

Returns management health check 2023

Your 6-step guide to ensuring the most customercentric and cost-effective returns management

Only fast and uncomplicated returns make for truly satisfied customers. And in the heavily saturated e-commerce world, that means online retailers need to offer the best returns solution for each of their target markets to stay competitive. Best of all, healthy returns management doesn't just help you gain and retain customers-you can also benefit from reduced costs and emissions!

Our 6-point returns management wellness checklist will help you:

- Increase customer satisfaction to ensure higher repurchase rates
- ✓ Optimize the efficiency and sustainability of your returns solution
- Identify where you can save costs on your returns processes



Use these six questions to evaluate your current returns processes and identify where you might have room for improvement

Ask yourself ...?

1. Does your online shop clearly communicate your return policy?

Information on returns must be easily accessible and clearly formulated. Don't risk losing customers because they can't find or understand your return policy. Don't hide essential information in the "fine print," and have the necessary information on the returns process available in each language of the countries you ship to. Also, always keep your returns information up to date.



Transparency creates trust

Communication that is easy to understand and unambiguous is the basis for successful customer loyalty. Keep your return policy easy to read and ensure the most current information is available on your website.

2. If you have to offer free returns?

Take a hard look at the numbers and analyze whether limited, free returns for specific product groups, markets or countries might make more sense. Offering free returns only on purchase orders above a certain price or for members can be a way to retain and incentivize the customers who matter most to your shop. Another option: charge for returning items but make exchanges for store credit free.



Spend money on the right customers

While free returns are commonplace, it doesn't make them mandatory or mean it's the best solution for your business. According to EU law, e-tailers are allowed to pass on the costs of online returns to their customers. Therefore, it's legitimate to question whether free returns are necessary for all items, classes of goods, and customer groups.



3. Is your return solution convenient?

Simple and straightforward: for customers, returning items has to be as easy as purchasing them. Giving customers more control over the experience by offering downloadable return labels, in-store returns, or returns to a PUDO (pick-up/drop-off) location helps. And remember, not all markets behave the same. Know how your international customers prefer to return items and work with the right local carriers to meet their expectations.



Customers want more control and flexibility

For customers, convenience is about flexibility and freedom–and they will spend money with retailers who offer services that allow both. Let customers decide when and where to drop off returns by adding out-ofhome (OOH) options to your shop's checkout. Plus, as many OOH carrier services offer better rates for returns, you can also save costs on reverse logistics with this option.

4. Do you communicate proactively?

Let customers virtually accompany the returned goods until they arrive back at the warehouse. Proactively inform customers with updates on the return status via a tracking page or send automated notifications such as "Your return was received," "We are processing your return," or "Your refund is on its way."



Status updates increase customer satisfaction

Timely customer communications on the status of returned items greatly improves the overall customer experience. Knowing where a return is or when they'll get their money back gives customers confidence in your returns process and increases customer satisfaction. And we all know: Happy customers make for repeat customers.



5. Use returns for market research?

Learn from your returns to avoid them in the future. Ask customers to provide feedback on their reason for returns so you can better understand what went wrong. To create the best overview possible, analyze and aggregate data on what type of products are returned most, what products from which manufacturers, or any other attributes.



Data analysis can reduce return rates

The data you collect on returned items can help identify why returns are happening in the first place. If similar items are frequently returned, that likely signals a need to improve product descriptions, invest in better product images or adapt other aspects of your product pages to reduce return rates effectively.

6. How cost-efficient is your returns management?

Keeping a centralized view of your carriers and returns in one analytics tool can help to optimize your returns processes. Monitoring and analyzing your reverse logistics performance allows you to better plan your warehouse staff and other teams. Also, if operating abroad or in countries with a customs border, you can reduce costs by consolidating returns in the national hubs of local carriers before collectively shipping them back to your warehouse.



Visibility aids accountability

The only way to know if your processes are efficient is by having a central overview of your operations. However, you can't measure cost efficiency by a single aspect. Instead, it's about understanding the many cogs in the wheel, oiling them, and readjusting them as needed. It's essential to work with a logistics software tool that can give you the dashboard overviews you need to analyze and monitor the performance of your operations.

Seven Senders - Europe's leading delivery platform

Increase customer loyalty with quick and easy returns

Returns can become a major player in your customer retention strategy when treated with the same care as your outbound shipments. No matter where you are in your international e-commerce journey, Seven Senders can provide a convenient and customer-centric returns solution.

Top benefits at a glance



Reduce costs with on-demand return labels



Work with the best returns carriers in each country Europe-wide



Increase repurchase rates via a transparent returns process



One partner for all international returns, including the UK and Switzerland



Seven Senders is Europe's leading delivery platform for end-to-end parcel shipping. Our one-stop solution connects shippers with 100+ last mile carriers, enabling customer-centric, fast, and affordable cross-border delivery.

Benefit from our cost-effective and convenient returns solution. Contact us today. Felix Hasenzahl • f.hasenzahl@sevensenders.com • www.sevensenders.com