PROMINENCE AND INTERPRETATION OF ONLINE CONFLICT OF INTEREST DISCLOSURES

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Appendix A

Product Review

The text of the product review was held constant for all conditions of the experiment. The review was adapted from an actual online product review.[1] The text of the review follows.

> The DSC-W170 is a smaller, lighter camera than my last camera. It also offers twice the megapixels, a wide angle lens, 5x zoom lens, bigger/better LCD and a rechargeable Li-Ion battery. The DSC-W170 is very well built, unlike some of the cheaper plastic cameras on the market. For example, Sony used a metal tripod mount instead of a plastic one. Sony used a high quality Carl Zeiss lens on this camera, much like other models in the Cyber-Shot series. However, it's a wide angle lens, so you can fit more people in a shot without backing up. On the back, you will find a beautiful 2.7" LCD, displaying an impressive 230k pixels.
>
> Features are where the W170 really shines. It features Sony's "Super SteadyShot" optical image stabilization, which really helps reduce unwanted camera shake. The face detection works very well, as does the smile shutter. A new Sony feature this year is child and adult priority, which amazingly works. "Happy Faces" is an in-camera editing feature that can make a person look like they are smiling, which works to an extent. Battery life is rated at 400 shots, which is accurate and plenty long enough for most people. Noise is not usually a problem if you don't go above ISO 800. It also has an "Easy" mode that takes away the more advanced/confusing functions. Some of the other reviewers mentioned poor image quality, which is not true. I wouldn't expect a compact point & shoot to get better results than a chunky DSLR. Image quality is excellent and most users will be very happy with the images this camera can take. Overall, the Sony DSC-W170 is a high quality camera that should satisfy anyone looking for a compact point & shoot camera. I hope this helps!

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[1]The actual review was posted on Amazon.com for the Sony Cybershot DSCW170/B 10.1MP Digital Camera at the following URL: http://www.amazon.com/review/R3L4G6CDM786ZC/.

Appendix B

Product Pages

Figures B1–B3 show sample product pages used in each experimental condition.

Figure B1. Product Webpage in the Aggregated Disagreement Condition

Figure B2. Product Webpage in the Aggregated Consensus Condition

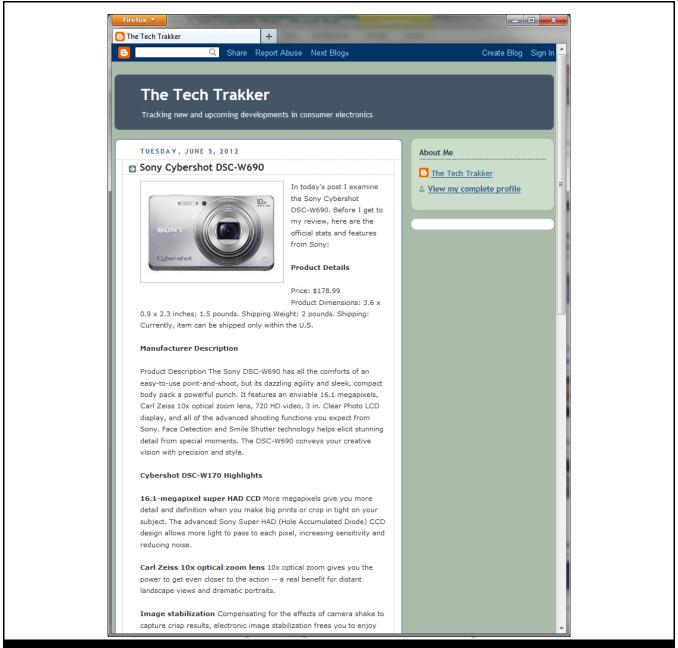**Figure B3. Product Webpage in the No Consensus Information Condition**

Appendix C

Factor Analysis Results and Descriptive Statistics ▬▬▬▬▬▬

Experiment 1

Table C1 presents the items used in Experiment 1.

