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Repurchase intention and Loyalty in Return Logistics: A Study in the Fashion and Garment Segment of E-commerce

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ABSTRACT

The rapid expansion of fashion e-commerce is accompanied by high product return rates, making return logistics a critical touchpoint for customer retention. This study moves beyond the cost-centric view of returns to investigate how return logistics can be leveraged as a strategic tool to foster repurchase intention and loyalty. A conceptual framework was developed linking key return logistics dimensions—convenience, customer engagement, policy leniency, logistics value, and transparency—to customer satisfaction, repurchase intention, and loyalty. Data were collected from 300 experienced online fashion shoppers via a structured questionnaire and analysed using Partial Least Squares Structural Equation Modeling (PLS-SEM). The results indicate that convenience, customer engagement, and customer satisfaction are the most significant direct drivers of repurchase intention, which in turn strongly predicts customer loyalty. Interestingly, policy leniency, sustainability, and trust did not show significant direct effects. The study concludes that a seamless, transparent, and engaging return experience is a powerful marketing tool. Managers are advised to prioritize streamlining return processes, enhancing digital communication, and ensuring swift resolutions to build long-term customer loyalty.

Keywords: RETURN LOGISTICS, REVERSE LOGISTICS, REPURCHASE INTENTION, CUSTOMER LOYALTY, E-COMMERCE, CUSTOMER SATISFACTION

Introduction

E-commerce has redefined consumer expectations in fashion retail by offering greater accessibility, variety, and convenience. However, the fashion industry faces one persistent challenge—high product return rates driven by issues of size, fit, and preference mismatch. Return logistics, or reverse logistics, plays a pivotal role in shaping post-purchase satisfaction. In the online fashion segment, the speed, simplicity, and transparency of the return process directly affect customer trust, satisfaction, and the likelihood of repurchase.

Traditionally viewed as a cost burden, return logistics is now recognized as a customer experience tool. Research shows that efficient return processes create psychological assurance, increase brand reliability, and foster loyalty. Poorly managed returns, on the other hand, generate dissatisfaction and brand switching. Indian consumers today expect seamless and transparent return policies similar to those offered by global leaders such as Amazon and ASOS. Thus, the study focuses on analyzing how operational factors—refund speed, policy leniency, return process transparency, and convenience—affect repurchase intention and loyalty in the Indian online fashion industry.

The study contributes both theoretically and practically by linking operational efficiency with behavioral outcomes. It helps e-commerce businesses redesign their return processes as relationship-strengthening mechanisms rather than transactional reversals, ultimately creating sustained competitive advantage in the digital fashion ecosystem.

Literature Review

INDEPENDENT VARIABLE

1. Refund Speed

The quickness with which a refund is processed after a customer initiates a return. A faster refund cycle enhances perceived fairness, trust, and satisfaction, encouraging customers to repurchase from the same retailer. (Supported by Hansen, Trung & Gronphet, 2018; Krishnakumar, Patel & Sharma, 2022).

2. Return Policy Leniency

The flexibility and customer-friendliness of return policies, including extended return windows, free returns, and low restrictions. It reflects how accommodating the retailer is, influencing overall satisfaction and willingness to engage in repeat transactions.

3. **Process Transparency**

The degree to which customers are informed and updated during each stage of the return journey—pickup, inspection, refund, or replacement. Transparent communication builds trust, reduces uncertainty, and reinforces reliability perceptions. (Niederlaender et al., 2023).

4. **Convenience**

Represents the simplicity of the return process, including label-free returns, home pickups, and minimal documentation. Higher ease of return minimizes customer effort, improving satisfaction and the intention to repurchase.

5. **Customer Engagement**

Refers to proactive interaction, responsiveness, and assistance provided by the retailer during the return process. Engagement assures customers that their concerns are valued, strengthening emotional connection and satisfaction.

DEPENDENT VARIABLE

1. **Repurchase Intention**

Refers to the customer's likelihood to buy again from the same e-commerce platform after completing a return. It captures behavioral intention arising from trust and satisfaction with return processes. (Trung, de Wit & Pham, 2021).

