



# Rise of the Review Culture

[Brightpearl.com](https://Brightpearl.com)

[Trustpilot.com](https://Trustpilot.com)

**Brightpearl**

 **Trustpilot**

# Contents

3. Executive summaries
4. The emerging review culture
5. Online feedback can no longer be ignored
6. Poor reviews are becoming a bigger concern
7. Shoppers look to feedback to build trust
8. Star ratings are the most important factor
9. Case Study: making a five star connection
10. Operational failures drive consumer dissatisfaction
12. Case Study: Mad4tools introduces Brightpearl to close gaps and deliver superior experiences
13. Counting the cost
14. Turning the negatives into positives
15. When CX meets customer feedback
16. The power of positivity
17. Using technology to revolutionise the CX
18. Case study: utilising five-star feedback as a USP
19. Conclusion
20. Methodology

# Executive Summaries



## Leveraging reviews to collect great consumer insights

In today's competitive world, businesses are starting to use customer feedback to stand out from the competition. And, as this report we've developed alongside Brightpearl will show, more shoppers than ever before are reading online reviews before buying, which means customer feedback might now be one of the best tools for marketers out there.

It's become essential to understand your consumers' needs and wants in order to ensure your company is future-proof. Listening empowers you to learn from, and talk to, your customers in order to build trust and create ever-improving experiences.

This report will make clear that today's consumer pays more attention to star ratings and online reviews when judging a brand or retailer. The Rise of the Review Culture means that businesses who actively collect insight through customer reviews are more likely to gain visibility into the

customer journey and better identify their needs and the areas of the business which need development, ultimately helping them to grow as a business.

Collecting consumer insights with reviews - including both the gaps and what is working well - can help companies map out an ideal customer journey which creates a better user experience for everyone, from awareness to purchase and advocacy.

In today's consumer era, it's become crucial for all businesses to prioritise customer-centricity, and use reviews both as a trust symbol and as a tool to engage with customers, and to continually improve and innovate. As our report will reveal, businesses that take the time to analyse their reviews and ratings and use them to guide strategic changes will be better off in the long run.

**Alan Duncan, Senior Marketing Director, Trustpilot**

## Brightpearl.

### Renewed operational investment: key to five-star buying journeys

The retail game is changing in a big way and retailers must acknowledge that every customer who leaves feedback is now an influencer - and every potential buyer is ready to be influenced. This new study from Brightpearl and Trustpilot examines the impact of the emerging review culture to reveal whether retailers are losing their grip on negative online feedback - despite the growing financial and reputational stakes involved. It will also highlight the true cost of managing poor reviews for retail businesses.

The Rise of the Review Culture examines the importance of addressing and analysing star ratings and online reviews as a way to better identify the touchpoints in the end-to-end buying journey that needs development. The study will reveal the link between common operational failures and poor online feedback and will explain why renewed

operational investment is a critical but underutilised strategy to help streamline and close the gaps after the buy button that most often frustrate online shoppers into leaving one-star ratings and reviews.

In addition, the report will explore why a focus on superior experiences at all ends of the buying journey - from outstanding user experiences and same-next day delivery options to real-time shipping and customer-focused returns models, are all essential elements needed to mitigate negative feedback, but also to delight customers.

Indeed, the Rise of the Review Culture makes clear that by actively working to delight customers at every interaction, retailers can earn the five-star feedback needed to improve conversion, increase spend and enhance their reputation in order to truly stand apart from competitors.

**Derek O'Carroll, CEO, Brightpearl**

# The emerging review culture

We now exist in a world where technological innovation is empowering customers to expect more from the brands they deal with, to switch when they're not happy or satisfied, and to share their negative experiences online. As a result, today's online consumer is increasingly vocal and unforgiving - but also much more reliant on the feedback of other shoppers to support their decision making.

As a recent article in Retail Times explains: "Retailers that don't provide peer feedback could be damaging consumer trust, as 30% of UK shoppers reveal they are sceptical of brands that fail to share product reviews from other customers, as it leads them to believe that they might have something to hide."<sup>1</sup>

<sup>1</sup> <https://www.retailtimes.co.uk/retailers-might-be-losing-sales-with-a-lack-of-ratings-and-customer-reviews-fresh-relevance-finds/>

**46%**

of shoppers check star ratings before making an online purchase

More than half of all shoppers read online reviews before buying

**"We recognise that the decision to buy from Mad4Tools.com will be influenced, to a large degree, by our ratings and reviews."**

Paul Swain, Director, Mad4Tools.com



# Online feedback can no longer be ignored

## The voice of the shopper gets louder

Constructive feedback is always good but with so many channels and outlets available to leave reviews, and star ratings gaining in popularity, the burgeoning culture of reviews is something that the online retailer now needs to keep in mind at all times.

Our survey shows that both star ratings and reviews are extremely important to shoppers, giving them a voice. The feedback is then picked up by people for whom this information will become the basis for their own buying decision.

## Consumers use online reviews and star ratings more than ever

Star ratings and reviews are important to shoppers, giving them a voice and a compass to aid decision making.

84% of shoppers read online reviews before buying, with over half (51%) stating that they do this often or always. Meanwhile, star ratings are gaining in popularity, with 88% of respondents saying they are important to their buying decision. 46% of shoppers often or always check star ratings before making an online purchase.

