# MINING CONSUMER OPINIONS ON THE WEB Organizational Learning from Online Consumer-to-Consumer Interactions

#### Irene Pollach

Vienna University of Economics and Business Administration, Nordbergstrasse 15, 1090 Vienna, Austria

Keywords: Consumer-to-consumer interactions, data mining, information retrieval, virtual communities.

Abstract: Consumer-opinion websites are becoming important sources of marketing intelligence for companies, enabling them to turn consumer opinions into opportunities for enhancing customer satisfaction. Grounded in media richness theory, this paper examines a sample of consumer-opinion websites to identify mechanisms that render the information disseminated on these websites more suitable for data mining activities. The results indicate that feedback mechanisms, member profiles, active hyperlinks, and spellcheckers are means of raising data quality. However, a key challenge for mining consumer opinions remains the identification and elimination of emotional content such as humor.

## **1 INTRODUCTION**

Before the advent of the Internet, consumers talked to other people or read consumer magazines when they wanted to hear other people's opinions on a particular product or service before or after a purchase (Korgaonkar and Moschis, 1982). Consumers have also been found to initiate conversations with other consumers in commercial settings to offer advice and information to other consumers without having been asked for it (Harris and Baron, 2004).

These interactions have moved to the Web, where consumer-opinion websites (henceforth C2C websites) satisfy these communication needs by providing consumers with the opportunity to find and share information on products, services, and brands. The great variety of opinions found on C2C websites and their advanced search and retrieval facilities offer clear advantages over face-to-face communication among consumers (Evans et al., 2001).

Thanks to the proliferation of consumer-opinion websites and the persistency of the textual records consumers produce, companies and consumers alike can harvest the Web for opinions about particular products and services (Tapscott and Tiscoll, 2003). To gather feedback from online consumer interactions, companies need to understand how many-to-many communication models function and how they can capitalize on the information that is available in these knowledge bases (Maclaran and Catterall, 2002). Grounded in media richness theory, this paper seeks to identify mechanisms that render the information disseminated on C2C websites more suitable for data mining activities undertaken by companies.

Previous research on consumer-to-consumer interactions on the Web has focused on consumer behaviour in C2C interactions (e.g. Hennig-Thurau and Walsh, 2003; Hennig-Thurau et al., 2004; Chiou and Cheng, 2003; Xue and Phelps, 2004), C2C ecommerce (e.g. Nah et al., 2002; Dellarocas, 2003; Mollenberg, 2004), and trust and reputation systems in C2C auctions (e.g. Standifird, 2001; Dholakia, 2005; Ono et al., 2003). Several papers have looked at opinion extraction from C2C sites (e.g. Dave, Lawrence, and Pennock, 2003; Hu and Liu, 2004; Chaovalit and Zhou, 2005). However, little attention has been paid to the interactional facilities on C2C websites, given that these determine what information is available in what formats.

## 2 MINING C2C WEBSITES

On C2C websites, companies may learn about customer preferences, product defects, service mishaps, and usability problems on their Web sites (Nah et al., 2002; Warren, 2002). Ideally, this

129

Pollach I. (2007).

*e-Learning*, pages 129-134 DOI: 10.5220/0001275101290134

MINING CONSUMER OPINIONS ON THE WEB - Organizational Learning from Online Consumer-to-Consumer Interactions.

In Proceedings of the Third International Conference on Web Information Systems and Technologies - Society, e-Business and e-Government /

Copyright © SciTePress

negative feedback is translated into opportunities for companies to meet customer expectations more closely (Ha, 2002) either in the form of product modification (Cho et al., 2002) or new product development (Pitta and Fowler, 2005).

