

# Online Review Influence on the Retail Industry: Theoretical Extension and Analysis

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## ABSTRACT

The research undertaken investigates the effect of online reviews on purchase emotions of young consumers with reference to National Capital Region of India. Quantitative aspects of online reviews, like reviewer quality, reviewer exposure, product attributes, and temporal effects have been considered. Based on literature review, the S-O-R model has been further built on and constructs of A.I.S.A.S. model, i.e., attention and trust, action and share have been incorporated to evaluate buying pattern and behaviour they follow related to online review. Interestingly, when consumers read online reviews, they concentrate not only on review scores but also refer to other textual information like a reviewer's trust and the content associated with it such as various pictures and videos. It is also seen that the market responds more favourably to reviews written by reviewers with better reputations and better exposure, i.e., the influencers. The study also aims to explore the strength of the relationship between the identified independent constructs of online reviews and buying behaviour of an individual.

## KEYWORDS

Action and Share, Attention and Trust, Online Reviews, Organism, Purchase Intention, Response, Stimulus

## 1. INTRODUCTION

Online e-commerce channels, their ease of use feature and amazing visual displays play a significant role in the process of customers firming up on their purchase intentions. There are various demographic features that affect purchase intent which might include age, gender, income, internet adaptability etc. India in today's date is an economy fast on the rise with a demographic dividend in its favour and a large size of population between 25-35 years of age. The youth today has exposure to multiple channels of products both online and offline. Consumers frequently form an emotive connect to the merchandise and direct it in the reviews. It is of benefit to the retailers and business owners to pay attention to the written feedback and read online reviews to comprehend the customers' wants and demands. It has been seen that a higher importance is given to online reviews if consumer's outlay is serious.

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According to PwC's retail survey, "54% of 23,000 online shoppers surveyed in 25 countries go online to buy products on a weekly or monthly basis. 67% said their shopping behaviour is affected when they read or write comments on social media" (PriceWaterhouseCoopers, 2016). As per a survey by Power Reviews "95% of the people surveyed said they read the online reviews and comments about products and that it affects whether or not they purchase that product" (Sparker, 2020). Consumer evaluation implies that they need to know about the visual of the product and is the product able to satisfy the need appropriately. Thus, the impact of the review can lead to influencing those consumers who are at the principal phase of the purchase procedure or still deciding on their purchase intention.

Shopper learning alludes to the fact that consumer reviews help them gain information, experience and help improve their purchase conduct during the buy. Purchasers' perspectives are influenced by number and appraisals of online surveys. Online reviews of reliability and usefulness can be understood as a kind of customer learning behaviour. Observing consumer purchasing process from the point of customer learning can turn out to be crucial. It can be predicted that these reviews have a considerable impact on the purchase intention of consumers. Therefore, it is vital for businesses to comprehend the foundation of these online articulations and strategize accordingly.

Social media strongly influences consumer buying decisions and analysis of the same is most likely to help in developing strategies for one's venture. The younger generation i.e. the youth audience prefers products with finer attributes and higher number of consumer ratings vis-à-vis the older generation who are likely to be influenced by a strong negative review. A better ratio of good to bad feedback will maximize sales and minimize the potentially damaging impact of disapprovals. Incentivizing customers is a great way for businesses to boost the number of positive feedbacks. Consumers themselves say that the favorable way to incentivize them is to allow them to participate in a prize draw or offer 15-20% off in their next purchase. For example, Burger King offers a discount of 10% on every order if they can convince the customer to fill up the online review form through their official website.

Zhang, Zheng and Wang (2020) studied how influential factors, such as online reviews (positive vs negative mainly), risk perception (higher vs lower) and product types (experiencing vs searching), interacted on the online purchase intention or online purchase behaviour while Helversen, Abramczuk, Kopec and Nielek, (2018) studied the impact of consumer reviews on online purchasing decisions in older and younger adults. Thus, it becomes necessary to study the influence of online customer or user reviews on purchase intention of consumers. Interestingly, there is a dearth of research especially of Indian consumers with regards to influence of factors of online reviews which can have an impression on consumer buying. The aim of this research is to investigate the effect of online feedback on purchase intentions of consumers for 25-35 years. The quantitative features of online reviews, like critic's quality, critic's exposure, product attributes, content and progressive effects such as attention, trust etc. are being considered in the study. Using stimulus-organism-response (S-O-R) model i.e. the stimulus organism and response model the research tries to understand the utilities and stimulus that influence the purchase intention of consumers on the basis of reviews mentioned. The S-O-R model has been further built on and three elements or constructs of the attention-interest-search-action-share (AISAS) model i.e. attention, action and share have been considered to particularly evaluate the purchase intention of consumers related to an online review.

