



# Account Health Manual

## CONTENTS

<b>CONTENTS</b>	<b>2</b>
<b>WHAT DOES ACCOUNT HEALTH MEANS?</b>	<b>4</b>
<b>WHAT ARE THE MONITORED INDICATORS?</b>	<b>5</b>
<b>DEFINITIONS AND INDICATOR STATUS</b>	<b>5</b>
<b>DEFINITIONS ACCOUNT STATUS</b>	<b>5</b>
<b>ORDER SERVICE LEVEL</b>	<b>7</b>
DEFINITION:	7
REFERENCE PERIOD:	7
HOW TO CALCULATE:	7
INDICATOR TRESHOLD:	7
HOW TO CALCULATE YOUR INDICATOR:	7
THE STEPS THAT YOU NEED TO FOLLOW IN ORDER TO CORRECTLY CALCULATE THE INDICATOR ARE THE FOLLOWING:	8
TIPS:	8
<b>ORDER FINALIZATION RATE</b>	<b>9</b>
DEFINITION:	9
REFERENCE PERIOD:	9
HOW TO CALCULATE:	9
INDICATOR TRESHOLD:	9
HOW TO CALCULATE YOUR INDICATOR:	9
TO REMEMBER:	9
THE STEPS THAT YOU NEED TO FOLLOW IN ORDER TO CORRECTLY CALCULATE THE INDICATOR ARE THE FOLLOWING:	10
TIPS:	10
<b>ORDER INCIDENT RATE</b>	<b>10</b>
DEFINITION:	10
REFERENCE PERIOD:	10
FORMULA:	11
INDICATOR TRESHOLD:	11
HOW TO CALCULATE YOUR INDICATOR:	11
THE STEPS THAT YOU NEED TO FOLLOW IN ORDER TO CORRECTLY CALCULATE THE INDICATOR ARE THE FOLLOWING:	11
TIPS:	12
<b>RETURN SERVICE LEVEL</b>	<b>12</b>
DEFINITION:	12
REFERENCE PERIOD:	12
FORMULA:	12
INDICATOR TRESHOLD:	12
HOW TO CALCULATE YOUR INDICATOR:	12
THE STEPS THAT YOU NEED TO FOLLOW IN ORDER TO CORRECTLY CALCULATE THE INDICATOR ARE THE FOLLOWING:	12
TIPS:	13
<b>RETURN FINALIZATION RATE</b>	<b>13</b>
DEFINITION:	13
REFERENCE PERIOD:	13
FORMULA:	14
INDICATOR TRESHOLD:	14
HOW TO CALCULATE THE INDICATOR:	14
THE STEPS THAT YOU NEED TO FOLLOW IN ORDER TO CORRECTLY CALCULATE THE INDICATOR ARE THE FOLLOWING:	14
TIPS:	15

<b>RETURN INCIDENT RATE</b> .....	<b>15</b>
DEFINITION:.....	15
REFERENCE PERIOD: .....	15
FORMULA: .....	15
INDICATOR THRESHOLD: .....	16
HOW TO CALCULATE YOUR INDICATOR: .....	16
THE STEPS THAT YOU NEED TO FOLLOW IN ORDER TO CORRECTLY CALCULATE THE INDICATOR ARE THE FOLLOWING:.....	16
TIPS:.....	16
<b>PRODUCT RETURN RATE</b> .....	<b>17</b>
DEFINITION:.....	17
REFERENCE PERIOD: .....	17
FORMULA: .....	17
INDICATOR THRESHOLD: .....	17
HOW TO CALCULATE YOUR INDICATOR: .....	17
THE STEPS THAT YOU NEED TO FOLLOW IN ORDER TO CORRECTLY CALCULATE THE INDICATOR ARE THE FOLLOWING:.....	18
TIPS:.....	18
<b>NUMBER OF CLAIMS</b> .....	<b>18</b>
DEFINITION:.....	19
REFERENCE PERIOD: .....	19
FORMULA: .....	19
INDICATOR THRESHOLD: .....	19
HOW TO CALCULATE YOUR INDICATOR: .....	19
THE STEPS THAT YOU NEED TO FOLLOW IN ORDER TO CORRECTLY CALCULATE THE INDICATOR ARE THE FOLLOWING:.....	19
TIPS:.....	20
<b>CLAIM INCIDENTS</b> .....	<b>21</b>
DEFINITION:.....	21
REFERENCE PERIOD: .....	21
FORMULA: .....	21
INDICATOR THRESHOLD: .....	21
HOW TO CALCULATE YOUR INDICATOR: .....	21
THE STEPS THAT YOU NEED TO FOLLOW IN ORDER TO CORRECTLY CALCULATE THE INDICATOR ARE THE FOLLOWING:.....	22
TIPS:.....	22



eMAG Marketplace is a constantly evolving selling channel with daily opportunities where you can grow your business significantly faster than others that are not on the Marketplace. You already know that eMAG is an exclusively customer-oriented company and everything we do on a day-to-day basis starts with the passion that we have for our customers and their needs and only ends when we know that they are completely satisfied.

