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The State of Returns: What Retailers Can Expect from Consumers in 2021

Summary

Since the pandemic, consumers overwhelmingly turned to online shopping (and returning) out of quarantine necessity. Now that retail stores have opened again, 45% of customers want to return to the brick-and-mortar experience. The remaining 55% told goTRG they plan to continue returning online, but most say that sending back e-commerce orders is still far too complicated. These shoppers are ready to move beyond printing shipping labels and driving to the nearest FedEx.

To find out exactly how customers feel about online and in-store returns in a post-pandemic world, goTRG conducted a Customer Loyalty and Returns Survey and found that shoppers crave the easiest methods. This desire for convenience ultimately leads them to favor in-store and curbside options, wherever possible. Still, many customers are shipping online orders back and say that free returns are the most important aspect of the process.

Retailers that can innovate with more convenient returns options in 2021 will gain a loyal customer base for years to come.

What Shoppers Told Us

Returns have become a hassle. More people make purchases online today, but they don't enjoy the hassle of trying to ship back unwanted items.

Convenience is king. Shoppers like returning items in-store, but they prefer the convenient curbside services that retailers rolled out during the pandemic.

Returns as a Service is the future. Retailers need to expand their options for making returns, such as adding flexible drop-off locations that customers often frequent.

Prepare for serial returners—again. A renewed surge in online shopping inherently means people will buy more than they need, expecting to return unwanted items.

Returns impact brand loyalty. A poor returns experience can cause customers to stay away from a retailer for good, while a positive experience will earn their continued business.

Free returns are key. Making the returns process easy and convenient is essential, but consumers ranked free returns as their No. 1 priority.

1. Easy Returns Drive Loyalty

Returns can earn retailers more business

- 53% of customers are likely to check a store's return policy before making a purchase. Simple policies will drive them to buy, while complicated policies will deter them.

- 45% of customers who return items will buy a replacement item most of the time

Customers will continue to shop with retailers that make returns simple

- 97% say a positive experience would inspire them to shop at a retailer again

- 80% shop with the e-commerce provider that gives them the best returns experience over other online stress

What customers want to make their returns experience better

- #1: instant refunds

- #2: return labels included

- #3: return less refunds

- #4: ability to leave packages outside the door for pick-ups

2. It's a Hassle to Ship Returns

Most consumers ship back their returns, but they don't like it

- 68% say that dropping off returns to UPS, FedEx, or USPS or scheduling a carrier pickup is the most common way they return e-commerce purchases

- 61% ranked shipping costs as the No. 1 hassle when making returns, followed by printing labels and finding a pickup location

- 78% say paying for shipping would prevent them from wanting to shop with a specific retailer

Anxiety can lead customers to keep unwanted items

60% kept items to avoid the hassle of sending them back.

Consumers want the option for in-store returns

45% of consumers are ready to ditch e-commerce returns and go back to stores.

3. Shoppers Crave Convenience

Customers consider in-store returns a convenient option

39% ranked convenience as most important when making in-store returns above not having to pay return fees (26%).

Shoppers would prefer curbside returns

- 64% would prefer curbside returns over walking into the store

- 68% factor convenience over COVID-19 into using curbside services

4. Retailers Create Innovative Returns-as-a-Service Solutions

Customers want to drop off online returns at nearby locations

69% would prefer returning items at their local Starbucks or 7/11 over a UPS or FedEx store.

Virtual fitting rooms have the potential to help shoppers return fewer items

- 45% return apparel more than any other item, mostly due to sizing issues

- 43% say virtual fitting rooms improved their shopping experience

5. 'Serial Returners' with E-commerce Rise

When customers shop online, they buy multiple versions with the intent to return

32% buy apparel or accessories in multiple sizes and variations with the intent to return their least favorite items.

Customers will continue to shop online more

37% say they make more e-commerce returns now than before the pandemic.

6. Free Shipping Is a Must

- 77% ranked free returns as their top priority when making a return and they will choose e-tailers based on that criterion
- 60% ranked notifications about refund status as their second priority
- 60% ranked notifications about return package status as their third priority

The Bottom Line

Returns will always be an integral part of the shopping experience. But the increased demand for online shopping doesn't have to make it harder for consumers to return unwanted items. If retailers treat returns as an added service for their customers, they can increase loyalty and reduce costs. Shoppers want free returns first and foremost, but they also desire more in-person conveniences such as in-store, curbside services, and local drop-off locations where they can receive immediate refunds. If shoppers have less anxiety about returns, they are certain to come back again and again.