

## Shaping Consumer Decisions in the Digital Era: The Impact of Online Reviews and Ratings on Purchase Intention in Bangalore

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### Abstract

This study investigates the impact of online reviews and ratings on consumer purchase intention with a focus on urban consumers in Bangalore. Using a structured questionnaire, data were collected from 192 respondents and measured on a five-point Likert scale. The independent variables included perceived trust, star ratings, review helpfulness, review volume, and review valence, while purchase intention was the dependent variable. Descriptive statistics revealed that most respondents recognized the importance of online reviews in shaping their buying decisions. Correlation analysis showed strong positive associations between the independent variables and purchase intention, particularly for perceived trust and star ratings. Regression analysis further confirmed the predictive strength of the model, with indicating that 58% of the variance in purchase intention is explained by the selected variables. Demographic analysis revealed that younger consumers and higher-income groups demonstrated greater reliance on online reviews. These findings underscore the significant role of digital feedback in influencing consumer behavior, suggesting that businesses should invest in transparent, credible, and easily accessible review systems to strengthen consumer trust and drive purchase decisions.

**Keywords:** Purchase intention, online reviews, consumer behavior, consumer trust

### 1. Introduction

In today's rapidly evolving digital economy, consumer decision-making has been significantly reshaped by the proliferation of online information channels. Among these, online reviews and ratings have emerged as one of the most influential factors shaping consumer purchase intentions. With the expansion of e-commerce platforms, digital marketplaces, and social media-driven shopping experiences, consumers are increasingly relying on user-generated content to evaluate products and services before making purchase decisions. The traditional reliance on brand reputation, physical store presence, and word-of-mouth has been augmented—and in

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many cases replaced—by digital interactions where consumers consult the experiences of other users to mitigate perceived risks and enhance confidence in their purchase choices (Chevalier & Mayzlin, 2020; Lee et al., 2021). The rise of online reviews and ratings has been facilitated by the democratization of information through platforms such as Amazon, Flipkart, Yelp, TripAdvisor, Google Reviews, and numerous social commerce applications. These platforms allow consumers to access large volumes of evaluations from fellow buyers, providing multidimensional insights into product quality, functionality, service delivery, and post-purchase satisfaction. Unlike traditional advertising, which is often perceived as one-sided and biased, online reviews offer peer-to-peer perspectives that enhance credibility and trustworthiness. As such, they have become integral to consumer behavior, shaping attitudes, reducing information asymmetry, and exerting a strong influence on purchase intentions (Filieri et al., 2022).

### **Transformation of Consumer Decision-Making in the Digital Era**

Consumer purchase intention, defined as the conscious plan of an individual to buy a particular product or service in the future, is highly sensitive to informational cues that reduce uncertainty. In the digital marketplace, consumers encounter an overwhelming number of alternatives, often leading to decision fatigue. Online reviews and ratings serve as heuristic shortcuts, enabling consumers to filter choices and make informed selections efficiently (Zhang & Yu, 2020). Research indicates that a significant proportion of consumers consult online reviews before making purchasing decisions, with recent surveys suggesting that more than 90% of online shoppers read reviews and nearly 80% trust them as much as personal recommendations (BrightLocal, 2022).

The credibility of online reviews stems from their perceived authenticity and the notion of collective wisdom. Reviews are often viewed as unbiased accounts of product experiences, which provide both functional and experiential information that cannot always be obtained from product descriptions or marketing campaigns. Furthermore, numerical ratings, often ranging from one to five stars, serve as easily interpretable indicators of product quality, offering quick cues for decision-making. The aggregation of multiple ratings generates a sense of consensus, which further influences purchase intentions by signaling social proof (Chen et al., 2021).

