# D R A P E R S G U I D E

### HOW CUSTOMER REVIEWS ARE CHANGING FASHION

#### WHAT YOU WILL LEARN:

- How retailers are using customer reviews
- What to do with bad reviews
- Case study: Techstyle
- A step-by-step guide to making the most of reviews
- Using reviews to inform product and merchandising decisions







Alan Duncan Senior marketing director EMEA, Trustpilot

'IT HAS BECOME ESSENTIAL TO GROW AND SHOW BRAND TRUST'



n today's customer era, where consumers have unprecedented passion and power, it has become essential to grow and show brand trust to power your business forward.

Review systems help build confidence and credibility throughout the customer fourney, but some platforms allow consumers' experiences to be deleted, censored or hidden. That creates a huge risk to your brand and stifles innovation.

Trustpilot is the only review platform open to all companies and consumers, independent of both. It is known around the world for its transparency and integrity.

Trustpilot's brand mission is to inspire evermproving experiences for everyone, by apping into people's desire to share experiences, and make things better.

Consumers can discover, and communicate and connect with great businesses.

Companies can improve and innovate by engaging and collaborating with customers. Trustpilot reviews give both consumers and companies the power to shape and improve their world.

More than just a rating, the green stars signal to all that a company has nothing to hide, and loves its customers.

Built on openness and collaboration, Trustpilot is open to all people, companies and feedback. No feedback is bad feedback. And that is what makes Trustpilot one of the world's most powerful review platforms.



**Rebecca Thomson** *Head of commercial content, Drapers* 

### 'FIND OUT HOW TO MAKE THIS TOOL WORK FOR YOUR BUSINESS'

#### hen online customer reviews were first introduced back in the 1990s, most retailers thought they were a terrible idea. The notion of allowing negative feedback to be freely available right next to the product you are trying to sell felt, at the very least, counter-intuitive. But reviews are a textbook example of an online feature that in theory feels like madness, but in reality, perfectly solves a problem.

In this report, we unpack how this works: why reviews are so useful, how retailers are using them today, how they are changing and where they might go in the future. We also provide a practical, step-by-step guide to getting the most out of customer reviews – including how to handle the negative ones.

Online shopping today is a noisy business. Everywhere consumers go, they are bombarded with messages, adverts and images. Reviews can help overwhelmed, jaded shoppers cut through the noise, and find the brands that are backing these claims with quality product and great service.

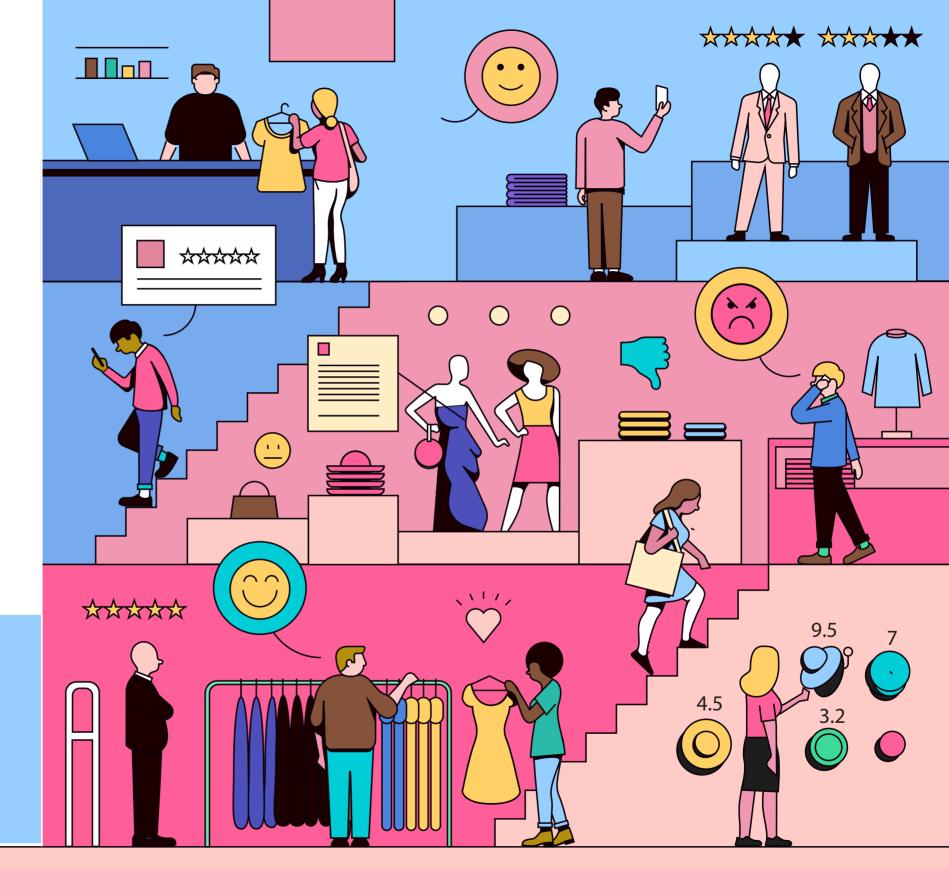
In this report find out how to make this tool work for your business, and how to ensure it operates at its most effective level. We hope you enjoy it.

