

Amazon Seller Scorecard

Purpose of seller scorecard

The seller scorecard provides a summary of how sellers are performing concerning customer satisfaction. It indicates whether or not the seller is meeting Amazon's fulfilment standards concerning the customer experience. It includes metrics such as late ship rate, orders processed in one business day, order cancellation, return rate (seller controllable), Late Handover Rate (LHR) and sellable yield.

The scorecard will be shared with the seller at regular intervals.

Scorecard components

- Metrics
 - Order Defect Rate (ODR) – ODR is the sum of all orders with negative feedback, claim or service chargeback as a percentage of total orders placed.
 - Late ship rate – Percentage of orders not ready by the scheduled ship date/time.
 - Order cancellation (Seller controllable) – Percentage of orders cancelled by the seller.
 - Return Rate (Seller controllable) – Total units returned by customers for reasons attributed to operations at Seller Flex site or nature of the product sold, as a percentage of total units shipped. C-return reasons which are attributed to the seller include, but are not limited to:
 - The customer received a defective item
 - Item quality is not acceptable to the customer
 - Size/fit issues with the product (mainly for clothing, shoes, jewellery, helmets etc.)
 - Customer complains about a product being non-compatible for intended use
 - LHR - Total units that were delayed/not handed over to pick-up carriers as a percentage of total units shipped.
 - Sellable yield - The percentage of returned items that are determined to be sellable after the C-return process is called sellable yield.
- Each metric on the scorecard has a target that sellers must achieve to meet Amazon's standard of fulfilment operations.
- Failing to meet the target may lead to action depending on the frequency and severity of the miss. The target may be revised based on a periodic evaluation. The target for Order Defect Rate (ODR), Late Ship Rate and Order Cancellation (Seller controllable), LHR and sellable yield remains the same for all the sellers. The target for return rate (seller controllable) is determined based on the product category mix of outbound units of the seller. Targets for Metrics

	Metrics	Target
1	ODR	< 0.05%
2	Late Ship Rate	< 0.05%
3	Order cancellation	< 0.05%
4	Return Rate (Seller controllable)*	Category Specific
5	Sellable yield	> 60%

- No. of misses in the trailing six months – This column gives the number of times a seller has not met the target on a metric in the last six months.
- Action item/penal action – Action items suggested by Amazon in response to a miss, if any. It may also have any penal action initiated against the seller if there has been a miss.

Failing to meet the targets does not necessarily put your account in a negative standing or hamper your participation under

the Seller Flex programme in accordance with the provisions of your seller agreement and the Seller Flex Service Terms; however depending on the frequency and severity of the miss, Amazon may in its discretion decide to initiate actions which are not limited to suppressing offers of high defect units or temporary suspension of your participation under the Seller Flex programme.

Revised Performance Management Framework

Following actions are taken after each instance of non-compliance with Amazon's fulfilment standards (each such non-compliance, a 'Strike'):

	A	B
1	Strike No.	Description
2	1	This acts as an initial warning. The online dashboard helps you monitor the performance in a self-serve manner. No manual warning is sent to you in case of the first strike
3	2	If the strike is a result of /arises from the 'Return Rate & ODR' metric, recommendations are shared with you to help improve the metrics and avoid a strike in the future.
4	3	The operations team will reach out to you to offer extended support to improve the operational process and give refresher training (if needed). In addition, your Seller Flex site will be deactivated for three days to give you time to streamline your operations to comply with the prescribed standards.
5	4	The fourth strike within any six months on the same metric will lead to the deactivation of your Seller Flex site for seven days. You are expected to follow the recommendations shared after the third strike.
6	5	If you still receive the fifth strike on the same metric within any six months, then your Seller Flex site will be permanently deactivated from the Seller Flex program. It is clarified that the fifth strike is applicable only for the following metrics: Late Ship Rate, Cancellations Rate, and LHR.