

5 TIPS TO IMPROVE YOUR WAREHOUSE RETURNS PROCESS FOR COMPETITIVE ADVANTAGE

As 2025 comes to a close, many operations teams are reflecting on how to turn returns from a cost center into a strategic advantage. Here are five practical, immediately actionable tips to sharpen your warehouse returns process before year end:

1. PRIORITIZE SPEED OVER PERFECTION

Modern customers expect fast refunds and resolutions. Create a streamlined returns lane using mobile-powered receiving stations to cut check-in time by 50%. Focus on triage and quick disposition—especially during peak return seasons.

Newcastle Tip: Use mobile carts at returns receiving to keep returned goods flowing, without tying up main receiving docks.



2. TRACK RETURN REASONS WITH GRANULARITY

Data is power. Categorize returns beyond “defective” or “wrong item.” Look for patterns by SKU, vendor, or pick zone to identify where errors (or buyer’s remorse) are happening. The insight can drive measurable process fixes and vendor accountability.

Newcastle Tip: Feed return data back to picking accuracy KPIs and Lean initiatives.



3. OPTIMIZE REVERSE LOGISTICS LAYOUTS

Don’t let returns clog up prime space. Use zoned layouts with clear visual queues and mobile workstations for processing, testing, or re-boxing. This supports velocity and avoids returns bleeding into forward ops.

Newcastle Tip: Reclaim 15–20% of lost time by physically separating returns rework from outbound zones.

4. AUTOMATE RESTOCKING AND DISPOSITION DECISIONS

Leverage your WMS or ERP to guide whether a return goes to stock, salvage, scrap, or repackage—and eliminate manual guesswork. Automating these decisions saves labor and increases turn velocity.

Newcastle Tip: If rules aren’t clear, it delays every downstream task—fix that before Q1.

5. TREAT RETURNS LIKE A BRAND MOMENT

Returns are still part of the customer experience. A smooth process keeps B2B and B2C buyers coming back. Make sure your tech, carts, and processes support fast refunds, clear comms, and minimal friction.

Operational excellence in returns = brand equity and loyalty.

Returns aren’t just a hassle, they’re a competitive opportunity when handled efficiently. With small investments in mobility, process flow, and smarter data usage, your returns process can reduce costs, increase customer satisfaction, and boost margin.

Need help optimizing your reverse logistics setup before year-end?
We’re here to support you.

— The Newcastle Systems Team