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Management

Return policies for online clothing retailers

*A study of the return policy leniency and the importance of return policies to
retailers and consumers*

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Abstract

Problem discussion and objective: Clothing product returns have become a real challenge in today's world as more consumers are experiencing online shopping, replacing the traditional physical shopping experience. In order to deal with this challenge, online retailers are in great need to take advantage of their reverse flow using efficient return management strategies. However, something that is usually underestimated, is the importance of return policies not only from a company's perspective but for the consumer behavior as well. This research will aim to qualitatively explore the role and importance of return policies for clothing brands in Europe, while also trying to explore the consumer perception towards return policies and product returns. Last but not least, the study will also try to categorize the return policies that clothing brands and online retailers state to their websites, based on how lenient they are.

Methodology: A mixed method approach was decided as most appropriate in order to conduct the research. The first stage will focus on the websites of major brands and retailers where a content analysis will be conducted based on leniency characteristics. The second stage of the research will focus on the consumer perception where an online survey questionnaire was handed to people with online shopping experience. The third and final stage of the study will focus on the companies themselves where a business survey about the importance of return policies was handed via online or face to face interviews with people inside those firms

Results: The results of the first stage and the content analysis indicate that leniency characteristics directly or indirectly affect the gatekeeping in a reverse logistics framework. Additionally consumers are usually driven by return costs when returning a product back to the retailer while aspects such as communication and complexity are also important. Lastly return policies are crucial for the retailers and brands in order to attract and retain customers, while they implement different strategies based on the challenges they face with returns.

Keywords: Product returns, reverse logistics, return management, customer loyalty, retention

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Marios & Morteza

1. Introduction

1.1 Background and problem discussion

The issue of product returns has been at the center of attention over the last years both in academic but most importantly in the managerial field and it is a theme that requires special attention, particularly now that the use of the Internet has drastically changed the way e-commerce and online shopping have penetrated the consumers' lives. More specifically, data from Europe indicate that Internet has been a necessity in today's digital market as approximately 97% of the enterprises in Europe has access to internet services (Eurostat, 2020a), while also the percentage of individuals among all the European countries who make use of internet is approximately 87%, a figure that has drastically increased over the last years and was around 71% in 2011 (Eurostat, 2020b). In relation to this trend, consumers are now shifting to online shopping replacing the traditional physical shopping experience.

Most of the sources about product returns in the clothing and fashion industry in Europe are coming from non-academic sources and publications. Looking at the "Ecommerce in Europe" publication reports that Postnord has published over the last years, especially from 2015 to 2018, we identify some interesting figures in terms of consumers who shop online and an overview in the clothing industry. More specifically, the number of consumers in Europe who shopped something online was approximately around 247 million people in 2015 (Postnord, 2015), a figure that has steadily increased from 260 million consumers in 2017 (Postnord, 2017) to 268 million consumers in 2018 (Postnord, 2018). The figures in terms of euros and what consumers in Europe approximately spend in online shopping activities also increased from 180 billion euros (Postnord, 2015), to 189 billion euros in 2016 (Postnord, 2016) and an amount 198 billion euros in 2018 (Postnord, 2018).

	2015	2016	2017	2018
Customers in Europe who shopped something online (number)	247 million people	253 million people	260 million people	268 million people
What consumers in Europe	180 billion Euros	189 billion Euros	181 billion Euros	198 billion Euros

approximately spend in online shopping (euros)				
Consumers in Europe who shop online from abroad (number)	159 million people	176 million people	186 million people	200 million people
Consumers in Europe who returned a clothing or footwear (number)	41,8 million people	45,8 million people	48,7 million people	50,6 million people

Table 1: Postnord Ecommerce figures, Source (Postnord "Ecommerce in Europe" reports 2015-2018

No matter the year, clothes and footwear are the products that consumers in Europe tend to return more followed by home electronics and home furniture with Germany, Netherlands, UK and the Nordic countries standing at the top of the list for return rates, while additional details show that the number of consumers who returned a clothing or footwear over the last year was approximately 50,6 million (Postnord, 2018), a figure that drastically increased from 2015 which was approximately 41,8 million (Postnord, 2015). Additional data from Postnord and Statista can also be seen in the figure below in order to better understand the density of returns in Europe. Consumers in Germany and Netherlands are identified to return items that they bought online the most with other European countries such as the UK, Italy and Spain also generating huge amounts of return rates (Postnord, 2018; Best, 2019).



Figure 1: Return rates in Europe, Source (Statista; Best, 2019)

While the clothing industry has the most product returns among any other segment in Europe, the retail sector has approximately around 10% return rates in physical stores, a percentage that is doubled in the e-commerce sector (Postnord, 2019). Additionally, consumers demand to have more clear information and transparency of how the return process works, while the overall picture is that a huge percentage of online consumers find the conditions of returns that online retailers offer quite easy, still though there is a huge area for improvement there (Postnord, 2018). Additional sources from Ecommerce News (2019), indicate that the number of product returns in Europe has increased by 8%, compared with the same numbers of the previous years. Additionally, they state that while retailers are looking for incentives to attract customers by offering free shipping, companies like Zalando are starting to undo their free shipping option (Ecommerce News, 2019). Data from Ecommerce News (2017), also state that there is a significant decline at the number of retailers that offer “free shipping” to their customers. More specifically the number was approximately around 55% in the first quarter of 2017, that decreased to 28% (Ecommerce News, 2017). Additional data coming from a UPS research based on 5000 US online shoppers found out that while one of the most important choices when checking out items online is the free-shipping option, this figure had a steady decrease over the years and more specifically from 81% at 2014 went down to 74% in 2017 (UPS, 2017). In contrast though, one interesting finding of the research was that 94% of the online shoppers took actions in order to qualify themselves for free shipping options such as slower transit times, delay of purchase or looking for promotional codes (UPS, 2017). Those findings can also be seen from the figure below:

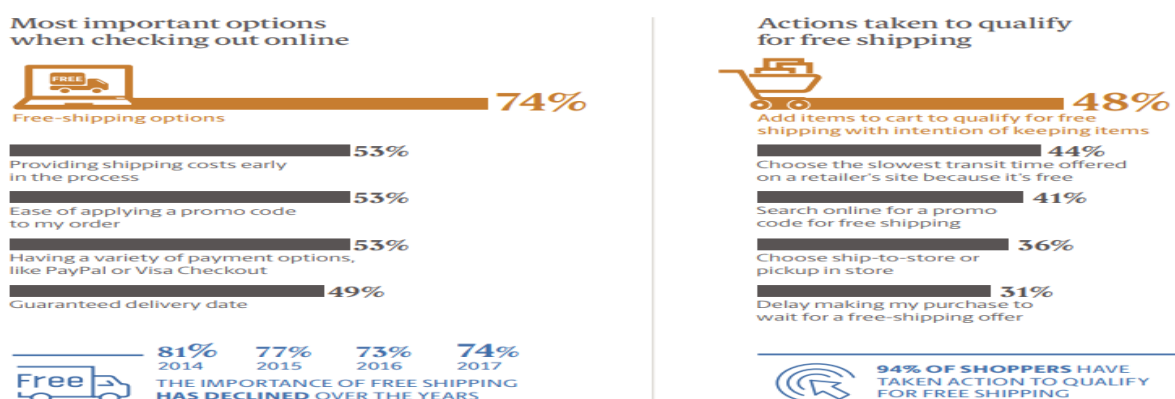


Figure 2: Checking out online, Source (Pressroom.ups.com, 2017)

For companies product returns are something that must not be underestimated as they can cost approximately 100\$ billion to firms annually for reverse logistic operations (Petersen, 2015). While many reasons for product returns exist such as lower quality, it is actually “ a

lack of fit “ that emerges as a potential driving force, which is something that the consumers can only realise only after the purchase has occurred (Petersen, 2015). Return policies, being an important aspect in the reverse logistic framework (Daaboul, 2014), are crucial part in the concept of product returns and the return process as a whole, influencing the consumer behavior in the return process based on how lenient they are (Woods, 2001). While consumers usually value lenient return policies that make it easier for them to return products, it is something that firms are very aware of as it can significantly increase their costs but also enhances abuse behavior by the customers (Woods, 2001). There is a significant body of research that has emerged to study return policies in the retail sector and their leniency (Woods, 2001; Bonifield, 2010; Janakiraman, 2016; Oghazi & Karlsson, 2018). Additionally there is an existing literature that focuses on consumer abuse and “fraud behavior” King & Dennis, 2018; Harris, 2008; Harris, 2010; Droms, 2012; Shang, 2017). This concept of consumer behavior and abuse is very significant nowadays especially in the clothing and fashion industry, as clothes and footwear are the products that consumers are returning the most (Postnord, 2019). Research conducted by Consumer World on the return policies of major retailers identified that return policies are becoming more and more strict as the time windows are shrinking, while many stores in the US that had 180 day return windows have changed it to 90 days (Consumer World, 2019).

The aim of this research is to qualitatively explore the importance of return policies not only for European clothing retailers, but customers as well .The first stage of the research will aim to describe the return policies of online brands/companies and retailers in the european clothing industry based on how lenient they are and what are the focus characteristics that companies emphasize and state to those policies. Additional stages of the research will focus on exploring the customer perspective regarding the importance of return policy to them as online buyers, what aspects they value out of those policies and if there is any indication of fraudulent behavior. Last but not least, the research will also qualitatively explore the importance of return policies to the clothing brands and how they deal with challenges that return are posing to their system.

1.2 Contribution and research questions

Literature on reverse logistics (Daaboul 2014; Lambert, 2011) and return policies leniency (Bonifield, 2010; Wood, 2001; Janakiraman, 2016; Oghazi & Karlsson, 2018) has been gaining much attention over the last years, still academic sources on product returns, return

policies and their possible implications to the managerial and environmental field are limited. While prior research focuses on how lenient return policies affect the buying intentions of the customers, this report takes a different approach to qualitatively try and explore how lenient clothing brands and retailers are by observing the return policies at their websites and also look at various of their characteristics through these policies. Additionally in order to supplement the research and look at the importance of return policies from a consumers perspective, a quantitative survey was designed for customers in order to gain an understanding on what aspect they value out of the return policies. While prior researchers have used surveys in order to explore how policies affect buying decisions, still surveys regarding returns are limited to the academic field and as a consequent this report aims to enhance the literature while also looking at a target group different from other studies, as it will be discussed at the methodology part. Additionally, as information and insight from the companies regarding their return management and reverse flows is limited, this research also aims to shed some light on how companies deal with challenges on product return while also looking at the importance of the return policy both for them but to their customers as well. Therefore, in order to address the situations that were discussed above, the following questions will be explored in this paper.

Research Questions:

- 1) How lenient are online return policies towards the customers within the clothing industry in Europe?**
- 2) What is the perception of online consumers who buy and return clothes towards return policies?**
- 3) How important are return policies for the clothing brands in Europe and their return management programs? In which manner?**

2. Literature Review

2.1 Reverse Logistics

While research in logistics and distribution processes is rich in both the academic and commercial field, the same does not apply for the reverse logistics process. Lambert in his article (2011) states that “Reverse logistics is the process of planning, implementing and controlling the efficient and cost effective flow of raw materials, in-process inventory, finished goods and related information from the point of consumption to the point of origin for the purpose of recapturing value or proper disposal”. While existing literature and theory on reverse logistics systems is limited, the rise of concerns such as recycling, remanufacturing and disposal has been the point of an increased interest lately (Lambert, 2011). An efficient reverse system that can handle returned products and waste is not only a good corporate image to people and society but it can generate substantial profits from asset and value recovery (Daaboul, 2014). Reverse logistics is a very critical concept for any kind of company or organization that engages in sustainability practices. The main drivers for companies to implement a reverse logistic system are legislation, customer awareness, social and environmental responsibility and economic factors in logistics (Daaboul, 2014). Managing a reverse logistics system in a supply chain is significantly more complex than the traditional logistic flow in an organization. This is happening because companies or organizations are lacking the necessary resources and most importantly the capabilities in order to manage the returned items or products from the customers (Batarfi, 2017). Moreover, reverse logistics systems are very important because of their economic benefits, the image that they provide for the company and the defining source of a competitive advantage, some issues that have drawn considerable attention from researchers and companies that seek those benefits (Batarfi, 2017). According to Daaboul in her article (2014), the reverse logistics network consists of 4 different phases:

- 1) Gatekeeping: The entry point of the returned merchandise and products into the reverse flow. Important aspects for the company to consider are the characteristics of the reverse flow, defining what products and returns are accepted in the reverse process while also defining rules and conditions (Daaboul, 2014). This step of entry point is critical for the management of the reverse system while controlling the costs at appropriate levels (Lambert, 2011)

- 2) Collection: This stage refers to the collection of the returned products from the end customers. This includes defining the location of collection and defining the volume that is permitted for collection (Daaboul, 2014). Additionally, this step involves the “grouping” of the collected products based on their remanufacturing and the recycling process, while it permits the collection of products from both internal and external customers (Lambert, 2011).
- 3) Sorting: Deciding what to do with each collected merchandise and product and deciding the recovery activities of the reverse flow. This stage also includes sorting rules and sorting options (Daaboul, 2014).
- 4) Recovery: This stage includes the operations of recycling, remanufacturing, reselling, landfill etc. It also includes the different recovery options and the structure of the different recovery routes (Daaboul, 2014).

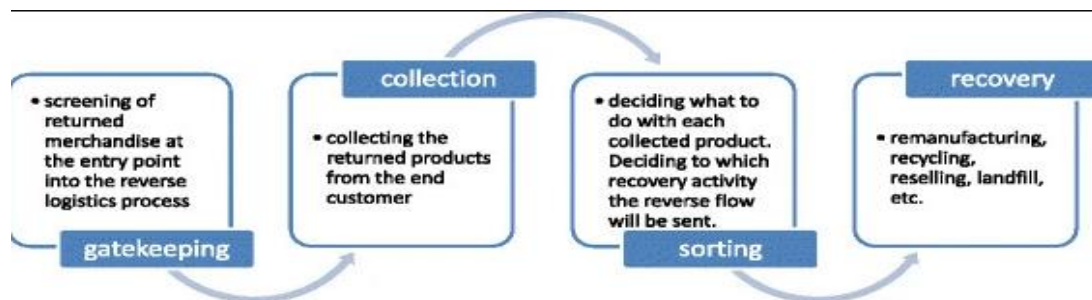


Figure 3: Reverse logistics framework, Source (Daaboul, 2014)

2.2 Product returns

Product returns are a double-edge sword in the world of online retailing, while one of the biggest challenges is the huge volume and cost associated with return processing, the situation presents a huge opportunity for companies to build customer loyalty and enhance relationships with their customers, something that in most cases is mishandled and missed by the company’s side (Mollenkopf, 2007). Shear in his article (2006), also states that the customer perception associated with product returns is described as a “necessary evil”, a process that is difficult to deal with most of the time and in the bigger picture unavoidable. It is inevitable in the online retail world, that as more and more products are being sold an amount that tends to increase over the years, not only product returns will be an issue but are expected to increase as well (Shear, 2006). When product returns are indeed occurring, handling the items or different merchandises can generate substantial costs for the retailers. In addition to this, the retailer has to be able to manage the returned product beyond the point of

simply collecting it, but also engage in activities such as reselling it, refurbish or recycling it, selling it to third party companies in order to handle it and gain value, or inevitably dispose it on more extreme cases (Ofek, 2011).

From a customer perspective, the return process and the experience they face with product returns can very well affect their perception on the receiving service and also affect their customer loyalty intentions and also their satisfaction with the service and the retailer in the bigger picture (Mollenkopf, 2007). Mollenkopf study (2007), also showed that it is critical for companies to invest in return process operations, while they carefully design return policies that can influence consumer behavior and perception in order to increase their desire to repurchase from the retailer. Shear in the article (2006) categorized product returns into two groups: a) controllable returns and b) uncontrollable returns. In the first category of control, returns are happening due to errors or problems from the customers or the retailers that can be eliminated or controlled with a better and more efficient forward logistic and market forecasting systems (Shear, 2006). In the second category of uncontrollable returns, returns are viewed as inevitable and cannot be eliminated in the short term from the company. In order for companies to tackle the situation with uncontrollable returns, innovations such as Just-in time systems or warehouse and inventory management solutions could optimize and set returns to the most minimum level possible (Shear, 2006).

The ability to transform product returns into profits is crucial for companies. While most of the companies are focusing on minimizing the return process costs, turning those returns into profits can be huge as companies improve their recovery rates and ultimately their effectiveness of their reverse logistic systems. Strategies and activities that can lead to turning product returns into profits can be effective inventory management, improved customer service and knowledge which can lead to customer satisfaction and repeat purchasing intentions with the same company, use of third parties that can handle returns with more expertise and training of the firm's employees in the product return process (Shear, 2006).

2.3 Shopping values and reason for product returns

Looking not only at product returns but shopping experience and values as a whole, two are the most common defined shopping conditions that customers are engaged in, that of hedonic and utilitarian shopping value. There is considerable research over the past years that deal with those customer shopping conditions (Bridges, 2017; Viera, 2018; Babin & Darden, 1994; Jones, 2006). While utilitarian consumer behavior can be described as rational and

task-related meaning that products are purchased by the customers in a deliberate and efficient manner, hedonic consumer behavior is more subjective and personal than utilitarian one and is generated from fun, playfulness, entertainment and emotions (Babin & Darden, 1994). Viera in the research (2018) about meta-analysis for both hedonic and utilitarian values, identified that both customer values are positively associated meaning that they simultaneously exist and help customers pursue their goals (Viera, 2018). Jones in his research (2006) about the potential impact of hedonic and utilitarian values on retail outcomes, identified that variables such as satisfaction with the retailer, “word of mouth” are influenced more from hedonic aspects while utilitarian ones are more associated with repatronage intentions (Jones, 2006).

When it comes to product returns and the reason for returns, it is important for companies and managers to understand and analyse reasons for customer shopping to get information about their needs and expectations, motivations and satisfaction levels (Foscht, 2013). While demographic variables such as age, education level and income are some “predictors” of online shopping (Mcgoldrick, 2007; Foscht, 2013), a factor that is heavily influencing product returns are the return policies of the retailers themselves. While generous return policies encourage customers to return, their role is very important because of the inability of the customers to physically examine and observe the product when shopping online which makes risk for a return to happen more possible due to lack of interaction of customers with the actual size, color, design and fabric (Foscht, 2013). Foscht in his research (2013) categorized the return groups related to the amount they return and identified that there are significant differences between the groups related to variables such as product size, unfulfilled expectations, cost and time savings, risk avoidance and convenience. Powers in his research (2015) about understanding the causes of retail product returns and focuses on the aspect of “cognitive dissonance” as a key motivation for customers to not be satisfied and return products. What is practically, means is that cognitive dissonance results from the post purchase comparison of what was purchased and other possible alternatives (Powers, 2015).

2.4 Return policies and return management

According to Nordeyer, return policy “*states the conditions under which a customer can return a product for cash, an exchange or a store credit and how he should package and ship the merchandise to the manufacturer or seller*”. (Nordeyer, 2020). From a customer point of view, online shopping comes with a certain level of risk as customers cannot examine or

investigate the quality of the product before purchasing it or even after waiting for its delivery and receiving it. It is only at the “experiential stage” where customers can ultimately decide what they are going to do with the product (Mollenkopf, 2007). Therefore, while the customers expect return policies to act as an insurance against a negative experience, the importance for retailers to effectively communicate their return policies can provide more transparency to the quality and service provided to the customers and ultimately leads to an increase of sales (Mollenkopf, 2007). When customers are making the decision after their initial purchase to return a product, it is essential for the companies to consider this aspect of product return from their customers. As online shopping is becoming more the centerpiece of consumer shopping methods and experience, the return policies of companies and organizations are critical in order “to do business” because unlike the situation with physical stores, customers shopping online do not have the chance to interact or inspect the product before buying (Yan, 2017).

Return policies are very important to the situation as they allow customers to return products when they face a defect or a wrong situation, while it is critical to be handled efficiently in order to attract or keep customers. When return policies are indeed more lenient towards the customers, this can lead to more product purchases and willingness from the customers to purchase more while it creates a competitive advantage for the company (Yan, 2017). On the other side however, allowing products to enter the reverse flow comes with substantial costs and as can be identified from Yan’s article (2017), the value of product returns in the US market is exceeding the amount of 100 billion dollars each year. This tradeoff that return policies are creating is essential for companies to consider handling huge reverse logistic flows and huge amounts of product returns to handle (Yan, 2017). Therefore, it is essential for companies and retailers to handle “return management” and customer satisfaction (Röllecke, 2018). Returns management operations encompass tools and practices that focus on helping the negative effects of product returns on profitability to online retailing whether it is happening directly or indirectly, while on the other side it focuses on increasing sales and lowering costs and quantity of product returns (Röllecke, 2018). Röllecke in his article (2018), categorizes retailers based on what aspect of cost and customer satisfaction tradeoff they focus on their return management programs. More specifically he distinguishes between three types of return management programs which are as followed:

Type I: This type of returns management enables the customer to return products only by forcing them to pay fees such as the shipping cost of return, extra fees in the forms of customs or taxes, or implementing a complex, inconsistent and disheartening return process for the customers. Fees and a complex return process is the most direct way that the companies are implementing in order to discourage customers from returning products. Additional characteristics of this type of return management are straightforward processes and lack of data and support in order for the retailer to improve the return process. The most common cases of companies implementing type I programs are small online retailers that lack the necessary resources and commitment (Röllecke, 2018).

Type II: in this type of returns management programs companies and retailers are trying to balance the trade-off between reducing the costs and volumes of product returns and increasing customer satisfaction. The customers in this situation are facing situations with the return process that are either costly, lenient or customer friendly based on the reason for return and whether the customer or not is responsible for the return. The most common example of such a management program occurs when a product is defective and companies are offering free returns and exchanges, while on any other circumstances shipping costs are not refundable (Röllecke, 2018),

Type III: The priority of such returns management programs is total customer satisfaction. Companies and retailers implementing such programs, have as a common goal to enhance and steer online shopping experience reducing all the negative interference, while they believe that by being lenient and customer focused on the return process, the increase in sales and the gain of new customers will offset the increase in product returns. These types of programs are most common in the fashion industry where quality, and service is critical and customers need to have a physical experience with the product (Röllecke, 2018).