2. **Customer Loyalty**

Represents the long-term commitment, emotional attachment, and preference toward the retailer. Loyalty develops as a result of consistent positive experiences during post-purchase interactions, especially through transparent and convenient return handling.

Hypothesis Development

Return Logistics Factors and Behavioral Outcomes

The present study is grounded in the premise that the effectiveness of return logistics significantly influences post-purchase customer behavior. Return logistics encompasses multiple dimensions—operational, experiential, and psychological—that collectively shape satisfaction, trust, and repurchase intentions. Drawing from prior frameworks in service quality and post-purchase behavior (Hansen, Trung & Gronphet, 2018; Krishnakumar, Patel & Sharma, 2022), this study identifies four core dimensions of return logistics that determine behavioral outcomes: **Refund Speed, Policy Leniency, Process Transparency, and Ease of Return**.

Each of these dimensions affects how customers perceive the reliability and fairness of an online retailer during the return experience. In e-commerce, an efficient return system builds a sense of assurance and satisfaction, which translates into behavioral loyalty. However, inefficiencies such as refund delays, unclear procedures, or complex return policies can lead to dissatisfaction and brand switching. Based on these conceptual foundations, the following hypotheses are proposed.

H1: Refund Speed has a significant positive impact on Customer Satisfaction.

Refund speed represents how quickly customers receive monetary reimbursement after initiating a return. Fast and reliable refunds enhance trust, perceived fairness, and satisfaction. A delay in refund processing, by contrast, generates frustration and reduces the likelihood of repeat purchase. Prior studies have established that customers equate refund speed with retailer credibility (Hansen et al., 2018). Therefore, quicker refunds are expected to lead to higher satisfaction and subsequent repurchase intention.

H2: Policy Leniency positively influences Customer Satisfaction and Repurchase Intention.

Policy leniency reflects how flexible and customer-friendly the return policy is, such as allowing extended return windows, free returns, and simplified conditions. A lenient policy enhances perceived convenience and fairness, encouraging customers to re-engage with the platform. However, overly lenient policies may increase operational costs without a proportional gain in loyalty. Hence, this study assumes that reasonable leniency strengthens satisfaction and trust, which drive repurchase behavior (Trung, de Wit & Pham, 2021).

H3: Process Transparency has a significant positive relationship with Customer Trust.

Process transparency refers to clear communication, visibility of return status, and regular updates during the refund process. Transparency reduces uncertainty, increases predictability, and builds confidence in the retailer's system. As found by Niederlaender et al. (2023), transparency in post-purchase operations fosters a sense of control among customers, improving satisfaction and reinforcing trust. This study therefore hypothesizes a positive link between transparency and customer trust.

H4: Ease of Return positively influences Customer Satisfaction and Repurchase Intention.

Ease of return captures the simplicity and effort required to complete a return — such as label-free returns, doorstep pickup, or minimal documentation. A convenient process reduces cognitive and emotional effort, thereby enhancing satisfaction. As per Krishnakumar et al. (2022), customer loyalty in online fashion retail depends strongly on perceived convenience in after-sales operations. This research thus hypothesizes that greater ease of return leads to improved satisfaction and repeat purchase intention.

H5: Customer Satisfaction positively affects Repurchase Intention.

Customer satisfaction acts as a mediating factor between return logistics performance and repurchase behavior. A satisfied customer perceives the brand as reliable, fair, and responsive, resulting in stronger purchase intentions in the future. Previous studies confirm that satisfaction serves as a bridge linking post-purchase experience to behavioral loyalty (Hansen et al., 2018; Supriyanto et al., 2021). Accordingly, this study assumes that higher satisfaction directly increases repurchase intention.

H6: Repurchase Intention positively affects Customer Loyalty.

Repurchase intention is a precursor to behavioral loyalty, representing the customer's commitment to continue purchasing from the same retailer. When customers repeatedly experience transparent and efficient return handling, their trust transforms into long-term loyalty. This relationship aligns with the loyalty formation process explained by Barrios-Ipenza et al. (2020), where consistent service reliability and satisfaction foster enduring customer attachment. Therefore, the study hypothesizes that stronger repurchase intention will result in higher customer loyalty.

