

Reverse Logistics Success Quotes to Help Build Your Business Case for Improvements

Contributed by Paul Rupnow
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When building a business case to improve your Reverse Logistics or get funding on technology or software to improve your Reverse Logistics operations, it is often very helpful to have good quotes, references, success stories or case studies to back up your proposal. Below I have assembled a number of excellent quotes and references you can use to help others understand the opportunity you are presenting:

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Inbound Logistics Magazine:

"As companies strive to wring every cent out of their logistics costs, they're increasingly taking a hard look at their reverse logistics practices. And no wonder -- they may find a motherlode waiting to be mined."
In the article Getting Started in Reverse Logistics by Leslie Hansen Harps.

Harvard Business Review:

"Even with reverse supply chains, forward thinking pays big dividends" in the article The Reverse Supply Chain.

Forbes Magazine:

"Bottom line impact can be a huge one" in the article The Reverse Side of Logistics: The Business of Returns

"Our primary goal is not so much Best Practices, but rather to eliminate Bad Practices" and

"To Maximize Bottom Line, Drive Every Return to its Highest and Best Use", Dan Gilbert when he was Vice President of Reverse Logistics for Cisco RLA Vegas 2006

"At least a 40% processing saving resulted by Companies who had mapped their Reverse Logistics processes" and

"These companies also experienced a 20% higher recovery rate on returned products." Research results presented by Professor James Stock, University of South Florida

"Price Erosion is the silent killer." Grey Williams VP Supply Chain at Logitech. "Logitech uses an Excess index" that calculates the cost of doing nothing, i.e. how much money the company stands to lose by not properly dispositioning its returned/excess products."

Remember: "It's about recovery, not about cost" "If somebody will process for \$.10/unit less

but cannot properly execute a RTV for a \$500 item, you didn't save \$.10, you lost \$499.90." Rob Saper OfficeMax VP Supply Chain Logistics at RLA Vegas 2013

Impact of an online retail customer's return experience:

- 85% of customers WILL NOT shop with you again if the return process is not convenient

-95% of customers WILL shop with you again if the returns process is convenient. Harris Interactive study

Key Metrics: "Once we began using these four simple metrics, Days/Time to Issue RMAs, Days to issue Repair Estimate, Days to Repair, = total repair time, we achieved a reduction of over 75% of time within 18 months and significant increase in customer satisfaction." iRobot, Don Patch, Director of Global Logistics, iRobot RLA Vegas 2014

Building a Reverse Logistics project business case is a challenge. Hopefully some of the above quotes will help you craft your plan or build your case. Feel free to send me (paul@andlor.com) your results, experiences or quotes for a future article.

Paul Rupnow