

RETURN ABUSE PREVENTION

Encourage return shopping, not return abuse

Manage returns & refunds with the ease and convenience valued customers expect while stopping abuse in its tracks.

Flexible returns & refunds are table stakes for competing in ecommerce. Yet these good faith offerings are costing merchants more than just face value.

On top of profit loss and the cost of return shipping, offering free returns requires additional labor costs to inspect and restock, as well as logistic expenses to package and reship. The ability to resell a return is further complicated by the effects of seasonality – if your item is no longer in season by the time the return is received, markdowns are required in order to redeem the sale.

While free returns may be a worthy price to pay for the dividends of customer lifetime value, that's a payoff most merchants never realize for the more than 10.6% of returns that come back as fraudulent. This puts an incredible burden on your customer service team to weed out abusers without impacting the experience for valued customers.

Returns by the numbers:

10.6%

Online returns
that are abusive

25%

Shrink from
unsold returns²

3.7X

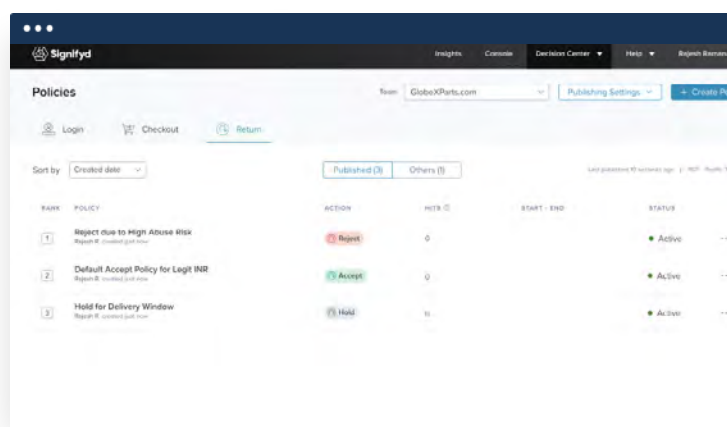
Cost of a return
compared to its
list price

\$23.2B²

Total cost of
ecommerce returns
abuse in 2021

Solution overview

Powered by the Signifyd Commerce Network and configurable policy guardrails, Signifyd's Return Abuse Prevention streamlines customer interactions and automates the returns process. The solution while providing a friction-free returns experience for your most valued customers.



¹ NRF | ² CNBC | ³ NRF

How it works

Set automated guardrails to alert customer support of high risk requests

Based on the [guardrails you set](#), Signifyd assigns an abuse risk level to each returns request – identifying the return as low risk, moderate risk, or high risk – along with recommendations on whether and how to process the return.

Empower your support team with custom recommendations

Return decisioning is configured to your unique return policies, generating recommendations your support team can rely on such as: approved for refund, approved for store credit, review package before refund, declined for refund, and more.

Provide friction-free refunds for valued customers

Custom policy configuration allows you to remove blockers for your most valued customers – for example, by automatically issuing refunds for loyalty member customers – ensuring a friction-free returns experience every time.

Key benefits



Reduce markdowns, out-of-stocks, and appeasements



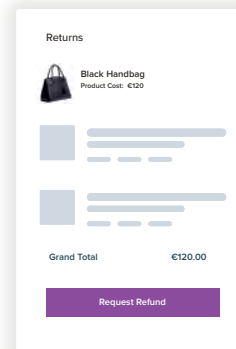
Reduce labor costs due to manual inspections and restocks



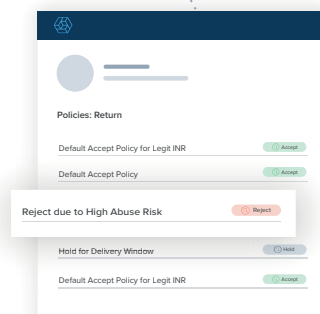
Cut down on product shrink from unsellable returns



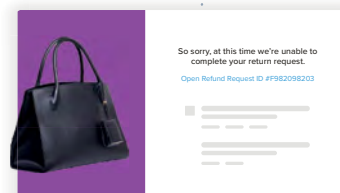
Improve customer experience for your most valued customers and grow CLTV



1 Customer submits a return claim.



2 Signifyd ML + Merchant-set risk guardrails happen on the backend.



3 Signifyd provides real-time return recommendations for your support team, or automates return message to customer, according to policies you establish.

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“Getting our return policies right is a big priority for us. The cost of a return is enormous, so it’s important that we prevent shoppers from abusing returns. And now, with Signifyd, we are capable of doing that.”

— SOFIA GIUSSANI SENIOR DIRECTOR OF DIGITAL MARKETING & ECOMMERCE BHFO