Table C1. Experiment 1 Items			
Construct (Reliability)	**Reference**		**Items**
Involvement (α = .89)	Adapted from (Miller and Averbeck 2013)	I1	How important to you is the subject of selecting a good digital camera?
		I2	How relevant to you is the subject of selecting a good digital camera?
		I3	Do you consider selecting a good digital camera to be personally consequential or personally inconsequential?
		I4	Do you consider selecting a good digital camera to be personally significant or personally insignificant?
Propensity to Trust (α = .88)	Adapted from (Pavlou and Dimoka 2006)	PT1	I usually trust reviewers unless they give me a reason not to trust them.
		PT2	I generally give reviewers the benefit of the doubt.
		PT3	My typical approach is to trust reviewers until they prove I should not trust them.
		PT4	Most of the time, I believe reviewers until they give me a reason not to believe them.
Brand Attitudes (α = .94)	Adapted from (Jensen et al. 2013)	SA1	I have a positive view of Sony products.
		SA2	I think Sony products are good.
		SA3	I find Sony products to be of high quality.
Credibility (α = .95)	Adapted from (Pavlou and Dimoka 2006)	C1	This review is likely to be Honest
		C2	This review is likely to be Credible
		C3	This review is likely to be Reliable
		C4	This review is likely to be Believable

Table C2 displays the Experiment 1 Rotated Component Matrix for the factor analysis using Varimax rotation with Kaiser Normalization. The factor analysis accounted for 82.3% of the total variance. The rotation converged in five iterations.

Table C2. Rotated Component Matrix				
	Component			
	1	**2**	**3**	**4**
C1	**.911**	.092	.120	.135
C2	**.910**	.088	.147	.124
C3	**.929**	.075	.148	.133
C4	**.897**	.050	.143	.185
I1	.087	**.841**	.174	.080
I2	.056	**.871**	.098	.039
I3	.050	**.842**	.075	.113
I4	.088	**.827**	.089	.176
PT1	.284	.178	**.777**	.063
PT2	.033	.069	**.808**	.083
PT3	.087	.093	**.848**	.060
PT4	.169	.118	**.881**	.069
SA1	.197	.113	.091	**.905**
SA2	.162	.118	.092	**.924**
SA3	.145	.157	.074	**.917**

Table C3 presents the descriptive statistics for the factors.

Table C3. Descriptive Statistics					
Factor	**Min**	**Max**	**Mean**	**St. Dev.**	**Skewness (SE)**
PT	1.000	7.000	5.052	1.070	-.982 (.131)
C	1.000	7.000	4.895	1.217	-1.008 (.131)
SA	1.000	7.000	5.743	1.049	-1.245 (.131)
I	1.000	7.000	5.073	1.355	-.716 (.131)

Table C4 shows the Correlation Matrix and Average Variance Extracted (AVE) for the factors.

Table C4. Factor Correlations and AVE				
	C	**PT**	**SA**	**I**
C	(.934)			
PT	.311**	(.854)		
SA	.335**	.215**	(.943)	
I	.200**	.283**	.268**	(.864)

Square roots of the Average Variance Extracted (AVE) are shown on diagonal.
**Correlation is significant at the 0.01 level (2-tailed).

Experiment 2

Table C5 presents the items used in Experiment 2.

Table C5. Experiment 2 Items			
Construct (Reliability)	**Reference**		**Items**
Involvement (α = .94)	Adapted from (Miller and Averbeck 2013)	I1	How important to you is the subject of owning a digital camera?
		I2	How relevant to you is the subject of owning a digital camera?
		I3	Do you consider owning a digital camera to be personally significant?
		I4	Do you find the thought of owning a digital camera to be pleasurable?
		I5	Do you consider owning a digital camera to be pleasant?
		I6	Do you think of owning a digital camera as satisfying?
Propensity to Trust (α = .88)	Adapted from (Pavlou and Dimoka 2006)	PT1	I usually trust reviewers unless they give me a reason not to trust them.
		PT2	I generally give reviewers the benefit of the doubt.
		PT3	Most of the time, I believe reviewers until they give me a reason not to believe them.
		PT4	My typical approach is to trust reviewers until they prove I should not trust them.
Brand Attitudes (α = .85)	Created for this study	BA1	The brand of the product is more important than product reviews.
		BA2	I can tell all I need to about product quality by the brand of the product.
		BA3	The brand of a product is all I need to know when estimating product quality.
Credibility (α = .93)	Adapted from (Pavlou and Dimoka 2006)	C1	This review is likely to be Honest
		C2	This review is likely to be Credible
		C3	This review is likely to be Reliable

Table C6 displays the Experiment 2 Rotated Component Matrix for the factor analysis using Varimax rotation with Kaiser Normalization. The factor analysis accounted for 78.3% of the total variance. The rotation converged in five iterations.

