



Increasing Adoption: Shopee Offline Pickup Services.

Strategies and marketing
recommendations.

Executive Summary:

(SINGAPORE) Shopee's self-collection (SPP) model faces three interconnected barriers: **pricing perception misalignment, operational capacity constraints, and service experience gaps** at residential points.

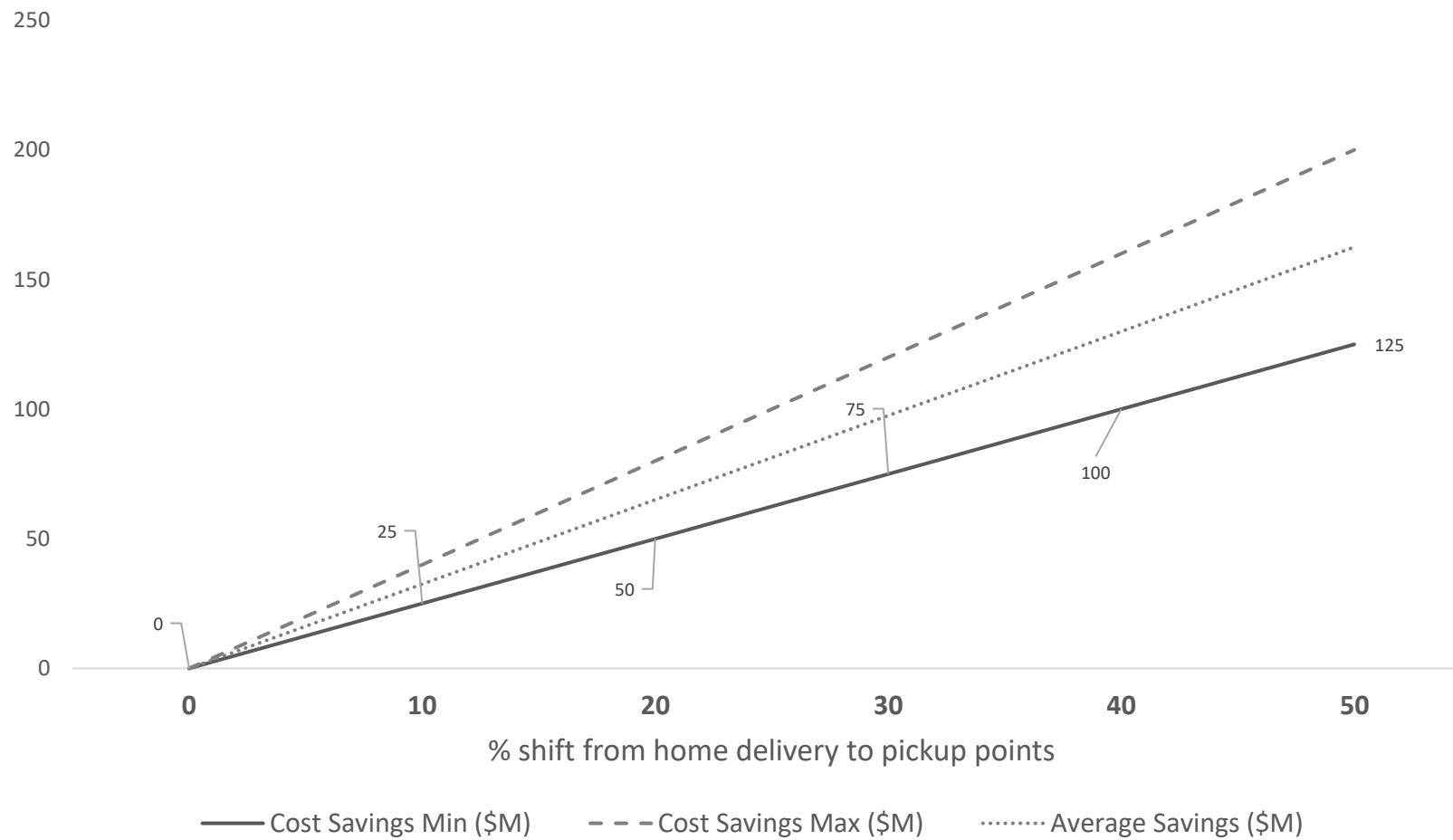
- Consumers currently perceive self-collection as too expensive and fail to recognise benefits such as reduced failed deliveries and potential shipping savings.
- users disproportionately prefer shop and locker SPP modes that are frequently at capacity.
- residential collection points are viewed as unreliable and thus undesirable.

