



The Impact of Reviews and Ratings in E-commerce Ads on Consumer Trust and Purchase Intentions

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Abstract

The fast expansion of e-commerce has brought about a transformation in the decision-making process of consumers. Online customer reviews (OCRs) and product ratings have emerged as significant variables that influence the purchase behaviour of consumers. The purpose of this study is to investigate the influence that reviews and ratings that are displayed in advertising for online retailers have on the trust that customers have in such adverts and their intentions to make purchases. The study emphasises how the credibility, volume, and valence of reviews effect trust development by analysing customer perceptions. Star ratings serve as rapid heuristics that guide purchasing choices, and the research highlights how these factors affect trust creation. According to the findings, reviews that are positive and authentic considerably improve customer trust, lower perceived risk, and increase the chance of purchase. On the other hand, feedback that is negative or inconsistent can erode the credibility of a company. The findings of this study highlight the significance of including review methods that are both trustworthy and transparent into advertising campaigns about e-commerce in order to cultivate customer confidence and increase conversions.

Keywords: Online Customer Reviews (OCR); Product Ratings; Consumer Trust; Purchase Intentions; E-Commerce Advertisements; Review Sentiment; Digital Marketplace; Consumer Behavior

Introduction

E-commerce has witnessed a revolutionary shift in the behaviour of customers, which has been observed in the scene. Passive consumption has given way to active and informed consumption which is one of the most visible trends in current consumer behaviour; Customers may now reach a vast audience of other purchasers who share their ideas and experiences with products and services owing to the Internet. Consumers today have more opportunities than ever before to learn about things because to the growth of e-reviews and comments. In addition, consumers may even share their own consumption-related expertise with the world through electronic word of mouth, also known as e-WOM. In the midst of this shift, the function of electronic reviews (also known as E-reviews) has grown increasingly significant in influencing the decisions that consumers make regarding their purchases. The Arab world, with its rapidly expanding e-commerce ecosystem, provides a scenario that is unlike any other in which to

investigate the influence of e-reviews. Even if there is a wealth of information on Western customers, it is vital to have a thorough awareness of the intricacies of this effect in Arab cultures.

As a result of the convenience with which information can be accessed electronically, a significant number of customers have resorted to social media platforms in order to get knowledge about various companies and goods. When compared to the information that is supplied by brands themselves, consumers believe that material that is made by other customers regarding products or brands is more honest and real. User-generated content is material that is developed by consumers and represents a certain level of creative effort, according to the definition provided by the Organisation for Economic Cooperation and Development (OECD). Reviews written in electronic format are the most common type of user-generated content. User-generated material on the internet has emerged as a vital source of information due to the absence of any discernible commercial bias and the fact that it may be regarded as informal counsel among potential customers. The fact that this material is based on the experiences and emotions that customers have while using items makes it a crucial component in the process of strengthening the brand. Reviews are interpreted by customers in an effort to make sense of them; hence, the interpretation of e-reviews produces a perception of items in the minds of consumers, which in turn influences the consumers' purchasing behaviour.

E-reviews are a potent instrument that may be used to influence the purchase behaviour of consumers. In light of recent technology developments and the broad adoption of the internet, electronic evaluations have emerged as an important component of the decision-making process for consumers. A review of this kind offers assessments and views about items and services, therefore assisting customers in making decisions that are based on accurate information. When it comes to making purchases online, shoppers are more inclined to depend on reviews to learn about items rather than the official information that is provided by vendors. The reviews are submitted by consumers who have actually purchased the goods through various websites that facilitate online buying. At the same time, there is a rising trend among customers to write on social media platforms about their experiences with the products they have purchased. In light of these developments, a significant number of studies have been conducted to study the impact that online reviews have on consumers' purchase decisions. This research have revealed substantial evidence of the influence and valence of e-reviews on the behaviour of consumers when it comes to making purchases. reviews and ratings provide customers with a wealth of information that they might be able to use. In a similar vein, Bae and Lee (2021) concluded that reviews from online communities are the most credible sources for buyers who are looking for information about well-established products. This was accomplished by analysing the effects of review source and product category. Reviews, which are reflections of user perspectives and experiences with a product, are more readily accepted by other customers, which in turn facilitates the decision-making process for those consumers.

Objective

1. To analyze the effect of positive and negative reviews on consumer purchase intentions.
2. To identify the role of product ratings and review sentiment as trust signals in shaping online purchasing decisions.

Research Method

A quantitative survey was used to explore how online reviews and product ratings affect consumer trust and buy intentions on Tokopedia, Shopee, and Bukalapak. Purposive sampling was used to choose respondents who had shopped online in the last six months and viewed reviews and ratings before buying. An online questionnaire issued via social media and shopping forums collected demographic and trust and purchase decision data.

