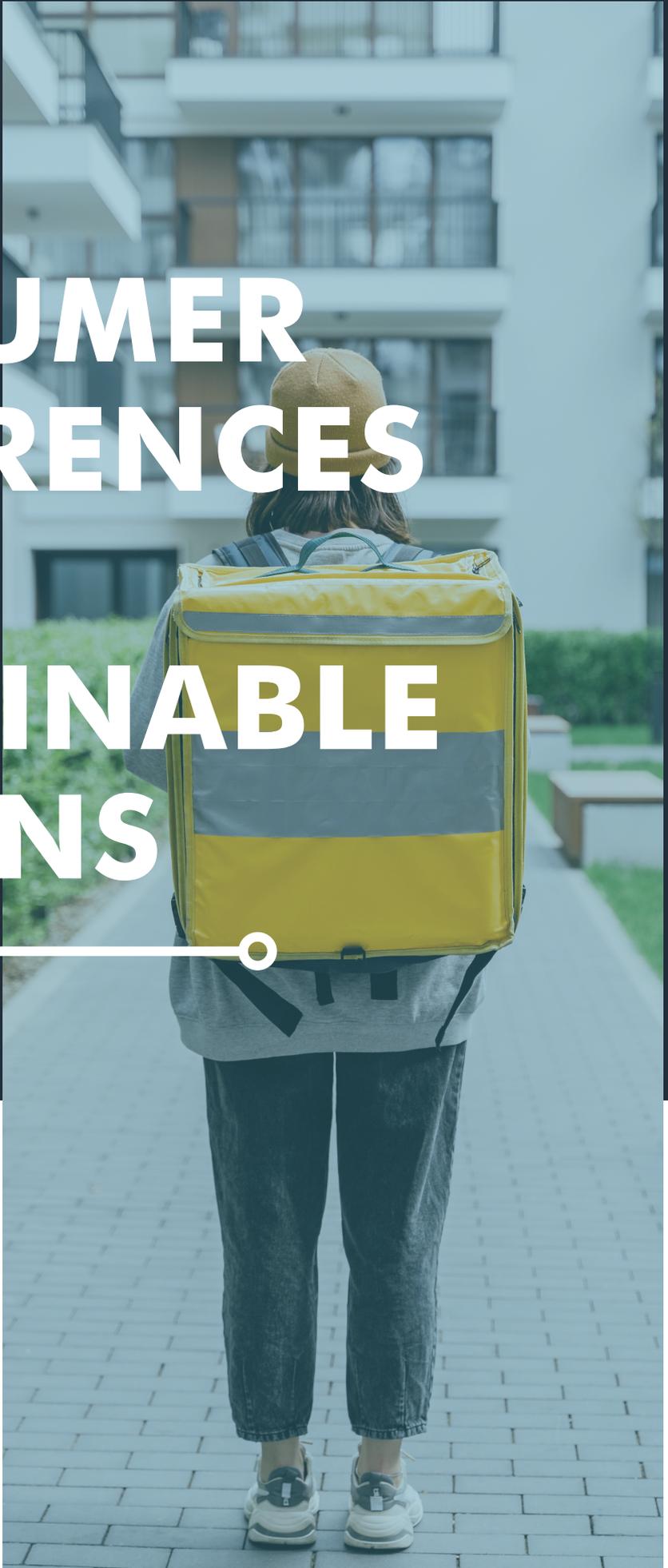