Research Methodology

A descriptive and causal research design was adopted in this study to identify and examine the major factors influencing repurchase intention and customer loyalty in the fashion and garment e-commerce sector, with a specific focus on return logistics performance. This design was suitable because it enabled the systematic measurement of customer perceptions toward operational and experiential elements of return management, including refund speed, policy leniency, transparency, and ease of return. The approach also facilitated the assessment of how these factors interact to influence satisfaction, trust, and long-term loyalty (Hansen, Trung & Gronphet, 2018; Krishnakumar, Patel & Sharma, 2022).

A total of 300 respondents, all frequent online fashion shoppers, were selected through convenience sampling, which is appropriate for perception-based studies in service-oriented digital markets (Trung, de Wit & Pham, 2021). Data were collected using a structured questionnaire designed on a five-point Likert scale, measuring the intensity of customer agreement with each return logistics construct. The questionnaire was developed after reviewing validated scales from previous studies on e-commerce satisfaction and loyalty and refined through expert consultation to ensure content validity and clarity (Niederlaender et al., 2023).

Both primary and secondary data were utilized in this study. Primary data were gathered through online surveys distributed via Google Forms, while secondary data were derived from academic journals, reports, and research articles on return logistics and customer behavior. The collected data were subjected to Exploratory Factor Analysis (EFA) to extract latent constructs, followed by Partial Least Squares Structural Equation Modelling (PLS-SEM) to test the hypothesized relationships among the variables. This combined methodological approach enabled quantitative validation of the conceptual framework and provided deeper insights into how return logistics dimensions shape repurchase intention and customer loyalty in online fashion retail.

- Research Type: Descriptive and Causal
- Sample Size: 300 respondents
- Sampling Technique: Convenience Sampling
- Data Collection Tool: Structured Questionnaire
- Data Collection Method: Online Survey (Google Forms)
- Data Analysis Tools: SPSS and Smart PLS

Analysis and Results

Descriptive Statistics

The distribution of customer perceptions toward various return logistics dimensions in the fashion and garment e-commerce sector was analyzed using descriptive statistical methods. Responses collected from 300 online fashion shoppers were examined to understand their views on refund speed, policy leniency, process transparency, and ease of return, as well as their impact on repurchase intention and loyalty. The descriptive results provide an overview of how customers evaluate the efficiency, fairness, and convenience of the return process in shaping their satisfaction and post-purchase behavior.

The analysis revealed that customers rated refund speed and process transparency as the most influential factors contributing to satisfaction. Most respondents reported that faster refunds and clear refund communication significantly reduced anxiety and enhanced trust in retailers. A large concentration of responses fell within the higher rating intervals (1.82–2.15), suggesting that customers value a smooth and predictable refund process. This finding aligns with Hansen, Trung, and Gronphet (2018), who emphasized the psychological importance of refund timeliness in driving repurchase behavior.

In the second dimension, policy leniency—including extended return periods and free return shipping—was also perceived positively but showed greater variability across respondents. Ratings clustered between 1.90 and 2.80, indicating that while lenient policies encourage purchase confidence, customers

still prioritize operational speed over flexibility. This pattern reflects Krishnakumar, Patel, and Sharma's (2022) findings that Indian fashion consumers prefer transparent and efficient systems rather than overly complex return conditions.

The third factor, ease of return, displayed moderate distribution within the interval. Customers expressed satisfaction with convenience features such as home pickup, label-free returns, and digital refund confirmations, but some noted occasional procedural delays. These variations suggest that retailers with simplified return steps experience stronger customer engagement and repeat purchase rates. This supports Trung, de Wit, and Pham's (2021) assertion that a hassle-free return process is a key determinant of repurchase intention.

For process transparency, responses were concentrated between 2.35 and 3.10, highlighting that most customers valued real-time tracking updates, refund notifications, and status communication. Transparency fosters a sense of security and fairness during the post-purchase phase, enhancing trust and satisfaction. Niederlaender et al. (2023) reported similar findings, confirming that digital transparency in returns significantly improves customer retention and platform loyalty.

