

Impact of Online Reviews on Customer's Mindset

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Abstract:

Consumers are drawn to utilise the data from online reviews as a foundation when deciding whether to make a purchase on an e-commerce website. It also examines how internet reviews might draw in clients and serve as a resource for them to better understand the products. Furthermore, it expands consumer perceptions about shopping sites and products, and develops consumer trust. The accuracy of online reviews is heavily influenced by age, occupation, education, preferences of the person who is reviewing it, as well as the website we're using. The favourable reviews, detailed ratings, photo reviews, appending reviews, and cumulative reviews influence consumer buying behaviour, according to statistical results from tools for data analysis and assumptions. Therefore, it should come as no surprise that creating a platform for customers to express their opinions, suggestions, and complaints as well as keeping track of this word-of-mouth activity has turned into a business, with some companies even paying customers for their contributions because they can be used as tools in the competition for customers' attention and visits. The accuracy of online reviews is heavily influenced by age, occupation, education, preferences of the person who is reviewing it, as well as the website they are using. To understand how internet reviews affect consumers' mindsets during the purchasing process, this paper gathers the thoughts of consumers who used online reviews to make purchases.

Index Terms: Online reviews, Consumer behaviour, Consumer choice, E-commerce websites, E-WOM, Customer Service.

1.INTRODUCTION

One of the trends with the quickest growth is online buying and the number of online shoppers has been increasing compared to the previous years. Before the entry of online shopping into the market, people used to shop at the offline stores, but the entry of online shopping created a change in the

minds of the people due to its various facilities. Before buying any product online many customers use online reviews regarding the product as a reference to check the quality of the product. Writing reviews after writing the reviews and knowing the reviews of the product before buying the product has become a part of the online shopping process. The impact of an online review relies on factors like trust on the review, educational qualification of the reviewer, age of the reviewer, preference of platform reviews, experience of the customer and accuracy of the review. Therefore, the influence of internet reviews on consumer thinking is examined in the current study.

2. REVIEW OF LITERATURE

The following elements have a direct impact on the usefulness of online product reviews: information quality, review length, semantic meaning, emotional tenor, font choice, community standing, source reliability, source popularity, and social relationship strength (Wang, H.F. and Wang, Y. , 2020). Age does seem to affect the hours spent on social media with the 21–25-year-olds spending most time on the internet (Quambusch, N. , 2015). According to a recent survey, 86% of consumers under the age of 45 feel that reviews are crucial when choosing what to buy, and 30% of these consumers consult reviews before making every purchase. Actually, reviews are the component that has the biggest influence on purchases after price (Askalidis, G., & Malthouse, E. C. ,2016). It may be possible to learn more about the influences on online behaviour and consumer influence by analysing the bad reviews left by online reviewers in terms of the distinction between "dissenting" feedback left about successful games and "negative" criticism left about unsuccessful games (Robson, K., Farshid, M., Bredican, J., & Humphrey, S. ,2013). Online reviews can enhance how consumers view shopping destinations and goods, potentially draw in new customers, and foster customer loyalty. Positive reviews, description ratings, picture reviews, extra reviews, and cumulative reviews are among the internet reviews' influencing aspects on customer purchasing decisions (Mo, Z. , Li, Y. and Fan, P., 2015).

3. OBJECTIVES

The objective of this study is to understand the effects of online reviews on consumer attitudes. It also examines the relationship between various factors: age, occupation, educational qualification (independent factors) and trust, reference of reviews, preference of platform review, accuracy of the review (dependent factors). The result of this study gives a clarity about the relationship between online reviews and customer mindset, which can be helpful for various businesses to draw valuable insights and plan their strategies. It also examines whether online reviews are helpful before placing an order online. This Paper looks at how online reviews can capture consumer's attention and provide a reference to help customers understand the products.

4. NATURE OF ONLINE REVIEWS

Quality of information:

The use of multimedia information in online reviews can certainly enhance the overall user experience and provide a more comprehensive view of the product or service being reviewed. For example, images and videos can give consumers a better understanding of the appearance, size, and functionality of a product, which can be particularly helpful when shopping online. Additionally, multimedia reviews can also make the review more engaging and visually appealing, making it more likely that the user will pay attention to and remember the content of the review.

Length of review:

The length of a review is significant since it influences how consumers make decisions. Longer reviews, assuming they contain more information, may boost a customer's confidence in their choice to make a purchase.

Fonts of reviews:

We discovered that customers saw evaluations as more credible since they were easier to read, which increased the reviews' effect. Additionally, the impact of typeface faded as consumers expanded on their information.

Source credibility:

According to the findings, a negative internet review is thought to be more trustworthy than a good one, while a favourable online review fosters more initial trust than a negative one.

