



# Return Rate Data Analysis Package

Using Your Data Effectively to Uncover the Real Reasons for Returns



# What is Your Return Rate Profile?

Dressipi's Return Rate Data Analysis Package gives retailers the know-how to use their data correctly to gain insight into the key drivers behind return rates.

Received wisdom has traditionally been that sizing is the overriding factor driving up return rates (usually based on customers quickly ticking the size box on the returns form). Although size advice can help with converting new customers, it is very rarely the primary driver of return rate reduction.

Nevertheless, every retailer has a different return rate profile.

The package enables retailers to do the following:

- 1 **Benchmark** their performance versus other retailers
- 2 Review **primary factors** driving returns and what's increasing
- 3 Gain a detailed view of each **customer's profitability** and identify serial returners
- 4 Carry out in-depth analysis of **products and product features**

Up to 15 key areas are analysed to identify return rate issues and quick wins without compromising top-line growth and profitability. Possible external solutions are also recommended should a retailer want to deliver more.

Within 3 weeks, retailers will understand the actions required to reduce return rates by up to 10%.

# Benchmarking

## Objective

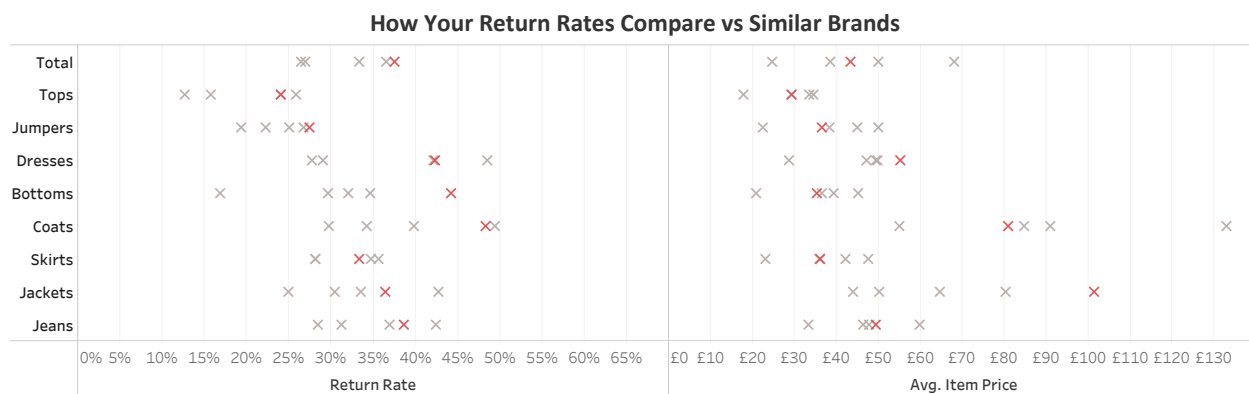
Give an independent, objective view of how each retailer's return rate compares to similar brands overall and at a category level. Identify categories with the greatest potential to improve.

1

## Example Deliverable

Based on factors such as item price and suitable styles, comparable brands and products are identified to show if return rates are at the expected level.

Retailers will not only identify categories with a high return rate, but also other categories that can be improved further.



## Benefit

Retailers can make the best use of their time to streamline their focus on categories that will drive the quickest wins in terms of returns reduction.

# Trend Analysis and Core Drivers of Returns

## Objective

It is often assumed that most returns are driven by sizing issues, however, there are various reasons for returns.

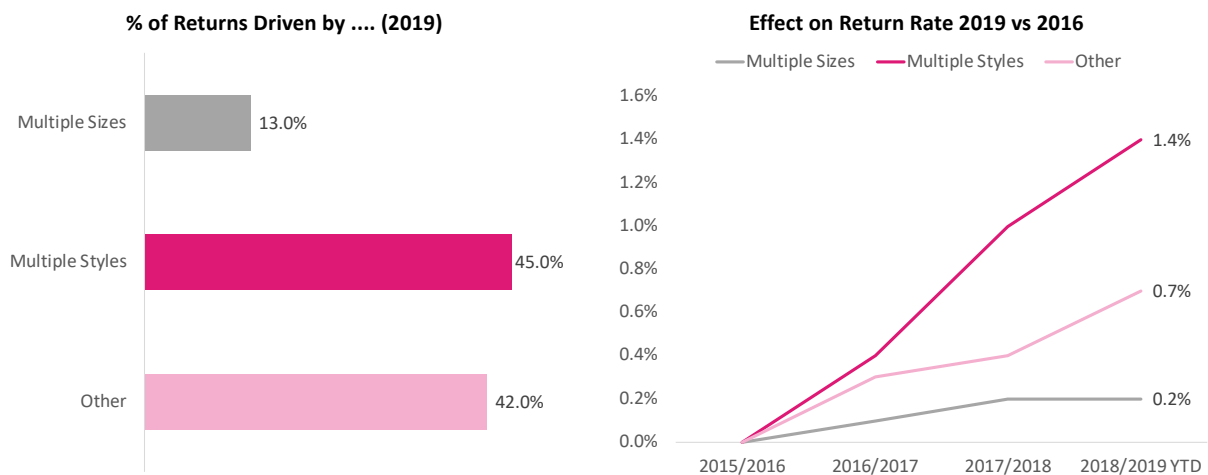
Analyse the core drivers of returns and how they evolve. Is it a change in product mix or growth within certain categories?

