



## Managing Online Reviews Can Strengthen Customer Relationships

business customers customer experience

**Summary:** Online reviews are gaining importance. In fact, 79% of people trust the online reviews of strangers, as much as they do recommendations from family and friends. Community financial institutions need to actively monitor and manage their online reviews, in order to continue developing and deepening customer relationships. So, we explore how to get online reviews and manage this process.

One of the most recognizable songs from Stephen Sondheim's 1987 Tony award-winning musical, *Into the Woods*, is "Children Will Listen." On its face, this tune summarizes the experiences of widely recognizable fairy tale characters, such as Little Red Riding Hood. But the message Sondheim wanted to convey was that children not only listen to and watch adults, but they also learn from what they see and hear.

While Sondheim's message was tailored around impressionable young children, it extends beyond childhood. Today, everyone is influenced by social media and online resources, especially online reviews and business ratings. In fact, 79% of people trust the online reviews of strangers as much as they do recommendations from family and friends, according to a recent survey from Bright Local, an SEO firm.

Given the importance of online reviews these days, community financial institutions (CFIs) cannot afford to ignore them, as they strive to develop and deepen customer relationships.

**The expanded importance of reviews.** It wasn't long ago that people sought peer reviews from online sources such as Google and Yelp primarily for restaurants, but now that has been extended to all businesses, large and small. As the world has shifted towards more and more online activities, consumers have looked for and valued online reviews for individual products, professional services, and even financial services. Not only that, but they take these reviews seriously, whether they are positive or negative. Bright Local found that 87% of people read online reviews for local businesses and [94% are more likely to use a business that has positive reviews](#). This may seem obvious, but the overwhelming reliance on online reviews should not be lost on CFIs as part of their relationship-building efforts.

**Quantity vs. quality.** As anyone who has ever made a purchase on Amazon knows, products and businesses with reviews, particularly multiple reviews, are perceived to be more appealing and could even entice people into paying more for something, despite the availability of a less expensive similar product or service. The good news is that it doesn't require hundreds of reviews to influence consumers. According to the findings of the Spiegel Research Center, even having just five reviews increases a consumer's likelihood of committing to a product or service by 270%.

Given this reality, here are **five ways to approach online reviews** to maximize customer relationship-building opportunities.

1. **Ask for reviews.** Don't just wait for customers to weigh in on your organization. Take the initiative and ask for reviews. Incorporating a review into your onboarding process, when the customer experience is a good one,

is one way to do this. Train bankers to follow up with customers after fruitful meetings asking for a review, with a link to a platform where customers can easily weigh in.

2. **Make it easy.** The easier it is for someone to leave a review, the more likely they are to do so. Make sure to provide people with a one-click option and simple instructions for feedback.

3. **Monitor reviews.** Make sure to actively monitor reviews of your institution and demonstrate that your organization cares about what people have to say by acknowledging each and every review, particularly negative reviews. Addressing a negative review will show that you are committed to getting it right, which goes a long way for a prospect that sees how you talk to your current customers. In fact, ReviewTrackers found that 45% of people are more willing to use a business that acknowledges and responds to negative online reviews. Reviews should be monitored on a daily basis, so automated review notifications can help CFIs keep track.

There is no shortage of online review sites, but it is important to actively monitor those that get the most traffic and are most trusted among consumers. CFIs should ensure not only that you have a presence on these sites and search engines, but that you also actively monitor the sites and your reviews. Some popular sites and search engines that you should consider are Yelp, Google, Lending Tree, Credit Karma, SuperMoney; Consumer Financial Protection Bureau; MyBankTracker, and WalletHub.

4. **Consider criticism.** It is equally important to be open to any criticism that people give to see if there are things your institution can learn from such reviews too. This is especially true if the same criticism seems to surface more than once. Using these reviews as learning opportunities allows you to better serve your customers and makes your institution even stronger.

5. **Publicize the positive.** Make sure to tout any positive reviews your organization receives, whether through communications with existing customers, social media platforms, online ads, or even with the help of third-party review offerings.

Online reviews have surged in the past few years. CFIs that are proactive in asking for, monitoring, and managing their online reviews will not only learn from their customers, but will also solidify customer relationships.

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## ECONOMY & RATES

Rates As Of: 05/02/2022 10:17AM (GMT-0700)			
Treasury	Yields	MTD Chg	YTD Chg
3M	0.85	0.33	0.79
6M	1.41	0.35	1.22
1Y	2.08	-0.01	1.69
2Y	2.73	0.01	2.00
5Y	3.01	0.05	1.74
10Y	3.00	0.06	1.48

30Y	3.06	0.06	1.15
<b>FF Market</b>		<b>FF Disc</b>	<b>IORR</b>
0.33		0.50	0.40
<b>SOFR</b>		<b>Prime</b>	<b>QBER</b>
0.28		3.50	0.32

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