

**Strengthening the marketplace
through a
Consumer Protection Framework
for consumer online reviews**

2016



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Howard J. Deane, *Strengthening the marketplace through a Consumer Protection Framework for consumer online reviews*

Abstract

This research outlines harms to consumers from misleading, fraudulent, inauthentic and inappropriate reviews, what consumers can do to protect themselves, what business and government can do to ensure consumers' rights are protected, as well as provides input into the ISO Technical Committee on Online Reputation, and more specifically their International Working Group on Consumer Online Reviews.

Keywords: online reviews, consumer protection, advertising fraud

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I

Executive summary

Goal

The goal of this research, conducted for the Consumers Council of Canada, was to determine: within a consumer protection framework, the harms to consumers from misleading, fraudulent, inauthentic and inappropriate product and service online consumer reviews; what consumers can do to protect themselves; potential input to standards development; and what business and government can do to ensure consumers' rights are protected.

Background

Consumers increasingly rely on online consumer reviews as a rich source of information in making purchase decisions. A 2015 Nielsen report found that two-thirds of North American consumers trust consumer reviews, almost as much as recommendations from people they know. (Nielsen 2015). They recognize and value the considerable benefit from honestly stated, knowledgeable consumer opinions about products and services.

Not all initiatives of business to provide these reviews are seen as genuine efforts, as recent legal actions have given consumers evidence of unlawful actions to support distrust of reviews on some review sites. These legal actions included: The Competition Bureau of Canada in 2014 fining Bell Canada \$1,250,000 for encouraging certain employees to post reviews of a smartphone app without disclosing they worked for Bell. ([Competition Bureau 2014](#)). And, in 2015, Amazon sued through the courts and leveraged US federal consumer protection laws to stop 1,000 suppliers from producing false reviews. (Amazon 2015).

Conversely, many consumers are leveraging in useful ways their new power to review for a mass audience, but sometimes do so inappropriately, leading businesses to vociferously protect their brands and reputations. Small business has more difficulty coping with consumer reviews, particularly vindictive ones.

In one case, noted in Canadian Business, a Toronto contractor was faced with a very negative review on a well-done job. The client asked for \$1,000 to delete the review;

the contractor paid up. His response: “I live and die by my reviews. I can’t afford that kind of blemish to my reputation.” ([Canadian Business 2015](#))

Consumers need to be able to trust and find relevant reviews, even though many businesses treat them primarily as marketing and advertising. Businesses need to know consumers will act reasonably, and not extort through reviews. With better, clearer and more transparent business practices, necessary regulatory guidelines or controls, reputable standards and guidelines, online consumer reviews can become more trusted.

Methodology

This research focused on consumers’ and experts’ views on how consumers can be better served/protected in their use of consumer reviews. The research methodology consisted of an initial Environmental Scan & Literature Review and a survey of the Consumers Council of Canada’s Public Interest Network to determine general issues with these reviews and sites that host them. This work shaped the conduct of subsequent, professionally conducted focus groups and the development of key informant interviews. This research yielded information necessary to consider and construct a consumer protection framework for online consumer reviews.

Four focus groups, one conducted in French and one in English in Montreal and two conducted in English in Toronto, enabled gathering consumers’ perspectives of online consumer reviews. Key Informants from a range of stakeholders with in-depth knowledge about these reviews and the sites that host them were interviewed.

Analysis of the information identified business pressures and other sources of misleading reviews and the development of recommendations to business, regulators, standards organizations, and consumers.

Key findings

Consumer reviews are an instructive, not representative source of information

- Online consumer reviews do not reflect a normal distribution of overall consumer experience, because consumer reviewers tend to write about extreme experiences (very good or very bad), but not unexceptional experiences, unless solicited or provided an incentive to do so.
- ‘Top-ten’ rating systems may present a problem to consumers because the substance of the rating methodology is unknown or unclear. These systems will typically list the top ten businesses, sometimes without any guide to ranking method. Businesses with new products and services may be passed over by consumers simply because they have not been rated or reviewed.

Enforcement against fake reviews in Canada is sporadic

- Minimal enforcement exists in Canada against fake reviews, and reviewers with a conflict of interest (e.g. an employee) despite media attention for dishonest practices, and considerable evidence of the problem.

Consumers can misuse and misunderstand reviews, need tools to use them well, and may see them as a conversation with business

- Research indicates that consumers are ineffective at detecting false reviews. Consumers we consulted indicated a strong reliance on their “nose” or “gut feel” to detect and set aside false reviews. We conclude consumers may be overconfident they can ferret out false reviews.
- Consumers can be suspicious of large business’ intent in providing online reviews.
- Consumers we consulted largely believe that non-biased solicitation or nominal incentives do not significantly affect the nature of reviews, but do increase their likelihood to review.
- Consumers we consulted are concerned, and suspicious, about the quality and methods of moderation of review sites, particularly those of large businesses selling their own products. Some of those we consulted believe some businesses remove negative reviews indiscriminately, and that reviews by reviewers with a conflict of interest may be allowed undisclosed, or not seriously sought out for removal from review sites. They also express concern that reviews are not published quickly enough after submission.
- We found consumers want and use the ability to filter for comments about specific product or service features and to find reviewers like themselves.
- We found agreement among most consulted that consumers can be harmed by problematic online consumer reviews and review sites in many ways. Inadequate or improper information, or inadequate review site features can cause inappropriate purchase decisions. A negative review can damage relationships with sellers. Relying on other consumers where it may be advantageous to use better expert (for pay) review sites can cause poor decisions. Consumers may make unsafe use of a product because of something learned online. However, consumers who do not have access to or sufficient literacy to make use of the wealth of information online, including useful consumer reviews and other accurate product or service information, may be the most harmed and disadvantaged of all.
- Consumers consulted highly value responses by business to negative reviews, and the failure of business to do so can be especially problematic for small service businesses.

Canadian business, seeing an overall advantage, has largely tolerated being reviewed online but needs better hosting practices – small business concerned about reputation damage

- Ways exist for business to win consumers' trust and help them access relevant, useful information to support purchase decisions.
- Specific harms relating to businesses taking legal steps to restrain reviewers (non-disparagement) or making identifiable privacy missteps, appear to be rare, and less of an issue in Canada than elsewhere.

Consumer reviews create opportunities but new risks for small businesses ill-equipped to participate

- As more consumers rely more on online consumer reviews, they have gained the benefit of better purchase decisions, but also the ability to affect business, for better or worse. This behaviour can present a greater risk to small business. A consumer doing battle unfairly with a small business through an online review can both harm a business and degrade the value to consumers of online reviews.

Recommendations

For consumers

- Remember that most of the consumer reviews online may have been written by a fellow consumer in good faith, but sometimes they are collected and offered to you free of charge to whet your appetite to buy.
- Not all review sites are the same. It's important to understand the differing business models of review sites to understand the risks inherent in using each one. And like every other product, some review sites provide good service, others not.
- Use consumer reviews cautiously to support purchasing decisions. They can be a valuable resource, but consumers need well-developed critical skills to use them well. Relying upon 'gut feel' to judge the authenticity of a consumer review doesn't work.
- Don't rely on consumer reviews when you're in a hurry. Spend the time to get good information relevant to you. Use multiple sources. Make sure the reviews you rely upon reflect your own needs from a product or service. Use review site sorting and sifting tools to help find relevant reviews.
- If you're going to write a review, do a good job of it. Be fair and honest. Before you review, develop some experience with the product or service and then share how you uniquely use it. Protect your identity to protect your privacy.

For business

- It's true. If consumers haven't reviewed your product or service online, other consumers may pass you over when they make a purchasing decision.
- Don't get involved with hosting consumer reviews without presenting them honestly and fairly. Don't manipulate, forge or host forged reviews, to mislead or just to look reviewed, and expect to moderate reviews you host for authenticity. Don't let misconduct get your business in trouble with consumers and/or regulators. It could cost a lot.
- Respond openly and honestly to negative reviews.
- If you host reviews to sell products or services, use them to improve the line-up of products and services you offer. Consumers want products and services to improve because of the reviews they write. They don't want other consumers to be stuck with poor products. Tell consumers how their reviews helped you do a better job, and, again, be honest.
- Create consumer-centric entry pages for your customers, ensuring that you encourage and capture quality relevant information.
- Consider allowing consumers to search or sort reviews based on the expertise of the reviewer.
- Keep inducements to review modest and non-influential, except to encourage reviews helpful to consumers. If you are perceived to do otherwise, you may suffer brand damage.
- Make clear moderation policies, particularly for fake review detection and employee or other conflict of interests.
- Follow Canada's Personal Information Protection and Electronic Documents Act (PIPEDA) in the collection and use of consumers' personal information.

For standards organizations

- Large commercial organizations and well-funded publishers are developing sophisticated strategies concerning the offer of consumer reviews online. Small business is frequently at great competitive disadvantage in this respect. Small businesses often react badly and counter productively to consumer reviews. Small businesses would be significant beneficiaries of standards to help them quickly grasp responsibilities, opportunities and threats resulting from consumer reviews and hosting them. Standards made available for both accreditation and guidance purposes should be accessible to small businesses, and provide guidance not just around defined process but around issues and options, particularly around small business. They need to be flexible to accommodate not just a new technology environment, but a new economic

model, not unlike the Danish *Guidelines on Publication of User Reviews* (Danish Consumer Ombudsman 2015, 5) which notes: “Since these guidelines are issued for a new area which is developing fast in terms of technology, they will be gradually supplemented by best practice as and when experience is gained and the area develops.”

For regulators

- In many cases, the aggregate collection of online consumer reviews is a form of advertising. The intention of many seller review sites is to stoke the enthusiasm of consumers to buy products they are selling. Misleading information is still misleading information, no matter its authorship. And fake reviews should be treated as serious misrepresentation.
- Having an understanding of the business model of a review site – sometimes opaque to the public – is essential to determine whether the purpose of the site is advertising or just hosting the fair comment of consumers. Only regulators with investigatory powers may ever be able to discern the difference and protect consumers.
- Protect the marketplace by providing thorough, understandable guidance to the public about the legal and possibly illegal uses of consumer online reviews.
- In determining the reasonable bounds of what constitutes appropriate uses of consumer online reviews to create an advertising medium, consider the natural limits of consumers’ critical thinking skills, especially those with low literacy.

II

Introduction

The situation

Two new habits have emerged as fundamental to consumers' purchasing decisions: searching on the Internet and reading consumer reviews online.

Sites containing online consumer reviews, offered in conjunction with other product information and an ability to buy, may even be supplanting general search sites as consumers' go-to choice for due diligence ahead of a purchase.

For example, online retailer Amazon is emerging as Google's biggest competitor for the attention of consumers when they seek to learn about products.

Another case where offering consumer reviews and the ability to purchase in combination has become significant is through so-called sharing economy service providers, like Airbnb or Uber, and in other previously advice-driven areas like travel brokerage.

With more product research and purchasing shifting online and to sites providing reviews, a business can no longer risk having its offerings go unreviewed or unrated. Even a mediocre review is better than none.

This will come as no surprise to those familiar with the Cluetrain Manifesto, a 1999 work that examined the impact the Internet would have on marketing and claimed that conventional marketing techniques would be rendered obsolete by the online "conversations" that consumers have and companies should join. The manifesto contained principles that from the standpoint of today seem all of idyllic, inspirational, accomplished, abused and failed and, acting as a kind of 95 Commandments of Internet marketing, started a philosophical journey into consumerism as a grassroots, interactive, relationship-based form of public engagement online. The problems today in the consumer online review space demonstrate that inside the shiny promise of any new philosophy there are risks, not least of which is corruption.¹

The 21st Century consumer, a generation later, demands value, convenience, objectivity and breadth of information, offered through well-organized, easy-to-use and personally satisfying online services.

Trained by their casual use of social media, consumers are also sharing their

consumer experiences, especially bad ones and exceptionally good ones. They review to inform, punish and reward.

They recognize the considerable benefits they can derive from fair, careful, knowledgeable statements, opinions and ratings of authentic consumers. Consumers understand these efforts to have produced a rich source of information to consider when making purchase decisions. However, consumers do not view all efforts by business to provide consumer reviews as genuinely in their interests. Consumers are increasingly questioning and coming to distrust online reviews. The perception that the prevalence of false reviews is increasing leads consumers to distrust. Fear of deception costs them time, as they say they consider more and more information before buying. The considerable media reporting on false reviews further contributes to consumer cynicism. Reports of rigged reviews can affect the reputation of business in general.

Online consumer review systems/platforms are often used by retailers that wish to make as much money as they reasonably can, and used by consumers who are increasingly value focused. As with any transaction with a retailer, a consumer must evaluate online consumer reviews, and not just accept their utility at face value.

Consumers are leveraging their new power to both learn and comment in useful ways, but sometimes to seek inappropriate advantage over business. Some inappropriate use of review sites by consumers threatens businesses, but especially small ones with inadequate resources to respond constructively.

Some businesses treat consumer reviews as advertising and marketing, not properly considering how the reviewers or readers perceive this content. Consequently, and typically without much thought, some consumers may treat review sites as a form of advertising. Advertising standards and regulations and monitoring enforcement of them have not caught up with this new world of consumer-generated information used by business to market and sell.

Yet this power and potential does not come without its perils. Consumers are at once untrusting and too reliant on consumer reviews. Evidence suggests consumers are less able to detect those false reviews than they say. And many retailers aren't doing some easy things to reduce these perils.

Nevertheless, this combination of consumer-generated content, information transparency and retailers' realization of the mobile consumer and their specific needs may significantly benefit well-equipped and well-informed consumers.

Factors that led the Consumers Council of Canada to conduct this research

Several factors led the Council to conduct this research, including:

- Evidence collected from focus groups in prior Consumers Council of Canada research into retailers' smartphone apps that while consumers may consider online consumer reviews important, they often do not trust them.

- News media coverage of false reviews, and bad behaviour by both businesses and consumers.
- A lack of Canadian guidance in this area for business, with little significant market/industry attention drawn to the applicability of advertising regulatory guidelines.
- The creation by the French standards body, AFNOR, of a standard for Online Consumer Reviews, leading to the in-progress development of an ISO standard for online consumer reviews.²
- The rise of the use of mutual ratings by consumers and providers in the ‘sharing economy’ marketplace.
- Expressed concerns by small business about reputation damage, and the potential downstream consequences for consumers and the marketplace.
- Concern that some consumers may inordinately rely on reviews (real or fake) when making buying decisions.
- The increasing use of mobile devices to obtain product information and reviews while in-store to make decisions in a hurry.
- The risk of some consumers emerging as more vulnerable in the marketplace by virtue of lack of access, for whatever reasons, to the views of other consumers about business offerings.

The consumer interest

This research gives consumers, consumer protection groups, business, standards organizations and regulatory authorities information to assist them in:

- Increasing consumer, and business, trust in the online consumer review marketplace.
- Improving quality of consumer reviews in relevance and content.
- Increasing quantity of consumer reviews.
- Increasing consumers ability to assess reviews for relevance.
- Reducing false and misleading reviews.
- Making reviews more accessible by vulnerable individuals.
- Providing guidance during the development of the ISO standard on online consumer reviews.
- Decreasing bad consumer and business behaviour in the marketplace.
- Setting groundwork for better business processes.
- Educating consumers.
- Considering actions toward regulation or guidance regarding issues of consumer protection in this rapidly changing field.

Businesses require guidance in this area, as they risk damaged reputations from vindictively negative reviews of consumers, or from fake reviews produced by themselves

or competitors. In the absence of such standards or guidelines, they may more commonly take actions against consumers, or eliminate reviews at a time when consumers increasingly rely on them.

Provincial governments are looking at online consumer reviews, particularly fake ones, as an area of concern. This has been a topic of interest for the Ontario Ministry of Government and Consumer Services (OMGCS), for example.

Purchasing decisions based on false or incomplete information contributes to an inefficient, less-productive marketplace. The sooner inefficiencies and friction caused by inappropriate use of online consumer reviews are addressed systemically, the better.

Key questions list

The following were key questions this research sought to answer:

- What, in the context of consumer rights, are areas of potential harm or concern for consumers?
- What are the primary causes of misleading online reviews?
- What are the responsibilities of consumers in mitigating and managing these potential harms, and how can they protect their rights?
- What are the barriers and issues that businesses face causing them to fail in protecting consumers rights?
- What can businesses do to ensure the rights of consumers?
- What are relevant and useful inputs, and potential insights available to the standards development process?
- What can government, and regulatory bodies, do to help protect consumer rights?

III

Methodological overview

Literature review

The questions that constituted the objects of this research were described in the introduction. A literature review was conducted to help better define the scope of the research and to develop a fuller picture of the online consumer reviews marketplace. It helped identify the range of related issues related to the research topic and relevant to consumers. A broad background and view of the environment, drivers, issues, and industry players was developed. Knowing what is important to consumers is vital. Published reports, research papers, online consumer reviews websites, Internet sources, and media were examined. This yielded best practices information, international and regulatory background, and insights. This effort led to development of a Consumers Council of Canada Public Interest Network questionnaire and the focus group discussion and key informant interview guides.

Public Interest Network questionnaire

PIN participants form a national network of thoughtful, knowledgeable and engaged Canadian consumers. They volunteer to join the network and respond to surveys regarding consumer issues. Potential members self-select through the Council's website and complete a short questionnaire to provide basic demographic information.

They are interested consumers and frequently active at the community level; aware of or especially interested in consumer and public policy issues; often have been involved and have sometimes been influential in their communities of interest; and are more willing than most to express opinions and take a stand on issues.

The Council considers the views of PIN members based on the aforementioned context. This research does not represent the views of PIN members as being statistically representative of Canadians. PIN participants may be more educated with higher incomes than the general Canadian population. As active, aware, critical and informed consumers, PIN participants may offer insights into issues and future trends emerging among Canadian consumers. The Council considers consulting PIN members by questionnaire a helpful starting point for assessing consumer protection problems and their solutions.

Focus groups

Focus groups can help to obtain insights into consumer perceptions and behaviour. Participation and interaction in a group setting provides information as participants make connections with others and their comments. A skilled facilitator can extract views in ways that cannot be done with surveys or questionnaires. Key to focus groups is the understanding of participants' reactions to others and learnings through the duration of the focus group. Focus groups are commonly used to gather evidence about consumer attitudes and points of view concerning opportunities for improvement, causes of problems and responses to them.

Key informant interviews

Key informant interviews are used to obtain a variety of perspectives and sources of expertise, insight and evidence in a subject area. A diverse group of stakeholders were sought out about misleading online reviews, options for industry to improve, international guidelines, good and bad business practices, and industry specific information. The interviews were necessary to collect evidence and insights regarding consumer risks and protections, and thoughts about options for recommendations to business, standards, government and consumers. The focus of the interviews for the research was to ensure multiple and fair perspectives on the subject matter. One person conducted all interviews.

Consumer protection framework

The research was directed toward the development by the consultant researchers of a Consumer Protection Framework – recommendations, presented as sets of simple matrices, to consumers, business, standards organizations and government stated in relationship to internationally recognized consumer rights and responsibilities based on what was learned through the research about online consumer reviews, sites that host them and the ways consumers and business use and view these reviews and sites.

IV

Research

Findings from the literature review

Scope description

The literature review for this research focused primarily on issues of consumer behaviour, literacy, prevalence of and problems caused by misleading reviews, and international public policy and regulatory enforcement efforts. The benefits of online consumer reviews, the large degree to which they are used and relied upon, and the extent of their use by business is well known. We do not opine on the soundness of methodologies of the various research papers in our review, accepting and citing their findings and recommendations as claimed.

Goals

A goal of the literature review was to identify issues and obtain background information to help shape the PIN questionnaire, focus group and key informant guides, and expand understanding of relevant consumer behaviour and the issues with misleading reviews. The literature review identified and considered published sources to provide context to underpin this report's recommendations about what consumers can do to help themselves, and how business, standards organizations and regulators can play their roles in protecting consumers' rights.

Summary

Choice

The post 20th Century literature on how choice affects consumers recognizes its benefits but warns of the pitfalls of too much choice. While a reasonable amount of choice is good, "too much" choice is not. (Iyengar & Lepper 2000) It can pose evaluative difficulties for a consumer. (Soman 2013) Choice can cause decision paralysis, leading to less confident decision-making, or no decision. (Schwarz 2004).

Factors that influence consumers

Consumers use online consumer reviews to a significant extent, particularly when shopping online. Consumers find these reviews useful, overcoming at times a significant degree of distrust in the moderation of reviews. The literature review about influences on

consumers focused on factors related to how consumers trust and find personal relevance.

A research study designed to identify factors that influence the effectiveness of online consumer reviews on consumers' perceptions, noted they observed "findings that are inconsistent or even contradictory." (Montazemi & Qahri-Saremi 2014)

Schepper's (2015) study of Dutch consumers found that review quality, valence (the direction of a review – positive or negative), quantity, timeliness and source credibility all have a significant effect on consumer behaviour. Vacations are the product type on which these have the most effect, and groceries the least.

Zou, Yu & Has (2011) found that the effect of valence is more important for those with low expertise than high expertise. Ahsby, Walasek, & Glockner (2015) found that consumers pay attention to ratings based on frequency, however, attention to positive and negative reviews is related to subjective evaluation. Hamilton, Vohs, and McGill (2014) found that wording can be important. Negative opinions are often heeded more when couched politely. The dis-preferred marker effect can increase the credibility and likability of the reviewer. Dis-preferred markers are polite phrases that typically modify negative comments, such as "I'll be honest", "Don't get me wrong...".

In Mudambi & Schuff (2010) it was found that review extremity and review depth have an effect. For experiential goods (e.g. movies, restaurants, books) reviews with extremes are less helpful than the moderate reviews, and for search products (tangible product as opposed to a service or experiential good) review depth has a greater effect on the consumer's view of helpfulness. It was also found that depth and length of a review is important to helpfulness.

In research by Chevalier & Mayzlin (2006) they found that positive reviews (for two major bookstore retailers) outnumbered negative reviews. However, negative reviews were said to have a bigger impact on helpfulness. Furthermore, for book reviews, text is found to be more impactful than summary statistics. Blal & Sturman (2014) found in their research that volume of reviews and valence have a direct effect on hotel room sales. Valence has a greater effect on consumers' choice in luxury hotels, and volume has a greater effect in the lower tier.

