



Understanding the Warranty Claim Process From Start to Finish



When a claim looks simple, but never really is

A dealer walks in with a battery that failed earlier than expected.

The customer wants a replacement.

The dealer wants a quick answer.

Your team opens old spreadsheets, checks emails, and starts asking the same questions again.

Has this serial number been sold already?

Is it within the warranty period?

Was it sold after the grace period?

Is this a genuine defect or a repeat claim?

This is where most friction begins. The [warranty claim process](#) is often treated as an after-sales task, but in reality, it reflects how well the business tracks products from the moment they enter the system. In 2026, with tighter margins and higher claim volumes, manufacturers and dealers can no longer rely on memory, paperwork, or goodwill decisions. The entire warranty claim lifecycle needs clarity, structure and traceability.

So let's walk through what really happens, step by step.

Where the warranty story actually begins

It starts long before the claim is raised

Many teams assume that the warranty claim workflow starts when a defective product comes back. That assumption creates blind spots.

In reality, the claim story begins at the manufacturing or vendor purchase. It continues through inward entry, warehouse movement, dealer dispatch, and the final sale. Each serial number builds a history. When even one step is missing, the warranty claim system struggles to answer basic questions later.

If you cannot see where a battery came from, where it was stored or when it was sold, validating a claim becomes guesswork.

Why early visibility matters more than speed

Speed is important, but clarity comes first. When inward records and expected serials are logged correctly, teams don't scramble later. They already know which serials arrived, which ones are overdue, and which ones entered circulation.

According to Deloitte manufacturing risk reports, poor serial number tracking is one of the leading causes of duplicate and fraudulent warranty claims. This issue rarely shows up overnight. It starts to build slowly when early-stage data is ignored.

What practical teams do differently

Practical teams don't treat warranty as a one-time activity. They see it as a connected journey that starts when a product enters the system and continues through sale and service.

They track serial numbers at every stage, inward, warehouse, dealer dispatch and sale. So when a claim comes in, there is no backtracking or guesswork. Eligibility is clear.

For example, when a dealer raises a claim, the team can instantly see that the battery was sold after the grace period. Instead of debates or goodwill pressure, the system shows the facts. The decision becomes simple and fair.

Because these teams trust recorded data instead of assumptions, claims move faster, errors drop and conversations with dealers stay transparent.

Not all claims are the same, and that matters

Understanding the three claim paths

One of the biggest mistakes in the warranty claim process is treating every request the same way. In reality, claims usually fall into three clear categories.

Warranty requests raised within the valid warranty period

Pro rata claims raised shortly after expiry

Unsold or transit damage claims raised by dealers or distributors

Each follows a different logic. Each carries a different cost implication. A structured warranty claim workflow recognizes these differences early instead of discovering them mid-way.

The cost of mixing claim types

When expired products are replaced fully, the company ends up paying for mistakes it should not own. When damage that happened during transit is treated as a warranty issue, it becomes unclear who is actually responsible.

PwC warranty studies show that manufacturers who clearly separate different types of claims cut wrong approvals by almost 20%. This improvement does not come from being tougher on dealers. It comes from having a system that makes the right decision obvious.

Applying this structure on the ground

Teams that rely on a clear warranty claim system route claims automatically based on type. This reduces debates, shortens approval cycles and keeps dealers informed from the start.

Once claim types are clearly defined, the next challenge usually shows up around timing.

Grace periods, expired stock, and uncomfortable conversations

Why do grace periods exist in the first place?

Grace periods are designed to help dealers sell inventory fairly and without pressure. They create breathing room. They do not extend warranty coverage forever.

Once that grace period ends, the product should no longer be sold as a warranty-active item.

Where confusion creeps in

Problems arise when sales after the grace period are not recorded properly. Customers arrive believing their product is covered, unaware that the warranty window closed earlier. Dealers feel stuck, teams feel pressured and goodwill approvals start creeping in.

These situations strain relationships and inflate claim ratios.

How structured systems reduce friction

A modern warranty claim system enforces grace periods automatically. It blocks serial numbers after expiry. It requires formal approval for exceptions. When goodwill approvals happen, they are recorded clearly, not buried in emails.

This protects manufacturers while keeping dealer conversations honest and transparent.

And once timing is clear, approvals themselves need discipline.

What really happens during approvals and waiting stages

The hidden delays inside manual approvals

Many claims enter a holding phase. Batteries are sent back. Teams wait for internal confirmation. Serial numbers remain active. The risk quietly increases.

Without a clear warranty claim workflow, claims linger in limbo. Duplicate requests slip through. Inventory visibility gets distorted.

Why blocking serial numbers is critical

Blocking serials during review is not about mistrust. It is about control. It ensures that a product under review cannot re-enter circulation or trigger multiple claims.

This single step prevents repeat losses and keeps the warranty claim lifecycle clean.

What a clean approval flow looks like

Claims move through pre-defined stages. Submission, review, approval or rejection, closure.

Every status change is visible.

No one chases emails.

Gartner research shows that manual warranty handling increases processing costs by 30 to 40% compared to automated workflows. Most of that cost comes from delays, rework and follow-ups, not from the claim itself.

Once approvals are resolved, the story is still not over.

Closing the loop and learning from claims

Claims are signals, not just expenses

Every claim carries insight. It can point to product quality issues, dealer behavior patterns or supply chain gaps. Ignoring this data means repeating the same mistakes.

A well-managed warranty claim process does not stop at resolution. It feeds learning back into procurement, quality checks and dealer policies.

Why claim ratios deserve attention

Most manufacturers aim to keep claim ratios within manageable limits. When ratios cross acceptable thresholds, it signals deeper problems.

PwC reports show that warranty costs typically account for 2 to 5% of total product sales. When this number rises unchecked or without any action, profitability starts to slowly decrease.

Turning lifecycle data into better decisions

Teams that review the full warranty claim lifecycle respond faster to problems. They improve how they choose vendors, strengthen inward quality checks, and set clearer rules for dealers.

McKinsey operations insights show that companies with end-to-end lifecycle visibility resolve claims more quickly and face fewer repeat issues over time.

At this point, warranty is no longer just about fixing problems after they happen. It becomes a strategic tool for improving the business.

Practical takeaways you can act on today

- Map your warranty claim process from inward entry to final resolution
- Separate claim types clearly inside your warranty claim system
- Enforce grace periods digitally instead of relying on memory
- Block serial numbers during approval stages
- Track claim ratios regularly and review trends, not just totals
- Use warranty data as a business health indicator

Small changes made at each stage add up. They reduce noise, protect margins and improve trust.

Warranty Claims Are No Longer Just After-Sales Work

Warranty claims are no longer just an after-sales function. They sit at the center of trust, cost control, and operational discipline. When the warranty claim workflow lacks structure, small judgment calls turn into large losses over time.

But when the warranty claim lifecycle is visible from start to finish, teams stop reacting. They start deciding with confidence.

As volumes rise and expectations grow, the real question is no longer how fast you close claims.

It is whether your system truly understands what every claim is trying to tell you.

And once that understanding is in place, warranty stops being a problem. It becomes a source of clarity.

Ready to bring structure into your warranty claims? Contact us here:

<https://digiwarr.com/contact-us/>