

# Returns Survey



**FedEx**®

January 2026

# Key Findings: Consumers

## Shipping and Return Habits

More than 6-in-10 consumers shipped packages in the past year, consistent with 2024 patterns.

## Online Holiday Shopping Continues Growth

Consumer preference for online gift purchases continues to grow (37% vs. 29% in-store), up from 2024 levels.

## Return Fee Awareness Remains Low Despite Rising Costs

While 59% of consumers would avoid retailers charging return fees, there's still widespread confusion about which retailers actually charge them, creating opportunities for clearer communication.

## Confidence Continues Influencing Return Behavior

Consumers' return habits still closely align with their confidence levels. Consumer confidence in returning items in-person (90%) significantly exceeds shipping confidence.

## No-Label/No-Box Returns Gain Traction

Familiarity with no-label/no-box returns increased to 48% among returners (vs. 37% in 2024), with usage growing to 41% (vs. 31% in 2024). These options are overwhelmingly perceived as convenient, easy, and stress-free.

## AI Integration Shows Promise but Trust Lags

20% of consumers now use AI chatbots for shipping/return information, though AI remains the least trusted source. However, 53% of those who interacted with AI-powered customer service found it more satisfying than human support, suggesting potential for growth with improved trust-building.

# Key Findings: Business Shippers

## FedEx Maintains Primary Returns Partnership Lead

As business shippers shift their preferences toward a primary returns partner rather than multiple partners, FedEx remains the primary partner of choice (36% vs. UPS 32%, USPS 12%), with notable strength among medium businesses.

## Return Volume and Cost Pressures Drive Strategic Changes

Business shippers expect more returns following the 2025 holiday shipping season, while more than 8-in-10 report that inflation and tariffs have influenced their return strategies over the past 12 months.

## Speed and Reliability Remain Critical, But Cost Importance Rises

While reliability remains paramount, price has continued its rise as a key factor (from 13% in 2023 to 21% in 2024 to 23% "most important" in 2025), reflecting ongoing economic pressures.

## Return Fees Become More Common

40% of business shippers now charge return fees (vs. 29% in 2024), with micro/small businesses significantly increasing adoption (40% vs. 25% in 2024). Most fees are deducted from refunds rather than charged separately.

## Usage of No-Label/No-Box Returns Continues to Grow

Business usage of no-label/no-box options grew to 49% (vs. 44% in 2024), with this growth led by medium businesses. 70% are willing to pay more for customer-friendly features that provide transparency.

## Business Shipper AI Adoption Accelerates

37% of business shippers currently use AI tools for returns (highest among large businesses at 44%), with 51% planning future adoption. Top AI applications focus on inventory management (56%), fraud detection (50%), and analyzing return reasons (48%). 72% see AI-driven return rate forecasting as valuable, with 69% planning increased AI usage in the 2025 holiday season.

# Returns Survey Report Agenda

## Consumers

- Page 6: Returns Habits
- Page 10: Holiday Habits
- Page 16: Sentiments Surrounding Returns
- Page 22: Knowledge Surrounding No-Label/No-Box Returns
- Page 28: Knowledge Surrounding AI

## Business Shippers    Appendix

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# Consumers

Returns Survey

Conducted December 2025



## Consumers' Return Habits

# Shipping and Returns

3-in-5 consumers have shipped a package or letter to someone in the past 12 months. Overall, millennials and Gen Z are more likely to have returned items, with millennials most likely to return a shipped item and Gen Z most likely to return an item bought in stores.



## Most likely to...

**Ship a package or letter:** Baby boomers (66%)

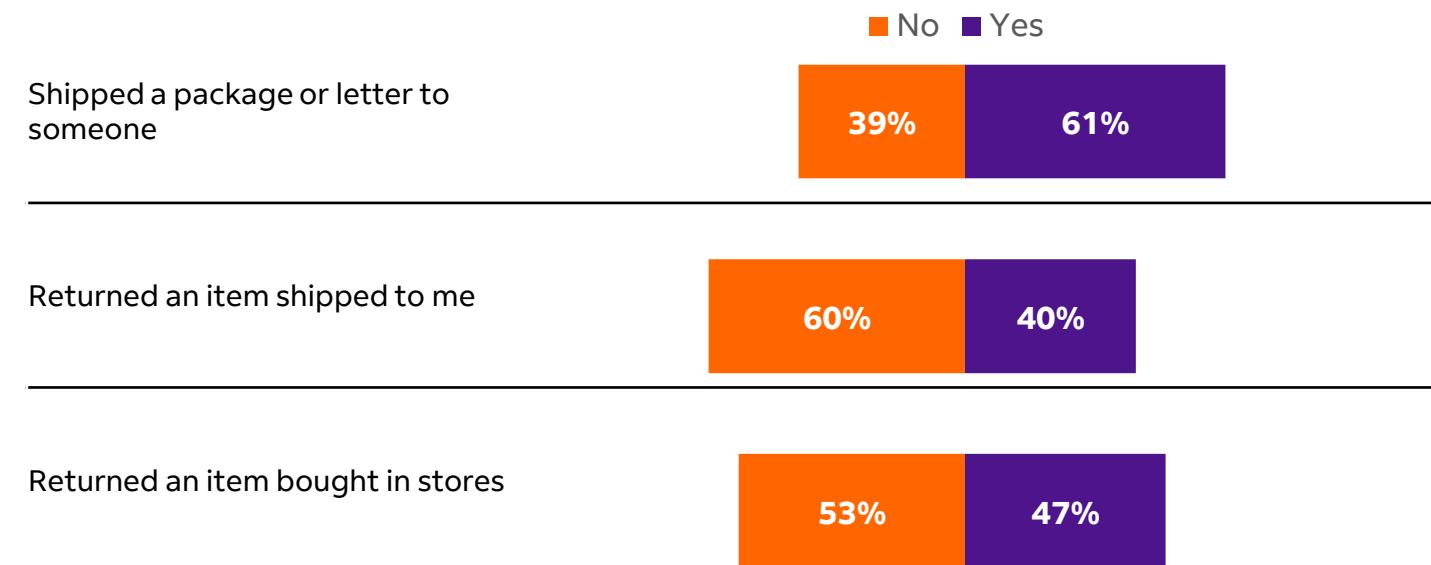
**Return an item shipped:** Millennials (43%)

**Return an item bought in stores:** Gen Z (57%)

## Past 12 Month Shipping and Return Activity

*In the past 12 months, have you done any of the following?*

Base: All respondents



*For the items you have returned in the past 12 months, were they mostly your own purchases, mostly gifts or items purchased for you, or a mix of both?*

Base: Respondents who have returned an item in the past 12 months

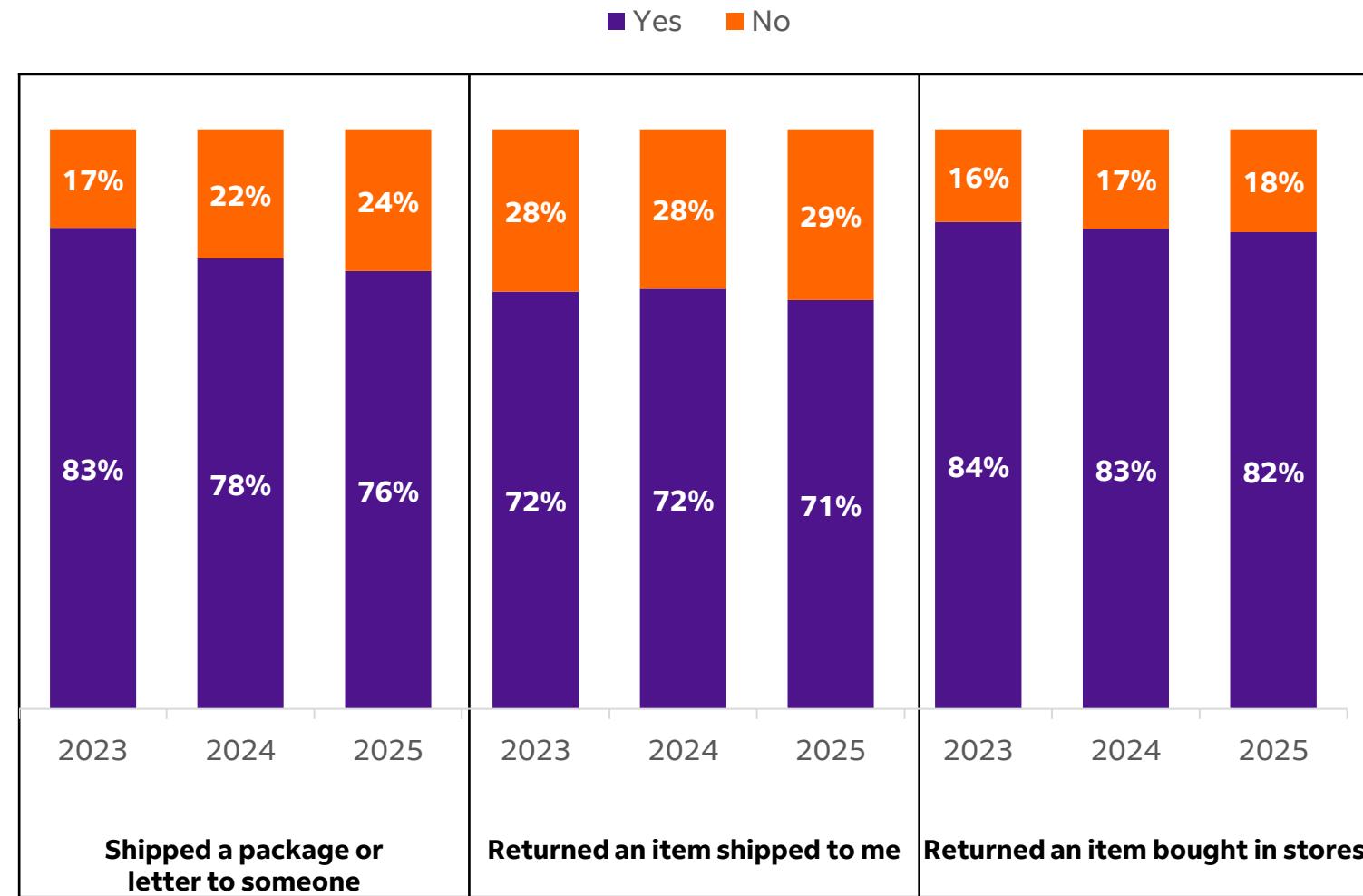


# Shipping and Returns: Trended

Over the past three years, the number of consumers shipping and returning items has stayed consistent.

## Past 12 Month Shipping and Return Activity: Trended

*In the past 12 months, have you done any of the following?*  
Base: P12M Returns Consumers



# Return Services Utilized

Respondents were most likely to return items directly to the store they purchased from, with millennials leading the way on most return methods.

## Return Services Utilized



## Most likely to...



**Take items to a storefront location to ship returns:** Baby boomers (38%) and millennials (39%)



**Return items to the store where they were purchased:** Baby boomers (56%)



**Return items to a drop-off location different from the original store where they were purchased:** Millennials (30%)



**Ship items from my home for returns by scheduling a return pick up:** Gen Z (22%), Gen X (20%), and millennials (19%)



**Ship items from home for a return by leaving items in my mailbox for pick up:** Millennials (25%)

*Please select all of the options for returning purchases that you have used.*

*Base: All respondents*



# Consumers' Holiday Habits

# Holiday Purchasing Habits

Respondents have a clear inclination towards purchasing gifts online.

More than 1-in-3 respondents state they expected to purchase gifts online more often than in previous years and 1-in-4 say they plan to send packages or letters more this holiday season.

## Holiday Purchasing Habits

*This holiday season, from now until mid-January, do you expect to do each of the following more often, less often or about the same amount as previous years?*



### Generation Spotlight

**Gen Z (47%) and millennials (46%) continue to be more likely to buy gifts online while Gen X (-4%) and baby boomers (-2%) declined compared to last year.**

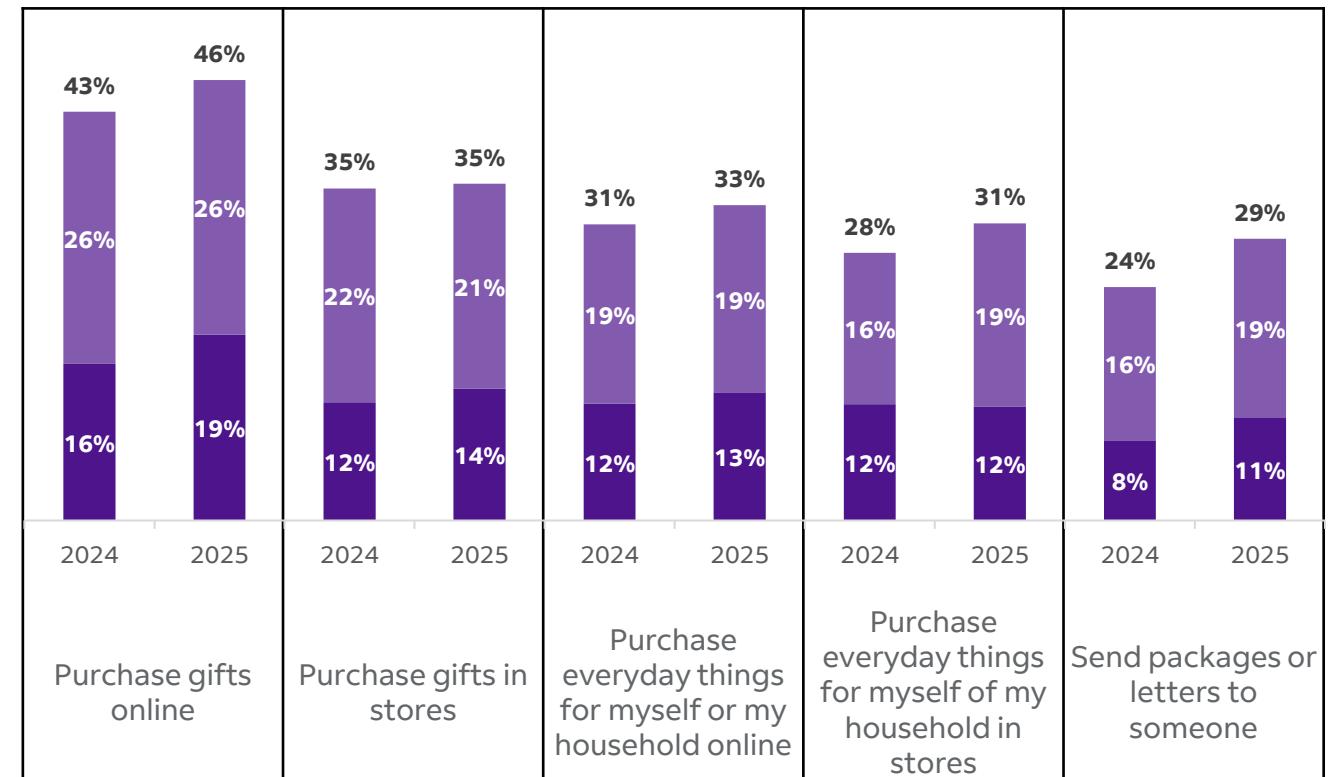
# Holiday Purchasing Habits: Trended

Among those consumers who have returned items in the past year, they are more likely to make online gift purchases in 2025 and more likely to send packages or letters this holiday season.

## Holiday Purchasing Habits: Trended

*This holiday season, from now until mid-January, do you expect to do each of the following more often, less often or about the same amount as previous years?*

■ A lot more often ■ Somewhat more often

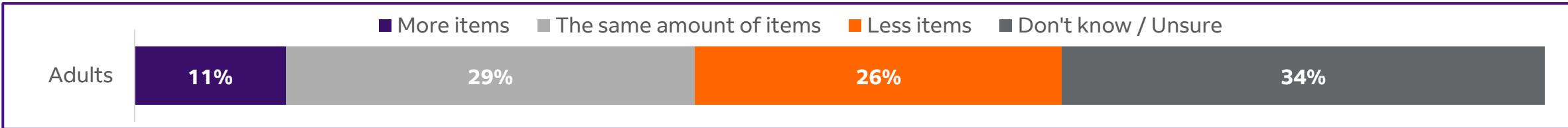


# Type of Returns

- 40% of consumers believe they will be returning the same (29%) or more items (11%) than previous years.
- Millennials and Gen Z are the most likely to pay attention to return fees at retailers.

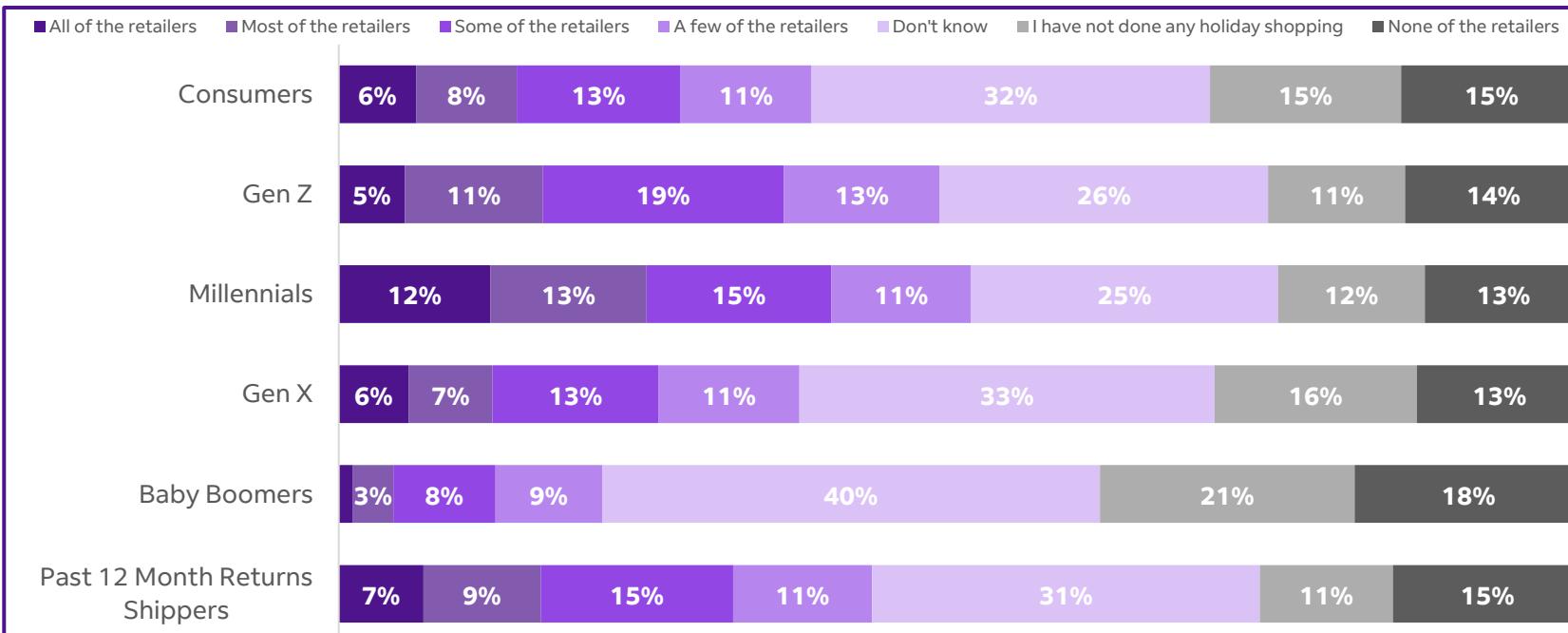
## Return Quantities Compared to Previous Year

During the holiday season, do you expect to return more items than in past years, less items or about the same amount of items?



## Charges for Returns

Thinking about the holiday shopping you have done, approximately how many retailers are charging for returns?



Base: All respondents | Note: Values  $\leq 2\%$  have been removed



## Return Fees?

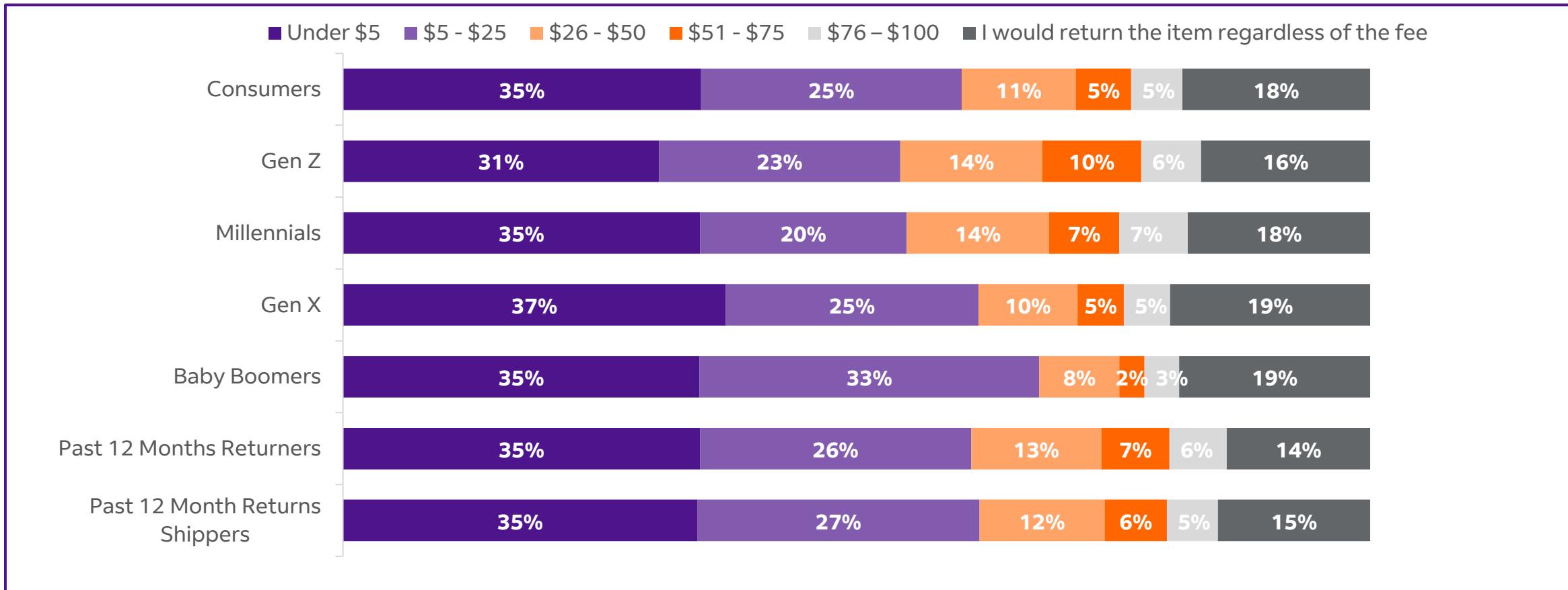
59% of consumers will consider avoiding a retailer when they know the store charges fees for returns.

This is especially true among Gen X (65%) and baby boomers (72%).

## Return Fee Pricing

- About 1 in 3 consumers say they would reconsider returning an item with even a \$5 fee, and a majority would reconsider for fees up to \$25 (under \$5 + \$5-\$25).

### No-Label/ No Box Return Shipping Familiarity



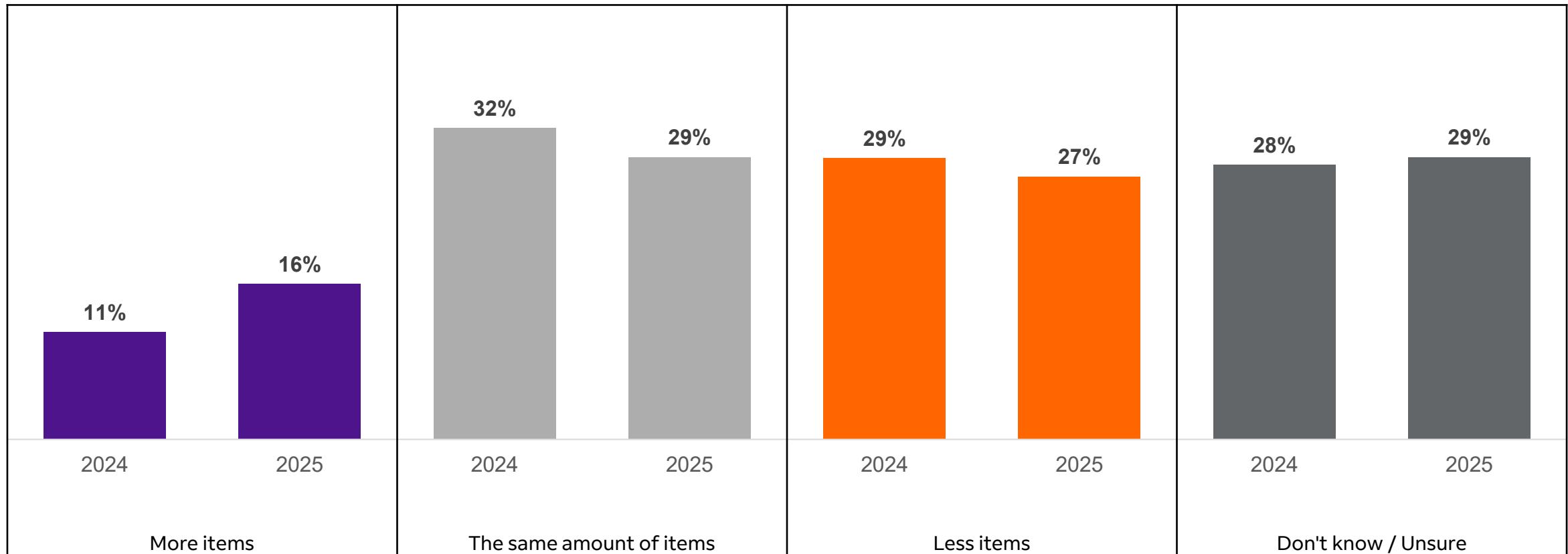
Assuming a \$100 item, how much does a return fee need to be before you consider avoiding returning the item? | Base: All respondents

# Type of Returns

- Likelihood to return “more items” has increased in 2025 amongst consumers who have previously returned something.

## Return Quantities Compared to Previous Year

*During the holiday season, do you expect to return more items than in past years, less items or about the same amount of items?*





## Consumers' Sentiments Surrounding Returns

# Consumers' Sentiments Surrounding Returns

- While all consumers are more confident returning items to the store they were purchased, millennials, who were the most likely to return items overall, are also most confident across most options for returns.

