

**ANALYSIS OF THE IMPACT OF ONLINE PRODUCT REVIEWS
ON TEMPORAL AND COGNITIVE SEARCH COSTS:
AN EYE-TRACKING APPROACH**

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The literature on online product reviews examine the fundamental premise that reviews reduce search costs and also increase consumer confidence in their purchase decisions, which has not been proven in the previous literature. We conducted an experiment using an eye-tracking machine to measure the impact of online reviews on consumer information search costs and on decision confidence. We find that both editorial reviews and customer reviews when presented separately reduce the search time considerably, but not when present together. However, we find that the presence of both types of reviews increases decision confidence considerably, thereby, suggesting a trade-off between search time and decision confidence. When both types of reviews are presented together, the cognitive cost of processing non-review information is significantly reduced implying more efficient allocation of cognitive resources. We conclude with several managerial recommendations for ecommerce firms.

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