



Bad reviews are good for business

The power of negative reviews

The power of bad reviews

Negative reviews can help your business. It runs counter to every marketer's instinct: you don't want people saying bad things about your brand, your products or services, and you certainly don't want to publish that negative feedback on your own site.

But the surprising truth is that bad reviews and other negative feedback bring a host of benefits, from greater customer satisfaction to improved product development. Consumers spend four times as long on site when they interact with bad reviews, trust the reviews they see far more and convert nearly 70% more often.

Every business will receive some bad reviews: you simply can't please everyone. How you choose to deal with them will determine whether they're an asset or not. This ebook will show you the benefits bad reviews can bring, and how to deal with negative feedback to transform criticism into extra sales.

Nurturing consumer trust

The success of social commerce is all down to trust. Consumers value reviews because they trust the unedited opinions of their peers far more than official information sources like advertising or sales assistants.

People are naturally sceptical of sites where every review gives full marks. We all know that no product or service pleases everyone all of the time. When all your reviews look like they've been hand-crafted by the marketing team, consumers distrust them. And when you lose consumer trust, you lose sales.

A few bad reviews give consumers a reason to believe all your good reviews.

68%

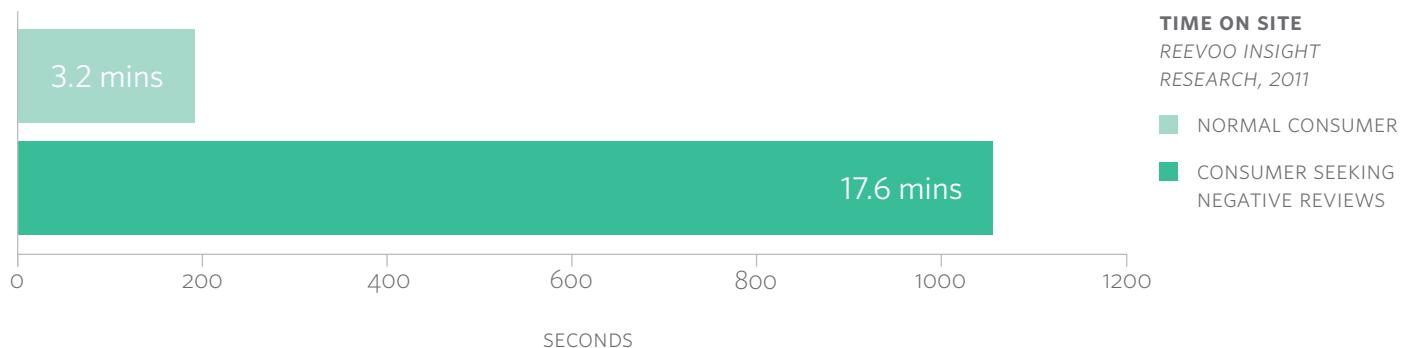
TRUST REVIEWS MORE WHEN THEY
SEE BOTH GOOD AND BAD SCORES

95%

SUSPECT CENSORSHIP OR FAKE REVIEWS
WHEN THEY DON'T SEE BAD SCORES

Increasing engagement

Bad reviews are one of the most popular features on a site. Twice as many consumers actively seek out negative reviews as look for positive reviews. Negative reviews are even more popular than the most recent reviews, or reviews from 'people like me'.



These consumers aren't looking for a reason not to buy: they're digging deep in their pre-purchase research to ensure they make the right choice. People who seek out bad reviews stay much longer on your site than normal visitors, and view almost four times as many pages.



When they come across a badly-reviewed product or service, consumers just move on to another on the same site. Less than 1% of consumers leave a retailer site after seeing one badly-reviewed product.

And the longer these consumers stay on your site, the longer you have to convince them to convert.

Bad reviews encourage highly-engaged shoppers.

Providing unbeatable business insight

It's always hard to listen to criticism. However, the criticisms in bad reviews can be an incredibly valuable early warning system from your customers – if you're listening to them.

