

2019 Feefo Research

# Online reviews

## The consumer's perspective

feefo<sup>ee</sup>





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# 1. Introduction

**UK consumers long since stopped relying exclusively on brands for information about what to buy. As this research shows, almost everyone turns to fellow customers to obtain feedback about anything from futons to funeral directors.**

Trust, however, remains a substantial problem in the wild west world of unverified customer feedback. Since our research into consumer attitudes to reviews last year, fake review scandals have continued to garner headlines. Social media forums have been exposed as platforms where reviewers are recruited to write phoney content praising products. Even the retail giant Amazon continues to be dogged by review manipulation, despite taking legal action as long ago as 2015.

## **Retailers must recognise the significance of feedback in the overall customer journey**

In this research we polled 2,000 UK consumers for their views on reviews, exploring the burning question of trust and how they use customer feedback. How do stars and review content influence behaviour and what do consumers want from them? What arouses suspicions about feedback? Do different age groups have different attitudes?

## **The problems with fake reviews in the last year underline how it's vital for consumers to trust what they read**

When reviews influence £23 billion in annual UK consumer spending, retailers must recognise the significance of feedback in the overall customer journey. The problems with fake reviews in the last year underline how it's vital for consumers to trust what they read. We need access to the real opinions of other customers rather than cherry-picked, uniformly positive reviews.

Maximum transparency is the only reliable path to increased trust and loyalty, turning happy customers into brand advocates.

# Key findings

- **Smartphone use** for researching and shopping has **more than doubled** but is more popular with women than men
- **Reviews are as helpful as advice** from friends and family and are used to explore quality, value for money and hidden drawbacks of products or services
- **Most people use star ratings** in conjunction with reviews, very rarely relying on stars alone
- Younger consumers are more concerned about the personal profile of reviewers, but for the majority, it's not a big concern. **Anonymous reviews are not popular**, however
- Despite recent fake review scandals, **fewer consumers are worried about fake reviews** than in Feefo research last year
- The **absence of negative reviews** makes consumers suspicious
- Consumers mostly post reviews for **positive reasons**

## 2. How do people shop?

Our research found the use of mobile phones for shopping online has **more than doubled since 2018**.

Last year only **22%** of people preferred to use their smartphone when shopping online but this year the figure is **53%**. It means smartphones have overtaken desktops and laptops as their favourite device for shopping. Last year (2018) **59%** of people said they would use their desktop or laptop compared with only **31%** this year.



Shopping on mobile phones has doubled in the last year



preferred to use their smartphone when shopping online



shop online using their desktop or laptop

### Other findings on shopping habits:



of women use smartphones to research and shop online, compared with **41%** of men



of over-65s use smartphones to research and shop online



of 35-44-year-olds use smartphones for shopping and researching online, rising to **71%** among 18-24-year-olds



of over-65s use a tablet to research and shop online



of consumers research and buy a product service online at home, up from **38%** in 2018

Excluding bricks and mortar retail, the research found consumers most frequently buy from retailer websites (**37%**) and online marketplaces such as eBay and Amazon (**26%**). Only **13%** regularly use offer websites like Groupon. Just nine per cent regularly buy from social media adverts or links from social media influencers.



### 3. What do consumers think of feedback and how do they use it?

→ 96%

Almost all respondents (96%) say they read or use reviews in some way – a stunningly high figure which continues the trend from Feefo research last year (94%) and 2017 (95%).

→ 80%

of respondents find online reviews from fellow customers helpful – exactly the same percentage (80%) who believe advice from friends and family is helpful. But there is a gender divide – women are more likely (84%) to say reviews are helpful than men (76%).



