Research on the Impact of Online Reviews on Consumer Buying Behaviour

Yu Zhou1,*

1Economics and Management, Nanjing Institute of Technology, 211167, China

Abstract. Online reviews, as a major form of online word-of-mouth, are one of the important reference indicators for consumers. This paper examines the impact of online reviews on consumers' purchase intention by designing a questionnaire and conducting an empirical study on the quality, type and validity of online reviews. The study finds that there are differences in consumers' perceptions of the type of online reviews, with a more significant effect on the perceived usefulness of negative reviews; the quality and validity of reviews have a positive effect on consumers' purchase intentions. The study concludes that merchants need to make good use of reviews and improve the overall quality of reviews to gain consumers' trust and increase their willingness to buy. Through the study, a theoretical foundation for the further development of e-commerce is laid.

1 Introduction

Since the beginning of the Web 2.0 era, various e-commerce platforms have emerged and instantly surrounded people's lives. And with the development of the market-oriented economy, the "Internet + economy" model has gradually become popular, and the growth of the Internet community contains huge consumption potential. According to the 2022 Statistical Report on Internet Development in China, as of December 2021, the number of Internet users in China reached 1.032 billion, an increase of 42.96 million from December 2020, and the Internet penetration rate reached 73.0%. Among them, mobile phones are still the most dominant device for accessing the Internet, with 99.7% of China's Internet users using mobile phones to access the Internet. By June 2021, the size of China's online shopping users reached 812 million, an increase of 29.65 million from December 2020, accounting for 80.3% of Internet users as a whole. This shows that China's internet consumption potential is huge and still has a lot of room to rise.

In contrast to offline consumption, online consumption, where the actual item is not visible, is often a factor that consumers take into account when making decisions, after a series of mental selection activities before making their final decision. One of the most important shopping reference factors is the reputation of the product, and online reviews are the main form of online reputation. The study of consumer behaviour through the analysis of the psychological impact of online reviews on consumers has always been a subject of interest for scholars at home and abroad. However, as the national economy continues to develop and people's living standards continue to improve, the focus of consumers' consideration when shopping is also shifting.

Therefore, based on communication psychology, this study integrates previous research on the role of online reviews on consumers, constructs and discusses a hypothetical relationship between online reviews and consumers' willingness to buy, tests the hypothesis through a questionnaire, helps consumers make better decisions through effective reviews, and also helps major e-commerce platforms to push forward and build a better review system, providing new ideas for a better balance between economic development of e-commerce and healthy shopping. The survey will also help e-commerce platforms to build a better review system and provide new ideas for a better balance between e-commerce economic development and healthy shopping.

2 Literature Review

In order to explore consumers' attitudes towards online reviews and how they are influenced by them, scholars at home and abroad have conducted various studies on the influence mechanisms of online reviews, and many valuable results have been achieved.

2.1. Research on online reviews

Online reviews refer to the comments made by consumers on the platform about the usage experience, price, quality and other aspects of the purchased goods after making a purchase on the Internet for reference use by other purchasers. Zhang Siyuan (2020) argues that online reviews can provide consumers with a more accurate reference of product parameters and reduce
consumption risks, but due to the unsoundness of the online shopping mechanism, a large amount of false information exists, which has a very bad impact on other potential consumers. Therefore, establishing a scientific online information screening mechanism and improving the quality of online reviews is the primary goal of optimising the current online environment [1].

Online reviews can be divided into positive and negative reviews, and in general, negative reviews provide a better basis for consumer shopping and business improvement than positive reviews. Zhao Shanyan, Cheng Yue, and Zhang Yancai (2022) found that the higher the number of reviews, the better the product sales, and that a larger number of negative reviews would discourage consumer behaviour [2]. The coexistence of positive and negative reviews can also lead to information full of ambivalence, and Ma Yanli (2014) concluded that in a situation where positive and negative reviews are in equal proportion, consumers' cognition, emotion and purchase intention are significantly lower. Under the influence of contradictory reviews, the change in emotion was greater for those with high affect and the change in intention was greater for those with low ambivalence [3]. Yingnan Zhao, Xin Wang, Quansheng Wang, Chao Min and Xiaowei Chen (2020) show that the negative impact of default positive reviews is a consequence of interfering with consumer judgment and reducing consumers' perceived product diagnosticity. Merchants should take steps to proactively avoid the negative effects of default positive reviews, especially for search items, ranked products and products distributed through agents [4].

2.2 Research on the factors influencing consumer purchase behaviour

Buying behaviour is a complex process and consumers consider multiple factors when making a purchase, from need to contact to finalisation of the purchase, with many possibilities influencing the final decision at each step.

Chen Rui (2015) classifies the factors influencing consumer purchase behaviour into two categories: extrinsic factors and intrinsic factors. Extrinsic factors include product novelty and price, while intrinsic factors include consumers' values, behavioural factors and age [5].

In summary, the impact of online reviews on consumers has been recognised and widely noted by many scholars. Much of the literature has analysed the mechanics of online reviews and it is generally accepted that their presence helps consumers to make better decisions. However, as the current online e-commerce model continues to innovate, the mechanisms of online reviews are becoming more complex and changing all the time, and there are many uncontrollable factors in consumer psychology, the exact impact of online reviews on consumer psychology still needs to be further explored.

