

ILLUminate Blog Transcript: Nevena Koukova and Rebecca Wang: Asking for Positive Online Reviews Can Backfire on Retailers

Recorded November 17, 2022. Listen to it [here](#).

- ANNOUNCER: 00:02 (MUSIC) This podcast is brought to you by ILLUminate, the Lehigh Business blog. To learn more, please visit us at business.lehigh.edu/news.
- JACK CROFT: 00:13 Welcome. I'm Jack Croft, host of the ILLUminate podcast for Lehigh University's College of Business. Today is November 17, 2022, and we're talking with Nevena Koukova and Rebecca Wang about a recent study they published along with colleague Mathew Isaac of Seattle University in the Journal of Retailing. The study looked at whether retailers who ask customers for conditional reviews wind up harming customer loyalty. Dr. Koukova is associate professor of marketing whose research interests include pricing, digital products, and consumer decision-making. Her current research projects focus on design and marketing of digital products such as books, newspapers, and movies, and on various aspects of framing on customer inferences and choice. Dr. Wang is also an associate professor of marketing whose interests are at the intersection of marketing, data science, and technologies. Her research focuses on digital and mobile channels, social media, and data-driven marketing.
- CROFT: 01:22 I think by now, almost everyone who has made an online purchase of some kind has received a follow-up email or text asking them to review and rate the product they purchased. So let's start by talking about the importance of those online reviews and ratings, both for consumers and for retailers. Rebecca.
- REBECCA WANG: 01:44 I think online reviews have become a necessity for both consumers and retailers. Some industry surveys actually suggest that more than 80% of consumers read reviews and conduct searches online when they want to purchase an item. Just think, the holiday season is approaching, so what do you want to-- say, a usable Christmas tree, what do you do? You go to a website like Amazon.com and you read the reviews because reviews help you make purchase decisions. And, in theory, they provide very essential, truthful information that can accurately portray what the past users, your peer consumers, how they experience the product, right? So as a potential customer, you can make these inferences. You can infer whether the product is going to fit with your needs and also the product's quality.
- WANG: 02:38 But the fundamental basis of this inference is based on trust, which is the ability that you can believe these reviews and star ratings in fact truly represent what the product is all about. And for the retailers, because reviews have become such an important tool as consumers make their buying decisions, retailers of all types of businesses such as apparel or general merchandise, restaurants, hospitality, just to name a few, they want reviews, right? When they are implementing their online review profile or presence, they want to be seen. They want to be perceived in a positive light. So they care about two dimensions, specifically, what we refer to as volume and valence. So volume refers to how many reviews a retailer has, and valence is whether the review and the star ratings are positive or negative, five star or one star.
- WANG: 03:37 And it's actually kind of hard for a retailer to obtain authentic and organic reviews. In fact, we analyzed a secondary data set, and we found out that more than 50,000

online reviews, 98% of them were written due to a solicitation email, meaning that the retailer, after the customer has purchased the product, sends an email to that customer asking them to leave a review. 98% of the reviews actually resulted from that solicitation. And if we remove all these solicited reviews from the data set, 88% of the products would not have any reviews at all. So, naturally, solicitation by soliciting reviews is something that a retailer would do in order to build their online review presence.

CROFT: 04:29

Wow, that's surprising. I mean, it's not surprising that the solicited reviews would account for a large chunk, but 98% is pretty amazing. So the average person, for the most part, would not review a product unless they were prompted?

WANG: 04:49

Yes, according to the data set that we looked at.

CROFT: 04:52

Yeah. Wow. Now, your study focuses specifically on how consumers feel about requests from retailers to provide what are known as conditional reviews, as opposed to asking consumers for unconditional reviews. So let's start there with definitions of the differences between those kind of reviews and why those are important. Nevena.

