



### **INDEX**

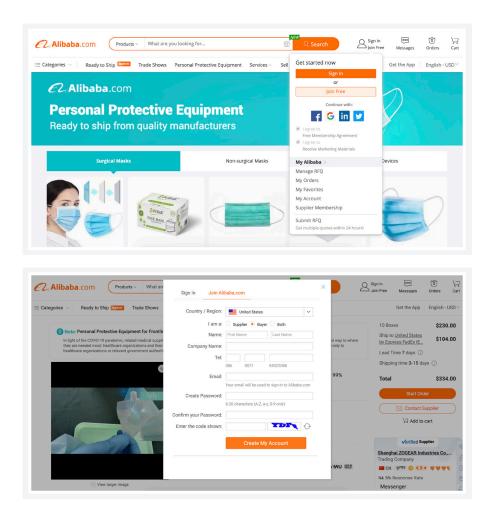


**Glossary - Sourcing terms and Alibaba.com features** 

## Registering

The first thing you should do before diving into the website is register for a free buyer account.

Fill out as much information as you can, including your company name, company website and a business email address. Most suppliers prefer to work with established businesses, and the first way they make sure you're legitimate is by viewing these credentials.



# FINDING PRODUCTS AND SUPPLIERS

How to identify suppliers on Alibaba.com:

**Gold supplier** (): Paid members that have been verified as businesses with commercial or industrial capabilities.

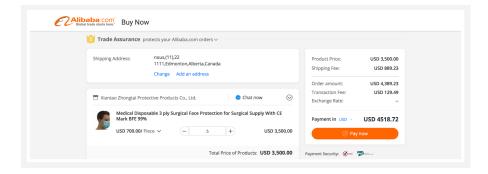
**Verified supplier verified :** Suppliers whose company profile, management system, production capabilities, product, and process controls have been assessed, certified, and/or inspected by third party institutions via online and offline means.

**Trade Assurance supplier** Suppliers who accept payment through Alibaba.com. Alibaba.com also provides payment protection to buyers who pay through the platform.

When you find a supplier with a product that meets your needs, you can either buy right away or contact the supplier for more information before purchasing.

#### **Quick Checkout**

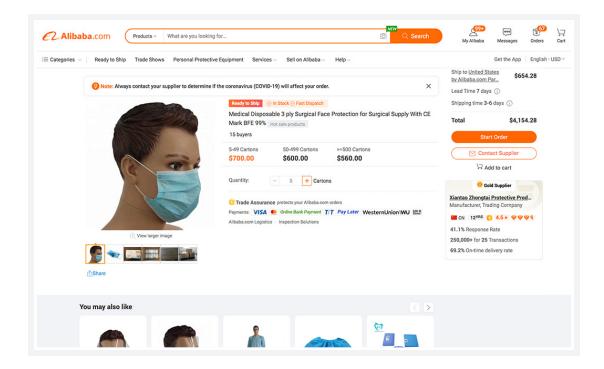
If you're confident that a product meets your requirements and you're ready to purchase, you can start your order right away using our easy checkout process. Just click "Start Order" from the product detail page, and enter your shipping and payment information.



#### **Contacting Suppliers**

Once you've created a short list of suppliers who you may want to work with, it's time to reach out. It may sound simple enough, but this is an important part of the process. It's where you need to show you're ready to do serious business, and it's where you make sure you find a supplier you can trust.

You can reach out by clicking "Contact Supplier" on the product detail page and writing a detailed message.



In your first message, you should always do 3 things:

#### 1. Demonstrate that you are a serious buyer with a legitimate business

To demonstrate that you're a serious buyer, introduce yourself and describe your business. Also make sure you've completed your profile and have a professional email address for your business.

#### 2. Describe in detail the product you want to source

Provide detailed information about the product you want to source, including:

- Specifications
- Packaging
- Any other critical points (safety, branding, etc.)
- Photos
- **3. Ask questions to determine if the supplier is a good fit for your business** Be specific and ask questions to help narrow the field, including:
- Price per certain order volumes
- Obtain copies of certifications if applicable
- Available units/stock
- Shipment origin
- Obtain shipment dimensions and weight

In the Message Center under My Alibaba on the top menu, you will be able to keep track of conversations with different suppliers. If you're on our mobile app, you can also make use of our real-time translation feature and video chat feature (available between US-based buyers and China-based suppliers) to make your communication easier.