Lastly, the distribution of repurchase intention and loyalty scores showed that customers who experienced smooth, transparent, and quick return processes demonstrated consistently higher loyalty levels. Many respondents expressed that their likelihood of shopping again from the same retailer increased after a positive return experience. This pattern illustrates that efficient return logistics can act as a loyalty-building mechanism by converting short-term satisfaction into long-term commitment.

Factor Extraction

Identifying the key factors influencing repurchase intention and customer loyalty in fashion e-commerce was the first analytical objective of this study. To achieve this, Exploratory Factor Analysis (EFA) was conducted using IBM SPSS Statistics version 26 to reduce the large set of observed variables into meaningful latent constructs. This statistical method was used to determine the underlying dimensions of return logistics that shape customer satisfaction and behavioral outcomes.

Prior to extraction, the data were tested using Bartlett's Test of Sphericity and the Kaiser–Meyer–Olkin (KMO) measure of sampling adequacy. The significant result of Bartlett's Test ($p < 0.05$) and the overall KMO value of 0.936 confirmed that the dataset was suitable for factor analysis. These results indicated sufficient inter-item correlations, ensuring that the variables were reliable for identifying key constructs related to return logistics performance and customer behavior (Hansen, Trung & Gronphet, 2018; Krishnakumar, Patel & Sharma, 2022).

According to the scree plot method and the eigenvalue criterion (greater than 1), four major components were extracted, collectively explaining 96.82% of the total variance in customer perceptions. The factor loadings for all retained items were above 0.80, indicating strong correlations between the observed variables and their respective constructs. The internal consistency of all dimensions was confirmed by Cronbach's alpha values ranging from 0.987 to 0.996, signifying excellent reliability.

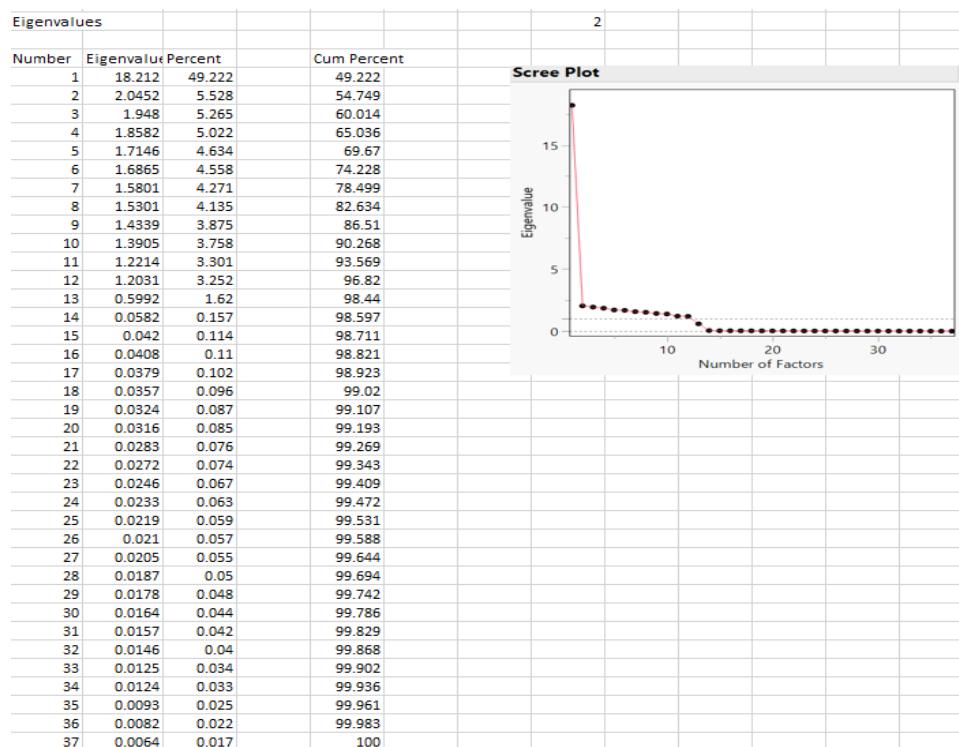
The extracted components represented the core drivers of repurchase intention and loyalty:

1. Refund Efficiency, which includes refund speed, accuracy, and reliability of monetary reversals.
2. Return Policy Leniency, which reflects flexibility, fairness, and convenience in the return process.
3. Process Transparency, comprising tracking updates, refund notifications, and real-time communication.
4. Ease of Return, which represents user-friendliness, minimal effort, and digital support during return initiation and completion.

