CONSUMER PULSE: RETURNS

How do consumers feel about the return process? Our special report explores the returns experience and how it impacts your retail business.
Everybody Returns

There's an all-too familiar experience for consumers in the time period following a purchase of any non-perishable item. Maybe the item is defective, but more often, it's a gift they aren't crazy about; clothing that doesn't fit quite right in the mirror at home, or furniture or décor that doesn't match the vision they had at the store; or electronics that aren't compatible. Perhaps, even, they just had second thoughts or buyer’s remorse. Whatever the reason, they’ve decided to try sending it back.

Two big questions crop up at this point. Will the retailer take it back? And if so, how will the experience be? To learn more about the many factors that play an important role in the returns process, InComm recently surveyed more than 500 consumers to find out their returns behaviors and attitudes. Here’s what we learned:

82% of consumers returned between one to five items in the last six months.
Returning Expectations

Today’s omnichannel retail environment can give consumers the chance to choose.

Still, brick-and-mortar is the choice when it comes to returns –

- **63%** prefer to return an item at a store
- **23%** prefer to ship it back

Consumers probably don’t plan to return things very often, but certainly consider in advance that they might need to.

A whopping **96% of respondents** said a merchant’s return policy influences purchasing decisions.

And it’s no trivial matter. **Over half (55%)** said the return policy has a big influence on their decision.

If it’s broken or defective, exchange is the way to go, but just **10% of respondents** say that's their typical return.

**MOST-PREFERRED REFUND METHOD**

- **42%** cash back
- **35%** refund to card
- **13%** store credit and gift card
- **10%** exchange
It’s Hard to Take Back a Bad Return

Returns don’t always go smoothly.

In fact, 46% of consumers have been unsuccessful with a return. The most common reasons a customer was denied were not having the receipt or being beyond the store’s return window.

Successful or not, the experience is everything.

Of the consumers who had at least one negative return experience, 69% said that the experience is a main factor influencing their future shopping habits.

SPREADING THE WORD

83% of customers who had a negative return experience went on to share that experience:

- 46% with friends, family or their own social media page
- 30% with the merchant
- 7% with a consumer website

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Courtesy Wins Customers

Kindness and quickness are much appreciated.

When returning an item in-store, 57% of consumers cited the ease and speed of the return as the most impactful factor on their experience.

WHAT WE'RE HEARING

The attitude of the store employee was also frequently reported as a key driver of the customer experience; it was stated as the most influential factor for nearly one-third of consumers.

“Friendliness goes a long way.”

“[I dislike] when employees act annoyed or frustrated when I want to return something.”

“[An] easy return policy makes shopping enjoyable.”

“Wish you [could] return without a receipt.”
92% of consumers have been asked to present personal identification when making a return.

58% of consumers are asked to present identification most of the time or always when returning an item.

More than one-third of shoppers indicated they were asked about half the time or occasionally.

Data provided by: InComm Research | Shopper Insights: Returns | 2019

Need to See Some ID?

Despite the prevalence of the policy, over half of consumers (56%) are bothered when asked for identification.*

*In order to maintain compliance with the California Consumer Privacy Act, retailers in the state will have a hard time relying on collecting personal identification to track product returns beginning January 1, 2020. How this impacts the retail landscape – in California, and eventually nationwide – will be worth following for all interested parties.

TRACK PRODUCTS, NOT PEOPLE WITH INCOMM PRODUCT CONTROL

With so many factors involved in the returns process, retailers need a way to ensure each one goes smoothly. InComm Product Control can help. We’re the industry leader in product lifecycle tracking, helping you process returns quickly, effectively and securely. InComm Product Control tracks the complete lifecycle of a product by a unique fingerprint – typically the UPC and serial number – instead of customer data. Not only does this empower retailers to make smart and timely decisions, it also helps deliver greater customer satisfaction.

To learn more about our innovative product returns technology, visit InComm Product Control.