

Impact of Customer Reviews on eCommerce sales

Description

"I bought a Morphy Richards Microwave from Amazon almost 2 months ago. I must say that it is a great device and it came with a grill, baking plate, idli stand, and micro-safe utensils. Some of its interesting features are different auto-cook options, adjustable power levels, multi-stage cooking, and combination cooking. What I liked the most when I bought this microwave was that the very next day, an executive paid us a visit for a demo, and patiently explained to us each and every feature of the microwave in detail. It has been 2 months now, and I have used the microwave to make grilled chicken, pizzas, bake garlic bread, cakes, muffins, and a lot of other things. It is a 5-star rating electronic device that is meant to save electricity. As far as customer service is concerned, I am satisfied with it. The only thing I didn't like was that the manual is not informative enough."

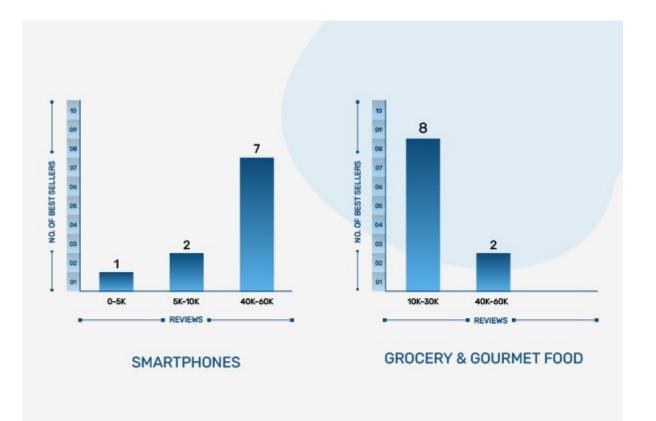
More detailed a review is, the higher the impact is. The above review of Morphy Richards Microwave is an example of a detailed and impactful review.

Now you must be wondering, why start a blog with an example of a review? It's because, in this blog, we will discuss how impactful e-commerce reviews are for a brand, and what should be the key

takeaways from them.

Most impactful reviews are detailed, honest, mention features of the product (both good and bad) and explain the user's experience with the product.

Earlier, only giants like Amazon gave their customers the benefit of leaving feedback. Now, almost every e-commerce business has a review section, a recent entry to this is Bigbasket. In the era of ecommerce, reviews are the voice of the customers and they use them to show their happiness as well as their discontent with a product or service. **Testimonial Engine found out that 72% of the customers refrain from making buying decisions until they have read the reviews.** Therefore, a piece of advice for e-commerce businesses will be to take them seriously as they have the power to define sales volumes for your products.



The above graph shows the number of reviews among Amazon's best selling products in smartphone and grocery categories. 7 among the top 10 best sellers in the smartphone category have reviews within the range of 40-60K, clearly a huge number. On the other hand, in the gourmet category, 8 among the top 10 best sellers have reviews between 10-30k. Evidently, the volume of reviews are category specific and must be thoroughly examined by the sellers or brands to accomplish their goals.

What are Product Reviews?

Product reviews are user-generated content. Organic reviews speak the mind of consumers, where they can be candid about the qualities and drawbacks of a product.

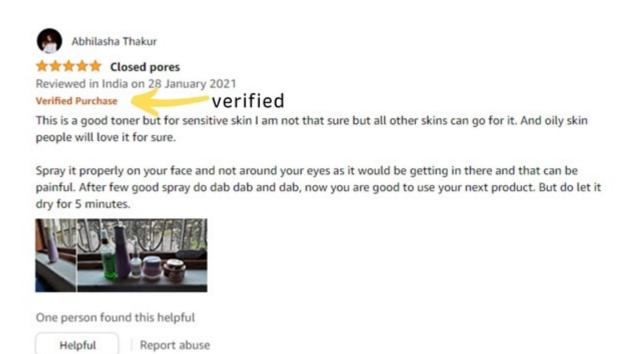
For browsers or potential shoppers, the reviews help in figuring out if the product fits their requirement

or not.

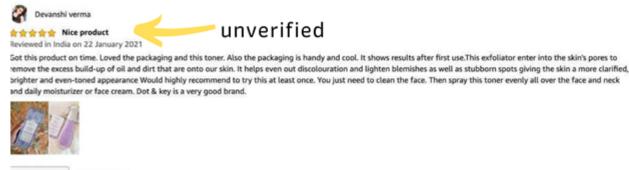
For brands, analysing them can be a great customer listening tool, a fact that is acknowledged by both big and small brands, as well as giant e-commerce platforms including Amazon, Walmart, etc. and they are therefore extremely considerate about meticulously examining them.

