

RM98

Contribution per incremental action

using cash collected - variable fulfilment cost - reward cost

4

Break-even actions

incremental retained purchases, using campaign operating cost / contribution per incremental action

6

Minimum target

incremental retained purchases, rounded up

Illustrative figures. Anusha, Rina and this studio are fictional, and all figures in this article are illustrative.

The business problem

Anusha's leak is an undefined reward commitment. Three RM20 thank-yous cost RM60, yet neither she nor Rina knows what earns the next one. Replacing discretion with an ongoing percentage makes the cost measurable, provided Anusha also defines eligibility and a ceiling.

Why the usual promotion falls short

A one-off bonus treats a brief introduction and a lasting customer relationship alike. Simply making that bonus bigger still pays before Anusha knows whether the friend will return. A small recurring commission follows qualifying purchases, while a monthly cap limits each advocate's reward bill.

What you set up in Pixalink

[How to Set Up Referrals](#)[Referral Commission and Act 500: What Merchants Should Know](#)

Opening scenario

Rina brings another friend into Anusha's wellness studio in Petaling Jaya, then stays to explain what the classes feel like. She has introduced eleven members over two years. Anusha knows three clients generate a steady stream of introductions, but her occasional RM20 thank-you feels improvised.

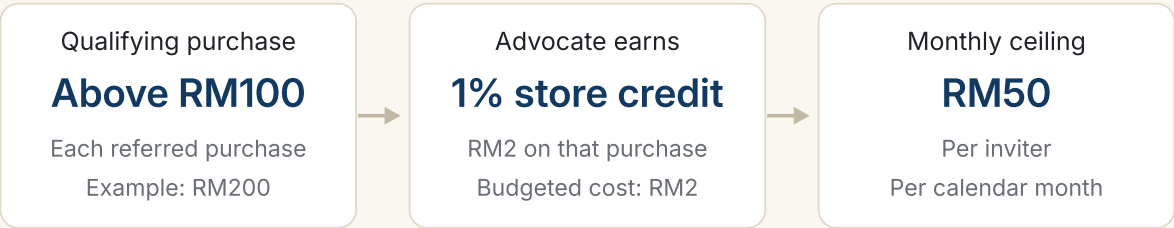
Anusha, Rina and this studio are fictional, and all figures in this article are illustrative. A bonus for the introduction says little about the months of purchases that follow. Anusha wants to recognise that continuing value, but how can she make a repeatable promise without creating a bill she cannot control?

The campaign recipe

Test 1% in store credit on qualifying purchases above RM100, capped at RM50 per inviter per calendar month. A RM200 purchase gives Rina RM2 credit; Anusha budgets its full RM2 value as reward cost.

Recipe element	Recommended starting point
Suitable industries	Wellness studios with repeat purchases and known advocates
Primary goal	Reward continuing referred sales within a defined budget
Customer segment	Three genuine existing advocates, including Rina; eligibility managed by Anusha
Offer	1% store credit for each qualifying referred purchase; no cash promise
Validity	One calendar - month pilot; continuation reviewed by Anusha, with no assumed automatic end date or credit expiry
Minimum spend	Above RM100 per purchase; use RM100.01 to express this strict floor
Quantity or budget limit	RM50 per inviter monthly; RM150 across three advocates only if Anusha controls participation
Main success metric	Net referred sales after commission and reversals

OFFER AT A GLANCE



Refund reversal: only the matching unspent commission can be recovered.

Repeat purchases earn a small thank-you within a monthly limit.

The message your customer receives

This message is fictional, like the merchant and customer. All figures are illustrative.

