The UK eCommerce Association

The Ecommerce Returns Opportunity:

Improving Experience, Conversion and Retention

It's all in the delivery.™

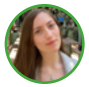
Contents

Meet the experts

"We are proud to introduce 'The Ecommerce Returns Opportunity' report, designed to help retailers better understand consumers' thoughts, expectations and frustrations around returns in 2026. From conversion and loyalty to exchanges and evolving returns policies, the report explores how retailers can create smoother returns experiences. We hope you enjoy the insights!"

About

We help our members understand and improve their online retail performance through a busy programme of performance benchmarking, data analysis, insight, best practice-sharing, and events. We have been tracking online sales since 2000 – and now measure over 120 individual metrics in a series of indexes, providing in-depth intelligence on online and mobile sales, delivery trends, marketing ROI and channel performance.


Ellie-Rose Davies, Content Manager, **IMRG**


Andy Mulcahy, Strategy and Insight Director, **IMRG**

www.imrg.org

"Returns are no longer just a cost of doing business; they are a defining moment in the customer relationship. This report sets out clearly what consumers expect, and where the real commercial opportunity lies. Retailers who treat returns as a strategic part of the customer journey are the ones who will convert, retain, and learn more. At nShift, we see every day how the right returns experience can turn a potential lost sale into a loyal customer. We hope the insights in this report help retailers do exactly that."

About

nShift powers the world's leading global Delivery & Experience Management platform, helping companies to run their entire delivery journey in one place with the speed, clarity, and care that keeps customers coming back.

From checkout to returns, every delivery moment shapes how customers see a brand. With over 1,000 carrier connections and reach into nearly every market, our platform makes those moments run smoothly and work harder for any business. It makes checkout smarter, shipping smooth, tracking clear, and returns simple and sustainable.


Jyo Saikia, Director, **nShift**

www.nshift.com

Methodology

IMRG and nShift surveyed 1,000 UK consumers aged 18+ to explore current attitudes towards eCommerce returns, including policy expectations, the impact of returns experiences on loyalty and retention, common reasons for returns, and willingness to provide feedback following the returns journey.

The research aims to help retailers better understand how returns policies and experiences influence customer behaviour, while identifying opportunities to make returns more commercially effective and customer friendly.

Throughout the report, nShift have contributed additional industry insight and practical considerations to help retailers apply the findings within their own returns strategies, with reference to other research and case studies.

The consumer survey was completed in April 2026.

Introduction

Returns have long been viewed as an unavoidable cost of eCommerce, often discussed primarily in terms of operational complexity, logistics and margin impact. In recent years, however, the conversation has evolved. As online retail has matured and consumer expectations have increased, returns have become recognised as an important part of the overall customer experience.

Today, returns are no longer simply a post-purchase process. They can influence where consumers choose to shop, whether they complete a purchase, and whether they return to a retailer again in the future. As a result, retailers are increasingly looking at returns through a broader strategic lens, balancing customer expectations with commercial objectives.

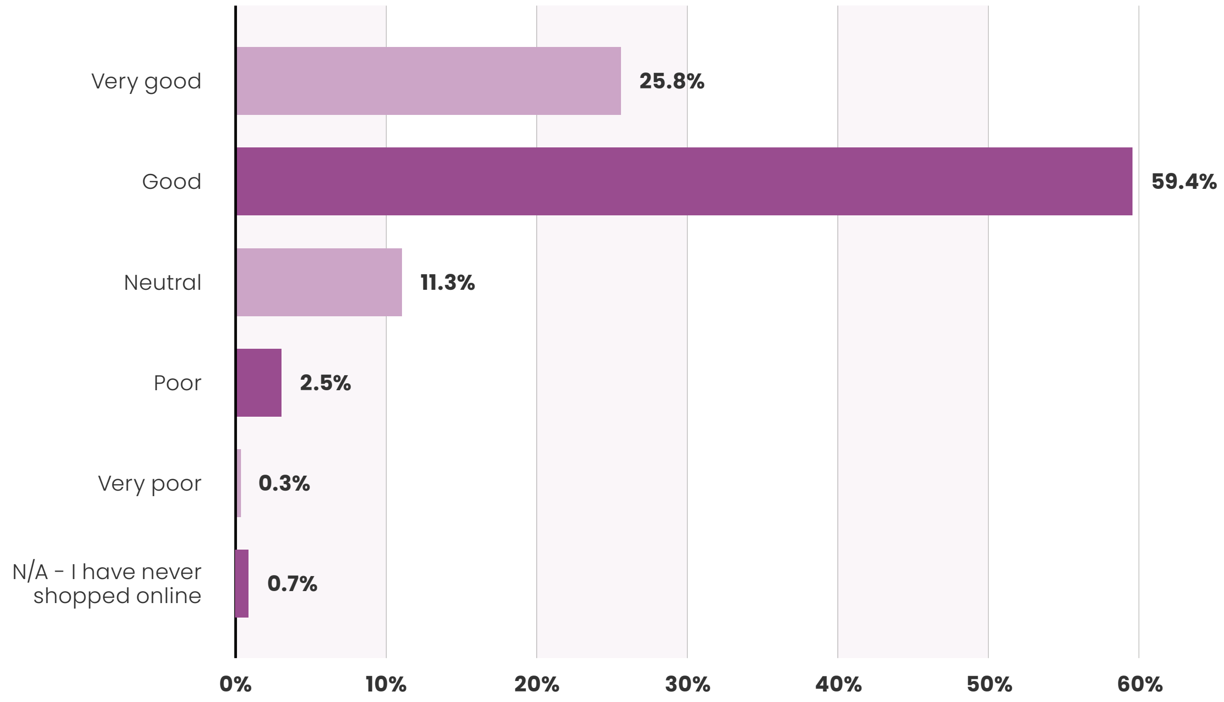
This report explores how consumers currently view returns in 2026, examining the role returns policies, processes and experiences play throughout the customer journey. It also highlights several key themes shaping retailer strategies today, including the growing importance of returns as a conversion lever, more nuanced approaches to return charging, exchange-first journeys and the increasing value of returns data as a source of customer and operational insight.

Customer sentiment towards the post-purchase experience

The first question we asked UK consumers was how they rate their post-purchase experience when they shop online. While customer complaints can often dominate the conversation around delivery and post-purchase experiences, the data tells a much more positive story.

Nearly **60% of consumers rate the post-purchase experience as 'good'**, with a further 25.8% describing it as 'very good'. In comparison, just 2.5% rate the experience as 'poor', and IMRG's Consumer Home Delivery research also shows consistently high satisfaction levels for delivery overall in recent years.

Thinking about when you shop online in general, how would you rate your post-purchase experience (e.g. delivery/return updates, tracking, communication)?



Post-purchase influence on the browsing and consideration stage

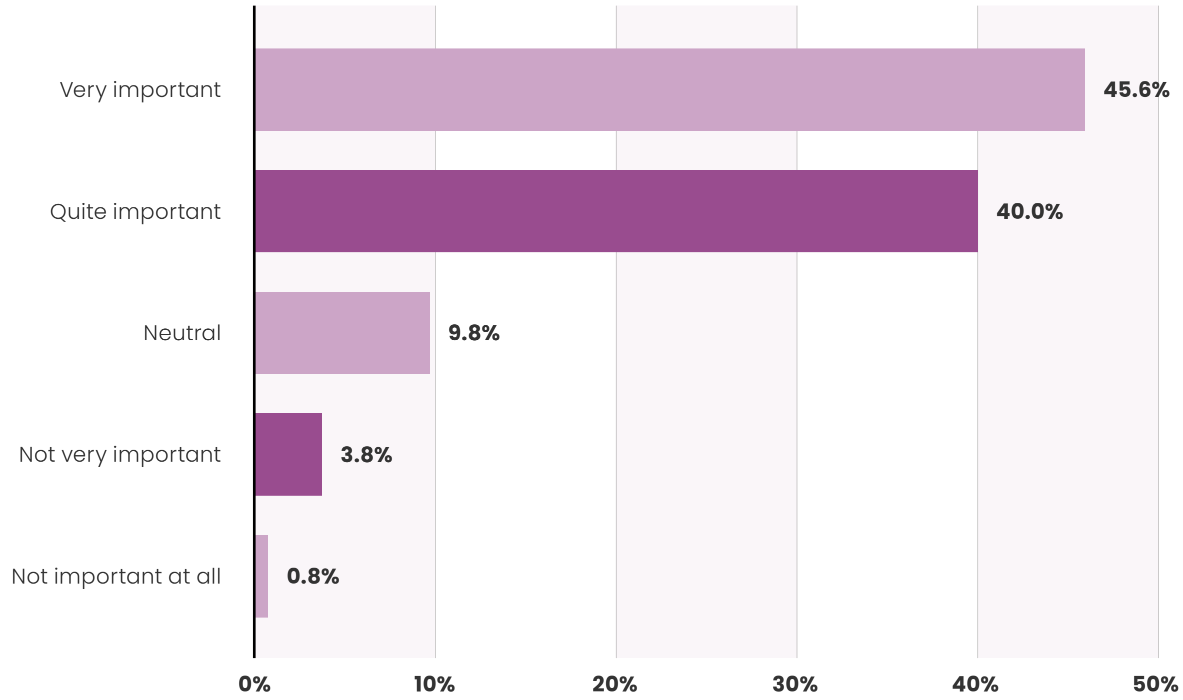
Return policies and processes influence on conversion

The importance of the post-purchase experience becomes evident when looking at its influence on conversion, particularly around returns.

