The pros and cons of incentivized reviews

A Revuze Research paper



Overview

According to a recent research <u>97 percent</u> of customers said they had read reviews in 2017. This is no secret that online reviews are skyrocketing as consumers share more and more data. As IBM recently pointed out, <u>90% of the world's data</u> was created in the last 2 years.

With so many online reviews out there, we've decided to take a look at how incentivized consumers' reviews fair against regular reviews from consumers that were not incentivized. Is one better than the other? More positive? Are they similar in topics covered and level of details? Stay tuned to find out...

But first, what is an incentivized review?

An incentivized review is a review written by a consumer who got the product for free or got a coupon for the review. This typically means that the consumers writing the reviews are pushed to write them close to the initial use of the product and you'd also expect these "biased" consumers to be more positive.

Methodology

We've used our Revuze dashboard to analyze data collected from the Razors and Blades industry. Of course, the results changes per industry, per brand and per product but since this is based on a substantial sample of data (Over 300,000 reviews) we assume it will be representative.

How Revuze work?

Revuze is an automated market insights solution that can take any type of unstructured data about consumer products and through deep understanding of consumer intent use it to understand an entire market – brands, product and features reviewed. Data sources include online reviews, emails, social media, call transcripts etc.

When incentivized reviews are included, these reviews are marked as incentivized either by the reviewers in the review body OR the ecommerce site might also mention it (e.g. "This review was taken as part of a promotion").

Leveraging its deep consumer understanding Revuze technology detects all the possible variations of how consumers specify that this is an incentivized review ("got coupon", "part of promotion" etc) and marks these reviews as incentivized reviews.

The good

Now that the incentivized reviews are easily selectable we will first check their volume and how they affect the stars rating and sentiment:



Image 2: volume, sentiment and stars rating for non-incentivized reviews

Looking at images above we immediately see that the incentivized reviewers were more positive towards the product:

- Average star rating grew 3.5% to 4.48 from 4.33
- Average sentiment grew 8.33% to 91% from 84%

The bad and the ugly

Let's really dive deep using Revuze capabilities to understand what causes the difference. What makes the sentiment more positive on the incentivized reviews side.

Let's examine the top 10 aspects/topics that affect the star rating. The following screen shots are displaying the top 10 aspects (by volume) for reviews with high score (4-5) vs. reviews with low score (1-3)

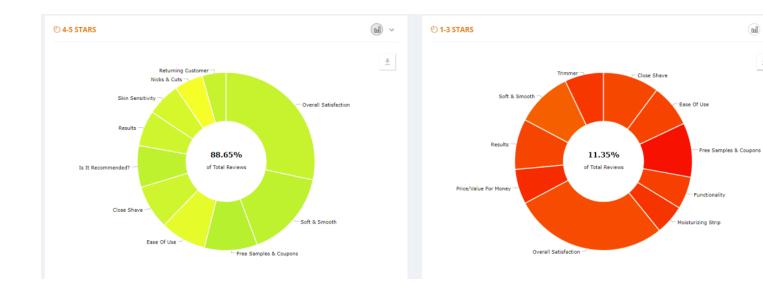


Image 3: top 10 mentioned aspects for high and low rating for incentivized reviews

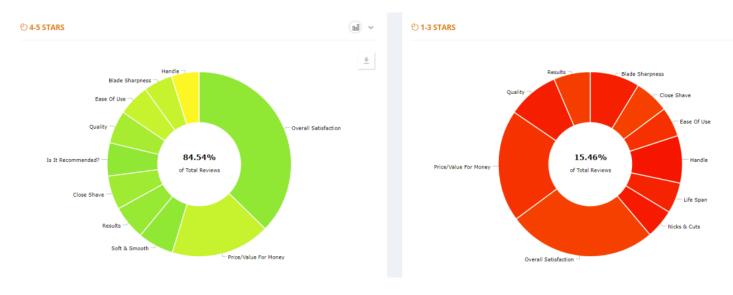


Image 4: top 10 mentioned aspects for high and low rating for non-incentivized reviews

Now we can see clear differences between the two groups:

- Incentivized reviewers mention that they received this product as part of promotion
- Overall positive incentivized reviews do not tend to evaluate the price of the product. In the non-incentivized reviews this aspect is the second most evaluated topic while in the incentivized positive reviews it is not in the top 10 mentioned topics
- Incentivized reviews seem to be delivering reviews a short time after initial use of the
 product, so they focus on overall experience and less on long term usage feedback. Non
 incentivized reviews include long term usage feedback such as quality or product design
 (Handle here specifically).