## Confidence Levels

Showing “very confident” and “somewhat confident”

	Consumers	Gen Z	Millennials	Gen X	Baby Boomers	Past 12 Months Returners	Past 12 Month Returns Shippers
Taking items to a shipping store to ship for returns	84%	78%	86%	82%	87%	90%	90%
Returning items to the store where they were purchased	89%	89%	86%	87%	92%	94%	93%
Returning items to a drop off location different from the original store where I purchased them	71%	71%	76%	68%	68%	79%	77%
Shipping items from my home for returns by scheduling a return pick up	71%	67%	76%	71%	67%	74%	75%
Shipping items from my home for returns by leaving item in my mailbox for pick up	61%	67%	70%	62%	50%	65%	65%

How confident do you feel when doing each of the following? Base: All respondents

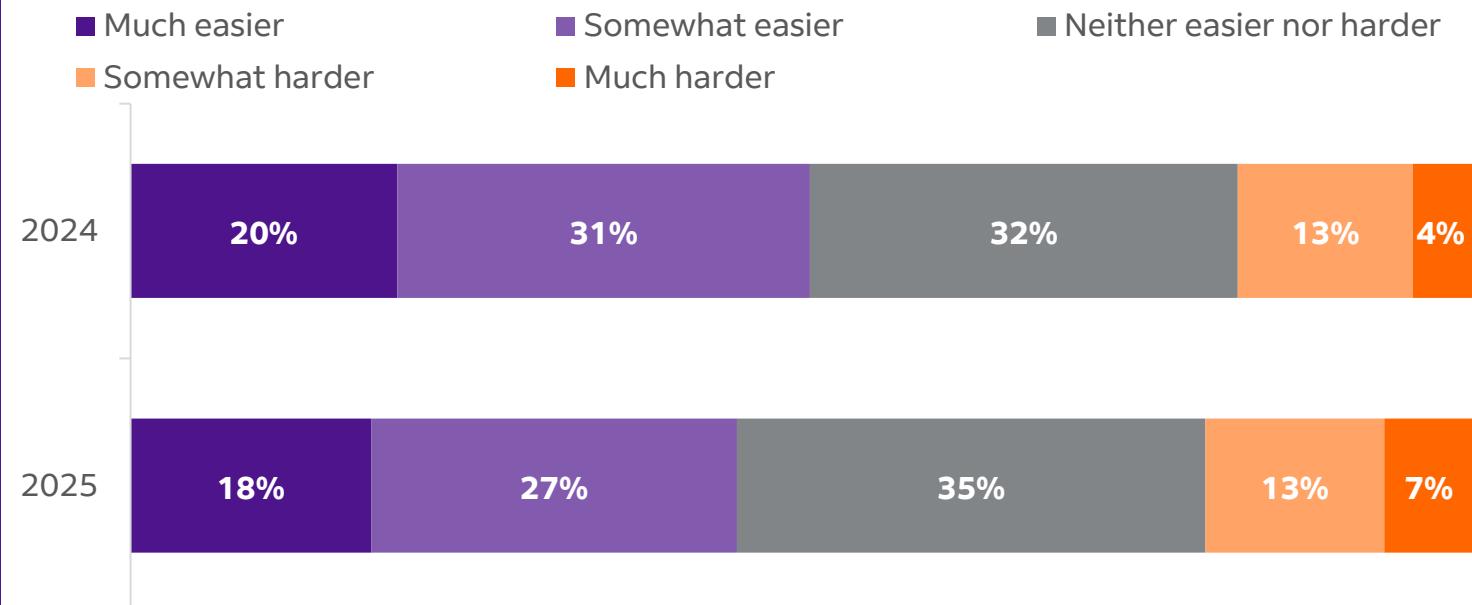
# Consumers' Sentiments Surrounding Returns

In 2025, consumers are slightly less likely to say returns have gotten easier in recent years.

Among those who say returns have gotten harder, “increased delivery minimums” and “return or restocking fees” were cited.

## Holiday Purchasing Habits

*Generally, do you think returning purchases has gotten easier for customers or harder in recent years?*



### How have returns have gotten \_\_?



#### Easier:

“Now I can return items by selecting an option on [an e-commerce website] then dropping the item off at the shipping store and the encounter is completed.”

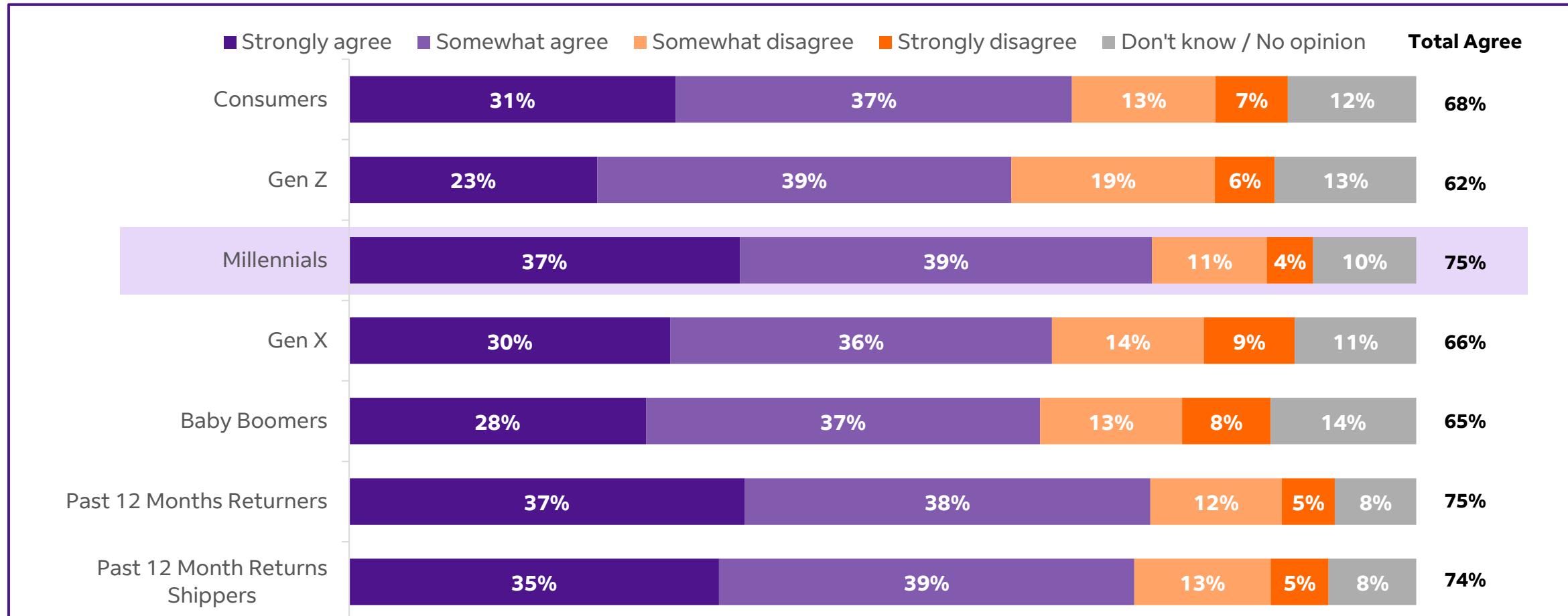
#### Harder:

“I have noticed many retailers have increased their minimum purchase for free shipping and will charge for returns or charge a restocking fee.”

# Consumers' Sentiments Surrounding Returns

- While 2-in-3 consumers overall say they consider return policies when choosing retailers, 3-in-4 millennials and consumers who previously returned items in the past 12 months say they do this.

## ***"I consider returns policies when choosing retailers"***

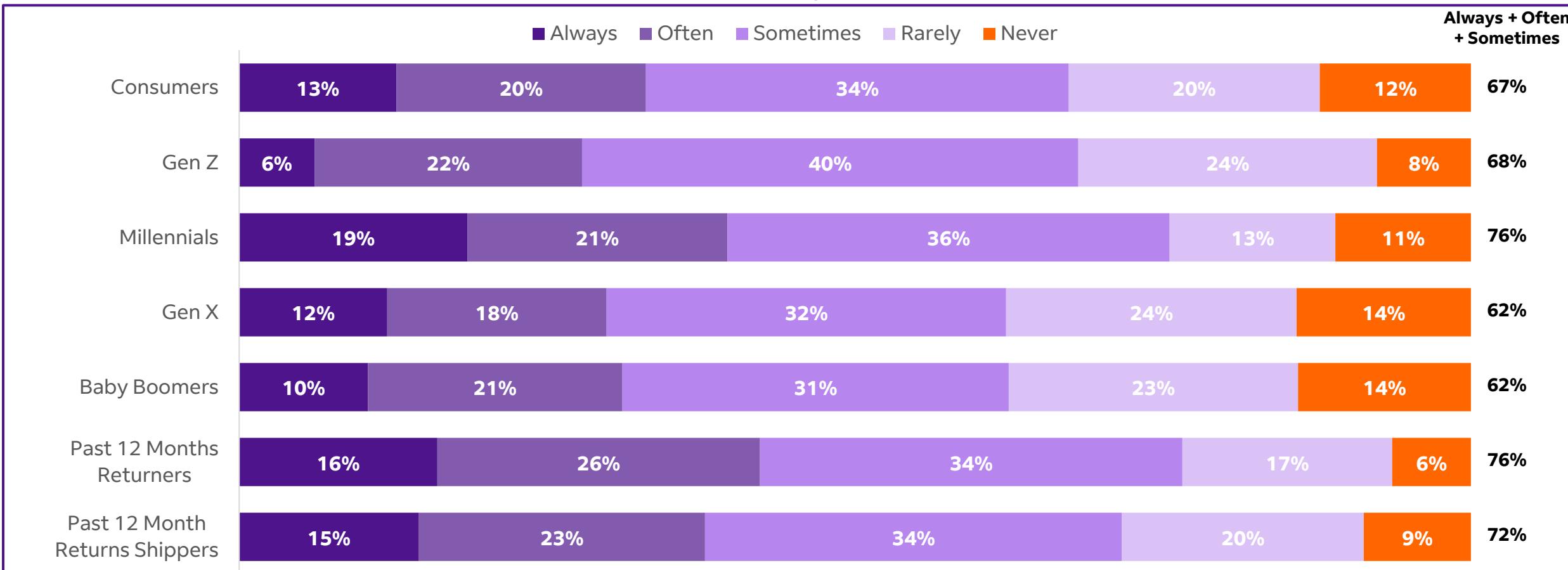


To what extent do you agree or disagree with the following statement: I consider returns policies when choosing retailers. | Base: All respondents

# Consumers' Sentiments Surrounding Returns

- 2-in-3 consumers say a retailer's return policy at least sometimes impacts their purchases, rising to 3-in-4 among millennials.

## Impact of Retailer's Return Policy on Purchase Consideration



How often does a retailer's return policy influence your decision to make a purchase? / Base: All respondents

# Sustainability

68% of consumers say it is important for return shipping to use as little waste as possible and prioritize sustainability, even higher than the number of consumers saying they are concerned with packaging waste and sustainability (52%).



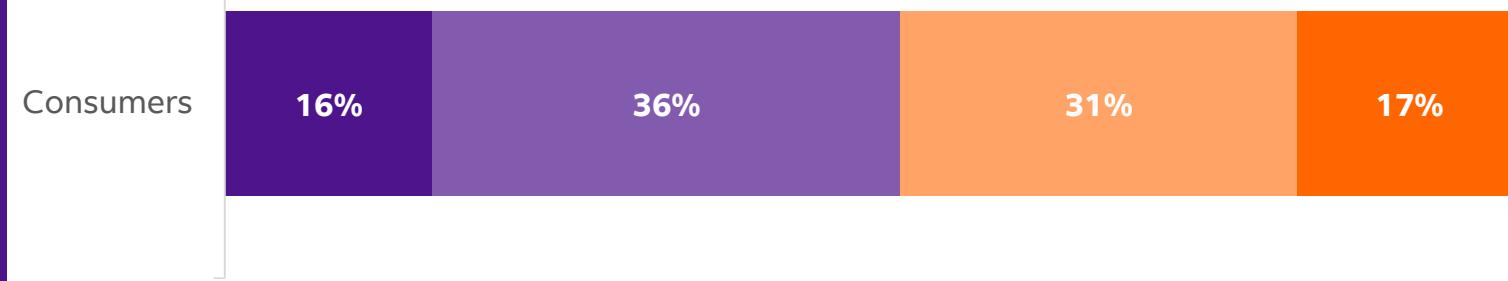
## Sustainability Spotlight

Millennials (60%) and Gen Z (55%) are the most concerned about sustainability and package waste. They believe it is important that return shipping uses as little waste as possible (73% / 71%).

## Sustainability Concerns

*When it comes to shipping items, how concerned are you with sustainable packaging and excess packaging waste?*

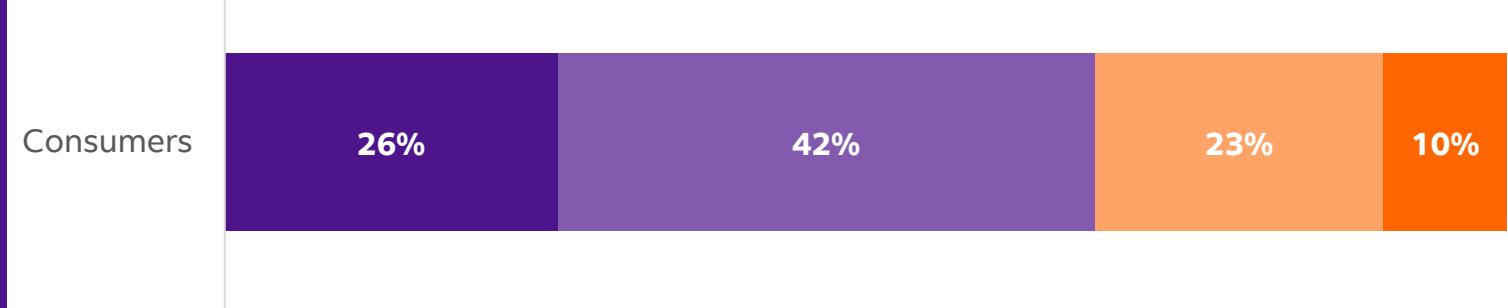
■ Very concerned ■ Somewhat concerned ■ Not that concerned ■ Not concerned at all



## Sustainability Importance

*How important is it to you that return shipping uses as little waste as possible and prioritizes sustainability?*

■ Very important ■ Somewhat important ■ Not that important ■ Not important at all



*Base: All respondents*

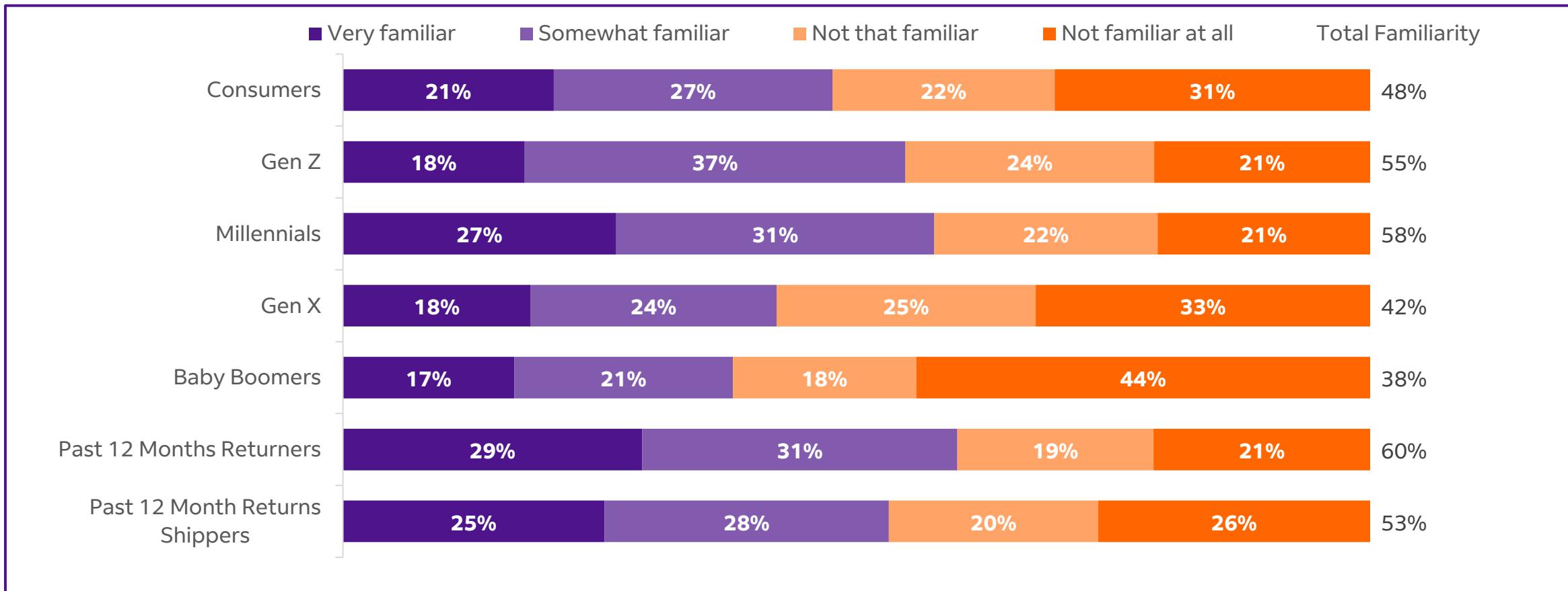


# **Consumers' Knowledge Surrounding No- Label/No-Box Returns**

# No-Label/ No Box Return Shipping

- Millennials and Gen Z are much more likely than Gen X or baby boomers to be familiar with no-label/no-box return options.

## No-Label/No Box Return Shipping Familiarity



How familiar are you with no-label/no-box return shipping options? | Base: All respondents

# No-Label/No-Box Return Shipping

Most consumers say they have not used a no-label/no-box return option, but familiarity trends suggest usage among millennials is more likely than older or younger generations.

## No-Label/No-Box Usage

*Have you ever used a no-label/no-box return shipping option?*

■ No ■ Yes

Consumers

71%

29%

Gen Z

72%

28%

Millennials

66%

34%

Gen X

74%

26%

Baby Boomers

72%

28%

Past 12 Months Returners

59%

41%

Past 12 Month Returns  
Shippers

64%

36%

*Base: All respondents*

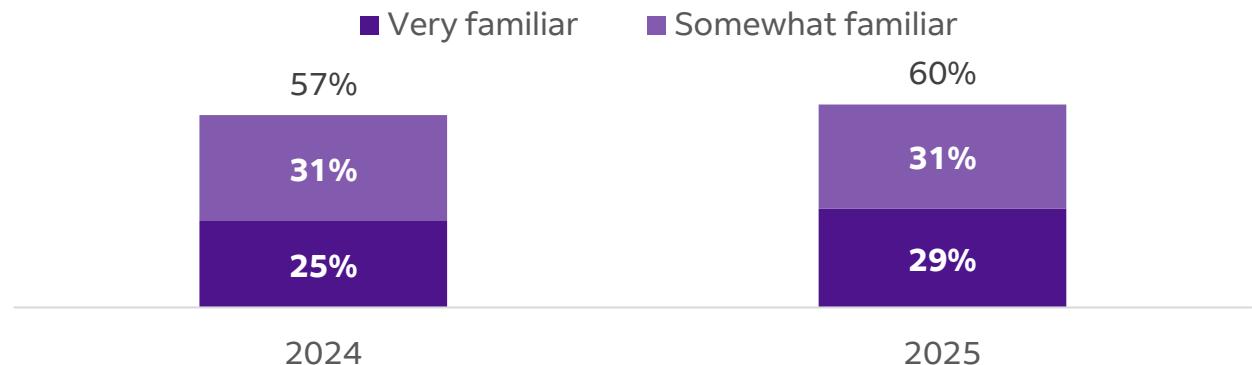
# No-Label/No-Box Return Shipping: Trended

Familiarity and usage for no-label/no-box has increased slightly since 2024 among those who have previously returned items.

Usage of these options has also grown slightly amongst consumers who made returns this past year.

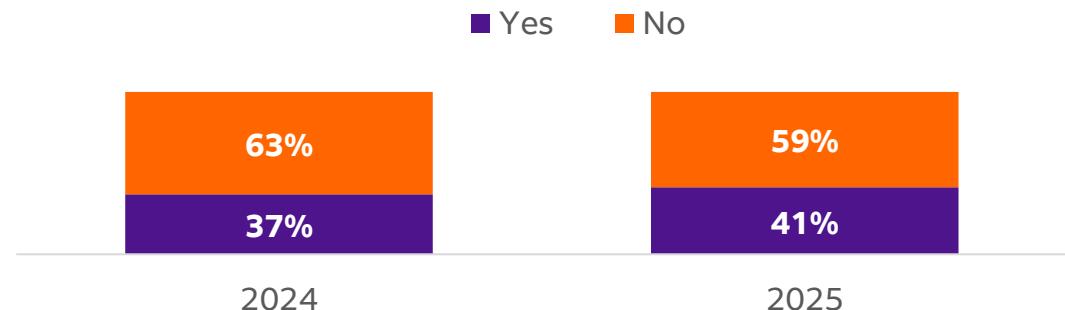
## No-Label/No-Box Familiarity: Trended

*How familiar are you with no-label/no-box return shipping options?*



## No-Label/ No-Box Usage: Trended

*Have you ever used a no-label/no-box return shipping option?*

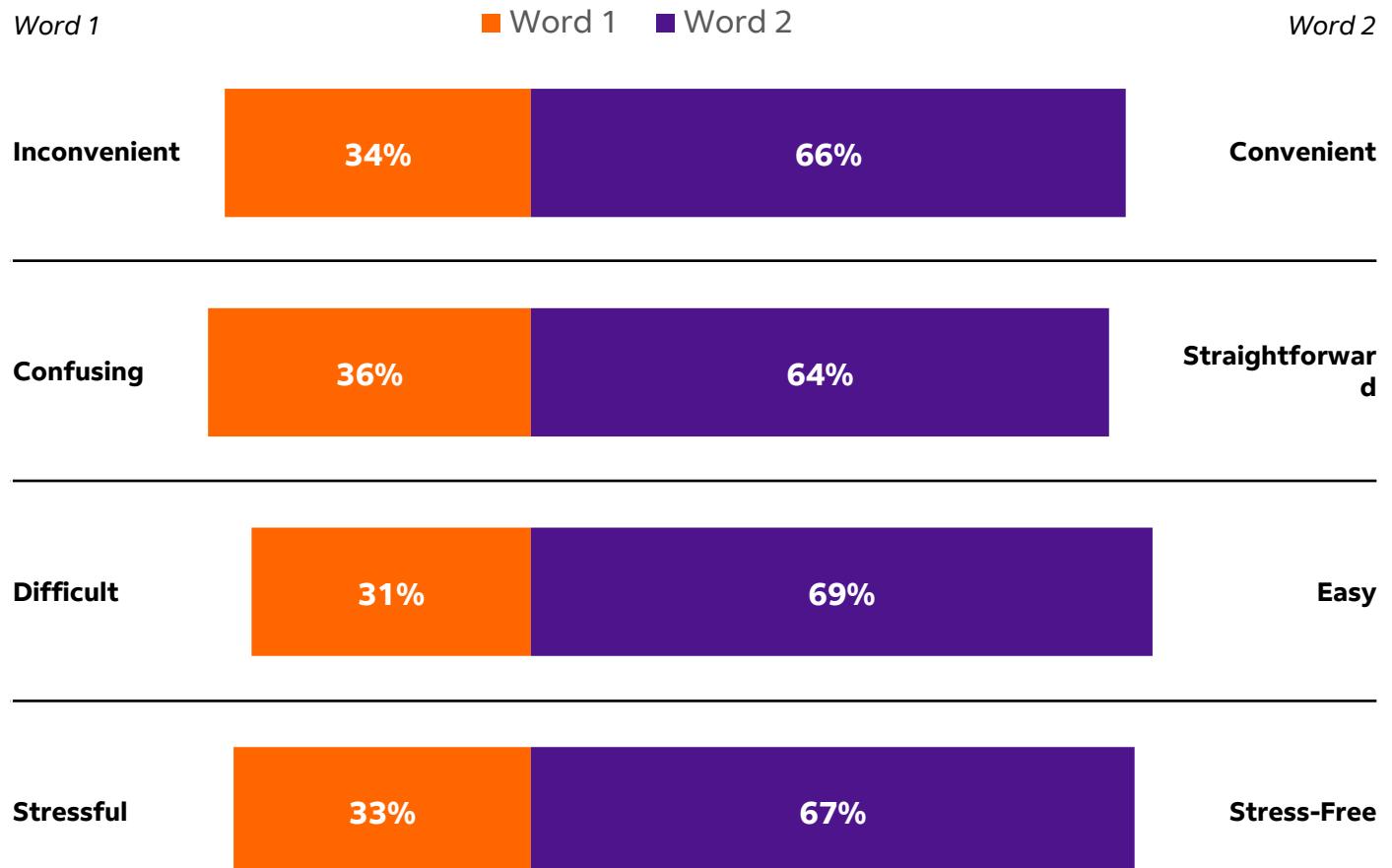


# No-Label/No-Box Return Shipping

No-label/no-box returns are generally seen as convenient, straightforward, easy and stress-free by over 60% of consumers.

## No-Label/No-Box Return Shipping Perceptions

*Please select which of the following words best describes no-label/no-box return shipping in your opinion.*



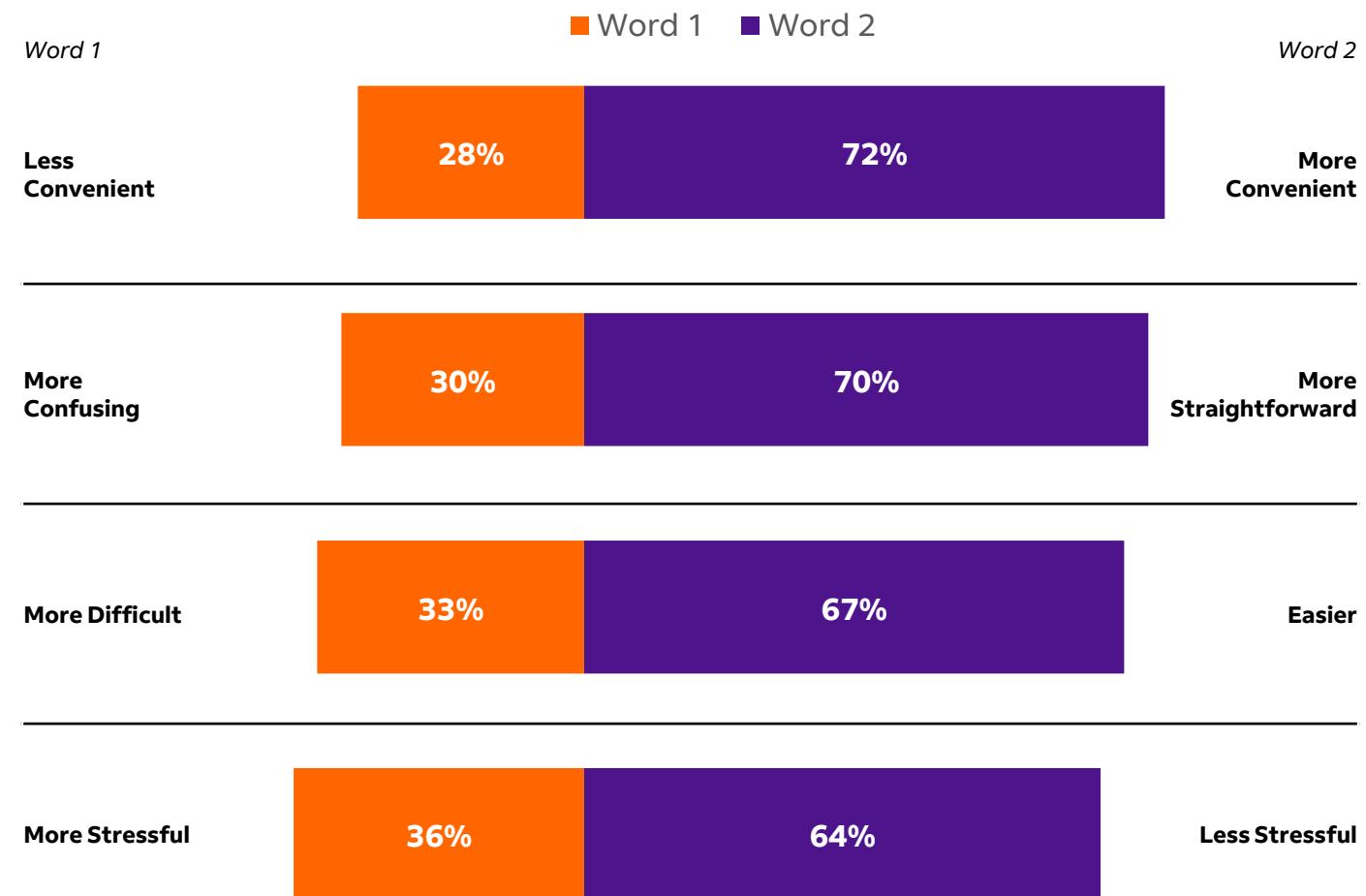
Base: All respondents

# No-Label/No-Box Return Shipping

Not only are they seen positively overall, but compared to other return options, no-label/no-box options are seen as more convenient, straightforward, easier, and less stressful.

