RETURN ABUSE

Total returns for the retail industry are projected to reach **$849.9 billion**[1] in 2025. These are key trends from Pinch AI's 2025 retail data highlighting the growing gap between fraud and loyalty in e-commerce returns.

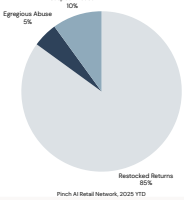
~ 25% : ECOMM RETURN RATES

Online purchases that get returned. This is higher in luxury, fast fashion, apparel and footwear.



10%-15% : ABUSIVE RETURNS

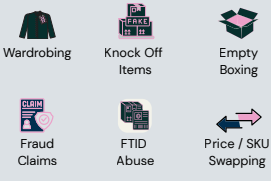
5% of all returns are complete write off's. 10% come back used / damaged - impossible to restock as new.

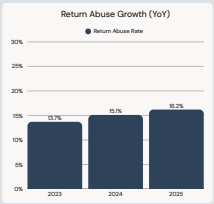


Pinch AI Retail Network, 2025 YTD

RETURN ABUSE TYPES

Return Abuse MO's are largely consistent across categories. Wardrobing tends to be the single largest issue across categories and FTID tends to be seen in categories with higher Average Order Value.



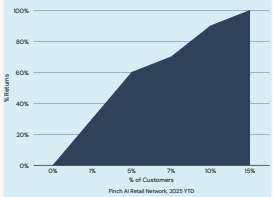


~ 0.5% OF CUSTOMERS..

..account for 100% of egregious return abuse.

~ 7% OF CUSTOMERS..

..account for 70% of returns.



Pinch AI Retail Network, 2025 YTD

~ 4% OF CUSTOMERS..

..are high-margin loyalists who generate strong profitability.

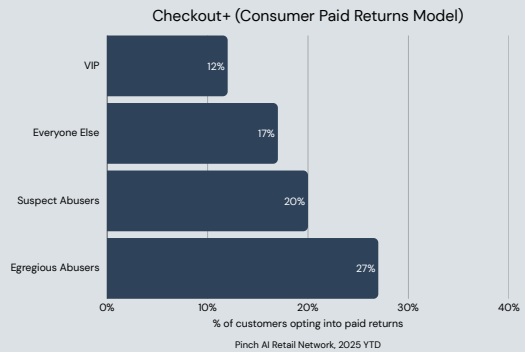
01 **Drive disproportionate Revenue**
~ 15% of all purchases in a year are made by this cohort of customer.

02 **Have Lower Return Rates**
3x fewer returns compared to average buyer per year.

03 **Have High Restocking Rates**
Returns are restocked 95% of the time (**2x** more than the average buyer).

04 **Shop Frequently, Stay Longer**
3.5x more purchases per year compared to average buyer.

ABUSERS ARE 2× MORE LIKELY TO OPT INTO UPFRONT CONSUMER PAID RETURNS MODEL THAN LOYAL CUSTOMERS.



Pinch AI Retail Network, 2025 YTD