Table C6. Rotated Component Matrix				
	Component			
	1	**2**	**3**	**4**
I1	**.883**	.030	.057	-.002
I2	**.856**	.060	.034	.003
I3	**.867**	.014	.100	.065
I4	**.883**	.071	.048	-.050
I5	**.890**	.063	.038	-.026
I6	**.865**	.080	.061	.032
PT1	.013	**.867**	.066	-.007
PT2	.146	**.778**	.104	-.035
PT3	.026	**.895**	.043	.012
PT4	.058	**.876**	.055	.011
C1	.098	.071	**.917**	.011
C2	.096	.110	**.936**	.014
C3	.048	.078	**.920**	.079
BA1	.073	-.051	.027	**.844**
BA2	-.018	.029	.077	**.899**
BA3	-.043	.006	-.007	**.880**

Table C7 presents the descriptive statistics for the factors.

Table C7. Descriptive Statistics					
Factor	**Min**	**Max**	**Mean**	**St. Dev.**	**Skewness (SE)**
C	1.000	7.000	4.280	1.530	-.515 (.121)
PT	1.000	7.000	4.850	1.050	-.727 (.121)
I	1.000	7.000	4.069	1.824	-.374 (.121)
BA	1.000	7.000	3.756	1.332	-.068 (.121)

Table C8 shows the Correlation Matrix and Average Variance Extracted (AVE) for the factors.

Table C8. Factor Correlations and AVE				
	C	**PT**	**I**	**BA**
C	(.933)			
PT	.158**	(.853)		
I	.138**	.106*	(.876)	
BA	.102*	-.021	-.018	(.875)

Square roots of the Average Variance Extracted (AVE) are shown on diagonal.
**Correlation is significant at the 0.01 level (2-tailed).
*Correlation is significant at the 0.05 level (2-tailed).

Appendix D

Complete Results of ANCOVAs and Means for Each Experiment Condition ▮▮▮

Experiment 1

Table D1 displays the credibility means for all of the conditions in Experiment 1.

Table D1. Credibility Means for Each Condition in Experiment 1			
Independent Variables			
Consensus Condition	**Disclosure Condition**	***n***	**Credibility *(SD)***
Aggregated Consensus	No Disclosure	27	4.89 (1.44)
	Disclosure in Text	28	5.20 (0.83)
	Disclosure at Bottom	26	3.67 (1.87)
	Disclosure Statement	27	5.05 (0.96)
Aggregated Disagreement	No Disclosure	29	5.17 (0.74)
	Disclosure in Text	32	4.96 (0.84)
	Disclosure at Bottom	27	4.64 (1.30)
	Disclosure Statement	31	5.16 (1.05)
No Consensus Information	No Disclosure	32	5.27 (1.24)
	Disclosure in Text	28	5.01 (0.95)
	Disclosure at Bottom	32	4.49 (1.24)
	Disclosure Statement	27	5.06 (1.16)

Table D2 shows the results for the univariate tests performed as part of Experiment 1.

Table D2. Univariate Between-Subjects Effects for Credibility								
Source	**Type III Sum of Squares**	**Df**	**Mean Square**	**F**	**Sig.**	**Partial Eta Squared**	**Noncent. Parameter**	**Observed Power**
Corrected Model	138.723	14	9.909	8.771	.000	.271	122.801	1.000
Intercept	19.112	1	19.112	16.919	.000	.049	16.919	.984
PT	16.716	1	16.716	14.797	.000	.043	14.797	.970
SA	26.937	1	26.937	23.846	.000	.067	23.846	.998
I	4.822	1	4.822	4.269	.040	.013	4.269	.540
Consensus	3.117	2	1.559	1.380	.253	.008	2.760	.296
Disclosure	36.942	3	12.314	10.901	.000	.090	32.702	.999
Consensus * Disclosure	9.973	6	1.662	1.471	.187	.026	8.829	.570
Error	373.916	331	1.130					
Total	8793.333	346						
Corrected Total	512.638	345						

Credibility R^2 = .271 (Adjusted R Squared = .240)

Experiment 2

Table D3 displays the credibility means for all of the conditions in Experiment 2.

