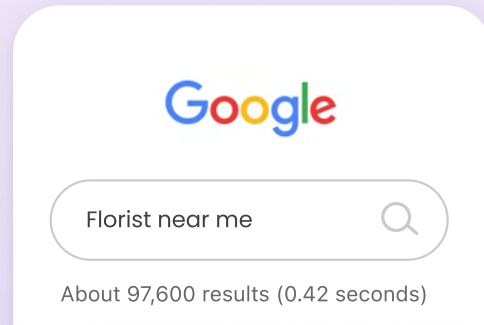


# State of Online Reviews

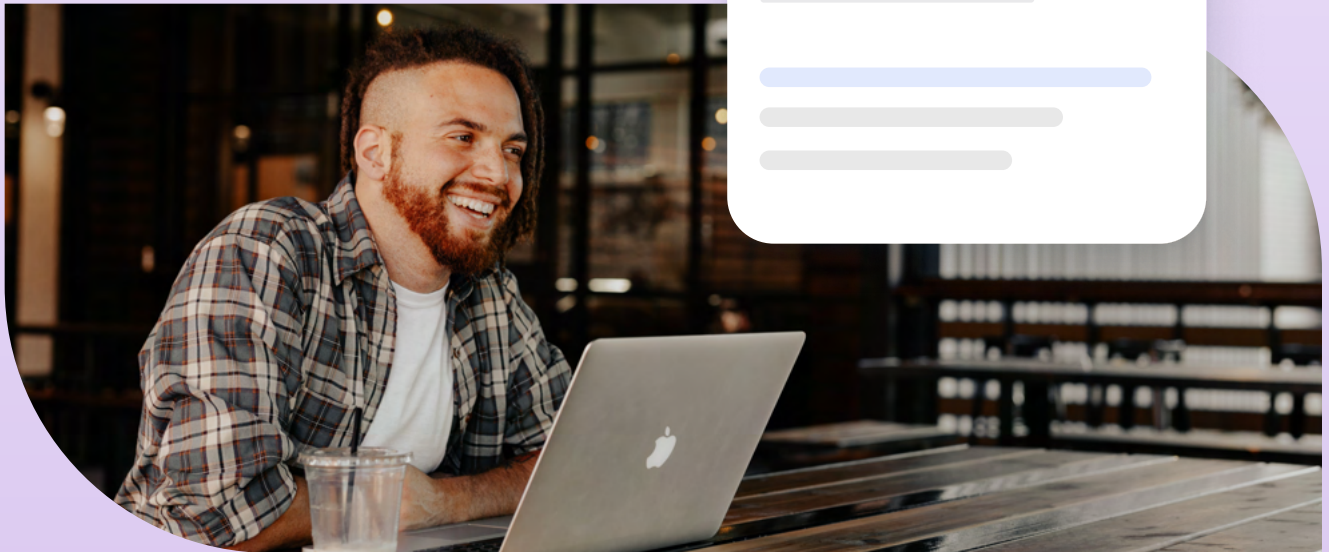
2024



## Greendale Flowers

★★★★★ Rating for Greendale Flowers: 4.8 • 246 votes

## Coastal Flowers



# Introduction

Consider your last big purchase. How did you navigate through your choices? Chances are, online reviews were a key part of your decision-making process. In today's digital era, these reviews are not just influential; they are the cornerstone of the customer journey. In fact, an overwhelming 68% of consumers rely on them before making a choice.

As the leading online reputation management platform, Birdeye supports over 150,000 businesses in leveraging online reviews. With millions of reviews collected annually through Birdeye, these businesses have a rich dataset every year. Our meticulous analysis of this data across various sectors uncovers emerging consumer trends and behavior patterns.

This year's "State of Online Reviews 2024" report is packed with deep insights and actionable recommendations, aiming to give businesses the edge they need. Let's delve into these fascinating trends.



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# Key findings

## Overall industry trends

- Online reviews increased by 5% in 2023 compared to 2022.
- The average star rating of businesses (Birdeye customers) on Google was 4.6.
- The longest reviews were written on TrustRadius and ComplaintsBoard.
- In 2023, 79% of reviews included comments, up from 73% in 2022.
- The average length of reviews written in 2023 was 213 characters.
- There was an 18% drop in reviews without ratings in 2023 compared to 2022.

## Google reviews

- 79% of all reviews were written on Google.
- Businesses received an average of 66 new Google reviews per location in 2023.
- Google hosted 97% of retail, 94% of healthcare, 92% of legal, and 90% of home services reviews.

## Review requests

- 60% of review requests were sent via email.
- The average open rate for review request emails was 20%, with a 7% click-through rate.
- SMS review requests had a click-through rate of 37%.
- The Retail industry saw the highest growth in review requests: SMS requests were up by 58%, and email requests by 162%.
- Home services and Legal businesses had the highest adoption of automation for responding to reviews with 79% and 71%, respectively.
- Healthcare businesses sent the highest number of review requests, followed by Automotive and Retail businesses.

## Review management

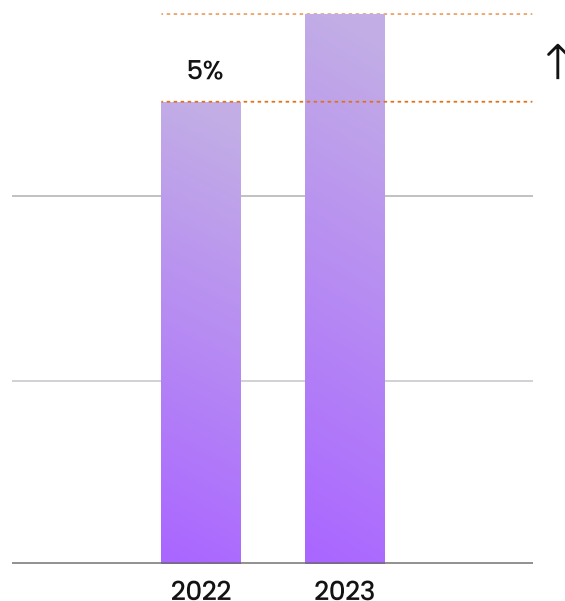
- Businesses responded to 63% of reviews in 2023, marking a 10% increase from 2022.
- 42% of review responses were automated, up 10% from 2022.



# Online reviews in 2023

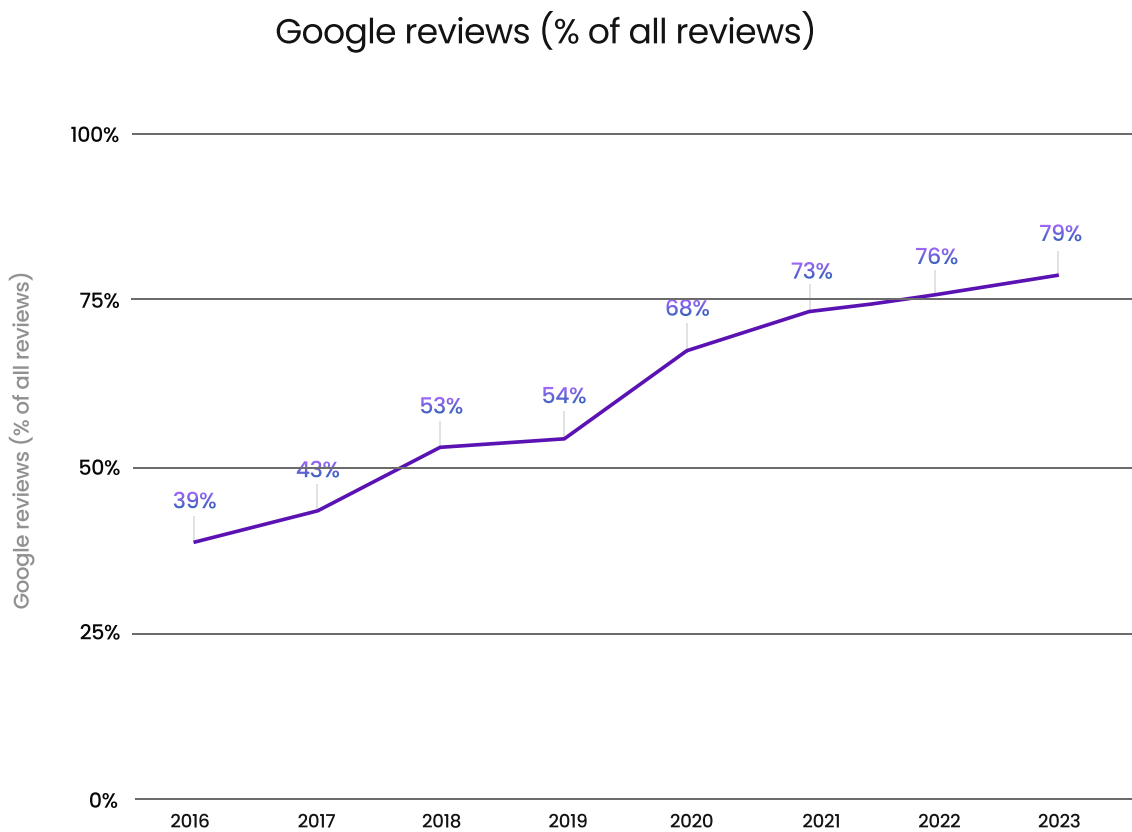
In 2023, the review volume grew by 5% over 2022, reflecting a steady rise and underscoring the continued importance of online reviews in the customer journey. They serve two key purposes: offering a feedback channel for customers and providing authentic information for informed purchasing decisions.