There are a number of challenges inherent in data mining on consumer-opinion websites. First, the absence of gate keepers in such interactions means that anybody with an opinion may post it, even if s/he does not qualify as a critic, which may have repercussions on the accuracy and reliability of the information provided by consumers (Gately, 2000). The inaccuracy and subjectivity of individual experiences is generally not a challenge for the large-scale collection and analysis of consumer opinions (Turner, 1980). However, problems encountered in extracting information from consumer opinions on the Web include the large amount of very short reviews (Dave, Lawrence, and Pennock, 2003), people posting personal stories and adventures with the product rather than an evaluation of the product's performance (Hu and Liu, 2004), and information that does not express opinions or evaluations but provides descriptive background information about the product (Chaovalit and Zhou, 2005).

## **3** METHODOLOGY

The interaction systems available to consumers wishing to voice their opinion on the WWW have implications for the usefulness of the data companies may gather and the tools needed for data mining. This paper therefore examines interaction formats found on C2C websites and identifies remedies for the challenges they pose to data mining.

### 3.1 Conceptual Framework

This study is grounded in media richness theory, which argues that a medium's level of richness determines how effectively messages are conveyed. This richness depends on four parameters: (1) the immediacy of feedback, (2) the number of visual and verbal cues the medium can convey, (3) the variety of language signs that can be transmitted, and (4) the possibility of expressing emotions. Face-to-face communication is considered to be the richest medium, given that participants receive immediate feedback, communicate visual and verbal cues, use natural language and non-verbal language, and can communicate feelings easily. Electronic media, such as e-mail, are considered to be leaner than face-toface conversations, but richer than static, written communication, e.g. in the form of letters or faxes (Daft and Lengel, 1986; Daft et al., 1987; Lengel and Daft, 1988).

Computer-mediated communication has means unavailable in conventional written communication, thus providing richer interactions than non-digital written formats such as letters or faxes. While feedback in electronic media is always less immediate than oral communication, as typing a message causes a delay in transmission (Dennis and Kinney, 1998), synchronous interactions are clearly richer in terms of feedback than asynchronous interactions. Also, many of the social cues we are used to in the physical world are absent in online interactions, e.g. physical appearance, voice, intonation, facial expression etc. (Donath, 1999). Thus, online self-presentation is reduced to communication style and word choice, unless people decide to explicitly reveal details about themselves (Hancock and Dunham, 2001). Similarly, emotions in computer-mediated interactions have to be made explicit to be conveyed, which is typically done by means of iconic strings of ASCII characters ("emoticons") (Bolter, 1996).

#### 3.2 Data

The sample Web sites were found in the Yahoo directory under "Consumer Opinion" (Yahoo, 2005), which contained links to 32 C2C Web sites in January 2005. Seven of them were not available at the time of data collection, four provided information for consumers but did not facilitate C2C interactions, one was in Spanish, and one was just an alternative URL to another site listed in the directory. These sites were thus eliminated, which resulted in a sample of 19 Web sites (see Table 2). A user account was opened with each site in order to gain access to all features the site offers. The interactional tools and facilities of the first nine Web sites were explored to identify those that offer richness in terms of feedback, multiple cues, language variety, and personal focus. A list of 25 features was drawn up (see Table 1) and all 19 sites were examined for the presence of absence of these features, which follows the methodology of previous website analyses (cf. Robbins and Stylianou, 2003; Zhou, 2004).

Feedback	Asynchronous/synchronous, ratings, comments, threads, PM, e-mail, chats,				
	rebuttals, feedback from site owner,				
	credit points				
Cues	Contents of member profiles, user				
	statistics made available, link to personal				
	site, picture of oneself, network of trust,				
	ranking of contributors, titles awarded				
Language	Ratings, verbal comments, activated				
	hyperlinks, pictures				
Personal	Registration, screen name, avatar,				
focus	emotive icons				

Table 1: List of features.

## **4 RESULTS**

The 19 C2C sites differ substantially in the interaction formats they offer. As Table 2 shows, the sites enable consumers to express themselves in a variety of formats, including discussion threads (DI), complaints (CO), chats (CH), product reviews (RE), questions (QU), product ratings (RA), consumer blogs (BL), and wikis (WK).

Table 2: Basic interaction formats.

