

E-Commerce Product Return Management Effects on Consumer Experience and Satisfaction: A Fast-Fashion Perspective

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Abstract : This research uncovers the determinants that drive millennial consumers to adhere to product return of fast-fashion products purchases via e-commerce and what effects it has on consumer experience and satisfaction. Online consumption has skyrocketed, with e-commerce being the only, most reliable, and safe method of shopping during and post Covid-19. It has been noted customers are demanding a wide variety of product characteristics and a generous optimal return policy. The authors have selected to examine millennial consumers as they are digital natives and have an affinity for researching, reading product reviews, and shopping online, with a great spending power due to a higher disposable income in comparison to other generations. A multi-study approach is adopted, where study one (interviews, sample of 20 respondents) investigates the factors that drive product return, and study two (PLS-SEM, sample of 250 respondents) looks into the relationships of product return management against behavioral outcomes by having the generated factors (from study one) as moderators. Five themes are generated from study one (return policies, product characteristics, delivery lead time, seasonality, product trial & overspending). The authors identify that two out of the five factors (seasonality, product trial & overspending) have not been highlighted by the literature. The paper examines 11 hypotheses, where 10 are supported. Findings highlight the quality of the product return management influences the overall millennial customer experience and satisfaction. Findings also indicate that product return management was identified to have a significant negative effect on customer experience. Additionally, seasonality has a significant but negative moderation, which means increasing seasonality decreases the relationship between product return management and customer experience and satisfaction. Results highlight that return policies have a significant negative influence on the relationship between returning a product and customer experience and satisfaction. Moreover, product characteristics are also identified to have a significant negative influence on the relationship between returning a product and customer experience and satisfaction. This study further examines the influence of the factors on direct e-commerce websites and third-party e-commerce websites. Findings showcase a strong statistical significance for the increased rate of return of fast-fashion products on third-party websites. This paper aids practitioners in taking strategic decisions related to return management, to improve the quality of logistical services and, in turn, increase profitability.

Keywords : customer experience, customer satisfaction, e-commerce, fast-fashion, product returns

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