

THE STATE OF GOOGLE REVIEWS

A SOCi Research Report



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01

INTRODUCTION

Google is by far the most popular platform today for searches of all kinds, including searches for local businesses. In fact, consumers choose Google more than twice as often as any other platform when looking for local business information online. SOCi research has shown that top-ranked businesses in Google local searches earn significant advantages over the competition. Businesses ranked 1 to 3 in local results — those who win placement in Google's 3-Pack — earn 126 percent more consumer traffic and 93 percent more conversion-oriented actions than businesses ranked further down.

Review factors such as overall star rating, count of reviews, and keywords in review text play a significant role in search ranking. What's more, reviews are the single most important criteria in consumers' minds for differentiating one business from another, with 89 percent of consumers saying they read online reviews before making a purchase decision.

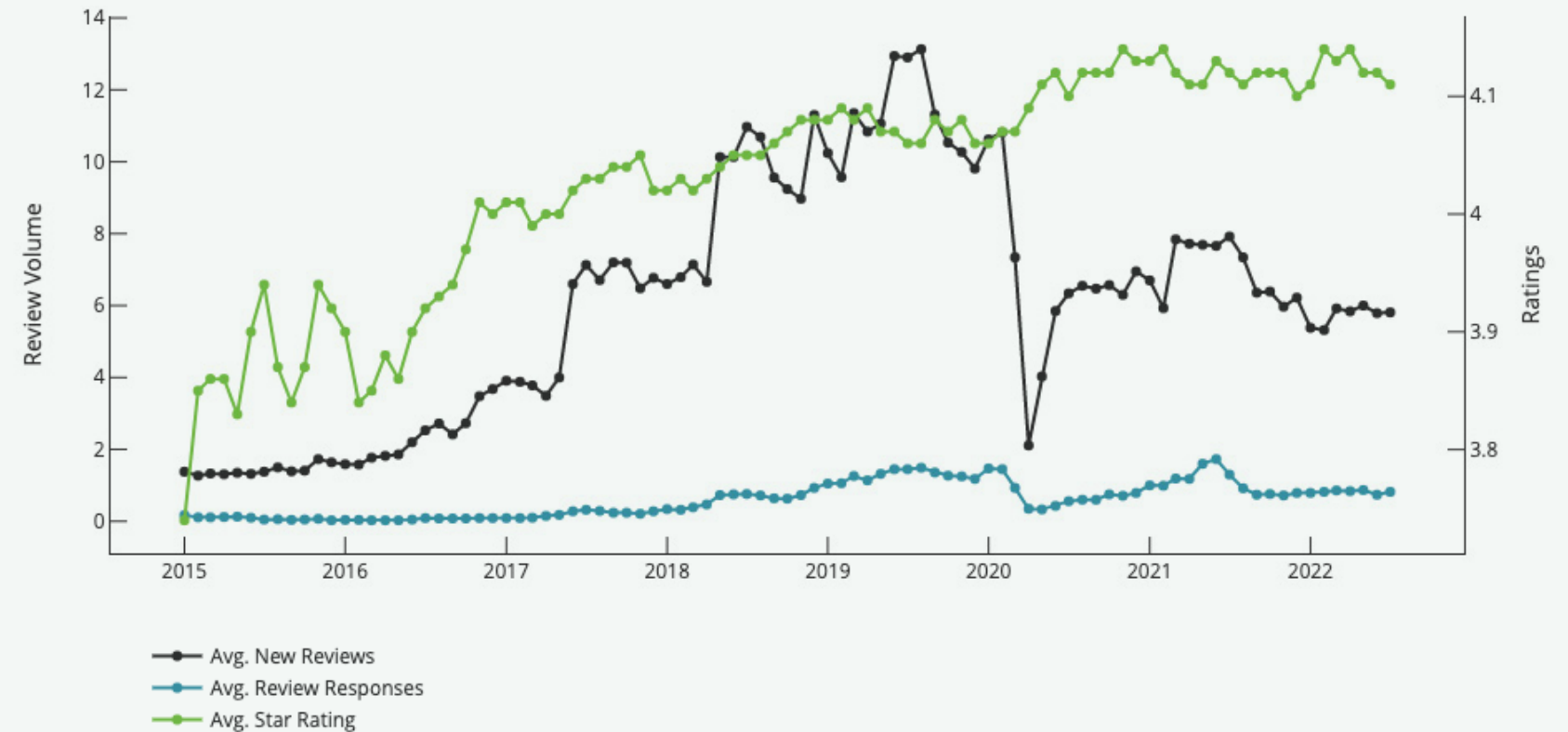
We wanted to dig into some of the detail behind these high-level findings to help marketers understand the impact of Google reviews by industry, as well as recent historical trends in Google reviews that may indicate what the future holds.

Businesses ranked 1 to 3 in local results — those who win placement in Google's 3-Pack — earn 126 percent more consumer traffic and 93 percent more conversion-oriented actions than businesses ranked further down.

We also wanted to see if we could quantify the impact of improvement in review metrics to the likelihood that a local business will convert online searchers into offline customers. That's where this report comes in.

Our analysis used a dataset of 31,326 Google profiles for a selection of the multi-location brands managed by SOCi, with historical data on 4.9 million total reviews going back to 2007, the beginning of time for Google reviews. However, we felt that a focus on 2015 to present would be the most pertinent for our purposes since it was during this period that Google reviews came to dominate the reputation management sphere for local businesses. Our analysis includes brands in 18 B2C industries, covering a broad range of business types.

HISTORICAL TREND IN REVIEWS, RATINGS, AND RESPONSES



02 KEY TAKEAWAYS

- 1 Though Google publishes approximately 78 percent of all local reviews, the volume of new reviews on Google decreased significantly during the pandemic and has not recovered. On average, businesses earn 56 percent fewer new reviews per month in 2022 than they did in 2019.
- 2 Google star ratings have become inflated over time. In 2015, the average business had a rating of 3.74 stars, whereas the current average is 4.11 stars.
- 3 Google reviews with a star rating, but no text, have become more common over the years. In 2015, 76.2 percent of Google reviews included text; today, the percentage is just 54.2 percent. Reviews with text are, however, slightly up in 2021-2022 compared to 2019-2020.
- 4 Businesses with higher star ratings are more likely to be chosen by consumers over the competition. Conversion of Google profiles, measured by the percentage of consumers seeing a Google profile who take action to visit the business, improves by 44 percent when a business increases its average rating by one full star — for instance, from 3.0 to 4.0.
- 5 Every tenth of a star increase improves conversion by 4.4 percent.
- 6 Consumers are also more likely to choose a business with a greater number of reviews. For every 10 new reviews earned, conversion of Google profiles improves by 2.8 percent
- 7 Consumers prefer businesses that respond to reviews. For every 25 percent of reviews responded to, conversion of Google profiles improves by 4.1 percent. Responding to 100 percent of reviews, as opposed to none, boosts conversion by 16.4 percent.
- 8 Businesses, on the whole, respond to a greater proportion of very positive or very negative reviews (either 5 stars or 1 star) than they do reviews in the middle range (2, 3, or 4 stars).