While research on return management is limited (Röllecke, 2018) additional information that focuses on return management comes from Hjort (2019), when he conducted a multi case analysis of 12 Swedish firms to understand how they proceed with product returns and returns management. The results of the study focused on core aspects of the return process and the reverse flow and most importantly gatekeeping operation along with avoidance practices. However, firms put their emphasis on pre and post purchase information while avoidance practices rarely are applied by retailers, posing a huge potential for companies in order to take advantage of their returns (Hjort, 2019).

2.5 Signaling Theory and Return policies

There is an existing literature that focuses on signaling theory in the managerial field and the return policy concept (Bonifield, 2010; Rao & Lee, 2017; Pei & Paswan, 2014; Taj, 2016; Mavlanova, 2012). Mavlanova in her article (2012), states that the “core” of signaling theory involves various types of signals and different kinds of situations in which those signals are used. Those signals carry information about the retailer or the seller and their characteristics, while the customers are those who are testing and evaluating the signal and the retailer in terms of credibility and validity (Mavlanova, 2012).

While in physical stores customers can observe the quality of the product and its characteristics, the same does not apply on online stores when some sort of “lag” is happening between product selection, purchase and delivery therefore the information that the retailers signal to those situation is critical as it can overstate or hinder the quality of the information (Mavlanoca, 2012). Getting accurate information is critical in the decision-making process not only for customers or individuals but other stakeholders and businesses as well (Taj, 2016). Taj in the article (2016), identified three key elements that constitute the signaling theory, that of the signaler, the signal and the receiver. The signaler is identified as an insider into a company or organization that could be a manager, employee or an executive, that gathers information about individuals or products that the outsiders are unaware of and those kind of information are useful for the outsiders in terms product, services, or information about the organization (Taj, 2016). The signal is the information that the insider tends to communicate to the outsiders. The insider aims to signal positive information in most cases; however, it is inevitable that most of the time also negative signals are transmitted to the outsiders. It is therefore important to be able to distinguish that negative information and how they influence the signaling process (Taj, 2016). The receiver is the outsider that has limited access to the information about the organization and they seek to gain more of it. However in most cases both the receiver and the signaler have conflicting interests as the signalers seek benefits out of the process, which implies to the fact that the interpretation of the signal from the receiver is critical in order for the signaling process to work (Taj, 2016). Rao & Lee in their article (2017) also state that the signals that separate high from low quality retailers must be observable and costly for competitors to imitate. Those kinds of signals transmit information that only high-quality retailers can communicate constantly (Rao & Lee, 2017).

When it comes to return policies and signaling theory, return policies act as a tool for firms to decrease risks while they increase the purchase intention from the customers, such a signal that the consumers can get a full refund for a purchase out of the return policy (Bonifield, 2010; Pei & Paswan, 2014). Bonifield in the article (2010), also identified that return policies can act as a very important pre-purchase signal to the potential customers. Depending on how lenient the return policies are, retailers have difficulties to manage return policies as they are expensive for them while on the other hand they signal where the retailer stands in terms of quality and services (Bonifield, 2010)

2.6 Return policies leniency

The leniency of return policies is a theme that has been discussed and observed by many researchers (Bonifield, 2010; Wood, 2001; Janakiraman, 2016; Oghazi & Karlsson, 2018). The purpose of a lenient return policy is an essential recovery process in order to lower customer turnover and increase revenues (Oghazi & Karlsson, 2018). Increased levels of leniency in return policies also enhance the confidence of the customer on the quality perception and the services and of the company or the retailer (Oghazi & Karlsson, 2018). Additionally, Oghazi states in his article (2018), that lenient return policy lower the dissatisfaction of the customers when an error to the purchase occurs, while they allow faster and easier return process and replenishment with other desired products. Return policies leniency is indeed a method for higher customer retention while also boosting the sales long-term (Oghazi & Karlsson, 2018). From a managerial perspective however, while lenient return policies offer easier return process, flexibility on the payment and not many restrictions on the entry point, companies have raised concerns that if products are easier to return, customers may find the opportunity to return more which will lead to an increase in return rates and costs, while also customers may find the opportunity to exploit those policies (Wood, 2001). Moreover, while lenient return policies boost the customer buying intention which increases the sales, this should only occur providing that the return rates do not increase significantly for the retailers (Wood, 2001). Wood in his research (2001), about this tradeoff that lenient return policies create, found that while leniency offers many benefits to the customers that seem contrary to the companies, it is a perception that is indeed “unwarranted” as he identified return decisions did not actually increase in lenient conditions. Janakiraman in his research (2016), identifies that return policies can be described as either lenient or restrictive based on 5 levels of return policy leniency. Those leniency levels are:

Time leniency: Retailers usually state in their return policies the amount of days that a customer has as a window in order to return an item. Typically, the more days that customer has the more lenient policy is, such as 90-day policy vs 30-day policy (Janakiraman, 2016).

Monetary leniency: Retailers offer to the customers either a full refund for their purchase or a portion of the purchase as a refund usually by applying a “restocking fee” or “shipping fee”. Retailers that offer full refunds are considered more lenient than those who are not (Janakiraman, 2016).

Effort leniency: This level of leniency relates to the effort required from the customers in order to return the products. Such efforts could be having the original receipt, original packaging, communication required before the return, etc. The less effort required from the customers the more lenient the return policy is considered (Janakiraman, 2016).

Scope leniency: Retailers often put limitations on what products can be returned that also are described as “return worthy”. An example of that are products purchased on sale period that cannot be returned because the retailer does not accept them. The less limitations put by the retailer the more lenient the return policy is (Janakiraman, 2016).

Exchange leniency: While cash refunds are offered by some retailers, others give the ability to the customers to exchange the product or receive store credits. Return policies that allow for such exchanges or refunds are considered more lenient (Janakiraman, 2016).

2.7 Customer loyalty and returns

Customer loyalty and satisfaction in the field of e-commerce has been a concept that some researchers paid attention to when studying retail and customer behavior (Xu, 2019; Collier & Bienstock, 2006; Ngobo, 1999; Ramanathan, 2011; Burt & Sparks, 2003). With the drastic rise of e-commerce and the ability customers have today to use online services, companies are in great need to effectively handle customer relationships. Customer experience in the retail environment has changed in terms of “heterogeneity” meaning that customers are facing a more consistent experience with no delays and immediate availability of services and “perishability” allowing customers to use online services on a 24/7 basis (Collier & Bienstock, 2006). Collier and Bienstock in their research (2006), conducted a survey with customers that already had some experience with online shopping and service in order to

assess their retail experience. The results of the study have focused on three main aspects of retail experience. First it was interaction with the website where customers come across with all the details and emphasis that companies give to customer satisfaction, then it is the delivery of the product which plays one of the most important roles when a customer decides if to use the services of the retailer again at the future and last is addressing problems when they occur which is the ability of the retailer to recover from problems when they come up (Collier & Bienstock, 2006).

When it comes to returns, it is vital that the retailers do not charge extra expenses to the customers such as fees or shipping costs when a defect occurs, while they must clearly state the fair procedures about how the return process is handles and refunds are available to customers when they change their minds (Collier & Bienstock, 2006). While customer loyalty is focusing on customer intentions to purchase again from the same retailer, consumers are not only demanding the best services when making purchases but also when making returns as well (Xu, 2019). This along with the fact that customers often look at the return policies of the retailer before making the decision, makes it necessary for companies to handle their reverse logistic systems and their return channels like the refund process in order to gain customer loyalty (Xu, 2019). Ngobo in the article (1999), also studied customer loyalty while looking deeper at a different concept that of “customer delight”. In his research about whether or not companies should delight their customers 100% showed that while there is a linear relationship between customer satisfaction and loyalty, at very high levels of customer satisfaction (near 100%), customer loyalty is likely to level off (Ngobo, 1999). Ramanathan (2011) also studied the relationship between product returns and customer loyalty in e-commerce while also measuring the potential impact of risk on this relationship. The results of the study showed that customers tend to purchase lower risk products meaning that items are less expensive and free return policies are offered by the retailers which leads to an increased purchase behavior by the customers since they are happy (Ramanathan, 2011).

On the other side consumers spend a respective amount of time when it comes to higher risk products that have high price and high ambiguity (Ramanathan, 2011). Additionally he identified that all those customers who return high risk products may not commit to a high customer loyalty despite being satisfied with the process, all because of the risk factor (Ramanathan, 2011). Burt and Sparks (2011) also discussed the potential of e-commerce and

the impact on the retail sector towards the future. Sourcing of products, store merchandising, customer selection and payment, distribution of goods to the customers and the marketing effort to retail in order to have a clearer view of the customer loyalty are some of the potential practices that will grow in the retail experience towards the future (Burt & Sparks, 2011).

2.8 Fraudulent customer behavior and “wardrobing”

The concept of fraudulent customer behavior and more specifically fraud returns or “wardrobing” has drawn considerable attention by researchers over the last year in the marketing and the retail sector (King & Dennis, 2018; Harris, 2008; Harris, 2010; Droms, 2012; Shang, 2017) , however research is still limited. This concept of fraudulent behavior is very well related to loyalty and retention aspects that organizations use in their marketing strategies in order to keep customers that have repeat purchase intentions (King & Dennis, 2008). However, while companies focus on retaining customers that are of high value to them without posing many difficulties back to the organization and building customer loyalty, the problem persists with those customers that pose continuous problems and defects for the organization leading to customer disloyalty and malpractices (King & Dennis, 2008). King and Dennis in their article (2008), specify the meaning of “deshopping” in consumer behavior, more specifically deshopping can be defined as “ deliberate return of goods for reasons other than actual faults in the product, in its pure form premeditated prior to and during the consumption experience”, in other words it means that customers buy products with no intention to keep them.

Return policies play a major role in enhancing that behavior of course, as they facilitate the practices of deshopping and retail borrowing, while companies and organizations in today's competitive world strive to give flexibility and value to their customers by offering service benefits (King & Dennis, 2008). Harris in his research (2008) about fraudulent return proclivity found out that fraud customer behavior about returns is more frequent among young, female consumers with lower education levels. Additionally, he identifies that some “psychographic” factors such as past experience on fraud returns knowledge about regulations and return policies and social norms are linked to fraudulent return proclivity (Harris, 2008). Moreover, he presents in his article the results of prior studies which indicate that approximately 12% of returns involve the element of deception, while other study showed that 82% of retailers consider fraudulent returns to be a huge problem and a growing concern for them (Harris, 2008). In another of his papers, Harris (2010) and his research on

fraudulent consumer behavior and the exploit of retailers' return policies, he identified that 88 out of 96 customers interviewed admitted deliberate fraudulent returns, while approximately 92% of the customers expressed intentional fraudulent behavior. This constant behavior regarding product returns and fraudulent behavior has become so great that for some of the consumers such fraud behavior became the accepted norm (Harris, 2010). Additionally, he argues that retailers should develop and create databases for all their customers that return products, in order to track the frequency and levels of returns so they could quickly identify such fraud behavior (Harris, 2010).

Another concept that is related to that of fraudulent consumer behavior is "wardrobing". Generally, lenient return policies enhance the ability of the customers to abuse or exploit the return policy of the retailers which can lead to consumers renting or wardrobing items and products (Droms, 2012). "Wardrobing" occurs when a customer purchases a product from a company or retailer, uses it once or two times and then returns the product back to the retailer as it was new (Droms, 2012). This fraud behavior phenomenon is identified when retailers enable customers to use products for a trial period combined with a return opportunity in the channel which makes the retailer difficult to monitor consumer behavior during this period especially when speaking about clothing products (Shang, 2017). Shang in the article (2017) more specifically studies the extent to which consumers would consider wardrobing while also examining the benefits that come for customers by using wardrobing behavior.

3. Methodology

3.1 Mixed research approach

The chosen method for the purpose of this research is a “mixed method” approach. Mixed methods is a research design using a synthesis of qualitative and/or quantitative methods with some of the main purposes being development of theories, opposition of theories, evidence summaries, implementation of policies, programs and interventions (Sandelowski, 2012). Additionally, according to Johnson and Onwuegbuzie (2007), “*mixed methods research is the class of research where the researcher mixes or combines quantitative and qualitative research techniques, methods, approaches, concepts or language into a single study or set of related studies*”. For the purpose of this study and in order to correspond to the different stages of the research, qualitative content analysis of the return policies from online clothing brands/retailers in Europe has been chosen as the method for the first stage and in order to explore how lenient return policies are clothing industry and what are their characteristics, while survey questionnaire have been chosen as the quantitative research method in order to explore consumer behavior of potential online consumers. Additionally, case studies using interviews and using open type questions were handed to clothing companies/brands within the european countries in order to identify the importance of return policies for the companies themselves and if they relate with the customer perception from the survey. Additional and more specific details about the three stages of the research and their chosen research method will be explained in the following sections.

3.2 Qualitative content analysis

In order to explore and identify leniency and characteristics of the return policies from the top clothing brands in Europe, qualitative content analysis have been chosen as the research method for this stage of the research. According to Erlingsson (2017), qualitative content analysis is used in order to transform a huge amount of text into a summary of precise and organized key results. It is indeed a continuous process using codes and categorization techniques in your data and then returning and reflecting back to your initial analysis point (Erlingsson, 2017). Since, this stage of the research is within a qualitative nature design, it is important for “qualitative data” to be collected. According to Collis & Hussey (2013), qualitative data are usually understood within the context and are associated with an interpretivist methodology resulting in conclusions and statements with high degrees of

validity. The benefits of qualitative data is that they can be captured at any given time and in various contexts, while they usually take the form of texts, figures, diagrams, pictures, videos and visual materials such as interviews, recordings and broadcasts (Collis & Hussey, 2013). Additionally, secondary data will be used in order to conduct the content analysis. According to Collis & Hussey (2013) secondary data are those collected from already established sources. For this stage of the research, secondary data will be collected from the companies' websites and their return policies as stated by them.

One of the most widely used methods in order to analyze qualitative data is the use of content analysis. Most specifically content analysis is used in order to quantify those qualitative data, while it serves as a tool for analyzing a large amount of open-ended material and reducing it to a manageable amount that could serve for the purpose of analysis (Collis & Hussey, 2013). One of the fundamental steps in the content analysis approach is to use "coding units" that can be words, characters, items or themes that can be found on the material. For the purpose of the study and to better describe and analyze the return policies of major brands and companies within the clothing industry, the coding in this research will be done related to the framework of return policy leniency that can be found in Jarakinaman's article (2016). The five main themes according to the literature that will be used in the content analysis are:

- 1) Monetary leniency: anything that has to do with the refund process, how much refund the customer gets from the targeted company, and if there are any costs or fees applied the customer pays for the return process
- 2) Exchange leniency: Everything relevant with the exchange process, like if exchange is available or not, store credits, exchange with limitations, etc.
- 3) Time leniency: the time window that the customers have in order to initiate the return process like 14 or 30 days.
- 4) Scope leniency: The limitations that the companies put for products that cannot be returned like customized clothes and products whose seals or packages have been broken.
- 5) Effort leniency: Any relevant information on how much effort the customer has to invest in order to return the product. For example, the conditions that the product has to be (Unworn, unwashed, etc.) registration or communication with the company required etc.

Those five themes were broken down into more categories that will be used for the purpose of the content analysis. Those categories are the followings:

Time leniency: **Return time**

Monetary leniency: **Refund and Costs/fees**

Scope leniency: **Not return items**

Effort leniency: **Requirements and Conditions**

Exchange leniency: **Exchange**

The aim of the content analysis is to explore and identify the characteristics that companies implement to their return policies based on the leniency elements identified at the literature review. The process that the authors decided in order to conduct the content analysis was the following:

- 1) Country of investigation
- 2) Selection of companies within this country (5-20 approximately based on available information through Google)
- 3) Return policy observation for each company's website within a specific country
- 4) Categorization of the return policy characteristics based on 5 elements (time, monetary, scope, effort, exchange)
- 5) Summary results of the most observations for each country
- 6) Creating table with the most observations counted for each country
- 7) Inserting a scale based on the authors understanding of the literature
- 8) Creating a leniency table based on the scales applied to the table with the most observations

After this process of the content analysis, an analysis of the results will also be provided. Note that every information on those tables are secondary data from the websites of the companies. A list of all the companies that were selected for the research will be included after the references section of the paper. The countries that were selected for the content analysis were based on existing research for countries with the most online consumers, while more were added by the authors. Additionally coding was used in order to help the authors insert a scale so to explore the leniency level at the end of the content analysis. A breakdown of the scaling inserted, can be found at the data collection section, at the end of the content analysis. The coding that was used was the following:

Partial refund/Refund on condition	Free shipping on condition	Exchange on condition
“Shipping cost not refundable”, “Refund decreases if conditions are not met”, “taxes,customs are not refundable”, “full refund minus shipping cost”	“Free shipping using the same agent”, “Free shipping for specific customers”, “Free shipping to specific country”, “free shipping using the prepaid label”, “free shipping booking a collect date”	“Return item and make a new order”, “exchange only to stores”, “available for same item different color or size”

Table 2: Coding used for content analysis

In order to collect a respectable amount of companies to conduct the content analysis in the European clothing industry, companies from the countries with the most online customers according to the Postnord research were selected, while some more countries were added in the list. More specifically the selected countries are: Italy, Greece, Spain, Netherlands, France, United Kingdom, Germany and the Nordic countries. For each specific country, an amount of between 5-20 clothing brands/companies have been chosen in order to describe and analyse their return policies. The process of selecting the countries was done, by using Google as the main search engine in order to see what are the top brands and clothing companies in each country. Keywords and phrases used in order to find relevant brands within a country context were: *top clothing/fashion brands/retailers in {country}*, *top clothing online brands in {country}*, *online market in {country}*. After collecting a sample of companies within each country and conducting the content analysis, a summary for each country will be presented based on the five leniency levels but also a table at the end counting the most frequent observations from each aspect of leniency at each country.

3.2.1 Scaling

After outlining the most frequent observations from the content analysis a scaling will be used in order to better explain and understand how lenient those return policies are in each specific country. The scaling will be applied based on the authors understanding of the literature review of the leniency levels and by observing in detail the return policies that retailers offer as a service to the consumers. Therefore the scale goes as follow:

Time Leniency

14 Days	15-30 Days	More than 30 Days
Low leniency	Moderate Leniency	High Leniency

Monetary Leniency

Refund

No refund	Partial Refund	Full refund
Low leniency	Moderate Leniency	High Leniency

Cost

Customer pays cost of return	Free shipping on conditions*	Free shipping
Low leniency	Moderate Leniency	High Leniency

* See the coding used in the methodology part for what is considered free shipping on conditions

Scope Leniency

Not accepting returns/N.A	Specific items can not be returned	No limitations
Low leniency	Moderate Leniency	High Leniency

Effort Leniency

No mention/Not specified	More effort is required from the customer*	Just ship it back or return to store
Low leniency	Moderate Leniency	High Leniency

* Additional actions are required such as filling return labels/forms, contacting the company, item on original condition, receipt, package, etc.

Exchange Leniency

Not available/ N.A	Exchange on conditions*	Available
Low leniency	Moderate Leniency	High Leniency

*exchanges to store only, same model/item different size or color, make a new order

3.3 Quantitative Survey

In order to answer the second research question and explore behavior of online customers towards return policies and returns, a quantitative research approach using survey questionnaires to collect data was chosen as the most appropriate for this stage of the research. Quantitative research design according to Collis & Hussey (2013), is the type of research that uses quantitative data, meaning data that comes in numerical form. An important aspect of a quantitative research design is the use of data that the researcher is using, being either primary or secondary. Primary Data is the type of data that the researcher collects himself using tools such as experiments or surveys, while secondary data come from already established and existing sources (Collis & Hussey, 2013). As mentioned, for the purpose of this stage primary data will be collected from online consumers using a digital questionnaire survey.

One important aspect of every quantitative research is defining the sample selection process (Collis & Hussey, 2013). As the study focuses on clothing brands in Europe and their return policies, the survey would be most appropriate if it was handed to a huge sample from different countries across Europe. Due to the limited time however along with other considerations for the research, it was impractical to get a big sample from every country within the EU, so it was considered by the authors to focus on just one country for the data collection. The country that the sample was defined and data were collected was Greece, due to increased availability of time in that area by one of the authors. It is acknowledged however that focusing on one country generalization for the whole population of Europe cannot be implemented. However, as academic surveys focusing on returns and return policies are limited, it could give the readers an indication of the online customers perception regarding the issues discussed and further enhance the academic literature. For this research “non-probability sampling” was the chosen method, meaning that participants of the survey are involved in a non-random selection process and do not have an equal opportunity to be selected for the survey (El-Masri, 2014). According to El-Masri (2014), non-probability sampling in contrast to a random sampling procedure, enhances the potential of selection bias thus, limiting the ability to make generalizations based on the results. It is possible however by describing the process and the design of selecting the sample for the research in

detail to limit this bias, while also describing the characteristics of the sample (El-Masri, 2014).

One of the most common sampling methods of non-probability sample selection is “convenience sampling”. This process involves selecting participants based on their availability (El-Masri, 2014). For the purpose of this stage of the research, the questionnaire was designed using Google Forms in order to explore different aspects regarding product returns behavior and return policies, while the design of the survey involving the questions can be found in the appendix section. As mentioned, convenience sampling was used in order to collect data from participants in Greece. The questionnaire was posted on social media (Facebook, Twitter), while different participants in Greece were given by the authors via SMS, emails and personal contacts the survey in digital form, in order to gather as many participants as possible. The main reason that the survey was only delivered in digital form is because of the primary goal to get participants that they are accustomed to digital services and devices and were more probable to be constant online consumers. The survey was open during the period **5th March - 31th March of 2020**. During this period 257 people responded to the survey, while **230** were considered valid to enter into the analysis process as some data were missing from some of the participants. After the data were collected, they were imported into SPSS in order for the authors to analyze them using descriptive statistics.

3.4 Multiple Case study

In order to correspond to the third research question and identify how important are return policies for the companies a case study approach was used. Aspects that this method aims to explore and identify are the importance of return policies for the companies, how they are connected and they are utilized in order to solve the issue with the product returns in the clothing industry and even identify what do companies have in mind when designing those policies regarding the customers but also managing their reverse flows. According to Collis and Hussey (2013), a case study methodology is used in order to explore a phenomenon, which is often the case, within a given context in order to gain a better understanding. While there are different categories of case studies used in research, the most common option when looking at multiple cases is the “comparative” approach, where data are gathered from many cases and the researcher is looking for similarities and differences between the cases in the context (Collis & Hussey, 2013). For the aim of this research, as the research question aims to explore the importance of return policies within companies and considering the fact that

businesses today do not implement a single given strategy rather than modify and design their own, a multiple case approach was selected as the most appropriate in order to see how different companies handle some of the issues that will be discussed regarding returns and policies.

