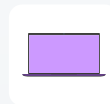# Find Out How an Electronics Company Reduced its Return to Origin Rate with Magic Checkout!

Razorpay

Electronic Company

"The world is going through a paradigm shift in terms of technology and electronics upgrades," said the electronics company that wanted nothing else but to provide the best electronics products to its customers.

However, the eCommerce journey wasn't as easy as the company envisaged it would be. Most of their orders were COD orders because 60-70% of Indian customers prefer paying via the COD payment method, and unfortunately, RTO was exceptionally high for the electronics company's COD orders.

> " *With increasing RTO rate, we feared the worst. We were not able to meet our monthly targets and we wanted to bring down the high RTO rate quickly !*

The Initial Challenges

Exponentially High RTO Rates

COD was the preferred payment method for 60% of their orders, and 40% of their COD orders were returning back to the origin for multiple reasons, inevitably increasing the RTO rate. The company had to bear both forward and backward logistics expenses, increasing its operational cost.

Unsatisfactory Business Growth

Most of the COD orders were being returned to the seller, and it was becoming difficult for the company to increase its revenue. This directly impacted their business, contrary to what they wanted.

Damaged products were returning to the warehouse, and with every return or refund, the inventory was getting blocked. All in all, each return order was hampering their business goals, which resulted in unsatisfactory business growth.

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Razorpay Magic Checkout's Solutions

After facing some issues, the electronics company connected with Razorpay Magic Checkout. The team helped them understand how Magic Checkout can assist in reducing the RTO rate and boosting the conversion rate.

Here are the two main reasons why the electronics company chose Razorpay Magic Checkout over others:

RTO Protection

RTO can bleed a business dry. Magic Checkout helps eCommerce and D2C businesses overcome RTO losses and boost business growth. Magic Checkout's algorithm flags fraudulent and risky orders in milliseconds and stops RTO and potential order cancellations✨.

Smart COD

Magic Checkout provides eCommerce businesses with the provision to disable the COD payment option in real-time for high-risk orders. It analyzes each order and red flags high-risk orders where the propensity to RTO is high based on customers' historic RTO patterns across hundreds of brands in the Magic Checkout network.

To further safeguard cash on delivery orders, Magic Checkout offers RTO Protection. Under RTO Protection, if a Magic Checkout approved COD order gets returned-to-origin, Magic Checkout takes the responsibility and absorbs the RTO-related costs, specifically the shipping cost. eCommerce brands can opt for the RTO Protection scheme provided by Razorpay Magic Checkout and reduce their RTO-related costs to an absolute ZERO😎.

Razorpay Magic Checkout Impact

Soon after enabling Razorpay Magic Checkout, the company's online business started noticing significant improvements.

Zero RTO-Related Costs

RTO was an endless loop for the company that needed immediate attention. The electronics company opted for the RTO insurance scheme provided by Razorpay Magic Checkout. This helped in bringing RTO-related costs to zero by providing an insurance against that💪.

> *High RTO rate was our main concern. But once we onboarded with Magic Checkout , our RTO rate started to drop magically.*

Fewer to No High-Risk Orders

Since Magic Checkout gives eCommerce and D2C brands the provision to disable COD for high-risk orders, the company saw a reduction in orders where the propensity to RTO rate was high. The result- More sales and improved business revenues!

Razorpay Magic Checkout Can Help You Reduce Your RTO Rates!

Just like this electronic company, if you also have an eCommerce and D2C store and want Razorpay Magic Checkout to help you with your online store's RTO rate, don't hesitate to contact us. Come be a part of Magic Checkout to boost business revenue and see positive changes! Magic Checkout is truly magic✨.

Try Razorpay Magic Checkout ↗

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