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eWOM overload and its effect on consumer behavioral intention depending on consumer involvement

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Abstract

Online consumer reviews involving experiences, evaluations and opinions on products from previous consumers play two roles – an informant and a recommender. These two roles affect a consumer's intention. However, there is a conflict between two roles when a large number of reviews are offered. From the perspective of the recommender role, consumers have more favorable attitude toward a product as a greater number of positive reviews are offered while consumers may be confronted with too much information, which results in information overload. This study investigates what consequences the tradeoff between two roles has on purchasing intention depending on consumer involvement.

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Keywords: Electronic word-of-mouth; Online consumer review; Information overload; Elaboration likelihood model; Involvement

1. Introduction

Since the development of the World Wide Web (WWW) on the Internet in the early 1990s, an increasing number of companies have been trying to carry out electronic commerce (EC) [8]. Through EC, a close customer relationship can be formed, and much of the operating overhead including time and money can be saved. Recently, the WWW is used as a new marketing channel to show recommendations from previous consumers [20]. The online consumer review, one type of electronic word-of-mouth (eWOM), involves positive or negative statements made by consumers about a product for sale in Internet shopping malls. This consumer-created information is helpful for decision-making on purchases because it provides consumers with indirect experiences [27]. There is recent empirical evi-

dence that consumer reviews have become important for product sales [2,9,10].

An online consumer review as a route for social influence [13] plays two roles – as an informant and a recommender [27]. As an *informant*, online consumer reviews deliver additional user-oriented information. As a *recommender*, they provide either a positive or negative signal of product popularity. Since consumers request product information and its recommendation information simultaneously for purchasing a product, in order to learn about it and reduce uncertainty [5,33], online consumer reviews playing these two roles can completely meet consumers' information needs.

However, what happens when consumers confront a large number of reviews? It is easily observed that some popular products have too many reviews in online shopping malls. For example, Chevalier and Mayzlin's study [9] reported that the average number of reviews per book in May 2004 was about 68.31 and the standard deviation was 205.42. From the perspective of online consumer reviews as recommenders, a greater number of positive reviews seem better for a product. However, from the

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perspective of online consumer reviews as information providers, consumers may be confronted with too much information, which results in information overload. Therefore, as the number of reviews becomes large, there may be a tradeoff between the negative effect from decreasing review informativeness caused by eWOM overload, and the positive effect from an increase in the strength of the signal of product popularity. Focusing on overall positive reviews, this study tries to find the consequences of the tradeoff.

This study proposes that consumer involvement should be a key moderator to determine the consequences of the tradeoff. According to the elaboration likelihood model (ELM), individuals who are highly involved with a product are more likely to engage in thoughtful and effortful processing of persuasive arguments. Individuals who are less involved are not affected by the argument contents, but rather by non-content elements (peripheral cues) [29]. High-involvement consumers may consider the informant role as being more important than the recommender role because such consumers are willing to elaborately process the focal messages to get additional product information from online consumer reviews rather than use them as a signal of product popularity. On the other hand, lowinvolvement consumers may consider the recommender role as being more important than the informant role because such consumers are not likely to elaborately engage in message-processing, therefore they rely on them as a simple sign of product popularity. Finally, consumer involvement determining which part is more important may moderate the consequences from the tradeoff between the informant and recommender role, and explain the change in consumer purchasing intention from the tradeoff.

In this study, controlling the review valence as overall positive, we suggest several hypotheses and conduct an experiment to address the above issues. Focusing on the two factors of review structure (the type and the number of reviews), we investigate how they affect the perceived review informativeness (informant role) and popularity of a product (recommender role) and when information overload occurs in the context of online consumer reviews. Furthermore, we investigate what consequences the tradeoff between the informant role and the recommender role has on purchasing intention depending on consumer involvement.

2. Theoretical background and hypotheses

2.1. The dual role of online consumer reviews

Research on the use and influence of recommendations on consumers has typically been subsumed under word-of-mouth (WOM). Consumers may follow others' opinion as a result of overt conformity pressures from peer groups, in response to concerns about what others may think of them, or they may react to their product choice and usage [3], or because others have provided credible information regarding a product's value [11]. Deutsch and Gerard [13]

distinguished two types of influence processes – informational and normative. Informational influence occurs when an individual accepts information from others as evidence about reality, e.g., evidence about what others believe to be the true qualities of a product. Normative influence occurs when the individual conforms to expectations of another person or group. Early research regarding social influence on consumer behavior [35] concluded that normative pressures were operative in public/group settings and that individuals tended to conform to group opinions.

Online consumer reviews, one type of eWOM communication, affects consumer behavior through these two routes. Online consumer reviews deliver others' normative beliefs, indicating whether other consumers like or dislike a product. In accordance to the valence of reviews, normative influences can occur in a different way. When reviews about a product are overall positive, potential consumers are likely to think the product is desirable in conformity to the reviewers. In contrast, when they read overall negative reviews of a product, consumers may reject or dislike it because disagreeing with others is likely to cause psychological discomfort.

The number of reviews can affect the level of conformity. Asch [1] found that conformity increased as a direct function of the size of the reference group. Campbell and Fairey [7] concluded that group size was a factor that enhanced normative pressure. They proposed that increases in group size should have stronger effects on conformity. In the context of online consumer reviews, consumers regard reviewers as one group of consumers. If the number of positive reviews increases, the size of the reference group recommending a product will increase as well because one previous buyer usually creates an online consumer review. Increases in the number of reviews are likely to lead consumers to rationalize their purchasing decision by telling themselves, "many other people also bought the product, so it can be a popular product," in conformity with previous consumers, inferring that the product is becoming popular and its sales increases. For example, a consumer is likely to infer that a product is more popular when he/she reads many positive reviews than when he/ she reads a few reviews. That is supported by the empirical results of previous studies on online consumer reviews, indicating that the number of ratings has a significant impact on sales [9,10]. Therefore, we propose the following hypothesis.

Hypothesis 1. The greater the number of positive online consumer reviews, the greater the perceived product popularity.

Online consumer reviews play an informant role, so they have informational influence like consumer conformity. Online consumer reviews mainly provide user-oriented information describing a product in terms of usage situations, and measure the product performance from a user's perspective [5]. The informational influence of online consumer reviews can vary with the type of reviews. Since a

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