

Influence of Online Reviews on Consumer Good Purchase Intent: Evidence from Vietnam

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Abstract - The major transformation in the shopping process accelerated the ease and convenience of people but has left loopholes in filling the void of tangibility and assurance for the price paid. A remark from a previous customer or an expert is an absolute determinant in determining the validity of the goods and boosts its sale, online. The main purpose of the study is the find which type of reviews affects the consumer goods purchase intent. This study portrays about the shift in the pattern of online shopping and stresses on factors that can help in entrusting confidence in customers who purchase consumer goods over the web. Vietnam is known as a growing economy that has embraced internet for constructive purposes. The recent study is empirical in nature. It involves a sample size of 358 respondents that has been collected through a structured questionnaire. The data has been collected from the respondents on the basis of purposive sampling and has been analysed with the help of mean score and multiple regression. It was found from the study that the most important aspects of online reviews are they give hidden information about product features and usage these are the first thing that one refers before making products Extended reviews give through information about the product and more helpful. Most of the forms of online reviews have the positive impact on purchase intent.

Keywords - Online shopping, online reviews, consumer goods, purchase intent

1. Introduction

The online aura has a strong resemblance with the real world and is found in almost every corner of the world. The web has become an obligatory edition in human lives. The contemporary means of communication has altered the dimension of how we conduct business transactions, check out on new trends, and hold marketing activities. It serves as an evident platform to reassure the validity of products before purchasing them. Reports based on Internet statistics, the amount of internet users invariably increase every second. Back in 2005, there were one billion internet users that accelerated and doubled it in the next 5 years. In 2014 there was a sudden increase of another billion. With the advent of contemporary marketing instruments, conventional marketing has taken a back seat. Its high time traditional method of marketing

should replenish its scheme in order to strengthen and hold back its losing customer base. For Instance, commercials on television is tiring and fails to gain notice of people as people usually prefer flipping through the channels, can be a major threat to television commercials. Whereas viral or internet marketing has brought a new makeover on the face of marketing has a whole. Over the past decade, this kind of marketing caters with great opportunities to bind a gigantic connection of latent sellers and purchasers to communicate at lightning speed with almost zero mobility [10]. Marketers are trying to come up with innovations that can improvise online credibility and can ensure a smooth flow of operations. A thriving online marketing strategy can boost the brand awareness and increase trustworthiness and sales [11].

It has been recorded that each day, more than 30 million people from Vietnam use search engines to seek for facts related to merchandises and services that they want to acquire. With past studies and empirical researches, it was seen that the intrusion of smart phones had evolved way of web shopping and has created buyers of the modern era. The young generation is majorly indebted to popularize the fashion of shopping. Based on the research of the Flurry Analytics Market firm in 2013, the immense rise in the amount of smart phones have made Vietnam the second largest economy to have the maximum number of smart phone users. Such a situation assist the sellers to penetrate in the online sphere and leads to the popularization of mobile applications and e-commerce sites [4]. Ferguson stated that the epoch of online shopping is the most predictable tendency in the recent times, mainly for the millennial. The web has been a harbinger of comfort, modernism, simplicity and rapidness in the consumption pattern of the buyers. Buying online not only helps in saving time and making considerable cost investments but also provides a wide range of products and services in affordable prices. Even though the replica of online sales has been a hit in many other countries, it has been diagnosed with a few glitches in Vietnam. However, the usual behaviour of apprehensiveness, anxiousness and suspicion of the Vietnamese towards the universal platform is has been noted. The practice equally affects

the sensational representation of online shopping in Vietnam. Consequently, the matter of psychological influence and the emphasis on beliefs of the Vietnamese patrons, particularly the adolescents to encourage customary online purchases have become a vital indication to for a smooth functioning of online marketing activities in Vietnam.

With time, Vietnam is gaining pace with the other countries and is making its place among the top most countries that are internet friendly and utilize its services in every sector. With US being the topmost user of internet, acts as a motivation for on-line shopping for the Vietnamese. The sudden accentuation in online marketing across cultures and borders has forced the researchers to scrutinize about the on-line shopping infatuation among different individuals. It was seen through theoretical perspectives that internet has transformed the customer behaviour. People long for comfort and speed in everything they do. The fundamental factors that is associated with internet shopping leads to its higher dominance in different places including Vietnam.

