

# SHEIN

## The Power of Positive Online Reviews

MASTER THESIS

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CUSTOMER REVIEWS



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## **Abstract**

**Keywords:** Online Reviews, Brand Loyalty, Purchasing Behavior, Consumer Trust, Brand Recognition, E-commerce.

This research project aims to investigate the intriguing role that positive online reviews play in fostering brand loyalty within the context of the e-commerce landscape, with a specific emphasis on SHEIN as a case study. In contemporary e-commerce, online reviews have emerged as an essential component for the interaction between customers and the perception of brands. Reviews not only serve as an essential mechanism for providing feedback, but they also have a significant impact on consumers' purchasing decisions, help shape the narratives associated with brands, and foster a sense of community and trust among customers overall.

After conducting a comprehensive review of the existing literature, we identified gaps in the research that had been conducted previously and made an effort to develop a framework that sheds light on how positive reviews contribute to the formation of brand loyalty. Our objective is to shed light on a significant yet relatively unexplored aspect of the world of e-commerce by analyzing and addressing these literary gaps. This project aims to understand how customers react to positive reviews and how this interaction influences their attachment to a particular brand, such as SHEIN.

For businesses that engage in e-commerce, having this knowledge is essential because it can assist them in better comprehending and improving their relationships with customers. By gaining this understanding, we can provide concrete recommendations and insights that will assist businesses involved in e-commerce in strengthening their brand loyalty and, as a result, their competitiveness in the relevant market. We aim to contribute to a more nuanced understanding of consumer behavior in the digital age by analyzing and comprehending the underlying mechanisms responsible for positive reviews. This will allow businesses to use more effective strategic planning and brand building.

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## Part 1: Introduction

In the wide range of any digital marketplace, online reviews have emerged as a feature and a cornerstone of consumer engagement and brand perception. Reviews are widespread on many platforms and play an important role in e-commerce by impacting buying choices, shaping brand stories, and creating a sense of community and trust. This transition from basic feedback mechanisms to influential factors in customer behavior signifies a notable change in the digital era's interaction between businesses and consumers. Amid this, the research question:

*"How do positive online reviews build brand loyalty?"*

accumulates profound relevance, exceeding individual company interests to touch upon a broad aspect of digital consumerism. While this question fits across the scope of e-commerce, this paper will use SHEIN as an example.

SHEIN is known in the fast-fashion e-commerce industry and represents itself as an excellent example for exploring the connection between positive online reviews and brand loyalty as they have adopted a type of loyalty program for their customers to push them to keep adding reviews in exchange for points, they can use later on which works as a win-win situation as it is keeping their customers at a retention stage. Choosing SHEIN as an example for this paper highlights the company's rise to success in a cutthroat industry and demonstrates the importance of customer input in brand strategy and engagement on a digital marketing level.

The world of online reviews across various platforms, especially e-commerce retailers, represents an organic web of consumer interaction and influence that could act as a goldmine for any company if used. Some platforms not only adopt having reviews as a feature but fully integrate them into their user experience, as they understand their power to persuade purchasing decisions. It is all about any brand embracing user-generated content, such as SHEIN, which has integrated online reviews into its strategy in its case.

Exploring online reviews opens the door to questions about consumer trust, digital word-of-mouth, and the psychological nature of online communities. This paper will offer an understanding of the role of online reviews in any e-commerce journey for the user. It will highlight the importance of

positive reviews for brands operating in the fast-paced and highly competitive digital marketplace. Digital marketing, consumer psychology, and the changing dynamics of trust and devotion in online shopping are all areas to which our study will add, both in theory and practice. In doing so, we can shed light on the opportunities and threats companies face in the digital age and how they can use online reviews to attract and retain customers.

It is important to define the boundaries of our research to ensure clarity and focus. Our methodology involved distributing an experimental questionnaire across our various social media platforms without targeting any particular demographic group to obtain diverse responses and enhance the generalizability of our findings. Nevertheless, it is worth noting that the absence of demographic segmentation may limit our ability to explore potential response variations based on factors such as age, gender, or location.

Our research is limited to examining the relationship between positive online reviews and brand loyalty rather than exploring the broader scope of online reviews or considering the impact of negative reviews. By narrowing our focus, we aim to investigate how positive reviews foster brand loyalty among consumers. This decision allows us to streamline our analysis and concentrate our efforts on elucidating specific pathways and drivers underlying consumer behavior in the context of positive online reviews.

In addition, we must recognize SHEIN's selection as the primary exemplar throughout our study. While concentrating on SHEIN provides valuable insights into the dynamics of brand loyalty within the fast-fashion e-commerce sector, it is necessary to acknowledge the inherent limitations of this approach. Specifically, our findings may not be directly transferable to other businesses or industries, as the influence of online reviews can vary depending on the nature of the products or services offered and the target audience's characteristics. Therefore, it is essential to exercise caution when extracting our results to contexts beyond the scope of fast-fashion e-commerce platforms.

Given these limitations, it is essential to emphasize that our research seeks to provide a subtle understanding of the interplay between positive online reviews and brand loyalty within a specific context. By defining our boundaries and clarifying the scope of our investigation, we aim to generate practical insights within the confines of our study's defined parameters.

# 1. Background

In this section, we provide a background for our topic by exploring the transformative effects of online shopping on consumer behavior and the role of positive online reviews in building brand loyalty. This overview sets the stage for a deeper analysis later in the project, where we will delve into the literature review, which will identify supporting evidence and uncover gaps in existing research. For our research, we have designed a conceptual framework, which will be presented and where it will be demonstrated with its different elements of how positive reviews influence brand loyalty.

## 1.1 How Online Shopping and Consumer Behavior Have Changed Over Time

In the past two decades, online shopping has exploded in popularity, completely changing how people buy things. The ease and accessibility of online purchasing, made possible by the fast spread of internet access and technological advancements, have dramatically changed consumer behavior. The convenience of online shopping has kept traditional brick-and-mortar stores updated and made it possible for customers to have a global selection of products at their fingertips without leaving the house. Several aspects have contributed to this change, such as the extensive selection of online products, the ease of price comparison, and the availability of 24/7 shopping. Digital platforms have gained popularity among consumers due to their efficiency, user-friendliness, and ability to provide tailored buying experiences. Thus, online shopping has grown exponentially, and experts predict this trend will increase over time.

Digital platforms have revolutionized the way consumers interact with brands and make purchasing decisions. For example, online marketplaces like Amazon and SHEIN have become central hubs for consumer activity, incorporating features such as customer reviews, detailed product descriptions, and personalized recommendations to enhance the shopping experience. Accessing information, including user-generated content like reviews and ratings, empowers consumers to make informed decisions. Mobile shopping and social media have further reshaped consumer habits. Platforms like Instagram, Facebook, and TikTok have emerged as influential channels, shaping consumer tastes and driving online sales. Endorsements from influential figures also significantly influence product validation and discovery, impacting consumer decisions.

Online reviews are essential to the digital customer journey since e-commerce has transformed how people shop and connect with brands. If used correctly, online reviews have the potential to greatly impact a brand's reputation, trustworthiness, and consumer loyalty.

## 1.2 The Evolution of Online Reviews

Online reviews have changed the way people interact with brands and shop in today's age. Early in the history of online shopping, just a handful of sites allowed for simple star ratings and short comments from customers. These early review systems were mostly straightforward ways for customers to provide input without much engagement.

The significance of online reviews grew as e-commerce developed, becoming an essential component of the buying process. Prospective purchasers now have access to more detailed feedback, and with this change, customers could depend on the reviews of others to help them make informed purchases; the culture of reviews became more engaging and helpful. Online reviews were already transformed before the arrival of visual content. Soon, users could add media files like images to their comments on many platforms. Since potential customers could see things in action, incorporating visual proof boosted the reviews' credibility and value. To aid customers in making better judgments, visual reviews connect the online and offline buying experiences.

Due to social media, online reviews have become even more influential. People began to talk about their purchases there, transforming their individual views into widely shared content. By writing comments and endorsing products, bloggers and social media influencers had a major impact on how people saw and perceived brands. As a result of this social evidence, brands gained credibility and connected with more people. Today, online customer journeys aren't complete without online reviews. Customers now see the most relevant reviews according to their tastes and previous actions, made possible by sophisticated algorithms and AI.

The shift from basic star ratings to detailed multimedia reviews has greatly affected e-commerce. It has helped firms gain vital insights to enhance their offers and customer relations while providing consumers with the information they need to make confident purchasing decisions.

### 1.3 How SHEIN Moves in the Market

SHEIN, a prominent player in the fast-fashion e-commerce industry, has swiftly adapted to evolving trends and offered consumers a broad array of affordable clothing options (Dong, 2020). Its business model, which prioritizes agility and efficiency in manufacturing and distribution, enables it to introduce new styles to the market promptly and ensures competitive pricing, a direct benefit to its customers (Dong, 2020).

Moreover, SHEIN has strategically leveraged user-generated content, such as online reviews, as an important element of its customer engagement and retention strategy (Xu & Li, 2020). By encouraging customers to share their experiences through its loyalty program, SHEIN fosters community among its users and gathers valuable feedback to enhance its products and services, demonstrating its commitment to customer satisfaction (Xu & Li, 2020). These strategies have significantly contributed to SHEIN's rapid growth and success in the highly competitive e-commerce landscape, a testament to its customer-centric approach.

In addition to focusing on user-generated content, SHEIN has strategically relied on influencer marketing as a central component of its promotional strategy (Xu & Li, 2020). By collaborating with influencers across various social media platforms, SHEIN effectively extends its reach to target audiences and enhances its brand visibility (Xu & Li, 2020). These influencers, often with large followings and engaged audiences, serve as brand ambassadors, endorsing SHEIN's products and promoting its latest offerings to their followers (Xu & Li, 2020). This approach facilitates customer acquisition and cultivates a sense of authenticity and trust among consumers, as they perceive the endorsements from influencers as genuine recommendations rather than traditional advertising (Xu & Li, 2020).

Furthermore, SHEIN's global presence and operational scale have been key drivers of its success in the e-commerce market (Dong, 2020). With a well-established supply chain and distribution network, SHEIN can efficiently serve customers in numerous countries worldwide (Dong, 2020). Its ability to adapt to local preferences and market dynamics has allowed SHEIN to resonate with diverse consumer segments across different regions, contributing to its widespread popularity and market penetration (Dong, 2020).



Additionally, SHEIN's investment in localized marketing efforts and customer service infrastructure further supports its global expansion strategy, enabling seamless shopping experiences for customers regardless of location (Dong, 2020). Overall, SHEIN's emphasis on influencer marketing and global operations underscores its commitment to leveraging digital channels and international markets to drive growth and sustain its competitive advantage in the fast-fashion e-commerce sector.

## **2. Construction of the thesis**

This project adopts a comprehensive methodology that integrates analytical and conceptual frameworks to explore the intricate relationship between positive online reviews and brand loyalty. Our approach offers a structured methodology for gathering, evaluating, and analyzing empirical data to illuminate the research question at hand.

Central to our research strategy is the development and implementation of a customized framework tailored to the unique characteristics of our study. This framework serves as a guiding compass, directing our data-gathering and analysis efforts to align with our research objectives and specific conditions. Drawing inspiration from established methodologies while remaining adaptable to the evolving digital landscape, our approach seeks to capture the dynamic interplay between consumer perceptions, brand engagement, and online reviews.

Through meticulous data collection and rigorous analysis, we endeavor to uncover the underlying mechanisms driving the impact of positive online reviews on brand loyalty. In essence, our thesis construction embodies a synergistic blend of methodological rigor and conceptual depth. By navigating the complexities of digital consumer behavior with precision and insight, we aspire to contribute meaningfully to the discourse surrounding online brand management and consumer loyalty in the contemporary marketplace.

### **2.1 Report Structure**

Our report is structured into five distinct sections, each designed to provide readers with a clear and structured guide through the project's formulation and content. Below is a model illustrating the five parts of the report structure and the corresponding chapters and sections.

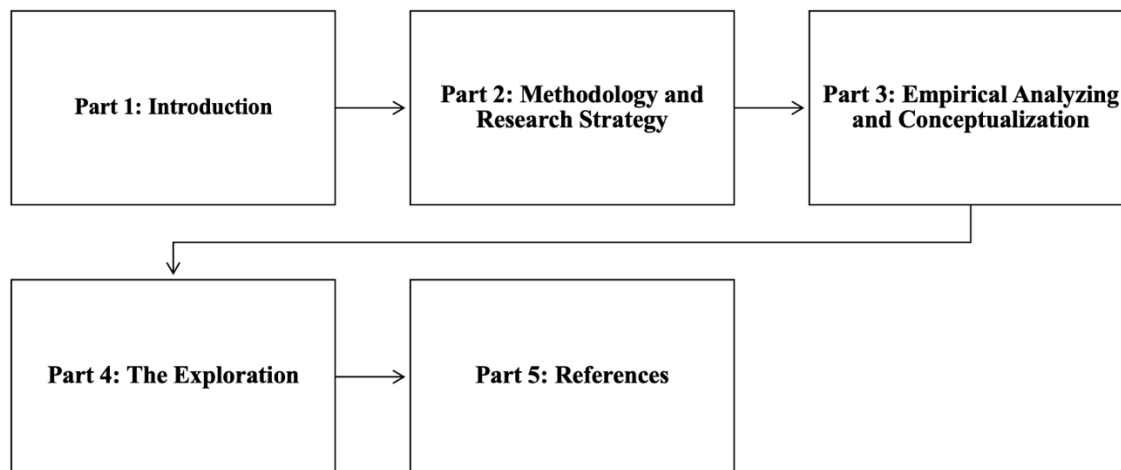


Figure 1: Own illustration, 2024. Report structure and the corresponding chapters and sections.

### **Part 1: Introduction**

The initial part of our report offers readers an overarching understanding of the project's purpose, context, and relevance. We present the background to our research, identify key issues, and introduce the core concepts that will be explored in the report.

### **Part 2: Methodology and Research Strategy**

This section focuses on our methodological approach and research strategy. We elaborate on our choices of methods and procedures for data collection and analysis and explain how these have been designed to achieve valid and reliable results. Additionally, we discuss any limitations and considerations that have been made in relation to our research design.

### **Part 3: Empirical Analyzing and Conceptualization**

In this part of the report, we present our empirical findings and analyses. We elaborate on our data analysis methods and results, and we conceptualize the identified patterns and relationships in relation to our theoretical frameworks and research questions. This section provides readers with a deeper insight into our data and the conclusions we have drawn based on them.

### **Part 4: The Exploration**

In this section, we delve deeper into the exploration of our topic area. We explore the potential implications of our findings, identify any unexplored areas or questions, and discuss possible directions

for future research. This section allows readers to see how our research contributes to scholarly and/or practical understanding of the topic at hand.

## **Part 5: References**

The final part of our report contains a comprehensive list of sources used and referenced throughout the project. This includes both primary and secondary sources, allowing readers to further explore literature on the topic.

This structure ensures a coherent and easily understandable process while providing them with the opportunity to closely follow our research process and considerations. By dividing our report into these different sections, we ensure that readers gain a comprehensive and informative insight into our project and its findings.

## **2.2 Abbreviations**

Within the thesis, references to the appendix will be abbreviated as A1, A2, etc., aiming to conserve space within the appendix section. This abbreviation serves to enhance the reader's experience and streamline the dissertation's readability. Examples of document references are provided below:

1 (See A1) or

## **2.3 Figure text and own illustration**

Illustrations and models will be denoted as Figures (Figure 1, Figure 2, etc.), while Tables will be labeled as Table 1, Table 2, etc. Each will be accompanied by a reference and a brief description. The selection or creation of figures will closely adhere to relevant theories and academic literature, ultimately aligning with the thesis. Examples are provided below:

Figure: *(Figure X: Source, page, description)*

Own illustration: *(Figure x: Own illustration, source, description)*

Table: *(Table X: Source, page, description)*

### 3. Literature Review

In developing our framework, we have carefully examined a range of research findings that highlight the relationships between consumers' trust and familiarity with a business and their reliance on online reviews which would help us to understand how positive review could lead to brand loyalty.

Despite gaining insights from previous research, a more profound understanding of how familiarity affects users' reliance on positive reviews, especially on e-commerce platforms like SHEIN still needs to be developed. As mentioned, our research will introduce a conceptual model, by our own creation, that illustrates the interaction between trust, online reviews, purchase intention, and brand loyalty to address this gap. An essential component of our framework is purchase intention, which describes a person's tendency or desire to purchase a specific product or service. Understanding purchase intention is crucial for businesses to predict demand, tailor marketing campaigns, and optimize product offerings.

At the core of our model structure are online reviews, which can take different forms, including textual comments, photos, and numerical scores or star ratings representing numbers. To validate and explain each sort of intended online review in depth, we will utilize the Information Adoption Model (IAM) later in this paper. As these types of focused reviews, in their various forms, play an essential part in shaping how consumers perceive products and influencing their choices to buy, we decided to focus on these three types of reviews instead of leaving it broad by just mentioning 'online reviews' as it could be any review. Our choice to integrate research findings emphasizing the importance of product quality, reputation, customer service, and the overall brand experience representing the element of trust in our model reflects our desire to create a comprehensive framework that addresses all aspects of the consumer's purchasing experience.

Additionally, we recognize the significance of positive online reviews in strengthening a brand's credibility, trust, and perceived value, thereby promoting brand loyalty. Our framework, designed with a clear purpose, offers a structured approach to analyzing consumer interactions with e-commerce platforms and their impact on brand loyalty. By drawing on diverse research findings and theoretical perspectives, we have created a tool that not only generates new insights but also contributes to a deeper understanding of the intricate dynamics within e-commerce and consumer behavior.

### 3.1 Global Usage of E-commerce Platforms

Over the last ten years, the global e-commerce market has experienced exponential growth, with the COVID-19 pandemic significantly contributing to this acceleration. This means a significant increase from the \$4.2 trillion that was recorded in 2020 for global e-commerce sales, which reached approximately \$6.3 trillion in 2023. This growth trajectory is anticipated to continue, with projections indicating that sales made through e-commerce will surpass \$7.4 trillion by 2025 (Statista, 2023).

Global retail e-commerce sales are projected to reach \$6.91 trillion in 2024 and \$8.14 trillion by 2026 (Growth Devil, 2023). This trend is further illustrated by the fact that these figures are projected to reach these levels. This steady increase is being driven by the growing comfort that consumers have with online shopping and advancements in technology that enhance the shopping experience.

A prime example of this expansion is the e-commerce giant SHEIN, a significant player in the industry. The fast-fashion giant's user base reached 43.7 million in 2021 and continues to expand across the globe for the remaining years. SHEIN's success can be attributed to the company's ability to operate globally, cater to various markets, and leverage social media platforms to engage customers. Additionally, SHEIN's success is fueled by its adept utilization of influencer marketing.

Companies such as SHEIN are leading the charge by adopting innovative marketing strategies and expanding their international reach, as evidenced by these statistics highlighting the rich and ongoing expansion of e-commerce globally. This information offers a comprehensive overview of the current state of global e-commerce and the future prospects of this sector, highlighting its significant role in the operation of the modern economy.

#### 3.1.1 SHEIN User Statistics

SHEIN reported that it had more than 43.7 million active users worldwide as of 2023 (Sensor Tower, 2023). The company has a significant presence in the United States, Europe, and Latin America. The platform's success can be attributed to its offering a wide variety of products at reasonable prices and efficiently using digital marketing strategies, such as forming partnerships with influential individuals and performing advertising on social media.

The SHEIN mobile app was downloaded over 208 million times globally in 2023 which was more than 12 million times than in 2022. By the end of 2023, that number had surpassed 251 million (Statista, 2024). Because of this, SHEIN is now positioned to lead the mobile commerce industry, which reflects the more significant trend of increasing mobile shopping. The platform's user-friendly interface, consistent updates, and personalized recommendations have all contributed to the app's high user engagement and retention rates (Jia, H. 2022).

