Turn Your Customers into Brand Champions

A Guide for Chief Marketing Officers

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Executive Summary

1. Meet the new consumer
The migration to mobile and social media will challenge — and change — everything we know about consumer marketing.

2. Who owns your brand?
Brand equity can no longer be bought. Online reviews now generate total market transparency for location-based businesses. Reviews tilt the balance of branding power away from companies and into the hands of customers.

3. The battle for brick-and-mortar customers is won or lost on the social web
To win, marketers must actively enlist customers as online advocates. Those who scale online review volume and quality will be rewarded with higher search visibility and more business at street level.

4. "Dark data" provides priceless operational insights
Vast amounts of unstructured, unmined sentiment data on social media provides feedback about the customer experience that you can filter using thematic analysis and use to improve operations at the national or location level.

5. Business implications
Online reputation stands between everything an organisation spends on marketing and its revenue performance. Generating a representative volume of positive reviews — and improving the customer experience by mining data in social media — is more powerful than any Facebook advertising campaign.

6. A plan for action
Monitoring and requesting authentic reviews and enlisting social communities to share their positive experiences has paid huge dividends for leading companies.

★★★★☆

A difference of one "star" in an online rating generates a

5to9%
difference in revenue

~ Harvard Business Review
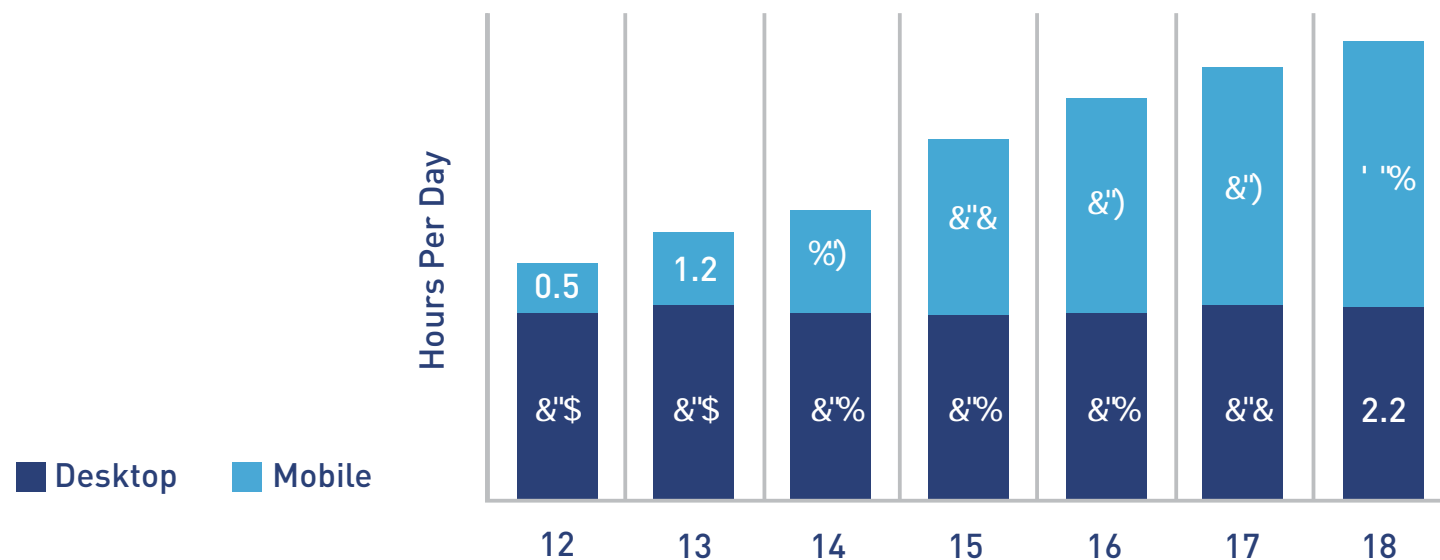
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1 Meet the New Consumer

The migration to mobile and social media will challenge — and change — everything we know about brick-and-mortar consumer marketing.

The Shift to Mobile

The dominant marketing channel has changed from monolithic mass media to social micro-casting on mobile devices in the UK.