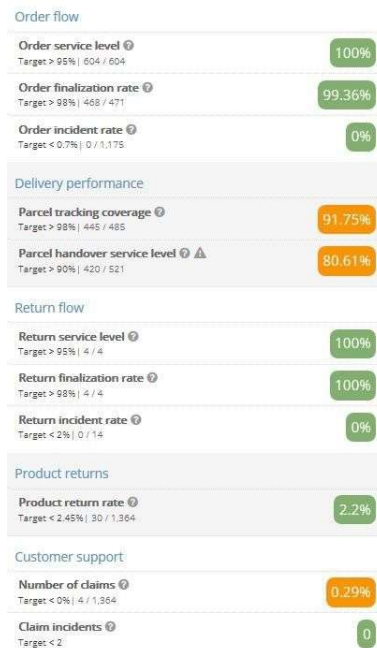
We want to offer our clients an experience at the highest standards, and this is why we will closely monitor the “health” of the indicators, the ones that are relevant in the connections with each and every customer.

## WHAT DOES ACCOUNT HEALTH MEANS?

Account health consists in a list of your results regarding performance indicators and the degree of fulfillment of expectations, offering a very pleasant experience to the customers.

Through a constant track of the indicators, you will be notified if your results are according to customer expectations or if you need to take actions to improve the indicators and avoid the suspension of your account.

On the right side of the eMAG Marketplace Dashboard screen, you have the shortlist of your account health, it's calculated according to the results that you have in the previous and current month.



## WHAT ARE THE MONITORED INDICATORS?

Account health is founded on the values of the following performance indicators:

- Order service level
- Order finalization rate
- Order incident rate
- Return Service level
- Return finalization rate
- Return incident rate
- Product return rate
- Number of claims
- Claim incidents

## DEFINITIONS AND INDICATOR STATUS

Each performance indicator listed above is evaluated based on the completed values, thus there are 4 evaluation values:

- **Green:** this means that the value of the indicator is according to expectations
- **Yellow:** this means that the value of the indicator is at a warning level and needs improvement.
- **Red:** this means that the value of the indicator is in danger, and needs increased focus on at least 4 Red indicators, the account will be suspended.
- **Black:** this means that the value of the indicator is critical, with only 1 Black indicator, the account will be temporary suspended at the end of the month.

## DEFINITIONS ACCOUNT STATUS

According to the indicator results, the account health can go through the following statuses:

- Good;
- Needs improvement;
- Very poor;
- Critical.

Because we want your evolution to be on a constant positive, we bring to your attention the fact that Account Health is one of the most important tools, created to measure the quality and consists in performance indicators and fulfilment percentage of customer expectations reported to what you are promising. Thus, we come to aid you with suggestions on how to prevent going astray or how to improve every indicator that is part of this program and are listed in the Marketplace Dashboard.

Consider each performance indicator because these results will directly impact your activity on the **eMAG Marketplace** platform.

Due to the image damages occurred following the complaints registered by the customers and continuing with a low percentage of a set of corelated indicators, you are risking temporary deactivation or even a permanent suspension of your account.

You can find below the monitoring thresholds of the indicators:

- If all indicators listed above are **Green**, congratulations, continue! You are doing things correctly, like you should!
- If your indicators are in **Yellow** status, you need to pay more attention to improve your results.
- If one of your indicators is in **Red**, your account begins to be monitored:
  - With 4 indicators in **Red**, your account health is critical, and you need to allocate your full attention in order to improve your results from the previous reference period. Any deviation from the indicators will have a negative impact on your account, you are risking a temporary suspension or even a permanent one. If your account is temporary suspended, we have created a test in the eMAG Marketplace platform, that will help you understand the importance of the indicators and, it will help you maintain the services at the level of expectations.
  - If at the end of the monitored period you still have 4 indicators in **Red**, the account will be temporary suspended for 7 days. The reactivation of the account is possible only if the test on the eMAG Marketplace platform will be passed, but the reactivation will be possible only after 7 days from the suspension date.
  - In case you are suspended, you will receive this manual that will help you answer correctly to the questions and also improve your future results.
  - The test will be considered passed if your answers are correct: 60% in case this is your 1<sup>st</sup> suspension and 80% in case this is your 2<sup>nd</sup> suspension
  - A third suspension in 12 months will permanently suspend your account on eMAG Marketplace and terminate your contract.
- If one of the indicators is **Black**, your account will be automatically suspended at the end of the monitored period.

