



E - COMMERCE - " AN INSIGHT INTO IMPACT OF ONLINE REVIEW ON CUSTOMER BUYING BEHAVIOUR"

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ABSTRACT

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The trend of shopping in the minds of the customer is changing frequently. At present shopping practice transformed from traditional way to online shopping , which enables the customer to buy the product as per their requirement without any constraints of time , place payment method, brand and product types. Online shopping have created an huge impact on customer buying behaviour because of this 4 factors i.e on source credibility, volume, language with comprehension and relevance. Earlier the majority of the customers were depend on word of mouth method to collect information regarding product which was influencing their buying decisions. But now because of e-commerce, online shopping majorly online customer review format, played an important role in influencing customer 's buying decisions. To fill the research gap we have collected data through questionnaire from the customers those who do online shopping. For effective research outcome both primary data and secondary data is used. Primary data collected through structured questionnaire. This research paper is based on critical examination of the study which reflected the result as per the objectives . The study was mainly focused on the impact of online reviews towards customer buying decisions. through this study it is realised that majority of the public are influenced by online reviews for all types of the products and at present online reviews are creating huge impact towards customer buying behaviour .

KEY WORDS: Online shopping , Online review, Word of mouth, Customer buying decisions

1. INTRODUCTION

Understanding customer buying behaviour is crucial for businesses aiming to thrive in a competitive market. It provides valuable insights into how consumers make online purchasing decisions, what factors influence their choices, and how they respond to various marketing strategies. By analyzing buying behaviour, companies can tailor their products, services, and marketing efforts to better meet the needs and preferences of their target audience. This knowledge helps businesses identify market trends, predict future demand, and enhance customer satisfaction. Ultimately, a deep understanding of customer behaviour enables companies to create more effective sales strategies, improve customer loyalty, and achieve sustainable growth.

Customer buying behaviour in online shopping is a critical area for businesses to understand, as it directly influences e-commerce success. Online shoppers often prioritize convenience, ease of navigation, and quick access to product information. Their behaviour is shaped by factors such as website design, user experience, product reviews, and personalized recommendations. Shoppers tend to seek competitive pricing and may be influenced by promotions and discounts. Additionally, the availability of multiple payment options and secure checkout processes play a significant role in their decision-making. By analyzing these behaviours, businesses can optimize their online platforms to enhance user experience, build trust, and

ultimately drive higher conversion rates and customer satisfaction.

The influence of online shopping on purchasing decisions is profound and multifaceted. With the convenience of browsing and buying from anywhere at any time, consumers are empowered to make more informed choices. The abundance of information available online, including detailed product descriptions, user reviews, and comparison tools, helps shoppers evaluate their options thoroughly before committing to a purchase. Online shopping also offers easy access to price comparisons and discounts, allowing consumers to make cost-effective decisions. The presence of personalized recommendations and targeted advertising based on browsing history and preferences further guides purchasing behaviour. Additionally, the ability to quickly read reviews and see ratings from other customers can significantly impact a consumer's confidence in a product. Overall, online shopping has shifted the purchasing decision-making process to be more informed, convenient, and personalized.

2. RESEARCH DESIGN

2.1. Statement of the Problem

2.1.1. Variability in Review Influence different types of online reviews differently affect consumer perceptions and purchasing behavior.

2.1.2. Credibility and Trustworthiness: What factors determine the perceived credibility of online reviews, and how does this perception impact the trust consumers place in reviews when making purchasing decisions matters a lot when it comes to buying decision.

2.1.3. Review Sources and Bias: To what extent do the sources of online reviews (e.g., verified buyers vs. anonymous users) influence their impact on consumer decisions, and how do potential biases or fake reviews affect the overall trust in review systems.

2.2. Review of Literature

2.2.1 Importance of Online Reviews : Research highlights that online reviews significantly impact consumer purchasing behavior. Cheung and Thadani (2012) found that online reviews serve as a form of social proof, reducing perceived risk and uncertainty in the buying process. Similarly, reviews can enhance the credibility of products and influence customer satisfaction and loyalty (Mudambi & Schuff, 2010).

2.2.2 Types of Reviews and Their Influence: Studies have differentiated between various types of reviews, such as positive, negative, and neutral reviews. Positive reviews generally enhance product attractiveness and can lead to increased sales (Dellarocas, 2003). Conversely, negative reviews can deter potential buyers and damage brand reputation (Lee & Youn, 2009). Detailed reviews provide more information and are often perceived as more credible than brief reviews (Huang & Chen, 2010).

2.2.3 Credibility and Trustworthiness of Reviews : The credibility of online reviews is a critical factor in their effectiveness. Research by Flanagin and Metzger (2007) suggests that factors such as reviewer expertise, review consistency, and the presence of verified purchase indicators can enhance review credibility. Moreover, the perceived trustworthiness of reviews is influenced by the source of the review, with reviews from verified buyers generally being more trusted (Chen, Zhang, & Xu, 2004).

