A Review on Understanding the Influence of Online Customer Reviews(OCR) on the Online Customer Purchase Behaviour

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Abstract: Markets have witnessed a huge increase in online purchase sales after the covid scenario. People who were apprehensive in purchasing from online have started believing to buy from online sellers. Let it be brick-and-mortar or online purchase, customers tend to get the information about the products from the markets through reviews from the peer group, relatives & opinion leaders. Reviews play a very vital role for both the sellers and buyers. The present research entails to see if the customers look into the reviews and take support of reviews to make an online purchase decision. With the increase in the online sales, customers have started to develop ambiguity towards the perceived quality. Thus, the importance of reviews became predominant in the buyer purchase decision making. With this change in the customer expectations the online sellers stared to add the feature called customer reviews under each product they are selling in the websites. This paper intends to collect the data from the markets to know the influence of reviews on buyers purchase behaviour. It understands if the buyer is really relying on reviews before buying the product.

Index Terms - Online Customer review, Online retail, purchase decision, websites

I. INTRODUCTION

Customer reviews have become an important source of the product or service-related information. It has a great impact on the customers purchase decision. These changes in the customer purchase behaviour pertaining to online purchases have taken significant interest in the academic research. Thus, requires attention to see the effect of reviews on online purchase behaviour. There is a rapid increase in online communities that introduced to online customer reviews. Online reviews refer to the knowledge about the products that are posted on an online sellers' website or sometimes on third party sites(Mudambi & Schuff, 2010). Previous studies indicate that online customer reviews as primary and popular ways to gain information(Sen & Lerman, 2007; Purnawirawan, Dens, & Pelsmacker, 2012). Consumer feedback became an important aspect for the buyers who intend to gather the information regarding the products they buy online.

The study conducted in India by Mithun S., et al, 2021on online sales and its impact reveal that emotional content in reviews has great influence than informational reviews. The positive reviews have very great impact on the attitudes of customers and incline towards buying behaviour. Negative emotions and neutral comments are perceived as negative comments that effect the sales. So, a conscious approach towards the reviews has to be made by the online retailers. Emotions, however, play a significant role in the purchasing process of luxury and hedonic items (Kronrod & Danziger,2013). Middle class customers generally asses a product based on its useful attributes and pleasantness (Felbermayr & Nanopoulos, 2016). Consumers in north India are more assertive and outspoken when compared to south Indian consumers (Hawaldar et al., 2019). These behavioural aspects of customers dispersed across the country will have a strong impact on their online reviews. Thus, these factors instigated the researcher to study the impact of reviews on buyer behaviour.

II. AIM OF THE STUDY

With the increase in the online purchases and the presence of vast no of online sellers, the background information about the products became a major deciding factor. It is considered as eWOM(Electronic Word of Mouth). Looking at this importance, all the online retailers incorporated the feature called "reviews" in different forms like, product reviews, Question & Answers, ratings and rankings to build the new customer's trust. Thus this study aims to understand the influence of Online Customer Reviews (OCRs). The theoretical review elicits the previous studies that emphasised on the significance of the OCRs on buyer behaviour.

III. REVIEW OF LITERATURE

The technological advancements in the information technology have changed the internet from a "broadcasting" medium to "interactive" medium by allowing the users to share their views(Chua and Banerjee, 2015). A very new breed of online applications such as blogs, social networking sites, communities and consumer review sites have emerged. These enabled the online retailers to understand the insights of consumers towards their products and services. The web technologies have become new facilitating electronic word of mouth(eWOM) by becoming the major repository of customers reviews(Huang and Benyoucef, 2013). Product reviews obtained from the web has given easy access to compare market offerings and the purchase behaviour(Floh et al., 2013).

Online Consumer Reviews(OCRs) are independent views, attitudes, and opinions expressed by consumers(Floh et al., 2013; Lu et al., 2014). In OCR, customers share their online purchase experience before using the product and after using the product on the sellers provided online platform. These posts give impetus to other potential consumers to buy the products and services(Wang, 2019). Further, many online retailers provide platform and invite the buyers to post their feedback regarding the products they bought and the service experience they had(Chatterjee et al, 2020b) .