# PLACING AN ORDER

#### Place a full order with Trade Assurance

Trade Assurance is Alibaba.com's order protection service, which ensures your product is produced to the quality you expect, paid for securely, and shipped on time. If it's not, Alibaba.com customer service representatives are there for you through the dispute resolution process — from investigation to mediation and reimbursement.

Look for the Trade Assurance icon on our product listing pages and make sure that your supplier uses Trade Assurance.

While disputes are uncommon, the unexpected can happen so it's good to be prepared, and make sure upfront that your order will be protected by Trade Assurance. Here's how:

- Ensure you are working with a supplier covered by Trade Assurance (Look for the sicon!).
- Keep all your conversations with suppliers on Alibaba.com rather than speaking on private third-party apps. That way, we can use the chat history as evidence should there be a dispute.
- Create a Trade Assurance contract on Alibaba.com (or ask your supplier to), and make sure to include product quantity, product specifications, and shipping information. Depending on who is arranging/responsible for transportation and insurance, make sure the correct incoterm is reflected in your TA contract. If you are arranging your own transportation (EXW, FCA, FAS, FOB), please make sure the shipping fee section is left blank as freight charges will be collected separately. Have attachments of your specifications uploaded to your TA order so Alibaba.com can refer to them in case of a dispute.

While Alibaba.com charges transaction fees on certain payment methods to offset our operational expense in payment processing, we do not charge any additional fees for Trade Assurance. Should you see a problem, immediately file a dispute and Alibaba.com will step in. You can find the dispute filing portal within "Help & Community" under the top toolbar on our homepage.

CAlibaba.com Products - What are you loc	iking for	NEW C Search My Alibaba Messages Orders C
$\equiv$ Categories $$ Ready to Ship Trade Shows Personal Pr	otective Equipment Services V Sell on Alibaba V Help A	Get the App English - USE
📀 See	FAQs on the coronavirus (COVID-19) and Alibaba.c For Buyers	
Personal Protective Equipment	Protective Equipment B Disinfec Submit a Di Report IPR I Report Abu	ispute View more
MY MARKETS		Shoes & Accessories
Cicleal trade starts here. <sup>100</sup> English ~ Submit New Complaint Manage Complaints	Products - What are you looking for	Q Get Quotations ~
Trade Dispute Trade Assurance Order Dispute I encountered a trade dispute when trading with a supplier using Alibaba.com Trade Assurance. Complaint.	Uncertain Wholesale Order Dispute I encountered a trade dispute when ordering through Alibaba.com Wholesaler. Complaint.	Offline Trade Dispute I paid or received payment through a 3rd party source. No product or payment was received after shipping. Reminder Other types of disputes will not be handled by Alibaba.com.      Report
Other		
Trade Assurance supplier refuses to offer coverage If your Trade Assurance, you can submit a complaint to Alibaba.com. Complaint.		

# PAYING AND FINANCING

Paying suppliers on Alibaba.com is easy and secure, when you pay on the platform. Once you agree on payment terms (usually a deposit of 30-50% upfront to start production), an initial balance will be paid, then the remaining amount will be paid when the inventory is ready to be shipped, or passed inspection.

With Trade Assurance, buyers on Alibaba.com can make secure payments through the options below.

Payment Method	Currency / Limit	Transaction Fee	Processing Time
Credit/Debit Card VISA 🐏 🚉 💳 🗱 🔳	Multi-currency 1 Up to \$12,000	2.95% of payment amount (3. 5% for Amex) Capped at \$40 for APAC-issued Mast ercard (for USD payments only)	1 - 2 Hours
Online Transfer	Local Currency Only Up to \$300,000	\$15 - 30 Depends on the payment amount <sup>2</sup>	1 - 2 Business Days
Online Bank Payment	USD Only Up to \$50,000	<b>\$15 - 30</b> Depends on the payment amount <sup>3</sup>	4 - 5 Business Days
Online Bank Payment Europe Account <sup>4</sup>	EUR Only Up to \$10,000	€15 - 30 Depends on the payment amount <sup>3</sup>	9 - 10 Business Days
Wire Transfer- T/T Domestic Wire Transfer <sup>5</sup>	Local Currency Only Up to \$300,000 <sup>6</sup>	Around 1 unit of local currency Depends on your bank	1 - 2 Business Days
Wire Transfer- T/T International Wire Transfer	Multi-currency <sup>7</sup> No limitation	Around \$40 Depends on your bank	3 - 7 Business Days
WesternUnion <b>WU</b>	USD Only Up to \$2,500	\$4.90 - 45.00 Depends on the payment amount <sup>8</sup>	1 Business Day
Boleto	USD Only Up to \$3,000 per month	1.30% of payment amount	3 - 4 Business Days
Pay Later	USD Only Up to \$150,000	Free	1 - 3 Business Days