3 Assumptions

3.1. Uncertainty reduction theory (URT)

Proposed by the academic Berger, it refers to the uncertainty that exists when communicating with strangers, which rapidly decreases as the interaction proceeds.

In an online review environment, when a consumer is looking at someone else's review, they may feel distrustful of what they are saying because they are a stranger to the reviewer and have not established a good relationship with them in advance. Therefore, adding as much personal text and images to a review as possible to prove that it is based on the reviewer's true feelings will reduce uncertainty and mistrust, thus increasing the value of the review.

3.2. Crowd mentality

Crowd-surfing has its roots in social psychology. In psychology, herding behaviour refers to individuals abandoning their own attitudes or ideas in response to group pressure to conform to the behaviour of the majority.

In an online review environment, consumers may have read many other reviews before scoring them, and subconsciously remember their rating scores. When scoring themselves, they are likely to be influenced by the existing reviews and unconsciously develop a herd mentality when scoring, thinking that their feelings may be similar to others and therefore giving the same rating as the majority, thus ignoring their true feelings.

3.3. Research hypothesis

Among the e-commerce platforms with a large number of users in China, such as Taobao and Jindo, their online rating systems are usually divided into three grades, representing good, average and poor. Due to the herd mentality, people tend to refer to other people's ratings and are influenced by their subsequent behaviour. People, in turn, have a strong risk perception and therefore generally look more at things that are more risky for them. So, even when both are reading reviews, or even reading the same review, consumers do not receive exactly the same impact. Therefore, the following hypothesis is proposed in this paper.

H1: The type of online reviews significantly affects consumers' purchase intentions.

H1a: Compared to positive reviews, negative reviews have a more significant impact on consumers' willingness to buy.

In addition to the basic scoring function, online reviews can also provide further descriptions such as text, pictures and videos, and the content of the graphical reviews can further deepen consumers' understanding of the products and better influence consumers' psychology. Therefore, the following hypothesis is proposed in this paper.
4 Method

This study investigates the impact of the type and quality of online reviews on consumers' purchase intentions, and therefore uses a comparative experimental approach, using questionnaires as a vehicle to analyse and measure the results based on the data from the returned questionnaires.

A total of 104 questionnaires were distributed using the Questionnaire Star platform and 98 questionnaires were valid, with a return rate of 94.23%. The statistical analysis results were as follows: 21 males (21.43%); 77 females (78.57%); 92 aged between 18 and 25, 6 aged between 25 and 30; 3 high school students and below, 54 undergraduate students and 41 postgraduate students. The percentage of those who had experience in online shopping was 100%; 81.63% of those who frequently shopped online, and 100% of those who had the habit of browsing online reviews before making shopping decisions. Overall, the female sample was higher than the male; the age distribution was younger; the overall literacy level was sufficient to understand the content of the questionnaire; the frequency of purchase was high, the familiarity with online reviews was high, and the responses to the context were reliable.

In summary, this sample of subjects is representative of the group of consumers capable of online shopping and can be used to analyse their data, laying the foundation for subsequent research and analysis. The questions in the questionnaires involved in this paper were all in the same direction (i.e. they were all asked positively and the correlation coefficients were all positive). Start of the experiment

Before, SPSS 26.0 was used as a statistical analysis tool to analyse the reliability of the variables designed in the questionnaire, (i.e. α value measure), and the result α = 0.767 , which is above 0.7, indicating that the variables obtained from the questionnaire design have relatively high reliability and can be used in the experiment. The linear regression analysis of variables such as review type, review quality and review trust can yield a significant effect on consumers' willingness to purchase.

5 Conclusion

In today's 'Internet+ economy', e-commerce platforms are dominating a large part of the consumer market and this paper therefore explores the impact of online reviews on consumers' willingness to buy. The hypothesis is based on existing research, and the experiment was conducted using a questionnaire. The analysis of the survey data shows that the type of online reviews significantly affects consumers' purchase intentions, and although most people use both positive and negative reviews as reference, negative reviews have a more significant impact on consumers' purchase intentions than positive reviews. At the same time, the quality of online reviews also significantly influences consumers' purchase intention. If the reviews are informative and easy to understand, the reviews will be more informative and influence consumers' activity psychology. In summary, i.e. hypotheses H1, H1a and H2 hold.

Even though the above analysis has verified some of the factors that influence consumers' willingness to buy, it does not cover all of them. People are complex creatures and society is full of different things, so research into consumer purchase intentions still has to explore more possibilities.

Research findings are ultimately applied to life. The development of online review systems to date has undoubtedly been positive for consumers and businesses alike. But it is still full of pitfalls that we all need to work together to maintain. A prerequisite for online reviews to play a positive role is the need for a good online consumer environment. Businesses need to take consumers' reviews seriously with the right attitude, provide follow-up feedback and services, gain consumers' trust, and in turn get a good reputation, forming a virtuous cycle. Regulators also need to strengthen management and regularly monitor and maintain the network to stop theft of information, deliberate screen-painting and other chaos. Finally, the law is still the last line of defence. The government should revise and improve its laws in this area, eliminate grey areas and not let any illegal acts go unpunished.

Building a healthier online consumer market environment will not be born overnight, and will require the joint efforts of businesses, the government and consumers in the future. It is important to create a harmonious consumer environment and promote the development of online reviews so that consumers can buy more satisfactory products and truly promote the development of the market economy.

References

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