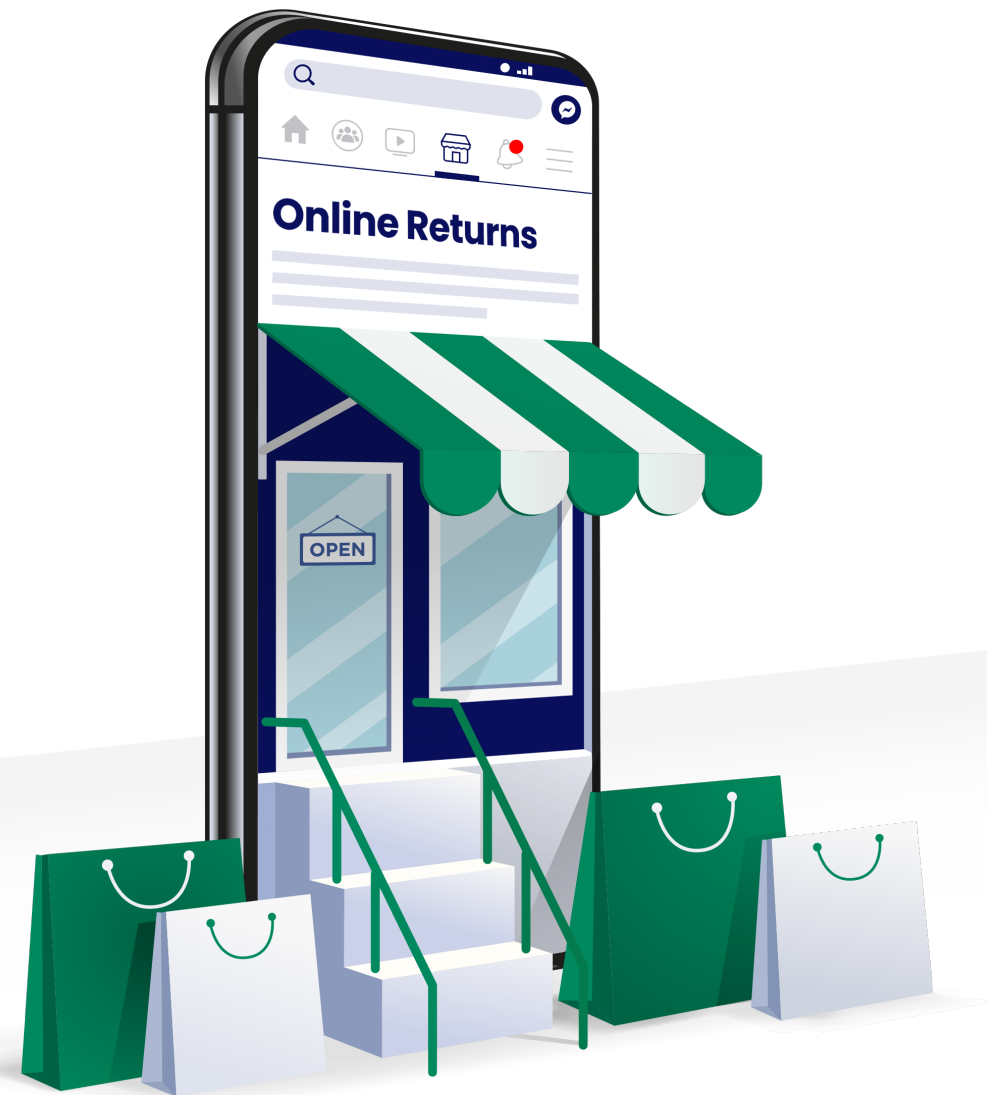


Consumer Perspectives on Online Returns

1WorldSync Survey Brief
September 2021



Introduction

Spurred by the pandemic, online returns more than doubled in 2020 from 2019, according to research from the National Retail Federation.* While perhaps inevitable in a fast-growing ecommerce landscape, rising online returns are a detriment to all parties—an inconvenience for consumers and a costly hit to retailer profit margins.

That's why understanding the *why* of returns is a perennial, essential activity for product marketers and ecommerce professionals.

Like any customer experience, however, the way retailers handle returns can make or break customer retention, potentially resulting in a “brand moment” that strengthens consumer satisfaction.

In a survey commissioned in August 2021, 1WorldSync asked a representative sample of 1500 online shoppers in the U.S. to share their side of the returns story, focusing on new trends that may be changing perceptions of returns and ecommerce in general.