NEVENA KOUKOVA:
05:20

Yeah. So retailers may need to decide whether to solicit reviews that are framed as unconditional or conditional requests. So in our study and in general, consumers who receive an unconditional request are asked to simply write a review following a purchase. So, for example, "Please leave a review that will be posted on our website." In contrast, a conditional request is one in which customers are invited to write a review, but only if the review will be favorable. For example, "If you loved our product, please leave a five-star review." A number of websites discourage that conditional review request. However, they continue to be deployed by a number of retailers, for example, small and medium-sized businesses on Amazon Marketplace.

KOUKOVA: 06:21

And I mean, this ongoing use of conditional review requests implies that companies think that they may yield certain benefits, retailers and a number of other companies. And they may think that conditional request will yield more positive reviews or reduce the number of negative reviews on their website. And in our context, these are all verified reviews. So something interesting to emphasize, that these are actual reviews posted by customers. And then, again, it is the way the message is framed when the review request is sent to customers after purchase.

CROFT: 07:06

Now, it seems the crux of the research question that you set out to answer in this study was whether conditional review requests would, and I quote from the study, "produce sweeping and uniformly negative effects on customer loyalty." So I'm wondering, was there anything in particular for either or both of you that kind of sparked your initial interest in examining this as a research question in the first place?

WANG: 07:36

I think we've all received a review solicitation from a business at some point. So for me, specifically, it was maybe 10 years ago. I bought an iPhone battery online, and I wanted to swap it out myself, right? So after I install it, the battery life was actually worse than the original OEM battery, so I had to uninstall it and then reinstall my old battery. And that was quite a process, if I remember correctly. I think you had to actually use a hairdryer to melt down the glue that holds the battery in place and everything. In any case, so I went through all that trouble, then I returned it, right. And the return process was actually pretty easy, so that was fine. But literally after a day that I mailed it back in, I got this email from this company that asked me to leave a five-star review for them. And my first reaction was, "Your product was terrible. You

have the audacity to ask me for a five-star review?" I think that prompted my whole stream of consciousness, if you will, into wanting to investigate this research question sometime down the road, which I guess happens to be now.

CROFT: 08:48

Now, it seems likely that if you got that kind of request, and I've wondered about that myself because I've had the same experience, it must just be automated then, right? They probably have it set up, and I don't know if you know this, but I'm going to guess you probably do, that it just automatically sends a thing out asking for a five-star review.

WANG: 09:09

Yes.

CROFT: 09:10

It's not like they're looking at the customer records or anything.

WANG: 09:14

No. I think they automatically send it out, yes.

CROFT: 09:18

Okay. Now, without getting too deep into the nitty-gritty of the details here, how did the two of you go about setting up the experiments you conducted to measure consumer responses to both unconditional and conditional review requests?

KOUKOVA: 09:37

We did a number of online experiments to test our hypotheses and provide insights in terms of how consumers respond to conditional or unconditional requests. We recruited online participants through MTurk [Amazon Mechanical Turk Cloud Research] and Prolific [prolific.co], so both of these are crowdsourcing marketplaces. And then companies in general, interesting companies, and researchers like us, could recruit participants to perform various tasks virtually. So we created a number of online experiments, again trying to show consumers real purchase situations and ask them to respond to questions and so on.

KOUKOVA: 10:25

So, for example, in one of our studies, we investigated how participants would respond to consumer electronics. So we used this humidifier as our main product, and we told consumers that they bought a humidifier from a company called Ultrasonic. We showed them the picture, we showed a brief description of the features, the capabilities, and also we try to manipulate the actual experience of the consumer. So we told them that their experience with the product was mixed. So, for example, they read that, although the humidifier did a good job in terms of humidifying the air quickly, it made an annoying gurgling noise and has a beeping button and a bright light that sometimes would interrupt your sleep. We also added that the tank was extremely easy to fill and clean, there was no filter to replace, and consumers just had to clean it once a week.

