

Where Is My Refund?

Understanding When,
Where & How Consumers
Want Their Money Back

**1/5th of everything
bought in the U.S.
is returned.**



**\$1 trillion
refund volume**

*Sources: National Retailers Federation,
Statista, Merchant Advisory Group*



**44% of U.S. consumers
would rather visit the
dentist than wait 7 days
for a refund.**

On December 19, 2025, 1005 qualified U.S. shoppers were asked: Would you rather go to the dentist or wait 7 days for a refund? Respondents were aged 18+, split 51% female and 49% male, and located across all U.S. states. The results showed that 44% of U.S. consumers would rather visit the dentist, +7% YoY.



Executive Summary

Refunds have quietly become one of the most important - and most overlooked - drivers of customer loyalty in retail and ecommerce. The 2026 edition of *Where Is My Refund? Understanding When, Where & How Consumers Want Their Money Back* makes one thing clear: how you refund customers now matters as much - if not more - than how you acquire customers.

For the third year in a row, [TodayPay](#) and [The Refunds Blog](#) commissioned a comprehensive nationwide survey of 1387 qualified U.S. consumers. This year's findings show that refund customer experiences directly influence repurchase rates, brand trust, support costs, and long-term customer lifetime value.

Four key refund themes emerged from the data:

- 01 **Refund speed is now a competitive advantage**

- 02 **Refunds are a loyalty moment**

- 03 **Refund transparency cuts support costs**

- 04 **Refund flexibility is preferred**

In the U.S. alone, close to \$1 trillion each year changes hands from merchants to consumers in the form of refunds. In a category moving nearly \$1 trillion annually, data-driven refund strategies are no longer optional - they are a measurable source of competitive advantage.

Refund Speed Is Now A Competitive Advantage



Consumers increasingly expect refunds to move at the speed of modern payments. That means, instantly. Legacy refund timelines - measured in days or weeks - are no longer aligned with customer expectations.

Key merchant implications:

Faster refunds significantly increase the likelihood of repeat purchases

Refund delays are a leading cause of post-purchase dissatisfaction

Refund speed now competes with shipping speed as a perceived indicator of brand quality

For merchants, all the data shows that refund speed is no longer an operational detail - it is a critical conversion and retention lever.

Refunds Have Evolved Into A Loyalty Moment



**85% would
leave a positive
review**

Returns are inevitable. However, losing customers after a return is not. Keeping a customer is much more cost effective than acquiring a new one.

The 2026 findings confirm:

Customers judge brands more on the refund experience than the return itself

A fast, clear refund can recover goodwill—even after a disappointing purchase

Poor refund experiences drive permanent brand switching and negative reviews

Refunds represent one of the last chances to turn a return into a retained customer.

Refund Transparency Cuts Support Costs

The FTC forced Amazon to pay \$1.5 billion in refunds

Unclear refund status is a major driver of the famous "Where is my refund?" or "WIMR" reason code and the leading root cause of customer service tickets.

The data shows:

Consumers value visibility into refund approval, issuance, and delivery timing

Clear, proactive communication reduces inbound support volume

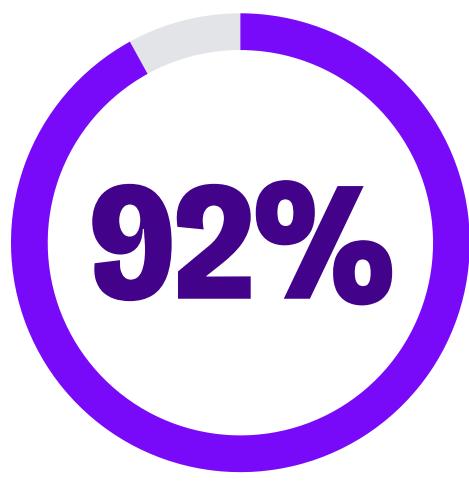
Even when refunds take time, transparency preserves trust

Regulatory scrutiny is increasingly tied to refund delays and opaque practices.



For merchants, refund transparency directly translates into lower operational costs and better customer experiences.

Store Credit Tolerated But Flexibility Preferred



Consumers overwhelmingly prefer refunds that feel like real money, not the inflexible locked-in value.

Key merchant takeaways:

Store credit and gift cards are tolerated—but rarely preferred

Flexibility in refund delivery increases customer satisfaction and trust

Perceived “trapped” refunds lead to higher complaint rates and lower loyalty

Brands that give customers control over how refunds are delivered see stronger post-purchase sentiment, customer satisfaction and higher future spend.

What This Means For Merchants

Repurchases Retention Revenues



Consumers are no longer comparing your refund experience to other retailers — they are comparing it to instant payments, real-time apps, and on-demand services.