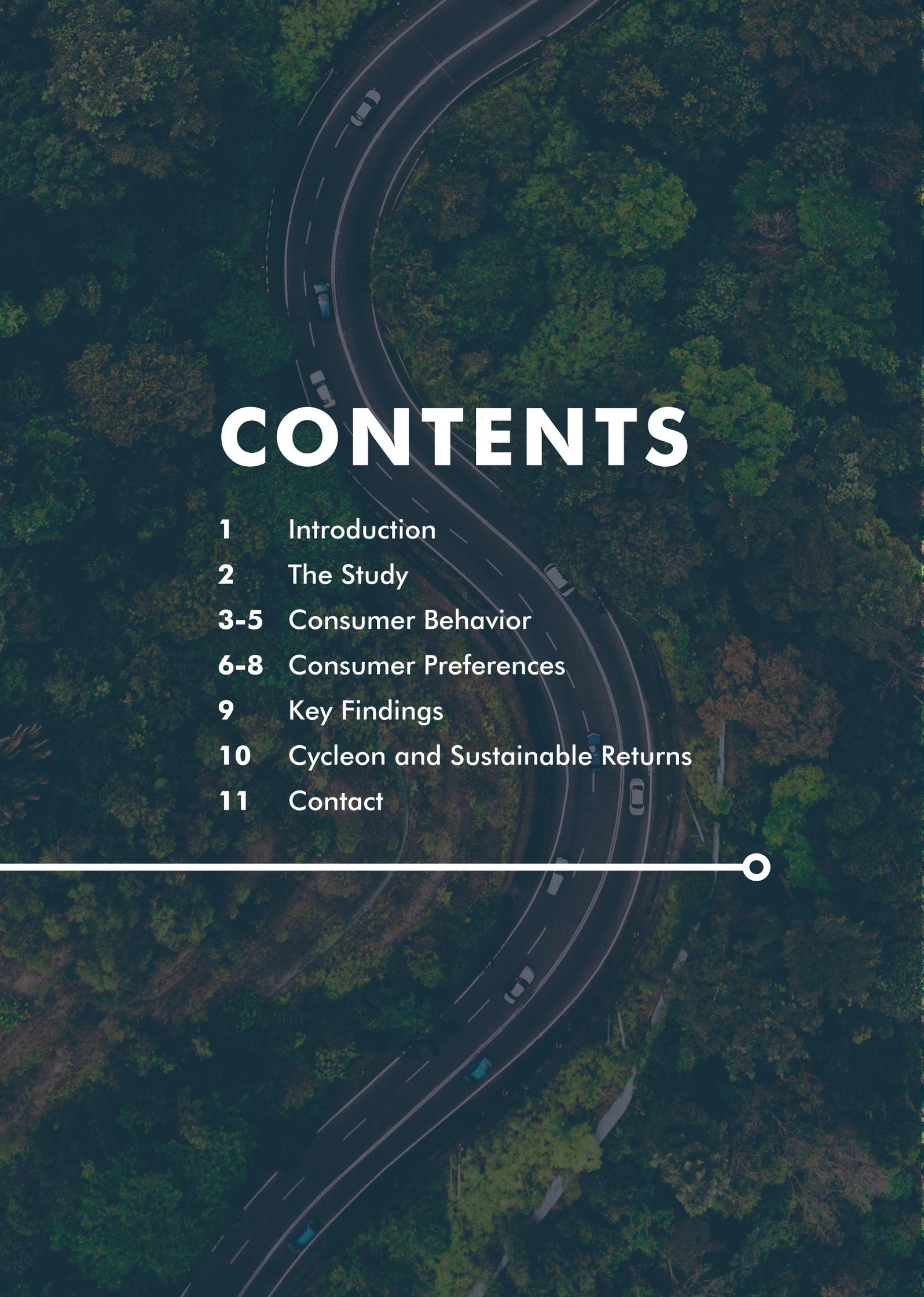