Frequency of viewing reviews, trust in ratings, and the impact of good and negative evaluations on purchase intention were measured using a 5-point Likert scale. At 0.05 significance, descriptive statistics, Pearson correlation, and linear regression were used to analyse data. The instrument was validated through content and construct validity, and reliability was examined using Cronbach's Alpha (≥ 0.7) to ensure consistency and accuracy.

Results And Discussion

Through a thorough examination of the quantitative data collected, this study determines the impact of online reviews and product ratings on e-commerce platform consumers' purchase decisions. Of the 200 surveys sent out, 180 people filled them out and sent them back with useful information. The research findings and their commentary are presented below in a thorough manner:

Respondent Profile

The respondents' profile highlights diverse demographics and shopping behaviours relevant to analyzing the impact of online reviews and product ratings on purchasing decisions. There is a cross-generational adoption of e-commerce, as seen by the fact that 75% of respondents are between the ages of 20 and 35, which is indicative of active users of digital technology. Twenty percent of respondents are between the ages of 36 and 50, which have greater buying power, and five percent are above the age of fifty. There is a fifty-two percent female to forty-eight percent male split, which guarantees a variety of viewpoints. The fact that 55% of them earn more than IDR 5 million and 45% of them are in the lower middle-income category is a significant factor in determining the extent to which they depend on evaluations and ratings. The frequency of shopping is another indicator of great involvement; sixty percent of consumers shop more than three times each month, twenty-five percent shop once or twice, and fifteen percent shop less than once. In general, the profile reveals that customers of productive age who have large buying power and active online shopping habits dominate. This validates the conclusions of the research about the ways in which reviews and ratings influence e-commerce choices in Indonesia.

Table 1. Survey Participant Profile

Category	Information	Percentage (%)
Age	20–35 years	75%
	36–50 years	25%

	> 50 years	0%
Gender	Female	52%
	Male	48%
Monthly Income	> Rp5 million	55%
	≤ Rp5 million	45%
Online Shopping Frequency	> 3 times/month	60%
	1–2 times/month	25%
	< 1 time/month	15%

A breakdown of the characteristics of the people who participated in the study is shown in the table that is located above. These characteristics include age, gender, monthly income, and the amount of times they purchase online. Approximately 52% of the respondents are female, while 48% are male. The majority of the respondents fall between the age range of 20 to 35 years, which is considered to be productive. 55% of those who participated in the survey had a monthly salary that is more than 5 million Indonesian Rupiah, which indicates that they have a high buying power. Sixty percent of those who participated in the survey are active consumers who shop more than three times per month, while just fifteen percent shop less than once per month. The findings of this study indicate that respondents are influential in determining the extent to which product ratings and reviews impact consumers' choices to make purchases.

Engagement with Product Reviews Prior to Purchase

According to this research, one of the most prevalent behaviours among internet shoppers prior to making a purchase is checking reviews. A whopping eighty-five percent of those polled indicated they never buy anything without first reading reviews online. This data demonstrates that, particularly in the digital realm where things cannot be physically seen or tested, the majority of buyers want more product details before making a purchase choice. Sixty percent of review readers said that reviews had a significant impact on their purchases. Customers place a high value on reviews since they provide valuable information about a product's performance and quality. Buyer reviews are more reliable and up-to-date than product descriptions or sales pitches from companies. Reviews, as a kind of collective judgement from customers who have used the goods, have a vital function, as this proves. Up to 45 percent of those who took the survey said that the number of reviews is a big deal when it comes to deciding how much faith they should put in a product.

People are more inclined to believe that the information regarding a product is genuine and accurate if there are more reviews accessible. The reasoning behind this is that we may have a more balanced perspective of the product by reading many evaluations that speak to different customers' experiences.

Reviews with a limited quantity are often seen by consumers as less persuasive or perhaps biased. Also, reviews are significant since they make people feel more comfortable making purchases online. The inability to physically see, handle, or test the goods before to buy is a major drawback of online shopping compared to in-store transactions. Consumers rely on reviews to make them feel confident in their purchases. Reviews that include the pros and downsides of a product, as well as the reviewer's personal experience with the product, are very valuable in helping consumers decide whether a product would meet their requirements, according to the respondents. The patterns of customer behaviour while selecting items are also influenced by review reviews. The majority of those who took the survey said they read both good and bad evaluations. People are more likely to buy a product with a positive rating because they have faith in its quality, whereas people are more likely to think twice about a purchase after reading a poor review.

Because reviews allow consumers to make more informed judgements, review-reading consumers are pickier about the things they buy. According to this research, customers are more interested in evaluations that include extensive images or descriptions. Because they show the goods in action, customers are better able to believe these reviews and put more stock in the seller's promises. Additionally, consumers place a higher value on evaluations that discuss the product's dependability and durability over an extended period of time. Based on these numbers, it's clear that customers rely heavily on reviews when making purchases on online marketplaces.