2.3 Objectives of the study

2.3 .1 To identify does online reviews influence customer buying decisions.

2.3. 2 To analyse the factors which influence the customers to trust the online reviews

2.3.3 To study for which types of products customers rely on online reviews

2.4. Scope of the study

This study investigates the impact of online reviews on customer buying decisions, focusing on the following key areas:

1. **Online Reviews:** The study will examine various types of online reviews, including positive, negative, and neutral reviews, as well as detailed and brief reviews. It will explore how these different types influence consumer decision-making.
2. **Review Sources:** The research will consider reviews from different sources, such as e-commerce platforms and social media. The impact of review sources on consumer trust and decision-making will be analyzed.
3. **Consumer Perception of Credibility:** The study will explore factors that affect the perceived credibility of online reviews, including reviewer qualifications, review authenticity, and the presence of verified purchase indicators.

2.5 Research Methodology

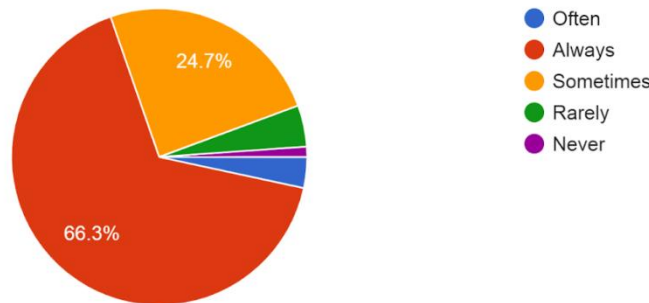
Research Design	Descriptive research
Sampling Technique	Simple random / probability sampling
Sampling Area	Urban
Sampling Unit	Individual
Sample Size	90 respondents
Data Collection	The required information has been collected from primary sources through structured questionnaire and secondary sources such as books, Journals and periodicals.
Statistical tools	Percentage and Graph

3. Data Analysis and Interpretation

data analysis and interpretation is done as per the objectives of the study .

Objective 1 : 2.3 .1 To identify does online reviews influence customer buying decisions.

How often do you read online reviews before making a purchase responses

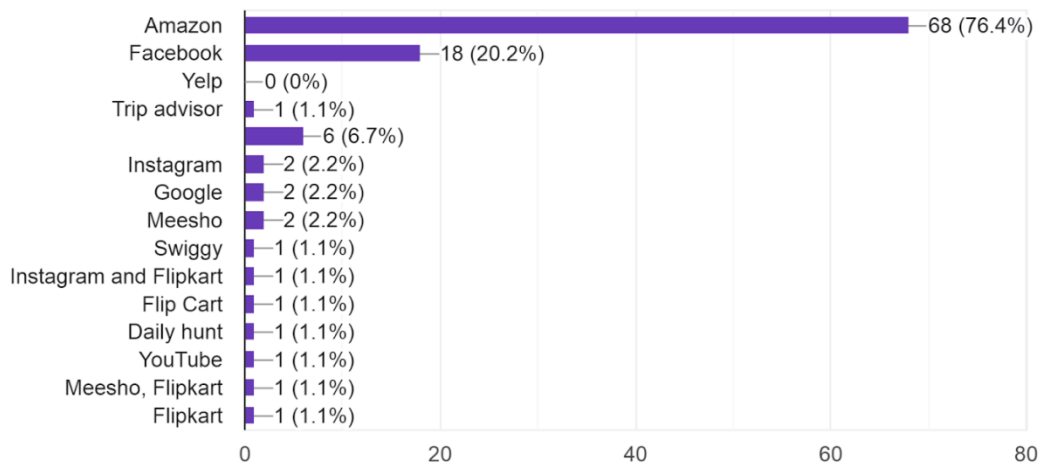


The Above pie chart projects that 66.3% of the respondents clearly stated that they always depend on

online reviews before making a purchase decision, 24% of the respondents stated that sometimes.

5. Which platform do you commonly use to read reviews

89 responses

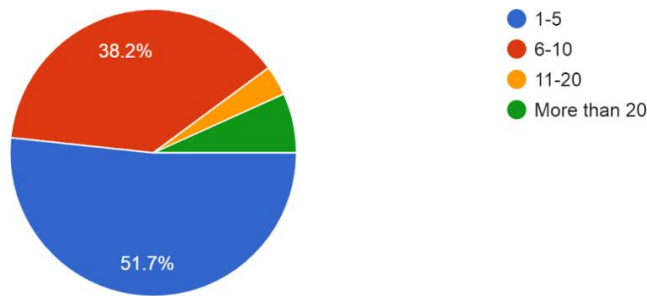


with the above graph it is very clear that majority of the respondents i.e 68% of the respondents are using

Amazon platform to read reviews. rest 22 % is occupied by other platforms.