## ORDER SERVICE LEVEL



**DEFINITION:** The percentage of orders finalized on time, from the total of finalized orders in the referenced period.



### REFERENCE PERIOD:

**For Ongoing:** 1 -28/29/30/31 – current month

**For Previous referenced period:** 1 -28/29/30/31 – previous month



### HOW TO CALCULATE:

This is how the percentage is calculated: the total of the orders finalized in due time from the total of finalized orders.



**EXAMPLE:** You have 25 closed orders in the current month, of which 22 out of 25 closed in time, thus, the formula will be:  $22/25 * 100 = 88\%$ . The Order Service Level indicator is 88%.



### INDICATOR TRESHOLD:

Indicator	Black	Red	Yellow	Green
Order Service Level	<70	>=70 and <85	>=85 and <95	>=95



### HOW TO CALCULATE YOUR INDICATOR:

- It's necessary to count the finalized in time orders in the current reference period (see above the definition of ongoing reference period);
- It's necessary to count the finalized order from the total received ones.
- All orders are considered, if they have a finalization date, no matter the current status of the order (it can be finalized, returned, canceled, etc. );
- ☐ The finalization date of the order is  $\leq$  with the maximum delivery date suggested on the platform  
TO REMEMBER: the maximum delivery date is calculated for each order, keeping count of:
  - Work schedule set in the platform;

- The time set for processing the order for the products in it;
- the maximum delivery date is the date and hour on which an order must be finalized.



THE STEPS THAT YOU NEED TO FOLLOW IN ORDER TO CORRECTLY CALCULATE THE INDICATOR ARE THE FOLLOWING:

To calculate the Order Service level indicator, you need to go on the “Orders” tab.

1. Select filter “Behind schedule”;
2. Select in “Order status” the filter “finished”;
3. For the ongoing period it’s necessary to apply the filter on “Finalization date” selecting the current month;
4. Click on “Search”.

The screenshot shows the eMAG Marketplace orders filter interface. At the top, there are tabs for different order statuses: All orders, New orders, In progress, Behind schedule (selected), Finalized, Canceled by customer, Canceled by seller, Automatically canceled, Canceled with incident, and Returned. Below the tabs, there are various filter fields including Seller name, Seller status, Order status (with a dropdown menu showing 4 items selected, including 'finished'), Order number, Customer name, Phone, Creation date, Maximum date for shipment, Reversal date, AWB, Delivery status, Payment method, Status plata, Refund available, Canceling request, Delivery created, Product identification, Cancellation date, Days until or after DME, Fulfilled by eMAG, and Incomplete order. At the bottom, it shows 'Total orders : 2,988' and buttons for 'Advanced filtering', 'Search', and 'Reset'.

For an easy view of the orders that impact this indicator, you can use the following tools:

My account -> Account Health-> click on indicator -> click on the number of impact orders during the period



- Set correctly “Handling time” at a product level, linked to the time when you can prepare your parcel to be handed to the courier.
- Update correctly your work schedule in the eMAG Marketplace platform, keeping count that the processing time for each order received during the workday starts to flow since setting it in the platform.
- You should not have in stock products on the eMAG Marketplace platform, that are not in stock in your warehouse or that you cannot ship in the processing reference period set on the platform.
- To modify the “handling time”, you need to click on the tab “Import Excel”, download the file “Update offers” and modify column “M” from this file with the number of days that you need to process and deliver the order. For 3 delivery days, set 2, for 7, set 6. You cannot select 3,4,5,7,8 days. In case you want to select 10 days, you need approval from the eMAG Marketplace team. (Note that! You need Message center support for having the access of doing the change in the system).

- Updating the stock of products each time there are changes generated by sales on other channels or other minuses that you are seeing.
- Frequency of stock refreshable– you need to have a stock dedicated to eMAG Marketplace platform that you are actively updating as this is depleting on different sales channels;
  - In case you do not have API integration or dedicated stock, update at least once per day the stock as soon as your workday starts;
- Do not let the ongoing orders longer than the agreed timeframe, these will close with incident and this will influence the Order Service level indicator.

## ORDER FINALIZATION RATE



DEFINITION: It's the percentage of the finalized orders from the total orders received in the last 30 days.



REFERENCE PERIOD:

**For Ongoing:** 1 -28/29/30/31 – current month

**For Previous reference period:** 1 -28/29/30/31 – previous month



HOW TO CALCULATE:

The percentage is calculated as follows: we split the number of finalized orders to the total of received orders.



EXAMPLE: You received 27 orders, of which 2 are canceled by you, 25 are finalized, thus, the formula will be  $25/27 \times 100 = 92.59\%$ . You will have the indicator: Order finalization rate: 92.59%.