Thus, the research was undertaken to map the constructs of online consumer reviews built on S-O-R model and AISAS model which can influence the purchase intentions of customers or users of national capital region of Delhi who are 25-35 years of age. The aim of the research is to ascertain the constructs and subsequently investigate the strength of the relationship between the identified factors of online consumer reviews and purchase intentions of consumers in NCR.

Exploratory Factor Research (EFA) research was conducted. Post literature review and based on EFA, the study identified the constructs of online consumer reviews into different factors which can influence purchase intentions of consumers based in NCR. The hypothesis is analysed for after EFA in the data analysis section. Thereafter the bearing of these identified factors of online consumer reviews

which can influence consumer buying intentions has been further investigated. This is subsequently followed by exchange of views and academic and managerial implications of the study.

The rest of the paper is structured as follows: Section 2 delves into the review of literature and formulating of hypothesis. Section 3 discussed the relevance of the research study undertaken. Followed by an outline of the research methodology, data analysis and results which is given in Section 4. Section 5 deliberates on the discussion, managerial and theoretical implications of the study. Section 6 discusses the conclusions and limitations of the study.

## **2. LITERATURE REVIEW AND FORMULATING FIRST STAGE HYPOTHESIS**

In a relatively short period of time, social media has become omnipresent and indeed turned out to be a devoted part of modern-day lifestyle. Enhanced presence of the internet through computing and mobile devices, fast changing generations of transmission technology and fascination amongst youth for connectivity have all contributed to this proliferation. The internet enables access to online merchandise reviews and remarks written by consumers leading to a changing environment in which the young consumer is able to research about the product and based on reviews purchase the merchandise. Online reviews associated to products is a platform for the consumer to voice their opinion about the said merchandise and unknowingly influence the purchase intention of other consumers. These reviews in turn can provide a base for various e-commerce sites to drive in more sales and influence the retention time of consumers in a particular site. Do online product reviews by consumers influence the purchase intention of consumers?

### **2.1 S-O-R Model and AISAS Model**

Research conducted by Vermeulen and Seegers, (2009) applies deliberation set theory to model the perception that hotel reviews available online have for consumer choice. An investigative study that consists of review outline (positive vs. negative reviews), information about the hotel (famous vs. not so famous hotels), and reviewer expertise (proficient vs. non-proficient reviewers) as independent constituents shows that acquaintance of online reviews enhances hotel selection in consumers. Trans Tech Publications Ltd. Mechanism research states that Online Word-of-Mouth (OWOM marketing) is very significant to the effective execution of OWOM marketing. Built on the consolidation of S-O-R model and AISAS pattern, the research constructs a marketing model of OWOM marketing. It bifurcates OWOM marketing into four stages and recommends ideas on OWOM marketing (Chen & Huang, 2012). On the basis of S-O-R model (Stimulus-Organism-Response Model), the study investigates the effect on customer buying behaviour of online feedbacks on the experience of the customer and form a new concept of customer learning.

The S-O-R model was developed to study the conduct of consumer's buying behaviour. As per Sherman, Mathur and Smith (1997) in his research an investigative field study of the significance of store environment on consumer feelings and the resulting effect on consumer behaviour with actual shopping behaviour can be researched into. For S-O-R model, results suggest that a customer's feelings can be a stimulating factor in the purchase process. In this research, he explored how store ambience hedonically affects an emotional state which can influence various formats of purchase decision.

In the research by Hu and Qioa, (2007) behaviour indicators of We Chat consumers were built and optimized using AISAS model based on customer behaviour patterns in the age of the internet. The AISAS non-structured model which means Attention-Interest-Search-Action-Share, was invented by the Dentsu Way to explain online consumer pattern and was replaced by the conservative model of Attention-Interest-Desire-Memory-Action (AIDMA). The objective of the study by Wei and Lu (2013) was to compare the influence of VIP supports with online buyer audits on female shopping conduct. Keeping AIDMA and AISAS models in mind, an analysis was done to understand reactions of purchasers to visualizations and experiences separately. Results showed that an online client audit scored higher than a VIP review if there should arise an occurrence of review esteem.