Returns policies now play a big role before a consumer has even completed a purchase, **with 85.6% of respondents rating them as an important factor** when deciding whether to buy online, including 45.6% who say they are 'very important'.

Only 4.6% feel that returns policies are not very important, or not important at all, in their decision to complete a purchase.

How important is a retailer's returns policy to you when deciding whether to make an online purchase?



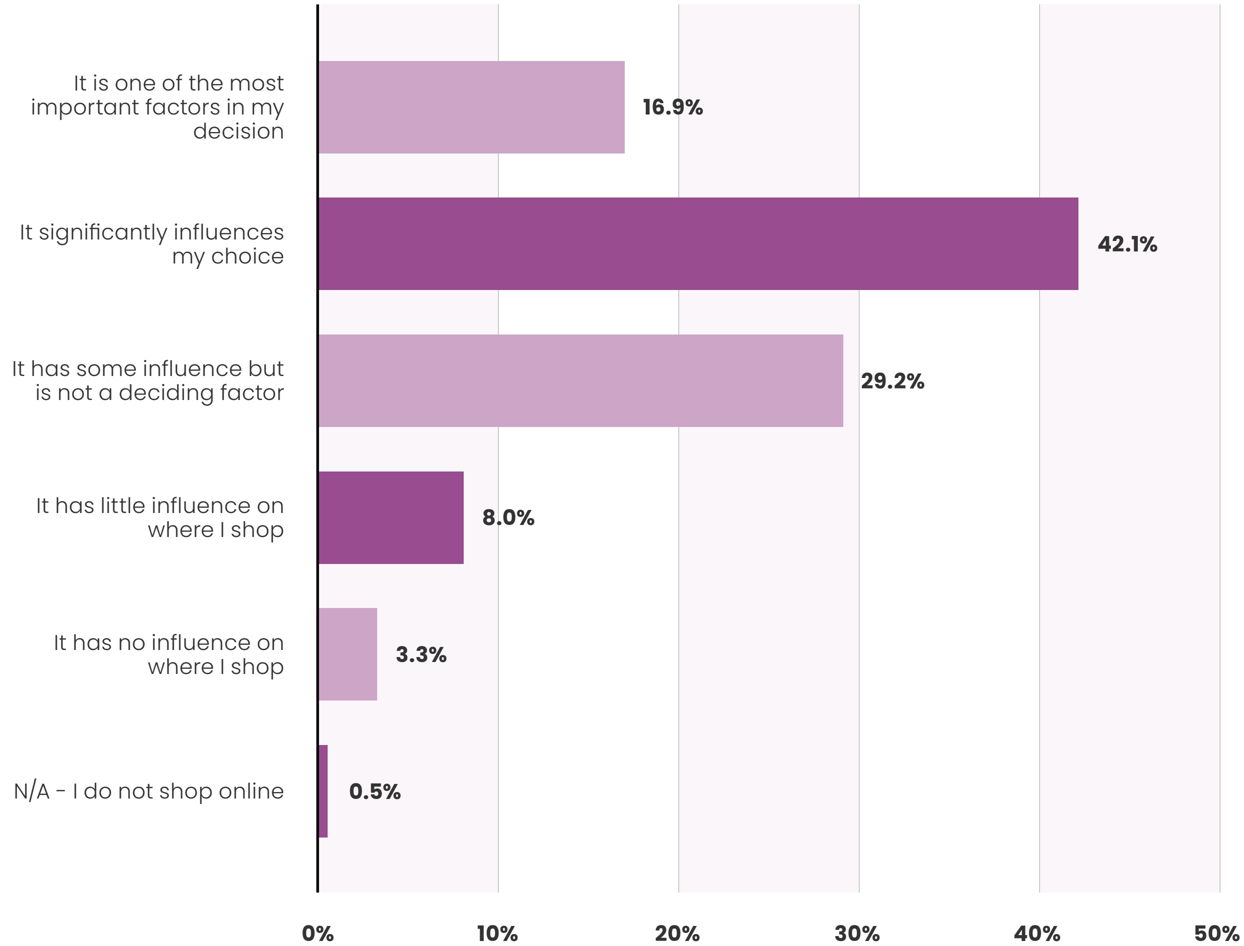
Top tip: Clear, customer-friendly returns policies can help build confidence earlier in the purchase journey, reduce hesitation at checkout, and support stronger conversion performance.

Beyond the policy itself, the ease of the returns process also appears to have a strong influence on where consumers choose to shop. 16.9% say that ease of returns is one of the most important factors in their retailer choice, while a further 42.1% say it significantly influences their decision.

This suggests that consumers are not only looking for reassuring returns policies at the point of purchase, but are also actively considering how simple, convenient and frictionless the process will be if they do need to return an item.

A simple, convenient and clearly communicated returns experience can help give consumers added confidence to choose one retailer over another during the consideration stage.

How much does ease of returns process influence where you choose to shop online?

