

# Poor Return Policies Can Hinder Retail Sales

## ARTICLE |

**Rimma Kats**

**F**or many consumers, online shopping isn't as frictionless as some retailers may think, particularly when it comes to return policies.

Certain return policies—such as those that make consumers pay for the return shipping or restocking fees—can hinder a sale before it even begins, according to data from shipping and delivery solutions platform Narvar.

If consumers go ahead with a purchase, a poor return experience can make a difference between making a sale—or losing that sale to a competitor. Roughly 62% of digital buyers worldwide polled this summer said they purchased something to replace the item they returned, Narvar found. However, 14% said they replaced an item they returned with one from a different retailer.

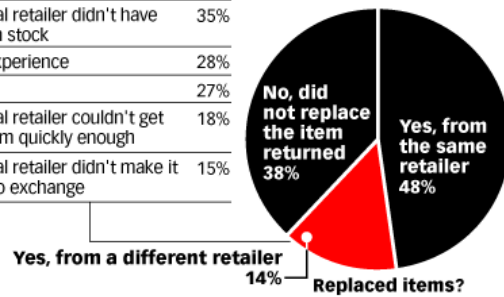
Price and lack of inventory were top considerations, but a bad return experience and the fact that the original retailer didn't simplify the exchange process were also considerable factors for switching retailers.

## Have Digital Buyers Worldwide\* Purchased Something to Replace Items They Returned from a Digital Purchase?

% of respondents, Summer 2019

### Reasons for switching retailers

Original retailer didn't have item in stock	35%
Bad experience	28%
Price	27%
Original retailer couldn't get the item quickly enough	18%
Original retailer didn't make it easy to exchange	15%



Note: ages 19-65; \*Australia (n=506), France (n=500), Germany (n=503), the UK (n=1,009) and the US (n=1,001)

Source: Narvar, "The State of Online Returns in 2019," Sep 10, 2019

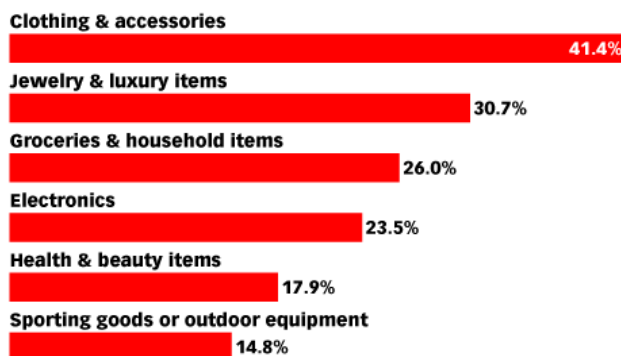
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A November 2018 survey from Radial found that some digital buyers in the US were hesitant to purchase online items—especially things like clothes and shoes, where fit and style play a key role—because of the possibility of having to return something they didn't like.

## Which Product Categories Are US Digital Buyers Apprehensive About Buying Because of the Returns Process?

% of respondents, Nov 2018



Note: ages 18+

Source: Radial, "Cracking the Code: What Online Shoppers Value Most," Jan 14, 2019

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And making sure the returns process is seamless doesn't mean the retailer may automatically lose that sale. Some 43% of digital buyers in the Narvar study said they'd be happy to exchange an item they purchased online instead of returning it for a refund, if they were given

free shipping for that exchange. And more than a third of respondents said they'd do it if they could easily exchange for a different size.