

# Online Review Manipulation

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## ABSTRACT

The goal of this project was to assess the awareness and ability of consumers to identify manipulated online reviews. The relation between fraudulent online reviews and readers' beliefs can be linked to the earnings management of financial reports and stock market valuation. Besides using archival data from Amazon, we also conducted an open/closed-ended survey in hopes we'd understand consumers' mentality toward online review manipulation. Our results indicate that awareness of online review fraud was not vast, especially among females. Writing style was named the number one criteria online shoppers could use to filter out non-authentic online reviews by both male and female. However, males claim that the use of sentiment(over-zealous opinion) in the review could be the other indicator. What really shocks us is that more than 60% of males 40% of females agree that they will engage in online review manipulation if they were paid. As a decent percentage of our responses are coming from students with business backgrounds, we question the effectiveness of our current teaching methods on instilling ethics in our students. Therefore, we call for a collective thinking among our community to create a more effective way to integrate ethic related material in our undergraduate curriculum.

## BACKGROUND

Increasingly, consumers depend on social information channels, such as user-posted online reviews, to make purchase decisions. These reviews are assumed to be unbiased reflections of other consumers' experiences with the products or services. While previous literature reveals that online reviews might be fraudulent since they can be written by both real customers as well as the publishers, authors, or the sellers, there is very limited understanding about whether the motivations for online review manipulators, whether consumers are aware of online review manipulation, and whether and how they can filter out non-authenticity reviews. To further our understanding of online review manipulation we therefore created a survey and administered it to our peers, friends, and colleagues.

## METHOD

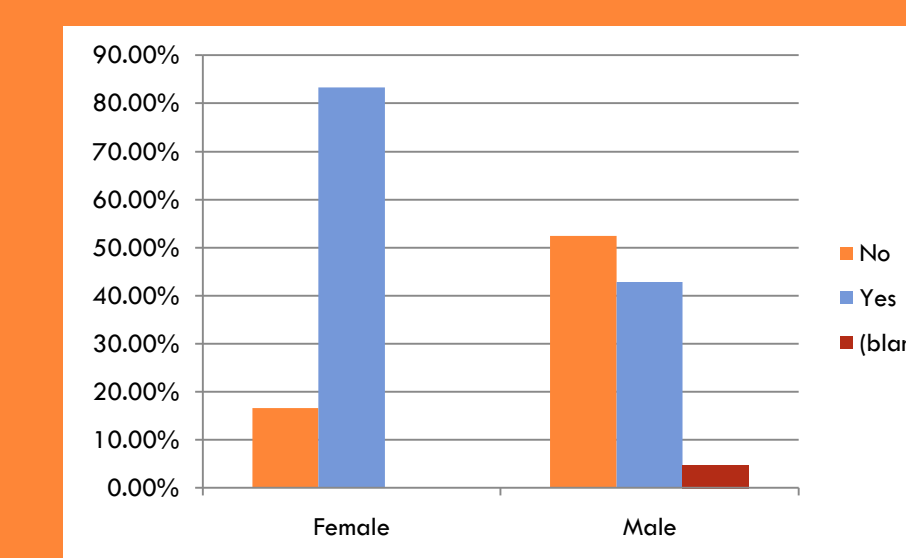
Extensive literature review and a pilot survey allowed us to determine what information, if collected, would be useful to answer our research question. Based on this we designed an open/closed-ended survey with 10 questions and administered it through surveymonkey.com to our peers, colleagues and friends. Besides collecting their mentality/awareness toward online review fraud, we also asked them to rate perceived effectiveness of different factors on the reliability of reviews, as well as understand what circumstances would lead them to engage in online review manipulation. The results are analyzed using the Pivot Table function of Excel as well as SAS application.