6. How many reviews do you typically read before making a decision

89 responses

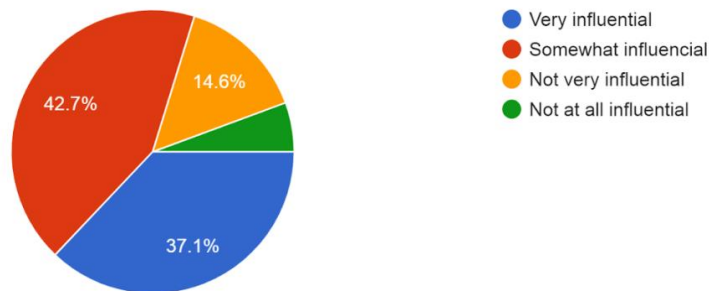


with the above pie chart it is clearly stated that 52% of the respondents go through maximum 1-5 reviews before making a purchase decision, 38% of the respondents go through maximum 6-10

reviews before making a purchase decision. rest 10% of the respondents check more than 11 reviews to take proper decision regarding online purchase.

7. How much do online reviews influence your purchasing decisions

89 responses

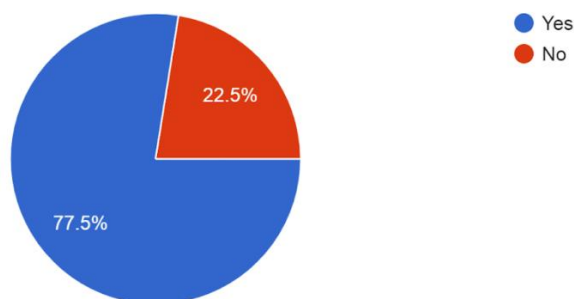


with the above pie chart it is clearly stated that 42% of the respondents stated that online reviews are somewhat influential, 37% of the respondents

stated that online reviews are very influential, 14% of the respondents stated that online reviews are not very influential.

8. Have u ever changed your mind about a purchase based on online reviews

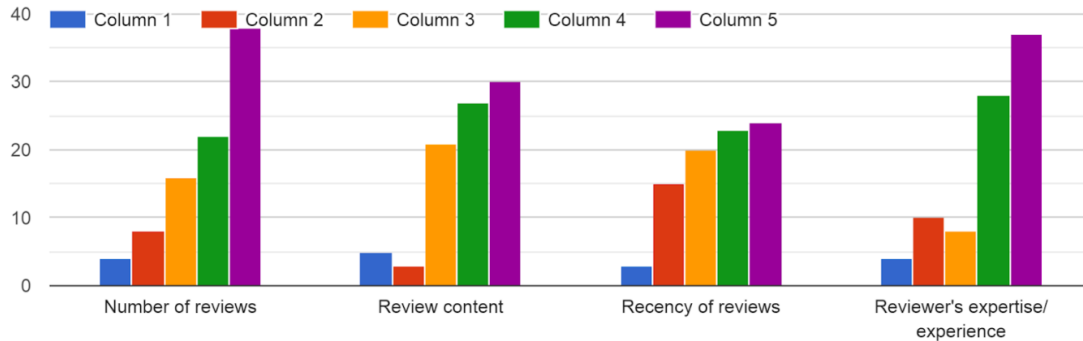
89 responses



with the above pie chart it is clearly stated that 77% of respondents are agreed that online reviews change the mindset of purchase decisions, 23% of respondents are

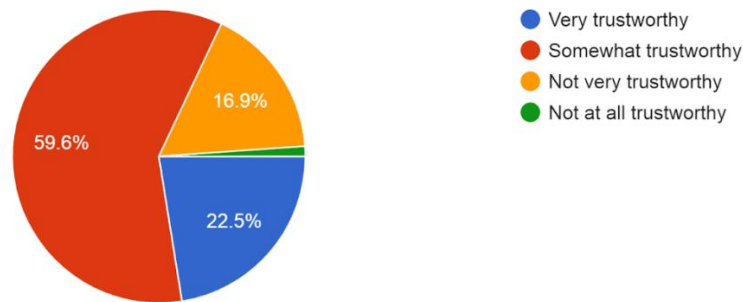
agreed that online reviews never change the mindset of purchase decisions. objective 2 : 2.3. 2 . To analyse the factors which influence the customers to trust the online reviews.

