

SecondRoute

Every return deserves its best next route...

Initial wedge/Product category : Power tools/DIY tools/hardware

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The Problem

A ₹15,000 return can become a ₹5,000 decision.

Dealing with returned products for a mid-sized ecommerce retailer eats up most of the recovery cost, they might recover the maximum or maybe get into loss.

This happens when they use the same or conventional logic with every returned product. The decision often depends on information scattered across:

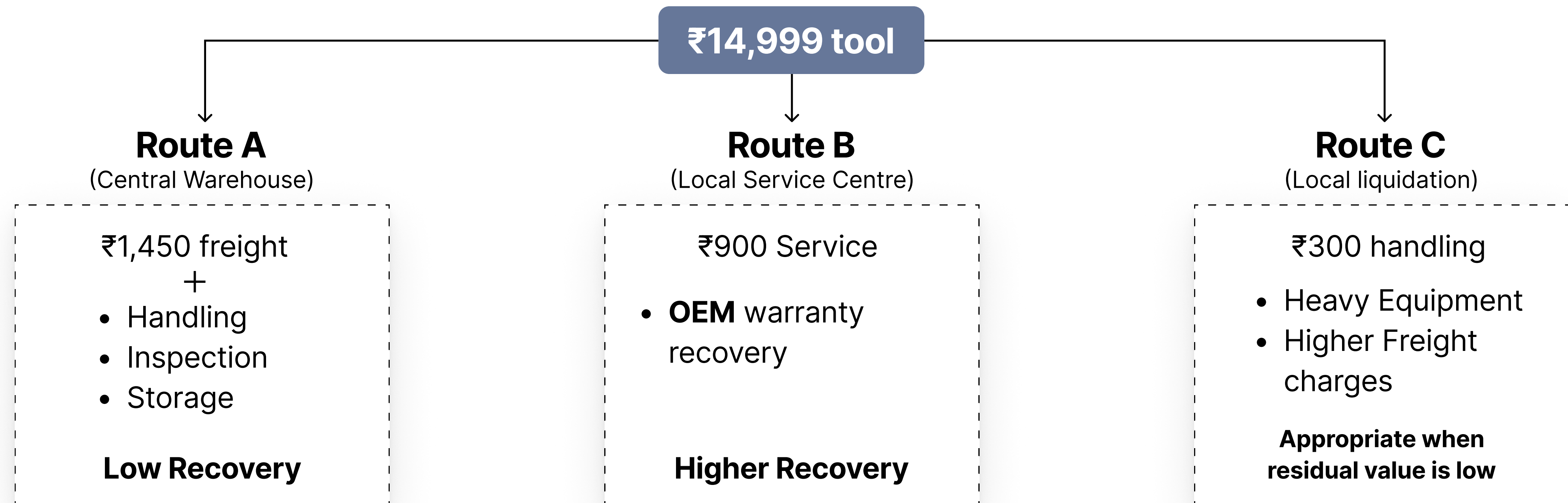
- **Product condition**
- Geography
- **Reverse freight cost**
- OEM warranty Refurbishment cost
- **Existing partner capabilities**



The Consequence: A retailer can spend money moving a product before knowing whether that movement is economically sensible - leading to a predictable loss.

Opportunity

The value of return is not fixed. Its next route changes the outcome. (For example)



SecondRoute chooses the economically best route before unnecessary costs accumulate.

Research & Insights

Returns are not one workflow. They are multiple decisions connected together.

01

Disposition ≠ Refund ; The customer's refund can be completed while the physical product still needs a destination. Commercial resolution and Physical disposition are separate states.

02

Condition alone doesn't determine the best route. The same product can have different economics depending on location, warranty, demand, repair cost and logistics.

