

Online Reviews of Baby Products – A Community of Moms

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ABSTRACT

This paper looks at how online product reviews or word-of-mouth influence the purchasing decisions of parents. More specifically, do the product reviews of other moms have a greater influence over reviews that are not written by a mom? Those reviews that are identified as being from moms will have a greater influence on a helpfulness rating and purchasing. The literature review and research framework is set up along with propositions.

INTRODUCTION

Online product reviews are an influential aspect of a consumer's buying behavior. The Internet provides the perfect medium for getting the word out about a product or service. Review sites such as www.epinions.com and www.ratings.net have reviews on everything from hotels to clothing to tools. If a person has an opinion (good or bad) about a product, he/she can voice it using one of these websites (or any of the many other sites available).

One concept that lies behind online reviews is referred to as word-of-mouth or word-of-mouse. The theory is that a person who has a positive (or negative) experience with a product or service will communicate that experience to friends and family. Online product reviews can have a viral effect on products; with potentially detrimental effects. If many consumers find a product to be either great or mediocre, sales can be affected. Dellarocas et al (2007) found that early volume of online reviews can contribute to early sales.

Word-of-mouth marketing takes collaborative filtering into consideration. Collaborative filtering is used to help us identify the good things versus the bad. According to Riedl & Konstan (2002), collaborative filtering has been around since the prehistoric times; when tribes would rely on eat other to find out which plants and berries were edible. Using collaborative filtering allows consumers to work together as a society to find out the products that are worth buying.

The next section discusses the existing research. Subsequent sections present the framework and research methodology.

LITERATURE REVIEW

A review can have an influence on another person's opinion and affect that person's purchasing decision. Xia & Bechwati (2008) studied the content of reviews (experiential versus factual) and cognitive personalization and found that it affects decision to purchase (with consumers referring to online reviews even after a product is already in mind). Cognitive personalization is described as "thinking about how oneself would feel upon exposure to other people's experiences" (Xia & Bechwati (2008) pg. 3).

Li & Hitt (2008) studied influences on purchasing behavior and how ratings are affected over time. They found that early reviewers/buyers sometimes hold the key to a product's success. If early reviews differ from the overall population, the early reviews can have self-selection bias. The authors looked at book purchasing and determined that self-selection bias can be an issue; causing positive reviews to decline over time and negative reviews to rise over time. If the early reviewers make their selection based on previous experiences – such as a book or a certain brand – they might rate the product higher just because of that, not because of the actual product. Kahneman & Tversky found that negative information has a greater impact (for example at the box office) than positive. When something receives a negative review, consumers are quick to jump on the side of the reviewer (and not the company).

Forman et al (2008) had interesting findings about reviewer disclosure resulting in more positive ratings and an increase in online product sales. Positive ratings are positively associated with sales growth (Dellarocas et al (2007), Chevalier & Mayzlin (2006), Clemons et al (2006)). Having a sense of online community can help product sales. Duan et al (2008) found contradictory results; that word-of-mouth had no effect on actual sales. They studied online reviews and movie box office sales. The authors also found that later followers were driven almost entirely by word-of-mouth.

Dellarocas & Wood (2008) looked at reporting bias and how those that are satisfied provide feedback more than those that are unsatisfied. Reporting bias can occur in a situation where one type of outcome is being reported more than another.

Online reviewer bias is an issue when it comes to online reviews. Lauw et al (2008) came up with an equation for looking at reviews within an evaluation system that did not have potential bias issues. The authors looked at reviewers as being subjective (and have varying degrees of bias) and found differentiation between biased and unbiased reviewers.

Forman et al (2008) looked at identity processes and how people have a need to communicate their identities. Identity-based self disclosure has a tendency to influence consumer response to said disclosure. Reviewers form a community of sorts and that can cause them to look at reviews of persons that they can relate to.