Merchants that modernize refund delivery gain:

Higher repurchase and retention rates

Stronger brand trust and differentiation

Lower support and dispute costs

A measurable edge in competitive ecommerce

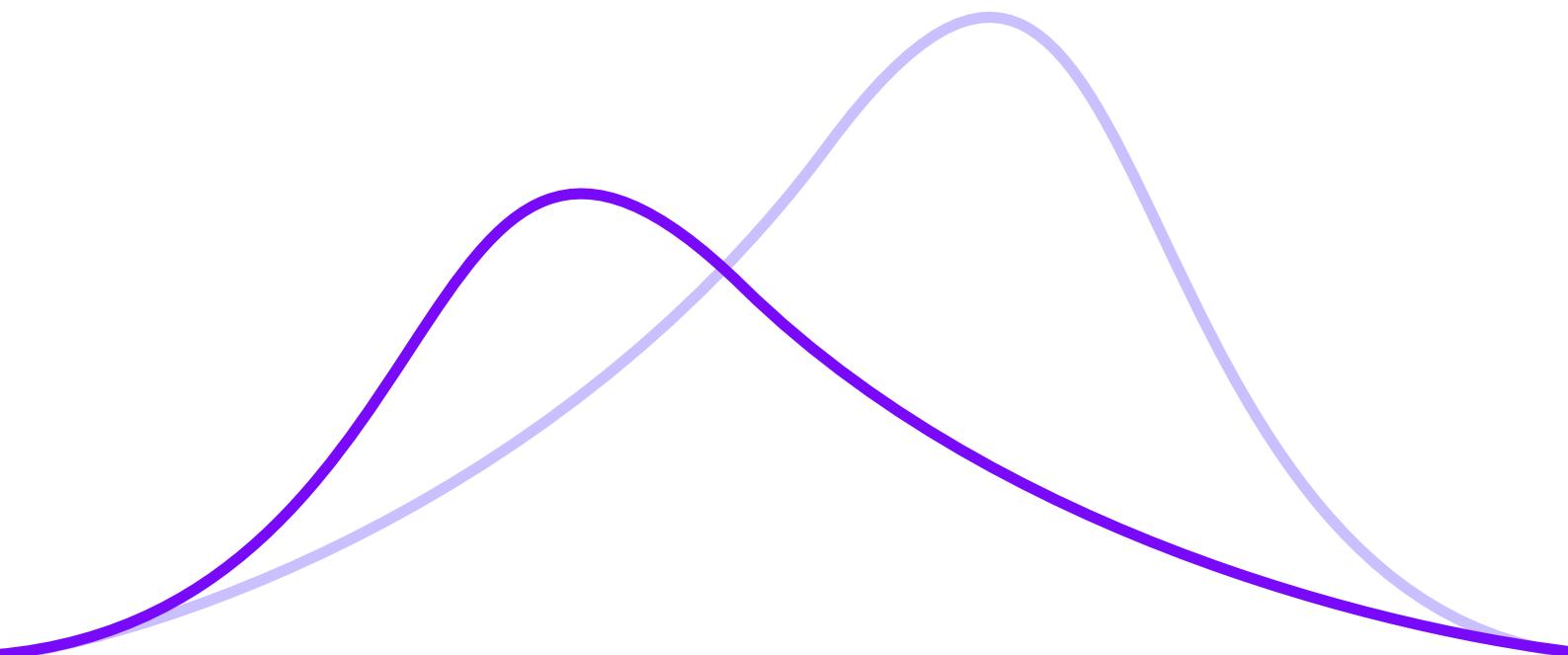
In 2026, refund performance is no longer just about getting money back. It's about winning the customer back.

The merchants who treat refunds as a growth and customer acquisition tool - not a cost center - will be the brands that U.S. consumers choose to shop with again, tell their friends to shop with, and buy more from again.

