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Trust, Quality and Motivation in Consumer-to-Consumer Interactions on the WWW

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INTRODUCTION

Finding information on products has never been easier. Prospective buyers can find information not only on merchants' Web sites, but they can also turn to online product forums and read about other consumers' experiences with a specific product or share their own (Tapscott & Ticoll, 2003). At the same time, consumer-to-consumer (C2C) interaction on the WWW enables companies to gather marketing intelligence from the product reviews people post. However, as Gately (2000) rightly notes, not everyone with an opinion qualifies as a professional critic. Therefore, C2C Web sites need to implement measures to encourage competent users to post high-quality contributions. This paper explores the nature of C2C interactions and seeks to identify strategies that render the knowledge provided by C2C sites more useful.

LITERATURE REVIEW

Previous empirical research into the nature of C2C interaction on the WWW includes studies on feedback mechanisms (Dellarocas, 2003), message credibility (Xue & Phelps, 2004), and C2C interaction on corporate Web sites (Chiou & Cheng, 2003). While there has been extensive research in related areas such as C2C commerce (e.g. Malaga, 2001; Ono et al., 2003), C2C auctions (e.g. Standifird, 2001; Boyd, 2002), and electronic agents for comparison shopping (e.g. Bitting & Ghorbani, 2004), the body of literature on the nature of C2C interactions on the WWW is comparatively small. This section first examines C2C interactions from three different angles, including word-of-mouth, virtual communities, and market research, to gain a broader picture of the subject matter and then looks at the challenges inherent in such interactions.

C2C and Word of Mouth

Word-of-mouth (WOM) is defined as non-commercial, oral, person-to-person communication between a sender and a receiver (Arndt, 1967). Because of the non-commercial nature of the interaction, WOM is more persuasive than advertisements (Day, 1971). Lampert and Rosenberg (1975) hold that WOM among consumers incorporates three different activities. First, information is sought for immediate use aimed at risk reduction. Second, information is obtained and stored for future usage and, third, information is shared in order to influence other people's decisions. According to Haywood (1989), WOM is used when buyers lack the information necessary for a purchase or when they perceive the risk associated with the purchase as high. Therefore, there seems to be an enormous potential for C2C interactions for expensive products. Herr et al. (1991) found that when consumers rely on WOM, they consider negative information more helpful than positive information in distinguishing between high-quality products and products of low quality. Duhan et al. (1997) examined recommendation sources in consumer decisions and found that people turn to strong-tie sources for reassurance and to weak-tie sources for their expertise. This suggests that the anonymity of the WWW is not necessarily an obstacle to the success of C2C interactions on the WWW.

C2C and Virtual Communities

With the Internet being both a mass medium and an interpersonal medium, it is able to satisfy people's information needs as well as their social needs (Stafford & Stafford, 2001). Interaction in virtual communities is a form of computer-mediated communication that satisfies both needs. It occurs either in a synchronous manner in chat rooms with co-present users or in an asynchronous format on bulletin boards with temporally disjointed users (Hutchby, 2001).

Essentially, two forms of consumer communities have emerged on the WWW. First, consumers have created brand communities online, which may be an advantage for the owner of the brand if such a community is founded by brand enthusiasts. However, such brand Web sites may hurt corporate reputation if they are designed for the sole purpose of ridiculing a company or voicing complaints about its products (Maclaran & Catterall, 2002). Second, consumers are also able to interact with other consumers on company Web sites. Consumers who are active in such communities have been found to view the company more favorably than consumers who merely watch but do not participate (Evans et al., 2001). Although the contributions to such forums may be unfavorable and may even contain blunt lies, companies still benefit from higher brand loyalty and stronger customer relationships (Armstrong & Hagel, 1996).

Burnett and Buerkle (2004) argue that non-interactive "lurkers" may be the largest group within a virtual community, which raises the question of what motivates people to voice their opinion. Basically, humans have a desire to share information about which they consider themselves experts (Hamilton, 2001). Virtual communities tap into this very desire, since the anonymous nature of online communities enables people to claim authorities they would not be able to claim in the real world (Gelb & Sundaram, 2002) and the availability of their opinions to others is an incentive for them to share them (Nah et al., 2002). This is particularly attractive to opinion leaders, who receive and transmit more information on topics they are interested in than other people (Haywood, 1989).

