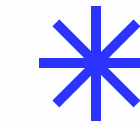




BUYER'S GUIDE TO ENTERPRISE RETURNS MANAGEMENT



INTRODUCTION



In the bustling world of ecommerce, smooth returns management can be the difference between a one-time shopper and a loyal, returning customer.

As brands jostle for attention in crowded marketplaces, a swift and efficient returns process emerges as a silent yet powerful influencer of customer satisfaction. However, the journey from recognizing its importance to executing it flawlessly is paved with challenges.

This guide is designed to lead you through this journey.

Dive into the pivotal role returns management software plays in today's business landscape in Chapter 1. Chapter 2 invites you to reflect upon your current returns scenario, laying the groundwork for informed decision-making. Lastly, Chapter 3 illuminates the diverse solutions available and provides insight on navigating the buying process.

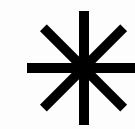
Your roadmap to optimizing returns and uplifting your customer experiences starts here.

Welcome aboard!



CHAPTER 1:

Returns management's importance



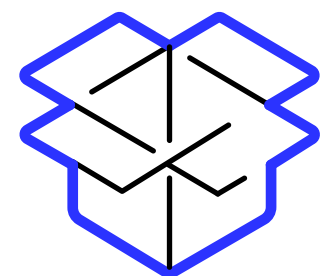
It's easy to believe returns are just a cost center that should be avoided at all costs.

Why you should invest in returns management software

When you're evaluating technologies to level-up your ecommerce workflows and grow your business, it's critical to focus on one element that many merchants overlook: the post-purchase experience.

In particular, think about returns. When [more than 20% of ecommerce purchases](#) end in a return, why is it so often a frustrating experience for both the merchant and the shopper?

Reverse logistics are an inevitable cost center, but brands often pay for the return of damaged or unsellable goods that will end up in landfills.



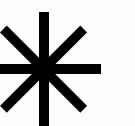
That's not to mention all of the customer support time spent managing return-related inquiries. In fact, it can cost up to [66% of the price](#) of a product to process a single return.

On the shopper side, a negative or frustrating returns experience means that the shopper isn't likely to come back to your brand – resulting in churn that leads to increased customer acquisition costs. In fact, [89% of shoppers](#) say that a poor returns experience would lead them to avoid purchasing from that brand in the future. A subpar returns policy can also lead to higher cart abandonment rates, before a shopper even makes an initial purchase: [49% of online shoppers](#) check an ecommerce shop's return policy before completing a transaction. They're typically looking for generous policies that include free return shipping and return windows of at least 30 days. Not to mention, 1/10 shoppers abandon their cart altogether if they don't like the return policy or return process, resulting in a delicate dance between making returns easy and building brand loyalty while also trying to retain revenue and manage costs.

Just as you've sought out the right technology and processes to manage your customer relationships during the shopping cycle, it's critical to invest in returns management solutions that help you streamline and manage the post-purchase experience, leading to lower return costs, increased retained revenue, and greater customer satisfaction and retention rates.

Delivering a high-quality returns experience is simply a part of shoppers' expectations for a best-in-class brand. In fact, 84% of shoppers say a hassle-free returns experience is instrumental in their decision to shop there again. You should give your customers the promise of a seamless, hassle-free return experience that will encourage them to continue shopping with your brand. At the same time, returns fraud is a growing problem that can be tackled with smart returns, rewarding loyal customers while mitigating bad actors.

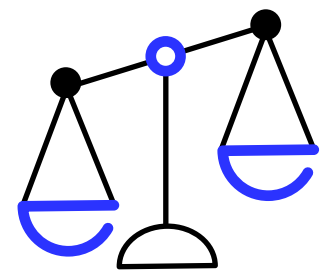
Integrating the right returns management technology solution will make it easy to deliver on your brand promise – while creating a seamless internal experience that will enhance your team's efficiency and save costs on the back end.



The impact returns management can have on your business

Returns management can help your business' bottom line, while also delivering a pleasant experience for your team and your shoppers.