	DI	CO	СН	RE	QU	RA	BL	WK
AskAnOwner					•			
ComplaintBook		٠				W.	1	
Complaints		٠						
ConsumerReview	٠			•				
Dooyoo				•				
Epinions	٠			٠				
JudysBook				•	•			1
MarketMarks		٠		•	٠			2
My3cents	٠	٠		•			•	
PlanetFeedback	1	•		٠	•	~		
Ratings				•		•		
ReviewCentre	•		-	•	10	•		
Riffs		1	•	Ŷ	0	٠	•	٠
RipOffRe <mark>p</mark> ort		•						
SafetyFo <mark>r</mark> um	٠		/					
Squeaky Wheel		•						
SyllasForum	•	/						
TCCL	•	٠	•	•				
uSpeakO <mark>u</mark> t	•							
TOTAL	8	8	2	11	4	3	2	1

#### 4.1 Feedback

The 19 sites use almost exclusively asynchronous feedback mechanisms. In fact, *TCCL* and *Riffs* are the only websites facilitating synchronous feedback

in the form of online chats. Asynchronous feedback on C2C websites includes comments on product reviews (12), e-mails (10), ratings of the usefulness of a product review (9), replies in discussion threads (8), company rebuttals to complaints (6), personal messages among registered users (6), replies to questions (4), and wiki collaborations (1).

Feedback facilities can also be looked at in terms of the parties involved. While only eleven sites offer one-to-one consumer communication (i.e. PM, email, chat), 16 sites post one-to-many feedback from consumers (i.e. ratings, comments, replies in threads) and six sites enable companies to provide feedback on consumers' opinions in the form of rebuttals. Only one C2C website does not offer any feedback mechanisms at all, confining interactions to message transmission and reception.

To some extent, also the operators of the C2C sites give feedback to the contributors. While some of them merely claim that they reserve the right to remove inappropriate or offensive messages, two sites claim to approve all reviews before they post them, and two websites automatically screen all messages for offensive words and censor them.

While the majority of sites rely on voluntary contributions, six sites offer financial or material incentives to contributors, which also function as a feedback mechanism. The incentives offered include cash rewards for every 100th review submitted by registered members or credit points which are redeemable for products or cash and are earned for each review written or each time the review is read.

### 4.2 Multiplicity of Cues

Allowing members to provide information about themselves when they register is one way to remedy the Web's reduced capacity to convey social cues. Twelve sites enable users to make such information available in their member profiles, including information such as location, gender, occupation, email addresses, verbal biographies, hobbies, and links to personal websites. On ten sites, user profiles also include statistics about the user's activities on the site, e.g. the number of contributions by the user, the join date, the number of credit points earned, the average rating s/he has received for his/her contributions, the number of visits, the date of the last visit, and the average response time.

C2C sites also provide cues regarding the status of individual users in C2C communities. Two sites provide rankings of their contributors either on the basis of the number of credit points they have earned or on the number of contributions they have made to the site. Six other sites award titles based on the quality (e.g. *top reviewer*) and quantity (e.g. *senior member*) of users' contributions. *ReviewCentre* does not award titles to users but to their contributions, labeling high-quality reviews as *expert reviews*. Similarly, registered members on *Dooyoo* can nominate reviews for inclusion in the site's *Hall of Fame*.

Another way of determining a user's status in a C2C community is by enabling registered members to indicate in their profiles which users in the community they trust in terms of expertise. These buddy networks people create when they add people to their list of trusted members also indicted who a user is trusted by and thus may help others to decide whether or not to trust a reviewer. Overall, four sites offer such reputation systems. One C2C site merely lists a user's *Friends* but does not indicate how many users have added this user to their list of *Friends*.

### 4.3 Language Variety

All 19 C2C sites enable people to articulate their opinions publicly using natural language, e.g. discussion threads, blogs, chats, product reviews, comments, questions and answers, complaints and praises. The texts can be enhanced with active hyperlinks on six sites, e.g. to link to the sites of companies or products that writers are reviewing. Six sites also enable writers to paste pictures into their messages. Similar to hyperlinks, pictures may help people to provide evidence for their arguments for or against a company or a product. Three websites inviting verbal reviews offer a default structure that encourages readers to deal with positive and negative aspects of a product in their review.

