Tell it like it is: The effects of differing responses to negative online reviews

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Tell it like it is: The effects of differing responses to negative online reviews.

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Abstract

Negative electronic word-of-mouth (eWOM) has a notable impact on a consumer's online purchase decisions and attitude toward a company or product. Despite substantial research examining this phenomenon, little attention has been given to the impact of responses to negative eWOM. The authors examine negative eWOM in the form of online reviews to understand how responses may impact a consumer’s product satisfaction and attitude toward the company. Three studies examine specific aspects of responses, including responder type, attribution, and severity of negative review. Consistent findings across the studies reveal while any response is better than no response, a fellow consumer responding to a negative review can produce the most beneficial...
outcomes. The findings of this study are important for advancing theory in relation to negative eWOM and for helping practitioners develop appropriate response strategies.

KEYWORDS

attribution theory, congruity theory, eWOM, online reviews, word-of-mouth

The customer service policy is not customer service friendly. I bought a coat 10–27. I have never worn the coat. It was intact, receipt attach paper wrapping on zipper in place. I returned the coat 01–19 with original store receipt. They would only give me $90 because that is the sale price for the coat. I felt that I was robbed with my eyes open. Other stores would have given you store credit for your entire amount if you produce a receipt. I am outraged. I HAVE BEEN ROBBED. A disgruntled store patron and Internet poster

Here is a link to their return policy http://www.(store name removed).com/customer-service/ which states that returns will be refunded within 30 days. You were trying to return something that was over twice that limit. I'm sure they couldn’t put it out and sell it for full price, no matter what the condition of the coat. Why should they take the loss because it took you so long to decide that you didn’t want this item? –Reply from a fellow customer and company defender

1 INTRODUCTION

Substantial research has examined the phenomenon of electronic word-of-mouth (eWOM). Taking the form of aggregated ratings (e.g., the number of stars a product receives), written product reviews, and other online communications, eWOM can have a significant impact on a consumer’s evaluation of a product or company. Online discussions, for instance, have been shown empirically to increase product category interest (Bickart & Schindler, [7]), and the vast majority of consumers (95.2%) with regular or occasional Internet access employ online search before making a purchase. Additionally, 70% place some degree of trust in the posted online opinions of other consumers (Sullivan, [51]). Due to its ability to elicit stronger feelings toward both the company and the product’s performance (Mizerski, [38]) as well as its disproportionate effect on emotional trust and intention to shop (Cheung & Lee, [12]), a great deal of focus has been put on negative eWOM. Because online reviews are seen by many consumers as predictors of a successful consumption experience, they are often viewed as an important guide influencing purchase decisions (Fagerstrøm, Ghinea, & Sydnes, [17]). Indeed, research indicates that four out of five online consumers have changed their purchase decisions based on a negative online product review (Cone, [13]).

The consumer discourse quoted above is not uncommon among consumers who have voiced their opinions about poor service and been met with blame shifting from other consumers or even the company, yet this important facet of eWOM has received no research attention. In this study, the impact of responses to negative eWOM and how those responses may affect readers’ evaluations of the focal company are investigated. Specifically, the researchers empirically explore the power of the response to negative eWOM and examine several different response scenarios—responses from other consumers and from the company itself—to provide both theoretical and practical guidance regarding company managers’ optimum strategies. This study offers timely insights and adds to the existing literature on online reviews and eWOM, while also extending the conditions under which specific theories might be used in marketing research. Additionally, the results justify appropriate strategies that company managers should use when faced with negative online comments directed at the company.

The sheer volume of studies on WOM indicates the theoretical and practical relevance of this topic, but what seems to be missing from the discussion is empirical investigation into the impact of responses to eWOM, a format that lends itself to highly visible ongoing discussions that are seen by a broad unspecific audience (Lee-
Wingate & Corfman, [31]). There are no existing studies that investigate consumer reactions to the various types of responses that follow negative eWOM about a company or its products—responses such as support of the negative eWOM by other consumer posters, contrary opinions posted by company supporters, and even consumer posts blaming the negative reviewer for causing the failure that led to the negative eWOM in the first place. This gap is highly relevant to both academics and practitioners because of the impact that the wrong kind of response can have on purchase intentions and attitude toward the company, ultimately impacting the company’s performance. Accordingly, Wu ([60]) highlights the need for experimental studies that help to clarify the negative effects of online reviews. Specifically, the current research seeks answers to the following research questions:

- **R1:** What effect does the source (company, company employee, or other consumer as communicator) of a company-positive response to negative eWOM have on consumer attitudinal and behavioral intention outcomes (satisfaction with the product, attitude towards the company, and purchase intentions)?

- **R2:** How does an attempt to attribute the failure mentioned in negative eWOM to the original poster of the message impact consumer outcomes (essentially blaming the messenger)?

- **R3:** How do situational factors (i.e. magnitude and sequence of reviews) influence these findings?

