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WINNING WITH RETURNS: PART TWO

Choosing the right returns experience management solution

What's inside?

1.0 Executive summary

2.0 What retailers need to ask before choosing the right solution

3.0 Critical capabilities to look for in your ideal solution

3.1 **Make returns easier**

Branded digital portal, inbound package tracking, customer service integration

3.2 **Make returns efficient**

Seamless integration with existing systems, actionable insights, services and support

3.3 **Make returns more personalized**

Flexible return alternatives, multiple return methods, personalized returns workflows

4.0 Vendor evaluation tool

5.0 Conclusion

6.0 Appendix

6.1 Know before you go

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1.0 Executive summary

In the first ebook of the *Winning with Returns* series, we built a solid business case for why retailers should invest in a returns experience management solution.

Now that we've established the "why," this second ebook focuses on the "how"—specifically, how to choose the best solution to unlock these benefits.

This ebook delves into the capabilities that make a returns experience management solution effective. Retailers must look beyond basic functionality and prioritize features that streamline, personalize, and optimize their returns process.

By the end of this ebook, you'll be equipped to make an informed decision and select a solution that not only meets but exceeds customer expectations.

Focus on the right capabilities

Ensure your solution delivers the essential capabilities that align with your goals:

1. Make returns **easier**
2. Make returns **efficient**
3. Make returns **personalized**

Use the Vendor Evaluation Matrix

Leverage the matrix to compare vendors and ensure the solution you choose meets your business needs and drives measurable results.

Capabilities	Description	Score range	Vendor 1	Vendor 2
Seamless Integration with Existing Systems	*Ensures smooth integration with ERP, CRM, and e-commerce systems.*	1 to 15		
Services and Support	*Ongoing vendor support and service reliability post-implementation.*	1 to 15		
Branded digital portal	*A seamless, branded returns portal that enhances customer experience.*	1 to 12		
Flexible Return and Exchange Options	*Offers various return methods such as exchanges, credits, and refunds.*	1 to 12		
Actionable Insights	*Provides data-driven insights to optimize returns and customer experience.*	1 to 10		
Multiple Returns Options	*Supports different return methods to provide customer convenience.*	1 to 10		

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2.0

What retailers need to ask before choosing the right solution

2.0 What retailers need to ask before choosing the right solution

Before diving into the critical capabilities a returns management solution should offer, retailers must first take a step back and evaluate their current challenges, goals, and customer expectations. Understanding these factors will ensure that the solution you choose aligns perfectly with your business needs and sets the stage for an optimized returns process. Here are some key questions that can help guide your decision-making process:

Key questions

How seamless is your current returns experience for customers?	Evaluate whether your returns process feels clunky or confusing. Are customers abandoning purchases because your returns process isn't easy? Are customers directed to a carrier website to track the returned items? If you notice frequent customer complaints or high inquiry volumes, it's a sign that a solution focused on convenience and branding may be essential.
How well are you keeping customers informed during the returns process?	Consider how proactive your communication is with customers once they initiate a return. Are you sending regular updates to minimize WISMR (Where Is My Return?) calls, or are your customers left in the dark, resulting in frustration and churn?

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2.0 What retailers need to ask before choosing the right solution

Are you offering flexible return options that meet your customers' needs?	Think about the return methods you currently provide. Are you able to offer exchanges, instant refunds, or multiple return methods like QR codes or in-store returns? If you're only offering refunds and nothing else, you could be losing revenue and missing out on a better customer experience.
Do you have visibility into return trends and their impact on your business?	Ask yourself whether you're leveraging data to identify patterns in returns and using that information to optimize your inventory or improve product offerings. Without the right insights, you might be missing opportunities to drive down return rates and boost profitability.
How well-integrated is your returns process with your existing systems?	Assess how well your current systems (ERP, CRM, etc.) handle returns data. Are you constantly dealing with data silos or manual processes? If your systems aren't talking to each other, it might be time for a solution that bridges those gaps and streamlines your operations.

Answering these questions is the first step toward understanding the gaps in your current returns process and identifying the features you need most in a solution. In the next section, we'll explore the key capabilities that can transform your returns process, helping you optimize efficiency, recover revenue, and deliver a seamless returns experience.

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3.0

Critical capabilities to look for in your ideal solution

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3.0 Critical capabilities to look for in your ideal solution

Retailers must look beyond surface-level features and identify critical capabilities that will truly make an impact. Here are eight must-have capabilities that a returns management solution should offer to deliver the best value to your business. These features will not only streamline the returns process but also enhance customer satisfaction, reduce costs, and provide actionable insights to drive future growth.