When a customer returns an item, that's typically the last interaction they'll have with your brand – but when you shift returns to be an integral part of the shopping experience, you can often transform this last-touch interaction into an ongoing customer relationship.



Acquiring a new customer costs five to seven times more than retaining an existing customer, so by optimizing your returns strategy to incentivize exchanges and store credit rather than refunds, you'll be able to retain more revenue from the specific transaction, while also increasing customer lifetime value over time.

Often, customers are returning items that they've received as gifts, so why not make gift returns a new customer pipeline? By encouraging exchanges, you can convert new customers who might not have considered your brand or were not previously exposed. The exchange process converts returns into a shopping experience, giving customers an opportunity to pick out their perfect gift, the

second-time around. When you empower shoppers to browse your entire catalog, they get the chance to buy new product they love, often generating upsell revenue in the process.

Your brand will also deliver a better customer experience for shoppers during the return process, with access to a self-service customer portal that gives shoppers the tools to skip past customer support and initiate their own returns. Shoppers increasingly prefer a human-free experience, where they're able to find the answer to all their questions and get to their desired outcome. Give shoppers what they want while saving your team's time – it's a win-win.

When it comes to completing the return, optionality is key. Shoppers can make use of multiple options for sending their item back, including at-home pickup, drop-off locations or QR-codes. They can also take advantage of exchanges to trade their unwanted item for a different product from your store.

That's how returns management supports your customer experience, but what's in it for you and your business?

Implementing a returns management solution will ensure that you're able to drive new efficiencies in your business, gather valuable data, and take action on it.

