



Reputation Studio



The Growing Role of UGC in the Purchase Journey

and How Brands Stack Up Against Shopper Expectations



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How and why consumers read reviews and Q&A and submit their own – and what they expect to happen when they do, based on an analysis of 500+ consumers and 250+ brands.



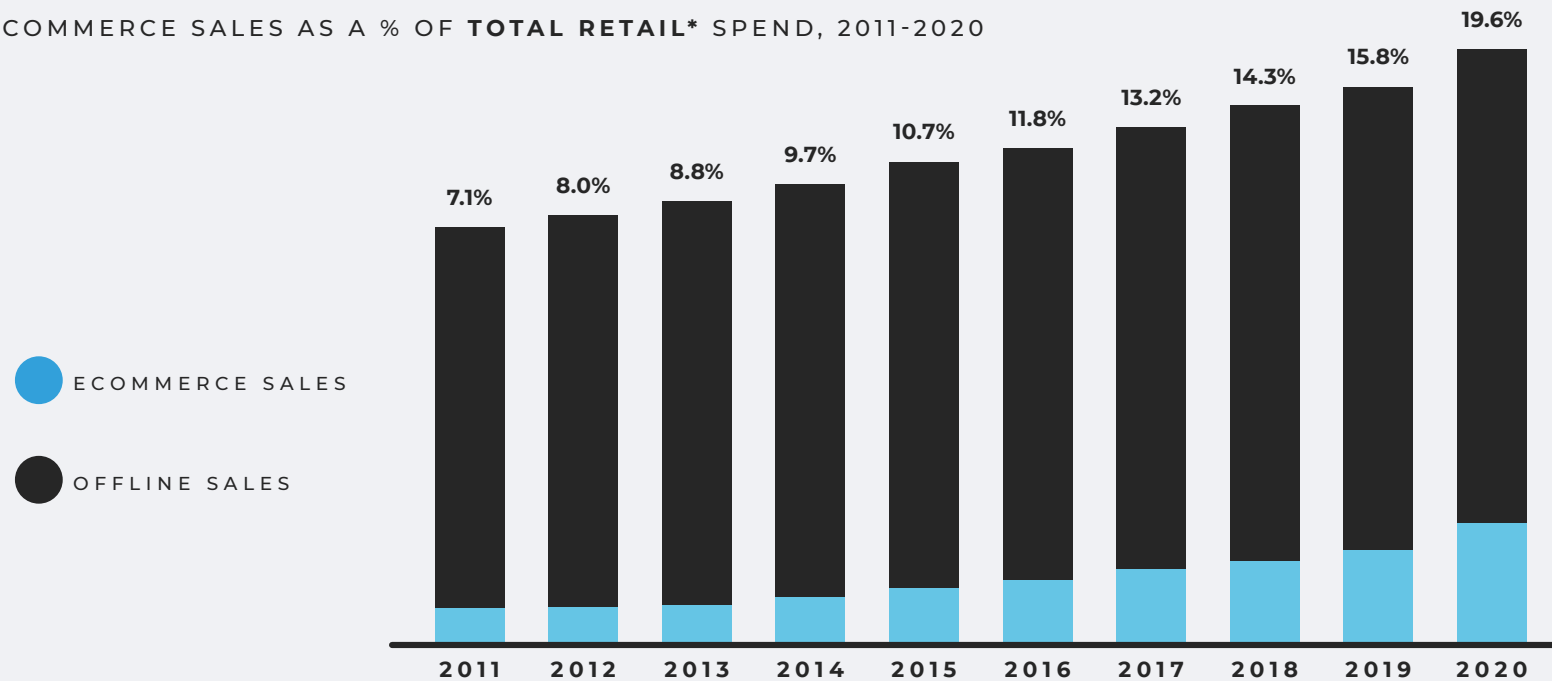
INTRODUCTION

We're experiencing a significant shift in the way consumers navigate the purchase journey. While visits to a brick-and-mortar store were once the go-to way to browse and buy just about any type of product, a growing number of consumers are embracing the convenience of online shopping.

Of course, the shift to eCommerce became even more pronounced in the midst of the ongoing COVID-19 pandemic. For the sake of health and safety, consumers avoided trips to the store, opting instead to make purchases online. And as a result, eCommerce growth exploded. Consumers spent more than \$791 billion online with U.S. merchants in 2020 (**Digital Commerce 360**). That's 32.4% year over year growth. What's more, the portion of retail sales occurring online is increasing. In 2020, eCommerce accounted for 19.6% of total retail. This number will only continue to grow.

US eCommerce Penetration

ECOMMERCE SALES AS A % OF TOTAL RETAIL* SPEND, 2011-2020



S O U R C E : Digital Commerce 360 analysis of U.S. Department of Commerce data; updated February 2021

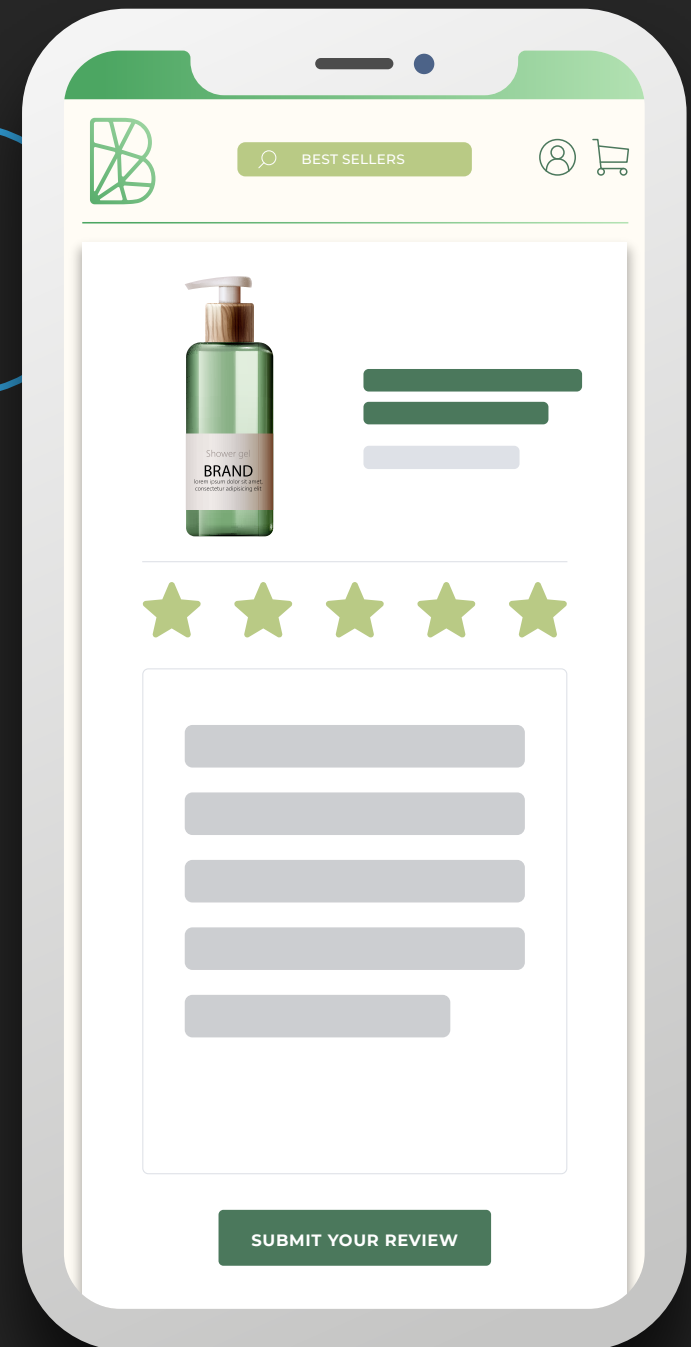
* Total retail figures exclude sales of items not normally purchased online such as spending at restaurants, bars, automobile dealers, gas stations and fuel dealers

At the same time, consumers are using a changing set of criteria when making purchase decisions. Namely, they're relying less on brand-provided information, and instead seeking out feedback from others like them. They're accessing this feedback by consuming **reviews, Q&A, and other types of user-generated content (UGC)**.

Brands must adapt to changing consumer habits and expectations – and they must do so quickly. If they don't, they risk losing market share to a competitor that better meets shoppers' expectations.

But how well are brands stacking up today against shopper expectations?

Recently, we surveyed more than **500 consumers** in the US to learn how and why they interact with reviews and Q&A, what motivates them to contribute their own content, and what they expect to happen when they do so. We also fielded a parallel survey of over 250 professionals employed by brands and retailers to see how well they understand shopper preferences – and whether their actions align with customer expectations. The following report explores the key findings of this research.





