

Managing Product Review Websites-Insights from Research on Word-of-mouth Marketing-

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Managing Product Review Websites: Insights from Research on Word-of-mouth Marketing

Mark E. Parry and Masaaki Takemura

Abstract

The authors review existing research on personal and virtual word-of-mouth to develop recommendations for retailers regarding the design and management of their product review web sites. The author's analysis suggests seven strategies that retailers can use to increase the value of their review site to customers. The authors recommend that retailers (1) help reviewers convey information that review readers find useful; (2) create tools that reviewers can use to establish their trustworthiness and credibility; (3) assist review readers in the evaluation of review contents by collecting and reporting the reactions of other review readers to individual reviews; (4) provide ways for review readers to assess the motivations that prompted a review to write a review; (5) offer information and analyses that help review readers identify common themes communicated in multiple reviews for the same product; (6) reward effective reviewers for their contributions; and (7) develop an ongoing program of analysis and experimentation in order to learn from reviewers and review readers.

Introduction

Word-of-mouth has long been recognized as one of the most important influences on customer buying behavior (Arndt 1967; Katz and Lazarfeld, 1955). The effectiveness of word-of-mouth is widely attributed to the fact that word-of-mouth communication is typically not motivated by a desire for personal gain (Graham and Havlena, 2007). Consistent with this reasoning, we follow prior research and define WOM as any communication about a product or service generated by someone who does not stand to gain financially from that communication (e.g., Katz and Lazarfeld, 1955; Hennig-Thurau et al., 2004).

With the advent of the Internet, consumers can now share word-of-mouth through a variety of online sites. We will refer to word-of-mouth that is posted online as virtual word-of-mouth (vWOM). Product reviews by existing customers are one of the important

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types of vWOM. Many retail web sites offer customers the opportunity to post product reviews for other customers to read. In this paper we will use the term “reviewers” to refer to customers who post product reviews on retailer websites and the term “review readers” to refer to customers (or potential customers) who read those reviews.

There are several reasons to expect that a well-designed product review web site containing a large number of content-rich reviews can increase site traffic and sales. First, good review content gives potential customers a reason to come to a web site in order to obtain information from other consumers about a products advantages and disadvantages. Second, exposure to the experiences and evaluations of product users can reduce the financial, psychological, and social risk of new product adoption (Bauer, 1960; Holak and Lehman, 1990). Third, for many consumers, reading reviews written by other consumers is an enjoyable entertainment experience. Fourth a good review site can actually save consumers time by reducing the time needed to make a purchase decision. Fifth, once consumers have made a purchase decision, they can save time by making their purchase at the review website. Sixth, many consumers who value the reviews maintained by a retailer choose to make their purchase at that retailer’s web site because they want to reward the retailer for developing and maintaining information platform that can speed their decision-making process and reduce their purchase risk.

In this paper we use existing research on personal and virtual word-of-mouth to develop recommendations for retailers regarding the design of their product review web sites. Our recommendations build on findings from several streams of word-of-mouth research, including studies of review content, reviewer motivation, and the process review readers use to evaluate of reviews. Our analysis of this research suggests seven things that retailers can do to increase the value of their review site to customers. Specifically, retailers can:

1. Help reviewers convey information that review readers find useful;
2. Create tools that reviewers can use to establish their trustworthiness and credibility;
3. Assist review readers in the evaluation of review contents by collecting and reporting the reactions of other review readers to individual reviews;
4. Provide ways for review readers to assess the motivations that prompted a reviewer to write a review;
5. Offer information and analyses that help review readers identify common themes communicated in multiple reviews for the same product;
6. Reward effective reviewers for their contributions; and
7. Develop an ongoing program of analysis and experimentation in order to learn from reviewers and review readers.

In subsequent sections we discuss the rationale for these recommendations and illustrate how these recommendations might be implemented using examples from Amazon and other web online retailer web sites.

