

Understanding Processes for Customer Returns

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This guide explains the fundamental processes and preferences for handling returned product. It is intended for advanced users.

While company policies may vary, the process for receiving returned products is generally similar. When a customer contacts your customer service representative (CSR) about a return, the CSR will typically:

1. Locate the original order in aACE.
2. Create a Return Shipment record.
3. Print a Return Material Authorization form (RMA) from the Shipping Log and send it out.
4. Open the original order and update it to reflect the quantities that the customer is *keeping*.

Once the returned product reaches your warehouse, your team members will use the RMA to locate the Return Shipment record and [mark it as received](https://aace6.knowledgeowl.com/help/receiving-incoming-shipments#ReceiveReturns). This will generate a Shipment Received notice for relevant personnel.

In addition, aACE will automatically generate an adjustment invoice and send the Open Invoice notice to relevant billing personnel. Your A/R staff should review the adjustment invoice and process it appropriately. This may include simply opening the invoice, adding a restocking fee, [processing a refund](https://aace6.knowledgeowl.com/help/processing-refunds-for-customer-payments), voiding previous invoices, or other tasks based on your company policies.

Note: [Returns and refunds for ecommerce orders](https://aace6.knowledgeowl.com/help/handling-ecommerce-returns-and-refunds) are handled in a slightly different manner.

Additional functionality for returns depends on your system's configuration.

aACE Preference for Handling Returns

Your system administrator can configure aACE settings for returns (Main Menu > System Admin > Preferences > Shipping > ['Returns reduce order item quantity](https://aace6.knowledgeowl.com/help/shipping-preferences)'). This setting will make a pivotal difference in how returns are processed:

- Flag Cleared – This is the default configuration. The system will assume that returned product will be replaced. (Read more details about [handling customer returns with replacement items](https://aace6.knowledgeowl.com/help/handling-customer-returns-with-replacement-items) (https://aace6.knowledgeowl.com/help/handling-customer-returns-with-replacement-items).)
- Flag Marked – Companies that generally do *not* send replacement shipments for returned product can mark this preference. The system will assume that returned product will be subtracted from the original order quantities. (Read more details about [handling customer returns by reducing order items](https://aace6.knowledgeowl.com/help/handling-customer-returns-by-reducing-order-items) (https://aace6.knowledgeowl.com/help/handling-customer-returns-by-reducing-order-items).)

If you have any uncertainty about your system settings for returns, please verify with your system administrator.
