5.   Hypotheses

The current study has an interdisciplinary approach and seizes two different research perspectives: marketing and book studies. It aims at (partly) replicating the study by Kim et al. on "organic" vs. "sponsored" reviews. The original study analyzes the effect of sponsoring (in terms of receiving free products, a form of non-monetary incentive) on both review contents and the review readers perception of skin care product reviews. While the effect of incentivization on book review(er)s has been analyzed rather scarcely (cf. chapter 2), books exhibit features that make them special – even in an economic sense (e.g. being a hedonistic experience good, cf. chapter 3.1.1). At the same time, Kim et al. highlight the limited generalizability of their findings and suggest further research with e.g. other product types (cf. Kim et al. 2019, p. 115). Therefore, the current study strives for repeating the study by Kim et al. but with different product reviews, namely for book reviews from the German platform LovelyBooks.

In their experiment, Kim et al. derive their hypotheses mainly by four different argumentative approaches:

- Norm of Reciprocity
- Self-Fulfilling Prophecy
- Reviewer Motivation
- Review Perception

Following this four-part structure, the line of reasoning by Kim et al. is explained in the following paragraphs. Then, each respective hypothesis is analyzed for its transferability to book reviews, before, as a last step, the hypotheses selected for this thesis are presented and dismissed hypotheses are explained.

5.1   Norm of Reciprocity

The so-called theory of reciprocity is an established sociological theory which is often used in sociological, psychological and / or market-behavioral experiments. Mainly, it goes back to Alvin W. Gouldner who published his ideas on reciprocal behavior (Gouldner 1960) in 1960. The core element that defines the norm of reciprocity, according to Gouldner, is: "a generalized moral norm of reciprocity which defines certain actions and obligations as repayments for benefits received" (Gouldner 1960, p. 170).

The foundational assumption behind Gouldner's theory is "that a social unit or group is more likely to contribute to another which provides it with benefits than to one which does not"

(ibid., p. 164). At the same time, Gouldner states that – next to the fact that Person A receives something from Person B – it is equally important that Person B was raised in a society that internalizes this norm of reciprocity. Otherwise, Person B would not feel obliged "to give benefits to those from whom he has received them." (ibid., p.174) Thus, the norm of reciprocity is based on a mutual exchange. Also, it is supposed to be universally applicable. Gouldner himself calls it "a kind of plastic filler" or "a kind of all-purpose moral cement" (ibid., p. 175).

Kim et al. infer two hypotheses from Gouldner's *norm of reciprocity*:

H1a.   Sponsored reviews are more positive than organic reviews.

H1b.   Sponsored reviewers are more likely to recommend the product than organic reviewers.

Mainly, Kim et al. argue that incentivization – here in terms of receiving a non-monetary incentive in form of a free sample product – elicits the *norm of reciprocity* and that, consequently, the reviewers feel indebted and as such obliged to return something to their giver, in this case by "positively stating their consumption experience and by recommending the product to others." (Kim et al. 2019, p. 115)

The *norm of reciprocity* can be interpreted as being "an innate [human] tendency" (ibid.). As a consequence, it may be argued that book reviewers also – unconsciously – adhere to the *norm of reciprocity* when writing book reviews in exchange for having received a free review copy. This applies even more when considering the closeness of the Social Reading book world (cf. chapter 3.1.2) – presumably, the social ties between reviewer and publisher / author are more intimate than between a manufacturer and reviewer of cosmetic products.

Thus, hypotheses *H1a* and *H1b* are transferable.

5.2   Self-Fulfilling Prophecy

What Kim et al. phrase as "self-fulfilling prophecy" goes back to the fact that – in their experiment – sponsored reviews are disclosed by a corresponding statement which is added to the review by the reviewing platform to "reveal [...] the sponsored nature of the review" (Kim et al. 2019, p. 115). They further argue that the reviewers posting a review to such a platform are aware that their economic interest will be disclosed. As such, "the disclosure statement becomes a self-fulfilling prophecy for sponsored reviewers" (ibid.), resulting in a situation where the reviewers try to write extraordinarily honest reviews to provide a counterweight and weaken the negative effect of sponsorship disclosure on review credibility. Kim et al. resume:

> Hence, they will engage in deeper cognitive processing, meaning that they will think about more aspects of the product and more arguments for and against it. (ibid.)

On a linguistic level, this could lead to more elaborate and more complex reviews. As a consequence, the following two hypotheses are derived:

H2a.   Sponsored reviews are more complex than organic reviews.

H2b.   Sponsored reviews are more elaborate than organic reviews.

In terms of book reviews and LovelyBooks, the situation is slightly different. While LovelyBooks does not mark reviews as being sponsored, the platform providers of Kim et al.'s study automatically insert a disclosure statement[1]. At the same time, the legal situation in Germany explicitly dictates a labeling obligation, even for free product incentives such as review copies. The short analysis of book reviewers' disclosing practices revealed that book reviewers on LovelyBooks do not correctly adhere to the legal requirements (cf. chapter 3.2.2). Instead, having received a review copy is – in the utmost cases – disclosed by saying "thank you" to the incentive giver. Although this is not a legally correct form of labeling, but rather a very implied type of disclosure statement, it can be assumed that thanking the publisher for a review copy expresses a certain consciousness among sponsored book reviewers in terms of legal requirements. Thus, it can be argued that sponsored book reviewers are aware of the possible damage of adding a disclosure statement to their reviews' credibility and therefore try to write especially unbiased reviews.

Consequently, hypotheses *H2a* and *H2b* are transferable.

