



# **“A STUDY ON RETURNS RATES IN THE FASHION INDUSTRY WITH REFERENCE TO AN E-COMMERCE BUSINESS”**

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**ABSTRACT:** With more customers choosing to buy apparel and accessories online, the fashion sector has seen a considerable movement towards e-commerce in recent years. Managing high return rates is now a new problem for retailers as a result of this transition. This study examines the issue of return rates in the fashion sector with an emphasis on e-commerce companies. The study tries to pinpoint the causes of high return rates and the tactics that merchants might use to cut back on returns. In order to conduct this study, a thorough evaluation of the relevant literature was conducted before data from multiple e-commerce fashion stores were analysed. According to the report, product quality, size and fit difficulties, and the fashion industry's high return rates are all related. The survey also emphasises challenges faced by online sellers. Retailers may use a number of techniques to lower return rates, such as giving thorough product descriptions, accurate size charts, and the use of cutting-edge technology like virtual try-ons. The survey also emphasises the significance of clear return policies and prompt customer care, as well as excellent customer communication. In the conclusion, this study delivers insightful information about the difficulties experienced by online fashion merchants in controlling return rates, as well as useful suggestions for enhancing the customer online shopping experience.

**KEYWORDS:** fashion industry in e-commerce, return rates in fashion products

## 1. GENERAL INFORMATION:

### 1.1 INTRODUCTION: A STUDY ON FASHION INDUSTRY WITH REFERENCE TO E-COMMERCE BUSINESS.



Historically, clothing was sold in large department shops and brick-and-mortar retail boutiques. Catalogues and later television/cable stations were also available.

The internet became a significant role in the fashion industry in the latter half of the 20th century. Large fashion houses also developed websites as a tool to showcase their merchandise and conduct direct sales to consumers. Many stores developed websites to sell products online. Websites have been utilized by newer, lesser firms to increase their visibility and as a channel for selling to customers or boutiques. Additionally, there are an increasing number of web-only companies, as well as extremely specialized and niche websites, such as those selling only shoes and websites for resale, etc.

The world of e-commerce is evolving at breakneck speed and staying up to date has never been more important. Obviously, data is the best way to understand what customers want. But using it to retain existing loyal customers is just as important. As e-commerce continues to grow, competition will continue to grow among retailers. Those who thrive will be the best information managers.

Online stores help consumers order the fashion products of their choice, directly to their homes! E-commerce sites also incorporate various technologies into their websites to facilitate the buying process. For example, e-commerce websites integrate secure and convenient payment gateways that help consumers make easy and secure payments. In addition, modern e-commerce sites are also building virtual fitting rooms where consumers can virtually try on the clothes of their choice while sitting on the couch. A survey found that about 40% of all clothes purchased online were returned to retailers due to sizing issues. For this reason, many retailers have chosen to install virtual labs to delight consumers. Macys, a US-based fashion retailer, has partnered with software provider True Fit to excel in this area. John Lewis teamed up with Cisco to install the magic mirror effect in its virtual lab. Easy and secure online shopping is growing in popularity.

E-commerce is not limited to the world's oldest fashion economies. The same holds true for emerging fashion economies. Emerging economies such as India, China, Brazil and South Africa are experiencing rapid growth

in gross domestic product (GDP). Textile and fashion products are their biggest strength in terms of exports. Emerging economies are generally also emerging fashion economies. Internet usage is increasing in these countries, as is Internet usage for shopping! In a recent survey, it was found that India's online retail market is expected to reach \$76 billion by 2022. Similarly, online sales in China are growing rapidly and 3/4 of these are clothing and fashion related.

E-commerce is the rising star in today's fashion world. Not much to say about the usual ways of marketing and managing a fashion business! Everything happens online. Also, selling fashion products online is often cheaper than in physical stores. This is because online stores offer huge discounts when ordering products in bulk. The end consumer doesn't have to worry about anything. All they have to do is pay, either when the order is placed or when the product is delivered. It will be delivered directly to their home or any other location they designate. It turned out to be no trouble. Of course, the delivery takes its time. But e-commerce has its own advantages. It can be considered a technological breakthrough and is widely demanded.

## 1.2 GLOBAL AND INDIAN PERSPECTIVE OF FASHION INDUSTRY:

Although the popularity of online buying has been growing over the past two decades, no one could have anticipated the pandemic's sudden surge in ecommerce. It has been increasingly challenging for the independent fashion firm to succeed in a local market with a brick-and-mortar store when government requirements shuttered unnecessary locations and imposed additional limitations on customers.

