# Improving the Customer Experience at the Return Counter

More and more retailers are seeking innovative ideas to deliver customer service excellence at the return desk in an attempt to set themselves apart from the competition and make a first-rate impression with consumers. But as retailers evaluate how to accomplish this through a more lenient, consumer-centralized focus—including extending merchandise return time frames, reducing or eliminating restocking fees, and modifying tender refund policies—they also find the need to better manage risk and prevent invalid returns from slipping through the cracks.

Often retailers lack the data and processes to identify the key factors that allow them to provide the appropriate service, with minimal consumer impact, while still ensuring the validity of every return. By implementing specific return optimization tools at the return counter, however, retail companies can improve performance, solidify relationships with long-time consumers, and make a stellar impression among new shoppers.

## Eliminate Restrictive Policies

Solutions like Verify® return authorization allow retailers to eliminate restrictive return policies (often designed with good intentions to prevent fraud), as these may inadvertently alienate a retailer's best consumers. For example, non-receipted returns or returning an expensive product that exceeds a retailer's return rules may raise a red flag with some return systems—even with retailers' most loyal clientele. But more sophisticated solutions are designed to identify individual shoppers and their purchase and return behaviors, and score them against fraud and abuse trends, ensuring a positive experience for all consumers making legitimate merchandise returns. Removing the need for managerial involvement to authorize returns dramatically increases return counter processing speed and also eliminates the possibility of employee bias in the approval process.

In addition to the customer service benefits, retailers that implement return optimization solutions like Verify can achieve more precise control over many aspects of the return process. For example, the solution can aid with product recalls, warranty items, products that cannot be returned (e.g., undergarments), and products that should be returned directly to a manufacturer, such as certain consumer electronics or specific types of baseball bats. In the case of a recall, the cashier is notified immediately to accept the return regardless of the consumer situation. This rapid processing benefits the consumer, and prevents the retailer having to address the return error with the manufacturer, as well as avoid potential financial losses for the store.

To optimize the return experience and make the process easier for consumers, consider the following tips for improving customer service at the point-of-return:

## Tips to Reinvent Your Return Counter

- **Provide fair and flexible returns.** A recent study published in eMarketer shows retailers that don't provide cash refunds on returns, or don't accept returns without a receipt, rank high on consumers' list of complaints. Retailers that utilize return authorization systems have the ability to offer consumers consistent and consumer-friendly return policies, and a comfort level with providing all types of refunds, since they can easily confirm the transaction is legitimate.

- **Treat your best customers as such.** A benefit of implementing return authorization systems is the ability to distinguish good consumers from those committing return fraud and abuse such as "renting" or "wardrobing" (buying merchandise for short-term use with intent to return). Eliminating or reducing re-stocking fees for honest shoppers can win big points (and sales) with consumers, as will easing tender restrictions on returns.

- **Cater to your return/exchange consumers.** Be aware of how the processing of returns can impact relationships with consumers. Long lines and cumbersome return policies do little to assuage crowd tensions, voiding out any positive first impressions made at the initial sale. During holidays or other busy seasons you may consider extending receipt age times and offer more lenient policies, which will reflect a retailer's emphasis on customer service. In addition, VIP customers' returns should always be handled with extra care in order to drive deeper loyalty. These objectives can be accomplished effectively and with minimal risk via an automated return system.

- **Don't underestimate the importance of proper staffing & training.** Make sure there is an ample number of staff at the return counter to move the process along efficiently, and that they're well-versed in the company's policies. Ensure employees clearly communicate return policies to consumers during purchases, as well. A verbal reminder of policies at check-out, in addition to printing on each store receipt and well-placed signage, will prevent tension and misunderstanding during the return process.

- **Give return consumers a reason to keep shopping.** Programs like Appriss Retail's Incent™ can facilitate significant new sales at the point-of-return and build customer loyalty by using a consumer's return information to instantly customize an offer for that particular person, thus providing an immediate incentive for them to continue shopping at the store. The program is an opportunity to deliver a discount or special offer and recover revenue from the initial "lost" sale.

- **Understand the benefits of preventing return fraud as it occurs.** A special solution like Verify return authorization is designed to identify consumers whose behaviors mimic return fraud or abuse by analyzing their unique return behavior. While the NRF estimates approximately 5 percent of all return dollars (that is $5.00 for every $100 returned) are lost to fraud, these losses are driven by less than 1 percent of all consumers; therefore, it is just as important that you protect and enhance the return experience for your honest consumers.

With some strategic planning and the right partners, retailers can effectively drive satisfaction at all consumer touchpoints in the store, enabling them to differentiate and also thrive long-term. Every shopper interaction within the store is an opportunity to add to your a loyal consumer base; many retailers have already followed these helpful tips to create unique consumer experience—at the place they expect it least—the return counter.