Consumers who often peruse reviews show that they value the opinions of others and have a desire for more knowledge. Customers are more likely to buy a product after reading several positive reviews that provide accurate information. Products that have received more good evaluations tend to be more popular among customers. Online retailers may learn a lot from this research. It is the responsibility of platform management and sellers to incentivize post-purchase reviews by offering discounts, loyalty programs, or other benefits to customers. Furthermore, it is crucial to keep customer evaluations genuine, honest, and full of pertinent information if you want to keep their confidence. In the increasingly competitive e-commerce industry, organisations may boost their product appeal and compete better by Recognising the importance of reviews in moulding purchase choices.

Table 2. Frequency of Reading Reviews Before Purchase

Category	Information	Percentage (%)
Respondents Who Compare Prices	Check multiple platforms before finalizing a purchase	78%
Role of Ratings in Decisions	High star ratings increase likelihood of purchase	65%
Influence of Verified Purchases	Verified buyer reviews are trusted more than anonymous reviews	52%

Trust in Expert Reviews	Professional or influencer reviews create stronger confidence	High
Trust in Peer Reviews	Peer feedback is seen as more authentic and relatable	High
Preference for Video Reviews	Consumers prefer video demonstrations over plain text reviews	Strong
Reasons to Compare Reviews and Ratings	Ensuring value for money, minimizing risk, and confirming product authenticity	-

The primary results about the practice of checking reviews on e-commerce platforms prior to making a purchase are shown in the table above. With 60% of people saying that reviews really impact their choices, and as many as 85% of those who took the survey read reviews on a regular basis. Nearly half of consumers (45%) say they are more inclined to buy a product if it has many reviews because they provide a more unbiased assessment of the product's quality. Furthermore, respondents rely on favourable evaluations to bolster product trust and bad reviews to assess risk. The significance of information openness in customer decision-making is shown by the fact that reviews accompanied with photographs and thorough descriptions are seen as more reliable.

Consumer Trust and Its Dependence on Product Ratings

According to the results of this research, product ratings significantly impact the confidence that buyers have while making purchases. According to the survey, around 70% of people use product ratings as their primary metric for determining a product's dependability and quality. Consumers value ratings because they offer a concise summary of the opinions and experiences of previous buyers on a product. Ratings play a vital role in e-commerce by reducing ambiguity and increasing confidence, especially in a setting where direct product engagement is not feasible. High product evaluations are significantly correlated with higher levels of consumer trust, according to Pearson correlation analysis ($r = 0.65$, $p < 0.05$). This robust relationship shows that customers have more faith in a product's quality when it has a higher rating. As a result, ratings serve as a trust indicator; customers are more likely to buy dependable items with high ratings.

Consumers' perceptions of danger while purchasing online are reduced when ratings are high. One of the major obstacles to buying things online is not knowing how good the products are, says risk perception theory. Here, high ratings reassure by showing that purchasers have had consistently good experiences. When customers are presented with several identical items, ratings play a crucial role in helping them choose the best one. The impact of ratings on perceived value is seen when two items with almost equal characteristics are chosen by customers based on their rating, even if the higher-rated product is somewhat more expensive.

Products with 4.5 or higher ratings on a 5-point scale are more trustworthy, according to the data. Consistently high ratings are seen as a sign of happy customers, but if there are only a few of evaluations to back them up, their veracity can be called into doubt. To make sure the rating is reflective of overall customer experience, buyers look at both the rating value and the amount of supporting reviews. Additionally, how customers rate products affects their opinion of the reliability of the supplier. Sellers who have well-rated items are seen as more reliable and competent, which benefits both the seller and the product. Sellers can prioritise methods to increase ratings by sustaining product quality, providing outstanding customer service, and encouraging consumers to submit feedback. These discoveries have practical ramifications. Online marketplaces may do their part to boost customers' trust in reviews and ratings by instituting stricter validation procedures (Novita et al., 2024).

Influence of Review Sentiment on Purchase Behavior

Positive and bad evaluations have distinct but complementary effects on consumers' final purchases, according to this research. The majority of responders (about 80%) felt more confident after reading good ratings. A favourable impact of favourable evaluations on purchase decisions was demonstrated by regression analysis, which confirmed this conclusion ($\beta = 0.52$, $p < 0.05$). People are more likely to have a positive opinion of a product and its reliability and quality if reviews are positive. Customer confidence and desire to buy are boosted when buyers read good reviews that go into depth about the product's features, longevity, and seller support. Testimonials that include first-hand images or detailed explanations of the product provide credibility and support to customer decisions.