C2C and Market Research

While in the past, companies needed market research to learn what their customers want, nowadays they can track their behavior online (Tapscott & Ticoll, 2003). In order to make use of C2C interactions as a form of intelligence gathering, companies need to understand these communication models and learn how to capitalize on the knowledge that is available to them (Maclaran & Catterall, 2002). Obviously, the types of feedback consumers are able to give on a C2C Web site have implications for the usefulness of the data for knowledge management. The uses of C2C for corporate knowledge management include learning about customer preferences and problems with products or customer service (Nah et al., 2002). C2C interactions can thus be seen as feedback mechanisms that may help companies to strengthen their brands and improve the quality of their products (Dellarocas, 2003). Also, C2C interaction facilitated on a company's Web site may enable the

company to provide customers with personalized product recommendations.

Challenges in C2C Interactions on the WWW

The interplay of the three core elements of C2C interaction on the WWW – viz. consumers, interaction, and the WWW – gives rise to three challenges, as illustrated in Figure 1. First, when consumers participate in word-of-mouth they can never be sure whether the information they obtain is accurate, which is exacerbated by the anonymity of the WWW. Fostering trust in the informant's expertise is thus one major challenge in C2C interaction on the Web. Second, participation in online communities requires more motivation on the part of the user than face-to-face interaction. Since entering into interactions on the WWW is only possible in writing and requires the use of IT, motivating users to voice their opinions is considered the second major challenge. Lastly, although consumer opinions on the WWW may be a valuable source of information for corporate market research, they may be of poor quality in terms of detail, accuracy and thoroughness. Raising the quality of consumers' contributions in C2C interactions is thus the third challenge.

RESEARCH DESIGN

The literature review above has identified three major hurdles to the success of C2C Web sites, including building user trust in the reviewers' competence, motivating users to contribute product reviews, and obtaining high-quality reviews. The purpose of the study is to explore the measures C2C Web sites have taken to overcome these challenges and make their sites more successful. Successful C2C sites are defined as sites with a large number of active participants and a large number of high-quality product reviews.

A total of eight C2C Web sites were examined. The sample includes stand-alone C2C sites rather than corporate Web sites. The sample sites were found in the *Yahoo* Web site directory under "consumer opinion". Of the 28 Web sites listed there, the majority were designed as complaint sites or were confined to certain products. Only the eight Web sites listed in Table 1 were general-opinion Web sites and thus used for the analysis.

A member account was opened with each Web site included in the sample in order to gain full access to all its features. In a preliminary examination, each site was examined for features characteristic of C2C interactions, resulting in a total of 19 features. They were grouped into the following three categories: Mode of participation, mode of expression, and mode of interaction (see Appendix). All eight C2C sites were subsequently re-examined for the presence or absence of these features. The paper first looks at the results of this analysis and then discusses the sites' underlying communication models and their approaches to trust building, quality assurance and user motivation.

Table 1. Sample (06/2004)

C2C WEB SITES	
http://www.askanowner.com/	http://www.ratings.net/
http://www.consumerreview.com/	http://www.reviewcentre.com/
http://www.dooyoo.co.uk/	http://www.syllas.com/
http://www.epinions.com/	http://www.uspeakout.com/

RESULTS

Mode of Participation

All eight sites allow users to view all contributions and reviews without being a registered member. Only *Ask An Owner* and *Syllas* facilitate anonymous posting, while the other six sites require users to become members of the community in order to share their opinion. On six sites, members can opt to be notified by e-mail if a new posting has been added to a discussion thread the member is interested in.

The eight C2C sites vary as to the information they make available about their members. This information may include personal details (e.g. country, age, gender), statistics (e.g. registration date, number of reviews posted), a member's previous reviews, a ranking of the most active and valuable members, and titles given to members based on their contributions (e.g. "newbie", "site addict").

