

ZALANDO SE – Platform Rules

****All changes have been highlighted in yellow.****

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0. Definitions

- **Article** means the Config SKU sold to the customer via the Zalando International Online Shops, whether by Zalando or by Partner.
- **Config SKU** means the stock keeping unit of a product. This is a unique identifier for each product and differs between colors.
- **Connected Retail** organizes platform access and provides integration services that allow Partners to integrate their stock locations (i.e. brick and mortar store(s)) with the Zalando International Online shops.
- **Customer** means an end consumer who makes a purchase in the Zalando International Online Shops.
- **CXM** means Customer Experience Model. This is a tool used to monitor Partners' performance.
- **Merchant** means Partner or Zalando Wholesale.
- **Onboarding** means the process of integrating a Partner Article in the Zalando International Online Shops.
- **Partner** means a seller in the Zalando Partner Program or Connected Retail, which is not Zalando Wholesale.
- **Partner Program** is a sales channel allowing Partners to sell in the Zalando International Online Shops.
- **Partner Article** means an Article sold to the customer via the Zalando International Online Shops by Partner.
- **Simple SKU** means the stock keeping unit of a product. This is a unique identifier for each product and differs between colors and sizes.
- **Zalando International Online Shops** means all the webshops available at www.zalando.com where Partner Program and/or Connected Retail partners can sell¹.
- **Zalando Partner University (ZPU)** is a knowledge database where Partners find all the information they need to sell a product via the Partner Program.
- **Zalando Wholesale** means Zalando's own business of selling goods to the customer.
- **Zalando Fulfillment Solution (ZFS)** is a service offered by Zalando giving Partners access to the logistics network and capabilities of Zalando.

1. General

The Zalando Platform rules determine the terms and conditions on which Partner Articles can be sold via the Zalando International Online Shops. They are revised and updated at regular intervals.

The Zalando Platform rules apply to Partner Program and Connected Retail Partners. Any discrepancies in the rules that apply between these two types of Partners are specifically indicated in this document.

2. Markets & Distribution Channels

2.1 Markets

¹ Subject to compliance with conditions in point 2 (Markets & Distribution Channels).

Partners may sell Partner Articles in the Zalando International Online Shops mentioned in the [appendix](#), subject to the stated terms and conditions (*some markets may be excluded for Connected Retail*).

Following a country specific profitability assessment, Zalando may reject an Internationalisation request made by a partner. The assessment will consider forecasted sales potential, operational costs as well as the customer acquisition potential based on the local relevance of the respective brand.

2.2 Distribution Channels

www.zalando.com is offered via Web and App. Partner Articles will not be offered via other distribution channels. Zalando Partners are free to offer their goods subject to different terms and conditions on other platforms.

3. Requirements towards the Partner as a Company

3.1 Zalando's Sustainability Requirements & Ethical Guidelines

In order to sell on our platform, all partners are required to meet [Zalando's Sustainability Requirements & Ethical Guidelines](#). This includes ensuring that all Partner Articles and content provided by the Partner complies with current European standards and legislation, and with all requirements laid out in the corporate [website](#).

- [Zalando's Code of Conduct](#)
- [Zalando's Product, Content & Brand Guidelines](#)
- [Animal Welfare Policy](#)
- [Sustainable Sourcing Policy](#)

Brands in addition must also meet the following minimum Sustainability Requirements and Ethical Guidelines as mentioned below:

1. Have an own Code of Conduct,
2. Have Tier 1 Supply Chain transparency,
3. Potentially setting science-based targets, if required (partners that surpass a certain threshold of CO2 emissions will be asked to set science-based targets by the end of 2025, more information [here](#).)

Please note that the above applies to brands only. We define brands here as companies who produce or manufacture their own products (this includes private labels), as opposed to retailers, licensees, distributors or service providers, who only sell third-party brands' products.

All partners are encouraged to offer sustainability assortments that match our criteria (more information [here](#)).

Zalando reserves the right to deactivate the Partner Articles or even take offline the Partner's account, if the Partner's Articles have the potential to harm Zalando's reputation or adversely affect the customer experience (e.g. offensive or controversial content).

3.2 Extended Producer Responsibility (EPR) Regulations

Extended Producer Responsibility (EPR) is a concept where manufacturers, importers or distributors of products (such as Zalando and its partners) will bear a significant degree of responsibility for the environmental impacts of their products throughout the product life-cycle. Partners must commit to being compliant with the country specific laws on this. **Should a partner offer for sale articles in a market where EPR applies, but the partner does not meet the local EPR requirements and/or does not supply all necessary article information (such as UIN in France), Zalando reserves the right to deactivate the partner in the respective market. In addition, any financial disadvantages incurred to Zalando due to the Partner's misrepresentations regarding the EPR compliance of its products may be reclaimed by Zalando from the Partner.**

In addition, the following applies to the subsequent countries:

3.2.1 France

Partners selling certain products to customers whose physical delivery address is in France must have Unique Identification Number(s) (UIN, "Identifiant Unique") from the French Agency for ecological transition (ADEME), and must provide this number to Zalando. This applies to all products that fall under an EPR category in France, including household packaging, electrical and electronic equipment (EEE), textiles/shoes, toys and sport articles. In addition, the partner must also provide Zalando its VAT number and additional necessary company identifiers on request. Should UIN not be provided to Zalando upon request and Zalando thus have to pay corresponding EPR-fees ("eco-contributions") for the Partner, Zalando may reclaim the costs incurred from the Partner.

For further information, see the relevant [Zalando Partner University article](#) for Partner Program and the [relevant article](#) for Connected Retail.

3.2.2 Germany

Partners selling certain products to customers whose physical delivery address is in Germany are subject to various regulations on Extended Producer Responsibility (EPR). This applies to products in the category of household packaging, electrical and electronic equipment (EEE), batteries and accumulators. Therefore, Partners must prove the participation of their packaging in a dual system via a certificate from their system and provide Zalando with their EPR registration number(s). For electrical equipment and batteries, the registration number issued by the EAR Foundation (WEEE Reg. No. DE, or Batt Reg. No. DE) must also be provided.

For further information, see the relevant [Zalando Partner University article](#) for Partner Program and the [relevant article](#) for Connected Retail.

3.2.3 Austria

Partners selling certain products to customers whose physical delivery address is in Austria are subject to various regulations on Extended Producer Responsibility (EPR). This applies to products in the category of household packaging, electrical and electronic equipment (EEE), batteries and accumulators.

Partners hereby contractually assure that if they place the respective products on the market in Austria they comply with the requirements of extended producer responsibility in accordance with the Austrian Waste Management Act (Abfallwirtschaftsgesetz, AWG; cf. §§ 13a, 13g and 14 AWG).

Specifically, this means (if applicable):

- i. Participation in the collection and recovery system for household packaging or for commercial packaging;
- ii. Participation in a collection and recycling system for producers of electrical appliances, batteries and disposable plastic products; or the individual arrangement of the take-back;
- iii. The establishment of a collection point for electrical appliances and batteries and the return of these at these points free of charge.

Therefore, from 1st January 2023 Partner contractually commits to being compliant with these laws.

For further information, see the relevant [Zalando Partner University article](#) for Partner Program and the [relevant article](#) for Connected Retail.

3.2.4 Spain

Partners selling products with packaging to customers whose physical delivery address is in Spain are subject to various regulations on Extended Producer Responsibility (EPR). Partners need to register with the Spanish Register of Product Producers (packaging section) and, if necessary, appoint an authorized representative. Upon request non-Spanish Partners must provide Zalando with their EPR registration number and the necessary information about their company as well as about the authorized representative. Should this information not be provided to Zalando upon request and Zalando thus have to pay corresponding EPR-fees for the Partner, Zalando may reclaim the costs incurred from the Partner.

For further information, see the relevant [Zalando Partner University article](#) for Partner Program.

4. Requirements towards Partner Articles on Zalando

4.1 Eligible Categories & Products' Safety & Quality

4.1.1 Which Partner Articles can be sold?

The following categories (among others, but not limited to this list and subject to Zalando's approval) are generally suitable for sale in the Zalando International Online Shops:

- *shoes, clothing, accessories, underwear/beachwear, sports apparel, toys, consumer electronics, sports gear, and beauty products.*

Once Zalando has approved a category for offering in the Zalando International Online Shops, Partners are free to pick Partner Articles within this category they would like to sell in the Zalando International Online Shops, subject to compliance with the onboarding guidelines.

4.1.2 Product Safety & Quality

Zalando's core premise is to provide consumers with safe, high-quality merchandise. To this end, all Partner Articles must be delivered to the end customer in grade "A" quality, fit for purpose and without defects of any kind. Required documents such as test reports, partner improvement plans etc. must be shared with Zalando upon request.

Partners are required to familiarize themselves with the product safety and product quality requirements defined in the Quality Assurance Manual for Partner Program. Each Partner must ensure that this documentation is passed along to all relevant parties within that Partner's organization and that the Partner Articles meet the requirements contained in the manual.

