Literature Review

Studying the impact of online review on consumer trust and shopping choices.

Introduction:

In today's digital age, e-commerce has transformed shopping by offering convenience and variety. However, the inability to physically inspect products means consumers rely heavily on online reviews to make informed decisions. These reviews are seen as trustworthy and unbiased, helping shoppers reduce uncertainty. This literature review explores how the credibility of online reviews influences consumer trust and purchase behavior, identifying the key factors that affect the reliability of these reviews. By focusing on social influence, review credibility, and platform reputation, this study aims to understand the impact of online reviews on consumer decision-making in e-commerce contexts.(Dr. S.A.N.Shazuli Ibrahim., 2023).

Credibility of Online Reviews

Online review credibility plays a critical role in shaping consumer trust and influencing purchasing decisions. Studies by Rains and Brunner (2015), Jin (2022), and Liu (2023) emphasize that credibility is influenced by reviewer expertise, detailed and specific feedback, and consistency across platforms. Verified purchasers and well-structured reviews enhance trust, while website reputation and reviewer transparency, such as showing past review history, are also important.

While previous studies emphasize the importance of review credibility (Rains & Brunner, 2015; Liu, 2023), gaps remain in addressing the manipulation of online reviews, such as fake reviews and undisclosed paid endorsements. These challenges raise concerns about the overall trustworthiness of online reviews, particularly on less-regulated platforms. Additionally, cultural differences in how

consumers perceive review credibility have not been thoroughly examined, leaving room for future research in these areas.

Influence of Review Volume and Consensus

The volume of online reviews significantly impacts consumer trust and shopping decisions. A higher number of reviews provides a broader information pool, increasing product credibility and sales (Chintagunta et al., 2010; Anderson & Salisbury, 2003).

Diversified Product Categories: Research on online reviews has largely focused on sectors like electronics and apparel (Chintagunta et al., 2010), but emerging studies suggest that industries such as travel and hospitality are also heavily impacted by online reviews (Sparks & Browning, 2011). This review seeks to explore how these different product categories shape the degree of consumer reliance on online reviews.This effect is particularly pronounced among postgraduates compared to less educated consumers (Mahmoud & Mamdouh, 2025).

While review volume doesn't directly boost awareness for those already viewing a product, it signals strong word-of-mouth (WOM) effects, influencing sales (Duan et al., 2008). Banerjee (2008) highlights that consumers often prioritize the opinions of others over their own judgments. Consensus among reviews further enhances perceived reliability, reinforcing consumer trust. Ultimately, the combination of review volume, valence, and consensus plays a crucial role in shaping consumer behavior.

Role of Negative vs. Positive Reviews

Positive reviews play a key role in increasing customer trust and loyalty. According to Baek et al. (2012), they enhance perceived trustworthiness, boost purchase intentions, and strengthen brand recognition. These positive evaluations act as testimonials that help drive future sales. On the other hand, negative reviews provide more objective assessments, offering constructive feedback.

Despite being critical, they enhance the legitimacy of both products and companies (Baek et al., 2012). Consumers trust products more when they encounter a mix of positive and negative reviews (Sparks & Browning, 2011), as it presents a balanced perspective. Overall, having both types of reviews creates a sense of authenticity and reliability, fostering consumer confidence in the product.

Social Influence and e-WOM (Electronic Word of Mouth):

Social influence and electronic word of mouth (e-WOM) play crucial roles in shaping consumer behavior and purchasing decisions. The credibility of online reviews significantly impacts consumer trust, with reviews from credible sources being more influential (Cheung & Thadani, 2012).

User characteristics, such as social and demographic profiles, also affect how eWOM influences individuals (Park & Lee, 2009). Theoretical frameworks like Social Influence Theory and Social Proof Theory help explain these dynamics (Cialdini & Goldstein, 2004; Cialdini, 2009).

Mechanisms of influence include peer opinions and the creation of scarcity, which can drive quicker purchasing decisions (Hennig-Thurau et al., 2004; Lynn & Harris, 1997). However, challenges such as fake reviews and cultural variations in e-WOM effectiveness need addressing (Luca, 2011; Sparks & Browning, 2011). Future research should focus on detecting review fraud and understanding cultural differences in e-WOM impact.

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Research questions:

1) In which product categories do online reviews have the most significant impact on consumer trust and purchase decisions, specifically comparing electronics, apparel, and travel?

2) How do online reviews affect consumer trust differently across various demographic groups (e.g., gender, age, education level)?

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How does social influence and e-wom affect consumers' behavior and for which category of the products are people more influenced?