SUS20

Product Description Quality: What Difference Does It Make?

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Abstract

Product description quality in an online market may sound trivial yet it possesses profound implications for business sustainability. Description quality directly impacts brand building, which further defines pricing strategies. Strategic spaces for international sellers with lower quality product descriptions are often limited to cutting-throat price competitions, which causes two sustainability issues: 1. Unsustainable business strategy that triggers short-term focused actions, such as unethical business practices and/or low R&D resources. 2. Low prices often entail low cost, low quality and sometimes high pollution products. To persuade sellers from engaging in these unsustainable actions, presenting sellers with economic incentives, such as business outcome losses due to description quality, can be more convincing and persuasive. In this study, we endeavor to identify if and how product descriptions may lead to any business outcome consequences. Our current findings show that product description quality failed to display statistically significant impacts on conventional online business outcome measures, such as pricing, consumer review, or marketplace ranking. A key impact identified is demand elasticity, where product description quality can alleviate the tension in demand elasticity. This added pricing power as a result of good product descriptions is a surprising yet tangible benefit that may help sellers reverse some of their unsustainable strategic actions.

Conference Track

Sustainability Issues in Decision Making