The latest version of the Quality Assurance Manual for Partner Program is available [here](#).

4.2 Image & Content Guidelines

Zalando has a number of qualitative and quantitative requirements that must be met before Partner Articles can be onboarded. This is done in order to guarantee a unique, superior customer experience. If any of these requirements are not met, the Partner Article may be rejected. An overview of the different onboarding guidelines can be found [here](#).

Zalando aims to provide the customer with authentic experiences via high-quality content. With this in mind, Zalando has created guidelines for images and content that are binding on the Partner when providing images. For further information, please see the [Image and Content Guidelines](#).

Zalando reserves the right to deactivate from the platform the Partner Articles that are not compliant with Zalando content guidelines as mentioned in the entire section [4.2](#).

4.2.1 Specific Guidelines on Beauty, Toys & Electronics

Zalando also has specific guidelines for the categories of beauty, toys and electronics, which are subject to further requirements. You can consult these guidelines within the Zalando Partner University by visiting the [Mapping Guide](#) and also referring to the image [guidelines](#) for these specific categories.

4.2.2 Specific Guidelines for Sports & Designer Brands

To ensure we provide our customers with a differentiated and distinct authentic shopping experience, Zalando retains the right to tag only Designer and Sport brands defined by Zalando into the Designer and Sport categories.

4.2.3 Partner Article Rejections and Error Codes

When a Partner receives an error code in the onboarding process, the Partner can use that code to check the reason for rejection and take corrective action to bring the Partner Article in question live. A listing and descriptions of the reasons for rejection can be found [here](#).

Zalando reserves the right to reject Partner Articles during onboarding if they do not conform to the strategic, seasonal, performance and/or marketing focus of the Zalando International Online Shops (including product group and/or brand focus).

4.3 Seasonality, Season Switch & Retagging Guidelines

4.3.1 Seasonality & Season Switch

An initial season must be assigned during the onboarding process. This season should reflect the actual season of the article it was produced for at the time of onboarding. This can later be updated for carryovers through the season retagging process.

Partners must choose between two possible season options for each Partner Article according to the correct seasonality, as in their own shop:

- Range-specific seasons: the spring-summer (SS) and autumn-winter (AW) season of a specific year
- Never Out of Stock: An NOS Article is a Config SKU that is sold either i) all year round or ii) as a Spring Summer or Autumn Winter Basic and is not specific to a season, and is constantly replenishable, indicated by a very high average Article availability rate and article performance.

The Season Switch is defined by the process when Zalando transitions the product range from one season to the next. It includes the regular season changes as defined by the periods below and the Article onboarding and offboarding processes that accompany them.

Zalando seasonality consists of two main seasons:

- Spring Summer (SS), active from November to August of each year, and
- Autumn Winter (AW), active from May to February of each year.

Specific dates may vary from season to season and will be communicated to partners.

Articles with an NOS season are not affected by the end-of-season offboarding process. However, they need to show a high size availability and performance on a permanent basis. Partner Articles assigned an SS or AW season are deactivated by the end of the respective seasons.

After a season switch, the Partner Articles move to the sales section of the platform. In order to retain the visibility in the regular browsing section of the platform, partners may request to retag their Partner Articles if the guidelines mentioned below in section 4.3.2 are met.

4.3.2 Article season retagging

Season retagging is the process by which Partners can request to update their Partner Articles' seasonal designation in order to both guarantee the freshness of the Zalando and Partner product range and ensure a clean, uncluttered shopping experience for customers. The retagging process is a recurring process which takes place every two to three weeks in a defined timeframe and is limited for articles which the product brand defines as seasonal carryovers. Specific dates may vary from season to season and will be communicated to Partners in due course.

To ensure we optimize the assortment we offer on the platform and create a trustworthy shopping experience for our shared customers, there is a minimum availability threshold retagging criteria for seasonal and Never Out of Stock / year round basics articles. Therefore only articles with high availability and with a good previous performance (e.g. sales) can be retagged to the current season. This applies to all articles that are requested to be retagged to the current season. Zalando reserves the right to tag articles that do not match the described conditions back to their respective previous season.

For more detailed information about season retagging and offboarding dates, please refer to the Zalando Partner University article on this topic, titled [Seasonality](#).

4.3.2.1 Retagging of Articles unique to Partners

Partners can ask to update a Partner Article as NOS Articles or carryover Articles for the coming season. A carryover Article is a seasonal Article that a Partner decides to carry over from maximum the previous year's season and sell again in the coming season.

Zalando reserves the right to refuse or revert retagging requests based on performance (for example, sales) or product range concerns (e.g., if the Articles are inappropriate for the coming season or are not "basic items" – for example if they have patterns, prints or colors).

4.3.2.2 Retagging of backfilling Articles

Backfilling Articles are Articles that are sold both by Partners and Zalando Wholesale and that serve as backfilling articles out of sales periods when Zalando Wholesale runs out of stock.

The retagging of such backfilling Articles is ultimately decided upon by the Zalando Wholesale team. The decision is based on whether Zalando Wholesale still has old seasonal stock of the Article and whether they have placed a purchase order for the Article for the coming season.

In the event that Zalando Wholesale still holds stock, backfilling Articles are not eligible for retagging until that stock has been exhausted. If there is an existing or future purchase order from Zalando Wholesale's side, the Articles are rejected for retagging from partners, but will be automatically updated to the current or future season code along with the purchase order from Zalando Wholesale.

4.3.3 Older Season Articles in the Sales Section

The Partner Program and Connected Retail allows Partners to sell its remaining old seasonal Partner Articles in the Zalando International Online Shops sales section for one year beyond the initial season switch if Zalando's defined stock and discount requirements are fulfilled. These mirror season Partner Articles are regularly checked to see if they meet these stock and discount requirements and are activated or deactivated on this basis. By the end of the one-year mirror season, all these old seasonal Partner Articles are automatically offboarded.

4.4 Fair Pricing Guidelines

Zalando offers a [price validation service](#) to help prevent partners from submitting obvious pricing mistakes with major financial losses (e.g. Articles discounted greater than 80% or incorrect currency submissions) and from violating the pricing-related rules explained hereafter.

In the event of a pricing anomaly, price submissions will be rejected and the partner will receive notification via the price validation API or Zalando Partner Care requesting feedback.

4.4.1 Pricing Misconducts: Illegal pricing and discounting practices of partners

Pricing misconducts are unlawful behaviors under the rules of the Unfair Commercial Practices Directive (UCPD) and the [Omnibus Directive](#). Pricing misconducts refer to misleading practices. Such practices are, for example, the reduction of a price in an unreasonably short period of time after the launch of the article and when not only one black price but two prices (black and red prices) are displayed, or making changes in the black price while introducing a price reduction (red price) to make the savings shown in percent look more lucrative.

Zalando reserves the right to deactivate articles immediately on detection of such practices. Repeated offenses of the same type may lead to the termination of partner agreements.

4.4.2 Fair Black Prices

In order to provide a safe and trusted experience to our customers, black prices on Zalando must not significantly exceed the respective articles' reference prices from other sources operating in the same markets as Zalando. Affected Partner Articles with such significantly high black prices will be subject to lower visibility or potential deactivations. Repeated offenses of the same type may lead to the termination of partner agreements.

4.4.3 Lower Discount Bound

To avoid misleading experiences for the customer, if a partner decides to offer a discounted price, this "red price" must be at least 10% (except Consumer Electronics: 5%) lower than the partner's regular ("black") price for the same simple-SKU and market in question. If Partners intend to reduce the price of the article below 10% (except Consumer Electronics: 5%), they can do so, as per their discretion, by changing the regular ("black") price. However, changes of regular ("black") prices will not lead to a highlighting of the articles in the shop (eg: not shown as red price and not receiving the deal flag). Articles not meeting the above criteria may be subject to deactivation.