Thus, based on literature review it was seen that online consumer reviews can be mapped into five different constructs based on S-O-R model and AISAS model – Website Design, Review Features, Attention and Trust, Positive Reviews, Action and Share. In this way, in view of the S-O-R model and AISAS model the accompanying develops were distinguished to research the impact of Online Consumer Reviews on the Purchase Intentions of consumers: Website Design, Review Features, Attention and Trust, Positive Reviews, Action and Share. It is also imperative to analyse and see which quotient of a factor has a larger impact on purchase intention of consumers.

## 2.2 Website Design

The literature on processed fluency and the practical question of how to choose colours and fonts for website design, Huang, Li, Wu and Lin, (2018) contemplated the effect of client audits on buyer assessment under a simple to-peruse (versus hard to-peruse) survey text style. It was discovered that the sentiment of simplicity in perusing drove customers to pass judgment on the surveys as progressively believable, therefore expanding the effect of the audits. In their research Zhang (2020) stated that nearness of cleanliness factors gives the essential usefulness of a site, while their nonappearance could make client disappointment. Spurring factors are those that add to client fulfilment and include extra worth and lure customers to hold coming back to a site.

As per Pengnate and Sarathy (2017) online trust is considered as a basic factor in web-based shopping, particularly when managing new merchants. This exploration gives observational discoveries from an exploratory examination of the impact of site passionate structure highlights, visual intrigue and convenience on clients' impression of handiness and trust.

**H1:** Website Design does not impact purchase intention of the consumer

**H1(a):** Website does impact purchase intention of consumer

## 2.3 Review Features

The research conducted by Hu, Liu and Zhang, (2008), states that reviews given by consumers who recently purchased products can significantly influence purchasers and advertisers with regards to item quality. Specifically, both quantitative and subjective parts of online audits are considered, for example, analyst quality, commentator presentation, item inclusion, and transient impacts. Study by Sparks and Browning, (2011) was conducted for the hotel industry. A trial strategy was used to examine the four constructs: the review aim (core or interpersonal); comprehensive outcome of the reviews (positive or negative); review outlining (what comes first: negative or positive information); and existence of a numerical rating by consumer together with the written text.

In their research Zhu and Zhang, (2010), inspect how product and consumer qualities temperate the influence of online purchaser audits on product purchase making use of evidence from the computer gaming industry. Customer reviews as per Mudambi, Mudambi and Schuff, (2010) are increasingly available online for a considerable number of products and services. They support other inputs provided by consumers online i.e. visualization of products, expert opinions, videos associated with the product and customized encouragement given by mechanized proposal frameworks.

**H2:** Review Features does not impact purchase intention of consumers.

**H2(a):** Review Features does impact purchase intention of consumers.

## 2.4 Attention and Trust

As per Sohaib and Kang, (2015) building faith and understanding its association with online purchase intentions is imperative to business-to-consumer (B2C). Based on the Stimulus— Organism-Response

(S—O—R) model, this paper examines the relationship between B2C web design (web availability, graphic appearance, social networking services (SNS) and interpersonal trust.

Online trust studied by Pengnate and Sarathy, (2017) is considered as an important constituent of online shopping, especially when trading with unknown sellers. The study gives empirical conclusions based on an investigative outlook of the impact of website, i.e. the emotional design structure, visual application. Using unique data Harigittai, Fullerton and Menhen-Trevino and Thomas (2010) study how a varied section of young adults look for and appraise Web content, the research makes contributions to extant literature by emphasizing issues beyond site features in how users assess credibility.

**H3:** Attention and Trust does not impact purchase intention of consumers.

**H3(a):** Attention and trust does impact purchase intention of consumers.

## 2.5 Positive Reviews

As per Floyd, (2014) the association of online product audits and deals flexibility is phenomenal. An increasing amount of inputs and reviews have risen on online item surveys and their capability to encourage performance results has motivated retailers; yet, a typical understanding of the outcome implications of online item reviews has escaped us. The level of cognitive personalization was studied by Chevalier and Mayzlin, (2006). The researcher states that it is a function of the pursuer's influence force, the nature of the item looked into (experience versus search), and the substance of the survey (experiential versus accurate); what's more, the effect of subjective personalization on buy goal is directed by valence (constructive versus negative). The writers locate that (1) surveys are overwhelmingly positive at the two locales, however there are more audits and longer surveys at Amazon.com; (2) an improvement in a book's reviews stimulates an increase in relative deals at that site; (3) for most examples in the investigation, the effect of one-star surveys is more noteworthy than the effect of five-star audits. As stated by Bhatt, Patel, Chheda and Gawande, (2015) surveys on amazon are not that of products but of a basket of product review and administration survey (the same could be linked to Amazon or to a Product Company related). The consumer is betrayed as the overall direction (rating order) that amazon provides is a summative one and there is no bifurcation between a help survey and item audit.