Mode of Expression

Consumers can voice their opinions about a particular product in two basic formats: either by rating a product according to criteria such as 'value for money' or by sharing their opinions verbally. While the first category was found only on four sites, verbal expression was found on all eight sites, albeit in three different formats. First, verbal expression includes messages posted in discussion threads. Second, users can share their opinion in the form of verbal product reviews, and ultimately, on one site consumers can send questions to owners of particular products who have registered as such with the site.

On two sites, the verbal comments are reviewed for quality and appropriateness before they appear online. *Dooyoo* even awards a symbolic crown to excellent reviews. Similarly, *Review Center* accords "expert status" to excellent reviews. Four sites rank participants according to the quality or quantity of their contributions, e.g. the "Top 10 Owners" list on *Ask An Owner*.

Mode of Interaction

Differences among the sites were also found in the ways in which members are able to interact with each other. Although all sites enable consumers to interact in one way or another, only five of them facilitate one-to-one interaction, either by enabling users to send private messages (PM) out of their member account or by giving users the opportunity to make their e-mail addresses available in their member profiles. On six sites, members can follow up other people's contributions by commenting on product reviews or by posting replies to messages in a discussion thread. Five sites encourage users to rate other members' reviews for their helpfulness using a rating scale or a yes/no scale. These ratings are then made available to all users. On four sites, members can earn credit points for their product reviews and product ratings either when they submit them or every time their reviews get read. These credit points can be converted into prizes once users have accumulated a certain amount of them. All these forms of interaction are asynchronous in nature. Not a single of the eight sites offers online chats for synchronous interaction.

Dooyoo and *Epinions* encourage members to build buddy networks among them, which they refer to as "Circle of Friends" and "Web of Trust", respectively. On these two sites, members can indicate in their

Figure 1. Challenges in C2C Interactions on the World Wide Web

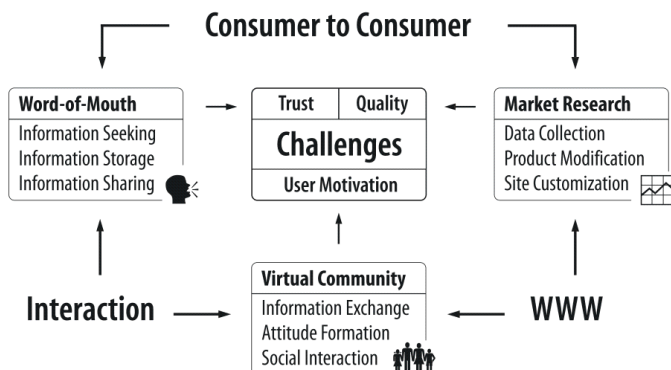
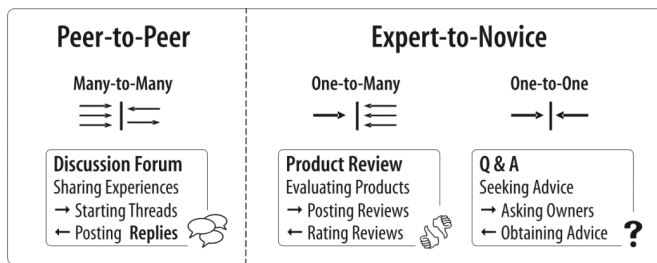


Figure 2. Models of C2C Interaction on the WWW



profiles which other members of the community they trust in terms of competence and expertise and their profiles also show which members they are trusted by.

DISCUSSION

Models of C2C Interaction

Three models of C2C interaction have emerged from the examination of the sites (see Figure 2). They include peer-to-peer interaction in the form of discussion forums (many-to-many) and expert-to-novice interaction. The latter comes in the form of product reviews which are rated by readers (one-to-many) or question-and-answer interactions in which product owners answer questions of prospective buyers (one-to-one). These three models appear on C2C Web sites either in their pure form or in combination with another model. Essentially, none of the three models is superior to any other, as each one satisfies different information and interaction needs, depending on what a user is looking for. While the one-to-one model is suitable for very specific questions, the one-to-many model offers more comprehensive product reviews on particular products. The strength of the many-to-many model is that it integrates a variety of viewpoints into one interaction. Hence, a combination of two or, possibly, all three models would be ideal for successful C2C interactions.

