

# Customer Experiences with E-commerce Returns in Bangladesh: Effects on Satisfaction, Trust, and Loyalty

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## Abstract

The rapid expansion of e-commerce in Bangladesh has revolutionized consumer behavior, providing convenience while creating challenges in managing product returns. This study examines customer experiences and perceptions of e-commerce returns in Bangladesh, focusing on critical factors like product discrepancies, refund processing delays, return policy transparency, and customer service issues. Using a mixed-methods approach, data was collected from 151 survey respondents and 18 interviews with customers, e-commerce employees, and logistics personnel. The findings reveal that product misrepresentation, delayed refunds, poor customer service, and unclear return policies are the main drivers of dissatisfaction. Addressing these through enhanced quality control, faster refund systems, simplified return policies, and better customer support is essential to building trust and long-term loyalty. This study provides actionable recommendations for e-commerce platforms to improve return processes and strengthen customer relationships.

**Keywords:** e-commerce returns, Bangladesh, customer satisfaction, product discrepancies, refund processing, return policy transparency, customer service, logistics

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## Introduction

The rapid expansion of e-commerce in Bangladesh has reshaped the retail landscape, offering consumers increased convenience and choice. However, this growth also brings challenges, particularly in managing the return process, which is critical for customer satisfaction and loyalty. Issues such as unclear return policies, delayed refunds, and inadequate customer service can significantly affect customer experiences, influencing their willingness to continue shopping with a particular platform. This study aims to explore and understand customer experiences and perceptions of returns on e-commerce platforms in Bangladesh, focusing on key factors that contribute to satisfaction or dissatisfaction.

The return process encompasses several elements, including product discrepancies, refund processing times, and the clarity of return policies. Research highlights that customer trust in online platforms is closely tied to service quality, transparent product information, and security features (Rashid & bin Ahsan, 2024). Lenient and clearly communicated return policies enhance trust and loyalty, mitigating the perceived risks of online shopping (Espinosa & Monahan, 2020; Ogunleye, 2013). Conversely, delays in refund processing and poorly handled service recovery can erode trust and lead to dissatisfaction (Chang & Wang, 2012; Kim, 2007).

Service recovery plays a crucial role in addressing return-related issues, such as wrong product deliveries and delayed refunds. Effective recovery strategies—including timely compensation and transparent communication—can improve customer satisfaction, even after service failures (Yunus, 2023). Studies suggest that when customers perceive service recovery efforts as fair and efficient, their loyalty to the platform can increase despite the initial failure (Kim, 2007). On the other hand, inadequate handling of complaints can have long-term negative effects on customer trust and retention (Chang & Wang, 2012).

Despite the growing body of research on e-commerce service quality, there remains a gap in understanding how return processes specifically affect customer satisfaction in the context of Bangladesh. Most studies have focused on broader service quality dimensions without addressing the unique challenges of the return process in this emerging market. This study aims to fill that gap by examining both customer feedback and employee insights into return management on Bangladeshi e-commerce platforms.

### Research Objectives

This study has the following objectives:

1. To investigate the key reasons for product returns on e-commerce platforms in Bangladesh.
2. To evaluate customer expectations for refund processing times and the impact of delays on customer satisfaction.
3. To assess the transparency and effectiveness of return policies in shaping customer perceptions of trust and reliability.
4. To identify service recovery strategies that can enhance customer satisfaction following return-related issues.
5. To provide practical recommendations for improving return processes to foster long-term customer loyalty.

By addressing these objectives, this study offers practical insights for improving return processes, enhancing customer satisfaction, and building stronger customer relationships in the Bangladeshi e-commerce sector. Improvements in these

areas are critical for fostering long-term customer loyalty and ensuring the success of online platforms in an increasingly competitive market.

## Methodology

This study employs a mixed-methods approach to investigate customer experiences and perceptions of returns on e-commerce platforms in Bangladesh. By combining both quantitative and qualitative data, the study provides a comprehensive understanding of return-related challenges and the perspectives of key stakeholders.

### Research Design

The mixed-methods design integrates quantitative data from an online survey and qualitative insights from semi-structured interviews. This approach allows for both a broad analysis of customer return behaviors and a deeper exploration of operational challenges faced by employees and logistics personnel.

### Research Questions

The study is guided by the following research questions:

#### *Central Research Question*

What are the experiences and perceptions of customers regarding returns on e-commerce platforms in Bangladesh, and how do these factors affect customer satisfaction, trust, and loyalty?