Several factors, such as the platform's targeted marketing efforts and the user-friendly shopping experience, contribute to the formation of consumer behavior on SHEIN. In order to effectively engage with its audience, SHEIN uses social media effectively by employing influencers to promote products and generate authentic content that resonates with customers. The use of this strategy has proven to be very successful in attracting the attention of a younger demographic that is very active on various social media platforms (Daxue Consulting, 2024).

Additionally, SHEIN's pricing strategy significantly contributes to the company's widespread popularity. SHEIN can attract price-conscious customers who are looking for fashionable items without breaking the bank because it provides a wide selection of trendy products at affordable prices. As a result of this strategy, SHEIN's customer base has grown, and the company has also cultivated customer loyalty.

SHEIN's global reach is further supported by its efficient logistics and supply chain management, which enable the platform to respond quickly to market trends and consumer demands. The platform's user statistics and underlying consumer behavior trends highlight the strategies that SHEIN employs for digital marketing, pricing, and supply chain management. These elements collectively contributed to SHEIN's rapid growth and prominent position in the global e-commerce market, which have also established a benchmark for other e-commerce platforms to emulate (Contrary research, 2023).

### 3.2 The Information Adoption Model (IAM)

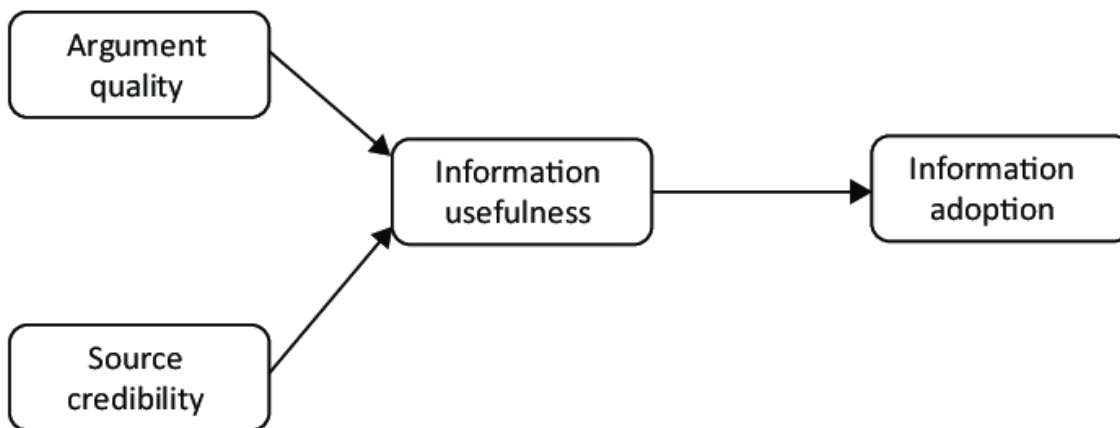


Figure 2: The IAM model, proposed by Sussman & Siegal

Before the establishment of the IAM, some models provided helpful information. However, they still needed to fill in the gaps in our knowledge of people's online information interactions; thus, in 2003, Sussman et al. introduced the IAM. The IAM combines factors such as argument quality, source legitimacy, information utility, and adoption to analyze information acceptance processes in digital contexts.

Knowing how people acquire new information is crucial in the modern digital world. Sussman et al. (2003) developed the Information Adoption Model (IAM) to understand better this process and how it affects attitudes and behaviors. In light of the shortcomings of earlier models, such as the Technology Acceptance Model (TAM) and the Theory of Reasoned Action (TRA), the IAM takes into account important but often-overlooked factors, like the strength of arguments, the reliability of sources, and the perceived value of data.

In a digital setting, the quality of arguments influences individuals' perceptions and attitudes toward the offered information. Individuals will likely accept arguments that are of high quality and supported by sound reasoning and evidence. This can affect individuals' beliefs and behaviors. It is becoming increasingly apparent that the reliability of information sources is a critical component in the information adoption process within the digital discourse arena. Information that comes from sources that are regarded to be reliable. Increasing the credibility of the source increases the persuasiveness and impact of the information delivered, shaping individuals' attitudes and behaviors. Within digital

technology, the adoption of information is influenced by how relevant and valuable it is seen to be. Information that answers individuals' needs and provides useful insights or solutions to their challenges is more likely to be accepted and acted upon, which can lead to shifts in beliefs, intentions, or behaviors.

The process by which humans accept, internalize, and merge new information into their existing knowledge and beliefs is surrounded by the term "information adoption." The mind and dynamic responses involved in this process include attention, comprehension, trust, and satisfaction. Adopting information can lead to changes in attitudes, intentions, or behaviors, which reflects the influence adopted information has on decision-making processes within digital settings.

The purpose of this paper is to explore the relationship between positive online reviews and brand loyalty. In order for any brand or business to benefit from positive reviews and an online audience that is willing to contribute to the success of a company by reviewing products, it is essential to keep in mind that the more valuable and enthusiastic the sender's electronic word-of-mouth information (eWOM) is, the more significant the impact it will have on the intention to make a purchase. Reviews alone are not sufficient; we will, with any luck, attempt to explore how businesses may transform their audience and consumers into enthusiastic reviewers to assist them in achieving success.

### 3.2 The Power of Online Reviews

It is impossible to underestimate the influence that online reviews have on the behavior of consumers, especially in this day and age of digital technology, when information is readily available through our fingers. In recent years, numerous studies have shed light on the significant influence of online reviews on consumers' decision-making processes. The same studies have highlighted the impact of online reviews on consumer decision-making processes. For instance, Lee, Cheung, and Lim (2015) found that information credibility and eWOM (electronic word of mouth) motivation significantly influence a significant number of individuals when researching destination intention among Chinese outbound travelers. Similarly, Cheung and Lee (2012) identified various factors that drive consumers to spread electronic word-of-mouth in online consumer-opinion platforms, shedding light on the underlying motivations behind online review-sharing behavior. These two examples had different purchase intent. One is a potential tourist, and the other is a regular consumer on a digital platform



purchasing a product/service; regardless of the purchase intention, they were both influenced by online reviews.

In the context of our research on building brand loyalty through positive online reviews, (Hendijani Fard, M., & Marvi, R. 2020) explored the effect of social media word of mouth on app download intention in the mobile app market, providing insights into how positive reviews on social media platforms can influence consumer behavior. Additionally, Duan, Gu, and Whinston further investigated the dynamics of online word-of-mouth and product sales which demonstrated the relationship between the two factors.

When consumers discover positive online reviews that highlight the quality, reliability, and overall positive experiences with a brand, they are more inclined to develop trust and loyalty toward that brand. On the contrary, negative reviews can act as deterrents, signaling potential issues with products or services and discouraging consumers from purchasing (Hennig-Thurau et al., 2004). Hence, understanding the power of online reviews and their influence on consumer behavior is essential for businesses seeking to develop brand loyalty and preserve a positive online reputation.

### **3.2.1 Trust-building Mechanisms**

In the world of trust-building processes such as those made possible by online reviews, the relevance of social validation is obvious. According to research, positive reviews have been shown to significantly influence the development of consumer opinions and encourage trust in brands. Revisiting the example of the Chinese outbound travelers that were researched highlights how information credibility and eWOM motivation influence destination preference, which also emphasizes the idea that consumers are inclined to trust destinations advocated by fellow travelers through positive online reviews.

Moreover, the impact of positive online reviews on trust-building extends beyond reassurance as it creates a sense of authenticity and reliability in consumers' eyes. Examining what makes people use eWOM provide insight into how positive reviews affect how people see a brand's authenticity. There is less perceived risk involved with online purchases when potential buyers see numerous positive reviews praising the quality and reliability of a brand.

Positive reviews prove a brand's dedication to customer satisfaction and quality, supporting this trust-building mechanism. X, Zha. et al. (2018) explore the effect of social media word of mouth on app download intention, highlighting how positive reviews on social platforms improve consumer trust in a platform. Consumers perceive brands supported by positive reviews as reliable and trustworthy, planting confidence that their expectations will be met based on the shared experiences of other consumers.

Simply put, the mechanisms that promote the creation of trust made possible by positive online reviews create a mutually beneficial connection between consumers and brands. (Hsieh, J. et al. 2024). When it comes to making purchasing decisions, customers rely on the testimonials of other customers. At the same time, marketers utilize positive reviews to develop credibility and foster trust among the audience they are trying to reach. While exploring the function of positive online reviews in establishing brand loyalty, acknowledging trust's fundamental role in developing consumer perceptions, and generating interaction with brands is of the utmost importance.

### **3.2.3 Impact on Purchase Decisions**

Positive online reviews have a diverse impact on purchase decisions in e-commerce, shaping consumer behavior and the direction of online purchases. In any digital marketplace with an overwhelming number of choices, customers discuss the variety of products they decide on by utilizing the insights and experiences offered by previous online users or shoppers (Zhou et al., 2008).

Recent research has demonstrated the role played by positive reviews in the decision-making process, highlighting their significance as a primary source of information for consumers in the e-commerce realm. As consumers increasingly rely on digital platforms to shop, the value of online reviews as trust signals cannot be emphasized. The increased reliance on online reviews shapes perceptions of product quality, brand reputation, and trustworthiness, which impacts consumer purchase behavior in the competitive e-commerce market (Wang et al., 2021).

Positive online reviews significantly impact purchase decisions and can greatly influence the conversion of online interest into actual sales in the e-commerce industry (Zhu & Zhang, 2013). The relationship between positive online reviews and conversion rates has shown a strong correlation between positive reviews and the likelihood that consumers will convert their interest into tangible purchases.

In addition, the effect of positive reviews extends beyond the first purchasing stage, serving as an essential component in developing enduring customer engagement and brand loyalty. Moreover, with the continuous development and adoption of technological advancements from e-commerce platforms, the integration of artificial intelligence (AI) algorithms through product recommendation systems has increased the importance of positive reviews in shaping consumer decisions. AI-powered recommendation engines utilize the extensive collection of positive reviews in electronic commerce to provide customized product recommendations that align with each consumer's unique preferences and browsing patterns. Artificial intelligence algorithms leverage positive reviews to improve the digital shopping experience, motivate user participation, and impact purchasing choices (Marti et al., 2024).

Positive online reviews are, therefore, more than just signs of a product's quality; they are an essential part of the world of e-commerce and significantly impact how customers make decisions, how many purchases they make, and how online transactions work. Despite the ever-evolving digital marketplace, consumers persistently rely on the influential capacity of positive reviews to shape perceptions, direct purchasing decisions, and eventually shape the future course of e-commerce.

### **3.2.3 Building Brand Loyalty**

The continuous impact of positive internet evaluations on brand loyalty is reflected in an ongoing narrative of consumer loyalty. This effect goes beyond the limitations of immediate transactions.

Several studies have shown that brand loyalty is not simply a transactional event but rather is strongly influenced by the overall consumer experience. Positive internet reviews have a lasting impact on consumers, proving a brand's consistent quality and the excellence of its products and services. It has been found that when consumers are consistently exposed to positive reviews, they tend to form a positive and enduring perception of the brand, leading to long-term loyalty.

It is important to note that the concept of brand loyalty extends beyond the customary knowledge. When it comes to building emotional connections between a consumer and any brand, positive online reviews are key elements that could be considered. Consumers are more likely to make repeat purchases and advocate for the business within their social networks when exposed to the emotional

aspect formed through positive reviews (Li et al., 2022). This is because positive reviews give rise to a sense of trust and attachment, especially if it is persistent.

Furthermore, it shows that trust in the brand acts as a primary intermediate between positive reviews and loyalty to the business. Positive reviews serve as encouragement that shape consumers' impressions of a company's trustworthiness. This, in turn, contributes to a positive brand image and establishes a brand uniqueness that is trustworthy and dependable.

### **3.2.5 Consumer Engagement and Interaction**

As what was covered by previous literature, positive online reviews play a significant part in the development of communities and the enhancement of customer interaction within the active nature of e-commerce and its associated activities. The dynamic responsible for creating an interactive space by these reviews are the subject of plenty of research; the studies aim to increase the relationship between consumers, the brand, and potential consumers. With time, customers are encouraged to share their experiences, which can create a community environment where they feel connected to both the business and a broader community of other customers (Luo et al., 2015).

There is more to the sense of community that is formed through positive online reviews than just the relationships that are based on exchanges. This sense of community can become a powerful factor in building the emotional connection that customers have with the consumer brand. Consumers who actively engage with positive online reviews have the perception that they are part of a bigger network of brand enthusiasts, which improves their overall experience as customers. Positive online evaluations are interactive, which contributes to creating a communication channel that allows for two-way contact between the brand and its customers. Recent research indicates that when brands actively participate in and react to positive reviews, they establish a feedback loop that supports continued engagement with their target audience.

## **3.3 Recent Studies on Online Reviews and Consumer Behavior**

Recent studies on consumer behavior and online reviews have also highlighted the difficulty characterizing the digital landscape. These studies have shed light on the complicated relationships between online reviewers' actions and customers' decision-making processes.

One of the studies carried out by Wang et al. (2021) highlights the growing dependence of consumers on online reviews as their main source of product knowledge and familiarity. Their findings showed the enormous impact that these evaluations have on consumers' perceptions of the quality of products and the reliability of companies, highlighting the important role that these reviews play in molding consumer behavior.

Beyond just transactional connections, the implications of positive reviews on corporate loyalty have also been explored more deeply. It has emphasized the importance of developing a tremendous overall consumer experience by highlighting the value it would result in. Their findings highlight the significant impact that good reviews have in creating long-lasting relationships between consumers and brands. They also highlight the modern awareness of the delicate interplay between online reviews and consumer behavior, particularly in the fast-fashion e-commerce market.

Furthermore, the mentioned research has shown the evolving influence that positive online reviews have in establishing community and interactive settings within the field of digital technology. The findings of this research highlight the essential role that positive reviews play in developing online communities, strengthening emotional connections between consumers and companies, and promoting a sense of familiarity and belonging among consumers. Positive online reviews create immersive online environments by encouraging meaningful interactions and giving people two ways to talk to each other. Customers feel heard, respected, and in control in these ecosystems. This makes them feel more connected to brands and affects the choices they make about what to buy.

In addition to shedding light on consumer behavior, new research has also highlighted the essential role of positive online feedback in reporting digital marketing strategies. Positive reviews significantly boost the reputation of firms and the efficiency of digital marketing initiatives among consumers. These research findings highlight the strength of social validation inherent in good internet feedback, which resonates with prospective customers and helps to create trust in brands (Smith et al., 2022).

Here, the intentional incorporation of positive online reviews into digital marketing campaigns has become an essential part of modern marketing strategies. A symbiotic relationship exists between good online feedback and search engine optimization (SEO). It has been emphasized how positive

online reviews improve search engine results and raise company awareness among prospective customers actively looking for online products or services, as well as the impact of adding positive reviews into social media marketing tactics (Chen & Wang, 2023) which increases the company's exposure and encourages organic brand advocacy among a bigger audience.

Recent research on online reviews and customer behavior highlights the varied role that positive feedback has in changing consumer perceptions, driving purchasing decisions, and informing digital marketing strategies. All these studies highlight the importance of good feedback. In this day and age, businesses can form deeper connections with customers, improve the legitimacy of their brand, and move their business growth by gaining an awareness of the power of good online reviews and utilizing that potential.

### 3.4 The Role of Positive Online Feedback in Digital Marketing Strategies

Positive feedback via the Internet is an essential component of modern digital marketing tactics. It significantly impacts consumers' perceptions and helps shape brands' narratives inside the digital world. Recent studies have illustrated that online evaluations boost the efficiency of digital marketing tactics and illuminate the significant impact that these evaluations have on customer involvement and brand success.

Positive reviews have a transforming influence on recruiting prospective customers and encouraging customer participation (Smith et al., 2022). Positive online reviews work as social proof that resonates with potential customers, enhancing businesses' legitimacy and establishing faith in their products and services, executed by operating as a powerful endorsement function. This social validation not only contributes to an increase in a company's perceived trustworthiness but also plays a vital part in improving the performance of digital advertising initiatives, promoting consumer engagement, and facilitating brand awareness, which all contribute to a brand's success.

Furthermore, the strategic integration of positive online comments into digital marketing campaigns goes beyond simple approval. It uses the power of positive reviews to improve overall search engine results and increase the business's visibility (Lee & Kim, 2024). Recent studies have highlighted the symbiotic relationship between positive online feedback and search engine optimization (SEO). These studies have highlighted how positive evaluations contribute to improved search engine ranks,

increasing the likelihood of attracting potential customers actively looking for products or services online. This interconnection highlights the important role that positive online reviews play in shaping and optimizing modern digital marketing tactics. Because of this, businesses can leverage the full potential of digital platforms to reach and engage their target audience effectively.

Furthermore, the practice of strategically integrating positive reviews into social media marketing strategies gives a compelling potential for firms to broaden their customer base and create organic brand advocacy (Chen & Wang, 2023). Increasing their reach to a larger audience, fostering meaningful connections, and cultivating a community of brand advocates who actively promote and support their offerings are all things that brands can accomplish through the strategic leverage of positive feedback across social media channels or respective platforms. Taking this approach highlights the relationship that exists between positive reviews and digital marketing strategies. It also highlights the significance of influencing and, in a way, manipulating customers' emotions to generate a desire for the brand and foster long-term brand loyalty.

### 3.5 Strategic Integration of Positive Reviews in Marketing and Customer Service

The strategic incorporation of positive reviews into marketing and customer service initiatives is of the utmost importance for firms looking to prosper in the digital landscape.

Implementing this strategy improves the whole customer journey and plays a significant part in developing stronger relationships between businesses and their target audiences. The intentional use of positive reviews dramatically impacts the perception of a brand and the level of engagement that customers have with that company. The importance of including positive reviews in various marketing materials deployed by e-commerce platforms such as SHEIN makes it possible to promote great client testimonials and positive comments in their commercials, promotional mailings, and social media efforts. It is via the amplification of these good experiences that SHEIN effectively demonstrates the satisfaction of its customers, which in turn influences new purchasers and instills faith in the brand's offers.

In addition, incorporating positive reviews into customer service plans is equally important for e-commerce firms. During encounters with a customer support team, there are valuable opportunities to resolve complaints and promote positive experiences. Referring to positive reviews when

responding to customer inquiries or resolving problems highlights a company's dedication to providing excellent products and guarantees complete customer satisfaction. Utilizing positive feedback in interactions with customer service representatives can cultivate trust and loyalty within the consumer base. This method can eventually result in repeat sales and long-term advocacy for the brand.

Research has repeatedly demonstrated that positive customer service interactions profoundly impact customer loyalty and satisfaction. By leveraging positive online reviews, we not only strengthen our credibility but also improve the overall customer experience, leading to increased trust and repeated business (Lemon & Verhoef, 2016).

Furthermore, the strategic integration of positive reviews goes beyond the channels that are traditionally used for marketing and customer support. There is the possibility that a company might establish specific areas on its website or mobile application in order to display client testimonials and product reviews prominently. By making it simple for customers to obtain these good experiences, a company will increase transparency and allows prospective customers to make well-informed judgments about their purchases.

In order for any e-commerce firms such to succeed in the highly competitive digital marketplace, it is important for them to strategically integrate positive reviews into their marketing and customer service strategy. Shein can improve its brand credibility, cultivate deeper relationships with its customers, and ultimately drive business growth and success in the dynamic world of online shopping by effectively using positive feedback (Rane, Achari, & Choudhary, 2023).

### 3.6 Enhancing E-commerce Brand Loyalty through Effective Online Review Management

An essential component of successful online review management in the ever-changing world of e-commerce is cultivating consumer trust and strengthening brand loyalty. Within this part, we look into contemporary literature investigating the techniques that e-commerce firms adopt to harness the power of online evaluations and create long-lasting relationships with their customers.

Many scholars and authors have highlighted the significance of solid review management in shaping consumers' perceptions within e-commerce settings. For instance, consider how a major online shop



such as Amazon systematically controls online evaluations to increase customer loyalty. To populate product pages with genuine user experiences, Amazon aggressively solicits customer input and encourages them to submit reviews after purchasing products offered by the company. Amazon fosters a transparent environment for its customers by proactively regulating online reviews. This allows customers to make informed purchasing decisions based on the opinions of their peers.