1387 QUALIFIED U.S. CONSUMERS

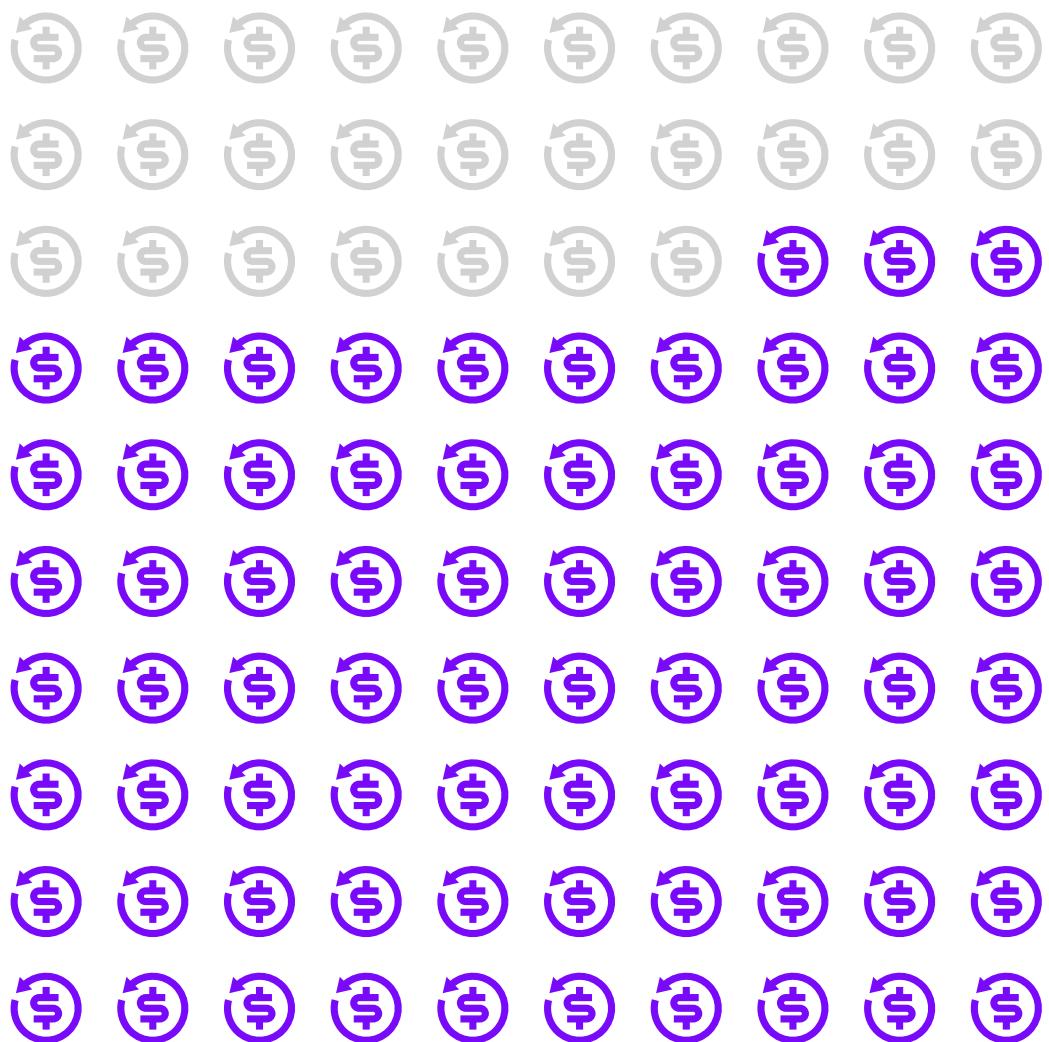
The Data

Methodology: findings are based on a nationwide survey of U.S. Consumers conducted in July 2025.