Online review (Growth)



## Where is this growth in reviews coming from?

In 2023, while the overall online review volume grew by 5%, Google reviews notably surged by 15%, accounting for 79% of all online reviews. On average, each business location received 66 new Google reviews, underscoring their significant impact on the online review ecosystem.



Here are a few important factors driving the growth and significance of Google reviews:

- **Google's search engine supremacy:** As the leading search engine, Google is the go-to for business information, fueling an increase in reviews on Google Maps and local business listings.
- **Shift in consumer preferences:** The convenience and reliability of Google have shifted consumer behavior, likely leading to an uptick in review volume.
- **Advancements in Google Business Profile usage:** Constant improvements to Google Business Profile, a crucial tool for boosting SEO and visibility for local businesses, encourage active engagement and review generation, leveraging the platform's ongoing enhancements.

Our "State of Google Business Profile 2024" report unveils several key trends demonstrating the growing engagement of businesses with their Google Business Profiles:

- 64% of businesses have verified their Google Business Profiles.
- On average, each verified business gets 1,803 monthly views.
- On average, businesses accrued 66 new Google reviews per location in 2023.

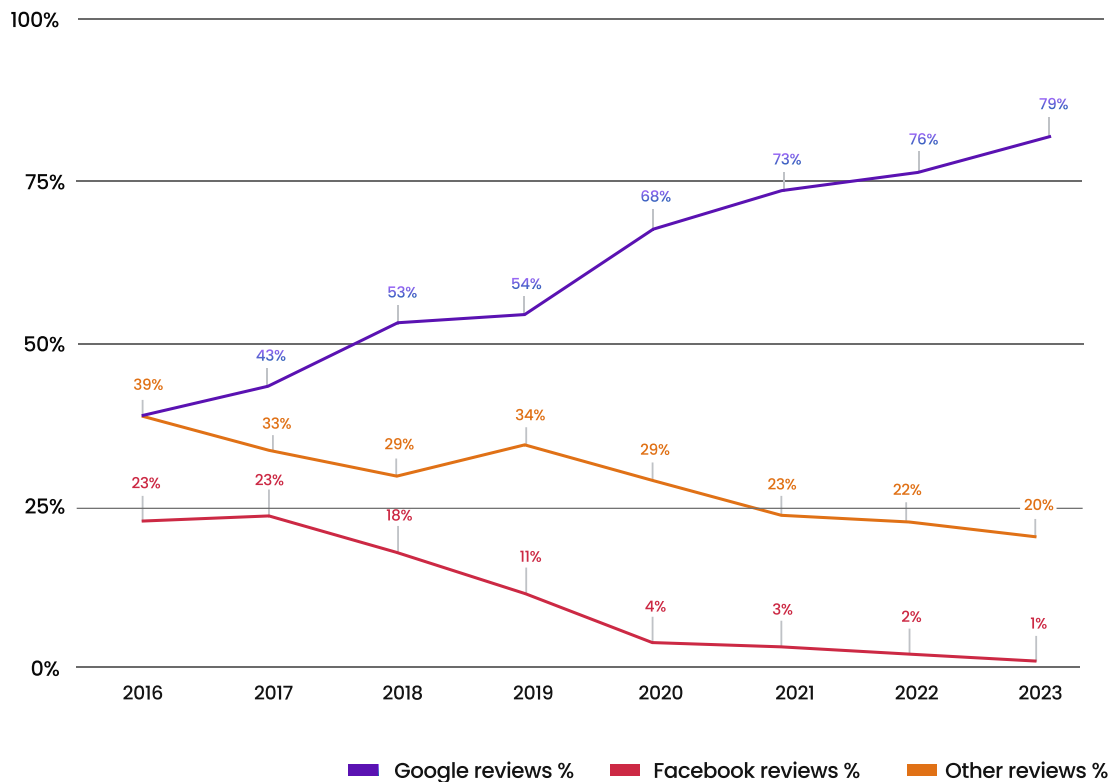
Download the [report](#) here.

# What about review sites other than Google?

Over the last eight years, we've closely monitored the evolution of online review platforms. Here are a few key observations:

- Google reviews have seen a remarkable increase, leading to a decrease in the share of reviews on other platforms, including niche industry sites.
- Facebook's share of online reviews plummeted to 1% in 2023 from 23% in 2016, indicating a significant drop in its role as a review platform.

Review volume - Google, Facebook and other sites





# How are businesses getting new reviews?

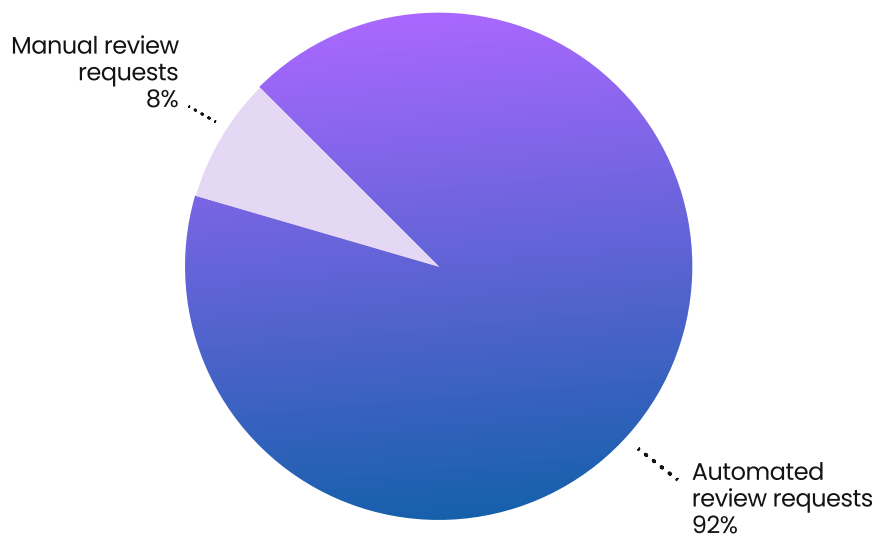
Businesses have become more proactive in soliciting online reviews to create a competitive advantage. Many are focusing on gathering immediate feedback right after a transaction and leveraging technology to automate review requests through SMS and email.

## Automation to drive reviews

With more consumers turning to online channels to discover and choose brands, automation is becoming essential for businesses to enhance their online reputation sustainably.

Manual requests are time-consuming and often can be overlooked, jeopardizing long-term reputation. Therefore, more businesses are adopting automation for review requests, ensuring consistent feedback from all customers.

Birdeye plays a pivotal role here by enabling seamless integration for businesses in various sectors. In 2023, 92% of review requests sent through Birdeye were automated, highlighting the platform's role in streamlining this process.



## Email or SMS: Which is preferred to request reviews?

Many businesses choose to solicit reviews through both email and SMS, while others focus on a single channel depending on several factors:

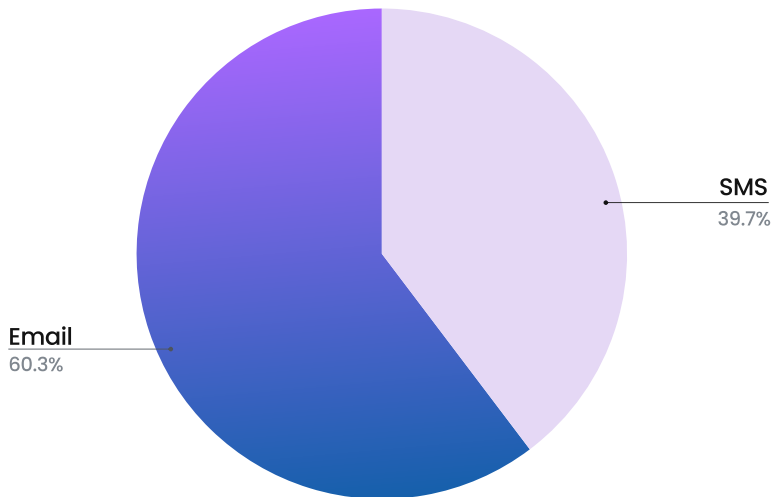
- **Target audience:** SMS appeals more to younger demographics, while email could be favored by professional or older groups.
- **Urgency and response rate:** SMS typically sees higher open and response rates, making it better for immediate feedback.
- **Cost and accessibility:** SMS may incur higher costs and has format limitations, while email is usually less expensive and supports more detailed content.
- **Customer privacy and preferences:** Some customers may perceive SMS as more intrusive than email. It's important to respect privacy and adhere to communication preferences.