In Schindler's (2012) research study of online consumer reviews, moderate review length of positive statements were found to be helpful. Factual product information and reviewer information also proved helpful. Bad grammar was associated with less helpful reviews. Humour and expressive slang, however, were associated with more valuable reviews.

In research conducted for the Harvard Business School Luca (2011) found that how consumers respond to consumer reviews can vary by industry or product or service. In this study of Yelp reviews it was found readers often use only part of the available information, specifically the rounded ratings, and respond to quality changes that are most visible. In the case of restaurants, volume and identification of reviewer's 'elite' status is important, but

not the number of a reviewer's friends.

In Elwalda & Lu (2014) it was found that many factors affect consumers, but not all in the same way, and that more factors can have an affect and that more variables need to be considered.

A survey of Italian restaurant goers found they primarily consulted TripAdvisor to avoid bad experiences and reassure themselves about their choice of restaurant. It was found TripAdvisor plays a more significant role providing a quality check for restaurant goers than as a traffic builder for restaurants. The two biggest factors are volume and rating. This research led to a conclusion that the credibility of reviewers and trustworthiness of reviews had less of an effect on purchasing decisions than has been concluded in other similar research (Savini 2014).

Kronrod & Danziger (2013) found that conversational norms have a critical role in “interpreting and creating user generated content”. Figurative language (for instance metaphor) in consumer reviews leads to more favourable attitudes in hedonic (relating to pleasure) consumption contexts, but not when dealing with utilitarian consumption contexts.

Bae & Lee (2011) found that product type can moderate perception of review source and credibility. For experiential products consumers prefer consumer-led sites, and an online community was perceived to be the most credible.

Park & Kim’s (2008) research into the effect of prior consumer knowledge found that such knowledge of the retailer, the product or the discipline affect how a review is received and valued. In examining the effect of expertise on online consumer review consumers, it was found: “Consumers with different levels of expertise prefer different types of review messages.” Would-be buyers with more expertise are more likely to buy based on expert reviews. But novice would-be buyers, people with less expertise themselves about what they are buying, are more likely to purchase a highly reviewed product or service. For novices “the number of reviews can be a peripheral cue to show product popularity and many advantages of a product”. They suggested rather than different review formats, that a filter be allowed to segregate reviews by experts and those by novices.

In Chatterjee (2001) it was found that familiarity with a retailer can reduce the impact of negative reviews and consequently consumers seek less information. Furthermore, in Chen (2015) it was found that consumers with higher membership (levels of online shopping experience and experience with the product) have a higher probability to receive information but a lower probability to accept it.

False reviews

There is little debate that there are many false reviews online presented as real. There are many estimates of the number or share of reviews that are false. However, for our purposes the more important questions are: What are the factors that cause or influence the

prevalence of false reviews? Can humans detect them well? How good are organizations at detecting them? Some key research studies were examined.

In a review of Yelp, Luca & Georgios (2014) it was found that 16 per cent of the Yelp reviews are false, that false reviews tend to be more extreme in both positive and negative valence, that a restaurant is more likely to commit review fraud when it has weak reputation, and increased competition increases the likelihood of false reviews.

In a Cornell University study it was found that overall "deception spam" is growing, but at different rates across different review communities. And, instructively, when measures are taken to detect (e.g. tougher to post a review for a new reviewer), false reviews decline. (Ott, Cardie & Hancock 2012)

Furthermore, this can be done well in an automated fashion by organizations. (Ott et al 2015)

Another Cornell study found human judgement is poorly calibrated to detect deceptive opinion spam. "It is clear from the results that humans are not good at it. Most of whom perform roughly by chance." (Ott, Choi, Cardie & Hancock 2011)

In Canadian research by Option consommateurs (2012) focusing primarily on the practice of astroturfing, a method of faking reviews, it was found that flogging and astroturfing is widespread, used by major companies, can be difficult to detect and is governed by few laws to combat it (those relating to false and misleading advertising). Authorities have no formal monitoring and enforcement processes in place, and there was no directly relevant jurisprudence. They recommended implementation of what became the CASL legislation (S.C. 2010, c. 23) and regulations, but which do not apply now to astroturfing. (Option consommateurs 2012)

In research conducted for the Sloan Management Review, it was found that reviews are systematically and easily manipulated, and that in some cases social influence bias (our herd instinct) can increase ratings by 25 per cent, causing positive ratings to have more effect than negative, a finding in contradiction to other research. (Aral 2014)

Consumer literacy

Literature on literacy was considered to determine whether consumers have the qualitative, quantitative, critical thinking and synthesizing skills required to analyze potentially unfiltered and subjective information.

"People are reluctant to adopt positive behaviours because of biased beliefs, complexity of choice, self-control problems, and perceptual errors." (Soman 2013)

Soman (2013) recommends the need for better decision-making skills, a broader framing of problems and self-control on the part of the consumer.

The Canadian Literacy and Learning Network (CLLN) notes that of working age Canadians, 14 per cent find basic literacy difficult, and with more complex materials more than 27 per cent more of them struggle. In research conducted for the CLLN, it was found

that many adults with low literacy skills think they have better skills than they do, and this results in overconfidence, causing them to not improve these skills as perhaps they should. (State of the Literacy and Essential Skills Field, CLLN 2012)

Enforcement

The UK Advertising Standards Authority in 2012 ordered TripAdvisor to stop saying that all their reviews were genuine, on the basis that they could not prove it.

In 2013 the New York Attorney General fined for “astroturfing” 19 companies and websites that carried their problematic reviews, such as Yelp and Google Local.

The Italian Competition Authority fined TripAdvisor 500,000 euros in 2014 for lack of clarity in real versus ad-type reviews.

A French court in 2014 imposed a fine on a customer review website regarding fake reviews that were published.

In 2014, Canada’s Competition Bureau fined Bell Canada \$1.25 million for similar activities. In that case, employees had been encouraged to submit reviews for Bell mobile apps.

In 2015, Amazon sued more than 1,000 of its suppliers/sellers who had fake product reviews on their sites, targeting in particular fiverr.com. Amazon used US federal consumer protection laws and breach of contract to bring action against the suppliers. Essentially, the reviews were looked upon as commercial speech governed under advertising and general consumer protection laws.

In research for a European Consumer Organization it was found that two sets of actions could solve many consumer issues dealing with e-commerce and online retailers:

- Better communication of shoppers’ rights and traders’ responsibilities – to increase awareness, empower consumers and offer guidance to retailers to help them understand their legal responsibilities.
- Better monitoring and enforcement of legislation – to improve the service offered by online retailers by identifying and taking action against those traders that fail to comply with EU law.” (Hunter & Wilson 2015)

Writing reviews

Who writes a review? “In most online communities, 90 per cent of users are ‘lurkers’ who never contribute, 9 per cent of users contribute a little, and 1 per cent of users account for almost all the action.” (Nielsen 2006) “...if you're a consumer trying to find out which restaurant to patronize or what books to buy, online reviews represent only a tiny minority of the people who have experiences with those products and services.” (Nielsen 2006) Suggestions about how to gather more reviews included: “Make it easier to contribute. Make participation a side effect. Edit, don't create by modifying existing templates. Reward, but don't over reward, participants. Promote quality contributors.” (Nielsen 2006)

In preliminary research conducted by the Higher School of Economics in Russia, an

analysis of existing topologies, including Nielsen's 90 per cent, 9 per cent, 1 per cent 'rule', suggested that for social media there is no existing, generally accepted user classification or specific collaboration platform participant rate. However, the typology they developed as an original collaboration platform typology had percentages similar to the 90-9-1 rule of Nielsen's. (Bezzubtseva & Ignatov 2013)

International / public policy development

Standards

France's standards body, AFNOR, released standard NF Z 74-501 in July 2013 setting out requirements for the collection, moderation and display of online consumer reviews in France. The AFNOR standard was developed as a strict standard, particularly in response to the increasing number of false reviews and the resultant decreasing level of trust in France of such review sites.

France intends to move to an international standard, and is participating in ISO's work to develop one. Improvements it sees based on its experience with its initial standard are being incorporated into the international standard through ISO.

ISO Technical Committee 290 on Online Reputation is drafting a standard for online consumer reviews. Canada, China and several European countries have committed to development. Consumer groups, academics, industry associations, travel organizations, standards organizations, and platform providers are participating in developing a draft of the standard expected to be released in 2017. Canada has provided several working group members, including the Convener and Secretariat, from the arenas of review site platforms, academia, consumer groups and standards.

The resulting standard will provide a certifiable standard in this field of uncertainty that will cross borders and organization size and nature – with demand and involvement coming from standards organizations, business and consumers.

UK Competition and Markets Authority

The UK Competition and Markets Authority (CMA) in 2015 released a call for information, having found that online reviews are useful, but risky, to consumers. After receiving the responses, the CMA provided advice for businesses on online reviews and endorsements. The focus was on prevention of the writing of fake reviews, do's and don'ts for business in giving a balanced picture, and drawing attention to the consumer protection regulations.

Australian Competition & Consumer Commission

In 2013, the Australian Competition & Consumer Commission produced guidelines for business and review platforms. (ACCC 2013) For review platforms, the Commission addressed disclosure, detecting fake reviews, incentivized reviews, legal issues, poor moderation practices, and dealing with reviewed businesses. For reviewed businesses, they addressed biased reviews, incentivized reviews, and false negative reviews. (ACCC

2013)

United States

In 2009, the US Federal Trade Commission released guidelines regarding endorsements and testimonials, treating them as advertising material. (FTC 2009) But the vast majority of consumer reviews are not considered to be testimonials as there is not a material connection between advertiser and the consumer making the testimonial. (FTC 2015)

There is currently pending legislation, one bill from the House of Representatives (*Consumer Review Fairness Act*), and one from the Senate (*Consumer Review Freedom Act*). They both effectively invalidate contracts that impede consumer reviews, proposing to disallow penalization of consumers who post negative reviews.

Denmark

In 2015, the Danish Ombudsman published *Guidelines on Publication of User Reviews* (Denmark 2015) over concerns of lack of reliability, which could result in a consumer "making a purchase decision on a false basis." The guidelines are to set up requirements regarding the Danish *Marketing Practices Act*. (Denmark 2013). Interestingly, the ombudsman notes that, given the advancing speed of the area, it is expected that the guidelines will be supplanted by best practice. The guidelines do not cover review sites managed by the retailer or seller of the products being reviewed. Also excluded are professional user reviews. The guidelines are similar to those of the structure of the French AFNOR online consumer review standard.

ICPEN

The International Consumer Protection and Enforcement Network released in June 2016 *Guidelines on Online Reviews and Endorsements for Review Administrators, Traders & Market Professionals, and Digital Influencers*. (ICPEN 2016) The principles for Review Administrators are most relevant:

- “be equal and fair in the collection of reviews;
- be alert and proactive in the moderation of reviews; and
- be transparent in the publication of reviews.”

Findings from the InTouch conference

Scope description

The Consumers Council of Canada organized a conference “[In Touch with e-Consumer Protection](#)”, held on November 4, 2015, at the St. Andrew’s Club and Conference Centre in Toronto, to create a timely opportunity for thought leaders in the private, public and not-for-profit sectors to discuss existing and emerging trends and consumer protection in e-commerce.

Goals

The conference explored how business, consumers and government can create consumer confidence in e-commerce in many areas, including the area of online consumer reviews. The good and bad resulting from online consumer reviews – for consumers, business and fair competition – was discussed.

Summary

Presenters stated that changing e-commerce, offering more information and new ways to make decisions, brings a new framework and expanded choice to consumers; and that this raises concerns for some that it won't bring some expected benefits and will bring risks:

“It is only good if it doesn't change the way consumers make decisions, but I think that it does change. ... but I think I'm convinced that it does fundamentally change the way in which people make decisions.” (Dilip Soman)

The concern was expressed that transparency of the objectiveness, intent and source of the essence of product information wasn't what it should be and that overconfidence may prevail:

“Looking at mechanisms where the transparency of what is brought to the fore in a very explicit way I think is increasingly important. You're better equipped as a consumer to know what [your] buck is going for. In a lot of cases there's a lot of artful time and effort spent on making sure you don't.” (Michael Jenkin)

“ people are becoming way more confident than they should be simply because they always are connected.” (Soman)

And that they may follow the advice of those less expert or insightful than expected:

“Other people like me” is the dominant driver – do we have the clueless leading the clueless? When asked what is the greatest influence, people say other people like me.” (Soman)

Findings from the Public Interest Network questionnaire

Scope description

The Consumers Council of Canada's Public Interest Network (PIN) was consulted in the initial stages of this research to help determine the questions to be asked later of consumer focus groups, another methodology used for this research. The PIN survey identified an initial set of issues to be explored. 367 PIN participants were offered an opportunity to respond to nine open-ended questions. 50 responded. This is a common level of response, as PIN participants often self-qualify themselves for participation based on their interest or their own confidence in being able to offer useful views.³

Goals

The PIN is expected to offer informed and motivated views from individuals with an understanding of consumer protection issues or motivated by the issue under study. The goal is not to obtain a representative public opinion sample, but to gain initial insight into the issue area, to supplement and sometimes incite other research. Questions of the PIN

focused on the risks for consumers using online consumer reviews, how consumers, business, standards and government can mitigate those risks, how to encourage more and better reviews, and examples, in the opinion of PIN participants, of good and bad review sites and features.

Summary of responses

Most PIN participants felt that online consumer reviews cannot be trusted at face value, for many reasons. Significant concern was expressed that these reviews lead consumers to make decisions based on false information and that, as a result, consumers might not get the service or product they expect.

The most often stated concern about online consumer reviews was that they are easily fabricated. Many respondents feared companies routinely pay for positive reviews and that competitors or dissatisfied customers may post mostly unfairly negative reviews. A problem of “polarization” of views was cited as one outcome of the online consumer review environment, with many expressing the view that those motivated to provide extreme views (positive and negative) may be most prepared to invest time authoring and posting a review.

Some PIN participants identified misleading, incomplete and stale-dated information found within online consumer reviews to be a problem.

PIN participants cited the difficulties that exist with validating or authenticating a reviewer, and suggested that efforts to do so considerably boost review credibility.

In an apparent paradox, given participants’ wariness of the quality of many online reviews, most still felt access to these reviews – particularly dependable ones – was preferred to not having them. The appearance of paradox disappeared as participants’ reasoning emerged. They expressed concerns about needing to rely only on product and service advertising to perform their due diligence in a purchase decision. They feared that without the information consumers share with each other through online consumer reviews they would get less value from their purchases or make inappropriate choices. They did not expect to learn in advance about the flaws in products and services or the compromises attendant their choices without information sources, like reviews, sourced independently of sellers. They also believe that by having more information they could sift good from bad.

An overwhelming consensus existed among participants that consumers require multiple sources of information to support many decisions where choice is available. They felt consumers should not just rely on the anecdotal views about products and services offered by friends and family. They expressed that consumers should plan to use more than one source of reviews, including carefully developed, published reviews (*Consumer Reports* was cited as an example) or blogs, where the reviewer appears to demonstrate well-developed critical thinking, in addition to direct knowledge of friends, family and other contacts

having *direct experience* with a product or service. They suggested consumers should read both good and bad reviews, and give thought to trends in endorsement or criticism they could find among diverse sources.

When reviews include ratings, PIN participants felt it was important to understand the basis of a review site's weighting methodology used to produce simplified scores of performance or consumer satisfaction. It was felt review dates and locations were helpful.

When consulted about the role of product and service providers and sellers in providing online reviews, many participants said they preferred independent review sites. Where reviews were offered by sellers, they preferred reviews from verified purchasers. (An example cited was Amazon's "Verified Purchaser" feature.)

Many felt that businesses could not be trusted to display all negative reviews of their products, to handle personal information collected from reviewers appropriately, or to ban false reviews.

However, it was thought companies that solicit and present reviews online about their own products and services should make reasonable efforts to respond to them, to address the specific concerns of a reviewer. They felt companies should not pay for reviews or create false reviews. The view was expressed that the basis or algorithms behind ratings calculations should be transparent to consumers. A minority of participants suggested the need for a certification process as a path toward creating more trustworthy reviews and to ensure reviews are authentic.

Participants were mixed in their responses about what government could do to protect consumers who use online consumer reviews. Most leaned to government assuming a role as educator. There was doubt expressed that regulators could accept the responsibility for ensuring the quality of consumer-generated online reviews. However, it was felt the government should ensure false advertising laws are enforced, which could involve protecting consumers from certain "false" reviews generated by businesses. However, some participants said that even this level of enforcement ranges from difficult to impossible for government to monitor and enforce.

Some said Canada's Competition Bureau, the federal agency responsible nationally for assuring business competition, should clarify what is expected of businesses/advertisers and reviewers/bloggers in terms of disclosure.

Some felt sites with *manipulated reviews* could be quickly identified and that government should focus on the basics of safety, clear labelling, price transparency, truth in advertising and general consumer protection.

To get more reviews by consumers, many PIN participants suggested an incentive to write a review (positive or negative). Examples of an incentive included a modest product discount or coupon. Nonetheless, some suggested direct solicitation of reviews, or incentives, could contribute to the production of biased reviews. They cautioned against

harassing consumers with e-mail to provide reviews. A common view was that a consumer might be asked once to review a product or service, with an assurance the reviewer's contact information would not be used for advertising.

The suggestion was made that reviews could be made better and easier to offer, through thoughtful use of input forms. They also suggested that quality review providers should educate not only about how to write a review but also why consumers should voice their opinions.

PIN participants expressed the view that the information most useful to consumers is other consumers' articulations of the pros and cons based on actual experience. Other helpful information was:

- When and why the product was purchased.
- Answers to multiple-choice questions rating specific product features.
- A reviewer's level or experience with the product or service
- Contextual information about the consumer
- Open-ended comments

Specific questions such as 'would you buy it again' or 'would you recommend it to friends/family' were considered useful by some PIN participants.

Regarding independent review sites (TripAdvisor, *Consumer Reports*) vs. manufacturers' or retailers' review sites, and among views expressed about the benefits of verified or authenticated reviewers and their history of reviews, some interesting ideas emerged. It was suggested that reviewers could be prompted within a time frame (eg. six months) to update their review with revised or new comments.

Travel review sites (TripAdvisor, Airbnb, Hotels.com, Bookings.com) were mentioned most often, followed by Amazon, as especially relevant for consideration. A few well-known 'bricks and mortar' retailers were mentioned (Best Buy, Home Depot, Canadian Tire) and online retailers such as eBay, LandsEnd, Marks & Spencer, and iTunes were highlighted. Among independent review sites, participants mentioned Yelp, UrbanSpoon, *Consumer Reports*, RateMDs and various technology related sites (PCMag, MacWorld).

Participants particularly valued the practices of what were considered expert reviewers at *Consumer Reports*.

The features of online consumer review sites identified as most useful were:

- High volume of reviews
- Verification of purchaser
- Positive and negative reviews
- Date of review, the more recent typically the better
- Independent sources – reviews on sites other than the retailers
- Pictures of items reviewed, as taken by real consumers not advertising agencies
- Review rating by other consumers – for instance a Thumbs Up or Thumbs Down

Retail sites and vendor sites were thought to have a smaller number of reviews and to be less trustworthy for that reason.

Participants felt hotel and restaurant aggregator review sites offered fake reviews. It was mentioned that some Yelp reviewers resort to name calling.

The consensus view of PIN participants was that too many review sites cannot be trusted, particularly those run by big business.⁴

Findings from the focus groups

Scope description

Consumers in Toronto and Montreal were asked to participate in focus groups to provide views on online consumer reviews. The focus groups were constructed and then conducted on December 3 and 5, 2015 in Toronto and Montreal with the assistance of Research House and Environics. Participants were selected considering the variety and frequency of reading and writing reviews, and also the products and services for which they read reviews. As well, participants were screened to achieve a gender, income and age mix. The two Toronto focus groups were conducted in English, and in Montreal one was conducted in English and one in French. Focus group participants were asked about their levels of awareness of online consumer reviews and their concerns about them. Much of the time in sessions focused on how to improve the online consumer review environment and to get more and better consumer reviews. Focus group participants were encouraged to share their experiences and insights.

Goals

The goal of the questions and discussion topics engaged by the focus groups included seeking out:⁵

- General thoughts about online consumer reviews
- Views about good and bad consumer review sites
- Features of use
- Concerns about sites, generally or specifically
- Returning goods after reading reviews
- Level and nature of trust and reliance in online consumer reviews
- Ways in which personal relevance is found in reviews, and how “real” reviews are determined
- Knowledge of online consumer review controversies, and enforcement actions
- Why and how often they write reviews, as well as how and when they are solicited or invited to write reviews
- How to get more and better reviews written
- Their views on a sample of review sites trust mechanisms

- Bad behaviour by reviewers or review sites
- View about other issues that emerged

Summary of responses

A number of general observations may be made. Initially participants referred to their experiences using fairly mainstream, well-known web sites that include consumer reviews – travel sites like TripAdvisor, auction sites like eBay and online retailers like Amazon. They expressed their interest in sites offering consumers special deals. But then the conversation would segue to talking about specific restaurant, movie and book sites. Virtually every participant would and could mention some specific site related to their particular interests. They referred to a wide range, including examples as diverse as mountain biking, drumming, yo-yos and cosmetics. Some said online reviews have replaced magazines as part of their due diligence when shopping, though some still rely upon them. “The written word has always been a lot more believable, because it is not as easy as something posted on the Internet.” However, this came stated in the context: “It’s a natural thing to want to get as much information about something as possible.”

All participants reported frequenting the sites of prominent retailers in Canada like Canadian Tire, Home Depot and Best Buy. Google emerged as a typically identified source of online consumer reviews, in addition to its role as search engine.

Many Montreal participants discussed specific local sites, often offered in French.

Notably, respondents did not commonly first mention expert product review sites, like *Consumer Reports*. Yelp was mentioned by some, but by few, rarely unprompted. Service review sites like Homestars and Angie’s List were sometimes mentioned as being used and trusted.

Generally speaking, participants disliked sites requiring subscriber registration, with associated fears expressed that turning over their personal information would lead to spam e-mail or ‘junk’ mail.