KOUKOVA: 11:37

Next, we displayed an actual review request, and we told consumers that they received these by email a few days after their purchase. So we displayed an actual email, very similar to what we typically receive, and the email was by Ultrasonic customer service following their purchase, and they are in the unconditional condition. So half of the respondents were asked to leave a review that will be displayed on their website.

KOUKOVA: 12:10

In contrast, the other half of the participants received a review request in which they read that the email said that, "If you loved our product, please leave only a five-star review that will be displayed on our website." We gave them a few minutes to review the specific request, and then we asked participants a number of questions about the retailer, how trustworthy, for example, the retailer is, manipulative, sincere, and so

on. And then we asked participants whether they will consider buying another product from the same retailer, an electric toothbrush, again, that we displayed on their website. And they responded to a number of questions related to the actual purchase and how likely they are to buy the product from the same retailer.

KOUKOVA: 13:07

So we used a number of product categories to increase the external validity of our study. We used a discount store like Dollar Tree. We used the humidifier, a toothbrush. We also had a different experiment in the context of a farmers' market where consumers purchase fruits and vegetables. And we also measured retailer loyalty in different ways. So in some studies, we asked them whether they would like to have a gift card from the specific retailer that sent the request. We asked them in other studies how likely they are to go back to the same retailer, buy other products from the same retailer, or how likely they are to recommend the retailer. So a number of product categories and also a number of measures of retailer loyalty to have externally valid results.

CROFT: 14:07

Okay. That's interesting. And kind of the \$64,000 question, what impact did those who asked for conditional reviews, the ones who said, "Please leave only a five-star review," what kind of impact did that have on the way consumers felt about the retailers?

KOUKOVA: 14:31

So in our paper we report the results of six experiments with more than 3,000 participants, and we provide very consistent and convergent evidence that customers who receive conditional requests are less loyal to the retailer in the future. And the reason is that they perceive the retailer as more manipulative and untrustworthy. And what was very interesting for us is that the negative results are very persistent, even in the case of a very positive experience. So in some of the studies, we used mixed experiments; in some of the studies, both mixed and positive experiences. And what is worrisome is that, even after positive experience with the product or the company, when consumers receive a conditional review request, again, they're less likely to buy again from the retailer, continue working with the same retailer again because they perceived the company as more manipulative and untrustworthy. And we also identify in our research easily implementable strategies to try to diminish the negative effect of the specific message.

CROFT: 15:58

Now, one of the interesting findings that were in the study was that making just small changes to the message content could lessen, although not eliminate, the negative impact of a conditional review request. I'm wondering, could you give us a few examples of how that works?

KOUKOVA: 16:19

Okay. So in our study, in our research, we outline two strategies, two specific message strategies that companies can use to diminish the negative effect of conditional review requests. So the logic behind one of our strategies is that consumers may feel that the company tries to shut them down with the request only to leave a review if it will be positive. So by providing another avenue for these consumers to communicate to the company about their negative experience or their displeasure, again, this will diminish the negative effect of a conditional review request. So we call this placation, and specifically in our studies, we tell companies, we tell consumers if they have any issues, problems, or negative experience, please email us and we will respond directly to your concern.

KOUKOVA: 17:21

The second strategy that we outline and we test in our studies is the conditional request with underdog justification. Again, this is something that has been shown in previous research to help companies in a number of conditions. So, for example, underdog justification will be communicating to consumers that we're a small, independent company. We rely completely on positive customer reviews to stay in business. Please leave us a positive review. So, in both our cases, with both these strategies, we show that if we slightly modify the message, either with placation or with underdog justification, companies can avoid the negative effect of conditional review requests.

CROFT: 18:18

Now, one of the findings that Rebecca had mentioned, and I'd like to delve into that just a bit more here, is that even if a customer personally had a positive experience with a retailer, the mere fact that they received a request for a conditional review afterwards, in a sense negated their own experience and significantly diminished their trust and loyalty to that retailer. Now, that really does seem like a powerful thing if it's overriding kind of what your own personal experience was. So did that surprise you, and what do you think is going on there?