When one of your products or services starts getting bad reviews, you can ignore the feedback and face increased returns, lower customer satisfaction and the damage to your brand that accompanies it.

Or you can pay close attention to the reviews and respond quickly, changing the aspects of your products or services that are attracting criticism before they start losing you money, and publicly notifying the reviewer (see next section).

Bad reviews provide the kind of highly detailed feedback you'd normally get from thousands of pounds worth of market research. Negative feedback helps you improve everything from marketing to customer service to product design, while giving you the opportunity to demonstrate how responsive you are to your customers.

Bad reviews help you improve your business, products and services.

How do consumers use bad reviews?

Hundreds of thousands of consumers seek out negative reviews online, by sorting reviews to show the lowest scores first or checking out the low-scoring reviews voted most helpful by other consumers.

Through tracking people's interactions with reviews, consumer surveys and extensive user-testing, we've built up an excellent understanding of consumers' attitudes to bad reviews.

① Consumers want complete information

We all know that no product or service is completely perfect. Consumers want to know the few negatives so they can weigh them up against all the good points and make a fully informed decision.

② Consumers don't always agree on 'bad' points

A bad point to one purchaser is often irrelevant to another – and can even be an advantage. One guest could hate a hotel because there were 'too many' children but, to someone planning a family holiday, that's an advantage.

③ Consumers don't look at reviews in isolation

The mere presence of bad reviews isn't enough to put most consumers off: it's the ratio of good to bad that matters. A few bad reviews carry much less weight with readers when they appear alongside dozens or hundreds of good reviews.

④ Consumers notice when there are no bad reviews

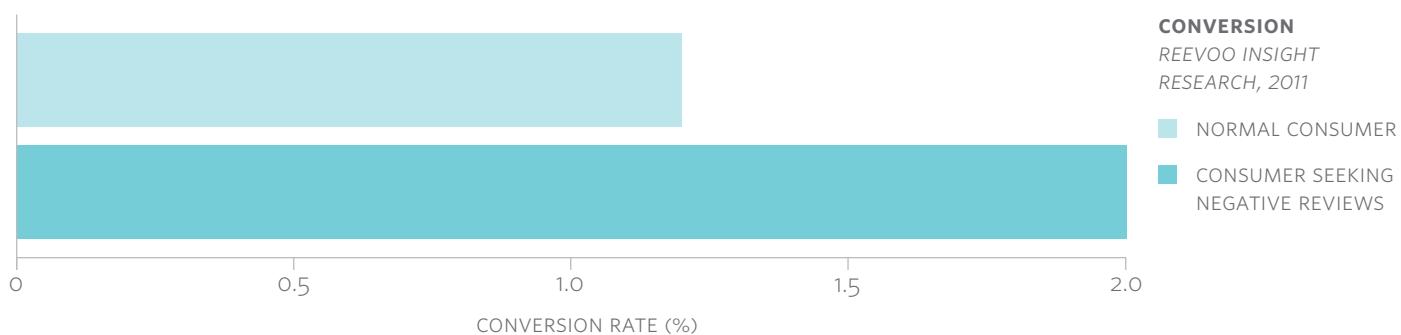
Shoppers are suspicious when the reviews don't include any complaints. They won't assume your product or service is just that good – they'll assume it's so bad you have to censor customer feedback.

Boosting conversion

Higher conversion is the natural consequence of consumers spending longer on your site, viewing more pages and trusting what they read. Consumers who seek out negative reviews outperform the average visitor to your site on all of these metrics, leading to a 67% rise in conversion rates for these shoppers compared to those that don't look for negative reviews. Strange as it seems, bad reviews are one of the most effective conversion tools out there.

These figures just look at the shoppers who seek out negative reviews. They don't take into account the positive effect on all consumers when you display more trustworthy, mixed reviews – but you'll certainly see this in your sales figures.

