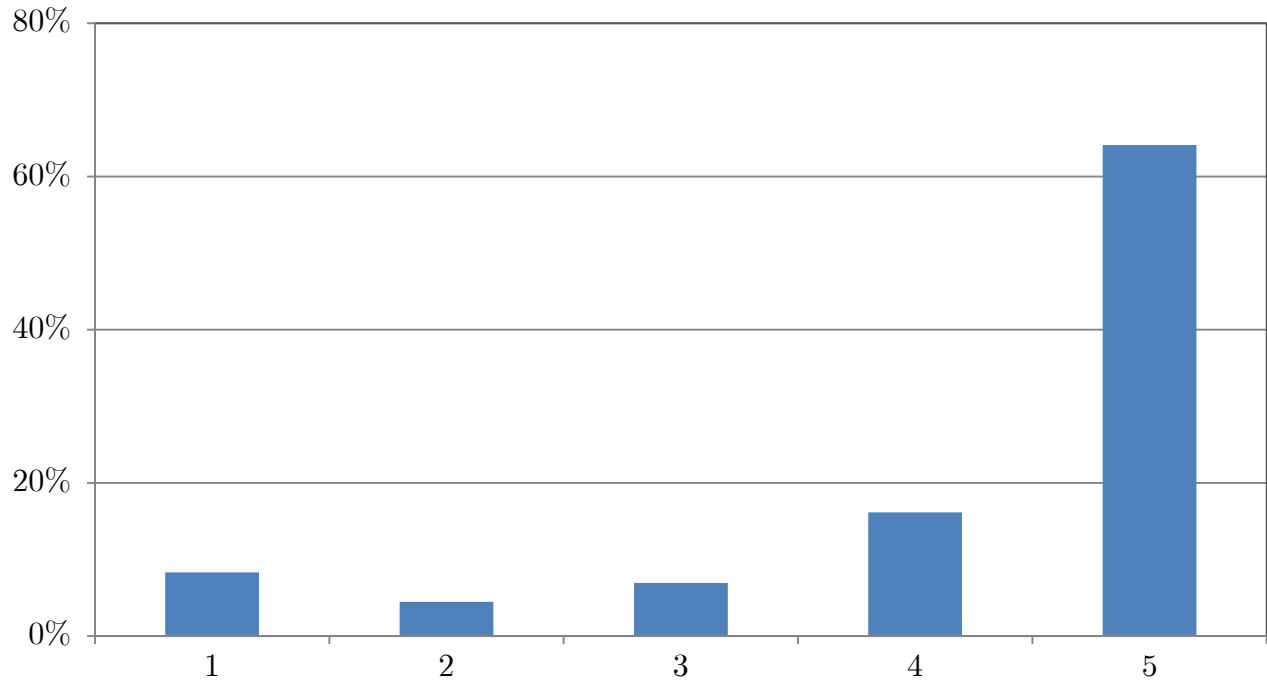


INTERNET APPENDIX FOR  
The Customer Knows Best: The Investment Value of  
Consumer Opinions

(Not Intended for Publication)



**Figure IA-1: Distribution of customer product ratings**

This figure plots the frequency distribution of customer product ratings on Amazon.com based on the sample of reviews for public firms. The ratings range from one star to five stars.

**Table IA-1**

List of firms with customer reviews on Amazon.com

This table provides the list of firms with customer reviews on Amazon.com. To be included in the sample, a firm has to be publicly traded on NYSE, AMEX, or Nasdaq, have financial and stock returns data from Compustat and CRSP, and have at least 10 customer reviews in a month. For each firm, I report the name of the company, the industry using Fama and French 12 industry classification, the starting and ending dates and the number of months the firm is included in the sample, and the average number of reviews per month.

Company Name	Industry	Start	End	# of months	Avg # of reviews
3M Co	Manuf	10/2004	12/2015	126	2,678
ABB Ltd	Manuf	6/2012	12/2014	31	31
Abbott Laboratories	Health	9/2005	12/2015	105	364
Abercrombie & Fitch	Shops	12/2012	12/2015	34	21
ACCO Brands Corp	BusEq	7/2006	12/2015	111	1,568
Accuride Corp	Durbl	8/2015	8/2015	1	10
Acme United Corp	Manuf	1/2009	12/2015	75	185
Activision Inc.	BusEq	7/2004	12/2015	126	1,217
Acura Pharmaceuticals Inc.	Health	11/2012	12/2015	35	57
Adobe Systems Inc.	BusEq	1/2005	12/2015	114	90
Aerostale Inc.	Shops	5/2013	12/2015	30	26
Akorn Inc.	Health	1/2013	12/2015	23	21
Alberto-Culver Co	Chems	3/2010	4/2011	5	16
Alcon Inc.	Health	11/2010	3/2011	4	14
Alere Inc.	Health	1/2007	12/2014	58	149
Allergan Inc.	Health	7/2010	2/2015	44	76
Allison Transmission Holdings	Durbl	7/2015	10/2015	3	12
Alphabet Inc.	BusEq	2/2010	12/2015	80	778
AMC Networks Inc.	Telcm	11/2012	12/2015	35	100
American International Industries	Shops	1/2009	7/2010	12	15
Anheuser-Busch Inbev	NoDur	8/2012	12/2015	19	60
Annie's Inc.	NoDur	7/2012	9/2014	27	99
Apple Inc.	BusEq	7/2004	12/2015	134	2,247
Arcos Dorados Holdings Inc.	Shops	12/2013	3/2015	4	11
AU Optronics Corp	BusEq	2/2006	12/2015	91	67
Autodesk Inc.	BusEq	10/2012	11/2015	34	22
Avery Dennison Corp	Manuf	8/2005	12/2015	109	727
AVG Technologies NV	BusEq	7/2013	12/2015	27	109
Avon Products	Chems	1/2006	12/2015	103	331
B&G Foods Inc.	NoDur	8/2009	12/2015	72	126
Bare Escentuals, Inc.	Chems	7/2007	2/2010	32	33
Barnes & Noble Inc.	Shops	11/2010	12/2015	62	73
Bausch & Lomb Holdings	Health	7/2006	6/2007	5	13
Bebe Stores Inc.	NoDur	9/2012	9/2015	17	14
Big Heart Pet Brands	NoDur	6/2009	2/2011	9	20
Biglari Holdings Inc.	Shops	1/2015	12/2015	3	15
Black & Decker Corp	Manuf	7/2004	2/2010	68	711
Blackberry Ltd	BusEq	8/2005	12/2015	111	697
Block H & R Inc.	BusEq	1/2005	12/2015	93	189
Boulder Brands Inc.	NoDur	9/2014	8/2015	4	14
Bridgford Foods Corp	NoDur	2/2013	10/2015	17	13
Briggs & Stratton	Manuf	9/2009	9/2015	69	369
Brinker International Inc.	Shops	12/2014	12/2015	4	16
Bristol-Myers Squibb Co	Health	9/2008	12/2015	64	89