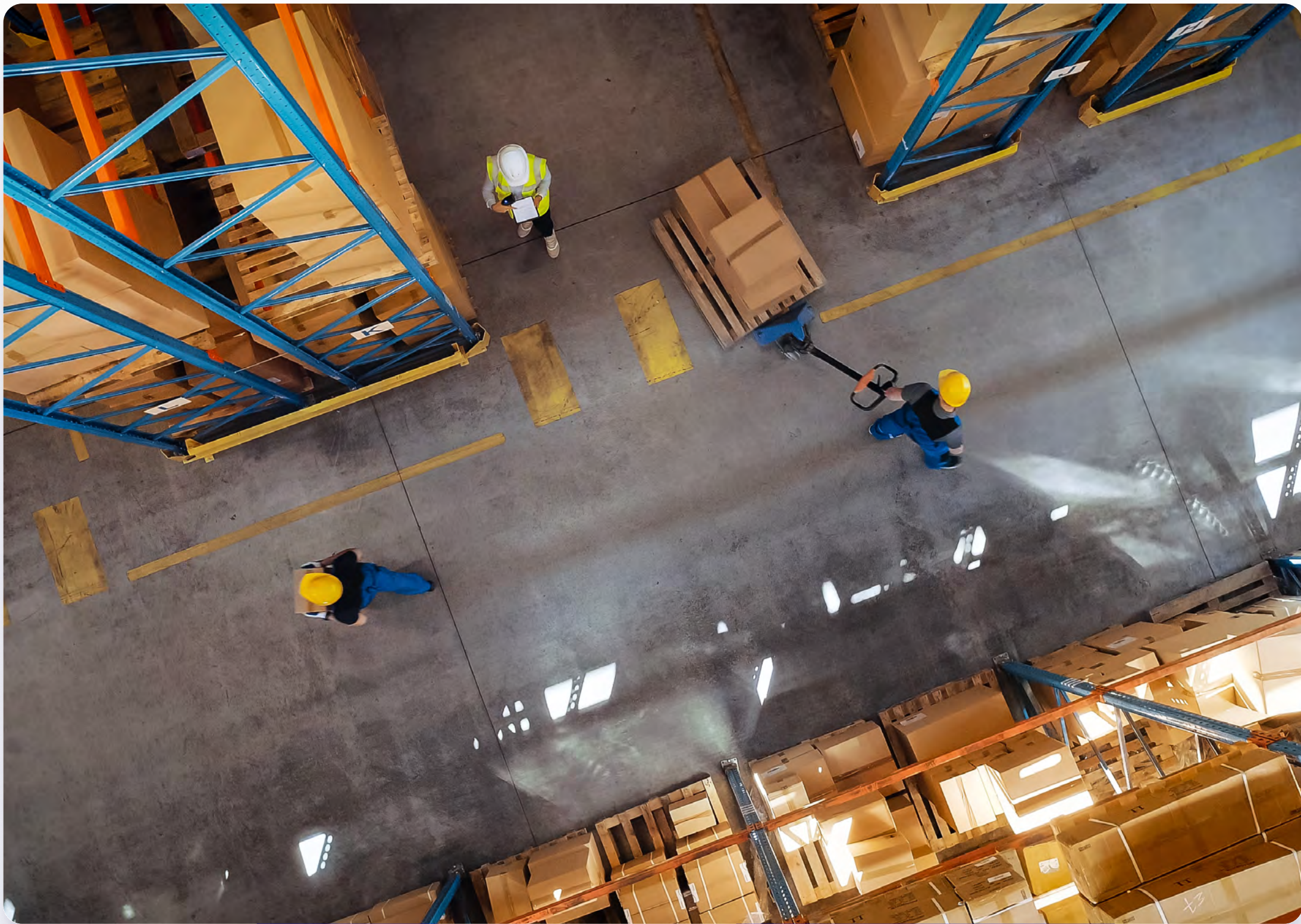
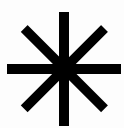
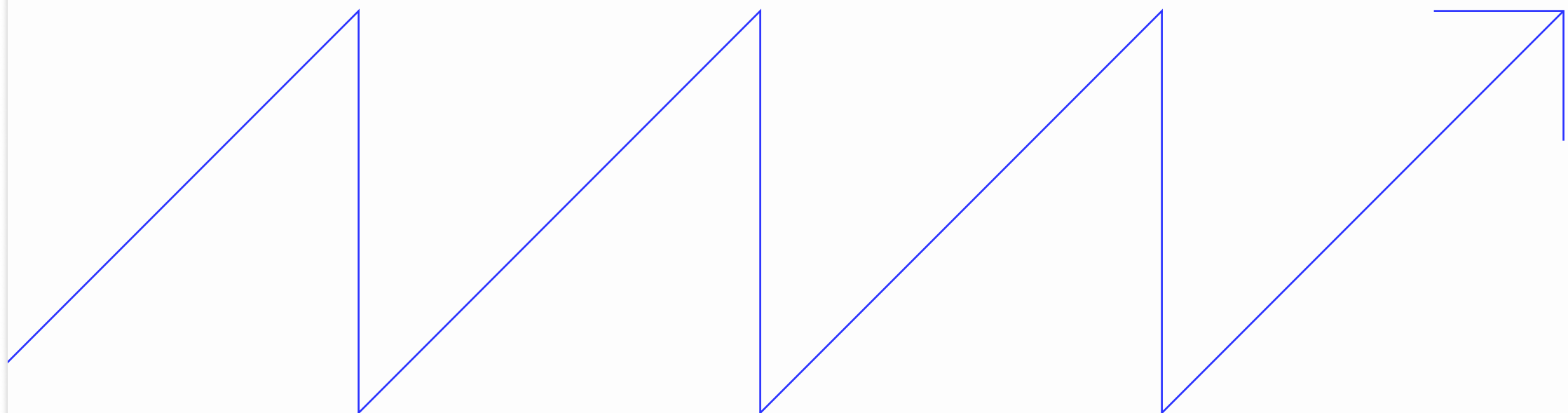
You'll have the tools for better inventory and order management, as you'll be able to tell when returns are en route, with integrated tracking that lets you automatically route products to your warehouses to level out inventory across different regions, while using the best negotiated carrier rates to save costs on reverse logistics.

This means more products in the wild and fewer out-of-stock incidents.

You'll also have access to data, from micro insights on customers' reasons for returning products, to macro insights on which products regularly get returned and what products barely stay on the shelves.

