



PAYGo PERFORM KPI Working Group

Company Indicators

What is your sales model

	DEFINITION. Pick all that apply: Sales Model: <input type="checkbox"/> PAYGo <input type="checkbox"/> Cash Distribution Model: <input type="checkbox"/> Direct PAYGo Sales <input type="checkbox"/> PAYGo Via Partners <input type="checkbox"/> B2B <input type="checkbox"/> B2C <input type="checkbox"/> Other (explanation to be requested in a comment)
	WHY DOES IT MATTER? PAYGo or Cash sales companies have very different financing needs. Understanding the sales approach provides context for the rest of the financial and performance metrics and supports comparability
	CALCULATION. Scale of 0-100% for each response based on a revenue share from the sales model(s) and the related distribution model(s).
	PERIOD.
	NOTES. <ul style="list-style-type: none">• Sales revenue should consider all the payments expected to be received from the customer in case of PAYGo, including customer down payments and deposits• Includes all units sold, irrespective of whether they are repossessed or written off• Normalize to USD
	Considerations by BUSINESS MODEL.
	STATUS. subject to discussion

Geographical area

	DEFINITION. In which geographical areas are you serving customers? (more than 1 answer possible) <input type="checkbox"/> East Africa <input type="checkbox"/> West Africa <input type="checkbox"/> Southern Africa <input type="checkbox"/> South Asia (except India) <input type="checkbox"/> India <input type="checkbox"/> Southeast Asia <input type="checkbox"/> South/Central America <input type="checkbox"/> Other <input type="checkbox"/> name the country /countries
	WHY DOES IT MATTER? The geographic focus indicates the unique social, economic, and political factors that affect a company's strategy. Unique market features may dictate what type of products and approaches work best in each region.
	CALCULATION. Answer provided on a scale of 0-100% based on revenue share from the selected regions.
	PERIOD.
	NOTES. Companies should check all that apply. PAYGo means that a respondent is responsible for financing the accounts receivable from PAYGo customer contracts.
	Considerations by BUSINESS MODEL.
	STATUS. subject to discussion

Total Net Sales

	DEFINITION. Net total number of units sold from the business's start of operations
	WHY DOES IT MATTER? Measure the size of the company according to the units sold and not returned. Useful to understand the overall performance of the company and to further customer portfolio analysis.
	CALCULATION. All sales units discounted by returns & repossessions measured from the business's start of operations
	PERIOD. This indicator is designed to show information since the business's start of operations, but it can be also considered to analyze annually, by adapting the period of sales and respective returns/repossessions.
	NOTES. <ul style="list-style-type: none">• This indicator should consider only sales units of the entire SHS to the final user of the system• This is considered per unit to be easily implemented in the industry. Other complex considerations would allow a value-based indicator.
	Considerations by BUSINESS MODEL.
	STATUS. subject to discussion

(Existing KPI) Portfolio Size

	DEFINITION. Total number of customers in portfolio an/or total USD value of the accounts receivable from PAYGo contracts.
	WHY DOES IT MATTER? The size of a company's current portfolio is indicative of the scale of its operations and growth trajectory. While not conclusive, the size of a PAYGo portfolio has implications for the financing structure and expectations around the maturity and sophistication of a company's systems/processes.
	CALCULATION. # of active [Contracts]/Reported Accounts Receivables Value.
	PERIOD.
	NOTES. Customers who have made no payments in the preceding 90 days are deemed to be inactive and are not included in the portfolio size (check if this aligns with PQ WG write-off definitions).
	Considerations by BUSINESS MODEL.
	STATUS. Final

Operational Performance Indicators

Average Selling price

	DEFINITION. Mean price of all systems sold for each of the sales models adopted (PAYGo and Cash sales).
	WHY DOES IT MATTER? Important to understand the share of sales from large to small units and the customers profile of the company.
	CALCULATION. $\text{Sum of sales revenue} / \# \text{ systems sold}$.
	PERIOD. This indicator can be used quarterly, semi-annually, annually and since creation adapting both variables in the calculation. It's recommended to be updated semi-annually.
	NOTES. <ul style="list-style-type: none">• Sales revenue should consider all the payments expected to be received from the customer in case of PAYGo, including customer down payments and deposits.• Includes all units sold, irrespective of whether they are repossessed or written off.• Normalize to USD.
	Considerations by BUSINESS MODEL.
	STATUS. subject to discussion

Sales per Distribution Channel

	DEFINITION. Sales per distribution channel represented as a percentage of the total units sold. Agents (___%), Wholesalers (___%), Shops (___%) and/or Other (___%)
	WHY DOES IT MATTER? Important indicator to evaluate the performance of each sales distribution channel over the total. Also, interesting to understand the distribution trends across the industry.
	CALCULATION. For each individual distribution channel: Number of units sold (in that distribution channel) / Total number of units sold
	PERIOD. This indicator can be used quarterly, semi-annually, annually and since creation adapting both variables in the calculation. It's recommended to be updated quarterly.
	NOTES. <ul style="list-style-type: none">• This indicator should consider only sales units of the entire SHS to the final user of the system.• This indicator can be also interpreted for logistics purposes and for that reason calculated per unit. However, a revenue-based indicator can also be considered.
	Considerations by BUSINESS MODEL.
	STATUS. subject to discussion

Sales Points Churn Rate

	DEFINITION. Fraction of sales points that have gone inactive over the previous 90 days, grouped by sales distribution channel. Agents (___%), Wholesalers (___%), Shops (___%) and/or Other (___%)
	WHY DOES IT MATTER? Related to sales strategy, this indicator helps to evaluate the reliability of each sales distribution channel. Important indicator for the overall performance of the company due to the direct link to sales performance.
	CALCULATION. For each individual distribution channel: Sum of sales points that have gone inactive (in that distribution channel) / average # sales points (in that distribution channel)
	PERIOD. This indicator can be used monthly, quarterly, semi-annually, annually and since creation adapting both variables in the calculation. It's recommended to be updated monthly.
	NOTES. <ul style="list-style-type: none">• A sales point is considered inactive if not performed a unit sales in the previous 90 days.• A sales point represents a single unit of the sales channel distribution. For instance, a single agent or a single shop.
	Considerations by BUSINESS MODEL.
	STATUS. subject to discussion

Warranty Cost

	DEFINITION. Warranty cost represented as a percentage of the sales revenue.
	WHY DOES IT MATTER? Important indicator to understand customer experience and understand the percentage of revenue that is assigned to warranty service. This is a relevant indicator to take into consideration in the business model.
	CALCULATION. Total warranty costs / Total sales revenue
	PERIOD. This indicator can be used monthly, quarterly, semi-annually, annually and since creation adapting both variables in the calculation. It's recommended to be updated monthly.
	NOTES. <ul style="list-style-type: none">• In the warranty costs should be included all costs incurred with the repair or replacement of goods.
	Considerations by BUSINESS MODEL.
	STATUS. subject to discussion

Net Promotor Score

	DEFINITION. Measure the loyalty that exists between a provider and a consumer.
	WHY DOES IT MATTER? predict customer loyalty (as evidenced by repurchase and referral) to a product, service, brand, or company; predict future purchases and referrals of individual respondents.
	CALCULATION. <i>How likely is it that you would recommend our company/product/service to a friend or colleague?</i> The scoring for this answer is most often based on a 0 to 10 scale.
	PERIOD.
	NOTES. <ul style="list-style-type: none">• To be explored how to make this existing and broadly used indicator universal and easy to use for the PAYGo sector.
	Considerations by BUSINESS MODEL.
	STATUS. subject to discussion