### **Online Reviews and Ratings as a Source of Trust and Risk Reduction**

Trust plays a central role in consumer behavior, particularly in online contexts where physical inspection of products is impossible prior to purchase. Online reviews and ratings help reduce perceived risks—whether financial, performance-related, or psychological—by providing authentic feedback from other consumers (Filieri & McLeay, 2021). Positive reviews enhance brand trust, while negative reviews can act as warnings that prevent consumers from making unsatisfactory purchases. Importantly, reviews provide insights not only into product attributes but also into service quality, shipping reliability, and after-sales support, all of which contribute to consumer confidence in making purchase decisions (Xu et al., 2022). The concept of electronic word-of-mouth (eWOM) underscores the growing importance of online consumer interactions. Unlike traditional word-of-mouth, eWOM is scalable, persistent, and widely accessible. It amplifies consumer voices across digital ecosystems, allowing reviews and ratings to influence not only immediate buyers but also potential consumers globally. The persuasiveness of eWOM lies in its authenticity, accessibility, and ability to shape brand perception over time (Park & Nicolau, 2020).

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### **Psychological and Behavioral Dimensions of Review Influence**

The impact of online reviews on purchase intentions extends beyond informational utility to psychological and behavioral mechanisms. For instance, the Elaboration Likelihood Model (ELM) explains how consumers process online reviews through central or peripheral routes depending on their motivation and ability to evaluate information (Petty & Cacioppo, 1986; updated applications in Zhang et al., 2023). Highly involved consumers may analyze detailed textual reviews critically, while less involved consumers may rely on peripheral cues such as star ratings or the sheer number of reviews. Similarly, the Theory of Reasoned Action and the Technology Acceptance Model highlight the mediating role of attitudes and perceived usefulness in shaping consumer behavioral intentions (Ajzen, 1991; Venkatesh & Davis, 2000; applied in Liu et al., 2022).

Social influence also plays a significant role, as consumers are often guided by conformity pressures and the desire to align with perceived popular opinions. High review volumes and aggregated positive ratings generate herd behavior, where individuals are more likely to trust collective evaluations. Conversely, negative reviews exert a disproportionate effect, as consumers tend to weigh losses more heavily than equivalent gains, a phenomenon aligned with Prospect Theory (Kahneman & Tversky, 1979; Li et al., 2021).

### **The Dual Role of Positive and Negative Reviews**

The valence of reviews—whether positive or negative—plays a crucial role in shaping purchase intention. Positive reviews can increase consumer confidence, foster positive brand associations, and encourage purchase decisions. They act as endorsements that reinforce product credibility. However, negative reviews, even when fewer in number, can significantly deter consumers by highlighting potential risks or dissatisfactory experiences. Interestingly, research suggests that a balanced mix of positive and negative reviews may actually enhance credibility, as consumers perceive overwhelmingly positive feedback as potentially manipulated or inauthentic (Liu et al., 2021; Ismagilova et al., 2022).

### **Moderating Factors in Review and Rating Influence**

The influence of online reviews and ratings on consumer purchase intention is not uniform but moderated by various factors. Consumer demographics such as age, gender, education, and digital literacy affect how individuals interpret and rely on online reviews. Younger consumers, particularly millennials and Gen Z, are more inclined to trust peer reviews, whereas older consumers may rely more on brand reputation and traditional sources of information (Prasad & Gupta, 2021). Cultural differences also shape review interpretation, with collectivist societies placing greater emphasis on consensus and ratings compared to individualist cultures that value detailed textual insights (Cheng & Zhou, 2020).

Furthermore, product type plays a role: reviews are more influential for experiential products such as travel, food, and fashion, compared to utilitarian products where objective specifications are more critical (Filieri et al., 2022). The credibility of the review source—whether verified purchase, expert reviewer, or anonymous contributor—also affects consumer trust and behavioral intentions (Xu et al., 2022).

### **Technological Advances and Emerging Trends**

Technological innovations have further transformed how online reviews and ratings shape consumer behavior. Artificial intelligence and natural language processing tools are now

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employed to analyze review sentiment, detect fake reviews, and present personalized review summaries to consumers (Chen et al., 2022). Platforms such as Amazon and Alibaba use AI-driven recommendation systems that integrate consumer ratings into predictive algorithms, further amplifying their impact on purchase intentions. Social commerce, powered by platforms like Instagram, TikTok, and Facebook Marketplace, has blurred the boundaries between social interactions and commercial activities. Influencer endorsements often coexist with consumer reviews, creating a hybrid ecosystem of formal and informal feedback mechanisms. Moreover, video reviews and unboxing content on platforms like YouTube provide richer, more immersive experiences that enhance consumer confidence (Lin et al., 2023). Another important development is the issue of review authenticity and manipulation. The proliferation of fake reviews and biased ratings threatens consumer trust in digital marketplaces. Regulators and platform operators have introduced stricter policies and technological mechanisms to detect and remove fraudulent content. Nevertheless, consumers are becoming increasingly skeptical, and authenticity remains a key challenge for the continued effectiveness of online reviews in influencing purchase intentions (Zhou & Duan, 2021).

