nShift

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nShift finds consumers rush to return presents post-Christmas on 'returns Wednesday'

London (ots/PRNewswire) -

Data compiled between 25th – 31st December found Wednesday 27th to be the most popular day for returns. With returns requests up 17% compared to 2022, retailers need strategies to mitigate the revenue hit from handling returns

Consumers rush to return unwanted gifts shortly after Christmas, according to new data from <u>nShift</u>, the global leader in parcel delivery management software.

It has found, for the second year in a row, the Wednesday (27th) after Christmas Day was the most popular day for people to begin the process of returning unwanted gifts - a trend referred to as 'Returns Wednesday'. Analysis found returns requested increased by 17% on this day compared to 2022 levels.

Handling returned items can cost retailers as much as 50% of their profit margins. As a result, they have been described as a "<u>trillion dollar problem</u>" by market analyst firm Gartner. However, in a poll of shoppers carried out by <u>Retail Week</u> on behalf of nShift, almost half of consumers agreed they'd be more likely to shop again from retailers with easy returns policies.

"With every passing year, returns become an increasingly business-critical issue for retailers," said Sean Sherwin Smith, Product Director Post-Purchase, nShift. "Customers expect to see flexible returns policies, and that means the general trend is only going one way - up. Retailers must have strategies in place to shift returns from a financial drain to a business gain – and a means for driving increased loyalty and repeat purchase."

By looking at which day of the week carrier companies were alerted of the need to collect an item, nShift was able to determine which days were the most popular for people in each country to begin the returns process. For Returns Wednesday on 27th December 2023, Norway was up almost 50% compared to 2022, Denmark exhibited an increase of nearly 20% and saw a sharp increase in returns on subsequent days with 28th and 29th December up almost 30% YoY and 10% compared with the same dates in 2022. Finland, too, was up on last year's levels - over 2.5%.

Sherwin Smith continued, "With the right strategies and processes in place, retailers need not fear the revenue impact of returns. Done right, they are an opportunity to retain revenue, build customer loyalty and create upsell opportunities."

nShift's returns solution helps ease the administrative burden while ensuring a smooth, friction-free journey for customers looking to return their orders. In digitizing the entire returns experience retailers can:

- 1. Make the returns process simple a consumer-friendly returns interface makes it easier for the customer to exchange the item they are sending back for something else.
- 2. Creating remarketing opportunities emails about returns have significantly higher open rates than other retail communications. Retailers can create additional sales opportunities by weaving marketing messages into these emails.
- 3. Drive footfall in-store a digital returns process makes it easier to give customers the opportunity to take their items back into the store, making it easier to re-shelve returned items and increasing the likelihood of exchanges.

About nShift

nShift is the global leading provider of cloud delivery management solutions enabling frictionless shipment and return of almost one billion shipments across 190 countries annually. nShift's software is used globally by e-commerce, retail, manufacturing and 3PL shippers. The company is headquartered in London and Oslo. It has over 500 employees across offices in Sweden, Finland, Norway, Denmark, United Kingdom, Poland, the Netherlands, Belgium, and Romania.

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