



The Ecommerce

Returns

Benchmark

REPORT 2022



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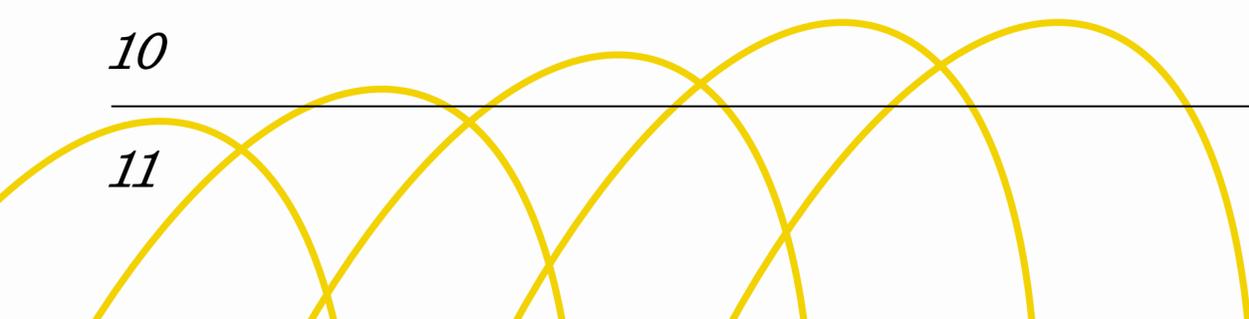
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Intro

As ecommerce grows, return rates follow. In 2021, online sales accounted for \$1.05 trillion dollars in the United States, and 21% of those sales became returns¹. But, returns aren't always a bad thing.

We believe when a customer initiates a return, it doesn't mean they're unsatisfied with your brand; it may mean the product they bought didn't meet their expectations. And that's okay.

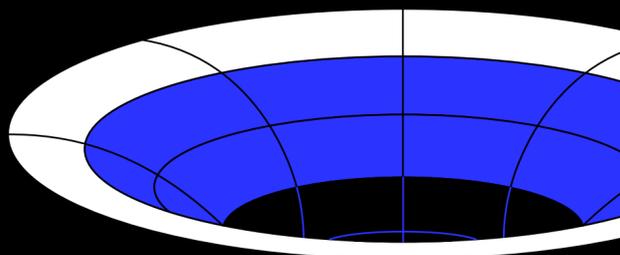
The best brands see the customer journey as a circle that leads customers from brand awareness to repeat sales. If any part of that circle is broken, would-be shoppers will simply shop elsewhere. By ensuring your return experience is as delightful as your shopping experience, you will complete the circle and attract better customers. Customers who buy again, and who share your story.

That's where we come in – to improve your return experience so you can create meaningful connections with your customers. A return shouldn't be the end of a customer journey, it should be the catalyst that establishes trust between your brand and your customers. But don't just take our word for it, let's allow the numbers to speak for themselves.