The following are the payment options on the site:

#### **Online Bank Payment**

- Online Bank Payment (formerly known as e-Checking) is available to buyers with bank accounts from any bank in the United States, Germany, and France
- Fast transfers (it takes 4-5 working days for US accounts and 9-10 working days for European accounts once you've verified your checking account & authorized Alibaba.com to make payment deductions on your behalf)
- Low transaction fees (\$15/€15 per transaction)

### **Credit Card**

- 6 credit card types and multiple currencies
- Payment limit per transaction is US \$12,000
- Payments require only 1-2 hours to arrive in your supplier's designated bank account

Card Type	Supported Currency		
VISA	USD, CAD, AUD, EUR, SGD, JPY, GBP, INR, KRW, MXN, MYR,		
Mastercard	PHP, RUB, AED, BRL, HKD, ILS, PLN, SAR, THB, ZAR		
Diners			
Discover	USD		
JCB	030		
American Express			

### **Telegraphic Transfer (T/T)**

- Buyers in the US, Australia, Canada, UK, Japan, New Zealand, and other European countries can use domestic wire transfer to pay in their local currency. Domestic T/T takes 1-2 working days to arrive in your supplier's designated bank account.
- Buyers in other parts of the world can use international wire transfer, which takes 3-7 working days to arrive in your supplier's designated bank account.
- No limitation for payments in USD and up to US \$300,000 for other currencies

#### **Financing option – Payment Terms**

Alibaba.com Payment Terms is a new payment option offered to qualified businesses in the US. Once you have qualified for a purchasing limit under this program, you can enter into a contract with any participating supplier, and request to pay with Alibaba. com Payment Terms. Qualified businesses can:

- place an order with any participating supplier on Alibaba.com
- receive an invoice during shipment
- have up to 60 days to pay

Depending on the contractual terms with the supplier, a deposit amount – typically 30% of the total order value – may be required at the time the order is placed. The remaining balance is due within 60 days of invoice issuance. Apply for Payment Terms **here**.

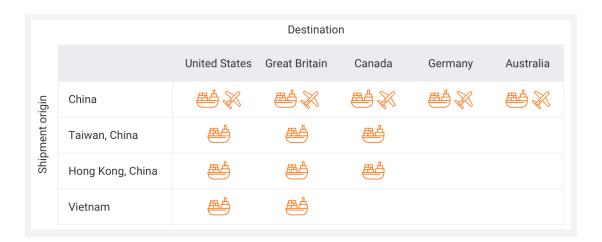
# SHIPPING AND LOGISTICS

Logistics plays a critical role in global sourcing, but the process itself can be daunting — there are many laws, tariffs, and acronyms involved, and many choices to make. This is why it's so important to do your research, make sure you understand the process, and work with companies you trust.

**Alibaba.com Freight** has partnered up with major players in the industry to provide our customers with reliable and transparent multi-modal shipping solutions.

#### Coverage

For **freight services**, our **ocean** and **air** solutions support China and other Southeast Asia regions to select destinations of North America, Europe and Australia. You can find the available routes in the chart below.



Our **Air Express service** delivers from China to most regions of the US. Our **Air Parcels service** delivers to all countries except: Argentina, Azerbaijan, Brazil, Central African Republic, Cuba, Ecuador, Iran, Korea, Liberia, Libya, Macedonia, Micronesia, Peru, Saudi Arabia, Sudan, Syria, Tajikistan, Uruguay, Venezuela, Yemen.

\* **Note**: If you cannot find your country on the list, please contact your supplier to confirm if they can provide a logistics solution for you.

#### **Shipping method - Ocean Freight**

Alibaba.com offers two methods of **ocean shipping:** 

- **Full Container Load (FCL)**, for high-volume orders that fill an entire shipping container. This is the best choice for high-volume orders.
- Less than Container Load (LCL), for orders that don't fill an entire shipping container. This is for customers who want to save money with ocean freight, but don't have enough volume to fill an entire container themselves.

