A STUDY ON THE INFLUENCE OF ONLINE REVIEWS AND RATINGS ON CONSUMER'S DECISION MAKING

A report submitted to Department of Commerce, Higher and Technical Institute, Mizoram (HATIM) for the academic year of 2024

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CERTIFICATE

This is to certify that the dissertation entitled "A study on the influence of online reviews and ratings on consumer's decision making" submitted to the Mizoram University for the award of the degree of Bachelor of Commerce, is a record of research work carried out by 'R. Lalngaihawmi' under my supervision. She has fulfilled all the requirements laid down in the MZU regulations of Mizoram University.

This dissertation is the result of her investigation into the subject. Neither the dissertation as a whole nor any part of it was ever submitted any other University for any degree.

Date:29.04.2024

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DECLARATION

I, R. Lalngaihawmi, hereby declare that the subject matter of this dissertation is the record of work done by me, that the contents of this dissertation did not form basis of the award of any previous degree to me or to do the best of my knowledge to anybody else, and that the dissertation has not been submitted by me for any research degree in any other University or Institute. This is being submitted to the Mizoram University for the degree of Bachelor of Commerce.

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Firstly, I thank the Almighty God for showering his grace upon me throughout my research period. May his name be glorified forever more.

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I know that none of this would have been possible without the love and patience of my family. I am thankful to them for being a constant source of love, concern, and strength not only during the course of the study, but always.

Last but not the least; I extend my deepest gratitude to all the respondents of my study who kindly took their precious time to share their opinions.

Thank you,

R. Lalngaihawmi

Contents

List of Tables

List of Figures

Chapter-I

Introduction

1.1 Conceptual Framework

Consumers have long relied on advices and recommendations from others before making purchasing decisions. With the emergence of internet, the effort to find someone whom a consumer can trust and rely upon both in terms of knowledge and experience for a particular product is no more in need. The first online reviews began to make an appearance in 1999. At first, they were largely contained to specific seller websites like eBay, but soon there were three main contenders: Epinions, RateItAll, and DEJA.

Consumers shopping online cannot touch or smell products, as would be possible in traditional retail outlets, so their purchase judgments are based on the product information presented on the Web site. Online sellers seek to overcome this limitation by giving consumers the opportunity to share product evaluations online. This consumer-created information is helpful in making purchase decisions because it provides indirect experiences of products. With the popularity of the Internet, computer networks are profoundly affecting consumers' decision-making behavior. Gelb and Johnson proposed information communication and exchange through the internet is an emerging form of word-of-mouth communication, namely "online word-of-mouth", which turns traditional interpersonal into online communication.

Consumers begin to post comments on the experience of products or services online. Compared with basic information such as restaurant address, business hours, consumers are more willing to learn about the real dining experience and make consumption decisions through online reviews of other consumers.

Therefore, third-party review sites have emerged. In 2003, the Dianping appeared in the world's first third-party review website. In 2020 Dianping announced that nearly 30 million reviewers active in Dianping, contributing more than 100 million content. As a popular website, it provides the foundation for this study. Besides, college students often online and have knowledge foundation, become this research object. Researchers revealed that people use unconscious routines to cope with the complexity inherent in most decisions. These routines, known as heuristics, serve people well in most situations, but it is not foolproof. The user-oriented information provided in this way is, in effect, a new kind of word-of-mouth

communication. As an independent product-information resource, online reviews are increasing in popularity and importance.

Consumer purchasing decision after reading online comments is a psychological process combining vision and information processing. As evident from the literature, much of the research has focused on the outcome and impact of online reviews affecting purchasing decisions but has shed less light on the underlying processes that influence customer perception (Sen and Lerman, 2007; Zhang et al., 2010; Racherla and Friske, 2013). While some studies have attempted to investigate the underlying processes, including how people are influenced by information around the product/service using online reviews, there is limited research on the psychological process and information processing involved in purchasing decisions. The eye-tracking method has become popular in exploring and interpreting consumer decisions making behavior and cognitive processing (Wang and Minor, 2008). However, there is very limited attention to how the emotional valence and the content of comments, especially those negative comments, influence consumers' final decisions by adopting the eye-tracking method, including a gender comparison in consumption, and to whether consumers are suspicious of false comments.

1.1.1 Meaning

Online reviews and ratings refer to feedback and opinions shared by customers or users about products, services, or experiences on various online platforms. These reviews can be in the form of written text, star ratings, or a combination of both. They provide valuable insights and information for potential customers who are considering a purchase or seeking a particular service.

The meaning of online reviews and ratings lies in their influence on consumer decision-making. They serve as a way for customers to share their experiences, express satisfaction or dissatisfaction, and provide recommendations to others. These reviews can help prospective buyers gauge the quality, reliability, and overall value of a product or service before making a decision.

For businesses, online reviews and ratings are a reflection of their reputation and customer satisfaction. Positive reviews can enhance credibility, attract new customers, and build trust, while negative reviews can potentially harm a business's reputation and deter potential customers.

Overall, online reviews and ratings play a crucial role in shaping consumer perceptions, influencing purchasing decisions, and enabling customers to make informed choices based on the experiences of others.

1.1.2 Importance

1. Trust and Credibility: Online reviews and ratings help establish trust and credibility for businesses. When potential customers see positive reviews from others, it builds confidence in the product or service and increases the likelihood of making a purchase.

2. Social Proof: People tend to rely on the experiences and opinions of others when making decisions. Online reviews and ratings provide social proof, showing that others have had positive experiences with a particular product or service. This can influence potential customers to choose that option.

3. Informed Decision-Making: Reviews and ratings provide valuable information about a product or service. They offer insights into quality, performance, features, and even customer service. This helps consumers make more informed decisions, ensuring they choose something that meets their needs and expectations.

4. Feedback for Businesses: Online reviews and ratings provide businesses with valuable feedback from their customers. By analyzing reviews, businesses can identify areas for improvement, address customer concerns, and enhance their overall offerings. This feedback loop helps businesses grow and adapt to meet customer needs.

5. Visibility and Exposure: Positive reviews and high ratings can improve a business's visibility and exposure. Many consumers use review platforms or search engines to find products or services. Having a strong presence with positive reviews can attract more potential customers and increase brand visibility.

6. Competitive Advantage: In a competitive market, positive reviews and high ratings can give businesses a competitive edge. When compared to competitors with lower ratings or fewer reviews, businesses with a strong online reputation are more likely to attract customers and stand out from the crowd.

7. Authenticity and Transparency: Online reviews and ratings provide an authentic and transparent view of a business. They come directly from customers, offering unbiased opinions and experiences. This transparency helps build trust between businesses and consumers.

8.Continuous Improvement: By actively monitoring and responding to online reviews, businesses can demonstrate their commitment to customer satisfaction. This creates a cycle of continuous improvement, where businesses can address issues, resolve complaints, and enhance their offerings based on customer feedback.

1.1.3 Emotion Valence of Online Product Review and Purchase Intention

Although numerous studies have investigated factors that may influence the effects of online review on consumer behavior, few studies have focused on consumers' perceptions, emotions, and cognition, such as perceived review helpfulness, ease of understanding, and perceived cognitive effort. This is because these studies are mainly based on traditional self-report-based methods, such as questionnaires, interviews, and so on, which are not well equipped to measure implicit emotion and cognitive factors objectively and accurately (Plassmann et al., 2015). However emotional factors are also recognized as important in purchase intention. Consumer reviews contain both positive and negative emotions. Generally, positive comments tend to prompt consumers to generate emotional trust, increase confidence and trust in the product and have a strong persuasive effect. On the contrary, negative comments can reduce the generation of emotional trust and hinder consumers' buying intentions (Archak et al., 2010). This can be explained by the rational behavior hypothesis, which holds that consumers will avoid risk in shopping as much as possible. Hence, when there is poor comment information presented, consumers tend to choose not to buy the product (Mayzlin and Chevalier, 2003). Furthermore, consumers generally believe that negative information is more valuable than positive information when making a judgment (Ahluwalia et al., 2000). For example, a single-star rating (criticism) tends to have a greater influence on consumers' buying tendencies than that of a five-star rating (compliment), a phenomenon known as the negative deviation.

1.2 Literature Review

Zhu and Zhang (2010) examined the impact of online reviews on hotel bookings. They found that positive reviews had a higher influence on consumer decisions, meaning that positive reviews can play a bigger role in influencing people to book a particular review. They also found that online reviews were more influential for products with higher prices and for products that are not well known to consumers.

Yu et al. (2010) also demonstrated that the different emotional tendencies expressed in film reviews have a significant impact on the actual box office. This means that consumer reviews contain both positive and negative emotions. Generally, positive comments tend to prompt consumers to generate emotional trust, increase confidence and trust in the product and have a strong persuasive effect.

Feray Adiguzel (2021) examines the effects of consumer engagement behaviour towards game reviews posted on YouTube on video game sales. The findings indicated that consumer engagement behaviour of YouTube reviews significantly influenced sales; however, the effect is not larger than critics' and consumers' text reviews. Consumer reviews have the highest positive impact on sales. YouTube review sentiment did not influence sales and YouTube reviews posted by an influencer (i.e., user) compared to a firm (i.e., marketing generated) did not have higher sales.

Qianhui Hou (2023) studied the impacts of online reviews on consumers purchase intention of video game Items in China, the study key finding is that sponsored influencer reviews will lead to lower consumer purchase intentions, compared to both user-generated reviews and influencer reviews.

Fan et al. (2022) studied the effects of online text comments on patient choices. The research findings indicate that the online preferences for and evaluations on doctors provide strong support and guidance for improving doctor-patient relationships and offer implications for medical practices and healthcare platforms improvement.

Kausaha et al. (2023) studied the influence of online customer review and online customer rating on GoFood purchase decisions in the Gojek application. The results indicate that partially online customer reviews have a significant effect on purchasing decisions for GoFood on the Gojek application, while online customer ratings partially have no significant effect on purchasing decisions for GoFood on the Gojek application, and simultaneously or together online customer reviews and online customer ratings have an effect significantly to GoFood purchasing decisions on the Gojek application.

Dimoka et al. (2012) observed that customers are facing difficulties in terms of inadequate information about the product, its trustworthiness etc. To overcome such difficulties, the customers are using online product reviews and ratings, which in turn guides their future purchase behavior.

Gavilan et al. (2017) studied the influence of online ratings and reviews on hotel booking consideration. Results suggest an asymmetric interaction between numerical ratings and reviews: When the rating is good, the trust in the rating depends on the number of reviews, but conversely, if the rating is bad, the number of reviews has no effect on how trustworthy the rating is. Academic and managerial implications of this study and scope for future research have also been discussed.

Rahman et al. (2022) studied the influence of online customer review and online customer rating on purchase decisions at Tokopedia. The study's findings show that online customer reviews and online customer ratings have a substantial impact on purchase decisions.

1.3 Rationale of the study

The rationale of a study on the influence of online reviews and ratings on consumer decision-making is to understand the impact of customer feedback on consumer behavior in the online shopping world. With the rise of e-commerce, online reviews and ratings have become increasingly important in shaping consumer perceptions and purchase decisions. Understanding how these online opinions shape consumer choices can provide and help consumers navigate the vast amount of information available online and make more informed decisions based on the experiences of others. Additionally, exploring the impact of online reviews and ratings can have practical implications for businesses, as they can use the findings to improve their marketing strategies and enhance customer satisfaction.

1.4 Statement of the study

Nowadays, online shopping has become a very important part of our normal life and consumers do prefer shopping online as It saves a lot of their time. But still, consumers feel skeptical as to whether they can trust the online sites or not. Even though online piatforms provide reviews and ratings online still it is not clear whether the consumers trust them or not, try to refer to them or not, and change their shopping decision according to these reviews and ratings. Another issue that might occur is that there is no clarity about the fact that whether the consumers end up buying products unnecessary by getting influenced by the reviews and ratings or they only buy those products which they need and find necessary for themselves. So

it is necessary to conduct a study on the influence of online reviews and ratings on consumers decision-making.

1.5 Objectives of the study

1. To study the demography of the respondents.

2. To find out which types of reviews and ratings customers refer to the most.

3. To check whether customers find the reviews and ratings authentic and trustworthy.

4. To analyze the influence and impact of reviews and ratings on consumers decision-making

1.6 Research methodology

1.6.1 Sample size

Sample size denoted the number of elements selected for the study. For this research 63 respondents were selected who were willing to participate and share their opinions regarding the topic.

