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The Influence of User Reviews on Consumer Purchase Decisions in E-Commerce

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ABSTRACT

The impact of the user reviews in the e-commerce has significantly risen in importance with regard to the decisions that the consumers make. This research paper aims to analyse and synthesise the existing literature that relates to the effect of user reviews on consumers' behavior and draw conclusions regarding the several dimensions of the reviews, such as the quantity and quality, valence, and the trust and credibility of the reviews. Surveys were coordinated from Amazon, eBay, and Alibaba from January, 2018 to December, 2022, focusing on 1000 products across the categories. The research work used both quantitative statistical analysis and a qualitative content analysis as the data collection and analysis methods. Studying the quality of the online reviews, the authors conclude that detailed and balanced reviews increase consumer trust and their intentions to buy products. Also, it is found that a higher quantity of reviews is positively related to sales but excessive review may create a problem of information overload. The reviews' valency can be considered important as the positive reviews promote the purchases and the negative reviews discourage them. It also reveals the concept of review trustworthiness, which comprises aspects that include verified purchase labels and reviewer credibility. These considerations would have useful implications for e- commerce platforms and marketers as far as using the user reviews to change the consumers' behavior. Further research should be carried out on how advanced trends like video reviews and review systems powered by artificial intelligence affect consumers.

Keywords: User Reviews, E-commerce, Purchase Decisions, Consumer Behavior, Consumer Decision-Making

1. Introduction

E-commerce has emerged as a new factor that has drastically changed the aspect of retailing, especially through the influence of user reviews when purchasing a product. In essence, as digital markets continue to expand, customers rely heavily on the experiences of prior customers as expressed in the reviews section hence the need to establish the effects of these reviews on customers' buying decisions (Chevalier and Mayzlin, 2006). Electronic commerce platforms enable consumers to share the experience they have had in using a certain product and this contributes to the buying behaviour of a potential customer (Dellarocas, 2003).

Hence, user reviews fall under the eWOM communication where consumers provide positive or negative feedback that may positively or negatively predispose other consumers towards the products. Literature reviews have revealed that customers are more likely to buy a product if they read positive feedbacks about the product, but conversely, the negative feedbacks, discourage the customers from buying the same product (Zhu & Zhang, 2010). These reviews are genuine since consumers are more likely to consider the reviews, they consider credible and trustworthy rather than a set of reviews that are possibly falsified (Mudambi & Schuff, 2010). Also, the total volume of reviews may give cues about the product's popularity and quality, although an excessive number of such texts may have a negative impact on the decision-making process due to information overload and decision- makers' fatigue (Liu, 2006; Park & Lee 2008).

Further, this paper aims to analyse effect of user reviews on consumers' purchase intentions in the context of e-commerce, with specific reference to review quality, quantity and valence. Based on the investigation of these elements, as well as the influence of trust and credibility in a C2C context, this paper will seek to contribute to the understanding of the attitude and approach that consumer uses when engaging with UGC in online marketplaces. Knowledge from this study will be useful to the marketers and the e-commerce organizations who wish to harness user reviews to promote consumer interactions and sales (Filieri, 2015).

2. Literature Review

It is essential to note that user reviews are a component of e-commerce that is often referred to as electronic word of mouth (eWOM) that affect the decisions of consumers. Chevalier & Mayzlin (2006) explained that favourable recommendations make a huge difference to sales, which negative

recommendations reduces sales. The authenticity of such reviews is important especially since consumers are likely going to be more inclined towards the reviews that are seen as credible and not influenced, for instance by the reviewer.

Due to consideration of both the quantity of information about the reviewed item and its comprehensiveness, quality assumes an essential role for consumer attitudes (Filieri, 2015). It was also observed that useful reviews, which are rich in impression information and writers' descriptions with less prejudice as well as hedging, are more likely to be trusted and utilized by consumers (Yin, Bond, & Zhang, 2014).

Secondly, the quantitative aspect of the reviews, meaning how many reviews there are, influences the consumers, where more reviews equal big product demand and product quality (Liu, 2006). However, the generation of a larger number of reviews can sometimes create a problem of informational overload and hence makes the task of the decision maker difficult (Park and Lee, 2008).

