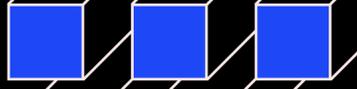
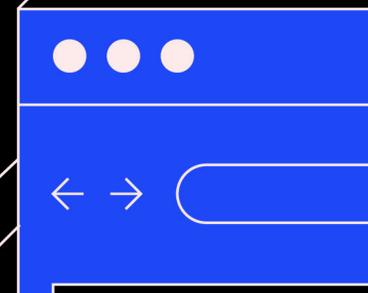
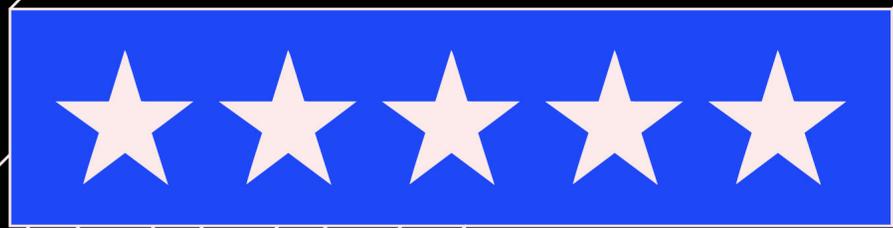
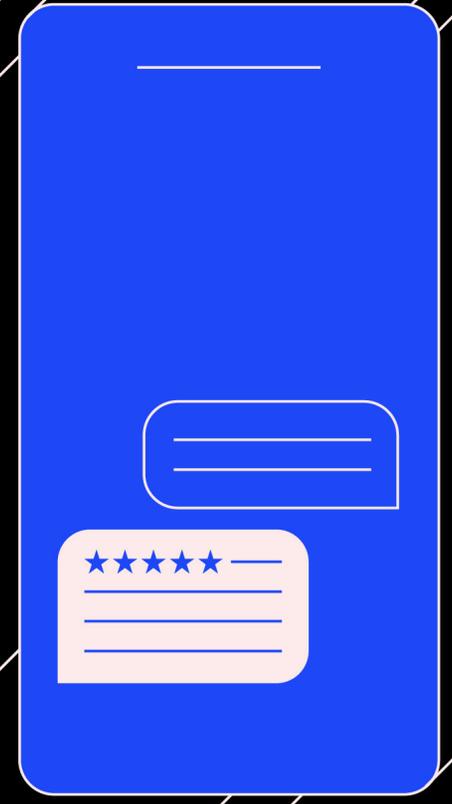
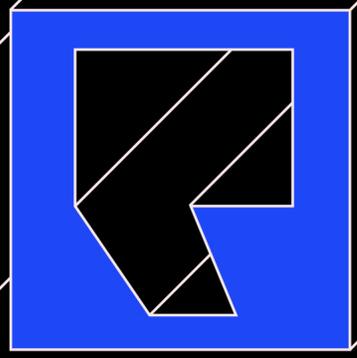
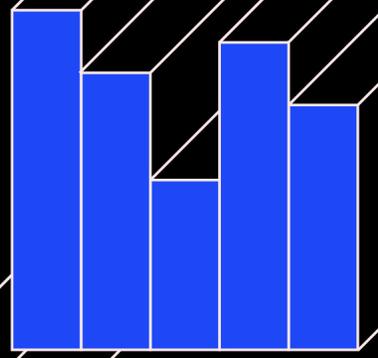


2020 State of Reviews





Key takeaways

Reviews have never been so important or influential. In wake of COVID-19, the information they provide and customer experience they paint are closely and regularly analyzed by consumers. In our digital marketplace, reviews are the first link to connecting with your business and the first deciding factor in moving to a competitor. To stay competitive, businesses must proactively remove any obstacles that prevent customers from leaving reviews.

This survey was conducted by Survey Monkey Audiences from October 9–October 21, 2020 in the US. Audiences surveyed included 1,543 consumers (age 18–99+, all regions), 455 SMB owners or managers, and 378 enterprise business leaders in businesses with a local presence.

- 01** Consumers are reading more reviews more consistently than ever before.
- 02** Reviews heavily influence consumer decision-making.
- 03** Consumers are looking for review quality, quantity, and responses along with high rating.
- 04** Local businesses need to make leaving reviews convenient, frictionless, and necessary.
- 05** Local businesses need to be proactive about improving their online reputations.



Reviews are table stakes in winning today's consumers.

Reviews used to be a nice-to-have. Now, they're a **make or break** in whether a consumer chooses to engage with your business. Review importance, influence, and consumption are rapidly increasing in consumer mindshare. And customers are turning to them more quickly—and more **singularly**—than ever before.

Waltman Retailers

4.8 ★★★★★

681 Reviews

Ted & Sons

4.6 ★★★★★

153 Reviews

Hampton Furnishings

4.6 ★★★★★

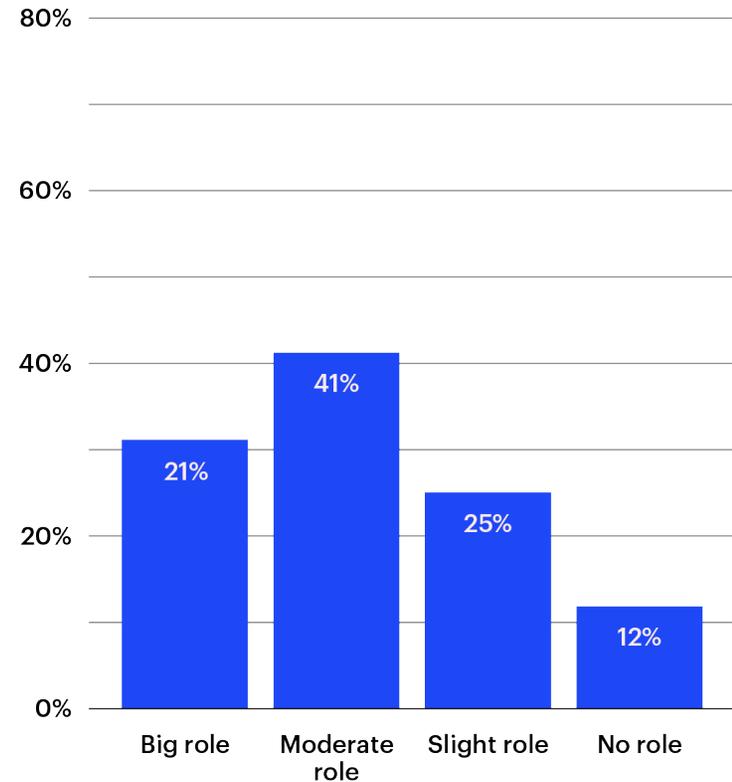
128 Reviews



Reviews influence 88% of consumers in discovering a local business.

- + 21% of consumers say that reviews play a big role in discovering a local business.
- + 12% of consumers say that reviews do not play a role in discovering a local business.