**H4:** Positive Reviews do not impact purchase intention of consumers.

**H4(a):** Positive Reviews do impact purchase intention of consumers.

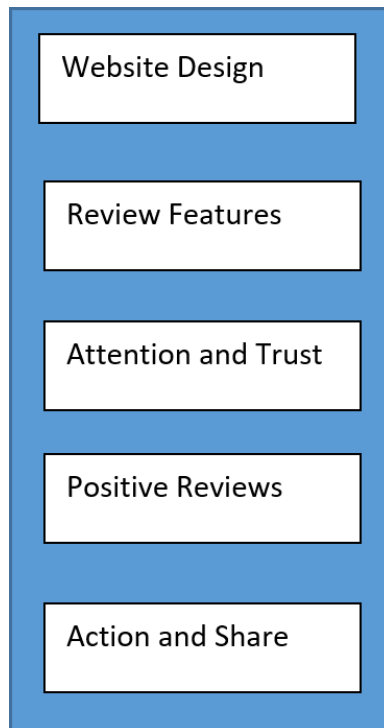
## 2.6 Action and Share

In their research Harigittai, Fullerton, Menhen-Trevino and Thomas, (2010), concentrate on the elements that drive purchasers to spread positive eWOM in online shopper feeling stages. Expanding on the social psychology writing, they recognized various key thought processes of customers' eWOM aim and built up a related model. The purpose of the research by Punj, (2013) was to check whether clients who perform online product research are also more likely to write online product reviews The purpose of the research by Karakaya and Barnes, (2010) was to scrutinize the result of consumer care reviews voiced online on purchasers' intentions for brands or Companies when buying items and services and consumer evaluations about whether their reviews would have any kind of impact on the organization events. In their study Moore, (2015) examine the description in online word of mouth (WOM), stressing on what customers explain: their actions and how they react to the utilitarian needs associated with every product and service.

**H5:** Action and Share does not impact purchase intention of consumers.

**H5(a):** Action and Share does impact purchase intention of consumers.

Figure 1. Conceptual framework of the study



### 3. RELEVANCE OF THE RESEARCH

In their research Mo, Li and Fan, (2015) studied the result of online reviews on consumer purchase behaviour. They based their study on the S-O-R model. Based on review of literature, to the S-O-R model the AISAS model was added for our study. The recommended hypothesis would help in identifying the influence of online consumer reviews on buying intention of customers. It is important to understand and identify the factors that control consumer purchase intention with reference to online consumer reviews to enable marketers and Senior Management of Companies devise strategies accordingly and create a Wow experience for consumers especially in the age bracket of 25-35 years of age. Do identified factors through literature review of Website Design, Review Features, Attention and Trust, Positive Reviews, Action and Share influence consumer purchase intentions? Results of this study will help the senior management of companies understand the consumer purchase intentions better with regards to online reviews and enable them work and improve on these constituents which will result in better returns and overall consumer fulfilment for the Companies.

### 4. RESEARCH METHODOLOGY

The research was exploratory. Based on literature review, a questionnaire was formulated with a five-point Likert scale. The study consisted of self-completed questionnaires and information from secondary sources (journals, statistical handbooks, websites and reports). The questionnaire was planned based on standardized questions available in research conducted by (Sohaib & Kang, 2015, pp. 142-161). 247 prospective consumers in the age bracket of 25-35 years were approached and requested to fill out the questionnaire in the malls and shopping complexes of National Capital Region.

Keeping in mind that the retail industry is highly diversified, the sampling was based on convenience sampling. The sample size of 247 consumers was adequate for analyzing the data through EFA.

#### 4.1 Data Analysis and Results

Data reliability was checked through a pilot study consisting of a sample of 55 consumers in the National Capital region. As the questions were found to be easy to understand and respond to, no changes were made in the questionnaire. The constructs or factors affecting purchase intention of consumers with reference to online consumer reviews were identified through Exploratory Factor Analysis followed by Confirmatory Factor Analysis. Subsequently a model was developed based on Structural Equation Modelling in the Amos software.

The internal consistency of the questions was checked through Cronbach's Alpha in the data set it was seen that 50.21% of consumers who filled the survey were men and 49.79% were female. In terms of age group 38.05% were less than 25 years of age, 41.29% were within 25-30 years and 19.43% were between 30-35 years and 1.21% were over 35 years of age. The descriptive statistics is given in Table 1.

