



ONLINE CONSUMER REVIEWS AS MARKETING INSTRUMENT

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Abstract: Consumers' recommendations (as word-of-mouth promotion) always represented an accurate barometer in evaluating market acceptance for goods and services. Due to the time and space barriers being removed in the online environment, the spread of positive or negative opinions regarding a product or a service is done at an exponential pace. Thus, panning a strategy to monitor and actively influence online consumer opinions should be a primary focus for any company, regardless if it is a local or a global one. This article aims to identify the means through which consumer reviews can be used in an efficient and effective way and also suggests marketing techniques designed to influence potential consumers in the desired direction.

Key words:

Word-of-mouth promotion, social networks, online marketing, consumer opinion, online reviews

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1. Introduction

Since the dawn of commerce, consumer opinions and recommendations influenced the image of products and services, in a positive or negative way. Their use as a marketing tool offered companies a cheap and effective mean of promotion. Personal recommendation, coming from a close friend or family or from someone recognized as an authority in a certain field, has always played an important role when deciding to purchase a good or service.

The main disadvantage of using consumer recommendations as a marketing tool in the past was represented by the limited area in which they were propagated. Usually the propagation of these opinions was inside the close circle of friends and family or, in case of authority figures, expressing their opinions through media channels (newspaper articles, radio and TV shows etc.), to the audience of that channel.

The development of online commerce and the removal of space and time barriers allow global wide spreading of these recommendations via the Internet: social networking sites (Facebook, LinkedIn, Twitter, Foursquare), blogs and specialized review sites (movies.com, gamespy.com), reviews of products on online stores and electronic marketplaces (emag.ro, okazii.ro) and review aggregator sites (Metacritic.com) allow a quick and potentially limitless dispersion of consumer opinions.

In the online environment, the purchase decision is based on one hand on the pictures and description of the product characteristics, provided by the vendor, and

on the other hand on recommendations from those that already bought products.

As a way to express consumer opinions, online reviews are the subject of this article. In the Romanian language, the review is defined as a short report or critical appreciative presentation regarding a literary work, scientific work, a play etc. (Marcu, Maneca, 1986). In the online environment, where the possibility to physically examine products is limited, consumer reviews can provide insights from other people that bought the product.

The number of reviews for a product reflects the product popularity (Berger, 2012), being the online equivalent of the „word of mouth”, directly linked to the sales volume for that product (Chaterjee, 2001 and Chen, Xie, 2004). Thus, the amount of available reviews can positively influence the purchase intention, the client thinking of this as: „the product was already bought by many other customers” (Park, Lee, Han, 2007). One study showed that 69% of consumers who read reviews online have as much confidence in them as in personal recommendations and over 73% read up to 10 reviews before making the final purchase decision (Anderson, 2011).

2. Online reviews – typology and characteristics

To better understand the typology of online reviews we propose a classification according to several criteria.

Due to the large number of possibilities when it comes to places where online reviews can be published, the consumer becomes itself a media

planner, having to choose, according to his own motivation, the place to post the review. Thus, depending on the place of publication, reviews can be of several types:

Direct reviews, on the product's page. Most major online stores offer mechanisms through which buyers can post reviews on the product page and are able to rate that product, the store showing an aggregate rating for the product. For the consumer, due to spatial proximity to the products point of sale, it is the fastest way to give a review and also the most likely place other consumers will search for reviews.

The fact that the online store technical platform is owned by the seller, the display of reviews and the final aggregate rating could be, at least from a technical point of view, easy to influence.

Reviews on specialized sites and blogs. With the development of the blogosphere and the opportunity for everyone to express their views through a personal blog, there has been an increase in the number of people starting blogs focused on news and reviews for various activity fields. The equivalent of classical press articles, these reviews are usually written by people with authority in the field and are therefore generally regarded as objective and well documented.

Reviews published in the discussion forums. Discussion forums are a communication tool between communities with common interests. These forums are closest to the classic word of mouth promoting, generating direct discussions between users, where any registered forum user can participate. For example, on the softpedia.ro forum, a discussion about the new PENTAX-K5 camera (still not tradable at the time of the subject) gathered a number of 1.586 answers and 84.772 views until 18.01.2013. Most of these answers are discussions about various features of the device, comparisons with other competing cameras or from the same manufacturer and opinions about the reliability and durability of that model.

Discussion forums can have a homogeneous audience and a high level of brand loyalty (e.g. Nikon forum) or a heterogeneous audience and neutral attitude towards various brands (Digital Camera Open Forum). In general it was shown that the choice of forum for a public review is based on two factors: (Godes, Mayzlin, 2009): the nature of the review (positive or negative) and the content (subjective or objective). A subjective and negative review will be less efficient in a homogeneous forum with a high brand loyalty than in a heterogeneous forum where the

participants have a low brand loyalty and are more open to various opinions (Chen, Kirmani, 2012).

Reviews published on social networks. In general, social networks are an electronic mean to interact with friends. As can be deduced from their names, each user creates their own network of friends, close people or even strangers that share the same interests and communicate with them via Internet, inside the social network.

In addition to the possibility to publish information inside the network (including own views/opinions regarding a certain product / service that they acquired), most of the networks make available for the users the possibility to express, in the simplest form, their opinion about a certain product/service. Giving a „Like” for Facebook or „+1” for Google Plus allows a brief validation of a product / service.