Primary data for this stage were collected following interviews and semi structured interviews with people inside the companies, while in some cases where time was a constraint and due to the virus situation in 2020, the questions that were designed for the interview were handed to the people via email which some of them responded to. Note, that while questions were structured in order to be handed equally to all of the companies, some of the people that answered either lacked knowledge to some of them or they did not give a definitive answer, therefore only quality questions were considered to be presented in the data collection section. As the authors acknowledge the time limitation of managers inside organizations, the questions for the interview were contracted in such a way that they are accurate in order to answer the research question and explore the importance of return policy, while being as short as possible so as to get their attention. In total 11 companies responded to the business survey out of 97 that were approached. For ethical reasons and considering facts such as, the competition between the companies in the retail sector and that some of the managers wanted to remain anonymous, it was decided that the company names and the participants would remain strictly **anonymous and confidential**. Additionally, the structure of the business survey and the questions that were handed to the companies can be found in the Appendix section. The aim of the business survey is to qualitatively explore how important are indeed the return policies to clothing retailers and brands. Some of the questions that this approach focuses on are the advantages that return policies build for the retailers, why it is important to have a policy at all and how the design process of the return policy is carried out or what do brands have in mind when designing a policy.

Below is a table describing the timeline of the approach to the companies while also some additional information about the size of the company. Note that the identities of the companies for the purpose of the paper will be flagged as Company 1, Company 2 and so on. However, a list of the company names and identity will be given only to the supervisor of the research. After the process of the thesis is carried out, all of the information from the companies will be dismissed. Furthermore, due to the anonymity, the companies have been flagged with a specific color based on their size in order to be more manageable for the

readers to read and understand how companies deal with specific issues. Therefore, the companies can be seen below:

Red: Multinational retailers and big size brands having stores at many countries worldwide

Blue: Medium size retailer or brands, having stores outside of their domestic country of service or headquarters

Green: Small retailers or brands, offering services only domestically or having a single physical store

Company	Size	Person	Date	Contact
Company 1	Danish Brand, More than 30 stores in Scandinavia, sells to retailers in more than 25 countries	Store manager	2020-4-3	Interview
Company 2	Swedish Brand, More than 57 stores in Sweden, more than 2500 employees	Store manager	2020-4-3	Interview
Company 3	Swedish Brand, Has stores in approximately 10 countries outside of Sweden	Ecommerce customer care manager	2020-3-24	Interview
Company 4	Multinational apparel retailer, More than 1000 retail stores globally, more than 60000 employees	Store manager and a sales person at one of the outlet stores	2020-1-24	Questions handed via email and semi structured interview with sales person
Company 5	Large Spanish Retailer, More than 1800 stores worldwide, selling in more than 120 markets	Store manager	2020-1-22	Questions handed via email
Company 6	Greek Brand/Designer, Small size, having both physical and online store, selling to other independent retailers	Owner of the Brand	2020-3-12	Questions handed via email
Company 7	Small Greek Brand/retailer, single physical and online store	Store Manager	2020-3-9	Questions handed via email
Company 8	Small Swedish Brand/retailer having both physical and online shops. Also a store in Denmark	Store Manager	2020-1-17	Questions handed via email
Company 9	Greek brand, small size having both physical and online stores. Expanding to	Store Manager	2020-4-22	Interview (online)

	markets outside Greece			
Company 10	Greek brand designing for men, having both physical and online shops. Expanding currently to women fashion	Store manager	2020-4-22	Interview (phone)
Company 11	Women clothing retailer, both single physical and online store.	Owner of the store	2020-4-24	Questions handed via email

Table 3: Companies and timeline

3.5 Reliability

According to Collis and Hussey (2013), reliability along with validity are core aspects of every research in order for them to have credibility. Reliability refers to how accurate and precise the measurement is if the research was to be repeated by others (Collis & Hussey, 2013). Additionally, a reliable research result means that a repeat of the study will lead to the same outcome and result (Collis & Hussey, 2013). Moreover, according to Leung (2015), in order for a research to increase its reliability procedures, accuracy of data from original sources and verification is essential, while also scope and analysis of the data collection process and context has to be as much comprehensive and descriptive as possible referring also to quantitative aspects whenever is possible. As this research is designed based on three stages (Content analysis, questionnaire, multi case study), a comprehensive description of every stage and its methodology process is essential. The aim of this research was to come with increased reliability, as the secondary data for the content analysis are information coming from the companies' established sources, therefore following the same methodology the result about the first research question and the leniency will be the same along with the observations. Regarding the second stage and the quantitative survey, one limitation of the methodology is that the sample selection process is not random as non-probability sampling was used, therefore it could be argued that there is an increased bias. However, as the results from the survey are not so much different from other non-academic surveys, it is not expected that a repeat of the same quantitative research procedure including same target group and sample selection will generate different results. The same can be also said for the third stage and the multi case methodology. The analytical and comprehensive description of the data collection process from the companies and the quantitative representation of some of their answers could further increase the reliability of the research. However, it must be noted that one limitation for this study comes with the generalization of the results. The sample of the

quantitative survey can not represent the whole population of Europe, while the results of business survey does not correspond to the whole population of the clothing brands in Europe, as some companies might have different strategies and procedures.

3.6 Validity

The validity of a research refers to the measurement and to what extent the researchers measure correctly what they want to be measured (Collis & Hussey, 2013). According to Collis and Hussey (2013), elements that could hinder the validity of a research are poor samples and sample selection, faulty procedures of the methodology and inaccurate measurements. Additionally, Leung (2015) in his article states that in qualitative research validity refers to the level of “appropriateness” of the tools, data and procedures that were used by the researchers in their measurements. Additionally, triangulation of the data, meaning that the researchers use more than one effective method in order to collect data for the purpose of studying and exploring the same research topic, are very important so for the validity of the paper to be increased. For the purpose of this study, all the data that were gathered from the different stages and methods that were used in the process will be triangulated in order to increase the validity of the paper. As this paper, aims to explore the importance of return policies for both the customers and clothing brands, a combination of research methods were used in the process. As mentioned also in the reliability section, the same limitation applies with the generalization of the results as both the qualitative and quantitative results do not correspond for the whole population of Europe but serve as an indicator.

4. DATA COLLECTION

4.1 Content Analysis

The first section of the data collection process will begin with the content analysis that was performed on the return policies from major clothing brands and retailers within Europe. A complete outline of how the process and the categorization of the content analysis will be performed is presented in the methodology section of the report. After outlining the companies and their return policies, the scaling that was discussed in the methodology section of the report will be used in order to create a leniency table that will be presenting how lenient are return policies in practice within major European countries. It is very important though, for a summary table of the most frequent observations counted in the content analysis to be formulated in order to apply the scaling that will be used.

4.1.1 Country: ITALY

Companies/Brand	Return time	Refund	Cost/Fees	Not return item	Requirements	Conditions	Exchange
Bottega Veneta	14 Days	Full refund-partial refund	Free shipping for booking a collection date, customer pays other delivery method	No limitation	Registration required	Unused, original labels, package	Available, single replacement, same model-different size, color
Valentino	14 Days	Full refund	Free shipping with UPS, Customer pays if uses courier	No limitation	Filling the online form	Original package, unworn	Available, single replacement, same model-different size, color
Versace	30 Days	Full refund	Free shipping	No limitation	Fill the return label	Unused, original labels, tags, packaging	Not available
Gucci	14 Days	Full refund	Free shipping	Customized products	Fill the return label	Original condition, package, receipt	Available
Giorgio Armani	14 Days	Full refund-partial refund	Customer pays shipping cost	No limitation	Fill the return form online	Unworn, unwashed, original tag, receipt, package	Available
Prada	14 Days	Full refund	Free shipping for booking a collection date, customer pays other delivery method	Personalized products	Registration required, contact with email, fill the online form	Perfect condition, original tags, package	No mention
Diesel	15 Days	Full refund	Customer pays shipping cost if not use the same shipping agent	No limitation	Fill the return form	Unworn, original package, tags	No exchange
Marcelo Burlon	14 Days	Full refund	Shipping costs Eu 20	No limitation	Contact via email	Original condition, original tags	Available, same model, different

			Rest of world 30				size, color, same country of purchase, one time
Palm Angels	14 Days	Full refund	Shipping costs Eu 20 Rest of world 30	No limitation	Contact via email	Original condition, original tags	Available, same model, different size, color, same country of purchase
Moncler	15 Days	Full refund	Customer pays shipping cost if not use the same shipping agent	No limitation	Fill the online form	Original condition, tags, package	No mention
La Redoute	50 Days	Full refund	Free using POST	No limitation	Use ticket "CRONOREVERS E"	Unworn, original package	Available
Italian-store	40 Day trial period	Full refund for the first purchase	Returning part of the order, not refundable	No limitation	Filling the return form, contact the company	Near perfect condition, original labels, unwashed	Available
Italist	14 Days	Full refund	Customer pays shipping, customs, courier charges	Can't return 2 products from 2 different boutiques, final sale items	Registration required, book a return date	Original package must be packed in other box, original tag, label	Available
Italian-Collection	14 Days	Full refund-partial refund	Free shipping	No limitation	Fill the online return form.	Unworn, Unwashed, original package, labels	Available
Vintage Bc	30 Days	Full refund-partial refund	Customer pays for the transport	Stained items	No specific requirement, just mailing the product return	Unused. Original package, original receipt	Available for defective or damaged items
Renata Spila	14 Days	Full refund	Customer pays for transport, unless defective	No limitation	Contact the company to receive instruction	No mention	No mention
Ploumanach	14 Days	Full refund, store credit for discount items	Customer pays for transport, unless defective	Sales items	Contact via email	Unworn, original package, tags	Available, size and color only
Rota	14 Days	No mention	Free shipping for EU	Items flagged as Made to Order	Contact the company for for instruction	No mention	Available

Summary for Italian companies/Brands

Time leniency: 12/18 offer a 14-day window, 2/18 offer a 30-day window, 2/18 offer a 15-day window, 1/18 offer a 40-day window and 1/18 offer a 50-day window

Monetary leniency: Refund: 6/18 offer full refund-partial refunds, meaning that the amount of refund diminishes if the conditions of the item are not met or the return and shipping costs are not refundable. 11/18 companies offer full refund for the returns, while 1/18 does not mention anything about the refund process.

Costs: 7/18 companies offer free shipping for the returns while using specific carriers or agents, 3/18 offer free shipping, while in all other 8/18 situations, the customer pays the return cost.

Scope leniency: 12/18 have no limitation to what products are allowed for returns, while 6/18 put limitations to personalized and customized items or items flagged as “made to order”.

Effort leniency: Requirements: in every situation the companies require mainly three things from the customers: 1) registration or contact with the company prior to the return of the item, 2) filling the online form of the return process , 3) booking a return date with the agent for the return in case of free shipping.

Conditions: not much disparity here, while 2/19 do not mention conditions for the return products, all other companies/brands 17/19 require some of the original tags, labels or package, while they also require the items to be to a near-perfect condition unworn and unused otherwise they can reject the product return.

Exchange leniency: 12/18 companies offer exchanges, 3/18 do not offer exchanges, 3/18 do not mention anything about exchanges

4.1.2 Country: GREECE

Companies/Brand	Return time	Refund	Cost/Fees	Not return item	Requirements	Conditions	Exchange
Celia Dragouni	14 Days	Full refund	Customer pays import and shipping fees	No limitation	Contact with email. Returns only from country of delivery, fill the return form	Original tags, labels, and packaging	Available
Parthenis	14 Days	Full refund	Customer responsible for transport	Underwear	Contacting the company immediately	Unused, unworn, original receipt	Available
Zeus +Dione	14 Days	Full refund- Shipping cost not refundable	Free for Greece. Europe:20 USA:30 Rest:45	No limitation	Filling online form	Perfect condition, original receipt, package	-
Crossover	14 Days	Full refund- Shipping cost not refundable	5 euros for exchange/ Customer pays transport fee	No limitation	Contact by telephone or email before return	Same condition, original receipt	Available
Stylati	14 Days	Full refund- Shipping cost not refundable	Customer pays transport	No limitation	Filling the return form	Perfect condition, original package and receipt	Not available
Maurizio	10 Days	No refunds, Only credit note	Free for Greece, 15 euros for the rest of EU, 25 for rest + customs	No limitation	Contact via phone or email	Perfect condition, original package	Available
Aesthet	14 Days	Full refund, store credit	free for Greece, 15 for EU, 25 US, 35 for the rest	Seasonal-customizable	Registration required, online form	Perfect condition, original tag and package	Available-different size
Celestino	14 Days	Full refund	No mention	No limitation	Contact prior	Perfect condition, original package, receipt	Available
Entourage Clothing	21 Days	Store credit	1 free return, charge for additional	Bodysuits, swimsuits	Filling the return form	Unworn, original tags	Available
Dangerous Minds	14 Days	Full refund	5 euros for transport	No limitation	Contact via phone or email	Original package, tags	Available
Bettina	14 Days	Full refund	Free for Greece	No limitation	Filling online form	Unworn, unwashed, original receipt, labels	Available
Mohxa	30 Days	Full refund	Customer pays transport, handling fee	Discounted items	Contact via email	Original condition	Available
Heaven of Brands	14 Days	Full refund	3,5 euros shipping cost	No limitation	Contact via phone or email	Perfect condition, original package, receipt	Available
Bohbo	14 Days	Full refund	Customer pays shipping cost	No limitation	Contact via phone or mail	Unworn, unwashed, original	Available

						tag, package, receipt	
Akira Mushi	15 Days	Full refund	Customer pays shipping cost	No limitation	Contact via email	Unused, original receipt, package	Available
Vassia Kostara	14 Days	Full refund	Customer pays shipping	Seasonal-customizable	Fill the return form	Original tag, packaging, perfect condition	Same item-different size
ToRouxo.gr	14 Days	Full refund	5 euros for Exchange	Swimsuit, Underwear	Contact by telephone or email before return	Perfect condition-Original label	Available

Summary for companies in Greece

Time leniency: 13/17 companies offer a 14 day time policy, 1 offers 15 day policy, 1 offers a 30 day policy, 1 offers 21 day policy and 1 offers 10 day return policy.

Monetary leniency: Refund: 11/17 companies offer full refunds, 3/17 offer store credits as refund option, while 3/17 offer full refunds but the shipping cost is not refundable

Cost: in 10/17 cases the customer pays the shipping cost of return, 6/17 companies offer free shipping within Greece while they charge for rest of the world, 1 company does not mention anything

Scope leniency: 11/17 companies have no limitation on what items can be returned, 4/17 companies do not accept swimwear/underwear and 3/17 does not accept seasonal and customizable items.

Effort leniency: Requirements: in every situation the companies require mainly three things from the customers: 1) registration or contact with the company prior to the return of the item, 2) filling the online form of the return process

Condition: All of the companies require some of the original tags, labels or package, while they also require the items to be to a near-perfect condition unworn and unused otherwise they can reject the product return.

Exchange leniency: 15/17 companies offer exchanges, 1 does not offer exchanges while also 1 does not mention about exchanges.

4.1.3 Country: SPAIN

Companies	Return time	Refund	Cost/Fees	Not return item	Requirements	Conditions	Exchange
Zara	30-Days	Full refund	Free shipping using standard method, customer pays other method	Customized items, sealed goods that can't be returned due to hygiene reasons	Contact the company prior, use the e-ticket of the shipping, can return in stores as well	Underwear: cannot be returned except for top, bodysuits in original package, original receipt	Available, same item, different size, color, 1 at a time, 5 in total, or at store
Stradivarius	30-Days	Full refund	Free shipping using standard method, customer pays other method	Customized, Underwear, swimwear	Contact the company prior, can return in stores as well	Unworn, original tags, package, documents	Available for same item, different size, color
Massimo Dutti	30-Days	Full refund	Free shipping using standard method, customer pays other method	Customized, Underwear, swimwear	Contact the company prior for unregistered users, can return in store as well	Unworn, original tags, package, documents	Available for same item, different size, color
Mango	30 Days	Full refund	Free shipping using standard method, customer pays other method	Customized items	Registration for returning online, can return also to store	Unworn, original tags, package, documents	Available for same item, different size, color
Pull&Bear	30 Days	Full refund	Free shipping using standard method, customer pays other method	Underwear, swimwear	Either registration online and home pick up, or return to store	Good condition, original documents	Available for same item, different size, color
Desigual	30 days	Full refund	Free shipping using the standard company method	Bikini, swimwear	Fill the return form, label, tell why you return, can be returned at store also	Original condition, unwashed, label, return form	Not available, only for defective
Loewe	14 Days	Full refund minus shipping cost	Free shipping using the standard company method	Personalized items	Contact the company prior	Perfect condition, original packaging	Available in stores
Oysho	30 Days	Full refund	Free shipping	No limitation	Either registration online and home pick up, or return to store	Unwork, original package, seals not removed, receipt	Available for same item, different size, color
Uterque	30 Days	Full refund	Free shipping, using the company shipping carrier	Swimming garment	Either registration online and home pick up, or return to store	Unused, perfect condition, original package, receipt	Available for the same item, different size, color at store, return and new purchase online
Elganso	30 Days	Full refund	Customer pays shipping cost	Underwear	Ship the package to a specific address	Unused, original label	Return the product, purchase a new one
El Corte Ingles	60 Days	Refund amount decreases if	Free using post office, customer pays shipping if collected home	Underwear have to be sealed	Contact prior to return,	Unused, perfect condition, packaging, documents	Available

		conditions not met					
Spanishonline	14 Days	Full refund minus shipping cost	Customer pays shipping cost	No limitation	Contact via email	Perfect condition, original label, package	Available
Palomospain	14 Days, 7 Days on sale period	Full refund minus packaging, postage fee	Customer pays shipping fees, package	No limitation	Shipping to a specific address	Perfect condition, original tags, receipt	Available
Missguided	14 Days	Full refund	Customer pays shipping cost, free for post office in Spain	Swimwear	Say why you return, use "punto pack" in Spain, receipt required	Unwashed, original labels	No mention
Pazrodriguez	30 Days	Full refund	Free shipping	No limitation	Contact prior, fill the return label	Perfect condition	Available, same model, different size

Summary for companies in Spain

Time leniency: 10/15 companies offer 30 day return policy, 4/15 offer 14 day policy, while 1 offers a 60 day policy

Monetary leniency: refund: 11/15 companies offer full refunds, 3/15 offer full refunds but the shipping cost is not refundable, while 1 also offers partial refund if conditions are not met
Costs: In 10/15 companies offer free shipping options if specific carriers or agents are used, 2 offer free shipping, while in 3/15 cases the customers pay the shipping cost of return

Scope leniency: 11/15 companies does not accept customizable, personalized, swimwear or underwear, while 4/15 companies have no limitations on what items can be returned

Effort leniency: Requirements: in every situation the companies require mainly four things from the customers: 1) registration or contact with the company prior to the return of the item, 2) filling the online form or label of the return process , 3) booking a return date with the agent for the return in case of free shipping, 4) while they also offer the option to the customers to return to the store.

Exchange leniency: 3/15 companies offer exchanges, 9/15/ offer exchange on conditions, 1/15 requires a return first and after that a new purchase, 1/15 does not offer exchanges, while 1/15 does not mention about exchanges

4.1.4 Country: UNITED KINGDOM

Companies/ Brand	Return time	Refund	Cost/Fees	Not return item	Requirements	Conditions	Exchange
Marks & Spencer	90 Days, 14 Days for Sale items	Full Refund	Free shipping, customer pays outside UK	Swimwear, Underwear, unless they are sealed	Different return option: post, drop point, or in store	Original condition, unused, receipt	Exchange in stores only
Baracuta	14 Days	Full refund, customers out of Eu pay customs	Customs for non european customers, free shipping for dedicated carrier	No limitation	Fill the label, use a specific shipping carrier for transport, returns from same country of purchase	Original condition, packaging	No exchange
Burberry	30 Days, 14 for sale items	Full refund	Free shipping using UPS, Customer pays other shipping method	Personalized items	Original shipping location, fill the return form, contact the shipping carrier	Original condition, unused, labels attached, package	Exchange only available to stores
Alexander McQueen	14 Days	Full refund	Free shipping for using the specific shipping carrier, customer pays other transport	No limitation	Fill in the return form	Unworn, unused, original tags, package	No exchange
Stella McCartney	15 Days	Full refund	Free shipping for using the specific shipping carrier, customer pays other transport	No limitation	Fill the return form, use the UPS label, contact UPS, ship from the same country	Original condition, original tags,	Available, different color, size
Temperlay London	14 Days	Full refund	Free shipping	Bridal accessories	Registration required, fill the online form, arrange with DHL/Fedex, contact prior	Perfect condition, ltags, packaging	Available, different color, size
Paul Smith	30 Days	Full refund	Free shipping for UK, Australia, US	Monogrammed items	Drop at post office, Drop-off point, not accepting returns and refunds at store or in person, fill the online form	Unused , unworn, original package, labels, tags	Available also for other items by paying extra or receiving refund depending on the value
Mih Jeans	28 Days	Full refund	Free for Uk using Royal Mail, customer pays for	No limitation	Contact with the shipping carrier, or send to specific address for	Original condition, tags, packaging	Available

			International shipping		international		
Margaret Howell	14 Days	Full refund minus the shipping cost, refund may be reduced further due to item condition	Free for shop returns, free for orders above 250, 10 for UK 15 for EU, 25 for non EU countries	Underwear	Fill the return form, send to a specific address or to store with the return form	Undamaged	No mention
Vivienne Westwood	15 Days	Full refund (taxes, customs outside EU are not refundable)	Free shipping for using the specific shipping carrier, customer pays other transport	Swimwear, underwear	Online orders cant be returned to store, registration required, fill the return form	Original condition, package, tags	Available
ASOS	29-45 Days	Full refund for 28 days, ASOS gift Voucher for 29-45	Customer responsible for return cost, depending on country	Underwear, swimwear	Book a specific return shipping carrier depending on the country	Original conditions, clean, ASOS investigates suspect behavior	No exchanges outside UK
Boohoo	14 Days	Full refund	Free shipping for UK	Underwear, swimwear only if sealed	Use the online return label, choose a return carrier from the website	Unworn, unwashed, tags	Not available
Pretty little things	14 Days	Full refund	Free shipping for UK, International customers pay	Underwear, swimwear only if sealed	Choose a carrier from the website and fill in the return form	Unworn, unwashed, original tags	No exchanges
I Saw It First	30 Days	Full refund	Free shipping for UK, International customers pay	Underwear, swimwear	Choose a carrier from the website and fill in the return form	Unworn, Unwashed, original labels	No exchange
BrandAlley	28 Days	Full refund	Customer pays transport, 3.50 using Royal Mail	Swimwear, cosmetics, personalized items	Fill the return form, ship to specific address	Unused, original packaging	No exchanges
Topman/Tops hop	28 Days	Full refund	Free returns for paypal users(Spain, Italy, Netherlands, France) Customer pays the shipping cost	Swimwear, Underwear if seal is broken	Return to stores at Netherlands, Ireland, use the return label by post	Unworn, Unused, Original barcode and tags	No mention
Debenhams	28 Days	Full refund minus the	Customer pays shipping cost	Custom made or altered items,	Fill the return form and attach to	Proof of purchase or receipt, return	No exchanges

		shipping cost	based on the carrier, Paypal refunds shipping costs	underwear, swimwear, control wear	the parcel, contact for faulty products	not possible at store outside of UK, saleable condition	
Evans	30 Days	Full refund	Free for UK using Freepost International Customer pays return cost	Underwear, swimwear, cosmetics	Use the online portal, International purchases can only returned via post, no returns to store outside of UK for online items	Saleable condition, original tags, dispatch codes	No exchange
Argos	30 Days	Refund value decreases if conditions do not met	Free for return to collection point or store, 3.50 for post	Jewelry	Return to Argos store, or collection point	Proof of purchase, original package, condition	Exchange available to stores
Asda(George clothing)	100 days for George branded, 30 Days for non-George branded	Full refund	Free returns to stores, customer pays postage costs	product for hygiene reasons	Large items can not be returned to store, use either post or collect point or store return	Undamaged, resalable condition, original package	Exchange to store, either way contact the company
John Lewis	35 Days	Full refunds	Costs for returns are based on the country: see https://www.johnlewis.com/customer-services/returns/international-returns	Personalized items, product for hygiene reasons	No returns at Heathrow, no international returns for UK bought items	Unused, original condition, labels, tags	Exchange only to store, not available for post returns

Summary for companies in the UK

Time leniency: 7/21 companies offer 14 days return policy, 4/21 companies offer 30 days policy, 1/21 offer 35 day policy, 4/21 offer a 28 days return policy, 2/21 offer 15 days policy, 1 company offers 29-45 days policy, while 1 also offers 100 days window policy and 1/21 offer a 90 day policy

Monetary Leniency: Refund: 16/21 companies offer full refunds, in 2/21 companies the shipping cost is not refundable, while 3/21 companies offer full refund for Eu customers charging customs for those outside the EU.

