PAYGo PERFORM
Pre-Pilot KPI WG call
Agenda

1. Company Indicators
2. Operational Performance Indicators
3. Timeline/Next Steps
Company Indicators

Company indicator #1 – Sales Model

Feedback received since last WG call:

- 85% agreed with the definition, and therefore it was chosen to adopt the KPI.
- Other models suggested to include
  - 88% agreed with calculation.
  - Revenue recognition is quite different of cash sales and PAYGo, which is likely to influence USD value. BUT less %

Pre-pilot definition:

Sales model expressed as a percentage (0-100%) of revenue per sales model*

1. Rental
2. Perpetual lease
3. Lease-to-own
4. Upfront sales with financing partner
5. Direct cash sales

*conform with GOGLA standards

Company indicator #2 – Sales Distribution Model

Feedback received since last WG call:

- 88% agreed with the definition, and therefore it was chosen to adopt the KPI.
- Other models suggested to include such as B2G, sales to UN/NGO, and institutional sales.
- 88% agreed with calculation.

Pre-pilot definition:

Sales model expressed as a percentage (0-100%) of revenue per sales model*

1. B2B (includes B2B, sales to UN/NGO and institutional sales)
2. B2C
Company Indicators

Company indicator #3 – Geographical Area

Feedback received since last WG call:

- 62% agreed with definition and 96% with calculation, therefore this KPI was adopted.
- Other areas were suggested to include.
- Risk of reporting on the wrong area as there is not a clear cut or understanding on which country falls under which area.

Pre-pilot definition:

Geographical areas that company is making sales in expressed as a percentage (0-100%) of revenue share per country.
The worldbank geographical area classification will be used when aggregating data and reporting on the data externally.

Company indicator #4 – Total Net Sales

Feedback received since last WG call:

- 85% agreed with the definition, and therefore it was chosen to adopt this KPI.
- For comparability, annual financial year should be replaced by calendar year.
- Repeat sales is an essential factor in all improved energy access metrics

Pre-pilot definition:

Net total number of units sold during calendar year, discounted by returns & repossession.

AND

Expressing repeat/upgrade sales as a % of total sales in units.
**Company Indicators**

**Company indicator #5 – Total Net Sales per Product Category**

Feedback received since last WG call:
- Conform with GOGLA standards and adopt product categorizations. Check page 12 of *Sales Data Report*.

<table>
<thead>
<tr>
<th>Overall category</th>
<th>Solar module capacity, Watt Peak (Wp)</th>
<th>Categorization by services provided by product</th>
<th>Corresponding level of Multi-Tier Framework energy access enabled by use of product</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portable Lanterns</td>
<td>0 – 1.499 Wp (indicative)</td>
<td>Single Light only</td>
<td>Enables partial Tier 1 Electricity Access to an individual person</td>
</tr>
<tr>
<td></td>
<td>1.5 – 2.999 Wp (indicative)</td>
<td>Single Light &amp; Mobile Charging</td>
<td>Enables full Tier 1 Electricity Access to at least one person and contributes to a full household</td>
</tr>
<tr>
<td>Multi-light Systems</td>
<td>3 – 10.999 Wp (indicative)</td>
<td>Multiple Light &amp; Mobile Charging</td>
<td>Enables full Tier 1 Electricity Access to at least one person up to a full household</td>
</tr>
<tr>
<td>Solar Home Systems</td>
<td>11 – 20.999 Wp</td>
<td>SHS, Entry Level (3–4 lights, phone charging, powering radio, fan etc.)</td>
<td>Enables full Tier 1 Electricity Access to a household</td>
</tr>
<tr>
<td></td>
<td>21 – 49.999 Wp</td>
<td>SHS, Basic capacity (as above plus power for TV, additional lights, appliances &amp; extended capacity)</td>
<td>Enables full Tier 2 Electricity Access to a household when coupled with high-efficiency appliances</td>
</tr>
<tr>
<td></td>
<td>50 – 99.999 Wp</td>
<td>SHS, Medium capacity (as above but with extended capacities)</td>
<td>Enables full Tier 2 Electricity Access to a household even using conventional appliances</td>
</tr>
<tr>
<td></td>
<td>100 Wp +</td>
<td>SHS, Higher capacity (as above but with extended capacities)</td>
<td></td>
</tr>
</tbody>
</table>

When companies are bundling an appliance with a contract, then it can be accounted for as revenue. However, when a company is upselling, then they cannot account for this as revenue in the different product categories.
Operational Performance Indicators

Operational indicator #1 – Average Selling Price

Feedback received since last WG call:
• 62% agreed with the definition.
• Suggested to look at this on a product basis.
• The goal of the indicator is to get a better sense of what the trend is in the industry. Therefore better to keep it as is.

Pre-pilot definition:
Average price (in USD) of all systems sold during the calendar year for each of the sales models adopted:
1. Rental
2. Perpetual lease
3. Lease-to-own
4. Upfront sales with financing partner
5. Direct cash sales

Operational indicator #2 – Sales per Distribution Channel

Feedback received since last WG call:
• 58% agreed with the definition.
• 42% in favor of revenue-based, 27% unit-based, and about 31% both.

Pre-pilot definition:
Sales per Distribution Channel represented as a percentage of the total units sold:
1. Agents
2. Wholesalers
3. Shops
4. Financial institutions
5. E-platforms
6. Governmental projects
Operational Performance Indicators

Operational indicator #3 – Sales Point Rate

Feedback received since last WG call:
- 88% agreed with the definition. Even though some of the WG members were against it, it was therefore chosen to adopt this KPI.
- The period/amount of days (previously 90 days) needs to be aligned with PQ WG.

Pre-pilot definition:
Fraction of sales points that have gone inactive over the previous X days, grouped by distribution channel:
1. Agents
2. Wholesalers
3. Shops
4. Financial institutions
5. E-platforms
6. Governmental projects

Operational indicator #4 – NPS

Feedback received since last WG call:
- 88% agreed with the definition.
- Some issues with the KPI; hard and costly to measure.
- Needs to be tested in pilot whether feasible.

Pre-pilot definition:
Measures loyalty that exist between a customer and a company, based on responses to question ‘how likely is it that you would recommend our product/service to your networks’.

FX – Exposure decided to be removed.
What's Next for PERFORM

Q4 2019

Needs Assessment
- Define which party will collect the PAYGo PERFORM data
- Assess what else is needed to perform the data piloting

Kick off Q4 2019

October 2019

Piloting Phase
Together with companies, we will test the KPIs 2.0 (beta) over Q1 and Q2 2020. Based upon the testing, we can make some final alterations to improve the KPI framework.

KPIs 2.0 (beta)
Based upon the feedback from the working groups, consultative group and steering group, we will finalize the beta version of KPIs 2.0

Launch Final Set of KPIs
Final iteration and agreement by the CG and SG

2020
Piloting Phase: Testing the KPI Framework with Real Time Data

- The pilot will kick off Q4 2019 and will be testing the KPI framework over a period of 6 months.
- The Steering Group Coordinators will provide Technical Assistance.
- Already some peers have signed up and we invite you to also participate by sending an email to paygoperform@gogla.org.
Thank you!
Contact the PAYGo PERFORM team if you have any questions
(paygoperform@gogla.org)