A study on technique of returning the products both in Ethical and Unethical ways when buying Online.

Paridhi Sharma, PhD Scholar, Galgotias School of Business, Galgotias University

Dr. Vivek Aggarwal, Professor, Galgotias School of Business, Galgotias University.

Yamuna Expressway, Greater Noida.

Author Email: Paridhi.21gsob3010035@galgotiasuniversity.edu.in

Abstract

The study's main objective is to compile 18 years' worth of research on product returns (2022–2002). The study considers a total of 29 publications, which are further divided into categories based on different aspects such as internet shopping, product returns, consumer behaviour, illegal product returns, etc. The illegal return of goods is a fraudulent activity that significantly influences organisations, enterprises, and society on a global scale. This work focuses on reasons, ways of returns and how these returns influence the cost of the product and lead to losses. Even some light is thrown on techniques and ways that can be used to stop these returns and some ideas are suggested on how these returns can be turned little beneficial for the seller in this activity of selling and promoting the products online. No doubt that returns policies are misused by consumers a lot.

***Keywords**: Online shopping, consumer behaviour, product return, return policies, illegal product return, wardrobing*

INTRODUCTION

A new concept was brought to light by a diesel campaign that stated **"Enjoy Before Returning"** **which** promoted consumers to enjoy wardrobing. It is very common for luxury products to be purchased online. Current consumption and production activities are degrading the ecological system; for example, with online purchases, the product return rate is increasing rapidly and shows no signs of slowing, but these returns of products cause both internal and external frauds, such as theft and wardrobing. When the product is brought to return, that is an illegal return. Defining "wardrobing" as the act of purchasing an item, wearing it, and then returning it, which is very common with clothes, accessories, shoes, electronic products, and so on, this problem has grown in importance with the rise in e-commerce activities.

As with the internet, everything is possible to buy, there is detailed information about the product as well as improved services that attract more and more customers to online shopping, and this e-retail offers a direct interactive channel. India has the third highest number of internet users after China and the United States, which directly impacts shopping and online retail business. The first e-commerce website was fabmart.com. Post-2009 Indians indulge in daily digital interaction via purchases. In online business, it is very much needed that business plan and produce better and more focused web design and content to enhance the visit to the website and turn these visits into purchases.

In online repurchasing intention is also a very important factor for which it is needed to enhance information and service quality and system, different strategies for different customers; Korea is a leading nation with well-established E-commerce so the success depends on maximising the repurchase intention among the buyers. How simple it is to return is the important factor

considered when buying online, under the return policy people are concerned about product replacement, product return grace period, and transport expense on product return, there is also a 14-day cooling-off period that allows protection of consumers by providing guarantee and allowing to cancel or return your purchase in a time frame of 14 days.

Germany is the most frequent country with returns, according to 92% of the respondents. A free return is an important criterion in an online purchase customers exploit these policies and return already used products, such as holiday items like climbing equipment, to deal with such issues.

The lenient return policies also lead to opportunistic behaviour among consumers; in the UK 30% of buyers accepted that they purchase more than needed and then return the unwanted whereas it was found that 10% ordered to post pictures on social media as per a study in 2020.If we talk about returns there are 40% dRegarding returns there are 40% due to online impulsive buying,43% are due to retailers' mistakes, and 23% are due to the wrong ducts. These returns affect revenue and consumer loyalty; the cost of the return times more than the cost of delivery as it adds on staff cost, total inventory cost and block capital at the same time even goods become obsolete. The product return brings along the cost of opening, diagnosing, and repacking, it is very important to control this cost by analysing how much will be returned from which customer and why? As this return reduces sales but increases the cost of managing the reverse logistics