Costs: 17/21 companies offer free shipping when choosing a specific carrier or agent and when returns are happening within the UK and in some cases when return occurs at the physical store, while in 4/21 cases the customer is responsible for the transport costs.

Scope leniency: 4/21 companies have no limitation on what items are allowed for return, 12/21 companies do not allow underwear and swimwear for return, while 5/21 do not allow personalized items and special accessories for return.

Effort Leniency: Requirements: in every situation the companies require mainly three things from the customers: 1) registration or contact with the company prior to the return of the item, 2) filling the online form or label of the return process , 3) booking a return date with the agent for the return in case of free shipping.

Condition: All of the companies require some of the original tags, labels or package, while they also require the items to be to a near-perfect condition unworn and unused otherwise they can reject the product return

Exchange Leniency: 10/21 companies does not offer exchanges, 2/21 does not mention anything about exchanges, 4/21 companies offer exchanges only to stores, while 5/21 offer exchanges

4.1.5 Country: FRANCE

Companies/ Brand	Return time	Refund	Cost/Fees	Not return item	Requirements	Conditions	Exchange
Louis Vuitton	30 Days	Full refund (no refund at stores)	Free using specific carrier	Personalized, made to measure products	Use the prepaid label included in the package, login to the site	Perfect condition, original package, labels	Exchange either to store in France or call the company for details
Dior	30 Days	Full refund	costs paid by the Customer related to the choice of a specific delivery method will not be reimbursed	Swimwear if seal is broken	by post or in one of our boutiques, subject to certain conditions, customer chooses return method	Original packaging, unworn, undamaged	Available at store or at site for same items, First delivery is refunded, second is not
Saint Laurent	30 Days	Full refund	Free using the prepaid UPS label, Using a different return service customer pays	No limitation	Fill out the return form online, use the prepaid UPS label, ship from the same country	Original condition, tags, packaging	Available for different size, color
Balenciaga	15 Days	Full refund	Free using the prepaid UPS label, Using a different return service customer pays	Fragrances	Fill out the return form online, use the prepaid UPS label, ship from the same country	Original condition, tags, packaging included	Available for different size, color
Givenchy	30 Days	Full refund	Free shipping using the UPS option	No limitation	Returns online using Ups and pickup or at store	Perfect condition, unworn, original labels, packaging, receipt	Not available
Hermes	30 Days	Full refund and store credit at stores. No refunds for online returns at stores	Free using the prepaid Fedex label, Using a different return service customer pays	Fragrance is not sealed	Use the prepaid return label of Fedex	Original condition and packaging, receipt	Available
Lacoste	14 Days	Full refund, express delivery cost not refundable	Express delivery cost	Underwear, customized products	Items purchased from stores must be returned there	Mint condition, unworn, unwashed, original parcel ,receipt	Return the product, receive refund and place new order
Balmain	15 Days	Full refund	Free shipping using the UPS	Customized, personalized	Use the Ups option or other method,	Unworn, unwashed, undamaged,	Available different

			option	products	contact UPS for return	original tags, packaging	size, color
Celine	14 Days	Full refund	Free shipping using the specific carrier, customer pays other method	Personalized items, items that cannot be returned due to hygiene	Contact and request a pickup with the carrier, or return to specific stores	Original package, labels	Available for same items
Chloe	15 Days	Full refund	Free shipping using the specific carrier, customer pays other method	Fragrances	Fill the online return form, pack the items, use the prepaid UPS label, contact UPS for pick up	Original condition, package, tags	Available different size, color one time only, not for promotional items

Summary for companies in France

Time Leniency: 5/10 companies offer a 30 day return policy, 2/10 companies offer a 14 day return policy, while 3/10 offer a 15 day return policy

Monetary Leniency: Refund: 9/10 companies offer full refunds, 1/10 companies does not offer refunds to the shipping cost and fees

Costs: 7/10 companies offer free shipping if a specific carrier or agent is used, in 3/10 cases the customer is responsible for the shipping cost of return.

Scope Leniency: 2/10 companies have no limitations on what items are allowed to return, 8/10companies have limitations on underwear, swimwear and customizable items

Effort Leniency: Requirements: in every situation the companies require mainly two things from the customers: 1) filling the online form or label of the return process , 2) booking a return date with the agent for the return in case of free shipping.

Condition: All of the companies require some of the original tags, labels or package, while they also require the items to be to a near-perfect condition unworn and unused otherwise they can reject the product return

Exchange Leniency: 6/10 companies offer exchanges on conditions, 2/10 offer exchanges to stores only, while 2/10 do not offer exchanges

4.1.6 Country: NETHERLANDS

Companies /Brand	Return time	Refund	Cost/Fees	Not return item	Requirements	Conditions	Exchange
Suitsupply	30 Days	Full refund	Free shipping using UPS carrier or select drop off point	No limitation	Use the prepaid return label, register online, can also return to store or exchange	Unworn, unaltered	Available
Scotch & Soda	30 Days	Full refund, if conditions not met customer is liable for the value	Customer pays for post or courier	Fragrances, detergent	Contact prior, return by post/ courier or store	Undamaged, original labels, receipt	Not available
Daily Paper	30 Days	Full refund or store credit, shipping is not refundable	Customer pays for shipping back at warehouse	Underwear, swimwear unless faulty	Fill the return form using the instructions, or return to store	Unworn, unwashed, tags, original packaging	Available
Denham	30 Days	Full refund	Customer pays return shipping	No limitation	Use the return form, online orders cannot returned to stores	Original packaging, labels, tags, unused	Not available
G Star Raw	30 Days, trial period to see if meets expectations	Full refund, customer liable for diminished value	Free using DHL, customer pays other method	Underwear if package is open	Use drop off point of DHL, fill the return form, or return to stores(same country as order)	Original packaging, labels, tags, unwashed, unworn	Not available
Deblonsports	14 Days	Full refund, shipping cost not reimbursed	Customer pays shipping of return	No limitation	Use the return form	Original condition, tags, unwashed, unaltered	Not available
Patta	14 Days	Full refund	Customer pays shipping, if package is damaged, 15% fee of merchandise	No limitation	Use express shipping unless a defective product which goes by post	Non-used items, new condition, packaging	Available
Laundry Industry	14 Days	Full refund, may make a deduction for loss of value on goods	Customer pays the shipping cost	No limitation	Place the item in a box, explain your dissatisfaction , send to specific address	Unaltered, unwashed, tags	Available, for another size or colour
Nuff Said	14 Days, you can only fit the product like at store	Full refund	Customer pays for shipping cost of return, plus 5 euros if conditions not met	No limitation	Contact via email, specify reason for return, wait for instructions reply	Unbroken, unused, original condition, stickers, labels	Available

Copa Football	30 Days	Full refund, shipping cost not refundable	Customer pays shipping of return	No limitation	Login required, reason for return, print out the reply email, ship to specific address based on country	Unworn products, original labels, tags, packaging	Not available
HEMA	14 Days	Full refund, Consumer is liable depreciation in the value of the item	Customer pays cost of return, if trader has not stated that he should or choosing more expensive method	Sealed products for hygiene reasons, customized products, perishable, drinks		Customer will treat the item and package with care, only handle and inspect, original condition, package	Available
Zeeman	30 Days, 14 Days after contacting	Full refund, Customer is liable for diminished value	Customer pays for online returns	No limitation	Use the return form, return to store	Original receipt, unworn, unused	Available at stores
Debijenkorf	21 Days for online, 14 Days for store	Full refund, sometimes you get a paper voucher for store returns	Free using PostNL, to store, or pick up service	Cosmetics if package opened	Use the return form, use the return sticker on the package	Unused, unworn, original packaging, tags, receipt	Available at stores
Perry Sport	30 Days	Full refund when entire order is returned, gift card for store return	Free for post, customer pays other method	No limitation	Return by post or stores, state the reason for return	Original package, tags	Available at store

Summary for companies in Netherlands

Time leniency: 8/14 companies offer 30 day return policy, 5/14 companies offer 14 day return policy, while 1/14 companies offer 21 days policy for the online shop.

Monetary Leniency: Refund: 6/14 companies offer full refunds, while 8/14 companies offer partial refund if conditions are not met or the shipping cost is not refundable.

Cost: 4/14 companies offer free shipping when using a specific agent or carrier, while in the other 10/14 cases the consumer is responsible for paying the shipping cost of return.

Scope Leniency: 9/14 companies have no limitations on what items can be returned, while 5/14 companies have limitations to underwear, swimwear and cosmetics

Effort Leniency: Requirements: in every situation the companies require mainly three things from the customers: 1) registration or contact with the company prior to the return of the

item, 2) filling the online form or label of the return process , 3) booking a return date with the agent for the return in case of free shipping.

Condition: All of the companies require some of the original tags, labels or package, while they also require the items to be to a near-perfect condition unworn and unused otherwise they can reject the product return

Exchange Leniency: 6/14 companies offer exchanges, 3/14 companies offer exchanges only to stores, while 5/14 do not offer exchanges

4.1.7 Country: GERMANY

Companies/ Brand	Return time	Refund	Cost/Fees	Not return item	Requirements	Conditions	Exchange
Ashley Marc Hovelle	14 Days	No refund but exchange or gift vouchers	Shipping costs charges and differs, nothing about return	N.A.	Use recorded delivery, no return from overseas	original condition, unworn, unwashed	Available
S.Oliver	14 Days	Shipping costs is on customer	Customers stand for return costs	N.A.	reason for return on the return form, via DHL	In right condition, original tags on	Make a new order
Antonia Zander	14 Days	Full refund	Customer pays return costs	N.A.	corresponding revocation Email, parcel to us insured and with tracking number	new, faultless and originally labelled goods	send a message with the correspondin g details
Lala Berlin	14 Days	Full refund, not taxes and duties	Customer stands for refund costs, Germans receive prepaid return sticker	N.A.	Return note and sticker, send it via national shipping service	original condition and packaging including tags	Place a new order
Joop	30 Days	Full refund	Free return if the customer is not choosing a specific shipping service	High hygiene sensitive items should have their protection seals on	use the return label enclosed	original labels and safeguards, condition that corresponds to normal use for checking and trying	Make a new order
MARC O'POLO	30 Days	Full refund	Free	N.A.	delivery note, reasons for the return, print out a return label	N.A.	Make a new order
Escada	30 Days	Full refund	Free unless the customer is choosing another shipping service	If sensitive items protection or hygiene seals has been removed, unpacked perfume	Use the return label	Original condition	N.A.
G-Lab	28 Days	Full refund	Free for Germany only	N.A.	exchange and return form, place it in your return package, DHL for Germany	Not used, worn, washed or damaged, original state with all product labels	Make a new order if the exchange is not about size or color
Hugo Boss	30 Days	Full refund	Free	N.A.	reason for the return, returns form enclosed, attach the returns label, DHL service	unworn, unwashed and unused products with original labels attached	Cancellation right accepted and applies
A Kind of Guise	14 Days	Full refund	Free unless the customer	N.A.	N.A.	N.A.	N.A.

			returns after deadline				
pb0110	14 Days	Full refund	Free return if the return item is worth more than 40 Euro	N.A.	N.A.	The value of the merchandise is going to be evaluated end compensate	N.A
Triumph	14 Days	Full refund	Free return label	N.A.	returns form contained in the package, reason for the return	product tags remain attached, unused, clean and undamaged	Available
Dorothee schumacher	14 Days	Full refund	Free only for Germany, US and Austria	Sealed product that is not suitable for sale anymore	attached return label	All original attributes named in withdrawal law	N.A.
Jack wolfskin	14 Days	Full refund	Free return	N.A.	Contact customer service, pre-printed labels	original condition, original packaging, not damaged, contaminated, washed, excessively worn or altered in any way	N.A.
Adidas	30 Days 7 Days for Yeezy Shoes	Full refund	Free return	Personalized product	attach the shipping label, printable return label	GMR Jacquard tag seal must not be broken, original boxes, in original state	Only size, if color or another model desired make new order, possible to return to store
Puma	30 Days	Full refund	Free if it is via DHL or Ups service	Socks, underwear and swimwear	supplied package return sticker	original state, unworn	Make a new order
Jil Sander	14 Days	Full refund	Free if it is via DHL	customized items, earrings or clothing that has had the hygienic seal removed	return form, Attach the pre-printed and pre-paid return label, DHL	original condition and in their original packaging	Available
MCM Worldwide	14 Days	Full refund	N.A.	underwear and loungewear	Return form and label, ship it in proper parcel which covers the item from any harm	new, unused, and with all labels and garment tags still attached and in original packaging	N.A.

Summary for companies in Germany

Time Leniency: 11/18 companies offer a 14 day return policy, 6/18 companies offer a 30 day return policy, while 1/18 offers a 28 day policy

Monetary Leniency: Refund: 15/18 companies offer full refunds, in 2/18 cases shipping cost and taxes are not refundable, while 1/18 offers gift vouchers or exchange instead of a refund
Cost: 5/18 companies offer free shipping, 8/18 companies offer free shipping on some conditions, 3/18 companies charge for the shipping cost of return, while 2/18 do not mention returns.

Scope Leniency: 11/18 companies have no limitation on what can be returned, 2/18 do not allow swimwear or underwear for return, while 5/18 do not allow items that their hygiene seal was removed.

Effort Leniency: Requirements: in every situation the companies require mainly two things from the customers: 1) registration or contact with the company prior to the return of the item, 2) filling the online form or label of the return process

Condition: All of the companies require some of the original tags, labels or package, while they also require the items to be to a near-perfect condition unworn and unused otherwise they can reject the product return

Exchange Leniency: 6/18 companies do not mention anything about exchanges, 3/18 companies offer exchanges, while 9/18 do not offer direct exchange as they encourage the consumer to return the item and then make a new order.

companies that charge their customers for returning products are pointing that this extra charge is because of environmental consequences of the transport activities.

4.1.8 Country: SWEDEN

Companies/ Brand	Return time	Refund	Cost/Fees	Not return item	Requirements	Conditions	Exchange
Acne Studios (luxury)	14 Days	standard delivery costs are refundable	Standard shipping is free, companies in Swe 80 SEK	No limitation	Requisition of Return Authorization Online-to-store only SE orders	Original tags, labels, and packaging, unworn	Available Exchanged item may not be returned
Stenströms (5 Flagship stores)	14 Days	Customer pays the shipping costs in case of return	Return label: 10 to 25 EUs for EU and NA Free for SWE Standrad shipping is free, NA excluded sale taxes	No limitation	Purchase on approval for 30 days	Complicated procedure of assessment and deduction up to 100% of the items value, 10% for damaged package	Possible until the costs don't exceed the reasonable business benefit
Tiger of Sweden	14 Days	Full refund	Cheapest delivery type is refundable, CHF30 for Switzerland	No limitation	Before expiry of withdrawal request for return by letter or an Email	Preserves the right of assessment of wear or tear	Available
Whyred	14 Days	Full refund	Shipping is free and varies if the order is higher than a defined price for different countries	No limitation	To specify the reason	In original condition	Available
Björn Borg	90 Days	Full refund	Shipping costs for international orders are not refundable	No limitation	Use the attached way bill and fill in return form	Original, tags attached, underwear's seals remain, unworn	Available
*Afound	14 Days	Full refund	Free shipping and return	No limitation	Return form sends or to log in to my page and order a return form	–	Only way is to return and make a new order
*Weekday	30 Days	Full refund	Free return Some tiny differences depend on countries and transport companies	underwear briefs, bodies and pierced jewelry cannot be returned or exchanged unless faulty	Return label included in parcels	clean, unworn and have all their tags on	Available
Flippa K	30 Days	Full refund	Free return	No limitation	pre-paid return label	In original condition, with all tags still attached, swimwear has a protective sealing	Return the item and place a new order

J.Lindeberg	14 Days	Full refund but it must be confirmed by the seller	Free return, DHL, Postnord or stores(Swe) other countries send to Poland, some delivery costs depend on the country	No limitation	It should be left to a carrier not mailbox, return via bestseller.com, return label attached	–	return and re-order the item
MARC O'POLO	30 Days from the purchase, 14 Days for shops	Full refund	Free return, the delivery costs have been defined for different country and zones	No limitation	Post back the delivery note, printable return label, online orders returns only online, return reason.	–	return and re-order the item
Nudie Jeans	14 Days	Full refund	Return cost will be deducted Example: 50SEK for Sweden/ free to return to stores	Sealed packages with underwear or socks for which the seal has been broken	pre-printed return label, include the return form in the package	original condition with no wear marks and with all labels on	If available in storage, in same price range unless return and re-order the item
Hope	14 Days	Full refund	Customer pays all return costs	No limitation	Recommends to send with a secure post service, in a suitable package to required address(warehouse)	unworn, unwashed, not damaged and if it's in the same condition	Customer pays for the costs
& Other Stories	30 Days	Full refund	Free to return	underwear briefs, pierced jewellery, make-up and skincare products	Slightly varies for different countries, fill the return note, post it back, all responsibilities are on customer, online to shop is not available	clean, unworn , all tags attached, shoes in their original box	Available
Mini Rodini	14 Days EU and 30 Days for the rest	Full refund only for the item	Customer pays all return costs	No limitation	Return note attached to the order, possible to print, confirmation email	clean, unworn , all tags attached	return and re-order the item
Rodebjer	14 Days	Full refund additional duties and/or taxes will not be refunded	49 SEK possible to return or exchange at the store	No limitation	Only credit card payments will be accepted for refunds for returned items in-store	exact same condition, tag and seal still attached, shoes in their original box	Not defined
Dagmar	14 Days	Full refund customs fees are not included when ordering from outside of EU	Free return for Europe and 15 EUR for the rest	No limitation	Fill in the return form, Attach the pre-paid return label, Swedish: Postnord, international:UPS	perfect condition, tag and seal still attached	return and re-order the item

Whyred	14 Days	Full refund	customer is responsible	No limitation	along with the receipt, specify the reason	original condition	available
Happy socks	30 Days	Full refund	customer is responsible	No limitation	Not possible to return or exchange online shop to the stores	Same condition and even not unpacked	available
Kappahl	30 days at store **14 Days online	Full refund, if approved	39 SEK by DB Schenker	No limitation	It is possible to return and exchange at the store, return label is inside the parcel, return reason,	In original condition, with all tags still attached, swimwear has a protective sealing	Available
H&M	30 Days	Full refund and shipping cost, only if the whole order returns	Shipping costs charges and for the most cases return is free	No limitation	Return label is attached to the parcel, possible to return more than one order or parcel at once,	unworn, unwashed, not damaged and if it's in the same condition	Available
Ellos	30 Days	Full refund in case of damaged item refund with depreciation	The customer stands for return costs	No limitation stated	Return Drop Off, label attached	Not specific terms stated but damaged items may reduce the refund	Return and make a new order
WeSC	14 Days	Full refund	Customer pay all return shipping charges	No limitation	Enough with a note for exchange/return Send with tracking service	tag and seal still attached undamaged shoe boxes	Size and color only
Boomerang	30 Days	Full refund	Free shipping and return cost	No limitation	Only in Sweden and by Schenker Return form attached	Original condition Not used or washed	Extra 30 Days for exchange
Boozt	30 Days	Full refund	Free shipping if the order exceeds 499 sek , The return label is pre-paid but a return fee of 6€ is withdrawn from the refund	N.A.	Complete the easy return form provided in your package and put the return label on the package	Original condition Not used or washed, tag and seal still attached	N.A

*It is not possible to return an online ordered item to a store.