### **Relevance to Business and Marketing Strategies**

For businesses, the significance of online reviews and ratings extends beyond consumer decision-making to broader strategic considerations. Positive reviews enhance brand reputation, customer acquisition, and long-term loyalty, while negative reviews provide critical feedback for service improvement. Companies are increasingly investing in reputation management strategies, including soliciting reviews, responding to customer feedback, and leveraging review analytics to gain market insights (Hu et al., 2021).

Marketers recognize the dual role of reviews as both a promotional and diagnostic tool. Encouraging satisfied customers to share positive feedback can serve as cost-effective marketing, while constructive criticism provides opportunities for innovation and service quality enhancement. Moreover, transparency in engaging with reviews fosters stronger consumer relationships, reinforcing trust and credibility (Ismagilova et al., 2022).

## **2. Review of Literature**

Chevalier and Mayzlin (2011) examined the impact of online reviews on consumer purchase behavior, highlighting how electronic word-of-mouth reshapes traditional decision-making processes. Their study on Amazon demonstrated that both the valence (positive vs. negative) and volume of reviews strongly influence purchase intentions by reducing information asymmetry between sellers and buyers. The research showed that negative reviews often carry more weight than positive ones due to risk-averse consumer tendencies, echoing behavioral finance principles such as loss aversion. Furthermore, they argued that online reviews provide credible social proof, shaping trust in unfamiliar brands. This early study became foundational, illustrating that consumers perceive peer-generated feedback as more reliable than firm-generated content. The authors concluded that reviews significantly alter sales outcomes, suggesting that businesses must manage digital reputation actively. Their findings opened avenues for later research to explore psychological, cultural, and technological dimensions of online reviews in shaping purchase intentions.

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Schuff (2013) expanded the understanding of online review helpfulness by investigating how review extremity and product type affect consumer evaluations. They found that moderate reviews are often perceived as more helpful than overly positive or extremely negative ones, as they appear more authentic and balanced. Their study also revealed that consumers rely more heavily on reviews for experience goods, such as travel and hospitality, than for search goods, such as electronics, where objective features dominate. This distinction highlighted that the impact of reviews is not universal but contingent on product characteristics. The authors emphasized that consumers are skeptical of uniformly positive reviews, as these may indicate manipulation or bias. The study thus contributed to understanding the nuanced role of review helpfulness in shaping consumer purchase intentions. It also encouraged businesses to embrace authentic feedback rather than filtering negative reviews, as authenticity enhances trust and long-term consumer loyalty.

Nicolau (2015) examined the influence of online reviews in the hospitality sector, where intangible service quality often makes risk reduction essential. Their research showed that review valence, volume, and credibility interact to shape consumer booking intentions on platforms like TripAdvisor. Importantly, they found that cultural differences moderated review interpretation: collectivist consumers placed greater emphasis on consensus ratings, while individualist consumers focused on textual review content. This finding highlighted the global dimension of online review influence, where cultural values affect consumer decision-making. The study also confirmed the disproportionate impact of negative reviews, particularly in high-risk service contexts such as hotels and airlines. Park and Nicolau concluded that managing online reputation in hospitality is crucial, as even a small set of unfavorable reviews can significantly reduce bookings. Their work reinforced the role of online reviews as both marketing tools and risk management instruments in the digital era.

Filieri (2016) explored the credibility of online reviews, arguing that perceived trustworthiness depends on factors such as reviewer expertise, verification, and review detail. The study emphasized that consumers evaluate the source and quality of reviews before relying on them for purchase decisions. Verified purchase labels, detailed experiential narratives, and balanced opinions enhanced credibility, while anonymous and overly emotional reviews reduced trust. Filieri highlighted that consumers are not passive recipients of reviews but actively assess authenticity cues. This aligns with the Elaboration Likelihood Model (ELM), where central-route processing occurs when consumers engage deeply with high-quality reviews. The research demonstrated that credible reviews have a stronger effect on consumer purchase intention than sheer volume or ratings alone. Filieri's findings have practical implications for e-commerce platforms, which increasingly prioritize authenticity indicators, such as verified buyer badges, to maintain consumer trust and reduce the influence of fraudulent content.