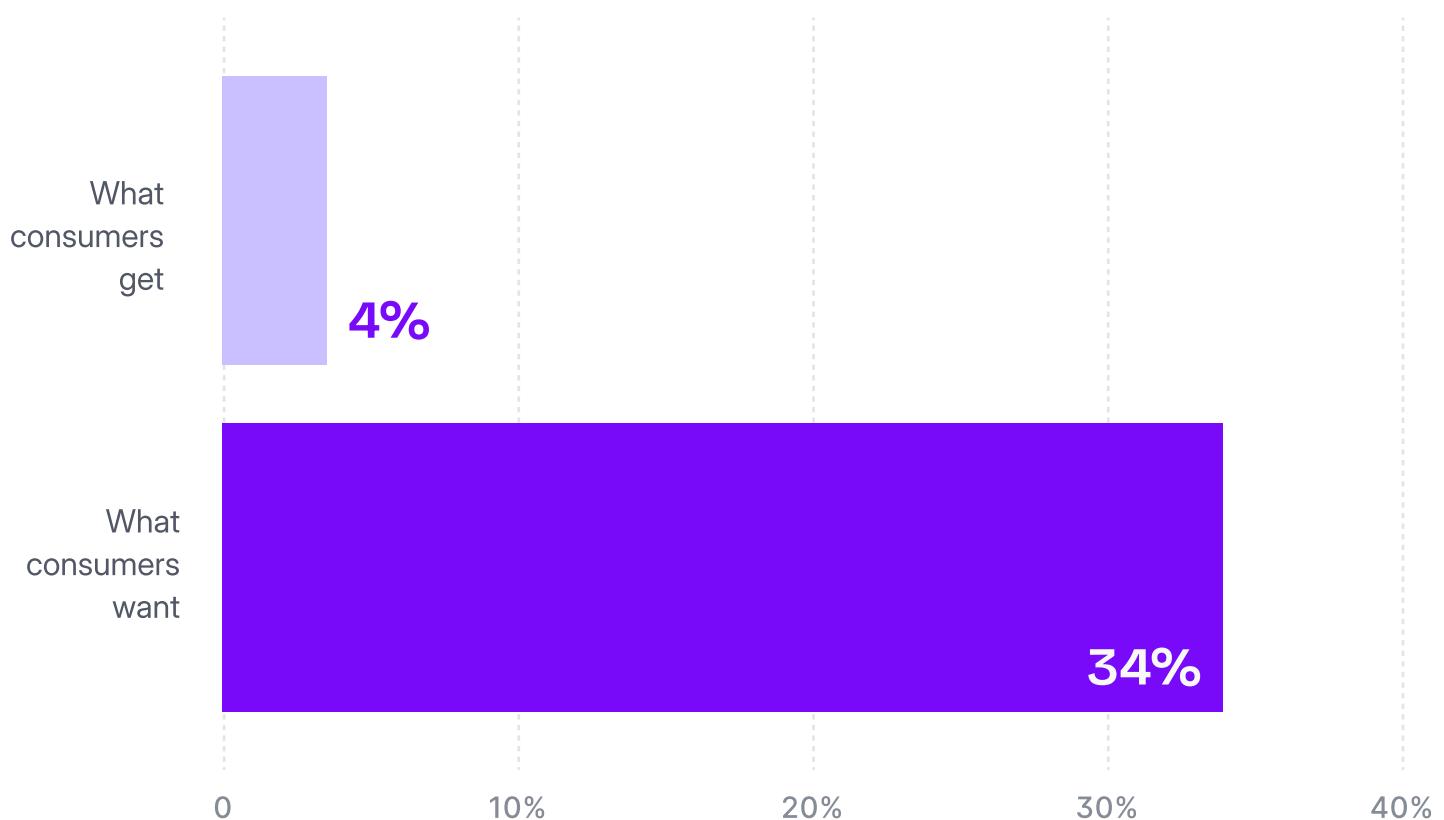


-6% YoY

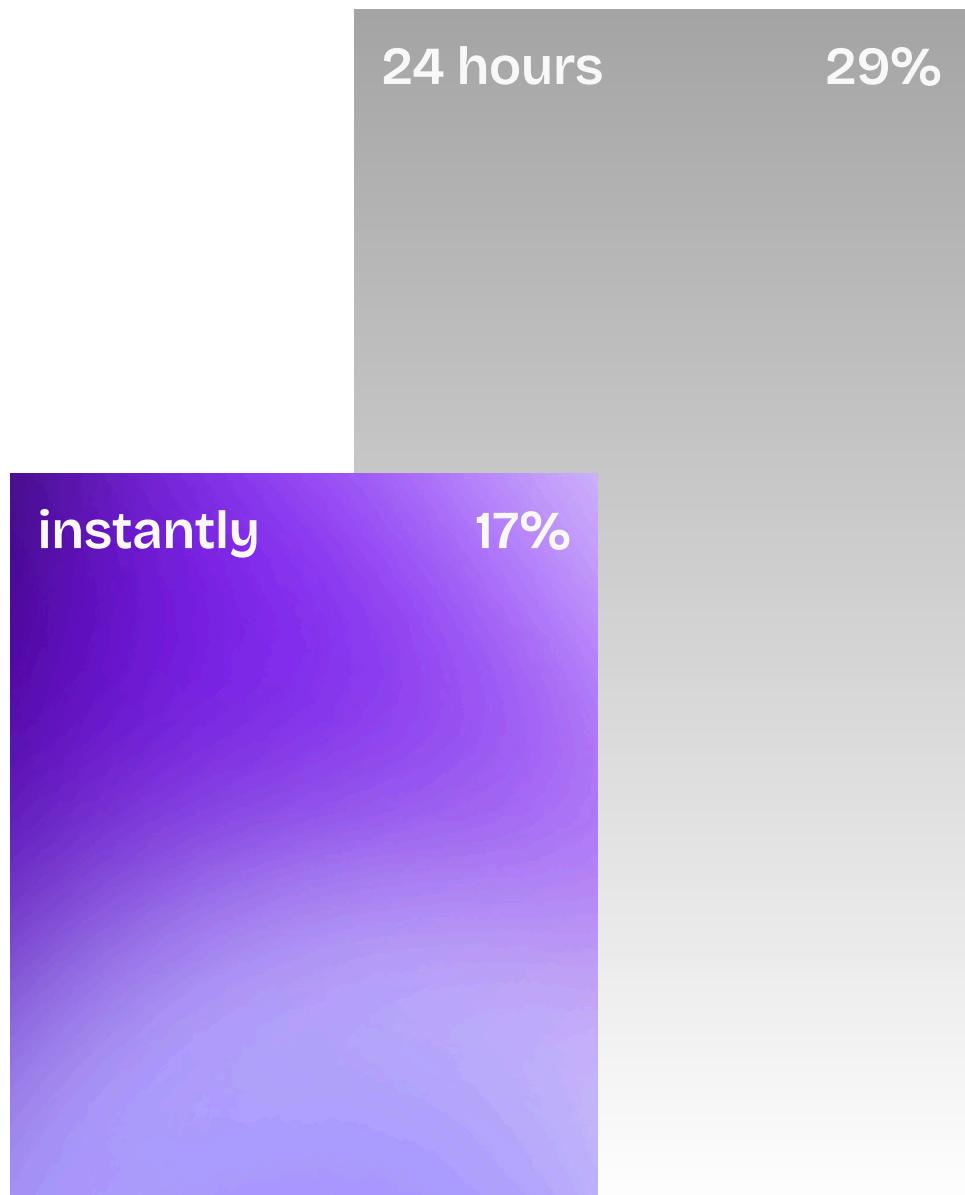
73% received a refund in last 90 days.