Eight sites use categories in addition to verbal statements in the form of Likert-scale questions or closed-ended questions. These communication formats clearly limit people's means of expression to a pre-defined set of answers and introduce a response bias as they suggest ideas and cannot account for qualifications to responses (Blunch, 1984). Such ratings appear in two different formats. First, people can rate products or companies according to predefined criteria (e.g. customer service, ease of use, etc.). Second, they can rate the usefulness of other consumers' contributions, e.g. "Was this review very helpful / helpful / somewhat helpful / not helpful to you?". Although such data can be analyzed more easily than verbal product reviews, they provide only meaningful information

if large numbers of users make use of these facilities.

### 4.4 Personal Focus

Six of the C2C websites enable people to use a selection of emotive icons to express sentiments such as fear, boredom or uncertainty, which sequences of ASCII characters do not convey as unequivocally as icons. Thus, such interactions are richer than those in which people can use either only ASCII-code emoticons in texts or no emoticons at all because opinions are to be expressed in the form of ratings. Another factor determining how much presence a writer has in computer-mediated communication is whether or not they post their contributions anonymously, use a screen name, or use their real names. On four sites people can voice their opinions anonymously, on three sites they are strongly encouraged to use their real names, and on twelve sites they can register any name. Consumers thus have the possibility to express feelings, emotions and attitudes when they select screen names. Avatars, which enable people to express emotions and attitudes visually, can only be used on five C2C sites. Thus, in the C2C interaction systems studied, interlocutors do not have much visual presence, although the medium has the capabilities to do so.

# **5 DISCUSSION**

As the above results have shown, the Web sites examined have implemented a number of measures that may render contributions to these sites more useful for data mining activities. Table 3 summarizes these measures, indicating which parameter of media richness they pertain to and how many sites have implemented them.

First, the quality of data stored and disseminated on C2C websites could be improved through measures pertaining to feedback, cues, language, and personal focus. Feedback mechanisms may impact quality, since people are likely to try harder when they know other people can rate them or comment on what they have written. Similarly, writers might pay more attention to quality when site owners review contributions before they make them available publicly or may even decide not to post them.

Feedback	Ratings by readers (7) Reader comments (11) Screening/reviewing (3)				
Cues	Member profiles (11)				
Language	Verbal expression (18) Active hyperlinks (6) Spellchecker (1)				
Personal focus	Emotive icons (6)				

Table 3: Meeting the challenges of C2C data mining.

Further, cues users communicate in member profiles decrease the anonymity inherent in online interactions, in particular, if such member profiles contain links to users' personal Web sites. If writers are given the opportunity to post information about themselves in such profiles, they might be less likely to include social information, which is irrelevant to corporate data mining efforts, in product reviews. Member profiles on C2C websites thus reduce 'noise' in the information that can be extracted.

Data quality is enhanced when opinions are expressed verbally, since verbal statements can account for both positive and negative views on a product or a company and qualify the level of enthusiasm or disappointment, unlike opinions expressed by answering multiple choice questions or closed-ended questions. Further, active hyperlinks may enhance the quality of contributions in C2C interactions, as they enable the writer to loosely integrate information from other sources, giving a broader picture than the information posted on one C2C Web site can give. These active hyperlinks could be followed by data mining tools and integrated into the analysis as well, though probably in a separate run in order not to distort the original dataset obtained from a C2C site. Spellcheckers would help writers to correct their spelling mistakes, which would also improve the results of data mining efforts, as wrongly spelt words may not be accounted for in data mining, unless spelling is corrected by the researcher first.