Since the pandemic began, there has been a significant change in consumer behavior. The majority of individuals now make the most purchases online. Although internet buying was popular before COVID-19, it has dramatically increased during the past 12 months.

A 2020 poll found that 41% of customers are now purchasing online for goods they would have previously purchased in-person. Additionally, a staggering 20% growth in apparel-specific ecommerce is anticipated in 2021. Furthermore, according to Bloomberg, 41% of American consumers want to keep purchasing clothes and items online even when more physical stores reopen. According to predictions, digital apparel sales will climb 20% globally this year, but they might increase as much as 30% in the US and Europe.

## 1.3 CHARACTERISTICS OF FASHION E-COMMERCE INDUSTRY:

**Presentation** - The design of any ecommerce website is its foundation. Not only should it be easy to read and use, but it should also stand out.

**Outstanding Service** - Many of the best online retailers use promotions and customer service together. By interweaving them, it engages customers with the brand and creates lasting brand loyalty.

**Loyalty Program** - The most obvious way to build brand loyalty. Reward repeat customers. Loyalty programs are present in most e-commerce based businesses.

**Alternative Marketplaces** - Whether through eBay, Facebook Marketplace, Amazon, Bol, or anywhere else, larger brands tend to offer alternative ways to buy their products.

**Live Chat** - An easy way for customers with questions to contact. Automation - The whole process can be done without talking to others. A few clicks and the purchase is done.

#### 1.4 OPPERTUNITES & THREATS:

There are five noteworthy opportunities fuelling this growth:

- Increasing international trade outside of the West
- Increasing use of smartphones and the internet
- Emerging worldwide middle classes with disposable income
- Utilizing the influencer and celebrity cultures power

The biggest threats to established brands include:

- The death of brand loyalty due to market saturation
- Consumer pressure to use eco-friendly and ethically sourced materials
- Technological advancements with virtual worlds, such as NFT and Metaverse

#### 1.5 GROWTH OF FASHION INDUSTRY:

Ecommerce Fashion Industry Grows by 2025:

The fashion business isn't just big; it is the greatest of the greats. With a global market value of \$759.5 billion by 2021, apparel, accessories and footwear is the world's largest e-commerce sector. Over the next 5 years, a 7.18% compound annual growth rate of online fashion will take the industry to \$1 trillion.



## Growth in the Fashion Market



Two factors are driving this growth: penetration rate - defined as "percentage of active paying customers" - and e-commerce's market share in fashion retail.

**Estimates predict an increase in overall e-commerce penetration from 46.6% this year to 60.32% in 2024.**

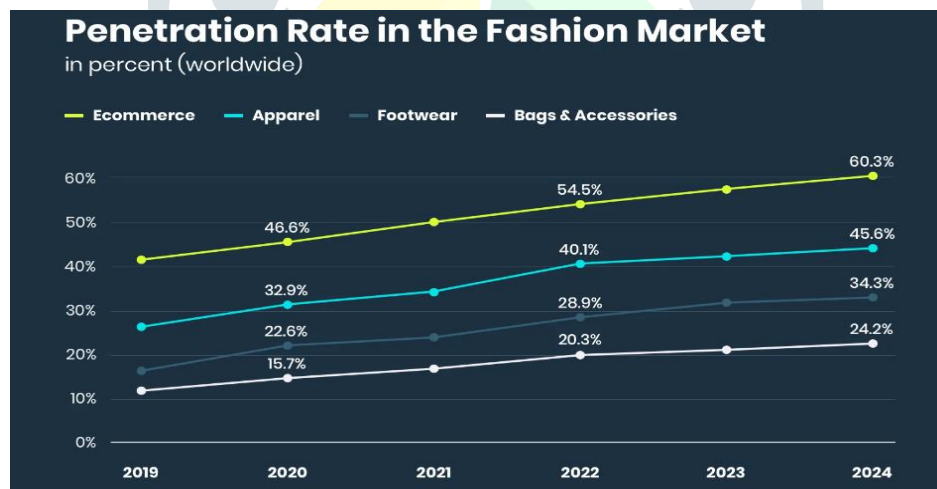
Applies to three key fashion segments:

**Apparel: +12.7%**

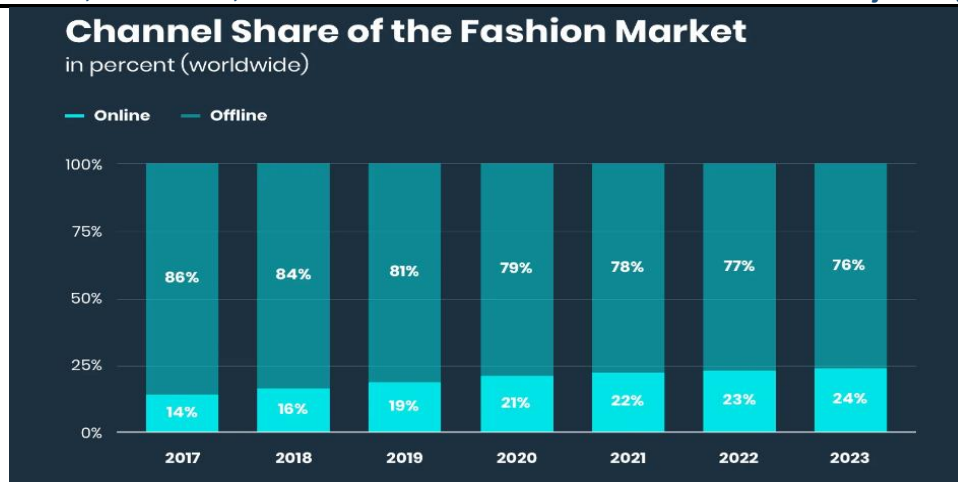
**Footwear: +11.6%**

**Bags & Accessories: +8.5%**

Although more modest, this represents an **increase in total market share from 21.03% in 2020 to 23.66 % in 2023.**







## 1.6 TOP BRANDS IN FASHION INDUSTRY:

1. Peter England
2. GUCCI
3. Allen Solly
4. Adidas
5. ZARA
6. H&M
7. NIKE
8. Louis Philippe

## 2. LITERATURE REVIEW

**2.1** Katarzyna Bilinska-Reformat and Anna Dewalska-Opitek attempt to fill a scholarly gap on the evolution of fast fashion retailers' business models based on e-commerce during the course of the previous year during the pandemic. Numerous entities face a number of difficulties as a result of the current pandemic crisis. The existence of quick fashion merchants is one among them. To modify their strategic operations in relation to the concept of the entire business model. The fashion and design sectors, which are the focus of this article, are among the creative industries that are striving to safeguard intellectual property rights, sustain employment levels, and adapt to the e-commerce environment. Fast fashion retailing, in particular, plays a critical function as a success element for entities from various industries. With a particular emphasis on the fast fashion business, e-commerce is crucial to modern retailing. By using Inditex as an example, the descriptive case study research allowed for the observation, analysis, and reporting of good practices of fast fashion retailers in terms of the development of e-commerce channels. Inditex, a fast fashion firm, did endure a sales breakdown during the Covid-19 outbreak as a result of restrictions placed on brick-and-mortar stores, but it was still able to capitalize on the market opportunity. As a result of rising consumer demand in convenient and safe online availability, numerous brands went online and businesses introduced advanced IT technology and digital innovations during the pandemic. The descriptive case study method used in the research allowed the research

topics to be addressed. On the basis of the Inditex example, a number of sound business strategies were discovered, and it was noted that using e-commerce as part of an omnichannel strategy may enable the company to function well during pandemic times and could result in prosperous financial outcomes. Through a suitably reconfigured business model, this study may deepen our understanding of the significance of environmental adaptation for the survival and growth of businesses. This study offers flimsy proof that incorporating e-commerce into an omnichannel strategy has advantages. **(Katarzyna Bilińska-Reformat Ph.D., 2021).**

**2.2** Marzanna Witek-Hajduk, Anna Magdalena Grudecka, and Anna Napiorkowska are concentrating on the process of internationalization of Internet-based that use the internet platforms as the only distribution channel, as well as the impact of the adoption of the internet tools on the acceleration of the internationalization of Internet-enabled firms that use the internet platforms as a (Sinkovics et al., 2013). The techniques and reasons for using e-commerce in small and medium-sized business (SMEs) fashion firms' international expansion are identified. One of the most important tools in the hands of business owners to expand their operations globally is e-commerce as a distribution channel, which is still on the rise in importance. It is a method of entering a foreign market that enables even tiny businesses to quicken their expansion abroad while lowering the risk connected with conventional internationalization procedures. Clothing is by far the most common product purchased online by people around the world, and the fashion business is one of the retail sectors that has actively embraced internationalization. Spending by consumers of apparel, accessories, and footwear is significantly higher than that of other online shoppers. Although many fashion websites are informational rather than transactional, this restricts their ability to make money. According to their research, there are two types of motivations for using e-commerce in the international expansion of SMEs that hold fashion brands: (1) market-reactive motivations and (2) proactive, strategic motivations. The most significant factors mentioned by the informants are two proactive ones referring to the brand itself, namely higher efficiency of brand creation on foreign markets thanks to e-commerce and faster brand internationalization and creation on foreign markets using e-commerce, and two reactive ones, namely response to an inquiry from an international multi-sided digital platform/prestigious multi-brand stores and industry trends and product category specifics. **(Marzanna Katarzyna Witek-Hajduk, 2021)**