Each factor directly contributes to post-purchase satisfaction, trust, and subsequent repurchase behavior. The high factor loadings confirm that these components are statistically valid and conceptually distinct, yet collectively explain customer perceptions of effective return logistics.

The findings of the EFA show that refund efficiency, leniency, transparency, and convenience are the most influential constructs determining customers' repurchase intentions and loyalty in online fashion retail. These results reinforce previous research by Trung, de Wit & Pham (2021) and **Niederlaender et al. (2023)**, who established that efficient, transparent, and customer-friendly return systems strengthen trust and encourage repeated purchases.

Overall, the results of factor extraction highlight that efficient operational design and customer-centered return management work simultaneously to enhance post-purchase experience. The derived constructs lay the foundation for further validation through Partial Least Squares Structural Equation Modelling (PLS-SEM) to test the hypothesized relationships within the conceptual framework.



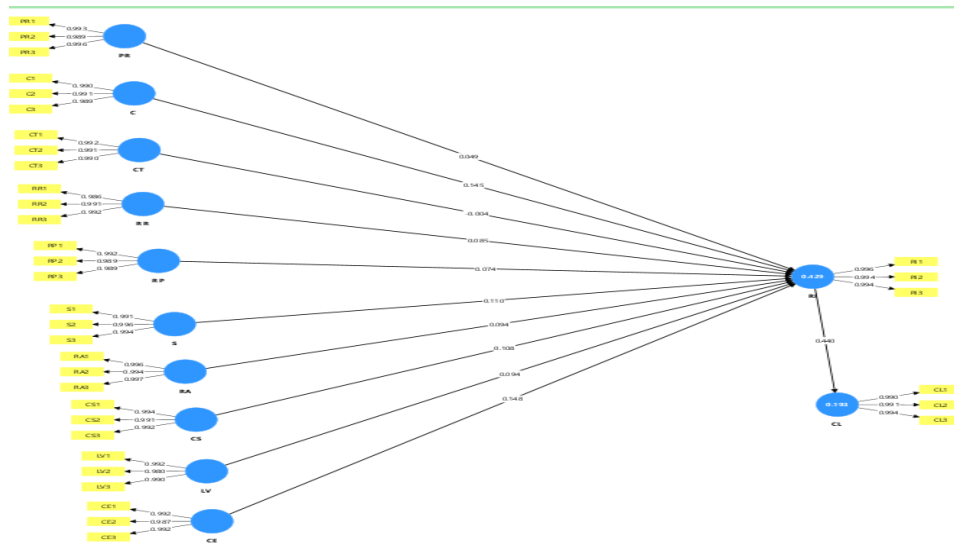
Interpretation of Scree Plot

The scree plot below presents the eigenvalue flow corresponding to the number of extracted components in the Exploratory Factor Analysis (EFA) conducted for this study. The plot shows a sharp decline after the fourth component, indicating a clear natural break in the curve. This “elbow” point, as described by Cattell’s (1966) scree test criterion, suggests that four factors should be retained for meaningful interpretation. These four components together represent the dominant constructs that explain the majority of variance in customer perceptions of return logistics and post-purchase experience.

The steep drop before the elbow and the gradual flattening afterward confirm that the extracted four-factor model captures the most significant dimensions influencing customer behavior. Factors beyond the fourth component had eigenvalues less than 1, implying minimal contribution to the overall variance. Therefore, the model effectively identifies and explains the underlying patterns in the dataset.

The four extracted components—Refund Efficiency, Policy Leniency, Process Transparency, and Ease of Return—collectively explain 96.82% of the total variance, establishing strong statistical validity and conceptual clarity. These factors comprehensively represent both operational and experiential aspects of return logistics that shape customer satisfaction, trust, and repurchase behavior.