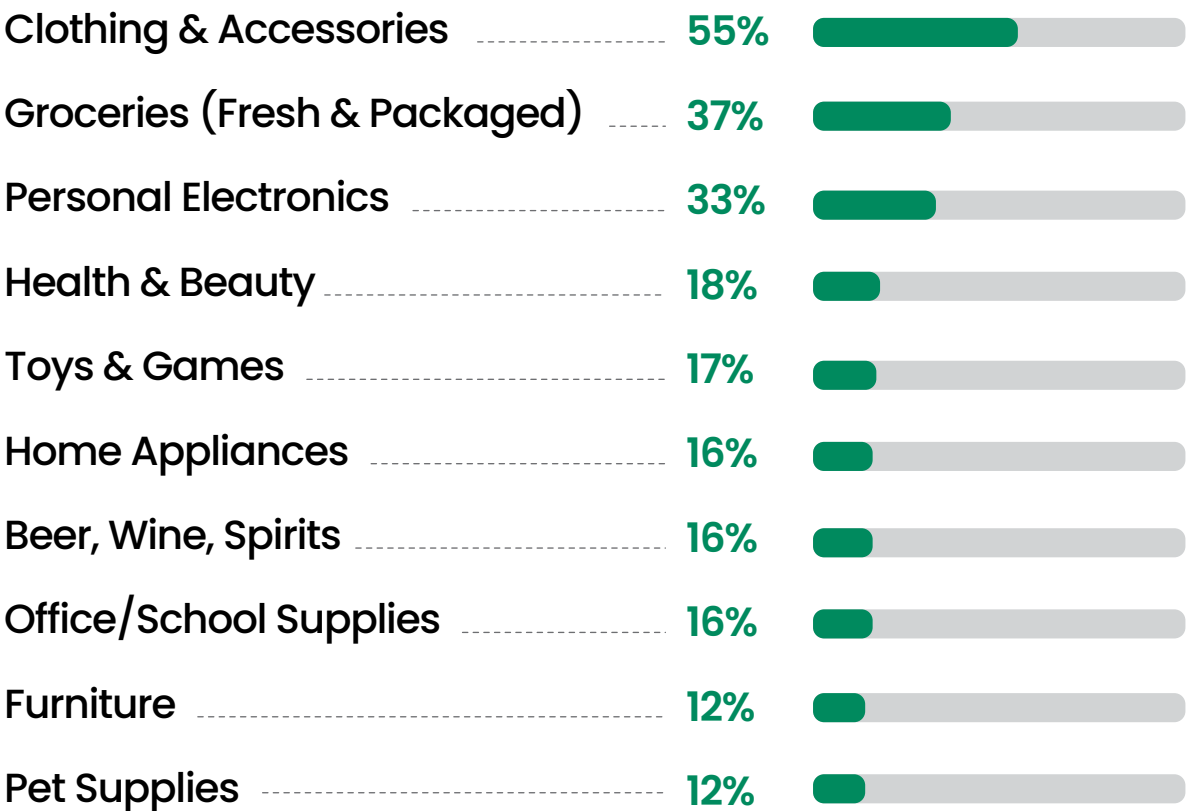


A majority of shoppers have returned items bought online since the start of the pandemic.



Top Product Types for Online Returns

Percentage share of consumers who returned items:



Men are twice as likely to have returned or received a refund for a grocery item purchased online.



49% of men
25% of women



7 in 10 online shoppers returning Toys & Games said they never shopped in this category prior to the pandemic



1 in 5 online shoppers with incomes over \$125k returned a piece of furniture during the pandemic.

Bad product content is a key driver of online returns

6 in 10 

online shoppers blame inaccurate, misleading or poor quality product content for at least some of their returns in the past 18 months. That number went up significantly for shoppers who returned certain types of products. *(See Right)*

Percentage of shoppers in the following categories who blame bad content for returns:



83%
Beer, Wine, Spirits



80%
Furniture

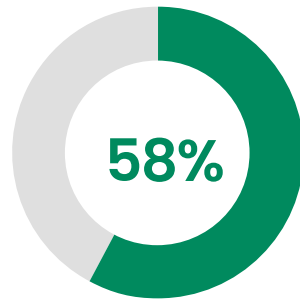


73%
Pet supplies

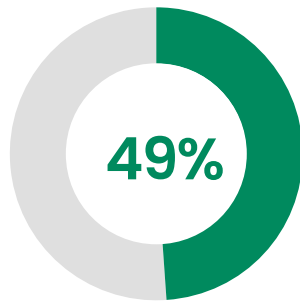


75%
Groceries
(Packaged and Fresh)

What type of product content is the culprit for returns?