2. Literature review

Consumer perceived ease of use, consumer perceived usefulness, social influences, trust and consumer perceived enjoyment have an impact on consumer purchase intention in social media websites [18]. Perceived behavioural control is not an influential predictor on purchase intention [14]. There is a relationship between social supports such as emotional and informational support on purchase intention [16]. Usefulness, valence and timeliness of the online consumer review significantly affect the online hotel booking intention [17]. There is a significant positive relationship between the electric word of mouth and purchase intention and there is a significant positive relationship between the awareness of a brand and purchase intention while there was no effective relation found between electric word of mouth and brand awareness [20]. Hoang, Chi, Tuan and Linh (2016) in their study illustrate the five determinants that manipulate the web purchasing trend of the Vietnamese youngsters and the level of influence varies between individuals. The most important factor that highly drives the youth towards online shopping is its handiness as one can use it anytime and anywhere. The second most vital feature is its added details about the products like the product shelf life, customer reviews that helps buyer in confirming their purchase decision. The other three factors that equally matters are the product availability, familiarity and the expected price of the product. The abovementioned determinants

attract the millennial towards online shopping in Vietnam. Khuong and Huong in their research have productively scrutinized the fundamental connection between three self-sufficient variables that include e-WOM, online advertisements and online communities that initiate purchase through trust building. The most important aspect is the online advertisement that influences the buying intention of the Vietnamese travellers. Therefore, marketers should consider making more effectual online promotional content to increase sales. James, Binh and Giang have come up with results that significantly add to the executive insinuation of the customer behaviour towards the smart phone promotion in a developing country like Vietnam. The customers agreed that information is the most influential driving force in mobile advertising however customers disapproved that online advertisement provides accurate commodity related information. It is the process to continue the enlightening and convincing content in order to target the public. Marketers need to confirm that the campaign is designed in a way that it provides relevant facts about the products to the ones who are interested to purchase it. Therefore the mobile advertising should have content that is straight and simple like the price, brand, advertisement, location, review, etc. The web has claimed to be an exceptional part in assisting cloth brands to reach the common public other than the elite strata of customers who are fashion freaks [2]. Several brands are creating a strong online presence and are accepting e-commerce as the swiftest method to build customer base. Luxury items have a very refined market and it is not possible for a conventional method of advertising to promote it on a larger medium and gain the ordinary attention. With the invention of online apparatus, there have been several schemes and discounts that are associated with these items highly encourage online sales. It has reportedly noted that there is online luxury commodity market is growing 3.5 folds more the normal luxury market and online dealings can acquire more than 6% of the entire sales. The marketing propositions that are associated with the 4Ps of Marketing-mix (product, price, place and promotion) denotes the marketing activities and business practices in Vietnam are inclined by various external environmental aspects namely, corporeal, infrastructure, technical, media, financial, demographic, ethical, political, and official causes [12]. Outsiders who want to capture the online market in Vietnam should have proper knowledge of the macro-environmental determinants as the market is storehouse for both prospects and threats to global marketers. However, Vietnam is growing to be one of the most noticeable economies due the budding middle strata families and

their increase use of internet to conduct marketing activities. There has been a huge involvement of the government to improvise the developmental strategies and promote digital mechanisms.

In the research done by Huong and Van there is a portrayal of the enormous force on the verdict to buy online from different variants like social media, customer reviews, experts' comments, online advertising strategies, online ad videos, word of mouth, reputation of the website, etc. There are three most important phases that are faced by online purchasers like acquiring knowledge of the desired product through various user generated content like Youtube and customized reviews on e-commerce websites, Seeking facts from the generator of the products, getting adequate idea about the brand and gaining advice from reputed third parties. It is then analysed and evaluated by the customer and finally the buyer makes the purchase decision. There are a lot of consumers who could not deny the fact that the positive response from the known third parties like experts boosts their will to purchase the particular product. Higher the value of the commodity, the more valuable is the expert comment. Therefore it is very important on the sellers' part to create goodwill with the third party make strategies to engage deeply with the customers, keep up the initiative to compel customers to provide adequate content that can help the succeeding buyers to make purchase decisions.

