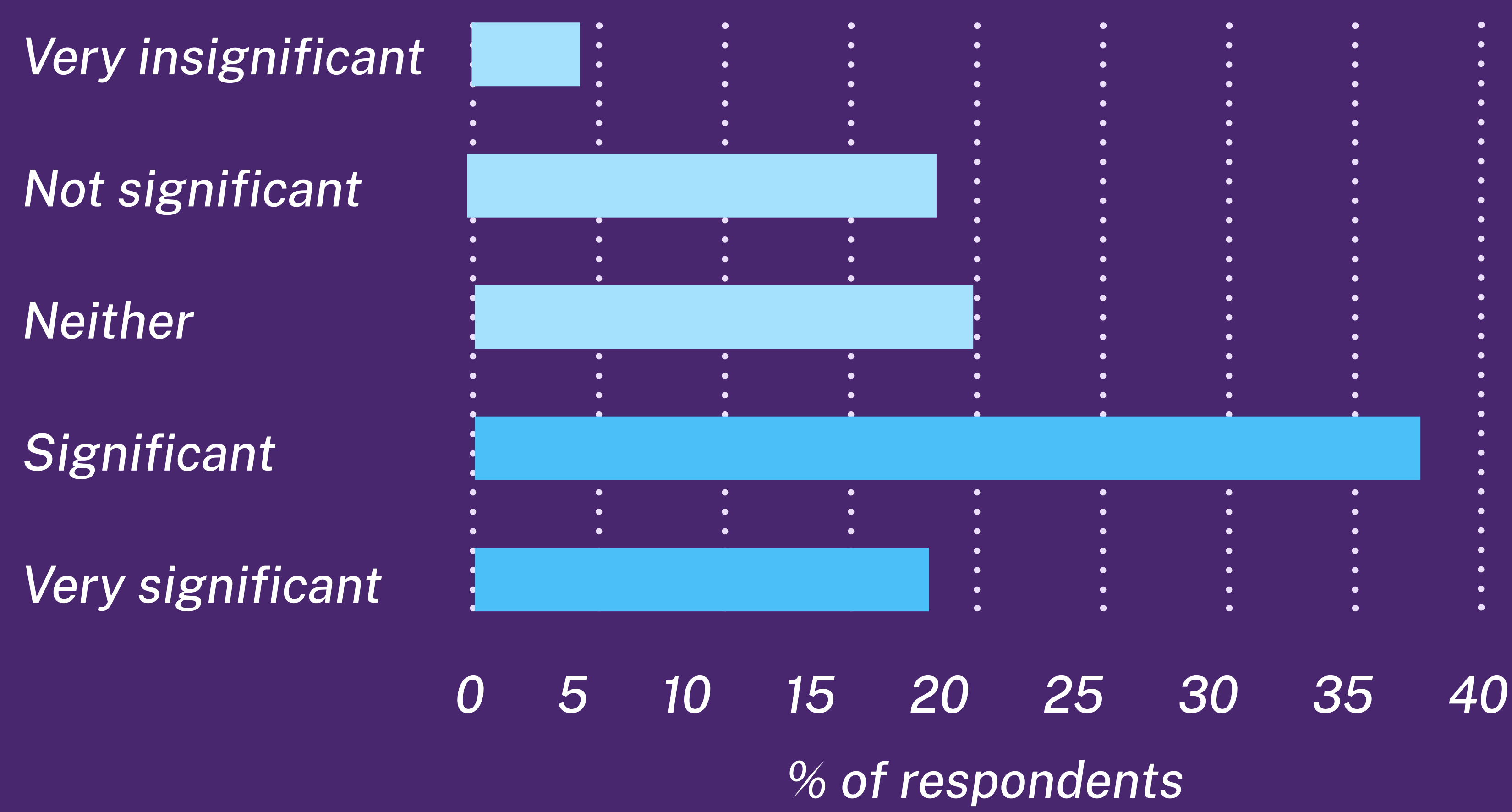


RETURNS 2022: WHY CARRIERS HAVE TO CARE

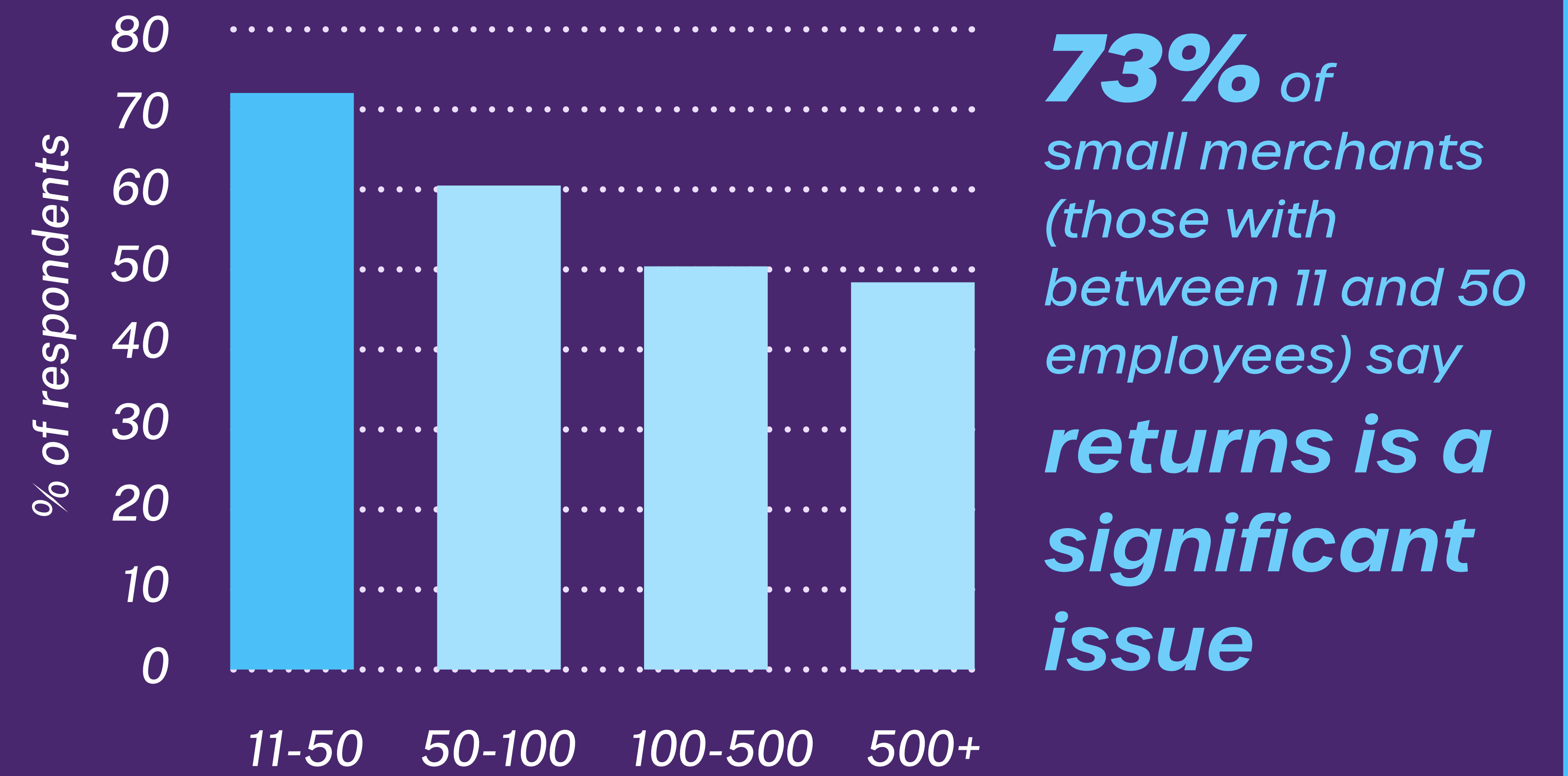
Returns are a major problem for ecommerce businesses of all sizes

To what extent are ecommerce returns a significant problem for your business?