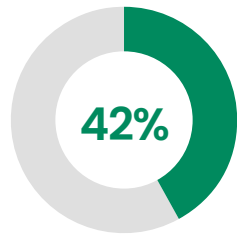
Product photography did not match the shipped product or led to false expectations



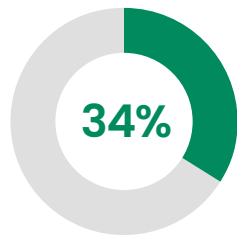
Bad specs or attributes – sizing, dimensions, weights



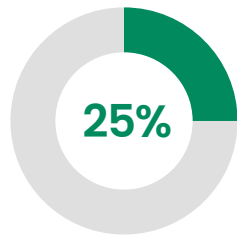
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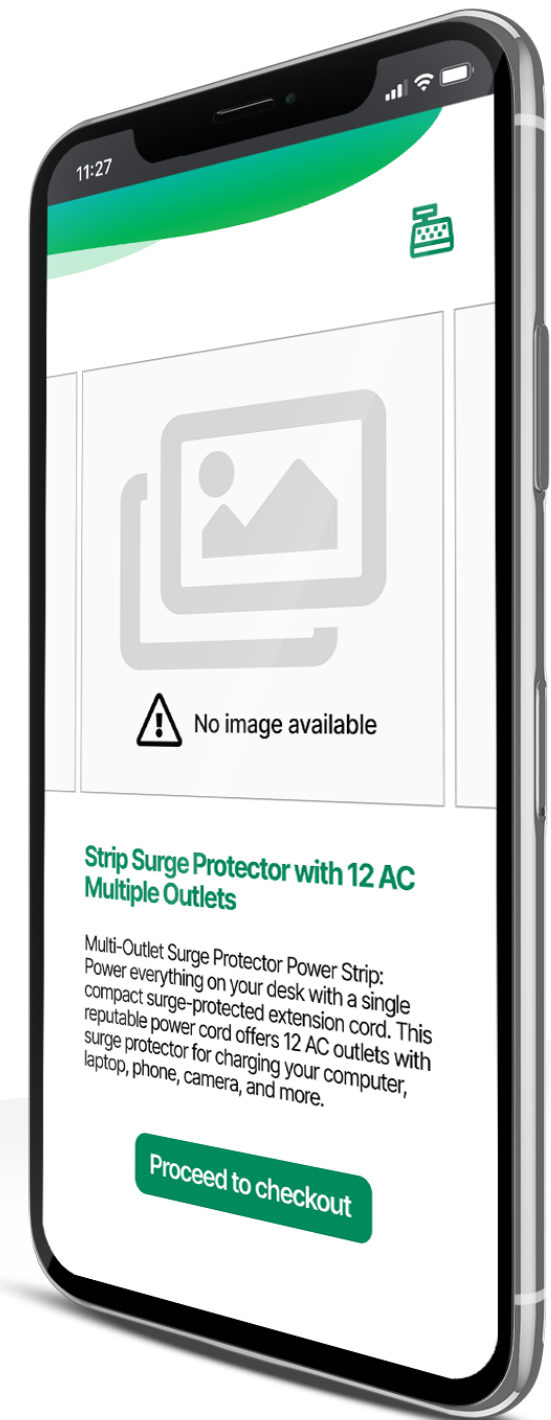
Product or features descriptions were misleading or inaccurate



General lack of product features or helpful information



Inaccurate or misleading manufacturer-provided FAQ answers



“*The best product content isn’t simply what converts the most buyers. Content that delivers on expectations is equally as important. Photos that capture all angles and features, product descriptions that are honest and relevant, specifications and details that are accurate and easy to comprehend—all of this will simultaneously drive sales and decrease returns.*”



Randy Mercer
VP of Global Product Management
1WorldSync®



The Rise of “Keep It” Policies

Popularized by major chains like Amazon, Walmart and Target, “keep it” policies often reduce the costs retailers incur from online returns, especially for items that are expensive to ship or can’t be resold.



56%

of online shoppers initiated a return in which the retailer allowed them to keep the item.

