

TO STUDY ON THE IMPACT OF FAKE REVIEWS ON CONSUMER PURCHASE DECISIONS WITH SPECIAL REFERENCE TOWARDS COIMBATORE CITY

Abdul majeed.A¹, Mr. J. Balakrishnan M.Com., M.Com FCA., ADSPM.,²

1 post graduate student in commerce, VLB Janakiammal College of Arts and Science, Coimbatore, Tamil Nadu, India 2Assistant professor, Department of Commerce UG and Research, VLB Janakiammal College of Arts and Science, Coimbatore, Tamil Nadu, India.

ABSTRACT: This study focuses on analyzing the impact of fake reviews on consumer purchase decisions with special reference to Coimbatore city. It examines how misleading online reviews influence consumer trust, perception, and buying behavior. The study considers factors such as review credibility, rating manipulation, and consumer awareness. Both primary and secondary data are used to identify the extent to which fake reviews affect purchasing decisions and overall satisfaction. The findings aim to help consumers make informed choices and assist businesses in maintaining transparency and ethical review practices.

Keywords: Fake Reviews, Consumer Purchase Decision, Online Reviews, Consumer Behavior, Coimbatore City

INTRODUCTION

In today's digital world, online shopping has become a common part of everyday life. People prefer to buy products and services through the internet because it is convenient, fast, and offers many options. Before making a purchase, most consumers read online reviews to understand the quality of a product or service. These reviews help them decide whether to buy something or not. Positive reviews can encourage a customer to make a purchase, while negative reviews may stop them from buying. Online reviews are considered an important source of information because they come from other customers who have already used the product. Many people trust these reviews as much as personal recommendations from friends or family. Because of this trust, reviews have a strong influence on consumer purchase decisions. Businesses also understand the importance of reviews and try to maintain a good online reputation. However, not all online reviews are genuine. Some reviews are fake or misleading. Fake reviews are written to either promote a product unfairly or to damage the reputation of a competitor. For example, a company may post positive fake reviews to make their product look better than it actually is. On the other hand, they may post negative fake reviews about competing products to reduce their sales. These practices are unethical and can mislead consumers. The presence of fake reviews creates confusion for customers. When consumers cannot identify whether a review is real or fake, it becomes difficult for them to make the right decision. As a result, they may end up buying low-quality products or missing out on better options. This can lead to dissatisfaction, loss of trust, and a negative shopping experience. Fake reviews not only affect consumers but also impact businesses. Honest businesses that provide good quality products may suffer because of fake negative reviews. At the same time, businesses that use fake positive reviews may gain an unfair advantage in the market. This creates an unhealthy competitive environment and reduces trust in online platforms.

Understanding the impact of fake reviews on consumer purchase decisions is very important. It helps in identifying how consumers are affected and what steps can be taken to reduce the problem. By studying this topic, we can learn how to make better purchasing decisions and how businesses and platforms can improve transparency and trust.

OBJECTIVE OF THE STUDY:

1. To study the demographic profile of consumers .
2. To understand the concept of fake reviews in online platforms.
3. To examine how fake reviews influence consumer purchase decisions.
4. To identify the difference between genuine and fake reviews.
5. To analyze the level of trust consumers place on online reviews.

SCOPE OF THE STUDY:

The scope of this study focuses on understanding how fake online reviews influence consumer purchase decisions in the digital marketplace. It covers consumers who use online platforms to read reviews before buying products or services. The study mainly examines the role of both positive and negative fake reviews and how they affect the trust, perception, and behavior of consumers. It also includes an analysis of demographic factors such as age, gender, education, and income level to understand how different groups respond to fake reviews.

STATEMENT OF PROBLEM:

Nowadays, many consumers depend on online reviews before buying products or services. However, not all reviews are genuine, as some are fake or misleading. These fake reviews can confuse consumers and lead them to make wrong purchase decisions. As a result, customers may feel dissatisfied and lose trust in online platforms. At the same time, honest businesses may be affected by unfair competition due to fake reviews. Therefore, this study focuses on understanding how fake reviews influence consumer decisions and the problems faced by consumers in identifying real and fake reviews.

LIMITATION OF THE STUDY:

- The study is limited to a small number of respondents.
- It is based only on the opinions of consumers, which may vary.
- The study focuses only on online reviews, not offline purchases.
- Some respondents may not give accurate or honest answers.
- The study does not cover all products or industries.

RESEARCH METHODOLOGY

Research in common refers to a search for knowledge. Research methodology is a way to systematically solve the research problem. The research design indicates the steps that have been taken in the sequence they occurred.

RESEARCH DESIGN

Research design is the arrangement of conditions analyses of data in a systematic manner that aims to combine relevance to research purpose. The research study applied here is convenience sampling.

SAMPLING TECHNIQUE

The sampling technique used in this study is ‘convenience sampling’. Respondents from Coimbatore were selected on the basis of convenience and comfort of the researcher to the information for this study.

