Non-Fulfilment Rate

Seller Education Hub

Table of contents

CONTENT	PAGE
Introduction	1 - 6
Causes contributing to non-fulfilment	7 - 8
Reduce Cancellation Rate	9 - 12
Reduce Return-Refund Rate	13 - 17
How to raise a concern to Shopee	18 - 19

Introduction

What is Non-fulfilment Rate (NFR)?

The Non-fulfilment Rate **reflects the percentage of total orders that were cancelled and returned due to seller's fault in the past 7 days.**

Non-fulfilment Rate = **Cancellation Rate** + **Return-refund Rate**

Seller Tips!

Maintaining a low Non-fulfilment Rate will help maintain a good selling record, **increase positive customer experience**, and lead to **happier customers, improved ratings, and higher sales.**

What are the performance expectations?

The Non-fulfilment Rate will be updated **every Monday** and sellers who do not meet the performance target will receive penalty points accordingly.

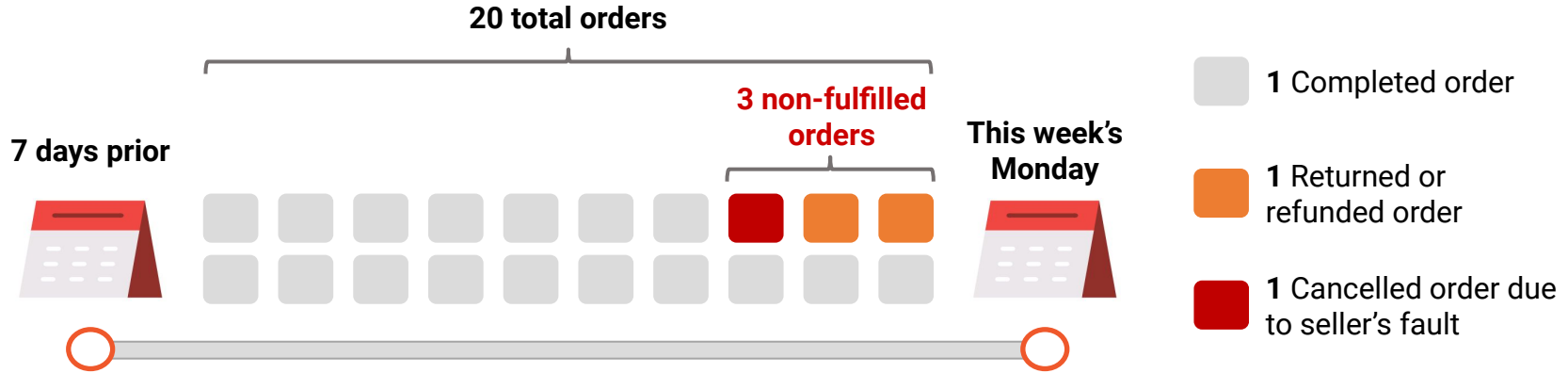| Performance Metrics	Thresholds	Penalty points if exceed thresholds
Non-fulfilment Rate (NFR)	**≥ 10% NFR**	1 point
	≥ 10% NFR and ≥ 30 non-fulfilled orders	2 points

Seller Tips!

Sellers with **high order volume and low NFR** will be given priority to join Shopee's Preferred Sellers programme. Learn more on **Shopee's Preferred Seller Programme** on Seller Education Hub.
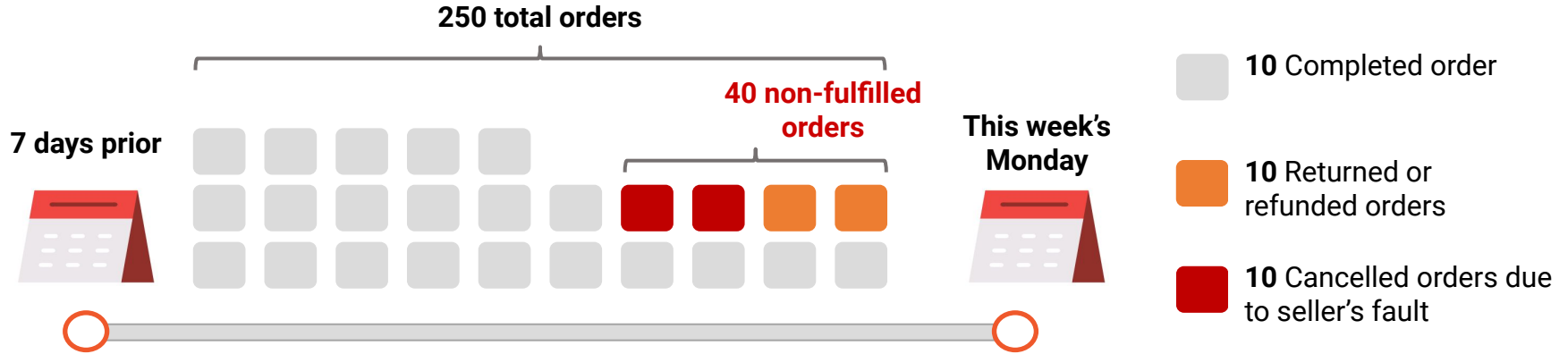
Calculation example 1

