

Point of No Return: Consumer Experiences Returning Online Purchases

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EXECUTIVE SUMMARY

Canadian consumers are taking to electronic commerce and spending more shopping online. The growing popularity of online shopping prompts responsibility on the part of online businesses to ensure that consumers trust the online purchase process. The return policy is one token of consumer trust for online transactions, given the distance between the consumer and the retailer and the inability of the consumer to inspect the product in person. This report examines consumers' experiences with returns for online purchases and their right to return.

PIAC engaged a survey firm to conduct an online survey with Canadian consumers regarding online purchases and returns. One notable finding was that 89% of respondents stated that when deciding whether or not to purchase a product online, the right to return was very important or somewhat important. Popular reasons why consumers return products purchased online include: the product did not match expectations; the product contained a defect; the consumer did not like the product; the product sent was wrong. Respondents who were not successful in returning their product named three main reasons for their frustration: the cost of shipping was not worth returning the product; they could not contact the company; or the retailer had a policy of not accepting returns.

In addition, PIAC purchased and returned products from 15 North American retailers – 12 Canadian and 3 American – to test the online return process. PIAC's experience revealed very divergent retailer policies and practices for returns. Retailers did not always follow their own return policy, though where practice diverged from policy, PIAC found that the practice was beneficial to consumers. Retailers had varying return periods and retailers used very inconsistent ways to calculate the period for returns, such as calculations beginning on the date of purchase, date of invoice, date when the order was shipped, date of delivery, or date of receipt of the order. On average, it took retailers an average of 15 days to provide the refund to PIAC after the return arrived.

In most cases, shipping and handling fees were deducted from the refund. The consumer was often expected to pay for shipping to return the good back to the retailer. Where PIAC had original shipping costs deducted from the refund and paid for return shipping costs, PIAC incurred a total cost ranging from \$15 to \$32 to return the product. Given that PIAC's total purchase amount from these retailers ranged from \$40 to \$105, the cost to return the product represents a surprising percentage of the total purchase amount and may dissuade consumers from purchasing more items online. Consumers must be careful to check that the refund total is correct. In three cases, PIAC contacted the retailer because the refund was not been calculated correctly.

A review of Canadian consumer protection law showed that consumers have the right to return in limited circumstances, such as in cases where the retailer has engaged in false or misleading practices with respect to a material representation or description of the goods; where the goods do not match description provided in a contractual agreement; or where the goods are not of merchantable quality. Canadian consumers do not have comprehensive legal protection for a right to return products purchased online. A review of Australian and American law showed similar legal protection for consumers' right to return. Thus, the right to return an online purchase in these countries relies primarily on the business practices of the online retailer.

The European Union recently passed a Consumer Rights Directive and PIAC recommends that Canadian provinces consider adopting similar legislation providing an unequivocal right of return

for all online purchases. In addition to an unequivocal right to return online purchases, the EU Consumer Rights Directive requires that consumers be allowed to return a product for a minimum of 14 days after they obtain physical possession of the goods. The retailer is also required to reimburse shipping costs incurred by the consumer and the retailer must refund the consumer within 14 days of receiving the return or receiving proof that the consumer has shipped the product back to the retailer, whichever comes first. The EU Consumer Rights Directive also stipulates that if the consumers' right to return is not stipulated in a clear and comprehensible manner before the contract is finalized, the period during which the consumer has the right to return may be extended. Similarly, if the retailer does not fully disclose costs associated with the return, the consumer does not have to pay for these undisclosed costs.

PIAC concludes the report by recommending several consumer-friendly business practices that should be implemented by online businesses for online returns. These practices include:

- allowing consumers to return purchases made online and minimizing limitations upon the types of products that cannot be returned;
- making return policies easy to find on their websites and using plain language to describe policies, avoiding overly lengthy or wordy return policies;
- clearly stipulating in the return policies the period for return;
- using the most consumer-friendly way to calculate the return period, that is, starting on the day on which the consumer gains physical possession of the good;
- allowing for a return period of at least 14 days from the day on which the consumer gains physical possession of the good;
- a clear explanation regarding how long it takes to receive a refund from the retailer;
- providing easy and quick ways to return the goods, such as including a pre-paid return shipping label included in the package;
- communicating with the customer via a phone call or email to confirm receipt of the returned product;
- communicating with the customer via a phone call or email when the refund has been processed;
- providing written confirmation in a durable format such as via email of the total amount refunded and the breakdown of how this amount was calculated;
- reimbursement of the least expensive original shipping & handling costs;
- processing the consumer's refund without delay;
- clearly stating whether the consumer is expected to bear the cost of returning the item, and if so, what the expected return shipping cost would be for bulky items.

PIAC offers the following tips for consumers when returning online purchases:

- Before purchasing an item online, carefully review the retailer's return policy.
 - Check to make sure you can return your purchase. Retailers often stipulate limitations on what you are able to return (e.g. cannot return customized products, software purchases, or items bought on final sale).
 - Check to see how the retailer expects you to return your order – can you simply ship the item back to the retailer, or are you expected to visit a store location to complete your return?
 - Look specifically for information regarding the period of return, paying close attention to how the period is calculated (e.g. from the date of shipment, from the date of delivery, from the date when you receive the goods).

- Check if the retailer will refund the original shipping & handling amount.
 - Check to see if you are required to pay for return shipping costs.
- Follow the instructions for returns carefully. You may need to contact the retailer for pre-authorization to return the product. If you are returning an order from a retailer located outside of Canada, you may need to ship the product to a third party agent located in Canada to handle the return on your behalf.
- Include a copy of your invoice in the package for return, as well as any other information that the retailer may require.
- If you are required to pay for the return shipping costs, consider purchasing insurance for the package in case of damage or loss.
- Communicate with the company to ensure that they have received the return package. You may be able to track delivery of the package through your chosen shipping method. You may wish to inquire how long it will take the retailer to process the refund.
- When your refund is processed, check to make sure the retailer has calculated the refund correctly. Check to make sure you have been refunded for all returned items, taxes, and duties (if your order is international). If you have any questions, contact the retailer.

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1. INTRODUCTION

With the growth of electronic commerce comes not only the potential for an overall increase in the number of product purchases online but also an overall increase in the number of product returns. The principal reason behind the desire to examine experiences of online purchases and returns from the consumer perspective arises from a marked popularity of electronic commerce in Canada where, as Statistics Canada reports, an increasing number of consumers purchase goods online.¹ It is the growth and popularity of online shopping that prompts responsibility on the part of online businesses to ensure that customers trust the online purchase process.

Generating consumer trust can be a challenging task for a business. Academic research indicates that consumer trust in e-commerce is dependent upon the ability of an online business to provide a consumer-friendly level of customer care.² Without proper customer care, it is less likely that trust can be generated within the consumer. Lack of trust can also negatively impact the online business' ability to gain economic benefit because customers would hesitate to become parties to such contractual agreements.³ The return policy is one token of consumer trust for online transactions.

This study examines consumers' growing use of electronic commerce to order real world goods via online methods and the problems consumers may encounter when they want to return a product. The purpose of this study is to analyze consumers' experience with online purchases and returns of goods, focusing on limitations and restrictions in return policies from a consumer perspective. The study also identifies legal protections that exist for consumers who engage in online purchases and returns with companies located in Canada and abroad. The study does not cover consumer-to-consumer purchases and returns, as its primary concern is regarding electronic contractual relationships between consumers and businesses.

¹ Statistics Canada, "E-Commerce: Shopping on the Internet" (2009), online: <http://www.statcan.gc.ca/daily-quotidien/100927/dq100927a-eng.htm>.

² Mahmud Akhter Shareef et al., "Role of Different Electronic Commerce (EC) Quality Factors on Purchase Decision: A Developing Country Perspective" (2008) 9 Journal of Electronic Commerce Research 2, online: <http://www.csulb.edu/journals/jecr/issues/20082/paper2.pdf> at 96 [Shareef].

³ *Ibid.*

2. METHODOLOGY

PIAC engaged a survey firm to conduct an online survey that asked eleven questions to a sample of 1000 adult residents of Canada regarding online purchases. In addition to the general question about the number of times they purchased online goods from the retailer, the survey asked ten questions specifically addressing the issue of online returns.

PIAC conducted sample online purchases and product returns. Specifically, PIAC selected fifteen retailers - twelve based in Canada and three based in the United States - in order to examine their online return policies and practices. PIAC analyzed these retailers' return policies to determine the return process and limitations on customer returns. PIAC ensured that the retailers' policies allowed for online returns, that is, returns that did not require the consumer to enter a physical store. Upon purchasing products from each retailer, PIAC returned products in accordance with each retailer's return policies.

PIAC, for the purpose of this study, also contacted the Retail Council of Canada regarding this study to ask for their views on the issue of online returns. Unfortunately, the Retail Council of Canada did not respond.

The study also explores what legal protections Canadian consumers have in exercising their right to return goods online. The study analyzed both federal and provincial laws applicable in Canada. In addition to examining applicable Canadian law, PIAC analyzed foreign laws with respect to online purchases and returns to understand how consumers' rights of purchases and returns are protected in other jurisdictions, such as in the European Union, Australia, and the United States.

3. THE CONSUMER INTEREST IN ONLINE RETURNS

a) The Growth of Electronic Commerce in Canada

The popularity of e-commerce in Canada is evident. The most recent data by Statistics Canada shows that “the value of online shopping grew 62 per cent in Canada between 2005 and 2007” despite the drop in the average value per purchase.⁴ In 2009, Canadians made use of the Internet to order goods and services that were cumulatively valued at \$15.1 billion, which increased from \$12.8 billion in 2007.

Statistics Canada indicates that the surge in popularity of e-commerce results from the presence of more online shoppers which, subsequently, leads to a higher volume of orders. In 2009, approximately 39% of Canadians age 16 years and over made more than 95 million orders over the Internet, which increased from 70 million orders that were placed in 2007 (32% increase within two years).⁵ The top 25% of Canadian online shoppers spent an average of \$4,210 on online purchases during 2009 and they accounted for 49% “of total orders and over three-quarters (79%) of their value.”⁶

eMarketer estimated that in 2010, Canadian consumers spent \$16.5 billion on online purchases of goods and services⁷. It is predicted that by 2015, that amount “will nearly double, reaching CAD [\$]30.9 billion.”⁸ Online consumers in Canada have diversified their purchases “beyond travel services, books and event tickets to home electronics, apparel, luxury items and even bulky packaged goods like diapers.”⁹

⁴ Mark Katz, “E-commerce and the virtual shopaholic” Lawyers Weekly (4 June 2010) <http://www.lawyersweekly.ca/index.php?section=article&articleid=1181>. See also Statistics Canada, “E-Commerce: Shopping on the Internet” (2009), online: <http://www.statcan.gc.ca/daily-quotidien/100927/dq100927a-eng.htm>.

⁵ The findings of Statistics Canada, *ibid.*, also indicated that 51% of Canadians between the ages of 16 and 34 purchased online in 2009. It was also found that men (42%) are more likely than women (37%) to make online purchases. Statistics Canada found that in 2009, more residents from British Columbia (47%) and Alberta (45%) made online orders. See also Brian Morton, “B.C. leads nation in Internet sales: Statistics Canada” Vancouver Sun (17 May 2011), online:

<http://www.vancouversun.com/business/leads+nation+Internet+sales+Statistics+Canada/3586357/story.html>.

⁶ *Ibid.*

⁷ eMarketer, “Canada Retail Ecommerce Forecast: Measured Growth Ahead” (February 2011), online: http://www.emarketer.com/Report.aspx?code=emarketer_2000767.

⁸ *Ibid.*

⁹ eMarketer, “US Retailers Help Boost Canadian Ecommerce” (23 February 2011), online: [http://www.emarketer.com/\(S/ayirtgqf0am5feb1ltozp445\)/Article.aspx?R=1008246](http://www.emarketer.com/(S/ayirtgqf0am5feb1ltozp445)/Article.aspx?R=1008246).

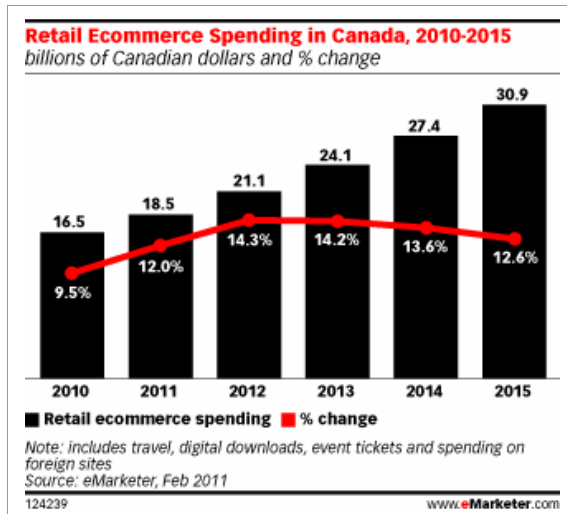


Figure 1: Projection of Retail E-commerce Spending in Canada, 2010-2015¹⁰

Undoubtedly, the aforementioned findings by Statistics Canada and eMarketer clearly demonstrate that popularity of e-commerce among Canadians is on the rise. Certainly, this rise should be closely taken into account by online businesses as evident preference for electronic transactions brings with it an enormous responsibility for online businesses in ensuring that interests of online consumers are met in an effective manner.

b) The Issue of Online Returns

i. The return policy as a token of trust

The popularity of online shopping enhances an obligation to develop effective customer care to garner consumer trust

To effectively meet the interests of online consumers, online businesses must enhance and maintain the trust of consumers in the proper workings of e-commerce. A simple but helpful definition of consumer trust is: “a virtual or psychological phenomenon [which] is comprised of how the customer perceives trustworthiness on the [electronic commerce] operations.”¹¹

With the absence of physical contact between an online business and consumer, generating trust within the customer becomes even more challenging due to lack of direct control over what the consumer feels about a particular business and its offerings. This is why the absence of physical contact between a consumer and online business imposes an additional burden upon the latter to ensure that trust is generated and maintained in a way that the consumer feels confident in engaging in electronic transactions with them.

Indeed, lack of trust has been considered by academic scholars “as one of the most formidable barriers to people engaging in e-commerce use.”¹² It is also important to note that lack of trust in

¹⁰ eMarketer, “Canada Retail Ecommerce Forecast: Measured Growth Ahead” (February 2011), online: http://www.emarketer.com/Report.aspx?code=emarketer_2000767.

¹¹ Shareef at 94.

¹² Mohd Sazili Shahibi & Zaitun Abu Bakar, “E-commerce Interaction and The Elements of Trust” (2010) 1 Business Management Quarterly Review 4, online: http://eprints.ptar.uitm.edu.my/874/1/Page_1_-_7_Vol.1_No.4_2010.pdf at 1 [Shahibi & Bakar].

the workings of an online business is not an ephemeral feeling that would pass in the future for the consumer. On the contrary, it has been argued that lack of trust constitutes the “most significant long-term barrier for e-commerce.”¹³

Research shows that a consumer’s trust in e-commerce goes hand in hand with the ability of an online business to meet a consumer-friendly level of *customer care*.¹⁴ In other words, without existence of proper customer care, generating trust would be a futile effort on the part of an online business.

Academic studies show that the consumer’s perception of customer care takes effect before he decides whether or not to purchase a product online. This is because the consumer often spends “much effort on pre-purchase evaluation” of the online business.¹⁵ If, prior to the purchase, his perceptions from analyzing the website suggest that his electronic transaction with the business, starting from pre-purchase and ending with post-purchase, might not garner proper care, his decision to purchase from that online business “might be influenced negatively.”¹⁶ Thus, if customer care is not met while the consumer is evaluating the purchase, the online business runs the risk of losing significant economic benefits that would have been enjoyed if customers were drawn to their online offerings and the way they are provided for consumers.

Fortunately, meeting an appropriate level of customer care that would generate trust is a manageable task for online businesses. Academic studies and surveys in the area of e-commerce indicate that customer care is comprised of several crucial elements, which include “trustful and reliable”:

- ❖ Offers on goods and services;
- ❖ Handling of consumers’ provided information;
- ❖ Delivery (i.e. on time delivery);
- ❖ Compensation (e.g. in case the good was accompanied by latent defect);
- ❖ Return policy (i.e. easy returns for consumers);
- ❖ Problem solving mechanism (e.g. in case issues arose with respect to processing or returning the order);
- ❖ Customer service policy (e.g. responsive, knowledgeable, and patient customer service staff).¹⁷

The aforementioned non-exhaustive list, which helps understand what is entailed in meeting an effective level of customer care, includes an element of consumer-friendly return policy. Since this study focuses on online return policies of goods, it is important to explore the role of this element of customer care in generating consumer trust in a greater detail.

The online return policy as a generator of consumer trust

The importance of the online return policy as a generator of trust in e-commerce interactions was examined in the survey conducted in Bangladesh among 700 students, most of whom were “studying in two of the leading universities.”¹⁸ The survey interviewed students purposefully,

¹³ *Ibid.*

¹⁴ Shareef at 96.

¹⁵ *Ibid.*

¹⁶ *Ibid.*

¹⁷ *Ibid.*

¹⁸ *Ibid.* at 99.

since, as a developing country, students constitute a segment of population that has “more access to the Internet than other consumers” and thus, are likely to be online shoppers.¹⁹ The respondents included those who had purchased online goods and services in the past and those who did not but who browsed the Internet to look at online stores. The cumulative findings showed that the element of easy return was considered to be the second most important element of customer care, after provision of truthful information on offerings.²⁰

Another survey focusing on the subject of customer care was conducted by academic researchers at the entire Selangor state government office, which asked Information System Personnel about their opinion on the level of importance of a number of elements of trust in e-commerce.²¹ 69.4% of the respondents thought of the return policy “as [a] significant and a core trust element in e-commerce applications.”²² Specifically, 18.2% “agreed” and 51.2% “strongly agreed” with the significance of the return policy in e-commerce.²³

Findings of the two surveys confirm that consumers consider the return policy to be an important element of customer care, which generates trust with e-commerce retailers. The availability of the return policy is very likely to influence consumer online purchasing behavior.

ii. Are online return policies hampering growth in electronic commerce?

Clearly, ensuring that the return policy of an online business accommodates the consumer interest helps with development and, subsequently, maintenance of consumer trust. As was described before, maintenance of consumer trust helps online businesses reap economic benefits due to the willingness of consumers to enter in electronic transactions with them. Thus, it would be fair to state that absence of consumer-friendly return policies has the potential to affect and even hamper the growth of electronic commerce.

A survey conducted by PricewaterhouseCoopers in 2000 examined how an inadequate return policy affects the purchasing habits of consumers. The survey revealed that few shoppers return items purchased online.²⁴ When further probed, the survey found that many more consumers would return if they were not discouraged “by the expense and hassle of the process.”²⁵ Specifically, the survey revealed that merely 4% of online purchasers returned “their most recent online purchase,” whereas 41% of online shoppers have actually wished to return a product purchased online but refrained from doing it as they found the process of returning online purchases to be “too much of a hassle”.²⁶

PricewaterhouseCoopers notes that from an online businesses’ perspective, low return rates are desirable. Nevertheless, it is important to keep in mind that complicated and pricey return policies affect customer satisfaction negatively. Thus, they carry the risk of discouraging

¹⁹ *Ibid.*

²⁰ *Ibid.* at 103.

²¹ Shahiri & Bakar at 3.

²² *Ibid.* at 1.

²³ *Ibid.* at 4.

²⁴ Michael Pastore, “The Deal with Online Returns” ClickZ (3 August 2000), online:

<http://www.clickz.com/clickz/stats/1694868/the-deal-online-returns>. The PricewaterhouseCoopers E-Retail Intelligence System surveyed 500 Internet users with respect to “online shopping behavior and attitudes and Internet usage.” The survey took place from June 28 to July 8, 2000. Most of survey respondents accessed the Internet “at least weekly for non-business use.”

²⁵ *Ibid.*

²⁶ *Ibid.*

consumers from shopping at online businesses with unsatisfactory return policy and overall, making consumers cautious when they shop online.

The survey findings led PricewaterhouseCoopers to conclude: “in order to enhance customer satisfaction with the return process, online retailers should aim to make the process cheaper and quicker/easier for the online shopper.”²⁷ When asked to identify the three biggest problems associated with returning online purchases, two-thirds of online users cited the obligation to pay for return postage. Nearly half of respondents pointed out that “returning an online purchase requires a trip to the post office, UPS, or FedEx pick-up location.”²⁸ The third biggest problem was the inability to return products to a store.

Another reason why consumers may hesitate to return products purchased online is because they are unaware of their legal right to return goods. Such unawareness was found in a recent United Kingdom government survey.²⁹ Even though online purchases account for 10% of total retail sales in the UK, 60% of those surveyed were less likely to return goods purchased online compared to goods purchased in a “brick and mortar” store. Those surveyed also expressed their ignorance and confusion with respect to their legal rights regarding refunds of purchases made online as well as those made at a store. Particularly, they did not realize that as online purchasers, they have the right to a seven-day cooling off period.³⁰

Confusion and lack of knowledge of consumers’ legal rights may not have been so lacking as indicated in survey findings had online businesses provided this information on consumers’ rights together with their return policies. Description of the right of return would have decreased consumer confusion and ignorance when shopping online and thus, would have contributed to electronic transactions where consumer trust is enhanced and consumers realize that their interests are taken into account by the online business. Such behavior on the part of businesses is very likely to reduce barriers and encourage more online shopping.

Finally, it should be noted that among those surveyed by Pricewaterhouse Coopers that did return online purchases, the main reason for the return was because the product was not what they expected.³¹ One of the principal reasons why the product may not meet the consumer’s expectations may be due to a lack of clear and comprehensive product information provided by the online business. The unavoidable nature of online shopping is that the consumer cannot inspect the product in person. If the online business fails to provide information on product specification, at least providing a quick, cheap and easy return policy would somewhat alleviate concerns of consumers that their interests are treated with indifference. However, the failure of delivering realistic, accurate, and comprehensive product information coupled with creating obstacles for consumers in returning products that do not meet their expectations in an easy and convenient manner further validates the statement that the potential for e-commerce growth may be hampered by return policies that are not consumer-friendly, which is disadvantageous for both parties to an electronic contractual agreement.

²⁷ *Ibid.*

²⁸ *Ibid.*

²⁹ Rebecca Smithers, “Consumers ‘unaware’ of right to return online goods,” *The Guardian* (9 March 2010), online: <http://www.guardian.co.uk/money/2010/mar/09/consumers-right-to-return-online-goods>.

³⁰ *Ibid.*

³¹ Michael Pastore, “The Deal with Online Returns” ClickZ (3 August 2000), online: <http://www.clickz.com/clickz/stats/1694868/the-deal-online-returns>.

c) PIAC's Consumer Survey

i. Methodology of PIAC survey

For the purpose of this study, PIAC engaged survey firm Environics to conduct an online survey that asked eleven questions among a national sample of 1000 adults 18 years and older, residing in Canada. The survey was administered to consumers of all demographics: employed, self-employed, unemployed and retired; with various levels of income and education; from all Canadian regions; and English and French speaking. The survey was conducted as part of the Research House National Online Omnibus Survey during the period of January 10 to January 18, 2011.

It should be noted that due to rounding or multiple responses, percentages may not add to 100%. Environics stated that significance testing was done to the 95% confidence level. One limitation of the survey is that statistical tests become less reliable when the sample sizes are small.

Environics ensured that the survey was conducted among a national sample constituted "the best representation of the online population" and multiple quality checks were made "to ensure high respondent quality."³² Panellists were recruited through thousands of websites, with an approach designed to optimize the probability that the panel reflected the overall composition of the segment of the online population. Environics noted that the probability achieved was close to 70%. Panellists are recruited from a variety of sources with multiple quality checks to ensure high respondent quality. Respondents for this survey were selected from among those who have registered to participate in Environics' online surveys and polls. The data have been weighted to reflect the demographic composition of the adult Canadian population. Because the sample is based on those who initially self-selected for participation in the *online* panel rather than a probability sample, no estimates of sampling error can be calculated. All sample surveys and polls may be subject to multiple sources of error, including, but not limited to sampling error, coverage error, and measurement error.

PIAC decided, in consultation with Environics, that an online survey was preferable to the traditional telephone survey for this topic. Specifically, a phone survey may be less reflective of the entire population given the prevalence of cell phones. As well, the topic of online purchase and return behaviours lends itself well to an online survey.

ii. PIAC survey findings

The first question asked participants to specify the number of times that they purchased any products online from a retailer within the past year. Out of 1000 people, the majority (63% of respondents) stated that they purchased at least one item online in the past year.³³

³² Methodology Report by Environics for PIAC.

³³ The breakdown of the percentages of those that purchased any items in the past year from an online retailer is the following:

- 11% of respondents made two purchases online
- 10% of respondents made three purchases online
- 9% of respondents made five purchases online
- 9% of respondents made one purchase online
- 8% of respondents made ten to fifteen purchases online
- 7% of respondents made six to nine purchases online
- 6% of respondents made four purchases online
- 2% of respondents made sixteen to twenty purchases online
- 1% of respondents made twenty one or more purchases online
- 36% of respondents did not purchase any items online in the past year.

It is important to point out that the rest of the questions were asked only to consumers who specified that they had purchased goods online within the past year. This subsample consisted of 635 individuals.

The second question asked participants who had purchased goods online within the last year whether they always, sometimes, rarely or never read the retailer's return policy prior to purchasing a product online. The majority (76% of respondents) of the surveyed population responded that they always or sometimes read the retailer's policy before purchasing a product online.³⁴ Only 18% of respondents stated that they rarely read the policy and merely 5% stated that they never did.

The third question asked participants who had purchased goods online within the last year to gauge how important it is to them that the retailer accepts returns and exchanges when they decide whether or not to purchase a product online. The vast majority (89% of respondents) stated that this factor is "very important" or "somewhat important" when deciding whether or not to make online purchases.³⁵ Only 10% and only 1% of participants responded that it was "not very important" or "not at all important", respectively.

The fourth question asked participants who had purchased goods online within the last year if they ever returned or wanted to return products purchased online. The majority (63% of respondents) stated that they did not return or did not want to return products purchased online. The remaining respondents, constituting 37% of the surveyed population, answered that they did.

The remaining survey questions were asked to the subsample of participants that stated that they had previously returned or wanted to return a product that they purchased online. This subsample consisted of 238 individuals.

The fifth question asked to the subsample of participants was posed as follows: "The last time you returned or wanted to return a product you bought online, what was the approximate price of the product?" The most popular answer to this question was \$25 to \$49.99, followed by \$50 to \$99.99.³⁶ Very few respondents stated that they returned or wanted to return a product purchased online that cost less than \$10 or where the price of the products exceeded \$200.³⁷ Some respondents stated that they returned or wanted to return a product in the price range of \$10 to \$24.99 and \$100 to \$199.99.³⁸

³⁴ 37% of respondents stated that they always read the retailer's online return policy prior to purchasing a product. 39% of respondents stated that they sometimes read the policy.

³⁵ 55% of respondents, constituting the majority of the surveyed population, stated that the availability of returns and exchanges by the online retailer was a "very important" factor in deciding whether or not to buy a product online while 34% stated that it was "somewhat important."

³⁶ 32% of subsample respondents stated that they returned or wanted to return a product in the \$25 to \$49.99 price range, while 29% returned or wanted to return a product in the \$50 to \$99.99 price range.

³⁷ Specifically, 1% of subsample respondents stated that they returned or wanted to return a product that cost less than \$10. 5% of subsample respondents stated that they returned or wanted to return a product in the price range of \$200 to \$499.99, while 1% stated that they returned or wanted to return a product in the price range of \$500 to \$999.99, and the remaining 1% stated that they returned or wanted to return a product in the price range of \$1000 or more.

³⁸ 13% of subsample respondents stated that they returned or wanted to return a product in the price range of \$10 to \$24.99. 18% of subsample respondents stated that they returned or wanted to return a product in the price range of \$100 to \$199.99.

The sixth question asked the subsample to specify reasons why the consumer had ever returned or wanted to return any products purchased online. Respondents to this question were asked to select all applicable reasons. The most popular reasons were that the product was not what they expected, followed by a product defect.³⁹ Many of the respondents stated that they returned or wanted to return because they did not like the product.⁴⁰ Some respondents stated that their reason for return or desire to return the product was because the product was wrong.⁴¹ Some other reasons specified by respondents were that the product had been damaged from shipping, the product was delivered later than expected, they no longer wanted the product, or it was a gift return.⁴²

The seventh question asked subsample respondents to describe their experience with returning a product purchased online. The consumer was provided with the three descriptions of which they were to pick one: “I successfully returned the product by mail/courier”; “I successfully returned the product in-person to a retail outlet or store”; or “I was unsuccessful in trying to return the product.” The majority stated that they were successful in returning the product by mail/courier or to a retail store.⁴³ Only 17% or 40 respondents stated that they were unsuccessful in trying to return the product.⁴⁴

The eighth question asked the 40 respondents that were unsuccessful in returning the product for the reason behind the unsuccessful return.⁴⁵ The most popular answer, selected by 18 respondents (45%), was that the cost of shipping was not worth returning the product. The next most popular reason selected by 10 respondents (25%) was that they could not contact the company. Seven respondents (18%) stated that the retailer’s policy of not accepting returns, refunds, exchanges or credit was the reason behind the consumer’s failure to return the product. Three respondents (8%) stated that the reason for their unsuccessful return was that the retailer did not accept returns of opened products.⁴⁶ Two respondents (5%) stated that unsuccessful return of the product was because the company did not give them enough time to return the product.

The ninth question asked the subsample of respondents that were successful in returning the product purchased online about whether the return process was “very easy,” “somewhat easy,” “somewhat difficult,” and “very difficult.” This subsample consisted of 198 people. Half of the respondents stated that the return was “very easy” and 44% of respondents selected

³⁹ 43% of subsample respondents stated that they returned or wanted to return the product because the product was not what they expected. 26% of subsample respondents stated that they returned or wanted to return the product due to a product defect.

⁴⁰ 16% of subsample respondents stated that they returned or wanted to return the product because they did not like the product.

⁴¹ 13 % of subsample respondents stated that they returned or wanted to return the product because the wrong product was delivered. 11% of respondents stated that they returned or wanted to return the product because the product was the wrong size.

⁴² 10% of subsample respondents stated that the product was damaged from shipping. 6% of subsample respondents stated that the product was delivered later than expected. 6% of subsample respondents stated that they no longer wanted the product. 3% of subsample respondents stated that the return was a gift return.

⁴³ 51% of subsample respondents stated that they were successful in returning the product by mail/courier, followed by 32% of subsample respondents who stated that they successfully returned the product in person to a retailer outlet or store.

⁴⁴ 17% of subsample respondents stated that they were unsuccessful in trying to return the product.

⁴⁵ One should note that due to the small sample size, there are limitations to the conclusions that one can draw from this data.

⁴⁶ 8% of respondents (3 individuals) stated that the retailer did not accept returns of opened products.

“somewhat easy.” Very few answered that their experience was “somewhat difficult.”⁴⁷ Only 1% of the surveyed group replied that it was “very difficult” to return the product.⁴⁸

The subsequent two questions were asked to those who have returned or wanted to return a product that they purchased online and, as it was mentioned before, this subsample consisted of 238 individuals. The tenth question asked this subsample to identify whether they had any of the difficulties or problems when wanting to return a product purchased online. Respondents could select all responses applicable to their experience, and the list of options is presented below:

1. Company did not reimburse for shipping to return product;
2. Could not return product in-store;
3. Extra fees that I did not expect deducted from refund;
4. Took too long to get refund or credit;
5. Could not get a full refund;
6. Could not contact company;
7. Customs and brokerage fees;
8. Difficult to understand online return policy;
9. Difficulty securing pre-authorization from company;
10. Other;
11. No problems/none.

20% of respondents in this subgroup stated that they did not have problems or difficulties returning the product. The most frequently selected problem was that the company did not reimburse for shipping to return the product.⁴⁹ The second most selected answer among the subsample was consumer’s inability to return the product in the store.⁵⁰ The third most selected answer was extra fees that the consumer did not expect to be deducted from the refund.⁵¹ The fourth most selected answer was that it took too long for the consumer to get their refund or credit.⁵² The next most selected problems were that the consumer could not get a full refund, the consumer could not contact the company, and customs and brokerage fees.⁵³ Notably, 11% of subsample respondents stated that they found the online return policy difficult to understand. Very few respondents (7%) stated that the difficulty of securing pre-authorization from company was a problem.