Every returns experience management solution must help you:

Make returns easier

Branded digital portal, inbound parcel tracking, customer service integration

Make returns efficient

Seamless integration with existing systems, actionable insights, services and support

Make returns more personalized

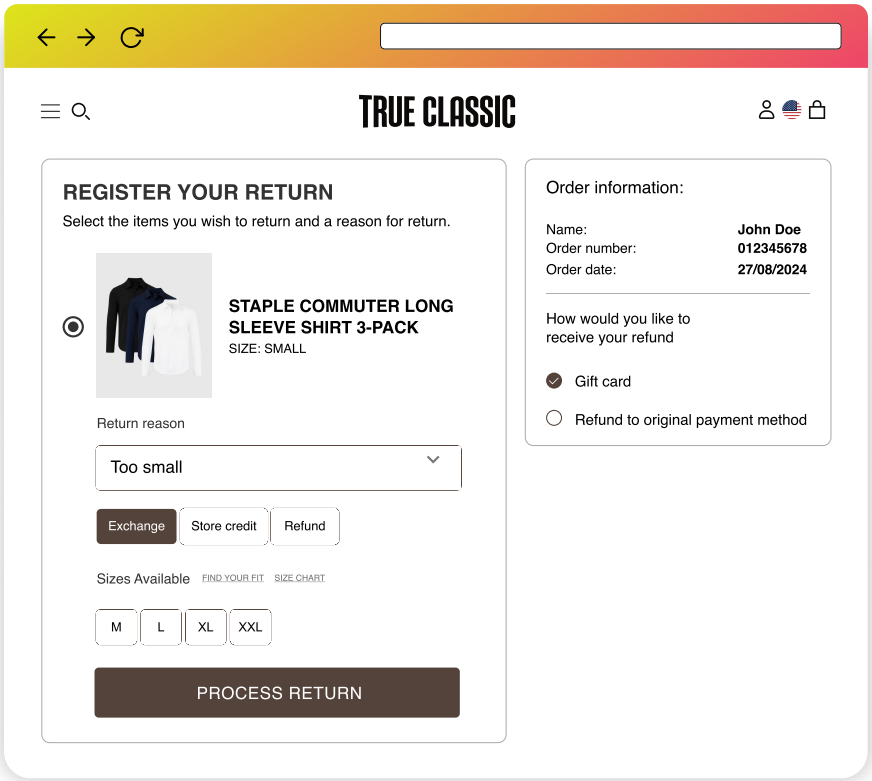
Flexible return alternatives, multiple return methods, personalized returns workflows



1. Branded digital portal

WHAT TO LOOK FOR

Look for a returns portal that offers a **seamless, easy-to-use** that is **fully customizable** to your brand's design and **can be embedded on your website** for the best experience. The portal should support multiple return methods, allow customers to initiate returns with minimal friction, and provide a fully digital experience, including label generation, return instructions, and even carrier selection if needed.



THE BUSINESS IMPACT

- **Reinforces brand identity** and **enhances customer trust** through consistent touchpoints.
- **Reduces customer friction and inquiries,** freeing up customer service resources.
- **Lowers cart abandonment** rates by making returns seamless, encouraging repeat business.

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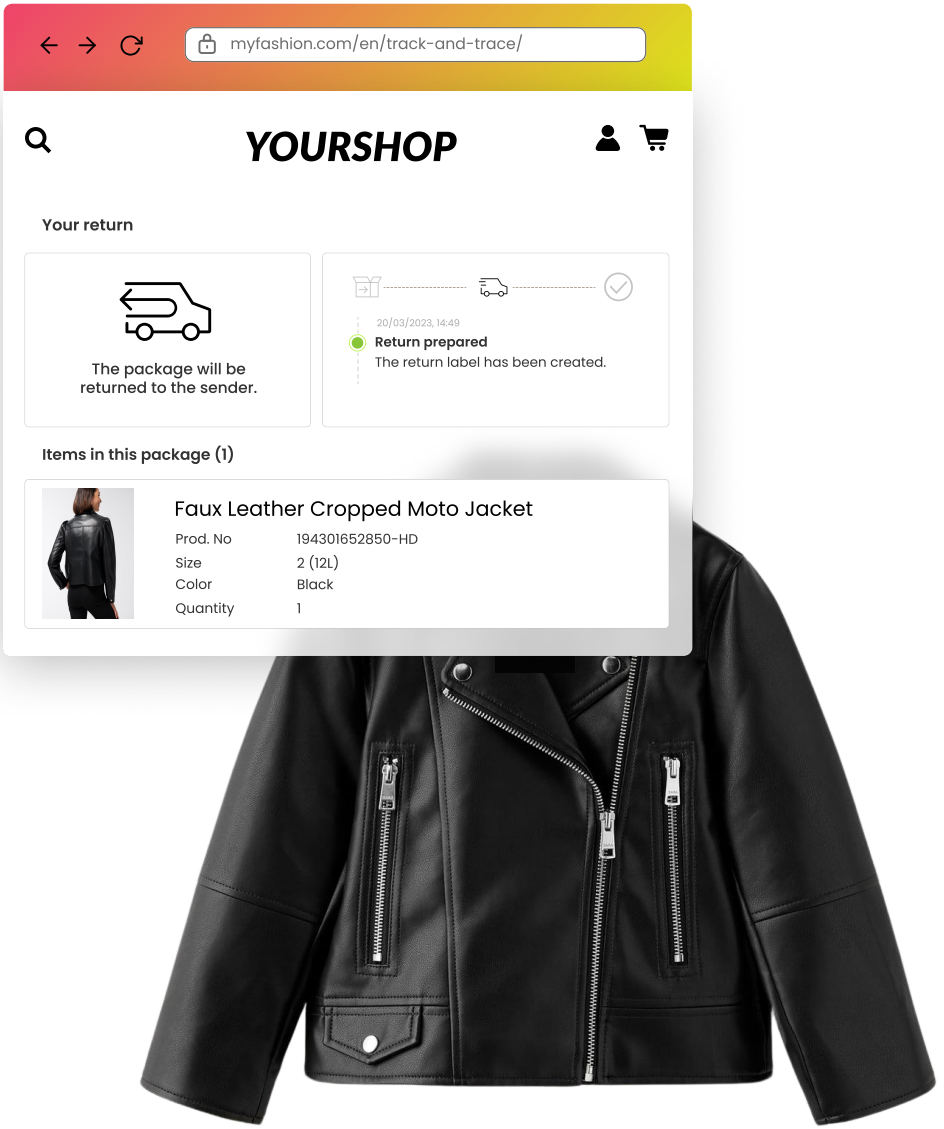
2. Inbound package tracking

