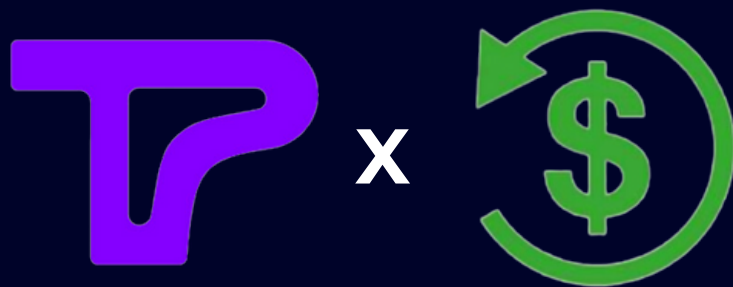


# Where Is My Refund?

*When, Where & How Consumers  
Want Their Money Back*

---



**2025 Edition**

---

# Where Is My Refund?

## Introduction

---

**1/5TH OF EVERYTHING BOUGHT  
IN THE U.S. IS RETURNED**



**THAT MEANS OVER \$1 TRILLION  
OF REFUND PAYMENT VOLUME**



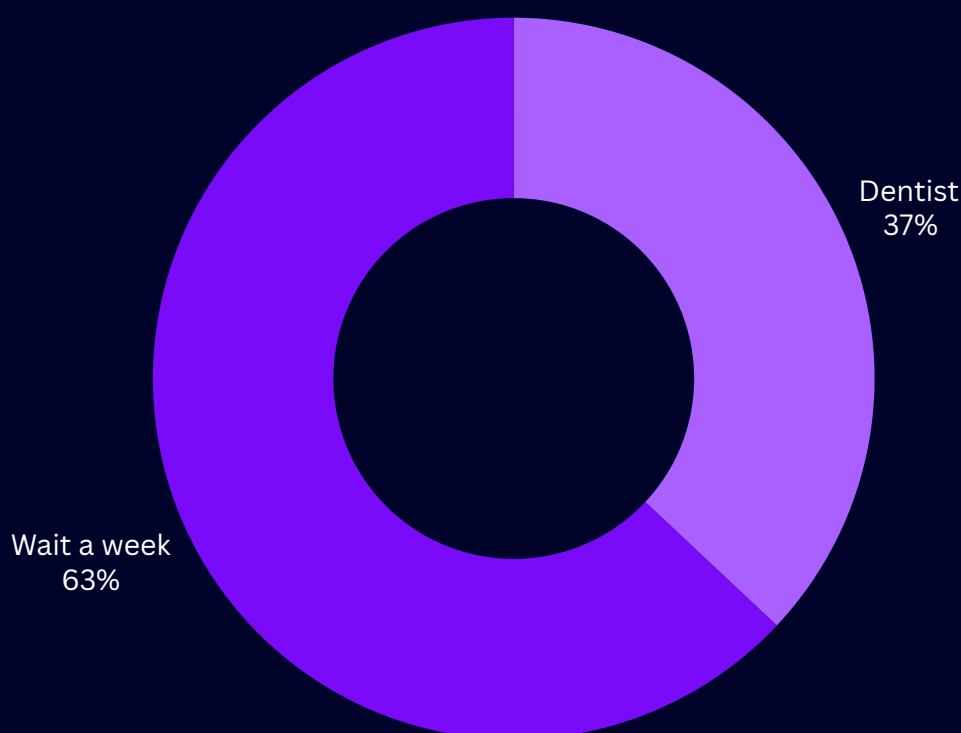
Sources: Statista, National Retailers Federation, Merchant Risk Council

---

# Where Is My Refund?

Insightful

**37% OF CONSUMERS WOULD RATHER VISIT THE DENTIST THAN WAIT FOR A REFUND**



On January 2, 2025, 500 qualified U.S. shoppers were asked: Would you rather go to the dentist or wait a week for a refund? Respondents were aged 18 - 60, split 52% women and 48% men, and located across all U.S. states.

