



## Case Study

# Lovesac & Trove Returns Management: From manual spreadsheets to automated, data-driven returns

Replaced manual, spreadsheet-based returns processing with **automated, guided workflows**.

Liquidation rates **fell from ~20% to 10-13%**, cutting waste and recapturing lost value.

Auto-grading and item-level tracking **reduced refund fraud** and **strengthened workflows**.

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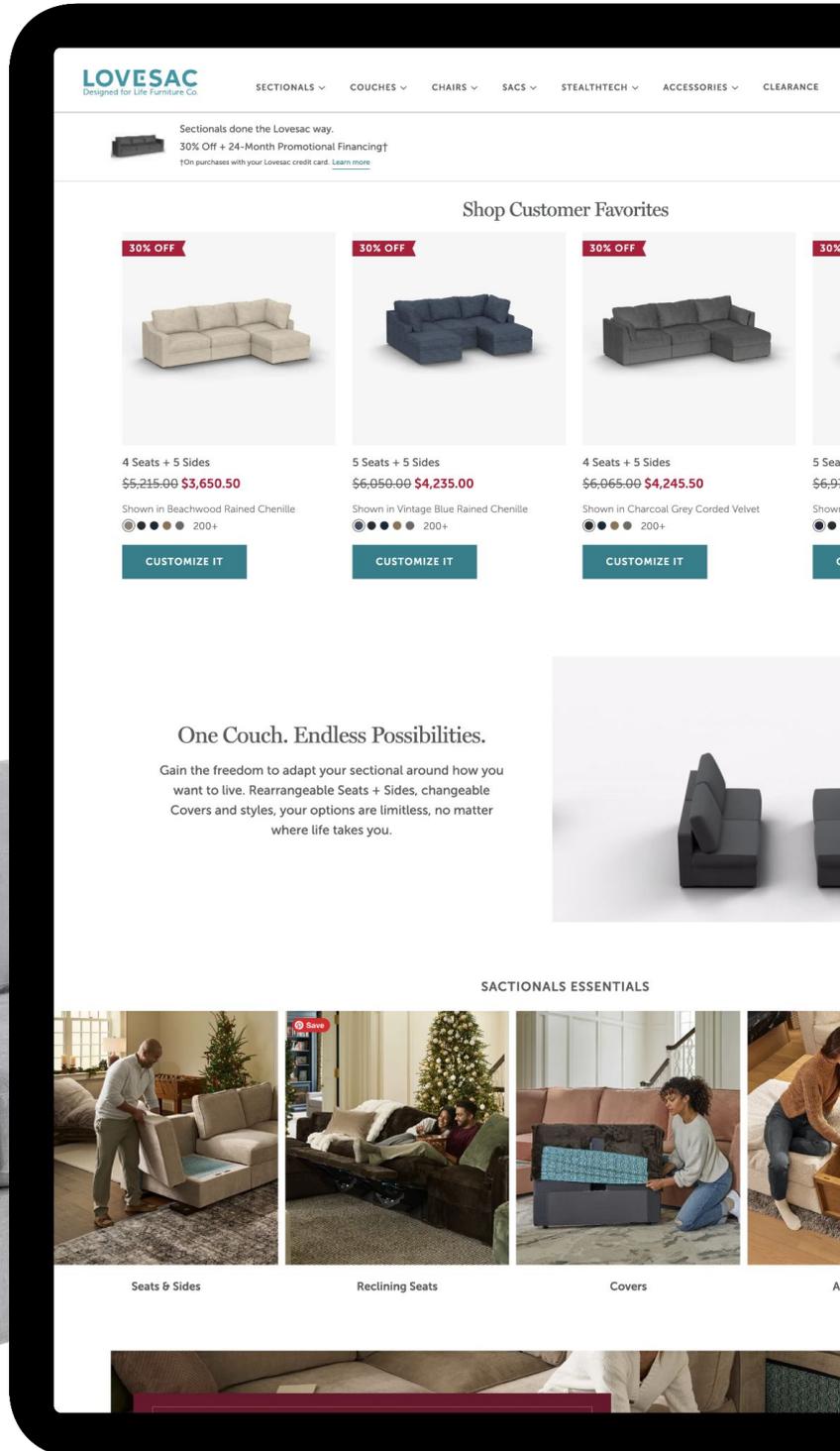
Trove has made us a stronger, smarter operation. The visibility, the data, the partnership – it's changed how we think about returns. We're excited to keep building on it as we grow.

