

Analysis of the Impact of Product Reviews on Product Sales in the E-commerce Shopping Scenario: Take Taobao Reviews of 3CE Brand as an Example

Yanyan Chen^{*}, Jiawen Xu

The Affiliated High School to Hangzhou Normal University, Hangzhou, China

^{*} Corresponding Author Email: dejing.sun@ucl.ac.uk

Abstract. This paper delves into the significant influence that Taobao reviews exert on the sales of beauty products. Our analysis is primarily centered on the Taobao review section of a specific eye shadow product under the renowned beauty brand 3CE. The findings of this study underscore the critical role that consumer reviews play in shaping purchase decisions within the context of e-commerce, particularly in the beauty industry. In our analysis, it became evident that the prevalence of positive reviews vastly outweighed the number of negative reviews for the 3CE eye shadow product. This skew toward positive feedback had a profound impact on the product's sales performance. As the count of positive reviews increased, a noteworthy surge in the product's purchase volume was observed. This phenomenon underscores a pivotal trend in consumer behavior: potential buyers heavily rely on the quantification of positive and negative reviews to inform their purchasing choices. Taobao, as one of China's largest e-commerce platforms, enjoys an extensive user base and hosts a wealth of product offerings. The review section has become a central hub for consumers to gauge product quality and reputation. The present research contributes to a deeper understanding of how the interplay between consumer reviews and product sales unfolds, particularly within the dynamic and highly competitive landscape of the beauty industry.

Keywords: Positive reviews; Negative reviews; Products; Taobao; Consumers.

1. Introduction

In the contemporary world, as individuals engage with a multitude of products in their daily lives, they find themselves inundated with a variety of opinions and feedback. This phenomenon is particularly pronounced within the realm of e-commerce, where diverse online purchasing platforms have become the primary interface for consumers [1]. Notably, many brands adopt similar strategies and attitudes when it comes to managing their online presence. However, a disconcerting trend has emerged, where some brands resort to unscrupulous practices, such as orchestrating the dissemination of overly positive reviews or offering incentives to consumers to generate and propagate praise. These actions all stem from the pivotal link between a brand's sales volumes and the commentary it receives on these digital platforms [2].

This leads us to a series of critical questions: How do comments posted on online platforms affect a brand's sales volume? What circumstances encourage these platforms to actively participate in the process of enhancing product sales? How are individuals influenced in forming their opinions about products and brands?

The primary objective of this article is to unravel the underlying principles that govern the functioning of e-commerce. By delving into these questions, we aim to contribute to a deeper understanding of the intricacies of network marketing, discerning the defining features of this commercial system and applying this knowledge to related domains. This research endeavors to explore and analyze the impact of online platform comments on sales volumes, with a specific focus on cosmetics brands, which often garner extensive feedback on platforms like Taobao. Subsequently, we will elucidate the effects of these comments and the reasons behind their influence, supported by concrete examples.

Following this introduction, the paper will delve into the impact of Taobao reviews on 3CE beauty brands and elucidate the reasons behind their influence on brand image and sales. The paper will conclude with a summary of the key findings.

Additionally, we will explore the evolving role of social media in shaping brand sales and offer practical recommendations for brands in the era of consumerism, where reliance on customer comments has become prevalent. These suggestions will encompass strategies for organizing activities to encourage positive feedback and provide guidance on the aspects of comments that pique consumer interest. Incorporating an interactive dimension, we will also discuss the potential of live online engagement. Finally, the article will conclude by summarizing the main findings and their broader implications.

2. Literature Review

2.1. E-commerce and Its Significance

E-commerce, a central pillar of modern commerce, encompasses a wide array of trade activities that unfold within the vast realm of the internet. These activities are predominantly facilitated by dedicated E-commerce platforms, which serve as virtual marketplaces connecting consumers and sellers. In this digital landscape, brand sales represent the strategies and techniques deployed by companies to market and sell their products. These strategies often hinge on effective branding to bolster sales figures, amplify brand visibility, and ultimately augment profitability [3].

