A SURVEY ON: HOW ONLINE RATING IS HELPFUL IN BUILDING CONSUMER TRUST

Savan Joshi, Anubhav Sharma

1Research Scholar, 2Assistant Professor
IES College of Technology, Bhopal (M.P.), India
1savan1409@gmail.com, 2anubhav.sharma0025@gmail.com

Abstract: As a key issue for the successful proliferation on online rating, trust is fast becoming the focus of many research initiatives. This paper presents a review and categorization of the trust literature on websites aiming to provide the state of the art as far as research is concerned. The categories of trust in websites are identified and analyzed into three major dimensions, namely determinants, approaches and consequences. Our analysis indicates a lack of research regarding processes for the development of trust and relationship building. The paper seeks to fill this gap by proposing a theoretical model for the formation of trust in customer relationships over online rating in websites included-shopping websites.

Keywords: Shopping, Online Rating, Trust, Relationship.

I. INTRODUCTION

The Internet has become an indispensable tool for international business as it does not recognize physical borders between countries and gives buyers access to online sellers from all continents. Being so far and yet so close, how does one know if a seller is genuine? With the ease of creating a commercial website and relatively at affordable cost, the number of online stores has skyrocketed. Don Davis, the editor of Internet Retailer magazine, estimated that 25 million online retailers sell products over the Internet. Every retailer endeavors to draw in clients and lure them to finish a buy. How can one know which online retailer (e-retailer) to trust and which e-retailer not to trust? The response to this inquiry is fundamental to scholastic specialists, organizations, and clients. Scholastic scientists make and broaden information of online trust; organizations apply that learning to practice to grow long haul associations with clients, while clients become educated online customers.

Notwithstanding the broad research in the region of internet rating on sites, the investigations of online buyer conduct with accentuation on creating on the web trust are not so various and efficient. Chang, Cheung, and in their writing survey broke down elements affecting the selection of web based shopping and noticed that in spite of the fact that trust significantly affects web based rating on sites, it has not been adequately considered and requires further examination.

Along these lines, the goal of this paper is to recognize both basic subjects in online trust inquire about led over a time of the Web 2.0 condition (2004-2014) and holes that could recommend headings for future investigation of this territory. The reason for existing isn't to offer an
extensive audit of the huge collection of research but instead examine what parts of online trust need more investigation. This paper is organized as pursues: it begins with an outline of on-line believe that makes an establishment for and prompts the introduction of primary patterns in online trust look into; at that point pursues the clarification of how the scan of productions for the writing audit was directed. From that point onward, we present the consequence of the pursuit alongside the various kinds of article grouping.

- Presents Trends of E-Commerce in India

India is developing rapidly and if development is to be measured, how can we ignore the role of ecommerce in it. The internet user base in India might still be a mere 100 million which is much less when compared to its penetration in the US or UK but it's surely expanding at an alarming rate. The number of new entrants in this sphere is escalating daily and with growth rate reaching its zenith; it can be presumed that in years to come, customary retailers will feel the need to switch to online business. Insights into increasing demand for broadband services, rising standards of living, availability of wider product ranges, reduced prices and busy lifestyles reveal this fact more prominently thereby giving way to online deals on gift vouchers. Going by the statistics, According to a statement released by the Internet and Mobile Association of India (IAMAI), the ecommerce market was expected to touch Rs 46520 crore turnover marks in 2011. The table-1 shows market size of different verticals of ecommerce industry since 2007 to 2011. The growth in ecommerce business clearly implies the growing number of internet users. The online purchases are limited to certain categories like gaming subscription, food delivery, online classifieds, buying movie tickets, travel related purchases and electronics items etc. The growth in ecommerce industry is primarily driven by the online travel industry which has contributed 80% (Rs 25298 crore) in 2010 and expected to touch 81% (Rs 37890 Crore) in 2011 of total ecommerce market and is building user confidence. The online travel industry includes sale of domestic air travel, international travel, hotel bookings, railway tickets, bus tickets, tour packages and travel insurance etc.