In addition, 38% of online consumers use rating filters to refine their choice of potential brands to buy from. On average, the minimum star rating consumers will accept when shopping online is 3.5.

## More retailers need to engage in ratings and reviews

At the same time, however, our survey found that just 16% of UK retail brands have a 5-star rating across popular online consumer review websites, like Trustpilot.

12% of retailers also reported a 3.5 or 3 star rating, which is far below the expectations of most consumers for spending with them.

**88%**  
of shoppers believe star ratings are important

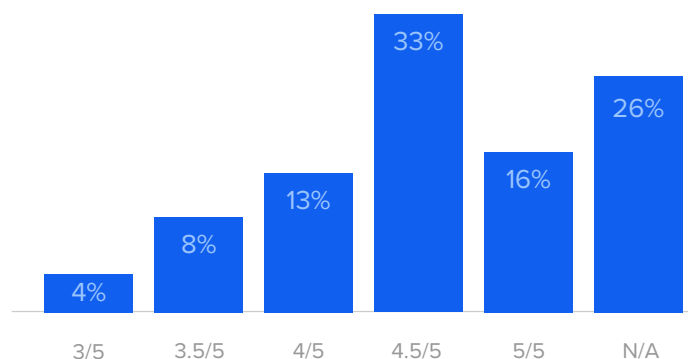
TrustScore **43,558 reviews**



**Trustpilot** (Oct 2018)

What is perhaps more surprising still is that more than a quarter (26%) of all retailers surveyed stated that they do not have a star rating online at all, despite its importance to consumers.

Proportion of retailers, average star rating



# Poor reviews are becoming a bigger concern

## Reviews and ratings are a part of the relationship

One-third of shoppers in the UK have posted a negative review after interacting with a retailer, and two-thirds have done this in the last 12 months.

Furthermore, almost two-thirds of shoppers say that it is 'very likely' or 'somewhat likely' that they would leave a negative review following a bad experience.

This data highlights a growing willingness to share negative feedback online - a trend that brands must get a handle on. It means that retailers need to consider how they wish to manage this part of the relationship in a systematic way and on an ongoing basis.

## The impact of bad reviews on online retailers is growing

Negative reviews are having a discernible impact on merchants and brands. Around one quarter (24%) of retailers admit that they have been affected by a poor online review in the past year. Meanwhile, 33% of retailers are worried about how this might impact them.

Furthermore, as customers are becoming more vocal than ever, perhaps due to the availability of online avenues for customer feedback, and the ease and speed by which to share comments, half of retailers (50%) now see the situation as one that is worsening. It's something that retailers need to think seriously about as 38% admit that they do not know how to best deal with negative reviews.

**50%**

of retailers think that poor reviews are getting worse

**38%**

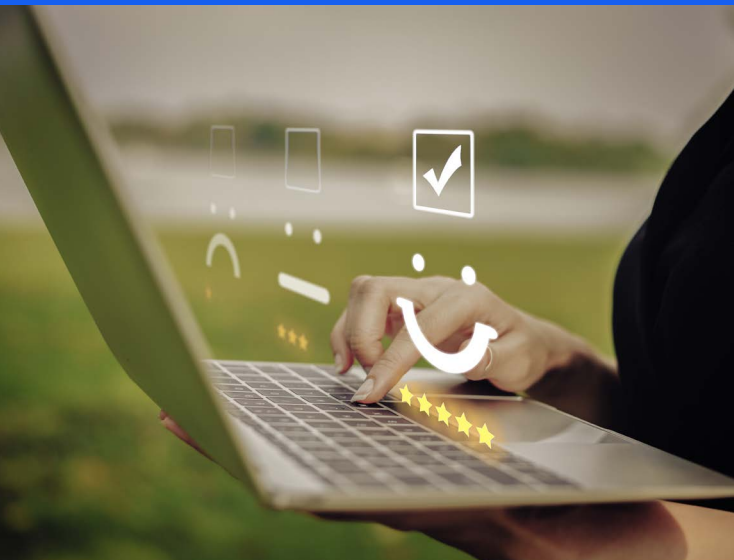
of retailers admit that they do not know how to best deal with negative reviews

**Almost two-thirds of shoppers are likely to leave a negative review following a bad experience**

# Shoppers look to feedback to build trust

76%

of shoppers expect brands to respond to reviews



## It's critical for retailers to engage with reviews

While retailers admit to struggling with how to best deal with negative reviews, at the very least, they will have to consider how to manage replying to reviews when the consumer view is taken into account. Just over three-quarters (76%) of shoppers expect the merchant to have responded to the reviews that they have received.

In an online world and in the absence of live face-to-face interactions, shoppers are increasingly using reviews as a way of understanding whether a retailer is trustworthy or not.

## Negative reviews have the biggest impact

Reviews and ratings have a direct impact on trust – and it's the negative reviews that are the most significant. Indeed, they can have a very rapid damaging effect. Our survey found that it only takes a handful - on average five - negative online reviews before a customer will decide to avoid buying from that merchant. However, 40% of shoppers have been put off from buying with a retail brand because of one single bad review - where the comment is particularly damning.

Conversely, consumers expect to see at least 30 positive reviews in order to trust a brand - that's six positive endorsements for every negative review.