To address these challenges, Shopee should first reposition SPPs through:

1. **Clear ROI messaging**, ensuring that more than 70% of its Singapore user base understands tangible benefits such as free or lower shipping and fewer failed deliveries.
2. Next, Shopee should introduce an **in-app SPP rating system**, allowing users to rate and review collection points; this builds trust, guides user choice, and enables low-performing locations to be phased out without heavy auditing overhead.
3. Once these demand-side and trust issues are resolved, Shopee can **selectively increase capacity at both residential and non-residential points**, with investment skewed toward non-residential venues if negative perceptions of residential locations persist.

For every 10% shift from home delivery to pickup points, logistic costs decrease by US\$25 – 40M annually regionally.

Pickup points lower costs for users and Shopee but adoption remains low.

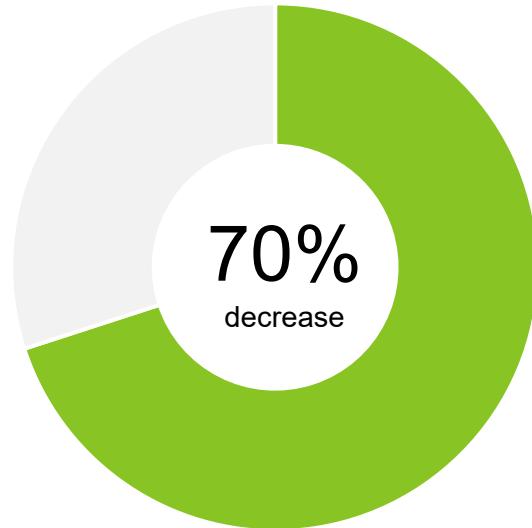


Potential for Significant Cost-savings

- Pickup points lower delivery costs by 15-22% per parcel.
- Minimum cost saving with a **10% shift** to delivery at pickup points is **US\$25M**. Large opportunity for cost reduction since current adoption is low.

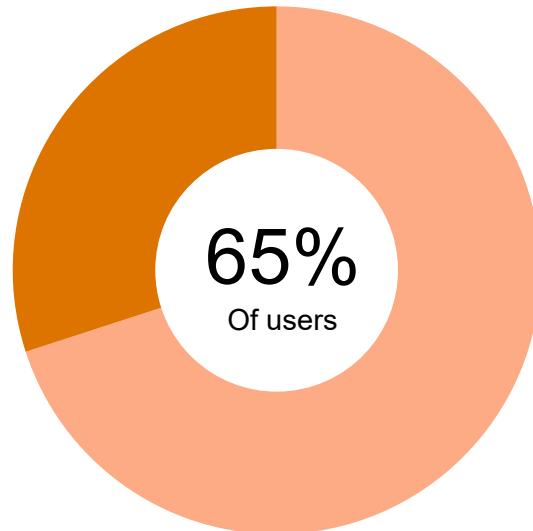
9-14% of eligible checkouts select ‘Pickup Point’, despite the benefits of SPP for consumers.

Though users could benefit from shorter delivery times and improved reliability, general perception is that SPP is too expensive.



Reduction of Failed Delivery Rates

Pickup points currently reduce failed-delivery rates by 60-70%. Pickup orders are delivered 1 day faster than home delivery.



Say fees are too high

65% of users say they would pick up orders if ‘shipping costs were cheaper’

How much does ‘Pickup Point’ cost users?

- Free self-collection services are offered only in specific markets (e.g. **MY**: free self-collection is only available in West Malaysia)
- **Singapore:** Listed with Self-Collection Shipping Fee that can be **\$0 - \$1.99 SGD** at checkout, depending on factors like parcel size, shop, or promotions
- Why are users saying “if shipping costs were cheaper”? Pickup charges of \$0.99 VS doorstep delivery at \$1.99 – consumers think \$0.99 is too high

Focusing on the Singaporean E-Commerce Base

Gen Z/Millennials represent high-engagement online buyers regionally.