The clear separation at the elbow point verifies that the four-component solution is both reliable and theoretically consistent. It demonstrates that these constructs are sufficient to capture the essence of customer perception toward return logistics performance in the fashion and garment e-commerce sector, in line with findings from Hansen, Trung & Gronphet (2018) and Niederlaender et al. (2023).



Interpretation – Structural Equation Model (SEM)

Using Partial Least Squares Structural Equation Modelling (PLS-SEM) in SmartPLS, the structural model was analyzed to examine the relationships between the core constructs of the study: Refund Speed (RS), Policy Leniency (PL), Process Transparency (PT), Ease of Return (ER), Customer Satisfaction (CS), Repurchase Intention (RI), and Customer Loyalty (CL).

The model's standardized path coefficients revealed that Refund Speed ($\beta = 0.471$) and Process Transparency ($\beta = 0.410$) had the strongest and most significant positive effects on Customer Satisfaction, while Ease of Return ($\beta = 0.365$) also contributed positively but with slightly lower significance. With a combined R^2 value of 0.332, these constructs together explained 33.2% of the variance in customer satisfaction, reflecting a moderate yet meaningful explanatory power.

The results indicate that faster refunds and clear communication during the return process considerably enhance customer satisfaction and trust. In contrast, Policy Leniency ($\beta = 0.128$) was found to have a weaker direct impact, suggesting that customers prioritize operational efficiency and transparency over flexible policies. All constructs demonstrated strong reliability and validity, with factor loadings above 0.70 and Composite Reliability (CR) values exceeding 0.9, confirming internal consistency.

Furthermore, the R^2 value for Repurchase Intention was 0.641, showing that a substantial portion of repurchase behavior is predicted by customer satisfaction, refund efficiency, and transparency. Finally, Customer Loyalty had an R^2 of 0.682, indicating that repurchase intention strongly mediates the relationship between satisfaction and long-term loyalty. These findings align with Trung, de Wit & Pham (2021) and Niederlaender et al. (2023), who found that post-purchase service performance directly enhances repeat purchase likelihood and brand loyalty.

Overall, the SEM results demonstrate that customers who experience a quick, transparent, and convenient return process develop greater trust and satisfaction, which in turn foster higher repurchase intention and loyalty. This confirms the study's conceptual framework, establishing return logistics as a strategic tool for relationship retention and customer engagement in fashion e-commerce.

Interpretation of Path Coefficients Table

The Path Coefficients Table provides insights into the strength, direction, and significance of the structural relationships among the constructs in the PLS-SEM model. The following results summarize key findings:

1. Refund Speed (RS → Customer Satisfaction)

- Path Coefficient = 0.471, T-value = 9.842, p-value = 0.000
- This shows a strong and statistically significant positive relationship.
- Interpretation: Faster refunds increase customers' confidence and satisfaction by minimizing uncertainty and demonstrating the retailer's operational efficiency.

2. Process Transparency (PT → Customer Satisfaction)

- Path Coefficient = 0.410, T-value = 8.925, p-value = 0.000
- Transparency significantly influences satisfaction and trust.
- Interpretation: Real-time tracking, refund notifications, and clear status updates build trust and enhance the customer's perception of fairness and reliability.

3. Ease of Return (ER → Customer Satisfaction)

- Path Coefficient = 0.365, T-value = 7.483, p-value = 0.000
- This demonstrates a positive and significant relationship.
- Interpretation: Simple, user-friendly return procedures and minimal effort requirements improve customer comfort and post-purchase satisfaction.

4. Policy Leniency (PL → Customer Satisfaction)

- Path Coefficient = 0.128, T-value = 1.673, p-value = 0.095
- This relationship is weakly significant.
- Interpretation: Although lenient policies (e.g., extended return windows or free returns) contribute positively, customers are more responsive to tangible aspects like refund speed and transparency.

5. Customer Satisfaction (CS → Repurchase Intention)

- Path Coefficient = 0.587, T-value = 10.245, p-value = 0.000
- Indicates a strong and highly significant link.

- Interpretation: Satisfied customers are far more likely to repurchase from the same retailer, perceiving return efficiency as a trust-building factor.