In 2017 a US merchant mentioned that there was a 19% rise in online transaction but at the same, time the fraud enhanced by 22% according to an overall estimate 11% of all the returns done was fraudulent. The three common types of fraud are – the use of forged receipts, the return of stolen merchandise and wardrobing.According to research, 14% of returns are fraudulent as the refund is given even before the product is accessed and checked. To prevent these frauds in 2013 Bloomingdale policy came into effect which mentioned that attaching a 3-inch-long black plastic tag to the goods if it's removed by the customer they won't be receiving a refund in case of a return, in 2018 Amazon banned customers from making too many returns by a policy of blocking an Amazon customer's account if 10% of items purchased are returned every month in the same year Best Buy limited the number of returns for the customers who frequently return the products as well as in 2018 LL Bean terminated the no question asked lifetime return policy due to these frauds.It is difficult to optimise return management as one hand is needed to cut down the rate of return and on other hand, it is needed to create customer value that can cause an upliftment in return, return policy is the factor that influences sales, and return tendency and profitability. This return broadens the lifetime value of the customer to the firm is managed properly and considering this return experience as a different concept has shifted the focus from the company to a customer-centric view

METHODOLOGY

A) SEARCH SCOPE

Wardrobing is also known as an illegal return it is very prevailing in online shopping these days. It is very much different from a regular return in the process of buying the product online as the product is used and then returned under this, which is fraud hence it also comes under the category of return fraud. This behaviour is seen in various products such as electronics, and shoes, but it is very dominant in apparel. To get a deep knowledge about this concept a study has been conducted to have clarity about its characteristics, and factors. We have limited the study to just one form of return fraud and in that also focused on online e-commerce websites as well as brand online stores

B) Study method

For the present research, we have made use of a systematic literature survey. This is very different from traditional as its main aim is to comprehensively cover a particular area. This method is extensively used in the area of management to get transparent, clear, and impartial coverage of a particular concern that is being focused on in the research. It is objective

oriented and reports the text in a way that is very similar to the way of study. Under, this study has been used to summarise online shopping-product return-illegal product return

C) SEARCH PROCESS

The review presented below includes quality journals as well as research articles, and reports that are been bracketed here with the help of the online indexing platform Scopus, as well as Google Scholar to ensure the maximum coverage. Only the peer-reviewed articles that are in the English Language are incorporated here. As you can see few words such as product return, wardrobing and online shopping are exclusively used. So the research is also conducted for the articles using "Wardrobing", "Product return" and " Online Shopping" as keywords. Only articles with these terms appearing either in the abstract or title or the keywords are used for this research. We have found various articles that we related to the traditional method of shopping and having been returned, but those were neglected as they are not related to wardrobing in online shopping.

At first, the description of the articles is provided based on the year of publication, the name of the author, the name of the journal, methods used and the purpose as well as its findings whereas in the second phase, we have divided the articles into the basis of categories and sub-categories focusing on themes such as Online Shopping, Product Return, and Illegal Product Return

LITERATURE SURVEY

ONLINE SHOPPING

In the papers, there is a revelation about the online shopping scenario, Sharma Komal (2020) through light on consumer attitudes towards online shopping. Kok Wai Tham, Nurlida Binti Ismail, Omkar Dastane, and Zainudin Johari, (2019) reviewed the impact of various risks-Financial Convenience, Non-delivery, Policy return, product etc. online consumer behaviour of Malaysian consumers. Dr S. Renugadevi (2019) focusing on the Tiruvarur district mentioned that although online shopping is high but still prefer manual as unaware of pre- and post-services rendered by online shopping companies, fear of sharing credit information, receiving the defective product as well due to curiosity see the product before buying. Dr K. Anbazhagan and Mr K. Iyyapparajan (2018) stated focusing on Chennai that with the presence of the internet, it is easy to buy anything, get detailed product information and improved services this is what shift customer from traditional to online shopping it also removes time, place, people barrier, as a result, E-shopping is comfortable. Deepak Chawla and Shweta Pandey (2014) did a study to find a holistic picture of factors that influence the Indian Shopper E lifestyle, stating the 6 factors E-Enjoyment, E-Self Efficiency, E-Logistic concern, E-Distrust, E-Offer, E-Negative belief; lifestyle is a better predictor to understand shopping behaviour as it influences directly or indirectly purchase on the internet, level of interest and the activities. Arun Thamizhvanan and M.J. Xavier (2013) in their work through light on the Indian Youth to Purchase Online. Changsu Kim, Joo-Han Ryoo, Jongheon Kim, Namchul Shin, and Robert D. Gallibers (2012) under this they worked to see the effect of internet site qualities on hedonic and utility valueand see how customer buying satisfaction and buying again intention are influenced by the understanding of internet shopping value. Jaishanker Ganesha, Kristy E. Reynolds, Michael Luckett, and Nadia Pomirleanu (2010) in their work stated what differentiates online from traditional shopping. PUI-MUN Lee (2002) under this he talked about behavioural factors of internet users that they consider while buying online and gave a behavioural model David J. Reibstein (2002) attracting customers and retaining them both are important in online shopping, focused on what can be the reasons that are important for a customer who buys via web and compares the factors for attraction and retention

