



How Online Reviews shape Consumer Choices in Australia

Unaided survey responses from 300+ Australian consumers sheds light on why Online Ratings and Reviews matter and how they shape brand perception and purchase choices.

More and more Aussies are shopping online, reshaping consumer behaviour in profound ways. As highlighted by [Australia Post](#), online sales now account for over 18% of the total retail market. Our own survey reinforces this trend, with a staggering 88% of respondents actively engaging in online shopping, making at least one purchase every month.

This shift in consumer behaviour goes way beyond being a temporary change—it actually signifies a lasting transformation. For brands to thrive in this new landscape, it is vital to gain comprehensive insights into the factors that influence purchasing decisions. Traditional marketing tactics are gradually losing their effectiveness as consumers grow increasingly sceptical of the typical "brand talk." In fact, recent data from the 2022 Digital Consumer Trends Index reveals a fascinating statistic: 67% of Australians don't trust what they see on social media, especially ads.

Consumers want relatability and authenticity. It explains why they are increasingly drawn to User Generated Content (UGC) that resonates with their values and aspirations. UGC holds immense marketing potential, with studies showing it to be 42% more effective and 6.9 times more engaging than branded content. In particular, Ratings and Reviews from fellow consumers hold significant importance in offering an unbiased narrative of a product. Each Review provides valuable guidance, and when multiple Reviews align, they collectively shape the overall perception.

To gain insights into this shift in consumer behaviour, we conducted an extensive survey involving more than 300 Australian consumers in May 2023. This report delves into the crucial role that Ratings and Reviews play in influencing consumer decision-making. It also provides practical tips for brands to enhance their conversion strategies and effectively harness the power of Reviews.

Snapshot

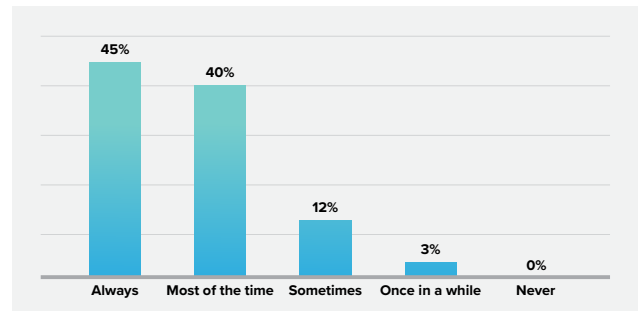
- **84%** of respondents regularly read Reviews.
- The number of Reviews consulted ranges from **4 to 10**. More Reviews are read for higher involvement categories like Smartphones, Home Appliances, TV and Audio among others.
- Less than **7%** of respondents would likely purchase a product with no Reviews, and the majority avoid products with Ratings below 3.5 stars.
- In-depth product experiences and balanced opinions shared in Reviews hold significant influence over potential consumers.
- An overwhelming majority of consumers place greater trust in **Verified Buyer Reviews**.
- Over **60%** find Australian consumer Reviews more credible than those from other countries.

Key Learnings from The Insiders Australia survey

Reviews are the invaluable currency of trust

It's no secret that Reviews carry significant weight in a consumer's purchase decision. In fact, they outshine factors like price, shipping, and even brand, as emphasised by Power Reviews. Australian consumers align with this trend, with a remarkable 85% of respondents from our survey revealing that they regularly read Reviews either "always" or "most of the time".

Table 1: How often do consumers read Online Reviews:



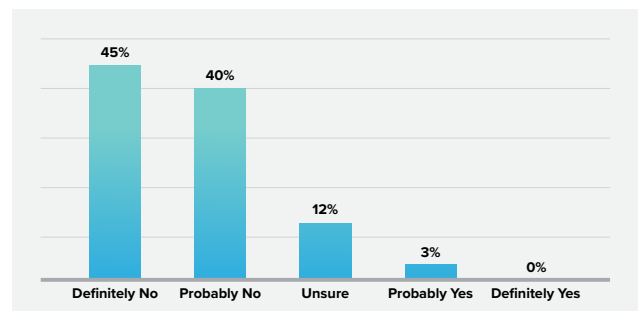
"Product Reviews are almost the only impartial method of confirming if a product is worth buying."
Survey Respondent

Australian consumers truly value the significance of Reviews in helping them make informed choices. As a result, it's clear that a proactive Review Marketing strategy is no longer a mere option but a vital ingredient for achieving sustainable growth in online sales.

