Research on the Influence of Sellers’ Responses on Brand Avoidance of Potential Consumers

Zixuan Zhang *

Department of Economic and Management, Nanjing University of Science and Technology, Nanjing, China

* Corresponding Author Email: lylyivan@163.com

Abstract. In recent years, the development of online platforms has significantly expanded the dissemination of online reviews at an astonishing speed. The undeniable impact it has on consumers and sales necessitates addressing the issue of reducing brand avoidance behavior caused by negative reviews, which remains a prominent concern among academics and sellers. To enhance communication between sellers and consumers while minimizing misunderstandings, numerous platforms have introduced the sellers' responses function. With various types of sellers' responses available, different response strategies yield distinct effects. This paper aims to investigate how diverse seller replies influence potential consumers' brand avoidance by examining their classification and impact in conjunction with previous literature on factors influencing brand avoidance.

Keywords: Sellers’ responses; brand avoidance; electronic word of mouth.

1. Introduction

According to a survey of 10,000 online shoppers conducted by the China Consumers Association in 2019, consumers are generally concerned about online post-consumption evaluation information. 97.7% of respondents consult or refer to relevant reviews before making online purchases. For the user's comments on the platform, it can be divided into two kinds of positive and negative comments, that is, we often say that "good" and "bad". Generally speaking, good reviews have a positive impact on users' purchase behavior, whereas bad reviews will reduce users' purchase intention and affect sellers' sales. In the process of evaluation browsing, users tend to pay more attention to negative evaluation, and they generally believe that negative evaluation is more authentic and valuable for reference.

From the perspective of business, although they are aware of the adverse impact of negative evaluation, it is difficult for them to take effective measures to deal with it. As a result, there are many wrong ways to respond, such as deleting bad reviews, hiding bad reviews, and so on. Some sellers have taken to extreme measures, harassing and threatening the publishers of bad reviews, forcing them to change or delete reviews. As everyone knows, such behavior in the violation of user privacy harm their legitimate rights and interests at the same time, will also affect the reputation and image of the business, deepen the gap between the buyer and the seller.

In order to strengthen the exchange of information between buyers and sellers and narrow the distance between the two sides, in recent years, many e-commerce platforms have launched the function of seller response. sellers can respond to online reviews posted by consumers in real time, giving sellers the opportunity to thank, apologize or defend, and the content of the response will be displayed to everyone who views the review page. In the Internet environment, potential consumers can obtain product information through the information provided by sellers, buyer comments and seller replies, understand the reliability of sellers, and then make a response, whether to approach or avoid. According to statistics, the response rate of enterprises to consumer reviews on Trip advisor platform has exceeded 60%. However, for ordinary businesses, what kind of response is effective? How to respond to bad reviews to keep potential customers coming back? Therefore, in the Internet economy, it is of great significance for sellers to respond to different situations and consumers in order to reduce potential customers' perceived risks and avoid them.
2. Negative Online Reviews

Negative reviews are the manifestation of consumers' dissatisfaction and complaints, and the description of problems such as product quality [1]. Ning (2014) Relevant studies show that, compared with positive comments, negative online comments are more convincing and have a greater impact on consumers [2]. At present, many researches have studied the impact of negative product reviews on individual consumption from the perspectives of negative intensity, quantity and emotional tendency of reviews.

Negative online reviews are one of the most important forms of online word of mouth, and one of the most direct and frequent forms of online word of mouth to which consumers are exposed. For consumers, the authenticity and credibility of negative comments are higher than that of positive comments. Consumers tend to be more sensitive to negative comments, and they are more willing to pay attention to the content of negative comments to obtain real information. Compared with positive reviews, negative reviews are more helpful for consumers to make purchasing decisions and provide real and reliable basis for sellers to improve the quality of goods and services.

Yang (2016) tested the impact of the intensity of negative online reviews on consumers' cognition and brand trust [3], and the results showed that the content quality and review attributes of negative reviews would affect customers' brand trust by affecting consumers' rational and perceptual affective cognition process. Taking brand identity as a moderating variable, Huang (2019) verified through empirical research that the length, quantity, quality and timeliness of negative online reviews would affect consumers' perceived ease-of-use and perceived usefulness [4], thus affecting consumers' shopping intention. Meanwhile, perceived ease-of-use would also have a significant impact on perceived usefulness.

The impact of negative online reviews on consumers poses challenges to online sellers. In order to reduce the adverse impact of negative online reviews on consumers' brand evaluation and purchase intention, some scholars begin to study how to manage negative online reviews. After the occurrence of negative reviews, if the sellers can respond to them within a short period of time, the sentiment of consumers can be alleviated to a certain extent and the corresponding trust between them can be re-established. In view of the above situation, domestic and foreign researchers began to pay attention to the strategy of coping with the impact of negative online reviews -- seller response. How to formulate appropriate response strategies for negative online reviews to restore the trust and purchase intention of potential consumers is an urgent problem for online sellers to solve.