Ultimately, data quality in C2C interactions can be enhanced by enabling people to express feelings and attitudes using emotive icons. These graphic icons are able to express far more emotive states than emoticons produced with ASCII characters and thus may shorten or eliminate passages verbalizing emotions in consumers' contributions. Thus, emotive icons are able to make messages more concise by capturing emotive content and leaving only productrelated information in the text. However, this also entails that these icons – unlike ASCII emoticons – cannot be interpreted correctly when mining these data. For example, writers in electronic environments would typically use emoticons to indicate the humorous intent of a statement, which can be detected and eliminated if ASCII emoticons are used but not if icons are used.

The study conducted has two limitations. First, the sample was drawn from a Web directory, which may not include an exhaustive list of consumeropinion websites. Second, all sites included in the sample were in English, since websites in languages other than English were excluded from the sample in order to draw a linguistically homogenous sample.

Future research may build on the results of this study, using the features identified as a basis for studying sites in non-English speaking countries. More importantly, consumers who are active on C2C websites should be surveyed about the ways in which they make use of the features identified in this study and their perceptions of richness and social presence. Such studies should also account for cultural differences regarding the use of consumeropinion websites in general.

# REFERENCES

- Bolter, J. D., 1996. Virtual reality and the redefinition of self. In L. Strate, R. Jacobson, and S.B. Gibson (Eds.), *Communication and Cyberspace. Social Interaction in an Electronic Environment* (pp. 105-119). Cresskill, NJ: Hampton Press.
- Chaovalit, P., Zhou, L., 2005. Movie review mining: A comparison between supervised and unsupervised classification approaches. In *Proceedings of the 38th Hawaii International Conference on System Sciences*. Los Alamitos: Computer Society Press.
- Chiou, J.-S., Cheng, C., 2003. Should a company have message boards on its Web sites? In *Journal of Interactive Marketing*, 17(3), 50-61.
- Cho, Y., Im, I., Hiltz, R., Fjermestad, J., 2002. An analysis of online customer complaints: Implications for Web complaint management. In *Proceedings of the 35th Hawaii International Conference on System Sciences*, Los Alamitos: IEEE Press.
- Daft, R.L., Lengel, R.H., 1986. Organizational information requirements, media richness and structural design. In *Management Science*, 32(5), 554-571.
- Daft, R.L., Lengel, R.H., Trevino, L.K., 1987. Message equivocality, media selection, and manager performance: Implications for information systems. In *MIS Quarterly*, 11(3), 355-366.
- Dave, KI., Lawrence, S., Pennock, D.M., 2003. Mining the peanut gallery: Opinion extraction and semantic classification of product reviews. In *Proceedings of* the 12th International World Wide Web Conference, http://www2003.org/cdrom/html/refereed/index.html.

