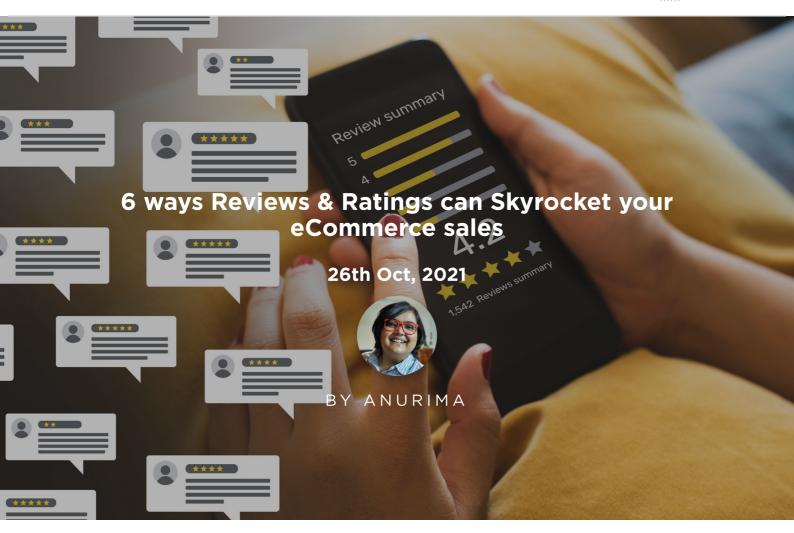
DATAWEAVE



As per recent research conducted by Deloitte, approximately **81%** of consumers use reviews to make purchase decisions. Reviews work like social testimonials. They are credible recommendations, as a vote of confidence from an existing customer. And when satisfied customers express themselves through the right words, automatically your product gets a boost.

In case you're thinking, 'who has time to read through each and every review?' Put a pause to your thought, because more than **70%** of people regularly or occasionally read online reviews, and **19%** of US shoppers trust online reviews as much as a personal recommendation. Online reviews matter and for brands that are selling online, this is becoming a big deciding ground, contributing to sales.

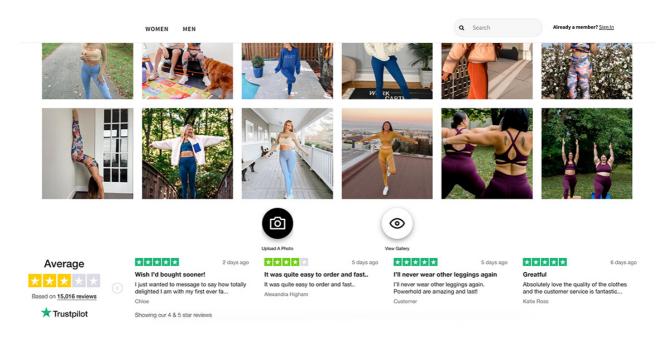
Let's go a little deeper and take a look at why good Ratings and Reviews are important for your eCommerce sales.

### 1. Use your customer's voice as a marketing tool!

Reviews have emerged as a new and effective product promotional tool that never fails to attract the right audience. Even standalone, reviews or word-ofmouth from real users have always been the hook for consumers, so using reviews in your marketing amps up the impact. And the best part is, that it is absolutely free and user-generated!



Here's how **Fabletics** in the UK is using reviews for marketing – they've brought these customer testimonials right onto their website homepage! These attention-grabbing reviews showcase the voice of their existing customers and serve as the main influence for future customers that visit their website and want to know more about their brand offerings.



#### Fabletics website

Using reviews in Search ads is another really impactful way to amplify your customer's voice and confidence in your brand. Here's a sample of how we at DataWeave could use our **fantastic G2 reviews** to build out a Search ad.

### Dataweave has provided me a quick and user friendly way to be on the top of the competition

### ★★★★ Rating for dataweave.com: 51 reviews

Being able to identify my pricing position compared to market on different levels such as the category, price tier and even on item level. Dashboards provide an overview and gives you direction on where you need to dig deep in and make adjustments. Review collected by and hosted on G2.com.