3. Sellers' Responses

Negative online reviews have a huge impact on sellers, and the review subject may not be completely objective, there will be misunderstandings between buyers and sellers. In recent years, major platforms have launched the function of seller response one after another, which provides a platform for communication between the two sides, reduces the misunderstanding caused by information asymmetry, and provides a way for sellers to recover their reputations.

Sellers' responses to negative reviews is a way to convey product information, seller attitude, etc., which helps potential customers to obtain information and make decisions. sellers' responses belongs to one kind of online review management feedback [5]. After experiencing service failure, customers will transform their negative emotions into negative word of mouth and spread them on the Internet. In the strict supervision environment of the Internet, once a negative comment appears, it cannot be modified or deleted. More and more sellers begin to use the strategy of response to comments to weaken the impact of negative comments on performance [6]. Therefore, for sellers, feedback on online reviews is an indispensable link. Christian (1997) defined management feedback as the sum of a series of response measures and behaviors taken by service providers when customers are dissatisfied [7]. Willemsen (2012) defined merchant response as a way for merchants to interact with consumers online in response to questions, concerns and complaints from consumers online, with the goal of saving the image of the product and the merchant in the eyes of consumers [8]. Wu (2020)
proposed that merchant reply refers to the process of merchants explaining and replying to online comments about products or services posted by consumers [9]. Du (2021) proposed that seller response strategy refers to how sellers respond to customer complaints caused by service errors [10].

3.1. Dimensions of Sellers’ Responses

Lee (2010) divided merchant response strategies into accommodative, defensive and no-action strategies [11]. The adjustment strategies include apology, compensation, publicly admitting their responsibility for the problem, and proposing corrective measures. Defensive strategies include various forms of action, such as denying responsibility for negative events, attacking the plaintiff, and shifting blame to others; The no-action strategy suggests doing nothing about negative responses. Levy (2013) found that merchants' reply mainly includes three types: praise, apology and explanation [12]. Nguyen (2015) pointed out that a hotel needs to respond positively to customers' comments, especially to negative comments, which should include: thanking customers for their comments, apologizing for the inadequacy, explaining the reasons and proposing solution [13]. Wang (2016) based on the way an organization undertakes social responsibility, divide the behavior of an enterprise in dealing with negative online comments into positive response, accepting response, negative response, defensive response and non-response [14].

The study of Qiu (2018) divided the merchant's reply into five dimensions: no reply, refutation, apology, apology plus explanation and apology plus explanation plus repair [15]. The repair includes the compensation in terms of economic material and suggestions on measures to avoid the recurrence of mistakes. Wu (2020) divides merchant response strategies into rebuttal persuasion strategies and functional remedy strategies [9]. He (2021) classified merchant response strategies into adaptive, defensive and non-responsive [1].

Based on the studies of Lee (2010) [11] and Wang (2016) [14], this paper divides sellers’ responses into two dimensions: positive feedback and negative feedback. Among them, the positive feedback includes that the merchants actively admit their mistakes, take responsibility, sincerely apologize and take the initiative to improve; Negative feedback includes the merchant refusing to take responsibility, defending or refuting the original comment, where no action strategy is considered negative feedback. For the sake of experimental measurement, the negative feedback mentioned below does not include the no-action strategy.

3.2. Impact of Sellers’ Responses

Richins (1983) believed that inadequate responses to consumer dissatisfaction, lack of appropriate coping mechanisms and inefficient product improvement measures would accelerate the spread of negative information [16]. High-quality business response can not only appease existing consumers, but also pass on the sense of responsibility and high-quality service level to potential consumers. Sonja (2009) showed that if a merchant violates customer trust, apology can generate higher credibility than no reply or refutation of negative comments [17]. Park (2013) pointed out that the proportion and frequency of review responses would have a positive impact on customer attitudes [18]. Based on the theory of perceived fairness, Gu (2014) discussed that when a merchant gives a reply to other reviewers but does not respond to a particular reviewer, the reviewer will perceive unfairness and greatly increase his dissatisfaction with the merchant [18]. Sparks (2017) found that the existence, form, frequency and quality of response of merchants have a significant impact on product sales and consumer satisfaction [19]. Ngah (2021) Taking the logistics industry in Malaysia as an example, the research results show that the frequency of response from service providers positively affects the repurchase rate of buyers [20].