# Where Is My Refund?

## Executive Summary

---

*Where Is My Refund* – the longest running consumer survey of its kind – paints a picture of U.S. consumers growing even more frustrated with the antiquated refund payment method, as nearly 95% of qualified shoppers want refund payment method choice, up 2% in the past 12 months. Last year, a trillion dollars of value was exchanged after checkout. That enormous value exchange from merchants to consumers is called a refund.

## 37% WOULD RATHER VISIT THE DENTIST

The U.S. retail sector - particularly ecommerce - has witnessed explosive growth, surpassing \$1.2 trillion in 2024. With this expansion, the volume of returns has also risen, accounting for approximately 18% of all retail sales. This equates to a growing ecommerce refund market worth over \$200 billion annually. As more consumers shop online, where return rates are higher than in physical stores, the expectation for improved refund solutions are accelerating.

Demand for faster and more efficient refund processes has become a significant concern for U.S. consumers, particularly in the context of rising retail sales and the continued growth of online shopping. This report examines consumer preferences, the challenges retailers face in meeting these expectations, and the opportunities this trend presents for businesses to innovate and capitalize on the growing refund market.

In today's digital-first economy, U.S. consumers expect immediate solutions for their shopping needs, from making a purchase to receiving a refund. Data shows that over 75% of shoppers prioritize speed in refund processing when considering future purchases. Slow refund processes negatively impact customer loyalty, with nearly half of respondents stating they would avoid retailers who delay refunds.

Improving the refund customer experience not only enhances customer satisfaction but also fosters brand loyalty, as consumers associate efficient refunds with trustworthy brands. This increased volume of buying online creates an associated increase in returns, resulting in an urgent need for brands to optimize refund customer experience to maintain competitive advantage.

# Where Is My Refund?

## Time Is Money

---

**16% of consumers  
want their refund  
within seconds**

**+2% YoY**

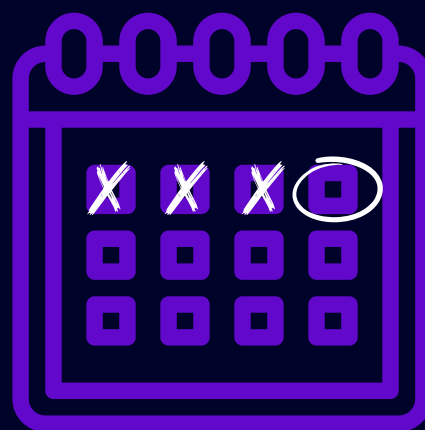


**63% of consumers  
want same-day  
refunds**

**+12% YoY**

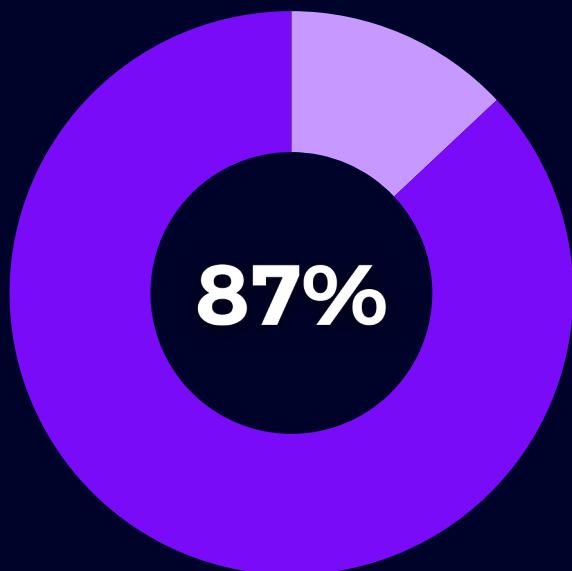
**87% of consumers  
received their  
refund in a week**