SAMPLE SIZE

The sample size is certified to its nature of data collection. Data collection is based on the primary data. 120 respondents are selected from coimbatore district for the purpose of the study. Direct questionnaires are used to survey the respondents.

SOURCES OF DATA

The data is collected in two ways;

A. PRIMARY DATA:

Primary data will be collected through the following methods:

- 1. Questionnaire Survey
- 2. Interviews

B. SECONDARY DATA:

Secondary data will be gathered from academic journals, articles, and existing research studies that have explored AI tools in education, specifically focusing on Google Gemini or similar tools like Google Search, Google Scholar, or other AI-powered academic assistants.

TOOLS AND TECHNIQUES

The tools used under for the study are

- Simple percentage method
- Chi square

SIMPLE PERCENTAGE METHOD

A percentage analysis is used to interpret the data by the researcher for analysis and interpretation. Through the use of percentages, the data are reduced in the standard from with base equal to 105 which fact facilitates relative comparisons. In the percentage analysis, Percentage is calculated by multiplying the number of respondents into hundred and it is divided by the same size.

Formula:

$$\text{Percentage} = \frac{\text{No. of Respondents}}{\text{TOTAL RESPONDENTS}} * 100$$

CHI – SQUARE:

The chi-squared test is done to check if there is any difference between the observed value and expected value.

Formula:

$$\text{Chi square formula } \chi^2 = \sum (O_i - E_i)^2 / E_i$$

REVIEW OF LITERATURE

- Kumar, R., Mukherjee, S., & Rana, N. P. (2024) examined how fake reviews influence buying behavior and found that deceptive reviews significantly affect consumer decision-making by altering perceptions of product quality.
- Cao, C. (2023) analyzed the impact of fake online reviews and concluded that fake reviews mislead consumers and influence all stages of the purchase decision process.
- Wu, S., Wingate, N., Wang, Z., & Liu, Q. (2019) studied the relationship between fake reviews and perceived risk, revealing that fake reviews increase consumer uncertainty and reduce trust.

OVERVIEW OF STUDY

The study titled “Impact of Fake Reviews on Consumer Purchase Decisions with Special Reference to Coimbatore City” focuses on examining how deceptive online reviews influence consumer behavior in the digital marketplace. With the increasing use of e-commerce platforms, consumers rely heavily on online reviews as a primary source of information before purchasing products or services. These reviews play a significant role in shaping perceptions, building expectations, and guiding final purchase decisions.

Growing Importance of Online Reviews

In today’s digital era, online reviews act as a powerful form of communication between consumers. They provide insights into product quality, usability, and overall satisfaction from the perspective of previous buyers. Many consumers consider reviews more trustworthy than traditional advertisements because they reflect real user experiences. As a result, reviews have become a critical factor influencing consumer decision-making, especially in competitive markets.



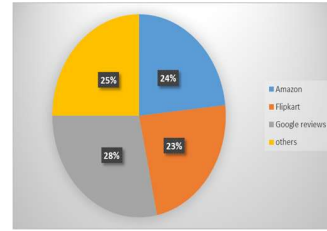
Impact on Consumer Purchase Decisions

Fake reviews significantly affect consumer purchase decisions by creating confusion and uncertainty. Consumers who are unable to identify fake reviews may develop false perceptions about a product, leading to dissatisfaction after purchase. In some cases, fake positive reviews may increase purchase intention, while fake negative reviews may discourage potential buyers. Thus, fake reviews can directly influence trust, attitudes, and final buying behavior.

DATA ANALYSIS AND INTERPRETATION

Table 1 shows the age of the respondents

S. no	particulars	No.of respondents	percentage
1	Below 18	37	30.8%
2	18-25	19	15.8%
3	26-25	19	15.8%
4	Above 45	45	37.5%
	Total	120	100



SOURCE: PRIMARY DATA
INTERPRETATION

The above table shows that 37.50% of the respondents are above 45 years, 30.80% of the respondents are below 18 years, 15.80% of the respondents are between 18-25 years, and 15.80% of the respondents are between 26-35 years.

► Majority 37.50% of the respondents are in the Above 45 age group.

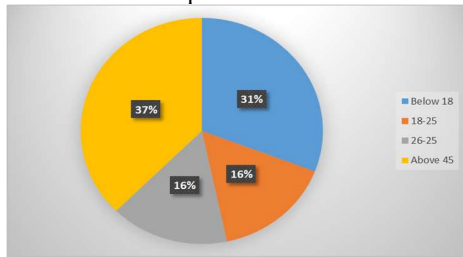


Table 2 shows preferred platforms for reading reviews

S. no	PARTICULAR	NO. OF RESPONDENT	PERCENTAGE
1	Amazon	28	23.3%
2	Flipkart	28	23.3%
3	Google reviews	34	28.3%
4	others	30	25%
	Total	120	100

SOURCE: PRIMARY DATA
INTERPRETATION

The above table shows that 28.30% of the respondents prefer Google reviews, 25.00% of the respondents prefer other sources, 23.30% of the respondents prefer Amazon, and 23.30% of the respondents prefer Flipkart.

