E-Commerce Expansion Fuels Robust Returns With National Returns Day Expected To Hit New Record

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“While the day after Christmas used to be reserved for long return lines at department stores, the growth of e-commerce has changed when and how consumers return gifts,” said Alan Gershenhorn, Chief Commercial Officer. “A customer-friendly returns program is now an essential part of any successful e-commerce program, and UPS continues to expand its suite of innovative solutions to help shippers. This season, UPS added Returns Manager, a free platform that allows e-commerce merchants to customize return shipments according to their e-tailer policy.”

In December 2017, consumers shipped more than 1 million returns packages to retailers daily, a pace expected to last into early January 2018. On UPS National Returns Day, predicted to be Jan. 3, the count is expected to peak at 1.4 million packages, up 8% from a year ago and marking a fifth-consecutive yearly record. The returns delivered in 2017 are part of the 750 million packages UPS is projected to deliver between Thanksgiving and New Year Eve, a nearly 40 million increase from last year.

According to the 2017 UPS Pulse of the Online Shopper™ study, 75% of consumers have shipped returns back to the retailer, an increase of seven points from 2016. Also:

79% of those surveyed said free shipping on returns is important when selecting an online retailer;
44% said the top issue encountered when returning an item online is paying for return shipping;
Top elements also include an easy-to-return online experience and a no-questions-asked policy.

As a result, many businesses have added or expanded returns offerings. “A simple and speedy experience should be part of the retailer’s toolkit to help increase customer loyalty while managing the cost of processing these returns,” added Gershenhorn. “UPS offers a portfolio of technology-driven returns services that help retailers deliver a premium experience.”

Services include:

- UPS Returns Manager is a portal offering shippers control and visibility over their returns. The service allows shippers of all sizes to create and manage returns policies and designate the return destination;
- UPS Print Return Labels can be included in outbound shipments to simplify the returns

process;
- UPS Electronic Return Labels can be emailed to consumers directly from UPS to improve their returns experience;
- UPS Returns® Plus allows the merchant to send a driver to deliver a return label and pick up the return package from any address;
- UPS Returns® Exchange is when a driver simultaneously picks up the return item in exchange for the replacement item delivery;
- Optoro, a technology company that helps retailers and manufacturers manage, process and sell returned and excess inventory. Together, the companies provide a one-stop shop reverse logistics solution that combines UPS's operational and logistics expertise with Optoro's software platform that maximizes recovery value;
- UPS Access Point™ locations offer secure, convenient delivery and returns through more than 27,000 local retailers, secure lockers, and The UPS Store® locations in North America and Europe.

Source: UPS