Armed with this data, your team can take preventive measures, such as updating size charts, enhancing product descriptions and photos, reviewing or recalling defective products, and more, all to reduce returns and exceed customer expectations.

An integrated returns management solution provides a streamlined workflow for both shoppers and merchants – delivering a superior experience that leads to lower costs and improved customer loyalty.



CHAPTER 2:

★ Understand your current state

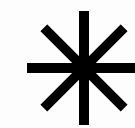
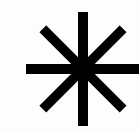
What does returns management look like for you today

To make sure that you're putting the right returns management solution in place to scale your brand, it's important to start by auditing your existing state. Use this checklist to get a baseline.

- **Current solutions**

If you already have a provider, how do their features compare to others on the market?

- ☐ Help Desk integration
- ☐ 3PL/ERP integrations
- ☐ Point-of-Sale integration
- ☐ Dedicated Customer Success Manager
- ☐ Positive customer experience (High CSAT)
- ☐ Meaningful reduction in return-related tickets
- ☐ Negotiated rates with top carries
- ☐ Multiple return options such as at-home pickup, QR codes, drop-off in-store
- ☐ Sustainable - does it align with your brand's values?
- ☐ Customize and personalize returns experience to reinforce your return policies



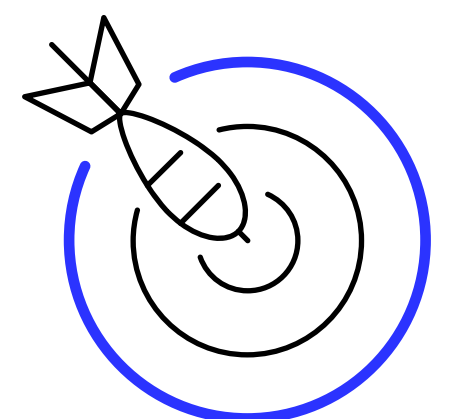
- Do they integrate with your ecommerce platform and with other solutions that you currently use? Are they responsive to your needs as a customer? Don't just consider where your brand is now, but where it will be in the future – as you scale, will your returns solution provide the tools that you need to cost-effectively satisfy your customers' needs?

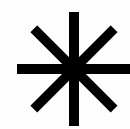
- **Return policies**

What return policies do you currently have in place, and how do they compare to others in your industry?

- ☐ Easy to find on your website
- ☐ Flexible: accounts for different scenarios
- ☐ Specific: shoppers know what final sale means
- ☐ Able to segment customers based on behavioral data
 - ☐ Reward loyalty
 - ☐ Disincentivize and combat fraud

Is your return policy flexible and easy to find on your site? Are you able to segment your customers based on behavioral data to reward loyalty and to disincentivize and combat fraud?





- **Return metrics**

Look at your current return metrics, and compare them to where you'd like to be. For instance, you can analyze factors such as:



- Refund v. exchange/store credit rates
- Revenue retention from exchanges
- Repeat purchases
- Upsell revenue
- Number of return-related CS tickers, and the issues they address
- Frequency of return fraud

Return fraud might include sending back used/damaged items that can't be resold, sending back sale items for full price, and sending back items purchased from other stores.

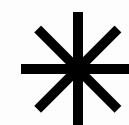
- **Studies in success**

To understand how to benchmark successful returns management, consider the examples of these merchants:

PRINCESS
POLLY

Princess Polly

Using Shopify Plus and Loop, the online fashion brand Princess Polly achieved a \$1.23 average increase in upsell per return with the "Shop Now" feature, and reduced its out-of-stock rates by 55% with instant exchanges.



Aviator Nation

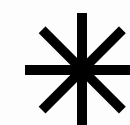
This clothing brand achieved 56.6% revenue retention from returns, and saved over \$115,200 on customer support with automated returns management through Loop.



Under 5'10

Menswear brand Under 5'10 has achieved increased customer satisfaction, improved their automated return processing, and retained 32% of revenue from returns since migrating to Loop.

