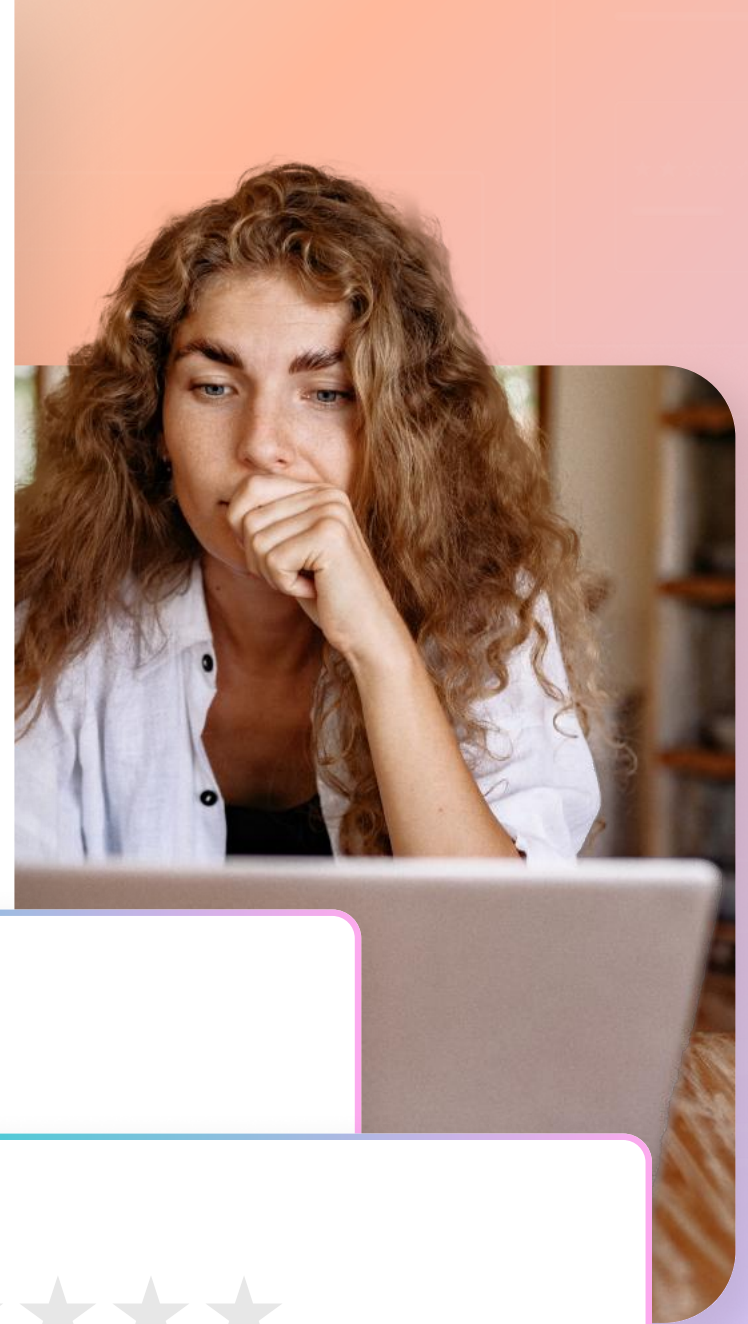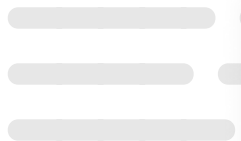# REVIEWS.io

FTC GUIDELINE IMPLICATIONS

HOW TO MANAGE NEGATIVE REVIEWS.

JAMES B.

ELLIE B.

How We Manage Negative Reviews Has Evolved

In our role as a review solution provider, we must inform merchants about any legislative changes that could impact them. Previously, merchants had the option to hide negative reviews in product listings. Now, following **an update in FTC guidelines**, both negative and positive reviews will be **automatically published after 14 days.** During this period merchants can respond and attempt to address the issue.

