

IMPACT OF ONLINE REVIEWS AND RATING ON CONSUMERS' ONLINE PURCHASE DECISION

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Abstract

This study examines the impact of online reviews and ratings on the purchase decisions of online consumers. It aims to understand consumer awareness regarding online reviews, their influence on buying behaviour, the level of trust consumers place in these reviews, and the impact of specific factors – such as rating scores, the number of reviews, and review quality on purchase decisions. The study is based on primary data collected from 107 respondents through a questionnaire. The findings indicate that most consumers check reviews and ratings prior to making a purchase and are more likely to buy products that feature higher ratings and positive reviews. Detailed reviews and high volume of reviews significantly influence consumer decisions and boost confidence in online shopping. However, many consumers remain concerned about the authenticity of online reviews due to the prevalence of fake or manipulated feedback. This study concludes that online reviews and ratings exert a substantial influence on consumer purchase decisions and play a pivotal role in online shopping behaviour.

Keywords: Consumers, Awareness, Rating, Reviews, Purchase, Shopping and Decision.

Introduction

The retail landscape of the 21st century has witnessed a massive transformation, driven primarily by the rapid growth of e-commerce platforms. Today, platforms such as Amazon,

Flipkart, Myntra, Snapdeal, Tripadvisor, Booking.com and AirBnB have created vast digital marketplace where consumers can easily browse, compare, and purchase product and services – all with just a single click. However, the convenience offered by online shopping is matched by an equally significant problem it creates. The biggest challenge is that consumers cannot physically inspect products before purchasing them. Consequently, an information gap – specifically, information asymmetry – arises between buyers and sellers, wherein the seller possesses more information, while the buyer must rely on external sources to make an informed decision.

In this digital environment, online reviews and ratings have emerged as the most important and influential factors for consumers – particularly when they seek mitigate uncertainty prior to making a purchase. These reviews function as a form of digital word-of-mouth (WOM), through which past buyers share their experience with future buyers, and do so on a large scale. As Camilleri and Filieri (2023) note, platforms such as Airbnbz, Booking.com, and TripAdvisor have strongly established this “review culture”. Here, consumers share their experiences in two ways: first, through detailed written reviews, and second, through star ratings. Similarly, Ibrahim (2023) while in traditional retailing people can physically see and touch products, this option is unavailable in online shopping. In this context, online reviews serve as substitute for personal recommendations. Consumers perceive this peer - generated feedback as more authentic and valuable, as it is based on the actual experiences of real users.

Survey data clearly demonstrates that online reviews have a very strong influence on purchasing behaviour. According to research by Chen et al. (2022), approximately 93% of consumers acknowledged that online reviews impact their shopping decisions. Furthermore, about 60% of people check product reviews at least once a week, regardless of whether they are on B2B or B2C platforms. Specifically regarding the Indian market, Godara et al. (2024) found that 65.9% of consumers regularly read customer reviews before making a purchase; infact, 15.6% of consumers check reviews prior to every shopping trip. These figures clearly indicate that online reviews are no longer merely an optional feature, but have instead become a central and vital component of the modern consumer journey.

Literature Review

Mallik et al., (2025) concluded that customer reviews exert a significant impact on online purchase decisions, as they influence consumer trust and mindset. Positive reviews build

credibility and help boost sales, whereas negative reviews can discourage customers and damage a brand's image. The authenticity of reviews is crucial, as fake reviews undermine trust; therefore, properly managing reviews and actively engaging with them is essential for achieving long term success in the digital marketplace.

Godara et al., (2024) in their study shows that positive reviews strengthen brand loyalty, while negative reviews can damage brand reputation. Reviewers serve as social proof and provide consumers with detailed product information beyond marketing claims. This is why many consumers prefer to read reviews before making a purchase. While the majority of respondents don't easily change their decisions based solely on reviews, a small percentage suggests that reviews have a significant impact and are also important.

Katyal and Sehgal, (2024) conducted a study and findings indicate that credible and authentic reviews – hosted on trusted sources and reputable platforms strongly influence consumer decisions. Negative reviews carry a greater impact, and managing review authenticity is crucial for fostering trust and shaping consumer behaviour.

Ibrahim, (2023) in their study concludes that online reviews significantly influence consumer purchase decisions, they serve as social proof, helps to build trust and reduce uncertainty. Factors such as review credibility, review volume, and review balance whether positive or negative play an important role in shaping consumer perception. A high volume of reviews and trustworthy reviewers boost consumer confidence, whereas negative reviews discourage consumers from making purchases.