Popularity:

Consumers use online reviews to guide their shopping decisions. Compared to brands with no online reviews, customers are more likely to trust brands with reviews. Customers are less likely to purchase when there aren't enough evaluations since they feel riskier.

Electronic Word-of-Mouth Information (e-WOM):

In many ways, word-of-mouth behaviour online is different from that in the actual world. According to marketing literature, WOM communication is "oral, one-on-one contact between a recipient and a communicator regarding a brand, a product, a service, or a provider that the recipient considers as non-commercial."

5. FACTORS AFFECTING CUSTOMER MINDSET

Positive reviews:

Positive reviews affect consumers' online retail purchasing decisions. When deciding which things to buy, they look for reviews. Positive evaluations appear to influence the legitimacy and confidence of online marketplace vendors and the items they offer, according to previous studies.

Describing rating:

This is frequently a 5-level grading system where 5 represents "Outstanding," 4 signifies "Exceeds Expectations," 3 indicates "Meets Expectations," 2 stands for "Needs Improvement," and 1 denotes "Unacceptable."

Picture reviews:

Online customer reviews (OCRs) offer product suggestions and information, and the reviews' images often accurately represent the products they are reviewing. Pictured reviews on online seller ratings for a specific product of a seller have an impact on customer mentality, with price, brand type (foreign vs. local), product kind (experience vs. search), and brand familiarity having a moderating effect.

Appended reviews:

Append reviewing is the way that provides the ability for users to continually keep track of their perception and add extra information i.e., videos, pictures.

Cumulative reviews:

Increasing the quantity of reviews influences the behaviour of the customer. Number of reviews also affects the mindset of buyers.

6. RESEARCH METHODOLOGY

Selection of Sample:

We selected 109 participants at random for the survey, most of whom are college students between the ages of 20 and 25, to examine how consumer behaviour is evolving.

Collection of Data:

Data from both primary and secondary sources have been utilised. Primary data are gathered through questionnaires, while secondary data are gathered from different internet domains.

7. CHI SQUARE TESTS

Table 1- Review writing experience & Perceived importance of reviews

Crosstab			Reviewing important?		Total
			yes	no	
Written a review?	yes	Count	41	0	41
		Expected Count	39.49	1.49	41
	no	Count	63	4.01	67
		Expected Count	64.49	2.49	67
Total		Count	104	4	108
		Expected Count	104	4	108

Table 2- Trust & Age
Crosstab

Crosstab			age				Total
			11-20 Years	21-30 Years	31-40 Years	41 and above	
trust	yes	Count	45	44	1	1	90.99
		Expected Count	45.9	42.5	.9	1.7	91
	no	Count	9	6	0	1	16
		Expected Count	8.1	7.5	.1	.3	16
Total		Count	54	50	1	2	106.99
		Expected Count	54	50	1	2	106.99

Table 3- Review writing experience & Age

Crosstab			age				Total
			11-20 Years	21-30 Years	31-40 Years	41 and above	
Written a review?	yes	Count	21	19	1	0.01	41
		Expected Count	20.9	19	0.4	.8	41
	no	Count	34	31	0	2	67
		Expected Count	34.1	31	0.6	0.12	67
Total		Count	55	49.9	1	2.01	108
		Expected Count	55.0	49.9	1	2	108

Table 4- Trust & Accuracy

Crosstab			Accuracy				Total	
			Very unreliable	Somewhat unreliable	Can't say	Somewhat accurate		Very accurate
trust	Yes	Count	1.99	1.99	11	61	15	91
		Expected Count	2.6	2.56	15.3	57.8	12.8	91

	No	Count	0.9	0.9	6.99	7	0	16
		Expected Count	.39	.39	2.5	10.2	02.2	16
Total		Count	3	2.9	18	68	14.99	107
		Expected Count	3	3	18	68	15	107

Table 5- Trust & Customer Mindset

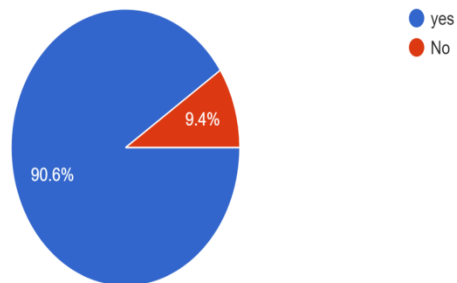
Crosstab					
			Customer Mindset		Total
			yes	no	
trust	yes	Count	86	5	91
		Expected Count	83.29	7.69	91
	no	Count	12	4	16
		Expected Count	14.69	1.29	16
Total		Count	98	9	107
		Expected Count	98	9	107
symmetric measures					
			value	Approximate Significance	
nominal by nominal		phi	.251	0.009	
		cramer's v	.251	0.009	
number of Valid Cases			107		