1.6.2 Sources of data collected

The primary data collected were through questionnaire which were circulated to the respondents through google forms.

The secondary data were collected through different sources. Such sources include journals and thesis published, existing research articles, various websites of the internet and few books, which have been very helpful in understanding the concept and meeting the objectives.

1.6.3 Methods of data collected

Numbers of questions were prepared to suit the objectives of the study. This was followed by data collection and the responses of every item in the questionnaire were interpreted.

1.6.4 Data Processing:

The collected data is processed by using Microsoft Word and Microsoft Excel and presented in frequency tables and percentages.

1.7 Limitations of the study

- The study is purely based on 63 respondents only.
- The study may rely on self-reported data from participants, which can be subject to biases or inaccuracies.
- The study might focus on specific online review platforms, which may not fully represent the diversity of platforms.
- The given time is found to be constraints.

<div align="center">

Chapter-II

Data Analysis and Interpretation

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Table 2.1 Age

15-20	27	42.9%
21-30	33	52.4%
31-40	2	3.2%
40 above	1	1.5%
Total	**63**	**100%**

Fig 2.1 Age
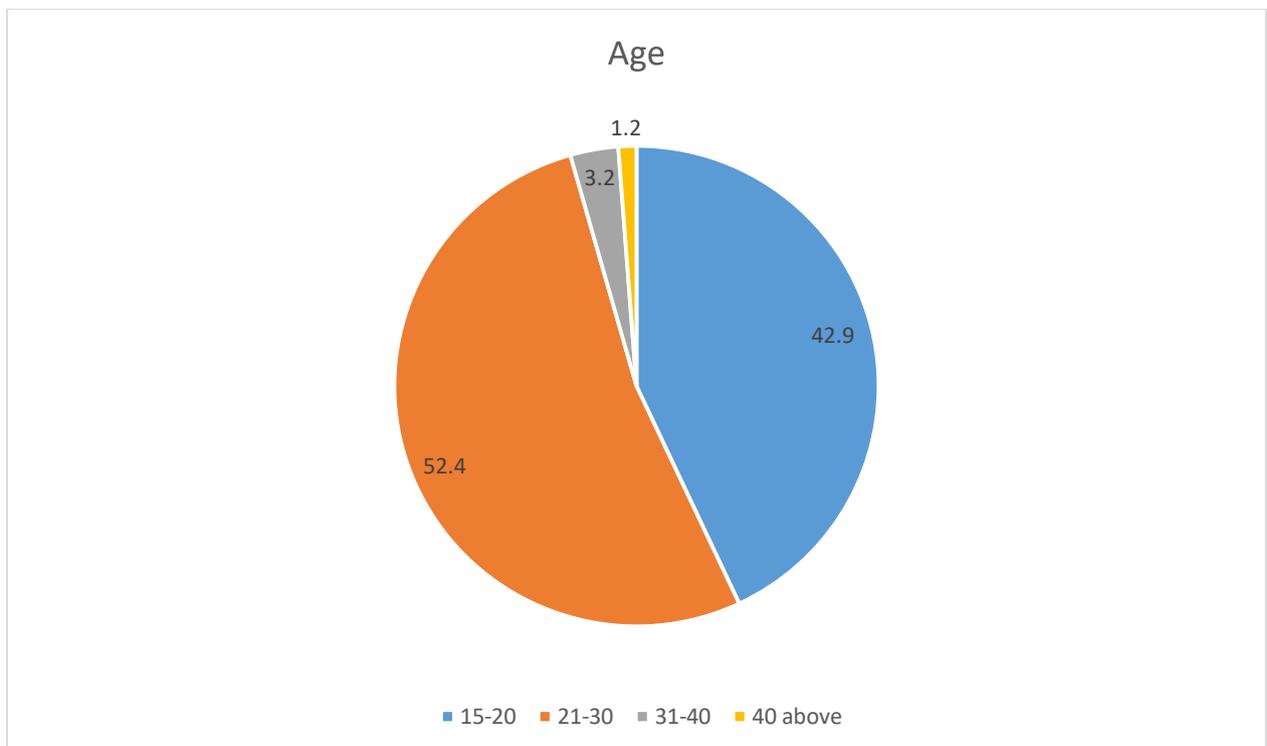
Interpretation

The above table and figure shows that, out of the total respondents, the maximum respondents are of age between 21-30 (52.4%), followed by the respondents of age between 15-20 (42.9%) and 31-40 (3.2%) and the minimum respondent are of age above 40 (1.5%).

Table 2.2 Gender

Male	26	41.3%
Female	37	58.7%
Total	**63**	**100**

Fig 2.2 Gender

gender

58.7   41.3

■ male ■ female
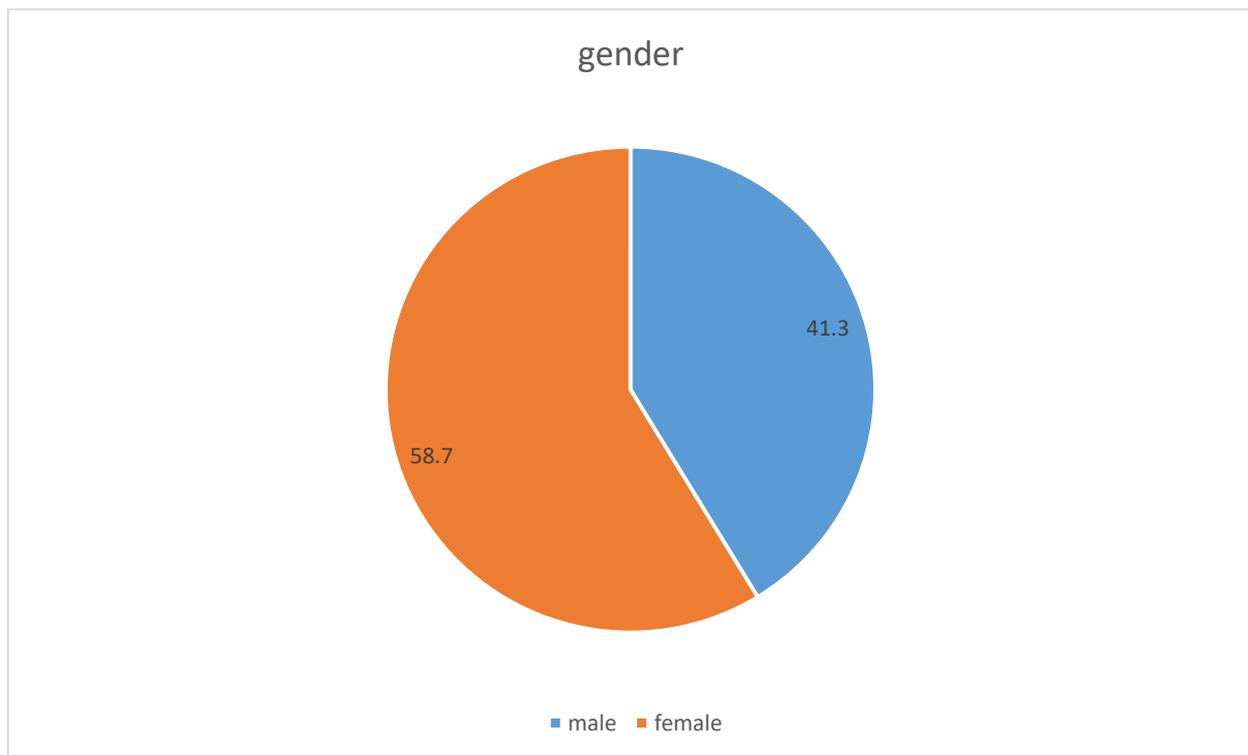
Interpretation

From the above table and figure, it can be seen that the majority of the respondents i.e. 58.7% belongs to female.

Table 2.3 Educational qualifications

HSLC & Under	2	3.1%
HSSLC	42	66.7%
Graduate & above	19	30.2%
Total	**63**	**100%**

Fig 2.3 Educational Qualification
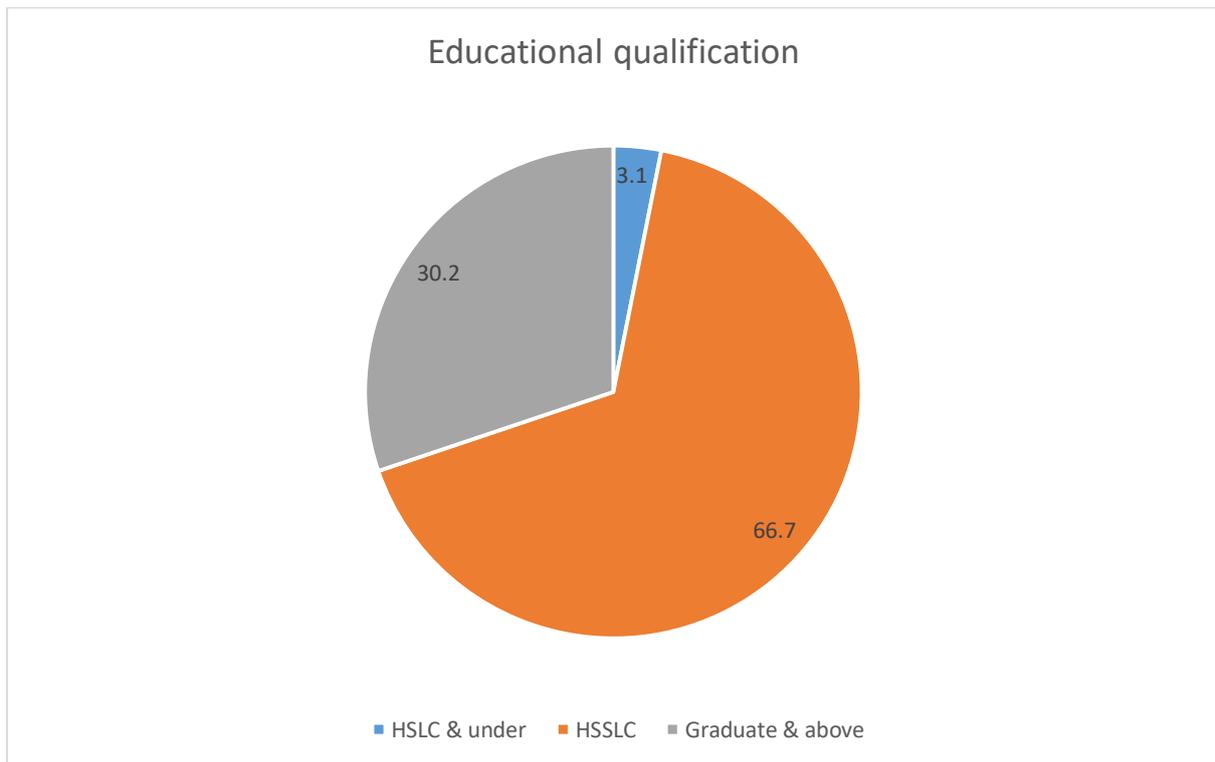
Interpretation

The above table and figure shows that majority of respondents i.e. 66.7% are the ones with HSSLC qualifications, followed by the respondents with Graduate & above qualifications (30.2%) and the minimum respondents are the ones with HSLC qualifications (3.1%).