G2 Review

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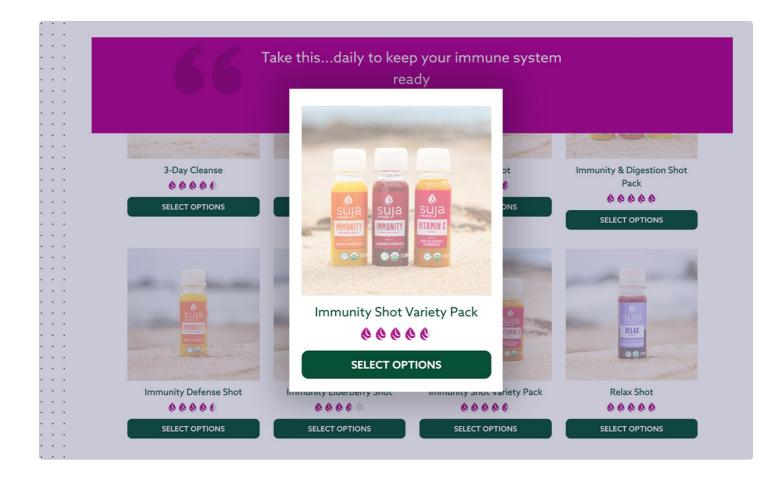
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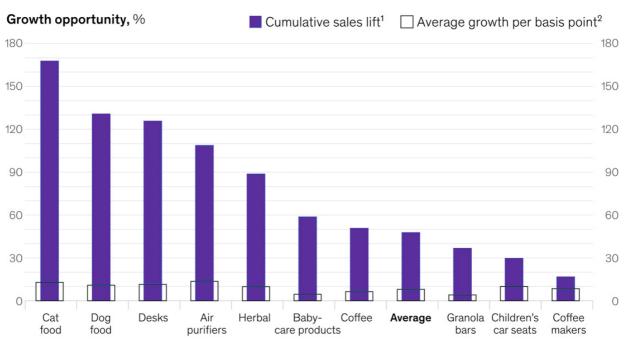
# 2. Use Reviews & Ratings to influence buying decisions



### Product page from Suja website

Display your reviews upfront. Help consumers make their purchase decision easier. Take for instance **Suja**, a cold-pressed juice brand. Suja converts user ratings and reviews into scores for each of their organic drinks and displays it right below the product, so at one glance users know which products have high reviews and which don't. This further eases purchase decisions and every customer can decide on the variant right at the product page and then add it to the cart if it meets their expectations.

# **3.** Positive reviews impact your brand's conversion rate



## The sales lift from an improved star rating varied by product category.

### Beginning of growth horizon<sup>3</sup> by product

3.4	3.5	3.6	3.8	3.5	3.4	3.9	3.9	3.9	4.4	4.1	
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Cat food	Dog food	Desks	Air purifiers	Herbal c	Baby- are produc	Coffee	Average	Granola bars	Children's car seats	Coffee makers	

<sup>1</sup>The growth opportunity is the volume increase expected from an increase in star ratings.

<sup>2</sup>Basis point is defined as a 0.1-star ratings improvement.

<sup>3</sup>The growth horizon is defined as the span of star ratings in which a category has clear positive growth. This is bounded by the region where positive volume growth begins and the region where diminishing returns or stockouts begin.

Experts say that 50 or more reviews per product can mean a 4.6% increase in conversion rates. **McKinsey** has attempted to quantify the relationship between reviews and conversion rates by analyzing reviews and ratings across the 70 highest-selling categories on a major online platform. After tracking hundreds of thousands of individual SKUs over a two-year time span, they found out that the correlation between star ratings and product sales was positive in 55 of the 70 categories they examined. In fact, a jump in rating was also seen to add to the conversion rates growing. Loyalty drives ratings and that, in turn, leads to positive conversions.