**+14% YoY**



# Where Is My Refund?

## Loyalty & Customer Lifetime Value

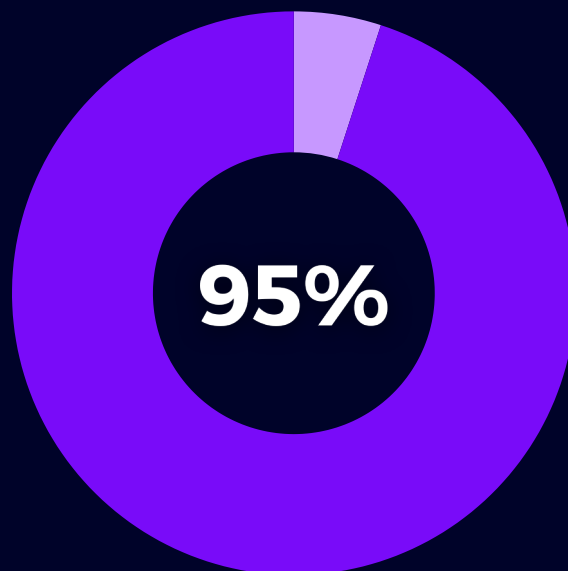


Would leave a positive review for merchants offering instant refunds

+4% YoY

Would make repeat purchases from merchants offering instant refunds

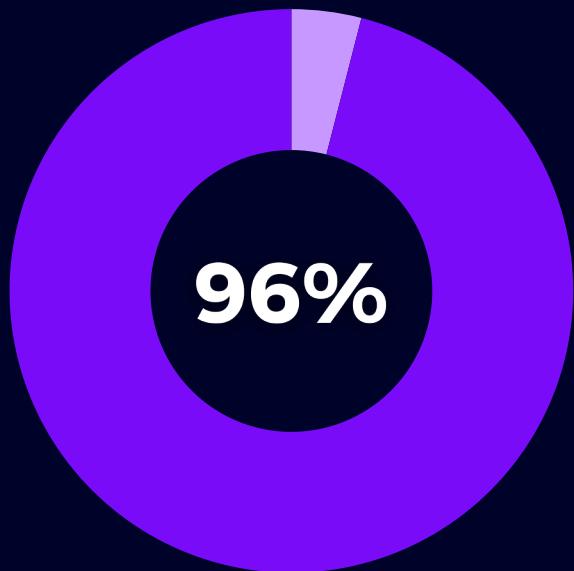
+5% YoY



Data based on 500 survey respondents who made an e-commerce return and received a refund 90 days prior to July 8, 2024.

