

Effects of online review positiveness and review score inconsistency on sales: A comparison by product involvement

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ABSTRACT

This study demonstrates the unique importance of online review positiveness and review score inconsistency in increasing product sales which vary for low and high involvement products. Two different datasets of online consumer reviews of high and low involvement products (i.e., musical instruments and digital music, respectively) and their associated sales ranks were obtained from Amazon.com. To extract sentiments, a document-based sentiment analysis technique was used. The findings reveal that for high involvement products, review text sentiment, review score and review score inconsistency impact product sales, while for low involvement products, review title sentiment, and review score impact product sales.

1. Introduction

According to a recent consumer market report, the number of consumers who read online consumer reviews has increased 20%, from 71% in 2010 to 91% in 2016 (BrightLocal, 2016). This increase in the number of online consumer review readers has highlighted the impact of online consumer reviews on product sales (Bambauer-Sachse and Mangold, 2011; Chevalier and Mayzlin, 2006; Cui et al., 2012; De Maeyer, 2012; Dellarocas et al., 2004; Heng et al., 2018; Plotkina and Munzel, 2016). However, the existing literature mainly considers anecdotal evidence regarding the association between online consumer reviews and product sales (Chevalier and Mayzlin, 2006; Cui et al., 2012; De Maeyer, 2012). Moreover, there are mixed arguments in the literature regarding the impacts of online reviews on product sales. For example, while Chevalier and Mayzlin (2006) suggested that positive online consumer reviews enhance product sales, Cui et al. (2012) argued that positive online consumer reviews do not necessarily affect product sales. Therefore, this study has been conducted to investigate the conditions under which online consumer reviews translate into product sales.

In general, when an online shopper reads a positively-written online review about a particular product, she/he will be more inclined to purchase that product, compared to when she/he reads a negatively-written review (Vermeulen and Seegers, 2009). An online consumer review contains various types of information such as review text, review title, and review score. It is expected that reading a positive review that encompasses a high score, a positive sentiment, and a positive

title sentiment impacts consumers' willingness to purchase a product from that website. Thus, the first objective of this study is to conceptualize and validate the concept of online review positiveness and investigate its impact on product sales.

According to the Heuristic-Systematic Model (HSM) of Information Processing (Chaiken, 1980), individuals process available information either heuristically or systematically (Baek et al., 2012). While systematic information processing is used when individuals try to carefully evaluate an argument (e.g., examine online review positiveness), heuristic information processing is often used when individuals try to quickly examine the validity of a piece of information using a simplified metric (Baek et al., 2012). In the context of this study, a review score that reflects the overall evaluation of a review writer about the quality of a product (Hu et al., 2006) is a proper example of a simplified metric. The inconsistency in the review scores for a particular product raises a concern about its quality, and may reduce consumers' willingness to purchase that product. Hence, the second objective of this study is to investigate the impact of online review score inconsistency on product sales.

Previous studies have found that consumers who are looking for low involvement products will engage in less extensive information search compared to those who are looking for high involvement products (Ghasemaghahi and Hassanein, 2015). For high involvement products (e.g., musical instrument) consumers often spend large amounts of time to evaluate the quality of the products to make sure they match their needs and preferences. Current literature argues that the effect of online consumer reviews on sales varies by product involvement (Gu et al.,

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2012; Park et al., 2007). For instance, to purchase high involvement products, consumers may pay more attention to the review sentiment, whereas to purchase low involvement products, they may consider mainly the review title sentiment in making their purchasing decisions. However, current literature does not provide any empirical evidence about the impact of online consumer reviews on sales and the role of product involvement in this association. Hence, the third objective of this study is to investigate to what extent the impacts of online review positiveness and review score inconsistency on product sales are different between high and low involvement products.

To satisfy these research objectives, this study proposes and empirically validates a research model using two different panel sets of online consumer reviews of both high and low involvement products (i.e., musical instruments and digital music, respectively) and their associated sales ranks obtained from Amazon.com for a period of five years (He and McAuley, 2016; McAuley et al., 2015). Moreover, to extract review text sentiment and review title sentiment, this study leverages a document-based sentiment analysis technique.