The factors influencing purchase intentions with reference to online reviews were mined through Exploratory Factor Analysis i.e. principal component analysis with varimax rotation (Table 2). EFA Factors of Online Reviews impacting Purchase Intentions). The confirmatory factor analysis was used to test the uni-dimensionality and construct validity of the factors identified through EFA which play a key role influencing purchase intentions of consumers with regards to Online Consumer Reviews in Delhi and NCR. The test of sphericity was checked through Bartlett (Chi-square=3034.652; df=276, significance=.000) which displayed that there was adequate correlation amongst the variables. The KMO which checks for degree of sampling adequacy statistic was 0.87 i.e. above 0.5 which showed that factor analysis as a reduction technique was feasible on the dataset. Constructs were extracted based on eigenvalue and factor loading higher than 1. Anti-image correlation matrix (>0.5) and communalities (>0.4) were checked for and it was seen that all items had values greater than the requisite number. In total, 24 items loaded on five factors (Website Design, Review Features, Attention and Trust, Action and Share, Positive Reviews) accounting for 61.83% of the variance. The scale reliability was checked through Cronbach's alpha which was found to be greater than 0.6 (Hair, Black, Babin, & Anderson, 2010).

##### 4.1.1 Factor 1: Website Design

This factor reflects that Website design can influence online reviews and purchase intentions of consumers i.e. website features and design, reviews of secured website, paid reviews are more trustworthy, reviews increase revisit of the website and ease and convenience of use are influencing factors.

Table 1. Descriptive statistics (created for the study)

	N	Minimum	Maximum	Mean	Standard Deviation
Website Design	247	12.00	30.00	23.8583	3.82336
Action and Share	247	14.00	30.00	22.8543	3.94410
Attention and Trust	247	15.00	35.00	27.3320	4.84423
Review Features	247	3.00	15.00	8.8300	2.99787
Positive Reviews	247	4.00	10.00	8.0405	1.44492
Purchase Intentions	247	8.00	20.00	15.9312	2.77608
N	247				

#### 4.1.2 Factor 2: Attention and Trust

In case of attention and trust items such as reviews increase brand loyalty, help family and peers in case of selection of the product based on reviews given and prefer to check for reviews especially for medium to high range products are some of the influencing constituents.

#### 4.1.3 Factor 3: Action and Share

The next construct of action and share has items such as share reviews depending on the source of the reviews, look for products marketed as highly reviewed product, prefer descriptive star rating, share reviews based on their consistency, share reviews based on the argument quality of the reviews, look for guidance and support and quality of reviews shared matters are the items.

#### 4.1.4 Factor 4: Review Features

In case of Review features the important items are check the dates of the reviews for decision making, check the number of reviews and check review responses on unpacking videos associated with the product.

#### 4.1.5 Factor 5: Positive Reviews

The last construct of positive reviews consists of prefer well described positive reviews and positive reviews increase the search through the website.

Composite reliability and validity were assessed through AVE (average variance extracted) and Joreskog Rho by the formulae stated by Fornell and Larckers, (1981) using Microsoft excel. Hair, Black, Babin and Anderson, (2010) states that construct validity is measured by the extent to which the set of items which constitute the theoretical latent construct actually reflect it. In case of the model envisioned through EFA for constructs which impact Purchase intentions based on Online reviews of consumers the convergent validity of the scale was measured by factor loadings and average variance extracted. The AVE and CR were found to be above cut-off values (Table 2).

On analyzing the responses and identifying the constructs through Exploratory Factor Analysis, Confirmatory factor analysis was done to ascertain if the construct items and the independent variables considered in the hypothetical model are in line with the understanding of the researcher. The confirmatory factor analysis (CFA) was done using Amos 18.0. Measurement model's validity was checked for by the absolute fit indices - Chi-Square/Degrees of Freedom ( $X^2/df$ ), GFI, AGF and RMSEA. The fit indices of the measurement model were established to be within the acceptable ranges (Table 3).

On conducting the CFA, it was seen that two items were required to be dropped two items i.e. prefer well described positive reviews and positive reviews increase the search through the website. Interestingly, this suggests that for consumers in the age group of 25-35 years it is not necessary that they are looking for and are largely influenced by positive reviews but it is observed that they are mainly influenced by the review features for making a purchase decision.

For purchase intentions, questions such as I generally save products with reviews for future buy, reviews lead to buying more products than originally decided, review increases confidence towards a particular product and reviews tend to increase purchase intentions were considered.