To trust a retailer, shoppers expect to see at least 30 positive reviews.

It takes only five negative reviews before a shopper is put off from buying from a retailer.

# Star ratings are the most important factor

## Shoppers look to the stars when making a purchase decision

Star ratings are seen as the most important factor for shoppers overall, with 58% stating that they pay attention to this when judging a brand or retailer.

Meanwhile, for comparison, over half (54%) of customers regard the quantity of reviews as an important guide, while 43% consider the recency of reviews.

58%

pay attention to star ratings when judging a brand or retailer

54%

look at the number of reviews a retailer has received

43%

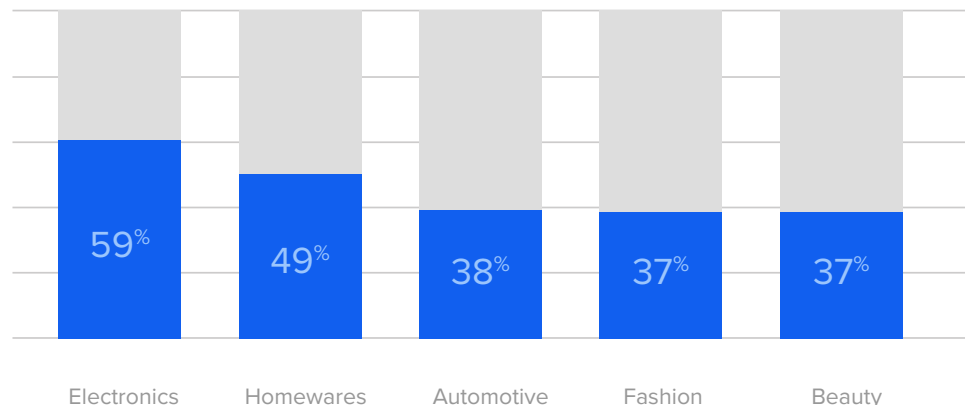
consider the recency of the reviews received

## The cost of a negative review is higher for some than others

Shoppers of electronic goods are the most demanding with 59% of them expecting brands to achieve 4 or 5 stars before they will ever consider shopping with them. Next is homewares, where 49% of consumers expect this level of rating. Shoppers of beauty and fashion are the most tolerant, where we see the figure dropping to 37% in both of these categories.

In some sectors, for example, fashion and beauty, leading social media influencers are beginning to play an increasingly supportive role in shoppers' buying decisions, alongside consumer review platforms. This may be a reason why they are more tolerant of lower star ratings across these sectors.

Proportion of UK shoppers that expect 4 stars or above to buy from a retailer, by vertical





## Case Study

# Making a five star connection

### ScS's review strategy helps them connect with customers and better understand their buying experience

Sofa, flooring and furniture retailer, ScS, uses Trustpilot to connect with its customers. Laura Whiting, Digital Content Manager at ScS, explains: "We hear directly about their experience with us via the Trustpilot review platform. This enhances the conversation post-sale and gives us greater insights into particular areas of the customer journey."

Since ScS started using Trustpilot, the team has been able to figure out which parts of the buyer's journey stand out, and which ones need more work. Analysing external feedback and turning it into customer insights has helped the business optimise and improve the whole customer journey.

In addition to using Trustpilot reviews to reward staff, ScS also leverages its TrustScore to increase conversions. Laura explains: "Our reviews subsequently help to qualify higher-funnel buyers - those in the research stage who are deciding where to buy. Seeing our average 9.2 score and our excellent rating helps that audience trust us more, and subsequently helps us to convert those researchers into customers."

"Using Trustpilot has also helped us to enhance our brand reputation; our customers can see the volume of positive reviews and hear first-hand about other customers' great experiences."

[Read the full case study on Trustpilot's website here.](#)



**"Trustpilot has helped us to enhance our brand reputation; our customers can see the volume of positive reviews and hear first-hand about other customers' great experiences."**

Laura Whiting,  
Digital Content Manager, ScS

[www.scs.co.uk](http://www.scs.co.uk)

# Operational failures drive consumer dissatisfaction

## Spot the gaps in the customer experience

What happens after the buy button is clicked has the potential to create the most disappointment – this can translate into negative reviews that can damage a brand.

Brightpearl looked at 29,080 1-3 star reviews left by consumers rating the service of ecommerce businesses. 77% of these less than stellar reviews were a result of typical operational failures, such as poor customer service, or negative experiences related to delivery, returns and refund policies. There are many touchpoints after

the buy button that can go wrong, from poor customer communication, to items not being delivered on time or at all. Any of these operational failures can lead to an unsatisfactory shopping experience that results in poor feedback.

It's vital to determine the specific stages where customers are evaluating and talking about their experiences and whether there are gaps or issues that need to be addressed. Unfortunately, our report highlights that only a third of retailers 'strongly agree' that they can identify the specific business area that a complaint relates to.