Table 2.4 Marital status

Single	49	77.8%
Married	1	1.6%
Prefer not to say	9	14.3%
Unmarried	4	6.3%
Total	**63**	**100%**

Fig 2.4 Marital status
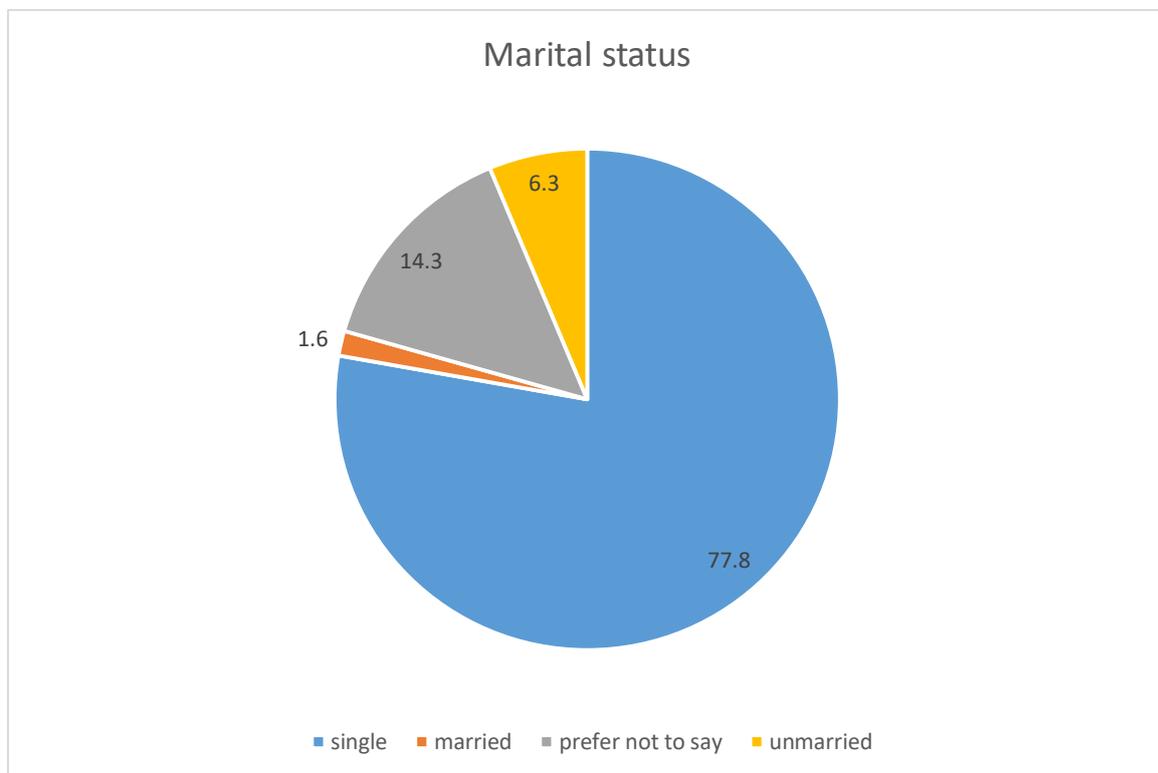
Interpretation

The above table and figure shows that majority of the respondents i.e. 77.8% are single, followed by the respondents who prefer not to say (14.3%), unmarried (6.3%) and the minimum respondents are married (1.6%).

Table 2.5 Do you prefer online shopping?

Sometimes	30	47.6%
Yes	28	44.4%
No	4	6.3%
Never	1	1.7%
Total	**63**	**100%**

Fig 2.5 Do you prefer online shopping?

Do you prefer online shopping?

- sometimes
- yes
- no
- never
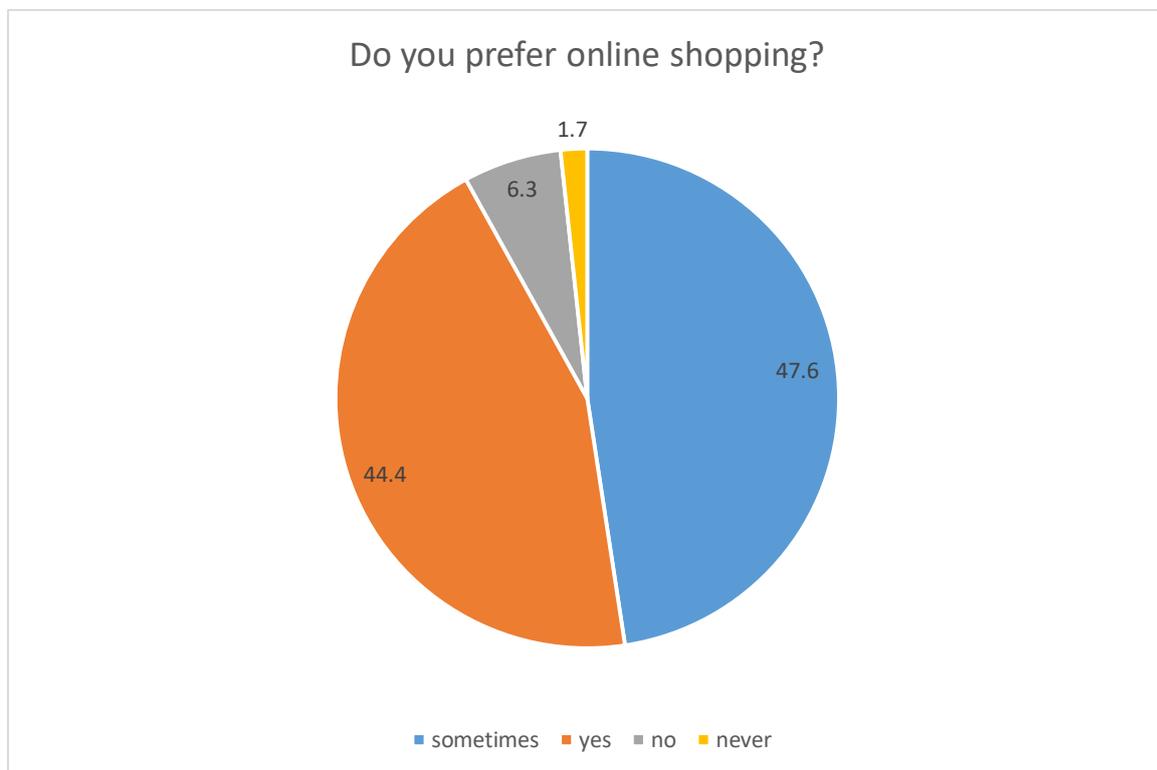
Interpretation

The above table and figure shows that 47.6% of the respondents sometimes prefer an online shopping and 44.4% prefer online shopping while 6.3% and 1.7% of the respondents doesn't prefer an online shopping.

Table 2.6 Which typical sources of information do you use before buying a product?

Internet	21	33.3%
Product reviews	34	54%
Friends and families	6	9.5%
Others	2	3.2%
Total	**63**	**100%**

Fig 2.6 Which typical sources of information do you use before buying a product?
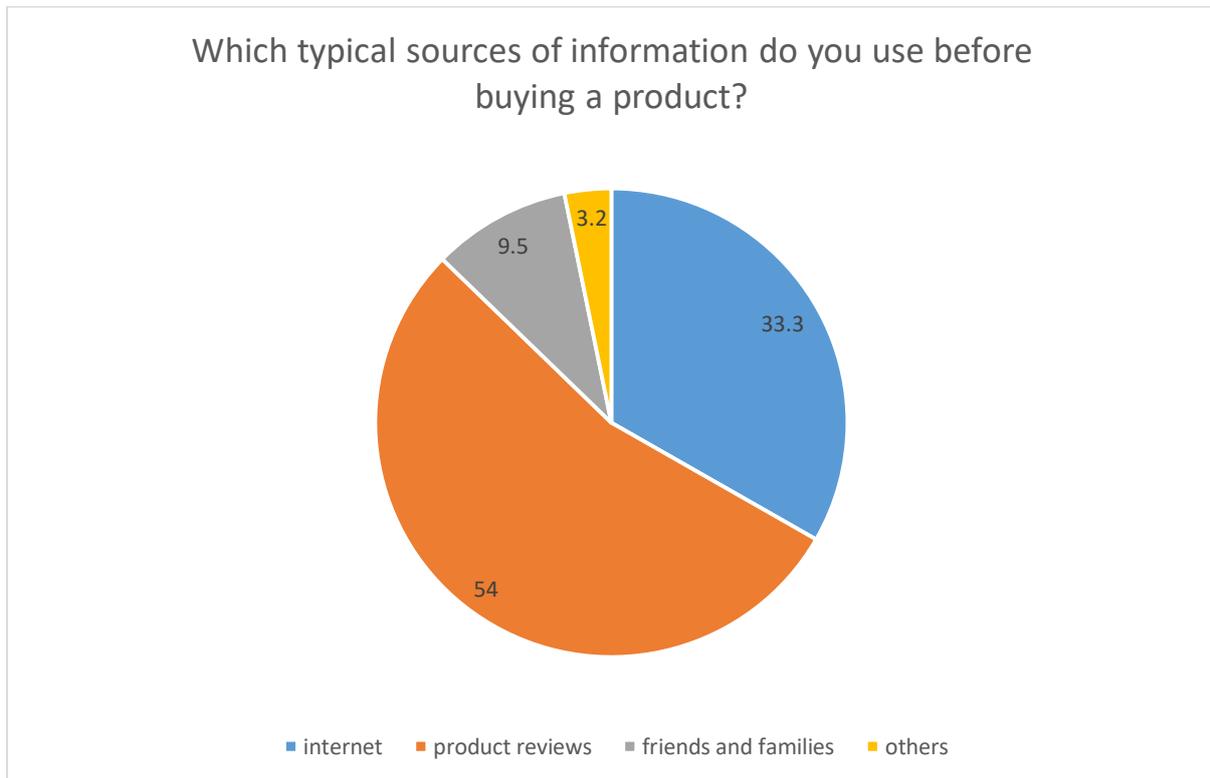
Interpretation

Respondents were asked about the information sources they use before buying a product and nearly 54% of them chose product reviews while votes for Internet came just about 33.3% and 9.5% of the respondents vote for friends and families for their sources of information and 3.2% use other sources.

Table 2.7 Have you ever checked online consumer reviews before purchasing a product?

Yes	47	74.6%
No	1	1.6%
Sometimes	15	23.8%
Total	**63**	**100%**

Fig 2.7 Have you ever checked online consumer reviews before purchasing a product?
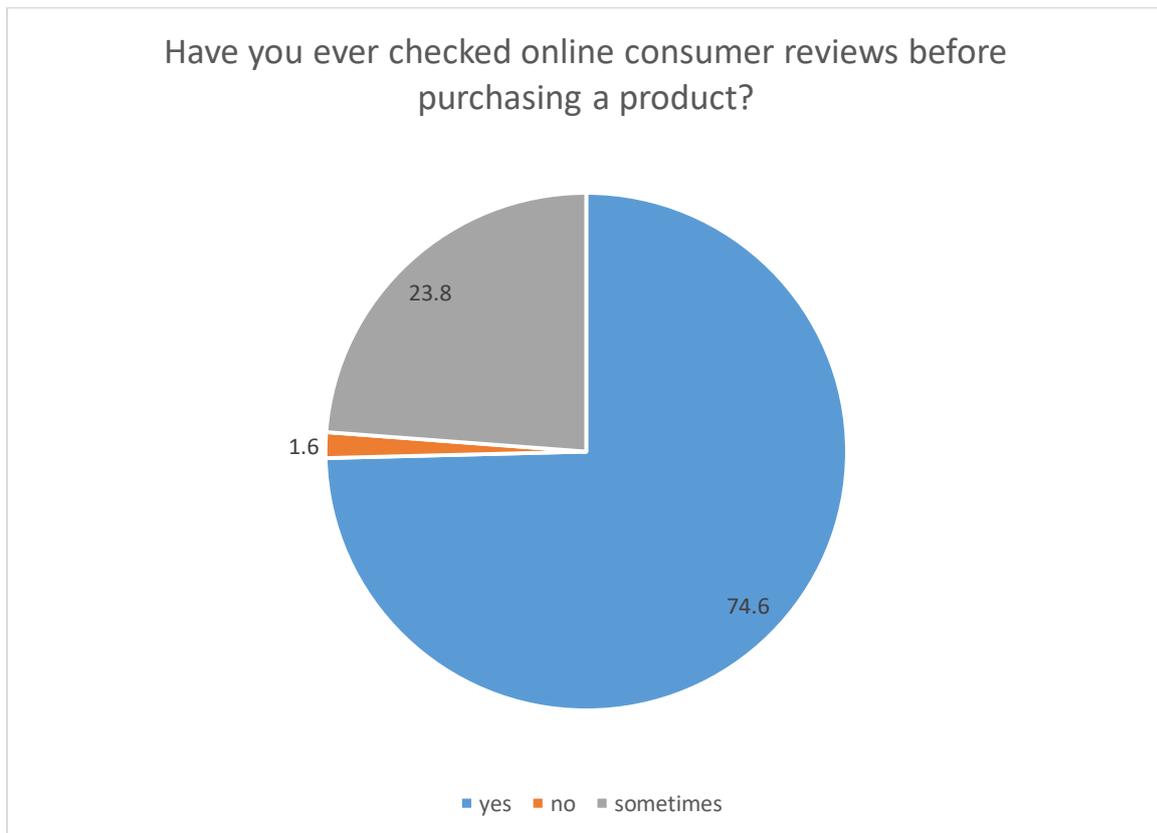
Interpretation

When independently asked if they have ever checked online product reviews nearly 74.6% of the respondents said they have. It can be concluded that consumers highly prefer internet as an information source and internet itself holds product reviews as a significant element catering to the product related information needs of the consumers.