Review Content

Many product review web sites ask reviewers to provide an overall rating of a product. For examples, amazon.com and bestbuy.com asks reviewers to rate the products they review on a “1 Star” to “5 Star” scale. Several studies have examined the relationship between these ratings and sales rankings. For example, Chevalier and Mayzlin (2006) found that increases in the average rating of a book at amazon.com were positively associated with sales of that book (as measured by the sales ranks reported on the Amazon web site). Similarly, Chen, Wang, and Xie (2011) found a similar relationship in a study of camera sales on the Amazon site.

Importantly, evidence also exists that the content of the review also matters. Chevalier and Mayzlin (2006) found that sales were positively related to average review length, which suggests that content matter. More recently, Parry and Cao (2013) found that software downloads at Download.com (a site operated by CNET.com) were (1) positively related to the number of reviews that made positive statements about product quality, value, and customer satisfaction and (2) negatively related to the number of reviews that made negative statements about the same factors.

These findings have two important implications for the management of retailer-operated product review websites. First, retailers need to understand the kinds of review content that readers find helpful. Existing studies of word-of-mouth generation offer one perspective on important elements of review content. A review of this literature suggested that existing users of products (and services) are motivated to generate word-of-mouth by their perceptions of product quality and value, as well as by their satisfaction with a product or service, their trust in the product, and their loyalty and commitment to the product or service and its provider (de Matos and Rossi, 2008).

A second perspective on review content comes from discussions of the kinds of benefits that customers receive from a product or service. These benefits are often classified into three groups. *Utilitarian benefits* refer to the functional, task-oriented consequences of product consumption or use (Babin, Darden, Griffin, 1984). Utilitarian benefits usually involve a product's ability to solve problems or simplify usage (Botti and McGill, 2011). In contrast, *hedonic benefits* refer to the experiential affect that results from product consumption or use. Examples of hedonic benefits include fun, sensory arousal, as well as associated emotional satisfaction (Babin, Darden, Griffin, 1984; Botti and McGill, 2011). Finally, *symbolic benefits* involve the personal values and meanings that consumers communicate to themselves and others by using an innovation (Larsen, Lawson, and Todd, 2009; Ratner and Kahn, 2002).

In addition to describing a product's attributes and benefits, a reviewer can also describe his or her product search and purchase decision process (Bloch, Sherrell, and

Ridgeway, 1986; Moorthy, Ratchford, and Talukdar, 1997). How long had the reviewer been looking for the kind of product described in his or her review? What prior experience did the reviewer have with other products in the same product category? What kind of information did the reviewer collect? What product alternatives did the reviewer consider? How did the reviewer choose among those alternatives?

Finally, reviewers can describe their experience with the product in different usage situations. Shih and Venkatesh (2004) have argued that, in many cases, consumers purchase products with one specific use in mind, but find over time that the product has other uses. Building on this reasoning, Kishiaya, Kawakami, and Parry (2013) suggested that word-of-mouth can help potential adopters of an innovation expand their understanding of the kinds of usage situations in which the innovation can be used. In the context of product reviews, reviewers can describe the initial usage situations they envisioned when they purchased a product and what they have learned about the appropriateness of that product in those situations. In addition, reviewers can describe new uses that they have found for the product. This type of information can help review readers better understand the range of situations in which they might use a particular product.

The streams of literature mentioned above provide general guidance about the types of content that can be important to review readers. However, the relative importance of different types of content, and the words used to express that content, will vary across product categories. For this reason, it is important for retailers to analyze the relationship between the content of reviews posted on their own website and the behavior of review readers.

In addition to the need for retailers to understand the kinds of review content that readers find helpful, retailers need to help reviewers communicate that content in their reviews. Retailers can do this in at least two different ways. First, retailers can provide suggestions to reviewers about topics to address in their review. For example, the *download.com* review form contains four response text boxes, one for each of the following kinds of content: (1) a one-line summary, (2) a list of positive features (“Pros”), a list of negative features (“Cons”), and an optional “Summary” box. Retailers should consider whether some aspects of review content (for example, ease of use) are important enough to provide a separate text box where reviewers can address the specified issue.