WHAT TO LOOK FOR

A returns solution that offers **real-time tracking** of inbound packages allows customers and retailers to monitor the status of returns from drop-off to warehouse delivery. The system should send **proactive email updates** and provide visibility on the Order Status page, offering notifications for key stages like "return registered," "on its way," "delayed," and "received." The integration should include carrier tracking and sync seamlessly with your retailer's systems.

THE BUSINESS IMPACT

- **Lowers WISMR (Where Is My Return?)** calls, reducing the load on customer service and boosting customer satisfaction.
- I**mproves operational efficiency** through real-time visibility into the returns process.
- **Boosts engagement** by leveraging returns communication as an additional revenue touchpoint.



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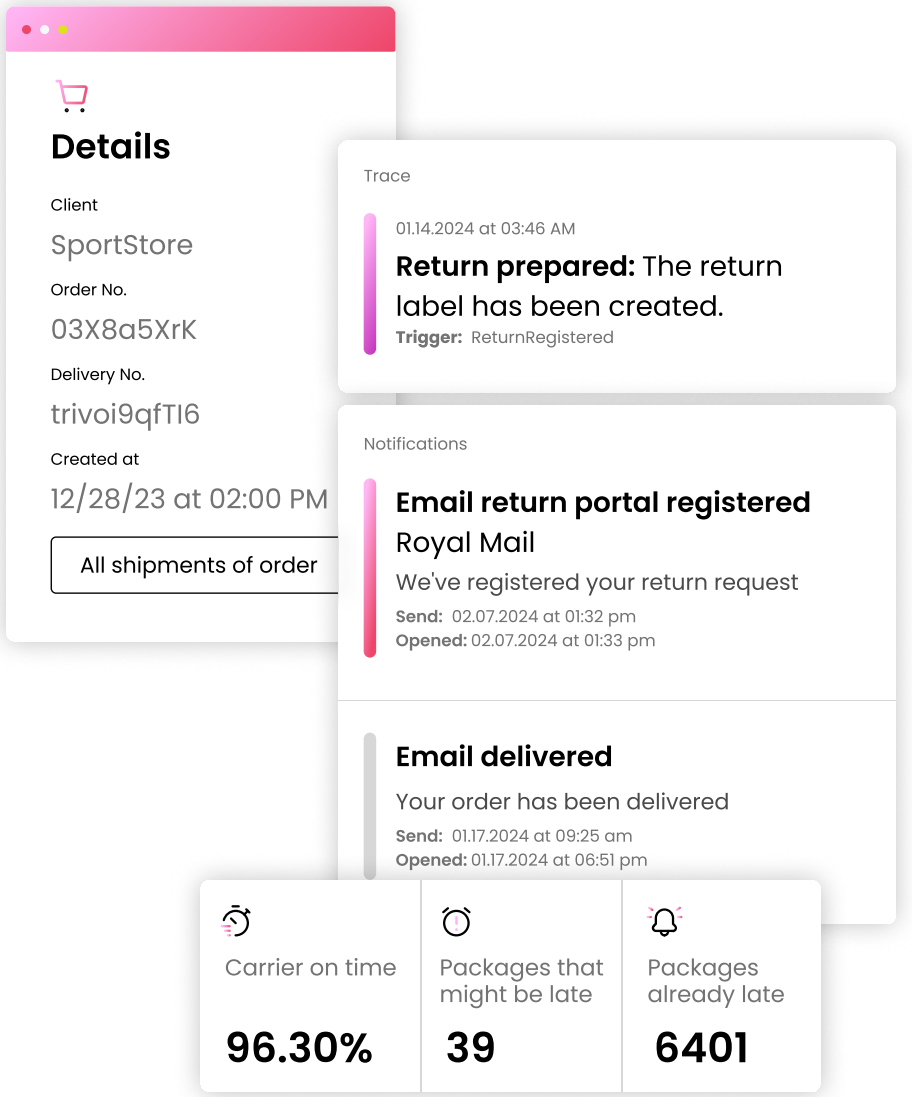
3. Customer service integration

WHAT TO LOOK FOR

A returns solution that **integrates seamlessly with your customer service platform** to provide returns tracking and communication history. Customer service agents should be able to quickly access details about returns, allowing them to resolve inquiries faster and more efficiently. The solution should also enable the tracking of returns-related communication, ensuring that the customer experience remains smooth from start to finish.