When considering the quality of sites as a whole for providing consumer online reviews, concerns centred around:

- Having enough reviews
- Inexpert reviewers who provided misleading information
- Reviews skewed very negatively or positively
- Inability to gauge the context of the reviewer and how that might effect the relevance of the review
- False reviews, resulting from a variety of causes (paid fakes, friends helping friends, retaliation, etc.)
- Biased reviews by employees
- Companies removing negative reviews
- Factual and complete product information was sometimes understood to be the

responsibility of the review site, if not a specific reviewer

Participants commonly highlighted the following limitations of too many review sites:

- Limited advanced search (including search refinement) and filtering that provided review and product or service characteristics
- Absence of easy comparability of other reviewers' recommendations
- Limited comparisons to other similar products

Also mentioned as welcomed, frequently missing features were:

- Easy identification of 'local' products and service providers
- Pictures, and to some extent video, to help identify false reviews
- Pros and cons by individual reviewers,
- Knowledge about the backgrounds of the reviewers and their purchase history of other items, considering buying habits as revealing context about the reviewer
- Opportunities for businesses to respond to the reviews to give their side of the story.

Some participants reported using Facebook to evaluate the authenticity, credibility or trustworthiness of an individual reviewer. The use of Facebook to qualify reviewers may be a natural evolution.

One of the more surprising observations is how many participants said they judged the trustworthiness of an online review or review site based on their 'gut' feeling. As one said: "Feel ... and you just know it ... you can spot it from a mile away." This "feel" of trustworthiness often comes down to judgments centred on intangible characteristics of the review, such as a writer's choice of words, whether they both praise and criticize a product, or whether the reviewer's expression of thought seems somehow natural rather than perfected or aligns with a reader's own experiences. Participants claimed to try to discern statements "too good to be true."

Participants raised the point that their use of reviews varied with the cost of the product or service, and that more sources would be consulted before making a major purchase. Sources many participants considered more reliable, like family and friends, were mentioned.

In general there was low overall awareness of news media reports about sites hosting false reviews. They were unaware specific Canadian companies had been pursued by authorities, such as Canada's Competition Bureau, and found to be involved in publishing false reviews. They hadn't heard of colloquial jargon like "astroturfing," the practice of masking the sponsors of a message or organization to make it appear as though it originates from and is supported by a grassroots participant(s), and expressed little surprise at such practises. Some suggested news media should prolong reporting on these instances of enforcement, so more people would become aware of them. Others said they would participate in such a practice for their employer if they believed in the offering their employer provided.

Why consumers read reviews

Consumers' responses in the focus groups engaged a wide array of uses for online reviews to make decisions that address:

Wants (the aspirational)

Collecting information about their personal enthusiasms, and the range of areas of interest cited included:

- Food as art, unique restaurants
- Furniture as art
- The 'art' of the cool device or tool, including clever gadgets, beautifully crafted bicycles, neat apps, high-performance recreational outdoor equipment, all 'the toys'
- Travel for pleasure
- Fashion, pleasure, sports, marriage
- Music for listening
- Musical instruments for enjoyment
- Books read for pleasure or interest
- Movies for pleasure or interest
- Doting on the pets

Needs (the essential)

Collecting information somehow essential in daily life, and the range of areas of interest cited included:

- Food nutrition and affordability
- Assessing the performance of tools used in daily life and work, from computers, to cellphones, to the ride of choice to work, etc.
- Travel for work or to meet other important obligations
- Household appliances, from equipment for the laundry room and kitchen to air compressors
- Furniture essentials
- Clothing and shoes for essential uses
- Books related to personal or professional work
- Musical 'tools' and instruments for work
- Caring for the pets and working animals
- Product safety
- Product utility

Discovering value

Many reviews sought by consumers are not just about products and services but discussions of methods to accomplish things, such as:

- Price comparison
- Determining range of choice and the scope of competition

- Finding a deal, examples being things like identifying 'bespoke boxes' for the fashion conscious.
- Solving a problem
- Achieving a goal (e.g. great recipes)

Why reviews get written

Many reasons for why reviews get written were expressed, summarized as follows:

- Rewards to write them (although some expressed the concern that being rewarded "might sway me more to give some kind of bogus review just to get the rewards or discount.") Participants reported regularly being solicited to write reviews of their experiences by merchants. However, they also pointed out their time is valuable and some kind of reward should exist for them to take time in writing a review.
- Exceptionally good, delightful experience and wish to further reward the provider, in particular a potentially needy one.
- An experience that has angered the reviewer, even made them wish to share a warning as a service to the public. The problem triggers concern for the well-being of others.
- Enjoyment of sharing experiences with others with similar interests.
- Narcissistic sharing, reviewer wants to demonstrate their personal worth or knowledge.
- Narcissistic hating, reviewer's personality problem.

What gets consumers reviewing more

Participants were clear about how to get them to review. They said this requires solicitation, incentivizing, ease of input, and a commitment that information provided would not be used for spam or marketing. More specifically:

- Offer explicit rewards. They don't have to be large.
- Easier, quick and structured input that uses a consumer's time efficiently but feels meaningful.
- The option for the reviewer to communicate in an unstructured way and at length
Don't box in the volunteer reviewer's response.
- Enable consumers to update their reviews.
- Protect their privacy.
- Protect reviewers against retaliation.

Elements of a better review or review site

Participants were clear about what makes a better online reviews site. In general, sites must host lots of reviews with a reasonable distribution of positive and negative ones, allow for easy filtering and reviewer profiling and clear ratings. Reviews must be well written with strong content. More specifically:

- Contextualize reviewers. Help consumers to a clear understanding of the reviewer and their own purchasing habits and behaviour as a reviewer.
- Special services that accurately assist decision-making based on personal aesthetics (e.g. skin tone).
- Let readers of reviews stay anonymous to all.
- Ability to discern local and global perspectives.
- Don't filter out negative review.
- Put the 'haters' in perspective.
- Work towards a representative sample of reviews.
- Show meaningful relationships between good or bad reviews and actual purchasing behaviour and try to offer accurate explanations for them.
- 'Best buy' ratings of various kinds can be helpful, if well contextualized and documented as per methodology.

Individual Reviews

- Attributes in producing the review commonly associated with 'professionalism'.
- The reviewer contextualizes their own purchasing habits. For example: Someone who usually frequents five-star hotels may harshly judge a good but less-well-appointed one. The impact of class consciousness or overriding expectations needs to be discernible.
- Offer a dispassionately expressed critique.
- The reviewer should truthfully and faithfully share how they used the product/service and their level of experience or skill with it.
- Doesn't undeservedly damn a product or service for a single deficiency unless it's truly critical to the use or enjoyment of the product or service.
- Review summarization (bullet point, pros and cons).

Findings from the key informant interviews

Scope description

The key informants for the research's round of interviews were primarily drawn from among platform builders, managers of online consumer review sites, standards organizations, and those with consumer protection experience. Most had strong knowledge about online consumer reviews in their area of experience.⁶

Goals

Key informants addressed questions related to five key areas of the research:

- Benefits of online reviews for consumers
- Potential areas of harm from reviews
- Comments on current issues on ratings and false reviews
- The roles business, government and standards can play in protecting consumers and

their use of reviews

- Getting consumers to write more and better reviews
- Issues and barriers for businesses in the online review arena

Summary

Benefits of online consumer reviews

The key informants were generally of the view that online consumer reviews significantly benefit consumers and that consumers are aware of this. Through these comments and opinions consumers gain trust and insights necessary to make better purchasing decisions, particularly when a valuable/meaningful purchase is at stake.

“What (the consumer) want(s) is an objective reliability.” (Lewis)

Most key informants felt consumers both see and can experience benefits from online consumer reviews in many ways. Consumers speaking to consumers was viewed as a positive development for both business and consumers.

The following benefits were identified:

Impetus for change

Consumer reviews can identify product problems before a business does. It can improve business behaviour because “a business knows it goes public if they do something wrong.” (Hunter)

“Consumers writing reviews are important because they are driving improvement and positive change and that’s good for consumers.” (Hunter)

Consumers gain trust in their own decisions

They noted that consumers want to make decisions they can trust. Online consumer reviews contribute to consumers feeling they can trust themselves. “It’s really about gaining trust from knowing your fellow consumers’ perspective and understanding what they are saying.” (Perrin) Consumers are looking for the validation of others in order to act on their wants and needs. “It’s too much of a leap into the unknown if you are buying something without knowing what other people [think] about it.” (Hunter)

Consumers gain from having their views matter in the marketplace

“Spreading the word’ to others might have a knock-on effect, where people are deterred from using a particular company or service after hearing about another person’s bad experience.” (Hunter)

Consumers’ participation leads to better information

They believed that consumers are having something to say about the quality of reviews, as a service itself, and driving improvement, through both their positive and negative participation. “Consumers have quite specific expectations towards online reviews, so they understand the potential benefits, but also the risks, related to bad practices: studies conducted in France show that the trust of Internet users towards online reviews is still

high, but tended to erode before the publication of the French standard.” (del Taglia)

“They are really interested in the insights we can generate, which come only from quality reviews, reviews over a minimum number of characters that you can analyze and understand.” (Perrin)

Some harms created by online consumer reviews

The key informants identified the following as harms resulting from online consumer reviews:

Inappropriate or misled decisions

The most common harm identified was inappropriate or misled decision-making. The risks of harm most cited were judging based on star ratings rather than reading detailed comments and considering their context. “The majority will just look for (the) star rating, ... look for ... four and a half's out of five. And maybe read a couple of comments.” (Perrin) Consumers who read reviews, especially without caution or adequate due diligence, may be overconfident about their decision. “That’s the thing about [referring to] just a rating: Maybe that product is totally unsuitable for you, but you look at it and see that it has a five-star review, so you buy it. You can pick up a lot of detail in the comments that isn't detailed in the rating.” (Hunter)

Using reviews as a substitute for seeing the product

As more consumers rely on reviews when making online purchases without seeing a product, they may end up having to return it. (Johnson)

Consumer reviewers faced with threats

Consumers who comment publicly on a company may be faced with bullying or harassment by a company, which may have unequal resources. Some may use bullying and harassment as a strategy for warding off negative reviews. (Peterson)

Why consumers write

Key informants commonly stated that consumers write about both positive and negative purchase experiences, but commented more often about negative ones. “It is the nature of consumer reviews; it definitely leans towards the negative.” (Sagman)

While some noted noble intent or altruism as a motivation for consumer reviews (Harkness), many noted some consumers have less positive intentions, and are exploiting a change they perceive in the balance of power between themselves and business. (Hunter) Several key informants cited knowledge of consumers exploiting a better deal with the business, typically a hotel, relying upon the spectre of an unjustified (or even justified) bad review. (Del Taglia) Although, this was perceived to be a declining phenomena among consumers. (Heine)

Another key informant noted that consumers should take responsibility and write reviews to improve the product or service, rather than just continuing a product or service

with which they are dissatisfied.

One noted that consumers complain online in hopes a transaction problem they have will be fixed, but others review to fix the product or service going forward. They do it expecting results and have been rewarded. “A TV got bad reviews because of a very sticky factory sticker on the screen in the factory. Fixed it. The ratings went up.” (Hunter)

Given the volume of consumer complaints easily witnessed online, one key informant suggested companies should retain impartial third parties to distill the problem and recommendations from reviewers’ narratives and consider them to improve their competitiveness.

Some key informants said consumers ought to value the idea of Elite status reviewers (e.g. Yelp), but they felt such initiatives may be increasingly seen as simply a loyalty scheme for rewarding site visits.

Writing more and better reviews

Most key informants felt getting better reviews as a result of the efforts of consumers alone would be difficult, the issues being that there are significant tradeoffs, disagreement about what is “better”, and that it is difficult to make writing good reviews easy for consumers.

Getting more reviews reflecting average performance in detail, rich in context and content, is up against “human complacency” (Lewis) and is affected by the vagaries of differing industries and their myriad products and services. Many noted that reviews need to be easier to input and “easier to navigate”. (Harkness).

“A challenge [exists] to find the balance between the usability of the site, the easiness to give a review and (maintain) the credibility of the review.” (Scheibel)

“On one side [consumers] want to get more reviews and evidence and on the other hand they want to have a better structured review, so they can analyze. It's an interesting trade-off, actually.” (Liu)

Some noted the inclusion of “pros and cons”, ratings on individual aspects of a product or service. It was noted that a structured form could make it even easier and more economical to generate fake reviews, especially when only a star rating is used and no text input is necessary. (Liu)

Many suggested that providing clear guidelines on what a good review entails would encourage reviewers and help readers develop expectations about what to look for in a good quality review.

To get more reviews, most key informants suggested just asking for them, and that offering a token incentive, such as a discount on a future purchase, might provide encouragement to some.

Multiple key informants suggested providing demonstrations of the benefit of writing reviews or, possibly, displaying prominently a section “you told us this, so we did that” so

consumers see a point to writing reviews. (Lewis)

However, being too prescriptive can lead consumers away from providing a review. “When we find that there are regulations and guidelines, where they say you have to provide detailed descriptions of your buying experience, it’s not a good thing.” (Heine)

Finally, one noted that consumers will not write reviews if they are fearful of doing so. (Hunter)

Difficulties for business

Key informants said difficulties for businesses relate primarily to pressure to participate, fear of reputation damage, lack of knowledge and resources (particularly for small business), exploitative consumers, complexities in dealing with specific industries or products/services, and difficulties in responding to negative reviews. Businesses face the challenge that just as they once could, to their own advantage, count on consumers’ time costs to resolve problems as a buffer against providing redress, consumers can now almost instantly provide a business with a reputation problem, which experienced one-to-one would be minor, but spread across a marketplace of consumers can be serious.

Suddenly small things may matter as much to businesses as they once did to an individual consumer. Consumers now sometimes review, rather than complain to a business in ways that might resolve a problem without negative public impact on the company. (Candito)

Product and services marketing has long depended on customer endorsements. However, sites that feature endorsements without a means to provide reviews do not seem modern. (Del Taglia) This takes back for consumers some of the ability for a company to control the presentation of its ‘brand’ to the marketplace.

“Companies feel they need positive reviews to get business, particularly for new products or services. They’re not even looking for high reviews – just any reviews. ... 67 per cent of consumers say they will only buy a product if there is a review.” (Hunter)

Key informants observe that nearly all larger organizations have a self-managed review site. Many smaller ones do not have the same presence in reviews. They feel the competitive pressure to be reviewed, in order to gather information to respond to market concerns they may not know about and to generate website visits necessary to collect sales leads.

Key informants suggested that businesses, especially small businesses, want to protect themselves from damage to reputation. They may seek retribution for bad reviews. An example was cited of a hotel that put an unauthorized charge on the credit card of a negative reviewer. (Lewis)

Some were concerned consumers will exploit the “balance of power”. More than one key informant indicated feeling this was a serious concern, more harmful potentially than business manipulation of reviews. (Friedman) Some described consumer behaviour as “extortion”.

Several key informants noted the potential damage to an organization from a negative review, deserved or not, and sometimes caused by inappropriate consumer behaviour. In some cases, criticism in social media can be disproportionately damaging. Multiple key informants said having a popular brand provides protection against some negative reviews.

One independent review site executive noted that organizations believe they can have negative reviews removed, if they sign up as a customer, but it's not true. Reputable review sites do not do this. Some businesses sense they have no control over or opportunity to respond to reviews about them. (Del Taglia) (Hunter)

Services and reviews about them are more complex for businesses to deal with than products, as the providers and the services are less well defined, understandings of performance may be more subjective, and service offerings may evolve quickly or imperceptibly over time. "Are two reviews on the same restaurant really about the same service, if a meal was taken at noon and another at night, or at a distance of a few weeks?" (Del Taglia)

Virtually all key informants noted a business response to criticism is important. They note that consumers recognize that business makes mistakes, and look for the product or service provider's response to being held accountable for them. One business owner claimed to respond to every single review. Participating in reviews "is not just a marketing exercise. It is a conversation." (Dubot)

We heard that business can get defensive when a complaint is made. Businesses should focus on resolving the issue calmly. (Sagman) Typically businesses should seek an opportunity to fix things and demonstrate they listen. It was noted that such a response takes time, knowledge and resources and "business needs guidelines about how to respond to these reviews", particularly small business. "A complaint is a gift. That's how business should see it." (Hunter)

We heard that some small businesses are slower to adopt technology and do not necessarily have the resources or the knowledge to participate in the world of online reviews. A concern was expressed that small business owners may "overreact" to a negative review, not having the process or experience or knowledge in place to deal with it constructively. Many noted the need for education of small business owners, particularly those new to technology. "One bad review for IBM isn't the same as one bad review for a small hotel." (Lewis)

It was noted that for small businesses to benefit competitively from consumers' positive reviews, and for consumers to learn about competent small businesses products and services, they have to be reviewed. "If you start small, you can grow quite bigger. It doesn't have to be an expensive process. Ask people to go do it on Google or Bing. ... At the very least send e-mails to people saying you can write a review." (Dubot)

Many businesses, our informants said, may focus on protection of their marketing/sales

and not the consumer – this may be misguided. It's not a long-term solution. Engagement with the consumer is necessary to get good online reviews and build trust. Some go the route of creating false reviews, but one informant notes: "Cheating is not an option".

(Dubot) Getting critical reviews removed will not be an easy option. (Heine)

Many informants noted that transparency is a must-have feature of review sites seeking to achieve the confidence of consumers and business. "Third-party review sites need to let consumers know who they are and what they do." (Johnson). The need for moderation rules and processes to be understood were cited. Fewer false reviews should make it online, but sentiments were mixed among the informants about whether this was possible, even when concerted efforts to do so are made.

Business protection of consumers

Key informants had much to share about how businesses can help protect consumers in the online reviews space.

Key areas of initiative cited were:

- to increase the volume of reviews – "lots of reviews" (del Taglia).
- actively detect and remove false reviews.
- increase and improve the verification of purchasers.
- increase trust through more consistent and transparent moderation processes.
- increase transparency of ownership of review sites
- improve the ease of writing reviews.
- augment features for "sorting and sifting" (del Taglia) when reading and understanding reviews.
- observe comments that result from reviews – do not ignore them.

Review sites can adopt standards of integrity and explain them to users. They can submit their performance for independent audit against these standards and make public the results. (Del Taglia)

Several informants noted that organizations that ask for customer feedback publicly should expect to respond to it individually and publicly. They need a workflow process within their organization to take action on complaints and resolve them. (Dubot) Such flows of information create an opportunity for continuous improvement and training within the organization. (Harkness)

We heard that organizations need to be nimble and responsive. It will help to know the common offers of redress for common problems. And it is important to look within criticism for gaps between consumer expectations and what the actual product or service delivers, so consumer expectations will be set properly in the future. The consumer who doesn't choose a service because they correctly identify it will not meet their needs is not an opportunity lost, any more than they are a problem and potential source of lost reputation.

It was noted that reviews should not be presented without reflecting the impact of material changes on their relevance. One informant cited how the relevance of restaurant reviews can be affected by changes in ownership or kitchen staff, both of which can be frequent. (Scheibel)

Finally, we heard that review sites can provide contextual information influential in understanding reviews that the consumer reviewer may not, such as the demographics (e.g. location, age) at which a product or service may be targeted. Likewise, they can attempt to organize or tag reviews based on demographic criteria that will help readers consider them in proper context (e.g. recency of review, experience with use of the product or service, frequency of reviewer's participation, tendency to review negatively or positively, etc.). (Chiswell) (Heine) (Hunter) (Scheibel)

What can government do?

There were a variety and range of views on actions to be taken by governments, but in essence they are summed up by one key informant as "promote good practice and punish the bad." (del Taglia) They should investigate areas of concern, noted many. Multiple key informants noted that industry will need to regulate themselves if they want to remain competitive. They did note that regulators should continue enforcement of typical advertising, fraud and other criminal activities. As well, government should promote education of business and consumers on good practice and advertise the penalties for bad behaviour. There was no significant push for active regulation specifically for online consumer reviews. One expressed a concern that attention gets focused on a review site having a problem when it is typically a third-party business or a consumer, not the site/business hosting the review, that most commonly provides a false review. It was noted that consumers are not necessarily aware of regulations.

One key informant noted governmental bodies like the US Federal Trade Commission and the UK's Competition and Markets Authority should "foster a culture of not soliciting reviews", and reduce the pressure on consumers to provide positive reviews. (Lowe)

There was support for enforcement of existing laws and informing reviewers of what would be considered improper commercial conduct, when they cross the line to obtaining or seeking inducements to supply a misleading review intended to advance a seller's pecuniary interest.

They suggested re-familiarizing the public with their speech responsibilities under libel, slander and defamation versus their right to fair comment (and what it takes to mount a defence of fair comment).

One noted that her concern is that many consumers' rights are left to the consumer to pursue and may be rights about which they are unaware.

One senior member of the Competition Bureau noted that they "are looking very seriously for instances of astroturfing", and "that it is an important area" for them, as they had fined

Bell Canada for the practice in late 2014.

“Organizations like Homestars and Amazon have to earn consumers' trust and regulate themselves. To be trusted they have to take action. If they don't regulate themselves and continue to build technology to protect the consumer then they are going to suffer.” (Peterson)

What can be accomplished through standards?

The benefit of a standard was noted by most informants. One noted the need to deal with both the business and consumer, and not just confront bad behaviour by business, as consumers can be abusive towards business using online consumer reviews. Some saw the need for a standard – in place of regulation – given the difficulty of regulating “shared economy” type processes. A standard can be used to return trust to the consumer, given that the prevalence of false reviews and moderation issues was the key point of many informants. Standards are international and less hampered by country differences. One noted the importance of standards, given their impact on shaping public policy. Standards are sometimes incorporated into regulation by reference, and may be referred to in civil law cases.

Advertising and competition regulations

Advertising guidelines

Clause 7 of *The Canadian Code of Advertising Standards* (the Code) states: “Testimonials, endorsements or other representations of opinion or preference must reflect the genuine, reasonably current opinion of the individual(s), group or organization making such representations, must be based upon adequate information about or experience with the identified product or service and must not otherwise be deceptive.” In a further interpretation they require clear and prominent disclosure of any material connection between the reviewer and the business, which would include an employee or owner.