II. LITERATURE REVIEW

With the advances in the internet and the emergence of Web 2.0, the interconnectivity between individuals has expanded on the internet. This development enables customers and businesses to collaborate on the internet (Füller et al. 2009) [1]. This has emerged through social media, which enable consumers to generate content and have social interactions online via social platforms. There are a number of social platforms that have facilitated information sharing. For instance, Wikipedia, a free online encyclopaedia, is one of the most popular platforms and has the facility for users to collaborate on information sharing (Chen et al. 2011a) [2]. Other platforms with the ability to generate reviews and ratings, such as Amazon, com, enable customers to review and rate products. In addition, members of these platforms are cooperatively interdependent (Chris et al. 2008) [3]. By using social media, consumers can create content and offer valuable advice to others (Füller et al. 2009). This new development has seen online communities and an electronic network of individuals emerge on social platforms where members share information globally and quickly (Molly McLure & Samer 2005) [4]. With the rise in social networks, a new era of content creation has emerged, where individuals can easily share experiences and information with other users (Chen et al. 2011a).
The next generation of online businesses will be based on communities - a good tool for new customer attraction (Bagozzi & Dholakia 2002 [5]; Ridings & Gefen 2004 [6]). Online communities offer an opportunity to organisations to have a better customer relationship management system (Ridings & Gefen 2004), for instance, giving rise to a new development where businesses can improve performance. Moreover, on those platforms where consumers have social interaction, members can become familiar with one another, providing a possible source of trust (Lu et al. 2010) [7]. This can greatly influence users’ intention to buy (Gefen 2002). Consequently, it is important for companies to have a business model adapted to social commerce (Lorenzo et al. 2007 [8]; Liang &c Turban 2011 [9]). Social commerce is a new stream in websites, which encourages the social interaction of consumers through social media (Hajli 2013). Social media provide opportunities for businesses to become more attractive universally (Chen et al. 2011b). Although social commerce and social media are key phenomena in websites and the marketing literature, few studies, if any, have examined the concepts of trust and users’ intentional behaviour. In the next section the literature related to the model of study maps out the theoretical foundation of the research.

III. TRUST

Trust is a cornerstone in developing websites. In a business-to-consumer relationship, trust in the e-vendor is important in assessing risk in the transaction (McCole et al. 2010). Trust plays an important role in websites. There are different definitions of trust, which are based on different dimensions of benevolence, integrity, ability, competence and empathy. There are also two-dimensional measurement scales for trust, competence and benevolence competence, leading to brand trust (Li et al. 2008). However, all definitions and dimensions refer to risk and uncertainty in the online environment. Benevolence and credibility are the two main dimensions of trust (Ba & Pavlou 2002) upon which this research is based. Credibility-based trust refers to the belief that the other party in a transaction is reliable and relies on reputation information, while benevolence refers to repeated seller-buyer relationships (Ba & Pavlou 2002). Therefore, in this research, trust is viewed in the context of transactions over the internet through SNSs and online communities. Trust in peers on the network and trust in the SNSs themselves will also be considered. In the context of online communities, trust can facilitate the interaction of individuals and encourage them to stick to their current network.

- **Effect of Social Media**

The interconnectivity of consumers through social media such as communities, reviews or recommendations is likely to establish trust in websites. In SNSs, the social interaction of consumers helps their peers to develop or reject trust in a provider. Consumer socialisation occurs through social media directly by social interactions among consumers, and indirectly by supporting product involvement (Wang et al. 2012). The social relationship of consumers generated through social media significantly affects the perceived trust of consumers (Pan & Chiou 2011). The interactions on these platforms generate social support. Social support generated through social media therefore influences trust (Weisberg et al. 2011). In addition, more positive comments, feedback and higher ratings lead to a higher level of trust in a vendor (Ba & Pavlou 2002). Reviews are perceived to be useful, and affect attitude and intention to buy in consumers through the impression created about a product or service (Purnawirawan et al. 2012).
This is a value that can be useful for websites adoption and social commerce intention. Because consumer social interactions produce online social support, websites adoption is being promoted to establish trust and, consequently, users’ intention to buy. In fact, social factors facilitated through social media develop a supportive climate, which in turn attracts many more individuals to come online and take part in social interactions. The contribution of this research is to highlight the role of social media and its influence on trust building in websites. The research shows how social media and social factors influence trust and intention to buy through social networking sites.

**REFERENCES**