57% of merchants say returns are a **"significant"** or **"very significant"** problem

Significance of returns by business size (employees)

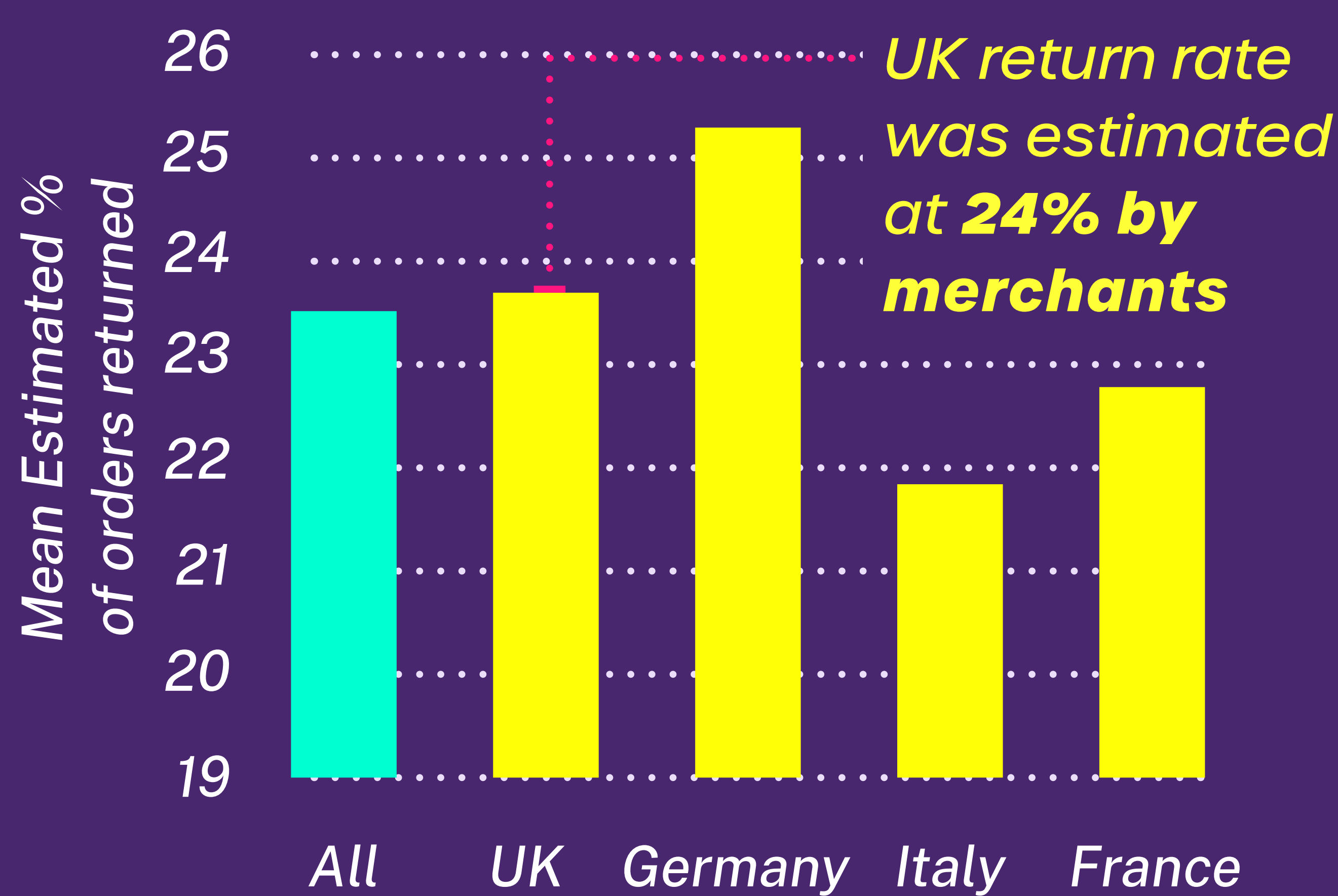


73% of small merchants (those with between 11 and 50 employees) say returns is a significant issue

Smaller merchants are worst affected, though nearly half of businesses surveyed with over 500 employees still noted returns as a **significant or very significant problem**

What return rates are merchants experiencing?