Second, as noted above, most retailer web sites ask reviewers to provide an overall rating for the products they review. Some retail websites such as *bestbuy.com* also ask reviewers whether they would recommend the product reviewed to a friend. One thing that retailers might consider is whether reviewers should be asked to rate specific attributes of the product or specific dimensions of product performance. For example, if an analysis of review content indicates that “ease of use” is an important attribute for products sold on the retailer’s web site, the retailer might ask reviewers to rate the ease-of-use of the products they review.

Establishing Reviewer Trustworthiness

Existing studies of personal word-of-mouth (pWOM) indicate that the effectiveness of pWOM communication depends on trustworthiness. In turn, trustworthiness is a reflection of two things: expertise and perceived similarity of tastes and preferences (Parry, Kawakami, and Kishiya, 2012). Expertise refers to the level of knowledge and understanding that consumers have about the products they review. Studies of personal word-of-mouth indicate that potential adopters value the opinions of experts when the available product information is incomplete, contradictory, or ambiguous, or when they lack confidence in their own ability to assess the available information. In the case of physical word-of-mouth (pWOM), potential purchasers often evaluate the expertise of a pWOM source by reviewing the experience and credentials of the source and by talking to other people who know the source.

A second factor that influences the perceived trustworthiness of a review is perceived similarity of tastes and preferences. In many situations the ideal configuration of product attributes is a matter of individual taste. For example, the ideal level of sweetness in a beverage varies widely across consumers. In general, when product choice is dependent on these types of attributes, consumers are likely to seek out recommendations from people who share their tastes and preferences. In the case of physical word-of-mouth (pWOM), consumers often rely on what they know about an information source to assess the degree to which they and the information source have common tastes and preferences (Brown and Reingen, 1987).

In general, it is more difficult to assess the expertise of online reviewers, because the reader often knows little or nothing about the person writing the review. Similarly, it can be difficult to assess the tastes and preferences of online reviewers. The problem is complicated by authors who (1) favorably review their own books, sometimes under a different name, and sometimes more than once, (2) negatively review competing books, and (3) trade favorable reviews with other authors. Retailers can help review readers assess the expertise and preferences of a reviewer in several ways, including (1) providing the reviewer with opportunities to describe and demonstrate their expertise and/or tastes and preferences and (2) providing readers with information that indicate patterns in the responses of multiple reviewers.

Reviewer Self-Disclosure

One way that reviewers can establish credibility is to post information about their background, experiences, and preferences. Sometimes reviewers disclose some of this information as part of their reviews. For example, reviewers of business books often provide this kind of “within review” disclosure to enhance the credibility of their opinions.

However, retailers can supplement this “within-review” disclosure by providing additional tools for revealing this type of information. For example, at amazon.com the names of reviewers who have provided personal information are highlighted in blue text. Review readers who click on one of these names are taken to the reviewer’s profile page. The information provided in this profile can help established the reviewer’s expertise or provide insight into the reviewers tastes and preferences.

For example, consumers looking for business books often want to read reviews by reviewers whose judgments are informed by their own experience and expertise. On Amazon, reviewers can supply this kind of information in their online profile. In contrast, consumers looking for hedonic products like music CDs or movie DVDs are often more concerned with understanding the tastes and preferences of reviewers. For this reason, DVD reviewers often post more personal information in their profile that provides insight into the kinds of products they like.

Unfortunately, the information provided in an online profile could be fabricated. For example, a reviewer could claim certain types of industry experience that they do not have. Retailers might address this problem by providing independent verification of certain types of profile information, or providing tools that help review readers verify that information.

Second, Amazon reviewers can create lists of products (“Listmania Lists”) that they like or recommend. For example, at the time of this writing, “Daniel J. Hamlow” had created 31 Listmania Lists. One list was entitled “Top Korean Films I’ve Seen so Far” and contains short comments on 11 films recommended by the reviewer. Such lists provide an additional perspective on the tastes and preferences of a reviewer and help the reader of a review decide how much weight to put on the content of that review.

Review Readers and Assessments of Trustworthiness

Retail web sites can also help review readers provide information that other review readers can use to assess trustworthiness. First, retailers can provide review readers with the opportunity to post online comments on the helpfulness of a review. Posted comments on a review can sometimes help readers assess the expertise of the author of the original review.

