



12 May 2020

## **RETURNS KEY TO POST-COVID-19 RETAIL SUCCESS, DODDLE RESEARCH FINDS**

- *72% of Australian consumers check a retailer's returns policy before committing to a purchase*
- *Paying a returns postage cost cited as the most painful aspect to returning online purchases by 82% of consumers*
- *41% of Australians have stopped shopping with a particular retailer due to a poor online returns experience*

**Tuesday, 12 May 2020, SYDNEY:** Research released today by global e-commerce tech provider [Doddle](#), has found that returns options play a pivotal role in consumer's purchasing decisions, with 72% of Australians checking a retailer's returns policy before committing to a purchase, highlighting the opportunity to re-examine this function as retailers gear up to return to business amid relaxing COVID-19 restrictions.

The research discovered that 41% of Australian consumers have stopped shopping with a particular retailer altogether due to a poor online returns experience. The biggest e-commerce returns pain points included returns postage costs (82%), followed by no refund capability – credit note or exchange only – (64%) and delays in refunds appearing in their bank account (43%).

E-commerce in Australia has evolved 10 years in a matter of weeks, with The Australian Bureau of Statistics (ABS) recording a 36% YoY increase in online revenue in March 2020 and an 80% increase in parcel volume, creating strain on Australia's delivery network.

Many retailers are expecting a surge in returns over the coming weeks as consumers begin to venture out again following the relaxation of some restrictions. A number of retailers responded to the COVID-19 crisis by extending returns periods during COVID-19 from 14 days to 30+, to provide consumers more time to complete a return transaction.

The research findings confirm the importance of returns experiences to a business' reputation and bottom-line sales, as online consumer numbers soar. Doddle's technology supports retailers by digitising the returns journey, allowing for analysis into the status of return volumes and data on why products are being returned. This functionality enables retailers to do away with paper returns slips and better plan returns processing based on expected volumes.

"Consumers are becoming increasingly discerning in all aspects of the online shopping experience, not only comparing products between merchants, but in critiquing the delivery and returns options offered too," comments Justin Dery, CEO, Doddle APAC. "All retailers understandably want to mitigate the impact of returns on the bottom

line, but making the process harder or less attractive for the end consumer is not the way to do it. The research indicates that this mindset will actually result in fewer customers, which no retailer can afford in this challenging climate.”

### **Physical networks play a valuable role in returns proposition**

For retailers now reopening physical stores, the research suggests that offering consumers the option to return e-commerce orders in-store is an untapped revenue opportunity, with 15% of Australian consumers reporting that they have made an additional purchase while returning an e-commerce order in-store.

Quantifying the value of those purchases, 89% of those consumers who had made a purchase said they had spent up to \$200 in-store on those visits. Conversely, 40% of consumers said they had never returned an online purchase in-store, highlighting an opportunity for retailers to make free in-store returns more visible to consumers to drive in-store footfall.

Mr Dery states, “Retailers with a small or no physical store network can provide consumers the same level of convenience by offering services such as the Australia Post Collect & Return network. This service allows customers to drop off their e-commerce returns at post offices, supermarkets, pharmacies, department stores and shopping centres.”

### **Returns fraud – minority of shoppers deliberately doing the wrong thing**

With returns fraud a growing concern for many retailers, Duddle asked consumers whether they had previously ordered items online with the intention of returning one or more of those items. Just 11% of consumers said they had. Of those, 55% intentionally over-ordered, 38% intended to return an item but couldn’t be bothered, and 22% intentionally wore an item and then returned it to get a refund, also known as “wardrobing”.

According to Mr Dery, “There’s room for improvement in the returns offerings of Australian retailers, and getting it right offers significant upside. Our role is to support retailers to understand the returns behavior of their customer base and make informed decisions about returns based on data. In the end, it’s about making returns less unprofitable for retailers and providing the best possible experience that keeps customers coming back.”

- ENDS -

### **About the research**

This research was conducted by Edentify among a sample of 1,000 Australians who had shopped online in the past six months from a survey conducted between 17 and 21 January, 2020.

### **About Duddle**

Duddle believes in the power of lasting impressions and helps carriers and retailers around the world create e-commerce delivery and returns experiences that attract customers, create differentiation and foster loyalty.

Duddle uses its years of fulfilment experience - developed in one of the world’s toughest e-commerce markets - to help retailers and carriers devise sector leading

fulfilment strategies that enhance customer experience, promote sustainable solutions and drive profitability and efficiency.

Doddle's white-label technology powers the creation, roll out and management of a full delivery ecosystem enabling processes from click & collect, click & reserve and pick & ship through to automated returns. Each of its solutions is designed to drive loyalty, create cross selling opportunities, promote efficiency and address the need for more sustainable solutions.

Doddle's expertise and technology is trusted by some of the world's biggest retail and fulfilment brands from ASOS and Amazon to USPS and Australia Post.

