



Navigating the Negative

The power of customer feedback – and how to harness it

Foreword

Tony Wheble, CEO, Feefo

In the digital age, customers are consistently asked to leave feedback about the brands they buy from. And the volume of reviews firms receive has soared, with the pandemic shifting more consumer activity to online channels.

So how are firms using the insight they glean from customer comments? How are they responding to criticism? Are their responses meeting customers' expectations? Are brands taking advantage of the opportunity these reviews represent?

Our poll of UK consumers suggests that brands have work to do. More than two fifths of people believe that companies have become less effective at dealing with negative feedback over the past 12 months.

This should be a huge wake-up call for businesses as mishandling reviews will cause significant damage to a brand's reputation. Almost two fifths of individuals who were unhappy with a brand's response to their review refused to buy from the company again. But many businesses don't realise that negative reviews also represent a golden opportunity to turn detractors into brand advocates.

In my experience, making the most of online comments requires three things. Firstly, a robust review verification process – you need to know the customer insight you're acting on is real.

Secondly, a clear strategy for managing feedback, and for addressing criticism as constructively as possible.

And finally, the capacity to engage your reviewers in a two-way dialogue, which will help prevent 'review fatigue'. Letting customers know what you did about their feedback will encourage them to return and also leave a comment each time they buy from you.

As businesses learn to deal with the growing influence of online reviews on consumer behaviour, this report assesses the main pitfalls to be avoided and where those golden opportunities lie.



Introduction

We used to say that an unhappy customer would tell half a dozen people about their experience, but that was before the era of digital technology and social media.

For today's businesses, there's nowhere to hide when things go wrong. Disgruntled consumers can instantly voice their displeasure to the world – and many do. If their posts go viral, thousands of people could end up reading and sharing them.

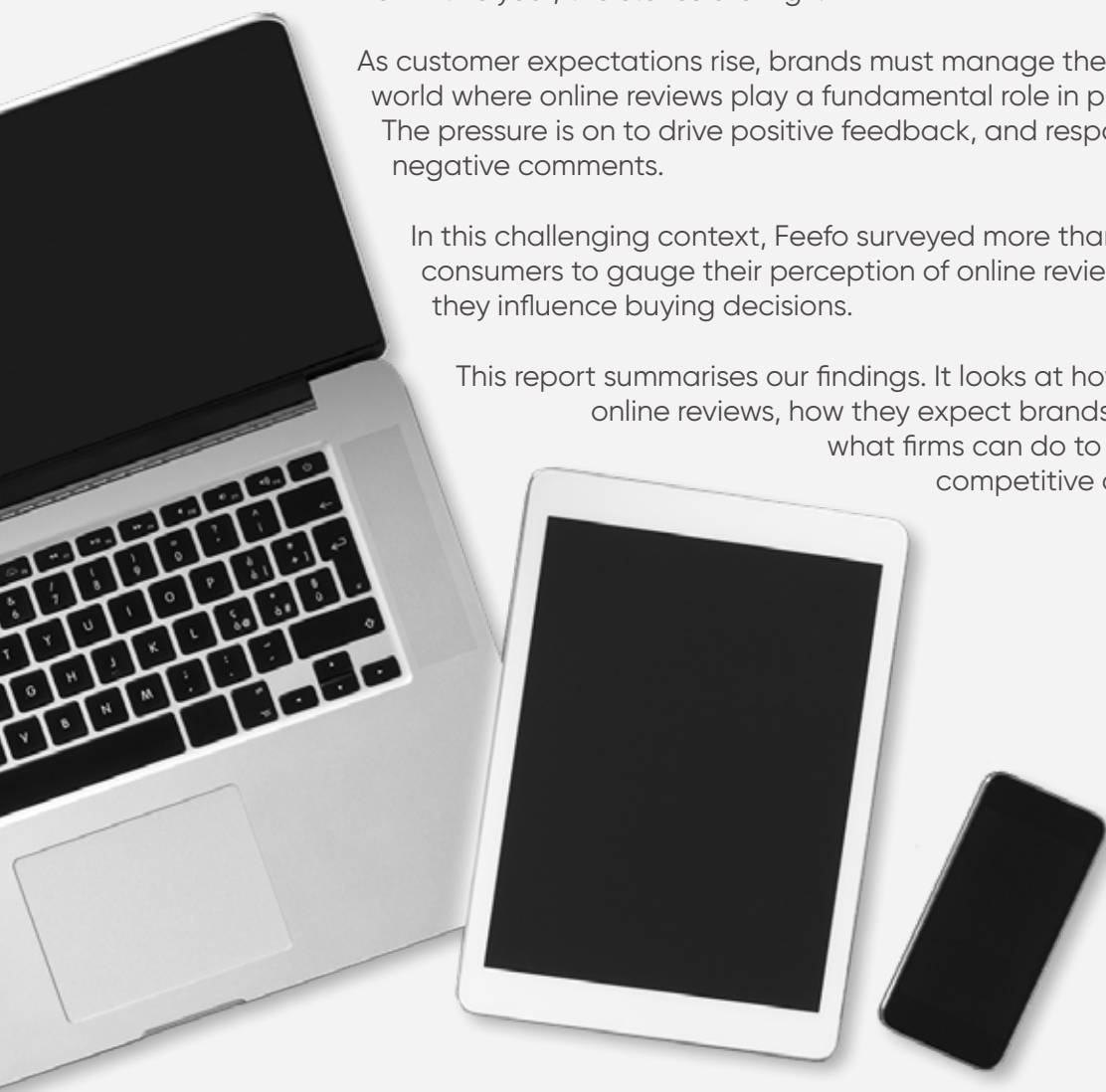
Review sites therefore have a massive influence on customer behaviour in the digital economy. Such is their importance that they've even come under regulatory scrutiny: the [Competition and Markets Authority](#) has proposed making fake reviews illegal.