M E T H O D O L O G Y

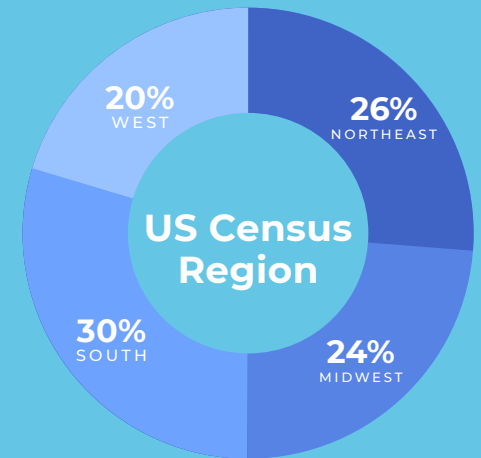
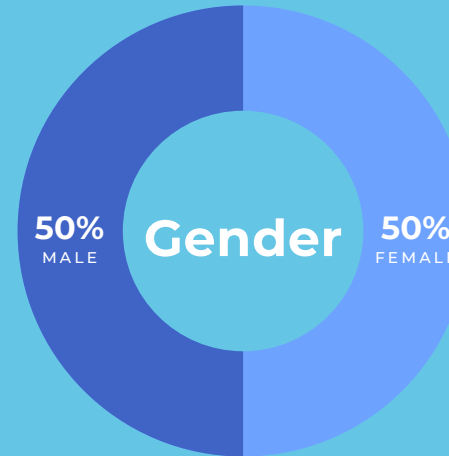
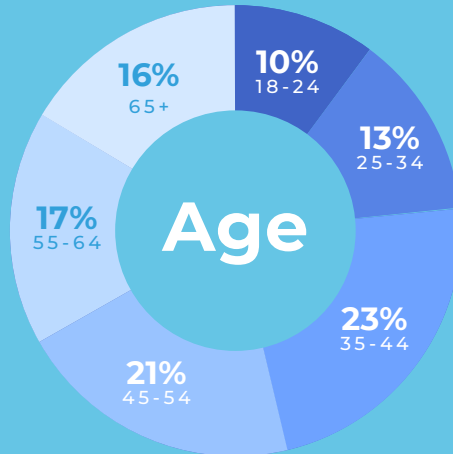
Our goal was to understand consumer preferences and expectations when it comes to user-generated content. We also set out to understand how well brands understand and meet these expectations.

To accomplish this, we surveyed **522 consumers** as well as **261 professionals** employed by brands and retailers.

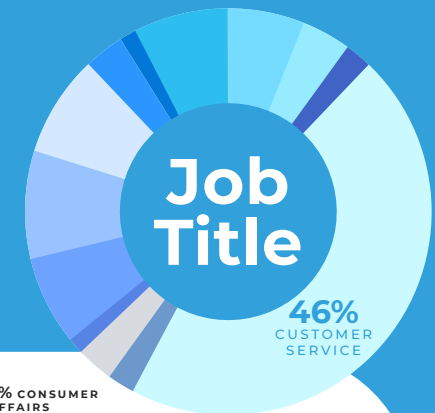
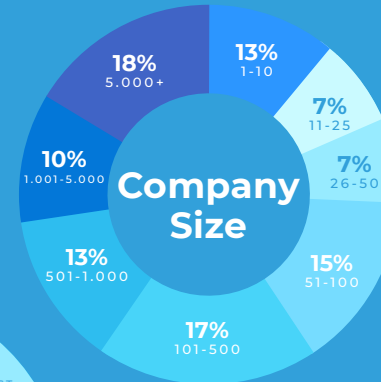
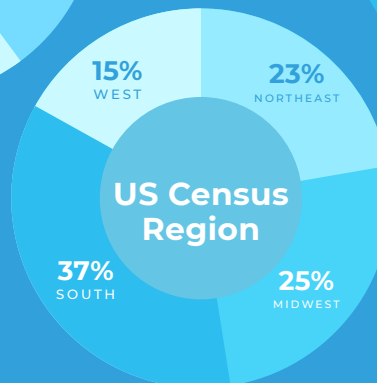
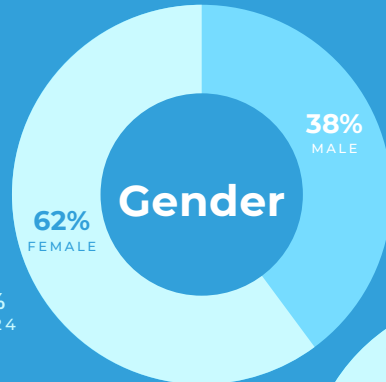
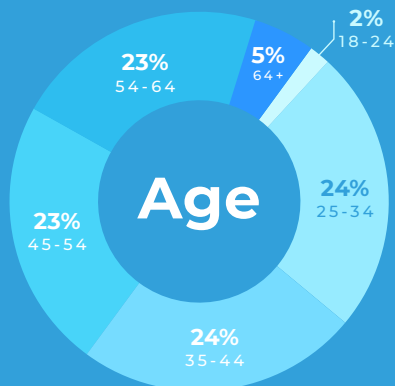
Here's a closer look at who we surveyed.



Consumer SURVEY



Brand SURVEY

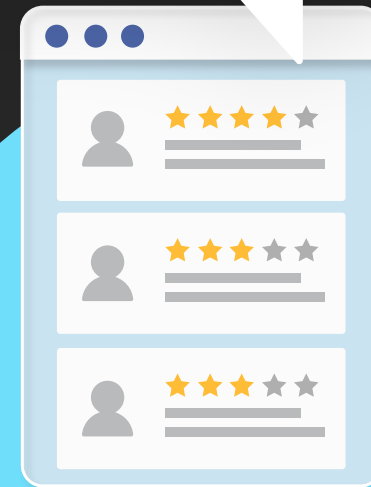


- 2% CX EXPERIENCE
- 4% CONSUMER ENGAGEMENT
- 6% CUSTOMER CARE DIRECTOR
- 8% OTHER
- 1% DIRECTOR OF QUALITY
- 3% CONSUMER AFFAIRS
- 8% CONSUMER RELATIONS
- 10% DIGITAL MARKETING
- 6% CMO/VP OF MARKETING
- 1% DIGITAL ENGAGEMENT
- 3% CHIEF DIGITAL OFFICER
- 2% DIRECTOR OF DIGITAL

The Top Factors Impacting Consumer Purchase Decisions

Regardless of whether they're shopping online, in-store, or a mix of both, consumers are using a shifting set of criteria to make purchase decisions. **What exactly are the top factors that help shoppers determine whether or not to make a purchase?**

Not surprisingly, our survey found that price is the factor that impacts purchase decisions the most, with product descriptions coming in at a close second. However, reviews aren't far behind. Nearly three-quarters (74%) of consumers indicate that reviews are a factor that's at least somewhat important when making a purchase decision. Notably, reviews are more impactful than traditional word of mouth. The impact of this content also surpasses advertisements and social media.