Buffalo Wild Wings Inc.	Shops	4/2013	12/2015	18	32
Build-A-Bear Workshop Inc.	Shops	12/2013	12/2015	16	14
CA Inc.	BusEq	11/2006	8/2007	5	12
Cadbury Plc	NoDur	2/2008	2/2010	4	16
Calgon Carbon Corp	Chems	10/2011	12/2015	44	50
Callaway Golf Co	NoDur	2/2011	12/2015	51	114
Campbell Soup Co	NoDur	10/2007	12/2015	93	500
Canon Inc.	BusEq	1/2005	12/2015	93	2,027
Caribou Coffee Co	Shops	11/2006	12/2012	72	72
Carter's Inc.	NoDur	1/2010	12/2015	69	412
CCA Industries Inc.	Chems	8/2008	12/2015	76	117
Central Garden & Pet Co	Shops	12/2005	12/2015	102	1,039
Cenveo Inc.	Manuf	1/2010	12/2015	66	88
Charter Communications Inc.	Telecm	1/2014	9/2015	17	17
Chattem Inc.	Health	1/2009	1/2010	6	13
Cheesecake Factory Inc.	Shops	1/2014	12/2015	14	21
Church & Dwight Inc.	Chems	7/2006	12/2015	96	437
Cisco Systems Inc.	BusEq	7/2004	12/2015	138	178
Clarus Corp	BusEq	7/2011	12/2015	51	152
Clorox Co	Chems	2/2006	12/2015	108	700
Coach Inc.	NoDur	9/2011	12/2015	45	126
Coca-Cola Bottling Co	NoDur	7/2004	12/2015	134	760
Colgate-Palmolive Co	Chems	8/2004	12/2015	103	622
Columbia Sportswear Co	NoDur	12/2010	12/2015	57	140
Comcast Corp	Telecm	2/2011	12/2015	112	501
ConAgra Foods Inc.	NoDur	8/2006	12/2015	107	233
Corel Corp	BusEq	7/2007	12/2009	30	62
Costco Wholesale Corp	Shops	6/2008	12/2015	86	472
Coty Inc.	Chems	7/2014	12/2015	15	6,097
Covidien Plc	Health	1/2013	12/2014	13	16
Cracker Barrel Old Country Store	Shops	12/2013	12/2015	13	18
Cree Inc.	BusEq	5/2012	12/2015	43	172
Crocs Inc.	Manuf	11/2009	12/2015	43	24
CVS Health Corp	Shops	12/2012	12/2015	21	18
Danaher Corp	BusEq	11/2006	12/2015	91	190
Darden Restaurants Inc.	Shops	12/2015	12/2015	1	22
Dean Foods Co	NoDur	7/2007	12/2014	82	53
Deckers Outdoor Corp	NoDur	12/2010	12/2015	49	102
Deere & Co	Manuf	1/2007	12/2015	55	197
DEI Holdings Inc.	Durbl	5/2007	12/2008	12	12
Dell Inc.	BusEq	9/2005	9/2013	93	389
Delphi Automotive Plc	Durbl	7/2004	9/2005	12	24
Derma Sciences Inc.	Health	7/2012	12/2015	36	28
Destination Maternity Corp	Shops	9/2014	12/2015	10	37
Diamond Foods Inc.	NoDur	3/2007	12/2015	104	231
Diebold Inc.	BusEq	3/2005	12/2014	107	282
Diedrich Coffee Inc.	Shops	11/2008	4/2010	10	14
Diplomat Pharmacy Inc.	Shops	7/2015	12/2015	3	49
Discovery Communications Inc.	Telecm	12/2008	12/2015	103	165
Disney (Walt) Co	Telecm	7/2004	12/2015	135	2,111
Dole Food Co Inc.	NoDur	6/2013	7/2013	2	12
Dorman Products Inc.	Durbl	11/2008	12/2015	81	758
Dr. Pepper Snapple Group Inc.	NoDur	7/2009	12/2015	76	185
DreamWorks Animation Inc.	Other	7/2005	7/2014	107	47
Eastman Kodak Co	Manuf	12/2004	12/2015	88	156
Eaton Corp Plc	Durbl	3/2009	12/2015	64	70
Edgewell Personal Care Co	BusEq	11/2004	12/2015	117	794
Electronic Arts Inc.	BusEq	7/2004	12/2015	135	1,618

