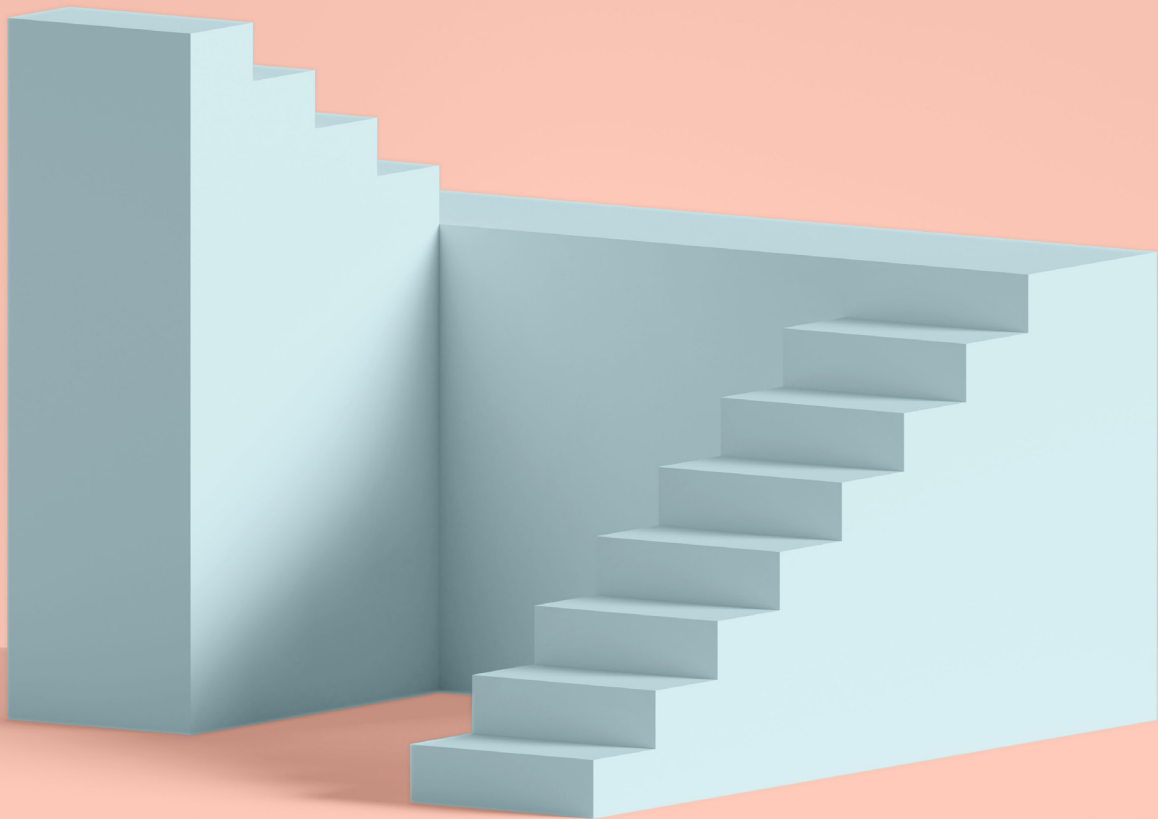# Trustpilot

The Value of a Trustworthy Brand Reputation

And 6 Ways to Make Trust Your Essential
Brand Differentiator

Introduction

In business, they say your reputation is everything. This couldn't be more true in today's digital age, where just one brand blunder can alienate customers, break trust, and stop new consumers from buying from your brand.

Our research shows that 90% of online shoppers have chosen not to purchase from a company because of its bad reputation. Customers pay attention to brand reputation, and most decide to take (or not take) action based on what they hear or read about a company.

Reputation management may have once been a passive tactic that brands used only if something went wrong at their organization. But today, **brands of all sizes must have a proactive reputation management plan** that prioritizes ongoing communication and transparency if they want to get customers to trust them enough to buy from them.

To find out which aspects of a brand's reputation matter most to customers, we surveyed nearly 1,700 online shoppers from major markets around the world, and found that:

- Online reputation is the No. 1 way to improve trust with customers. **Over 93% said they read reviews before buying online** from an unfamiliar company.

- Nearly 62% of online shoppers perform a search for the company when unfamiliar with it – and **few are likely to buy if they see negative reviews** on the first page of the search results.

- Nearly 48% of online shoppers had **recommended a brand** to others because of its stance on social issues.

- **Almost 83% of Gen Z-ers, the youngest up-and-coming generation of consumers**, said they'd recommended others stop purchasing from a brand with a bad reputation.

If your brand wants to connect with new consumers, keep existing customers, and build lasting brand loyalty — a strong brand reputation is key. To help you identify how to do that, here are the top brand reputation and trust trends you need to know.