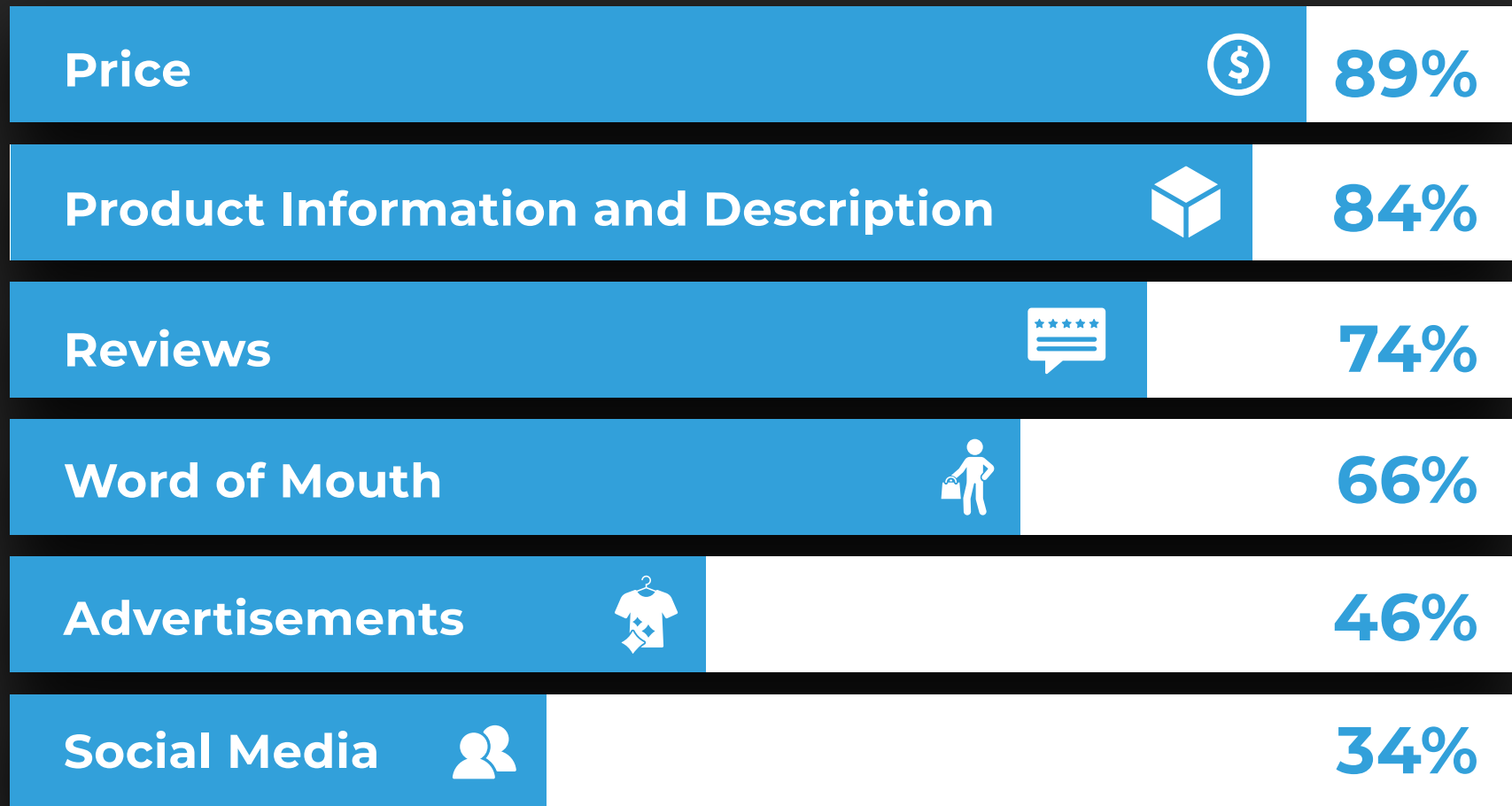


74% of consumers

consider reviews to be at least somewhat important when making a purchase decision, making this content more impactful than traditional word of mouth, advertising and social media.

The Factors Impacting Purchase Decisions

Portion of consumers indicating each factor is very much or somewhat important.



When it comes to the factors impacting purchase decisions, are brand perceptions in tune to reality?

It's clear brands and retailers recognize that there are many factors that influence consumers' purchase decisions. Interestingly, though, it seems they largely overestimate the influence of owned media, including advertisements and social media.

The Factors Brands Think Impact Purchase Decisions

Portion of brands and retailers that believe each factor is very much or somewhat important to consumer purchase decisions.



Price	\$	95%
Product information and Description	📦	92%
Reviews	💬	87%
Word of Mouth	👤	86%
Advertisements	👕	70%
Social Media	👥	60%

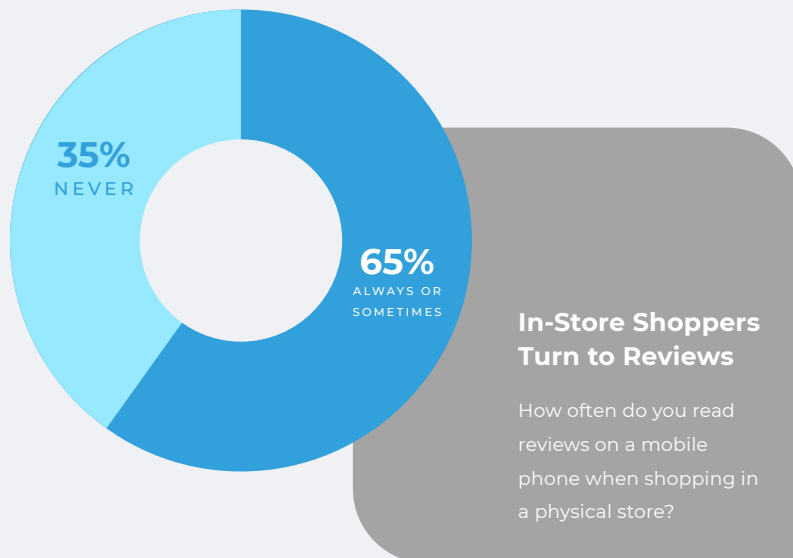


How Shoppers Interact with Reviews

We know that reviews are a top factor consumers consider when making purchase decisions. Let's dig in further to see how and why consumers are interacting with reviews -- *and how that compares to brands' perceptions.*



Shoppers Read Reviews In-Store



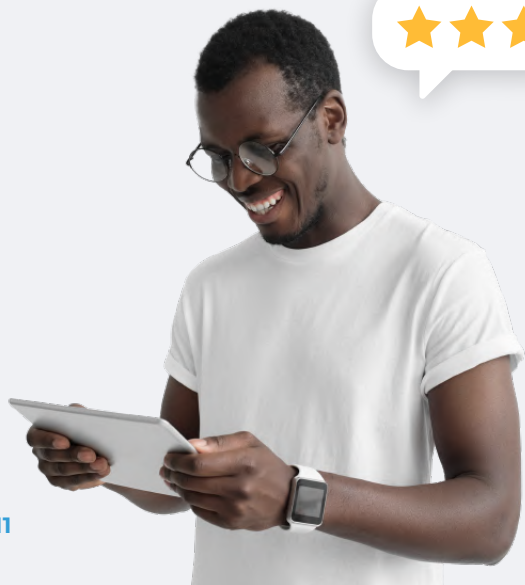
One might assume that reviews are only read by online shoppers who don't have the opportunity to see and touch a product in person prior to making a purchase. Of course, this content is important for online shoppers. About 94% of online shoppers always or regularly read reviews ([PowerReviews](#)).

However, in-store shoppers also consult reviews. Our own research found that 65% of consumers sometimes or always read reviews on a mobile phone when shopping in a physical store.

Young shoppers are the group most likely to consult reviews when shopping in brick-and-mortar stores. **78% of shoppers** aged 18 to 44 do so sometimes or always, compared to 31% of those over the age of 65.

78%
of young shoppers
(AGE 18 TO 44)

read reviews on a mobile device when shopping in brick-and-mortar stores.



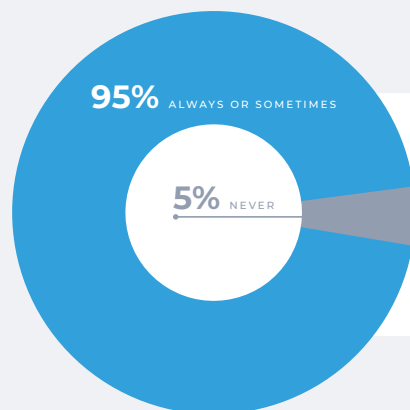
Generational Comparison:

Young Shoppers Most Likely to Consult Reviews In-Store

How often do you read reviews on a mobile phone when shopping in a physical store?

	18-44	45-54	55-64	65+
ALWAYS OR SOMETIMES	78%	65%	61%	31%
NEVER	22%	35%	39%	69%

In order to meet shopper expectations, brands must ensure shoppers can easily find and read reviews from their mobile devices – both on their website and mobile apps. This is especially true for brands that market to younger shoppers (aged 18 through 44). The good news is, our survey found that the vast majority of brands understand that the use of reviews isn't limited to online shoppers.



Brand Perception: How Frequently In-Store Shoppers Consult Reviews

How often do you think consumers read reviews on a mobile phone when shopping in a physical store?

