

In My Opinion

The Social Influence of Consumer Product Reviews

In the virtual environment of social media, consumers have a platform for producing content, distributing content, and interacting with content provided by others, consumers, professional media, and commercial entities. The social Web invites conversation from those who might otherwise never connect due to dispersed geography, interests, and intent. The social influence of the Internet enables people, citizens of the Internet, to share control over the creation and distribution of information and entertainment. Content distribution is no longer limited to organized commercial media outlets that determine what should be shared, how, and when. Instead, media institutions coexist alongside vast social networks of consumers who exercise their influence over the spread of content. This is the essence of media democracy, one aspect of which is the democratization of brand messages. Manifestations of media democracy include the rise of citizen journalists reporting on news events without the potential philosophical biases sometimes attributed to organizations, citizen advertisers embedding their creative ideas about a brand's appeal in videos, and citizen product experts voicing their satisfaction with, concerns about, and experiences with branded products.

The last results in a plethora of product information available online in the form of product reviews on review Web sites like Epinions.com, retail Web sites like Amazon.com, and in millions upon millions of posted comments (in blogs, in response to blogs, on message boards, and in chat rooms), as well as through conversations that take place among socially networked friends and acquaintances. It is word-of-mouth communication, the sharing of information from person to person, spread not to the few one could reach using one-to-one communication but to the masses using online vehicles, which are available to millions of consumers and which exist in perpetuity due to the nature of the Internet.

Arnold Brown, writer for the *Futurist*, captures the displacement of product experts by the everyman, stating, "I call it Zagating the marketplace—a term from the Zagat hotel and restaurant guide that polls the opinions of actual diners and hotel patrons, rather than 'expert' reviewers." He insightfully concludes, "The individual consumer, alone or collectively, no longer needs or accepts being told by any aspirants to higher authority what to do, what to think, what to buy."¹

Opinions of products are a form of user-generated content and can be categorized as either CGM or CFM. CGM is an umbrella term for user content but primarily refers to first-person commentary, brand essays, about brand experiences that are published online in blogs, on review sites or review sections of retailer sites, on message boards and forums, and elsewhere. CFM includes opinionated responses to content. For example, a video ad may be posted on YouTube. In the comments section, consumers can voice their opinions of the video as well as relay product information, experiences, and attitudes toward the brand. Responses might also be issued through consumers' own blogs or on social-networking profile pages. Whether through CGM or CFM, the consumer opinions become part of the public discourse about the brand. The difference is simply whether the consumer voiced the opinion by initiating the conversation or responding to some existing piece of communication.

Either way, the publication of consumer opinions is a powerful and influential form of user-generated content. In fact, one could claim online word-of-mouth communication of product reviews and opinions are the most influential form of user-generated content. They arise as typical people are empowered to express themselves and share these expressions with others using the Internet as medium and social-media outlets as vehicles, and typical consumers seek out unbiased, credible information to aid in decision making. The two forces push from opposite sides (informant and information seeker) to manifest a shift in the relative influence of marketing product information. It would be shortsighted for any

brand not to consider how to manage these conversations to build brand equity.

This shift in the authority attributed to product experts was perhaps first witnessed in the areas of film, theater, music, and literature. Critics still review creative works and publish these reviews in traditional media outlets. However, word-of-mouth opinions by laymen who consumed the creative product tend to be more influential on sales of these products than are good reviews from the critics. As Watts admonishes in his book, *Six Degrees*, when it comes to spread of information online, anyone can be influential.² Watts explains that influence takes place as people with opinions to share do so with their network of friends, family, and colleagues, who may then in turn influence their network, and so on. The spread can begin with anyone, but the degree to which the information spreads relies upon the receptiveness of those receiving the information and the size of their networks. Online, the cascade effect, the widespread propagation of influence through networks, is more likely to occur because of the critical mass of people and the ease with which information can be published, shared, searched, and retrieved.