Table 2.8 How important are online reviews for your buying decisions?

Unimportant	0	0
Barely important	13	20.6%
Very important	50	79.4%
Total	**63**	**100%**

Fig 2.8 How important are online reviews for your buying decisions?
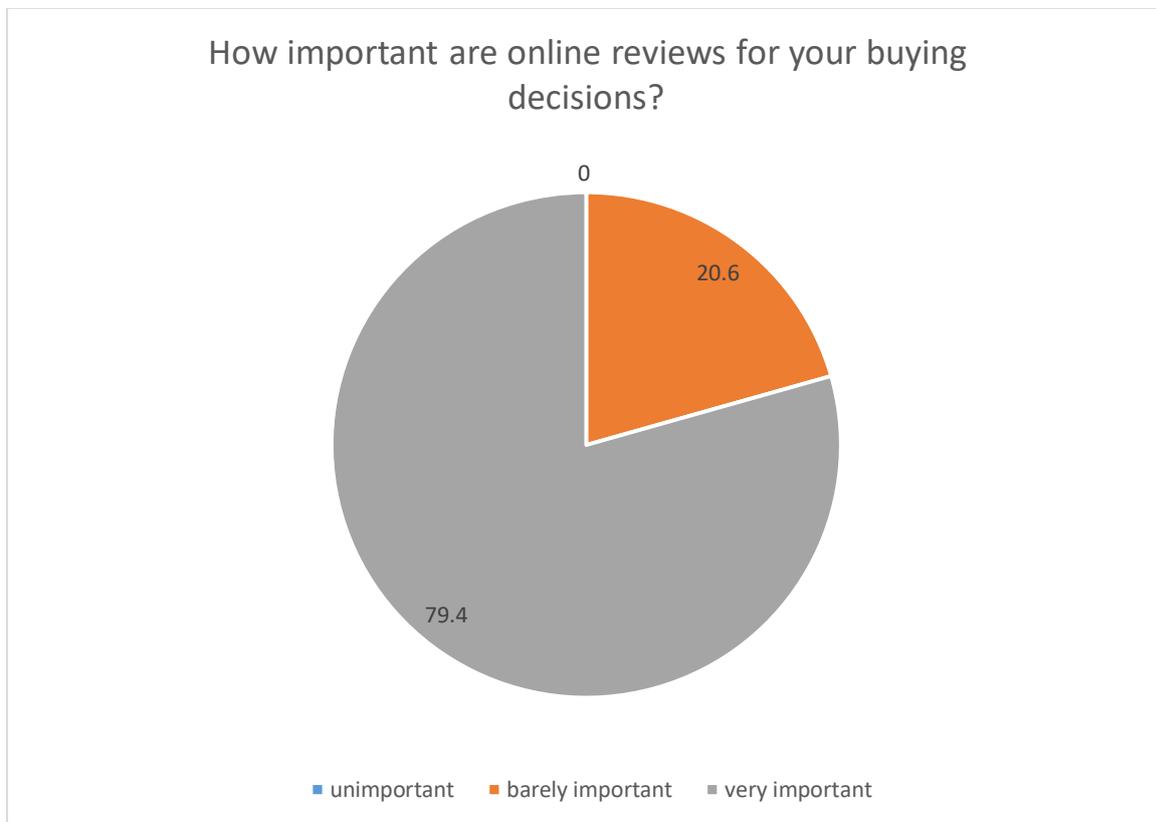
Interpretation

The above table and figures shows that 79.4% of the total respondents felt that online reviews are important for their buying decision and 20.6% of the total respondents felt that it is barely important and none of the respondents felt that online reviews are unimportant for their buying decisions.

Table 2.9 How often do you read online reviews before making a purchase?

Always	27	42.9%
Usually	25	39.7%
sometimes	11	17.4%
Total	**63**	**100%**

Fig 2.9 How often do you read online reviews before making a purchase?
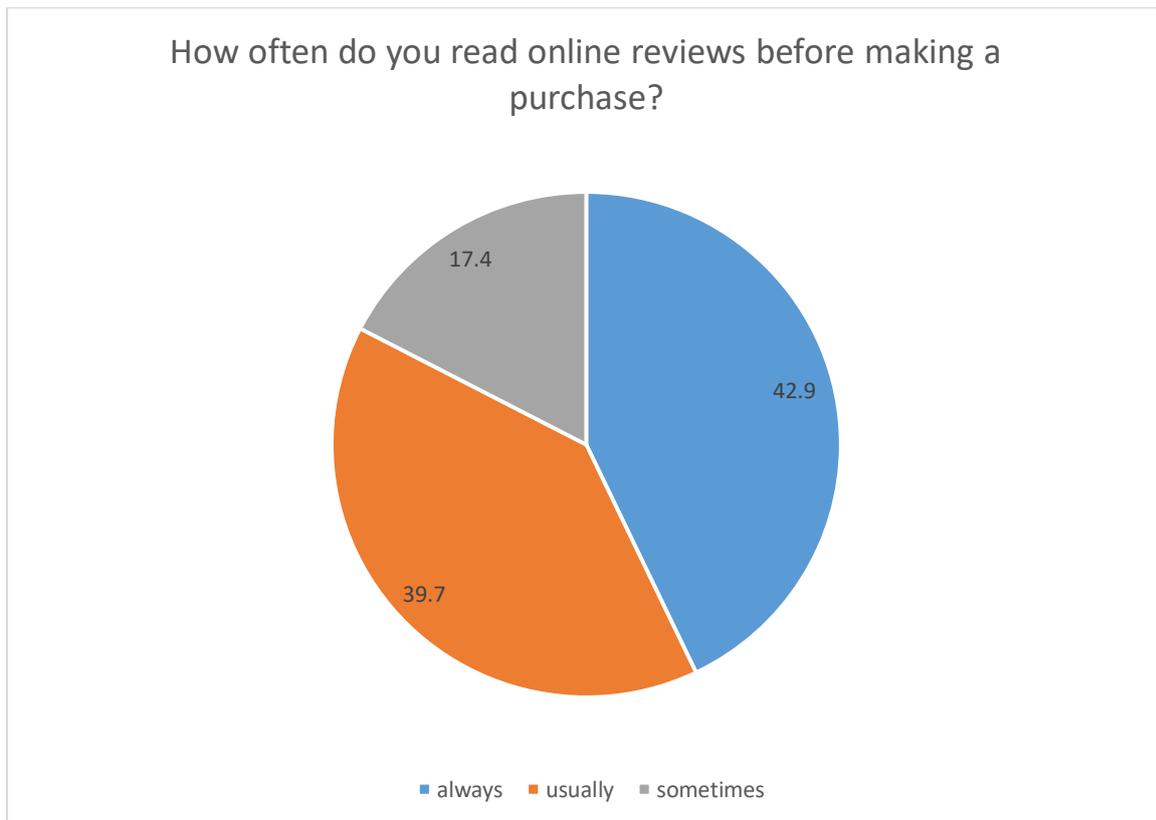
Interpretation

The above table and figure shows that 42.9% of the respondents have read online reviews before making a purchase and 39.7% of the total respondents usually read the online reviews whereas 17.4% sometimes read the reviews before making a purchase. Moreover, people frequently check online reviews convey that consumers are highly dependent over online product reviews before purchasing a product.

Table 2.10 When looking for product reviews, what platforms do you mostly choose?

Search engines	12	19%
Retailing websites	23	36.6%
Video platforms	14	22.2%
Social media comments	14	22.2%
Total	**63**	**100%**

Fig 2.10 When looking for product reviews, what platforms do you mostly choose?
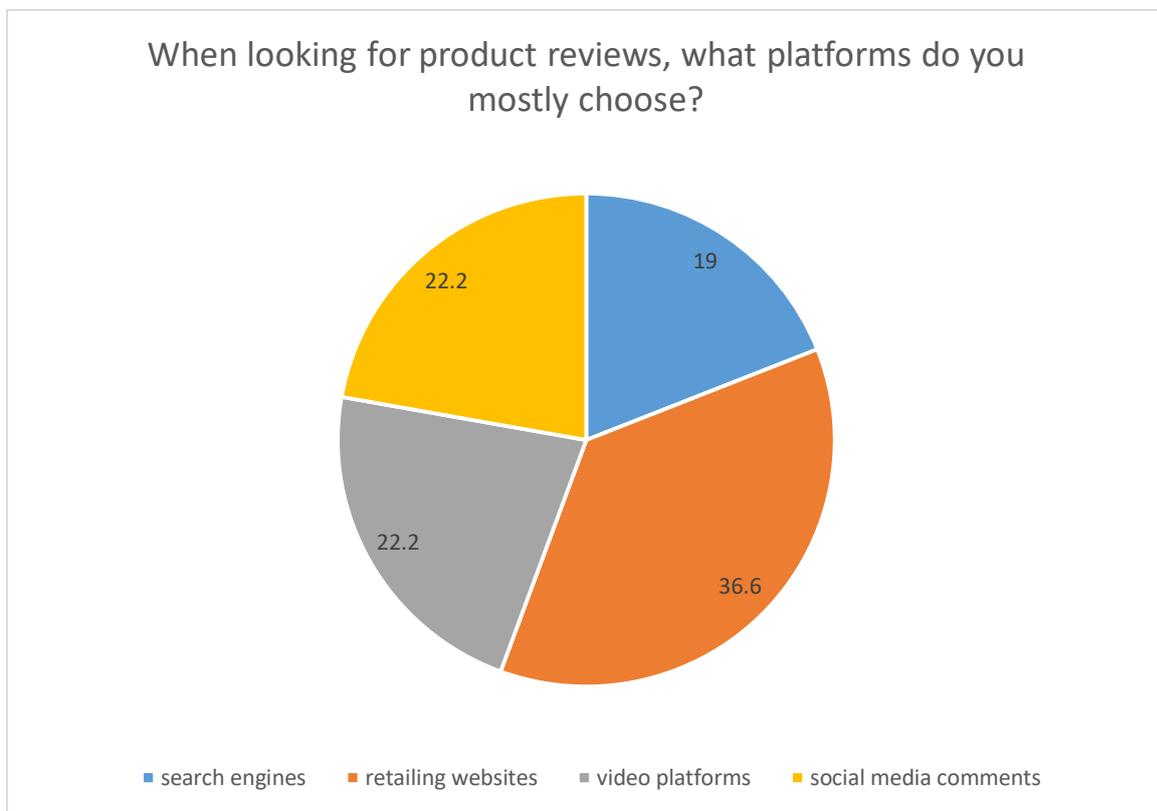
Interpretation

The above table shows 36.6% of the total respondents preferred retailing sites like, Amazon, Flipkart, and Myntra. 22.2% preferred and mentioned video platforms like You Tube and other sites and other 22.2% preferred social media comments while 19% preferred search engines. Therefore, it can be inferred that Retailing or E-Commerce sites are mostly preferred by the consumers to look over online product reviews.

Table 2.11 What type of content do you seek out in reviews?