Elizabeth Arden Inc.	Chems	9/2005	12/2015	103	228
Ellis Perry International Inc.	NoDur	9/2010	12/2015	62	101
EMC Corp	BusEq	3/2011	12/2014	12	11
Emerson Electric Co	Manuf	2/2007	12/2015	101	336
Everlast Worldwide Inc.	NoDur	1/2007	5/2007	3	16
Famous Dave's of America Inc.	Shops	3/2013	12/2015	17	12
Federal-Mogul Holdings Corp	Durbl	2/2010	12/2015	66	116
Fortune Brands Home & Security	Manuf	7/2012	12/2015	42	1,984
Fossil Group Inc.	Manuf	1/2007	12/2015	92	191
Franklin Electronic Publish	BusEq	1/2007	1/2010	16	11
Fresh Del Monte Produce Inc.	NoDur	11/2012	11/2015	29	17
Fujifilm Holdings Corp	Manuf	1/2007	6/2009	9	14
Gaiam Inc.	Shops	8/2004	12/2015	134	337
GameStop Corp	Shops	12/2010	12/2015	59	94
Gap Inc.	Shops	11/2012	12/2015	37	27
Garmin Ltd	BusEq	7/2004	12/2015	135	3,432
Generac Holdings Inc.	Manuf	7/2011	12/2015	51	81
General Electric Co	Other	7/2004	12/2015	132	845
General Mills Inc.	NoDur	3/2006	12/2015	112	270
Gildan Activewear Inc.	NoDur	12/2011	12/2015	42	72
Gillette Co	Manuf	7/2004	9/2005	9	16
GlaxoSmithKline Plc	Health	12/2008	12/2015	66	94
Goodrich Corp	Manuf	1/2012	5/2012	4	18
GoPro Inc.	Other	7/2015	12/2015	3	6,150
Guess Inc.	NoDur	12/2010	12/2015	58	155
Hain Celestial Group Inc.	NoDur	9/2004	12/2015	119	1,304
Hanesbrands Inc.	Shops	7/2008	12/2015	87	702
Harley-Davidson Inc.	Durbl	12/2010	12/2015	48	98
Harman International Industries	Durbl	12/2004	12/2015	127	751
Harvard Bioscience Inc.	BusEq	9/2012	12/2014	28	60
Hasbro Inc.	NoDur	7/2004	12/2015	138	998
Hauppauge Digital Inc.	BusEq	11/2008	10/2013	58	30
Helen of Troy Ltd	Durbl	1/2007	12/2015	92	519
Hershey Co	NoDur	1/2007	12/2015	97	430
Hewlett-Packard Co	BusEq	7/2004	12/2015	137	1,631
Hillshire Brands Co	NoDur	7/2004	7/2014	30	15
Home Depot Inc.	Shops	1/2007	12/2015	99	317
Honeywell International Inc.	Manuf	12/2005	12/2014	105	543
Hormel Foods Corp	NoDur	5/2009	12/2015	71	88
Imation Corp	BusEq	12/2004	12/2015	125	134
Immucell Corp	Health	8/2011	12/2015	47	111
Imperial Sugar Co	NoDur	1/2008	5/2012	20	27
Ingersoll-Rand Plc	Manuf	4/2008	12/2015	72	85
Intel Corp	BusEq	1/2007	12/2015	108	320
Intuit Inc.	BusEq	8/2004	12/2015	128	596
Invacare Corp	Health	7/2006	12/2015	101	146
Ionis Pharmaceuticals Inc.	Health	7/2015	12/2015	3	12
Jakks Pacific Inc.	NoDur	7/2004	12/2015	127	82
Jarden Corp	Durbl	2/2005	12/2015	127	2,455
Johnson & Johnson	Health	9/2004	12/2015	129	912
Jones Soda Co	NoDur	1/2011	6/2012	2	12
Kate Spade & Co	NoDur	1/2007	12/2015	96	188
Kellogg Co	NoDur	6/2006	12/2015	111	255
Kenneth Cole Productions, Inc.	NoDur	12/2007	8/2012	46	53
Keurig Green Mountain Inc.	NoDur	9/2005	12/2015	118	1,820
Kimberly-Clark Corp	Manuf	8/2005	12/2015	116	635
KMG Chemicals Inc.	Chems	10/2014	12/2015	15	24
Kohl's Corp	Shops	1/2009	12/2015	63	52