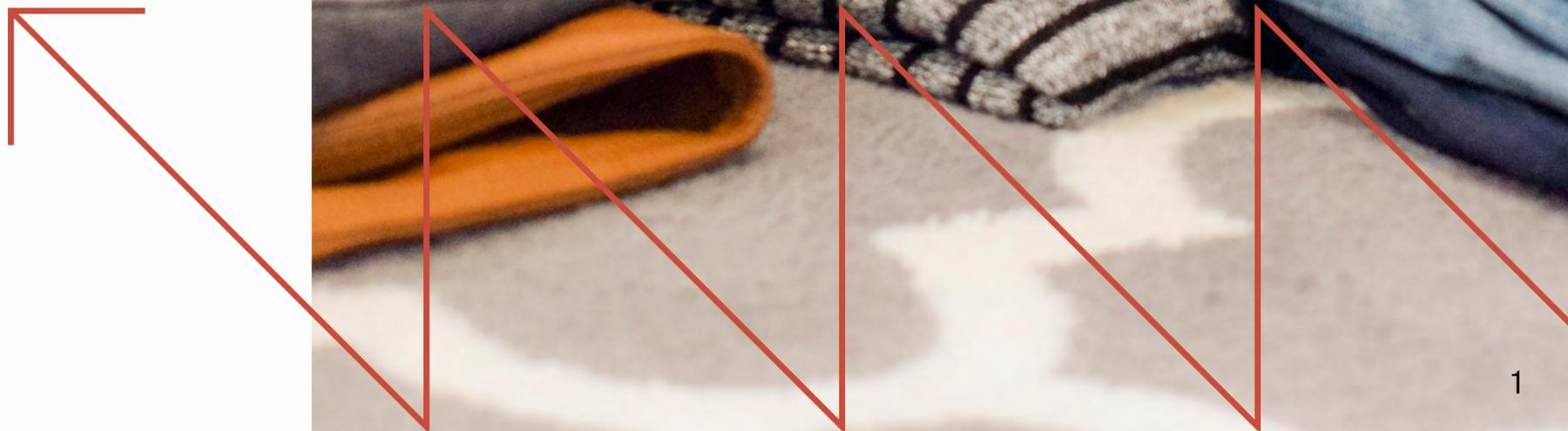
Retail Dive¹

Ready Cloud Suite²

92%



IF THE RETURNS
PROCESS IS EASY,
92% OF CUSTOMERS
SAY THEY WILL MAKE
ANOTHER PURCHASE²



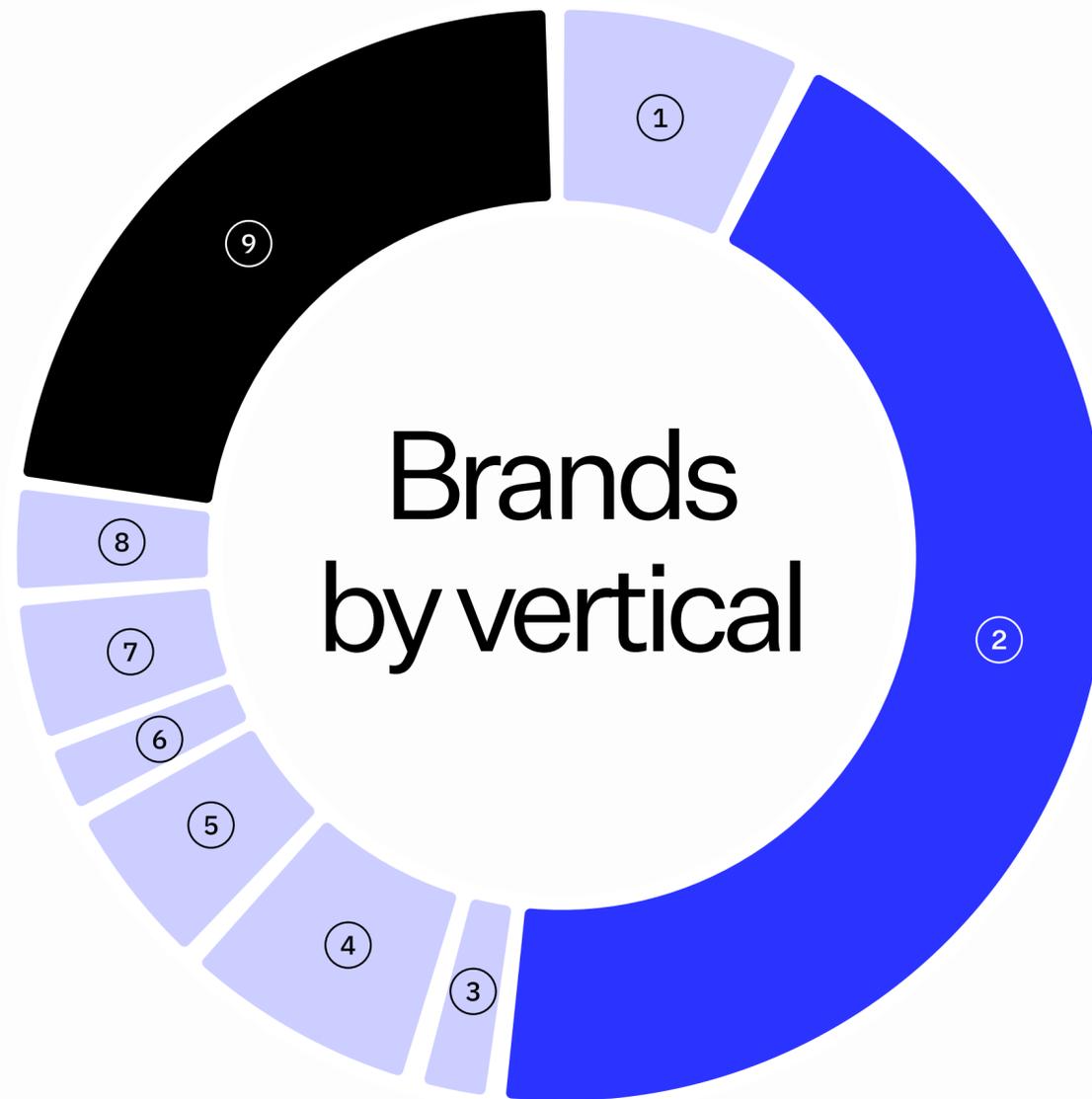
Our brands

Introducing The Ecommerce Returns Benchmark Report 2022, a comprehensive report generated by analyzing more than 1,500 brands and nearly **ten million return events** across the last four complete quarters as of June 2022. We'll talk exchange rates, the percentage of returns that are exchanges; and refund rates, the percentage of returns that are refunds, as well as upsell value per return.

Our data may showcase lower refund rates and higher exchange rates than you'd see outside of Loop, but that's just one of the many benefits of working with us.

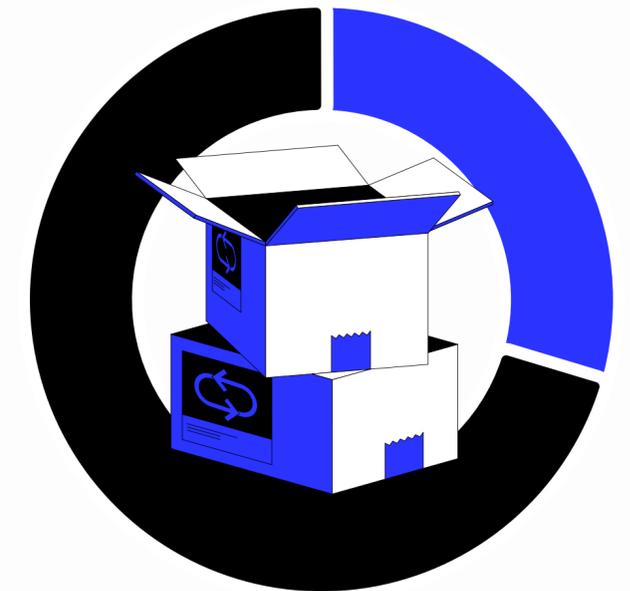
Resources:

- [A guide to returns management](#)
- [8 ecommerce trends for 2022](#)
- [How to reduce returns in ecommerce](#)



- ① ACCESSORIES - 8%
- ② APPAREL - 45%
- ③ COSMETICS - 2%
- ④ FOOTWEAR - 7%
- ⑤ HOME GOODS - 5%
- ⑥ INTIMATES - 2%
- ⑦ JEWELRY - 4%
- ⑧ SWIM - 3%
- ⑨ OTHER¹ - 24%

All brands in this analysis are Loop merchants on the Shopify or Shopify Plus platform.



LOOP'S TOTAL AVERAGES

● **29.7%**
EXCHANGE RATE

● **70.3%**
REFUND RATE

\$1.82
AVERAGE UPSELL
VALUE PER RETURN

¹'Other' includes any brand that did not fit into one of our categories like electronics, novelty products, and others.¹



Accessories

Return rates for accessories tend to be lower, but there's still a meaningful customer retention opportunity for those who improve their return process. By providing a delightful return experience for your customers, you increase the likelihood they come back and shop again.