INDUSTRY-SPECIFIC TAKEAWAYS

- The industries with the highest review response rates are automotive, cosmetics & skincare, and insurance.
- In five other industries, little to no review response was detected including: sporting goods, grocery, craft stores, discount stores, and gas & convenience. These industries have the largest opportunity to engage with local consumers.
- Department stores, restaurants, and home & office services earn more reviews than any other industry.
- The highest-rated industries are moving & storage, home & office services, and cosmetics & skincare.
- The lowest-rated industries are automotive, pharmacy, and healthcare.
- Healthcare reviews tend to be the longest of any industry, followed by hotels and pharmacies, indicating greater opportunity in these industries to analyze review content for detailed customer feedback.
- The industries with the shortest reviews are craft stores, gas & convenience, and department stores.

03 HIGH-LEVEL TRENDS IN GOOGLE REVIEWS

Review Volume Growth Has Plateaued

Studies have **shown** that Google is the dominant publisher of local reviews, overtaking other sites in the total volume of reviews starting in about 2017. SOCI's own **2022 Localized Marketing Benchmark Report** found that the average business has **223.9 reviews** on Google, as compared to 19.8 reviews on Yelp and 24.3 recommendations on Facebook.

With that background in mind, we were interested in the historic growth rate of Google reviews, as well as the impact on review volume of recent events like the COVID-19 pandemic and the rise of social media as an alternative to search. Our findings show that review volume on Google peaked in August 2019, with the average business receiving 13.1 new reviews during that month.

Google shut reviews down during the early months of COVID, as reflected in the considerable drop between February and April 2020. Once restored, growth in review volume peaked again in July 2021, only to decrease gradually in the months since. As of July 2022, the average business is only generating 5.8 new reviews per month, a **56 percent** dropoff from peak volumes before the pandemic. This lower (though relatively steady) volume of new reviews may in part reflect a **turn** in consumer attention towards social media platforms like Instagram and TikTok as a source for local recommendations.

HISTORICAL TREND IN VOLUME OF REVIEWS



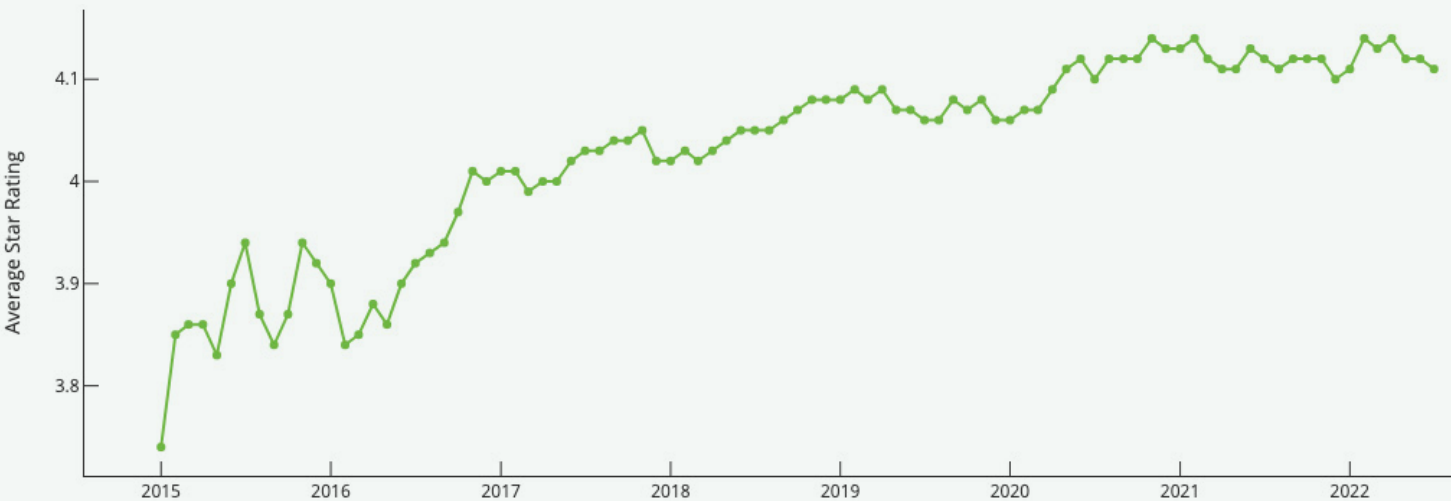
03 HIGH-LEVEL TRENDS IN GOOGLE REVIEWS

Average Ratings Subject to Inflation

In comparison to other local platforms, Google reviews skew positively. Our previously mentioned LMBR data shows, for example, that the average rating of a business on Google is a full 1.0 star higher than on Yelp, with both using a five-star scale. The historical trend, as depicted in our following chart, shows that ratings are inflated on Google relative to their historical trend.

As of July 2022, we find that the average business on Google has a rating of 4.11 stars; this average has crept higher and higher over the years. At the beginning of the historical range we focus on in this report — January 2015 — the average business was rated at 3.74 stars. This means that ratings have positively increased by a rate of approximately 10 percent during the past seven years. The inflation of Google ratings seems likely due to Google’s aggressive solicitation of reviews from Local Guides — volunteers who earn points by contributing reviews and other content — and Google Maps users, as well as the company’s relatively lax (compared to Yelp) policies on review moderation.