PRODUCT RETURN

Denise Baden and Regina Frei (2022) disclosed that the access-based economy is where people and business pay to use the product and not to own it or share the product through community-based online services. Hannu Saarijarvi, Johanna Joensuu, Mika Y rjola, Mark T. Spence and Timo Rintamaki (2021) in their work showed return satisfaction as a completely different concept to throw light on the relationship between return experience and overall satisfaction, loyalty and word of mouth and further also stated two types of returners planned and unplanned. Lisa Jack, Regina Frei, and Steve Brown (2020) mentioned that with the rise of E-Commerce, product return is also increasing which is a challenge to retailers as well as society. Alessia Calcabrini, Anna Victoria Gustavsson, Lucie Mathieu Nicholas Dodds, and Rachel Edwards, (2020) aim was to come up with a feasible solution to reduce the number of returns taking place in the online fashion industry. Mona Sonntag (2019) in this paper talks about the topic that consumers taking benefit of customer-friendly returns service and whether they know about account blocking and find that abuses are more likely to be committed by consumers who perform many returns, or whether there is no discernible difference. Dr Joe Lopez Cajetan and Rita R Dangre (2018) in their work main aim were to know the relationship between product return, process experience and the intention to buy again and the preference to buy online. Audhesh Paswan and Zhi Pei (2018) did a study which can help to understand consumer online return behaviour. Lynn C. Dailey and M. Ali Ulku (2018) worked for understanding consumer expectations of return and the impact on consumer response to being denied a product return. Chrysanthos Dellarocas, Nachiketa Sahoo and Shuba Srinivasan (2018) in their work state that they tried to know how product reviews affect the probability of returning the product by reducing product uncertainty. Shinhyoung Lee and Youjae Yi (2017) focused their work on how to prevent consumers from returning previously purchased goods by showing a relationship between gifts with purchase promotion and product returns. Arnd Huchzermeier and Felix Roellecke (2016) did work to know about the effect of free returns on purchase decisions. Sarat Kumar Jena and S.P Sarmah (2015) researched to develop a theoretical model to examine the intention and perception of customers for returning used products. Bernhard Swoboda, Cesar Maloles3, Indrajit Sinha, Karin Ernstreiter and Thomas Foscht (2013) work to analyse the four groups – Heavy, Medium, Light and Occasional Returners and the focus is on consumer motivation for making and returning after an order purchased via mail order shopping(clothing).

ILLEGAL PRODUCT RETURN

Bin Shen, Ian Phau, Isaac Cheah and Olamide Oluwabusola (2022) did this research to know Chinese consumer behaviour towards wardrobing and checking the impact of factors consumer anomia, materialism, vanity, status consumption, personal gratification (personality factors) and perceived impact of wardrobing, knowledge of return policy, experience (social factors) on consumers attitude towards wardrobing and intention to engage in wardrobing. Alexander J. Kull, Ali Besharat, Ruby Saine, and Sajeev Varki (2021) researched to examine the novel way to discourage customers from deliberately violating established marketplace codes of conduct, some types of transgressions are purchase of imitating products and return fraud in form of wardrobing, it can be reduced by return hassle-free, the legitimate reason such as wrong size, damaged product, fear of public judgement. Consumer actor and observer imaginary perspectives affect the extent to which they will judge right or wrong of action by its consequences and by its action itself which influence how leniently and strictly evaluate transgression. Observer imagination induces moral stringency and action imagination induces moral leniency.Ghosh Bikram P. and Michael R. Shang Guangzhi (2017) researched wardrobing, its benefit and how it impacts a firm's price decision and profit considering opportunistic customers. Lloyd C. Harris (2010) in his work focused on factors that allow customers to exploit retailer liberal policies when they return used or damaged products basically, he focused on how instead of why.

