

#### **A POWERREVIEWS EBOOK**

## How to Deliver Authentic Feedback With Amazon's Increasing Fake Reviews

A walkthrough into better review moderation best practices and the perceptions from Amazon's growing number of fake reviews.



## How to Deliver Authentic Feedback With Amazon's Increasing Fake Reviews

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Earning Consumer Trust is at a Critical Breaking Point

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INTRODUCTION

## Earning Consumer Trust is at a Critical Breaking Point

An introduction to the state of fake reviews and how it affects all brands and retailers.

## Earning Consumer Trust

Trust is the cornerstone of nearly every consumer purchasing a product or service. When shoppers read <u>ratings and reviews</u>, they expect what's written on a brand or retailer site to be authentic and trustworthy.



With recent reports emerging around Amazon's fake reviews problem, the ecommerce giant isn't the only one having its credibility questioned. Instead, the entire industry feels the shift in consumer trust.

Your company shouldn't reconsider collecting content, but better understand how your ratings and reviews provider moderates and verifies <u>customer feedback</u>.



Various reports from <u>BrightLocal</u>, <u>G2</u> and the <u>Spiegel Research Center</u> all found 92% or more of consumers read reviews and are more likely to make a purchase if it's trusted content.

#### **BE AUTHENTIC**

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The demand for honest consumer opinions–especially when they're from one another–is more critical than ever. And the majority of businesses agree–saying they too value authenticity.

## Earning Consumer Trust

Ratings and reviews factor into consumer purchasing decisions nearly every single time they buy. So if you're not providing authentic content, you're ultimately doing a major disservice to your company and your customers.



A <u>Stackla</u> Consumer Content Earning Consumer Trust Report stated 86% of shoppers believe authenticity is essential when choosing a brand.



Insight from a recent PowerReviews health and beauty study, which surveyed more than 2,000 shoppers, revealed 80% of consumers still look at reviews online while shopping in store.



So much of consumers' trust hinges on the voice of others and ultimately, in the review content brands and retailers provide. But trust is easy to lose. When reports from The <u>Guardian</u>, <u>BuzzFeed</u> <u>News</u> and <u>Fakespot</u> challenges the validity of ratings or the amount of fake reviews on a major retailer site like Amazon, purchase confidence quickly decreases.

For many consumers, reviews are apart of their everyday life-from the various products ordered online to the restaurants they choose for take out.

Equally, most shoppers have spotted fake reviews, especially when considering local review sites like Yelp and Google Reviews.

#### **DO YOUR RESEARCH**

Before you jump to any conclusions about all ratings and reviews providers, it's smart to look at how third-party providers collect reviews, deem content fraudulent and who moderates each piece of content to ensure it's compliant and within the guidelines you set.

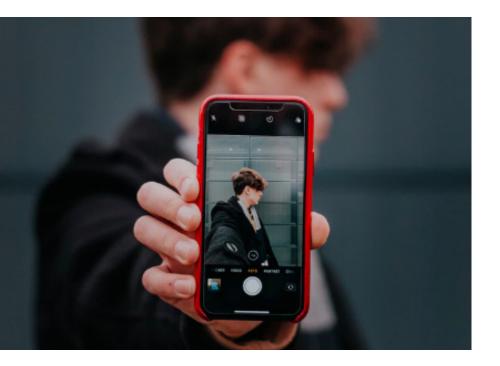


## Amazon's Fraudulent Reviews Damaging Consumer Trust for All

Breaking down the rise in fake reviews and the differences in local sites and product review providers.

## Amazon's Fraudulent Reviews

Brands are now placed under a microscope as the concerns of fraudulent reviews increases and takes a center seat in the media. Most that encounter fake reviews typically see fraud on local review sites compared to major retail sites.



Consumers are accustomed to using local review sites for the best opinions and recommendations. However, these providers don't collect reviews from its users like product companies. They have little-to-no fraud prevention to limit users from publishing multiple reviews at once or through a verified account.