HISTORICAL TREND IN AVGERAGE OF STAR RATING



03 HIGH-LEVEL TRENDS IN GOOGLE REVIEWS

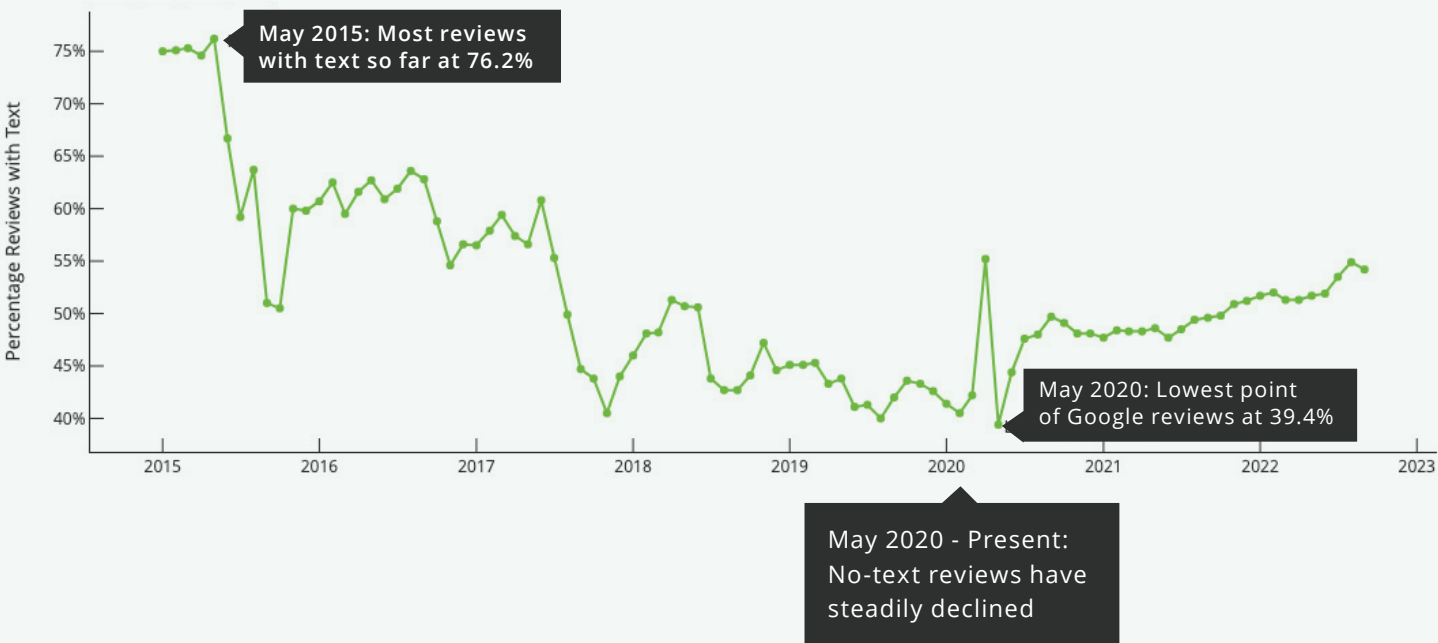
Reviews with Text Less Common over Time

Google is one of the few local platforms that permits users to leave a rating without any corresponding review text — we might call them “ratings-only reviews.” This practice, along with the other factors we’ve mentioned, contributes substantially to the much higher volume of reviews on Google than on other platforms since our counts include reviews with no text.

Ratings-only reviews offer a shallow barrier to entry and have been a popular alternative for Google users. Indeed, some **52.4 percent of all Google reviews in our data** had no text at all. In examining the historical trend regarding these types of reviews, we found a significant decline in reviews with text.

In May 2015, Google reviews with text reached an apex of 76.2 percent; that percentage fell to just 39.4 percent of new reviews at the lowest point in May 2020. Overall, from 2015 to present, reviews with text have declined by 28 percent. However, new reviews without text are slightly less common now than at any time since August 2017. Flipping this chart on its head would demonstrate that no-text reviews have declined steadily since May 2020, though still more numerous than before 2017.

REVIEWS WITH TEXT LESS COMMON OVER TIME



04 THE POWER OF GOOGLE REVIEWS

Influence of Star Rating on Conversion

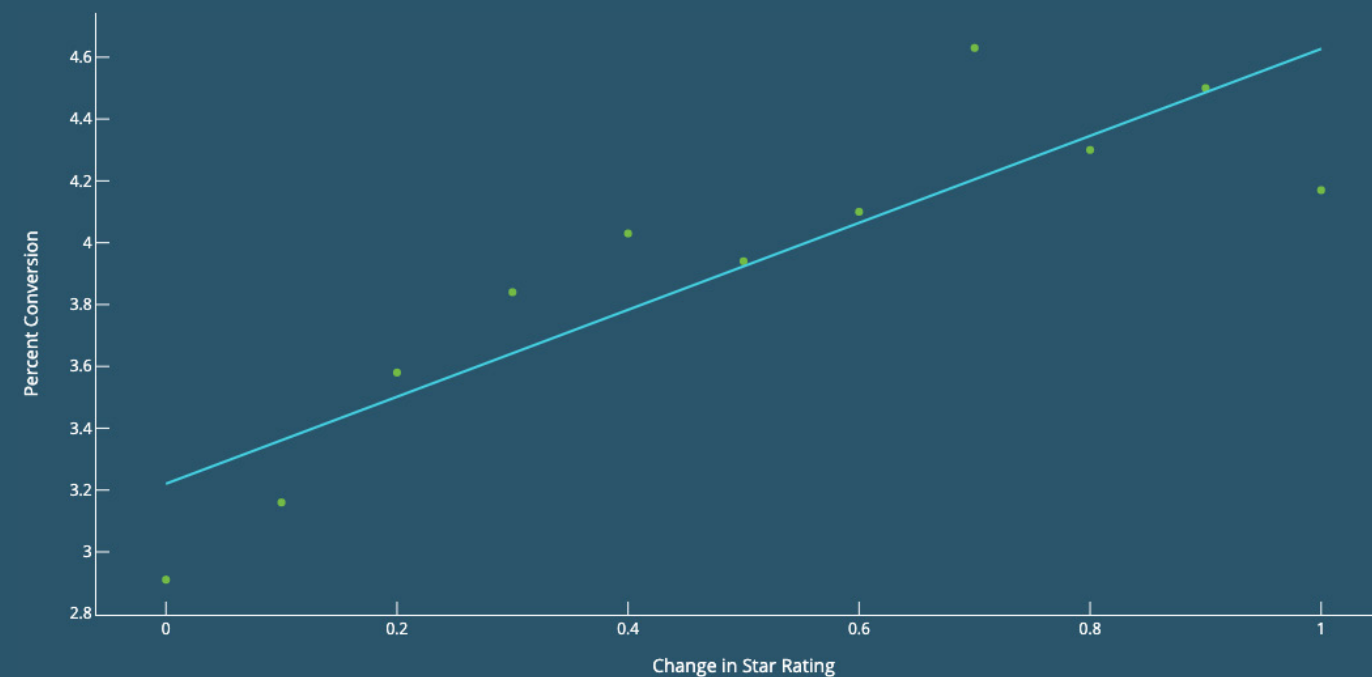
Reviews are known to exert an influence on the ranking of Google Business Profiles (GBPs) in both Google Search and Google Maps. We can infer that positive reviews also influence conversion, in the sense that businesses with a greater number of positive reviews are more likely to be chosen over competitors whose average rating or count of positive reviews is lower. One of our main questions was whether such an influence could be quantified.