# Where Is My Refund?

## Cart Abandonment & Average Order Value

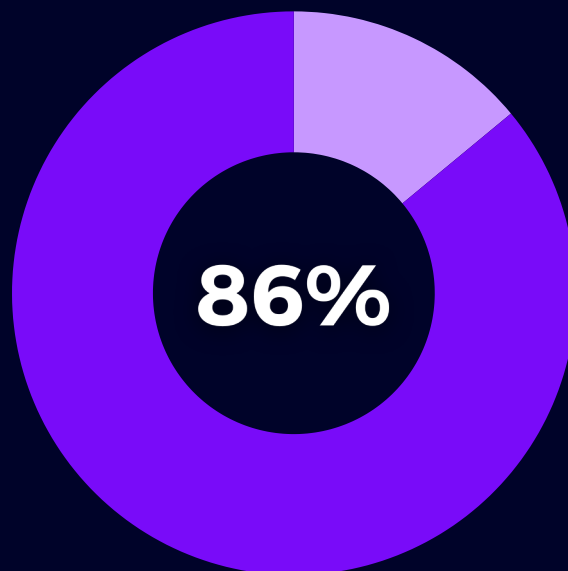


Would complete checkout if guaranteed a refund

+4% YoY

Would buy more if they were offered refund certainty

+7% YoY



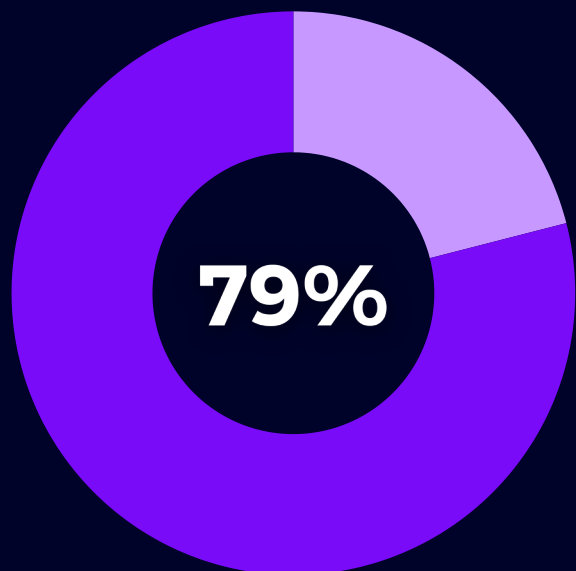
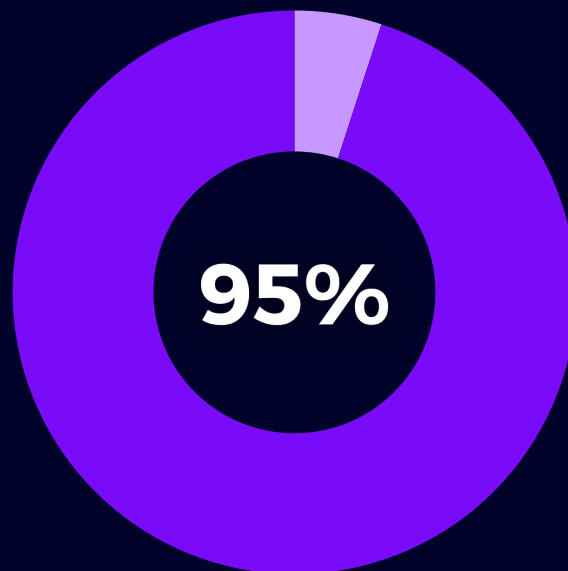
Data based on 500 survey respondents who made an e-commerce return and received a refund 90 days prior to July 8, 2024.

# Where Is My Refund?

My Money, My Choice

Want a choice of how they get their refund

+2% YoY



Received a refund in the last 90 days

+1% YoY

Data based on 500 survey respondents who made an e-commerce return and received a refund 90 days prior to July 8, 2024.



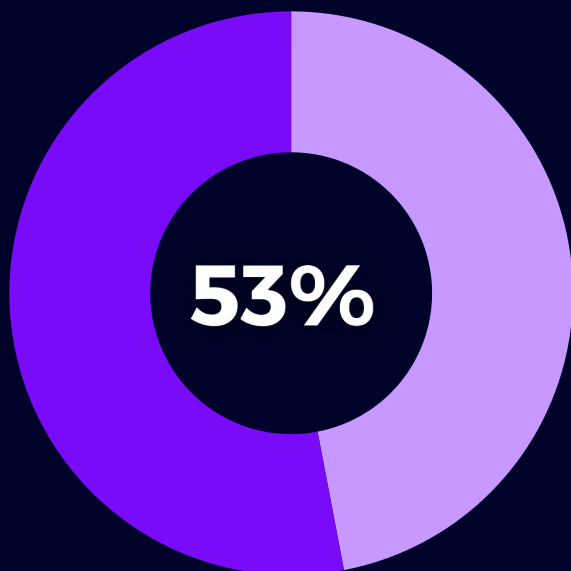
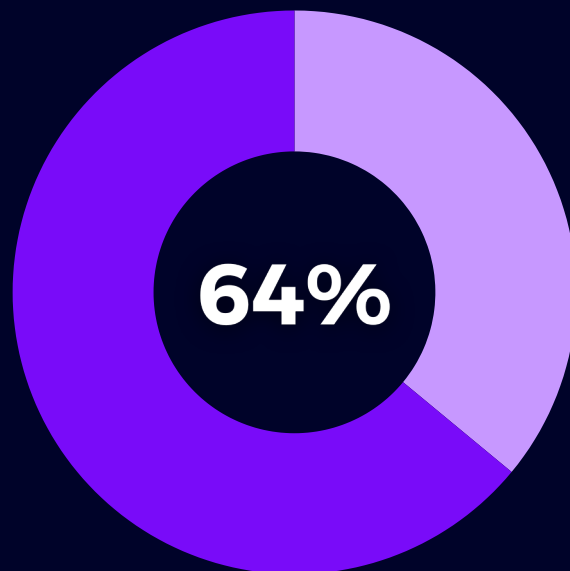
# Where Is My Refund?

