Will video be the next generation of e-commerce product reviews? Presentation format and the role of product type

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ABSTRACT

Researchers have systematically investigated the influence of online reviews on consumer perceptions and decisions to purchase products, but hitherto have not attended to the presentation format. Increasingly, video reviews are making their way into various websites, and their impact on consumer perceptions is not yet known. While prior research has investigated the impact of video presentation of vendor supplied product information, the effects of video presentation formats of online reviews posted by consumers, in relation to other commonly used formats such as text, are not known. The conditions of effectiveness of these presentation formats should also to be investigated so that guidelines for appropriate use can be developed. Hence, in this study, using theoretical foundations anchored on elaboration likelihood model and cognitive fit theory, we conducted a laboratory experiment comparing the impact of online reviews displayed in three presentation formats—text, image, and video—on three products—a digital camera, backpack, and videogame.

We find that the presentation format of online reviews has a substantive and nuanced impact on consumer perceptions. Product type significantly moderates the effect of presentation format on consumer perceptions. Highlighting the role of presentation format and product type, our findings indicate that more research on presentation format is warranted, and vendors should make efforts to manage the presentation of online reviews. We discuss these findings, and theoretical and practical implications of the study.

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1. Introduction

Video reviews are making their presence on vendor websites such as Amazon.com and BestBuy.com, independent sites such as CNET and DpReview, and social media such as Twitter and Facebook. Merchants across the globe are starting to encourage customers to upload online reviews in video formats. Recently, Proctor and Gamble, invited users to post video product reviews for a new product, Tide Pods, launched in 2012. Much to their surprise, this received hundreds of responses from consumers even though creating a video review requires more effort and technical support than posting a text review [94]. These events motivate researchers to ask important questions as to whether video reviews will become the next generation of e-commerce product reviews, and if so, what are the products and conditions when they will be most effective? Answers to these questions will help researchers focus on the value of an Information Technology (IT) artifact in e-commerce and also

help develop guidelines for practitioners on how to best design their websites.

As an electronic equivalent of Word-of-mouth (WOM), product reviews have long been recognized as influencing product sales and are seen as a valuable asset to business organizations [15,24,29,31,39,50, 117,122]. Customer recommendations posted beside vendor-generated product descriptions powerfully affect consumers' information acquisition and thus their perceptions about the product [59,82]. In fact, a study by PowerReviews found that 59% of customers believe that product reviews have a strong impact on their buying behavior [91]. Researchers and industry professionals reiterate that vendors must pay greater attention to managing online reviews to garner more positive consumer impact [3,12,21,39,59]. Hence, researchers have taken up investigation on various features and components of online reviews to evaluate their influence on consumer perceptions. They find that the severity of language used in the review, star ratings, and reviewers' identities and backgrounds, among other factors, play significant roles [13,28,31,82,119]. However, even though there is an increasing use and encouragement to customers to post online reviews in video format, research on the effects of this presentation format of online reviews is sparse.

Compared with commonly used text-based formats, online reviews with video formats present relatively more realistic visual

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cues and dynamic movements for conveying product experiences that could be expected to have a powerful impact on consumer perceptions. Supporting this expectation is a wealth of research in Information Systems (IS) indicating that information presentation formats have a significant impact on user perceptions, and must be managed [43,68,111,113,118]. But without adequate examinations, the role of the IT artifact of video reviews will be unclear, and we cannot be sure that the technology artifact is exploited enough to improve presentation richness [10,55,56]. An investigation into video reviews could also address the call by researchers that more research on the role of visual aspects of presentation on consumer perceptions be evaluated [64,74].

The extent of influence of video reviews on consumer perceptions cannot be assumed because some studies indicate that enhanced visual formats may deteriorate information-seeking behaviors and user attention [44,69]. Furthermore, consumer search and learning behaviors in technology-mediated environments depend on product type, and any study of online reviews must account for differences in product type [51,82,114]. A product type classification most often used in research useful to understanding the impact of presentation format is the classification into search and experience goods [51,59,84]. Search goods have the most search attributes and are easily described by product features such as size, weight, and warranty. Experience products have more experience attributes, and their product features are best felt and seen, such as the feel and movement of vehicles and smell of perfumes [35, 84]. IT in e-commerce marketing environments is changing consumers' information-seeking behaviors for search and experience goods, and it is important to determine the impact of IT based presentation formats in online reviews on consumer perceptions, conditions of fit with product types [45,51,112].