The Code references the US Federal Trade Commission’s *Endorsement Guides* for examples of disclosure which includes disclosing receipt of free products, because “Knowing that reviewers got the product they reviewed for free would probably affect the weight your customers give to the reviews, even if you didn’t intend for that to happen.” (FTC 2015)

Competition law

Under Section 52 of Canada’s *Competition Act* any business interest is prohibited from making knowingly or recklessly “a representation to the public, that is false or misleading in a material respect”. It further provides that the “general impression conveyed by a representation” shall also be taken into account in this determination. This is the criminal provision.

Paragraph 74.01 (1) (a) prohibits false or misleading representations, and being a civil provision, does not require a demonstration of anyone being misled or deceived. It was under this provision that Bell Canada was penalized for “astroturfing”.

V

Framework discussion

The comments in this framework discussion do not necessarily extend to the behaviour of all consumers, or business. Comments regarding consumers are based on those from the literature review, the PIN survey, the four focus groups and the interviews with the key informants to this research, and reflect their views, from which have been drawn insights and conclusions, in coming to findings and recommendations.

Reviews and review services described

The literature review and key informant interviews provided the basis for a description of what is meant by an 'online consumer review' and categories and attributes of the service models for delivering online consumer reviews to the public.

What's an online review?

An online consumer review is a review of a product or service *by a consumer, not necessarily the purchaser*, based on usage or consumption and including a rating on an appropriate scale, included with reviews from other consumers. It may be solicited or incentivized. It can appear on a site controlled, or not, by the product or service provider. It is typically available to the public, will have a numeric rating, will typically have narrative expressions of information and views, and may be moderated to some extent.

Common features of review sites

Review sites have a multitude of features they can offer to assist a reader in evaluating a purchase. Features from a user's point of view typically relate to interface tools intended to assist in composing a review or in sorting, sifting and searching the site's content to display relevant information.

Features for composing reviews include structured forms guiding people through information to provide, guidelines on writing good reviews, and the ability to include more than just a rating. Content such as significant text, pictures, and videos may be accepted. As well, some systems have some ratings allowing specific aspects to be rated distinctly.

Features may enable personally relevant searches for reviews based on reviewer context

and product or service attributes. Reviewer context features include reviewer profiles, access to other reviews and ratings of a reviewer, and searching based on described subsets of reviewers.

Filtering may be possible to achieve flexibility in display and ordering, based on reviews of a review’s helpfulness, verified purchaser, balance of positive versus negative product or service rating, reviewer location, age, or level of expertise.

Some, but not all, review sites offer user interface features crafted to achieve ease-of-use on mobile devices.

Types of online review sites

There are several types of online review sites typically, overtly differentiated by the degree and nature of their independence, their industry, and the nature, if any, of verification that a person actually purchased the product or service they have reviewed. There are often other differentiating factors which are less apparent, if at all. It’s a complex playing field, manifesting myriad business models, with implications not necessarily apparent to consumers. Fundamentally, there are two primary factors that determine the nature of a review site. These two factors are:

Principal Purpose – If the principal purpose is to sell goods or services it can be considered to be a seller’s site, and, if the principal purpose is to provide information about products or services and not to sell them, it is a review site.

Open or Closed System – If reviews are solicited directly from only those who are verified purchasers, it is a closed system. If anyone can submit a review, even if subject to further verification, it is an open system.

The following four-quadrant table shows examples of seller and review sites in their appropriate quadrant, based on being open or closed.

	SELLER SITE	REVIEW SITE (Non-seller)
CLOSED SYSTEM	Expedia Booking.com Apple iTunes/App Store Uber Airbnb EBay	Revoo
OPEN SYSTEM	Canadian Tire Indigo Amazon Best Buy Home Depot	TripAdvisor Yelp Google My Business Yahoo Local Homestars Trust Pilot Rotten Tomatoes UrbanSpoon (now Zomato)

	SELLER SITE	REVIEW SITE (Non-seller)
REVENUE MODEL	The reviews support the marketing and sales of products on the site. They are effectively considered advertising. The benefit financially to the site owner comes from profit on the sale of products sold by them as a result of the information contained in the reviews.	Advertising fees for businesses being reviewed, or in competition with reviewed businesses, either on a monthly, pay per click or cost per impressions basis. In some cases, particularly where there is a focus on a single service or industry, there may be for-pay services arranged by the review site. These are typically provided given the accumulated or specialized expertise of the review site in that industry. (e.g., Yelp’s reservation management system).
MODERATION	Moderation efforts typically rest with the seller, the site owner/ manager, and allow more control over conflict of interest or biased reviews, negative reviews, and false reviews. Businesses can be more diligent in detecting false reviews, or more lax. They can more clearly indicate employee reviews, which can provide useful information if the conflict is known. The business has more control; how it deals with it is what the consumer must determine. Gathering verification of purchase and responding to reviews is more within the control of the site manager.	As review sites often have to rely on their objectivity, and credibility in order to support their revenue model of advertising from organizations that are reviewed on their site, some have very stringent automated processes to ferret out false reviews (e.g. Yelp). Some do it manually by requesting verification of a negative review.
ADVERTISING GUIDELINES & COMPETITION LAW	Reviews cannot be misleading, and clearly false reviews fall in this category. We believe this implies a requirement to actively ferret out and remove false reviews. Advertising guidelines require any material connection be disclosed, which would include employees and other related individuals.	To the extent that the editorial portion, the reviewers submissions, are completely independent of the advertising, the advertising guidelines would relate solely to the advertising component, not the consumer reviews from the review site owner/manager. However, should a business write reviews of its own, or have its employees write them, the advertising and competition guidelines and regulations would apply.

Three types of sites sit outside of the framework of the seller and review site mentioned previously. They are not within the scope of our research, but it is worth noting their relevance.

Facebook contains reviews of businesses by Facebook members, which cannot be removed by the business. These reviews identify the writer through Facebook.

Organizations like Uber and Airbnb are ‘sharing economy’ technology services that effectively advertise and include mandatory mutual reviews, where the service provider and the consumer review each other.

Subscription and private donation funded *Consumer Reports*, noted by multiple focus group participants, aggregates and synthesizes reviews both solicited and provided independently in combination with formal testing results. It was often noted as a particularly reliable source of product reviews.

The consumer

Consumer benefit, and complexities

The term “online consumer review” is something of an oxymoron for many consumers. Many consumers may rely on these reviews, ostensibly produced by other consumers, but they distrust their authenticity because of perceptions (valid or not) that business manipulates this information and its context. They observe many may be false – and they say when ‘shopping’ they value the views of friends and family and hobby buddies foremost – but it was obvious they use consumer online reviews a lot.

We heard that consumers are likely to be unaware and surprised to find out how “big” the industry of providing online consumer reviews has become, or how important their existence and the service of providing them has become for business.

The service business providing online consumer reviews is rife with complexity, choice and risks.

Consumers seek information to support a purchase decision in many ways.

The benefits of online consumer reviews appear considerable and clear to many consumers. They realize the benefit of expert reviews, and value them within the context of online consumer review sites or from dedicated expert review services, such as *Consumer Reports*. They describe trusted, expert reviews as more reliable than friends and family.

Consumers may use online consumer reviews to confirm an expectation about a product or service. They may look to these reviews for instruction, up-date-information, to compare products and seek out advice concerning product returns or about obtaining redress when problems arise.

It is unclear what role online consumer reviews play in leading consumers to uncritically affirm predetermined opinions, and whether the information they provide

more or less consistently, or uniformly or exceptionally, reinforces prejudices or encourages objectivity.

Many consumers turn to online consumer reviews as part of performing their due diligence ahead of a purchasing decision.

As awareness of false reviews and suspect moderation of the presentation of reviews has eroded some consumers' trust, they find themselves taking more time to reach conclusions ahead of some purchasing decisions.

It appears consumers may be reading more reviews per purchase, and visiting and using more review sites, conflicting with the 'tight for time' mentality of our focus group participants. Furthermore, the participants say they spend more time and rely more on online consumer reviews when a purchase will have great personal impact, as with vacations and travel, where the risk of not getting what one has paid for is perceived to be high. Buying travel is not like buying an iPad. It's difficult to gauge the likely experience before purchase – the risk of dissatisfaction is perceived to be higher.

Consumers may not realize the harms resulting from the weak critical faculties of some consumer reviewers (given the state of literacy among consumers), misleading advice or marketing information masked as objective fellow-consumer, 'grassroots' advice.

It's getting harder to get product problems resolved if they don't occur immediately after purchase, and consumers hate spending time on returns. Purchases online need to be more carefully made to avoid time consuming returns to sellers without physical locations to return and exchange goods. In this case they may have shipping costs to return goods. So the need to make a more careful purchase decision increases the desire to obtain qualitative and quantitative information about products.

Some participants indicated they have returned a product after purchase and belatedly reading the reviews. None in our focus groups did this with intention before purchase. It happened as a bonus that they realized they didn't want it because of what was in a review they read post-purchase. Consumers may use online consumer reviews to help them refine their purchasing decision while they still have the right to return goods or claim a warranty. The views of others about a product feature or problem, experienced by a consumer soon after initial purchase, may influence a consumer to act by revising a purchasing decision.

Despite these benefits, insights from Dilip Soman and Michael Jenkin (former Chair of the OECD Committee on Consumer Policy and former Director General of Office of Consumer Affairs, Industry Canada) indicate issues with choice, and that it can pervert or damage a purchase decision, unknowingly to a consumer. This is exacerbated when consumers are overconfident of the strength of their critical faculties in the face of determined marketing or because they can instantly obtain some information on a

mobile device.

We may conclude that the consumer's difficulty discerning truth is complicated further by their lack of understanding of the different business and revenue models shaping the different online consumer review services they use.

Different products and services present different issues to critically consider; different review sites provide distinctly different ways to evaluate offerings even though they may at first appear the same. This can lead to complexity for both consumers and review sites (and the businesses they represent).

We heard that in many service organizations a new owner, or menu or makeover can change fundamentally a service as reviewed, so recency is typically more important to the review of a service. Products have a clearer life cycle, as identifiably new models replace older ones.

Services are delivered face to face, so it can be intimidating to give a bad review to one used frequently. The nature of a service makes a review more 'personal'. Even an anonymous review may expose the identity of the reviewer to the service provider. In extreme circumstances, this means a reviewer of a service may be an easier-to-identify target for litigation or bullying, or, at a minimum, experience a damaged relationship with the service provider. Perhaps what a reviewer considers to be a good review is not good enough for a hypersensitive business owner.

The numerical, language and critical thinking skills necessary to synthesize for understanding are high. The complexity, lack of transparency and the level of trust combine to require significant skills a consumer might need to rely on a site.

It is exacerbated considerably by the need for individuals to determine personal relevance to get the most benefit. And determining this may be further complicated by a need for technological skills, which may result in bringing more individuals into the realm of the vulnerable than would traditionally be considered.

Low levels of literacy skills may reasonably affect more in the complex world of online consumer reviews. Low literacy taken in combination with overconfidence, puts consumers at risk of losing the benefit of consulting online consumer reviews, potentially placing them in a worse position than had they not done so.

The medium of mobile devices and the contexts in which they are used (e.g. a busy store, stolen minutes before other business, etc.) adds complexity to the process of thinking critically. Nonetheless, consumers use mobile devices in a significant number of instances to consult online consumer reviews. A 2015 research report found that of consumers who had consulted online reviews in the prior twelve months, 38 per cent used mobile Internet, 29 per cent used a tablet, and 24 per cent a mobile app. (Bright Local 2015).

More care needs to be taken to ensure that review site's terms and conditions are

accessible, including on mobile sites, the use of which can be focused on confirmation actions, where a consumer may just need some information to confirm what they want to buy, as much as do initial research.

Consumer expectations

We heard that consumers focus their research concerning products and services on sources other than just online consumer reviews, which can be an arduous task. While consumers consulted generally say they turn to friends or family first for information when preparing, especially, for important purchases, they also promptly give online consumer reviews their attention. A consumer is far more likely to read a review than write one. Typically, less than 10 per cent of people write most of the reviews.

Once a consumer has found a site/business they trust, and has identified the context within which they will make their unique purchasing decision, they still must work to synthesize the ratings and textual information to determine how to make a good decision. They seek out a site with lots of reviews, ideally provided by verified purchasers of the goods or services being reviewed, and seek out other information they conclude to be relevant.

Consumers consulted want to consider both positive and negative reviews. They create their own processes of analysis, sometimes without much reflection.

- They rely on brand perceptions.
- They consider how the reviews are written.
- They look for relevant content and context, and for reviewers they discern to be people like them.
- They filter for their needs, particularly related to date, location and expertise if available.
- They recognize value exists in the independence of a reviewer, but that is not consistently a characteristic of reviews and reviewers they prize above all else.

Those consulted rely ultimately on the opinion and advice in reviews, but rarely completely trust it. They 'go with their gut' about the veracity of reviews, yet most experts believe such judgments are frequently wrong. Consumers take a risk when they over rely on these reviews, which for many reasons mislead.

Trust and reliance

'Reliance' is key to online consumer reviews. It is essentially trust. If a consumer can find a way to trust a site, they can then look to find ways to find personal relevance. Consumers trusting, or relying on, a site means that they are willing to use information from it to help a decision, and don't just discard it as a false claim or circumspect.

We found that businesses and consumers are sources of misleading reviews. Consumers need to rely more on objective information and to be able to better

determine what in reviews is relevant.

There are steps to take to increase consumers' ability to rely on a review or a review site's services. A consumer's reliance on a site should be based on being able to trust the organization hosting and managing the reviews. However, sellers often also host the reviews consumers read or may derive income from sellers, presenting a conflict of interest to manage.

Review sites must be paid for somehow. Successful subscription-based review sites are rare. So, at issue is whether many sites manage their conflicts of interest sufficiently and satisfy most consumers they will protect their rights.

Even so, a consumer's level of trust may not coincide with the actual level of reliability of a source. Gaps of understanding exist about how review sites may try to protect consumers. Transparency is often low about sites' methods to increase the reliability of the information provided and serve consumers.

As laid out by two of the key informants to the research – one a business owner who relies on reviews and another a consumer advocate familiar with the subject of reviews:

“As review sites are growing in importance, we feel that they would benefit from regulation or standardization of some kind. The key issues are:

- Clear/ transparent information – about ownership of site, impartiality, what reviews are based on.
- Structure of reviews – is there any structure to the feedback template? Are consumers being asked relevant/useful questions?
- Verification of reviews – processes in place to ensure that reviews are genuine
- Dealing with complaints/abuse.” (Hunter)

As the creator of France's standard for online reviews noted:

“That boils down to three things:

- Lots of reviews
- Standard process for the reviews that can be trusted
- Features for sorting sifting, etc.” (DelTaglia)

However, competing corporate values may erode consumers' trust. The concern of businesses about their reputation can lead them to want to hide or alter criticism or embellish what is said. Businesses are not always gracious about accepting criticism. Businesses may have strategies that do not offer win-win value propositions to consumers, and may disguise that. Businesses may have failed to clarify their policies concerning reviews by conflicted parties (e.g. employees).

False online consumer reviews can come from many sources and be difficult for review sites to identify, even if they want to.

Volume, positive and negative, and distribution

More than anything else, consumers said they relied on volume of reviews to give them confidence in the information – confirmed by most key informants. All confirmed that both positive and negative reviews should be present to enable trust. A high volume of varied reviews is important and, if accessed using effective user interface tools, can enable many people to read, digest and filter information to make better informed decisions, potentially reducing the effects of misleading reviews.

Ownership and transparency

Consumers consulted commonly do not understand, or examine, the business model of a site. They may consider a site to be trustworthy without real evidence. Many uncritically distrust the sites of big business. Some value sites that appear independent, even while knowing nothing about their standards, motivations or processes.

They notice there are different types of sites, but may not have the necessary information to determine the different implicit risks. They do not know that some only filter extremely egregious reviews, that Yelp applies stringent algorithms designed to achieve quality assurance, that large retailers may remove some reviews for reasons known only to themselves, or that Homestars, while independent and allowing reviews to appear anonymously, verifies significantly negative reviews that may mislead consumers or unfairly damage contractors. This suggests that consumers may not know that Expedia's reviews come from only verified purchasers, but this is not so for reviews on TripAdvisor.

What they need is not the facility to determine all the differences but to be able to rely that these sites do what they say they do and that such rules are clearly marked and fair. Ideally they need some form of assurance a review site is what it says it is and is consistent in its processes.

There is a clear need for a more fulsome disclosure of site ownership and purpose by independent sites, as many consumers rely on them. In many cases there is a significant distrust of large organizations by consumers, although many of them have selected brands that they like and rely upon. There appear to be significant inconsistencies in consumer thinking, among those consulted.

Moderation

Concerns exist about the policies concerning moderation of the content of review sites. In particular, there are concerns about reviews being false or authored by parties biased by a conflict of interest, particularly when this is difficult to discern.

Many issues exist regarding the consistency of moderation, and the different processes for handling positive and negative reviews. The blatantly bad sites can be detected by a consumer with some effort, not unlike the way some egregious telemarketing or phishing e-mails are detected (or not) by most people. But some share of consumers

will still miss the obvious, and subtle biases are more difficult to identify.

Standards or guidelines need to be clear to readers, who would benefit from more transparent processes. Reviewers want to see their posts in print as soon as possible. There is a significant concern among consumers consulted about impropriety of moderation (negative reviews being removed, for instance), particularly when they are delayed, and key informants to this research shared their concerns.

Both businesses, and their administrators, generally say they investigate reviews and work diligently to ferret out false reviews. But this is not a simple process, and some businesses may not want to remove them.

Review management firm Bazaarvoice moderates its clients' reviews to an agreed policy, that is stated clearly on sites. Revoo manages reviews for businesses but controls the moderation independently, and requires purchase verification for all reviews. Yelp uses strong pattern recognition software, segregating those it considers to be of inadequate quality and removing those considered false. Trustpilot and Homestars require invoices from those who wish to post significantly negative reviews. While some like Expedia will only accept reviews by verified purchasers. Pretty much everyone we consulted highly valued an online consumer review from a verified purchaser. However, not many review sites restrict themselves to verified purchasers or enable filtering for just reviews of verified purchasers.

Methods and policies of moderation and verification should be available to review site users, who especially want to know the criteria for removing reviews and identifying or blocking conflicted reviewers.

Consumers consulted considered it acceptable for people identified as a seller's employees to offer views on products and services. They felt some company spokespersons provided insights they might not obtain elsewhere. However, employee views should not be aggregated into composite scores generated from online feedback.

False review detection

False reviews drew the most adverse attention and the most expectation of consumer protective law enforcement. In fact, professional monitoring and acts of deterrence and enforcement against offenders is important, because research shows consumers are not good at detecting false reviews themselves. Furthermore, consumers typically have little ability to use their 'market power' to combat misrepresentation.

Many types of false reviews exist. But consumers consulted were more worried about subtle or carefully hidden fakes than ones making strong claims, false or negative, which they wrongly think they can detect consistently.

False reviews are a bane of the economy. They hurt consumers, business and the competitive marketplace.

False reviews are plentiful, but just how plentiful is not precisely known. One study

found 16 per cent of Yelp's reviews were false, another study claims 30 per cent. Research indicated that it is prevalent, significant and varies by site. We found evidence that consumers are overconfident of their ability to detect false reviews, and many companies in a better position to deter and detect, do not do as much as they can. Consumers consulted expressed surprise and delight when presented evidence of enforcement against false reviews, such as that of the Competition Bureau against Bell Canada. They expressed hope for more action.

Consumers need to focus more effort on collecting objective information about products and services and invest less time trying to guess which reviews are false. Businesses need to provide such information, help contextualize reviews to make them more useful, and take action to publish fewer false reviews, which they can achieve through ethical business practices and using algorithms to screen content. They can make commitments to consumers about how they address conflict of interest in reviews and about their approaches to content moderation, in particular their handling of negative reviews.

They can assist consumers through ease of use, and better sorting and filtering mechanisms.

Consumers consulted confided distrust in the objectives of business marketing and advertising generally, and are beginning to see presentations of online consumer reviews as an advertising or a marketing tactic.

We heard that smaller companies often feel more threatened by negative reviews (true or false) and sometimes react fiercely or inappropriately when they feel wrongly or inaccurately criticized. Typically, a few bad reviews may materially impact their small volume of business. Businesses with more customers, sales and reviews of their performance may not be impacted as acutely by a single review.

Business responsiveness

Consumers consulted and the key informants strongly supported both responding to negative reviews and treat engagement with them as something constructive to do aimed at improving a business relationship with customers. They recommended building new business processes around the medium, as a new way to engage with and satisfy customers.

Companies should respond to reviews and address the specific concerns of a reviewer whenever possible.

Challenges exist for businesses, however, when they have no access to respond to reviews through commenting. So businesses need their own channels to communicate with consumers about the substance of false reviews. Businesses will not satisfy consumers or enhance their brand identity without operating based on clear and consistent procedures they can defend publicly.

Trust mechanisms

Of the four common trust mechanisms identified in this report, only one – Amazon's Verified Purchaser – was readily supported and understood immediately by focus group participants. The three others – Yelp's Elite reviewer program, Canadian Tire's Tested for Life in Canada and Homestars' Recommendation Meter – were not initially or consistently understood or appreciated. There was concern around the potential lack of independence, distrust of large business, in Canadian Tire's Tested for Life. Some distrust the "true" reason people join and use the Yelp Elite. They often see them as people who want to review just for the sake of it, but recognize that they do publish a lot of reviews. There was a lack of understanding of Homestars' Recommendation Meter. All three of these devices were created to increase trust. With discussion, consumers appreciated the nuances and purposes of these methods better. But it may be difficult to build the trust of consumers in these mechanisms, because it requires time and thoughtfulness of them.

Personal relevance

Ratings

We heard consumers need to understand methods of rating presented to them on review sites. Normally the methodology of a rating system is simple, but in many cases the results can be misleading, if for instance the weighting of factors is not indicated. The results may present results distorted by who inputs, how raters are solicited, the nature of the object of comment or industry-related characteristics of the customer base.

Some sites, increasingly, show many ratings. While this adds to value, it is important to show how each kind of rating and any composite ratings are devised.

Where a review site offers consolidated ratings, a clear description of how those ratings were derived is important, where readers can clearly see it. This may be difficult in cases where such a rating comprises both quantitative and qualitative information gathered by the site, despite the benefit to users when they can rely on the rating.