In the meantime, the COVID-19 pandemic has forced millions of businesses to adopt digital-first customer operations. With online shopping in the UK **set to soar by 12%** – to £91 million – this year, the stakes are high.

As customer expectations rise, brands must manage their reputations in a world where online reviews play a fundamental role in purchasing decisions. The pressure is on to drive positive feedback, and respond effectively to negative comments.

In this challenging context, Feefo surveyed more than 2,000 British consumers to gauge their perception of online reviews and explore how they influence buying decisions.

This report summarises our findings. It looks at how people value online reviews, how they expect brands to respond, and what firms can do to turn criticism into competitive advantage.



Online interaction on the up

Our reliance on digital channels to interact with brands and buy their products and services during the pandemic is well documented. Ofcom figures from June show that in 2020 the UK's online shopping bill exceeded an incredible **£110 billion** for the first time.

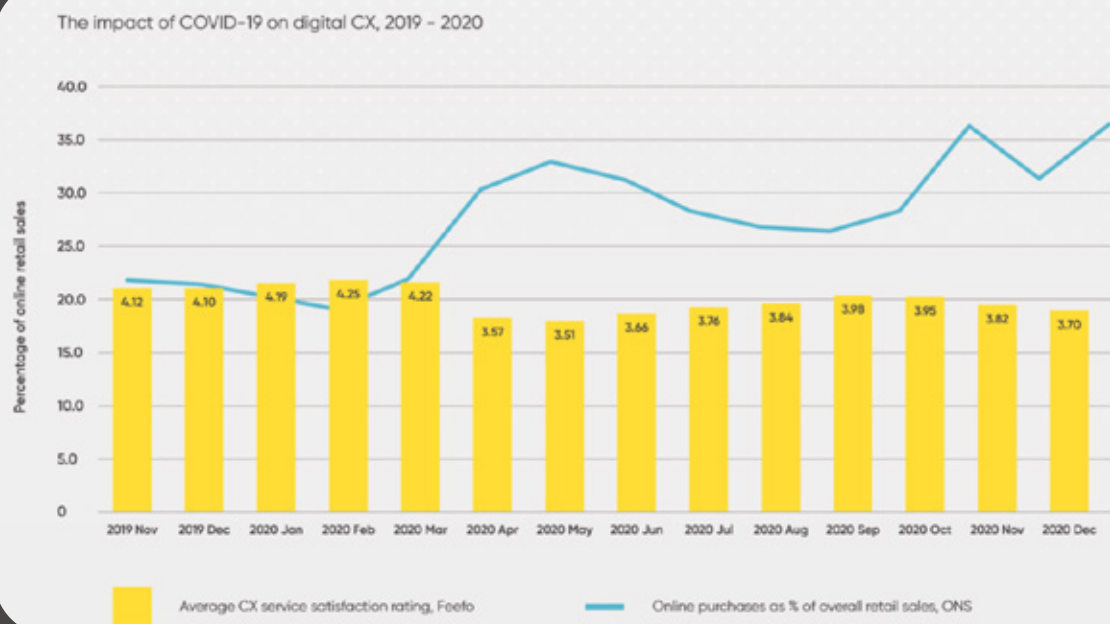
Inevitably, the amount of feedback businesses are receiving has risen in tandem. Feefo analysis shows a 40% increase in response rates at the beginning of lockdown (March–April 2020).