## Email or SMS: Which is more efficient?

In our review data analysis, we've observed a strong preference for email as the top choice for businesses to request reviews. However, with the rise of Gen Z in the workforce and increased mobile usage across activities from social communication to services like Uber, more companies are shifting towards SMS for review requests.

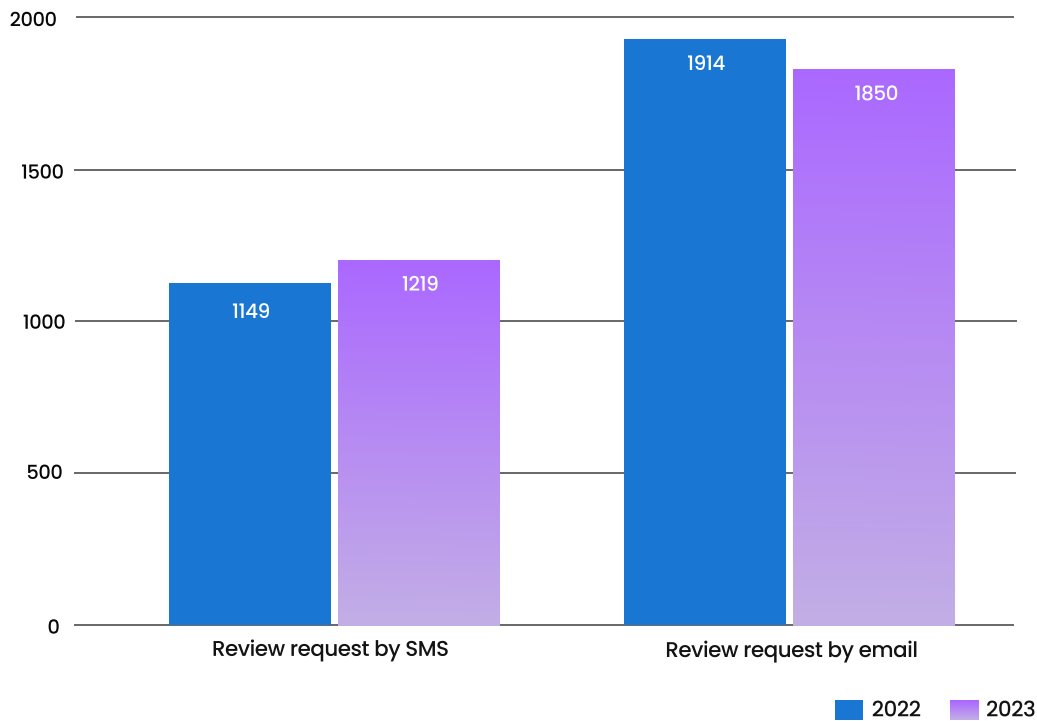
Review request (Email vs. SMS)



This trend is reflected in our study findings:

- 60% of review requests continue to be sent via email.
- In 2023, SMS usage for review requests rose by 6% from the previous year.
- Meanwhile, email usage for review requests dropped by 3% from 2022 to 2023.

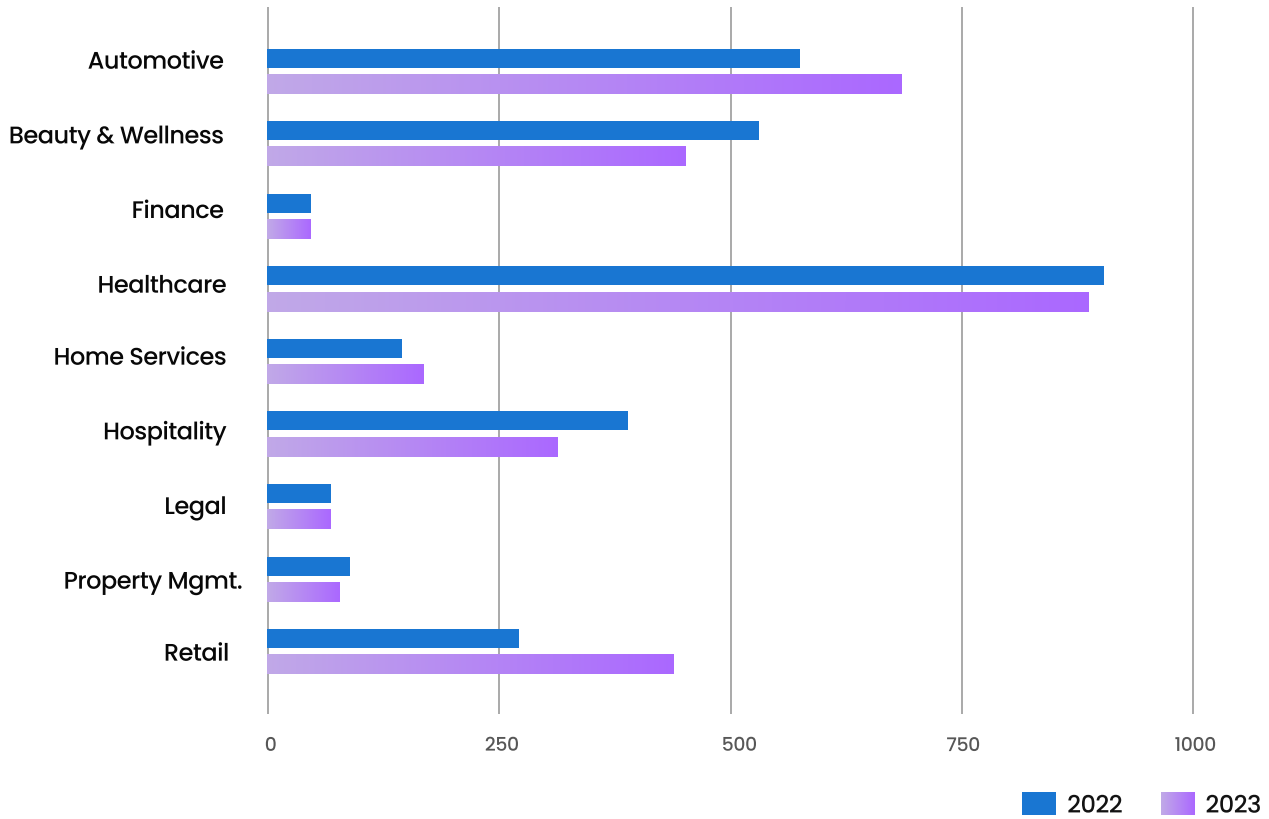
## Reviews requested via SMS and email by location



Delving further into the data reveals industry-specific trends:

- In 2023, like the year before, the Healthcare sector sent the most review requests.
- Retail saw a 58% surge, and Automotive had a 14% increase in using SMS for review requests, outpacing other industries.

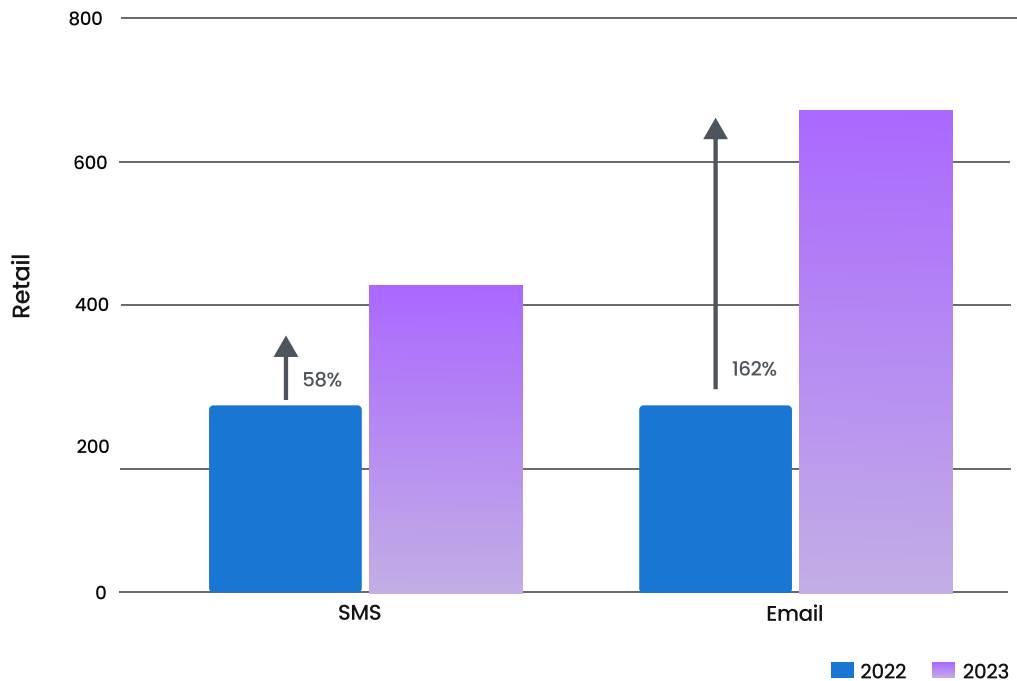
## Review requests sent via SMS by industry



The Retail industry showed the most significant annual increase in review request distribution:

- SMS review requests were up by 58%.
- Email review requests surged by 162%.