Let's take a look at all discussion topics of incentivized reviews vs. non incentivized reviews. The following charts were taken from the Revuze Dashboard directly. The Revuze system identified 56 areas of interest (Aspects) by analyzing real life consumer reviews. The color of each aspect represents the overall sentiment for the aspect. Green is good. Red is bad. This is an easy way to analyze what consumers like and dislike about a product or brand:

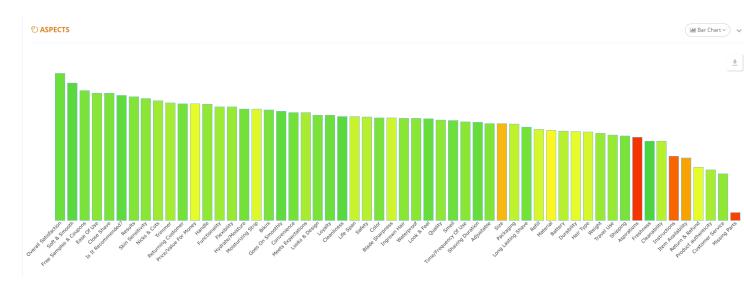


Image 5: volume & sentiment (color) per aspect for incentivized reviews

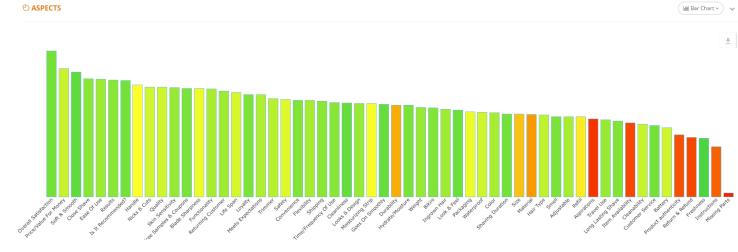


Image 6: volume & sentiment (color) per aspect for non-incentivized reviews

We can immediately see that the importance of the topics (order of them from left to right) is different as well as the sentiment (color) in each.

If we compare the most negative aspects mentioned in the non-incentivized we can see aspects like durability, blade sharpness and materials that are more negative in the non-incentivized reviews.

These aspects seem to be related to long term evaluation of the product so again it seems that incentivized reviewers tend to evaluate the product very close to the time they received it hence they will less likely to run into problems in these aspects.

Conclusion

Comparing over 300,000 incentivized and non-incentivized reviews leads us to the following conclusions (again, limited to a specific market and product):

- Incentivized reviewers are more positive towards the product by an average star rating of an additional 3.5% and average sentiment growth of 8.33%
- Incentivized reviewers mention that they received this product as part of promotion
- Overall positive incentivized reviews do not tend to evaluate the price of the product. In the non-incentivized reviews this aspect is the second most evaluated topic while in the incentivized positive reviews it is not in the top 10 mentioned topics
- Incentivized reviews seem to be delivering reviews a short time after initial use of the
 product, so they focus on overall experience and less on long term usage feedback. Nonincentivized reviews include long term usage feedback such as quality or product design
 (Handle here specifically)

Based on the above we highly recommend that when you analyze consumer feedback you will separate incentivized reviews from non-incentivized reviews as the two audiences behave pretty differently.

About Revuze

Revuze is the only no-touch analytics platform for consumer brands, covering entire markets with one dashboard – brands, products and features. While other solutions rely heavily on human training/setup which is expensive, slow and inaccurate (Not to mention requiring ongoing support) the Revuze solution is up and running quickly and without any customer professional resources.

The Revuze unique technology is based on our self learning AI algorithms that understands consumer intent regardless of choice of words, data source or language.

Today many of the biggest brands in the world trust Revuze across multiple continents to help them make fully educated decisions.

Revuze is backed by the world's biggest market research companies - Nielsen and NPD that identified Revuze as the next game changer. For more information visit www.revuze.it

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