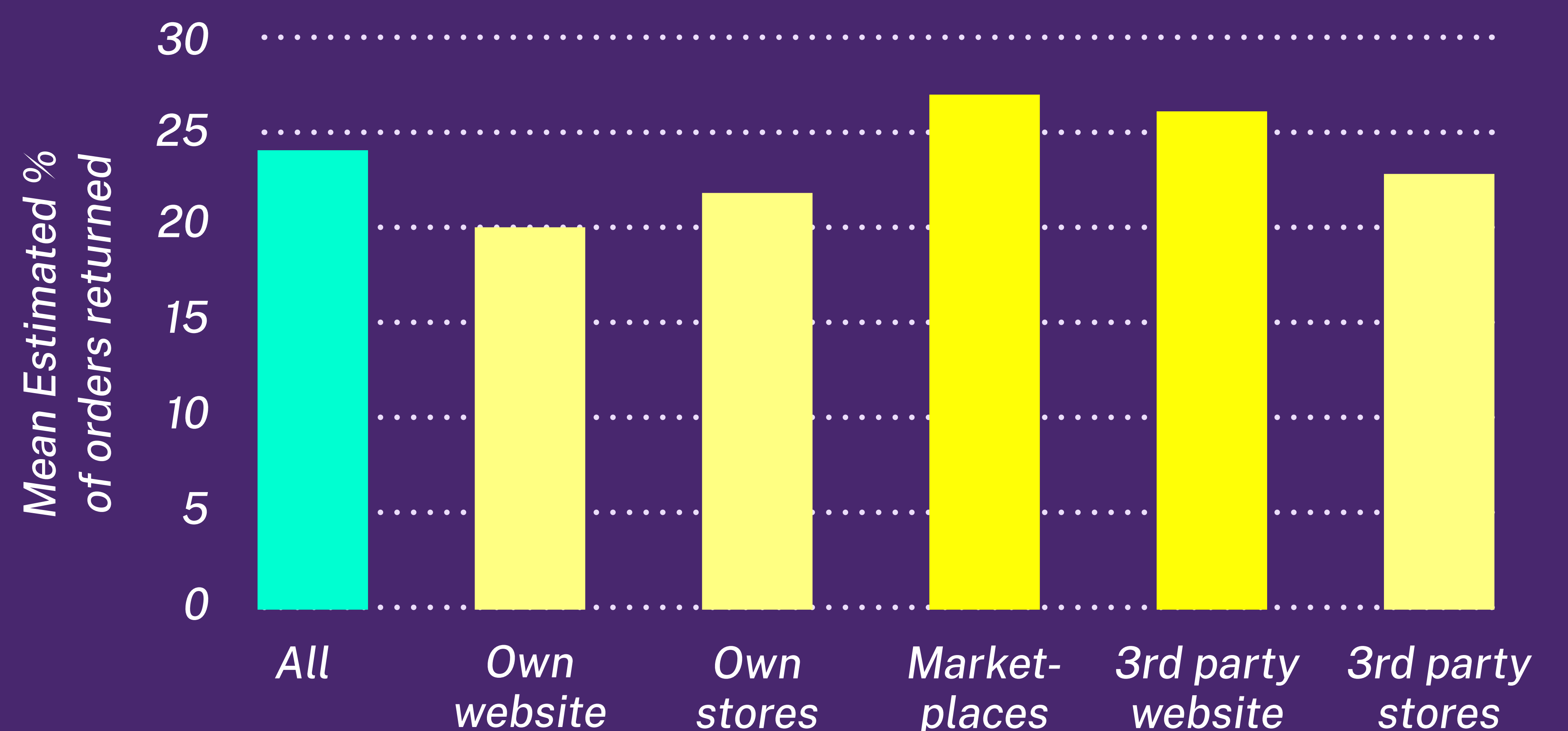
Average estimated return rate by market



Average estimated return rate across **all markets was 23.44%**

UK return rate was estimated at **24%** by merchants