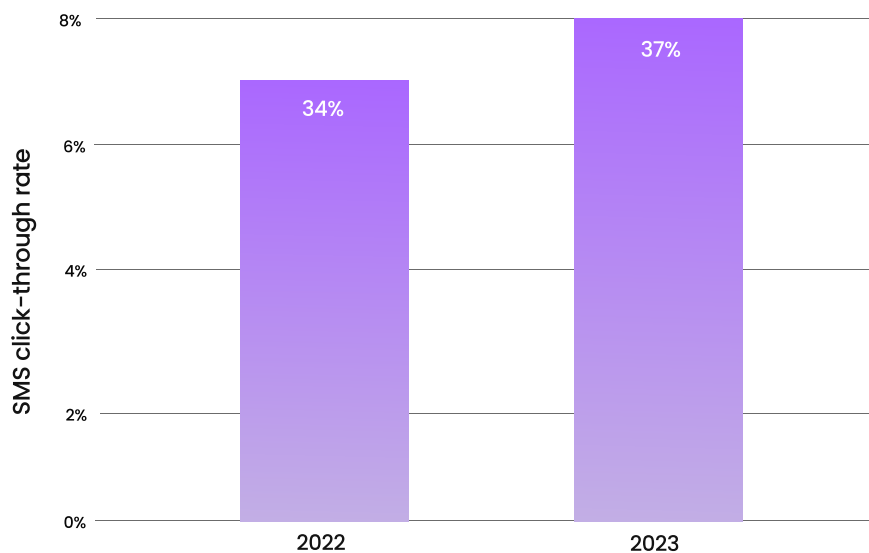
## Retail – Growth in review requests



## SMS review request performance

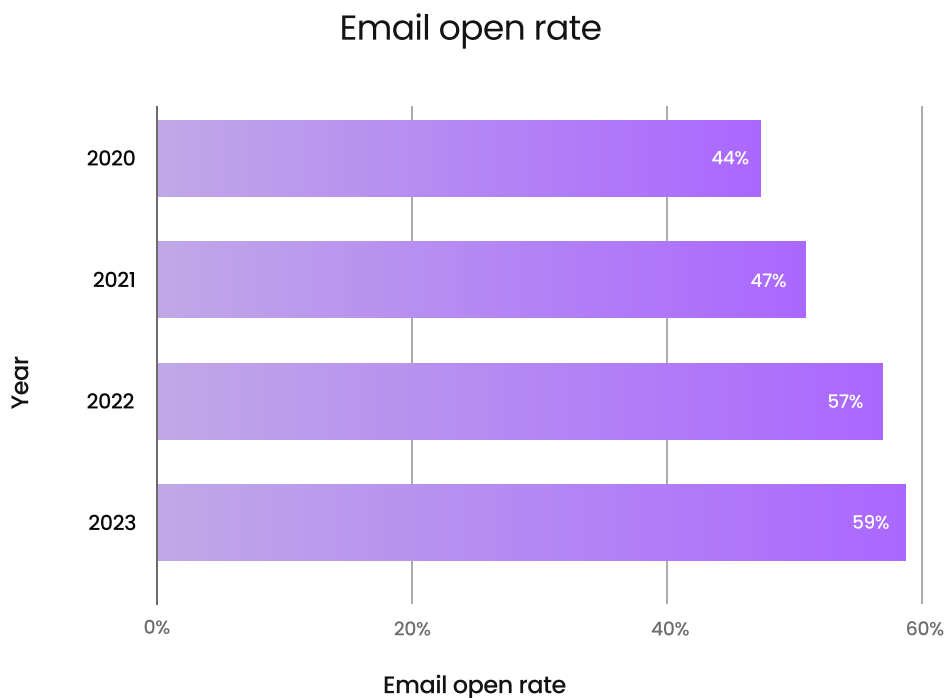
- 98% of all SMS review requests were opened, with 95% of them opened and responded to within three minutes of delivery.
- Once opened, the click-through rate of the SMS was 37% – a notable 3% increase over 2022.

## SMS click-through rate



## Email review request performance

- The email open rate has consistently increased, reaching nearly 60% in 2023.
- This boost could be partly attributed to the emails sent from Birdeye, a reliable platform, thus preventing emails from being marked as spam. This also suggests that adhering to best email practices and regulatory guidelines likely increases the chances of emails reaching and being opened by customers.
- Despite the rise in open rates, the click-through rate, which indicates the action taken on the email, has stayed stable compared to the previous year.





# Review quality

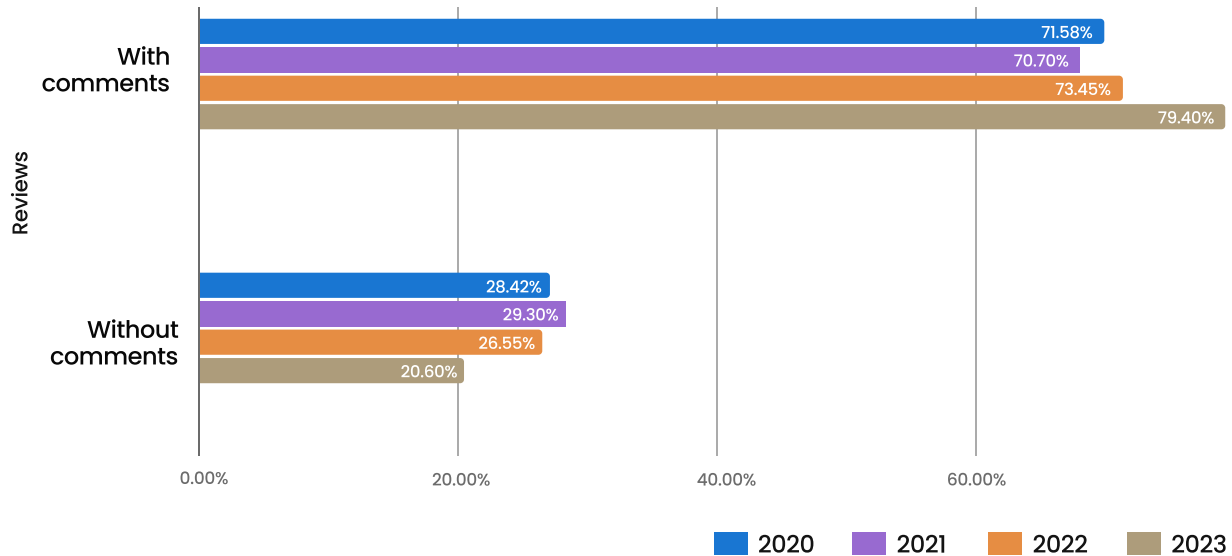
When analyzing reviews, we look beyond star ratings and overall sentiment. This involves checking for comments in the reviews and assessing review length to determine the depth and value of the information provided.

## Customer reviews with and without comments

The authenticity and rich insights from reviews with comments are crucial for businesses in making informed decisions.

- In 2023, there was a notable yearly increase of 5.95% in reviews with comments.
- We observed a decline of 5.95% in reviews without comments, reflecting the growing trust economy. This trend could also result from the strict standards enforced by review platforms to ensure the authenticity of the data provided.

## Customer reviews - with and without comments

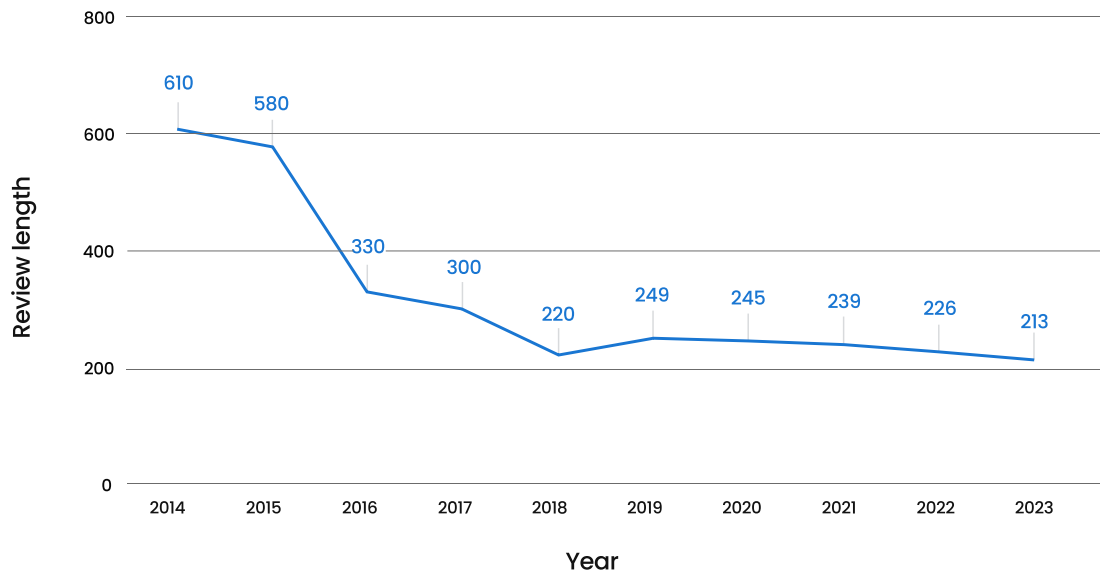


## Average review length

As mobile device usage for writing reviews has risen, customers are increasingly providing concise feedback.

