

The Impact of Online Dispute Resolution (ODR) Interactions On Consumers' Intentions To Repurchase In An E-Commerce Context

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ABSTRACT

This research investigates the relationships that Online Dispute Resolution (ODR) can build in terms of consumers repurchase intentions within the e-commerce context. The research is based on data from 150 respondents and utilizes both descriptive and inferential statistics to look at the impact of dispute resolution (outcome) on trust, loyalty, and brand perception. The research indicates that an effective, transparent, and timely ODR process creates considerable consumer trust and increases the likelihood of repeat purchases. Differences in perception were present across product categories and disputes, while Chi-square tests supported associations between successful resolutions, trust, and loyalty. Overall, the research suggests that ODR is not just a recovery tool, but can be an important mechanism to maintain brand equity in the online marketplace. Recommendations are made to enhance the visibility, transparency, and consumer engagement with ODR across platforms to create lasting consumer value..

Keywords: *Online Dispute Resolution, Chi-square, E-commerce, Consumer Engagement, Consumer Value, Etc.*

1. INTRODUCTION:

1.1 Background

The rise of online shopping sites has changed consumer buying in terms of convenience, wider choice, and lower prices. This rate of cyber growth, nevertheless, destabilizes the risk of consumer grievances about product defects, slow delivery, or deceptive product descriptions (Prakash and Garg, 2024). Faced with such hurdles, Online Dispute Resolution (ODR) programs have come forward as an effective, efficient, and zero-cost approach to resolving complaints post-purchase.

Online Dispute Resolution is the application of electronic technology for resolving disputes related to e-commerce transactions (Rizkia et al., 2024). The systems aim to provide a fair, open, and transparent process of resolving consumer complaints outside the purview of the conventional legal system. With the expanding digital economy, it becomes all the more significant to be aware of the role played by ODR interactions in consumer conduct, especially in brand trust and repeat purchase propensity on the same website. Keeping customers is as important in this competitive business as acquiring them.

A business's capability to resolve grievances of consumers can be a major differentiator. If the process of grievance redressal is seen by customers as fair, transparent, and solution-focussed, customers would emotionally connect with the platform or brand and thus re-buy from them. Therefore, ODR is not just a redressal mechanism but also acts as a customer trust and loyalty builder.

1.2 Research Problem

While many e-commerce platforms have established ODR systems, there may be uncertainty about operational influence in the consumer environment.

Do they create trust or reliability with the brand?

Do they provide customer satisfaction, or are they needed just for procedure?

Do positive experiences with an ODR system affect consumers intention to repurchase from the same platform?

ODR is an incredibly important consideration in the consumer experience; however, there is little academic research dedicated to understanding ODR's explicit impact of repurchase intention. Also, it is important to understand how demographic factors (like sex and age), frequency of disputes, and the nature of the products may affect consumer perceptions and reactions to dispute outcomes. The statistical findings of this study provide rich data that allow empirical examination of all these complex interactions.

1.3 Objectives of the Study

The central focus of this study is to analyze the potential impacts of Online Dispute Resolution (ODR) experiences on consumers' intentions to repurchase on e-commerce channels. This requires assessment of the factors of the dispute resolution experience - perceived fairness, efficiency, transparency and outcome satisfaction - that drive consumer trust and loyalty.

The specific research objectives are:

To assess consumer awareness and use of Online Dispute Resolution systems in an e-commerce context.

To assess consumer satisfaction levels of the ODR experience relative to communication, transparency, speed, and outcomes.

To assess the link between good ODR experiences and consumer trust, brand associated perceptions, and loyalty.

To assess whether the good experiences gained during ODR processes, have an impact on intention to repurchase a product from e-commerce vendor.

To assess the potential impact of certain demographics (e.g. age, gender, shopping style) on ODR experiences and perceptions.

The broad aim of this study is to fill the gap in literature by supplying practical recommendations based on the impact of the quantitative statistical data, which is grounded in consumer behaviour theory. It will help to support Vendor's implementation and use an ODR system in their E-commerce strategies.

2. LITERATURE REVIEW

The accelerated digitization of commerce has precipitated the need for change in consumer behavior, conflict patterns, and trust processes. The emergence of e-business platforms has generated a need for academic examination of the application and usefulness of Online Dispute Resolution (ODR) platforms to the goal of gaining consumer trust and influencing repurchase behavior.