Product quality and its attributes	51	81%
Customer service and support	4	6.3%
Responses from the company	1	1.6%
Speed of delivery	2	3.2%
Price benefits	5	7.9%
Total	**63**	**100%**

Fig 2.11 What type of content do you seek out in reviews?
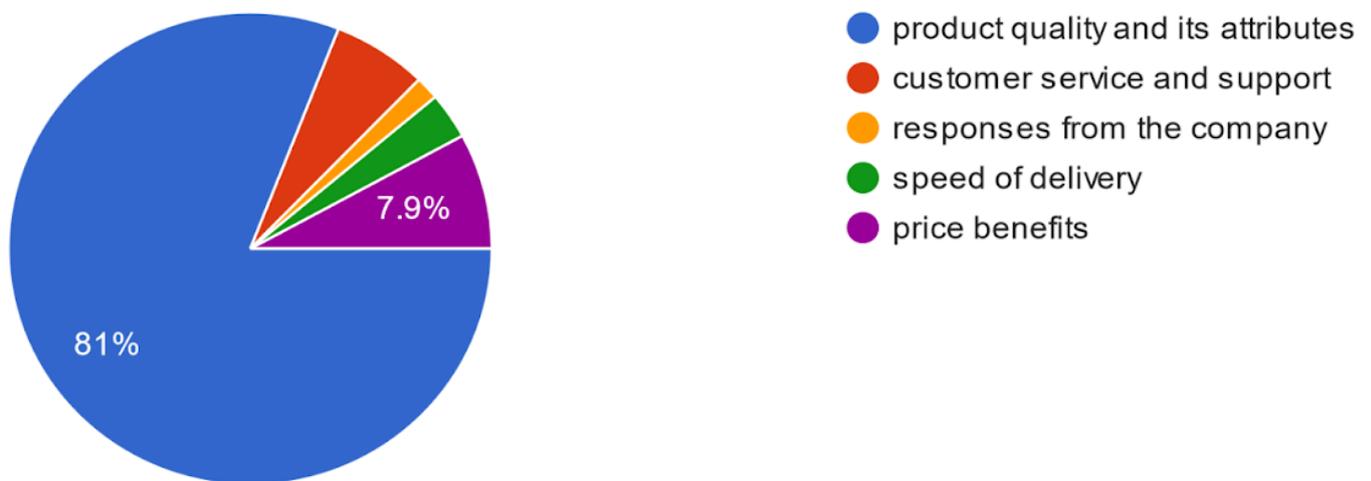
Interpretation

From the above table and figure, we can see that 81% of the total respondents seek out product quality and its attributes from online reviews, 7.9% seek out price benefits, followed by 6.3% who seek out customer service, 3.2% seek out speed of delivery and the remaining 1.6% seek out responses from the company.

Table 2.12 What kind of reviews do you consider more credible and user friendly?

Qualitative	18	28.6%
Quantitative	8	12.7%
Both	37	58.7%
Total	**63**	**100%**

Fig 2.12 What kind of reviews do you consider more credible and user friendly?
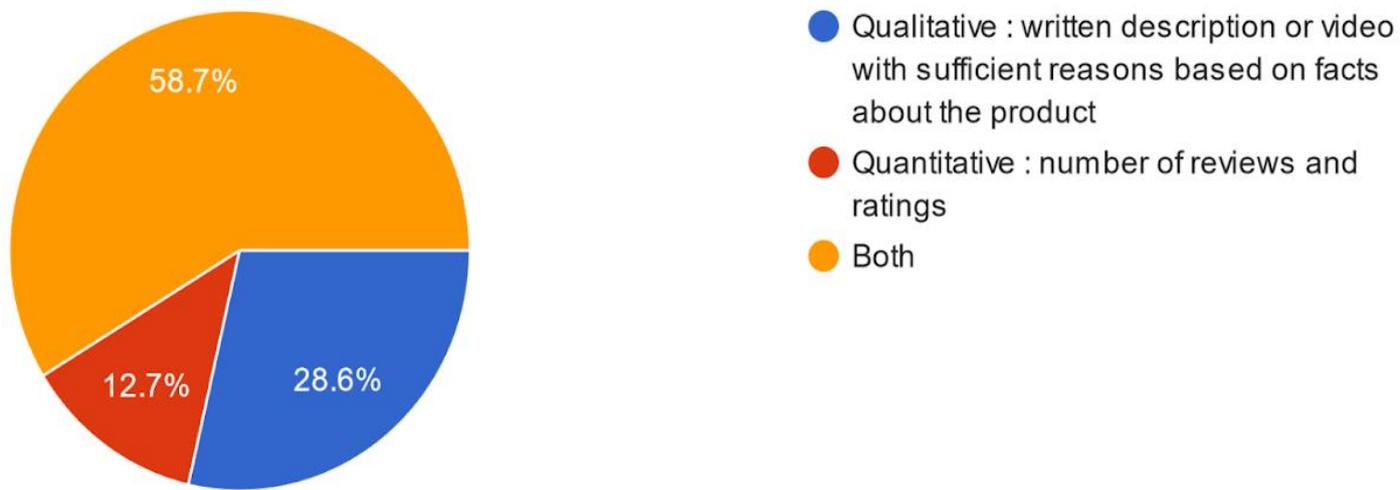
Interpretation

From the above table and figure, we can see that 58.7% of the total respondents consider both quantitative and qualitative reviews more credible and user friendly while 28.6% prefer qualitative reviews, followed by 12.7% who prefer qualitative reviews.

Table 2.13 On a scale of 1-5, how much do online reviews influence your purchasing decision?

1-Not at all	1	1.6%
2-Slightly	9	14.3%
3-Moderately	25	39.7%
4-Very much	22	34.9%
5-Extremely	6	9.5%
Total	**63**	**100%**

Fig 2.13 On a scale of 1-5, how much do online reviews influence your purchasing decision?
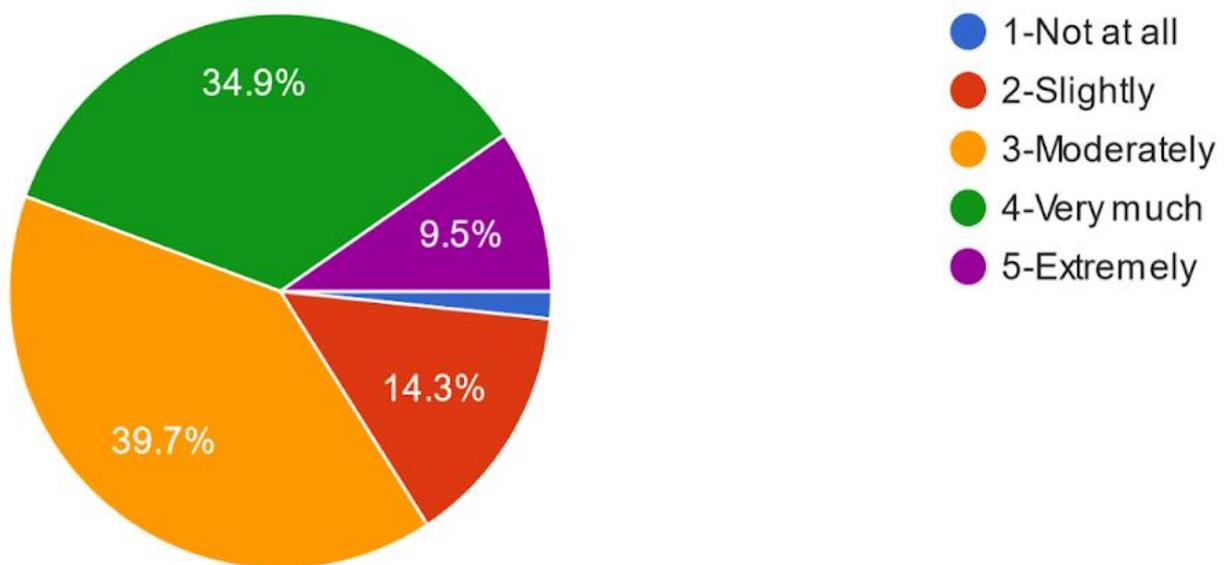
Interpretation

From the above table and figure, we can see that online reviews moderately influence the purchasing decisions of 39.7% of the total respondents while 34.9% of the total respondents are very much influenced, followed by 14.3% who are slightly influenced and 9.5% who are extremely influenced and lastly 1.6% who are not influenced by online reviews at all.

Table 2.14 Do you trust online reviews from other customers?

Yes	25	39.7%
Sometimes	38	60.3%
No	0	0
Never	0	0
Total	**63**	**100%**

Fig 2.14 Do you trust online reviews from other customers?
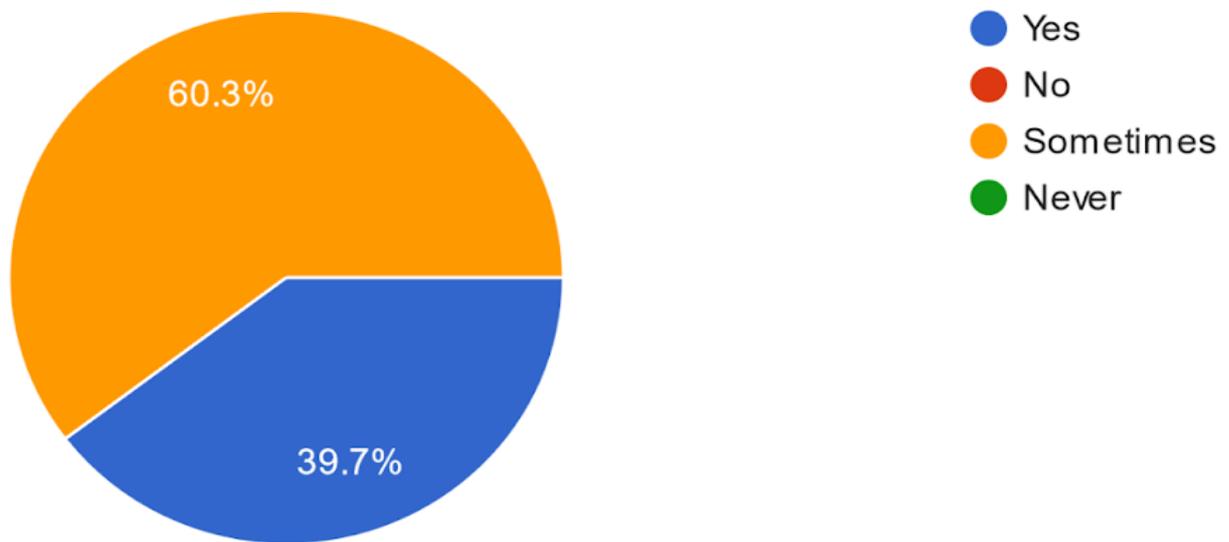
Interpretation

From the above table and figure, we can see that 60.3% of the total respondents sometimes trust online reviews of the customers while 39.7% trust the online reviews of the customers.

Table 2.15 Have you ever changed your decision to purchase a product based on negative online reviews?

Yes	55	87.3%
No	8	12.7%
Total	**63**	**100%**

Fig 2.15 Have you ever changed your decision to purchase a product based on negative online reviews?
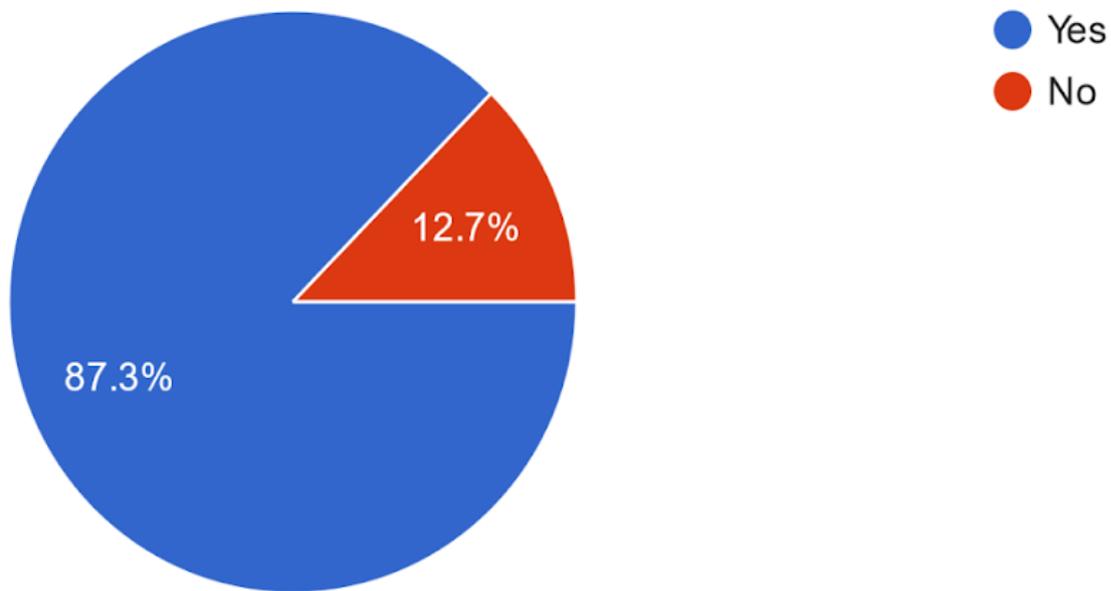
Interpretation

From the above table and figure, we can see that 60.3% of the total respondents changed their decisions to purchase a product based on negative online reviews while 12.7% doesn't changed their decisions to purchase a product based on negative online reviews.