2

## Example Deliverable

Retailers will be able to accurately pinpoint exactly how much of their returns are driven by sizing.

This analysis will also show what percentage of returns arise from the purchase of multiple styles and other factors such as product quality. This can be looked at on a per-category basis.



## Benefit

Once a retailer has solid evidence on exactly what is driving return rate growth in each category, it will be clear where time and resources should be invested.

# Customer Focus

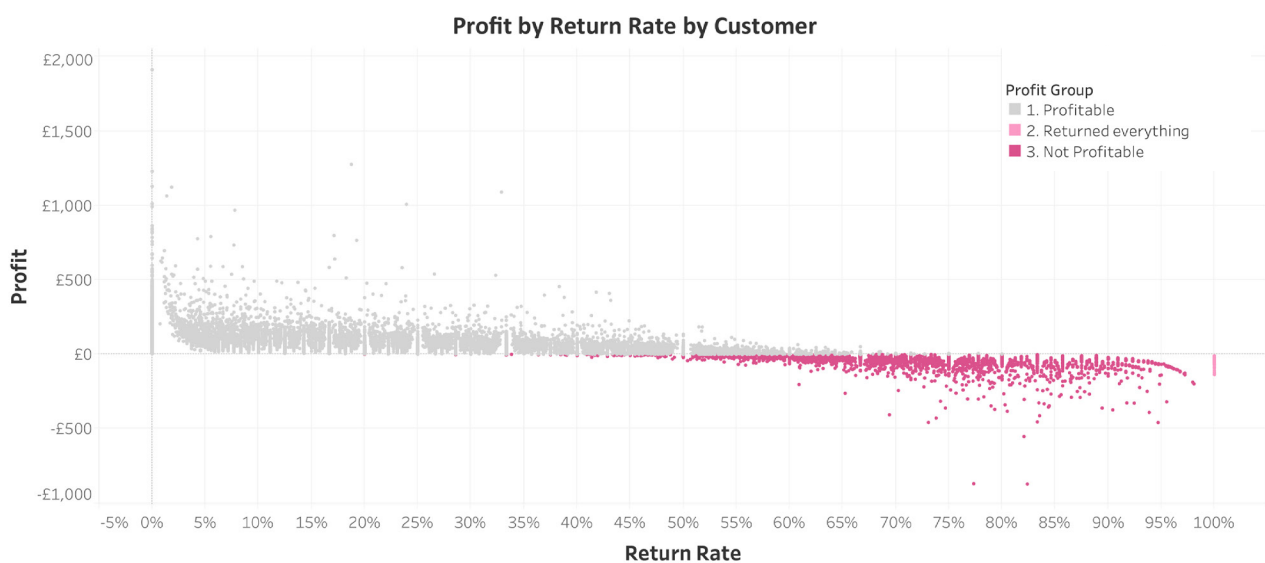
## Objective

A view of profitability on a per-customer basis leading to an understanding of how many customers are responsible for a given percentage of returns.

3

## Example Deliverable

Gain a per-customer view of profitability and returns to identify which customers are responsible for a high number of returns, or are simply not profitable.



## Benefit

Create metrics for a business case to show how valuable reducing returns is for a retailer, and to ensure it is done so profitably.

Understand the value of returns prevention versus selling one extra item per-customer.

Identify the small groups of customers who are consistently unprofitable and cross-reference with other data sources (such as email subscribers, payment offerings, etc).