Additionally, to effectively manage online reviews, it is necessary to not only encourage favorable evaluations but also to respond to negative feedback constructively. E-commerce platforms such as eBay, for example, make it a priority to answer customer complaints and rapidly resolve issues that are brought up in unfavorable reviews. By demonstrating dedication to customer satisfaction, eBay can improve its brand reputation and instill confidence in customers, ultimately developing customer loyalty and further purchases.

Therefore, it is necessary to have an efficient online review management system in order to strengthen customer loyalty to e-commerce brands and to establish long-lasting relationships with customers. E-commerce firms can strengthen their reputation, increase consumer confidence, and ultimately drive commercial success in the constantly shifting digital landscape by developing daring review management policies and actively engaging with customer feedback (Al-Adwan et al., 2020).

### 3.7 How Familiarity Affects the Degree to Which People Depend on Positive Reviews

Scholars have shown an interesting interplay between customer familiarity with a business and their dependency on online reviews. This interplay was discovered in recent research that examined the relationship between familiarity and dependence on positive reviews.

Consumers with a greater level of familiarity with a brand may have a lower dependence on online reviews when making purchasing decisions, according to research such as that carried out by Li et al. (2023). One possible explanation for this is that consumers already familiar with a brand have a higher level of confidence and trust in the items or services offered, which causes them to rely less on the external validation provided by online reviews.

However, despite the insights that have been obtained from previous research, there still needs to be a significant knowledge gap about the precise ways in which familiarity determines the degree to

which users depend on good reviews, particularly in the context of e-commerce platforms such as SHEIN. In order to fill this void, our research presents a conceptual model that sheds light on the complex interaction between familiarity, online reviews, purchase intention, and brand loyalty.

As we were developing our model, it was essential to incorporate the **customer's point of view** to guarantee a complete comprehension of the elements that play a role in determining brand loyalty in the retail sector. When seen from the customer's perspective, valuable insights are gained into the factor's customers consider influential and useful in their purchasing decision-making process. In their 2008 study, Graf and Maas stressed the significance of analyzing customer value from the customer's perspective to thoroughly understand the customer's requirements, preferences, and behaviors. It is possible to capture better how positive online reviews contribute to a customer's sense of trust and happiness with a company, which ultimately leads to the development of brand loyalty if we direct our attention to the customer's perspective. This approach is consistent with the argument that Graf and Maas (2008) made, which states that it is essential for firms that want to enhance their strategic positioning and customer relationships to have a solid understanding of customers' value. Our ability to create a more precise and valuable framework for measuring the impact of online reviews on brand loyalty is made possible by incorporating the customer perspective into our model. This is especially true when considering the context of fast-fashion e-commerce platforms such as SHEIN.

The term *purchase intention* describes a person's tendency or desire to make a purchase of a specific good or service (Ajzen, 1991). It shows that the customer is ready to buy and is at a crucial step before making a final decision to buy. To better predict demand, customize marketing campaigns, and optimize product offerings to match customer needs and preferences, businesses must have a firm grasp of purchase intention. Considerations such as product value, quality, social influence, perceived risk, and brand image all play a role in determining whether or not a consumer intends to make a purchase (Kim et al., 2021). As a form of social proof and an influence on how customers see the quality, dependability, and value of a product, positive reviews posted online substantially impact consumers' propensity to make a purchase.

*Online reviews* are an essential part of the digital marketplace and come in different formats, such as written comments, images, and numerical ratings. These reviews play a significant role in shaping

consumer opinions and influencing their buying choices (Zhang et al., 2014). *Textual comments* function as comprehensive accounts, viewpoints, and firsthand encounters shared by consumers who have engaged with the product or service. The comments offer valuable perspectives on different aspects, such as the quality of the product, its performance, features, and customer service. This helps potential buyers make well-informed decisions based on real-life experiences (Hennig-Thurau et al., 2004).

*Images* are essential for enhancing the online review setting alongside written feedback. Product review images provide a visual representation of the item in authentic settings, demonstrating its visual appeal, usability, and dimensions. Consumers depend on these visual indicators to shape their perceptions regarding the quality, design, and fit of the product. Images provide visual evidence that enhances the confidence of potential buyers by giving them an accurate preview of the product's features and qualities.

In addition, *numerical ratings* offer a standardized method of evaluation that consolidates user feedback, satisfaction levels, and overall experiences into measurable scores. The ratings provide a concise overview of the product's performance and reliability, enabling consumers to quickly evaluate its perceived worth. Higher ratings generally indicate superior quality and satisfaction, which have a positive impact on consumers' purchase intentions. Numerical ratings serve as a tool for comparison shopping, allowing consumers to make well-informed choices by considering the combined feedback of other users (Zhu & Zhang, 2010).

Online reviews, which include written comments, images, and numerical ratings, provide consumers with valuable information when they are shopping online. By utilizing these various types of feedback, consumers can make well-informed choices, reduce risks, and ultimately improve their overall shopping experience.

According to Anderson and Simester (2014), *brand loyalty* is when consumers consistently choose one brand or product over another. As a result, the relationship between the customer and the brand goes beyond a simple one of doing business. Despite the availability of competing alternatives, brand loyalists consistently purchase from their preferred brand.

There are many facets to the idea of brand loyalty, such as advocacy, emotional investment, and repeat purchases. When customers buy from the same brand again, they are satisfied and willing to buy from them again. Promoting and recommending the brand to others in one's social circles is an example of advocacy, which aims to increase the brand's visibility and impact. The degree to which a customer feels an emotional connection to a brand indicates the strength of their positive associations, impressions, and experiences with that brand. According to Zhang et al. (2016), many elements go into building and maintaining brand loyalty. These include things like product quality, reputation, customer service, and the overall experience with the brand. Brand credibility, trustworthiness, and perceived value are all greatly enhanced by positive online reviews, which in turn foster brand loyalty (Duan et al., 2008). Customers are more inclined to trust and be loyal to a brand after reading positive reviews emphasizing its good qualities and experiences.

Positive interactions and experiences across many touchpoints, such as online, social media, and offline channels, also strengthen brand loyalty. Hennig-Thurau et al. (2010) found that brands whose customers are happy, engaged, and have a positive experience with the brand are more likely to have loyal customers.

To summarize, the relationship between consumers and brands is reflected in brand loyalty, which is an important part of consumer behavior. Many things go into it, but one of the most important is positive online reviews. Reviews like these help establish and strengthen a brand's and its customers' relationship.

Consumers' *familiarity* with and *trust* in a brand are a function of their prior exposure to, impressions of, and interactions with the brand. It entails the conviction that the brand reliably fulfills its commitments, upholds quality standards, and prioritizes customer happiness. This familiarity or trust greatly impacts consumers' actions, such as first purchases, repeat purchases and brand loyalty.

Customers are more likely to buy from well-known and reputable companies because they have come to associate those names with reliability, credibility, and predictability. Positive experiences, consistent messaging, and positive interactions across all touchpoints with the brand contribute to the gradual building of trust. People are more likely to trust or be familiar with a brand after reading positive reviews online because they serve as social proof of the quality and reliability of the brand. Meeting or surpassing customer expectations is crucial to building trust and loyalty, according to

research by Anderson and Simester (2003), which investigates the impact of consumer expectations on brand satisfaction and trust. The importance of trust in generating repeat purchases and customer retention is highlighted in research conducted by Zhang et al. (2014), which investigates the connection between brand trust and repurchase intention in online shopping contexts.

Consumers' reliance on online interactions and transactions makes brand trust even more critical in the context of e-commerce platforms. Online reviews, product quality, and the overall shopping experience heavily influence customers' trust in the brand due to the lack of a physical store where they can physically inspect products or interact with staff. Positive online reviews are among the most important ways to build and maintain trust in a brand. These reviews reassure and validate the reliability and credibility of the brand.

According to our model, the first step in the consumer decision-making process is the intention to purchase. In this stage, customers actively seek out good reviews as social evidence to support their decisions. Textual comments, photographs provided by other users that showcase the goods, or a numerical rating system are all examples of how these favorable reviews can be expressed from various perspectives. Each of these components provides vital insights into the quality, performance, and overall satisfaction associated with the product, influencing the consumer's decision to purchase the product.

The moment a consumer makes a purchase, they enter the world of brand loyalty, characterized by trust in the brand and familiarity with the brand. As a result of the limited opportunities for customers to physically connect with the things they purchase on e-commerce platforms such as SHEIN, trust and familiarity are mostly established through previous experiences and the favorable reviews that other customers share. Because they provide reassurance regarding the quality and dependability of the products being supplied, positive evaluations are essential for creating trust and confidence in the company. In the context of e-commerce platforms, our goal is to provide complete knowledge of how familiarity influences the reliance on positive reviews and, as a result, the creation of brand loyalty. This will be accomplished by explaining this process through our conceptual model. With the help of empirical validation and further investigation of this model, we can get significant insights into consumer behavior and influence strategic marketing actions aimed at boosting brand loyalty and customer happiness in the highly competitive landscape of e-commerce.

The last element in the below model represents the uncontrolled variables, in exploring the connection between positive online reviews and brand loyalty on platforms like SHEIN, uncontrolled variables represent factors that could influence brand loyalty, these variables could be a range of factors, including personal differences among consumers, external market factors, technological shifts, and unforeseen events. Age, gender, socio-economic status, shopping habits, and personal preferences can significantly influence how consumers perceive and respond to positive online reviews. For example, younger consumers may be more willing to trust and rely on online reviews and social media influencers more than older demographics. Broader market trends, economic conditions, and industry-specific factors that shape consumer behavior and brand loyalty in the e-commerce landscape represent another category of uncontrolled variables. Changes in fashion trends, consumer sentiment changes, or rival brands' competitive actions could impact performance and the effectiveness of positive online reviews in driving brand loyalty.

Rapid technological advancements and alterations to a platform interface are additional uncontrolled variables that may influence consumers' interactions with online reviews and subsequent brand loyalty. Changes in the review collection algorithm, the introduction of new features, or improvements in user experience could affect the visibility, credibility, and accessibility of online reviews, thereby altering consumer perceptions. By acknowledging and understanding the potential impact of uncontrolled variables, researchers can better interpret the findings of their studies and identify areas for further investigation or refinement in future research endeavors (Mishra & Verma, 2023).

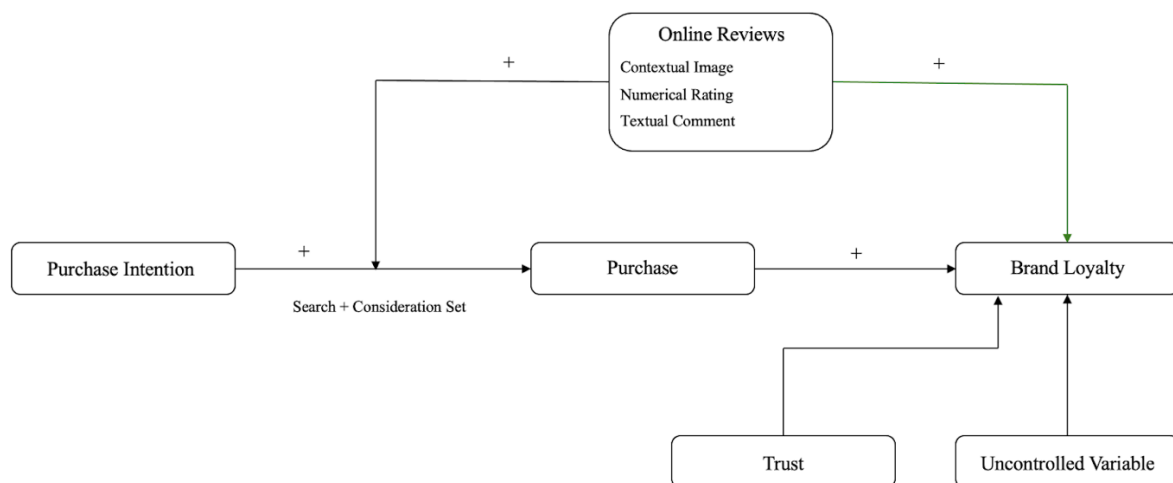


Figure 3: Own illustration, 2024. Conceptual Framework.

## Part 2: Methodology and Research Strategy

In this upcoming section, we'll delve into our methodology and research strategy to illuminate the foundations of this project. We'll introduce the paradigm that has steered our efforts, outlining the fundamental principles and methods that have shaped our approach. This paradigm reflects our understanding of how the world operates and informs our perspective as researchers. Additionally, it provides insight into the most effective ways to explore this world using methodological approaches and available empirical tools.

### 4. Philosophy of Science

In the following section, we will provide a detailed exposition of the philosophy of science to instill clarity and structural integrity within the project. Furthermore, it serves as the foundational framework upon which methodological considerations are predicated in our scholarly endeavor. By delving into the philosophy of science, we endeavor to provide a comprehensive understanding of the epistemological underpinnings that shape our approach to knowledge generation and inquiry. This entails an examination of fundamental concepts such as the nature of scientific inquiry, the role of theory and observation, and the criteria for evaluating scientific claims. Through this exploration, we seek to cultivate a nuanced appreciation of the theoretical underpinnings that inform our research methodology.

#### 4.1 Critical Realism

This project is founded upon the critical realism paradigm, influencing our perceptions of the scientific world and the insights we derive from it. Moreover, it affects how the project is executed and the outcomes obtained.

Emerging in the 1970s, critical realism was introduced by the esteemed English philosopher Roy Bhaskar as a significantly holistic departure from positivism. Within this paradigm, despite experiences, empiricism, and existing knowledge, we assert connections and formulate theories while acknowledging that reality remains independent of these constructs (Bhaskar & Hartwig, 2016). This perspective is particularly relevant when it comes to examining how positive online reviews build brand loyalty. In the context of our case study, despite SHEIN's existing reputation and market presence, our group engages with empirical evidence to discern connections and address the research

question. It is recognized that reality exists independently of our assumptions, connections, and underlying structures, which may lead to outcomes differing from those anticipated by this project.

From a critical realist standpoint, knowledge is deemed fallible and adaptable, as the world exists independently of our perceptions or observations. The objective existence of the world implies that all knowledge is shaped by theory and evolves as theories evolve (Danermark, Ekstrom, & Jakobsen, 2005, p. 19-20). To ascertain how positive online reviews contribute to brand loyalty, we must adopt an objective and critical stance in gathering scientific evidence, collecting thorough empirical data, and integrating new findings.

Critical realism posits that reality possesses depth through its underlying structures and mechanisms, which lie beneath the surface. Dive into these underlying mechanisms to deepen our understanding of the research. While striving for objectivity in our project, we acknowledge the inevitability of subjectivity, as societal trends and individual beliefs inevitably influence outcomes. Therefore, a rational approach is used in designing the project, where personal judgment and reality serve as foundational assumptions.

#### **4.1.1 Intransitive and Transitive Dimensions**

Critical realism delineates that humans occupy an intermediary position, giving rise to two distinct dimensions: the transitive and the intransitive domains. The transitive dimension pertains to the epistemology of the project, while the intransitive dimension concerns ontology. In essence, the intransitive dimension encapsulates our assumptions about the scientific world, whereas the transitive dimension encompasses the knowledge we can derive from this scientific world (Bhaskar, 2016).

The intransitive dimension denotes the objective reality that exists autonomously of human perception or understanding. Within critical realism, reality is conceived as a system comprising observable entities and those beyond direct observation. Observable entities are contingent upon the interactions among objects within the system. Bhaskar (2016) delineates these domains into the empirical, actual, and real domains.



The empirical domain encompasses all phenomena measured, observed, or experienced by humans. The actual domain encompasses all phenomena, regardless of their immediate experiential accessibility. Finally, the real domain encompasses unobservable mechanisms underlying events.

In critical realism, it's crucial to adequately uncover ontology because it isn't immediately given or empirically accessible. This is due to the real domain, which isn't directly observable but contains mechanisms that impact the events we can experience and observe (Briar-Lawson, K. 2012). To explain how positive online reviews contribute to building brand loyalty, it's therefore essential to uncover the real domain by breaking down the whole into multiple parts. This occurs when the research is decomposed and analyzed through the effect of positive online reviews, connected to brand loyalty. Through this analysis, light is shed on the mechanisms and structures that provide insight into how this affects e-commerce situations.

The transitive dimension represents the human-generated aspect of knowledge. Within the framework of critical realism, knowledge production occurs within the social sphere, implying that theories are built upon pre-existing ones, and the formation of knowledge is shaped by historical contexts. The pursuit of understanding the intransitive sphere, elucidating the real domain, necessarily traverses through the transitive dimension for processing. Given that knowledge is historically contingent and filtered through the transitive dimension, it becomes a product influenced by factors not always aligned with reality, thus rendering it inherently uncertain (Danermark et al., 2005). In the context of this project, the transitive dimension encompasses the theoretical framework, where theoretical tools are employed to explore the intransitive dimension. Upon reviewing our theoretical underpinnings, it becomes evident that knowledge is subject to historical conditioning and evolves with the acquisition of new insights. The theoretical background serves as a guide in the endeavor to uncover the intransitive dimension and delineate the three domains of reality. Consequently, the knowledge generated within this project is also processed through the transitive sphere, potentially deviating from reality.

However, critical realism advocates for reasoned judgment and contends that it is attainable to approximate truth through logical reasoning and theoretical exploration. That means that through critical realism, we can get close to the truth, but it's never certain whether the truth is uncovered completely (Briar-Lawson, K. 2012).

To demonstrate how the project adheres to the principles of critical realism, the following model has been developed.

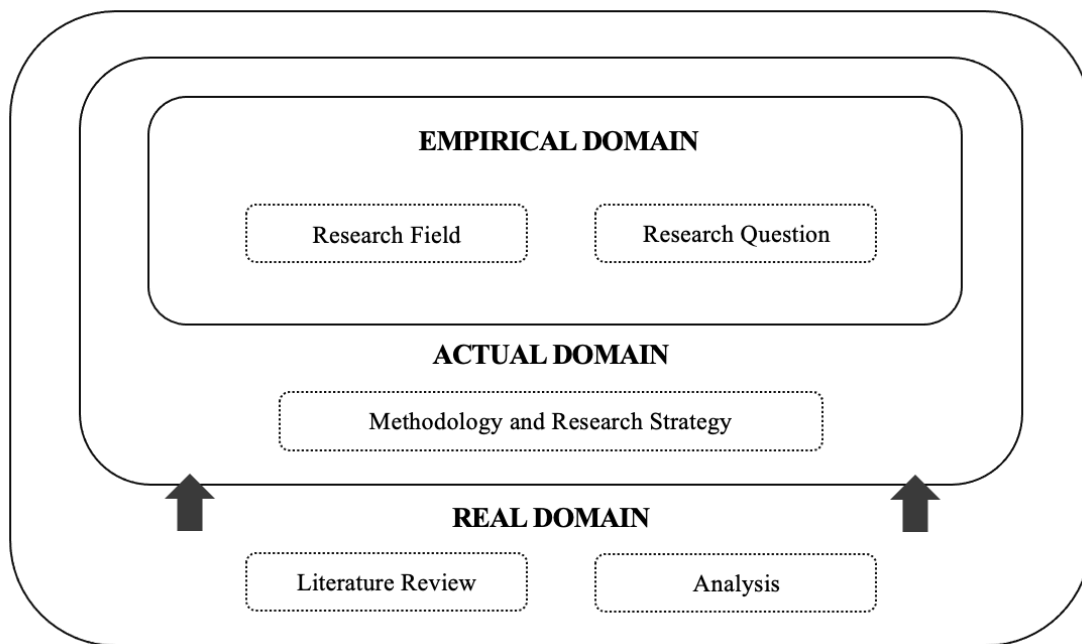


Figure 4: Own illustration, 2024. The Structure of Critical Realism throughout this project.

The research field and inquiry aim to encompass the empirical domain, elucidating observable experiences and delving into the foundations of the inquiry revolving around how positive online reviews build brand loyalty. In the domain of actuality, this endeavor's methodology and research strategy are detailed, outlining the framework for generating knowledge and shedding light on the methods and techniques employed to explore the essence of the research question. The actual domain encompasses the transitive toolkit of this project, comprising the theoretical framework and our analytical approach. Together, these elements will illuminate the underlying structures and mechanisms influencing brand loyalty, particularly in the context of SHEIN as a case study, and how positive online reviews contribute to this phenomenon.