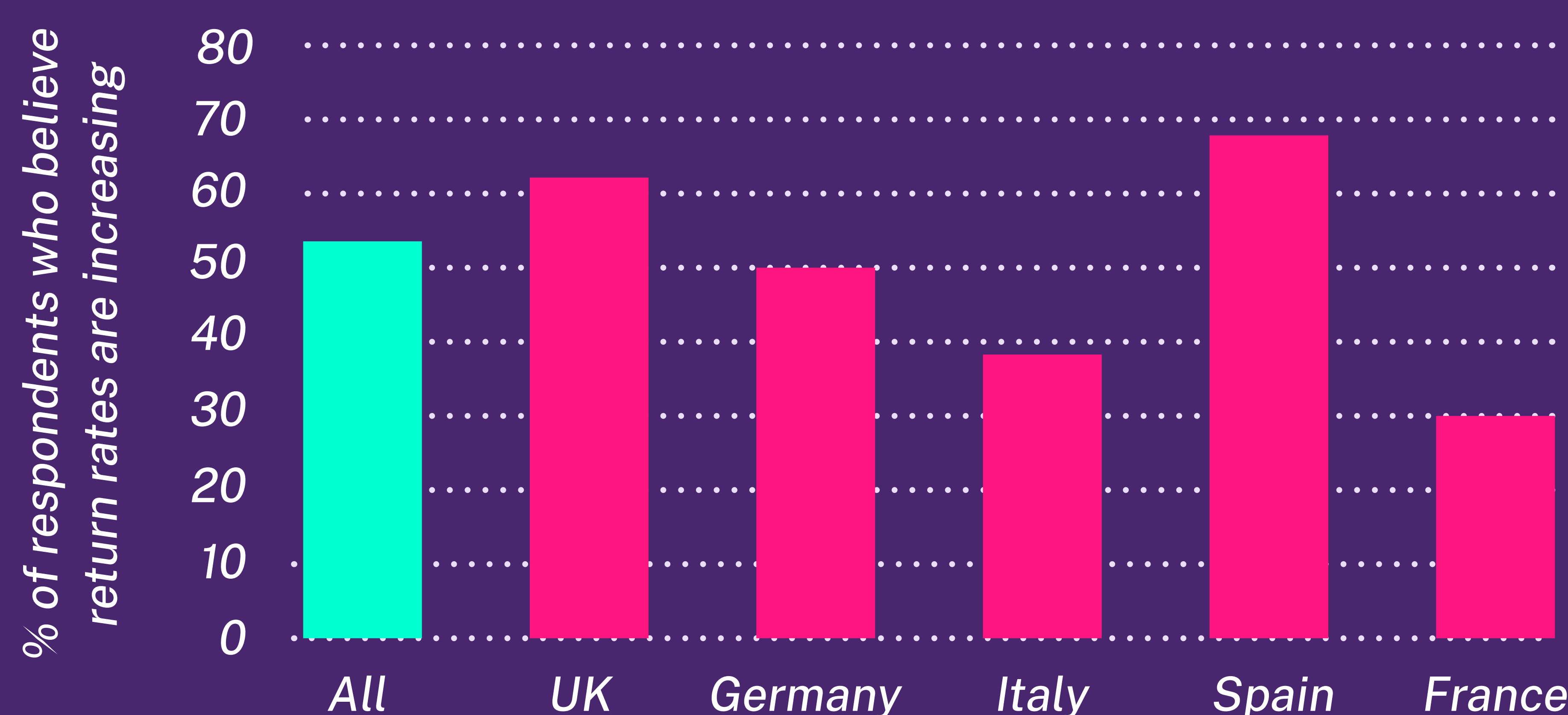
Mean return rate by sales channel



Businesses selling on marketplaces and through third party websites reported **higher average return rates**