Kona Grill Inc.	Shops	6/2014	12/2015	16	337
Konami Holdings Corp	BusEq	7/2004	3/2015	129	171
Koninklijke Philips	Other	6/2005	12/2015	123	1,949
Koss Corp	Durbl	10/2004	12/2015	130	147
Kraft Foods Group Inc.	Other	7/2013	6/2015	24	2,176
Kraft Heinz Co	NoDur	10/2010	5/2013	21	24
Krispy Kreme Doughnuts Inc.	Shops	8/2014	12/2015	16	80
Kyocera Corp	BusEq	1/2007	12/2015	71	67
L Brands Inc.	Shops	8/2008	12/2015	85	437
Lauder (Estee) Cos Inc.	Chems	9/2005	12/2015	114	730
Leapfrog Enterprises Inc.	NoDur	7/2004	12/2015	135	407
Leggett & Platt Inc.	Durbl	5/2011	12/2015	42	26
Lenox Group Inc.	Manuf	3/2005	4/2008	30	69
Lexmark International Inc.	BusEq	9/2005	1/2015	79	74
Lifetime Brands Inc.	Manuf	8/2005	12/2015	112	212
Lions Gate Entertainment	Other	7/2004	12/2015	135	269
Logitech International SA	BusEq	7/2004	12/2015	138	6,705
Luxottica Group Spa	Health	2/2008	12/2015	86	672
Madden Steven Ltd	NoDur	5/2014	12/2015	10	17
Magna International Inc.	Durbl	6/2012	12/2015	39	114
Majesco Entertainment Co	BusEq	7/2006	12/2015	113	84
MakeMusic Inc.	BusEq	1/2013	1/2013	1	13
Makita Corp	Manuf	10/2005	3/2013	77	92
Mannatech Inc.	Health	5/2010	12/2015	56	48
Marriott International Inc.	Other	7/2014	6/2015	6	13
Masco Corp	Manuf	4/2007	12/2015	99	357
Mattel Inc.	NoDur	7/2004	12/2015	138	2,769
Maytag Corp	Durbl	7/2004	3/2006	21	65
McAfee Inc.	BusEq	7/2004	2/2011	76	46
McCormick & Co Inc.	NoDur	8/2008	12/2015	78	362
McDonald's Corp	Shops	11/2013	12/2015	11	63
Mead Johnson Nutrition Co	NoDur	7/2010	12/2015	64	88
Meade Instruments Corp	BusEq	7/2011	8/2013	22	23
Medialink Worldwide Inc.	Other	8/2009	8/2009	1	11
Medifast Inc.	NoDur	7/2012	12/2015	35	50
Merck & Co	Health	6/2013	11/2015	23	15
MetroPCS Communications Inc.	Telec	2/2011	12/2015	44	65
Michael Kors Holdings Ltd	NoDur	7/2012	12/2015	39	639
Micron Technology Inc.	BusEq	5/2007	12/2015	103	554
Microsoft Corp	BusEq	7/2004	12/2015	138	1,566
Microstrategy Inc.	BusEq	9/2012	12/2015	32	95
Molson Coors Brewing Co	NoDur	1/2015	1/2015	1	10
Mondelez International Inc.	NoDur	7/2004	12/2015	116	546
Monsanto Co	NoDur	4/2011	12/2015	56	90
Monster Beverage Corp	NoDur	1/2009	12/2015	49	184
Motorola Solutions Inc.	BusEq	5/2005	1/2011	68	312
MSA Safety Inc.	Health	2/2010	12/2015	58	29
Myers Industries Inc.	Manuf	6/2010	12/2015	59	114
Nacco Industries	Manuf	7/2004	12/2015	130	1,501
Nature's Sunshine Prods Inc.	Health	1/2011	12/2015	50	100
Nautilus Inc.	NoDur	11/2008	12/2015	75	60
Neenah Paper Inc.	Manuf	9/2010	12/2015	55	161
Netgear Inc.	BusEq	7/2004	12/2015	138	470
Newell Rubbermaid Inc.	NoDur	7/2004	12/2015	135	2,329
Nike Inc.	Manuf	9/2005	12/2015	111	640
Nokia Corp	BusEq	1/2007	12/2015	104	421
Nordstrom Inc.	Shops	1/2014	12/2015	13	27
Novartis AG	Health	11/2008	12/2015	56	134

NPS Pharmaceuticals Inc.	Health	11/2012	1/2015	27	59
Nu Skin Enterprises	Health	7/2012	12/2015	36	51
Nuance Communications Inc.	BusEq	7/2011	12/2015	41	107
Nutraceutical International Corp	Health	12/2012	10/2015	28	14
Nutrisystem Inc.	Shops	1/2014	10/2015	8	12
O'Reilly Automotive Inc.	Shops	2/2009	12/2015	77	112
Obagi Medical Products Inc.	Health	6/2010	3/2013	34	52
Oragenics Inc.	Health	1/2015	7/2015	3	12
Oxford Industries Inc.	NoDur	7/2011	12/2015	47	111
Panasonic Corp	Manuf	5/2005	3/2013	88	587
Pandora Media Inc.	BusEq	6/2013	12/2015	26	79
Panera Bread Co	Shops	11/2014	12/2015	11	22
Parker-Hannifin Corp	Manuf	4/2015	11/2015	4	16
Penney (J C) Co	Shops	5/2015	12/2015	6	28
Pentair Plc	BusEq	7/2013	12/2015	30	298
Pentair Inc.	Manuf	6/2010	9/2012	26	23
Pepsico Inc.	NoDur	9/2006	12/2015	103	417
Perrigo Co Plc	Health	2/2013	12/2015	31	39
Pfizer Inc.	Health	8/2005	12/2015	66	261
Photo Control Corp	Manuf	12/2006	7/2009	28	38
Physicians Formula Holdings	Chems	1/2010	11/2012	25	23
Plantronics Inc.	BusEq	8/2005	12/2015	116	437
Playtex Products Inc.	Manuf	7/2004	6/2006	22	14
Polycom Inc.	BusEq	4/2011	12/2015	46	22
Prana Biotechnology Ltd	Health	8/2011	12/2015	25	75
Prestige Brands Holdings	Shops	4/2010	12/2015	65	69
Primo Water Corp	Other	7/2011	12/2015	51	52
Procter & Gamble Co	Chems	8/2004	12/2015	136	4,589
Prophase Labs Inc.	Health	10/2013	11/2015	14	33
PVH Corp	NoDur	1/2007	12/2015	101	521
QLT Inc.	Health	5/2013	12/2015	21	15
Quantum Corp	BusEq	7/2004	12/2015	63	66
Quiksilver Inc.	NoDur	12/2012	8/2015	30	100
R F Industries Ltd	BusEq	7/2011	12/2015	54	411
Radica Games Ltd	NoDur	11/2004	4/2006	15	18
Ralph Lauren Corp	NoDur	4/2011	12/2015	39	66
Red Robin Gourmet Burgers	Shops	12/2013	12/2015	15	19
Reeds Inc.	NoDur	8/2012	12/2015	37	28
Replidyne Inc.	Health	11/2012	12/2015	32	17
Restaurant Brands International	Shops	1/2014	8/2014	4	16
Revlon Inc.	Chems	1/2007	12/2015	101	671
Rockwell Automation	Manuf	11/2008	12/2015	80	70
Rogers Communications	Telecom	11/2012	12/2015	38	30
Rosetta Stone Inc.	BusEq	7/2010	12/2015	63	51
Ross Stores Inc.	Shops	10/2015	12/2015	3	21
RPM International Inc.	Chems	9/2007	12/2015	85	312
RS Legacy Corp	Shops	10/2012	1/2015	23	64
Safeway Inc.	Shops	12/2010	12/2014	36	78
Saks Inc.	Shops	1/2011	10/2013	15	49
Salton Inc.	Durbl	7/2004	7/2007	36	175
SanDisk Corp	BusEq	7/2004	12/2015	138	3,746
Sanofi	Health	7/2010	12/2014	27	201
SAP SE	BusEq	3/2015	6/2015	3	12
Schiff Nutrition International Inc.	Health	8/2008	11/2012	31	26
Scotts Miracle-Gro Co	Chems	5/2007	12/2015	89	284
Seagate Technology Plc	BusEq	5/2007	12/2015	100	630
Sealy Corp	Durbl	12/2010	2/2013	21	15
Sears Holdings Corp	Shops	6/2008	12/2015	77	201