In line with these updates, we have created this whitepaper to outline the changes that will be implemented on **October 18th, 2023.**

Industry-Wide Changes: An Executive Summary

For eCommerce merchants operating in the United States, or running on US-based platforms like Shopify, the use of consumer reviews and testimonials are subject to guidelines issued by the Federal Trade Commission (FTC). These actions **apply to global merchants as well.**

"

70% of consumers want a mix of both positive and negative reviews.

51 Customer Review Statistics to Make You Rethink Using Them

1 ### FTC Guideline Revision:

Earlier this year, the FTC have updated their published document: 'Guides concerning the use of Endorsements and testimonials in advertising' which outlines the way the **Federal Trade Commission Act Section 5: Unfair or Deceptive Acts or Practices should be interpreted**. This includes a proposed rule to ban what it deems to be deceptive practices.

2 ### Shopify's Policy Update & Anticipated Platform-Wide Changes:

In response to the above changes, Shopify has updated its policy, which now stipulates that all legitimate reviews - **both positive and negative - must be published in full.** More changes are likely to follow suit such as platforms like BigCommerce.

3 ### Combatting Change with REVIEWS.io

The overriding purpose of this white paper is to help you understand and embrace these changes, not only to ensure compliance but also to **leverage negative reviews** as an opportunity to increase trust, improve your business, and build a loyal customer base.

MANAGE NEGATIVE REVIEWS

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Why Negative Reviews are Good for Business

380% Conversion boost for higher priced items with reviews.

2.7X Increased likelihood of purchase with five product reviews.

Trust and Authenticity

Transparently displaying a mix of positive and negative reviews is vital for establishing trust, as it signals honesty and credibility. **Research shows that 67% of consumers prefer a balanced review collection.**

Increased Loyalty

Promptly and professionally addressing negative reviews can lead to increased customer loyalty. According to a Harris survey, **18% of customers who received a response after leaving negative feedback became loyal customers**, and 33% posted positive reviews or deleted negative ones.

Customer Insight

Negative reviews provide valuable insights into customer preferences, making them essential for informed purchase decisions. **An impressive 85% of consumers seek out negative reviews to aid their decision-making process**, giving you a competitive edge when shaping your product and marketing strategies.

Visible Customer Service

Responding to negative reviews not only resolves issues but also demonstrates the quality of your customer support.
A professional response can boost your business, as **45% of consumers are more likely to choose a company that handles bad reviews effectively.**

Opportunity for Improvement

View each **negative review** as a constructive opportunity to enhance your products and services. By addressing highlighted issues, you can align your offerings with customer **needs and expectations.**

Better Shopping Experience

Providing information on product fit empowers customers to make informed decisions, resulting in more confident purchases, lower return rates, and an overall improved shopping experience.
A significant **72% of shoppers rely on negative reviews to gain valuable insights** for their purchasing choices.

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Negative Review Masterclass

So we've established that negative reviews can actually be pretty beneficial - but you'll only reap those benefits if you approach them in the right way.

With that in mind, here's our masterclass on **how to manage and respond to negative reviews** - and how to make sure that those you do receive are few and far between.

45% Of consumers will choose a company that handles bad reviews effectively.

Implement a Review Policy

Establish response time targets to ensure customers receive timely feedback and specify steps for escalating more serious issues.

Share your policy with your customer support team and make sure they get the training they need to implement it.

Have a Robust Moderation Process

Remember that there are some reviews you're not obliged to publish, like those that contain offensive language or that are irrelevant to your products or services. Remember too though that you need to be consistent with your moderation criteria.

Document this criteria so you can apply it uniformly to all content flagged for review, and to prove your process if a customer should object.

Look into the Problem

Turn to our **AI Assistant** for help. Assess complaints for validity. Address specific issues like defects or errors, but subjective opinions may not need immediate action.

Our AI can analyze relevant past reviews; ask for insights. More data means a more effective response.

