

The power of consumer reviews

Why online Ratings & Reviews matter, and how they impact your eCommerce sales, traffic and conversion



Consumers are 2.4x more likely to trust content created by other people like them than content created by brands themselves ([Stackla](#)). This need for authenticity is why Ratings & Reviews are so critically important to your eCommerce strategy and why 97% of shoppers consult them before making a purchase online. In fact, online product reviews are 3.5x more important to shoppers in influencing purchasing decisions than are the opinions of their own family and friends ([CheckoutSmart](#)).

The influence of reviews isn't just limited to digital purchasing either. [RetailMeNot](#) found that while shopping in-store, 69% of consumers prefer to look up product reviews on their smartphones instead of speaking to a store associate.

Clearly, reviews matter. But what kind of sales impact can you expect from adding more reviews to your product pages? What's the optimal number of reviews to shoot for? How frequently should you be adding more reviews to your pages? We hear these questions a lot, so we set out to answer them.

Using our daily Amazon sales and Ratings & Reviews data, we analyzed nearly 8,000 products in the U.S. and 2,000 products in the U.K. across seven categories during an eight-month period from Jan - Aug 2020. The research findings underscore how crucial it is not only to have a Ratings & Reviews strategy in place, but also benchmarks and goals to shoot for.

Research highlights



+108%

average sales lift going from 1 review to 2-50 reviews on Amazon.com



+206%

average sales lift increasing review velocity (avg. new reviews a month) from 1-5% to 5-10% on Amazon.com



+188%

average traffic lift when at least one review is added to a product page on Amazon.com



+92%

average sales lift improving your average star rating from 3.5-4 to 4.1-4.5 stars

Here are 4 key findings from Profitero's research:

1 Get your new products reviewed as fast as you can

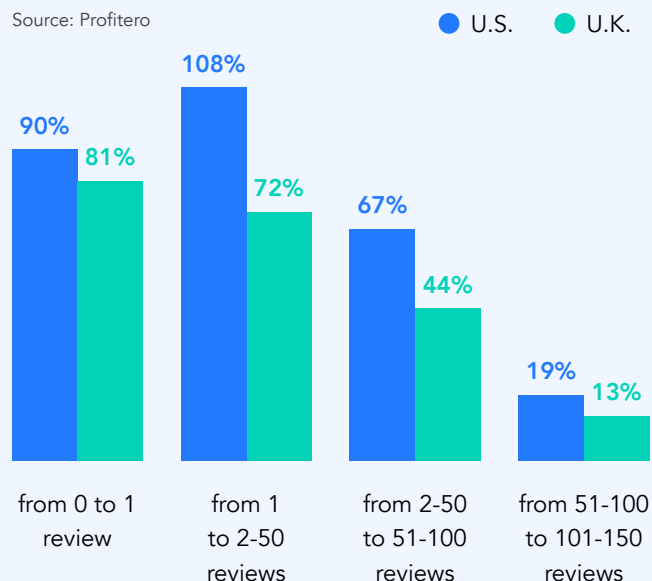
Adding just one review to a product will almost double your sales on Amazon, and going from 1 review to 50 reviews will double it again. After that point, the sales impact starts to diminish. This means you should focus on ramping up authentic reviews on new products as quickly as you can, making sure no product in your portfolio is unreviewed. One way to generate genuine reviews (i.e., not fake) is by teaming with enablers like sampling campaigners or review syndicators.

"It's better to have many products with fewer reviews because just getting away from zero provides a bump in traffic and conversion."

Keith Anderson
SVP Strategy, Profitero

How review count impacts sales — on Amazon

(average sales lift products get when increasing the number of reviews)



