Tales from the Land of Consumer Reviews: Taking a Closer Look at Lurkers and Writers

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How consumers handle review overload \times Online review information is available in abundance. A typical hotel on Tripadvisor, such as the Hilton Hotel London Kensington, has accumulated over 5,000 reviews. Other rich information cues, like aggregate statistics, information about the author, or helpfulness ratings, accompany these review texts. How do consumers find their way in this information jungle and how do they reduce the immense information load to make a decision? We conducted several studies to explore these questions and found that consumers apply different processing strategies and do not proceed in a uniform manner.

BOX 1



The review industry is thriving



Reviews are a ubiquitous phenomenon and are featured extensively by different types of companies and platforms (see Figure 1 for an overview of the different platform types). Most prominent are retail websites, such as Amazon.com and Zalando.com; service providers, such as hotel booking platforms like Booking.com or Agoda.com; or event ticket services like Ticketmaster.com. Other platforms provide aggregate and industry-specific information, such as Tripadvisor.com for hotels and travel destinations, Yelp.com for local shops and restaurants, or Airlineratings.com for flight carriers.



They are information powerhouses, leveraging their platforms as profitable business models, with Yelp.com reaching US\$1.01 billion and Tripadvisor.com reaching US\$1.56 billion of revenue in 2019. Academic research consistently finds a strong effect of online reviews and ratings on company performance, the diffusion of innovative products, and the duration of product lifecycles. A meta-analysis of over 1,500 effect sizes revealed that information generated through consumer word-of-mouth consistently influences sales.

FIGURE 1 > Overview of platforms relying heavily on reviews



- > Consumers process online review information selectively × Rather than looking at all available review information, consumers deliberately regard or disregard certain information cues. While some focus primarily on "positive" and "negative" reviews while ignoring "mediocre" ones, others focus on "online review headlines" or "helpfulness ratings" as the most telling cues. Respondents' perceptions of the value of different informational cues for their own decision-making is oftentimes very pronounced and reflects rather stable patterns.
- > Groups of consumers employ distinct processing strategies × We identified distinct types of review users who employ different strategies. For example, one group of review users, which we named "The Efficients", focused on cues that helped them retrieve information quickly, without expending much time or effort. They searched short, timely, and helpful reviews while disregarding "additional" cues like review author information. In contrast, "The Meticulous" group processed a wider variety of review cues to get a deeper understanding of the products or services. They disregarded short reviews, which may not provide enough depth of information.

Further, situation-specific factors shape not only the way in which we communicate our consumption experiences but also our motivation and goals when we seek online information to improve our decisions. Our goals and motivational mindsets influence which type of online review information will affect our decisions. Given the large number of reviews, it is impossible to consider everything. Rather, we rely on the information that we consider most beneficial for individual goals in a specific situation. For example, think of a father intending to buy a car safety seat for his newborn child. Research on self-regulatory goals suggests that, in this situation, he will probably have a prevention focus: Above all, he will look for a safe and reliable product. Indeed, evidence shows that in a comparable situation, we are much more likely to give more weight to negative reviews that talk about potential failures than positive reviews that praise advantages.

How writers compose their experiences × Biases do not only originate in the review perception process. As mentioned before, there is some imbalance with regard to many lurkers and few writers. This implies that consumers often rely on online review content that is strongly shaped by only a few contributing individuals. And similar to the review readers, review writers neither act uniformly nor without biases. Many posters compose their reviews with ulterior motives in mind and are shaped by prior experience. **Posting follows individual strategies** × In particular, the most active "top" reviewers on a platform are likely to behave differently from other less frequent posters. Top reviewers often care strongly about maintaining and improving their public rank in a reviewing community. For instance, reviewers dedicate entire forums to discussions on how to become a member of the Amazon Reviewer Hall of Fame. To achieve this goal, they often post strategically to ensure that their reviews stand out from others.

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> Prior reviews influence posting behavior × Further, consumers consider previously written reviews when deciding whether to post or not. We found in several studies that whether a reviewer's opinion falls into the minority or majority of previously posted reviews plays an important role in this decision. Infrequent posters seem to prefer posting from a majority perspective and shy away from a minority stance. In contrast, frequent posters seem to prefer posting a minority opinion, possibly because it helps their review to stand out, which can lead to a higher status.

FIGURE 2 > Key questions for fine-tuning your review management strategy

Online review generation

- > Who are your heavy review posters?
- > What can you learn about their posting behavior?
- > Who are your lurkers?
- > How could you motivate them to contribute to posting?
- > Is there a clear majority opinion among review writers?
- > How may this impact new review writers?
- > Are you offering any status rewards for review writing?

Please leave a review.

Online review processing

- > Can you identify distinct groups of review users among your customers?
- > What review cues do they pay most attention to?
- > Can you make it easier for these user types to find the review information that they care for (for instance through website design)?
- > Can you identify existing brand attitudes among your review users?
- > What shopping goals and motives may be particularly prominent?

How to optimize review management × Aggregate effects of online reviews (e.g., the impact of average star ratings on sales) clearly matter for companies and are key to developing and monitoring longer-term goals. Yet, managers need to be sensitive to the existing heterogeneity in consumer processing of online reviews. A deep understanding of this variance can be worthwhile and speaks against a uniform, "one-size-fitsall" approach to managing reviews. To optimize review management, companies need to ask the right questions (see Figure 2) and build competencies in three key areas. **Understand the context of review processing** × Managers should be mindful of the biases that shape consumer review processing. This may help them make sense of unexpected findings. Building awareness about consumers' decision goals and their shopping motivation can contribute to a better understanding of the differential effects of positive and negative reviews. Also, specific framing of product benefits can influence consumers' review processing. In settings where consumers consider negative information for decision-making, advertisements that show related benefits get more attention, according to a series of studies.

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> Leverage individual differences × Companies can help review users retrieve their preferred information cues quickly through the sophisticated setup of review platforms. This can include only displaying cues that one's target audience cares about or allowing for sophisticated filtering mechanisms. Allowing users to modify and save the display of informational cues on review platforms may enable users to process review information according to their individual preferences.

Monitor and moderate the review-generation process and its key actors × Managers need to find ways to convert more lurkers into posters to get a more balanced picture of opinions. Frequent and infrequent review posters may be easier to motivate depending on whether their opinion belongs to the majority or minority of previous posts. For top review posters, companies might consider providing possibilities to signal their status to other members of the platform.

Finding one's way around the land of reviews is tricky for consumers and managers alike. Those who have learned to interpret its signs correctly will be able to make good use of its riches and be one step ahead on digital platforms. \times



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FURTHER READING

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