2.1 Online Dispute Resolution (ODR) in E-Commerce

ODR refers to the use of information and communication technology to resolve disputes between parties, frequently in the domain of e-commerce (Katsh and Rifkin, 2001). In the context of virtual shopping, ODR systems, as the authors describe them, try to resolve consumer complaints which did not include face-to-face mediation or formal judicial processes. Chawla and Kumar (2022) agree that India's 2019 Consumer Protection Act and the E-commerce Rules of 2020 offered an alternative method of consumer protection electronically in the form of structured redressal mechanisms. In general, these alternative redressal mechanisms may take the form of feedback systems on platforms, chatbots, return policies, or third-party mediation systems, and are dependent on various factors like consumer awareness, transparency of portals, and timeliness of resolution. Studies have shown that in developing countries, while such provisions exist in their laws, they are not sufficiently developed to be easy for consumers to access, especially in rural areas (Mishra and Varshney, 2024).

2.2 Consumer Confidence and Online Dispute Resolution

There is an inherent trust in internet transactions and the implications of either constructing and destructing such trust are expansive. The ABI model (ability, benevolence and integrity) emphasizes that trust is formed when the platforms exhibit competence, fairness and honesty (McKnight et al., 1998). Customers are more likely to hold a perception of the platform as trustworthy if a problem is solved quickly and easily.

The trust issue has been discussed in many different forms of law.

In the internet age, data privacy and fairness in contract are necessary in ensuring consumer trust according to Babayev (2024). International scandals like hacking data (eg Cambridge Analytica) and selling counterfeit products on internet platforms like Amazon.com have driven those sites to formulate new dispute resolution mechanisms to ensure consumer trust is preserved. In addition to this, the United Nations Guidelines for Consumer Protection and the European Union Directive on Consumer Rights were highlighting the necessity to harmonise protocols of international ODR for facilitating lack of trust when travelling across borders.

2.3 Consumer Repurchase Intents and Consumer Loyalty

Multiple studies have examined the extent to which consumers repurchase intentions are affected by their ODR outcomes. In one theoretical framework, Expectation Confirmation Theory (Isla et al, 2016) suggests that post-purchase satisfaction is a key driver of repurchase. If the resolution of a dispute is perceived to be equally or more satisfactory than expected, then customers are more likely to be loyal to the brand.

Chawla and Kumar (2022) provide positive empirical evidence that effective dispute resolution leads to brand loyalty and positive word-of-mouth recommendations.

The current study provides evidence of similar findings, where 37.3% of respondents stated ODR can create "eternal loyalty" and 34% stated there is a potential to create brand trust.

A statistically significant relationship was established between effective dispute resolution and repurchase behaviour ($p= 0.01$). This confirms previous studies that establish ODR as not just corrective, but a potentially strategic enterprise.

2.4 Insufficiency of Research

Although there is a mountain-high volume of literature on consumer protection and ADR, very little empirical research, specifically, regarding the impact of ODR on repurchase intention, is available in the Indian e-commerce market. This study seeks to address this gap through the use of primary data to assess the influence of ODR on brand perception and consumer behaviour as per Indian consumer protection statute and social norms.

3. RESEARCH METHODOLOGY

3.1 Research Methodology

This research uses a quantitative, descriptive research design to examine the effects ODR interactions have on consumers repurchase intentions in an e-commerce context (Tandon et al., 2021). We are looking to know the relationship between ODR experiences (awareness, effectiveness, fairness and transparency) and consumer repurchase behaviors (brand trust, loyalty and repurchase intentions).

3.2 Sampling Technique

The sampling method used was purposive sampling, which surveyed people who have previously engaged in e-commerce transactions and have faced disputes requiring resolution. One hundred fifty respondents were surveyed. The sample comprised consumers of different

ages, genders, and shopping styles, either online, offline, or hybrid.

In the demographic overview:

68% of participants were male and 32% were female.

The most common age band was 26–35 years old at 43.3%.

Fifty-four percent of respondents listed online platforms as their primary shopping method.

3.3 Instruments for Data Collection

For this study data was collected using a structured questionnaire that contained demographic and Likert-scale items to assess perceptions of dispute resolution mechanisms. The questionnaire contained the following constructs:

Knowledge of Online Dispute Resolution systems

Fast and efficient solutions.

Fairness, transparency, and clear communication.

Impact on brand trust, loyalty, and intention to repurchase.

3.4 Statistical Instruments and Analysis

Demographic patterns and overall trends were examined using descriptive statistics with frequency and percentage. For inferential analysis, we utilized:

ANOVA (F-test) to identify differences across groups (e.g., by products, number of disputes, etc.),

Chi-Square analyses to identify relationships between ODR outcomes and consumer loyalty or brand trust,

All statistical analyses were conducted using SPSS, with a significance level of $p < 0.01$.

This methodology allowed for a comprehensive examination of how ODR mechanics affect consumer perceptions and behaviours in the online marketplace.