Zervas (2018) examined the role of fake reviews and their impact on consumer trust and purchase intentions. Their analysis revealed that manipulated or fraudulent reviews undermine consumer confidence and can distort competitive dynamics in online marketplaces. They emphasized that consumers are becoming increasingly skeptical about the authenticity of reviews, particularly when they notice patterns of extreme positivity. The study also discussed how platforms like Yelp and Amazon deploy algorithms and AI tools to detect fake reviews, yet manipulation persists. Importantly, the presence of fraudulent reviews negatively affects overall

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trust in the platform, even when individual reviews remain credible. This study underscored that the influence of reviews depends not only on their content but also on the broader trust consumers place in the platform. For marketers, the findings highlight the importance of transparent reputation management and proactive monitoring of review authenticity to safeguard purchase intentions.

Flanagin et al. (2019) investigated how consumers discern credibility in online reviews by comparing expert versus peer-generated content. Their study showed that consumers often find peer reviews more relatable and persuasive than expert evaluations, especially when making everyday purchase decisions. However, expert reviews carried more weight in high-involvement or technical product categories. The authors highlighted that consumers increasingly rely on heuristics such as star ratings, review recency, and reviewer identity to judge credibility. Importantly, they found that the convergence of expert and peer reviews generated the highest levels of trust, reinforcing purchase intentions. This suggests that hybrid models combining professional evaluation with user feedback are most effective in shaping consumer behavior. Their work emphasized the complexity of consumer information processing, where credibility depends on the interplay of expertise, relatability, and authenticity in online review ecosystems. Sharma (2024) explored the role of AI-driven review analytics in shaping consumer purchase intentions in e-commerce platforms. They found that machine learning algorithms capable of summarizing review sentiment and highlighting key themes significantly improved consumer decision-making efficiency. Their study emphasized that AI-enhanced review systems reduce information overload by presenting concise, personalized summaries, thereby increasing purchase confidence. Importantly, they noted that while AI tools enhance transparency, concerns about algorithmic bias and manipulation persist, affecting consumer trust. The research also discussed how AI-driven fake review detection strengthens platform credibility, indirectly boosting purchase intentions. Singh and Sharma concluded that the integration of AI technologies into review ecosystems represents the next frontier in digital consumer behavior research. Their findings suggest that the influence of reviews will increasingly depend on the interplay between human-authored content and algorithmic mediation, marking a paradigm shift in the 2020–2025 digital commerce landscape.

### 3. Research Methodology

The present study employs a descriptive research design to analyze the influence of online reviews and ratings on consumer purchase intention. A sample of 192 consumers from Bangalore was surveyed using a structured questionnaire. Respondents were selected through purposive sampling, ensuring participants had prior experience in online shopping. The instrument was designed on a 5-point Likert scale (*1 = Strongly Disagree* to *5 = Strongly Agree*) to capture perceptions regarding online reviews and ratings. The independent variables considered were: (1) perceived trust in reviews, (2) star ratings, (3) review helpfulness, (4) review volume, and (5) review valence. The dependent variable was consumer purchase intention. Pilot testing was conducted to refine the questionnaire, ensuring clarity and reliability. Data were analyzed using descriptive statistics, correlation, and regression techniques to evaluate the strength and significance of relationships between independent and dependent variables. This methodology

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provides a comprehensive framework to understand how online reviews and ratings shape consumer purchase intentions in Bangalore's evolving digital marketplace.

### Objectives

1. To analyze the impact of perceived trust in reviews, star ratings, review helpfulness, review volume, and review valence on consumer purchase intention.
2. To examine which of these review and rating dimensions most strongly influence consumer trust and buying behavior.
3. To evaluate the combined predictive power of online reviews and ratings on consumer purchase intention in Bangalore's retail context.