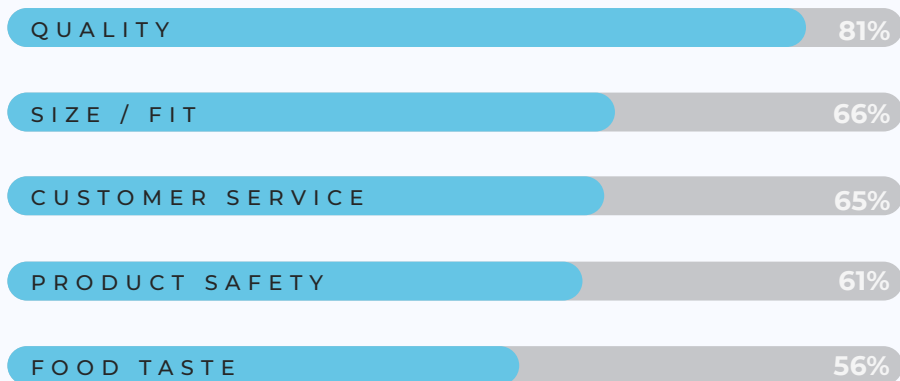
Consumers Read Reviews to Get Opinions on Myriad Topics

Consumers actively seek out the opinions of others like them by reading reviews. But what exactly do consumers want opinions about?

As it turns out, shoppers read reviews to get other consumers' opinions about a number of different factors, including product quality, size and fit, customer service, and product safety, among others.

Shoppers Seek Out Reviews to Get Consumers' Opinions on Many Factors

*Have you read reviews to get consumer opinions about the following?
(Respondents could select all that apply)*



Fortunately, it's quite clear brands understand that consumers consult reviews to get opinions on a wide range of topics.

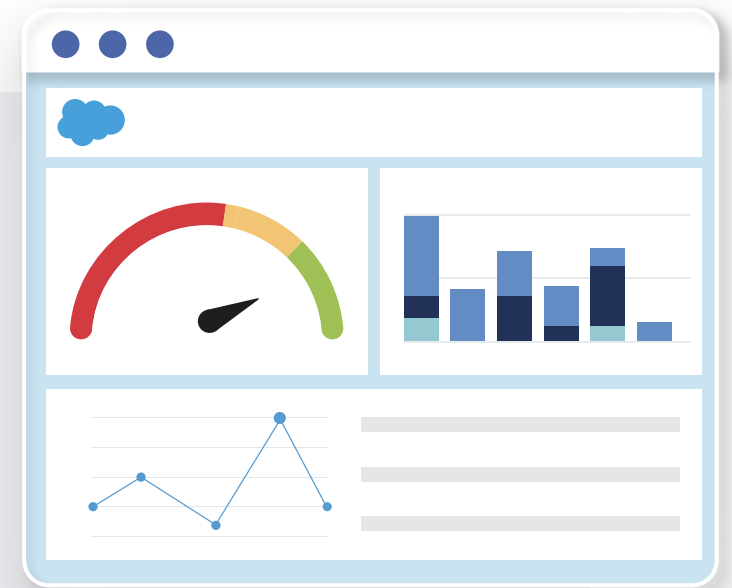
Brands Recognize Consumers Seek Out Opinions on Myriad Topics

*Do you think consumers read reviews to get opinions about the following?
(Respondents could select all that apply)*



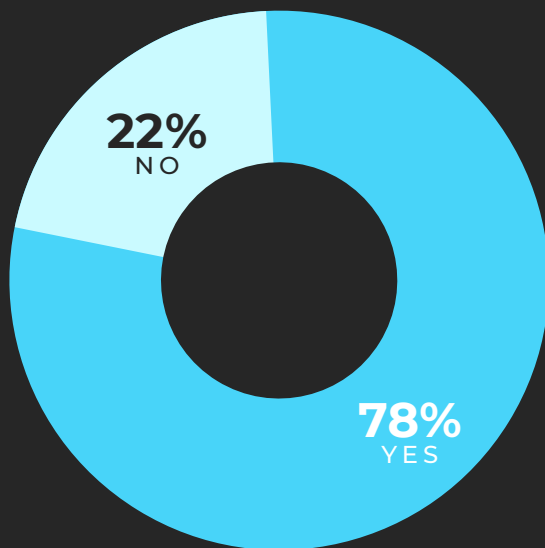
Of course, brands must make it a priority to collect and display plenty of reviews so shoppers can always find consumer opinions on the topics they're most interested in. In addition, brands must regularly analyze their reviews across channels to garner insights on these topics. With those insights, brands can take steps to ensure their products and product descriptions are addressing the topics that matter most to shoppers.

Brands that regularly analyze review content across channels can identify opportunities to optimize products and experiences **to better serve customers.**



The Impact of Negative Reviews

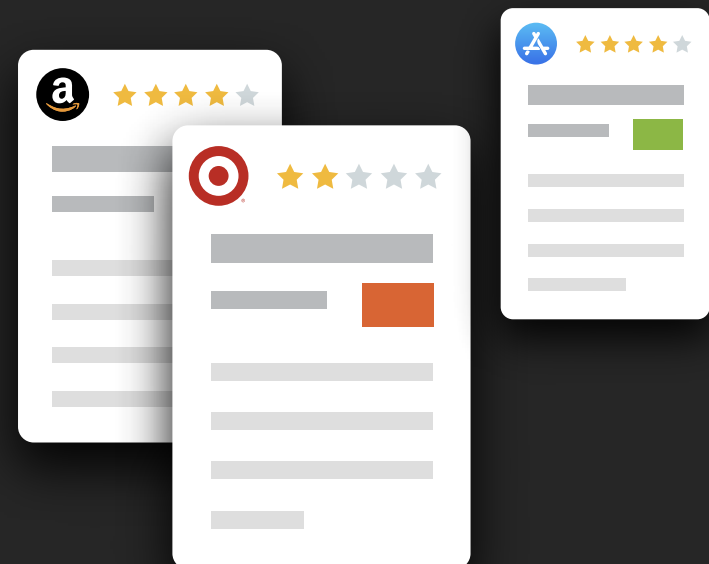
Brands dread negative reviews – and for good reason. A negative review can convince a shopper to forgo a purchase and go with a competitor instead. In fact, a staggering 78% of consumers say they've changed their mind about making a purchase after reading a negative review.



Negative Reviews Impact Purchase Decisions

Has reading a negative review ever changed your mind about buying a product?

It's interesting to note that consumers aged 55-64 are most likely to change their mind based on a negative review. 83% of consumers in this age group claim to have changed their mind about buying a product after reading a negative review.



Age Breakdown: The Impact of a Negative Review

*Has reading a negative review ever changed
your mind about buying a product?*

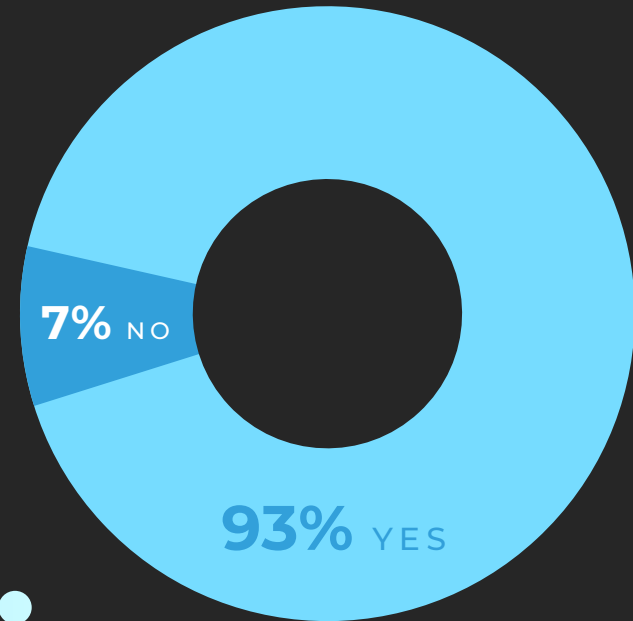
	18-44	25-34	35-44	45-54	55-64	65+
YES	74%	78%	80%	77%	83%	75%
NO	26%	22%	20%	23%	17%	25%

**Do brands understand
the negative impact of a
bad review? Yes, if the
data is any indicator.**

The vast majority – 93% think that negative reviews impact whether a consumer purchases a given product. Notably, smaller brands are more likely to feel this way than larger ones. This is likely because smaller brands are more heavily impacted by customers lost to a negative review.

Even the best brands get the occasional negative review.

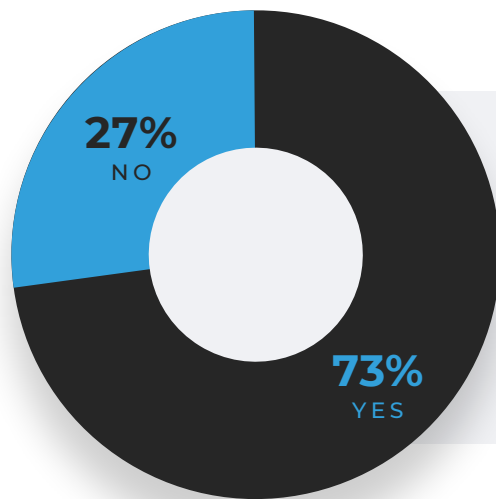
But the good news is, there's a simple (yet effective) step brands can take to lessen the blow of negative reviews: respond to them. Nearly three-quarters (73%) of consumers would reconsider a product with a negative review if there was a sufficient response from the brand or manufacturer.