4. DATA ANALYSIS AND INTERPRETATION

This section presents a detailed examination and interpretation of the quantitative data collected from 150 respondents. The purpose of the analysis is to explore the relationship of Online Dispute Resolution (ODR) to consumer repurchase intention within an e-commerce context. In this analysis, both descriptive and inferential statistical methods were used to examine any patterns or trends that emerged and to determine which of the variables are significantly correlated.

4.1 Descriptive Analysis

The demographic profile of respondents encompasses variables including age, gender, and primary shopping method. A considerable percentage of respondents (43.3%) belong to the 26–35 age demographic, signifying that younger adults constitute the predominant participants in online shopping. The gender distribution indicates that 68% of respondents are male and 32% are female (Figure 1). This may indicate greater digital engagement or confidence among male users in managing online disputes.

Gender Distribution of Respondents

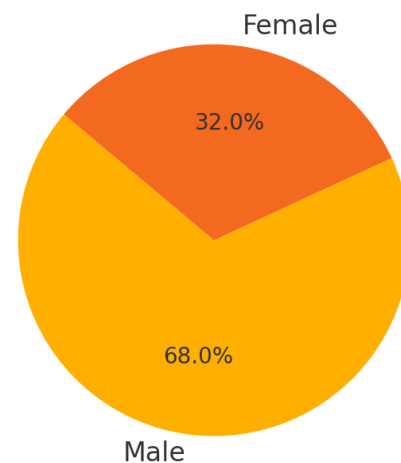


Figure 1: Gender Distribution of Respondents, Source: Author Generated

Figure 1 represents a skewed gender representation which can alter perspectives on dispute resolution. Understanding the different perceptions of the various genders regarding ODR processes is important for developing platform-specific approaches.

The main shopping method (Figure 2) shows that 54% of respondents prefer online shopping, 30.7% are using online and offline equally, while only 15.3% use only offline shopping. This data confirms the growing reliance on e-commerce platforms, especially amongst digital-first consumers.

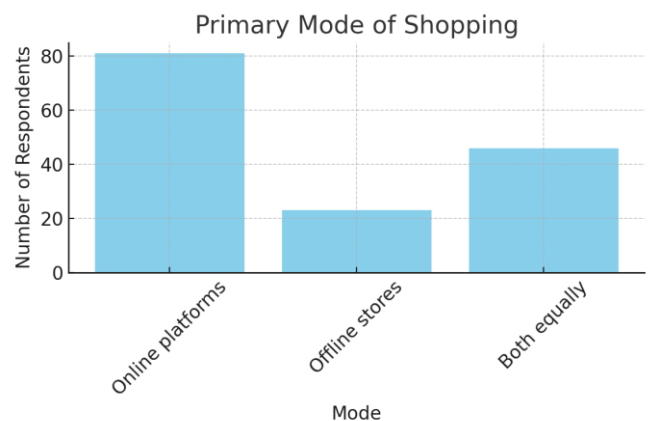


Figure 2: Primary Mode of Shopping, Source: Author Generated

46% of consumers said they commonly experience disputes while shopping online. This shows that even with the development of e-commerce sites, there continues to be a high frequency of post-purchase disputes. The majority of disputes (56%) related to electronics, and then clothing and consumables. In terms of ODR awareness, 46% rated their awareness as good or excellent and only 12% rated it as poor. This suggests that educational and platform-sourced campaigns may be improving ODR literacy amongst consumers.

In terms of user satisfaction with dispute resolution mechanisms, 42% indicated the outcomes were "good", and, 29.3% indicated they were "excellent". This suggests that the majority had successful disputes. In addition, the clarity of communication (64.6% rated excellent or good) and the fairness of the process (54% rated excellent or good) were well-known contributors to building trust. Clarity and timeliness were important as more than 60% of consumers indicated satisfaction with the speed and clarity of the process.

4.2 Inferential Analysis

The findings suggest that 74% of consumers view effective outcomes through online dispute resolution (ODR) processes as necessary to maintain brand value. Consumers that had effective dispute resolutions had more brand loyalty and likelihood of repurchasing from the same platform.

Perceived effectiveness, awareness and effectiveness of ODR processes significantly differed by product categories (such as electronic, fashion, consumables) and frequency of consumer disputes (Beretta, 2024). Higher levels of exposure to disputes led to greater awareness, but at times lower satisfaction, which suggests a possible problem that greater exposure from disputes may raise more, but critical assessments from increasingly critical assessments of the resolution process.

Further, statistical analysis has indicated strong relationships between effective dispute resolution and consumer trust. Consumers who rated dispute resolution outcomes effective had notably higher trust of the platform and greater brand loyalty. Another key finding indicates those who consider ODR as influencing a brands equity and responsiveness will maintain potential future engagement.