** According to consumer protection laws.

Summary for companies in Sweden

Time Leniency: 13/24 companies offer a 14 day return policy, 10/24 companies offer a 30 day return policy, while 1 also offers a 90 day return policy

Monetary Leniency: Refund: 16/24 companies offer full refunds, while 8/24 companies offer partial refunds as cost/fees are not refundable or the amount decreases if conditions are not met.

Cost: 5/24 companies offer free shipping of return, in 9/24 cases the customers are charged for the return cost, while 10/24 companies offer free shipping with conditions.

Scope Leniency: 20/24 companies have no limitation on what items can be returned, 3/24 mention that underwear and sealed products are limited for return, while 1/24 do not mention anything about the scope

Effort Leniency: Requirements: in every situation the companies require mainly two things from the customers: 1) registration or contact with the company prior to the return of the item, 2) filling the online form or label of the return process

Condition: All of the companies require some of the original tags, labels or package, while they also require the items to be to a near-perfect condition unworn and unused otherwise they can reject the product return

Exchange Leniency: 12/24 companies offer exchanges, 10/24 companies offer exchanges on conditions (mainly return and make a new order), while 2/24 do not mention anything about exchanges.

4.1.9 Country: DENMARK

Companies/ Brand	Return time	Refund	Cost/Fees	Not return item	Requirements	Conditions	Exchange
WoodWood	14 Days	Full refund	Denmark free, GB 10p, Germany 10Euro, US. 30usd, rest of EU,20euro	No limitation underwear: original hygienic protective strip still intact	In original shipping bag, attach the return form and label, plus contact to return service before.	original, unused, unaltered and unwashed condition with original tags and packaging, shoe in original box	Only color and size, unless make a new order
Astrid-andersen	14 Days	Duties and taxes cannot be refund	Customer stands for shipping costs	-	Authorized by contacting info@ astridandersen.com attach the return note	Original tags and package, unused with receipt	Available but customers pay the shipping costs
Norse Store	14 Days	refunded depends on the saleable value of the item	Free for Denmark, other customers pay return costs	-	Return label, write Att: RETURN AND REPAIRS on the outside of the package	If it's not in a same condition as delivered may reduce the refund amount, same for package	Available
Elkaregntoej	14 Days	Full refund	Customer stands for costs	No limitation	Enclosed return form and return label, Elka should confirm	unused, with hangtags and in original packaging	-
Soulland	14 Days	Full refund	Shipping costs exist but there is not much about return costs	No limitation Assumable	Contact Soulland and wait for confirmation, write return on it	perfect condition with undamaged packaging and tags still attached	Color and size if exist in stock
Alis	14 Days	Freight will not be refunded	Customer stands for costs	N.A.	Write name and the invoice number	In substantial state and quantity	N.A.
Libertine Libertine	14 Days	Full refund	Customer stands for costs	N.A.	Inform company before return	in the original package	N.A.
Hankjobenhavn	N.A.	Full refund	Customer stands for costs	N.A.	Contact company before return, stating in detail the reason, Enclose the return form filled out accordingly	in original condition in original, undamaged packaging with price stickers, hang tags etc. still attached	Available
Caliroots	30 Days	Full refund	Customer stands for costs	underwear and swimwear	Use the return note	unused and in original condition, damaged shoe boxes will be charged 20%	place a new order
Mads Nørgaard	14 Days	Full refund	Free	N.A.	Online orders are not exchangeable or returnable to stores	Perfect condition, tags and seal still attached	Sales are not exchangeable but refundable, size and color
Rains	30 Days	Full refund	Customer pays	N.A.	Not possible to return to stores, print a return form	N.A.	Size and color, possible in stores

Samsøe	30 Days	Full refund	Free	N.A.	Contact to company before return, return label and note	Unused, unwashed with the original tags attached, shoes in their original box	Available even in stores
Wonhundred	14 Days	Full refund	Customer pays for return unless leave it to a flagship store	N.A.	Use the enclosed return note and label	unused condition including original and intact labels, hang tags and packaging	Available
Tonsure	14 Days	Full refund	Customer pays for return	N.A.	returns form	Perfect condition	Available

Summary for companies in Denmark

Time Leniency: 10/14 companies offer a 14 day return policy, 3/14 companies offer a 30 day return policy, while 1/14 do not mention anything about the time window

Monetary Leniency: Refund: 11/14 companies offer full refunds, while 3/14 companies offer partial refunds.

Cost: 4/14 companies offer free shipping of return, 9/14 companies do not offer free return as the consumer bares the cost of return, while 1/14 do not mention much about returns

Scope Leniency: 12/14 companies do not mention/no limitations about what items can be returned, while 2/14 mention that underwear and swimwear are not allowed to be returned.

Effort Leniency: Requirements: in every situation the companies require mainly two things from the customers: 1) registration or contact with the company prior to the return of the item, 2) filling the online form or label of the return process

Condition: All of the companies require some of the original tags, labels or package, while they also require the items to be to a near-perfect condition unworn and unused otherwise they can reject the product return

Exchange Leniency: 6/14 companies offer exchanges on condition, 3/14 do not mention about exchanges, while 5/14 offer exchanges with some conditions

4.1.10 Country: NORWAY

Companies/ Brand	Return time	Refund	Cost/Fees	Not return item	Requirements	Conditions	Exchange
Devold	14 Days	Full refund	Customer pays a fee, 69 SEK for Swedish customers	Boxers and hipsters (?)	Fill in return label and note, send it by DHL service	Unused and sellable, any labels, protective plastic etc. must not be removed	Make a new order
Skogstad	7 Days from the receipt	Full refund even the delivery costs	Customer stands for return costs	N.A.	returns form or delivery note	unworn and in the original condition, original packaging with all tags attached	Available
DaleOfNorway	30 Days	Full refund in case of missing tags the amount will depend on evaluation	Ask for return label which make the shipping free of charge	N.A.	Fill out the returns form and state the return reason, in the same package	Same condition, original packaging, with all tags hanging on, without odor or marks	Make a new order
Northern playground	30 Days	Does not clear	Shipping is free for orders over 100Euro, nothing about return costs	No limitation	Return confirmation by Email	unused and undamaged, in addition to all labels and tags still attached and packaging	Available
Sweet protection	30 Days	Full refund	Free	No limitation	ship with secure packaging with the return form enclosed, pre-paid return sticker	unused condition and have all tags attached	Place a new order
Bergans	14 Day	Full refund	Customer pays	N.A.	Contact the customer service	same volume and condition	Available
Helly hansen	90 Days	Full refund	Free	N.A.	Call us, We will provide your return number and shipment label	unwashed and unused, original undamaged packing, All tags are attached	Available
Norrøna	30 Days	Full refund	Free in Europe, except Switzerland and Iceland, \$19 for the rest	N.A.	Register your return, appropriate packaging, delivery note inside the package, stick the return label	unused and unwashed, hang tags are still on	Possible to exchange in Norrøna stores, Outlet products can only be returned online
Norwegian Rain	14 Days	Full refund minus	Customer stands for	N.A.	Contact us for detailed info on	unused and in perfect condition in	Available

		40Euro for return costs	costs, unless orders another item		how to ship/return must be sent via DHL	the original packaging	
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Summary for companies in Norway

Time Leniency: 3/9 companies have a 14 day return policy, 4/9 have a 30 day return policy, 1/9 offer a 90 day return policy, while 1/9 offer 7 days after the receipt

Monetary Leniency: 6/9 companies offer full refunds, 2/9 offer partial refunds, while 1/9 has not a clear process of refund

Cost: 3/9 companies offer free shipping, 4/9 companies charge for the returns, while 2/9 offer free shipping on conditions

Scope Leniency: 8/9 companies have no limitation/no mention on what can be returned, while 1/9 puts limitations on boxers and hipsters

Effort Leniency: Requirements: in every situation the companies require mainly two things from the customers: 1) registration or contact with the company prior to the return of the item, 2) filling the online form or label of the return process

Condition: All of the companies require some of the original tags, labels or package, while they also require the items to be to a near-perfect condition unworn and unused otherwise they can reject the product return

Exchange Leniency: 5/9 companies offer exchanges, while 4/9 companies offer exchanges on conditions

4.1.11 Country: FINLAND

Companies/ Brand	Return time	Refund	Cost/Fees	Not return item	Requirements	Conditions	Exchange
Marimekko	30 Days	Full refund	Free return	undergarments and swimwear	Return form, delivery note, DHL	Unused and undamaged products bearing all original product identifiers and tags	Available, even at store
Mirkkametsol a	14 Days	Full refund	Customer pays return costs	N.A.	return form, reason for the return / exchange, contact for further info	unworn, unwashed products	Available
Minna Parikka	14 Days	Full refund	Return costs: Finland: 10€ EU:25€	N.A.	Contact for DHL return dispatch note, original box and shipping bag, fill the return form	new, unused and in the same condition	Make a new order
R/H studio	14 Days	Full refund	Free	N.A.	return form, reason -paid and pre-addressed Customer Return, Schenker, posti, international contact CS	new, unused condition	Available
Lumi	14 Days	Full refund	Customer stands for return costs	N.A.	copy of the delivery notereason for the return, contact before return	Unused and complete, original package	N.A.
Samuji	15 Days	Full refund	Customer stands for return costs	N.A.	Contact customer care	complete and unused in their original packaging, undamaged shoe box	Make a new order
Ivana Helsinki	14 Days	Full refund	Customer stands for return costs	N.A.	Contact customer care	original packaging and in their original condition	Available

Summary for companies in Finland

Time Leniency: 5/7 companies offer a 14 day return policy, 1/7 offer a 30 day return policy, while 1/7 offers a 15 day return policy

Monetary Leniency: Refund: 7/7 companies offer full refunds

Cost: 5/7 companies charge for the return process, while 2/7 offer free shipping

Scope Leniency: 6/7 companies do not mention on what items can be returned, while 1/7 puts limitations to underwear and swimwear

Effort Leniency: Requirements: in every situation the companies require mainly two things from the customers: 1) registration or contact with the company prior to the return of the item, 2) filling the online form or label of the return process

Condition: All of the companies require some of the original tags, labels or package, while they also require the items to be to a near-perfect condition unworn and unused otherwise they can reject the product return

Exchange Leniency: 4/7 companies offer exchanges, 2/7 offer exchanges on conditions, while 1/7 do not mention about exchanges

4.1.12 Summary table of the companies' return policies

The table presents the most observations counted for every category in each country:

	Time Leniency	Monetary Leniency	Scope Leniency	Effort Leniency	Exchange Leniency
Italy	14/19 have a 14-day return policy	12/19- Full refund 9/19- Customer pays cost	13/19- No limitation	1- Contact prior 2- Return form/label 3- Original (tags,package,receipt, condition)	13/19- Exchange available
Greece	13/17 have a 14-day return policy	11/17- Full refund 10/17- Customer pays cost	11/17- No limitation	1- Contact prior 2- Return form/label 3- Original (tags,package,receipt, condition)	15/17- Exchange available
Spain	10/15 have a 30-day return policy	11/15- Full refund 10/15- Free shipping on conditions	11/15- Customizable/swim wear/underwear	1- Contact prior 2- Return form/label 3- Original (tags,package,receipt, condition)	9/15- Exchange available on conditions
United Kingdom	7/21 have a 14-day return policy	16/21- Full refund 17/21- Free shipping on conditions	12/21- Customizable/swim wear/underwear	1- Contact prior 2- Return form/label 3- Original (tags,package,receipt, condition)	10/21- Exchange not available
France	6/12 have a 30-day return policy	9/12- Full refund 8/12- Free shipping on conditions	10/12- Customizable/swim wear/underwear	1- Contact prior 2- Return form/label 3- Original (tags,package,receipt, condition)	6/12- Exchange available on conditions
Netherlands	8/14 have a 30-day return policy	8/14- Partial Refund 10/14 Customer pays cost	9/14- No limitation	1- Contact prior 2- Return form/label 3- Original (tags,package,receipt, condition)	6/14- Exchange available
Germany	11/18 have a 14-day return policy	15/18- Full refund 8/18- Free shipping on conditions	11/18 - N.A	1- Contact prior 2- Return form/label 3- Original (tags,package,receipt,	9/18- Exchange on conditions

				condition)	
Sweden	13/24 have a 14-day return policy	16/24- Full refund 10/24- Free shipping on conditions	20/24- No limitation	1- Contact prior 2- Return form/label 3- Original (tags,package,receipt, condition)	12/24- Exchange available
Denmark	10/14 have a 14-day return policy	11/14- Full refund 9/14- Customer pays cost	12/14 - N.A	1- Contact prior 2- Return form/label 3- Original (tags,package,receipt, condition)	6/14- Exchange available on conditions
Norway	4/9 have a 30-day return policy	6/9- Full refund 4/9- Customer pays cost	8/9 - N.A	1- Contact prior 2- Return form/label 3- Original (tags,package,receipt, condition)	5/9- Exchange available
Finland	5/7 have a 14-day return policy	7/7- Full refund 5/7- Customer pays cost	6/7 - N.A	1- Contact prior 2- Return form/label 3- Original (tags,package,receipt, condition)	4/7- Exchange available

Table 4: Return policies-most observations

4.1.14 Leniency Table for the most frequent observations

Considering Table 15, the scaling that were discussed in the methodology section will be applied and used in order to generate the leniency table. The characteristics of the leniency table and the observations will be used in order to better correspond to the first research question and how lenient are clothing retailers in Europe to their return policies.

	Time Leniency	Monetary Leniency Refund Cost		Scope Leniency	Effort Leniency	Exchange Leniency
Italy	Low Leniency	High Leniency	Low Leniency	High Leniency	Moderate Leniency	High Leniency
Greece	Low Leniency	High Leniency	Low Leniency	High Leniency	Moderate Leniency	High Leniency
Spain	Moderate Leniency	High Leniency	Moderate Leniency	Moderate Leniency	Moderate Leniency	Moderate Leniency
United Kingdom	Low Leniency	High Leniency	Moderate Leniency	Moderate Leniency	Moderate Leniency	Low Leniency

France	Moderate Leniency	High Leniency	Moderate Leniency	Moderate Leniency	Moderate Leniency	Moderate Leniency
Netherlands	Moderate Leniency	Moderate Leniency	Low Leniency	High Leniency	Moderate Leniency	High Leniency
Germany	Low Leniency	High Leniency	Moderate Leniency	Low Leniency	Moderate Leniency	Moderate Leniency
Sweden	Low Leniency	High Leniency	Moderate Leniency	High Leniency	Moderate Leniency	High Leniency
Denmark	Low Leniency	High Leniency	Low Leniency	Low Leniency	Moderate Leniency	Moderate Leniency
Norway	Moderate Leniency	High Leniency	Low Leniency	Low Leniency	Moderate Leniency	High Leniency
Finland	Low Leniency	High Leniency	Low Leniency	Low Leniency	Moderate Leniency	High Leniency

Table 5: Leniency table

Notable observations

It can be seen from the tables that there is not a single return policy that is either too lenient offering the most freedom of services to the customers, or too strict eliminating the ability of the customer to return an item. What is happening however, is that retailers and brands select specific elements of their return policies to be less lenient than the others. The results of the content analysis show that the most limitations for return are put through the time and the monetary leniency. More specifically, the vast majority of companies offer short time windows that customers can return their items, ranging between 14-30 days, as it can be seen also from the leniency table where small and moderate leniency is more observed at the time element. Focusing on the monetary value, an interesting observation is that the overwhelming majority of companies decide to offer a full refund option to the customers which can also be seen from the high leniency observations at the refund column of the table. On the contrary however, it can be seen that when it comes to costs/fees the companies decide to go with 2 main options. Either the customer is responsible for the shipping cost of return or additional taxes that may be applied, or they give them the option to return free baring however that they use a specific carrier in order to return the item and set up a collect date with them, or on the other side offering free shipping for customers within the domestic market. This can also be seen at the two columns of the monetary value where refund has the most high leniency

observations, while cost has both small and moderate leniency observations. Moving on to the scope leniency, results are spread equally, as all of small, moderate and increased leniency can be observed, meaning that companies are neither too strict putting limitations on what can be returned nor too lenient allowing everything to be returned which most of the times goes for personalized and customizable items. Regarding the effort leniency, this is where the companies are in the middle of the leniency levels, meaning that they require some amount of effort from their customers when they decide to start the return process. Either they require the items to be in perfect condition with original labels or packages, while in most situations they ask from the customers to fill the online return form and communicate with them. As it can be seen from the table all of the companies require pretty much the same efforts from their customers, flagged as moderate leniency in their policies. Last but not least, the majority of the brands offer exchanges to their customers either directly or indirectly motivating them to return the item first and place a new order, or exchange with the same item but different color or size. There are still many situations however where companies and brands, especially in the UK as it can be seen from the table, where companies do not allow exchanges to their customers resulting in small exchange leniency.

4.2 Survey Questionnaire

The following section of the data collection will display the data and the answers of the respondents from the survey questionnaire. In total, 257 people have responded to the survey including both male and female participants, however only 230 were included in the data collection and analysis process as data were missing and blank answers were provided in some of the questions by the respondents. Convenience sampling was used and the online survey was created using Google Forms and was distributed through social media while people were approached via SMS, email and personal contact. After enough responses were gathered as mentioned, the data were exported into SPSS in order to sort and analyze more efficiently. Descriptive statistics such as Frequency tables will be provided for each question separately. The aim of the questionnaire will be focusing on exploring customer behavior regarding the return policies and product returns among the target group, while also examining the importance of the return policy towards their behavior. The first section will focus on the demographic data that were collected from the survey (Gender, Age and money customers spend monthly). Additionally, cross tab tables will be presented as well in order to see if there are significant differences between male and female participants. More details

about the sample selection process, survey period and process can be found at the quantitative survey paragraph of the methodology section.

		Gender			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	116	50.4	50.4	50.4
	Male	113	49.1	49.1	99.6
	Prefer not to say	1	.4	.4	100.0
	Total	230	100.0	100.0	

Table 6: Gender

Out of the 230 respondents 116 (50,4%) were females, 113 (49,1%) were males while 1 (0,4%) answered prefer not to say.

Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	25-40	129	56.1	56.1	56.1
	40-60	18	7.8	7.8	63.9
	60 +	4	1.7	1.7	65.7
	Less than 25	79	34.3	34.3	100.0
	Total	230	100.0	100.0	

Table 7: Age

Regarding age, 129 (56,1%) of the respondents were between 25-40 years old, 79 (34,3%) were less than 25 years old, 18 (7,8%) were between 40-60 years old, while also 4 (1,7%) answered 60+ years old. The results of the respondents indicate that both groups that are less than 25 years old and those who belong at the range of 25-40 years old, are familiar with the situation of product returns as they are also constant buyers at online clothing shops given the fact that they tend to use online services more than elder customers.

How many times do you buy clothes online during a month?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	71	30.9	30.9	30.9
	1 to 3	150	65.2	65.2	96.1
	4 to 7	8	3.5	3.5	99.6
	8 to 10	1	.4	.4	100.0
	Total	230	100.0	100.0	

Table 8: Purchase amount during a month

Looking at the results, the majority of the respondents are constantly buying clothes online during a month. More specifically, 150 (65,2%) are buying clothes 1 to 3 times a month 8 (3,5%) are buying clothes 4 to 7 times a month, 1(0,4%) buys 8 to 10 times a month, while 71 (30,9%) are not buying clothes online. The results indicate that the majority of customers are using online shopping services constantly during a month as more than half of the respondents are buying clothes from online shops.

For the following questions, only the answers from the respondents that have bought clothes online will be considered in the descriptive statistics so for the results to be more valid regarding returns and return policies. As 71 of the respondents do not buy clothes online at all, the answers of the remaining 159 who are online shoppers will be considered.

How many times did you return clothes you bought ONLINE the last two months ?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	97	61.0	61.0	61.0
	1	46	28.9	28.9	89.9
	2	12	7.5	7.5	97.5
	3	1	.6	.6	98.1
	4	2	1.3	1.3	99.4
	5	1	.6	.6	100.0
	Total	159	100.0	100.0	

Table 9: Return amount the past two months

Out of the 159 customers who are shopping clothes online, 97 (61%) did not return something the last two months. Additionally, 46 (28,9%) customers return clothes one time the last two months, 12 (7,5%) returned clothes 2 times, 1 (0,6%) answered 3 times, 2 (1,3%) state that they returned clothes 4 times, while also 1 (0,6%) returned clothes 5 times the last two months. It can be seen that out of the customers who are constantly buying clothes online, a huge percentage, approximately 39%, has returned an item the past few months. This is a figure that could potentially be way higher if the question was targeted for example the past two years instead of months, which can give us an idea of the amount of returns rates that happening in the online clothing market, rates that are going to be way higher if we are to consider returns that are happening to the physical stores posing huge constraints to the companies in order to manage stocks and inventories.

4.2.1 Questions focusing on Return Policies

Do you read the company's return policies before you buy clothes online?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Do not care	11	6.9	6.9	6.9
	No	39	24.5	24.5	31.4
	yes	109	68.6	68.6	100.0
	Total	159	100.0	100.0	

Table 10: Do you read return policies?

This question is focusing on investigating how many of the consumers who are buying clothes online consider looking at the return policies of the online shop before making their decision. The majority of the respondents 109 (68,6%) state that they read return policies before they buy clothes online, while 39 (24,5%) answered that they do not read return policies. Additionally, 11 (6,9%) consumers also answered that they do not care about return policies at all when buying clothes online. It can be seen from the results, that the overwhelming majority of the respondents reads return policies when shopping online which implies that return policies are not something that the consumers are ignoring during their online shopping experience.

What is the reason you return clothes you bought online?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Free to return	7	4.4	4.4	4.4
	I have never returned something	40	25.2	25.2	29.6
	Incorrect purchase	4	2.5	2.5	32.1
	Item no longer needed	1	.6	.6	32.7
	Late item arrival or delivery issues	3	1.9	1.9	34.6
	Product does not fit	65	40.9	40.9	75.5
	Product looked better at the website	14	8.8	8.8	84.3
	Quality	11	6.9	6.9	91.2
	Use item for a limited time	1	.6	.6	91.8
	Wrong item received	13	8.2	8.2	100.0
	Total	159	100.0	100.0	

Table 11: Reason of return

This question focuses to identify the main reason that online consumers return clothes that they bought online and if they return something at all. 65 (40,9%) of the consumers who buy

online, return clothes because product does not fit, 14 (8,8%) returned items because product looked better at the website, 13 (8,2%) returned something because they received a wrong item, while also 11 (6,9%) returned clothes because their quality was lower than expected. Moreover, 7 (4,4%) answered that they returned an item because it was free to return, 4 (2,5%) returned clothes because of an incorrect purchase, 3 (1,9%) state that they returned something due to a late arrival or other delivery issue, while also 1 (0,6%) returned something because item was no longer needed or the clothes were used for a limited amount of time. Last but not least, 40 (25,2%) also stated that they have never returned clothes that they bought from an online shop.