The CFA stage gave the standardized factor loadings above or approx. 0.50 for all items in the constructs (Hair, Black, Babin, & Anderson, 2010).

Post confirmation of four constructs of Online Reviews which influences Purchase Intentions of consumers the study attempts to investigate the research question of the extent to which these factors impact the dependent variable i.e. purchase intention after reading reviews available online. This was done through Structural Equation Model (Figure 2).

The structural equation model helped identify probability (p) value and the beta value or the standardized regression weight for each of the constructs based on which the developed hypothesis was accepted or rejected (Table 4).



**Table 2. EFA results of constructs impacting consumers purchase intentions based on online reviews and convergent validity (created for the study)**

	Standardised Factor Loading	AVE	CR
<i>Factor 1: Website Design</i>		0.416	0.809
Eigenvalue	8.7		
Variance Explained	36.52%		
Website features and design	0.716		
Reviews of secured website increases the trust factor	0.698		
Paid reviews are more trustworthy	0.638		
Reviews increase revisit of the website	0.634		
Ease and convenience of use	0.525		
Prefer to take suggestions from friends and peers before decision making	0.640		
<i>Factor 2: Attention and Trust</i>		0.409	0.776
Eigenvalue	2.058		
Variance Explained	8.573%		
Reviews increase brand loyalty	0.662		
Help family members in case of selection of the product based on reviews given	0.641		
Prefer to check for reviews especially for medium to high range products	0.549		
End up writing my views on the website whether good or bad	0.730		
Help peers in case of selection of the product based on reviews given	0.576		
Enjoy discounts on condition of giving feedback	0.544		
<i>Factor 3: Action and Share</i>		0.403	0.770
Eigenvalue	1.463		
Variance Explained	6.10%		
Share reviews depending on the source of the reviews	0.432		
Look for products marketed as highly reviewed product	0.430		
Prefer descriptive star rating,	0.510		
Share reviews based on their consistency	0.749		
Share reviews based on the argument quality of the reviews	0.739		
Look for guidance and support in the website	0.645		
Quality of reviews shared matters to me	0.489		
<i>Factor 4: Review Features</i>		0.604	0.815
Eigenvalue	1.03		
Variance Explained	5.49%		
Check the dates of the reviews for decision making	0.872		
Check the number of reviews	0.855		
Check review responses on unpacking videos associated with the product	0.569		
<i>Factor 5: Positive Reviews</i>		0.408	0.564
Eigenvalue	1.151		
Variance Explained	4.79%		
Prefer well described positive reviews	0.779		
Positive reviews increase the search through the website	0.458		

Table 3. CFA model fit parameters (created for the study)

No. of Respondents	CFI	GFI	AGFI	RMSEA
247	0.912	0.912	0.865	0.079

Figure 2. Structural equation model (created for the study)