**77%**

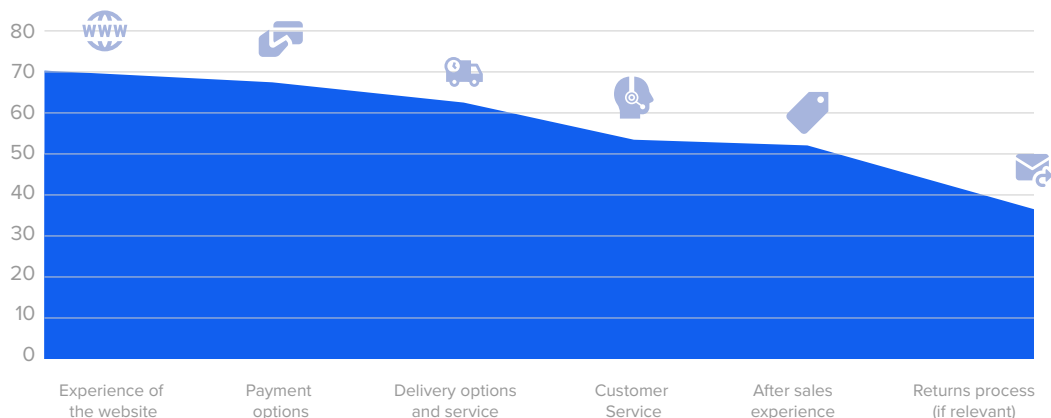
of poor reviews are directly related to issues shoppers have after clicking 'buy'

## Rise of The Review Culture

### The slippery slope of customer happiness

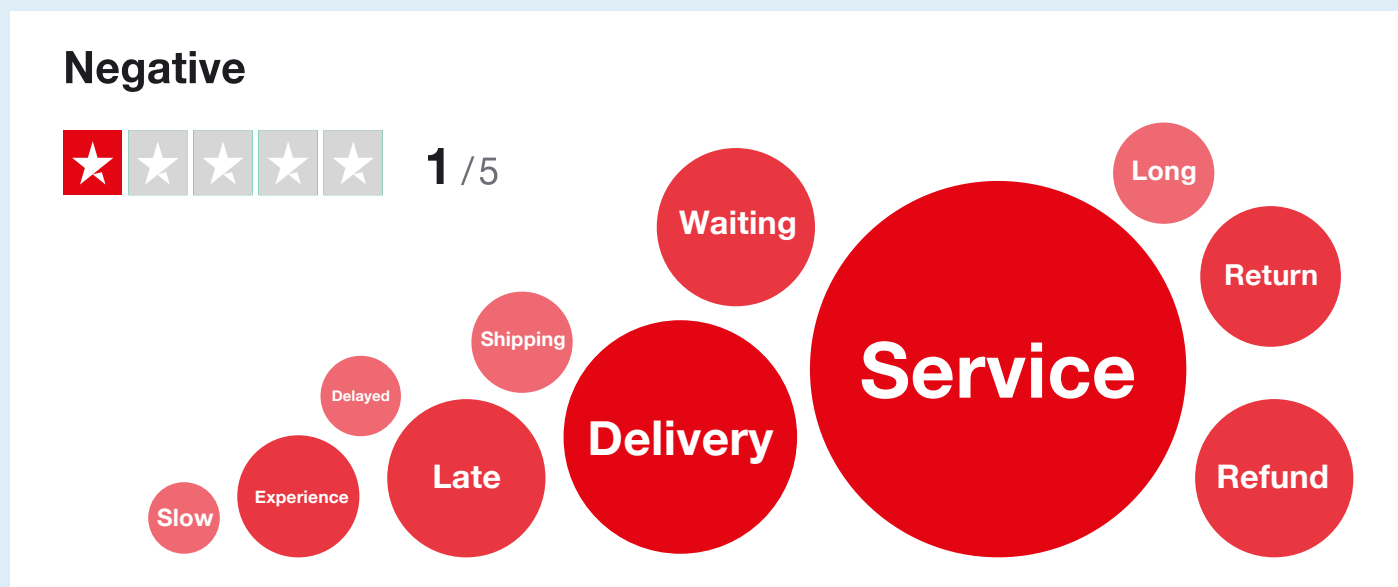
We're always told that first impressions are key. However, in the world of online retail, it is the last impression that could determine whether a shopper comes back to a brand. As the graph below shows, the percentage of customers that rate their last online shopping experience as 'very good' declines as the lifecycle of the customer buying journey progresses. As we see, it is what happens after the buy button – especially when we reach the back office operations – that is most likely to lead to poor shopping experiences and dissatisfaction.

The percentage of people who said their experience was good after the buy button



### What drives negative feedback?

Keyword analysis from Brightpearl of 29,080 1-3 star reviews highlight commonalities that drive negative reviews - and, as we revealed above, it's very likely to be a result of operational failures that occur after the buy button:



Case Study

# Mad4tools introduces Brightpearl to close gaps and deliver superior experiences

**Mad4Tools.com** is an online retailer that specialises in delivering thousands of products, from power tools and workwear, to lighting and electrical equipment to DIY enthusiasts and tradespeople all over the world.

The brand has successfully built a passionate and vocal community around their products by investing in excellent experiences. As Paul Swain, Director of Mad4Tools.com, [explains here](#), the business prides itself on an excellent end-to-end journey. "If a customer has a positive experience with our brand, they're more likely to buy from us again, to tell their friends and leave positive feedback on consumer review sites, which gives other shoppers more confidence to buy."

Mad4Tools.com views its sector as extremely price competitive so delivery of excellent buying experiences has become a key differentiator. "We recognise that the decision to buy from Mad4Tools.com will be influenced, to a large degree, by our ratings and reviews," says Paul. "We win business because of our positive feedback and high ratings and we retain business because of the experience we provide - from meeting fulfilment expectations, to orders being delivered as expected."

