

A Study on Consumer Online Ratings-Reviews and its impact on Consumer Purchasing Behavior

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Abstract:

This study examines the impact of online reviews on new products sale for the customers. The online shopping is a form of e-commerce which allows its consumers to buy the product directly from the seller through the online service of internet. Based on the reviews of end users, a new customer gets an idea to purchase a product before shopping. The online reviews can be functioning both as informants and also as recommenders, which is important in making purchasing decisions and also for product sales. It can be done with its official website in which the consumer are allowed to enter and search a relevant product for shopping.

Keywords: Consumer purchasing behaviour, Online shopping, Online reviews, Consumer satisfaction.

I. INTRODUCTION

In a modern and new technology, online shopping plays a vital role. The online shopping is a form of e-commerce which allows its consumers to buy the products directly from the seller through the online service of internet. It can be done with its official website in which the consumers are allowed to enter and search a relevant product for shopping. Although the shopping can be done through the different devices like desktop, laptop, tablets, smartphones, etc. and consumer needs to select the specific product name in a search option in the particular link or website to search a required product

Based on the reviews of the end users, a new customer can decide to buy a product accordingly. On the seller side also online reviews are considered as a successful product or a product failure in the market. "What we need to buy and from where we require to buy" is the question which comes in all the consumer's mind, for that we can have a solution with the reviews of customers in online shopping.

Need for the study

- Every individual have an emotional need that they should attempt to fulfill through the purchasing activity.
- This study is based on impact of reviews on consumer purchasing behavior, which may require the absolute statement of reviews of end users.
- Consumer's satisfaction is mostly considered from seller side for their business development.

OBJECTIVES

- To study the impact of ratings-review on consumer purchasing behavior of products through online websites.
- To identify the level of satisfaction of the consumer on reviews.
- To examine the level of perception of consumers on reviews

II. REVIEW OF LITERATURE

Consumer Motivation for Reading Online

Reviews

Aaker, David and George (1971) in the book "Consumerism: Search for the consumer Interest" makes an effort to evaluate influence on the buyer from their close group such as friends, reference groups, family as well as in general the society, pg22.

According to the Webster (3 Dec 1975) in his article "Determining the Characteristics of the Socially Conscious Consumer" expressed that the behavior of buyer is all psychological, physical and social of potential customers as they become aware of evaluate purchase consume and tell other people about products and services." pg28. Vol.2, No.3, pp.188-196

According to Hawkins, Mothersbaugh and Best, (2007) in the book "Consumer Behavior, Building Marketing Strategy" states that consumer behavior is also the study of processes and consumers used to select, dispose and consume services and products, pg31

Schmidt and Spring, (1996), Information search, which can be defined as the phase of the decision-making process wherein consumers actively collect and integrate information from numerous sources.

Zhu and Zhang (2010) claim that consumers are seeking to discover product quality by consulting

Customer Reviews.

Park, Lee, & Han, (2007) A customer is always have a search of quality information about the product in online environment. The quality reviews in online has a positive impact on the customer's purchasing plan.

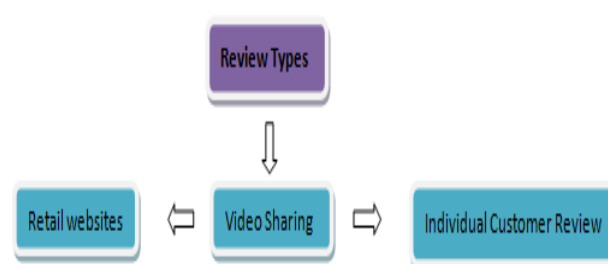
Devedi, Pathak and Sujatha (2017) studied the parameters of review content on which consumers checked online reviews before buying a product or service. They will identify that consumer viewed the online reviews for the better understanding about the quality of the product, usage information, brand reputation among the reviewers, warranty and guarantee of the product, replacement details, etc.

Cheng and Ho (2015) results showed that the higher was the level of expertise of the reviewer, the larger were the number of followers.

Chen, Dhanasobhon, & Smith (2008) However, a better understanding of perceived review helpfulness offers definite perks to online retailers and review providers.

Godes and Mayzlin (2004) found positive association between eWOM and TV shows viewership.

Online Review Types



1. Retail Websites

Information about the product search, which defined as the phase of decision making process and also the customer can actively integrate and collect the information from various sources. Retail websites are like online shoppers who can connect with the dealer as well as customer to provide the service through online. They can have a product rating system for customer with the relevant comment column on each product after shopping. Those reviews are considered as a retail websites review.

2. Video Sharing

Sharing the video of a product newly purchased, through online is also considered as relevant information about the product before shopping. Posting the product review videos in YouTube by giving necessary comments are known as video sharing review. Customer can see the reviews popularity in number of downloads, read the comments of others and of course see the actual use of the product. It can be considered as live

experience of a product to the other users.