Amazon, especially, separates verified reviews from the unverified ones. Let's discuss them in detail -

Verified Review: Amazon gives a 'Verified Purchase' badge when it makes sure that the person writing the review has purchased the product and did not receive any heavy discount in return.



Unverified Reviews: Amazon leaves a review as unverified if the purchase has not been made through Amazon or has been made at a heavily discounted price. Amazon also declares them unvalidated when they are received in lieu of an incentive to the buyer.



Helpful

Report abuse

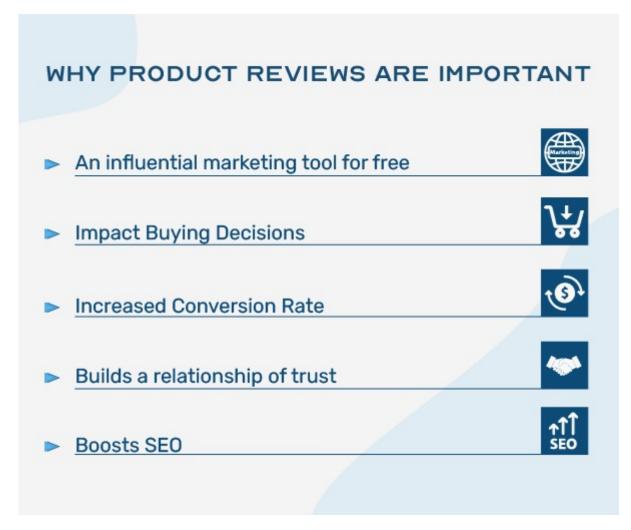
*Above definitions are from Amazon

'Verified Purchase' badge can improve purchases by 15%, according to AMZ Advisers. Hence, Amazon gives great value to authenticating a review before posting it. These reviews are mostly placed above unverified reviews and have the most impact on purchases.

Why Are Product Reviews Important?

3DCart analysed that **reviews make buyers 71% more comfortable** while purchasing a product. This can give you a hint on the significance of reviews.

So, let us discuss in detail the importance of Product Reviews



Regardless of the nature of the customers' opinion, brands should read and act upon the reviews as they can define the volume of sales for an e-commerce business.

An influential marketing tool for free

Advertisement, print, video, or social media banners are, no doubt, important means of marketing as they have been effective product promotional tools for ages.Reviews and ratings are a new-age marketing tool, and the best part is that it is absolutely free and user-generated. Some E-commerce businesses show the number of reviews and star ratings received with their Ads as a proof of their performance.

Brooks Women's Running Shoes - BrooksRunning.com

Ad www.brooksrunning.com/ *

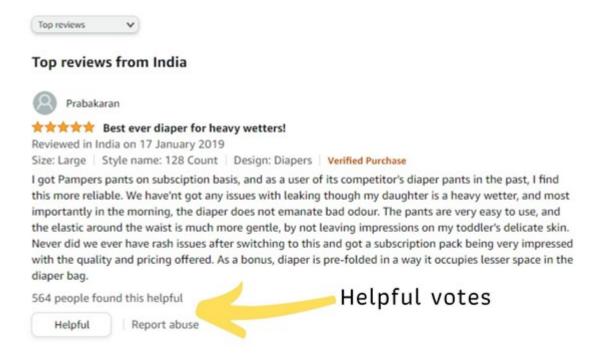
**** Rating for brooksrunning.com: 4.8 - 6,860 reviews - Return policy: Most items 90+ ... Free Shipping & 90-Day Free Returns **Run** Happy With Brooks **Running**. 90-Day Guarantee. Types: Neutral **Shoes**, Support **Shoes**, **Running Shoes**, Trail **Running Shoes**, Walking **Shoes**,...

In the above screenshot, Brooks Women's Running shoes have included the high star rating and number of reviews in its ad to mark an impression of a trusted brand among its target market.

Impact Buying Decisions

Recent statistical research shows that nearly **95% of consumers report that customer reviews influence their buying decision**. Buyers read them thoroughly to know the pros and cons of a product, before they purchase it. On Amazon, reviews that they find useful are voted as helpful by the reader. As the count of helpful votes increases, Amazon starts moving them above to increase their visibility. Following this process, the 8 most helpful reviews are displayed on the top including both negative and positive regardless of the ratings.

Below is an example of one of the top 8 reviews found helpful by 564 buyers.



Increased Conversion Rate

Reviews are a kind of assurance for the customers that they are looking at the right products and whether they should consider buying them or not. So, they have a significant contribution in increasing the conversion rates and performance of your ads. When product reviews talk about the product's features, online shoppers are influenced by it more than what brands would market. A research by Power Reviews shows that the conversion rate of consumers who interact with the reviews is 108.4% higher than those who don't. Among these, the maximum are those who click the 'helpful' button.