75%

find price comparison sites helpful

73%

use watchdog or trade recommendations

53%

use press, broadcast or online media reviews

41%

regard advice on social media as useful (53% among 18-24-year-olds)

29%

follow the advice of social media influencers and celebrities

#### CASE STUDY

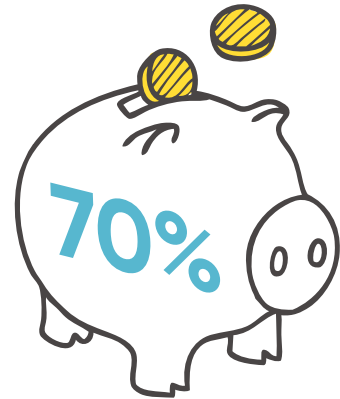
**The Perfume Shop** is a perfect example of how to benefit from helping consumers use reviews. The UK's largest specialist fragrance retailer found many consumers were browsing on its website without buying. By using Feefo's Smart Themes artificial intelligence tool, it gave potential customers fast access to the most relevant reviews, sorting by scent, price, availability etc. The result? **A 13% increase in conversions.** Laura Croucher, The Perfume Shop's Head of Digital, said:

**"By giving our customers the opportunity to read the reviews that are relevant to them, we make it easy for them to make their buying decision."**

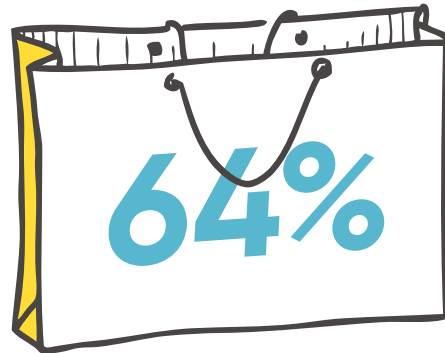
# The price must be right

## Whatever consumers buy, the right price is still a high priority.

Seven in ten (70%) compare prices on the web first when they consider buying something, compared with 64% who read online customer reviews and 45% who look at star ratings. Financial value is not necessarily a factor. 52% of respondents read reviews irrespective of what the prospective purchase may cost. Patterns are similar to 2018 when 74% compared prices on the web and 67% used reviews. In 2017, 78% compared prices and 66% read reviews.



of purchases are based on the right price



of people read reviews before making a purchase

# What kinds of purchases make people look at multiple reviews?

Is it the huge amount of choice that drives consumers to read multiple reviews? Are they looking for guidance on specifications, models and running costs? Or are they analysing feedback for more reasons of taste or emotion – like choosing the right restaurant?

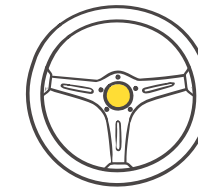
## Products and services that make consumers read multiple reviews:



TVs or laptops



Holidays, flights and rail trips



Cars and big one-off purchases



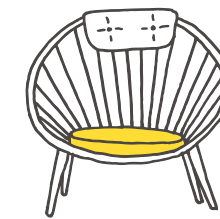
Restaurants



Kitchen appliances



Clothes



Furniture



Cosmetics

## What about star ratings?



### Star ratings are simple and direct, but should we rely on them alone?

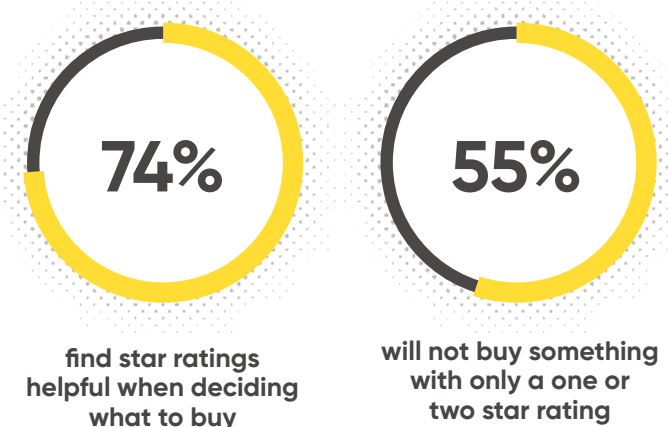
Most respondents (67%) take both **the content and the star rating** into account when they use reviews. Just eight per cent look solely at star ratings and totally ignore reviews.

Yet not all of us have faith in low star ratings. Three-in-ten consumers (30%) don't trust one-star reviews because they think they're unlikely to be accurate. This was truer of men (35%) than women (26%).