Table D3. Means of the Dependent Variables for Each Condition in Experiment 2			
Independent Variables			
Disclosure Condition	**Consensus Condition**	***n***	**Credibility *(SD)***
Aggregated Consensus	No Disclosure	42	4.60 (1.12)
	Disclosure, No Warning	43	3.84 (1.36)
	Disclosure, Warning	45	4.22 (1.78)
Aggregated Disagreement	No Disclosure	46	4.96 (0.99)
	Disclosure, No Warning	45	4.21 (1.62)
	Disclosure, Warning	46	3.30 (1.48)
No Consensus Information	No Disclosure	44	5.18 (1.09)
	Disclosure, No Warning	43	4.16 (1.64)
	Disclosure, Warning	50	4.07 (1.66)

Table D4 shows the results for the univariate tests performed as part of Experiment 2.

Table D4. Univariate Between-Subjects Effects for Credibility								
Source	**Type III Sum of Squares**	**Df**	**Mean Square**	**F**	**Sig.**	**Partial Eta Squared**	**Noncent. Parameter**	**Observed Power**
Corrected Model	175.680	11	15.971	8.150	.000	.186	89.651	1.000
Intercept	52.030	1	52.030	26.551	.000	.063	26.551	.999
PT	32.914	1	32.914	16.796	.000	.041	16.796	.983
I	13.479	1	13.479	6.879	.009	.017	6.879	.744
BA	7.665	1	7.665	3.911	.049	.010	3.911	.505
Disclosure	98.575	2	49.287	25.152	.000	.114	50.303	1.000
Consensus	7.158	2	3.579	1.826	.162	.009	3.653	.381
Disclosure * Consensus	20.249	4	5.062	2.583	.037	.026	10.333	.726
Error	768.168	392	1.960					
Total	8333.472	404						
Corrected Total	943.848	403						

Credibility R Squared = .186 (Adjusted R Squared = .163)

Appendix E

Coding of Open-Ended Responses

As part of Experiment 1, participants were asked how the review affected their opinion about the digital camera and were free to list their thoughts. To gain further insight into how disclosures affected participants' attitudes, their responses were coded by two trained coders who were not involved in the study and were unaware of the study's hypotheses and findings. The coders read through all participant responses and recorded whether or not the participants mentioned the disclosure, and expressed positive and/or negative attitudes in response to the review. Coders also recorded whether or not the review increased or decreased reviewer credibility. Coding definitions, reliabilities (kappa, see Cohen 1960), and verbatim examples are shown in Table E1.

Table E1. Coding Scheme Applied to Participant Responses			
Code	**Definition**	**Kappa**	**Examples (verbatim)**
Mentioned Disclosure	Did the participant make reference to the disclosure statement in the response? (Yes/No)	.984	"Interesting because she was paid by Sony to review" "it was a paid review therefore suspect"
Favorable Attitudes	Did the participant express favorable attitudes in response to the review? (Yes/No)	.793	"it made me want to view and access the camera more than before" "I thought it was a good, to the point review"
Negative Attitudes	Did the participant express negative attitudes in response to the review? (Yes/No)	.641	"Not at all since there was an extreme bias." "The reviewer pointed out features I would not want in digital camera, making it less appealing to me."
Increase Credibility	Did the review increase the reviewer's credibility? (Yes/No)	.755	"This review is written by very knowledgable person. This review makes alot of sense and it did help me understand sony cyber shot better. After reading the review i am convinced that i should buy this camera." "it sounded like the reviewer was proficient in using digital cameras and used some language which was somewhat unfamiliar to me. Basically, the review made the camera sound like a very good choice."
Decrease Credibility	Did the review decrease the reviewer's credibility? (Yes/No)	.946	"The review lose credibility when at the end the review stated that they were paid to write the review and received a free camera. I like to see reviews from customers." "the fact he was paid to review the camera suggests a bias towards showing the camera in a positive light, makes me doubt the review"

The coders produced reliability scores ranging from .641 - .984, indicating substantial agreement across all coding categories (Landis and Koch 1977). The authors reviewed and settled the few disagreements raised by the coders. The results of the coding are shown in Table E2 for all participants. Table E3 displays the results for only those participants who reported having read the disclosure statement.