#### *Sub-questions*

1. What are the main reasons for product returns on e-commerce platforms in Bangladesh?
2. How do customers perceive refund processing times, and how do delays impact satisfaction?
3. How clear and transparent do customers find return policies, and how does this influence their trust in e-commerce platforms?
4. What service recovery strategies do customers expect when return-related issues arise?
5. How can return processes be improved to enhance customer satisfaction and loyalty?

### Participants and Data Collection

Quantitative data were collected through an online survey of 151 e-commerce customers, selected based on availability. The survey covered key themes such as return experiences, expectations for refunds, satisfaction with return policies, and overall perceptions of the return process.

Qualitative data were collected through semi-structured interviews with 18 participants, selected using purposive and snowball sampling to ensure diverse perspectives from key stakeholders. These participants were divided into three groups: customers (6), e-commerce employees (7), and retailers and logistics stakeholders (5). Each group was asked 5-7 semi-structured questions tailored to their role in the return process. Customers discussed their return experiences and satisfaction, employees provided insights into return management and service challenges, and logistics stakeholders focused on operational issues related to handling and processing returns.

## Data Analysis

Interview transcripts were thematically coded using ATLAS.ti, with both inductive and deductive approaches to identify key themes such as product discrepancies, refund processing times, and return policy transparency. These themes were aligned with the study's research questions to ensure comprehensive analysis.

Survey data were analyzed using descriptive statistics to assess customer satisfaction, refund expectations, and return policy clarity. Cross-tabulations were performed to explore correlations between demographic factors and return experiences.

## Ethical Considerations

This study adhered to the ethical guidelines set by the American Psychological Association (2017). Informed consent was obtained from all participants, and confidentiality and anonymity were strictly maintained. Participants were informed of their right to withdraw at any time. Transparency and integrity were ensured throughout the data collection and analysis process.

## Findings

### 1. Product Discrepancies and Misrepresentation

Product misrepresentation, particularly related to size, color, and quality, was a recurring issue across customer experiences. Many customers reported that the products they received were significantly different from what was advertised online. One customer mentioned: *"I ordered a dress based on the color in the picture, but when it arrived, the color was entirely different, and the size didn't match either"* (Interview F1).

Another customer described a similar frustration: *"I ordered Brazilian nuts but received cashews. Even after returning them, they sent the wrong product again"* (Interview F2).

Size issues were frequent, especially in the clothing category. A business owner explained that customers often misunderstood sizing guides or provided incorrect measurements, which led to dissatisfaction with the product they received (Interview F2). Logistics managers added that slight color differences between the product images online and the actual items received were another common cause of dissatisfaction (Interview G1).

Survey data supported these observations, with **34% of respondents** reporting quality issues and **22%** indicating discrepancies between the product description and what was delivered.

**Table 1: Common Product Quality and Misrepresentation Issues Reported by Customers**

Issue	% of Respondents Reporting
<b>Product not as described</b>	22%
<b>Wrong item received</b>	16%
<b>Quality issues</b>	34%

*Table 1: Percentage of respondents reporting issues related to product description, wrong items, and quality discrepancies on e-commerce platforms.*

## 2. Delayed Refunds and Refund Processing Times

Refund delays were a significant source of frustration for many customers. One customer shared:

*"It took over 12 days to get my money back for an umbrella I returned, even though they said it would only take seven days"* (Interview F3). Delays often stemmed from internal logistical challenges and coordination issues between departments, as highlighted by logistics managers (Interviews G1, G2).

These delays were compounded by poor communication throughout the return process, leaving customers unsure of when they would receive their refunds. Logistics staff acknowledged that inefficiencies in the return process were common, particularly when coordinating between teams to finalize refunds (Interview G1).

Survey results revealed that **52% of respondents** experienced delays in receiving refunds, with **30%** waiting longer than the advertised time frame of 7 days.

**Table 2: Customer Satisfaction with Refund Processing Times**

Refund Processing Satisfaction	% of Respondents
<b>Dissatisfied</b>	45%
<b>Neutral</b>	40%
<b>Satisfied</b>	15%

*Table 2: Customer satisfaction levels with refund processing times, highlighting dissatisfaction with delays beyond the advertised 7-day refund period.*

## 3. Customer Service and Communication Issues

Customer service emerged as a critical area of dissatisfaction. One customer noted:

*"I had to call customer service multiple times just to find out when I'd get my refund. There was no clear information given"* (Interview F3). Business owners reported that their customer service teams were often overwhelmed and unresponsive, leading to delays in resolving return and refund issues (Interview F2).