4.5 Deactivation of Partner Articles

For each Individual Partner Article that is offered for sale, both Zalando and the Partner are entitled to take the Partner Article offline or lower its visibility. Similarly, Zalando is entitled to take offline a Partner account. When making such a decision, Zalando and the Partner will consider whether any of the following are true:

1. Partner Articles violate mandatory laws, infringe third-party rights (including, without limitation, intellectual property rights such as copyrights, trademarks or design rights) or violate rules of unfair competition law and/or mandatory laws related to pricing.
2. Partner Articles violate the rules set under the fair pricing guidelines in [chapter 4.4](#).
3. The sale of the Partner Article does not conform to the strategic, commercial performance and/or marketing focus of the Zalando International Online Shops (including product group and/or brand focus).
4. Partner Articles are sold within an exclusive or selective distribution system established by a brand or manufacturer, and the Partner is not authorized to sell these articles.
5. The Partner Article and/or Partner has the potential to harm Zalando's reputation or adversely affect the customer experience (e.g. offensive or controversial content or duplicate articles sold under different brand names (identical item but under a different EAN and/or branding)).
6. Partner Articles are not from the current season or not within the Never Out of Stock (NOS) range or not meeting the seasonal performance requirements.
7. The presentation of the Partner Article does not comply with the Zalando Image and Content Guidelines as outlined in [chapter 4.2](#).
8. Zalando's SLA has not been complied with, as outlined in the CXM model in [chapter 7](#).
9. Partner Articles that have a relatively high return rate due to 'size too small' or 'size too big' to ensure a good sizing customer experience. Partner will be informed if a Partner Article is flagged as a "size offender".
10. Partners Articles lead to a poor customer experience, expressed in a high customer care contact rate, or in a high number or share of order cancellations by the Partner.
11. Zalando has reasonable belief that Partner is unable to pay its debts as they fall due.
- ~~12. Partner has provided incorrect, incomplete or delayed information about its own tax and fulfillment positions or has omitted to provide such information (e.g. relevant VAT identification number, outbound warehouse locations, shipping confirmations, information about tax residences), so that Zalando was unable to fully comply with its own tax due diligence obligations as a result.~~
- ~~13. Authorities inform Zalando that Partner did not fulfill its own tax obligations which could be Zalando's liability.~~

4.6 Fiscal obligation of the Partner

Partner shall fulfill its tax obligations in full on its own. Besides that, Partner agrees that Zalando will issue B2B invoices on the deemed B2B sales in line with Art. 136a of Council Directive 2006/112/EC or national legislation, where applicable (self-billing). Irrespective of this, Partner solely remains responsible for potential reporting obligation on the invoices issued.

Partner must inform Zalando by the ~~15th~~ 5th day of the current month whether tax-relevant changes will occur as of the next month that affect the Deemed Supplier mechanism. If the notification is made late, the partner must bear any resulting double taxation itself.

Zalando is entitled to deactivate all Partner's Sellers accounts with immediate effect in case:

1. Partner has provided incorrect, incomplete or delayed information about its own tax and fulfillment positions or has omitted to provide such information (e.g. relevant VAT identification numbers, outbound warehouse locations, shipping confirmations, information about tax residences), so that Zalando was unable to fully comply with its own tax due diligence obligations as a result.
2. Authorities inform Zalando that Partner did not fulfill its own tax obligations which could be Zalando's liability.

4.7 Partners rights and obligations with regard to Zalando's Platform Reporting

Zalando is obliged to collect tax information about the Partner's business and to report it to the competent tax authorities (according to Council Directive (EU) 2021/514 of March 22, 2021, "DAC7 Directive"). For a full overview of the information required (DAC7 information) and corresponding data protection rights, please see the respective [ZPU article](#).

In this context, Partner agrees to the following:

1. Partner shall provide Zalando with all DAC7 information, especially its own tax identification number(s) and VAT identification number(s).
2. Partner assures that they submit its up-to-date DAC7 information to Zalando's systems. Partner informs Zalando immediately (within two weeks) in case of any necessary changes in this regard.
3. Zalando has the right to deactivate the Partner's account with immediate effect in case the requested information was incomplete, incorrect, delayed or not provided.
4. Partner shall reimburse Zalando any penalties or costs resulting from the delayed, incorrect or incomplete provision of the reporting relevant data.

Zalando provides Partner access to the DAC7 information submitted to the competent tax authorities. Within one month after individual notification of transmission, Partner is entitled to request a corrected transmission of its DAC7 information in justified cases.

5. Article visibility, search and sorting rules

This section covers how Articles are retrieved and ranked on Zalando's catalog and search result pages. On catalog pages, only Articles that are part of the category selected by Customer are displayed to Customer. On search result pages, the search engine is continuously optimized to retrieve Articles that have the highest relevance to the search query that has been entered by Customer. In both cases, only Articles that strictly match the selected filters will be visible. The search engine does not distinguish between different Merchants during retrieval, and it uses only the Article data provided and historical Customer interaction data.

There are four different ranking modes that can be chosen by the Customer: 1) Popularity, 2) New in, 3) Sale, 4) Price, ascending / descending.

In all sorting modes, there are fixed slots that are used by Zalando Marketing Services (ZMS) which offers auctions to uprank selected Articles that are part of a 'sponsored products' campaign. On each catalog

and search result pages, specific rows are taken by such ‘sponsored products’ and marked as “sponsored”. The rows differ based on Web or App; on Web, this is rows 1, 6, 12, 18, 24, 28 and 34. On App, this is rows 1, 4, 8, 12, 16, 20, 24, 28, 32 and 36.

Zalando continuously improves its rankings and regularly conducts A/B tests in the course of these activities. During these tests, Customers in the test groups might be exposed to a ranking that does not strictly follow the methods described in this section.

Zalando ranks the Articles using a machine learning algorithm that learns continuously from onsite customer interactions how to rank all Articles to optimize the customer experience in the Zalando International Online Shops. The machine learning algorithm also provides for personal ranking outcomes differing for individual Customers based on personalized customer experience data. The algorithm favors Articles that lead to high-quality customer interactions, such as adding the Article to the cart or purchasing it. As part of this process, the algorithm factors in the context, such as the search term or the filters the customer has selected, along with explicit customer preferences and historical customer behavior, such as order history, in order to optimize the experience for the individual customer context. Apart from the previously mentioned aspects, the algorithm is amended if sale campaigns are active in order to enhance the sale specific customer experience.

5.1 Popularity sorting

Articles are sorted into four sections known as “buckets.” Within each distinct bucket the articles are ranked individually, and the Articles are displayed in this order starting from the top to the bottom bucket. The buckets are:

1. **Top items:** Articles that do not fall into any other bucket.
2. **Low-visibility Partner items:** Articles from Partners that fail to meet the minimum performance indicator requirements according to [CXM](#) (see [section 7.6](#); [Appendix A1](#)) are affected by the “low visibility” consequence. Partners’ CXM performance is driven by, amongst other things, the timeliness and reliability of delivery, cancellation rate, tracking coverage or order quality assurance.
3. **High-returning items:** Articles that are marked as a size offender or have a return rate that is higher than ~90% of comparable items.
4. **Low size availability items:** Articles that have a low number of sizes available. Only active if no sizing preference is available in the context.

If more than one condition is true for an Article, it is put into the lowest-ranked bucket.

5.2 Sale sorting

Articles are sorted into eight buckets. Each bucket is ranked individually, and the Articles are displayed in this order starting from the top to the bottom bucket. The buckets are:

1. **Discounted top items:** Discounted Articles that do not fall into any other bucket.

2. **Discounted low-visibility Partner items:** Partner Articles that are discounted and fail to meet the minimum performance indicator requirements according to [CXM](#) (see [section 7.6](#); [Appendix A1](#)) and are thus affected by the “low visibility” consequence. Partners’ CXM performance is driven by, amongst other things, the timeliness and reliability of delivery, cancellation rate, tracking coverage or order quality assurance.
3. **Discounted, high-returning items:** Discounted Articles that are marked as a size offender or have a return rate that is higher than ~90% of comparable items.
4. **Discounted items with low size availability:** Discounted Articles that have a low number of sizes available. Only active if no sizing preference is available in the context.
5. **Non-discounted top items:** Non-discounted Articles that do not fall into any other bucket.
6. **Non-discounted low-visibility Partner items:** All non-discounted Partner Articles that fail to meet the minimum performance indicator requirements according to [CXM](#) (see [section 7.6](#); [Appendix A1](#)) and are thus affected by the “low visibility” consequence as outlined above.
7. **Non-discounted, high-returning items:** Non-discounted Articles that are marked as a size offender or have a return rate that is higher than ~90% of comparable items.
8. **Non-discounted items with low size availability:** Non-discounted Articles that have a low number of sizes available. Only active if no sizing preference is available in the context.

If more than one condition is true for an Article, it is put into the lowest-ranked bucket. Each bucket is ranked using a machine learning algorithm similar to the popularity ranking.

5.3 New-in sorting

An Article is considered new during the first 28 days after its initial activation. In this sorting type, Articles are put into different buckets according to their age in days and are then ranked within the buckets using a machine learning algorithm similar to the popularity ranking.

5.4 Price ascending / descending sorting

In this variant, Articles are ranked by price in ascending order if ranking by lowest price is selected and in descending order if ranking by highest price is selected.

5.5 Sponsored Products

Zalando Marketing Services (ZMS) offers additional visibility of Articles in fixed slots (such as on catalog and search result pages) through a paid auctioning system that also uses context and, depending on the customers’ privacy settings, personal information.

6. Merchant selection

Merchant selection means choosing a specific designated Merchant for a Simple SKU if the product is available from multiple Merchants. The selected Merchant is the one permitted to sell the product in question on the Zalando International Online Shops. Merchant selection takes place at the level of size, which means that one size of a product can be sold by one Merchant while another size of the same product is sold by another Merchant.

