MULT CHANNEL MERCHANT

ECOMMERCE SPECIAL REPORT

Ratings, Reviews, Revenue

BUILDING CUSTOMER LOYALTY WITH RATINGS, REVIEWS AND USER-GENERATED CONTENT

By Daniela Forte, Multichannel Merchant

n such a competitive retail space, it is so important that ratings, reviews and other user-generated content is part of your ecommerce strategy. In fact, it is a must-have today.

Ecommerce meats seller Snake River Farms has watched sales grow since putting ratings underneath the products. The brand has done a couple of broadcast emails asking consumers to review.



Snake River Farms' product ratings and reviews have been utilized in the brand's marketing promotions and has proven to be beneficial in terms of sales growth.

Annella Kelso, Customer Success Manager for Snake River Farms, said the company personalizes all its emails, and asking for the review allows the company to see what people think and it has proven to be beneficial.

Customer ratings and reviews were the top choice for retailers when it came to the type of user-generated content being included on a website (69.8%), according to the MCM 2015 Outlook survey. Integrating a "Share This," Facebook, Tweet This option fell below that at 43.4%.

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What Do Ratings and Reviews Do for Retailers?

Ratings and reviews help drive traffic to the website, increase conversion rates and are the best inside look at a consumer's actual experience with the product.

For example, a customer who is indecisive about a product will want to know what others are saying in order to get comfortable with their decision. Consumers also love helping other consumers find the right item. Couple your ratings and reviews with trust marks and well-known payment options and you have captured a customer's trust in making a purchase.

When customers write a review, it helps build loyalty; it commits the consumer more to the brand than purchasing a product does.

The customer has left a little piece of themselves when they leave a review and they are proud of it.

Saddleback Leather firmly believes in consumer advocacy since it relies very little on advertising. John Bergquist, Content and Communications Manager at Saddleback Leather, said he wants customers to not only share their review, but also share it wherever they want. One way is through social login; whatever they are doing on the site, they are plugged into the tool.

Social login allows consumers to access websites by using logins through Facebook or Twitter and other social media sites.

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How Amazon Cracked
Down on Fake Reviews



It is a universal sign-in mechanism for websites and applications that call for a one-click login icon linked to the user's social media account.

Social media sites will then share what personal information they know about a user with the websites and mobile apps the person goes on to visit.

The advantage for brands and companies is the ability

to analyze and add to that information in order to present users with more relevant advertisements and otherwise customize the user's experience while on the site.

The key is to extend the user's existing social media credentials and enable access to other websites and services. It also eliminates the hassle of remembering multiple passwords and usernames for the consumer.

Social login helps the retailer capture rich profiled data. A retailer can gain information like whether a person is married or not, what schools the user attended, what their inter-

ests are, and so on. Companies can plug this information into marketing automation and analysis software.

In turn, it helps boost revenue, either through a user's direct purchase on the site or through higher visitor and engagement rates that command bigger ad prices.

Those that use social login as opposed to a regular user name and password are more actively engaged with the brand. Consumers are five times more likely to leave a comment, review or simply engage more with the brand.

The single-click icon is also easier on a mobile device, rather than having to navigate with a smartphone and typing the information on a small-screen device.

While Facebook is still dominating the social login market, it recently slipped slightly. It dropped two percentage points from the third quarter, but Facebook's 64% share of social logins is still three times higher than Google+, according to a report by Gigya, a customer identity management firm.

Google+ added two percentage points to its share and now has 22% of the market. Twitter stands at 6%, Yahoo at 4% and LinkedIn at 2%.

According to the Gigya study, 64% of millennials claim to use social login because they dislike spending the time to fill out registration forms.

Social login saves consumers time and spares them

from having to remember user names and passwords. The same survey revealed that nearly 45% of respondents said they use social login to avoid this.

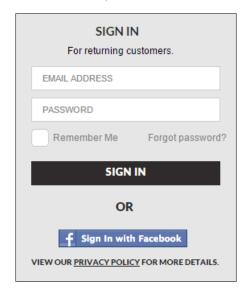
Social login prevents consumers from having to manually input their information into a purchasing form they have seen a million times. All it takes is one click of a button and millennials can have purchasing and shipping

information seamlessly and securely transferred from their PayPal and/or Amazon accounts or any other site that stores purchasing information.

This use of social login speeds up the registration/checkout process; it eases mobile registration and eliminates the need to remember another username and password.

One innovation that will certainly help the online customer experience are verifiable reviews. Consumers have the opportunity to discover whether a product or service is trustworthy, without leaving the company's website.

Consumers no longer need to turn to a third party to determine whether a product follows through on its promises. Recent research by BrightLocal found that 88% of consumers place as much faith in online reviews as they do in personal recommendations. The result is that consumers are using them. In fact, nine out of 10 consumers have used online reviews in the past year and 89% of consumers read at least two reviews before feeling they can trust a business.



There Is No Such Thing as a Bad Review

Every review, positive or negative, provides creditability for the retailer. Hiding negative reviews of a product is a thing of the past. Showing a balanced approach of the pros and cons of a product is what users want and expect.

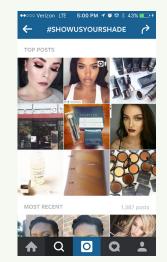
Customers will often look negatives of a product and see if those negatives are applicable to them and whether the negatives of the product are worth caring about to influence their buying decision.

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Cover FX Triples Conversion Rates with Selfies

Cosmetics brand Cover FX provides shoppers with a "selfies" gallery of customers wearing different shades of foundation. The program has had a significant impact on the retailer in areas ranging from time spent on the website to conversion rates, including more than tripling conversion rates for those who interact with Curations content.

The challenge Cover FX faced was giving consumers better ways to choose exactly the right foundation shade for their skin tone when they're buying online rather than in store.