Today, Mad4Tools.com works with technology providers like **Brightpearl** to ensure its retail operations are slick, automated and able to deliver more competitive offerings while still maintaining the excellent standards of service that are in line with its 'five star' mantra.

As a result of switching from a DIY approach, Mad4Tools.com has closed the gaps in the customer journey. Paul explains: "As the entire order process is automated, from inventory updates, to automatically generated shipping labels and tracking references, to fulfilment - we've eliminated the opportunity for human error and improved the overall experience for our customers."

The improvements to the customer experience have translated into an **uptick in positive** ratings on Trustpilot. But that doesn't tell the whole story, as Paul explains: "What's really impressive is that Brightpearl has helped us to expand and deliver a more competitive offering while still keeping customers happy. We've drastically increased our order volumes and product range since implementation and we're committing more from a fulfilment perspective - all the while still maintaining our excellent standards of customer service. We wouldn't have been able to do this without Brightpearl."

[Read the full case study on Brightpearl's website here.](#)

**"Brightpearl has helped us to expand and deliver a more competitive offering while still keeping customers happy."**

Paul Swain, Director, Mad4Tools.com



# Counting the cost

## What are retailers paying for negative reviews?

While 45% of UK retailers consider online reviews and star ratings to be 'very important' to the financial status and reputation of their business, sadly, 38% admit that they do not know how to best deal with negative reviews.

Instead, they are being left, fingers crossed, hoping for the best, rather than adopting a strategic approach to understanding the cause of a negative review, responding to it and ensuring more positive reviews in the future.

Over the last 12 months, merchants estimate that they have spent around £15,000 on average dealing with negative reviews. This can range from employing more staff to handling complaints and customer service issues, through to employing in-house social media managers and external

reputation management agencies to manage online comments. Then there are logistical costs like processing returns or the cost of inventory mistakes.

But, this number doesn't factor in the potential lost revenue a retail brand might be missing out on because of a negative reputation.

Our study reveals that the difference in revenue between a 3-star and a 5-star rating can be as high as 22%. This suggests that a retail brand with £1 million in annual revenue, for example, may be losing as much as £180,000 because of a negative reputation.



**77%**

of retailers do not know how to deal with negative reviews

Retailers spend

**£15,000**

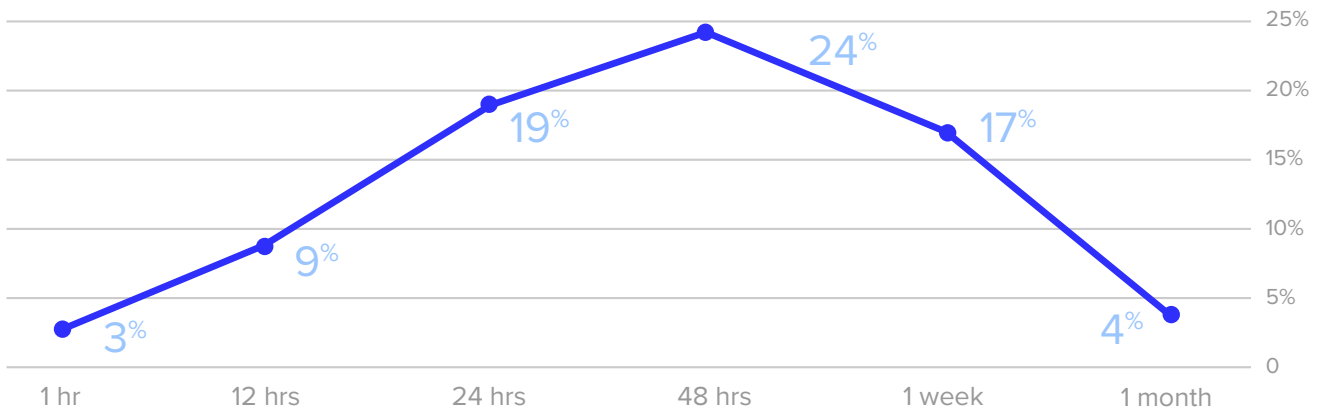
on average each year dealing with negative reviews

# Turning the negatives into positives

## Taking control of the situation

For retailers, it is critical that they use negative reviews as an opportunity to show the speed, quality and genuine care of their customer service within their response – which needs to come fairly rapidly.

