

How to avoid Account Suspension on Marketplaces

#### **Description**

A business owner ran a successful business online, but one day he received an email stating that his account had been suspended due to poor performance. He was astonished and felt helpless, as according to him, the business was at its peak with prompt shipping and top-notch customer service.

He gathered his thoughts and started looking for the reasons why and how it all went downhill and realized he was not aware of the updated policies. Despite his excellent service, a few negative reviews related to a faulty batch of products had increased his **Order Defect Rate above 1%**. Additionally, a temporary supply chain issue had caused a slight delay in shipping, which spiked his late shipment rate.

He realised that in today's highly competitive eCommerce environment, maintaining a healthy seller account is crucial for business success. Marketplaces frequently review seller performance to ensure a seamless customer experience. Getting your account suspended—or, worse, blacklisted—can significantly harm your reputation and business operations. Let's understand what measurements the owner took and you should also follow to prevent your account from suspension.

## **How to Prevent Account Suspension**

Avoiding suspension requires proactive measures and a deep understanding of marketplace guidelines. Below are essential strategies that every seller must follow to safeguard their account:

#### 1. Adhere to Marketplace Selling Guidelines

Each platform has specific rules. Ensure you read and comply with these guidelines to avoid violations that could lead to account suspension.

#### 2. Avoid Selling Restricted or Prohibited Products

Many marketplaces restrict the sale of certain products (e.g., hazardous materials, counterfeit items, and intellectual property violations). Selling these items can quickly lead to account penalties.

#### 3. Steer Clear of Counterfeit Products

Selling counterfeit products, whether knowingly or unknowingly, is a serious violation and can result in permanent suspension. Always source your inventory from reputable suppliers.

#### 4. Maintain a Low Percentage of Negative Customer Feedback

Negative reviews and poor customer feedback directly impact your reputation. Strive for excellence in every transaction to keep your feedback ratings high.

#### 5. Proactive Customer Support and Issue Resolution

Swiftly resolve order-related issues and address customer concerns. Proactive customer service builds trust and prevents negative feedback that could lead to suspension.

#### 6. Avoid Repeated Violations of Seller Performance Policies

Marketplaces review sellers' overall performance. Repeated breaches of policies or consistent poor performance can result in penalties, including suspension.

These guidelines need **100% compliance**, as marketplaces reserve the right to suspend your account at any time. Beyond adherence to rules, maintaining strong performance metrics is essential.

The owner spent the next few hours drafting a detailed action plan. He outlined how he would improve his product quality control, communicate better with his suppliers, and enhance his shipping processes to ensure timely delivery. He even decided to incorporate a <u>digital shelf analytics</u> tool to keep track of his performance metrics in real-time.

## **Improving Performance Metrics**

Meeting or exceeding performance standards ensures your account remains in good standing. Here are key performance targets for major eCommerce platforms:

### E-commerce Performance Metrics: Amazon & Flipkart



# **Amazon Performance Targets:**

- Order Defect Rate < 1%: This target is crucial as it reflects overall customer satisfaction
  regarding product quality and service. A low defect rate indicates that sellers are effectively
  managing their inventory and ensuring that customers receive the correct products in good
  condition.</li>
- Pre-fulfillment Cancel Rate < 2.5%: This metric assesses a seller's reliability. A low cancellation
  rate suggests that sellers are accurately representing their inventory and fulfilling orders as
  promised, enhancing customer trust.</li>
- Late Shipment Rate < 4%: Timely shipping is vital in e-commerce. Keeping this rate below 4% ensures that customers receive their orders on time, which is essential for maintaining positive feedback and repeat business.

## **Flipkart Performance Targets:**

- Seller Cancellations Rate < 0.5%: This is a stringent target that emphasizes the importance of order fulfillment integrity. A cancellation rate below 0.5% demonstrates exceptional reliability and commitment to customer service.
- RTD Breach Rate < 0.75%: The Ready to Dispatch (RTD) breach rate measures how often sellers fail to dispatch items on time after confirming readiness. Keeping this below 0.75% is indicative of efficient operational practices.
- Reattempts Rate < 3.0%: This metric tracks the number of times delivery attempts fail, necessitating a reattempt. A low reattempt rate reflects effective logistics and communication with customers regarding delivery schedules.

**Note**: Failing to meet these targets doesn't necessarily result in immediate suspension, but failure to improve these metrics over time can lead to a loss of selling privileges.

# **Best Practices for Maintaining a Healthy Account:**

# Strategies for Effective Account Management and Customer Satisfaction



#### 1. Offer Timely and Helpful Customer Service

Engage with your customers promptly and resolve issues quickly. A positive customer experience is key to maintaining high ratings.

#### 2. Proper Product Packaging

Ensure your products are well packaged to prevent damage during shipping. Damaged goods lead to negative feedback and an increased likelihood of returns.