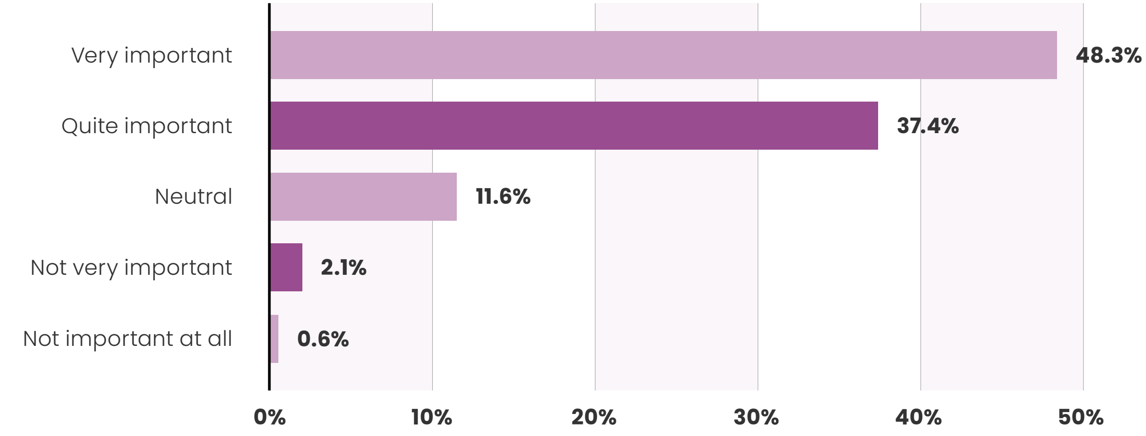


Free returns as a deciding factor

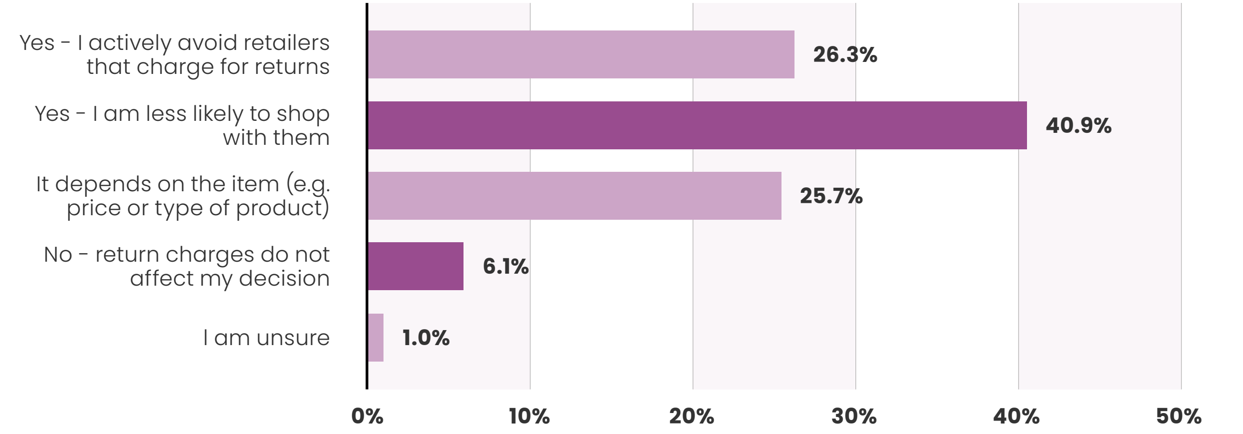
Free returns continue to be a widely debated topic for retailers, particularly around the balance between customer expectations, conversion and profitability. The data shows that **free returns are now an important deciding factor for many consumers** when choosing where to shop online, with 48.3% rating them as 'very important' and a further 37.4% saying they are 'quite important'.

The impact of return charges is also clear. More than a quarter of consumers (26.3%) say they actively avoid retailers that charge for returns, while a further 40.9% say they are less likely to shop with them. Only 6.1% say return charges do not affect their decision.

How important would free returns be to you when deciding where to shop online?



Do return charges affect your likelihood to shop with a retailer?



Consumers thoughts on fair return charges

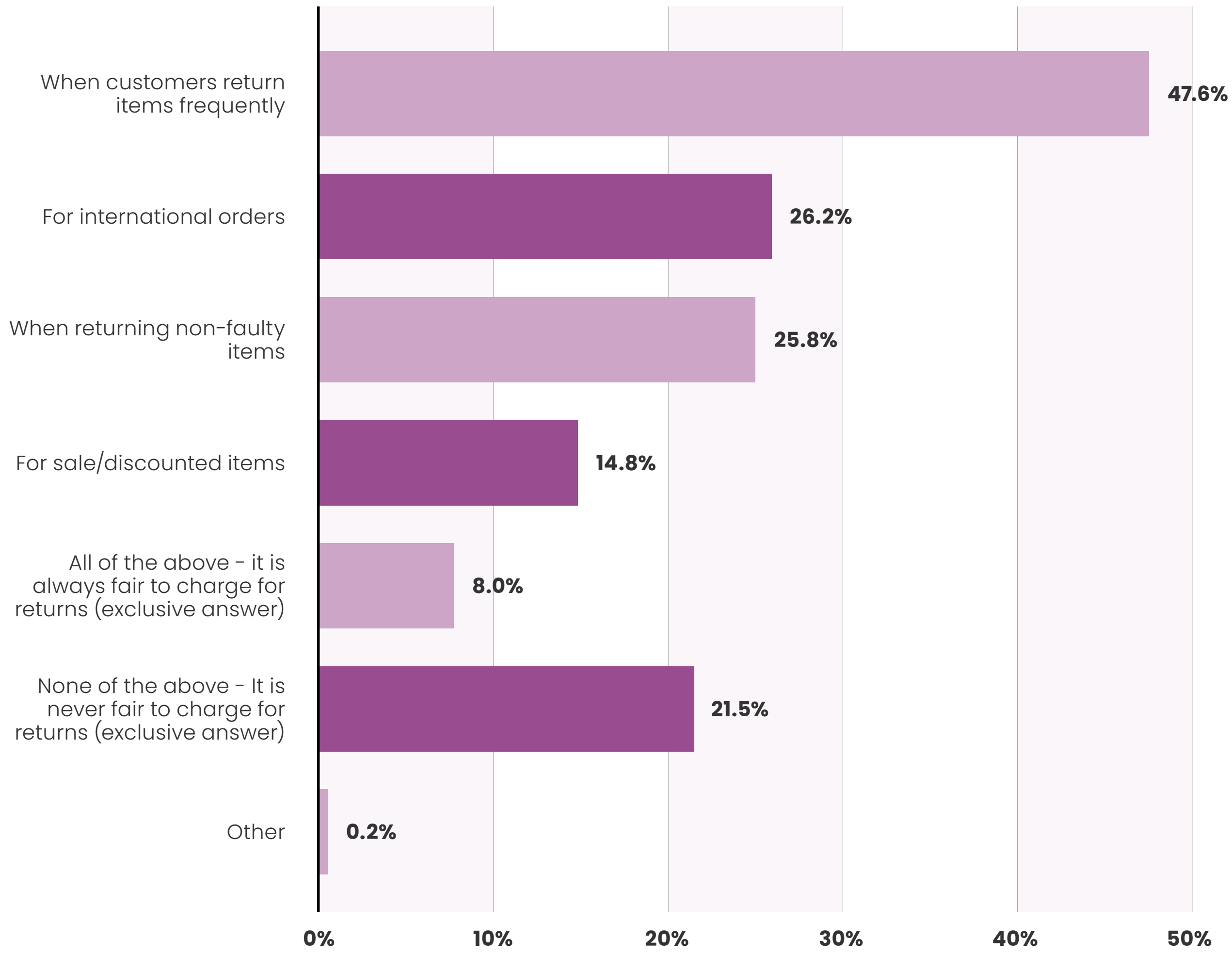
While consumers clearly prefer free returns overall, attitudes towards return charges become more balanced when specific circumstances are considered.

When asked whether there are situations where it is fair for retailers to charge for returns, consumers were more accepting in cases such as frequent returns behaviour (47.6%), international orders (26.2%) and returns of non-faulty items (25.8%).

A significant 14.8% of consumers believe that returns charges are fair for sale/ discounted items.

Interestingly, 21.5% of consumers when presented with these situations still believe that it is never fair to charge for returns.

Do you believe any of the following situations are fair for retailers to charge for returns?



nShift comments

This is where returns can become fairer for both sides. A faulty item should not be treated in the same way as a discretionary return. A high-frequency returner may require a different policy from a first-time customer. International returns may need different rules from domestic returns.

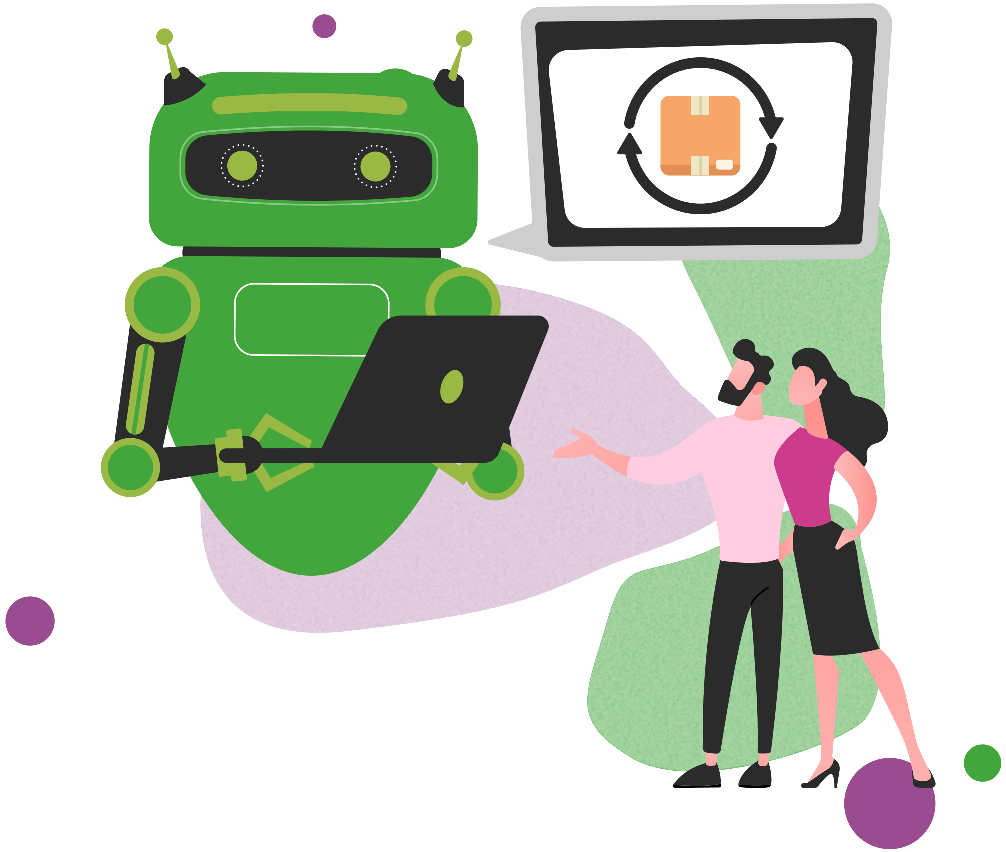
The goal is not simply to charge more. It is to protect margin while maintaining trust. A structured, rules-based returns journey helps retailers avoid blunt policies that damage conversion, while still managing the operational cost of reverse logistics.