There are two different modes in which Merchant selection can take place:

- wholesale mode
- price mode (also known as 'dynamic partner selection')

In each case, only available offers are considered. An offer can be considered unavailable if there are missing factors such as price information, stock information, stock itself, or product information.

If all criteria are applied across a particular mode and there is still a tie among Partners, the Partner whose randomly assigned 'merchant ID' comes first alphabetically is chosen as a fallback mechanism.

6.1 Wholesale mode

In wholesale mode, the designated Merchant is chosen as follows:

1. As long as Zalando Wholesale has stock, then Zalando Wholesale will win the offer.
2. If Zalando wholesale has no stock, then Partners using ZFS will win the offer.
3. If Partners using ZFS have no stock, then the remaining Partners will win the offer.

6.2 Price mode

Price mode is also known as 'dynamic partner selection'. In price mode, the designated Merchant is chosen as follows:

1. Merchant Tier: Partners are classified in two tiers based on their CXM performance reported daily (see [section 7.6](#)), or their Cancellation Rate (only Connected Retail Partners²). Partners with a good performance (in line with the CXM targets as specified in [Appendix A1](#)) are placed in the first tier, together with Zalando Wholesale and pure ZFS partners. The other Partners are placed in the second tier. Partners from the second tier are only considered if no Merchant from the first tier offers the product. For partners using both own fulfillment and ZFS in parallel ("Hybrid Fulfillment partners"), your ZFS products will now be on the first tier, and your own-fulfillment products will now be dependent on your CXM visibility outcome as described above.
2. Price: If there are multiple Merchants in the same tier, the one offering the absolute lowest price wins. Zalando can decide to apply the 5% threshold, in which case Partners not using Zalando Fulfillment Services will need to have a 5% lower price, compared to Partners using Zalando Fulfillment Services and Zalando Wholesale, to win the offer.

During price mode, if the same product article is also available with Zalando Wholesale or partners using ZFS, customers will also see an alternate option (apart from the default chosen merchant) wherein the article will be sold by Zalando wholesale or partners using ZFS.

6.3 Use of modes

² Connected Retail uses cancellation rate as the KPI to determine partner participation when pricing mode is switched on, to guarantee customer satisfaction is not harmed.

Wholesale mode is the default mode in the Zalando International Online Shops. The price mode can be used flexibly by Zalando in order to adapt the available supply to meet demand, for example during sale periods.

6.4 Rules Specific for Connected Retail Partners

6.4.1 Price Aggregation

If a multi-store Connected Retail Partner has different prices for the same Simple SKU across stock locations (i.e. physical outlets), Zalando will represent the Partner's offer at the lowest price. This is to ensure that only one price will be shown to Customers according to Zalando Merchant Selection rules mentioned above.

6.4.2 Order Allocation

When a Connected Retail Partner wins offer selection, a process will allocate the order to a specific store of the partner. The main goal of this process is to identify a single store that could consolidate *all or most* items in the order. This aims to improve the customer experience by delivering orders through as little parcels as possible. This applies mainly to Connected Retail multi-store partners.

7. Requirements towards the partners on Orders Fulfillment

If Zalando does not receive a cancellation or shipping notification within 72 hours after the Partner has been notified of the order, Zalando is entitled to cancel the order without this giving rise to any claims by the Partner against the customer or Zalando. Should this happen, such cancellations will be counted in the partner cancellation rate.

Zalando generally reserves the right to charge the partner for costs related to poor customer experience caused by the partner (eg. excessive customer care contacts - as detailed in section 7.3 -, or courtesy discount vouchers and replacement return labels issued by Zalando).

7.1 Order Cancellation

If the Partner cannot fulfill an order, the Partner must inform Zalando via the IT interface in 72 hours. Zalando will notify the customer and arrange a refund and offer a courtesy voucher if applicable. Partner's cancellation rate should not exceed a certain percentage, as specified in [Appendix A1](#).

In case of an elevated volume of order cancellations triggered by issues on the partner or integrator's side, Zalando reserves the right to charge the partner for the poor customer experience (eg. courtesy discount vouchers issued by Zalando, increased customer contacts, ...). When the actual costs of compensating for the poor customer experience cannot be assessed within a reasonable timeframe, Zalando may charge a lump sum for each cancellation.

If after the transmission of an order to the Partner, Zalando detects a risk of fraud, Zalando will forward this information to the Partner's customer service department. The Partner should then cancel the order if

still possible to do so. Such cancellations should be communicated to Zalando's Partner Care or Success Manager, for exclusion from the Partner's cancellation rate.

Similarly, a cancellation for another reason than the Partner Article being out of stock should be communicated to Zalando's performance manager, to be considered for exclusion from the Partner's cancellation rate if applicable.

7.2 Logistics

7.2.1 Authorized carriers

Last mile delivery and pick-up of returns must be performed by one of the logistics companies listed in [Appendix A3](#). Partners are otherwise free in their choice of logistic set-up to inject the delivery parcels in the chosen last mile carrier network.

A partner's last mile carriers are configured in Zalando systems during the onboarding process of each Shop country. Partners must inform Zalando of any change to their last mile carrier setup at least two weeks in advance of the scheduled change.

7.2.2 Authorized warehouse/stock locations

Partners must fulfill all orders for sales on an EU Partner Program market from an EU warehouse or stock location. It is prohibited to ship to customers on an EU Partner Program market from outside the EU.

7.2.3 Packaging

Partners must package items in appropriate outer packaging based on the size, type, and number of items being shipped. For items that must be protected from damage (see list of items in this [ZPU Article](#)), shipping in a cardboard box is required. For all other items, partners are free to use bags or boxes as appropriate. Packaging should be chosen to fit the size of the items being shipped, and the use of excessively large packaging should be avoided. As to avoid additional waste for the customer, additional packaging materials inside the parcel should be used only when necessary to protect the items being shipped. All items from an order should be shipped in a single parcel when possible to simplify the delivery experience for the customer. The use of third-party branded packaging (e.g. that of another online platform) is not permitted.

7.2.4 Shipment confirmation and tracking

As soon as a parcel has been shipped, the Partner must notify Zalando via their IT interface. This shipping notification must take place within 12 hours after shipping, and include both:

- the delivery tracking number of the shipping parcel
- the return tracking number of the return label inserted in the shipping parcel.

The share of shipment confirmations including both the correct delivery and return tracking number must remain above a minimum threshold as specified in [Appendix A1](#).

7.2.5 Delivery time

Delivery performance is measured via the KPI *Delivery On Target* (DoT).

- Orders delivered end to end by the Partner must be delivered to customers within the country-specific target number of working days, counted from **when the export of the order is approved by Zalando and made available** to the Partner until the first delivery attempt (home delivery) or delivery at the pick-up point.
- Orders delivered via Zalando Shipping Solutions (ZSS) must be delivered to the Outbound Parcel Sorting Center (OPSC) within the target number of working days, counted from **when the export of the order is approved by Zalando and made available** to the Partner.

The minimum achievement thresholds and related target number of days are specified in [Appendix A1](#) and [Appendix A2](#).

7.2.6 Reimbursement time

Return performance is measured via the KPI *Reimbursement On Target* (RoT).

- Returns managed end-to-end by the Partner must be processed within the country-specific target number of working days, counted from the **time the return was initiated with the carrier parcel pick-up by the carrier** until Zalando receives the return confirmation from the Partner.
- Returns delivered to the Partner warehouse via Zalando Shipping Solutions (ZSS) must be processed by the Partner within the target number of working days, counted from the delivery of the parcel to the Partner warehouse. This does not apply to partners integrated via Tradebyte, for which the whole return processing is managed by Zalando.
- Returns processed end-to-end by Zalando Return Solutions (ZRS) are excluded from reimbursement time.

The minimum achievement thresholds and related target number of days are specified in [Appendix A1](#) and [Appendix A2](#).

7.2.7 Forward **of address for** wrongly returned articles

As specified in the Partner Agreement (section 4 **5.3 of the agreement**), if the customer returns to a Partner a non-Partner article, or a Partner article belonging to another Partner, the receiving Partner must forward the wrongly returned articles to **Zalando on a weekly basis. The relevant to the following addresses depends on the market in which the order was placed. as specified by Zalando on this dedicated zPU article.** Before proceeding with any such forward, the receiving partner should also inform the relevant CuCa team for the market in which the order was placed. All the relevant contact details and forward addresses are specified in this **dedicated zPU article.**

For any of the Partner items received by Zalando warehouse, either from a Partner or directly from the customers, Zalando will perform a quality check and will refund customers for the compliant returns on behalf of the Partner, ahead of forwarding them to the right Partner.

