Association for Information Systems

AIS Electronic Library (AISeL)

Winter 12-4-2016

Review on The Research of Online Reviews' Perceived Credibility

Qi Li
Xi'an Jiaotong University, China, liq@mail.xjtu.edu.cn

Xiaojing Ren
Xi'an Jiaotong University, China, renxiaojing.ec@qq.com

Follow this and additional works at: https://aisel.aisnet.org/iceb2016

Review on The Research of Online Reviews' Perceived Credibility

Qi Li, Xi'an Jiaotong University, China, liq@mail.xjtu.edu.cn
Xiaojing Ren, Xi'an Jiaotong University, China, renxiaojing.ec@qq.com

ABSTRACT

Online review has become one of the most important references for modern consumers to purchase products or service. Based on combing the related literature on credibility of internet public opinions, this paper gives a summary of influence factors of perceived credibility of online reviews through three aspects: the credibility of source, the credibility of channel and the credibility of information. From the angle of online reviews information structure characteristics (including additional reviews vs. one-time reviews), this paper aims to discuss which one has higher perceived credibility, and information quality adjust the differences in perceived credibility.

Keywords: including additional online review, perceived credibility, effect of online reviews

INTRODUCTION

The integration of the Internet and information technology has profoundly changed the way in which people share their experiences of shopping, publish and exchange information about products or services [1]. The online word of mouth which users published through the community / forum, social networking sites, blogs / micro-blog and other Internet platforms has become a very valuable source of information for consumers in the purchase decision [2]. The online review, a special form of spreading online word of mouth that the potential or actual consumers posted positive or negative views about products, services and sellers through online shopping websites or third party comments websites [3], plays an important role in eliminating uncertainty of consumers' cognition and aiding them make effective decision [4]. The online reviews are the information, provided by consumers who have purchased and experienced the product or service, overcoming the shortcomings of the untrusted marketing information from sellers [5]. According to the CNNIC survey, 71.1% of online shopping users believe that the most important factor affecting online shopping consumer decision-making are the online reviews [6]. Consumers do some search to get online reviews to reduce the time of making purchase decision and reduce the risk of purchase [7].

At present, there is the lack of information audit link to release online reviews [8]. Reviewers will likely transfer false or inaccurate information to the consumer [9]. To a certain extent, it disturbs consumers to distinguish comments' credibility. Online reviews no longer have the characteristics of traditional word of mouth which have the high credibility. Compared to the traditional word of mouth, consumers in the search for online reviews will consider the credibility of the information from more aspects, and will only adopt the online comments they trusted [10].

The credibility of online reviews has been the concern of many scholars. Previous studies about the perceived credibility of online reviews are basically assume that reviews come from different critics, fewer study has involved additional reviews. In the real reputation systems, the reviewers can post the reviews about the same product twice. For example, Taobao.com, which officially launched additional review mechanism in April 2012, the buyer can take effect in the Taobao's reputation systems within three months after the additional comments, the seller can explain the content of the additional comments, and the content of the additional comments shall not modify, thus more real reflect consumer post-purchase experience.

From the angle of online reviews information structure characteristics (including additional reviews vs. one-time reviews), this paper aims to discuss which one has higher perceived credibility. Can information quality adjust the differences in perceived credibility? This article will revolve around the above problems.

LITERATURE REVIEW

Perceived Credibility of Online Reviews

Credibility refers to the degree of judgment from receiver to communicator, and it may affect the receiver's perception, attitude and behavior [11]. Perceived credibility of online reviews, refers to the user perceiving the degree of authenticity, reliability, integrity and usability from comment review information in the network environment, especially in the current users' active participation and interoperability of Web environment [12]. Credibility is one of the important pre-variables that affect the quality of online reviews [13]. Online reviews with high credibility will have a positive impact for users on accepting the comments and making purchase decisions [14].

At home and abroad, the researches on the credibility are divided into three perspectives: the credibility of source, the credibility of channel and the credibility of information [15]. This paper is concerned with the credibility of online reviews, and discusses the impact of online reviews information structure on its credibility.

From the angle of the source, the credibility of source is the judgment on the credibility of the source from information receiver, and it has nothing to do with the information itself. The audience will be more likely to directly accept the recommended

points of view, when the communicators of high reliability transfer information [16]. The research on the credibility of source mainly includes two aspects: the specialty and credibility [17]. At the same time, the social relationship between the information receiver and the source will affect the judgment of the credibility of source [18]. In the online trading market, online reviews are often released by anonymous reviewers, and releasers and the receivers are in a weak relationship state and the network interpersonal trust could be low [19]. Consumers cannot determine the real identity of the publishers and the real motives of releasing online reviews [20]. In reality, it exists that the enterprise or the seller contacts friends and even hires online water army to add positive comments in order to improve the word of mouth and sales, so that it is difficult for consumers to confirm the source credibility of online review information. Therefore, the more detailed personal information disclosure, the stronger perception of the relationship between reviewers, the more reliable reviewer are [21]. According to the theory of Persuasion Communication effect, the acceptance of the information will not be affected by the source, when the audience can separate the source and content of the information [16].