Camilleri and Filieri, (2023) has found that the credibility, quality, and usefulness of online reviews significantly influence customer satisfaction. Among these factors, information usefulness was identified as the strongest predictor of customer satisfaction. The findings reveal that high – quality reviews enhance customer satisfaction when consumers perceive the information contained within them as helpful. The study highlights that consumers place greater value on reviews that are detailed and reliable, and that are provided by individuals who have had actual firsthand experience with the products or services. Many online users consult information on review sites before making purchase decisions.

Fernandes et al., (2022) in their study demonstrates that online reviews exert a very strong impact on consumer purchase decisions, and a standardized scale has been developed to measure their effect. According to the study, online reviews foster trust and provide useful

information about a product, thereby aiding in the decision-making process. Consumers evaluate reviews based on factors such as source credibility, the number of reviews, clarity of language, and relevance.

Chen et al., (2022) have found that consumers tend to focus more on negative reviews compared to positive ones, this is particularly true for female consumers, indicating that negative reviews exert a strong impact on decision – making. Research has also revealed a strong correlation between the visual attention to reviews and their purchase intentions. Furthermore, consumers are often unable to easily identify fake reviews.

Varga and Albuquerque, (2019) have found that negative online reviews significantly influence consumers’ purchase decisions, even if the product maintains a high rating. Negative reviews discourage consumers from seeking further information about the product and motivate them to explore substitute products and their associated reviews. This research also revealed that this effect is particularly pronounced in the utilitarian products and reviews pertaining to product functionality or customer service.

Objectives

1. To study consumers’ awareness of online reviews and ratings while shopping online.
2. To examine the impact of online reviews and ratings on online purchase decisions consumers.
3. To evaluate the level of trust consumers place in online reviews and ratings.
4. To identify the key factors like rating score, number of reviews and quality of reviews that influence consumer purchase decisions.

Research Methodology

Research design

This study is descriptive in nature as it aims to describe the behaviour and opinions of consumers regarding online reviews and ratings.

Data collection

The study is based on primary data collected through a structured questionnaire. The questionnaire includes multiple-choice and Likert-scale questions to understand consumer opinions.

Sample size

The sample consists of 100 respondents who are online shoppers.

Sampling method

Convenience sampling method is used, where respondents are selected based on availability and willingness to participate.

Data analysis tools

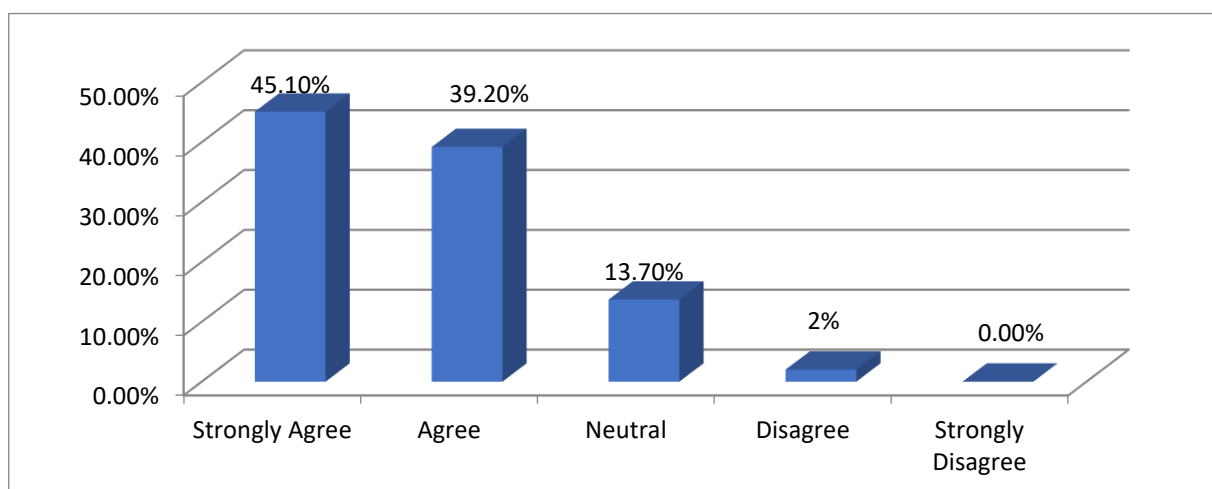
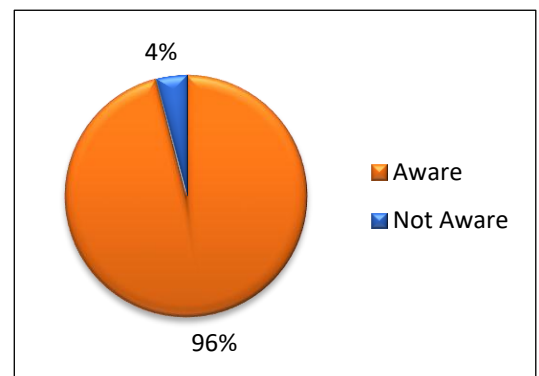
The collected data is analyzed using simple techniques such as:

- Percentage analysis
- Charts and graphs

Data Analysis and Interpretation

1. Awareness of Online Review and Ratings

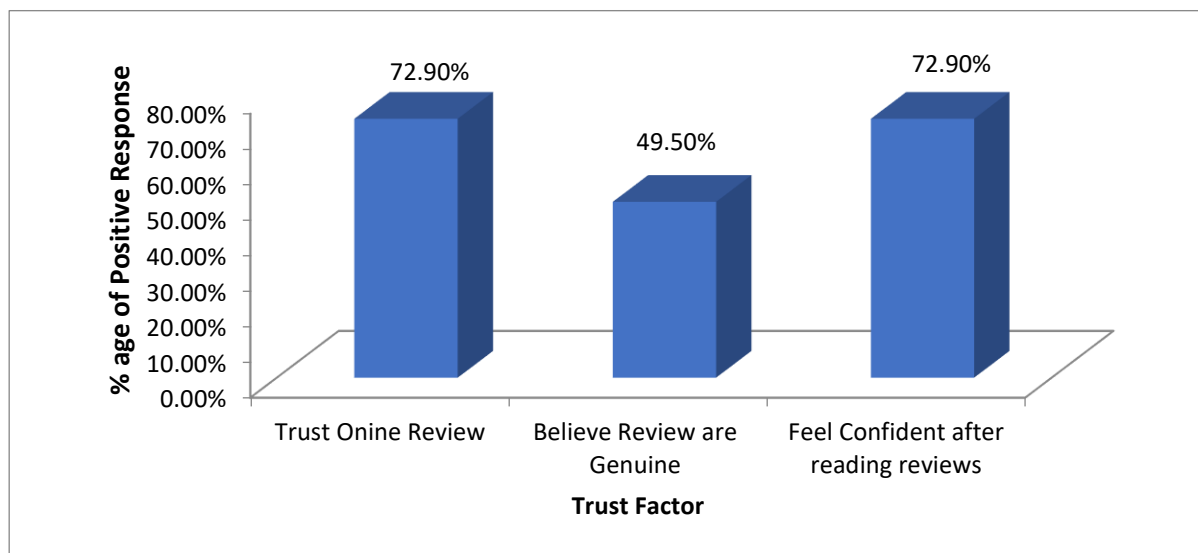
The findings shows that 96% of consumer are aware about online reviews and ratings and only 4% are not aware. This shows that majority of online consumers pay attention to review and rating while making purchases which indicates that online reviews play a significant role in shaping consumer purchase decision.



The findings reveal that online reviews have a strong impact on purchase decisions. 84.3% consumers (strongly agree + agree) are more likely to buy product with high ratings . Only 2% consumers does not check review and ratings before buying.

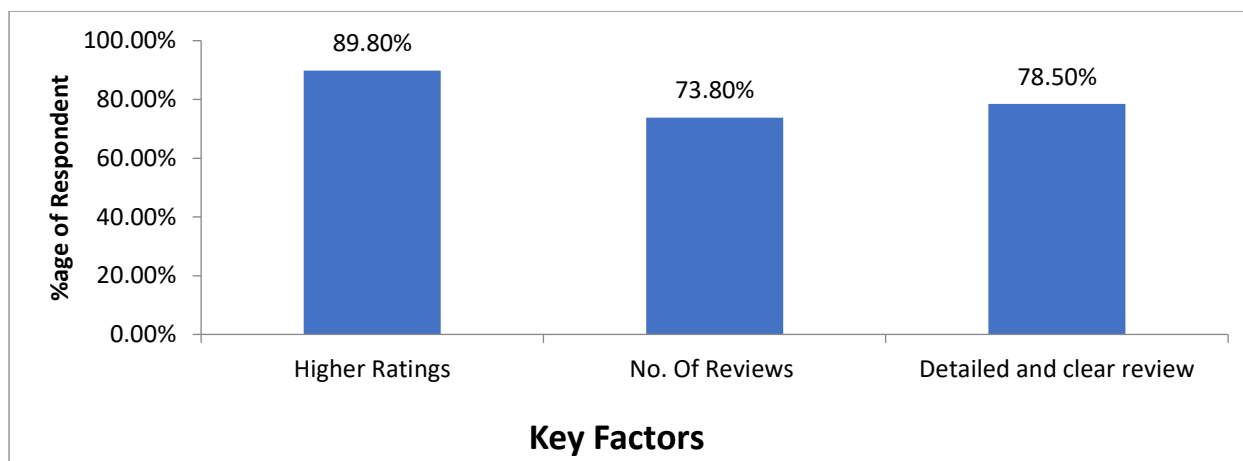
The majority of people acknowledged that they purchase products with higher ratings. In our survey, more than 55% of respondents admitted that they take negative reviews into consideration when buying a product. Furthermore, over 80% of people believe that products ratings and reviews have made their shopping experience easier.