THE BUSINESS IMPACT

- **Minimizes WISMR (Where Is My Return?)** calls by providing agents with prompt returns data.
- **Increases customer satisfaction** by ensuring fast and accurate issue resolution.
- **Improves operational efficiency** by streamlining customer service interactions related to returns.



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4. Seamless integration with existing systems



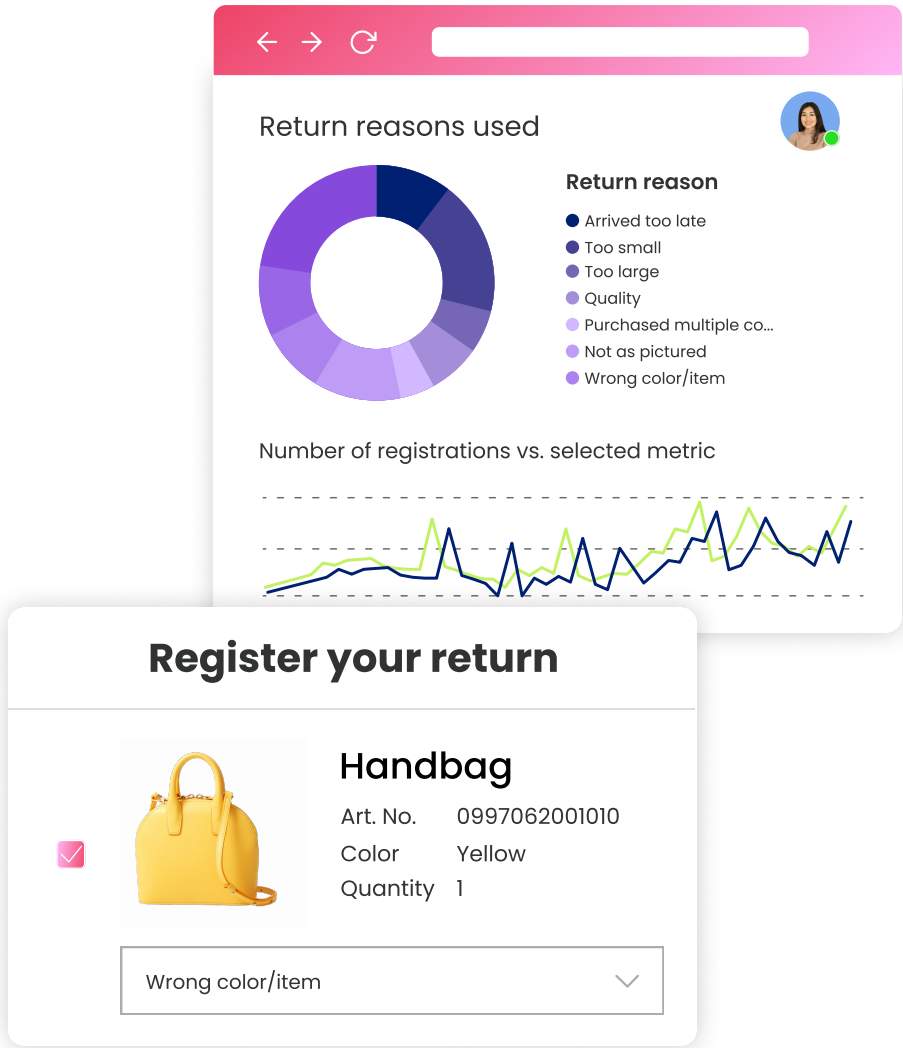
WHAT TO LOOK FOR:

A returns solution that **integrates seamlessly** with existing systems, such as **ERP**, **CRM**, **warehouse management**, and e-commerce platforms, enabling real-time data flow. The solution should provide more than just standard plugins and offer flexible APIs that can aggregate data from multiple sources. This ensures a unified view of returns across departments, improving overall operational efficiency and enabling better decision-making.

THE BUSINESS IMPACT:

- **Eliminates data silos and manual data entries** by enabling prompt data sharing across systems.
- **Enhances visibility across the supply chain**, leading to better returns management.
- **Speeds up decision-making** by providing a holistic view of returns data in one place.

5. Actionable insights



WHAT TO LOOK FOR

A returns solution that offers **comprehensive data insights** through dashboards and analytics. The solution should **allow retailers to track and monitor** key metrics like return rates, product performance, and customer behavior. Additionally, it should provide insights into customer engagement, such as how returns communications (emails, SMS, and order status updates) perform and whether they drive additional revenue.

THE BUSINESS IMPACT

- **Identifies patterns in return reasons**, helping optimize product quality and reduce return rates.
- **Provides actionable insights** to improve supply chain efficiency and product offerings.
- **Boosts revenue recovery** through better-informed marketing and returns strategies.

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6. Services and support



WHAT TO LOOK FOR

When selecting a returns management solution, prioritize vendors offering flexible, high-quality service and support. Choose a partner that provides responsive, personalized assistance, understands your business challenges, and adapts quickly. The best vendors ensure smooth returns processes with innovative problem-solving, consistent communication, ongoing technical support, and scalability as your business grows.