Make an effort to find <u>sustainable options</u>. In the e-commerce industry, the push for eco-friendly practices and lower carbon emissions has revolutionized the industry and provided a way forward for a more sustainable future.

#### 3. Ship Orders On Time

Timely shipments are crucial. If delays occur, inform customers immediately. Offering a partial refund or incentive (e.g., a discount) can help maintain customer confidence.

#### 4. Honor Legitimate Returns

Always accept genuine returns. If you suspect a return is illegitimate, raise a dispute, but avoid refusing returns without proper cause.

#### 5. Monitor Customer Reviews and Ratings

Actively monitor feedback and reviews. Address any issues raised by customers to prevent negative reviews from escalating. Take Kinator's help, just like the business owner did.

#### 6. Adhere to Pricing Guidelines

Selling products above their Maximum Retail Price (MRP) or engaging in price gouging can lead to account suspension. Stick to fair pricing practices. Our proprietory in-house tool Kinator even detects the third-party sellers and has price-intelligence properties that ensure compliance.

- 7. Avoid Promotional Materials in Packaging and Listings
  - Marketplaces prohibit using promotional materials (such as flyers) in product packaging. Similarly, don't include promotional content in product descriptions.
- 8. Respond Quickly to Customer Queries

Timely responses to customer inquiries—preferably within hours—are vital. Aim for a maximum response time of 24 hours.

Here is an overview of some *critical rules* that sellers on Amazon and Flipkart should follow to keep their accounts in good standing and avoid suspension:

#### Amazon:

- 1. **Adhere to Policies**: Understand and follow Amazon's seller policies, including product restrictions to prevent listing prohibited items.
- 2. **Accurate Listings**: Ensure that your product descriptions are accurate and truthful to avoid misleading customers.
- 3. **Customer Satisfaction**: Maintain high ratings by providing excellent customer service and resolving issues promptly.
- 4. **Intellectual Property Compliance**: Avoid using product names, images, or descriptions that violate intellectual property rights.
- 5. **Account Health**: Monitor your account health and respond to Amazon's notifications and appeals if necessary.

#### Flipkart:

- 1. **Policy Adherence**: Follow Flipkart's policies and guidelines to avoid listing restricted products or prohibited activities.
- 2. **Product Listings**: Ensure product listings are accurate, detailed, and updated regularly to avoid misleading information.
- 3. Order Fulfillment: Fulfill orders promptly and avoid cancellation of customer orders6.
- 4. **Customer Feedback**: Focus on getting positive customer feedback and address complaints rapidly.
- 5. **Performance Metrics**: Keep a close eye on your performance metrics, including order defect rates and return rates.

## What If Your Selling Privileges Are Removed?

If your selling privileges have been revoked, follow the marketplace's notification instructions. Typically, the reason for suspension will fall into one of two categories:

#### 1. Poor Performance

#### 2. Violations of Marketplace Policies

# General Steps for Both Amazon and Flipkart Sellers:

- 1. **Review the Suspension Notification**: Carefully read the email or notification detailing the reasons for your account suspension.
- 2. **Identify the Issues**: Determine whether the suspension is due to poor performance or violations of policies.
- 3. **Follow Notification Instructions**: Adhere to any specific instructions provided in the suspension notification.

If the issues involve fraud or severe violations, such as intellectual property theft, Amazon may permanently blacklist your account, preventing future selling on their platform. Just like Amazon, if a seller on Flipkart engages in fraudulent activities or severe violations, they may face permanent blacklisting.

# **Key Differences Between Amazon and Flipkart Procedures:**

Steps/Process	Amazon	Flipkart
Notification and Issue Identification	Detailed Notification	Detailed Notification
Action Plan Requirement	Mandatory for appeal	Improvement of performance metrics and optional appeal
Response Time	Typically 2-3 days	Varies based on case
Permanent Blacklisting	Possible for severe violations	Also possible for fraud or serious violations
Review Process	Structured, detailed action plan required	May include performance improvement and threat assessment

#### **Conclusion:**

To build a successful and sustainable eCommerce business, it's crucial to follow marketplace guidelines and performance standards. By staying informed and continuously optimizing your processes, you can avoid account suspension and ensure long-term success.

#### **Key Takeaways:**

- Always adhere to marketplace guidelines and seller performance metrics.
- Provide excellent customer service and ensure timely shipping to maintain positive reviews.
- Regularly audit your account and product listings for compliance to avoid potential violations.

By following these best practices, sellers can mitigate risks and create a thriving, sustainable business in today's dynamic eCommerce ecosystem. Secure your account with our experts best practices. Did we mention that we also manage 360-degree campaigns at every level in the qCommerce and

eCommerce marketplaces? Contact us at <a href="mailto:info@paxcom.net">info@paxcom.net</a> for more information.