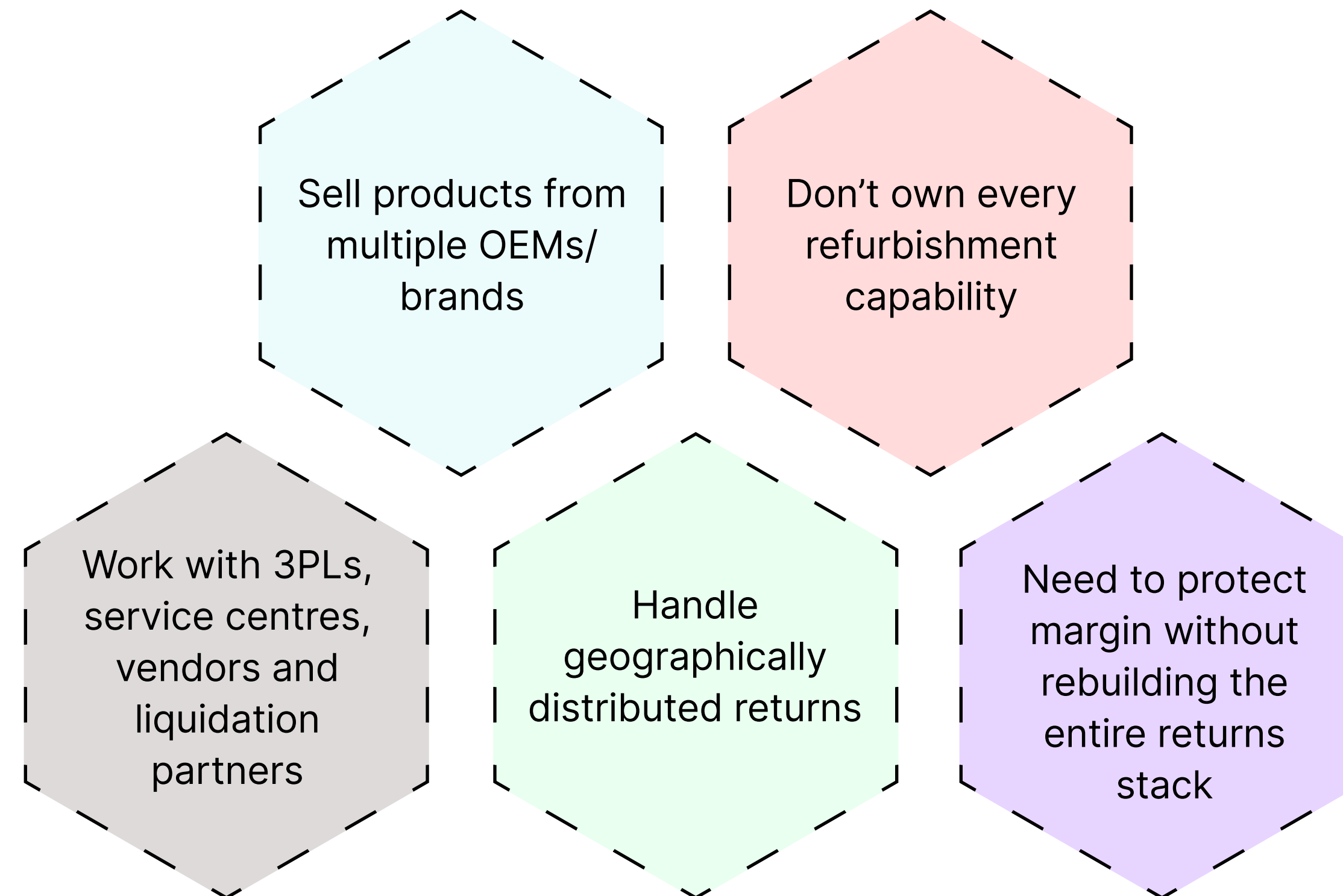
03

Early information has economic value. Condition is often observed progressively, early inspection is cheaper but less accurate; deeper testing is more accurate but costs more.

04

The best decision is dynamic. Secondary-market demand, prices and processing can change, so a static disposition rule is insufficient.