3. Individual Customer Review

Individual customer review is a type which display consumer review without having the direct or indirect interest in businesses or the products (Burtona and khammash,2010); the main intension is often to facilitate the product with the comparisons. Customer can share the individual review with friends in social media like whatsapp, twitter, face book etc., with the proper information.

III. DATA ANALYSIS

Data Collection

A survey through online (convenience sampling)in the format of questionnaire was conducted, which is in order to survey consumer rating-reviews and its impact on consumer purchasing behavior. This questionnaire was divided into three parts; the first one is covers the demographics, the second one is asks about the general review behavior and the third one is consumer about their perceptions of reviews. The survey was filled in by 100 responders.

Population statistics

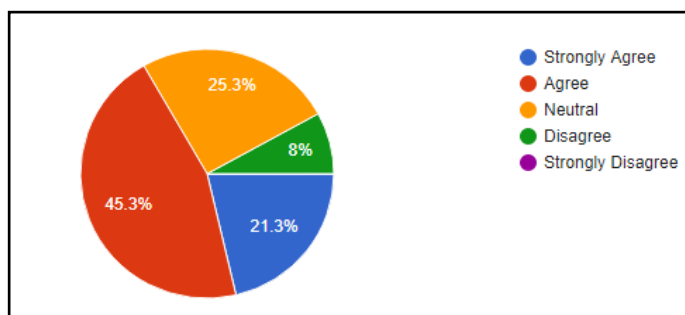
- The survey was conducted with average percentage of male is 56% and female is 44%.
- 12% of the respondents are students 15-25 years old.
- The maximum respondents (72%) are 25-35 years old.
- Only 13.3% of respondents belong to the age group of 35-45 years and the least number (2.7%)are in the age group of above 45 years.
- The marital status of respondents reveals that 62.7% are married and remaining 37.3% are unmarried.

SURVEY RESULTS

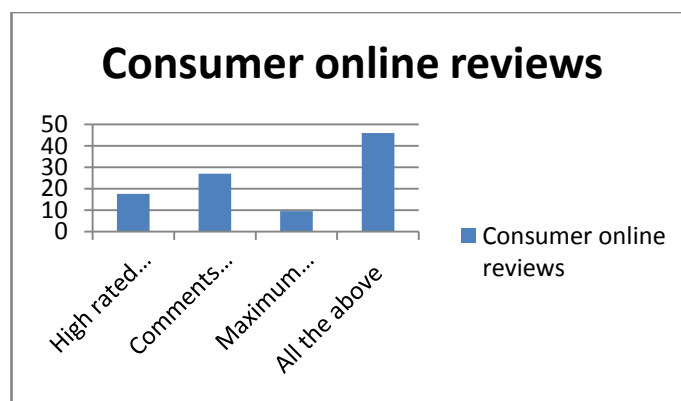
1. Demographic profile

Category	No	Percentage
Gender:		
Male	56	56%
Female	44	44%
Total	100	100
Age:		
15-25	12	12%
25-35	72	72%
35-45	13	13.3%
45 & above	3	2.7%
Total	100	100
Profession:		
Students	12	12%
Employed	60	60%
Housewife	20	20%
Retired	8	8%
Total	100	100
Income:		
50,000 to 1 lac	10	10%
1 lac to1.7 lacs	25	25%
1.7 lacs to 2.5 lacs	40	40%
Above 2.5 lacs	25	25%

2. Percentage of consumer purchasing behavior of products through online websites



3. The level of perception of consumers on online reviews.



FINDINGS

- The study reveals consumer behavior is based on online reviews. So the marketing strategy should be in such a way that it creates positive impact in the mind of consumers.
- The study identifies elements of the buyer's decision making and its contribution towards consumer behavior.
- Online reviews help to increase the level of satisfaction of the customer.

IV. SUGGESTIONS

This study primarily focuses on consumer ratings-reviews and impact on consumer purchasing behavior. Along with positive ratings if discounts offered during festival seasons will increase sales. Online line fashion relies on today's trend that has to be concentrated by dealer. In case of defective products returned by customer's time taken by the dealer should be shortened.

V. CONCLUSION:-

The study confirms that the online rating-reviews are highly recommended among consumer for considering a purchase. Consumer's purchasing decisions are based on the reviews. It turns positive when sufficient ratings have been given with clear comments. To increase the trust of consumer on reviews, the dealer should promote new websites, increasing service quality etc. The two different combinations of checking online reviews of product and shopping seem to appeal due to its convenience.

ETHICAL CLEARANCE

This is to certify that the Article entitled "A STUDY ON CONSUMER ONLINE RATINGS-REVIEWS AND ITS IMPACT ON CONSUMER PURCHASING BEHAVIOUR" is originally done by us.

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