3. Trust in Online Review



The findings indicate that online reviews play an important role in enhancing consumer trust and confidence during online shopping. Around 72.9% of respondents stated that they place a trust in online review and ratings, suggesting that reviews serve as a major source for decision-making at the time of purchase. Similarly, 72.9% of respondents reported feeling more confident in making purchase decisions after reading reviews, demonstrating that reviews help in reducing uncertainty and boosting confidence. However, only 49.5% of respondents believe that most online reviews are genuine, indicating that consumers are aware of fake and manipulated reviews.

4. Key Factor Influencing Purchase Decision



The findings indicate that reviews and ratings play a highly significant role in influencing consumer buying behaviour. Among these three factors, it was observed that higher ratings exert particularly strong influence, with an 89.8% positive responses rate, this suggests that consumers are more inclined to purchase products with high ratings, as they perceive them to be reliable and of superior quality. Detailed and clear reviews constitute the second most influential factor, with 78.5% positive response rate, which demonstrates that consumers prefer reviews that provide comprehensive information. Overall, the findings suggest that rating score, review quality, and number of reviews all significantly influence consumer purchase decisions, with higher ratings having the greatest impact.

Discussion

These findings clearly indicate that online reviews and ratings constitute a crucial component of the online shopping process, strongly influencing consumers' buying decisions. In a digital marketplace, consumers are unable to physically examine a product; consequently, they face a high degree of uncertainty and elevated risk. To mitigate this, they turn to online reviews and ratings to gain insights into the product – specifically its quality, durability, and performance – and to determine whether other consumers are, on the whole, satisfied with it. This study reveals that consumers regularly check reviews and ratings prior to purchasing a product, indicating this as a major source of information before making any decision.

Furthermore, the study reveals that online reviews and ratings have a direct impact on consumers' buying decisions. A significant proportion of consumers acknowledge that they consult review and ratings before purchasing any product; they tend to prioritize positive

reviews, yet they do not overlook negative ones either. High ratings by consumers serve as an indicator that previous buyers were satisfied with the product, thereby building confidence in prospective buyers. Conversely, negative reviews sow seeds of doubt among consumers, potentially leading to dissatisfaction with the product and alerting them about its poor performance. Reviews serve as valuable tool, helping consumers compare products and understand their specific features, thereby enabling them to make informed decisions in a shorter period of time. Detailed written reviews, in particular, reveal specific product information and share real – world user experience, thereby assisting future consumers in making trustworthy purchasing decisions. The study also underscores the critical importance of trust regarding online reviews and ratings. Numerous respondents reported that online reviews foster a sense of trust within them. Consumers are becoming increasingly aware of fake, manipulated or paid reviews. Consequently, consumers now engage in a careful analysis of any product before placing their reliance upon it.

The study also highlights that both quantity and quality of reviews influence consumer purchase decisions. Consumer tend to place greater trust in products that have higher volume of reviews. The study further suggests that star ratings facilitate quick judgements, written reviews provide detailed information. Overall, these findings are consistent with previous studies, which conclude that online reviews and ratings significantly impact consumer trust, attitudes, and purchase intentions. Therefore, businesses should encourage genuine customer feedback and maintain transparency to enhance trust and satisfaction.

Conclusion

The study concludes that online reviews and ratings have a significant impact on consumer purchase decisions. Many consumers rely on review and ratings to mitigate uncertainty, they compare products and subsequently make informed buying decisions. Factors such as higher ratings, the sheer volume of reviews, and the level of detail within those reviews significantly influence consumer behaviour and boost confidence in online shopping. While consumers generally place their trust in online reviews, the presence of fake reviews remains a significant concern. Overall, the study confirms that reviews and ratings serve as powerful tool of electronic word – of – mouth communication that heavily shape consumer purchase intentions and online shopping behaviour. Consequently, businesses and e-commerce platforms must prioritize genuine customer feedback, maintain transparency, and enhance the credibility of

their reviews to foster customer trust, ensure satisfaction, and sustain long-term success within the competitive online marketplace.

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