How big of a role do online reviews play in you discovering a new local business?

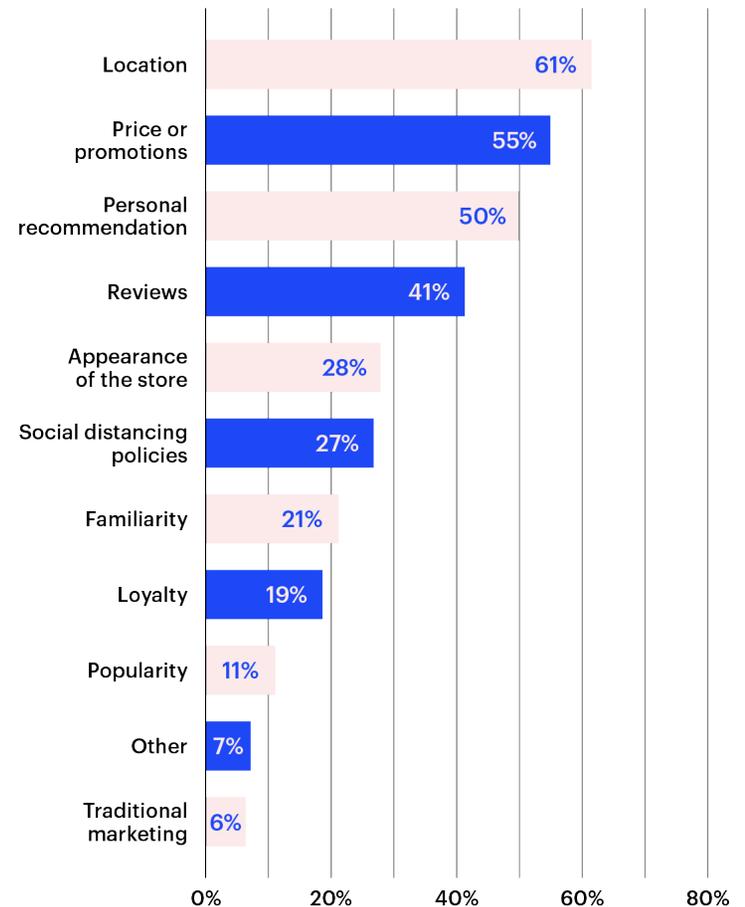


The top characteristics consumers say are most important when choosing a local business are:

- 📍 Location (61%)
- 💰 Price or promotions (55%)
- 👍 Personal recommendation (50%)
- ★ Reviews (41%)

Reviews are **2x more likely** to be an important factor in choosing a local business than loyalty, and **7.4x more likely** to be an important factor than traditional marketing.

What characteristics are most important when choosing a local business? (select three)



Most consumers have read a review in the last week.

23% have read an online review **in the last day.**

46% have read an online review **in the last 3 days.**

65% have read an online review **in the last week.**

85% have read an online review **in the last month.**

94% have read an online review **in the last year.**

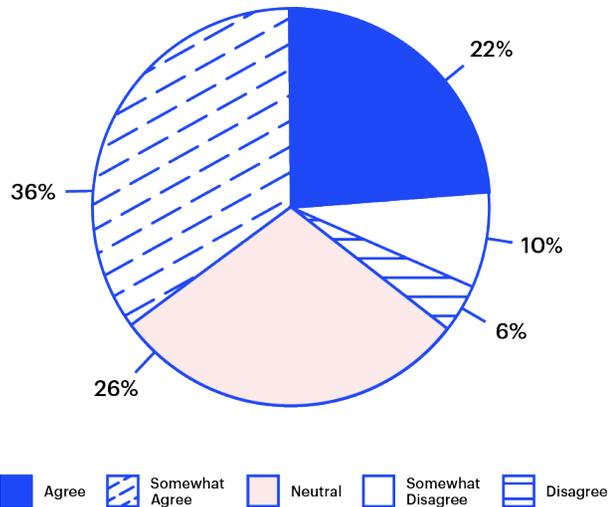




Approximately half of consumers are willing to travel farther and pay more in order to patronize a business with higher reviews.

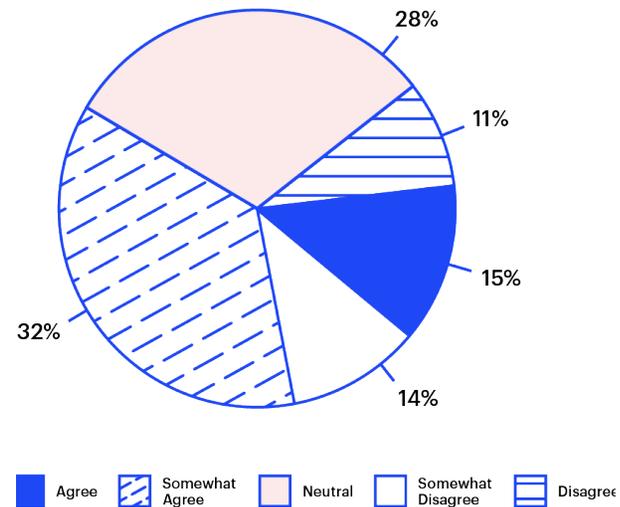
58% agree/somewhat agree:

"I am willing to **travel farther** to a business with higher reviews."



47% agree/somewhat agree:

"I am willing to **pay more** at a business with higher reviews."





28% of consumers say they have looked up a business's reviews while standing or being parked right outside to decide if they should go in or not.





Consumers are not just looking for five stars.

When customers search for a business online, they're not just looking for five stars—it's not that simple anymore. Consumer behaviors around finding and choosing local businesses online have become incredibly nuanced. Businesses need five stars and review quantity, quality, consistency, relevancy, and diversity to increase patronage.



Michelle Marwick

2 days ago



Wide range of services, and the staff was friendly and attentive as usual!



Rachel Scovel

4 days ago



The wait time was a little long, but the service was fast and efficient and Mike at the front desk was super helpful!



Jeff Andrus

5 days ago



Great experience! Thanks to the awesome staff for getting us in and out quickly!