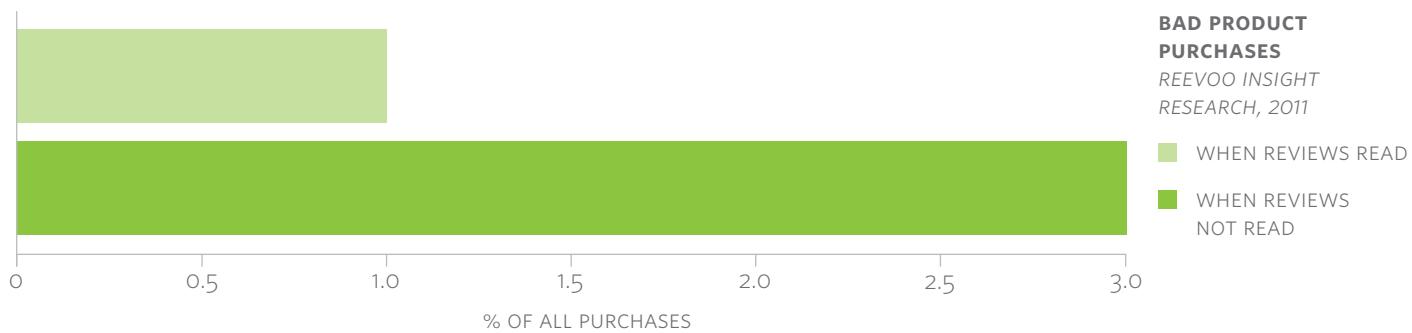
Displaying bad reviews will drive up conversion rates.



Increasing customer satisfaction

The good news is that there aren't many bad products or services out there. After collecting millions of reviews from across Europe, only 1% of everything we cover has a bad average score (6/10 or less).

Those products that are genuinely poor quality will receive negative reviews. By publishing these reviews, you reduce the likelihood of other consumers buying something that will disappoint them. Reading reviews dramatically reduces the likelihood that a consumer will purchase a bad product or service.



Fewer disappointed customers means increased loyalty, more repeat custom, less demand for post-purchase support and fewer costly returns.

Remember, less than 1% of consumers leave a site after seeing a badly-reviewed product. You're not losing sales by showing bad reviews: you're steering consumers toward purchases that won't disappoint them.

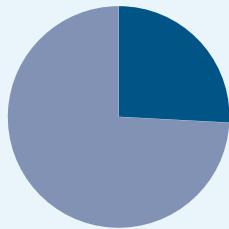
Bad reviews prevent customer dissatisfaction.

Get the reviews you deserve

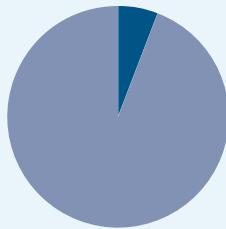
By now we hope you've got the message: bad reviews can help your business.

But, like all good things, you need bad reviews in moderation, or you risk damaging your brand and your bottom line. If you're getting a higher proportion of negative reviews than you'd expect, your collection system may be the problem.

When you make no effort to solicit reviews and rely on site visitors leaving reviews, you open the floodgates to negative feedback. The only customers motivated enough to spontaneously return to your website to write a review will be driven by anger and disappointment. Unhappy customers will dominate your reviews, drowning out the majority of customers who are happy, but not sufficiently motivated to go out of their way to write a review. You will get more bad reviews than you deserve, giving consumers an inaccurately negative view, resulting in fewer sales.



PASSIVE COLLECTION
26% BAD REVIEWS
74% GOOD REVIEWS



PROACTIVE COLLECTION
6% BAD REVIEWS
94% GOOD REVIEWS

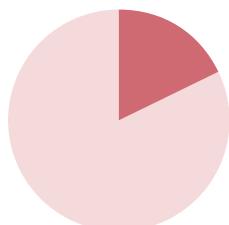
Proactively reaching out to invite customers to review gives your happy customers the little nudge they need to get them reviewing. By collecting reviews from these customers, the bad reviews are properly diluted by the crowd of satisfied purchasers.

Make sure your reviews accurately reflect the quality of your products and services by choosing a proactive collection system.