7.2.8 100-day return policy

As specified in the Partner Agreement (section 4.1 of the agreement), the sales contract between Customer and Partners is based on the General Terms and Conditions of the respective Zalando International Online Shop. As such, Partners must comply to the specified return policy of

- 30 days for orders shipped to Switzerland and Austria.
- 100 days for all other markets

The days are counted from (i) the date the customer receives the article, until (ii) the date the customer sends back the returned article, not the date when the parcel is physically received by the Partner. In case of dispute around this count, Zalando will refer to the timestamps provided by the carriers:

- I. date of actual delivery to the customer by the delivery carrier (in case of delivery to a pick-up point: date when the customer picked-up the parcel)
- II. date of pick-up of the return parcel by the return carrier

Shall Customer return articles past the 100-day (or 30-day in CH and AT) return policy that are not subject of a reclamation, Partners are entitled to refuse to refund Customer. In such cases Partners should inform CuCa **immediately** of their refusal to refund Customer due to return initiated past the return policy **no later than 2 working days after arrival of the return at the Partner's warehouse**. CuCa will instruct Partners whether they can dispose of the refused articles or should return them to the customer at their own expense.

7.3 Customer Care

Zalando's customer service team (Zalando Customer Care or CuCa) will handle any customer inquiries. If a customer contacts the Partner, the Partner is required to redirect the customer request to Zalando Customer Care. If a customer requests information that the Zalando Customer Care does not have and cannot access (e.g. status of Partner returns), Zalando Customer Care will contact the Partner's customer service.

Partners are required to have at least one customer service representative available from 9am to 8pm, Monday through Saturday, via phone and email. All written inquiries should be responded to within 24 hours.

Partners are committed to provide Zalando with at least one escalation contact for Zalando Customer Care (contact person's email and phone number). Partners are responsible for ensuring that the escalation contact is known and up to date on Zalando's side.

Upon request, the Partner's customer service team must issue a new return label or an invoice in order to process customer requests. Invoices must be made available upon request for a minimum time period of one year, counting from the order date. No further information than the order number will be provided by Zalando Customer Service for such requests. Please note that Zalando is not positioned to support Partners with tax advice.

Zalando monitors the volume of CuCa contacts generated by the Partner orders with regard to the average volume of contacts generated in the Zalando International Online Shops. Partners that have a high CuCa Contact Rate will be flagged and, depending on the severity of the impact over the customer experience will be downsorted or deactivated. In case of an elevated volume of CuCa contacts, Zalando will reserve the rights to charge the Partners for handling cases exceeding defined market-specific thresholds. Market targets will be made available on ZPU, and a monitoring system will be provided for partners to track CuCa contact volumes continually.

7.4 Manual Refund

Zalando wants to ensure that we meet our Customer promises and adhere towards our obligations to the Customers. This involves compensating Customers in the events of

- not receiving their order,
- not receiving the refunds for their returns,
- product reclamations.

Manual Refunds are reimbursements that Zalando grants to Customers in case of justified complaints (logistic related or article complaints). In case these complaints are related to the delivery or return of Partner Articles fulfilled by a Partner with their own fulfillment and contract, Zalando is entitled to reimburse Customers on behalf of the Partner since *(partial) loss and/or damage to Partner Articles during transportation to/from Customer* lies within the liability of the Partner (see liability clause in Partner Agreement).

The manual refund amounts are deducted from the Partner invoice. Partners that operate under Single Seller-Business-Model will receive a detailed invoice about orders, returns and return-related manual refunds together with their monthly payouts.

Before issuing manual refunds to our customers, Zalando is conducting a number of validations to ensure we protect Zalando and our partners' interests. In particular, we apply the following procedures:

- Review of the order status based on available tracking information and advising customers for patience where the delivery/return requires operational time for the logistics handling to be completed.
- Customer screening facilitated by a machine learning technology that takes into account different factors from the Customer shopping history
- Continuous monitoring of fraud behavior in order to respond to any new appearing trends and applying fraud countermeasures in real time.

In the case of **deliveries** (whether it is a completely missing parcel or missing items), or in case of **returns** (whether it is a completely missing return or customer complaint about only partial refund) Zalando will check all available tracking information and reach out to the Partner if any clarification is required. If a clarification was required but no response is provided by the partner within the established inquiries response time described in [section 7.3 Customer care](#), Zalando reserves the right to make a decision to reimburse the Customer on the Partner's behalf. In case of any doubt Zalando would apply its standard fraud countermeasures and, if necessary, request a written confirmation from the Customer and forward it to the Partner.

In the event of returns by the customer to the partner that are the subject of a reclamation, the partner must book the products as a regular return. Zalando will reimburse the customer for the costs and the Partner will be informed upfront that they will receive the faulty item back. In accordance with European consumer law, Partner bears the burden of proof to have delivered an accurate product within the reclamation period of one year. Should the partner not book the products as returned, Zalando has the right to trigger a manual refund, which will be later charged to the partner.

Should the Partner receive a returned article that shows signs of usage or wear while not having been informed by CuCa that this article would be returned upon a reclamation, Partner should notify **immediately the relevant CuCa team for the market in which the order was placed no later than 2 working days after arrival of the return at the Partner's warehouse**, providing the order number, article SKU and photos of the used or worn item. More generally the Partner should **immediately inform CuCa no later than 2 working days after arrival of a return at the Partner's warehouse** of any concern with **athis** return (e.g. empty box received, **non-partner article returned**, counterfeit article returned, article returned beyond the 100-day return policy, ...). The CuCa team will investigate the matter and instruct the Partner how to proceed: either book the returned articles, not book the returned articles but send them back to the customer at the Partner's expense, or not book and dispose of the refused articles.

Please note that logistic related Manual Refunds in this section only apply to Partners with their own fulfillment (ZFS, ZRS, ZSS are excluded) and contract with the carrier (Connected Retail Umbrella and DHL-Nummernkreis contracts are excluded).

7.5 Order quality

The Partner is required to meet the order quality requirements listed in [Appendix A4](#),

These requirements are focusing on the delivery documentation and delivery experience (of which delivery note, invoice, shipping label, working tracking links, delivery by a compliant carrier), packaging, and return experience (of which accurate return instructions, working return labels, correct return tracking numbers, return by a compliant carrier).

Zalando is entitled to place a test-order at any point of time to validate the Partner compliance with these requirements. If non-compliance is identified, a dedicated test-order report will be issued to notify the Partner of the findings, related consequences (see below), necessary corrective actions, and deadline for correction.

The requirements are split into two categories - *Blockers* and *Downsorters*, depending on the gravity and consequences of non-compliance, as indicated in the table below.

	New sales channels (Zalando international online shops)	Existing live sales channels (Zalando international online shops)
Blocker requirements	Go-live suspended	- Immediate low visibility - Deactivation if not fixed within 15 days sone month
Downsorter requirements	Low visibility if not fixed within one month	- Immediate low visibility

No consequences will be applied before the related test-order report is sent to the Partner.

To revert the consequences resulting from such non-compliance, the Partner is required to notify Zalando of the issue resolution and request a follow-up test-order. Once the new check confirms the correction of the finding(s), any previous consequences will be immediately reverted.

7.6 Customer Experience Model (CXM)

The CXM is a monitoring tool measuring Partners' performance against a set of KPIs representative of the customer experience on Zalando:

- CXM applies to all Partner's dropship sales channels live on Zalando.
- CXM thresholds on DoT, RoT and MCR are applicable to Connected Retail partners as listed in Appendix [A1](#) and [A2](#). Failure to comply with these thresholds will result in consequences impacting sales and could also lead to deactivation.
- CXM does not apply to ZFS sales channels.

Failure of partner program partners to comply with the minimum requirements ("CXM target") listed in [Appendix A1](#) on any KPI in a country may result in a temporary exclusion from Price Mode (when activated) or lower visibility. Deactivation is considered where the Deactivation risk / Deactivation threshold is triggered in line with Appendix 1 with regard to Partner Articles in this country.

Changes to any CXM rules, KPIs or targets are communicated to Partners upfront via a banner in zDirect CXM Module and in this [dedicated ZPU article](#). A grace period is always included to allow Partners to familiarize themselves with new or changed KPIs or targets.

Any operational incident impacting the monitored KPI should be reported via the form provided for this purpose. Depending on the matter's nature (one-time vs recurring) and impact, CXM consequences may be mitigated accordingly.

Detailed explanations and introductory videos about the CXM KPIs and performance review process are available on the Zalando Partner University, in section [Customer satisfaction and CXM](#).

7.7 Processing costs

Zalando is entitled to charge the Customer additional costs incurred for the processing of a purchase (e.g. should this be below a minimum order value), which Zalando alone can determine at its discretion (billiges Ermessen) and benefit.

8. Data Access

The data access section is split between Partner Program and Connected Retail.

8.1 Partner Program

8.1.1 Personal Data

Partners have access to **personal data** of **Customers** to be used when a Customer purchases Partner Articles. Data access is limited to the extent necessary to fulfill the purchase contract, i.e., to issue invoices, make shipping arrangements and take care of returns and complaints. Personal data involves the Customer name and shipping/invoicing address along with data contained in the order itself (such as shoe or clothing sizes).

