Reducing Uncertainty By Increasing It: How Inducing Uncertainty in Uncertainty Appraisals of Reviewer Trustworthiness Attenuates Bias Correction and Product Devaluation

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A field study and two experiments show that when elaboration makes consumers doubt the validity of their doubt, uncertainty is deemed incidental in judgment formation and product devaluation does not occur. However, when elaboration confirms the validity of their doubt, uncertainty is deemed integral in judgment formation and devaluation occurs.

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EXTENDED ABSTRACT

We investigate how consumers process product reviews written by other consumers (i.e., “user-generated content” or UGC reviews). Though some consumer behavior research investigates the impact of review content on readers (e.g., Villanueva, Yoo, and Hanssens, 2008) the research does not examine how information that accompanies reviews influence processing.

Reviews are often accompanied by additional auxiliary-information such as information about the reviewer (e.g., if the reviewer is a novice or expert) or review generation process (e.g., if the reviewer was paid to write the review). In this research, we investigate when and why uncertainty induced by auxiliary-information will and will not carry over to adversely impact consumers’ evaluations of reviewed products. This is important because UGC reviews can be useful to consumers when evaluating products. However, concerns regarding reviewer trustworthiness often undermine the utility of UGC reviews. Thus, this research investigates the processing of UGC reviews under uncertainty, and when and why its adverse effect on judgments is mitigated.

Despite extensive research on source credibility in the context of persuasive communications (e.g., Sternthal, Dholakia, and Leavitt, 1978; Kang and Herr 2006) and WOM (e.g., Herr, Kardes, and Kim, 1991), little is known about the role of uncertainty in consumers’ processing of UGC reviews. Though it is obvious that uncertainty regarding source trustworthiness should result in information discounting, it is unclear when and why this will not occur. This is important because source-related uncertainty undermines review usefulness. We theorize that metacognitive processing of source-related uncertainty can determine when it will adversely impact judgments. Such processing entails thinking about or elaborating on uncertainty (i.e., doubting one’s doubts). We propose that merely thinking about uncertainty, can mitigate its adverse effect on product evaluation. This occurs without having to establish or defend reviewer credibility or trustworthiness. Instead, we show that “mere thought” can lead to uncertainty about source-related uncertainty, which undermines its impact on judgments. Of course, elaborating on source-related uncertainty could also solidify doubts, thus enhancing its adverse effects on judgments. As such, it is shown that the mere thought effect depends on whether source-related uncertainty is integral (enhance) or incidental (attenuate) to judgment formation.

In study 1, we use field data collected from Amazon.com and exploit a natural experiment across a diverse set of products. For each product we collected both uncertainty-inducing reviews (where it is disclosed that reviewers were incentivized) and reviews that do not induce uncertainty (without any uncertainty-inducing auxiliary-information). For uncertainty inducing reviews, reviews of products that are associated with high elaboration (because consumers are highly involved in the purchasing decision) were perceived as more helpful than reviews of products that are associated with low elaboration ($b=1.35, t=2.69, p<.02$). There was no difference in the perceived helpfulness, due to elaboration, for reviews that do not induce uncertainty ($b=.01, t=.02, p=.98$).

In study 2 we consider when elaborating on source-related uncertainty will not adversely affect judgments. We predicted that participants told that incentivizing reviews is common practice would be more inclined to doubt their uncertainty in the trustworthiness of the reviewer when they spend time elaborating on their uncertainty. This occurs because it is unclear whether the reviewer was incentivized because he/she expected payment or because the company wanted to bias the review. In contrast we predicted that participants who are told that incentivizing reviews is uncommon practice would be less inclined to doubt the validity of their uncertainty, regardless of how much time they spend elaborating on it.

We tested whether the effect of incentive disclosure (paid=1, not paid=−1) on product evaluation through uncertainty appraisals was moderated by payment norm (payment-uncommon=−1, pooled payment-common=1) and evaluation time. As predicted, in the payment-common condition there was a significant negative indirect effect of disclosure on product evaluation through uncertainty when evaluation time was lower (-1 SD; indirect effect=-.31, 95% C.I.=[-.44, -.17]), but not when evaluation time was higher (+1 SD; indirect effect=+.02, 95% C.I.=[+.10, +.19]). In the payment-uncommon condition the negative indirect effect of incentive disclosure on product evaluation through uncertainty was significant when evaluation time was lower (-1 SD; indirect effect=-.21, 95% C.I.=[-.40, -.02]) and when it was higher (+1 SD; indirect effect=-.30, 95% C.I.=[-.57, -.08]).

In study 3 we consider when elaborating on source-related uncertainty will adversely affect judgments. We show that uncertainty only influences judgments when elaboration renders it integral (i.e., when uncertainty is deemed to be credible and useful in judgment formation). Building on study 1, this effect is explored using auxiliary-information about whether or not a reviewer was paid. Consistent with our hypothesis that uncertainty should not be credible in order for it to become incidental when elaborated upon, some participants were told the payment source is a nonprofit organization that does not stand to benefit from a favorable review. We expected to not find an uncertainty-mediated effect of this incentive disclosure on product evaluations when the review is positive and when the uncertainty is thought through (high elaboration), because the uncertainty will not be credible. This was also predicted for participants who were not told that the reviewer was paid to write the review. Conversely, some participants were told the payment source was the product developer or seller. Since these sources stand to benefit from a positive review, elaboration on source-related uncertainty was expected to render uncertainty integral to judgment formation. The silent and paid by nonprofit conditions were pooled in the analysis (-1) as were the developer and seller conditions (1). We find a significant negative indirect effect of disclosure, through uncertainty, on product evaluations when elaboration was high (95% C.I.=[-.14, -.03]), but not when elaboration was low (95% C.I.=[-.10, -.01]). In other words, when elaborating on uncertainty renders it integral in judgment formation merely thinking about source-related uncertainty makes it important.

This research contributes to the UGC reviews and WOM literatures by examining how consumers process UGC reviews under
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uncertainty and, when and why source-related uncertainty distorts the influence of reviews on consumer product evaluations.

REFERENCES