Our digital platform allows you to receive instant quotes, book, and manage your shipping solutions with end-to-end visibility directly on Alibaba.com's site. This is how it works:

- 1. Open the Alibaba.com Freight quote tool.
- 2. Enter the measurements of your goods and your customs clearance and insurance needs to search for a quote.
- 3. Select the quote that best suits your needs and pay.
- 4. Upload the required documents to avoid any delays.

litional services: Ir	nsurance (Value of goods \$	(0,000.00) / Customs Brokerage (1 Commodity) /Fo	reign Importer				
NGBEI, NINGBO	, 315029, CHINA → B	ROOKLYN, NY, USA Edit Search		Pricing Policy Transit time info	DASHBOA SHIPMENT STAT		
Iters	118 Quotes	Sort by: Best value Cheapest Quic			ORDER PL/ Complete yo	ACED ur shipping instructions so your order can be processed	
odes Express Ocean LCL Air	how All SEAB.	Route: 315029, NINGBO > PVG>IFK : Valid until: Oct 11, 2019	5 5	\$8,146 13 Select Save quote Price breakdown +	ANNA AND AND AND AND AND AND AND AND AND	Order Placed! Now, complete your thipping instructions below so we can connect you with your freight service provider who will process your shipment.	HENCO COM
400 ker Unicarge	∠LINESIO ★★★★☆ 20 Reviews	Eurasia International G     48 - 59 DAYS     Sailing: Flexible dates     Port to port transit time: 36 DAYS     Route: 315029, NINGBO > CNNGB-USN		\$1,437 <sup>45</sup> Select	SHIPMENT NAME (@moxe) SKU, internal reference number, P	O number or any other name	
Eurasia UniPowe	Freightos Shipments	Valid until: Dec 30, 2019 Cancellation Policy: STANDARD	C - Nikas Cooki 1, ki	Save quote Price breakdown +	<ul> <li>Consignor and Consignee</li> <li>Documents</li> </ul>		Upload another docu

### **Shipping method - Air Freight**

Air freight shipping, commonly referred to as 'air cargo', is a solution designed for shipments that are between 150KG to 500KG, usually time-sensitive and expensive to ship via parcel/courier solution. For larger shipments sizes and origin/destination pairs, LCL (less than container load) ocean freight costs might actually be more economical.

When calculating air freight rates, airlines typically look two factors below in addition to origins and destinations:

- Actual weight of cargo.
- Volumetric weight (dimensional weight). A shipment's dimensional weight is calculated by dividing its volume (length × width × height) by a "dimensional factor" (dim factor).

The greater of the actual weight and dimensional weight becomes the shipment's chargeable weight (aka billable weight), which ultimately determines the air freight rates. The industry imposes this method to avoid shipping very light loads that take up much more space than their share of weight load for profitability reasons.

You can book an air freight shipment on the Alibaba.com Freight quote tool by following the same steps for ocean freight.

#### Shipping method -Air Express & Air Parcels

Alibaba.com Air Express and Parcels is a reliable and cost-effective shipping method from China worldwide. It offers cost-effective shipping that delivers your goods in 5-7 business days, with real-time tracking updates on your Trade Assurance order page. How it works:

- 1. Find products that have 'Alibaba.com Parcels' or 'Alibaba.com Air Express' listed as shipping methods.
- 2. Choose one of these two services.
- 3. Click the 'Start Order' button and complete payment.
- 4. Track your shipment and wait for delivery.

\* **Note**: that if you can't find these services on the product detail page, contact your supplier and ask them to add it for your order. Also ask the supplier for the shipping fee.

Shipping fo	ee: US \$ 12.72 to United States by Alibaba.com Air Express		Choose Shipping Method	
	★ ★ ★ ★ 5.0 1 Reviews			
	1-99 Pieces >=100 Pieces US \$10.80 US \$9.80		select country	×
and the second second			Shipping Method Estimated Delivery Time	Shipping Cost
	Quantity: - 1 + Pieces	8	<ul> <li>Alibaba.com Air Express 5-7 days</li> </ul>	US\$ 12.72 / Piece
	US \$10.80 in total	2	Only available in certain US zip code area.	
	Shipping fee: US \$ 12.72 to United States by Alibaba.com Air Express	2	Alibaba.com Parcels(3C) 3-5 days	US\$ 18.23 / Piece
	Lead Time: 3 day(s) after payment received		0	
C View larger Image	Customization: Customized logo (Min. Crider: 1000 Piaces) Customized packaging (Min. Crider: 1000 Piaces) More ~		Con • Alibaba.com Air Express 5-7 days Only available in certain US zip code area.	US\$ 12.72 / Piece

