# A STUDY ON CUSTOMER SATISFACTION IN REVERSE LOGISTICS OPERATION WITH SPECIAL REFERENCE WITH AMAZON IN CHENNAI REGION

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**ABSTRACT:**

The purpose of this research is to gather additional information regarding consumer satisfaction with Amazon returns. 128 Amazon customers from Chennai were surveyed about their overall happiness as part of this study using a structured questionnaire. Provide top-notch reverse logistics support. Chennai needs to enhance reverse logistics from the client's standpoint. Reverse logistics is playing a bigger role in the entire industry sector as a result of environmental and financial concerns. The vast majority of logistical networks are not designed to handle goods returned via reverse routes. **Objectives of this study**: a) Collect customer feedback on ease of returns and analyse Amazon's reverse logistics process specifically for Chennai. b) To find the relationship between customer satisfaction and reverse logistics process in amazon. **Scope:** The research study will be applied to the logistics business to better understand how customers feel about reverse logistics. It will also help readers understand how e-commerce is influencing the reverse logistics sector and how it affects customer satisfaction and business performance. **Limitation:** The study was only done in the Chennai area, and the data was collected between January and March 2023**.** The quantitative research method used in this study include **Chi square and correlation analysis.** The group chosen by means of a convenience selection method. To gather data for raw data, the researcher used a **semi-structured and open-ended questionnaire**. **Result:** This study demonstrates how Amazon carefully crafted their return policy to enhance customer pleasure and ultimately increase the company's profits.

**INTRODUCTION:**

Reverse logistics begin at the customer and work their way backward through the supply chain to the producer or the distributor. Reverse logistics can also mean measures where the customer is responsible for the final use of the product, such as recycling, refurbishing or resale.

The biggest internet-based business in the United States is Amazon. Initially an online bookshop, Amazon.com rapidly expanded its offerings include every product. In addition to producing consumer devices, the corporation is a significant supplier of cloud computing

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services and makes products such the kindle, fire tablets, fire tv, and phone. For certain of its items, Amazon also provides international delivery to a few more nations.

Amazon manages reverse logistics by using the same channels. They financially manage by reversing the orders in seller's cost.

These factors greatly contribute to Amazon Logistics' success:

1. Automating and standardising the procedure for each fulfilment and storage centre to reduce the cost of shipping and storage
2. Teaching staff about reverse logistics
3. Making money with Amazon warehouse sales reverse logistics policy, which allows Amazon to resale old products by repairing or refurbishing and repackaging and profit from the unwanted or faulty things

In order to guarantee outstanding service, Amazon standardises the processes of the reverse logistics process and efficiently uses the programme for educating warehouse workers. The return process on Amazon is incredibly straightforward and customer-focused, allowing for simple returns and product pickup at the customer's home. Consumers are not aware of the product's route from the user to the intended source, nevertheless.

For logistics companies looking to gain a competitive advantage, customer satisfaction is crucial because they understand that if they fail to meet consumer expectations, other companies will fill the gap with activities more oriented to meet those expectations.

**OBJECTIVES:**

- To study consumer satisfaction in Amazon's reverse logistics process with a focus on Chennai.
- To learn more about the connection between Amazon's reverse logistics method and customer pleasure.
- To ascertain the connection between customer happiness and updated tracking status throughout the return procedure.

**SCOPE OF THIS STUDY:**

The research study will be used to better understand how customers feel about reverse logistics in the logistics industry. Additionally, it will assist readers comprehend how e-commerce is affecting the reverse logistics industry and how it contributes to consumer satisfaction and financial success.

**LIMITATION:**

The study was exclusively conducted in the Chennai region, and data gathering took place between January 2023 and March 2023.

**REVIEW OF LITRATURE:**

[1] Programs for reverse logistics may potentially affect a customer's behaviour after the sale. Positive return experiences increased the likelihood that customers will do business with the same business again. Research on consumer behaviour online has revealed that people are more inclined to buy goods from businesses with favourable return policies. Customers are more inclined to make a purchase from a business if they believe the business has an accommodating return policy.

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[2] The Indian e-commerce market has expanded significantly in recent years, which has also increased the number of product returns. Studies have shown issues facing the sector, such as inadequate quality of returned goods, excessive administrative expenses, and a lack of customer understanding of return policies. The return procedure may be made more transparent, stronger quality control methods could be put in place, and logistics businesses with experience handling returns might be partnered with. Effective reverse logistics procedures may eventually boost consumer happiness and loyalty, increasing e-commerce businesses' sales and profitability.

[3] Better tracking and tracing systems can increase client satisfaction in reverse logistics procedures. Customers may use this to keep track of the progress of their returned goods and receive timely updates. According to the literature, swift return processing and open contact with clients can boost client loyalty and satisfaction. To achieve this aim, however, might be difficult for businesses due to the intricacy of reverse logistics procedures. The efficiency and customer satisfaction may thus be increased by putting into practice efficient optimization measures, such as employing technology and predictive analytics.