Seneca Foods Corp	NoDur	12/2010	12/2015	108	50
Sherwin-Williams Co	Chems	9/2008	12/2015	67	179
Skechers U S A Inc.	NoDur	9/2012	12/2015	40	74
Skullcandy Inc.	Other	7/2012	12/2015	39	1,098
Smith & Wesson Holding Corp	Manuf	11/2007	12/2015	95	255
Smith (A O) Corp	Durbl	5/2014	12/2015	12	13
Smith Micro Software Inc.	BusEq	6/2006	12/2015	94	32
Smucker (JM) Co	NoDur	10/2009	12/2015	70	210
Snap-On Inc.	Manuf	9/2009	12/2015	68	234
Snyders-Lance Inc.	NoDur	9/2011	12/2015	49	55
SodaStream International Ltd	Other	7/2011	12/2015	51	255
Sonic Corp	Shops	12/2011	12/2015	37	35
Sony Corp	Manuf	4/2005	12/2015	102	8,837
Spectrum Brands Holdings Inc.	BusEq	8/2005	12/2015	81	3,340
Sprint Corp	Telcm	7/2014	12/2015	15	230
Sprint Nextel Corp	Telcm	7/2010	6/2013	22	26
Standard Motor Prods	BusEq	2/2010	12/2015	53	85
Stanley Black & Decker Inc.	Manuf	11/2004	12/2015	120	3,481
Starbucks Corp	Shops	1/2008	12/2015	83	628
Summer Infant Inc.	Durbl	7/2008	12/2015	87	490
Superior Uniform Group Inc.	NoDur	9/2009	12/2015	45	58
Symantec Corp	BusEq	7/2004	12/2015	135	206
Syngenta	Chems	8/2011	12/2015	23	41
Take-Two Interactive	BusEq	7/2004	12/2015	135	370
Teavana Holdings Inc.	NoDur	7/2012	12/2012	6	25
Tempur Sealy International Inc.	Durbl	1/2011	12/2015	44	43
Teva Pharmaceuticals	Health	6/2013	6/2015	12	13
Texas Instruments Inc.	BusEq	9/2004	12/2015	101	78
Texas Roadhouse Inc.	Shops	12/2013	12/2015	13	21
Thermo Fisher Scientific Inc.	BusEq	9/2008	12/2015	87	297
Thomas & Betts Corp	Durbl	8/2011	4/2012	6	13
THQ Inc.	BusEq	1/2010	12/2011	4	15
Tim Hortons Inc.	Shops	8/2007	11/2014	49	517
Timberland Co	NoDur	1/2009	8/2011	22	22
Time Inc.	NoDur	7/2015	12/2015	3	17
Time Warner Inc.	Telcm	7/2004	12/2015	135	2,218
Timken Co	Manuf	9/2010	12/2015	53	38
Tootsie Roll Industries Inc.	NoDur	1/2011	12/2015	57	117
Trend Micro Inc.	BusEq	1/2005	3/2007	11	18
True Religion Apparel Inc.	NoDur	12/2012	6/2013	7	14
Tumi Holdings Inc.	NoDur	7/2013	12/2015	27	98
Tupperware Brands Corp	Manuf	2/2009	12/2015	76	105
Twenty-First Century Fox Inc.	Telcm	7/2004	12/2015	131	688
Tyco International Plc	Other	5/2009	12/2014	50	71
Ubiquiti Networks Inc.	Other	7/2013	12/2015	27	158
Under Armour Inc.	NoDur	12/2010	12/2015	56	761
Unilever Plc	Shops	1/2006	12/2015	39	1,645
United Natural Foods Inc.	Shops	3/2012	12/2015	38	27
United Technologies Corp	Manuf	1/2007	12/2015	104	93
Usana Health Sciences Inc.	Health	5/2013	12/2015	17	13
Valeant Pharmaceuticals Intl	Health	8/2007	12/2015	72	256
Vera Bradley Inc.	Other	7/2011	12/2015	54	751
Verso Corp	Manuf	1/2011	8/2015	56	124
VF Corp	NoDur	5/2005	12/2015	119	2,450
Vista Outdoor Inc.	NoDur	7/2015	12/2015	3	4,218
Vita Food Products Inc.	NoDur	5/2007	10/2007	6	35
VMware Inc.	BusEq	10/2012	4/2013	7	27
Walgreens Boots Alliance Inc.	Shops	6/2011	12/2015	37	30