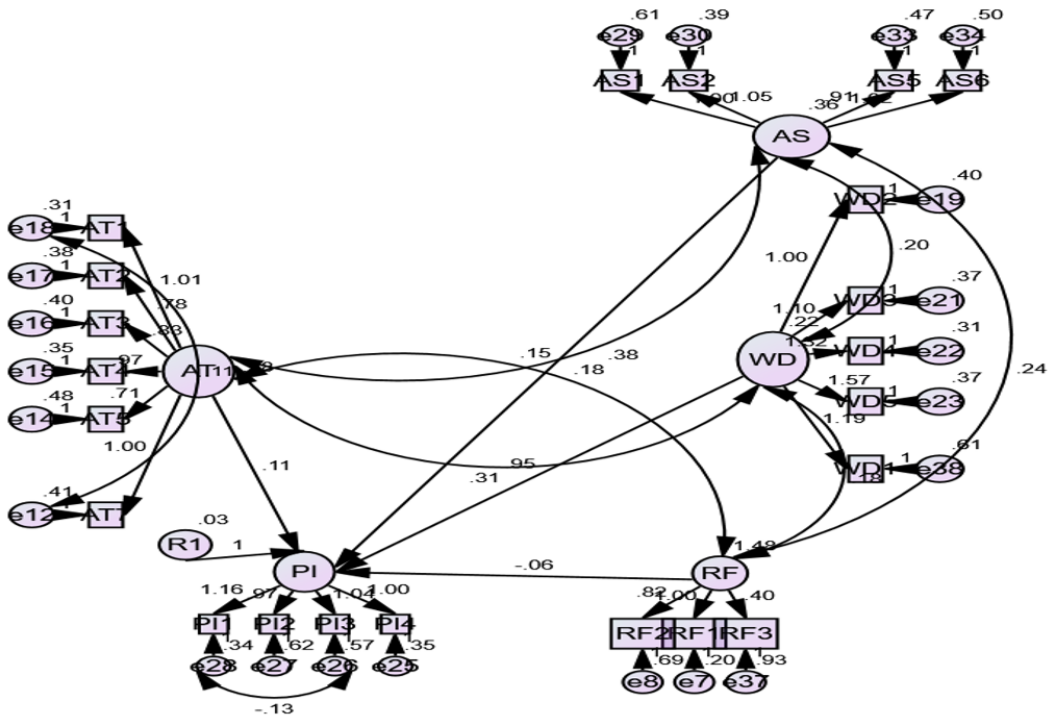


Table 4. Standardized regression weights (created for the study)

	P Value (0.001 Level)	Standardized Regression Weight ( $\beta$ )
Purchase Intention influenced by Online Reviews < Website Design	***	0.742
Purchase Intention influenced by Online Reviews < Attention and Trust	0.523	0.139
Purchase Intention influenced by Online Reviews < Action and Share	0.293	0.150
Purchase Intention influenced by Online Reviews < Review Features	0.047	0.128

Thus, as far as the Retailer is concerned Website Design and Review Features are to be worked upon and improved. The statistical implication is that when Website Design and Review Features increases to an extent of 1 standard deviation, purchase intentions of consumers' post reviewing the online reviews available increases by 0.742 standard deviations and 0.128 standard deviations respectively.

## 5. FINDINGS

### 5.1 Discussion and Managerial Implications

Consumers of today shop in an Omnichannel environment especially the in the age group of 25-35 years i.e. from mom and pop stores, internet, mobile application, catalogs etc. These consumers have access to an integration of various retail channels (i.e. catalogues, web, phone and retail outlets) for information regarding products. Online e-commerce channels, their ease of use feature and amazing visual displays play a significant role in the process of customers firming up on their purchase intentions. With access to multiple channels, their purchase intentions are also influenced by the customer reviews available online. Thus, it becomes necessary to study the factors of online reviews which influence purchase intentions of consumers. This will enable senior management of companies strategize, focus and put their money on those constructs of online reviews which has a bearing on their purchase intentions. It was seen that in case of online reviews constructs identified were Website design, Attention and Trust, Action and Share and Review Features. Identification of these constructs can help the Senior Management strategize, focus and work on them as far as online reviews are concerned. It is of benefit to the retailers and business owners to pay attention to the written feedback and read and track online reviews to comprehend the customers' wants and demands.

The EFA and CFA helped to identify the constructs which are extremely important for consumers with regards to their purchase intentions while reviewing customer feedback available online. Rather EFA and CFA subsequently helped identify the constructs and further narrow down the items which constitute the construct. The construct of Positive Reviews was dropped and the relevant items or manifest variables post CFA analysis for factors of online reviews which impact purchase intentions of consumers between 25-35 years of age in Delhi and NCR were found to be website features and design, reviews of secured website, paid reviews are more trustworthy, reviews increase revisit of the website and ease and convenience of use are influencing factors. This corroborates the study of (Zhang, Small, Von Dran, & Barcellos, 2000) which states that nearness of cleanliness factors gives the essential usefulness of a site, while their nonappearance could make client disappointment and of (Huang, Li, Wu, & Lin, 2018) who contemplated the effect of client audits on buyer assessment under a simple to-peruse (versus hard to-peruse) survey text style. In case of Review Features the manifest variables are check the dates of the reviews for decision making, check the number of reviews and check review responses on unpacking videos associated with the product. This reinforces the output of in-depth study by Hu, Liu and Zhang, (2008) which states that reviews given by consumers who recently purchased products can significantly influence purchasers and advertisers with regards to item quality and of Zhu and Zhang, (2010), who in their study inspected how product and consumer qualities temperate the influence of online purchaser audits on product purchase. For Attention and Trust, the items identified are reviews increase brand loyalty, help family and peers in case of selection of the product based on reviews given and prefer to check for reviews especially for medium to high range products are some of the influencing constituents; Action and Share manifest variables are share reviews depending on the source of the reviews, look for products marketed as highly reviewed product, prefer descriptive star rating, share reviews based on their consistency, share reviews based on the argument quality of the reviews, look for guidance and support and quality of reviews shared matters.