The last question asked the following to respondents who returned or wanted to return a product purchased online: “What impact has your experiences with trying to return products you bought online had on your likelihood of buying products online in the coming year?” The vast majority of respondents stated that they would just as likely buy online.⁵⁴ A few respondents stated that they are less likely to buy online while the fewest number from the group responded that they are more likely to buy online.⁵⁵

⁴⁷ 6% of respondents (11 individuals) stated that the return process was “somewhat difficult.”

⁴⁹ 37% of respondents stated that the company did not reimburse for shipping to return the product.

⁵⁰ 22% of respondents stated that they could not return the product in store.

⁵¹ 18% of respondents stated that unexpected extra fees were deducted from the refund.

⁵² 15% of respondents stated that it took too long to get their refund or credit.

⁵³ 13% of respondents stated that they could not get a full refund; 13% of respondents stated that they could not contact the company; and 13% of respondents stated customs and brokerage fees were a problem.

⁵⁴ 81% of respondents stated that they were just as likely to buy online in the coming year.

⁵⁵ 11% of respondents stated that they were less likely to buy online in the coming year, compared to only 8% of respondents who stated that they were more likely to buy online in the coming year.

4. PIAC SAMPLE PURCHASE AND RETURNS

a) Methodology

i. Choosing retailers

For the purpose of this study, PIAC chose fifteen retailers that provided their consumers with the opportunity to purchase goods online and provided consumers with an online return mechanism, meaning that the consumer was not required to enter a physical store in order to return the product. PIAC selected retailers that sold various types of consumer goods, such as clothing, shoes, kitchen appliances, electronics, cosmetics and beauty products, and toys. PIAC chose 12 Canadian and 3 American retailers.

PIAC chose not to sample purchase and returns for companies that did not offer an online purchase or return option. As well, when selecting American retailers, PIAC made sure that the retailer would ship products to Canada and accept returns from Canadian customers. PIAC reviewed the return policies of numerous Canadian and American retailers to be certain that the selected retailers allowed full returns for purchased items as opposed to simply exchanging them or providing the consumer with credit or gift card. PIAC also ensured that the retailers did not restrict their returns to those processed in a physical store.

PIAC also strove to select retailers that have diverse conditions with respect to returns. Specifically, PIAC examined whether the retailer requires the consumer to obtain pre-authorization before returning the item or whether the consumer is provided with necessary forms to complete the return process. Also, PIAC wanted to ensure that the deadline for returns of the fifteen retailers did *not*, for the most part, fall within the same period so observations of return processes would be interesting for educational purposes.

ii. Retailers chosen by PIAC to review

The twelve Canadian retailers selected for this study were the following:

- Sears
- Best Buy
- Sony
- The Body Shop
- The Shoe Company
- The Home Depot
- LUSH
- Toys “R” Us
- Amazon.ca
- Dell
- Roots
- Old Navy

The three American retailers selected for the purpose of this study were the following:

- American Eagle Outfitters
- Sephora

- Eastbay

The fifteen retailers are appropriate for the purpose of purchasing a wide variety of goods and all of them have policies that provide the consumer with an opportunity to return items by mail.

iii. Sample online purchases and returns process

For each of the selected retailers, PIAC used their website to purchase goods. PIAC noted the date of purchase and how long it took for the product to be delivered. After receiving the product, PIAC followed the return process stipulated by each retailer. Where needed, PIAC contacted the retailer for clarification or assistance with the return process. PIAC noted the date on which the product was sent back to the retailer and where possible, PIAC tracked the package to note the date of delivery to the retailer. PIAC then noted the date of the product refund according to the payment provider and evaluated the amount refunded in relation to the initial cost of the purchase. Where needed, PIAC followed up with the retailer to clarify the calculations of the refunded amount.

b) Review of Retailers' Return Policies

For ease of reference, PIAC has provided links to the returns policy and information about online returns for the fifteen retailers in Appendix B. These constitute the policies upon which the following analysis relies.

i. How policies stipulate the availability of refund

Return policies of all fifteen retailers studied by PIAC provide consumers who purchased products online with the opportunity to return the product. Nevertheless, the consumer should be cautious when attempting to return items as the return policies of all fifteen retailers are subject to stipulations that must be carefully followed by the consumer for the return process to be completed in a smooth manner without delay or complications.

Obligation on the part of the consumer to provide receipt and/or original proof of purchase

The majority of the retailers require the consumer who wishes to return the product to submit the receipt and/or original packing slip that came with the purchase of the product online. Retailers such as Best Buy, LUSH, Sephora and Toys “R” Us require the consumer to return the item with the packing slip. Both Toys “R” Us and LUSH allow the consumer to provide a copy of the packing slip. The packing slips provided by Sephora, American Eagle, and Old Navy in the original package must be sent to the company along with the item because they contain items pertaining to online returns that must be filled out by the consumer. Sears’ return policy unwaveringly states that without a receipt or proof of purchase “online purchases cannot be returned.”

The Home Depot’s return policy states: “a copy of the customer receipt and original packing slip must accompany all returns.” The company’s policy does not indicate what happens when both or either of the documents is not provided by the consumer. However, the company’s policy states: “the Home Depot reserves the right to limit or refuse to accept the return of certain merchandise at *any* time and for *any* reason.” It is unclear whether the company would apply this restriction on returns if the customer returned the product without the required documents.

Other retailers, such as the Body Shop and the Shoe Company, are more lenient compared to Sears and the Home Depot in that they require the consumer to provide either a receipt or original invoice upon returning the item.

At the other end of the spectrum are retailers that state that they would still accept the product even if the consumer has lost the receipt or original packing slip. For example, Amazon.ca's policy states the following: "If you ordered an item that you want to return but can't find the packing slip, you can still return it via our online Returns Centre. You'll be asked to select the relevant order from Your Account." Similarly, Roots' return policy states that even if the consumer does not have the receipt, which must be provided for return purposes, he may still return the product if he sends "as much information with your return as possible including the name, phone number and address where the order was sent and/or billed to, email address or credit card used to purchase the item." Eastbay has a very similar policy.⁵⁶ If a receipt or packing slip is not provided by the consumer, the Body Shop will issue a gift card equivalent to the value of the product(s) to be used online or in-store while the Shoe Company will provide a credit in the value of the lowest selling price used within the last 30 days.

With respect to Sony and Dell, the companies' return policies do not indicate whether the consumer needs to provide receipt and/or original proof of order when returning items.

Emphasis in retailers' return policies on the consumer's obligation to retain the product in new and unused condition

PIAC's review found that with the exception of the four retailers – LUSH, Body Shop, American Eagle, and Eastbay - all of the retailers' return policies underscore the importance of retaining the items in new, "like-new", "as-new", original and unused conditions. The Home Depot's policy states that the items "must be returned in unused, like-new condition". However, the company does not give guidance to the customer with respect to the meaning of "like-new condition". Similarly, Dell's return policy states that the item must be returned in "as-new condition, and all of the manuals, diskette(s), CD(s), power cables, and other items included with a product must be returned with it." However, the company does not provide a description of "as-new" condition. Sephora also does not specify what its return policy means by the requirement that the item must be returned in "its original condition." Similarly, Amazon.ca's policy does not specify what it means when it requires any book to be returned in its original condition. LUSH's policy does not clarify whether the company's requirement of returning items "in their original packaging" connotes that the items should also be returned in new or at least in nearly new condition.

Old Navy specifies that the requirement of returning the item in its original condition means that the item must be "unwashed and unworn." Roots' policy states that "any unwashed or unworn" item may be returned to the company. The Shoe Company's policy states that the consumer may return the item if it "has not been worn".

Toys "R" Us, Best Buy and Sony's return policies suggest that a new and unused product must contain all supporting items and accessories.⁵⁷ Sears' policy indicates that an item that is to be

⁵⁶ Eastbay's return policy states the following: "If you are unable to obtain the return form, please include your name, address and daytime phone number, along with the reason for the return or exchange on a full sheet of paper".

⁵⁷ Toys "R" Us' policy states the following: "All refunds require that the item be returned in the original packaging, with all pieces and in original condition." Best Buy's policy states: "All products (both defective and non-defective) must be returned in their original purchase condition, with the original packing material, blank warranty cards, manuals and any other item or accessory provided by the manufacturer." Sony's policy indicates: "Any product being returned must be in its original packaging, along with all of its accessories, components and product literature."

returned must not be “used, worn or damaged ... and out of the original packaging, tags removed or missing accessories”.

Notably, the return policies of Amazon.ca, Best Buy, Dell, Toys “R” Us, and Sears emphasize that *software items* will be considered for refund if they are *unopened*.

Consequences of failing to return the item in a condition specified by the retailers

It should be noted that the majority of retailers that impose an obligation upon the consumer to return the item in new and unused condition do not specify what happens to the consumer’s refund when he or she fails to do so. They are: Dell, the Shoe Company, Amazon.ca, Toys “R” Us, Roots, Sephora, and Old Navy. Nevertheless, when it comes to software products that are returned in opened conditions, Amazon.ca, Toys “R” Us, Sears and Dell indicate that those items will not be refunded.

In some instances, it will be up to the retailer to decide whether or not the item was returned in the condition specified in the return policy and thus, the retailer will decide whether the consumer is entitled to a refund. For instance, in the case of the Shoe Company, the policy states that “[the company] reserves the right to confirm returned product condition and information before refunding”. In other words, the consumer is left with no guarantee that he will receive a refund for the item, especially if the company deems the product not to be in new and used condition. Sony’s policy states that the company “reserves the right to charge at its sole discretion a restocking fee. Restocking fees may be charged when the package is open, there are missing components, packaging is incomplete or missing, or when there is evidence of user damage or excessive use.”

Best Buy’s policy states that software items that were opened “may only be exchanged for the same item”. In another instance, the company emphasizes that “In the event that a returned order has items missing, the order may be refused, or the value of the missing materials may be deducted from the total credit amount” [emphasis added]. Sears states that items that are returned in “used, worn or damaged ... and out of the original packaging, tags removed or missing accessories” will not be subject to refund policy. Finally, the Home Depot’s policy indicates that if the item is not returned in like-new condition, “a credit cannot be issued”.

Items that may not be subject to the retailer’s refund policies

Analysis of the return policies of the fifteen retailers also found that in certain cases the consumer’s right to return the item can be deprived altogether if the purchased products are excluded from the refund policy. On the one hand, some retailers exclude products purchased on final sale from the refund policy, such as Toys “R” Us, Old Navy, and Sony.

On the other hand, some retailers exclude specific types of products from being subject to the refund policy. For instance, Sears’ exclusions contain a long list of items that cannot be returned, such as personalized jewelry, monogrammed, engraved, personalized or altered items, home installed products and others. The Home Depot’s policy excludes products that are custom-made and custom-tinted from its refund policy. Roots also excludes “Limited Edition and Custom Made Orders” from the company’s refund policy. Sony’s policy states that items such as all PlayStation products, all customized computers, and items that are engraved are not eligible for a refund.

Another noteworthy example of a retailer that deprives the online consumer of the right to return the product is LUSH. Specifically, in the return policy, the company stipulates:

Products labeled with our Melt Warning are made with ingredients that allow the product to melt around body temperature. During the summer months, these products can get very warm in transit and may melt into liquid. LUSH is not responsible if the warned items arrive melted, and in most cases you should be able to pop the products into the fridge and still be able to use them. Please note, we are not able to replace or refund these items if they melt in transit. Keep in mind that if you put them on the radiator or in direct sunlight they're going to turn into liquid too, so please keep them someplace cool. [Emphasis added.]

It is unclear whether a consumer would be able to return a defective product if it melted in transit. The policy suggests that a melted product could never be returned.

ii. Timeframes for returns

A careful study of timelines for returns provided by all fifteen retailers found that there are varying timeframes for returns, which suggests that the consumer must be cautious in noting deadlines for return of products for each retailer. It is pertinent to discuss timeframes of return policies of all of the retailers to understand why it is important to be careful in keeping track of when one can return the product. Notably, there is a lack of consistency in the triggering event that retailers choose to use to signify when the return period commences. Some retailers use the date of purchase as the triggering event, while others use the date of shipment, the date of delivery, or the date of receipt of the product. Retailers themselves may not be consistent in the use of the triggering event, which may vary depending on the payment method or type or classification of item purchased.

In the case of Sears, the timeline for returns differs according to the payment method. For example, if the customer purchased a product with Sears Card, Sears MasterCard, Sears Voyage MasterCard or Sears Gift Card, he can have up to 90 days from *the date of purchase* to return the product. With any other method of payment, he or she would only be entitled to return the item within 30 days from *the date of purchase*.

If the consumer purchased new products from Dell, he may be entitled to return them within 30 days *upon receipt* of those products. If he purchased reconditioned or refurbished products from Dell, he may return them within 14 days *upon the date of invoice*. Dell's return policy does not provide clarification as to what is meant by the "date of invoice." The question arises as to whether the expression means the date stipulated on the invoice or the date on which the consumer receives an invoice. Best Buy, like Dell, also gives the consumer 30 days from *the date of receipt of the order* to return the product. Roots allows the consumer to return the product within 30 days *upon receipt of the order*, however for items purchased on final sale and that were part of clearance merchandise, Roots only allows a timeframe of up to 14 days after *the date of shipment*.

Sony's return policy states that the consumer may return the items within 30 days from *the date stipulated on the receipt*. The Body Shop requires the item to be returned within 30 days from the *date of purchase*. The consumer may be able to return products purchased at Amazon.ca within 30 days *upon delivery of the shipment*. Refunds at Toys "R" Us may be provided only when the return of the item is made within 45 days of *the original order shipment date*. In the case of Old Navy, the customer may return items purchased online within 45 days of the *original*

online purchase date. Products purchased at LUSH can be returned for up to 45 days after *the date the order was shipped*.

Sephora offers different tiers of refunds, depending on how long the customer takes to return the product. When the product is returned to Sephora by mail within 60 days of *the date of purchase*, he will receive a full refund equivalent of the monetary value of the item. If the item is received within 61-90 days of *the date of purchase* or if the items were paid for with a Sephora Gift Card, eGift Certificate, or online store credit, he will receive a refund as an online credit for the item(s). Any item that was received by Sephora more than 90 days *after the date of purchase* “may not be returned by mail.” Sephora’s return policy is unclear as to what happens if the consumer ships back the product after more than 90 days following the date of purchase: will Sephora ship the product back to the consumer and refuse to take it, or will Sephora take the product but refuse to refund the consumer? Similarly, consumers purchasing from Eastbay may return the item within 90 days from *the shipment date*. For returns that were made after 90 days from *the date of shipment*, a GiftCard will be issued.

The Shoe Company provides the shortest timeframe for the return of the product, which is 14 days *upon the receipt* of the order. On the other hand, the Home Depot provided the longest timeframe for the consumer to return the product, which is 90 days from *the day the order was placed*, considering that it typically takes five to seven business days for the item to be delivered by the company. Notably, American Eagle’s policy does not provide a specific timeframe within which the consumer can return the goods.

Some retailers stipulate a timeframe regarding how long it takes the company to process the return. Toys “R” Us’ return policy stipulates that it will take approximately 7 to 10 business days for the refund to be processed from *the date of receipt of the returned item* at the return centre. Sony’s policy states that it would generally take 7 to 10 business days for the return to be processed by the company *upon receipt* by the return centre. LUSH’s policy indicates a timeframe of thirty days for the return to be processed *from the day the company receives the returned product*. American Eagle states that returns may take two weeks to be processed after being mailed but for rural Canadian addresses it may take up to five weeks *after the item is mailed*.

It should be noted that seven out of fifteen retailers’ return policies provide a timeframe of when the customer will be able to see the credit refunded to the credit card used to make the original purchase on the credit statement: the Shoe Company, Best Buy, Amazon.ca, Sephora, American Eagle, Eastbay, and Roots. Specifically, the Shoe Company’s policy states that the credit card will be credited within 2 days *upon receipt* of the item. Best Buy’s return policy stipulates the timeframe of 5 to 7 business days for the credit to appear on the credit card statement of the consumer *from the date the company receives and verifies the return items*. Amazon.ca’s policy specifies a timeframe of 7 to 14 days *upon receipt* of the items. Sephora’s policy describes the timeframe of one month for the return to be processed and for the account to be credited. Eastbay and American Eagle assert that it will take one to two billing cycles for the credit to appear on the statement. Finally, Roots’ policy states that the consumer should wait for up to two billing cycles for the credit to appear on their statement. Evidently, these retailers’ policies reflect varying timeframes for the consumer to see the refund.

iii. How returns are processed

A close examination of the return policies of the fifteen retailers suggests that there are generally three ways through which the consumer is required to return the product:

1. The consumer must request pre-authorization for the return from the retailer;
2. The consumer processes the return through the company's website; or
3. The consumer simply returns the item accompanied with completed return forms provided in the original package.

The retailers that require consumers to contact the company to obtain return pre-authorization in order to exercise the right of return are Dell, Best Buy, the Home Depot, LUSH, Sephora, and Sony. Dell and the Home Depot require the consumer to call the companies' customer care centre to obtain a Return Authorization number for the product that the consumer wishes to return. In the case of Dell, the company expects the customer to return the product within five days upon the issuance of the Return Authorization number. LUSH does not issue a Return Authorization number but still requires the consumer to contact the company to obtain pre-authorization. Best Buy's policy indicates that communication with the company for the purpose of obtaining a Return Merchandise Authorization (RMA) number should be done by email while Sony requires the consumer to obtain it through the "My Account" section on their website. Sephora, in addition to requiring the consumer to fill out the Return Form that arrives in the original order, requires him to contact the company's customer care centre to obtain a Return Authorization number.

Amazon.ca and the Body Shop are the two companies whose return policies fall under the second category, that is, the consumer processes the return through the company's website. The Body Shop requires the consumer to print out the Return Form on its website, fill it out and submit it with the returned product. In the case of Amazon.ca, the company directs the consumer to log into their account to access the company's Returns Centre in order to print out the label. Once the consumer has packaged the return product, it must be sent back via Canada Post with the label attached to the package and the consumer will be notified via email when the refund has been processed. The company's return policy under the "Returns are Easy" section of Amazon's website provides a helpful visual representation of the way the return label needs to be attached for the product to be properly returned, which is reproduced below:



Figure 2: A diagram of how to return a product from Amazon.ca

Seven of the retailers allow the consumer to return the product with forms provided in the package. No contact with the company, either through phone or online, is required. Retailers such as Sears, Roots, American Eagle, and Eastbay provide the consumer with return forms sent in the original order that must be filled out for the return to be processed. In the case of Eastbay, if the customer is unable to locate the provided return form and, alternatively cannot

obtain it online, he should include “name, address and daytime phone number, along with the reason for the return or exchange on a full sheet of paper”.

Toys “R” Us, on the other hand, is an example of the company that provides the consumer with “the return label located at the bottom of the packing slip,” which must be cut out and attached to the package. Old Navy provides a pre-paid Canada Post shipping label that needs to be included in the package. Interestingly, out of all retailers, the Shoe Company has the most straight-forward returns procedure in that it simply requires the consumer to submit original invoice or packing slip in the return package without attaching any labels or filling out a return form.

Third party agents processing returns on behalf of the consumer

The three American retailers examined required Canadian consumers to process returns with a third party agent based in Canada. The third party agent is a licensed Canadian customs broker that deals with applicable duties and taxes. The consumer is required to ship the product to the third party agent at their Canadian address, rather than shipping the product straight to the retailer’s American address. The consumer usually receives the refund from the American retailer.

For example, Eastbay requires the consumer to agree to the following stipulation delineated in the return policy of the company:

By ordering goods from Eastbay, I hereby authorize a licensed Canadian customs broker chosen by Eastbay to act as my agent, and to transact business with Canada Border Service Agency (CBSA) to clear my merchandise, account for applicable duties and taxes, to return merchandise to Eastbay and submit refund claims on my behalf for any merchandise that I return. I understand that CBSA will send my refund of duties and taxes that were paid on the returned merchandise to the broker, and that I will obtain the refund directly from Eastbay. In this connection, I also authorize the customs broker to endorse any refund check issued by CBSA in my name, so that Eastbay can be reimbursed.

American Eagle’s policy contains a similar stipulation, which requires the consumer to agree to the following:

Once return funds are approved I authorize Revenue Canada to forward to Russell A. Farrow my approved refund of duties and taxes. I understand that refunds of duties and taxes, from Revenue Canada, may only be made within one year after the date of ordering.

Sephora’s policy states the following with respect to the third party agent handling returns of Canadian consumers:

You authorize Canada Post Borderfree to act as your agent for the purpose of clearing your product purchases through customs, paying applicable duties and taxes thereon, handling product returns, and filing refund claims for duties and taxes on returned products. You waive and transfer your right to receive any refund of duties or taxes on returned products that may be payable to you from the Canada Customs and Revenue Agency. Canada Post Borderfree will return refunds to you by crediting your credit card originally charged.

Clearly, it is useful for the Canadian consumer to be aware of the involvement and role that the third party agents play before engaging in electronic transactions with American retailers.

iv. Responsibility for shipping the product back to the retailer

The majority of the fifteen retailers place the responsibility of shipping the return on the consumer. It is pertinent to discuss how the companies place shipping responsibility on the consumer. Policies of companies like Sephora, Sears, Sony, Dell, LUSH, Eastbay, American Eagle, Best Buy, the Shoe Company, and Roots explicitly or implicitly indicate that the consumer may ship the product through any method of his or her choice. Amazon.ca and Old Navy provide consumers with pre-paid shipping labels so the goods can be returned through Canada Post. The consumer can choose to ship the return via other methods, but the consumer would then incur the cost for shipping. The policies of Toys “R” Us and the Body Shop suggest that the consumer send the return through mail services that allow the return package can be tracked and insured.

On the other hand, the Home Depot requires the consumer to first call customer care to make arrangements for the company to pick up the item. The company pays for return shipping. Thus, the Home Depot appears to be the only company from the fifteen retailers that will accept responsibility for the safe delivery of the return.

v. Charges incurred by the consumer for the return

Original shipping and handling fees

Twelve of the fifteen retailers stated clearly that they exclude the original shipping and handling fees from the refund. It is unclear based on the Home Depot’s refund policy whether the refund includes a refund of original shipping and handling costs. American Eagle and Roots may provide free shipping to Canadian customers during certain promotional events but if the consumer incurs shipping fees, these will not be refunded. While Sephora provides free shipping for Canadian orders that total more than \$120, original shipping fees are not refundable for items purchased for the amount under \$120. Similarly, Old Navy provides free shipping for orders that total more than \$50 but will not refund original shipping fees if they are incurred. The policies of Amazon.ca and Best Buy state that there is free shipping for orders over \$25 and \$20 respectively, but will not refund shipping costs where, for example, the free shipping pending threshold was not met or where the consumer paid extra for faster shipping.

Twelve retailers’ policies stated that original shipping and handling fees will be refunded solely in instances where the product is found defective, damaged, or not the one ordered by the consumer. In the latter case, the error must be the company’s that processed the order. Toys “R” Us will provide a refund in case the item was damaged and/or defective. The Body Shop will provide a refund for original and return shipping costs “if a mistake was made on [the company’s] part, or a product was damaged upon receipt”. Eastbay has a similar policy to the Body Shop with respect to the refund of original shipping costs. Best Buy and Amazon.ca will refund the original shipping fee if the item was found to be defective or the company made an error in processing an order. Sears, Sephora and LUSH will refund original shipping fees only if an error occurred in the shipment of the order. On the other hand, the return policy of Dell does not indicate instances when the consumer will be refunded original shipping and handling fees.

Restocking fees

In addition to deductions from the refund for original shipping and handling fees, the consumer may be subject to restocking fees, as charged by Sears, Dell, Sony, and the Home Depot. For instance, Sears' return policy states the following with respect to restocking fees:

Please note that for the following categories, a restocking fee of 20% will be charged on returned product within the policy: furniture, major appliances, outdoor power equipment, electronics, home care product, seasonal product, small appliances, house wares, hardware, and fitness equipment. [footnotes omitted]

Dell's policy states that the company imposes a 15% restocking fee on all returned items, whether they are new or refurbished. As for Home Depot, "special order returns" may be subject to a 15% administrative fee. Sony's return policy states the following with respect to the company's right to charge restocking fees:

Sony reserves the right to charge at its sole discretion a restocking fee. Restocking fees may be charged when the package is open, there are missing components, packaging is incomplete or missing, or when there is evidence of user damage or excessive use.

Cost of shipping the product back to the retailer

With respect to refunding or paying for shipping costs to return the product to the company, the vast majority of retailers do not provide for such costs. Of the fifteen retailers, only the Home Depot and Old Navy state that they provide free returns on all orders. From the return policy of Roots, it is unclear as to whether the company reimburses the consumer or pays for the cost of returning the product.

Generally, and similar to the refund of original shipping and handling fees, costs incurred in shipping the return back to the company will only be refunded or paid for by the company if the item was returned due to an error made by the company, defect or damage of the product in transit. This is explicitly stated in the return policies of companies such as the Body Shop, Amazon.ca, and the Shoe Company. Specifically, Amazon.ca's return policy states the following: "If you use this mailing label and the return is a result of our error (you received an incorrect or defective item, etc.), we'll pay the return shipping costs". Body Shop's policy indicates: "If a mistake was made on [the company's] part, or a product was damaged upon receipt we will refund to you the shipping costs for such return as well as the shipping costs of your initial purchase provided the returned item is accompanied by carrier's invoice, showing the amount you paid for shipping back to us". The Shoe Company will refund return shipping costs if the order was wrong.

The remaining return policies are silent on the ability of the consumer to have their shipping costs for the return paid for by the retailer.

vi. Information required for the consumer to return their purchase

The majority of retailers in the study require the consumer to provide a reason for the return. However, they describe the requirement differently. For instance, Sears asks more leniently for

the reason by stating “if for *any* reason you are not satisfied with the product [emphasis added]” the consumer will be able to return the product. Amazon.ca uses similar language. By stating “any reason,” the two companies suggest that they will accept the returns without inquiry into the adequacy of the customer’s reason.

On the other hand, companies like Dell, Sephora and the Shoe Company ask whether or not the consumer is satisfied or “completely satisfied” (specifically asked by Sephora) with the product. This suggests that the consumer does not need to elaborate on reasons for return and can merely state that he or she is not satisfied.

Retailers like Eastbay, the Home Depot, Old Navy, and American Eagle require the consumer to provide a “reason for return.” The question arises as to whether providing *any* type of reason will affect the consumer’s right to return the product. Moreover, the return policies of LUSH, Best Buy, and Toys “R” Us are silent regarding whether or not the consumer must provide a reason for return. This raises a question as to whether the absence of such a requirement suggests that the customer does not need to provide the reason for return.

In addition to the requirement of providing a reason for return, some companies ask for other information from the consumer. For instance, with respect to refunds and exchanges, Sears may ask the consumer to provide them with their name, address and telephone number to prevent fraud and for audit purposes. Sears may also request valid photo ID in order to confirm given information. Furthermore, the Home Depot states that the company “reserves the right to request valid identification prior to accepting merchandise for a return.” It is unclear how this would work in practice for online returns.

vii. Ease with which return policy is found on retailer website

It was relatively easy to locate the return policies of the majority of the retailers. For instance, Sears’ return policy is located in a clear manner under “customer service” section of their website. Old Navy and the Shoe Company’s return policies are located under “Easy Returns” and “Quick Links”, respectively. Amazon.ca provides a hyperlink on its webpage containing the visual representation of how to return the item and a further link to its more detailed return policy page which is easy to find.

Two companies had return policies that were difficult to locate: the Body Shop and Dell. In the case of the Body Shop, at first glance it appeared that its return policy was located on the U.S. version of its website. However, with further scrutiny, the company’s Canadian site provides its return policies under the “help” section. A more obvious and consumer-friendly location for the return policy would have been under a tab entitled “customer service,” which is absent from the company website. With respect to Dell, PIAC noted that the company has the most meticulous return policy among the selected retailers. Thus, the consumer must be very cautious in following required steps in order to be able to return an item. However, the return policy is very difficult to find on the official website of the company. The company has a separate website for customer care called “Dell Canada Customer Care Online” where the policy still could not be found. FAQs addressed generally how Dell handles returns but PIAC was only able to locate the full return policy when searching for “Dell return policy” through Google.

Notably, PIAC could not locate Best Buy’s return policy at the time of the order. Under the “customer service” section of its website, Best Buy’s FAQ describes its return policies generally, but the link to the return policy did not work at the time that PIAC attempted to access it.

c) PIAC'S Experience with Returns

PIAC purchased items from each retailer using their e-commerce platform. After receiving the order, PIAC returned the order through the online returns process (as opposed to returning the product in a physical retail store). The following analysis is based on PIAC's experiences with the delivery and online return of each order.

i. Timeline of purchase, return and refund

Timeline from the date of purchase to the date of delivery

For the purpose of this study, PIAC attempted to examine the number of days it took for the selected fifteen retailers to deliver products following the date of purchase. Some of the items were delivered and left at the door while others required pick-up from the post office or the shipping warehouse (e.g. Purolator) if a delivery attempt was unsuccessful. Based on PIAC's experience with the fifteen retailers, the date of delivery will be defined as the date on which:

- notice of an unsuccessful delivery attempt was discovered by PIAC at the door or mailbox with instructions to pick up the product at the post office or shipping warehouse; or
- the item was left at the door.

PIAC's analysis of the timeframe of purchase and delivery shows that the average time for products to be delivered to PIAC from the date of purchase was six days. Indeed, for the most part, the majority of the retailers delivered products in less than a week. It took Dell only one day to deliver the products. Toys "R" Us and the Shoe Company each delivered the items in two days while Amazon.ca and Sony delivered the products in three and four days, respectively. In the case of Sears, the company delivered the order in two separate packages: one package was delivered in four days and the second package was delivered in six days from the date of purchase. Thus, on average, Sears delivered the items in five days. Three retailers delivered the products in six days: Best Buy, Sephora, and the Home Depot.

On the other end of the spectrum are companies that took more than a week to deliver the products. For instance, it took Old Navy the longest – 16 days – to deliver the products. The company that took the next longest to deliver the goods was the Body Shop with 14 days from the date of purchase to delivery.⁵⁸ It took American Eagle 11 days to deliver the item, the third longest time for delivery. With respect to Eastbay, the item was delivered in 10 days. Finally, it took LUSH 9 days to deliver the item. The following graph shows how much time it took for the fifteen companies to deliver the products from the date of purchase.

⁵⁸ The delivery of the Body Shop order was complicated by confusing communications with the Post Office. As a result, PIAC experienced an unusual delay in picking up the products from the post office, which delayed our ability to return the product on time. These circumstances are discussed in greater detail later in this report.

