

# THE IMPORTANCE OF ONLINE REVIEWS FOR BUSINESS

21 essential facts and stats you need to know



# Why are online reviews important?



## **ONLINE REVIEWS ARE GOOD FOR BUSINESS**

Positive reviews build trust with customers, increase conversion rates, new and repeat custom and generate loyalty and even publicity.

## **BUT ON THE FLIP SIDE...**

Negative, or even fake reviews, are bad for your business.

# What is the impact of reviews on consumer decision making?

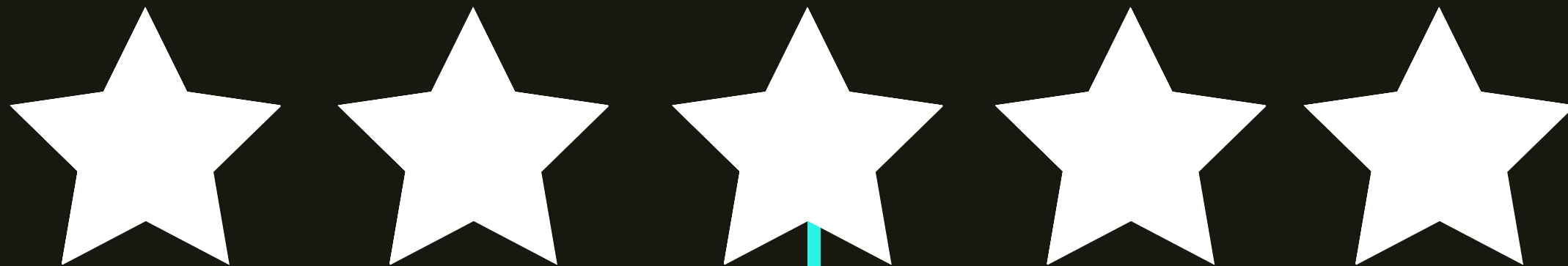
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93%

of people say online reviews impact their buying decisions



“



Great customer service  
- recommending to  
family and friends

”

**78%**

of consumers trust online reviews as  
much as personal recommendations

**and 90%**

of people read online reviews before  
visiting a business



# The impact of reviews on trust and credibility

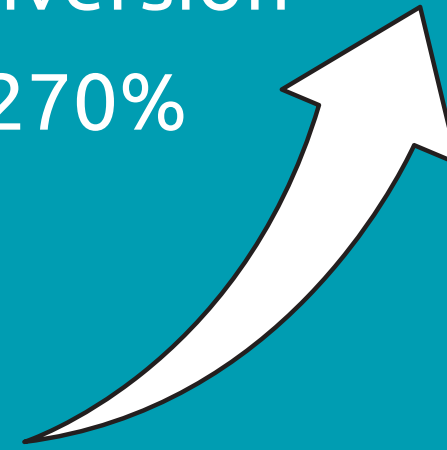
If your reviews are positive, people are more likely to trust and buy from you, as well as recommend you to their family and friends



Positive reviews make  
73% of consumers trust  
a local business more



Displaying reviews can  
increase conversion  
rates by 270%



People read  
an average  
of 10 online  
reviews  
before  
trusting a  
business



# The power of the positive





**40%**

**of consumers only take into account reviews that are written in the past two weeks**

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**68% of consumers are  
willing to pay up to 15%  
more is assured they will  
have a better experience**



# The impact of negative reviews on your business



94% of people say an  
online review has  
convinced them to  
avoid a business



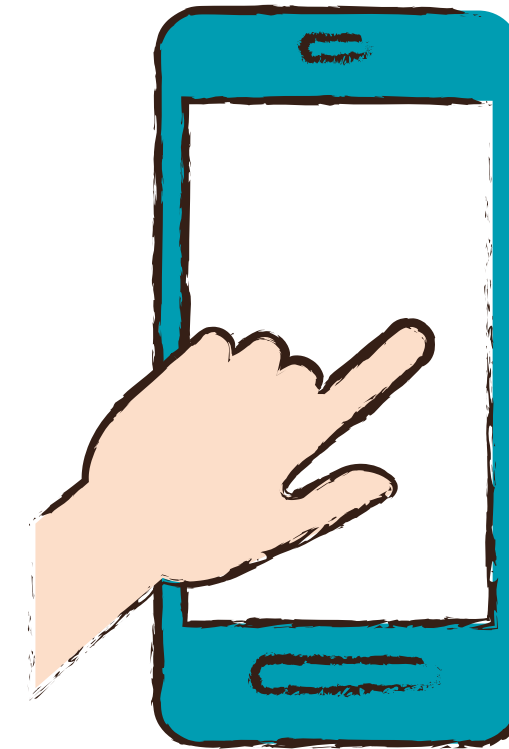
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# Search