## REFERENCES

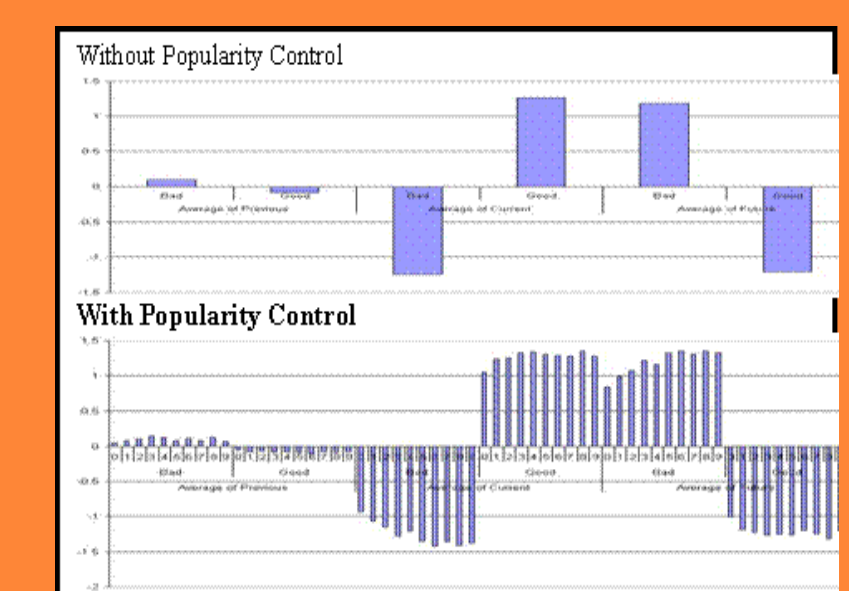
1. "Manipulation in digital word-of-mouth: A reality check for book reviews", by Nan HU, Indranil BOSE, and Ling LIU, 2009, *Decision Support Systems (DSS)*.
2. "Fraud Detection in Online Consumer Reviews", by Nan HU, Ling LIU, and Vallabh SAMBAMURTHY, 2009, *Decision Support Systems (DSS)*.
3. Dellarocas, C. Strategic manipulation of Internet opinion forums: implications for consumers and -firms. *Management Science*, Vol. 52, 10, Oct 2006, 1593

## RESULTS

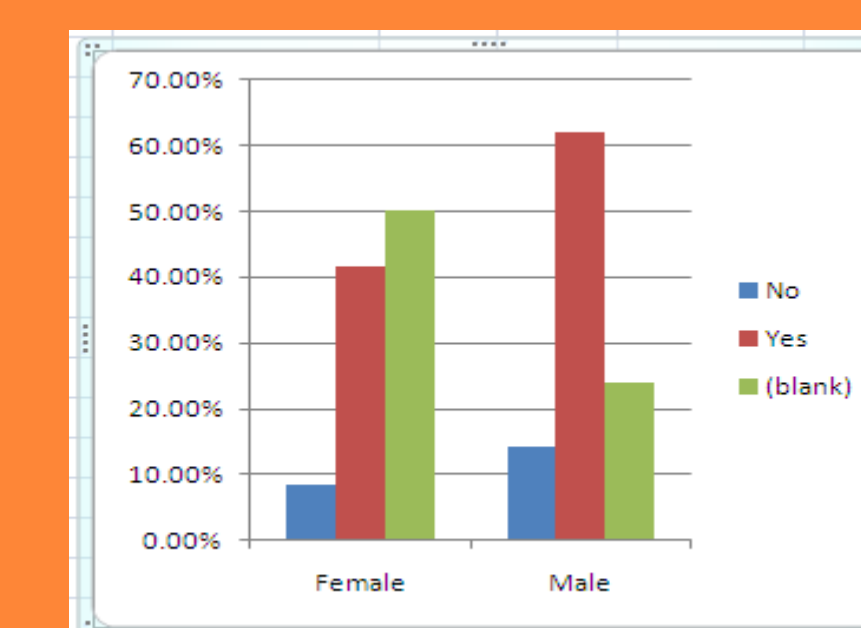
Are online Reviews Reliable?



