

It's cost vs. convenience in the battle of returns

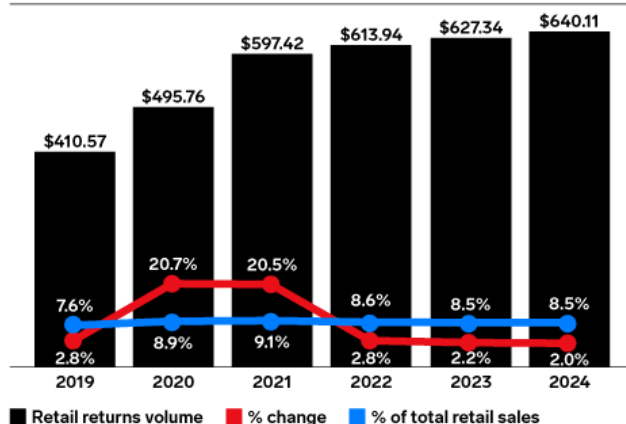
Article

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This year, US retail returns volume will reach \$627.34 billion, representing 8.5% of all retail sales, according to our forecast. After surging in 2020 and 2021 (due to the pandemic ecommerce boom and stimulus-driven boost in consumer spending), growth normalized last year and will continue to slow through 2024.

US Retail Returns Volume, 2019-2024

billions, % change, and % of total retail sales



Note: represents the total dollar value of retail goods and merchandise purchased in-store or online, then returned to the retailer according to its return policy; excludes programs or subscriptions such as Amazon's Prime Try Before You Buy or Stitch Fix, where items are returned before the customer is charged; includes items retailer does not want shipped back
Source: eMarketer, Jan 2023

279351 eMarketer | InsiderIntelligence.com

Beyond the chart: 2023 will be the year that return policies make or break brand loyalty, as customers seek easy and fast ways to make returns while retailers try to keep the costs down.

Retailers from Gap Inc. to Zara are exploring options like restocking fees and shorter return windows. Meanwhile, big-box stores like Target and Walmart are forgoing fees and instead investing in making the returns process smoother for customers.

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Methodology: Estimates are based on the analysis of survey and traffic data from other research firms, historical consumer adoption trends, and demographic adoption trends.