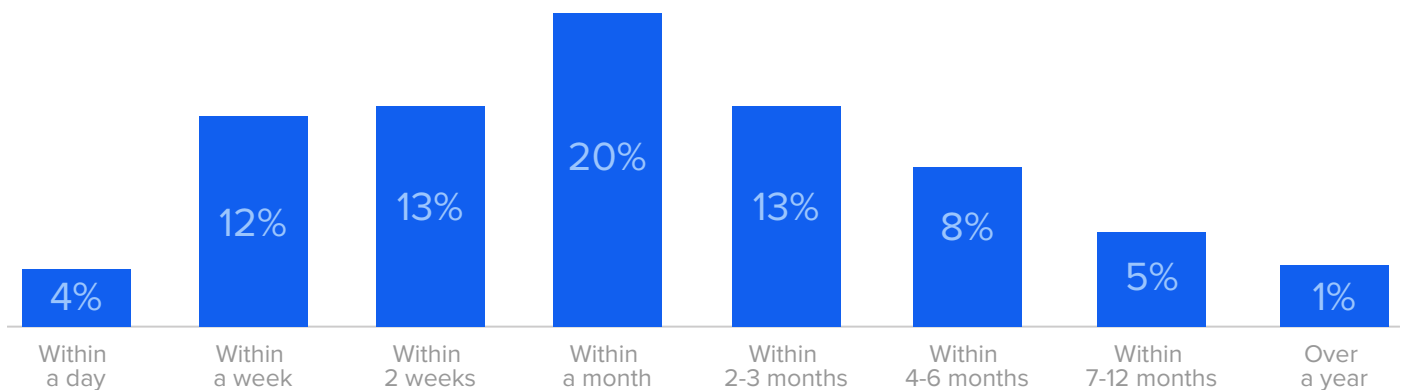
Almost one in five shoppers (19%) think that brands should respond to a negative review within 24 hours, while a further 12% believe it should be quicker than that.



## Time heals all wounds

For one in five shoppers (20%), reviews posted within the last month will have the most impact on their buying decision. Meanwhile, very few look at reviews that are over six months old (6.2%), underlining the importance of focusing on building up a series of positive reviews once a negative review has been posted.

Only **6%** of shoppers look at reviews that are more than six months old



# When CX meets customer feedback

Only 40% of retailers in our survey 'strongly agree' that they can identify the specific business area that a complaint relates to. The response time can be greatly decreased by deploying modern solutions and technologies to identify a problem as soon as it arises. However, our survey reveals that barely one in five retailers (19%) have invested in technology or solutions to help them address specific issues, such as problems with fulfilment or returns. This surprising statistic shines a direct light on why retail brands are failing to come to grips with their negative feedback.

As our study highlights, the customer perception of their buying journey - and whether it leaves a positive or negative last impression - is going to have a direct impact

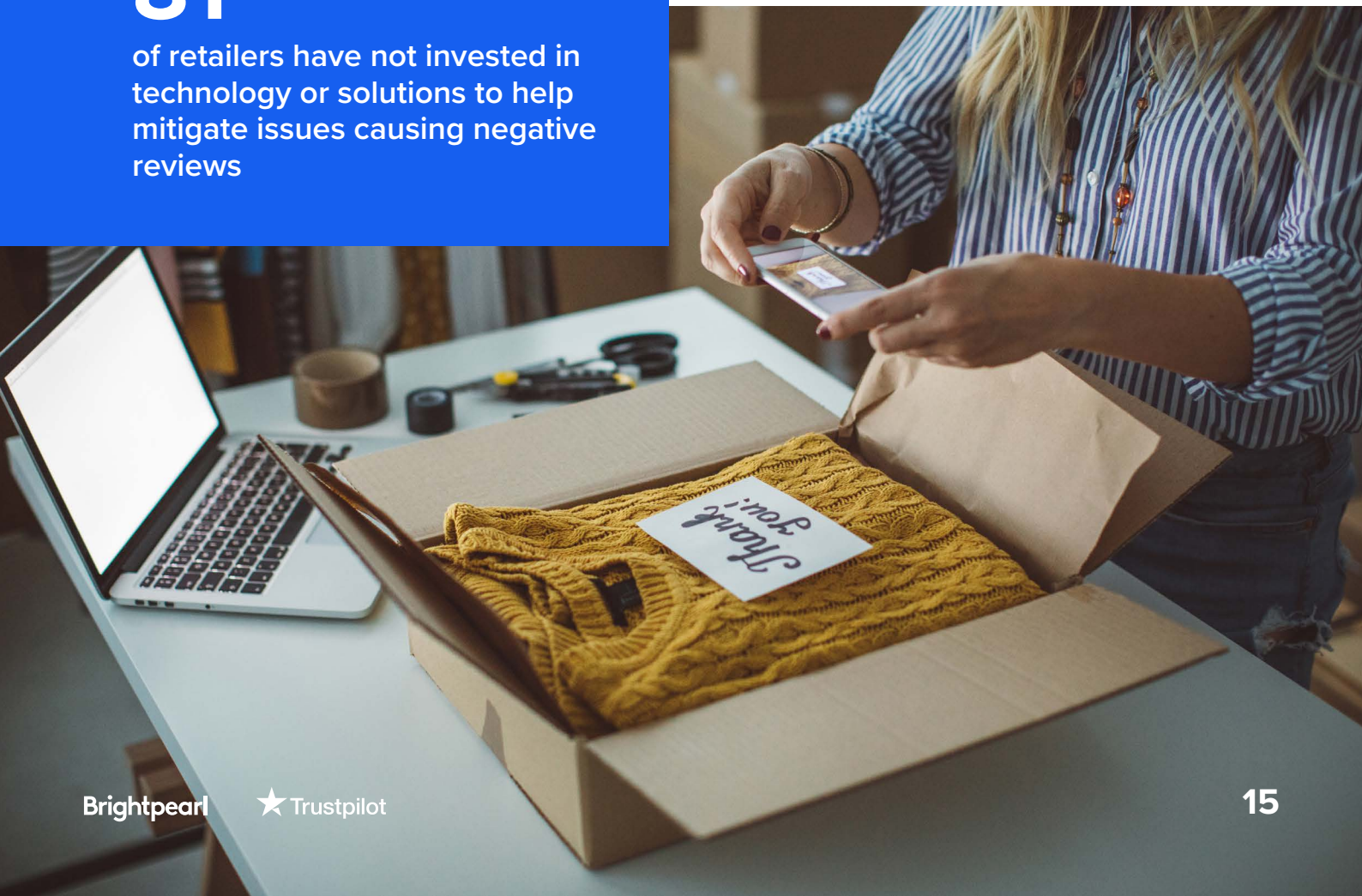
on the score, volume and sentiment of the ratings and reviews a business receives.