## 4.2 Methodology Approach

The methodological approach is intricately connected with the reality under investigation and exploration. Moreover, it serves as the bridge between the paradigm and methodology employed in this project. The overarching assumptions significantly influence the trajectory of the research process. Combining a particular standpoint is essential for solidifying and maintaining coherence between this

project's procedural steps and approach. Consequently, it must underpin the argument while simultaneously elucidating the theoretical rationale behind our chosen subject area.

Here, the methodological approach is based on the systems approach, which centers on the functionalist principle, also known as the explanatory perspective. Systems theory posits that all phenomena constitute a complex network of relationships among individual components, and these relationships can be elucidated through patterns and behaviors. This approach operates on the premise that reality is factual, emphasizing its holistic nature wherein it transcends individual elements. Thus, the significance lies in the relationships between these elements, which can generate a synergistic effect that impacts the entirety through the cumulative sum of all aspects (Arbnor & Bjerke, 2009). Building upon this perspective, knowledge is constructed relative to the system, enabling the elucidation of elements based on their interconnectedness with the whole. This notion extends to the fundamental concept of holism, positing that everything constitutes a cohesive whole, thereby rendering the world composed of interconnected systems reliant on one another. This means that when we look at how positive online reviews influence brand loyalty, we should recognize that reviews constitute a complex entity composed of various elements and mechanisms. Each review contributes to this whole and is interconnected with other aspects through various underlying mechanisms. For example, factors such as the number of reviews, average ratings, and customer feedback can all play a role in building brand loyalty.

When considering a specific example like SHEIN, this brand also functions as a system with various components. These components may include product quality, customer service experience, delivery time, and more. These components can then be further subdivided into subsystems, such as product quality, delivery speed, etc. The essential point is that all these elements are interconnected and influence each other. Thus, positive online reviews can play a crucial role in building brand loyalty by shaping the perception of different aspects of a brand. Therefore, it is essential to understand how these reviews affect various components and mechanisms within the system to comprehend their overall impact on brand loyalty.

We have chosen a methodical approach that examines how positive online reviews build brand loyalty. The system analyzes how these reviews influence consumer loyalty, not only toward SHEIN but also toward other e-commerce companies. SHEIN has been selected as a central case study in this

research. The project aims to delve into the details and understand how these reviews affect consumers' perception of a brand, their trust in it, and their propensity to remain loyal to it in the long term. This will contribute to a deeper understanding of how e-commerce companies can utilize online reviews as a strategic tool to build and maintain customer engagement and loyalty.

The systems approach should focus on holism through the construction of interconnected systems. Through this systematic approach, the aim is to uncover any relationships within the social system by analyzing actions in the context of the effect of positive online reviews. Therefore, the project will be characterized by perspectives surrounding the methodical view rather than the critical approach typically employed to draw connections.

### 4.3 Reasoning

In our project, we employ an abductive approach, where we navigate between theory and empiricism. The process commences with observations of unexpected findings, which we endeavor to explain through theory. These explanations lead to new observations and surprising discoveries, which in turn challenge our understanding and necessitate further theoretical elaboration. This cycle of exploration and explanation may repeat several times throughout the course of the project. Abductive reasoning thus constitutes a dynamic combination of theoretical considerations and factual observations, where both components shed light on each other. In this light, abduction can be described as a synthesis of deductive and inductive logic (Arbnor & Bjerke, 2009). Additionally, abductive reasoning is utilized to accommodate our methodological approach, as we believe that a holistic understanding of the system requires an examination of its interaction with the surrounding environment.

The abductive reasoning is evident throughout the project, where initial research is supplemented with existing theories and facts. When the group initiated this project, they had preconceived notions about the effect of positive online reviews on building brand loyalty. Curiosity arose, and our data collection confirmed that the topic was intriguing. This led to the research question in this project, where we investigated existing theories and models related to brand loyalty and online reviews. We seek insights into how these two factors interact and the mechanisms behind building brand loyalty through positive online reviews. We conduct an extensive literature review to gain a deeper understanding of this relationship. We identify various theoretical approaches and concepts that can illuminate our research question. This aims to culminate in our framework demonstrating the relationship

between online reviews and brand loyalty. Here, we look for patterns and trends in these studies to establish a solid foundation for our research.

By combining theory and empiricism through an abductive approach, we aim to achieve a deeper understanding of how positive online reviews contribute to building brand loyalty. We acknowledge the complexity of this context and strive to deliver nuanced and valid results that can inform theoretical discussion and practical applications within marketing.

#### 4.4 Operative Paradigm

The operational paradigm elucidates the perception and construction of methods, comprising methodological procedures and methodology.

Methodological procedures are the practical steps or techniques used to gather and analyze data in a study. They include the specific tools, instruments, and techniques used to collect empirical evidence and derive meaningful insights. However, it is the methodology, a broader theoretical framework or approach, that underpins the selection and application of these methodological procedures. Methodology encompasses the philosophical assumptions, theoretical perspectives, and conceptual frameworks that guide the research process. Together, these components form the operational paradigm, which provides researchers with a structured framework for conceptualizing and implementing research methods. By outlining the practical steps of data collection and analysis and considering the underlying theoretical foundations, the operational paradigm facilitates a comprehensive understanding of the research process and its outcomes.

##### 4.4.1 Methodological Procedure

Methodological procedures form the core of any research inquiry, describing the application and adaptation of research techniques to gain understanding within the chosen domain (Arbnor & Bjerke, 2009). In this project, the methodological approach is crucial for the collection and analysis of relevant data, focusing on investigating the correlation between positive online reviews and brand loyalty.

We have chosen to use a combined quantitative and qualitative questionnaire to comprehensively understand the complex mechanisms influencing consumer behavior and brand loyalty in the digital sphere. This combined questionnaire format enables an in-depth analysis that quantifies respondents'

perceptions and attitudes toward SHEIN as a specific brand, including their experiences with positive online reviews, while also exploring their viewpoints and opinions more openly. Both closed- and open-ended questions were included in the questionnaire to gather quantitative and qualitative data. Closed-ended questions provided structured, easy-to-measure, and analyzable answers. In contrast, open-ended questions allowed respondents to express their thoughts and feelings in their own words, adding depth and context to the quantitative results. This mix of question types ensured the data set was complete, covering the measurable aspects of customer behavior and the more subjective elements influencing decisions.

We have chosen to distribute the questionnaire through our digital platforms to ensure broad participation and representation. These platforms include social media, email lists, and our specialty-specific website. By utilizing a variety of digital channels, we ensure that the questionnaire reaches a diverse audience, thereby contributing to more representative data. We have introduced the project on these platforms by explaining that we are working on our thesis about how positive online reviews contribute to building brand loyalty. This introduction includes a brief description of the purpose of the study, why we are collecting data, and how this data will be utilized. We have also emphasized the importance of participant input to ensure that our research is robust and accurate.

By using this combined questionnaire format, we can delve deeper into our analysis and data comparison. The structured format facilitates direct comparison across responses, enabling us to identify patterns and trends more effectively. This strengthens the validity of our findings as it allows for a more rigorous examination of the data. Moreover, the incorporation of an open-ended questionnaire format enriches our study by capturing a diverse array of perspectives and experiences. This qualitative data complements the quantitative data obtained through structured questions, providing a more comprehensive understanding of the subject matter.

This is supplemented with external research and studies to add more validity to our research. These external sources confirm our own results and allow us to compare our findings with previous research in the field.

This approach helps ensure the reliability of our results by demonstrating that our conclusions are not isolated but rather grounded in a broad academic and empirical foundation. By building on previous

research and theory in the field, we also enhance the validity of our analysis and conclusions by showing that our results are comparable and generalizable based on existing knowledge. These external research and studies can offer perspectives and insights we may have yet to consider. This contributes to a more nuanced understanding of the subject and can help fill any gaps or deficiencies in our study.

The integrated approach to data collection, combining quantitative and qualitative questionnaire data, has facilitated a comprehensive analysis of the relationship between positive online reviews and brand loyalty. By combining these approaches, we have achieved a holistic understanding of the subject, encompassing respondents' general perspectives and their specific attitudes toward a selected brand like SHEIN. This has increased the validity and reliability of our results, providing a solid foundation for testing our frameworks and drawing conclusions about the relationship between positive online reviews and brand loyalty.

#### 4.4.2 Methodology

The methodology constitutes the second component within the operational paradigm. Whereas the methodological procedure outlines the specific techniques and analytical tools adopted for conducting the project, the methodology delineates how these techniques are applied throughout the project. Hence, the methodology elucidates the researcher's approach to and integration of these techniques within the study (Arbnor & Bjerke, 2009). The methodology serves as an encompassing framework that merges research with methods. This fusion may entail either quantitative or qualitative studies, with each approach grounded in one or more underlying assumptions that, through methods and techniques, aim to yield new knowledge and outcomes. Given the selected methodological approach, the systems approach, the project builds upon an existing system, wherein a formulated problem is subsequently investigated. Among other objectives, this investigation seeks to contribute to the creation of a new system, wherein any enhancements and recommendations are integrated into our study domain. The operational paradigm establishes linkages among the methodological approach, methodology, philosophy of science, and the study domain.

## 4.5 Validity and Reliability

To establish the foundational principles of scientific philosophy, it is important to examine validity. Validity serves to elucidate whether the proposed research inquiry has been thoroughly explored and addressed, along with the importance of the exploration. The validity of data hinges upon the interplay among problem formulation, data collection, and outcomes. Therefore, our project is carried out using a systems approach *“the requirement is not so much that definitions must correspond with existing theory or be operational, as that they are perceived to be important and relevant to the creator of knowledge as well as to other participants from the real system engaged in the process of creating knowledge.”* (Arbnor & Bjerke, 2009 p.188).

Employing a systemic approach can present challenges in ensuring the accuracy and full replicability of measurements by other researchers. One commonly employed method to mitigate this issue is to adopt multiple perspectives in addressing the subject matter. Ensuring validity thus entails scrutinizing the phenomenon from various vantage points, which is facilitated by incorporating ample primary and secondary data. Additionally, it is essential to analyze the assertions and arguments presented in the primary data and ascertain their accuracy. The validity of the findings also hinges on the group's interpretation of the results and whether their preconceptions and biases influence this interpretation. Consistently, validity is upheld by gathering data that establishes a theoretical foundation throughout the project. The overarching objective of ensuring validity is to attain the highest qualities of accuracy and transparency in the results.

Reliability denotes the dependability and consistency of the empirical data gathered within the project. It is influenced by the methods employed for data collection and processing. Optimal reliability is achieved when experiments conducted under identical conditions yield consistent results. However, in the context of a systems approach, the notion of reliability is seldom emphasized. This stems from the fact that the manner in which a measurement is conducted, or its level of precision, holds no significance, given that *“precision is also not considered worth aiming for”* (Arbnor & Bjerke, 2009). Within the systemic approach, the crucial aspect in making a measurement lies in its relevance and its utility. To guarantee reliability within the project, the team has incorporated multiple theories. These diverse theories are employed to assess the consistency of data obtained from various sources. The concepts of validity and reliability underscore the importance of not only measuring accurately but also measuring the pertinent aspects of the phenomenon under study.



## Part 3: Empirical Analyzing and Conceptualization

In the following section, we will use our literature review as a starting point, where we have identified gaps in previous research. These deficiencies form the basis of our framework, in which we seek to address these gaps and contribute to the existing body of knowledge. Here, we will provide a detailed account of this framework's development, including our methodological approach and theoretical foundation. This will be followed by an analysis where we carefully evaluate our findings in light of our framework. We will examine how our model has aided us in understanding consumers' purchasing process and considerations, particularly in relation to their interaction with the company SHEIN.

Using a questionnaire, we have gained profound insights into consumer behavior patterns and preferences. This will enable us to investigate how positive online reviews are central to building brand loyalty. Overall, we aim to develop a comprehensive understanding of consumers' interactions with the e-commerce platform and how these interactions influence their loyalty to the brand. Our analysis reflects a systemic view, where we consider the whole more than the sum of its parts. This entails that all components are interconnected and influence each other, resulting in an integrated whole. Within the empirical domain, our approach is also influenced by the critical realism paradigm, where experiences and observations form the basis for a shared understanding. We utilize existing experiences as a starting point, transforming these into knowledge that can be used to understand and optimize the system's processes.

### 5. Framework

In developing our framework, we have thoroughly examined a range of research findings that highlight the complex relationships between consumers' familiarity with a business and their reliance on online reviews. These studies have suggested that consumers with greater familiarity with a brand may have less need for online reviews when making purchasing decisions, as they already trust the brand's products or services.

Despite gaining insights from previous research, a deeper understanding of how familiarity affects users' reliance on positive reviews, especially on e-commerce platforms like SHEIN, was still needed. To address this gap, our research introduced a conceptual model that illuminates the complex interaction between familiarity, online reviews, purchase intention, and brand loyalty.

The conceptual framework model we created was made to understand the customer's perspective, providing crucial insights into the elements that influence brand loyalty. Recognizing the value of customer perceptions and actions has been the driving force for developing each element of the model, including purchase intention, purchase, online reviews, brand loyalty, trust/familiarity, and uncontrolled variables. When answering our research question about how positive online reviews create brand loyalty, this perspective is essential as positive reviews are made by customers, and brand loyalty results from a customer's satisfaction with a brand.

As we have mentioned, the first element is purchase intention, which is representative of the first stage in which a customer's intention to buy is influenced by various circumstances, one of which we are focusing on being online reviews. When viewed from the customer's perspective, the perceptions of product quality, price, and reliability of the brand frequently influence the customer's intention to purchase. We can understand this element from the client's perspective, enabling us to specify the factors and considerations that influence their intention to purchase. SHEIN and similar platforms need this knowledge to modify their efforts to influence potential customers effectively at this earlier stage.

As we go on to the stage of making a purchase, the customer perspective assists us in determining the components that transform our intentions to make actual decisions to make a purchase. The customers evaluate the value proposition that the brand provides by considering factors like the price, the quality of the product, and the convenience with which they may purchase. By focusing on the customers' perspectives, we can determine the factors that increase the possibility of the client making a purchase. As a result of this understanding, e-commerce platforms can optimize their offerings and the experience they provide to customers, ensuring a smooth transition from the purchase intention to the purchase stage.

Online reviews play an important role in shaping customer perceptions and decisions. When seen from the customer's point of view, reviews offer social evidence and first-hand experiences from other purchasers, which significantly impact the customer's trust and confidence in the business. We can better understand the effect of reviews, such as star ratings, textual comments, and images highlighted in our model, on consumers' intentions to purchase and loyalty to a particular business by

examining how customers interpret and value these reviews. This knowledge emphasizes the significance of motivating satisfied customers to leave positive reviews and using user-generated information to establish credibility and trust among prospective clients.

One of the most important elements of our conceptual model is "brand loyalty," which is deeply rooted in the customer experience and their ongoing relationship with the brand. This element allows us to understand brand loyalty from the customer's perspective, which is necessary to identify the factors contributing to developing a sense of connection and commitment to the brand. Positive online reviews contribute to this loyalty by reinforcing trust and satisfaction with the brand's products and services. We can discover the immediate factors that contribute to brand loyalty and establish strategies to develop long-term connections with customers if we focus on our customers' perceptions, which is how the whole model is made up to do.

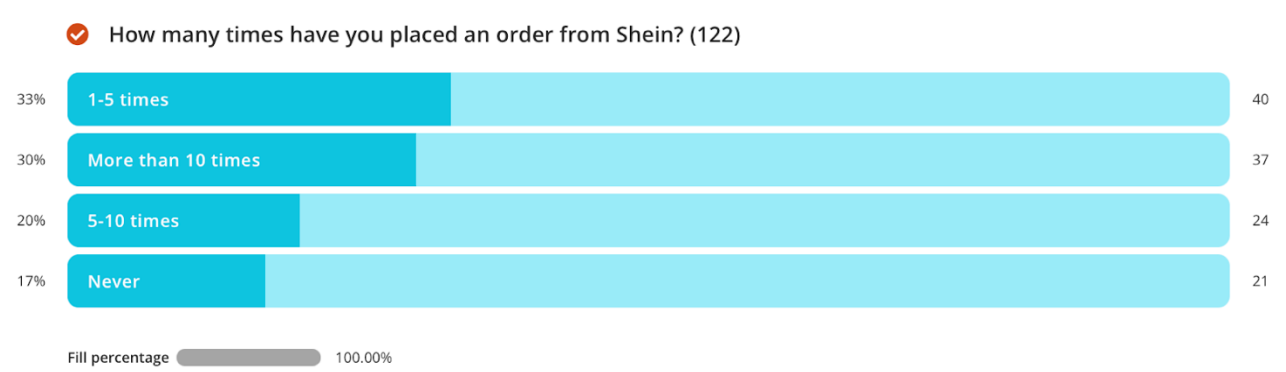
Trust and familiarity also influence brand loyalty. Trust is established through continuous positive experiences, open and honest communication, and the brand's reliability when viewed from the customer's perspective. Additionally, familiarity develops due to repeated good interactions and brand identification over time. When we have a better grasp of how customers build trust and understanding of a brand, we can better emphasize the significance of these aspects in increasing brand loyalty. This realization highlights the importance of e-commerce platforms maintaining open and honest contact with their customers and also ensuring that they constantly deliver on the promises they make to their customers.

Last but not least, uncontrollable variables in the model are made up of external elements that can potentially influence customers' behaviors and perceptions. The brand does not have direct control over these variables, which include market trends, economic conditions, and societal influences. Yet, each of these factors has the potential to impact customers' decisions dramatically. To better understand the larger context in which purchase decisions and brand loyalty are formed, it is necessary to acknowledge these variables from the customer's perspective. As a result of this understanding, companies can anticipate and adjust to changes in the external environment, ensuring resilience and continued customer engagement.

As we have kept the consumer perspective in mind while creating our conceptual framework model, we can capture the complexities of customer behavior and the factors influencing their decisions. This method offers a complete understanding of how good online evaluations promote brand loyalty, providing Shein and other platforms with helpful information that can be used to improve their tactics and cultivate strong, long-lasting relationships with their customers.

### 5.1 Descriptive Statistics

Descriptive statistics is crucial for understanding and summarizing data from various aspects of the study (Adams, K. A., & McGuire, E. K. (2022)). By analyzing and presenting data descriptively, we can gain an overview of key trends, variations, and patterns underlying respondents' behaviors and attitudes. In this study, we have compiled a series of tables illustrating different aspects of the customer experience on SHEIN, a popular online fashion platform. From the number of orders to perceptions of product quality and the influence of reviews, our goal is to understand better how customers interact with the platform and what drives their decisions. Analyzing these data will uncover patterns, identify trends, and highlight important observations that can provide insight into customer behavior and preferences. This knowledge is crucial for testing our framework and investigating the impact of how positive online reviews contribute to building brand loyalty. Through our descriptive analysis, we will understand how customers' behaviors and attitudes shape their interaction with the SHEIN brand.

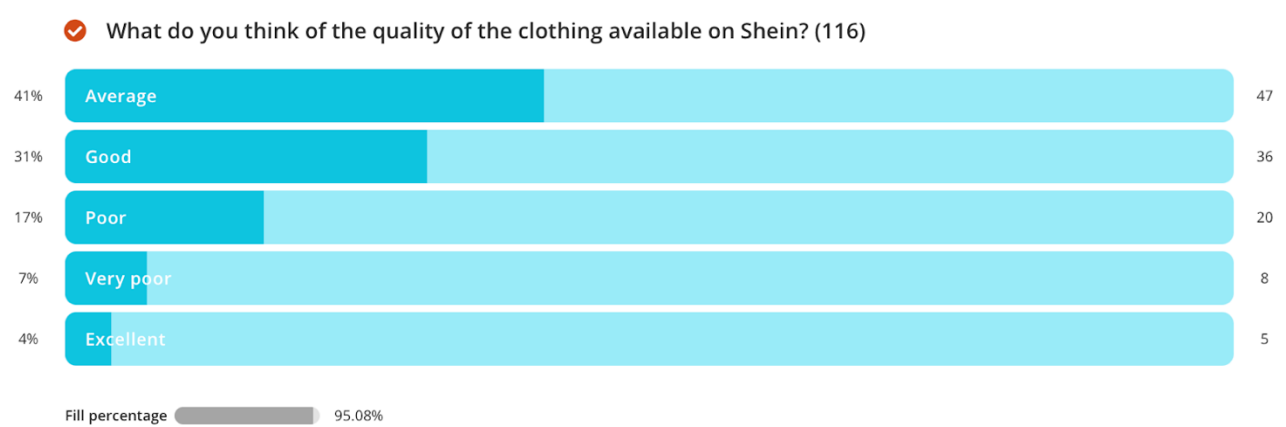


Tabel 1: Own illustration, 2024. How many times have you placed an order from SHEIN?