How AI can help make returns charges fair

As retailers continue reviewing their approach to returns, technology and AI are increasingly being used to make return experiences more personalised and efficient.

Some large retailers such as ASOS have already introduced more tailored approaches to return charges, using customer data and returns behaviour to identify patterns such as frequent returning and determine where charges may be appropriate.

AI and data-led approaches may also help retailers better understand the root causes behind returns, helping to identify opportunities to improve product information, sizing guidance or fulfilment accuracy to reduce avoidable returns in the first place.



nShift comments

Can AI make returns fairer?

Personalised return charges can be a good thing, but only if they are used to make returns fairer, clearer and more proportionate for both retailers and customers. The risk with return fees is that they can feel blunt. A customer returning a faulty or damaged item should not have the same experience as someone regularly ordering multiple sizes with the intention of sending most of them back. A domestic return may not carry the same cost as a cross-border return. A first-time shopper may need a different experience from a high-frequency returner.

This is where AI and data can help. Used responsibly, retailers can move away from one-size-fits-all policies and towards smarter rules that reflect the reason for return, product type, customer history, market, delivery method and operational cost.

That could mean:

- Keeping returns free for faulty, damaged or incorrect items
- Offering free in-store returns while charging for postal returns
- Applying different rules for international returns
- Identifying unusually high return behaviour
- Encouraging exchanges before refunds
- Improving sizing, product descriptions and imagery to reduce avoidable returns at source

The benefit is that retailers can protect margin without simply making the customer experience worse. Instead of applying blanket return charges, they can use data to create policies that feel more fair and more explainable.

Top return reason trends

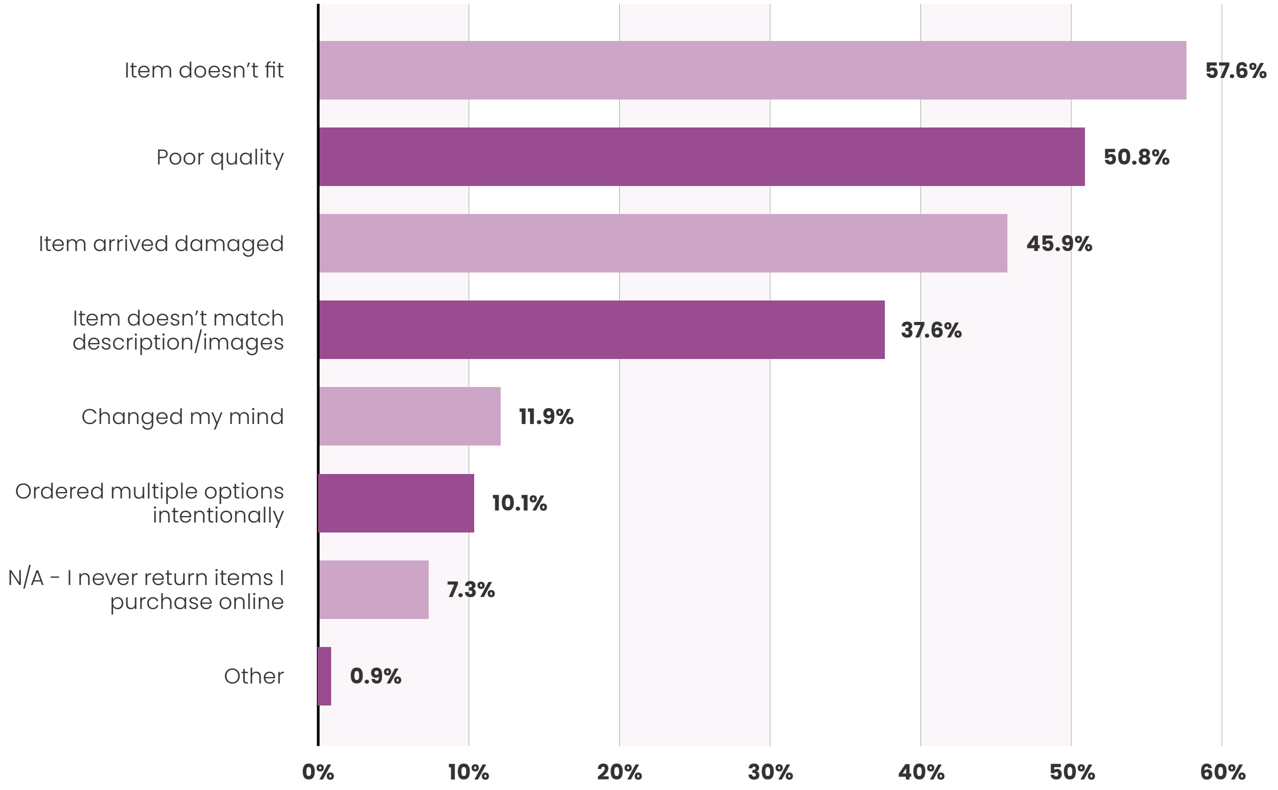
The top returns reasons of 2026

The findings suggest that **the most common return reasons in 2026 centre around fit, product quality and products failing to meet customer expectations.**

Items not fitting is the leading reason for returns, selected by 57.6% of consumers, followed by poor quality (50.8%) and items arriving damaged (45.9%). A further 37.6% of consumers say they have returned products because they did not match the description or images shown online.

Fewer consumers say the most common reason that they have returned items is because they changed their mind (11.9%), or that they ordered multiple options intentionally (10.1%) – now commonly known as 'bracketing'.

Thinking of the times when you returned items you bought online, what has been the most common reason/s? (Please select up to 3 answers)



Consumers approaches to return forms – are they honest?

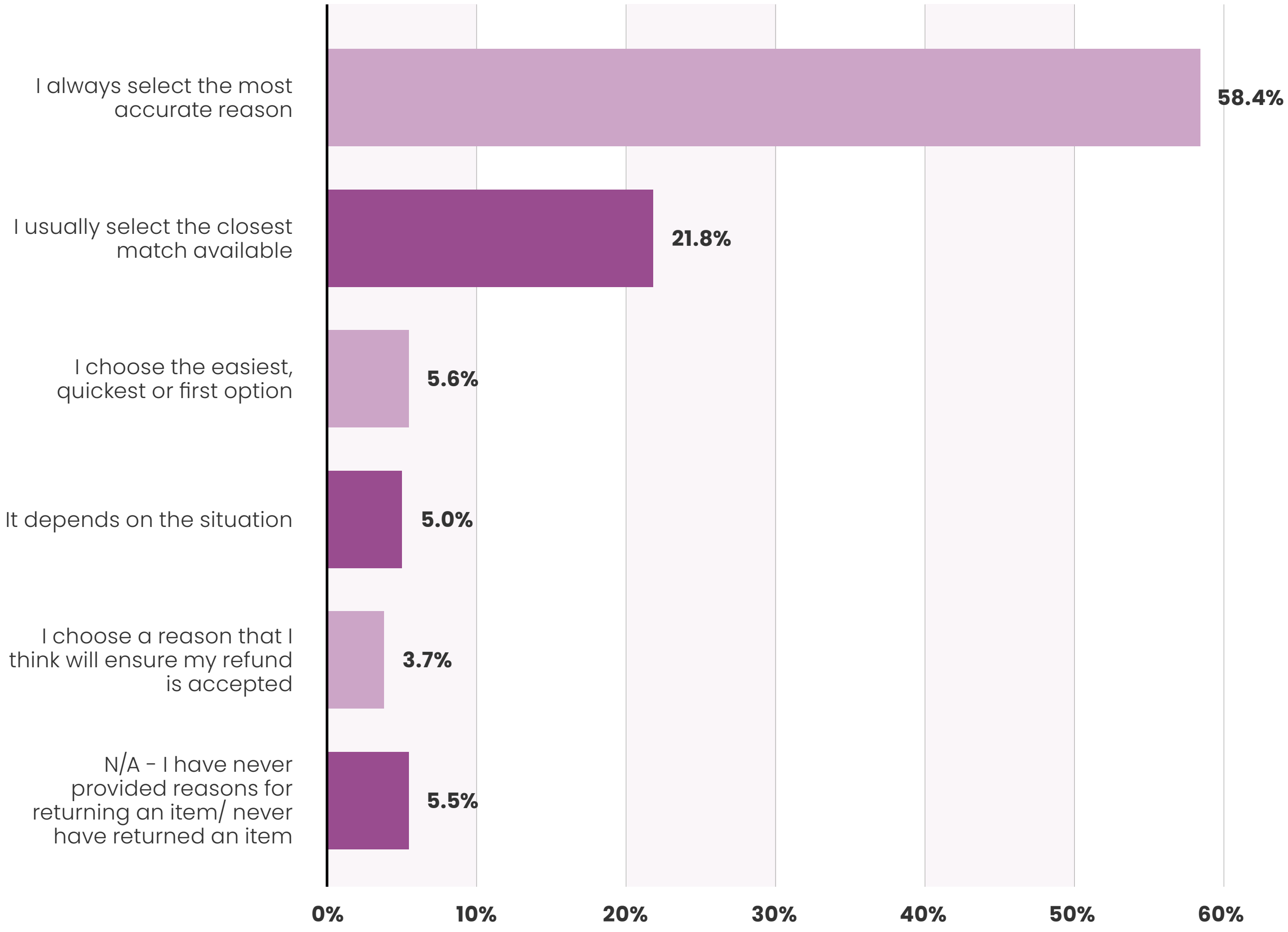
The data suggests that most consumers are usually honest when completing return forms, giving retailers a useful source of insight into customer behaviour and return trends.