### Drapers

# HOW RETAILERS ARE USING REVIEWS

*Words by* Matthew Chapman *Illustration by* Harry Haysom

ustomer reviews have become a core part of the fashion shopping journey: they help to answer shoppers' questions on the fit, quality and style of individual items, and they increasingly give a sense of the level of service a customer can expect from a brand. From a retailer's perspective, the insight to be found in customer reviews is powerful, and they have become a crucial part of the process of engaging and collaborating with customers.



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Reviews influence everything from general perception of a brand to meticulous decision-making based on fit feedback. In the UK alone, the Competition and Markets Authority estimates that reviews influence  $\pounds 23.3$ bn of consumer spending each year.

They have transformed the way people research and buy items online, and, as they continue to evolve, their influence over the entire retail journey will continue to expand. The insight held within reviews is already being used in every part of the fashion sector, from the design process to trading meetings, and has the potential to keep growing.

As chief operating officer at luxury platform Farfetch Andrew Robb says, they can help both retailers and customers cut through the noise: "Our logistics are complex. We find customer feedback particularly helpful and relevant for continually improving our customer service and delivery options." Farfetch asks for feedback after every purchase to identify specific issues and help inform its long-term strategy.

Research group Forrester predicts that by 2022, half of all clothing sales in Europe will be researched online and purchased in store. The space is fast evolving and, as we will find in this report, reviews do not need to appear on every product for them to be useful. Customers are increasingly using reviews to find the retailers who will deliver on their promises: in a world of grandiose claims, reviews help them find businesses that back up their claims with first-class service.

Both Farfetch and young fashion brand Missguided are among those who are already advocates of service reviews – they may not provide reviews on every product, but they encourage customers to rate the business based on the service they received.

As a retailer's service proposition – from in-store help to delivery times – becomes an increasingly important way to make it stand out, this shift in the use of reviews signals a change of direction in identifying what makes a shopper decide to purchase.

Vicky Shepherd, head of copy and content at womenswear retailer Long Tall Sally, presents customer feedback at its weekly trading meetings to help to build up a picture of long-term trends. The retailer has used customer feedback from reviews to inform decisions such as introducing live chat for customer care, and offering local returns in the Netherlands.

Other retailers have dropped suppliers following poor reviews. US women's occasionwear retailer New-YorkDress uses them to gain insight on product quality.

"After any bad review about quality we will look into the vendor," explains chief executive Marc Loeb. "We will then make sure we inspect all the goods before they are sent to the customer. [We look at] a

#### We find customer feedback particularly helpful and relevant for continually improving our service and delivery

ANDREW ROBB, FARFETCH

combination of bad reviews and actual poor quality before we make a decision to drop a vendor."

However they choose to use them, retailers ignore reviews at their peril. Around 71% of adults shopping online in the US say it is important for a retailer to give ratings and reviews on their website, reports Forrester, and nearly a third of 18-to-24-year-old shoppers in a Drapers survey said they check reviews of products before buying when they are shopping in store.

Added to this is the fact that the likelihood of purchase for a product with five reviews or more is 270% greater than that of a product with no reviews, research conducted by Northwestern University's Spiegel Research Center shows.