## No-Label/No-Box Return Shipping Compared to Other Return Options

*Compared to other return options, would you say that no-label/no-box return shipping is...*



*Base: All respondents*

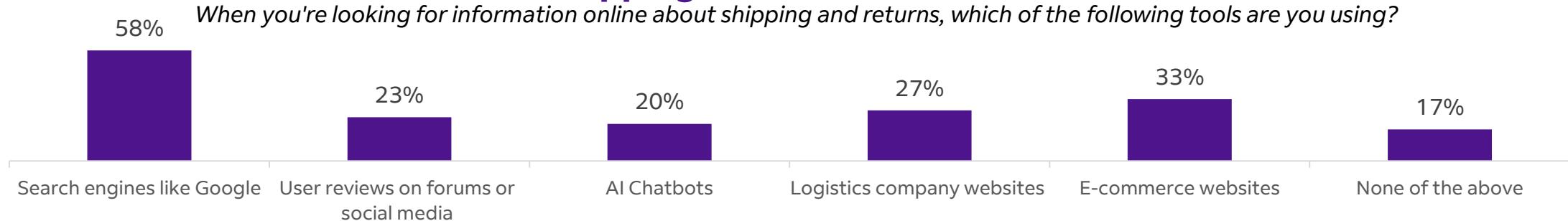


# Consumers' Knowledge Surrounding AI

# Trusted Sources of Information

**While search engines remain the top choice for information about shipping and returns, 20% of consumers say they are using AI Chatbots for this information – although AI Chatbots are the least trusted source.**

## Shipping Information Sources

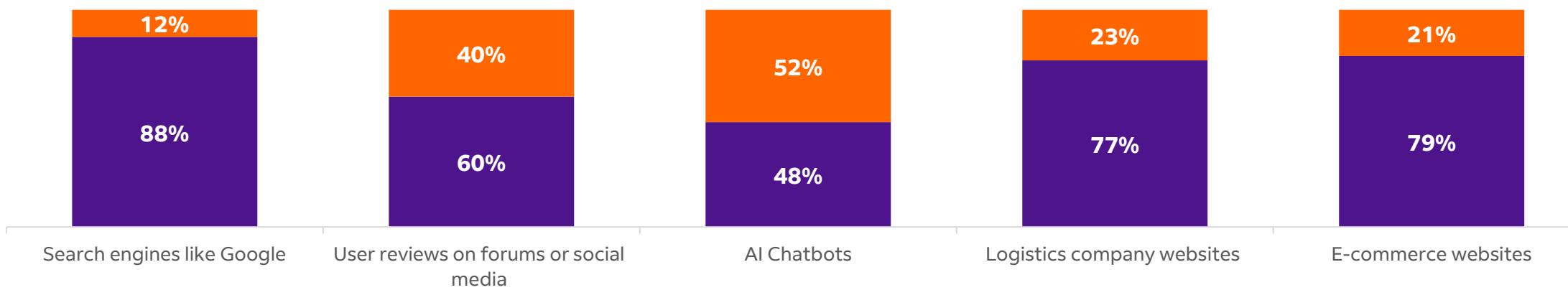


## Source Trust

*Generally, how much do you trust each of the following to provide helpful information about shipping and returns?*

■ Top 2 Box (A lot + Some)

■ Bottom 2 Box (Not at All + Not Much)

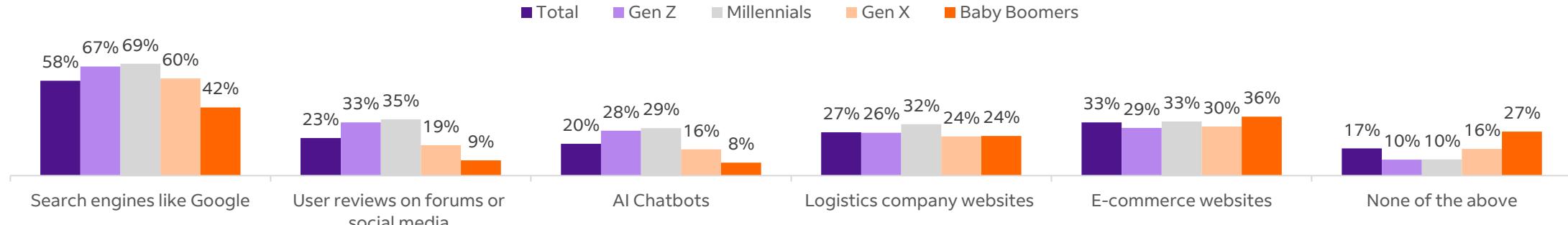


# Sources Trust by Generation

**While most use search engines for information, Gen X and baby boomers are less likely to utilize User Reviews or AI chatbots for gathering information as these generations simply don't trust these sources compared to other options.**

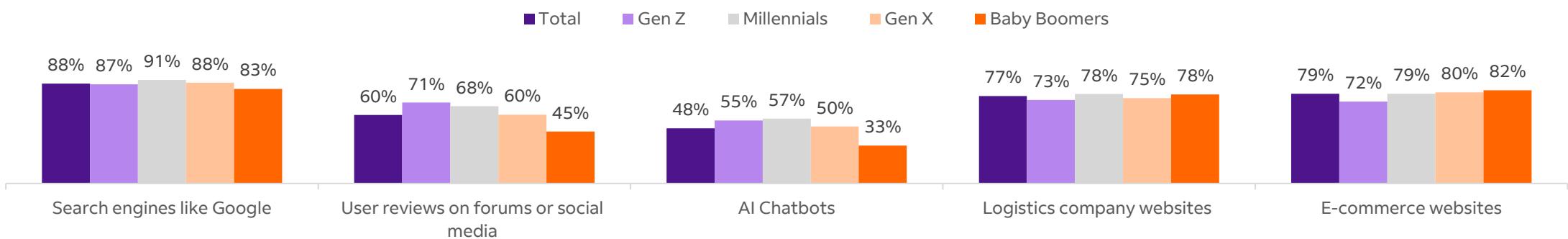
## Shipping Information Sources

*When you're looking for information online about shipping and returns, which of the following tools are you using?*



## Source Trust

*Generally, how much do you trust each of the following to provide helpful information about shipping and returns? – Top 2 Box*



# AI Interaction Satisfaction

About half of consumers say they have interacted with AI-powered customer service tools for returns in the past year, with 53% saying they were more satisfied with AI tools than with human support during the returns process.

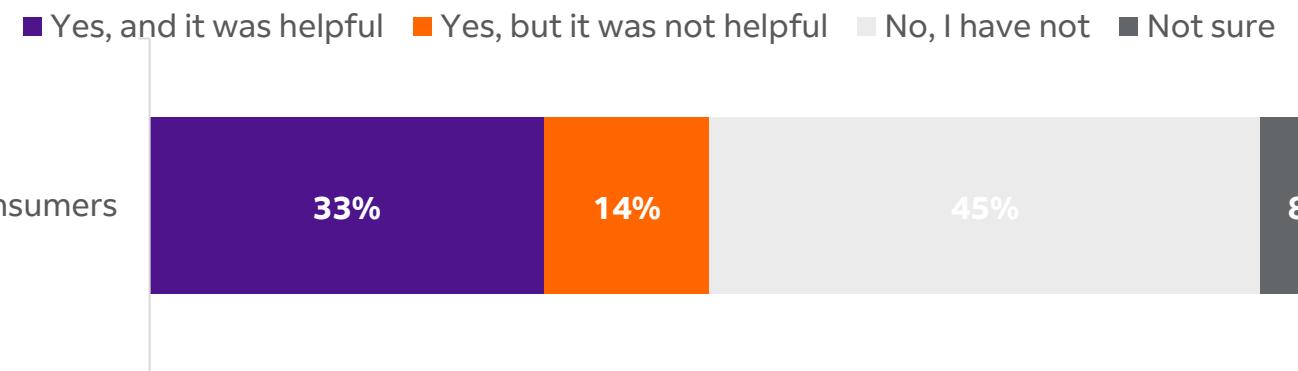
## Generation Spotlight

Gen Z (40%) and millennials (43%) are more likely to report AI being helpful than Gen X (32%) and baby boomers (15%).

However, Gen Z (43%) are less likely to be satisfied with those interactions compared to millennials (58%) or Gen X (55%) despite them being helpful.

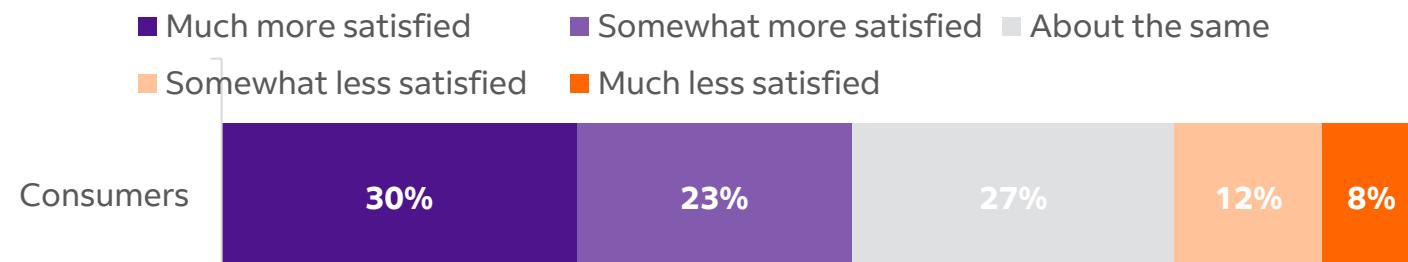
## AI Interactions

*Have you interacted with an AI-powered customer service tool (such as a chatbot or virtual assistant) when making a return in the past year?*



## Interaction Satisfaction

*How satisfied were you with AI-driven support compared to human support during the returns process?*



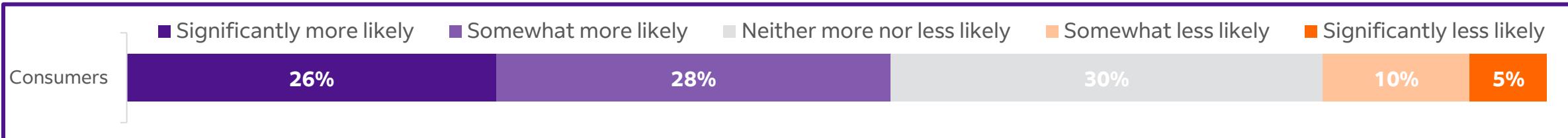
*Base: All respondents*

# AI Uses For Returns

- AI tools for returns are a positive for retailers with consumers saying they're more likely to return to a retailer with AI that offers personalized options and recommendations; however, there are gaps on Trust and Privacy concerns with AI.

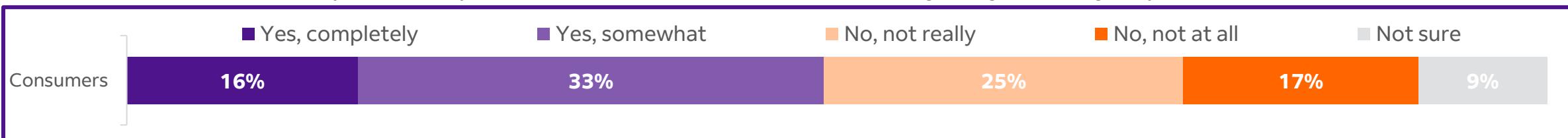
## AI for Personalized Return Options

Would you be more or less likely to return to a retailer that uses AI to offer personalized return options or recommendations?



## AI for Returns

Do you trust AI systems to provide accurate and fair decisions regarding return eligibility or refunds?



## Returns AI and Data Privacy

How concerned are you about how your data is used by AI systems in the returns process?





# Business Shippers

Returns Survey

Conducted December 2025



# Merchants' Return Logistics

# Merchants' Returns Logistics

69% of business shippers allow customers to ship returns back to their business, consistent with 2024's findings (70%).

Drop-off locations (58% 2025, 41% 2024) and in-store returns (49% 2025, 47% 2024) are both more widely available in 2025 compared to last year.

*Which of the following options does your business allow for returning items?  
Please select all that apply.*

## Return Shipping Options

2024 2025



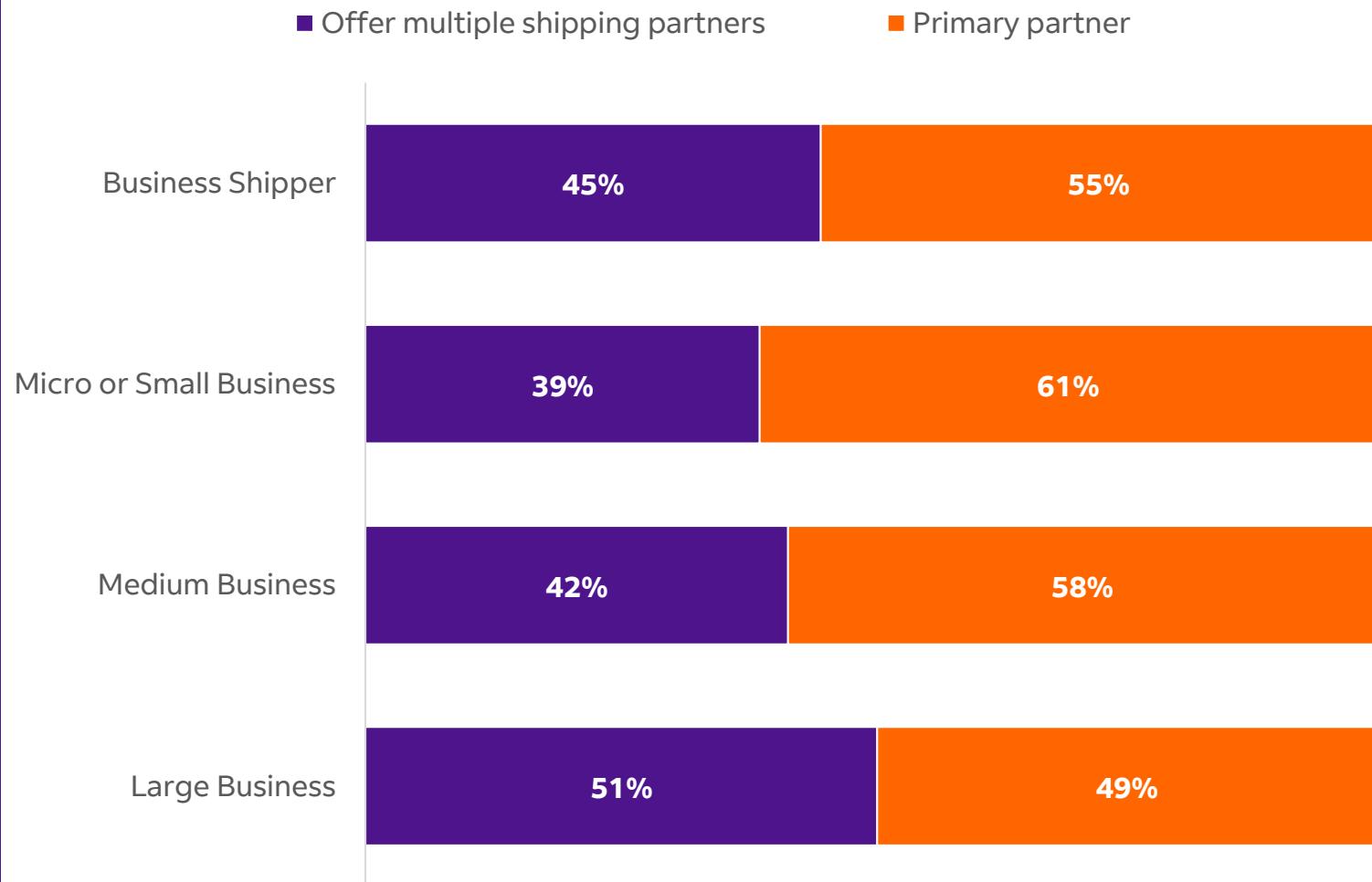
*Base: All business shippers*

# Merchants' Returns Logistics

Business shippers are more likely to have a primary shipping partner in 2025, driven by increases among micro/small businesses and medium-sized businesses.

*Does your business offer return shipping with multiple shipping partners, or do you have a primary partner for return shipping?*

## Return Shipping Partner Number



*Base: All business shippers*

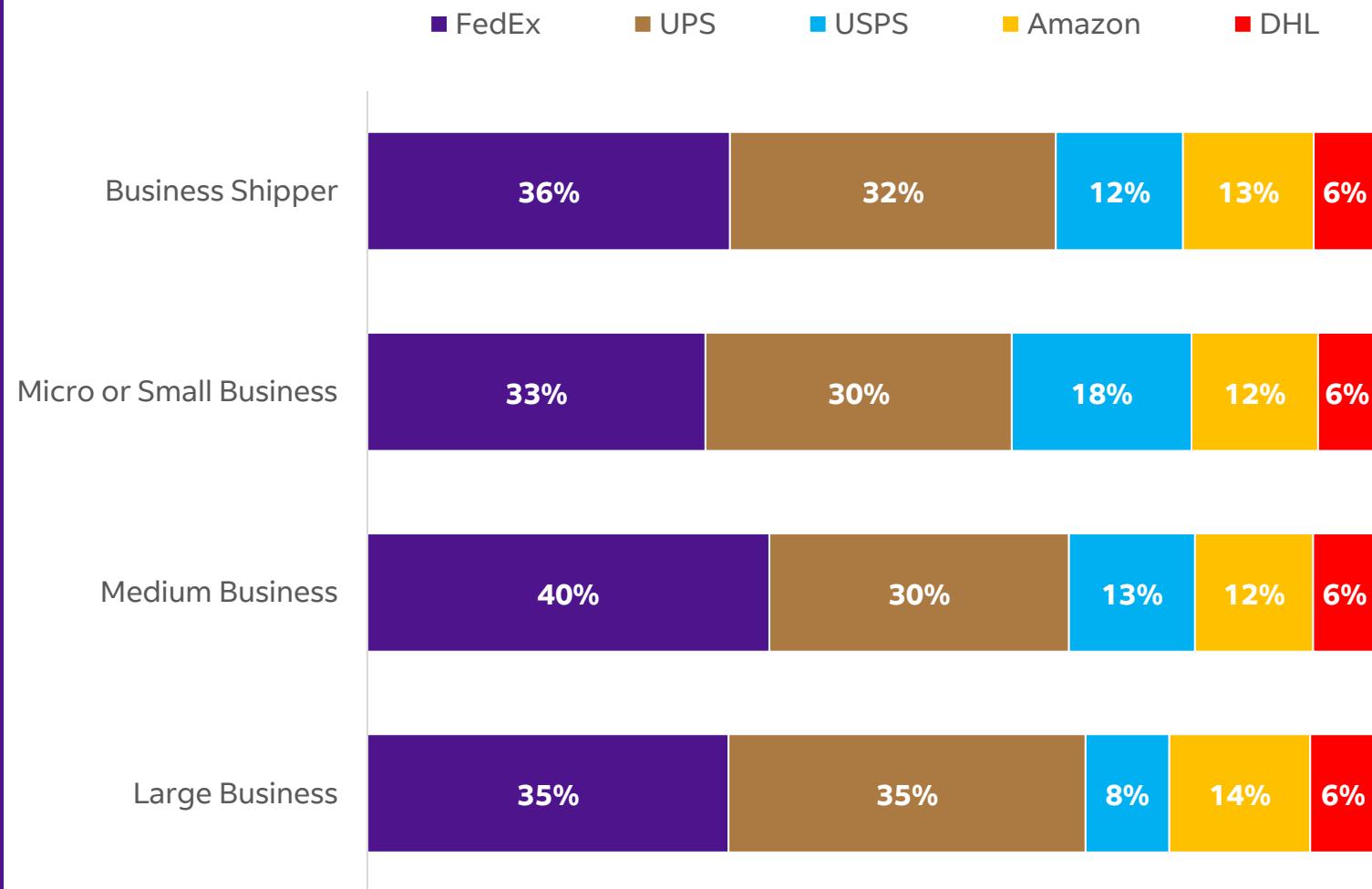
# Merchants' Returns Logistics

FedEx retains its position the most common primary return shipping partner for business shippers (36%), followed by UPS (32%) and USPS (12%).

While micro/small businesses and especially medium businesses have a stronger preference for FedEx, large businesses are split between FedEx and UPS as their primary partners.

*Which of the following companies does your organization primarily use for return shipping?*

## Return Shipping Primary Partner



*Base: Business shippers who have a primary shipping partner*

# Merchants' Returns Logistics

Customers bringing items to a carrier's retail location remains the most popular returns shipping method; however, business shippers have seen an increase in items being picked up from customer homes by their shipping/logistics partner or using a third party for pick ups.

*For return shipments, which of the following methods do you use:  
(showing selected)*



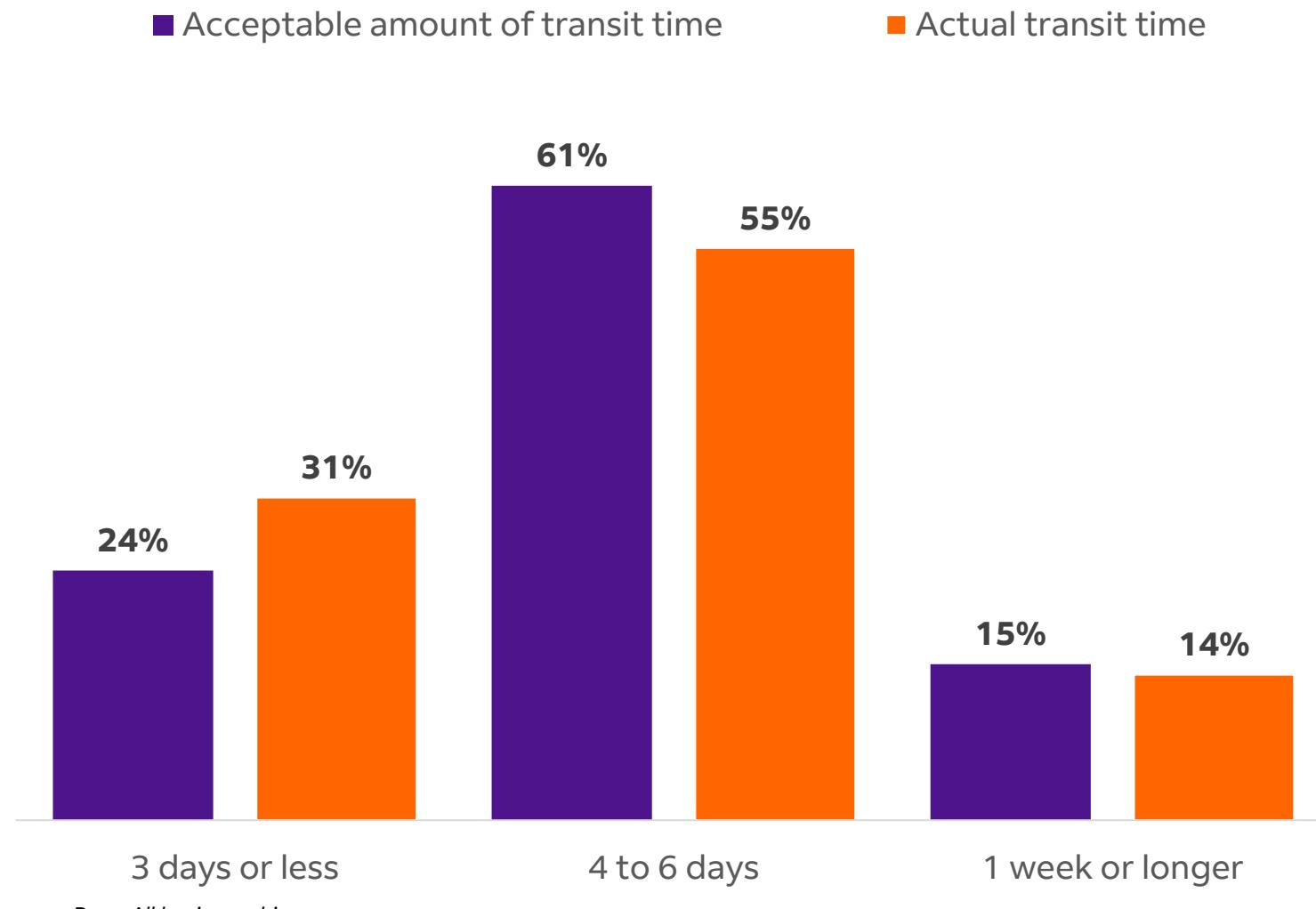
# Merchants' Returns Logistics

Nearly all business shippers say that return transit should be within one week, with the majority saying four to six days is the right amount.

This matches the actual transit time for business shippers' returned packages.

