

IMPACT OF ONLINE REVIEW CHARACTERISTICS ON GEN Z CONSUMER'S PURCHASE INTENTION: THE MEDIATING ROLE OF TRUST

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ABSTRACT

This study explores the impact of online review characteristics on the purchase intention of Generation Z consumers, with trust examined as a mediating factor. Data was collected from 250 Gen Z respondents across major cities in Punjab, including Amritsar, Jalandhar, and Ludhiana. Using structural equation modeling, the study reveals that the usefulness of online reviews significantly shapes both trust and purchase decisions, while review valence and credibility show limited direct influence. Trust emerges as a key mediator, highlighting its crucial role in converting online review perceptions into consumer action. The findings offer practical insights for marketers and e-commerce platforms aiming to engage Gen Z more effectively.

Keywords: Online Reviews, Generation Z, Purchase Intention, Trust, SEM

INTRODUCTION

In today's digital age, the decision-making process of consumers has undergone a dramatic shift, with online reviews becoming a crucial factor influencing purchase behavior. This change is especially pronounced among Generation Z, a tech-savvy and socially connected cohort born between the mid-1990s and early 2010s. Unlike previous generations, Gen Z consumers are highly engaged with digital content, value peer opinions over traditional advertising, and frequently rely on user-generated reviews before making online purchases. As a result, understanding how online reviews shape their buying decisions has become essential for businesses and marketers seeking to capture this dynamic consumer group. Online reviews provide consumers with firsthand insights into product quality, usability, and satisfaction levels shared by other users. Among the many elements that define these reviews, three characteristics—review usefulness, review valence (positivity or negativity), and review credibility—stand out as critical in shaping perceptions. While positive or negative sentiment in reviews (valence) may influence emotional responses, the perceived usefulness and credibility of those reviews often determine how much they impact actual behavior (Camilleri et al., 2020). However, for Gen Z, who are known to be more skeptical and selective, trust plays a vital role in converting these reviews into purchase intentions. Trust is not automatically granted; it must be earned through authenticity, transparency, and consistency. Although past research has explored the general impact of online reviews on consumer behavior, limited attention has been paid to how these specific review characteristics influence Gen Z consumers. Moreover, there remains a research gap in understanding the mediating role of trust in this process. Trust could be the missing link that explains how Gen

Z interprets online reviews and whether those reviews translate into actual buying decisions (Biswas et al., 2024). This mediation perspective is crucial because it acknowledges that even a highly positive or detailed review may not lead to purchase if the consumer does not trust the source or content. To address this gap, the present study aims to explore the relationship between online review characteristics and Gen Z consumers' purchase intentions, considering trust as a mediating variable. The study draws data from 250 Gen Z respondents across key urban centers in Punjab, including Amritsar, Jalandhar, and Ludhiana—regions with growing digital penetration and increasing e-commerce activity. By employing structural equation modeling (SEM), this study assesses the direct and indirect effects of review usefulness, valence, and credibility on purchase intentions. The findings contribute to both theoretical understanding and practical strategies for businesses aiming to engage and convert Gen Z consumers in the online marketplace.

REVIEW OF LITERATURE

Review Credibility (RC)

Review credibility refers to the extent to which consumers perceive an online review as truthful, believable, and dependable. In the digital marketplace, where consumers cannot physically inspect products before purchase, they often rely on the opinions of others to make informed choices. Reviews that are well-written, objective, and appear to come from real users are considered more credible. Consumers tend to evaluate the language, detail, and tone of a review to judge its authenticity (Pooja et al., 2024). Credible reviews can act as a substitute for personal experience by providing a trustworthy perspective, which increases the consumer's confidence in making a purchase. If the review is considered to be written by a person with expertise or a genuine experience, it is more likely to shape the consumer's perception and positively affect their decision-making process (Al et al., 2023).

Hypothesis:

H1: Review credibility has a significant impact on purchase intention.

2. Usefulness of Online Reviews (UOR)

Usefulness of online reviews refers to the degree to which reviews are perceived as helpful in making purchasing decisions. Consumers read reviews not only to validate product quality but also to understand its features, performance, and suitability (Srivastava et al., 2023). A review that offers comprehensive information, practical tips, or comparisons with similar products is often seen as more useful. The usefulness of a review reduces information asymmetry and helps consumers make confident decisions, especially in e-commerce environments where product tangibility is absent. If a consumer finds the review informative and aligned with their needs, it enhances the review's impact on their final purchase decision (Ventre et al., 2020). Moreover, useful reviews often serve as a form of social proof, influencing consumers to follow the choices or opinions of others.

Hypothesis:

H2: Usefulness of online reviews has a significant impact on purchase intention.