"We have now added reviews at the product level, and this is helping with our SEO [search engine optimisation], and helping customers to make better-informed decisions," says NewYorkDress's Loeb. "We hear from customers all the time that good reviews helped them decide to make a purchase from us."

#### **ENSURING INTEGRITY**

There is also the issue of consumer trust, which has simultaneously never been more important to a brand's success, while also being increasingly difficult to achieve and maintain. Research carried out last year by accountancy firm EY found that 74% of UK consumers would boycott a brand they did not trust.

"We are going from institutional trust to distributed trust," explains Julie Carlyle, partner and head of retail at consultancy EY. "Trust goes along a network and people are more likely to trust the view of a stranger who is a peer than something that comes down from a corporate or a business.

"Trust is a big buying trigger and we are really seeing people are not trusting the marketing hype."

Building this trust involves nurturing greater transparency, and reviews are a central part of this. Other measures, such as publishing more information on supply chains, and bringing integrity and trust into a brand's core values, are crucial as well. But reviews are increasingly becoming the part of the process that customers listen to most, and they help to communicate that message of transparency to a wider audience.

Nevertheless, it is important to manage them carefully. Forrester's 2016 *Rise of the Empowered Consumer* report points out that not all reviews are treated equally: consumers often suspecting that overly positive reviews come from paid reviewers. To counter this, brands should invite every customer to review their experience to ensure a mix of feedback. Using verified reviews can be another effective way of building trust.

Robb acknowledges that this can be a challenge: "Even where you have confidence the comments are legitimate, it can be difficult [for a consumer] to know whether the reviewer is 'someone like you', but I think increasingly customers are sophisticated about how they use reviews."

The benefits are clear, but reviews can be a doubleedged sword. Long Tall Sally's Shepherd says that a good review is a powerful conversion nudge, but a bad one can be a "conversion killer".

For this reason, retailers must ensure they have a robust strategy in place to respond to, and learn from, any negative feedback.

#### HOW CAN REVIEWS HELP

Used correctly, online reviews have three core benefits, says Trustpilot senior vice-president for communications and brand Glenn Manoff.

**1 OPERATIONAL IMPROVEMENTS** Operations can be improved through reviews because they create a "feedback loop" that teaches a retailer how to innovate and improve.

2 ECOMMERCE ADVANTAGES The ecommerce benefits, meanwhile, come primarily from boosting SEO (search engine optimisation) and conversion rates.

"Every review is a piece of content pointing back to your site, and Google looks at all those inks and rewards them through higher SEO rankngs," explains Manoff. "The stars provided hrough Google or seller ratings will drive more click-through to your site.

**3 BOOSTING CONVERSIONS** Once a con-

sumer is on an ecommerce website, the social validation provided by product reviews can drive conversion by boosting trust or confidence that a brand will make good on its promises.





### MAKING THE MOST OF BAD Reviews

ngry customers are more likely to leave a review than happy customers, so a robust response strategy is a necessary part of doing business online.

But the first thing to note is that bad reviews are not necessarily bad for business. If a retailer responds well, they can often help to answer questions posed by other hesitant buyers, edging them closer to making a purchase. Plus, they give the retailer a chance to explain a situation fully if something does go wrong, adding to that all-important trust rating.

Bad reviews can even make a customer feel more reassured: if they know what has gone wrong, they can make an assessment on whether that particular issue will affect them.

It is important to know how to turn a negative review into an opportunity.

#### **DON'T DELETE**

It might sound obvious, but it still happens: the cardinal sin upon receiving a bad review is to delete it. This can backfire because it communicates to the customer their feedback is not valued, and it can have an even greater impact on brand reputation.

Customers who have had their reviews removed are likely to tell family and friends, and in a worst-case scenario it can also lead to negative headlines.

British retailer John Lewis recently came under fire from the *Sunday Times* after allegedly rejecting negative online reviews and accepting positive ones. For this reason, open review platforms such as Trustpilot do not allow any altering or deletion of reviews, unless they are made aware of specific reviews that breach their rules (or the law).

A company with only positive reviews is also a red flag to consumers. Econsultancy research shows that 30% of consumers suspect reviews are fake if there are no negatives.