Table E2. Coding Results from All Participants					
Condition	**% Mentioned Disclosure (count)**	**% Positive Att. (count)**	**% Negative Att. (count)**	**% Increase Credibility (count)**	**% Decrease Credibility (count)**
No Disclosure	0.0% (0)	65.2% (58)	4.5% (4)	2.2% (2)	1.1% (1)
Disclosure in Text	10.2% (9)	55.7% (49)	5.7% (5)	4.5% (4)	6.8% (6)
Disclosure at Bottom	25.6% (22)	54.7% (47)	20.9% (18)	0.0% (0)	23.3% (20)
Disclosure Statement	2.4% (2)	51.8% (44)	8.2% (7)	7.1% (6)	5.9% (5)
Total	9.5% (33)	56.9% (198)	9.8% (34)	3.4% (12)	9.2% (32)

Table E3. Coding Results from Participants Who Reported They Read the Disclosure					
Condition	**% Mentioned Disclosure (count)**	**% Positive Att. (count)**	**% Negative Att. (count)**	**% Increase Credibility (count)**	**% Decrease Credibility (count)**
Disclosure in Text	14.7% (5)	50.0% (17)	8.8% (3)	5.9% (2)	11.8% (4)
Disclosure at Bottom	33.9% (19)	55.4% (31)	25.0% (14)	0.0% (0)	28.6% (16)
Disclosure Statement	5.9% (1)	52.9% (9)	5.9% (1)	11.8% (2)	11.8% (2)
Total	23.4% (25)	53.3% (57)	16.8% (18)	3.7% (4)	20.6% (22)

Participants expressed largely positive attitudes in repose to the review. Among all participants, 56.9% expressed positive attitudes and only 9.8% of participants expressed negative attitudes. Even among those who reported that they had read the disclosure statement, there was still a prevalence of positive attitudes in response to the review (between 50.0% and 55.4%), as opposed to a low incidence of negative attitudes (between 5.9% and 25.0%). This finding suggests that consumers positively evaluate eWOM in general, and the finding is robust even when the possibility of a conflict of interest is disclosed and noticed.

Consistent with the study findings, the most pronounced reaction to the disclosure was in the disclosure at bottom condition. Participants in this condition mentioned the disclosure the most (25.6%) and also reported the highest levels of negative attitudes (20.9%) and the highest reduction in credibility (23.3%). However, participants in this condition also reported positive attitudes (54.7%) that were roughly equivalent to the other conditions (56.9% on average). This finding is intriguing because frequently positive and negative attitudes were expressed in the same response. Several examples are reproduced verbatim below from participants who were in the disclosure at bottom condition:

> The reviewer seemed to have a high degree of knowledge regarding the technology and specifics of a digital camera and had read or heard other reviews specifically related to this camera. It was obvious that he knew what he was talking about. However, the fact that he was paid and received a free camera makes me question his concern for me as a consumer.

> Favorable but would also look at less favorable reviews.   Fact that he was paid and received free camera reduced credibility.

> I liked the attention to detail. I don't know about getting paid to write the review or the free camera part, I highly doubt that.

> It pointed out all of the good and new specs of the camera, which was a plus.   It compared it to other cameras, without naming names though. The ending where they added the disclaimer about receiving a free camera and payment for their review made me seriously, seriously question their reliability though, so I would look for other, unbiased reviews before really believing this one.

These findings suggest that some participants derived value from the review and expressed positive attitudes even though they knew the reviewer was compensated. This tendency may be evidence of a hesitation to completely derogate compensated reviews and suggests that eWOM may retain some influence even when the potential for a conflict of interest is clearly recognized and understood.

Finally, as we noted in the manuscript, there were several participants who reported having read a disclosure, but also reported increased credibility attributions. An example is reproduced verbatim below:

> The reviewer seems an expert in cameras and I am not, so I trust him plus he compared it with previously used camera, so its influenses me to think about this camera.

This finding suggests the possibility of a boomerang effect whereby participants respond oppositely to what was expected (Hovland et al. 1957). Rather than decrease credibility, these disclosures elevated credibility, although such responses were limited to a few participants.

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