9. How important are the following factors when considering online reviews (scale 1-5, where 1 is "not important at all", and 5 is "very important")



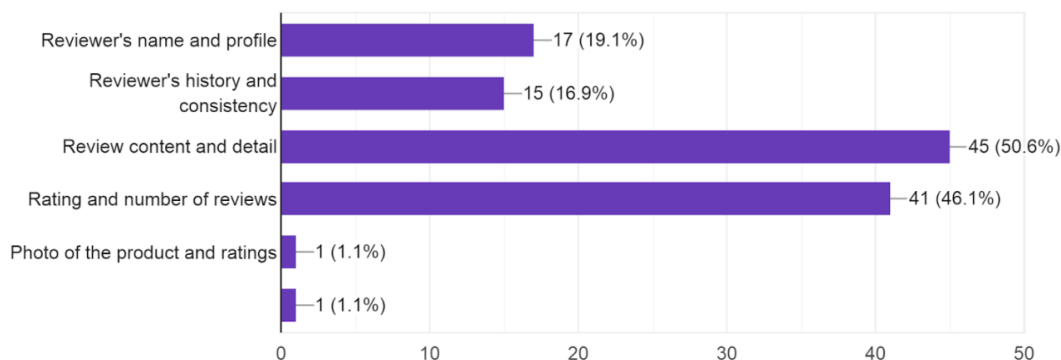
with the above graph it is very clear that number of reviews, review contents, recency of reviews and reviewers experience is very important for the decisions

10. How trustworthy do you consider online reviews to be
89 responses



with the above pie chart it is clearly stated that 60 % of respondents are agreed that online reviews are somewhat trustworthy, and 22% of the respondents said that online reviews are not very trustworthy , 17 % of the respondents said that online reviews are not very trustworthy , rest 1% are not having trust on online reviews.

11. What factors influence your trust in online reviews
89 responses



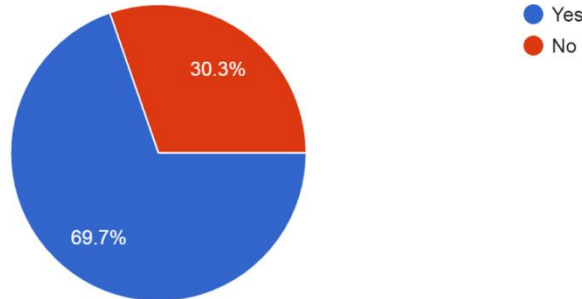
with the above graph it is very clear that 50% of the respondents agreed that reviewer's content and details creates trust on online reviews, 46% of the respondents agreed that rating and number of reviews creates trust on online reviews. rest of the respondents

were dependent on name , profile, history, consistency of the reviewers.

Objective 2 : 2.3.3 To study for which types of products customers rely on online reviews

12. Have you ever made a purchase solely based on online reviews

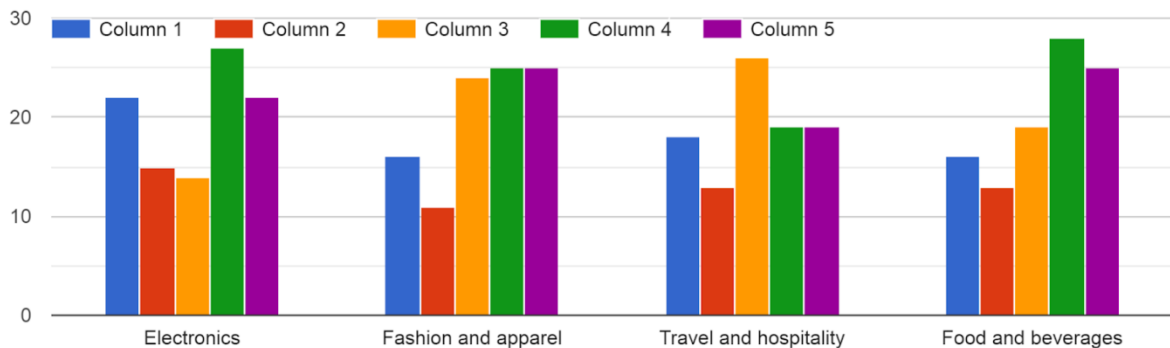
89 responses



with the above pie chart it is very clear that 70% of the respondents solely depend on online reviews before

purchase, 30 % of the respondents are not considering online reviews before purchase.

13. How often do you rely on online reviews for the following types of purchase (scale : 1-5, where 1 is rarely and is always)



with the above graph it is very clear that for all types of products customers are influenced by online reviews

Future Scope

- Cross cultural studies
- Industry specific analysis
- Role of AI generated reviews
- Impact on small business
- Influence of visual content
- Effect on customer loyalty

4. FINDINGS, CONCLUSIONS AND FUTURE SCOPE

The study was mainly focused on the impact of online reviews towards customer buying decisions. through this study it is realised that majority of the public are influenced by online reviews for all types of the products and at present online reviews are creating huge impact towards customer buying behaviour .

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