In addition to having access to **Customer's personal data** as mentioned above, **Zalando** has access to Customers' payment information. Zalando also receives data about the status of any order, e.g., timestamps for shipping and return from the Partner.

In addition, Zalando has access to data on the Customer's behavior while on Zalando sites. This includes purchases from Zalando, the Partner and any other partners as well as other on-site behavior like product detail page views, Articles added to the wish list and shopping cart, etc. For full details regarding the personal data to which Zalando has access, please see our [Privacy Policy](#).

Zalando also collects **personal data** of its **Partners'** contacts. These data may include names, email addresses and company names.

8.1.2 Other Data

8.1.2.1 Data Access for Partners

Zalando provides different tools for **Partners** in order to analyze their performance and success in the Zalando International Online Shops.

zDirect

zDirect is a Partner-facing portal that is offered to Partners to manage their Partner Program business on Zalando. All **Partners** have free access to zDirect, which provides aggregated insight into key performance indicators such as the following:

- Sold Items before return
- Expected return rate
- Platform benchmark for estimated return rate
- Size related return rate
- Platform benchmark for size related return rate
- Returned articles
- Return rate
- Total Sellable Stock
- Total ZFS Stock (including Offerable and Non-Offerable Stock)
- Size availability rate
- PDP views
- Add to basket
- Conversion rate
- First date on offer for an article

- Days on offer
- Week on week sales benchmark
- Cancellation rate
- Tracking coverage
- Delivery on Time rate
- Reimbursement on Time rate
- Forecast NMV for potential market to internationalize
- In case of advertising: sponsored product advertisement related attributed performance metrics broken down by article, market, ad location and time

Partners can also use zDirect to access their entity-related data, including commissions, all Partner Articles onboarded, order-related data, sales-related data such as NMV and returns, on-site data on Zalando apps and website, post-delivery customer experience data and scores like delivery time and reimbursement time, along with ZFS (Zalando Fulfillment Services) reports where applicable.

ZMS Ad Manager

The self-service marketing module allows you to create your advertising campaign on Zalando in less than five minutes, to drive your brand impact, sales performance and acquire new customers.

Within the ZMS Ad Manager you can easily set up both branding and performance campaigns, and track how many orders are being generated as a direct result of your campaign, on top of your organic orders.

Sponsored Product campaigns allow partners to increase the sales performance for their assortment in the Zalando catalog pages and on other product-based placements such as the Product Detail page (PDP). The primary goal of this format is to drive product visibility and sales. Sponsored Brand Collection campaigns enable partners to increase the visibility of their collections and brand on the Zalando Home page. The primary goal of this format is to drive visibility and brand impact along the customer journey leading to increased brand awareness and customer engagement .

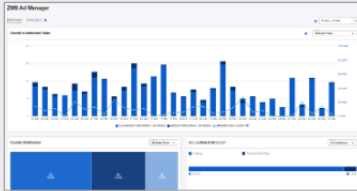
The ZMS Ad Manager allows you to monitor your campaign performance for branding and performance campaigns with the specific campaign dashboards on zDirect where data is updated on a daily basis. The charts below provide an overview of available metrics (with break down options by market, article, ad location or time):

Campaign Monitoring & KPIs

Monitor your campaigns and performance

Monitor your campaign performance across three tabs where **data is updated on a daily basis**

Compare Campaign impact with Dashboards



Monitor the impact of your campaigns in simple view that shows that orders generated by your campaign in comparison to your organic orders.

See an overview of your Campaigns

See an overview of all your current and past campaigns and understand your campaign performance including important campaign KPIs [Here you find a full KPI overview](#).

Check the performance of various Articles

Look at the performance of each article promoted within the campaign and analyse your best performing articles to derive any necessary measures to optimize your performance.



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ZMS Ad Manager Introduction

Ad Format & Specifications

Campaign Setup & Management

Campaign Monitoring, KPIs & Insights

Further FAQs

Performance

Campaign Monitoring & KPIs

Further analysis of results: by country, by daily performance and further tips

Country Tab

Analyze your campaign by markets, if you run it across different countries.

Country	Attributed Sales	Ad Impressions	Ad Clicks	Attributed GRV	Budget Spent	CTR	ROAS	ACoS	QPC
Overview From 12 weeks	35 Total	287,372 Total	1,990 Total	€1,459.55 Total	€920.15 Total	0.74% Average	5.58 Average	17.93% Average	€5.31 Average
🇦🇹 Austria - AT	29	191,809	1,415	€2,389.01	€498.23	0.72%	5.32	18.10%	€3.26
🇳🇱 Netherlands - NL	6	95,573	575	€638.84	€131.92	0.83%	6.92	15.36%	€3.23

Day Tab

Analyse your campaign results based on your daily performance

Day	Attributed Sales	Ad Impressions	Ad Clicks	Attributed GRV	Budget Spent	CTR	ROAS	ACoS	QPC
Overview From 12 weeks	81 Total	295,808 Total	2,791 Total	€1,836.01 Total	€972.23 Total	0.94% Average	4.40 Average	22.72% Average	€6.31 Average
01 Jun 2021	7	23,972	200	€372.00	€65.45	0.83%	5.68	17.60%	€5.33
02 Jun 2021	6	21,400	186	€427.00	€59.10	0.86%	7.36	13.50%	€5.31
03 Jun 2021	2	28,137	196	€124.98	€62.80	0.70%	3.98	90.28%	€5.32
04 Jun 2021	3	25,122	184	€163.88	€64.48	0.73%	3.54	38.37%	€5.35

Tips for further Analysis

- **Sorting of KPIs across the entire app**
You can sort data tables based on different KPIs. This allows you to see your top sellers, most profitable days, or whatever matters most to you. This way you gain valuable insights tailored to your needs.
- **Download the reporting data**
Within the reporting section of a specific campaign, you find a "Generate Report" button at each table. This allows you to download reporting data as CSV files (Comma Separated Values) for further analysis.



Campaign Monitoring & KPIs

Further analysis of results: by country, by daily performance and further tips

Country Tab
Analyze your campaign by markets, if you run it across different countries.

Country	Budget spent	Ad Spend	CPC	CTR	ROAS	Ad-to-Wallet	Ad-to-Sale
Overview	€ 1.00	€	€ 0.00	0.00%	0	0	0
Germany	€ 1.00	€	€ 0.00	0.00%	0	0	0
France	€ 0.00	€	€ 0.00	0.00%	0	0	0
Spain	€ 0.00	€	€ 0.00	0.00%	0	0	0

Device Tab
Analyze your campaign results on the Zalando Website and App

Device	Budget spent	Ad Spend	CPC	CTR	ROAS	Ad-to-Wallet	Ad-to-Sale
Overview	€ 1.00	€	€ 0.00	0.00%	0	0	0
Desktop	€ 0.00	€	€ 0.00	0.00%	0	0	0
App	€ 1.00	€	€ 0.00	0.00%	0	0	0
Mobile	€ 0.00	€	€ 0.00	0.00%	0	0	0

Carousel Articles Tab
Analyze the performance of each article you've added to the carousel

Article	Ad Spend	ROAS	Ad-to-Wallet	Ad-to-Sale
Overview	1.00	1.18	124	229
1211044: Borussia Dortmund (Zalando)	20	43	9	11
1212101: Bayern Munich (Zalando)	146	109	11	11
1214021: Bayern FC (Zalando)	36	108	9	7
1214016: Borussia Dortmund (Zalando)	42	104	7	11
1211488: Borussia Dortmund (Zalando)	102	104	7	8

Tips for further Analysis

- **Sorting of KPIs across the entire app**
You can sort data tables based on different KPIs. This allows you to see your top sellers, most profitable days, or whatever matters most to you. This way you gain valuable insights tailored to your needs.
- **Download the reporting data**
Within the reporting section of a specific campaign, you find a "Generate Report" button at each table. This allows you to download reporting data as CSV files (Comma Separated Values) for further analysis.



Campaign Monitoring & KPIs
KPI overview

ZMS Ad Manager KPIs

- The KPIs on the right side help you to evaluate your campaign success from a sales and marketing point of view.
- These campaign metrics are updated once a day in the ZMS Ad Manager.