THE BUSINESS IMPACT

- **Minimizes downtime** with proactive support, resolving issues before they affect customer experience or operations.
- **Builds trust** through flexible, empathetic service, strengthening your relationship with the vendor.
- **Drives long-term success** by offering innovative, scalable solutions that evolve with your business needs.

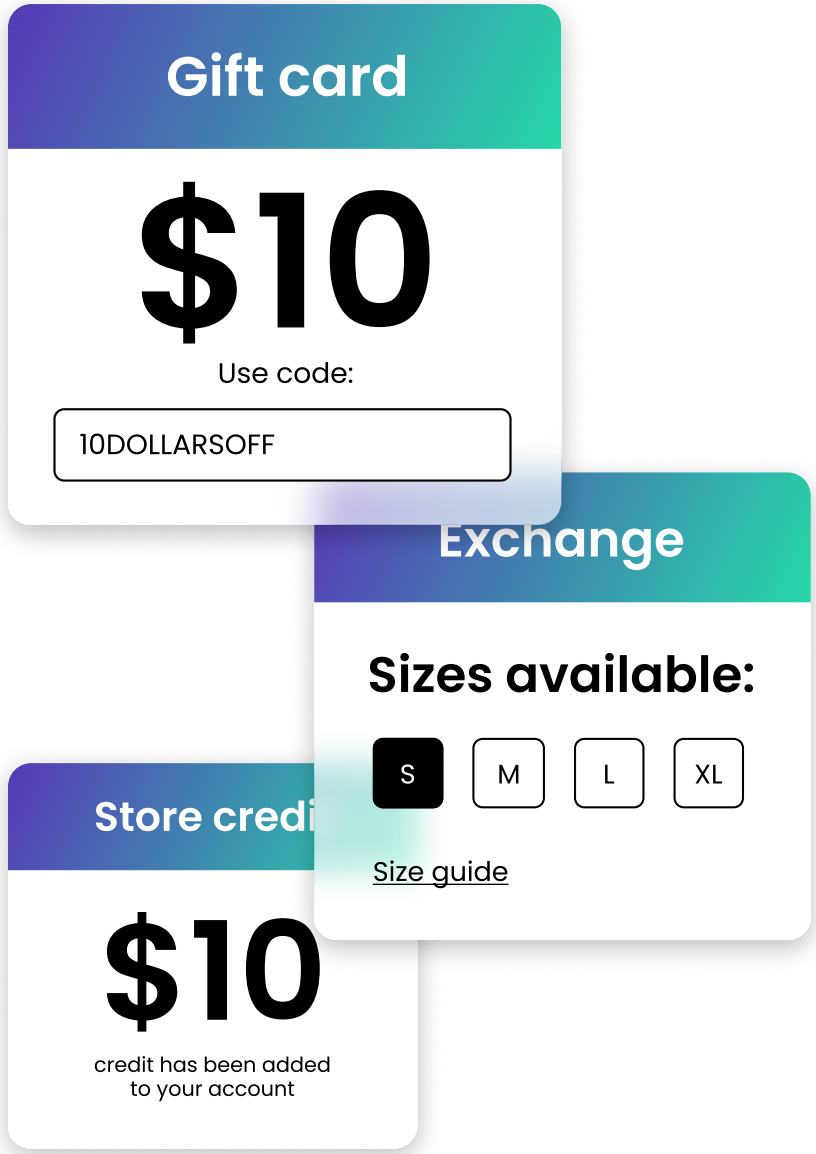
7. Flexible return alternatives

WHAT TO LOOK FOR:

A returns solution that supports a variety of return methods, such as **exchanges**, **store credits**, **gifts**, and **instant refunds**. The solution should offer flexible alternatives to refunds, such as exchanging products for different sizes or colors or providing instant refunds for loyal customers. The ability to issue store credits or vouchers quickly can also encourage customers to re-engage with your brand sooner.

THE BUSINESS IMPACT:

- **Reduces revenue loss** by offering exchanges or store credits instead of refunds.
- **Builds customer loyalty** through instant refunds, especially for repeat or high-value customers.
- **Increases future sales** through the quick issuance of vouchers or store credits.



