

AMAZON COMPLIANCE

HOW IDEOCLICK HELPED A HEALTHCARE CLIENT WITH AMAZON OPERATIONAL COMPLIANCE AND RECOVERED OVER \$235,000

Brands that sell on Amazon through Vendor Central must adhere to very specific operational compliance processes and standards in order to be paid in-full by Amazon. Any discrepancies resulting from purchase orders, shipping, receiving, packaging, and data misalignment may result in chargebacks to the vendors and significantly cut into their earnings.

At Ideoclick, utilizing our Operational Compliance Dashboard, we aggregate client data to identify deductions from Amazon in the form of chargebacks and shortages resulting from non-compliance. Our team of Operational Compliance (OC) experts then work to identify root-causes for the chargebacks, as they are symptoms of operational issues that lead to shortages. The OC team then manages the complex process of dispute resolution to recover funds on behalf of the client.



SHORTAGE
RECOVERY



ROOT-CAUSE
DISCOVERY

DIVING INTO DISCREPANCIES

For one of our clients, a major player in the health-care products industry, we were able to demystify the complex invoice hierarchy system produced by Amazon to identify a shortage amount of over \$300,000, which had accrued over a 12-month period. Of that amount, we successfully managed the dispute process to recover \$235,175.05 in shortages for the client.

Critically, Ideoclick identified the causes for the shortages. In this instance, many of the casepacks were improperly scanned at the Amazon fulfillment center due to labeling issues during the vendor's shipping process. The vendor also received chargebacks related to advanced shipping notification (ASN) complications. The identification of these root causes was critical in enabling the client to change its labeling and ASN practices to avoid future chargebacks that subsequently lead to shortages.

"Many vendors just accept chargebacks as a cost of doing business with Amazon, as they don't have the time or systems in place to make sense of Amazon's re invoicing system or investigate where the non-compliance originated," explained Shawn Oleson, Senior Operational Compliance Manager at Ideoclick. "Our process of identifying the discrepancies, helping to solve for the root-cause, and handling the dispute resolution will enable many more of our clients to recover funds, as well as avoid future chargebacks. Ultimately, we are helping clients conform to Amazon's highly efficient ways of doing business on a massive scale – so both the consumer and the vendor stand to benefit."