From the angle of the channel, communication of the traditional word of mouth does not require external channels, and online reviews need to rely on the forums, blogs / micro-blogs, third party reviews sites and other Internet platform as a channel for dissemination. Therefore, dependence of consumers on the information dissemination platform and the platform's own characteristics will affect the attitude of consumers on the platform [19]. Users will assess the credibility of the site based on its interface design firstly. If the web page is carefully designed, and provides a reliable interface for the user, it will enhance the users' perception of trust on the platform and push users continue using the platform [22]. Online review platform is divided into marketing platform and third party platform [23]. As for some comments posted on marketing platform, consumers will doubt these with selling intention, and that the platform will manipulate the reviewers to publish information that does not conform to the actual product to reduce the persuasion of the comments [24]. Lee & Youn analysis review platform and comment the potency of interaction. They think, when the comment information is positive, the platform type will affect consumers' perceived credibility of product reviews; when the review is negative, the platform type has no effect on perceived credibility [25].

From the angle of the information, online reviews are divided into two categories: properties evaluation and simply recommended reviews [26]. Properties evaluation reviews refers to the product specific attributes, performance based on objective information; simply recommended reviews mainly include more subjective emotional factors which based on consumers' subjective feeling. Compared to the simply recommended reviews, most of properties evaluation reviews are based on the product specific facts, which can help consumers form a clear cognition of product. Consumers will tend to think that it has higher credibility and stronger persuasion. At the same time, the direction of eWOM can also affect perceived credibility. However, the academia does not give a consistent conclusion to the question that which positive or negative online reviews has more influential. When the online reviews of the product are all positive, consumers are likely to think that sellers may manipulate the information intentionally, removing negative online reviews and only providing positive reviews; when there are both positive and negative reviews, it will weaken consumer's suspicions. Therefore, compared to only contains positive online reviews, the combination of positive and negative of the online reviews have higher credibility.

Summarized through the related literature about the perceived credibility of online review, we found that the studies are mostly assumed that reviews come from different reviewers, which do not consider that one reviewers can evaluate twice about the same products. In view of this, this article attempts to use the experimental situation method to improve the research in the field.

Online Reviews' Information Quality
Information objectivity, timeliness, understandability and sufficiency are the factors that affect the quality of information [27]. Based on Lee [28], online review information quality can be divided into high quality and low quality. High quality reviews contains more detailed properties, such as product appearance, function or descriptive information related to the experience, and provide a strong argument. However, low quality information is the low correlation with product evaluation and contains only simple recommendation or statement of information. In view of this, we believe that high quality comment refers to the objective, detailed description of the product attributes, and the information of the products with high correlation; low quality comment refers to the reviewers' subjective, emotional description of the product, and the description of the product attribute is fuzzy, low correlation with product information.

In the marketing field, argument that the information contained to persuade represents the quality of information. The objective, easier to be understood online information convince stronger persuasion than subjective, emotional information [29]. Reviewers describe more detailed experience of products, adopt the combination of pictures and words expression, the reviews are more convincing, and higher information quality, more easily accepted by consumers. Based on the elaboration likelihood model, Sussman & Siegal build the information adoption model, which explain the relationship between information quality and information usefulness, thus influence consumers' adoption of information and decision-making process [30]. Cheung et al. applied the adoption model into the eWOM dissemination and communication situation, think that eWOM information quality and usefulness are related, and the quality of eWOM understandability and relevance has significant effects on perceived usefulness [31].

In conclusion, this paper puts forward the following assumptions:

H1: When the first review is positive, if positive additional reviews is low quality, the difference of perceived credibility between including additional online reviews and one-off online review was not significant.

H2: When the first review is positive, if positive additional reviews is high quality, the difference of perceived credibility between including additional online reviews and one-off online review was significant.

H3: When the first review is negative, no matter the quality of negative additional comments, the difference of perceived credibility between including additional online reviews and one-off online review was significant.

REFERENCES

[1] Grewal, D & Levy, M. (2009), 'Emerging Issues in Retailing Research', *Journal of Retailing*, Vol. 85, No. 4, pp. 522-526.

[2] Chevalier, JA & Mayzlin, D. (2006), 'The Effect of Word of Mouth on Sales: Online Book Reviews', *Journal of Marketing Research*, Vol. 43, No. 3, pp. 345-354.

[3] Chen, Y & Xie, J. (2008), 'Online Consumer Review: Word-of-Mouth as a New Element of Marketing Communication Mix', *Management Science*, Vol. 54, No. 3, pp. 477-491.

[4] Zhang Gen, Liu Zhengyu. (2010), 'Online consumer perceived uncertainty and its impact factors', *Nankai Business Review*, Vol.13, No.5, pp. 99-106

[5] Mudambi, SM & Schuff, D. (2010), 'What makes a helpful online review? A study of customer reviews on amazon.com', *Management Information Systems*, Vol. 34, No. 1, pp. 185-200.

[6] CNNIC. Research Report on China's online shopping market in 2014.

