



From reviews to revenue

Five ways **customer feedback** can drive
business growth

Customer feedback:

The unsung hero driving competitive differentiation

In the ongoing – and often challenging – pursuit to drive revenue, small and large businesses alike can achieve success with a fresh perspective. And where better to look for inspiration than the people they serve?

Understanding the thoughts and feelings of their target audience can help business leaders build an enduring competitive advantage.

It can help them transition from reactive to proactive approaches and accelerate organisation-wide change.

This eBook explores five ways any organisation can benefit from reviews, as well as practical examples of how other brands have used them to drive revenue.

The final section offers a set of questions for business leaders to consider when implementing a customer feedback strategy.



“Don’t underestimate the value of customer feedback. Let it be the compass that steers your business in the direction of growth.”

Tony Wheble,
Chief Executive Officer,
Feefo

1. Use feedback to **spark innovation**

It's no secret: innovation is what separates successful companies from the crowd.

It's the most essential ingredient for sustaining momentum and keeping pace with change. But to spark groundbreaking ideas, business leaders and their teams need to be inspired by the right data.

Customer feedback can catalyse innovation across the entire organisation. Fundamentally, it provides a detailed view of customer opinions about a brand, at every stage of their journey.

This can help teams identify new opportunities and areas for improvement. But more than that – it enables leaders to see the business through a new lens, providing insight that can inform the direction of long-term strategies.

For example:

- ◆ If you want to expand into new geographic markets, reviews can help you understand consumer needs, adapt your strategy, and avoid any past mistakes.
- ◆ Alternatively, if you're looking to remove your business from a market in which it is weak, reviews can inform your strategic withdrawal.



“The key difference I observe in innovators is confidence. Once their ideas are backed by real customers, they feel confident setting them in motion.”

Steve Powell,
Chief Technology Officer,
Feefo



- ◆ The owners of a small independent coffee shop were looking to retain more customers.
- ◆ By analysing commonly used terms in their feedback data, they noticed a recurring theme: customers loved the brand's coffee and ethics, but they wanted a loyalty scheme.
- ◆ The owners introduced a loyalty card scheme – a simple change that sharpened their competitive edge and increased their repeat purchase rate.

Notably, business leaders must ensure the integrity of their customer feedback data. That means only collecting reviews from people who have had proven experiences with the brand they are reviewing.

Inaccurate feedback data puts decision-making at risk and sets leaders back to square one – making strategic decisions based on instinct.

2. Use feedback to drive personalisation

Personalisation most often drives 10 to 15 percent revenue lift (McKinsey, 2021).

For small and large businesses alike, it relies on **predictive analytics**.

By looking at customer feedback, companies can forecast:

- ◆ Which customers will repeat purchase and when
- ◆ Which customers are likely to defect
- ◆ Trends at both company and industry levels

Based on this intelligence, they can segment their customer base – which is crucial for informing targeted marketing campaigns, messages and offers.

Feedback collection should not be restricted to post-purchase surveys. For a 360-degree view of the customer, companies should gather feedback at every touchpoint throughout the buyer's journey.

This will enable them to deliver the right message, through the right channel, at the right time.



Predictive analytics:

The use of data, statistical algorithms and machine learning to forecast future outcomes.



Iceland | the food
WAREHOUSE

Delivering targeted marketing campaigns with reviews

Iceland collected feedback on every aspect of their company – including home delivery, online support and product preferences. Using AI, they analysed the content of their feedback to get a real-time, bird's-eye view of customer sentiment.

With an accurate understanding of what mattered most to certain customers, Iceland created tailored advertising campaigns that drove up conversion rates.

For example, feedback analysis showed that **99% of reviewers loved the home delivery service**. Iceland started promoting this unique selling point to people who did not know what the service entailed – and as a result, home deliveries shot up.

3. Use feedback to **cultivate connection**

The modern consumer can jump from brand to brand at the click of a button.

Keeping them loyal means winning their trust – for which feedback is essential.



Putting trust at the heart of insurance

In an industry low on trust, opening up to unfiltered client opinions was a bold move. But LV= believed putting genuine feedback across their website and comms would help them practice transparency and win more clients.

They were right. Their home insurance webpage achieved 28% more conversions when reviews were displayed. Meanwhile, putting client feedback in emails boosted click-through rate from 53% to 67%.

Thanks to client feedback, the public now perceives LV= as open, honest and caring. Backed by a strong reviews strategy, the company became Britain's best-loved insurer.



Value exchange:

A transaction between a consumer and a business that results in each party receiving something of value. For example, consumers share their data in exchange for personalised offers, and businesses receive additional insight from that data.



Trust is a two-way street, which is where the **value exchange** comes in. Described as 'a key trend for brands as we move into a cookie-less future' (Dentsu, 2021), getting it right can be the difference between someone sharing their data or withholding it.

A strong value exchange relies on a robust communications strategy. Brands need to explain exactly why they are collecting data, and reward people for sharing it.

Reviews make space for a dialogue between brand and buyer. They provide an opportunity to thank customers for their data and explain how it will be used to improve the brand experience. This helps to establish trust and build lasting relationships with customers.

Some companies take the value exchange one step further by building an online community for their customers. In doing so, they make buyers part of the business, so that their voices are heard all the way up to the boardroom. Online communities are the ultimate way to connect directly with customers. They also provide space for peer-to-peer endorsements, which extend far beyond the advocate collective to generate new business.



Driving engagement and conversion through brand advocacy

Kia wanted to create an online community of customers that would answer questions from peers. They asked people who had left a review to join the community, and a massive 64% opted in.