We support some of Shopify's top accessories brands to include Pit Viper, Tie Bar, and Pela.



Automating the returns process makes for increased cost savings and happier customers.

Rather than bogging down your customer support and frustrating customers with long return processes, automate your returns and delight your customers.

Resources:

- [How to prevent customers from abusing your return policy](#)
- [Return policy strategies for fashion accessory brands](#)
- [Setting a returns policy for your subscription box service](#)

● **29.2%**
EXCHANGE RATE

COMPARED TO LOOP'S
TOTAL AVERAGES
-0.5%
EXCHANGE RATE

● **70.8%**
REFUND RATE

+0.4%
REFUND RATE

\$1.47
AVERAGE UPSELL
VALUE PER RETURN

-\$0.35
AVERAGE UPSELL
VALUE PER RETURN

accessoires

Apparel

Sizing is inconsistent across brands which makes it hard for customers to size correctly. However, apparel brands can retain some serious revenue and create increased upsell opportunities by improving their return process. And we make it easy for you to do just that – and more.

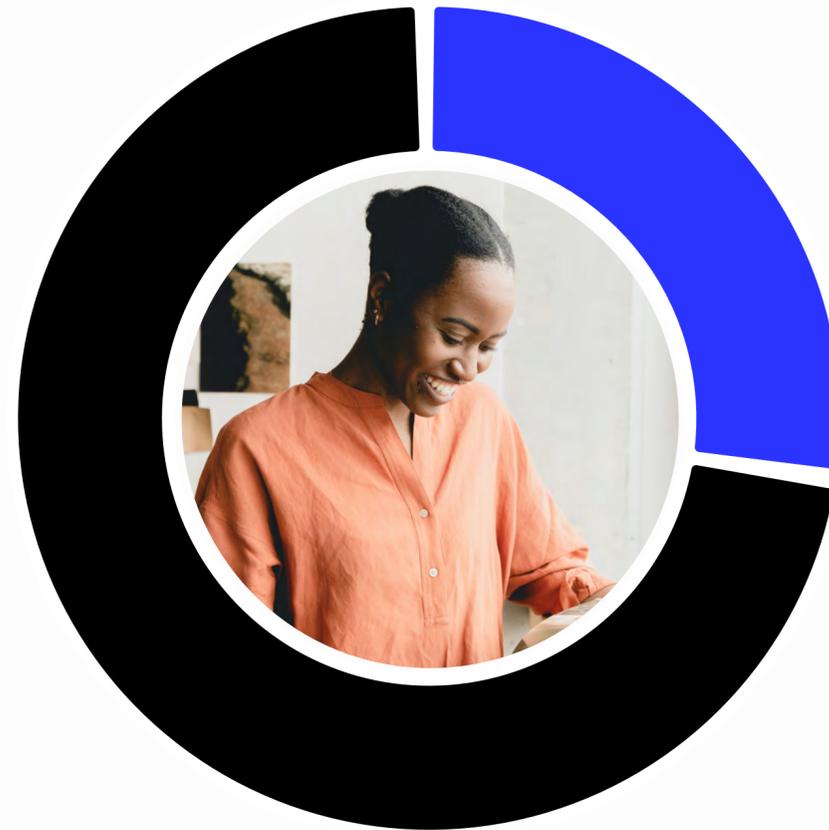
We support some of Shopify's top apparel brands to include Princess Polly, Chubbies, and Patagonia.

Leveraging our return data to run your business is a big differentiating factor.

Avoid unnecessary returns by analyzing our return data, which can help you determine if there's a need to address sizing issues, product imagery inconsistencies, and much more.

Resources:

- [Customer Story: Loop + Under 5'10](#)
- [How to create your clothing refund policy](#)
- [How to build a hassle-free ecommerce returns service](#)



● **27.0%**
EXCHANGE RATE

● **73.0%**
REFUND RATE

\$1.47
AVERAGE UPSELL
VALUE PER RETURN

COMPARED TO LOOP'S
TOTAL AVERAGES
-2.7%
EXCHANGE RATE

+2.6%
REFUND RATE

-\$0.35
AVERAGE UPSELL
VALUE PER RETURN



Cosmetics

Cosmetic brands tend to have lower return rates due to the nature of their products. But, we still think the best brands should consider the entire customer journey. By ensuring your return experience is as frictionless as your shopping experience, you will attract and retain better customers.

We support some of Shopify's top cosmetics brands to include Overtone, Rare Beauty, and Thrive.



Improving your returns experience can make a significant impact on customer retention.

Make it easy for customers to process their own returns and they'll come back again and again – we've proven it with thousands of Shopify brands.

Resources:

- [Customer Story: Loop + Odele](#)
- [How cosmetics brands can improve their post-purchase experience](#)
- [How to improve ecommerce customer retention through the buyer's journey](#)

● **13.8%**
EXCHANGE RATE

● **86.2%**
REFUND RATE

\$0.23
AVERAGE UPSSELL
VALUE PER RETURN

COMPARED TO LOOP'S
TOTAL AVERAGES

-15.9%
EXCHANGE RATE

+15.8%
REFUND RATE

-\$1.59
AVERAGE UPSSELL
VALUE PER RETURN

*produits
de beauté*

Footwear

We know fit is super important for something customers will be wearing everyday, meaning footwear customers tend to be much choosier when making a purchase. Many of them will look to exchange, so footwear brands must be ready to offer them just that – an easy exchange process.