- Data from 2014 to 2018 shows a consistent decline in review length.
- After 2018, this trend has stabilized, with average review lengths ranging between 213 and 249 characters.

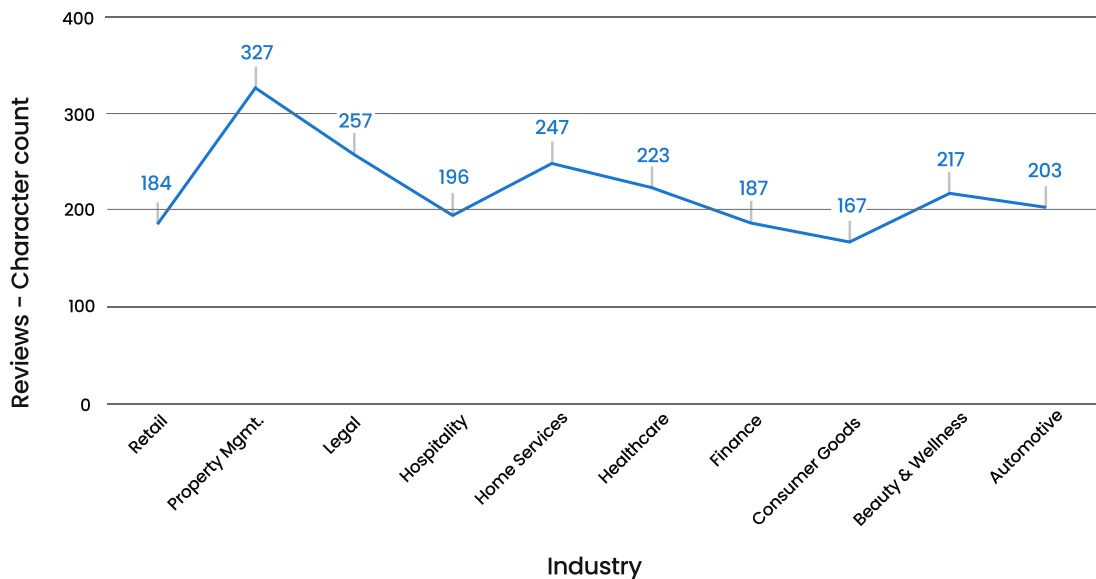
## Average review length (character count) by year



## Review length by industry

Comment length remained fairly consistent across industries, with the longest reviews found in Property Management, closely followed by Legal and Home Services.

## Reviews - Character count by industry





Here are some potential reasons for these trends:

- **Property Management:** Involvement in long-term relationships and diverse interactions, such as leasing and maintenance, encourages clients to share in-depth experiences in their reviews.
- **Legal:** The high emotional and financial stakes in legal matters lead clients to write comprehensive reviews, covering both the process and the outcome of their cases.
- **Home Services:** The direct impact of these services on daily life and living environments motivates customers to give detailed feedback on the quality and impact of the work done.

## Length of reviews across review sites

Here are the top ten review sites with the longest reviews:

- TrustRadius
- G2 Crowd
- Complaintsboard
- Caring
- Realself
- ConsumerAffairs
- Wedding Wire
- Apartment Ratings
- The Knot
- Homewarranty



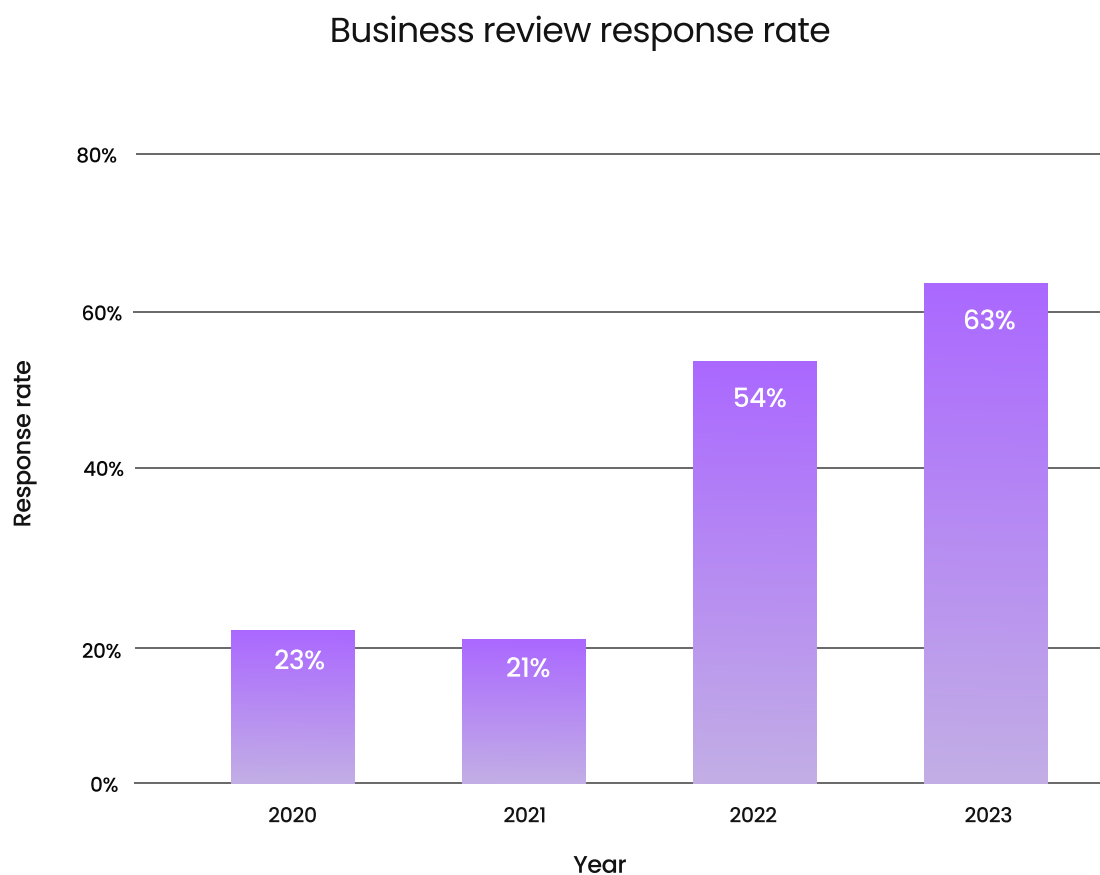
# Business response to customer reviews

Responding to customer reviews is crucial for businesses because it:

- **Builds trust:** Demonstrates a commitment to customer satisfaction, boosting credibility.
- **Improves relationships:** Helps address concerns and repairs relationships with unhappy customers.
- **Enhances reputation:** Positive responses can influence potential customers' perceptions.
- **Gains insights:** Provides a deeper understanding of customer experiences for future improvement.
- **Boosts SEO:** Interactive content can enhance online visibility.
- **Encourages more reviews:** Active engagement leads to increased customer feedback.
- **Demonstrates proactive management:** Shows a business's commitment to quality service and continuous improvement.

## How many businesses are responding to customer reviews?

It's heartening to observe a year-on-year growth in businesses actively responding to reviews. In 2023, there was a 9% increase in review responses compared to 2022.