Previous studies reveal that OCR has become one of the popular and most acclaimed resource to the sellers to know the pulse of the customers(Wang et al., 2019, Rosario et al., 2020). Researchers have identified that customers purchase behaviours are broadly influenced by the trusted peers(Battacharjee et al, 2021). Online reviews become primary subject and depends on the cultural dispositions of the potential customers(Christos, 2019, Dimitropolos et al., 2019).

Online sellers provide the information about their company and products in the companies' website in the form an advertisement. This information may differ from the online reviews in three main aspects. These are trustworthiness, information and standards of the product. However, OCRs are perceived to be more reliable and trustworthy than seller-created information(Abdulaziz & Kevin, 2016). Reviews provided by the consumers are very honest due to their experience with the product or service(Park et al, 2008).

IV. THEORITICAL BACKGROUND

Online Customer Reviews can be positive and negative, that are accessible to large customer base who are scattered across the globe with the advent of the Internet(Hennig et al, 2004). Online reviews are featured in all the online sellers sites and became primary source for marketing strategies(Cui et al., 2012). Researchers have identified that customers are highly influenced by their peers, whose opinions they trust very much(Opoku, 2012). The online reviews are looked as very credible and trustworthy as they are posted by the buyers with their hands on experience and does not have the sellers interference(Willemsen et al., 2012).

The study by Schindler and Bickart(2012) too many positive statements may create doubts in the buyers mind and have a reverse influence. So moderate positive reviews will be considered as valuable and imperative to build confidence and trust in the new buyers. Online feedback plays a very significant role in impacting the purchase behaviour of the prospective consumers(Christos, 2019). Further it can be inferred that, not all the time the online reviews are prefect. They can be uploaded by mistakenly and companies my also influence the users to give a constructive review. So not all the time the reviews may be highlighted. However it is evident from a study where fifty two percent of buyers believe that they are more inclined to trust a product if at least few negative reviews are available for the product(Kaite Hollar, 2015). The online customer reviews also work as electronic word of mouth(eWOM)

V. THE ESSENTIALS OF ONLINE CUSTOMER REVIEWS(OCR's) TO ONLINE RETAILERS

Positive opinions of the existing customers regarding the products will have a great impact on the firm's business. There are key benefits of OCRs that make online reviews essential for the online retailers.

Drive Sales: Customers will look for authentic information that support their decision. By reading positive reviews from users build confidence that buying a well-reviewed item is a good choice. This customer psychological phenomenon will give boost to increased sales. Positive OCRs related to the brand will provoke consumers to buy the brands and contribute in sales improvement(Kim & Johnson, 2016)

Building trust: Reading the users reviews regarding the quality and the service create a positive opinion and build reputation of the products. Trust plays an important role in creating repeat visitors to a website or creating community of users who are confident about expected outcomes as a result of their purchase(Burke, 2002; Kim et al.,2008).

Contribute to SEO efforts: Building an SEO(Search Engine Optimisation) friendly web presence will benefit the online sellers. Most customers use key words, like name of the product in the reviews, adding more content on the internet associated with the products. Thus, the brand is more visible due the keyword in the search which connects to the reviews will lead to positive sales.

Aid customer decision-making: Customer decision making process becomes complicated in the online purchase. Majority of the customers rely on evaluating the products by reading the reviews and does comparison with other competitor's products. Many consumers prefer to have access to OCRs about the online retailers and the products sold by them. This is evident from the previous studies by Mudambi & Schuff, 2010; Zhang et al., 2014. Thus, OCRs become key to decision-making process by guiding the customers to gain knowledge about the products size, shape, cost etc.

Reviews as a promotional tool: Reviews are valuable assets to the promotion department. They can incorporate these in the company's website as well as third party media channels. Also, the attractiveness of the companies website instigates the customers to search for more products and make them vulnerable to sales promotion(Vinish et al., 2020). However, the information provided should be trustworthy and reliable. And it should not have any legal bindings.

VI. CONCLUSION

Several authors emphasised on the importance of OCRs importance to both the buyers and sellers. They play a very vital role and support the online buyer's decision making. These inputs alert the sellers to make a conscious promotional statement with regard to the products quality, price and features. Any deviation will have a huge impact of the sales, as the user will give his/her experience in the reviews. These reviews are considered as word-of-mouth campaign. Thus, this paper provides the theoretical background and essentials of online customer reviews to both buyers and sellers.

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