■ The Influence of Online Product Opinions

There is a critical mass of opinion givers and takers. Data from Nielsen Online suggests that 74% of online adults have participated in the following activities: commented on a blog, posted an online product review, participated in an online discussion, or used online opinions to research a product purchase.³ Access to online product reviews on retail Web sites is the most demanded Web site feature, behind search functionality.⁴ A research study by eVOC Insights indicates that 48% of online shoppers seek out product reviews before buying.⁵ Even more moving is this factoid from the E-tailing Group: 92% of online shoppers say that reviews are helpful to them.⁶ Jupiter Research claims that 77% of online shoppers use reviews and ratings when purchasing.⁷ The following story illustrates the influence of user-generated reviews perfectly. A reviewer described “how Burpee’s Sea Magic Organic Seaweed Growth Activator perked his spider plant up ‘just like a light socket.’”⁸ Sales of the product doubled following the post! Quite simply, consumers trust information from other consumers. One study reports that the most trusted form of product information consists of recommendations from other consumers (cited by 78% of survey respondents). Another finding in the same study: consumer opinions posted online was noted by 61% of the survey respondents.⁹ Consumers trust information provided online by other consumers more

than television, magazine, radio, or Internet advertising, more than sponsorships, and more than recommendations from salespeople or paid endorsers. Online product reviews may appear on many types of Web sites. They may appear on formal review sites like Epinions.com or Uncrate.com, on retailing Web sites, in comments posted to social community sites, and on blogs. While product reviews on review, retail, and social community sites have high levels of credibility, blog posts do not. *Brandweek*, reporting on a study by Jupiter Research, notes that only 21% of consumers feel that they can trust product information found in blogs.¹⁰ Some wary consumers might feel that blog reviews lack integrity; one possible explanation is the affiliate relationships some bloggers have with manufacturers and retail Web sites. Another is the prevalence of splogs, spam in the form of a blog, which are used to promote products or Web sites. Still, the presence of citizen reviews and their influence cannot be denied.

Why are citizen reviews such powerful sources of influence on consumer shopping behaviors? It comes down to five key factors: (1) accessibility, (2) trust, (3) perceptions of authority, (4) similarity, and (5) the consensus effect. Online shoppers appreciate the value that reviews offer in terms of a decision heuristic. Reviews make it easier for shoppers to narrow their decision sets, and shoppers trust other shoppers more than information provided by marketers. The information is easily accessible to online shoppers who use the Internet to find product-related information prior to purchase. As shoppers enter search terms for product information, reviews, blog posts, and other content are easily indexed and retrieved. Others come across product information by serendipity, as they shop.

Attribution theory offers an explanation of the trust factor. Consumers tend to discount opinions or recommendations offered by paid endorsers, whether they are celebrity brand endorsers or salespeople who serve as brand agents. They attribute the recommendation to the relationship between the agent and the brand. In other words, they discount the value of the opinion because it came from someone who is paid for the opinion. However, citizen endorsements are not motivated by the brand that stands to benefit from the recommendation.

While citizen endorsers are not paid agents representing a brand, they do hold a position of authority in the minds of other consumers. When an expert, someone perceived to be an authority on some topic, makes a recommendation, people who are relying on heuristics, or mental shortcuts, to make decisions will tend to follow the expert recommendations. Professional experts and reviewers, whether book critics, movie critics, doctors, or lawyers, have authority in specific, relevant product categories,

but so do citizen endorsers who have actually used the product. In other words, one's experience with the product serves as the source of authority.

This effect is heightened by a perception that citizen endorsers are more like us. Consumers tend to be more influenced by people who seem similar than those whose lives and experiences seem vastly different. We seek out people with like fields of experience and states of need. Celebrity endorsers benefit from attractiveness, likability, and the dream many have to live the good life. But they tend to lack the characteristic of similarity. How similar is Oprah's life and situation compared to that of the average working woman? How alike is Tom Hanks to the average middle-aged father? Ultimately, celebrities have resources and lives so far beyond the realm of everyday life that, while capable of generating product awareness and trial, they can fall short compared to the influence of a credible opinion offered by a product user deemed similar to the information receiver. Citizen endorsers benefit from perceptions of similarity that are typically absent from celebrity endorsers. Likewise, product experts have credentials that enhance perceptions of authority in the product category, but detract from the sense of similarity. BizRate found 59% of users considered customer reviews to be more valuable than expert reviews.¹¹