KPI	Description
Attributed Sales	The number of sales created by your campaign, on top of your organic orders (before returns). Non attributed sales represent your organic Zalando sales.
Ad Impressions	How many times your products were displayed on Zalando based on the campaign
Ad Clicks	Number of clicks on the sponsored articles
Attributed GMV	GMV which was generated by your ZMS Ad Manager campaign within 14 days after generated clicks (before returns). Non attributed GMV represents your organic Zalando GMV next to the campaign.
Budget Spent	Campaign budget spent so far in EUR which will be billed
CTR	Click-through-rate on the sponsored articles (Ad Clicks/Ad Impressions * 100)
ROAS	Return on Ad Spend = how much revenue is generated for each EUR invested (Attributed GMV / Budget spent)
ACOS	Advertising Cost of Sales = how much cost is incurred for every EUR of revenue earned
CPC	Cost per click on the promoted items (Budget spent / Ad clicks)

CXM Performance

The Partner can access their daily visibility and KPI performance (delivery and return performance, tracking coverage, and latest Order Quality Assurance result if applicable) via Customer Experience Model tab within the Orders Module on zDirect.

8.1.2.2 Data access for Zalando

Zalando uses the same set of data to provide all the tools and reports discussed above. Zalando can also use the personal data to which it has access (see [section 8.1.1](#)) to glean insight at the Config SKU level in relation to aspects such as product gender preference and more.

Within Zalando, Category Management has access to limited and selected KPIs on Partners' business in the Partner Program. Category Management is tasked with supporting Partners in planning and steering the Partner Program business, optimizing operations and providing a holistic offering to the customer. Data access is limited to the scope necessary to achieve these aims in practice.

8.1.3 Data Sharing with Third Parties

Zalando shares data only where necessary in order to provide the Zalando International Online Shops. The third parties with which data is shared may include providers of technical services such as cloud storage and integrators that are engaged by Partners in order to integrate with the Zalando International Online Shops.

8.2 Connected Retail

8.2.0 Stock Feed Integration specific to Connected Retail Partners:

Connected Retail offers an Application Programming Interface called Fashion Connector Importer (FCI). Connected Retail Partners must send its inventory information (e.g. stock, quantities) periodically and in the compliant format via FCI.

For further information please check: <https://docs.partner-solutions.zalan.do/en/index.html>

8.2.1 Personal Data

Connected Retail Partners have access to **personal data** to the same extent as Partner Program Partners. Please refer to [8.1.1](#) for details.

8.2.2 Other Data

8.2.2.1 Data access for Partners

Zalando provides different options for **Partners** to access data in order to analyze their performance and success in the Zalando International Online Shops.

Sales reports

All Partners can receive upon request a free daily, weekly, and monthly sales report that includes sales data (e.g., order date, order number, EAN, price, order status (returned, canceled), tracking number). Once the sales report is generated, it will be available for download for a period of 90-days and will be deleted after that. Partner is expected to download the reports when generated to keep historical reports.

Connected Retail Tool

In addition to the sales reports, all Partners have free access to the Connected Retail tool, which allows each Partner to access more statistics, including sales totals before and after cancellation, average completion time, cancellation rate, average basket value, value of returns, reaction and received versus completed orders. Invoices are provided for each order fulfilled and credit notes for orders with a processed return.

Management Tool

Order data, Inventory Data, Reporting tool, high return article data and store specific data.

Order Events API

All Partners can set up a webhook to receive order notifications on the order state changes. This can contain information such as:

- order information: order id, order number, order state
- store information: store id
- order lines: ean, price, currency, article number, article location, return reason
- delivery details: correct delivery tracking number, delivery carrier name, correct return tracking number, return carrier name
- customer billing address: firstname, last name, address, zip code, city, country code.

More details can be found [here](#).

ZMS AdManager

Partners can also gain access to ZMS Advertising Module if certain conditions are met. For details, please refer to [8.1.2.1](#) (“ZMS AdManager”).

8.2.2.2 Data access for Zalando

Zalando has access to all of the metrics mentioned above. Zalando compiles statistics based on these data and is happy to provide these statistics to Partners upon request.

8.2.3 Data sharing with third parties

Connected Retail shares data with third parties to the same extent as the Partner Program. For details, please refer to [8.1.3](#).

9. Internal complaint handling

Zalando’s Partner care team is responsible for handling all Partner inquiries and complaints. Partners are welcome to submit any issue via the central Partner care support email: partner-care@zalando.de.

Additionally, Partner Program Partners are provided with a Zalando Partner University (ZPU) account login before beginning their integration process. Once logged in to the [ZPU](#) knowledge base, Partners have the option to either chat with an expert from the Partner care support team or contact Zalando via the request form to submit the issue.

To submit an official complaint, Partners must use the form on [this page](#) on the zPU.

When a Partner contacts us via any of the channels mentioned above (email, ZPU contact form), the Partner care team issues an initial response to all written Partner inquiries within 24 hours, Monday through Friday from 9 a.m. to 5:30 p.m.

Any disputes that may arise can be settled out of court with one of the following external mediators mentioned below:

<p>Sathees Sabaratnam Geschäftsführender Partner</p> <p>DWM Wirtschaftsmediation GmbH</p> <p>Tel: +49 172 81 99 762 Email: sabaratnam@d-wm.de</p>	<p>Dr. Sarah Athena Babaian Verhandlungsexpertin, Juristin & Wirtschaftsmediatorin</p> <p>SB Negotiation & Conflict Consulting</p> <p>Tel: +49 176 627 075 91 Email: info@sarahbabaian.de</p>	<p>Oliver Knura CEDR Accredited Mediator, Wirtschaftsmediator (IHK)</p> <p>Ponschab + Partner Mediatoren PartG</p> <p>Tel: +49 69 977 86 300 / +49 171 524 05 96 Email: p2b@ponschab-partner.com</p>
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External mediators are third party service providers: reaching out to mediators entails costs that Zalando and the partner will split equally.

APPENDIX

A0 Business Terms & Conditions

Country	Web address	Business to Customer Terms & Conditions
Austria	www.zalando.at	https://www.zalando.at/zalando-agb/
Belgium	www.zalando.be	https://www.zalando.be/zalando-algemene-voorwaarden/
Croatia	www.zalando.hr	https://www.zalando.hr/zalando-uvjeti-i-odredbe/
Czechia	www.zalando.cz	https://www.zalando.cz/obchodni-podminky
Denmark	www.zalando.dk	https://www.zalando.dk/zalando-handelsbetingelser/
Estonia	www.zalando.ee	https://www.zalando.ee/zalando-tingimused/
Finland	www.zalando.fi	https://www.zalando.fi/zalando-yleiset-sopimusehdot/
France	www.zalando.fr	https://www.zalando.fr/zalando-cgv/
Germany	www.zalando.de	https://www.zalando.de/zalando-agb/
United Kingdom	www.zalando.co.uk	https://www.zalando.co.uk/zalando-terms/
Ireland	www.zalando.ie	https://www.zalando.ie/terms/
Italy	www.zalando.it	https://www.zalando.it/zalando-cgv/
Latvia	www.zalando.lv	https://www.zalando.lv/zalando-noteikumi-un-nosacijumi/
Lithuania	www.zalando.lt	https://www.zalando.lt/zalando-salygos-ir-nuostatos/
Luxemburg	www.fr.zalando.be	https://fr.zalando.be/zalando-cgv/
Netherlands	www.zalando.nl	https://www.zalando.nl/zalando-algemene-voorwaarden/
Norway	www.zalando.no	https://www.zalando.no/generellevilkar/
Poland	www.zalando.pl	https://www.zalando.pl/zalando-regulamin/
Slovakia	www.zalando.sk	https://www.zalando.sk/zalando-obchodne-podmienky/
Slovenia	www.zalando.si	https://www.zalando.si/zalando-pravila-in-pogoji/
Spain	www.zalando.es	https://www.zalando.es/zalando-cgc/
Sweden	www.zalando.se	https://www.zalando.se/aav/
Switzerland	www.zalando.ch	https://www.zalando.ch/zalando-agb/

A1 Overview of CXM requirements

- CXM target = Partners should aim to have KPI performance better than the thresholds
- LV = Low Visibility and Price Mode exclusion threshold
- DR/D = Deactivation risk or Deactivation threshold
- See table A2 for the country-specific logistics targets for the KPIs DoT and RoT

KPI	Section	Short Description	LV	DR/D
Cancellation Rate	6.1	Share of articles canceled by Partner	>1%	>1.2%
Tracking coverage	6.2.3	Share of shipment confirmations including both correct delivery and return tracking numbers	<98%	<95%
DoT - non ZSS delivery	6.2.4	Share of orders delivered within the country target number of working days	<95%	<90%
DoT - ZSS delivery	6.2.4	Share of orders delivered to the OPSC within 2 working days	<95%	<90%
RoT - non ZSS return	6.2.5	Share of returns processed within the country target number of working days	<95%	<90%
RoT - ZSS return ³	6.2.5	Share of returns processed within 2 working days after delivery to the partner	<95%	<90%
Order Quality	6.5	Compliance to requirements listed in A4	See 6.5 and A4	

A2 Country specific logistics targets

WD = Working Days = all weekdays except Sundays and national public holidays

Shop	Delivery time in WD	Reimbursement time in WD	Saturday excluded
AT	5	8	no
BE	5	8	no
CH	5	9	no
CZ	5	8	no
DE	4	8	no

³ Not applicable to partners using ZSS for returns and integrated via Tradebyte.