CONSUMER PREFERENCES FOR SUSTAINABLE RETURNS



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Introduction

79%

of consumers are changing their purchasing preferences based on sustainability

54%

of consumers expect to see sustainable packaging options.

42%

of those aged 18 to 25 are likely to consider the environmental impact of their online shopping.

As e-commerce continues to evolve and become more popular than ever before, questions arise about how to maintain these operations in a sustainable way.

There is no denying that aspects such as the materials, manufacturing and transportation involved in the fulfilment of online orders can be harmful to the environment. Yet, it is only realistic to accept that e-commerce channels will only further expand its reach globally.

Therefore, it is clear there is now a collective awareness, both among brands and shoppers, that there needs to be an environmentally conscious way to run these operations and satisfy the demands of the modern consumer. Although balancing convenience with green options may be tricky, innovations and initiatives within the industry are making this ever more possible.

This is especially true as the voice of the consumer becomes louder on sustainability. As a frequent household topic of discussion, productive questions about sustainability are now entering many avenues of life. Consumers are now asking for more transparency on how their packages are reaching them, and how they are being returned, plus the impact of these services.

To dig into this deeper, Cycleon asked a variety of consumers around the globe what their preferences are for online shopping and returns, as well as their shopping behaviors. This survey included many sustainable options, in areas such as packaging, labels and transport methods, to gage the audience's appetite for greener e-commerce options.

The Study

8
countries



Europe and North
America

2500+ consumer
participants



Ages 18-65+

Consumer Behavior

As increased numbers of consumers shop online, a variety of shopping behaviors emerge specific to e-commerce spending.

Although these behaviors may vary per country or demographic, it is clear to see that some activities may be more harmful to the environment than shopping in physical stores.

For example, with the home now turning into the fitting room, consumers are more likely to buy multiple sizes, safe in the knowledge that they can easily return – usually free of charge.

It is therefore important that brands analyze this behavior so they can make decisions on how to promote more sustainable shopping behaviors among their consumer base. All the while, ensuring that convenience also remains a priority.

% of consumers that purchase several sizes to try at home.

57% 25%

DE

FR

% of consumers who wear an item before returning for refund.

30% 10%

IT

NL

Consumer Online Shopping Behaviors



Consumer Behavior

Although results varied per country and demographic, it was clear to see the behaviors that dominated overall. The most common returns behavior was consumers that ordered multiple sizes to decide on the correct item to keep at home.

From this conclusion, brands can take action to reduce the number of orders in several ways. For example, placing accurate size guides/measurements and customer reviews clearly online during the presale process. This would embolden shoppers to choose the correct size first time, reducing overall return volumes and over-ordering due to sizing concerns.



Most common behavior per country



Least common behavior per country



Consumer Behavior

The data uncovered that around 4 out of 10 times consumers ordered more than one of the same product in order to determine which to keep .

Although this value varies between the type of item being purchased. For example, due to the price point, luxury items are ordered more singularly. Perhaps more thought and research was conducted by the consumer before spending? Whereas shoes are often ordered in batches of 2-3 times which suggests some shoppers may be torn between sizing as each brand can differ here.

This data further indicates toward indecisiveness during the purchasing process from the consumers' side. Suggesting that more can be done during this sales stage to reduce this uncertainty and lower return rates. After all, no return at all is the greenest form of return.

