

MARKETING

96pc of consumers seek others' opinions before making a purchase

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Shoppers look toward their immediate and social networks to inform their purchases

By SARAH JONES

Word-of-mouth recommendations from trusted sources have more sway over consumers' buying choices than any form of marketing, according to a survey by Influence Central.

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Consumers are increasingly relying on reviews and social media to inform their purchase decisions, with 74 percent of shoppers saying they are more likely to ask their social network for opinions before buying than they were three years ago. With more information readily at their fingertips than before thanks to the Internet and smartphones, consumers are digging deeper than traditional media or the brand's own channels.

"Our findings demonstrate that online reviews and recommendations play a powerful role in shaping the consumer purchasing journey, with 96 percent of women consumers saying they're likely to seek out opinions and recommendations from others before they buy or try, and 91 percent looking beyond in-person family and friends to tap social networks when looking for a recommendation," said Stacy DeBroff, founder and CEO of **Influence Central**. "Seeking out trusted opinions has become step one for consumers in today's path to purchase."

Influence Central's Consumer Insights Study is based on a survey of 400 American women in late summer 2016 conducted using an online questionnaire.

Social networking

Nearly all consumers say they are apt to look for recommendations from others before buying a service or product. Slightly less, 91 percent, go beyond their immediate circle, expanding their search for opinions to social networks.

For 72 percent, this prevalence toward consulting social connections goes beyond considered purchases to everyday buying decisions.

About three-quarters say that they are more apt to turn to social media for advice than they would have been just three years ago. Reasons for this rise in use of social media for this purpose include being more active on social media with more connections and being able to better identify whose opinion to trust.

The most popular identities of social influencers for respondents included friends or friends of friends, extended

family and family friends and former schoolmates.



Image courtesy of Mandarin Oriental

Beyond merely consuming others' opinions, 72 percent of women say they share their own recommendations on social networks.

Consumers are confident in their ability to determine the credibility of a review, with 93 percent self-identifying as skilled at picking which information to trust.

When trying to figure out whose word to trust, consumers look for reviews with lots of detail and turn to sources they have already deemed trustworthy.

In the rankings of trusted sources, traditional media comes in last, trailing close friends and family, other moms, Web searches and the consumer's social network.

With more information at their disposal via search engines and social media, 56 percent say they collect more content. Only 17 percent say they take in less material.

However, 93 percent of women say they search for more types of information, with 88 percent seeking out more global influencers than they did just three to five years ago.



Image courtesy of Bloomingdale's

All of the sources at a consumers' disposal can simultaneously be a help and a hindrance, as it means more to wade through and the prevalence of untrustworthy information.

When asked to describe what makes a review useful, 65 percent of consumers noted both an objective point of view and honesty. Another sign that a reviewer can be trusted is their status as a verified purchaser of a particular item.

Consumers trust peers over experts when looking for objective views of a product, with 80 percent seeking out consumers' opinions compared to 59 percent looking for experts' thoughts. When evaluating others' recommendations, women look at a reviewer's experience with the product and their identity, looking for those who have similar lifestyles.

"Luxury brands know their products typically don't prove to be impulse purchases but instead they're seen as investments where consumers do their homework upfront," Ms. DeBroff said. "In fact, more than 85 percent of consumers use Web sites and social media to access recommendations they use to make purchasing decisions.

"By listening and engaging with consumers on these platforms, luxury brands can gain valuable insights on

potential brand affinity and lifestyle aspirations, as well as learn what drives purchase."

Ratings and reviews

Social media content has implications beyond retail brands.

The Ritz-Carlton Hotel Company leads online conversation among hospitality brands in the United States, according to a new report by Engagement Labs.

While word of mouth is still important among high-end goods and services, online conversation, hashed out on social media platforms such as Facebook and Twitter, is steadily becoming a strategy for brands aiming for consumer retention. In Engagement Labs' first "Total Social" ranking, Ritz-Carlton ranked the highest on social media, but fell when it came to recommendations made by offline word of mouth, presenting an opportunity for the hospitality brand ([see story](#)).

Being popular does not always lead to strong word of mouth, according to a recent survey of affluent men conducted by the Luxury Institute.

The top five brands listed in the men's consideration sets were not the same as the five they would be most keen to endorse to family and friends. With luxury consumers, particularly those in emerging markets, becoming more sophisticated shoppers, smaller boutique labels have the opportunity to expand awareness by leveraging the recommendations of existing clientele ([see story](#)).

"Producing a great high-quality product always will be a strong first step, and luxury brands also need to understand that what really resonates with today's savvy consumers proves to be authenticity," Ms. DeBroff said. "Moreover, 93 percent of women consumers describe themselves as skilled at determining which information to trust, and as they look at online recommendations, 'speaks from firsthand experience' and 'verified user/purchaser' appear as the top two signals that the recommendation can be trusted."

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