"We find people respond much better to what other people think of our cars. Consumers are influenced by what their peers buy and say, so it's important to create customer advocates for our brand through reviews. As consumers we all want to know what people like us think and feel about the car we're interested in. It's the best set of recommendations there is."

Jonny Evans, Digital User Experience & E-Commerce Manager at [Vauxhall](#)

But with online demand surging, firms have struggled to maintain satisfactory customer experiences. Feefo data shows that customer ratings fell by some 18.5% at the height of the pandemic (see fig. 1).

Fig. 1. The impact of Covid-19 on digital CX, 2019–20



43%

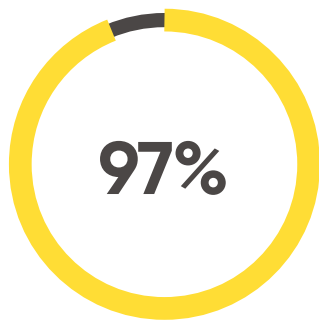
Our survey results reflect this frustration. A third of respondents have actively shared negative feedback online about a company that they'd bought from, and close to half (43%) feel that companies have been less effective at dealing with critical reviews over the past 12 months.

Review hunters

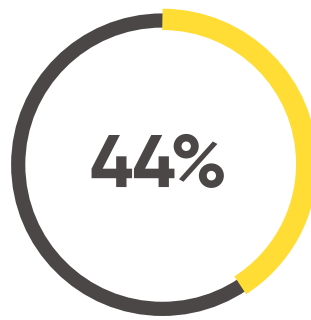
With customer satisfaction falling, there's a great opportunity for businesses to gain a competitive edge by engaging with unhappy shoppers.

But responding effectively to reviews means first understanding how consumers use them when making their purchasing decisions.

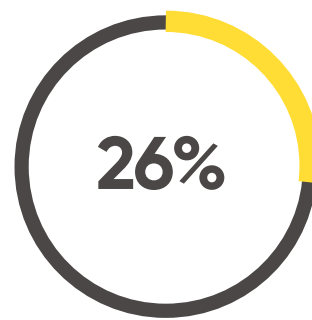
Our survey sheds a revealing light on their behaviour:



of consumers now read reviews before making a purchase



go straight to the most recent reviews



actively look for negative reviews first

Yet crucially, they're not necessarily put off when they find them.

Given the prevalence of false reviews – Feefo analysis suggests **72% of consumers are worried about fake feedback** – people are actually more likely to be discouraged if they don't see any critical comments.

A third (**32%**) said that seeing few or no negative write-ups would make them delay their purchase, while a further **22%** would be suspicious of all reviews about the company in question.



Looking for realism

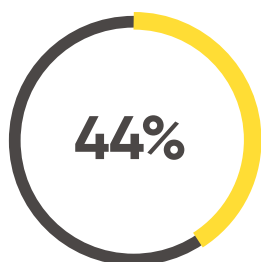
So why are people actively looking for negative reviews, if it's not to avoid brands that receive them?

Consumers are realistic; they know that no business gets every interaction right, every time. But they want reassurance that they can still expect a satisfactory experience if things go wrong.

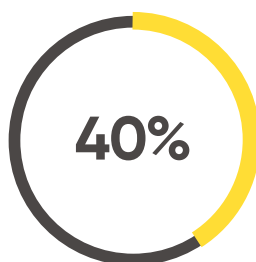
Almost seven in ten people (**69%**) will continue their purchase if they can see that the company has acknowledged a poor review, apologised and offered a solution.



