

Leveraging Holistic Data Analysis to Reduce the Cost of Refunds and Exchanges



Ember
A Davies Company

An online retailer had an issue with escalating costs due to increasing volumes of refunds and exchanges being processed by their customer service function. Existing internal reporting did not offer any insight as to the cause and the organisation did not have the capacity or expertise to investigate further.

How we helped

- Merged the refund and exchange data with other datasets to provide a holistic view of the issue
- Performed in-depth data analysis to determine the root cause of the issue
- Modelled the cost of refund and exchanges and how they also impact contact volume and FCR
- Modelled how the issue would be impacted by increasing sales in line with the business model



The results

The result of the root cause analysis was that the primary driver of the increasing refund and exchange volume was orders lost-in-transit by the delivery partner. The potential saving to the online retailer was >£1.5 million through being able to evidence that orders were not delivered to their delivery partner.

Recommendations were also for amendments to the lost in transit process that could increase FCR for the organisation by 2%.

Do you have an issue with high volumes of refunds or exchanges being made? Would you like to understand what is driving the cost behind them? If yes, we are here to help!

Our Solutions

We offer a swift and effective way to answer crucial questions and discover hidden trends and patterns – providing actionable insights that relate purely to your business.

Trust our skilled experts to help you understand what better looks like for your business!

[Find out more about our services](#)

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