Brands Recognize the Negative Impact of Bad Reviews

Do you think negative reviews impact whether a consumer buys a product?





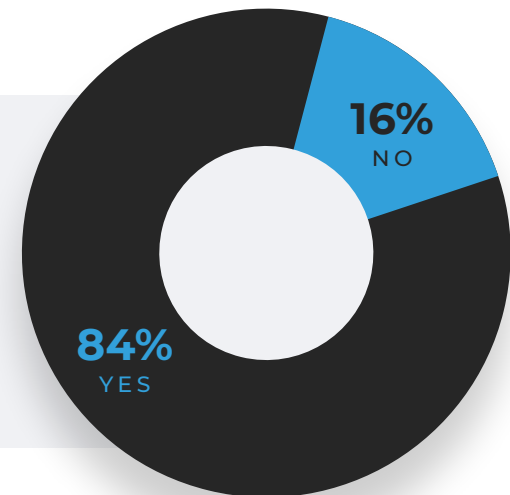
A Thoughtful Response Can Convince Shoppers to Overlook a Negative Review

Would you reconsider changing your mind about making a purchase because of a negative review if that review had a sufficient response from the brand or manufacturer?

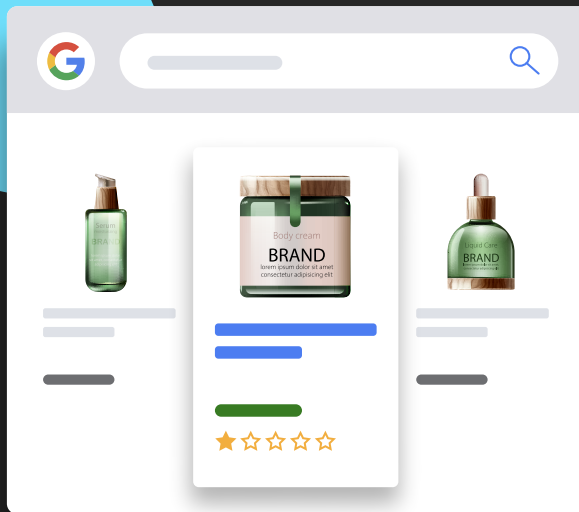
The majority of brands (**84%**) understand the impact of a well-written, thoughtful response to a negative review.

Brands Recognize the Power of Responding to a Negative Review

After seeing a negative review, do you think consumers would still consider purchasing the product in question if you (the brand or manufacturer) left a thoughtful review response?



Simply recognizing the power of a great response isn't enough. Instead, all brands must make it a priority to consistently respond to reviews on supported sites – **especially negative reviews**. Responding is an important way to turn a bad situation around and provide great post-sale service. What's more, future shoppers read review responses, and a thoughtful one can convince them to overlook a negative review.



Responding to negative reviews sounds simple enough. But if you're a brand that collects different types of reviews through different channels, it can be challenging. For example, you might collect product reviews on your own dot com, as well as retailer sites and Amazon. You might also collect store location reviews, as well as reviews for your mobile app. And all of these different types of reviews are managed from a separate platform.

Instead, consider using a solution like



Reputation Studio

FROM 144C

which consolidates all reviews into a single platform, making it easier to monitor and respond to this content as quickly as possible.

Why Consumers Write Reviews

and What They Expect to Happen When They Do So

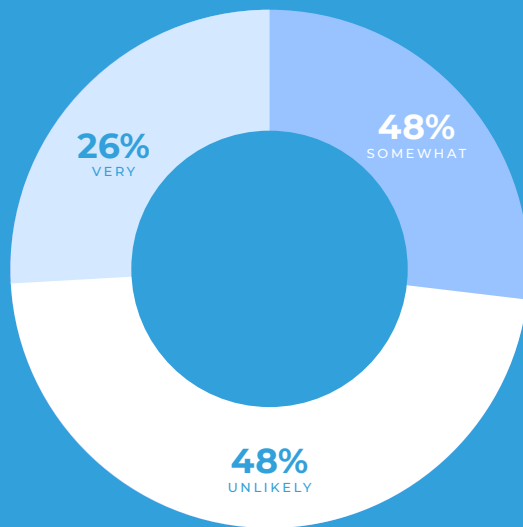


We know that consumers read reviews – and we’ve explored some of the key reasons why. But what motivates consumers to write their own reviews?

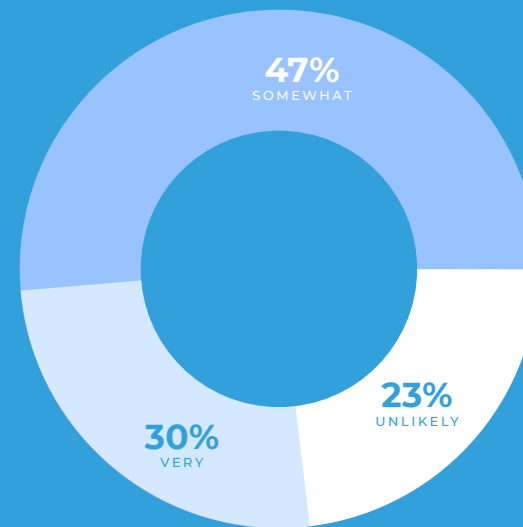
And what do they expect to happen when they do so?



Both Positive and Negative Experiences Motivate Shoppers to Write Reviews



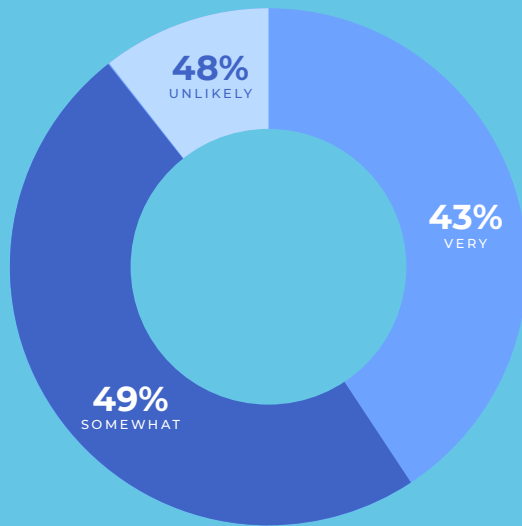
If you had a negative experience with a brand or product, how likely are you to write a review?



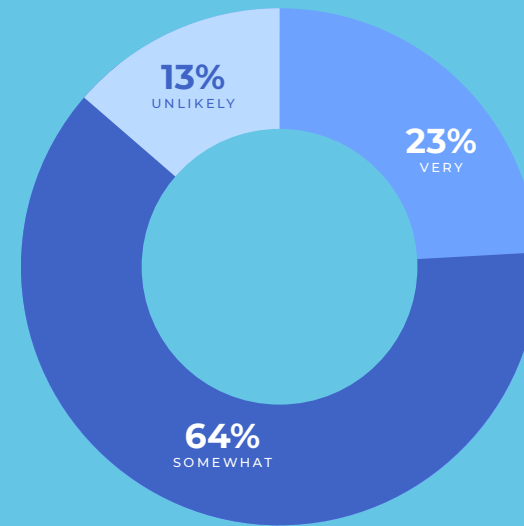
If you had a positive experience with a brand or product, how likely are you to write a review?

It seems many brands understand that positive and negative experiences can both motivate shoppers to write reviews. **92%** believe a customer is at least somewhat likely to write a review after having a negative experience with their brand. And **87%** feel a consumer is somewhat or very likely to submit a review after a positive experience with their brand or product.

Businesses Understand that Positive and Negative Experiences can Motivate Shoppers to Write Reviews



If a customer has a negative experience with your brand or product, how likely are they to write a review?



If a customer has a positive experience with your brand or product, how likely are they to write a review?

Both positive and negative experiences can motivate consumers to write reviews. Of course, it's important to focus on delivering great products and experiences so you can generate positive reviews. But it's also important to respond to the reviews that are the result of a negative experience. Doing so helps you restore trust with the reviewer, and it shows future shoppers that you're a responsive brand that stands by its products and cares for its customers.