Negative or fewer ratings can directly impact sales. We at DataWeave can help **Brands adapt to consumer feedback** by tracking their reviews and

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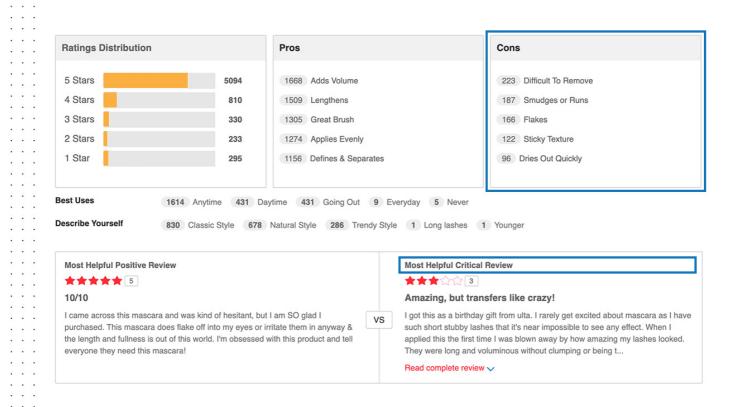
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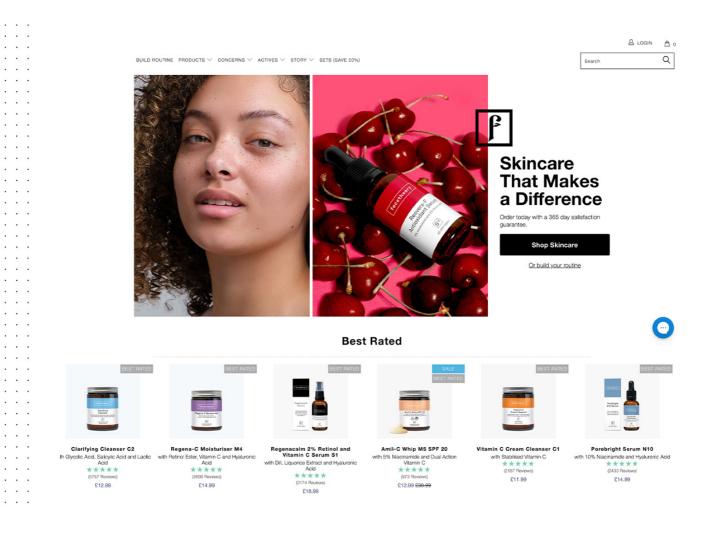
rating.

# 4. Use honest & transparent reviews to build trust, including negative reviews.



Take for instance this detailed review for a Lancôme mascara on **Ulta** Beauty. It not only gives the user a ready guide to the product they are eyeing but also makes the brand come out very transparent and believable, courtesy of the cons & negative reviews on display. This helps build a relationship of trust with customers across the board. Various studies have been conducted where consumers said when looking at reviews of businesses, they would trust the company less if there were no negative reviews on display. And they said the probability of every single customer having a four or five-star experience just isn't believable – this would cause suspicion and has a strong potential of turning them away from making a purchase. Consumers clearly want the real story about a brand or business and not just a rosy picture.

# **5** Ratings and reviews can boost SEO



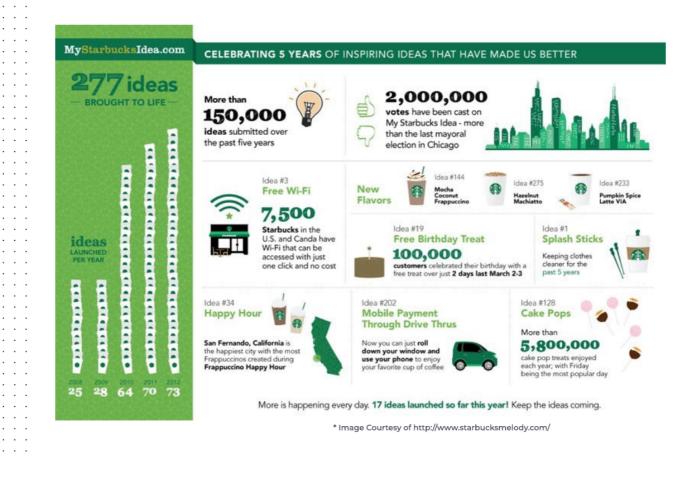
### Use ratings and reviews to structure the entire listing