2 Keep adding fresh reviews because 'recency' matters

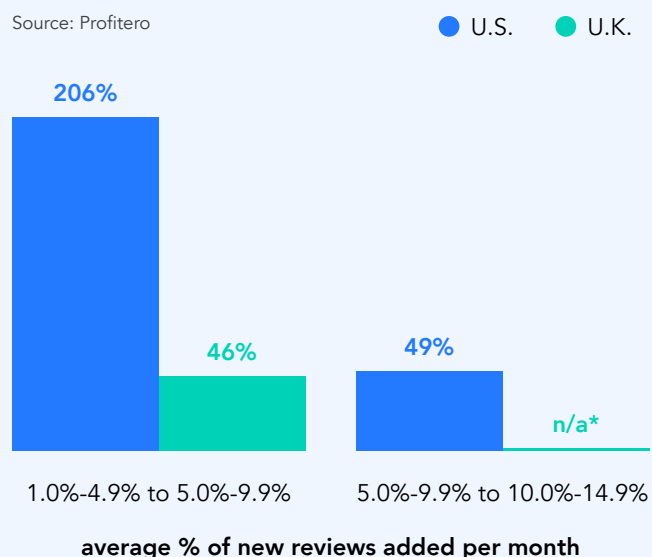
While getting your review count up is important, it's not enough. Brands also need to pay attention to review "velocity" or "recency" — i.e., how "fresh" or new your reviews are.

We found that adding even a small percentage of new reviews each month gives products a pretty substantial bump up in sales. For example, in the U.S., products that increased the number of new reviews from an average of 1.0-4.9% a month to 5.0-9.9% a month saw sales rise 206%. In the U.K., the average sales lift was 46% (which may reflect an earlier stage in usage of reviews in the U.K. market).

Pay attention to the quality of your most recently added reviews too. Best-in-class brands track review recency AND review quality (i.e., minimizing the share of new negative reviews left).

How increasing review velocity impacts sales — on Amazon

(average sales lift)



* could not calculate due to small sample size

3 Use reviews to drive traffic to your product pages

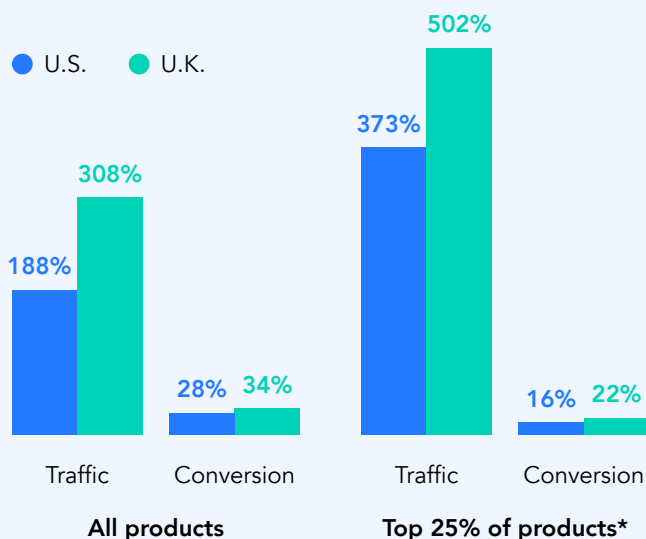
You may think that increasing the number of product reviews aids conversion by helping to justify a purchase being considered. And while that is true, reviews have a bigger impact on making your products more clickable and driving more traffic to your product pages.

When products go from having zero reviews to having at least some, they get a huge boost in traffic on Amazon: 188% in the U.S. and a whopping 308% in the U.K., according to our research. These figures are even higher for top-selling items.

Consider this: Ratings & Reviews are displayed on your product's thumbnail in Amazon's search results. This allows shoppers to quickly eyeball the average star rating and review count and justify clicking through to your product page.

Average sales lift when going from 0 to 1+ reviews

Source: Profitero



* Top 25% of products studied based on average unit sales achieved when reviews were > 0

4 Aim for at least a 4.1 average star rating

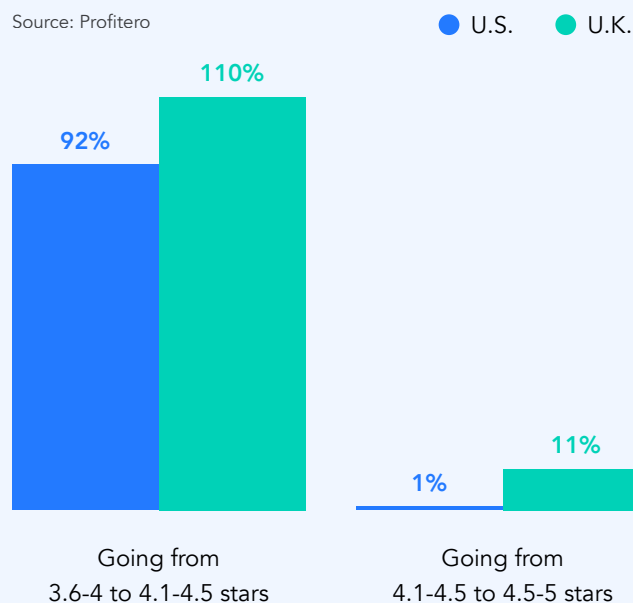
In addition to good reviews, products also need strong ratings. We found that products can double their sales when moving from an average star rating of 3.5-4 stars to 4.1-4.5 stars: 92% sales lift in the U.S.; 110% in the U.K.