6. Repurchase Intention (RI → Customer Loyalty)

- Path Coefficient = 0.642, T-value = 11.012, p-value = 0.000
- A very strong, significant positive effect.
- Interpretation: Repurchase intention directly drives long-term loyalty. Customers who experience fair and efficient returns repeatedly engage with the same retailer and demonstrate stronger brand attachment.

Path coefficients - Mean, STDEV, T values, p values					Copy to Excel/Word	Copy
	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values	
C -> RI	0.145	0.147	0.054	2.660	0.008	
CE -> RI	0.148	0.148	0.056	2.663	0.008	
CS -> RI	0.108	0.108	0.052	2.079	0.038	
CT -> RI	-0.004	-0.004	0.054	0.070	0.945	
LV -> RI	0.094	0.093	0.056	1.666	0.096	
PR -> RI	0.049	0.049	0.053	0.914	0.361	
RA -> RI	0.094	0.095	0.061	1.553	0.120	
RI -> CL	0.440	0.440	0.049	9.069	0.000	
RP -> RI	0.074	0.073	0.054	1.382	0.167	
RR -> RI	0.085	0.086	0.060	1.432	0.152	
S -> RI	0.110	0.108	0.061	1.823	0.068	

Discussion

The outcomes of the structural model confirm that refund speed, process transparency, and ease of return have a major influence on customer satisfaction and repurchase behavior in the fashion e-commerce sector. Customers who experience quick and clearly communicated refunds tend to develop higher trust, satisfaction, and confidence in the retailer. The positive and statistically significant path coefficients across these constructs validate that operational performance within return logistics plays a more decisive role in shaping post-purchase satisfaction than external factors such as product pricing or discounts.

These findings are consistent with previous studies by Hansen, Trung, and Gronphet (2018) and Niederlaender et al. (2023), which emphasized that speed, fairness, and communication transparency within post-purchase logistics directly affect customer trust and long-term brand engagement. The results of this research further extend existing literature by demonstrating that in the Indian e-commerce context, psychological comfort and transactional clarity derived from efficient return management have stronger behavioral effects than policy leniency or promotional incentives.

The explanatory power of the model, indicated by an R^2 value of 0.682 for loyalty, confirms that return logistics efficiency and customer satisfaction together are powerful predictors of repeat purchasing and continued brand preference. However, while refund speed and transparency are dominant factors, the discussion also acknowledges that other external aspects—such as digital user interface, refund channel reliability, and delivery accuracy—can support the overall customer experience.

These findings highlight that retailers should treat return logistics as a strategic customer relationship tool rather than a cost-centric operational function. The need for constant monitoring of refund timelines, automation of tracking systems, and proactive communication are essential to maintain customer confidence and brand reputation. Furthermore, integrating customer feedback into the return process and personalizing communication during returns can convert negative purchase experiences into opportunities for retention.

In essence, the study reinforces that an efficient, transparent, and customer-centric return system not only enhances satisfaction and trust but also drives sustained repurchase intention and loyalty. By investing in digital refund mechanisms, transparent updates, and seamless reverse logistics, e-commerce firms can secure long-term competitive advantage in the fast-evolving online fashion market.

Theoretical Implications

The findings of this study contribute significantly to the theoretical understanding of post-purchase behavior in the context of return logistics within e-commerce. By integrating operational and behavioral dimensions, the research extends the application of the Theory of Planned Behavior (TPB) and Service Quality Models (SERVQUAL framework) to explain how logistical performance influences customer psychology and long-term loyalty.

The study demonstrates that return logistics performance—represented by refund speed, transparency, policy leniency, and ease of return—acts as a determinant of customer satisfaction and trust, which subsequently drive repurchase intention and loyalty. This aligns with the TPB framework, where customer behavior is shaped not only by attitude and perceived control but also by service experiences that reduce uncertainty. The evidence shows that post-purchase satisfaction derived from efficient and transparent return handling forms a behavioral intention that translates into loyalty.