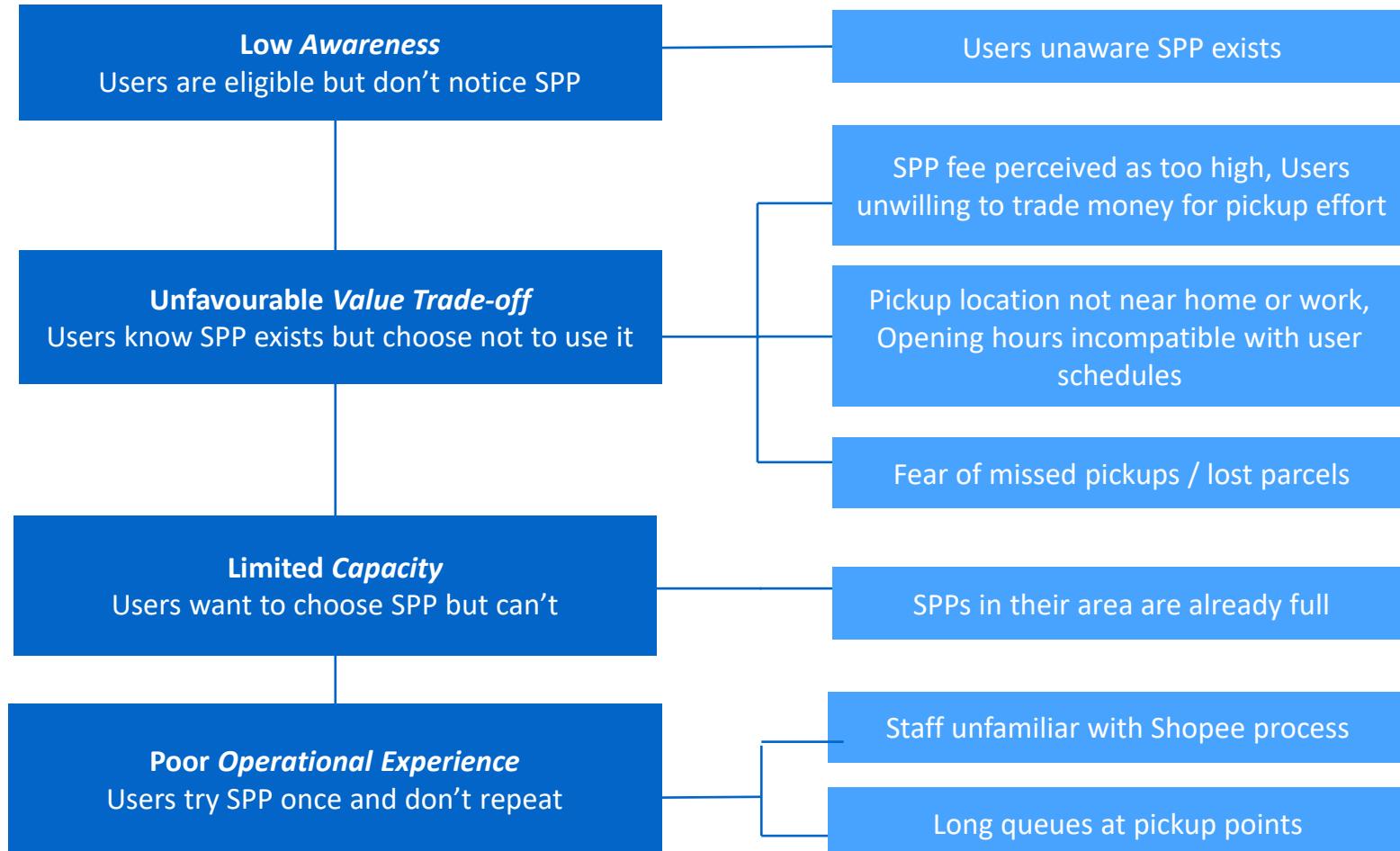
Demographic	% of Users	GMV/Engagement	Key Drivers
Gen Z (18-24)	20-25%	High	Livestream, social commerce, BNPL.
Millennials (25-34)	30-35%	Highest	Largest user base; frequent purchases (44% shop social >1x/month); FMCG/tech categories.
35-44	~20%	Medium	Family/household spending; reliability focus.
45+	20-25%	Lower	Growing but less frequent purchasing habits.