The authors first establish a theoretical basis for their research to answer these questions. Then a series of three studies are conducted and described, each focusing on a specific aspect of responses to negative reviews. Studies 1 and 2 examine contrasting reactions to negative eWOM based on the responder and response type. Finally, in an attempt to improve the generalizability of the findings, Study 3 considers the magnitude of the reviews as well as the valence order in which the consumer encounters the reviews. Each study builds on the previous to offer practical and theory-driven steps that practitioners can follow to handle negative eWOM. The outcomes explored examine the ways that negative eWOM may impact consumers and, by extension, the company at various levels—product and company evaluations, relationship strength, and future behavioral intentions. To conclude, the authors provide a general discussion of the optimal strategies for managing negative eWOM and suggest some future research directions.

### 2 CONCEPTUAL FRAMEWORK

#### 2.1 WOM, attitude, and satisfaction

WOM “is the communication between consumers about a product, service, or a company in which the sources are considered independent of commercial influence” (Litvin, Goldsmith, & Pan, [32], p. 3). WOM has been shown to be effective in enhancing awareness among less dedicated consumers and between acquaintances (Godes & Mayzlin, [21]). Impacting both short-term and long-term judgments, WOM holds the most influence when the source is an expert who disconfirms a previous attitude (Bone, [8]). Dissatisfied consumers generate more WOM than satisfied consumers (Anderson, [3]) and negative WOM is more likely when the consumer is highly dissatisfied, as opposed to experiencing minor dissatisfaction (Richins, [46]). Consumers share negative WOM for a number of reasons, including venting to and taking revenge on companies, entertaining and warning other consumers (Romani, Grappi, Bagozzi, & Barone, [47]; Wetzer, Zeelenberg, & Pieters, [58]), and as a means of self-expression (Saenger, Thomas, & Johnson, [48]). Additionally, social psychology literature is replete with studies demonstrating that negative information is more diagnostic than either positive or neutral information (Kahneman & Tversky, [27]; Maheswaran & Meyers-Levy, [33]; Tversky & Kahneman, [55]).

Traditional face-to-face communication has been found to be more persuasive generally than print communication (Herr, Kardes, & Kim, [23]), suggesting that traditional WOM might be more influential than eWOM; however, the ubiquitous nature of online communication does ensure a much broader reach for eWOM.
than its face-to-face counterpart (Breazeale, [9]). Due to the low cost and ease of dissemination, a vast amount of information is available via eWOM to a much larger audience (Dellarocas, [14]). Reviews in the form of eWOM are now readily accessible to consumers considering purchases in virtually any product category. Of course, eWOM can also take the form of consumer ratings, social media posts or forum discussions among others, and encompasses consumer-to-consumer communications as well as communication between consumers and a company (Litvin et al., [32]). For this discussion, all of these forms will be referred to collectively as eWOM.

In the online retail setting, the persuasive power of eWOM is a factor of consumers’ perceptions and familiarity with the company (Chatterjee, [11]). As is the case with traditional WOM communications, negative eWOM is more influential than positive eWOM, influencing purchase intentions and perceptions of a company’s reliability (C. Park & Lee, [43]). The more familiar a consumer is with a company, the less information he or she seeks and the less impact negative eWOM will have on purchase intentions. Conversely, a shopper who is unfamiliar with a company is more likely to believe that a negative outcome mentioned in an online posting will also affect him/her (Chatterjee, [11]).

The quality and platforms (online review outlets) of negative eWOM also play a role in attitudinal influence. Higher quality reviews influence shopper attitudes more than lower quality reviews (J. Lee, Park, & Han, [29]), with quality referring to readers’ perceptions of credibility, objectivity, timeliness, understandability, and sufficiency (Bailey & Pearson, [4]; Mahmood & Medewitz, [34]; Negash, Ryan, & Igbaria, [40]; Wu, [60]). From a platform perspective, relevant posts found on an independent website or personal blog are more likely to be perceived as circumstantial and discredited than similar posts found on a third-party or dedicated product review website, yet no significant difference in consumer product judgments has been shown between posts found on independent versus company-sponsored review pages (M. Lee & Youn, [30]). The presence of some negative eWOM has been shown to be necessary to increase credibility and positive attitude toward a website (Doh & Hwang, [15]), however, a high proportion of negative eWOM starts to create a conformity effect, and attitudes become more unfavorable overall (J. Lee et al., [29]). Consistently, the harmful effects of negative eWOM then are decreased as the relative proportion of positive reviews increases (Doh & Hwang, [15]). Yet no studies to date have explored the impact of responses to those negative reviews.

Consistent with prior studies, the specific outcomes of interest in the studies that follow are satisfaction with the product based on the review and attitude toward the company. Product satisfaction represents an affective assessment of the anticipated product usage situation (Westbrook & Oliver, [57]). In the scenarios used in the studies, satisfaction describes the respondents’ anticipated short-term emotions related to the focal product. Using satisfaction as a dependent variable to online reviews shows a path of attitudinal influence from one user to another.

Attitude toward the company represents an enduring assessment that tends to direct future behavioral intentions toward the company (Ajzen & Fishbein, [2]). While certainly not an inclusive collection of the possible company-related outcomes that could result from negative eWOM responses, this group signifies the consumer’s instant assessment, short-term intentions, longer-term appraisal, and persisting evaluation of the focal company.