WANG: 19:01

I don't think it did because, as we mentioned, the entire ecosystem of the online reviews depends on trust. So when a retailer sends a review request, a conditional one that asks me to write a positive review for them, that trust starts to waiver and I start to wonder whether the online system, this review system is still trustworthy. I start to wonder whether the reviews still portray the product quality for all the products accurately. And just because it works out this time, I have a positive experience, does that really mean that it will work out the next time with a completely different product? I start to wonder if the online system only contains positive reviews because customers are just being compliant to these requests. And it also makes me wonder what the retailer's motivation is behind their customer service or product quality. Are you providing a good product or service just so that you can get good positive reviews? And that ties to the theory of Persuasion Knowledge. Nevena, you want to take it from here?

KOUKOVA: 20:17

Yeah. So there is the Persuasion Knowledge Model and theory in marketing and consumer behavior can help us provide a little bit more details on why this is happening. The idea behind the Persuasion Knowledge Model is that if we face marketing communications of any sort, we can go back to our memory and think of similar experiences, communications that we had. And in general, consumers are more skeptical about these types of marketing communications. Consumers think about the ulterior motives that a retailer or a company may have. So in our context, even after a positive experience, if we receive a conditional review request, we will be more likely to be skeptical about the motives behind this request. And that's why we will perceive the company as more manipulative, insincere, and self-serving.

CROFT: 21:28

Clearly, the retailers don't want to be seen as self-serving, manipulative, and untrustworthy in asking for these conditional reviews. So what are the key takeaways that you have for online retailers from your study about how to avoid crossing that line?

WANG: 21:51

This practice, sending conditional review solicitations, asking customers for five-star reviews, this is quite prevalent. So we started this project wanting to find out whether it is indeed a beneficial tactic for a retailer to adopt because, like Nevena said, there

are a lot of theories that would say it's not. And that's what we found. Contrary to conventional wisdom, it's not, no. Especially if you care about repeat businesses, if you care about customer trust and customer loyalty, all these long-term consequences, you should not do this. But on the other hand, for retailers, especially small retailers that are just starting out, might say, "I need an online review profile to be discovered." And that's true. And we also found out that without solicitations, you probably won't get a lot of reviews.

WANG: 22:41

So, in this case, a retailer really should solicit unconditional customer reviews. Don't ask the customers to leave you a five-star one. Just ask them to be sincere, and be sincere yourself like Nevena just said, by placation, which translates to customer service in terms of managerial tactics. That mitigates the effect of soliciting reviews and also provides a way to satisfy your customers again, that ties into the whole customer satisfaction, customer loyalty aspect of trying to build your online presence and customer base. And maybe even offer this kind of customer service before the review solicitation stage, where maybe you make it very clear at the point of sale that, "This is what I'm committed to do," so that afterwards, when you send out a review solicitation, it doesn't come off as, "Are you trying to manipulate me?"

WANG: 23:39

And there's also the underdog narrative or underdog biography. That's another strategy that Nevena just mentioned. So essentially, if you're a small business, you can try to appeal to your customer base by telling them how small you are, how you're an underdog compared to the big businesses in the market. And this is why you need the customers to write reviews. Right? Previous research actually shows that customers' loyalty is stronger when they identify with a small business as opposed to a large business. It's almost analogous to the notion of supporting small and local businesses. So you can definitely use that kind of message in your solicitation. It is actually a very viable strategy, I think, for small businesses, an underdog narrative. So, essentially, you still need to solicit reviews. You just need to refrain from conditional requests, right? So the punchline is, just send an email, provide an underdog biography if you have one, don't tell your customers to leave a five-star review.