Water Pik Technologies Inc.	Manuf	10/2004	3/2006	10	19
WD-40 Co	Chems	4/2010	12/2015	68	102
Weight Watchers International	Shops	2/2011	10/2015	40	17
Western Digital Corp	BusEq	12/2007	12/2015	93	936
Whirlpool Corp	Durbl	7/2004	12/2015	138	4,033
Whitewave Foods Co	NoDur	7/2013	12/2015	29	658
Wix.com Ltd	Other	7/2014	12/2015	15	180
Wolverine World Wide	NoDur	11/2012	12/2015	38	69
X-Rite Inc.	Manuf	10/2009	4/2012	20	19
Xerox Corp	BusEq	2/2010	12/2015	61	87
Yum Brands Inc.	Shops	7/2011	12/2015	43	45
Zebra Technologies	Manuf	7/2011	12/2015	45	66

**Table IA-2**

Comparison of firms with Amazon.com reviews to their same-industry peer firms

This table reports the summary statistics of percentile ranks of characteristics for firms with Amazon.com customer reviews. To compute the percentile rank of a variable, I rank all firms in the CRSP/Compustat universe that are in the same industry-year into percentiles by the variable. Percentile ranks take a value between 0 and 99, with 0 (99) being firms in the bottom (top) percentile within an industry-year. Industries are defined using the Fama-French 12 industry classification. I report the mean, the median, the 25<sup>th</sup> and 75<sup>th</sup> percentiles of percentile ranks of each variable for firms with Amazon.com reviews. All variables are defined in Table 2 in the paper.

	Mean	Median	P25	P75
Market cap	72.58	82.00	56.00	94.00
Book-to-market	41.69	39.00	19.00	63.00
Stock return <sub><math>m-12, m-1</math></sub>	53.57	55.00	34.00	75.00
Advertising	73.15	82.00	61.00	93.00
R&D	48.27	43.00	31.00	56.00
Gross profitability	58.41	60.00	37.00	81.00
F-score	56.22	56.00	34.00	80.00
Dollar volume	72.17	82.00	56.00	94.00
CV of dollar volume	32.79	26.00	10.00	52.00
Book leverage	57.56	61.00	35.00	80.00
Asset tangibility	43.97	42.00	22.00	64.00
# of analysts	68.66	79.00	49.00	92.00
Institutional ownership	60.07	62.00	45.00	79.00

**Table IA-3**

Regression of one-month-ahead abnormal customer ratings on firm characteristics: Alternative specifications

This table reports regressions of one-month-ahead abnormal customer ratings on firm characteristics using alternative specifications. The first two columns use Tobit with lower and upper bounds on abnormal customer ratings and the last two columns use a Logit transformation to address the concern that the dependent variable is bounded. The dependent variable after the Logit transformation is written as  $\text{Log}[(\text{abnormal ratings} - \text{min})/(\text{max} - \text{abnormal ratings})]$ , where *min* and *max* are the minimum and maximum values of abnormal customer ratings in the sample. All variables are defined in Table 2 in the paper. All regressions include firm fixed effects and time fixed effects. Numbers in parentheses are *t*-statistics based on standard errors clustered by firm. Significance at the 10% (\*), 5% (\*\*), or 1% level (\*\*\*) is indicated.

Dependent =	One-month-ahead abnormal customer ratings			
	Tobit (1)	Tobit (2)	Logit transformation (3)	Logit transformation (4)
Advertising	-0.025 (0.22)	0.330 (1.49)	-0.026 (0.23)	0.337 (1.52)
R&D	0.031 (0.11)	0.146 (0.27)	-0.040 (0.14)	0.019 (0.03)
Gross profitability	-0.117 (1.39)	-0.039 (0.47)	-0.124 (1.46)	-0.043 (0.52)
F-score	0.000 (0.08)	-0.000 (0.07)	0.000 (0.06)	-0.000 (0.10)
Log(Dollar volume)	0.005 (1.30)	0.009 (0.94)	0.006 (1.38)	0.010 (0.95)
Log(CV of dollar volume)	0.014 (1.63)	0.015 (0.91)	0.014 (1.65)*	0.017 (1.00)
Log(Market cap)	0.002 (0.26)	0.001 (0.05)	0.001 (0.11)	0.000 (0.03)
Book-to-market	0.002 (0.24)	0.004 (0.19)	0.001 (0.19)	0.003 (0.15)
Stock return <sub><i>m</i>-12, <i>m</i>-1</sub>	-0.000 (0.08)	-0.004 (0.45)	-0.000 (0.13)	-0.004 (0.50)
Book leverage	-0.018 (0.67)	0.009 (0.21)	-0.017 (0.61)	0.009 (0.20)
Asset tangibility	-0.003 (0.03)	-0.087 (0.62)	-0.022 (0.23)	-0.085 (0.60)
Log(1+# of analysts)	-0.012 (1.40)	-0.020 (1.33)	-0.012 (1.38)	-0.020 (1.29)
Institutional ownership	0.007 (0.41)	0.021 (0.75)	0.006 (0.36)	0.022 (0.78)
Net buying by HFs		0.000 (0.14)		0.000 (0.12)
Analyst revision		-0.184 (1.06)		-0.189 (1.09)
Number of observations	19,554	9,900	19,554	9,900
Pseudo/Adjusted R-squared	0.32	0.48	0.06	0.06

