

Case Study: QuadTech, Inc.

RMA Cost, Time, Revenue, and Customer Satisfaction Results

Client Requirements:

QuadTech, Inc (www.quadtech.com), an ISO 9001-Registered company, is a solutions provider enabling Medical Device Manufacturers and other manufacturing industries to test the safety and quality of their electrical products while ensuring compliance to FDA and other regulatory agencies. The company offers a complete line of instrumentation and solutions including LCR Meters, Hi-pot and Ground Bond Testers, Safety Analyzers, Megohmmeters, Milliohmmeters, systems and software, as well as, calibration and repair services. Based in Maynard, MA, QuadTech, Inc has a worldwide network of direct sales and distributors who service and support customers around the globe.

Prior to the introduction of FrontLines Returns, QuadTech had a well defined RMA process which was meeting their turnaround time objectives, however, in a very competitive marketplace they realized to remain successful their processes needed to be LESS resource intensive while still maintaining satisfactory customer service levels. They reviewed the efficiencies FrontLines could deliver to them to meet their competitive needs and liked the low risk, low cost solution pricing model available from FrontLines. One of the key benefits they felt with FrontLines was its ability to be both easily configured and implemented by the operations team with a little or no IT resource requirement, which meant implementation, was quite rapid with lower follow on costs.

With regards to RMA management, the areas which they were looking to enhance were:

- 1) Reduction in both documentation time required for RMA management & manual handling touch points,
- 2) Elimination of the use of paper based forms,
- 3) Provision of an online interface for customers to enter their RMAs through the website 24/7, with an emphasis on simplifying both the process of receiving an RMA and data entry requirements to complete a repair or recalibration,
- 4) Communications improvement throughout the lifecycle of the return,
- 5) Reduction of the number of RMA related client calls and emails,
- 6) Centralization of data with the availability of real time tracking, analysis and reporting,
- 7) Provision of the ability to manage multiple return processes and return locations,
- 8) Improvement in both the overall client experience & satisfaction with the handling of their returns.

The Before Picture:

QuadTech had between 8 and 12 forms which they used to handle each RMA with at least 1 multiple copy form being produced by an outside printing company. The cost of the paper and materials alone amounted to \$4.50 per RMA and there was a significant amount of time being spent by various departments on documenting the RMAs as they went through the entire repair and / or calibration return cycle. Even though the RMA turnaround process was maintaining both a 3 day calibration and 5 day repair cycle, the process was resource intensive and had a large number of manual handling touch points.

They felt there would be greater cost benefits available to QuadTech if they provided their clients with an online interface into which they could enter their RMAs. A system which would further automate many of the RMA touch points and add resource-freeing efficiencies into the system. The internal control of the RMAs, they felt, was quite good, but was neither cost effective, nor communicative, especially, with regards to keeping internal stakeholders of the RMA informed with timely reports and communications.

Their RMA system lacked flexibility. Reporting and analysis of the RMA process was quite difficult, taking days to compile and analyze return data.

Initially, there was significant Executive resistance to enhancing an already established RMA process which was successfully maintaining their required turnaround times, however, it was decided that to remain competitive something was needed to reduce the resource intensiveness of their current RMA handling. The low cost, low risk approach which FrontLines provides met their fiscal needs and since there would be minimal to no impact on their overloaded IT resources they decided to move forward with a FrontLines Returns implementation.

The After Picture with FrontLines Returns:

Internally, QuadTech was able to implement the FrontLines RMA system without the requirement of any IT resources (except for the provision of 1 online survey link). Input & direction for setting up the FrontLines solution came from those who dealt with RMAs daily or had accountability for the system, as well as, key customers. The system has been in place for over a year and below represents the variety of cost, time, revenue, and customer satisfaction benefits which have been achieved since the implementation of FrontLines Returns:

- 1) 35 hours per month – reduction in documentation handling time and the elimination of 6 manual touch points in the RMA process,
- 2) 100% Exceptional Service rating on customer surveys (Note: A link to the survey is being automatically sent after the completion of each and every RMA as part of the workflow configured through FrontLines),
- 3) \$4,500 saved in paper costs per 1000 RMAs processed (\$4.50 per RMA),
- 4) New revenue stream developed for advanced data services requests including; certification, acknowledgement, & before/after data documentation (requests for these services are automated through workflow),
- 5) Approximately 40% reduction in RMA related phone activity,
- 6) Centralized data has enabled more timely reporting capability including automated reports to RMA stakeholders as part of the configured workflow,
- 7) 100% of staff utilizing FrontLines, especially lab technicians, are highly satisfied with the system,
- 8) Ability to easily control & oversee outsourced RMA services, to further reduce costs per RMA & enable the QuadTech RMA service team to focus their support for their newly expanded product lines.

Any 1 of the 8 benefits listed above more than compensated QuadTech for the cost of implementing the FrontLines Returns solution. Their ROI was achieved in weeks not years. Since implementation, QuadTech's RMA support costs have been very dramatically trimmed while, **MOST SIGNIFICANTLY**, customer service ratings have greatly improved leaving QuadTech well positioned to weather these fiscally challenging times.

Summary:

It is important to note that QuadTech, prior to FrontLines, had a well defined return handling process and was meeting its product return turnaround goals. Customers were satisfied with the RMA services provided, though not exceptionally so. It took a significant leap of faith on their part to go with FrontLines and with the ROI they have achieved in their first year of utilizing FrontLines Returns (as noted above), it can be seen their faith was well rewarded.

In these leaner economic times, especially since the last quarter of 2008, all of the following; the lowering of support costs, the increasing of revenue from pre-existing clients, the decreasing of client attrition, and the delivery of superior customer service are all part of the *game plan* which organizations will need to follow to ensure their future viability. In an examination of QuadTech's case study, and the [case studies](#) of other companies successfully utilizing FrontLines solutions, it can be seen how, at high opportunity moments, such as those that occur during customer support and return interactions, a successful Support/RMA *game plan* can be easily configured to meet and / or exceed the fiscal goals of both manufacturing & distributing organizations.

If your organization is looking to create efficiencies within its existing return management system and, as well, ensure better client relationships, feel free to give FrontLines a look, and we will be more than happy to provide an online demonstration.

For more information about this [case study and other case studies](#) or to arrange a time for an online demonstration please email Mark Taylor, Director of Business Development at mark@frontlines247.com.