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How To Manage Negative Third-Party Reviews

Negative reviews don't solely exist on your chosen review collection platform, dissatisfied customers will leave their feedback wherever they see fit. REVIEWS.io customers can **direct a percentage of their review invites to third-party review** sites like Trustpilot or Facebook to ensure their reputation is consistent.

Negative reviews are inevitable, so it's imperative to have your brand equipped to handle them. By sending a portion of review invitations elsewhere, **either manually or automatically based on the lowest star rating**, merchants can ensure their reputation is efficiently managed, irrespective of the platform.

ACTIVATE INVITES

⭐ REVIEWS.io

⭐ Trustpilot

G Google

New Reviews
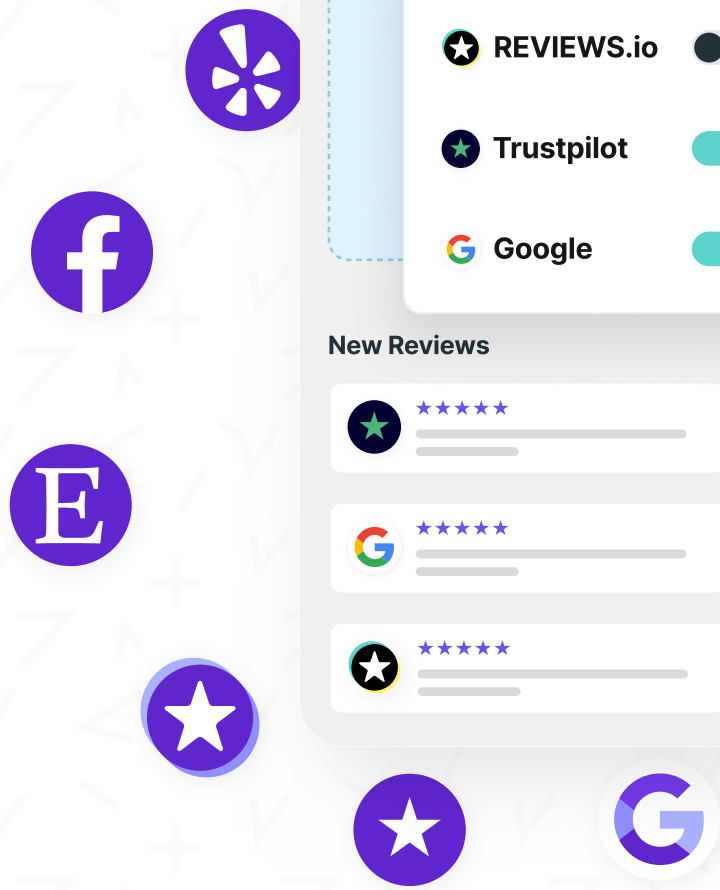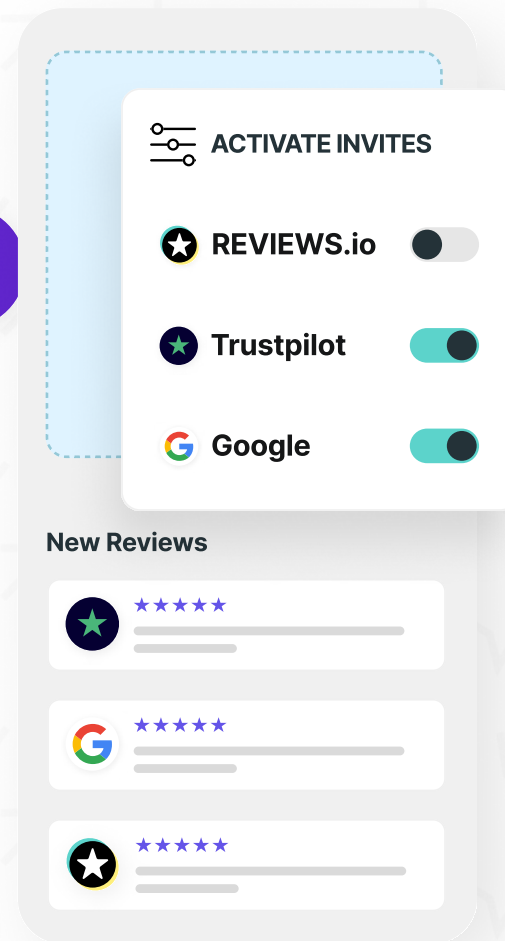
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Respond To Negative Reviews

