GOODS RETURN FACTORS IN ONLINE SHOPPING TRANSACTIONS

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ABSTRACT

Technology is developing rapidly every year. Technological developments also change a person's habits or behavior in doing something, one of which is shopping. Currently, shopping can be done anywhere and anytime without having to visit the store directly. However, shopping transactions through online media do not always run smoothly. Sometimes there are also buyers who feel disappointed because the quality or quantity of goods sent by the seller does not match with the description. If this happens, usually the buyer will ask to return the goods to the seller. The purpose of this study is to find out more about the factors that cause buyers to return goods to sellers. This study uses a qualitative method with the PRISMA (Preferred Reporting Items for Systematic Review and Meta-Analysis) Systematic Literature approach. The search results for journals or related papers published were 31 journals and 24 journals or papers were adopted as material for this research. With this e-commerce purchase return intention model, it is hoped that it can provide good insight for the provider e-commerce, e-commerce partners (retailers), and e-commerce consumers so that in practice each party can act without harming each other

Keywords: e-technology, daring, transactions, return

1. INTRODUCTION

Shopping online is something that usually happens in this industrial revolution 4.0 era, where efficiency, speed, and accuracy are crucial and are the main priority. Shopping online has its advantages and disadvantages. The advantages are efficient, practical, cheaper goods prices, and many promos offered. In addition, the drawback is that buyers cannot see and try directly the items they want to buy, so the transaction error rate is also higher than shopping directly in stores. Because of this error, there is usually an item return service. Return of goods is an attempt made by the buyer to return the goods that have been purchased. Usually, a common cause that often occurs when online shopping transactions is a mismatch of orders. In addition, many buyers are of the view that the return of goods can minimize the occurrence of losses due to non-compliance with orders. Then, the seller also has the view that by providing goods return services, it is believed that it will increase buyer or customer confidence in brand identity (Suwelack *et. al.,* 2011)

Tobin Moore, CEO of Optoro, predicts that the return rate will reach more than $1 trillion as technology advances every year (Reagan, 2019). Then, a similar opinion was also conveyed by Feinleib who stated that the return rate due to online shopping transactions is estimated to reach an average of 30%. This is caused by buyers who cannot see and try directly the goods they want to buy, moreover, with the many e-commerce that has sprung up since 2017 which makes the return of goods is something that needs special attention (Yan & Cao, 2017). In addition, with the development of technology and various services in various forms, not a few buyers also expect free shipping costs and of course also free returns.

2. METHODOLOGY

We use PRISMA (Preferred Reporting Items for Systematic Review and Meta Analysis) model approach. The reason we use the PRISMA Method is the process tends to be less complicated, and the steps are complete and detailed in conducting a literature review. We use this method to further investigate the factors for the occurrence of goods returns in online shopping. In this study, we are looking for related journals or papers that will be used as a reference for writing this study.

There are 5 stages in conducting a literature review, namely: 1. Inclusion criteria as a determinant, 2. Finding and determining sources of information, 3. Searching and selecting literature, 4. Collecting data, and 5. Sorting data items.

Determine Eligibility Standards

The inclusion criteria (Liberty *et. al.*, 2009) can be used as a reference or standard of eligibility in determining an article which must be an article that is the result of research, and is written and published internationally in English. The purpose of writing this article is to further investigate the factors that occur in the occurrence of goods returns in

online shopping transactions. Collections of literature that are used as references are searched through journal provider platforms dedicated to academic studies, such as Science Direct (www.sciencedirect.com), IEEE Xplore (www.ieee.org), Emerald Insight (www.emerald.com/insight) , and Wiley (www.wiley.com)

Research Topic Selection

In selecting research, of course, we also explored in advance the various phenomena that occurred in this era of the industrial revolution 4.0. We found a phenomenon that the rate of return of goods in online shopping transactions increases every year. The search for this phenomenon using various sources of journals or papers published in the period 2017 - March 2022. We use this time range because 2017 was a year where online shopping transactions increased significantly due to the presence of various kinds of e-commerce and marketplaces, as well as innovative services from each e-commerce or marketplace. We searched for this phenomenon using related keywords, so from this search we managed to find 127 related journals or papers published internationally. Then, after that we sorted into 31 journals, and we used 24 journals or papers that were used as a reference for writing in this research. Here we present a table of the number of journals we find and use:

Sources	Founded	Candidate	Selected
Science Direct	68	20	15
IEEE	15	2	2
Emerald Insight	33	7	5
Wiley	11	2	2
Total	**127**	**31**	**24**

Data Extraction

The data extraction that we made was based on Liberty 2007's advice. We collect and sort crucial data using this form. These data include further information regarding something related to publication, such as title, year of publication, author, etc. along with their reviews.
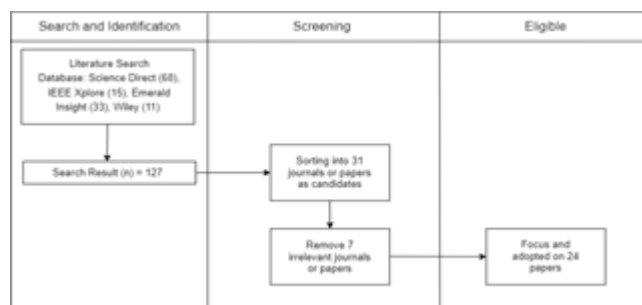

Figure 1. Systematic review method stages chart with PRISMA

3. RESULTS AND DISCUSSION

Various kinds of online shopping platforms, such as e-commerce, marketplace, etc. is growing every year as a consequence of technological developments that are increasingly rapidly every year, both in terms of products and services. The services offered are also increasingly varied and innovative, however, as explained in the previous chapter that the error rate of online shopping transactions is higher than in-store shopping transactions, due to limited access for buyers to know the true value or shape of the goods purchased. want to be bought, so they can't try and experience it firsthand (Swinney, (2008); Li *et. al.*, (2019); Ma *et. al.*, 2019), so that goods return services cannot be separated from this online shopping transaction.

Where are the factors causing the return of goods found

a.   Search by country and industry

Based on the search results, research on the occurrence of goods returns mostly occurs in online shopping/stores/retails with a total of 16 international publications. The countries of origin of the publication include, China, Hong Kong, USA, Iran, India, Sweden, UK, and Germany. Then, followed by the logistics industry, with a total of 2 publications from Slovakia and Sweden. Then, there is also the fashion industry, with a total of 2 publications from Germany and the USA. Then, the manufacturing industry and others, each of which amounted to 1 publication from China and the USA. In the following, we describe in detail in tabular form the publications that we used as material for this study

Table 2. List of Country and Industry

No.	Industry	Country List	Total
1.	Online shopping/store/ retail	China, Hong Kong, USA, Iran, India, Swedia, UK, and Germany	16
2.	Logistics	Slovakia and Swedia	2
3.	Manufacturing	China	1
4.	Fashion	Jerman and USA	2
5.	Others	USA	1

b.   Research methods in each publication

There are 24 journals or papers that we use as references for writing for this research. Of all the journals that we adopted as references for our study materials, we found 5 types of research used by these journals or papers. These types of research include using a survey/questionnaire, multi-method, structural equation modeling, literature review, and deep analysis. Here we present in the form of a table the types of research contained in journals or papers that we adopt as a reference for our study materials.

Table 3. List of Research Method

No.	Method	Sources	Journal or Paper List	Total
1.	Survey/Questionnaire	Science Direct	[8], [10], [11],	3
		Emerald Insight	[19], [20]	2
		Wiley	[23]	1
2.	Multi-Method	Emerald Insight	[16], [17]	2
3.	Structural Equation Modelling	Emerald Insight	[18]	1
4.	Literature Review	Science Direct	[1], [2] [3], [4], [5], [6], [7], [9], [12], [13], [15],	11
		IEEE	[21], [22]	2
		Wiley	[24]	1
5.	Deep Analysis	Science Direct	[14]	1

c.   Factors that causing the return of goods

The factors that cause the occurrence of goods returns can be caused by various things. As briefly explained in chapter 1, that one of the reasons for buyers to return goods is caused by the dissatisfaction of buyers with the products they have purchased. Some examples of dissatisfaction experienced by buyers are failed products, wrong shipping addresses, fast damage, and slow delivery from logistics.

However, there are interesting facts put forward by several researchers. Some researchers have the assumption that item returns have nothing to do with failed products or dissatisfied buyers with a product, but rather the hedonism and consumption level of buyers who tend to be impulsive even though they don't really need the item or product (Lee, 2014). Then, there was a research report conducted by Appriss in 2020 which stated that the reason why buyers returned goods was caused by goods that turned out to be fake or the quality was not as desired. The reference from this research is based on the phenomenon in the United States in 2019 where the rate of returns for goods caused by counterfeit goods reached an average of 8.8% of the total value of returned goods.