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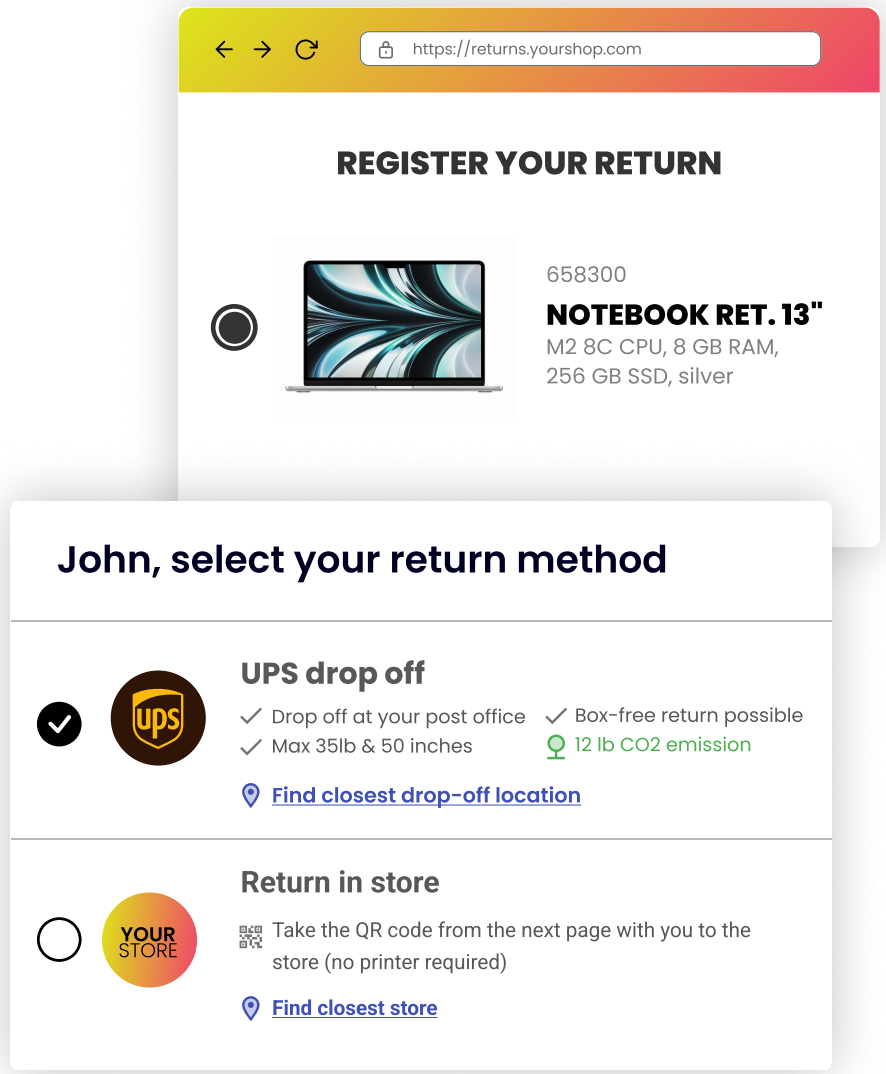
8. Multiple returns methods

WHAT TO LOOK FOR

A flexible returns solution that offers multiple methods for customers to return items—such as **printable labels, QR codes, or in-store returns**—catering to different customer preferences. The system should **allow customers to select their preferred return method** and provide clear instructions for each method, ensuring a smooth returns experience for everyone.

THE BUSINESS IMPACT

- **Increases customer satisfaction** by offering flexibility and convenience.
- **Minimizes operational inefficiencies** by reducing delays or lost items.
- **Protects revenue** by ensuring quicker restocking and reselling of returned items.



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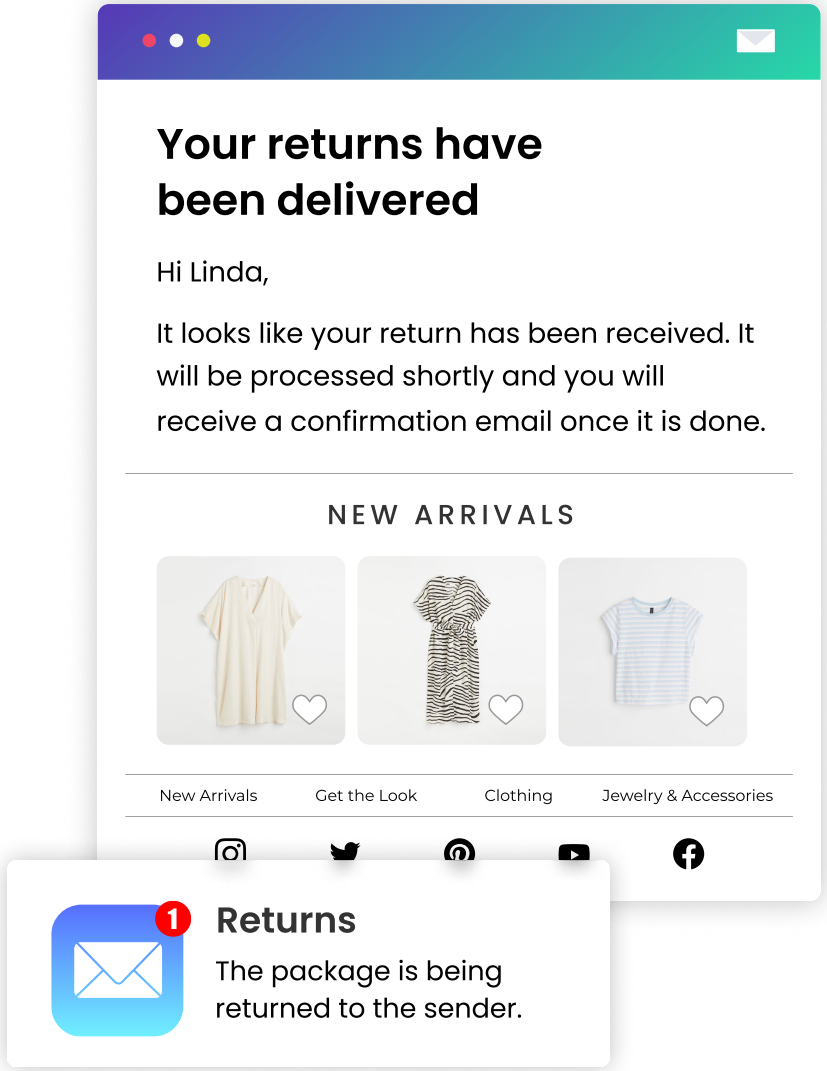
9. Personalized returns workflows