2. Theoretical background

2.1. Online consumer reviews and product sales

Prior to purchasing a product, consumers often evaluate its quality (Eslami and Ghasemaghaei, 2017). With the proliferation of online shopping websites, consumer reviews have become a popular source of information among online consumers to evaluate the quality of a product that may eventually impact consumers' willingness to purchase that product (Ha et al., 2015; Zhu and Zhang, 2010). Chevalier and Mazylin (2006) have studied the effect of online customer reviews on sales of books from two different online vendors (i.e., Amazon.com and BN.com). They suggest that positive online reviews could impact product sales. On the other hand, De Maeyer (2012) argued that positively-written reviews may not impact product sales. Ghose and Ipeirotis (2006) suggest that online consumer reviews that contain both subjective (e.g. review score) and objective (e.g. review text sentiment) types of information are more informative in understanding the quality of products. Similarly, Chen et al. (2016) argue that the positiveness of the online source of information could predict online consumers' intention to purchase. Floyd et al. (2014) conducted a meta-analysis and found the significant impact of online consumer reviews on product sales. Nguyen et al. (2018) conducted a literature review paper and emphasized the importance of online consumer reviews on consumers' behavior (e.g., purchase, repurchase, product return). Although recent studies (e.g., Floyd et al., 2014; Ghasemaghaei et al., 2018; Jeong and Koo, 2015; Kandampully et al., 2015; King et al., 2014; Lee and Cranage, 2014; Nguyen et al., 2018; Rese et al., 2014) argue the importance of online consumer reviews on product sales, further investigation is required to examine this relationship for different product types.

Studies argue that the effect of online consumer reviews on product sales varies by product involvement (Park et al., 2007; Gu et al., 2012). Product involvement measures a consumer's psychological and monetary involvement in the purchase process of a product (Traylor, 1981). To purchase a high involvement product, a consumer spends more time and effort to evaluate the product and becomes more emotionally and monetary involved in the purchase process of that product (Gu et al., 2012). On the other hand, to purchase a low involvement product, a consumer spends less time and effort to evaluate its quality, and is willing to spend less money to purchase it (Traylor, 1981).

The effect of the content of online consumer reviews on consumers' online shopping decision-making may be varied for low and high involvement products (Stephen and Galak, 2012). This could be due to the fact that compared to low involvement products, consumers may consider different factors to evaluate the quality of high involvement products. However, the existing literature mainly considers anecdotal

evidence regarding the impact of online consumer reviews on product sales and whether this impact would be different for low and high involvement products (Chevalier and Mayzlin, 2006; Cui et al., 2012; De Maeyer, 2012; Ghose and Ipeirotis, 2006). Therefore, to address the above gaps, this study has been conducted to investigate the impact of online consumer reviews on product sales, and to examine to what extent this effect is different between high and low involvement products.

2.2. Heuristic-systematic model of information processing

The Heuristic-Systematic Model (HSM) of information processing (Chaiken, 1980) is one of the most well-known theories that deals with human information processing in the presence of a persuasive message. The main premise of this theory is that individuals tend to minimize their cognitive resource usage when trying to process the content of a persuasive message (Chen and Chaiken, 1999). Individuals either heuristically or systematically analyze the content of a persuasive message (Baek et al., 2012). Individuals heuristically process the content of a message when they try to quickly examine its validity using a series of simplified metrics. On the other hand, they systematically process the content of a message when they try to evaluate its argument carefully (Chaiken and Eagly, 1989).

Online consumers often go through various steps (e.g., information search, alternatives evaluation) to make their purchasing decisions. To evaluate their purchasing alternatives, consumers often read online consumer reviews (Ghasemaghaei et al., 2016; Mudambi and Schuff, 2010). As these reviews provide a first-hand usage experience, they are deemed to be valuable in assessing the quality of products (Salehan and Kim, 2016). An online consumer review contains various types of information such as review text, review title, and review score. This study uses the HSM to analyze the effects of online consumer review positiveness (as a systematic path) and online review score inconsistency (as a heuristic path) on online product sales.

Consumers who use heuristic-information processing mainly look for some simplified metrics (e.g., review score) to make their purchasing decisions. According to Mudambi and Schuff (2010), to heuristically process online reviews, consumers mainly assess the consistency of a review score with the average score of other online consumer reviews about the same product. This process is called review score inconsistency check (Baek et al., 2014). Review score inconsistency reveals the extent to which consumers are consistent in measuring the quality of a product. On the other hand, consumers who use systematic-information processing mainly look for more detailed information before making their purchasing decisions (Gollwitzer and Bargh, 1996; Lee et al., 2008). They may examine information such as review sentiments, review title sentiments, and review scores to make their purchasing decisions.

3. Research model and hypotheses development

The research model in Fig. 1 uses the HSM discussed above to explain the impact of online review positiveness and review score inconsistency on product sales for both low and high involvement products.

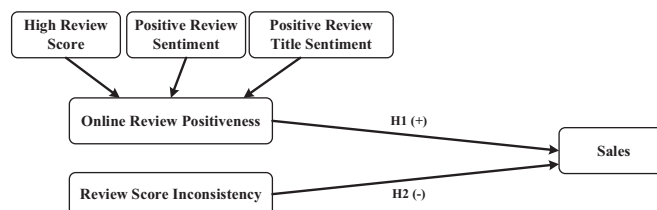


Fig. 1. Proposed research model.

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