What are people saying about my company online?



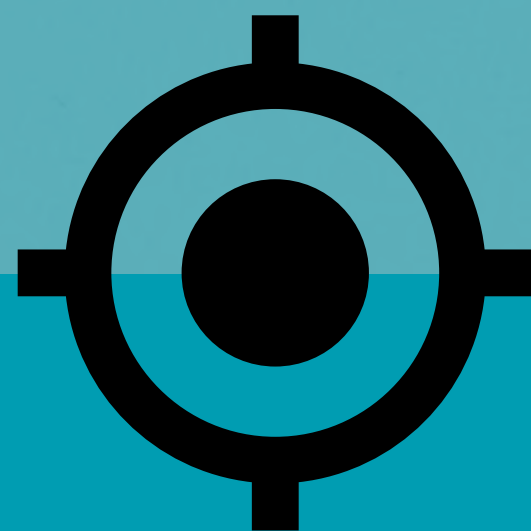
Companies risk losing 22% of business when potential customers find 1 negative article on the 1st page of search results. This rises to 70% with 4 or more negatives



75% of businesses say online reviews, comments and forums posts are important to the financial and reputational status of the business

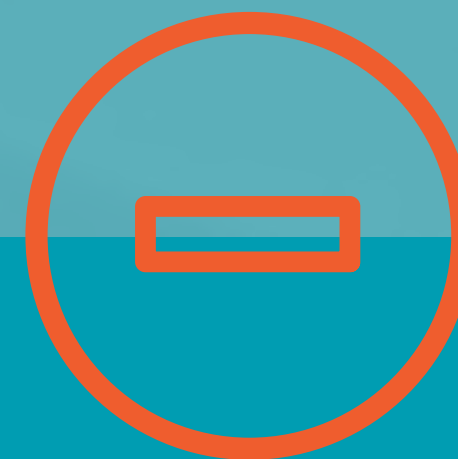


# Unsatisfied customers?



51%

of businesses say they've been negatively affected by unsubstantiated online reviews or targeted by trolls



35%

of people say that one negative review is enough to make them decide not to buy

**But what if your  
business doesn't  
have any reviews  
at all?**

92% of consumers will  
hesitate to make a  
purchase if there are no  
customer reviews





# Fake Reviews

Fake reviews are a growing problem for both businesses and consumers. Consumer reviews help people to make informed decisions about what companies to trust and who to buy from. But fakes reviews can give false positives and false negatives.

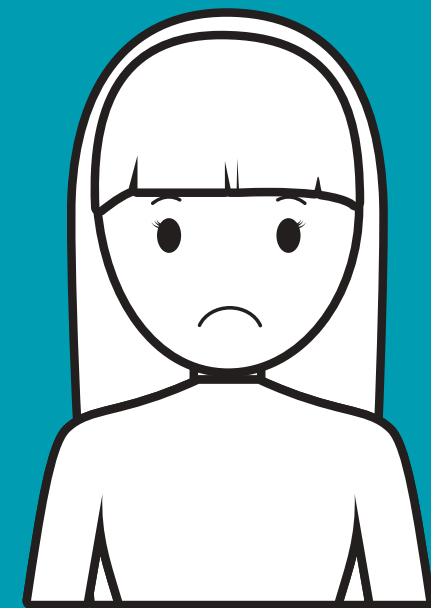
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# According to Which?

the Competition and Markets Authority (CMA) estimates that £23 billion a year of consumer spending is influenced by online customer reviews.