The absence of Reviews and low Ratings deter potential conversions.

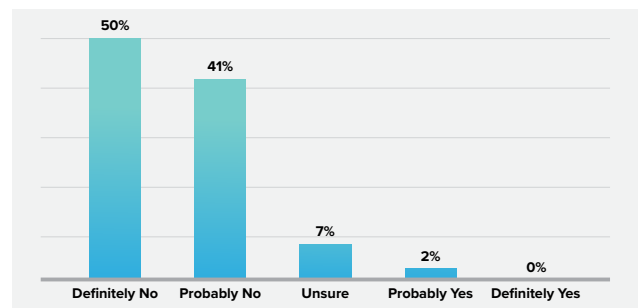
Would you buy a product that has no Reviews? Probably not, and you're not alone. Our survey findings reveal that 68% of respondents would not purchase a product without Reviews, with an additional 26% unsure about making such a purchase. The message is clear: when it comes to products, trust matters. And products without Reviews simply don't inspire confidence. This lack of trust directly translates into low purchase intention.

Table 2a: Purchase Intention of a Product with No Reviews:



Equally important to consumers is the overall Rating of a product that they find online. This Rating serves as a collective reflection of other consumers' experiences. In our survey, less than 3% of respondents would purchase a product with a low Rating, defined as anything below 3.5 stars. A low product Rating serves as a clear warning to consumers, urging caution. Addressing and improving low Ratings is critical as it can have a significant impact on the success or failure of a product.

Table 2b: Purchase Intention of a Product with No Reviews:



One common challenge faced by many brands is how to gather early Reviews and protect Ratings for new products. It's a vulnerable situation, but there are proactive measures to manage it effectively. At The Insiders, we offer an Early Review Seeding program designed to help quickly build and defend online reputation on D2C and e-tailer sites. [Check out our recent case study.](#)

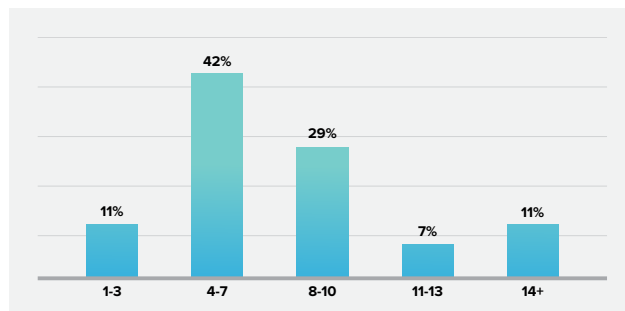
Consumers go beyond reading a single Review.

Have you ever wondered how many Reviews consumers actually read before making a purchase decision? Well, we have the answer for you! Our survey findings reveal that on average, consumers consult between 4 to 10 Reviews before finalising their purchase.

Here's an important thing to keep in mind: For higher involvement purchases like smartphones, tablets, TVs, tech products, and appliances, consumers tend to take a deeper dive to gather valuable insights by reading more Reviews.

When it comes to the quantity of Reviews for your product, there's no fixed formula, but more is definitely better! We suggest aiming for a minimum of 50 Reviews per product on each site or retailer, particularly for involved categories. According to Reveoo, having 50+ Reviews can lead to a remarkable conversion rate increase of up to 4.6%. Now, that's solid evidence of the direct impact of Reviews on your business's success!

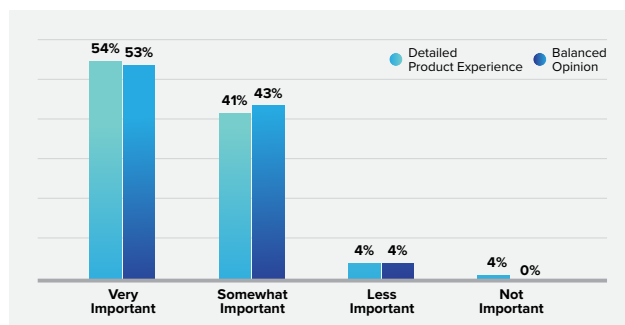
Table 3: How many Reviews do Consumers read:



Clear expectation for Detailed and Unbiased Reviews

When it comes to making informed decisions, consumers know that Reviews are their go-to source for valuable insights. Consumers are not just looking for surface-level descriptions; they want real-world experiences that provide a deeper understanding of a product's performance. From unboxing to everyday use and overall efficiency, they value detailed Reviews shared by fellow consumers. In our survey, a staggering 95% of respondents highlighted the importance of comprehensive product experiences when evaluating Reviews. Furthermore, data from Power Reviews revealed that consumers who spend more online seek longer, more detailed Reviews, especially for Consumer Electronics and Appliances.

