



CritiqueMedia

WHERE REPUTATION MEANS BUSINESS

Online Business Reviews Why Do They Matter?

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The Importance of Online Reviews

Let's face it, if you haven't been paying attention, online reviews are here to stay and their influence is unprecedented. According to a Pepperdine University Graziadio School of Business study conducted in June 2012, 86% of consumers use online review sites. The same study pointed out that only direct word of mouth beat out online reviews as the most trusted source of information. Not surprisingly, the age old Yellow Pages are now used by only 2% of consumers.

86% of consumers use online reviews and 72% trust them as much as personal recommendations

SearchEngineLands's 2012 Local Consumer Review survey found that 72% of consumers trust online reviews as much as personal recommendations. Online reviews are now incorporated into navigation systems on new automobiles and even Apple's latest iPhone integrates reviews into its new Apple's Maps

application. The Pepperdine study asked consumers how likely they would be to initiate business with a vendor with various star ratings. It was no surprise that 4 and 5 star rated businesses ranked high. But with just three stars, the likelihood dropped drastically to just 14%. While



two star rated businesses ranked only at 1% likelihood for a business relationship, most shocking was the impact of having no ratings at all. Consumers rated businesses with no ratings at 2% likelihood to initiate a business relationship. In other words, "no rating" is just as bad as a "two star" rating. In simpler terms, **an unknown reputation is just as bad as a poor reputation.** Underscoring all these studies is a recent Harvard School of Business study that scientifically showed that for each star rating improvement, a business could expect an increase of 5% to 9% in sales. Clearly, online reviews have a direct and measurable impact on business. So why is it so difficult to improve online reviews?

The Challenge of Improving Online Reviews

Human nature is such that when customers are angry or upset, they typically vent, whereas happy customers are usually passive. It's no more apparent than with online reviews. Typically, good businesses, which should have a good



reputation, are often tarnished with a handful of bad reviews from very vocal, and quite clearly angry, customers. These customers achieve their "feel good" goal of venting and perhaps satisfying the urge to avenge themselves at the cost of someone's reputation and livelihood. Now let's be honest, if a business provides poor service or products, they likely deserve

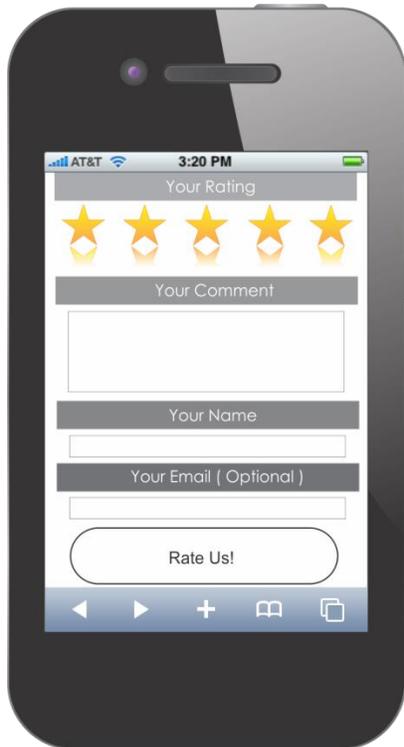
these rants, but most businesses have a keen desire to please their customers and grow their revenue. So how do they improve their online reviews? Typically, they first try to post positive reviews about themselves only to discover that the review sites miraculously identify these "fake reviews." They might also try asking friends and family to do the same, only to find that these too are filtered by the review sites. Even if these reviews stick, they aren't enough to combat negative reviews or don't stay current enough to matter. When these tactics fail, businesses then turn directly to their customers, typically in an ad-hoc

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fashion, to write online reviews. The businesses quickly discover that it is not easy to motivate customers to write reviews because it is a cumbersome task with little reward. Customers have to find the review site, and then find the local listing, then register with the site, and then write the review. There is also no quality control on what they might write which might end up being damaging to a business rather than helping. How can this challenge be solved?

Simplify and Motivate Reviews

The first rule for successful review collection is to just make it easy. Remove all the hurdles and barriers to writing a review and make it accessible everywhere and anywhere. That is, eliminate the special sign ups, the log-ins, the distracting advertisements and all the other reviews that might influence the review. The second rule is reward the review. We're not talking paying for reviews, but rather rewarding customers with a coupon, regardless of whether they give you a



negative or positive review. Couponing is also a good business practice which encourages repeat business. The third rule is "get it while it's hot." When a customer is checking out or leaving after a business service, ask the customer, in person, for a quick review. Most will not refuse. Hand them a tablet or send them a short web address to a review form that takes just seconds to fill out. Even those angry customers will relish the opportunity to vent on the spot. The Pepperdine study also showed that 69% of angry customers vent on only one site. By capturing their review (and their emotion) into CritiqueMedia's system, a business has the opportunity to respond quickly and directly to these angry customers without the public reviews. Another good business practice is to turn unhappy customers into happy customers.

