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Impact of Online Reviews on Consumer Purchase Decisions: A study of Rohtak district of Haryana

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ABSTRACT

The rapid expansion of e-commerce has transformed consumer buying behaviour across the globe. Consumers increasingly rely on online reviews to evaluate products and services before making purchase decisions. Online reviews serve as a form of electronic word-of-mouth (e-WOM), offering valuable insights into product quality, reliability, and customer satisfaction. This study investigates the impact of online reviews on consumer purchase decisions using primary data collected from 100 respondents. The respondents were selected through convenience sampling and categorized into three age groups: 20–30 years, 31–40 years, and 41–50 years. Data were collected through a structured questionnaire comprising demographic and behavioral questions related to online shopping and review usage.

The collected data were analyzed using descriptive statistics such as frequencies and percentages, along with inferential analysis using the Chi-square test to examine the relationship between age and dependence on online reviews. The study is expected to reveal that online reviews significantly influence consumer purchase decisions, particularly among younger consumers. Positive reviews enhance consumer trust and purchase intention, whereas negative reviews discourage purchasing and encourage consumers to seek alternative products. The findings provide useful insights for marketers, online retailers, and businesses seeking to improve customer engagement and build brand credibility through effective review management.

Keywords: Online Reviews, Consumer Purchase Decision, Electronic Word-of-Mouth (e-WOM), Consumer Behaviour, E-commerce, Customer Trust

INTRODUCTION

The digital revolution has dramatically reshaped the retail landscape, making online shopping an integral part of consumers' daily lives. With increasing internet penetration, Smartphone usage, and the availability of numerous e-commerce platforms, consumers have access to a vast range of products and services. However, the inability to physically inspect products before purchasing creates uncertainty and perceived risk. Consequently, consumers rely heavily on online reviews posted by previous buyers to make informed purchase decisions. Online reviews are considered one of the most influential forms of electronic word-of-mouth (e-WOM). They provide detailed information about product quality, durability, usability, delivery experience, and seller performance. Unlike traditional advertising, online reviews are generally perceived as more trustworthy because they are generated by actual customers rather than marketers. Positive reviews often strengthen consumer confidence and encourage purchases, while negative reviews alert potential buyers to possible issues, thereby influencing their final decisions.

The impact of online reviews extends beyond individual consumers. Businesses monitor customer feedback to identify areas for improvement, strengthen customer relationships, and enhance their brand reputation. E-commerce platforms such as Amazon, Flipkart, Myntra, and others prominently display product ratings and customer reviews because they directly influence sales performance. Consumer reliance on online reviews varies according to demographic factors such as age, education, and digital literacy. Younger consumers, who are more familiar with digital technologies, generally consult online reviews more frequently than older consumers. Understanding these behavioural differences is valuable for businesses when designing marketing strategies and customer engagement initiatives. The present study examines the impact of online reviews on consumer purchase decisions using primary data collected from 100 respondents. The study also investigates whether age influences consumers' dependence on online reviews before making purchasing decisions.

REVIEW OF LITERATURE

Yayh & Bayram (2012) observed that internet has become the primary source of information for a large number of consumers and it has dramatically changed the consumer behaviour. The emergence and growth of the internet has expanded consumers' options for obtaining product information by incorporating comments made by other consumers and posted online, as well as giving consumers the chance to provide their own advice regarding consumption through electronic word-of-mouth (e-WOM). The findings demonstrate that customer reviews have a causal influence on consumers' purchase decisions and product selection.

Almana (2013) investigated the impact of online customer reviews on consumer purchasing decisions in the e-commerce environment. Through a survey of various demographic groups, the research analyzed consumer attitudes towards online reviews and examines the influence of factors like review frequency, star ratings, and review volume on purchase confidence. The results suggested practical implications for businesses, such as encouraging customer feedback and balancing star ratings with detailed reviews to build consumer trust. Limitations and suggestions for future research are discussed**. Zan (2015)** examined the factors that contribute to the impact of online reviews on consumer behavior, including credibility, valence, volume, and reviewer characteristics it also provides insights into the significance of online reviews and offers suggestions for businesses to effectively manage and leverage this influential tool to enhance customer satisfaction and increase sales.

