

## ADVANCED RETURNS MANAGEMENT

### ENSURING CUSTOMER LOYALTY WITH EFFICIENT RETURNS PROCESSES

Returns have become a vital part of long-term sales relationships. Managed well, they translate into sales opportunities and increase customer loyalty. The advanced returns management solution of the SAP® ERP application provides the process efficiency and transparency needed to meet today's expectations.



#### Increased Customer Demands

It's a customer-centric world out there, and customers are particular. They expect products to be of the highest quality and only buy if they can return goods comfortably, or they will take their business elsewhere. Simply put, to maintain long-term sales relationships, aftersales services have to be as good as the sales services themselves. That applies equally to returns policies and the processes of handling and shipping returns and refunding money. It all has to be top-notch.

#### Proper Organization Needed

Not having proper processes implemented for returns can spell higher costs. Inefficient handling of returns, for example, can tie up funds for stocking returned goods or can even lead to greater expenditure for goods that need to be repurchased – needlessly. In addition to that, mismanaged returns can affect future sales negatively as customer loyalty decreases. Yet, it comes as a surprise that so many companies have so long neglected to optimize the way they manage this vital process.

#### Comprehensive Handling of Returns

The advanced returns management solution is designed as a generic solution for covering two main business processes: supplier returns, including internal reverse logistics, and returns from customers. At the same time, its high-performance features provide an excellent level of end-to-end support for all industries and companies.

The solution gives wholesalers and any other companies that sell material goods both the efficiency and transparency they need to service all manner of customer returns, whether returns are made at the counter, are shipped to the warehouse or directly to the vendor, or whether subsequent reverse logistics is involved.

#### Greater Efficiency and Transparency

Efficiency begins with easy-to-use interfaces and software support for automating data entry. Logistics and financial follow-up documents are automatically created, and individual work lists trigger processing steps. And the level of integration built into advanced returns management gives staff an unprecedented level of transparency over the entire returns process. With excellent visibility into the status of returns, staff can easily determine where in the process chain an individual return is and monitor the physical location of the goods.

#### Increased Service Levels for Customers

A transparent, more efficient returns process – enabled by the advanced returns management solution – means you can offer your customers a clear returns policy. That makes life easier for them and improves your image in their eyes. Customers want to know exactly how they can return goods, how much they will be refunded, and when exactly those refunds will be paid. The software helps you deliver on that expectation, and that leads to greater customer satisfaction – not just now, but in the long term.

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## Summary

The high-performance features of the advanced returns management solution of the SAP® ERP application help companies that sell material goods accommodate demanding customer expectations for straightforward returns policies. With greater efficiency in the returns process, companies save costs. And the transparency it offers converts clearly executed returns policies into sales opportunities as customer satisfaction increases.

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## Challenges

- Accommodate all returns methods from customers
- Optimize the returns process to save costs
- Ensure customer loyalty through an efficient returns process
- Clarify returns policies to provide greater transparency for the customer

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## Supported Business Processes and Software Functions

- Support for all returns methods – Handle returns made at the counter, returns involving a shipment to the warehouse, subsequent reverse logistics, and direct shipments from customer to vendor
- Management of follow-up activities – Trigger follow-up activities and automatically create relevant follow-up documents as you perform the initial returns order or the material inspection in the warehouse
- Determination of refunds – Adhere consistently to your refund policy, paying out to customers the correct amount within the time frame stated
- Process tracking – Stay on top of each return by monitoring its logistics and refunding status and the corresponding logistics and billing documents
- Transparent returns policy – Adhere to applicable business rules and provide accurate information for customer queries

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## Business Benefits

- **Optimize total cost of ownership** by efficiently processing returns
- **Increase customer satisfaction and loyalty** by providing a clear returns policy with improved transparency of customer returns and refunds

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## For More Information

Call your SAP representative or visit us online at [www.sap.com/erp](http://www.sap.com/erp).

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