Target Users



Initial Category: Power tools/ DIY tools/ hardware

(High product value + technical condition + meaningful freight + multiple recovery paths)

User Journey

SecondRoute :

Return Initiated



SecondRoute Triage

(SKU + Location + Reason + Warranty + Estimated Value)



Route Recommendation

(OEM / Local Repair / Central Refurb / Resale / Liquidation)



Existing retailer workflow



Outcome Recorded

*SecondRoute doesn't
replace the retailer's
returns infrastructure.
It improves the
decision inside it.*

Existing/conventional Journey



Customer return



Retailer's return system



Pickup



OEM / Repair / Resale / Liquidation
/ Write off



Manual decision



Inspection



Central warehouse / 3PL

MVP

Return Triage

Capture:

- SKU / serial
- Return reason
- Customer location
- Product weight
- Warranty status

Guided Verification

Mobile web flow:

- Serial/label photo
- Product-condition photos
- Battery/accessory check
- Basic functional checks
- Damage indicators

Route Engine

Compare:

- OEM recovery
vs
- Local Service
vs
- Central refurbish
vs
- Secondary resale
vs
- Liquidation

Output : Recommended route + expected net recovery + confidence

(No new hardware / warehouse / marketplace)

Prioritisation

Build Now

High impact / Low-medium complexity

- Freight vs recovery comparison
- Warranty eligibility
- Location-aware routing
- Guided return verification
- Residual value estimation
- Route recommendation

Build Next

High impact/ Higher complexity

- Live partner capacity
- Dynamic secondary-market prices
- Automated OEM claim submission
- Historical recovery learning

Principle: Own the decision and not the entire reverse-logistic ecosystem.

Unit Economics

Business Model

SaaS + Usage
Illustrative Pricing



₹15,000/month (Platform fee)

Includes 500 decisions

₹25 / additional decision

At 1,000 decisions:

₹27,500/month

Go-To-Market

Phase 1 - Design partners

Target: 2-3 mid-sized multi-brand tool / industrial ecommerce retailers

Not selling SaaS, Instead:

30 day Return Recovery Pilot

Give us:

- Historical return data
- Freight rates
- Product/SKU data
- Warranty rules
- Existing disposition simulates:

SecondRoute simulates: 'What would we have routed differently?'

Phase 2 - Integrate with

Return / OMS - SecondRoute - 3PL/
Service/OEM/Resale Partner

Phase 3 - Expand from:

Power tools - Industrial equipment -
High weight machines

Differentiation

We don't replace the returns stack

	Existing Returns Platforms	SecondRoute
Returns management	Yes	-
Customer return portal	Yes	-
Warehouse workflow	Yes	-
Broad dispositioning	Yes	Yes
Technical category economics	General	Core
Freight vs recovery before movement	General	Core
Warranty recovery in route decision	Variable	Core
Local vs central route economics	General	Core
New infrastructure required	Can be broader	No

Metrics

Net Recovery per Returned Unit

Supporting metrics

01 : Route adoption

% of eligible returns routed using SecondRoute

02 : Recovery uplift

Actual recovery vs retailer's existing route

03 : Recommendation accuracy

Predicted vs realized route economics

04 : Decision time

Return received → disposition decision

North Star formula

Net recovery = realized recovery - route/processing costs

according to the destination

Risks

Data availability

→ Start with retailer-provided data + rule-based MVP

Wrong recommendation

→ Confidence scores + human approval

Partner availability

→ Recommend only verified routes

Existing platforms already solve this

→ Validate whether category-specific economics creates measurable incremental recovery

Customer willingness to pay

→ Pilot against actual recovered value

Validation Plan

Hypothesis 01

Mid-sized technical-product retailers lose meaningful value because disposition decisions don't fully account for route economics.

- Interview 10-15 operations / returns managers

Hypothesis 02

A pre-movement route recommendation can reduce unnecessary logistics cost.

- Run **SecondRoute** retrospectively on 500-1,000 historical returns

Compare:

Actual route vs recommended route