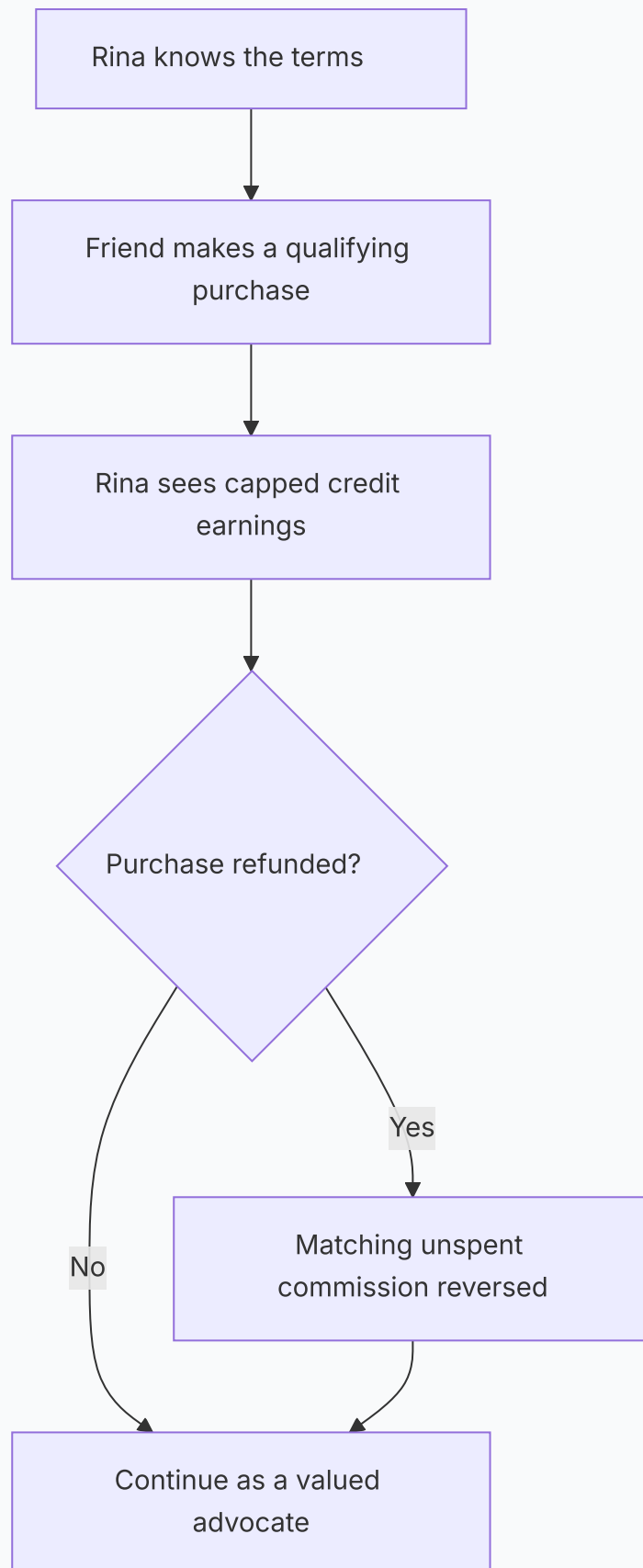
From Anusha's wellness studio via WhatsApp

Rina, earn 1% in store credit on each qualifying purchase by a friend you refer. This is a one-calendar-month pilot; I'll confirm any continuation with you.

Qualifying purchases must be above RM100 each. Maximum RM50 store credit per inviter per calendar month.

Follow the customer

1. **Know the terms.** Rina's introductions are tracked against her. She understands the 1% rate and RM50 monthly ceiling before inviting anyone.
2. **See continuing value.** Each qualifying purchase above RM100 earns commission visible in her account. Her friend's RM200 purchase earns RM2, subject to remaining cap capacity.
3. **Understand reversals.** If that friend refunds half the purchase, the matching reversal is RM1 when enough commission remains unspent. Spent commission cannot be fully recovered.
4. **Continue with clarity.** Rina becomes a valued advocate with clear terms instead of occasional favours. After using credit, she remains a customer; further qualifying purchases can earn more within the ceiling.



Use case: how the merchant applies it

Anusha invites Rina and two other advocates into a one-calendar-month pilot. She writes down which introductions qualify, the purchase floor, credit value, monthly ceiling and continuation terms. The RM150 total is her participation budget, not a platform-wide campaign cap.

Before launch, Anusha must establish how to enforce that small group and close participation operationally. She must not assume enabling commission restricts it to those three people or automatically stops at month-end. Credit expiry and outstanding commitments need explicit terms before Rina receives the offer; this recipe assumes no automatic expiry.

HOW THE PLATFORM HELPS

How Pixalink supports the strategy

Pixalink enforces percentage, minimum spend and monthly cap, including when purchases arrive together, and provides commission history. Refunds, cancellations and voids recorded through the supported reversal flow claw back proportionally, limited to unspent commission. Anusha manages eligibility and the arrangement's legal structure.

