



iNymbus Case Study

Large Movie and Game Distributor Recovers Lost Revenue from Walmart & Big Box Retailer



iNymbus Helped Large Movie and Game Distributor Solve Their Deductions Processing Problems for Good!

A large movie and game distributor naturally has retail partners like Walmart and other big box retailers. And when it comes to deductions and chargebacks, some of these retailers are more problematic than others. iNymbus worked with our movie and game distributor to solve these problems for good.



A large movie and game distributor naturally has retail partners like Walmart and other big box retailers. And when it comes to retailer shortage and returns claims, some of these retailers are more problematic than others.

NAVIGATING INVALID RETAILER CHARGEBACK CLAIMS

Working with big-box retailers may seem like the end-goal for distributors, but doing so comes with a price (literally). Walmart and the likes are known for their sophisticated and elaborate portals in which they require their distributor partners to submit chargebacks and deductions.

Our gaming distributor ships over 100,000 units per day, which can only mean:

- Compliance claims
- Shortage claims
- Return claims

... In very large quantities.

If you are in the business of sending product to retailers, you are familiar with retailer claims and their impact. Financially they erode your bottom line, emotionally they drain your A/R team, and physically they rob your workforce hours and hours that should go to higher and better use than tedious and monotonous tasks.

ISSUE #1

WALMART SHORTAGE CLAIMS

Any Walmart supplier has likely been burdened with a fair share of shortage claims. Walmart knows it too, which is why they created a settlement process to assist their distributing partners in reconciling their deduction backlog. But does it help?



THE STANDARD WALMART BATCH SETTLEMENT PROCESS

1. A time period is agreed upon between Walmart and the Distributor (typically a quarterly basis).
2. The distributor's A/R department reviews all shortage claims to determine which are invalid.
3. The distributor's A/R department pulls paperwork for the invalid claims, including the invoice number, Proof of Delivery, Bill of Lading, and other documentation from Walmart's portal, that may help explain to Walmart why their claims are invalid.
4. The distributor's A/R department prepares an Excel spreadsheet with all required information on each claim and submits them all together to Walmart.
5. Walmart takes up to 60 days to respond with a settlement offer on the batch.
6. Upon receiving the settlement offer, it's typical the distributor may feel the amount is less than acceptable. Negotiation continues.
7. The distributor asks Walmart for a random sampling on the batch.
8. The distributor's A/R department samples a small percentage of the claims to examine and determine their validity.
9. The distributor provides the results of the sampling to Walmart and requests a second settlement offer, which again, can take up to 60 days.
10. Walmart presents a new settlement offer. Hopefully, it is more acceptable, and no further back and forth is needed. If not, the distributor is forced into yet another round of negotiations. If, in fact, Walmart will continue to negotiate.

DOWNFALLS OF THE WALMART SETTLEMENT PROCESS

1. The distributor is only allowed one outstanding settlement at a time, meaning a new quarterly settlement cannot be opened until the previous one is finalized.
2. Walmart's 60-day turnaround period results in quarterly overlap, which is both confusing and messy, and may result in combining quarterly settlements.
3. Settling results in taking a loss on the submitted claims, vs. disputing each shortage individually.
4. Settlement can be time-consuming and tedious for the A/R department, however, less time-consuming than researching and disputing each shortage claim individually.



iNymbus Case Study: Movie and Game Distributor

Settling means many distributors are forced to accept the financial hit as opposed to devoting even more manpower time.

AVOIDING THE WALMART SETTLEMENT PROCESS

While Walmart's settlement process will help distributors' win back **some** money, it is not the answer if they want to maximize the amount of money taken back from invalid chargeback and deduction claims. And finally, our movie and game distributor had noticed an increase in shortage claims over the past few years, and needed assistance in gaining control.

ISSUE #2

RETURNS CLAIMS

Our distributor's partnership with a big box retailer requires a vendor agreement with terms outlined on each product provided to them. The terms of the agreement include a designated timeframe returns will not be accepted, for example:

From January 2020 - June 2020, the big box retailer **cannot return** any product to the distributor.

Although this seems straightforward enough, it is common for the big box retailer to deduct for returns in the period they agreed not to deduct. The A/R department is then affected by having to spend time monitoring and reminding the retailer time and time again when they deduct for a return that they shouldn't. Furthermore, they must submit proof that the product they are trying to return is not returnable.

With only so much staff and time available to dedicate for retailer claim disputes, our distributor wondered if there was a way to improve chargeback and deduction processing that would minimize manual efforts AND increase bottom-line profit.



THE ANSWER: ROBOTIC PROCESS AUTOMATION (RPA)

- Robots can be taught to act like humans and automatically extract, organize, and upload documents and other information.
- Based on logic and information provided to iNymbus from the distributor during the 30-day no-cost pilot period, the robots are configured to work as a human would and monitored to assure they dispute claims successfully.
- A zero-touch claims processing solution can then submit a single submission on each retailer claim.
- Distributor's A/R team no longer forced to put in the manual effort of pulling documentation for each claim, also known as busywork, that does nothing to help drive the company forward.
- iNymbus robots can automatically pull and gather all claim documents, group them into a single PDF for A/R review, and even submit to Walmart or other big box retailers directly through their portals.
- Outstanding deduction balances are lower, as Walmart and other big box retailers respond by paying the balance on individually submitted claims, nearly immediately.
- The A/R staff is suddenly freed up to work on other tasks that provide higher value to the business.
- A boost in employee satisfaction is seen as a result of eliminating unfulfilling job duties.
- Improved efficiency drastically improves the distributor's net profit.

WHY DID THE MOVIE AND GAME DISTRIBUTOR CHOOSE INYMBUS?

Other companies the large movie and game distributor looked at could pull the documentation but didn't have the ability to do anything with it. iNymbus is easy to work with, accommodating, and personalized the system into something that would provide them the solution they were after and benefit them. Post-onboarding, iNymbus has continued to help make tweaks and changes.



iNymbus Case Study: Movie and Game Distributor

The movie and game distributor has seen great success with Walmart deduction processing and they are now looking to add other problematic retail partners, like Best Buy for compliance deductions and shortages. Every distributor or supplier should start somewhere and concentrate on getting the biggest bang for the buck. Focus on the retailers and deduction types that are causing the most problems first, and expand from there.

OTHER INYMBUS CASE STUDIES

- [Whirlpool Corporation Freed From Manual Deduction Processing](#)
- [Stop Battling Walmart Deductions, Start Increasing Your Profits](#)
- [D&H Distributing Automates Chargeback and Deduction Processing](#)
- [How Warner Bros. Reduced Deductions and Chargebacks Processing Costs by 80%](#)
- [A Book Distributor Automatically Disputes and Resolves Their Amazon Chargebacks](#)

ABOUT [INYMBUS](#)

iNymbus provides a service to resolve retailer and shipper claims automatically, including shortages, chargebacks, pricing, and returns. Additionally, iNymbus supports suppliers, distributors, and manufacturers with return variance analysis reporting and recon (debit and credit matching). iNymbus utilizes cloud robotic process automation and AI in a service cloud which means no software implementation for its customers.