20 total orders

7 days prior

3 non-fulfilled orders

This week's Monday

1 Completed order

1 Returned or refunded order

1 Cancelled order due to seller's fault

Non-fulfilment Rate
= Non-fulfilled orders
⠀⠀⠀**Total orders**
= 3
⠀⠀**20**
= 15%

- Since Seller A has NFR of 15% which exceeds the 10% target, he **will receive 1 penalty point**.

Calculation example 2

250 total orders

7 days prior

40 non-fulfilled orders

This week's Monday

10 Completed order

10 Returned or refunded orders

10 Cancelled orders due to seller's fault

Non-fulfilment Rate
= Non-fulfilled orders
     Total orders

= 40
   250

= 16%

- Seller B has NFR of 16% which has exceeded 10%. Therefore, Seller B will **receive 1 penalty point**.
- In addition, Seller B has **40 non-fulfilled orders**, hence he will **receive 1 additional penalty point.**
- In summary, he will receive in **total 2 penalty points for high Non-fulfilment Rate** this week.

How to check your NFR?

You can view your Penalty details under **"Seller Penalty Points"**

Causes contributing to non-fulfilment

What causes non-fulfilment?

High cancellations

High returns

Out-of-stock

Cancellation due to seller being inactive

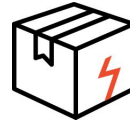**Cancellation due to failure to handover to logistics**

Wrong item shipped

Item not received

Damaged item

Item is different from listing

Reduce Cancellation Rate

Out-of-stock

Situations

❌ No stock projection

❌ Having inaccurate stock projection

Solutions

✅ **Track and update your inventory and stock levels** regularly. Make sure your stocks are up to date.

✅ **Do not overstate** your quantity or include stocks that have not arrived, unless they are pre-orders.

✅ **Allocate only physical stock to Shopee.** Avoid cross-docking if possible.

Cancellation due to seller being inactive

Situations

❌ **Sellers forgot to turn on Vacation Mode** when they are temporarily unable to fulfill orders due to being on leave (leisure trip/medical reasons, etc.)

Solutions

✅ **Activate Vacation Mode** if you are away and will be unable to fulfil your orders during this period of time. This will ensure that you do not receive any additional orders during this period.

✅ However, do note that you **must continue to fulfil existing orders** while in Vacation Mode.

Cancellation due to failure to handover to logistics

Situations

❌ Seller is **unable to deliver the parcel to 3PL** on time due to unforeseen circumstances.

Solutions

✅ Our order system will automatically cancel your order if you fail to ship within **2 days after your Days to Ship**.

✅ Do **monitor your email and app notifications regularly** for new order alerts. If more time is required for shipping you can **change your product to a pre-order.** This will allow you more days to ship.

Reduce Return-Refund Rate

Wrong item shipped

❌ Seller ships **wrong item** to the customer due to picking item wrongly or incorrect picklist.

✅ Ensure that you have packed the **correct item** and wrote the **correct address**. Make sure you **include all items ordered in the bundle**.

✅ **Download the Picklist and Packlist in Seller Centre** to help you check that you have packed the right items. You can also download the shipping label to help ensure that your item is shipped to the right address.

Damaged item

❌ Items are **not packed properly** before shipping.

❌ Items are **damaged** before or upon reaching the buyer.

✅ Make sure that **all orders are packed properly.**

✅ **Fragile products should be labelled and packed with extra cushioning materials** such as bubble wrap.

✅ Shipping labels should be **clearly displayed and secured** outside the package, ideally in the document sleeve or a separate pouch.

Item is different from listing

Items received are **different from what is described** in the product listing.

Provide **accurate descriptions** of your product to ensure the buyer has the right expectations of the product.

Include information such as the **dimensions, colour, material, warranty period** etc. and fill up all attribute fields.

Use **high resolution images** in **different angles** to help buyers better visualise the product.

Item not received

Items are **misplaced** during the shipping process, resulting in customer dissatisfaction.

Proactively monitor your return pattern by SKU on **My Data** to identify troubled products and suppliers. For products with high return rate, do consider de-listing them.

Preventing returns will **reduce customer churn** and **increase overall customer satisfaction.**

How to raise a concern to Shopee

How to raise a concern to Shopee

In cases where your orders were delayed by unexpected events such as natural disasters, 3PL faults, system issues, etc., you can raise your concern through Shopee support with valid evidence. After the issue is validated, we will proceed to exempt the wrongly penalised orders.

Thank you

Learn more about best practices for selling on

Shopee on Seller Education Hub:

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