How important do you consider the following aspects are, when returning clothes you bought online?

	Very unimportant Row N %	Unimportant Row N %	Neutral Row N %	Important Row N %	Very important Row N %
Ease_of_return	24.4%	10.1%	7.6%	33.6%	24.4%
Return_time	15.1%	23.5%	21.8%	26.9%	12.6%
Shipping_cost	25.2%	2.5%	2.5%	29.4%	40.3%
Refund_process	21.0%	7.6%	7.6%	37.0%	26.9%
Exchange_process	17.6%	16.8%	17.6%	36.1%	11.8%
Returnability	18.5%	15.1%	21.8%	27.7%	16.8%
Communication_for_return	16.0%	11.8%	10.9%	36.1%	25.2%

Table 12: Policy importance

For this question only the answers from the respondents who have previously returned clothes that they bought online, were considered as the question aims to explore how important the different elements of return policies are when consumers return an item. As identified in the previous question, out of the 159 online buyers, 40 of them have never returned clothes online. Therefore only the remaining **119 consumers** who not only buy online but also have experienced a return process will be included. By observing the percentages and the graphs of the answers from the respondents, it can be seen that shipping cost, refund process and communication for return are considered the most important aspects of a return policy, as the very important and important options from the scale were chosen as the most preferable answers in these options. Regarding the other aspects, while a huge portion of the respondents consider other aspects important, results are more equally spread as they have chosen also neutral, unimportant and very unimportant as options for the other aspects of return policy.

What aspect of the return policy could prevent you purchasing clothes from a specific online shop?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Complexity of the return process	17	14.3	14.3	14.3
	Do not care about return policy	1	.8	.8	15.1
	Not able to return to the store	29	24.4	24.4	39.5
	Not clear description of the return process	16	13.4	13.4	52.9
	Paying for return	44	37.0	37.0	89.9
	Register or authorization to the company's site or specific app	4	3.4	3.4	93.3
	Time limitation for return	8	6.7	6.7	100.0
	Total	119	100.0	100.0	

Table 13: Aspect of policy-prevention of purchasing

This question aims to explore what aspect of the return policy could prevent potential consumers from buying clothes online from a shop. Similar to the previous question, only the 119 consumers who not only buy online but have also returned clothes online at least once, have been considered in order to increase validity. Out of 119 consumers, 44 (37%) answered that paying for return could stop them purchase clothes online, 29 (24,4%) stated that not being able to return to the store could also make them stop buying online, 17 (14,3%) mentioned that complexity of the return process could make them stop buying clothes as well, while 16 (13,4%) answered that the main reason was not a clear description of the return process. Additionally, 8 (6,7%) stated that time limitation for return is a reason to stop buying clothes, while also 4 (3,4%) mentioned that registration to the company's site or app could hinder their purchase from a shop. Lastly, 1 (0,8%) also mentioned that they do not care about return policies when they are about to shop online.

What type of change in the return policy could make you stop buying clothes from a specific online shop?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Extra charges for return	43	36.1	36.1	36.1
	More complicated to return	17	14.3	14.3	50.4
	No change in the return policy could affect me	2	1.7	1.7	52.1
	Not able to cancel the purchase	6	5.0	5.0	57.1
	Not accepting returns	33	27.7	27.7	84.9
	Refund for less than the full amount	15	12.6	12.6	97.5
	Stopped exchanges	3	2.5	2.5	100.0
	Total	119	100.0	100.0	

Table 14: Change in return policy

Out of the 119 consumers, 43 (36,1%) answered that extra charges for return could make them stop buying from a specific shop online, 33 (27,7%) stated that not accepting returns could also make them stop buying clothes from a store, 17 (14,3%) mentioned that a more complicated process to return is the main reason, while also 15 (12,6%) answered that refund for less than the full amount was the top reason for buying clothes from a specific online store. Additionally, 6 (5%) answered that not able to cancel the purchase could hinder their buying behavior from a specific store, 3 (2,5%) mentioned that a stop to exchanges could be the reason, while also 2 (1,7%) stated that no change in the return policy could affect them.

Do you believe that return policies can build the following things for you as a customer?

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
Trust	5.0%	11.8%	14.3%	35.3%	33.6%
Satisfaction	6.7%	10.1%	16.0%	39.5%	27.7%
Loyalty	6.7%	9.2%	21.0%	42.9%	20.2%
Intention_to_buy_again	5.0%	6.7%	17.6%	46.2%	24.4%
Image_of_the_shop	5.9%	4.2%	20.2%	44.5%	25.2%

Table 15: Return policy and customer characteristics

Similar to the previous question only the 119 consumers, who have returned clothes online at least once and are online shoppers, were considered. Regarding this question and what kind of customer value could return policies built to the consumers, all of the choices of trust, satisfaction, loyalty, intention to buy again and image of the shop, generated similar answers

from the responders. More specifically the majority of the respondents, agree that return policies could build those values to them as customers of a specific online shop, however there is still a portion of the respondents that either do not agree that return policies could effectively build those values or they keep a neutral position towards the policies.

Have you ever done or considered the following actions?

	I have considered it Row N %	No Row N %	Yes Row N %
Buy something use it for one time and then return it	8.8%	78.6%	12.6%
Buy multiple sizes and colours of the same item and return those that does not fit	15.1%	69.8%	15.1%
Return old items for refund	6.3%	88.7%	5.0%
Purchase an item and reselling it	17.0%	69.2%	13.8%
Purchase something and use receipt to return a lower quality one or a fake one	2.5%	91.8%	5.7%
Purchase something at discount and return it for refund at another shop for full refund	5.7%	87.4%	6.9%

Table 16: Consumer abuse

One major concern of product returns has been also mentioned at the literature review section, is the consumer abuse and the exploitation of the lenient return policies that companies tend to implement. This phenomenon is even more dense in the online clothing retail sector as consumers return clothes more. This question was focusing on exploring indicators of the abuse behavior within the respondents focusing on different exploitation actions. It can be seen from the results that the majority of the respondents answered that they have never done one of the above fraudulent actions. However, a good proportion of the respondents, have done or at the least considered some of those actions when returning clothes to the retailers, with some actions exceeding the 10%. Considering the fact that in such sensitive questions many respondents may feel reluctant to give completely honest and true answers this percentage could be even higher. While this is not a strong figure in order to identify how big of a concern this should be for retailers, it is an indicator that has to draw considerable attention.

4.2.2 Crosstabs

In this section, crosstabs descriptive statistics were used in order to find if there are significant differences to the answers between men and women. In order for the crosstabs analysis to be more valid, only the 158 respondents who buy clothes online from shops will be considered. Additionally 1 of the answers that stated “prefer not to say” in the gender question was omitted as for the crosstabs it was not solely significant.

Gender * How many times do you buy clothes online during a month? Crosstabulation

		How many times do you buy clothes online during a month?			
			1 to 3	4 to 7	Total
Gender	Female	Count	73	8	81
		Expected Count	76.4	4.6	81.0
	Male	Count	76	1	77
		Expected Count	72.6	4.4	77.0
Total		Count	149	9	158
		Expected Count	149.0	9.0	158.0

Table 17: Crosstab 1

Gender * Do you read the company's return policies before you buy clothes online? Crosstabulation

		Do you read the company's return policies before you buy clothes online?			Total
			Do not care	No	yes
Gender	Female	Count	5	20	56
		Expected Count	5.6	20.0	55.4
	Male	Count	6	19	52
		Expected Count	5.4	19.0	52.6
Total		Count	11	39	108
		Expected Count	11.0	39.0	108.0

Table 18: Crosstab 2

For the next two tables similar to the descriptive statistics of the previous section, only the 118 participants who not only buy online but have also prior experience with a return process, were considered. Moreover, the one participant that answered to the gender question “prefer not to say” was also omitted because it was not statistically significant to include.

Gender * What aspect of the return policy could prevent you purchasing clothes from a specific online shop? Crosstabulation

		Gender				Total	
		Female		Male			
		Count	Expected Count	Count	Expected Count	Count	Expected Count
What aspect of the return policy could prevent you purchasing clothes from a specific online shop?	Complexity of the return process	11	8.9	6	8.1	17	17.0
	Do not care about return policy	1	.5	0	.5	1	1.0
	Not able to return to the store	11	14.7	17	13.3	28	28.0
	Not clear description of the return process	8	8.4	8	7.6	16	16.0
	Paying for return	25	23.1	19	20.9	44	44.0
	Register or authorization to the company's site or specific app	3	2.1	1	1.9	4	4.0
	Time limitation for return	3	4.2	5	3.8	8	8.0
Total		62	62.0	56	56.0	118	118.0

Table 19: Crosstab 3

Gender * What type of change in the return policy could make you stop buying clothes from a specific online shop? Crosstabulation

		Gender				Total	
		Female		Male			
		Count	Expected Count	Count	Expected Count	Count	Expected Count
What type of change in the return policy could make you stop buying clothes from a specific online shop?	Extra charges for return	25	22.1	17	19.9	42	42.0
	More complicated to return	9	8.9	8	8.1	17	17.0
	No change in the return policy could affect me	1	1.1	1	.9	2	2.0
	Not able to cancel the purchase	1	3.2	5	2.8	6	6.0
	Not accepting returns	18	17.3	15	15.7	33	33.0
	Refund for less than the full amount	6	7.9	9	7.1	15	15.0
	Stopped exchanges	2	1.6	1	1.4	3	3.0
Total		62	62.0	56	56.0	118	118.0

Table 20: Crosstab 4

In order to check if there is any association between gender and the answers that the participants gave to the questions presented at the crosstabs above, a chi-squared test was used. According to Collis & Hussey (2013), one of the assumptions that must not be violated in order to run the test is that the expected values should be 5 or more in 80% at least of all

the cells. While in the second crosstab table, gender*Do you read the company's return policies before you buy clothes online, all of the expected cells exceed 5 this is not the case to the others. Therefore using the Tests of SPSS, instead of a Pearson Chi-squared value that will be used only for the second crosstab, the Fisher's exact value test will be used at the others where the assumption of the expected value is violated and counts are below 5 (Ruxton, 2010). Below are the Chi-squared tests of independence that were generated through the SPSS. Note that the significance level in every situation is $\alpha=0,05$. In order to be an association, the p-value in every case has to be lower than the significance level, therefore it has to be : $p\text{-value} < \alpha$ (for statistically significant result)

- **Gender*How many times you buy clothes online** : Assumption violated, so Fisher's exact test was used. $P\text{-value} = 0,034 < 0,05$. Therefore there is an association between gender and How many times participants buy clothes online
- **Gender*Do you read the company's return policies before you buy clothes online?**: Assumption is not violated, so Pearson Chi-squared test was used. $P\text{-value} = 0,921 > 0,05$. Therefore there is no association between gender and if participants read return policies before they buy clothes online
- **Gender*What aspect of the return policy could prevent you purchasing clothes from a specific online shop?**: Assumption is violated, so Fisher's exact test was used. $P\text{-value} = 0,466 > 0,05$. Therefore, there is no association between gender and what aspect of the return policy could prevent participants purchase clothes from a specific online shop
- **Gender*What type of change in the return policy could make you stop buying clothes from a specific online shop?**: Assumption is violated, so Fisher's exact test was used. $P\text{-value} = 0,517 > 0,05$. Therefore there is no association between gender and what type of change in the return policy could make participants stop buying clothes online from a shop.

4.2.3 Summary of the top results from the survey

- 65,2 % of the participants buy clothes online at least once during a month
- Approximately 39% of the participants who buy clothes online, have also returned clothes at least once the past two months
- 68,6% of the participants who shop clothes online, read return policies before buying

- The main reason that the participants have returned something, was fit issues with 40,9%
- Among the participants who shop online and have also returned something, shipping cost of return was the main aspect of the return policies that they consider when returning clothes. More specifically, 40,3% answered that shipping cost is very important, with refund and communication with the shop also being considered very important at 26,9% and 25,2% respectively.
- Regarding the aspects that could prevent online participants from buying from a specific online shop, 37% answered that paying for return was the main reason. Additionally, regarding what change in the return policy could make them stop buying from a specific online shop, 36,1% answered that extra charges for return was the reason, while also 27,7% was the second option and not accepting returns at all.
- When asked if return policies could build the aspects of trust, satisfaction, loyalty, improve brand image of the shop and make customers buy again, all of the participants answered above 35% that they agree with every aspect. Additionally, trust was the top aspect that 33,6% answered "totally agree" that return policy could build to them.
- The last question that was focusing on consumer exploitation and fraud behavior towards the companies, 12,6% of the people who have already returned something bought something with the intention to use it one time and return it. Additionally, 15,1% also answered that they buy clothes with multiple colors or sizes and return those who do not like or fit them, while also 13,8% answered that they buy clothes and resell them.
- The crosstabs have shown that there is not a significant difference to the answers that females and male participants gave regarding return policies and what aspects could make them stop buying from an online shop. The only association that was found to be potentially existing was between gender and how often do customers buy clothes online, however further exploration is required.

4.3 Business Survey

Before presenting the findings from the retailers and clothing brands some more information about the business survey, around 97 companies have been contacted via the emails stated in

their websites. About 39% as many as 38 of them replied to our email which most of them were automated email answers consisted of saying that they received our request and would get back to us, and more than 50% did not respond at all. As it can be seen from the limited number of companies that have responded to our survey the response rate of the survey was quite low, at about 11,3% (11 out of 97). Our understanding of this low contribution is based on three reasons. The first reason is the amount of student work, surveys, projects and researches these companies may receive everyday which can make it difficult to collect or even respond, the second is the time and resources where many of responders stated also that it requires more resources and time consuming which also would be extra cost for companies. The third reason may be the current pandemic of Covid-19 which affected the world health and economy for weeks now and two of the responders pointed at the issue that may have its impact on the behavior of the companies. As stated before only the questions that quality answers were received from the majority of the respondents will be presented. After each question, the responses from each company that gave quality answer will be presented

Question: How do you design the return policies for the store/company? Please describe the process.

The first question aims to explore how brands design their return policies and what they have in mind during the process of design. Few companies gave an answer to this question as it can be seen from the responses below. Moreover one of them focused on motivations and expectation rather than the actual design.

Company 3: *“When we took the webshop inhouse, we decided to look at other premium brands' return policy and we asked about 250 of our loyal online customers what return policy they would expect from a premium brand. Then we also looked at stats from our warehouse and saw that the average customer needs around a week to decide if they want to keep an item or not and then another week to return. That's why we decided to go for the 14 days return”.*

Company 4: *“The motivation of design: Create close connections with the Brand through simplifying after sales service. Expectations of design: Increase of revenues. Increase visits creating stable customers.”*

Company 6: *“On the return of normal products return policy is designed by the manager of sales along with the account manager. The thought is to provide the customer with the feeling of satisfaction and safety regarding his purchases. The return time window is also determined based on how fast the product can be replaced in the available sales channel. Regarding the*

defective products, return policy is designed by the manager of sales with the manufacturer. The thought in this issue is again for the customer to have a sense of safety and satisfaction in the “after sales service”. In this case the basic line is to ensure that the defect is not happening from incorrect purchase (especially in companies who invest in quality control), but also how to reuse, recycle, processing and reselling. In both cases the final decision however is taken by the ownership of the company and the CEO.”

Company 9: *“The design is carried out by the owner in communication with the sales manager”.*

Company 10: *“The designing is happening always according to the interest of the consumers, so that the company can win them as potential customers”.*

Company 11: *“Return policies are designed not only to serve the customer but to also serve our suppliers in the most efficient way. This is happening mostly in the case of defective products and communication between our store and the supplier is essential”*

Question: How important do you consider the return policies of the company/store are? In which manner?

This question aims to explore why it is important for clothing brands and retailers to have a return policy and what those policies mean for them and their customers. All of the companies responded to this question as it can be seen below.

Company 1: *“Of course the importance of the policies is not deniable. The company will attract more customers and their loyalty, and customers looking for a secure and confident shopping, because for many of them it is difficult to decide what exactly they want about size color and model in a short time of shopping and they prefer to have more time to clear their mind or see their relatives idea and acceptance, then the ability of easy return would create satisfaction for these type of customers.”*

Company 2: *“The strategy of the company is to create an atmosphere where customers trust the brand and the products, and motivating them to come back and stay loyal to the brand. The return itself is a part of the whole operation and a clear helpful return policy can strengthen this purpose.”*

Company 3: *“A return policy is very important for an online shop. The customer doesn't have the opportunity to try on clothes etc. before buying them. Therefore, they should have the opportunity to buy the clothes, try them on and then return if it doesn't fit or doesn't meet the expectations.”*

Company 4: *“Return policy means after sales service. This is a critical part of service which is the No1 priority for every company, so the importance is quite huge.”*

Company 5: *“ Return policies can create trust between the company and the customers which can improve sales daily. “*

Company 6: *“ The return policy in our company is important because it is the most crucial of the “after sales customer service” and creates a feeling of trust to the customer, which results in turning him into a loyal customer. “*

Company 7: *“ It’s one of the basic rights of the consumers and a substantial service and obligation of the company towards the customers. Many transactions would be virtually impossible without a return policy. “*

Company 8: *“ Of course it is very important with a good return policy. Most of all because it is a safety for the customers to know that if something is wrong with it its easy to return or change it. In other ways it's also very good for building up a strong relationship with your customers.”*

Company 10: *“Very important. It is actually, one of the most important services of the shop because it is highly related to our customers and we want to encourage them to return something”.*

Company 11: *“It is important because it is a way to build relationships with our customers. If a problem occurs with the product return policies are there to in some way solve it”*

Question: What benefits and disadvantages a company can receive out of its return policy? What is your view about the benefits or disadvantages of the store/company’s return policy?

This question aims to explore in more details, about the benefits or potential disadvantages that return policies pose to the companies and what they get out of those policies. The majority of the companies gave an answer to this question.

Company 1: *“ Before starting the web shop Masai has not accepted any return, but with online stores considering laws the company changed the strategy and admitted return in its policy and consequently the whole sale even at the physical stores started to show a meaningful enhancement. That is proving what I described about customer satisfaction and comfort outcome of the return possibility. However some customers take advantage of the opportunity to return merchandise. By that I mean, there are a few cases where customers*

have wanted to return their item when return time has passed (14 days). But of course, if you want to keep the customers you'll have to find solutions for that, offering them a gift card or letting them change the item to something else (if the labels are still on) for instance"

Company 2: *" We look at return as a part of our offer to customers, they have the right to change their minds about any particular item, and this right simply induces the customer to buy without feeling any pressure or stress, so the company sells more to happier customers. Return policy also helps to reduce probable conflict between customers and employees, customers can read them and plan their purchase on the other hand the employees can refer customers to company's return policy if there is any uncertainties in between although the employees have authority to determine if the item should be accepted as return or not. There are other competitors who may have defined more generous return conditions to attract customers and it will be a defected loop which will increase costs and disrupt the company's usual operation."*

Company 4: *" Only positive, make it simple to make him regular visitor. Buy without fear. You can bring it back without fear. Do not think of obstacles when buying even when you are not sure. You can bring it back. Happy customer = More connected with the brand. Acquiring greater intimacy with the store/brand so come and comeback again and again. Stable customers. Make it simple to make him a regular visitor."*

Company 5: *" The ability of exchange and returns that the company provides freedom to the customer without having to commit so they tend to consume more. The company does not seek to reduce online shopping from the customers but instead they seek to increase the online sales."*

Company 6: *" The benefits of the return policy is that it provides reliability to the company while offering certainty to the customer, especially when it comes to the online purchases. The return policy of our company is at great level. It provides safety to the online purchases, but also gives to the real customer the benefit to "play" with the fitting of the clothes, so they can create the desired outfit."*

Company 7: *" I do not think the company has anything to gain. Return policy is a fundamental right of the consumer and they require it accordingly. The positive is the ability of the consumer to change something they do not like or dislike. It also gives them the chance to know the store. Brand loyalty is created only and rarely in case of replacement of a defective product with a new one not in case of return. Most often however, the consumer abuses the right of return which makes it uncomfortable for the company. In order to explain the return policy, I would use the terms fair and flexible"*

Company 9: *“The benefits are that the customer remains satisfied and sometimes if they are satisfied they could buy more. The disadvantage of the policy is that the product returns back to the store”*

Company 10: *“Our policy could be described as fair. It is important to inspire confidence in the customers, so they could buy more. We acknowledge however that some of the customers are not quite “good” and they tend to capitalize on that.”*

Company 11: *“I do not believe that there are any disadvantages, the challenge is being able to continue the cooperation with the customers in order to continue buying”*

Question: **What do you think it would be the main reason for returns generally but also for your store/company? What kind of challenges, these returns cause to the companies?**

Company 1: *“While the internal education emphasizes the customer satisfaction as the main substance but the employees also have the right to decide about whether the return item is acceptable or not and this can cause some difficulties for both customer and the store because the reason of return can be really different from case to case.”*

Company 2: *“returns always require more resources both human and economic, to handle. Moreover cheating on returns also happens and requires expertise to distinguish. Besides the returns depend on their conditions shall be divided to resalable items, sent to outlets or put down. An online return I believe is easier than in store, here in store the customer returns the item to a person and it will be a challenge between two individuals and can cause difficulties. Sometimes the time for return has passed or the customer has used the item but insists that it has not been used and so on.”*

Company 3: *“When people decide to return their purchased items to us, they need to fill out a return form. On that return form, they need to cross off the reason for the return. That way we can keep track of the reason for the return. Mostly it is either too small or too big – the size is the reason. In 30% of the cases, we do an exchange and send the customer the right size. We are also working on better size guides, so they choose the right size from the beginning.”*

Company 4: *“No big problem at all. Challenges: to train the customers about company’s return policy around returns (have receipt, product in good condition, etc.). But the number of visitors who consider difficult are so few so, no big deal on this too.”*

Company 5: *“When the product returns are happening the right way and their quality inspection is done objectively, they are not seen as a challenge from the company. Returns*

are rather an additional service that the company provides to their customers as an extra service.”