KOUKOVA: 24:41

And I just want to add something to what Rebecca said. Again, she mentioned from the very beginning with the secondary data set that we have that, in fact, the very, very large majority of the reviews were solicited, and very few customers write reviews on their own. So one thing that we don't explicitly investigate in our study, but again, I've seen this from my own experience, just make it easy. If you're a retailer or company, make it easier for your customers to leave reviews, to post a review. So give them examples of what other consumers have done, create a specific form to make it easier to extract useful information from the consumers depending on the product categories. And again, by making it easier, more consumers will be encouraged, and encourage them will decide to leave a review. So, again, this will help your company overall. So just ask for a review, and make it very easy for customers to do so.

CROFT: 25:49

Now, as you mentioned up front when we first started talking about the online reviews, they've become ubiquitous for purchases far beyond online retailers, from buying a house in real estate to travel, hospitality, restaurants, many more. I'm not sure that there are many businesses operating now, particularly facing consumers, that are not actively soliciting online reviews. So do you have a sense for how broadly

the takeaways that you have for online retailers might apply to businesses across different industries?

KOUKOVA: 26:30

In my opinion, and again, our findings would be applied to many different businesses and not only consumer goods, but in a business-to-business setting. So, again, a relationship between companies, suppliers. There could be, again, some of the marketplaces may have ways for customers to post reviews in many different contexts and industries. We all have experience, for example, when you're buying a car. I mean, again, going to a dealer, investigating different options, deciding on buying a specific car. I mean, immediately, they talk to us about how important will be later on to get positive feedback. So, again, we are talking about both customer satisfaction ratings, reviews about products and services, and I would say that this is also something important and prevalent even in the context of different consulting services, B2B services that, I mean again, it is very easy nowadays to share and communicate with other customers.

CROFT: 27:50

And, lastly, I'm wondering the key takeaways or the most important things for consumers to understand about the implications of your study.

WANG: 28:03

Given all the manipulation that a retailer may do, I think it's important as a consumer to know what's being posted online might not entirely reflect the truth. The customers should really think about how the reviews are being generated. Just because a product has a lot of reviews or a lot of positive reviews does not necessarily mean that it is a good product. There are many ways for a retailer to manipulate the system. So, for instance, a retailer can hire people to write fake reviews. They can incentivize previous customers or perhaps even influencers, provide them with a free product in exchange for a glowing, positive review. On eBay, you can actually literally buy 10,000 likes for 20 bucks. So there are many things that a retailer can do, and they do go through these extreme lengths because consumers do rely on these reviews so much. So I think it's worthwhile to think about what truly matters when you choose a product, and try to glean those information from the product websites and the review text, not just the ratings themselves, to see whether that products in fact match up with my expectations.

KOUKOVA: 29:21

I think also, I mean, from a consumer standpoint, again, I think with our study we're illustrating how important product reviews are. And, again, although this experiment didn't make it to the specific study, but we also looked at different ways, I mean, when designing the specific communication message in other experiments, we asked consumers to write a review that will help other consumers. So I think, overall, a number of consumers feel more empowered that by writing reviews, they're helping other consumers like them, and they feel that they have to offer very sincere and a review which is really reflective of their actual experience. So, again, I am just emphasizing the importance for the whole system to work that we as consumers also do our share and we also review products, provide our sincere opinion, our actual opinion, and support companies that are doing their best to help customers to provide good quality products and services to customers.

CROFT: 30:41

Well, we're running out of time here, so I'd like to thank both of you for this kind of behind-the-scenes look at what's going on when we all get these email messages asking for reviews of things we bought. It's been fascinating, and I thank you for your time.

KOUKOVA: 31:00

Thank you.

WANG: 31:00

Thank you.

CROFT: 31:01

Nevena has published or has forthcoming articles in leading marketing journals including Journal of Marketing Research, Organizational Behavior and Human Decision Processes, Journal of the Academy of Marketing Science, and Journal of Retailing. Rebecca is also published in numerous outlets, including Journal of Marketing Research, Journal of Consumer Research, Journal of Retailing, Journal of Interactive Marketing, and Computers in Human Behavior.

CROFT: 31:31

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