

INFLUENCE OF ONLINE CUSTOMER REVIEWS ON ENTREPRENEURIAL BUSINESS SUCCESS

Mrs. S. MANIMOZHI¹ Dr. M.G.MONA VISALAKSHI²

¹Assistant Professor, Department of Commerce (IT), N.M.S S.Vellaichamy Nadar College, Madurai. TN. India.

²Assistant Professor, Department of Commerce (IT), N.M.S S.Vellaichamy Nadar College, Madurai. TN. India.

ABSTRACT

The rapid growth of digital technology and e-commerce has transformed the way customers evaluate businesses and make purchasing decisions. Online customer reviews have emerged as one of the most influential sources of information that affect consumer trust, purchase intention, and business reputation. For entrepreneurs, especially small and medium enterprises (SMEs), positive customer reviews serve as a cost-effective marketing tool that enhances brand credibility and attracts new customers, whereas negative reviews may adversely affect sales and business performance. The present study examines the influence of online customer reviews on entrepreneurial business success among entrepreneurs in Madurai District. Primary data were collected from 50 entrepreneurs using a structured questionnaire through convenience sampling. Percentage analysis and Chi-square test were employed to analyze the data. The findings reveal that online customer reviews significantly influence customer acquisition, sales growth, brand image, and customer retention. The study concludes that entrepreneurs should actively manage online reviews, respond promptly to customer feedback, and maintain high-quality products and services to ensure sustainable business growth in the digital marketplace.

Keywords: Online Customer Reviews, Entrepreneurship, Business Success, Customer Satisfaction, Digital Marketing

INTRODUCTION

The emergence of digital commerce has significantly changed consumer purchasing behavior across the world. Before purchasing a product or service, consumers increasingly rely on online customer reviews to assess quality, reliability, and customer satisfaction. These reviews, posted on websites, e-commerce platforms, and social media channels, provide valuable information that influences buying decisions. Entrepreneurs, particularly those operating small and medium enterprises, benefit greatly from positive online reviews because they enhance business credibility, improve brand awareness, and increase customer trust. Consequently, online customer reviews have become an important marketing asset in today's competitive business environment.

Entrepreneurial success depends not only on product quality and pricing but also on maintaining a positive online reputation. Customer feedback available on digital platforms acts as electronic word-of-mouth communication, enabling businesses to build stronger customer relationships and attract potential buyers. Entrepreneurs who actively monitor and respond to customer reviews are more likely to improve customer satisfaction and business performance. Therefore, understanding the influence of online customer reviews on entrepreneurial business success is essential for developing effective digital marketing strategies and sustaining long-term business growth.

REVIEW OF LITERATURE

Bansal and Voyer (2000) stated that word-of-mouth communication significantly influences consumer purchasing behaviour by creating trust and reducing perceived risk. The study found that consumers consider recommendations from previous customers as more reliable than traditional advertisements. **Gupta and Harris (2010)** examined online consumer reviews and observed that positive electronic word-of-mouth improves customer confidence and increases purchase intention. The authors emphasized that entrepreneurs should encourage satisfied customers to post genuine reviews to strengthen their online reputation. **Sangeetha and Prakash (2021)** investigated the influence of online reviews on small business performance in India. Their findings revealed that customer reviews positively affect business credibility, customer loyalty, and sales growth. The study also highlighted that timely responses to customer feedback enhance customer satisfaction and strengthen entrepreneurial success.

OBJECTIVES OF THE STUDY

- ❖ To study the influence of online customer reviews on entrepreneurial business success.
- ❖ To examine the relationship between customer reviews and business reputation.
- ❖ To identify the impact of online reviews on customer purchase decisions.
- ❖ To suggest measures for improving entrepreneurial success through effective online review management.