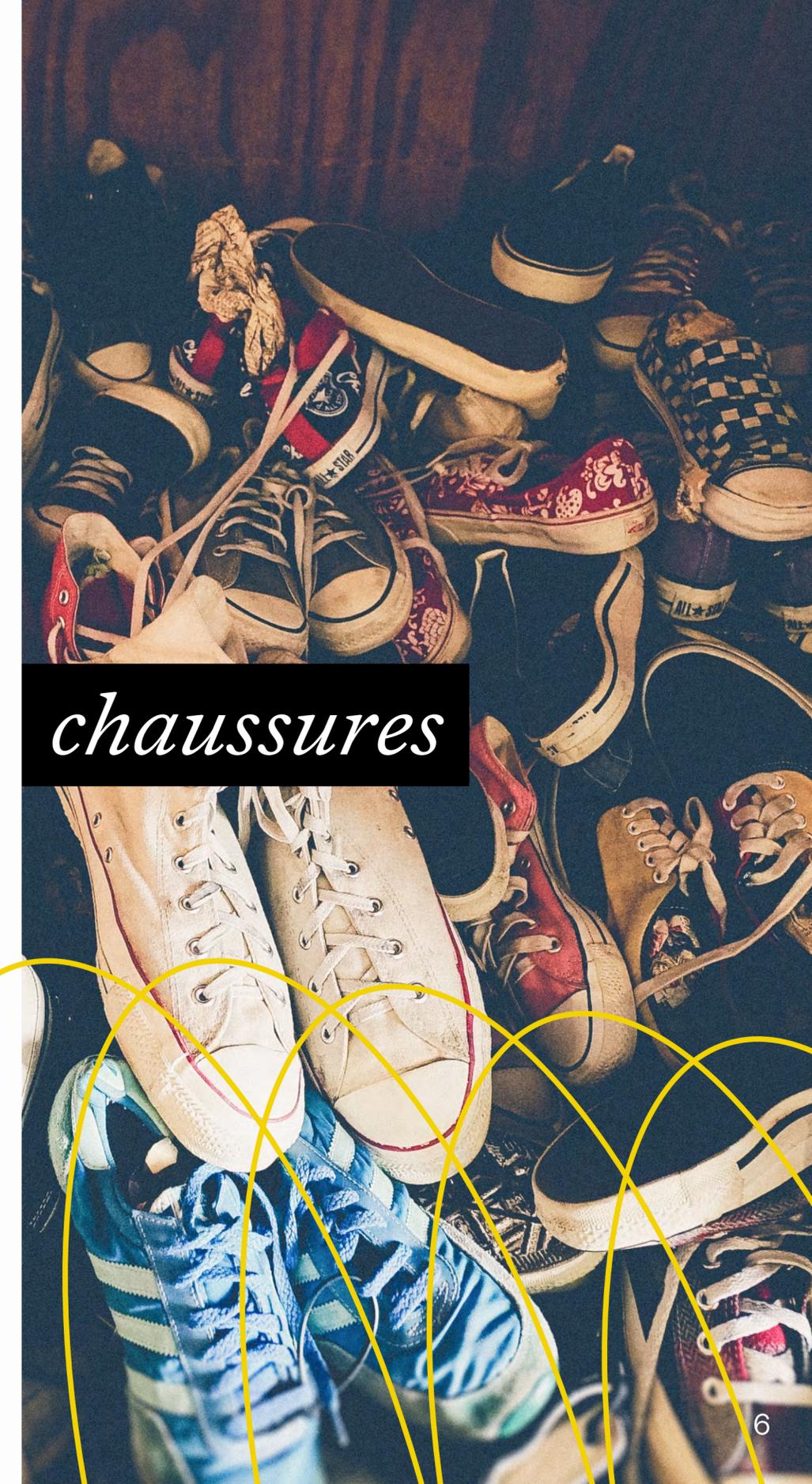
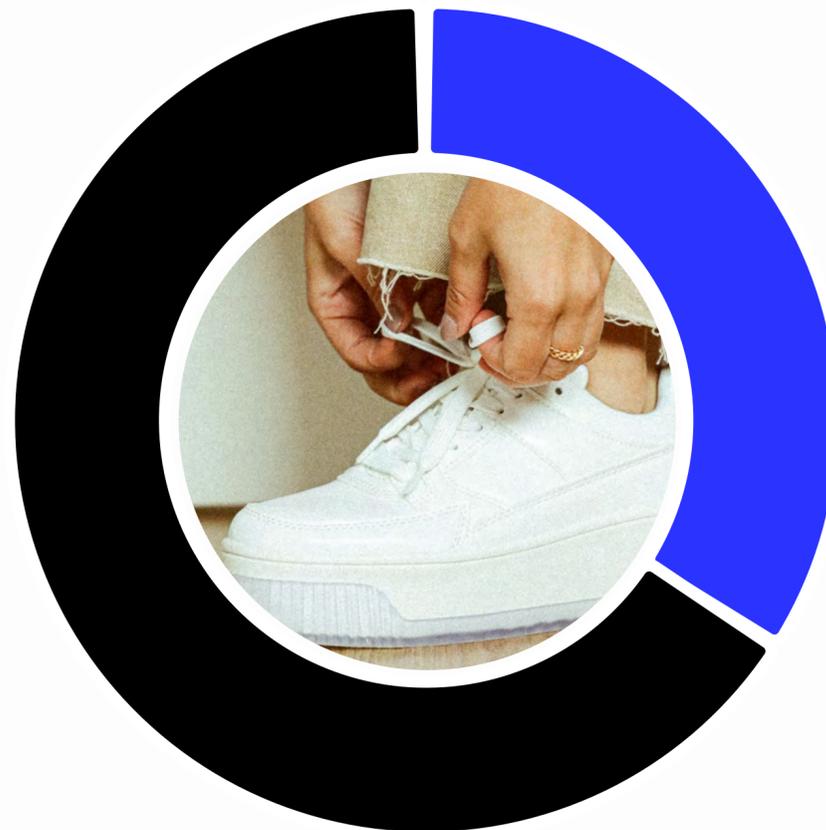
We support some of Shopify's top footwear brands to include Allbirds, Vessi, and Tecovas.

It's time you embrace the exchange.

Our platform allows customers to shop brand's entire catalog – to include the same items with different sizes – within our return portal, ensuring they can exchange their unwanted items for something they love.