All of these findings confirm that ODR processes are not only a remedial process, but have a strategic purpose. If managed properly, ODR efforts develop long term consumer relationships and followed by positively altering brand image and significantly increasing consumers intentions to repurchase. In this competitive digital marketplace, leveraging fast, transparent, and orderly resolution options as part of overall brand strategy, is essential.

5. DISCUSSIONS

The results of this research provide important insights regarding the effects of Online Dispute Resolution (ODR) mechanisms on consumer behavior, in particular repurchase intentions and brand loyalty in the context of e-commerce. A common theme that emerged in the analysis is that consumer trust and subsequent loyalty are closely related to their experience of dispute resolution systems. When consumers consider the ODR experience to be fair, timely, and transparent, they trust the e-commerce platform, and are more likely to remain engaged with the brand. This reinforces the earlier theorizing including the Expectation Confirmation Theory which states that satisfaction with post-purchase experiences, including conflict resolution, impacts positively on future purchasing behavior.

An interesting observation was that the impact of ODR mechanisms differed based on product categories and made disputes different. Consumers who used electronics reported lower satisfaction likely because these purchases are more complex and need to be of more value; encumbering more expectations in its return resolution. Consumers who reported making disputes more often stated they were more aware of resolution mechanisms but were more evaluative, meaning familiarity is not automatically related to consumer satisfaction, and suggested consumers need to have quality in ODR processes.

The perceived effectiveness of the ODR outcome explained the most variance/impact in brand loyalty. Consumers who rated the dispute resolutions "excellent" were more trusting of the brand and more likely to advocate for it. This indicates the importance of dispute resolution as a tactic, not just historically as a reactive tactic, but also as a proactive mechanism of managing consumer experience.

Additionally, data correlations show that dispute resolution functions can affect a consumer's beliefs about the ethical values and trustworthiness of a brand. In India's less developed digital economy, where laws and regulations are evolving to keep pace with technology, platforms demonstrating an ethical and consumer-oriented redressal process will be better positioned as we move to a new era in e-commerce. ODR interactions are clearly more than resolving disputes; it shapes the overall relationship between consumers and brands, and e-commerce companies that see dispute resolution as a value-adding function instead of a cost functions are much more likely to retain customers, strengthen brand reputations, and enable growth over time.

6. CONCLUSION AND RECOMMENDATIONS

This study focused on the impact of Online Dispute Resolution (ODR) interactions on consumer repurchase intentions in an e-commerce context. The findings indicate a clear and statistically significant relationship between the quality of dispute resolution experiences and consumer behavior (specifically trust, loyalty, and repurchase intention).

Most respondents stated that expedient ODR mechanics (e.g., fairness, transparency, and speed) positively enhanced their views of brand reliability. Notably, greater than 74% of respondents stated that positive dispute resolutions made them perceive the brand's overall value, with some groups linking these experiences with ethical brand behavior and trust. Statement analyses indicated that there was a correlation between satisfaction with ODR outputs and repurchase intentions.

The data revealed the presence of varying perceptions of ODR, based on the type of product and frequency of disputes by the consumer (like electronics). Frequent users reported higher acknowledgment of ODR systems, but also a greater dissatisfaction with outcomes generally. This supports the importance of consistency in quality of dispute resolution across various product areas and consumer groupings.

Following Suggestions are to catered importantly:

Increase ODR Visibility and Accessibility: E-commerce platforms have to ensure that their customers are fully aware that ODR systems exist and how they work. Interfaces need to be easy to navigate and as intuitive as possible, and multilingual functionality will improve uptake and satisfaction.

Timely and Transparent Communication is First Among Equals: Throughout the dispute journey the consumer's perception will be greatly affected by the extent of clarity, timeliness, responsiveness, and proactive communication on the progress of their dispute. It would be beneficial for brands to train their ODR teams to communicate in the most empathic and uniformed manner possible.

ODR Strategy Needs to be Segmented: Different approaches to a dispute may need to be adopted based on product category and the history of the consumer. For instance, the use of specialized resolution teams will be warranted for product categories with higher risk or higher value, for example, electronics.

Use ODR as a Brand Opportunity: Sharing success stories of resolved disputes can enhance credibility and brand reputation. Market the ability to have disputes resolved as a value-enhancing attribute that will create trust, and not simply as a process step.

Regularly Evaluate and Assess Outcomes: Ongoing consumer feedback should be utilized to continually improve dispute resolution processes. Analytic and satisfaction metrics should allow for continuous improvement.

The implementation of the above strategies can help e-commerce platforms turn their ODR systems into industry differentiators and generators of lasting consumer loyalty.

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