Reviews published in the local search directories. These local search directories are a recent appearance in the online environment, based on user location personalized results. An example of a search in a local directory would be: „restaurants in my area” that returns all the restaurants closest than a predefined distance and allows the user to read or write reviews for each result or to rate each of them. These directories encourage writing reviews in order to give future visitors an image as close as possible about a particular result. Examples of such directories are foursquare.com and yelp.com.

Following a study on Internet usage for local searches, conducted by Anderson for searchengineland.com, over 70% of the respondents conducted at least once such a search and 67% read the online reviews provided by the search results (Anderson, 2011).

Another classification of online reviews can be done *by the publishing media type:*

Written reviews, typed in text, allowing the indexing by search engines and thus attracting more readers through these search engines.

Audio reviews, in podcast form, allowing their consumption using mp3 players and requiring access to a computer only for downloading them.

Video reviews, published through video platforms such as youtube.com, allow live demonstration of the products for the viewers and a more personal experience due to the video camera recording the person reviewing the product.

Mixed reviews, usually a combination of video or audio and a transcript of the dialogue in text format, that bring the advantages of both advanced media

format (video or audio) and search engine indexing (text).

The classification of online reviews can also be made *according to their content*. There is no standard format for the publication of reviews and therefore each online review is different. There are generally two types of reviews:

Subjective reviews, emotional, without logical arguments e.g.: „I love this product so much, I'm going to buy one" or „I'm very glad I've purchased this product". In terms of quality and usefulness these reviews have less influence on the purchase intention of the online consumers (Park, Lee, Han 2007).

Objective reviews are rational, specific, clear and reasoned in order to justify given opinions. The information contained in these reviews is qualitative and influence in a greater measure the purchase intention.

Depending on the nature of the review, they can be divided in positive and negative review, because a consumer decides to publish a review following a pleasant or unpleasant experience on a particular product (Chen, Kirmani 2012).

Positive reviews, although more often encountered in the online environment than the negative ones (Fowler, De Avila 2009), are generally regarded as subjective (Chen, Lurie 2012) and self-gratifying (the author tries to justify his purchase or to show their good taste). Also, the authors of overly positive reviews can be regarded as less discerning (Schlosser 2005).

Negative reviews, less present, have, however, a greater impact on product sales (Chevalier, Mayzlin, 2006). Due to lack of self-gratifying motivation in developing these reviews, they are generally seen as more objective and qualitative, being considered direct results of the experience with the product.

According to the subject, reviews may refer to a particular product or service or to a dealer and the purchase experience. Thus, the reviews may be:

Reviews related to a product. These relate to a product or service and focus on the experience using the product, regardless of the product online retailer.

Reviews related to more than one product. Comparison reviews between more than one product, allow consumers an analysis of the product characteristics for products similar in purpose and function. Usually these reviews are made by specialized sites that have access to more products of the same type, the usual consumer not having a reason to purchase more than one product with the same function.

Reviews related to the purchase experience. These reviews relate to the purchasing process, delivery time, delivery means etc., being of particular concern to the trader in question, because they can directly influence

sales, regardless of product. Such reviews are often found on online markets like okazii.ro or eBay.com where those who manage these markets require the buyers to rate the sellers after each purchase.

3. Possibilities of using online reviews as marketing instruments by the companies

Companies operating in the online environment can use online reviews as a marketing instrument in order to increase sales. Currently knowing the typology of the reviews a series of ways to efficiently use them can now be drawn:

Using own platforms in order to provide the customers with a publishing area for reviews. Merchants owning online stores are encouraged to provide such a platform to the visitors, at a product level and to make every effort in order to give it a high level of credibility. Thus, consumers' opinions will be expressed in a controlled area that can be influenced by the merchant. Yet, the merchants' equidistance is of utmost importance, as aggressive moderation (complete removal of negative reviews, technical manipulation of received score etc.) will lead to a loss of credibility for the platform.

Hiring a specialized team to manage discussions about the product on external platforms. This team can act officially, in the open, answering the various reviews as a representative of the merchant/producer or undercover, hidden, as „consumers" by publishing positive reviews for the product. As an official representative is very important to identify and track main external publishing sites and to provide responses that justify or amend the shortcomings presented in the negative reviews. This way, the merchant will seem an involved actor, interested in customer satisfaction, thus a negative review can be transformed into one that brings benefits.

Using social networks by integrating facilities to give a „Like" or „+1" to the products, which capitalizes on the easiest way to review: personal endorsement of the product without further explanations. The people in the consumer's social network will receive this as a personal recommendation for the product.

Professional review generation, using authority figures in the field, by sending samples or even products to authors of specialized blogs or regular review sites posters. It is very important that the product is accompanied by a description emphasizing strong points and undermining weak points of the

product, thus indirectly trying to influence the final review.

4. Conclusions

Regardless of the method of use, online consumer reviews represent an inexpensive promotion instrument; each online provider can and should implement a plan to track and/or influence these reviews. The classification and the characteristics of the online reviews described in this paper may underlie research aimed to outline the most appropriate ways of using them as a marketing instrument for certain products and/or the targeted segment of consumers.

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