## Consumer Demand

---

Have heard of instant refunds

+8% YoY



Would pay a fee for an instant refund

+19% YoY

---

Data based on 500 survey respondents who made an e-commerce return and received a refund 90 days prior to July 8, 2024.

---

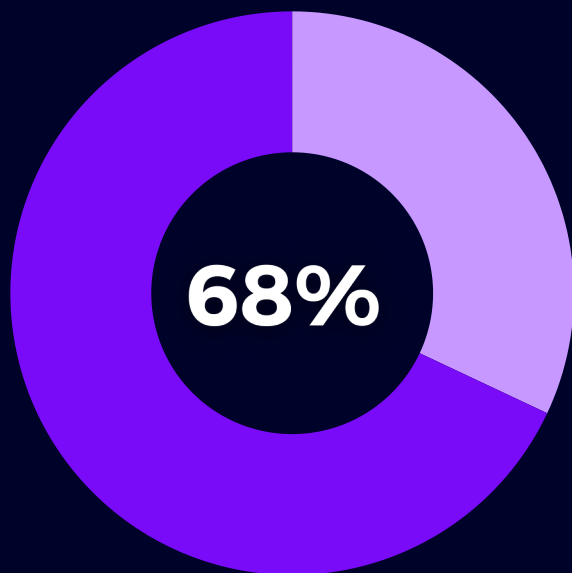
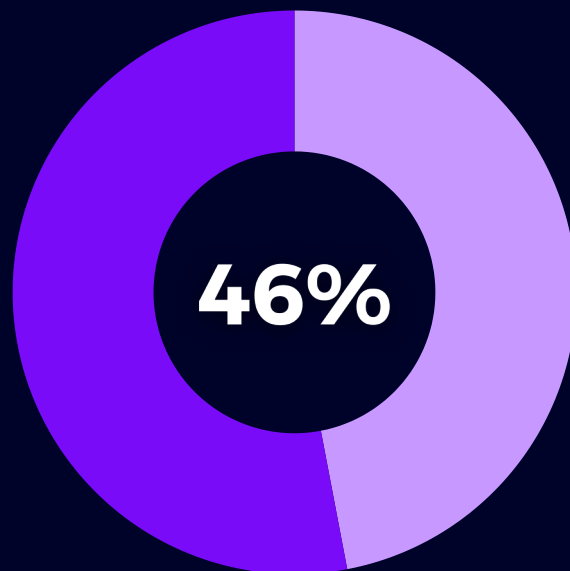
# Where Is My Refund?

## Consumer Awareness

---

Have heard  
of TodayPay

+21% YoY



Would recommend  
TodayPay to family  
and friends

---

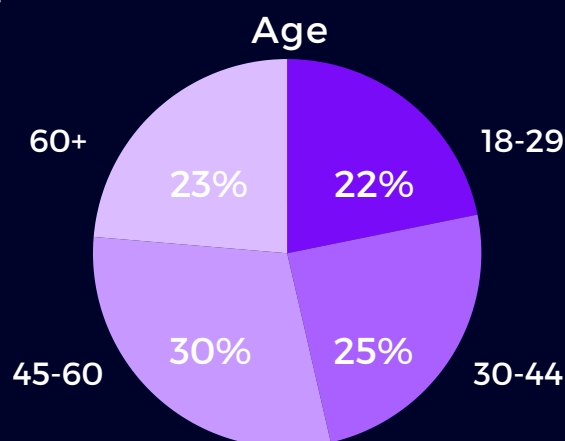
Data based on 500 survey respondents who made an e-commerce return and received a refund 90 days prior to July 8, 2024.