Resources:

- [Customer Story: Loop + Bstore](#)
- [Return policy strategies for footwear brands](#)
- [How merchants can soothe the pain of stolen or misdelivered packages](#)



● **33.8%**
EXCHANGE RATE

● **66.2%**
REFUND RATE

\$1.19
AVERAGE UPSELL
VALUE PER RETURN

COMPARED TO LOOP'S
TOTAL AVERAGES
+4.1%
EXCHANGE RATE

-4.2%
REFUND RATE

-\$0.63
AVERAGE UPSELL
VALUE PER RETURN

Home Goods

Although home goods brands tend to have low return rates, they also have huge upsell opportunities – check out their average upsell value per return! That’s why we believe home goods brands should focus on driving more revenue through exchanges.

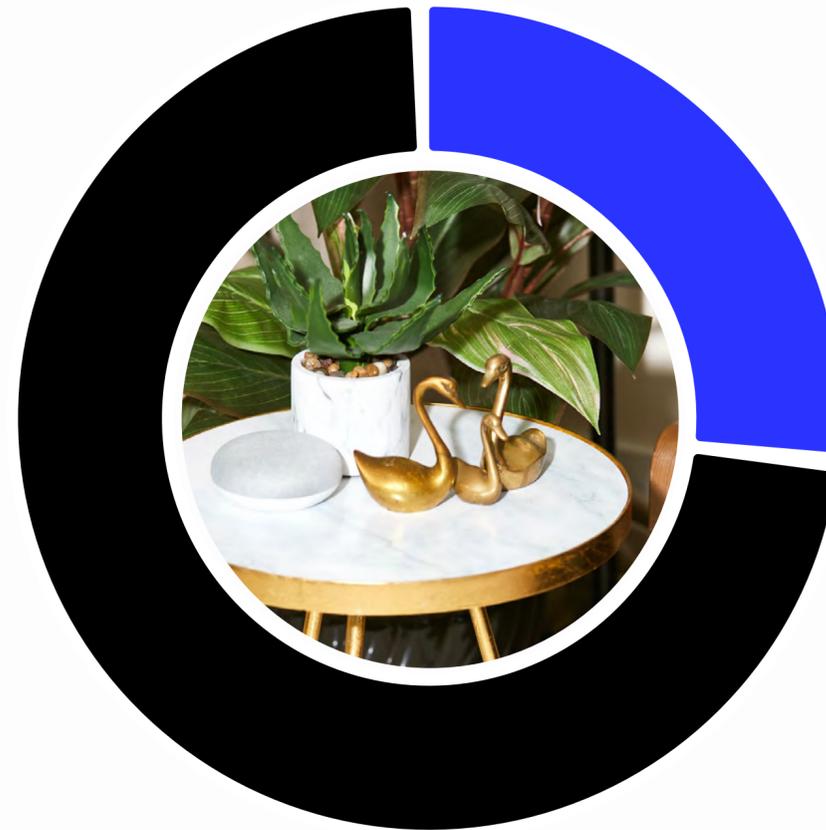
We support some of Shopify’s top home goods brands to include Brooklinen, Ruggable, and Cozy Earth.

Sometimes enabling exchanges isn’t enough, you may need to incentivize an exchange.

If a customer goes through our return portal and is unconvinced about exchanging, you can offer store credit, free shipping, and more to seal the deal.

Resources:

- [Customer Story: Loop + Hedley & Bennett](#)
- [How to optimize returns and exchanges for your online furniture store](#)
- [How to optimize your product pages to increase sales](#)



● **26.8%**
EXCHANGE RATE

● **73.2%**
REFUND RATE

\$5.92
AVERAGE UPSELL
VALUE PER RETURN

COMPARED TO LOOP'S
TOTAL AVERAGES
-2.9%
EXCHANGE RATE

+2.8%
REFUND RATE

+\$4.10
AVERAGE UPSELL
VALUE PER RETURN

*articles pour
la maison*

Intimates

Intimates are harder to fit than apparel, and there can be hygienic implications that must be accounted for during the return process. That's why we believe intimates brands need to over communicate their return policies – and enforce them.

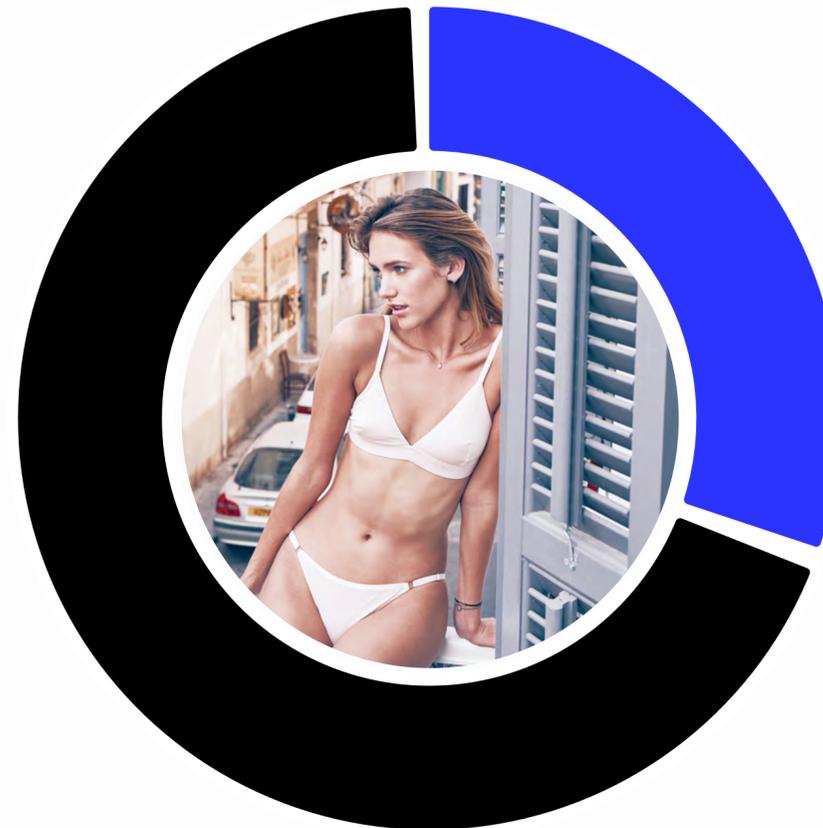
We support some of Shopify's top intimates brands to include Knix, Shefit, and Lively.

