PODIUM

COMPLETE GUIDE
TO ONLINE REVIEWS

Contents

Summary

The digital era is in full swing. Consumers are harnessing new technologies every day that allow them to more efficiently feed their demand. That is, potential customers are adopting new technologies to help them decide what to buy, where to buy, and when to buy. These adoptions directly impact how businesses manage reputation, approach consumers, and offer their products or services.

For example, SMBs and enterprise corporations alike, are seeing online reviews take the place of the word-of-mouth referral. Why? Because, online reviews provide consumers the kind of clarity into a business that just a single recommendation cannot. Online reviews are, for the most part, unbiased and real. They allow anyone, anywhere in the world, to determine whether or not they should engage with a business. This is a major step forward from consumers being swayed simply by brand imaging, advertising, and a single word-of-mouth referral. Today, purchasing factors like online reviews play a more integral role than ever before in the customer journey.

In the current business climate, no digital marketing strategy is complete without online reputation management and reviews.

Not with reviews carrying more clout in Search Engine Optimization (SEO) and brand trust than ever before. Therefore, it is imperative that businesses build an online reputation strategy with a foundation built upon a data-driven online review management platform.

Review Generation

ONLINE REVIEWS AND HOW THEY WORK

Online reviews are user generated comments that current or past customers can post about businesses on online review sites like Google, Facebook, and other leading sites. Generally, an online review site will structure a review to allow the customer to give a rating between 1 and 5 stars and add commentary to that review rating. Once a consumer posts their review, that review will be tied to that specific business for the public to see. Positive or negative, reviews are collected by that review site and displayed for other potential consumers to see.

WHY ONLINE REVIEWS MATTER

Depending on the review site, online reviews can be displayed in search engine results. For example, Google and Yelp both display their reviews in the search engine results, making them ideal platforms for gathering online reviews. Those same reviews play a roll and have an impact on local Search Engine Optimization (SEO). The image below shows a business that has a high quantity of reviews in addition to a high average quality. When a business can maintain those two factors (quantity and quality), they're generally rewarded in the search results.

It's estimated that of the over 200+ ranking factors in Google's search engine algorithm, almost 10% of the total weight accounts for online review signals such as: Review Quantity, Review Velocity and Review Diversity.
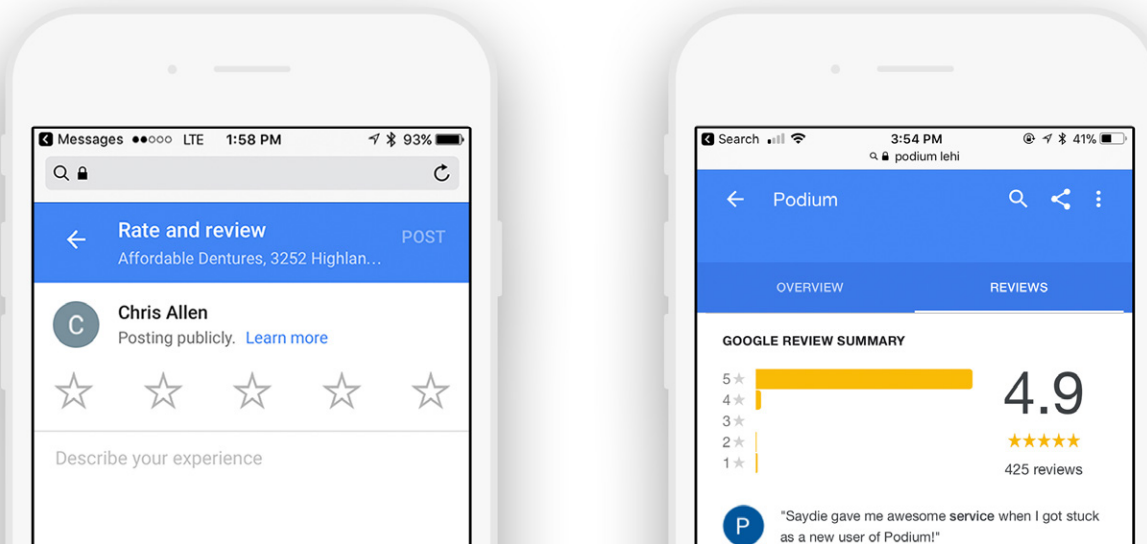
This means that, on a local SEO level, small businesses have a level playing field against national chains. That is, if they can ensure their reviews abide by the previously mentioned review signals. From this, a case can be made for any business to place an emphasis on cultivating online reviews.