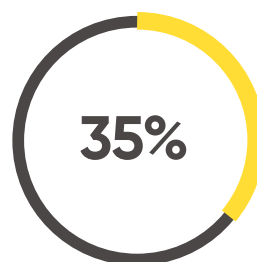
What's more, they're more than happy to stick with a brand – and even promote it to others – if they encounter a problem they feel was handled effectively. Our survey found that:



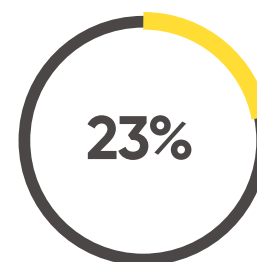
of people who left negative feedback used the business again if they received a satisfactory response



posted positive comments on social media about businesses that handled their complaints well



followed up with a positive review



followed up with a positive review

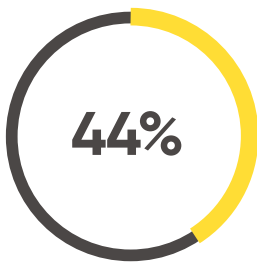
Brands must change how they perceive negative reviews to see their potential as unique opportunities to create positive customer experiences – and lasting relationships – by dealing with them in the right way. That is especially vital now when **customer loyalty is at a premium** due to job losses and supply chain disruptions.



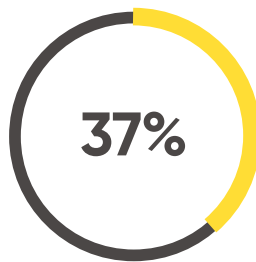
"We aren't scared of getting negative feedback. It helps us to identify potential problems and resolve them. Negative reviews are subject to debriefs among teams and are used to identify where improvements can be wrought, or processes overhauled. Conversations with customers about the reason for their unhappiness often lead to re-ratings and better service."

Stuart Rolfe, Customer Service Improvement Manager at [Invopak](#)

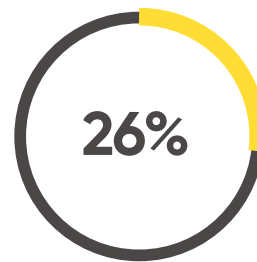
Conversely, organisations ignore negative feedback at their peril:



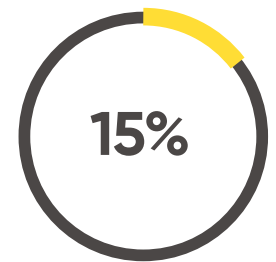
of survey participants said they would never use a business again if it failed to respond to a critical review they posted