Another Research by Power Reviews show that **post covid**, **the consumers reading the reviews are 50% higher than pre-covid**, **and reviews now have 25% higher influence on conversion**.

Builds a relationship of trust

Unlike a physical store, e-commerce sites do not have an assistant to ask questions about the product. Since they cannot touch or feel it before buying, all they have is the information and images to rely on and assess the looks and quality. Giving buyers an opportunity to share their thoughts about the product along with providing them rich content helps build a relationship of trust with them. Equally important is to act upon the review, positive or negative, to maintain this trust.

Boosts SEO

Most businesses think that for successful SEO, they need only keyword-optimized rich content in the form of articles, blogs, infographics, PPT Vlogs, etc., to rank higher on the search engine result page. But user-generated content like reviews potentially breaks this myth. When buyers post a review on

your e-commerce website, they give search engines rich, authentic, keyword-optimized content, something that is food for Google and search engines of Amazon and other ecommerce channels to increase product rankings.

Now you know the importance of reviews for your business. Consider them as buyer magnets. The more you gather them, the more are your chances of stepping above your competitors. You also need to learn a few tricks to **improve reviews** to get a stronghold of the market share you aim for. Let's get into the details –

Ways to improve customer reviews?



Visual content speaks for the product

On an e-commerce website, buyers rely on the product images, and the images posted by other buyers to understand how the product looks. As per Power Reviews, 88% of the shoppers solely rely on images shared by others before purchase to see how the product looks in reality. Therefore, you should create visually appealing content like high pixel images, videos, and 360-degree views in line with the actual product so they do not mislead. This furnishes customer satisfaction which motivates them to leave a positive review and help you build your brand value.

As per our internal study, one of our clients in the healthcare category was facing negative feedback of incorrect reading in one of their products, the reason behind was customers were not doing the setupof the machine correctly. We highlighted the steps of setup clearly in their content and this helped them reduce the negative reviews on this issue.

A detailed and comprehensive description of the product

It is true that you want to describe your product to be the best among your competitors, but this is also true that it is not a good practice to mislead your buyer. A detailed product description and a comprehensive title are important for increasing the conversation rate, but your conversion can dip faster than you think if your product details do not justify its quality when it reaches your buyer. To add to that, be prepared to be a bystander to a trail of negative feedback. If you want to prevent it from happening, write a description that truly matches your product. It is a conviction for buyers and a consolation that they are not being ditched. The end result will be a stream of happy reviews.

A too good to be true digital content can lead to negative reviews if the customer feels the actual product doesn't match the content highlighted by the brand.

Use FAQs to your benefit

Unanswered questions about a product can delay a purchase. Be proactive, think about what your customer might need an answer for before buying the product, and create detailed FAQs while optimising your content. This is because when buyers' thirst for information is satisfied your sales are likely to increase significantly and this. The FAQs are a great way to optimize user experience. In fact, they can increase conversion rate by 157.1%. Therefore, having a section dedicated to it leaves a positive impact on the buyers and gives a good buying experience.

Actively respond to Customer query

Customers' queries never end. They continue before as well as after the purchase. Where a swift response to such inquiries before a purchase can increase the conversion rate, quickly resolving the doubts after the purchase gives a good service experience and a satisfied customer tends to leave a positive review on the website. It is found by power research that 55% of shoppers cancel their purchase if they are unable to find quick answers to their queries.

Quick delivery, satisfied customer

You do not make customers happy just by delivering the right product. You need to deliver it at the earliest to satisfy them. It is mostly after a quick delivery that you get a positive review and manage to convince your buyers to endorse your product. Ensure that you get associated with a reliable logistic company, a company with a reputation for delivering goods in time. Such companies decide the appropriate shipping method and provide the product in good condition.

Easy returns and refunds

Prior to making a purchase, shoppers customarily go through the return and refund policy. If it is lenient and smooth-sailing, it helps gain the trust of customers and promotes an improvement in reviews. The rules should be such that sending back the product is easy for the buyers with quick money back guarantee. A credible return policy also leads to an increase in sales.

Improved reviews can take your business to new heights. However, increasing them is as important as getting good feedback. Since you now have tips that you can apply to receive remarks for your product, let us understand how we can increase them. Here are a few pointers which can be of help

How to increase customer reviews?



Show buyers that you care for them

Successful email marketing does not end after the purchase is made. It is an ongoing process and should be used to follow up with the customers. Use email marketing to send your followers a friendly message, asking them about their experience with using your product. If you do not lose touch with your buyers, you can persuade them to post positive reviews for your product and customer service.