Key Insights

- 25-34 group alone accounts for outsized GMV as Singapore's "digitally active core" with high disposable income.
- Gen Z adds growth via high reliance on e-commerce

Source: MarketTech APAC. <https://marketech-apac.com/recent-survey-reveals-that-gen-z-in-singapore-are-most-likely-to-purchase-through-social-media-sites/>
Meltwater 2025. <https://www.meltwater.com/en/blog/social-media-statistics-singapore>

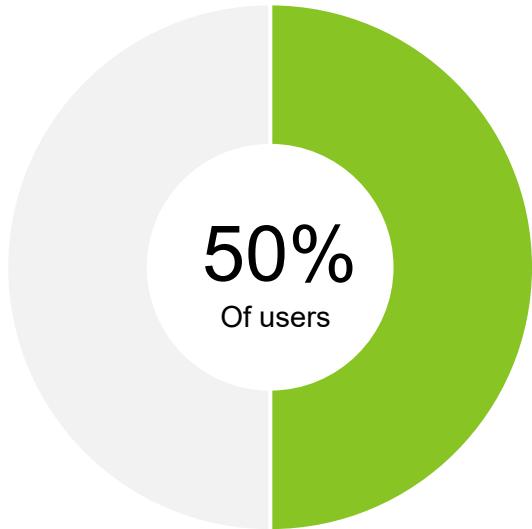
Why is SPP uptake low? (Driver Tree)



More than 2000 Shopee pickup points established in Singapore, with strong awareness of self-collection, supported by government initiatives.

Ecommerce users in Singapore have high awareness of pickup point services and easy access to SPPs set up within 250m of their households. Awareness is solid but home delivery remains the preferred option.

Since 2021:



Have tried collection point services

"Half of the consumers surveyed have used collection points in place of home delivery, in contrast to the 38% and 19% of Malaysian shoppers and Indonesian shoppers respectively. " (Rakuten Insights)"

IMDA Nationwide Parcel Locker Initiative kickstarted an ecosystem:

Singapore-wide parcel locker usage low after a year

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According to Pick Network, logistics providers have seen their average productivity increase by three to 19 times.
PHOTO: LIANHE ZAOBAO

SPPs in 2025:



Shopee said these collection points are set up within a 250m proximity to most Singapore households.

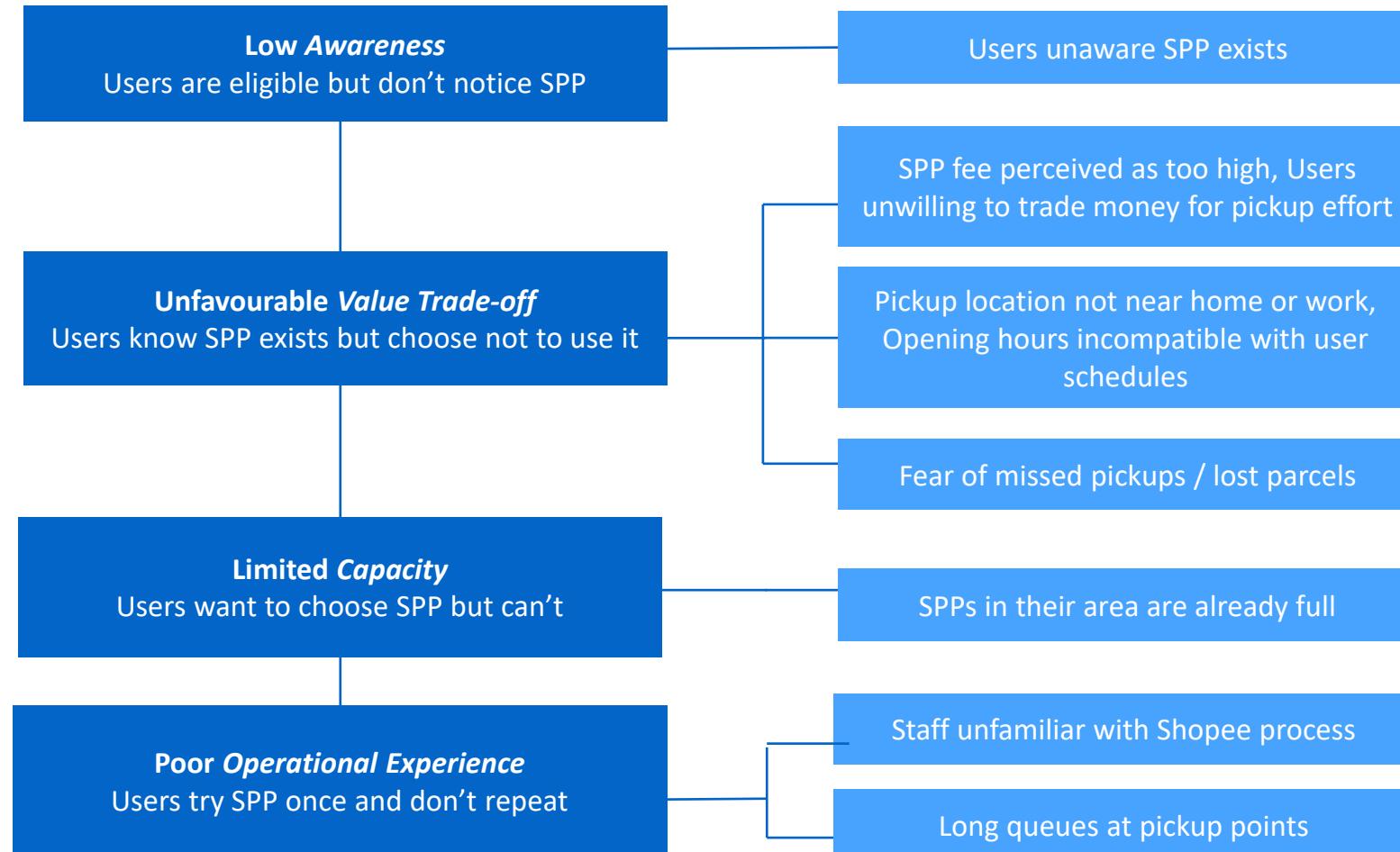
But after households themselves expressed interest in becoming collection points, Shopee added them to the mix.