This table illustrates the number of times respondents have placed an order with SHEIN. The largest group, comprising 33% of the respondents, has made 1-5 orders. This indicates a significant portion of first-time buyers or customers with a lower frequency of purchases. This pattern suggests that these

customers are exploring SHEIN's range or testing the brand. On the other hand, the data shows that 30% of respondents have placed more than ten orders with the company, indicating a significant level of loyalty among this group. It suggests that SHEIN has built a solid base of loyal customers who trust the brand and its products enough to make repeat purchases.

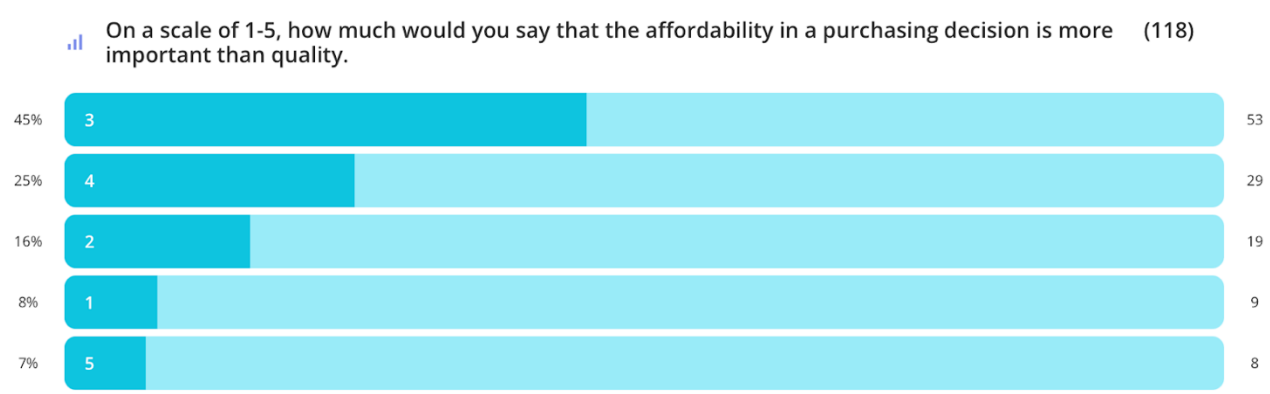
Another substantial group, 20% of respondents, placed between 5-10 orders, suggesting a middle category of customers with a regular relationship with SHEIN but less intensive than the former group. Finally, the responses show that 17% have never placed an order with SHEIN. This could be due to factors such as the need for more brand awareness, trust issues, or preferences for other retailers. Thus, the responses have provided a better understanding of purchasing behavior and a deeper insight into their customer base, which can help understand how different segments of customers interact with the brand and its products.



Tabel 2: Own illustration, 2024. What do you think of the quality of the clothing available on SHEIN?

The table presents respondents' attitudes towards the quality of clothing available on SHEIN. The dominant attitude, accounting for 41%, indicates that the quality is "average." This may suggest that many customers have a neutral attitude towards the quality and may not have strong positive or negative opinions. On the positive side, 31% believe the quality is "good". This indicates that a significant portion of customers are satisfied with SHEIN's clothing quality and consider it above average or satisfactory. There is also a smaller, but still notable, percentage of 17% who describe the quality as "poor." This suggests that some customers are dissatisfied with the quality of clothing from SHEIN and feel that it needs to meet their expectations or standards.

Additionally, 7% of the respondent group perceive the quality as "very poor." This indicates significant dissatisfaction among some customers with the quality of SHEIN's clothing, which may have a negative impact on their experience and future purchasing decisions. Finally, only 4% of the respondent group consider the quality as "excellent". The small but dedicated group of customers who consider the quality of SHEIN's clothing excellent suggests that some customers may perceive it to be of high standard or value. Overall, this provides insight into how customers perceive the quality of SHEIN's clothing and what factors may affect their satisfaction or dissatisfaction with the product.

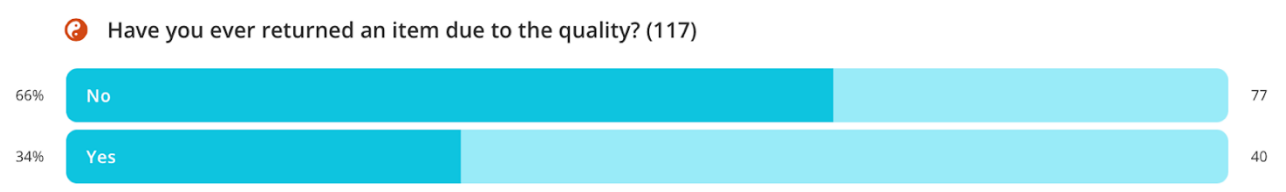


Tabel 3: Own illustration, 2024. What do you think of the quality of the clothing available on SHEIN?

Here, the respondents share their perception of the importance of price relative to quality, providing insight into the various factors influencing their purchasing decisions. The largest share at 45% expresses a neutral stance, suggesting a balanced approach where price and quality are carefully weighed without prioritizing one factor over the other. This may reflect that the consumer group is open to different options and weighs factors depending on the specific context or product. Additionally, 25% believe that price level is more important than quality, demonstrating a willingness to accept some reduction in quality for a lower price. This segment may be more inclined to seek out deals or choose budget-friendly products, even if it means some compromise on quality.

On the other hand, 16% prioritize quality over price, indicating a willingness to pay more for higher-quality products. This may suggest that this group focuses more on long-term value and expects durability and satisfaction with their purchases. At the lowest end of the scale, 8% consider quality far more important than price and are willing to pay extra for high quality. Here, the segment may be more selective, seeking products that meet specific quality criteria. Only 7% believe that price level

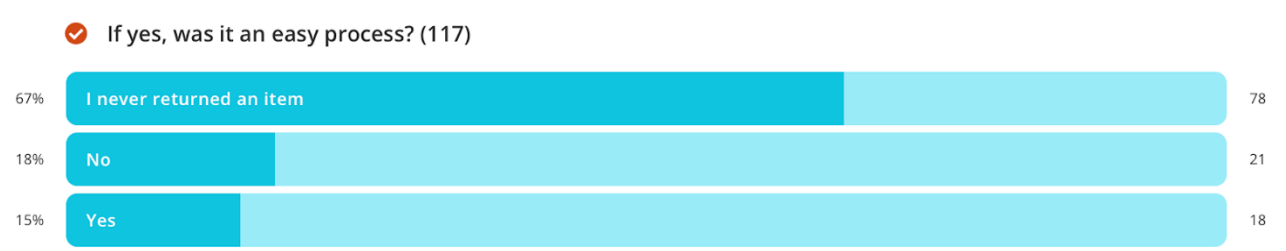
is much more important than quality, showing that while there is a smaller share of price-focused customers, this attitude only dominates among the respondent group. This nuanced understanding of customer needs and preferences is crucial for companies like SHEIN, as it provides valuable insight into how they can better tailor their product offerings and marketing strategies to meet the needs and desires of different segments.



Tabel 4: Own illustration, 2024. Have you ever returned an item due the quality?

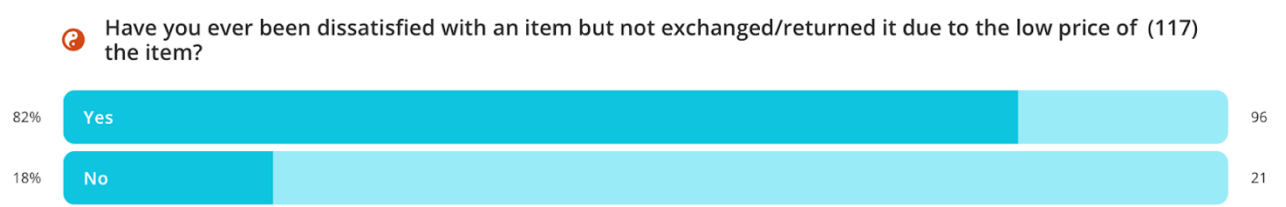
The table provides insight into how respondents deal with quality issues with the items they purchase from SHEIN. A significant majority, 66%, state that they have never had to return an item due to quality issues. This suggests that users are generally satisfied with product quality or need more experience with quality problems. On the other hand, 34% report having returned an item due to quality issues. This may indicate that while the majority have not encountered issues, a significant portion of customers have had negative experiences with the quality of the items they purchased from SHEIN, feeling compelled to return them to achieve satisfaction.

These customers have been dissatisfied enough to go through a return process to attain satisfaction or a refund. This breakdown shows that while SHEIN may generally have a predominantly satisfied customer base, there is still a significant minority encountering quality challenges. Understanding the reasons for quality issues and effectively addressing them may be necessary for maintaining customer satisfaction and a positive long-term reputation.



Tabel 5: Own illustration, 2024. If yes, was it an easy process?

The table illustrates how respondents have experienced the return process at SHEIN based on their past experiences of returning items. The 67% of the respondents who have never returned an item indicates that the majority either have had no experience with the return process or have not had the need to return items. This may signify overall satisfaction or a lack of issues with the purchased items. Among the 33% who returned items, the table shows that 18% found the process difficult. This indicates areas where SHEIN can improve their return process to make it more user-friendly and seamless for their customers. However, 15% of those who have returned an item stated that the process was easy. Although this constitutes a smaller portion of the responses, it suggests that some customers have had a positive experience with the return process at SHEIN, which can help strengthen their trust in the company and its service.



Tabel 6: Own illustration, 2024. Have you ever been dissatisfied with an item but not exchanged/returned it due to the low price of the item?

Here, data on respondents' experiences of being dissatisfied with an item from SHEIN but choosing not to exchange or return it due to the item's low price is presented. A large majority, 82%, indicate having experienced this phenomenon. This means that for many customers, the low price of the items can be crucial to their decision to keep an item even if they are unsatisfied.

Only 18% responded that they had never experienced this situation. This may suggest that a smaller portion of customers still prioritize satisfaction over price, even when shopping with a price-focused retailer like SHEIN. It demonstrates that while price is an important factor for many customers, a segment of consumers still prioritizes product quality and satisfaction, even if it means paying more for a product.



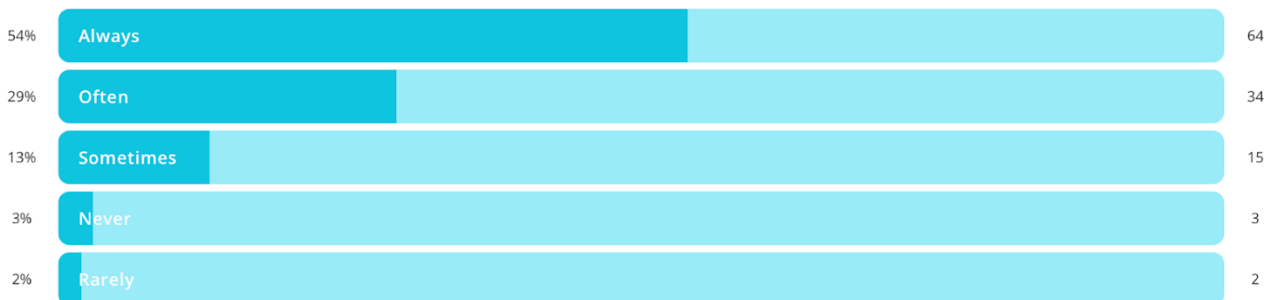
Have you ever made a review on Shein? (115)



Tabel 7: Own illustration, 2024. Have you ever made a review on SHEIN?

This data reflects respondents' behavior regarding writing reviews on SHEIN. It shows that 66% of the respondents indicated that they have never written a review on SHEIN. This may suggest that many of SHEIN's customers need to participate in providing feedback or actively sharing their experiences publicly. On the other hand, 34% stated that they had indeed written a review on SHEIN. While this does not constitute the majority, it still indicates that a significant portion of customers are willing to engage and provide feedback about their experiences with SHEIN's products. This division in review-writing behavior can have several implications for SHEIN's reputation and credibility. Reviews often play a crucial role in consumers' purchasing decision-making process, so the lower participation in review-writing may affect how potential customers perceive the brand. It also reflects to what extent customers are satisfied with their experience and how motivated they are to engage with the brand on a deeper level.

How often do you read the reviews before making a purchase? (118)

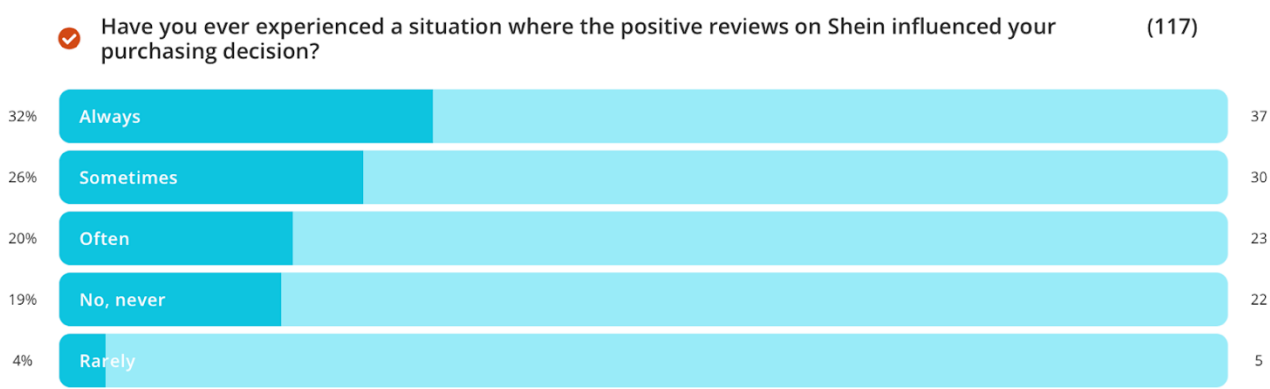


Tabel 8: Own illustration, 2024. How often do you read the reviews before making a purchase?

Here, it is evident how often the respondent group reads reviews before purchasing SHEIN. A significant majority, 54%, indicate they always read reviews before purchasing. This means that for many customers, reading reviews is a consistent part of their purchasing process at SHEIN. They are likely seeking feedback and ratings from other customers to make informed purchase decisions. Additionally, 29% of the respondent group state that they often read reviews, which also suggests that

reading reviews is an important factor for them. However, it may only sometimes be the first step they take when considering a purchase.

Furthermore, 13% say they sometimes read reviews, while only 2% rarely do. This indicates that while a smaller proportion of customers only sometimes read reviews, there is still significant interest in obtaining feedback from other consumers. Only a tiny percentage, 3% of the respondent group, say they never read reviews before purchasing. This could be due to a certain level of trust in the brand or perhaps because they do not consider reviews essential to their purchasing decisions.

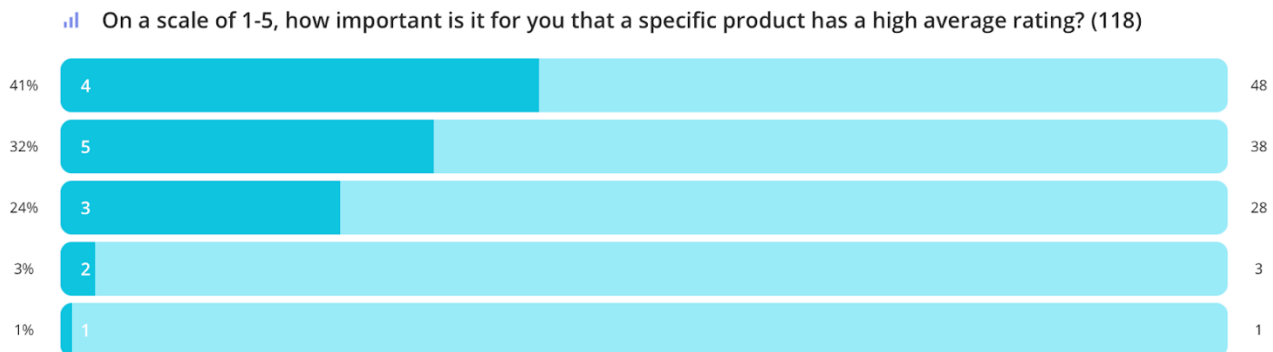


Tabel 9: Own illustration, 2024. Have you ever experienced a situation where the positive reviews on SHEIN influenced your Purchasing decision?

This table provides insight into the extent to which positive reviews on SHEIN have influenced respondents' purchasing decisions. A portion of 32% indicates that positive reviews always influence their purchasing decisions. This may mean that for some of SHEIN's customers, positive reviews play a crucial role in their decision to buy a product. Additionally, 26% say that positive reviews sometimes influence their purchasing decisions. Positive reviews may be a factor for many customers, but they may only sometimes be the decisive factor.

Furthermore, 20% responded that positive reviews often influence their purchasing decisions. This suggests that while positive reviews are not always decisive, they are still essential for this group of customers. A smaller proportion of 19% indicate that positive reviews never influence their purchasing decisions. This suggests that positive reviews do not play a significant role in their decision-making process. Finally, only 4% of the respondent group state that positive reviews rarely influence

purchasing decisions. This may mean that for some customers, it is a rare factor that influences their decision to purchase products from the company.

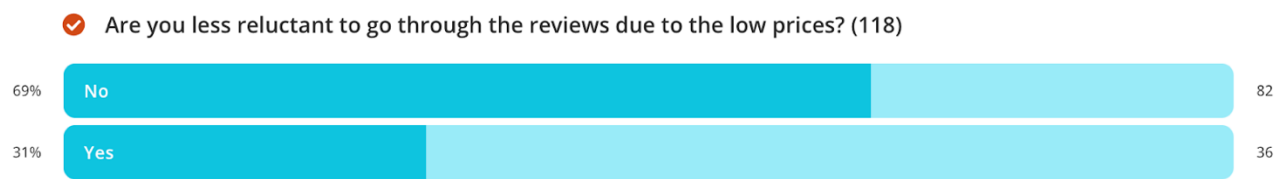


Tabel 10: Own illustration, 2024. On a scale of 1-5, how important is it for you that a specific product has a high average rating?

The table indicates how important it is for respondents that a particular product has a high average rating from 1-5. The largest share was 41%, highlighting that it is essential (rated as four on the scale) for a product to have a high average rating. A high rating is necessary for many customers but is not the decisive factor. Here, 32% state that it is essential (rated as five on the scale) for a product to have a high average rating.

This underscores that, for many customers, it is crucial in their purchasing decisions. 24% indicate that it is important (rated as three on the scale) for a product to have a high average rating. This suggests that a high rating may be a factor for this group of customers, but it may only sometimes be decisive. A smaller proportion of 3% of the respondent group indicates that it is important (rated as two on the scale) for a product to have a high average rating. This suggests that for this small group of customers, a high rating plays a lesser role in their decision-making process.