STATEMENT OF THE STUDY

Online customer reviews have become one of the most influential factors affecting consumer decision-making and entrepreneurial business performance. Positive reviews enhance customer trust and increase business opportunities, while negative reviews may damage business reputation and reduce sales. Many entrepreneurs still lack effective strategies to manage online customer feedback and utilize reviews for business improvement. Hence, this study attempts to analyze how online customer reviews influence entrepreneurial business success and provide useful suggestions for enhancing business performance through digital reputation management.

RESEARCH METHODOLOGY

Data Collection

The present study is based on both primary and secondary data. Primary data were collected from entrepreneurs in Madurai District through a structured questionnaire. Secondary data were collected from journals, books, research articles, and online publications.

Sample Size

The study consists of 50 entrepreneurs operating different types of businesses in Madurai District.

Sampling Method

Convenience sampling technique was adopted to select respondents because of easy accessibility and availability of entrepreneurs during the study period.

Tools for Analysis

The collected data were analyzed using Percentage Analysis and Chi-square Test. Tables and simple statistical techniques were used for interpretation.

DATA ANALYSIS AND INTERPRETATION

Gender of Respondents

Gender	Frequency	Percentage
Male	28	56
Female	22	44
Total	50	100

Interpretation

The table shows that 56% of the respondents are male entrepreneurs, while 44% are female entrepreneurs. This indicates that both genders actively participate in entrepreneurial activities, although male entrepreneurs constitute a slightly higher proportion.

Age of Respondents

Age	Frequency	Percentage
Below 30	8	16
31–40	18	36
41–50	16	32
Above 50	8	16
Total	50	100

Interpretation

The majority (36%) of entrepreneurs belong to the 31–40 years age group, followed by 32% in the 41–50 years category. This indicates that middle-aged entrepreneurs are more actively engaged in business activities and digital marketing practices.

Frequency of Monitoring Online Reviews

Response	Frequency	Percentage
Daily	20	40
Weekly	18	36
Monthly	8	16
Rarely	4	8
Total	50	100

Interpretation

The table reveals that 40% of entrepreneurs monitor online customer reviews daily, while 36% review them weekly. Only 8% rarely monitor customer feedback, indicating that most entrepreneurs recognize the importance of maintaining an active online presence.

Impact of Positive Reviews on Business Growth

Opinion	Frequency	Percentage
Strongly Agree	22	44
Agree	18	36
Neutral	6	12
Disagree	4	8
Total	50	100

Interpretation

A majority of respondents (80%) either strongly agree or agree that positive online customer reviews contribute significantly to business growth. This highlights the importance of positive customer feedback in enhancing entrepreneurial success.

Overall Satisfaction with Online Customer Reviews

Satisfaction Level	Frequency	Percentage
Highly Satisfied	18	36
Satisfied	20	40
Neutral	8	16
Dissatisfied	4	8
Total	50	100

Interpretation

The findings indicate that 76% of entrepreneurs are satisfied or highly satisfied with the influence of online customer reviews on their businesses. This demonstrates that online reviews play a crucial role in strengthening customer relationships and improving business performance.

SUGGESTIONS

Entrepreneurs should encourage satisfied customers to post genuine online reviews to strengthen their digital reputation and attract potential customers. Businesses should regularly monitor review platforms, respond promptly to customer feedback, and resolve complaints professionally to build trust and loyalty. Providing consistent product quality and excellent customer service will further enhance positive reviews and improve long-term business success. Entrepreneurs should also utilize social media and digital marketing tools to engage with customers and leverage online reviews as an effective promotional strategy.

CONCLUSION

Online customer reviews have become a powerful determinant of entrepreneurial business success in the digital era. The study reveals that positive customer reviews significantly enhance business credibility, customer trust, purchase decisions, and overall business performance. Entrepreneurs who actively manage customer feedback and maintain a positive online reputation are more likely to achieve sustainable growth and competitive advantage. Therefore, online customer review management should be considered an integral part of entrepreneurial and digital marketing strategies for long-term business success.

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