2.2 Theoretical background

From a theoretical perspective, congruity theory (Osgood & Tannenbaum, [42]) highlights the unique dilemma raised by the varying responses to a negative review. This theory explains that when consumers receive contradictory messages, they feel pressure to reconcile those messages. A positive response to a negative online review from either another consumer or from the company itself could create that tension and cause the reader to expend cognitive effort to realign his/her position as evidenced by an attitudinal change (Osgood, Suci, &
Regarding the first research question, congruity theory helps to explain differential reactions by consumers based on the types of responses left by other consumers, employees of the focal company, or the company itself. While this theory helps to explain attitude change that can result from negative eWOM, it fails to explain which factors result in realignment in favor of the company and which factors produce realignment that is not advantageous to the company.

Congruity theory (Osgood & Tannenbaum, [42]) suggests that a company-positive response to a negative review will cause incongruence and should elicit more positive-attitude change than if no response to the negative review were posted. Additionally, a change in attitude could apply to more than just the product and impact attitude toward the information source (the reviewer or responder). Congruity theory also suggests that attitude toward the product and company will depend upon the source of information. Individuals learn categorization to help distinguish components of their social environment, such as putting members into in-group and out-group categorizations (Brewer, [10]). Categorizing the self and others into membership groups such as in-group and out-group helps individuals to reduce uncertainty (Hogg, [24]) and set behavioral expectations (Tajfel, [52]). Accordingly, reviews written by someone who is similar to the self are more persuasive than reviews written by someone dissimilar to the self (Naylor, Lamberton, & Norton, [39]). In the context of this study, consumers should see other consumers as similar to themselves and part of their in-group and the company as an out-group. An identified company employee should overlap both the in-group and out-group categories and fall in-between the two in terms of persuasiveness (Brewer, [10]). To the extent that the employee is seen to be speaking on behalf of the company, the employee represents the out-group.

As such, consumers will perceive similarity between themselves and the in-group (Stein, Hardyck, & Smith, [49]), causing them to feel more similarity with other consumers than with the company or company employee. This outcome is also predicted by social identity theory, which states that people will adopt in-group attitudes and behavior (Tajfel, [53], [52]; Tajfel & Turner, [54]), suggesting greater influence from postings by fellow consumers than those attributed to a company employee or the company itself. Thus:

H1 A consumer who reads a positive response left by another consumer to a negative online review will experience higher (a) product satisfaction, and (b) attitude toward the company than when finding no response, a response from a company employee, or a response from the company itself.

Purchase intentions, a consumer attitude often used as a proxy for actual behavior, refer to the likelihood that the shopper will buy the focal product. These intentions depend on the situation and context, and can change over time from purchase to purchase (Whitaker, [59]). It is well established in marketing literature that the theory of planned behavior can explain many consumer actions, among those, purchase intentions and actual purchase. The theory states that attitude leads to intent and, without further interference, intent leads to behavior (Ajzen, [1]). Therefore, it is predicted that in the context of negative online reviews, satisfaction (an attitudinal measure) and attitude toward the company will have a positive relationship with purchase intentions, suggesting:

H2 Both (a) satisfaction and (b) attitude toward the company have a positive relationship with purchase intentions.

When a consumption experience does not meet expectations, consumers spontaneously attribute blame and are more likely to take action against the party they deem responsible. One such action is posting negative reviews online (Yoon, [61]). Attribution theory posits that individuals will behave differently to a product failure depending upon who they feel is to blame (Bettman, [6]; Folkes, [18]). For example, prior research investigating product reviews that describe variance from expectations discovered that perceptions regarding the cause of the variance significantly influenced product evaluations (S. B. Park & Park, [44]). Not surprisingly, the
Researchers found that product evaluations were more likely to be less favorable when the variance was attributed to the product versus the reviewers. If the product failure can be attributed to the user (the original poster of negative eWOM in this case), there should be less blame directed at the company. When the company is at fault, attribution theory would suggest that an individual reading that review will look for restored justice and fairness (Andreassen, [56]). However, when fault is attributed to the company without any compensation for the error, lower attitudes should result. Thus:

H3 Failure attributed to the company will lead to (a) lower product satisfaction and (b) lower attitude toward the company than a response attributing the failure to the original poster, a neutral response, or no response at all.

Recent research suggests that the severity of a review, such as use of intense language or all caps, may increase review helpfulness and decrease attitude toward the product (Folse, Porter, Godbole, & Reynolds, [19]). However, no research has yet to investigate how a response to the original review may impact consumer perceptions. Congruity theory states that the more polarized incongruent judgments are, the greater the pressure the consumer feels to change judgment to reach congruity (Osgood & Tannenbaum, [42]). In other words, the more severe a negative review, the greater the gap of incongruence the reader of such a review will feel and the stronger the pull for a negative consumer response, or more formally:

H4 A consumer who reads a more severely worded negative review will experience (a) lower satisfaction and (b) lower attitude toward the company than when reading a mildly worded negative review.