**Table IA-4**

Fama-MacBeth regressions: Robustness checks

This table reports the coefficient estimates obtained from Fama-MacBeth regressions of one-month-ahead Fama-French-Carhart four-factor adjusted returns on abnormal customer ratings and other cross-sectional predictors of stock returns described in Eq. (3) in the paper. I use stock returns in the past 60 months to estimate factor loadings. For each specification in each month, I run a cross-sectional regression with the monthly abnormal return (in percent) as the dependent variable. I report the time-series averages of the cross-sectional regression coefficients. All variables are defined in Table 2 in the paper. Numbers in parentheses are Fama-MacBeth  $t$ -statistics calculated using Newey-West standard errors with four lags. Significance at the 10% (\*), 5% (\*\*), or 1% level (\*\*\*) is indicated.

Dependent variable =	One-month-ahead Fama-French-Carhart four-factor adjusted returns (in percent)					
	(1)	(2)	(3)	(4)	(5)	(6)
Abnormal customer ratings	1.759 (2.15)**	1.681 (2.02)**	1.592 (2.03)**	1.443 (1.82)*	1.749 (2.20)**	1.505 (2.05)**
Gross profitability			4.229 (1.92)*	3.442 (1.63)		3.299 (1.50)
F-score			0.406 (5.52)***	0.428 (4.94)***		0.409 (4.50)***
Advertising				1.534 (0.45)		0.996 (0.30)
R&D				-5.153 (0.54)		-4.370 (0.49)
Log(Dollar volume)					-0.251 (2.32)**	-0.214 (1.85)*
Log(CV of dollar volume)					-0.966 (3.07)***	-0.788 (2.48)**
Log(Market cap)		-0.008 (0.10)	-0.051 (0.64)	-0.083 (1.08)	0.145 (1.13)	0.057 (0.43)
Book-to-market		0.382 (0.72)	0.844 (1.60)	0.599 (1.06)	0.321 (0.61)	0.493 (0.80)
Stock return $_{m-12, m-1}$		-0.015 (0.02)	-0.358 (0.55)	-0.357 (0.51)	0.306 (0.46)	-0.102 (0.15)
# of observations	20,441	20,441	20,441	20,441	20,441	20,441
Average R-squared	0.01	0.06	0.09	0.12	0.09	0.15

**Table IA-5**

Abnormal customer ratings and revenue surprises: Controlling for contemporaneous advertising and R&D expenses

This table reports OLS regressions of revenue surprises on abnormal customer ratings and controls described in Eq. (4) in the paper. The dependent variable is the standardized unexpected revenue growth estimator (SURGE).  $Stock\ return_{t-30,t-3}$  and  $Stock\ return_{t-365,t-31}$  are the cumulative return during the period from 30 to 3 days prior to an earnings announcement and that during the period from 365 to 31 days prior to an earnings announcement, respectively. *Contemporaneous advertising* and *Contemporaneous R&D* are measured in the same quarter as the dependent variable. All other variables are defined in Table 2 in the paper. Numbers in parentheses are  $t$ -statistics based on standard errors clustered by firm and by quarter. Significance at the 10% (\*), 5% (\*\*), or 1% level (\*\*\*) is indicated.

Dependent variable =	Revenue surprises (SURGE)				
	(1)	(2)	(3)	(4)	(5)
Abnormal customer ratings	0.443 (2.16)**	0.440 (2.26)**	0.338 (2.17)**	0.359 (2.16)**	0.358 (2.24)**
Lagged dependent variable			1.249 (26.66)***		
Log(Market cap)		-0.020 (0.50)	-0.025 (1.13)		0.177 (1.46)
Book-to-market		-0.099 (1.23)	-0.027 (0.49)		-0.069 (0.72)
Contemporaneous advertising		-1.801 (2.50)**	0.177 (0.44)		0.312 (0.17)
Contemporaneous R&D		1.338 (0.46)	2.624 (1.52)		0.710 (0.27)
Gross profitability		0.068 (3.74)***	-0.011 (0.74)		0.016 (1.00)
F-score		0.850 (1.31)	-0.604 (1.52)		2.387 (2.92)***
Log(Dollar volume)		0.083 (2.97)***	0.027 (1.58)		0.064 (1.05)
Log(CV of dollar volume)		-0.128 (1.42)	-0.080 (1.29)		-0.134 (1.51)
Stock return $_{t-30,t-3}$		0.528 (5.27)***	0.124 (1.97)*		0.405 (4.13)***
Stock return $_{t-365,t-31}$		0.921 (3.97)***	0.671 (3.83)***		0.943 (5.24)***
Time fixed effects	Yes	Yes	Yes	Yes	Yes
Firm fixed effects	No	No	No	Yes	Yes
Number of observations	7,283	7,283	7,283	7,283	7,283
Adjusted R-squared	0.07	0.12	0.41	0.29	0.31

**Table IA-6**

Abnormal customer ratings and earnings surprises: Controlling for contemporaneous advertising and R&D expenses

This table reports OLS regressions of earnings surprises on abnormal customer ratings and controls described in Eq. (4) in the paper. The dependent variable is the standardized unexpected earnings (SUE). *Contemporaneous advertising* and *Contemporaneous R&D* are measured in the same quarter as the dependent variable. All other variables are defined in Tables 2 and 9 in the paper. Numbers in parentheses are *t*-statistics based on standard errors clustered by firm and by quarter. Significance at the 10% (\*), 5% (\*\*), or 1% level (\*\*\*) is indicated.