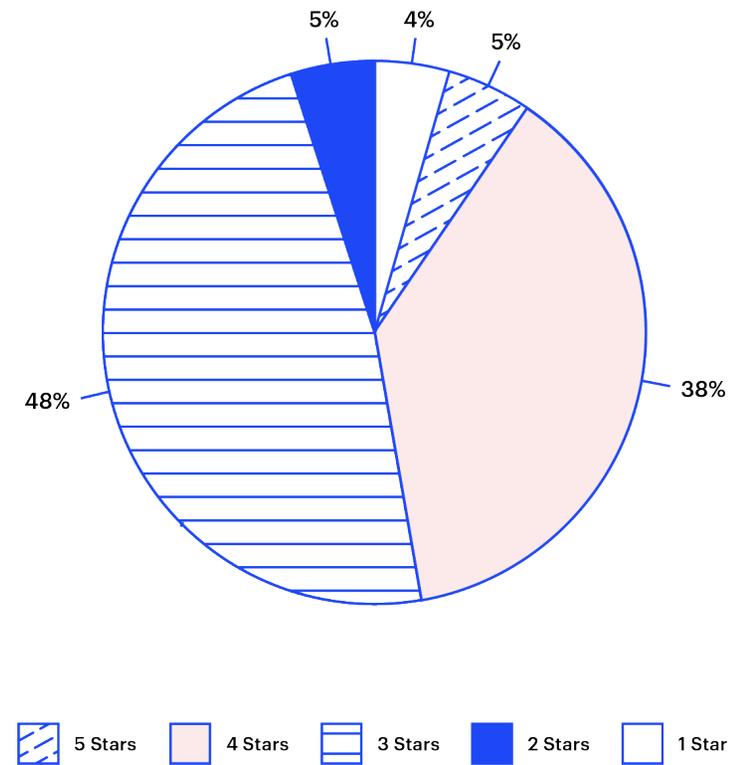




Although they are not enough on their own, high average star ratings are still the baseline required to compete.

- + 38% of consumers require at least a 4-star average rating to consider engaging with a business.
- + Only 9% of consumers would consider engaging with a business that had a 1- or 2-star average rating.

What is typically the minimum star rating a business needs for you to consider engaging with them?



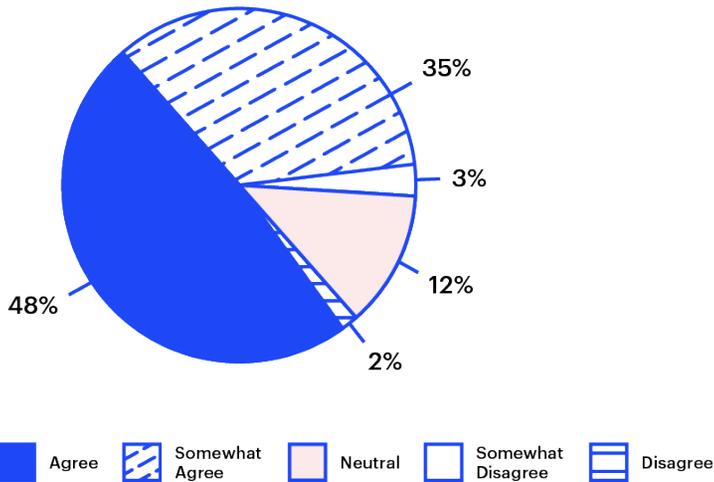


3.4 is the average star rating consumers require in order to consider engaging with a business.



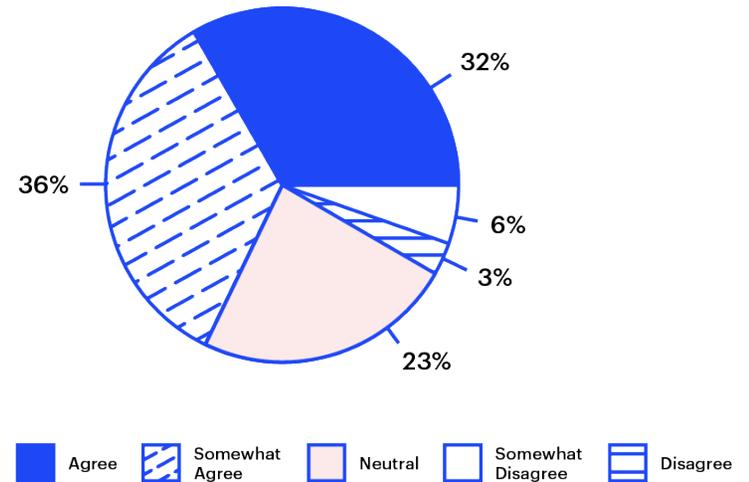
83% of consumers agree or somewhat agree that **reviews must be recent and relevant** in order to care about them.

“Reviews must be recent and relevant for me to care about them.”



68% of consumers agree or somewhat agree that they **don't trust a high review rating unless there is a high quantity** of reviews.

“I don't trust a high review rating unless there is a high quantity of reviews.”

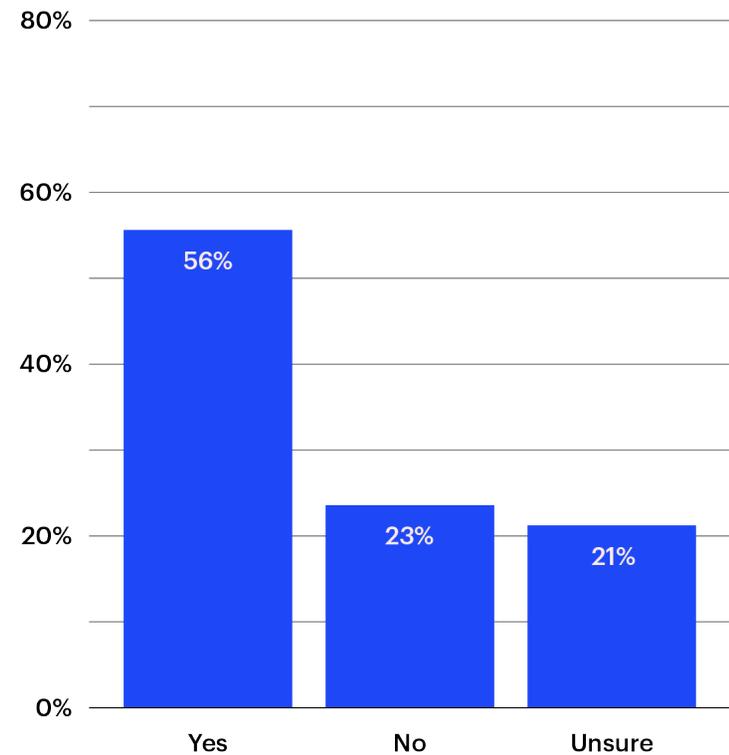




56% of consumers say that a business's responses to reviews have changed their perspective on the business.

Consumers consider how businesses respond to reviews when making purchasing decisions. Business responses offer insight into how responsive, responsible, and caring a business is. Responses tell the consumer how the business is going to treat them.

Do businesses' responses to reviews ever change your perspective on the business?



