES

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# ADJUSTMENT OF MARKETPLACE COMMISSION FEES

- To allow us to better contribute and grow our e-commerce ecosystem, we will introduce new value-added features and services that will help to champion your store success.
- We will be adjusting the marketplace commission fee **to 2% Capped at \$30 on orders placed from 1<sup>st</sup> March 2023 onwards**
- This adjustment only impacts local Marketplace Seller (i.e Non- Lazmall Sellers)
- The above commission fee will not affect Sellers Under the Incubation program . For **\*90 Days**, new **sellers** will continue to enjoy 0% Commission.

\*From day of registration as Lazada Seller or when account is created

# 02 HOW IS COMISSION FEE CALCULATED

# HOW IS COMMISSION FEE CALCULATED

Commission Fee (2%) is charged based on price of the product after deducting Seller Sponsored Promotions (Flexi Combo & Vouchers)

Commission Fee will only be charged if the order status has been changed to "Delivered"



# PROMOTIONS & DISCOUNTS NOT INCLUDED

The following promotions and discounts are not included in the Base Fee for Commission Fee:

- Lazada Vouchers
- Lazada Bank Vouchers
- Lazada Free Shipping Vouchers
- LazCoins
- Lazada Bonus
- Cashback Discount
- Buyer paid shipping fee
- Seller's shipping fee promotion

# HOW COMMISSION FEE IS CALCULATED

Scenario A: Seller A has Flexi Combo Discount (\$5) and seller Voucher (\$10)

As both promotion mechanics are created by sellers, it will then reduce the base price of the product.  
This Fee does not include Seller shipping Fee charges.

	Amount (SGD)
Product price (before seller & Lazada Discounts)	\$120
Minus seller Voucher	\$10
Minus seller Flexi Combo	\$5
Subtotal (base price for Commission Fee)	\$105
Commissions Fee @ 2.14% (incl. 7% GST)	<u>\$2.25</u>



# DIFFERENCE BETWEEN PAYMENT FEE & COMMISSION FEE?

- Payment Fee is the handling fee that Lazada charges on every successful transaction made through all form of payments on Lazada
  - Credit Card/Installment Plan
  - Debit Card
  - PayLah
  - Singtel Dash
- Payment Fee is 2% (before GST) of the final payment amount, inclusive of shipping fee made by buyer, deduction of any Lazada Voucher (platform/bank) or discount mechanic (Lazada Bonus/LazCoins)
- All orders will continue to be charged the payment fee

# HOW FINAL TAKEAWAY IS CALCULATED

Scenario B: Seller A has Flexi Combo discount (\$5) and seller Voucher (\$10)

Shopper has also redeemed a Lazada Voucher (\$10) as well as Lazada Bonus (\$6 off every \$60)

This Fee does not include Seller shipping Fee charges.

Order Summary	Amount (SGD)
Product price (before seller & Lazada Discounts)	\$120
Minus seller Voucher	\$10
Minus seller Flexi Combo	\$5
Subtotal (base price for Commission Fee)	\$105
Commissions Fee @ 2.14% (incl. 8% GST)	\$2.25
Minus Lazada Voucher	\$10
Minus Lazada Bonus (50% Co-fund)	\$12
Payment Fee @ 2.14% (Incl. 8% GST )	\$1.77
Final order price	<b><u>\$78.98</u></b>

Note: Payment is based on 2.14% x \$83 = \$1.77

Seller Takeaway	Amount (SGD)
Product price (before seller & Lazada Discounts)	\$120
Minus seller Voucher	\$10
Minus seller Flexi Combo	\$5
Subtotal (base price for Commission Fee)	\$105
Commissions Fee @ 2.14% (incl. 8% GST)	\$2.25
Minus Lazada Bonus (50% Co-fund)	\$6
Payment Fee @ 2.14% (incl. 8% GST)	\$1.77
Final take away	<b><u>\$94.98</u></b>

Note: Lazada Vouchers will be reimbursed to sellers

# 03

## HOW TO VIEW COMMISSION CHARGES

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# WHERE TO VIEW COMMISSION CHARGES

## 1. Go to Finance > My Statement

The screenshot shows the Lazada Seller Center interface. On the left sidebar, the 'Finance' menu is highlighted with a pink box and a blue circle with the number 1. Below it, 'My Statement' is also highlighted with a pink box and a blue circle with the number 2. The main content area shows the 'My Statement' page with tabs for 'Statement Overview', 'Order Overview', and 'Transaction Overview'. The 'Statement Overview' tab is active, showing a 'Settlement Overview' section with three cards: 'Open', 'Settlement in Progress', and 'Recent Settlement'. Below this is a 'Statement List' table with columns: Statement Number, Statement Period, Fee Type, Amount, Total Amount, Settlement Status, and Action. The first row of the table is highlighted with a pink box and a blue circle with the number 3. The 'Action' column for the first row has a 'Download' button, which is highlighted with a pink box and a blue circle with the number 4. Below the 'Download' button, there are two links: 'Transaction Details (excel)' and 'Transaction Details (csv)', both highlighted with a pink box and a blue circle with the number 5. The 'LAZADA Invoice' link is also highlighted with a pink box and a blue circle with the number 5.