Local SEO benefits aren't the only reason online reviews matter. In fact, there are a number of benefits that come from online reviews. The two foremost benefits, aside from local SEO, are the potential for associated increases in revenue and increased trust in your brand.

A recent study by Harvard Business School (HBS) found that a one-star increase in a restaurant review can lead to a 5-9% increase in revenue2. That's anywhere from $50,000-90,000 in additional revenue for a $1M/year business. That's simply from unleashing your silent majority on Google, Facebook, and/or other online review sites.

According to research, 93% of consumers say online reviews have an impact on their purchase decision. That same report shows that a 3.3 star rating is the minimum star rating of a business consumers would consider engaging with.

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3.3 is the minimum star rating of a business consumers would consider engaging with.

68% are willing to pay up to 15% more for the same product or service if assured they'll have a better experience

Many businesses that already have a review strategy in place will tell you that collecting reviews isn't always the easiest thing to do.

As a general rule, don't incentivize for online reviews.

FOCUSING ON THE MOST EFFECTIVE SITES

Not all reviews sites are made the same. For example, Google reviews, in most cases, will carry more clout than your average niche, vertical-specific review site. Facebook reviews, in general, will also carry more authority than most other review applications. So which online review site is right for your business and which should you focus on?

In a general sense, it's beneficial for all businesses to focus on the Big 3: Google reviews, Yelp reviews, and Facebook reviews. Why? Because all three online review sites give your business a much larger audience and chance for exposure. Read the Review Site Guide on the next page for an in-depth look at each site.

HOW TO ASK FOR ONLINE REVIEWS

Many businesses that already have a review strategy in place will tell you that collecting reviews isn't always the easiest thing to do. So what's the best way to generate them?

As a general rule of thumb, don't incentivize for online reviews. Offering an incentive in exchange for a review may lead to a biased review that might not accurately reflect that specific customer's experience. In addition, online review sites like Yelp strongly discourage incentives for reviews.

A good alternative to incentivizing is to choose an online review management platform that works for you and your customers. There are many online review management platforms out there but choosing one that works for both you and your customer is key. We'll touch on evaluating vendors later on in this paper.

Review Site Guide

Google

Google has arguably the most prominent online review site. For starters, Google reviews have the potential to put you near the top of the search results page. Many businesses will see this as the sole reason for focusing on generating Google reviews. While Google's online reviews are a great starting place, it should not be the only factor to your online review strategy. Not everyone has a Google Account, something that is required to leave a google review, meaning you must supplement those efforts with other online review sites. Besides, Google isn't the only online review platform that can rank in the search results.

yelp

Yelp's online review platform is also a great general option for most businesses. Yelp touts an astounding 135 million unique users4 and while tilted towards restaurants, provides categories for almost every vertical. The online site's reviews CAN also show up in Google search results, show your hours of operations, and show pictures from user contributions.

facebook

With over 2.2 billion monthly active users and 1.4 billion daily active users, Facebook is an online review site to be reckoned with. One main advantage to Facebook reviews is that most of your customers use Facebook and will already be logged in (via mobile or desktop) allowing you to easily direct them straight to your review page. While Facebook reviews arguably aren't quite on par Google and Yelp reviews, the platform is fast-approaching.

Niche Sites

Once you've created a review inventory on any—or all three— of the big 3 sites, vertical specific online review sites are a great way to supplement your efforts. Do a quick search for "Lawyer review" and you'll likely find Avvo. A quick search for "doctor reviews" will serve up Healthgrades.com. And, a search for "home builder review" will bring you Houzz. These examples of supplemental online review sites are crucial for any complete online review strategy. Use them to your advantage, but don't rely on them as your sole engine for online reviews.