Over half of consumers (58.4%) say they always select the most accurate reason when completing a returns form, and 21.8% say they usually select the closest matching option.

Smaller percentages admit to choosing the easiest or quickest option (5.6%), selecting reasons depending on the situation (5%) or choosing a reason they think will benefit the outcome of the return (3.7%).

For retailers, this may suggest that returns data can still provide valuable insight into common friction points and customer challenges.

When a retailer asks you to provide a reason for returning an item (e.g. via an online form), how do you usually respond?



nShift comments

Use return forms to capture better insight

Return reason data is one of the most practical sources of customer insight available to retailers. In this research, the leading reasons for returns are fit, poor quality, damaged items and products not matching descriptions or images. These are not just operational issues; they are signals that can help improve product pages, size guidance, packaging, fulfilment and supplier quality.

The key is to make return forms structured but simple. Customers should be able to give a clear reason without feeling they are filling in a long survey.

Over 14% of consumers may be dishonest when completing return forms, but over 80% say they tell the truth!

Return experiences consumers want in 2026

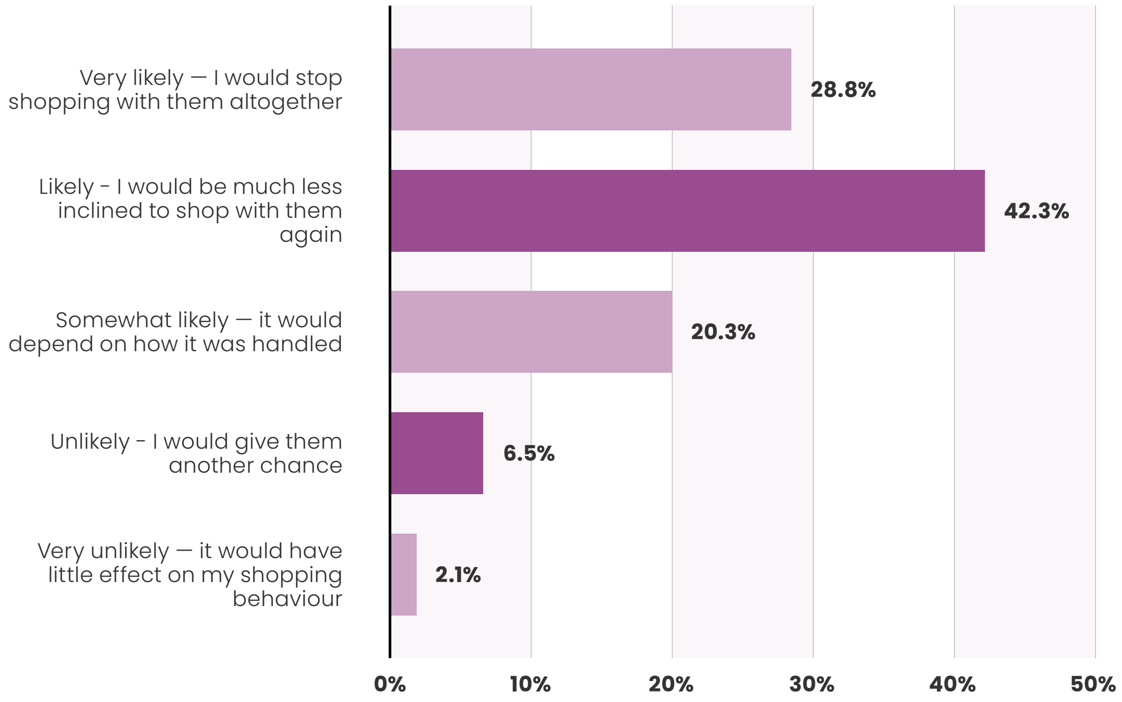
The impact of poor returns experiences on customer retention

The returns experience can have a major impact on customer retention and loyalty. More than 71% of consumers say a poor returns experience would either make them much less likely to shop with a retailer again or stop shopping with them altogether.

A further 20.3% say it would depend on how the situation was handled, showing that retailers may still have an opportunity to rebuild trust through good communication and customer support.

With only a small percentage saying a poor returns experience would have little or no impact on future purchasing behaviour, the findings show how sensitive consumers are to this stage of the customer journey.

How likely is a poor returns experience to affect your future purchases from that retailer?



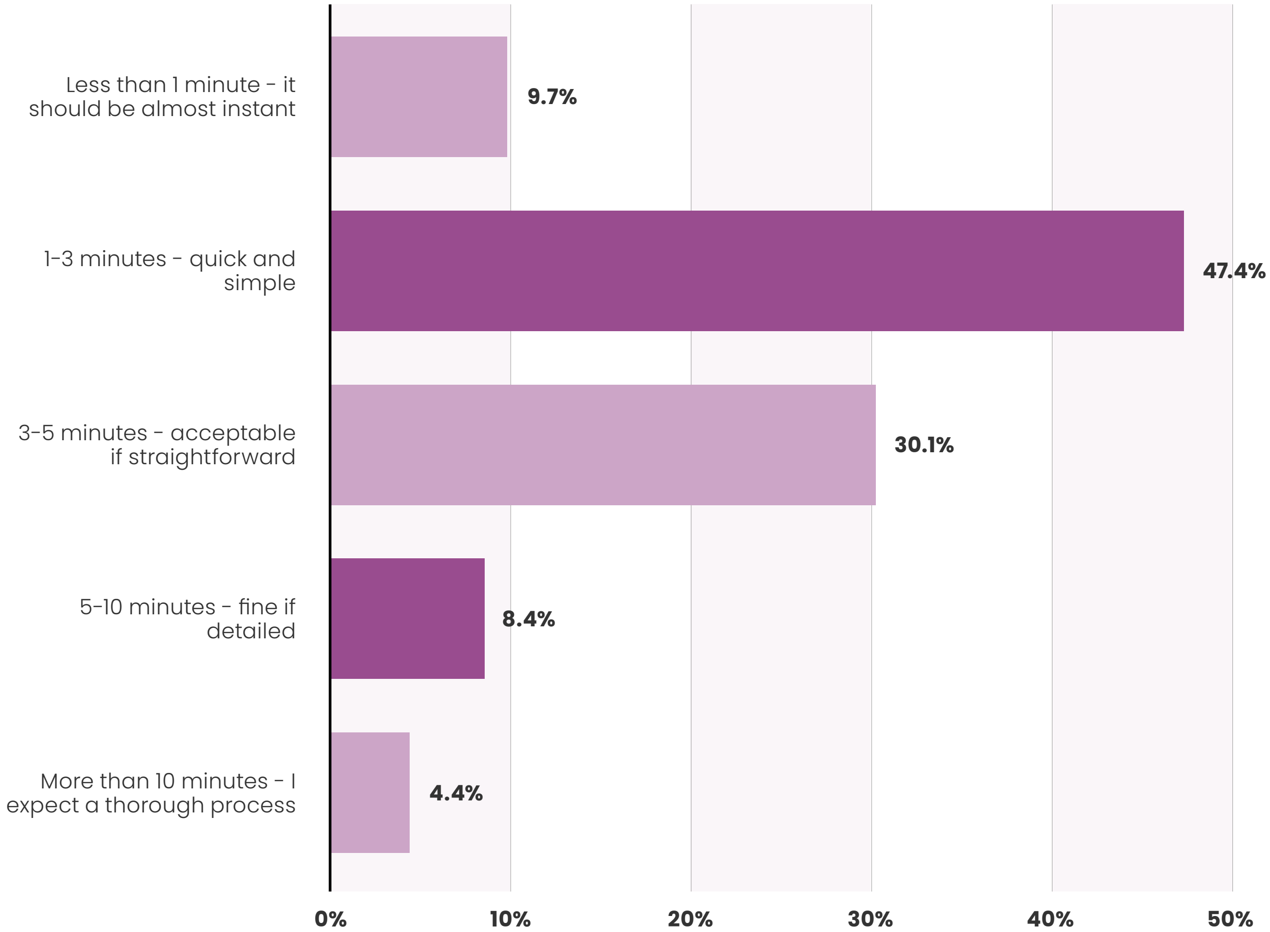
How long it should take to initiate a return