The research is an empirical substantiation to corroborate the function of the patrons' behaviour, presumed convenience and professed threat on purchasers' objective along with the responsibility of the presupposed expediency and apparent effortlessness of the utilization as previous circumstances of approaches. It can be very well carved out from the exploration that manner, professed menace and shoppers' alleged efficacy makes an optimistic impression on the objective of the clients. While on the contrary, presupposed usability of the goods, presumed effectiveness of the product is seen to have a constructive collision with the purchasers' approach. The buyer's familiarity with the business progression, the endeavour they expend and the skill and capability to purchase few specific commodities helps in creating an affirmative outlook in the behaviour of the customers. The buyers presumed helpfulness has a similar co-relation with the presupposed simplicity of use. The more purchasers professed business merchandises and services on the web as an easy task; the maximum is the presumed level of usefulness that is curate out of it. In totality, a patron who analyses the purchasing of the product over the web as an useful

activity, simple and minimum danger will give room to buy products online [19].

Informative susceptibility has negative but significant relationship toward purchase intention of buying counterfeit product [9]. Product characteristics, places to display the products in retailing shops, halal awareness from the consumers, and the religiosity level are significantly influencing the consumers' purchase intention of halal food in Thailand. The price of the product, promotion, and the consumers' knowledge about halal food supply chain cannot influence the purchase intention of halal food [15]. Information in relation to factors influencing purchase intention of consumer which has laid a basis in helping the mobile advertisers to develop better strategy of their advertisement [5]. The competency variable has no effect on trust in the intermediary. The variable of virtue and integrity has a positive effect on trust in intermediaries. Variable trust in the intermediary has a positive effect on trust in the seller. The variable of trust in the intermediary and trust in the seller has no effect, on purchase intention. The variable of trust in the intermediary has a negative effect, on customer loyalty. Customer loyalty has a positive effect on purchase intentions [1].

3. Methodology

The present research is descriptive in nature and tries to identify the various forms and qualities of reviews that influence the purchase intention of the consumer goods buyers in Vietnam. To measure the consequence of customer reviews on online shopping, a quantitative method was applied. Responses were collected from 358 respondents from Vietnam with the help of a structured questionnaire. The method of sampling was purposive in nature (response was collected from individuals who had purchased consumer goods from an online seller). Mean score and multiple regression was applied for data analysis.

4. Results

Table 1 displays the common profile of the participants that includes the age, gender, qualification, profession, years of experience in online shopping and acquaintance with customer reviews. The forms were filled by 53.8% males and 46.2% female.

Table 1. Profile of the respondents

Variables	No. of respondents	% age
Age		
18-27	142	39.6
28-40	125	35
41 and above	91	25.4
Total	358	100
Gender		

Variables	No. of respondents	% age
Male	193	54
Female	165	46
Total	358	100
Education		
Intermediate	136	38
Graduation	148	41.3
Post-graduation and above	74	20.7
Total	358	100
Occupation		
Student	90	25.1
Government job	69	19.2
Private Job	104	29.1
Business Professional	95	26.6
Total	210	100
Experience of online shopping		
Below one year	86	24
1-3years	154	43
3 years and above	118	33
Total	210	100
Familiarity with customer reviews on shopping sites		
Yes	265	74
No	93	26
Total	358	100

Table 1 demonstrates that 39.6 % are in the age group of 18-27 whereas 35% of them are between the age of 28-40 while the remaining 25.4% of them are 41years and above. Responses were collected from 38% of people who have completed their intermediate while 41.3% of them are graduates while 20.7% of them have pursued master's degree and beyond. It was noticed that 25.1% participants were students, 19.2% of them have government jobs, 29.1% of them have private job while 29.6% have their own business. Since the paper surrounds the use of online platform, it was necessary to recognize the years of engagement with online methodologies. 24% of them have been using online shopping sites for less than a year, 43% of them used it for less than 3 years while 33% of them are old users having an experience of 3 years and above. The ultimate question that is crucial to know in order to determine the relevance of customer review is the familiarity of the feature to people. It was seen that a major proportion of 74% people know about the importance of it while 26% purchase items without verifying the customer reviews.