Meeting the Challenges

Each of the hurdles to successful C2C interactions identified earlier occurs in a different sphere. As Table 2 illustrates, motivation is a challenge in the sphere of the message senders, while quality is a major concern of site owners, since it determines the success or failure of their sites. Trust, in turn, is a challenge in the sphere of the message receivers (see Table 2).

As Table 2 also shows, one strategy to motivate users to share their experiences in C2C interactions is financial incentives in the form of credit points, which may be redeemed for prizes. However, when communities pay members for each contribution there is of course the danger that people post bogus reviews (cf. Hamilton, 2001). Other strategies to increase user motivation include psychological income in

the form of rankings of top reviewers and titles that reflect the status users have gained in the community due to their contributions. Such titles increase users' credibility, so that their reviews might get read more often, which, in turn, may motivate people to share their experiences with the community more frequently.

To ensure that all contributions made available are of high quality, two C2C sites review all contributions before they post them. Further, users receive quality seals for good reviews, which may enhance their credibility. C2C Web sites also encourage readers to rate the quality of other users' reviews, which helps people to distinguish good reviews from poor ones. Nevertheless, the anonymity of the Web makes it possible for people and companies to post raves about their own products in pursuit of their own economic interests, which – if it is uncovered – will hurt their credibility and trustworthiness. This happened to Amazon.com in early 2004 when it turned out that authors had praised their own books and criticized others. This incident came to light because Amazon.com accidentally revealed all reviewers' e-mail addresses rather than their nicknames for a short period of time (Harmon, 2004).

Self-disclosure is an essential prerequisite for the creation of trust in a relationship, as people need to know more about each other before they trust each other (Weber & Carter, 1998). C2C Web sites respond to this need by making member profiles available to other members, including members' community history and – if they opt to do so – also personal information. In particular, making a member's previous reviews accessible from his/her profile may give readers an idea of what this member's area of expertise is. In addition, trust in C2C interactions is built by setting up buddy networks, which show whom a member trusts and whom s/he is trusted by. This may provide orientation to newcomers in the forum as to whether a member's review can be trusted or not. However, as Dellarcas (2003) points out, a problem inherent in online communities is that members can register different user names to build a good reputation for one of their identities or destroy the reputation of others.

CONCLUSION

The WWW provides tremendous opportunities for knowledge sharing and corporate marketing intelligence gathering, yet these opportunities are constrained by the WWW's anonymity and the possibilities of negative and positive sabotage. C2C sites need to have mechanisms in place that motivate people with an opinion to share it, ensure high-quality contributions, and build trust among users. The analysis has shown that the measures identified to overcome these challenges are typically used by not more than half of the sites. This suggests that there is room for improvement on all eight sites in particular regarding measures to raise the quality of contributions, which would be critical to corporate intelligence gathering.

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Table 2. Meeting the Challenges of C2C Interaction

Sphere	Challenge	Remedies	# of Sites
Sender	Motivation	Financial Incentives	4
		Rankings of Reviewers	4
		Community Status	3
Site Owner	Quality	Editing/Reviewing	2
		Rewards for Quality	2
		Ratings by Readers	4
Receiver	Trust	Trust Networks	2
		Member Profiles	6

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APPENDIX

Participation

1. Is registration required for viewing postings?
2. Is registration required for posting reviews?
3. Is an e-mail address required for registration?
4. Can users opt to receive e-mail notifications of new contributions relevant to them?
5. Is there a profile of each member and what information does it include?
6. Can users view statistics about other members?
7. Can users view all previous postings of each member?
8. Does the site award different titles to members based on their contributions?

Expression

9. Can users rate products according to predetermined criteria?
10. Can users post verbal reviews?
11. Can users ask questions which other members answer?
12. Are reviews edited before they appear online?
13. Does the Web site reward high-quality contributions?
14. Does the Web site publish rankings of members?

Interaction

15. Can users send private messages to other users?
16. Is the users e-mail addresses visible in their profiles?
17. Can users follow up others' contributions?
18. Can users rate others' ratings?
19. Does the Web site encourage users to build networks?

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