*In general, what is an acceptable amount of transit time on a customer return package for your business? / And, how long does transit time typically take for your business's returned packages?*

**Transit Time on a Customer Return Package**

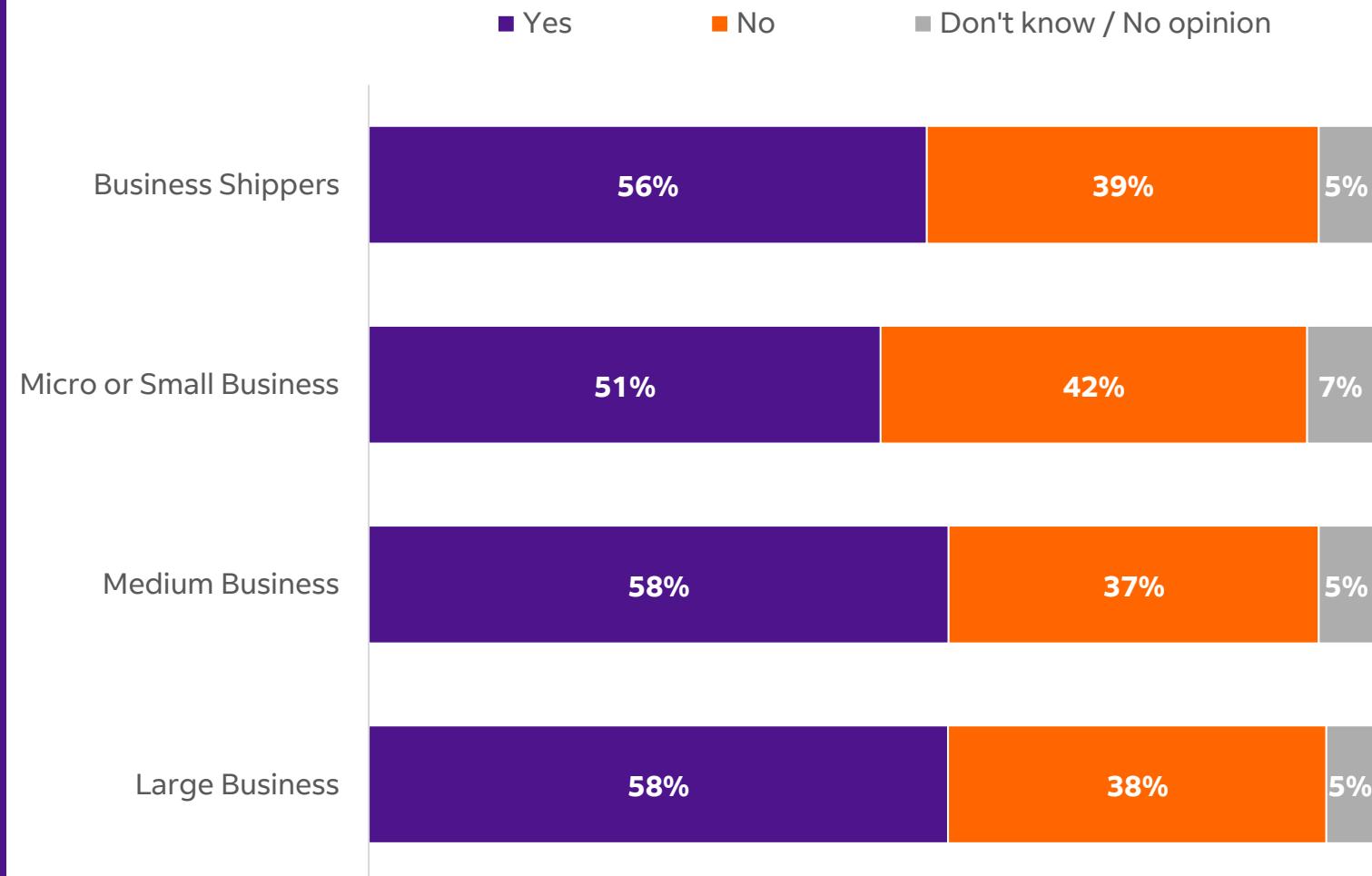


# Merchants' Returns Logistics

Business shippers of all sizes say that actual transit and processing times impacts their customer returns, led by medium and large businesses.

*And, does the actual transit and processing times for your business' returned packages impact your customer's returns or exchanges?*

## Transit & Processing Impact





# **Merchants' Returns Logistics – Fees**

# Merchant Return Policy Influencers

Inflation and tariffs are by far the top influences on return strategies and policies over the past 12 months according to roughly 4-in-5 business shippers.

Large majorities also cite compression of margins and softer consumer demand, while layoffs also impacted a majority of business shippers but at a lower rate.

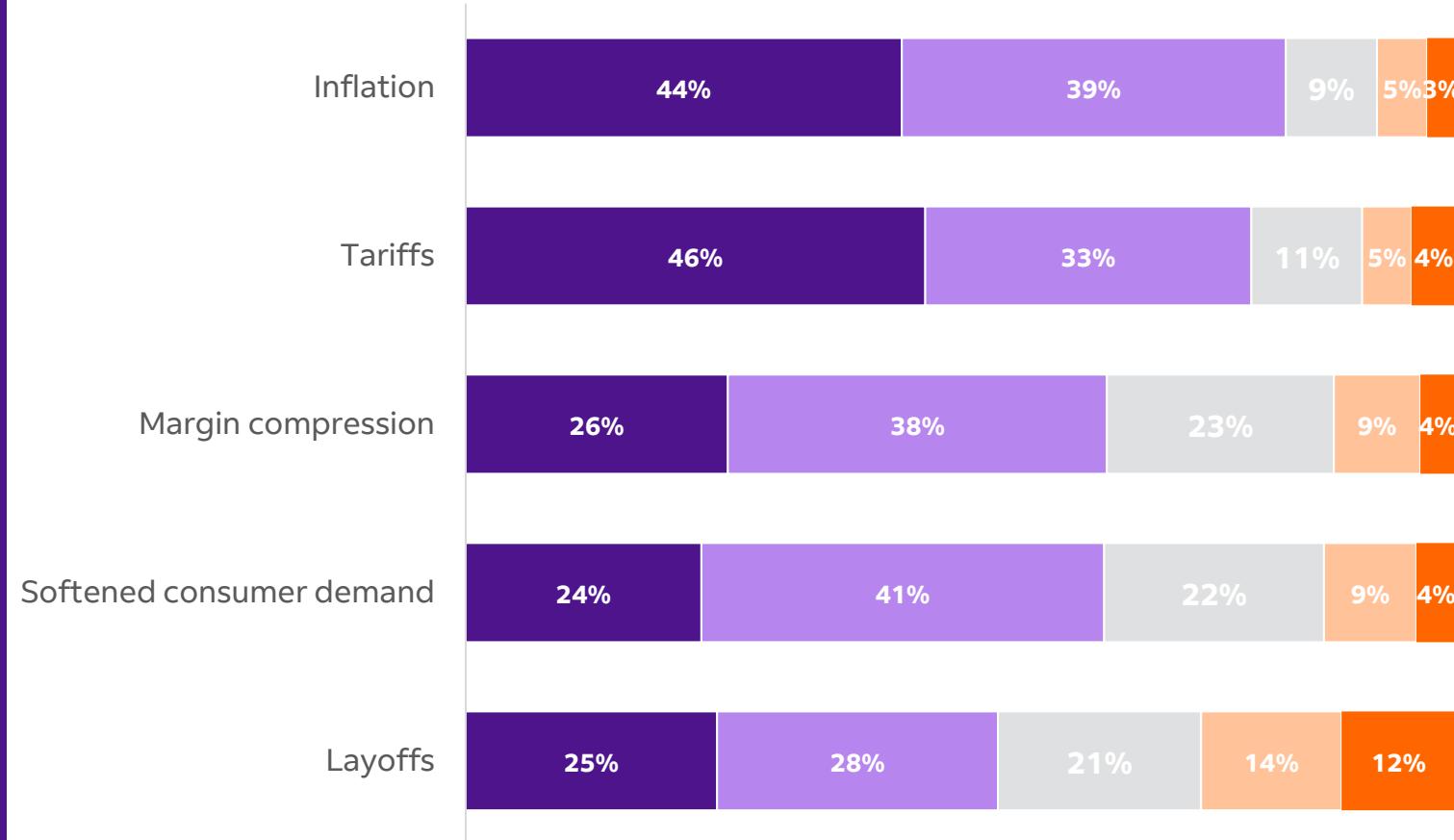
*In the past 12 months, how much do you agree or disagree the following have influenced changes to your company's shipping returns strategy or policies?*

## Policy Influences

■ Strongly agree  
■ Somewhat disagree

■ Somewhat agree  
■ Strongly disagree

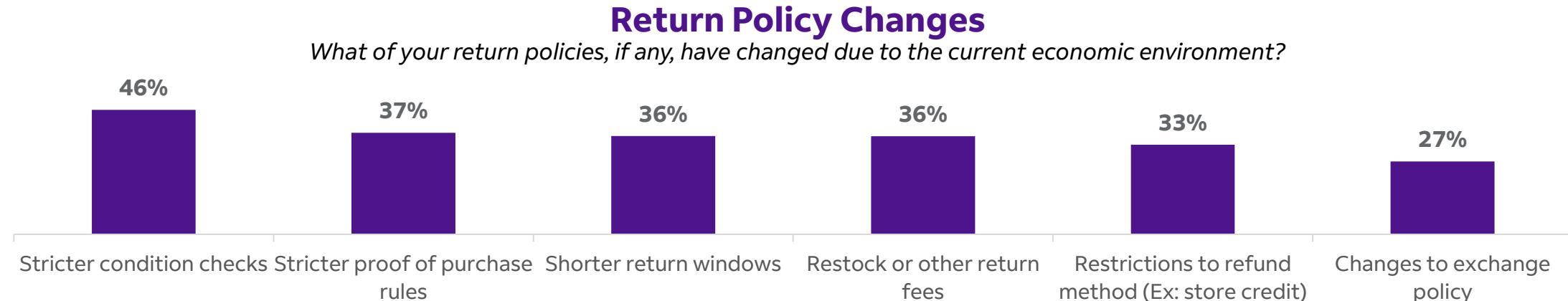
■ Neither agree nor disagree



Base: All business shippers

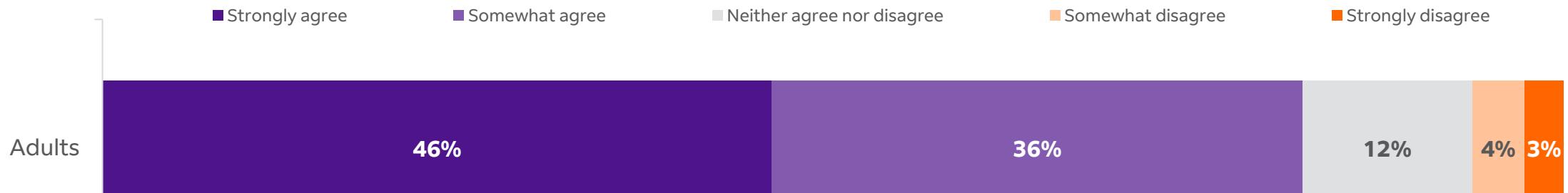
# Merchants' Return Policy Changes

**Nearly all business shippers have taken stronger Fraud Prevention steps in the past 12 months, and business shippers are responding with stricter return policies led by stronger condition checks.**



### Fraud Prevention

*Thinking about the past 12 months, do you agree or disagree that your company has taken additional fraud prevention measures or seen increased fraudulent returns?*



# Merchants' Returns Logistics: Fees

More business shippers are charging return fees in 2025 led by increases among micro/small businesses (40% in 2025 v. 25% in 2024) bringing these smaller businesses in line with medium and large business practices.

*When offering returns, do you typically charge a fee of any type to the customer?*

*These fees typically cover services such as Return Shipping, Restocking, Return Processing and more.*

## Returns Fees

■ Yes ■ No, but I used to charge a fee for returns ■ No, I have never charged a fee for returns



*Base: All business shippers*

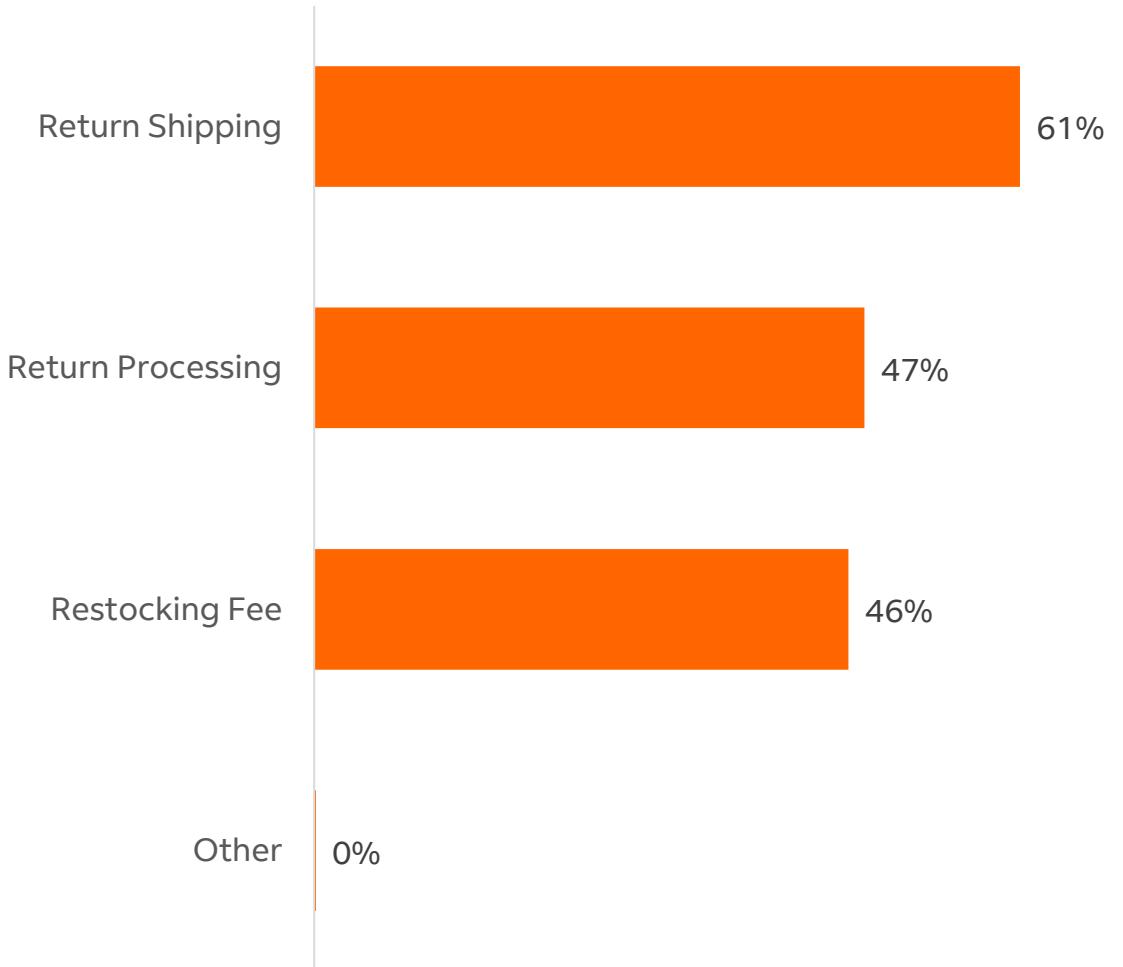
# Merchants' Returns Logistics: Fees

Businesses that have charged fees are most likely to have described the fees to their customers as fees for “Returns Shipping,” over “Return Processing” or “Restocking Fee”.

*When you have charged fees for returns either now or in the past, which of these describes the fee the customer sees? Select all that apply.*

## Returns Fees Descriptions

■ Business Shippers



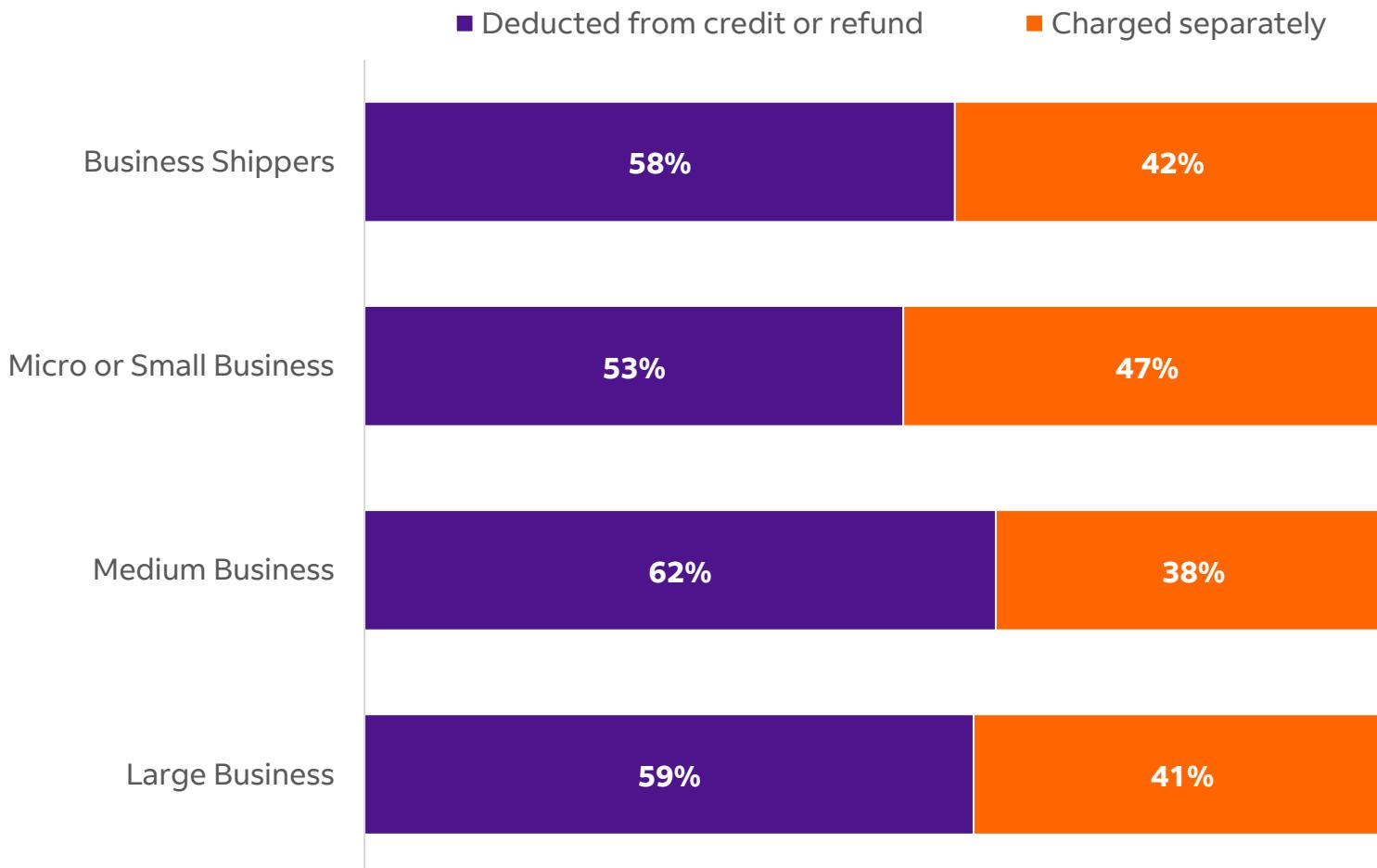
*Base: Business shippers who charge return fees*

# Merchants' Returns Logistics: Fees

The majority of business shippers who charge fees for their returns deduct the fee from the refund or credit amount (58%) vs. a separate charge (42%). This is a slight change from 2024, which saw only 37% of business shippers charging a separate fee.

*For your business, have fees associated with returns typically been deducted from the refund amount or credit for the returned item or paid as an entirely separate charge?*

## Returns Fees Charges



*Base: Business shippers who currently or have previously charged a return fee*

# Merchants' Returns Logistics: Fees

Business shippers are split on when they offer refunds or credits. Some process the payment as soon as the items are scanned and dropped off (31%), others do so when they arrive back at the business or warehouse (40%), or after the items are inspected (40%).

*When a customer returns an item, do you offer a refund or credit as soon as the item is scanned and dropped off with a return shipping partner, when the item arrives back to your business or warehouse, or after it has been inspected by your business?*

## Returns Fees and Charges Timing

- As soon as the item is scanned and dropped off
- When the item arrives back with our business or warehouse
- After the item has been inspected



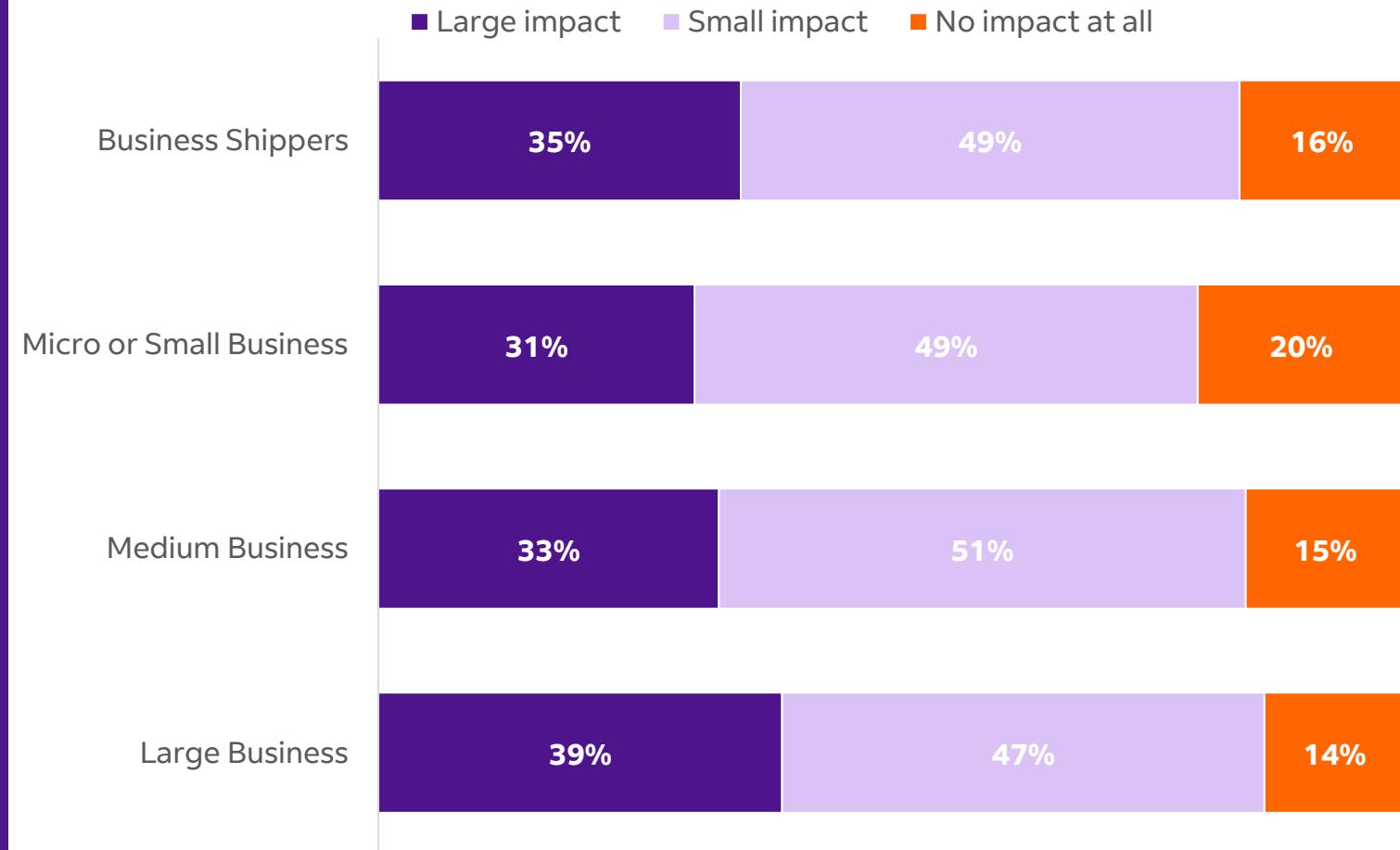
Base: All business shippers

# Merchants' Returns Logistics: Fees

Although most business shippers say the impact is small, nearly all say the speed of the return has a small or large impact on when to give customers their credit or refund.

*How large of an impact does the speed of the return shipment have on choosing when to give the customer their credit or refund?*

## Returns Fees and Charges Timing Impact



*Base: All business shippers*



# Merchants' Core Values

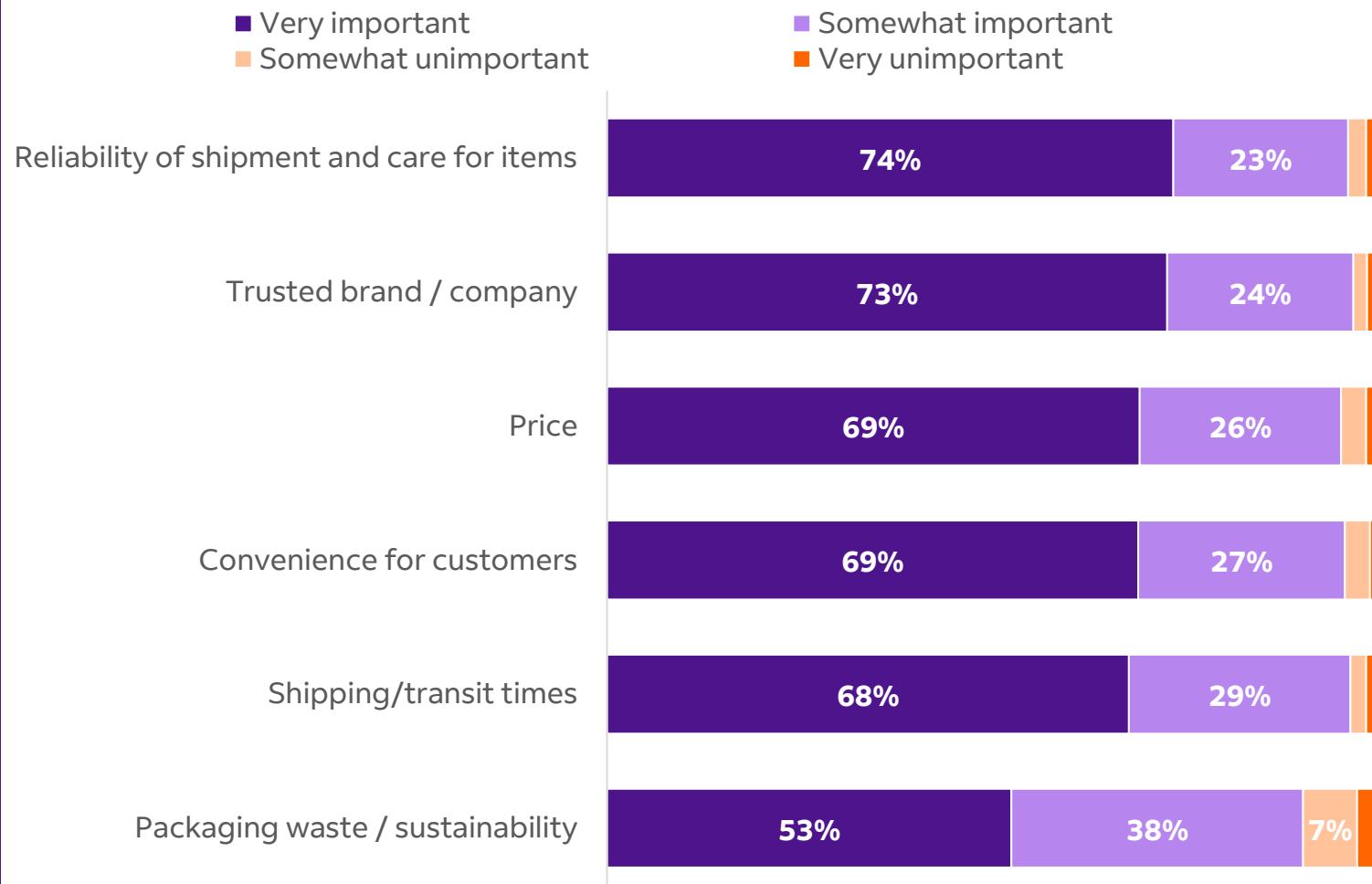
# Merchants' Core Values

Reliability and trust remain the top factors for a returns partner in 2025 for business shippers.

However, convenience is less important than 2024 (69% very important in 2025 vs. 75% very important in 2024).