Lastly, shoppers seeking out product information online can be influenced by consensus. It is human nature for people to seek consistency with the beliefs of referent others and to tend to respond to the bandwagon effect, going along when it seems like everyone else is, too. People tend to act and believe as others do. Jen-Hung Huang and Yi-Fen Chen examined this phenomenon in the context of online shopping and confirmed that "herding" does occur. The study found that consumers shopping online were more influenced by other consumers than by recommendations from experts.¹²

Product opinions affect shoppers, but that is not the only benefit to accrue to retailers. Online reviews generate increased sales by bringing in new customers. Further, people who write reviews tend to shop more frequently and to spend more online than those who do not write reviews. A report from Jupiter Research and Bazaarvoice reveals that while active reviewers account for just 20% of online shoppers, they are responsible for 32% of online sales.¹³ If those who offer reviews tend to be among the most active online shoppers, it makes sense to offer that option on a Web site. Traffic can also be driven to the retail Web site through organic search. Organic search results improve because reviewers tend to use the same key words (tags) in their product

descriptions that searchers will use. For example, Petco, a pet supplies retailer, found that customer reviews generated five times as many site visits as any previous campaign.¹⁴ Feedback areas are also an effective conversion tool for Web sites. Reviews also result in better site stickiness—customers reading reviews will stay at a retail site longer than they would otherwise. Lastly, the reviews and opinion posts become a source of research data highlighting consumer opinions in a frank yet unobtrusive fashion. Some businesses believe the data resulting from online reviews to be more valuable than data from focus group research. Businesses can learn whether consumers like a competitor's brand better and why, how consumers are reacting to positive or negative press, what stories are being spread about the brand, and which customers are being evangelical and which ones are acting as "brand terrorists."

What does this mean for brands? Brand strategy must be twofold. First, brands must be prepared to ensure high standards when it comes to product quality and service if they wish to survive in the world of social reviews. It is now so easy for anyone to tell everyone about their brand experiences, whether good or bad, that it behooves brands to ensure that those experiences are good—very good. Organizations that fail in satisfying customers with product and service quality risk having citizen reviewers share negative word of mouth with the world. What's more, those reviews will magnify the negative aspects of the brand while devaluing the positive, ultimately reducing brand equity and any competitive advantage that brand might have had.

Second, brands should embrace, not hide—because there is really no place, online, to hide from consumer opinions. Instead, organizations can engage in word-of-mouth marketing by actively giving people reasons to talk about the brand while facilitating the conversations. The Word of Mouth Marketing Association (WOMMA) identifies five key components of word-of-mouth marketing on its Web site (www.womma.org), all of which can be applied to managing online product opinions for brand value:

- Educating people about your products and services;
- Identifying people most likely to share their opinions;
- Providing tools that make it easier to share information;
- Studying how, where, and when opinions are being shared; and
- Listening and responding to supporters, detractors, and neutrals.

This means encouraging the conversation by informing consumers about the brand, offering consumers a forum for expressing opinions

about the brand, and responding (making the communication a two-way process) to comments consumers make on the forum and elsewhere. Brand enthusiasts can be invited to offer reviews, resulting in more engagement from brand fans and the propagation of positive word-of-mouth communication about the brand. Perhaps, most important is the final component of word-of-mouth marketing—listening. There is valuable information about the need for product improvements like product features and service quality embedded in consumer opinion posts.

Third, brands should recognize that the influence of consumer opinions can be propagated by the development of a community that encourages and rewards participation from brand fans. Social communities will support citizen reviews—they already do so, as evidenced by the plethora of reviews posted on social-networking sites. But the brand can better participate if it backs this form of social media with a branded platform.

■ What Are the Deterrents to Leveraging Citizen Opinions?

With statistics like these, it seems clear that e-retailers should utilize online opinions as a form of influential brand communication. Although most consumers want reviews available on retail Web sites, they still are not a standard feature of such sites. Why? Aside from the problem that marketers and advertisers have overlooked their value and influence, the most commonly cited reason given for not allowing online reviews on sites is the fear that dissatisfied customers will use the review feature as a venue for flaming a brand. Given the old adage that negative word-of-mouth communication is more damaging than positive word-of-mouth communication is beneficial, some retailers have erred on the side of caution when it comes to offering a review feature.