---

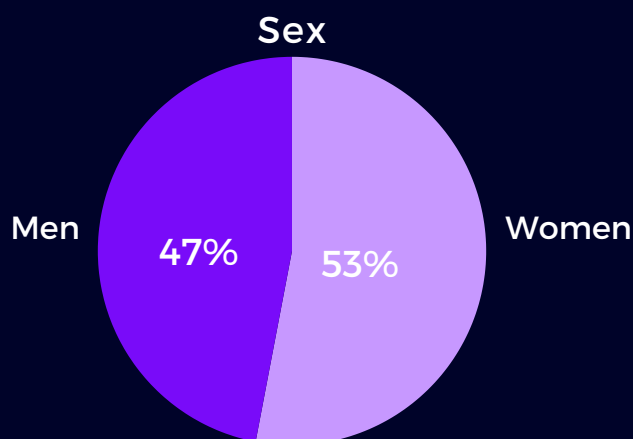
# Where Is My Refund?

## Methodology

For the second consecutive year running, [TodayPay](#) and [The Refunds Blog](#)<sup>™</sup> have collaborated. Together they commissioned the most comprehensive refund research study ever undertaken to better understand U.S. consumer preferences and behaviors regarding refunds. The study focused on 500 qualified American respondents who had made an e-commerce purchase and subsequently returned the item and receiving a refund within the 90 days leading up to the study.



The purpose of the study is to gain continuous insights into consumer choices, preferences, behaviors and decisions regarding refunds, aiming to address the lack of scientific research in this domain.



The study encompassed a more even distribution of age groups than last year, with roughly a quarter of participants in each age cohort. Women made up 53% of the study respondents down 4% on last year, and men comprised 47% up 4% on last year. That being said, this distribution aimed to capture the perspectives of U.S. consumers across the different generations and customer segments.

# Where Is My Refund?

## Conclusion

---

Last year, we conducted the consumer study and wrote *Where Is My Refund* thinking it would be a one-off project. The data surprised the authors and more so, the report resonated even more with merchants, payment professionals, banks and VCs. We were overwhelmed with interest and demand to dive deeper. We therefore made the decision to go again this year.

The results overwhelmingly conclude an even stronger trend: consumers want refund flexibility. Consumers have thousands of different and alternative payment methods to use when making a purchase. Yet, there's virtually no choice when it comes to reversing that purchase in the form of a refund. That hurts merchants, as much as it hurts consumers. Even the banks get impacted.

Consider a Gen Z consumer scrolling on social media. They see a sweater they like, search for it and immediately buy it online. The merchant is essentially a flashy website and prints items on demand, but unfortunately has poor security. The sweater is soon on the way and out for delivery. The customer gets quickly notified by their financial institution of suspicious transactions on the credit card. It appears to be fraud. The customer immediately cancels the credit card.

The mail soon arrives. The happy customer gets the new credit card, and their sweater. The sweater doesn't quite fit and the customer doesn't particularly want to do business with the brand again. Hard to blame them after the anxiety produced by the credit card fraud experience. Buyer's remorse. Return the item. Except there's a problem. The merchant is having trouble issuing the refund. Why? Because the original payment method - the credit card with the fraud - no longer exists. It's been cancelled and replaced by a new card with a new number. How does the merchant issue the refund?

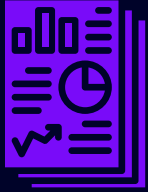
Send cash in the mail? Write a check? Issue store credit? Email a voucher? The customer doesn't have the patience and simply uses the chatbot agent and files a dispute that is immediately escalated to a chargeback. The merchant pays a fee for the dispute investigation, another penalty for the chargeback, and some other banks fees. It's an expensive, inefficient mess for everyone involved.

That's why 95% of consumers in our survey want refund payment choice.

# Where Is My Refund?

## Resources

---



[Where Is My Refund 2025 Edition](#)



[The Refunds Blog](#)



[todaypayme.com](#)



[company/todaypayme](#)



[@todaypayme](#)



[@todaypayme](#)