



## Product Replacement Vouchers

Product Replacement Vouchers are vouchers that are issued to customers by customer service departments to replace products that customers are dissatisfied with. They may be posted, emailed or handed over to customers who then take them to retailers who exchange them for the relevant product/s.

The rationale for the use of this voucher system is that theft of the replacement product in transit to the customer is eliminated. Also, the costs involved in packaging and transporting the product to the customer are replaced with a much lesser cost, being the voucher processing costs.

Product Replacement Vouchers have one or more of the following characteristics:

1. They do not have a pre-printed face value like a consumer coupon has. The actual cost of the product is written/printed on each individual voucher.
2. They usually have a unique identification code on each voucher and may also have the customer's name printed on the face of the voucher.
3. They have high face values as compared to consumer coupons (for example R50.00, R100.00, R250.00).

Any voucher/coupon that meets one or more of the above 3 criteria will be categorised as a Product Replacement Voucher and not a consumer coupon. The only exception to characteristic 2 is when a coupon contains a sequence number or specially printed product or geographic code. This would be ignored in the clearing house process.

Due to Product Replacement Vouchers requiring specialist individual processing, their processing is not charged out at the standard coupon processing rates but at two different higher rates that depend on the processing required. This processing involves activities like capture of the actual amount written on the voucher, extraction of the vouchers for returning to suppliers and capture of unique voucher identification codes. All of these require additional manual handling and there are also other financial implications of high value vouchers.

CCB has also added a new service to the specialist services mentioned above. That is, the individual capture and computer checking for duplicates of unique voucher-client identification codes. Where duplicates are encountered, suppliers or the companies that the Product Replacement Voucher service has been outsourced to, are alerted to the duplications. In addition, at month-end, reports in EXCEL format will be emailed to suppliers or the relevant outsource companies so that they can themselves validate the vouchers processed.

This new service is designed to improve security in the use of vouchers for the replacement of products. Should you require more information on the subject, please email Melissa at [melissa@ccbsa.co.za](mailto:melissa@ccbsa.co.za).