volume per order

6-10

*fashion and
apparel items*

2-3

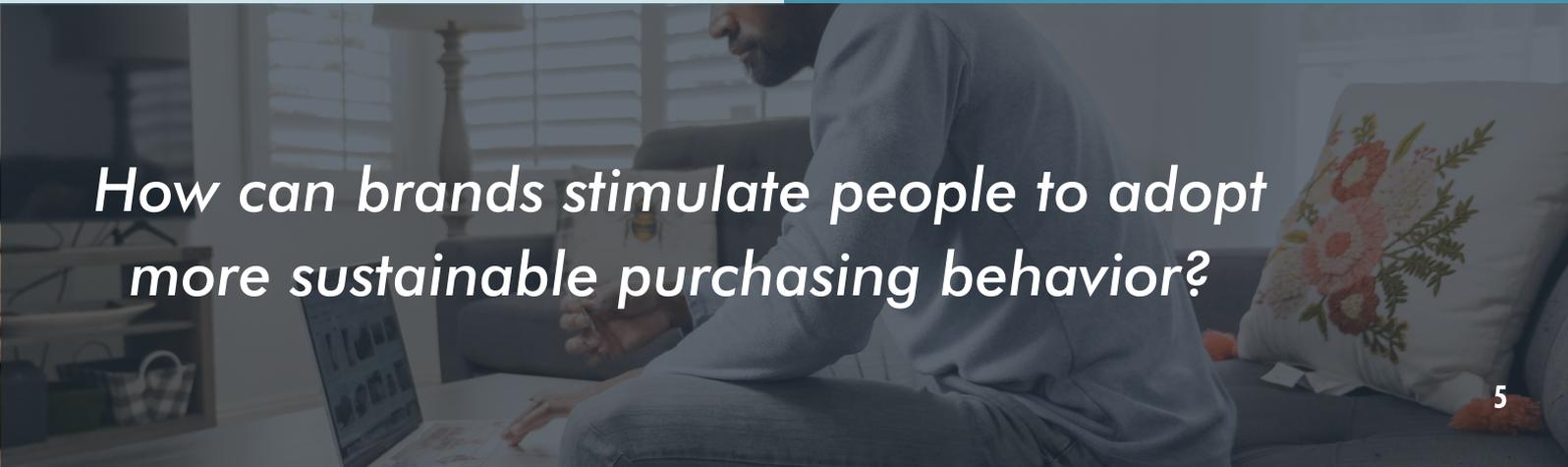
shoes

>2

*luxury
accessories*

4 in 10x

*consumers buy
multiple items
(colors/sizes) to try and
choose at home*

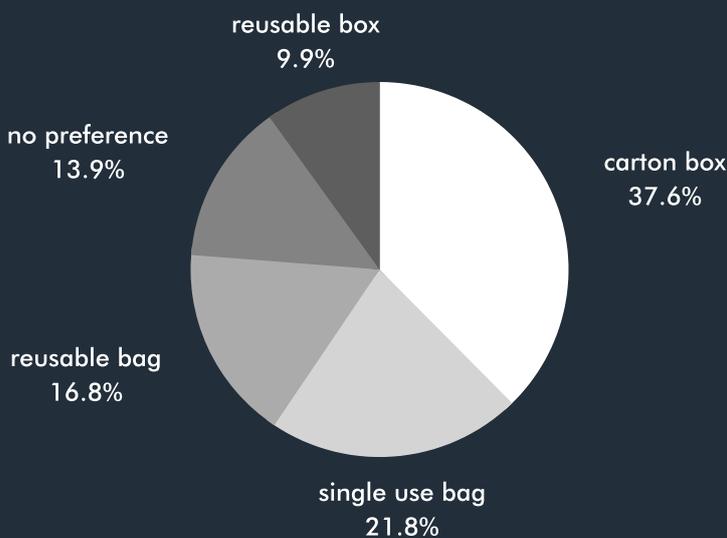


How can brands stimulate people to adopt more sustainable purchasing behavior?

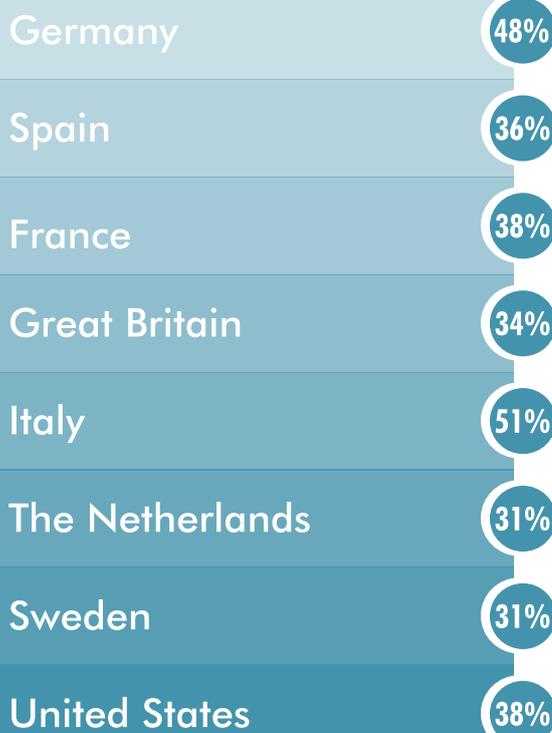
Consumer Preferences

PACKAGING

Which packaging do you prefer to return your online purchases?