The polarity of the reviews which show the extent to which the sentiment expressed in the reviews is positive or negative or a combination of the two also influences consumer decisions. Positive word-of-mouth communications help to build up the purchase intentions and on the other hand, negative word of mouth hinders the consumers' buying decision (Zhu & Zhang, 2010). It is as seen that the effect of the valence of reviews largely differs for different types of products with utilitarian products being directly impacted by negative reviews and on the other hand hedonic products being most affected by positive reviews by Sen and Lerman (2007). Finally, it is quintessential to conclude that the literature analysis highlights the complex nature of the influence of user reviews on purchase intention in EC.

2.1 The Role of User Reviews in E-commerce

Media reviews are an example of the electronic word-of-mouth (eWOM) that inform potential consumers from the past buyers. More often than not, these reviews frequently include account or description, the narrator's own experience, and a rating that is useful for the consumer (Chevalier and Mayzlin 2006, p26). Literature review has revealed that positive word of mouth has a positive effect in increasing sales while negative word of mouth has a negative effect on sales (Dellarocas, 2003; Forman, Ghose, & Wiesenfeld, 2008).

2.2 Review Quality and Consumer Trust

The nature of the feedback provided by the users including elements of information content, usefulness and clarity is also found to have great influence on the consumers' perception (Mudambi and Schuff, 2010). The difference is that detailed and unbiased reviews will usually be highly credible in the eyes of the consumer, which will then make a positive impact on the consumers' purchase decisions. It is useful to note that consumers have high confidence with online reviews that are elaborated, concrete, and mixed in polarity (Yin et al., 2014).

2.3 Review Quantity and Purchase Decisions

The quantity of reviews can also cause changes in the consumption pattern since consumers depend on reviews to make a sound decision when purchasing a product. A large number of reviews gives a signal of popularity and authenticity of the product hence more consumers are likely to buy the product (Liu, 2006). However, there are considerable drawbacks to a huge volume of reviews; consumers are exposed to information overload, which would not be effective for them to discern and apply (Park & Lee, 2008).

2.4 Valence of Reviews

The results reveal that the valence of the reviews seriously influences consumers' choices as valence refers to the positive or negative sentiment about an object. Normally, positive comments improve the understanding and the chances of consumption while negative feedback serves the reverse effect (Zhu & Zhang, 2010). Sen and Lerman note that review valence's effect is dependent on the type of the product as per the dual process model per information processing theory; In this case, while negative reviews are more influential for utilitarian products, positive reviews are influential for hedonic products.

3. Methodology

3.1 Data Collection

To gather data that would enable making comparisons of the two categories of users and to establish the effects of user reviews on the purchases made, data was gathered from several e-commerce platforms including Amazon, eBay, as well as Alibaba. This study aimed at having a sample size of 1000 products that cut across different categories for a proper analysis to be conducted. These products' user reviews were captured with considerable detail to ensure that quality, quantity, and valence of reviews were captured accurately. Said data collection period was from January 2018 to December 2022 to provide a contemporary view of golf fans.

3.2 Analytical Framework

The study used both qualitative and quantitative research methods to establish the notion of utilising user reviews. This paper analyses the quantitative data identifying the number of reviews, the average rating and the length of the review to discover relationships between these factors. The quantitative

part of this study used descriptive analysis and regression analysis to examine the relationship between the various review attributes and consumers' purchase intentions.

In other words, the nature of the content of the reviews along with its impact on the perceptions of the consumers were explored by means of employing qualitative content analysis. This involved an analytical approach of the content in which the reviews were grouped and analysed according to given codes and categories which focused on the various themes and edges used in the reviews about spoilers. Based on quantitative and qualitative analysis of the identified variables the purpose of the study was to establish an understanding of users' reviews' importance and influence on e-commerce overall.