AN AGGRESSIVE SHIFT TO MOBILE

Hours Per Day

| 12 | 13 | 14 | 15 | 16 | 17 | 18 |

Desktop | Mobile

Mobile values: 0.5, 1.2, %'), &"&, &'), &'), ' "%

Desktop values: &"$, &"$, &"%, &"%, &"%, &"&, 2.2

Source: eMarketer

This migration has been decisive: the amount of time British spend consuming content on mobile devices is dwarfing time spent on desktops.

Millennials Want Social Proof

Most millennials — 93 percent — say they rely on blogs and user/consumer reviews before making a purchase. And 60 percent trust the reviews they read on brand websites.[1]

These are striking numbers. Millennials represent an important growth market in most industries, and they consider crowd-sourced opinion on the web indispensable to making decisions about where to take their business. In other words, word-on-mobile is eclipsing word-of-mouth.

The consequence is clear: you can't market to this new segment of the market without proof on the social web.

2   Who Owns *Your* Brand?

You can't buy brand equity anymore. Online reviews now generate total market transparency for location-based businesses — which tilts the balance of branding power away from companies and into the hands of customers.

You're Not in Control
There was a time when marketers with adequate cash controlled their brands. But now, in the always-on digital world, marketers have begun falling into one of two camps: those who co-create their brands with consumers online, and those whose brands are being co-opted by the public.

The Market is Transparent
Customer experience is a currency that's being traded between consumers online 24/7, in a digital exchange of perfectly transparent (but factually imperfect) information about your products, services and locations.

An underwhelming 16 percent of Britons trust retailer website, whereas 60 percent will trust customer reviews[2].

In such an environment, every marketer now must actively compete for mind-share on review sites. Review sites have become critical channels to reach customers who might otherwise not find your business at all.

81%
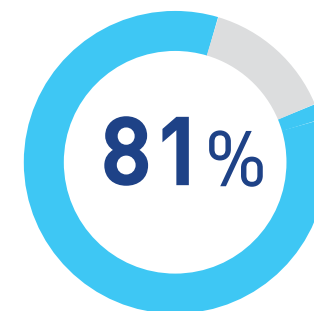
81% of UK consumers aged 16 and over read reviews and check ratings online

~ Deloitte research, May 2014

3 The Battle for Brick-and-Mortar Customers Is Decided on the Social Web

To win, marketers must actively enlist customers as online advocates. Marketers who scale online review volume and quality will be rewarded with higher search visibility and more business.

Online, every customer has the microphone. So instead of managing the message one-way, through one-to-many mass media, marketing must now develop messages one-with-many. In this new, hyper-local environment, high-impact brands are being shaped at the location level.

For proof, just pick up your smartphone. Search for a rental car location near you. Your options will show up as one of the following:
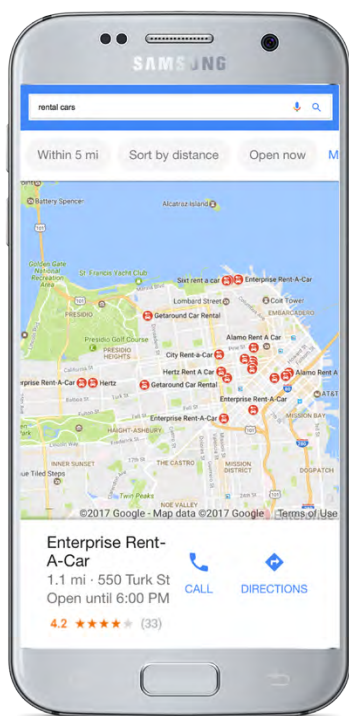
Big dots
Locations with the largest volume and quality of online reviews.
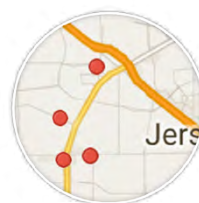
Small dots
Those with few or no online reviews.

No dots
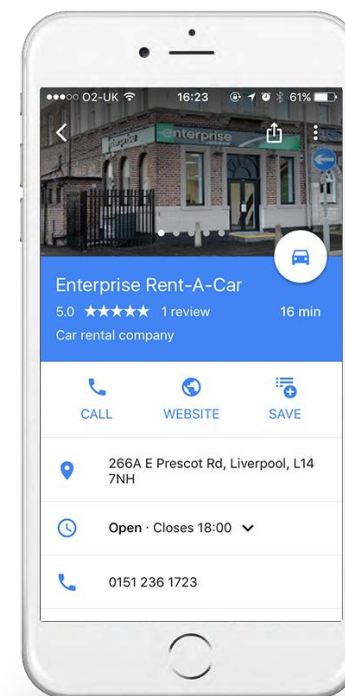Those with no reviews, that don't make the list.

