

NYU Stern School of Business
Department of Information, Operations & Management Sciences
INFORMATION SYSTEMS RESEARCH SEMINAR

TOPIC: Social Bias in Online Product Ratings – A Quasi-Experimental Study

SPEAKER: Il Horn Hann (University of Maryland)

DATE: Thursday, December 6th, 2012

TIME: 4:00-5:30pm

PLACE: KMC 4-90

ABSTRACT

Social networking functions are increasingly embedded in online reputation systems. Since the value of such systems lies in their unbiasedness, how social factors influence word-of-mouth (WOM) becomes an interesting and important issue. In this paper, we investigate online friends' social influence in online book ratings. Our quasi-experimental design exploits the timing when two users form a social tie online and offers a unique method for identifying the presence of social influence while accounting for rater similarity in online book ratings. On average, rating similarity between friends is about 1.9 times higher with social influence. We further discuss the impacts of user- and book- characteristics on the focal users' susceptibility to social influence from their online friends. We find that social influence is stronger for more popular books and for users who have smaller online social networks. Underscoring an important feature of social media, we also find that more recent friends' ratings have more significant influence.

BIO

Il-Horn Hann, Associate Professor of Information Systems, teaches Managing Digital Business Markets at the Robert H. Smith School of Business at the University of Maryland. His research interest is in the intersection of IT and markets; recent projects include price competition in electronic markets, pricing in Name-Your-Own-Price markets, and online privacy. Another research interest of his is open source software. Il-Horn's papers have been published in Management Science, Journal of MIS, and Communication of the ACM. He has served on the editorial board of Information Systems Research and is currently on the editorial board of Management Science. Il-Horn received his MA and PhD from the Wharton School of the University of Pennsylvania.