A rating scale may not be appropriate in some cases. YouTube used to have a five-star rating system, but has moved to a thumbs-up-thumbs-down system. Consumers consulted did not express concern about ratings scales, but informants noted that scales can be improperly constructed and that respondents can bring their own interpretation to what a scale rating means, if not carefully constructed.

Given that consumers generally appear to write for positive and negative experiences, readers often don't get the details that would be included in a moderate review, just the extremes. On a review site like Yelp, the distribution of ratings typically includes more moderate ratings. People often leave a review because they are in the 1 per cent or the 9 per cent (of the 90-9-1 rule), not because they are annoyed or really happy. They

review much of what they do. It changes the distribution, but often for the better.

The provision of statistics of distribution, number of reviews is important for understanding. Many wanted to see the volume and distribution of ratings. Also, many wanted to see the percentage of ratings to items sold, where possible.

Brand can be important – consumers may rely less on reviews for large brands, than for the smaller organizations, particularly in accommodation where another star-rating system may be ineffective. Time is better spent reading reviews of a “two-star” hotel than a brand name “five-star” hotel as the variability in service and facilities may be higher. Higher rated brands may be seen to offer more consistency.

We heard that those who select businesses in the ‘top tens’ of sites, may take the risk of not knowing how the ‘top tens’ are accumulated, and miss the benefit of more detailed, possibly more relevant information. This puts pressure on businesses to get reviews, to get on ‘top’ lists by any means.

Non-rating content

Wording, structure, grammar, emotional tone, text, pictures and video are non-rating content. Any of these attributes and features of a review may be critical to a consumer’s ability to determine the relevance to them of a product or service. Reviews that address pros and cons, explain the negative or positive, can enrich understanding of the context of the reviewer. Specific information was recognized as highly valuable and useful to readers of consumer reviews. The use of pictures with a review appears to be increasingly important to consumers trying to determine the relevance and reliability of a review.

Filtering, sorting and searching

The ability to filter and sort was noted as critical for determining personal relevance. Also, the initial filter presented, if not by date, can mislead. Review sites need to allow filtering by date, helpfulness, location rating, verified purchaser reviews, and in some cases by expertise of reviewer.

Gender of the reviewer is used in some sites such as Canadian Tire, but consumers in our focus groups did not identify this information as desirable.

As more people write more reviews, there is a larger ‘body of work’ to consult. That body of work being the total of the reviews themselves. More sophisticated search can use techniques like ‘word clouds’ (e.g., TripAdvisor) to help select relevant reviews, based on presenting the most common words found in a collection of reviews, showing both absolute and relative frequency.

Reviewer

Finding expert reviewers, or reviewers like themselves or with needs like themselves was important to our review readers. This is different from filtering based on features or attributes. This relates to a process of finding reviewers who share experience with

or are expert in a way important to a would-be buyer. Consumers consulted wanted to find such people, learn their profiles, see how their contributions are rated as a reviewer, and get their opinions. This represents some unacknowledged appreciation for the Yelp model.

Connecting readers to reviewers like them can be done in several, not mutually exclusive ways:

1. Allow profiles of reviewers to be accessed from individual reviews, bearing in mind the privacy issues.
2. Allow quick access to a reviewer's other reviews, to assist a reader in developing an impression of them and the character of their views.
3. Enable rating of a reviewer's reviews – thumbs up, thumbs down, helpful, like, dislike – so consumers get a sense of how others judge the quality of the reviews.
4. Show a distribution of a reviewer's reviews, so readers can determine if there is a typical pattern to their ratings.

Consumers consulted suggested Facebook could be used to both identify/verify a reviewer and provide a profile. Increasingly, many sites use Facebook or Google for authentication and sign in. Cross-referencing for the reader to help them validate the authenticity and nature of the reviewer seems possible, but was unexplored by this research. No one mentioned Google being used for the same purpose. Perhaps Facebook is perceived at top of mind as a profiler.

Business barriers and issues

Business feels pressure to participate

Research indicates a one-star improvement in a Yelp rating can increase profits. (Luca, 2011) This drives business. It scares business. Business is aware that increasingly their offerings need reviews to sell. Products or services without reviews are a business problem. It is not unlike eBay, where sellers with few reviews have trouble getting started. Concerns arise that pressure to participate can result in a misguided approach, in which businesses focus solely on review sites as marketing and advertising and not as a means to engage their customer base.

Business may be unwilling to invest in being criticized, demonstrating an unawareness of social media.

And they don't have to provide their own review site to be reviewed. Customers will write reviews on Google or Yelp, causing businesses to feel pressure to have a presence. Yelp has been accused of placing pressure on companies to advertise. Businesses may perceive a loss of control over their brand and marketing strategy.

Some businesses feel pressured by some review organizations. As one business

owner said about one open review site “When I met with [them] yesterday, they told me their plans start at \$250 a month.” That business owner can derive benefit from the review site for free, but does not have the knowledge to do so. Some businesses, particularly small ones, understandably feel pressured. Yet, one key informant noted that many small businesses believe “that’s the way business is going, so [they] deal with it and do it properly.” (Schiebel)

Concerns about damage to reputation

Businesses – particularly small businesses – have reason to be concerned about reputation damage. Consumers can now more widely spread their views about the work done for them. And some consumers act badly or unreasonably concerning some transactions.

Consumers may try to use a bad review to secure a discount or more favourable rate. Consumer vindictiveness about small problems may cause businesses to react with excess caution. Business reaction to critical consumer reviews will not necessarily benefit one or all consumers.

Key informants and focus group participants agreed some people are vindictive and produce vexatious reviews. News media in Canada and internationally have documented cases.

“I’m not as skeptical about corporate manipulation of online reviews as I am about disingenuous consumer reviews.” (Friedman) Just because an individual extorts an owner with the prospect of a negative review, doesn’t mean the review is wrong. The removal of a negative true review, for whatever the reason, distorts the aggregate outcome for readers.

Lack of knowledge, resources and discipline

Many businesses, particularly small businesses, may lack one or all of the following regarding online consumer reviews: knowledge, resources and discipline. Some don't realize that a business presence of consumer reviews can be started easily on some external sites and managed, like Yelp or Google, or on an industry specific site, like a TripAdvisor or Homestars. However, even with the knowledge many businesses don't have the discipline to monitor and manage their reviews and their responses. We heard many businesses don't have knowledge about where reviews of their business exist.

Organizations, particularly smaller ones, need more guidance and practical examples of how to get into this marketplace, so that consumers get valuable information about their products and services from other consumers. External costs are not a barrier to participation, given the relatively low cost and ease of access to sites like Google, Yelp, et al. Apparently many businesses don’t know this, don’t care, don’t want to, or don’t consider it a sufficiently worthwhile use of their time relative to other responsibilities.

Getting more and better reviews

In writing reviews, consumers made it clear that they wanted to be heard so as to improve a product, correct a problem, complain or to warn consumers or inform them about something specific they might not know about, or share a good experience. Some do want to make a difference. This is congruent with how consumers perceive benefits and rely on other consumers' reviews. Interestingly, despite complaining through reviews, consumers consulted did not make the point that they could have gone through the customer service department. It seems that venting is important. Or, perhaps, it's just more convenient and less upsetting to complain online rather than in person about matters that seem unlikely to lead to a further outcome.

Consumers consulted wrote primarily to relate an extreme experience, positive or negative. This was observed as a reason to review across our focus group participants, key informants and PIN respondents. People won't devote their time to comment on moderate experiences, although descriptions of such experiences may be where the best information lies. There aren't many mediocre reviews, perhaps, because people with an average experience feel little need to write a review about it. Despite this, there are typically more positive reviews than negative reviews. Positive reviews may result from quickly granted star ratings. (This could be a subject for further research to determine the quality of a review attached to a positive rating versus that attached to a negative rating.) This can cause distributions to mislead.

Those consulted like to write reviews if they have the time and they know/believe it will make a difference or, if there is a business they really want to help.

We heard evidence that some consumers write to punish, warn, or to be vindictive, potentially resulting in damage to both consumers and business. Enough dissension can lead to distrust of a whole marketplace. Businesses can report especially spiteful or unfair reviews to some review sites, and should be encouraged to do so.

Consumers should take responsibility not to threaten businesses unreasonably. A consumer may discredit themselves if they are not careful. These days even reviewers are reviewed and rated.

While most consumers consulted agreed to being asked to write a review, accepting the idea of receiving incentives to write a review is more varied. Many are concerned that the quality of the review will be lessened by an incentive, although there was little concern that the rating would be misstated.

Reviews need to be easy and quick to complete but getting a quick review does not mean a useful review. Businesses must take care in how they gather reviews, allowing easy-to-create reviews, with meaning.

Regulatory bodies

Regulatory bodies internationally, and in Canada, regarding online consumer reviews have largely acted through releasing guidelines, in particular in Australia, the UK, the US and Denmark. In addition, the Danish guidelines support marketing regulation. Global consumer protection organization, ICPEN has released guidelines in a similar fashion. Government is yet to step wholly into the regulation of the specific marketplace of information, leading to enforcement of anti-competition, consumer protection laws and the self-regulation of the advertising industry. In other cases it leaves actions to the courts between businesses as in Amazon's lawsuits against sellers submitting false reviews.

While recommendations to include online consumer reviews in Canada's anti-spam legislation (CASL) are understandable, the CRTC has demonstrated little interest in doing so. (Options consommateurs 2012) Also, further sharing of the responsibilities for advertising conduct enforcement may lead to less enforcement resulting from greater uncertainty about how to lay complaints and diluted resources and accountability to take action. This option requires further consideration to examine possible unintended consequences.

Regulatory bodies should ensure that businesses are aware of where the false and misleading advertising rules apply, and indicate that they will be enforced. They should ensure consumers are aware of where to complain and report suspected wrongs.

Standards

Based primarily on the European travel industry push and the French AFNOR standard, ISO is developing a standard under TC290 for the requirements of collection, moderation and display of online consumer reviews. Consumer groups, varied business model representatives (site owners and site developers and administrators), industry associations and academia are represented. PIN participants consulted suggested the importance of a form of standard that would enable greater trust – the biggest issue that they saw in the area of online consumer reviews. Our focus group participants did not comment on standards unprompted. Our key informants, particularly those from consumer groups, review site providers, developers and administrators, understand and supported the need for a standard in this global and rapidly changing service environment. One noted the importance of standards in shaping public policy. This is important to bring trust to a system in a way that does not require significant input from reluctant regulators. There is a clear recognition that business needs to get consumers to trust them, and that performing better with the assistance of a standard could be beneficial.

Some issues to consider for the standards body as noted from the research:

- Clear processes around ownership and business model
- Identify product vs. services differences, complexities and implications

- Identify industry differences, particularly in areas of high use of online consumer reviews
- Encourage verified purchasers
- Definitive statement regarding detection of false reviews
- Identification of safety issues for products/services and relevant processes
- Appropriate channeling for product improvements and complaints
- Guidance to small business
- Clear guidance around ratings
- Clear processes around review guidelines and moderation
- It should deal with managing consumer bad behaviour, as well as business bad behaviour
- Small business needs considerable guidance about how to implement any processes that would be subject to standards accreditation
- Guidance around secondary, less quantitative ratings
- Guidance around reviewer profiles
- Guidance on trade-offs, particularly on entry
- Statement on conflicted reviews
- Specific recommendations for moderation and clarity of disclosure
- Guidance around use of mobile for entry and display
- Clear terms and conditions, made available at time of need

VI

Answers to key questions and recommendations

What are the harms to consumers?

Some consumers are left out

Some consumers will be less able to make better purchase decisions if they are unable to take advantage of the information marketplace of online consumer reviews. Examining the absence of access to online consumer reviews was not a key part of the scope of this research. Participants in the research were all familiar with online consumer reviews. Research on the consequences for consumers of being unable to access or use online consumer reviews is indicated.

Loss of expert consumer sites

While direct evidence was not found, it appears ‘free’ online consumer reviews and sites that host them are responsible in some part for the economic pressure on subscription services offering expert reviews. Our key informants and focus group participants noted the usefulness of expertise available in expert review magazines. As consumers move to searching for views rather than being confronted by them, there is a risk they will seek confirmation for decisions instead of engaging in a process of critical information gathering and thought. It may be easier to find confirmation of one’s prejudices than valuable critiques.

Inappropriate product/provider

The most common risk of harm is making an inappropriate purchase, or less useful or more costly one based on a poor quality review. Consumers may be overwhelmed with information and choose to serve emotion over rationality. Consumers may rely on a generalized rating, ignoring abundant, context-rich text, the consideration of which requires work, literacy and critical thinking skills to digest and synthesize. They may take the easy way out and pick a ‘top’ recommendation without considering the contexts within which a product or service may be used by them, as opposed to the broad marketplace of purchasers.

Consumers may look to confirm a decision rather than assess, relying on a potentially unfounded (over) confidence.

Damaged relationship with business

Consumers can highly value their relationship with business, particularly small service businesses, such as mechanics, plumbers or home renovators. A negative review by a consumer can sour a valued relationship. Business owners may react rashly when they feel their livelihoods are under threat. As experience of such reactions become more commonly known, some consumers may not review, because they feel vulnerable to attack or place the value of their overall relationship above a desire to share their views, particularly when they may have few options for obtaining the service involved. When a consumer-business conflict arises over a review, consumers can suffer harm from the anxiety resulting from intimidation, whether psychological or physical.

Products can be used in an unsafe manner.

Reviews may not be vetted like marketing materials or safety information. As a result, greater risk may exist that products will be used unsafely, based on information contained in a review.

Lack of redress

Consumers may be unable to obtain redress for inappropriate purchases they made based on information contained in online consumer reviews, particularly when they make a purchase online of something they have not experienced personally. For some, depending on the policies of the seller, redress may be difficult, and they may give up on obtaining it. The harm may be small, but, as with the traditional consumer protection issue of difficulty with returns, it could become a low-cost-high-probability problem.

Privacy

Business can breach the *Personal Information Protection and Electronic Documents Act* (PIPEDA) by using information gathered in an online consumer review for reasons other than its original purpose. This can happen in public, with greater damage typically, through a response written by a company to a review by a consumer. Or it can occur by using the information gathered through a review for marketing purposes. Such use may consider the restrictions of PIPEDA, but still be outside the expectations of consumers, who when leaving a review, even for an incentive, may nonetheless find marketing material based on their contribution to be distasteful or harassment, as noted by one.

Reputation

As in most social media arenas, an individual can be shamed or abused online as a result of providing a review, resulting in reputation damage when their identity is known or

revealed. Damage to reputation can occur even with anonymity within review 'communities', where participants may develop a reputation as a knowledgeable and thoughtful reviewer.

Stifled innovation

Consumers benefit from a better marketplace. Damage to a marketplace or product can reduce the benefits to a consumer of choice or of quality. As offerings with fewer reviews tend to sell less, it creates a disadvantage. This can stifle innovation and new product entry, resulting in a downstream harm to consumers.

What are the barriers and issues for business?

Fear of reputation damage

Some businesses, particularly small businesses, may have a fear that engaging with online consumer reviews, whether on their own website or outside services, may pose an inordinate risk to their reputation. This is not an unwarranted fear, but it can be easily dealt with through education and some beginning assistance. They must assess it reasonably and not react inappropriately from misinformation or lack of knowledge.

Lack of control over third party sites

Businesses may be unable to or fail to respond to consumer reviews because they lack the knowledge about how to do so or are locked-out of doing so directly. This may lead businesses to think they have no role to play concerning consumer reviews, without the ability to respond to reviewers and/or otherwise mitigate the damage caused by incomplete, incorrect or misleading reviews.

Pressure to participate – stepping in for wrong reason

Many businesses – again particularly small businesses – that do not now engage the phenomenon of online consumer reviews may feel pressured to participate, and restrain or yield from participation for an inappropriate reason, resulting in ineffective or non use of a potentially powerful tool for satisfying consumers and advancing their business interests.

Lack of resources and knowledge and/or discipline for small business

While entry costs into the online consumer review arena are nominal, many organizations may not know this and don't enter. A bigger issue is determining a business approach that leverages best the potential of online consumer reviews and enables the organization to moderate and respond sustainably. However, they may underestimate the time and skills that may be necessary to monitor and respond effectively.

What are the causes of misleading reviews?

The causes of misleading reviews are many and varied, and can be caused by the reviewer, the organization presenting the review, or the underlying business. The reasons we found

behind these misleading causes include:

- Ulterior motive, deception
- Ignorance
- Corruption
- Carelessness
- Relationships, good and bad
- Ideologies
- Product preconceived notion
- Brand identification
- Literacy
- Socio-economic demographics

Business model

The business model an organization uses for its online consumer reviews is typically driven by a direct or indirect revenue model. Consumers may not always realize the implications for a purchasing decision of relying on one business model versus another as a source of information.

When the business model is not transparent to a consumer, they may rely on incorrect assumptions regarding the nature of advertising material, moderation, and other factors that engender trust or lead to undue reliance. Consumers consulted had varying degrees of trust for different business models. There is a lack of consistency, indicating that some consumers have inappropriate views and correspondingly skewed levels of trust, which may lead to misunderstanding. Independent sites, meaning sites not owned by a seller, are often most trusted, but independence in itself does not guarantee greater transparency or more consistent, appropriate moderation and display. Only some organizations make ownership and revenue models transparent. Consumers are accustomed to a bifurcated advertising-editorial model, based on years of reading paper magazines and newspapers. Furthermore, some business models, through design or as a result of the review site not being under the control of the seller, do not allow the business to respond to reviews. This diminishes the value of reviews, particularly of services.

Site set up and organization

In general, a poor online consumer review site user interface can contribute significantly to misleading reviews. Through either a lack of features or poorly defined access to features a user may be denied personally relevant opinions helpful to making a decision.

Collecting reviews

An insufficient volume of reviews, particularly when coupled with a highly negative or

highly positive distribution of ratings, will likely cause users to not rely as heavily on the opinions in the reviews. Enough reviews need to be available to allow proper synthesis and conclusions for a reader. A wider distribution of reviews, should provide readers with a richer trove of information and a basis to make comparisons. However, those not experienced with reviews, or with lower literacy skills can easily misunderstand review authors' experiences and opinions, even with a high volume of reviews.

Another issue relates to the input form used to collect reviews. Forms contain user interface features ranging from a simple selection of a rating on a scale to a multipage form with drop-downs, free-entry text fields, checkbox questions and potentially mandatory questions. Acquiring well-done reviews requires taking into consideration customers' willingness to contribute, how they prefer to contribute, and the time they will commit to offering their review. Failing to consider these factors in how reviews are acquired, will result in reviews that capture insufficient content and review sites without enough reviews to be useful to anyone, by having the information necessary for the easy sorting and sifting of content necessary for critical consideration.

Writing reviews

How a review is written is an important factor in its quality, and a leading cause of misleading reviews. This may result from a number of factors including hurriedness or laziness on the part of the writer, vindictiveness (warranted or not), poor grammar, a lack of context, overly emotional statements laden with hyperbole, no explanation of why a comment was made, reviewing the wrong product, reviewing the service or the store instead of the product, having insufficient experience with the product or service, and insufficient guidance by the review site about how to write a useful review. In some cases, an employee or supplier may not indicate that they have a conflict of interest.

Publishing/displaying reviews

It is more likely that reviews will mislead a consumer where there are fewer features available to profile (and rate) reviews and reviewers or filter, search or sort reviews. A clear display of the rating, an indication of how it is calculated, and the distribution by ranking and number of reviews, if not available, significantly reduces the usefulness/reliability to the reader. Where there is an extended delay from the time of submission to the time of publication, it may reduce the effectiveness depending on the product or service. Knowledge of recency is vital for users seeking to assess reliability and relevance of services. A lack of display of other media, particularly photos, may lower the usefulness or competitiveness of a review or review site in helping consumers to make sound assumptions.

Reading reviews

Many reviews are misunderstood, as opposed to being misleading, when read. Consumers

may rely heavily on ‘gut feel’ in identifying false reviews, and researchers indicate that is not a successful approach. The skills required to synthesize significant amounts of unfiltered, often unformatted qualitative information may exceed the capabilities of many Canadians, particularly when experienced through the use of rapidly changing technology and on devices with a wider range of form factors and user interfaces used in many settings. The differences, for example, between using desktop computers and smartphones are great. Furthermore, a lack of effort by users of reviews, caused perhaps by an overconfidence in using technology to arrive at the ‘right’ answer, may lead to sub-optimal purchasing decisions.

Recommendations in the context of a consumer protection framework

In 1962, John F. Kennedy, in a landmark speech, outlined four rights of consumers. These were:

- The right to safety
- The right to be informed
- The right to choose
- The right to be heard

In 1985, the United Nations, through the United Nations Guidelines for Consumer Protection, expanded these to eight basic rights. Those eight basic rights and the right to privacy form the basis for the Consumers Council of Canada’s focus on the rights and responsibilities of consumers.

Research by the Council addresses these nine basic rights. In summary, seven of the eight initial rights were relevant to this research, as was the right to privacy. The findings of this research address each of these seven, and privacy. All rights areas are potentially bettered for most consumers by the appropriate use of online consumer reviews.

The following tables indicate the current relevance of the provision to online consumer reviews for each of the eight consumer rights and responsibilities, and privacy in the context of recommendations for consumers, business, regulators and standards developers.