Even if you're currently using a returns management solution, if your technology leaves room for improvement around key metrics, it may be a good time to reevaluate your needs and get a better understanding of what's possible.



CHAPTER 3:

Choosing a returns management platform



Whether you're moving from manual returns processing or from a legacy system, there are a lot of different options to consider around choosing the optimal returns management platform for your brand.

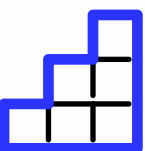
Types of solutions

Returns management solutions can be grouped into three major categories:



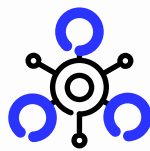
Manual

If your team is directly responsible for processing returns, you're relying on a manual solution. This might have served you well during the startup phase, but for a larger brand handling hundreds or thousands of returns per month, it's important to optimize your process for efficiency, helping you save costs and improve customer satisfaction



Partially-automated

Partially-automated refers to automating one aspect of the returns process. This is often the beginning of the returns process, when the customer initiates a product return or exchange. Some solutions, including ReturnGo and ReturnRabbit, focus solely on initiating returns and the associated reverse logistics, requiring you to bring in other



A holistic post-purchase solution

All-in-one returns management solutions like Loop provide a wealth of features to optimize the post-purchase journey for both shoppers and merchants. Shoppers can use a self-service return portal to initiate returns or exchanges, with a Shop Now feature that incentivizes product upsells. From there, they can make use of drop-off locations or print labels to ship the products back to your warehouse.

- Loop's solution will automatically route packages based on the best carrier pricing and speed to help you get inventory back in stock quickly. Loop empowers you to apply conditional rules to determine whether a return makes sense to mail back or whether it should be recycled or donated, helping your brand save costs on reverse logistics and improve its sustainability efforts.
- Through thoughtfully built integrations with your warehouse and ERP, Loop helps improve returns processing to reduce time to restock or quickly flag items returned in poor/unsellable condition.

When selecting a solution, make sure to choose a platform that doesn't just focus on solving D2C problems, such as optimizing the purchase journey, but helps you increase efficiencies and improve the customer experience within reverse logistics operations.

Managing the buying process

Getting stakeholder buy-in

When selecting a returns management platform, the decision will likely go through several stakeholders within your organization. These may include:



Ecommerce Manager

They're responsible for decisions around your brand's website, which includes decisions around technology that impacts the customer experience. Their job title may be Director of Ecommerce, Digital Product/Ecommerce Manager, Product Manager, Marketing Manager, or something similar.

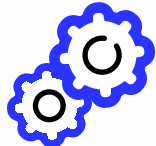
- Your Ecommerce Manager will be won over by a return solution if it delivers a better customer experience, increasing CSAT and customer retention rates. They'll also benefit from generating better insights around why returns are happening, which they can use to prioritize decisions related to your website content.



Support Lead

Your Support Lead is responsible for a team of CX agents or specialists, and prioritizes delivering high-quality customer support that solves problems efficiently and leaves customers with a great experience. Their job title may be VP/Director of Customer Experience, Customer Support Director, or Support/CX Lead.

- Your Support Lead will likely be focused on automating the returns process to take it out of the customer support queue, freeing agents up to spend time on high-priority issues. With a return solution, shoppers will be able to initiate their own returns and exchanges, leading to faster resolutions and fewer return-related tickets.



Operations Manager

Your Operations Manager is responsible for the balance between operating costs and the customer experience, and focuses on metrics of success like profitability and visibility into the supply chain. Their job title may be Director of Operations, COO, VP of Operations, or Operations Lead.

- You can win your Operations Manager over by focusing on cost-efficiency through lowering the cost of returns, with exchanges, upsells and more cost-effective routing and return options. They can also be wowed by a solution that provides smooth integrations with existing logistics tools and provides better insights into the supply chain.



Executive or C-Suite

Someone from your executive team could still be involved in many decisions, so they may need to be won over during the selection process. While they'll likely defer to the leads who are more directly involved in day-to-day operations, it's important to get their buy-in before making a major technology investment.