### But stars are influential.

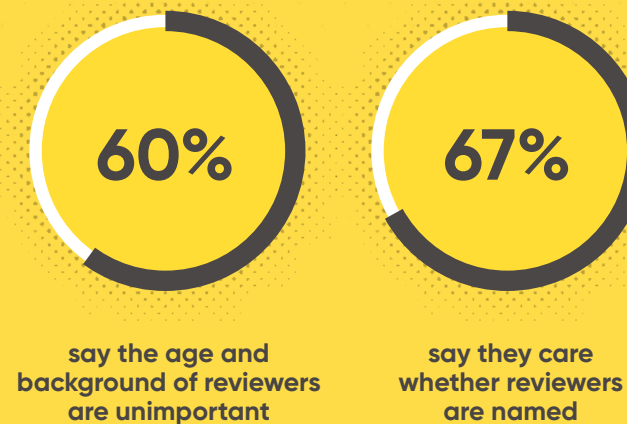
Nearly three-quarters (74%) find star ratings helpful when deciding what to buy and 55% will not buy something that only has an overall star rating of one or two stars. There is a notable difference between men and women.

While 80% of women find stars helpful, 68% of men do, which are big increases on the respective figures last year.



## Do you care whose review you're reading?

For most people (60%) the age and background of reviewers is unimportant, but things are different among the 18-24-year-olds. Among this age group, 58% give priority to reviews from customers sharing their profile.



Anonymity in reviews is not popular, however. More than two-thirds (67%) of respondents say they care whether reviewers are named and 44% only trust named contributors. Suspicions arise too if the tone of reviews is almost uniformly positive.

More than half of consumers (52%) are suspicious if there are no negative reviews for the product or service they want. This is especially true among the over-65s (65%). The older the consumer, the more likely he or she is not to trust anonymous reviews.





# Posting reviews

## Happy with your holiday or frustrated with your new fridge?

What motivates consumers to contribute review feedback? Our research found that most of the time, consumers post for positive reasons.



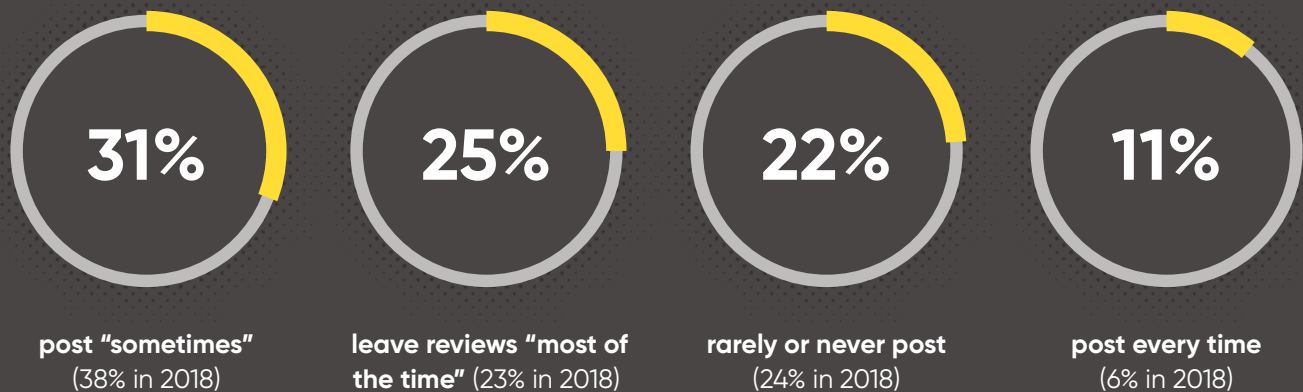
### CASE STUDY

**Trafalgar**, The Travel Corporation's first tour operator brand, has been using Feefo feedback to understand customers better and do things differently since 2014.

The company has 23,041 reviews and a rating of 4.6/5. Gavin Tollman, Chief Executive of Trafalgar, said:

"We have always been an early adopter of technology and I wanted total transparency, so the single most transformational thing in our business was probably using Feefo. Today everyone in operations looks at reviews from Feefo daily. We have 'Feefo Fridays' in Geneva."

## How often do consumers give their feedback?





## What prevents shoppers from contributing review feedback?



Consumers are most likely to say they never post reviews because it is a waste of their time (56%), which was up six per cent from last year. More men (65%) take this view than women (45%).



