

Körber Supply Chain

Fair returns

Using voice and AMR to remove
returns management challenges



Introduction

Product returns have become one of the biggest challenges facing eCommerce. You are often dealing with single product units which could run into the thousands, and the options for how to treat returned goods are complex.

This means finding the right leverage between automation and business processes, and why organizations are turning to voice and autonomous mobile robot (AMR) technologies within their wider warehouse management strategies and integrating with their warehouse management systems (WMS).

Returns culture

Over the past 10 years, online shopping has grown by more than 300%! Without the touch and feel element of testing a product's functionality, or trying it on for size, customer expectations for a full refund have created a burgeoning culture for returns.

The decision tree – reducing complexity

Decisions on how you manage returns might depend on whether:

- You manage your returns process internally or use a specialist external provider
- The returned item is faulty or damaged – in which case should it be discarded, or refurbished if it is a higher value item?
- The goods need to be re-inspected to ensure their integrity for the next consumer
- The product needs to be re-packaged, or can simply be re-shelved ready for the next sales cycle process
- The customer is requesting a return or replacement

This is where the returns decision tree built into your WMS comes in. In effect, your WMS – the strategic brain of your warehouse operations – should “write” your returns policy against a set of process parameters designed in consultation with a technology partner such as Körber. It should also flag decision points – such as whether the item is still within its qualified return timeframe, for example – and it should change your policies in line with market trends.

Your decision tree will depend on your:

- Product mix
- Disposition options
- Volumes needing management

Each of these aspects will be key to the processes and technologies you deploy.



“Companies are looking for ways and mechanisms to make the right decisions within their returns process.”

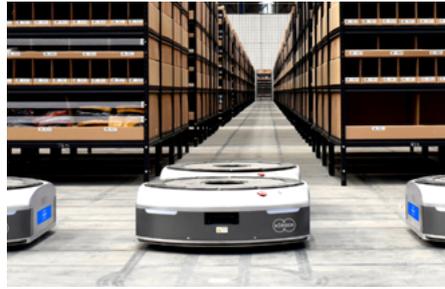
Craig Moore
Vice President of Sales, Körber



Voice technology

Voice delivers 20% efficiency gains almost immediately on implementation. In a put-away or replenishment scenario, you can return products to their locations quickly and efficiently so they can begin their sales lifecycle again.

This efficiency is gained through hands-free and eyes-up movement. The team member receives instructions through a headset connected to a device on their belt. They then confirm each step through a microphone in real time without using a handheld device.



AMRs

AMRs are autonomous robots that can perform many movement activities in a warehouse without rails or tracks. Instead they use sensors, cameras, and software to build a digital map of their environment, with embedded safety mechanisms. They speed up the returns process by handling the movement between inbound goods and put-away – decreasing the traveling time of team members, particularly within a large warehouse facility.



Technical integration

While they have different functions, voice (driven by audible cues) and AMRs (more software defined) naturally interface. Depending on the need and complexity, there are multiple functionalities you can build into the returns process, including touch screens, cameras and scanners. These different technologies are integrated through your WMS.

Critical success factors

Scalability, flexibility and adaptability

While the desired result of a returns system will always be to maximize efficiency and meet customer expectations, there is no single right-fit solution. Scalability, flexibility and adaptability to the environment are crucial.

It is important to look at areas where automation will not add value – not just where it will. To work this out, your solutions partner should look at your metrics, including:

- Facility size
- Configuration
- Team
- Products
- Throughput volume
- Warehouse space and structure

In Europe, we see more narrow-aisle vertical environments compared to North America which has much larger, wider facilities with excess space. Equally, different environments lend themselves to using different approaches to automation. In one facility where a footprint may be wide, using mobile robots can add value. Conversely, in a facility making better use of vertical space, other approaches to automation may make more sense.

Change management

Change management and effective communications are critical to the successful deployment of AMRs. New automation technology can be perceived as a risk in the eyes of team members, when in reality – if properly deployed – it is meant to be a way to increase their productivity and improve their working lives.

Key elements in driving effective change management include:

- Complete buy-in at the top of the organization
- Clear directives and understanding of the value the technology will bring
- Proper communication with those who will directly interface with the technology.

The Körber difference

Why Körber should be your preferred solutions provider to help manage your returns process effectively:

- Our two decades of dedicated voice experience have positioned us as the world's largest industrial voice integrator, serving over 1,300 voice customers worldwide
- Our world-beating AMR capabilities deliver best-fit robotics solutions for your business
- Our WMS process-driven architecture is unmatched in its adaptability to best fit your returns operations in a tailored approach
- Our strengths lie in our strong process expertise. We completely understand that process comes first and foremost for the success of the systems we deploy, and aim to be your long-term partner as your business needs evolve
- Our solutions are completely scalable, adaptable and compatible with your existing IT systems, so we can support you every step of the way.

Conclusion

Returns management is an inescapable and growing fact of eCommerce, and remains a complex challenge for many organizations. An effective returns process boosts profitability, but lack of one can be a revenue leak for the company. The most successful operations will be those embracing returns with effective systems such as voice, AMR and a robust WMS.

Find out more

Please visit our website for more details on how we can help you optimize your returns processes:

[Voice, Vision and Mobility](#)

[Autonomous Mobile Robots \(AMR\)](#)

[Warehouse Management Systems \(WMS\)](#)

Reference

1. Jilt, 'The eCommerce decade: How the 2010s changed online shopping' – jilt.com/blog/decade-ecommerce-2010s

