

Guardians of Trust: How Review Platforms Can Fight Fakery and Build Consumer Trust

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\$10 We will provide a \$10 gift card **FOR FREE**
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How can a platform company... “infuse order”
(Williamson 2010) in the platform?



But what is trust?

“the belief that the review platform can be relied on to fulfill its future obligations, to provide accurate information, and to behave in a manner that will serve the consumer’s needs and long-term interests.”

... and how can it be built?

“Identity Disclosure”

Require reviewers to disclose their name, location, and picture



Perception that reviewer is genuine and believable (Ku et al. 2012; Melumad and Meyer 2020)

Cognitive shortcut to process information heuristically (Forman et al. 2008)



Privacy issues (Martin et al. 2017; Zhou, Lu, and Ding 2020)

Positivity biases (Deng et al. 2021)

Consumer liability

Can governance mechanisms substitute for Identity Disclosure?

Examples Identity Disclosure:

Identity Disclosure – Example from Yelp



Nicholas G. **Elite 2021**

Santa Ana, CA

 138  162  1065

     12/20/2021

 3 photos  1 check-in

Identity Disclosure may lead to legal actions against reviewers



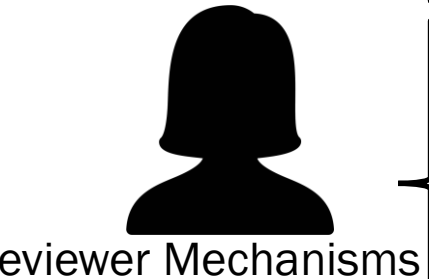
Identity Disclosure may lead to legal actions against reviewers



Identity Disclosure may lead to legal actions against reviewers



Governance Mechanisms

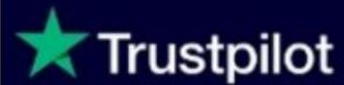



Theoretical Mechanism	Platform Action
Monitoring	Monitoring of authenticity of reviews (manually, algorithms)
Sanctioning	Public exposure of firms propagating fake reviews
Community building	Build community by connecting reviewers and consumers
Status endowment	Accord status to reviewers by awarding badges of credibility

Wuyts and Van den Bulte 2012 ; Grewal, Chakravarty, and Saini 2010; Heide and Wathne 2000; Heckathorn 1990; Obstfeld 2005; Bart, Shankar, Sultan, and Urban 2005; Hu and Van den Bulte 2014

Examples of Platforms' use of Governance Mechanisms

Monitoring – Example from Trustpilot



Menu 

Fighting fake reviews and misuse

We're using a strong combination of dedicated people and clever technology to protect our platform.

Our [customized fraud detection software](#) automatically detects suspicious reviews and removes fakes. We've spent years developing and fine-tuning the advanced algorithms and AI that form its foundation, and continue to invest heavily in this area. Our software is backed by [trained experts](#) to investigate reports of misuse.

Examples of Platforms' use of Governance Mechanisms

Exposure – Example from Yelp



Suspicious Review Activity

We have noticed suspicious review activity for this business. This sort of activity can take many forms, including when a number of positive reviews originate from the same IP address or when we've identified reviews resulting from a possible [deceptive review ring](#). Our [automated recommendation software](#) has taken this suspicious activity into account in choosing which reviews to display, but we wanted to call this to your attention because someone may be trying to artificially inflate the rating for this business.

Got it, thanks!

Examples of Platforms' use of Governance Mechanisms

Community Building – Example from TripAdvisor

The screenshot shows the TripAdvisor page for the Kimpton Hotel Monaco Pittsburgh. At the top, there are navigation links: "Kimpton Hotel Monaco Pittsburgh", "Visit hotel website", "COVID-19", "About", "Location", and "Review". Below these are three statistics: "1364 Reviews", "30 Q+A", and "100 Room tips". The main section is titled "Questions & Answers" with a "See all 30 questions" link and an "Ask a question" button. The first question is from user MandT1768, asking about parking costs. It has two answers: one from MandT1768 (self-answer) and one from Jill K.

Kimpton Hotel Monaco Pittsburgh [Visit hotel website](#) COVID-19 About Location **Review**

1364 Reviews 30 Q+A 100 Room tips

Questions & Answers

[See all 30 questions](#) [Ask a question](#)

MandT1768 asked a question Apr 2019
Latrobe, Pennsylvania • 18 contributions • 4 helpful votes

Is on site parking still \$38 if I do not want valet? I am spending one night.

Answer from MandT1768
May 2019 | 0 votes

Thanks for all answers. I ended up getting the valet and glad I did.