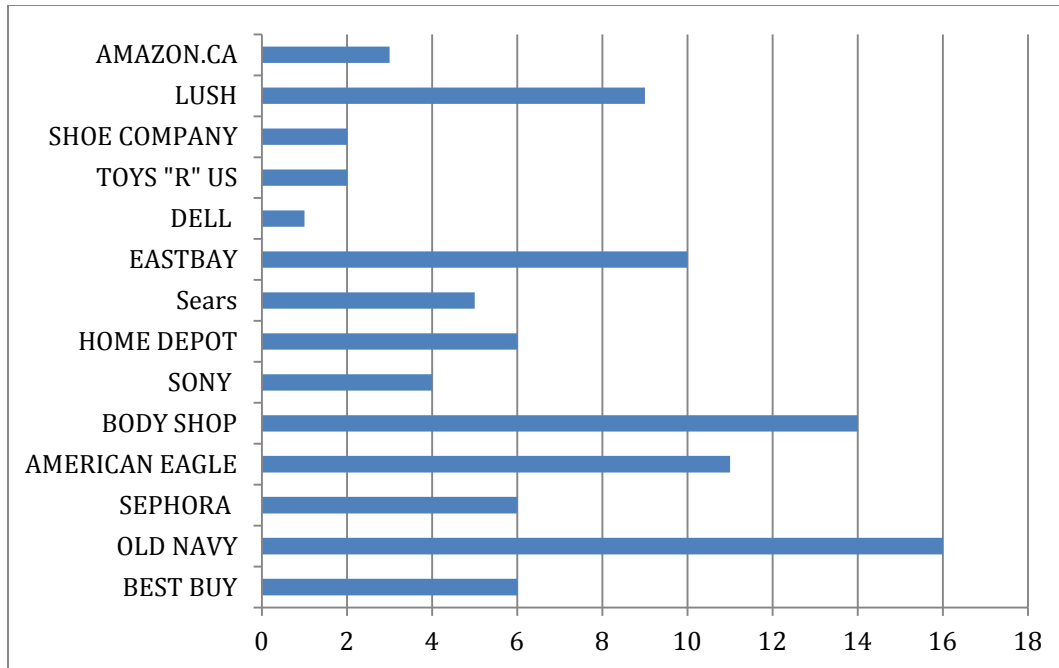


Figure 3: Day of purchase to day delivered

Timeline from the date of purchase to the date of charge

PIAC also recorded the number of days it took for the retailers to charge PIAC’s method of payment following the date of purchase. On average, it took three days for the fifteen retailers to charge PIAC from the transaction date. Most of the companies took *one day* to charge PIAC. They were: Best Buy, Amazon.ca, Sears, Eastbay, Dell, the Shoe Company, and LUSH. It took retailers such as American Eagle, Sony, Toys “R” Us, and Roots two days to charge PIAC from the transaction date. Sephora and the Home Depot charged PIAC five and six days after the date of purchase, respectively. Body Shop charged PIAC 11 days after the date of purchase. Finally, Old Navy took the longest to charge PIAC - 12 days after the transaction date. The overall timeframe from the date of purchase to the date of charge is summarized in the graph demonstrated below:

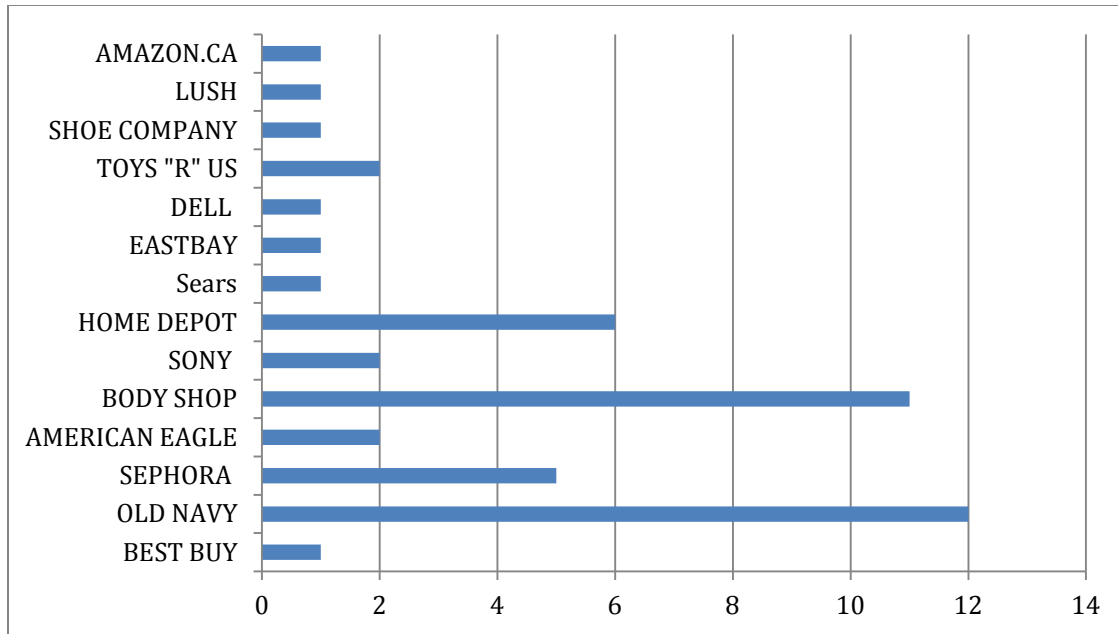


Figure 4: Date of purchase to date of charge

PIAC noted that most retailers charged PIAC on the same day that they shipped the order. In only a few cases, the retailer charged PIAC one day prior to or after shipping the order.

Timeline from the date of receipt of return to the date of obtaining the refund

PIAC also sought to determine the number of days it took to obtain the refund from the date of receipt of the return. The date of receipt of the return is the date PIAC was able to track successful delivery of the product to the company’s address or to the location specified for the return. PIAC was able to establish the date of receipt for all of the fifteen retailers with the exception of Amazon.ca because the Canada Post mailing label provided by the company did not contain a package tracking number. The date of obtaining the refund is the date on which the refund was posted to PIAC’s payment method account.

The average time for PIAC to receive refunds from the fourteen retailers was fifteen days. The majority took longer than 14 days to refund PIAC for returns. For instance, it took 18 days to obtain refund from Body Shop, 16 days from Sephora, and 15 days from Old Navy. Some retailers provided PIAC with a refund after a period of more than three weeks. Particularly, it took Eastbay 23 days – the longest time among the fifteen retailers – to provide the refund, followed by 22 days taken by Toys “R” Us, and 21 days by American Eagle.

By contrast, it took Best Buy merely one day from the date of receipt of the return to refund PIAC. Sears and Dell took two days to provide PIAC with refund, followed by LUSH, which refunded PIAC three days after receipt of the items. The Shoe Company and Home Depot took six and eleven days, respectively, to refund PIAC. The chart below summarizes the number of days taken by companies to refund PIAC upon receipt of the products.

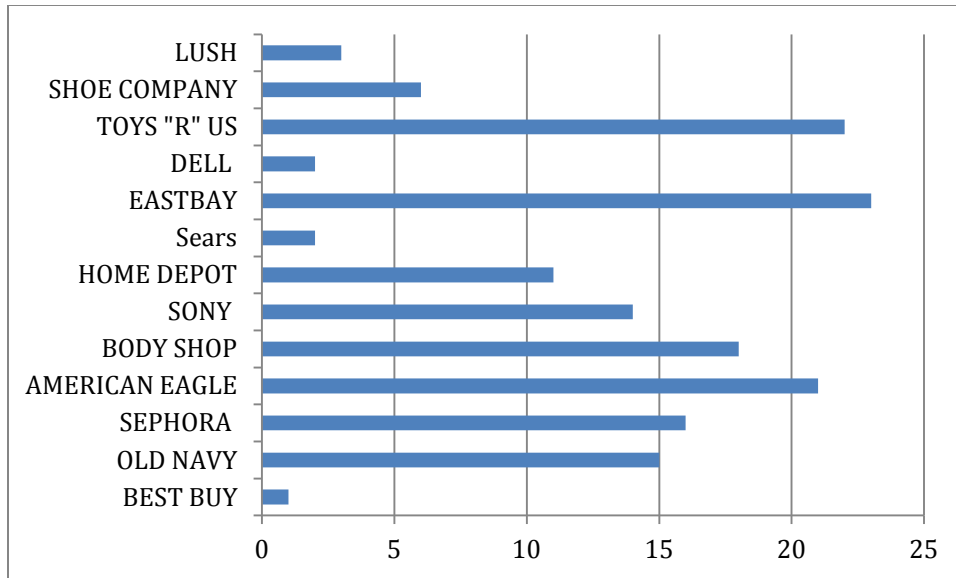


Figure 5: Date of receipt of refund to date obtaining the refund

Overall timeline from date of purchase to date of obtaining refund

The chart below shows the overall timeline of the entire purchase and return process. The first bar marks the time elapsed between the date of purchase to the date the item was delivered, which we noted as the date of attempted delivery (as opposed to the date when PIAC took possession of the item if pick-up was required). The second bar marks the time elapsed from the date of attempted delivery to the date when PIAC picked up the package. Note that for some items, there is no second bar because the delivery attempt was successful or the package was left at the door. The third bar marks the time elapsed between the date of delivery to the date when PIAC put the item into the mail to return the item. The fourth bar marks the time elapsed between the date PIAC returned the item by mail to the date the company successfully received the return. With respect to Amazon.ca, it is not clear when the company received the return package as we were unable to track the package. The final bar marks the time that elapsed between the date the return was received by the company to the date PIAC obtained the refund (the date when the refund was posted to the credit card).

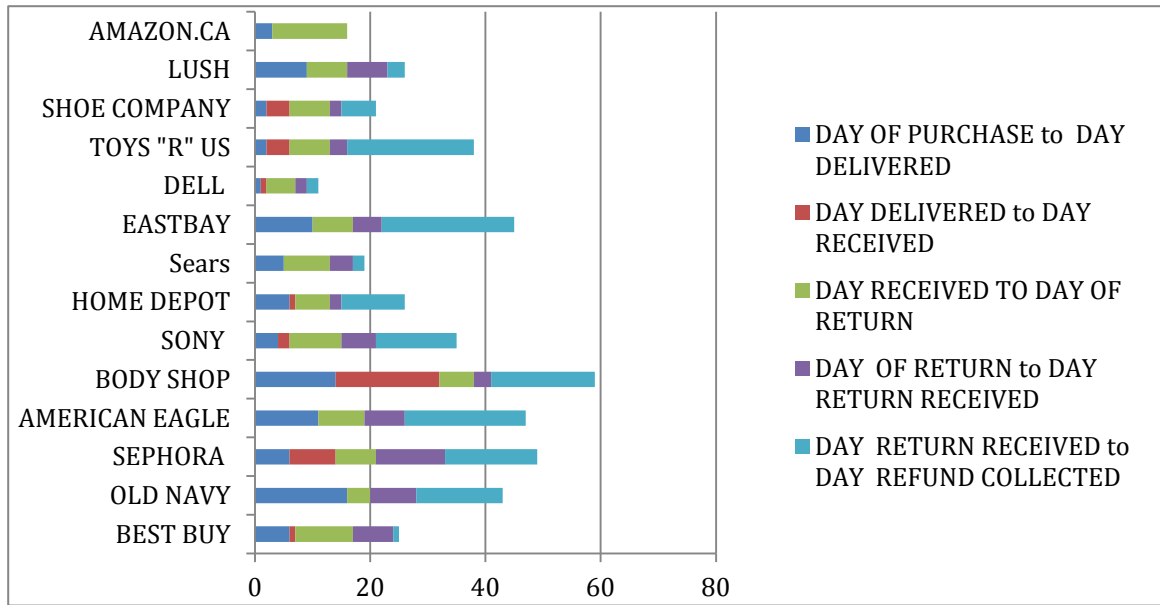


Figure 6: Overall timeline from date of purchase to date when refund was obtained

ii. Ease of return process

As was described in the “Review of Retailers’ Return Policies” section above, there are three ways through which the consumer is required to return the product to the fifteen retailers:

1. The consumer must request pre-authorization for the return from the retailer;
2. The consumer processes the return through the company’s website; or
3. The consumer simply returns the item accompanied with completed return forms provided in the original package.

This section of the report describes PIAC’s experience with following these three processes when returning the products to the fifteen retailers. Overall, returning the items to the fifteen retailers was fairly straightforward.

First method: consumer must request retailer to pre-authorize return

The selected retailers that require pre-authorization to process returns are Dell, Best Buy, Home Depot, LUSH, and Sephora. These retailers require consumers to communicate with the company for the purpose of obtaining pre-authorization prior to exercising their right of return. PIAC’s experience with each of the retailers is described below.

❖ Dell

Returning the purchased items to Dell was fairly easy. Following the returns instructions outlined in a packing slip accompanying the package, PIAC called Dell’s customer care centre to obtain the Credit Return Authorization (CRA) number. The customer service representative, in addition to providing the CRA, informed PIAC that the CRA must be written on the box. Furthermore, the company emailed a pre-paid return shipping label to be printed and placed on the outside of the return package. He also asked for the reason for return.

The representative assured that the email, containing the pre-paid return shipping label would be sent within 24 hours and suggested that PIAC check junk mail if the email did not arrive. PIAC was also informed that the package could be dropped off, at PIAC's convenience, at any UPS store. The email with the pre-paid return shipping label was received on the same day.

❖ *Best Buy*

No instructions on how to return the items accompanied the package from Best Buy. PIAC contacted Best Buy customer service to discuss online returns. The customer service representative stated that an email containing the Return Merchandise Authorization (RMA) label would be sent within 24 to 48 hours. If the email was not received within the time period, then PIAC was advised to call back.

Notably, the customer service representative strongly encouraged PIAC to return the item at a Best Buy retail store as opposed to by mail. The customer service representative also inquired as to why PIAC was requesting the return; PIAC stated that the product did not meet expectations. After issuing the RMA, the representative suggested that PIAC should consider insuring the package being returned by mail.

The email containing the RMA label was received on the same day. PIAC was responsible for paying the shipping and insurance costs for returning the package.

❖ *Home Depot*

Following instructions on the return policy provided in the invoice, PIAC contacted the Home Depot in order to receive the Return Authorization Number (RAN). The customer service representative informed PIAC of two ways that the item could be returned. First, UPS could pick up the item between 9 am and 5 pm within the next three business days. For this option, PIAC would need to call UPS to schedule a pick-up time. Alternatively, the Home Depot would send PIAC an electronic return label by email, which should be printed out and attached to the package. For this option, the package could be dropped off at any UPS facility.

After choosing the option of dropping off the package, the representative provided the RAN to be written on the label or the package. The email containing the pre-paid electronic label was received on the same day.

❖ *LUSH*

No instructions on how to return the items were included in the invoice. PIAC contacted LUSH Customer Care to obtain pre-authorization before returning the items.

PIAC was unable to reach an agent on the first attempt, and after waiting on hold for twenty minutes, PIAC left a message. In their message, PIAC requested to be called back so pre-authorization could be obtained to return the items. The customer service representative called back in a half hour informing PIAC, among other things, of the address where the return must be sent and that the package should contain the order number and our contact information. The customer service representative offered an option of exchanging the product. If PIAC were to choose this, PIAC would have to pay for shipping to return the original order to LUSH, but LUSH would pay for shipping to ship the exchange products back to PIAC. PIAC confirmed that a refund was preferred. The representative asked whether the products were at least 75% in tact

and upon confirmation of this, the representative stated that the items could be shipped by any method of PIAC's choice. Unlike the other retailers in this category, no return authorization number was provided.

❖ *Sephora*

Compared to the other four retailers in this category, the process of returning the products to Sephora, an American retailer, seemed to be the most time-consuming and confusing.

Following the return instructions provided on a piece of paper that came in the package, PIAC contacted Sephora Customer Care to obtain a Return Authorization number. Surprisingly, the customer service representative was unsure as to why PIAC needed the RA number. She also stated that contrary to the return instructions on the paper, PIAC simply needed to mail the item back using the return label. After explaining to the representative that the order was purchased from Canada, PIAC was placed on hold and subsequently, given the RA number. In other words, the customer service staff was not familiar with the different return policies for Canada and the United States, as the American return process does not require obtaining a Return Authorization number. Finally, the representative also stated that all that PIAC needed to do was to send the package by mail.

However, when packaging the item, confusion arose as to whether the package needed to be mailed to the Toronto address that was indicated on the package or to the Sephora office located in San Francisco. PIAC called Customer Care again for clarification. A representative stated that the company uses a third party for customs, which is Borderfree Returns, so the product would not be returned directly back to Sephora.

PIAC's experience with returning the item to Sephora suggests that the process of returning the item to Sephora would have gone smoother had the company provided clearer information on the return policy, including the return shipping address, for Canadian consumers on the website and included written instructions in the package. Furthermore, customer care representatives should be thoroughly knowledgeable about return policies of the company for customers located outside of the United States.

PIAC was responsible for the costs of mailing the product back to Sephora.

Second method: consumer processes return through retailer's website

As was mentioned before, the three companies that use this type of return policy are Amazon.ca, Sony and the Body Shop. PIAC's experience with returning items to the three retailers is described below.

❖ *Amazon.ca*

With respect to the return policy of Amazon.ca, PIAC received an email confirming shipment of the order. The email informed PIAC that the website contains information, among other things, on item returns. PIAC discovered that the shipping label could be printed from the Returns Centre section of the Amazon.ca website. Therefore, PIAC did not need to contact the company for assistance on how to return the item.

The Returns Centre on Amazon.ca suggested two options to return the item: by printing out a pre-paid Canada Post shipping label, the cost of which would be deducted from the refund, or by sending the item by a method of PIAC's choice. PIAC chose the first option and printed out the label provided. The shipping label did not provide a tracking number for the package, so there was uncertainty as to whether or not the company received the item until the company contacted PIAC to confirm receipt. The cost of the shipping label was deducted from PIAC's refund total.

❖ *Sony*

Finding no information on the company's return policy in the package, PIAC visited the company website which provided instructions for obtaining a Return Merchandise Authorization (RMA) number by contacting the company's customer care online. PIAC requested a return shipping label with the RMA by logging into the Sony Style account.

An email was received on the same day, containing the RMA, a shipping label and instructions for return. PIAC was required to attach the return shipping label on the package and mark the RMA on the box.

❖ *The Body Shop*

PIAC's experience with returning the items to the Body Shop was complicated. First, the company's policy for Canadian product returns is hard to find. PIAC assumed that the return policy only exists on the American website and followed its stipulations. The U.S. return policy states that the consumer has 30 days from the day of purchase to return the items. Furthermore, the policy underscores that in order to return the items, the consumer must print and fill out the return form found on the website.

In addition to difficulties associated with finding the return policy, PIAC also had to deal with a shipping issue with Canada Post, which resulted in delayed pickup of the item. PIAC received an email from Canada Post confirming that delivery was attempted and that the package was available for pick-up at a local post office. When PIAC went to pick up the package, the post office stated that the package was not available. After several phone calls to Canada Post and various local post offices, PIAC learned the delivery notice had noted the incorrect post office location. By the time PIAC obtained the package, it had taken PIAC 18 days from the date of attempted delivery to pick up the items. Part of this delay was also due to the fact that the package was in the post office during Christmas holiday time, which is the post office's busiest time of year. Combining the time of the Body Shop's attempted delivery of the items 14 days after the purchase with the 18-day delay in picking up the package, PIAC was two days late in meeting the American stipulated deadline for the return of the items.

PIAC contacted the Body Shop Customer Care to request an extension of the return period after explaining the delay in delivery and package pickup. The next day, PIAC received a call from E-Commerce Customer Care Coordinator from the Body Shop apologizing for the inconvenience and notifying PIAC that an email was sent containing a pre-paid return label. It seems that due to the unusual circumstances, PIAC was not required to print and fill out the Return Form on the company's website. After obtaining an extension on the deadline for the return of the item, it was fairly easy to return the package by using the label to the designated address.

Third method: consumer simply returns order with completed return forms provided in original package

As was mentioned before, most of the retailers' return policies simply require the consumer to mail back the product with return forms. Retailers in this category are: Old Navy, American Eagle, Toy "R" Us, the Shoe Company, Roots, Sears, and Eastbay. The return process method was the easiest compared to the two methods described above.

Specifically, it was the easiest to return the items to Old Navy. PIAC received an invoice with a pre-paid return shipping label that simply needed to be affixed to the package and sent back through Canada Post. It was easy to return items to American Eagle, Sears, Eastbay, Roots, and Toys "R" Us by following instructions provided in invoice. To return items to Roots, Eastbay, Sears, and American Eagle, PIAC had to fill out forms provided on the invoice. With respect to Sears and Toys "R" Us, PIAC had to attach return labels provided by both companies in the package.

In the instance of the Shoe Company, it was initially unclear what PIAC was required to do to properly return the item as no information about returns was provided in the package. PIAC simply packaged the item and mailed it back to the Shoe Company by Xpress Post. Afterwards, the Shoe Company confirmed that the item was successfully delivered.

iii. Amount of total purchase price refunded and cost to consumer to return product

PIAC's experience with the fifteen retailers indicates that for the most part, the retailers reimbursed PIAC for the total cost of order less original shipping and handling fees. The below chart shows the total cost of the order for each retailer, compared against how much of the total order cost was refunded, the cost to return the product to the retailer, and the amount of the refund less the cost to return the item.

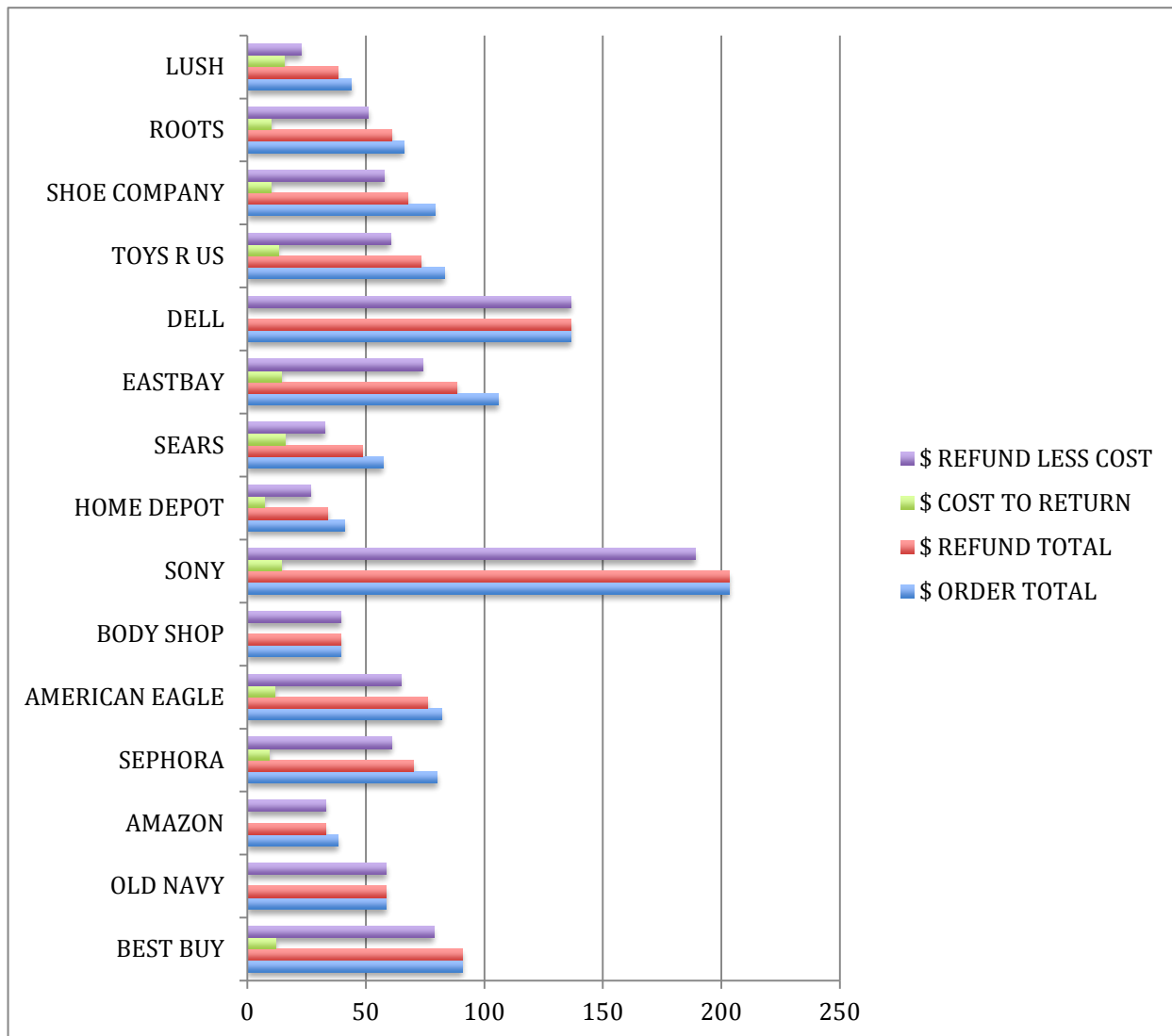


Figure 7: Total cost of the order, amount of refund, cost to return item, and refund less cost to return

Furthermore, the vast majority of retailers failed to reimburse PIAC with return shipping costs, which, in some cases, included insurance costs. Specifically speaking, PIAC’s experience with respect to refund policies of the fifteen retailers can be conveniently described under the following five categories:

- 1) Retailer deducted the original shipping and handling fees and, additionally, PIAC was required to pay for shipping costs to return the product;
- 2) Retailer deducted the original shipping and handling fees, but PIAC did not have to pay for shipping fees to return the product;
- 3) Retailer provided free original shipping and handling fees and thus no fees were deducted from the return, but PIAC had to pay for shipping to return the product;
- 4) Retailer provided free original shipping and handling fees, and PIAC did not have to pay for shipping to return the product; and

5) Retailer refunded original shipping fees and paid for return shipping.

PIAC's experience with each of the five categories is described below.

Retailer deducted original shipping and handling fees and, additionally, PIAC was required to pay for shipping to return the product

PIAC's experience was that seven of the fifteen retailers fell under the first category – the retailer deducted original shipping and handling fees from the refund and also required PIAC to pay for return shipping to the retailer. These retailers were: Sears, Toys “R” Us, the Shoe Company, Roots, LUSH, Sephora, and Eastbay.

❖ *Sears*

Original Order by PIAC

Item # 1	\$14.99
Item # 2	2 x \$6.99
Item # 3	\$14.99
Subtotal	\$43.96
Shipping	\$4.95
Handling	\$3.00
HST	\$5.55
Total	\$57.46

Breakdown of Refund

Item # 1	\$14.99
Item # 2	2 x \$6.99
Item # 3	\$14.99
Subtotal	\$43.96
Shipping	\$0
Handling	\$0
HST	\$4.52
Total	\$48.48

Cost to PIAC to Return

Amount deducted from refund	\$8.98
Return shipping costs paid by PIAC	\$15.90 ⁵⁹
Total	\$24.88

PIAC's original order cost \$57.46, the company issued a refund for \$48.48, and PIAC paid \$15.90 for return shipping. Thus, the total cost to PIAC to return the items was \$24.88, which represents 43% of the original order cost.

It is important to note that it was not clear how Sears calculated the total cost of the order and the refund received by PIAC. Specifically, it is difficult to understand how Sears calculated HST amount of \$5.55 because if one takes into account the costs of the items as well as shipping and handling costs, HST should amount to \$6.75. Moreover, it is also questionable how the amount of \$8.98 was deducted from the refund.

❖ *Toys “R” Us*

Original Order by PIAC

Item # 1	\$19.99
Item # 2	\$19.99
Item # 3	\$24.99
Subtotal	\$64.97
Shipping	\$8.57
HST	\$9.56
Total	\$83.10

Breakdown of Refund

Item # 1	\$19.99
Item # 2	\$19.99
Item # 3	\$24.99
Subtotal	\$64.97
Shipping	\$0
HST	\$8.45
Total	\$73.42

Cost to PIAC to Return

Amount deducted from refund	\$9.68
Return shipping costs paid by PIAC	\$13.00 ⁶⁰
Total	\$22. 68

⁵⁹ PIAC sent the package back to Sears via XpressPost, which costs more than Regular Post. Xpress Post includes insurance for the package contents for up to a \$100 value, whereas Regular Post does not include any insurance for contents.

⁶⁰ PIAC shipped the package back to Toys “R” Us via Regular Post and paid an additional \$1.30 for insurance for the package contents for up to a \$100 value. This was more affordable than the Xpress Post option, which includes the insurance for package contents.

PIAC's original order cost \$83.10, the company issued a refund for \$73.42, and PIAC paid \$13.00 for return shipping. Thus, the total cost to PIAC to return the items was \$22.68, which represents 27% of the original order cost.

❖ *The Shoe Company*

Original Order by PIAC

Item	\$59.99
Shipping	\$9.99
HST	\$9.10
Total	\$79.08

Breakdown of Refund

Item	\$59.99
Shipping	\$0
HST	\$7.80
Total	\$67.79

Cost to PIAC to Return

Amount deducted from refund	\$11.29
Return shipping costs	\$10.06 ⁶¹
Total	\$21.35

PIAC's original order cost \$79.08, the company issued a refund for \$67.79, and PIAC paid \$10.06 for return shipping. The total cost to PIAC to return the item was \$21.35, which represents 27% of the original order cost.

❖ *Roots*

Original Order by PIAC

Item # 1	\$23.99
Item # 2	\$30.00
Subtotal	\$53.99
Shipping	\$4.50
HST	\$7.61
Total	\$66.10

Breakdown of Refund

Item # 1	\$23.99
Item # 2	\$30.00
Subtotal	\$53.99
Shipping	\$0.00
HST	\$7.02
Total	\$61.01

Cost to PIAC to Return

Amount deducted from refund	\$5.09
Return shipping costs paid by PIAC	\$10.05 ⁶²
Total	\$15.14

PIAC's original order cost \$66.10, the company issued a refund for \$61.01, and PIAC paid \$10.05 for return shipping. The total cost to PIAC to return the items was \$15.14, which represents 23% of the original order cost.

❖ *LUSH*

Original Order by PIAC

Item # 1	\$22.95
Item # 2	\$9.95
Subtotal	\$32.90
Shipping	\$6.00
GST	\$5.06
Total	\$43.96

Breakdown of Refund

Item # 1	\$22.95
Item # 2	\$9.95
Subtotal	\$32.90
Shipping	\$0
GST	\$5.22
Total	\$38.12

Cost to PIAC to Return

Amount deducted from refund	\$5.84
Return shipping costs paid to PIAC	\$11.55 ⁶³
Total	\$21.34

⁶¹ PIAC shipped the package back to the Shoe Company via Xpress Post to have the package contents insured for up to a value of \$100.

⁶² PIAC shipped the package back to Roots via Xpress Post to have the package contents insured for up to a value of \$100.

⁶³ PIAC shipped the package back to LUSH via Regular Post and paid an additional \$1.30 for insurance on the package for a value of up to \$100.

PIAC's original order cost \$43.96, the company issued a refund for \$38.12, and PIAC paid \$11.55 for return shipping. The total cost to PIAC to return the items was \$21.34, which represents 49% of the original order cost.

Notably, PIAC was initially refunded the amount of \$34.55. PIAC contacted customer care to clarify confusion created with respect to tax calculations. The customer service representative found a system discrepancy that created a problem when calculating tax for online returns. The representative processed a refund for the additional refund in the amount of \$3.57. The math was still not exact but this arrangement benefited PIAC so it was accepted.

❖ *Sephora (American Retailer)*

Original Order by PIAC

Item	\$62.00
Shipping & handling	\$9.95
HST	\$8.06
Total	\$80.01

Breakdown of Refund

Item	\$62.00
Shipping & Handling	\$0
HST	\$8.06
Total	\$70.06

Cost to PIAC to Return

Amount deducted from refund	\$9.95
Return shipping costs paid by PIAC	\$9.27 ⁶⁴
Total	\$19.22

PIAC's original order cost \$80.01, the company issued a refund for \$70.06, and PIAC paid \$9.27 for return shipping. The total cost to PIAC to return the item was \$19.22, which represents 24% of the original order cost.

Though Sephora is an American retailer, they list prices in Canadian dollars for Canadian consumers. Notably, considering that the dollar was near parity when PIAC was ordering Sephora's products, the Canadian prices were substantially higher than American prices. For example, the product that PIAC purchased for \$62 CAD was listed as \$48 USD. The issue of currency conversion with respect to purchasing items from American retailers is discussed in the next section.

❖ *Eastbay (American Retailer)*

Original Order by PIAC

Item # 1	\$19.99
Item # 2	\$48.99
Subtotal	\$68.98
International Surcharge/tax	\$23.45
Shipping & handling	\$11.99
Total	\$104.42 USD → \$105.88 CDN when billed on credit card

Breakdown of Refund

Item # 1	\$19.99
Item # 2	\$48.99
Subtotal	\$68.98
International Surcharge/tax	\$23.45
Shipping & handling	\$0
Total	\$92.43 USD → \$88.34 CDN when billed on credit card

Cost to PIAC to Return

Amount deducted from refund	\$11.99
Loss due to currency conversion	\$5.55
Return shipping costs paid by PIAC	\$14.34 ⁶⁵
Total	\$31.88

⁶⁴ PIAC shipped the package back to Sephora via Regular Post. PIAC did not pay for insurance on the product, thus taking a risk.

⁶⁵ PIAC shipped the package back to Eastbay via Xpress Post, which includes insurance for the package contents of up to \$100 value.

PIAC's original order cost \$105.88, the company issued a refund for \$88.34, and PIAC paid \$14.34 for return shipping. The total cost to PIAC to return the items was \$31.88, which represents 30% of the original order cost.

It should be noted that Eastbay initially refunded PIAC a drastically lower amount of \$66.12 CDN, which was converted from the original refund amount of \$68.98 USD. Eastbay failed to refund PIAC the international surcharge amount of \$23.45. This was contrary to information in return instructions for Canadian customers sent in the package, which states the following:

Please allow up to 30 calendar days for return to be processed from the time you mail you return – refund will include *any duties, customs and taxes* paid on merchandise...
[emphasis added]

PIAC contacted Eastbay's customer service centre for clarifications. Upon resolving the issue with the customer service representative, PIAC was refunded the original amount of duties and fees of \$23.45 USD, which upon conversion to Canadian dollars amounted to \$22.22. Without a proactive inquiry with respect to why PIAC was not refunded the amount paid for duties and fees, Eastbay would not have corrected its error and PIAC would have lost an additional \$22.22 from the refund.

