

## Case Study: SMC Networks Returns Management System

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Learn how SMC Networks, a leading provider of Networking and Wireless Networking solutions manages the complexities of product returns with a dedicated Reverse Logistics Management system software and reduced their processing costs by 50%.

“Returns were a nightmare”

“Returns were a nightmare,” Steve Kokolios, Customer Service Manager of SMC Networks in Irvine California says of their product returns operations before implementing the Andlor BacTracs Reverse Logistics Management system. SMC is a leading provider of Networking and Wireless Networking solutions. The company originally outsourced its product returns operation on the premise that doing so would be more cost-effective and result in better customer service. However, some significant deficiencies soon became apparent in managing the complexities of product returns.

The original system used by SMC was inflexible and did not capture vital data required to manage the returns from their distributors, retailers or end users. In contrast, BacTracs is highly modular and customizable to each specific Returns scenario.

SMC often had to give customers the benefit of the doubt regarding disputed returns because the database just could not provide the required level of detail. This resulted in both lost revenue and customer frustration. BacTracs has changed all that, according to Steve.

“We were always fighting fires”

Steve found that he would “spend hours fighting fires” and dealing with exceptional returns. It was always difficult to track down issues with specific RMAs, and to address them properly. BacTracs has vastly reduced the number of exceptional returns and has enabled Steve and his team to provide world-class customer service.

“Everyone thinks I’m a genius now,” says Steve. He decided to implement BacTracs to help him get all facets of the returns process, from logistical, to financial, to technical, under control. He says that it is well designed and built to cover all of his key areas of concern:

- RMA creation and management
- Inventory management and forecasting
- Product testing and repairing
- Invoicing and Crediting

Most importantly, according to Steve, BacTracs has enabled SMC to pinpoint and address quality deficiencies in its product lineup much earlier than was possible in the past.

In short, SMC purchased BacTracs to manage the complete reverse logistics process. Customer service representatives can answer customers' requests at a glance. Receiving knows exactly how to process incoming returns. Inventory management runs smoothly since Steve can review balances and know exactly how much stock is available. Customers can even use a web lookup to track how their credits or replacement goods are progressing through the system, thus reducing the number of customer service phone calls. The system has been built to manage outsourced components of the RMA process such as the seamless integration for shipping through SMC's 3rd party logistics provider.

'Return on investment was nine months'

The original Returns process was costly. Utilizing BacTracs, the cost has been reduced by 50%. BacTracs paid for itself within nine months (from a purely financial standpoint, not considering the intangibles!). Due to the intuitive user interface, training requirements were minimal. Customer Service reps were up and running within a few hours. Steve found that the software gave his team full visibility of the whole returns process and the tools to quickly and efficiently resolve problems. Scrambling with exceptions was eliminated. The average cost per RMA was drastically reduced. Customer satisfaction definitely went up. The RMA fulfillment rate increased and the number of open RMAs decreased significantly. BacTracs improved all areas of SMC's returns process!

'Focus on Business instead of Process'

'BacTracs has enabled me to focus on providing better customer service and better products instead of focusing on the mechanics of handling the return of product', says Steve. 'BacTracs runs like clockwork, we are always in full control of the entire Returns process.' Steve can now proactively spend his time focusing on saving additional costs, improving the customer's experience and increasing revenue for SMC. No more firefighting.