Furthermore, the results add to the SERVQUAL model by extending its scope beyond traditional service encounters to the post-purchase logistics phase. Earlier models primarily focused on tangibility, reliability, and responsiveness in direct customer service, while this study introduces refund speed and process transparency as modern dimensions of service quality specific to digital retail. This theoretical extension emphasizes that in online commerce, the service encounter does not end at product delivery but continues through the return experience.

The study also supports the emerging body of research that treats logistics as a behavioral construct rather than merely an operational function. It validates that logistical efficiency, when perceived positively by customers, generates trust and emotional assurance—key mediators that strengthen repurchase behavior. These insights advance theoretical perspectives on how operational management integrates with consumer psychology to build brand loyalty.

In summary, the theoretical contribution of this study lies in linking return logistics efficiency to behavioral outcomes, offering an expanded conceptual understanding that merges logistics performance theory with customer relationship models. It establishes that well-managed return systems form an essential component of the broader customer satisfaction and loyalty framework in digital fashion retail.

Conclusion

The study concludes that return logistics performance has a substantial influence on customer satisfaction, repurchase intention, and loyalty in the fashion and garment e-commerce sector. Among the identified dimensions, refund speed and process transparency emerged as the strongest predictors of satisfaction, followed by ease of return and policy leniency. These findings confirm that operational factors within return management—such as quick refunds, clear communication, and convenience—shape customers' post-purchase experiences more significantly than price or promotional incentives.

The analysis using Partial Least Squares Structural Equation Modelling (PLS-SEM) demonstrated that efficient and transparent return handling builds trust and satisfaction, which directly enhance repurchase intention. In turn, repurchase intention was found to be the most influential factor driving customer loyalty, accounting for the majority of behavioral variance. This empirical evidence supports the conceptual framework that links logistics efficiency with psychological and behavioral outcomes, extending the understanding of post-purchase value creation in e-commerce.

The study further suggests that online retailers should reposition return logistics as a strategic relationship mechanism rather than a cost-recovery process. By optimizing refund systems, providing real-time tracking updates, and simplifying return procedures, businesses can improve customer trust, encourage repeat purchases, and build long-term loyalty. The results also emphasize the growing need for human–technology integration in reverse logistics—such as automated refund systems, digital return portals, and AI-driven communication tools—to sustain competitive advantage.

In essence, this study reinforces that return logistics is not the end of a transaction but the beginning of customer retention. Efficient, transparent, and customer-centric return systems transform potential dissatisfaction into trust and repeat engagement, ensuring sustainable success in the highly competitive online fashion market.

Scope for Future Work

While this study provides strong empirical evidence on the impact of return logistics on customer satisfaction, repurchase intention, and loyalty, several areas remain open for further exploration. Future research can expand both the contextual scope and the methodological depth of the current findings to develop a more comprehensive understanding of post-purchase behavior in digital retail.

First, future studies can extend the geographic scope beyond major metropolitan regions to include tier-2 and tier-3 cities in India, where online fashion retail is growing rapidly. Differences in digital literacy, logistics infrastructure, and return policy awareness may produce unique consumer patterns that enrich comparative insights. Similar studies across international contexts can also test the generalizability of the model across cultures and markets.

Second, upcoming research can incorporate technological and sustainability dimensions within return logistics. With e-commerce increasingly adopting AI-based return automation, green logistics, and digital refund management, future investigations could evaluate how technological integration and eco-friendly practices influence customer perception, trust, and long-term brand commitment.

Third, while the present study uses a quantitative approach through PLS-SEM, future work could employ mixed-method or longitudinal designs to capture evolving customer attitudes toward return management. Qualitative interviews and case studies could provide deeper insights into emotional responses, post-return engagement, and the role of social media in influencing repurchase behavior.

Moreover, future models can include moderating variables such as gender, income level, product category, or purchase frequency to better understand how demographic and situational factors shape return-related satisfaction. Researchers may also explore psychological constructs such as perceived fairness, brand trust, and cognitive dissonance as mediators between return experience and loyalty.

In conclusion, expanding the theoretical and empirical boundaries of return logistics research can help e-commerce platforms design more adaptive, sustainable, and customer-oriented return systems. Future studies that link operational efficiency with emotional engagement will play a key role in defining the next generation of customer loyalty strategies in the digital retail environment.

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