Table 6- Trust & Platform

Crosstab									
			Platform						Total
			amazon	flipkart	ajio	myntra	others	6	
trust	yes	Count	30	15	11	31	3	1	90.99
		Expected Count	31.5	15.3	9.4	30.6	3.4	.9	91
	no	Count	7	3	0	5	1	0	16
		Expected Count	5.5	2.7	1.6	5.4	.6	.1	16
Total		Count	37	18	11	36	4	1	106.9
		Expected Count	37	18	11	36	4	1.0	107

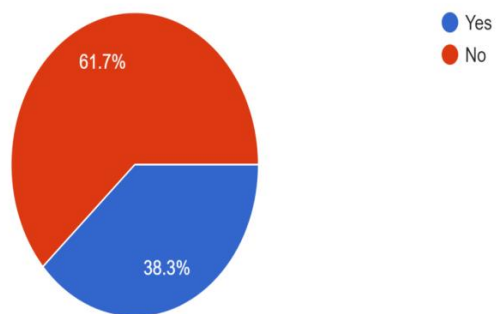
10. Do you refer to reviews and ratings before buying?

106 responses



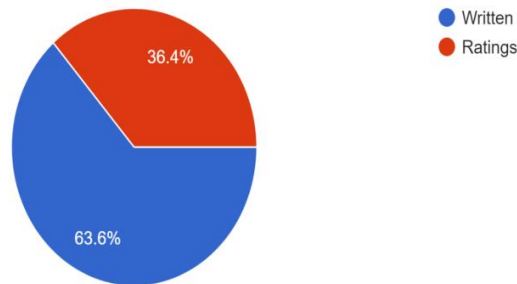
16. Have you ever written a review yourself?

107 responses



18. Do you prefer rating or written reviews?

107 responses



8. INTERPRETING RESULT

All the obtained data is tabulated and visualised to make analysis and interpretation simple. For each level of one categorical variable and each level of the other categorical variable, the expected frequency counts are computed individually. The null hypothesis is accepted if the p-value above the significance level; otherwise, it is rejected

S.no	Hypothesis and Relationship	Test	P value	Significance value	Verification Results
1	H0: There is no connection between the review writing and perceived importance of review	Chi-square	0.295	0.05	Accept H0
2	H0: There is no connection between the customer's age and the trust on the reviews	Chi-square	0.54	0.05	Accept H0
3	H0: The age of the reviewer has no discernible impact on the review's writing	Chi-square	0.278	0.05	Accept H0
4	H0: There is no significant relationship between the trust on reviews and accuracy of the review	Chi-square	0.09	0.05	Accept H0
5	H0: There is no significant relationship between the trust on reviews and referencing reviews by the customers	Chi-square	0.027	0.05	Reject H0
6	H0: There is no significant relationship between the trust on reviews and preference of platform	Chi-square	0.458	0.05	Accept H0

H0: 1 Table 1 displays summary of review authoring and the review's estimated relevance. The null hypothesis cannot be ruled out since the p value (0.295) is higher than the significance threshold (0.05). We may therefore say that the importance of customer reviews is different from the importance of written evaluations.

H0:2 Table 2 provides an author's summary for such review and the reviewer's age. Since the p value (0.278) above the significance cut-off (0.05), the null hypothesis cannot be ruled out. We thus draw a conclusion that the reviewer's age is unrelated to the submitted evaluations.

H0:3 Table 3 offers a comparison of review accuracy and reviewer trust. Since the p value (0.09) is higher than the significance levels (0.05), the theory of null cannot be refuted. The accuracy of the evaluation is therefore determined independently of the written reviews, it is decided.

H0:4 Table 4 reveals the age of the reviewer and a trust score summary. Since the p value (0.54) is higher than the significance level (0.05), the null hypothesis cannot be disproved. Thus, we infer that the reviewer's age is unrelated to the assessments that were submitted.

H0:5 Table 5 illustrates the calculation of reviewer trust and customer review citation. The null result cannot be accepted as the p value (0.027) exceeds the threshold of significance value (0.05). It follows that the reliability of reviews is influenced by the reviewer's age.

H0:6 Table 6 proves the trust in reviews and platform preference. Given that the p value (0.458) is higher than the statistically significant threshold (0.05), the null hypothesis cannot be ruled out. This leads to a conclusion that platform choice is unrelated to review trust.

9. CONCLUSION

This study demonstrates how customer attitude and internet reviews are related. 90.6% of people refer to reviews before purchasing online but only 38.3% of people write reviews themselves. 63.6% of people prefer written reviews over ratings. From this study we have concluded that review writing and perceived importance of review, review writing and age of the reviewer, trust on reviews and accuracy of the review, trust on reviews and age of the reviewer, trust on reviews and preference of platform are weakly associated with each other and trust on reviews and referencing of review by the customers are strongly associated with each other.

10. REFERENCES

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