

Even a single negative review can sink a good product, says study

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Online retailers have every reason to be concerned about negative reviews, as they severely reduce the appeal of a product. An extensive study by Marton Varga of Bocconi's Department of Marketing and Paulo Albuquerque (INSEAD), [recently published](#) in the *Journal of Marketing Research* investigates to what extent negative reviews can influence

prospective buyers and finds that even a single bad impression can put people off a purchase.

Everybody knows that online retailers nearly always show customer ratings and reviews on their websites. Online shoppers, in turn, very often refer to reviews for guidance at multiple stages of their online experience to gather information and to evaluate, compare, and decide among various purchase options. The importance of reviews in the [purchase decision](#) as a credible source of insight has already been established by several research papers. Indeed, they are generally considered more credible than advertising because they are seen as being rather closer to word-of-mouth news.

Varga and Albuquerque's study focuses on negative reviews, since multiple experiments have shown that negative information tends to influence evaluations more strongly than positive information. The authors have employed a large data set on consumer decisions at an important online retailer in the United Kingdom that offers a broad selection of products in the technology and home-and-garden categories.

For consumers who scrolled down to browse [product reviews](#), the probability of purchasing a product decreased by 41.8% when one negative review is present compared with when no negative review is displayed. As these consumers represent about one-fifth of all consumers visiting the product page (the remaining four-fifths do not scroll down to read reviews), this effect approximately represents an 8.4% drop in overall demand. Moreover, a single negative review on the product page increases the probability of further browsing for substitute products by 9.7%.

The effect is not uniformly strong over the whole range of products. Negative reviews have a greater effect on the purchase decisions regarding utilitarian products, that is, items that have a specific and

necessary function like a lawnmower or a vacuum cleaner. Conversely, pleasure and lifestyle products, which are more fun and exciting, are less influenced by negative ratings, as these reviews tend to be about personal taste.

"We show that negative reviews not only affect product purchase, but they also lead consumers to search for substitute products," says Marton Varga. "By increasing the consideration set, this extended search decreases the likelihood of the original product being selected at the end of the consumer journey. When consumers find [negative reviews](#), they are more likely to stop browsing for further [reviews](#) about the focal product, suggesting that they are unwilling to spend more time and effort collecting information on that particular item."

More information: Marton Varga et al, The Impact of Negative Reviews on Online Search and Purchase Decisions, *Journal of Marketing Research* (2023). [DOI: 10.1177/00222437231190874](https://doi.org/10.1177/00222437231190874)

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