It gives companies and marketers insightful information about the importance of online reviews and offers doable suggestions for using this powerful tool to boost sales, improve customer satisfaction, and obtain a competitive edge in the e-commerce sector. **Elwada (2016)** revealed that online customer reviews (OCRs) have become a primary source of product information and an important influence on customers' purchase decisions. This has resulted in a significant impact on consumer purchase decision making. The study examines the latest understandings in the links and relationships between OCRs and customers' purchase intentions. It also addresses the issues of credibilities, roles, antecedents, helpfulness, measures and consequences of OCRs. **Chen et al (2018)** demonstrated that online reviews play an important role in the purchase decision process. Online review community allows everyone to express and receive opinions and individuals can reexamine their opinions after receiving messages from others. The results showed that consumers with different membership levels have different information sensitivities to online reviews. Consumers at low and medium membership levels are often persuaded by online reviews, regardless of their initial opinion about a product**.**

Astuti & Dewi (2019) aimed to determine the effect of price and online consumer reviews on product purchase decisions in the fashion category in Shopee, population in this study were students of the Faculty of Economics and Business, Muhammadiyah University of North Sumatra (UMSU) with 100 samples of Students of the Faculty of Economics and Business, Muhammadiyah University of North Sumatra (UMSU) who had shop for fashion products at Shopee in the past 1 year. **Dhahak (2020)** determined whether there is a link between consumer reviews and consumer buying habits and to clarify how various internet reviews affect consumers' purchasing decisions and intents. Online customer reviews (OCRs) are now a key resource for product details and have a significant impact on consumers' purchasing decisions. The decision-making process for consumer purchases has been significantly impacted as a result. **Kang et al (2020)** used the Latent Dirichlet Allocation (LDA) model to identify the key factors that are of major concern to consumers, including design factors, laptop setup factors, logistics factors, after-sales factors, and user experience factors. Findings suggested that the impact of online reviews on consumer purchase decisions also varies considerably across different consumer focus factors. Further the impact of the interaction between online review features is complex.

Research Gap

Although numerous studies have examined the influence of online reviews on consumer behaviour, relatively few have focused on differences among age groups using primary data collected from Indian consumers. Many earlier studies relied on secondary data or focused on specific product categories. The present study addresses this gap by analyzing how consumers belonging to different age groups (20–30, 31–40, and 41–50 years) use online reviews while making purchase decisions.

Problem Statement

Consumers today have access to a large volume of online reviews before purchasing products or services. However, the extent to which these reviews influence buying decisions differs among consumers. Businesses need to understand how online reviews shape consumer behaviour and whether demographic factors such as age affect reliance on such reviews. Therefore, the present study investigates the impact of online reviews on consumer purchase decisions using primary data collected from consumers

Objectives of the Study

1. To examine the impact of online reviews on consumer purchase decisions.
2. To analyze the relationship between age group and consumer`s reliance on online reviews before making purchase decisions.

Research Hypotheses

Null Hypothesis (H_{01}): There is no significant relationship between consumers' age group and their reliance on online reviews before making purchase decisions.

Alternative Hypothesis (H_{11}): There is a significant relationship between consumers' age group and their reliance on online reviews before making purchase decisions.

Null Hypothesis (H_{02}): Online reviews do not significantly influence consumer purchase decisions.

Alternative Hypothesis (H_{12}): Online reviews significantly influence consumer purchase decisions.

RESEARCH METHODOLOGY

The study adopts a descriptive research design to examine consumers' perceptions and behaviour regarding online reviews. The research is quantitative in nature and is based on primary data. Primary data were collected directly from respondents using a structured questionnaire. Convenience sampling was used to select respondents due to its practicality and ease of data collection. The area of study is Rohtak district of Haryana state, the study included 100 respondents.

Findings:

A. Demographic Analysis

Table 1: Age-wise Distribution

Age Group	Frequency	Percentage
20-30 Years	45	45%
31-40 Years	35	35%
41-50 Years	20	20%
Total	100	100%

Most respondents (45%) belong to the 20-30 years age group, indicating that younger consumers constitute the largest segment of the sample. Out of total respondents only 20% comes from the age group of 41-50 years.

Table 2: Gender

The respondents include both male and female consumers, providing a balanced representation.

Gender	Frequency	Percentage
Male	54	54%
Female	46	46%
Total	100	100%

Table 3: Occupation

Occupation	Frequency	Percentage
Student	30	30%
Salaried Employee	40	40%
Business/Self Employed	15	15%
Homemaker	10	10%
Others	05	5%
Total	100	100%

From the above table 3 it is cleared that salaried employees form the largest occupational group, followed by students. 15% of the respondents are from business/self employed group whereas 10% comes from homemaker and 5% from other sector respectively.

Table 4: Frequency of Online Shopping

Response	Frequency	Percentage
Very Frequently	22	22%
Frequently	38	38%
Occasionally	30	30%
Rarely	10	10%
Total	100	100%

The above table 4 depicts that out of total respondents sixty percentage of respondents shop online either frequently or very frequently and only 10% rarely do online shopping.

