



Havmo

Root Cause Analysis for Product
Return Rate Increase

Problem Statement

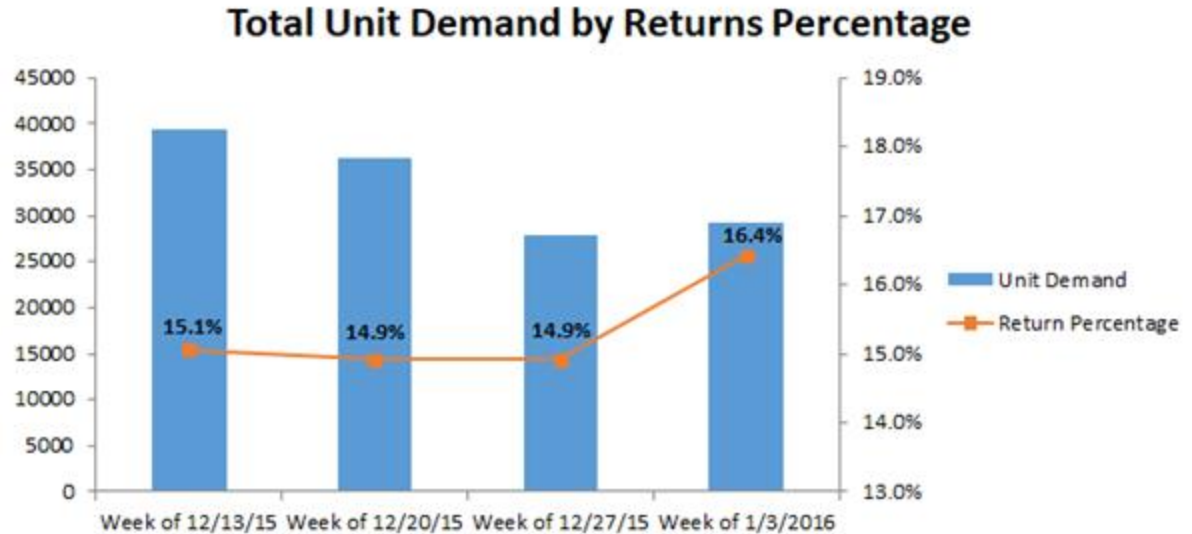
Problem Statement: Returns have suddenly increased for operations in India

Hypotheses Tested:

- Seasonality caused this increase
- This spike can be attributed to one product category
- The addition of new products within our category are responsible for this increase

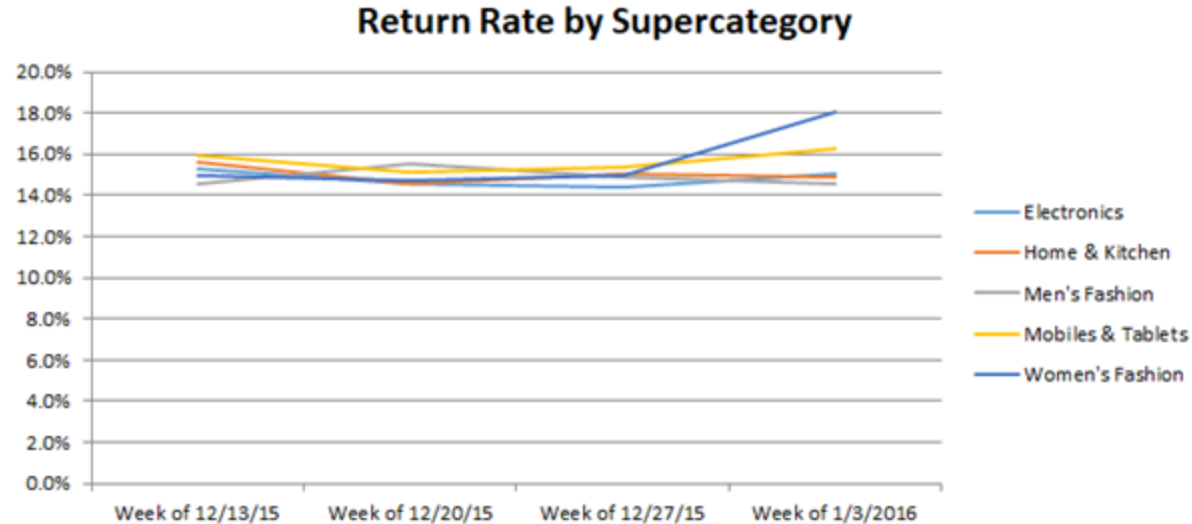
Hypothesis: Seasonality

Seasonality does not appear to be a factor as the return percentage increased even though demand did not.