Headquartered in London, Doddle also has regional teams in the US, Australia, Europe and the Middle East.

Find out more at: <https://solutions.doddle.com/>

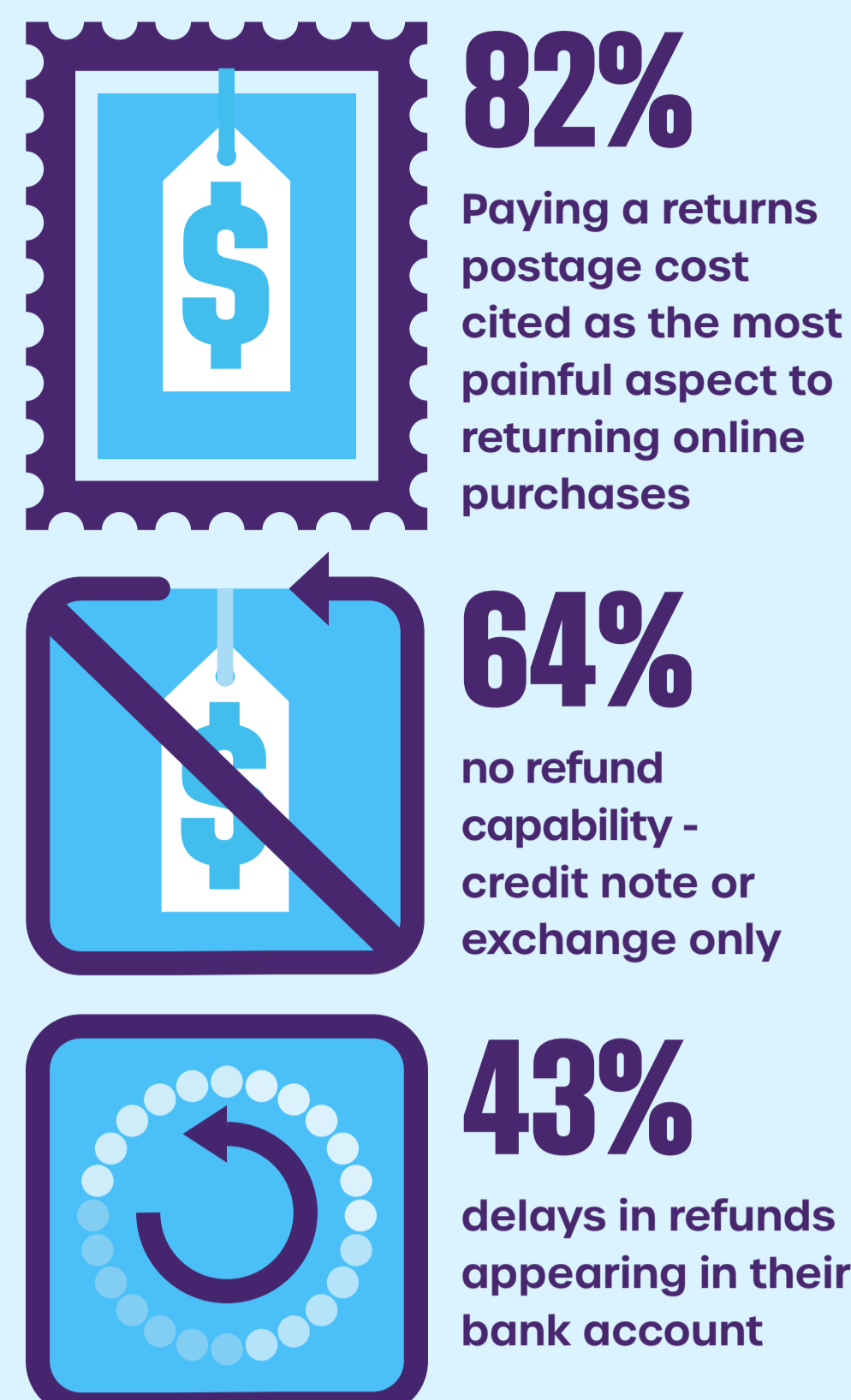
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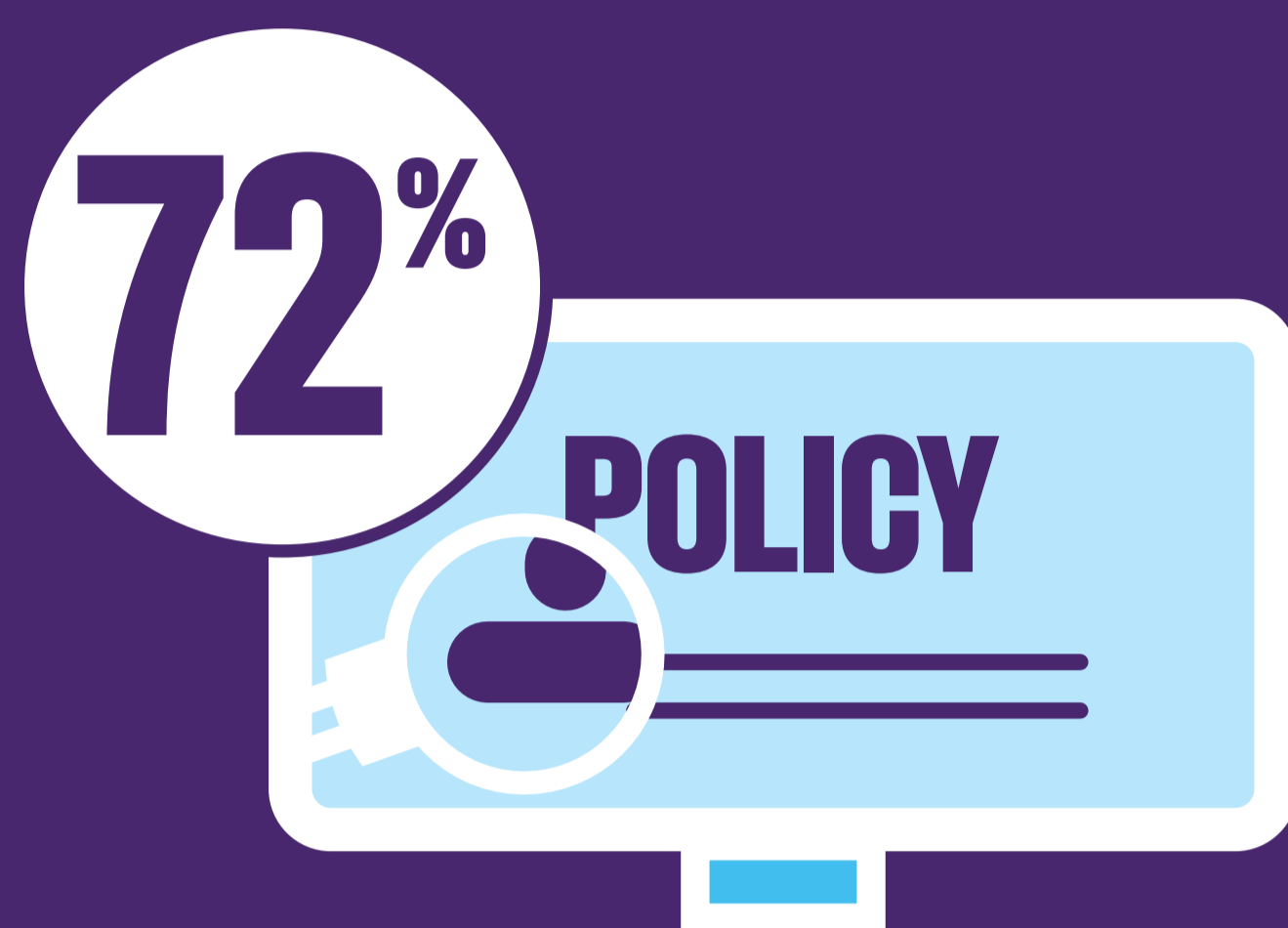
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## WHAT DRIVES US CRAZY ABOUT RETURNS?