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Local search, mapping and review sites have become critical gateways for customers to find what they're looking for at street level.

From the first search results screen, through the online business listings detail that helps customers find your locations, through posts on review sites and social media sites — you'll see that star ratings and reviews are inescapable.

A Battle on Thousands of Fronts
Adding to the challenge, marketers must compete on thousands of fronts at once.

The math is as simple as it is daunting: multiply your number of locations by the number of review and listing sites where they appear on the web. That's how many points of presence you now need to manage, to attract consumers.
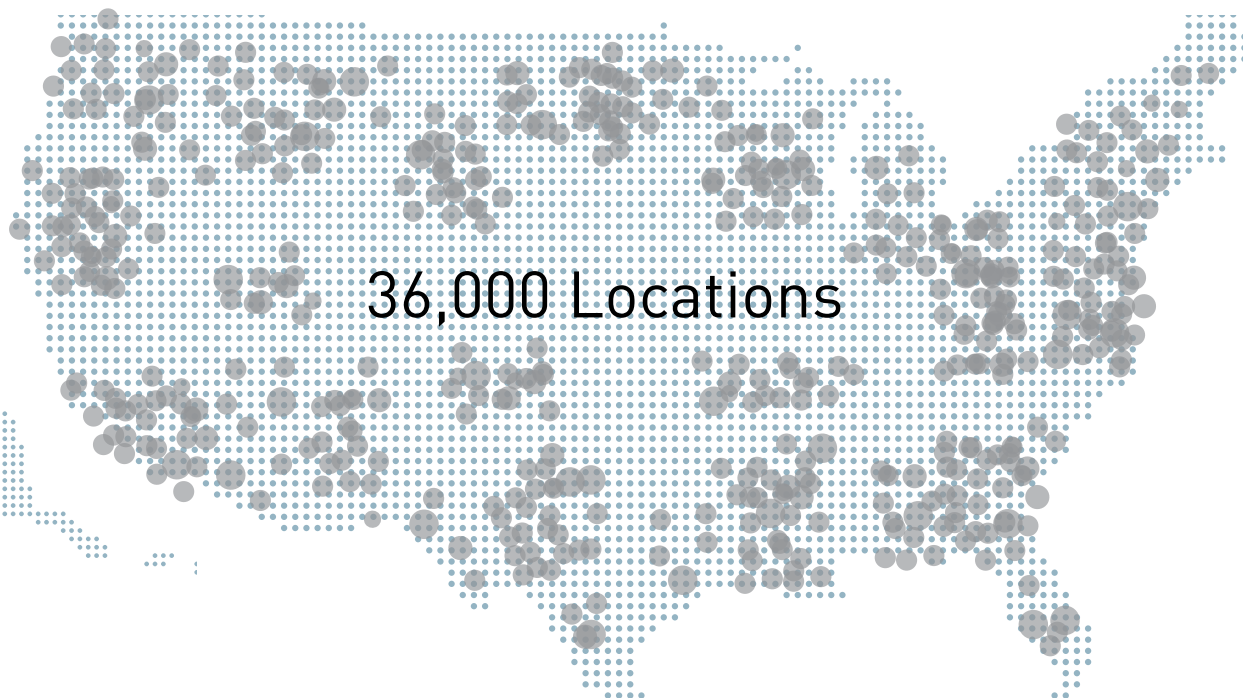
Enterprise Rent-A-Car
5.0 ★★★★★ 1 review   16 min
Car rental company

CALL   WEBSITE   SAVE

266A E Prescot Rd, Liverpool, L14 7NH

Open · Closes 18:00

0151 236 1723

 iOS

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Consider an example — in this case, a client running Reputation.com:

One brand...

McDonald's

A chain with 36,000 locations.

36,000 Locations

Each location has a reputation on 20+ sites....