[7] Hennig-Thurau, T & Walsh, G. (2003), 'Electronic Word-of-Mouth: Motives for and Consequences of Reading Customer Articulations on the Internet', *International Journal of Electronic Commerce*, Vol. 8, No. 2, pp. 51-74.

[8] Babin, BJ, Lee, Y, Kim, E & Griffin, M. (2005), 'Modeling consumer satisfaction and word-of-mouth: restaurant patronage in Korea', *Journal of Services Marketing*, Vol. 19, No. 3, pp. 133-139.

[9] Bailey A. A. (2005), 'Consumer Awareness and Use of Product Review Websites', *Journal of Interactive Advertising*, Vol.6, No. 1, pp. 68-81

[10] Wathen, C.N., and Burkell, J. (2002), 'Believe it or not: Factors influencing credibility on the Web', *Journal of the American Society for Information Science and Technology*, Vol. 53, No. 2, pp. 134–144.

[11] Shun Chunhua, Liu Yezheng. (2009), 'An experimental study on the credibility of internet word of mouth', *Collected Essays on Finance and Economics*, No. 4, pp. 96-102.

[12] Liu Weiyi, Lu Wanhui, Ding Shengchun. (2012), 'Research on the credibility of commodity review information', *Information Science*, No.10, pp.1556-1560

[13] McKnight, D.H., Kacmar, C. (2006), 'Factors of information credibility for an Internet advice site ', *Proceedings of the 39th Hawaii International Conference on System Sciences*.

[14] Cheung, M. Y., Luo, C., Sia, C. L., & Chen, H. P. (2009), 'Credibility of electronic word-of-mouth: Informational and normative determinants of online consumer recommendations', *International Journal of Electronic Commerce*, Vol.13, No.4, pp.9-38.

[15] Wilson, E., & Sherrell, D. (1993), 'Source effects in communication and persuasion research: A meta-analysis of effect size', *Journal of the Academy of Marketing Science*, No.21, pp.101-112.

[16] Karl Hovland, Owen Janice, Harold Kelly, 'Communication and Persuasion: psychological research on attitude change', Renmin University of China Press

[17] N. Hu, L. Liu, J. Zhang. (2008), 'Do online reviews affect product sales? The role of reviewer characteristics and temporal effects ', *Information Technology and Management*, Vol.9, No. 3, pp. 201-214.

[18] Pan L Y, Chiou J S. (2011), ' How much can you trust online information? Cues for perceived trustworthiness of consumer-generated online information', *Journal of Interactive Marketing*, Vol. 25, No. 2, pp. 67-74．

[19] Xu Lin. (2007), ' An empirical study on the influencing factors of internet word-of-mouth credibility', *Finance and Trade Research*, No. 5, pp. 113-117

[20] Chatterjee P. (2001), ' Online Reviews: Do Consumers Use Them', *Advances in Consumer Research*, Vol.28, No. 1, pp.133-139

[21] Racherla P., Friske W. (2012) , 'Perceived 'Usefulness' of Online Consumer Reviews: An Exploratory Investigation across Three Services Categories' ,*Electronic Commerce Research and Applications*, Vol.11, No.6, pp.548-559．

[22] Fan Y, Miao Y, Fang Y, Lin R. (2013), 'Establishing the Adoption of Electronic Word-of-Mouth through Consumers' Perceived Credibility', *International Business Research*, Vol.6, No.3,pp.58-65

[23] Li Wei，Wang Zhizhang.(2011), 'The impact of internet word-of-mouth platform on Consumer Product Judgment: from the perspective of attribution theory', *Chinese Journal of Management*, Vol.8, No.9, pp.1345-1352．

[24] Park D H，Lee J. (2008), 'eWOM Overload and Its Effect on Consumer Behavioral Intention Depending on Consumer Involvement', *Electronic Commerce Research and Applications*, Vol.7, No.4, pp. 386-398.

[25]Mira Lee & Seounmi Youn. (2009), 'Electronic word of mouth (eWOM) ', *International Journal of Advertising*, Vol.28, No.3, pp.473-499

[26] Zhu Yimin, Yu hongyan. (2015), 'The influence of the direction and type of Internet word of mouth on the credibility of the Internet: the moderating role of product quality', *Journal of Business Economics*, No.4, pp. 43-52.

[27] Negash S, Ryan T, Igbaria M. Quality and effectiveness in Web-based customer support systems [J]. Information & Management. 2003,40(8):757-768.

[28] Lee J, Park D, Han I. The effect of negative online consumer reviews on product attitude: An information processing view [J]. Electronic Commerce Research and Applications. 2008, 7(3):341-352.

[29] Petty RE, Cacioppo JT. The effects of involvement on responses to argument quantity and quality: Central and peripheral routes to persuasion[J]. Journal of Personality and Social Psychology. 1984,46(1):69-81.

[30] Sussman SW, Siegal WS. Informational Influence in Organizations: An Integrated Approach to Knowledge Adoption[J]. Information Systems Research. 2003,14(1):47-65.

[31] Cheung CMK, Lee MKO, Rabjohn N. The impact of electronic word-of-mouth: The adoption of online opinions in online customer communities[J]. Internet Research. 2008,18(3):229-247.