## Manual vs. automatic review response

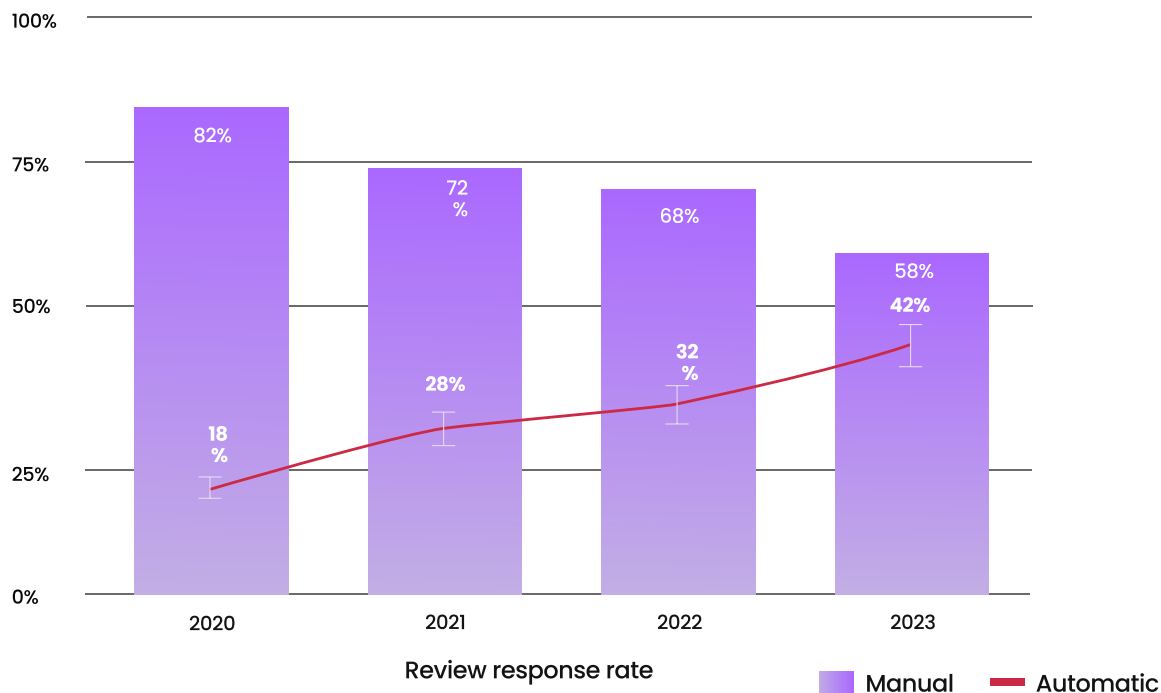
Customers appreciate when businesses acknowledge their reviews, whether by expressing gratitude for positive feedback or addressing concerns raised in negative ones.

Our survey findings indicate that personalization is key in customer retention, with expectations of tailored interactions from businesses.

- In 2023, 58% of businesses manually responded to reviews, down 10% from 2022.
- There was a shift towards automated responses, with 42% of review responses in 2023 being posted automatically.

Thanks to advancements in AI technology, we expect this trend to continue, with more businesses adopting automated systems to respond to reviews. According to our recent data, 88% of Birdeye customers have used AI-generated review responses in the past 6 months.

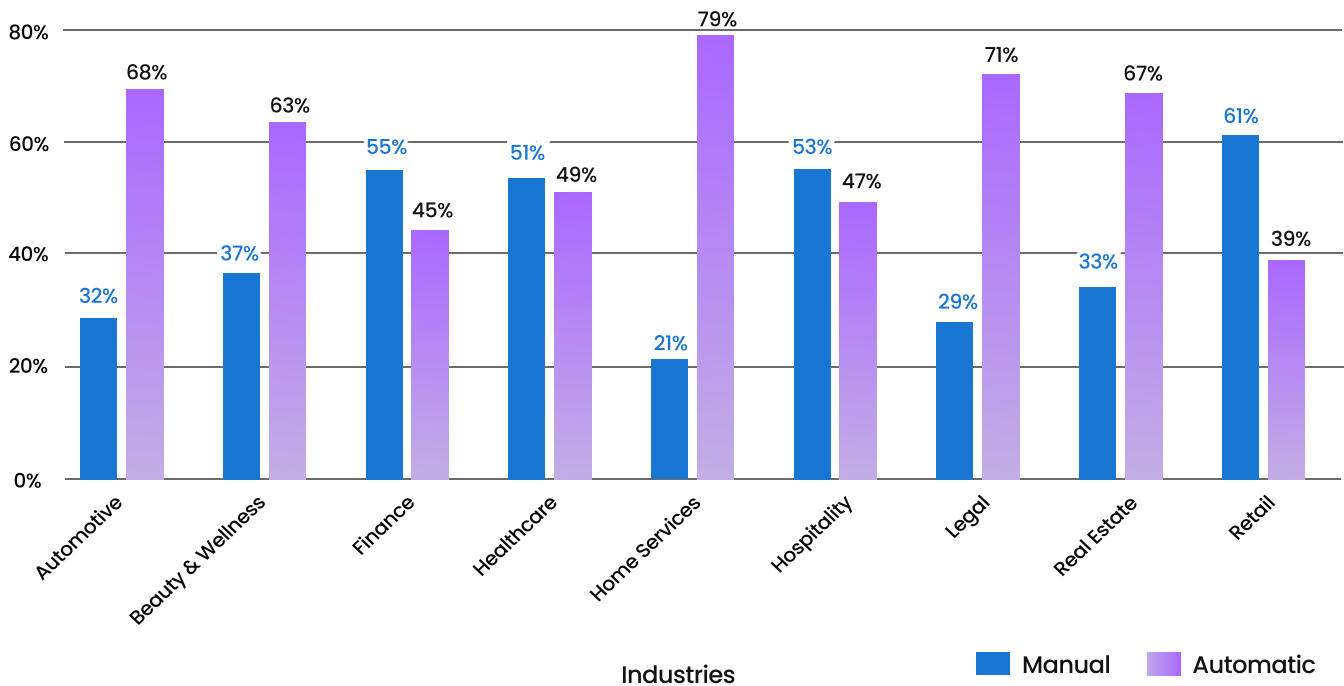
Review response - Manual vs. Automatic



Here are some more interesting findings:

- The highest adoption of automated review responses was observed in the Home Services (79%) and Legal (71%) sectors, followed by Automotive (68%) and Property Management (67%).
- Conversely, in Retail (61%), Hospitality (53%), Healthcare (51%), and Finance (55%) sectors, over half of the reviews were responded to manually.

Industry wise review response - Manual and Automatic

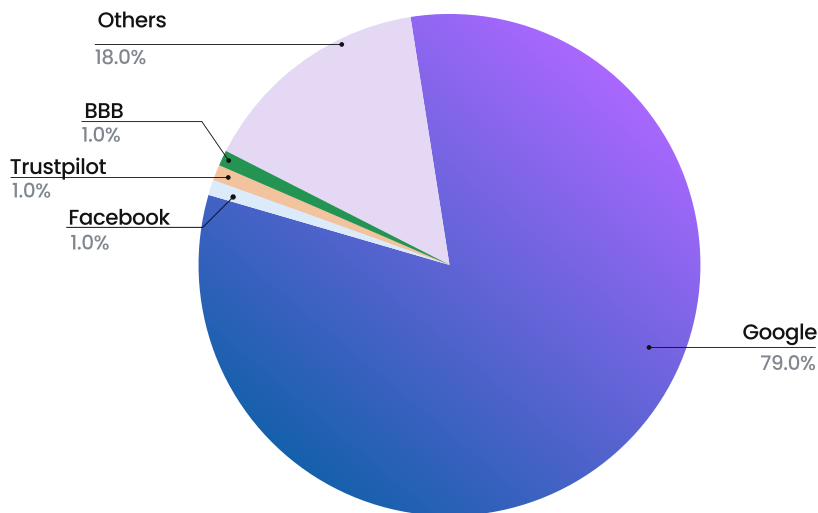




# Online review trends

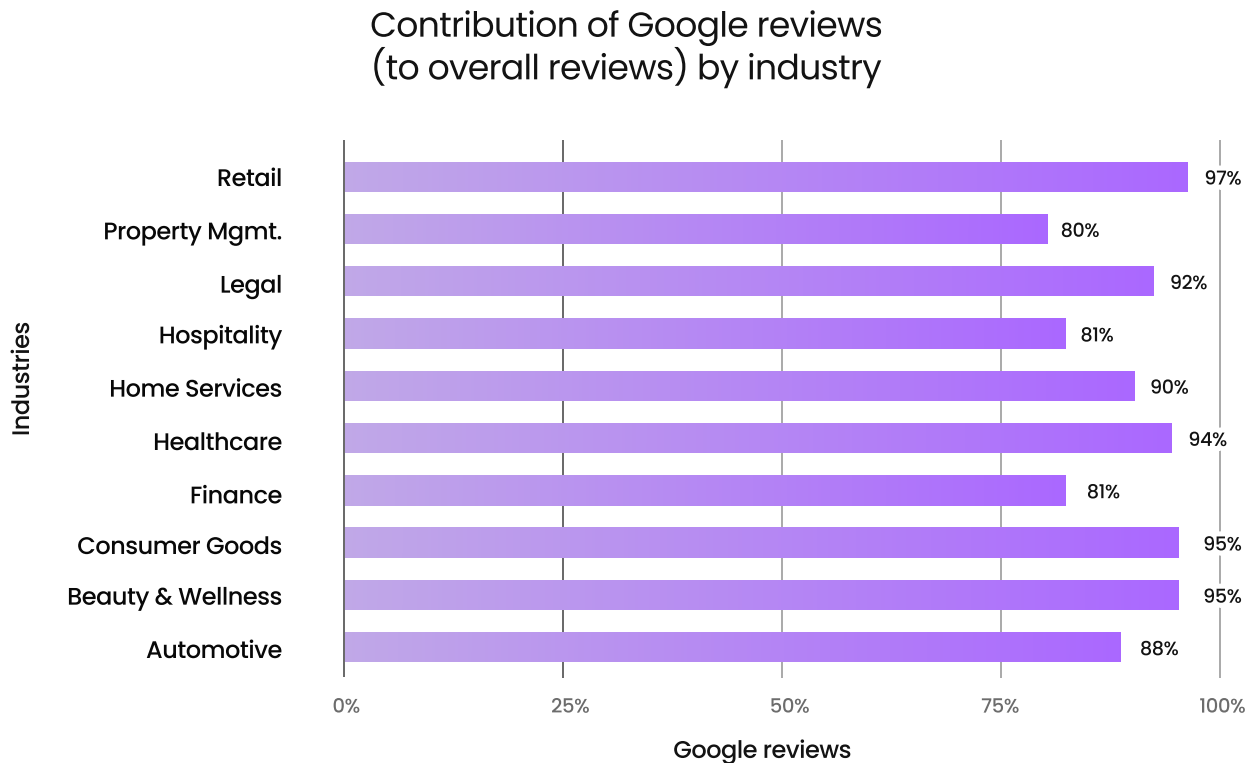
## Where are most of the reviews being written?

