



## Frictionless Returns: The Missing Piece of the eCommerce Experience

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A study comprising of 50 interviews of large retail organizations with over \$1 Billion in eCommerce sales who seek a “Frictionless Return Process” and want to overcome obstacles to getting there.



# The Wall Street Journal Reports:



“ Consumers are used to ordering **multiple sizes and colors** and returning what they don't want. ”

“ The share of online purchases that are returned averages **30% or higher**, depending on the category. ”



“ Large merchants, including Amazon and Walmart, are telling some customers receiving refunds to **“Just keep the product”** to avoid some returns altogether. ”

eCommerce provided goods are returned at **3x** the rate of physical stores, on average, according to industry executives.





The cost of returns is **out of control.**



The cost of processing returns can be **20%–65% (or more!)** of the cost of the goods sold, according to a UPS report.

Source: [https://www.ups.com/assets/resources/media/knowledge-center/UPS\\_ReturnsExecutiveSummary.pdf](https://www.ups.com/assets/resources/media/knowledge-center/UPS_ReturnsExecutiveSummary.pdf)

A large circular graphic with a red border and a white center. The number '80%' is prominently displayed in the center. The background of the entire slide is a photograph of a person's hand using a red tape dispenser to seal a cardboard box with clear packing tape.

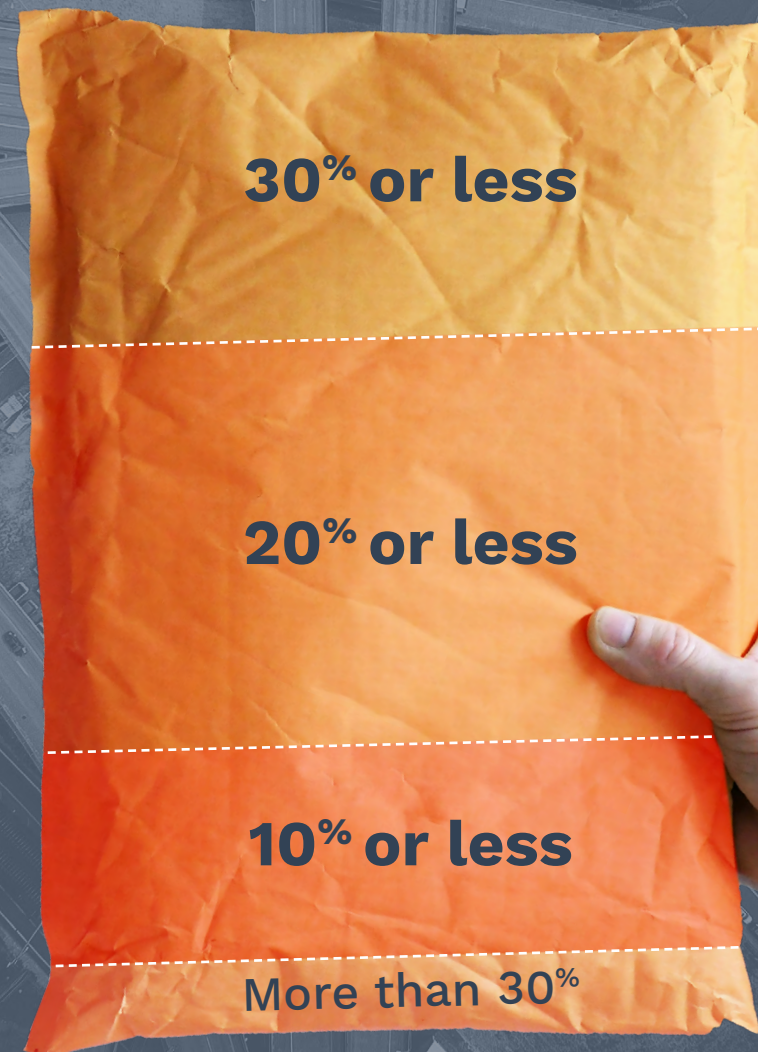
**80%**

Of retailers interviewed reported the cost of returns as **Significant to Severe**

What percentage of your customer returns are self-service?



**Self-service returns** offer a lifeline to keeping costs down...but they account for **less than 30%** of all returns.





Many companies think they understand the impact of returns on customer experience, but **the data tells a different story...**

## Show me the data!

Data visibility is a challenge for most companies trying to solve the reverse logistics problem.

