

Returns surged during the pandemic-fueled ecommerce boom, but some relief is in sight

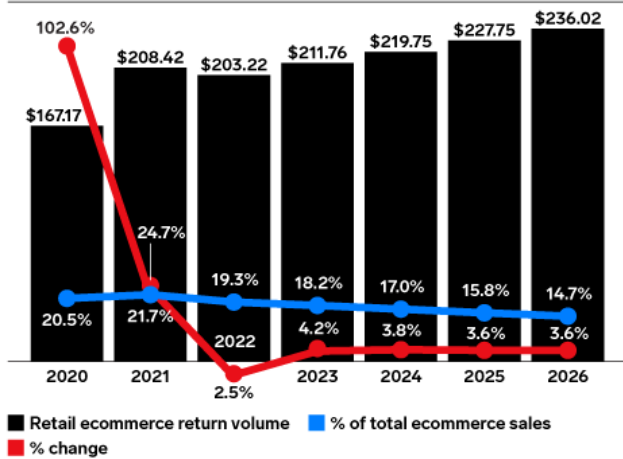
Article

When stores closed and consumer anxiety increased as a result of the pandemic, retailers emphasized free returns as part of efforts to make online shopping easy and convenient. That

drove an increase in ecommerce return volumes that will remain higher than pre-pandemic levels through at least 2026.

- **Ecommerce returns growth will slow starting in 2023.** Retailers are improving online product information and investing in tools to help shoppers find the right products. Consumers are getting better at in-store versus online purchase decisions, helping to slow the rise of online returns.
- **That comes after US ecommerce return volumes more than doubled in 2020.** In 2021, consumer spending on goods, coronavirus outbreaks, and supply chain issues all contributed to a substantial year-over-year increase of 24.7%.
- **But ecommerce returns actually dropped in 2022.** Last year marked a turning point as ecommerce returns fell by 2.5% while total ecommerce sales grew by 9.6%.

US Retail Ecommerce Return Volume, 2020-2026
billions, % change, and % total ecommerce sales



Note: represents the total dollar value of retail goods and merchandise purchased online, then returned to the retailer, via any return location or method 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, Nov 2022

279830 eMarketer | InsiderIntelligence.com

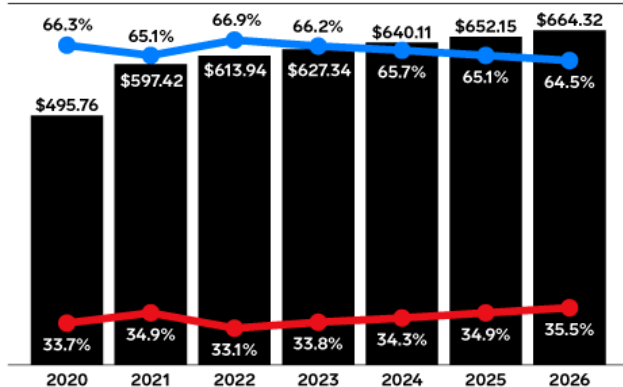
Online purchases will account for a growing share of total US retail returns.

As more consumption moves online, overall returns will increase. More than a third of total retail returns will come from ecommerce sales, even though online sales represent only about 15% of overall US retail. We forecast total retail and ecommerce return volume of \$627.34 billion in 2023, a figure equal to 8.5% of overall sales for the year.

- **Online sales skew toward categories more likely to be returned.** More than a third of apparel and accessories sales took place online in 2022, and we expect share to rise to 46.3% in 2026.
- **Categories mainly purchased via physical channels are rarely returned.** Gasoline is the top example of an essentially non-returnable good bought in person. Food and beverage products also see relatively low return rates, and more than 90% of their sales take place in stores.
- **We also track total ecommerce returners, and that number will stay fairly steady.** Following an increase of more than 9% year over year to 105.7 million in 2020, the number of digital buyers who return online purchases will increase slowly through the rest of our forecast period to around 113 million in 2026.

US Retail Return Penetration, Ecommerce vs. Non-Ecommerce, 2020-2026

billions, ecommerce % of total retail returns, and non-ecommerce % of total retail returns



- Total retail & ecommerce return volume
- Ecommerce % of total retail returns
- Non-ecommerce % of total retail returns

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, Nov 2022

279832

eMarketer | InsiderIntelligence.com

Report by Sky Canaves Feb 08, 2023

US Retail Ecommerce Returns 2023