*When choosing a shipping or logistics partner for returns, how important are each of the following factors in making your decision?*

## Importance of Factors for Returns Partner



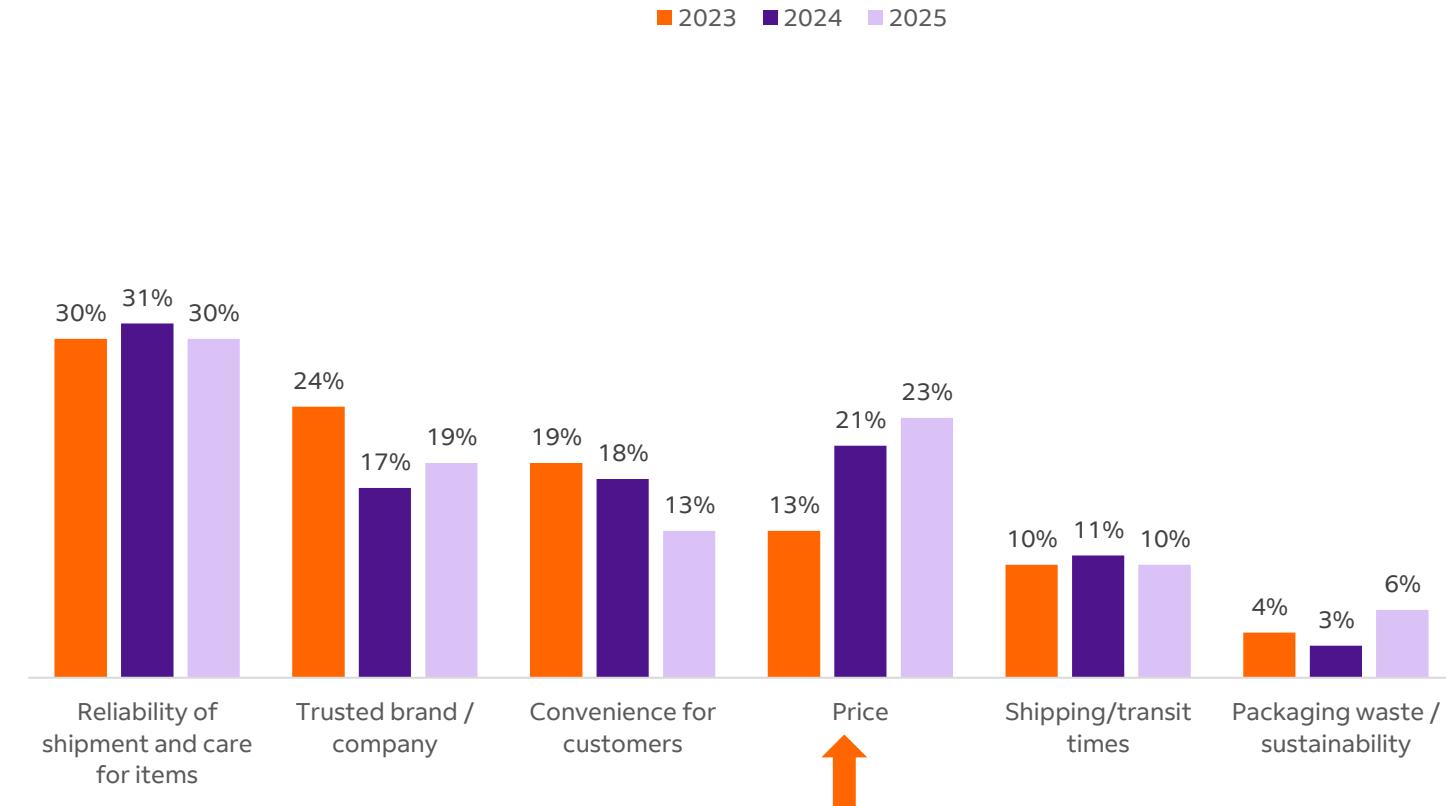
*Base: All business shippers | Note: Values ≤3% have been removed*

# Merchants' Core Values

Price has continued its rise as a factor over the past three years now. It's clearly the second most important factor—after reliability—for business shippers' returns partners.

*Please select the most important factor in choosing your shipping or logistics partner for returns.*  
*(Showing Selected)*

## Importance of Factors for Returns Partner



*Base: Business shippers that answered "Very Important" or "Somewhat Important" for attributes listed.*



# Merchants' Sentiments Surrounding Returns

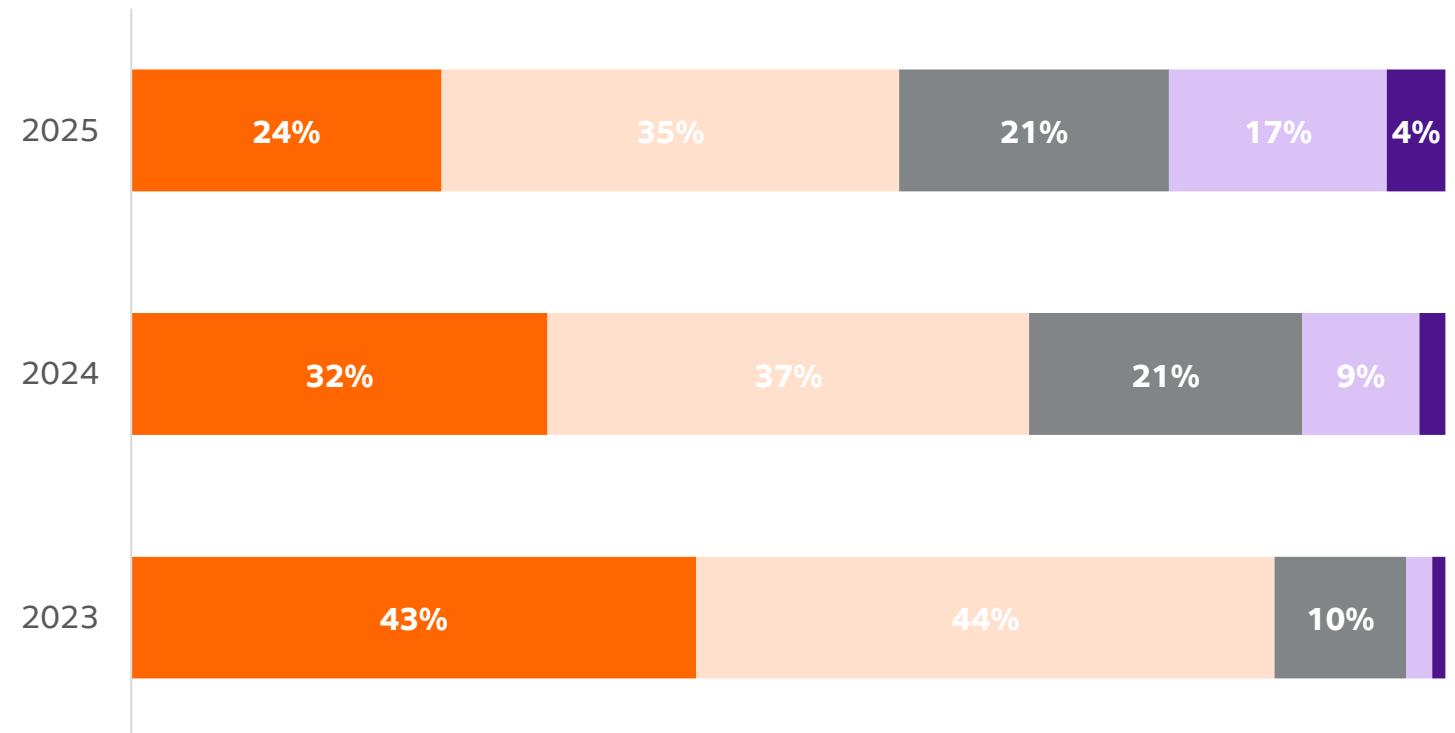
# Merchants' Sentiments Surrounding Returns

Over the past three years, business shippers agree that returns have gotten harder rather than easier for customers. Almost twice as many business shippers in 2023 said returns were much easier than in 2025.

*Generally, do you think returning purchases has gotten easier for customers or harder in recent years?*

## Customers' Ease of Returns Over Time

■ Much easier ■ Somewhat easier ■ Neither easier nor harder ■ Somewhat harder ■ Much harder



*Base: All business shippers | Note: Values  $\leq 2\%$  have been removed*

# Merchants' Sentiments Surrounding Returns

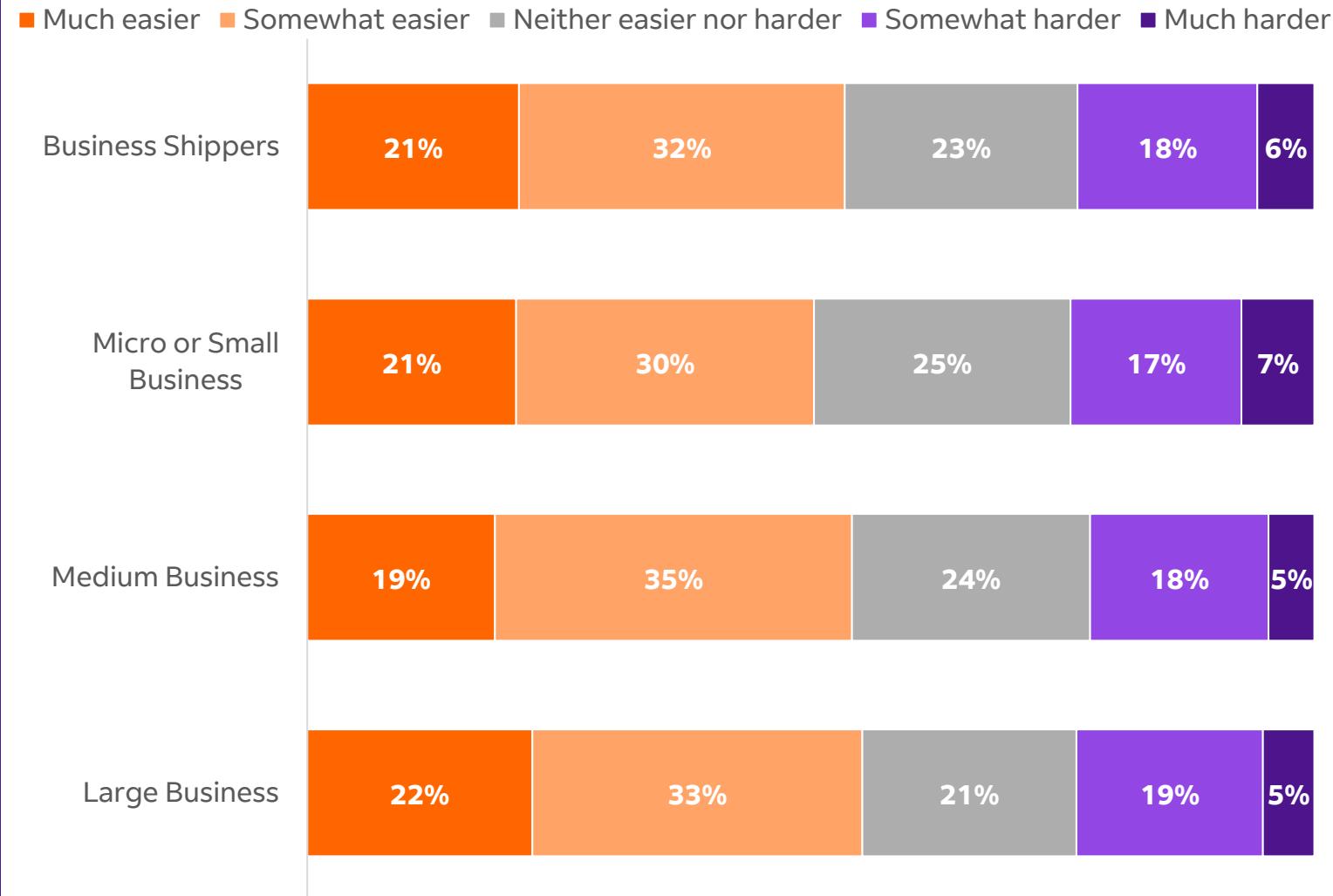
On the flip side, business shippers think that returns have gotten easier to manage for their business in recent years across business sizes.

## How have returns become \_\_?

**“Returns have gotten easier with free shipping labels, in-store drop-offs, and flexible return windows. They’ve become harder when restocking fees, strict deadlines, or complicated packaging requirements are involved.”**

*And, as a business owner, do you think managing returns has gotten easier or harder for your business in recent years?*

## Business' Ease of Returns Over Time



*Base: All business shippers | Values less than 2% have been removed*

# Merchants' Costs and Returns Strategy

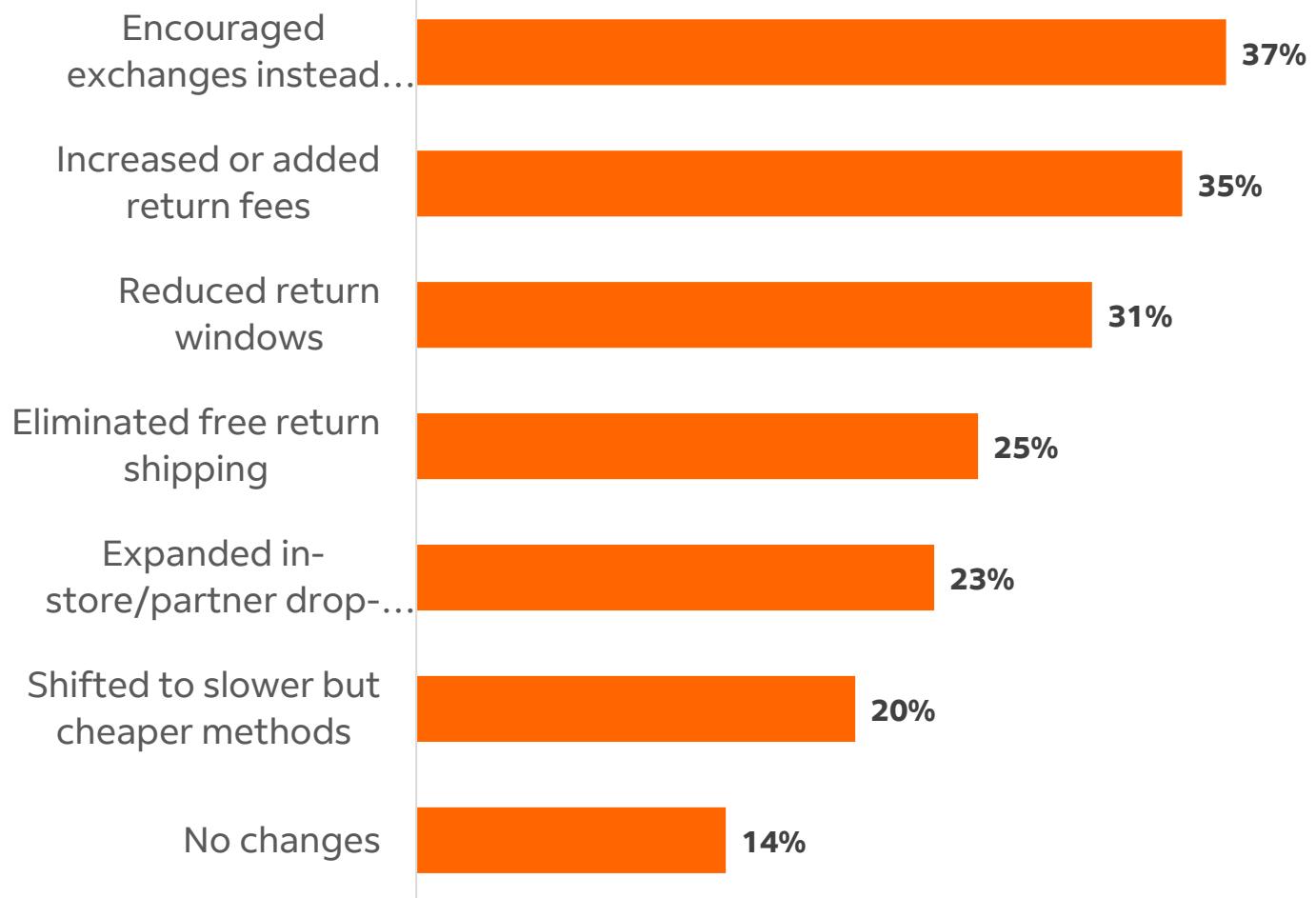
Rising costs have encouraged business shippers to offer more exchanges instead of refunds and increased or added return fees over the past 12 months.

Only 14% say that there have been no changes due to rising costs.

*How have rising costs (labor, shipping, materials) influenced your returns strategy in the past 12 months?*

## Return Strategy Changes

Business Shippers



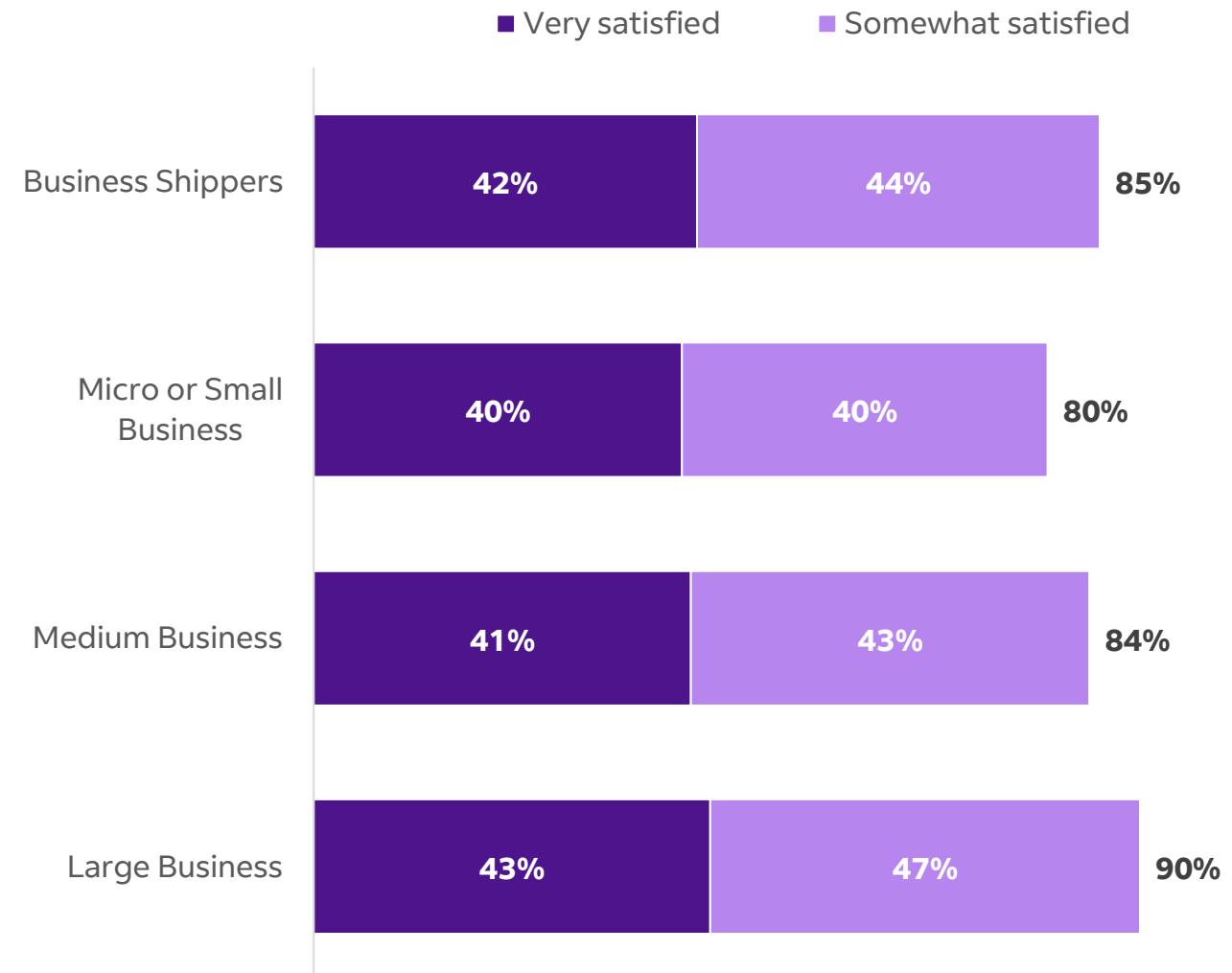
Base: All business shippers

# Merchants' Sentiments Surrounding Returns

Business shippers across all business sizes overwhelmingly say that their customers are satisfied with their options for returning items.

*In your experience, how satisfied are your customers with their options for returning items?*

## Customer Satisfaction with Options for Returns



*Base: All business shippers*

# Merchants' Sentiments Surrounding Returns

While business shippers are nearly universally satisfied with most aspects of their return process, costs of shipping returned items fall slightly behind other areas in satisfaction.

*And, as a business owner, how satisfied are you with the following items related to returns for your business?*

## Business Satisfaction with Options for Returns



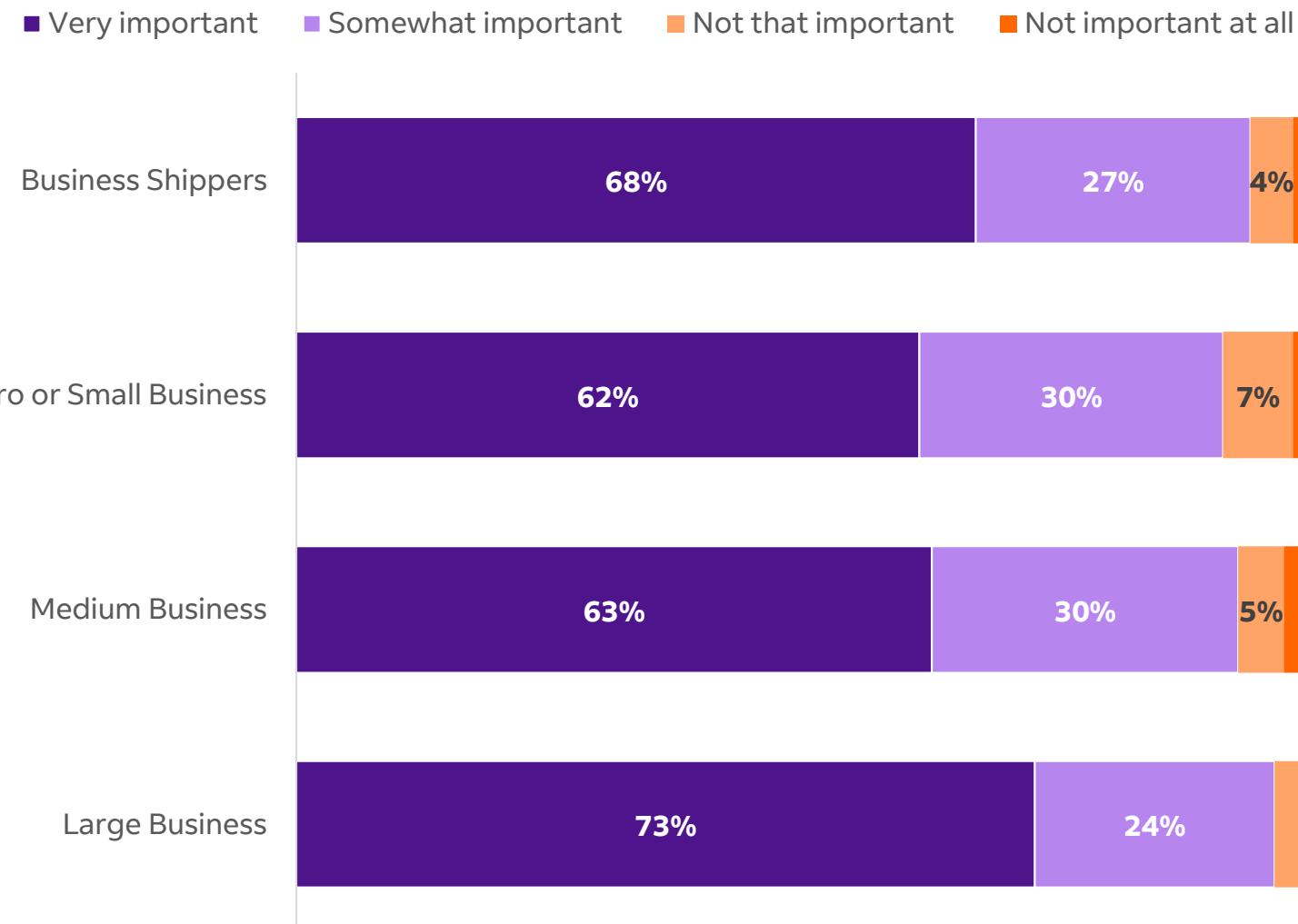
*Base: All business shippers*

# Merchants' Sentiments Surrounding Returns

Business shippers overwhelmingly consider the speed and efficiency of returns important for their customers' satisfaction, especially among large businesses where nearly 3-in-4 say it is very important (73%).

*How important are fast and efficient returns for your business's customer satisfaction?*

## Importance of Returns Efficiency for Customer Satisfaction





# Merchants' Holiday Season

# Merchants' Holiday Season

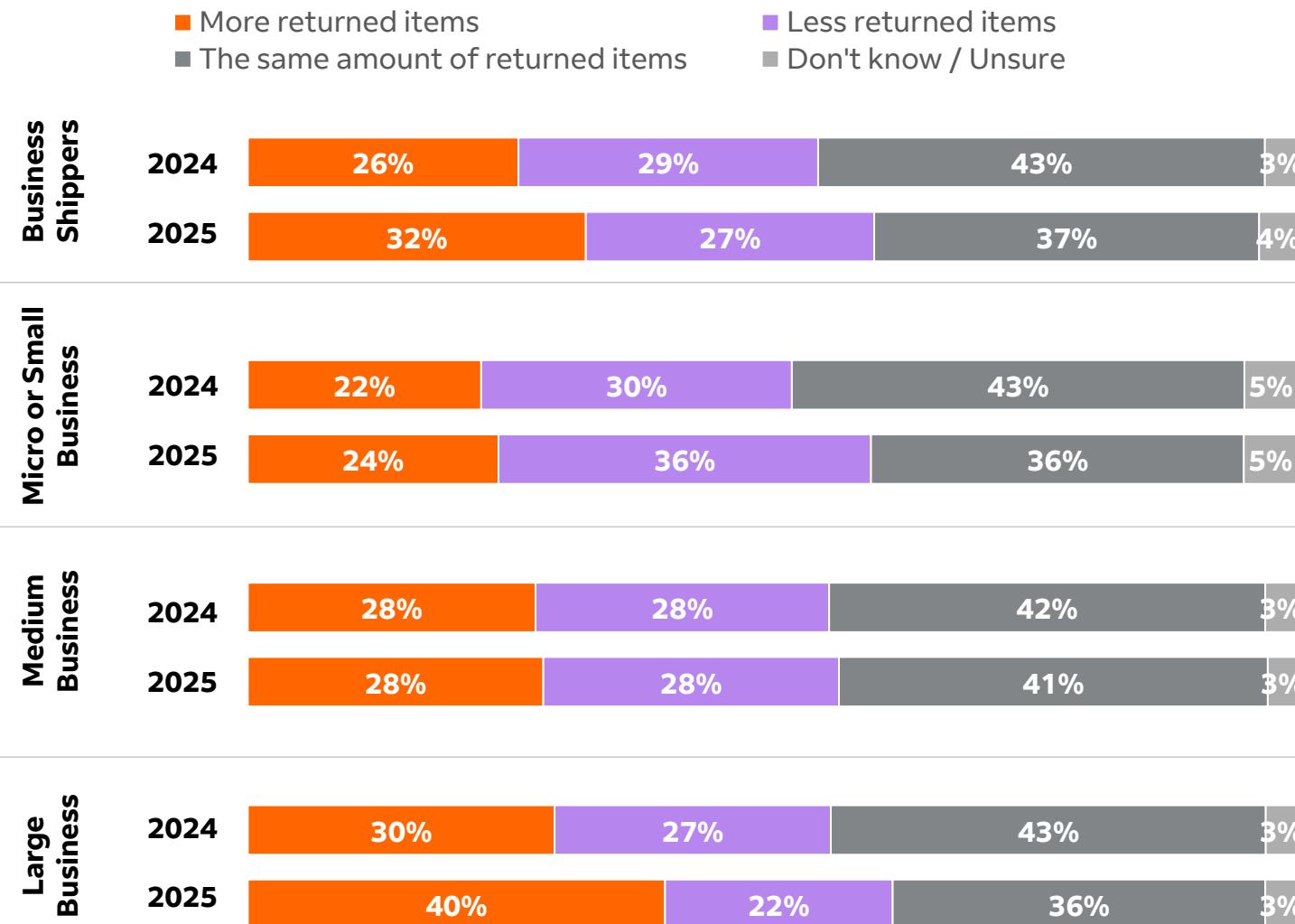
Business shippers are expecting more returned items in 2025 compared to 2024.