There are now over 2,000 collection points across shops, lockers and residences, though Shopee did not share the number of those located at households.

Hosts at these collection points can earn cash with each parcel distributed, and at least \$90 a month, according to promotional material from Shopee.

Neighbours of residential collection points told CNA they have benefited from easy access and savings in delivery costs, but some also raised security concerns due to the increased footfall outside their homes.

Why is SPP uptake low? (Driver Tree)



Disproven– Awareness of self-collection services is high.

Highly relevant

- 65% of users say they would pick up orders if ‘shipping costs were cheaper’, Low awareness that self-collection is mostly free.
- Low consumer awareness that Pickup points currently reduce failed-delivery rates by 60-70%.

Relevant - consistent user complaints across forums, reviews, and news.

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Poor operational experience at SPPs.

When users select SPPs, they prefer shops or PickLockers with reliable or 24/7 opening hours. Many users feel that their residential collection point pickup experience could be improved – hosts have poor parcel handling practices, don't respect the privacy of buyers etc.

Issues

Hosts are closed/unavailable
Most common

*"The owner will just put up a notice to say they are not at home and you won't know until you reach. I honestly think there should be a shopee collection point blacklist so users will know which collection points to avoid. I currently stick to shops as my collection point since they **always stick to their opening hours**."*

Rude/unhelpful staff/hosts
Common

*"I agree that shops are better but once I went to pick up at a 7-11 and the auntie there **insisted she was a part timer and doesn't know how the system works**. She refused to find the parcel and there were other customers at the store and I just gave up and returned the next day."*

Poor parcel handling
Less common

"The next nearest collection point is a shop with freaking nothing on their shelves and the owner puts all the parcels on the floor in one corner. Then he will carefully walk around them searching for my parcel while trying not to step on the others. Like wth you can just put them on the shelf instead of the floor then?."

Security/privacy breaches
Less common

*"I've had mostly pleasant experiences with shoppee home collection points. But had one collection point that I reported to shoppee. They had a notebook and **demanded for me to write down my mobile number before collecting my parcel**. I told em they're not allowed to do that as it's a breach of privacy. We're only required to provide our pin and not mobile numbers lol."*

Limited capacity reinforces poor experience with SPPs.

Users willing to use self-collection services cannot access their preferred collection points, as PickLockers and shops are always full or reach full capacity quickly. Creates a frustrating experience for eligible users who must wait for their preferred SPP to become available.

