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SAAS STARTUP CREATES SUSTAINABLE AND EFFICIENT SUPPLY CHAIN

 RETAIL

A logistics startup is tackling the problem of unwanted retail items by helping retailers efficiently manage returns globally.

Spotted: Around 30 percent of people who buy online intentionally buy multiple versions, intending to return the unwanted items. The global cost of these returns is estimated at between €197 and €233 billion per year. Contributing to this is the high cost and inefficiency of the returns process, in addition to the low residual value of the returned merchandise. Startup [ZigZag Global](#) is now trying to do something about this waste.

ZigZag provides retailers with a branded returns portal and a back-end platform that tracks all returned stock through its warehouse network. The software uses predictive analytics to determine the best way to process and route the returns based on factors such as demand and cost. The software decides whether it is best to consolidate, resell or refurbish items. Through ZigZag, retailers can connect to a network of 200 warehouses in 130 countries. ZigZag also allows companies to grade and refurbish goods locally, allowing products to be returned to the supply chain more rapidly. Their process can reduce parcel journey length by up to 65 percent, and can save retailers more than 50 percent on transportation costs.

ZigZag also taps into the circular economy. The company can list returned stock on over 20 global marketplaces, on a revenue share basis with retailers. This ultimately leads to less waste as well as greater efficiency savings for retailers. The company joins a host of other innovations in the circular

economy, including a project that **recovers nutrients** from seafood processing and **textiles** made from food waste.

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Email: hello@zigzag.global

Website: www.zigzag.global

Contact: www.zigzag.global/contact

Takeaway:

ZigZag have been selected as a People's Choice Award Finalist for **The Circularity 2019**, a prestigious award for products that contribute to the circular economy. They are also planning a Series A funding round in the near future. If successful, ZigZag could help prevent waste and vastly improve efficiency savings in the e-commerce industry. What effect could this have on the future of e-commerce?