Table 2. Features of online reviews

No	Factors influencing	Mean score	Standard deviation
1	I always believe on Online reviews	3.25	1.11694
2	I regularly observe online reviews	3.80	.69193
3	Online reviews makes my information search easy for consumer goods	3.65	.78410
4	Online reviews are unbiased	3.21	.78800
5	Online reviews give hidden information about product features and usage	4.13	.62910
6	Online reviews indicate towards	3.79	.79859

No	Factors influencing	Mean score	Standard deviation
	brand equity		
7	Higher number of Online reviews indicate higher popularity of the product	3.99	.62390
8	Online reviews are strictly monitored by the e-retailers	3.70	.45080
9	Online reviews the first thing that one refers before making products	4.09	.44877
10	Online reviews clears doubts about the product	3.72	.78869
11	Extended reviews give through information about the product and more helpful	4.01	.94661
12	Reviews by Verified users are more reliable	3.95	.88024
13	I intend to buy Consumer Goods regularly with the same buying process	3.84	1.11694

Table 2 shows the features of online reviews that influence the purchase intention of the Vietnamese. It is seen that maximum number of people with (mean value of 4.13) believes that online reviews provides hidden information about the product features and usage. People with (mean value of 4.09) prefer to see the online reviews first before purchasing products. However, people with (mean value of 4.01) agree that extended reviews are helpful in extracting more information about the product. People with (mean value of 3.99) think that higher online reviews indicate higher popularity of the product. People with (mean value of 3.95) trust the reviews by verified users. People with (mean value of 3.80) regularly observe online reviews. Respondents with (mean value of 3.79) think that online reviews are a clear indication of brand equity. People with (mean value of 3.72) believe that online reviews clear doubt about a product. Participants with (mean value of 3.70) think that online reviews are strictly monitored by e-retailers. People with (mean value of 3.65) believe that online reviews makes information search easy for consumer goods. Participants with (mean value of 3.25) always trust online reviews whereas respondents with (mean value of 3.21) have a perception that online reviews are unbiased.

Table 3. Model summary

Model	R	R ²	Adjusted R ²	Std. Error of the estimate
1	.920 ^a	.846	.841	.41861
a. Predictors: (Constant)				

Multiple regression was applied to find out the impact of different variables on overall satisfaction of the employees. Table 3 presents the model summary, the overall R is .920 and R square is .846 which means that the model explains around 84% of the variation.

Table 4. ANOVA^a

Model		Sum of squares	Df	Mean square	F	Sig.
1	Regression	332.989	12	27.749	158.356	.000 ^b
	Residual	60.455	345	.175		
	Total	393.444	357			

a. Dependent Variable: I intend to buy Consumer Goods regularly with the same buying process

b. Predictors: (Constant) and Independent variables

Table 4 presents the value of ANOVA and F value. The value in the significance column of the table 4 is .000 which means that one or more variables significantly affect the overall satisfaction. The impact of independent variables on overall satisfaction has been explained in the table 5.