A worsening issue

Respondents who have seen increasing returns rates, by market



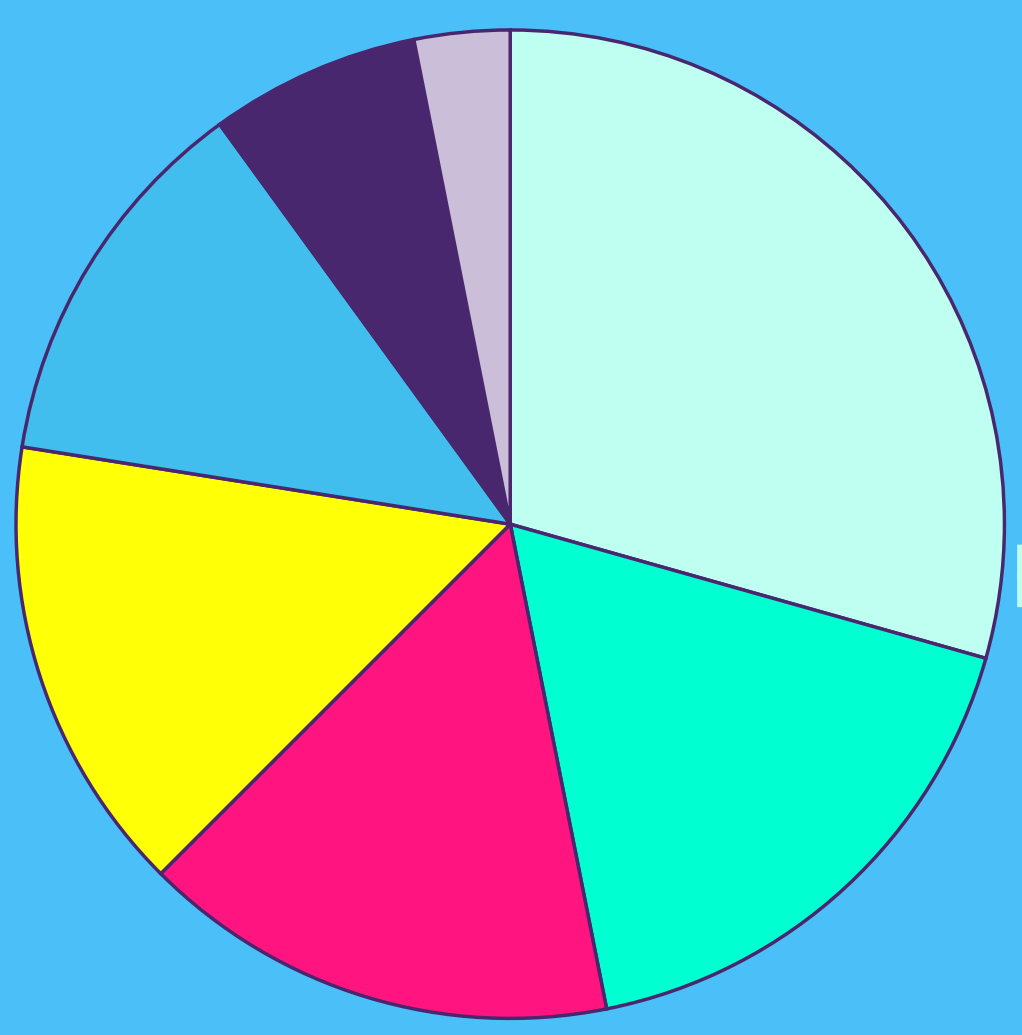