Bring your return policy to life.

Transparent return policies are essential. They shouldn't just be clear and generous, but easily accessible from various pages across your website. Plus, you need a return platform to help you enforce them – you know, like Loop.

Resources:

- [Return policy strategies for intimates and bathing suit brands](#)
- [Why it's time to automate your returns management software](#)
- [Building an ecommerce technology stack for scalability](#)



● **30.9%**
EXCHANGE RATE

● **69.1%**
REFUND RATE

\$1.19
AVERAGE UPSELL
VALUE PER RETURN

COMPARED TO LOOP'S
TOTAL AVERAGES
+1.2%
EXCHANGE RATE

-1.3%
REFUND RATE

-\$0.63
AVERAGE UPSELL
VALUE PER RETURN



Jewelry

Jewelry brands present several challenges when it comes to returns – items can be high value, difficult to size, and customized. However, they also present a tremendous opportunity to retain revenue, and ensuring your brand offers a forgiving return policy is a great way to do just that.

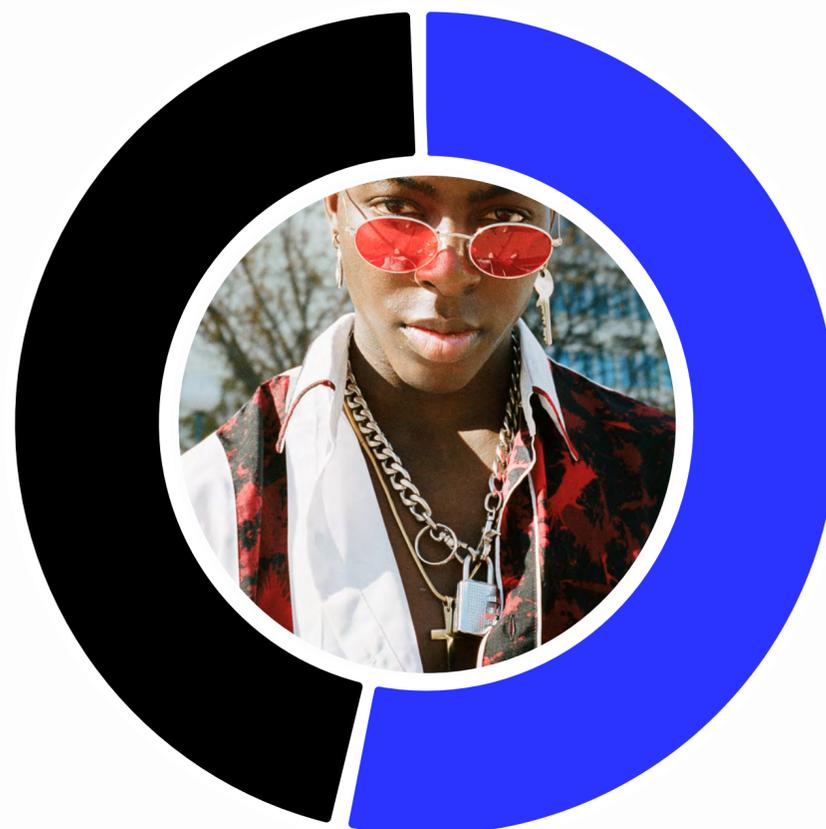
We support some of Shopify's top jewelry brands like Manly Bands, Jaxxon, and Aurate.

Forgiving return policies can be key differentiators.

Most customers check return policies prior to making a purchase, so by offering a forgiving return policy, you'll increase the likelihood of first time and repeat sales.

Resources:

- [Customer Story: Loop + Studs](#)
- [Return policy strategies for jewelry brands](#)
- [How to reduce customer churn in ecommerce](#)



● **53.5%**
EXCHANGE RATE

● **46.5%**
REFUND RATE

\$2.45
AVERAGE UPSELL
VALUE PER RETURN

COMPARED TO LOOP'S
TOTAL AVERAGES
+23.8%
EXCHANGE RATE

-23.9%
REFUND RATE

+\$0.63
AVERAGE UPSELL
VALUE PER RETURN



bijoux

Swim

Swim brands face similar challenges to apparel and intimates, but they also face bracketing, which is when customers buy in bulk with the intention of trying on various pieces and returning what doesn't work for them. We've got a solution for that, too.

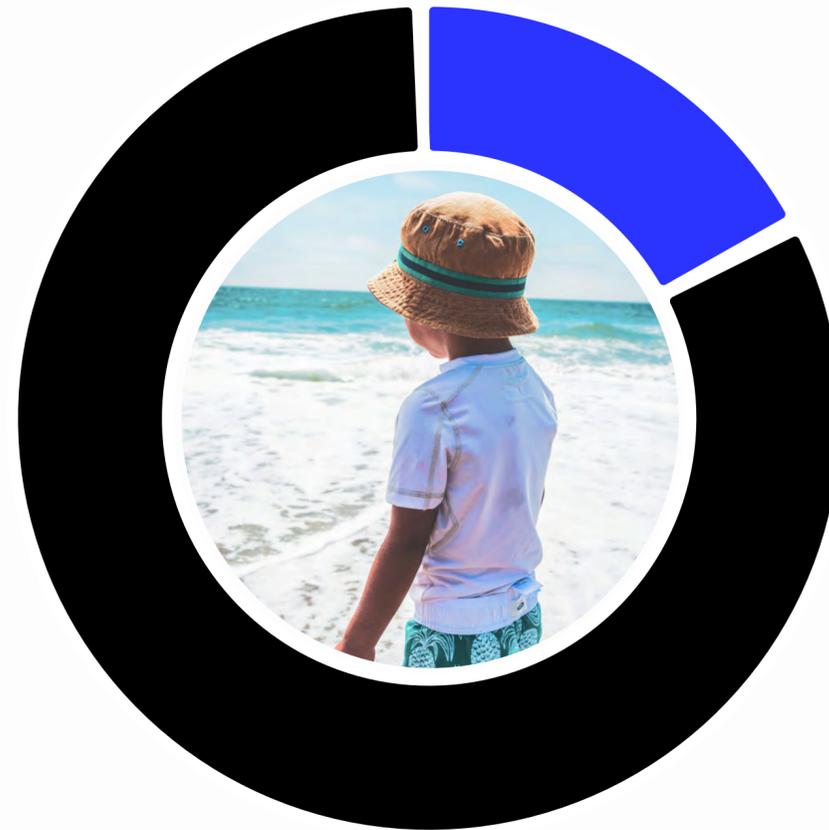
We support some of Shopify's top swim brands like Londre, Andie, and Summersalt.