**2.3** After more than 10 years of rapid expansion, traditional e-commerce has today reached the pinnacle, yet the drawback of a bad shopping experience has persisted since the industry's inception. Innovative marketing strategies are adopted by online clothes retailers in order to further boost sales. Based on data gathered from a questionnaire survey, Zhuoya He, Yejie Lin, and Huang Zheng studied the effect of social market methods on consumers' purchasing behaviour in this research. The data indicates that e-commerce social marketing strategies will largely influence consumers' online shopping behaviour. After 2000, internet retailers made their appearance based on the quick advancement of traditional electricity, shocking offline physical retailers. The

advantages and contrasts between e-commerce and other types of commerce include the ability to buy and sell products and labour online as well as the ability to construct perfect e-commerce workflows that involve moving things from suppliers to buyers. After more than 20 years of rapid development, the traffic dividend brought on by the increase in Internet users is, however, decreasing year after year, and the growth rate of traditional e-commerce is dropping. In this situation, online apparel stores require additional benefits in addition to low prices and efficient logistics to maintain their competitive advantages and manage the effects of traditional e-commerce businesses entering their "peak" period and slowing growth. On the basis of prior research and survey data, they examine the influence of social marketing via e-commerce on consumers' purchasing behaviour for clothes. In particular, questionnaires were created to collect the data required for the study, and screening enabled the collection of accurate data. After that, the data was imported into SPSS to conduct a correlation study. The findings showed that most factors had a link with one another. Finally, the conclusions were reached using the binary regression model in logistic regression. The majority of social marketing strategies used on e-commerce platforms, per the report, will contribute to an increase in the frequency of clothing purchases by customers. **(Zhuoya He1, 2022)**

**2.4** Sarbapriya Ray attempts to provide a snapshot of the development of e-commerce by indicating the chronological order, category of e-commerce business, description of organisations engaged in e-businesses in India, key characteristics of the firms engaged in e-commerce application, examination of the growth of e-commerce in both physical and financial terms, evaluation of the benefits obtained from e-business, and critical analysis of the barriers and constraints involved in launching new e-commerce ventures. The government's role in e-commerce should be to establish a legislative framework that protects fundamental rights like privacy, intellectual property, and fraud prevention while allowing domestic and international trade to grow. The information technology revolution's component of electronic commerce (e-commerce) saw widespread adoption in global trade in general and the Indian economy in particular. The way business is conducted has changed as a result of technological improvements. India, a country that quickly adopts new technology, has embraced e-commerce and is keeping up with the current state of electronic data exchanges. Currently, an essential component of India's trade facilitation policy is electronic commerce. The need to facilitate international trade through both policy and procedure reforms has become the cornerstone of India's trade and fiscal policies since 1991, when explicit economic reforms took place in India as a result of the economy being opened with a view to integrating itself with the global economy. As a result, there has been a technological revolution during the past several years that has been accompanied by a widespread usage of the Internet, web technologies, and their applications. The legal system is attempting to adapt current laws to fit new contexts where it is just unknown how these laws will apply, in a manner similar to how businesses engaging in e-commerce must create new business procedures and norms. India is one of the few nations in the world to have passed an e-commerce law in the midst of this legal unrest. For the tangled web to be properly controlled, though, much more is required. The protection of e-commerce businesses will be greatly increased by



employing effective risk management techniques and having sufficient legal documents. Despite being a gold mine, the Internet could become a landmine if not given enough legal protection. (Ray, 2011)