Table 2.16 On what kind of products you spend relatively more time to analyze the online reviews?

Apparel/clothing	24	38.1%
Groceries and kitchen items	1	1.6%
Beauty products/cosmetics	19	30.2%
Electronics and gadgets	13	20.6%
Jewelry, watches, health & personal care items	6	9.5%
Total	**63**	**100%**

Fig 2.16 On what kind of products you spend relatively more time to analyze the online reviews?
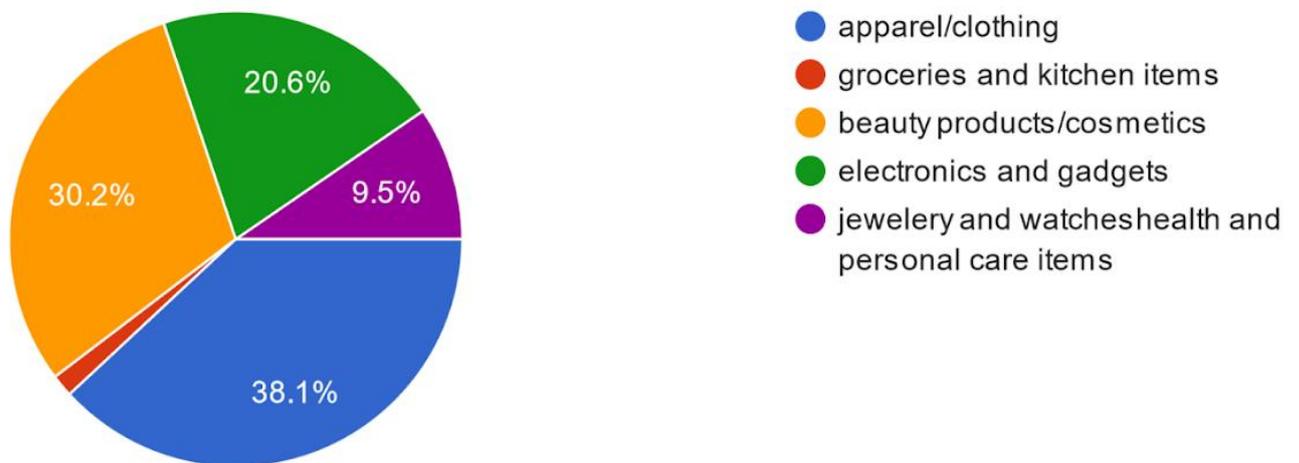
Interpretation

From the above table and figure, we can see that 38.1% of the total respondents spend relatively more time to analyze the online reviews of products such as apparel/clothing while 30.2% of the total respondents spend relatively more time to analyze the online reviews of beauty products/cosmetics followed by 20.6% on products such as jewelries and healthcare and 1.6% who spend relatively more time to analyze the online reviews on groceries and kitchen items.

Table 2.17 Do you believe that positive online reviews are more influential than negative ones?

Yes	21	33.3%
No	1	1.6%
Both have equal impacts	30	47.6%
It depends on different circumstances	11	17.5%
Total	**63**	**100%**

Fig 2.17 Do you believe that positive online reviews are more influential than negative ones?
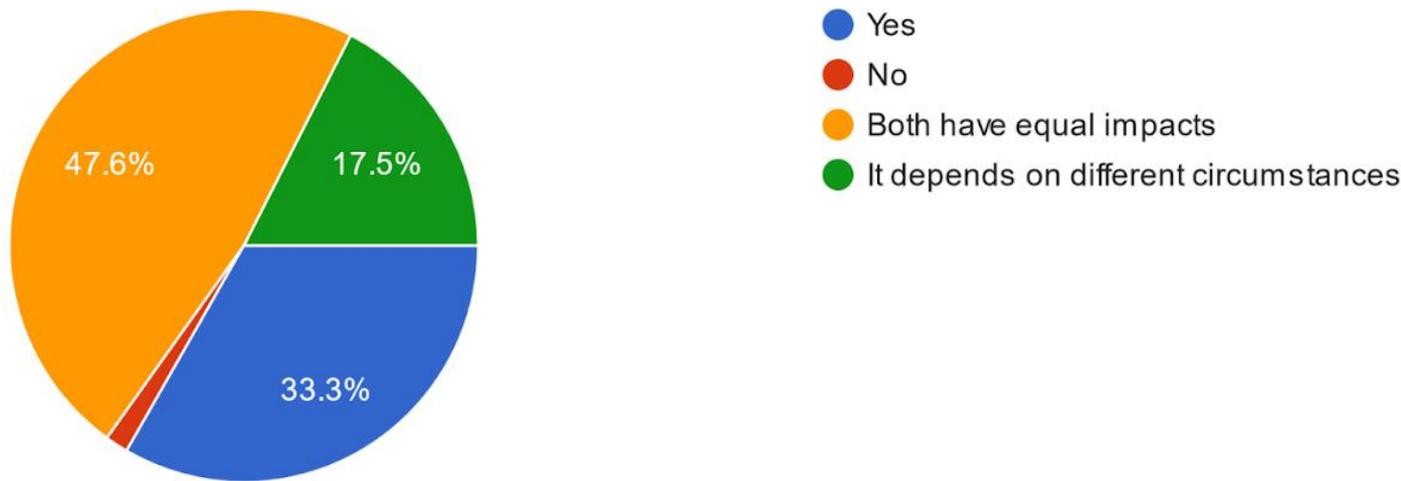
Interpretation

From the above table and figure, we can see that 47.6% of the total respondents believe that both positive and negative reviews have equal influence while 33.3% agreed that positive online reviews are more influential than negative ones and 17.5% agreed that it depends on different circumstances and remaining 1.6% doesn't agreed.

Table 2.18 For the products in which you are highly involved, what kind of reviews do you prefer?

Qualitative	44	69.8%
Quantitative	19	30.2%
Total	**63**	**100%**

Fig 2.18 For the products in which you are highly involved, what kind of reviews do you prefer?
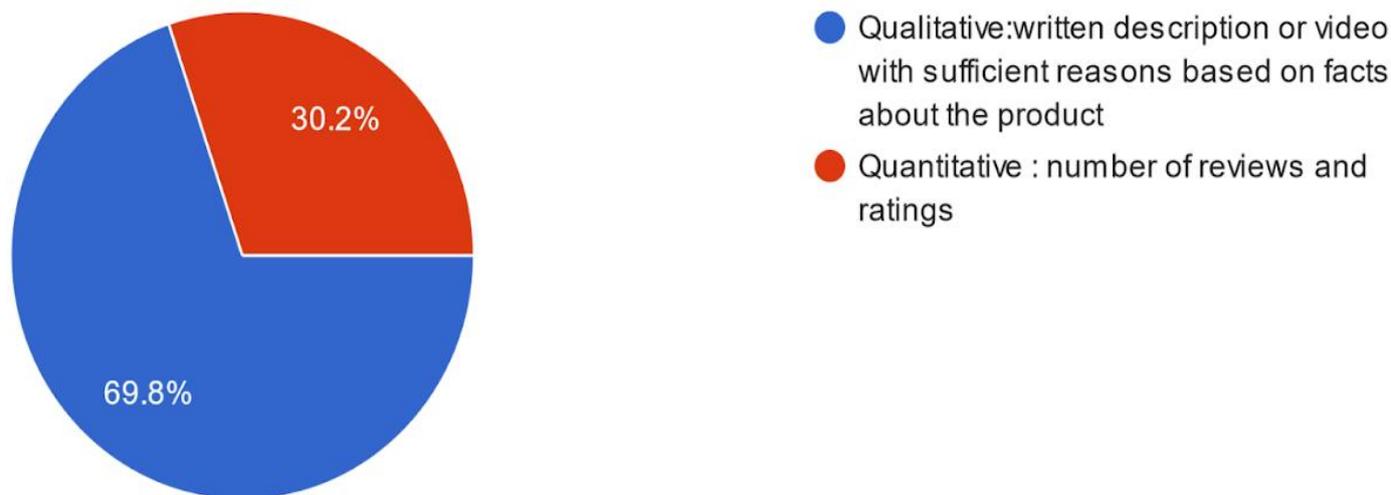
Interpretation

From the above table and figure, we can see that 69.8% of the total respondents prefer qualitative reviews for products they are highly involved while 30.2% prefer quantitative reviews.

Table 2.19 How important is the overall rating of a product or seller in your decision-making process?

Not important at all	3	4.8%
Somewhat important	14	22.2%
Moderately important	24	38.1%
Very important	21	33.3%
Extremely important	1	1.6%
Total	**63**	**100%**

Fig 2.19 How important is the overall rating of a product or seller in your decision-making process?
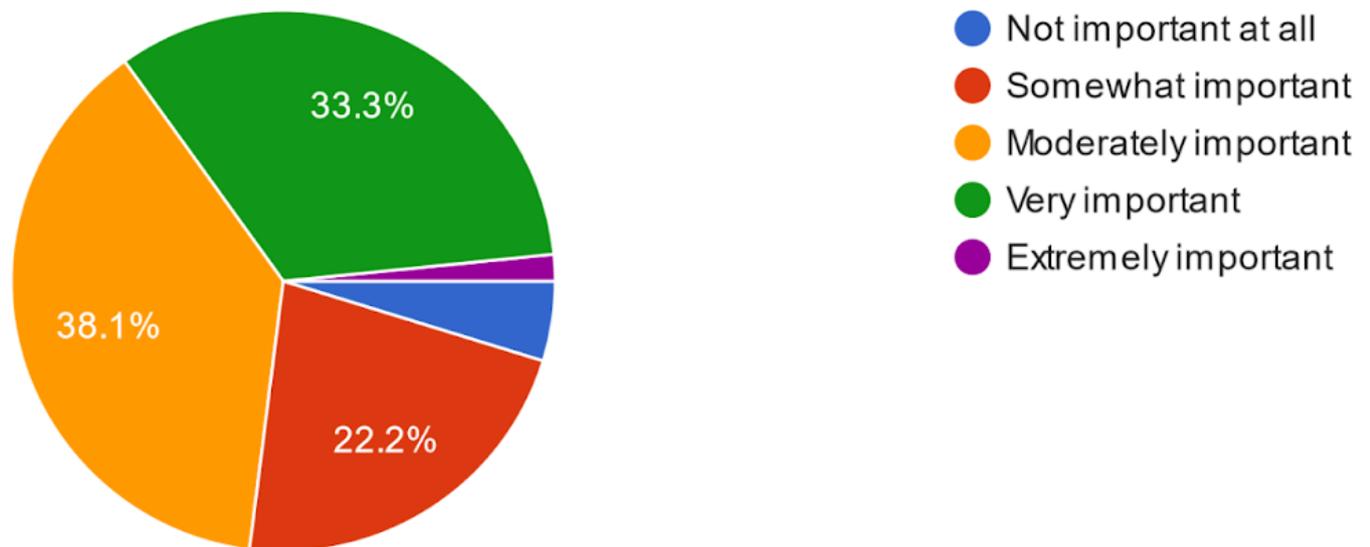
Interpretation

From the above table and figure, we can see that 38.1% of the total respondents felt that the overall rating of a product or seller is moderately important in their decision-making process, while 33.3% felt that it is very important, followed by 22.2% who felt that it is somewhat important, while 4.8% felt that it is not important at all and the and the remaining 1.6% felt that it is extremely important.

Table 2.20 Have you ever written an online review for a product you purchased?