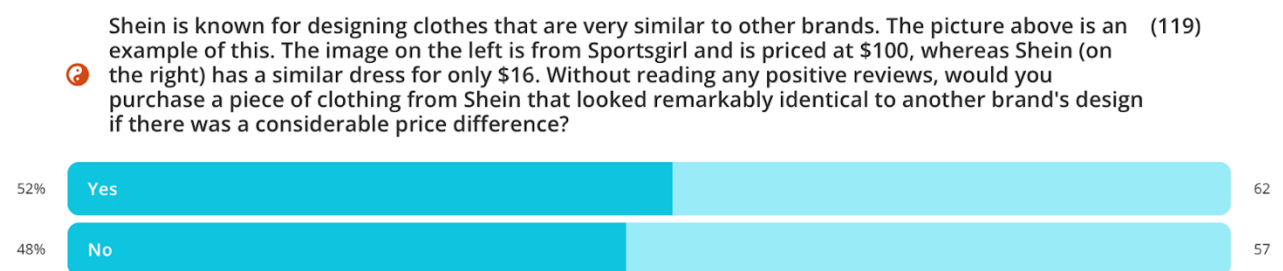
Only 1% of respondents state that it is almost unimportant or unimportant (rated as one on the scale) for a product to have a high average rating. This indicates that for a tiny percentage of customers, a high rating plays virtually no role in their decision to purchase a product.



Tabel 11: Own illustration, 2024. Are you less reluctant to go through the reviews due the low prices?

The table above shows whether respondents are less likely to read reviews due to low prices. The largest share, at 69%, indicates that they are not less inclined to read reviews due to low prices. This suggests that for most customers, low prices do not influence their decision to read reviews before purchasing. On the other hand, 31% state that they are less likely to read reviews due to low prices. This indicates that low prices affect a significant portion of customers' willingness to read reviews, possibly because they assume that low-priced products have less risk of disappointment.

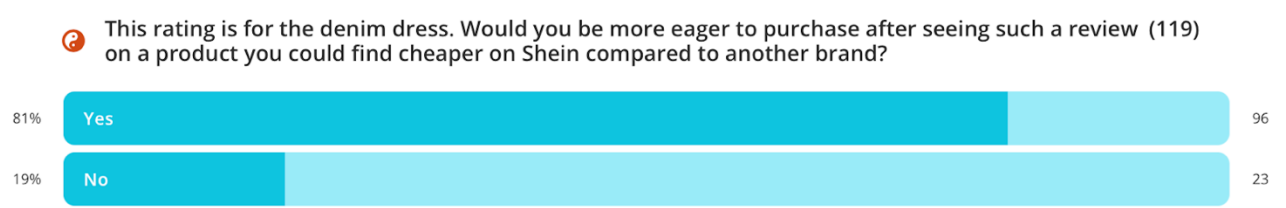
It is important to note that this division in attitudes reflects a varied approach to the use of reviews among customers. While some see prices as an indication of quality and prioritize reviews regardless of price, others may be more inclined to let price alone guide their decision, assuming that low-priced products may have fewer risks. It also shows that there is no universal approach to using reviews and that individual preferences and attitudes play a role in this process.



Tabel 12: Own illustration, 2024. Comparison between Sportsgirl and SHEIN dresses showcasing price differences for similar designs.

This table shows whether respondents would buy clothing from SHEIN that looks almost identical to a design from another brand if there was a significant price difference without reading reviews beforehand. 52% of respondents answered yes, indicating they would be willing to purchase clothing from SHEIN resembling a design from another brand if the price was significantly lower. This suggests that the price difference is crucial for a significant portion of customers when making purchasing

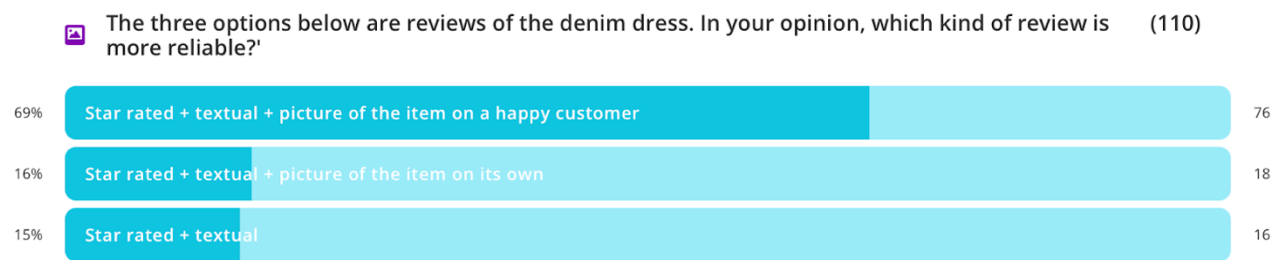
decisions. They prioritize economic savings over brand identity or design similarity. On the other hand, 48% answered no to this question. This suggests that for nearly half of the customers, the price difference is insufficient to convince them to buy a product from SHEIN resembling another brand's design without first reading positive reviews. This may indicate that other factors, such as quality and reputation, are more important for these customers than price. They may prefer to invest in a brand they trust, even if it means a higher price.



Tabel 13: Own illustration, 2024. Rating for the denim dress.

Here is data on whether respondents would be more inclined to purchase a denim dress after seeing a positive review of the product if they could find it cheaper on SHEIN than another brand. 81% answered yes, suggesting they would be more likely to purchase the mentioned denim dress after seeing a positive review, even if they could find it cheaper on SHEIN than on another brand. This indicates that for most respondents, a positive review significantly influences their purchasing decision, even when the price is lower on SHEIN. They attribute higher value to a positive experience than to economic savings, suggesting that their choice is greatly influenced by quality and customer satisfaction.

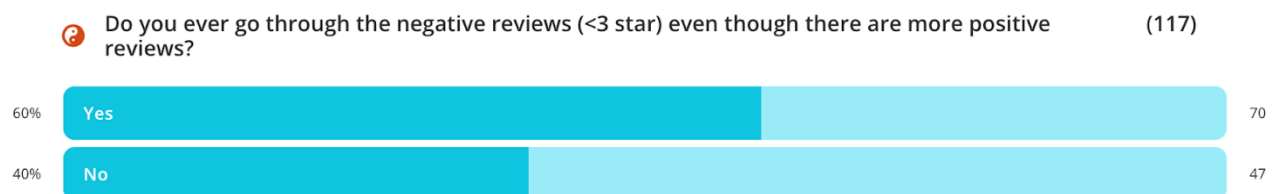
On the other hand, 19% answered no, which may indicate that even though the product is cheaper on SHEIN, this portion of customers would not be more inclined to buy it, even after seeing a positive review. This may indicate that other factors, such as quality, fit, or personal preferences, play a more significant role in purchasing decisions for this group of respondents. They may prioritize other aspects of the product higher than price, reflecting a more nuanced approach to shopping.



Tabel 14: Own illustration, 2024. Overview of which kind of reviews is more reliable.

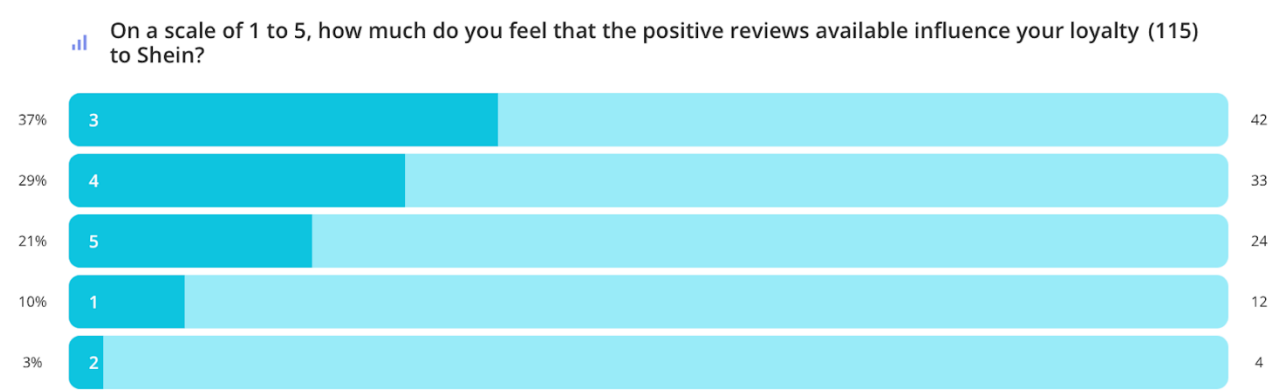
The data presented in the table explores respondents' attitudes towards the reliability of different types of reviews of a denim dress. 69% believe a review with a star rating, text description, and a picture of the item on a satisfied customer is more reliable. This suggests that most respondents prefer a combination of a visual representation of the product, a textual description, and a star rating to attribute greater credibility to the review. They want to see the product in use and get a description of a genuinely satisfied customer's experience to form a more complete picture of the product's value and quality.

On the other hand, 16% prefer a review with a star rating, text description, and a picture of the item alone, without a customer in the picture. This indicates that although the product image is included, this smaller portion of the respondent group emphasizes a more solitary visual presentation of the product along with text and star rating. They may prioritize the visual presentation of the product more than seeing it used by a customer. Furthermore, 15% prefer a review with a star rating and text description to assess reliability. This may mean that although the visual representation is absent, this group considers reviews based on text and star rating sufficiently reliable to inform their purchasing decision. They place more emphasis on the words in the review and the overall rating of the product.



Tabel 15: Own illustration, 2024. Do you go through the negative reviews even though there are more positive reviews?

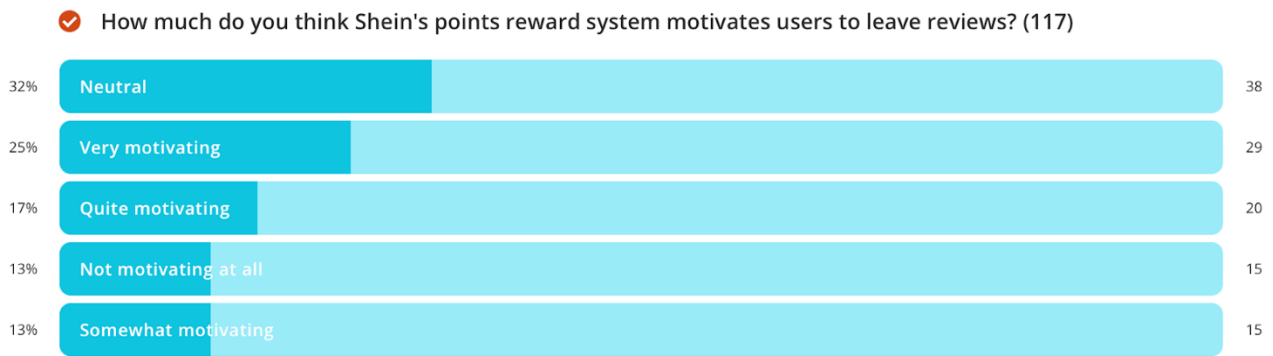
This table presents data on respondents' behavior regarding reading negative reviews, even when multiple positive reviews are available. According to the figures, 60% of respondents go through negative reviews even when more positive reviews are present. However, 40% of respondents indicate that they do not do so. This suggests that most respondents prefer to examine both positive and negative reviews, even when more positive reviews are present. It can be assumed that this practice helps them form a more nuanced understanding of the product, as negative reviews may contain valuable information about potential issues or challenges. By reading positive and negative reviews, customers gain a more balanced impression of the product's quality and performance, which can accurately inform their purchasing decisions.



Tabel 16: Own illustration, 2024. How much do you feel that the positive reviews influence your loyalty to SHEIN?

This table presents how respondents' perception of positive reviews on SHEIN affects their loyalty to the platform. The results show that 37% of respondents feel that positive reviews moderately influence their loyalty, meaning they consider them to be important but not decisive. Additionally, 29% indicate that positive reviews have a slightly more substantial influence, suggesting they play a significant role in maintaining customer loyalty.

Meanwhile, 21% believe that positive reviews have a considerable influence, indicating that they consider them crucial for their loyalty to SHEIN. On the other hand, only a tiny fraction, 3%, feel the minimal influence, and even fewer, 10%, believe that positive reviews have almost no influence. These data suggest that positive reviews play an important role in strengthening customers' trust in the SHEIN platform, as they contribute to creating positive experiences and feedback from other users, which can influence customers' decisions to remain loyal to the brand.



Tabel 17: Own illustration, 2024. How much do you feel that the positive reviews influence your loyalty to SHEIN?

This table presents respondents' perceptions of whether SHEIN's points reward system motivates users to write reviews. The results show that 32% of respondents have a neutral stance on the system's impact on reviews, indicating that they do not feel particularly motivated or demotivated by it. Meanwhile, 25% find the system highly motivating, suggesting that it significantly increases their motivation to leave reviews. Additionally, 17% believe the system is exceptionally motivating, positively affecting their willingness to provide feedback. On the other hand, 13% of participants feel that the system is not motivating, and another 13% think it is only somewhat motivating. These data suggest that SHEIN's points reward system significantly encourages users to leave reviews, as many respondents indicate it is a solid or moderate motivating factor.

## 5.2 Looking at the World of Online Shopping: SHEIN's Victory and Market Changes

The COVID-19 pandemic acted as an accelerated expansion, which has resulted in the global e-commerce landscape experiencing exceptional growth in recent years. Statistics point to a significant increase in the amount of money that is being spent on online shopping around the world. This number is expected to skyrocket from \$4.2 trillion in 2020 to approximately \$6.3 trillion in 2023, and projections anticipate that this number will continue to rise to over \$7.4 trillion by 2025 (Statista, 2023). This exponential growth highlights the changing shopping behaviors and technological advancements shaping the retail e-commerce sector globally.

SHEIN, a key player in the fast-fashion industry, is leading the way in this transformative shift. With a user base of 43.7 million in 2023, as reported by Salcedo (2021), SHEIN's success story is a testament to the power of innovative digital marketing strategies and robust user engagement initiatives. By the year 2023, SHEIN's mobile app had been downloaded over 250 million times, solidifying its



position in mobile commerce. The company's user-friendly interface and personalized recommendations have been instrumental in driving high levels of user engagement and retention (Sensor Tower, 2023; App Annie, 2023).

SHEIN's success is significantly attributed to its adept use of influencer marketing and targeted digital strategies. These approaches enable SHEIN to create authentic and relatable content that deeply resonates with its predominantly young demographic (Sensor Tower, 2023). By leveraging social media platforms and forging partnerships with influential individuals, SHEIN enhances its brand visibility and fosters a strong sense of community and brand affinity among its customers. Moreover, SHEIN's strategic pricing model, offering trendy clothing at competitive prices, fosters brand loyalty and repeat purchases, further cementing the company's position in the global digital commerce landscape.

SHEIN's global reach is further strengthened by the platform's efficient logistics and supply chain management, which enables the platform to make rapid adjustments in response to changes in market trends and the requirements of consumers. SHEIN ensures that its global customer base receives timely product deliveries and a shopping experience that is devoid of any interruptions by streamlining the processes that comprise its supply chain. SHEIN has risen to the forefront of the global e-commerce landscape due to these operational efficiencies, innovative marketing strategies, and an approach centered on the customer.

From the research's point of view, SHEIN's success story highlights the significance of positive online reviews in driving brand loyalty and consumer engagement. As a result of the platform's strategic emphasis on influencer marketing, targeted digital strategies, and user-centric experiences, the transformative power of positive reviews in shaping consumer behavior and driving e-commerce growth is brought to light. SHEIN has successfully harnessed the potential of positive reviews to foster brand loyalty and fuel its rapid expansion in the highly competitive e-commerce market. This was accomplished by leveraging user-generated content and cultivating a solid online reputation, proving that positive reviews shape brand perception, drive consumer trust, and cultivate long-term brand loyalty in the digital age.

### 5.3 Testing Conceptualization for Validity

In testing conceptualization for validity in this part, we will analyze the elements we created in our model and the questionnaire's data to illustrate how successful our conceptual framework could be for any business and how online reviews could lead to overall brand loyalty.

The questionnaire was developed within the context of SHEIN to examine various aspects of the connection between positive online reviews and brand loyalty. Our primary objective was to understand the elements and factors influencing consumer behavior and brand loyalty in e-commerce, focusing on SHEIN as a case study due to all the consumer-generated content.

We will validate each component in our conceptual framework by analyzing the replies to each question in our questionnaire. Every question was constructed to provide insights into several aspects of the framework, such as intention to make a purchase, behavior of making a purchase, level of involvement with online reviews, and strength of brand loyalty.

This section will present our research findings and results, focusing on how the questions from our questionnaire contributed to our understanding of the connection between positive online reviews and brand loyalty. The purpose of this study is to provide empirical evidence that supports our research hypothesis and contributes to the existing body of knowledge on e-commerce customer behavior and brand loyalty found in our literature review.

We included several questions in our questionnaire to collect information on various variables associated with our research question.

Our first step was investigating the respondents' engagement level with SHEIN as a brand. By asking, "How many times have you placed an order from SHEIN?" the first question was designed to determine the respondents' engagement level with the platform. This inquiry aimed to understand the frequency with which orders are placed on SHEIN, hence offering insights into the respondents' knowledge of the brand and their contact with it. Research conducted by Hennig-Thurau et al. (2004) found a positive correlation between regular engagement with a brand and brand loyalty.

Consequently, we attempted to demonstrate the respondents' opinions on the quality of SHEIN's clothes, which led to our second question, "What do you think of the quality of the clothing available on SHEIN?" this aimed to gain an understanding of the respondents' feelings regarding the quality of SHEIN's products. According to Anderson and Simester (2003), consumers' perceptions of quality significantly influence purchase decisions and, as a result, brand loyalty.

Another essential component of our research was understanding the elements influencing purchasing decisions. Because of this, we decided to incorporate a question that would evaluate the significance of quality and affordability. In the third question, respondents were asked to assess, on a scale ranging from one to five, the following: "How much would you say that affordability in a purchasing decision is more important than quality?"

SHEIN's products and services were the subject of subsequent questions, which focused on the respondents' experiences with them. The fourth and fifth questions investigated the respondents' experiences with product returns. These questions offered insights into the influence that product quality and the convenience of the return process have on customer satisfaction and loyalty. In addition, we inquired whether the respondents had ever been unsatisfied with a product but decided not to return it because of the low price. As a result of this and from Lu et al. (2016), we gained a better understanding of how pricing affects the behavior of consumers and their commitment to brands.

In addition, we investigated the extent to which respondents used SHEIN's review feature. Questions seven and eight were designed to understand the review submissions and reading patterns reported by respondents. As a result, we wanted to determine the extent to which positive reviews impacted purchasing decisions and the significance of high average ratings for certain products. In addition, we explored the impact that pricing has on how people read reviews and the decisions they make regarding purchases. The thirteenth and fourteenth questions investigated how favorable reviews influence the enthusiasm to purchase and the perceived reliability of various review forms.

We also examined the extent to which respondents were interested in negative reviews and the extent to which they believed positive reviews might impact their commitment to a particular business. Last, we asked about the respondents' viewpoints on the motivation offered by SHEIN's compensation system for submitting reviews. It was helpful for us to evaluate how reward systems influence review behavior and brand loyalty because we better understood this drive.

### 5.3.1 Purchase Intention

An important aspect of consumer behavior is purchase intention, which represents the consumers' preconceived notions regarding the purchase of a product or service. The purpose of our questionnaire was to investigate the elements that influence the tendency of customers to purchase from SHEIN, in this case, with a particular focus on affordability, quality, and brand perceptions.

The first question aimed to determine the number of times respondents placed orders on SHEIN. 33% of the respondents had placed orders between one and five times, 30% had placed orders more than ten times, 20% had placed orders between five and ten times, and 17% had never placed an order on SHEIN. These findings, which provide relevant information, show SHEIN customers' levels of engagement and the likelihood of making repeat purchases.

On a scale from one to five, where five is the highest, respondents were asked to rank the relevance of affordability and quality in their purchasing decisions. This question is considered to be the cornerstone of our research. The results, which we believe to be significant, revealed that 45% of respondents rated quality and affordability as being of equal importance three times, 25% rated affordability slightly higher four times, 16% rated affordability as being less important two times, 8% rated affordability as being the least important one time, and 7% rated affordability as being the most important five times. These findings shed light on the undeniable significance of affordability in driving purchase decisions among SHEIN customers.

One of the most significant parts of our questionnaire was question 12, which inquired about whether or not respondents would buy a piece of clothing from SHEIN that had a design that was strikingly similar to that of another brand and if there was a significant price difference between the two brands but without having seen any reviews. The results, which we regard to be a testament to the power of pricing strategies and the power of reviews, revealed that 52% of respondents would purchase the clothing from SHEIN, while 48% would merely read a review. This is a significant difference from the data that we have collected.

