Abstract

A decision maker consults product reviews sequentially on a platform. Reviews are either authentic or fake and each review is costly to read. In each round, the decision maker chooses in a sequentially rational way whether and which review to read. The platform's ordering rule determines the order of presentation of reviews as a function of their probability of being fake. We characterize the optimal ordering rule and show that it is stochastic. We find that removing reviews that are likely to be fake may worsen information transmission and that it is not true that reviews that are less likely to be fake should be consulted first.