Those sites make companies more susceptible to untrustworthy feedback. But on product pages, there's simply more trust in review content. That was until Amazon was recently investigated for fake reviews and the "burner brands" on its site that churn out products and unethically pay for only positive reviews.

Sadly, these operations are hard to track. This means the rise in Amazon fake reviews makes it harder for other brands and retailers to win consumer trust. Luckily, there are ways to set your company apart.

#### **CAPTURE CREDIBLE CONTENT**

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Now more than ever, businesses must invest in authentic review collection. By capturing more credible content, you connect to customers and create better shopping experiences.

## The Impact of Removing Fake Reviews

How prevalent are fraudulent reviews for the typical brand or retailer? PowerReviews evaluated more than 1.5 million reviews submitted in a four-month period to understand how much feedback is fake, fraudulent or misleading.



Data showed more than 95% of the 1.5 million reviews were deemed fraud free and authentic.

Content authentication is based off PowerReviews' team of over 30 human moderators and its frauddetection technology used for its 1,000+ customers every day. Setting the Amazon burner brands aside, there's a limited impact product ratings when moderating fraudulent review content. Burner brands add a plethora of 5-star reviews to a product to influence consumers, but it actually diminishes their trust. The PowerReviews From Reviews to <u>Revenue</u> report found shoppers are more likely to purchase a product with a rating between 4.2 and 4.5 stars.

In fact, data showed the purchase likelihood actually drops when there's a 5-star rating. When businesses use advanced moderation tools, it doesn't mean their ratings will fall. Instead, companies increase consumer trust and ultimately, improve sales.

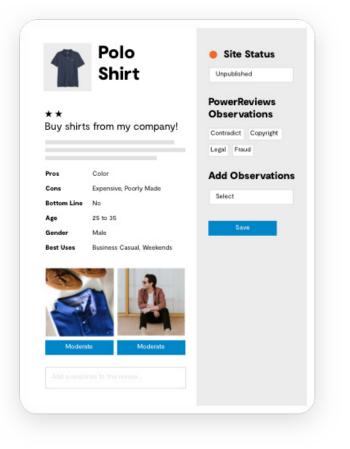


## How to Appropriately Moderate Review Content

What businesses need to do when moderating review content for fraud.

# How to Moderate Review Content

Simply allowing any and all content to flow to your site will result in a poor customer experience. The problem is many businesses don't know how to properly moderate review content without bias or unethically removing negative feedback, instead of untrue feedback.



The PowerReviews moderation team understands these challenges and works diligently to analyze and prevent fake reviews from surfacing-no matter the size of retailers' SKUs or product lists.

By using the proper technology, more specifically fraud-detection software, businesses build the backbone of the moderation process to determine the legitimacy of large amounts of content.

In the past 12 months, PowerReviews moderated and reviewed more than 7 million reviews. This methodology of review collection, analysis and moderation is more authentic and credible to brands and retailers wanting to earn consumer trust without altering content.

Only a small fraction (about 5%) of the reviews processed through PowerReviews were labeled fraudulent and prevented from being published. That means the average company using review moderation technology sees thevast majority of its content from verified and authentic consumers.

# How to Moderate Review Content

How does Amazon compare to these numbers? Consumer group <u>Which?</u>, an independent consumer advocate group who test products and services, analyzed hundreds of various products across 14 product categories to find out.



Their data showed 99% of Amazon reviews listed on the four most popular smartwatches were unverified and could not prove the reviewer actually made the purchase.



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The consumer group also discovered 97% of the 12,000 reviews associated with headphones sold on Amazon were unverified.

In fact, most of the headphones product reviews owned a perfect 5 stars and researchers found some review content written about completely different products like soap dispensers.

In February 2019, the Federal Trade Commission started its first case against Amazon to investigate paid reviews.

#### **AMAZON'S CHOICE BADGE**

The FTC will investigate how Amazon handles these unethical brands manipulating reviews by purchasing numerous 5-star reviews to earn Amazon's Choice badge to appear in front of more shoppers.