# INSPECTING PRODUCTS

A product inspection is one of the cheapest ways you can ensure your order is exactly what you want it to be — when you compare the price (usually \$100-\$200) to the cost associated with receiving a shipment that isn't what you wanted, it's a no-brainer. A third party will visit your supplier to inspect your product and provide a neutral opinion on their compliance with your product specs and quality standard. You can even add to your supplier agreement that final payment is contingent upon passing a pre-shipment inspection.

Two leading inspection companies offer professional services on Alibaba.com, which you can purchase for your Trade Assurance orders. The inspectors will visit your supplier's factory and check the order for the agreed upon quantity, expected functionality, and adherence to your Trade Assurance contract terms.

In order to use the service, choose between one of the inspection providers listed at the bottom of your Trade Assurance contract (select "product inspection service" under "value-add service"). Be sure to purchase this with your order — not after placing the order. Once you confirm your initial payment, you will be able to monitor the status of your inspection directly on Alibaba.com.

See more details about our partners' inspection services here.



## Glossary

Important sourcing terms and features

### Alibaba.com terms

**RFQ:** Request For Quotation. This term has two meanings: first is a standard business process you've likely heard of before - you send a request for quotation to any business for any product or service. On Alibaba.com, an RFQ is a feature that streamlines the process. You'll give information on the product you'd like produced, and the system matches your request to suppliers on the site who offer that, or a similar, product.

**MOQ:** Minimum Order Quantity. This specifies the lowest quantity of a product that a supplier is willing to sell.

**Trade Assurance (TA):** This is Alibaba.com's free order protection service. If your order quantity, product quality, or shipment date vary from what you agreed on with your supplier, Alibaba.com will help investigate, mediate, and resolve your claim – plus reimburse you when appropriate.

**Trade Assurance Supplier:** Not every supplier agrees to use Alibaba.com's Trade Assurance. The supplier who do use Trade Assurance have the crown logo next to their business name on Alibaba.com. We recommend only working with these suppliers, so you know you can trust them and you're protected.

**Gold Supplier:** This label indicates that Alibaba.com or a third-party verification company has inspected the supplier to ensure they're a legally registered company, and has performed an onsite check to ensure the operations exist where the supplier says they do. Companies pay more to be Gold Suppliers, which means they're serious about wanting your business.

#### **Supplier terms**

**OEM:** Original Equipment Manufacturer. This manufacturer takes your unique product idea – including all your specifications and requirements – and will produce your product from scratch. This is what you use if you're looking to make a unique product under your own brand name.

**ODM:** Original Design Manufacturer. This manufacturer selects already-existing products from its factory catalog, makes small changes for you such as product colors, packaging, labels, or small functionality changes, and sells it under its own brand name.

**Trading Company:** This is a supplier that acts as a middleman and will source products from manufacturers per your specifications, then sell them to you.

### Shipping & logistics terms (incoterms)

**FOB:** Freight On Board/Free On Board. This means the cost of delivering goods to the nearest port is included ("free") in a price, but you are then responsible for shipping it to the final destination, and all the costs associated with getting it there. Responsibility for freight costs is determined by the suffix "Origin" or "Destination" after "FOB." "FOB Origin" indicates that the individual or organization originating the purchase (receiving the goods) is responsible for freight costs/liability. "FOB Destination" indicates that the person or organization receiving the order (sending the goods) is responsible for freight costs/liability.

**CFR:** Cost and Freight. This means the seller is only responsible for sea or inland waterways—the goods transfer from seller to buyer when they are on this ship. The seller pays export costs, but all liability passes to the buyer once the goods cross the ship's rail.

**CIF:** Cost, Insurance, and Freight. The seller assumes the costs and responsibilities to get the goods to the destination port, including insurance; however, the risk is transferred to the buyer when the goods are loaded on the ship at the origin port.

**DDP:** Delivered Duty Paid. The seller assumes all cost, responsibility, and risk until goods are delivered to the buyer. This is the only incoterm in which the seller is responsible for import clearance and taxes and duties; the buyer only pays for the cost of the goods themselve.