With Google dominating the review landscape, it's noteworthy that 28% of "nearby" or "near me" searches directly result in purchases. This impact is due to Google reviews enhancing search rankings and SEO efforts which boosts both online and in-store traffic. Additionally, an impressive 72% of local Google searches lead to consumers visiting a store within a five-mile radius.



## Google reviews by industry

As noted earlier, Google reviews represent 79% of all online reviews. The following graph displays the distribution of Google reviews across different industries. Although Google reviews form a substantial part of online feedback, their dominance varies, with certain industries demonstrating a notably higher dependence on Google reviews.



## Industry-specific review sites

Although Google is often the primary choice for authentic reviews, consumers also turn to other influential sites for choosing businesses across various industries. Hospitality, Finance, and Property Management, in particular, benefit significantly from reviews on specialized niche sites. Below is a compilation of some of the leading authoritative sites where consumers frequently post and read reviews.



### Automotive

DealerRater, Carfax, Carwise, Cars.com, Cargurus, Edmunds



### Finance

Credit Karma, LendingTree, WalletHub, Home Warranty



### Legal

Lawyers.com, Avvo, Martindale



### Healthcare

Healthgrades, RateMDs, ZocDoc, Vitals, Wellness



### Hospitality

OpenTable, Booking.com, Trip Advisor, Expedia, GrubHub, The Knot, Wedding Wire, Airbnb, Orbitz



### Home Services

ConsumerAffairs, Guild Quality, Angi, HomeAdvisor, Home Stars, Thumbtack



### Property Management

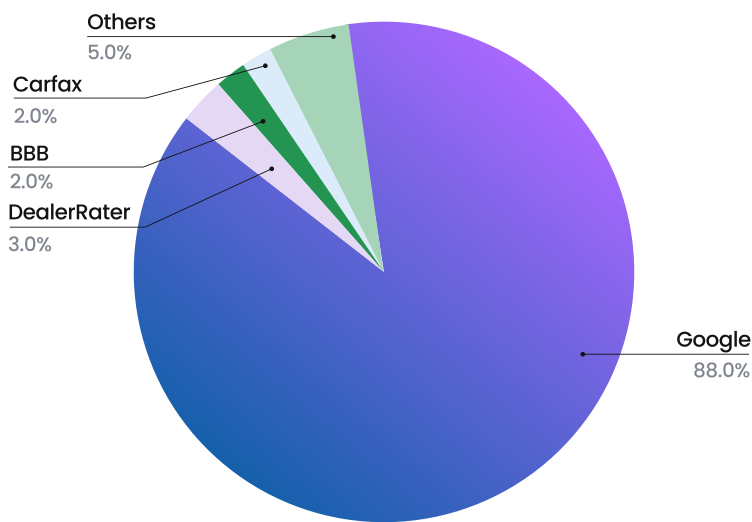
ApartmentRatings, Apartments, Zillow, Houzz, Rent, Ratemyagent.com.au

Let's examine where each of these industries is garnering new reviews—on general consumer review sites, niche review platforms, or a mix of both.



## Automotive

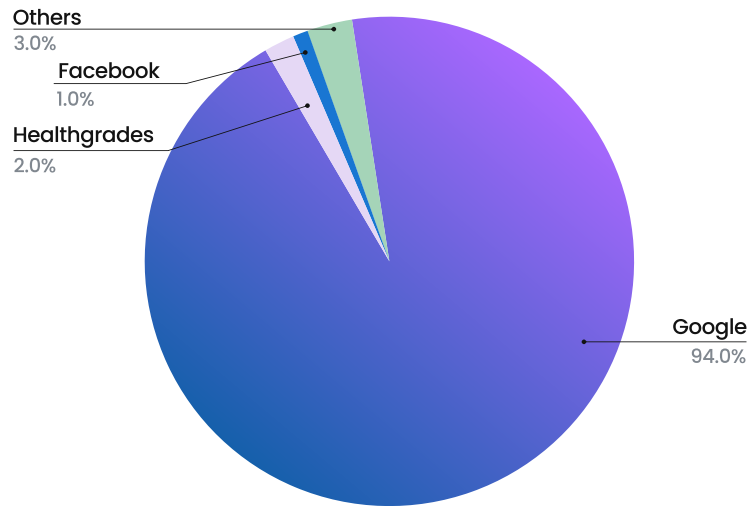
For the automotive industry, although reviews are common on platforms like Google and BBB, DealerRater emerges as a key specialized site. Other significant niche sites include Carwise, Cars.com, Carfax, and Edmunds. Given that 86% of car shoppers turn to online research before stepping into a dealership, these targeted review sites play a pivotal role in influencing buyers' choices.



## Healthcare

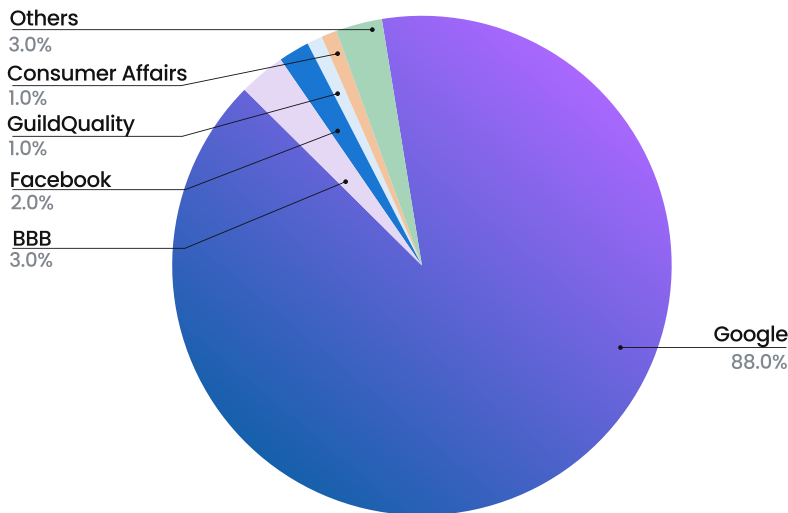
Patient reviews are essential for understanding healthcare practices' public perception and influencing potential patients. The analysis of healthcare business reviews on the Birdeye platform confirms Google as the leading site for healthcare reviews.

However, patients are also actively engaging with niche sites like Healthgrades, Vitals, and Zocdoc to read and write reviews. These specialized sites provide detailed information about providers, including telehealth options, hospital affiliations, and insurance acceptance, helping patients make informed decisions.



## Home Services

Google dominates as the primary review platform for the Home Services industry, with only 10% of reviews on sites like ConsumerAffairs, Angi, and HomeAdvisor. These niche sites provide features like “overall satisfaction ratings”, “certificates of excellence”, and “partner accreditations” for a fee, offering proof of service quality and helping homeowners confidently select service providers.