For Consumers

	Consumer
<p>Safety The right to be protected against goods or services that are hazardous to health and life. The responsibility to read instructions and take precautions. To take action to choose safety equipment, use products as instructed and teach safety to children.</p>	<p>Comment on issues of safety. Contribute thoughtfully, taking care with safety of those relying on such reviews. These issues are important to readers. Consider in context for safety issues, even recalls or use. E.g. car safety seats application.</p>
<p>Information The right to be given the facts needed to make an informed choice, to be protected against misleading advertising or labelling. The responsibility to search out and use available information. To take action to read and follow labels and research before purchase.</p>	<p>Prepare to invest some time. Looking at more than just one source of reviews. Familiarize yourself with the context of your purchase, in general, but also in those ways specifically related to the particular product or service. Ask family and friends, but know their limitations, but best to prepare a list of purchase criteria first. Consider more than just consumer review sites. Consult expert sites, such as <i>Consumer Reports</i>, or other independent print or online sources. For important purchases, discuss reviews with the owner or manager of the business.</p>
<p>Choice The right to choose products and services at competitive prices with an assurance of satisfactory quality. The responsibility to make informed and responsible choices. To take action to resist high-pressure sales and to comparison-shop.</p>	<p>Understand the differences between the various business models of review sites, how they may affect the review, and their relevance and reliability for you.</p> <p>Rather than rely on 'gut feel' to assess the independence and objectivity of a review site or the truthfulness of an individual review, look for clear evidence the site can be relied upon and contextual information to establish a review is relevant and trustworthy.</p> <p>Where possible seek reviews of individuals profiled, based on your personally relevant criteria. Rate these reviews, if possible, for helpfulness and use the filter for 'helpful reviews' when available. Be mindful of bias, but keep in mind that bias and knowledge often go hand in hand – for instance, a Canadian Tire employee may understand the issues with tools better than the average person on the street, but may have a bias not to criticize his or her employer.</p> <p>Search within reviews that, if possible, meet your criteria. Filter and sort on personally relevant criteria, as available. Not all sites will have all filters.</p> <p>Be aware of ratings shaped by concerns that may not be yours (e.g. 'No pool or parking').</p> <p>Consider the recency of the review, particularly in the case of service reviews.</p> <p>Look at and assess carefully the responses of business to reviews of their products or services when you can find them.</p>

<p>Representation The right to express consumer interests in the making of decisions. The responsibility to make opinions known. To take action to join an association such as the Consumers Council to make your voice heard and to encourage others to participate.</p>	<p>More consumers need to write more detailed reviews, and not just enter a rating.</p> <p>When writing reviews, particularly when there is little guidance or structure to how a review is submitted to the site, add context about yourself and your experience. Write more experiential reviews, particularly for services.</p> <p>Contextual information is more important for service reviews, as is an abundance of recent reviews. Explain why you have expressed a concern or compliment. If providing your review as free-form text, note both pros and cons, and indicate whether you would recommend the product or service, and if so for whom. Be careful, to protect your privacy to the level you expect.</p> <p>Note the pros and cons.</p> <p>Wait until you have a reasonable experience with the product or service to review it. If possible, edit a previously submitted review at a later date if something changes your experience of the product or service.</p> <p>Make specific recommendations for product improvements.</p> <p>Rate only one product or service per review. And make sure you are rating or reviewing the right product or service.</p> <p>Keep your emotions out of the presentation of your views.</p> <p>Review the guidelines for writing reviews in advance.</p> <p>Where the review site has words predetermined in word clouds, consider using them in your reviews so others can easily find your reviews in their proper context.</p>
<p>Redress The right to be compensated for misrepresentation, shoddy goods or unsatisfactory services. The responsibility to fight for the quality that should be provided. Take action by complaining effectively and refusing to accept shoddy workmanship.</p>	<p>Search reviews for factors that may cause a return of items, and ensure you consider these.</p> <p>When writing, especially if you returned your product, note why and what perhaps you should have done otherwise.</p> <p>If information contained in a review, on a seller's site, is incorrect, requiring you to return a product, request reparations.</p> <p>Don't extort discounts from businesses through the threat of a negative review. Regardless of whether it's true.</p>

<p>Consumer Education The right to acquire the knowledge and skills necessary to be an informed consumer. The responsibility to take advantage of consumer education opportunities. Take action by attending seminars and workshops, work to ensure consumer education takes place in schools.</p>	<p>Read the review guidelines for specific sites, and gather an understanding of general review guidelines.</p> <p>Learn to read reviews and learn how to write better ones.</p>
<p>Healthy Environment The right to live and work in an environment that is neither threatening or dangerous and which permits a life of dignity and well-being. The responsibility to minimize environmental damage through careful choice and use of consumer goods and services. Take action to reduce waste, to reuse products where possible and to recycle when possible.</p>	<p>In reviews, comment on the environmental nature of products.</p> <p>When reading look for comments on environmental factors to assist your choice.</p>
<p>Privacy The right to privacy particularly as it applies to personal information. The responsibility to know how information will be used and to divulge personal information when appropriate.</p>	<p>Don't put personal information in a review. Use descriptive, not identifying information.</p> <p>Be clear in your understanding of what information is being kept.</p>

For Business

	Business
<p>Safety The right to be protected against goods or services that are hazardous to health and life. The responsibility to read instructions and take precautions. To take action to choose safety equipment, use products as instructed and teach safety to children</p>	<p>Any safety issues, those that may cause unsafe use, may be moderated out, but conveyed to those in charge of safety of product or service. And similar processes should be in place for product improvement.</p> <p>Suggest putting into review guidelines and moderation that unsafe practices will be removed on moderation.</p> <p>Where possible develop relationships with manufacturers to channel back information about their products. Consider allowing manufacturers/suppliers to respond to reviews.</p>

<p>Information</p> <p>The right to be given the facts needed to make an informed choice, to be protected against misleading advertising or labelling.</p> <p>The responsibility to search out and use available information. To take action to read and follow labels and research before purchase.</p>	<p>Have a clear direction as to approach, whether it be a third-party site management, post your own site, or use available for free sites. Have a clear set of Review Guidelines covering the following topics:</p> <ul style="list-style-type: none"> • Business model principles/methods around revenue model and detection of false reviews • Consumer bad behaviour and consequences (consumers appreciate that others aren't allowed to extort) • Moderation process and inappropriate review items • Details of a good review • Protection of privacy <p>Know your customer and tailor to them – content, and structure. Know your customers literacy levels and general vulnerabilities, particularly given the increase in vulnerabilities brought on by new sophisticated and rapidly changing technologies. When developing any site, it should developed from the perspective of the consumer – how they look at reviews, submit and review.</p> <p>Make information in terms and conditions available in legible form. Use small chunks of plain language to augment the 'legalese'.</p> <p>For organizations that publish reviews for products or services they sell themselves, be aware that such reviews are considered advertising and are subject to the same rules and guidelines. Consumers should be told this and guided to review in the same context as advertising.</p> <p>Ensure employees are aware of policies regarding reviews, and that they can clearly state their conflict.</p>
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	<p>Where possible ensure that the reviewer has indeed purchased the product, used the service. Can be done during solicitation with code. Or in cases with service, like Homestars, request verification when dealing with a potentially large negative to a business.</p> <p>Ensure ease of collecting in mobile and in many cases can be easier as it can be done when necessary. E.g. Expedia comment on check-in</p> <p>Make sure the rating system is something the business can easily do and represents experience.</p> <p>Actively detect and remove false reviews, and state clearly for consumers your principles and process.</p> <p>Allow comprehensive filtering, sorting and searching within reviews for consumers. Enable sorting of most helpful or most critical reviews.</p> <p>Consider filtering or sorting buy Novice / Expert reviews.</p> <p>Consider the use of the word clouds to assist users in narrowing relevant choices.</p> <p>Where possible provide information about reviewers and their context to allow matching by consumers reading the reviews.</p> <p>When collecting reviews, use of thoughtful relevant process of ratings, open text and guided input to create a rich trove of consumer opinion. Knowing one's customers is critical to this.</p>
<p>Choice The right to choose products and services at competitive prices with an assurance of satisfactory quality. The responsibility to make informed and responsible choices. To take action to resist high-pressure sales and to comparison-shop.</p>	<p>Don't participate in the following behaviour:</p> <ul style="list-style-type: none"> • fining or charging customers for negative reviews • anti-disparagement clause • allowing bad consumer behaviour • using OCR solely as a one way marketing tool/effort • using e-mail addresses of review authors for e-mail or marketing purposes • allowing or encouraging false reviews <p>Consider soliciting reviews to increase volume, but solicit from all, rather than just expected positive reviews.</p> <p>Consider stratifying reviews based on the expertise of the reviewer. Allow consumers to search or sort on this distinction.</p>

<p>Representation The right to express consumer interests in the making of decisions. The responsibility to make opinions known. To take action to join an association such as the Consumers Council to make your voice heard and to encourage others to participate.</p>	<p>Allow for complaints and product improvements through OCR, if not for specific consumers, but generally.</p>
<p>Redress The right to be compensated for misrepresentation, shoddy goods or unsatisfactory services. The responsibility to fight for the quality that should be provided. Take action by complaining effectively and refusing to accept shoddy workmanship.</p>	<p>Tie OCR into business processes. These should include complaint management, customer service, product safety, product improvement. Provide information to manufacturers about products they retail. The manufacturer can then build a better product. Invite manufacturers to respond to issues on OCR site. Customers can be directed to customer service for resolution.</p> <p>Provide a reasoned, relevant and truthful response to negative reviews. Be careful not to release personal information in the response. Particularly when dealing with services. Direct reviewers to the appropriate channel for complaints or redress.</p>
<p>Consumer Education The right to acquire the knowledge and skills necessary to be an informed consumer. The responsibility to take advantage of consumer education opportunities. Take action by attending seminars and workshops, work to ensure consumer education takes place in schools.</p>	<p>Develop comprehensive review guidelines tailored to reviewers and the site.</p>
<p>Healthy Environment The right to live and work in an environment that is neither threatening or dangerous and which permits a life of dignity and well-being. The responsibility to minimize environmental damage through careful choice and use of consumer goods and services. Take action to reduce waste, to reuse products where possible and to recycle when possible.</p>	<p>Consider comments made in reviews regarding environmental issues and channel them back through customer service or product development or purchasing.</p>
<p>Privacy The right to privacy particularly as it applies to personal information. The responsibility to know how information will be used and to divulge personal information when appropriate.</p>	<p>Follow PIPEDA in the collection and use of personal information. Make clear at the time of collection, rather than presented in a neatly buried, small font, a site's privacy policy. Consider the recommendations made in the Consumers Council of Canada's report "Improving Online Agreements: 'It's Not Rocket Science!'" Do not use personal information to follow up with consumer other than to verify a real review.</p>

For Standards Developers

	Standards
<p>Safety The right to be protected against goods or services that are hazardous to health and life. The responsibility to read instructions and take precautions. To take action to choose safety equipment, use products as instructed and teach safety to children</p>	<p>Provide guidance for small business on channeling safety information from reviews, and moderating-out improper safety or dangerous advice from readers.</p>

<p>Information The right to be given the facts needed to make an informed choice, to be protected against misleading advertising or labelling. The responsibility to search out and use available information. To take action to read and follow labels and research before purchase.</p>	<p>Direct small business to areas of regulation relevant to false and misleading advertising, indicating some guideline issues. While standards stay out of regulation, the guidance would be to ensure that local legislation or regulation is followed. This is an important area for a standard as it is a key area of trust for a consumer, providing information about business ownership and business model. Provide information on moderation and conflict of interest methods.</p>
<p>Choice The right to choose products and services at competitive prices with an assurance of satisfactory quality. The responsibility to make informed and responsible choices. To take action to resist high-pressure sales and to comparison-shop.</p>	<p>Provide guidance on ratings methods and display. Provide guidance on potential terms and conditions and implications.</p>
<p>Representation The right to express consumer interests in the making of decisions. The responsibility to make opinions known. To take action to join an association such as the Consumers Council to make your voice heard and to encourage others to participate.</p>	<p>Provide guidance to small business. Provide guidance on soliciting and incentivizing reviews. Provide guidance on consumers acting irresponsibly in extorting through reviews.</p>
<p>Redress The right to be compensated for misrepresentation, shoddy goods or unsatisfactory services. The responsibility to fight for the quality that should be provided. Take action by complaining effectively and refusing to accept shoddy workmanship.</p>	<p>Provide guidance in integrating return channels through reviews, and redirecting consumers. Provide guidance on business responding to a review.</p>
<p>Consumer Education The right to acquire the knowledge and skills necessary to be an informed consumer. The responsibility to take advantage of consumer education opportunities. Take action by attending seminars and workshops, work to ensure consumer education takes place in schools.</p>	<p>Provide small business with assistance in developing Review Guidelines.</p>
<p>Healthy Environment The right to live and work in an environment that is neither threatening or dangerous and which permits a life of dignity and well-being. The responsibility to minimize environmental damage through careful choice and use of consumer goods and services. Take action to reduce waste, to reuse products where possible and to recycle when possible.</p>	<p>Provide guidance for small business on channelling environmental information from reviews.</p>
<p>Privacy The right to privacy particularly as it applies to personal information. The responsibility to know how information will be used and to divulge personal information when appropriate.</p>	<p>Reference existing privacy standards and consider how they apply in this context.</p>

For Regulators

<p>Safety The right to be protected against goods or services that are hazardous to health and life. The responsibility to read instructions and take precautions. To take action to choose safety equipment, use products as instructed and teach safety to children.</p>	<p>Consumers may post unsafe medication or product information or post false health claims. Regulators need to consider processes available to them to prevent or to achieve removal of such unsafe material.</p>
<p>Information The right to be given the facts needed to make an informed choice, to be protected against misleading advertising or labelling. The responsibility to search out and use available information. To take action to read and follow labels and research before purchase.</p>	<p>Enforce the Competition Acts regarding false and misleading advertising. Far fewer companies have been charged, than are clearly breaching the act.</p>
<p>Choice The right to choose products and services at competitive prices with an assurance of satisfactory quality. The responsibility to make informed and responsible choices. To take action to resist high-pressure sales and to comparison-shop.</p>	<p>Continue to enforce the consumer protection laws regarding online commerce, ensuring that there is a strong understanding of the applicability in a new framework. Consumers have more choice now, and that poses new problems for consumer protection.</p>
<p>Representation The right to express consumer interests in the making of decisions. The responsibility to make opinions known. To take action to join an association such as the Consumers Council to make your voice heard and to encourage others to participate.</p>	<p>Solicit consumer views on concerns about online purchasing, specifically where relying on a consumer review.</p>
<p>Redress The right to be compensated for misrepresentation, shoddy goods or unsatisfactory services. The responsibility to fight for the quality that should be provided. Take action by complaining effectively and refusing to accept shoddy workmanship.</p>	<p>Ensure consumers are aware of their rights for returns, as many consumers are unaware, particularly the vulnerable.</p>
<p>Consumer Education The right to acquire the knowledge and skills necessary to be an informed consumer. The responsibility to take advantage of consumer education opportunities. Take action by attending seminars and workshops, work to ensure consumer education takes place in schools.</p>	<p>Produce guidelines on writing and reading reviews for consumers. Consider the particular literacy skills that are increasingly important in both writing consumer reviews, and synthesizing reviews in one's context, not a simple skill.</p>
<p>Healthy Environment The right to live and work in an environment that is neither threatening or dangerous and which permits a life of dignity and well-being. The responsibility to minimize environmental damage through careful choice and use of consumer goods and services. Take action to reduce waste, to reuse products where possible and to recycle when possible.</p>	
<p>Privacy The right to privacy particularly as it applies to personal information. The responsibility to know how information will be used and to divulge personal information when appropriate.</p>	<p>Enforce the privacy laws</p>

VII

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Appendices

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Appendix I: Public Interest Network Questionnaire

Extended summaries of discussion and notable comments

Risks to consumers of relying on online consumer reviews

Respondents felt reviews can't be trusted for a variety of reasons. The most often stated reason was that reviews are/can be fabricated for or against a product or service. Many felt companies routinely pay for positive reviews and that competitors or dissatisfied customers may post unfairly negative reviews. Polarization of views was also mentioned several times. It was believed that those with extreme views (positive & negative) were most likely to post a review. Misleading, incomplete and stale-dated information was mentioned negatively. Being able to validate or verify a reviewer in some way would help with credibility.

Notable comment

"Extreme and unusual experiences are made disproportionately visible. We know that 95% of consumers do not comment - and if all is well, they are likely to remain silent. The few angry individuals voice their concerns for all to see."

Risks to consumers of not using consumer reviews

Although some, fewer than one in five participants, felt that there was little to no risk in *not* using online reviews, the majority believed that the information they could glean on quality, intended use, price, problems would benefit them towards making an informed purchase.

Notable comments

"Consumers rarely speak in a unified voice, but different voices can form a somewhat harmonious choir."

"Honest consumer reviews help identify flaws, compromises, inconveniences, usefulness and often dangers (if any) consumers have faced after using the product/service helping others reach an informed decision."

The mitigation and management of risks by consumers

Overwhelming consensus existed that multiple sources of information are needed to properly or safely evaluate products and services. Cited:

- Using more than one review site
- Published reviews (*Consumer Reports* was cited)
- Blogs
- The first-hand knowledge and experience of friends, family and other contacts.

Reading both good and bad reviews and looking for trends that repeat across different review sites were considered important. Understanding the weighting methodology and

paying attention to review dates and locations were thought helpful. Review sites that makes an effort to validate its reviewers were seen as more trustworthy.

Notable comments

"Look for several sources of reviews and/or go to trusted sources for reviews (SG Trip Advisor)."

"Seek out other sources of information, as well as those online, to get a broader view."

"Don't rely on old (defined as one chooses) reviews. Don't rely on just one source, use the Internet, but use your own personal connections too."

Business improvement to the collection, moderation and display of reviews, to ensure they are appropriate, authentic and helpful

Most respondents would prefer an independent review site, because they felt businesses could not be trusted to also display negative reviews of their products. A method to verify the reviewer, such as Amazon's Verified Purchaser or by collecting some personal information from the reviewer and banning reviewers that gave false reviews. Companies should respond to reviews whenever possible and address the specific concerns of the reviewer.

Notable comments

"Ask and accept reviews from verified purchasers of the product/service like 'Amazon' does. 2. Screen the reviews before they are posted. 3. Ask visitors / customers to point out strange reviews for a closer look. 4. Ban and block users known to put in false or misleading reviews."

"Businesses can respond to reviews and openly communicate on how they resolve issues. EG Some hotels respond to customer's comments - negative and positive - on Tripadvisor. Acknowledgement of any type of comment is always seen in a good light."

"For a review to post, require basic contact information of the reviewer that shows their other reviews, if any - website, Facebook or some concrete information that establishes the existence of the reviewer and the reviewers views on other matters."

"Respond to the concerns directly, personally, promptly, and reasonably! The 'lurkers' are there in their silent thousands, watching."

"Some transparency about how aggregated 'ratings' are calculated would be good. Disclosure about whether reviews are 'vetted' is helpful. Organizing reviews by date would be sensible. Links to third-party research would be helpful (though businesses are unlikely to link to unfavourable third-party reviews, it could actually increase the level of trust if done properly)."

Government action: law, regulation or enforcement to ensure consumer protection

A mix of responses were received, which leaned towards the government not having the responsibility or the ability to ensure consumer protection with regard to consumer reviews. Even with existing law or regulation, it was thought enforcement ranges from difficult to impossible. The Competition Bureau should clarify what is expected of businesses/advertisers and reviewers/

bloggers in terms of disclosure. A government-run consumer review site was suggested, which could incorporate some of the other suggestions such as verifying reviewers. Some believed that sites with manipulated reviews will be quickly identified and that the government should focus on the basics of safety, clear labelling, price transparency, truth in advertising and general consumer protection.

Notable comments

“Government should focus on the basics of safety, clear labelling, price transparency, truth in advertising and general consumer protection.”

“Prohibit paid or insider reviews – prohibit anything that prevents a bona fide customer from posting a negative review. – prohibit showing ‘average’ scores unless at least 20 reviews have been received.”

“It would seem to me that most review sites exist precisely to serve the public interest and provide a level of consumer protection by exposing both the good and bad points related to products and merchandise.”

“When so many sites are off shore, the most I see governments doing is better education measures for the consumer.”

“Don't know off hand. It would seem to me that most review sites exist precisely to serve the public interest and provide a level of consumer protection by exposing both the good and bad points related to products and merchandise. Perhaps some kind of regulatory guidelines for review site hosts and reviewers.”

“Competition Bureau should clarify what is expected of businesses/advertisers and reviewers/bloggers in terms of disclosure. It is currently not clear.”

Encouraging consumers to write reviews

Almost everyone liked the idea of an incentive of some sort to write a review (positive or negative). Asking the consumer for a review of the product or service but only asking once and ensuring the reviewer that their contact information will not be used for advertising. Educating consumers and students, not only on how to write a review but also why they should voice their opinion was suggested. Businesses responding to posted reviews may help to make people feel their opinions are heard.

Notable comments

“Make sure that by writing a review my e-mail address does not start receiving hundreds of advertising [e-mails].”

“Sites can encourage this. Businesses can respond to reviews and thus make people think their opinion will make a difference.”

“Easy and simple forms would help right after a product or service is delivered or utilized – e.g., Hotels.com sends a link to their review form shortly after a hotel stay is completed. Such forms have pull-down menus and click-items, plus, as absolutely essential, a space to write evaluative comments. An example of what not to do is Air Canada's customer surveys that offer no opportunity to write evaluative comments, just pull-down choices they have defined.”

“Education about how to write a review. i.e. it need not be too long or involved.”

* * *

“Educate the consumers that this is a way to empower the consumer – power to express thoughts.”

Information that makes a review most useful

Pros and cons of the product or service based on actual experience. Some of the information suggested was price, when it was purchased and for what purpose, multiple choice questions as well as open ended text and the reviewers level of experience with the product or service. Specific questions such as ‘would you buy it again’ or ‘would you recommend it to friends/family’ were seen as useful. Independent review sites (TripAdvisor, *Consumer Reports*) vs. manufacturers ‘or retailers’ review sites and verified or authenticated reviewers and their history of reviews. An interesting idea that came from this question was to prompt a reviewer in 6 months’ time to update their review with additional or revised opinions about the product.

Notable comments

“1. Purpose of purchase. 2. Was it a first time purchase? 3. When purchased. 4. How many or how much of the good or service purchased. 5. A ranking from 1 to 10 on the value for money of the purchase. 6. List of drawbacks of the good or service. 7. Full disclosure: identification off any other link to the seller other than this purchase.”

“Star-rating (up to 5 or even 10) and easy multiple choice questions in addition to the narrative review.”

“Price versus other products, quality of product and related services; for goods such as appliances; Subsequently send the consumer a link in say six months after purchase to evaluate the product then as to ease of operation, reliability, operational cost, repair service – the user experience. Respect consumers’ time. Make it all straight forward, user friendly and always ensure a comments box.”

“Having a mix of closed-ended and open-ended feedback mechanisms; not too many parameters; use measures that are meaningful for the public e.g., costs, but also ‘would you buy this product again’ – and don’t let people ramble on and on with their issues, no one wants to read it - limit characters to 50 in free-text fields.”