would warn others not to buy from the company



would lambast the brand on social media

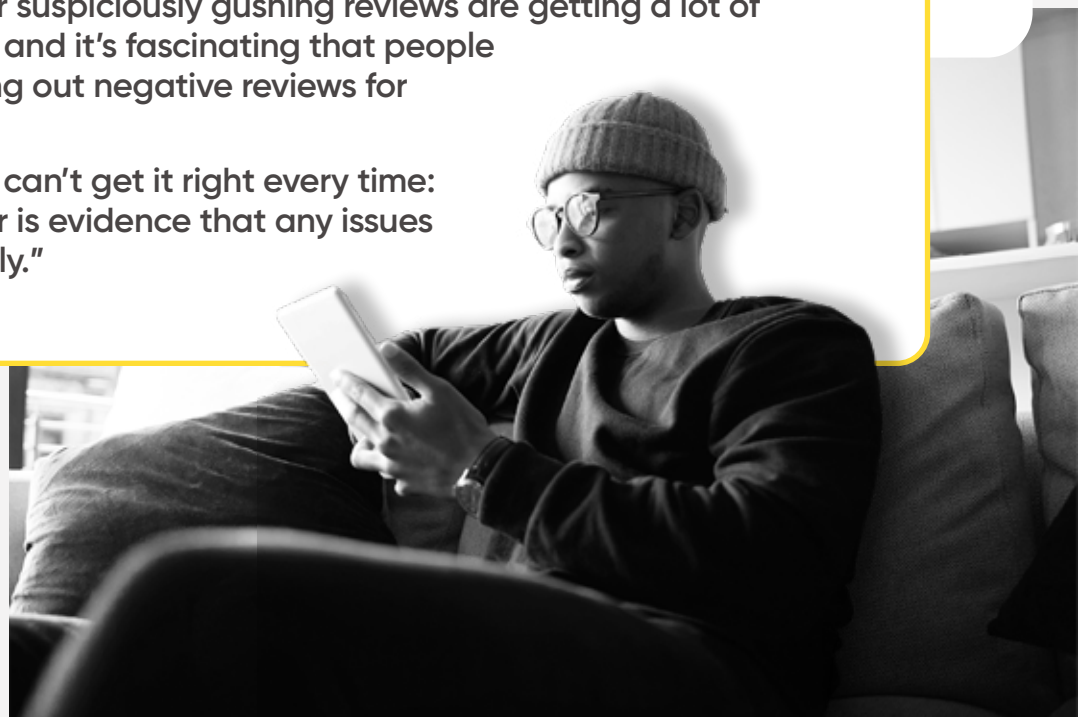


would be willing to take their story to the media
(rising to 32% of Gen Z consumers)

"Fake, overly positive or suspiciously gushing reviews are getting a lot of attention in the media, and it's fascinating that people are now actively seeking out negative reviews for reassurance.

People know that firms can't get it right every time: what they're looking for is evidence that any issues are dealt with effectively."

Wendy Dignan, Psychologist



The hardest word

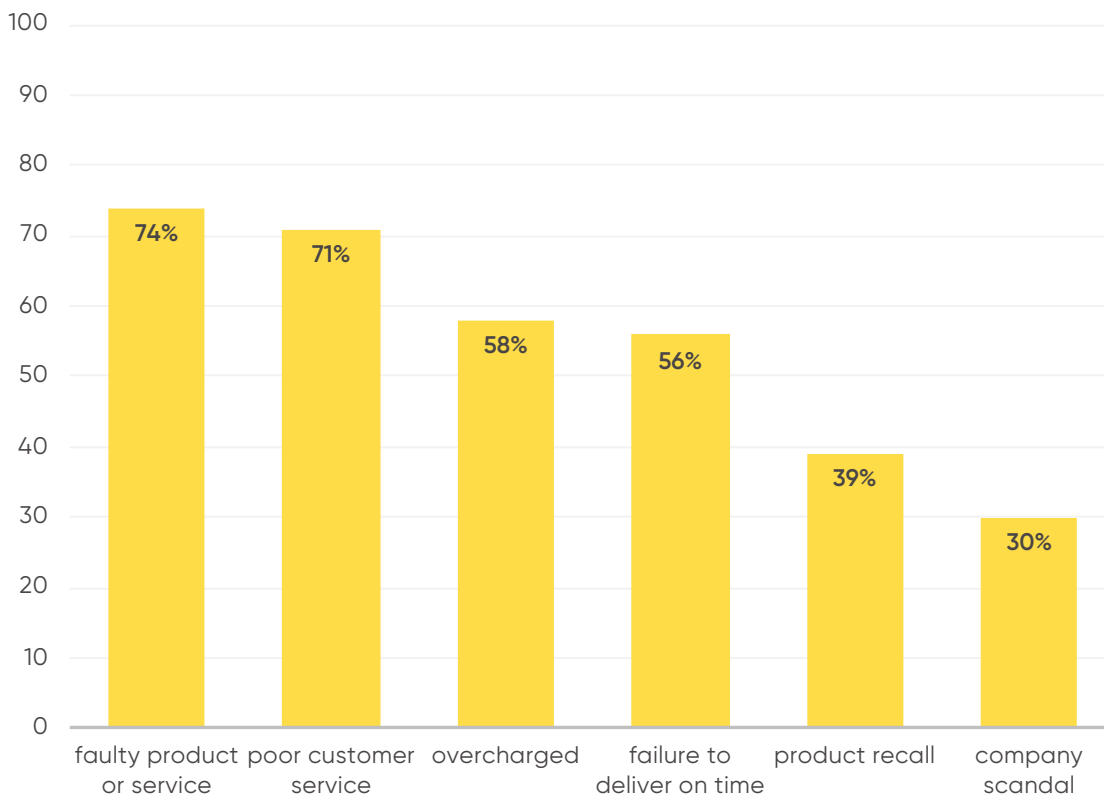
A golden rule of customer experience is that brands should behave authentically; consumers want to know that companies mean what they say.

Knowing when, and how, to say sorry is key to authenticity. Customers don't want an apology for the sake of it; and they don't always expect one when things go awry. They're savvy enough

to understand that circumstances may be beyond an organisation's control. Reaching out with an explanation can sometimes be enough.

