

Do Bigger Deliveries Equal Bigger Headaches?

Neither retailer nor buyer wants to pay for online returns

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What if you buy an expensive sofa online and end up hating the color? Or what if a 200-pound mirror you ordered arrives broken?

These things happen. According to a June 2018 [uShip](#) survey, 21% of US digital buyers who purchased an oversized item online have received something damaged, and 15% never even received the item they ordered.

Returns of oversized goods are costly. A March 2018 [Brightpearl](#) study found that 44% of US retailers said their margins were impacted by returns. Perhaps this is why [Multichannel Merchant's](#) annual outlook survey showed the number of retailers charging for returns went up in 2018: 46.7% vs. 39.1% last year.

To reduce customer returns, retailers have invested in better product photography and augmented reality tools, encouraged user reviews and often offer fabric swatches—especially for custom furniture.

Online shoppers are becoming more [comfortable with buying bulky things like mattresses and dining sets digitally](#). We forecast that ecommerce sales in the furniture and home furnishings category will be one of the fastest-growing in 2018, at 18.5%.

Retail Ecommerce Sales Growth, by Product Category

US, 2018, % change



Source: eMarketer, June 2018

www.eMarketer.com

But shipping and delivery fees can be a hindrance since they are wildly inconsistent. For example, a coffee table bought on Etsy could cost an extra \$400 for out-of-state freight charges. Shipping and handling plus mandatory "white glove" service could easily amount to \$150 on a multichannel retailer site like West Elm, while an online retailer like Overstock.com that has mastered logistics offers free delivery on everything.

According to uShip, 47% of digital buyers comparison shopped on multiple sites because delivery charges were too high. Fully 28% were hesitant to buy a large item online due to shipping concerns, and 13% kept something they didn't want because they didn't want to deal with the returns process.

Most US online buyers prefer returning items in-store, if they return them at all. According to a recent Internet Retailer and Bizrate Insights survey, 80% of US consumers return less than 5% of online orders. The biggest complaint is having to pay for returns.

When asked by uShip how oversized product delivery could be improved, the leading suggestions were more proactive updates (28%), more specific delivery time slots (27%) and being able to choose the delivery company (24%).



Fewer respondents said they would like in-home delivery or product assembly and installation, but enough did that retailers should consider offering these services.