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THE EVOLVING RETAIL RISK LANDSCAPE:

GETTING TO GRIPS WITH ONLINE RETURNS

Ecommerce is growing – and quickly. In some countries, it now accounts for as much as a third of all retail sales. However, it's not without risks that can sap profits, such as fraud, delivery errors, theft and more. But there's one (potentially less obvious) drain on revenue – returns, particularly in apparel.

By the Numbers:

Many retailers are now seeing about **40%** of the products sent out to customers being returned.

Some German retailers have reported rates as high as **75%**

The value of returned goods in the U.S. has been calculated at nearly **$370** billion in 2018 – before the pandemic.

But money isn't the only thing you could be losing out on.

Non-Revenue Costs:

- Stock being returned that is damaged in some way and not able to be sold again at the original price.
- Stock having to be re-packaged to enable it to be put on sale again.
- Fraudulent returns – cheaper/false items returned by customers.
- Stock being returned that has clearly been used (known as "wardrobing") that cannot be sold again.
- Stock being returned to a location where it was not originally on sale, which can increase the risks of theft and damage and incur further transportation costs.

Fortunately, there is an answer – careful, effective inventory management. To learn more, visit www.datascan.com