Second, retailers can review readers with quick access to other reviews written by a reviewer. For example, at Amazon readers can click on the name of a product reviewer and see other reviews written by that reviewer. The ability to read multiple reviews by the same reviewer has two important benefits for review readers. One benefit of multiple reviews is suggested by attribution theory, which analyzes the ways in which people use information in the environment to construct causal explanations for events (Fiske and Taylor, 1984). A key element in the attribution of causality to a person’s behavior is consistency over time. If the same person acts the same way on repeated occasions, then that

behavior on any particular situation is more likely to be attributed to characteristics of the person that do not vary by situation, rather than to unique characteristics of the particular situation.

Laczniak, DeCarlo, and Motley (1996; see also DeCarlo et al., 2007) applied attribution theory to understand what inferences a recipient of negative word-of-mouth might make about the communicator's motivations for generating that message. If a reviewer is unhappy with every purchase they make, the word-of-mouth recipient is more likely to attribute negative information in a specific review to the characteristics of the person rather than to flaws in the product being reviewed. Similarly, if every review that a reviewer writes is very positive, any individual review written by that person is more likely to be attributed to the person's rosy disposition than to the product being reviewed. This argument suggests that the ability to see a number of reviews by the same reviewer can help review readers assess the degree to which a good or bad review is a reflection of the reviewer's personality or their experience with the product being reviewed.

A second benefit of exposure to multiple reviews by the same reviewer is that multiple reviews offer review readers another way to assess the expertise of the reviewer and his or her tastes and preferences. For example, suppose a customer wants to know whether a certain DVD review on Amazon is a good indicator of how the customer will react to that DVD. If the reviewer has posted reviews for a number of other DVDs on Amazon, the customer can look through those reviews and find reviews of the movies that the customer has already seen. If the reviewer and customer's opinions of those movies are similar, the customer should have more confidence in the reviewer's opinions about DVDs that the customer has not yet seen.

A third benefit of exposure to multiple reviews is the ability to potentially identify reviewers who write reviews because they benefit in some way from those reviews. Recent research indicates that perceptions of personal gain lower the perceived trustworthiness of online reviews (Kozinets et al., 2010). For example, one problem in evaluating reviews of business books is that the authors of those books often trade favorable reviews with other authors; that is, one author writes a favorable review of a second author's book to either repay the second author for a favorable review or in hopes of securing a favorable review from the second author. This practice is encouraged by many books and marketing consultants. The practice has become so prevalent on Amazon that some reviewers attempt to enhance the credibility of their reviews by explicitly stating that they do not know the author of the books they review.

One way for review readers to identify authors who are trading favorable reviews with other authors is to examine the review histories of individual reviewers. Such a search, while possible on a website like Amazon, would typically consume a lot of time. To help review readers, web retailers could identify those reviews written by reviewers who were (a) authors and (b) had received a favorable review from the author of the book

being reviewed. Review readers could then make their own judgments about how much confidence to place in the review.

Reviewer Code of Ethics

In addition to providing tools and analyses to help readers assess reviewer trustworthiness, retailers can establish and enforce a code of ethics for reviewers on their web sites. For example, book retailers might forbid authors from reviewing their own books, or might require authors to clearly identify themselves in any reviews they write about their own books. Similarly, authors might be required to clearly identify themselves in any reviews they write of competing books. Retailers could enforce these rules by removing reviews that violate their codes from their websites.

Social Proof

In the previous section we examined ways that reviewers can enhance the credibility of their reviews by providing information about themselves. Another way to enhance review credibility is through social proof, which involves evaluating the credibility of statements by examining how others have reacted to those statements. According to Cialdini (2000), customers are most likely to rely on social proof when a message is ambiguous or when they lack the expertise to evaluate the message on their own. For example, for complex technology products, consumers often lack the ability to evaluate the contradictory claims of competing manufactures. In these cases, consumers often reduce their perceived risk by buying the product sold by the market leader. For example, in the United States many consumers currently buy iPads because the iPad has the largest share in the tablet market. Relying on market share as an indicator of value or product quality is a kind of social proof, because the iPad's market share is based on the purchase behavior of other customers.