For the purposes of this study, we define conversion as the proportion of actions to searches; in other words, the proportion of appearances in search that result in a conversion-oriented action such as a **phone call, a website click, or a request for directions**.

Overall, we found that Google profiles convert by this definition at a standard rate of 2.3 percent. We plotted the conversion rate against month-by-month increases in star rating, focusing on the most common increments, which fell between 0.1 and 1 stars. By this measure, we found that an increase in one full star — for instance, a business that increases its average Google rating from 3.0 to 4.0 stars — corresponds with a 44 percent increase in conversions. Each tenth of a star, therefore, increases conversion rate by 4.4 percent.

Each tenth of a star increases conversion rate by 8.8 percent.

INFLUENCE OF STAR RATING ON CONVERSION



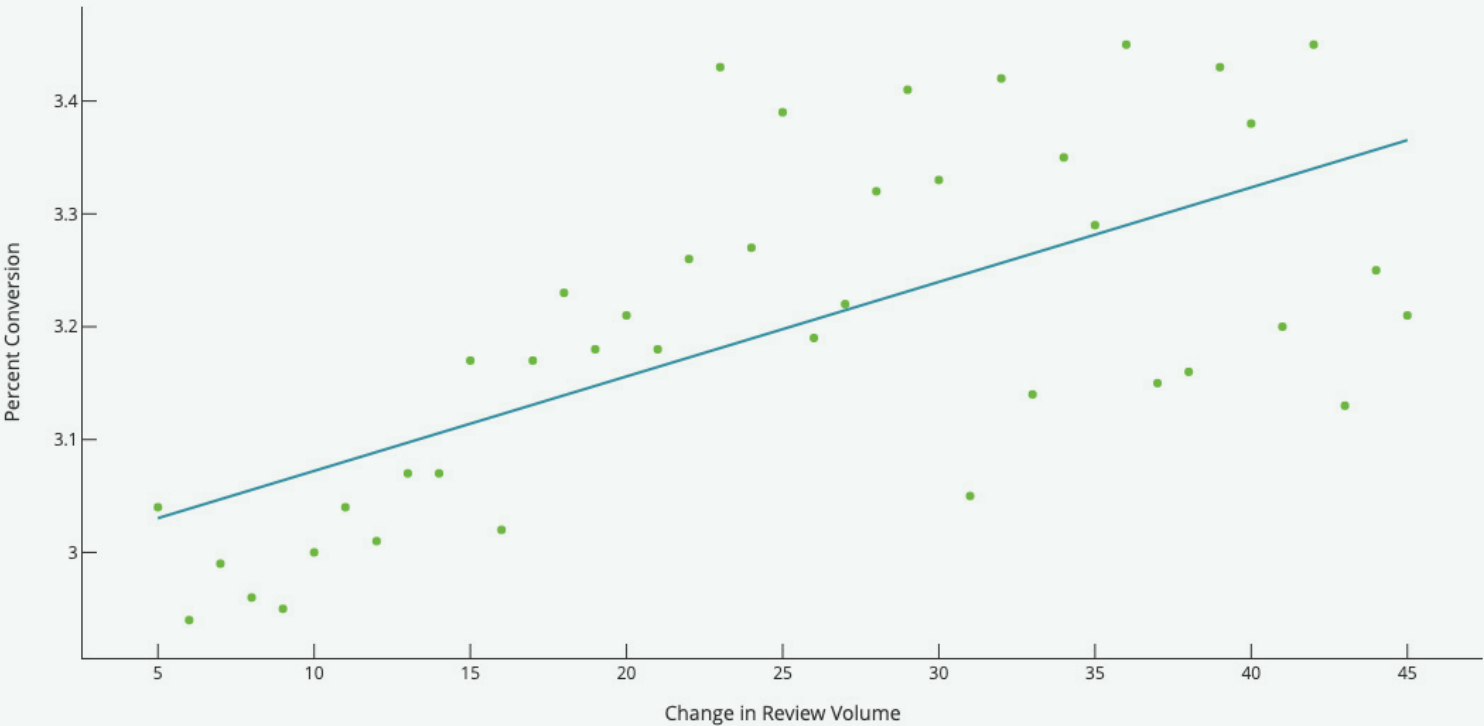
Influence of Review Volume on Conversion

According to our recent report, [Top Ranking and Conversion Factors in Local Search](#), the highest-ranked businesses in Google local searches have the greatest volume of reviews, with profiles ranking 1-3 having an average of **21 percent** more reviews than profiles ranked 4-10.

We thought it stood to reason that a greater volume of reviews might also have an influence on conversion. After all, a consumer looking at two local business profiles that are otherwise equal might be more likely to choose the one with which more fellow consumers shared their experiences.

Our analysis here was similar to our look at the influence of higher ratings; we focused on the most common range of month-to-month increases in the number of reviews and plotted that against the conversion rate. Our findings indicate that the conversion rate increases by **2.8 percent** for every 10 new reviews earned by the business. At the top end of our scale, an increase in 40 reviews in a given month corresponds to an **11.2 percent** boost in conversions.