Table 4: Impact of Review Quality



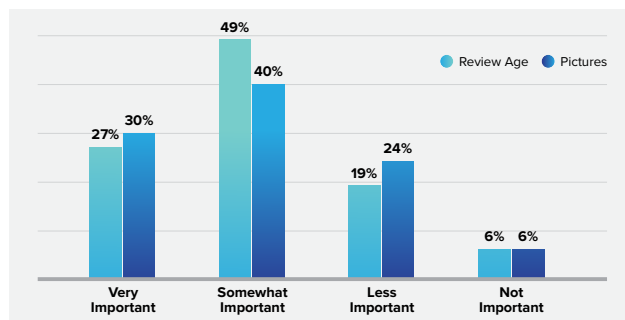
When it comes to making purchasing decisions, consumers want the complete picture. According to our survey findings, an impressive 96% of consumers value Reviews that provide a balanced opinion. They appreciate Reviews that not only highlight a product's strengths but also address any potential weaknesses. This fair assessment empowers them to make better choices.

“Fresh” Reviews & Pictures build a stronger case

Have you ever wondered if Reviews have an expiration date?

Well, according to our survey, three out of four consumers believe that Reviews from the past three months are crucial when making purchase decisions. It's clear that staying up-to-date is

Table 5: Impact of Review Age and Pictures



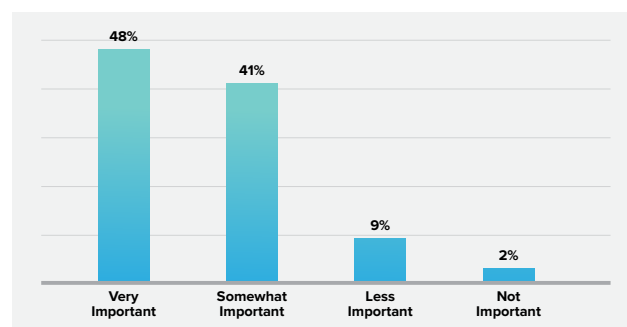
essential for brands looking to earn the trust of potential customers. Maintaining an 'Always-On' approach to acquiring Reviews ensures that your brand remains relevant and trustworthy.

As the age-old saying goes, 'A picture speaks a thousand words,' and this holds especially true for Reviews. Reviews with pictures and videos provide a unique and authentic way for consumers to gather valuable insights. In fact, 70% of respondents in our survey highlighted the importance of Reviews with pictures in shaping their purchase decisions.

The Power of Verified Buyer Reviews

In a world filled with scepticism towards fake or manipulated news, Australian consumers seek a reliable beacon of trust. That's where Reviews from Verified Buyers shine. These Reviews offer genuine and unbiased perspectives, ensuring accurate reports of the product experience while eliminating any potential bias. Our survey has revealed a fascinating finding: a staggering 90% of consumers consider Reviews from Verified Buyers to be absolutely crucial in shaping their purchase decisions.

Table 6: Impact of Reviews from Verified Buyers:

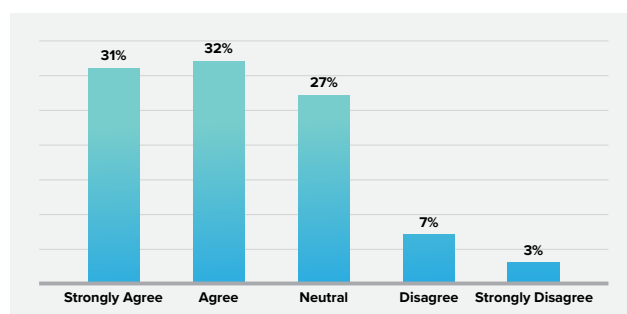


Expanding on this, compelling data from the Spiegel Research Center reveals that when consumers are exposed to Reviews written by verified buyers rather than anonymous ones, their purchase intention skyrockets by an impressive 15%!