WHAT TO LOOK FOR

A capability that offers personalized returns workflows based on customer behavior, product categories, or specific return configurations. Retailers should be able to design custom flows that handle complex return scenarios while ensuring a smooth and personalized experience for each customer segment. The solution should also provide testing and pre-publishing capabilities to ensure the reliability of communications before they go live.

THE BUSINESS IMPACT

- Personalizes the return experience, **increasing customer satisfaction and loyalty.**
- I**mproves operational efficiency** by streamlining complex return configurations.
- **Enhances the customer experience** by ensuring relevant, accurate, and timely returns communications.



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4.0

Vendor evaluation tool

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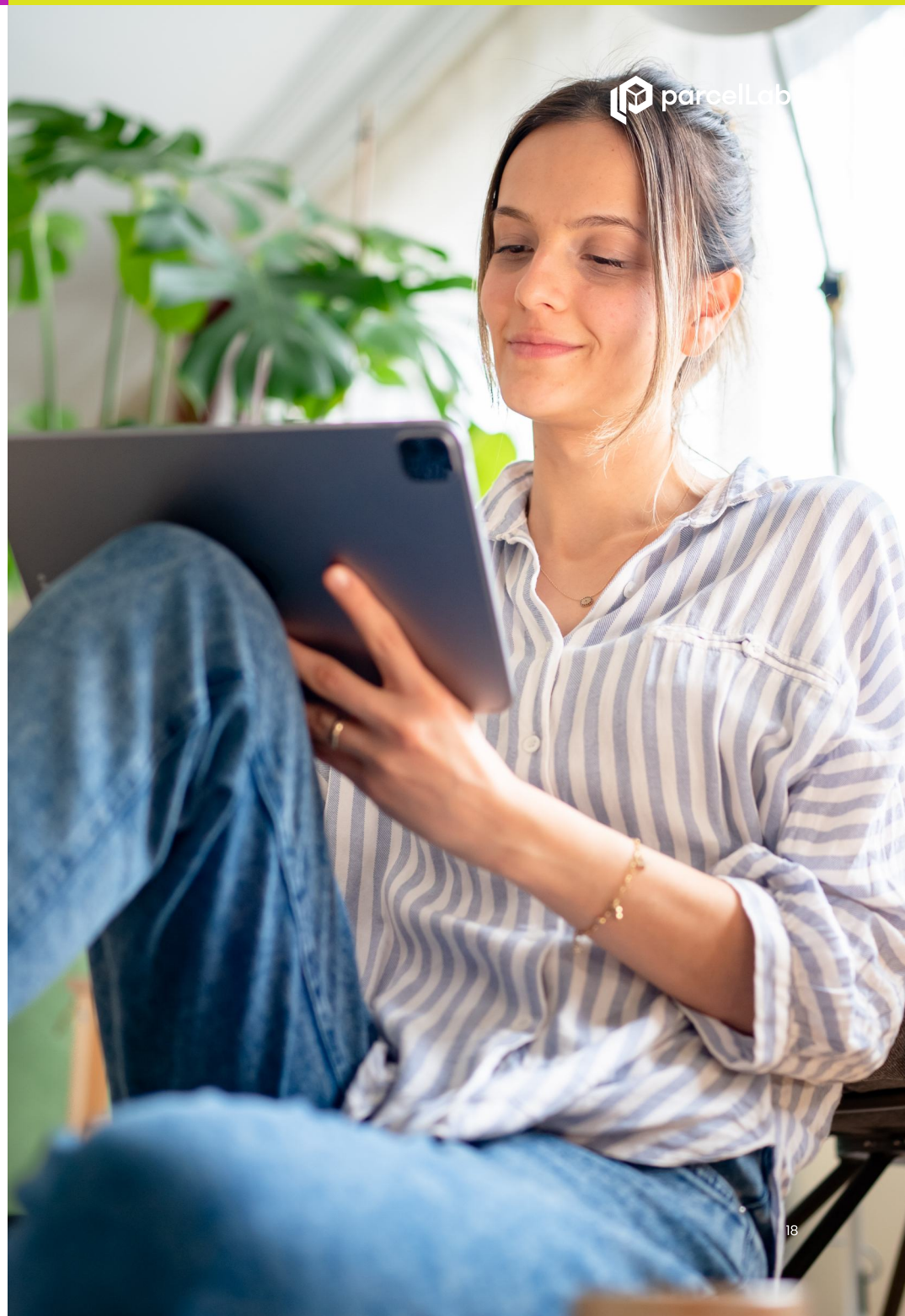
4.0 **Vendor evaluation tool**

Now that you've identified the key capabilities that should drive your returns management strategy, the next step is selecting the right vendor to bring those capabilities to life. **To help with this, we've developed an evaluation matrix**—a practical tool designed to guide your vendor selection process. Each of the nine essential capabilities we've discussed is included here, weighted by its importance in optimizing your returns process.

