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Returns Optimization 101

Episode 4: What is a Return?

Misconceptions of Returns

To implement Returns Optimization, we need to clarify some of the misconceptions around ecommerce returns

Misconception #1

There is inherent underlying fault in returns

Reality #1

Purchasing products online can be very difficult!

Brick-and-mortar retail has an average return rate of 9%, compared to nearly 30% for ecommerce

Misconception #2

A return indicates an unhappy customer, and the lack of a return indicates a happy customer

Reality #2

Depending on the return reason, the shopper may not be unhappy at all!

“Loved the sweater but the style didn’t quite fit the way I would like it to fit. I’m gonna try a different style as the quality was lovely!”

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“A return isn’t a loss. It’s a customer that was close to getting what they wanted.”

Jon Stern
VP of Client Experience
RETENTION ROCKET

Misconception #3

Shoppers who return products are "bad" customers

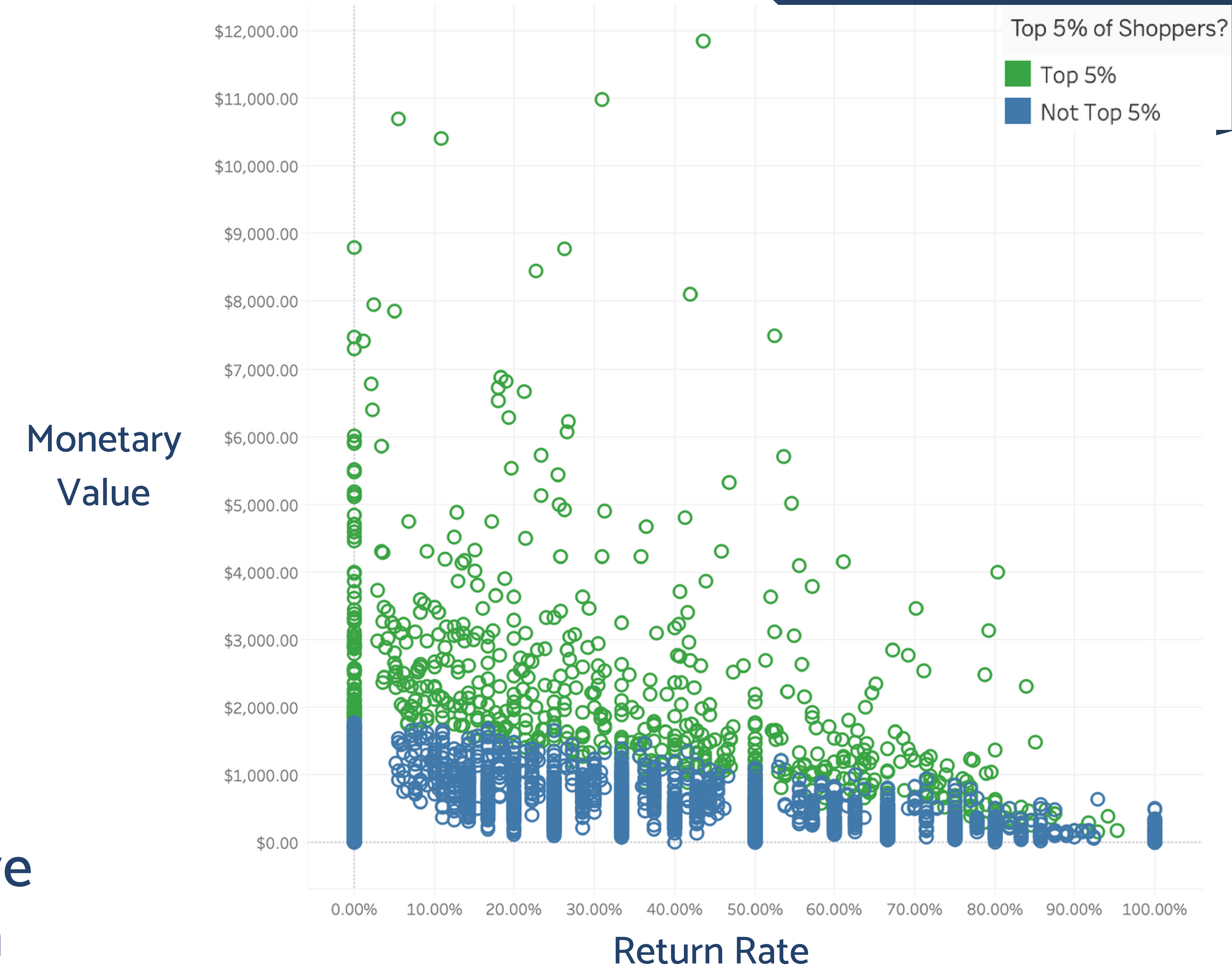
Reality #3

If you are retaining customers, they are likely returning products

For many retailers…

30% to 40% of shoppers have returned at least one product after their 3rd purchase

Top 5% of shoppers by revenue have a return rate as high, or higher, than other shoppers



Key Takeaways

All you truly know from a return is that the expectation of the product or experience in some way did not match the reality

Expectation ≠ Reality

The best thing we can do is provide these shoppers with a great returns experience and learn from the data points

Related Resources

[The Surprising Truth: Whose Fault are Product Returns?]

[How the Ecommerce Returns Process Impacts the Customer Experience]

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Returns optimization begins here.