Statement Number	Statement Period	Fee Type	Amount	Total Amount	Settlement Status	Action
SG116XZ-2022-023	06 Jun 2022 - 12 Jun 2022	Sales Lazada Fees			● Open	Download Transaction Details (excel) Transaction Details (csv) LAZADA Invoice
SG116XZ-2022-022	30 May 2022 - 05 Jun 2022	Sales Lazada Fees			● Settlement in Progress	
SG116XZ-2022-021	23 May 2022 - 29 May 2022	Sales Lazada Fees			● Settlement in Progress	

Sellers can find information regarding their Commissions via the following channels

1. Finance > My Statement
2. Statement Overview
3. Order Overview
4. Transaction Overview
5. Lazada Invoice

# WHERE TO VIEW COMMISSION CHARGES – STATEMENT SUMMARY

- Weekly overall commission cost can be found in the Statement Summary

Settlement Overview ⓘ				Download ▾
Settlement Amount	Fee Type	Fee Name	Fee Amount	
Statement Number		Opening Balance	0.00	
Statement Period	Sales	Item Price Credit Subtotal		
Statement Status Settled	Logistics	Shipping Fee (Paid By Customer) Shipping Fee Voucher (by Lazada) Shipping Fee Paid by Seller Subtotal		
	Marketing Fees	Promotional Charges Vouchers Lazcoin discount Sponsored Affiliates LCP Fee Subtotal		
	Lazada Fees	Lazada Bonus - LZD co-fund Payment Fee Lazada Bonus Commission Subtotal	-97.15	
		Closing Balance	.	
		Settlement Amount	SGD 1,440.66	


# WHERE TO VIEW COMMISSION CHARGES – ORDER OVERVIEW

- Individual order details are available on Order Overview
- Sellers may download the Excel file to view the commission charged if the order is already delivered
- Sellers can also refer to the Order Summary at order level to view the commissions

Page Layout Formulas Data Review View Help Tell me what you want to do						
bri 11 A* Wrap Text General Normal Bad						
Font Alignment Number Conditional Formatting Format as Table Check Cell Explanatory ...						
Order No.						
B	C	D	E	F	G	
Order Date	Order Item Id	Unit Price	Commission	Payment Fee	Customer Shipping Fee	
Jun 05 2022 17:18:40	78781672490254					
Jun 02 2022 16:47:53	78658061030907	59.90	-3.21	-1.35	3.19	
Jun 02 2022 16:47:53	78658061130907					
May 29 2022 08:08:11	78457616848865	59.90	-2.94	-1.21	1.49	
May 30 2022 21:32:59	78544892772490	8.00	-0.39	-0.15		
May 30 2022 21:32:59	78544892872490	15.00	-0.73	-0.29		
May 30 2022 21:32:59	78544892972490	8.90	-0.43	-0.17		
May 29 2022 12:36:37	78465836679145					
Jun 05 2022 13:30:05	78801209451729					
Jun 05 2022 13:30:05	78801209551729					
May 30 2022 00:49:09	78508609715791	56.90	-2.74	-1.13	2.00	
Jun 02 2022 18:25:47	79353111795620	9.90	-0.54	-0.25	1.49	
May 31 2022 22:44:11	78591832168818	59.90	-3.21	-1.36	3.49	
Jun 04 2022 15:34:25	78753225607409					
Jun 04 2022 15:34:25	78753225707409					
Jun 03 2022 23:40:46	79354573918476					
May 29 2022 15:48:16	78466057858239	59.90	-2.94	-1.21	1.50	
Jun 01 2022 12:05:34	79238161999155	21.90	-1.18	-0.50	1.49	
May 29 2022 09:20:27	79103591574232	12.90	-0.62	-0.30	2.16	
May 29 2022 09:20:27	79103591674232	12.90	-0.62	-0.30	2.16	
May 29 2022 09:20:27	79103591774232	12.90	-0.62	-0.30	2.17	
Jun 02 2022 20:45:04	78705405066007	14.80	-0.79	-0.35	1.49	
May 30 2022 11:10:34	79183531734157	18.90	-1.02	-0.44	1.49	

Order Number: 76366935699372 Create Time: 07 Apr 2022 13:35

Delivered Package 1 (1 Item)

Item	Retail Price	Paid Amount	Delivery Type	Warehouse Type	Status
 White Magic Mini Blind Duster Color: Grey Seller SKU: WM-MFBD Expect Delivery Time: 11 Apr 2022 ~ 13 Apr 2022 Order Line ID: 76366935799372 Item ID: 158489299 Allow Return	sg 9.00	sg 11.09	Standard	dropshipping	Delivered


Promotions ID: 91471123672202 Provider: SponsorType-seller Discount: sg 0.30

Tracking Number: NLSGD25074408

More Action Logistic Status

My Payment Information

Detail

Item	Retail Price	Paid Amount	Received Amount
 White Magic Mini Blind Duster Seller SKU: WM-MFBD Order Line ID: 76366935799372	sg 9.00	sg 11.09	sg 7.34