The issue of currency conversion is discussed later in this report.

Retailer deducted original shipping and handling fees but PIAC did not have to pay for shipping to return the product

PIAC's experience with the fifteen retailers shows that the Home Depot was the only company whose refund practice fell under this category.

Original Order by PIAC

Item	\$29.99
Shipping	\$6.42
HST	\$4.73
Total	\$41.14

Breakdown of Refund

Item	\$29.99
Shipping	\$0
HST	\$3.90
Total	\$33.89

Cost to PIAC to Return

Amount deducted from refund	\$7.25
Return shipping cost paid by PIAC	\$0
Total	\$7.25

PIAC's original order cost \$41.14 and the company issued a refund for \$33.89. The total cost to PIAC to return the item was \$7.25, which represents 18% of the original order cost.

Retailer provided free original shipping and handling fees and thus no fees were deducted from return, but PIAC had to pay for shipping to return the product

Companies that fell under this category when they processed returns were: Best Buy, Amazon.ca, American Eagle Outfitters, and Sony. It is important to note that *none* of these companies offer free shipping and handling fees for all of their products. Free shipping and handling was only offered as a promotion or under the condition that a threshold spending amount was surpassed. In other words, the consumer's purchase must meet certain conditions to take advantage of free shipping. These conditions among other elements of these four retailers' return policies are analyzed below in a greater detail.

❖ *Best Buy*

Original Order by PIAC

Item	\$79.99
Environmental Surcharge	\$0.40
Shipping	free shipping on orders over \$20
HST	\$10.45
Total	\$90.84

Breakdown of Refund

Item	\$79.99
Environmental Surcharge	\$0.40
HST	\$10.45
Total	\$90.84

Cost to PIAC to Return

Amount deducted from refund	\$0
Return shipping costs paid by PIAC	\$12.05 ⁶⁶
Total	\$12.05

PIAC's original order cost \$90.84, the company issued a refund for \$90.84, and PIAC paid \$12.05 for return shipping. The total cost to PIAC to return the item was \$12.05, which represents 13% of the original order cost.

❖ *Amazon.ca*

Original Order by PIAC

Item	\$33.75
Shipping	free shipping on orders over \$25
Tax	\$4.39
Total	\$38.14

Breakdown of Refund

Item	\$33.75
Tax	\$4.39
Total	\$38.14

Cost to PIAC to Return

Amount deducted from refund	\$4.94
Return shipping costs paid by PIAC	\$0
Total	\$4.94

PIAC's original order cost \$38.14 and the company issued a refund for \$38.14. Amazon provided a pre-paid shipping label, the cost of which was deducted from PIAC's total. The total cost to PIAC to return the item was \$4.94, which represents 13% of the original order cost.

❖ *American Eagle Outfitters (American Retailer)*

Original Order by PIAC

Item	\$59.45
Duty	\$10.70
Tax	\$9.12
Total	\$79.27 USD → \$82.21 CDN when billed on credit card

Breakdown of Refund

Item	\$59.45
Duty	\$10.70
Tax	\$9.12
Total	\$79.27 USD → \$76.26 CDN when billed on credit card

Cost to PIAC to Return

Loss due to currency conversion	\$5.95
Return shipping costs paid by PIAC	\$11.46 ⁶⁷
Total	\$17.91

PIAC's original order cost \$82.21 CDN, the company issued a full refund which converted to \$76.26 CDN, and PIAC paid \$11.46 for return shipping. The total cost to PIAC to return the item was \$17.91, which represents 22% of the original order cost. Currency issues will be discussed later in this report.

⁶⁶ PIAC shipped the package back to Best Buy via Regular Post and paid an additional \$1.15 for insurance on the package contents for a value of up to \$100.

⁶⁷ PIAC shipped the package back to American Eagle via Regular Post. PIAC did not purchase insurance for the package, thus assuming the risk of potential loss.

❖ Sony

Original Order by PIAC

Item	\$179.99
Shipping	Product qualifies for free shipping
HST	\$23.40
Total	\$203.39

Breakdown of Refund

Item	\$179.99
HST	\$23.40
Total	\$203.39

Cost to PIAC to Return

Amount deducted from refund	\$0
Return shipping costs paid by PIAC	\$14.34 ⁶⁸
Total	\$14.34

PIAC's original order cost \$203.39, the company issued a refund for \$203.39, and PIAC paid \$14.34 for return shipping. The total cost to PIAC to return the item was \$14.34, which represents 7% of the original order cost. It should also be noted that PIAC paid extra amount in return shipping costs for insurance coverage.

Retailer provided free original shipping and handling fees, and PIAC did not have to pay shipping fees to return the product

The two retailers that fell into this category when they processed returns by PIAC were the following: Old Navy and Dell. It is important to note that Old Navy provides free shipping and handling for *certain* purchases and free return shipping on *all* products. Dell processed returns in ways that were *not* delineated under their websites' return policies but which were still advantageous for the consumer.

❖ Old Navy

Original Order by PIAC

Item # 1	\$22.99
Item # 2	\$25.00
Item # 3	\$3.97
Subtotal	\$51.96
Shipping	free shipping on orders over \$50
HST	\$6.75
Total	\$58.71

Breakdown of Refund

Item # 1	\$22.99
Item # 2	\$25.00
Item # 3	\$3.97
Subtotal	\$51.96
HST	\$6.75
Total	\$58.71

Cost to PIAC to Return

Amount deducted from refund	\$0
Return shipping costs paid by PIAC	\$0
Total	\$0

PIAC's original order cost \$58.71 and the company's issued a refund for \$58.71. The total cost to PIAC to return the items was \$0.

⁶⁸ PIAC shipped the package back to Sony Canada via Xpress Post. PIAC purchased additional insurance coverage for an additional \$100 value so that the total insured product amount was \$200.

❖ *Dell*

Original Order by PIAC

Item # 1	\$19.99
Item # 2	\$59.99
Item # 3	\$39.99
Subtotal	\$119.97
Shipping	free shipping
HST	\$ 15. 70
Environmental charge	\$ 0.80
Total	\$136. 47

Breakdown of Refund

Item # 1	\$19.99
Item # 2	\$59.99
Item # 3	\$39.99
Subtotal	\$119.97
HST	\$15.70
Environmental charge	\$0.80
Total	\$136.47

Cost to PIAC to Return

Amount deducted from refund	\$0
Return shipping costs paid by PIAC	\$0
Total	\$0

PIAC's original order cost \$136.47 and the company issued a refund for \$136.47. The total cost to PIAC to return the items was \$0.

Dell's refund policy states that:

...the refund or credit will not include any shipping and handling charges shown on your invoice and will be subject to a 15% restocking fee, unless otherwise prohibited by law.

The policy suggests that Dell will deduct a 15% restocking fee. Yet, PIAC's refund did not include a deduction for restocking, thus PIAC's experience suggests that there may be cases when Dell overlooks this return policy.

In addition to not incurring shipping and handling fees, PIAC was also not responsible for paying return shipping fees. When calling the company to obtain Credit Return Authorization number, a customer service representative provided PIAC with a pre-paid return shipping label. Interestingly, Dell's policy is *silent* on whether the consumer is responsible for return shipping costs. PIAC's experience with Dell suggests that at least in *some* cases the consumer will not incur return shipping costs, but this practice is not clearly stipulated in Dell's policies.

Retailer refunded original shipping fees and paid for return shipping

Only one retailer fell into this category: the Body Shop.

❖ *The Body Shop*

Original Order by PIAC

Item # 1	\$11.00
Item # 2	\$15.00
Item # 3	\$4.00
Subtotal	\$30.00
Shipping	\$5.00
Tax	\$4.55
Total	\$ 39.55

Breakdown of Refund

Item # 1	\$11.00
Item # 2	\$15.00
Item # 3	\$4.00
Subtotal	\$30.00
Shipping	\$5.00
Tax	\$4.55
Total	\$39.55

Cost to PIAC to Return

Amount deducted from refund	\$0
Return shipping costs paid by PIAC	\$0
Total	\$0

PIAC's original order cost \$39.55 and the company issued a refund for \$39.55. The total cost to PIAC to return the items was \$0.

Due to extenuating circumstances, which were discussed in a greater detail in the “Ease of Return” section, it took PIAC 18 days from the date of delivery by the Body Shop to pick up the items from the post office. As it was also mentioned before, it took the Body Shop 14 days to deliver the product from the date of purchase. As a result, PIAC contacted the company to request an extension of the return policy which stipulates the deadline of 30 days *from date of purchase of the items*. In response to the request, the Body Shop sent an email containing a *pre-paid return label*. This was a surprising action on the part of the company as its return policy underscores the condition that the *consumer is responsible* for payment of return shipping costs. However, it is likely that the Body Shop understood difficulties that PIAC went through in obtaining the products and that the effort to return the items on time was not within PIAC’s power, and this may be the reason why the Body Shop overlooked that restriction.

In addition to not incurring any return shipping costs, PIAC was also reimbursed the full amount of \$39.55, which included the \$5.00 fee for original shipping. Once again, this consumer-friendly action contradicts the company’s policy that shipping and handling costs will not be refunded unless there was an error made in processing an order or “a product was damaged upon receipt.” It is likely that PIAC’s experience with obtaining the items was also a factor in the Body Shop’s decision not to deduct shipping and handling fees from the refund. Thus, PIAC’s experience with returns from the Body Shop was unusual and the Body Shop would not likely refund original shipping fees and pay for return shipping in all cases.

iv. Issues of currency conversion and duty tax

PIAC, upon purchasing from the American retailers such as American Eagle, Eastbay, and Sephora observed evident disparities in refund amounts due to currency differences. In the cases of American Eagle and Eastbay, the disparity arises due to the way the credit card method of payment calculates the Canadian total for the order charge and the refund. The credit card calculates the conversion based on the value of the Canadian dollar on the day that the charge or refund is processed. Because the Canadian dollar value increased in value compared to the American dollar between the date of purchase and the date of refund, PIAC was not able to fully recover the cost of the order when the refund was processed. It is important to note that the currency conversion could work to the benefit of the Canadian consumer for returns when the reverse situation occurs – that is, when the Canadian dollar value decreases in value compared to the American dollar between the date of purchase and the date of refund.

More detailed descriptions of those disparities are provided below.

❖ *American Eagle*

PIAC’s order total from American Eagle amounted to \$79.27 USD. When the credit card converted to Canadian dollars at a rate of 1.037088 on November 30, 2010, the total charge for the order posted to the credit card was \$82.21 CAD. When PIAC’s refund was processed on January 10, 2011, the refund amount of \$79.27 USD was converted to Canadian dollars at a rate of 0.962028, resulting in a total refund amount of \$76.26 CAD. This resulted in a loss of \$5.95 due to currency conversion.

American Eagle charged \$10.70 in duty tax on the order in addition to \$9.12 in tax. No breakdown was provided for how the duty tax was calculated.

❖ *Eastbay*

PIAC's order total from Eastbay amounted to \$104.42 USD. When the credit card converted to Canadian dollars at a rate of 1.013981 on January 11, 2011, the total charge for the order posted to the credit card was \$105.88 CAD. Recall that PIAC's refund was processed in two parts due to Eastbay mistakenly failing to refund the international tax until PIAC contacted Eastbay for clarification. The first refund was processed on February 18, 2011, when the refund amount of \$68.98 CAD was converted to Canadian dollars at a rate of 0.958538, resulting in a refund of \$66.12 CAD. The second refund was processed on March 2, 2011, converting the refund amount of \$23.45 USD at a rate of 0.947547, resulting in a refund of \$22.22 CAD. This resulted in a loss of \$5.55 due to currency conversion.

Eastbay charged \$23.45 in tax on the order, which was originally described as an "international surcharge" and then later described as a "tax". No breakdown was provided as to how this tax was calculated.

❖ *Sephora*

Unlike American Eagle and Eastbay, when Canadian consumers purchase items online from Sephora, they are required to click the button for Canadian check out. When the consumer clicks on "Canadian check out", the shopping baskets displays a new product price in Canadian dollars. Consequently, when PIAC indicated to purchase the item worth \$48 USD through Canadian check out, the price was converted to Canadian dollars and came to \$62 CAD, which is significantly more than the American price, especially considering that the Canadian dollar was near parity to the American dollar at the time of purchase.

* * * * *

A recent news story discussed American retailer J. Crew's merchandise prices on its recently rolled out Canadian e-commerce site, which were described as about 15 percent more than prices at its American outlets.⁶⁹ The original story noted that for Canadian online shoppers, the duties raised the final price of the orders in some cases by as much as 50 percent compared with the American site they previously ordered from, but J. Crew backed down and dropped the roughly 10 to 20 percent duty charge on Canadian online purchases.⁷⁰ The Globe and Mail cited a study conducted in the spring of 2011 that found that Canadian prices were 20 percent higher than those of the same products in the United States, while two years earlier the spread was less than 7 percent. This differential exists despite the value of the Canadian dollar soaring above the U.S. dollar.

Retailers cited the need to raise Canadian prices to cover steeper costs in Canada, including duties, taxes and rent, along with fewer economies of scale. Retailers also expressed

⁶⁹ Marina Strauss, "J. Crew's Canadian shoppers balk at higher prices" The Globe & Mail (21 August 2011), online: <http://www.theglobeandmail.com/report-on-business/j-crews-canadian-shoppers-balk-at-higher-prices/article2136570/>. Another similar news story reported similar price differentials with other American retailers. See Marina Strauss, "Canadian consumers walk the 'loonie swagger'" The Globe & Mail (27 August 2011), online: <http://www.theglobeandmail.com/report-on-business/economy/canadian-consumers-walk-the-loonie-swagger/article2144141/>. For example, Abercrombie & Fitch priced a jacket for \$160 US and \$200 CAD. Starbucks coffee was priced at \$17.95 CAD for a 16 oz bag of coffee, but \$10.95 US for the same package.

⁷⁰ Marina Strauss, "Canadian consumers walk the 'loonie swagger'" The Globe & Mail (27 August 2011).

reluctance to change prices in step with a fluctuating dollar.⁷¹ Retail chains blame global suppliers for charging higher prices in Canada that push up retail prices as much as 30 percent higher than in the United States. The manufacturers counter that major retailers charge them steep stocking fees for carrying their items. Furthermore, they contend that bilingual labeling and other regulations force them to raise wholesale rates in Canada.⁷² A retail consultant in New York stated that retailers charge what they think the market will bear, and given that the Canadian market is less competitive compared to the United States, US merchants can raise prices in Canada.⁷³

The higher prices paid by Canadian consumers purchasing the goods sold by the American retailers irritated Canada's Finance Minister Jim Flaherty, who stated that "Canadians are rightly irritated when they see large price discrepancies on the exact same products and being sold on different sides of the border."⁷⁴ To address the pressing issue, Mr. Flaherty asked the Senate national finance committee in September 2011 to study cross-border rates and pricing, including whether a reduction of tariffs would reduce the price gap. The Minister stated the following:

Among other things, I'm responsible for tariffs and sometimes people in the retail business blame tariffs and so on, so I want to see and I want to know what the facts are and I'm looking forward to the Senate committee getting to the facts, reporting back about what the facts are and we'll take whatever steps we need to take.⁷⁵

v. Company communications with consumer regarding receipt of return and refund

PIAC was proactive in tracking the shipment of the package back to the retailer to ensure that the retailer received the return. PIAC's experience with the fifteen retailers showed inconsistent practice for communication with the customer regarding the receipt of the return and the status of the customer's refund. Six retailers did not communicate with PIAC regarding the return or refund, leaving PIAC to learn about the refund only when the credit was processed to the method of payment. No written or oral confirmation of the refund was provided. These retailers were Best Buy, Sephora, the Body Shop, Sony, Sears and Roots.

Only two retailers, Dell and LUSH, contacted PIAC by phone to confirm receipt of the returned items. Dell contacted PIAC on the day that PIAC tracked successful delivery of the item. Dell emphasized that the purpose for the call was to ensure that PIAC was not worried about whether or not the item has reached the companies' facilities. Dell also stated that the return would be processed shortly. Dell called a second time to notify PIAC that the refund credit was processed, confirm the total refund amount, and provide information about when the credit would appear on the credit card statement. LUSH contacted PIAC to confirm receipt of the items the day after the item was successfully delivered, confirm the total refund amount, and inform PIAC that the refund was processed back to the method of payment. Neither Dell nor LUSH provided an email confirmation receipt of the refund.

⁷¹ *Ibid.*

⁷² Marina Strauss & Bill Curry, "Flaherty calls for clarity on higher prices in Canada" *The Globe & Mail* (8 September 2011), online: <http://www.theglobeandmail.com/report-on-business/economy/flaherty-calls-for-clarity-on-higher-prices-in-canada/article2156276/>.

⁷³ Marina Strauss, "Canadian consumers walk the 'loonie swagger'" *The Globe & Mail* (27 August 2011).

⁷⁴ Marina Strauss & Bill Curry, "Flaherty calls for clarity on higher prices in Canada" *The Globe & Mail* (8 September 2011).

⁷⁵ Bill Curry, "Flaherty weighs reducing tariffs in response to US price gap" (8 September 2011),

Seven retailers communicated with PIAC via email to confirm either receipt of the items or processing of the refund. Practices varied, with some retailers merely notifying PIAC that the refund had been processed but without confirmation of the refund amount. Others provided notice of the refund and also confirmed the total refund amount. There was also variation in the timeframe stipulated during which PIAC should expect the refund to appear on the original method of payment.

Amazon.ca informed PIAC that the order had been refunded and outlined the breakdown and total of the amount refunded. Amazon.ca provided the most detailed breakdown of the refund. Amazon.ca stated that the refund should appear on the payment method within 10 business days.

Old Navy emailed PIAC regarding the receipt of items, accompanied with the following statement: "Your credit should appear on your credit card statement in one to two billing cycles." Old Navy's email did not specify the amount of credit that will be refunded. PIAC notes that the description of the refund timeline as one to two billing cycles is exceptional, in that such a timeframe could mean 60 days.

Home Depot provided an email refund notification confirming that PIAC would be refunded for the total order, stating that it may take 7 to 14 business days for refund to show on the credit card statement, depending on the financial institution. The Shoe Company wrote to PIAC, specifying the amount of credit that had been refunded and that it would take 3 to 5 business days for the credit to appear on the statement.

PIAC had some issues with the initial refund issued by Toys "R" Us, which was determined after the company emailed PIAC specifying the amount that was issued to the credit card and stated that this amount would take 5 to 7 business days to appear on the statement. The refund amount indicated in the email was partial - specifically, instead of providing a refund for the all three items ordered, Toys "R" Us indicated a refund for only one item in the amount of \$24.99. The remaining amount of \$39.09 that constituted the original cost of two items was not reflected in the email notification. PIAC contacted the company and the representative assured PIAC that the remaining amount owed would be credited shortly. The next day, PIAC received an email notification confirming issuance of the remaining refund owed. It is unclear whether, without taking the initiative to clarify the refund amount, Toys "R" Us would have refunded PIAC the correct total refund.

PIAC also received email notifications from Eastbay and American Eagle confirming that credit had been applied to the original method of payment but emails from these retailers did not specify the total amount of the refund.

5. CANADIAN LAWS THAT PROVIDE CONSUMER PROTECTION FOR ONLINE PURCHASES AND RETURNS

This section discusses Canadian federal and provincial laws that provide consumer protection in a direct and indirect manner in the context of consumer purchases. The report analyzes three statutes that are most applicable to the purposes of this study: the federal *Competition Act*, Ontario's *Sale of Goods Act* and *Consumer Protection Act, 2002*. The primary purpose behind analyzing these laws is to determine their efficacy when it comes to protecting Canadian online shoppers and their right to return items purchased online.

a) Federal Competition Act

The *Competition Act* is relevant for the purpose of this study because it contains provisions prohibiting false and misleading representations.⁷⁶ To deal with misleading advertising, the Act has introduced a dual criminal/civil adjudicative system. The criminal regime under this system addresses offences that were committed knowingly or recklessly. The criminal regime is reserved for egregious cases while cases under the civil regime is applied for more cases and focuses on the issue of false or misleading representation.⁷⁷

In contrast, the civil regime strives to deal with breaches under Part VII.1 of the Act in a quicker and more flexible manner.⁷⁸ With respect to adjudicating misleading advertising matters under the civil regime, jurisdiction is shared among the Competition Tribunal, the Federal Court and superior courts of the provinces. Some benefits of dealing with misleading advertising issue under the civil regime are a lower evidentiary burden to be met by the Commissioner, avoidance of the stigma attached to advertisers who are criminally prosecuted, and a quicker and more flexible and efficient remedial action.⁷⁹

Subsection 74.01(1)(a) of the *Competition Act* is a civil provision, which prohibits making “a representation to the public, in any form whatever, that is false or misleading in a material respect.” It is not necessary to show that any individual was actually deceived or misled or that any individual targeted by the representation was within Canada or that the representation in question was made in a place to which the public had access. The general impression conveyed by a representation along with its literal meaning “shall be taken into account when determining whether or not the representation is false or misleading in a material respect.”⁸⁰

In a enforcement guideline document, the Competition Bureau, the body responsible for the enforcement of the *Competition Act*, lists non-exhaustive factors that can help online businesses avoid making misleading representations.⁸¹ The most relevant one is regarding representations about the product. In electronic transactions, consumers are unable to physically inspect products thus they especially rely upon representations when deciding to purchase the good. Thus, all representations with respect to the products, which include “accompanying text,

⁷⁶ R.S.C., 1985, c. C-34, online: <http://laws-lois.justice.gc.ca/eng/acts/C-34/>.

⁷⁷ Stikeman Elliott LLP, *Competition Act & Commentary*, (2010) Lexis Nexis Canada Inc. at p. 57.

⁷⁸ *Ibid.* at p. 62.

⁷⁹ *Ibid.*

⁸⁰ Competition Bureau, “False or Misleading Representations”, online: <http://www.competitionbureau.gc.ca/eic/site/cb-bc.nsf/eng/00513.html>.

⁸¹ Competition Bureau, “Application of the Competition Act to Representations on the Internet” Enforcement Guidelines published 18 February 2003, online: <http://www.competitionbureau.gc.ca/eic/site/cb-bc.nsf/eng/01213.html>.

pictures, illustrations and audio” should be created in a manner that would ensure that consumers are not misled “about any aspect of the product”.⁸² As well, the document states that items such as “photography, artwork, or audio-visual representations” should also show the product in an accurate and fair manner.

Where a court finds that an individual or corporation has made a false or misleading advertisement, the court can order the individual or corporation not to engage in such conduct, to publish a corrective notice, or to pay an administrative monetary penalty. The court can additionally order the individual or corporation to pay restitution to purchasers.⁸³

The above analysis on provisions of the *Competition Act* shows that the Act will very likely be applicable to the issue of online returns if the consumer was misled by the online business which represented their goods in any form that is false or misleading in a material aspect and as a result of that representation, the consumer purchased the goods.

b) The Ontario Sales of Goods Act

Enacted by provincial governments across Canada, the *Sale of Goods Act* incorporates the common law right of the buyer to reject the goods in cases of the breach of a condition in a sales contract whereby goods that were delivered by the seller are not the goods that the seller has contracted for.⁸⁴ The Ontario *Sales of Goods Act* stipulates a number of implied conditions in a contract for the purchase of goods. Three notable implied conditions are especially applicable in the context of online purchases. First, in a contract for the sale of goods with a description, there is an implied condition that the goods will correspond with the description.⁸⁵ In instances of goods bought by description, there is an implied condition that the goods will be of merchantable quality.⁸⁶ Finally, where goods are delivered to the buyer and were not previously examined by the buyer, the buyer shall be deemed not to have accepted them until there has been a reasonable opportunity of examining them for the purpose of ascertaining whether they are in conformity with the contract.⁸⁷

If the goods purchased online do not correspond with the description or are not of merchantable quality, the buyer has the right to return the goods to the seller. There are not any generally accepted guidelines and precedents with respect to what constitutes “reasonable opportunity” to examine the goods purchased online in order to ascertain whether the goods do indeed match a description delineated in the contract. Therefore, lack of clarification with respect to this expression indicates that having “a reasonable opportunity” to examine goods will be decided on a case-by-case basis, by taking into account the return policies of online businesses.

c) The Ontario Consumer Protection Act, 2002

The Ontario *Consumer Protection Act, 2002* applies to all consumer transactions where the consumer or the person who engages in the transaction with the consumer is located in Ontario

⁸² *Ibid.*

⁸³ Competition Bureau, “False or Misleading Representations”, online: <http://www.competitionbureau.gc.ca/eic/site/cb-bc.nsf/eng/00513.html>.

⁸⁴ Ontario, *Sales of Goods Act*, R.S.O. 1990, Ch. S. 1, online: www.e-laws.gov.on.ca/Download?dID=16892.

⁸⁵ *Ibid.* at s. 14.

⁸⁶ *Ibid.* at s 15(2).

⁸⁷ *Ibid.* at s. 33.

when the transaction takes place.⁸⁸ The Act protects online consumers and any consumer resident in Ontario by prohibiting businesses from making a false, misleading or deceptive representation. Contracts that were induced to be entered into as a result of making false, misleading or deceptive representation may be rescinded by the consumer.⁸⁹

The Act also contains sections regarding internet agreements which are evidently applicable to online purchases, but are only applicable where the total of the consumer's purchase exceeds \$50.⁹⁰ Before entering into a contractual relationship, the supplier must disclose prescribed information to the consumer.⁹¹ The prescribed information is stipulated in the accompanying regulations and includes, among other things, a fair and accurate description of the goods and services proposed to be supplied to the consumer, a description of additional charges that may apply such as customs or brokerage fees, and the rights if any that the supplier agrees that the consumer will have in relation to cancellations, returns, exchanges and refunds. If the supplier did not disclose this required information to the consumer, the consumer can cancel the agreement at any time from the date the agreement is entered into until seven days after the consumer receives a copy of the agreement.

A copy of the internet agreement in writing must be delivered to the consumer within the prescribed period upon entering into the contractual agreement. The agreement may be cancelled within 30 days by a consumer after it was entered into if a copy of the internet agreement was not provided.

Where the consumer cancels the contract, the supplier must refund to the consumer any payment made under the agreement.⁹² Where the supplier does not fulfill its refund obligations, the consumer has the right to commence an action.

Thus, the online shopper may rely upon the *Consumer Protection Act, 2002* in limited instances such as where the good was purchased based on a misleading representation, where the supplier failed to disclose "prescribed information" or where the supplier failed to delivery a copy of the internet agreement.

Notably, the *Consumer Protection Act, 2002* provides a 10-day cooling off period for some types of agreements, such as direct agreements or timeshare agreements, but the cooling off period does not currently apply to internet agreements.

* * * * *

The above examination of Canadian legislation reveals that legal protections offered for Canadian online shoppers are neither comprehensive nor sufficient enough to provide effective protection. Specifically, the consumer can resort to legal means only in limited instances, such as in cases where an online business has engaged in false or misleading practices with respect

⁸⁸ Ontario, *Consumer Protection Act, 2002*, S.O. 2002, Ch. 30, online: http://www.e-laws.gov.on.ca/html/statutes/english/elaws_statutes_02c30_e.htm.

⁸⁹ *Ibid.* at s. 18.1.

⁹⁰ See ss. 37 to 40 of the *Consumer Protection Act* and also ss. 31 to 33 of Ontario Regulation 17/05 made under the *Consumer Protection Act, 2002*, printed under the *Ontario Gazette* on 19 February 2005, online: http://www.e-laws.gov.on.ca/html/source/regs/english/2005/elaws_src_regs_r05017_e.htm#BK47.

⁹¹ *Consumer Protection Act* at s. 38(1).

⁹² *Ibid.* at s. 96. Note that the Ontario Ministry of Consumer Services provides templates for consumers who wish to exercise their right to cancel a contract under the *Consumer Protection Act, 2002*, online: http://www.sse.gov.on.ca/mcs/en/Pages/Cancel_a_Contract.aspx.

to a material representation or description of the goods; where the goods do not match description provided in a contractual agreement; or where the goods are not of merchantable quality. In other words, there are no laws that impose specific obligations upon online businesses before and after they engage in a contractual agreement with the consumer. Moreover, there is no consumer right of return except in the above limited circumstances. Thus, the ability to return a product purchased from an online retailer largely relies upon good faith business practices of online retailers.

6. EUROPEAN LAW THAT PROVIDES CONSUMER PROTECTION FOR ONLINE PURCHASES AND RETURNS

The EU Consumer Rights Directive adopted in June 2011 is currently the most prominent directive on consumer protection when it comes to regulating business to consumer online commerce.⁹³ The new EU Consumer Rights Directive provides consumers with a myriad of rights that assist the consumer with making effective purchasing decisions and asserting his or her right of return. The Directive strives to help the consumer return the goods in a quick and easy manner. Before describing the most pertinent sections of the new EU Consumer Rights Directive, it is important to analyze the impetus for its adoption. Thus, the report first looks at the Directive's predecessor, EU Directive 97/7/EC (the EU Directive on Distance Selling) and other reasons behind the adoption of the EU Consumer Rights Directive on Consumer Rights in June 2011.

a) European Union Directive Regarding Distance Contracts prior to June 2011

The main objective of the now repealed EU Directive on Distance Contracts, which came into force on October 21, 2000, was to regulate *distance contracts* between businesses and consumers (B2C).⁹⁴ The Directive defined "*distance contract*" as:

... any contract concerning goods and services concluded between a supplier and a consumer under an organized distance sales or service-provision scheme run by the supplier, who, for the purpose of the contract, makes exclusive use of one or more means of distance communication up to and including the moment at which the contract is concluded[.]⁹⁵

In other words, the aim of the EU Directive on Distance Contracts was to provide consumers who make purchases of goods from a distance with the same rights exercised by those consumers who make purchases in face-to-face forums.

The EU Directive on Distance Contracts was not mandatory for Member States to be adopted and, as a consequence, had varying levels of adaptation. Nevertheless, it contained several notable articles that are pertinent to the report's discussion of online purchases and returns.

Specifically, Article 4 on pre-contractual information obliged the supplier to provide the consumer with the necessary information prior to the formation of the contract, which included: the identity of the supplier; main characteristics of the goods or services; the price of the goods or services including all taxes and delivery costs, where appropriate; arrangements for payment, delivery or performance; and many other stipulations. Article 5(1) stated that the consumer must receive confirmation (either written or communicated via a "durable medium") of the information

⁹³ Europa Press Release, "Consumer Rights: 10 ways the new EU Consumer Rights Directive will give people stronger rights when they shop online" (23 June 2011), online:

<http://europa.eu/rapid/pressReleasesAction.do?reference=MEMO/11/450>.

⁹⁴ European Union, Directive 97/7/EC of the European Parliament and of the Council of 20 May 1997 on the protection of consumers in respect of distance contract, online: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:31997L0007:en:NOT>.

⁹⁵ *Ibid.* at Article 2(1).

delineated in Article 4. The confirmation is required to arrive by the *time of product delivery at the latest*.

Since the aim of the EU Directive on Distance Contracts was to provide consumers who make purchases of goods at a distance with the same rights as those consumers who make purchases in a face-to-face forum, the right of withdrawal was its most key feature. In particular, Article 6 allowed the consumer to evaluate the good in person and remove himself from a contract if desired after such evaluation. In most cases, withdrawal must occur *within seven working days* after the receipt of the good. Provision of a reason for withdrawal was not required. The EU Directive on Distance Contracts did not clearly indicate how a consumer could withdraw from a contract. As a result, Member States adopted rules that they deemed suitable. Some member states adopted laws that required withdrawal in a written form, while others legislated that return of goods served as sufficient notice.⁹⁶ In cases where Member States did not adopt any formal means on how to properly withdraw from a contract, the consumer, under the Directive, could use any means to exit the contract, such as by expressing his desire to withdraw or by returning the goods to the supplier.

Furthermore, the meaning of “receipt of goods” caused confusion as the Directive did not clearly specify what actually constituted “receipt” for the purpose of withdrawal from a contractual agreement. In other words, did “receipt” mean the day that the consumer came into physical possession of the good or when the consumer received a delivery notice on his door? In the latter case, the consumer would not have as much time as in the former case to withdraw from a contractual agreement.

b) Impetus for Change

i. Consumer group reaction to old Directive

A European consumer organization, BEUC, contended that the EU Directive on Distance Contracts was accompanied by marked pitfalls. BEUC argued that pre-contractual information provided to the online purchaser of goods must include additional information, such as:

- The seller's email address;
- Where applicable, the identity of the representative of the seller in the country where the consumer is located;
- The *total* price of the good or service, including all applicable taxes, fees, and charges;
- The timeframe within which the good will be delivered (within 30 days);
- Where applicable, “the non-existence of a right of withdrawal”; and
- Information concerning financial guarantees that payments made in advance will be recovered in the instance of withdrawal or cancellation.⁹⁷

⁹⁶ Hans Schulte-Nolke et al., “EC Consumer Law Compendium – Comparative Analysis” (2008) Universitat Bielefeld, online: http://ec.europa.eu/consumers/rights/docs/consumer_law_compendium_comparative_analysis_en_final.pdf at pp. 553-554.