“From a person who can be identified and has a history of valid and reliable reviews.”

Examples of useful, relevant review sites

Travel review sites (TripAdvisor, Airbnb, Hotels.com, Bookings.com) were mentioned most often followed by Amazon. A few retail sites (BestBuy, HomeDepot, CanadianTire), online retail such as (eBay, LandsEnd, Marks & Spencer, iTunes), independent review sites such as Yelp, UrbanSpoon, *Consumer Reports*, RateMDs and various technology related sites (PCMag, MacWorld).

The most useful features cited were (in no particular order):

- Overall number of reviews for a product or service as a couple over the top reviews (positive or negative) would not skew the average too much.
- Verification of the reviewer (verified purchaser, confirmed reservation at hotel, etc.)
- Both good and bad reviews on the site.
- Date of the review,
- Independent review sites.

- Local reviewers and content.
- Pictures.
- Ranking of reviews.

Notable comments

“Amazon and Tripadvisor – have hundreds of reviews which hopefully indicates that some reviews will be unbiased. Also see good and bad reviews and reviews and date of review.”

“I notice Canadian Tire has a lot of reviews on its site, many of them very negative, which is interesting in itself, and the reviews are useful.”

“*Consumer Reports*, for products also sold in Canada and with allowance for different markets. They have a US bias and other leanings, towards political correctness (for instance), but they buy all tested products anonymously and try to devise test methods that will reflect normal consumer use and expectations. They have produced some clangers over the years but try hard to be useful and honest.”

Examples of review sites that are not useful or trustworthy

Not many sites were mentioned but of note were Air Canada, which is more of a controlled survey with dropdown choices and no text entry. Retail sites and vendor sites were thought to have a smaller number of reviews and were less trustworthy for that reason. Amazon relies on text entry but only has a single element (1 to 5 stars) to rate the product. Hotel and restaurant review sites were thought to have fake reviews. Also mentioned was that some Yelp reviewers resort to name calling. The overall consensus was that many review sites cannot be trusted.

Notable comments

“Hotel aggregators. They are in the main owned by hotel chains and/or pay to have their rooms listed at or near the top of the list.”

“Amazon, too much free-text commenting and only one element to rank a product.”

“I am less inclined to trust vendor sites or retailer sites. Smaller sample sizes increase the risks identified earlier.”

Appendix II: Focus Groups

Discussion guide - English

December 1, 2015

**Environics Research Group Limited
Focus Groups on Online Consumer Reviews
Consumers' Council of Canada
Discussion agenda
PN8685**

1. Introductions (10 minutes)

Welcome to the group. We want to hear your opinions. Feel free to agree or disagree. Even if you are just one person here that takes a certain point of view, you could represent many other people who feel the same way as you do.

You don't have to direct all your comments to me; you can exchange ideas and arguments with each other too.

You are being taped and observed to help me write my report, but let me assure you that what you say here is totally confidential. We are interested in what you have to say as a group and nothing you say will be attributed to you as an individual.

The host/hostess will pay you your incentives at the end of the session.

Let's go around the table so that each of you can tell us your name and a little bit about yourself, such as what sort of work you do and who lives with you in your house and what would be two things you most like to shop for – be they products or services.

2.0 Online reviews – initial feelings and questionnaire (20 minutes)

As you may have guessed from the questions we asked you when we invited you to this session we are going to be discussing the whole topic of consumer online reviews.

More and more Canadians read and use online reviews to help them make purchase (and return) decisions. Some consumers also contribute their own reviews to sites. There is a wide range of types and qualities and levels of usefulness of online review sites.

We are doing this research on behalf of the Consumers' Council of Canada which advocates for consumers. It works towards an improved marketplace for consumers in Canada. It seeks an efficient, equitable, effective and safe marketplace in which consumers

are able to exercise their rights and responsibilities.

We are interested in your comments and thoughts as consumers on these sites and on what businesses (i.e. retailers, 3rd party review sites, manufacturers, service providers etc...) can do to improve the utility of review sites.

I'm going to hand out a sheet of paper with some fields I want you to fill in. There is place where I want you to list some online review sites you particularly like or use regularly, a place where you can list any that you do not like or have some sort of a negative association with and a place to list what features you like in a review site.

I also want you to jot down where indicated what your concerns are when it comes to the whole phenomenon of online reviews.

HAND OUT FORM

Let's discuss what people wrote down. First of all – what review sites did you each write down that are ones that you like and use?

MODERATOR TO LIST ON A FLIP CHART

Did anyone list any review sites they do not like or that have a bad reputation?

What about features people like? What did you write?

What concerns do people have about online reviews? What did you each write?

3.0 General feelings about online reviews (20 minutes)

How much do you each rely on online reviews when you are thinking of buying a product or service? How big a factor are they for each of you?

Why do you rely on online reviews? How much weight do you give to online reviews compared to the weight you give to opinions of friends and family or to information you get directly from the businesses? Does it change for different products or services?

Some people say that these days they are more influenced by what they read in reviews than they are by what their friends and family say – why would that be? Is that the case for any of you?

Do you ever read of a review of a product AFTER you have bought it and then return it as a result of negative reviews?

There are many reviews out there – how do you determine which ones to give more or less weight to?

What makes a review personally relevant to you?

4.0 Trust in online reviews (15 minutes)

Do you trust all reviews equally or are there things you need to be on the lookout for?

How do you determine whether a review is “real” or not?

Have any of you heard any news stories about scandals or controversies relating to online

reviews? What have you heard?

In fact, there have been some recent incidents. Have any of you heard about any controversies involving...**PROBE**

- Yelp – 19 companies fined by the New York Attorney General for “astroturfing” – putting false reviews on review sites, primarily YELP
 - <http://www.ag.ny.gov/press-release/ag-schneiderman-announces-agreement-19-companies-stop-writing-fake-online-reviews-and>
- Bell Canada - fined \$1.25 million for falsifying reviews of their apps on the App Store.
 - <http://www.theglobeandmail.com/report-on-business/industry-news/marketing/bell-to-pay-125-million-penalty-for-fake-reviews/article26806629fines>
- CBC marketplace – creating a fake business and arranging for false reviews to be written
 - <http://www.cbc.ca/marketplace/blog/online-reviews-about-our-fake-food-truck-test>
- Amazon fines 1,000 product sellers for using false reviews
 - <http://money.cnn.com/2015/10/18/technology/amazon-lawsuit-fake-reviews/>

NB: IF NECESSARY MODERATOR WILL EXPLAIN ONE OR TWO OF THESE CONTROVERSIES

What do you make of these controversies? Do they have any impact on your trust in online reviews?

Are there ways you can try to filter the reviews you read so that you feel you can still trust them?

Do any review sites currently have any features that help you figure out which reviewers you can trust or should be given more weight? Which ones? How do they do it?

I am going to show you some examples of how some sites have features to help increase the trustworthiness of their reviews.

SHOW EXAMPLES

- Canadian Tire has a program “Tested for Life in Canada” consisting of a consumer

panel to test new product prototypes and help improve them. They also want to tap into the trust consumers seek out from online reviews with a greater legitimacy.

- <http://www.canadiantire.ca/en/tested.html>
- <http://business.financialpost.com/news/retail-marketing/tested-for-life-canadian-tire-corp-taps-customer-testers-for-a-hands-on-marketing-tool>

- Homestars has a “Recommendation Meter”. This meter indicates the extent to which Homestars would recommend a company based on all information collected, including client feedback and contractor responsiveness. It also takes into account contractors who are suspected of attempting to post fake reviews or asking or coercing a homeowner to remove a negative review.
 - https://homestars.com/building_trust
- Amazon verified purchase - When a product review is marked as an "Amazon Verified Purchase," it means that the customer who wrote the review had purchased the item at Amazon.com. Customers may add this label to their review only if we are able to verify that the item being reviewed was purchased at Amazon.com. Customers reading an "Amazon Verified Purchase" review may use this information to help them to decide which reviews are most helpful for their purchasing decisions.
 - <http://www.amazon.ca/gp/community-help/amazon-verified-purchase>
- YELP Elite reviewer – “Frequency and quality of reviews are important – but wait, there's more! We're looking for model Yelpers that engage on the site by sending compliments, voting Useful, Funny, and Cool (UFC) on reviews, participating respectfully on Talk, and consistently posting quality content. Depth and breadth of reviews are key to submitting a successful Elite application, but ideally, you're a yelpy good citizen as well.”
 - <http://www.yelp.ca/elite>

What do you think of these? Do they work for you?

5.0 Writing reviews (15 minutes)

How many of you ever actually write reviews of products you have bought or services you have used or restaurants you have gone to etc...?

Do you always review or only occasionally?

When do you review? Is it usually only when you had a bad experience or also when you had a good experience?

Are you ever prompted by the vendor or the review site to post a review? Does this work? Is this appropriate?

The Consumers Council believes that if more consumers write more reviews it will solve some of the issues of trust and reliability. It will also serve as a broader base on which people can find reviews that are personally relevant to them.

How can we get people to write more reviews – so that the reviews you read are more representative of all consumers of each product or service? Are there incentives to write reviews?

What can consumers do to write better more useful reviews for other people?

What makes a review useful and what makes a review poor or useless to you?

6.0 Other online review issues (15 minutes)

Are there cases where consumers can be unfair or malicious to businesses in their reviews? What would be an example of that? What can be done about it?

Sometimes businesses do a bad job or provide unsatisfactory service and that is noted in a review. What would you look for in a business response to a bad review?

What about a review where the business is right and the consumer is wrong?

Having seen all that reviews can do and perhaps cannot do; what features have you heard about that you think would be particularly useful, that perhaps you hadn't thought of before.

Let's go around the table and get your final thoughts on how you think the whole system around online reviews could be improved and be made more useful and more reliable to you. What do you each think?

THANK YOU FOR YOUR PARTICIPATION

Discussion guide - French

Le 4 décembre 2015

Environics Research Group Limited

Groupes de discussion sur les critiques de consommation en ligne

Consumers' Council of Canada

Guide de discussion

PN8685

1. Introduction (10 minutes)

Bienvenue au groupe. Nous voulons entendre vos opinions. Sentez-vous libre d'être d'accord ou pas. Même si vous êtes seul à exprimer un point de vue particulier, vous pouvez représenter bien d'autres personnes qui pensent comme vous.

Vous n'avez pas à m'adresser tous vos commentaires. Vous pouvez aussi échanger des

idées et des arguments les uns avec les autres.

Vous êtes enregistrés et observés pour m'aider à rédiger mon rapport, mais laissez-moi vous assurer que ce que vous direz ici restera confidentiel. Nous sommes intéressés à ce que vous avez à dire comme groupe et rien de ce que vous direz ne vous sera attribué personnellement.

L'hôte/hôtesse vous versera votre cachet à la fin de la séance.

Faisons un tour de table pour que chacun puisse nous dire son nom et parler un peu de lui ou d'elle, comme le genre de travail que vous faites, qui habite avec vous et quelles sont les deux choses que vous préférez acheter – qu'il s'agisse de produits ou de services.

2.0 Critiques en ligne – premières réactions et questionnaire (20 minutes)

Comme vous l'aurez deviné à partir des questions que nous vous avons posées lorsque nous vous avons invité à cette séance, nous parlerons de critiques de consommation en ligne.

De plus en plus de Canadiens lisent et utilisent les critiques en ligne pour les aider dans leurs décisions d'achat (et de retour). Beaucoup de consommateurs contribuent aussi leurs propres critiques aux sites. Il y a un vaste éventail de types, de qualités et de niveaux d'utilité des sites de critiques en ligne.

Nous menons cette recherche pour le compte du Consumers Council of Canada, qui défend les intérêts des consommateurs. Il s'efforce d'améliorer le marché de la consommation au Canada. Il cherche à créer un marché efficace, équitable et sûr dans lequel les consommateurs peuvent exercer leurs droits et leurs responsabilités.

Nous sommes intéressés à vos commentaires et à ce que vous pensez de ces sites comme consommateurs et à ce que peuvent faire les entreprises (c.-à-d. les détaillants, les sites de critiques de tierces parties, les fabricants, les fournisseurs de services, etc.) pour améliorer l'utilité des sites de critiques.

Je vais vous remettre une feuille renfermant des champs à remplir. Il y a un endroit où je veux que vous énumériez les sites de critiques en ligne que vous aimez particulièrement ou que vous utilisez régulièrement, un autre où vous pouvez énumérer ceux que vous n'aimez pas ou avec lesquels vous avez eu une expérience négative et un autre encore où énumérer les aspects qui vous plaisent dans un site de critiques.

Je veux aussi que vous notiez où c'est indiqué ce que sont vos préoccupations concernant le phénomène des critiques en ligne.

DISTRIBUER LE FORMULAIRE

Discutons de ce que les gens ont écrit. D'abord – quels sont les sites de critiques que vous aimez et que vous utilisez ?

* * *

L'ANIMATEUR NOTE SUR UNE FEUILLE MOBILE

Quelqu'un a-t-il noté des sites de critiques qu'il n'aime pas ou qui ont mauvaise réputation ?

Quels sont les aspects qu'aiment les gens ? Qu'avez-vous écrit ?

Quels soucis a-t-on à propos des sites de critiques ? Qu'avez-vous écrit ?

3.0 Sentiments généraux à propos des critiques en ligne (20 minutes)

Dans quelle mesure comptez-vous sur les critiques en ligne lorsque vous envisagez d'acheter un produit ou un service ? Sont-elles un facteur important pour chacun de vous ?

Pourquoi comptez-vous sur les critiques en ligne ? Combien de poids accordez-vous aux critiques en ligne par rapport au poids que vous accordez aux opinions de vos amis ou de votre famille ou à l'information que vous obtenez directement des entreprises ? Est-ce que ça change pour différents produits ou services ?

Certains disent qu'ils sont plus influencés ces jours-ci par ce qu'ils lisent dans les critiques que par ce que disent leurs amis et leur famille – pourquoi ? Est-ce le cas pour vous ?

Vous arrive-t-il de lire une critique d'un produit APRÈS que vous l'avez acheté et de le retourner si la critique est défavorable ?

Il y a beaucoup de critiques – comment déterminez-vous celles auxquelles donner plus ou moins de poids ?

Qu'est-ce qui rend une critique pertinente pour vous ?

4.0 Confiance dans les critiques en ligne (15 minutes)

Faites-vous confiance également à toutes les critiques ou y a-t-il des choses auxquelles vous devez faire attention ?

Comment déterminez-vous si une critique est « réelle » ou pas ?

Avez-vous eu vent de scandales ou de controverses concernant les critiques en ligne ? Qu'avez-vous entendu ?

En fait, il y a eu des incidents récents. Avez-vous eu vent de controverses entourant...

EXPLORER

Yelp – 19 compagnies mises à l'amende par le procureur général de l'État de New York pour « astroturfing » – afficher de fausses critiques sur des sites de critiques, surtout YELP

- <http://www.ag.ny.gov/press-release/ag-schneiderman-announces-agreement-19-companies-stop-writing-fake-online-reviews-and>

Bell Canada – amende de 1,25 million de dollars pour avoir falsifié des critiques d'une application sur l'App Store.

- <http://www.theglobeandmail.com/report-on-business/industry-news/marketing/bell-to-pay-125-million-penalty-for-fake-reviews/>

[article26806629fines](#)

CBC Marketplace – créer une fausse entreprise et faire écrire de fausses critiques pour illustrer le problème

- <http://www.cbc.ca/marketplace/blog/online-reviews-about-our-fake-food-truck-test>

Amazon met 1 000 vendeurs de produits à l'amende pour avoir utilisé de fausses critiques

- <http://money.cnn.com/2015/10/18/technology/amazon-lawsuit-fake-reviews/>

NB : AU BESOIN, L'ANIMATEUR EXPLIQUERA UNE OU DEUX DE CES CONTROVERSESES

Que pensez-vous de ces controverses ? Affectent-elles votre confiance dans les critiques en ligne ?

Y a-t-il pour vous des façons de filtrer les critiques que vous lisez pour vous redonner confiance en elles ?

Y a-t-il des sites de critiques qui renferment déjà des caractéristiques vous aidant à déterminer les critiques auxquelles vous pouvez vous fier ou accorder plus de poids ? Lesquels ? Comment s'y prennent-ils ?

Je vais vous donner des exemples de la façon dont certains sites renferment des caractéristiques qui renforcent la véracité de leurs critiques.

Canadian Tire dispose d'un programme intitulé « Testé pour la vie ici » dans lequel un panel de consommateurs teste les prototypes d'un nouveau produit et aide à les améliorer. On veut aussi exploiter la confiance que les consommateurs recherchent dans les critiques en ligne avec une plus grande légitimité.

- <http://www.canadiantire.ca/en/tested.html>
- <http://business.financialpost.com/news/retail-marketing/tested-for-life-canadian-tire-corp-taps-customer-testers-for-a-hands-on-marketing-tool>

Homestars dispose d'un « compteur de recommandation ». Ce compteur indique dans quelle mesure Homestars recommanderait une compagnie sur la foi de tous les renseignements recueillis, y compris la réaction des clients et la capacité de réaction de l'entrepreneur. Il tient aussi compte des entrepreneurs soupçonnés de tenter d'afficher de fausses critiques ou de demander ou de forcer un propriétaire à supprimer une critique négative.

- https://homestars.com/building_trust

Achat vérifié par **Amazon** – Lorsque la critique d'un produit porte la marque « achat vérifié par Amazon », ça veut dire que le client qui a écrit la critique a acheté l'article à Amazon.com. Les clients peuvent ajouter ce label à leur critique seulement si nous pouvons vérifier que l'article en question a été acheté à Amazon.com. Les clients qui lisent une critique « achat vérifié par Amazon » peuvent utiliser cette information pour les aider à déterminer quelles critiques sont les plus utiles dans leurs décisions d'achat.

- <http://www.amazon.ca/gp/community-help/amazon-verified-purchase>

Brigade d'Élite **YELP** – « La fréquence et la qualité des avis sont importants mais c'est bien plus que ça! Nous cherchons pour des Yelpeurs modèles qui interagissent sur le site en envoyant des compliments, en votant pour les avis qui sont utiles, drôles et cools, en participant de manière respectueuse sur le Chat, et qui affichent du contenu de qualité de manière consistante. La profondeur et la longueur des avis sont clés pour une bonne application à l'Élite, mais idéalement, tu es un bon citoyen Yelp aussi!»

- <http://www.yelp.ca/elite>

Qu'en pensez-vous ? Fonctionnent-elles pour vous ?

5.0 Écrire des critiques (15 minutes)

Combien d'entre vous ont déjà écrit des critiques de produits que vous avez achetés ou de services que vous avez utilisés ou des restaurants que vous avez fréquentés, etc. ?

Faites-vous toujours une critique ou seulement à l'occasion ?

Quand écrivez-vous une critique ? Est-ce seulement quand vous avez eu une mauvaise expérience ou aussi quand vous avez eu une bonne expérience ?

Vous arrive-t-il d'être incité par le vendeur ou le site de critiques à afficher une critique ? Est-ce que ça réussit ? Est-ce approprié ?

Le Consumers Council croit que si plus de consommateurs écrivent des critiques, ça résoudra quelques-uns des problèmes de confiance et de fiabilité. Ça créera aussi une base plus large où les gens pourront trouver des critiques qui les concernent.

Comment peut-on amener les gens à écrire plus de critiques – de manière que les critiques que vous lisez soient plus représentatives des consommateurs de chaque produit et service ? Y a-t-il des incitations à écrire des critiques ?

Que peuvent faire les consommateurs pour écrire des critiques plus utiles pour les autres ?

Qu'est-ce qui fait qu'une critique est utile et qu'est-ce qui fait qu'une critique est mauvaise ou inutile pour vous ?

* * *

6.0 Autres problèmes de critiques en ligne (15 minutes)

Y a-t-il des cas où les consommateurs peuvent être injustes ou malveillants envers les entreprises dans leurs critiques ? Quel en serait un exemple ? Que peut-on y faire ?

Il arrive que des entreprises fassent un mauvais travail ou fournissent un service insatisfaisant. Que chercheriez-vous dans la réponse d’une entreprise à une mauvaise critique ?

Et qu’en est-il d’une critique où l’entreprise a raison et le consommateur a tort ?

Ayant vu tout ce que les critiques peuvent faire et ne pas faire, qu’avez-vous entendu qui vous paraîtrait particulièrement utile et à quoi vous n’avez pas pensé avant ?

Faisons un tour de table pour recueillir vos dernières pensées sur la façon dont le système des critiques en ligne pourrait être amélioré et rendu plus utile et plus fiable. Que pensez-vous, chacun de vous ?