Decision-making for eligible users

Lack of reliability at residential collection points

"At one period, my residential pickup point always seemed to be closed. At least for 3 days, I walked there and back empty handed 3 times. Oh they are closed again."

"I'm not sure I trust my items (usually like, shower stuff/pads/refills of things, not super impt la if not I won't shopee) in a stranger's house"

"I automatically avoid residential collection points because I am antisocial and find it weird to disturb people in their homes lol. You can try buying just after midnight because that's when pick locker slots open. Alternatively, see if you can buy it on Lazada because they use popstation and 711."

Preference for shops/lockers when opting for self-collection

Lockers / shops are always full or reach full capacity quickly

"my pick up lockers are ALWAYS full when i need them. not just my place (Woodleigh), but my mom's place too (SK)."

"I also prefer pick locker. but Pick locker always full house. Sometimes almost ALL of the collection points near my house are full. Damn sianz."

Choice not to use SPPs at all or use residential collection points.

"Agreed! I usually use the mama shop downstairs but they were once inundated with Shopee parcels so stopped collections for a while (which I respect). No choice but to use residential collection points."

"There are a lot of times where the pick lockers are full as well. Then no choice need to choose a shoppee collection point."

In summary, three interconnected barriers must be addressed.

Pricing Perception Misalignment, Operational Capacity Constraints, Service Experience gaps.

Pricing Perception Misalignment	Operational Capacity Constraints	Service Experience Gaps
<p>Driver:</p> <ul style="list-style-type: none">• Consumers believe self-collection is too expensive.• They don't recognise the benefits of self-collection. <p>Solution (Marketing):</p> <ul style="list-style-type: none">• Paying a small fee is already cost-saving.• It's worth it for delivery speed, reliability, sustainability, community support.	<p>Driver:</p> <ul style="list-style-type: none">• Users have a strong preference for shop/locker SPP modes which are always full. <p>Solution (Operations) :</p> <ul style="list-style-type: none">• Increase availability of non-residential pickup points, at convenience stores and lockers	<p>Driver:</p> <ul style="list-style-type: none">• Residential collection points are 'undesirable' to users because of lack of reliability etc. <p>Solution (Operations -> Marketing):</p> <ul style="list-style-type: none">• Strengthening accountability/reporting mechanisms to ensure residential collection points deliver good services.• Collection-point ratings in-app "Trusted by X% nearby users".• Targeted Marketing, specific to neighbourhood.

Transparent ROI positioning leads, followed by improving perception of residential collection points through trust-signals.

Reach figures are estimated based on Shopee's current e-commerce user base.

Priority	Solution	Reach	Impact	Confidence	Effort	RICE Score
1	Transparent ROI positioning by improving marketing messaging	1.2M	2.5	70%	10	210k
2	In-app real-time status/blacklisting to improve perception of residential collection points	800k	4	97%	30	103k
3	Increase availability of non-residential collection points	800k	3.5	85%	25	95k
4	Host vetting/SLA enforcement	500k	4	90%	30	60k

Implementation timeline

Marketing plan will be implemented in phases and evaluated based on consumer responses at each stage.



ROI Positioning:

- Make benefits of SPP (free shipping, lower failed delivery rates) known to >70% of Shopee's ecommerce user base in Singapore

Launch in-app SPP rating:

- Users give feedback about collection points, which increases trust and adoption
- SPPs with low service quality are phased out without our extra auditing efforts.

Increasing capacity:

- If uptake is successful, then we can focus our efforts on increasing capacity of residential and non-residential collection points.
- If attitudes toward residential points remain negative, efforts can be focused specifically on non-residential collection.

Consumers should have the awareness that **most self-collection is free and delivery is reliable**.

Pricing and value reframing is the fastest, cheapest and most scalable way to increase adoption. We are currently making self-collection free wherever possible, but benefits of SPP must still be recognized by consumers so they are willing to pay discounted fees for it.

Current marketing SPP in Singapore is not advertised prominently on social media.



SPP Promotion mostly limited to web prompts/banners.
(Shopee Malaysia takes a similar approach)

Two screenshots from a Shopee website illustrating the self-collection process. The top screenshot shows a 'SELF COLLECTION POINT' banner with three steps: 1. Search an item & use the 'Self Collection Point' filter (with a screenshot of the search filters). 2. Buy now (with a screenshot of a product page showing a discounted price of RM15.00). 3. At checkout page, choose Self Collection Point & your preferred collection point. The bottom screenshot shows another 'SELF COLLECTION POINT' banner with a large image of a hand holding a package labeled 'SELF COLLECTION' over a map with location pins.