INDICATOR TRESHOLD:

Indicator	Black	Red	Yellow	Green
Order finalization rate	<85	>=85 and <95	>=95 and <98	>=98



HOW TO CALCULATE YOUR INDICATOR:

- From the total order count, we count the finalized orders;
- From the total of received orders, we count the orders that you canceled (except for the ones canceled with Payment Order due to: Unpaid order or canceled by customer);
- Do not leave orders in processing status more than the agreed timeframe, because these will be closed with incident. This will impact your Order Service level indicator and Order finalization rate:
  - **To remember:** it is very important to find solutions for the delivery of every platform order and avoid as much as possible order cancelation. According to the agreed terms and conditions, Annex 2, Performance indicators, art 2.” The orders canceled by the seller will not go over 2% of the total orders (placed, completed) on the eMAG Platform during one month.”



THE STEPS THAT YOU NEED TO FOLLOW IN ORDER TO CORRECTLY CALCULATE THE INDICATOR ARE THE FOLLOWING:

To calculate the Order finalization rate indicator, you need to go in the “Orders” tab.

1. Apply filter on Order status “Finished” and “Storno”;
2. For the current timeframe, you need to filter “finalization date” selecting the current month;
3. Click on “Search”.

Order status finished, storno	Order number	Customer name
Creation date	Maximum date for shipment	Finalization date 01/06/2019 - 30/06/2019
Payment method All	Status plata All	Delivery method All

For an easy view of the orders that impact this indicator, you can use the following tools:

My account -> Account Health-> click on indicator -> click on the number of impact orders during the period



TIPS:

- Finalize all the orders according to the maximum date shown in the eMAG Marketplace platform;
- **Do not cancel orders!** You must find options to deliver all orders from the eMAG Marketplace:
  - If for any reason you do not have the product in stock (which should never happen), discuss this with the customer and suggest other replacement options, in his advantage, so that you do not lose the order;
  - If a customer calls to cancel an order, try to understand the reason for cancelation and suggest another option in his advantage so that you do not lose the order;
  - If a customer wants to firm cancel the order with a legitimate reason, please advise him to cancel the order from his customer account (or to contact the eMAG Marketplace Call Center).

## ORDER INCIDENT RATE



**DEFINITION:** The percentage of orders canceled with incident, from the total of the orders from the referenced period. The orders canceled with incident, are the orders that in 7 working days from the expiry of the term, are not finalized.



**REFERENCE PERIOD:** it is calculated in 3 different ways, depending of the day:

**Example a)** Today it's 02.03.2019 (it is calculated until the 3<sup>rd</sup> of the current month) – it is calculated starting with 16.01.2019 until 15.02.2019;

**Example b)** Today it's 05.03.2019 (it is calculated within the 03-15 timeframe of the current month):

- Previous reference period– it is calculated between 16.01.2019 until 15.02.2019;
- Ongoing reference period it is calculated between 16.02.2019 until 04.03.2019 (current day -1 day);

**Example c)** Today it's 17.03.2019 (it is calculated between 16-28/29/30/31 of the current month) – you calculate the ongoing reference period from 16.02.2019 up to 15.03.2019.



**FORMULA:** We divide the number of closed orders with incident to the total number of received orders.



**EXAMPLE:** You have 25 registered orders, of which 20 finalized in due time and 5 canceled with incident (the order was not finalized in the 7 days period from receiving). The percentage is 20%, closed orders with incident ( $5/25 * 100 = 20\%$ ). The Order Incident Rate Indicator will be 20%.



**INDICATOR TRESHOLD:**

Indicator	Black	Red	Yellow	Green
Order Incident Rate	$\geq 2.8$	$< 2.8$ and $\geq 1.4$	$< 1.4$ and $\geq 0.7$	$< 0.7$



**HOW TO CALCULATE YOUR INDICATOR:**

- From the total of registered orders, we count the orders closed with incident which have the primary criteria: to be closed in the reference period (see above the definition);
- Orders canceled with incident: orders that in 7 days from the agreed fulfillment were not finalized on the expiration date on the eMAG Marketplace platform.



**THE STEPS THAT YOU NEED TO FOLLOW IN ORDER TO CORRECTLY CALCULATE THE INDICATOR ARE THE FOLLOWING:**

1. Apply a filter on “Order Status” and “Canceled with Incident”;
2. For the current timeframe you need to apply filter on “Creation date” selecting the current date;
3. Click on “Search”.

Order status <input type="text" value="canceled with incident"/>	Order number <input type="text"/>	Customer name <input type="text"/>
Creation date <input type="text"/>	Maximum date for shipment <input type="text"/>	Finalization date <input type="text" value="01/06/2019 - 30/06/2019"/>
Payment method <input type="text" value="All"/>	Status plata <input type="text" value="All"/>	Delivery method <input type="text" value="All"/>

For an easy view of the orders that impact this indicator, you can use the following tools:

My account -> Account Health-> click on indicator -> click on the number of impact orders during the period



#### TIPS:

- Check each morning the orders that have a delay over the max delivery date suggested on the eMAG Marketplace platform and prioritize them, so that they are not closed with incident; In this situation, after a delay of 7 working days the orders are canceled with incident.
- Check each morning the orders that need to be handed to the courier in that day and hurry the process so that you avoid delays.