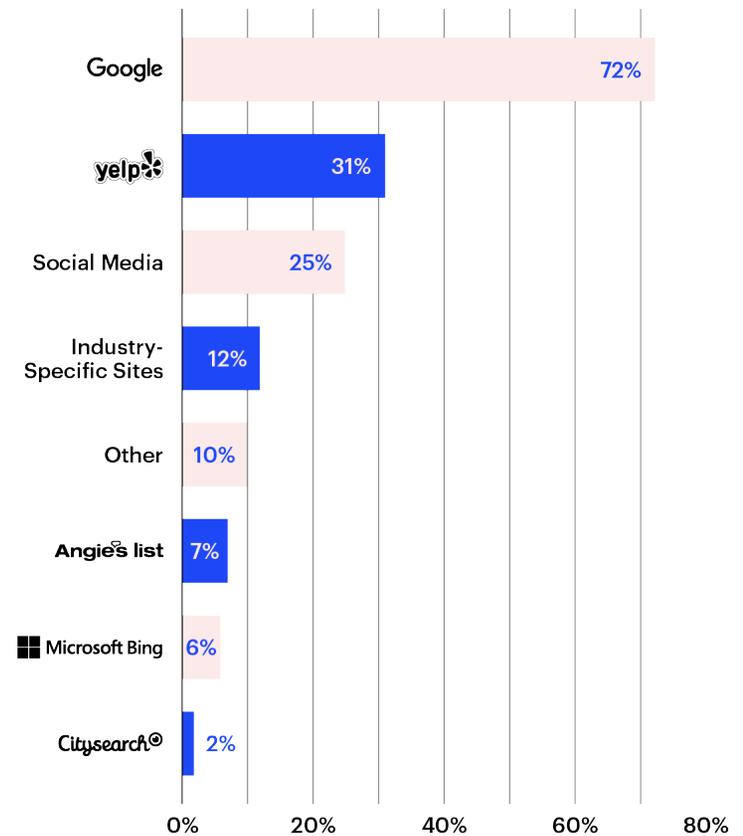


Consumers use a variety of different review sites and search engines to make their decisions.

However, consumers are more than **twice as likely** to turn to Google to discover and choose a local business than any other site.

Nearly 68% of consumers are likely to engage with your business using a mobile device compared to 32% who would engage via desktop. We asked this same question in our 2017 State of Reviews Report, and the gap between mobile usage vs. desktop usage has widened from the reported 59% and 41% (respectively) in 2017.

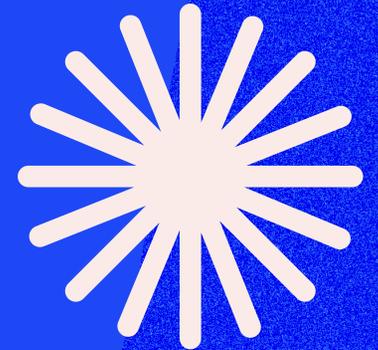
Which websites are you most likely to turn to to discover and choose a local business?





COVID-19 has created opportunities to win new customers online, but it has also created new consumer expectations.

COVID has provided new opportunities, but has also come with new **expectations**. If you tap in to customer needs and your reviews **reflect** the characteristics your customers care about now, you can edge out your competitors. If they don't, your customers will find another business whose reviews more fully reflect the experience they want to have.



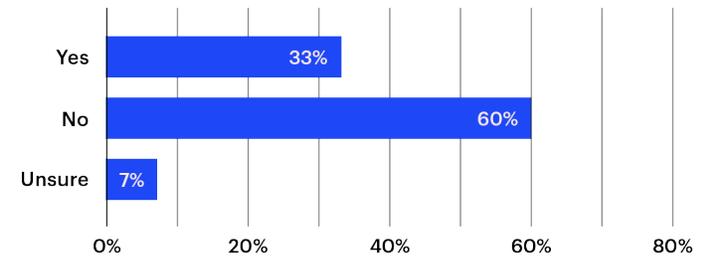


Since COVID-19, consumers are on the hunt for local businesses who will cater to their current needs.

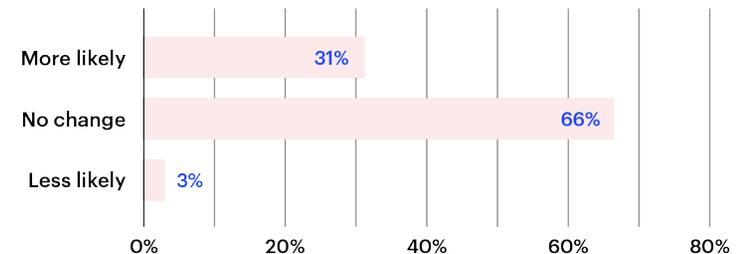
33% of consumers say they have **found a new local business near their home** during COVID-19 that they didn't previously patronize.

31% of consumers say they are **more likely to look at a local business's Google listing** before visiting it than they were prior to COVID-19.

Since COVID-19, have you found a new local business nearby your home that you didn't previously patronize?



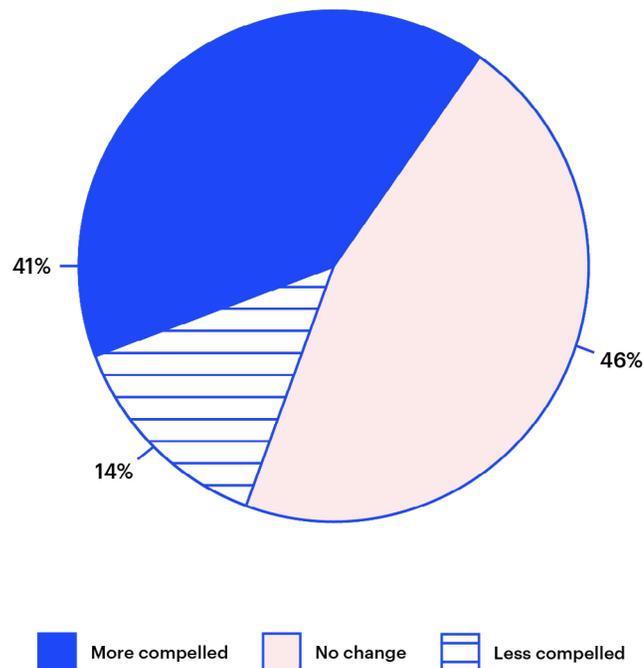
Are you more or less likely to look at a local business's Google listing before visiting it than you were prior to COVID-19?





Consumers want local businesses to succeed and are willing to show support through review behavior.

Do you feel more or less compelled to patronize local businesses now than you did prior to COVID-19?



41%

of consumers say they are **more compelled to patronize local businesses** since COVID-19, vs. 14% who say they are less.

45%

of consumers **would consider refraining from leaving a negative online review** (when they normally would have) because they want to try to be more understanding of businesses' operating challenges.

42%

of local businesses say their **online reputation has gotten better** or much better since COVID-19, vs. 7% who say it has gotten worse or much worse.



