

Exploring role and determinants of online recommendation credibility: a study on internet book market.

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Abstract

Internet democracy, which widely leads to reinforce information asymmetry problem, raises more than ever the issue about credibility. Our research examines the role of online offers credibility in the customer judgment process and its determinants. 294 persons were requested to express their perception of online book offers credibility which is measured on a five-item scale (pertinence, completeness, reliability, helpfulness and persuasiveness). 100 different book offers was composed varying on their source (across 5 online book vendors: Amazon, Fnac, Gibert Jeune, Furet du Nord, Decitre, Chapitre) and also on a number of reputation signals (presence of product descriptions and product image, number of customer reviews, mean rating and some others factors that interpret the reputation issue). This quasi-experiment (observed factors, manipulated without random assignment, were combined in the way that helps to reduce their correlation) aims for measuring impact of these factors on offer credibility but also for investigating influence of this one on consumer interest in offer and consequently on his purchase intention. Statistical analysis base on a SEM model (Structural Equation Modeling) which was estimated with Lavaan package (Latent Variables Analysis) and which encounters a good fitting to the data ($N/\text{Number of Free Parameters} > 5$, $\chi^2/df < 3$, $\text{NFI} = 0.93$, $\text{RMSEA} > 0.07$). The most important research finding shows that credibility plays a key role in customer judgment process, which mediates effects of reputation signals on consumer interest in offer. This element of interest, in turn, executes mediating effect on the causal relationship between credibility and purchase intention. Other results indicate that all the 4 reputation signals (description, image, number of reviews, rating value) are positively associated, at the same amplitude (coef ≈ 0.2), with perceived offer credibility. No interaction was found, these effects are therefore additive, which suggests that multiply these signals must be essential way for improving credibility. We found otherwise that offer credibility perception is also affected by consumer trust on the source and his interest manifested on the product category. Effect of trust is positive and remarkable (twice stronger than each reputation signals) while interest in the category effect is negative, which reveals the individual variation of the model and supports skepticism theories: people with better knowledge level may be more skeptic than others in judgment process. According to these results, our proposal on the importance of credibility element in e-commerce activities is clear: look after the offer credibility is certainly the nexus of merchants selling performance.

Keyword: credibility, trust, online recommendation, mediation, e-commerce