INFLUENCE OF REVIEW VOLUME ON CONVERSION



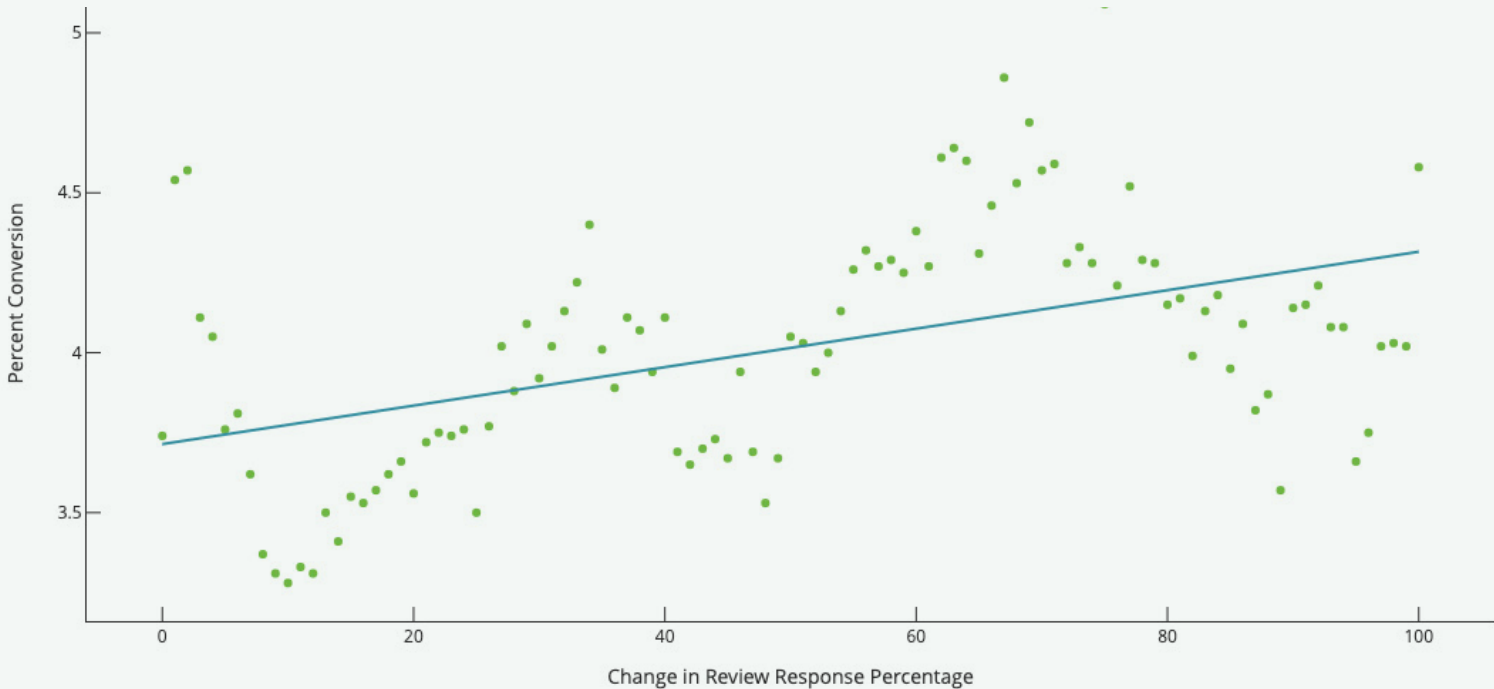
Influence of Review Response on Conversion

We’ve established that higher star ratings and a greater volume of reviews tend to cause more consumers to choose a business over the competition, but these are factors that the business cannot directly control. Business owners can ask for reviews, but the reviews themselves (if legitimate) will reflect the sincere opinions of consumers and, therefore, will not always positively influence a business’s reputation.

Responding to reviews is, however, one of the key areas where businesses can exert an influence. We know from [prior research](#) that consumers are more likely to overlook a negative review when it has received an adequate response from the business.

Our findings help to quantify that influence. For this analysis, we plotted conversion against the percentage of reviews a business has responded to, and found that responding to 100 percent of reviews, as opposed to none, increases conversion rates by 16.4 percent. Because we use a line of best fit analysis to make sense of the data (in this and the prior two sections), we can state for simplicity that every 25 percent of reviews responded to improves conversion by 4.1 percent; though the dataset shows that the benefits trail off somewhat after a business has responded to 67 percent of its reviews.

INFLUENCE OF REVIEW RESPONSE ON CONVERSION



05 REVIEW RESPONSE TRENDS

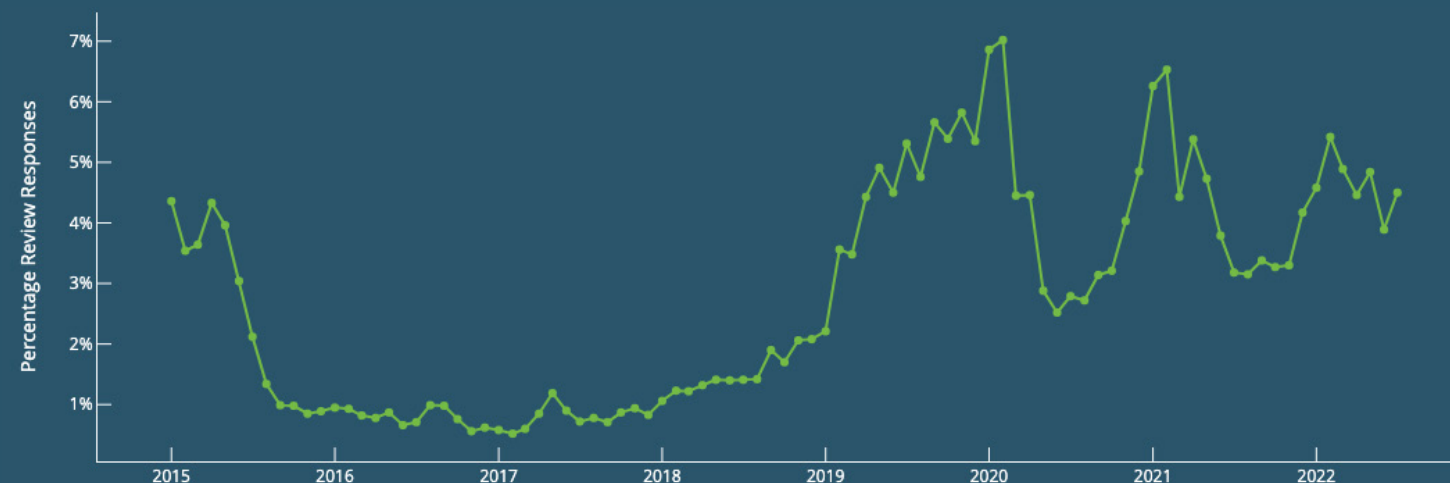
Review Response Rates over Time

The general historical trend shows that businesses are responding to more reviews now than they did a few years ago, though the peaks and valleys in this trend chart are interesting, and worth making a note of.

The highest rate of responses to new reviews was reached in February 2020, just before Google shut down review functionality in the early days of the pandemic. Another peak was reached in February of 2021, and a third, though more modest, in February of 2022.

Surprisingly, the data suggests that businesses respond to more reviews in the winter months than they do in the summer. Though response rates in this dataset remain low in comparison with other trends — in the 2022 LMBR, for instance, we found that the average business responds to 36.2 percent of its reviews, whereas here, the highest response percentage for 2022 is a mere 5.4 percent — still, the trends suggest that response rates have grown. In July 2022, businesses responded to 41.5 percent more reviews than in July 2021, 61.3 percent more reviews than in July 2020, and 219 percent more than in July 2018. Note, July 2019 is an anomaly; response rates in that month were 18 percent higher than in July 2022.

