

Determining the reason behind spiralling returns of a larger portion of purchases made on Myntra

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Abstract - E-commerce has grown in popularity as a means of consumer shopping over the past few years. As more and more people are turning to online shopping, e-commerce websites are experiencing spiralling returns. This research paper examines the reasons behind the spiralling returns on Myntra and the impact it has on both the retailers and the consumers. The study finds that the reasons behind spiralling returns include issues with sizing and fit, quality issues, and the ease of return policies. The impact on retailers includes increased costs associated with handling returns, loss of revenue, and reputational damage. The impact on consumers includes increased convenience and confidence in their purchases. This paper concludes with suggestions for how retailers can mitigate spiralling returns and improve the e-commerce experience for consumers.

Keywords: Myntra, Spiralling, Returns rate, Apparel, Retailers

1. Introduction

With the rise of e-commerce, online shopping has become increasingly popular among consumers. This trend has been fueled by the convenience and accessibility offered by e-commerce platforms, which allow shoppers to browse and purchase products from the comfort of their own homes. As a result, the e-commerce industry has experienced significant growth in recent years, with more and more people opting to shop online. One of the interesting phenomena that has emerged in this context is the spiralling returns of a larger portion of purchases made on Myntra. While the exact reasons behind this trend are not yet fully understood, it has become clear that it represents a significant challenge for online retailers. High return rates not only impact a company's bottom line, but they also affect customer satisfaction and can damage a brand's reputation. Therefore, understanding the underlying reasons behind spiralling returns is crucial for online retailers to improve their business strategies and reduce the rate of returns. This research paper aims to investigate the reasons behind the spiralling returns of a larger portion of purchases made on Myntra. By identifying the factors that contribute to this trend, we hope to provide insights that can help online retailers to optimise their operations and improve their profitability.

II. Literature Review

One of the biggest issues facing the fashion retail sector is online clothing returns. Clothing must closely match the product images on the online store; any variations increase the likelihood that the customer will return the item. A statistic from the industry claims that a

minimum of 30% of all things purchased through an online store are returned, compared to 8.89% in physical stores [1]. People are still hesitant to buy clothing online because they consider there to be risk involved. Colours are very important in the acceptance of clothing in an online retail setting, and conversely, colour variance causes discontent and returns, which eventually results in a loss [2]. Fit is the most frequent issue in online clothes retailing that results in numerous returns [1, 2]. A study found that fit-related problems account for 17% of all returns [3]. Everyone needs their clothes to fit well because it contributes to both their appearance and physical and psychological comfort [1]. The style of a garment is a crucial visual quality that determines whether or not someone will wear it [4]. The shape of the garment, the pattern, such as the classic, narrow, or bell bottom for a pair of trousers, or a thin, standard, or wide foot, are all examples of how a garment is styled. It is obvious that the majority of consumers return their purchases due to quality faults that they are unable to evaluate online [5]. A 5% decrease in defects is believed to increase profits by 25–85% [6]. Quality has long been recognised as an important component in retaining customers. A damaged product is one of the most frequent reasons for online shopping complaints which causes many returns and displeasure among customers. In the online clothing market, it has frequently been seen that customers are unhappy with the delivered goods since it is either completely different from what was ordered or it is incomplete, which is useless to the consumer and results in hurried returns [7].

III. Objective

This study seeks to identify the causes of the rising returns of a bigger proportion of purchases made on Myntra and to offer workable remedies to the problems that are found. The study will determine the elements that contribute to high return rates on Myntra by analysing survey data from online customers. This research paper will include recommendations for workable changes that e-commerce companies may make to enhance their product quality, delivery times, and customer service while lowering the number of returns in light of the findings. The objective is to offer insights that will aid e-commerce businesses in optimising their processes and raising consumer happiness, which will increase sales and boost profitability.

IV. Research Methodology

In this research we used a quantitative survey as its research strategy. A sample of consumers who have recently made purchases on Myntra will get the survey. The survey gathered information on the aspects of a product's quality, size, and fit, as well as its delivery and customer service, that affect consumers' decisions to return it. In order to analyse the data and spot any patterns or trends, the survey will also gather demographic data like age and gender. Non-probability sampling will be the method employed for this research. The poll will be disseminated through online channels including social media, email, and online forums, with the sample being chosen for convenience. Based on the number of replies, a sample size will be chosen, and efforts will be taken to ensure that the sample is representative of the population of online shoppers.

The online survey will be sent to customers who have recently made purchases on Myntra as part of the data gathering procedure. Participants will receive a link to the survey, which will be distributed via online channels. Participants will not have the opportunity to skip any questions they do not desire to answer, and the survey will be made to be user-friendly, short and simple to complete. Use linear regression to explore the relationship between the return rate (dependent variable) and the return reasons (independent variables). You can set the return rate as the outcome variable and the return reasons as predictor variables. Analyse the coefficients, p-values, and the strength and significance of the relationship between the return rate and return reasons. Consider any assumptions of linear regression, such as linearity, independence, and normality.

Applying Linear Regression, The formula for linear regression equation is given by:

$$y = a + bx$$

Where,

x and y are the variables for which we will make the regression line.