In online shopping transactions, ordering a product or item does not always end with agreeing to buy the item. Therefore, to overcome this problem and adapt to consumer behavior, the most appropriate step is to implement a regulation or policy on goods returns. The regulations or policies applied by the seller regarding the return of goods are also one of the crucial factors that motivate buyers to determine whether the buyer will buy an item (Chen & Chen, 2015). Some examples of goods return regulations or policies, namely guarantees, insurance, refunds, etc. If the rules and policies applied are easier and more profitable for buyers, then this has the potential to create a positive image for sellers and allow buyers to repeat orders for the same or other types of goods or products (Gelbrich *et. al.,* 2017). Thus, the buyer's trust in the seller will increase and a good reputation for the seller will be formed. Vice versa, a bad image of the seller has the potential to emerge if the seller applies a regulation or policy on returning goods which are difficult and tend to harm the buyer (Luce *et. al.*, 1997), so that this will threaten the reputation of the seller. Below, we present table IV which describes the factors for the occurrence of goods returns based on whether or not these factors are affected in the occurrence of goods returns.

Table 4. The factors for the occurrence of goods returns

No.	Factors	Affecting	Not Affecting	Amount Discussed
1.	Failed Products	√		8
2.	Shipping Address Errors	√		10
3.	Late delivery from the logistics	√		5
4.	Hedonism		√	1
5.	Impulsive Consumption		√	1
6.	Fake Products	√		7

Based on the factors we found which were useful for us to implement in tabular form, we actually found as many as 14 factors based on the database of journals or papers that we found. However, we narrowed it down again to 6 factors because these factors have the same meaning and can be combined as parent factors. Some of the factors we incorporate include:

1) Product failure factors with perishable products;
2) The shipping address error factor with incomplete address and non-detailed address;
3) Delivery delay factor with delivery technical problems;
4) The hedonism factor with extravagant living and a luxurious lifestyle;
5) The factor of the impulsive consumption with fear of missing out;
6) Factor counterfeit goods with OEM or non-quality goods;

4. CONCEPTUAL MODEL

The conceptual model is a model in the form of a diagram that aims to assist the reader in understanding the results of the research. Here we present a conceptual model from the results of the discussion in chapter 3.
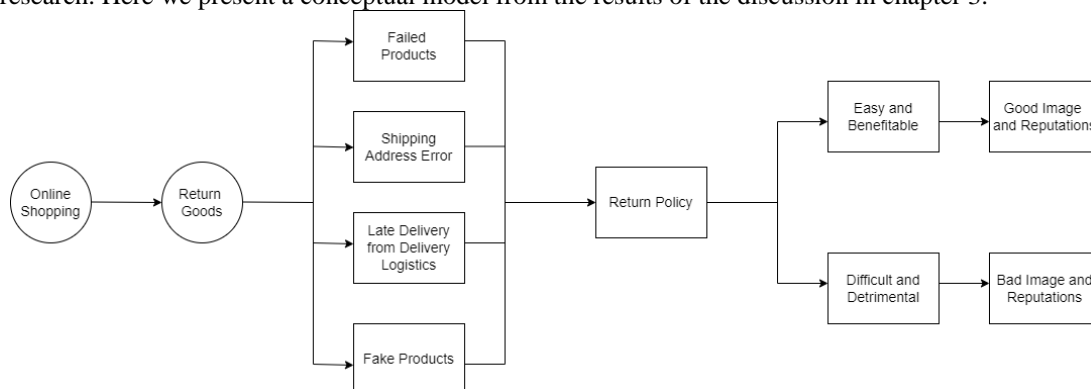

Figure 2. Conceptual Model of Return Goods Factors

5. CONCLUSIONS

By using the PRISMA Method which is used in a systematic literature review approach, we use as many as 24 journals or papers as references in our study that discusses goods returns in online shopping transactions, where this study aims to obtain new knowledge or facts. This study can also be used by the general public or practitioners who want to know about the factors for the occurrence of goods returns, so that they can be used as a reference for setting strategies to minimize or overcome the occurrence of goods returns and build a good image or reputation among the public.

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