% of consumers who chose 'carton box' as their preferred packaging for returns



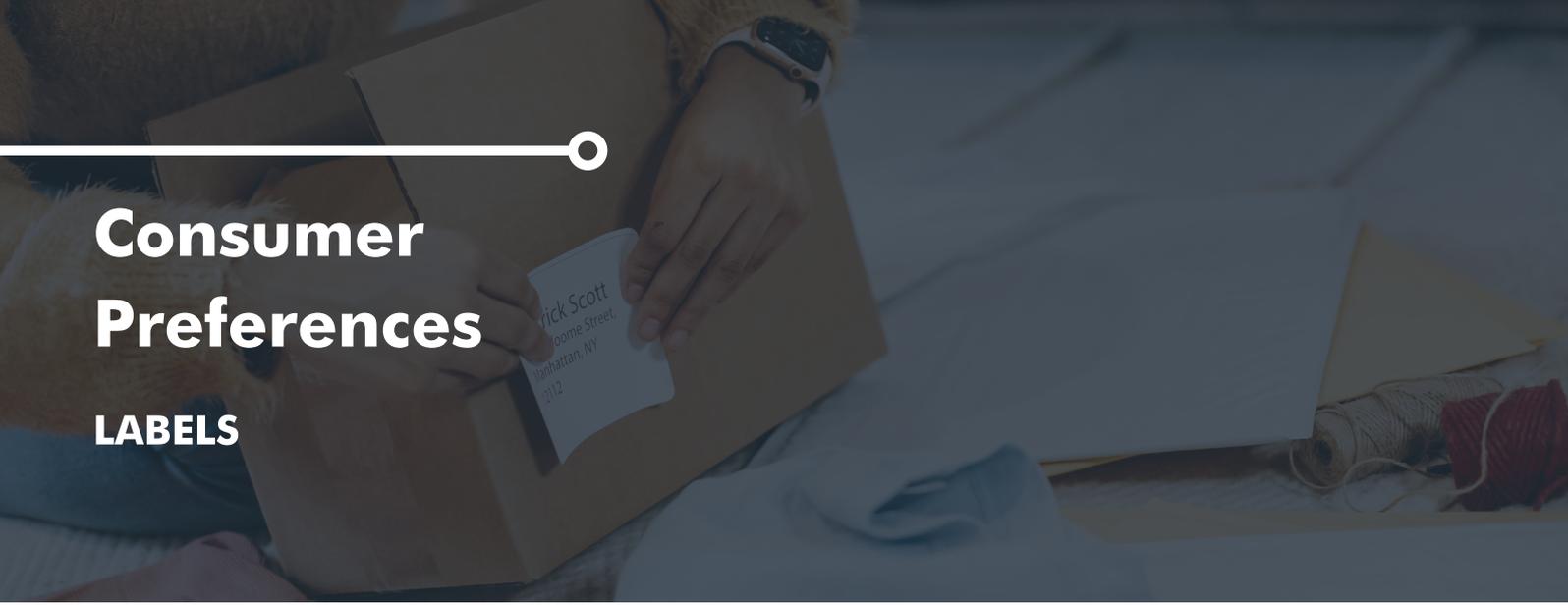
The survey data concluded that only 14% of respondents viewed packaging as unimportant for both shipping and returns. Showing clearly that brands need to invest in their packaging options to reach the expectations of customers. Also in terms of sustainability goals as packaging can often be a resource which leads to large volumes of waste – through the use of plastic or non-recyclable materials.

Despite the percentages varying between countries, it is clear the defining preference for consumers was a carton box for their returns. In Italy, over half of the survey participants indicated that this would be their choice. Whereas in Sweden and the Netherlands this volume was lower at 31%, but nevertheless a high volume.

The preference, globally, for a single use packaging option may be surprising when reusable forms of packaging were also presented to consumers. As we know from our previous study that 75% of consumers expect and desire for their returns to be handled in a sustainable way.

The most likely reason for this is the convenience that a single use packaging option provides. Therefore, the conclusion can be drawn that brands need to find ways to handle their operations in a greener way, without compromising on the convenience features that consumers have grown to love over previous years.