- b = Slope of the line.
- a = Y-intercept of the line.
- X = Values of the first data set.
- Y = Values of the second data set.

```
Call:
lm(formula = Age ~ Return_rate, data = newdata)

Residuals:
    Min       1Q   Median       3Q      Max
-2.9419 -1.3682 -0.8682  1.1686 11.0581

Coefficients:
            Estimate Std. Error t value Pr(>|t|)
(Intercept)   41.516     2.656   15.632 4.41e-14 ***
Return_rate   -4.787     0.637   -7.515 9.37e-08 ***
---
Signif. codes:  0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

Residual standard error: 2.838 on 24 degrees of freedom
Multiple R-squared:  0.7018,    Adjusted R-squared:  0.6893
F-statistic: 56.48 on 1 and 24 DF,  p-value: 9.375e-08
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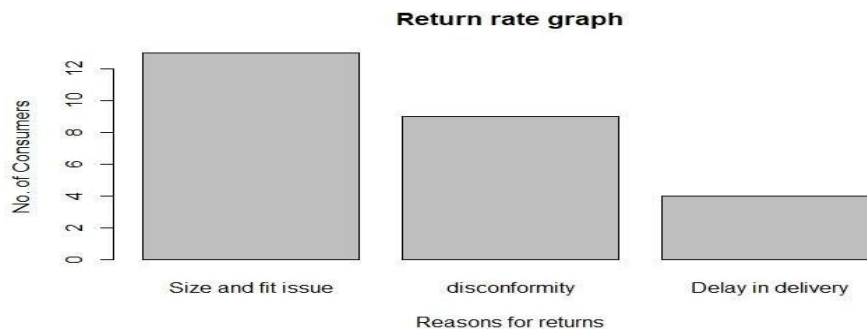


Figure 1: Return Rate Graph

V. Results and Discussions

The criterion for the return of apparels in online retail have been ranked on the basis of relative weight in the order. The results are discussed as follows.

1. **Size and Fit** - The top position in the ranking for the category "Size and Fit" demonstrates that the variance in garment attributes accounts for the majority of the return in apparel. The essential characteristics that define a garment are known as its "attributes," and they are crucial for ensuring client satisfaction. The "Fit and size variation " scored the highest weight out of all the criteria, 34.8%. One of the most crucial factors in online clothing shopping is fit and size, and any deviation results in returns. Additionally, it is ranked first out of all thirty-four sub-categories in global ranking , which is an important factor for return in the online apparel industry.
2. **Disconformity** - The second rank among the categories that discuss factors for return in the online apparel industry at a 13% rate. During disconformity, the perceived expectation of consumers falls short with the product experience they had with it.
3. **Service Failure** - The "Late Delivery" element was identified as the third cause of return owing to a service failure. The consumer has been let down by the late delivery, which has caused them to return. Another leading cause of returns under the heading of service failure is wrong product delivery, which is also rated twelfth globally. When the wrong product is provided, there is frequently an immediate return due to the high level of discontent. Problems like wrong size or poor fit are frequently the cause of returns for clothing. Younger customers, especially those who are in their late teens or early twenties, may be more likely to return clothes as a result of trying on several designs or making an incorrect size choice. Younger age groups may return at a larger rate as a result of this. Older shoppers may find it difficult to judge the size, fit, or general look of clothing products since they are perhaps less adjusted to online shopping or have less familiarity with ecommerce platforms. Older age groups may have decreased return rates as a result of this unfamiliarity. Consumer preferences for fashion trends and garment styles might vary by age group. Younger shoppers may be more prone to return goods that don't fit their expectations for style since they frequently follow the most recent fashion trends. Older customers, on the other hand, could have more firmly defined tastes and might perhaps have a lower return rate.

Retailers might acquire plenty from reducing e-commerce clothing returns by enhancing customer satisfaction, lowering expenses, and boosting overall operational effectiveness. Retailers must provide thorough and accurate product descriptions that include size charts, measurements, fabric information, and fit details. The incidence of product returns owing to misaligned expectations is decreased when customers have access to clear and thorough product information. High-quality product photos should accurately represent the clothing items from a variety of angles. Customers can better visualise the goods and make educated decisions in response to clear pictures, which lowers the likelihood that they would return it because of unrealistic expectations. Making size and fit guides tailored to each article of clothing accessible for customers including dimensions, instructions, and details about how

the item is supposed to fit. This might assist customers in choosing the appropriate size and decrease returns brought on by size-related problems. Allowing customers to rate and evaluate garment products. This makes it possible for prospective consumers to evaluate the calibre, fit, and general satisfaction of past clients, assisting them in making more educated purchasing selections.

Implement virtual try-on technology so that customers can see how an article of clothing would appear on them. This may assist in lowering returns due to problems with fit, style, or preference.

VI. Conclusion

Returns have long been an obstacle for e-commerce. The fashion industry in e-commerce suffers the most from returns since there is a big discrepancy between what is displayed online and what is really delivered. This study aims to pinpoint all likely contributing causes to the return in the online apparel market. Size and fit, disconformity and service failure were determined to be among the most popular categories for return, according to the survey. The survey led to the conclusion that "size and fit" have been the most important variables in clothing returns. "Different from description," "unmet expectations," "change of mind," "wordrobing," "no longer required," and "impulsive buying" were the other subsequent factors.

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