B. Cross Tabulation Analysis

Table 5: Cross- tabulation (Age X Regular reading of Reviews)

Age Group	Agree/Strongly Agree	Neutral	Disagree/Strongly Disagree	Total
20-30	41	2	2	45
31-40	27	4	4	35
41-50	10	6	4	20
Total	78	12	10	100

The above table 5 displays the relationship between age group of respondent and regular reading of reviews. Younger respondents (20-30) show the highest reliance on online reviews, while reliance gradually decreases with age. Since there is statistically significant relationship between age group and reliance on online reviews the **null hypothesis is rejected**. Younger consumers are more likely to depend on online reviews before making purchase decisions.

C. Mean Score Analysis

The responses to the 15 Likert-scale statements were analysed using mean scores (1 = Strongly Disagree to 5 = Strongly Agree). A higher mean score indicates stronger agreement with the statement.

Statement	Mean Score	Rank
I read online reviews before purchasing products.	4.12	II
Online reviews help me compare products.	4.05	IV
Positive reviews increase my confidence in purchasing.	4.18	I
Negative reviews discourage me from buying a product.	4.02	V
I trust verified customer reviews.	3.96	VII
I compare reviews from multiple websites.	3.81	X
Product ratings influence my buying decisions.	3.98	VI
I avoid products with poor ratings.	3.88	IX
Detailed reviews are more useful than star ratings.	3.92	VIII
I consider the number of reviews before purchasing.	3.80	XI
Fake reviews reduce my trust in online shopping.	4.07	III

I recommend products after reading positive reviews.	3.74	XII
Online reviews reduce the risk of making a wrong purchase.	3.72	XIII
I believe online reviews are generally reliable.	3.68	XIV
Overall, online reviews significantly influence my purchase decisions.	4.00	V
Overall Mean Score	**3.65**	

Researcher`s calculation

The highest mean score (4.18) was obtained for the statement "Positive reviews increase my confidence in purchasing," indicating that positive customer feedback strongly influences consumer buying behaviour. The overall mean scores are above 3.5, suggesting that respondents generally have a favourable perception of online reviews. The above result shows that online reviews significantly influence consumer purchase decisions, hence **rejecting the null hypothesis**.

OTHER FINDINGS

The study generated the following other major findings:

* Most respondents (45%) belong to the 20–30 years age group.
* A majority of respondents shop online frequently.
* Around four out of every five respondents read online reviews before making purchases.
* Positive reviews significantly increase consumers' confidence in purchasing products.
* Negative reviews discourage consumers from purchasing products with poor ratings.
* Verified customer reviews are considered more trustworthy than anonymous reviews.
* Consumers often compare reviews across different websites before making final purchase decisions.
* Fake reviews reduce consumer confidence and negatively affect trust in online shopping.
* Younger consumers depend more on online reviews than older consumers.
* The Chi-square analysis indicates a statistically significant relationship between age group and reliance on online reviews.

SUGGESTIONS

Based on the findings, the following suggestions are offered:

1. E-commerce companies should encourage verified buyers to provide genuine reviews.
2. Online platforms should strengthen systems for detecting and removing fake reviews.
3. Businesses should respond professionally and promptly to negative customer feedback.
4. Consumers should evaluate both positive and negative reviews before making purchasing decisions.
5. Sellers should maintain product quality and customer service to generate favourable reviews.
6. Platforms should display verified purchase badges to improve review credibility.
7. Digital literacy programmes can help consumers critically evaluate online information and avoid misleading reviews.

CONCLUSION

The present study examined the impact of online reviews on consumer purchase decisions using primary data collected from 100 respondents. The findings demonstrate that online reviews have become an essential source of information for consumers in the digital marketplace. Most respondents indicated that they regularly consult customer reviews before purchasing products, and positive reviews significantly increase their confidence in making purchase decisions. Negative reviews, on the other hand, encourage consumers to reconsider or avoid purchases, highlighting the importance of online reputation.

The study also found that age influences the extent to which consumers rely on online reviews. Younger respondents (20–30 years) showed greater dependence on online reviews than respondents in the higher age groups. The Chi-square analysis confirmed a statistically significant relationship between age group and reliance on online reviews. Overall, the research concludes that online reviews are a powerful form of electronic word-of-mouth that shapes consumer perceptions, builds trust, reduces perceived risk, and influences purchasing behaviour. Businesses should therefore focus on encouraging authentic customer feedback and maintaining a positive online reputation to strengthen consumer confidence and improve long-term customer relationships.

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