Yes, frequently	14	22.2%
Yes, Occasionally	24	38.1%
No	25	39.7%
Total	**63**	**100%**

Fig 2.20 Have you ever written an online review for a product you purchased?
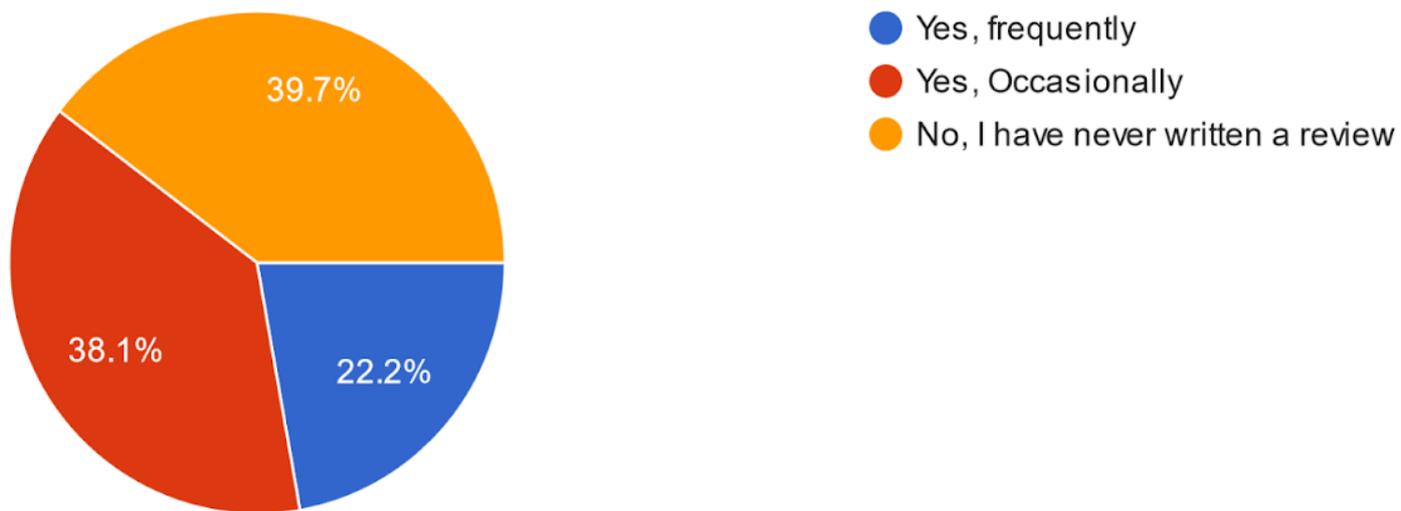
Interpretation

From the above table and figure, we can see that 39.7% of the total respondents have never written a review for the product they purchased while 38.1% had occasionally written a review, followed by 22.2% who had written it frequently. So it is apparent that majority of the respondents have written an online review whether occasionally or frequently.

Table 2.21 Do you rely more on written reviews or star ratings when evaluating a product?

Written reviews	21	33.3%
Star ratings	8	12.7%
Both	34	54%
Total	**63**	**100%**

Fig 2.21 Do you rely more on written reviews or star ratings when evaluating a product?
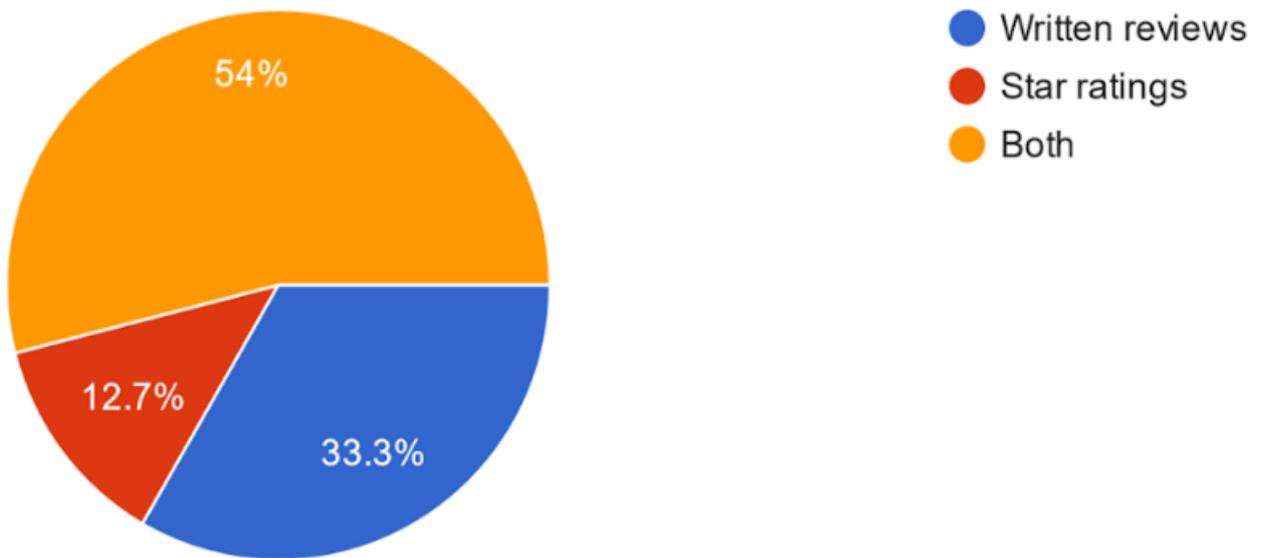
Interpretation

From the above table and figure, we can see that 54% of the total respondents relied on both written reviews and star ratings when evaluating a product while 33.3% relied more on written reviews followed by 12.7% who relied more on star ratings.

Table 2.22 In your opinion, do online reviews accurately reflect the quality and performance of a product?

Yes	24	38.1%
No	4	6.3%
It depends	35	55.6%
Total	**63**	**100%**

Fig 2.22 In your opinion, do online reviews accurately reflect the quality and performance of a product?
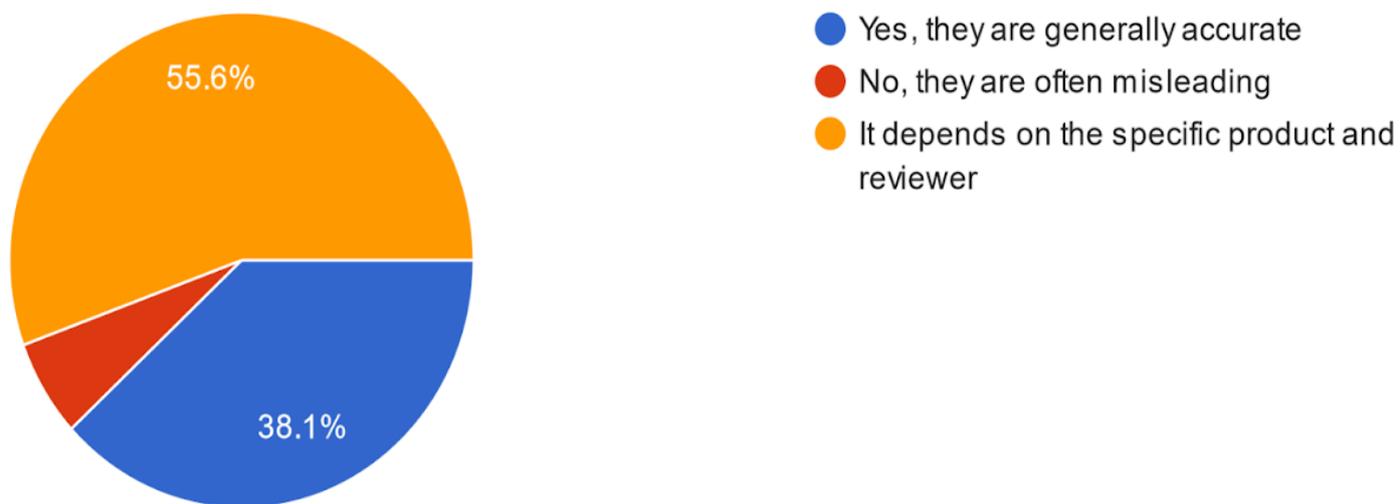
Interpretation

From the above table and figure, we can see that 55.6% of the total respondents agreed that whether online reviews accurately reflect the quality and performance of a product depends on the specific product and reviewer, while 38.1% agreed that online reviews are generally accurate. Followed by 6.3% who agreed that online reviews are often misleading.

Table 2.23 How likely are you to trust online reviews from influencers or celebrities compared to reviews from regular consumers?

More Likely	8	12.7%
Equally likely	35	55.6%
Less likely	13	20.6%
I don't pay attention to reviews from influencers	7	11.1%
Total	**63**	**100%**

Fig 2.23 How likely are you to trust online reviews from influencers or celebrities compared to reviews from regular consumers?

Interpretation

From the above table and figure, we can see that 55.6% of the total respondents equally likely trust both online reviews from influencers or celebrities and from regular consumers. While 20.6% less likely trust online reviews from influencers or celebrities compared to reviews from regular consumers and 12.7% more likely trust online reviews from influencers or celebrities compared to reviews from regular consumers and the remaining 11.7% doesn't pay attention to online reviews from influencers or celebrities.

Table 2.24 Do you believe that online reviews are becoming more or less influential over time?

More influential	30	47.6%
Less influential	7	11.1%
About same level	26	41.3%
Total	**63**	**100%**

Fig 2.24 Do you believe that online reviews are becoming more or less influential over time?
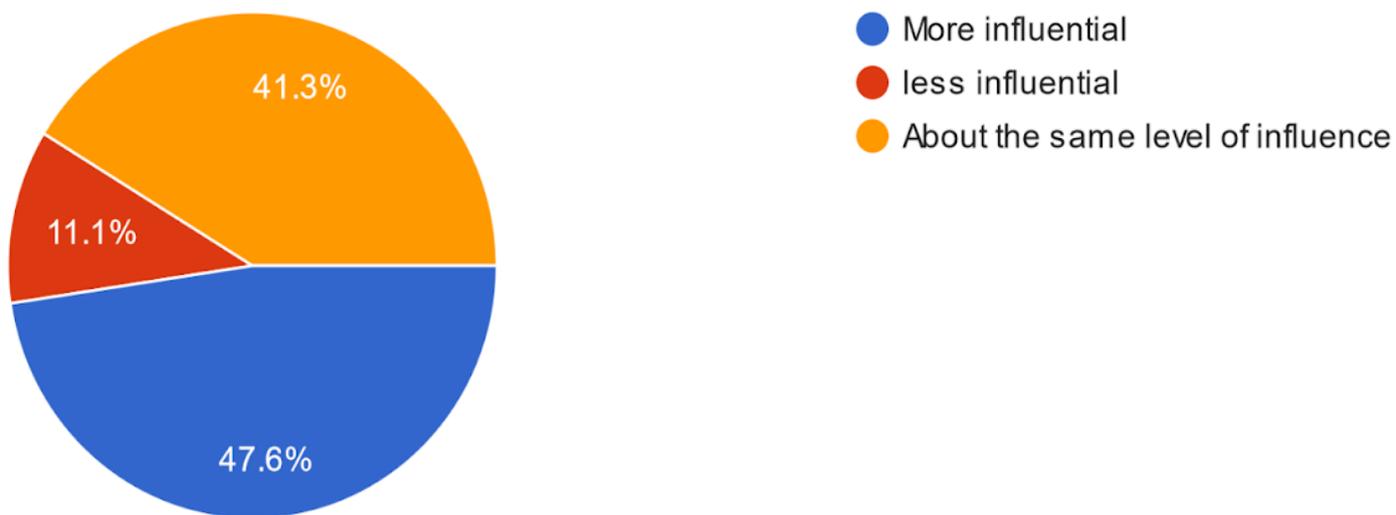

Interpretation

From the above table and figure, we can see that 47.6% of the total respondents believed that online reviews are becoming more influential over time, while 41.3% believed that whether online reviews have more or less becoming influential have the same level of influence. Followed by 11.1% who believed that online reviews are becoming less influential over time.

Table 2.25 To what extent do you think that reviews on internet are accurate?