Congruity theory makes several statements regarding attitude change based on a person’s original evaluation of a source, original evaluation of a concept, and pressure toward congruity (Osgood & Tannenbaum, [42]). However, congruity theory and literature pertaining to congruity theory do not discuss an order effect of polarizing judgments. For example, if a positive attitude toward an object is expressed and a trusted message source then gives a negative evaluation, would a reader’s subsequent change in attitude differ if the presentation order of attitude information was flipped? Current congruity theory research suggests that the order of presentation does not matter. In other words, a negative review followed by a neutral response should not see a greater difference in attitude change than a neutral review followed by a negative response. The current foundations of congruity theory suggest:

H5 The order of neutral and negative review/response does not impact the consumer’s satisfaction or attitude towards the company.

3 EXPERIMENT 1: IMPACT OF RESPONDER

The purpose of the experiment in Study 1 is to explore what type of response to a negative online review produces the most positive outcomes. Specifically, Study 1 focuses on who may be the best responder to a negative review. Congruity theory (Osgood & Tannenbaum, [42]) suggests that a positive response to a negative review should cause incongruence for the reader, and that discrepancy will impact a change in attitudes. The source of the information will play a part in that attitude change, and social identity theory (Hogg, [24]; Tajfel, [52]) suggests that the reader of reviews will align beliefs with the communicator most similar to the self (Naylor et al., [39]). Therefore, H1 suggests that a fellow consumer who positively responds to a negative review should facilitate the most positive outcomes for the company in regard to product satisfaction (H1a), attitude toward the company (H1b), and consequently purchase intentions (H2a & H2b).
3.1 Methods

3.1.1 Subjects and design
Study 1 utilizes a 1 (response) × 4 (responder) between subjects design. Participants (n = 118) were users of Amazon’s Mechanical Turk (Age_mean = 32.8). Participants were told they would be shown a product, a description of the product, and a review posted for the product. They were asked to read the product description and review, then proceed to answer the questions that followed. Participants were randomly given one of four scenarios that included a picture of a printer, a brief description of the printer, and then a negative product review. One control group received no further manipulation, while the three other groups saw a response to the negative review either from another consumer, a named employee of the company, or from the company itself (see Appendix A for scenarios shown to participants).

3.1.2 Measures
Participants responded to a series of multi-item Likert measures on a seven-point scale to capture product satisfaction, attitude toward the company, and purchase intentions. Measures, scale sources, and item reliabilities appear in Table 1. All scales had high reliabilities, and items were collapsed to create mean scores. Participants reported high realism for all scenarios, and the scenarios did not differ significantly in perceived realism (mean_response = 4.82; mean_customer = 4.91; mean_employee = 5.25; mean_company = 5.42; F(3, 114) = 0.83, p = ns). Participants were asked to select which type of response they saw to the negative review (i.e., no response, customer responded, employee responded, or company responded), and participants who missed this filter/manipulation check were not included in data analysis.

Common method bias was tested through Harman’s single factor test. All of the variables were loaded into an exploratory factor analysis (EFA) in SPSS software to examine the number of factors that emerged to account for variance. Because no single loading factor accounted for more than 50% of variance, common method bias was deemed not to be a factor in the analysis (Podsakoff, MacKenzie, Lee, & Podsakoff, 2003).

3.2 Results
Testing H1a confirms that a fellow consumer’s response to a negative review will produce higher product satisfaction toward the product than no response, a response from the employee, or a response from the company. A significant one-way analysis of variance (ANOVA), F (1, 117) = 5.84, p < 0.001, shows that the response groups do indeed differ, and pairwise comparisons indicate that the consumer response group (mean = 4.90) reported significantly greater product satisfaction than no response (mean = 3.29, p < 0.001), an employee response (mean = 3.69, p < .01), and a company response (mean = 3.77, p < 0.01). The no-response, employee-response, and company-response groups did not significantly differ from each other. H1a is supported.

Tests of H1b (attitude toward the company) show that the response groups significantly differ, F(1, 117) = 4.27, p < 0.01, though in an unexpected way. Pairwise comparisons show that the no-response condition (mean = 3.52) produced significantly lower attitudes toward the company than when another consumer responds (mean = 4.78, p < 0.01), an employee responds (mean = 4.69, p < 0.01), or the company itself responds (mean = 4.44, p < 0.05). Again, the three remaining response groups did not significantly differ from each other. H1b is not supported but significant relationships were found that are not inconsistent with congruity theory (see Table 2 and Figure 1).

H2 states that both satisfaction and attitude toward the company have a positive relationship with purchase intentions, which is supported through the data. Satisfaction shows a positive and significant relationship to purchase intentions (β = 0.40, t = 5.37, p < 0.001), as does attitude toward the company (β = 0.49, t = 6.56, p < 0.001). These results support H2, consistent with the theory of planned behavior.
TABLE 1 Measures, sources, and item reliabilities

<table>
<thead>
<tr>
<th>Measure</th>
<th>Items</th>
<th>Reliability Study 1/2/3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product satisfaction (Westbrook &amp; Oliver, 1991)</td>
<td>How satisfied are you with the printer based on this review?</td>
<td>0.98/0.98/0.97</td>
</tr>
<tr>
<td></td>
<td>• Displeased/pleased</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Very dissatisfied with/very satisfied with</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Unhappy with/happy with</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Bad value/good value</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Very unfavorable/very favorable</td>
<td></td>
</tr>
<tr>
<td>Attitude toward the company (Edell &amp; Burke, 1987; Mitchell &amp; Olson, 1981)</td>
<td>Please rate your attitude toward the company:</td>
<td>0.97/0.98/0.97</td>
</tr>
<tr>
<td></td>
<td>• Bad/good</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Dislike very much/like very much</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Unpleasant/pleasant</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Unfavorable/favorable</td>
<td></td>
</tr>
<tr>
<td>Purchase intentions (Mitchell, 1986)</td>
<td>• Not at all likely to buy/very likely to buy</td>
<td>NA</td>
</tr>
</tbody>
</table>