Although 50% of all consumers don't post because it takes too long or there are too many questions, this is an improvement on 59% last year and 67% in 2017. Streamlining of review processes is clearly yielding results. Loss of faith that anything will change is, however, a factor. Only 39% of consumers think retailers take review feedback into account. Another 39% are unsure and 22% don't believe it ever happens. Overall, the results for this are similar to those in Feefo's research last year.

### CASE STUDY

If any company shows how real review content leads to positive change, it's supermarket chain Iceland, a Feefo client since 2015. After rapidly analysing 31,000 reviews with Feefo's artificial intelligence tool, Iceland introduced bagless delivery, promoted home delivery in marketing campaigns and improved the door-to-door customer service experience by introducing training documents for delivery drivers. All these initiatives arose from what customers were posting. Rachel Lewis, Iceland's Customer Response said:

"With Feefo, we can not only listen to what our customers are saying on a scale not previously available to us but also rapidly assess trends, drive customer-inspired improvements and provide a better overall service."

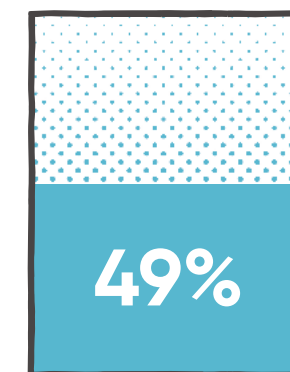
## 4. Fake reviews, trust and negative feedback

Feedback-faking and phoney reviews have been in the news this year, but the headlines have not had a big influence on consumer attitudes.

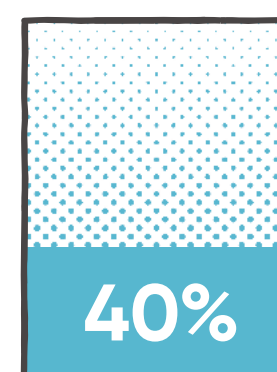
Although most consumers (72%) are worried about fake reviews, this is a big drop from 89% in last year's research and remains lower than the 2017 figure (75%).

Nonetheless, consumers understand the value of verified reviews.

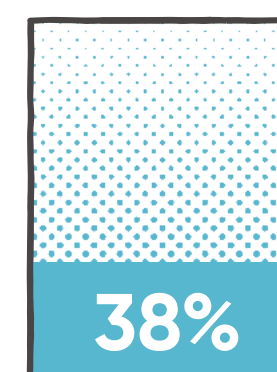
50% are more likely to trust a brand if reviews are authenticated by a company like Feefo, which is up from 43% last year and 40% in 2017.



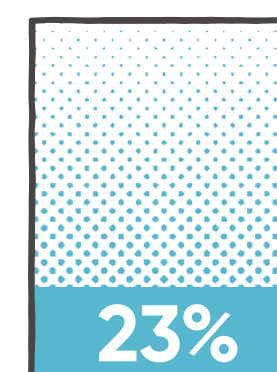
trust reviews  
if they are detailed



want them to sound  
genuine and be  
verified



have more trust in a  
review if a picture of  
the product is included



never trust  
anonymous reviews

# How influential are negative reviews?

While the importance of reviews is beyond doubt, what do consumers think of negative feedback? **How do they use it?**

52%

of consumers are suspicious if there are no negative reviews

More than half (52%) of consumers are suspicious if there are no negative reviews (compared with 54% in 2017), especially the over-65s (65%). Not far off three-quarters of all consumers (72%) read several negative reviews to see if they cover the same point.

19%

said a single bad review would completely discourage them

And while almost a fifth of all respondents (19%) read negative reviews first, that doesn't mean the content is what matters most to them. Only 23% said a single bad review would completely discourage them from buying something, even if most reviews were positive. 24% gave the same response last year.

72%

read several negative reviews to see if they cover the same point

# Loyalty

Reviews should be part of a brand's strategy for building loyalty, but it's hard when there's so much choice online. **This survey found that loyalty is scarce.**

36% say products and quality are reasons for sticking with a brand, making them more influential than price (22%) or customer experience (15%). Consistency in service is only influential with 12%. Quirkiness or uniqueness counts with a mere three per cent of consumers.