Commission is store credit. The verified purchase path requires a recorded purchase amount; reservation sales and credit-spend purchases are not supported by that path. The minimum is inclusive, so RM100.01 implements "above RM100". Confirm feature availability and the studio's purchase flow before making promises.

Configure this in Pixalink

Start with [How to Set Up Referrals](https://kb.pixalink.io/articles/how-to-set-up-referrals) (https://kb.pixalink.io/articles/how-to-set-up-referrals). Use [Referral Commission and Act 500: What Merchants Should Know](https://kb.pixalink.io/articles/pixalink-referral-rewards-malaysia-act-500-compliance-guide) (https://kb.pixalink.io/articles/pixalink-referral-rewards-malaysia-act-500-compliance-guide) for the recurring-commission settings and wording considerations.

ROI taste test

For a retained RM200 purchase, assume RM100 variable fulfilment cost and RM2 commission cost. Anusha budgets RM300 operating effort plus RM92 commission on 46 similar purchases expected anyway: RM392 to cover before incremental value counts. These are planning assumptions, not observed results.

- Contribution per incremental action = $\text{RM}200 - \text{RM}100 - \text{RM}2 = \text{RM}98$, using cash collected - variable fulfilment cost - reward cost.
- Break-even actions = $\text{RM}392 / \text{RM}98 = 4$ incremental retained purchases, using campaign operating cost / contribution per incremental action.
- Minimum target = $4 \times 1.5 = 6$ incremental retained purchases, rounded up.

Compare against usual referred purchases and a comparable group without the offer, then reconcile refunds after the normal refund window. Credit claims, sign-ups and purchases that would happen anyway are not incremental profit. Charge unrecovered commission and extra baseline rewards to the test; replace every price, cost and behaviour assumption with your own and recalculate the target.

What to watch

- **Net referred sales:** referred sales less refunds and commission still charged after reversals.
- **Incremental retained purchases:** qualifying purchases above the baseline after refund reconciliation; Anusha's target is six.
- **Unrecovered commission cost:** commission linked to reversed purchases that could not be clawed back because it was spent.

Common mistake: treating all Rina's friends' spending as new value. Their established purchasing would partly continue without commission.

Safeguard: review written eligibility and arrangement terms before launch using [Referral Commission and Act 500: What Merchants Should Know](https://kb.pixalink.io/articles/pixalink-referral-rewards-malaysia-act-500-compliance-guide) (<https://kb.pixalink.io/articles/pixalink-referral-rewards-malaysia-act-500-compliance-guide>), obtaining advice where needed. Describe Rina as a customer advocate, not a sales partner, and do not promise cash income.

Keep when at least six incremental retained purchases, positive net contribution and the safeguard hold. Improve a promising signal through one bounded change in a new test; stop this version if it misses six, contribution is non-positive or the safeguard fails.

YOUR FIRST TEST

Try this first

- ☐ Choose three advocates and a comparable unoffered group; record usual referred purchasing.
- ☐ Establish participation control and reserve RM150; do not launch until the limited scope is workable.
- ☐ Fix the 1% offer for one calendar month, with a review after the normal refund window.
- ☐ Record fulfilment, commission, operating costs and reversals; complete the written-terms safeguard.
- ☐ Apply the six-purchase keep/improve/stop rule before extending the offer to Rina or anyone else.

Frequently asked questions

Does Rina receive cash?

She receives store credit. Do not describe the reward as a cash payout or guaranteed income.

Does a purchase of exactly RM100 qualify?

Not under this offer's "above RM100" wording. The platform minimum includes its boundary, so use RM100.01 and verify it before launch.

Does a refund recover every commission ringgit?

No; reversal is proportional and limited to unspent commission. Anusha must retain any unrecovered amount as a campaign cost.

Does the monthly cap end the arrangement?

No; a monthly ceiling is not a pilot end date. Anusha must manage continuation terms and outstanding commitments explicitly.

Closing invitation

Choose this specialist recipe only if a small group already creates continuing customer value. Test one clear offer with advocates like Rina, and let incremental contribution decide whether Anusha continues.