# How to Moderate Review Content

For brands, it's essential to know what is considered a fraudulent review and to take the necessary steps to eradicate untrustworthy content. PowerReviews uses AI and natural language processing to guard against fraudulent content, and can rapidly detect and cleanse the following:

#### **Content Against Brands**

A single device generates several positive or negative reviews for a particular brand consisting of different nicknames and locations.



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#### **Content Against Individuals**

A single device generates several positive or negative reviews for an individual-typically an employee of the company-consisting of different nicknames and locations.

#### **Content Against Merchants**

Several positive or negative reviews occur for an array of seemingly random products with limited variations in user nicknames or locations that likely were not purchased.

#### **Content Against Reward Programs**

A brand or retailer offers a reward for review content, but the text is cut and pasted, unintelligible or repetitive (same content across multiple users) in an attempt to abuse the rewards system. Not all review content is cut and dry, which is why it's important to combine AI technology with human moderation. Most businesses don't have the internal technology or resources to review, moderate or approve content based on authenticity.

As a result, there's mass amounts of content mislabeled, which could significantly impact consumer trust in your products.

This is why PowerReviews provides companies and consumers with transparency into its review moderation process so it better understands what is done each day to prevent fake reviews.



## Best Practices to Collect Authentic Reviews

How to effectively collect authentic reviews and eliminate fraudulent content.

# How to Collect Authentic Reviews

The goal is clear-when businesses unlock the real value of authentic customer feedback, they drive more sales. It's a simple idea, but the steps needed to maintain authenticity are complex and highly sophisticated.

For brands and retailers looking to increase review authenticity, here are a few steps to consider:

#### Drive Authentic Feedback With Unbiased Review Collection

Review collection is a challenge for most, which is why fake reviews exist in the first place. Even though review collection is a common best practice, there are unethical ways to ask for feedback.

Ensure all consumers have the ability to leave reviews for every product purchased. Avoid purposeful routing with select customers or products to potentially drive more positive reviews.

By providing the path of least resistance to customers, you collect more authentic review content and gain deeper product insights into real problems.

## 2

#### Use Review Badges for Added Transparency

Visual cues drive more consumer trust. In fact, the PowerReviews <u>Snapshot for Ecommerce</u> report found roughly a third of U.S. shoppers believe visual content on product pages is essential to the authenticity of the item. If businesses want to make it easier on their customers, associate visual badges to review content so other shoppers know where the feedback came from, who wrote it and if it is trustworthy. These badges show consumers that you value authenticity, while providing them a faster way to verify information before making a purchase.

Some of the badges PowerReviews includes:



#### **Staff Reviewer**

A user validated by your brand as an expert team member.



#### **Verified Buyer**

Shows customers a user who actually purchased the product.

#### Verified Reviewer

Shows customers a user confirmed by PowerReviews.

PowerReviews even provides customizable badges to convey trust with your customers without altering the integrity of the review content.

# How to Collect Authentic Reviews

#### Run All Reviews Through Fraud Monitoring Solution

To ensure credibility, you need to have the ability to quickly process thousands of reviews. While PowerReviews values human touch to help moderate reviews to provide optimal fraud prevention, the combination of both science and advanced human moderation is a must have.

Brands need to not only flag fake reviews, but implement software that limits users from submitting mass amounts of reviews in a short time period or from the same device.

Details from <u>NBC News</u> stated fake reviews often come in large batches and in short periods of time. Fraud monitoring technology prevents reviewers from quickly uploading large amounts of content-no matter how many fake accounts are created. Human moderation teams also proactively send alerts and safety notifications to businesses that may be trending toward an attempted attack on your content.

#### Choose a Review Moderation Partner That Values Human Touch

When every review, question, answer, image and video is reviewed and analyzed by a highly-trained team of human moderation experts, your company <u>stays in compliance</u> with the Federal Trade Commission as well as other common industry-specific guidelines. PowerReviews' well-trained <u>team of review moderators</u> ensures authenticity-without bias. Our experts capture important innuendos, adverse events or off-label usages that would otherwise go undetected.