In the context of online reviews, the concept of social proof is important, because sometimes the readers of reviews do not have enough information or expertise to evaluate the trustworthiness of a product review. In this case, knowing how review readers reacted to an individual review can increase the reader's confidence in the information provided by that review. In addition, knowing how many review readers voiced a common opinion in their review provides social proof about the characteristics of the product being reviewed.

Social Proof and Individual Reviews

One way that web retailers can use social proof is to collect and summarize information from review readers about individual reviews. This can be done by asking review readers one or more simple questions about each review they read. For example, under each review Amazon asks the following "yes or no" question: "Was this review helpful to

you?” Above the review, Amazon posts (1) the number of people who responded that the review was helpful and (2) the total number of respondents to the helpfulness question. A large number of respondents together with a large number of “yes” responses constitute a kind of social proof about the helpfulness of a review.

Social Proof from Sentiments Shared by Multiple Reviewers

A second way that retailers can use social proof is to provide review readers with easy-to-understand summaries of multiple reviews. For example, Amazon offers two kinds of social proof based on the overall rating provided by reviewers. As noted earlier, each Amazon reviewer is asked to give the product being reviewed a rating that ranges from 1 to 5 stars. Amazon summarizes in a bar chart (i.e., a horizontal histogram) the number of customers that have chosen each of the 5 possible overall ratings. For example, at the time this paper was written 511 customers had reviewed the Anime film *Ghost in the Shell*. Of these, 316 reviewers gave the film a rating of 5 stars, while 21 gave the film a 1-star rating.

Amazon offers another kind of social proof based on a content analysis of reviews. In the space next to the overall-rating bar chart, Amazon displays quotes from individual reviews, along with a count of the number of reviews containing similar statements. For example, the space next to the “Ghost in the Shell” bar chart contains the following quote: “The animation is one of the best I have ever seen.” The line under this quotation states: “100 reviewers made a similar statement.” Most review readers will not have the time to read all 100 of those reviews, but seeing Amazon’s summary statement has the potential to increase the confidence of review readers in the credibility of the statement.

Social Proof Based on Buying Behavior

In his classic study of new product adoption, Rogers (1983) defined observability as the ability to see adopters using a new product. A key benefit of product observability is that observability can create product awareness among potential adopters. Once created, this awareness may stimulate potential adopters to learn more about that innovation. For example, a consumer who sees another consumer using a new electronic device at work, on the train, or in a coffee shop might decide to learn more about the device by collecting information from the Internet or by visiting a consumer electronics retailer.

A recent study by Chen, Wang, and Xie (2011) demonstrates the importance of observational learning in an online store environment. The authors examined changes in sales rankings of cameras at Amazon.com, which provided information on the purchase decisions of customers who viewed a particular product. Suppose, for example, that a consumer looked at Camera A. This consumer would see a list of the cameras most often purchased by people who viewed the description of Camera A, as well as each camera’s share of purchases among these consumers (i.e., among consumers who (1) viewed Camera

A and (2) made a camera purchase). The authors found that this “observational learning” information about customer purchase decisions was positively related with camera sales.

The results of this study have important implications for the management of retailer-operated customer review sites. In particular, retailers have the opportunity to collect information from review readers and link that information to the purchasing behavior of those reviews. The results of this analysis could be reported to create observational learning about the influence of a review on buying decisions. For example, suppose the retailer posted the following question below each review: “Is this review helpful”? The retailer could analyze the buying behavior of the people who answered “Yes” to this question, determine the subset of responders who actually bought the product, and post this information adjacent to the review. This type of analysis can potentially provide additional insight into the value of a review.