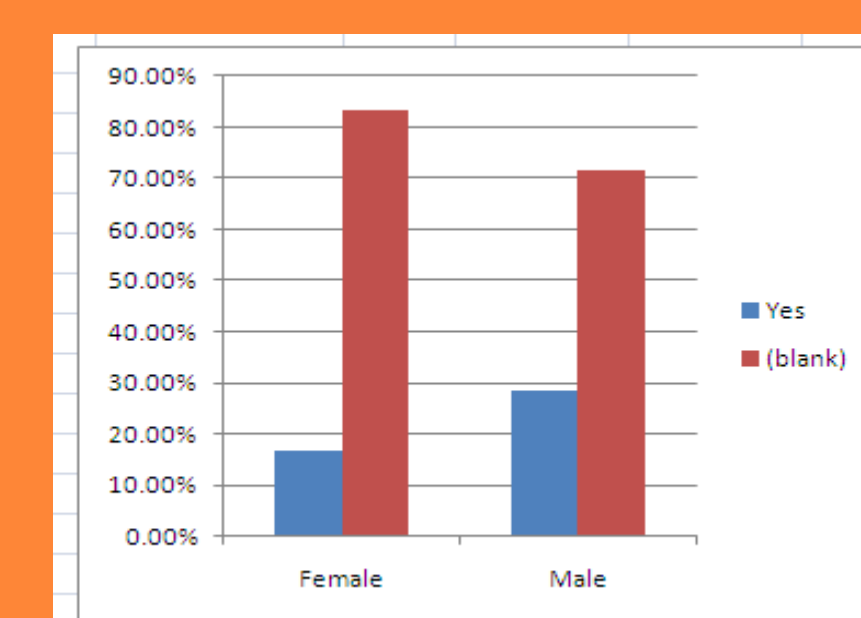
Mean Reverse of Review Ratings



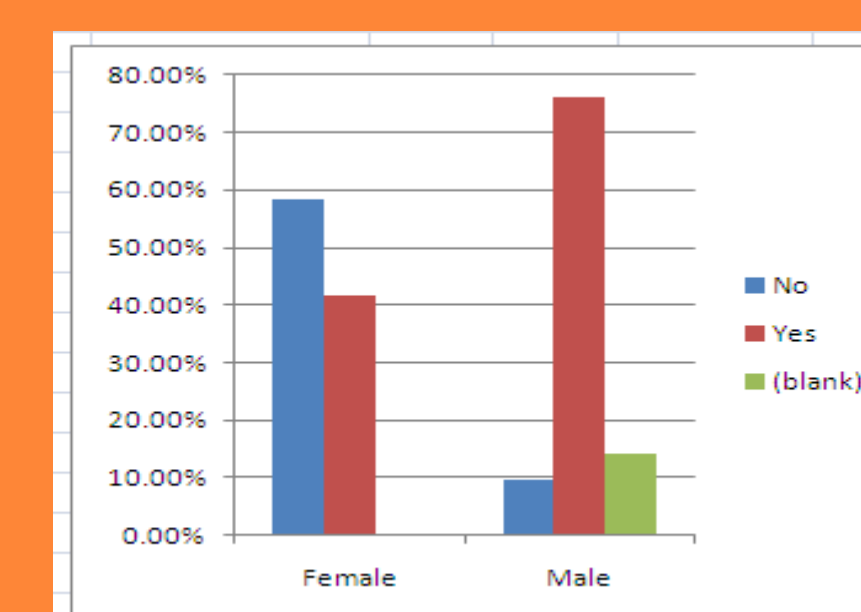
Would you post a fraudulent review if you were paid?