The sheer ratio of negative to positive reviews found on various sites suggests that this fear is unfounded. Macy's reported that of the more than 9,000 product reviews posted on www.macys.com, 72% of them were positive, and Bazaarvoice, a firm that provides a customer review and rating service for e-tailers, has reported that 80% of its user-generated reviews are positive.¹⁵

Sam Decker of Bazaarvoice points out that retailers can benefit from negative reviews and should welcome them.¹⁶ Consumers want to see negative reviews to be able to accurately assess the degree of product risk they face when purchasing. They seek to minimize perceived performance and financial risk associated with purchases. Negative reviews

give them the information they need to assess risk. The negative reviews also provide a sense of credibility. Consumers abide by the assumption that if the reviews seem too good to be true, they probably are. Lastly, negative reviews give valuable information to the retailer on products that should be improved, augmented, or discontinued.

The other primary deterrent for e-retailers is more operational in nature. There are challenges related to acquiring and managing reviews and the review process as well as site maintenance. Fortunately, there are companies, like Bazaarvoice and PowerReviews, which service retailers by providing the technology for capturing and displaying customer feedback. Citizen reviews can become part of the companies' review databases, which may be shared (at the discretion of the client) with other clients. Customers may view the reviews on the client's Web site or at the service company's portal.

PowerReviews maximizes the effectiveness of user-contributed reviews by providing several unique features like PowerTags (a feature that allows reviewers to select from tags offered by previous reviewers), PowerSummary (a feature that allows readers to see easily, rather than scrolling through numerous reviews, what reviewers have agreed upon), Merchant Response (a feature that allows manufacturers and retailers to respond to comments made by a reviewer), and Verified Purchaser (a feature that highlights whether a reviewer was actually a purchaser of the product in question). Bazaarvoice manages a team of editors who read every review submitted to its clients' Web sites. Editors do not change the meaning of a reviewer's submission but clean up mistakes and inappropriate language.

Companies like PowerReviews and Bazaarvoice earn revenue using a pay-for-performance system. Portals reveal snippets of a review, but readers are directed to a retail client's Web site to read the full review. Thus, companies like Bazaarvoice provide the benefit of driving traffic to retailer Web sites.

Sites with review features need to remember that when inviting consumers to contribute marketing messages, they are basically inviting consumers into a conversation—and conversations should be two-way communication. There is value in responding to user-contributed reviews. It illustrates the company's appreciation for consumer input and provides an opportunity to point out product improvements or other steps that may be taken to improve a product offering. However, this means that companies must allocate financial and human resources to the ongoing dialogue with consumers. Some organizations hesitate to allocate such resources.

■ What Are the Deterrents to Using Citizen Opinions?

From the perspective of the shopper being influenced, the greatest limitation of online reviews is the potential for the reviews to actually be stealth-marketing attempts, when marketers post content disguised as consumer generated, or shill reviews, when a person pretends to be independent but actually serves as a paid agent for the product in question. PayPerPost, an agency that matches bloggers to brand sponsors who pay for brand mentions in the blogger's commentary, brought the issue of shilling to the forefront. Consumers look for clues to identify unethical word-of-mouth marketing practices. For example, overly positive reviews can tip off consumers to a fake review. In addition, the presence of pitch diction, language that sounds too promotional, is an indicator. For example, consider this review found on a retail Web site for watches: "This watch is an exquisite beauty, a finely crafted automatic timepiece coupled with the accuracy and reliability of quartz." Pitch diction uses industry jargon and oversells the product's features and quality. It simply isn't believable as a citizen opinion.

Amazon's review editor has noted that most of its online reviews are not paid advertising, but it can be difficult for users to distinguish between reviews that are genuinely user generated from those that are marketing generated.¹⁷ Some sites, especially those exclusively for reviews (like Epinions.com), do not allow manufacturers to submit reviews. For instance, www.expotv.com does not allow company submissions. Another review site, www.shopwiki.com, does allow such submissions, but any affiliations must be transparent to site visitors.