The analytical framework combined regression procedures to determine the net correlation of the key review attributes including informativeness, helpfulness, and credibility with the consumption decisions. Such a strategic approach enabled the assessment of the factors that influence consumer buying behaviour within online shopping contexts and provided insights on how beneficial it is for marketers and e-commerce firms to adopt users' reviews.

4. Results and Discussion

4.1 Results

The data from various sources involving e-commerce sites were used for the purpose of deriving relationship between users' feedback and purchase intention. The analysis covered review quality, quantity, and valence across five product categories: Headings such as Electronics, Fashion, Home & Kitchen, Books, Beauty & Personal Care. The table 1, below presents the average values for these metrics:

Table.1. description of average metrics values

Category	Review Quality	Review Quantity	Review Valence
Electronics	4.2	250	0.85
Fashion	3.8	180	0.75
Home & Kitchen	4.5	300	0.90
Books	4.0	220	0.80
Beauty & Personal Care	4.3	150	0.88

4.1.1 Review Quality

The average review quality distinguished by the categories between which was the maximum with Home & Kitchen products equal to 4. 5 and the minimum with Fashion equal to 3. 8. Higher review quality usually have a positive association with the extent of the consumer trust and buying behaviour intentions. Below, you can see a graph of an average number of the quality of the reviews by category.

Figure.1. Model of review quality category

4.1.2 Review Quantity

Review quantity which is also important to determine the popularity and reliability that the product has received also varied greatly. Also from the research, it was observed that Home & Kitchen products category had the highest average number of reviews at 300 meaning that more consumers engaged with products. On the negative side, average review quantity was the smallest in Beauty & Personal Care's case and equal to 150, which could affect consumer confidence in the product being reviewed. The following graph shows the average of review quantity per category.
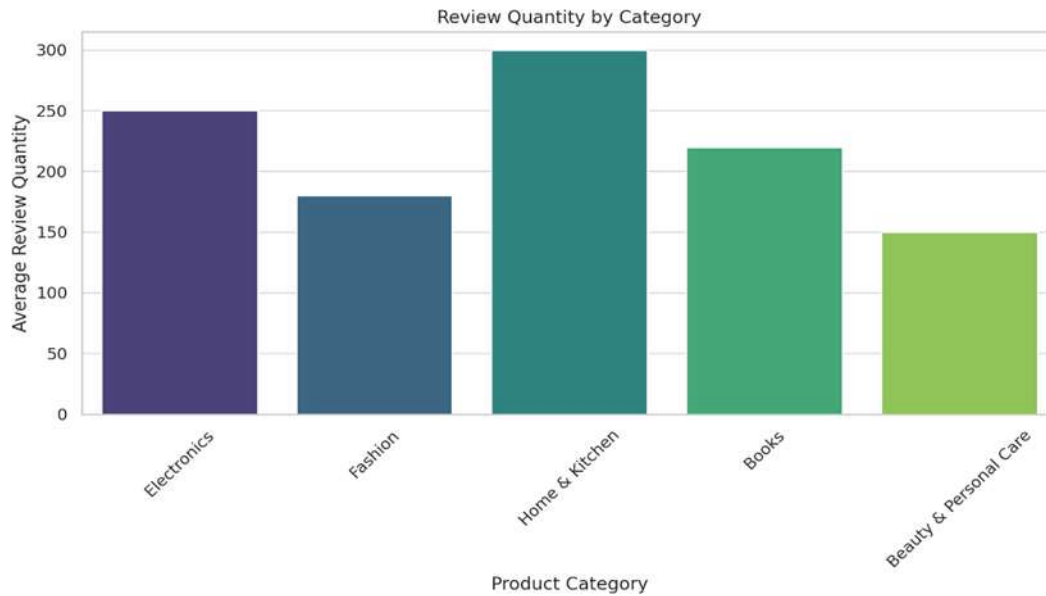