Lee (2010) divided merchant response strategies into accommodative, defensive and no-action strategies. The research results show that, compared with the no-action strategy, the defensive strategy reduces the possibility of attributing responsibility to the firm; There is no significant difference between defensive strategy and accommodative strategy on consumer attribution [11]. Wang (2016) took economy hotels as investigation samples to explore the impact of seller feedback on consumers'
purchase intention. The experimental results show that if the enterprise actively reacts to the negative comments (whether positive, accepting or defensive), the customer's comments are better than the "indirect tacit" negative reaction and no reaction, and the worst is the completely indifferent no reaction [14]. Wu (2020) adopted the scenario simulation experiment method and took college students as the research objects to explore the impact of types of online negative reviews and sellers' response strategies on consumers' perceived trust and purchase intention. When potential consumers face emotional negative reviews, they should adopt rebuttal and persuasion strategies to promote consumers' purchase intention. For attribution negative reviews, sellers should adopt functional remedy strategies, which are more conducive to enhancing consumers' perceived trust and purchase intention [9]. Du (2021) introduced the attribution theory from the perspectives of the proportion of negative online comments and the severity of errors, and found that no matter the severity of errors is high or low, the response strategy of apology plus explanation plus repair can always significantly improve customers' perceived trust [10]. He (2022) divided negative comments into attribute type and emotional type, and sellers' responses into adaptive type, defensive type and non-response. The results showed that for attribute type negative comments, sellers' adaptive response can better reduce consumers' perceived risk and increase their purchase intention. For affective negative comments, the defensive response can better reduce consumers' perceived risk and increase their purchase intention [1].

In summary, the present study confirms the significance of sellers' responses. The research content of seller response is relatively broad. The method of experiment and questionnaire survey are used to study the influence of sellers' response characteristics and different response strategies on consumer trust, satisfaction and loyalty, as well as the influence of seller response on potential consumers' purchase intention. However, the degree of impact of sellers' responses on customers depends on customers' perception of the value provided by sellers' responses, that is, perceived usefulness.

4. Brand avoidance

Branding has long been considered the key to marketing and manufacturing successful products. Previous research has focused on the positive aspects associated with branding, such as brand attachment, brand loyalty, and brand emotion. Negative aspects associated with branding, such as brand hate, brand rejection and brand avoidance, do not receive much attention.

Brand avoidance is defined as "the phenomenon of consumers deliberately choosing to stay away from or reject a brand" [21], which describes the conscious avoidance of the purchase and use of a particular brand [22]. This behavior applies to situations where the consumer intentionally avoids the brand despite having the financial ability to purchase its product and the brand is available for purchase. Therefore, incidents where consumers do not patronize a brand because they are inaccessible, unavailable, or expensive may not be considered brand avoidance. Thus, in contrast to the situation where the consumer has no choice, brand avoidance is a premeditated rejection of the brand in an anti-choice environment.

According to the American Business Association's definition of brand switching, brand switching emphasizes as a change from one brand to another, while brand avoidance is more concerned with the intentional rejection of a brand. Gregoire (2009) made the argument that brand avoidance is conceptually different from brand conversion [23]. Although both lead to the same non-consumption outcome, brand switching indicates that the consumer has purchased the brand, while brand avoidance is a situation in which one can simply "avoid" the brand without having to buy the brand.

In addition, brand avoidance differs from other negative consumer-brand relationships (such as brand hate and boycotts) in several ways. For example, although boycotts are forms of anti-consumption and boycotts, they are usually at the social/group level, constituting punitive prohibitions of commercial grievance, while avoidance is individual-based [24]. Furthermore, in brand avoidance, the consumer is simply intentionally "distancing" from the brand, whereas in brand aversion, the consumer has a strong dislike or strong dislike for the brand. Thus, it is arguable that
these companies are more likely to reap the rewards of avoiding consumers than those that exhibit
disgust. Similarly, consumers may avoid a brand because of their beliefs or principles, but don't
necessarily hate or dislike the brand. As a multi-dimensional construct, past research has explored
some reasons for brand avoidance, qualitatively and conceptually, as well as types and dimensions.
They span moral avoidance, identity avoidance, deficit value avoidance, experience avoidance, and
ad-related avoidance [25].

The definition of brand avoidance in this paper refers to Lee (2009): the act of a consumer
deliberately avoiding or rejecting a brand without making a purchase [25].

4.1. Dimensions of Brand Avoidance

Scholars have tried to classify brand avoidance, mainly following two classification methods: one
is based on motivational factors and stimulus events. The other is to classify brand avoidance based
on the process expression of behavior.

