



Warehouse Returns

Maximize resale revenues and returns processing efficiency

Business context/challenge

Returned items represent a significant impediment to inventory yield and gross operating margins. At the same time, returns processing is a time-consuming activity that includes slow, manual steps that rely upon subjective decision-making. With the recent commercial expansion of generous return policies, return rates have surged, placing a greater burden on warehouse operations and corporate profits.

Did you know that up to 44% of returned goods are never processed and resold? It is vital that businesses stop treating returns as a cost center, start treating them as a strategic source of inventory, and process them effectively to resell more products at the best price.

The Blue Yonder solution

Blue Yonder Warehouse Returns elevates revenue yield, streamlines workflows, and reduces the holding cost of returns. Our Smart Disposition engine determines the optimal outcome for every return to maximize net margin recovery. We obtain the highest resale value by strategically positioning returns as inventory, while simultaneously accounting for disposition processing to minimize resale costs. Meanwhile, comprehensive workflows, an intuitive user interface, and guided navigation streamline end-to-end processing from receiving and proficient item identification through optimal disposition for high returns throughput.

Historical analysis of returns across key dimensions provides valuable insights into root causes and impactful corrective actions. Harness insights on returns to inform commerce and mitigate future returns.



Proven Impact at Scale

Trust a solution that is already battle-tested. Blue Yonder Warehouse Returns processes over 100 million returns annually across top retailers and brands.

50%

- Reduction in labor costs: A 25% efficiency gain can result in over \$1.3 million in annual savings for high-volume operations

100%

- Increase in throughput: We helped a large apparel brand increase units processed per hour (UPH) from 25 to 55.

10%

- Higher recovery: Generate more customer value by getting inventory back to stock faster.

Warehouse Returns Highlights

Smart Disposition

Smart Disposition ensures the optimal outcome for every returned item, maximizing net margin recovery. The decision-making engine automates manual decision points while adhering to vendor agreements, inventory rules, and regulatory requirements. To achieve the best margin decisions, the system evaluates many factors including item condition, category, and price. Processing cost factors, such as transportation and item processing, are also evaluated. Machine learning outputs, retail data, and sales velocity can be used to determine the disposition path that maximizes revenue. Meanwhile, users can create and modify rules with the self-service UI—improving personalization and adaptability.



Comprehensive system-directed returns processing

Efficiently conduct returns processing with data-driven, step-by-step workflows from identification through disposition.

Ensure inventory accuracy through SKU-based receiving, verification and return order association. User-friendly processing steps streamline unit-level data capture, facilitate item grading and disposition, and direct to outcomes such as return to stock, recycle, or return to vendor. Value-added test and grade tooling guides users through condition assessment and repair to elevate items to the channel with the highest resale value. Return to vendor capabilities orchestrate inventory back to suppliers for increased recovery and rapid credit.

Return insights

Analyze return volumes across key dimensions, including warehouse, merchant, product, return reason, and timeframe. Leverage KPIs for insights into return rates, cycle times, and margin erosion. Evaluate returns performance by customer, product, and disposition reason. Apply actionable insights and root cause analysis to direct impactful corrective actions.

Key benefits

- Increase operational efficiency: Achieve up to a 2x increase in units processed per hour with system-directed workflows.
- Maximize net margin recovery: Strategically position returns as inventory to increase resale revenue.
- Improve inventory turnover: Turn around stock faster for resale to avoid markdowns and sell in-season.
- Enhance customer experience: Enable faster refunds and exchanges to boost satisfaction and loyalty.
- Global scalability: Rely on a secure, resilient platform capable of scaling globally to support enterprise growth.
- Reduce labor costs: Cut labor expenses by up to 50% through improved operator productivity and reduced training time.
- Differentiate your offering for LSPs: Provide a best-in-class, value-added returns solution to win more business.
- Manage diverse client needs: Utilize configurable workflows to handle specific receiving, grading, and disposition requirements for multiple clients for LSPs.