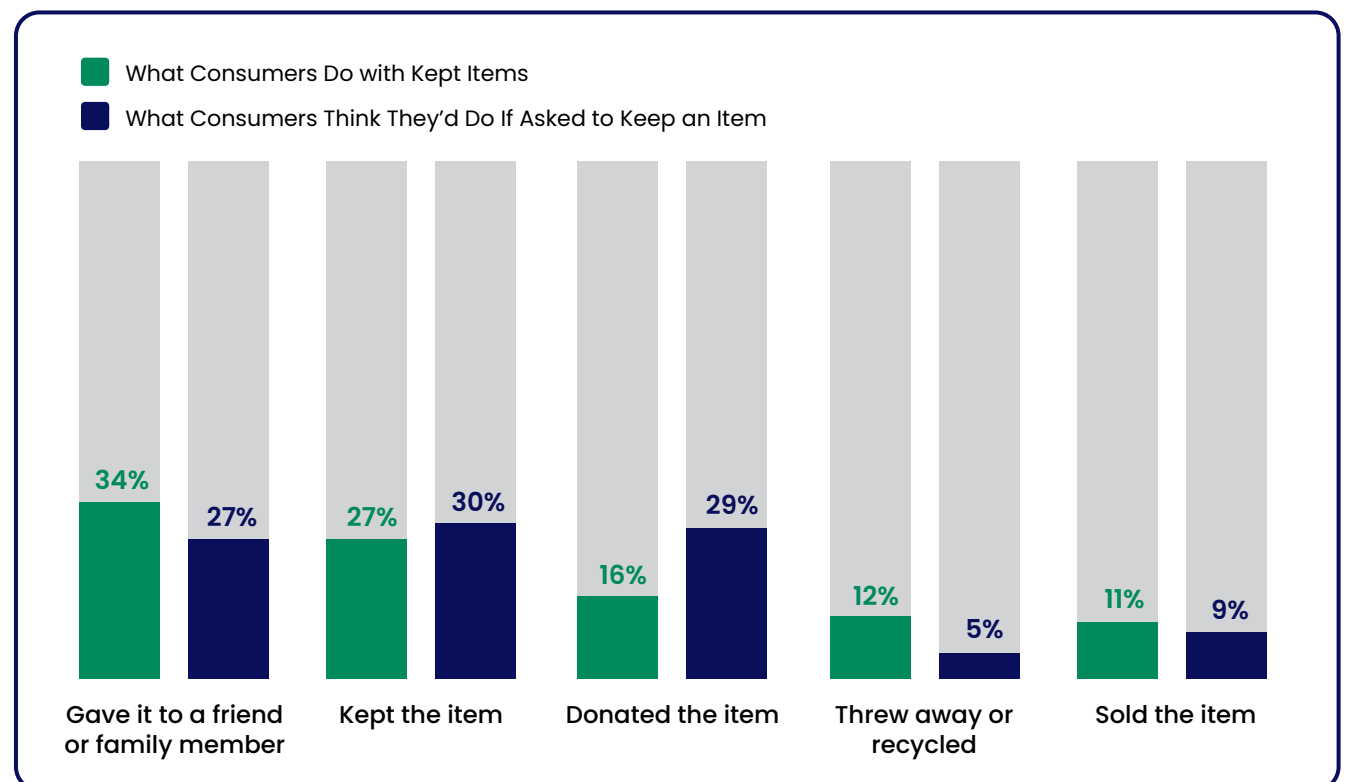




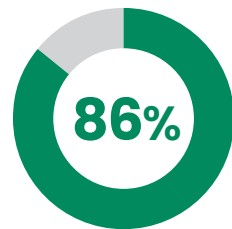
The Fate of Kept Items: Charitable Expectations vs. Reality

Many retailers encourage consumers to donate certain kept items. However, a majority of online shoppers end up keeping the items for themselves or giving them to friends or family.

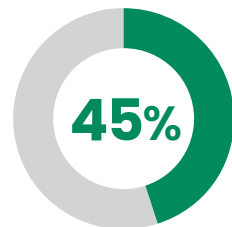
Survey respondents who haven't been told to keep a returned item were asked what they thought they would do in this scenario. This group was far more likely to envision themselves donating kept items to charity compared to those who actually donated.



“Keep It” Policies: Customer Relationship Builders and a Calculated Risk



Would be more likely to shop online if they knew they wouldn't have to deal with returns.



Said they would consider purchasing with the intent to keep a returned item if they knew that was the end result of a refund claim.

Retailers are well aware of the new risks of return fraud, and commonly use shopper purchasing history and AI-driven algorithms to detect scamming operations and bogus claims.

“

Compared to returning items in-store, online returns can easily become a chore that sours the shopping experience and deters consumers from doing repeat business. The savviest retailers are treating each return as an opportunity to create a positive brand experience built on trust and kindness. When done well, the cost of a single refund is dwarfed by the gains from retaining that customer for life.

”



TJ Waldorf
VP of Marketing & Customer Success
1WorldSync®

Survey Methodology

The data in this report is derived from a survey commissioned by 1WorldSync and administered by Pollfish on August 14-15, 2021. The randomized, representative sample consisted of 1500 U.S. residents, ages 18 and older, who shopped online frequently or occasionally over the preceding 18 months. The margin of error is +/- 3%.

About 1WorldSync

1WorldSync® is the leading provider of omnichannel product content solutions, enabling more than 14,000 companies in over 60 countries to share authentic, trusted content that empowers confident commerce and intelligent consumer purchasing decisions. Through its technology platform and expert services, 1WorldSync solves revenue-impacting product content challenges faced by leading brands and retailers in the CPG/retail, DIY, consumer electronics, healthcare and foodservice industries. 1WorldSync is one of the only product content providers and GDSN Data Pools to achieve ISO Certification 27001. For more information, please visit www.1worldsync.com.

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