Xia & Bechwati looked at cognitive personalization and how it influences purchasing decisions. If a person has a sense of resonance with the reviewer, they perceive the review as more trustworthy and useful and that has a greater influence on his/her purchasing intentions.

Little research has been conducted on the subset of parents as both a community and a group of consumers. Parents are thought to have a strong sense of community and a strong influence on product reviews. Moms in particular, are searching for the best products for their babies. Moms make 80 percent of the spending decisions (Lee 2005).

Moms spend more time browsing the Internet than they do watching television (Bailey 2002). Bailey (2002) also says that “mothers are seekers rather than browsers” (pg. 83). Whether stay-at-home or working, time is precious to moms and getting the information in a quick and efficient manner is important. According to Johnson & Learned (2004), the “pre-purchase” is a more important process for women; with front-end research performed to determine what product will best meet their needs. Online review sites not only provide information about the products, but also give a mom a chance to read about other moms’ experiences with products.

The topic of interest is to look at online product reviews specific to baby products with moms as a subgroup of the consumer population. Looking into the influence that these reviews have on influencing purchasing power can give companies much-needed insight on how to get a product recognized and sold to a mother.

Previous research on feedback mechanisms such as eBay do not apply in this particular situation, since the person submitting feedback is not getting any type of reward for his/her comment. In fact, many online feedback forums do not have extrinsic rewards; reviewers are reviewing for other reasons (such as helping out a fellow mom, communicating their displeasure, or passing along a good experience).

RESEARCH METHODOLOGY/Framework

The current economic situation puts pressure on consumers to make selections and purchases carefully. From the moment of conception, a mother is under pressure to find the perfect products for her unborn child(ren). A great deal of research has been conducted on online reviews lately; indicating that this is a topic of importance and significance. Bailey (2002) conducted a survey of 461 mothers and found that 64% of mothers rely on recommendations when purchasing a product for their children. Do product reviews from other moms have more of an influence over a purchasing decision than those from other reviewers?

Smith et al (2005) found that peer reviews were influential. In fact, peer reviews were preferred over consumer ads and when the reviews were online, they had a different influence over the reader. Online forums can also stimulate interest in product categories over a product’s corporate site. (Bickart & Schindler (2001)).

Johnson & Learned (2004) state that “women go through a buying process that involves, in no particular order: consulting friends, comparison shopping, checking several reference resources and getting validation from trusted experts or word-of-mouth sources (including their family)” (pg. 74). Moms have a sense of belonging and seem to look out for one another.

Utilizing others' experiences and opinions can assist with making a purchasing decision. There are massive amounts of baby products on the market which makes this particular area one that can be studied in-depth.

According to www.census.gov, as of 2004, 82.8 million women are moms in the United States. Additionally, there has been a vast amount of research on marketing to Generation-X moms. Generation-X is made up of 48 million Americans, born in the years 1965 – 1978. Two-thirds of mothers with children under the age of twelve are Gen-xers. Generation-X moms are of a different breed; raised on television, with a childhood fear of being left alone (Thomas 2007). This group of moms wants to provide their children with a safe, secure, educational environment in which to grow up in.

Baby products are unique in that the infant does not have a voice to indicate his/her wants/needs. And, even though most infants are exposed to television; their brains are not developed enough to be influenced by commercials. Therefore, the parents are responsible for choosing which products to purchase.

Peer recognition is also important to an online community. The reputation systems of reviews are considered important with reviewers answering whether or not a review was helpful (Resnick et al (2000), Jeppesen & Fredericksen (2006), Moon & Sproull (2006)).

Below is the research model. This model is similar to a study conducted by Forman et al (2008). Of particular interest are the reviews of reviewers that disclosed that they were moms. Focus will be on two product categories: car seats and infant toys. Websites such as www.babiesrus.com, www.amazon.com, www.target.com and www.walmart.com all have product reviews of baby items. In addition, data will be gathered using a questionnaire for a sample population of moms. As is typical with online reviews, moms are very willing to share their thoughts/experiences; especially if they think it will help other moms. Products will be matched with reviews on the four websites mentioned above (www.babiesrus.com www.walmart.com www.target.com www.amazon.com). Reviews that have identifying information will be selected (i.e. those that are listed as a mom).