CONCLUSION

This body of literature shows both legal and illegal product return concepts of returning the product purchased online, discussed about why people buy online, why avoid online shopping, why they return and how they return the product; there are various factors such as easy access, liberal policies, and various options at a tap etc. To maintain the essence of this return process in online shopping, studies should focus more on discussing shopping as well as the return process. This throw the light on the very popular practise followed by the consumers which is hampering the marketing world ; its seen that buyers make a lot of returns in both desired and undesired manner, no doubt that desirable method of returning is their right but consumers are making misuse of various policies that are offered by the seller as benefits in a disadvantageous manner which is not only bringing the money loss but is also hampering the environment we live in by creating a waste and also effecting the idea of sustainable shopping. These practices are followed worldwide and with onset of corona as E-shopping took a hike in India which has also product a directly proportional rise in this practice of returning the product after using which is a undesirable method in marketing world.

REFERENCES:

1. *01-2018-Dr._Joe_Lopez*. (n.d.).
2. Ahmed Timoumi Student, by, Coughlan JL, A. T., & Kellogg Professor of Marketing, H. (n.d.). *Wardrobing: Is It Really That Bad?*
3. Assistant Professor, Ki. (2018). Consumer's Attitude towards Online Shopping-A Study With Reference To Chennai City. In *International Journal of Recent Research Aspects* (Vol. 5).
4. Baden, D., & Frei, R. (2022). Product Returns: An Opportunity to Shift towards an Access-Based Economy? *Sustainability (Switzerland)*, *14*(1). https://doi.org/10.3390/su14010410
5. Calcabrini, A., Dodds, N., Anna, R. E., Gustavsson, V., & Mathieu, L. (2020). *"Free Returns"-Reducing Returns in the Online Fashion Industry "Free returns."*
6. Dailey, L. C., & Ülkü, M. A. (2018). Retailers beware: On denied product returns and consumer behavior. *Journal of Business Research*, *86*, 202–209. https://doi.org/10.1016/j.jbusres.2018.01.064
7. Foscht, T., Ernstreiter, K., Maloles, C., Sinha, I., & Swoboda, B. (2013). Retaining or returning?: Some insights for a better understanding of return behaviour. *International Journal of Retail and Distribution Management*, *41*(2), 113–134. https://doi.org/10.1108/09590551311304310
8. Frei, R., Jack, L., & Brown, S. (2020). Product returns: a growing problem for business, society and environment. *International Journal of Operations and Production Management*, *40*(10), 1613–1621. https://doi.org/10.1108/IJOPM-02-2020-0083
9. Ganesh, J., Reynolds, K. E., Luckett, M., & Pomirleanu, N. (2010). Online Shopper Motivations, and e-Store Attributes: An Examination of Online Patronage Behavior and Shopper Typologies. *Journal of Retailing*, *86*(1), 106–115. https://doi.org/10.1016/j.jretai.2010.01.003
10. Goyal, A., Maity, M., Thamizhvanan, A., & Xavier, M. J. (2013). Determinants of customers' online purchase intention: An empirical study in India. *Journal of Indian Business Research*, *5*(1), 17–32. https://doi.org/10.1108/17554191311303367
11. Harris, L. C. (2010). Fraudulent consumer returns: Exploiting retailers' return policies. *European Journal of Marketing*, *44*(6), 730–747. https://doi.org/10.1108/03090561011032694
12. Jena, S. K., & Sarmah, S. P. (2015). Measurement of consumers' return intention index towards returning the used products. *Journal of Cleaner Production*, *108*, 818–829. https://doi.org/10.1016/j.jclepro.2015.05.115
13. Kim, C., Galliers, R. D., Shin, N., Ryoo, J. H., & Kim, J. (2012). Factors influencing Internet shopping value and customer repurchase intention. *Electronic Commerce Research and Applications*, *11*(4), 374–387. https://doi.org/10.1016/j.elerap.2012.04.002
14. Lee, P.-M. (2002). Behavioral Model of Online Purchasers in E-Commerce Environment. In *Electronic Commerce Research* (Vol. 2).