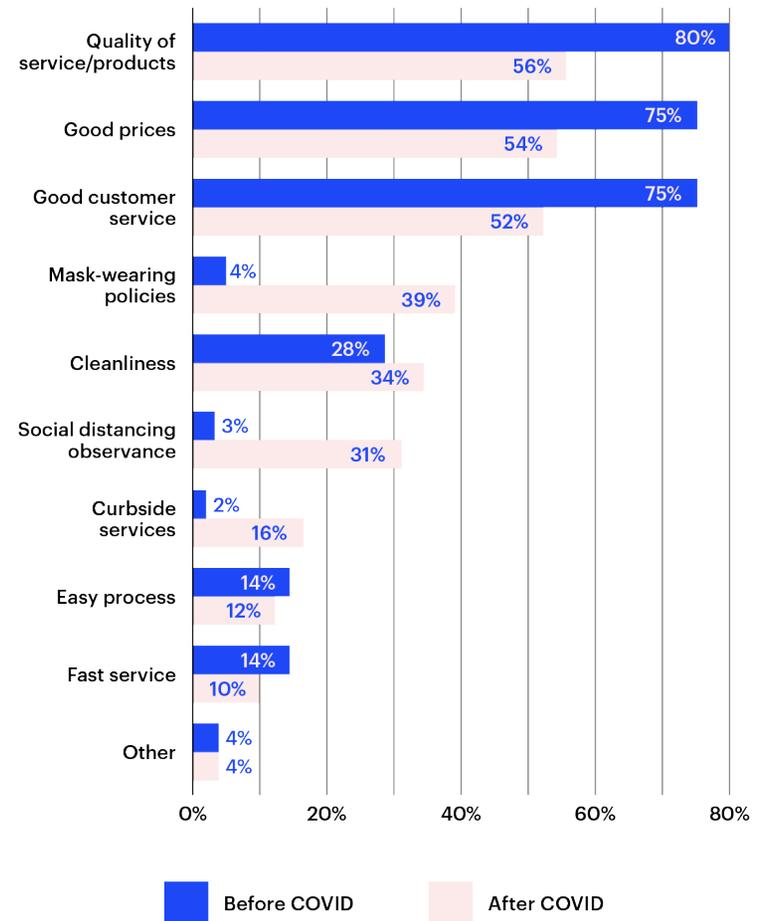
Overall, consumers are still looking for the same things as they were pre-COVID.

01. Quality of service or products

02. Good prices

03. Good customer service

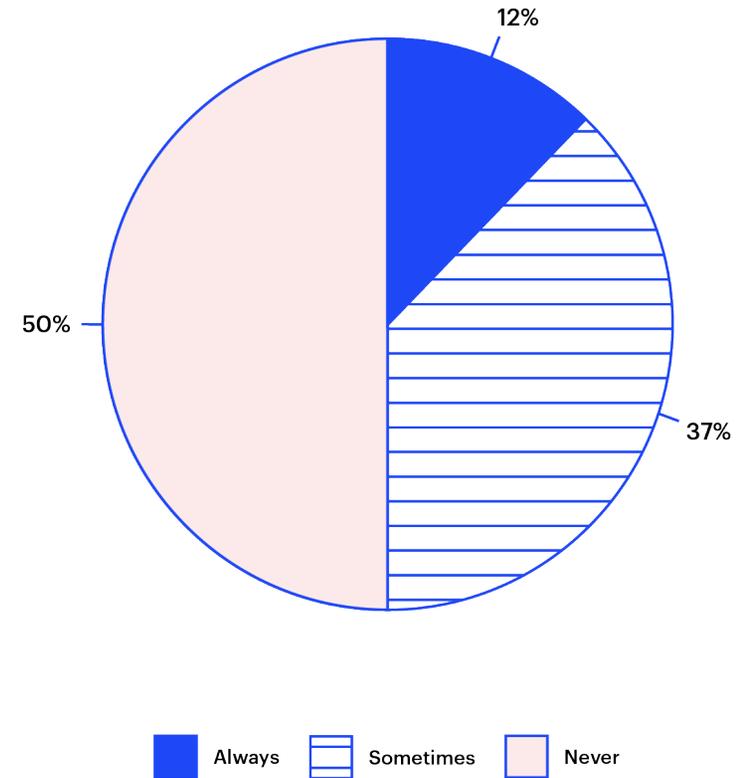
When you read business reviews, what are the top 3 factors you look for?



But since COVID-19, almost 50% of consumers are also reading reviews to validate local businesses' safety practices.



If you see a business has posted their COVID-19 safety practices, do you check reviews to validate them as accurate?





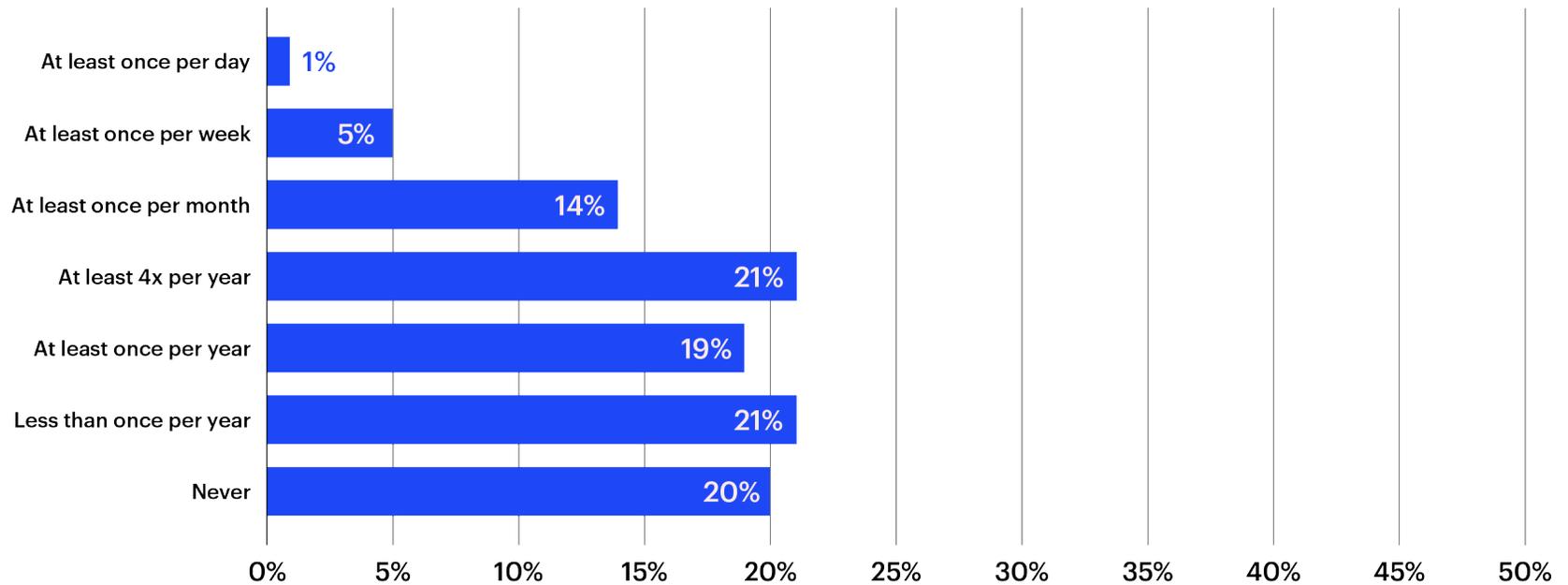
Consumers are much more likely to consume reviews than create them.