This matrix is designed to help you make a precise, structured comparison of your options, ensuring that your chosen returns management solution will support your goals for efficiency, customer satisfaction, and revenue retention.

With the Vendor Evaluation Matrix, you now have the tools to assess potential returns management solutions in a methodical way.



4.0 Vendor evaluation tool

Capabilities	Description	Score range	Vendor 1	Vendor 2
Seamless integration with existing systems	*Ensures smooth integration with ERP, CRM, and e-commerce systems.*	**1 to 15**		
Services and support	*Ongoing vendor support and service reliability post-implementation.*	**1 to 15**		
Branded digital portal	*A seamless, branded returns portal that enhances customer experience.*	**1 to 12**		
Flexible return and exchange options	*Offers various return methods such as exchanges, credits, and refunds.*	**1 to 12**		
Actionable insights	*Provides data-driven insights to optimize returns and customer experience.*	**1 to 10**		
Multiple returns options	*Supports different return methods to provide customer convenience.*	**1 to 10**		
Inbound package tracking	*Real-time tracking of returns, reducing WISMR (Where Is My Return?) calls.*	**1 to 6**		
Personalized returns workflows	*Enables personalized, configurable returns workflows.*	**1 to 5**		
Customer service integration	*Integrates returns data with customer service to resolve inquiries quickly.*	**1 to 5**		
		Total score		

How to use the tool:

1. Score Range: High-priority capabilities are scored out of 15, medium-priority ones out of 12 or 10, and lower-priority ones out of 6 or 5. This creates a clearer distinction between the capabilities.
2. Vendor Scoring: Assign scores within the specified range for Vendor 1 and Vendor 2 based on how well they deliver each capability.
3. Total Score: Sum the scores for each vendor to determine the best fit for your needs.

5.0

Conclusion

5.0 **Conclusion**

An optimized returns process does more than streamline logistics—it drives critical business outcomes. A well-managed returns experience boosts customer retention, enhances operational efficiency, and recovers lost revenue. By focusing on the critical capabilities outlined in this ebook, you can turn your returns process into a competitive advantage that strengthens both your brand and your bottom line.

Selecting the right returns management solution is the key to unlocking these benefits. With the proper tools in place, you can minimize friction for customers, improve internal processes, and ultimately, protect and grow your revenue. The Vendor Evaluation Matrix is designed to help you make a well-informed choice that aligns with your strategic goals and delivers measurable results.

But selecting a solution is just the beginning. Now that you have the right returns management platform, it's time to make sure you're leveraging its full potential. In the next ebook we'll guide you through the process of maximizing the value of your investment—ensuring it continues to drive growth and efficiency long after implementation.

Learn how parcelLab can help you improve your returns experience

Book a demo

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6.0

Appendix

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6.1 Know before you go

Branded digital portal	Before implementing a branded portal, assess whether your current tech stack (e.g., e-commerce platform) supports deep customization and branding. Evaluate whether you have the design assets and resources to maintain consistent branding across customer touchpoints.
Inbound package tracking	Before implementing a tracking solution, evaluate whether your systems are integrated with your carriers for real-time data. It's also crucial to assess how many WISMR calls you currently receive—if you notice a high volume, proactive tracking and communication could reduce these dramatically.
Customer service integration	Consider how integrated your customer support is with the returns process today. Evaluate how often customers require assistance with returns and whether integrating customer service would streamline resolutions. Check whether your existing customer service tools (e.g., CRM or ticketing systems) are compatible with the returns solution's features.
Seamless integration with existing systems	Audit your current systems to identify potential integration points with the new solution. Assess whether your existing systems can handle high volume and high velocity data exchange. If you're already managing multiple data sources, ensure the new solution can aggregate data effectively to provide a holistic view of your returns process.

6.1 Know before you go

Actionable insights	Assess whether your current analytics tools can integrate with the returns solution to analyze returns-specific metrics. Ensure your team has the resources and expertise to leverage data on return trends, item performance, and customer engagement.
Services and support	Is the vendor able to handle urgent, complex issues quickly? Does their support team have a deep understanding of your industry and its unique challenges? Ensure their support structure can scale with your business needs as you grow, and prioritize vendors who demonstrate empathy, flexibility, and innovation in their approach to problem-solving.
Flexible return methods	Evaluate whether your current policies favor refunds over other options, and assess how many customers would opt for exchanges or credits if given the choice. Ensure your finance and inventory systems can handle complex return methods like instant refunds or partial credits.
Multiple returns options	Assess how many return methods you currently offer and whether your customers have expressed a preference for different options. If in-store returns are part of your business, ensure you have the infrastructure to handle returns at physical locations.
Personalized returns workflows	Evaluate how complex your current returns process is—do you have different workflows for specific product categories or customer types? Consider whether a personalized experience could improve customer satisfaction in your target segments. Also, ensure your team has the capability to manage and maintain personalized workflows across different customer journeys.