Google   yp   facebook   PlanetRate   OpenTable

bing LOCAL   merchantcircle.com™   yelp⭐   FOURSQUARE   tripadvisor®

...resulting in:

Over 72,000 Points of Presence to Manage

This is a scale problem on the social web that can only be solved with technology.

Online Reputation Drives SEO

In local search on Google, in directories and on other search engines, the game is changing. For location-based businesses, SEO is now being driven by star ratings and reviews.

The data proves it. Data scientists at Reputation.com analysed the impact of online reviews on search engine visibility.
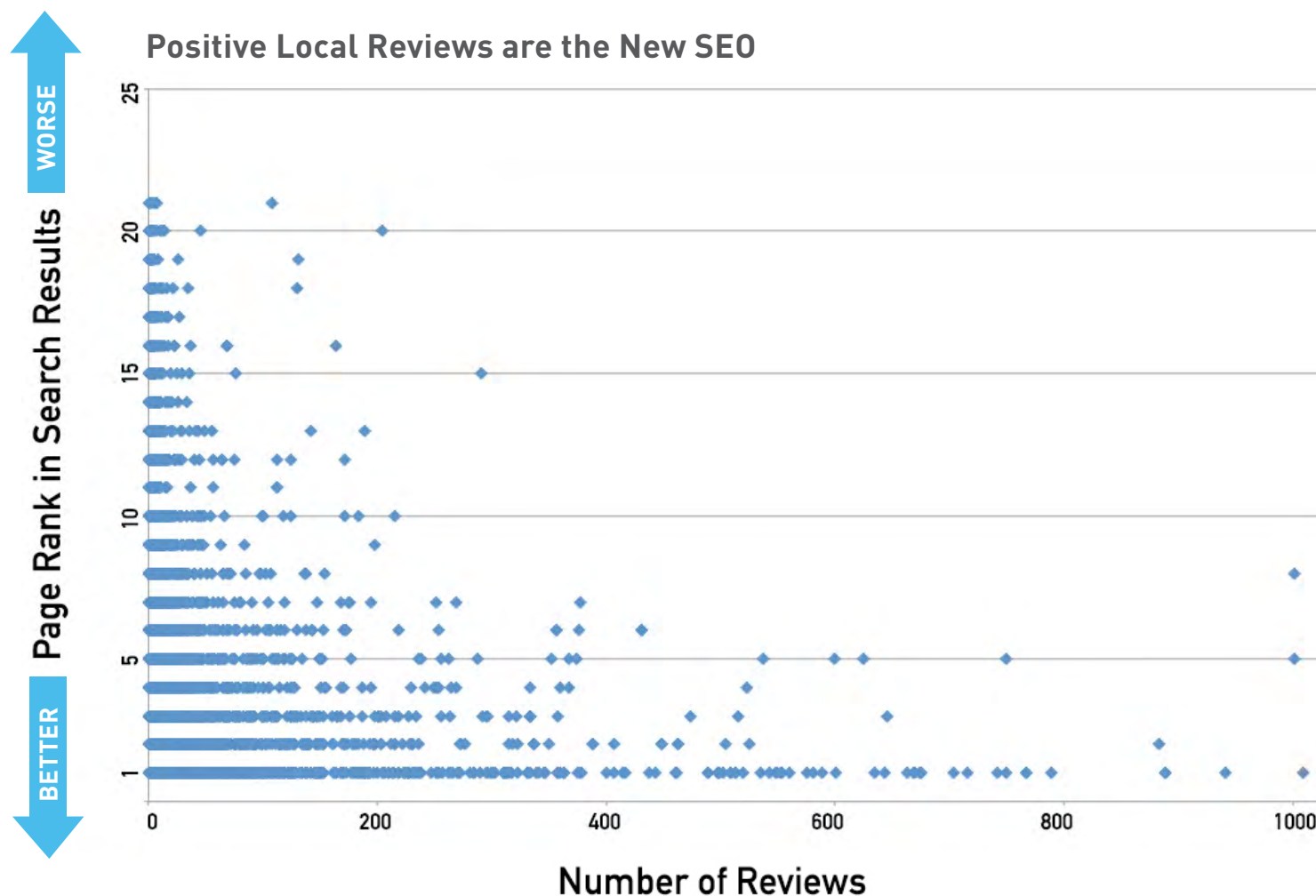
Four key factors of online reputation drive page performance[3]

1. **Review volume:** How many reviews a location receives.
2. **Review recency:** The freshness of online reviews.
3. **Review length:** The word count in customers' reviews.
4. **Review sentiment:** The number of stars customers gave them.