HISTORICAL TREND IN REVIEW RESPONSE PERCENTAGE



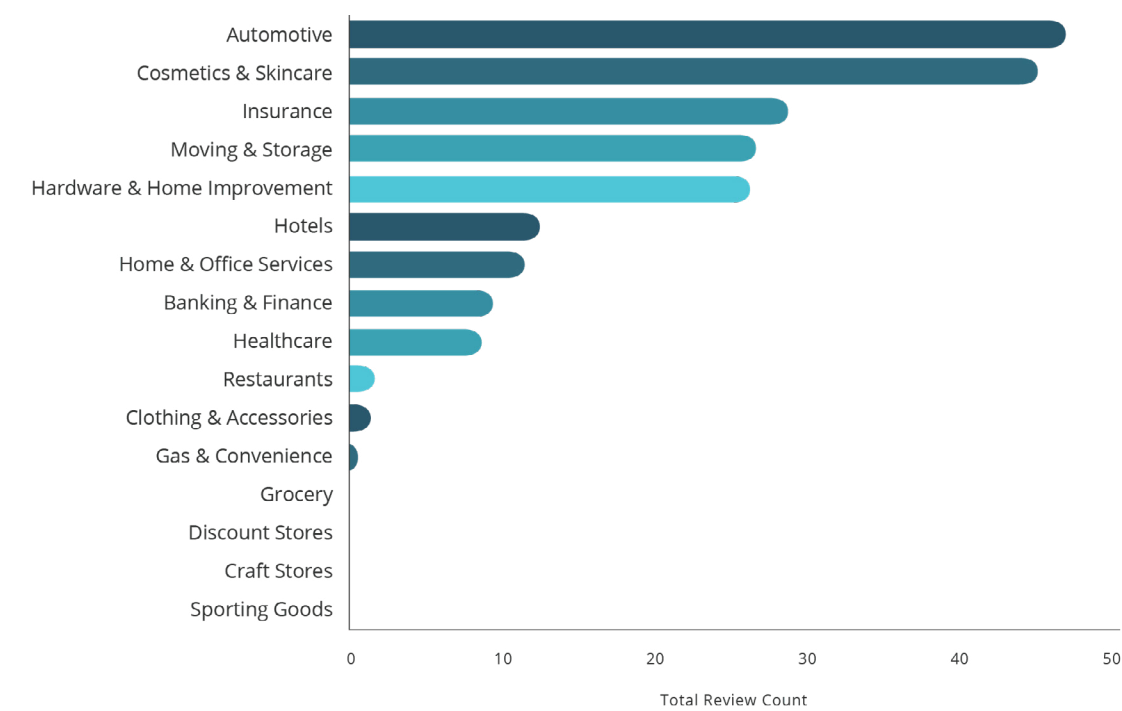
05 REVIEWS RESPONSE TRENDS

Review Response by Industry

Our previous section establishes that when a business responds to its Google reviews, consumers are likelier to choose that business over the competition. In this section, we wanted to quantify by industry which types of businesses are already doing comparatively well when it comes to responding to the reviews they receive and which types of businesses stood to gain the most by responding to even a small margin of their reviews.

We found that businesses responded to reviews in only 11 of the 16 industries we surveyed — some 69 percent. The industries with the highest response rates were automotive, cosmetics & skincare, insurance, moving & storage, and hardware & home improvement. Industries where review response remains a greenfield opportunity include sporting goods, grocery, craft stores, discount stores, and gas & convenience.

REVIEW RESPONSE BY VERTICAL

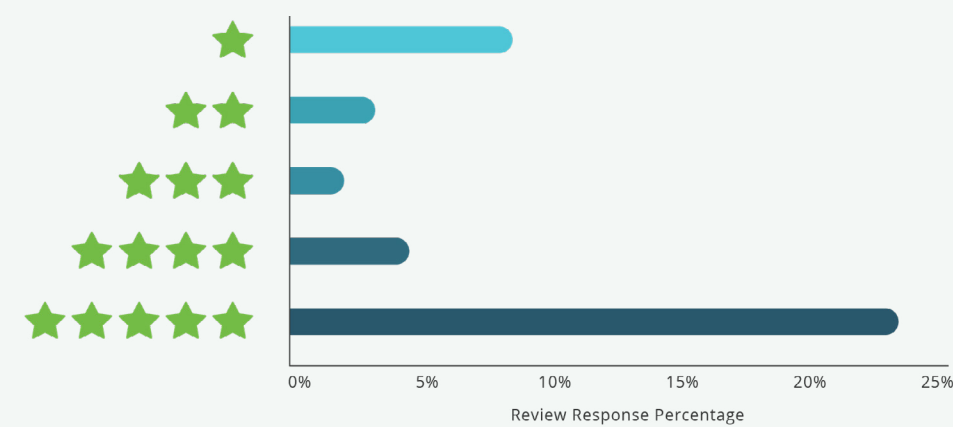


Review Response by Star Rating

When we looked at review responses by star rating, we discovered that businesses overall are responding more frequently to their 5 star reviews, more than any other type. Responses to a business’ 1-star reviews comes in second.

The highest response percentage in our study was 23.4 percent for reviews with a rating of 5 stars, followed by responses to 1-star reviews at 8.6 percent, 4-star reviews at 4.6 percent, 2-star reviews at 3.3 percent, and 3-star reviews at just 2.0 percent. Here, we examined all historical reviews, so the percentages may not reflect cases where businesses are responding to a higher proportion of their more recent reviews.