Using Bazaarvoice Curations, Cover FX was able to collect and curate thousands of selfies of customers using Cover FX products and provide the content to consumers to help them see what different product shades look like on real people.

The outcome was the ability to deliver a better shopping experience to consumers, engage customers in a fun interaction with Cover FX and dramatically increase conversion rates for consumers who interact with customer photos.

Christine Robles, Director of Ecommerce and Digital Marketing for Cover FX, said their goal was to give a visual cue to help the consumer choose just the right shade of foundation.

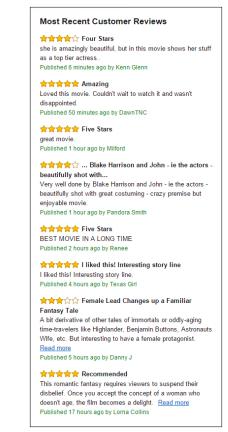
The program has had significant positive impact on Cover FX in areas ranging from time spent on the website to conversion rates—including more than tripling conversion rates for those who interact with the Curations content.

The conversion rates more than doubles when consumers visit the Cover FX page and use the interactive Shade Finder tool, and for those who click through to visit the site from an email conversion more than triples.

Cover FX reached out to customers via email, social media and-coverfx.com banners, encouraging them to "Make Your Own Beautiful" and tag their selfies with #showusyourshade to populate the gallery with customer-generated images and for customers who like to mix in Customer Cover Drops with Cover FX products, #dropportunity.

After three months of launching the first email campaign, the company collected thousands of pieces of content—and the images are continuing to come in.

Bazaarvoice moderators curate the tremendous amount of customer-generated content collected on coverfx.com and through various social media channels, reviewing the images to ensure they're appropriate and tagging them with the correct shade and undertone.



Amazon puts the most helpful and most recent reviews just below the product on the product page. The North Face, for example, has its reviews on its product page and it has made a big impact on conversion. The brand has worked on increasing volume and coverage so that they can have as many products as possible with at least one review.

The brand hears from customers all the time that they trust what other consumers have to say about its products more than the company itself.

Cal Bouchard, Senior Director of Ecommerce for The North Face said it's important for consumers to

see both good and bad reviews, being able to sort by ratings and provide both visual cues as well as the full content of reviews.

Kelso said at Snake River Farms they post all reviews and feel the negative reviews are just as important as positive reviews. It keeps the brand honest and transparent.

It is important, however, to respond to a bad review, because others will tell your story inaccurately. Consumers are more likely to trust online ratings of strangers as much as those from someone they know.

Amazon, catalogers and some direct marketers are policing the review and they're downgrading the ones that are duplicate, inaccurate or not from buyers.

Amazon recently cracked down on fake reviews when it filed a lawsuit against more than 1,000 people who offered to hire themselves out as fake reviewers at \$5 a review.

The defendants in the case were selling their services on Fiverr.com, a website where people can sell such services as designing a logo, editing a resume, creating

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Sealskinz Sees Significant Lift in Conversions with Reviews

Endurance accessories brand Sealskinz relies on customer ratings and reviews to get word out about the brand. User-generated content helps the company get the word out about the company including potential Sealskinz retailers to consumers who would benefit using its products.

Their biggest challenge is that very few companies specialize in the kinds of products that Sealskinz does. This makes reviews critical to helping people understand what Sealskinz offers and the ways in which the company's products can be used.

"We're a relatively new brand in a space that very few companies occupy," said David Richards, Head of Marketing at Sealskinz. "We have to educate people about the benefits of our products to win them over, and UGC is crucial to doing that."

Sealskinz began using Bazaarvoice Conversations to collect and publish reviews on its website, and since then, the company has seen a dramatic increase in shopper-to-purchaser conversion. In December 2014 alone, Sealskinz saw a 102.6% lift in conversion from visitors who engage with reviews compared to those who didn't engage with reviews.

"It's phenomenal what we see on conversion reports," said Richards. "It's better than I would have thought it could be."

Sealskinz was not only able to collect customer reviews and post them online using Bazaarvoice, it is the ability to qualify reviews without having to resort to limiting who can submit a review.

Bazaarvoice also gives Sealskinz the ability to syndicate content, share reviews with retailers who in turn can share them with their own customers.

Sealskinz was able to learn a lot from the data it collected they were never able to collect before.

Richards said Sealskinz is now able to see which products people are buying, how they are using them and what their experience has been along with other information to make them better and sell them more effectively.

"Content from reviews helps us identify key wholesale markets," said Richards.

a fan web page or transcribing audio. The website promised "awesome reviews" of an Amazon product, Kindle Book or ebook. Some offered to have the seller write their own review, which the person would then post.

It's important for consumers to have an open line of communication to you. If they know they can post anything about your company, positive or negative, and that you will be responsive to them, they are more inclined to trust you and you'll have a better relationship with them.

The Importance of User-Generated Content

Ratings and reviews aren't the only forms of usergenerated content you can use to give your ecommerce site an advantage. Retailers today are finding all sorts of ways to leverage content like testimonials and visual imagery from social media, to name a few.

For example, online baby retailer giggle used social media in a big way to personalize the shopping experience for consumers.

With the use of Instagram, the retailer incorporates images submitted directly from its customers or tagged on Instagram into its product and email campaigns.

Giggle launched a #gigglepics campaign where customers can share their Instagram and Twitter photo to the giggle website or use the hashtag on their social accounts. The photos were then filtered through to the website and tagged with featured giggle products.

Shawna Hausman, Vice President of Ecommerce and Digital Marketing at giggle, said the tagging allows giggle to integrate social content with more data-driven programs, like auto-triggered emails.

The images help giggle make a personalized email even more personal.



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