Online reviews are estimated to make up 10% of the criteria Google algorithms use when displaying search results. Every brand understands the importance of putting SEO-optimized content online via blogs & an array of other content marketing activities. Reviews can contribute to that cause too! User-generated content like reviews can work as a ready stream of optimized content, which Google can crawl to rank products higher in search. What is interesting is that buyers when posting a review for products are bound to mention the brand name and use certain words to describe their experience, which subconsciously in most cases become the right keywords! This actually then turns into organically generated authentic, keyword-optimized content. In fact, brands can collect and use rich snippets of reviews on their website or use it for marketing purposes to further optimize listings on Google. Take for Instance **Face Theory**, they use ratings and reviews to structure the entire listing for their own e-commerce website. This helps them rank higher in search on Google and even on Amazon.

## **#6 Understand Customer Sentiment via reviews**

Consumers use reviews to make purchase decisions. On the flip side, what's interesting is that brands can also gauge their consumers through reviews or

feedbacks they submit. This feedback helps brands align with the ground reality of how consumers really feel about their products. And by synthesizing & breaking down reviews across channels, brands can work towards bringing more innovation and personalization for their customer, just the way they want.



Take, for instance, Starbucks, a leading international coffee chain introduced MyStarbucksIdea in 2008. This was an instant hit and Starbucks customers within just the first five years of operation, shared over 150,000 ideas and recommendations to the brand, and the company put hundreds of them to use. This is a real case of a brand becoming an advocate to customer sentiments to drive its innovations directly from the core of ideas and reviews submitted by discerning customers.

In today's scenario, brands do not need elaborate programs like MyStarbucksIdea, they can simply ask customers for their ideas, thoughts, and suggestions via online reviews across numerous platforms! The only task from there is on is collecting and analyzing these reviews to glean insights.

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# The COVID-19 pandemic has led to an explosion in the number of product reviews.

#### **Cross-industry perspective**

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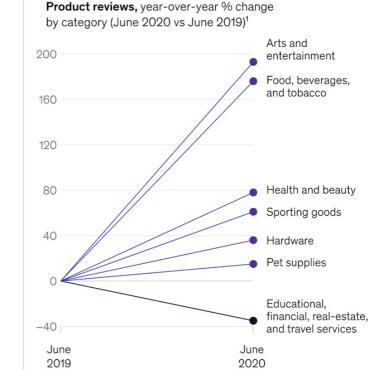
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Monthly global customer-review submissions, year-over-year % change (2020 vs 2019)



<sup>1</sup>We conducted the category analysis for the months of June because December typically sees much higher sales in certain categories, while others remain relatively unchanged.

Source: Bazaarvoice Network data

The new normal has led to an explosion of product reviews as more and more people shop online. In the US alone reviews were 40 – 80% higher during the core months of the pandemic in 2020 as compared to 2019.

Reviews matter, and even more so now. Brands need to build it as part of their actionable strategies and incentivize consumers to rate and review products with each purchase.

Need help tracking your online ratings? Or decoding customer sentiment from reviews they've left for your products? **Sign up for a demo** with our team to know how DataWeave can help!

### - Anurima Das

Anurima Das is the Managing Editor for Phygital Magazine and handles the technology beat for IMAGES India portfolio. She loves to hold tech conversations and is enthusiastic about 'retail's phygital transformations'., 26th Oct, 2021

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