⁹⁷ BEUC, “Distance Selling Consultation – Communication from the Commission on the implementation of directive 97/7/EC” (1 December 2006), online: http://www.directsellingeurope.eu/public/Analysis_and_background_documents/BEUC%20-%20position%20on%20consumer%20directive%201997.pdf at pp. 5, 6 and 8.

In addition, BEUC specified that the Directive should require pre-contractual information to be not only “clear and comprehensive” but also “easily identifiable on the screen with a clear and visible direct link to the general conditions of contract.”⁹⁸

In regards to the withdrawal period, BEUC noted that the seven working-day period was too short and advocated for the timeframe to be extended to 14 working days. In addition to advocating for an extension of the withdrawal period, BEUC also asked for harmonization of the timeframe across the EU. Furthermore, BEUC stated that the Directive should underscore that the notice of withdrawal should be given to the *supplier* or to any *representative* acting on his behalf, so the contract can be properly rescinded. The organization also stated that method of exercising the right of withdrawal should be flexible.

Most important, BEUC stated that “receipt” of the goods for the purpose of withdrawal from the contractual agreement should take place on the day the consumer gains physical possession of the goods.

ii. European Commission research prompting change

According to the European Union, in 2010, 40% of EU consumers were engaged in online purchases of goods and services compared to 26% of EU consumers in 2006. This is a significant rise in popularity of online purchases making the Internet “the most frequently-used distance-selling medium today.”⁹⁹

Nevertheless, even though the popularity of the internet among EU consumers is highly evident, further exploration of online purchasing habits of those consumers revealed reluctance on their part to engage in distance or cross-border online shopping. Specifically, in 2010 only 7% of consumers engaged in cross-border online purchases within the EU.

There are two main reasons behind the lack of popularity of cross-border online shopping. First, concerns about late delivery and non-delivery of goods discourage EU consumers from engaging in such purchases. Second, conflicting consumer protection regulations of Member States dissuade not only consumers from engaging in cross-border online shopping but also businesses from selling goods across borders.

Challenges to smooth and successful cross-border shopping were long recognized by the European Parliament. This is why its members for two and half years were engaged in negotiations under the supervision of Andreas Schwab, a member of the Committee on the Internal Market and Consumer Protection, to come up with a well-balanced Directive that would contain succinct and common consumer protection rules across the EU. The Consumer Rights Directive adopted in June 2011 became the agreed-upon outcome of those negotiations and its passage indicates that the overwhelming majority of members found that it would solve obstacles to effective cross-border online shopping.¹⁰⁰

⁹⁸ *Ibid.*

⁹⁹ European Parliament, “Consumer rights: what the new EU rules will mean” (22 June 2011), online: <http://www.europarl.europa.eu/en/pressroom/content/20110622BKG22276/html/Consumer-rights-what-the-new-EU-rules-will-mean>.

¹⁰⁰ The EU Consumer Rights Directive passed with 615 votes in favour, 16 against and 21 abstentions.

c) The new EU Directive on Consumer Rights as of June 2011

i. How the Consumer Rights Directive works to protect consumers

On June 23, 2011, the European Parliament adopted the Directive on Consumer Rights and, as a consequence, repealed the EU Directive on Distance Selling. The new Consumer Rights Directive was signed in July 2011 and has formally come into force.¹⁰¹ Member States have two years to introduce changes in their countries in accordance with the Directive. Like its predecessor, the Consumer Rights Directive concerns electronic transactions between businesses and consumers. Its objective is “to contribute to the proper functioning of the internal market ...**through the achievement of a high level of consumer protection**” (emphasis in text).

Increased supplier transparency, including increased price transparency

Article 6 is one of the most innovative and comprehensive provisions to date when it comes to ensuring that consumers are imbued with sufficient opportunity to make informed choices with respect to goods that they wish to purchase. It expands on pre-contractual obligations of the trader that were delineated under Article 4 of the previous EU Directive on Distance Selling and thus, solved flaws that were pointed out by BEUC. The trader carries the burden of proving that he has complied with *all* of the disclosure requirements, which should be fulfilled in a clear and comprehensible manner.¹⁰²

Specifically, the new Consumer Rights Directive adds the obligations to disclose:

- The trader’s identity, including his trading name;
- Address where the trader is established, his telephone and fax number, and e-mail address, where available, so that the consumer is able to quickly contact the trader and efficiently communicate with him;
- Where applicable, address and identity of the “trader on whose behalf he is acting;”
- The consumer’s right of withdrawal, including availability of a model withdrawal form provided by the Directive and available to the consumer to express his desire to withdraw from the contract;
- The consumer’s potential obligation to be responsible for costs of return of the goods in instances of withdrawal.

As well, the Consumer Rights Directive requires increased price transparency in that the business must disclose the total price of the good or goods, which includes taxes and any extra fees. In instances where the price “cannot reasonably be calculated in advance” the trader shall provide information on how the price is calculated and, where appropriate, information on freight, delivery or postal charges and any other costs that may be incurred as a result of a purchase. In instances where the charges cannot reasonably be calculated, the trader must

¹⁰¹ Consumer International, “EU: new online shopping laws to help consumers buying from abroad” (28 June 2011), online: <http://www.consumersinternational.org/our-members/member-activity/2011/06/eu-new-online-shopping-laws-to-help-consumers-buying-from-abroad>.

¹⁰² European Parliament, “European Parliament legislative resolution of 23 June 2011 on the proposal for a directive of the European Parliament and of the Council on consumer rights (COM(2008)0614 – C6-0349/2008 – 2008/0196(COD))” texts adopted 23 June 2011, online: <http://www.europarl.europa.eu/document/activities/cont/201106/20110624ATT22578/20110624ATT22578EN.pdf> (“Consumer Rights Directive”) at Article 5(1).

inform the consumer that such charges “may be payable”. Online shoppers will not have to pay charges or costs if they were not properly informed before they place an order.

Right of the consumer to change his or her mind on a purchase for 14 days

Most importantly, for the purpose of this discussion, the Consumer Rights Directive guarantees that the consumer shall be entitled to withdraw from a distance contract for *any* reason *within 14 calendar days upon receipt of goods*.¹⁰³ The Directive emphasizes that in online sales contracts, the cooling-off period starts when the consumer obtains actual *physical possession* of the goods.¹⁰⁴ Insertion of the expression “physical possession” eliminates confusion that arose from the previous Directive on Distance Selling, which failed to explain whether “*receipt*” meant actual physical possession or arrival of the package at the post office.

This Article also harmonizes different withdrawal periods set across the EU, which previously ranged from seven working days to 15 calendar days. Besides being advantageous to consumers, the universality of the 14-day cooling-off period across the EU also helps the trader avoid challenges of becoming familiar with each State’s withdrawal periods. Finally, emphasis that it is a 14-day cooling-off period upon receiving as opposed to ordering goods avoids abusive tactics that may potentially be carried out by a trader that does not want the consumer to withdraw from the contractual obligation.

The Consumer Rights Directive requires the consumer who wants to take advantage of the withdrawal period to inform the trader of his decision to withdraw before the period expires.¹⁰⁵ The consumer may either use the model withdrawal form or make any “unequivocal statement” that would indicate his decision to withdraw through a medium of his choice. If the consumer makes use of the trader’s official website to exercise his right of withdrawal, the trader must, without delay, provide the consumer with confirmation “on a durable medium” acknowledging receipt of the consumer’s decision to withdraw.

The Directive contains significant punitive measures against the trader that fails to properly fulfill its obligations under the Directive, which once again reflects how the Directive is significantly in favour of consumer interests. Specifically, the withdrawal period is extended to 12 months from the end of the initial 14-day withdrawal period if the trader fails to inform the consumer of his right of withdrawal under Article 6.¹⁰⁶ However, if the trader does provide the consumer with information on his right of withdrawal within 12 months from the day the consumer obtains physical possession of the goods, the withdrawal period then expires 14 days upon obtaining that information.

Better refund rights, including refund of costs of delivery and information about who pays for returning goods

Notably, the Consumer Rights Directive states that the consumer, upon exercising his right of withdrawal, is entitled to *all payments* that are received from the consumer that include, where applicable, *the costs of delivery*.¹⁰⁷ Besides reimbursing the costs of delivery – which only one of the traders in PIAC’s experience did – the Article requires all payments to be sent “without

¹⁰³ *Ibid.* at Article 9(1).

¹⁰⁴ *Ibid.* at Article 9(2)(b).

¹⁰⁵ *Ibid.* at Article 11.

¹⁰⁶ *Ibid.* at Article 10.

¹⁰⁷ *Ibid.* at Article 13, which works with Article 22 on *Additional Payments*.

undue delay and in any event not later than 14 days” after the day the trader is aware of the consumer’s decision to withdraw.¹⁰⁸ However, the trader shall not be subject to reimbursing the full costs of delivery if the consumer has chosen a type of delivery that is not the least expensive one provided by the trader.

Furthermore, the trader must provide clearer information about who pays for returning the goods. If the traders wants the consumer to bear the cost of returning goods, they must clearly inform consumers about this cost beforehand, otherwise they will have to pay for the return themselves. Traders must clearly estimate maximum costs of returning bulky goods so that consumers can make an informed choice before making a purchase.¹⁰⁹

Yet another attractive feature of the Directive is that in the case where the trader does not offer to collect the goods himself, the trader may refrain from reimbursing all applicable payments until he receives the goods back **or** until the consumer provides the trader with “**evidence of having sent back the goods, whichever is the earliest.**” [emphasis in the text] The insertion of the latter option not only adds flexibility to the process of returning goods but it also does not delay reimbursement to the consumer as the consumer need only provide proof of the goods being sent for return.

ii. How consumer protections are enforced

It is not yet clear how EU Member States will enforce the new Consumer Rights Directive. Furthermore, the EU Parliament and Council stated that the Directive shall be implemented by Member States within two years, thus by the end of 2013. It is still early to ponder upon how the Directive will be enforced by states. However, Richard Lloyd, Executive Director of consumer group Which?, stated that there needs to be “an EU-wide dispute resolution service put in place to protect individuals making cross-border purchases, as well as a mechanism to enable collective redress.”¹¹⁰

d) Reaction to the new Consumer Rights Directive

BEUC welcomes the new Directive finding it to be “a tough compromise...but progress for consumers.” The consumer group also states that with the new Directive, consumers “will benefit from more information and transparency, in particular when buying online.”¹¹¹

On the other hand, small and medium enterprises state that the new Directive failed to draw the appropriate balance between the rights of consumers and businesses. They believe that complying with provisions of the Directive “will increase the administrative burdens for small traders.”¹¹² The secretary general of UEAPME, the European Association of Craft, Small and Medium-sized Enterprises, Andrea Benassi, stated that “the text goes blatantly against the ‘Think Small First’ principle and will do precious little to increase [small and medium enterprises]’ confidence, especially at this time of crisis”. UEAPME argued that these administrative costs will

¹⁰⁸ *Ibid.* at Article 13.

¹⁰⁹ *Ibid.* at Article 14.

¹¹⁰ “Brussels approves new consumer protection laws” *Totally Money* (27 June 2011), online:

<http://www.totallymoney.com/news/index.php/2011/06/brussels-approves-new-consumer-protection-laws/>.

¹¹¹ *Ibid.*

¹¹² UEAPME, Media Release, “Consumer rights: compromise text fails to strike the right balance, warn SMEs” (23 June 2011), online: http://www.ueapme.com/IMG/pdf/110623_pr_consumer_rights.pdf.

be incurred due to the obligations on the seller to ensure that the consumer is thoroughly familiar with pre-contractual information and his right of withdrawal. Benassi stated:

Information requirements were also substantially increased. It will be now up to the trader to inform consumers on the rights that they have, and sometimes even on the rights that they do not have. Small companies will have a hard time complying with these new rules, and will require external legal assistance since they certainly cannot rely on an internal legal department to check the wording of their offers...¹¹³

Benassi also expressed frustration with the rules on reimbursement, which he thinks are “likely to cause problems” since the refund can be credited before the goods are in the possession of the trader in cases when the consumer provides evidence of the product’s return. Benassi states that if goods are returned in “a poor state,” the only remedy for the seller to get his money back would be through legal action.

e) Comparing the EU Consumer Rights Directive to PIAC’s Experience with Purchases and Returns

Without question, the EU Consumer Rights Directive provides better consumer rights for online purchases. The requirements and minimum timelines stipulated in the new EU Consumer Rights Directive are more beneficial than the return policies and timelines of the North American retailers from PIAC’s experience with online purchases and returns.

An important first consideration is that under the EU Consumer Rights Directive, all retailers must provide the right of return. PIAC only chose to purchase goods from retailers that offer returns, thus not all online retailers in North America currently offer returns for online purchases.

Second, the EU Consumer Rights Directive requires that clear and comprehensible information is provided to consumers before the consumer completes the purchase. For example, the total amount of the purchase must be displayed. PIAC notes that in its experience, all retailers clearly displayed the total cost of the purchase including all fees. Under the EU Consumer Rights Directive, retailers must also provide clear and comprehensible information about the right to return and stipulate whether the consumer is expected to pay for return shipping. PIAC notes that in a few cases, PIAC had difficulty locating the return policy. Return policies were not always clear on when the consumer would be expected to pay for return shipping.

Third, the EU Consumer Rights Directive requires retailers to provide a minimum 14 day withdrawal period after the day the consumer obtains physical possession of the goods. If consumers are not informed properly of their right to return, the withdrawal period is extended. In PIAC’s experience, retailers used very inconsistent ways to calculate the period for returns, such as calculations beginning on the date of purchase, date of invoice, date when the order was shipped, date of delivery, or date of receipt of the order. The period for return also varied.

The EU Consumer Rights Directive requires retailers to reimburse all payments within 14 days of receiving the return or receiving proof from the consumer that the consumer had shipped the purchase back to the retailer. In PIAC’s experience, the average time it took for the fifteen retailers to provide refund from the date of receipt of product was fifteen days after the return was delivered, though in three cases retailers refunded PIAC after more than twenty days.

¹¹³ *Ibid.*

The EU Consumer Rights Directive provides a standard EU-wide model withdrawal form intended to make it easier and faster for consumers to express that they would like to withdraw from the contract. Consumers are not obliged to use the form and retailers are required to respect the consumer's withdrawal upon clear expression of their wish to withdraw, so this is a flexible process to benefit the consumer. PIAC's experience showed three ways to return the product: 1) contact the retailer for pre-authorization; 2) visit the retailer's website for pre-authorization; and 3) simply mail the goods back to the retailer. It was unclear how the retailer might process the refund if the return process was not followed exactly. A model withdrawal form or simple requirement that the consumer clearly expresses their wish to return the product enhances the consumer right to return.

The EU Consumer Rights Directive requires the retailer to reimburse all payments that were received from the consumer, including the costs of delivery or shipping and handling costs. The only exception to an obligation to reimburse costs of delivery is that if the consumer has opted for a delivery type that was not the "least expensive type of standard delivery" then the trader will not be responsible for reimbursing such supplementary costs. It is important to note that in our experience, PIAC chose the least expensive delivery type offered by the retailers. Where PIAC incurred original shipping and handling costs, PIAC was not reimbursed shipping costs by those retailers since their return policies stipulated that shipping and handling costs are non-refundable. The only company that did refund shipping and handling costs was the Body Shop, as described earlier, due to extenuating circumstances.

7. OTHER INTERNATIONAL JURISDICTIONS

a) Australia

The Australian Consumer Law (the “ACL”) came into effect on January 1, 2011. This is a single, national law whose provisions cover consumer protection and fair trading. It applies identically both nationally and in each state and territory. In other words, under the ACL, Australian consumers are entitled to the same protections and expectations about business conduct wherever they are in Australia. The ACL is a schedule to the *Competition and Consumer Act 2010*, which is the new title of the *Trade Practices Act*, the law on consumer protection.¹¹⁴ On a national level, the ACL will be administered and enforced by the Australian Competition and Consumer Commission (ACCC) and on state and territory levels, by local consumer law agencies.

The ACL retains broad protection for consumers by prohibiting misleading or deceptive conduct. The ACL replaces the previous system of implied conditions and warranties by creating a set of statutory *consumer guarantees*. The purpose behind implementing these consumer guarantees is to clarify what consumer protections are guaranteed by law for consumers who purchase goods and services. Consumer guarantees are provided by both the supplier (seller of goods or services) and manufacturer. Both the supplier and manufacturer give their guarantee that “goods are of acceptable quality and match any description.”¹¹⁵ These consumer guarantees apply to goods and services that were purchased from a supplier or manufacturer on or after 1 January 2011 by a consumer. There are nine guarantees that are applicable to goods under the ACL:

- Suppliers and manufacturers guarantee that goods are of acceptable quality when sold to a consumer (Section 54);
- A supplier guarantees that goods will be reasonably fit for any purpose the consumer or supplier specified (Section 55);
- Suppliers and manufacturers guarantee that their description of goods is accurate (Section 56)
- A supplier guarantees that goods will match any sample or demonstration model and any description provided (Section 57);
- Suppliers and manufacturers guarantee that the goods will satisfy any extra promises made about them (express warranties) (Section 59);
- A supplier guarantees they have the right to sell the goods (clear title), unless they alerted the consumer before the sale that they had “limited title” (Section 51);
- A supplier guarantees that no one will try to repossess or take back goods, or prevent the consumer using the goods, except in certain circumstances (Section 52)
- A supplier guarantees that goods are free of any hidden securities or charges and will remain so except in certain circumstances (Section 53); and
- Manufacturers or importers guarantee they will take reasonable steps to provide spare parts and repair facilities for a reasonable time after purchase (Section 58).

¹¹⁴ Australia, *Competition and Consumer Act 2010*, Act No. 51 of 1974 as amended, online: <http://www.comlaw.gov.au/Details/C2011C00003>.

¹¹⁵ *Ibid.* at Article 6. See also “Consumer guarantees: A guide for businesses and legal practitioners”, Guidance Document, online: http://www.consumerlaw.gov.au/content/the_acl/downloads/consumer_guarantees_guide.pdf at p.7.

These guarantees cannot be excluded by contractual terms and consumers cannot “sign away their consumer guarantee rights.”¹¹⁶

According to a guide issued by the Australian government, a statement like “no refunds” written in advertisements or promotional documents is unlawful because it suggests that consumers cannot get refund under any circumstance even if the product is accompanied by latent defect. The guide also states that for the same reason, statements such as “no refund on sale items” or “exchange or credit note only for return of sale items” are also considered unlawful. Such conduct is misleading and deceptive and the maximum pecuniary penalty for a corporate body is \$1.1 million and \$220,000 for an individual.

If any of the consumer guarantees are not met, a consumer will have the right to a remedy and the type of remedy will be dependent on whether the problem is minor or major. Major failures pertinent to online purchases are where:

- A reasonable consumer would not have purchased the goods had he known about the problem;
- The goods do not match description; or
- The goods are substantially unfit for a purpose for which goods of the same kind are commonly supplied and they cannot, easily and within a reasonable time, be remedied to make them fit for such a purpose.

Upon realizing that any of the major failures have occurred, the online consumer can either: reject the goods and get a refund; reject the goods and get an identical replacement, or one of similar value if reasonably available; or keep the goods and get compensation for the drop in value caused by the problem. The ACL emphasizes that the consumer will choose a remedy.

Interestingly, if the consumer chooses a refund as a remedy for the major failure of consumer guarantees, the consumer will be entitled to reimbursement of any payment provided to the seller, which includes any shipping and handling fees paid by the consumer. The Guide also clarifies that the supplier *must not* provide credit or replacement items in place of a refund and must not refuse to provide a refund or reduced refunded amount if goods are not returned in the original packaging.

If the consumer notices that there are minor problems associated with purchased online goods that “can be repaired within a reasonable time,” the consumer is not permitted to reject the goods and demand reimbursements. However, the supplier has the choice of refunding the consumer, replacing the goods, or repairing them.

Notably, the online supplier is not required to give a refund just because a consumer changes his mind with respect to goods.

b) United States

In the United States, one of the most principal consumer protection laws applicable to this discussion is the *Federal Trade Commission Act*, which is enforced by the Federal Trade Commission. The most pertinent section for the purposes of this discussion is section 5 (15

¹¹⁶ “Consumer guarantees: A guide for businesses and legal practitioners”, Guidance Document, online: http://www.consumerlaw.gov.au/content/the_acl/downloads/consumer_guarantees_guide.pdf at p. 10.

USC 45), which prohibits “unfair or deceptive acts or practices in or affecting commerce.”¹¹⁷ The FTC has the authority to “take appropriate action when unfair or deceptive acts or practices are discovered.”¹¹⁸

It is important to point out that even though an act can be found both unfair *and* deceptive, there are two different legal standards for determining either of them. An act or practice is unfair if it “causes or is likely to cause substantial injury to consumers which is not reasonably avoidable by consumers themselves and not outweighed by countervailing benefits to consumers or to competition.”¹¹⁹ It should be noted that determining whether or not an act is unfair may take into account public policy as established by statute, regulation, or judicial decisions along with analyzing other evidence. According to the FTC Policy Statement on Unfairness, “substantial injury” in most cases involves monetary harm like when “sellers coerce consumers into purchasing unwanted goods or services.”¹²⁰ Alternatively, the Statement states that “substantial injury” may also occur when consumers purchase “defective goods or services on credit but are unable to assert against the creditor claims or defenses arising from the transaction.”¹²¹

The FTC Statement also clarifies the meaning of “not reasonably avoidable.” The Statement explains that generally it is expected that the principle of “buyer beware” applies to commercial transactions. Nevertheless, the FTC writes that there are cases where the consumer may not have a good opportunity to effectively make his own decision with respect to purchasing the goods due to behavior of the seller that “unreasonably creates or takes advantage of an obstacle to the free exercise of consumer decision making.”¹²²

For the purposes of this discussion, for instance, the FTC may interfere if it has received many complaints from consumers who are unable to return purchased goods that were guaranteed to be fit for certain purpose but contain a latent defect because the online business has no return policy. In such a scenario, the FTC may determine that substantial injury has been done because of the quality of goods. Furthermore, the FTC could determine that the act was not “reasonably avoidable by consumers” because the consumer did not have the opportunity to properly examine the goods prior to purchasing the items. Finally, after determining that the two parts of the test have been met, the FTC may find that the act or practice on the part of the online business was unfair and is not “outweighed by countervailing benefits to consumers.”

The FTC also has a Cooling-Off Rule that provides the consumer with a three-day period during which the consumer can change their mind and return a product if the total value is more than \$25. The Cooling-Off Rule applies to items that are purchased at home or at a location that is not the seller’s permanent place of business. If the purchase is cancelled, the seller has 10 days to refund the consumer’s money.¹²³

¹¹⁷ 15 U.S.C. 45, “Unfair Methods of Competition Unlawful; Prevention by Commission”, online: http://www.law.cornell.edu/uscode/15/usc_sec_15_00000045----000-.html.

¹¹⁸ Board of Governors of the Federal Reserve System, “Federal Trade Commission Act Section 5: Unfair or Deceptive Acts or Practices: Consumer Compliance Handbook” (June 2008), online: <http://www.federalreserve.gov/boarddocs/supmanual/cch/ftca.pdf> at p. 1.

¹¹⁹ 15 U.S.C. 45, “Unfair Methods of Competition Unlawful; Prevention by Commission”, online: http://www.law.cornell.edu/uscode/15/usc_sec_15_00000045----000-.html.

¹²⁰ Federal Trade Commission, “Policy of Statement on Unfairness” (17 December 1980), online: <http://www.ftc.gov/bcp/policystmt/ad-unfair.htm>.

¹²¹ *Ibid.*

¹²² *Ibid.*

¹²³ Federal Trade Commission, “The Cooling-Off Rule: When and How to Cancel a Sale”, online: <http://www.ftc.gov/bcp/edu/pubs/consumer/products/pro03.shtm>.

8. POSSIBLE PROBLEMS AND GAPS FOR RETURNS OF ONLINE PURCHASES USING MOBILE DEVICES

As electronic commerce develops, the next platform for electronic commerce will be using mobile devices. The consumer may face further issues if he purchases the goods online using mobile devices. Specifically, limitations that the consumer may face in properly understanding terms of the contractual agreement, due to a marked difficulty of reading a fairly complicated and long return policy on a small screen, may result in purchases that the consumer would not have engaged in had he a better opportunity to become familiarized with offerings and terms and conditions of an online business. In terms of online returns, the consumer who uses mobile devices to purchase the goods may miss important conditions that must be fulfilled in order to successfully complete the return process. In other instances, the consumer may not be provided with important information relating to his purchase by the online retailer, including information on returns.

One recent international study on mobile commerce conducted by Consumer Focus in the United Kingdom revealed several major concerns pertaining to experiences of mobile shoppers.¹²⁴ The research primarily focused on consumers' experience of purchasing digital goods. The report noted that "the technical limitations of mobile phones, such as a small screen size, limited storage capacity and low processing power restricted access to certain products and information."¹²⁵ Such technical limitations also negatively impacted the ability of the consumer to access important information with respect to the product that he wished to purchase.

The research revealed that close to half of online retailers failed to provide full information on the costs of the purchase. The report showed that in many cases, online retailers failed to provide information on terms and conditions, customer service and subscription and when they did provide this information, information was unclear. The report warned that for the sake of maintaining advantages of mobile commerce, which provides flexibility of purchasing goods whenever and wherever, there needs to be greater consumer protection, better business practices and technical developments. Specifically, the report recommended regulations that would effectively protect shopping practices of online shoppers.

The EU Consumer Rights Directive has taken into account problems that may be associated when using mobile devices to purchase the goods. In such instances, the EU Directive states that the seller should refer the consumer "to another source of information" such as a toll-free number for retailer customer service centre or to a hyperlink with easily accessible information to help the consumer understand his rights under the contract.¹²⁶ In other words, the online seller has the obligation to ensure that the consumer has access to alternative means of information which will be comprehensive and clear and will make up for technical limitations of mobile devices.

¹²⁴ Consumer Focus, Media Release, "Shopping via mobile phone causes concerns for consumers" (14 December 2009), online: <http://www.consumerfocus.org.uk/news/shopping-via-mobile-phone-causes-concerns-for-consumers>.

¹²⁵ Consumer Focus, "Pocket shopping: International consumer experiences of buying goods and services on their mobile phones" (December 2009), online: <http://www.consumerfocus.org.uk/assets/1/files/2009/06/Pocketshopping.pdf>.

¹²⁶ EU Consumer Rights Directive at p. 9.

9. CONCLUSIONS & RECOMMENDATIONS

Research for the purposes of this study clearly shows the importance of e-commerce for Canadian consumers. This is buttressed by the increasing number of Canadians shopping online as was shown by Statistics Canada and by PIAC's own survey findings, which revealed that the majority of respondents purchased at least one item online in the past year. With the growing popularity of e-commerce, there comes responsibility to ensure that the online shopper's needs are satisfied in an effective manner. This is why academic scholars emphasize the importance of providing an appropriate level of customer care, which includes true and reliable offers on goods, timely delivery, responsive and knowledgeable customer service staff and convenient and easy return policies. Maintenance of consumer-friendly customer care gives rise to consumer trust and subsequently, to electronic transactions that are beneficial for both the consumer and the online business.

Consumer-friendly return policies for online shoppers as an element of customer care contributes to the development of trust within the consumer and encourages him to shop online without hesitation. The importance of the return policy for consumers was highlighted by PIAC's survey findings, which showed that the majority of Canadian consumers always or sometimes read the retailer's return policy before making online purchases. Furthermore, the survey findings also revealed that the vast majority of consumers found it "very important" or "somewhat important" that the retailer accepts returns and exchanges prior to making the decision to purchase online goods. Therefore, online retailers must ensure that their return policies are comprehensive and flexible because such policies are likely to contribute to a continued growth of e-commerce.

PIAC's experience purchasing and returning goods online revealed very divergent retailer policies and practices for returns. Retailers did not always follow the return policy. PIAC generally found that where retailers practices differed from their policy, the practice was beneficial to consumers. However, it is disconcerting that the consumer-friendly practice is not reflected in the policy. In addition to the varying length of the period for return, retailers used very inconsistent ways to calculate the period for returns, such as calculations beginning on the date of purchase, date of invoice, date when the order was shipped, date of delivery, or date of receipt of the order. There were three ways to return the product: 1) contact the retailer for pre-authorization; 2) visit the retailer's website for pre-authorization; and 3) simply mail the goods back to the retailer. It was unclear how the retailer might process the refund if the return process was not followed exactly. On average, it took retailers an average of 15 days to provide the refund to PIAC after the return arrived, however three returns took over 20 days after arrival for the refund.

In most cases, original shipping and handling fees were deducted from the refund. Only one retailer refunded original shipping costs, but this was an act of good faith and not in accordance with the retailer's return policy. The consumer was often expected to pay for shipping to return the good back to the retailer. Where PIAC had original shipping costs deducted from the refund and paid for return shipping costs, PIAC incurred a total cost ranging from \$15 to \$32 to return the product. Given that PIAC's total purchase amount from these retailers ranged from \$40 to \$105, the cost to return the product represents a surprising percentage of the total purchase amount and may dissuade consumers from purchasing more items online. Consumers must be careful to check that the refund total is correct. In three cases, PIAC contacted the retailer because the refund had not been correctly calculated.

Canadian consumers would benefit from legislation that would effectively protect their rights and provide certainty in the e-commerce marketplace and would create a balanced commercial relationship between consumers and online businesses. The recently implemented EU Consumer Rights Directive is a very comprehensive and responsive legislation that can serve as an appropriate model for potential consumer protection legislation. PIAC recommends all provinces to consider adopting legislation similar to the EU Consumer Rights Directive. Such legislation should contain provisions for: an unequivocal consumer right to withdraw from a contract for the purchase of a good for any reason; a reasonable cooling-off period which would commence from the time the consumer obtains physical possession of the goods; the obligation of the retailer to reimburse all payments paid by the consumer including shipping costs incurred by the consumer; and the obligation of the retailer to reimburse payments with only limited exceptions and without delay. While the disclosure of certain required pre-contractual information by the online retailer is currently required under the Ontario *Consumer Protection Act, 2002*, these provisions could be strengthened. For example, the EU Consumer Rights Directive stipulates that if the pre-contractual information was not provided or stipulated in a clear and comprehensible manner, then the consumer would not have to pay for undisclosed costs associated with returning the item or the period for the right to withdraw would be extended.

An examination of PIAC's own experience with fifteen North American retailers as well as analysis of responses of consumers to PIAC's survey prompts the recommendation of several consumer-friendly business practices that should be implemented by online businesses for online returns. They include:

- allowing consumers to return purchases made online and minimizing limitations upon the types of products that cannot be returned;
- making return policies easy to find on their websites and using plain language to describe policies, avoiding overly lengthy or wordy return policies;
- clearly stipulating in the return policies the period for return;
- using the most consumer-friendly way to calculate the return period, that is, starting on the day on which the consumer gains physical possession of the good;
- allowing for a return period of at least 14 days from the day on which the consumer gains physical possession of the good;
- a clear explanation regarding how long it takes to receive a refund from the retailer;
- providing easy and quick ways to return the goods, such as including a pre-paid return shipping label included in the package;
- communicating with the customer via a phone call or email to confirm receipt of the returned product;
- communicating with the customer via a phone call or email when the refund has been processed;
- providing written confirmation in a durable format such as via email of the total amount refunded and the breakdown of how this amount was calculated;
- reimbursement of the least expensive original shipping & handling costs;
- processing the consumer's refund without delay;
- clearly stating whether the consumer is expected to bear the cost of returning the item, and if so, what the expected return shipping cost would be for bulky items.

PIAC suggests that the Retail Council of Canada should consider the recommended business practices above and endorse them in the form of guidelines with respect to e-commerce. PIAC strongly believes that adoption of these recommendations would facilitate and enhance e-

commerce transactions between Canadian consumers and online businesses and contribute to further growth of e-commerce.