# Product Focus

## Objective

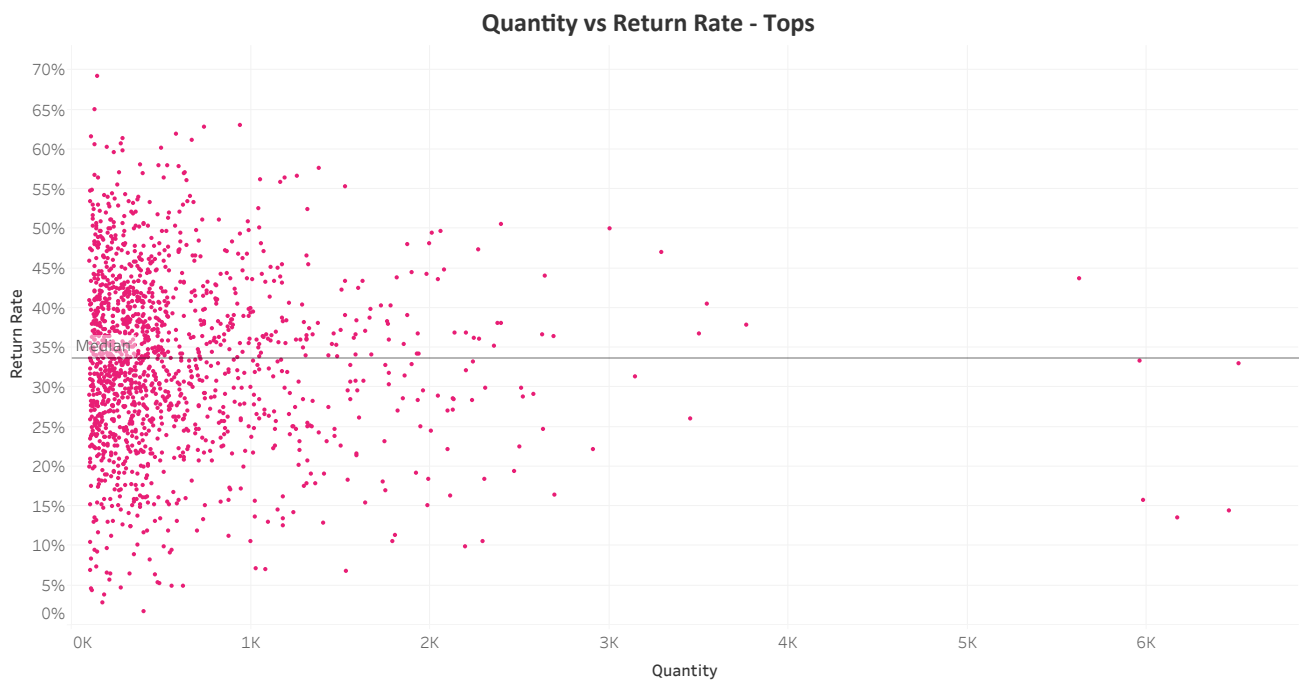
In-depth analysis of products having an unusually high return rate and identification of specific features associated with increased return rates.



## Example Deliverable

Review products on a category/product/SKU and feature level. Identify products that would benefit from merchandising changes to ensure increased sell-through rates in realtime.

Identify customer return propensities on a per product, size and feature basis.

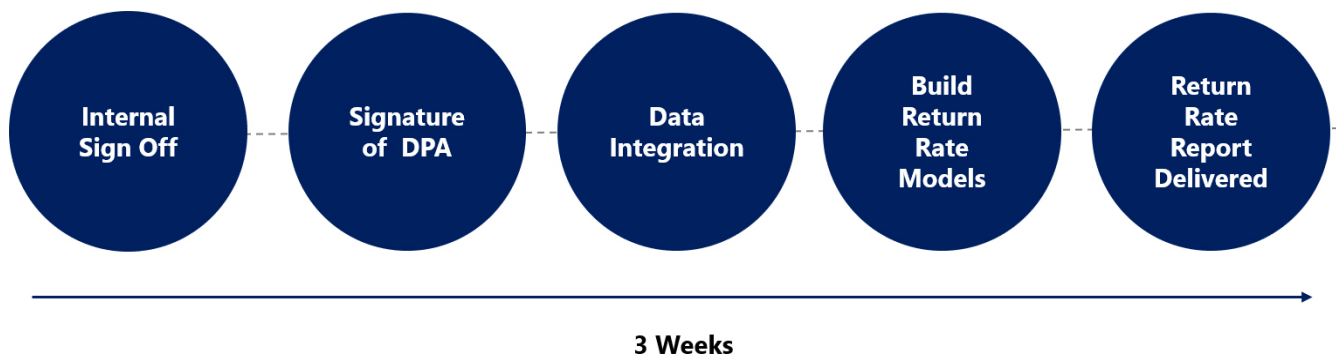


## Benefit

Understand that key products and key features are driving returns across categories and customer segments. Identify what changes need to be made to the product range to improve return rates (either for problem products or overall).

## Timeline

Within 3 weeks and with little resource required from the retailer, Dressipi will give a clear view of the key reasons behind returns and some recommended next steps to reduce them.



For more information, contact [sarah@dressipi.com](mailto:sarah@dressipi.com).

### About Dressipi

Dressipi is a Fashion Prediction Platform designed to help retailers predict what their customers will buy and not return, optimising profitability and giving shoppers the best possible experience. The company uses a comprehensive set of Machine Learning and AI technologies, developed specifically to address the data modelling and prediction challenges across fashion retail. The platform delivers best in class product/outfit prediction scores/recommendations for each shopper and a range of dynamic decision-making tools for retailers to optimise supply operations.

### Contact Dressipi

To learn more about Dressipi's Return Rate Data Analysis Package, get in touch today.

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