## RETURN SERVICE LEVEL



**DEFINITION:** This is the percentage of returns completed within the set deadline of 24 hours of receipt, of the total returns completed in the reference period.



#### REFERENCE PERIOD:

**For Ongoing:** 1-28/29/30/31 minus one day – current month

**For Previous reference period:** 1 -28/29/30/31 – previous month



**FORMULA:** We divide the number of returns finalized in due time to the number of returns with “received” status.



**EXAMPLE:** You received 27 returns this month, of which 23 finalized in time, the rest with delay of + X days ( $23/27*100=85.18\%$ ). Your Return Service Level is 85.18%.



#### INDICATOR TRESHOLD:

Indicator	Black	Red	Yellow	Green
Return Service Level	<70	>=70 and <85	>=85 and <95	>=95



#### HOW TO CALCULATE YOUR INDICATOR:

- In the moment that the courier you work with, brings a return to your warehouse, you have to change the status to “Received” and “Finished”;
- We count the received returns for which the status is “Received”;
- We count the total or received returns that were finalized in time in the reference period.



THE STEPS THAT YOU NEED TO FOLLOW IN ORDER TO CORRECTLY CALCULATE THE INDICATOR ARE THE FOLLOWING:

1. Apply filter on “Return status”, “Finished”;
2. For the current period, select “Closure date” selecting current date;
3. Click on “Search”.

Filter ^

Seller name	Return ID	Order ID	Return status ● Finished	Return type All	Return date
Received date	Closure date ?	Maximum finalization date 01/07/2019 - 01/07/2019	Days until or after MFD ?	Product name	Product Identifier ID, Part number key, Part number, Euro
AWB					

For an easy view of the returns that impact this indicator, you can use the following tools:

My account -> Account Health-> click on indicator -> click on the number of impact orders during the period



#### TIPS:

- Make sure you have dedicated personal to check and process returns, and that the requests are tracked since they are displayed on the eMAG Marketplace platform.
- Integrate in the shortest timeframe a courier in the eMAG Marketplace platform, thus the return AWB will be automatically generated when a return request is placed, without any action from your end.
- Contact the customer to identify easier the reason for the return request and advise on a solution so that they do not refuse the purchased product.
- Check each morning the status of the return pickup by the courier and contact him for any delay.
- Check each morning the returns that are in your warehouse and make sure that in 24 hours since receiving them, you will solve the return request.
- Check each morning all the returns that need to be finalized in the same day, prioritize them so that they are closed by end of business day.
- Make sure that all returns are processed in time, keep count that there is a legal timeframe of 14 days since the return request is registered, time in which this needs to be finalized.

## RETURN FINALIZATION RATE



**DEFINITION:** The percentage of return requests finalized and rejected, excluding the ones finalized automatically, of all the received returns in the reference period.



#### REFERENCE PERIOD:

**For Ongoing:** 1-28/29/30/31 minus one day – current month

**For Previous reference period:** 1 -28/29/30/31 – previous month



**FORMULA:** We divide the number of finalized returns and rejected in the platform, to the total of registered returns.



**EXAMPLE:** You received 27 return requests, 23 finalized in time, the other 4 closed with incident because they were not closed within 14 calendar days ( $23/27*100=85.18\%$ ). You will have the Return finalization rate 85.18%.



**INDICATOR TRESHOLD:**

Indicator	Black	Red	Yellow	Green
Return finalization rate	<85	>=85 and <95	>=95 and <98	>=98



**HOW TO CALCULATE THE INDICATOR:**

- We count the returns registered in the eMAG Marketplace platform in the reference period;
- We count the finalized and rejected returns from the total returns in the reference period, keeping count of the below:
  - Placed in the reference period (see above the meaning);
  - The finalization date of the return is a max of 14 calendar days, since registering the request.

The indicator will not be affected by the returns that you cancel if you did not receive the product for the return request in the 14 days due to reasons that are not under your control.



**THE STEPS THAT YOU NEED TO FOLLOW IN ORDER TO CORRECTLY CALCULATE THE INDICATOR ARE THE FOLLOWING:**

1. Apply filter on “Return status”, “Finished” and “Rejected”;
2. For the current timeframe it’s necessary to apply a filter on “Closure date” selecting the current month;
3. Click on “Search”.