Answer from Jill K
Apr 2019 | 0 votes

We didn't have a car at the hotel. But I believe there is a garage across Sixth Avenue from the hotel where you can self-park. It's also pricey though I don't know how much. All downtown parking is

Examples of Platforms' use of Governance Mechanisms

Status Endowment – Example from Yelp



Morgan H. Elite 2021

Long Beach, CA

1234 1288 1988

9/22/2020

2 photos

The staff at Brody's was very hospitable to our large group which is can be hard when we need 9+ different checks for the group and w the parents. We have been out to eat at many places with this grou like it was at Brody's. We had a lot of requests and the entire restal and the manager still managed to deal with us! This restaurant has

Useful 26

Studies

- Study 1: Practices in use
- Study 2: Testing our theory
- Study 3: evaluate practices and content
- Study 4: establish process evidence
- Study 5: explore salience of practices to consumers

Study 1: Popular platforms use these mechanisms—to varying degrees

	Yelp	Edmunds	Trust-Pilot	Angi	Tripadvisor	Health-Grades	Good-Reads	Nextdoor	Glassdoor	Apartments.com
Monitoring										
Exposure										
Identity Disclosure										
Status										
Community										

The use of these mechanisms is associated with platform success

- Popular metrics to determine platform success
- More successful platforms use more of these mechanisms

Metric
Domain Authority **
Alexa Site Rank *
Backlinking Domains (log) †
Organic Traffic (log) †

** $p < .01$; * $p < .05$; † $p < .10$

Studies

- Study 1: Practices in use
- Study 2: Testing our theory
- Study 3: evaluate practices and content
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Study 2: Testing our theory

- Conjoint experiment (Consumer Lab)
- Platforms as “scenarios” described by 5 “attributes” with 2 “levels” each
- Fractional factorial design (half fraction of 2^5 design)
- 365 respondents evaluate 8 scenarios each: 2,920 trust ratings
- DV = trust in the platform (benevolence & competence trust)

Hypotheses

H1 – H3; Main effects

Mechanisms increase consumer trust in the platform

H4 – H5; Interaction effects

Firm and reviewer mechanisms decrease the positive effect of identity disclosure

Example of a Scenario

In evaluating this online review platform for purchasing a laptop, you notice the following about the platform, reviews, and reviewers. This platform:

1. does not communicate that it verifies the authenticity of reviews.
2. does not publicly expose firms propagating fake reviews.
3. requires reviewers to share their true full name, city and state, and recent picture.
4. does not award a badge of credibility to reviewers.
5. does not provide forums where consumers can interact with reviewers and ask about their experiences.

How much do you agree or disagree with the following statements about this review platform?

	Strongly disagree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree
I believe that this platform has my interests at heart.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I believe that this platform strives to present genuine reviews.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I believe that this platform is capable of policing fake reviews.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I trust this platform.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Random Effects OLS regression: Effects on platform trust

IV	Coef.
Monitoring	.489 **
Exposure	.344 **
Community Building	.264 **
Status Endowment	.317 **
Identity Disclosure (ID)	.210 **
ID * Monitoring	-.008
ID * Exposure	-.059 **
ID * Community	-.045 **
ID * Status	-.024 †
Age	-.141 **
Gender	-.067
Trust in reviews	.095 **

** p < .01; * p < .05; † p < .10

Study 2: Identity Disclosure Has Substitutes

- Identity disclosure is weaker at building trust than the other four mechanisms
- The weaker effect is likely due to positivity bias that enters when identities are known
 - Positivity bias likely results from discomfort with honestly sharing negative experiences
- Identity disclosure is weakened (by >75%) in the presence of the other mechanisms

Identity disclosure is not necessary in the presence of governance mechanisms

Key Takeaways from Research

- Legislation and rule updates are needed
- We advise review hosting platforms to adopt the four trust building mechanisms
- We advise selling firms to work with review platforms that have adopted these mechanisms
- We advise not to impose the practice of identity disclosure on reviewers, because even though it increases consumer trust, it also has some negative effects:
 1. Introduces biased responding
 2. Carries privacy risks for reviewers

Thank you.

Ben B. Beck



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Studies

- Study 1: Practices in use
- Study 2: test of hypotheses
- Study 3: evaluate practices and content
- Study 4: establish process evidence
- Study 5: explore salience of practices to consumers

Study 3: Practices vs Content Characteristics

Study 5 Results		
Variable	β	Z-statistic
Monitoring	0.454 ***	19.44
Exposure	0.352 ***	15.01
Community Building	0.189 ***	8.08
<i>Review Consistency</i>	0.160 ***	6.85
Status Endowment	0.154 ***	6.58
<i>Number of Reviews</i>	0.134 ***	5.72
Identity Disclosure	0.094 ***	4.01
<i>Display of Expertise</i>	0.085 ***	3.63
***p < .01, **p < .05, *p < .10., ^{ns} p > .10		