"If you don't have negative reviews, it doesn't seem genuine," says NewYorkDress chief executive Marc Loeb. Shoppers increasingly want to make a fully informed purchase decision – and negative reviews are often part of this. Plus, what is a negative feature for one shopper may be totally irrelevant for another.

This desire for transparency is stronger among younger shoppers and Drapers' recent Connected Consumer report found they are more likely to act if they see a family member or friend leaving a comment on a brand's social profiles. Half (49%) of those aged 25 to 34, for example, would look into that brand if they saw someone they knew posting on it, while 11% of those aged 18 to 25 said that would make them more likely to buy.

#### **BE OBJECTIVE**

When responding to negative reviews, it is crucial to maintain a sense of objectivity, even if the review appears to be unfair.

Customers can be threatening at times and on these occasions it is important to react with the brain, not the heart.

NewYorkDress ensures it responds to every negative review in detail and is able to take an objective approach by keeping thorough records.

"Many customers write a negative review because they try to return something past the accepted date or try to return a product that was final sale," says Loeb. "We make sure that everything in our company is documented and share the information in the review response, so other people can read the negative review and our rebuttal."

#### PROVIDE SOLUTIONS, NOT JUST APOLOGIES

If a mistake has been made, it is not enough to simply offer an apology – if it is not accompanied by a satisfactory solution, a customer's frustration is often only exacerbated.

Making the effort to right the wrong is worth it: research shows that up to 95% of unhappy customers will return if an issue is resolved efficiently.

While offering an apology for their experience is

appreciated, too many apologies can make a business look ineffective and result in a loss of confidence among consumers. When a satisfactory explanation and resolution are offered, customers often revise their review from a negative one to a positive one.

"We have a look straight away to see if we can identify which customer it is and if there is anything we can do we try to resolve it at our end," says Glynn Dutton, director at ecommerce lingerie retailer Belle Lingerie. "We always respond to negative reviews because we want customers to see that, if there is an issue, then we will try to resolve it.

"Sometimes customers might leave a negative review, but they have not contacted us to tell us what the issue is, and when we reply that prompts a response from them."

#### **DON'T FORGET THE PERSONAL**

While objectivity and a solutions-based response are crucial, responses are also best when they are personal. Keeping the tone informal can help to bring a human face to a brand online, where it can be easy to appear impersonal or faceless.

"There is no point copying and pasting a generic response to everybody," explains Dutton. "You need to have it personalised if you are responding to absolutely everybody."

Some fashion CEOs are known to respond personally when particularly loyal customers complain, as they see it as an opportunity to learn about how to improve the business. This hands-on approach is helpful for retention of a brand's most valuable consumers – and retention is always a cheaper option than recruiting new customers.

We always respond to negative reviews because we want customers to see that, if there is an issue, we will try to resolve it GLYNN DUTTON, BELLE LINGERIE.

# **CASE STUDY:** TECHSTYLE

echStyle Fashion Group, which runs JustFab, Fabletics, ShoeDazzle and FabKids brands, decided to embrace customer reviews in a bid to turn around damaging ratings.

The TechStyle business model received negative publicity three years ago when media outlets covered stories about members complaining they found it difficult to cancel their monthly subscriptions - under the model, shoppers pay a monthly fee and can choose an outfit every month for cheaper "members prices". Reviews for its brands were in the 5-to-6 range on Trustpilot in 2015.

"Ratings were poor and we were not responding to people," recalls Anna Pettus, vice-president of strategic operations at TechStyle. "I think there was an assumption of 'people are just upset with us' or 'maybe they just don't like us'."

To turn things around, the retailer has increased its efforts to reply to reviews. The effect was immediate: one of its brands, FabKids, jumped from a 7.1 to an 8 rating in the three weeks following the Trustpilot integration into the website for customer reviews in 2014.

TechStyle realised that by proactively seeking more reviews, it was "opening the door" to those who had had a positive experience with its brands.

At the same time, by engaging with the negative reviews, it has been able to enhance how it operates. The group now has a policy of responding to every review within 48 hours, and does so both publicly and privately, taking a proactive approach to any customer feedback.