The emergence and rapid evolution of E-commerce have revolutionized the way businesses operate. Traditional brick-and-mortar stores are increasingly complemented, if not replaced, by online storefronts. The internet's vast reach and accessibility have made E-commerce an indispensable avenue for businesses looking to expand their customer base and reach consumers worldwide. In this context, understanding the dynamics of brand sales within the digital realm is of paramount importance.

2.2. Taobao: A Pervasive Force in E-commerce

Taobao, an E-commerce platform developed by Alibaba, stands as a shining exemplar of the profound impact of digital commerce. Since its inception in 2008, Taobao has firmly entrenched itself in the daily lives of countless individuals across China. Its user base is remarkably diverse, spanning urban centers and remote rural areas [4]. What sets Taobao apart is its ability to cater to a multitude of consumer needs, from clothing and electronics to food and services. Its enduring popularity is a testament to its adaptability and its capacity to serve as a virtual marketplace where consumers can find virtually anything they desire.

Understanding the influence and mechanisms of Taobao within the E-commerce landscape is essential for comprehending the broader dynamics of online commerce and the power of these platforms in shaping consumer behavior and brand sales [5].

2.3. 3CE: An Asian Beauty Sensation

3CE, a cosmetic brand originating from South Korea in 2019, has firmly established itself as a beauty sensation across various Asian markets. What sets 3CE apart is its remarkable ability to resonate with the beauty standards prevalent in Asia. The brand's success isn't confined to its country of origin; it has achieved continued popularity well into 2023, expanding its reach to numerous Asian countries [6].

This success story exemplifies the power of cultural alignment in brand strategy. By closely adhering to the beauty preferences and aspirations of its target demographic, 3CE has managed to carve a niche for itself in a highly competitive market. Its journey sheds light on the influence of cultural factors and market positioning in the realm of brand sales and consumer preferences.

3. The Impact of Taobao Reviews on 3CE Beauty Brands

Take the beauty brand 3CE as an example. It has been specializing in the production and sales of women's cosmetics since its inception. Its eye shadow, lipstick, lip glaze and other products are very popular among consumers. Moreover, the price of this beauty brand is close to the people, so more female consumers who are younger in age and do not have sufficient budget will choose to buy it. Therefore, Taobao reviews have made a great contribution to the sales of these products. For example, the 3CE brand eye shadow review area includes: "Recommended for beginners", "It looks good on yellow skin", "The color is outstanding", "no color", "comes with a gift", "brilliant color", "very easy to blend", etc., but there are also some negative reviews, such as "powder flies off", "average staying power", "average color rendering" etc. However, the number of positive reviews is far greater than the number of negative reviews. For example, When you look at it, the number of good reviews is 3000, the number of bad reviews is 81, the number of good reviews is run circles around the number of bad reviews, and that will greatly increase people's desire to buy, so it will stand out among the eyeshadow products of many affordable beauty brands, which will directly greatly increase the sales of the brand's eye shadows.

4. Why Taobao Reviews Have an Impact on Brand Image and Sales

Taobao has been a representative of online shopping since its inception. It meets the basic needs of Chinese people for online shopping and lifestyle and is constantly updated to provide more convenient consumption functions for Chinese people. It has now been adopted by China's Consumers respectfully call it a shopping mall, which provides hundreds of millions of online consumers with convenient purchasing methods and diverse choices. Now nearly 900 million users are experiencing Taobao. It can be seen that Taobao is a gathering place for shopping people, and the brands being purchased are also It will definitely become a direct communication object for shopping people, which forms a comment area under each product. Most of the content in the comment area includes consumers' awareness of the brand, perceptions of using the purchased products, as well as attention to the brand's hot issues and participation in brand promotions and surveys. Among them, the relationship between the positive degree of online reviews of beauty products and the sales volume of the product can be used as a typical example among all product brands. Because beauty products must be in direct contact with the skin, consumers must judge whether they need to buy a beauty product based on whether its specific ingredients will cause harm to the skin, its practicality, and its appearance. This is when the importance of the comment area becomes apparent. Then consumers purchase these beauty products based on the good and bad reviews in the comment area and possible problems, which indirectly affects the image of these beauty brands and the sales of beauty products [7, 8].

