

RETAIL

42pc of returns attributed to fit, size or color: Narvar

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Shoppers want more convenience when they are making returns. Image credit: Narvar

By KATIE TAMOLA

The possibility of returns is an immutable reality of retail, but also an opportunity to foster loyalty, according to a new [report](#) from Narvar.

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As the holiday season approaches, brands and retailers will benefit from continuing to provide seamless customer experiences, including return processes. As 88 percent of consumers rely on the accuracy of product details and reviews to inform purchase decisions, brands must also focus on balancing attributes like product photos and other technological offerings to satisfy consumers.

"The brands best set up for long-term success will not try to prevent returns altogether, but rather use consumer-friendly return policies and practices as a competitive advantage to win consumer loyalty and drive customer lifetime value," said David Morin, senior director of retail strategy at [Narvar](#), San Francisco.

"We heard clearly that consumers find models of different sizes and shapes really helpful, even for items other than apparel one of them mentioned bags and luggage," he said. "We do believe it's important that brands continue to try different tools and technologies to help consumers make a better decision and feel more confident with their choices.

"But ultimately, what our research tells us is that focusing on the accuracy of the basic product information, while maybe not exciting, can definitely prevent returns."

Narvar conducted its fifth annual consumer study of the state of online returns in October 2021, surveying 1,040 U.S. consumers between 18-65 years old who returned at least one online purchase in the last six months.

Bringing it back

According to the [National Retail Federation](#), retailers were faced with \$428 billion of returns in 2020.

There are myriad reasons as to why a consumer may be returning an item.



Consumers under the age of 30 plan on splurging more than everyone else during this upcoming holiday season. Image credit: Rightpoint

Forty-two percent of ecommerce returns were attributed to fit, size or color. Damaged items account for about 17 percent of returns this year.

Regarding what prevents returns, 83 percent of shoppers said reviews from other customers, 77 percent reported sizing charts or measurements, 73 percent said product photos and descriptions and 66 percent of shoppers said seeing models of different shapes and sizes.

Some shoppers revealed their strategic intentions, with 58 percent of respondents using "bracketing" the act of buying multiple items with the intent of returning those that do not fit, as they are unable to try products on in-store.

Almost 90 percent of consumers rely on the accuracy of product details and reviews to inform purchase decisions, while 65 percent say they use product photos and descriptions. Six in 10 also said they use sizing charts, while only 7 percent said they use an augmented reality tool to visualize.

Eighty-three percent of shoppers said that reviews from other customers helped prevent them from making a return, while 77 percent said sizing charts of measurements helped prevent returns. Fifty-eight percent of shoppers also said augmented reality to visualize products on them or in their home helped prevent them from returning products.



Positive return experiences can help foster brand loyalty. Image credit: Neiman Marcus

When contemplating a return, 42 percent of shoppers said they wish they could return items at the nearest convenience or grocery store. Forty-one percent of shoppers said it is easier to return in-store but only 9 percent made their last return by doing so.

More than a third of shoppers returned their last item by mail while 20 percent returned items to an alternative drop off location like a locker or pharmacy.

Consumers are looking for a convenient, positive return experience, which could also be beneficial for brands. Ninety-one percent of Amazon Prime members said they would shop again based on their positive return experience.

Viewing returns as a CX opportunity

Although brands and retailers hope that consumers will love their purchases, returns are an unavoidable possibility. However, companies do have the opportunity to provide such a seamless experience that will leave consumers with positive feelings and plans to shop with them again in the future.

Per Narvar, consumers under the age of 30 plan on splurging more than everyone else during this upcoming holiday season, with 30 percent saying they will spend more on gifts compared to only 13 percent over the age of 30 who say they plan on spending more.

Only 17 percent of those 30 and under said they would spend less overall this holiday season, and 22 percent of that age group also say they expect to shop more in-store than online.

According to a new report from consumer insight platform Resonate, holiday shoppers may spend up to \$1.093 trillion, with 18.9 percent possibly being spent through ecommerce, a new record. On-the-go millennial moms are slated to lead the pack on big shopping days such as Black Friday and Cyber Monday, as brands are being called to understand this group's comfort level, display their organizations' values and ensure excellent customer experiences.

For retail practices, on-the-go millennial mom holiday shoppers are 22 percent more likely to prioritize easy returns, 15 percent more likely to prioritize loyalty programs and 13 percent more likely to prioritize responsive staff underscoring the value of seamless shopping experiences ([see story](#)).

Brands are being urged to prioritize excellent customer service and safety procedures to ensure continued sales and consumer loyalty. As purchasing methods installed during COVID-19 become more commonplace, brands are being urged to note what works and to continue innovating to ensure continued consumer satisfaction ([see story](#)).

"As a consumer, the first thing I do when I explore a new brand is review the brand's return policy to ensure that if the item doesn't work out, I will be able to easily return it," Mr. Morin said.

"This inherent peace-of-mind builds confidence, which can lead to an immediate purchase, and over time lead to brand loyalty."

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