### WE ASKED:

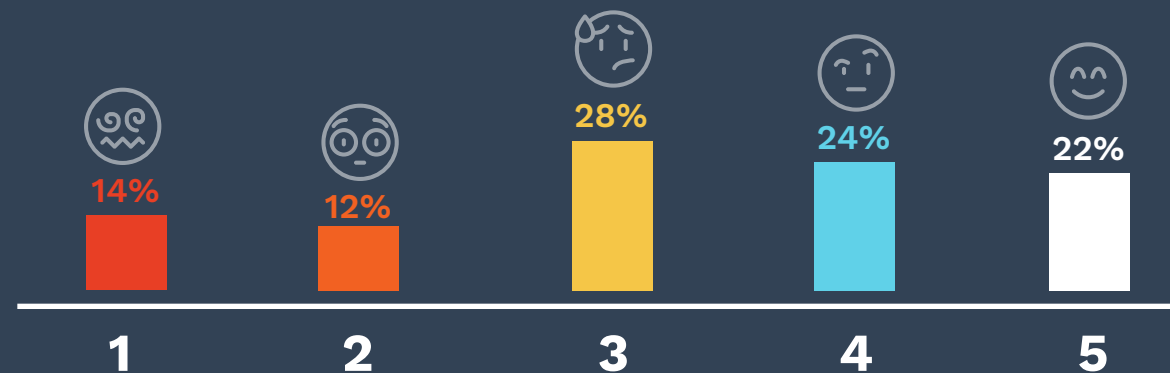
“On a scale of 1 to 5, with one being poor and 5 being excellent, **rate your ability to identify the reasons different products have higher-than-expected rates of return.**”



### WE ASKED:

“How does your company’s return policy affect CX?”

- 40% Improves CX
- 2% Detracts from CX
- 58% No effect on CX**





Stop the guesswork and start being smarter about **customer needs.**

## Returns Management and the Evolution of a Customer-Centric Returns Experience



A 7% improvement in NPS leads to a **1% increase in gross revenue.**

LONDON SCHOOL  
OF ECONOMICS



Promoters are **4.2X more likely** to make repeat purchases and refer friends; however **returns data shows no correlation.**

TEMKIN/XMI RESEARCH  
STUDY 2019



Which locations are the others measuring?  
**The average gap in NPS between the best & worst returns location is 57 points.**

ASKNICELY BENCHMARK  
STUDY 2020

# 70%

of respondents are **dissatisfied** with their **returns process.**

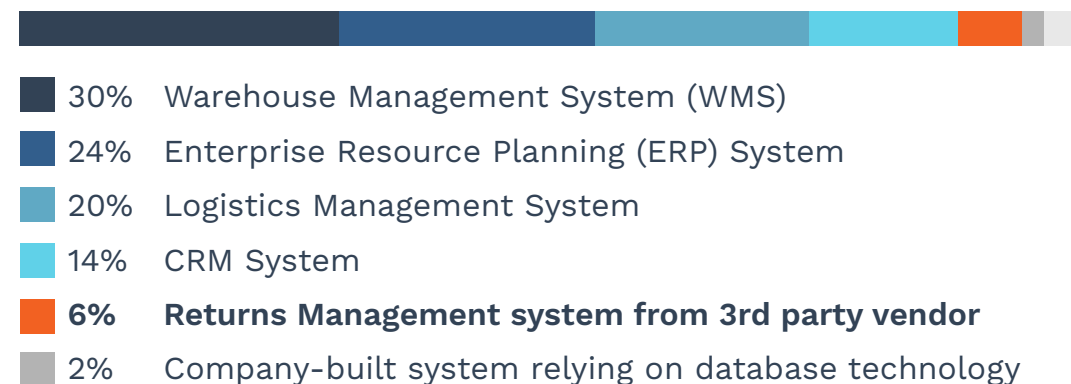


# 94%

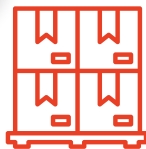
of respondents are trying to do the **right job** with the **wrong tools!**

### WE ASKED:

“What is the primary system used to process returns?”



30%



**Warehouse Space  
& Equipment**

26%



**Manpower  
Costs**

10%



**Customer  
Service Team**

6%



**Processing  
Returns into  
Inventory**

4%



**Unsellable  
Returns**

# Biggest Cost Drivers

in Managing Product Returns



74%



Of respondents report an automated returns management process will improve the experience for employees and customers.

WE ASKED:

“How would you **improve** the returns process?”



Automated refunds (30%)



Developing multiple return channels (22%)



Automating the process for receiving, inspecting and processing (18%)



Keeping customers informed of their return status (4%)



Self-service, friendly return portals (2%)



Don't know (24%)





# ReverseLogix

Helping you “**optimize**” your returns process and improve your profit margins

- ✓ Purpose built end-to-end returns management system
- ✓ Facilitates, manages, notifies and reports on returns
- ✓ Tailored to your specific processes and requirements
- ✓ Fully integrates with other supply chain solutions
- ✓ Data analytics for a 360° view of returns



## Pick your path:



Guided case study review



Personalized demo geared to your specific business goals



Evaluation & road map to seeing better alternatives



Q&A session to satisfy your curiosity



Continue your learning experience & take stock of the **opportunities for improvement**



[www.reverselogix.com](http://www.reverselogix.com)

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