The structural model established shows that based on data collected as far as the Retailer is concerned when Website Design and Review Features are worked upon and are improved, the statistical implication is that when it increases to an extent of 1 standard deviation, purchase intentions of consumer's post reviewing the online reviews available increases by 0.742 standard deviations and 0.128 standard deviations respectively. It corroborates the study by Mudambi, Mudambi and Schuff, (2010) which states that client audits have an impact on buyer assessment under a simple to-peruse (versus hard to-peruse) survey text style. The results are also in line with investigation by Mudambi, Mudambi and Schuff, (2010) which states that inputs provided by consumers online i.e. visualization of products, expert opinions, videos associated with the product and customized encouragement given

by mechanized proposal frameworks have an influence on purchase intention of consumers. Thus, this shows that the stimulus of an attractive and easy to understand website increases the probability of receiving higher number of reviews from consumers which in turn influences purchase intentions. Thus, the Retailer must ensure that its website design is constantly improved and is simple and attractive. They should work towards increasing and encourage consumers to give their feedback online which is seen to increase the trust factor for a secured website.

## **5.2 Theoretical Implications**

The study largely contributes to the literature of S-O-R model and its applicability for impact of online reviews on purchase intention of consumers. Website design is considered as the stimulus part and website attributes or features is considered under the umbrella of organism. Exploratory factor analysis developed a set of five factors i.e. website design, attention and trust, action and share, positive reviews and review features. The factor of Positive reviews was further dropped in the Confirmatory Factor Analysis which suggests that for consumers in the age group of 25-35 years it is not necessary that they are looking for and are largely influenced by positive reviews. Validity and reliability were tested for and established for these five factors.

## **6. CONCLUSION**

This study has the following findings. The first being that the study helped identify key constructs of online reviews which influence purchase intention of consumers i.e. website design, attention and trust, action and share, positive reviews and review features. Factors such as easy to understand and use, recency of available reviews, number of available reviews has a bearing on the consumer's mind. In today's date and age, it is extremely easy for a consumer to switch brands, therefore it is imperative that the Retailers encourage consumers to give online reviews making it holistic and transparent for the consumer. Moreover, stressing more upon the review factors the question of keeping those products which have reviews saved for future buy was specifically considered. This generation has the advantage of e-commerce facilities and can thereby save products in their wish list depending on the reviews. They can buy it any time later after getting some provisions of various promotional offers or discounts which in turn helps the company to keep the customers engaged. Additionally, the factor of paid reviews under website Features and Design increases the genuineness of the reviews and the factor of attention and trust also increases in this scope.

The second being that the large sample size enables minimization of sampling error and helps identify the strength of the relationship between the constructs and dependent parameter. Rather, the relationship established is positive between purchase intention and website design and review features. It can also be concluded that for NCR consumers especially in the age group of 25-35 years reviews have a positive impact on purchase intentions.

Reviews present an opportunity to the Companies and Retailers to learn more about the customers. They can help brand discover flaws in the business that the brand needs to fix. Customers provide reviews as a way to share their experience. Unmanaged bad reviews drive away customers. It is also important to understand that potential customers are not looking for a perfect review sheet. A few negative reviews bring balance to the system. Thus, it is important for the Brand / Company to bear in mind that strategizing in response to customer reviews can help increase the trust and experience of consumers. When customers write a review about their experience with a brand, they actually want to communicate and convey their feedback, 7 out of every 10 customers expect to get a reply from brands or products they review. Responding to customer reviews gives the confidence to customers that their opinions, whether good or bad are valued by the Brand and helps the brand in turn establish connect with the customers. It makes them feel heard and considered. 80% of customers feel that a brand cares about them when they respond to their reviews? In addition, other potential customers who

come on the brand's page get a feel of the fact that the brand values their customers. Consequently, this will increase their willingness to buy from the said brand.

Thus, concluding on the basis of the factors that affects the purchase intention of consumers with reference to online reviews the most are the ease of use which includes the well-directed reviews along with the secured infrastructure. The content of the reviews also considerably impacts the purchase intention of the customers as variables such as the recency of the reviews, the videos and the images of the articles shown through reviews has a bearing. Also, various Companies products and websites like TRUE VALUE market themselves with the tag of paid reviews, which through the responses received can be assumed that the genuineness of the reviews are increasing and indirectly impacting the trust factor.

### **6.1 Limitations**

The research was primarily conducted in Delhi and NCR. Future research for the rest of India can be done to determine if similar factors affect purchase intentions of consumers when online reviews are available. The analysis also showed that while factors such as website design, attention and trust, action and share, positive reviews and review features have a bearing on omnichannel retail experience there are other factors that can be researched into for Delhi and NCR.

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