Review Management

HOW TO MANAGE AND RESPOND TO REVIEWS

It's important that your business has ears on the ground. It is imperative that businesses monitor and quickly respond to positive and negative online reviews. According to a recent study, 70% of respondents said their opinion was changed after a business responded to a review6. With that said, you should choose a review to response ratio that is realistic for your business and stick to it. A wellrounded ratio should have a review to response ratio around 1 response for every 4 reviews.

POSITIVE REVIEWS

Positive reviews are customer experience gold. They tell your customers that you're a business with whom they should engage and inform you on what your business is doing well. When you receive a positive review, make sure to respond to a few and show that your business cares about and is proud of the experience they were able to provide.

NEGATIVE REVIEWS

Negative reviews are clearly more difficult to digest than are positive ones. But, they allow your business a few unique opportunities. First of all, negative reviews allow your business to see what needs to be improved upon. Large enterprise companies spend millions of dollars each year to receive customer feedback. With online reviews, you can see what needs to be improved upon for little to no cost. The major cost associated with a negative review is the possibility for lost business by other potential customers seeing that review. This brings us to the next point; responding to negative reviews.

RESPONDING TO POSITIVE REVIEWS

REVIEW	RESPONSE	STEPS
★★★★★ Loved my experience! Excellent service.	*We're so glad to hear you enjoyed your visit. Your recommendation means the world to us. We hope to see you again soon!*	*1. Thank the reviewer* *2. Express hope that they will return ("We hope to see you...")*

Taking the time to respond to a negative review can have a large impact. In fact, 41% of consumers see a brand's response to an online review as a sign that the brand really cares about its customers. This is a chance for your business to act fast and right whatever wrong the customer feels your business made. If you're successful, you might even get the upset customer to take down the negative review.

The example to the right does a great job of taking a cool-headed approach in responding. They follow a few simple steps that can turn this negative into a positive for any potential customer

What happens if the negative response isn't legitimate? Hootsuite suggests that regardless of whether or not the complaint is legitimate, you should address it and apologize. Tell your side of the story in a sympathetic manner and offer to help correct the issue in any way possible.

RESPONDING TO NEGATIVE REVIEWS

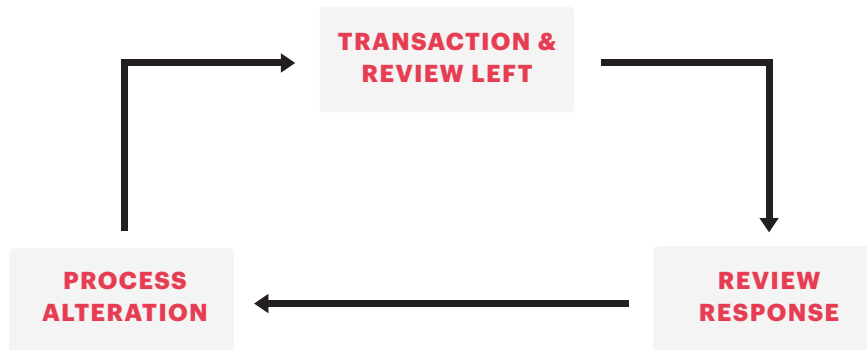| REVIEW	RESPONSE	STEPS
★☆☆☆☆ Had a terrible experience! Wouldn't recommend.	*We're so sorry to hear that your experience was a negative one. We'd like to do what we can to right any wrong. Please contact our Customer Serivice Manager so we can resolve your issues.*	*1. Apologize ("We're sorry to hear...")* *2. Approach the review with a calm and collected response (cushioned-defense)* *3. Offer a pro-active way to right their wrong ("We'd like to do what we can to change that")* *4. Ask to continue the conversation privately. ("Please contact our Customer Service Manager")*

DRIVING CUSTOMER EXPERIENCE WITH ONLINE REVIEWS

Online reviews, if responded to quickly and appropriately, can serve as a revolving feedback loop.By utilizing positive and negative online reviews you can effectively implement, test, and alter processes that affect your customers' experience. For example, a customer might leave a 3-star review for an automotive dealership stating the cause for discontent was the hour she had to wait after the paperwork was finalized. That dealership might take this feedback and adjust their process to clean the car while the paperwork is being completed.