One area retailers may want to focus on to better meet customer expectations around returns is the speed of return initiation. Nearly half of consumers (47.4%) expect the process to take between one and three minutes, while only 9.7% expect it to be almost instant.

The findings also suggest that simplicity may matter more than speed alone. A further 30.1% say they would accept a return initiation process taking between three and five minutes if it remained straightforward. 8.4% said 5-10 minutes is 'fine if detailed.'

For retailers, this highlights the importance of making returns processes simple, clear and frictionless, while avoiding unnecessary complexity that could create frustration during the experience.

How long do you expect it to take to initiate a return (e.g. completing a returns form or online portal)?



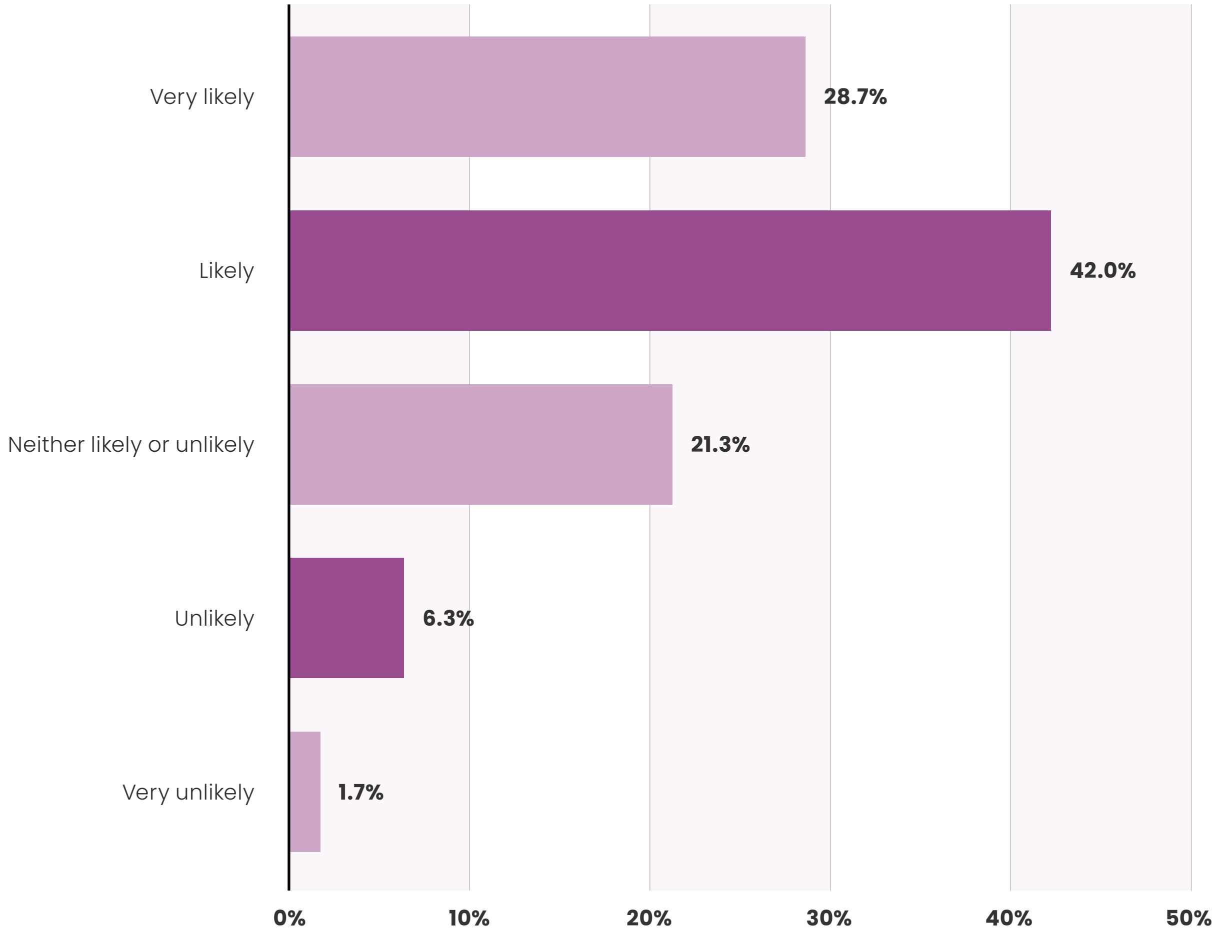
In-store versus postal returns, which do consumers want?

To improve the returns experience, retailers may also need to consider how convenient the return location options are for consumers.

More than 70% of consumers say they would be likely or very likely to return an online purchase in-store rather than by post or courier if the option was available, highlighting strong demand for convenient omnichannel returns experiences.

For retailers with brick-and-mortar stores, this may present an opportunity to create a stronger connection between online and physical retail. Offering in-store returns may help reduce friction for consumers while also creating additional opportunities for customer engagement once shoppers are back in-store.

If the option were available, how likely would you be to return an online purchase in-store rather than by post or courier?



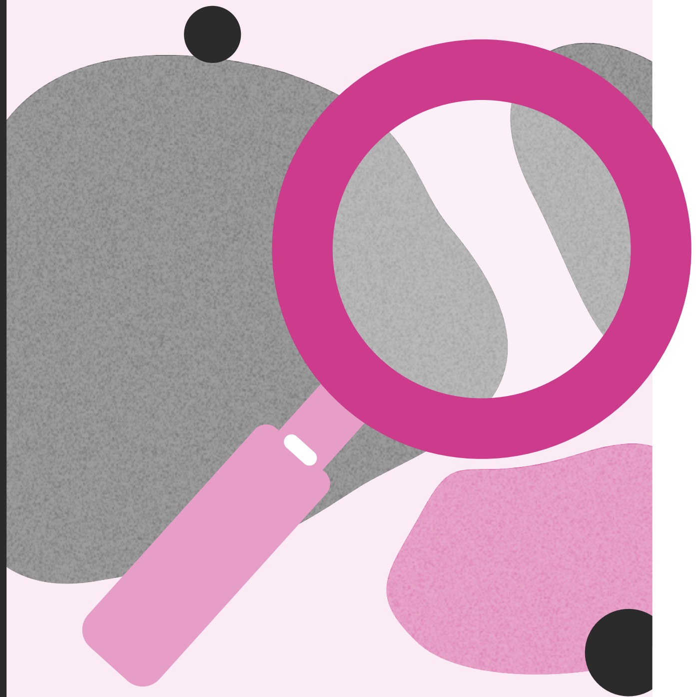
nShift comments

Use stores as part of the recovery journey

For retailers with physical stores, returns can also become an omnichannel engagement opportunity. An in-store return gives the retailer a chance to speak to the customer, resolve the issue, suggest an alternative product and potentially recover the sale.