Tips for Consumers when Returning Online Purchases

- Before purchasing an item online, carefully review the retailer's return policy.
 - Check to make sure you can return your purchase. Retailers often stipulate limitations on what you are able to return (e.g. cannot return customized products, software purchases, or items bought on final sale).
 - Check to see how the retailer expects you to return your order – can you simply ship the item back to the retailer, or are you expected to visit a store location to complete your return?
 - Look specifically for information regarding the period of return, paying close attention to how the period is calculated (e.g. from the date of shipment, from the date of delivery, from the date when you receive the goods).
 - Check if the retailer will refund the original shipping & handling amount.
 - Check to see if you are required to pay for return shipping costs.

- Follow the instructions for returns carefully. You may need to contact the retailer for pre-authorization to return the product. If you are returning an order from a retailer located outside of Canada, you may need to ship the product to a third party agent located in Canada to handle the return on your behalf.

- Include a copy of your invoice in the package for return, as well as any other information that the retailer may require.

- If you are required to pay for the return shipping costs, consider purchasing insurance for the package in case of damage or loss.

- Communicate with the company to ensure that they have received the return package. You may be able to track delivery of the package through your chosen shipping method. You may wish to inquire how long it will take the retailer to process the refund.

- When your refund is processed, check to make sure the retailer has calculated the refund correctly. Check to make sure you have been refunded for all returned items, taxes, and duties (if your order is international). If you have any questions, contact the retailer.

APPENDIX A: PIAC Survey Results

Table N1 Page 1

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Q1. IN THE PAST YEAR, ABOUT HOW MANY TIMES - IF AT ALL - DID YOU BUY ANY PRODUCTS ONLINE FROM A RETAILER?

	GENDER			AGE				REGION											LANGUAGE			
	TOTAL	M	F	18-29	30-44	45-59	60 +	ATL	QC	ON	Prairies	MB	SK	AB	BC	MIL CMA	TOR CMA	VAN CMA	Can. Exc. Que.	Eng.	Fre.	Other
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)
TOTAL	1000	482	518	192	284	283	241	75	244	384	164	33	29	102	133	116	109	62	756	674	268	124
1	86 9%	35 7%	51 10%	15 8%	23 8%	24 8%	24 10%	8 11%	19 8%	30 8%	16 10%	3 9%	2 7%	11 11%	13 10%	6 5%	8 7%	5 8%	67 9%	58 9%	26 10%	11 9%
2	111 11%	56 12%	55 11%	17 9%	31 11%	42 15% DG	21 9%	5 7%	30 12%	42 11%	18 11%	3 9%	5 17%	10 10%	16 12%	13 11%	14 13%	12 19% H	81 11%	69 10%	32 12%	14 11%
3	105 10%	52 11%	53 10%	29 15% G	27 10%	28 10%	21 9%	7 9%	30 12% N	36 9%	14 9%	6 18%	2 7%	6 6%	18 14% N	19 16% N	12 11%	9 15%	75 10%	69 10%	32 12%	12 10%
4	57 6%	27 6%	30 6%	8 4%	24 8%	14 5%	11 5%	5 7%	11 5%	23 6%	13 8%	2 6%	2 7%	9 9%	5 4%	4 3%	7 6%	2 3%	46 6%	40 6%	10 4%	7 6%
5	93 9%	41 9%	52 10%	22 11%	30 11%	26 9%	15 6%	6 8%	19 8%	42 11%	15 9%	2 6%	2 7%	11 11%	11 8%	10 9%	11 10%	4 6%	74 10%	63 9%	23 9%	13 10%
6-9	69 7%	40 8%	29 6%	7 4%	27 10% D	18 6%	17 7%	6 8%	8 3%	34 9% IP	14 9% I	4 12%	3 10%	7 7%	7 5%	4 3%	11 10% IP	5 8%	61 8% IP	55 8% U	10 4%	9 7%
10-15	82 8%	39 8%	43 8%	22 11% G	26 9% G	24 8% G	10 4%	3 4%	25 10% HL	29 8%	12 7%	1 3%	2 7%	9 9%	13 10%	8 7%	11 10%	6 10%	57 8%	54 8%	29 11%	12 10%
16-20	20 2%	14 3%	6 1%	6 3%	8 3%	4 1%	2 1%	4 5%	4 2%	6 2%	5 3%	1 3%	1 3%	3 3%	1 1%	4 3%	1 1%	-	16 2%	14 2%	5 2%	2 2%
21+	12 1%	8 2%	4 1%	3 2%	7 2%	2 1%	-	1 1%	1 *	5 1%	2 1%	-	-	2 2%	3 2%	1 1%	4 4%	3 5%	11 1%	9 1%	2 1%	4 3%
0	365 36%	170 35%	195 38%	63 33%	81 29%	101 36%	120 50% DEF	30 40%	97 40% QR	137 36%	55 34%	11 33%	10 34%	34 33%	46 35%	47 41% QR	30 28%	16 26%	268 35%	243 36%	99 37%	40 32%
MEAN INCL. 0	3.57	3.98 C	3.20	4.36 FG	4.57 FG	3.20 G	2.20	3.61	3.24	3.59	3.82	3.24	3.55	4.09	3.80	3.59	4.81 I	4.82	3.68	3.69	3.56	4.45
MEDIAN	2.00	2.00	2.00	3.00	3.00	2.00	1.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	3.00	2.00	2.00	2.00	2.00	2.00
SD	5.77	6.56	4.89	7.42	6.85	4.44	3.50	5.69	5.78	5.69	5.35	4.38	4.86	5.77	6.50	7.33	8.23	8.34	5.76	5.98	6.42	7.43
SE	0.18	0.30	0.21	0.54	0.41	0.26	0.23	0.66	0.37	0.29	0.42	0.76	0.90	0.57	0.56	0.68	0.79	1.06	0.21	0.23	0.39	0.67

Comparison Groups: BC/DEFG/HIJKLMNOPS/TUV
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

(Continued)

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Q1. IN THE PAST YEAR, ABOUT HOW MANY TIMES - IF AT ALL - DID YOU BUY ANY PRODUCTS ONLINE FROM A RETAILER?

	GENDER		AGE				REGION													LANGUAGE		
	TOTAL	M	F	18-29	30-44	45-59	60 +	ATL	QC	ON	Prairies	MB	SK	AB	BC	MTL CMA	TOR CMA	VAN CMA	Can. Exc. Que.	Eng.	Fre.	Other
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)
MEAN EXCL. 0	5.63	6.14 C	5.13	6.50 FG	6.39 FG	4.98	4.38	6.02	5.37	5.58	5.75	4.86	5.42	6.13	5.80	6.03	6.63	6.50	5.70	5.77	5.65	6.57
MEDIAN	4.00	4.00	4.00	4.00	4.00	3.00	3.00	4.00	3.00	4.00	4.00	3.00	4.00	4.00	3.00	3.00	4.00	3.00	4.00	4.00	3.00	4.00
SD	6.39	7.29	5.34	8.26	7.35	4.67	3.85	6.30	6.64	6.27	5.65	4.58	5.10	6.12	7.28	8.71	9.02	9.11	6.32	6.62	7.33	8.23
SE	0.25	0.41	0.30	0.73	0.52	0.35	0.35	0.94	0.55	0.40	0.54	0.98	1.17	0.74	0.78	1.05	1.02	1.34	0.29	0.32	0.56	0.90

Comparison Groups: BC/DEFG/HIJKLMNOPS/TUV
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

Environics Research Group

Public Interest Advocacy Centre - Online Return Omnibus January 2011

Q1. IN THE PAST YEAR, ABOUT HOW MANY TIMES - IF AT ALL - DID YOU BUY ANY PRODUCTS ONLINE FROM A RETAILER?

	EMPLOYMENT						HOUSEHOLD INCOME					EDUCATION				# OF ONLINE PURCHASES			READ RETAILER'S RETURN POLICY			
	TOTAL	Emp. Full-time	Emp. Part-time	Unemployed	Home-maker	Re-tired	Under \$30K	\$30K Under \$60k	\$60K Under \$80K	\$80K Under \$100K	Over \$100	Less Than H. S.	H. S. / Comm. Coll.	Some Uni v.	Uni v. Deg.	1-2	3-5	6+	Al ways	Some times	Ra rely	Never
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)
TOTAL	1000	397	102	56	61	210	181	256	143	82	145	99	540	123	215	197	255	183	237	249	115	34
1	86 9%	36 9%	6 6%	5 9%	5 8%	21 10%	11 6%	25 10%	13 9%	6 7%	10 7%	7 7%	56 10% 0	10 8%	12 6%	86 44%	-	-	47 20% T	20 8%	14 12%	5 15%
2	111 11%	41 10%	12 12%	8 14%	11 18%	22 10%	15 8%	32 12%	14 10%	11 13%	20 14%	8 8%	62 11%	14 11%	25 12%	111 56%	-	-	44 19%	38 15%	22 19%	7 21%
3	105 10%	45 11% E	14 14% E	5 9%	1 2%	19 9% E	18 10%	24 9%	13 9%	20 24% GHIK	15 10%	11 11%	55 10%	11 9%	27 13%	-	105 41%	-	34 14%	48 19%	19 17%	4 12%
4	57 6%	27 7% D	6 6%	1 2%	5 8%	10 5%	9 5%	17 7%	5 3%	3 4%	13 9%	5 5%	26 5%	7 6%	19 9%	-	57 22%	-	24 10% V	22 9%	10 9%	1 3%
5	93 9%	49 12% CE	6 6%	4 7%	3 5%	17 8%	11 6%	24 9%	17 12%	14 17% G	12 8%	6 6%	43 8%	13 11%	29 13% LM	-	93 36%	-	27 11%	40 16%	19 17%	7 21%
6-9	69 7%	31 8%	5 5%	3 5%	4 7%	11 5%	11 6%	14 5%	12 8%	5 6%	15 10%	5 5%	32 6%	6 5%	25 12% LMN	-	-	69 38%	26 11%	29 12%	11 10%	3 9%
10-15	82 8%	38 10% DF	9 9% D	1 2%	5 8%	8 4%	8 4%	17 7%	17 12% G	6 7%	19 13% GH	2 2%	35 6% L	17 14% LM	26 12% LM	-	-	82 45%	25 11%	37 15%	15 13%	5 15%
16-20	20 2%	10 3% F	6 6% F	1 2%	-	1 *% *	2 1%	11 4% G	2 1%	-	3 2%	1 1%	13 2%	3 2%	3 1%	-	-	20 11%	8 3%	8 3%	3 3%	1 3%
21+	12 1%	6 2%	1 1%	-	1 2%	-	1 1%	1 *% *	4 3%	-	6 4% GH	-	5 1%	1 1%	6 3%	-	-	12 7%	2 1%	7 3%	2 2%	1 3%
0	365 36%	114 29%	37 36%	28 50% B	26 43% B	101 48% BC	95 52% HIJK	91 36% JK	46 32%	17 21%	32 22%	54 55% MNO	213 39% 0	41 33% 0	43 20%	-	-	-	-	-	-	-
MEAN INCL. 0	3.57	4.11 DF	4.22 DF	1.96	3.28	2.08	2.32	3.55 G	4.26 G	3.34 G	5.81 GHJ	1.89	3.23 L	4.02 L	5.12 LM	1.56	3.95 P	12.33 PQ	4.77	6.33 S	5.45	7.03 S
MEDIAN	2.00	3.00	2.00	0.50	1.00	1.00	0.00	2.00	2.00	3.00	3.00	0.00	2.00	2.00	4.00	2.00	4.00	10.00	3.00	4.00	4.00	4.50

Comparison Groups: BCDEF/GHIJK/LMNO/PQR/STUV
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

(Continued)

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Q1. IN THE PAST YEAR, ABOUT HOW MANY TIMES - IF AT ALL - DID YOU BUY ANY PRODUCTS ONLINE FROM A RETAILER?

TOTAL	EMPLOYMENT					HOUSEHOLD INCOME					EDUCATION				# OF ONLINE PURCHASES			READ RETAILER'S RETURN POLICY				
	Emp. Full-time	Emp. Part-time	Unemployed	Home-maker	Retired	Under \$30K	\$30K Under \$60k	\$60K Under \$80K	\$80K Under \$100K	Over \$100	Less Than H. S.	H. S. / Coll.	Some Univ.	Univ. Deg.	1-2	3-5	6+	All ways	Some times	Rarely	Never	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)	
SD	5.77	5.59	6.48	3.35	7.03	3.14	3.91	5.59	6.13	3.17	9.18	3.29	5.75	5.16	6.77	0.50	0.88	8.60	4.70	7.17	5.32	11.44
SE	0.18	0.28	0.64	0.45	0.90	0.22	0.29	0.35	0.51	0.35	0.76	0.33	0.25	0.47	0.46	0.04	0.06	0.64	0.31	0.45	0.50	1.96
MEAN EXCL. 0	5.63	5.76 _F	6.62 _F	3.93	5.71	4.01	4.88	5.52	6.28 _J	4.22	7.46 _{GHJ}	4.16	5.33	6.02 _L	6.40 _L	1.56	3.95 _P	12.33 _{PQ}	4.77	6.33 _S	5.45	7.03 _S
MEDIAN	4.00	4.00	4.00	3.00	4.00	3.00	3.00	4.00	5.00	3.00	4.00	3.00	3.00	4.00	5.00	2.00	4.00	10.00	3.00	4.00	4.00	4.50
SD	6.39	5.85	7.08	3.86	8.54	3.35	4.43	6.14	6.54	3.00	9.80	3.80	6.59	5.28	7.01	0.50	0.88	8.60	4.70	7.17	5.32	11.44
SE	0.25	0.35	0.88	0.73	1.44	0.32	0.48	0.48	0.66	0.37	0.92	0.57	0.36	0.58	0.53	0.04	0.06	0.64	0.31	0.45	0.50	1.96

Comparison Groups: BCDEF/GHIJK/LMNO/PQR/STUV
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

Public Interest Advocacy Centre - Online Return Omnibus January 2011

Q1. IN THE PAST YEAR, ABOUT HOW MANY TIMES - IF AT ALL - DID YOU BUY ANY PRODUCTS ONLINE FROM A RETAILER?

	IMPORTANCE OF RETAILER ACCEPTING RETURNS/ EXCHANGES					RETURNED/ WANTED TO RETURN		RESULT OF RETURNING A PRODUCT			IMPACT OF EXPERIENCE WITH RETURNS		
	TOTAL	Very Imp.	Some. Imp.	Not Very Imp.	Not At All Imp.	Yes	No	In Pers.	By Mail/ Cou.	Un succ.	More Li ke.	Just As Li ke.	Less Li ke.
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
TOTAL	1000	348	215	66	6	238	397	77	121	40	20	193	25
1	86 9%	61 18% CD	19 9%	5 8%	1 17%	24 10%	62 16% F	7 9%	9 7%	8 20%	2 10%	16 8%	6 24%
2	111 11%	59 17%	33 15%	18 27% C	1 17%	20 8%	91 23% F	7 9%	11 9%	2 5%	-	18 9%	2 8%
3	105 10%	55 16%	37 17%	13 20%	-	40 17%	65 16%	11 14%	20 17%	9 22%	2 10%	34 18%	4 16%
4	57 6%	33 9%	20 9%	4 6%	-	22 9%	35 9%	5 6%	12 10%	5 12%	2 10%	17 9%	3 12%
5	93 9%	47 14%	38 18%	8 12%	-	29 12%	64 16%	12 16% J	16 13% J	1 2%	2 10%	23 12%	4 16%
6-9	69 7%	38 11%	24 11%	6 9%	1 17%	33 14%	36 9%	13 17%	14 12%	6 15%	3 15%	26 13%	4 16%
10-15	82 8%	40 11%	31 14%	8 12%	3 50%	46 19% G	36 9%	14 18%	24 20%	8 20%	5 25% M	40 21% M	1 4%
16-20	20 2%	11 3%	7 3%	2 3%	-	15 6% G	5 1%	4 5%	10 8%	1 2%	2 10%	13 7%	-
21+	12 1%	4 1%	6 3%	2 3%	-	9 4% G	3 1%	4 5%	5 4%	-	2 10%	6 3%	1 4%
0	365 36%	-	-	-	-	-	-	-	-	-	-	-	-
MEAN INCL. 0	3.57	5.21	6.08	6.12	8.17	7.66 G	4.41	8.25	7.99	5.50	9.55	7.63	6.32
MEDIAN	2.00	3.00	4.00	3.00	8.00	5.00	3.00	5.00	5.00	4.00	6.50	5.00	4.00
SD	5.77	5.98	6.14	8.80	6.18	8.33	4.45	10.42	7.69	4.76	8.01	7.66	12.67

Comparison Groups: BCDE/FG/HIJ/KLM

Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
Upper case letters indicate significance at the 95% level.

Environics Research Group

(Continued)

Public Interest Advocacy Centre - Online Return Omnibus January 2011

Q1. IN THE PAST YEAR, ABOUT HOW MANY TIMES - IF AT ALL - DID YOU BUY ANY PRODUCTS ONLINE FROM A RETAILER?

	IMPORTANCE OF RETAILER ACCEPTING RETURNS/ EXCHANGES					RETURNED/ WANTED TO RETURN		RESULT OF RETURNING A PRODUCT			IMPACT OF EXPERIENCE WITH RETURNS		
	TOTAL	Very Imp.	Some. Imp.	Not Very Imp.	Not AtAll Imp.	Yes	No	In Pers.	By		More Like.	Just	
									Mail/ Cou.	Un succ.		As Like.	Less Like.
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	
SE	0.18	0.32	0.42	1.08	2.52	0.54	0.22	1.19	0.70	0.75	1.79	0.55	2.53
MEAN EXCL. 0	5.63	5.21	6.08	6.12	8.17	7.66 G	4.41	8.25	7.99	5.50	9.55	7.63	6.32
MEDIAN	4.00	3.00	4.00	3.00	8.00	5.00	3.00	5.00	5.00	4.00	6.50	5.00	4.00
SD	6.39	5.98	6.14	8.80	6.18	8.33	4.45	10.42	7.69	4.76	8.01	7.66	12.67
SE	0.25	0.32	0.42	1.08	2.52	0.54	0.22	1.19	0.70	0.75	1.79	0.55	2.53

Comparison Groups: BCDE/FG/HIJ/KLM
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

Environics Research Group

Public Interest Advocacy Centre - Online Return Omnibus January 2011

Q2. BEFORE YOU BUY A PRODUCT ONLINE, DO YOU ALWAYS, SOMETIMES, RARELY OR NEVER READ THE RETAILER'S RETURN POLICY?

SUBSAMPLE: THOSE WHO DID BUY PRODUCTS ONLINE FROM A RETAILER

	GENDER			AGE				REGION											LANGUAGE			
	TOTAL	M	F	18-29	30-44	45-59	60 +	ATL	QC	ON	Prairies	MB	SK	AB	BC	MTL CMA	TOR CMA	VAN CMA	Can. Exc. Que.	Eng.	Fre.	Other
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)
TOTAL	635	312	323	129	203	182	121	45	147	247	109	22	19	68	87	69	79	46	488	431	169	84
TOP 2 BOX	486	235	251	95	152	137	102	36	101	197	81	17	15	49	71	39	64	37	385	332	120	76
	77%	75%	78%	74%	75%	75%	84%	80%	69%	80%	74%	77%	79%	72%	82%	57%	81%	80%	79%	77%	71%	90%
							DEF	P		IP	P		P		IP		IP	P	IP			TU
Always	237	99	138	36	70	72	59	22	39	102	45	16	7	22	29	16	31	15	198	172	50	35
	37%	32%	43%	28%	34%	40%	49%	49%	27%	41%	41%	73%	37%	32%	33%	23%	39%	33%	41%	40%	30%	42%
			B			D	DE	IP		IP	IP	OPQRS IJKMN H					P		IP	U		
Sometimes	249	136	113	59	82	65	43	14	62	95	36	1	8	27	42	23	33	22	187	160	70	41
	39%	44%	35%	46%	40%	36%	36%	31%	42%	38%	33%	5%	42%	40%	48%	33%	42%	48%	38%	37%	41%	49%
		C						L	L	L	L		L	L	HL	L	L	L	L			T
Rarely	115	58	57	21	40	38	16	7	33	39	21	4	3	14	15	19	11	9	82	77	35	8
	18%	19%	18%	16%	20%	21%	13%	16%	22%	16%	19%	18%	16%	21%	17%	28%	14%	20%	17%	18%	21%	10%
															JQ				V	V		
Never	34	19	15	13	11	7	3	2	13	11	7	1	1	5	1	11	4	-	21	22	14	-
	5%	6%	5%	10%	5%	4%	2%	4%	9%	4%	6%	5%	5%	7%	1%	16%	5%		4%	5%	8%	
				FG					0		0					HJOQS			0			
BOTTOM 2 BOX	149	77	72	34	51	45	19	9	46	50	28	5	4	19	16	30	15	9	103	99	49	8
	23%	25%	22%	26%	25%	25%	16%	20%	31%	20%	26%	23%	21%	28%	18%	43%	19%	20%	21%	23%	29%	10%
				G	G	G			JQQS							MOQRS HJK			V	V		

Comparison Groups: BC/DEFG/HI JKLMNOPQRS/TUV
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

Public Interest Advocacy Centre - Online Return Omnibus January 2011

Q2. BEFORE YOU BUY A PRODUCT ONLINE, DO YOU ALWAYS, SOMETIMES, RARELY OR NEVER READ THE RETAILER'S RETURN POLICY?

SUBSAMPLE: THOSE WHO DID BUY PRODUCTS ONLINE FROM A RETAILER

	EMPLOYMENT						HOUSEHOLD INCOME					EDUCATION				# OF ONLINE PURCHASES			READ RETAILER'S RETURN POLICY			
	TOTAL	Emp. Full-time	Emp. Part-time	Unemp.loyed	Home-maker	Re-tired	Under \$30K	\$30K Under \$60k	\$60K Under \$80K	\$80K Under \$100K	Over \$100	Less Than H. S.	H. S. / Coll.	Some Uni v.	Uni v. Deg.	1-2	3-5	6+	Al ways	Some times	Ra rely	Never
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)
TOTAL	635	283	65	28	35	109	86	165	97	65	113	45	327	82	172	197	255	183	237	249	115	34
TOP 2 BOX	486 77%	216 76%	48 74%	21 75%	30 86%	88 81%	61 71%	123 75%	75 77%	54 83%	87 77%	39 87%	246 75%	68 83%	129 75%	149 76%	195 76%	142 78%	237 100%	249 100%	-	-
Always	237 37%	90 32%	27 42%	9 32%	18 51%	51 47%	35 41%	61 37%	27 28%	25 38%	42 37%	19 42%	124 38%	35 43%	58 34%	91 46%	85 33%	61 33%	237 100%	-	-	-
Sometimes	249 39%	126 45%	21 32%	12 43%	12 34%	37 34%	26 30%	62 38%	48 49%	29 45%	45 40%	20 44%	122 37%	33 40%	71 41%	58 29%	110 43%	81 44%	-	249 100%	-	-
Rarely	115 18%	57 20%	14 22%	4 14%	3 9%	16 15%	17 20%	32 19%	18 19%	7 11%	22 19%	5 11%	66 20%	11 13%	29 17%	36 18%	48 19%	31 17%	-	-	115 100%	-
Never	34 5%	10 4%	3 5%	3 11%	2 6%	5 5%	8 9%	10 6%	4 4%	4 6%	4 4%	1 2%	15 5%	3 4%	14 8%	12 6%	12 5%	10 5%	-	-	-	34 100%
BOTTOM 2 BOX	149 23%	67 24%	17 26%	7 25%	5 14%	21 19%	25 29%	42 25%	22 23%	11 17%	26 23%	6 13%	81 25%	14 17%	43 25%	48 24%	60 24%	41 22%	-	-	115 100%	34 100%

Comparison Groups: BCDEF/GHIJK/LMN0/PQR/STUV
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

Public Interest Advocacy Centre - Online Return Omnibus January 2011

Q2. BEFORE YOU BUY A PRODUCT ONLINE, DO YOU ALWAYS, SOMETIMES, RARELY OR NEVER READ THE RETAILER'S RETURN POLICY?
 SUBSAMPLE: THOSE WHO DID BUY PRODUCTS ONLINE FROM A RETAILER

	IMPORTANCE OF RETAILER ACCEPTING RETURNS/ EXCHANGES					RETURNED/ WANTED TO RETURN		RESULT OF RETURNING A PRODUCT			IMPACT OF EXPERIENCE WITH RETURNS		
	TOTAL	Very Imp.	Some. Imp.	Not Very Imp.	Not At All Imp.	Yes	No	In Pers.	By Mail/ Cou.	Un succ.	More Like.	Just	
												As Like.	Less Like.
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	
TOTAL	635	348	215	66	6	238	397	77	121	40	20	193	25
TOP 2 BOX	486	305	155	26	-	196	290	61	105	30	17	159	20
	77%	88%	72%	39%	-	82%	73%	79%	87%	75%	85%	82%	80%
		CD	D			G							
Always	237	196	40	1	-	90	147	28	52	10	10	74	6
	37%	56%	19%	2%	-	38%	37%	36%	43%	25%	50%	38%	24%
		CD	D					J					
Sometimes	249	109	115	25	-	106	143	33	53	20	7	85	14
	39%	31%	53%	38%	-	45%	36%	43%	44%	50%	35%	44%	56%
			BD			G							
Rarely	115	35	51	29	-	34	81	13	14	7	3	30	1
	18%	10%	24%	44%	-	14%	20%	17%	12%	18%	15%	16%	4%
			B	BC		F						M	
Never	34	8	9	11	6	8	26	3	2	3	-	4	4
	5%	2%	4%	17%	100%	3%	7%	4%	2%	8%	-	2%	16%
				BC	BCD								
BOTTOM 2 BOX	149	43	60	40	6	42	107	16	16	10	3	34	5
	23%	12%	28%	61%	100%	18%	27%	21%	13%	25%	15%	18%	20%
			B	BC	BCD		F						

Comparison Groups: BCDE/FG/HIJ/KLM
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

Public Interest Advocacy Centre - Online Return Omnibus January 2011

Q3. WHEN YOU'RE DECIDING WHETHER OR NOT TO BUY A PRODUCT ONLINE, HOW IMPORTANT IS IT TO YOU THAT THE RETAILER ACCEPTS RETURNS AND EXCHANGES? IS IT...?
 SUBSAMPLE: THOSE WHO DID BUY PRODUCTS ONLINE FROM A RETAILER

	GENDER			AGE				REGION											LANGUAGE			
	TOTAL	M	F	18-29	30-44	45-59	60 +	ATL	QC	ON	Prairies	MB	SK	AB	BC	MTL CMA	TOR CMA	VAN CMA	Can. Exc. Que.	Eng.	Fre.	Other
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)
TOTAL	635	312	323	129	203	182	121	45	147	247	109	22	19	68	87	69	79	46	488	431	169	84
TOP 2 BOX	563	274	289	105	184	163	111	43	122	221	103	21	19	63	74	53	68	37	441	382	143	82
	89%	88%	89%	81%	91% D	90% D	92% D	96% IOPR	83%	89% P	94% IOPR	95% IPR	100% OPQRS IJKN	93% IP	85%	77%	86%	80%	90% IP	89%	85%	98% TU
Very important	348	158	190	53	112	108	75	28	59	146	62	15	10	37	53	27	47	26	289	241	74	64
	55%	51%	59% B	41%	55% D	59% D	62% D	62% IP	40%	59% IP	57% IP	68% IP	53%	54% I	61% IP	39%	59% IP	57% I	59% IP	56% U	44% TU	76% TU
Somewhat important	215	116	99	52	72	55	36	15	63	75	41	6	9	26	21	26	21	11	152	141	69	18
	34%	37%	31%	40%	35%	30%	30%	33% JOQRS	43%	30%	38% O	27%	47%	38%	24%	38%	27%	24%	31%	33% V	41% V	21%
Not very important	66	34	32	23	15	19	9	2	23	24	4	-	-	4	13	14	11	9	43	45	24	2
	10%	11%	10%	18% EG	7%	10%	7%	4% HKNS	16%	10% K	4%			6% 6%	15% HK	20% HJKNS	14% K	20% HKN	9% K	10% V	14% V	2% 2%
Not at all important	6	4	2	1	4	-	1	-	2	2	2	1	-	1	-	2	-	-	4	4	2	-
	1%	1%	1%	1%	2%		1%		1% 1%	1% 2%	2% 5%	5% 1%		1% 1%		3% 3%			1% 1%	1% 1%	1% 1%	
BOTTOM 2 BOX	72	38	34	24	19	19	10	2	25	26	6	1	-	5	13	16	11	9	47	49	26	2
	11%	12%	11%	19% EFG	9%	10%	8%	4% HKLNS	17%	11% 11%	6% 6%	5% 5%		7% 7%	15% HK	23% JKLNS H	14% 14%	20% HKL	10% 10%	11% V	15% V	2% 2%

Comparison Groups: BC/DEFG/HI JKLMNOPQRS/TUV
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

Public Interest Advocacy Centre - Online Return Omnibus January 2011

Q3. WHEN YOU'RE DECIDING WHETHER OR NOT TO BUY A PRODUCT ONLINE, HOW IMPORTANT IS IT TO YOU THAT THE RETAILER ACCEPTS RETURNS AND EXCHANGES? IS IT...?
 SUBSAMPLE: THOSE WHO DID BUY PRODUCTS ONLINE FROM A RETAILER

	EMPLOYMENT						HOUSEHOLD INCOME					EDUCATION				# OF ONLINE PURCHASES			READ RETAILER'S RETURN POLICY			
	TOTAL	Emp. Full-time	Emp. Part-time	Unemp.loyed	Home-maker	Re-tired	Under \$30K	\$30K Under \$60k	\$60K Under \$80K	\$80K Under \$100K	Over \$100	Less Than H. S.	H. S. / Coll.	Some Uni v.	Uni v. Deg.	1-2	3-5	6+	Al ways	Some times	Ra rely	Never
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)
TOTAL	635	283	65	28	35	109	86	165	97	65	113	45	327	82	172	197	255	183	237	249	115	34
TOP 2 BOX	563 89%	253 89%	52 80%	25 89%	31 89%	99 91%	80 93%	145 88%	85 88%	58 89%	97 86%	41 91%	291 89%	73 89%	150 87%	172 87%	230 90%	161 88%	236 100% TUV	224 90% UV	86 75% V	17 50%
Very important	348 55%	145 51%	35 54%	15 54%	23 66%	68 62% B	45 52%	90 55%	51 53%	31 48%	63 56%	27 60%	188 57% O	47 57%	81 47%	120 61% R	135 53%	93 51%	196 83% TUV	109 44% UV	35 30%	8 24%
Somewhat important	215 34%	108 38% E	17 26%	10 36%	8 23%	31 28%	35 41%	55 33%	34 35%	27 42%	34 30%	14 31%	103 31%	26 32%	69 40%	52 26%	95 37% P	68 37% P	40 17%	115 46% SV	51 44% SV	9 26%
Not very important	66 10%	29 10%	12 18% E	2 7%	2 6%	9 8%	5 6%	19 12%	11 11%	6 9%	16 14% G	4 9%	32 10%	9 11%	21 12%	23 12%	25 10%	18 10%	1 *% S	25 10% S	29 25% ST	11 32% ST
Not at all important	6 1%	1 *% E	1 2%	1 4%	2 6%	1 1%	1 1%	1 1%	1 1%	1 2%	-	-	4 1%	-	1 1%	2 1%	-	4 2%	-	-	-	6 18%
BOTTOM 2 BOX	72 11%	30 11%	13 20%	3 11%	4 11%	10 9%	6 7%	20 12%	12 12%	7 11%	16 14%	4 9%	36 11%	9 11%	22 13%	25 13%	25 10%	22 12%	1 *% S	25 10% S	29 25% ST	17 50% STU

Comparison Groups: BCDEF/GHIJK/LMNO/PQR/STUV
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

Public Interest Advocacy Centre - Online Return Omnibus January 2011

Q3. WHEN YOU'RE DECIDING WHETHER OR NOT TO BUY A PRODUCT ONLINE, HOW IMPORTANT IS IT TO YOU THAT THE RETAILER ACCEPTS RETURNS AND EXCHANGES? IS IT...?
 SUBSAMPLE: THOSE WHO DID BUY PRODUCTS ONLINE FROM A RETAILER

	IMPORTANCE OF RETAILER ACCEPTING RETURNS/ EXCHANGES					RETURNED/ WANTED TO RETURN		RESULT OF RETURNING A PRODUCT			IMPACT OF EXPERIENCE WITH RETURNS		
	TOTAL	Very Imp.	Some. Imp.	Not Very Imp.	Not At All Imp.	Yes	No	In Pers.	By Mail/ Cou.	Un succ.	More Like.	Just	
												As Like.	Less Like.
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	
TOTAL	635	348	215	66	6	238	397	77	121	40	20	193	25
TOP 2 BOX	563	348	215	-	-	222	341	76	113	33	20	179	23
	89%	100%	100%			93%	86%	99%	93%	82%	100%	93%	92%
						G		IJ			L		
Very important	348	348	-	-	-	150	198	51	81	18	16	118	16
	55%	100%				63%	50%	66%	67%	45%	80%	61%	64%
						G		J	J		L		
Somewhat important	215	-	215	-	-	72	143	25	32	15	4	61	7
	34%		100%			30%	36%	32%	26%	38%	20%	32%	28%
Not very important	66	-	-	66	-	14	52	1	7	6	-	12	2
	10%			100%		6%	13%	1%	6%	15%		6%	8%
						F				H			
Not at all important	6	-	-	-	6	2	4	-	1	1	-	2	-
	1%				100%	1%	1%		1%	2%		1%	
BOTTOM 2 BOX	72	-	-	66	6	16	56	1	8	7	-	14	2
	11%			100%	100%	7%	14%	1%	7%	18%		7%	8%
						F		H	H				

Comparison Groups: BCDE/FG/HIJ/KLM
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

Public Interest Advocacy Centre - Online Return Omnibus January 2011

Q4. HAVE YOU EVER RETURNED OR WANTED TO RETURN A PRODUCT THAT YOU PURCHASED ONLINE?