REVIEW RESPONSE BY STAR RATING



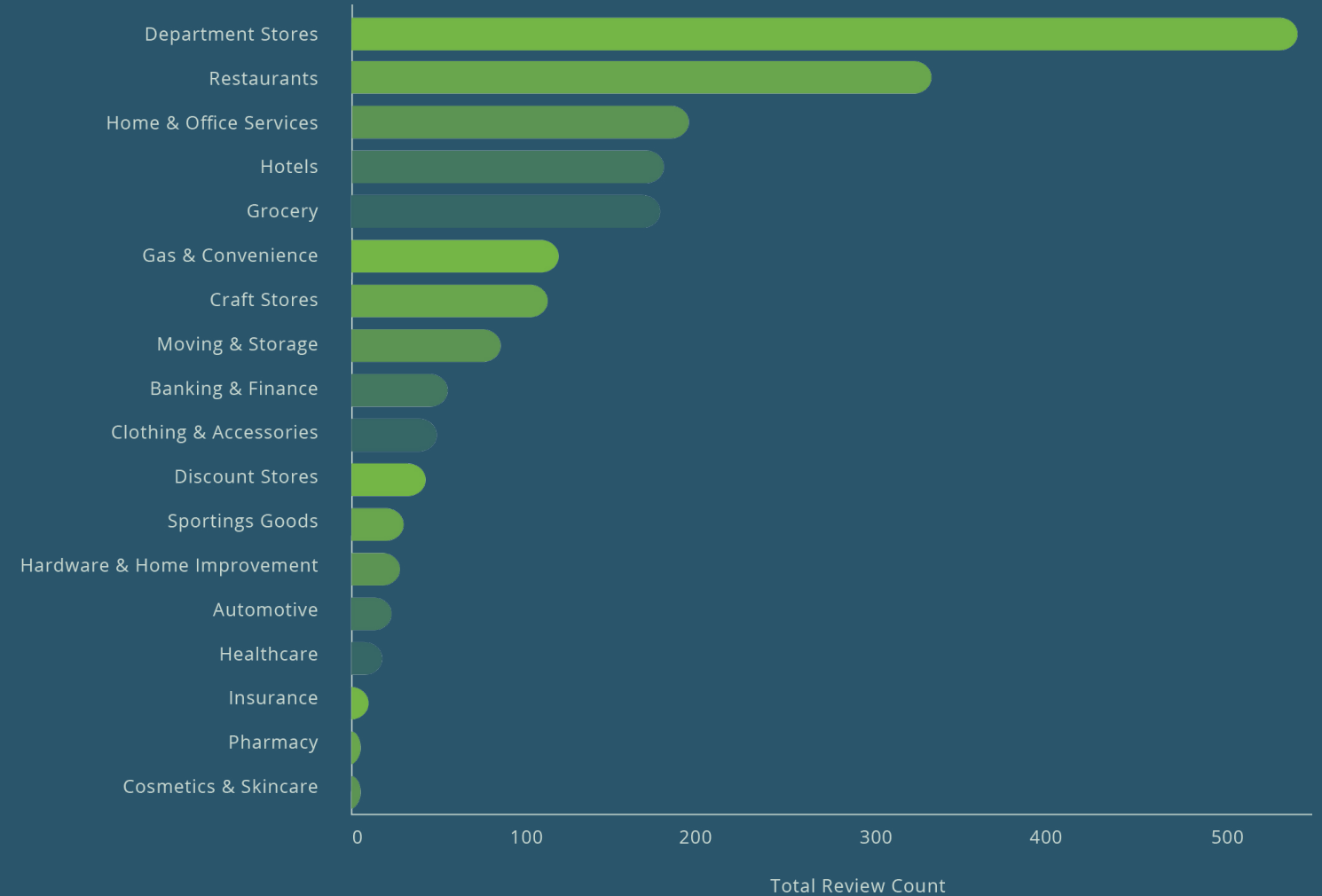
For an in-depth discussion of how to respond to reviews, read our [Multi-Location Marketer’s Guide to Online Reputation Management](#).

06 REVIEW TRENDS BY INDUSTRY

Review Volume by Industry

High review volumes can have a major impact on a company's review management strategy, especially for multi-location brands in industries where each location generates a large number of reviews. While on the positive side, creating a large repository of information to mine for consumer sentiment trends, large review volumes present a challenge in keeping up with the daily task of responding to every review. According to our analysis, department stores have the greatest number of reviews of any vertical, followed by restaurants and home & office services. Hotels and grocery round out the top five. The industries receiving the least number of reviews are, in order, cosmetics & skincare, pharmacy, insurance, healthcare, and automotive.

VOLUME OF REVIEWS BY VERTICAL



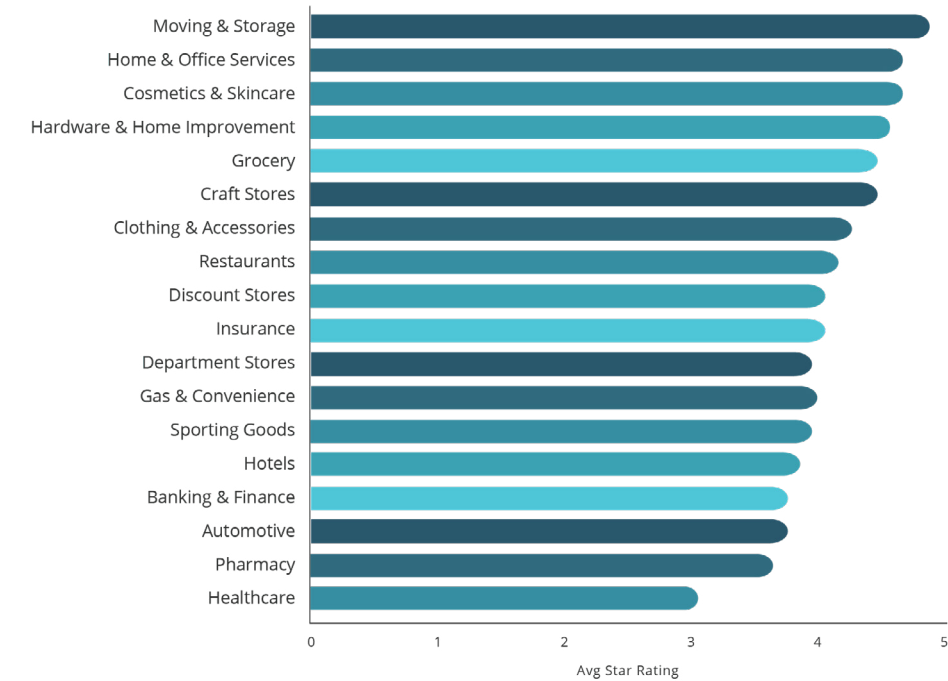
06 REVIEW TRENDS BY INDUSTRY

Average Ratings by Industry

When ranking industries by the average star rating for each, we came across a few surprises. While we might have expected categories associated with leisure time, such as restaurants and hotels, to be ranked towards the top, the rankings showed service professions taking the top three positions with restaurants and hotels occupying 8th and 14th place out of 18 respectively. The top five industries by average star rating are moving & storage, home & office services, cosmetics & skincare, hardware & home improvement, and grocery.

These industries would appear to be the most-loved verticals amongst U.S. consumers. The lowest five are hotels, banking & finance, automotive, pharmacy, and healthcare. These results are according to the overall average rating of each location in our data as of July 2022. The range represented by these averages is significant, with moving & storage coming in at 4.84 stars while healthcare averages at just 3.06 stars.