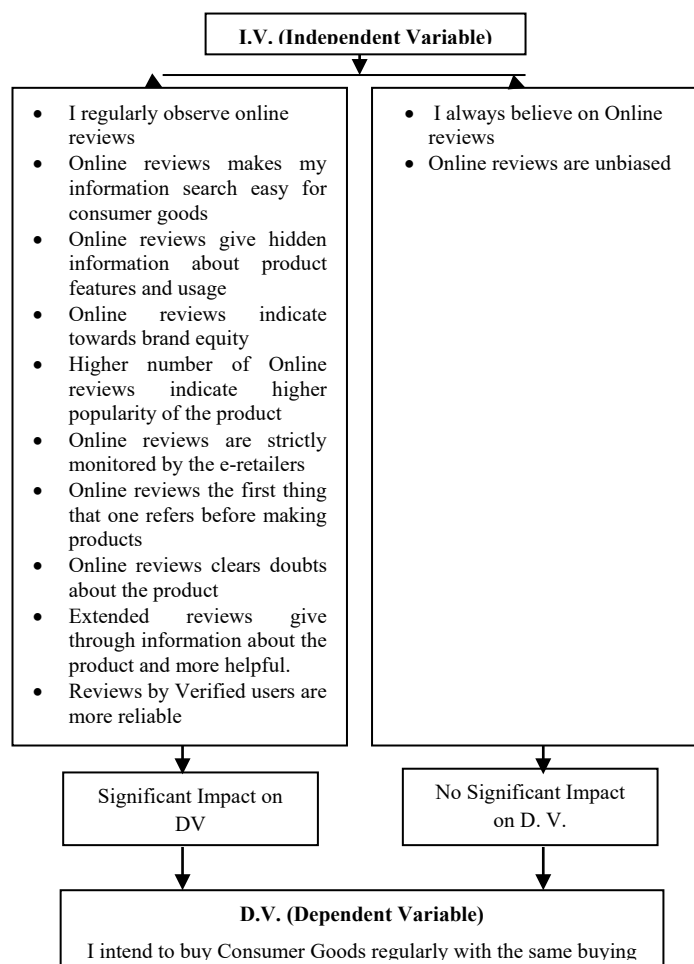
Table 5. Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	β	Std. Error	β		
(Constant)	-5.558	.442		-12.576	.000
I always believe on online reviews	.034	.022	.036	1.535	.126
I regularly observe online reviews	.114	.049	.075	2.325	.021
Online reviews makes my information search easy for consumer goods	.118	.042	.088	2.832	.005
Online reviews are unbiased	-.038	.033	-.029	-1.148	.252
Online reviews give hidden information about product features and usage	.181	.055	.109	3.289	.001
Online reviews indicate towards brand equity	.160	.048	.121	3.323	.001
Higher number of online reviews indicate higher popularity of the product	.495	.046	.294	10.756	.000
Online reviews are strictly monitored by the e-retailers	.162	.057	.070	2.826	.005
Online reviews the first thing that one refers before making products	.654	.054	.279	12.022	.000
Online reviews clears doubts about the product	.242	.053	.181	4.540	.000
Extended reviews give through information about the product and more helpful	.325	.038	.293	8.555	.000
Reviews by verified users are more reliable	.101	.044	.084	2.286	.023

a. Dependent Variable: I intend to buy Consumer Goods regularly with the same buying process

Table 4 protrudes that out of 12 variables, 10 variables that includes regular use of online reviews, easy access to information for goods, hidden information about products, indication of brand equity, higher popularity of products with higher online review, monitoring of online reviews by e-retailers, initial reference to online review, clearance of doubt, more information from extra information and reliability of reviews from verified users significantly affect the

intention to buy consumer goods regularly on the same buying process. Whereas the forever trust on online reviews and un-biasness involved with them have insignificant effect on the intention to buy consumer goods in the similar purchasing manner.

Figure 1. Factors affecting the intention to buy consumer goods in the same buying process

5. Conclusion

Vietnam has been one of those developing countries that have used internet as a ladder to climb up the steps of development. The rapid succession of mobile digital apparatus that enables internet connectivity has compelled almost every sector of business to beat the bugle of their presence strongly in the online platform. Convenience, ease, immobility and availability of products at great deals have made online shopping a must for buyers to buy perishable goods to durable products, online. Youngsters have been the initial target audience but the curve has shifted since the strong game of internet marketing. Even though there are several advantages to support the existence of online shopping sites but intangibility is the biggest drawback that is still suffered by the online products. Out of all the aspects that comprehend the survival of online

shopping applications, reviews by preceding customers or experts can be the most helpful determinant in providing assurance to the consumer while purchasing any kinds of goods.

The study reflects that people look out for reviews to know the hidden secrets and techniques of using various products. The availability of this option has made people aware of checking the reviews first, even before having a glance at the product thoroughly. A full-fledged review can help another customer in extracting the desired information about the product and is considered to be one of the most important things that are done by people before purchasing online. A common human psychology allows people to trust on the product that has got the maximum number of reviews listed but suspicion creeps in and most of us try and have conviction over the verified users who had listed their experience. Many individuals regularly follow reviews and sometimes intent to buy products based on that. Overflowing reviews can also be a clear indication of great brand equity. However, in the world of adulteration, internet cannot be entrusted as the safest and the most consistent medium to know the superiority of products and people. There is an involvement of risk factor as it is hard to completely accept the statements made by various people to be reliable or unbiased and finalize the decision of purchasing goods.

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