TABLE 2 Study 1 results for Hypothesis 1

<table>
<thead>
<tr>
<th>Variable</th>
<th>N</th>
<th>SD</th>
<th>No response mean</th>
<th>Consumer response mean</th>
<th>Employee response mean</th>
<th>Company response mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>118</td>
<td>1.48</td>
<td>28</td>
<td>22</td>
<td>32</td>
<td>36</td>
</tr>
<tr>
<td>Satisfaction: H1a</td>
<td>118</td>
<td>1.53</td>
<td>3.29***</td>
<td>4.90</td>
<td>3.69**</td>
<td>3.77**</td>
</tr>
<tr>
<td>Attitude toward the company: H1b</td>
<td>118</td>
<td>1.53</td>
<td>3.52</td>
<td>4.78**</td>
<td>4.69**</td>
<td>4.44*</td>
</tr>
</tbody>
</table>

Note. Bold values significantly differs from other responses at *p < 0.05, **p < 0.01, or ***p < 0.001.

3.3 Discussion

The findings of Study 1 reveal that when another consumer leaves a positive response to a negative review, readers’ product satisfaction is higher than when an employee or the company leaves a similar response. Product satisfaction is also higher when another consumer leaves a response than when no response at all is left. Each of these outcomes were hypothesized and support H1a. Inconsistent with the H1b, though, is the finding that any type of response has a more positive impact on readers’ attitude toward the company. These unexpected findings could be explained by the respondents’ perception that any response from the company represents that the company cares about managing their customers’ experiences and thus improves attitude toward the company, if not product satisfaction. The effort on behalf of the company likely signals the company’s willingness to earn back consumers’ good will.

The impact of responder also demonstrated a similar relationship with purchase intentions, with only the no-response group differing from the other response groups. When no response was left to a negative review, purchase intentions were significantly lower (M = 3.12) than those produced by a customer response (M = 4.41,
p < 0.01), an employee response (M = 3.78, p = 0.07), or a company response (M = 3.81, p = 0.056). No type of responder differed from the other types in regard to purchase intentions. Additionally, product satisfaction and attitude toward the company both have a positive relationship to purchase intentions, supporting H2 and the theory of planned behavior.

The findings of Study 1 suggest a company can most effectively manage product satisfaction by allowing other consumers to respond to a negative review. While not all hypotheses were supported as written, a fellow customer’s response was also shown to more positively impact attitude toward the company than no response at all. A post hoc test examined perceived credibility of responder as another mechanism that might explain why another consumer had the most influence (items included: The responder is likely to be trustworthy; I think this person is dependable; This person is likely to keep the promises they make to me; The responder is likely to be open in their dealings with me; and The responder seems sincere (Gupta, Yadav, & Varadarajan, 2009; α = 0.95). The results indicate that a consumer response (M = 5.01) is indeed perceived as more credible than an employee (M = 4.32; p = 0.05) or company (M = 4.15; p < 0.05) response. Employee and company responses did not differ from each other in this regard. The most immediately striking implication of this study may be that those companies that do not allow customers to respond to other customer’s negative reviews may be missing out on the best defense they have against negative reviews by not letting their loyal customers come to their defense.

FIGURE 1 Impact of responder

4 EXPERIMENT 2: IMPACT OF ATTRIBUTION

The results of Study 1 suggest that consumers may be the best responders to negative reviews in terms of mitigating the harmful impact of the eWOM. Now the research will explore how the content of the consumer’s response message may impact key outcome variables; specifically, the impact of blame attribution. Attribution theory suggests people will respond differently to a negative online review and a subsequent response depending upon who is to blame (Bettman, 1979; Folkes, 1984). H3 employs attribution theory in conjunction with congruity theory to suggest that when a response to a negative review blames the company, product satisfaction and attitude toward the company will be lower than when blame is attributed to the original poster, a neutral response is given, or no response is given.

4.1 Methods

4.1.1 Subjects and design
Study 2 is a 1 (response) × 4 (type of response) between subjects design. Participants (n = 177) were recruited from Amazon’s Mechanical Turk (Age mean = 30.58). Participants were told they would be shown a product, a description of the product, and a review posted for the product. The manipulations were similar to those described in Study 1. However, the participants either received no response to the negative review (control), a neutral response from another consumer (“There’s a how-to section on XYZ’s website on working with Yellow
Wireless Internet set up.”), a response from another consumer that blamed the original poster (“There’s a how-to section on XYZ’s website on working with Yellow Wireless Internet set up. Did you even bother to look at the setup instructions?”), or a response from another consumer that blamed the company (“There’s a how-to section on XYZ’s website on working with Yellow Wireless Internet set up. They didn’t even bother to include instructions with the printer.”). Scenarios are available in Appendix B. Participants were exposed to only one of the scenarios.