In the scope of customer experience, online reviews provide a cost-effective way to identify gaps or inefficiencies and improve upon them. Those gaps or inefficiencies in business processes can be the difference between a repeat customer and a one-time customer.

Online reviews can also help your business identify potential case studies and evangelists. One of the most useful features of online reviews, for customer experience purposes, is that a business can generally see who left the review. This provides a great opportunity for businesses to showcase people who were satisfied and likely to refer someone to your business. Case studies and quotes are powerful tools that sales and marketing can use in a number of areas. Utilize your happy customers' satisfaction by showing others that you can offer the same to them.

CUSTOMER EXPERIENCE FEEDBACK LOOP

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          ┌──────────────────────┐
          │   TRANSACTION &      │
     ┌───▶│   REVIEW LEFT        │────┐
     │    └──────────────────────┘    │
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┌─────────────┐              ┌─────────────┐
│  PROCESS    │◀─────────────│  REVIEW     │
│ ALTERATION  │              │  RESPONSE   │
└─────────────┘              └─────────────┘
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Choosing a Platform

Evaluating Potential Vendors: One of the most important factors in choosing an online review management platform is understanding your customer base.

Considerations for your customers:

• Do my customers have or use email? If so, how often do they check it?
• Do my customers have smart phones?
• Are my customers on Google, Yelp, or Facebook?
• How soon do they need to submit a review to stay top of mind?

Considerations for your business:

• Do employees need to send review requests from mobile and desktop?
• Do we have a Customer Relationship Management (CRM) platform that we want to integrate?
• Are we focused on generating and managing online reviews?
• Are we looking to increase our online search presence?

Answering both sets of questions will help drive your decision in choosing a platform that works for your business and your customers. It's critical to ensure you understand the technologies your customers use and the features that positively impact your business.

PLATFORM COMPONENTS AND FEATURES

There are two main components of an effective online review management platform: review generation and review management. Review generation is the component responsible for efficiently generating online reviews. Review management is the component responsible for managing incoming and existing reviews on select online review sites. It's important that the online review management platform you choose is capable of both.

REVIEW GENERATION

It's important to understand your customers' technology habits when evaluating the review generation componentof an online review management platform. For example, the odds of a dental patient filling out an online review that they receive via email is very slim. The same can be said for industries like automotive sales, HVAC, and retail shops.

Instead, businesses are harnessing the power of textbased review requests. The moment a transaction happens, customers are receiving review requests directly to their phone via text message. Using text-based requests, businesses are seeing review completions rates much higher than traditional email-based requests.

In general, text message-based review generation will be more effective than traditional email-based requests. Our internal research shows a few core reasons for this:

1. Text message-based requests are received instantaneously before, or as, a customer leaves your place of business resulting in completion rates up to 15x traditional email-based requests.