5.3   Reviewer Motivation

In terms of reviewer motivations, Kim et al. build upon the motivation typology of Hennig-Thurau et al. (2004), who conducted a survey among organic "German Web-based opinion-platform users" (Hennig-Thurau 2004, p. 44) and ran both Principal Component Analysis (PCA) and Confirmatory Factor Analysis (CFA) tests to identify motives for creating eWOM contents (cf. chapter 3.1.2). Here, Kim et al. use Hennig-Thurau et al.'s motivations as a basis and claim that sponsored and organic reviewers write reviews for different purposes – or rather that the motives for writing reviews differ in terms of their relevance. For organic reviewers, they claim that "consumers who are either very satisfied or very disappointed tend to write about their consumption experiences" (Kim et al. 2019, p. 116; also confirmed by Ai et al. 2022) and refer to the J-shape distribution found in online reviews. This distribution shows that much more users write 1-star or 5-star reviews

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1   Disclaimer clause: "This reviewer is employed by (Retailer name) or its affiliate and receives a free product in exchange for providing his/her opinion on products sold on the (Retailer name). Although this reviewer maintains an endorser/advertiser relationship with (Retailer name), this review represents his/her honest opinions, findings, and/or experiences." (Kim et al. 2019, p. 117.) Picking up the typologie of disclosure types by Carr and Hayes (2014), this is a form of *implied* disclosure.

than "neutral" reviews (2-, 3- or 4-stars). In contrast, for sponsored reviews they assume that there are other main motivations, namely receiving economic incentives as well as helping the company or other consumers. Thus, Kim et al. hypothesize for sponsored reviews that "the distribution of star ratings would be more neutral and less extreme than that of organic reviews" (Kim et al. 2019, p. 116).

Due to the same source of data, Kim et al. expect "that sponsored reviews would be more objective because organic reviews are often motivated by the need to share either very positive or very negative experiences" (ibid.). Here, "objective" means that "consumers are expected to elaborate more on their recommendations, which may also lead to more balanced opinions" (ibid.), what is analyzed in terms of the share of emotional words. They claim that organic reviews are often published shortly after the product experience and as such rather subjective "[d]ue to the immediacy of the experience and its vividness in the reviewer's memory" (ibid.).

They derive the following two hypotheses:

H3a. *Sponsored reviews are less extreme than organic reviews, i.e., they show a lower proportion of 1-star or 5-star reviews in their star rating distribution, compared to organic reviews.*

H3b. *Sponsored reviews are more objective than organic reviews.*

The J-shape distribution of online reviews was first detected for book reviews on Amazon (Hu et al. 2009). Since then, this distribution has often been confirmed in different studies for book reviews (although it should be noted that the positivity bias was questioned by Rebora et al. 2021). This bias demonstrates that non-incentivized book reviewers generally also write book reviews to vent positive or negative feelings (of course, among other motives, cf. chapter 3.1.2).

Following Kim et al.'s line of reasoning, this may lead to more subjective writing in non-incentivized book reviews. Contrarily, it can be further assumed that incentivized book reviewers are mainly motivated to write a review by having received a free product (book review copy) and because they want to support the publisher / author (which could also be deemed to be an additional initiating motive to enter into the review copy-agreement in the first place).

Thus, hypotheses *H3a* and *H3b* are transferable.

5.4   Review Perception

Further, Kim et al. explore the perception of sponsored reviews. They base their argumentation on the *attribution theory* (cf. first introduced by F. Heider, 1958) and *persuasion knowledge theory* (cf. Friestad and Wright, 1994). The first declares that "claims made by an 'externally motivated' reviewer may be discounted as biased" (Kim et al. 2019, p. 116), the *persuasion knowledge model*

"predicts that when consumers recognize this ulterior motive, they will be more likely to perceive the reviewer as insincere, and hence not credible" (ibid.).

Kim et al. derive the following hypothesis:

H4.   Sponsored reviews are perceived as less helpful than organic reviews.

Due to the fact that the incentivization behind book reviews on LovelyBooks is disclosed (although implicitly) by the reviewer, review readers could perceive the review as being biased and not credible.

Thus, hypothesis *H4* is transferable.

5.5   Selected Hypotheses

The previous paragraphs have shown that Kim et al.'s hypotheses are all transferable to book reviews. At the same time, due to the scope of this thesis as well as additional limiting factors such as data availability, only the following hypotheses will be selected: *H1a, H2a, H2b, H3a, H3b.*

Hypotheses *H1b* and *H4*, which focus both on the perception of sponsored content, are dismissed. While the first hypothesis considers the number of reviewers saying "yes" to the question whether they would recommend the product to a friend, the latter analyzes "helpfulness"-votes. The data to analyze *H1b* is not available. Thus, a proxy would be needed. Although LovelyBooks offers comparable information for *H4* (something like "helpfulness"-votes), a look into the data shows that this function is only scarcely used. Plus, due to the limited scope of this thesis, this study focuses on the review contents and not on review perception on the reader side. Even more, to gain meaningful insights into review perception, it should be subject to another study which uses empirical approaches instead of approximating reader reception in terms of analyzing platform functionalities.

Overall, this thesis builds upon the following working hypotheses:

H_1 *Incentivized book reviews are more positive than non-incentivized book reviews.*

H_2 *Incentivized book reviews are more complex than non-incentivized book reviews.*

H_3 *Incentivized book reviews are more elaborate than non-incentivized book reviews.*

H_4 *Incentivized book reviews are less extreme than non-incentivized book reviews.*

H_5 *Incentivized book reviews are more objective than non-incentivized book reviews.*