[4] In order to gain a competitive edge in reverse logistics, the study emphasises the need of providing clients with value. The return process may be made more transparent and customers can receive clear information regarding return rules, which is one method to provide value. the significance of prompt and effective return processing, as doing so can boost customer satisfaction and loyalty. By integrating sustainable practises into their reverse logistics operations, businesses, according to the report, may provide value for customers. According to the literature, a competitive advantage may be obtained by reverse logistics only if customers are satisfied, which is a key component. Companies may provide value for customers and increase customer loyalty by streamlining the returns process, making it more transparent and effective, and putting sustainable practises into practise.

[5] According to the survey, creative reverse logistics techniques like simple returns, prompt reimbursements, and open communication boost client happiness and loyalty. According to the survey, businesses should concentrate on creating creative reverse logistics methods to increase customer retention and happiness. Overall, by emphasising the significance of cutting-edge reverse logistics techniques, this study adds to the body of knowledge already available on reverse logistics and consumer satisfaction. It offers information on how businesses may boost client loyalty and happiness by implementing cutting-edge reverse logistics techniques.

[6] Effective reverse logistics procedures may lower costs, boost inventory control, and improve customer happiness for eCommerce businesses. Customer satisfaction and loyalty may be increased by clearly explaining the return procedure to consumers and providing individualised support. Online retailers may use technology to speed up processing times, automate and streamline the returns process, and provide consumers real-time information on their returns. Effective reverse logistics procedures may aid e-commerce businesses in waste

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reduction and environmental sustainability, both of which can increase client happiness and loyalty. Reverse logistics must be used in every aspect of the e-commerce sector. This kind of supply chain provides advantages for the economy and sustained growth.

[7] According to the research paper, to increase customer satisfaction, businesses must modify their reverse logistics procedures to satisfy consumer demands and expectations. To make sure their requirements and expectations are satisfied, consumers should be involved in the process reengineering process and Establish technology in reverse logistics to increase customer satisfaction. In order to increase customer satisfaction and loyalty in reverse logistics, the authors stress the significance of comprehending customers' wants and expectations, including consumers in the process reengineering process, utilising technology, and offering individualised customer care.

[8] By offering clients a more flexible return policy and high-quality remanufactured items, reverse logistics may help businesses lower costs, improve sustainability, and increase customer happiness. Technology may be used by businesses to automate and streamline the returns process, shorten processing times, and give consumers real-time information on their returns. make certain that their remanufactured items are of the highest calibre and satisfy consumer demands. eCommerce businesses must provide clients individualised assistance and prompt solutions to their questions and concerns. The relevance of technology, remanufactured product quality, customer service, and overall customer happiness in boosting customer satisfaction and loyalty in the reverse logistics process.

[9] A flexible and open return policy may boost client confidence and loyalty and provide clients a satisfying purchasing experience. To increase customer satisfaction and loyalty, manufacturers should make sure that their remanufactured items are high-quality and satisfy consumer expectations. To increase customer happiness and confidence, businesses must give consumers clear information about the return's procedure and the quality of refurbished products. Businesses can use technology to automate and simplify the returns process, shorten handling periods, and give consumers real-time updates on their returns.

[10] E-commerce businesses can use technology to speed up working times, simplify and streamline the logistics process, and give consumers real-time information on their purchases. To increase customer happiness and confidence, e-commerce businesses must give consumers precise information about the transportation process, including delivery dates, shipment costs, and monitoring details. To increase customer satisfaction and loyalty, e-commerce businesses must offer consumers individualised assistance and quick answers to their questions and concerns.

[11] Customers' confidence and loyalty can be increased by offering high-quality refurbished goods, a flexible and open return policy, and a pleasant purchasing experience. To increase customer happiness and loyalty, businesses must make sure their refurbished goods are of

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high quality and satisfy customer standards. To increase client satisfaction and loyalty, provide customers with personalised assistance and prompt answers to their questions and concerns. Companies can add value to their customers by designing goods that specifically cater to their needs and tastes and by allowing for customization.

[12] The effectiveness of the returns process, which in turn impacts consumer happiness, can be influenced by the design, usefulness, and speed of an e-commerce website. The article emphasises the significance of the design, usefulness, and performance of an e-commerce website in streamlining the returns procedure and enhancing reverse logistics efficiency. E-commerce businesses can increase client happiness by enhancing the appearance, usability, and usefulness of their website in order to simplify the returns procedure.

## RESEARCH GAP:

Reverse logistics for customer satisfaction is the subject of many articles. A common concept of reverse logistics is contained in those papers, but not just for amazon. Due to this, my paper exclusively restricts the customer satisfaction in reverse logistics in amazon.

## RESEARCH METHODOLOGY:

The quantitative research method used in this study includes using a structured questionnaire to gather data. A selection of college students and friends in the Chennai area who had purchased items from Amazon received the questionnaire. the group chosen by means of a convenience selection method. To gather data for raw data, the researcher used a semi-structured and open-ended questionnaire. Chi square, correlation analysis, and weighted average analysis were all used to examine the data that was gathered. In this paper, both primary and secondary data were used.