With this in mind, we asked survey participants when they believe a firm should apologise to customers (see fig 2).

Fig. 2. Reasons why consumers expect brands to apologise



"Businesses were moving in the direction of an environment of conscious consumerism pre-covid. The post covid world seems to have reinforced values of authenticity and honesty in a new kindness-driven economy.

Social psychology is seeing a movement towards businesses engaging with consumers on a far more individualistic basis. Consumers want to be acknowledged and appreciated for every engagement with a brand.

Conscious consumerism creates consumers who are more aware of a brand and the way a brand presents itself to the world. Increased access to information and product choices, force even the biggest brands to care about how they identify themselves.

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People engage on an emotional level when others show vulnerability; businesses are no exception. There's a shift away from perfectionism towards a more realistic perspective. Business acknowledging they got it wrong and admitting their vulnerabilities creates emotional engagement with a brand.

We learn much more about people and brands from what they get wrong rather than what they get right. When a business is challenged by a negative review, it gives the consumer a chance to confirm that they behave in a way consistent with the values they promote.

Answering a complaint with authenticity and honesty is becoming the perfect way to embody the values that conscious consumerism is driving. Values that respect consumers and place the business head and shoulders above others in a noisy world full of choices.

Quite possibly, we're embarking on a world where negative feedback becomes the ideal opportunity for businesses to showcase that they are, who they say they are."

Wendy Dignan, Psychologist



As online interaction with businesses has proliferated, it seems brands are finding less time to say sorry, and doing so less authentically.

More than four in ten consumers **(43%)** feel that **organisations are apologising less** than they were a year ago.

Meanwhile, more than half **(58%)** of those left **dissatisfied** with how a company's response to a complaint felt it had been copied and pasted from elsewhere. Over a third **(36%)** **received no apology**, while **14%** said the response didn't seem genuine.

Time for transparency

With the rise of conscious consumerism – which **Forbes predicted** will dominate retail in 2021 – businesses are under growing pressure to do the right thing.

Of course, that means different things to different people. But one common expectation is that organisations are honest and transparent with their stakeholders.

This is particularly important when dealing with customers' problems. More than four fifths

(82%) of consumers expect businesses to **offer a transparent explanation** when issues arise. This goes up to 87% of the 55-plus age bracket.

Significantly, over a third **(35%)** reported that **they'd become advocates** for brands who they felt were open with them about why a problem came about.

"Customers value transparency when faced with an issue. As a team we now strive to ensure that we communicate any problems we're experiencing with our customers and keep them updated on any developments until the problem is resolved. This demonstrates that we value them and allows us to build a stronger relationship."

Caroline Shears, Customer Engagement Centre Manager at [Nisbets](#)