"Usually when we proactively outreach to negative reviews, [customers] do come back and I think there has been some kind of miscommunication - some kind of confusion about how we work, and who we are," explains Pettus. "We just take time, which is why we call to explain. And I think when you do that and spend that genuine time with someone they do come back."

Feedback is now being used to focus on improving all

elements of the customer journey by uncovering pain points and customer expectations.

"The feedback we receive is on quality, on product, on customer service - both bad and positive experiences," says Pettus. "It is everything from start to finish in the entire journey that someone has had with us.

"We saw a lot of internal excitement when the ratings started to change. Even our chief executive and chief operating officer love the feedback, and want to know what our customers are saying, because we all understand that that makes a better brand.

"Our primary reason for the collection of reviews is that we need to be listening," she adds. "We can't just assume we know what our customers want or what they need based on our brands."

The retailer has found peer reviews have also led to an increase in conversion rates.

"It is not me telling you we have a great product. It is not me selling the membership, but other people who have made verified purchases," says Pettus.

She believes it is the four- and five-star reviews that "really solidify the decision to make that first purchase" for those on the verge of signing up. Furthermore, a proactive approach to reviews generates loyalty further down the customer-experience road.

Nevertheless, TechStyle is only at the beginning of its journey, and the management of online reviews requires constant maintenance.

Pettus concludes: "If we see a drop in our ratings, there is a reason behind that, and it really allows us to centre around that with a deep dive.

"We have come in a very short amount of time to such a better place, and we are not even finished. We are just getting started."

It is not me telling you we have a great product and selling the membership, but other people who have made verified purchases ANNA PETTUS, TECHSTYLE







## **STEP BY STEP: MAKE** THE MOST **OF REVIEWS**

#### **TAKE OWNERSHIP**

The first step is to take ownership of customer reviews customers are going to write them somewhere, so it makes sense to encourage them to do it on a site or profile that belongs to the brand, where responses can be monitored, controlled and owned.

It is also a good idea to make someone within the company with responsibility for reviews, because they can create a great deal of work. Maxwell Alderton, digital marketing manager at UK menswear retailer Peter Christian, says it has in effect created a head of reviews role, because of the amount of insight generated.

The volume of reviews can be vast, even for a relatively small retailer. Long Tall Sally, for instance, currently receives around 1,500 Trustpilot reviews a month.

#### **THINK BIG PICTURE**

There are many different types of reviews, and each can serve very different purposes. A common mistake is to only collect one kind of review - for example, only product reviews while ignoring service reviews. This can result in retailers getting a bad reputation, when it may only be one faulty product rather than over-arching bad service that is creating the negative rating.

#### **BE PROACTIVE**

If you leave all the impetus with the consumer, the danger is that people will primarily come to your business to vent about bad experiences. It is best to be as proactive as possible in collecting and responding to reviews - several

We would incorporate these reviews and feedback into our CRM systems to understand our customers better

VICKY SHEPHERD, LONG TALL SALLY

retailers offer incentives to leave reviews, with brands such as Boden and Long Tall Sally entering customers into prize draws if they do so.

It is important not to swamp the customer with requests, however. NewYorkDress sends one email asking for a review about 30 days after the customer has received the order.

Trustpilot senior vice-president for communications and brand Glenn Manoff adds: "If you invite customers to review you, you will get a more normalised mix of those who love you and those who have had a problem."

Email alerts can also be set up to notify a retailer when it has received a poor review, helping to ensure a swift brand response.

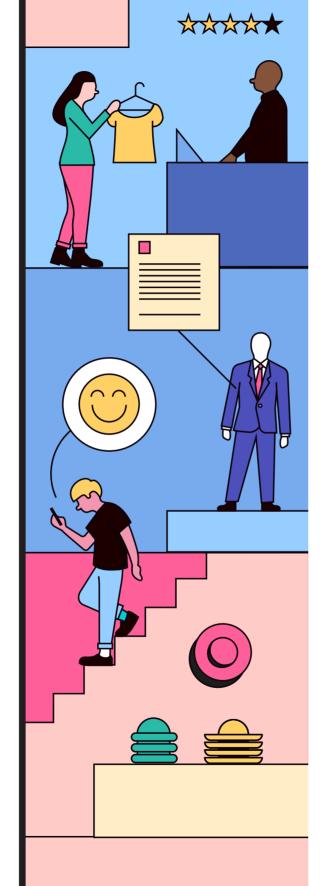
#### **MAKE REVIEWS WORK HARDER**

Once the basic processes are in place, then effort can be spent on making sure the reviews work harder for your business. Hosting reviews on key landing pages will improve the frequency your business appears in search engine results.