Aussie Consumers want Aussie Reviews

Reviews are a powerful symbol of trust. Our survey has uncovered an intriguing insight: more than 60% of respondents place a higher level of trust in Reviews written by their fellow Australian consumers, surpassing those from other countries like the UK or USA.

Table 7: Trustworthiness of Reviews from Australia vs. other countries:



This trust preference becomes even more prominent when it comes to purchasing valuable items such as mobile devices, TVs, and home appliances. Australian consumers believe that the experiences and viewpoints of their fellow Aussies resonate more with their own needs and expectations, making them truly credible and relatable.

And, if you're after some solid proof, we've got it right here. The Insiders Australia recently ran a campaign for a smart wearable device that highlights the incredible impact of local Reviews. Our team engaged Aussie consumers who put the product to the test in their own homes, experiencing it in real-life situations. The outcome? An impressive collection of genuine, detailed Reviews that were shared on a key e-tailer site. The results were truly astounding with Page engagements up by a whopping 75%, and an impressive 2x month-over-month increase in sales.

Now that's what we love to hear - the sweet sound of our clients' success!

Turning Insights to Action:

The insights gathered from this survey reveal an undeniable truth: Reviews cannot be ignored in today's highly competitive marketplace. A well-thought-out Review Strategy acts as a potent tool helping brand's address any barriers that may cause friction in consumer decision-making. By harnessing the power of Reviews to foster genuine trust and confidence, you can forge strong connections with audiences, enhance credibility, and ultimately boost conversions.

Here are 5 key pillars to a Review Strategy:



1. Keep Your Reviews in Top Shape with Regular Check-Ups:

Performing regular Review Health Checks is a smart move to ensure your conversion success. These check-ups involve benchmarking crucial metrics such as the number of Reviews, overall Rating, Review length, age, presence of pictures/videos against category competitors and industry best practices. By conducting this comprehensive evaluation, you'll uncover valuable insights, identify areas for improvement, and receive guidance to fine-tune your strategy.



3. Embrace the Power of Local Verified Reviews

When it comes to gaining trust, nothing quite compares to verified local Reviews. While international Reviews from syndication partners like Bazaarvoice can contribute to your overall Review health, they don't quite match the level of credibility that local Reviews offer. We recommend finding the right balance between the two, allowing your potential consumers to access a variety of proof points (both local and international) that instil confidence in their purchasing decisions. By collecting local verified Reviews alongside international ones, you can create a well-rounded Review ecosystem that strengthens your brand's reputation and builds trust.



2. Fortify Your New Product Launches

Launching new products can be a daunting task, especially when it comes to gathering sufficient Reviews and maintaining consistent Ratings. Depending solely on organic Review flow may leave your products vulnerable. That's where a trusted partner like The Insiders can step in to support you. With our reliable Sampling and Review Generation strategies, we can help you secure early Reviews and ensure their visibility on the most influential e-commerce platforms that matter to you.



4. Elevate the Quality of Reviews

The true value of Reviews lies in the depth of information they provide. To make the most of their impact, it's crucial to prioritise the collection of detailed consumer experiences and user-generated visual content, especially in competitive consumer electronics categories. You can achieve this by customising your post-purchase Review collection forms to encourage customers to share more specific and comprehensive feedback. Additionally, consider offering incentives like an extended warranty period in exchange for more detailed Reviews. This approach not only enriches your Review content but also incentivizes consumers to provide valuable insights that can influence purchasing decisions.



5. An "Always On" Reviews strategy

Adopting an "Always On" approach to your Rating and Review strategy is key to achieving long-term success. Rather than a one-time effort, it should receive constant attention and prioritisation. By keeping your Review strategy active and ongoing, you can ensure a steady flow of fresh Reviews and adapt to emerging trends, innovations, and regulatory changes. This proactive approach allows you to maintain a strong online presence, build trust with your customers, and stay ahead of the competition.



About The Insiders:

We are a global, full-service User Generated Content (UGC) community of more than 4.5 million creators. With a suite of UGC solutions, we give your brand the spotlight it deserves. Whether it's through Ratings & Reviews, Social Media engagement, or Sampling programs, we're here to put your products front and centre in the hearts and minds of your target audience.

Keen to learn more?

Head over to about.theinsidersnet.com or drop us a line at jasmine@theinsidersnet.com, and we'll be sure to get back to you in a flash!