The more reviews a location gets — and the more recent, detailed and positive those reviews are — the higher their search rankings, and the more likely new customers are to find them.

> " *A location's first 10 online reviews can boost it from the search engine netherworld to the top half of the first page.* "

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Positive Local Reviews are the New SEO

WORSE ← Page Rank in Search Results → BETTER

25 · 20 · 15 · 10 · 5 · 1

Number of Reviews

0 · 200 · 400 · 600 · 800 · 1000

Online Reviews Drive Search Rank

The impact here is significant: the first 10 reviews boost ranking from the search engine netherworld to page one. And just 50 reviews increase expected click-through rate by 266 percent.[4]

Customers are far more likely to see and choose your locations when they have a large number of reviews.

4 'Dark Data' Provides Priceless Operational Insights

Vast amounts of unstructured, unmined sentiment data on social media provides feedback about the customer experience that you can filter using thematic analysis to improve operations — at the national or location level.

While pundits have opined for years about the explosion of data on the internet, the business value of that data remains largely untapped. Consider these jaw-dropping statistics:[5]

- The internet has 3.17 billion users, and 2.3 billion are active social media users.

- One million new active mobile social users are added every day. That's 12 each second.

- Google processes 100 billion searches a month.

The veins of rich data that are being generated on the social web represent a goldmine for companies looking to understand buyer behaviour, preferences and sentiment that can help them fine-tune marketing efforts and make operational improvements.

ORM platforms that offer thematic analysis shine light on the vast amounts of "dark data" on the social web, helping companies understand the nuances embedded in customer feedback and detect patterns. Thematic analysis flags troublesome trends for further investigation, whether nationally, regionally or at the individual location level.

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This tornado chart provides a visual representation of how well an enterprise is performing with respect to thematic categories relevant to its target audience, and relative to industry benchmarks:

" **Customer insights are the gold buried in your data.** "

~ Brandon Purcell, Forrester
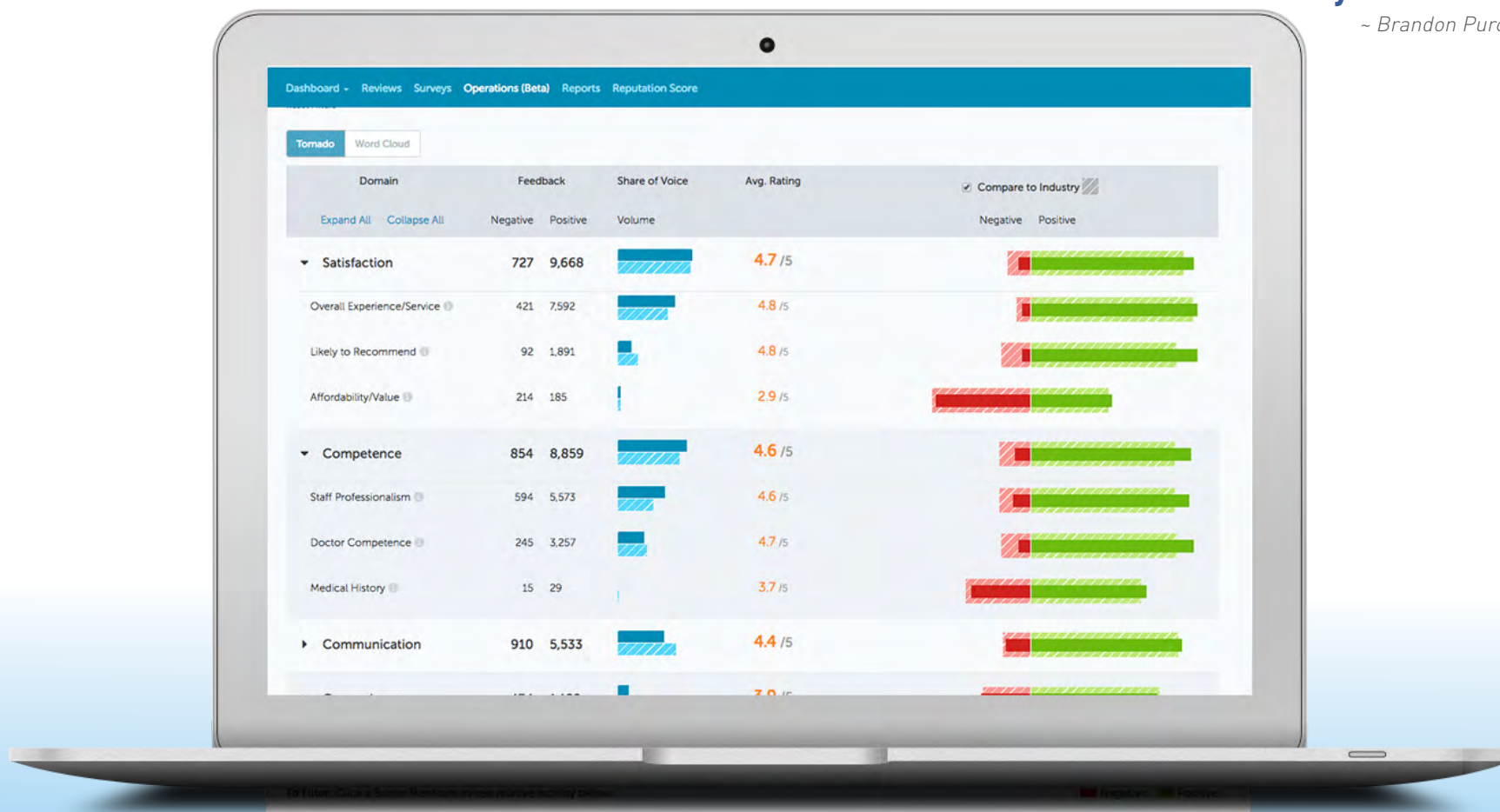
When you harvest operational insights from online ratings and review data, you're not simply in a better position to market your business — you can change the way it runs.