Dependent variable =	Earnings surprises (SUE)				
	(1)	(2)	(3)	(4)	(5)
Abnormal customer ratings	0.077 (2.33)**	0.080 (2.39)**	0.076 (2.25)**	0.074 (2.07)**	0.072 (2.05)**
Lagged dependent variable			0.097 (2.64)***		
Forecast dispersion		-3.062 (0.89)	-3.367 (1.15)		-2.959 (1.27)
Log(Market cap)		-0.033 (1.87)*	-0.031 (1.76)*		-0.079 (1.48)
Book-to-market		0.052 (0.54)	0.038 (0.43)		-0.181 (1.25)
Contemporaneous advertising		-0.187 (0.61)	-0.133 (0.47)		1.066 (1.30)
Contemporaneous R&D		2.315 (2.80)***	2.072 (2.82)***		-1.290 (0.78)
Gross profitability		0.009 (1.31)	0.006 (0.86)		0.002 (0.34)
F-score		0.063 (0.28)	-0.031 (0.14)		0.358 (0.86)
Log(Dollar volume)		0.044 (2.31)**	0.041 (2.13)**		0.026 (0.86)
Log(CV of dollar volume)		0.014 (0.53)	0.013 (0.50)		0.034 (1.08)
Stock return <sub><i>t</i> - 30, <i>t</i> - 3</sub>		0.192 (3.98)***	0.160 (3.60)***		0.150 (2.61)**
Stock return <sub><i>t</i> - 365, <i>t</i> - 31</sub>		0.655 (3.33)***	0.642 (3.31)***		0.634 (3.34)***
Time fixed effects	Yes	Yes	Yes	Yes	Yes
Firm fixed effects	No	No	No	Yes	Yes
Number of observations	5,503	5,503	5,503	5,503	5,503
Adjusted R-squared	0.02	0.04	0.06	0.11	0.13

**Table IA-7**

Abnormal customer ratings and institutional trading: Controlling for contemporaneous advertising and R&D expenses

This table reports Fama-MacBeth regressions of institutional trading on lagged abnormal customer ratings and controls described in Eq. (5) in the paper. The dependent variable in the first and second columns is net buying by hedge funds and that by non-hedge funds in quarter  $q$ , respectively. The dependent variable in the third and fourth columns is net buying by specialized hedge funds and that by less specialized hedge funds in quarter  $q$ , respectively. Specialized hedge funds are defined as those with a trading weight in stocks with Amazon.com reviews greater than the median, and less specialized hedge funds are those with a below-median trading weight. *Contemporaneous advertising* and *Contemporaneous R&D* are measured in the same quarter as the dependent variable. All other variables are defined in Tables 2 and 10 in the paper. For each specification in each quarter, I run a separate cross-sectional regression. I report the time-series averages of the cross-sectional regression coefficients. Numbers in parentheses are Fama-MacBeth  $t$ -statistics calculated using Newey-West standard errors with four lags. Significance at the 10% (\*), 5% (\*\*), or 1% level (\*\*\*) is indicated.

Dependent variable =	Net buying by HFs (1)	Net buying by non-HFs (2)	Net buying by specialized HFs (3)	Net buying by less specialized HFs (4)
Abnormal customer ratings	0.221 (2.30)**	-0.044 (0.26)	0.179 (2.56)**	0.057 (1.02)
Log(Market cap)	-0.016 (0.40)	-0.100 (1.28)	0.039 (0.95)	-0.042 (3.10)***
Book-to-market	0.146 (1.47)	-0.406 (2.52)**	0.118 (2.16)**	-0.022 (0.31)
Contemporaneous advertising	-0.113 (0.20)	-2.017 (1.68)*	0.133 (0.32)	-0.279 (0.86)
Contemporaneous R&D	2.941 (1.43)	-12.162 (2.46)**	4.727 (2.64)**	-0.569 (0.59)
Gross profitability	-0.233 (0.33)	-0.155 (0.14)	-0.350 (0.76)	-0.094 (0.26)
F-score	-0.000 (0.01)	0.023 (0.57)	-0.010 (0.98)	0.002 (0.22)
Log(Dollar volume)	0.000 (0.01)	0.054 (0.88)	-0.045 (1.17)	0.031 (2.92)***
Log(CV of dollar volume)	0.000 (0.00)	-0.041 (0.27)	0.040 (0.74)	-0.053 (1.29)
Stock return $_q$	0.090 (0.32)	2.650 (4.67)***	-0.154 (0.54)	0.225 (1.20)
Stock return $_{q-1}$	-0.010 (0.03)	-0.037 (0.06)	-0.161 (0.56)	-0.029 (0.14)
Stock return $_{[q-5,q-2]}$	0.020 (0.18)	0.082 (0.36)	0.049 (0.57)	-0.036 (0.70)
Number of observations	7,886	7,886	7,886	7,886
Average R-squared	0.13	0.12	0.12	0.12