Adding some simple code to a brand's pages will bring its star ratings into Google organic listings too.

Make sure to include reviews in advertising, including quoting individual customer reviews in messaging or using your overall rating in imagery. Reviews can be featured on anything from social media posts and email marketing to TV ads and can help to grab the attention of consumers who are turned off by generic marketing claims.

Trustpilot research has found that 90% of UK consumers are more likely to find an ad believable or trustworthy if it has an open platform reviewer's logo on it.



### EXPANDING The remit

eviews can have far-reaching consequences on all areas of a fashion retailer's business when deployed intelligently.

Retail consultant and former UK head of retail at PwC, David Oliver, believes one area where they are often overlooked is as a feedback mechanism for the design and buying teams.

"Reviews are an important and sometimes under-used form of consumer research. There are lots of sources of insight and lots of data floating around so sometimes the obvious stuff gets missed."

British underwear etailer Belle Lingerie, for instance, has used reviews to influence new product development – it invested in a line of mastectomy bras after taking on board customer feedback.

Glynn Dutton, director at Belle Lingerie, says the initiative had been well received – as evidenced by further reviews: "We have got one review that is actually from a radiographer, who recommends us to all her patients."

Reviews can also be used to help shape the full omnichannel experience of a retailer.

EY's Julie Carlyle, partner and head of retail at consultancy, highlights how the in-store experience often gets discussed in online reviews.

She says: "Sometimes an experience such as 'I went into a store and I didn't like it, so I did not buy anything' is more valuable an insight than someone saying, 'I bought it and I liked it.'"

Customers are already using their mobile devices intore to check online reviews for products, and Oliver says this is likely to develop – he predicts a future where augmented reality technology is used to bring online reviews to life in-store.

"When I'm looking at a product in the store I could just point at it or a QR code using my mobile device and it brings up all the information about that product, including the reviews," says Oliver. Data analytics technology is improving all the time, and Farfetch chief operating officer Andrew Robb predicts reviews will become "more intelligent and useful as they get augmented with more data, which in turn allows the relevancy to the reader to increase".

The increase in relevance will pave the way for a personalisation revolution, predicts Long Tall Sally head of copy and content Vicky Shepherd.

"Today we use reviews and customer feedback in aggregate to determine trends," she says.

"Over time with more automation we would incorporate these reviews and feedback into our CRM [customer relationship management] systems to understand our customers better, profile their individual likes and dislikes, and eventually create micro-segments to create personalised offers and marketing messages."

A deeper understanding of the customer will also become possible in the future.

"Sentiment analytics will improve so we are able to really analyse not just the words and the feelings but the deeper sentiments behind what people are sharing," says Trustpilot senior vice-president for communications and brand Glenn Manoff.

At the heart of all these developments is the requirement for a culture of openness and collaboration among retailers and their customers.

The issue of trust between retailers and customers will become increasingly pertinent, as shoppers choose only to share information with businesses they feel comfortable with.

Building this trust is a delicate balance for retailers. Although many customers are slowly becoming more comfortable with sharing data and information – a recent Drapers survey found nearly 80% of those under 35 are happy to share data for something, whether it's faster payment or personalised offers – they are quick to lose confidence if it is misused.

Shoppers tend to prefer it when companies collect customer feedback transparently in an open environment, and Manoff believes the transparent nature of online reviews mean they are "more powerful than collecting feedback in private through in-store surveys and postpurchase surveys".

"Simplicity, openness and transparency are the most powerful things," he adds.

Reviews are a powerful tool with huge potential both now and in the future, but they need to be carefully managed to reap the benefits.

With the right approach they can be a fascinating source of customer insight, but their reach goes further – in an age when the focus on transparency and openness is only going to keep increasing, they could be a core part of the tools a retailer of the future needs to survive.



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