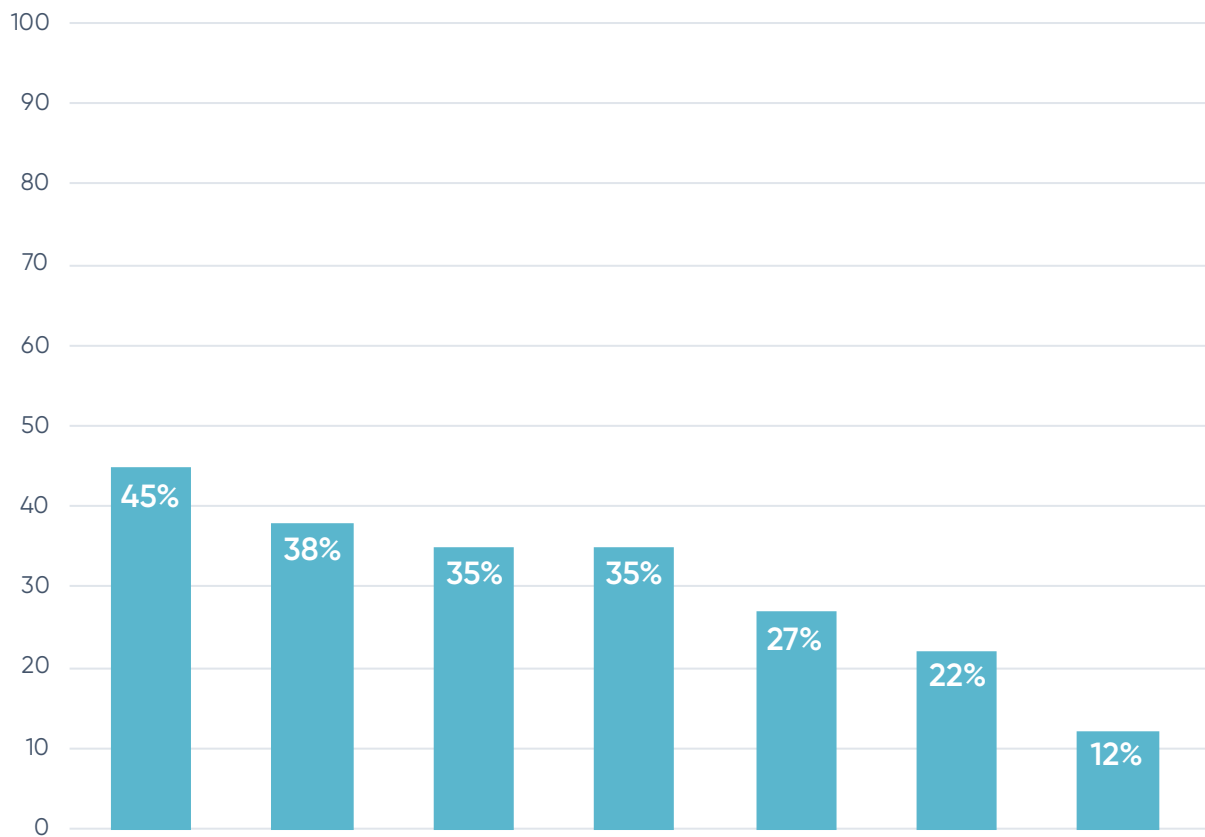
Turning a negative to positive

Clearly, customers have high demands of brands when problems with their purchases crop up. They expect the organisation to reach out, be honest, and apologise if necessary.

But what concrete actions do they want to see from businesses in response to product or service failures? Where do the opportunities lie to turn negative feedback into a positive?

We asked consumers what impressed them when a company contacts them following a negative review (see fig. 3).

Fig. 3. What impressed respondents about a firm's response to their negative review



- The company provided a solution to the problem (45%)
- The company offered financial compensation (38%)
- The company gave an explanation as to why it happened (35%)
- The company made a long-term change to prevent it reoccurring (35%)
- The company apologised on a public platform (27%)
- The company apologised via a private message (22%)
- The company called to apologise (12%)

“Ensuring each response is genuinely personalised is very much in line with our values. We value each contribution whatever it says and learn from it. It would never be good enough for us to send out standard responses as we often see on other platforms”

Stuart Rolfe, Customer Service Improvement Manager at Invopak

“Kia is on a mission to be the world’s leading producers of electric vehicles. All reviews, both good and bad, give us the insights we need to be able to do that. They offer us a true understanding of what our customers want and need which influence all aspects of manufacturing from comfort, running costs, design and style, in-car technology, and safety. It doesn’t stop there. With over 191 dealerships, reviews help them to improve the service that they offer and make real change that benefit us and our customers.”

David Hart, Customer Experience Manager at [Kia](#)



The road to resolution

Given the pressures to respond effectively to customer feedback, how can organisations turn negative feedback to their advantage whilst making sure they respond in the right way?

In our experience, following these five steps will put you in the best position so even the most disgruntled customers leave feeling positive about your brand:

Stick to the process

Define your process for replying to negative feedback calmly and effectively – and make sure all staff are familiar with it. This will help to avoid hasty, ill-judged reactions that could upset customers even more.

01

Respond don't remove

Ignoring unflattering comments appears unresponsive and uncaring, and will exacerbate the customer's poor experience. Don't look to have reviews taken down unless they're inflammatory. Remember: customers mistrust brands with exclusively positive feedback.

02

Be professional

A negative experience represents a unique opportunity to engage with a customer and build trust through handling their complaint correctly. This is your chance to turn a negative customer experience into a positive one – and potentially a disgruntled customer into a loyal advocate. So, when responding to negative feedback, make sure that you:

- **Act fast**
A quick reply is more likely to delight the customer, and reduce the risk of them venting their frustration more widely. Our survey found that consumers expect a response within two days on average.
- **Be respectful**
Accept what your customer has to say, and try to understand why they feel that way. Respond politely, without frustration or anger, even if you disagree with their point of view.
- **Apologise if necessary**
Now is not the time to get defensive. If there's been a genuine error or failure, acknowledge it, explain why it happened, and say sorry.
 - **Offer a solution**
If the problem can be resolved, then do what you can to fix it.
If not, then consider what can be done to regain the customer's trust.