The vast majority of consumers leave a business review once a quarter, or less. And a fifth say they've never left one. While consumers read reviews regularly, there is clearly a barrier to creating reviews that local businesses must breach. Businesses need to rethink how they ask for reviews and eliminate any factors that might be preventing their customers from leaving reviews, both positive and negative.



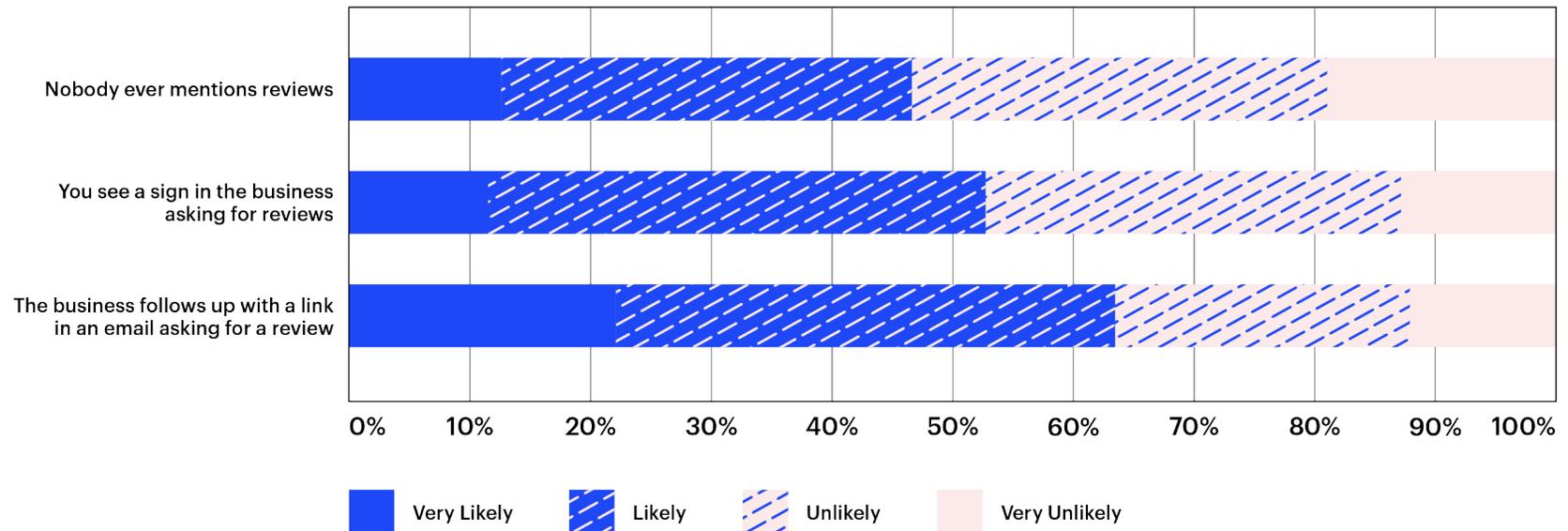
Many consumers (81%) leave a business review four times a year or less. 20% say they have never left a business review.

Approximately how often do you leave a review for a local business?



After having a good experience with a local business, consumers are 12% more likely to leave a review if they see a sign asking them to—and 36% more likely if they receive an email invite to leave a review.

You've just had a good experience at a local business. How likely are you to leave that business a review online in the following scenarios?



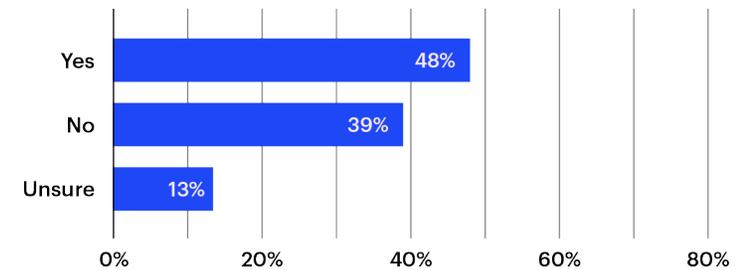
41% of consumers say that text is their preferred way to communicate, vs. 18% who prefer email.¹

48% of consumers say they **have received a text** from a business asking them to leave them a review.

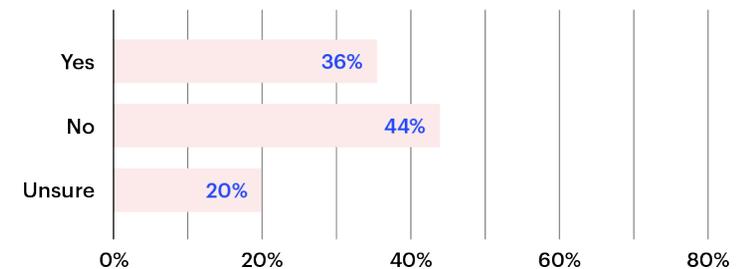
36% of those consumers **have left a review** based on the text request they received.

Note: Posting a sign can help. But the most effective way to boost your review collection rate is through text.

Have you ever received a text from a business asking you to leave them a review?



If yes, have you ever left a review for a business that sent you a text asking for one?



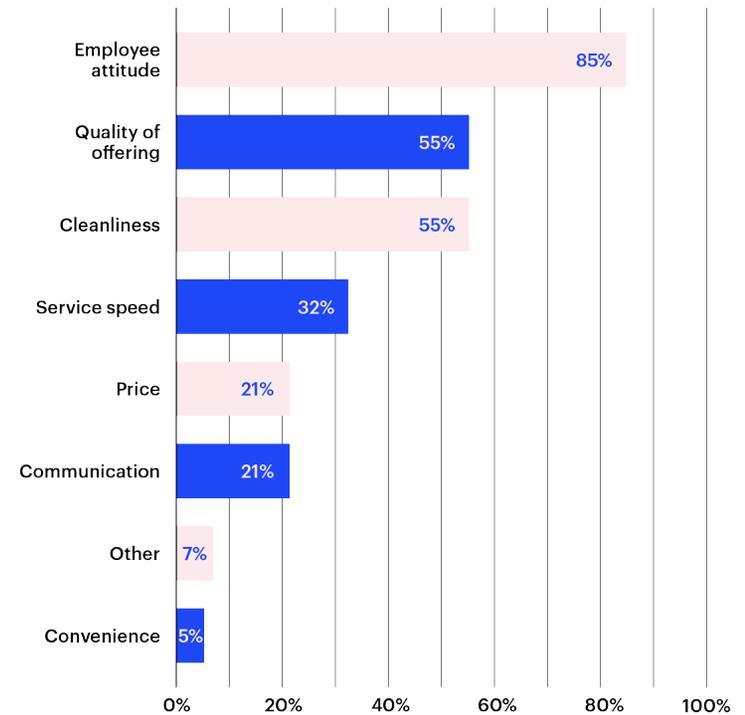
¹ Taken from Podium's 2020 State of Local Business report

When consumers do leave reviews, having a negative experience with employees is the leading motivation to leave a negative review.