**2.5** Afrose Fathima Farid was conducted to evaluate the influence of Indian online fashion products buying. 170 individuals between the age group of 18 – 60 years of both the sex, from different parts of India, with different backgrounds were surveyed. The results of the study showed that retail stores are still the most popular location for purchases. Nowadays, the majority of people had a card that assisted them in an online transaction. The simplicity of shopping, the wide price range, the variety of brands, and the discount benefit encouraged Indian buyers to buy fashion items from online retailers. Online stores are relatively new to the global apparel industry, but the shopping method is gaining popularity. Since the 1990s, day-to-day activities such as banking and ordering food have become increasingly online. With a surge in fashion sales following the Myntra merger, Indian online megastore Flipkart became the first online retailer in the nation to reach \$1 billion in sales. According to reports, the partnership has a 55% market share in India's online industry for clothing and accessories. Since stores are suffering as a result of the continued growth of online shopping, creating distinctive brand-defining store experiences will become increasingly important in the future. These two portals pass the identical people rocketed into popularity displacing Amazon, Snapdeal and Ebay with their new discount and publicity strategy namely the 'Big Billion Day Sale' and this data may be because of the after effect of popular 'Big Billion Day Sales' soon after which this survey was conducted. Poor pay back & return policies and also the uncertainty about the merchandise quality also was voiced as a heavy disadvantage with regards to online purchase. The empirical research for this topic was carried out using a structured questionnaire. Regardless of caste, gender, age, belief, educational background, or level of income, Indians from various regions of India were asked to respond to the questionnaire online. To gauge the respondents' knowledge with internet usage and management, a survey questionnaire distribution and response collection method using email, Facebook Messenger, and Facebook was used. The empirical research for this topic was carried out using a structured questionnaire. Regardless of caste, gender, age, belief, educational background, or level of income, Indians from various regions of India were asked to respond to the questionnaire online. (Farid, 2015)

### 3. RESEARCH METHODOLOGY

#### 3.1 Rationale for the study:

The goal of the study is to identify and address the issues that buyers and sellers in the e-commerce fashion sector are encountering. Because E-commerce in the fashion sector offers several advantages to merchants looking to grow their customer by entering new areas. E-commerce offers a practical substitute for conventional physical storefronts, helping businesses cut inventory, save expenses, and build brand loyalty.

In today's world, Fashion industry plays diverse role in our day to day life and everyday fashion trends in changing. Due to E-commerce business it's very easy for people to reach these trends very quickly and as a

seller it's very to reach & sell new products to customers in a very short period. Meanwhile it brings so many challenges for seller and for customers as well. Following are the main reasons that right now all sellers and consumers are facing while they purchase products online:

- A high return rate
- Pressure to provide free and fast shipping
- Lack of real-time assistance
- Frequent stockouts
- Different device screens showing different colours
- Frequently change in Fashion trends

### 3.2 Research objective:

- To study major reasons behind high return rate in fashion products
- To identify problems of the customers and sellers that they while purchasing fashion products using online platforms.
- To provide solution which help sellers & customers to solve the above-mentioned problems.

### 3.3 Source/s of Data:

Secondary source of data

### 3.4 Data Collection Method:

Sales report & Internet

### 3.5 Population:

- Online Indian Customers
- Online Indian sellers

## 4. DATA COLLECTION & INTERPRETATION

Over the past ten years, there has been an increase in global online shopping, and this trend shows no signs of slowing down as new shopping formats, technology, and consumer behavior interact constantly to promote and facilitate it. Most nations' e-commerce is dominated by the clothing retail industry, and a sizable body of literature has been written about the outward logistics involved. However, depending on the specifics of the product, return rates in this industry can range from 20% to 60%.

Expectations for delivery and returns rise along with peoples' experience with online shopping. In many (particularly, large) cities, same-day delivery, sometimes referred to as "immediate" delivery, is evolving into the standard. Indeed, how we define "immediate" is evolving. It used to refer to same-day deliveries, but today some businesses, like Amazon, aim to deliver goods within 30 minutes of placing an order. Customers can

order a variety of clothes when they have some free time, try them on, and return any unwanted items the same day. Many retailers' "free" return policies are encouraging this behavior.

The below table lists the return policies of the five largest (According to retail.index.com) mixed clothing companies in the EU. It is difficult to find comparable statistics that cover all categories of clothing retailer.

The data in the table below demonstrates that the majority of big businesses offer free returns on items purchased online. When purchasing goods online from another country, the return policy is not always clear. The majority of big businesses have websites for each country where they offer free returns on items purchased there. Others charge for international returns but typically offer free international delivery (over a certain threshold), including Marks and Spencer, Next, and Debenhams.

Company	Turnover (€bn) Europe	Stores	Headquarters	Returns policy
Inditex	20.40	7,200	Spain	Free
H & M	12.1	4,801	Sweden	Free
Marks and Spencer	10,885	1,463	UK	Free from the UK, customer pays from overseas.
C&A	7.2	1,600	Belgium	Free
Primark	6.5	407	UK	Free

Finding trustworthy information on "pure" e-tailers is more challenging, in part because some of the businesses operate under different names. The top online retailers for clothing include:

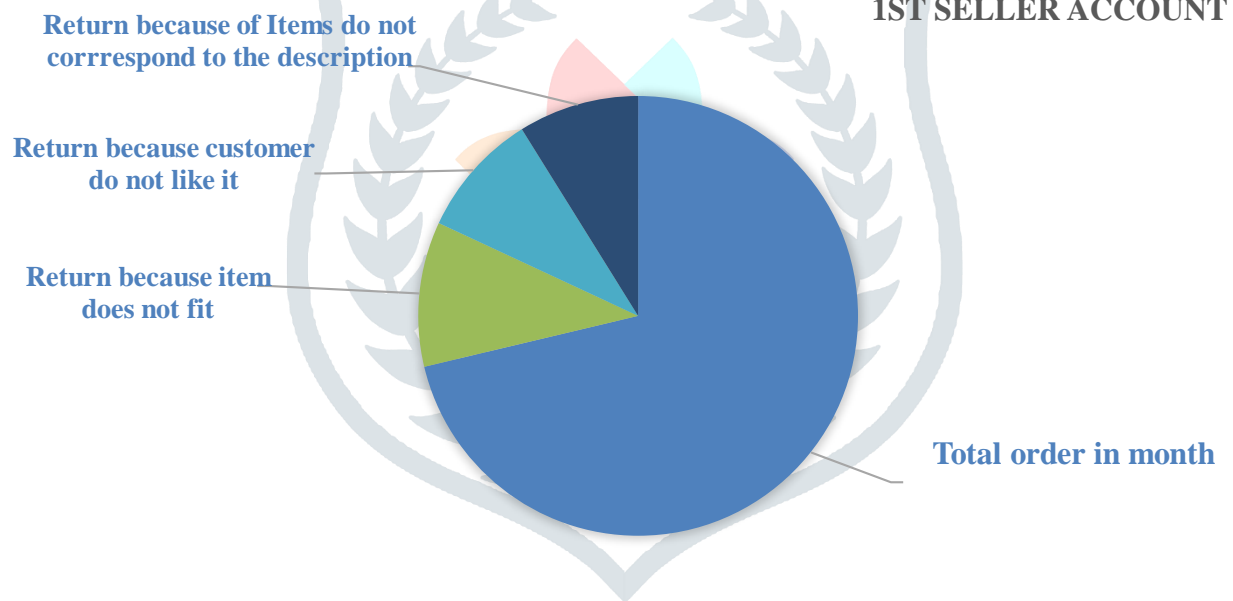
- The UK-based Asos website promotes "always free shipping and returns."
- Zalando (the Otto group's online store), with its headquarters in Germany, promotes "always free shipping and returns."
- US-based Amazon offers free returns on clothing.
- The UK-based Net-A-Porter website promotes free returns.
- Boozt, a Swedish company, has a 6 euro return fee but offers free returns if customers use their pre-printed return label.

We gather order information from three different online retailers in order to identify the leading causes of returns in the fashion e-commerce sector. We gather information from the previous three months (November, December, and January), along with information on order returns with a reason.

#### 4.1 1st seller account:

We found 4703(avg.) fashion orders. Out of 4703 orders they got 1895 orders returns where major either Items does not fit, or customer didn't like the product or product did not correspond to the description. Kindly refer the following table for exact number:

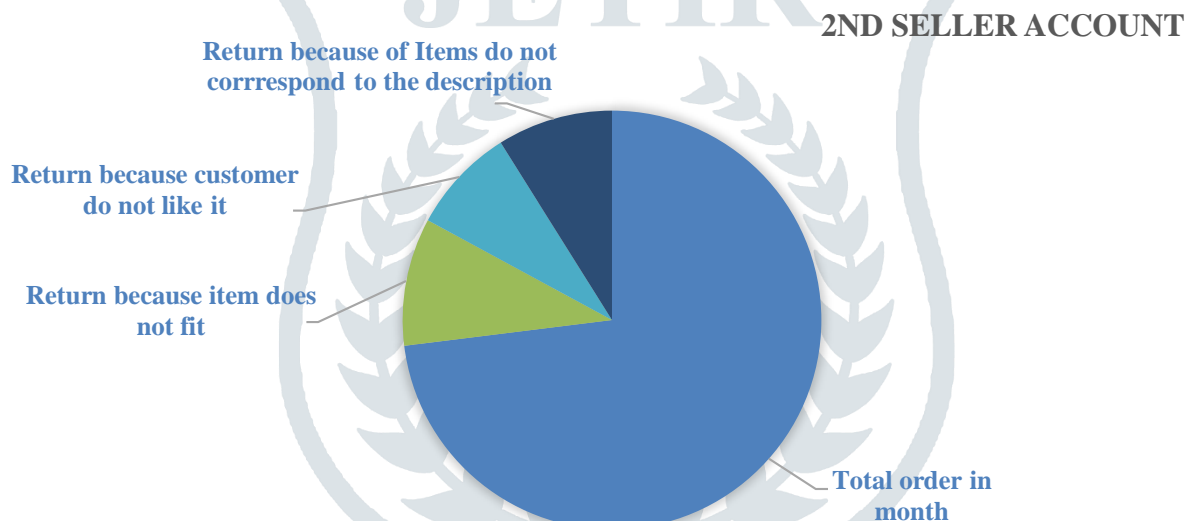
	Aspect	Specification	No. of return orders	Return orders in percentage
Return behavior	Reasons for returns (3 Major reasons)	Item does not fit	703	14.94 %
		I do not like this item	607	12.90 %
		Items do not correspond to the description	585	12.43 %
		Total		1895