5. The Progressing Logy of the Impact Social Medias Make on Sales Volume of Brands

The cosmetics brands are playing the key role in the research. As platforms which are widely popular in the contemporary society, the medias which carry both purchasing and feedback are offering information themselves, especially for the features of fast and convenient that performs well in the comments mentioned. These have the ability to attract relatively more consumers, causing the purchasing platforms to be highly valued being in terms of references. Taobao is also a part of the platforms. The judgement of products made by masses are limited by the information they received, and that means, the decisions of buying products or not are almost depending on the information. For example, a set of rouge of 3CE had over 300 thousand of buyers, and there appears 1661 questions come up from different people, waiting to be answered by the buyers. This has showed how the platform is trusted. To sum up, any sales volume of a brand is influenced by comments on commercial platforms. The impact derives from the information of products provided by the comments and affects

the decisions of the consumers through the information. From the consumer's perspectives, the practicality, safety and appearance of all products need to be checked by looking up for information [9]. And comments sent by people who have already bought the products are more likely to be credible and the information they provide are more realistic in the crowd mind. Sometimes these will also create a sense of similarity between the consumers, like achieving emotional agreements. So that more people choose to rely mostly on others' feedback. An example of the questions explains this well. "Does the orange one create a sense of malnutrition of the user?" And a buyer answered: "No, I bought it as a gift, and my friend looks pretty with it." Then the questioner responds with the message of: "Thanks for your advice, I'll buy it." The response has motivated her to buy the product, as a credible reference in her mind, according to the belief about the truthfulness of experiences shared [10].

6. Advises for the Brand Sales Under Consumerism of Relying on Comments

6.1. Organize Activities to Urge Buyers to Give Positive Feedback

The method of constructing activities and sending gifts to buyers are not strange to the society now, however, firms are always limited with only the value of the gifts but have not seem to see the potential of good services they could offer while operating the activities. This has nothing to do with the production in the process, and it does not cost much. People will usually feel good about some impressive details in the service, such as the fast speed of responding, specific caring of their actual needs, and recommending the manipulate of the next step according to their description. With such a complete service, more people will feel comfortable to join the activity and those people are more likely to offer good comments from their true mind. Also, the improvement of the comments is not at some point meaningless. They could infect more people and attract them from other brands which copy the same empty words again and again. Other experiments have shown the power of feedback. The group receiving transaction feedback indicating that current judgments were "too low" responded with judgments in subsequent, unrelated valuations that were significantly higher than the group that received no feedback. The response from "too high" feedback was in the expected direction (lower value judgments) but was not significant. Additionally, valuation dispersion of around 10% revealed in these experiments is consistent with studies of valuation variability and may reflect an upper bound of typical commercial appraisal dispersion. To sum up, both of gifts and good services emerged together will be more efficient, which could cover the expense and earn profit for the brand.

6.2. Offer Recommends of which Aspect of the Comment People Might Interest in

When consumers want to get information from previous buyers, they have to go through the comment area to look for what they want to know. This is not efficiency and fair to define as a waste of time. So, the sales online could offer some help for them. Not in the identity of a salesman, but only as a helper. The amount of the good or bad comments should not be in a benefiting way, making the consumers realizing of the exaggeration and feel of disgust, but in a referencing way. Another research has explained this clearly. The ethical sensitivity of marketing researchers is a positive function of organizational socialization and perspective taking, but a negative function of relativism and formal training in ethics. This allows the consumers to save their time to do activities more meaningful or relaxing. And the leisure time is brought by an easy action from a salesman which deals with the products all the time and know the comments clearly. Thus, the consumers will feel convenient and appreciated, and trust the brand more. If they finally decide to buy the product, and the actual using is not bad, many of them will also be generous to provide positive feedback.