Don't fight customer bracketing, leverage it.

Bracketing is a natural behavior since swimwear customers want to ensure the bathing suits they buy fit well and look good on them. Make returns and exchanges easier, and your customers will come back to shop again.

Resources:

- [Customer Story: Loop + Midori Bikini](#)
- [What to do about bracketing](#)
- [Increase profits and streamline accounting with a return management solution.](#)



● **17.2%**
EXCHANGE RATE

● **82.8%**
REFUND RATE

\$1.37
AVERAGE UPSELL
VALUE PER RETURN

COMPARED TO LOOP'S
TOTAL AVERAGES
-12.5%
EXCHANGE RATE

+12.4%
REFUND RATE

-\$0.45
AVERAGE UPSELL
VALUE PER RETURN

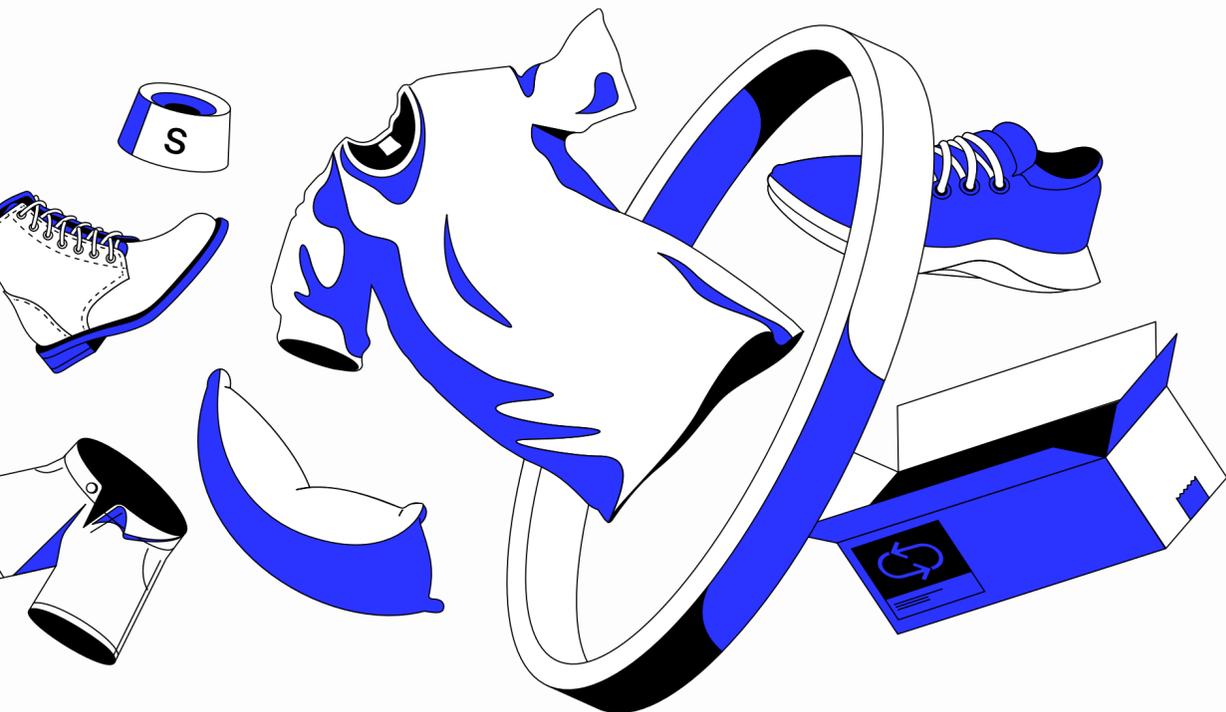
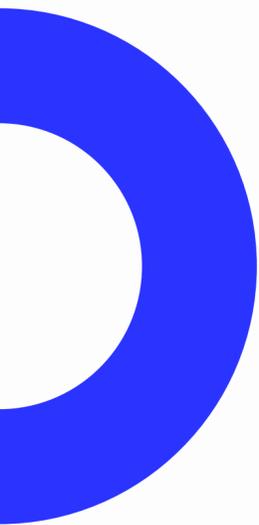
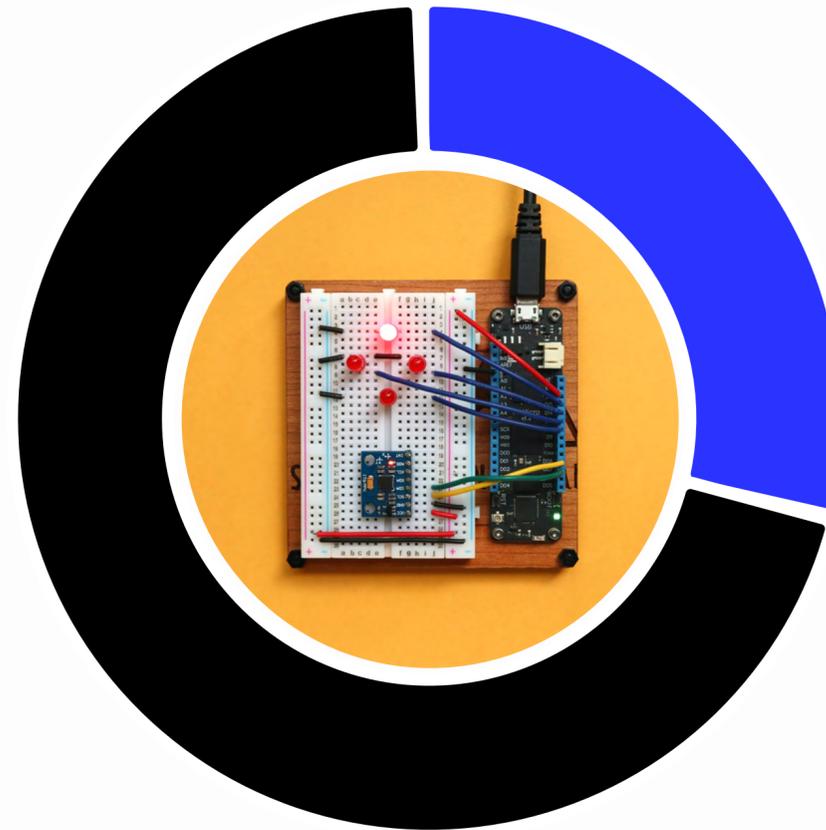