SUBSAMPLE: THOSE WHO DID BUY PRODUCTS ONLINE FROM A RETAILER

	GENDER			AGE				REGION											LANGUAGE			
	TOTAL	M	F	18-29	30-44	45-59	60 +	ATL	QC	ON	Prairies	MB	SK	AB	BC	MTL CMA	TOR CMA	VAN CMA	Can. Exc. Que.	Eng.	Fre.	Other
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)
TOTAL	635	312	323	129	203	182	121	45	147	247	109	22	19	68	87	69	79	46	488	431	169	84
Yes	238 37%	108 35%	130 40%	49 38%	93 46% F	53 29%	43 36%	21 47% IP	42 29%	95 38% I	43 39%	9 41%	6 32%	28 41%	37 43% IP	19 28%	29 37%	18 39%	196 40% IP	171 40%	55 33%	39 46% U
No	397 63%	204 65%	193 60%	80 62%	110 54%	129 71% E	78 64%	24 53%	105 71% HJOS	152 62%	66 61%	13 59%	13 68%	40 59%	50 57%	50 72% HOS	50 63%	28 61%	292 60%	260 60%	114 67%	45 54% V

Comparison Groups: BC/DEFG/HIJKLMNOPS/TUV
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

Environics Research Group

Public Interest Advocacy Centre - Online Return Omnibus January 2011

Q4. HAVE YOU EVER RETURNED OR WANTED TO RETURN A PRODUCT THAT YOU PURCHASED ONLINE?

SUBSAMPLE: THOSE WHO DID BUY PRODUCTS ONLINE FROM A RETAILER

	EMPLOYMENT						HOUSEHOLD INCOME					EDUCATION				# OF ONLINE PURCHASES			READ RETAILER'S RETURN POLICY			
	TOTAL	Emp. Full-time	Emp. Part-time	Unemp.loyed	Home-maker	Re-tired	Under \$30K	\$30K Under \$60k	\$60K Under \$80K	\$80K Under \$100K	Over \$100	Less Than H. S.	H. S. / Coll.	Some Uni v.	Uni v. Deg.	1-2	3-5	6+	Al ways	Some times	Ra rely	Never
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)
TOTAL	635	283	65	28	35	109	86	165	97	65	113	45	327	82	172	197	255	183	237	249	115	34
Yes	238 37%	105 37%	24 37%	10 36%	14 40%	33 30%	30 35%	55 33%	34 35%	25 38%	41 36%	14 31%	108 33%	36 44%	77 45%	44 22%	91 36%	103 56%	90 38%	106 43%	34 30%	8 24%
No	397 63%	178 63%	41 63%	18 64%	21 60%	76 70%	56 65%	110 67%	63 65%	40 62%	72 64%	31 69%	219 67%	46 56%	95 55%	153 78%	164 64%	80 44%	147 62%	143 57%	81 70%	26 76%

Comparison Groups: BCDEF/GHIJK/LMNO/PQR/STUV
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

Environics Research Group

Q4. HAVE YOU EVER RETURNED OR WANTED TO RETURN A PRODUCT THAT YOU PURCHASED ONLINE?

SUBSAMPLE: THOSE WHO DID BUY PRODUCTS ONLINE FROM A RETAILER

	IMPORTANCE OF RETAILER ACCEPTING RETURNS/ EXCHANGES					RETURNED/ WANTED TO RETURN		RESULT OF RETURNING A PRODUCT			IMPACT OF EXPERIENCE WITH RETURNS		
	TOTAL	Very Imp.	Some. Imp.	Not Very Imp.	Not At All Imp.	Yes	No	In Pers.	By		More Like.	Just	
									Mail/ Cou.	Un succ.		As Like.	Less Like.
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
TOTAL	635	348	215	66	6	238	397	77	121	40	20	193	25
Yes	238 37%	150 43%	72 33%	14 21%	2 33%	238 100%	-	77 100%	121 100%	40 100%	20 100%	193 100%	25 100%
No	397 63%	198 57%	143 67%	52 79%	4 67%	-	397 100%	-	-	-	-	-	-

Comparison Groups: BCDE/FG/HIJ/KLM
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

Public Interest Advocacy Centre - Online Return Omnibus January 2011

Q5. THE LAST TIME YOU RETURNED OR WANTED TO RETURN A PRODUCT YOU BOUGHT ONLINE, WHAT WAS THE APPROXIMATE PRICE OF THE PRODUCT?

SUBSAMPLE: THOSE WHO HAVE RETURNED OR WANTED TO RETURN A PRODUCT THAT THEY PURCHASED ONLINE

	GENDER		AGE				REGION													LANGUAGE		
	TOTAL	M	F	18-29	30-44	45-59	60 +	ATL	QC	ON	Prairies	MB	SK	AB	BC	MTL CMA	TOR CMA	VAN CMA	Can. Exc. Que.	Eng.	Fre.	Other
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)
TOTAL	238	108	130	49	93	53	43	21	42	95	43	9	6	28	37	19	29	18	196	171	55	39
Less than \$10	2 1%	2 2%	-	-	-	1 2%	1 2%	-	-	-	1 2%	1 11%	-	-	1 3%	-	-	-	2 1%	2 1%	-	-
\$10-\$24.99	31 13%	18 17%	13 10%	7 14%	12 13%	9 17%	3 7%	1 5%	6 14%	14 15%	4 9%	2 22%	-	2 7%	6 16%	1 5%	7 24% HP	4 22%	25 13%	24 14%	7 13%	5 13%
\$25-\$49.99	75 32%	34 31%	41 32%	20 41%	27 29%	15 28%	13 30%	5 24%	18 43%	29 31%	12 28%	2 22%	2 33%	8 29%	11 30%	6 32%	11 38%	4 22%	57 29%	52 30%	20 36%	15 38%
\$50-\$99.99	70 29%	25 23%	45 35% B	13 27%	29 31%	15 28%	13 30%	7 33%	12 29%	28 29%	12 28%	1 11%	1 17%	10 36%	11 30%	9 47% L	6 21%	5 28%	58 30%	46 27%	15 27%	14 36%
\$100 to \$199.99	43 18%	23 21%	20 15%	7 14%	16 17%	10 19%	10 23%	5 24%	5 12%	20 21%	8 19%	-	2 33%	6 21%	5 14%	2 11%	5 17%	4 22%	38 19%	34 20% V	9 16%	2 5%
\$200 to \$499.99	11 5%	2 2%	9 7% B	1 2%	6 6%	1 2%	3 7%	2 10%	-	2 2%	4 9%	2 22%	1 17%	1 4%	3 8%	-	-	1 6%	11 6%	8 5%	2 4%	2 5%
\$500 to \$999.99	3 1%	2 2%	1 1%	-	2 2%	1 2%	-	1 5%	-	1 1%	1 2%	1 11%	-	-	-	-	-	-	3 2%	2 1%	-	1 3%
\$1,000 or more	3 1%	2 2%	1 1%	1 2%	1 1%	1 2%	-	-	1 2%	1 1%	1 2%	-	-	1 4%	-	1 5%	-	-	2 1%	3 2%	2 4%	-

Comparison Groups: BC/DEFG/HIJKLMNOPS/TUV
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

Public Interest Advocacy Centre - Online Return Omnibus January 2011

Q5. THE LAST TIME YOU RETURNED OR WANTED TO RETURN A PRODUCT YOU BOUGHT ONLINE, WHAT WAS THE APPROXIMATE PRICE OF THE PRODUCT?

SUBSAMPLE: THOSE WHO HAVE RETURNED OR WANTED TO RETURN A PRODUCT THAT THEY PURCHASED ONLINE

	EMPLOYMENT						HOUSEHOLD INCOME					EDUCATION				# OF ONLINE PURCHASES			READ RETAILER'S RETURN POLICY			
	TOTAL	Emp. Full-time	Emp. Part-time	Unemp. loyed	Home-maker	Re-tired	Under \$30K	\$30K Under \$60k	\$60K Under \$80K	\$80K Under \$100K	Over \$100	Less Than H. S.	H. S. / Coll.	Some Uni v.	Uni v. Deg.	1-2	3-5	6+	Al ways	Some times	Ra rely	Never
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)
TOTAL	238	105	24	10	14	33	30	55	34	25	41	14	108	36	77	44	91	103	90	106	34	8
Less than \$10	2 1%	1 1%	-	-	-	1 3%	-	-	2 6%	-	-	-	2 2%	-	-	-	-	2 2%	-	1 1%	-	1 12%
\$10-\$24.99	31 13%	14 13%	8 33% B	-	-	4 12%	2 7%	7 13%	2 6%	3 12%	7 17%	2 14%	15 14%	5 14%	8 10%	9 20%	10 11%	12 12%	13 14%	13 12%	4 12%	1 12%
\$25-\$49.99	75 32%	36 34% D	7 29%	1 10%	5 36%	11 33%	9 30%	22 40%	13 38%	5 20%	9 22%	4 29%	35 32%	13 36%	22 29%	10 23%	32 35%	33 32%	29 32%	30 28%	15 44% V	1 12%
\$50-\$99.99	70 29%	34 32%	4 17%	3 30%	4 29%	9 27%	9 30%	17 31%	9 26%	8 32%	12 29%	5 36%	23 21%	11 31%	30 39% M	15 34%	28 31%	27 26%	24 27%	32 30%	10 29%	4 50%
\$100 to \$199.99	43 18%	14 13%	4 17%	6 60% BCEF	3 21%	7 21%	5 17%	9 16%	6 18%	6 24%	9 22%	3 21%	22 20%	6 17%	12 16%	7 16%	13 14%	23 22%	17 19%	23 22% U	3 9%	-
\$200 to \$499.99	11 5%	4 4%	-	-	2 14%	1 3%	5 17%	-	1 3%	2 8%	2 5%	-	7 6%	-	4 5%	3 7%	7 8% R	1 1%	5 6%	5 5%	1 3%	-
\$500 to \$999.99	3 1%	1 1%	1 4%	-	-	-	-	-	1 3%	-	-	-	2 2%	-	1 1%	-	1 1%	2 2%	1 1%	1 1%	1 3%	-
\$1,000 or more	3 1%	1 1%	-	-	-	-	-	-	-	1 4%	2 5%	-	2 2%	1 3%	-	-	-	3 3%	1 1%	1 1%	-	1 12%

Comparison Groups: BCDEF/GHIJK/LMNO/PQR/STUV
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

Public Interest Advocacy Centre - Online Return Omnibus January 2011

Q5. THE LAST TIME YOU RETURNED OR WANTED TO RETURN A PRODUCT YOU BOUGHT ONLINE, WHAT WAS THE APPROXIMATE PRICE OF THE PRODUCT?
 SUBSAMPLE: THOSE WHO HAVE RETURNED OR WANTED TO RETURN A PRODUCT THAT THEY PURCHASED ONLINE

	IMPORTANCE OF RETAILER ACCEPTING RETURNS/ EXCHANGES					RETURNED/ WANTED TO RETURN		RESULT OF RETURNING A PRODUCT			IMPACT OF EXPERIENCE WITH RETURNS		
	TOTAL	Very Imp.	Some. Imp.	Not Very Imp.	Not At All Imp.	Yes	No	In Pers.	By Mail/ Cou.	Un succ.	More Like.	Just As Like.	
												Less Like.	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	
TOTAL	238	150	72	14	2	238	-	77	121	40	20	193	25
Less than \$10	2 1%	1 1%	-	-	1 50%	2 1%	-	-	1 1%	1 2%	-	2 1%	-
\$10- \$24. 99	31 13%	18 12%	11 15%	2 14%	-	31 13%	-	8 10%	15 12%	8 20%	2 10%	25 13%	4 16%
\$25- \$49. 99	75 32%	42 28%	27 38%	5 36%	1 50%	75 32%	-	26 34%	37 31%	12 30%	5 25%	67 35%	3 12%
\$50- \$99. 99	70 29%	47 31%	21 29%	2 14%	-	70 29%	-	22 29%	39 32%	9 22%	9 45%	52 27%	9 36%
\$100 to \$199. 99	43 18%	28 19%	11 15%	4 29%	-	43 18%	-	12 16%	24 20%	7 18%	2 10%	35 18%	6 24%
\$200 to \$499. 99	11 5%	8 5%	2 3%	1 7%	-	11 5%	-	5 6%	3 2%	3 8%	1 5%	8 4%	2 8%
\$500 to \$999. 99	3 1%	3 2%	-	-	-	3 1%	-	2 3%	1 1%	-	1 5%	2 1%	-
\$1,000 or more	3 1%	3 2%	-	-	-	3 1%	-	2 3%	1 1%	-	-	2 1%	1 4%

Comparison Groups: BCDE/FG/HIJ/KLM
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

Public Interest Advocacy Centre - Online Return Omnibus January 2011

Q6. WHY HAVE YOU EVER RETURNED OR WANTED TO RETURN ANY PRODUCTS YOU BOUGHT ONLINE?
 SUBSAMPLE: THOSE WHO HAVE RETURNED OR WANTED TO RETURN A PRODUCT THAT THEY PURCHASED ONLINE

	GENDER		AGE				REGION													LANGUAGE		
	TOTAL	M	F	18-29	30-44	45-59	60 +	ATL	QC	ON	Prairies	MB	SK	AB	BC	MTL CMA	TOR CMA	VAN CMA	Can. Exc. Que.	Eng.	Fre.	Other
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)
TOTAL	238	108	130	49	93	53	43	21	42	95	43	9	6	28	37	19	29	18	196	171	55	39
Product not what I expected	102 43%	44 41%	58 45%	26 53%	38 41%	18 34%	20 47%	7 33%	21 50%	42 44%	15 35%	3 33%	2 33%	10 36%	17 46%	11 58%	13 45%	9 50%	81 41%	65 38%	27 49%	21 54%
Product defect	61 26%	33 31%	28 22%	15 31%	24 26%	11 21%	11 26%	7 33%	8 19%	28 29%	10 23%	3 33%	1 17%	6 21%	8 22%	2 11%	8 28%	3 17%	53 27%	45 26%	12 22%	10 26%
Did not like the product	39 16%	8 7%	31 24%	11 22%	12 13%	9 17%	7 16%	4 19%	3 7%	14 15%	10 23%	3 33%	2 33%	5 18%	8 22%	2 11%	4 14%	4 22%	36 18%	33 19%	4 7%	9 23%
Wrong product delivered	32 13%	17 16%	15 12%	7 14%	11 12%	9 17%	5 12%	4 19%	7 17%	11 12%	6 14%	2 22%	-	4 14%	4 11%	3 16%	4 14%	3 17%	25 13%	23 13%	9 16%	5 13%
Product was wrong size	26 11%	8 7%	18 14%	3 6%	10 11%	9 17%	4 9%	2 10%	2 5%	11 12%	7 16%	-	2 33%	5 18%	4 11%	1 5%	2 7%	2 11%	24 12%	23 13%	2 4%	2 5%
Product damaged from shipping	24 10%	15 14%	9 7%	6 12%	8 9%	6 11%	4 9%	2 10%	2 5%	11 12%	3 7%	1 11%	-	2 7%	6 16%	1 5%	3 10%	3 17%	22 11%	20 12%	4 7%	4 10%
Product delivered later than expected	14 6%	8 7%	6 5%	6 12%	6 6%	1 2%	1 2%	1 5%	3 7%	2 2%	3 7%	2 22%	-	1 4%	5 14%	2 11%	1 3%	3 17%	11 6%	12 7%	5 9%	4 10%
No longer wanted product	14 6%	6 6%	8 6%	7 14%	5 5%	1 2%	1 2%	1 5%	3 7%	6 6%	3 7%	-	1 17%	2 7%	1 3%	1 5%	4 14%	1 6%	11 6%	10 6%	3 5%	3 8%
Gift return	7 3%	1 1%	6 5%	1 2%	2 2%	1 2%	3 7%	-	-	5 5%	2 5%	-	-	2 7%	-	-	3 10%	-	7 4%	7 4%	-	-
Other	3 1%	2 2%	1 1%	-	2 2%	1 2%	-	-	-	3 3%	-	-	-	-	-	-	2 7%	-	3 2%	2 1%	1 2%	-
None of the above	1 *%	-	1 1%	-	-	1 2%	-	1 5%	-	-	-	-	-	-	-	-	-	-	1 1%	1 1%	-	-

Comparison Groups: BC/DEFG/HIJKLMNOPS/TUV
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

Public Interest Advocacy Centre - Online Return Omnibus January 2011

Q6. WHY HAVE YOU EVER RETURNED OR WANTED TO RETURN ANY PRODUCTS YOU BOUGHT ONLINE?
 SUBSAMPLE: THOSE WHO HAVE RETURNED OR WANTED TO RETURN A PRODUCT THAT THEY PURCHASED ONLINE

	EMPLOYMENT						HOUSEHOLD INCOME					EDUCATION				# OF ONLINE PURCHASES			READ RETAILER'S RETURN POLICY			
	TOTAL	Emp. Full-time	Emp. Part-time	Unemp. loyed	Home-maker	Re-tired	Under \$30K	\$30K Under \$60k	\$60K Under \$80K	\$80K Under \$100K	Over \$100	Less Than H. S.	H. S. / Coll.	Some Uni v.	Uni v. Deg.	1-2	3-5	6+	Al ways	Some times	Ra rely	Never
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)
TOTAL	238	105	24	10	14	33	30	55	34	25	41	14	108	36	77	44	91	103	90	106	34	8
Product not what I expected	102 43%	43 41%	11 46%	3 30%	6 43%	15 45%	11 37%	24 44%	9 26%	9 36%	18 44%	5 36%	40 37%	16 44%	40 52%	23 52%	39 43%	40 39%	36 40%	51 48%	11 32%	4 50%
Product defect	61 26%	23 22%	5 21%	5 50%	3 21%	7 21%	9 30%	11 20%	12 35%	8 32%	6 15%	2 14%	25 23%	9 25%	23 30%	7 16%	24 26%	30 29%	21 23%	31 29%	7 21%	2 25%
Did not like the product	39 16%	12 11%	6 25%	3 30%	2 14%	6 18%	5 17%	13 24%	4 12%	3 12%	4 10%	3 21%	17 16%	6 17%	13 17%	9 20%	18 20%	12 12%	15 17%	20 19%	3 9%	1 12%
Wrong product delivered	32 13%	15 14%	5 21%	1 10%	1 7%	4 12%	4 13%	8 15%	2 6%	3 12%	6 15%	1 7%	13 12%	8 22%	9 12%	4 9%	12 13%	16 16%	12 13%	16 15%	3 9%	1 12%
Product was wrong size	26 11%	12 11%	3 12%	1 10%	1 7%	4 12%	5 17%	3 5%	5 15%	2 8%	4 10%	4 29%	9 8%	3 8%	10 13%	4 9%	7 8%	15 15%	13 14%	8 8%	5 15%	-
Product damaged from shipping	24 10%	12 11%	1 4%	-	-	2 6%	2 7%	9 16%	3 9%	6 24%	2 5%	1 7%	12 11%	3 8%	8 10%	5 11%	9 10%	10 10%	8 9%	11 10%	5 15%	-
Product delivered later than expected	14 6%	8 8%	2 8%	-	-	1 3%	1 3%	3 5%	3 9%	-	5 12%	1 7%	4 4%	4 11%	5 6%	1 2%	4 4%	9 9%	4 4%	7 7%	2 6%	1 12%
No longer wanted product	14 6%	5 5%	4 17%	-	-	1 3%	1 3%	4 7%	1 3%	-	1 2%	1 7%	8 7%	1 3%	3 4%	4 9%	5 5%	5 5%	3 3%	7 7%	4 12%	-
Gift return	7 3%	3 3%	1 4%	-	-	3 9%	-	-	1 3%	1 4%	2 5%	-	4 4%	1 3%	2 3%	1 2%	4 4%	2 2%	3 3%	4 4%	-	-
Other	3 1%	2 2%	1 4%	-	-	-	-	-	1 3%	-	1 2%	-	2 2%	-	1 1%	-	2 2%	1 1%	1 1%	1 1%	1 3%	-
None of the above	1 *% 7%	-	-	-	1 7%	-	-	1 2%	-	-	-	-	1 1%	-	-	-	-	1 1%	1 1%	-	-	-

Comparison Groups: BCDEF/GHI JK/LMNO/PQR/STUV
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

Public Interest Advocacy Centre - Online Return Omnibus January 2011

Q6. WHY HAVE YOU EVER RETURNED OR WANTED TO RETURN ANY PRODUCTS YOU BOUGHT ONLINE?
 SUBSAMPLE: THOSE WHO HAVE RETURNED OR WANTED TO RETURN A PRODUCT THAT THEY PURCHASED ONLINE

	IMPORTANCE OF RETAILER ACCEPTING RETURNS/ EXCHANGES					RETURNED/ WANTED TO RETURN		RESULT OF RETURNING A PRODUCT			IMPACT OF EXPERIENCE WITH RETURNS		
	TOTAL	Very Imp.	Some. Imp.	Not Very Imp.	Not At All Imp.	Yes	No	In Pers.	By Mail/ Cou.	Un succ.	More Like.	Just As Like.	Less Like.
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
TOTAL	238	150	72	14	2	238	-	77	121	40	20	193	25
Product not what I expected	102 43%	61 41%	34 47%	6 43%	1 50%	102 43%	-	34 44%	44 36%	24 60%	5 25%	82 42%	15 60%
Product defect	61 26%	41 27%	16 22%	3 21%	1 50%	61 26%	-	21 27%	35 29%	5 12%	5 25%	54 28%	2 8%
Did not like the product	39 16%	27 18%	11 15%	1 7%	-	39 16%	-	13 17%	20 17%	6 15%	5 25%	28 15%	6 24%
Wrong product delivered	32 13%	17 11%	11 15%	4 29%	-	32 13%	-	11 14%	14 12%	7 18%	1 5%	26 13%	5 20%
Product was wrong size	26 11%	18 12%	7 10%	1 7%	-	26 11%	-	10 13%	16 13%	-	3 15%	22 11%	1 4%
Product damaged from shipping	24 10%	17 11%	4 6%	3 21%	-	24 10%	-	8 10%	12 10%	4 10%	3 15%	21 11%	-
Product delivered later than expected	14 6%	11 7%	3 4%	-	-	14 6%	-	4 5%	8 7%	2 5%	1 5%	12 6%	1 4%
No longer wanted product	14 6%	8 5%	5 7%	1 7%	-	14 6%	-	6 8%	5 4%	3 8%	-	12 6%	2 8%
Gift return	7 3%	5 3%	2 3%	-	-	7 3%	-	4 5%	2 2%	1 2%	-	6 3%	1 4%
Other	3 1%	2 1%	1 1%	-	-	3 1%	-	2 3%	-	1 2%	-	3 2%	-
None of the above	1 *%	-	1 1%	-	-	1 *%	-	-	1 1%	-	-	1 1%	-

Comparison Groups: BCDE/FG/HIJ/KLM
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

Environics Research Group

Public Interest Advocacy Centre - Online Return Omnibus January 2011

Q7. WHAT BEST DESCRIBES WHAT HAPPENED THE LAST TIME YOU TRIED TO RETURN A PRODUCT YOU BOUGHT ONLINE?

SUBSAMPLE: THOSE WHO HAVE RETURNED OR WANTED TO RETURN A PRODUCT THAT THEY PURCHASED ONLINE

	GENDER			AGE				REGION												LANGUAGE		
	TOTAL	M	F	18-29	30-44	45-59	60 +	ATL	QC	ON	Prairies	MB	SK	AB	BC	MTL CMA	TOR CMA	VAN CMA	Can. Exc. Que.	Eng.	Fre.	Other
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)
TOTAL	238	108	130	49	93	53	43	21	42	95	43	9	6	28	37	19	29	18	196	171	55	39
NET: SUCCESSFULLY RETURNED THE PRODUCT	198	86	112	35	83	44	36	19	34	84	31	4	5	22	30	14	25	16	164	144	44	30
	83%	80%	86%	71%	89%	83%	84%	90%	81%	88%	72%	44%	83%	79%	81%	74%	86%	89%	84%	84%	80%	77%
I successfully returned the product by mail/courier	121	53	68	20	46	29	26	13	14	52	22	2	5	15	20	5	12	11	107	95	17	19
	51%	49%	52%	41%	49%	55%	60%	62%	33%	55%	51%	22%	83%	54%	54%	26%	41%	61%	55%	56%	31%	49%
					D			ILP		ILP	P		ILPQ	P	LP			ILP	ILP	U		
I successfully returned the product in-person to a retail outlet or store	77	33	44	15	37	15	10	6	20	32	9	2	-	7	10	9	13	5	57	49	27	11
	32%	31%	34%	31%	40%	28%	23%	29%	48%	34%	21%	22%		25%	27%	47%	45%	28%	29%	29%	49%	28%
					G				KNS							K	K				TV	
I was unsuccessful in trying to return the product	40	22	18	14	10	9	7	2	8	11	12	5	1	6	7	5	4	2	32	27	11	9
	17%	20%	14%	29%	11%	17%	16%	10%	19%	12%	28%	56%	17%	21%	19%	26%	14%	11%	16%	16%	20%	23%
				E							HJ	JOQRS	HI									

Comparison Groups: BC/DEFG/HI JKLMNOPQRS/TUV
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

Public Interest Advocacy Centre - Online Return Omnibus January 2011

Q7. WHAT BEST DESCRIBES WHAT HAPPENED THE LAST TIME YOU TRIED TO RETURN A PRODUCT YOU BOUGHT ONLINE?

SUBSAMPLE: THOSE WHO HAVE RETURNED OR WANTED TO RETURN A PRODUCT THAT THEY PURCHASED ONLINE

	EMPLOYMENT						HOUSEHOLD INCOME					EDUCATION				# OF ONLINE PURCHASES			READ RETAILER'S RETURN POLICY			
	TOTAL	Emp. Full-time	Emp. Part-time	Unemp. loyed	Home-maker	Re-tired	Under \$30K	\$30K Under \$60k	\$60K Under \$80K	\$80K Under \$100K	Over \$100	Less Than H. S.	H. S. / Coll.	Some Uni v.	Uni v. Deg.	1-2	3-5	6+	Al ways	Some times	Ra rely	Never
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)
TOTAL	238	105	24	10	14	33	30	55	34	25	41	14	108	36	77	44	91	103	90	106	34	8
NET: SUCCESSFULLY RETURNED THE PRODUCT	198 83%	92 88%	17 71%	8 80%	13 93%	28 85%	23 77%	43 78%	30 88%	23 92%	38 93%	12 86%	90 83%	30 83%	63 82%	34 77%	76 84%	88 85%	80 89%	86 81%	27 79%	5 62%
I successfully returned the product by mail/courier	121 51%	56 53%	10 42%	4 40%	8 57%	18 55%	15 50%	29 53%	21 62%	9 36%	22 54%	10 71%	55 51%	14 39%	40 52%	20 45%	48 53%	53 51%	52 58%	53 50%	14 41%	2 25%
I successfully returned the product in-person to a retail outlet or store	77 32%	36 34%	7 29%	4 40%	5 36%	10 30%	8 27%	14 25%	9 26%	14 56%	16 39%	2 14%	35 32%	16 44%	23 30%	14 32%	28 31%	35 34%	28 31%	33 31%	13 38%	3 38%
I was unsuccessful in trying to return the product	40 17%	13 12%	7 29%	2 20%	1 7%	5 15%	7 23%	12 22%	4 12%	2 8%	3 7%	2 14%	18 17%	6 17%	14 18%	10 23%	15 16%	15 15%	10 11%	20 19%	7 21%	3 38%

Comparison Groups: BCDEF/GHI JK/LMN0/PQR/STUV
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

Public Interest Advocacy Centre - Online Return Omnibus January 2011

Q7. WHAT BEST DESCRIBES WHAT HAPPENED THE LAST TIME YOU TRIED TO RETURN A PRODUCT YOU BOUGHT ONLINE?

SUBSAMPLE: THOSE WHO HAVE RETURNED OR WANTED TO RETURN A PRODUCT THAT THEY PURCHASED ONLINE

	IMPORTANCE OF RETAILER ACCEPTING RETURNS/ EXCHANGES					RETURNED/ WANTED TO RETURN		RESULT OF RETURNING A PRODUCT			IMPACT OF EXPERIENCE WITH RETURNS		
	TOTAL	Very Imp.	Some. Imp.	Not Very Imp.	Not At All Imp.	Yes	No	In Pers.	By Mail/ Cou.	Un succ.	More Like.	Just As Like.	Less Like.
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
TOTAL	238	150	72	14	2	238	-	77	121	40	20	193	25
NET: SUCCESSFULLY RETURNED THE PRODUCT	198 83%	132 88%	57 79%	8 57%	1 50%	198 83%	-	77 100%	121 100%	-	20 100%	166 86%	12 48%
I successfully returned the product by mail/courier	121 51%	81 54%	32 44%	7 50%	1 50%	121 51%	-	-	121 100%	-	8 40%	103 53%	10 40%
I successfully returned the product in-person to a retail outlet or store	77 32%	51 34%	25 35%	1 7%	-	77 32%	-	77 100%	-	-	12 60%	63 33%	2 8%
I was unsuccessful in trying to return the product	40 17%	18 12%	15 21%	6 43%	1 50%	40 17%	-	-	-	40 100%	-	27 14%	13 52%

Comparison Groups: BCDE/FG/HIJ/KLM
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

Environics Research Group

Public Interest Advocacy Centre - Online Return Omnibus January 2011

Q8. WHY WERE YOU UNSUCCESSFUL IN RETURNING THE PRODUCT?

SUBSAMPLE: THOSE WHO HAVE UNSUCCESSFUL IN RETURNING THE PRODUCT

	GENDER			AGE				REGION												LANGUAGE		
	TOTAL	M	F	18-29	30-44	45-59	60 +	ATL	QC	ON	Prairies	MB	SK	AB	BC	MTL CMA	TOR CMA	VAN CMA	Can. Exc. Que.	Eng.	Fre.	Other
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)
TOTAL	40	22	18	14	10	9	7	2	8	11	12	5	1	6	7	5	4	2	32	27	11	9
Cost of shipping not worth returning the product	18 45%	8 36%	10 56%	6 43%	8 80% DFG	2 22%	2 29%	1 50%	4 50%	5 45%	5 42%	3 60%	-	2 33%	3 43%	2 40%	2 50%	1 50%	14 44%	12 44%	5 45%	5 56%
Could not contact company	10 25%	7 32%	3 17%	5 36%	-	2 22%	3 43%	-	2 25%	3 27%	3 25%	1 20%	-	2 33%	2 29%	1 20%	1 25%	-	8 25%	6 22%	4 36%	2 22%
Retailer did not accept returns, refunds, exchanges or credit	7 18%	4 18%	3 17%	2 14%	1 10%	3 33%	1 14%	-	2 25%	1 9%	2 17%	-	-	2 33%	2 29%	2 40%	-	1 50%	5 16%	5 19%	2 18%	1 11%
Retailer did not accept returns of opened products	3 8%	3 14%	-	2 14%	-	1 11%	-	-	-	2 18%	1 8%	-	1 100% JKQS	-	-	-	1 25%	-	3 9%	2 7%	1 9%	2 22%
Company did not give me enough time to return product	2 5%	-	2 11%	-	-	1 11%	1 14%	1 50%	-	-	1 8%	1 20%	-	-	-	-	-	-	2 6%	2 7%	-	-
Other	3 8%	2 9%	1 6%	1 7%	1 10%	-	1 14%	-	-	1 9%	-	-	-	-	2 29%	-	1 25%	1 50%	3 9%	3 11%	1 9%	-

Comparison Groups: BC/DEFG/HI JKLMNOPQRS/TUV
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

Public Interest Advocacy Centre - Online Return Omnibus January 2011

Q8. WHY WERE YOU UNSUCCESSFUL IN RETURNING THE PRODUCT?