2. Text message-based requests are easier for customers to access. Open rates on email-based requests see an average anywhere from 20-30%. Text-based requests see open rates close to 98%.
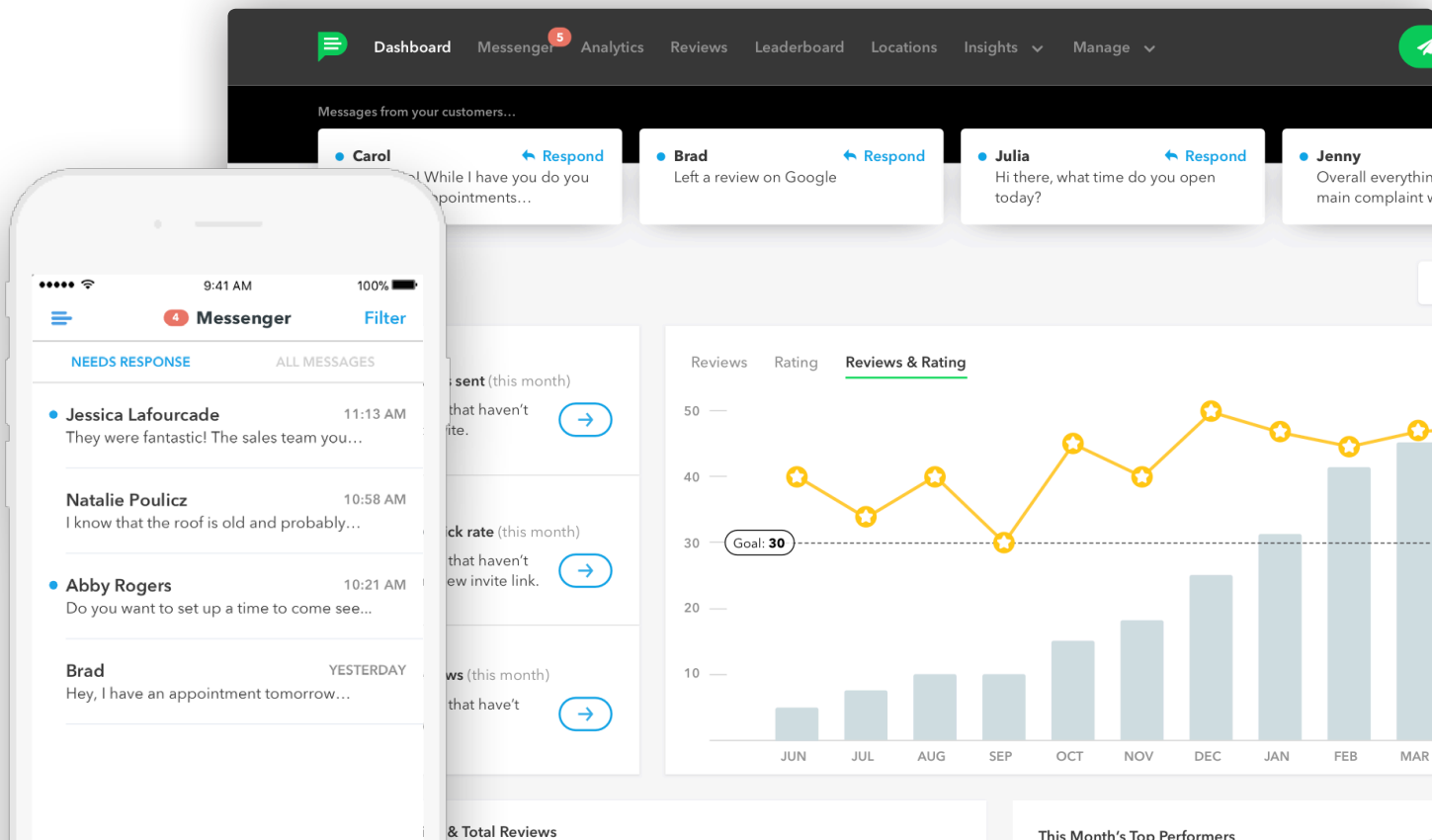
REVIEW MANAGEMENT

Review management is another critical component of an effective online review management platform. Any business that is looking to track their reviews, see where reviews are coming from, and use reviews as a customer experience feedback loop, need a single place where they can manage reviews from multiple online review sites.

Podium's single place for review management is a dashboard.

THE DASHBOARD SHOWS:

• The number of total reviews
• Overall average rating
• Which sites generate the most reviews
• Recent reviews from all platforms
• And much more

Having this data in one place allows a business to efficiently monitor current activity, progress, and customer satisfaction. It also gives a starting place for better understanding where your customers reside online for marketing and advertising purposes.

CONCLUSION

Online reviews are changing the way customers consume things.

By utilizing reviews, businesses can increase their search presence, increase brand trust, and often times, realize associated increases in revenue. Review management is also as important as review generation. Through engaging with online reviews, businesses can increase brand loyalty and trust. Both positive and negative reviews are able to provide feedback into a business that can be implemented and tested to better the customer experience. Last, it is important to choose an online review management platform that works for both you and your customer. Make sure review generation methods and review sites match your customers' technological habits. By following this guide, businesses can realize increased review engagement and online exposure. ■

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