Return ID	Order ID	Return status	Return type	Return date
<input type="text"/>	<input type="text"/>	Rejected, Finished	All	<input type="text"/>
Closure date	Maximum finalization date	Days until or after MFD	Product name	Product identifier
11/07/2019 - 11/07/2019	<input type="text"/>	< <input type="text"/>	<input type="text"/>	ID, Part number key, Part number, Euro

For an easy view of the returns that impact this indicator, you can use the following tools:

My account -> Account Health-> click on indicator -> click on the number of impact orders during the period



#### TIPS:

- Make sure that you have an integrated courier so that they can automatically pick up the return request.
- Make sure that you have dedicated personal, assigned to check and process return requests and that these are tracked since they are shown in the eMAG Marketplace platform.
- Check each morning the status of the return parcel pickup by the courier and contact the courier for any delay.
- Check each morning all the returns that reached your warehouse and make sure that in 24 hours since receiving them you will solve the return request.
- Make sure that all the returns are processed in time, keeping count that there is a legal period of 14 days in which a return request needs to be solved.
- In case the customer requests a firm cancellation of the order, please advise him to cancel the order directly from the customer account (or to contact the eMAG Marketplace Call Center).

## RETURN INCIDENT RATE



**DEFINITION:** It is calculated as the number of returns with incident from the total return requests received within the last 30 days. Return incidents are marked when you do not complete returns for 14 calendar days from registration with negative impact on customer experience but also on your account health.



**REFERENCE PERIOD:** it is calculated in 3 different ways, depending on the day:

**Example a)** Today it's 02.03.2019 (it is calculated until the 3<sup>rd</sup> of the current month) – it is calculated starting with 16.01.2019 until 15.02.2019;

**Example b)** Today it's 05.03.2019 (it is calculated within the 03-15 timeframe of the current month):

- Previous reference period– it is calculated between 16.01.2019 until 15.02.2019;
- Ongoing reference period it is calculated between 16.02.2019 until 04.03.2019 (current day -1 day);

**Example c)** Today it's 17.03.2019 (it is calculated between 16-28/29/30/31 of the current month) – you calculate the ongoing reference period from 16.02.2019 up to 15.03.2019.



**FORMULA:** We divide the number of closed returns with incident to the number of return requests registered in the eMAG Marketplace platform.



**EXAMPLE:** You received 27 registered returns, out of which you completed 23 on time and 4 were closed with the incident (the return was not completed within 14 days of registration)  $(4/27 * 100 = 14.81\%)$ . Incident Returns 14.81%.

---

 INDICATOR THRESHOLD:

Indicator	Black	Red	Yellow	Green
Return Incident Rate	>5	>3 and <=5	>2 and <=3	<=2



HOW TO CALCULATE YOUR INDICATOR:

- We count the total return requests registered in the eMAG Marketplace platform during the reference period;
- We count from the total return requests registered in the eMAG Marketplace platform as they were closed with the incident due to the fact that they were not processed within 14 days of registration:
  - If you notice that the courier has not picked up the package from the customer who has submitted the return request in an optimal time, talk to the courier company and urge the pickup;
  - If a customer no longer wants to deliver their product (s), you can cancel the return request from the platform, avoiding the incident being closed.

The indicator will not be affected by the returns you cancel if you have not received the product within your return request within 14 days due to reasons beyond your control.



THE STEPS THAT YOU NEED TO FOLLOW IN ORDER TO CORRECTLY CALCULATE THE INDICATOR ARE THE FOLLOWING:

1. Apply a filter on “Return Status” and “Canceled with Incident”;
2. For the current ongoing period you need to apply filter on “Closure date” selecting the current date;
3. Click on “Search”.

Return ID <input type="text"/>	Order ID <input type="text"/>	Return status Closed with incident
Closure date ? 01/06/2019 - 30/06/2019	Maximum finalization date <input type="text"/>	Days until or after MFD ? <

For an easy view of the returns that impact this indicator, you can use the following tools:

My account -> Account Health-> click on indicator -> click on the number of impact orders during the period



TIPS:

- Assign a dedicated person to process return requests.
- Talk to the courier company to make sure the product is returned without delay.
- You have 24 hours from receipt of the package to complete the return. Check every morning for all returns that you have in your warehouse and ensure that within 24 hours of receipt, you will resolve your return request.

- Check the return delivery status of the courier every morning and contact the courier for any delay.
- Ensure that all received returns have been processed in due time, taking into account that there is a legal term of 14 days in which a return request must be resolved.
- Do not leave unfinished return requests for more than 14 calendar days from the date of registration (including the registration day) as they will close with the incident. This will affect the Return Incident Rate indicator.

## PRODUCT RETURN RATE



**DEFINITION:** It is calculated as the percentage of the quantities returned by the clients, out of the total quantity of the completed orders, during the reference period.



### REFERENCE PERIOD:

**For Ongoing:** 1 -28/29/30/31 – previous month

**For Previous referenced period:** 1 -28/29/30/31 –month before previous month



**FORMULA:** For each reversed order, we check the number of products existing in the order and the quantity related to them, and we divide that result by the total number of products in the orders completed in the reference period.



**EXAMPLE:** You've received 20 orders, 5 products each you shipped, 3 orders returned, that means 15 products. ( $15/100 * 100 = 15\%$ ). You will have the Product Return Rate indicator 15%.