Customers want to be “open to buy” again within 30 minutes.



29% of customers want same day refunds; 17% want refunds in seconds.



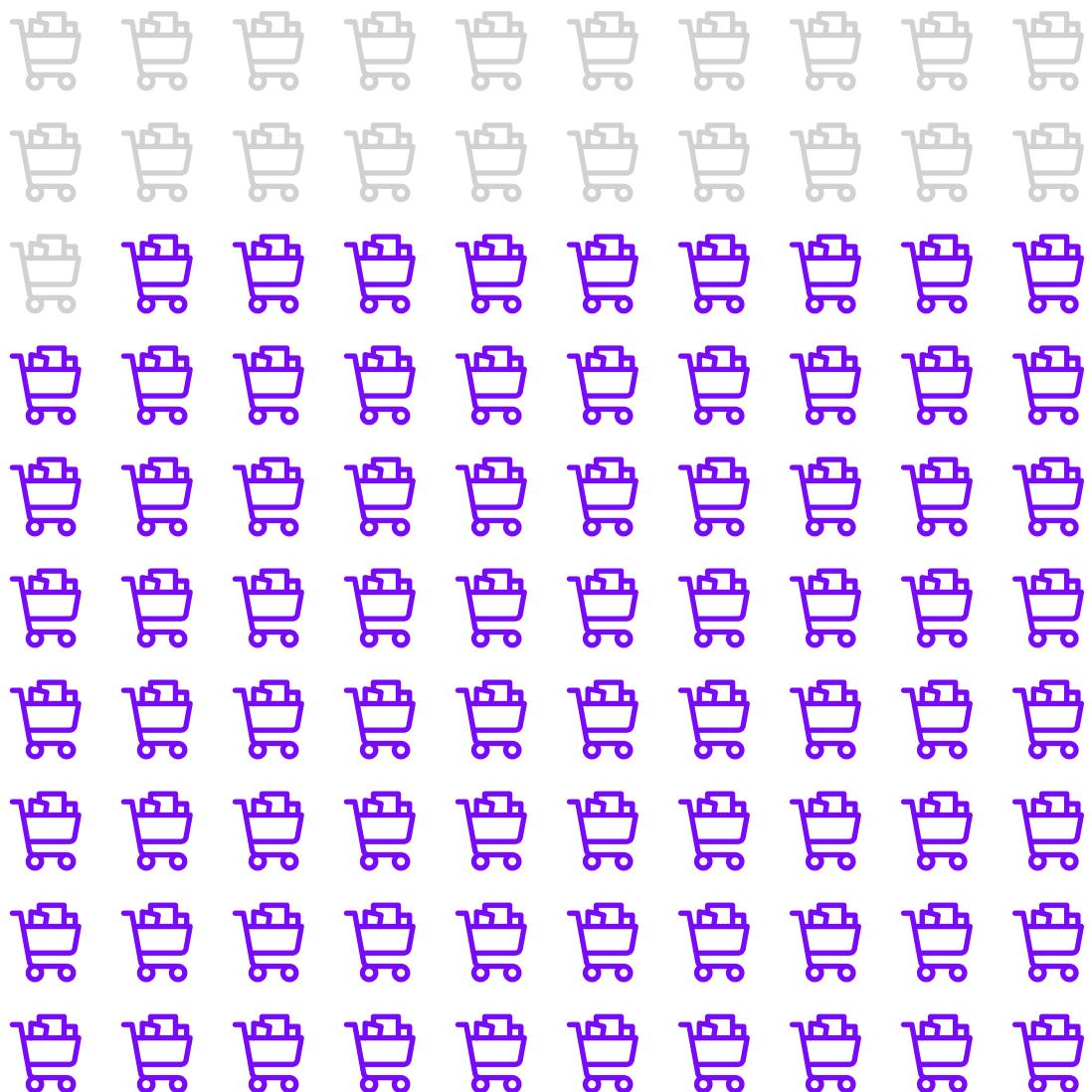
-1% YoY

**94% would complete
checkout with instant
refund guarantee.**



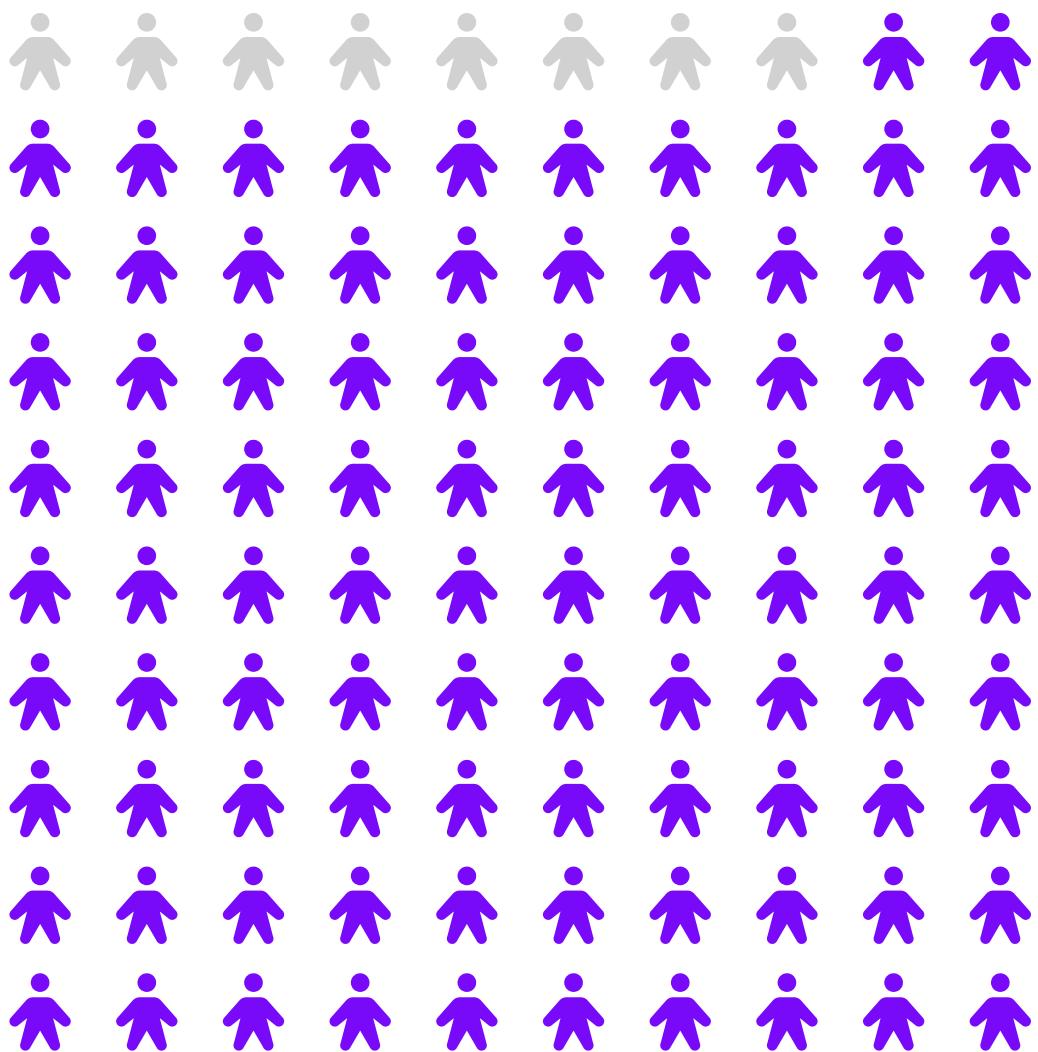
-5% YoY

79% would buy more at checkout with instant refund guarantee.



