

# Fast fashion: Why your online returns may end up in landfill, and what can be done about it

August 4 2022, by Patsy Perry

---



Credit: cottonbro studio from Pexels

Fashion has a notorious environmental footprint, accounting for up to [10%](#) of global carbon dioxide output. This is exacerbated by a fast

fashion business model which encourages the frequent purchase of low-priced and non-durable items.

Around [30%](#) of [online purchases](#) are subsequently returned, much of which goes to landfill. In 2020, an estimated [2.6 million tons](#) of returns were disposed of this way in the U.S. alone. The problem has become so notorious that the online retailer Boohoo recently followed a number of high street brands in starting to [charge for returns](#) in order to discourage them.

But what are the reasons for high returns and why are many returned items not being re-sold?

The pandemic fundamentally changed the way we shop, with the temporary closure of physical stores representing a boon for online retailers. However, online retail's surging [market share](#) has origins in long-standing fast [fashion](#) marketing practices. The premium placed on newness, low prices, and both free delivery and returns, all encourage customers to purchase multiple options with the knowledge they can return items freely (known as ["bracketing"](#)).

Buy-now-pay-later schemes, such as [Klarna](#), that allow customers to order without upfront payment have accelerated online consumption. Research indicates that by offering such "payment solutions," retailers will typically see a [68% increase](#) in average order value.

[Industry research suggests](#) that cart abandonment rates decrease by nearly 40% after the introduction of payment solutions. Discount events such as "Black Friday" also drive sales, with fashion accounting for around [one-third](#) of all Black Friday spend.

## **Fast fashion is synonymous with returns**

Despite the appeal of low prices and discounts, cheaply manufactured fast fashion items can typically exhibit quality and fit issues, so are synonymous with returns. Impulsive spending, driven by discounts, also often leads to [regret](#), again increasing the incidence of return. The [32% return rate](#) for clothing orders therefore dwarfs that of other e-commerce sectors, comparing to just 7% in consumer electronics.

For retailers, processing returns is also fraught with uncertainty and complexity. Which items will be returned, and in what state, is unknown. Often, once used, little can be done to make them desirable for re-purchase.

This is particularly true in the case of "[wardrobing](#)," where a purchased item is worn once before being returned. Retailers not only encounter financial loss through reprocessing, they risk a spoiled [reputation](#) if worn or damaged items are recirculated.

ASOS previously announced that they would clamp down on "wardrobing" by closing the accounts of fraudulent returners. However, the threat of a bad review often leaves the retailer with [little option](#) but to refund.

Many retailers instead sell these returns on to liquidators, who turn the obsolete goods into fast cash. A cursory look on eBay reveals dozens of pallets of "Amazon customer returns" available to the highest bidder.



Credit: cottonbro studio from Pexels

## **The challenges facing retailers**

Both the cost of processing returns, and their increased volume, represent a challenge for retailers. The substantial reprocessing costs involved in product returns means that for fast fashion items, they often exceed the potential resale revenue. The remuneration of comparatively high-cost domestic workers within labor-intensive returns reprocessing is widely considered responsible for this.

Getting rid of returns therefore often constitutes the most cost-effective decision. An ITV [investigation](#) into Amazon's Dunfermline warehouse

claimed the [online retailer](#) disposed of tens of thousands of returned consumer goods each week. Amazon said none of its items went to landfill but were instead donated, recycled or incinerated for energy recovery.

The fashion industry collectively produces [over 92 million tons](#) of textile waste per year. In the U.S. alone, clothing returns [create more](#) annual carbon dioxide emissions than 3 million cars.

Carbon dioxide is initially emitted through the collection of returns, before increasing as returns are either incinerated or deposited in landfill. Due to the prevalence of synthetic fibers in fast fashion, returns can take [up to 100 years](#) to fully decompose, emitting carbon dioxide and methane in the process, as well as leaching harmful substances into the surrounding soil.

## **How are retailers tackling the returns issue?**

While the environmental implications of product returns are clear, fashion retailers also have a financial incentive to tackle the issue of costly returns management.

Due to the complexities surrounding reprocessing, fashion retailers are increasingly outsourcing the responsibility to specialist firms, such as ReBounce Returns, which work with retailers to make the returns process more sustainable.

ReBounce encourage retailers to donate returned consumer goods to charity through their ReBounce Regift facility. This has so far facilitated charitable donations worth [£190 million](#). ASOS [states](#) that 97% of their returns are now resold, and no items are sent to landfill.

As Boohoo's recent move shows, several online retailers have attempted

to pass the cost of returns onto customers. While the reasoning for this is primarily financial, the impact of similar policies in improving customers' environmental consciousness is well-known. Since 2015, plastic bag usage has [dropped 97%](#) in England's main supermarkets, following the introduction of a small charge.

Despite calls for greater sustainability within the fashion industry, fast fashion continues to flourish. Should marketing practices that encourage waste and fuel emissions persist, the [fashion industry](#) will retain its unwanted reputation as a significant contributor to [climate change](#). Retailers must reconsider the unintended effects of the leniency afforded by their returns policies, balancing the need for customer retention with environmental consciousness.

This article is republished from [The Conversation](#) under a Creative Commons license. Read the [original article](#).

Provided by The Conversation

Citation: Fast fashion: Why your online returns may end up in landfill, and what can be done about it (2022, August 4) retrieved 19 June 2024 from <https://phys.org/news/2022-08-fast-fashion-online-landfill.html>

<p>This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.</p>
--