Other

'Other' includes any brand that did not fit into one of our verticals like electronics, novelty products, and others.

Resources:

- [Customer Story: Loop + Monos](#)
- [How to handle returns for your Shopify sportswear store](#)
- [How to reduce returns in ecommerce](#)

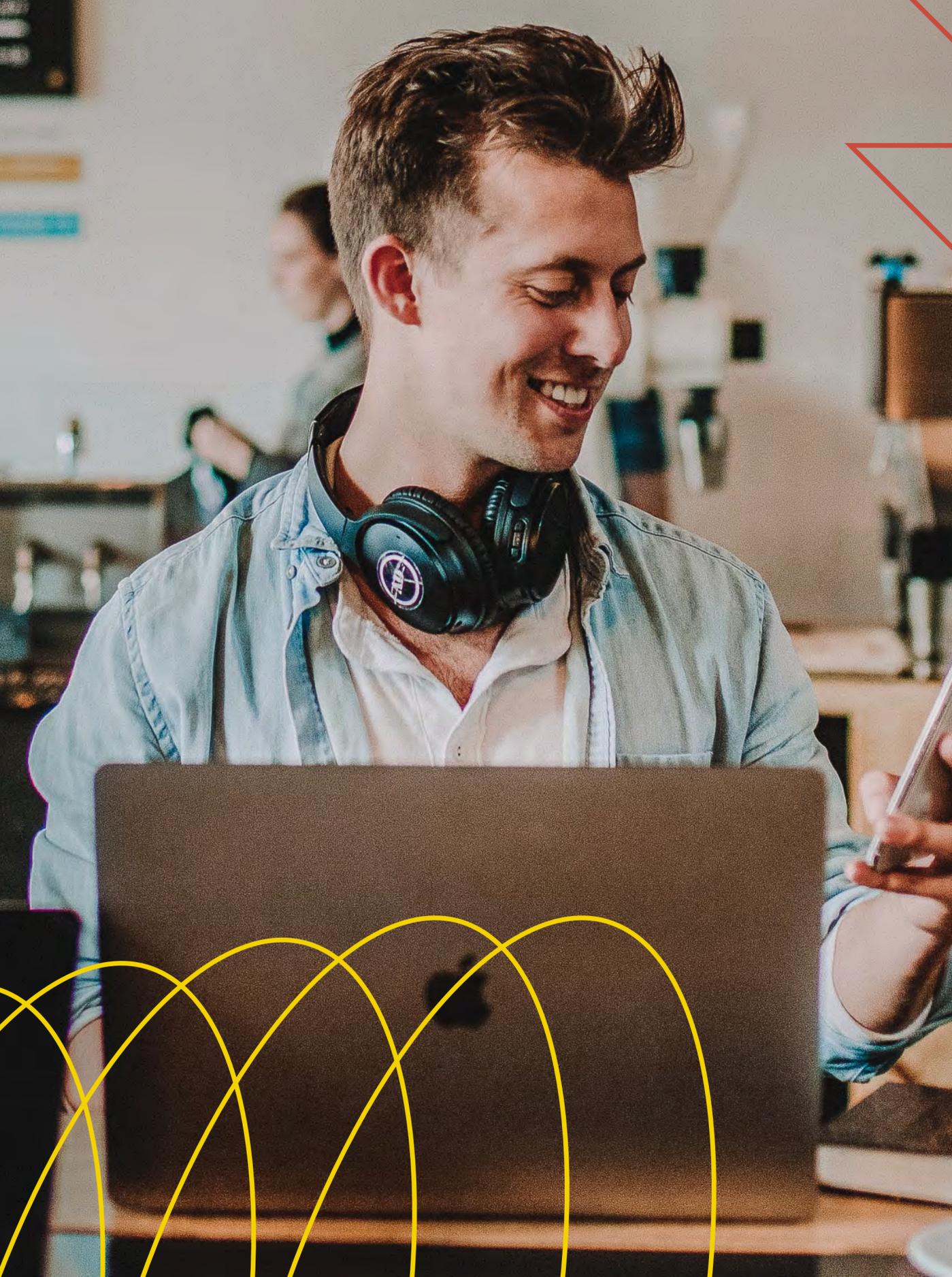


	COMPARED TO LOOP'S TOTAL AVERAGES
● 29.1% EXCHANGE RATE	-0.6% EXCHANGE RATE
● 70.9% REFUND RATE	+0.5% REFUND RATE
\$1.65 AVERAGE UPSELL VALUE PER RETURN	-\$0.17 AVERAGE UPSELL VALUE PER RETURN



autres





Get in *the Loop*

Loop is the *exchange-first platform* for Shopify's top brands. Want to learn more about what Loop can do for you?

BOOK A DEMO →