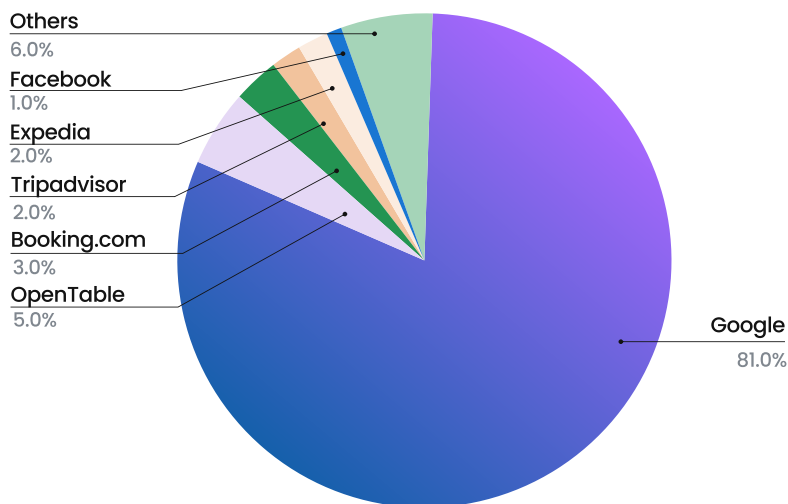


## Hospitality

In our recently released research study, titled '[Impact of Online Reviews on Multi-location Businesses - 2023 Data Report](#)', it was found that 73% of participants reported searching for local restaurants in the past year. This can be because of the following reasons:

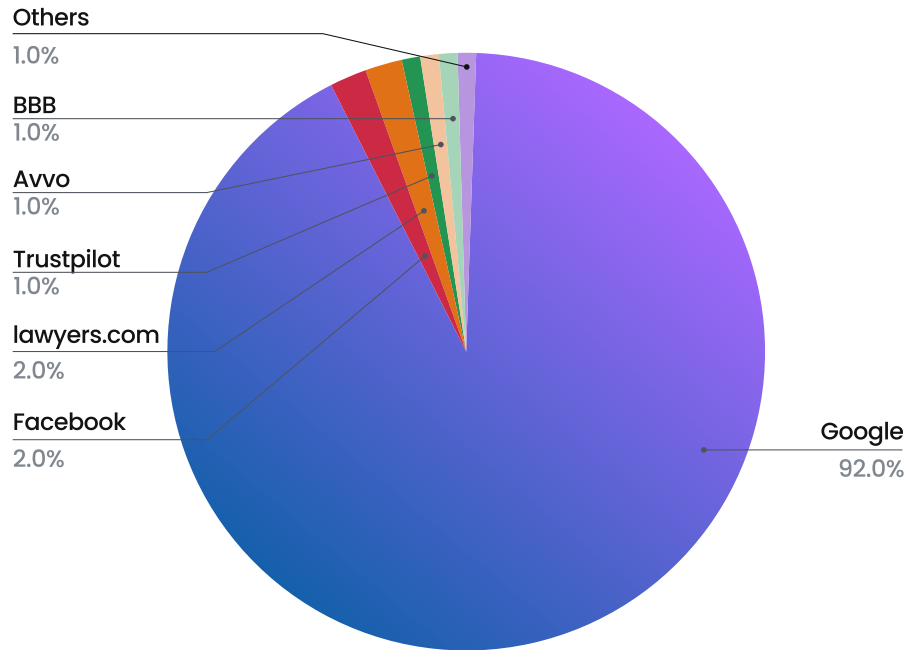
- **Growing use of online search:** People increasingly rely on online platforms to find local dining options.
- **Local dining interest:** There's a heightened interest in exploring and supporting local restaurants, particularly post-pandemic.
- **Social influence:** Recommendations through social media and word-of-mouth are driving more people to search for local eateries.
- **Diverse cuisine options:** The wide array of dining choices available locally sparks curiosity and interest among consumers.

Though Google still remains top on the list for identifying dining options, other niche sites also have a significant share of reviews in the hospitality industry eg: OpenTable and Booking.com



## Legal

Google dominates the legal industry's online reviews, hosting 92% of them. Yet, niche sites like Lawyers.com, Avvo, and Martindale maintain a considerable share, underscoring their continued importance. These specialized platforms often give more relevant details about lawyers or law firms than Google reviews, including affiliations, memberships, and awards, providing a clearer view of the legal professionals' experience and expertise.

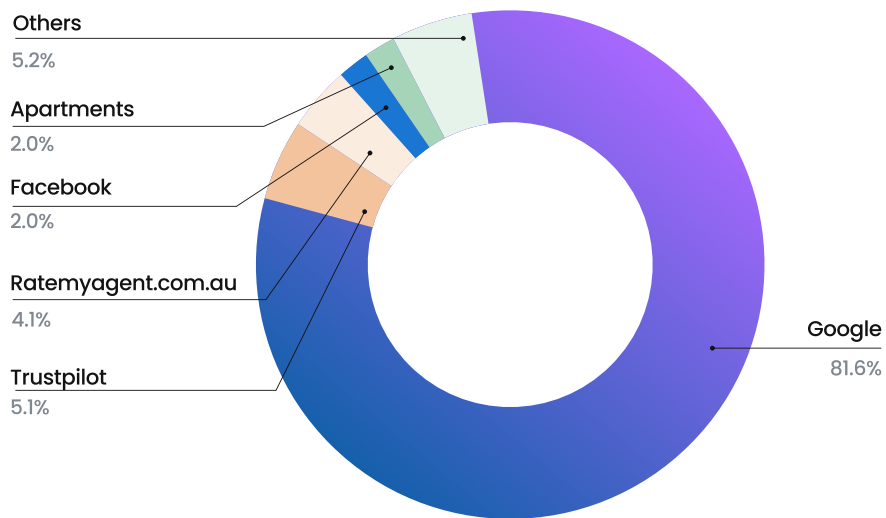


## Property Management

Property management companies often struggle to maintain a positive online image due to serving both landlords and tenants. Their primary commitment to landlord interests can lead to negative tenant reviews, especially over landlord-favoring policies.

Encouraging reviews can be a strategic approach for property managers to balance feedback from both groups, improving their online presence.

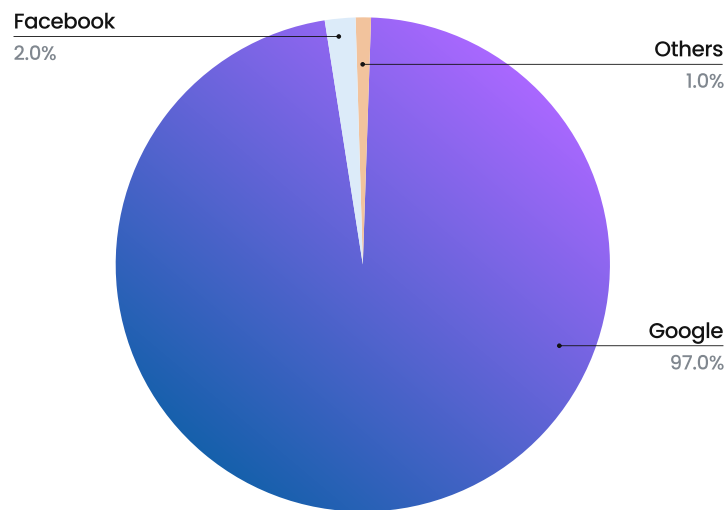
Like other industries, Google reviews dominate in the Property Management sector, but 20% of reviews are found on other platforms. Specialized sites like apartments.com and apartmentratings.com are crucial, providing detailed apartment listings, including floor plans and pricing, which are essential for prospective renters.



## Retail

The retail sector is diverse and segmented by product types, leading customers to use various platforms for reviews. Consequently, there is no single review site that caters to the entire market.

A customer's choice of review platform often depends on their goals—like increasing visibility, improving SEO, or directly interacting with businesses—and the specific nature and audience of the retail establishment. Therefore, it's not surprising that most reviews are found on platforms like Google or Facebook, rather than elsewhere.





# Summary

Online reviews continue to play a crucial role in consumer decision-making, with a significant shift towards digital feedback shaping brand reputations and consumer choices. The landscape in 2024 highlights the dominance of Google reviews and an increased focus on automation and quality in review management, reflecting changing consumer behaviors and technological advancements.

Key highlights include:

- **Growth in reviews:** A 5% increase in online reviews in 2023, with Google reviews jumping by 15%.
- **Rising engagement:** More businesses are responding to reviews, particularly through automated means.
- **SMS is gaining traction:** SMS is outpacing email in review request engagement with a higher click-through rate.
- **Sector-specific trends:** Retail and Legal sectors lead in automation adoption for review solicitation and management.
- **Quality emphasis:** A shift towards substantive reviews underscores a preference for quality over quantity.

Birdeye's AI-driven platform is a crucial tool for businesses aiming to efficiently navigate the evolving review ecosystem. It enables automating review solicitation and response processes, ensuring timely and personalized customer interactions. Utilizing Birdeye, businesses can gain actionable insights from customer feedback, enhance their online visibility, and strengthen customer relationships through intelligent, scalable solutions tailored to meet the digital age's demands.

## Research methodology

This report is based on data gathered from over 150,000 businesses that are customers of Birdeye. The data compilation and analysis were conducted at the industry level, ensuring no proprietary information was utilized in this study. These businesses span a broad spectrum of industries, making the data representative of their sectors.



# Boost your online review management with Birdeye

As a leading partner in the online review ecosystem, Birdeye delivers comprehensive tools to amplify your review management across multiple platforms. With Birdeye, you have the ability to:

- Automate the collection and dissemination of reviews, establishing trust with social proof.
- Respond to reviews across platforms, highlighting your exceptional customer service.
- Gain insights with analytics to enhance your visibility and SEO on multiple review sites.



Discover the full potential of your online reviews. Why wait? Explore Birdeye today.

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