SUBSAMPLE: THOSE WHO HAVE UNSUCCESSFUL IN RETURNING THE PRODUCT

	EMPLOYMENT						HOUSEHOLD INCOME					EDUCATION				# OF ONLINE PURCHASES			READ RETAILER'S RETURN POLICY			
	TOTAL	Emp. Full-time	Emp. Part-time	Unemployed	Home-maker	Retired	Under \$30K	\$30K Under \$60k	\$60K Under \$80K	\$80K Under \$100K	Over \$100	Less Than H. S.	H. S. / Coll.	Some Univ.	Univ. Deg.	1-2	3-5	6+	Always	Some times	Rarely	Never
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)
TOTAL	40	13	7	2	1	5	7	12	4	2	3	2	18	6	14	10	15	15	10	20	7	3
Cost of shipping not worth returning the product	18 45%	8 62%	2 29%	1 50%	1 100% BCF	1 20%	4 57%	4 33%	3 75%	2 100% GH	2 67%	-	7 39%	3 50%	8 57%	1 10%	7 47% P	10 67% P	4 40%	8 40%	5 71%	1 33%
Could not contact company	10 25%	2 15%	1 14%	1 50%	-	2 40%	2 29%	5 42%	-	-	-	2 100% MNO	5 28%	2 33%	1 7%	4 40% R	5 33%	1 7%	3 30%	5 25%	1 14%	1 33%
Retailer did not accept returns, refunds, exchanges or credit	7 18%	1 8%	3 43%	-	-	1 20%	1 14%	1 8%	1 25%	-	-	-	2 11%	1 17%	4 29%	3 30%	1 7%	3 20%	1 10%	4 20%	1 14%	1 33%
Retailer did not accept returns of opened products	3 8%	2 15%	-	-	-	-	-	1 8%	-	-	1 33%	-	1 6%	1 17%	1 7%	1 10%	-	2 13%	1 10%	2 10%	-	-
Company did not give me enough time to return product	2 5%	-	-	-	-	1 20%	-	1 8%	-	-	-	-	2 11%	-	-	1 10%	1 7%	-	2 20%	-	-	-
Other	3 8%	-	1 14%	-	-	-	-	-	-	1 50%	-	-	1 6%	1 17%	1 7%	-	2 13%	1 7%	1 10%	2 10%	-	-

Comparison Groups: BCDEF/GHIJK/LMNO/PQR/STUV
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

Q8. WHY WERE YOU UNSUCCESSFUL IN RETURNING THE PRODUCT?

SUBSAMPLE: THOSE WHO HAVE UNSUCCESSFUL IN RETURNING THE PRODUCT

	IMPORTANCE OF RETAILER ACCEPTING RETURNS/ EXCHANGES					RETURNED/ WANTED TO RETURN		RESULT OF RETURNING A PRODUCT			IMPACT OF EXPERIENCE WITH RETURNS		
	TOTAL	Very Imp.	Some. Imp.	Not Very Imp.	Not At All Imp.	Yes	No	In Pers.	By Mail/ Cou.	Un succ.	More Like.	Just	
												As Like.	Less Like.
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	
TOTAL	40	18	15	6	1	40	-	-	-	40	-	27	13
Cost of shipping not worth returning the product	18 45%	6 33%	8 53%	3 50%	1 100% BCD	18 45%	-	-	-	18 45%	-	15 56%	3 23%
Could not contact company	10 25%	7 39% C	1 7%	2 33%	-	10 25%	-	-	-	10 25%	-	4 15%	6 46% L
Retailer did not accept returns, refunds, exchanges or credit	7 18%	2 11%	4 27%	1 17%	-	7 18%	-	-	-	7 18%	-	5 19%	2 15%
Retailer did not accept returns of opened products	3 8%	2 11%	1 7%	-	-	3 8%	-	-	-	3 8%	-	2 7%	1 8%
Company did not give me enough time to return product	2 5%	1 6%	1 7%	-	-	2 5%	-	-	-	2 5%	-	1 4%	1 8%
Other	3 8%	2 11%	-	1 17%	-	3 8%	-	-	-	3 8%	-	3 11%	-

Comparison Groups: BCDE/FG/HIJ/KLM
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

Public Interest Advocacy Centre - Online Return Omnibus January 2011

Q9. WAS THE RETURN PROCESS...?

SUBSAMPLE: THOSE WHO HAVE SUCCESSFUL IN RETURNING THE PRODUCT

	GENDER		AGE				REGION													LANGUAGE		
	TOTAL	M	F	18-29	30-44	45-59	60 +	ATL	QC	ON	Prairies	MB	SK	AB	BC	MFL CMA	TOR CMA	VAN CMA	Can. Exc. Que.	Eng.	Fre.	Other
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)
TOTAL	198	86	112	35	83	44	36	19	34	84	31	4	5	22	30	14	25	16	164	144	44	30
TOP 2 BOX	186	79	107	32	79	42	33	18	34	78	29	4	5	20	27	14	24	14	152	134	43	27
	94%	92%	96%	91%	95%	95%	92%	95%	100% JS	93%	94%	100% JS	100% JS	91%	90%	100% JS	96%	88%	93%	93%	98%	90%
Very easy	99	40	59	14	42	22	21	7	19	48	17	3	3	11	8	6	11	5	80	70	25	14
	50%	47%	53%	40%	51%	50%	58%	37%	56%	57%	55%	75%	60%	50%	27%	43%	44%	31%	49%	49%	57%	47%
Somewhat easy	87	39	48	18	37	20	12	11	15	30	12	1	2	9	19	8	13	9	72	64	18	13
	44%	45%	43%	51%	45%	45%	33%	58%	44%	36%	39%	25%	40%	41%	63% JKS	57%	52%	56%	44%	44%	41%	43%
Somewhat difficult	11	7	4	3	4	1	3	-	-	6	2	-	-	2	3	-	1	2	11	9	1	3
	6%	8%	4%	9%	5%	2%	8%	-	-	7%	6%	-	-	9%	10%	-	4%	12%	7%	6%	2%	10%
Very difficult	1	-	1	-	-	1	-	1	-	-	-	-	-	-	-	-	-	-	1	1	-	-
	1%	-	1%	-	-	2%	-	5%	-	-	-	-	-	-	-	-	-	-	1%	1%	-	-
BOTTOM 2 BOX	12	7	5	3	4	2	3	1	-	6	2	-	-	2	3	-	1	2	12	10	1	3
	6%	8%	4%	9%	5%	5%	8%	5%	-	7%	6%	-	-	9%	10%	-	4%	12%	7%	7%	2%	10%

Comparison Groups: BC/DEFG/HIJKLMNOPS/TUV
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

Public Interest Advocacy Centre - Online Return Omnibus January 2011

Q9. WAS THE RETURN PROCESS...?

SUBSAMPLE: THOSE WHO HAVE SUCCESSFUL IN RETURNING THE PRODUCT

	EMPLOYMENT						HOUSEHOLD INCOME					EDUCATION				# OF ONLINE PURCHASES			READ RETAILER'S RETURN POLICY			
	TOTAL	Emp. Full-time	Emp. Part-time	Unemployed	Home-maker	Re-tired	Under \$30K	\$30K Under \$60k	\$60K Under \$80K	\$80K Under \$100K	Over \$100	Less Than H. S.	H. S. / Coll.	Some Uni v.	Uni v. Deg.	1-2	3-5	6+	Al ways	Some times	Ra rely	Never
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)
TOTAL	198	92	17	8	13	28	23	43	30	23	38	12	90	30	63	34	76	88	80	86	27	5
TOP 2 BOX	186 94%	86 93%	17 100% B	7 88%	12 92%	27 96%	23 100%	41 95%	27 90%	20 87%	35 92%	11 92%	87 97%	27 90%	58 92%	34 100% QR	72 95%	80 91%	75 94%	80 93%	26 96%	5 100% ST
Very easy	99 50%	44 48%	9 53%	4 50%	9 69%	18 64%	14 61%	20 47%	12 40%	11 48%	21 55%	6 50%	48 53%	16 53%	27 43%	20 59%	40 53%	39 44%	42 52%	40 47%	15 56%	2 40%
Somewhat easy	87 44%	42 46%	8 47%	3 38%	3 23%	9 32%	9 39%	21 49%	15 50%	9 39%	14 37%	5 42%	39 43%	11 37%	31 49%	14 41%	32 42%	41 47%	33 41%	40 47%	11 41%	3 60%
Somewhat difficult	11 6%	6 7%	-	1 12%	-	1 4%	-	1 2%	3 10%	3 13%	3 8%	1 8%	2 2%	3 10%	5 8%	-	4 5%	7 8%	4 5%	6 7%	1 4%	-
Very difficult	1 1%	-	-	-	1 8%	-	-	1 2%	-	-	-	-	1 1%	-	-	-	-	1 1%	1 1%	-	-	-
BOTTOM 2 BOX	12 6%	6 7%	-	1 12%	1 8%	1 4%	-	2 5%	3 10%	3 13%	3 8%	1 8%	3 3%	3 10%	5 8%	-	4 5%	8 9%	5 6%	6 7%	1 4%	-

Comparison Groups: BCDEF/GHIJK/LMNO/PQR/STUV
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

Q9. WAS THE RETURN PROCESS...?

SUBSAMPLE: THOSE WHO HAVE SUCCESSFUL IN RETURNING THE PRODUCT

	IMPORTANCE OF RETAILER ACCEPTING RETURNS/ EXCHANGES					RETURNED/ WANTED TO RETURN		RESULT OF RETURNING A PRODUCT			IMPACT OF EXPERIENCE WITH RETURNS			
	TOTAL	Very Imp.	Some. Imp.	Not Very Imp.	Not At All Imp.	Yes	No	In Pers.	By Mail/ Cou.	Un succ.	More Like.	Just As Like.		Less Like.
												(K)	(L)	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)		
TOTAL	198	132	57	8	1	198	-	77	121	-	20	166	12	
TOP 2 BOX	186	124	53	8	1	186	-	75	111	-	19	158	9	
	94%	94%	93%	100% BC	100% BC	94%	-	97%	92%	-	95%	95%	75%	
Very easy	99	66	30	2	1	99	-	47	52	-	18	79	2	
	50%	50%	53%	25%	100% BCD	50%	-	61% I	43%	-	90% LM	48% M	17%	
Somewhat easy	87	58	23	6	-	87	-	28	59	-	1	79	7	
	44%	44%	40%	75% C	-	44%	-	36%	49%	-	5%	48% K	58% K	
Somewhat difficult	11	8	3	-	-	11	-	2	9	-	1	7	3	
	6%	6%	5%	-	-	6%	-	3%	7%	-	5%	4%	25%	
Very difficult	1	-	1	-	-	1	-	-	1	-	-	1	-	
	1%	-	2%	-	-	1%	-	-	1%	-	-	1%	-	
BOTTOM 2 BOX	12	8	4	-	-	12	-	2	10	-	1	8	3	
	6%	6%	7%	-	-	6%	-	3%	8%	-	5%	5%	25%	

Comparison Groups: BCDE/FG/HIJ/KLM
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

Public Interest Advocacy Centre - Online Return Omnibus January 2011

Q10. HAVE YOU EVER HAD ANY OF THE FOLLOWING DIFFICULTIES OR PROBLEMS WHEN WANTING TO RETURN A PRODUCT YOU BOUGHT ONLINE?

SUBSAMPLE: THOSE WHO HAVE RETURNED OR WANTED TO RETURN A PRODUCT THAT THEY PURCHASED ONLINE

	GENDER		AGE				REGION													LANGUAGE		
	TOTAL	M	F	18-29	30-44	45-59	60 +	ATL	QC	ON	Prairies	MB	SK	AB	BC	MTL CMA	TOR CMA	VAN CMA	Can. Exc. Que.	Eng.	Fre.	Other
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)
TOTAL	238	108	130	49	93	53	43	21	42	95	43	9	6	28	37	19	29	18	196	171	55	39
Company did not reimburse for shipping to return product	87 37%	42 39%	45 35%	15 31%	38 41%	18 34%	16 37%	10 48% L	13 31%	35 37% L	18 42% L	1 11%	4 67% LQ	13 46% L	11 30%	7 37%	7 24%	7 39%	74 38% L	62 36%	17 31%	17 44%
Could not return product in-store	53 22%	23 21%	30 23%	12 24%	23 25%	11 21%	7 16%	5 24%	5 12%	24 25% I	9 21%	2 22%	-	7 25%	10 27%	3 16%	6 21%	5 28%	48 24% I	41 24% U	6 11%	10 26%
Extra fees that I did not expect deducted from refund	43 18%	19 18%	24 18%	11 22%	20 22%	7 13%	5 12%	5 24%	6 14%	18 19%	7 16%	2 22%	-	5 18%	7 19%	2 11%	7 24%	4 22%	37 19%	30 18%	9 16%	13 33%
Took too long to get refund or credit	36 15%	17 16%	19 15%	13 27% E	10 11%	7 13%	6 14%	5 24%	4 10%	13 14%	7 16%	1 11%	-	6 21%	7 19%	1 5%	5 17%	2 11%	32 16%	24 14%	5 9%	13 33% TU
Could not get a full refund	32 13%	12 11%	20 15%	6 12%	17 18% F	4 8%	5 12%	6 29% 10P	3 7%	15 16% 0	6 14%	2 22%	-	4 14%	2 5%	1 5%	3 10%	-	29 15% 0	22 13%	4 7%	6 15%
Could not contact company	31 13%	17 16%	14 11%	8 16%	11 12%	6 11%	6 14%	4 19%	4 10%	12 13%	7 16%	2 22%	-	5 18%	4 11%	1 5%	-	1 6%	27 14%	22 13%	5 9%	6 15%
Customs and brokerage fees	30 13%	15 14%	15 12%	6 12%	15 16%	4 8%	5 12%	3 14%	5 12%	16 17%	3 7%	-	-	3 11%	3 8%	1 5%	7 24% P	1 6%	25 13%	20 12%	6 11%	6 15%
Difficult to understand online return policy	26 11%	11 10%	15 12%	9 18% G	8 9%	7 13%	2 5%	3 14%	6 14%	11 12%	2 5%	1 11%	-	1 4%	4 11%	4 21%	2 7%	4 22%	20 10%	19 11%	5 9%	5 13%
Difficulty securing pre-authorization from company	16 7%	12 11% C	4 3%	2 4%	8 9%	4 8%	2 5%	1 5%	2 5%	9 9%	1 2%	1 11%	-	-	3 8%	2 11%	3 10%	1 6%	14 7%	11 6%	1 2%	4 10%
Other	9 4%	5 5%	4 3%	2 4%	1 1%	3 6%	3 7%	-	1 2%	6 6%	2 5%	-	-	2 7%	-	-	2 7%	-	8 4%	4 2%	2 4%	3 8%
No problems/none	48 20%	17 16%	31 24%	4 8%	20 22% D	11 21%	13 30% D	4 19%	12 29% QR	18 19% R	9 21%	3 33%	2 33%	4 14%	5 14%	4 21%	2 7%	1 6%	36 18% QR	32 19% V	17 31% V	2 5%

Comparison Groups: BC/DEFG/HI JKLMNOPQRS/TUV
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

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Q10. HAVE YOU EVER HAD ANY OF THE FOLLOWING DIFFICULTIES OR PROBLEMS WHEN WANTING TO RETURN A PRODUCT YOU BOUGHT ONLINE?

SUBSAMPLE: THOSE WHO HAVE RETURNED OR WANTED TO RETURN A PRODUCT THAT THEY PURCHASED ONLINE

	EMPLOYMENT						HOUSEHOLD INCOME					EDUCATION				# OF ONLINE PURCHASES			READ RETAILER'S RETURN POLICY			
	TOTAL	Emp. Full-time	Emp. Part-time	Unemp.loyed	Home-maker	Re-tired	Under \$30K	\$30K Under \$60k	\$60K Under \$80K	\$80K Under \$100K	Over \$100	Less Than H. S.	H. S. / Coll.	Some Uni v.	Deg.	1-2	3-5	6+	Al ways	Some times	Ra rely	Never
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)
TOTAL	238	105	24	10	14	33	30	55	34	25	41	14	108	36	77	44	91	103	90	106	34	8
Company did not reimburse for shipping to return product	87 37%	41 39%	7 29%	7 70% BCF	5 36%	9 27%	13 43%	17 31%	11 32%	10 40%	18 44%	6 43%	38 35%	7 19%	35 45% N	13 30%	33 36%	41 40%	32 36%	39 37%	16 47%	-
Could not return product in-store	53 22%	26 25%	4 17%	4 40%	2 14%	4 12%	8 27%	16 29% J	9 26% J	2 8%	7 17%	4 29%	22 20%	7 19%	20 26%	9 20%	25 27%	19 18%	17 19%	26 25%	9 26%	1 12%
Extra fees that I did not expect deducted from refund	43 18%	24 23% CEF	2 8%	3 30%	1 7%	2 6%	7 23%	8 15%	5 15%	4 16%	10 24%	1 7%	12 11%	8 22%	22 29% LM	6 14%	12 13%	25 24% Q	14 16%	20 19%	8 24%	1 12%
Took too long to get refund or credit	36 15%	13 12%	5 21%	3 30%	1 7%	5 15%	6 20%	9 16%	5 15%	1 4%	5 12%	2 14%	12 11%	9 25%	13 17%	3 7%	14 15%	19 18% P	14 16%	20 19% U	2 6%	-
Could not get a full refund	32 13%	15 14%	1 4%	4 40% C	1 7%	4 12%	6 20%	4 7%	3 9%	2 8%	6 15%	2 14%	11 10%	5 14%	14 18%	6 14%	10 11%	16 16%	12 13%	16 15%	3 9%	1 12%
Could not contact company	31 13%	13 12%	2 8%	3 30%	1 7%	4 12%	7 23% J	8 15%	4 12%	1 4%	4 10%	3 21%	14 13%	2 6%	12 16%	9 20%	12 13%	10 10%	10 11%	16 15%	3 9%	2 25%
Customs and brokerage fees	30 13%	14 13%	3 12%	2 20%	1 7%	3 9%	3 10%	7 13%	3 9%	2 8%	6 15%	1 7%	13 12%	5 14%	9 12%	3 7%	7 8%	20 19% PQ	12 13%	16 15%	2 6%	-
Difficult to understand online return policy	26 11%	10 10%	4 17%	4 40% F	1 7%	1 3%	4 13%	6 11%	4 12%	3 12%	3 7%	1 7%	13 12% N	1 3%	11 14% N	7 16%	6 7%	13 13%	10 11%	15 14% U	1 3%	-
Difficulty securing pre-authorization from company	16 7%	7 7%	2 8%	3 30%	1 7%	1 3%	4 13%	4 7%	3 9%	2 8%	3 7%	1 7%	7 6%	3 8%	5 6%	2 5%	5 5%	9 9%	6 7%	9 8%	1 3%	-
Other	9 4%	3 3%	-	-	-	4 12%	2 7%	1 2%	1 3%	3 12%	1 2%	-	4 4%	2 6%	3 4%	2 5%	5 5%	2 2%	1 1%	6 6%	-	2 25%
No problems/none	48 20%	20 19%	4 17%	1 10%	5 36%	10 30%	6 20%	10 18%	9 26%	5 20%	8 20%	3 21%	26 24% 0	11 31% 0	8 10%	9 20%	18 20%	21 20%	19 21%	22 21%	5 15%	2 25%

Comparison Groups: BCDEF/GHI JK/LMNO/PQR/STUV
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

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Q10. HAVE YOU EVER HAD ANY OF THE FOLLOWING DIFFICULTIES OR PROBLEMS WHEN WANTING TO RETURN A PRODUCT YOU BOUGHT ONLINE?
 SUBSAMPLE: THOSE WHO HAVE RETURNED OR WANTED TO RETURN A PRODUCT THAT THEY PURCHASED ONLINE

	IMPORTANCE OF RETAILER ACCEPTING RETURNS/ EXCHANGES					RETURNED/ WANTED TO RETURN		RESULT OF RETURNING A PRODUCT			IMPACT OF EXPERIENCE WITH RETURNS		
	TOTAL	Very Imp.	Some. Imp.	Not Very Imp.	Not At All Imp.	Yes	No	In Pers.	By Mail/ Cou.	Un succ.	More Like.	Just As Like.	Less Like.
TOTAL	238	150	72	14	2	238	-	77	121	40	20	193	25
Company did not reimburse for shipping to return product	87 37%	56 37%	25 35%	6 43%	-	87 37%	-	23 30%	52 43%	12 30%	5 25%	72 37%	10 40%
Could not return product in-store	53 22%	36 24%	14 19%	3 21%	-	53 22%	-	10 13%	33 27% H	10 25%	5 25%	40 21%	8 32%
Extra fees that I did not expect deducted from refund	43 18%	26 17%	14 19%	3 21%	-	43 18%	-	15 19%	17 14%	11 28%	1 5%	33 17% K	9 36% K
Took too long to get refund or credit	36 15%	26 17%	9 12%	1 7%	-	36 15%	-	14 18%	18 15%	4 10%	4 20%	28 15%	4 16%
Could not get a full refund	32 13%	18 12%	12 17%	2 14%	-	32 13%	-	8 10%	15 12%	9 22%	1 5%	22 11%	9 36% KL
Could not contact company	31 13%	18 12%	11 15%	2 14%	-	31 13%	-	3 4%	14 12% H	14 35% HI	1 5%	17 9%	13 52% KL
Customs and brokerage fees	30 13%	21 14%	5 7%	4 29%	-	30 13%	-	6 8%	19 16%	5 12%	1 5%	25 13%	4 16%
Difficult to understand online return policy	26 11%	15 10%	9 12%	2 14%	-	26 11%	-	8 10%	11 9%	7 18%	2 10%	19 10%	5 20%
Difficulty securing pre-authorization from company	16 7%	11 7%	2 3%	3 21%	-	16 7%	-	4 5%	8 7%	4 10%	1 5%	11 6%	4 16%
Other	9 4%	5 3%	4 6%	-	-	9 4%	-	7 9% I	2 2%	-	2 10%	6 3%	1 4%
No problems/none	48 20%	30 20%	15 21%	1 7%	2 100% BCD	48 20%	-	19 25%	24 20%	5 12%	7 35%	41 21%	-

Comparison Groups: BCDE/FG/HIJ/KLM
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

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Q11. WHAT IMPACT HAS YOUR EXPERIENCES WITH TRYING TO RETURN PRODUCTS YOU BOUGHT ONLINE HAD ON YOUR LIKELIHOOD OF BUYING PRODUCTS ONLINE IN THE COMING YEAR? ARE YOU NOW..?

SUBSAMPLE: THOSE WHO HAVE RETURNED OR WANTED TO RETURN A PRODUCT THAT THEY PURCHASED ONLINE

	GENDER			AGE				REGION											LANGUAGE			
	TOTAL	M	F	18-29	30-44	45-59	60 +	ATL	QC	ON	Prairies	MB	SK	AB	BC	MIL CMA	TOR CMA	VAN CMA	Can. Exc. Que.	Eng.	Fre.	Other
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)
TOTAL	238	108	130	49	93	53	43	21	42	95	43	9	6	28	37	19	29	18	196	171	55	39
More likely to buy online	20 8%	8 7%	12 9%	2 4%	9 10%	7 13%	2 5%	2 10%	5 12%	8 8%	2 5%	1 11%	-	1 4%	3 8%	1 5%	1 3%	2 11%	15 8%	12 7%	7 13%	4 10%
Just as likely to buy online	193 81%	89 82%	104 80%	39 80%	79 85%	39 74%	36 84%	18 86%	32 76%	79 83%	33 77%	6 67%	5 83%	22 79%	31 84%	15 79%	28 97%	16 89%	161 82%	142 83%	42 76%	29 74%
Less likely to buy online	25 11%	11 10%	14 11%	8 16%	5 5%	7 13%	5 12%	1 5%	5 12%	8 8%	8 19%	2 22%	1 17%	5 18%	3 8%	3 16%	-	-	20 10%	17 10%	6 11%	6 15%

Comparison Groups: BC/DEFG/HI JKLMNOPQRS/TUV
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

Public Interest Advocacy Centre - Online Return Omnibus January 2011

Q11. WHAT IMPACT HAS YOUR EXPERIENCES WITH TRYING TO RETURN PRODUCTS YOU BOUGHT ONLINE HAD ON YOUR LIKELIHOOD OF BUYING PRODUCTS ONLINE IN THE COMING YEAR? ARE YOU NOW..?

SUBSAMPLE: THOSE WHO HAVE RETURNED OR WANTED TO RETURN A PRODUCT THAT THEY PURCHASED ONLINE

	EMPLOYMENT						HOUSEHOLD INCOME					EDUCATION				# OF ONLINE PURCHASES			READ RETAILER'S RETURN POLICY			
	TOTAL	Emp. Full-time	Emp. Part-time	Unemp. loyed	Home-maker	Re-tired	Under \$30K	\$30K Under \$60k	\$60K Under \$80K	\$80K Under \$100K	Over \$100	Less Than H. S.	H. S. / Coll.	Some Uni v.	Uni v. Deg.	1-2	3-5	6+	Al ways	Some times	Ra rely	Never
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)
TOTAL	238	105	24	10	14	33	30	55	34	25	41	14	108	36	77	44	91	103	90	106	34	8
More likely to buy online	20 8%	9 9%	1 4%	2 20%	2 14%	3 9%	1 3%	5 9%	2 6%	1 4%	6 15%	-	6 6%	6 17%	8 10%	2 5%	6 7%	12 12%	10 11%	7 7%	3 9%	-
Just as likely to buy online	193 81%	88 84%	22 92%	5 50%	11 79%	26 79%	23 77%	45 82%	28 82%	24 96%	32 78%	13 93%	90 83%	27 75%	61 79%	34 77%	74 81%	85 83%	74 82%	85 80%	30 88%	4 50%
Less likely to buy online	25 11%	8 8%	1 4%	3 30%	1 7%	4 12%	6 20%	5 9%	4 12%	-	3 7%	1 7%	12 11%	3 8%	8 10%	8 18%	11 12%	6 6%	6 7%	14 13%	1 3%	4 50%

Comparison Groups: BCDEF/GHIJK/LMNO/PQR/STUV
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

Public Interest Advocacy Centre - Online Return Omnibus January 2011

Q11. WHAT IMPACT HAS YOUR EXPERIENCES WITH TRYING TO RETURN PRODUCTS YOU BOUGHT ONLINE HAD ON YOUR LIKELIHOOD OF BUYING PRODUCTS ONLINE IN THE COMING YEAR? ARE YOU NOW..?

SUBSAMPLE: THOSE WHO HAVE RETURNED OR WANTED TO RETURN A PRODUCT THAT THEY PURCHASED ONLINE

	IMPORTANCE OF RETAILER ACCEPTING RETURNS/ EXCHANGES					RETURNED/ WANTED TO RETURN		RESULT OF RETURNING A PRODUCT			IMPACT OF EXPERIENCE WITH RETURNS		
	TOTAL	Very Imp.	Some. Imp.	Not Very Imp.	Not AtAll Imp.	Yes	No	In Pers.	By Mail/ Cou.	Un succ.	More Like.	Just As Less	
												Like.	Like.
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
TOTAL	238	150	72	14	2	238	-	77	121	40	20	193	25
More likely to buy online	20 8%	16 11%	4 6%	-	-	20 8%	-	12 16%	8 7%	-	20 100%	-	-
Just as likely to buy online	193 81%	118 79%	61 85%	12 86%	2 100% BC	193 81%	-	63 82%	103 85%	27 68% J	-	193 100%	-
Less likely to buy online	25 11%	16 11%	7 10%	2 14%	-	25 11%	-	2 3%	10 8%	13 32% HI	-	-	25 100%

Comparison Groups: BCDE/FG/HI J/KLM
 Independent T-Test for Means (equal variances), Independent Z-Test for Percentages
 Upper case letters indicate significance at the 95% level.

Environics Research Group

APPENDIX B: Sample Retailers Return Policies

Sears

- “Sears Canada Inc. Return Policy”, <http://www.sears.ca/content/customer-service/shipping-and-delivery/returns>.

Best Buy

- “What is your return policy?”, <http://www.bestbuy.ca/en-CA/help/what-is-your-return-policy/hc1075.aspx>.
- “Free shipping on orders over \$20 to anywhere in Canada”, <http://www.bestbuy.ca/en-CA/free-shipping.aspx>.

Sony

- “Sony FAQs”, <http://store.sony.ca/webapp/wcs/stores/servlet/ContentDisplayView?cmsId=FAQs&catalogId=100803&storeId=20153&langId=200>.
- “Returns and Credit Policies”, http://store.sony.ca/webapp/wcs/stores/servlet/ContentDisplayView?cmsId>Returns_Credit_Policies&catalogId=100803&storeId=20153&langId=200.

The Body Shop

- “Returns and Exchanges” (United States policy), <http://www.thebodyshop-usa.com/help/returns.aspx>.
- “Returns & Exchanges”, <http://www.thebodyshop.ca/en/help/returns.aspx>.

The Shoe Company

- “Returns/Refunds/Exchanges”, <http://www.theshoecompany.com/returns.ep>.

Home Depot

- “Return Policy”, http://www.homedepot.ca/webapp/wcs/stores/servlet/DisplayTemplate?storeId=10051&display=cust_supp_return_faq&langId=-15.

LUSH

- “Returns and Exchanges”, <http://www.lush.ca/shop/customers/about-returns/>.

Toys “R” Us

- “Toys”R”Us and Babies”R”Us Returns”, <http://www.toysrus.ca/helpdesk/panel/index.jsp?display=returns&subdisplay=returns>.

Amazon.ca

- “Need to Return an Item?”, <http://www.amazon.ca/gp/help/customer/display.html?nodeId=915466>.
- “Returns Center”, http://www.amazon.ca/gp/css/returns/homepage.html/ref=hy_f_4.
- “Super Saver Shipping”, <http://www.amazon.ca/gp/help/customer/display.html?nodeId=918742>.

Dell

- “Dell Canada Customer Care Online”,
http://www1.ca.dell.com/content/topics/reftopic.aspx/gen/ccare/en/ccare_faq?c=ca&l=en.
- “Dell Invoices”
http://www1.ca.dell.com/content/topics/reftopic.aspx/gen/ccare/en/ccare_faq?c=ca&l=en#invoices.
- “Dell Canada Customer Care Online Frequently Asked Questions”,
http://www1.ca.dell.com/content/topics/reftopic.aspx/gen/ccare/en/ccare_faq?c=ca&l=en&s=gen#returns
- “What is Dell’s return policy?”,
http://support.dell.com/support/topics/global.aspx/support/dsn/en/new_alt_dsn_166663?c=ca&cs=cadhs1&l=en&s=dhs
- “Total Satisfaction Return Policy”,
<http://www1.ca.dell.com/content/topics/reftopic.aspx/gen/en/policy?c=ca&cs=cadhs1&l=en&s=gen&-section=018>

Roots

- “Returns and Exchanges”, http://canada.roots.com/Exchange-and-Return-Policy/HELP_ExchangePolicy,default.pg.html.

Old Navy

- “Returning an Online Purchase”,
<http://oldnavy.gapcanada.ca/customerService/info.do?cid=3325>.

American Eagle Outfitters

- “Canadian Return Policy”, http://www.ae.com/web/help/return_policy.jsp?topic=7.
- “Returns Status”, http://www.ae.com/web/help/return_policy.jsp?topic=6.

Sephora

- “Canada: Canadian Returns and Exchanges”, online:
http://www.sephora.com/customer_service/csr_controller.jhtml?csrSection=canada&csrSub=canadaReturns

Eastbay

- “Canadian Return and Exchange Instructions”,
<http://www.eastbay.com/customerserv/help:returnsCanadian/>
- “Customer Service – Returns Policy”,
<http://www.eastbay.com/customerserv/help:returnPolicy/>.