DK	5	8	yes
ES	6	8	yes
FI	7	10	yes
FR	6	8	no
UK	7	12	no
IE	7	10	yes
IT	5	8	yes
NL	4	8	no
NO	6	12	yes
PL	5	8	yes
SE	6	8	yes
SK	5	8	yes
SI	5	8	yes
HR	5	8	yes
LT	5	8	yes
LV	5	8	yes
EE	5	8	yes
HU	5	8	yes
RO	5	8	yes

A3 Authorized carriers

The authorized carriers listed below are the Last Mile Carriers (LMC) approved for each shop country. LMCs are the carriers directly interacting with the end customer (delivery to home or pick-up point shops, for returns our customers can bring their returns to LMC drop-off points).

Local First Mile Carriers (e.g. PostAT) and international carriers (e.g. DHL International and DHL eCommerce) offering delivery to other countries often work with international networks for the Last Mile Carrier. The use of international networks is permitted when the last mile carrier used in their network matches the authorized list below for each of delivery and return. Kindly reach out to your local or international carrier to validate if they work with the approved LMCs listed below.

Where a local FMC or international carrier has been used, the return flier included in the delivery documentation must clearly indicate the authorized last mile carrier(s) to which the customer may drop off

their return parcel. Please include this information on your own return flier, or using the templates offered by Zalando.

Only one (1) last mile delivery carrier may be enabled per Shop country due to technical integration constraints. The use of multiple delivery carriers or carrier products in a single country is not allowed.

Carriers marked in red are authorized only for delivery. Where a local or international carrier offers delivery with an authorized carrier, but does not use one of the authorized return carriers in that country, the partner is responsible to enable an authorized return carrier. You may also check if Zalando Return Solutions (ZRS) or Zalando Shipping Solutions (ZSS) are available in that country.

Notes

- For DHL, only DHL Parcel (Paket) is approved. DHL Express and DHL Economy Select are not approved. Please note restrictions on DHL International and DHL eCommerce as described above.
- Market expansions in Poland and Czech Republic are recommended through Zalando Fulfillment Solutions (ZFS) or Zalando Shipping Solutions (ZSS).
- Market expansions in Lithuania, Latvia, Estonia, Slovakia, Slovenia, Croatia, Hungary and Romania are recommended through ZFS.

Shop country	Last mile carrier	Authorized for		Delivery options	
		Delivery	Return	Mandatory	Optional
Germany	DHL Paket	x	x	Home	Packstation
	Hermes**	x	x	Home	PuP
	DPD**	x	-	Home	-
	GLS	x	x*	Home	-
Switzerland	Swiss Post (Post CH)	x	x	Home	PuP
Austria	Post AT	x	x	Home	PuP
	DPD**	x	-	Home	-
Netherlands	Post NL	x	x	Home	PuP
	DHL Parcel	x	x	Home	-
	DPD**	x	-	Home	-
Belgium (incl. Luxembourg)	BPost	x	x	Home + PuP	-PuP
	UPS**	x	-	Home	-
	DPD**	x	-	Home	-
France	Colissimo	x	x	Home	PuP
	Chronopost**	x	x	Home	PuP
	Colis Prive**	x	-	Home	-
	UPS**	x	-	Home	-

United Kingdom	Evri (formerly Hermes)	x	x	Home	PuP
Ireland	AnPost	x	x	Home	-
	Fastway	x	x	Home	PuP
Sweden	PostNord	x	x	PuP	Home**
Denmark	PostNord	x	x	Home + PuP	-
	Bring	x	x	Home + PuP	-
Finland	PostNord	x	x	PuP	Home**
Norway	PostNord	x	x	PuP	Home**
Poland	DHL Parcel	x	x	Home	PuP
	DPD**	x	-x	Home	PuP
	InPost**	x	-	Home	PuP
Italy	SDA (Poste Italiane)	x	x	Home	PuP
	UPS	x	-	Home	-
	Bartolini**	x	-	Home	-
Spain	Celeritas**	x	x	Home	PuP
	Correos	x	x	Home	-
	Seur**	x	-	Home	-
	DHL Parcel**	x	-	Home	-
Czech Republic	PPL	x	x	Home	PuP
	Ceska Posta	x	x	Home	-
Lithuania	Itella (Posti)	x	x	Home	PuP
Latvia	Itella (Posti)	x	x	Home	PuP
Estonia	Itella (Posti)	x	x	Home	PuP
Slovakia	Slovak Post	x	x	Home	PuP
Slovenia	Slovenia Post	x	x	Home	PuP
Croatia	Croatia Post	x	x	Home	PuP
Romania	FAN Courier	x	x	Home	-
Hungary	GLS	x	x	Home	PuP

*only applies to Connected Retail

**Excluded for Connected Retail

Zalando's aim is to ensure that customers have a consistent experience for all of their Zalando orders with easy delivery and returns, therefore partners must ensure the customer-facing carrier (last mile carrier) for deliveries and returns is in line with our matrix. The first mile and international linehaul setup is

entirely decided upon by you. For further information, please reach out to the respective carrier directly.

Partners are responsible for all negotiation and agreement with the carrier regarding pricing, service, and terms & conditions; with the exception of partners who have opted for a ZFS/ZRS/ZSS offering.

Zalando is entitled to nominate other logistics providers and update this carrier list at its discretion and with 90 days' advance notice.

A4 Order Quality Requirements

All Partners are required to comply with the following order quality requirements which are classified into blockers and downsorters according to their impact on customer experience.

Explanation about all order quality requirements applicable for Connected Retail and Partner Program Partners can be found in [zPU](#).

I. Order Quality Requirements for Partner Program

Requirement	Commodity Group	Category	Blocker	Downsorter
Zalando order number must be present & correct.	ALL	All Delivery Documents	x	
Zalando FAQ link must be present & correct (customer care contact details, e. g. hotlines, email addresses, availability hours shall not be used).	ALL	All Delivery Documents		x
Zalando bank information must be correct.	ALL	All Delivery Documents	x	
Delivery documents must be written in the correct and consistent language.	ALL	All Delivery Documents		x
Gender-specific salutation shall not be used in the documentation included in the parcel and shall not be used on the carrier labels.	ALL	All Delivery Documents		x
Delivery documents must be provided in undamaged, clean and proper condition.	ALL	All Delivery Documents		x
Return instructions must be present, correct & complete.	ALL	Return Note		x
Article information must be pre-printed (e. g. article number, article name, size, color, etc.).	ALL	Return Note		x

Return label must be present & correct.	ALL	Return Label	x	
Outer packaging must be a cardboard box (= NOT a plastic or a paper bag).	Hats, glasses, watches, jewelry, hanging garment, beauty, multiple shoes in shoeboxes	Packaging		x
Price on the article hang tag must be in line with the Zalando shop price and the delivery documents.	ALL	Article		x
Customer name and address must be printed correctly and completely (incl. c/o information).	ALL	Shipping Label	x	
Call-for-action advertisements shall not be used / included in the parcel.	ALL	Advertisement	x	
Working delivery tracking link must be provided to the customer.	ALL	Outbound Tracking Link	x	
Correct return tracking number must be provided to the customer and to Zalando.	ALL	Return Tracking Number		x
Partner must cooperate with the Zalando approved logistics providers for outbound and return.	ALL	Carrier	x	

II. Order Quality Requirements for Connected Retail

For Connected Retail, the order quality requirements are limited to parameters that lie within the Partner's sphere of control. Since, for instance, preparation and provision of delivery documents and carrier labels is facilitated by Zalando or an affiliated company, the requirements in relation to these documents are limited to the undamaged, clean and proper presence of these documents in the parcel.

Requirement	Commodity Group	Category	Blocker	Downsorter
Delivery documents must be provided in undamaged, clean and proper condition.	ALL	All Delivery Documents		x
Return label must be present & correct.	ALL	Return Label	x	
Outer packaging must be a cardboard box (= NOT a plastic or a paper bag).	Hats, glasses, watches, jewelry, hanging garment, beauty, multiple shoes in shoeboxes	Packaging		x

Price on the article hang tag must be in line with the Zalando shop price and the delivery documents.	ALL	Article		x
Customer name and address must be printed correctly and completely (incl. c/o information).	ALL	Shipping Label	x	
Call-for-action advertisements shall not be used / included in the parcel.	ALL	Advertisement	x	
A notification about any (outbound) carrier related changes must be sent to and approved by Zalando prior to the change becoming effective to enable Zalando to provide a working outbound tracking link to the customer.	ALL	Outbound Tracking Link	x	
A notification about any (return) carrier related changes must be sent to and approved by Zalando prior to the change becoming effective to enable Zalando to provide a correct return label and return tracking number to the customer.	ALL	Return Tracking Number		x

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