Company 6: *“ The product returns are a big problem to the company mainly to the optimization of the inventory but also to the environment because of the defective products. The challenges are three:*

- a) The main challenge is the reflection to the customer, which is his total buying experience from the company*
- b) The operations in order to optimize inventory*
- c) Dealing with product returns during the “difficult periods”, like sales season which has a huge impact on inventory.”*

Company 7: *“It will take pages to give a complete answer. Most of the time the consumer abuses the right of return by embarrassing the company. Having done our best to serve, several times in the end, we simply choose to whether continue to be our customers or not. Exceeding return time, personal abuse and blackmail are common practices.”*

Company 9: *“ The problem is not particularly big for our company. The challenge is to win the customer”*

Company 10: *“Returns are not a challenge. The customers must not be afraid, not only to buy but also return something back. Of course this is related to the behavior of the customer as well.”*

Company 11: *“Our store does not face a huge amount of problems regarding returns. The main aspect of our policy that aims to solve as a potential challenge is to satisfy the customers and continue our relationships with them. Of course there are some situation where consumers abuse the policies, therefore we have to evaluate them constantly”*

**Questions: 1) How could the company effectively reduce the amount of product returns both at stores and online. How do they prepare for the future in anticipation of returns?
2) Do you believe that the return policies could effectively reduce the amount of returns? If you agree then how a well designed return policy can affiliate the company to reduce the return?**

Those questions aim to explore how the retailers and brands deal with the problem of product returns and in what ways return policies contribute in the situation. While those two questions are separate ones as it can be seen from the structure of the business survey, they were

merged in this section because the answers from the respondents were talking about the same theme, which focuses on how companies deal with product returns.

Company 1: *“If a company’s return policy contains more limitative requirements, or even descriptive in all possible details it will in a sense reduce the return itself but there is always risk of losing customers because of these difficulties.”*

Company 2: *“Of course, but any complication, reduction of return time or increment of limitations would change the customers behavior and even lose customers, then so long the changes are mostly in favor of customers like increasing the return time from 30 to 60 days.”*

Company 3: *“Return policy can affect the number of returns, but it comes along with other things. If you complicate the return for the customer, you will see a drop off returns. But you will also see a drop in sale in general because the customer won’t be buying from you again if they know that the return is expensive/complicated/not possible etc.”*

Company 4: *“Just make it simpler and having parallel recycling programs in place. In that way it will totally (and much more) control it. Train the employees on providing premium/personalized customer service, not just selling products but covering needs. Deep dive and identify customer’s needs. Personalized customer service is the key for reducing number of returns. Quality of products is a 2nd one but far away from the 1st key action.”*

Company 5: *“The more the quality, seam and application of the clothes improves while they become more representative for the body types and fit, the more we believe returns can be reduced. Additionally, the more the customers are trained and become familiar with online shopping in the future and manage to find the best fits or the best application of the clothes, the more we expect returns to be reduced.”*

Company 6: *“Of course they can contribute to the reduction of returns. This can be achieved with the right customer service. Additionally, the quality check of the products can contribute to the minimization of returns enabling for defective products to be sold again in the market. With very developed customer service, very good communication between the production and sale departments and with proper processing of the orders before they are delivered. Our company is very optimistic, because we have policies for recycling, remanufacturing and reselling.”*

Company 7: *“They can educate the consumer to make more informed purchases so that they are aware of their rights and obligations. I do not think they can make a significant contribution to reducing returns. I do not think the company can reduce the possible returns. It could more fully inform the consumer about its product specifications, size, color, application, care instructions, however it is extremely difficult to do so.”*

Company 8: *“By giving the best customer service you can imagine so even the gifts are considered a bullseye. And do even harder quality checks at our manufacturing. Hopefully every brand pushes their quality up a notch or two so we can minimise returns because of faulty products.”*

Company 9: *“As far as the online store is concerned, the description of the methodology and the composition of the clothes should be as detailed as possible. At the store level, the salesperson must be able to understand exactly what the consumer wants. Yes, return policies can contribute to the reduction of returns as long as they are listed in much detail at the online shop, while also the sales people at the store describing as much as they can about the policies.”*

Company 11: *“Of course return policies can contribute to the reduction of returns as they can build trust and confidence between our store and the customers but with our supplier as well. Furthermore, return could potentially be reduced, if companies seriously consider the reviews they get from the customers while also considering hearing out each stores separately as they have direct contact with the customers.”*

Question: Do you think that it is possible to reduce the return amount by strategies like providing more real size, color and such measurement tools or even other virtual technologies?

Company 1: *“I can say that the main reasons for return are size and color, then of course anything that can help customers to reduce the uncertainties about size and color can also help companies to reduce the product return.”*

Company 2: *“It should be for online purchases but in a store it can be difficult to convince customers to not play and let all other customers use the technology as well, if it has been installed at the store unless we need to have plenty of them, one in each prove room for example. It can reduce the work of folding and putting the items back in order to sell and also should be very positive in case of hygiene and special clothes.”*

Company 4: *“They are already doing it with some sort of scan app that provides real sizes for the foot in order for the consumers to find if the shoes fit. Additionally they have created innovative retail stores that can effectively handle returns”*

Company 5: *“Targeting returns, the company and other fast fashion retailers have introduced software that suggests sizes for online customers. Customers type in height and weight, which are processed alongside historic data on purchases and returns.”*

Company 11: *“I believe that every company seeks strategies not only to provide more real size clothes while also improving quality and providing information to the customer is critical. However this is something that is not only affecting returns, as it is quite important for the sales as well.”*

After collecting all the information from the companies a table presenting all of the key results regarding the policy importance and return policy design process are presented below. Based on the questions asked in the survey, the table will be presenting the summary of the results based on four main themes: Policy Importance, Benefits/Disadvantages of the policies, product return challenges and dealing with product returns. The results were sorted based on the design process and the four aspects which are presented below.

4.3.1 The return policy design

While the information from companies are limited, it is still a useful insight in order to explore and identify, at least at a preliminary stage, how clothing brands design their return policies and how the process is carried out for any kind of products. Starting from the beginning the return policy design is most of the times carried out by the top management of the companies. In most situations, as it can be seen from the answers of **companies 6 and 9**, the sales manager along with the owner of the company or the CEO are the ones who make the decisions regarding the time window of the policy. Furthermore, the return policy has to be designed in such a way that it aligns with the reverse flow of the company. Insight from **company 6**, showed that the time window of the process is designed based on how fast clothes can be replaced into the sales channel.

Additional information from **company 6 and 11** show that in case of a defective product, the policy has to be designed in order to satisfy the supplier or the manufacturer as well, because defective products are most likely to be returned back in order to be recycled, remanufactured or reused. However, while return policy has to be working efficiently for the company, the customer satisfaction must not be underestimated. Many of the companies that shared information about the design process expressed the opinion that return policies must be effectively serving the customers as well. More specifically, **company 6** stated that policies are a good way in order to create satisfaction and safety for the customer, while **company 10** insisted that the return policy has to be designed according to the customer interests. Moreover, **company 3** did also a research before they designed their policy as they asked

approximately 250 customers about what they desire from the policy of the brand. The same company also explored the statistics that come from the warehouses about the customer's needs and if they seek to keep the clothes or not. Last but not least, **company 4** also shared information about the motivation and the expectations that the design of the return policy serves for the company. The main motivation of the design is to create relationships with the customers while simplifying the process as much as possible, while the expectations of the design are to increase the revenues and create stable customers.

4.3.2 Summary table of the findings from the business survey

After outlining the questions and the answers that the companies gave to the business survey, the results were sorted and coded further in order to be more usable for the authors and the readers of the report. As previously discussed the answers were sorted based on 4 main elements which can be also seen from the table below:

Company	Policy Importance	Benefits/Disadvantages of policies	Dealing with returns	Return Challenges
Company 1	They create loyalty, satisfaction, providing ease and time	Enhance sales, satisfaction, customers capitalize on policies	Limitations on returns, be as much as descriptive	Education of employees
Company 2	They create trust, loyalty, customers buy again	Reduce pressure on buyers, sell more, avoid conflicts (company-customers)	Changes to policy associated with a change in behavior	More resources required, return abuse
Company 3	They give customers the opportunity to “try”	-	Trade off-complex policy drop in returns but lose customers as well	Size is the main reason of returns, providing real size is the challenge
Company 4	They are “After sales service” one of the top priorities	Buy with no fear, create brand loyalty, customers buy again	Simpler return flow, train employees, “personalized” services	Train the consumers
Company 5	They create trust and improve sales	Customers have freedom, consume and buy more	Improve quality, providing “real fit”, train the customers	No challenge when returns are happening the right way, train customers
Company 6	Trust, loyalty, “after sales service”	Create reliability, safety, certainty to customers	Offer the “right” service, quality and internal communication	Optimize inventory, “sales period”, returns reflect to the customer
Company 7	They are customer right, obligation of the company	Fair and flexible, build loyalty, customer abuse	Educate the consumers	Customer abuse
Company 8	They create safety and build relationships	-	Improved service and quality	-

Company 9	-	Satisfaction, customers buy more	Being descriptive and provide details, train employees	Win the customers
Company 10	They encourage customers to return	Being fair, build confidence, customers buy again, customer abuse	-	Not a challenge
Company 11	They build relationships with the customers	Ability to cooperate, customers buy again	Build trust and confidence with customers, share information within	Satisfy the customers, keep relationships, customer abuse

Table 21: Business survey summary

The figures below are generated by observing specific words that were counted from the answers of the business survey. Similar to the table of the business survey summary, the counting of the words was sorted based on two main aspects: 1) How companies deal with returns or what challenges they face, 2) Return policy importance for the companies and benefits of those policies.

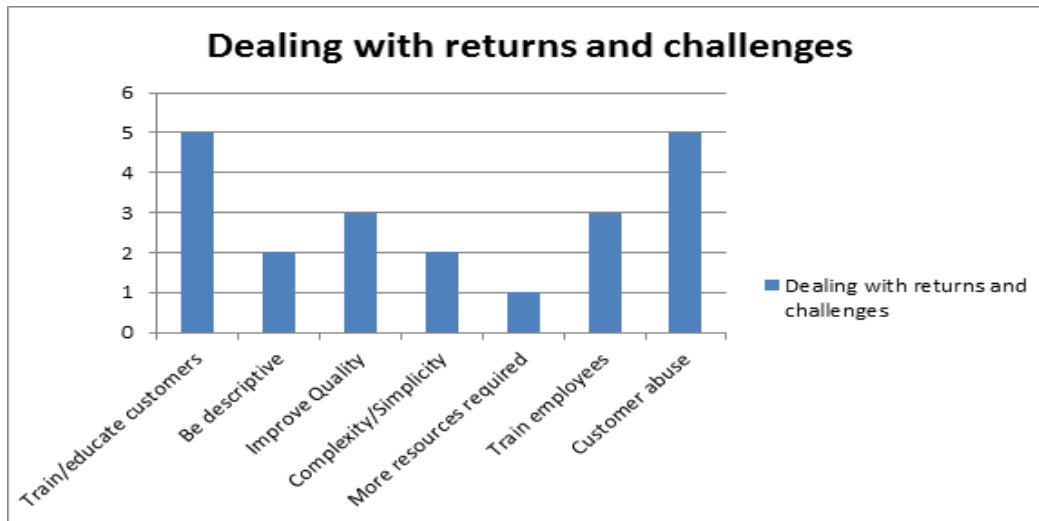


Figure 4: Dealing with returns and challenges

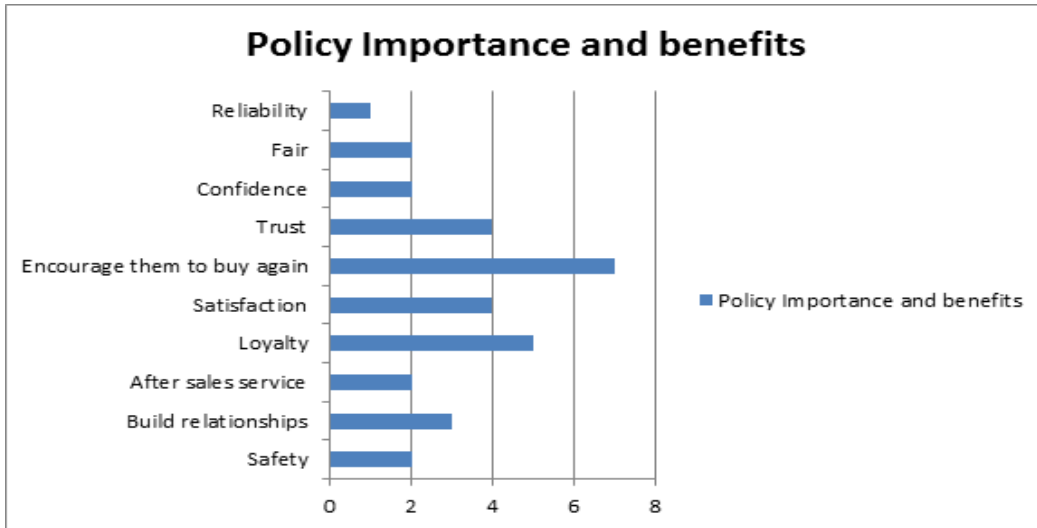


Figure 5: Policy importance and benefits

5. ANALYSIS

The challenges that product returns pose to the companies along with the return rates that are estimated to further increase towards the future as more and more customers are accustomed with online shopping, are making it critical for the businesses to mitigate the situation not only for themselves but also for the environmental implications as well (Shear, 2006). Similarly to the importance of the situation for the companies, product returns have to be taken into serious considerations by the customers as well because they are also part of the system. Something that must not be overlooked however going forward is the importance of return policies both for the companies to deal with the situation, but for the customers themselves. This section of the report will try to analyze the findings of the research and make references to the existing literature of returns, while also critically evaluating and arguing whenever possible with the situation. In order to correspond to the research questions and to look at the different perspectives, the analysis and discussion will be held in different parts starting from the beginning with the characteristics and leniency levels of the return policies.

5.1 Return policy leniency and characteristics

By looking at the starting point of the return process and more specifically at the first steps of the reverse logistics flow, return policies are an essential and core aspect of the reverse framework. As discussed at the literature review from some researchers about the reverse framework, in order for items to be collected, sorted and eventually recycled or resold they must pass the important step of gatekeeping and what is practically allowed to enter the reverse system (Daaboul, 2014; Lambert, 2011). After examining the characteristics and the leniency results from the content analysis at various companies' websites, it can be argued that gatekeeping is greatly tied to the company's return policy. As the majority of the companies give special attention to the design and the implementation of efficient return policies that serve both themselves but also their customers, it is vital for them to decide how lenient or strict they desire to be to their policies in order to directly or indirectly communicate with the customers on what is allowed to enter the gatekeeping step.

The purpose of the leniency levels that were discussed by Janakiraman in his article (2016), were used in order to see how lenient companies are to their customers and if they encourage them or not to return clothes back to them. The research found that while companies put

direct effort on what is allowed to enter the reverse system by stating how lenient they are based on scope and effort required from their customers, aspects such as time, monetary value and exchange process are those that do not only affect the companies in terms of cost and service levels (Wood, 2001) but are also those that as seen from the survey of the research, are desired and considered most important for the customers. Additionally, it was found that the time windows and time leniency is the aspect that demonstrated the lowest levels of leniency among the company sample while the other aspects demonstrate mostly moderate results. More specifically, in the monetary value while the majority of companies offer increased leniency in terms of refund to the customers, there are still many of them that are charging cost for the return of the item. However, a big proportion of the companies offer free shipping options and exchange availability for the majority of their customers in order to encourage them to return. Time, monetary and exchange values could be considered as indirect methods or motivations in order for companies to control their gatekeeping step and indirectly affect what is allowed to enter their reverse system.

5.2 The customer perspective

The questionnaire survey showed that the main reason participants returned clothes was that the product does not fit, while they chose that the items were looking better on the website as their second option. This finding, enhances prior research on product returns such as Foscht (2013), who mentioned that the main reason customers return clothes due to size, color and design implications and Peterson's (2015) research who stated that the main reason that returns are happening is due to "fit" issues with the clothes. This phenomenon of course is more dense at the clothing sector as customers do not have the ability to physically assess and evaluate the product before they buy it (Mollenkopf, 2007). While product returns pose a great bottleneck to the companies and their reverse flow, as the more items enter the reverse system the more costs apply (Wood, 2001), they are also a huge opportunity for businesses in order to win more customers. More particularly as previously discussed at the literature review, return policies can effectively enhance the relationships with the customers and build brand loyalty (Mollenkopf, 2007; Xu, 2019). As a consequence while building a return policy that enhances the reverse system is vital, it is the signal that those policies communicate to the customers in order to retain them as stable consumers and force them to buy again (Bonfield, 2010). Therefore, it is necessary for clothing brands to understand what the consumers desire out of a return policy in order to satisfy the customers.

The survey results of the participants showed that the shipping cost of return was the most important aspect that they consider when buying clothes online with 40,3% of them answering very important, while 37% also found the refund process as an important aspect. Further confirming that costs and fees were the most important considerations among the participants of the survey, was the fact that 37% stated that paying for return could prevent them buying from an online shop, while also 36,1% answered that extra charges in return policies could make them stop buying from a specific online shop. Still however, the results showed that other aspects of the return policy are important as well. More specifically, 36,1% answered that they find communication with the online shop and the exchange process important aspects as well, while 14,3% stated that complexity of the return policy could prevent them from buying from an online shop. Those findings from the survey indicate that while cost is a crucial element of a policy, other aspects are quite important as well. Reflecting back to the leniency levels introduced by Janakiraman (2016), deciding which aspects should be more lenient or stricter than the others is something that clothing brands need to consider. As seen from the results of the content analysis the majority of companies indeed offer free shipping solutions and full refunds to the majority of their customers confirming the results of the questionnaire survey and the participants' considerations about the cost and refund aspects of the return policies.

Still however, while a good proportion of companies charge for the shipping cost of returns, it can be seen from the leniency table that being more lenient to their scope, exchange, effort required and refund aspects could balance the more strict policies put at costs and time in order to still encourage their consumers to return. As it can be seen also from the results of the survey, while costs are the top priority of consumers, other aspects such ease, complexity and communication are important as well. While the results cannot be generalized for the whole population due to the non-probability sampling, the characteristics and considerations of the sample group is a good indicator for readers of this paper to consider.

5.3 The company perspective

While the majority of clothing brands and retailers describe in detail the return policies in their respective websites and how lenient they are towards their customers, still the importance of return policy and their perception requires further exploration. This, along with the fact that most of the times companies engage in different strategies and deal with issues

and challenges differently from one another, requires more information and insight from the companies themselves. The findings from the business survey were sorted and categorized based on two aspects, policy importance along with benefits or disadvantages of policies and challenges that returns pose to clothing brands and how they deal with returns. Before looking at those issues, it is important to look at the design process of the return policies. While not much information was given from the clothing brands, it was identified from the available quality responses of the survey that the return policies have to be designed in such a way that they serve the reverse channels of the companies. Time windows for example are being decided by the top management based on how fast the items can travel through the different channels and warehouses while the service levels are maintained in order to satisfy the customers as well. Also, in some cases the return policy design has to be effectively working for the manufacturers and the suppliers as well. By looking at the reverse logistics framework (Daaboul, 2014; Lambert, 2011), it is difficult to imagine the collection and sorting parts steps functionally working without a comprehensive return policy design. Along with the fact that the gatekeeping step is highly tied to the return policies as already discussed, make the importance of policies crucial for the companies.

By observing the answers of the companies regarding the policy importance, which can also be seen from the table 2 at the business survey section of the report, it is identified that the main benefit of return policies is that they encourage customers in order to buy again. This also enhances prior research on return policies (Bonfield, 2010; Yan, 2017) stating that policies depending on their leniency could push consumers into buying more creating a competitive advantage for the company. Other aspects that the companies find important in their return policies are trust, loyalty and satisfaction, elements that they can build to their customers. Of course, their answers are connected to the results of the questionnaire survey where the majority of the participants agreed that return policies could build such elements to them as buyers of an online shop. This also enhances prior literature that explored the importance of return policies on building strong relationships and brand loyalty with the customers (Moolenkopf, 2007; Xu, 2019).

Regarding the challenges that product returns pose to the companies as it can be seen from their answers and table 1 at the business survey section of the data collection, one of the main issues that clothing brands are facing is consumer abuse. While many different types of fraudulent behavior have been discussed by researchers in the retail sector (King & Dennis,

2018; Harris, 2008; Harris, 2010; Droms, 2012; Shang, 2017), it is evident from the companies' answers that customers who find ways to exploit the return policy pose many difficulties to the retailers. The phenomenon of consumer abuse could also be supported from the results of the questionnaire survey, as 12,6% participants stated that they have bought items in order to use them for one time and then return back, while 15,1% buy different sizes and colors and return back those who do not fit them. As clothing brands are trying to mitigate those challenges that product returns are posing to them, designing more strict return policies in order to put limitations to the customers and returns could be one option. However, companies want to retain stable customers and being lenient to an extent that consumers do not abuse the policies is critical. Therefore, as it can be seen from their answers companies are educating the idea of training and educating their customers regarding all the characteristics of the return policies and make them to become more familiar with the online shopping. Note that the inability of the consumers to physically interact with the product is one of the main reasons that returns are happening (Foscht, 2013), therefore training the customers is a serious consideration for the brands. Additional actions that companies are taking in order to deal with those challenges are improving quality of their clothes, training their employees at the store level in order to offer the customers the best possible "fit", while also being descriptive, providing details and communicating with the customers is desired, as also seen from the survey where participants valued communication with the shop.

Additionally, something that also is evolving at the retail sector in the clothing industry is the use of digital service. Info from companies and more specifically from the big size retailers, who have the available resources to invest, indicates they are using innovative services in order to deal with product returns. Those services include digital applications for example scanning the feet of consumers and providing real sizes in order to see if they fit, while other software provide suggestions of clothing sizes based on the historical data and purchases of the stable customers. Of course the problem solution requires more and more innovations which will eventually be introduced in the future as more and more consumers shift to online shopping.

