

FedEx Report: Consumers Demand Greater Flexibility in Returns

28-01-2025

Generational and income-based insights reveal shifting preferences in e-commerce returns, with Gen Z planning to return more items than ever before.

FedEx Corporation released its second annual FedEx Returns Survey in collaboration with Morning Consult, uncovering how evolving consumer expectations are reshaping the returns process. As e-commerce continues to grow, flexible and convenient return options are becoming essential for meeting the diverse needs of shoppers across generations.

Consumer Preferences in Returns

When returning online purchases, preferences diverge by income and generation. Higher-income earners (66%) and baby boomers (59%) favor returning items in-store, while 20% of Gen Z and millennials opt for home pickup, with 19% of millennials also choosing mailbox drop-offs. These trends underline the demand for innovative, accessible return solutions.

"Consumers are making it clear that flexibility and convenience are essential when it comes to returns," said Jason Brenner, senior vice president, digital portfolio at FedEx. "The continued rise in no-label, no-box returns and growing demand for home pickup options reinforce the need for retailers to offer solutions that make returns more seamless for consumers."

Perceptions of Returns Ease

Opinions on the current ease of returns are split. While 51% of consumers believe returns have improved, 32% are neutral, and 17% think the process has become more challenging. Millennials (56%) and high-income groups (58%) are the most optimistic, while Gen X (21%), Gen Z (18%), and lower-income consumers (18%) express skepticism. These perspectives highlight opportunities for retailers to refine and communicate return policies effectively.

The Importance of Return Policies

Return policies significantly influence shopping decisions, with two-thirds of respondents considering them before making a purchase. Nearly 30% say return policies directly impact whether they complete a transaction, emphasizing the importance of transparent and flexible options in building customer loyalty and driving sales.

FedEx conducted the survey with Morning Consult between December 14 and December 20, 2024, gathering insights from 2,200 U.S. consumers and 1,000 U.S. business shippers.

See the full findings of the <u>FedEx Returns</u> Survey.