5 Business Implications

Online ratings and reviews stand between everything an organisation spends on marketing and its revenue performance.

The moment that a potential customer sees a star rating is a ground-zero, digital moment of truth in their search for a product or service. It determines where they takes their business, and whether your location gets the lifetime value of that customer.

Online ratings and reviews are the gate for search ranking, visibility and visits. Whatever a marketing leader is spending in paid and owned media of all kinds — advertising, outdoor media, radio,

REPUTATION STANDS BETWEEN MARKETING SPEND AND NEW CUSTOMERS

Revenue

Ratings

Marketing Spend

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CREATE A VIRTUOUS CYCLE

television, on the web, SEO, SEM, social media and PR — all goes up in smoke when a potential customer is confronted with mediocre reviews.

- **Locations' online reputation is a critical competitive element** that must be carefully developed and managed, to help customers decide in your favour.

- **Generating representative reviews from the satisfied silent majority** — and harvesting data in online reviews to resolve issues and identify operational improvements — creates a virtuous cycle.

More positive reviews

Higher search rankings

More review volume

More customers

Improved customer experience

Deeper operational insights

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6 A Plan for Action

Monitoring and requesting authentic reviews and enlisting social communities to share their positive experiences has paid huge dividends for leading organisations.

To turn customers into digital advocates who help drive traffic and revenue, best-in-class marketing leaders are deploying technology to:

✓ Request reviews systematically from all customers to establish a representative volume of positive reviews. Improve response rates by requesting through iPad kiosk, email and SMS.

✓ Stream reviews and ratings to locations' web pages to improve SEO rankings, add context, depth and credibility to star ratings and drive more foot traffic.

✓ Ask customers to write reviews on major third-party review sites to ensure they provide an accurate picture of customer experience.

✓ Mine social media and run thematic analysis of customer reviews — and put it to work to improve operations.

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[1] Adweek

[2] Deloitte research, May 2014

[3] Reputation.com Consumer Healthcare Survey 2016 (n=1,500)

[4] *ibid*

[5] Brandwatch

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About Reputation.com

Reputation.com delivers the category-leading Online Reputation Management platform for leading organisations with thousands of locations.

We help companies monitor review sites, generate more representative ratings, gain insights to improve operations, and drive loyalty and revenue.

For more information, visit us at reputation.com or contact us at UKsales@reputation.com.