This peer-to-peer marketing strategy contributed to:

- ◆ 3X increase in test drive bookings
- ◆ 280% increase in the time people spent on Kia's website
- ◆ 2.4X more page views

4. Use feedback to **build your business case**

Reviews can help senior leadership teams identify top-down goals that propel the business forward.

They represent the customer's voice in the boardroom and accordingly, serve as a compass to guide strategic direction and financial investment.

By analysing feedback data, business leaders can understand exactly what customers want from the brand, and align their strategy with those needs and expectations. Backed by hard data, they can rally the senior leadership team around this new strategy and convince finance executives to allocate resources where needed.

Here are two examples of companies that used reviews to inspire a strategic pivot:

- ◆ A leading online gift retailer noticed they were experiencing a sudden peak in returns.
- ◆ An in-depth analysis of customer feedback revealed that people's gifts were arriving too late.
- ◆ The business had recently swapped courier companies, so they took swift action to return to their previous delivery provider.
- ◆ Parcel returns plummeted, and customer feedback became largely positive once more.



“A customer-centric strategy is a winning strategy. That’s why all major strategic decisions should be informed by customer feedback.”

Tony Wheble,
Chief Executive Officer,
Feefo



- ◆ A holiday company were receiving poor reviews for the caravans at one of their properties.
- ◆ At first, they assumed the caravans themselves needed refurbishing and allocated a substantial budget to refresh them.
- ◆ But when they analysed their customer feedback, they found that the poor reviews came from caravans in one particular shaded location of the park.
- ◆ They moved the caravans into direct sunlight, saving thousands of pounds on unnecessary refurbishment.

Businesses can also use feedback to communicate achievements and progress to key stakeholders. For example, Secure Trust Bank reference reviews as an indicator of customer satisfaction in their 2022 Annual Report. Star ratings and customer service awards are also monitored by the Board.

Note: The importance of using solid, reliable data to inform strategic decisions cannot be overlooked.

In practice, that means ensuring the accuracy of customer feedback, by verifying that it comes from people who have genuinely interacted with the business.

5. Use feedback to **create a culture of learning**

If the goal is to build and sustain competitive differentiation, motivating employees is essential.

A focus on learning generates productive workers who are excited to build new skills. Learning is also crucial for a company's ability to adapt to ever-changing market conditions.

Reviews offer the opportunity for leaders to mobilise their teams, with particular focus on customer satisfaction. Using Net Promoter Score, verbatim feedback and sentiment analysis, leaders can identify training needs and reward high-performing staff. This is not limited to call-centre or online agents. With location feedback tools, businesses can collect opinions on their in-store service as well.



“The best thing you can do with reviews is give your people the opportunity to learn from them.”

Kim Burgess,
Chief Customer Officer,
Feefo

- ◆ A UK car dealership noticed a disparity in sales figures across different sites.
- ◆ They started collecting reviews and realised that certain sites were suffering due to poor customer service.
- ◆ An employee survey found that the staff in low-performing dealerships felt they could benefit from more training.
- ◆ Customer service training was rolled out across the weaker sites, and sales immediately began to rise.



Boosting employee morale with customer feedback

The medical equipment supplier SME, Inc. USA were facing morale challenges within their customer service team. So they implemented an out-of-the-box solution to collect feedback and provide a vessel for conflict resolution.

The result was an influx of positive reviews. SME, Inc. USA saw a huge increase in morale from their customer service team. Taking things one step further, they used AI to analyse trends in their reviews. Negative feedback indicated where further training was needed, and positive feedback enabled them to celebrate successes – **all of which led to game-changing improvements** in their customer service.



“All the things we knew we were doing well were there all along.

We just had to ask for it to be shared with us.”

Pamela Rouen,
Marketing Director,
SME, Inc. USA

Action guide: Takeaways for business leaders

Against a backdrop of constant change, customer centricity is critical for companies to succeed and outperform their peers.

At its core, that involves listening to the customer's voice at every level of the organisation, from the frontline to the boardroom. The first step to achieving this is investing in the right capabilities and technology to capture feedback.

"Business leaders need to realise the competitive edge in seeing the world through their customer's eyes," summarises Kerry Leighton-Bailey, Chief Product and Marketing Officer at Feefo. "Gathering feedback presents a real opportunity for leadership teams to make decisions that are backed by hard data, and rally the entire company around a single vision for the future."

Below is a set of questions that all organisations should be asking themselves when it comes to customer feedback:

Is customer feedback an integral part of your business strategy?

- ◆ How are you responding to what people say about your brand?
- ◆ Who champions the customer's voice, and does it reach your boardroom?
- ◆ What opportunities might you be missing?



"Let your customers take centre stage."

Kerry Leighton-Bailey,
Chief Product and
Marketing Officer,
Feefo

What are you doing to make your customers' voices heard?

- ◆ What third-party technology are you considering?
- ◆ How might a feedback collection platform help you serve customers and access their data in new ways?
- ◆ How might technology unleash new opportunities for your people, customers and business?

Does your organisation prioritise data integrity?

- ◆ Are your insights and strategic decisions backed by data you can trust?
- ◆ Do you have a system in place to make sure your feedback comes from real customers?
- ◆ How much do you have to guess or infer when it comes to customer sentiment?

About Feefo

Feefo is the world's largest verified feedback provider.

We've collected more than **61 million reviews** to date and proudly serve **over 6500 brands** – from the fastest-growing startups to the biggest enterprises. We've helped these companies drive competitive differentiation and revenue growth using our platform. Working with business leaders across a range of industries provides us with a unique vantage point to the applications of customer feedback.

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