



Buenos Aires, Argentina
G-Lab 2016



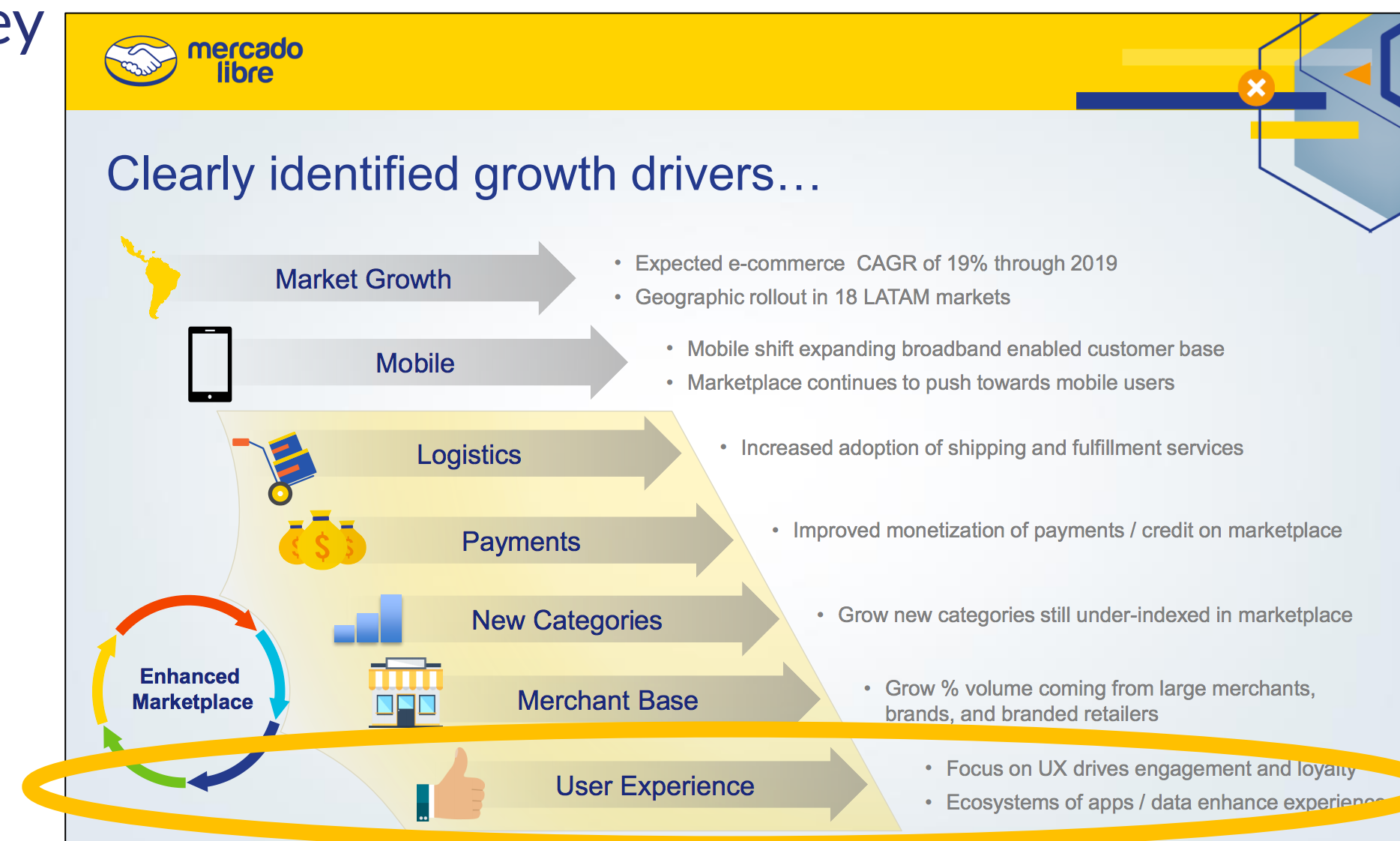
Leading Latin American ecommerce marketplace:

- Founded 1999, listed on Nasdaq in 2007
- 2015 net revenue of \$652m
- 2.2m sellers and 17.6m buyers in H1 '16
- 63m live listings
- Operating in 18 countries
- #1 ranking by unique visitors in all major markets
- Largest online payment network in the region

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Business Initiative

- Improving user experience identified as a key initiative to continue to enhance user engagement and loyalty, leading to growth and competitive differentiation
- Significant and growing resources recently allocated to a growing customer-focused team
- Tackling a redesign of the “buyer protection plan,” return and claim submission process, and dispute mediation



Project Scope

- Preliminary review of primary areas of improvement for existing protection plan, considering leading competitor approaches
- Research and assess competitor return policies across products and regions
- Define key terms of a new Mercado Libre return policy for sellers to opt into
- Suggest effective methods to incentive sellers to adopt
- Develop preliminary roadmap for buyer/seller communication and implementation

Methodology

- Interviews with functional leaders (development, sales, country managers)
- Benchmark of terms and policies of leading competitors
- Examples and mock-ups of potential implementations



Results

- Defined four dimensions of policy to maximize purchases and minimize returns:
 - Time: 30 days; Effort: streamlined & automated; Money: restocking fees & return shipping costs; Scope: any reason, but new condition
- Identified key incentives to offer sellers to adopt, segmented by existing seller levels:
 - Listing placement, visual enhancement, filter, rate discounts, customer service
- Structured buyer/seller communication approach around lifecycle of each, with examples of existing and new techniques to effectively convey the benefits and workings of the policy
- Framed implementation pilot, sample A/B tests, and illustrative regional launch plan