### Hypotheses

H1: Online review-related factors (perceived trust, star ratings, review helpfulness, review volume, and review valence) have a significant positive impact on consumer purchase intention.

H2: Among these factors, perceived trust in reviews and star ratings exert the strongest influence on consumer purchase intention.

### Analysis and Interpretation

**Table 1: Demographic Profile of Respondents**

Demographic Variable	Category	Frequency (n)	Percentage (%)
Age	18–25 years	54	28.1
	26–35 years	72	37.5
	36–45 years	40	20.8
	Above 45 years	26	13.6
Monthly Income	Less than ₹30,000	48	25.0
	₹30,001–₹50,000	62	32.3
	₹50,001–₹70,000	52	27.1
	Above ₹70,000	30	15.6
Profession	Students	40	20.8
	Salaried Employees	92	47.9
	Business/Entrepreneurs	38	19.8
	Others	22	11.5
Awareness of Online Reviews & Ratings	High Awareness	110	57.3
	Moderate Awareness	56	29.2
	Low Awareness	26	13.5

The demographic profile reveals that the majority of respondents fall within the 26–35 years age group (37.5%), indicating that young professionals dominate online purchasing in Bangalore. This aligns with the increasing tech-savvy nature of millennials and their dependence on digital

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platforms for shopping. Income distribution shows that 59.4% of respondents earn between ₹30,000–70,000, reflecting a middle-income group with significant disposable income to engage in online retail. Professionally, salaried employees (47.9%) represent the largest segment, suggesting that stable income groups are more inclined toward evaluating online reviews and ratings before making purchases.

**Table 2: Descriptive Statistics**

Variable	Mean	Std. Deviation	N
Perceived Trust	3.98	0.72	192
Star Ratings	4.12	0.68	192
Review Helpfulness	3.85	0.75	192
Review Volume	3.67	0.81	192
Review Valence	3.92	0.70	192
Purchase Intention	4.05	0.66	192

The descriptive statistics indicate that respondents exhibit relatively high agreement on the role of online reviews and ratings in influencing purchase decisions. The mean purchase intention score of 4.05 suggests that Bangalore consumers are inclined toward making purchases influenced by digital feedback mechanisms. Among the independent variables, star ratings ( $M = 4.12$ ) and perceived trust ( $M = 3.98$ ) are rated highest, emphasizing their importance in shaping buyer confidence. On the other hand, review volume ( $M = 3.67$ ) received the lowest mean, implying that the number of reviews is less influential compared to the trustworthiness or perceived helpfulness of individual reviews. The standard deviations across variables are less than 1, indicating consistency and minimal dispersion in responses. These values reinforce that the majority of respondents consistently perceive online reviews and ratings as credible decision-making tools. Overall, the descriptive findings align with Hypothesis 1 (H1), which suggests that review-related factors positively influence consumer purchase intention.

**Table 3: Correlation Analysis**

Variables	Purchase Intention	Perceived Trust	Star Ratings	Review Helpfulness	Review Volume	Review Valence
Purchase Intention	1.00	0.68**	0.64**	0.59**	0.42**	0.55**
Perceived Trust	0.68**	1.00	0.61**	0.57**	0.36**	0.48**
Star Ratings	0.64**	0.61**	1.00	0.55**	0.39**	0.46**

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Variables	Purchase Intention	Perceived Trust	Star Ratings	Review Helpfulness	Review Volume	Review Valence
Review Helpfulness	0.59**	0.57**	0.55**	1.00	0.41**	0.44**
Review Volume	0.42**	0.36**	0.39**	0.41**	1.00	0.38**
Review Valence	0.55**	0.48**	0.46**	0.44**	0.38**	1.00

(\*p < 0.01, \*significant)

Correlation results reveal that all five independent variables have a positive and significant relationship with purchase intention. Notably, perceived trust ( $r = 0.68$ ) and star ratings ( $r = 0.64$ ) exhibit the strongest correlations, suggesting that consumers' belief in the authenticity of reviews and the average rating score heavily influence their likelihood to purchase. Review helpfulness ( $r = 0.59$ ) also plays a notable role, indicating that consumers rely on other shoppers' assessments of whether reviews are useful. In contrast, review volume ( $r = 0.42$ ) shows the weakest relationship, which aligns with descriptive findings that quantity of reviews matters less than quality or trust. Review valence ( $r = 0.55$ ) indicates a moderate yet meaningful relationship, implying that positive versus negative orientations of reviews influence purchase intention, but not as strongly as trust and ratings. These findings confirm Hypothesis 2 (H2) that perceived trust and star ratings exert the strongest influence, while other variables play supportive roles. Importantly, the results underscore that Indian consumers in Bangalore are more influenced by review credibility and ratings quality than by sheer quantity of reviews.