Consumers should have the awareness that **most self-collection is free and delivery is reliable**.

Recommendations

Marketing messaging: In addition to cost-savings, quality of delivery should be emphasised.

- “95% delivery success at Shopee Collection Points vs 88% for home delivery”
- *No missed deliveries. No rescheduling. Just pick up when it suits you.*

Social media channels:

82% of users discover information about new Shopee features through TikTok, Instagram or Influencers, not the app homepage.

- Best way to reach Gen Z/ Millennial market through collaborations with social media influencers

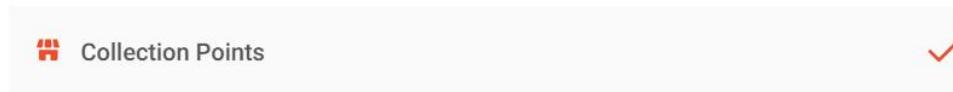


Improve perception of residential collection points through trust signals.

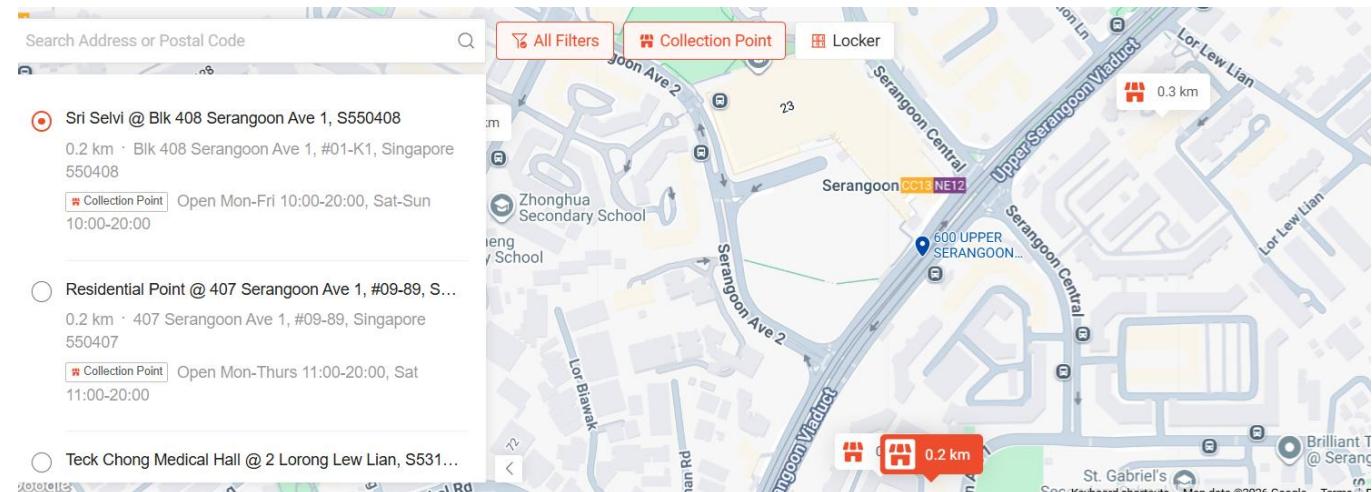
The current self-collection option doesn't provide users with much information about the reliability of collection points. To solve this, users should be able to rate collection points after picking up their parcels, reassuring users that the pickup experience will be positive.

Current Interface

Select Shipping Option



- **Users only see:** distance from their home address, the self-collection points' opening hours, and a "Recommended" tag.
- Concerns about reliability, poor parcel handling are not addressed



Improve perception of residential collection points through trust signals.

More information about collection points can be made available and direct communication channels between pickup points and buyers should be set up on our platform.