52% say return rates are **increasing**

39% report **no change**

13% see them **dropping**

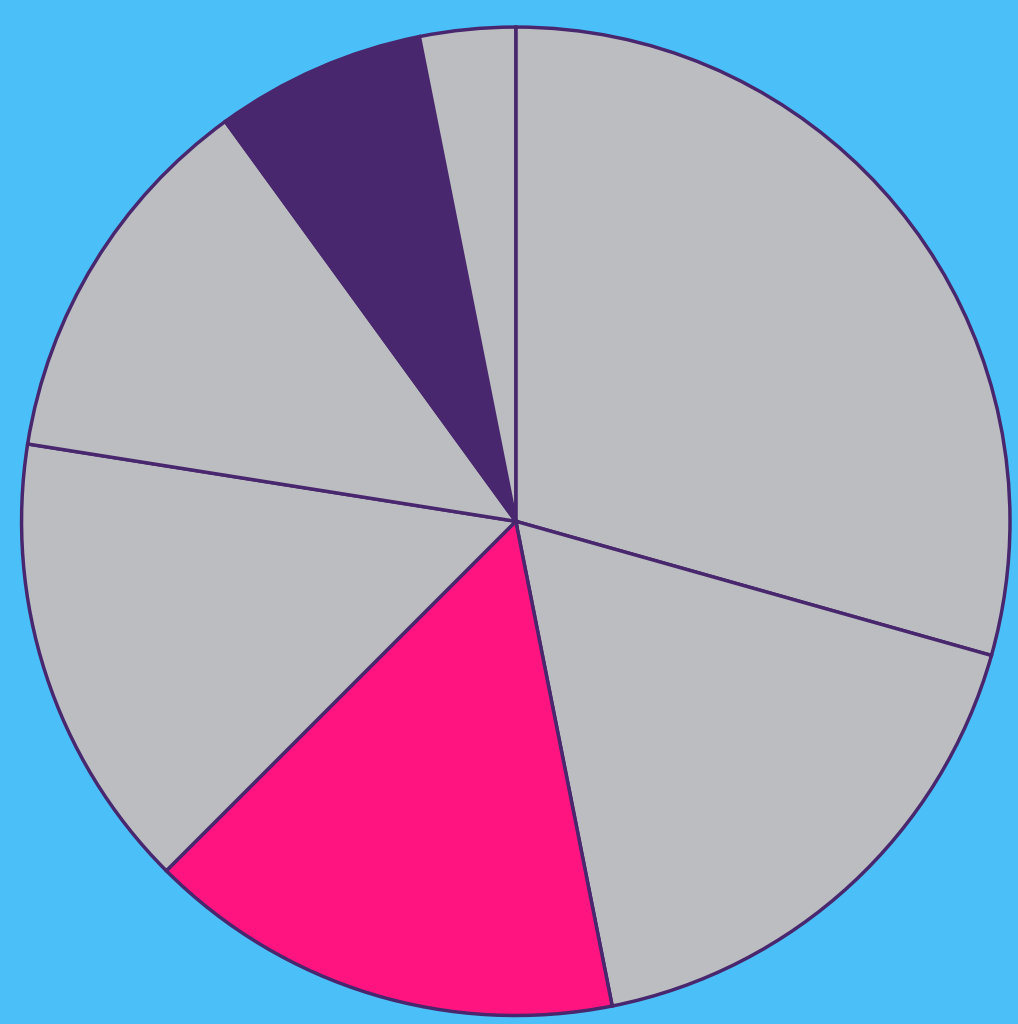
What are merchants offering?