#### 4.2 2nd seller account:

We found 5676(avg.) fashion orders. Out of 5676 orders they got 2,096 orders returns where major either Items does not fit, or customer didn't like the product or product did not correspond to the description. Kindly refer the following table for exact number:

	Aspect	Specification	2 <sup>nd</sup> seller account	Returns in percentage
Return behavior	Reasons for returns (3 Major reasons)	Item does not fit	767	13.51 %
		I do not like this item	636	11.20 %
		Items do not correspond to the description	693	12.20 %
		Total		2,096



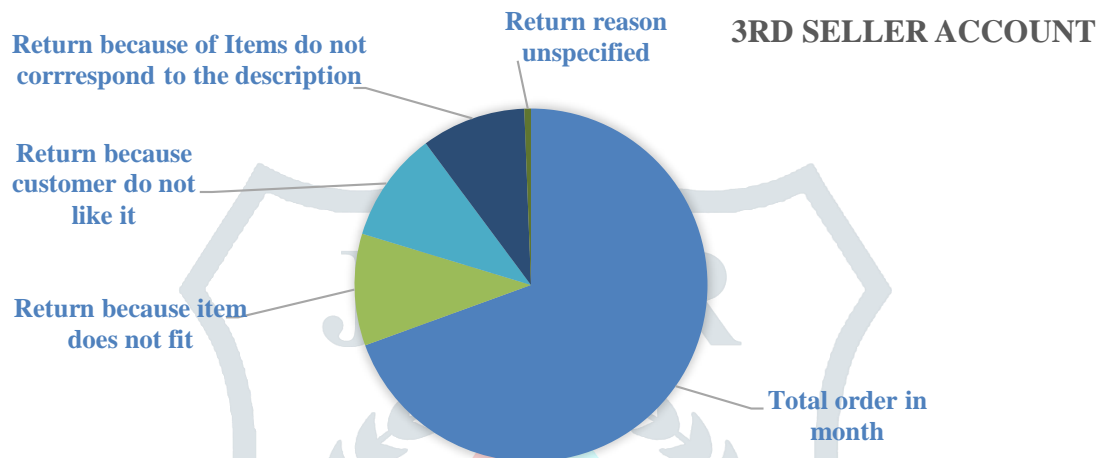
#### 4.3 3rd seller account:

We found 8343(avg.) fashion orders. Out of 8343 orders they got 3670 orders returns where major either Items does not fit, or customer didn't like the product or product did not correspond to the description or in some orders return reason is unspecified. Kindly refer the following table for exact number:

	Aspect	Specification	3 <sup>rd</sup> seller account	Returns in percentage
Return behavior	Reasons for returns (3 Major reasons)	Item does not fit	1231	14.75%
		I do not like this item	1217	14.58%



		Items do not correspond to the description	1149	13.77%
		Reason unspecified	73	0.88%
<b>Total</b>			3670	43.98%



In fashion eCommerce, these 3 sellers told us that more than 50% of returns are fraudulent, based on our observation it could be:

**1) Bracketing:** Customers who bracket their purchases make multiple selections with the intention of returning some of them. The majority of fashion eCommerce return policies provide free returns and refunds, so habitual offenders view this behavior as low risk.

**2) Wardrobing:** Wardrobing, which is frowned upon by anyone with morals, is the practice of purchasing clothing for a single use and returning it with the tags still attached for a refund.

**3) Counterfeit:** Online retailers have to spend time identifying and troubleshooting the scam of customers returning counterfeit products with altered labels, claiming the quality is poor, and demanding full refunds. This practice is common due to the anonymity that online shopping offers.

As the seller has stated, 50% of transactions are fraudulent, but for the remaining 50%, the seller needs to improve the content and images they are displaying on their online store or marketplace.

**Not as described?** This indicates that seller's product descriptions are either vague or inadequately detailed.

**Too small or large a size?** Either seller don't provide a size chart or the one you do has errors.

**Not as expected, fit?** Seller's product images and/or product descriptions don't accurately depict how the garment appears when worn.