- Dellarocas, C., 2003. The digitization of word of mouth: Promise and challenges of online feedback mechanisms. In *Management Science*, 49(10), 1407-1424.
- Dellarocas, C., 2005. Strategic manipulation of Internet opinion forums: Implications for consumers and firms. *MIT Sloan Working Paper No. 4501-04.*
- Dennis, A.R., Kinney, S.T., 1998. Testing media richness theory in the new media: The effects of cues, feedback, and task equivocality. In *Information Systems Research*, 9(3), 256-274.
- Dholakia, U.M., 2005. The usefulness of bidders' reputation ratings to sellers in online auctions. In *Journal of Interactive Marketing*, 19(1), 31-40.
- Donath, J. S., 1999. Identity and deception in the virtual community. In M.A. Smith and P. Kollock (Eds.), *Communities in Cyberspace* (pp. 29-59). London: Routledge.
- Evans, M., Wedande, G., Ralston, L., van 't Hul. S., 2001. Consumer interaction in the virtual era: Some qualitative insights. In *Qualitative Market Research*, 4(3), 150-159.
- Ha, H.-Y., 2002. The effects of consumer risk perception on pre-purchase information in online auctions: Brand, word-of-mouth, and customized information. In *Journal of Computer-Mediated Communication*, 8(1), http://jcmc.indiana.edu.
- Hancock, J.T., Dunham, P.J., 2001. Impression formation in computer-mediated communication revisited. An analysis of the breadth and intensity of impressions. In *Communication Research*, 28(3), 325-347.
- Harris, K., Baron, S., 2004. Consumer-to-consumer conversations in service settings. In *Journal of Service Research*, 6(3), 287-303.
- Hennig-Thurau, T., Walsh, G., 2003. Electronic word-ofmouth: Motives for and consequences of reading customer articulations on the Internet. In *International Journal of Electronic Commerce*, 8(2), 51-74.
- Hennig-Thurau, T., Gwinner, K.P., Walsh, G., Gremler, D.D., 2004. Electronic word-of-mouth via consumeropinion platforms: What motivates consumers to articulate themselves on the Internet? In *Journal of Interactive Marketing*, 18(1), 39-52.
- Herring, S. C., 1999. Interactional coherence in CMC. In Journal of Computer-Mediated Communication, 4(4). http://jcmc.indiana.edu.
- Hu, M., Liu, B., 2004. Mining opinion features in customer reviews. In *Proceedings of Nineteenth National Conference on Artificial Intelligence*. AAAI Press.
- Korgaonkar, P., Moschis, G.P., 1982. An experimental study of cognitive dissonance, product involvement, expectations, performance and consumer judgement of product performance. In *Journal of Advertising*, 11(3), 32-44.
- Leimeister, J.M., Krcmar, H., 2005. Evaluation of a systematic design for a virtual patient community. In *Journal of Computer-Mediated Communication*, 10(4), http://jcmc.indiana.edu.

- Lengel, R.H., Daft, R.L., 1988. The selection of communication media as an executive skill. In *The Academy of Management Executive*, 11(3), 225-232.
- Maclaran, P., Catterall, M., 2002. Researching the social Web: Marketing information from virtual communities. In *Marketing Intelligence & Planning*, 20(6), 319-326.
- Mollenberg, A., 2004. Internet auctions in marketing: The consumer perspective. In *Electronic Markets*, 14(4), 360-371.
- Nah, F., Siau, K., Tian, Y., Ling, M., 2002. Knowledge management mechanisms in e-commerce: A study of online retailing and auction sites. In *The Journal of Computer Information Systems*, 42(5), 119-128.
- Ono, C., Nishiyama, S., Kim, K., Paulson, B.C., Cutkosky, M., Petrie, C.J., 2003. Trust-based facilitator: Handling word-of-mouth trust for agent-based ecommerce. In *Electronic Commerce Research*, 3(3/4), 201-220.
- Pitta, D.A., Fowler, D., 2005. Online consumer communities and their value to new product developers. In *The Journal of Product and Brand Management*, 14(4/5), 283-291.
- Robbins, S.S., Stylianou, A.C., 2003. Global corporate web sites: an empirical investigation of content and design. In *Information & Management*, 40, 205-212.
- Standifird, S.S., 2001. Reputation and e-commerce: eBay auctions and the asymmetrical impact of positive and negative ratings. In *Journal of Management*, 27, 279-295.
- Tapscott, D., Tiscoll, D., 2003. The customer peers back. In *Intelligent Enterprise*, 10 December, 22-30.
- Turner, A., 1980. Systematically acquiring verbal information. In *Optimum*, 11(1), 52-57.
- Warren, S., 2002. Selling strategies corporate intelligence – i-spy: Getting the lowdown on your competition is just a few clicks away. In *Wall Street Journal*, 14 January, R14.
- Xue, F., Phelps, J.E., 2004. Internet-facilitated consumerto-consumer communication. In *International Journal* of Internet Marketing and Advertising, 1(2), 121-136.
- Yahoo, 2005. Consumer Opinion, http://dir.yahoo.com/ society\_and\_culture/issues\_and\_causes/consumer\_adv ocacy\_and\_information/consumer\_opinion/.
- Zhou, X., 2004. E-government in China: A content analysis of national and provincial Web sites. In *Journal of Computer-Mediated Communication*, 9(4), http://jcmc.indiana.edu.