Summary

LCP Fee	sg -0.26
Commission	sg -0.51
Lazcoin discount	sg -0.3
Payment Fee	sg -0.24
Shipping Fee Paid by Seller	sg -2.74
Shipping Fee (Paid By Customer)	sg 1.49
Item Price Credit	sg 9.9
Grand Total	sg 7.34

# WHERE TO VIEW COMMISSION CHARGES – TRANSACTION OVERVIEW

- Seller can also refer to all Commission transactions that have been charged
- They can view it from Transaction Overview or download it in Excel and filter to “Fee Name”, “Commission”

My Statement Back to old version

Statement Overview Order Overview **Transaction Overview**

Tell us how we can improve your payment experiences. [Click here to feedback](#)

**Transaction List**

Transaction Date: 2022-05-30 - 2022-06-06 Order Number: Fee Type: [Search](#) [Reset](#)

Total Amount: Revenue Deductions

[Export](#)

Transaction Date	Transaction Type	Transaction Number	Order Number	Order Item ID	Item Name	Comment	Amount	Statement Period
06 Jun 2022	Payment Fee	79341986865197	<a href="#">79341986765197</a>	79341986865197	[Not For Sale] [Burger King] \$5 Cash Voucher...		-0.11	06 Jun 2022 - 12 Jun 2022
06 Jun 2022	Item Price Credit	79341986865197	<a href="#">79341986765197</a>	79341986865197	[Not For Sale] [Burger King] \$5 Cash Voucher...		5.00	06 Jun 2022 - 12 Jun 2022

Excel screenshot showing Transaction Type filtered to Commission.

A	B	C	D	E	F	G	H	I
Transaction Date	Transaction Type	Fee Name	Transaction Number	Details	Seller SKU	Lazada SKU	Amount	VAT in Amount
04-Jun-2022	Orders-Lazada Fees	Commission					-0.54	0.04
04-Jun-2022	Orders-Lazada Fees	Commission					-3.21	0.21
04-Jun-2022	Orders-Lazada Fees	Commission					-0.79	0.05
03-Jun-2022	Orders-Lazada Fees	Commission					-1.18	0.08
02-Jun-2022	Orders-Lazada Fees	Commission					-2.74	0.18
02-Jun-2022	Orders-Lazada Fees	Commission					-3.21	0.21
01-Jun-2022	Orders-Lazada Fees	Commission					-0.43	0.03
01-Jun-2022	Orders-Lazada Fees	Commission					-0.73	0.05
01-Jun-2022	Orders-Lazada Fees	Commission					-0.39	0.03
01-Jun-2022	Orders-Lazada Fees	Commission					-1.02	0.07
31-May-2022	Orders-Lazada Fees	Commission					-2.94	0.19
31-May-2022	Orders-Lazada Fees	Commission					-0.47	0.03
31-May-2022	Orders-Lazada Fees	Commission					-0.83	0.05
31-May-2022	Orders-Lazada Fees	Commission					-0.62	0.04
31-May-2022	Orders-Lazada Fees	Commission					-0.62	0.04
31-May-2022	Orders-Lazada Fees	Commission					-0.62	0.04
31-May-2022	Orders-Lazada Fees	Commission					-1.88	0.12
31-May-2022	Orders-Lazada Fees	Commission					-2.94	0.19
31-May-2022	Orders-Lazada Fees	Commission					-3.05	0.20
31-May-2022	Orders-Lazada Fees	Commission					-2.94	0.19



# 04

## RECOMMENDATION FOR SELLERS





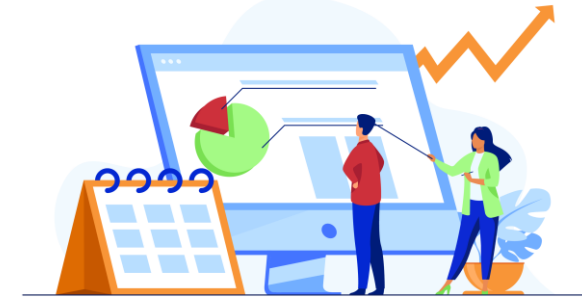
# PREPARING FOR CHANGE



Understand the changes and make calculated decisions based on the different charges that impacts your margins



Create Flexi Combo or Vouchers to allow shoppers to basket build their order on a daily basis



Join Lazada Programs to differentiate yourself from competition; Everyday Cashback, Free Shipping Max and Preferred Seller Program\*

\*Open to applicable sellers only

# SUMMARY

- Marketplace Commission Fee will be adjusted to **2% on orders placed from 18<sup>th</sup> July 2022 onwards**
- Commission Fee is charged based on price of the product after deducting Seller Sponsored Promotions (Flexi Combo & Vouchers)
- Marketplace sellers are **still liable for Payment Fee (2%)**. They are **both different fees**
- Sellers can view all information regarding their Commissions at Seller Center > Finance > My Statement