Not at all	5	8%
More likely to be accurate	46	73%
Less likely to be accurate	12	19%
Extremely accurate	0	0
Total	**63**	**100%**

Fig 2.25 To what extent do you think that reviews on internet are accurate?
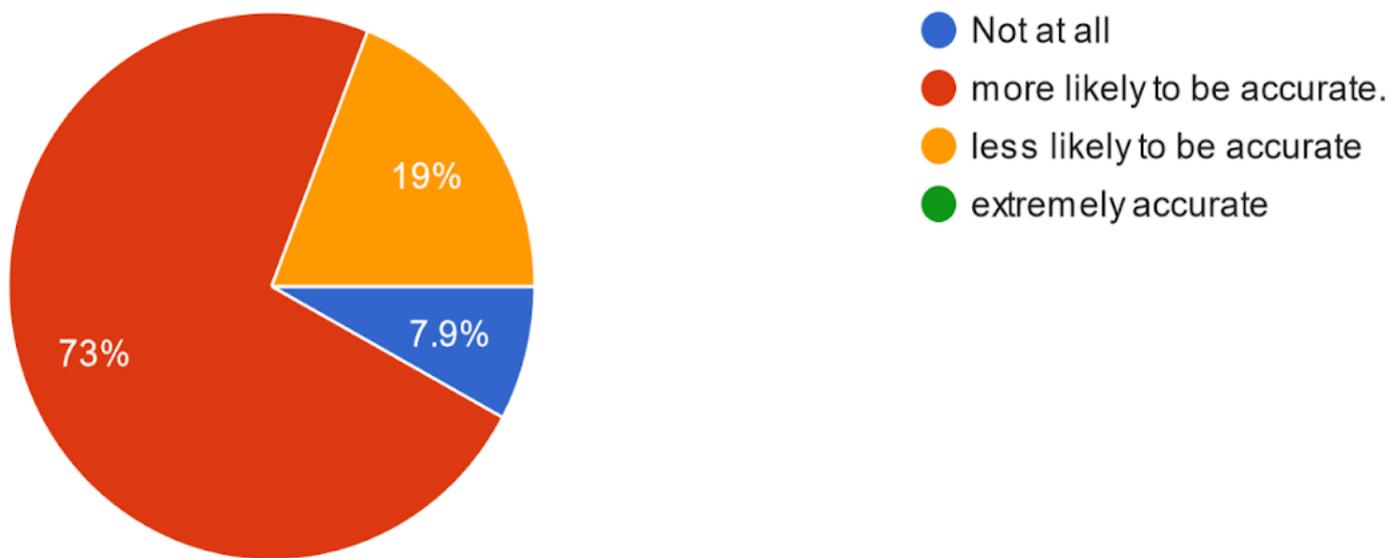

Interpretation

From the above table and figure, we can see that 73% of the total respondents agreed that reviews on internet are more likely to be accurate, while 19% agreed that reviews on internet are less likely to be accurate Followed by 8% who agreed that online reviews are not at all accurate.

CHAPTER III

RESULTS AND DISCUSSIONS

MAJOR FINDINGS

This chapter finally highlights the findings of the study from the data collected from 63 respondents.

3.1 Results of the study

3.1.1 Demographic factor

- Age: 52.4% belong to the age group of 21-30 years, followed by 42.9% of the respondents belonging to the age group of 15-20 years, 3.2% of respondents fall into the age group of 31-40 years and whereas the remaining respondents i.e. 1.6% belong to the age above 40 years respectively. Thus, it is apparent that, youngsters i.e. the age below 30 years have gone through the online reviews and ratings in their decision-making process.

- Gender: From the study, we can see that majority of the respondents, 58.7% are female, 41.3% are male. So, it is apparent female consumers prefer online shopping than male consumers and they are more influenced by the reviews and ratings of online customers.

- Educational qualification: In terms of qualification, the majority of respondents (66.7%) are HSSLC followed by graduates and above (30.2%), followed by the HSLC (3.2%). Thus, it is apparent that most of the online shoppers are HSSLC followed by graduates and above, HSLC in that order.

- Marital Status: 77.8% of the respondents are single, 6.3% unmarried, 1.6% married while 14.3% of the respondents prefer not to say. Thus it is apparent that single and unmarried consumers have gone through online shopping and they are more influenced by the reviews and ratings of online customers than the married ones.

3.1.2 Types of reviews and ratings customers refer to the most

- Quantitative or qualitative: Regarding the kinds of reviews, the majority of the respondents considered both quantitative (written descriptions) and qualitative (number of ratings and reviews) as more credible and user-friendly. By taking into

account only the option of quantitative and qualitative reviews, majority preferred quantitative reviews (written description or videos sufficient reasons based on the facts about the product). For the products that they are highly involved in, majority (69.8%) of the respondents preferred quantitative reviews (written description or videos sufficient reasons based on the facts about the product). Majority of the respondents relied on both star ratings and written reviews. But if we consider only the option of star ratings and written reviews, majority (33.3%) relied on written reviews.

o Positive or negative reviews: Majority of the respondents agreed and believed that both positive reviews and negative reviews have the same level of influence. But by taking into account only the options of 'Yes' and 'No', majority believed and agreed that positive online reviews are more influential than negative ones. Majority of the respondents (87.3%) have changed their decision to purchase a product based on negative online reviews.

From the above points it is clear that consumers often referred to quantitative reviews than qualitative reviews and rather than negative reviews, positive reviews influenced them more to make their decisions.

3.1.3 Whether customers find the reviews and ratings authentic and trustworthy.

- We can see that 73% of the total respondents agreed that reviews on the internet are more likely to be accurate.

- The data analysis and interpretation of table and fig 2.14 depicts that majority of the respondents trust online reviews of the customers

- 55.6% of the total respondents equally likely trust both online reviews from influencers or celebrities and from regular consumers. While 20.6% less likely trust online reviews from influencers or celebrities compared to reviews from regular consumers and 12.7% more likely trust online reviews from influencers or celebrities compared to reviews from regular consumers and the remaining 11.7% doesn't pay attention to online reviews from influencers or celebrities. Thus, it is apparent that whether it is a review from a celebrity or from ordinary consumers, the respondents trust online reviews.

3.1.4 The impact of reviews and ratings on consumers decision-making

- It can be seen that majority of the respondents i.e. the consumers preferred online shopping and before buying the products, majority (54%) of the respondents used online reviews as their sources of information.

- Majority (74.6%) of the respondents have checked online consumer reviews before buying a product and 79.4% considered online reviews as a very important source to make their buying decisions.

- Majority of the respondents always (42.9%) and usually (39.7%) read online reviews before making their purchase.

- Online reviews moderately influence the purchasing decisions of 39.7% of the total respondents while 34.9% of the total respondents are very much influenced. Thus, it is apparent that the majority of the total respondents are influenced by online reviews in the process of their purchasing decisions.

- The majority of the respondents (73%) believed that reviews on the internet are more likely to be accurate that further influenced their decision-making.

- Majority of the respondents (47.6%) believed that online reviews and ratings are becoming more influential over time.

CHAPTER-IV

SUGGESTIONS AND CONCLUSIONS

4.1 SUGGESTIONS

Based on the findings, it's clear that online reviews play a crucial role in consumers' decision-making process. A few suggestions are made:

1. Consumers should try and trust more platforms that provide reviews and ratings.

2. The consumer should make it a habit of putting forward their point of view in the form of reviews and ratings to help other consumers.

3. The consumers should try to give an honest review about the product and if possible, they should also put the pictures or videos of the received product so that other consumers can trust them.

4. Consumers should try and compare the number of positive and negative reviews related to a product and then think about whether they want to purchase it or not. If the positive reviews are more then, they can take a chance and buy the product.

5. Consumers should try and compare the reviews and ratings on different online platforms about a particular product in order to find out the benefits and usefulness of the product as well as to find out if there are any problems in the product that might create a problem for them.

4.2 CONCLUSIONS

The research revealed that online product reviews are one of the essential considerations taken up by the consumer in the process of purchase decision making. Consumer directly or indirectly uses online product reviews as an important source of information for intending to buy a particular product.

To sum up, it is clearly found that social media is a very important part of people nowadays. Consumers spend quite a lot of time on social media to gather a lot of information related to various subjects and they do rely on social media to some extent. With the commencement of new technology, not just the consumers are aware of social media but they are also aware of different online shopping sites/apps.

The research stated that the majority of respondent's shop online through different apps and sites. Before making decisions, consumers prefer checking reviews and ratings as well as a few other aspects for the same purpose. It was also found that the majority of consumers think that reviews and ratings provide them sufficient knowledge about the product, convince them to buy the product as well as find these reviews and ratings credible as well.

Consumers do trust the reviews and ratings available online and at the same time they think that if the reviews and ratings are given by their favorite reviewer or influencer then it becomes easy for them to get convinced to buy the product. It was also found that the trust of the consumers is different in all the educational groups.

Even though we found all these possibilities, still it is also figured that there is no significant impact of reviews and ratings on consumer buying behavior. This happens because their views and ratings are not just the only factors that influence the buying decisions of the consumer. There are various other aspects like feedback from friends and families, marketing and advertisements, learnings from past experience, income and lifestyle of consumers, or brand loyalty.

In the end, it can be said that the reviews and ratings have a significant amount of impact on the buying behavior of consumers and at the same time the consumers also find this a credible and trustworthy source to gather information.

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APPENDIX

In this questionnaire, we want to understand the impact of these reviews and ratings on consumer decision-making in e-commerce. Your valuable insights will help us uncover the factors that influence consumers' choices. Rest assured, all your responses will be kept confidential. Let's get started! 📝

1. Age:

- 15-20
- 21-30
- 31-40
- 40 above

2. Gender:

- Male
- Female

3. Educational qualification:

- HSLC & Under
- HSSLC
- Graduate & above

4. Marital status:

- Single
- Married
- Prefer not to say

5. Do you prefer online shopping?

- Yes
- No
- Sometimes
- Never

6. Which typical sources of information do you use before buying a product?

- Internet
- Product reviews
- Friends and families

- Others

7. Have you ever checked online consumer reviews before purchasing a product?

- Yes
- No
- Sometimes

8. How important are online product reviews for your buying decisions?

- Unimportant
- Barely important
- Very important

9. How often do you read online reviews before making a purchase?

- Always
- Usually
- Sometimes
- Rarely
- Never

10. When looking for product reviews, what platforms do you mostly choose?

- Search engines (eg. Google etc.)
- Retailing websites (eg. Amazon etc.)
- Video platforms (eg. you tube etc.)
- Social media comments (eg. Instagram etc.)

11. What type of content do you seek out * in reviews?

- product quality and its attributes
- customer service and support
- responses from the company
- speed of delivery
- price benefits

12. What kind of reviews do you consider * more credible and user friendly?

- Qualitative: written description or video with sufficient reasons based on facts about the product
- Quantitative: number of reviews and ratings

- Both

13. On a scale of 1-5, how much do online reviews influence your purchasing decision?

- 1-Not at all
- 2-Slightly
- 3-Moderately
- 4-Very much
- 5-Extremely

14. Do you trust online reviews from other customers?

- Yes
- No
- Sometimes
- Never

15. Have you ever changed your decision to purchase a product based on negative online reviews?

- Yes
- No

16. On what kind of products you spend relatively more time to analyze the online reviews?

- apparel/clothing
- groceries and kitchen items
- beauty products/cosmetics
- electronics and gadgets
- jewelry and watches health and personal care items

17. Do you believe that positive online reviews are more influential than negative ones?

- Yes
- No
- Both have equal impacts
- It depends on different circumstances

18. For the products in which you are highly involved, what kind of reviews do you prefer?

- Qualitative: written description or video with sufficient reasons based on facts about the product

- Quantitative: number of reviews and ratings

19. How important is the overall rating of a product or seller in your decision- making process?

- Not important at all
- Somewhat important
- Moderately important
- Very important
- Extremely important

20. Have you ever written an online review for a product you purchased?

- Yes, frequently
- Yes, Occasionally
- No, I have never written a review

21. Do you rely more on written reviews or star ratings when evaluating a product?

- Written reviews
- Star ratings
- Both

22. In your opinion, do online reviews accurately reflect the quality and performance of a product?

- Yes, they are generally accurate
- No, they are often misleading
- It depends on the specific product and reviewer

23. How likely are you to trust online reviews from influencers or celebrities compared to reviews from regular consumers?

- More likely, influencers/celebrities have more credibility
- Equally likely, I trust both types of reviews
- Less likely, regular consumer reviews are more trustworthy
- I don't pay attention to reviews from influencers/celebrities

24. Do you believe that online reviews are becoming more or less influential over time?

- More influential
- less influential
- About the same level of influence

25. To what extent do you think that reviews on internet are accurate?

- Not at all
- more likely to be accurate.
- less likely to be accurate
- extremely accurate