+ 85% of consumers say that **employee attitude** is the most likely motivation for a consumer to leave a one-star review.

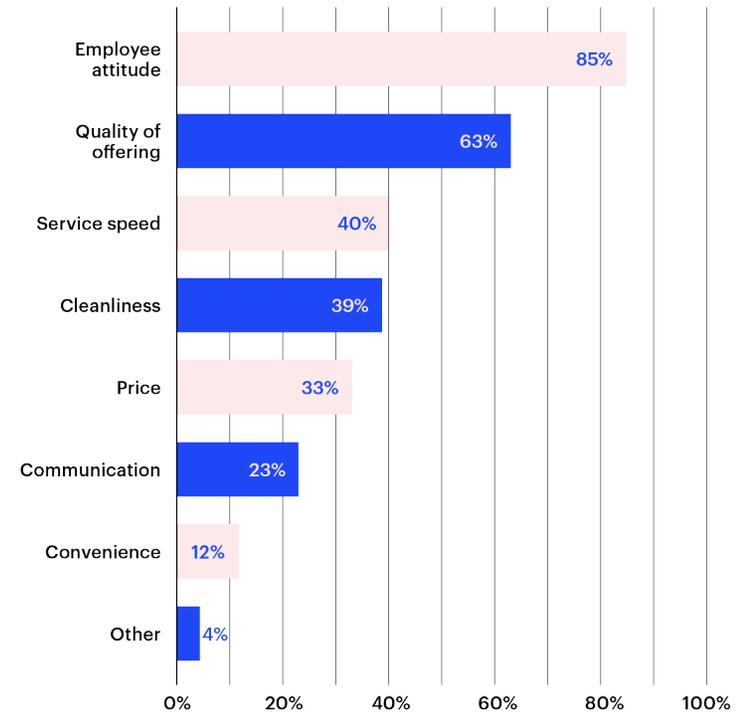
Which three of the following experiences being negative would make you most likely to leave a **1-star review**:



Having a positive experience with employees is also the leading motivation to leave a positive review.



Which three of the following experiences being positive would make you most likely to leave a **5-star review**:



Local businesses feel the pressure and are taking proactive measures to compete online.

Although 67% of local businesses report an average review rating of 4.0+, local business leaders are feeling the need to improve their online reputation as the market becomes increasingly competitive.

Thank you for choosing Grover & Sons. Would you leave us a review?

 **Leave us a review!**
<https://pdm.rvw.com/96en467>

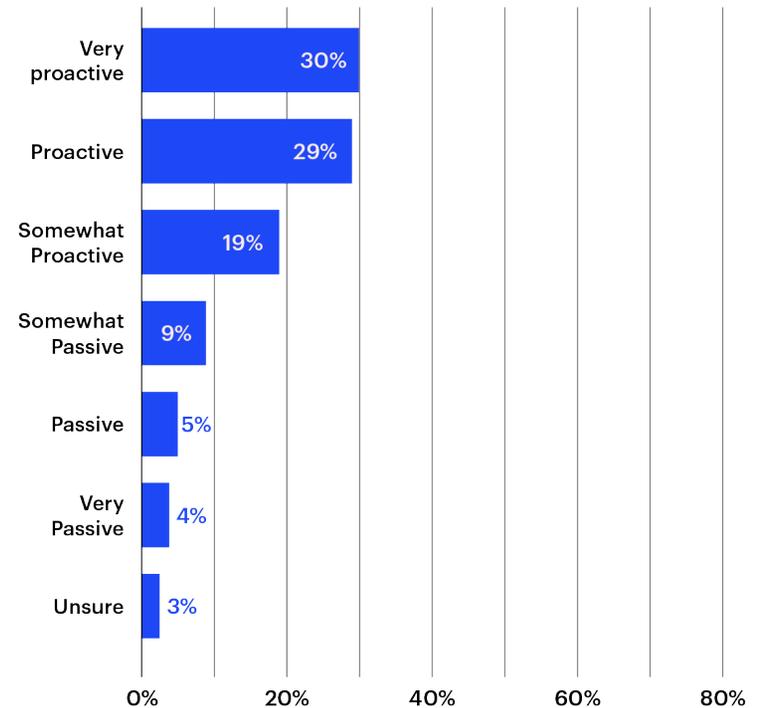
Thanks for coming in!
Will you leave us a review?



79% of local businesses say they are at least somewhat proactive about their online reputation, with 30% saying they are very proactive.

- + Local businesses are **1.4x more likely** to have an average star rating of 4.5 or higher if they are proactive about their online reputation vs. if they are passive about it.
- + 45% of local businesses say that online reviews are **“very important”** to their business’s success.

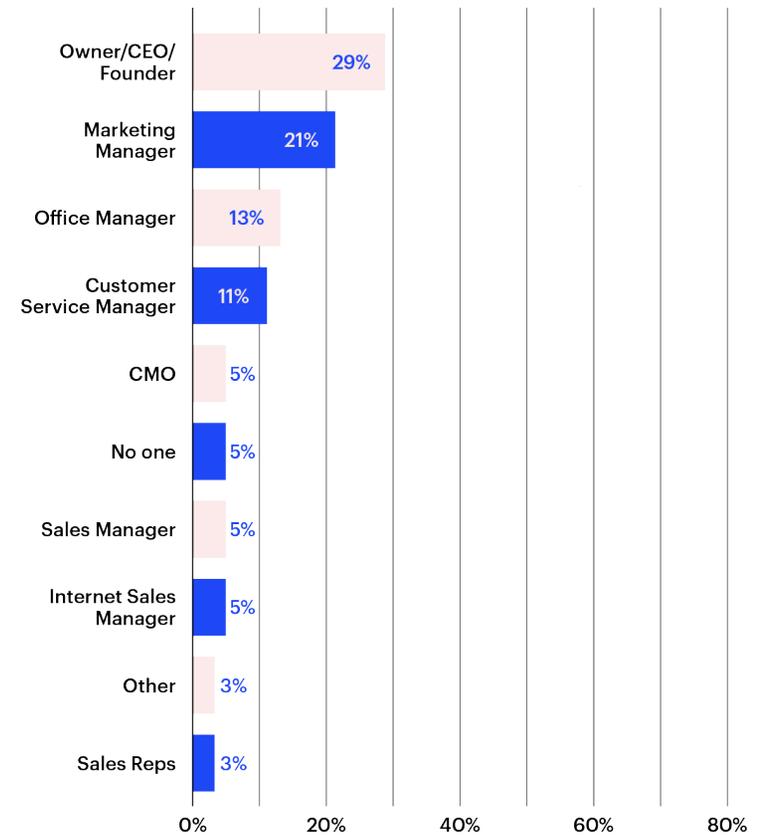
How proactive is your business about managing and improving your online reputation?



In 39% of SMB local businesses, the Owner/CEO is held most responsible for their online reputation.