The screenshot shows the Shopee Mall interface. At the top, there's a red header bar with links for 'Shopee Home', 'Start Selling', 'Download', 'Follow us on' (with icons for Facebook and Instagram), 'Notifications', 'Help', 'English', 'Sign Up', and 'Login'. Below the header is a search bar with 'Search in this shop' and 'In This Shop' dropdown, a magnifying glass icon, and a shopping cart icon. On the left, there's a sidebar for 'THEFACESHOP Official Store' which is 'Active 5 minutes ago'. It shows stats: 'Products: 266', 'Followers: 46.5k', 'Rating: 4.9 (43.5k Rating)', 'Following: 2', 'Chat Performance: 99% (Within Hours)', and 'Joined: 5 Years Ago'. Below the sidebar are navigation links: 'Home' (underlined), 'All Products', 'RICE WATER BRIGHT', 'NEW ARRIVALS', 'SHOP BY BRANDS', and 'SHOP BY CATEGORIES'.

Recommendations

- To display average rating from pickup-point visitors
- When they first joined as a self-connection point
- Chat function (can be considered but optional)

This screenshot shows a collection point detail page. It features a header with a red checkmark icon and the text 'New Interface'. Below the header, there's a section for 'Collection Points' with a circular icon containing a dot. The collection point details are:

- Sri Selvi @ Blk 408 Serangoon Ave 1, S550408 *Joined 8 months ago*
- Guaranteed to get by 27 Jan - 28 Jan
- 0.2 KM • Blk 408 Serangoon Ave 1, #01-K1, Singapore
- Open Mon-Sun 10:00-20:00
- Get a \$1.00 voucher if no delivery was attempted by 28 Jan 2026.

A 'Recommended' button is visible at the bottom left, and a '4.9 (118 Users Rating)' link is at the bottom right.

New Interface

- Changes made to UI are minimal
- Collection point rating function should be available to users when they click to confirm that the parcel has been collected.

Improve perception of residential collection points through marketing.

Future marketing messaging can continue to pursue the “Support Local” angle but should spotlight collection points with high user rating .

Current blogpost marketing



Cik Siti keeps her Self Collection earnings as a separate savings fund, set aside for emergencies or a long-awaited vacation. “I never expected it,” Cik Siti shared. “Becoming a Collection Point manager didn’t just bring more customers. It helped me grow my brand and income in ways I couldn’t imagine. Alhamdulillah, it’s all rezeki.”

Support Local. Shop Lagi Murah. Save More with Self Collection.

Whether it's supporting a mother's household income, encouraging families to come together, or boosting local micro-businesses, every self collection order supports the Malaysian community.

Starting 9 June 2025, buyers can enjoy free shipping vouchers with no minimum spend by selecting delivery to the nearest Self Collection Point. It's a simple choice that helps buyers enjoy *Lagi Murah* purchases while also giving back to the local community.

Start using Self Collection today: <https://shopee.com.my/m/free-shipping-deals>
Hashtag: #ShopeeMY

The issuer is solely responsible for the content of this announcement.

Recommended social media collateral



- Shift in marketing channels from traditional blogpost/news articles to Instagram / TikTok
- Emphasis on **quantitative messaging** and tangible benefits when pushing a new feature
- Targeted advertisements can be targeted to spotlight collection points in the users' **home neighbourhoods**.
- Eventual shift to short-form video content to highlight benefits to the local community.

Increase availability of store pickup points.

During self-collection, Ecommerce users prefer reliable opening hours, contactless delivery. Leverage existing partnerships with neighbourhood retailers to increase the scale of service delivery.

Competitor Partnerships (Lazada, NinjaVan, 7-11)

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vulcanpost

ABOUT ADVERTISE



Collect Your Lazada Parcels At Almost 350 7-Eleven Stores By End 2018 – Delivery Is Free

MELISSA CHAN • 18 OCT 2018



- 7-Eleven forms the largest chain of convenience stores island-wide.
- Partners with multiple e-commerce/logistics firms (Shopee, Lazada, SingPost, Ninja Van) to boost footfall, so capacity is limited.

Prioritise neighbourhood retailers instead of lockers

- Higher footfall drives impulse buys, boosting merchant revenue vs. lockers' passive role in the self-collection journey.
- Easier scaling via existing partnerships since retailers earn S\$0.50-1/parcel plus visibility.
- Lockers have a High CAPEX (S\$10k-50k/unit) which limits rapid expansion vs. onboarding retailers (low cost, quick).

Initiate new convenience chain partnerships

- **Cheers (NTUC FairPrice):** Over 180 outlets islandwide supports parcel services like SingPost POPStops.
- Unmanned stores provide 24/7 accessibility

Thank you!