## What do you feel is driving the increase in returns?

"The main driver is the uncertain economy, coupled with easier return policies and rising fraudulent activity."

*This holiday season, from now until mid-January, do you expect there to be more returned items to your business than in past years, less returned items or about the same amount of returned items?*

### Return Expectations



Base: All business shippers

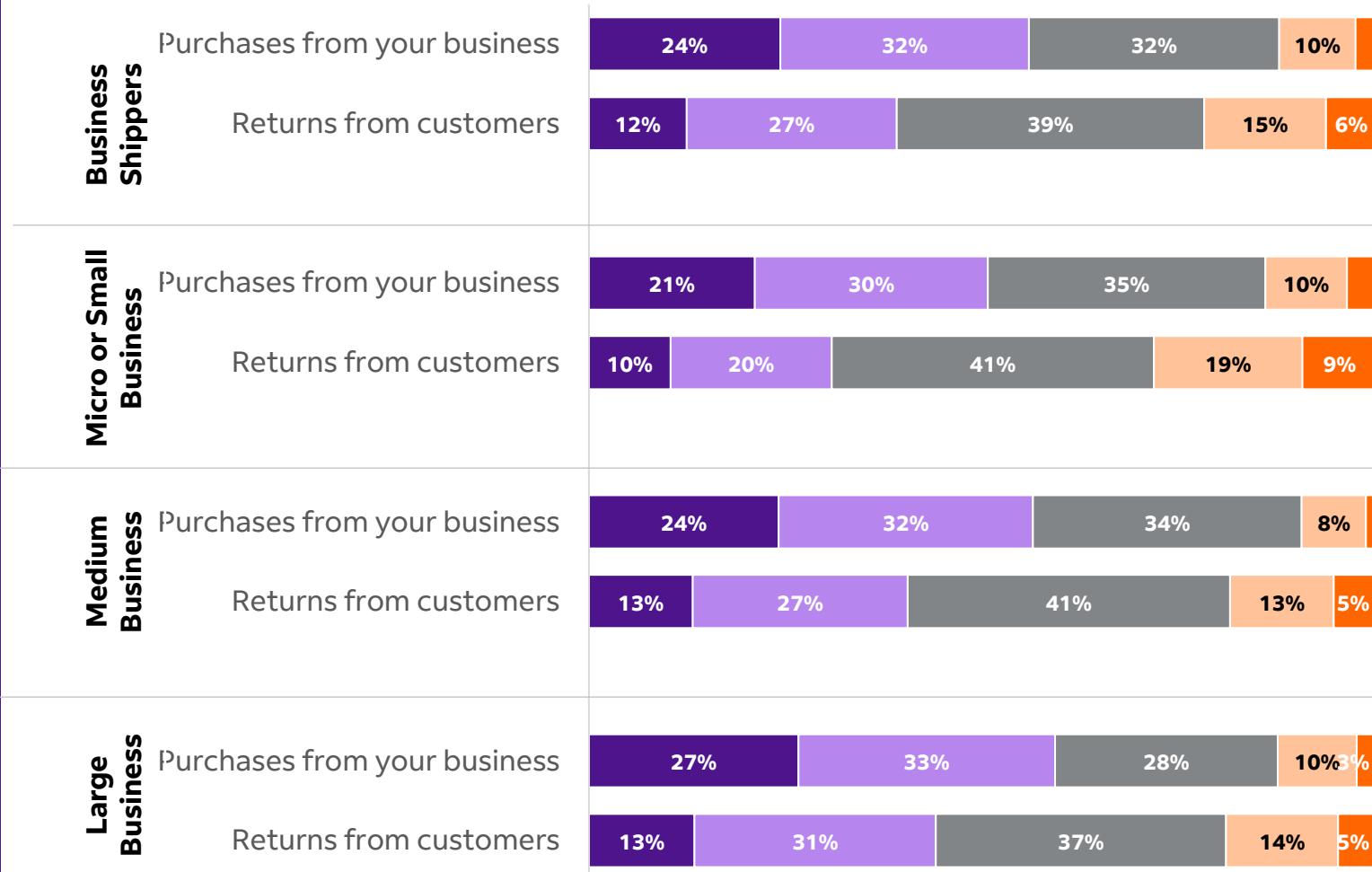
# Merchants' Holiday Season

Most business shippers are optimistic that there will be more purchases from their businesses this holiday season than prior years, but more than 1-in-3 also expect more returns from customers.

*Do you anticipate more or less or about the same number of the following during this holiday season compared to previous years?*

## Return & Purchase Expectations

■ A lot more ■ Somewhat more ■ About the same ■ Somewhat less ■ A lot less



*Base: All business shippers / Values less than 4% have been removed*



**Merchants' Knowledge  
Surrounding No-Label/  
No-Box Returns**

# Merchants' Knowledge Surrounding No-Label/No-Box Returns

89% of business shippers are very or somewhat familiar with no-label/no-box shipping options, with about half very familiar.

Familiarity is highest among large businesses.

*How familiar are you with no-label/no-box return shipping options? No-label and no-box return shipping allows customers to take items for return to specified drop off locations and leave them with a staff member who will package and ship the returned item with no extra work or hassle for the customer.*

## Familiarity with No-Label/No-Box Shipping

■ Very familiar ■ Somewhat familiar ■ Not that familiar ■ Not familiar at all



*Base: All business shippers | Values less than 3% have been removed*

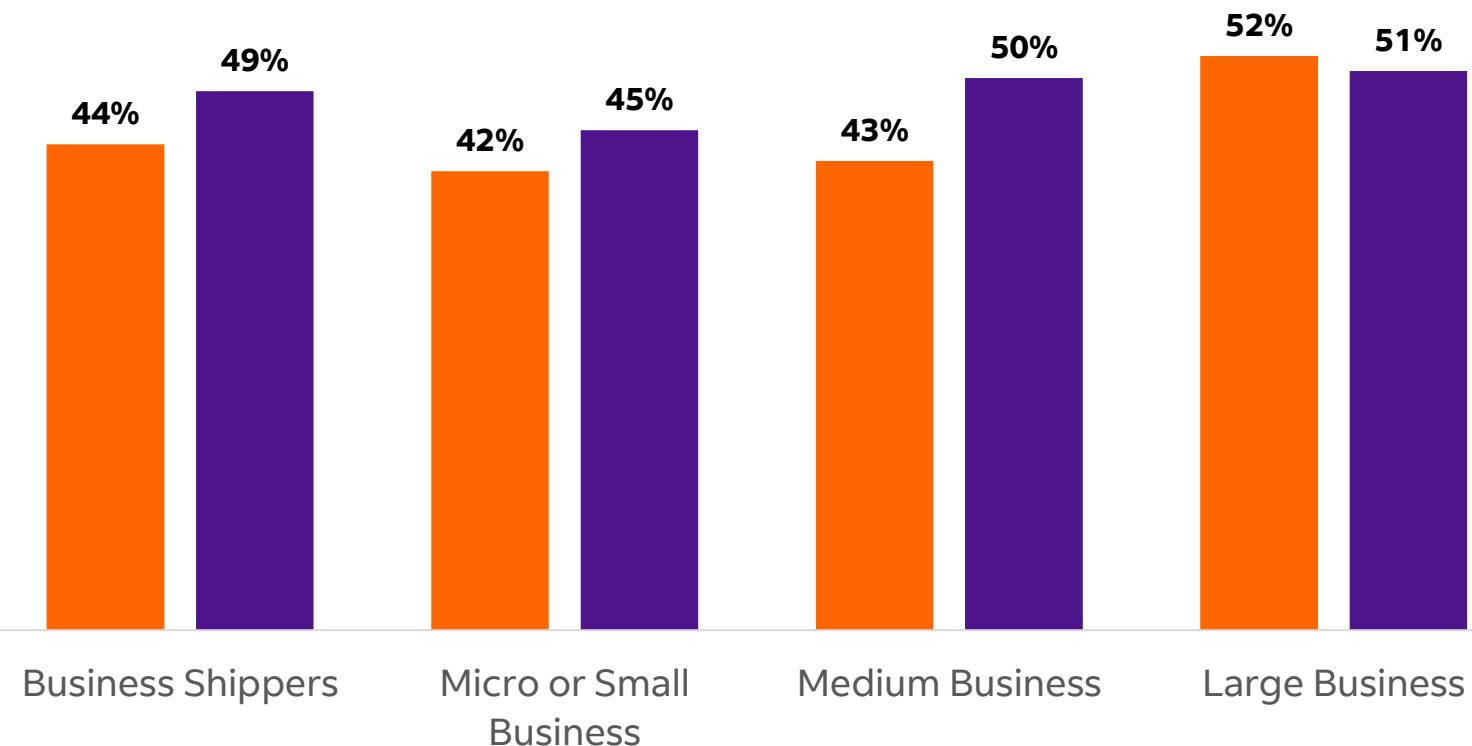
# Merchants' Knowledge Surrounding No-Label/No-Box Returns

No-label/no-box return use has gone up in 2025 driven mostly by medium businesses with a smaller increase among micro/small businesses.

*Has your business ever used or offered a no-label/no-box return shipping option?  
(Showing Yes)*

## Usage of No-Label/No-Box Shipping

■ 2024 ■ 2025



*Base: All business shippers*

# Merchants' Knowledge Surrounding No-Label/No-Box Returns

No-label/no-box returns are seen as convenient, straightforward, easy, and stress-free.

*Please select which of the following words best describes no-label/no-box return shipping in your opinion.*

## No-Label/No-Box Shipping Descriptions

Inconvenient

Convenient

27%

73%

Confusing

Straightforward

26%

74%

Difficult

Easy

25%

75%

Stressful

Stress-free

31%

69%

*Base: All business shippers*

# Merchants' Knowledge Surrounding No-Label/No-Box Returns

They are also more likely to say that no-label/no-box shipping is more convenient, more straightforward, easier, and less stressful compared to other return options.

*Compared to other return options, would you say that no-label/no-box return shipping is?*

## No-Label/No-Box Shipping Compared to Other Options

Less Convenient

More Convenient

28%

72%

More Confusing

More Straightforward

29%

71%

More Difficult

Easier

29%

71%

More Stressful

Less Stressful

29%

71%

# Merchants' Knowledge Surrounding No-Label/No-Box Returns

A majority of business shippers are willing to pay more for returns shipping options if it benefits their customers and provides more transparency (60%), while 40% say it is more important for them to balance the cost of returns shipping even if this makes it less convenient for their customers.

*Which of the following is closer to your opinion even if neither is exactly right?*

## Business Shipping Cost vs. Customer Convenience

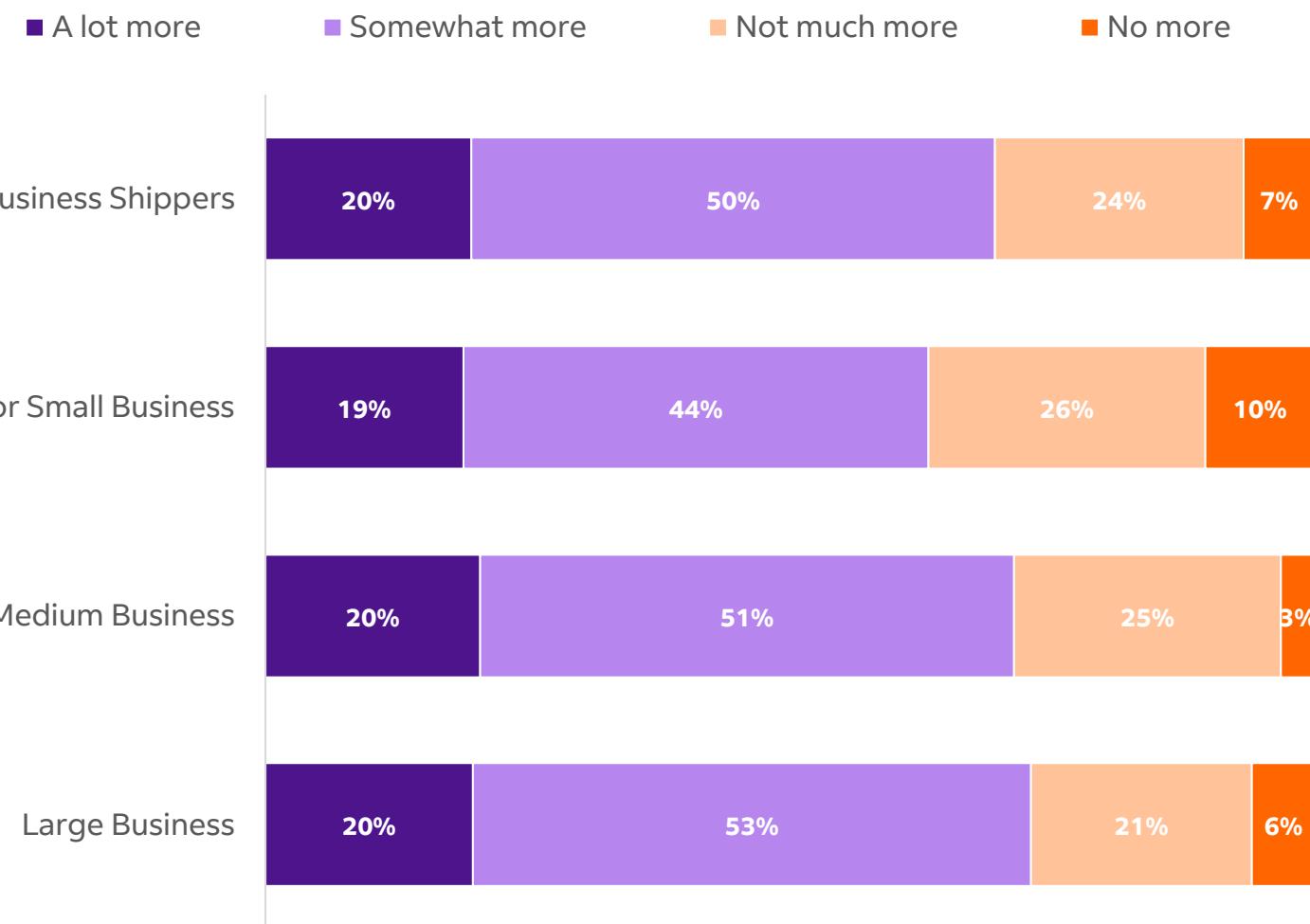


# Merchants' Knowledge Surrounding No-Label/No-Box Returns

A strong majority of business shippers are willing to pay more for no-label/no-box returns, but that willingness to pay only goes so far, with most saying they would only pay “somewhat” more compared to partners that do not offer this option.

*How much more would you be willing to pay for a return shipping partner that offers no-label/no-box return shipping over other partners?*

## Willingness to Pay More for a Partner that Offers No-Label/No-Box Shipping



*Base: All business shippers*

# Merchants' Knowledge Surrounding No-Label/No-Box Returns

Half of business shippers always charge a fee for returns, driven by practices among micro/small businesses and medium-sized businesses.

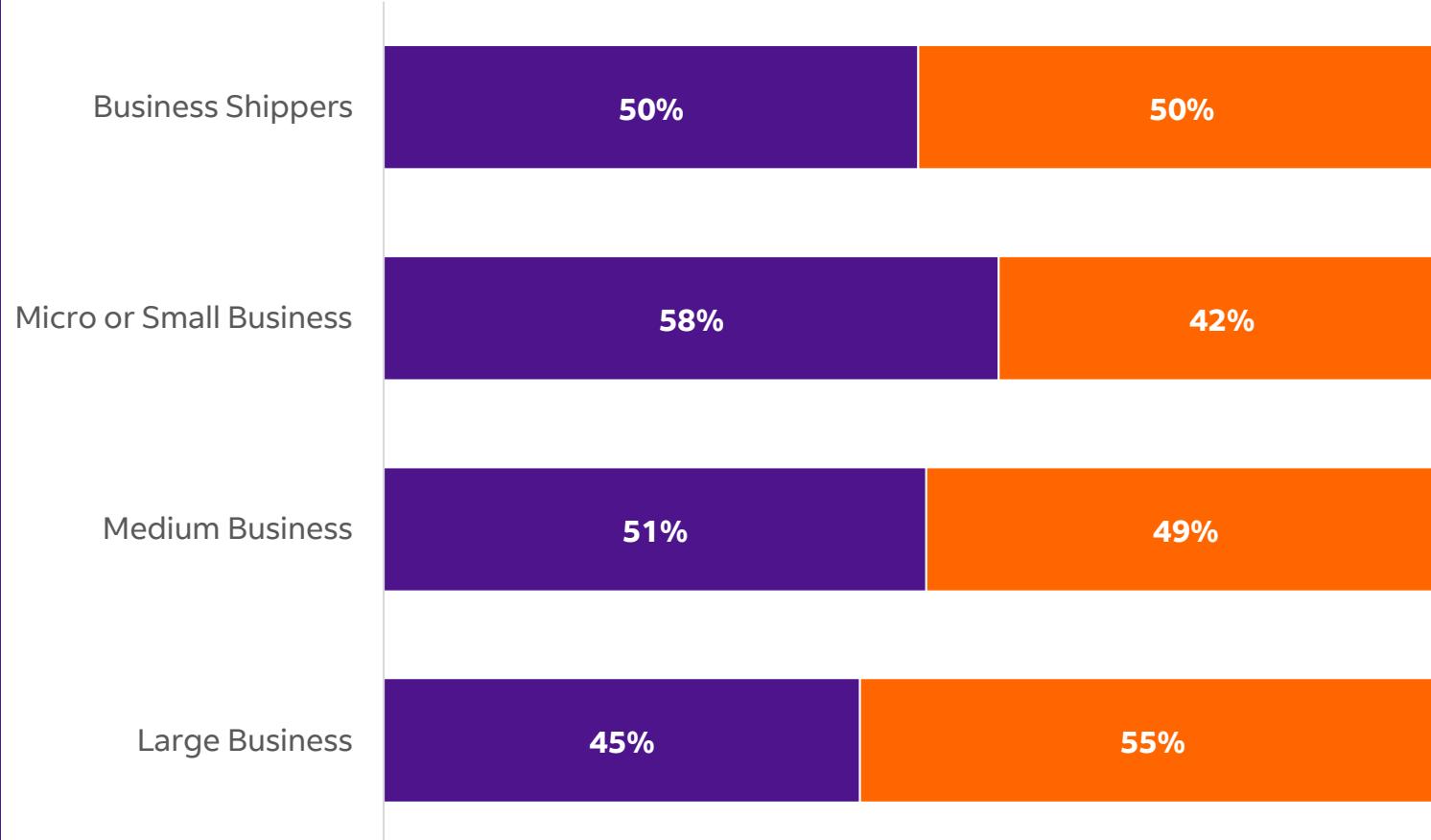
Large businesses, on the other hand, are slightly more likely than not to provide discounted or free options.

*Do you always charge a fee for returns or is there a discount or no charge option if a purchased item is returned at an approved partner drop-off location such as choosing to drop off at the FedEx Store or UPS Store or a retail partner like Whole Foods, Kohl's or other businesses?*

## Returns Fees Descriptions

■ Always charge a fee

■ Free or discounted drop off at approved partner locations



Base: All business shippers



# Merchants' Returns & AI

# Merchants' Returns & AI

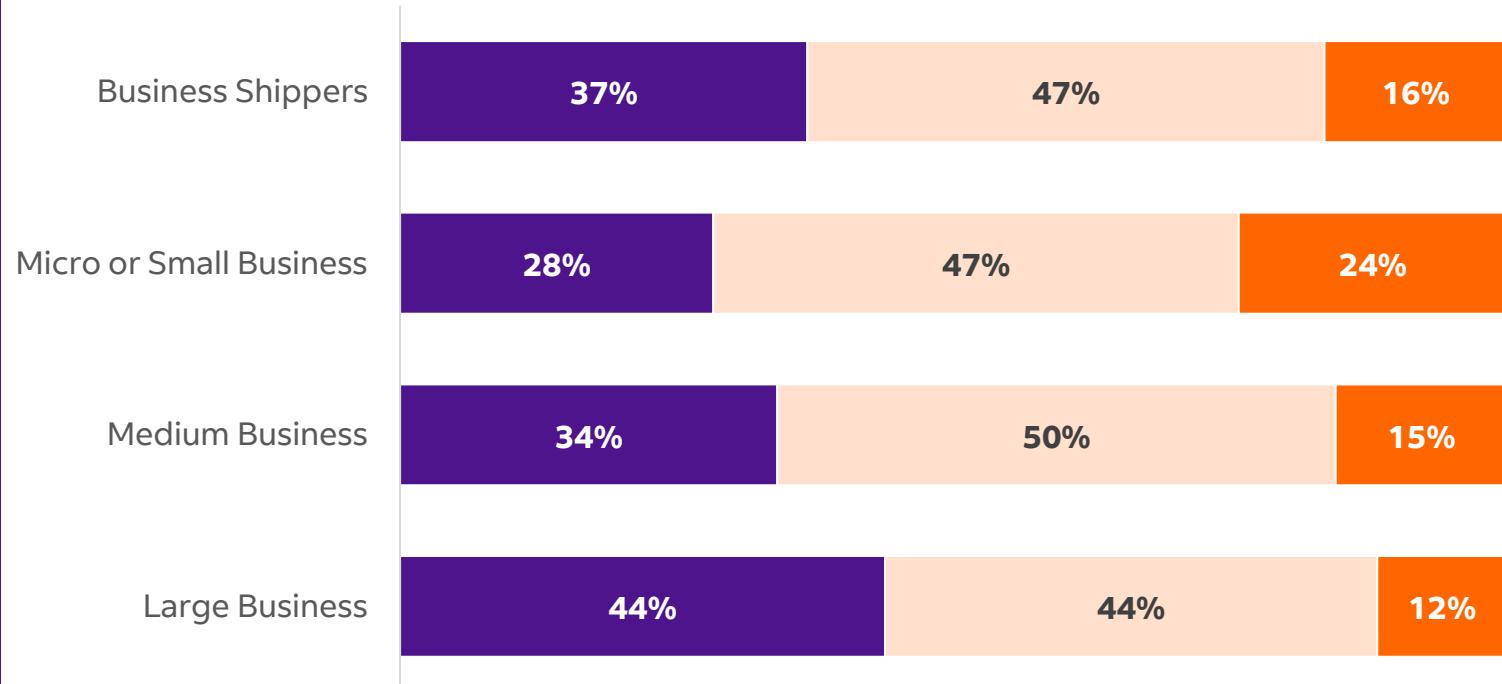
37% of business shippers are currently using AI tools/applications, with only 16% saying they have no plans to use these tools.

Large businesses are the most likely to currently use these resources.

*For shipping and returns, do you have any current tools/applications or plans to incorporate AI technologies into the process?*

## Returns AI Tools

- I currently use AI tools/applications for shipping and returns
- I plan to in the future use AI tools/applications for shipping and returns
- I do not currently use AI tools/applications for shipping and returns and have no plans to do so

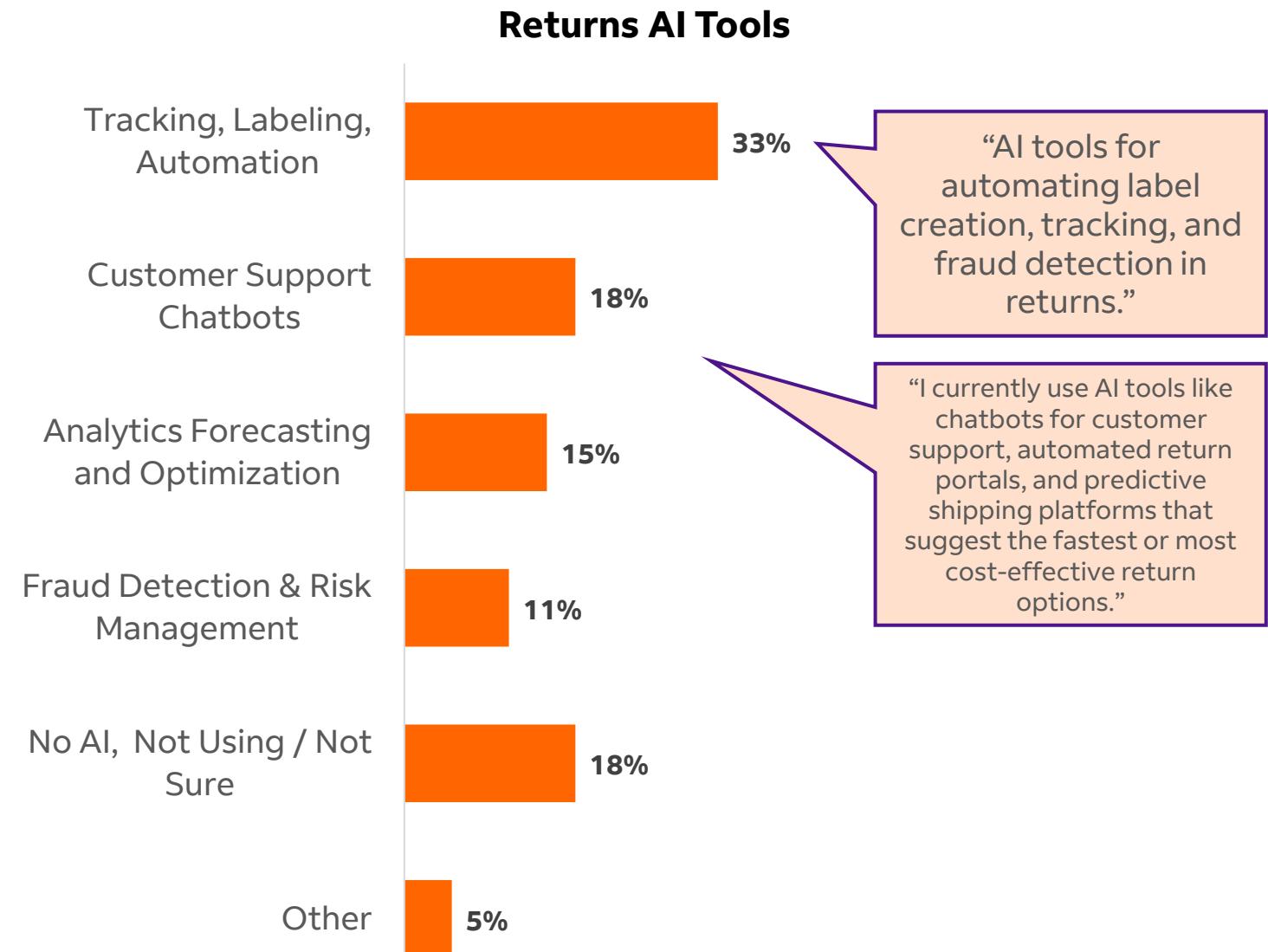


*Base: All business shippers*

# Merchants' Returns & AI

The most common uses for AI tools and applications are tracking, labeling and automation. Chatbots and other applications fall further behind in use.