The classification of brand avoidance is done based on motivation, and there are two main
classification criteria: one is based on consumers' social morality or collective concern; The other is
based on consumers' individual concerns [26]. It should be noted that most of the studies did not
explicitly identify the categories they studied as specific types of brand avoidance, but instead
categorized anti-consumption from a brand perspective.

From the perspective of ethical consumption, Rindell (2013) divides brand avoidance into four
categories based on the duration and clarity of the explicit avoidance, vague avoidance, short
avoidance and persistent avoidance [27]. Odoom (2019) classifies brand avoidance into five types:
value avoidance, moral avoidance, identity avoidance, experience avoidance and ad-derived
avoidance [28]. Value avoidance refers to the avoidance behavior that occurs when consumers think
that the cost of experiencing a brand is inconsistent with the benefits it brings. Moral avoidance is
usually attributed to brand commitments that are often socially or politically opposed to a set of beliefs
held by the consumer. In this case, the brand exhibits certain ethically unacceptable behaviors, such
as discrimination, unfair trade practices, forced labor, and non-transparency, etc., causing
dissatisfaction among consumers. Identity avoidance refers to the fact that the brand is unable to meet
consumers' symbolic identity requirements, and consumers will avoid brands that are inconsistent
with their actual or expected self-concept in order to create and enhance the self-concept. Experiential
avoidance is caused by unmet expectations, unpleasant store environment, inconvenient consumption,
etc. Berndt (2019) explained stems from the avoidance of advertising, suggesting that the content of
advertising may cause negative effects and feelings in the service environment, thus forming negative
brand responses [29]. For example, consumers may form a negative attitude toward a brand based on
their aversion to the endorsers or celebrities [30].

4.2. Influencing Factors of Brand Avoidance

The research on the influencing factors of brand avoidance is a hot topic that scholars pay attention
to. They carry out research from different angles and industries. In the early stage, qualitative research
was the main research, and in recent years, quantitative research gradually emerged. At present, the
influential factors of brand avoidance can be roughly divided into two categories.

4.2.1 The individual level

It is widely believed that brands are chosen to bring positive meanings to the individual, and at the
same time, certain brands and products are avoided in order to prevent their negative effects. The
negative effects here include the uncomfortable consumption environment, the risk of using the
product, the negative experience brought by the failure of the service, the negative brand image
resulting in the damage of the user's image and so on. Rindell (2013) using the semi-structured
interview mode, interviewed members of several public welfare organizations, and found that moral
concerns are the main influencing factor of brand avoidance in ethical consumption [27]. Khan (2014)
studied the relationship between perceived risk, non-ideal self, perceived hostility, negative social
influence and brand avoidance through a questionnaire survey [31]. The study of Knittel (2015) shows that brand advertising also affects brand avoidance, including the content of advertisements, the use of celebrity endorsers and music in advertisements, and the response to advertisements [22]. Jayasimha (2017) adopted the method of scenario simulation and asked the subjects to respond according to the set service failure experience. The study found the impact of consumers' rights and interests on brand avoidance behavior [32].

4.2.2 The social level

Social behaviors of brands may also lead to brand avoidance, for example, brand monopoly will have an impact on the market environment. Cromie (2009) showed that in the software industry, brand monopoly is the main influence factor of consumer brand avoidance [26]. Brand avoidance at the social level is also caused by the country effect. Patriotic consumers may have a strong psychological resistance to brands from hostile countries, which leads to brand avoidance. At the same time, consumers will avoid the brands chosen by the avoidance group, which refers to "a class of non-members who do not belong to, do not want to be associated with, and want to completely dissociate themselves from" the reference group. Sponga (2013) points out that whether brands pay enough attention to social issues such as environment and charity and can shoulder their due social responsibilities will affect brand avoidance [33].

5. Conclusion

According to the information adoption theory, consumers are persuaded by the received information when making purchases, and thus trust and adopt the contents or attitudes and tendencies contained in the information. When potential consumers browse online reviews, they can receive information about other consumers' reviews and sellers' replies. When a seller adopts a positive feedback strategy, takes the initiative to admit mistakes and sincerely apologizes, potential consumers will feel the sincerity of the seller, think that the seller respects the consumer and will rectify the problems raised in the negative evaluation, and consumers will think that they will not encounter such problems if they consume, thus reducing the potential consumers' brand avoidance behavior intention. When sellers adopt negative feedback strategies, refuse to take responsibility or even refute negative comments, potential consumers will feel the confidence of the sellers and think that they are not responsible for the problem, and the negative comments are likely to be biased or deliberately smearing. Potential consumers will imagine that since the sellers are so tough, it means that they really do not exist the problems raised in the comments. If you consume by yourself, you will not encounter problems, thus reducing the potential consumers' intention to avoid the brand.

References