By implementing a human touch to your review moderation process, you find content containing profanity and slang terms that might slip through the cracks.

#### Meet & Exceed Industry Guidelines

Industries like pharmaceuticals are held to high standards and require reliable scientific evidence to support efficacy and health benefit claims for its products. This industry relies heavily on diligent moderation practices to meet FTC guidelines.



## How to Spot Fake Reviews & Flag Content

The best practices to identify and flag incoming fake reviews.

## How to Better Spot Fake Reviews

It's important for you to know what to look for when it comes to fake reviews. Instinctually, we should always be wary of reviewers who only leave positive reviews or post content to very specific sites.

But there's other ways fake reviews end up on brand andretailer pages. Here's a few tips to locate unauthentic unreliable content:



**Be Wary When You Only See 5-Star Reviews** As we saw with Amazon, when untrustworthy brands want to get their products to rank higher, they pump in several fake 5-star reviews. However, only having 5 star reviews does not change the shopper's perception of the product.



and 86% of shoppers seek out negative or low-rated reviews. What's more is the star rating that is most likely to drive purchase is between 4.2 to 4.5.

People want context when shopping and to trust a business, they consider both

the review as well as the person writing the review.

Transparency in reviews and the reviewers adds <u>credibility</u> and builds confidence in consumers to make a purchase.

Look Out for Quickly Written Positive Reviews Shady review collection methods get massive amounts of positive content on product pages as fast as possible. But when doing this, brands often see quicklywritten reviews that don't describe the actual product or make sense.

When you see a bunch of positive reviews with similar phrases or unreadable content, your internal flags should go up.

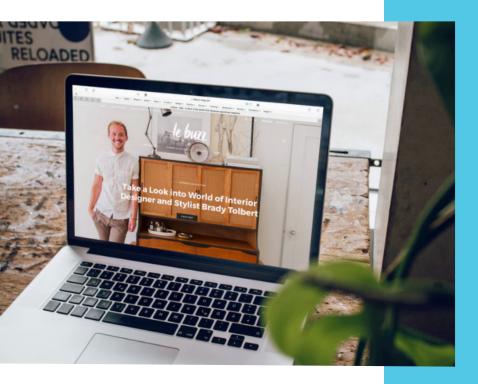


#### **Check Reviewer Badges**

People who publish fake reviews don't take the time to provide authenticity. The majority of fake reviews methods have one thing in common: it's easy to do and in large amounts.

Make sure you inspect reviewers' badges to know if it's a verified brand answer, customer or employee. It shouldn't be difficult to know where answers come from for product questions.

Spot the verified badges and give consumers confidence they'll get trusted and authentic answers.



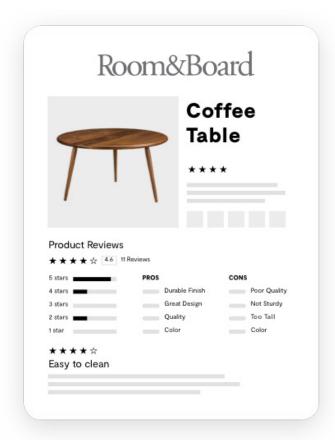
CONCLUSION

## **Consumer Trust Starts With Better Communication**

Brands need to put communication first to instill trust.

# Communication

Trust doesn't come easy and to earn it, you must be transparent. Negative and low-rating reviews are a part of today's landscape, but they shouldn't be nonexistent for your company.



Consumers depend on authenticity in your ratings and reviews content to make purchasing decisions. As long as fake reviews exist, it's up to the company to make sure content is properly collected and moderated for shoppers.

The value of reviews is insurmountable, which is why fraud is commonplace for some brands. But the main point is that this can easily be solved with a combination of science, natural language processing and advanced human moderation.

Ensure your reviews are not only authentic, but avoid damaging your brand reputation with unrealistic feedback. consumers.



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