Interestingly, our 2017 Ratings & Reviews analysis showed that about half of Amazon sales were generated by products with a 4.1-4.5 average star rating, and another third were for products with 4.6-5 stars. Now we find the biggest sales concentration — almost three-quarters of sales — among products with 4.6-5 stars.

Clearly the stakes are getting higher. This underscores the importance of benchmarking your Ratings & Reviews metrics against top sellers and key competitors. And more importantly, actioning on them (getting more reviews, improving your star rating, addressing negative reviews, etc.) to keep pace.

How raising average star rating impacts sales — on Amazon

(average sales lift)



Your Ratings & Reviews playbook: How to action this research

How to effectively manage your Ratings & Reviews strategy

1. Perform regular "health checks" on priority products

- Benchmark your Ratings & Reviews metrics vs. industry standards, category best sellers and top competitors, using a tool like Profitero.
KPIs to track:
 - Number of reviews
 - Velocity of recency of reviews
 - Average star rating
 - Net new negative reviews
- Routinely measure the return of your Ratings & Reviews — e.g., impact on traffic, conversion, sales — to understand what's working and where you may want to invest.

2. Generate fresh quality reviews on a routine basis

- When launching a new product, first get at least 1 authentic review; ideally you want to aim for 50 reviews in order for your product to be viewed as "established," and to maximize the lift in sales.
- To get your review count up and/or keep your reviews "fresh," generate new authentic reviews via a sampling program like Amazon Vine or using a third-party review service like CheckoutSmart or PowerReviews; this can also serve to boost your average star rating.

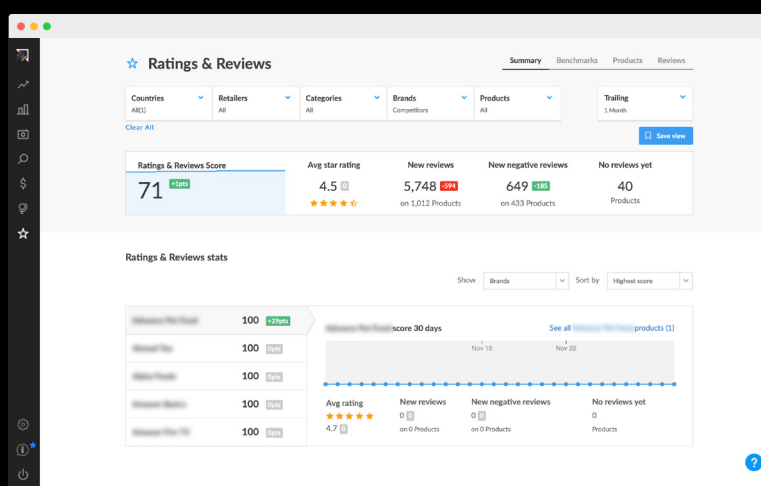
3. Monitor for and respond to negative reviews

- Prioritize monitoring bad reviews.
- Set up alerts or notifications with a tool like Profitero to know when a new negative review is left.
- Notify your customer service team to respond quickly and accordingly (e.g., leave a manufacturer's response).
- Distinguish between bad reviews due to product & features vs. service levels (e.g., packaging, shipping)
 - Collaborate with NPD, R&D, brand teams on product features or other needed improvements.
 - Work with retail partners to solve service issues

4. Invest in sentiment analysis

- Build a word cloud based on your product reviews to gain a better understanding of review sentiment. Profitero's Strategy & Insight team can support you in this effort.
- Sentiment analysis can be used to inspire overall messaging and marketing programs, and in advanced cases used to reverse engineer desirable product attributes and features.
- There are a host of sentiment AI experts out there (e.g., Alteryx, Brandwatch) that provide in-depth sentiment analysis services.