In addition, logistics managers observed that delivery personnel were not always equipped with the necessary information to handle return queries, further complicating the process for customers (Interview G2). This lack of communication and follow-up often led to heightened frustration among customers as they struggled to navigate the return process.

Survey data mirrored these sentiments, with **42% of respondents** rating customer service as unsatisfactory. Customers frequently cited poor communication and slow responses as major concerns.

**Table 3: Customer Satisfaction with Service During the Return Process**

Customer Service Satisfaction	% of Respondents
<b>Unsatisfied</b>	42%
<b>Neutral</b>	35%
<b>Satisfied</b>	23%

*Table 3: Customer feedback on the quality of customer service during the return process, focusing on responsiveness and clarity in handling returns.*

#### 4. Policy Confusion and Lack of Transparency

Many customers expressed confusion over return policies, particularly regarding time limits and conditions for returns. Business owners highlighted that customers often misunderstood the return timeframes, leading to frustration when their return requests were denied (Interview F2).

A logistics manager shared: *"Customers are often unclear about the three-day return policy, and many believe they have more time than what is actually allowed"* (Interview G2).

This lack of transparency around return policies, coupled with inadequate communication from e-commerce platforms, contributed significantly to customer dissatisfaction. Logistics managers noted that the complexity of policies, particularly for different product categories, added to the confusion (Interview G1).

Survey data revealed that **62% of respondents** experienced confusion regarding return policies, particularly related to timelines for returns and exchanges.

**Table 4: Customer Confusion Regarding Return Policies**

Confusion About Return Policies	% of Respondents
<b>Yes</b>	62%
<b>No</b>	38%

*Table 4: Percentage of respondents experiencing confusion about return policies, particularly in relation to timeframes for returns.*

The findings presented here illustrate key challenges that customers face when interacting with e-commerce platforms in Bangladesh. Issues such as product misrepresentation, delayed refunds, poor customer service, and unclear return policies are prevalent. These challenges highlight deeper operational inefficiencies within the e-commerce ecosystem. Addressing these concerns will be essential for improving customer satisfaction and building trust in online shopping platforms.

## Discussion

The findings from this study provide critical insights into how return processes on e-commerce platforms in Bangladesh affect customer satisfaction, trust, and loyalty. Four key themes emerged: product discrepancies, refund processing times, return policy transparency, and customer service quality.

### Product Discrepancies and Customer Trust

Product quality issues—including size, color discrepancies, and incorrect items—were identified as the primary reasons for returns. This aligns with Jusoh & Ling (2012), who emphasize the importance of accurate product descriptions for customer satisfaction. The recurrence of these issues in Bangladesh's e-commerce market highlights gaps between customer expectations and product delivery.

Product discrepancies erode customer trust, a key factor in loyalty (Chang & Wang, 2012). Accurate product descriptions are essential to reducing returns and improving satisfaction. Research also shows that clear product information, such as well-

defined product details and images, is crucial for building trust in e-commerce platforms (Rashid & bin Ahsan, 2024). E-commerce platforms must strengthen quality control measures to meet customer expectations.

### **Refund Processing Times**

The study revealed a strong preference for faster refunds, with most customers expecting refunds within 1-2 days. This aligns with Yunus (2023), who noted that prompt compensation enhances customer satisfaction after service failures. In Bangladesh, slow refund processing weakens trust in platforms and heightens dissatisfaction.

To address this, e-commerce platforms need automated refund systems to streamline processing times. As Espinosa & Monahan (2020) highlight, operational efficiency in handling refunds plays a pivotal role in enhancing customer loyalty.

### **Transparency in Return Policies**

Opaque return policies were a significant source of frustration, with many customers citing confusion. This finding supports Ogunleye (2013), who emphasized the importance of transparent policies in building trust.

E-commerce platforms must simplify return policies to make them accessible and clear. Kim (2007) underscores that clear communication is essential for effective service recovery, which can lead to higher satisfaction and trust.

### **Customer Service and Service Recovery**

Customer service quality, especially during returns, was another key factor influencing customer satisfaction. Poor service and delayed refunds negatively impacted customer experiences. Jusoh & Ling (2012) highlighted that effective customer service, particularly in post-purchase interactions, shapes positive shopping experiences.