- Your founder will appreciate a solution that automates currently manual tasks, freeing up your team to work on more important projects. They'll also value improvements to the customer experience, alongside hard metrics such as increased revenue and higher customer lifetime value.

Integrating with partners

As well as getting internal buy-in, it's also important to make sure that you're choosing a technology that will fit in with your existing tech stack – as well as other solutions that you're may be considering.

★ When evaluating returns management vendors, pay close attention to their integrations and how well they pair with both the partners that you're currently working with – such as your 3PL – as well as complementary integrations that are worth considering as your brand continues scaling. The key to seamless returns relies on both procurement and fulfillment capabilities. Ensure your returns solution can effectively communicate with your 3PL to update inventory, manage dynamic routing, and update accounts.

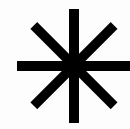
Beyond logistics, does the solution offer pre-built integrations with your help desk? ★

- A Help Desk integration means shorter time to resolution and proactive support for your customers, increasing overall CSAT

What about your marketing tools?

- You can leverage returns data to decrease time to re-purchase, send store-credit reminders, and better segment your customers. Did we mention this can all be automated?

★ Or would your IT team be responsible for designing custom integrations so that all your tools will play nicely together? Even if a solution offers robust features otherwise, it's also important to ensure that it offers pre-built integrations that fit your needs. This will help you onboard and ramp up faster, and ensure that technology glitches don't disrupt the experience on either the customer or the merchant side.



Making the pitch

It can often take 45 to 60 days to go through the process of evaluating vendors, which might include testing out a demo, reviewing product sheets and other collateral, talking to a BDR, and then presenting your findings to your executive stakeholders. From there, you may need to regroup with the sales team again to loop in your stakeholders and ensure that any outstanding questions are adequately addressed.

- To ensure buy-in from your executives and team members, it's important to focus on the metrics that each of them care about. When talking to your operations lead, emphasize the upsell and revenue retention potential, giving them case studies that demonstrate positive ROI on the investment. When talking to your customer support lead, focus on the reduction in support tickets and the improved customer experience, leading to higher customer lifetime value. It's important to understand each team member's overall goals and potential objections – and make sure that you're armed with the data and messaging to overcome each of those objections.
- As part of your process, focus on case studies of brands that your team admires. Review their tech stacks, and look at who their partners are and how their returns management solution has impacted their metrics. By using best-in-class brands to model what success looks like in returns management, you'll be able to win over your team and convince them to embrace a robust returns management solution.

Finally, all of your stakeholders will be concerned with overall ROI – so create budget forecasts based on benchmark data that will help you demonstrate the impact that a returns management platform can have on your brand's bottom line. Demonstrate the potential impact on customer retention and lifetime value, cost-savings through automating manual processes, and other factors that will help you enhance operations and reduce the costs of managing reverse logistics.

CONCLUSION

In an age where customer experience reigns supreme, the returns process is more than just a nice-to-have; it's a pivotal touchpoint that can shape your customer's perceptions of your brand, and drive loyalty.

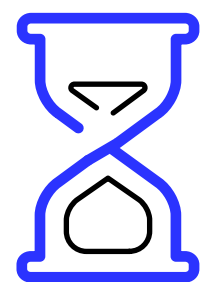
As we've journeyed through this guide, we've come to understand the deep impact of efficient returns management and the transformative potential of the right software solution.

And as you consider your next steps, remember that choosing a platform isn't merely about streamlining a process—it's about enhancing your brand experience. With that in mind, Loop emerges as a standout choice for enterprise brands.

Tailored for scale, flexibility, and unmatched user experience, Loop is more than just a software; it's a strategic partner, enabling enterprise brands like yours to not only manage but also leverage returns for long-term success.