Reviewer Motivation and Encouragement

Existing research indicates that people who spread word-of-mouth have different motivations (e.g., Hennig-Thurau et al., 2004; Sundaram, Mitra, and Webster, 1998). Two of the most important motivations are altruism and self-enhancement. Altruism reflects a desire to help others. In some cases, altruistic reviewers have had a great experience with a product and they want to introduce others to that experience. In other cases, altruistic reviewers have had a bad experience and they want to try and prevent others from having a similar bad experience. In still other cases, altruistic reviewer may simply want to share their perceptions of the pros and cons of a product so that other consumers can make a more informed purchase decision.

Self-enhancement refers to a desire to think more highly of oneself by doing things that positively influence (1) one’s self-perception or (2) the way one is perceived by others (De Angelis et al., 2012). For example, some people want to think of themselves as experts in a particular product category. One way to demonstrate that expertise, both to one’s self and to others, is to write reviews of new products in that product category.

Importantly, both types of motivations suggest that the process of writing a review is a means to end. The desired end for altruistic reviewers is helping others: these reviewers want to help others make good purchase decisions. For self-enhancement reviewers, the desired end is impression management; they want to think more highly of themselves and impress others. One way that retailers can encourage both types of reviewers to continue writing thoughtful reviews is to make them feel they are accomplishing their goals. There are two ways to do this: (1) provide reader feedback and (2) recognize outstanding reviewers.

Reader Feedback

Preceding sections have discussed several ways in which customers can provide feedback on reviews (i.e., comments on reviews and ratings of review helpfulness). In those sections we emphasized the value of this feedback to other customers. Here we emphasize the value to reviewers of positive feedback. Altruistic reviewers want to help customers make good decisions, and one measure of whether they have accomplished this goal is the number of customers who rated their review as helpful. Similarly, high “helpfulness” ratings are likely to increase the belief of a self-enhancement reviewer that other customers are impressed with his or her opinions, knowledge, and expertise.

Retailer Recognition

In addition to collecting ratings and comments from customers who read reviews, retailers can also separately recognize outstanding reviewers. Amazon does this in several ways. First, Amazon ranks reviewers based on “the overall helpfulness of all of their reviews, factoring in the number of reviews they have written.”¹ Helpfulness of reviews is based on reviewer voting. The number one ranked reviewer at the time of this writing (jjceo) had written 3,006 reviews and had received 36,975 “Helpful” votes from review readers, of which 94% were positive. In addition, Amazon creates various “badges” for top reviewers (e.g., #1 Reviewer, Top 10 Reviewer, Top 100 Reviewer, Top 500 Reviewer, Top 1000 Reviewer) that appear under the reviewer’s name and before reviews written by the reviewer. Amazon also maintains a “Hall of Fame badge for reviewers who were highly ranked in previous years.”² Amazon also permits consumers to post comments on their reviewer rankings. These comments can be an important source of ideas for improvements in the ranking process.

Importantly, one additional way to help review readers is to provide reviewer rankings with specific product categories. For example, Amazon’s reviewer rankings are based on review across multiple categories. As a result, a reviewer who has written very few reviews in a particular category is still identified as a “Top 500 Reviewer” on reviews he or she posts to that category. However, if consumers are searching within a particular product category, they may wish to focus on those reviewers whose reviews are perceived as most helpful within that category. For this reason, review readers may appreciate the provision of category-specific reviewer rankings.

Another way to recognize reviewers for their contributions to the retailer’s web site is to provide them with free products to review. The receipt of free products to review serves as both recognition of past contributions and an incentive to continue providing quality

1 <http://www.amazon.com/gp/customer-reviews/guidelines/top-reviewers.html>.

2 <http://www.amazon.com/gp/help/customer/display.html?nodeId=I4279681&pop-up=1>.

reviews. For example, Amazon makes free products available to a select group of reviewers through its “Amazon Vine” program. According to the Amazon web site, this program “enables a select group of Amazon customers to post opinions about new and pre-release items to help their fellow customers make educated purchasing decisions.” Amazon selects reviewers to become members of this program based on “based on the trust they’ve earned in the Amazon community for writing accurate and insightful reviews.”³ Amazon’s vendors supplied members of the program free copies of products. Members are under no obligation to write positive reviews, and the submitted reviews are not edited by Amazon.