Platforms that handle returns with empathy and efficiency foster stronger customer loyalty (Chang & Wang, 2012). Improving customer service through better training and AI-driven solutions can transform service failures into opportunities for loyalty building.

### **Implications for E-commerce Platforms in Bangladesh**

These findings underscore several critical implications for Bangladeshi e-commerce platforms:

- **Product discrepancies:** Addressing these through improved quality control will reduce return rates and build trust.
- **Refund processing:** Investing in automated systems will meet customer expectations for faster refunds, improving satisfaction.
- **Return policy transparency:** Simplifying policies will enhance customer understanding and trust.
- **Customer service:** Enhancing service protocols through better training and technology will create a seamless return experience.

By addressing these areas, e-commerce platforms in Bangladesh can strengthen customer satisfaction, trust, and loyalty, contributing to long-term success in the competitive online marketplace.

## Recommendations

To improve customer satisfaction, trust, and loyalty, e-commerce platforms in Bangladesh should focus on addressing key issues related to product quality, refund processing, return policy transparency, and customer service. The following evidence-based recommendations offer practical steps for enhancing the return process and overall customer experience:

1. **Improve Product Descriptions and Quality Control:** Implement stricter quality control measures and provide more accurate product descriptions, particularly for size and color, to reduce discrepancies. Frequent product returns due to mismatched items erode customer trust. Accurate product descriptions are key to customer satisfaction (Jusoh & Ling, 2012), and improving quality control can mitigate return rates and boost loyalty (Chang & Wang, 2012). Moreover, ensuring transparency and clarity in product descriptions, including detailed product images and information, is essential for building trust (Rashid & bin Ahsan, 2024).
2. **Automate and Expedite Refund Processing:** Invest in automated systems to shorten refund processing times, aiming to meet customer expectations for faster refunds (within 1-2 days). Customers prefer quick refunds, and prompt compensation significantly enhances satisfaction (Yunus, 2023). Automating refunds can reduce delays and improve operational efficiency (Espinosa & Monahan, 2020).
3. **Simplify and Clarify Return Policies:** Redesign return policies to be simple, transparent, and easy to understand, eliminating legal jargon. Confusing return policies lead to dissatisfaction. Transparent policies are essential for building trust (Ogunleye, 2013), and clear communication improves service recovery (Kim, 2007).
4. **Enhance Customer Service Training and Support:** Improve customer service protocols by training staff to handle returns empathetically and efficiently, and use AI chatbots for faster response times. Poor service during returns damages satisfaction. Effective service recovery plays a crucial role in rebuilding customer trust (Chang & Wang, 2012; Jusoh & Ling, 2012).
5. **Leverage Technology to Streamline the Return Experience:** Adopt AI-driven chatbots and automated return tracking systems to provide real-time updates and faster resolutions. Timely, accurate communication is essential for positive service recovery outcomes, and automation can reduce frustration and enhance efficiency (Kim, 2007).

## Conclusion

This study provides important insights into the return process on e-commerce platforms in Bangladesh, highlighting key factors that influence customer satisfaction, trust, and loyalty, such as product discrepancies, refund processing times, return policy transparency, and customer service. Addressing these issues is essential for strengthening customer relationships and ensuring long-term loyalty. E-commerce platforms should focus on improving product descriptions and quality control, automating refund processing to meet customer expectations for faster resolutions, simplifying return policies to enhance transparency, and improving customer service through better training and AI-driven solutions. Implementing these changes is crucial for fostering customer trust and satisfaction, ultimately contributing to the sustained success of e-commerce platforms in Bangladesh's rapidly evolving market.



## Limitations and Future Research

While this study offers valuable insights into customer experiences with returns on e-commerce platforms in Bangladesh, several limitations should be noted. First, the small qualitative interview sample may limit the generalizability of the findings. Expanding the sample in future research could capture more diverse perspectives. Second, the study primarily focuses on customer perspectives; exploring operational challenges, especially in logistics and coordination, would provide a more comprehensive understanding of return processes. Lastly, as the study is country-specific, future research could compare return processes across different regions or countries, and applying advanced statistical methods, such as regression analysis, could further explore the impact of demographic factors on customer satisfaction.

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## Declaration of Interest

The authors declare no conflicts of interest regarding this study. The research was conducted independently, without any external funding or influence that could have affected the results or conclusions.

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