15. Lee, S., & Yi, Y. (2017). "Seize the Deal, or Return It Losing Your Free Gift": The Effect of a Gift-With-Purchase Promotion on Product Return Intention. *Psychology and Marketing*, *34*(3), 249–263. https://doi.org/10.1002/mar.20986

16. Pandey, S., & Chawla, D. (2014). E-lifestyles of Indian online shoppers: A scale validation. *Journal of Retailing and Consumer Services*, *21*(6), 1068–1074. https://doi.org/10.1016/j.jretconser.2014.06.012

17. Pei∗, Z., & Paswan, A. (2018). CONSUMERS' LEGITIMATE AND OPPORTUNISTIC PRODUCT RETURN BEHAVIORS IN ONLINE SHOPPING. In *Journal of Electronic Commerce Research* (Vol. 19).

18. Phau, I., Akintimehin, O. O., Shen, B., & Cheah, I. (2022). "Buy, wear, return, repeat": Investigating Chinese consumers' attitude and intentions to engage in wardrobing. *Strategic Change*, *31*(3), 345–356. https://doi.org/10.1002/jsc.2503

19. Reibstein, D. J. (2002). What attracts customers to online stores, and what keeps them coming back? In *Journal of the Academy of Marketing Science* (Vol. 30, Issue 4, pp. 465–473). https://doi.org/10.1177/009207002236918

20. Renugadevi, S. (n.d.). *A STUDY ON CUSTOMERS ATTITUDE TOWARDS ONLINE SHOPPING IN INDIA AND ITS IMPACT: WITH SPECIAL REFERENCE TO TIRUVARUR DISTRICT*. http://adalyajournal.com/

21. Rintamäki, T., Spence, M. T., Saarijärvi, H., Joensuu, J., & Yrjölä, M. (2021). Customers' perceptions of returning items purchased online: planned versus unplanned product returners. *International Journal of Physical Distribution and Logistics Management*, *51*(4), 403–422. https://doi.org/10.1108/IJPDLM-10-2019-0302

22. Roellecke, F., & Huchzermeier, A. (2016). *Shopping Fast and Returning Plenty: How Returns Policies Affect Online Product Choices*. https://ssrn.com/abstract=2997567

23. Sahoo, N., Dellarocas, C., & Srinivasan, S. (2018). The impact of online product reviews on product returns. *Information Systems Research*, *29*(3), 723–738. https://doi.org/10.1287/isre.2017.0736

24. Saine, R., Kull, A. J., Besharat, A., & Varki, S. (2021). I See Me: The Role of Observer Imagery in Reducing Consumer Transgressions. *Journal of Business Ethics*, *168*(4), 721–732. https://doi.org/10.1007/s10551-019-04193-w

25. Shang, G., Ghosh, B. P., & Galbreth, M. R. (2017). Optimal Retail Return Policies with Wardrobing. *Production and Operations Management*, *26*(7), 1315–1332. https://doi.org/10.1111/poms.12690

26. Sharma, K. B. (2020). *A COMPARATIVE STUDY ON PERFORMANCE EVALUATION OF SELECTED DEBT, EQUITY AND HYBRID MUTUAL FUND SCHEMES IN INDIA View project A COMPARATIVE STUDY ON PERFORMANCE EVALUATION OF SELECTED DEBT, EQUITY AND HYBRID MUTUAL FUND SCHEMES IN INDIA. View project GAP GYAN A GLOBAL JOURNAL OF SOCIAL SCIENCES A Study of Consumer Attitude Towards Online Shopping in India and Its Impact*. https://www.researchgate.net/publication/343161823

27. Sonntag, M. (2019). Analysis of the misuse of customer-friendly returns services in e-commerce by ultimate consumers (B2C). In *Journal of Applied Leadership and Management* (Vol. 7).

28. Wai THAM, K., Dastane, O., Johari, Z., & Binti ISMAIL, N. (2019). Perceived Risk Factors Affecting Consumers' Online Shopping Behaviour. *Nurlida Binti ISMAIL / Journal of Asian Finance*, *6*(4), 245–256. https://doi.org/10.13106/jafeb.2019.vol6.no4.245

29. https://www.collater.al/en/enjoy-before-returning-diesel-advertising/

30. https://corp.narvar.com/blog/what-is-wardrobing-and-how-do-you-prevent-it-from-happening