*What are the AI tools/applications you currently use for shipping and returns?*



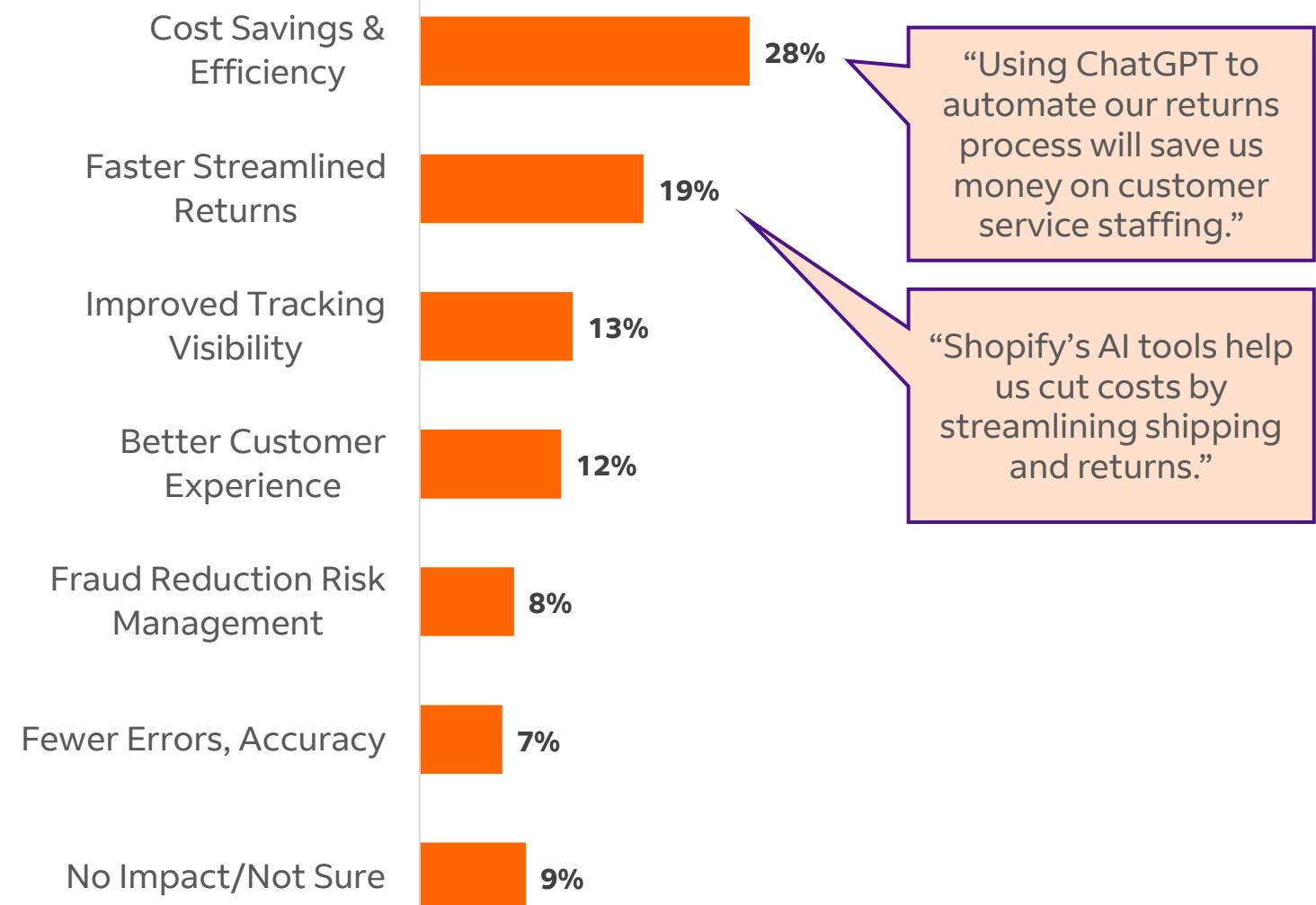
*Base: Business shippers currently use AI tools/ applications for their shipping and returns*

# Merchants' Returns & AI

Business shippers who plan to use AI tools and applications will use them to help increase cost savings and efficiency and faster streamlined returns. Business shippers often mentioned Chat GPT, Shopify AI, Copilot, Gemini, and Salesforce AI as tools they have used.

*What are the AI tools/applications you plan to use for shipping and returns?*

## Returns AI Tools



*Base: Business shippers currently use AI tools/ applications for their shipping and returns*

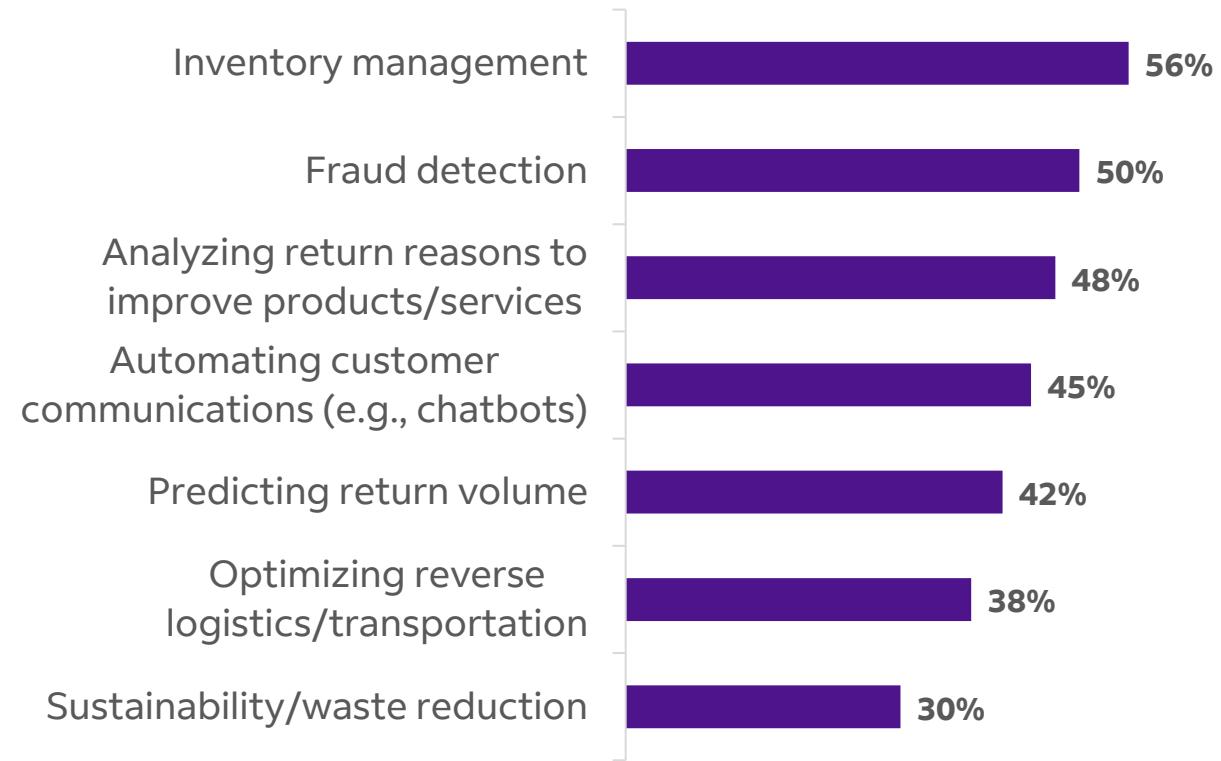
# Merchants' AI Value

Inventory Management is the top returns use case where business shippers see AI tools providing value, followed by fraud detection and analyzing the reasons for returns.

Sustainability and waste reduction is not seen as a likely value add for AI tools by most.

## AI Value

*In which areas of your returns process do you believe AI could provide the most value?*



*Base: Business shippers currently use AI tools/ applications for their shipping and returns*

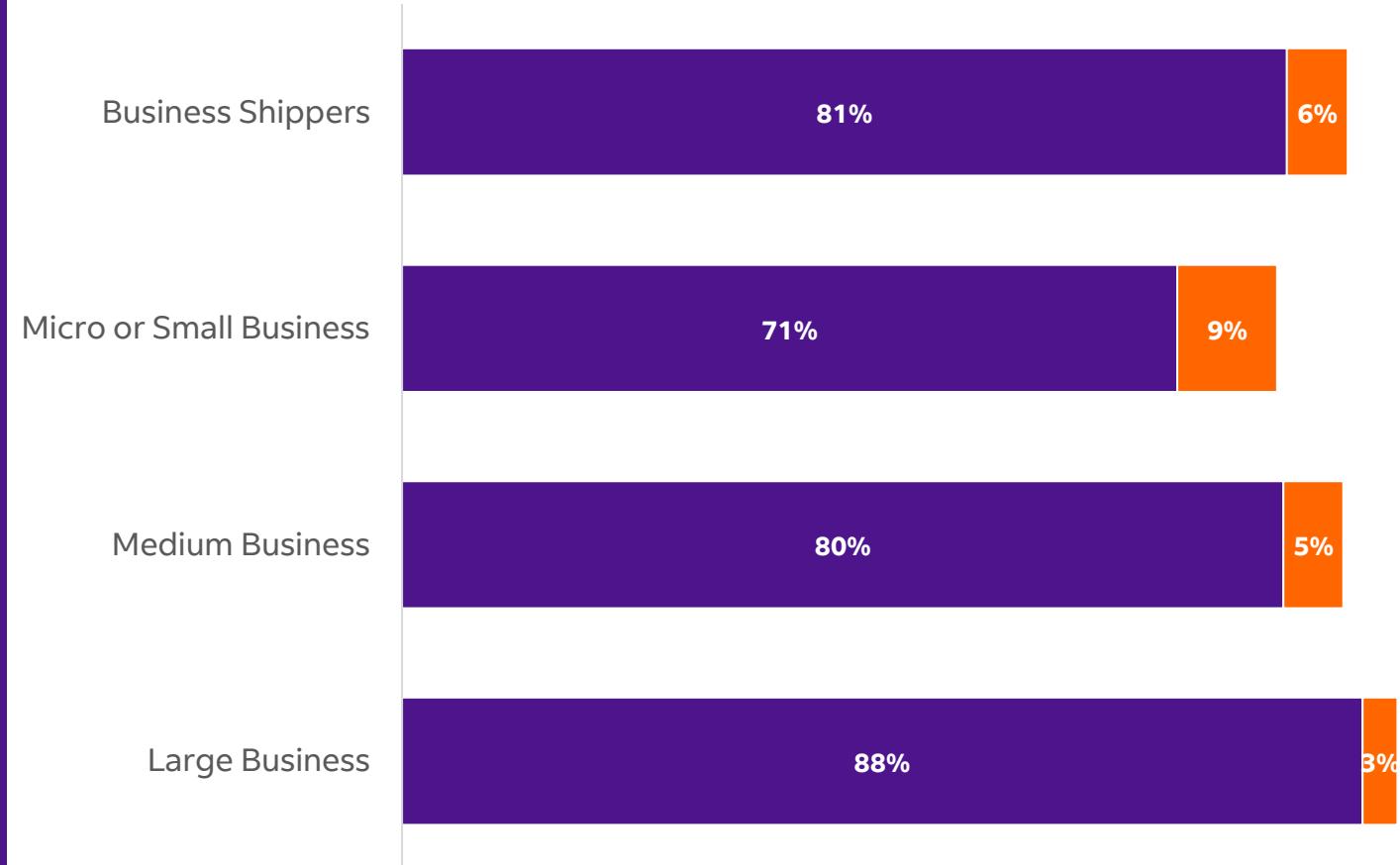
# Merchants' AI & Customer Experience

Business shippers of all sizes believe that AI tools can improve the customer experience during returns. The intensity of this belief follows trends for current AI adoption, with large businesses the most optimistic about improving the customer experience with AI.

*To what extent do you believe AI can improve the customer experience during the returns process?*

## AI & Customer Experience

- Top Two (Significantly improve + Somewhat improve)
- Bottom Two (Somewhat worsen + Significantly worsen)



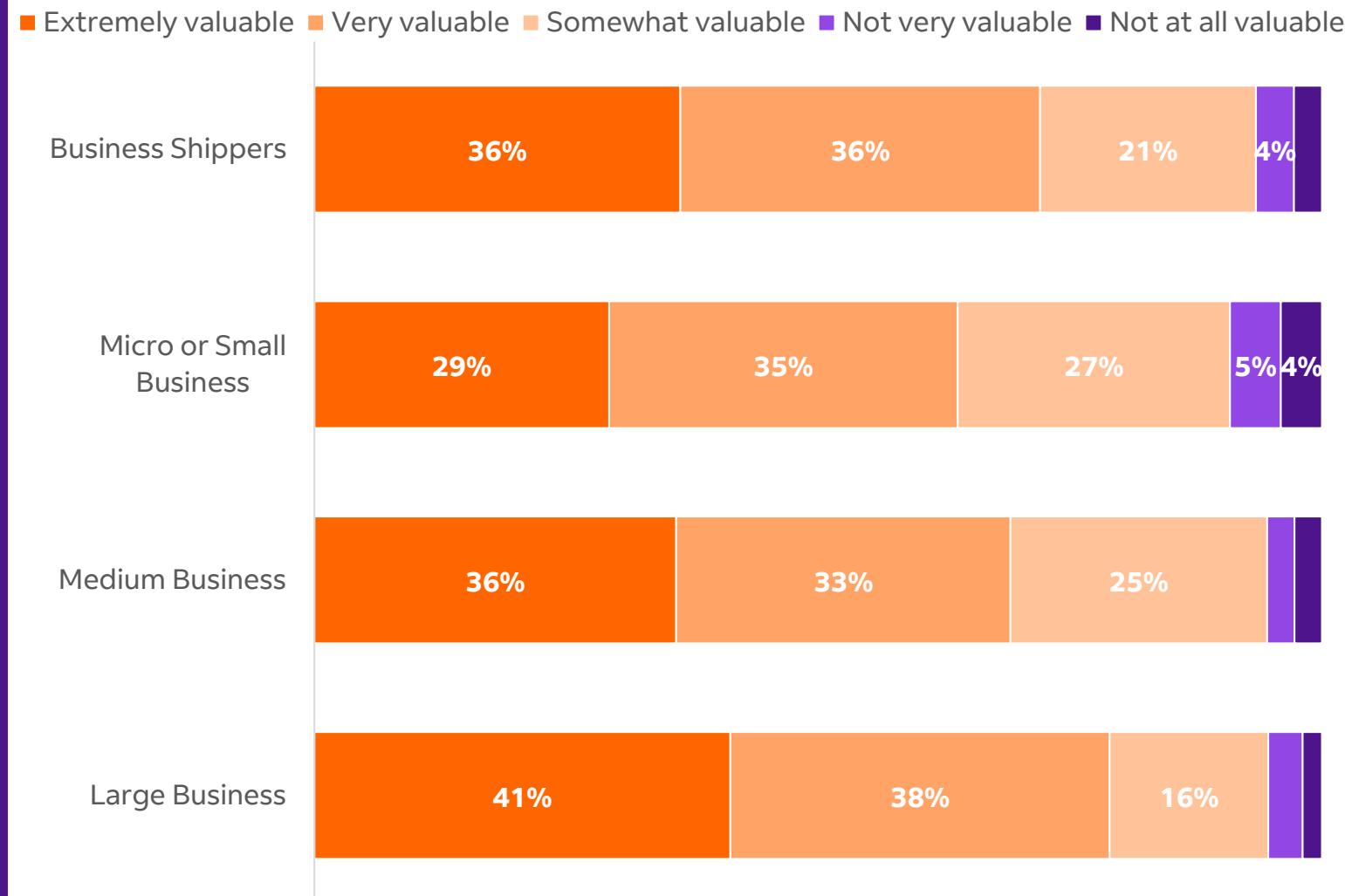
*Base: All respondents*

# Merchants' Value of AI Forecasting

A strong majority of business shippers (72%) see AI-driven analytics to forecast return rates as a valuable application during the holiday season.

*How valuable do you find AI-driven analytics in forecasting return rates during the holiday season?*

## AI Forecasting



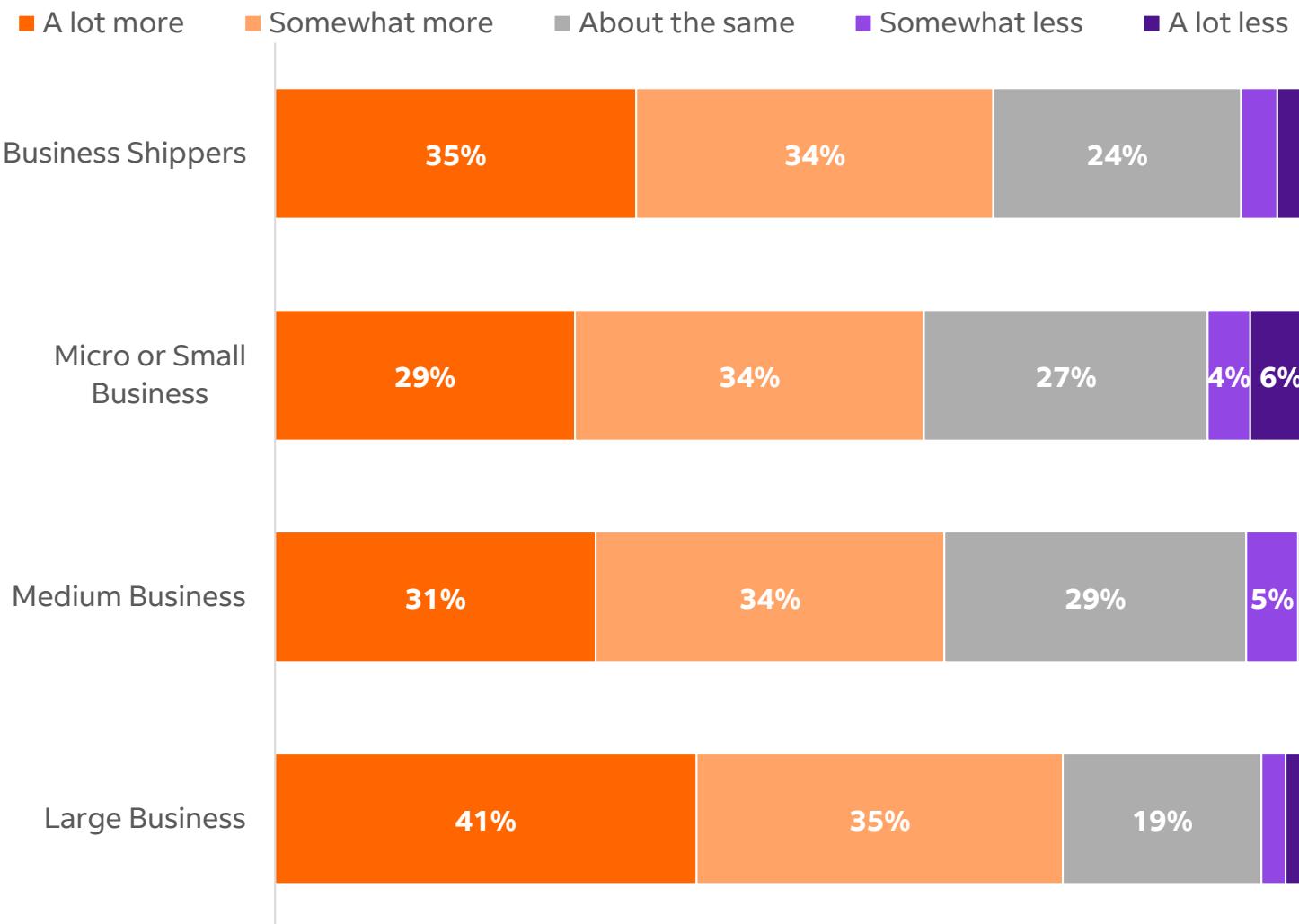
*Base: All business shippers | Values less than 3% have been removed*

# Merchants' AI Tools Usage

AI Tool use is primed for growth with 69% of business shippers saying they plan to use AI-driven analytics and tools more this holiday season.

*Will you be using AI-driven analytics and tools more, less or about the same this holiday season compared to the past?*

## AI Tools Usage



*Base: All business shippers | Values less than 3% have been removed*



# Appendix

Returns Survey

December 2025

# Audiences

Audience	N	MOE	Definition
<b>Consumers</b>			
Adults (Consumers)	1980	+/-2%	Respondents ages 18+ (US General Population)
Consumers: P12M Returns Shippers	1365	+/-3%	Respondents ages 18+ who have shipped a return item in the past 12 months
Consumers: P12M Returners	1119	+/-3%	Respondents ages 18+ who have returned an item in the past 12 months
Gen-Zers	306	+/-6%	Respondents born between 1997-2012
Millennials	602	+/-4%	Respondents born between 1981-1996
Gen-Xers	496	+/-4%	Respondents born between 1965-1980
Baby Boomers	524	+/-4%	Respondents born between 1946-1964
HHI: Under 50k	800	+/-3%	Respondents with a household income below \$50k
HHI: 50k-100k	643	+/-4%	Respondents with a household income between \$50k and \$100k
HHI: 100k+	317	+/-6%	Respondents with a household income above \$100k
<b>Business Shippers (Merchants)</b>			
Business Shippers	1,008	+/-3%	Respondents with considerable influence on decision making in their business and spends \$1,000+ a year on shipping on average.
Micro or Small Business	318	+/-5%	Business shippers with an annual revenue of up to \$5M
Medium Business	220	+/-7%	Business shippers with an annual revenue of up to \$100M
Large Business	470	+/-5%	Business shippers with an annual revenue of \$100M+

This poll was conducted between **December 4 – December 9, 2025**.



# Consumers

Returns Survey

December 2025

# Consumers: Appendix

Most consumers who returned items in the past 12 months state they mostly return their own purchases.

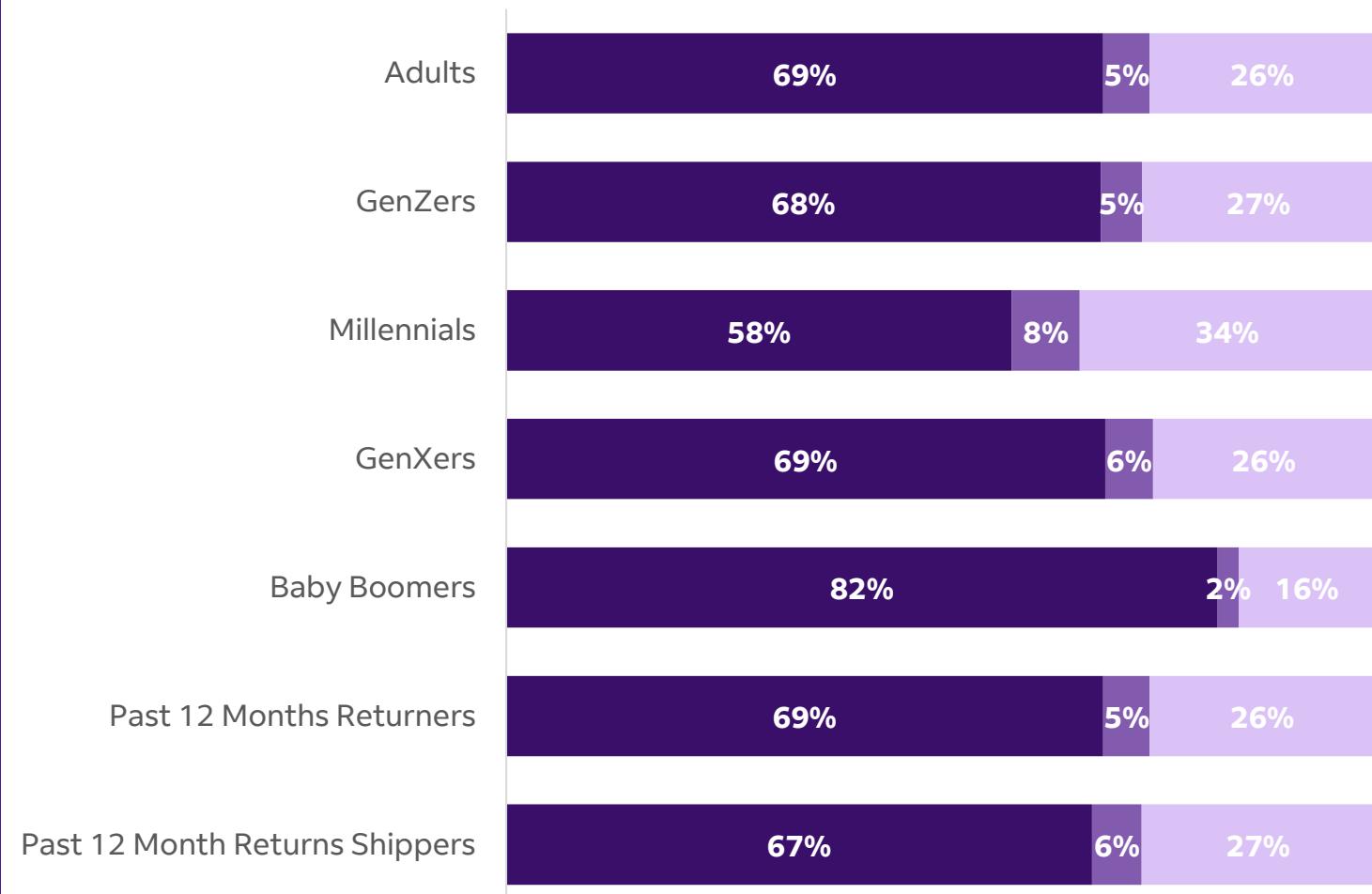
5% returned only gifts or items purchased for them.

Baby boomers are most likely to return only their own purchases, +13pp higher than other American adults.