31% of people say they've bought a product because of excellent customer scores and were disappointed by it



# Responding to reviews

The way a business responds to reviews matters. Consumer expectations about review responses vary - some expect a response to their review within the hour, others a week.

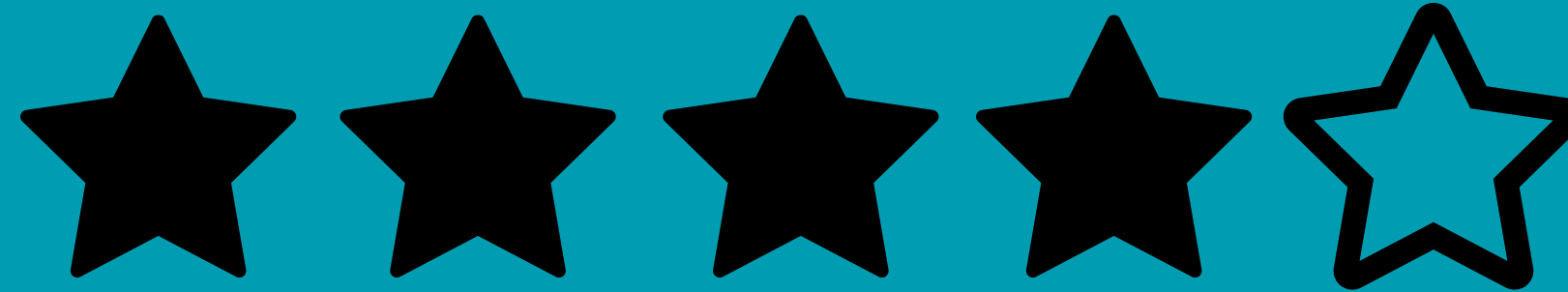
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Businesses that reply to reviews (at least 25% of the time) have an average of 35% more revenue

89% of consumers read businesses' responses to positive and negative reviews

53% of customers expect businesses to respond to negative reviews within a week



63% of customers say that a business has never responded to their review - which is disappointing

**It's so important for businesses to respond to reviews**

45% of consumer say they're more likely to visit a business if it actually responds to negative reviews



## Our recommendations for businesses

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Get a review management strategy to generate positive reviews and handle negatives in the right way



Claim your business on review sites



Track and respond to reviews using a review management tool



Use your strategy to fix problems, build credibility and trust to increase sales



Prioritise fixing issues identified in negative reviews - embrace them - they are an opportunity to improve



Share the positives - spread positive sentiment to further build credibility

## SOURCES

- Consumers Get "Buy" with a little help from their friends - <http://learn.podium.com/rs/841-BRM-380/images/2017-SOOR-Infographic.jpg>
- Local Consumer Review Survey | Online Reviews Statistics & Trends - <https://www.brightlocal.com/research/local-consumer-review-survey/>
- How Online Reviews Influence Sales - <https://spiegel.medill.northwestern.edu/online-reviews/>
- 2018 ReviewTrackers Online Reviews Survey - <https://www.reviewtrackers.com/reports/online-reviews-survey/>
- New Study: Data Reveals 67% of Consumers are Influenced by Online Reviews - <https://moz.com/blog/new-data-reveals-67-of-consumers-are-influenced-by-online-reviews>
- The Business of Reviews Report by Igniye - <https://www.igniyte.co.uk/reports/the-business-of-reviews-report/>
- No online customer reviews means BIG problems in - <https://fanandfuel.com/no-online-customer-reviews-means-big-problems-2017/>
- The Facts about Fake Reviews - <https://www.which.co.uk/news/2018/10/the-facts-about-fake-reviews/>
- How online reviews impact small business revenue - <https://www.womply.com/impact-of-online-reviews-on-small-business-revenue/>

All facts and stats from Igniye and the sources cited in are correct at the time of publication.

For more facts and stats about the importance of reviews, with sector insights, read this blogpost:

30 essential online review facts and stats

<https://www.igniyte.co.uk/blog/30-online-review-facts-and-stats/>

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Igniyte is a specialist reputation management company supporting individuals, executives, companies and brands in building a strong online presence through positive communications and content.

We consult on an array of online reputational issues including review management, removal of defamatory content, privacy and crisis communications.

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# Let's talk!

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