Demonstrating your great service

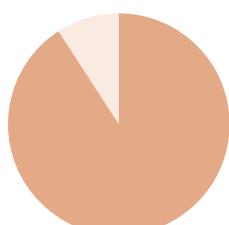
Bad reviews come from unhappy customers. When you respond to negative feedback by sweeping it under the carpet, you ignore the unhappy customers behind that feedback.

This is a mistake: a negative review is a great opportunity to convert a detractor into a brand advocate with your excellent post-sales service.



18%
OF CONSUMERS BECAME LOYAL REPEAT
CUSTOMERS AFTER RECEIVING A BRAND
RESPONSE TO NEGATIVE FEEDBACK

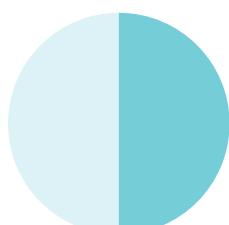
RIGHT NOW RETAIL
CONSUMER REPORT 2011



91%
OF CONSUMERS RECOMMEND A BRAND OR RETAILER
TO FRIENDS AFTER GREAT CUSTOMER SERVICE
- 30% OF THESE DID SO ON A SOCIAL NETWORK

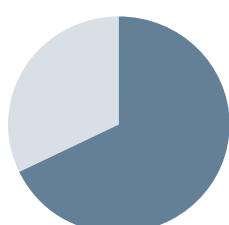
AMERICAN EXPRESS
2011 GLOBAL CUSTOMER
SERVICE BAROMETER

Responding promptly and publicly to negative feedback doesn't only boost your brand equity with the reviewer. It also demonstrates to all the browsers wavering on the edge of purchase that you care about your customers and the quality of service you provide. Service is an increasingly important factor to shoppers, and competing on service allows you to avoid the damage to margins that comes from competing on price.



50%
OF CONSUMERS SAY CUSTOMER SERVICE
INFLUENCES THEIR CHOICE OF BRAND OR RETAILER

RIGHT NOW RETAIL
CONSUMER REPORT 2011



68%
OF CONSUMERS WOULD SPEND MORE TO
ENSURE GOOD CUSTOMER SERVICE

AMERICAN EXPRESS
2011 GLOBAL CUSTOMER
SERVICE BAROMETER

Your response to bad reviews helps you win back unhappy customers and attract new ones.

Conclusion

There is nothing for businesses to fear from bad reviews, as long as they're using the right collection methods, and there are plenty of advantages to having a truly balanced review system.

Negative feedback is a powerful tool that drives a range of business benefits. Bad reviews increase consumer engagement and trust in your brand while improving customer satisfaction, turning browsers into purchasers, and purchasers into loyal repeat customers. The end results are higher conversion rates and increased lifetime customer value.

Attempting to hide bad reviews has exactly the opposite effect: incalculable brand damage, reduced sales and diminished consumer loyalty.

Bad reviews only damage businesses that don't know how to deal with them. When you know how to handle them correctly, bad reviews can be very good for business.

E: sales@reevoo.com

T: +44 (0)20 7654 0350

W: b2b.reevoo.com

ABOUT REEVOO

Reevoo is a world-leading provider of social commerce solutions. Our unique social commerce model has generated millions of reviews from confirmed customers in 18 countries.

We've developed market-leading services that are used by more than 150 major brands including Sony, Octopus Travel, Orange, Motors.co.uk, Dixons and Tesco. Working with Reevoo provides these brands with impartial social commerce content that produces an average sales uplift of 18%.

FURTHER READING

Beyond Facebook: Getting Active with Social Commerce

Real success in the social era means looking beyond Facebook. Find out how with our introduction to active social commerce. b2b.reevoo.com/beyond-facebook

The Six Essentials of Ratings and Reviews

A must-read guide to the six drivers of a successful review solution. b2b.reevoo.com/10-myths

Ten Myths of Ratings and Reviews for Online Retailers

Too many retailers miss out on the full potential of reviews because of these common misconceptions. b2b.reevoo.com/6-essentials

User Generated Content for SEO

The power of social plus SEO - a best practice guide. b2b.reevoo.com/ugc-and-seo