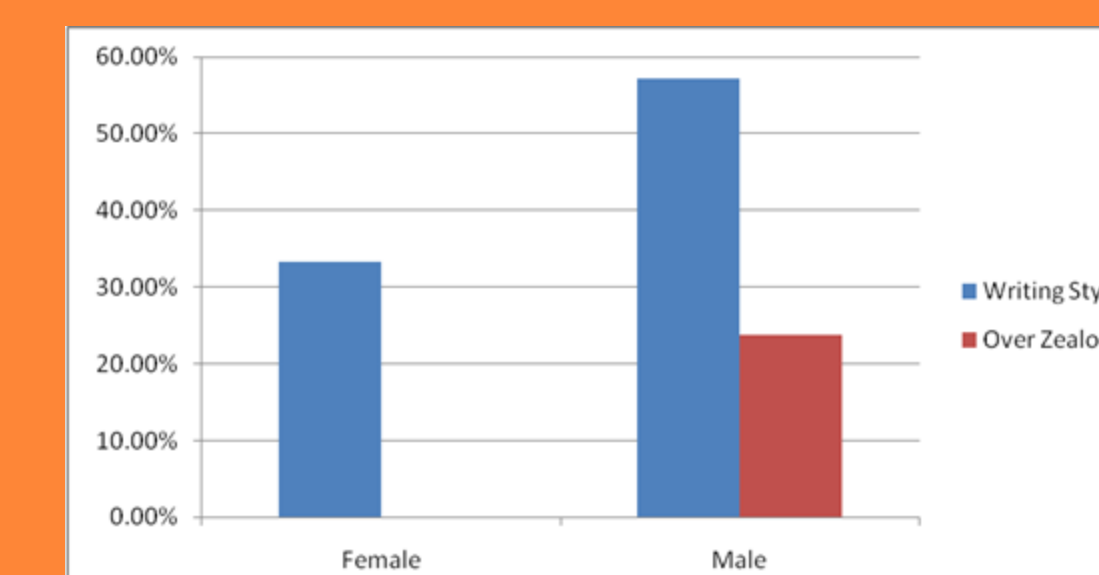
Would you post a fraudulent review to help a friend?



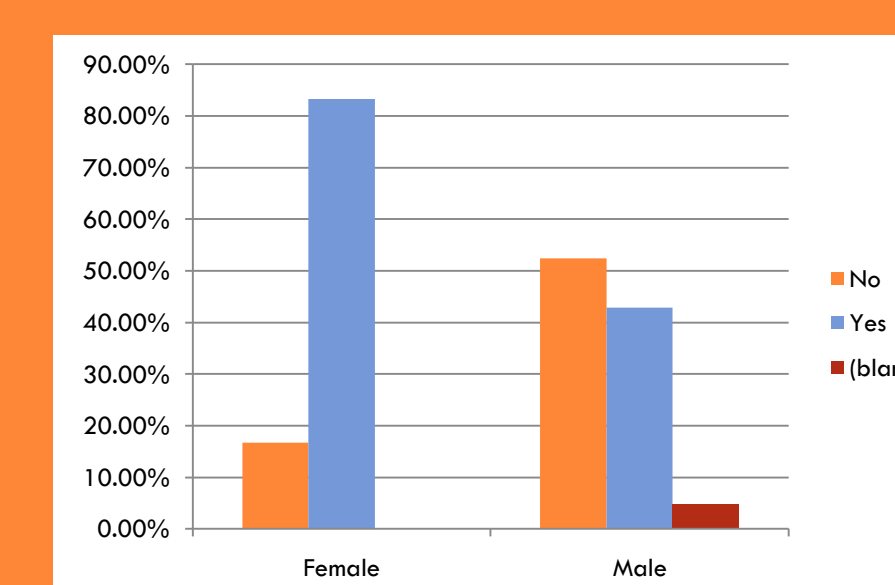
Do you believe you can recognize fraudulent reviews?



Through what means can you identify fraudulent reviews?



Does it bother you that online review fraud exists?



## ACKNOWLEDGEMENTS

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