## 5. ANALYSIS

After detailed examination of order and return data, we analyze following points which helps sellers (who sells through marketplace like amazon or sell through their own online and offline shops) and customers to avoid returns. These points enable sellers to represent products in better way and customer get unique purchase experience.

### 5.1 Virtual clothing try-on:

The term "virtual try-on" describes trying on digitally produced clothing or accessories in a virtual setting. This enables you to determine whether something fits well without putting it on physically by allowing you to see how those items appear on you or an avatar. As a result, clothing could be tried on virtually without having to ship it or even leave your house thanks to technology. For an immersive user experience, virtual try-on for clothing combines computer vision, artificial intelligence, recommendation algorithms, augmented reality (AR), or virtual reality (VR). The shop of the future will look very different from what we are used to due to changing technology and consumer needs.

Virtual clothing try-on is failed when it's case of physical experience. 82% of internet users prefer to touch and see products before making a purchase, according to a survey. Customers can preview how an item will look on their bodies using virtual fitting rooms, but they are unable to touch the material. Still, it aids sellers in lowering return rates to 3-6% and raising conversion rates to 13–16%.

### 5.2 A new way to shop and discover:

A seamless and refined shopping experience is provided by Amazon Style. Customers can quickly view sizes, colors, overall customer ratings, and other product details by scanning an item's QR code using the Amazon Shopping app. Customers can send an item directly to the pickup counter if they don't need to try it on or add it to a fitting room with the touch of a button. With more than twice as many styles as a comparable traditional store, Amazon Style gives customers more choice without making them search through racks for the ideal color, size, and fit. Instead, Amazon Style offers display items that give in-store shopping more style and less clutter.

Retailers are implementing QR codes on hangers, a relatively new idea, to close the gap between offline and online shopping experiences. This technology involves printing a QR code that can be read by a customer's smartphone camera on the hanger of a specific item of clothing in a store. The customer is then directed by this code to a landing page where they can discover more details about the item, such as its construction, dimensions, and client feedback. The customer can then proceed to the retailer's website or mobile app to add the item to their online shopping cart and complete the transaction.

In general, QR codes on hangers are a promising technology that can assist retailers in giving their customers a more customized and practical shopping experience. Retailers can boost customer engagement and loyalty while lowering the number of returns because of fit or size issues by combining the tactile experience of trying on clothes in-store with the convenience of online shopping. Two fashion industry giants are H&M and

Zalando. They have local stores as well as their own website to sell fashion products, so they can perform the same function as Amazon Style. Not only is this a smooth and elegant shopping experience, but even if a local store is out of stock, customers can still purchase the item online, and it will be delivered to their desired location.

### 5.3 3D/AR content:

To display product images, e-commerce sellers should integrate 3D/AR content into their websites. A new technology that is gaining popularity in e-commerce is 3D/AR (augmented reality) content. E-commerce vendors can give their customers a more interactive and immersive shopping experience by utilizing 3D/AR content. Customers can view products in greater detail and from different angles using 3D/AR content, making their shopping experience more realistic and interesting. With the aid of this technology, customers can get a better idea of how goods will appear and feel in actual use, which could lower the number of returns brought on by sizing or fit issues. Nike, Zara, Tommy Hilfiger already using this kind of technologies to provide a better shopping experience to customers.

## 6. CONCLUSION

It is readily apparent from the statistics that return rates are a major problem for the fashion e-commerce sector. According to the survey, quality difficulties, after-delivery customer dissatisfaction, size and fit issues, and product inconsistency with the description were the primary causes of returns. Several solutions were found to solve this problem, such as enhancing product descriptions and images, providing virtual try-on capabilities, utilizing 3D/AR technology on online stores, placing QR codes on hangers in brick-and-mortar stores, and putting in place a more streamlined and effective returns procedure. Even if each technique has benefits and drawbacks, it may be best to combine these strategies.

Also, it was shown that offering exceptional customer service and cultivating positive client relationships might aid in lowering return rates and raising customer loyalty. It is advised that fashion ecommerce shops give reduced return rates top priority by putting the solutions mentioned into practice to boost client happiness and loyalty while also reducing financial losses.

For fashion e-commerce businesses, it's also critical to regularly track and examine their return data in order to spot trends and patterns that might guide future business decisions. Companies may then build tactics to lower return rates and boost customer satisfaction by getting a deeper understanding of their clients and their demands.

In general, tackling the issue of high return rates in fashion e-commerce necessitates a multidimensional strategy that includes comprehending customer behavior, putting into practice efficient solutions, and utilizing data insights to guide company decisions.

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