36%

say products and quality are reasons for sticking with a brand, making them more influential than price

## CASE STUDY

The national recruitment agency and FTSE 250 company **Michael Page** has boldly used reviews to build trust in an industry with a poor reputation. Lacking independent feedback, Michael Page implemented the Google-trusted Feefo platform in 2017 and has achieved a rating of 4.9/5. It is now able to incorporate Google Seller Ratings into its paid-for Google adverts, displaying reviews which increase click-throughs by up to 50%. A dynamic business, Michael Page also uses reviews internally to promote excellence. Nicholas Kirk, Managing Director said:

**"Being able to take action based on genuine candidate insight is incredibly powerful."**

## 5. I wish I'd read the reviews

**Most consumers regretted having bought something without reading the reviews first (51%).**

This is more likely among women (55%) and younger age groups. The figure was 69% among 18-24s and 63% among 25-34s. Older customers are less likely to ignore reviews. Among the over-65s, for example, only 17% have regretted ignoring reviews after they bought a product or service.



of those shopping online daily or weekly have ignored reviews and **suffered the consequences**

Electronic goods were selected by nearly a third (32%). More than a fifth of people have failed to read reviews before going on holiday (21%), yet only nine per cent regret buying a car without looking at feedback first.

The more frequent the shopper the more likely the regret. Almost six-in-ten (59%) of those shopping online daily or weekly have ignored reviews and suffered the consequences, compared with 35% who shop online less often or never.



When it comes to what shoppers regret having bought, clothing was selected by 40%, rising to 49% among 18-24s.





# Conclusion

Providing great customer experience is now fundamental to any retailer's success. As this year's research shows, reviews from real customers have become an indispensable tool in crafting the optimum customer journey.

The figures speak for themselves: **96%** of the people we surveyed use reviews – a figure that has remained impressively high over the last three years. Customer reviews are consulted more frequently than comparison sites, professional reviewers or social media. Eight-in-ten (**80%**) of respondents think customer feedback is as helpful as advice from friends and family. Reviews are a resource that cannot be neglected.

We can see too, how consumers use star ratings in combination with reviews. They are becoming far cannier and as this research again shows, become suspicious when negative feedback is missing.

It may, however, appear strange that despite all the publicity about fake reviews, worries on this topic have declined. This year nearly three-quarters of consumers (**72%**) expressed concerns, a substantial drop from the **89%** last year. The figure is even lower than the **75%** in our research of two years ago. Yet far from being complacent, consumers may feel better equipped to spot scripted, paid-for reviews.

And although fewer consumers are worried by false reviews, the great majority still are. Consumers want authenticity and transparency, which is why there must be no let-up in efforts to banish review cheats because ultimately it is in everybody's interest to do so. Feefo has long been at the forefront of such efforts to eliminate fake reviews.

## Conclusion

We were involved in the drafting of ISO 20488, the first international standard for the review industry. Our determination to inject trust and transparency is why we only publish reviews from real customers who are invited to submit feedback after we've been provided with evidence of their purchase. The benefits for brands in terms of trust and transparency are obvious. Over three years the percentage of consumers trusting verified reviews has consistently risen.

Finally, too few customers post feedback, many believing it won't make any difference. This is disappointing when our survey found that consumers want to post reviews for mostly positive reasons. Although streamlined processes are encouraging more contributions, the figures remain too low. Brands neglecting review content are dismissing an important source of business insight. Artificial intelligence tools, such as Feefo's Performance Profiling, extract insights that can transform the customer experience.

It's time for more businesses to demonstrate to consumers how genuine feedback, whether positive or negative, leads to a better experience for every customer.

### About the research

2,000 UK consumers were interviewed in July 2019

#### Breakdown of respondents:

1,038 women 960 men

#### Age groups:

18-24	→	244	45-54	→	439
25-34	→	464	55-64	→	304
35-44	→	490	65+	→	59

#### Shopping habits:

Online	58% shop daily or weekly
	29% shop monthly
	12% less frequently
In-store	69% shop daily or weekly
	22% shop monthly
	9% less frequently





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