3. Review Valence (RV)

Review valence reflects the overall sentiment or emotional tone of a review—positive, negative, or neutral. A review with a positive valence generally indicates satisfaction and favorable experiences with the product or service, while a negative valence points to dissatisfaction or poor performance. Consumers are more likely to be influenced by positive reviews as they signal reliability and good quality (Lee et al., 2009). Conversely, negative

reviews may deter potential buyers by highlighting risks and flaws. Valence plays a key role in shaping consumer perceptions, especially when the consumer has little prior knowledge or experience with the product. Positive reviews can serve as a persuasive factor that enhances brand image and increases the consumer's trust and purchase intention. The impact of valence is even stronger when multiple reviews align in tone, creating a consensus effect (Park et al., 2021).

Hypothesis:

H3: Review valence has a significant impact on purchase intention.

4. Trust (as a Mediating Variable)

Trust is a crucial psychological state in online consumer behavior, especially in contexts where direct product evaluation is not possible. It represents the consumer's belief that the information shared in online reviews is reliable, honest, and intended to help rather than deceive. Trust acts as a mediator because it builds a bridge between the review characteristics (credibility, usefulness, and valence) and the consumer's behavioral outcomes. Even if a review is perceived as useful or credible, it will not fully influence the consumer's behavior unless the consumer also develops trust in the content. High levels of trust reduce uncertainty, perceived risk, and hesitation, thereby strengthening the relationship between review characteristics and purchase intention. The trust built through online reviews often compensates for the absence of in-person interaction or physical product inspection in e-commerce (Shashank et al., 2024).

H4: Review credibility influences purchase intention through the mediation of trust.

H5: Usefulness of online reviews influences purchase intention through the mediation of trust.

H6: Review valence influences purchase intention through the mediation of trust.

METHODOLOGY

DATA COLLECTION AND SAMPLE

This study adopts a quantitative research design to investigate the impact of online review characteristics on the purchase intention of Generation Z consumers, with trust as a mediating variable. The research aims to analyze the relationships among review usefulness, review valence, review credibility, trust, and purchase intention using a hypothesis-driven approach. The target population for this study comprises Generation Z consumers (aged approximately 18–27) who actively engage in online shopping and refer to online reviews before making purchase decisions. Data was collected from a sample of 250 respondents across three major cities in Punjab: Amritsar, Jalandhar, and Ludhiana. These cities were chosen due to their high internet penetration, increasing e-commerce activity, and significant Gen Z presence. A convenience sampling method was employed, and data was gathered through a structured online questionnaire distributed via social media platforms and email. Participation was voluntary, and respondents were assured of anonymity and confidentiality.

DATA ANALYSIS AND RESULTS

The demographic profile of the respondents highlights key characteristics of the sample population. Out of a total of 250 participants, the majority were female (74.4%), while males comprised 25.6% of the sample. In terms of educational qualification, most respondents were pursuing or had completed undergraduate studies (54.3%), followed by postgraduates (27.7%). A smaller portion had completed 10+2 (10.2%), 10th standard (5.1%), or were

below matriculation level (2.7%). Geographically, the respondents were nearly evenly distributed across three major districts in Punjab: Amritsar (35.4%), Jalandhar (32.5%), and Ludhiana (32.1%). Regarding occupation, a significant majority identified as students (82.6%), while the rest were private employees (6.2%), government employees (3.2%), business/self-employed (4.1%), or unemployed (3.9%). These statistics reflect a predominantly young, educated, and student-oriented sample, which aligns with the target population of Generation Z consumers for the study.

Table1: Demographic Characteristics of Respondents

Variable	Frequency (n)	Percentage (%)
Gender		
Male	64	25.6%
Female	186	74.4%
Educational Qualification		
Below Matriculation	7	2.7%
10 th	13	5.1%
10+2	26	10.2%
Undergraduate	136	54.3%
Postgraduate	69	27.7%
Districts		
Amritsar	89	35.4%
Jalandhar	81	32.5%
Ludhiana	80	32.1%
Occupation		
Student	207	82.6%
Private Employee	16	6.2%
Government Employee	8	3.2%
Business/Self Employed	10	4.1%
Unemployed	10	3.9%