Happy customers are then provided with quick links directly to the review sites so they can easily share their reviews. Customers need not hunt for the site and can easily submit the review to the sites that matter most.

Case Study and Return on Investment

One of CritiqueMedia's customers, a chain of appliance stores in Southern Jersey with an average 2.1 star rating, engaged CritiqueMedia's services. Despite the chain store's excellent website traffic and lead generation, sales lagged due to bad reviews. Reviews were gathered from customers via email, its website and from customers in the store. The chain store also integrated the service with their email marketing to offer discounted products for new reviews.

After 12 weeks of use, ratings increased from 2.1 to 4.1 across 36 review sites. More importantly, chain store saw an 8% increase in sales! When CritiqueMedia's service department spoke to the store managers, they relayed that after querying customers on why they chose the appliance store for business, they simply replied – "you had good online reviews." And sales continue to grow.



As mentioned earlier, the recent Harvard Business School showed that an increase in star ratings correlates directly with increase in sales. The study estimated that for each star increase, a business should expect a 5% to 9% increase in sales.

Considering the costs of advertising (including newspaper, radio, TV, yellow pages and web

banner ads), online reviews have an extraordinarily high return on investment. In short, online reviews are a business investment.

Other Benefits of CritiqueMedia solutions

With so many different services and systems to manage today, CritiqueMedia incorporates additional services that enhance the value and experience of collecting reviews. Here are some uses of the service:

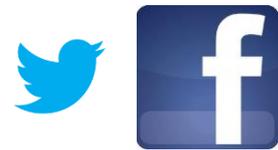
Coupons – Coupons are a great way to promote repeat business. By rewarding customers for their reviews, a business can greatly enhance their relationship. Even unhappy customers will recognize that a business that cares about their opinion and rewards them for the review, is also business they should reconsider doing business with.



Business Insight – Additional fields can be easily customized and captured in review forms such as a customer service representative, a waiter, type of service provided and more. These fields are captured in the business console and can be downloaded to a spreadsheet for analysis. For example, it can be used to correlate higher reviews with a particular waiter or service representative.

Enhanced Customer Service – Wouldn't it be great if a business could react quickly to a bad review? With email alerts and Anonymous 'Text the Manager, a business can quickly respond to bad reviews and show a customer how much they care. Customers are always impressed with responsive businesses because they see that they pay attention.

Great Use of Social Media – With the expanding use of social media sites such as Facebook and Twitter, a business can increase it's web presence with integration that auto feeds positive reviews to their Facebook and Twitter pages. We also create custom coupon tabs, banners, like gates, contact forms, and promos, while posting daily on your behalf.



Multi-lingual support – With the increase of Spanish speaking populations and numerous other languages, the review capture forms support many languages including Spanish, French, German, French, Italian, Russian, Chinese, Japanese, Arabic and Hebrew.

QR Codes – Unique QR Codes are provided for review collection forms to harness to power of mobile devices. Mobile devices outsell computers by more than 2 to 1, so they are the device of choice for on the go reviewers.



Competitive Advantages of CritiqueMedia

CritiqueMedia continually enhances its service with new features and services.

Here are some unique advantages provided:

- Support for more than **180 review sites** (and we continue add about 2 per month)
- **Fully customizable** review fields
- Support for **multiple branches** with assigned permissions for sub-accounts
- Automated "non-spam certified" emails that follow up for review sharing
- **Real-time testimonial** feeds to your website, Facebook page and Twitter page
- Integrated **couponing service**
- **Managed Facebook and Twitter pages**, including creative post, custom images, like gates, banners, contact forms, and branded welcome pages.
- A dedicated "**Text the Manager**" phone number, that allows customers to anonymously text complaints or questions, to the owner or managers on duty for an immediate response, and source for quality control.
- Custom **Table Tents, Cards, Handouts, Window Decals, and Posters**

While competitors offer some of these services, only CritiqueMedia provides this breadth of features. Why purchase services from several vendors at a higher aggregate price, when you can purchase all these services that are integrated at one low price?