### INDICATOR THRESHOLD:

Black	Red
$\geq 25\%$	$< 25$ and $\geq 15\%$

\* The Product return rate assessment thresholds represent a weighted average based on the supracategories in which you had sales during the reference period and is calculated daily.



### HOW TO CALCULATE YOUR INDICATOR:

- We count the orders that have been reversed taking into account the following criteria:
  - Placed in the reference period (see above what the reference period means)
  - The orders were refused by the customer at the time of delivery
- We count the total quantity of returned products from the completed and reversed orders
- We count for each inverted order the number of products and the related quantity;

**Example:** If we have 1 order with 1 product with an ordered quantity of 30 pieces returned, the indicator will count all 30 returned products.



THE STEPS THAT YOU NEED TO FOLLOW IN ORDER TO CORRECTLY CALCULATE THE INDICATOR ARE THE FOLLOWING:

TO CALCULATE YOUR PRODUCT RETURN RATE INDICATOR IT IS NECESSARY TO GO TO THE "ORDER" TAB.

1. Filter "Order status" on "Finished" and "Reversed";
2. For the ongoing period it is necessary to apply a filter on the "Reversal date" with the selection of the previous month;
3. Press the "Search" button.

The screenshot shows a search and filter interface for orders. On the left, an 'Order status' dropdown menu is open, showing a list of status options: All, canceled by customer, canceled by seller, automatically canceled, canceled with incident, new, received (in progress), prepared (in progress), finished, and storno. The 'finished' and 'storno' options are checked. The main interface contains several input fields: 'Order number', 'Customer name', 'Phone', 'Maximum date for shipment', 'Finalization date', 'Reversal date' (with a date range of 01/06/2019 - 30/06/2019), 'Status plata' (set to All), and 'Delivery method' (set to All). There is also a 'Canceling request' checkbox. At the bottom, a legend shows various status icons: In progress (yellow), Behind schedule (orange), Finalized (green), Canceled by customer (pink), Canceled by seller (red), and Automatically canceled (grey).

For an easy view of the returns that impact this indicator, you can use the following tools:

My account -> Account Health-> click on indicator -> click on the number of impact orders during the period



TIPS:

- Constantly analyze the return reasons at product level, according to the suggestions received from customers and take corrective measures:
  - Any product returned due to inconsistency with the product from the site must trigger the immediate updating of the information / pictures from the site related to the respective product;
  - Any defective product must trigger an evaluation of the batch of products and withdrawal from the market of similar defective products;
  - Make sure the product is well packaged or labeled as fragile, so that it reaches to the customer, without affecting its integrity;
  - Ensure that the delivery time assumed according to the order processing time is respected;
- Contact the customer for a better identification of the reason for the return request and offer them solutions so as not to give up the purchased product.

NUMBER OF CLAIMS



**DEFINITION:** It is calculated as the percentage of orders with complaints, out of the total orders completed in the reference period.



**REFERENCE PERIOD:**

**For Ongoing:** 1 -28/29/30/31 – previous month

**For Previous referenced period:** 1 -28/29/30/31 –month before previous month



**FORMULA:** We divide the number of claims to the total number of orders placed/finished in the reference period.



**EXAMPLE:** You received 10 claims from a total of 78 orders placed/finished.

(10/78 \* 100 = 12.82%). You will have the indicator of 12.82%



**INDICATOR THRESHOLD:**

Indicator	Number of claims			
Number of orders	Green	Yellow	Red	Black
< = 19	<= 0	> 0 and <= 1	> 1 and <= 2	> 2
20 - 39	<= 1	> 1 and <= 2	> 2 <= 3	> 3
40 - 199	<= 1	> 2 and <= 3	>3 and <= 4	> 4
200 - 599	<= 0,5%	> 0,5% and <= 1%	> 1% and <= 2%	> 2%
600 - 1999	<= 0,5%	>0,5% and <= 1%	> 1% and <= 2%	> 2%
> = 2000	<= 0,5%	>0,5% and <= 1%	> 1% and <= 2%	> 2%



**HOW TO CALCULATE YOUR INDICATOR:**

- We count all the claims received during the reference period;
- We count the total number of orders received/finished during the reference period.



**THE STEPS THAT YOU NEED TO FOLLOW IN ORDER TO CORRECTLY CALCULATE THE INDICATOR ARE THE FOLLOWING:**

1. Access the "Claims" tab;
2. For the ongoing period it is necessary to apply a filter on "Date" with the selection of the current month;
3. Press the "Search" button.