6.3. Live Online

Having KOL to live online could lead the mass to buy more of the products. The fame brings a lot of convenience, and the live communications provides great chance. With watching a live online, people feel of being exposed to the products with the sound, the view, the description from an actual person.

who seems to be loyal. The sense of reality leads people to believe the truthfulness of the information and imagine of getting applied of it in their own using situation. Some similar research done explained about this. The findings reveal the significance of source credibility for influencing both attitude and intention toward exercise and fitness activities. Additionally, the results reveal a significant impact of current lifestyle on attitude as well as intention toward exercise and fitness activities. And like the example mentioned above in the discussion about KOL impacts, people sometime tend to believe on them more rather than the bands since they speak of a relatively personal and direct way. Fans could also play an important role since they trust KOL more and may even be irrational of trying new products without thinking twice. KOL are also more professional in operating live online, so that they may present better of convincing others to spend their money on an unfamiliar brand.

7. Conclusion

In the research, the author writes about comments of products on commercial platforms and the influence of it which was made on brands. Utilizing the examples of cosmetics brands to analyze the change of crowd's mind brought by the comments made the principle of how it works noticeable. The comments on the Internet run between brands and consumers to affect decisions of the consumers. The research is only based on samples in China society, so it is not comprehensive enough for covering the circumstance of the whole world. And theories have not developed deeply because of the academic shortness of both the authors.

The platforms have also become an important part in the commercial life of most people, and worth paying attention to its future developments.

Author Contribution

All the authors contributed equally, and their names were listed in alphabetical order.

References

- [1] Jain, V. I. P. I. N., B. I. N. D. O. O. Malviya, and S. A. T. Y. E. N. D. R. A. Arya. "An overview of electronic commerce (e-Commerce)." *Journal of Contemporary Issues in Business and Government* 27.3 (2021): 665-670.
- [2] Kwilinski, Aleksy, et al. "E-Commerce: Concept and legal regulation in modern economic conditions." *J. Legal Ethical & Regul. Isses* 22 (2019): 1.
- [3] He, Guihe. "Enterprise E-commerce marketing system based on big data methods of maintaining social relations in the process of E-commerce environmental commodity." *Journal of Organizational and End User Computing (JOEUC)* 33.6 (2021): 1-16.
- [4] Xiao, Quan, et al. "How consumers' perceptions differ towards the design features of mobile live streaming shopping platform: A mixed-method investigation of respondents from Taobao Live." *Journal of Retailing and Consumer Services* 69 (2022): 103098.
- [5] Li, Xia. "The impact of place-of-origin on price premium for agricultural products: Empirical evidence from Taobao. com." *Electronic Commerce Research* 22.2 (2022): 561-584.
- [6] Aldilla Audy, S., and Dhita Hapsarani. "THE IMPACT OF BLACK FEMALE INFLUENCERS ON TRANSNATIONAL KOREAN BEAUTY: A CASE STUDY OF TWO BLACK BEAUTY VLOGGERS."
- [7] Kim, Antino, Patricia L. Moravec, and Alan R. Dennis. "Combating fake news on social media with source ratings: The effects of user and expert reputation ratings." *Journal of Management Information Systems* 36.3 (2019): 931-968.
- [8] Grewal, Dhruv, and Anne L. Roggeveen. "Understanding retail experiences and customer journey management." *Journal of Retailing* 96.1 (2020): 3-8.
- [9] Gunawan, Ian. "CUSTOMER LOYALTY: The Effect Customer Satisfaction, Experiential Marketing and Product Quality." *KINERJA: Jurnal Manajemen Organisasi dan Industri* 1.1 (2022): 35-50.

- [10] Molinillo, Sebastian, et al. "The customer retail app experience: Implications for customer loyalty." *Journal of Retailing and Consumer Services* 65 (2022): 102842.