5.4 Return management and return policies

Return is a possibility that exists when the sale of an item occurs; any increase in sale raises the possibility not necessarily of the return, but it means that a retailer must be prepared to

manage potential returns as the outcome of the sale. Retailers already are dealing with forward shipping activities (Bernon et al., 2013) but returns need to be handled differently considering their scale, condition and location. According to Vocke et al.(2017) return rates exceeded 50% of the forward shipping, this means that product returns and return management is a new field in today's retailing and cannot be avoided, where more and more both customers and retailers are trying new channels and specially using the internet for online trade. Hjort et al. (2019) enumerate gatekeeping, avoidance and reverse logistics activities to manage the return and describe the importance and difficulties of performing these activities in both conventional and internet retailing. They are also grouping returns of internet retailers in five categories of consumer returns, asset returns, marketing returns, environmental returns and product recalls according to Rogers et al. (2002). This research however focuses mostly on internet retailing's return policy and returns that are the outcome of customer's regular and natural behavior, not fraud return or returns because of defects. Return activities are possible to be divided into the activities in physical reverse logistics containing product transportation, evaluating, handling and such, while the other activities in return management facet in retailers return policy especially in internet retailing.

Conventional Retailers Return Strategy

The initial idea in return management is to discourage the return where reduction of return is a win/win situation for both retailer and the shopper but this has been evolved as retailers consider the returns as a new opportunity not just to higher the loyalty and trust but to attract new customers and raise the sale. As one of the interviewee who works inside **Company 2** at the city of Gothenburg and didn't want to reveal her/his identity stated that the managers continuously ask the employees to happily accept returns even if the items that are in the exception list of return like underwear without their tags and seals on. According to the interviewee the idea is to attract customers inside the store where the customer returns the item and in most cases buys another or even more. Besides that the presence of customers in conventional stores for any reason has its importance to marketing and their strategy. This idea is not wrong, as 42% of UK shoppers buy something else while returning a product to the same physical store. Returning to a physical store may reduce the cost of return however, the case is to provide free return to online customers. Even the customers who buy from a conventional physical store and do not care about the return policy specially the time frame, these often cause problems to staff for dealing with these types of customers and the returned products, especially if sometimes the item can be outdated or cannot be sold in that particular

store and such. The interview that was conducted at **Company 1** introduced a simple strategy of a company with such problems. First of all the return to the store must be easy and the items if not suitable for resale will be sent to an outlet for off-sale or at the end will be donated to charities or other organizations. This solution seems simple and effective considering the cost of transportation and inventory, refurbishing or repairing, marketing and resale. However, finding the item's end price or value and shipping's real cost to compare if the operation has any economic adjustment will be more difficult.

Online Retailers Return Strategy

In the clothing industry almost all conventional retailers have already established their online shops while also there are new comers, who aim to trade online and avoid the expenses of physical stores. Although online retailers reduce the sale cost of physical stores they still have to challenge with the return in the same way as the others, however in this case the conventional retailers that sell online too have two major privileges, as customers have first the possibility of physical interaction in order to see and evaluate the item before purchasing and the other is the possibility of return to the store, the latter is not only positive in cost reduction but footfall enhancement will boost the likelihood of more sale (IMRG returns report 2020) and also may solve the refunding issue.

While the conventional clothing stores consider the return to store as an opportunity to boost the sale, Röllecke et al. (2018) describe the return beyond the solely recovering service and opportunity to attract customers and their loyalty for online retailers where they may cover bigger geographical areas by their online digits. As mentioned before one of the most important tools of return management for companies is their return policy. In this project we categorized the companies based on their return policy leniency of return time, condition, return cost, not returnable items, company requirement, refund process and the ability to exchange. Also the findings from the survey provide valuable information for the issue

Regarding the normal returns, still the main reasons for online returns are respectively the size, color and the quality which are the disadvantages of current technology in the industry and causes over purchasing of sizes and colors. This will generate a big amount of unnecessary return and cannot be prevented without more restricted policies like logistics barriers or charging for return. Although the less lenient return policy will result in customers' dissatisfaction where over 70% of customers stated that the reason to not purchase from a particular retailer is the extra charge for return and complexity of the return process.

So the only rational way to deal with the issue is to develop virtual tools to measure the dimensions and sizes which helps customers to prove the clothes in a better way.

Return time can be a measurement of cost importance to companies, according to the EU directive (2011/83/EU, 2011) customers who buy online have right to change their minds and return the item without any reason within 14 calendar days, so these 14 days are the minimum return time that a big share of the retailers follow and the assumption is to receive back unwanted items as soon as possible to be able to re-sell, this type of return time applies often from small retailer that has financial limits and there are other companies often bigger brands with generous return time up to 356 days. Our suggestion is that the longer return time offer is targeting the customers trust and loyalty, however the longer return time can also cause the customers defect the item, forget to return, change their minds, resale or occasional use which obtains the optimal desirable results in term of return management.

Retailer's requirement can be translated as gatekeeping activities, Hjort et al. (2019) explain it as the creative planning to permit a return before occurs, it means that the customer contacts the retailer and describe the returns reason and the condition of the item and the retailer calculates the probable costs and the value of the item, it is even possible to evaluate the customer consider to prior trades which we assume that the big data can be trend to mapping the customers shopping activities and return reputation history. However Griffs et al. (2012) argue the inspection abilities in online retailing before receiving the item which make the gatekeeping challenging. Yet the majority of companies we assessed are sending the return form and paid return postage within the shipped item and in many cases there is possible to print it out from the retailers site.

Return cost is maybe the most arguable subject connected to return, regardless to environmental discussions and economic motivations still a majority of retailers offering free return, Hjort et al. (2019) enumerate avoid activities in alignment with other literature like (Huang et al., 2016) to make the avoidance customer-centric with use of products, proper operation and education. Our research showed that the return cost has an important impact on customer behavior in case of purchasing online and not preventing them from returning the unwanted item. The outcome of the performing low or high leniency and application of avoiding and gatekeeping activities is a tradeoff between picking a strategy of cost reduction and sale increment, where the return is an obvious right for online purchasers over 75% of

them not accepting any complexity of return and more than 70% stated that will buy from another online retailer if they charge for return.

Items condition may be the changing point of the argument of return, if the condition is not good then return for resale is abandoned and is just adding to costs. On the other hand the value of the item must be considered and the discussion of which parts must stand for the cost? Determination is on the retailer to evaluate the customer as a potential good customer or not. The other challenge is the mechanism of the decision making process which is on different persons with different capacity of judgment. The result is if the condition is not good the good customer can keep the product and company escape to pay for return costs (Mollenkopf, 2010). Again the discussion contains the regular return and defective items not fraud which in itself is challenging to evaluate online without receiving the item and opening.

Exchange is the least wanted element of return. Retailers have to bear the handling costs of return without receiving value for the return they already sold. Many retailers who declare that they have provided the possibility of returning to their physical stores try to minimize the cost and a majority of the retailers choose another approach and try to reduce the handling activities. They accept exchange but as a return and ask their customer to make a new purchase instead. There are also a tiny group of retailers who refuse the exchange right.

6. Conclusion

As the challenges that product returns pose are expected to become more and more dense towards the future, designing and implementing return policies that are functionally working both for the retailers but also serving the customers is essential. While many brands do not always put the necessary attention to return policies, their importance is vital in order for return management programs to be working effectively while offering maximum service levels to the customers in order to build characteristics such as loyalty, satisfaction and trust in order to make them stable customers so they buy again. The findings of the research indicate that leniency levels of the return policies are core elements that clothing brands need to consider when designing their reverse logistic strategies while also investigating what elements customers desire, is very important in order to retain them and build brand loyalty while also improving their image. Note though, that the more lenient return policies are, the more costs arise for the retailer as consumers are encouraged to return clothes more. However, investments such as attracting and creating new and stable customers while also implementing retention strategies can offset those costs as other researchers have also investigated. Therefore, in order to conclude the research questions:

How lenient are online return policies towards the customers within the clothing industry in Europe?

As it's possible to see the retailers' behavior, based on their return policies as stated in their websites and the level of leniency they apply, there are differences between retailers in the same geographical area. Moreover, the research summarizes the results of each country's retailer's leniency level separately but next to each other for better comparison which reveals the differences between them as well. It can be further investigated to examine the relation between customers' desire and the retailers' leniency level within each geographical area or a country, where a retailer who implements its base in a country cannot be separated from its culture, relations, finance system and such. Moreover, the economic success, finance access and retailer's access and operation in multi-national markets can build its impact on the level of leniency in retailers' return policy.

What is the perception of online consumers who buy and return clothes towards return policies?

This research's findings strengthen the results of prior academic works. The customers return behaviors are cost driven, customers want to purchase clothes online from a retailer who offers high lenient return policy, longer return time, free shipping and return, fully and easy refund and less requirement. The main reasons for return in online clothes retailing are fit, size, color and quality which the customers have no control over because they don't have access to the item before purchasing. It can be argued that while the retailers could not solve these major deficiencies in online retailing for example with higher technologies, the customers should have and will demand their return rights.

How important are return policies for the clothing brands in Europe and their return management programs? In which manner?

Return is an inevitable part of today's trade and quality of the return management separates the successful retailers from others regarding to return amount, transport costs, item condition, lead time and handling costs. The findings indicate that the customers prefer to buy from a retailer who has lenient return policy in every criterion, although the more sales may end up with more return and retailer may bear more costs to receive a larger share of the market and the benefit depends on skills to reduce the costs of whole operation through the supply chain and reverse logistics. Obviously the retailers apply the best possible strategies considering their internal ability, capacity and expectations in form of low, medium or high lenient return policy. Applying higher lenient return policy will increase the competitive advantage for a retailer. As mentioned, customers are cost sensitive, therefore the retailers in most cases are reluctant to offer low leniency in order to raise return costs to their customers. However we suggest that if the return costs be imposed to customers by regulations or EU directives, retailers still have the opportunity to be competitive by applying leniency around return policies other elements like time, requirements, conditions, exchange and refunds process.

It can be argued that returns in the clothing industry could be seen as an opportunity going forward rather than a huge constraint both at a cost level for the companies but the environment as well. Taking advantage of returns is crucial for organizations in order to survive in today's business world, as they pose a tremendous competitive advantage for them by not only optimizing costs and service levels but attracting and retaining constant and

stable consumers by offering a certain amount of leniency. On the other side however, regardless of efforts posed by the retailers it is quite important for the consumers to start training and educating themselves not only to online shopping alternatives but the implications that their decisions pose regarding returns. Collaboration and communication between the two sides is essential in order to make the best out of returns and a constant effort from both is required. Companies by investing in digital technology can help their customers educate themselves about more real “fits” and representations of their body so they can choose more precisely and reduce the possibility of a return to happen. On the other side the customers themselves should be always informed about the return process and what implications returns pose not only to the companies but the environment as well, as the more they return the more problems they generate to the system. While this is difficult to achieve by both sides, it is very important for “tools” such as the return policies and their importance as discussed in this paper to set the fundamentals for controlling the pace of returns. Whether they are lenient or strict towards the consumer, one thing is undeniable. Their role and direct or indirect effect to both the retailers and customers could in some capacity set the tone for a change in the reverse flow functionality and effectiveness, that could be a necessity towards a future with a more efficient return management system.

6.1 Limitations and future research

While this research aims to explore different aspects of the return policy and their importance to businesses and customers, limitations have to be discussed as well. Regarding the first stage and the content analysis at the websites of major clothing retailers, while companies have been selected from many countries within the Eu, more countries could be added to the list and more companies could be added for a more enhanced exploration of the leniency. Regarding the second stage and the survey from participants in Greece, limitations exist firstly due to the sample selection process as non-probability sampling was used, therefore generalization for the population of online consumers can not be implemented. Lastly, the main limitation of the third stage and the business survey, was that not many companies responded to the survey in order to make more strong generalization of the importance of policies and the return management programs. Additional general limitations of the study include time availability to conduct the research in a more quality manner such as obtaining more participants for both customer and company surveys and limitations put from the Covid-19 virus situation that hindered the contact and potential interviews with clothing brands.

The methods used in this thesis could put the potential for further research in the future that focuses on the return policies and their importance. The content analysis used in order to explain the leniency levels could be further expanded exploring more clothing brands to additional european countries and even look further to US and China brands and retailers and see differences to those characteristics. Additionally, further exploring the importance of return policies for the companies while also investigating their gatekeeping and avoidance strategies in order to deal with reverse logistics issues could further enhance the literature on returns, a sector that has a limited amount of academic sources available.

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List of company websites used for content analysis

Italy:

<https://www.bottegaveneta.com/it>

<https://www.valentino.com/en-hu>

<https://www.versace.com/eu/en/home/>

<https://www.gucci.com/it/it/>

<https://www.armani.com/it/armanicom>

<https://www.prada.com/it/en.html>

<https://gr.diesel.com/en/home>

<https://www.marceloburlon.eu/en/GR>

<https://store.palmangels.com/en/IT/>

<https://www.moncler.com/si/>

<https://www.laredoute.it/>

https://italia-store.com/en_int/index.php

<https://www.italist.com/gr/>

<https://www.italian-collection.com/index.php?route=common/home/gender>

<https://www.vintagebc.biz/>

<https://store.renataspila.com/>

<https://ploumanach.it/>

<https://rota-pantaloni.com/>

Greece:

<https://www.celiadragouni.com/>

<https://orsalia-parthenis.gr/el/>

<https://www.zeusndione.com/>

<https://www.crossoverfashion.gr/>

<https://www.stylati.fashion/en>

<https://www.maurizio.gr/>

<https://www.aesthet.com/en/>

<https://www.celestino.gr/>

<https://www.entourageclothing.com/>

<https://www.dangerousminds.gr/greek/>

<https://bettina.boutique/>

<https://mohxa.com/>

<https://www.heavenofbrands.com/gr/>

<https://bohbo.eu/el/>

<https://www.akiramushi.com/>

<https://shop.vassiakostara.com/>

<https://www.torouxo.gr/>

Spain:

<https://www.zara.com/>

<https://www.stradivarius.com/es/en/>
<https://www.massimodutti.com/es/en/>
<https://shop.mango.com/es>
<https://www.pullandbear.com/>
https://www.desigual.com/es_ES/
<https://www.loewe.com/eur/en/home>
<https://www.oysho.com/es/en/>
<https://www.uterque.com/es/en/>
https://www.elganso.com/intl_en/
<https://www.elcorteingles.es/>
<https://www.spanishonline.com/>
<https://www.palomospain.com/>
<https://www.missguided.eu/>
<https://pazrodriguez.com/eu/en/>

United Kingdom:

<https://www.marksandspencer.com/>
<https://www.baracuta.com/en/>
<https://uk.burberry.com/>
<https://www.alexandermcqueen.com/gr>
<https://www.stellamccartney.com/ie>
<https://www.temperleylondon.com/>
<https://www.paulsmith.com/uk>
<https://www.mih-jeans.com/>
<https://www.margarethowell.co.uk/>
<https://www.viviennewestwood.com/en/>
<https://www.asos.com/>
<https://www.boohoo.com/>
<https://www.prettylittlething.com/>
<https://www.isawitfirst.com/>
<https://www.brandalley.co.uk/>
<https://www.topman.com/>
<https://www.debenhams.com/>
<https://www.evans.co.uk/>
<https://www.argos.co.uk/>
<https://www.johnlewis.com/>
<https://www.asda.com/>

France:

<https://fr.louisvuitton.com/fra-fr/homepage>
https://www.dior.com/fr_fr
<https://www.ysl.com/gr/>

<https://www.balenciaga.com/gb>
<https://www.givenchy.com/fr/en/homepage>
<https://www.hermes.com/fr/fr/>
<https://www.lacoste.com/fr/>
<https://www.balmain.com/fr>
<https://www.celine.com/en-fr/home>
<https://www.chloe.com/fr>

Netherlands:

<https://suitsupply.com/en-gr/men>
<https://www.scotch-soda.com/global/en/home>
<https://www.dailypaperclothing.com/>
<https://www.denhamthejeanmaker.com/en/home/>
https://www.g-star.com/en_gr
<https://deblonsports.com/>
<https://www.patta.nl/>
<https://www.laundryindustry.com/en/>
<https://nuffsaidamsterdam.com/>
<https://www.copafootball.com/en>
<https://www.hema.nl/>
<https://www.zeeman.com/>
<https://www.debijenkorf.nl/?home>
<https://www.perrysport.nl/>

Germany:

<https://www.ashleymarchovelle.com/>
<https://www.soliver.eu/>
<https://antoniazander.com/>
<https://www.lalaberlin.com/>
<https://joop.com/de/de/>
<https://www.marc-o-polo.com/de-de>
<https://www.escada.com/>
<https://www.g-lab.com/en/gb>
<https://www.hugoboss.com/de/home>
<https://akindofguise.com/>
<https://pb0110.com/>
<https://de.triumph.com/>
<https://www.dorothee-schumacher.com/>
<https://www.jack-wolfskin.com/>
<https://www.adidas.de/>
<https://eu.puma.com/gr/el/home>
<https://www.jilsander.com/en-de/>
<https://www.mcmworldwide.com/>

Sweden:

<https://www.acnestudios.com/eu/en/home>
<https://stenstroms.com/en>
<https://www.tigerofsweden.com/se/>
<https://whyred.com/>
<https://www.bjornborg.com/en/>
<https://www.afound.com/>
https://www.weekday.com/en_sek/index.html
<https://www.filippa-k.com/en>
<https://www.jlindeberg.com/rw/en/home>
<https://www.marc-o-polo.com/de-de>
<https://www.nudiejeans.com/>
<https://hope-sthlm.com/eu/>
<https://www.stories.com/en/index.html>
<https://www.minirodini.com/sv-se>
<https://www.rodebjer.com/weu/home>
<https://www.houseofdagmar.com/>
<https://www.happysocks.com/gl/>
<https://www.kappahl.com/choosecountry/>
https://www2.hm.com/sv_se/index.html
<https://www.ellos.se/>
<https://wesc.com/>
<https://www.boomerang.se/>
<https://www.boozt.com/eu/en>

Denmark:

<https://www.woodwood.com/>
<https://astridandersen.com/>
<https://www.norsestore.com/>
<https://elkaregntoej.com/>
<https://soulland.com/>
<https://alis.dk/>
<https://libertine-libertine.com/>
<https://caliroots.com/>
<https://www.madsnorgaard.com/>
<https://www.rains.com/>
<https://www.samsoe.com/en/home>
<https://wonhundred.com/>
<https://tonsure.eu/>

Norway:

<https://www.devold.com/>
<https://www.skogstad.co.uk/>
<https://no.daleofnorway.com/>

<https://www.northernplayground.no/>

<https://www.sweetprotection.com/>

<https://www.bergans.com/no>

https://www.hellyhansen.com/en_dk/

<https://www.norrna.com/en-GB/>

<https://norwegianrain.com/>

Finland:

https://www.marimekko.com/se_en/

<https://mirkkametsola.com/>

<https://minnaparikka.com/>

<https://rh-studio.fi/>

<https://lumiaccessories.com/>

<https://samuji.com/>

<https://shop.ivanahelsinki.com/>

APPENDIX

Business survey questions

- Why ever do you have a return policy? :-)
- How do you design the return policies for the store/company? Please describe the process.
- How important do you consider the return policies of the company/store are?in which manner?
- What benefits and disadvantages a company can receive out of its return policy? What is your view about the benefits or disadvantages of the store/company's return policy?
- What do you think it would be the main reason for returns generally but also for your store/company? What kind of challenges, these returns cause to the companies?
- How could the company effectively reduce the amount of product returns both at stores and online. How do they prepare for the future in anticipation of returns?
- Do you believe that the return policies could effectively reduce the amount of returns? If you agree then how a well designed return policy can affiliate the company to reduce the return?
- Do you think that it is possible to reduce the return amount by strategies like providing more real size, color and such measurement tools or even other virtual technologies?
- Did you ever update your return policies? What was the major cause of the changes?
- What is the impact of the law (regulations) or/and competitors on the policy making process?

Questionnaire survey questions

Online purchasing has already changed the traditional shopping, a trend that is going to increase more towards the future. Customer and retailer's behavior in the market regarding product returns will have a drastic impact on the environment and world economy and of course in logistics and transportation.

Dear participant this is not a commercial survey but an academic research about the behaviors and desires of consumers in the online market. Please help us to receive more accurate data and send it forward to as many as you can, your help is appreciated.

Of course your identity is strictly anonymous.

Gender

- Male
- Female
- Prefer not to say

Age

- Less than 25
- 25-40
- 40-60
- More than 60

How many times do you buy clothes online during a month?

- 0
- 1-3
- 4-7
- 8-10
- More than 10

How many times did you return clothes you bought ONLINE the last two months?

- 1
- 2
- 3
- 4
- 5

- 6
- 7
- 8
- 9
- 10
- More than 10

Do you read the company's return policies before you buy clothes online?

- Yes
- No
- Do not care

What is the reason you return clothes you bought online?

- Quality
- Free to return
- Wrong items received
- Item no longer needed
- Use item for a limited time
- Product looked better at the website
- Incorrect purchase
- Late item arrival or delivery issues
- Product does not fit
- I have never returned something

How important do you consider the following aspects are when returning clothes you bought online (scale of: Very Unimportant, Unimportant, Neutral, Important, Very Important)

- The ease of return
- Return time
- Shipping cost
- Refund process
- Exchange process
- Returnability of the item
- Communication with the shop

What aspect of the return policy could prevent you purchase clothes from a specific online shop?

- Paying for return
- Not able to return at the store
- Time limitation for return
- Register or authorization to the company's site or specific app
- Not clear description of the return process
- Complexity of the return process
- Do not care about return policy

What type of change in the return policy could make you stop buying clothes from a specific online shop?

- Extra charges for return
- More complicated to return
- Stopped exchanges
- Refund for less than the full amount
- Not able to cancel the purchase
- Not accepting returns
- No change in the return policy could affect me

Do you believe that return policies could build the following to you as a customer? (Scale of : Strongly disagree, Disagree, Neutral, Agree, Strongly Agree)

- Trust
- Satisfaction
- Loyalty
- Intention to buy again
- Improve brand image of the shop

Have you ever done or considered one of the following actions? (Yes, No, I have considered it)

- Buy something use it for one time and then return it
- Buy multiple sizes and colours of the same item and return those that does not fit
- Return old items for refund
- Purchase an item and reselling it
- Purchase something and use receipt to return a lower quality one or a fake one

- Purchase something at discount and return it for refund at another shop for full refund