Increase Reviews Using 3rd Party Tools

Sellers can leverage tools like <u>FeedbackFive</u> to automate the process of sending feedback & review requests to their buyers while abiding by the Amazon rules. Their process alerts you through emails or text messages that you have received feedback so that you can instantly know what your buyers are saying. They also monitor the performance of your such review requests by conducting a detailed analysis and help you build an actionable plan.

Make giving feedback easy for customers

Customers hate a tedious feedback process and ignore leaving a review when they find it timeconsuming. Eventually, sellers lose out on the positive reviews on their products. Do not let that happen to you and make the feedback process as easy as possible for the customer. A good example of a quick feedback process is sharing a link of a product page with the customer where they can rate your product quality on a scale of one to five and leave a remark in the end.

Conduct Surveys

Surveys are not just meant to get feedback from customers on the quality of the product, they are away to analyze their overall experience with your e-commerce business. Design one includingquestions on the product performance, product features they liked the most, features that needimprovement, shipping speed, customer service, and many more. Make responding to these easy forcustomers by asking them to give ratings. Have a section at the end of the survey for the customers toleave a comment or feedback.

While increasing customer reviews are important, it is also necessary to build credibility among your target audience. Social media can help you with it as people like to follow brands pages as people like to stay educated about the existing product and new launches.

How can you leverage social media to increase customer base as well as reviews?



Your strong presence on social media increases your customer base. Displaying a positive user experience can help you expand it further. Let us understand 'how'-

Flaunt your positive reviews

Use your social media page to showcase customer feedback as consumers usually turn to it to see the opinion and experience shared by your other buyers. Sharing the feedback by satisfied customers there helps build brand image and engagement. You should also leverage the influence of social

media to redirect visitors to your own or any ecommerce website by uploading catchy posts consistently. This will attract new customers, which will eventually increase your followers & sales volume.

Influencer Marketing

Influencer Marketing is a new-age way to build brand image. Although it is paid marketing, it can work wonders.

Social circles or followers are greatly impacted if brands ask influential people to use the product, assess its quality, share their unbiased experience and post a comment on your social media handles or the website of purchase. If the influencer finds your product high-quality and is impressed with its features, their word-of-mouth will not only bring more customers but more reviews as well, and your products will enter high tide on their own.

Now that you have a fair idea on how to increase and improve reviews and use social media to your benefit, it's time that you understand, negative reviews are not always bad for your business

Negative reviews help evaluate the scope of improvement

If you are getting a negative review for your product, do not be disheartened. There will be months when the rate of dissatisfied customer opinion will be higher than those who are satisfied. When buyers leave a negative review, they clearly mention the pain points. You should acknowledge these pain points and act upon them immediately. Important to build a process that is used to identify the potential drawbacks and eliminate them. While adopting this policy, segregate negative feedback from the positive as shown in the below mentioned graph. Dive into the figures and identify the factors that are most disliked. Based on this, devise a plan of action for improvement.

Benchmarking against the category or key competition is also recommended. Identify if the key reasons for negative reviews and their percentage contribution are the same for your competitors. If not, you have got your problem statement.

A brand or a seller has an option to report an unwarranted review on platforms like amazon, so it helps to know your rights.

A small percentage of negative reviews on the other hand also help establish credibility. Readers find near-perfect reviews too good to be true. A study by Spiegel Research Centre shows that they, rather, consider poor feedback to be trustworthy and tend to spend four times as long on a site when they come across one. This increases the conversion rate by 67%.

Summary

Customer reviews are a potent way to help an e-commerce business grow and expand. Therefore, a brand should frequently assess customer reviews. They are a good way to evaluate the performance of the business and identify the shortcomings that are inducing a lag in growth. A customer review is an honest opinion which reflects the positives as well as negatives of an e-commerce business. If you

are getting good feedback, you are gaining popularity over your competitors and among your target audience. Such feedbacks bring brand awareness and help a business develop a reputation among its buyers. They are a motivation for you to work hard, improve your product quality, and expand. Reviews matter a lot. So, use the tips and tricks given above to improve and increase customer reviews for your e-commerce website. It is important for a brand to regularly and easily track and segregate the reviews in actionable buckets.

Role of Paxcom in improving and increasing customer reviews for your product

Paxcom is wholeheartedly dedicated to bringing its client the popularity and growth they aim for on leading e-commerce platforms.

We are well aware that customer reviews have the strength to significantly impact the customer behaviour and hence we are committed towards keeping a close watch on the product feedback. We bring to the use Kinator, our proprietary software, to examine keenly both positive and negative reviews regularly. Based on this analysis, we deliver an all-inclusive actionable report to our clients regarding their product performance and what should be done to make it better.