## Type of Returns

*For the items you have returned in the past 12 months, were they mostly your own purchases, mostly gifts or items purchased for you, or a mix of both?*

■ My own purchases      ■ Gifts or items purchased for me      ■ A mix of both



*Base: Respondents who have returned an item in the past 12 months*

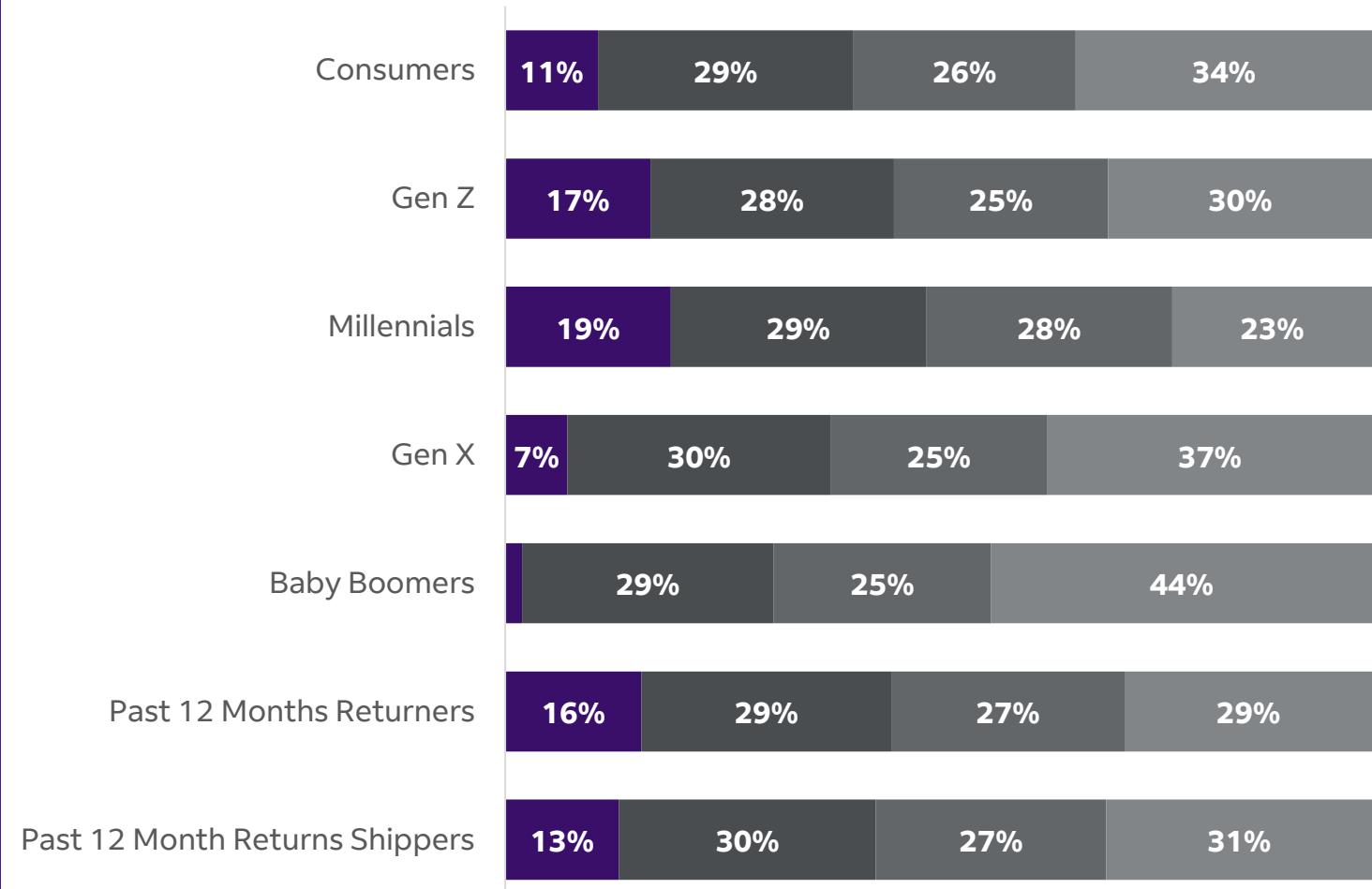
# Consumers: Appendix

Gen Z and millennials are more likely to state they plan to return more items than in past years, while their older counterparts, Baby boomers and Gen X, are less sure about their return plans and less likely to say they'll make more returns.

## Return Quantities Compared to Previous Years

*During the holiday season, do you expect to return more items than in past years, less items or about the same amount of items?*

■ More items ■ The same amount of items ■ Less items ■ Don't know / Unsure



Base: All respondents



# Business Shippers

Returns Survey

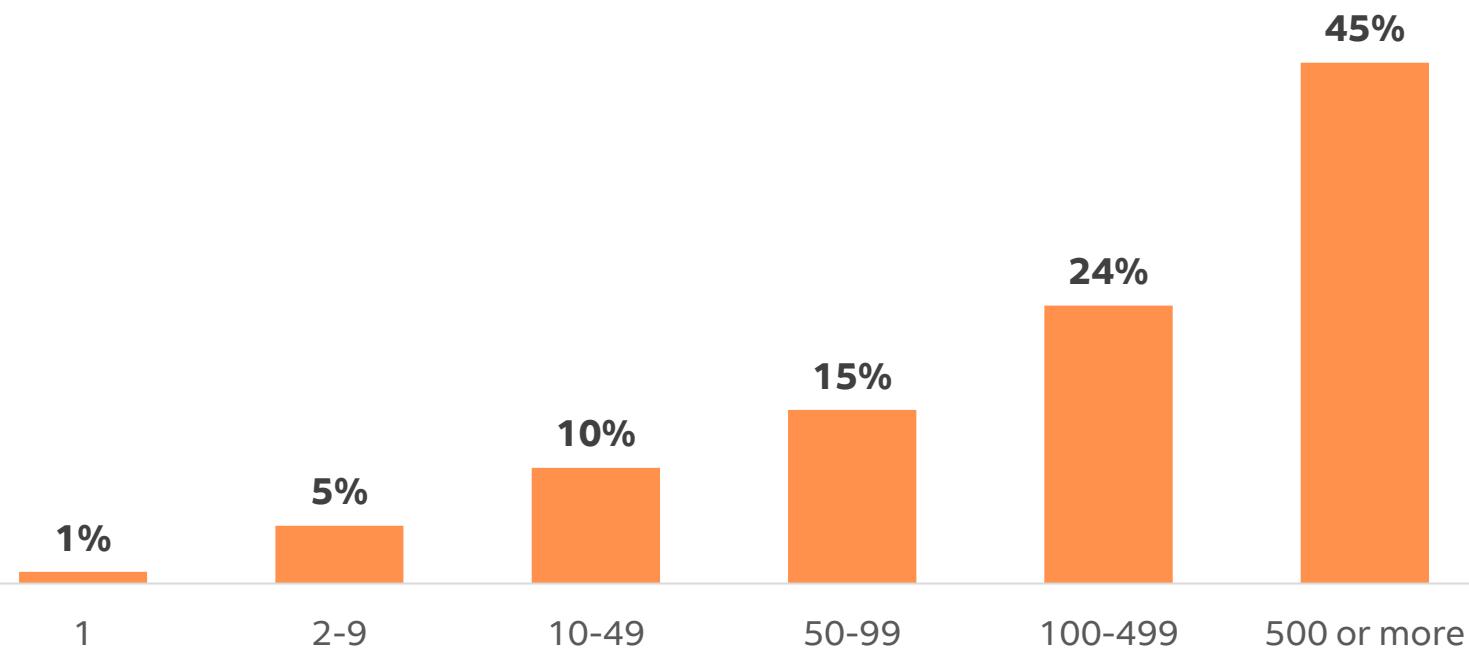
December 2025

# Business Shippers: Appendix

Most business shippers work at organizations with over 100 employees, and just under half at organizations with 500 or more employees.

*How many total full-time employees, including the owner, are currently employed by your business?*

**Business Size**

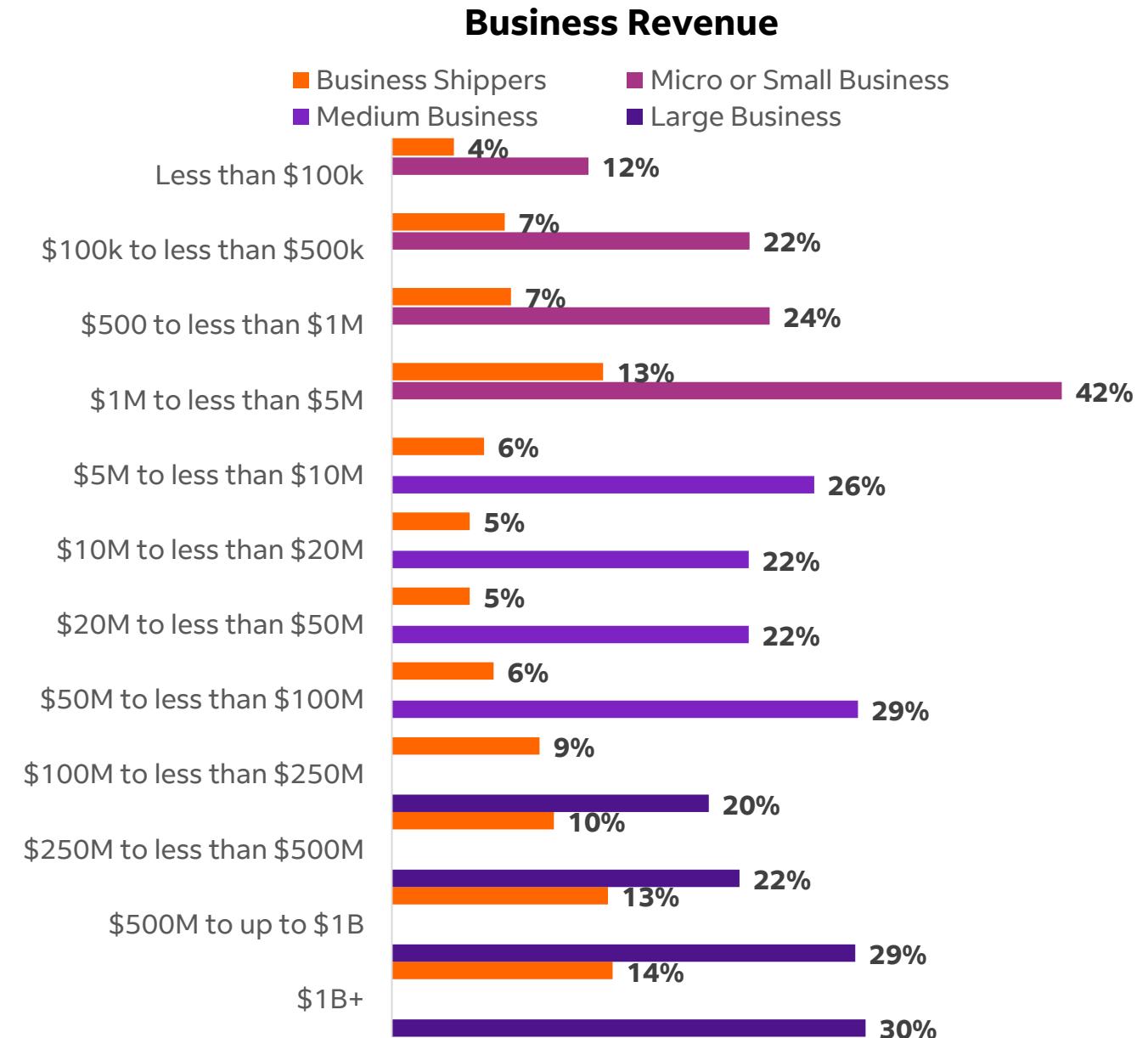


*Base: All business shippers*

# Business Shippers: Appendix

Business shippers were segmented by revenue in order to determine responses by business size.

*To the best of your knowledge, what is your company's annual revenue?*

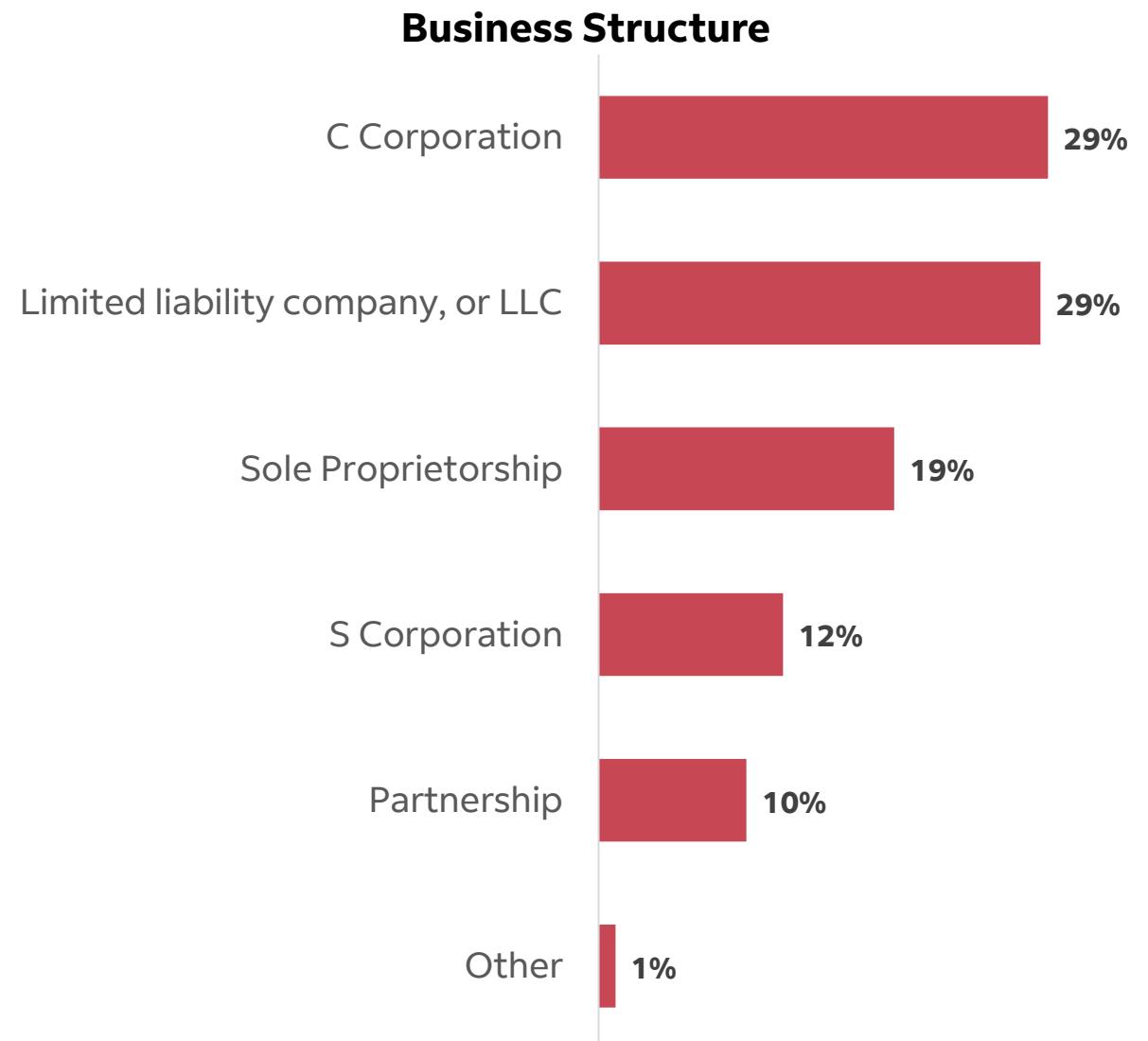


*Base: All business shippers*

# Business Shippers: Appendix

Business shippers' organizations are mostly a mix of LLCs (29%), Sole Proprietorships (19%), and C Corps (29%).

*And, how is your business organized?*

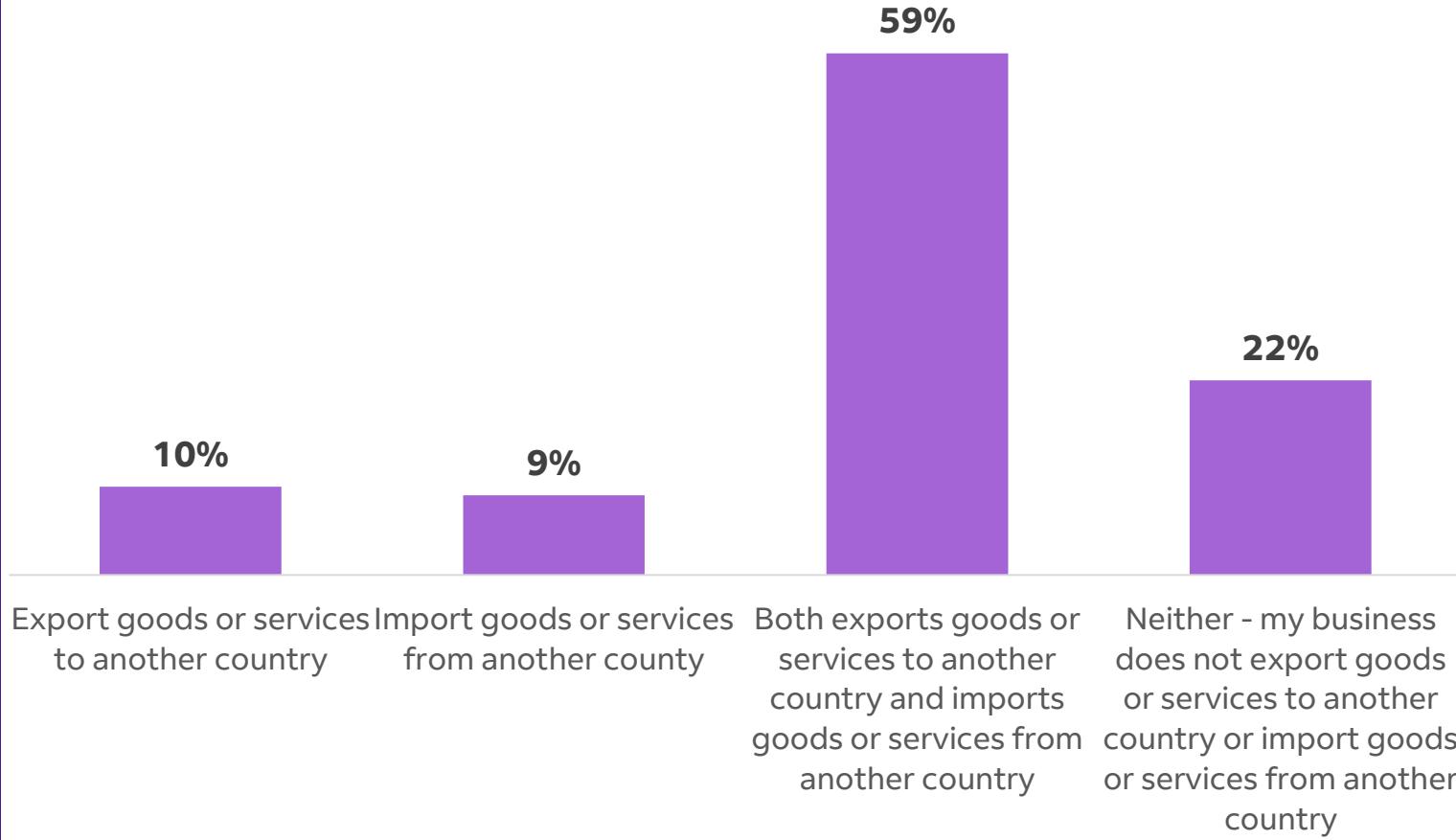


# Business Shippers: Appendix

A majority of business shippers both export and import goods and services from other countries (59%).

*Does your business...*

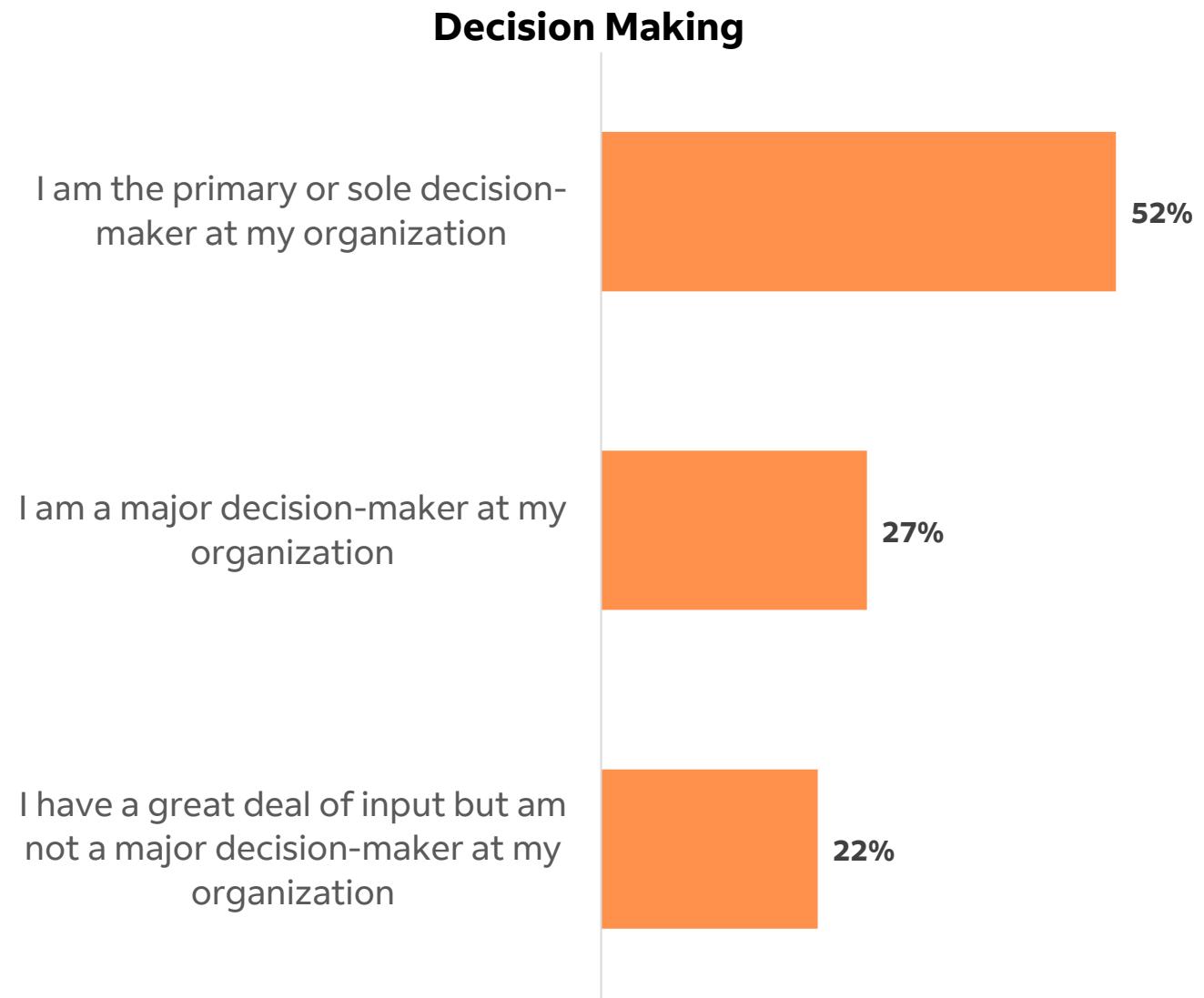
## Business Structure



# Business Shippers: Appendix

All individuals responding on behalf of business shippers have some input into their organization's shipping decisions, and 52% are the primary or sole decision-maker.

*Thinking about the shipping your organization does, which of following best describes your level of influence on decision-making when it comes to selecting which company your organization uses for shipping?*

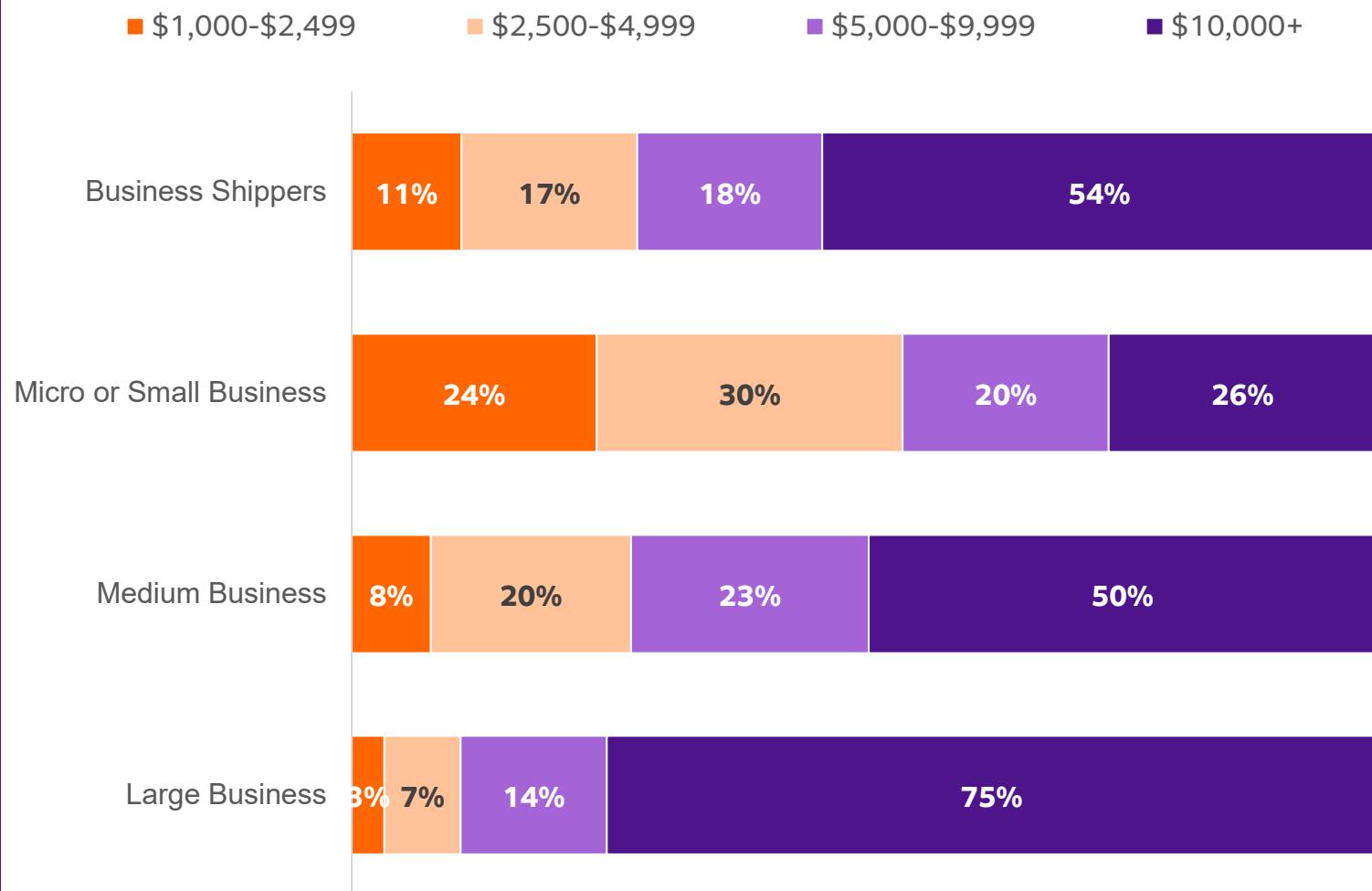


# Business Shippers: Appendix

Most business shippers spend over \$5,000 per year on shipping (72%), and large businesses are especially likely to spend over \$10,000.

*And, on average, how much does your organization spend on shipping per year?*

## Business Shipping Costs



*Base: All business shippers*