Analysis and Continuous Improvement

Finally, the preceding recommendations are based on existing theory and empirical analyses. However, the relative importance of these recommendations may vary by product category. For this reason, retailers should invest in programs to analyze the reviews posted on their websites in order to prioritize these recommendations and identify the implementation approaches best suited for their websites. Key components of these programs should include analyses of both reviewer and review reader behavior, as well as the impact of review-related information generated by the web site and variations in the way that information is displayed. These programs should be designed to answer the following questions:

- What is the relationship between review content and review reader behavior such as helpfulness ratings and subsequent purchase behavior? For example, does the mention of certain product attributes have a strong relationship with helpfulness ratings or buying behavior? How important is the description of a product’s functional benefits relative to a description of the product’s hedonic benefits? How important are descriptions of a reviewer’s experience with a product in different usage situations? Does it matter if the reviewer describes his or her search process or experience with previous products? Does it matter how intensively or for how long the reviewer uses the purchased product before writing a review?
- What is the relationship between reviewer characteristics and review reader behavior (e.g., posting comments, rating comments, or making a purchase)? For example, how much of an impact does self-disclosure (i.e., the reporting of personal information by the reviewer) have on ratings of review helpfulness? Does the kind of information disclosed matter? How important is the disclosure of relevant experience or expertise? Does the importance of types of personal information vary by product category?
- What tools should be made available to reviewers? What instructions should the

3 http://www.amazon.com/gp/help/customer/display.html/ref=help_search_1-1?ie=UTF8&nodeId=201145400&qid=1390254451&sr=1-1

retailer give to reviewers? Should reviewers be required to answer certain questions or provide certain rating information? What instructions should the retailer give reviewers regarding the posting of personal information? Should the posting of certain personal information be required to be eligible for certain types of recognition?

- What response tools should be made available to review readers? Is a yes-no helpfulness rating sufficient, or is a more nuanced set of response options appropriate?
- What are the best ways to display review information to readers? What kinds of information are best displayed with a graph or a picture? Where on the web page should this information be displayed?

Summary

In this paper we have reviewed the word-of-mouth literature to identify strategies web retailers can use to improve the effectiveness of the product review portion of their web sites in order to drive traffic to their sites, encourage purchases, and build customer loyalty. Our research has several important implications for the management of the product review web sites. First, retailers can help reviews provide the kind of review content that review readers need to evaluate product alternatives, reduce perceived risk, and stimulate purchases. Second, to further reduce review reader uncertainty and perceived risk, retailers can provide reviewers with tools to establish their trustworthiness and credibility. Depending on the product category, this may involve conveying information about the reviewer's expertise and/or the reviewer's tastes and preferences.

Third, retailers can assist review readers in the evaluation of review content by (a) collecting and reporting the reactions of other review readers to individual reviews and (2) helping review readers assess the way in which the reviewer's personality influences the reviewer's perception of individual products. Fourth, reviewers can provide ways for review readers to identify reviewer motivations for writing reviews. Fifth, retailers can provide information and analyses that help review readers identify common themes that emerge in multiple reviews written about the same product.

Sixth, retailers can reward effective reviewers for sharing their opinions and experiences in their product reviews. Seventh, in order to facilitate the process of continually improving their websites, retailers should establish an ongoing program for (1) analyzing reviews and review reactions and (2) experimenting with new communication tools and display formats. We hope that web retailers will find these suggestions helpful in driving traffic to their web sites, building relationships with those visitors, and converting visitors to purchasers and repeat customers.

In regards to managerial implication, this review system can be regarded as a platform. As a platform, there are mainly two implications. First and it is natural thought from our analysis, platform must play as collecting data (voices). Of course, this managerial model

has been already activated and known as suggestion system. So, our implication, and second one is not the same as there was, but as a consulting business. Not the same as individual information (name, address, telephone number and so on), book review always were written spontaneously by reviewers. There was no agreement between a platform provider and reviewers. The provider could analyze reviews for specific customers (Mitsubishi Research Institution, 2014). As it is still early stage of establishing the service, this type of service shall be important and indispensable in the future.

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