

Is This Review Believable? A Study of Factors Affecting the Credibility of Online Consumer Reviews from an ELM Perspective

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INTRODUCTION

- eWOM have become an essential source of product-related information
- The massive quantity, diversity, and accessibility of online reviews has contributed to their attractiveness and growing popularity
- Difficult to judge the credibility of reviews in the online environment while they are submitted by strangers worldwide

RESEARCH QUESTIONS

- What are the predominant central and/or peripheral variables used for credibility judgment of online consumer review?
- How do these variables function for readers at different levels of motivation and ability?

LITERATURE REVIEW

- Online consumer reviews
 - “peer-generated product evaluations posted on company or third-party web sites” (Mudambi & Schuff, 2010)
 - Text-based product appraisals on the Internet (Stauss, 1997)
 - One form of electronic word-of-mouth (eWOM) through which Internet users informally and non-commercially interact and exchange positive and negative consumer experiences (Boush & Kahle, 2001; Hu, Liu & Zhang, 2008)
 - Affect readers’ consumer behavior (Hennig-Thurau & Walsh 2003)

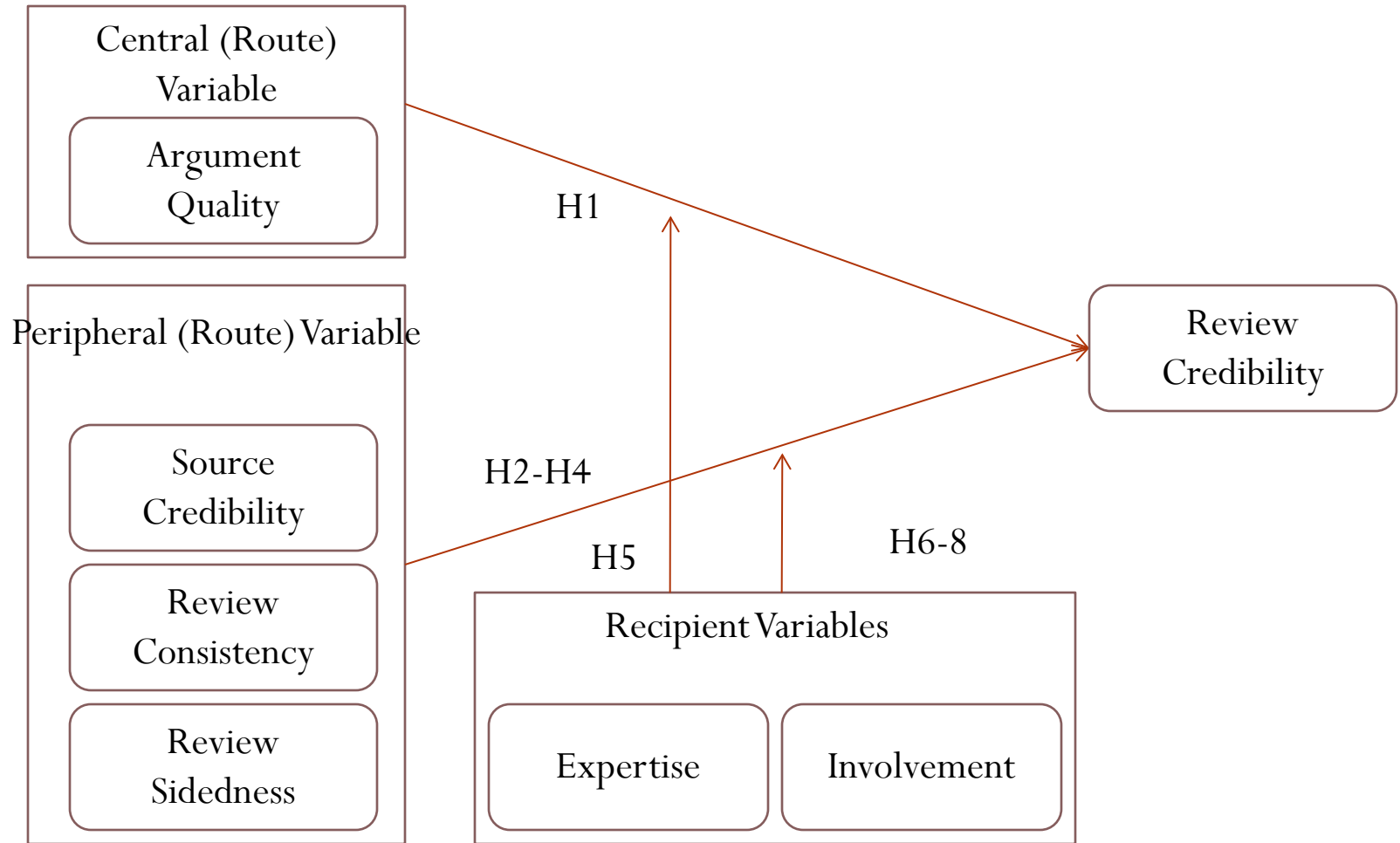
LITERATURE REVIEW

- Credibility is defined as believability or the characteristic that makes people believe and trust someone or something (Wathen & Burkell, 2002)
- A review that is viewed as credible is believed and accepted by the receiver and affects their subsequent behavior (Chow, Lim & Lwim 1995; Petty & Cacioppo, 1986; Smith & Vogt, 1995)
- Argument quality and source credibility are primary factors that affect the degree of information influence (Sussman & Siegal, 2003)

THEORETICAL FOUNDATIONS

- Elaboration Likelihood Model (ELM) (Petty & Cacioppo, 1986)
 - Central Route – Involves high level of elaboration, message recipients will carefully consider the issues presented in the message
 - Peripheral Route – Entails low level of elaboration, use simple heuristic cues or informational factors to assess the believability of a message
 - The degree of elaboration through either the central or peripheral route depends on the recipient's ability and motivation

RESEARCH MODEL



HYPOTHESES

- H1: Argument quality has a positive effect on review credibility
- H2: Source credibility has a positive effect on review credibility
- H3: Review consistency has a positive effect on review credibility
- H4: Two-sided reviews are perceived to be more credible than one-sided reviews