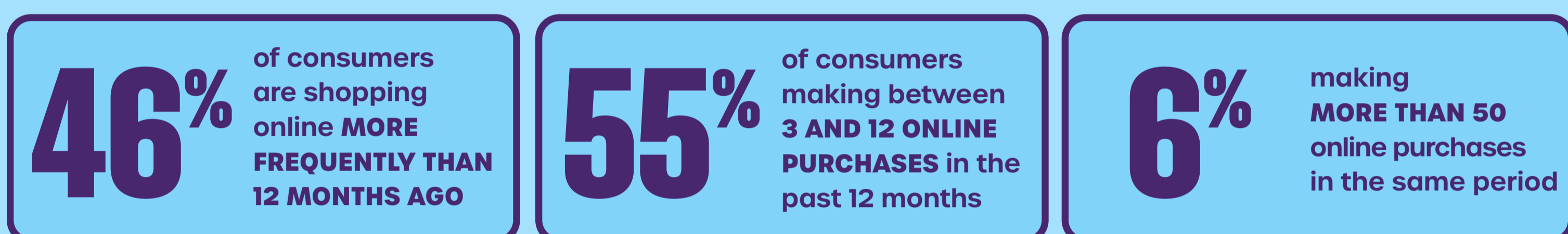


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## ECOMMERCE SHOPPING FREQUENCY



## UPSELL OPPORTUNITY OF RETURNS



## WARDROBING BEHAVIOUR - LESS COMMON THAN FIRST THOUGHT



**11%** of consumers said they had previously ordered items online with the **INTENTION OF RETURNING** one or more of those items

### OF THOSE...



Research conducted by Edentify, January 2020, from a samples of 1,000 Australian consumers who had shopped online in the past six months