Linda Quinn, Sr. Director of Service  
Commercialization, Lovesac

# The Challenge: A Growing Pile of Returns And No Clear Exit Strategy

Lovesac’s generous return policy and bulky products created a logistics challenge. Before Trove, the brand’s returns process was fully manual: warehouse teams sorted incoming products and recorded everything directly in their WMS system.

The team needed a more structured, scalable way to manage returns that could protect the brand and align with Lovesac’s sustainability goals, without adding operational complexity.



## The Solution: Trove Elevates Item-Level Visibility

When Lovesac implemented Trove’s Returns Management System (RMS), the goal was to move from manual, subjective workflows to automated, repeatable processes. Trove’s platform introduced consistency, automation, and deeper visibility across the returns operation.

With **auto-grading**, warehouse operators follow guided prompts that automatically assign each item a condition grade based on inspection. They can then capture the condition and ensure consistent documentation with **visual workflows**.

Lovesac also leveraged Trove’s **item-level visibility** to track every product from intake through resale, with specific visibility into each product SKU (type of fabric, style, etc.). This visibility allows the team to spot recurring issues.

“Our visibility by category is so much better than where we were before,” says Linda. “Once we were in the Trove system, it helped us make better decisions on our return policy, even our appeasement and warranty policy.”



**Item Inspection** COMPANY Lovesac

Item Confirmation Checklist Sectionals Condition Disposition

**3 Select any that apply**  
Review the points in the following checklist. Selecting any of these means that your item is unsellable, so you only have to select one.

- 1 Are there any broken components in the item which can't be repaired?
- 2 Are there any holes or tears on the item?
- 3 Are there any permanent stains on the item?

**Item Inspection** COMPANY Lovesac

Item Confirmation Checklist Condition Disposition

**4 Record any item flaws**  
Review your item for flaws; if you find any, add them below.

GRADE A

Select a flaw type:

- Most common
  - 1 Fading
  - 2 Unthreading
- Other
  - Hole
  - Pilling
  - Matting
  - Scratch

## The Solution:

# Lower Liquidation, Less Fraud, and More Predictable Peaks

With Trove RMS in place, Lovesac turned a manual cost center into an automated, data-driven operation:

**Liquidation rates dropped from ~20% to 10-13%**, reducing waste and lost revenue.

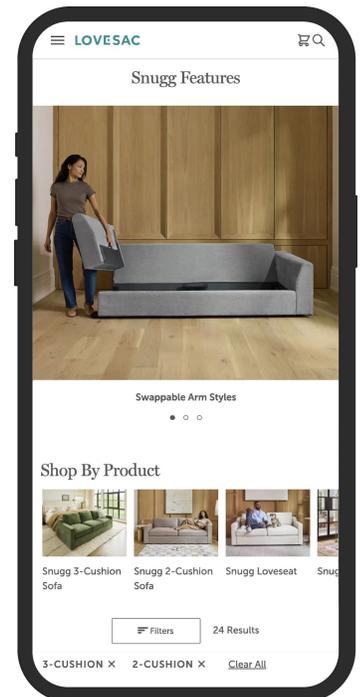
**Refund fraud decreased** with better tracking and clearer audit trails. "In the past, we'd refund before the product arrived," says Linda. "Now, if it's marked as fraudulent, finance can stop the refund, which has **helped us reduce losses.**"

**Peak periods are more manageable**, with automated workflows helping the warehouse team **keep pace even during seasonal surges.** "With seasonal peaks, we've been able to stay up with it, thanks to Trove and the amazing NFI warehouse team."

## Looking Ahead

Lovesac plans to integrate Trove into the NFI WMS system next year to scale the same automated, standardized approach across more of its network.

"Trove has made us a stronger, smarter operation," says Linda. "The visibility, the data, the partnership – **it's changed how we think about returns.** We're excited to keep building on it as we grow and integrate even more."



**Interested in learning how Trove can help your brand scale a successful resale program?**

Reach out today to explore how our platform can help you achieve sustainability goals while driving customer loyalty and growth.

[TROVE.COM](https://trove.com)