- H5: The effect of argument quality on review credibility is stronger when both the recipient's expertise (H5a) and involvement (H5b) are higher
- H6: Source credibility's effect on review credibility is stronger for recipients with lower levels of expertise (H6a) and involvement (H6b)
- H7: Review consistency's effect on review credibility is stronger for recipients with lower level of expertise (H7a) and involvement (H7b)
- H8: Review sidedness's effect on review credibility is stronger for recipients with lower levels of expertise (H8a) and involvement (H8b)

METHODOLOGY

- Online Survey
- Randomly selected 792 Epinions.com users
- Respondents were asked to recall the most recent review they had read in Epinions.com
- Response rate of 12.5%

HYPOTHESES TESTING

H1: Argument quality has a positive effect on review credibility	Supported
H2: Source credibility has a positive effect on review credibility	Supported
H3: Review consistency has a positive effect on review credibility	Supported
H4: Two-sided reviews are perceived to be more credible than one-sided reviews	Supported
H5: The effect of argument quality on review credibility is stronger when both the recipient's expertise (H5a) and involvement (H5b) are higher	Not Supported
H6: Source credibility's effect on review credibility is stronger for recipients with lower levels of expertise (H6a) and involvement (H6b)	Not Supported
H7: Review consistency's effect on review credibility is stronger for recipients with lower level of expertise (H7a) and involvement (H7b)	Reversely Supported
H8: Review sidedness's effect on review credibility is stronger for recipients with lower levels of expertise (H8a) and involvement (H8b)	Supported

DISCUSSION

- Argument quality to be the most influential factor in the evaluation of online consumer reviews, and the influence did not significantly vary across different levels of expertise and involvement
- People also rely on other review cues, such as source credibility, review consistency, and review sidedness to evaluate online consumer reviews
- Greater impact of review sidedness not just at a low involvement level but also a high expertise level

IMPLICATIONS

- Identified 5 specific information cues that consumers use when evaluating the credibility of online consumer reviews
- Unveiled the complex roles of different review cues at different levels of the recipient's expertise and involvement
- Provided general design principles to online review providers for better design and manage of an online review system
- Assist marketers to identifies online comments likely to have a nigger impact on user decisions