



# A Study on the Impact of Online Customer Reviews on Consumer Purchase Decisions in E-commerce Platforms

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**Abstract** – In the digital era, online customer reviews have become a crucial factor influencing consumer purchase decisions, especially in the context of e-commerce platforms. This study aims to examine the impact of online customer reviews on consumer buying behavior and to analyze how factors such as ratings, review content, volume, and reviewer credibility affect purchase decisions. The research is based on a quantitative approach using primary data collected from 100 respondents through a structured questionnaire based on a 5-point Likert scale. Convenience sampling was used, and the data was analyzed using statistical tools such as percentage analysis and mean calculation. The findings reveal that online reviews significantly influence consumer purchase decisions. Product ratings, review quantity, and visual content enhance trust among consumers. Negative reviews were found to have a stronger influence than positive reviews, as they help consumers avoid risks. Verified purchase reviews and reviewer credibility also play an important role in building trust. The study concludes that online customer reviews act as a powerful form of electronic word-of-mouth (e-WOM), influencing consumer perception, trust, and buying intention. The research highlights the importance for businesses to manage online reviews effectively to enhance customer trust and improve sales performance.

**Keywords:** Online Reviews, Consumer Behavior, E-commerce, Purchase Decision, e-WOM, Review Credibility

## I. INTRODUCTION

The rapid advancement of digital technology and the widespread use of the internet have transformed consumer purchasing behavior. E-commerce platforms such as Amazon, Flipkart, and Myntra have become integral to modern shopping experiences. Unlike traditional retail, online shopping does not allow physical inspection of products, making consumers highly dependent on digital information sources.

Online customer reviews serve as a critical source of information, providing insights into product quality, usability, and customer satisfaction. These reviews function as electronic word-of-mouth (e-WOM), influencing consumer perception and decision-making.

Consumers rely on various aspects of reviews, including ratings, written feedback, reviewer credibility, and visual content. Positive reviews increase trust and encourage purchases, whereas negative reviews often discourage buying decisions. Additionally, the volume and authenticity of reviews significantly affect consumer confidence.

Understanding the influence of online reviews is essential for businesses to develop effective marketing strategies and build customer trust. This study aims to analyze the impact of online customer reviews on consumer purchase decisions in e-commerce platforms.

### Objectives

- To examine the impact of online customer reviews on consumer purchase decisions.
- To analyze the influence of review factors such as ratings, content, and volume.

- To study the effect of positive and negative reviews on consumer behavior.
- To assess consumer trust in online reviews.

### Hypothesis

#### Hypothesis

- H<sub>01</sub>: Online customer reviews have no significant impact on consumer purchase decisions.
- H<sub>11</sub>: Online customer reviews have a significant impact on consumer purchase decisions.
- Hypothesis
- H<sub>02</sub>: Positive reviews do not significantly influence purchase decisions.
- H<sub>12</sub>: Positive reviews significantly influence purchase decisions.
- Hypothesis
- H<sub>03</sub>: Negative reviews do not significantly influence purchase decisions.
- H<sub>13</sub>: Negative reviews significantly influence purchase decisions.

## II. LITERATURE REVIEW

Chevalier and Dina Mayzlin (2006), who examined the effect of online book reviews on sales. Their research found that positive reviews significantly increased product sales, while negative reviews had an adverse effect. The study demonstrated that even small differences in ratings could lead to measurable changes in sales performance.

Cheol Park and Thae Min Lee (2008) found that both the number of reviews and the quality of information provided significantly influence consumer decision-making. Their study indicated that consumers are more likely to trust reviews that are detailed, informative, and well-structured. High-quality reviews reduce uncertainty and provide a



clearer understanding of product features, thereby increasing purchase intention.

Susan Mudambi and David Schuff (2010) explored what makes online reviews helpful to consumers. Their study concluded that review depth, clarity, and relevance significantly affect their usefulness. Reviews that provide balanced opinions, including both advantages and disadvantages, are considered more reliable than extremely positive or negative reviews.

Raffaele Filieri and Fraser McLeay (2014) examined the determinants of trust in online reviews. They identified factors such as information quality, reviewer expertise, and perceived credibility as key elements influencing consumer trust.

### Research Gaps

Previous studies mainly focus on individual aspects such as review ratings or credibility. However, limited research integrates multiple factors such as review content, volume, credibility, and sentiment together. This study aims to provide a comprehensive understanding of how these combined factors influence consumer purchase decisions.

## III. RESEARCH METHODOLOGY

### 1. Research Design

Descriptive and analytical research design was used.

### 2. Sample Size

100 respondents

### 3. Sampling Method

Convenience sampling

### 4. Data Collection

- Primary Data: Questionnaire
- Secondary Data: Journals, research papers, online sources

### 5. Tools for Analysis

- Percentage analysis
- Mean calculation
- Hypothesis testing

## IV. DATA ANALYSIS & INTERPRETATION

The study reveals that:

- Majority of respondents belong to the 18–35 age group.
- 71% of respondents read reviews before purchasing.
- 54% consider reviews highly important.
- 53% agree that reviews influence purchase decisions.
- 56% prefer products with higher ratings.
- 59% believe reviews reduce uncertainty.
- 56% agree that number of reviews affects decisions.
- 58% say positive reviews increase confidence.

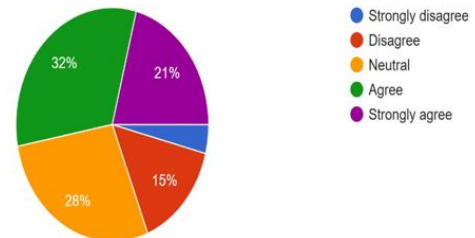
- 60% are discouraged by negative reviews.