Hunkemöller is a good example. Working with nShift Returns, the retailer replaced printed return labels with a fully digital returns experience across key European markets. Since going live, Hunkemöller saw a 15% shift from return-to-warehouse to in-store returns, helping create more opportunities for assisted customer service, remarketing and repurchase.

The lesson for retailers is that return location choice can influence both customer experience and commercial outcomes. A convenient in-store return can reduce friction for the shopper, while giving the retailer another chance to retain the relationship and protect revenue.



Return denials and alternatives

Denying a return? What consumers expect next

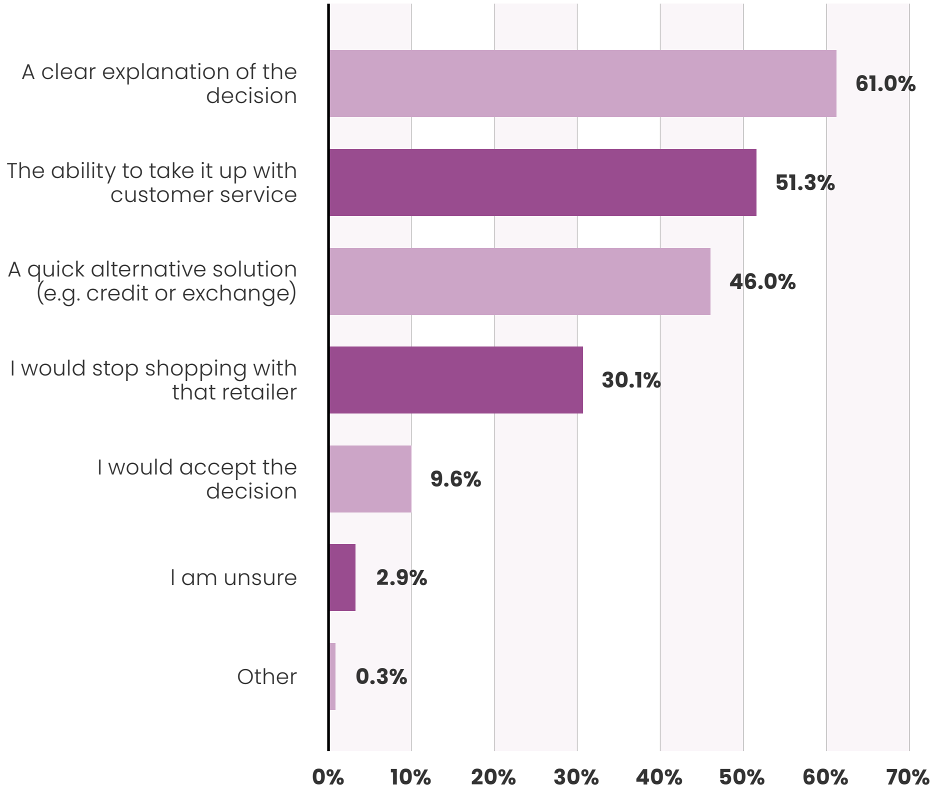
In cases where return rates are high, or where consumers are not adhering to policies, retailers may be temped to deny returns. But after return denials, what do consumers expect to happen next?

61% of consumers expect a clear explanation of the decision. Over half (51.3%) would also expect the ability to discuss the issue with customer service, revealing the importance of accessible support and transparent policies.

Alternative resolutions are also a top expectation, with 46% of consumers expecting a quick solution such as store credit or exchanges. This may suggest that flexible follow-up options could help retailers reduce friction and preserve customer relationships, even where refunds are denied.

It is important to note that return denials pose a risk to customer loyalty. Nearly a third of consumers (30.1%) say they would stop shopping with a retailer following a denied return or refund, compared with just 9.6% who say they would simply accept the decision.

If your return or refund is denied, what would you expect to happen next? (Please select all that apply)



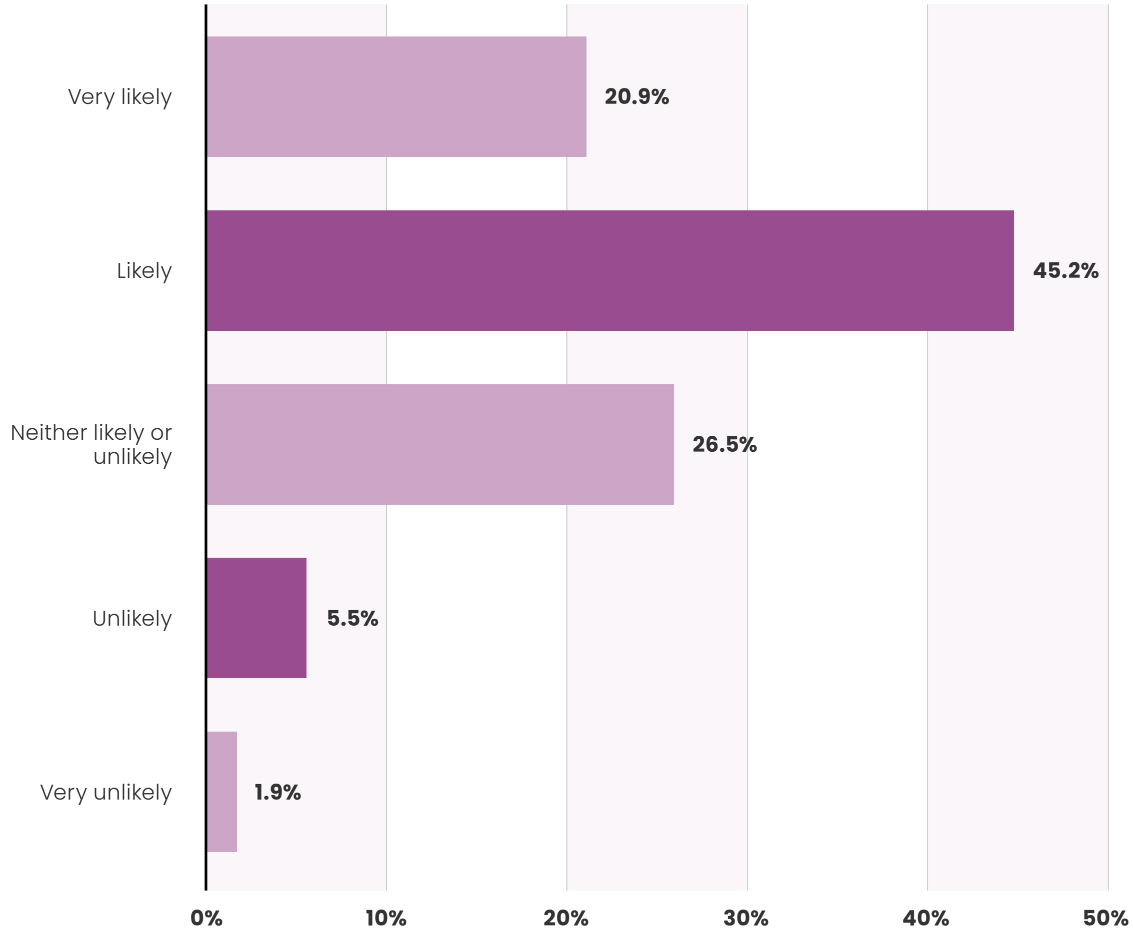
Maintaining profits with exchange alternatives

Interestingly, **66.1% of consumers say they would be likely or very likely to accept an exchange option offered at the point of return rather than requesting a refund.** This suggests there may be a strong opportunity for retailers to prevent lost sales and turn a potentially negative returns experience into a satisfied purchase.

The findings become particularly interesting when considered alongside the top return reasons identified earlier in the report. With fit issues remaining the most common reason for returns, retailers may be able to protect margin by offering the correct size through the exchange journey. Similarly, where returns are linked to quality concerns, retailers can recommend alternative products with stronger customer feedback or reviews.

AI, personalisation and intelligent product recommendations may therefore become increasingly important within the exchange journey, helping retailers encourage consumers to try again rather than abandon the purchase entirely.

If a retailer offered you an easy exchange option at the point of return, how likely would you be to exchange an item rather than request a refund?



nShift comments

Many returns are not failed purchases. They are unresolved purchases. The customer may still want the product, but in another size, colour or variant. nShift has previously reported that nShift Returns customers typically convert 30% of returns to exchanges, helping retailers retain revenue rather than defaulting straight to refund.