There is a great (yet underutilised) opportunity for merchants and brands to invest in the right mechanisms to address the issues they are having with their operations.

By doing so, they can minimise the impact of negative reviews, better engage with customers and differentiate from others who are not investing in technology to support their review strategy. In addition, retailers that focus on delivering more seamless experiences for customers will be better positioned to generate and amplify positive feedback and ratings - which provides a broad scope of opportunity and benefits that we'll discuss in more detail in the next chapter.

**81%**

of retailers have not invested in technology or solutions to help mitigate issues causing negative reviews



# The power of positivity

We all enjoy a positive buying experience and a majority of shoppers (54%) agree that they would spend more with a merchant that has excellent reviews or high star ratings.

On average, customers would spend a whopping 22% more on a purchase from a five star retailer versus one with average reviews.

54%

of shoppers would spend more with retailers that have excellent reviews or high star ratings

22%

Customers are willing to spend up to 22% more with a retailer that has a five-star rating, compared to one with average reviews

## What drives positive feedback?

Keyword analysis from Trustpilot of over one million 5-star reviews highlight commonalities that drive positive reviews - and it's very likely to be operational excellence that delights a shopper into leaving favourable feedback:

## Positive





# Using technology to revolutionise the CX

## Generating five star feedback

Shipping, returns and incredible response times are part and parcel of today's ecommerce proposition. If one touchpoint fails to deliver, then they all do – creating a poor buying experience for the consumer.

This means retailers need to work harder to identify issues in the buying journey that could negatively affect a customer's experience. Systems, like Brightpearl, can then help businesses to close those operational gaps and make the buying journey much quicker and more seamless.

Without the right mechanics in place, for example, to handle shipping and logistics, or to effectively manage returns, a business may find itself swallowed up in repeated negative reviews that will drive customers away.

On the flip side of this, positive feedback from customers can easily translate into a competitive advantage; helping a retail business to improve conversion, retain customers and increase wallet capture - particularly as our report reveals that 54% of shoppers would spend more with a merchant that has excellent reviews or high star ratings.

To capitalise in the growing review culture, merchants and brands can't just efficiently fulfil orders or deliver generic

customer service - they need to expertly fulfil the modern expectations of customers; delighting them with a superior customer experience at every touchpoint - from same-next day delivery options to real-time shipping and hassle-free return options.

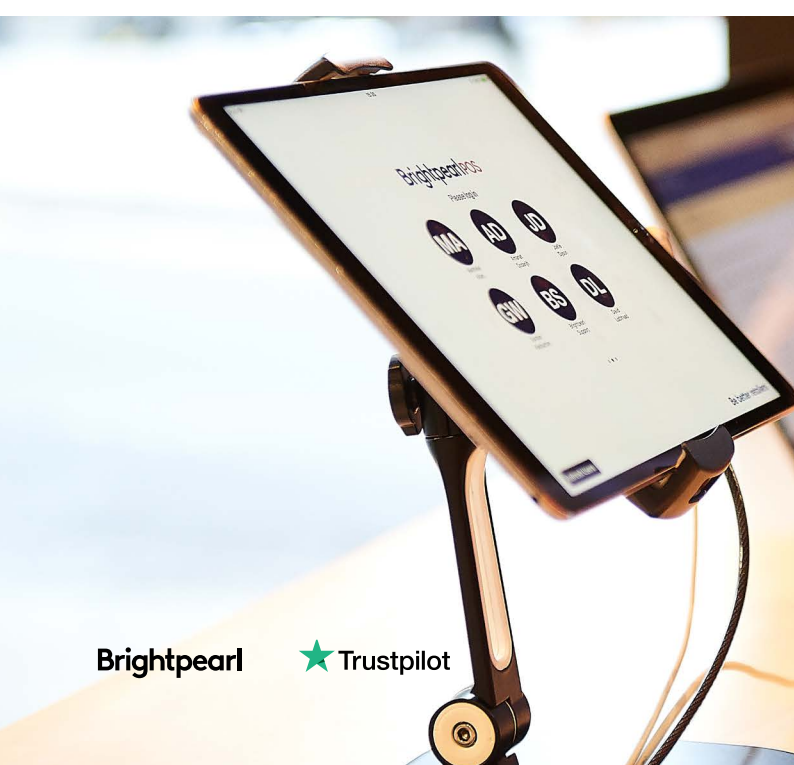
Investment in the right retail operational technologies is the key to achieving next level service delivery. The offshoot of that will be much happier customers who are willing to share their experience with others; leading to the type of positive endorsements that will truly set a business apart from its competitors.