### To what extent do online customer reviews influence your purchase decisions?

Online Customer Review	No Of Respondents	Percentages
Strongly agree	0	0%
Disagree	15	15%
Neutral	28	28%
Agree	32	32%
Strongly Agree	21	21%

To what extent do online customer reviews influence your purchase decisions?

100 responses



### Interpretation

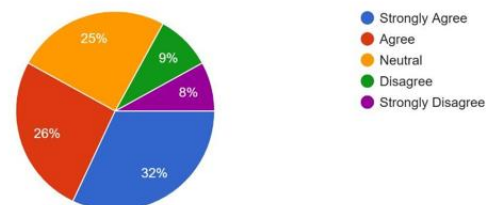
A majority (53%) agree that reviews influence their purchase decisions, confirming that online reviews have a significant impact.

### Do Positive reviews increase your confidence in purchasing a product?

Positive reviews	No of respondents	percentages
Strongly agree	32	32
Agree	26	26
neutral	25	25
Disagree	9	9
Strongly disagree	8	8

Do Positive reviews increase your confidence in purchasing a product?

100 responses



### Interpretation

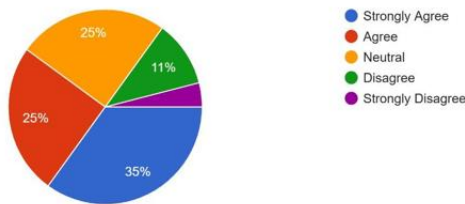
A majority (58%) feel that positive reviews increase their confidence in purchasing, showing that favorable feedback boosts buying intention



**Do Negative reviews discourage you from buying a product?**

Negative reviews	No of respondents	percentages
Strongly agree	35	35
Agree	25	25
neutral	25	25
Disagree	11	11
Strongly disagree	4	4

Do Negative reviews discourage you from buying a product?  
100 responses



**Interpretation**

A strong majority (60%) are discouraged by negative reviews, indicating that negative feedback has a powerful influence on decisions.

**Findings**

- The study concludes that online customer reviews play a significant role in shaping consumer purchase decisions in e-commerce platforms. Consumers rely heavily on reviews to reduce uncertainty and evaluate products before purchasing.
- Both positive and negative reviews influence consumer behavior, but negative reviews have a stronger impact as they highlight potential risks. Factors such as review ratings, volume, and credibility significantly affect trust and buying intention.
- The study highlights the importance of effective review management for businesses. Companies should focus on maintaining transparency, encouraging genuine reviews, and addressing negative feedback to build trust and improve customer satisfaction.
- Another important finding is that reviews help in reducing uncertainty and perceived risk. Consumers use reviews to evaluate product quality, performance, and suitability, which increases their confidence in making purchase decisions. This reflects the role of reviews as a risk-reduction mechanism in online shopping.
- The study also reveals that negative reviews have a stronger impact than positive reviews. Consumers pay more attention to negative feedback as it helps them identify potential issues or risks associated with a product. This behavior reflects a risk-averse mindset, where consumers prioritize avoiding loss over gaining benefits.
- Additionally, positive reviews play a significant role in building confidence and encouraging purchases, especially when supported by high ratings and multiple positive experiences shared by other users.

- The research also shows that visual content such as images and videos in reviews enhances credibility and trust. Respondents perceive such reviews as more authentic and informative compared to text-only reviews.
- Furthermore, reviewer credibility and verified purchase indicators influence trust levels. Consumers are more likely to trust reviews that appear genuine and are written by verified buyers, highlighting the importance of authenticity in online review systems.

**V. CONCLUSION**

The present study concludes that online customer reviews have a significant and measurable impact on consumer purchase decisions in the context of e-commerce platforms. In the absence of physical product interaction, consumers increasingly depend on reviews as a reliable source of information to evaluate products and reduce uncertainty.

The research highlights that online reviews function as a powerful form of electronic word-of-mouth (e-WOM), influencing not only consumer perception but also their trust and final buying behavior. Factors such as product ratings, number of reviews, review content, and reviewer credibility play a crucial role in shaping consumer decisions.

One of the key conclusions of the study is that consumers adopt a cautious and risk-averse approach while making online purchases. This is evident from the stronger influence of negative reviews compared to positive ones. Negative feedback acts as a warning signal, helping consumers avoid potential dissatisfaction, whereas positive reviews primarily reinforce purchase confidence. The study also concludes that trust is a central element in online purchase decisions, and it is significantly influenced by the authenticity and quality of reviews. Verified purchase reviews, detailed feedback, and the inclusion of images or videos enhance the perceived credibility of reviews and increase consumer confidence.

Another important conclusion is that consumers prefer transparency and realism in reviews. A mix of positive and negative reviews is considered more trustworthy than overly positive feedback, indicating that authenticity is more important than perfection in influencing purchase decisions.

From a managerial perspective, the study suggests that businesses must actively manage their online review systems. Companies should encourage genuine customer feedback, respond to negative reviews constructively, and ensure transparency in review presentation. Effective review management can enhance brand trust, improve customer satisfaction, and ultimately increase sales performance.



From an academic perspective, the study contributes to the understanding of digital consumer behavior and highlights the growing importance of online reviews in modern marketing strategies.

In conclusion, as e-commerce continues to expand, online customer reviews will remain a critical factor influencing consumer decisions, and businesses that effectively leverage this tool will gain a competitive advantage in the digital marketplace.

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