These data highlight the importance of price differentials on buy intention, demonstrating that affordability is a major factor that drives purchase decisions among SHEIN customers. Price differentials are a significant factor. The question was then followed up with another question, and the respondents

were shown a review of the product that was presented in question 12. After seeing the review, they were then asked if they would be more eager to purchase the product, and 81% of them voted yes. This demonstrates the significance of the positive review without regard to the product's affordability.

### **5.3.2 Purchase**

Our conceptual framework continued with a closer look at the actual purchasing behaviors of SHEIN customers as the following element is to be explored. We intended to examine the factors that influence the decision-making process during this purchasing stage and to evaluate the impact that product similarity, price, and perceived value have on customers' behavior when making purchases.

The fourth question asked whether the respondents had ever returned an item because of its unsatisfactory quality. 66% of those who participated in the survey had never returned an item because of quality problems, whereas 34% had done so.

The fifth question aimed to understand how simple the return process was for people who have previously returned items due to quality issues. As we found out in the previous question, 66% of people had never returned products, while 18% believed that it was not an easy process, and 15% considered it easy.

In the sixth question, we asked whether an individual has ever been unsatisfied with a product but decided not to exchange or return it because of its low price. Most respondents (82%) indicated that they had been dissatisfied with an item but chose not to exchange or return it due to its low price, while 18% had yet to.

The significance of product quality, the simplicity of the return process, and the influence of pricing on purchase behavior are all illuminated by these findings, providing valuable insights into the factors that shape the actual purchase decisions of SHEIN customers. In light of these findings, various significant features of consumer behavior and decision-making processes associated with purchasing behavior have been brought to light. To begin, 66% of respondents have never sent back an item because of quality issues is evidence that a sizeable proportion of SHEIN consumers are generally

content with the quality of the products they purchase from the company. This indicates that most SHEIN consumers have a favorable impression of the quality of the products they purchase.

In addition, the findings from the fifth question revealed that most believed that returning things due to quality issues was straightforward. This was the case for those who had returned items in the past. The ease with which consumers can return things due to quality difficulties could add to SHEIN customers' general contentment and confidence. This is because customers are aware that they can readily remedy any quality issues that they come across.

The fact that 82% of respondents have been disappointed with a product but chose not to return or exchange it due to its low price is more evidence of the considerable influence that pricing has on the behavior of consumers when it comes to making purchases. From this, the price of SHEIN's products is a significant factor in reducing the influence of quality concerns on consumers' purchasing decisions. Customers may be more prepared to overlook issues about the product's quality if they believe it provides a good value for the price at which it is being sold.

These data, taken as a whole, offer useful insights into the elements that influence SHEIN customers' real purchase decisions. These factors include the influence of pricing, the convenience of the return process, and the quality of the products.

### **5.3.3 Online Reviews**

Online reviews played an important part in our research, as we are trying to understand the effect of positive reviews more deeply. Spending enough time on SHEIN's platform and with the insight drawn from our questionnaire that was sent it enabled us to explore the significance of these reviews in terms of their ability to influence customer decisions and shape brand perceptions. The objective was to assess the reliability and influence of various reviews, such as reviews written in text, reviews that included photographs, and reviews rated in stars, and see what type of review influences consumers more.

In addition to analyzing the significance of online reviews in their ability to influence customer decisions and perceptions of brands, our questionnaire also investigated the reliability and impact of the reviews we focus on for this paper to determine their relative importance. 69 % of respondents said

that they preferred reviews that included a star rating, a textual comment, and a picture of the item on a satisfied customer when they were asked to evaluate the credibility of different review formats for a denim dress (Question 14). The fact that this preference is so overwhelming highlights the significance of detailed and visual reviews in influencing the perceptions and decisions of consumers regarding their purchases (Bansal & Voyer, 2000). Furthermore, 16% of respondents only liked reviews that included a star rating, a written comment, and a photo of the item on its own, but only 15% of respondents preferred reviews that included a star rating and a textual comment. The results that are presented here reflect light on the essential function that visual components play in boosting the trustworthiness and impact of online reviews.

To bring our findings about positive reviews into alignment with the IAC model, we are highlighting the significance of thorough and visual reviews in terms of their ability to influence the perceptions and decisions of consumers. The importance of these components in boosting the legitimacy and impact of online reviews is highlighted by the fact that the majority of customers (69%) prefer evaluations that include a star rating, a textual comment, and a photo of the item on a satisfied customer. To gain a deeper understanding of each form of review around the IAC model, we can learn that the review that consists of star ratings and textual comments is by the cognitive and affective aspects of the decision-making process. The star rating provides a quick quantitative evaluation of the product and acts as a mental signal for customers. On the other hand, the emotional aspect of decision-making is appealed to by the textual comment, which provides specific insights and personal experiences. This structure offers a balanced perspective by incorporating both quantitative and qualitative information. It considers both the intellectual and emotional sides of consumer decision-making, providing a balanced view.

Moving on to the second form of review, which is the star-rated review with a textual comment and a picture of the item on its own, the inclusion of a picture of the item enhances the overall quality of the review compared to the first type. According to the IAM model, this visual signal plays an important part in consumers' decision-making process since it provides a physical image of the product. However, if there is no extra context, such as a customer doing anything with or wearing the product, it may be difficult for the buyer to picture themselves using the goods. It is possible that this format needs to possess the social proof required to increase consumer confidence and trust despite its appeal to the affective side of decision-making.

The final sort of review in this scenario, which is the combination of a star rating, a written comment, and a photo of the product being purchased by a satisfied customer, is compelling in influencing the views and choices of consumers. From the perspective of the IAM model, social proof is an essential component in decision-making. By including a photograph that depicts a satisfied client making use of the product, this format offers social proof, which builds consumer confidence and trust. In addition, the star rating and the textual comment provide both quantitative and qualitative information, making it possible to appeal to both the intellectual and emotional components of decision-making. As a result, this format is extremely useful in influencing the perceptions and decisions of consumers because it offers a comprehensive view of the product.

The purpose of the other questions included in the questionnaire about online reviews was to determine the extent to which SHEIN customers engage with online reviews and understand the degree to which they rely on them when making purchase decisions.

The seventh question, for instance, was designed to understand the extent of respondents' active participation in shaping SHEIN's online review feature on the platform. It simply asked whether or not the respondent had ever made a review on a product. This question provides valuable insights into consumer interaction with the brand's review feature, and it was found that 66% of respondents had yet to contribute a review on SHEIN, while only 34% had. This suggests that while many rely on reviews, they do not actively contribute to them. This underscores the fact that most customers are consumers of online reviews rather than contributors, emphasizing the importance of their role in shaping SHEIN's online reputation.

In the eighth question, the focus was on how often respondents read reviews before completing a purchase by asking how often a respondent read the reviews before making a purchase. Through gaining an awareness of the frequency with which customers go through online reviews, we aimed to assess the significance of reviews in customers' decision-making processes. While 54% of respondents always read reviews, 29% of respondents often read them, 13% of respondents sometimes read them, and only 5% rarely or never read reviews before making a purchase, the findings showed that most respondents always read reviews. Based on these findings, it is clear that online reviews play a significant role in influencing the purchasing decisions of customers who shop at SHEIN.



Additionally, many respondents reported that they always or often read reviews before making a purchase. This high reliance on reviews underscores their importance in influencing consumer decisions. Therefore, positive online reviews are important in shaping brand perception and purchase behavior among SHEIN customers.

The ninth question asked if a respondent had ever experienced a situation where the positive reviews on SHEIN influenced their purchasing decision aimed to determine the degree to which customers' purchase decisions are influenced by the positive reviews that consumers had left on SHEIN for specific products.

The findings from this question's results indicated that many respondents frequently find positive reviews influential. Specifically, 32% of respondents are influenced by them 100% of the time, 26% of the time, and 20% of the time. This suggests that SHEIN customers attribute a significant amount of importance to the influence that positive online reviews have on their purchasing decisions. This reassures the audience about the power of positive reviews in shaping the brand's reputation. However, it is worth noting that a section of respondents, namely 19%, indicated that favorable reviews never influenced their purchasing decisions, which suggests that although online reviews are powerful, they are not the sole factor that drives purchase behavior for everyone, providing a balanced perspective on the influence of reviews.

#### **5.3.4 Brand Loyalty**

Our research holds significant implications for SHEIN, highlighting the importance of understanding the relationship between online reviews and brand loyalty. Brand loyalty is crucial for consumer behavior and can be influenced by positive online reviews, as our questionnaire analysis reveals. This insight is crucial for SHEIN's marketing and customer experience teams, as it can guide their efforts in fostering brand loyalty among SHEIN customers.

Question 17 focused on analyzing the relationship between positive reviews and the loyalty of SHEIN consumers. According to the observations, most customers reported that these reviews had a favorable impact on their experiences. According to the questionnaire results, 87% of respondents (with ratings of 3, 4, or 5) believe that positive reviews play a substantial part in nurturing devotion to SHEIN. From this, positive reviews play a considerable role in boosting brand loyalty among SHEIN

customers. Furthermore, the purpose of Question 18 was to investigate how SHEIN's points reward system encourages users to provide feedback. SHEIN's points incentive system is perceived by most respondents as influential in enabling them to post reviews, as indicated by the results, which show that the combined percentage of respondents who found the reward system to be rather motivating accounts for 55%.

Our findings strongly support a link between SHEIN's reward system, positive ratings, and brand loyalty. By leveraging positive online reviews, SHEIN cannot only inspire customer loyalty but also bolster its brand image. Moreover, SHEIN's reward incentive system is an effective tool for encouraging customer feedback, further solidifying customer loyalty to the brand.

### **5.3.5 Trust and Familiarity**

Both brand loyalty and purchasing behavior are significantly influenced by trust and familiarity with the brand.

In the second question, we asked about customers' opinions concerning the quality of the clothes offered on Shein. The findings indicate that 43 % of the respondents consider the quality of SHEIN's clothing average. From the results of this question in particular, we received important insights; we now understand that people are well aware of the quality yet still make a purchase, which could be due to factors like SHEIN being more affordable than other brands, for example.

Furthermore, how important a high average rating is in the opinion of the respondents was asked in Question 10. According to the results, a large proportion of the respondents (73%) believe having a high average rating (ratings of four or five on a scale of one to five) when making decisions regarding their purchases is necessary, which demonstrates the significance of positive reviews and high product ratings in terms of their ability to influence the perceptions and actions of customers regarding their purchase decisions.

In addition, Question 15 aimed to give us an understanding of whether the respondents are willing to read negative reviews, even when more positive reviews are available. The result of this question was that 60% of the participants who answered the questionnaire admitted that they go through negative reviews.

That 60% were then asked to answer a follow-up question about what they sought.

Some respondents voiced their doubts about the validity of reviews, pointing out that certain users can submit biased reviews to accumulate reward points. This illustrates a worry among customers over the honesty and authenticity of evaluations, particularly when prizes are involved.

Several individuals noted that if they observed the same bad review being posted over and over again, it indicated a possible problem with the product that required more study. This makes it clear that persistent negative feedback has the potential to greatly influence consumers' perceptions and decisions regarding their purchases.

Several respondents noted specific difficulties they search for in unfavorable reviews, such as problems connected to the product itself, issues with the sizing, and differences between the image of the goods and the actual item received.

Furthermore, respondents expressed a wish for more precise information to be included in negative reviews, particularly in relation to the quality of the material, the fit, and the specifications of the product. Some individuals have also noted that they look for reviews that include pictures of the goods being worn since this provides a more accurate representation of the thing being written about.

The majority of respondents stated that they use unfavorable reviews to better understand potential problems with the product, which enables them to make more educated judgments on their purchases. On the other hand, a few respondents said they were aware of SHEIN's rewards system and its potential impact on the honesty of evaluations. This suggests that unfavorable reviews might not always be completely objective.

As a whole, these results show that while positive reviews do help people become familiar with and trust the SHEIN name, bad reviews also impact how people see the brand and the decisions they make.

### 5.3.6 Uncontrolled Variables

For our last element, we focused on uncontrolled variables that can potentially affect customers' perceptions, behaviors, and responses. Even though the purpose of our questionnaire was to collect particular data linked to our study topics, a number of variables that were not under our control could have influenced the outcomes. Such a variable includes the personal preferences and biases of those who participated in the survey. There is a possibility that individuals have innate preferences for particular brands, styles, or categories of clothes, which may or may not influence their responses. Furthermore, customers' perceptions and interactions with SHEIN and its products may be influenced by a variety of characteristics, including age, gender, financial level, and cultural background.

A further element that cannot be controlled is the timing and context of the encounters that the respondents had with SHEIN. For instance, a consumer's experience and opinion of SHEIN may differ depending on whether they are a first-time shopper or a return client. This is because SHEIN caters to both types of customers. External variables such as seasons, current fashion trends, political issues such as boycotts, and marketing initiatives can influence customers' opinions and behaviors.

Furthermore, the experience of shopping online might be different for each individual client, depending on aspects such as the capability of the internet connection, the device used for browsing, and the website's interface. These aspects may influence the manner in which customers interact with Shein's website, read reviews, and make judgments regarding their purchases.

Amidst SHEIN's meteoric rise in the global e-commerce landscape, the brand has recently faced scrutiny and calls for a boycott due to allegations of ties to forced labor in the Xinjiang region of China (Economic Times, 2022). Reports alleging the use of Uyghur forced labor in the production of Shein's products have sparked outrage among consumers and advocacy groups, leading to widespread condemnation and calls for action. The allegations have prompted some consumers to reevaluate their support for Shein, with many opting to boycott the brand in protest against human rights violations and unethical labor practices.

The decision to boycott SHEIN stems from ethical considerations and a desire to hold brands accountable for their sourcing practices and supply chain transparency. Consumers who boycott SHEIN may do so as a form of activism, signaling their opposition to human rights abuses and expressing

solidarity with affected communities. Moreover, the boycott reflects a broader trend of conscientious consumerism, where individuals prioritize ethical considerations and sustainability in their purchasing decisions.

Similar boycotts have been witnessed, targeting brands accused of complicity in human rights violations or unethical practices. For example, Nike faced backlash and boycotts in the 1990s due to allegations of sweatshop labor in its overseas factories (Hartman, 2013). Similarly, Starbucks encountered boycotts and protests in 2018 following the arrest of two black men at one of its stores, which prompted accusations of racial profiling and discrimination (BBC, 2018). These instances highlight the power of consumer activism in holding brands accountable and driving meaningful change.

The boycott of SHEIN underscores the growing importance of corporate social responsibility and ethical sourcing in shaping consumer perceptions and brand loyalty. As consumers become increasingly aware of their purchases' social and environmental impact, brands face heightened scrutiny and accountability for their actions. By boycotting SHEIN, consumers send a powerful message to brands that ethical considerations are non-negotiable and expect transparency and accountability throughout the supply chain.

While the boycott may have immediate repercussions for SHEIN's reputation and sales, its long-term implications remain to be seen. Brands that prioritize ethical sourcing and demonstrate a commitment to social responsibility stand to gain consumer trust and loyalty in the long run. Conversely, those implicated in unethical practices risk tarnishing their brand image and losing consumers' trust. As the boycott of SHEIN unfolds, it serves as a stark reminder of the interconnectedness of consumer activism, corporate accountability, and ethical consumption in the modern marketplace.

The boycott of SHEIN due to allegations of forced labor in its supply chain serves as an uncontrolled variable for the brand, introducing external factors beyond its control that can significantly impact its operations and reputation. As an uncontrolled variable, the boycott can influence consumer perceptions, brand loyalty, and purchasing decisions in unpredictable ways, posing challenges for SHEIN's marketing and strategic efforts.

Firstly, the boycott may lead to declining consumer trust and confidence in SHEIN's brand, particularly those prioritizing ethical considerations in their purchasing decisions. Negative publicity surrounding the allegations of forced labor can erode SHEIN's reputation as a socially responsible and ethical brand, potentially losing brand loyalty and customer defection to competitors.

Secondly, the boycott may impact SHEIN's sales and revenue as consumers opt to boycott the brand and seek alternative retailers with more transparent and ethical sourcing practices. A decrease in sales can affect SHEIN's financial performance and profitability, disrupting its business operations and growth trajectory. Furthermore, the boycott may trigger regulatory scrutiny and legal implications for SHEIN as governments and regulatory bodies investigate the allegations of forced labor and potential violations of labor laws. Legal challenges and regulatory sanctions can further exacerbate SHEIN's reputation damage and operational challenges, adding complexity to its supply chain management and compliance efforts.

Overall, the boycott of SHEIN due to allegations of forced labor acts as an uncontrolled variable that can have far-reaching consequences for the brand's reputation, sales, and regulatory compliance. While SHEIN may take proactive measures to address the allegations and mitigate the boycott's impact, the outcome remains uncertain, highlighting the inherent risks and uncertainties associated with external factors beyond the brand's control (Heng, J., & Zhang, X. 2022).

## Part 4: The Exploration

The forthcoming discussion will delve into the elements of our framework, exploring them from various angles and probing their interrelationships more deeply. Additionally, we will assess how our framework can be applied to understand consumer behavior on e-commerce platforms like SHEIN and how positive online reviews contribute to building brand loyalty.

The conclusion will provide a thorough assessment of our research question, which focuses on how positive online reviews contribute to building brand loyalty, using SHEIN as a case study. We will reflect on how our findings address this research question and identify any outstanding questions or areas requiring further research to achieve a deeper understanding of this complex topic.

By elaborating on these aspects, readers will gain a more nuanced understanding of our project and its contribution to the literature on e-commerce and consumer behavior. Here, the deep domain is expressed by the absence of directly observable mechanisms but rather interpretative structures. It is considered not secure knowledge, characteristic of critical realism, where through the deep domain, we generate phenomena and create a shared understanding.

## **6. Discussion**

In this next part, we will discuss the relevance of our findings on the relationship between positive reviews and brand loyalty, with a continuous emphasis on SHEIN but with an open eye on other similar e-commerce platforms. For the purpose of our research, we aimed to gain an understanding of how positive reviews influence the behavior of customers and the link to brand loyalty. By examining the role and results of positive reviews within the context of SHEIN that we have obtained, we can use the valuable insights and see how any e-commerce platform can strategically leverage positive reviews to develop a stronger sense of brand loyalty.

According to the findings of our research, positive reviews had a substantial impact on SHEIN's level of brand loyalty. Based on the data, it is clear that the reviews that can be found under each desired product generated by other consumers play a significant part in influencing the opinions and decisions customers make regarding their purchases. As a result of the fact that an overwhelming majority of respondents reported that positive reviews affected their loyalty to SHEIN, it is clear that their reputation and brand loyalty are directly connected to the great experiences that its consumers share.

Based on this, we are going to delve into what SHEIN can continue doing and give some ideas for different strategies they could pick up to increase their consumer engagement when it comes to positive reviews as we learned from the questionnaire that most people depended on the reviews rather than creating them.

Before going into details with the different strategies though, we will present a consumer-centric viewpoint of our proposed model, illustrating how positive online reviews influence consumer behavior at each stage of the purchasing process as it is important to understand what the consumer is going through at every stage. By understanding the consumer experience through our model,

companies can acquire significant insights into the variables that generate brand loyalty in the e-commerce business so that they can better serve their customers.

We will explain the consumer's perspective at each stage to demonstrate the importance of positive online reviews in influencing purchase decisions and promoting brand loyalty. Later in this paper, we will talk about how SHEIN and similar businesses can use these insights to improve their marketing strategy and customer interaction techniques, ultimately resulting in increased brand loyalty.

At the purchase intention stage being the first element of the model, a SHEIN customer explores the website or phone application, browses various products, and considers purchasing. For the sake of the example, this SHEIN customer often visits their platform for the latest trends and styles, and this customer is looking for a new dress for an upcoming event. As she scrolls through the platform, she notices several dresses that catch her eye.

Positive online reviews play a significant role for this customer during this stage. She pays attention to the star ratings, textual comments, and pictures shared by other customers wearing the item. She is specifically looking for positive reviews complimenting the dress's quality, fit, and style, which will increase her purchase intention.