Consumers Expect Responses to Reviews

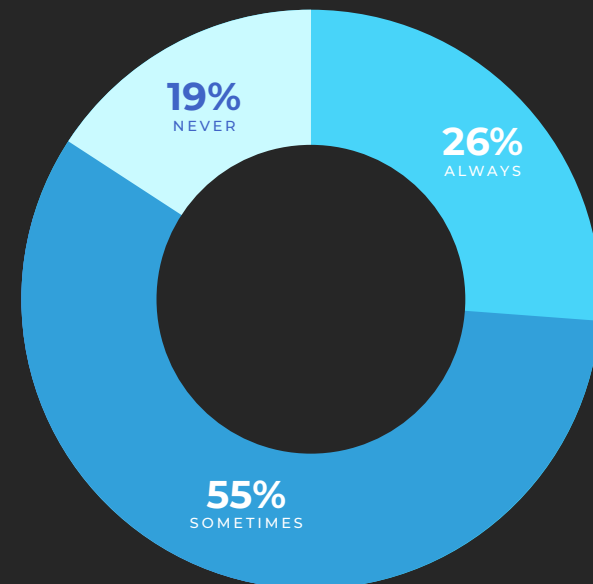
- Regardless of Sentiment

When consumers leave negative reviews, they do so to share feedback with other consumers – as well as the brand selling the product. And many expect a response. In fact, **81%** of consumers expect brands to respond to one, two or three star product reviews at least sometimes. Just over a quarter (**26%**) expect brands to always respond to negative reviews.

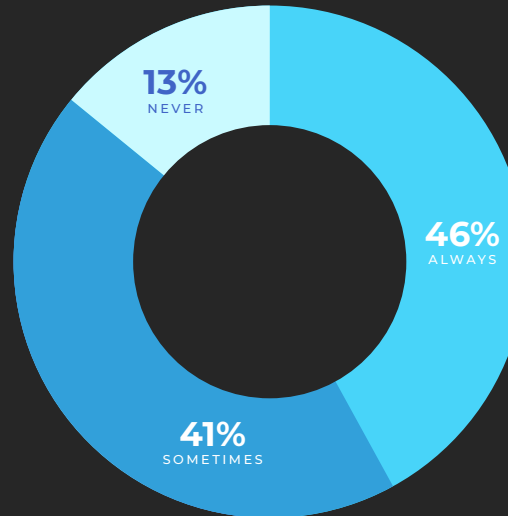


Consumers Expect Responses to Negative Reviews

Do you expect a brand to respond to negative (1, 2 or 3 star) product reviews?



Interestingly, smaller brands with between 26 and 50 employees are the businesses most likely to say they never respond to negative reviews. Brands with between 101 and 500 employees are a close second.



Most Brands Respond to Negative Reviews

Does your company respond to negative (1, 2 or 3 star) product reviews on sites that allow for a brand or manufacturer response?

The majority of brands understand the importance of responding to negative reviews; 87% claim to respond to negative reviews at least sometimes.

How Often Brands Respond to Negative Reviews

A Breakdown by Company Size

	1-10	11-25	26-50	51-100	101-500	501-1000	1001-5000	5000+
ALWAYS	59%	50%	53%	53%	37%	42%	48%	37%
SOMETIMES	28%	44%	29%	44%	46%	49%	36%	49%
NEVER	13%	6%	18%	3%	17%	9%	16%	14%

Consider adopting technology like



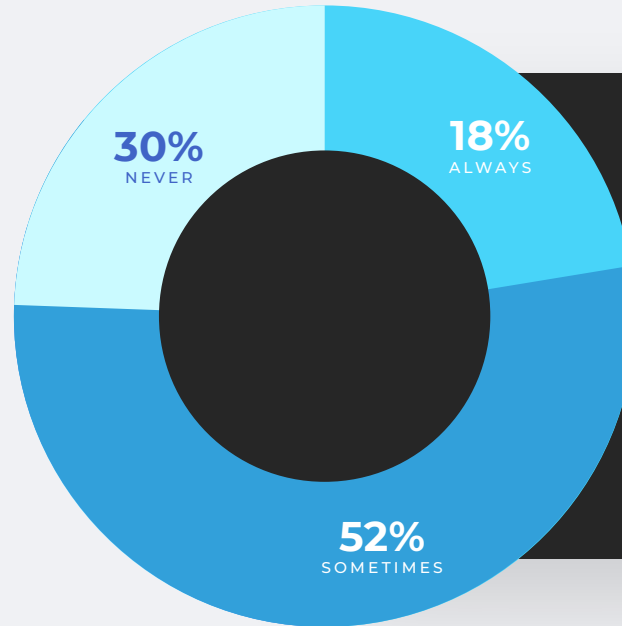
Reputation Studio

FROM 144¢

which makes it easy to
quickly respond to negative
reviews on approved channels
— *regardless of where they
were written.*



Though brands typically prioritize responding to negative reviews, it's important to note that many consumers also expect responses to positive reviews. In fact, 70% of shoppers expect brands to respond to four or five star product reviews sometimes or always.



Many Consumers Expect Responses to Positive Reviews

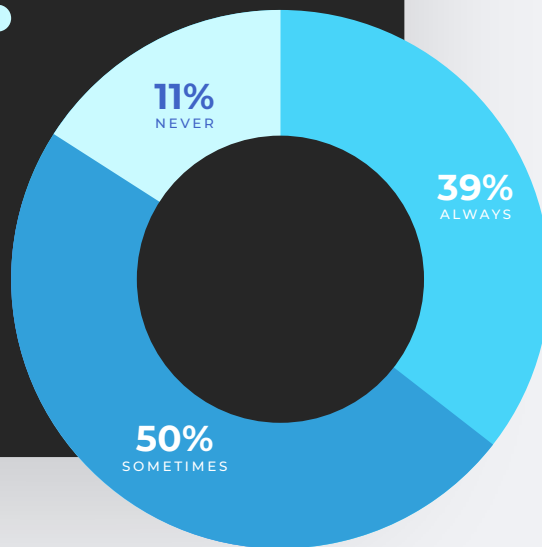
Do you expect a brand to respond to positive (4 or 5 star) product reviews?



The good news is, a good portion of brands – **89%** – claim to respond to positive reviews at least sometimes. Just over a third (**39%**) do so always.

A Good Portion of Brands Respond to Positive Reviews

Does your company respond to positive (4 or 5 star) product reviews on sites that allow for a brand or manufacturer to respond?



It's worth noting that large brands – *those with more than 5,000 employees* – are the businesses least likely to respond to positive reviews.

How Often Brands Respond to Positive Reviews

A Breakdown by Company Size

	1-10	11-25	26-50	51-100	101-500	501-1000	1001-5000	5000+
ALWAYS	53%	50%	23%	44%	32%	33%	52%	30%
SOMETIMES	31%	50%	65%	53%	56%	61%	40%	51%
NEVER	16%	0%	12%	3%	12%	6%	8%	19%

Consumers expect responses to reviews, regardless of sentiment. But it can seem overwhelming to consistently respond – *especially when reviews are coming in from a variety of different channels.*

Reputation Studio from 1440 makes it much easier.



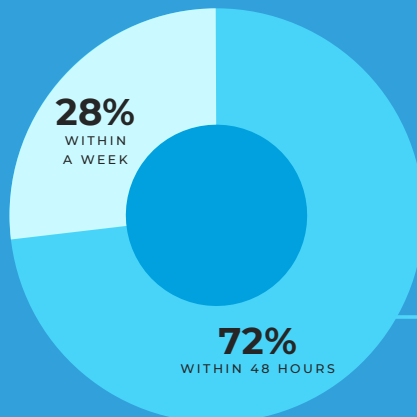
With Reputation Studio, you can easily respond to all reviews across approved channels – all from a single platform.

Consumers Have High Expectations for *Speedy Review Responses* from Brands

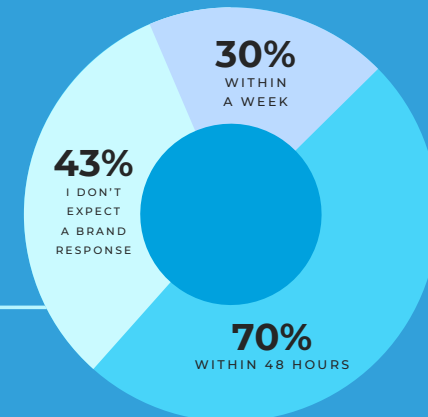
We know consumers expect responses to reviews.
But how long are they willing to wait to get one?