54%

of shoppers would spend more with a merchant that has excellent reviews or high star ratings

“People expect a very high standard these days. We want to ensure we offer the best experience and the best journey to the highest standard – to make every customer happy. Brightpearl has ensured we're offering our customers a seamless shopping experience, which means we're continuing to receive great reviews and ratings.”

Lynsey Wellman, Company Director, Wineware



## Case Study

# Utilising five star feedback as a USP

### Love Shopping Direct uses Brightpearl to make sparks fly with its customer base

Love Shopping Direct is a large UK retailer with five online stores, led by flagship brand [Energybulbs.co.uk](https://www.energybulbs.co.uk) that between them sell LED lamps, lighting, heating and ventilation products. Selling to consumers and businesses, from public sector to FTSE 100 companies, Love Shopping Direct has put superior end-to-end experiences at the very core of its strategy to help each of its brands differentiate from a fairly saturated and price competitive market and achieve excellent ratings on Trustpilot.

“Using retail operations technology allows us to process orders twice as fast as before, giving us the confidence to introduce multiple delivery options, including late next-day delivery services, as we now know that we will be able to fulfil our service promises effectively,” says Andy Lockley, Head of Ecommerce at Love Shopping Direct.

The tech-led improvements to the customer experience have translated into a huge increase in positive reviews. “We’re now flooded with 5\* Trustpilot reviews, most of which quote ‘fantastic, ‘great’ or ‘excellent’ customer service,” says Andy. “Now, we don’t just meet our customer delivery expectations, we’re exceeding them, with an experience that both surprises and delights our shoppers. It has become a key competitive differentiator for our brand.”

Things weren’t always so good for Love Shopping Direct. “One of the biggest challenges we used to face was customers calling and chasing up orders,” says Andy. “We knew that as the business grew, this was an area we had to address, particularly as we were beginning to receive negative feedback due to customers not getting their items on time. We needed software to not just cope with order volume, but demanding delivery schedules too.”

Love Shopping Direct also wanted to develop its overall customer journey. Andy explains: “We wanted to take the experience we offer to the next level with new delivery

options and service that would offer a real wow factor for shoppers while helping to drive customer loyalty. To do that, we needed a reliable, user-friendly system that would streamline our order and fulfilment process - Brightpearl seemed the perfect fit.”

Love Shopping Direct’s approach recognises that modern consumer expectations stretch beyond the website, to factors such as fulfilment, delivery, returns and post-purchase customer service. By using Brightpearl to take their end-to-end experience to the next level, they are now able to offer competitive options and convenience which attracts and drives conversion, builds loyalty and encourages the 5-star ratings and reviews which are essential to the success of the business.

**“We’re now flooded with 5\* Trustpilot reviews, most of which quote ‘fantastic, ‘great’ or ‘excellent’ customer service.”**

**Andy Lockley, Head of Ecommerce, Love Shopping Direct**



# Conclusion

This report reveals that with the rise of so many online avenues for customer feedback, consumers have started exercising their right to criticise when they receive sub-par service - and retailers need to start paying closer attention.

Most customers today will do at least one search for your company online before deciding to purchase. Indeed, the influence of online reviews and ratings on consumers continues to grow and plays an increasingly important and normalised role in consumers' purchasing behaviour. As a result, businesses must be much more proactive with tackling negative ratings or reviews by addressing the root cause and responding in a timely manner.

Retailers are also increasingly worried about the impact of the review culture on their businesses. As they should be - the financial and reputational stakes are incredibly high. What may be the most concerning element to jump out of this study, though, is that the majority of retailers don't know how to deal with their negative feedback, or even understand the pain points that are leading to dissatisfied customers in the first place. The analysis is clear that it's what happens after the buy button that has the most potential to create the kind of disappointment that often translates into negative feedback and ratings.

It's now vital for retailers and brands to work harder to identify and then fix any issues in the buying journey that could negatively affect a customer's experience - ideally with renewed investment in their operations that will help address the failures that commonly drive poor feedback.

Systems, like Brightpearl, can help close operational gaps and make the buying journey quick, seamless and trackable. As we've seen, a positive review – or 30 –

can make a huge difference in the choices consumers make when it comes to selecting a brand or retailer. More positive reviews enhance a brand's reputation with buyers above possible competitors – leading to increased conversion, retention and spend.

To gain control over online feedback, retailers and brands need to consider retail operations platforms that will help them to fulfil the modern expectations of customers for fast and seamless shopping experiences. Once a company has the right technology in place to support its five-star review strategy, they can be confident of generating the type of glowing feedback and ratings needed to capture the attention - and the business - of today's online shopper.

## Make Brightpearl a pillar of your review strategy

If you want to find out more about Brightpearl and how we can help streamline and automate your retail operations to drive more positive customer experiences, ratings and reviews, speak to one of our consultants today.

**Get in touch**

## Experience the power of customer reviews

Create customer confidence. Get great customer reviews. Increase conversions. Get seen on Google.

**Book a Trustpilot demo today**

# Methodology

## The research

The data used in this report is from an electronic survey conducted during March 2019.

Working in partnership with OnePoll, Brightpearl and Trustpilot canvassed the opinions of 100 retailers in the United States and the views of 2,000 consumers in this market.



Brightpearl

★ Trustpilot