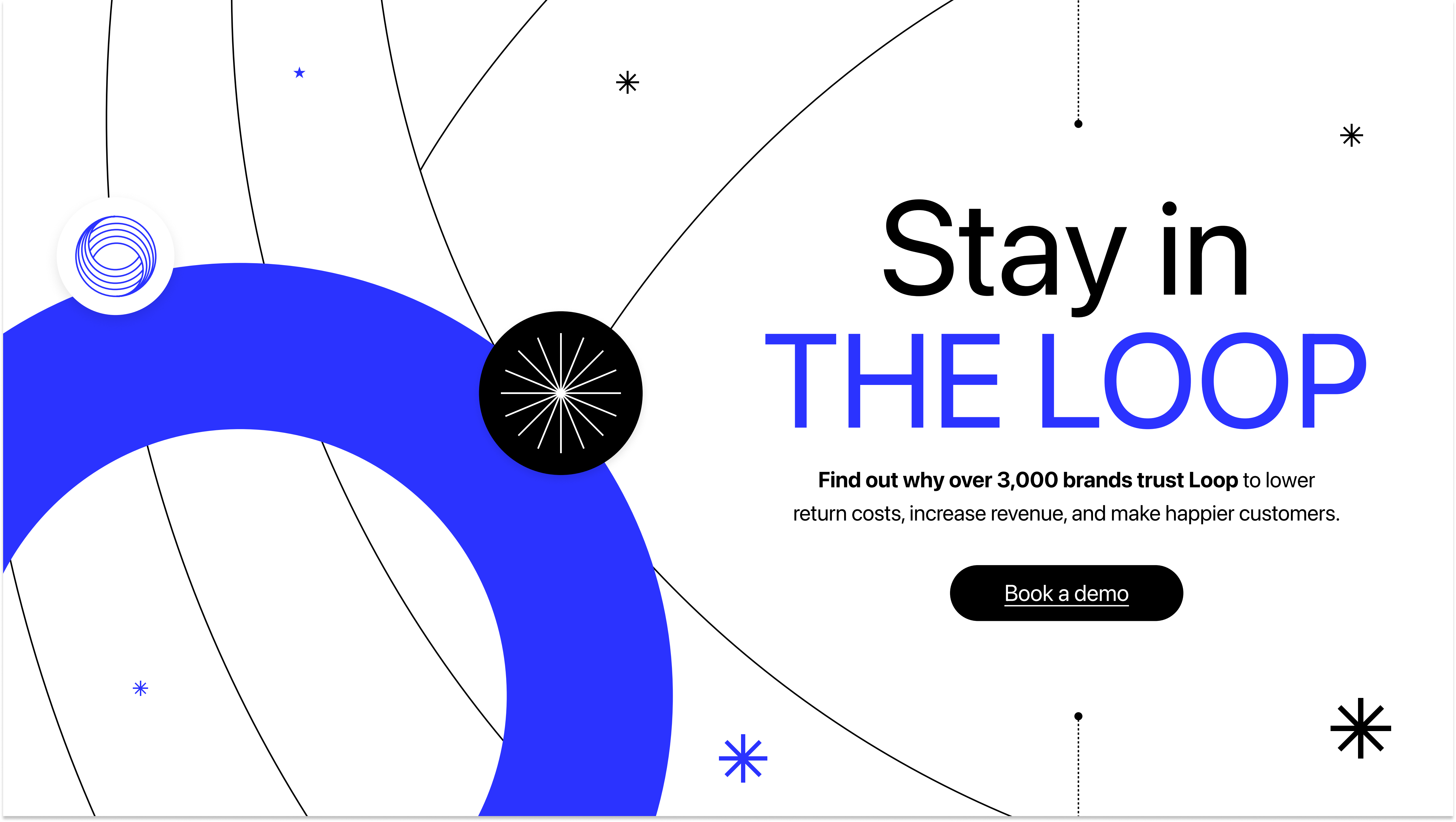
Elevate your returns game with a platform built for excellence.

Choose wisely, choose Loop.



Note: it can take 45 - 60 days to get up and running with a returns platform. Consult with your operations and CX teams to see when is best for them to onboard a new tool.





Stay in THE LOOP

Find out why over 3,000 brands trust **Loop** to lower return costs, increase revenue, and make happier customers.

[Book a demo](#)