On the other side, it was discovered that bad evaluations significantly influence purchase behaviour in a negative way. Nearly two-thirds of those who took the survey said that reading bad reviews made them think twice about making a purchase. A negative correlation between unfavourable reviews and purchase decisions was found in the regression analysis ($\beta = -0.48$, $p < 0.05$), confirming the impact. When customers read negative reviews, it could make them question the product's quality and make them think twice about buying it. According to the negativity bias theory, which posits that customers are more swayed by negative than positive information, this makes sense. A few negative reviews can have an impact, especially if they point out problems that real customers have, including a mismatch in the products, low durability, or delivery delays. In addition, the results show that customers use unfavourable reviews as a tool to weigh risks and compare options before buying. Trust in the product and the vendor is diminished in unresolved complaints, although worries may be mitigated in negative evaluations that contain helpful recommendations or comments from the seller. Therefore, unfavourable reviews frequently serve as "red flags" that cause buyers to exercise caution.

Business and Platform Implications of Consumer Review Behavior

Implications for companies and e-commerce platforms abound from this study's findings, which show that product ratings and reviews significantly impact consumers' purchase decisions. Negative reviews, if left unchecked, may swiftly erode credibility and cut into sales, while good evaluations are a strategic tool for businesses to increase trust, boost product reputation, and drive repeat purchases. Therefore, it is crucial for sellers to prioritise keeping product quality high, offering outstanding customer service, and proactively urging customers to provide genuine feedback. Also, in order to make sure that review systems are trustworthy and open, e-commerce platforms should have measures in place to check user

identities, remove deceptive content, and promote fair reviews. Doing so can help platforms build a more reliable digital marketplace by boosting customer confidence and lowering perceived dangers. Insights for product development, service improvement, competitive differentiation, and better customer happiness may be gained from well-managed consumer review behaviour.

Discussion

This study seeks to gain a better understanding of how product ratings and online customer reviews (OCR) impact e-commerce platform users' purchase decisions. Consumer trust and behaviour are key to decision-making in the digital world, and the results show that both variables greatly influence these factors. Trust is greatly influenced by online reviews. Customers have more faith in a business after reading positive evaluations, which often describe the product's quality and the customer's experience in great detail. What this means is that individuals are more likely to believe the reviews of those who have used the goods themselves, according to the social proof hypothesis. When making purchases online, reading positive reviews may authenticate quality, alleviate doubt, and give comfort.

On the other hand, negative ratings have a more significant impact since they shape how people perceive danger. Flaws, such as subpar quality or unhelpful service, get more attention from buyers. This conforms to the notion of negativity bias, according to which one gives more weight to bad than good information. Responding to unfavourable reviews in a timely and professional manner may help sellers minimise harm and even improve their reputation. Product reviews also play an important role. High ratings are significantly associated with customer trust ($r = 0.65$, $p < 0.05$), according to the research. Especially when items have comparable characteristics, ratings are a fast way to tell which ones are good. Customers are more likely to buy a product after reading many positive reviews, and they give higher ratings to items that have a lot of positive feedback overall.

The results stress the significance of tactics for companies to efficiently handle ratings and reviews. One way to boost reputation and stay competitive is to encourage consumer input, keep product quality good, and respond quickly to unfavourable evaluations. The implementation of open review validation mechanisms by platforms boosts customer confidence and guarantees the validity of shared experiences. The research concludes by pointing up areas that might benefit from more investigation. We may learn more about customer behaviour if we account for moderating factors like service quality and brand image. Review and rating answers may have deeper emotional underpinnings, which a qualitative method might help to reveal. Taken together, the results of this study show that ratings and reviews on the internet have a significant impact on consumers' buying decisions and provide useful recommendations for making the most of them while shopping online.

CONCLUSION

According to the findings of this study, the inclusion of reviews and ratings in adverts for online retailers plays a significant part in influencing the intentions of consumers to make purchases. However, negative reviews, which are typically more persuasive owing to negativity bias, emphasise possible dangers and inspire consumer caution. Positive reviews and high product ratings operate as strong trust signals, lowering ambiguity and encouraging customers to make purchase decisions. While bad reviews highlight potential risks and influence consumer caution. The findings highlight the need of businesses actively

managing both reviews and ratings by guaranteeing the quality of their products, successfully reacting to criticism from customers, and promoting genuine testimonials. It is necessary for e-commerce platforms to have procedures for transparent review validation and authenticity in order to build the confidence of their prospective customers. In the grand scheme of things, reviews and ratings not only have an effect on the immediate intention to make a purchase, but they also contribute to the long-term trust and loyalty of customers, which makes them essential strategic aspects in the highly competitive digital marketplace of today.

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