-2% YoY

**92% would buy from
same retailer again with
instant refund guarantee.**



-4% YoY

**85% would leave a
positive review with
instant refund guarantee.**

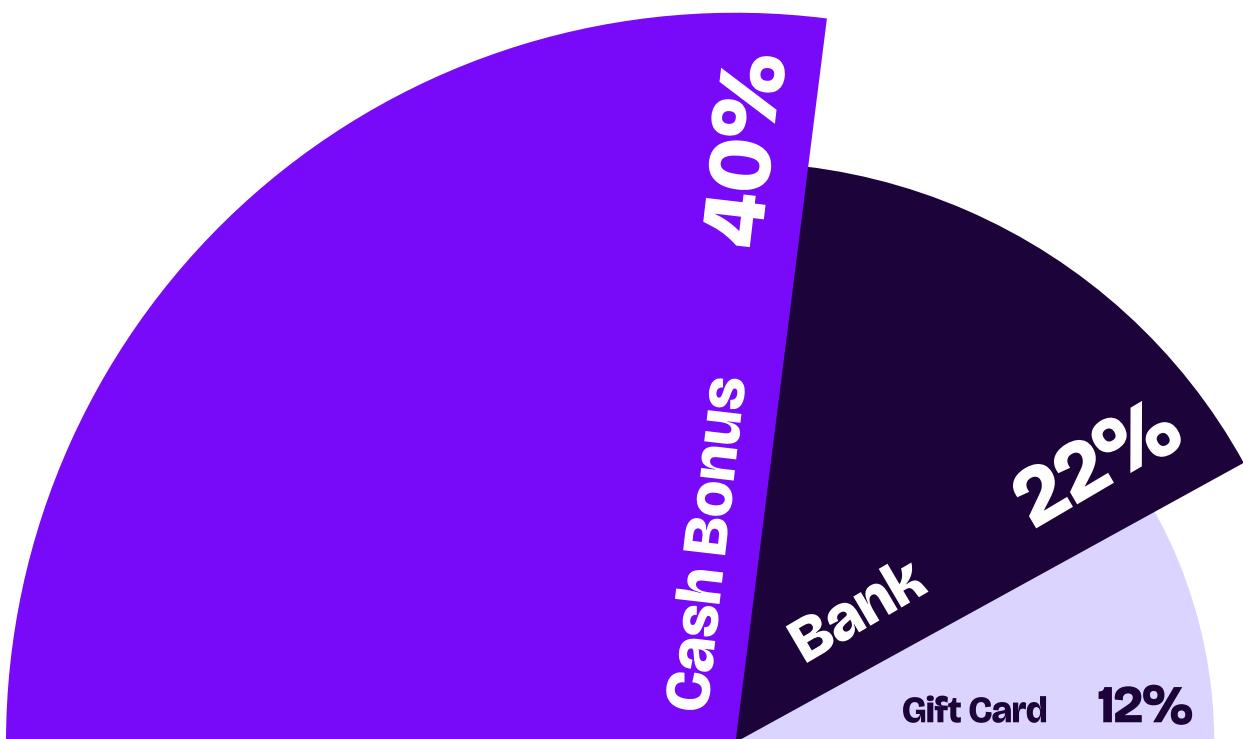


-2% YoY

93% want refund choice.



**40% want a cash bonus,
22% want it paid to bank,
and 12% want a gift card
as their preferred
alternative refund
payment methods.**



34% would pay a fee to receive refunds faster - proving time is money.