It is interesting that the survey respondents chose for a carton box, over a bag despite both options being single use. Could this be because the material was defined for the box and not the bag? Most people understand that carton is a material that is more biodegradable, and a resource that can easily be recycled.



Consumer Preferences

LABELS

Consumer return label preferences

Receive a return label in the delivery box	52%
Receive a QR code on my phone that I show in the post office/to the courier	22%
Print the return label from my email/portal once I need it	20%
Write a return code on the box (for the pick-up or drop-off locations to use as input)	5%
Other	1%

Comparing the data on consumers' preferences for returns, it is evident that 80% do not want to have to print out a label themselves. In each country, almost half of consumers, and sometimes more, indicated that they would like to see a return label ready and waiting for them in their order. In Sweden, as little as 8% of consumers said they would want to print their own label and in some regions up to to 40% did not have access to a printer at all.

Not only is the return label in the box convenient, but also an easy way for consumers to navigate. Encouraging them to return unwanted items more quickly – returns that can then be restocked and resold to avoid the product being wasted.

Perhaps surprisingly, consumers opted for a label in the box over paperless options such as a QR code or digital label (44% of consumers ages 18-24 and 56% of those aged 45-54). As the most sustainable option that reduces paper and ink waste, perhaps brands need to make it easier for their customers to return digitally. This way, they can encourage a greener way to return that is also customer-friendly.

Consumer Preferences

OUT OF USE OPTIONS

It is no secret that consumer goods are often a major source of waste. Fashion items, for example, are often not reused or re-utilized and end up in landfill. Therefore, it is essential that brands handle their returned and unwanted items in an environmentally responsible way.

As long as e-commerce grows in popularity, so will the need for a return service. Therefore, it is in both the interests of the retailer and consumer to manage this in a sustainable manner. Luckily there are options for returns to ensure that these items remain in the product life cycle as long as possible – such as reuse, resale and recycle activities.

When consumers were asked about potential 'end-of-use' options, recycling, resale, and donation to charity were all popular choices that were selected. Interestingly, recycling proved to be the most selected answer. Indicating that the modern consumer recognizes the benefits and potential of using raw and synthetic materials for re-production.

70%

*send for resale on
second hand
market*

74%

*send to
charity/goodwill*

78%

send to recycling



Key Findings

The Future is Paperless

The survey data unveiled that **only 19% of those questioned revealed that they would prefer to print their own returns label**. Plus, in some countries up to 40% of consumers indicated they did not have access to a printer. Going paperless for return labels not only adds convenience for consumers, but is also a less wasteful and more sustainable option for brands to adopt.



Consumers Desire Sustainability and Convenience

Although consumers have a high appetite for more environmentally conscious e-commerce solutions, it is doubtful that they would be willing to give up the conveniences they have gotten used to in order to achieve this. Therefore **brands must find a balancing act between green operations and maintaining their customer experience**.

E-commerce Shopping Habits Encourage Multiple Orders

42% of those questioned admitted to buying multiple sizes to test which was most suitable. The home is the new fitting room, and with convenient features such as free delivery and returns, as well as 'pay later' options - more must be done to find a balance between maintaining a positive consumer experience and discouraging over-ordering.



Cycleon and Sustainable Returns

At Cycleon, we're focused on making returns more sustainable and are constantly innovating to find new and unique ways to achieve this. Currently, our key focus areas are:

- Reducing overall parcel movement
- Decreasing CO2 emissions associated with returns
- Promoting resource recovery and supporting the circular economy
- Working with suppliers on joint sustainability goals

Our sustainability products support our clients with achieving a higher level of sustainability. We focus on providing insights and enabling carbon neutrality.

Sustainability Products

Goodprint

Goodprint is an online resource that we update regularly to share our up-to-date findings, learnings and innovations in sustainability and returns.

We support collaboration, not competition to improve the environmental impact of returns. We hope to encourage transparency around the topic and encourage collective efforts in the industry.

Collaboration ~~Competition~~

More Info?

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