Expectations depend on the sentiment of the review in question. Among those that expect a brand to respond to a negative review, 72% expect them to do so within 48 hours. On the other hand, 70% of those who expect a response to a positive review feel it should be posted within 48 hours.

Consumers Expect Fast Responses to Reviews



How quickly do you expect a response to positive (4 or 5 star) product reviews?



How quickly do you expect a response to negative (1, 2 or 3 star) product reviews?

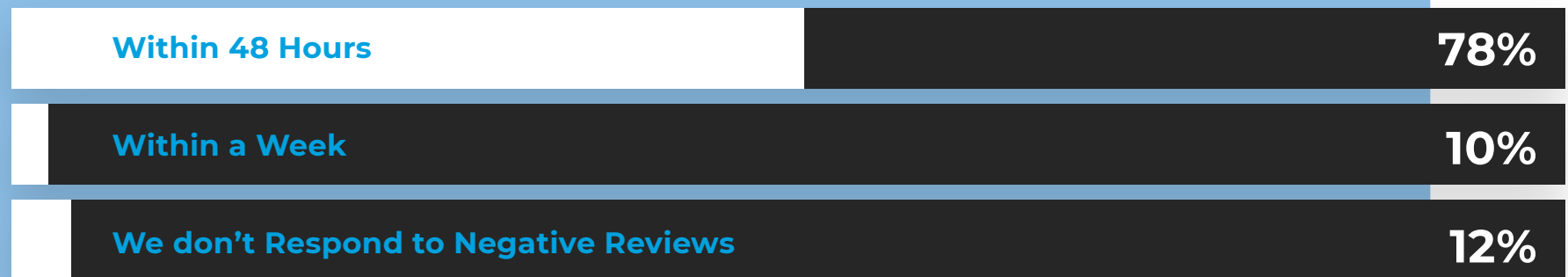
We know consumers expect speedy responses to reviews.

But are brands meeting those expectations?

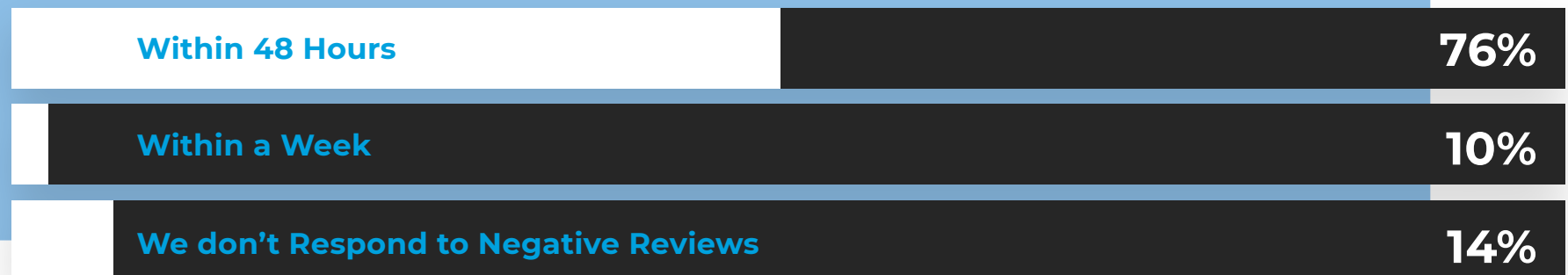
Many are. The majority of brands (78%) say they typically respond to both negative reviews within 48 hours. And 76% claim to respond to positive reviews within the same amount of time.

Many Brands Make Fast Review Responses a Priority -- *Regardless of Sentiment*

How quickly does your company respond to negative (1, 2 or 3 star) product review?



How quickly does your company respond to positive (4 or 5 star) product reviews?



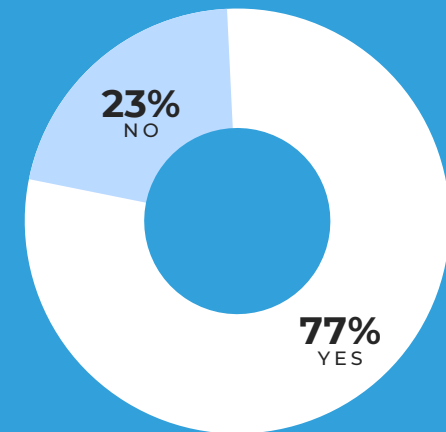
Consumers Expect Brands to Take Action on their Feedback.

Negative reviews are full of insights brands can leverage to improve their products and experiences. For example, negative reviews can bring to light a design flaw that can easily be fixed. Or, reviews can point out inaccuracies on a product description that can be fixed to better set shopper expectations. Many consumers expect brands to take action on negative feedback shared via reviews.

Over three-quarters (77%) of consumers indicate that if they left a product review with feedback about a product problem or design flaw, they'd expect the manufacturer to take steps to fix the problem.

And 79% of consumers would expect a manufacturer to fix a product description based on a product review with feedback about misinformation.

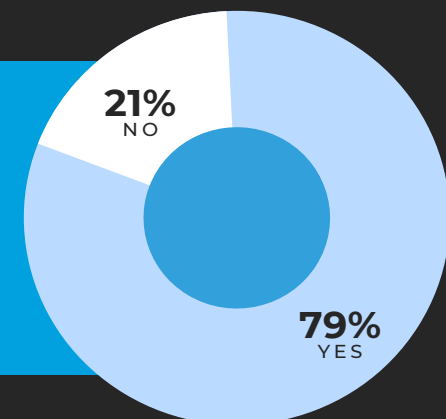
Consumers Expect Brands to Leverage Their Feedback to Improve Products



If you left a product review with feedback about a product problem or design flaw, would you expect the manufacturer to take steps to fix the product?

Consumers Expect Brands to Take Feedback from Negative Reviews to Revise Product Information

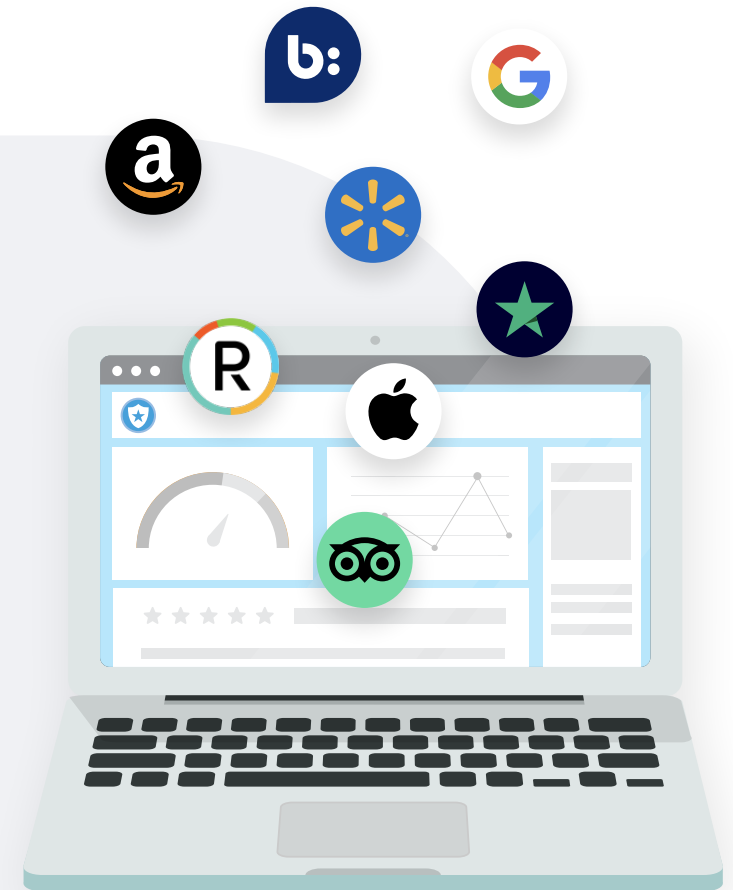
If you left a product review with feedback about misinformation in the product's description, would you expect the manufacturer to fix it?



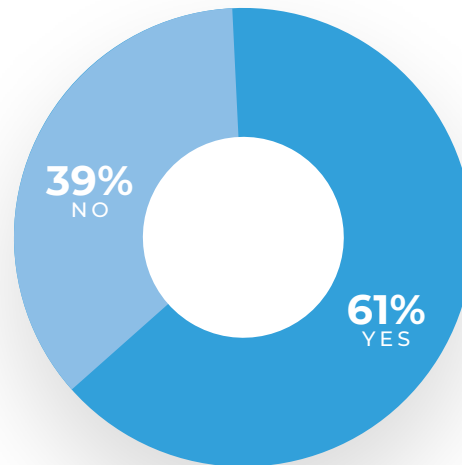
While the vast majority of consumers expect brands to take action on the feedback they share in negative reviews, far fewer brands are actually doing so. 61% of brands have made changes to a product based on feedback from customer reviews. And only 56% of brands have updated a product description based on feedback from reviews about an inaccurate description.

