No one doubts customer returns are a big issue for both retailers and manufacturers. According to Accenture, purchase returns represent 2-3% of all CE sales in the US, or around 5-6% of manufacturer spending.


This means returns in our industry are bigger than those some other industries...

The analyst also estimates US customer CE returns will total $16.7 billion in 2011-- and only 5% of returns are due to defective products, while the remaining 95% covers either product frustration or buyer's remorse.

In other words, customers are returning perfectly good purchases at retailer and manufacturers' expense. And while the study covers only the US, we're sure the situation is at least roughly similar on our side of the pond.

Being in metrics and logistics itself, Accenture suggest the further use of metrics within the retail sphere-- keeping track of what customers are returning (and keeping!) in order to plot supply chain changes.

Other suggestions include the improvement of return/repair networks, the encouragement of customer feedback, more accurate advertising and more spending on customer service, all in order to spend less on returns.

As the gift-giving season is but a few days away, it should pay to make customers happy-- in the hopes they keep US happy in return!

Go Accenture: A "Returning Problem" Study