4.1.2 Measures
Following the scenario, participants responded to a series of multi-item Likert measures on a seven-point scale to capture product satisfaction, attitude toward the company, and purchase intentions. Measures, scale sources, and item reliabilities appear in Table 1. All scales had high reliabilities, and items were collapsed to create mean scores.

Participants again reported high realism for all scenarios, and the scenarios did not differ significantly in perceived realism: mean_{no response} = 5.00; mean_{neutral} = 5.36; mean_{customer blamed} = 5.52; mean_{company blamed} = 4.79; F(3, 98) = 1.15, p = ns. Participants were asked to identify the scenario they read (i.e., no response, neutral response, the customer was blamed in the response, or the company was blamed in the response), and participants who missed this filter/ manipulation check were not used in data analysis. Common method bias was tested as in Study 1, and no single factor accounted for more than 50% of variance; therefore, common method bias was not considered to be a factor in this analysis (Podsakoff et al., 2003).

4.2 Results
H3a predicted lower product satisfaction when the company is blamed for the reason a negative review was provided versus the other types of responses. A significant one-way ANOVA, F (3,172) = 9.82, p < 0.001, shows that the groups tested do differ. Pairwise comparisons show that when the company is blamed for the negative review, participants report lower satisfaction (M = 2.72) than when there is no response (M = 3.65, p < 0.01), a neutral response (M = 4.16, p < 0.001), or when the customer is blamed (M = 4.24, p < 0.001; see Table 3 and Figure 2). The other responses do not differ from each other. H3a is supported.

H3b predicted lower attitude toward the company when the company is blamed for the failure as opposed to blaming the original poster, a neutral response, or no response to the negative review. Again, the groups show significant differences, F (3,172) = 5.76, p < 0.001). When the company is blamed for the problem, participants report a significantly lower attitude toward the company (M = 3.26) than when there is no response (M = 3.65, p < 0.01), a neutral response (M = 4.16, p < 0.001), or when the blame is shifted to the consumer (M = 4.45, p < 0.001). The other responses do not differ from each other. H3b is supported (see Table 3 and Figure 2).

H2 states that both satisfaction and attitude toward the company have a positive relationship with purchase intentions, which is supported through the data. Satisfaction shows a positive and significant relationship with purchase intentions (β = 0.62, t = 6.16, p < 0.001), as does attitude toward the company (β = 0.24, t = 2.35, p < 0.05). These results again support H2 and further generalize the findings of Study 1.

TABLE 3 Study 2 results for Hypothesis 3

<table>
<thead>
<tr>
<th>Variable</th>
<th>N</th>
<th>SD</th>
<th>No response mean</th>
<th>Neutral response mean</th>
<th>Blame customer mean</th>
<th>Blame company mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>42</td>
<td>48</td>
<td>42</td>
<td>48</td>
<td>42</td>
<td>45</td>
</tr>
<tr>
<td>Satisfaction: H3a</td>
<td>137</td>
<td>1.56</td>
<td>3.65**</td>
<td>4.16***</td>
<td>4.24***</td>
<td>2.72</td>
</tr>
</tbody>
</table>
4.3 Discussion
When examining product satisfaction and attitude toward the company, the worst outcomes result when blame is attributed to the company as a follow up to an already posted negative review. This follow-up lends even more credence to the original poster’s negative claims against the company. The highest means were seen when the original poster was blamed for the issue that preceded the complaint, more so than a neutral response, or no response at all. Strategically, these findings have important implications for companies regarding the most effective reaction to negative reviews. Ultimately, companies want to ensure that a response left to a negative review does not further implicate the company as doing wrong. Even no response is better than the company being blamed subsequent to a negative review. Taken in conjunction with Study 1, the findings suggest that the best tactic for a company is to allow another customer to post a neutral (i.e., nonblaming) response to a negative review.

5 STUDY 3: GENERALIZABILITY OF RESPONSE TO NEGATIVE REVIEWS
In the final study, the authors seek to extend the generalizability of the findings by examining extraneous factors that could impact consumers’ perceptions related to negative eWOM. Specifically, the study considers the severity of the focal review and the potential order effects of positive versus negative reviews and responses. In other words, does an extremely negative review produce the same effects as the moderately negative instances previously tested, and does it matter if the consumer is primed with some positive reviews before seeing the negative review and response in question? The hypotheses state that a more severely worded review will lead to lower satisfaction and attitudinal results, but there should be no order effect.