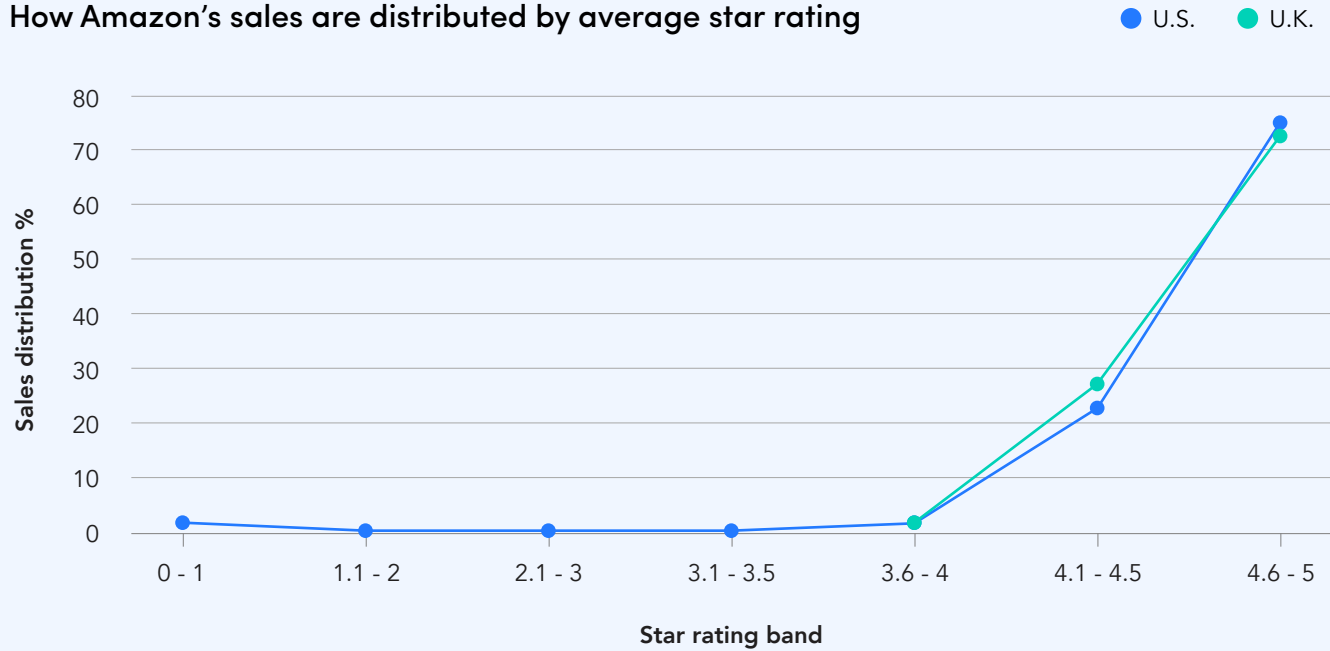
How Profitero's data and analytics can help you manage your Ratings & Reviews online



- Benchmark your review counts and star ratings to competitors and best sellers to understand what best in class looks like for the category
- Easily identify products that have too few reviews or low star ratings to target opportunities for optimization
- More quickly and easily find patterns in reviews that you can bring into new product development or copy for product pages
- Receive daily alerts notifying you when new negative reviews hit your product pages

Data Appendix

How Amazon's sales are distributed by average star rating



Source: Profitero

Jan-Aug, 2020

Categories = Baby, DIY, Electronics, Grocery, Health & Personal Care, Pet, Toys & Games

Example of a Ratings & Reviews benchmarking scorecard

(highlights show where your products could be falling behind)

	Your Brand				Competitor 1				Competitor 2		
	Avg. Star Rating	Avg. Review Count	% of products with 0 reviews		Avg. Star Rating	Avg. Review Count	% of products with 0 reviews		Avg. Star Rating	Avg. Review Count	% of products with 0 reviews
Retailer A	4.6	32	16%		4.5	52	0%		4.2	42	0%
Retailer B	4.8	37	11%		4.8	67	2%		4.9	60	0%
Retailer C	4.6	41	7%		4.6	51	2%		4.6	56	0%