Returns methods offered by retailers



There are a multitude of methods offered, with no predominant winner – the most common returns initiation method is to **contact customer service**.

Integrated Returns methods offered by retailers (%)



Integrated returns portals, whether developed in house or by third party providers, require customers to input an order number, tying the return to a record of purchase. This allows retailers to capture data about the return and associate it with shopper data and purchase data, giving them **more control and insight**. These are the most sophisticated returns approaches, used by just 36% of merchants.

Return methods by business size



11-50



50-100



100-500



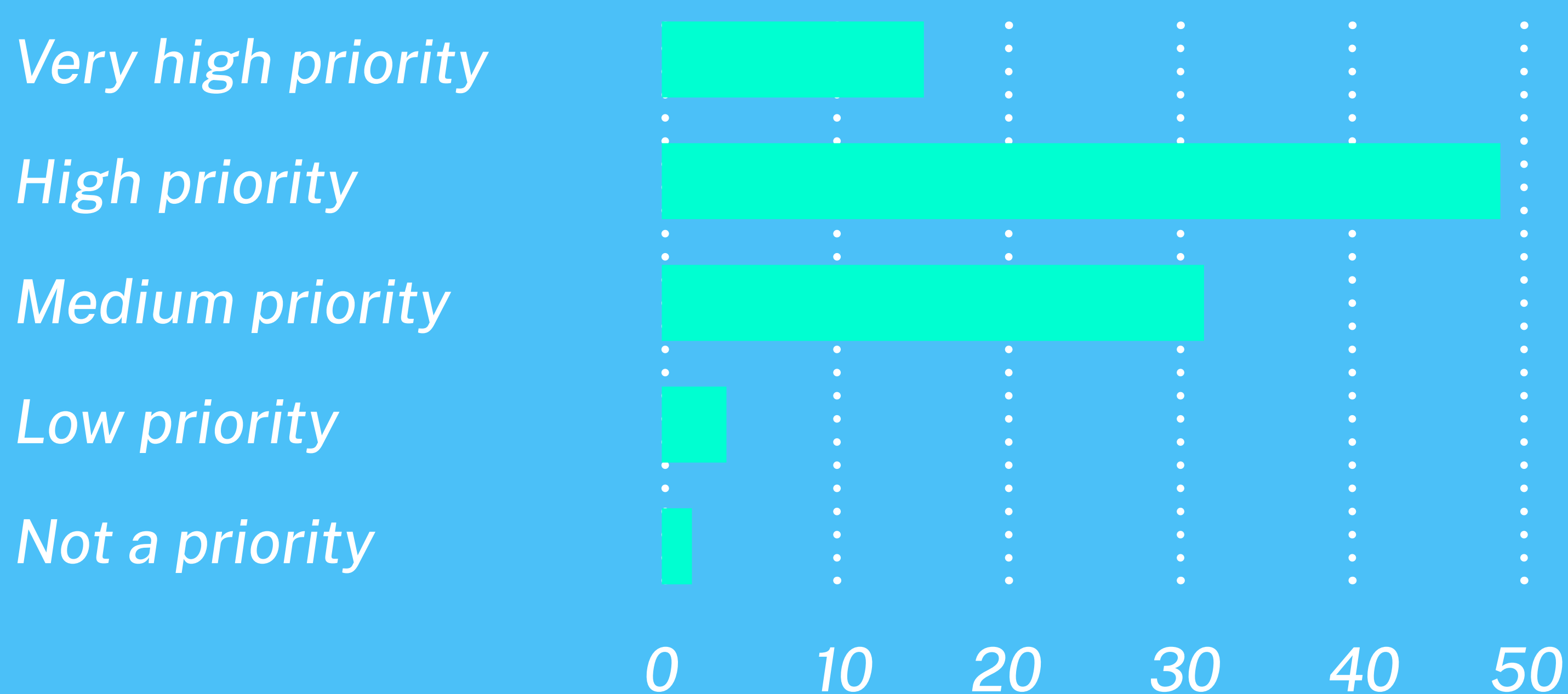
500+

Carrier methods highlighted **in yellow** are not widely adopted, but have **more traction at the top end of the market**, with smaller businesses not yet widely adopting them.

- Customers have to contact customer services
- We utilise a carrier digital returns solution – i.e. we divert the customer to external page or system provided by a carrier
- We use an independent returns portal – e.g. Rebound, Zigzag, Metapack, Clicksit
- We offer a pre-printed carrier label in the package
- The customer has to find a way to send us back the item
- None of the above
- We use a returns portal we have developed internally

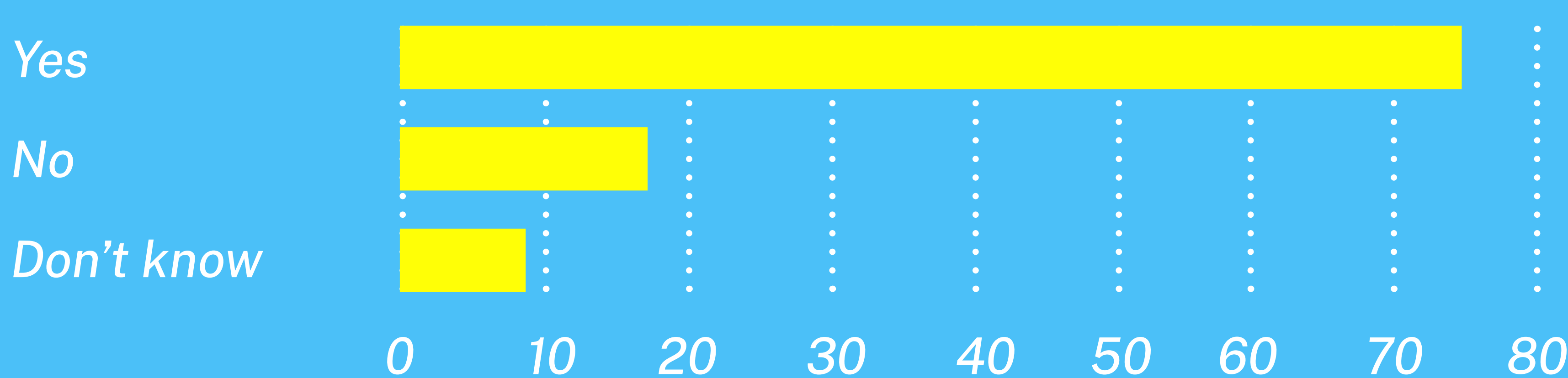
Are they prioritising making returns better?

In your ecommerce business, improving returns is a:



Would they use a carrier solution?

Would you be interested in using a digital solution provided by your logistics or delivery provider, to help you manage ecommerce returns?



74% of those who don't already use one say they'd be **interested in using a digital returns solution** provided by their logistics or delivery provider to manage ecommerce returns