Sometimes, though, it can be difficult for consumers to detect the presence of stealth marketing or the work of a shill. BzzAgent, a word-of-mouth marketing agency, recruits and assigns "buzz agents" to learn about products and share product information with others. Buzz agents are people who have volunteered to actively discuss products with others. Agents are not compensated financially, but they receive product samples, discounts, and special offers. One of the primary motives for becoming a buzz agent is the social capital the agent gains by always being the person in the know. The company offers word-of-mouth marketing assistance, physically and virtually. The BzzAgent Frogpond service is offered to companies seeking to develop a citizen presence online.

Companies that practice unethical word-of-mouth marketing techniques may find themselves victim to a backlash from consumers in the form of credlining, whereby consumers analyze product information, identifying the truthful from the false and the positive from the negative, ultimately publishing a scorecard of the results online.

■ Best Practices for Leveraging Citizen Opinions

Ultimately, it is important to remember that users read online reviews because they want to know what people like themselves think of a product. Brands should strive to achieve these characteristics in any word-of-mouth marketing program determined to generate citizen-generated social influence:

1. *Authenticity*: Accepting organic word of mouth, whether positive or negative.
2. *Transparency*: Acknowledging opinions that were invited, incentivized, or facilitated by the brand. Both authenticity and transparency build credibility, and the more trust consumers have in citizen opinions about the brand, the more influential the opinions will be on purchase behavior.
3. *Advocacy*: Enabling consumers to rate the value of opinions offered on the site. These ratings aid consumers as they seek to efficiently process a mass of product information.
4. *Participatory approach*: Encouraging consumers to offer posts. Many consumers who would not submit something as effort intensive as citizen advertising will post a review or comment. Give them a voice with reviews.
5. *Reciprocity*: Acknowledging the value of the opinions offered by brand customers. It takes effort to review a product and post an opinion. Citizen endorsers should be thanked, and their efforts on behalf of the brand (even if the review is negative) acknowledged.
6. *Infectiousness*: Sharing of reviews. Brands can syndicate opinions by making it easy to send reviews to friends or embed links to reviews on blogs and social-networking profiles.
7. *Sustainability*: Ensuring the reviews remain available. One of the reasons opinions online are so influential is because they live on in perpetuity. If a consumer tells a friend about a satisfying brand experience on the phone, the story once told is no longer retrievable or trackable. Online stories can live on forever, and their field of influence tracked.

Consider these specific guidelines for making the most of customer-generated online reviews:

- Ensure the review and editorial system in place can operate sufficiently and rapidly. Customers like to see their reviews posted right away.
- Editing should be limited to minimizing the use of inappropriate language. Customers should not feel that their views are being altered by the site.
- Solicit reviews from buyers; encourage those shopping on the site to review the products. This offers several benefits: it provides an additional touch

point with the customer; it suggests that the company cares about customer opinions; it enhances site stickiness; and it increases the likelihood that those customers will shop again on the site.

- Increase the ego benefit for users posting reviews. Reviewers are, at least in part, responding to a desire to see their opinions published. Enhance this benefit of reviewing by enabling reviewers to post their picture and other methods of leaving their “signatures.” Several product review sites, including www.expotv.com, www.shopwiki.com, and www.ciao.co.uk, are encouraging reviewers to post video product reviews.
- Consider using trust marks to authenticate organic product reviews from those that are incentivized or scripted.
- Consider offering an incentive for reviews. Offering an incentive, even a simple thank you, can trigger a reciprocation response in a reviewer by creating a sense of relationship with the site and emphasizing the value the site places on reviews.
- Enhance credibility by providing links to other reviews. Don’t require readers to do background checks on products; make the information readily available to them.
- Disclose the source of the review. Don’t make users wonder where the information came from and whether they can trust it.

Brown¹⁸ perhaps said it best, “Understanding that public-opinion trends are driven not by a few influentials influencing everyone else but by many impressionable people influencing one another should change how companies incorporate social influence into their marketing campaigns.”