## DATA ANALYSIS:

**RP -** The return process meets your expectations in terms of convenience and easy to apply.

**DF -** There is no difficulties faced while returning the product(s).

**TS -** How satisfied were you with the tracking status throughout the return process?

**RS -** On the whole, how satisfied are you with the return process of amazon?

## Chi square test 1:

| Value | Value | DF | Asymptotic Significance (2- sided) |
|---|---|---|---|
| Pearson Chi-Square | 31.100a | 16 | .013 |
| Likelihood Ratio | 25.473 | 16 | .062 |
| Linear-by-Linear Association | 2.974 | 1 | .085 |
| N of Valid Cases | 79 | | |

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$H_o$: there is no significant relationship between the return process lived up to your expectations in terms of practicality and application ease, and how satisfied are you overall with Amazon's return policy.

The chi square value is the significant Pearson Chi-Square (P) value is discovered to be 0.013<0.05, leading to the conclusion that the null hypothesis is rejected.

Therefore, it is deduced that there is a relationship between how satisfied you are with Amazon's return policy and if the easiness and simplicity of return process.

**Chi-Square Tests 2**

| Value | | DF | Asymptotic Significance (2-sided) |
|---|---|---|---|
| Pearson Chi-Square | $46.460^a$ | 16 | <.001 |
| Likelihood Ratio | 36.346 | 16 | .003 |
| Linear-by-Linear Association | 16.945 | 1 | <.001 |
| N of Valid Cases | 79 | | |

    a.  21 cells (84.0%) have expected count less than 5. The minimum expected count is .11.

$H_o$: there is no significant relationship between It is not difficult to return the product and how satisfied are you overall with Amazon's return policy.

The chi square value is seen to be $46.460^a$ in the preceding table, and the significant P value is discovered to be 0.001<0.05, leading to the conclusion that the null hypothesis is rejected.

As a result, it is inferred that there is a relationship between It is not difficult to return the product and how satisfied are you overall with Amazon's return policy.

**Chi-Square Tests 3**

| Value | | DF | Asymptotic Significance (2-sided) |
|---|---|---|---|
| Pearson Chi-Square | $86.737^a$ | 16 | <.001 |
| Likelihood Ratio | 78.413 | 16 | <.001 |
| Linear-by-Linear Association | 19.397 | 1 | <.001 |
| N of Valid Cases | 79 | | |

    a.  20 cells (80.0%) have expected count less than 5. The minimumexpected count is .19.

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*Section A -Research paper*

$H_o$: there is no significant relationship between How pleased were you with the tracking status during the return procedure and overall, how satisfied are you with Amazon's return process, are related.

The chi square value is seen to be 86.737[a] in the preceding table, and the significant P value is discovered to be 0.001<0.05, leading to the conclusion that the null hypothesis is rejected.

As a result, it can be inferred that the two variables, how pleased were you with the tracking status during the return procedure and overall, how satisfied are you with Amazon's return process, are related.

**Correlations:**

| | | DF | RS |
|---|---|---|---|
| DF | Pearson Correlation | 1 | .466[**] |
| | Sig. (2-tailed) | | <.001 |
| | N | 128 | 79 |
| RS | Pearson Correlation | .466[**] | 1 |
| | Sig. (2-tailed) | <.001 | |
| | N | 79 | 79 |

**. Correlation is significant at the 0.01 level (2- tailed).

The aforementioned data shows that there are no challenges encountered when returning the product, and Overall and how satisfied are you with Amazon's return process? There is a statistically significant linear relationship between the two variables (r= 0.466, p0.001), indicating a positive correlation between the two variables. As a result, it was determined that customers were happy with Amazon's reverse logistics service.

**Findings:**

With particular reference to Amazon in the Chennai region, the researchers made an effort to examine consumer satisfaction in reverse logistics operations. To understand consumer satisfaction in reverse logistics, several variables and aspects relating to Amazon's reverse logistics operation were gathered using a questionnaire. To uncover the depth of the study, various tests utilising statistical tools were run, including correlation and chi-square analysis.

**I. Chi square analysis results:**

There is no significant correlation between the following variables: a) The return process complied with your expectations in terms of usefulness and application ease, and you are generally happy with Amazon's return policy. b) How easy is it to return the item, and how happy are you with Amazon's return policies overall. c) There is a correlation between your level of satisfaction with the tracking information provided during the return process and your overall opinion of Amazon's return policy.

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## II. Correlation result:

The correlation showed a strong association between the variables, no difficulties were encountered when returning the item, and overall customer satisfaction with Amazon's return policy.

## Conclusion:

The study was conducted to more precisely assess customer satisfaction with Amazon's reverse logistics service. According to the poll, the rise of online shopping platforms has coincided with an increase in product returns. According to the study, whether or not Amazon's return policy met expectations for utility and application simplicity was related to overall satisfaction with it. The study implied a link between overall general happiness with Amazon's return policy and how simple it is to return the item. Being satisfied with the tracking details supplied during the return procedure as well as your overall opinion of Amazon's return policy are consequently linked. As a result, it was found that customers were happy with Amazon's reverse logistics service. This study shows how Amazon's return policy is thoughtfully created to maximise customer satisfaction and eventually boost the company's earnings.

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