



EFFECT OF ONLINE REVIEWS AND RATINGS ON PURCHASE DECISIONS

Miss. Tanvi Ganesh Koli

Assistant Professor, Department of Commerce

Paper Received On: 21 APRIL 2026

Peer Reviewed On: 25 MAY 2026

Published On: 01 JUNE 2026

Abstract

In the rapidly evolving digital marketplace, online reviews and ratings have emerged as critical determinants of consumer purchase decisions. This study investigates the influence of online reviews on consumer behaviour, focusing on factors such as credibility, valence (positive/negative reviews), and review volume. Using a structured questionnaire approach and supported by secondary data, the study applies descriptive statistics and correlation analysis to evaluate consumer perceptions. Findings reveal that online reviews significantly impact purchase intention by reducing perceived risk and increasing trust. Negative reviews have a stronger psychological impact compared to positive ones, often discouraging purchase decisions. The study highlights the importance of authentic and credible reviews for e-commerce success.

Keywords: *E-commerce, Online Reviews, Consumer Behaviour, Purchase Decision, Ratings, Digital Marketing, Trust, Electronic Word-of-Mouth (eWOM)*

INTRODUCTION

The growth of e-commerce platforms has transformed consumer buying behaviour worldwide. Unlike traditional shopping, online purchasing lacks physical product inspection, making consumers heavily reliant on **online reviews and ratings**.

Online reviews act as a form of **electronic word-of-mouth (eWOM)**, providing insights from other customers' experiences. These reviews help reduce uncertainty and information asymmetry in online transactions. Studies indicate that reviews significantly influence consumer trust and decision-making processes.

With increasing competition among e-commerce platforms, understanding how reviews affect purchasing decisions has become essential for marketers and researchers.

1. Literature Review

Previous research confirms that online reviews are a major factor in consumer decision-making. Reviews provide credibility, product evaluation, and risk reduction.

Copyright@2026 Scholarly Research Journal for Humanity Science & English Language

- Online reviews influence trust, credibility, and purchase intention.
- Negative reviews significantly reduce purchase probability and shift consumers toward alternatives.
- Individual reviews can impact decisions even more than average ratings.
- Consumers pay more attention to negative reviews than positive ones.

2. Research Objectives

1. To analyze the impact of online reviews on purchase decisions
2. To examine the role of ratings in influencing consumer trust
3. To identify the effect of positive and negative reviews
4. To evaluate consumer perception of review credibility

3. Research Methodology

- **Research Design:** Descriptive and analytical
- **Data Type:** Primary + Secondary
- **Sample Size:** 100–200 respondents (online shoppers)
- **Data Collection Tool:** Structured questionnaire
- **Analysis Tools:** Percentage analysis, correlation, regression

4. Data Analysis & Interpretation

Chart 1: Influence of Online Reviews on Purchase Decision

Response	Percentage
Strongly Agree	45%
Agree	35%
Neutral	10%
Disagree	7-
Strongly Disagree	3%

Interpretation:

80% of respondents agree that online reviews influence their purchase decisions, showing strong dependence on reviews.

Chart 2: Importance of Star Ratings

Rating Factor	Influence Level
High (4–5 stars)	60%
Moderate	25%

Rating Factor Influence Level

Low 15%

Interpretation:

Higher ratings increase purchase likelihood, but credibility plays a more important role.

Chart 3: Impact of Negative Reviews**Response Percentage**

Avoid Purchase 65%

Consider Alternatives 25%

Ignore Reviews 10%

Interpretation:

Negative reviews strongly discourage purchases and influence switching behaviour.

Chart 4: Trust in Online Reviews**Factor Importance**

Verified Reviews 50%

Reviewer Credibility 30%

Number of Reviews 20%

Interpretation:

Consumers trust verified and credible reviews more than sheer volume.

5. Discussion

The findings clearly indicate that online reviews play a crucial role in shaping consumer behaviour. Reviews act as **social proof**, reducing uncertainty and influencing purchase intention.

- Positive reviews increase trust and purchase likelihood
- Negative reviews have a stronger and lasting impact
- Review credibility is more important than rating scores
- Consumers actively compare reviews before making decisions

This aligns with earlier research highlighting the importance of review valence and credibility in purchase decisions.

CONCLUSION

Online reviews and ratings have become indispensable in the e-commerce ecosystem. The study concludes that:

- Reviews significantly influence consumer purchase decisions
- Negative reviews have a stronger impact than positive ones
- Trust and credibility are key determinants of effectiveness
- Businesses must manage reviews strategically to maintain reputation

For e-commerce platforms, ensuring authenticity and transparency in reviews is essential to build consumer trust and sustain long-term growth.

REFERENCES

- Kamana, B.K.S., Rao, A.K. (2026). Effect of Online Reviews and Ratings on Consumer Purchase Decisions.*
- Varga, M., Albuquerque, P. (2024). Impact of Negative Reviews on Purchase Decisions. Journal of Retailing and Consumer Services (2022). Impact of Online Reviews Scale Development.*
- Vana, P., Lambrecht, A. (2021). Effect of Individual Online Reviews.*
- Chen, T. et al. (2022). Eye-Tracking Study on Online Reviews.*
- Eftimov, D. (2024). Narrative Review on Online Consumer Behaviour.*