5.1 Methods
5.1.1 Subjects and design
Study 3 was a 2 (severity of review) × 2 (placement of negative review) between subjects design. Participants (n = 91) were recruited from Amazon’s Mechanical Turk (Age\text{mean} = 32.84). They were told they would be shown a photo and description of a product and a review/response combination posted for the product. They were to read the description and review/response and then answer the questions that followed. Participants received one of four scenarios (available in Appendix C): (a) A harshly worded negative review (“Is garbage. Does not work with Yellow Wireless Internet set up. I am taking it back. I wasted my time. Won’t buy XYZ again.”) followed by a neutral consumer response (“There’s a how-to section on XYZ’s website on working with Yellow Wireless set up”); (b) A neutral consumer review followed by a harshly negative response (same as the previous scenario but with the review/response order reversed); (c) A mildly negative review (“I couldn’t get it to work with Yellow Wireless Internet set up.”) that was followed by a neutral consumer response; and (d) A neutral consumer review followed by a mildly negative response. A neutral consumer response/review was considered in light of Study 2’s findings that showed this sequence to result in the most beneficial attitudinal outcomes for the company. The results will demonstrate which actions will be most impactful and suggest boundary conditions regarding when a consumer response to a negative review is most effective. A significant main effect of severity will support H4, whereas nonsignificant results for the order main effect will support H5 and show the findings should hold regardless of the sequence of positive and negative reviews/responses.
5.1.2 Measures
Participants responded to a series of multi-item Likert measures on a seven-point scale to capture product satisfaction and attitude toward the company. Measures, scale sources, and item reliabilities appear in Table 1. All scales demonstrated high reliabilities, and items were collapsed to create mean scores. There was high realism reported for all scenarios, and the scenarios did not differ significantly in perceived realism: mean_{mildlast} = 5.26; mean_{severelast} = 5.28; mean_{mildfirst} = 6.22; mean_{severefirst} = 5.36; F (3, 87) = 2.49, p = ns. Again, participants were asked to select which scenario they had read, and those who missed this filter/manipulation check were not used in data analysis. Common method bias was tested as in Studies 1 and 2, and no single factor accounted for more than 50% of variance; therefore, common method bias was not considered to be a factor in this analysis (Podsakoff et al., 2003).

5.2 Results
Multivariate analysis of variance (MANOVA) was used to determine whether an interaction or main effects existed between the type of scenario and satisfaction or attitude toward the company. For satisfaction, no interaction effect is found, F (1,87) = 0.09, p = ns, but a main effect for severity of the review is evident. When examining only the severity of the negative review, a significant effect, F (1,87) = 6.08, p < 0.05, shows satisfaction is higher when the negative review is mild (M = 4.26) compared with highly negative (M = 3.59). The main effect for sequence, F (1,87) = 0.33, p = ns, does not exist. Attitude toward the company shows similar results with a nonsignificant interaction, F (1,87) = 0.04, p = ns, and nonsignificant main effect of sequence: F (1,87) = 0.76, p = ns. However, the main effect of severity is marginally significant: F (1,87) = 3.44, p = 0.067. When the negative review is mild, attitude toward the company (M = 4.42) is significantly higher than when the review is severely negative (M = 3.89). The results fully support H4a and H5 but only marginally support H4b.

We conducted a post study on 50 participants to examine if severity of the review impacts attribution perceptions. These 50 participants were given one of the four same scenarios as used in Study 3 and then asked on a seven-point Likert type scale about how severe the review was (The review was very harsh and the review was extremely negative) and who was to blame (The company was to blame for the problem and the customer was to blame for the problem). A regression analysis showed that severity of the review did not impact attribution perceptions: F (1,49) = 0.943, b = 0.127, p = 0.336.

5.3 Discussion
In examining peripheral factors that might impact consumers’ reactions to various responses to negative eWOM, Study 3 demonstrates that the previous findings hold regardless of the sequence of positive and negative responses. In this case, nonsignificant main effect findings indicate that regardless of the order in which a positive response appears, a positive response by a fellow consumer will minimize the impact of the negative information presented in regard to attitude toward the company and product satisfaction. This supports H5 and is consistent with congruity theory.

However, a more severely worded negative review does lower product satisfaction and attitude toward the company more so than a mildly negative review, supporting H4. This finding is consistent with congruity theory in that a more severe negative review causes a bigger incongruence gap that requires a greater attitude change to reach congruence. There is less chance then that consumer attitudes will shift enough to bridge the larger gap, and resultant attitudes are lower than if the consumer had read a mildly negative review.

5.4 General discussion
Overall, the findings of this study provide insights into the ways that companies can best manage negative online reviews by exploring the factors that influence consumer attitudes and behavioral intentions. Study 1 examines how consumers will respond to different responder types, demonstrating the most effective entity for
resolving incongruent attitudes produced by a negative review. When a fellow consumer posts a positive response to a negative review, product satisfaction is higher than when there is no response, a response from an employee of the company, or a response directly from the company. Study 1 also shows that any response is better than no response in terms of resultant consumer attitudes toward the company. Study 2 extends the first study by examining what type of positive consumer response produces the most positive consumer attitudes and behavioral intentions. The results indicate that negative consumer responses are greatest when blame is attributed to the company rather than to a post blaming the original poster, a neutral response, or no response. Contrary to Study 1, Study 2 shows that no response to a negative review can have better outcomes than a posted response. As companies have no way to ensure another user does not post a response that blames the company, companies should try to ensure that they respond to a negative review first and squelch the problem before another user responds with a blaming post. Lastly, Study 3 further examines situational impacts on positive responses to negative reviews. When a positive consumer response to a negative review is provided, the severity of the original review does differentially impact consumer attitude toward the company and product satisfaction. The sequence of a negative review (before or after a neutrally worded post) does not impact any of the focal outcomes, good news for the company who likely has little or no control over the order in which consumer comments are seen by other consumers. This study demonstrates that the findings of the previous studies are robust and therefore more generalizable.