Even in **enterprise local businesses**, 18% said the same, although Marketing Manager was the most common role held responsible in those larger orgs (24%).

Which role in your business is held most responsible for your online reputation?

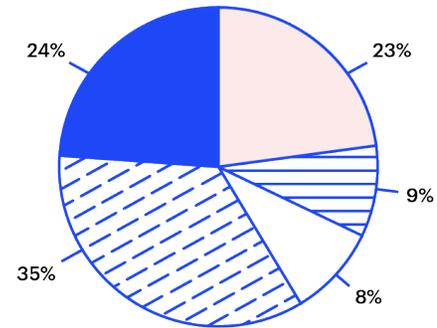


Businesses are more likely to say they respond to positive reviews than negative reviews.

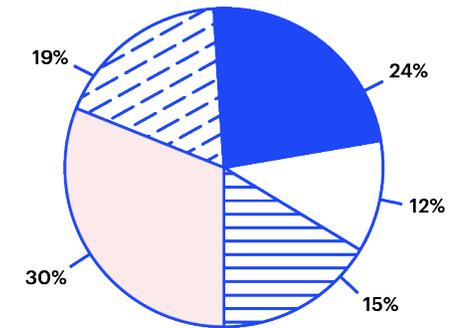
54% of local businesses say they respond to **all or most** reviews.

16% of local businesses say they **rarely or never** respond to reviews.

How many negative and positive reviews do you respond to?



Positive Reviews



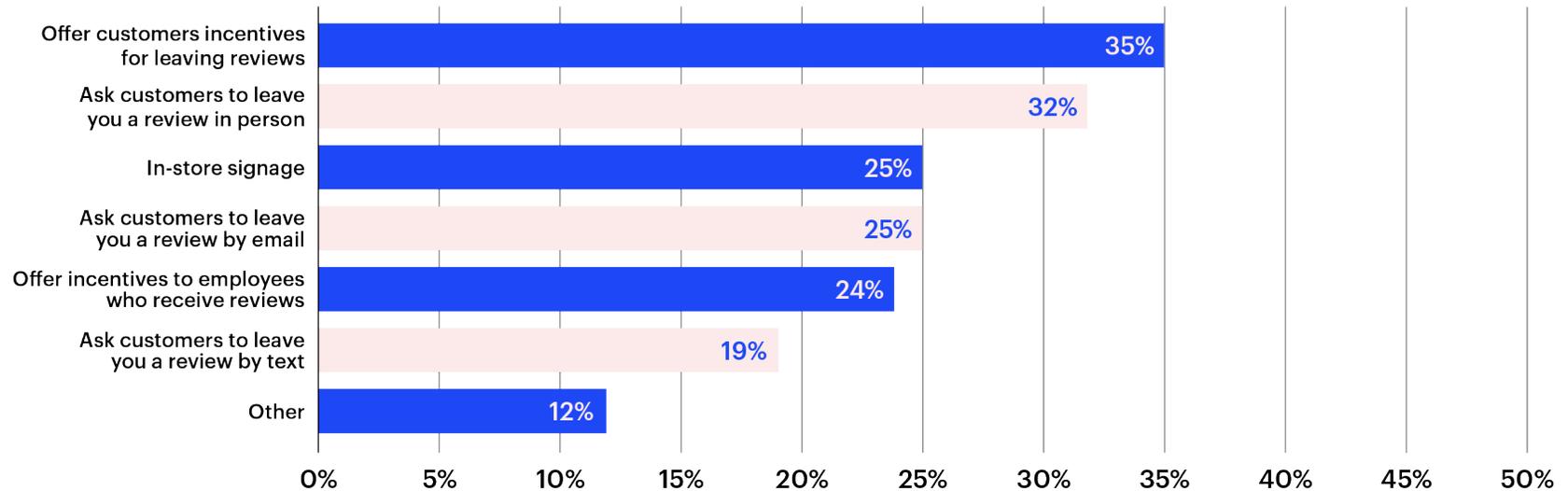
Negative Reviews



Local businesses are employing varied strategies to try to improve their online reputation.

No one strategy is being used by a majority of local businesses. However, offering incentives to leave reviews is the most common strategy, and only 19% are asking customers to leave reviews by text.

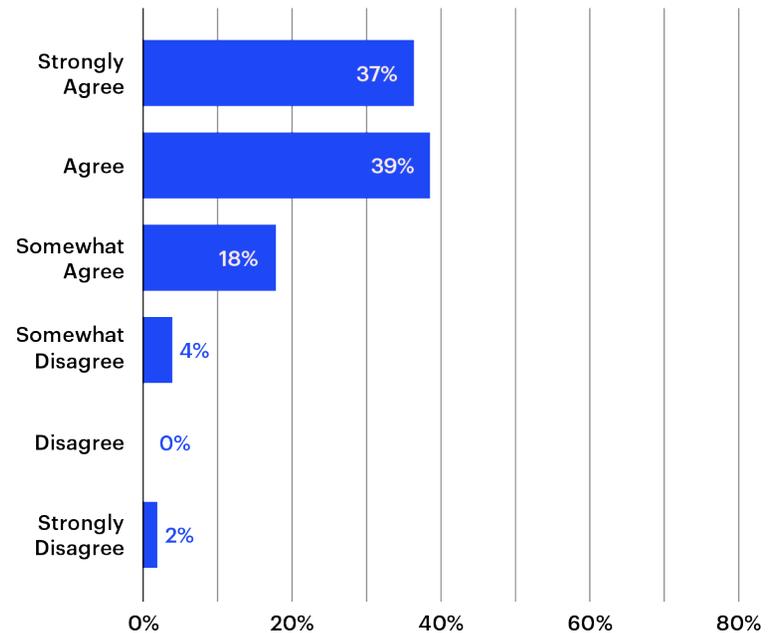
Which strategies does your business employ to improve your online reputation?



Almost all local businesses using a reputation management software say that the software pays for itself.

- + **94% of local businesses** who use a reputation management software at least somewhat agree that it provides enough ROI to make up for the cost.

Agree or disagree: Your business's reputation management software provides enough ROI to make up for the cost.





Dominate your local market.

As you read this, people are searching for a business like yours. The question is, will they find and choose you? Unless you have a competitive star rating with an impressive number of reviews, the answer will likely be “no.”

Become the top-rated option in your area by automatically sending review invites to customers via text, managing your reviews efficiently, and providing a modern customer experience. And do it all from one place with Podium.

[Watch a demo here ↗](#)

Site Ratings

4.8

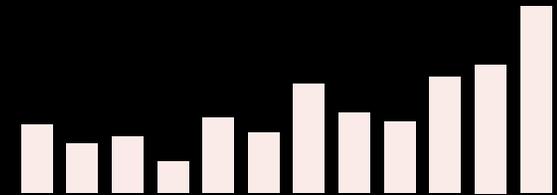
Month To Date



Total Reviews

79

Month To Date



Review Invites

102

Month To Date