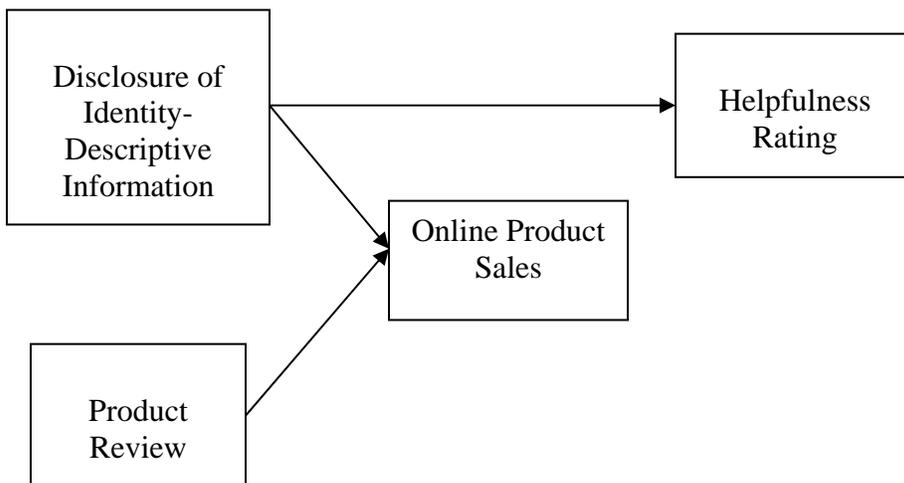


Figure 1: Framework

PROPOSITIONS

P1: Positive (negative) product reviews will have a positive (negative) affect on online product sales.

P2: Disclosure of identity-descriptive information (moms) will have a positive affect on online product sales

P3: Disclosure of identity-descriptive information (moms) will have a direct positive relationship with helpfulness rating.

DISCUSSION

Huba & McConnell (2003) talk about the power of customers as evangelists. Important factors such as building word-of-mouth networks, sharing knowledge freely, and continuously gathering consumer feedback are stressed by the authors.

According to Dellarocas (2003), organizations can find out large amounts of information from online reviews, such as brand building and customer acquisition, product development and quality control, and supply chain quality assurance (pg. 1409). The data is readily available for studies such as this.

FUTURE RESEARCH

Online forums can have a negative effect on profit even when the reviews not necessarily bad, as noted by Dellarocas (2006). Review forums have a high amount of honest content, but reviewers tend to expect a certain amount of manipulation (by the firm). This causes deflation of the reviews (and thus forces firms to participate in this manipulation). It would be interesting to see if this manipulation were necessary for baby product forums. Are reviewers of baby products overly honest?

Another interesting area of research would be to look at other populations – such as non-parents and grandparents. Seeing how reviews influence these groups would be a valid extension of this research.

Another area of interest is looking at the trust of online reviews, whether or not bias exists. Pavlou & Dimoka (2006) matched buyer and seller feedback; looking specifically at text comments. They found textual feedback to add more value than numerical and that trust can be gained from comments left by neutral parties even when gaining trust is not the goal.

Lastly, depending on the results of this research, it would be valuable to extend the model to look at other categories. How are different category reviews affected by disclosure? What about bias for categories?

CONCLUSION

There is a vast amount of information that we still do not know about online reviews and the influence that they have on a person's decision to purchase a product. Baby products are particularly interesting due to the fact that the items are typically purchased by the infant's parents.

Companies and consumers alike can find out helpful information from online reviews. Word-of-mouth marketing by moms for baby products is a potential phenomenon that occurs in the moms' community. Determining what types of bias can occur and how this influences a consumer can also clarify the unknowns in the world of online reviews.

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