Source: SPSS Software

RESULTS

The structural model evaluation offered mixed support for the proposed hypotheses. The direct effect of the Usefulness of Online Reviews (UOR) on Purchase Intention (PI) was found to be statistically significant ($\beta = 0.231$, $p = 0.001$), thereby supporting the hypothesis. This finding aligns with the Elaboration Likelihood Model (ELM), which posits that consumers are more likely to be persuaded when they perceive the information to be useful and relevant. In contrast, the direct relationships from Review Credibility (RC) to PI ($\beta = 0.056$, $p = 0.379$) and from Review Valence (RV) to PI ($\beta = 0.028$, $p = 0.624$) were not significant, resulting in the rejection of those hypotheses. These results suggest that the credibility or emotional tone of a review alone may not be sufficient to drive purchase intention unless consumers also perceive a trustworthy context or deeper engagement. To further explore the underlying mechanisms, a mediation analysis was conducted using the Variance Accounted For (VAF) approach. The mediating role of Trust yielded insightful results. For the RC \rightarrow PI path, the VAF was calculated at 67.07%, indicating partial mediation. This suggests that while review credibility may not directly influence purchase intention, it can build trust in the brand or platform, which in turn impacts consumer decisions — a dynamic supported by the Theory of Reasoned Action (TRA), which highlights trust as a crucial factor in shaping behavioral intentions. The UOR \rightarrow PI path

showed a VAF of 96%, confirming full mediation. This emphasizes that the perceived usefulness of online reviews significantly strengthens trust, which then entirely governs the purchase decision — further supporting the idea that cognitively engaging information leads to trust-based outcomes. On the other hand, the RV → PI relationship exhibited a minimal VAF of 3.7%, indicating no mediation. This implies that the emotional tone or polarity of reviews (positive or negative) neither directly affects purchase decisions nor fosters trust in this context. Overall, these findings reinforce the notion that Generation Z consumers are more influenced by informational quality and trust-building cues than by emotional valence alone. The study underscores the importance of trust as a mediating mechanism and highlights the need for e-commerce platforms to emphasize useful, reliable, and trustworthy reviews to drive consumer behavior effectively.

Table2: Path Coefficient

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
RC -> PI	0.056	0.072	0.064	0.879	0.379
RV -> PI	0.028	0.071	0.057	3.490	0.624
UOR -> PI	0.231	0.235	0.069	3.367	0.001

Source: Computed from smart PLS

DISCUSSION

This study aimed to examine the impact of online review characteristics—specifically RC, RV, and UOR on Gen Z consumers' purchase intentions, while considering Trust as a mediating variable. The results provide several meaningful insights into Gen Z consumer behavior in the context of e-commerce, supported by both empirical findings and relevant theoretical underpinnings. Firstly, the UOR emerged as a significant predictor of purchase intention, both directly and through full mediation by trust. This finding underscores the importance of cognitive processing among Gen Z consumers. Consistent with the ELM, Gen Z is shown to be more persuaded by the central route—evaluating content based on relevance and informational richness—rather than superficial cues. When reviews are detailed, informative, and tailored to the consumer's needs, they not only guide decision-making but also cultivate trust, which becomes the key driver behind the final purchase intention. The high VAF value (96%) in this path highlights that usefulness alone does not act in isolation; it fosters a sense of reliability and assurance that fully mediates the consumer's intent to purchase. In contrast, review credibility, although not significantly impacting purchase intention directly, demonstrated a partial mediating effect through trust (VAF = 67.07%). This finding suggests that Gen Z consumers do not automatically accept reviews based on perceived credibility alone. Instead, credibility must translate into trust before it influences behavior. This aligns with the TRA, which emphasizes that behavioral intentions are shaped not only by beliefs but by the degree of trust embedded in those beliefs. The partial mediation indicates that while credible reviews can build a trustworthy image, this effect is not strong enough on its own unless trust becomes a central factor in the evaluative process. Interestingly, review valence—the emotional tone of the review—neither had a direct effect nor demonstrated any meaningful mediation via trust (VAF = 3.7%). This is a notable deviation from earlier assumptions that positive or negative sentiments in reviews significantly sway consumer decisions. The findings imply that Gen Z, as a rational and

information-seeking cohort, may not be easily influenced by emotionally charged content. Instead, they prioritize substantive, logical content over sentiment. The lack of significance for valence also reinforces the notion that emotional cues without informational depth are insufficient in building trust or motivating behavioral outcomes. Taken together, the findings emphasize the pivotal role of trust in bridging online review characteristics and purchase decisions. While some characteristics like usefulness naturally build trust and lead to action, others, such as valence, fail to establish a meaningful connection unless backed by perceived utility or credibility. The study not only validates the role of trust as a mediating construct but also reflects the evolving digital maturity of Gen Z consumers. Businesses targeting this segment must go beyond surface-level engagement and focus on delivering credible, transparent, and valuable review content that enhances trust and, consequently, purchase behavior. In summary, this research contributes to the growing literature on Gen Z consumer psychology and online shopping behavior by demonstrating that not all online review elements hold equal weight. Instead, usefulness and trust emerge as the core pillars of influence, offering practical implications for marketers and e-commerce platforms aiming to cultivate trust and drive conversions among digital-native consumers.

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