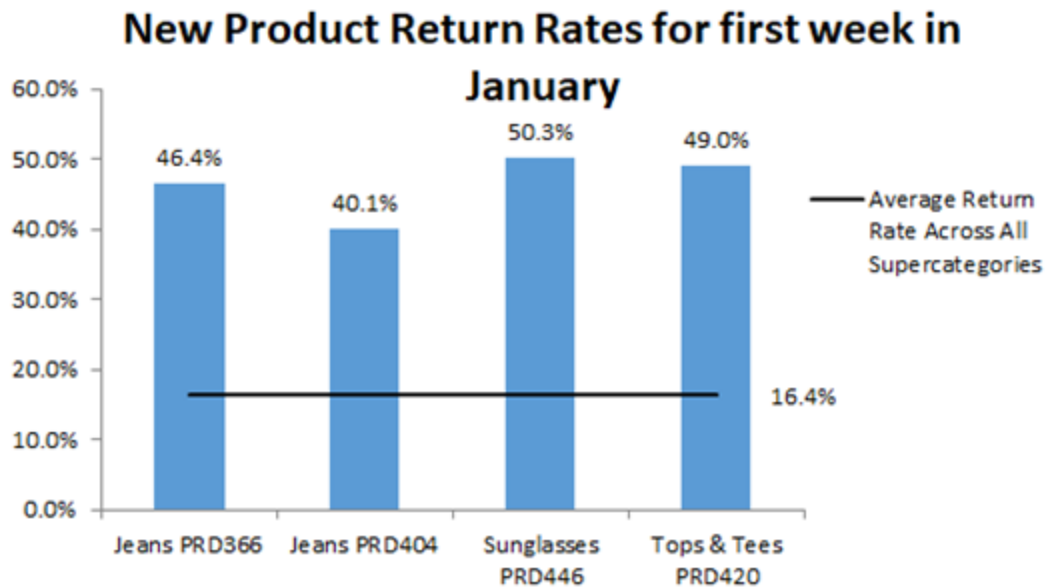
Hypothesis: Product Category

The Women's Fashion category is the primary contributor to increased returns percentage



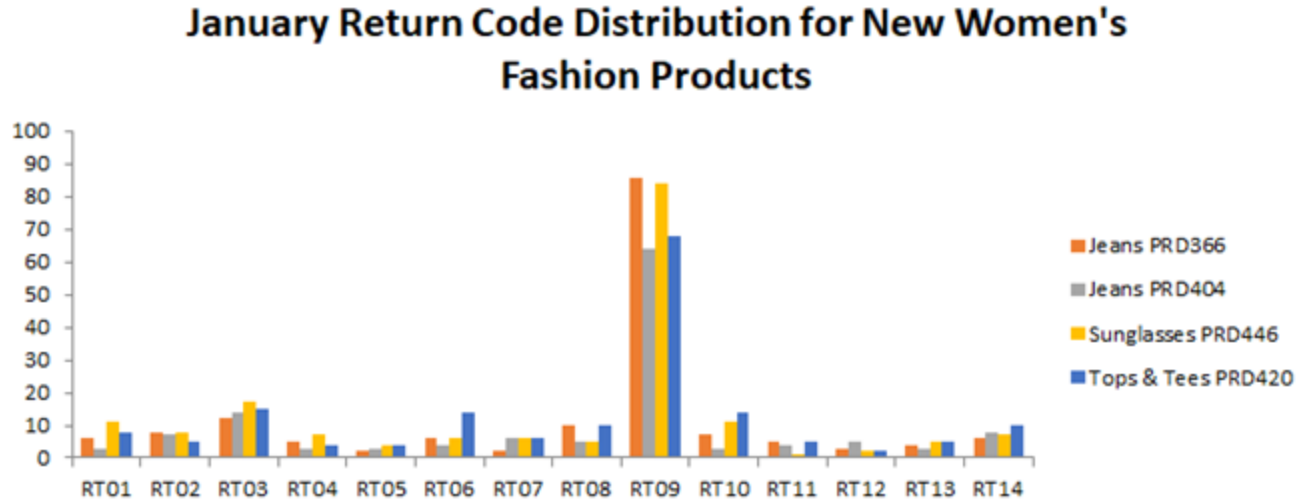
Hypothesis: New Products

Within Women's Fashion, we've pinpointed this increase to 4 newly released products



Root Cause: Return Reasons for New Products

RT09: “Wrong item was sent” is the primary reason behind return of our new products



Recommendations

- Investigate further with field staff and delivery system to understand why wrong item is being sent for new products
- Potential Causes:
 - Staff training inadequate (discernment of new items; not prepared for introduction of new products)
 - Delivery system (new products being handled/stored in a different way from usual; system poorly designed to accommodate new items)