Although there are several extant studies on the effect of presentation format in e-commerce contexts, the focus of this study differs in several ways. First, prior studies focus on the format of vendor-created product information and formats, while our focus is on customer generated reviews that importantly include customer perceptions and the blending of their subjective post-purchase opinions [2,8,55]. Second, instead of directly examining the effect of video format, we include text format as a benchmark, because text is the prevalent standard for online reviews [55]. This highlights the comparative merits of a video format under differing conditions. Third, unlike prior studies that focus solely on the presentation format and how it should be applied to website design, we focus our investigation to determine the fit between the task and presentation format [2,55]. Due to the extra cost in posting a video review, aesthetic fatigue and visual overload, vendors should encourage consumers to work on the products that are most suitable to be reviewed in a video format, underscoring the value of a fit between product (task) and format [81]. Given these differing foci we undertook a study to specifically investigate the relative effects of video presentation formats in online reviews.

Using the elaboration likelihood model and cognitive fit theory, we hypothesized presentation format effects on consumer perceptions about the review's credibility, helpfulness, and persuasiveness, and on intentions to purchase the product. To test those hypotheses, we conducted a laboratory experiment, evaluating the effects of online reviews in text, image, and video presentation formats for three products, a backpack, a camera, and a videogame. The camera is generally classified as a search product and the videogame as an experience product [82,83]. Backpack, which was added for exploratory purpose, resides between a continuum from pure search goods and pure experience goods [35]. We found support for our hypotheses that presentation format affects consumer perceptions, and such effects are moderated by product type. In the next section, we present our research framework. In Sections 3 and 4 we describe the experimental method and findings respectively, followed by a discussion of the implications of the study.

2. Research framework

2.1. Online reviews

IT has enhanced the role and reach of WOM by enabling consumers to share product opinions with global audiences [12,39,51,59,82]. It also allows firms to play active roles in electronically transmitting those opinions by being observers, moderators, mediators, or participants [36,37]. By better understanding the impact of various online review features, moderator roles allow firms to take concrete steps to enhance the effects of disseminating information, such as organize online communities for consumer discussions, facilitate the posting of online reviews, create recommendation programs, and offer incentives [36,37, 119]. For example, consumers exhibit preferences for the extent of objective and subjective information presented in online reviews for different product types. Hence, vendors could list online reviews that will be preferred and perceived as being more useful, and supply review templates to improve review credibility [3,13]. Similarly, if firms can understand the impact of different presentation formats they could proactively use those formats that will have the desired impact.

Currently, however, there are not many research studies that have examined the effects of presentation format even though this is a very IT related issue. Our brief synthesis of research on online reviews presented in Fig. 1 indicates that researchers are investigating content-related features of online reviews in different market segments, but not the technology format for review presentation [11,22,34,46–49,53,65,66,70,92,93]. When posted along with product information, online reviews play a unique and particularly powerful role in influencing consumer decisions; they are essentially free "sales assistants" [12]. Therefore if firms can identify which presentation formats will influence consumer perceptions, they can leverage IT artifacts in their e-commerce infrastructure.

2.2. Presentation formats and product types

Most customer-written online reviews currently are in text format. But slowly video-based reviews are finding their way and some websites have started to let consumers post video-based reviews (e.g. Amazon, BestBuy, etc.). Consequently, excepting a few, most of the existing research studies in IS on the topic of online reviews are conducted using text-based reviews and show that consumer perceptions are affected by the severity of language, the valence of opinions, and abstractness of comments (e.g. [3,82,119]). In the future there may be increased use of video based reviews and it is important to determine if the presentation format changes from text to video could affect consumer perceptions. Some studies show that peripheral cues in text based reviews such as reviewer rating, identity, and credibility are influential (e.g. [4,31]). But some popular vendor websites, such as Amazon, have online product reviews so vast that they create information overload, and adding peripheral cues with video presentation format may not always have a positive impact [88, 119]. This has to be systematically investigated to determine if indeed adding video based presentations would be beneficial to vendors.

IS research findings show that presentation with peripheral visual cues attracts attention and can be more persuasive in e-commerce [1, 10,44,56,67,114]. Visual presentation formats confirm verbal descriptions and reduce uncertainty about product performance [67,114]. Dynamic and moving videos capture attention, by vividly presenting stimuli for different processing channels to enhance cognition [44,56, 78,114,121]. In electronic WOM, and more generally in e-commerce contexts, capturing attention is a big challenge, and visual cues could help [30,74,79].

However, although visual cues and moving images attract attention, they may also distract and split attention, depending on the context. Thus rich presentation formats could be counterproductive [44,69,77, 78,109,121]. Some researchers argue that distraction and unplanned consequences may happen only occasionally, when users focus on the visual saliency rather than the content, or where the visual cues are