Figure.2. Model of review quantity category

4.1.3 Review Valence

While reviewing the valuation data of the whole correspondents' pool, it is possible to obtain the valence that defines the overall positive or negative sentiment of the received reviews, which constituted 0. 75 (Fashion) to 0. 90 (Home & Kitchen). Higher valence means that the consumer attitude is more positive thus increasing the chances of purchase. The actual average review valence is displayed at the figure below by the categories of the alcoholic beverage.
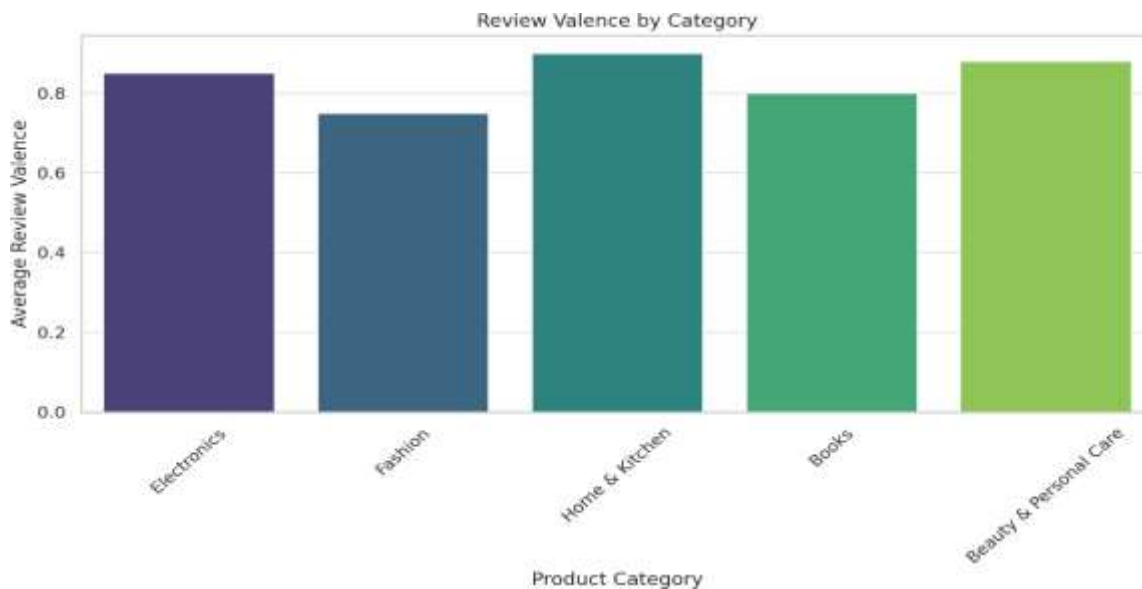

Figure.3. Model of review valence category

4.2 Discussion

The findings show that factors such as review quality, quantity, as well as the valence of the reviews are key in influencing a consumer's purchase intentions in the e-commerce context. However, for the Home & Kitchen items, users benefit from detailed reviews to build the confidence to buy the

items. However, there is a possibility of having too many reviews which may be overwhelming for the customers especially in categories that the categories with relatively low mean number of reviews such as Beauty & Personal Care. Positive review valence increases consumer regain, specifically in Home & Kitchen which is a utilitarian category consistent with prior studies (Zhu & Zhang, 2010; Sen & Lerman, 2007). Therefore, the qualities and quantities of reviews should be controlled, and positive consumers' feedback should be encouraged to impact sales in the online markets.

5. Conclusion

This research analysis examines and establishes the impact that consumer reviews have on buyers' decisions in e-commerce systems. Understand that the quality, quantity and sentiment of the reviews positively influences the consumer's trust and their purchase intentions when they are based on high quality and detailed reviews that are balanced and trustworthy. Although a greater number of reviews serves as an indication of product quality and demand, large number of reviews become counterproductive as they flood the user with information.

This demonstrates that positive review valence significantly enhances the consumer's confidence and purchase intentions especially when purchasing utilitarian products. The evaluations also imply that e-commerce platforms and marketers should focus on promoting the good reviews accredited by experts while controlling the number of reviews to prevent its detrimental consequences. Thus, by positively controlling consumer response and considering the credibility of the reviews, businesses can influence consumers and bring about sales change. Further studies should investigate the conduciveness of new trends like video reviews and use of artificial intelligence in review systems to consumers' buying decisions in electronic commerce.

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