61% of brands have made changes to a product based on feedback from customer reviews.

56% have updated a product description based on feedback from reviews about an inaccurate description.

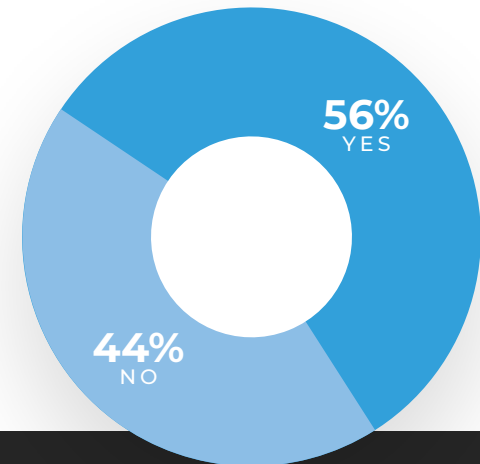


Some Brands Leverage Feedback from Reviews to Improve Products or Product Descriptions



Have you ever made changes to a product based on feedback from product reviews?

Have you ever made changes to a product's online information (i.e. product description) based on feedback from a product review?



Why aren't more brands leveraging reviews to make impactful improvements to products and customer experiences? A top reason is that they're not able to easily access insights they can leverage to improve – *especially when they're collecting different types of reviews through different platforms.*

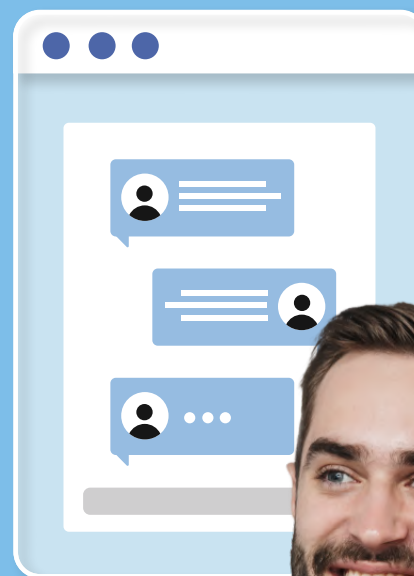
However, a growing number of brands are leveraging a solution like **Reputation Studio** from **144c**, which consolidates all reviews and makes it easier to measure sentiment at the brand and product level – *and identify opportunities to better serve customers.*

Growing Use of Customer Q&A

Increasingly, consumers are opting to shop online. One downside of online shopping is that if a consumer has a question about a product, they're not able to find a sales associate to ask as they would when shopping in-store.

However, many brands and retailers – including Amazon – have added a questions and answers (Q&A) section to product pages to bridge the gap and empower online shoppers to get answers to any questions standing in the way of a purchase.

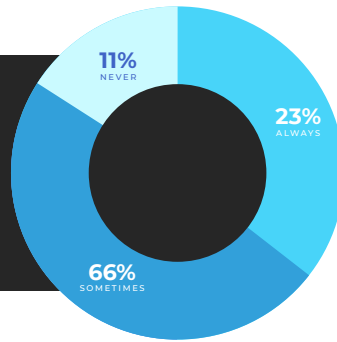
It's clear consumers value Q&A as a tool to help them make better purchase decisions. 89% say they read customer questions and answers when researching a product to buy. And nearly a quarter (23%) always do so.



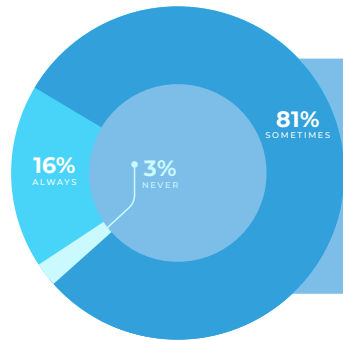
89% of consumers read questions and answers (Q&A) when researching a product to purchase.

Most Consumers Consult Q&A

How often do you look at consumer questions and answers when researching a product to buy?



It seems most brands recognize the value consumers place on Q&A. 97% believe consumers read Q&A at least sometimes. However, brands underestimate the number of consumers who do so always.



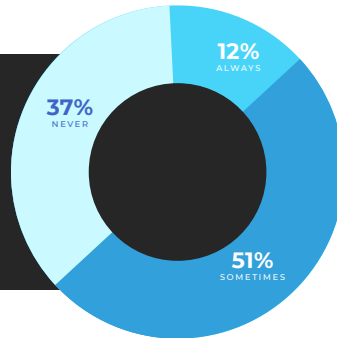
Brands Recognize the Value Consumers Place on Q&A

How often do you think consumers look at online questions and answers about your products?

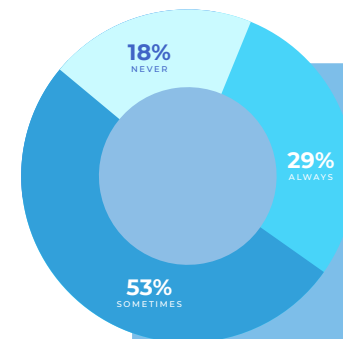
In addition to browsing questions that have already been asked and answered, many shoppers also submit their own. 51% do so sometimes, and 12% claim to always ask questions via Q&A.

Over Half of Customers Pose Questions Via Q&A

How often do you ask questions in the Q&A section of a product page when researching a product to buy?



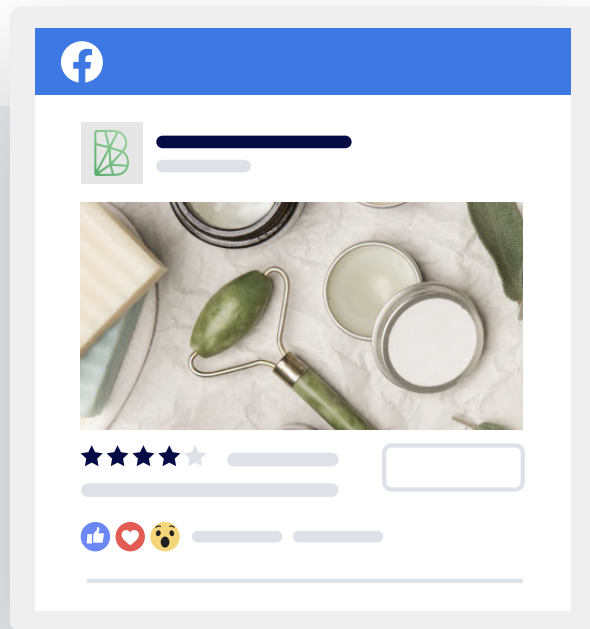
But are consumers getting the answers they seek? Sometimes, but not always. While 82% of brands indicate they answer questions posed via Q&A at least sometimes, only 29% always do so.



Most Brands Respond to Customer Q&A at Least Sometimes

How often do you answer questions on the Q&A section about your products?

Of note, the largest brands -- those with more than 5,000 employees -- are the least likely to respond to Q&A. A mere 14% always do so. And 33% never do!



A mere **14%** of brands with
5,000 or more employees
always respond to Q&A.
33% never do!

How Often Brands Respond to Questions Submitted via Q&A

A breakdown by company size

	1-10	11-25	26-50	51-100	101-500	501-1000	1001-5000	5000+
ALWAYS	19%	44%	47%	42%	24%	30%	40%	13%
NEVER	16%	0%	6%	14%	20%	12%	12%	34%
SOMETIMES	65%	56%	47%	44%	56%	58%	48%	51%

This is a big problem. If a customer doesn't get a fast, accurate answer to a question posed via Q&A, they're unlikely to follow through with the purchase. An unanswered question will also be a red flag for a future shopper browsing Q&A. Consumers depend on Q&A to get their questions answered when shopping online. Brands must give customers a means to pose their outstanding questions. And, they've got to make it a priority to provide fast answers.

CONCLUSION

Increasingly, consumers rely on feedback from others like them to make purchase decisions. They access this content by reading reviews and questions submitted by others via Q&A. Brands must make it a priority to generate plenty of this content.

Of course, plenty of consumers are also writing their own reviews and submitting their own questions. And when they do so, they have high expectations for fast, accurate responses. Actively monitoring reviews and Q&A across channels – and providing fast, helpful responses is a key way brands can set themselves apart from the competition.





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