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How Reviews And Ratings Affect Clients' Buying Decisions



Dima Raketa Former Forbes Councils Member **Forbes Business Development Council COUNCIL POST** | Membership (Fee-Based)





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You want to buy a coffee machine. Which one would you choose: a five-starrated model with a single review or the one with only 3.9 stars but over 400 reviews? There's a reason why we tend to prefer the latter. Ratings and reviews heavily influence our purchasing decisions. However, based on personal and professional experience, I can affirm that some metrics carry more weight than others. According to a study conducted by BrightLocal, up to 98% of consumers read reviews before making a purchase. Moreover, customers tend to trust companies with a higher volume of reviews, with an average consumer reading around 10 before forming an opinion of trust. But that's not all. Buyers also pay attention to how brands interact with reviews. Consumers expect companies to respond to reviews, and 88% of consumers are more likely to buy from a company that replies to all its reviews, both negative and positive. Engaging with reviews not only shows that the company cares about its customers but also helps build trust and strengthen its reputation. This is the foundation of online reputation.

Perfect But Not Ideal

Surprisingly, entirely flawless product ratings can do more harm than good. A picture-perfect five-star product with over 500 glowing comments is more likely to raise doubts than to encourage a purchase. This is rooted in our psychology: understanding perfection doesn't exist, an overflow of positive reviews seems unnatural. "If it looks too good to be true, it probably is," we conclude. Therefore, customers are more likely to trust products with balanced ratings that include both positive and negative reviews. This creates a more believable and realistic picture, laying the groundwork for future purchases.

A Five-Star Trap

Sometimes, consumers do fall for a seemingly perfect product rating and make a purchase. Why does this happen? First, it grabs attention and creates an impression of superior quality. People tend to think that a product with five stars is the best available. This leads them to believe that the majority cannot be wrong. The five-star rating creates an illusion of

perfection, and many consumers, especially those in a hurry, may not delve into the details, making a purchase based on initial impressions.

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The halo effect also plays a significant role. If the first few reviews are positive, they create a lasting good perception of the product, even if the following comments are negative. Additionally, many people rely on ratings because they prefer not to spend time thoroughly researching a product and trust the apparent majority instead.

I am not saying that a product can't be of high quality and gather mostly positive feedback. However, it's also possible that those sellers simply remove negative reviews and ignore critical feedback, undermining transparency and trust.

Your Silence Is Too Loud

Responding to all reviews, especially negative ones, is crucial. Customer dissatisfaction can stem from various reasons: deception by the company, poor service and low-quality products or services. A flood of negative feedback can severely impact a business, causing the loss of customers and revenue. A thoughtful approach can minimize the damage and win over the audience. From what I've seen, customers are more likely to change their opinion if the company promptly addresses and resolves the issue. It's

important to understand that no amount of stars, ratings or top-selling badges can save the situation if communication is poor.

In my work with clients and their online reputation, I always say that negative feedback is not the end of the world; it can benefit the company. Constructive criticism highlights areas for improvement and helps revise work processes. This can lead to better quality products and services. Moreover, negative comments are a vital communication channel with the customer and provide insights into their perception of your business overall. Businesses need to radically rethink their approach to handling negativity, as it can become a valuable source of insights.

There's No Golden Ratio

The volume and diversity of reviews play a crucial role in the perception of a company's reputation, but there is no perfect formula. No one can tell you that the ideal mix for reputational success is 95% positive and 5% negative reviews out of a perfect 1,000 reviews. Yes, customers trust brands with a large number of reviews because it creates an impression of popularity and reliability. However, it's equally important for reviews to be diverse and cover various aspects of the product or service. This allows potential buyers to get a comprehensive understanding of the product and make an informed decision about whether to purchase it.

Transparency and honesty are aspects that customers highly value when interacting with a business. Publish all reviews, not just the positive ones. Your customers understand that perfect products do not exist, and the presence of negative reviews adds authenticity to the overall picture. It also gives the company a chance to demonstrate its willingness to improve and address shortcomings.

By working on your reputation, you gain a superpower, communication, which allows you to manage how customers perceive your business.

However, with great power comes great responsibility, namely maintaining

an honest and transparent dialogue with your customers. Whether you can handle this depends on you. But remember, companies that genuinely care about their customers always come out on top.

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