03

"All feedback Iceland receives help us continue to improve our customer service and delivery experience. This insight is fed back in real time to the relevant decision makers who are able to take swift action to address any issues and most importantly, improve the overall experience for our valued customers."

Rachel Lewis, Customer Response Co-Ordinator at [Iceland](#)

"Being able to take action in real-time based on genuine candidate insight is incredibly powerful for a people business like ours. We're able to take feedback, whether positive or negative, and tackle with it in the best way to deal with situations and develop solutions that improve our service. I would highly recommend Feefo and look forward to continuing to see the benefits it brings to our business."

Nick Kirk, UK and Ireland Managing Director at [Michael Page](#)

Learn and improve

As well as a chance to build customer loyalty, criticism is an opportunity to enhance your offering. Identify what went wrong, why, and make changes to prevent it happening again. Review your handling of the customer, and depending on what you find, either praise your service team or re-evaluate your process.

04

Make it a dialogue

Reviews should be a two-way exchange of information, not a one-sided request. Customers need a reason to keep leaving feedback, so let them know what you've learned from their comments, and what action you've taken in response.

05

Accentuate the positive

Don't just focus on negative reviews. Take time to thank customers who leave positive feedback, and promote their comments in social posts, sales collateral and on your website.

06



"We're passionate about customer feedback and work hard to ensure that our customers are left in no doubt that we put them first. We read every review we receive (good and bad) and have made significant changes to the way we run our business based on them. These include treating Saturday as a normal working day, extending our next day delivery cut off by three hours to 8pm and we now always offer a next day collection service. We value the time our customers take to leave feedback and want to make sure it doesn't go to waste."

Caroline Shears, Customer Engagement Centre Manager at Nisbets

How we can help

Harnessing the power of customer reviews requires in-depth insight into the feedback your business is receiving. Feefo's reviews and analysis platform can help you to:

- **Verify feedback**

Your customer strategy must be informed by real and accurate feedback, not fake comments. The only way to guarantee that is to ensure your reviews are posted by genuine customers. That means having robust verification processes to identify people who've bought from your company, then invite them to comment on their experience.

- **Boost conversion rates**

Including verified reviews on your website can make a huge difference to sales conversion rates, especially when they're displayed on product pages. Products displaying five-star reviews are up to 270% more likely to be chosen than those with no customer comments.

- **Improve your customer experience**

Collecting feedback across the customer journey, and analysing the ratings and reviews you receive, will provide deep insight into your customers' behaviour, satisfaction and loyalty. This can then be used to inform the changes you make as you seek to continually enhance the experience you offer.

- **Personalise your customer outreach**

Today's consumers expect you to communicate with them as individuals – this applies as much to review requests as to any other part of the customer journey. Asking the right customers, the right questions at the right time can significantly increase response rates.

- **Get more from search**

Collecting customer reviews through a trusted partner can improve your search engine optimisation (SEO), putting you nearer the top of natural search results and increasing click-through and conversions. You can even use customer quotes in your ads to reduce cost-per-click and cost-per-acquisition on PPC campaigns.

Our survey

Feefo commissioned [Censuswide](#), an independent market research company, to ask UK consumers about their views and behaviour in relation to online reviews. Censuswide surveyed a nationally representative sample of 2,003 UK adults between 2-5 July 2021.

About Feefo

Feefo is a global customer reviews and insights platform. Its mission is to empower brands to understand how customers experience their products or services.

The Feefo software suite, combined with its technical solutions expertise, enables its clients to gain a deeper understanding of customer sentiment, behaviour and intent. This empowers them with insights to make better business decisions and improve their return on investment.

With 96% of customers relying on reviews to make purchases, Feefo also creates trust between consumers and businesses, by adopting a unique approach to collecting only verified reviews from real people. Feefo's agile platform is trusted by more than 3,500 brands globally, including Kia, Iceland and Mamas & Papas. Businesses, rely on it to supply smart insights that transform their customer experiences and ultimately lead to better outcomes.

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