1387 QUALIFIED U.S. CONSUMERS

Survey Demographics

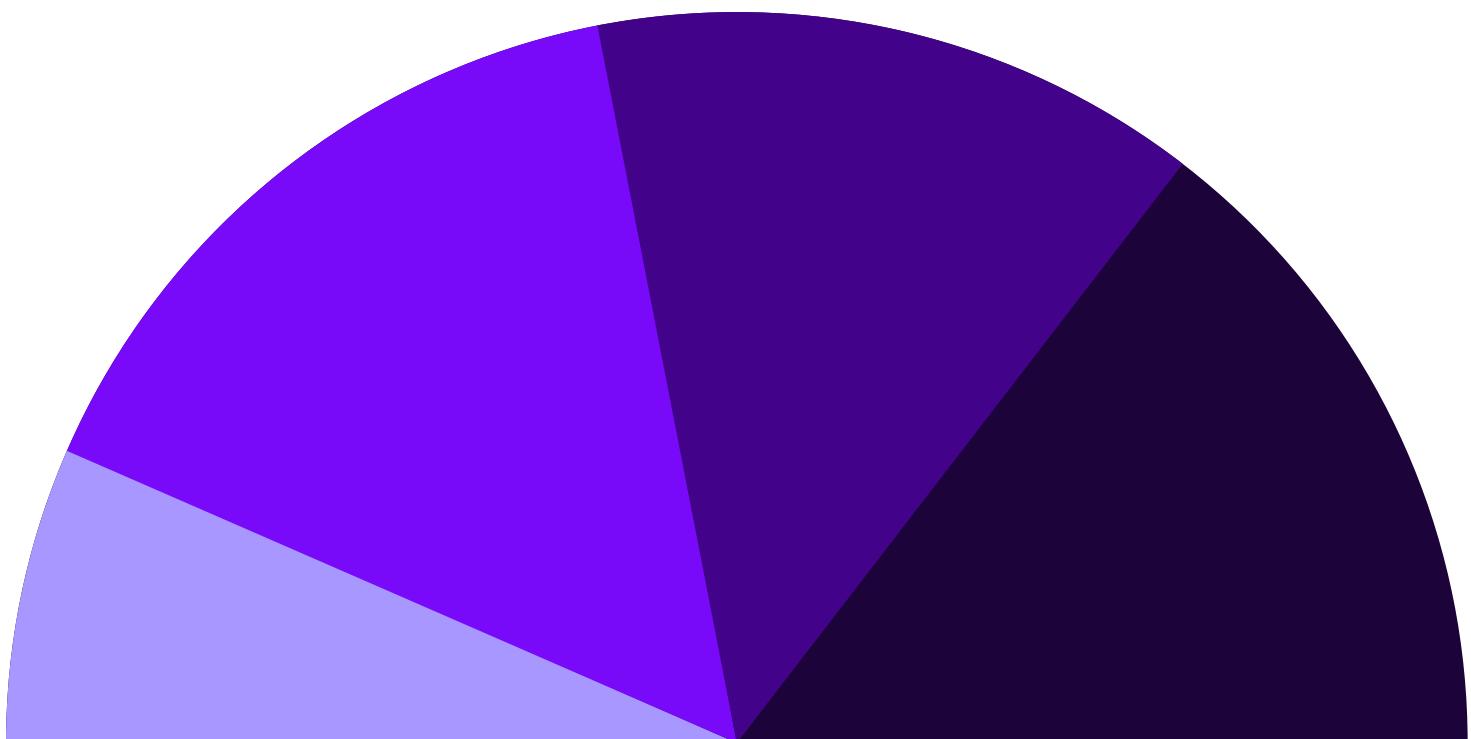
Age Breakdown

13%
18-29 Years Old

31%
30-44 Years Old

27%
45-60 Years Old

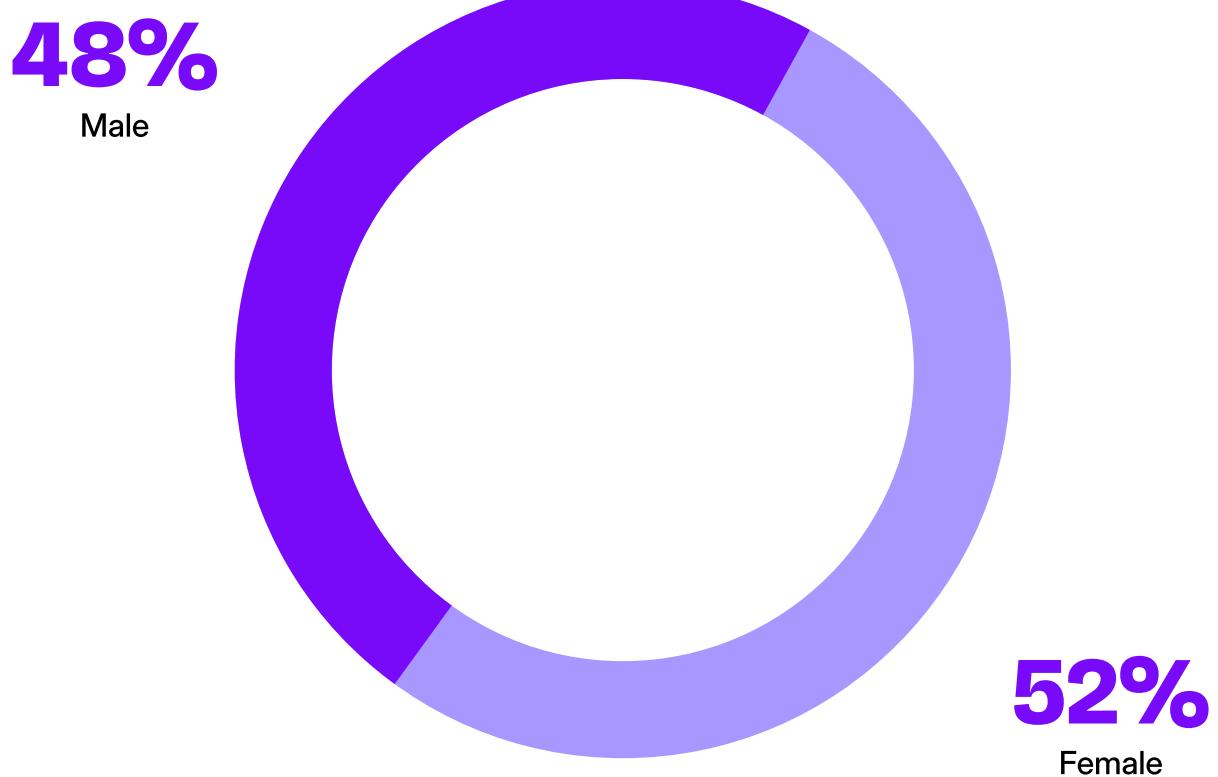
29%
60+ Years Old



1387 QUALIFIED U.S. CONSUMERS

Survey Demographics

Gender Breakdown



REFUNDS ARE NOW A GROWTH LEVER

Conclusion

Refunds are no longer a back-office function or a necessary cost of doing business.

They are a defining moment in the modern retail and ecommerce experience.

The 2026 Edition of Where Is My Refund? data makes this unmistakably clear: consumers now judge brands as much by how quickly and transparently they return money as by how efficiently they take it. In a landscape shaped by instant payments, real-time apps, and on-demand services, legacy refund timelines feel increasingly out of step with consumer expectations.

For merchants, this shift creates both risk and opportunity.

Brands that treat refunds as slow, opaque, or inflexible processes face higher support costs, lower repeat purchase rates, and greater customer churn. By contrast, merchants that modernize refund delivery - prioritizing speed, visibility, and choice - unlock measurable gains across conversion, retention, and lifetime value.

Importantly, the data shows that refunds are not merely defensive.

They are one of the last opportunities to win the customer back after a return - and in many cases, to deepen trust beyond what existed before the purchase.

As nearly \$1 trillion moves from merchants to consumers in refunds each year, the question facing retailers in 2026 is no longer whether to improve refund experiences, but how quickly they can do so.

The merchants who embrace refunds as a strategic capability - rather than a cost center - will be the ones consumers return to, recommend, and spend more with, in the years ahead.

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