MERCI DE VOTRE PARTICIPATION

Focus group responses

Montreal Participant Data

Focus Group 1

Recruit 7 per group		Q.1	Q.3	Q.4	Min (2) Must mention		
		3/4 split	Must mention yes				
	Name	Gender	Read online reviews of consumer products of services in the last year	Frequency of reading online reviews	Hotels/Accommodations	Restaurants	Tourist attractions
1	MM	Female	Yes	Occasionally	Yes	Yes	Yes
2	SH	Male	Yes	Occasionally	Yes	Yes	Yes
3	FT	Female	Yes	Frequently	Yes	Yes	Yes
4	SB	Male	Yes	Frequently	Yes	Yes	Yes
5	MT	Male	Yes	Frequently	Yes	Yes	Yes
6	GS	Female	Yes	Occasionally	Yes	Yes	Yes
7	AS	Female	Yes	Frequently	No	Yes	Yes

Recruit 7 per group		Q.5					
		Min (2) must mention	Min (2) must mention				
	Name	Personal services	Films	Books or music recordings	Cars	Electronics	Appliances
1	MM	No	Yes	Yes	No	No	No
2	SH	No	Yes	Yes	No	No	No
3	FT	No	Yes	No	No	Yes	Yes
4	SB	Yes	Yes	Yes	Yes	Yes	Yes
5	MT	Yes	Yes	No	Yes	No	No
6	GS	No	Yes	No	No	No	Yes
7	AS	No	No	No	No	Yes	Yes

Recruit 7 per group		Q.5					
		Min (2) must mention	Min (2) must mention				
	Name	Personal services	Films	Books or music recordings	Cars	Electronics	Appliances
1	MM	No	Yes	Yes	No	No	No
2	SH	No	Yes	Yes	No	No	No
3	FT	No	Yes	No	No	Yes	Yes
4	SB	Yes	Yes	Yes	Yes	Yes	Yes
5	MT	Yes	Yes	No	Yes	No	No
6	GS	No	Yes	No	No	No	Yes
7	AS	No	No	No	No	Yes	Yes

Focus Group 2

Recruit 7 per group

Q.1	Q.3	Q.4	
3/4 split	Must mention yes		Min (2) Must mention

	Name	Gender	Read online reviews of consumer products of services in the last year	Frequency of reading online reviews	Hotels/Accommodations	Restaurants	Tourist attractions
1	RT	Male	Yes	Frequently	Yes	Yes	No
2	KP	Female	Yes	Frequently	Yes	Yes	Yes
3	EI	Female	Yes	Occasionally	No	Yes	No
4	LW	Female	Yes	Frequently	Yes	Yes	Yes
5	HA	Male	Yes	Occasionally	Yes	Yes	Yes
6	GC	Female	Yes	Frequently	Yes	Yes	No
7	DM	Male	Yes	Frequently	Yes	Yes	Yes

Recruit 7 per group

Q.5	
Min (2) must mention	Min (2) must mention

	Name	Personal services	Films	Books or music recordings	Cars	Electronics	Appliances
1	RT	No	Yes	Yes	No	Yes	Yes
2	KP	Yes	Yes	No	No	Yes	Yes
3	EI	Yes	Yes	Yes	Yes	Yes	Yes
4	LW	Yes	Yes	Yes	Yes	Yes	Yes
5	HA	Yes	Yes	Yes	Yes	Yes	Yes
6	GC	Yes	Yes	No	No	No	No
7	DM	Yes	Yes	Yes	Yes	Yes	Yes

		Q.6	Q.7	Q.8	Q.9	Q.10
Recruit 7 per group		Min (2) must mention yes	Ensure mix	Must mention 18-70		Ensure mix

	Name	Written online reviews of any consumer products or services	Education	Age	Occupation	Income
1	RT	Yes	Some Post secondary	32	Technology researcher	\$100-150K
2	KP	No	Completed Post secondary	34	Post delivery	Less \$30K
3	EI	No	Trade school certificate	21	Hairdresser	\$30-60K
4	LW	No	Trade school certificate	27	Waitress	\$30-60K
5	HA	Yes	Completed Post secondary	40	Technician	\$60-80K
6	GC	No	Some Post secondary	30	Landscaper	\$80-100K
7	DM	Yes	Some Post secondary	33	Housekeeper	\$30-60K

Toronto Participant Data

Focus Group 1

	Name	Gender	Q.1 Read online reviews of consumer products/ services in the last year	Q.4 Frequency of reading online reviews	Q.5 Read online reviews for...								
					Hotel/ Accommodations	Restaurants	Tourist attractions	Personal services	Films	Books or music recordings	Cars	Electronics	Appliances
1	AB	Male	Yes	Frequently	Yes	Yes	-	Yes	Yes	Yes	Yes	Yes	Yes
2	TC	Male	Yes	Frequently	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	SD	Female	Yes	Frequently	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	SSD	Female	Yes	Frequently	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	-
5	RC	Male	Yes	Frequently	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
6	MA	Female	Yes	Occasionally	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes
7	SM	Male	Yes	Frequently	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes	Yes

	Q.6	Q.7	Q.8	Q.9	Q.10	
	Name	Written online reviews of any consumer products/services	Education	Age	Occupation	Income
1	AB	No	Post Secondary	51	Community Worker-Non Profit	Under \$30K
2	TC	Yes	Graduate Degree	32	Education Admin-Education	\$80-100K
3	SD	Yes	Post Secondary	21	Student	\$80-100K
4	SSD	Yes	Some post Secondary	54	On Disability	\$60-80K
5	RC	Yes	Graduate Degree	42	Accountant	\$100-150K
6	MA	Yes	Post Secondary	27	Manager - Bank	\$30-60K
7	SM	No	Some post Secondary	68	Financial Advisor	\$100-150K

Focus Group 2

	Q.1	Q.3	Q.4	Q.5										
	Name	Gender	Read online reviews of consumer products/ services in the last year	Frequency of reading online reviews	Read online reviews for...									
					Hotel/ Accommodations	Restaurants	Tourist attractions	Personal services	Films	Books or music recordings	Cars	Electronics	Appliances	
1	RD	Male	Yes	Frequently	Yes	Yes	Yes	Yes	Yes	Yes	-	-	Yes	
2	JF	Male	Yes	Occasionally	Yes	Yes	-	-	Yes	Yes	-	Yes	-	
3	NL	Female	Yes	Frequently	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes	
4	JS	Female	Yes	Rare occasion	Yes	Yes	Yes	-	-	-	Yes	Yes	Yes	
5	TS	Male	Yes	Occasionally	Yes	Yes	Yes	-	Yes	Yes	Yes	Yes	Yes	
6	TA	Female	Yes	Occasionally	-	-	-	Yes	Yes	Yes	-	Yes	Yes	
7	DS	Male	Yes	Frequently	Yes	-	-	-	Yes	Yes	-	Yes	-	

		Q.6	Q.7	Q.8	Q.9	Q.10
	Name	Written online reviews of any consumer products /services	Education	Age	Occupation	Income
1	RD	Yes	Graduate Degree	33	Information Manager-Healthcare	\$150K+
2	JF	Yes	Post Secondary	50	Graphic Designer - Freelance	\$60-80K
3	NL	Yes	Post Secondary	43	Graphic Designer	\$80-100K
4	JS	Yes	Post Secondary	55	Self Employed-Bookkeeper	\$80-100K
5	TS	No	Some Post Secondary	22	Student/ Karate Instructor	\$150K+
6	TA	Yes	Post Secondary	31	Sales - Clothing	\$30-60K
7	DS	No	High School	56	Pastor	\$30-60K

Responses to handouts

	Sites Liked	Don't Like	Concerns	Features Liked
Montreal one				
GS	Google Brault & Martineau		Best Price Competition Choice Comparison	Appliance Clothes
SH	Hotel Website Restaurant Website Movie Website Google Trip Advisor		You can't always base things on the online comments, they can sometimes be written by the company.	That they can remove bad comments.
SB	Best Buy Canadian Tire Trip Advisor Protégez-vous	Amazon Parc Safari If you want to leave a comment you have to subscribe.	Product Quality Service Quality Diversity of reviews (must include both positive and negative) Price Comparison (if someone bought it at a discount, I could always wait)	Diversity (of reviews) Stars for the product in general Stars for the reliability and after-purchase service No censorship
FT	Voyage à rabais Hotels.com Voyage Bergeron Protegez-vous Livre du Mois (Book of the Month) Online Shopping Restaurants Google Films Recipes	What people say	Card Number Afraid of paying and not receiving	Better offers Direct me to a better purchase The more people buy, the better.

AS	Merchant Websites (Canadian Tire, restaurants...) Global websites that I find through Google Tribute Ricardo Recipe Websites, I love the comments	Reader's digest, you leave a comment and they incessantly send you registration forms, the type of company that harasses you if they know of your existence.	The fewer the comments, the less I trust, especially if they are all positive, I can sometimes suspect that they were all written by the company. Sites where you have to register to comment, not reliable in my opinion.	Stars and scores that come from the clients.
MM	Hotel Restaurants Google Sport	Politics and religion		

Montreal Two

GC	Trip advisor (hotel, spa) Urban spoon (restaurants reviews) MEC (outdoor materials) IMDb (Internet movie database) Rotten Tomatoes (movie reviews) Amazon	The fake online reviews made by companies on which you cannot comment yourself. (For example: doubtful natural products)	I look for the experience on the product/service, and if it's user-friendly (also look for tutorials on products before ordering). Sometimes people get bad reviews only because they don't know how to use it. (For example: bottle cutters)	Notes based on a star rating out of 10. Pros and cons of the product Recommended product (favourite of customers)
EI	Wish EBay Home Party Lite Netflix Geeks Just eat Groupon		I read the comments first of the people that already bought the article. If the product works. The quality of the product.	The credit of the people may influence my choice of buying the article because sometimes it's false a list of these and I don't want to get caught. I watch the rate of the article.
DM	Ford EBay PlayStation.com travel		Out of 100 people, only the one that had a bad experience will write a review. It would be great to know how many people visited/purchased from the site before the review was made. This thought is because in most cases the reviews are negative ones.	Search bar with Keywords in people's comments Filter By topic By product That's a great one, referring to eBay. I have to make a review, so you have a better judgment. You have more people reviewing. For the sites that don't have that, at least show the number of people that went on the site, number of buyers against the bad reviews.
KP	Trip advisor Future Shop At the store Rosegale		On Trip Advisor you got to be careful because the person who makes the review may be more demanding, we all travel differently. Some sites like Rosedale have different quality material so you got to be careful when reading the review. From one article to another can be very different.	I like when they rank the stop as a top 10 so you can choose a quality versus price. Use a happy face or a sad face to write a simple restaurant review

HA	Yellow Pages iTunes Restaurants-Montréal		Sometimes the consumers exaggerated and they are not being totally honest. Reviews can be somehow false.	Cinema Montréal is very useful to find all kinds of new releases with their reviews.
RT	Yelp for food and restaurants TripAdvisor		Who wrote the review was also the beneficiary. Are the reviewers professionals? Is the problem common or just mentioned a few times	Location finder Sort on Rating Price comparison Special suggestion Comparison

Toronto 1				
SM	eBay Air Canada Southwest airlines YouTube new YouTube educational Yahoo precise information confirmation trip advisor Travelocity Car and driver		they are like referrals there are always good points stimulus for sales bias as well don't tell everything Some car sites - very rarely talk about the good things about the car "once you push the button (to publish a review), you can't take it back."	when people tell the "whole" story State positives been there, done that
SSD	restaurants good snitch slowly Angie's list Google yelp televisions/talkshows YouTube	most cases reviews toot their own horn yelp-less creditable too many reviews on products reviews that are polar opposites	people sometimes don't speak truths. Because they may be friends, they know individuals who own the product	Body shop-shop for basic can correct for skin types pictures Narrows or expand search by food description my suggestion for wines or foods
SD	Amazon.ca Google plus for restaurants, businesses and retailers eBay chapters or indigo blog.T0 Google play store Angie's list		fake reviews generated to make a business or retailer look better than they actually are	similar products products other customers bought sorting reviews by most recent or highest review etc. stars and date of review Access to a history of your reviews
MA	urban outfitters Aldo Toys "R" Us David's bridal yelp		how trustworthy the score is, i.e. Is this planted by the company? Some sites allow the company to remove the review how big the pool of reviewers is to determine how accurate of a review	pictures of customers wearing the item (urban outfitters, David's bridal, and I believe Aldo) allow reviewers to do this in regard to close and shoes. When it has a scale for true to size, smaller-larger when it posts how many reviews the rating is based on when it allows you to modify which reviews you can see based on score and/or stars - to see just negative reviews

TC	trip advisor Amazon.ca car and driver Best Buy sport check Food network other recipe sites		biased on opinion no way to vet the content what is being posted who is posting	Pictures Video pros and Cons recommendations Refine search (like Amazon)
AB	yahoo.ca Gmail Canada computers Best Buy Amazon Redflagdeals Travelocity Ratemydoctor Expedia		some concerns would be the fact that my opinions would differ from that of someone else's	statistics are useful regarding how many people have visited the site or how many people like a particular item
RC	redflagdeals Amazon shop bot hotels.ca eBay indigo Best Buy Edmunds - cars glass door.ca just eat.ca	glassdoor.ca is too critical non-independent workopolis.ca Indeed.ca	Independent review? accuracy of review validity of review review may not be timely and/or relevant	hotels.ca I travel 2000.ca trip packages offered may not be ideal for family Hotel reviews are useful before reservation, this prevents travellers from making the wrong decisions since trips are usually longer than a week

Toronto Two				
JF	Yelp Yellow Pages MTBR (mountain bike reviews) Pinkbike Rotten tomatoes	Netflix star rating is useless	Is the reviewer qualified to make the review How easy is it to navigate the site?	Detailed outline of the reviewer If it lists similar products or services used by the reviewer If the reviewer is permitted to review various aspects of the product
TA	Lonely Traveller Last minute deals.com Trivago Plan my trip Best restaurants Amazon Record Place your bets.com EBay Redcard record (?) Hotels.com Consumer network.DE Alumni network Rotten tomatoes		Definitely rigged	Pictures experiences in video Comparisons with different sites or services/hotels/ restaurants/products not listed New information
NL	Trip advisor <i>Consumer Reports</i> for appliances and cars and large purchases and electronics Tennis Warehouse Red Flag Amazon for books Expedia IMDb Chow hound Home stars	Yelp – it's misleading - just my personal experience Yellow Pages - Both too general and based on past experience, it is not too accurate and full of fraudulent reviews	Dishonest Fake Is it paid advertising? Authenticity Ability to influence/delete reviews	Would they recommend Price Quality Experience Features that are filterable

<p>TS</p>	<p>EBay Amazon Specific Facebook groups Online yo-yo stores Yoyobestbuy in particular Alley express Priceline Groupon</p>		<p>Typically reliable, often enough I have found people involved with a certain company will create an alias and post positive reviews to "hype" their product.</p>	<p>Sites that show good and bad reviews Sites with a premed review sheet, covering specific questions that consumers really want to know Facebook is a little more informal, and I think that is better. And you know they have a Facebook profile. But having said that there are some problems with that. Especially with a company where they made a lot of the owner made a lot of false profiles just to have this product.</p>
<p>RD</p>	<p>Trip advisor Booking.com Home Depot Canadian tire Home stars Amazon Red flag deals.ca</p>		<p>Are they trustworthy? When only a few reviews have been made on a product/service and they are all "excellent" reviews Should be at least 10 reviews to get a comprehensive view of product/service</p>	<p>Sorting by stars Allows tp filter for bad reviews Provide practical information More detailed comprehensive/critical reviews home stars-most of them knew about this. If you want to find something for repair. Four contractors. It's actually pretty good. I've hired five contractors off of home stars and so far they've been pretty impeccable based on the reviews. That's good to know says someone else. But overall either yes we've seen it I like it or who I want to know more about it.</p>

Appendix III: Key Informants

Interview topics and questions

Good or Bad Sites

These initial questions give a good opening to the experience and the perspective of the Key Informant.

From your experience what would you consider a good review site and why?

From your experience what would you consider a bad review site and why?

Benefits of OCR

What do you see as the benefits to consumers of using online consumer reviews (OCR)?

What do you see as the difference in using online consumer reviews for online purchases versus in store purchases?

How do the benefits differ with mobile?

Do consumers understand the benefits?

Is there a mismatch between the reason that consumers use OCR and the real benefit?

Harm of OCR

What risks do you think consumers most misjudge in the use of OCR?

What harm can come to consumers?

What harm can come to business?

Existing Issues

False reviews

How pervasive?

Where are they more prevalent - industry, or type of site?

Are consumers aware?

Reviewer identification – is this the real reviewer with experience or consumption of product or service?

Some third party review sites look real, but aren't. How can consumers detect those?

Some consumers are exploiting businesses through reviews, either vindictively or for benefit. How are businesses reacting (good and Bad) and do you have examples of consumers doing this?

Traditional distrust of marketing and lack of transparency – how is that affecting online reviews?

Barriers to Business

Do businesses overreact to negative reviews?

Do businesses feel forced into providing reviews of their product or service?

Is technology a barrier?

Reviewing services versus products and how business approaches it?

What about the effort to manage reviews, particularly in smaller businesses?

What Can be Done to Protect Consumers

What can third party review sites do to improve consumer protection?

What can businesses do in general?

How can business increase trust?

How can businesses ensure more accurate reviews?

How can business increase the number of reviews, assuming that more reviews are better?

How can business encourage more of the reviews in the middle – the 4, 5, 6, and 7's on the 10 scale.

How can businesses encourage the inclusion of more relevant contextual reviews?

What can government do?

How to deal with reviews that are proper but a business believes to be incorrect?

For instance, a consumer who gives a 1 rating because they didn't know how to use a product.

What other organizations can play an improving part?

What Can Be Done to Protect Business?

How can businesses protect themselves?

Where can standards play in this?

Where can trust seals play in this?

What can government do?

How can consumers be educated to improve any improper reviews?

Standards

There is currently an ISO standard being written under their Technical Committee TC 290 on "Online Reputation designed around process of collection, moderation and display.

Where are the tensions between consumer and business that may be an issue with such a standard?

(May need prompts that are clearly known to the interviewer)

How can a standard make a difference?

What parts of the collection process do you think should be detailed in the standard?
How?

What parts of the moderation process do you think should be detailed in the standard?
How?

What parts of the display process do you think should be detailed in the standard? How?

Making More and Better Reviews

Reducing badly written reviews, reducing false reviews, reducing vindictive reviews, and increasing general reviews all help.

How do we get consumers to write more reviews?

What should consumers do to write better reviews - those that have more context, engender more trust, and convey more information about the product?

How do businesses encourage/assist consumers in writing such reviews?

How can business, government or consumers or consumer groups encourage more reviews?

What are the barriers consumers have in writing reviews?

List of key informants

Candito, Josie: Franchisee Owner, Master Mechanic Professional Auto Service. Toronto, Ontario.

Caught, Kathleen, Vice Chair Board of Directors for Nova Scotia Chapter 22 at CARP, Nova Scotia.

Chiswell, Dave: VP Products Canadian Internet Registration Authority. Ottawa , Ontario.

del Taglia, Fabrice: Directeur Général de Nomade Aventure. Paris, France (Original Project Leader of the French Online Consumer Reviews standard from Afnor

Dubot, Aurelien: Product Marketing Director, Bazaarvoice. London, United Kingdom

Friedman, Kelly: Partner, DLA Piper, Toronto. Ontario

Harkness, Patrick: Management Consultant. Chilliwack, British Columbia

Heine, Kasper: Head, Trust & Transparency, Trustpilot. Copenhagen, Denmark.

Hunter, Julie: Consumer Journalist, Researcher and Consultant (ANEC/Consumers International). London, United Kingdom

Johnson, Piera: Lead Programme Manager, British Standards Institution, London, United Kingdom

Lewis, Keith: Consumer Co-ordinator, Services Group, British Standards Institution, Manchester, United Kingdom

Lowe, Luther: Vice-President of Public Policy, Yelp. San Francisco, California

Perrin, James: Digital Communications Specialist, Feefo. Hampshire, United Kingdom

Peterson, Nancy: CEO & Founder, Homestars. Toronto, Ontario

Sagman, Jasen: Government Affairs, Canadian Marketing Association, Toronto, Ontario

Scheibel, Kristin: Policy Advisor, German Hotel Association. Muenster, Germany.

Wei, Hu: Vice Director, Standardization Service Department, Guangdong Institute of Standardization. Guangdong, P.R. China

Appendix IV: Theses of the Cluetrain Manifesto Relevant to the Research From the original Cluetrain Manifesto, 1999

Following are particularly relevant excerpts from the Cluetrain Manifesto outlining how the authors of the manifesto saw the world of social media in 1999. They were right:

1. Markets are conversations.
6. The Internet is enabling conversations among human beings that were simply not possible in the era of mass media.
8. In both internet worked markets and among intranet worked employees, people are speaking to each other in a powerful new way.
9. These networked conversations are enabling powerful new forms of social organization and knowledge exchange to emerge.
10. As a result, markets are getting smarter, more informed, more organized. Participation in a networked market changes people fundamentally.
11. People in networked markets have figured out that they get far better information and support from one another than from vendors. So much for corporate rhetoric about adding value to commoditized products.
12. There are no secrets. The networked market knows more than companies do about their own products. And whether the news is good or bad, they tell everyone.
17. Companies that assume online markets are the same markets that used to watch their ads on television are kidding themselves.
19. Companies can now communicate with their markets directly. If they blow it, it could be their last chance.
28. Most marketing programs are based on the fear that the market might see what's really going on inside the company.
39. The community of discourse is the market.

40. Companies that do not belong to a community of discourse will die.
57. Smart companies will get out of the way and help the inevitable to happen sooner.
60. This is suicidal. Markets want to talk to companies.
74. We are immune to advertising. Just forget it.
80. Don't worry, you can still make money. That is, as long as it's not the only thing on your mind.
82. Your product broke. Why? We'd like to ask the guy who made it. Your corporate strategy makes no sense. We'd like to have a chat with your CEO. What do you mean she's not in?
89. We have real power and we know it. If you don't quite see the light, some other outfit will come along that's more attentive, more interesting, more fun to play with.

Added in the revised Cluetrain Manifesto, 2015 (a relevant selection)

31. Every link by a person with something to say is an act of generosity and selflessness, bidding our readers leave our page to see how the world looks to someone else.
46. We do this in part because conversation requires a common ground: shared language, interests, norms, understandings. Without those, it's hard or even impossible to have a conversation.
52. We were right the first time: Markets are conversations.
53. A conversation isn't your business tugging at our sleeve to shill a product we don't want to hear about.
54. If we want to know the truth about your products, we'll find out from one another.
55. We understand that these conversations are incredibly valuable to you. Too bad. They're ours.
99. Anything you don't understand you can find an explanation for. And a discussion about. And an argument over. Is it not clear how awesome that is?
100. You want to know what to buy? The business that makes an object of desire is

now the worst source of information about it. The best source is all of us.

109. If the conversations at your site are going badly, it's your fault.
110. Wherever the conversation is happening, no one owes you a response, no matter how reasonable your argument or how winning your smile.

Notes

1. Anyone seeking to understand the marketing assumptions behind the advent of consumer online reviews may want to consult the manifesto, issued a generation ago. A guide to significant “theses” of the manifesto relevant to this research can be found in Appendix IV.
2. NF Z74-501 Online Consumer Reviews – Principles and requirements for collection, moderation and delivery processes for online consumer reviews
3. The questions, detailed response summaries and more comprehensive excerpts from the PIN survey are included in Appendix I of this report.
4. The questions, detailed response summaries and more comprehensive excerpts from the Focus Groups are included in Appendix II of this report.
5. The focus group discussion guide and anonymized summaries of focus group participant responses are attached to this report as Appendix II.
6. A list of those key informants prepared to be identified appears in Appendix III.