For merchants, **responding to reviews is vital.** Quick and empathetic replies demonstrate your dedication to customer satisfaction and can even transform negative situations into positive ones.

Our tool, **'Reply with AI'** streamlines this task by generating personalized responses based on sentiment & star ratings within a review, adding a personal touch to enhance the overall CX.

53% Of consumers expect brands to respond to negative reviews within a week.

1 **Personalize Your Response**

2 **Show Empathy And Apologize**

3 **Request More Information**

4 **Offer A Solution**

5 **Maintain Professionalism**

6 **Take It Offline When Needed**

7 **Emphasize Customer Satisfaction**

8 **Follow Up**

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Mitigating Negative Feedback

The key to avoiding, and minimizing the impact of a bad customer experience is to be **proactive, not reactive**. In order to avoid negative feedback we suggest the following:
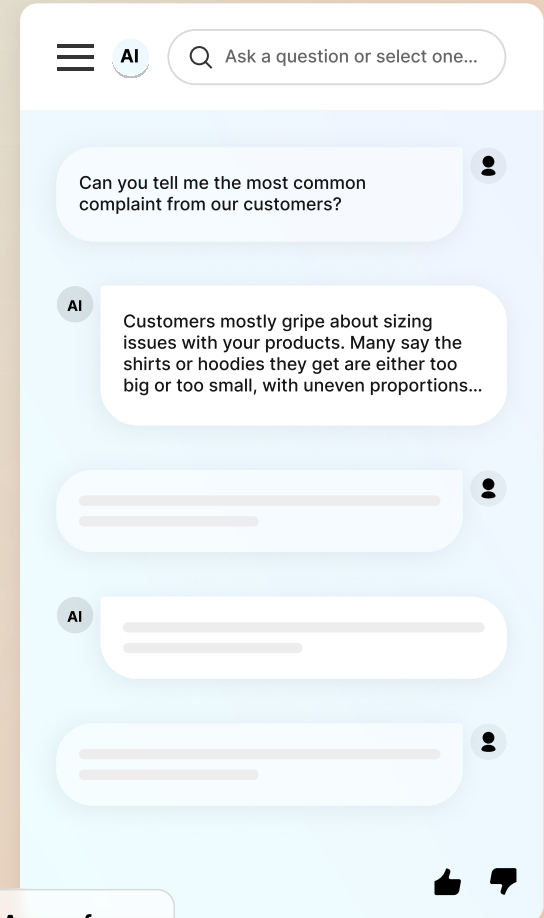
Unlocking Sentiment with AI

Use **AI insights** for custom search criteria to find customer sentiment, especially during critical events like **Black Friday**. Identify reputation-damaging issues and proactively address them. Analyze past campaign performance to avoid previous problems during similar sales periods.

> 23% of negative reviews result from review requests sent before customers receive their goods.

Ask a question or select one...

Can you tell me the most common complaint from our customers?

AI Customers mostly gripe about sizing issues with your products. Many say the shirts or hoodies they get are either too big or too small, with uneven proportions...

🤔 Areas of Improvement

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Conclusion

Managing negative reviews is a golden opportunity to demonstrate top-notch customer service. By using tools like our **AI Insights**, you can understand why people leave negative reviews and how to improve.

Embracing AI not only streamlines the process but also helps merchants, just like you, to serve customers better.

Each negative review, when handled right, becomes a chance to shine in customer service and enhance overall business performance.

GET IN TOUCH

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