**Table 4: Regression Analysis: (Dependent Variable: Purchase Intention)**

Predictor Variable	Beta ( $\beta$ )	t-value	Sig.
Perceived Trust	0.32	6.12	0.000
Star Ratings	0.28	5.87	0.000
Review Helpfulness	0.21	4.65	0.000
Review Volume	0.09	2.12	0.035
Review Valence	0.14	3.25	0.001

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**Table 5: Regression Model Summary**

Model	R <sup>2</sup>	Adjusted R <sup>2</sup>	F (df1, df2)	Sig. (p-value)
1	0.58	0.56	51.34 (5,186)	0.000***

\*Note: \*\* $p < 0.001$  indicates high statistical significance.

The regression model presented above evaluates the combined influence of the five independent variables—perceived trust, star ratings, review helpfulness, review volume, and review valence—on consumer purchase intention. The results demonstrate a coefficient of determination ( $R^2$ ) of 0.58, which indicates that approximately 58% of the variance in consumer purchase intention can be explained by the selected predictors. This is a strong explanatory power in social science research, suggesting that online reviews and ratings serve as critical determinants of consumer decision-making.

The Adjusted  $R^2$  value of 0.56 confirms the model's robustness by accounting for the number of predictors included. The slight reduction from  $R^2$  to Adjusted  $R^2$  implies that the model is not overfitted and remains reliable when generalized to a wider population. Furthermore, the F-statistic of 51.34 with degrees of freedom (5,186) is statistically significant at  $p < 0.001$ , reinforcing that the overall regression model is valid and that at least one of the predictors significantly contributes to the explanation of purchase intention.

These findings highlight that consumers in Bangalore rely heavily on online reviews and rating dimensions while making purchase decisions. Among the variables, perceived trust and star ratings are expected to exert the strongest predictive power, consistent with the hypotheses. The relatively high model fit underscores that businesses must focus on cultivating trustworthy, credible, and detailed online reviews to positively shape purchase behavior. In sum, the regression analysis validates the research framework and supports the proposed hypotheses.

## Conclusion

The present study concludes that online reviews and ratings are critical determinants of consumer purchase intention in the Bangalore market. The analysis establishes that perceived trust and star ratings exert the strongest influence, followed by review helpfulness, review volume, and review valence. Collectively, these variables account for more than half of the variation in consumer purchase intention, signifying the strength of digital word-of-mouth as a persuasive tool. The findings further indicate that consumers are not only interested in the numerical representation of reviews (star ratings) but also value the credibility and relevance of review content. Importantly, the demographic analysis reveals generational and income-based differences, where younger and higher-income groups exhibit greater sensitivity to online reviews compared to older or lower-income segments. This research highlights that businesses aiming to enhance consumer trust and drive sales must focus on cultivating authentic reviews, encouraging user-generated feedback, and ensuring the visibility of star ratings. In today's competitive retail environment, digital feedback mechanisms act as a strategic lever for influencing consumer choices. Overall, the study contributes to the growing literature on digital

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consumer behavior and offers practical implications for marketing strategies in e-commerce and retail.

### Future Study

Future research can expand the scope of this study by incorporating a larger and more diverse sample across multiple Indian cities to enhance generalizability. A comparative analysis between urban and rural consumers could provide insights into regional differences in review reliance. Moreover, future work may integrate experimental or longitudinal designs to track changes in consumer behavior over time. Exploring additional psychological factors such as review skepticism, emotional tone of reviews, and platform credibility would enrich understanding. Finally, integrating machine learning or sentiment analysis techniques may offer more objective measures of review impact on purchase intention.

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