While it may seem as if many of the findings of the reported studies are somewhat intuitive, the results of the three studies are impactful from both a theoretical and practical standpoint. There are many opinions regarding the way that a company should respond to a negative review, but no other empirical studies to date examine the influence of the inevitable follow-ups to these negative posts. Additionally, the results contribute to our understanding of both congruity theory and attribution theory. Congruity theory suggests that a person will attempt to align attitudes and create congruency when faced with opposing opinions (Osgood & Tannenbaum, 1955). Our findings establish that this is true in the context of online reviews, but then extend the implications of the theory to demonstrate that the order of incongruent judgments does not matter (e.g., positive or negative first). Similarly, the stronger the negative review, the less likely congruence can be reached, as is evident in study 3. Attribution theory, positing that consumers react differently depending upon who they feel is to blame for a failure, is also extended to include the party who attributes the blame. These findings suggest that consumer perception of the party who points a finger does indeed have a noticeable impact on the attribution of blame. In this case, the party most efficient in shifting blame from the company is a fellow consumer, perhaps due to assumed impartiality.

5.5 Managerial implications
Every company has detractors and the negative information they share about a company can disproportionately reach other consumers due to people’s tendency to more willingly share negative opinions. Smart marketers recognize that the first step to ensuring that those detractors do not overtake the voice of their supporters is to always be aware of what is being said about their company and products. The results of this study demonstrate that company managers should have a strategy in place to respond to negative online reviews directed at the company. To that end, the results of these three studies suggest appropriate strategies for doing so. While companies may be tempted to ignore a negative review altogether (Stevens et al., 2018), our findings demonstrate that any type of response (i.e., consumer, employee, or company) can yield more favorable outcomes than no response at all.

Companies do benefit when responding to negative reviews in that the damage of the criticism can be minimized. One possible route would be for company managers to recruit and train social media managers to respond to negative reviews with an apology and neutral response. However, the best solution is to allow other consumers to come to the company’s defense to ensure that the company is not blamed for a service or product
failure. While many companies are hesitant to allow other consumers to post review responses, this study suggests that these companies are missing out on a valuable line of defense created when an open review system allows consumers to interact with one another. However, companies should continue to diligently ensure that any negative review is answered somehow, even if the comment is only mildly negative and seemingly harmless, but especially if the review is severely negative as the severity of the review causes other consumers more difficulty in resolving the way that they feel about the product and the company itself.

Allowing other consumers to respond has the greatest positive influence in terms of responder type. The most proactive way to manage this type of response to negative reviews might be to follow the lead of those organizations that actively recruit and manage loyal customers to participate in online forums (Kemp, Childers, & Williams, 2012; McAlexander, Schouten, & Koenig, 2002). Companies such as Apple and Disney provide their loyal customers with information and even product that allows those customers to respond with facts when defending the company from online detractors (Fuggetta, 2012). These companies have managed to avoid the criticism that they are bribing consumers to write positive reviews by recruiting only those who are already heavy brand users or loyal customers (Fuggetta, 2012; James, 2013). Indeed, building an online community of advocates can be beneficial in that these loyal customers are not only likely to respond to a negative review, but also likely to shift blame away from the company as a means of defending it.

5.6 Limitations and future research
This study is not without limitations. The scenarios were limited to one type of product in one context. Future research could use another product category, or another online platform (i.e., company sponsored website vs. independent review website) to see if a differential impact exists. Future research could also examine other factors such as consumers’ involvement, if they are novice or expert, proportion of negative/positive reviews, the total number of reviews, hedonic versus utilitarian products, other differences in responder (i.e., a consumer paid by the company), level of the responding employee in company (consumer service representative vs. CEO), demographic differences in the responder (i.e., possible classification of in-group or out-group based on name), and change in attitude for subjects (i.e., to examine pre and postattitudes). Additionally, some of the variables measure intentions and not actual behavior (e.g., purchase intentions). Future research could examine actual purchase behavior as an outcome, rather than intentions.

Future research could also examine other variables that could help to better clarify these relationships. For example, source credibility theory (Hovland & Weiss, 1951) could be used to examine how the source of a message impacts negative online reviews, either by part of the original poster or the responder. Source credibility theory discusses how persuasive a source may be depending upon perceptions of credibility and trustworthiness (Berlo, Lemert, & Mertz, 1969; Hovland & Weiss, 1951). Some companies already use a special rating system for their consumer advocates, such as Yelp Elites; however, most companies do not use a consistent or formulaic method for rating consumers. Research examining the credibility and trustworthiness of consumer posts regarding a product would be a worthwhile endeavor resulting in practical implications on how to rate consumers and how to treat such a situation. Similarly, future studies could examine awareness of reviews as a variable, the total number of reviews, and the proportion of negative to positive reviews as these relate to a response to a review. As negative reviews hold more weight than positive reviews when it comes to influencing consumer attitudes, this study is important in furthering the understanding of eWOM and its ultimate impact on consumer decision-making.

REFERENCES