At this stage, the customer is already influenced by the positive online reviews, which create a sense of trust and reliability in SHEIN's products. As a result, her purchase intention is getting stronger, and she is more likely to proceed to the next stage of the purchasing process.

Having built her purchase intention with the help of the positive online reviews, the customer now moves to the purchase stage. She has decided on the dress she wants to buy and adds it to the cart. As she proceeds to checkout, the customer's decision to purchase is influenced by several factors. The positive reviews she read earlier assure her of the quality and fit of the dress, reducing any doubts she might have had. Additionally, SHEIN's competitive pricing and the perceived value of the dress further motivate the customer to complete the purchase. Despite the low price, her confidence in the product's quality remains high, based on the positive reviews and especially those with other customers wearing the dress where the quality is more visible.



During this stage, the customer's journey from purchase intention to actual purchase is easy, with positive online reviews playing an important role in her decision-making process.

The customer's positive experience with SHEIN continues after her purchase. Her satisfaction with the brand increases as she receives her dress and finds it to be exactly as described in the reviews. As attested by numerous positive reviews, SHEIN's consistent delivery of quality products fosters a sense of trust and familiarity in the customer's mind.

Over time, this customer became as she has become a loyal SHEIN customer. Positive experiences with the brand and the reliability of the reviews she relied on for her purchases made her more willing to shop at SHEIN in the future.

Moreover, her loyalty to SHEIN increases when she receives quality products and excellent service. She feels connected to the brand and its community of customers, further increasing her brand loyalty. The positive reviews helped her make informed purchase decisions. Due to the consumer-generated content, they played a significant role in shaping her perception of SHEIN as a trustworthy and reliable brand.

As this customer continues shopping at SHEIN, her trust and familiarity with the brand grows stronger. With each positive experience, her confidence in SHEIN's products and services increases. The positive reviews she relied on for her initial purchases have consistently reflected the quality and reliability of SHEIN's products.

The customer now feels confident in her ability to make informed purchase decisions based on the reviews provided by other customers. She knows that she can trust the opinions and experiences shared by the SHEIN community. This trust and familiarity with SHEIN's brand and products become integral to the customer's shopping experience when ordering.

Moreover, as her trust in SHEIN deepens, she becomes more likely to recommend the brand to friends and family. Her positive experiences and the reliability of the reviews she relies on make her a brand advocate for SHEIN.

In this way, the positive online reviews influence her individual purchase decisions and contribute to her overall perception of SHEIN as a trustworthy and dependable brand.

Despite the positive impact of online reviews and the customer's trust in SHEIN, uncontrolled variables may still influence her purchasing decisions. These variables include external factors such as fashion trends, competitor actions, political factors, or personal circumstances.

For example, if a competitor offers a similar product at a lower price or if the customer happens to see it at a shop physically and gets to try it on, this customer may be persuaded to purchase elsewhere, regardless of the positive reviews on SHEIN. Similarly, if SHEIN experiences a decline in product quality or customer service, this customer's trust in the brand may decrease, affecting her future purchase decisions.

Personal factors such as changes in the customer's lifestyle preferences may also impact her shopping behavior. While positive reviews and brand loyalty play a significant role in her decision-making process, these uncontrolled variables remind us that consumer behavior is complicated and influenced by factors beyond the brand's control.

Understanding these uncontrolled variables allows SHEIN to better adapt its strategies and offerings to meet its customers' evolving needs and preferences, ensuring continued brand loyalty and satisfaction.

Visualizing the customer at every step now hopefully will make it easier to look into the different strategies that could be improved or implemented.

The first strategy would be to continue leveraging the positive reviews already being made and use them for brand promotion. Positive reviews are valuable for brand promotion and can severely impact SHEIN's reputation and brand loyalty. By effectively leveraging positive reviews, SHEIN can enhance brand credibility, attract new customers, and strengthen loyalty among existing users and consumers. **Social media platforms** for example offer an excellent opportunity for SHEIN to showcase positive reviews and customer testimonials. By sharing customer-generated content, such as photos,

reviews, and testimonials, on platforms like Instagram, Facebook, and Twitter, SHEIN can reach a wider audience and engage with potential customers more authentically and relatable.

Furthermore, prominently **featuring positive reviews** on its website and platform as the first thing a person would see on the landing page would be a good way to use the already consumer generated content and leverage from it. Currently, SHEIN is focusing on their offers as the primary content on the homepage, which also plays an important role as it emphasizes affordability. Still, the two should go hand in hand as we concluded from our findings. Real-life experiences and testimonials from satisfied customers are not just words but proof of SHEIN's commitment to quality and customer satisfaction which should be showcased any chance given.

As of now, the smartest strategy SHEIN is using to motivate users to post reviews is the incentive. **Incentivizing customers** to leave reviews is a powerful strategy, so leveraging this already-established strategy's success could be beneficial by offering discounts and rewards instead of just points that can be used for future purchases as it sometimes takes a while to collect them.

For more advanced approaches SHEIN could start implementing data analytics for personalized marketing strategies which can significantly benefit them. By leveraging advanced data analytics tools and techniques, SHEIN can gain valuable insights into its customer base, allowing for more effective targeting and personalized communication and experience.

One key element of utilizing data analytics is customer segmentation. By analyzing customer data such as demographics, purchase history, and browsing behavior, marketers can identify distinct customer segments. These segments can then be targeted with tailored marketing campaigns that resonate with their preferences and interests. For example, to create interest, persuade the consumer to have a closer look, and keep them on the app for a bit longer, the products with the highest reviews can be showcased first.

Furthermore, data analytics allows SHEIN to conduct in-depth behavioral analyses of its customers. By analyzing customer behavior on its website and mobile app, SHEIN can gain insights into customer preferences, interests, and purchase intent. This information can then be used to personalize

product recommendations, promotional offers, and marketing messages, increasing the relevance and effectiveness of its marketing efforts.

Needless to say, our research results and the methodology we have established provide SHEIN and other e-commerce platforms that aim to increase consumer loyalty and drive business growth with significant insights and recommendations. By implementing our model, similar platforms can capitalize on the power of positive reviews to cultivate brand loyalty and trust among their client base. Platforms can maximize their plans and activities by concentrating on essential components such as purchases, online reviews, and trust and familiarity, which helps platforms drive sales, improve consumer satisfaction, and lead to brand loyalty.

Our framework, which outlines the path from purchase intention to brand loyalty and is supported by online reviews, presents a unique opportunity for any e-commerce platform. The customer-oriented approach embedded in our model provides a framework for understanding and enhancing consumer behavior and the brand. Implementing this could lead to significant improvements in customer engagement and brand loyalty, driving any similar form of platform to new heights in the e-commerce industry.

To begin with, the purchase intention component of our system would be important for a platform like Amazon, for example, a marketplace that offers a considerable and varied selection of products. Amazon can capitalize on this by identifying the elements that influence the degree to which its customers intend to purchase, which might differ from the elements influencing SHEIN customers.

Amazon has the option to change its methods to match the expectations of its customers at this early stage, which includes taking into account product descriptions, prices, and availability, as well as providing a user interface that is both seamless and interesting. Amazon can optimize these factors, increasing the possibility of customers making purchases. For example, by knowing that clear and accurate product information, competitive price, and user-friendly navigation greatly influence purchase intentions, Amazon can optimize these features.

We now move on to the purchase stage and how a platform like Amazon could benefit from the model for this stage, such as SHEIN, where our model emphasizes the transition from the intention to the

actual activity of purchasing products. Using data analytics, Amazon can find and eliminate friction points in the shopping journey. These friction points include tiresome checkout processes and payment troubles, for example. By emphasizing the ease and dependability of the shopping experience, Amazon can transform a more significant number of potential purchases into actual monetary transactions, which will increase their sales and benefit the overall business.

The function of online reviews is a fundamental component of our system. This is especially relevant to a platform like Amazon since our hypothesis states a direct link between positive online reviews and brand loyalty reviews that substantially impact customers' purchasing decisions. Using our data and research, Amazon can highlight and encourage user-generated material, such as detailed reviews, star ratings, and customer comments with images attached. With that, Amazon can deliver important information and social proof to future purchasers by promoting and showcasing thorough reviews that contain the effective type of reviews we found in our data collection results. It will help increase the potential purchaser's trust in purchasing. Furthermore, Amazon can build algorithms that highlight the most valuable reviews and ensure that genuine, positive evaluations are clearly shown. This will increase the general legitimacy and appeal of the products.

Amazon can acquire brand loyalty by continually providing pleasant experiences to its customers. The loyalty programs offered by Amazon, such as Prime, can be further improved by utilizing our strategy to guarantee that they provide actual value and benefits that resonate with customers. Amazon can strengthen customer loyalty by continuously engaging customers through tailored suggestions, special discounts, and excellent customer service. This is accomplished through the reinforcement of trust and satisfaction, the encouragement of repeat purchases, and the development of long-term partnerships, all promoted by positive online evaluations.

Amazon must preserve its position as a trusted leader in e-commerce, and the relationship between trust and familiarity is important. Through the implementation of trustworthy business procedures, dependable delivery services, and comprehensive customer assistance, Amazon has the ability to develop trust. The creation of a shopping experience that is both consistent and individualized, which gives customers the impression that they are understood and respected, can help to increase familiarity. In order to direct Amazon to concentrate on developing and sustaining good relationships with its customers, our framework places an emphasis on the significance of these key elements.

Every platform has different strengths, weaknesses, and factors influencing a purchasing decision. We found that for SHEIN, the affordability made customers more motivated to keep purchasing. Of course, the online reviews available on SHEIN only influenced the actual purchase. A platform like Amazon would have other things to consider as it differs from SHEIN as anyone could sell a product on the platform, which means other factors would have to be considered when using the model. Like SHEIN, though, one element that Amazon must consider includes uncontrollable variables such as market trends, economic situations, and environmental influences. Our framework recognizes these external impacts and advocates for their adaptation. For instance, during an economic downturn, Amazon could focus on affordable and essential products, while during prosperous times, it could emphasize premium offerings and innovative features.

In conclusion, our framework could offer any platform like Amazon with a strategy to improve customer engagement and brand loyalty by taking a customer-oriented approach throughout the entire process. Any platform would be able to effectively apply our model to maintain its competitive edge and drive sustained growth in the e-commerce landscape by focusing on purchase intention, optimizing the purchase process, and leveraging from online reviews, which leads to cultivating brand loyalty, building trust and familiarity, and taking into consideration variables that are not under its control.

## 7. Conclusion

Our research findings have shed shown the connection between positive online reviews and brand loyalty in the e-commerce market, focusing on SHEIN in the context of this paper. We investigated the influence of positive reviews on customers' purchase behavior, the consequences of these reviews for SHEIN, and what could have been other e-commerce platforms.

### **A Brief Recap of the Most Important Findings and Their Influence:**

We discovered that positive online reviews highly impact consumers' purchase decisions and opinions of brands. 69% of customers prefer reviews with a star rating, a textual comment, and a picture of the item on a delighted customer, meaning that customers highly value thorough and visual reviews. Positive reviews and high product ratings are extremely important, as most respondents (73%) believe a high average rating is necessary when making purchase judgments. This highlights the value of both ratings. Another finding we made is that 60% of respondents read negative reviews, highlighting the significance of authenticity and openness in online evaluations.

### **The Importance of Our Research:**

Our study contributes to a better understanding of the elements that influence customer behavior and brand loyalty in the e-commerce market. It offers important insights for SHEIN in this context. Still, it could also be insightful for other e-commerce platforms that aim to improve customer happiness, generate sales, and promote brand loyalty. These insights are provided by demonstrating the enormous influence that positive online reviews have. In order for e-commerce platforms to differentiate themselves in a sector that is extremely competitive, it is essential for them to have a solid understanding of the connection between positive online reviews and brand loyalty. Through the implementation of our framework that aims to encourage positive evaluations, improve the customer experience, and develop trust and credibility, e-commerce platforms have the potential to boost consumer happiness and drive long-term business success, which is all a part of brand loyalty. In conclusion, our research findings highlight the significance of positive online reviews in any e-commerce business regarding their influence on consumer behavior and brand loyalty.

## 8. Limitation & Future Research

In our research, our primary focus has been to develop a framework for examining how positive online reviews contribute to building brand loyalty. SHEIN was utilized as a testing ground for this framework, albeit with some resulting limitations in our study.

One significant limitation stems from SHEIN's unique positioning within the e-commerce landscape. The platform's distinctive blend of affordability and quality presents challenges when attempting direct comparisons with other e-commerce platforms. It is hard to compare SHEIN with other e-commerce platforms due to these differences in positioning and offerings. Consequently, the generalizability of our findings to broader e-commerce contexts may be constrained by this specificity.

Moreover, our study's concentrated focus on SHEIN as a case study, while offering valuable insights into this particular platform, necessitates further research to explore how the dynamics of positive online reviews unfold across diverse e-commerce environments. Future studies could delve into how variations in product offerings, pricing strategies, and target demographics influence the interplay between positive reviews and brand loyalty across a spectrum of e-commerce platforms. Furthermore, while our research briefly touched upon the significance of negative reviews, particularly in shaping consumer perceptions within SHEIN's business model, a deeper investigation into the impact of negative feedback could yield valuable insights. Understanding how SHEIN effectively manages negative reviews and addresses customer concerns could provide actionable strategies for enhancing brand loyalty, especially in challenging circumstances.

As the e-commerce landscape evolves rapidly, future research endeavors could delve into emerging trends and technologies that shape the dynamics of online reviews and brand loyalty. This might entail investigating the influence of social media platforms, influencer marketing, and artificial intelligence-driven recommendation systems on consumer behavior and brand perception within the e-commerce space.

While our research has contributed to illuminating the relationship between positive online reviews and brand loyalty, the study's reliance on SHEIN as a case study highlights inherent limitations. Addressing these limitations through comprehensive future research endeavors will enrich our understanding of consumer behavior in the digital age and offer valuable insights for e-commerce practitioners seeking to forge enduring connections with their audience.



## Part 5: References

In this section of the report, a comprehensive overview of the essential elements presented in the previous sections is provided. The structure is divided into several subsections to ensure a clear and systematic presentation of the material.

### 9. List of figures and Tables

To commence, we present a comprehensive index of all figures and tables featured throughout the report. This list provides an overview of the visual data representations and their locations within the report, facilitating navigation and reference to specific data. Next, a comprehensive reference list follows, including all the sources used and cited in the report. The reference list ensures transparency and allows for further reading and verification of the specific data underpinning the report's content.

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Tabel 16: Own illustration, 2024. How much do you feel that the positive reviews influence your loyalty to SHEIN?

## 10. References

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# 11. Appendix

Concluding our research, we include an appendix featuring a compilation of contemporary studies pertinent to our subject matter. These scholarly works have played a pivotal role in pinpointing areas for further investigation, enriching the evolution of our conceptual framework.

| Authors & Year   | Title   | Keywords   | Findings/Result  | Future Research Recommendations  |
|--|---|--|--|--|
| Wang, Q., Zhang, W., Li, J., Mai, F., & Ma, Z. (2022)                        | Effect of online review sentiment on product sales: The moderating role of review credibility perception  | Online review sentiment, product sales, review credibility perception  | credibility perception on the relationship between online review sentiment and product sales | Suggested further exploration of other potential moderating variables                                      |
| Zheng, X., Zhu, S., & Lin, Z. (2013)   | Capturing the essence of word-of-mouth for social commerce: Assessing the quality of online e-commerce reviews by a semi-supervised approach            | Word-of-mouth, social commerce, online reviews                         | Assessed the quality of online e-commerce reviews  | Recommended further investigation into other aspects of online reviews                                     |
| Marti, C. L., Liu, H., Kour, G., Bilgihan, A., & Xu, Y. (2024)               | Leveraging artificial intelligence in firm-generated online customer communities: A framework and future research agenda                                | Artificial intelligence, online customer communities                   | Proposed a framework for leveraging AI in online customer communities                        | Advocated for empirical validation of the framework in various contexts                                    |
| Li, H., Ji, H., Liu, H., Cai, D., & Gao, H. (2022)                           | Is a picture worth a thousand words? Understanding the role of review photo sentiment and text-photo sentiment disparity using deep learning algorithms | Review photos, sentiment analysis, deep learning algorithms            | Explored the role of review photo sentiment and text-photo sentiment disparity               | Recommended further investigation into other aspects of visual content in reviews                          |
| Luo, N., Zhang, M., & Liu, W. (2015)   | The effects of value co-creation practices on building a harmonious brand community and achieving brand loyalty on social media in China                | Value co-creation, brand community, brand loyalty, social media        | Explored the effects of value co-creation practices on brand community and loyalty           | Suggested exploring cross-cultural differences in value co-creation practices                              |
| Wang, Y., Tariq, S., & Alvi, T. H. (2021)                                    | Consumer decision making? Roles of psychological and managerial mechanisms  | Primary reviews, supplementary reviews, consumer decision making       | supplementary reviews in consumer decision making  | Recommended future research on emerging digital marketing trends   |
| Chaffey, D., & Smith, P. R. (2022)   | Digital marketing excellence: Planning, optimizing and integrating online marketing   | Digital marketing, online marketing                                    | Reviewed the concepts and strategies of digital marketing                                    | Suggested examining the role of technology in enhancing customer experience                                |
| Lemon, K. N., & Verhoef, P. C. (2016)  | Understanding customer experience throughout the customer journey   | Customer experience, customer journey                                  | Explored customer experience throughout the customer journey                                 | Recommended longitudinal studies to assess the long-term impact of strategies                              |
| Rane, N., Achari, A., & Choudhary, S. (2023)                                 | Enhancing customer loyalty through quality of service: Effective strategies to improve customer satisfaction, experience, relationship, and engagement  | Customer loyalty, quality of service, customer satisfaction            | Examined effective strategies to enhance customer loyalty                                    |  |
| Al-Adwan, A. S., Kokash, H., Adwan, A. A., Alhorani, A., & Yaseen, H. (2020) | Building customer loyalty in online shopping: The role of online trust, online satisfaction and electronic word of mouth                                | Customer loyalty, online trust, satisfaction, electronic word of mouth | Investigated the role of online trust, satisfaction, and eWOM in building customer loyalty   | Suggested exploring the impact of different eWOM characteristics   |
| Jia, J., Li, J., & Liu, W. (2023)  | Expectation-based consumer purchase decisions: Behavioral modeling and observations   | Consumer purchase decisions, behavioral modeling                       | Examined expectation-based consumer purchase decisions                                       | Proposed investigating the impact of expectation management strategies                                     |
| Graf, A., & Maas, P. (2008)  | Customer value from a customer perspective: A comprehensive review  | Customer value   | Reviewed customer value from the customer perspective  | Recommended empirical studies to validate theoretical models   |
| Hennig-Thurau, T., Gwinner, K. P., Walsh, G., & Gremler, D. D. (2004)        | Electronic word-of-mouth via consumer-opinion platforms: What motivates consumers to articulate themselves on the Internet?                             | Electronic word-of-mouth, consumer-opinion platforms                   | Explored motivators of electronic word-of-mouth  | Suggested investigating the impact of different types of online platforms                                  |
| Anderson, E. T., & Simester, D. I. (2014)                                    | Reviews without a purchase: Low ratings, loyal customers, and deception   | Online reviews, purchase behavior                                      | Investigated the impact of reviews without a purchase on loyal customers                     | Advocated for further exploration of the effects of deceptive reviews                                      |
| Zhang, K. Z. K., Benyoucef, M., & Zhao, S. J. (2016)                         | Building brand loyalty in social commerce: The case of brand microblogs   | Brand loyalty, social commerce, brand microblogs                       | Explored the case of brand microblogs in building brand loyalty in social commerce           | Suggested investigating the effectiveness of different social commerce platforms in building brand loyalty |
| Mishra, A. A., & Verma, M. (2023)  | Socio-demographic, shopping self-concept, and shopping-context related moderators of customer experience  | Customer experience, socio-demographic factors, shopping self-concept  | Examined moderators of customer experience   | Proposed further exploration of contextual factors affecting customer experience                           |