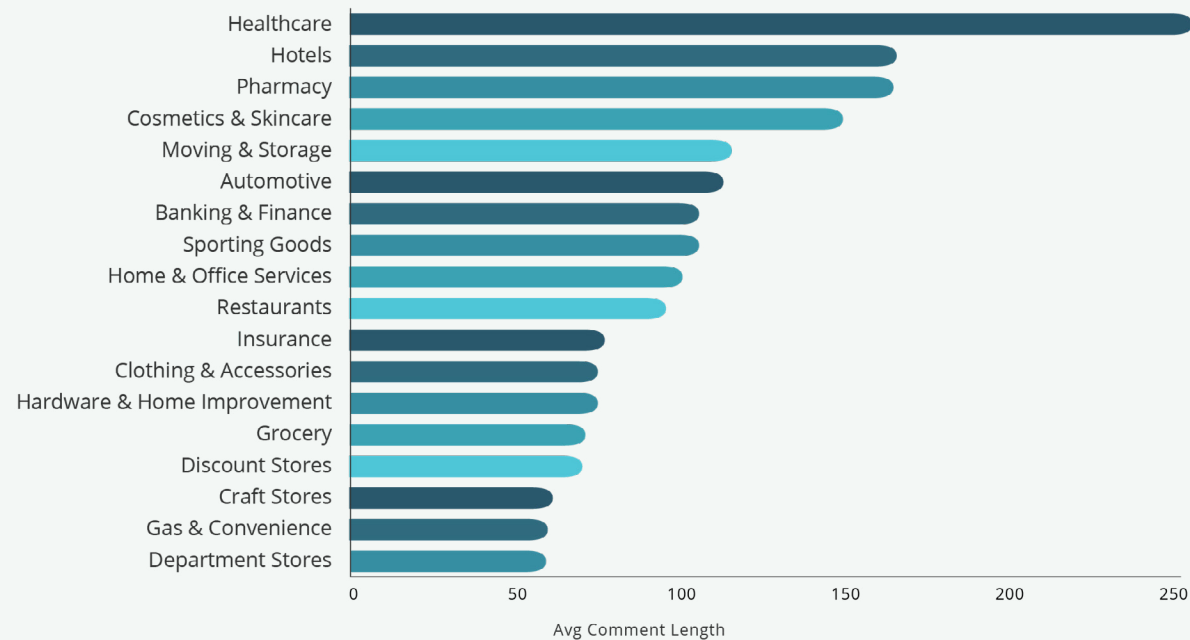
STAR RATING BY VERTICAL



Review Length by Industry

Notably, the industry with the lowest average rating also has the greatest average length of reviews, suggesting that healthcare consumers have a lot to say about their not-so-stellar experiences! Average review length ranges from 242 characters for a healthcare review — which is nearly 55 percent longer than the next ranked industry — to an average of just 56 characters per review for department stores.

LENGTH OF REVIEWS BY VERTICAL



07

CONCLUSION

Google reviews continue to play a dominant role in the buying decisions of consumers who interact with businesses of all kinds at the local level. Though the volume of new Google reviews has diminished, in part due to the pandemic and in part due to alternative forms of recommendation via social media, reviews remain the largest and most valuable source of consumer recommendations for businesses of all kinds in all geographies.

Google reviews have, however, lost some of their inherent value in recent years as ratings have become inflated toward the positive, in part due to aggressive solicitation of new reviews on Google's part. So too, Google reviews are much more likely than any other local review source to contain a rating but no text, offering less information to consumers looking to evaluate the differences between businesses.

Still, reviews exert a powerful influence in that evaluation process. Higher ratings and a greater volume of reviews both increase the likelihood that a business will be chosen by consumers over the competition. So too,

when businesses respond to reviews, they increase their favorability in the eyes of consumers and become more likely to convert searchers into customers.

The opportunities and challenges of review management differ somewhat by industry. Some industries, like department stores and restaurants, generate a great number of reviews with little effort; others, such as insurance and pharmacy, see a much lower volume of reviews from consumers. Consumers are more likely to rate businesses highly in some industries such as moving & storage and home & office services. Consumers write longer reviews for healthcare and hotels than any other industry.

Marketers need to understand review trends overall; the power of reviews and review response to influence consumer buying decisions; and the specific trends for reviews in their industries in order to execute successful review management strategies.

Google reviews continue to play a dominant role in the buying decisions of consumers.

08 ABOUT THE DATA

To produce the findings in this report, we gathered Google reviews and associated data from businesses in 18 industries, focusing on the period from January 1, 2015 to July 31, 2022. We performed time-based evaluations to uncover trends in data points like review count and star rating, as well as all-time counts of star rating by industry and other metrics.

To determine correlations between conversion rate and star rating, conversion rate and review count, and conversion rate and review response rate, we created scatter plots and then performed linear regression analysis using the ordinary least squares (OLS) method.

31,326
Locations

545,371
Review Responses

4,936,814
Reviews

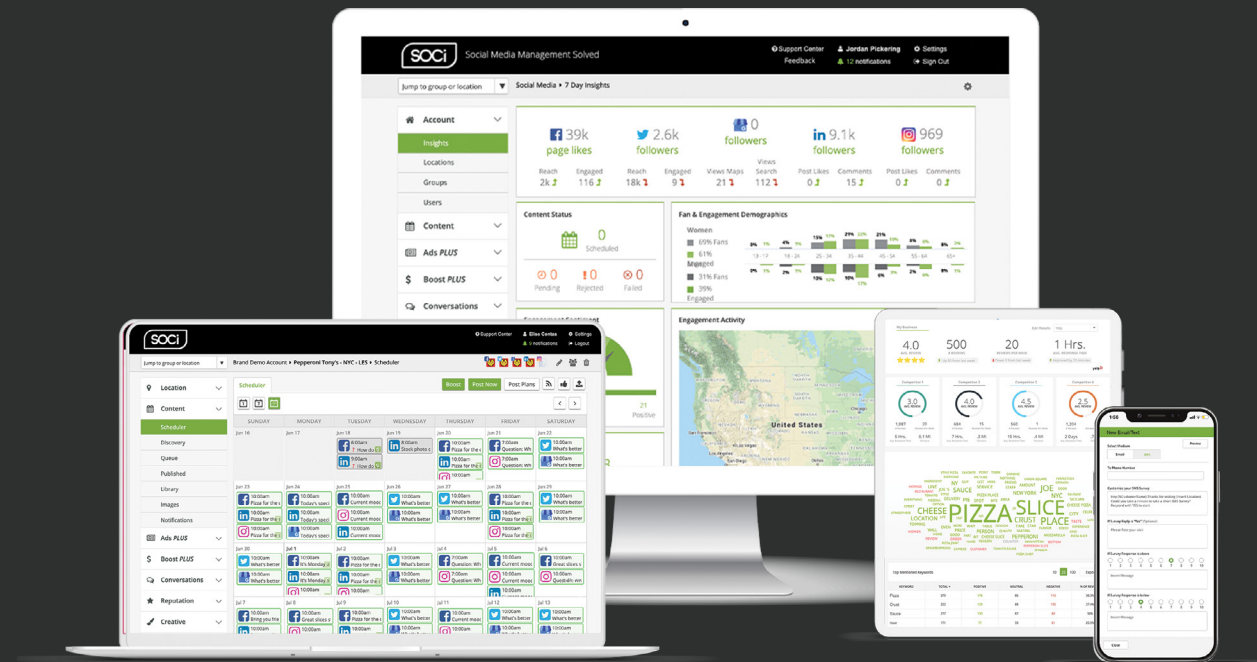
53
Businesses

18
Industries





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