Order ID	Status	Date	Maximum response date
<input type="text"/>	All	01/07/2019 - 31/07/2019	<input type="text"/>
Type	Topic	Severity	Has incidents
All	All	All	All

For an easy view of the claims that impact this indicator, you can use the following tools:

My account -> Account Health-> click on indicator -> click on the number of impact orders during the period



#### TIPS:

- Check the main reason for which you receive claims and try to improve it so that the health of your account will not be affected.
- Constantly analyze claims received according to the suggestions received from customers and take corrective measures:
  - Never cancel the orders, contact the customer and find along with such replacement solutions, in his favor, so you won't lose the sale;
  - Pay attention to the level of importance of the claim and the response time displayed on the eMAG Marketplace platform;
  - Problem with the product - depending on the problem reported, either withdraw from marketing the problem lots, or improves the documentation of the product to reflect precisely the product received by the customer;
  - Make sure that a customer will find on the site all the product information (dimensions, colors, weight, use mode, accessories in the package, etc.);
  - Lack of invoice or guarantee - upload the invoice or guarantee directly to the platform to ensure that any client has access to the document at any time. You can also add directly to parcel documents for maximum security.
- Refunds of payments - make sure that in the case of returning the money for the return, it is done in the shortest possible time since return request is finished (be careful about the payment method and the delivery of the order).
- Delayed delivery - monitor the time spent by any order at the courier and contact the courier for any delayed parcel. Notify the client of the identified problem and help him with solutions. Daily check the status of the orders deliveries from the eMAG Marketplace to the courier.
- Make sure that the product is delivered to the customer within the term displayed on the website, so that there are no claims about delayed delivery.
- Provide enough staff in the Call Center so that you can pick up the calls from the client as soon as possible.
- Ensure that you have a system for tracking the notifications received from the client and the maximum response time to them; you must return to the client on the same day or according to the promise made, even if you do not yet have the final solution, to inform him that you are working on solving the situation.
- Take over any return request when you receive it and send a courier to pick up the parcel from the client; a simple return process is very important for customers.
- Solve any return request within 24 hours from the moment the package arrives at your warehouse.

## CLAIM INCIDENTS



**DEFINITION:** Represents the number of claims with incidents (claims that have not be solved), in the reference period.



### REFERENCE PERIOD:

**For Ongoing:** 1 -28/29/30/31 – previous month

**For Previous referenced period:** 1 -28/29/30/31 – month before previous month



**FORMULA:** We count the claims marked with incident that have not received a solution within the deadline displayed in eMAG Marketplace platform.



**EXAMPLE:** You received 10 claims, of which 3 were marked with incident because they did not receive a resolution, and 7 were resolved in time.  $(10-7=3)$  The result of the indicator is 3.



### INDICATOR THRESHOLD:

Indicator	Claim incidents			
	Green	Yellow	Red	Black
< = 19	<= 0	> 0 and <= 1	> 1 and <= 2	> 2
20 - 39	<= 1	> 1 and <= 2	> 2 and <= 3	> 3
40 - 199	<= 1	> 1 and <= 2	>2 and <= 4	> 4
200 - 599	<= 2	> 2 and <= 3	> 3 and <= 5	> 5
600 - 1999	<= 3	> 3 and <= 4	> 4 and <= 6	> 6
> = 2000	<= 4	> 4 and <= 6	> 6 and <= 8	> 8



### HOW TO CALCULATE YOUR INDICATOR:

- We count the total number of incidents related to the claims received during the reference period;
- We count the total number of incidents in a claim.

**REMEMBER:** A claims is marked with an incident when the answer was not provided within the deadline displayed. Make sure that the last answer offered in the received claims is yours. Thus, avoid marking it as incident.



THE STEPS THAT YOU NEED TO FOLLOW IN ORDER TO CORRECTLY CALCULATE THE INDICATOR ARE THE FOLLOWING:

1. Access the tab “Claims”;
2. For the ongoing reference period you need to select filter “Date” with the previous month;
3. Put filter on “Has incidents”, “Yes”;
4. Press “Search” button.

Order ID <input type="text"/>	Status All	Date 01/06/2019 - 30/06/2019	Maximum response date <input type="text"/>
Type All	Topic All	Severity All	Has incidents Yes

For an easy view of the claims that impact this indicator, you can use the following tools:

My account -> Account Health-> click on indicator -> click on the number of impact orders during the period



#### TIPS:

- Allocate dedicated staff for handling and resolving claims.
- Check every morning the list of claims to be solved on that day and provide an answer for each of them.
- Make sure that the dedicated staff to the complaints understand the system of classification in the severity classes of the claims and that they prioritize their resolution according to the importance.
- Provides a quick and clear answer regarding the notification received; think about the client and look for solutions for his benefit for a quick solution of the notification and loyalty of the clients.
- Activate the e-mail notification service for Notifications, so you can take over them when they are registered in our system by customers.
- Constantly check all the complaints received in the eMAG Marketplace platform and make sure that you provide a solution in the shortest time thus avoiding marking the claims with incident.
- Before closing the program, check again that all received claims have been resolved.

Pay attention to each indicator because their good results can bring you visible benefits in your business.