Elements of Reverse Logistics and Returns Management

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**Part 1**

When discussing reverse logistics, return management is a major process that is discussed. It involves a wide array of activities and processes that are put in place to return goods to the producer. Rerun management is not only concerned with returns but also gatekeeping, and avoidance which ensure that reverse logistics processes across the organization are effective at addressing the needs in the market (Jack, Powers, & Skinner, 2016). Today, reverse logistics are very common in every organization that provides certain goods to the market. The logistics effort allows the company to address concerns that may arise among the customers due to use of some of the products that it has delivered into the market. Reverse logistics thereby allows companies to address any issues such as faulty products and goods that are delivered to customers that are not in line with the orders that were made. The first part assesses the background of reverse logistics and an overview of the chosen company.

As earlier discussed, reverse logistics have an illustrious history despite the notion that it is a relative new concept in the modern industry. Instances of war from the past are said to have led to the development of reverse logistics. During the American Civil War and the Second World War, activities similar to those that are used in modern day reverse logistics were being applied to provide supplies to soldiers in battlefields. Return management was evident through the manner in which supplies were replenished. Over the last few decades, reverse logistics has gone through a lot of changes due to returns. Returns have increased due to demand for quality products by customers and other regulations that assert that products must be returned to the manufacturer if any defects are observed. Product recalls have also helped shaped reverse logistics to what we know it today.

Over time, reverse logistics has become part and parcel of processes of all manufacturing companies. Unlike in service provision, product development and delivery into the market is accompanied by many problems that may require the products to be returned to the producer and this is where return management comes into place. Return management is different from reverse logistics in that it is solely aimed at returning products to the manufacturer (Zhang, Van Hui, & Chen, 2013). Product recalls have become very common and producers are now competing at ensuring that they have the best reverse logistics which is aimed at creating maximum value for customers who want to return products that do not meet the orders or the specifications that are supposed to be met. There are also very many product quality requirements that have been developed in the recent past. Return management is meant to ensure that companies observe various product quality guidelines that are present in the modern market.

The chosen company in the research is Apple Inc. apple is an American company that develops, designs, markets, and delivers computer software and other consumer electronics. From the research, it was revealed that Apple has both forward and reverse logistics in its operations. These processes are integrated in the distribution processes of the company which are aimed at bridging the gap between the company and the consumers who use the products and software that are produced by the company. Forward logistics are done through various partners who act on behalf of the company to deliver various gadgets to the end-consumers. The reverse logistics processes in the company are also managed through return management. Apple has for a long time insisted on providing quality products and services to its customers. The impeccable quality of its devices is what makes the company to be considered to be a leader in the market today.

However, despite having impeccable attributes instilled in its devices, product recalls are also common. This mainly happens when faulty gadgets are delivered into the market. Any complaints by consumers over the quality of its devices are handled through returns management. The process is also sought when consumers want to recycle the devices after their useful life has come to an end. An example is the iPhone. A new version of the iPhone is released in the market by Apple every now and then. Consumers who are using previous versions or models of the iPhone can opt to return these gadgets to Apple and this is where reverse logistics come into play. They allow the company to recapture the value of products once consumers are no longer interested in previous versions of the iPhone. Returns management at Apple are aimed at creating value for customers and eliminating any complaints in devices that it delivers into the market.

From an assessment of the product life cycle at Apple Inc., there are several takeaways that may influence the manner in which various logistic processes are integrated into the operations of the company. The product life cycle of its devices such as the iPhone involves forward and reverse logistics. As earlier mentioned, forward logistics are processes that are put in place as the company produces the products and delivers them to the end-consumer. Some of the processes that are involved include part fabrication, assembly of parts, remanufacture, and delivery of the products to the end consumer. Backward logistics in the product life cycle at Apple Inc. involves several processes such as repair, reuse, recycling, remanufacturing, and part fabrication for devices that are no longer required by customers.

**Part 2**

There are many factors in returns management that can have negative impacts on a company that is investing in reverse logistics. The first major factor that can have a negative effect on returns management in an organization is poor relationships between the company and its customers. The nature of the relationships between a company and its customers can affect the effectiveness of returns management within the organizations. When there is little cooperation, consumers may not voluntarily provide information to the company about returns and when such returns should be made. In such an instance, the customers may even tarnish the image of the company in the public realm since they would not be willing to cooperate with the various returns management processes that have been put in place by the organization.

Poor relationships between the customers and the organization can be addressed through creating customer relations management systems. Such systems can over time improve the communication between customers and the company. It could also lead to addressing some of the issues that the people face when they are ordering various goods and services from the company. Effective communication is one of the major aspects that determines the effectiveness of customer relationships. The company could also address the issues through having a proper feedback system in place. Such a system would allow the company to understand the needs of the customers and this could help improve the effectiveness of returns management. Such a solution would also ensure that there is an enhanced level of collaboration with the customers in returns management. Such collaboration can improve the effectiveness of various organizational activities. When this happens, success becomes easier to be achieved by the organization.

The second factor in returns management that could have negative impacts on a company is where the strategic goals of the company and not aligned with environmental protection. Returns management has been observed to use tools such as recycling and reusing of products once they are no longer required by customers (Huscroft, Hazen, Hall, & Hanna, 2013). Doing this is aimed at capturing any value that is left plus protecting the environment especially where the products can cause degradation of the environment. Reverse logistics can address the issue through insisting on environmental protection through collecting any value from products that are no longer needed by the consumers. A company can also invest in appropriate technology in regards to cleaner and renewable sources of energy that are used in reverse logistics can improve the effectiveness of these processes and this can create sustainability for the organization. Such sustainability is desirable for any organization that wants to be successful in the industry.

The third major factor in returns management that can have detrimental impacts on an organization is poor management. Management is a critical factor in any organizational process. When the managerial aspects are not effective in returns management, the whole process can be affected and this means that organizational goals in regards to the process may not be achieved. When special attention is not paid to management skills and competencies in reverse logistics, returns management may be an utter disaster. To shield from this negative impact, there is a need for members of the management to undergo relevant training on various aspects of reverse logistics. Such training should be aimed at identifying the best practices that can be applied at the company when dealing with returns from the customers. Managers also need to undergo training on new trends in the industry. Such training would provide a wide array of skills which would complement managerial roles thereby bringing about enhancing efficiency and effectiveness.

References

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