For retailers, the practical shift is to design returns flows that ask: "Can we still solve the customer's original need?" before treating the transaction as lost.

Post-return feedback: A learning opportunity

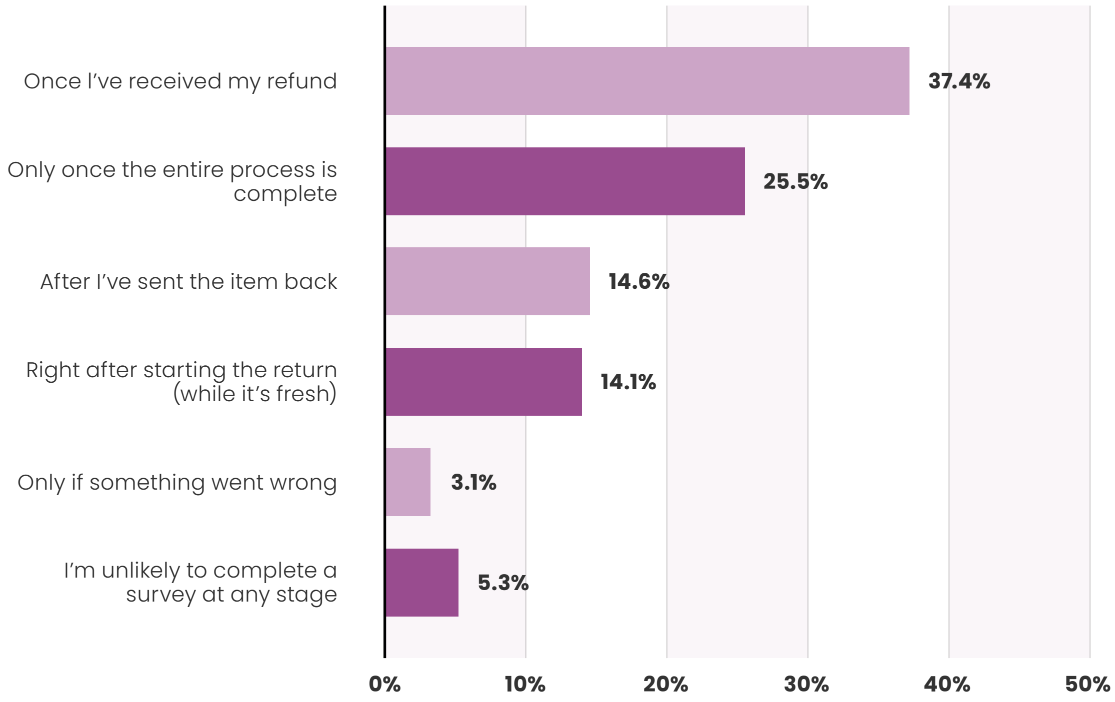
When are consumers most likely to give feedback?

Understanding customer feedback around returns experiences can help retailers assess whether their policies and processes are facilitating a positive customer experience.

The findings show that consumers (totalling 63%) are most willing to complete a returns experience survey once they have received their refund and the process is fully complete. Positively, just 3.1% say they would only complete a survey if something went wrong.

This suggests that returns experience surveys can provide retailers with a more balanced and representative view of customer sentiment, rather than only capturing feedback from dissatisfied consumers.

When would you be most willing to complete a survey about your return experience?



nShift comments

Ask for feedback when the journey is complete

The timing of feedback matters. Customers are more likely to provide useful feedback once they know the outcome of the return. In this research, consumers are most willing to complete a returns experience survey once they have received their refund or once the whole process is complete.

That makes post-return feedback a valuable optimisation tool. Retailers can ask whether the process was clear, whether the communication was helpful, whether the return options were convenient and whether the customer would shop again.

The goal is not just to measure satisfaction. It is to understand what would have kept the customer, what would have made the process easier, and what might encourage them to buy again.

Handled well, returns can become a source of insight, a revenue recovery opportunity and a loyalty moment. The retailers that benefit most will be those that learn from every return, communicate clearly throughout the journey, and give customers an easy route from disappointment back to purchase.

How to reframe returns into something positive

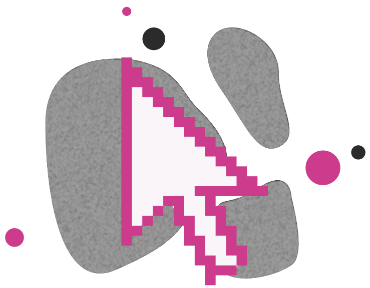
Use the return journey to keep customers informed

Returns can become frustrating when customers feel they have lost visibility. Once an item has been sent back, they want to know whether it has been received, whether the refund or exchange has been approved, and when the process will be complete.

A branded self-service returns portal can help reduce uncertainty by giving customers a clear place to initiate, track and understand their return. It can also reduce pressure on customer service teams by answering common "where is my return?" and "where is my refund?" questions before they become support tickets.

This matters because good communication can turn a potentially negative moment into a more controlled experience. Even when the customer is returning an item, the retailer can still demonstrate reliability, transparency and care.

An example of a retailer who uses good communication is Quiz, who through using nShift Returns has automated every step of the reverse-logistics journey and now provides real-time notifications to customers.



nShift says

Returns are often treated as the end of a sale. In practice, they can be one of the most useful moments in the customer journey.

The important shift is to stop viewing returns only as a refund event and start treating them as a feedback, recovery and reconversion moment.

5 key takeaways from IMRG

1. **Satisfaction levels are stronger than many retailers may expect:** Post-Purchase sentiment remains highly positive overall. Nearly 60% of consumers rate the post-purchase experience as 'good', while a further 25.8% rate it as 'very good'.

2. **Returns policies influence conversion before checkout:** Returns are now playing a major role during the consideration stage, with 85.6% of consumers saying returns policies are important when deciding whether to complete an online purchase. Free returns are also highly influential, with 48.3% rating them as 'very important'.

3. **Exchanges present a major opportunity to protect revenue:** Fit issues remain the leading reason for returns, selected by 57.6% of consumers. However, 66.1% say they would be likely to accept an exchange option offered at the point of return, highlighting opportunities to recover sales and reduce refund volumes.

4. **Omnichannel returns remain highly valued:** More than 70% of consumers say they would be likely to return online purchases in-store if the option was available, reinforcing the importance of connected online and brick-and-mortar retail experiences.

5. **Returns feedback can become a valuable optimisation tool:** Consumers are generally honest when completing returns forms, with 58.4% saying they always select the most accurate reason. They are also most willing to complete returns feedback surveys once the process is fully complete, giving retailers valuable insight into customer expectations and friction points.

5 top tips from nShift on returns optimisation

1

Make returns policy visible before checkout : Returns influence the purchase decision before the customer buys. Retailers should make policies easy to find, simple to understand and clear on key questions such as return windows, charges, refund timing, exchange options and return locations. A good returns policy should reduce hesitation, not create uncertainty.

2

Offer flexible return options, including in-store returns: Customers value choice. Postal returns, courier pickup, parcel shops, lockers and in-store returns all serve different customer needs. For retailers with stores, in-store returns can be especially valuable because they create an opportunity to resolve the issue face to face, offer an exchange and potentially recover the sale.

3

Turn refunds into exchanges where possible: Many returns are not lost sales. If the issue is size, fit, colour or product preference, the customer may still want to buy. Retailers should offer exchange options clearly within the return journey, rather than defaulting straight to a refund. This can help retain revenue while giving the customer a better outcome.

4

Use return rules to balance customer experience and margin: Returns policies do not need to be one-size-fits-all. Retailers can use rules to treat different situations differently, such as faulty items, frequent return behaviour, international returns, sale items or in-store returns. The aim should be to keep returns fair and transparent while protecting margin and reducing avoidable cost.

5

Capture return reason data and act on it: Returns data should feed business improvement, not sit in a report. Fit issues, poor quality, damaged items and products not matching descriptions all point to different actions. Retailers should use structured return reason data to improve sizing guidance, product content, packaging, fulfilment, supplier quality and customer communications.

Further reading: nShift's on-demand webinar on returns explores how retailers can use delivery and returns insights to improve revenue, customer satisfaction and peak-season performance.

imrg The UK eCommerce Association

Contact

IMRG

Tel: **0203 696 0980**

Email: **membership@imrg.org**

www.imrg.org

nShift

Email: **marketing@nshift.com**

www.nshift.com

nShift

It's all in the delivery.™