► Majority 28.30% of the respondents use Google reviews as their primary source.

CHI-SQUARE TEST

Table 1.1: Observed Frequencies (O)

Age Group	Amazon	Flipkart	Google Reviews	Others	Total
Below 18	5	4	8	3	20
18-25	12	6	10	2	30
26-35	8	10	12	5	35
36-45	5	5	6	4	20
Above 45	2	3	5	5	15
Total	32	28	41	19	120

INTERPRETATION

H₀ (Null Hypothesis): There is no significant relationship between an individual's age group and the platform they use to read reviews.

H₁ (Alternative Hypothesis): There is a significant relationship between age group and review platform preference.

Age Group	Review Platform	Observed (O)	Expected (E)	(O - E) ²	{(O - E) ² / E}
Below 18	Amazon	5	5.333	0.111	0.021
	Flipkart	4	4.667	0.444	0.095
	Google Reviews	8	6.833	1.361	0.199
	Others	3	3.167	0.028	0.009
18-25	Amazon	12	8	16	2
	Flipkart	6	7	1	0.143

	Google Reviews	10	10.25	0.062	0.006
	Others	2	4.75	7.562	1.592
26–35	Amazon	8	9.333	1.778	0.19
	Flipkart	10	8.167	3.361	0.412
	Google Reviews	12	11.958	0.002	0
	Others	5	5.542	0.293	0.053
36–45	Amazon	5	5.333	0.111	0.021
	Flipkart	5	4.667	0.111	0.024
	Google Reviews	6	6.833	0.694	0.102
	Others	4	3.167	0.694	0.219
Above 45	Amazon	2	4	4	1
	Flipkart	3	3.5	0.25	0.071
	Google Reviews	5	5.125	0.016	0.003
	Others	5	2.375	6.891	2.901
TOTAL		120	120		9.062

RESULT

Calculated Chi-Square Value : 9.062

Degrees of Freedom (df): $(5 - 1) \times (4 - 1) = 12$

Critical Table Value (df=12, $\alpha=0.05$): 21.026

The Calculated Chi-Square value (9.062) is lesser than the Critical Table value (21.026).

Conclusion: We fail to reject the null hypothesis $\{H_0\}$. At the 5% significance level, there is no statistically significant relationship between age group and the platform used for reading reviews.

FINDINGS

1. A majority of 37.50% of the respondents belong to the Above 45 age category.
2. The majority of the participants are Female, accounting for 60.00% of the total.

3. A majority of 38.30% of respondents fall under the "Others" educational qualification category.
4. The majority of respondents (32.50%) earn a monthly income between ₹10,000 - ₹25,000.
5. A majority of 28.30% of respondents shop online Very Often/Often.
6. The majority of respondents (47.50%) Strongly Agree that online reviews influence their purchase decisions.
7. A majority of 44.20% of respondents are more influenced by Negative reviews than positive ones.
8. Most respondents (30.80%) only Sometimes write reviews after making a purchase.
9. A majority of 39.20% of respondents maintain a Low trust level toward online reviews.
10. The majority (27.50%) identify fake reviews by spotting Repeated similar comments.
11. A majority of 63.30% of respondents Agree that fake reviews reduce their trust in the online platform itself.
12. In response to fake reviews, the majority of respondents (39.20%) opted to Return the product.
13. The majority (37.50%) feel that the overall impact of reviews on their final purchase is Very High.
14. Most respondents (36.70%) read between 1 - 5 reviews before deciding to buy.
15. Google Reviews is the majority choice for checking feedback, favored by 28.30% of respondents.
16. A majority of 55.80% of respondents believe they have not encountered fake reviews.
17. Among those noticing issues, a majority of 29.20% identified Misleading information as the most common fake element.
18. The majority (31.70%) Agree that star ratings are generally reliable.
19. A majority of 36.70% of respondents Strongly Agree that they place higher trust in "Verified Purchase" reviews.
20. Most respondents (30.00%) Sometimes check reviews specifically right before finalizing a purchase decision.

SUGGESTIONS

To reduce the impact of fake reviews, consumers should carefully read reviews and compare different sources before making decisions. Online platforms should take steps to remove fake reviews and allow only genuine feedback. Strict rules and awareness programs can also help people understand how to identify fake reviews. Businesses should focus on honest practices to build customer trust.

CONCLUSION

The study shows that fake reviews have a strong impact on consumer purchase decisions in Coimbatore city. Many consumers depend on online reviews before buying products, but fake reviews can mislead them and create wrong opinions. This reduces trust and may lead to poor purchase choices. Although some consumers try to identify fake reviews, they still influence decisions. Therefore, it is important to ensure that online reviews are genuine and reliable.