Factors That Impact Trust in Your Company

How Various Actions Could Increase or Decrease Consumer Trust in Your Brand

TOP FACTORS THAT INCREASE TRUST

Factor	%
Company has a good online reputation	95.6%
Company has positive customer reviews	93.7%
Quick customer service	92.9%
Company has the highest-quality goods	86.1%
Company is transparent about how it sources its products	80.5%
Company has a lot of customer reviews	80.1%
Company responds to negative customer comments/reviews	79.9%
Company seems to prioritize the well-being of its employees	74.0%
Company gives discounts to loyal customers	68.7%
Company's website and social media are clear about its mission and values	68.5%

TOP FACTORS THAT HAVE A NEUTRAL IMPACT ON TRUST

Factor	%
Company isn't active on social media	63.7%
Company remains silent on social issues	61.7%
Company offers the lowest price	57.6%
Company is active on social media	54.2%
Company takes a position on social issues	48.4%

TOP FACTORS THAT DECREASE TRUST

Factor	%
Company deletes negative customer comments/reviews	95.0%
Company has negative customer reviews	88.8%
Website URL is not secure	88.4%
Company has no customer reviews	81.0%
Website seems outdated	77.0%

72.3% of people said they trust consumer brands.
51.3% trust reseller/retail brands.

SOURCE: Survey of 1,627 European, British, American, and Australian Online Shoppers   Trustpilot

Top Brand Reputation and Trust Trends

Online reputation management has never been as important as it is today.

Our survey found that customers care more about brand reputation than ever before. They are primarily influenced by information they find online and are more likely to trust brands with an active and modern online presence, transparent approach to feedback, and willingness to share their brand's mission.

On the other hand, **brands can quickly lose the trust of consumers when they are silent, secretive, or project an outdated online presence**. Customers want to be able to search for and find information about a brand online, and they lose trust in brands that have outdated websites (77%), unsecured websites (88.4%), or no online reviews whatsoever (81%).

Interestingly, **the biggest factor that decreases customers' trust is when companies delete negative reviews (95%)**, suggesting a strong aversion to dishonest behavior from brands.

Meanwhile, trust in traditional advertising continues to plunge. According to a **study by Credos**, an industry think tank, and Mediatel, a top UK publisher, favorable opinions of advertising hit a low of 25% during December of 2018.

As customers lose trust in traditional advertising, more and more shoppers rely on online research to inform their purchasing decisions. What they find can have a big impact on how they feel about a brand and whether they want to do business with them.

Survey respondents said **online reputation was the No. 1 way to improve trust with customers**, and they're on the lookout for reputation indicators — 61.9% of online shoppers would perform a search of the company if they were unfamiliar with it.
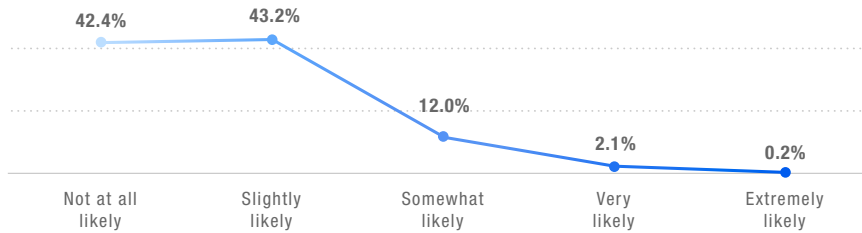
Getting to Know Brands Online

How Shoppers Research Companies Before Making an Online Purchase

▶ How do you research an unfamiliar online company before buying?

|	
Read customer reviews	93.4%
Compare prices across multiple sellers	77.5%
Check for a secure payment process	66.2%
Use a search engine	61.9%
Look for coupons and discounts	60.0%
Ask friends if they'd recommend the company	33.6%
Look at the company's social media channels	27.2%
Look up recent news articles about the company	25.7%
Look up the company on a business accreditation site	17.9%
Read the company's mission statement	13.7%
Read about the company's staff	8.8%
None of the above	0.2%

▶ How likely are you to buy from a business that has negative reviews on the first page of its online search results?

Not at all likely	Slightly likely	Somewhat likely	Very likely	Extremely likely
42.4%	43.2%	12.0%	2.1%	0.2%

▶ Percentage not at all likely to buy from a company if negative reviews appear on the first page of search results

By Region
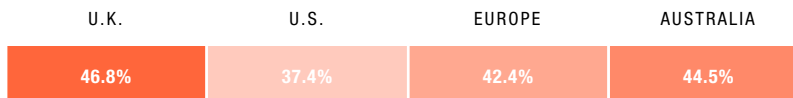
U.K.	U.S.	EUROPE	AUSTRALIA
46.8%	37.4%	42.4%	44.5%

SOURCE: Survey of 1,627 European, British, American, and Australian Online Shoppers

★ Trustpilot

Building customer confidence across the new buying journey

But the importance of an online presence isn't something that only matters when customers are at home researching from their desktops. Google research shows that **42% of in-store customers conduct research online while in a store**. Brands must realize that customers have access to their online reputation at any time, anywhere. As shoppers use their phones and tablets to research on the go, a brand's online reputation and visibility are more important than ever.

Customers search to compare pricing (77.5%), look for secure payment processing (66.2%), perform a general search on the brand (61.9%), and look for coupons and discounts (60%).

However, the most important thing customers look for are reviews (93.4%).

How Customer Reviews Shape Trust in Companies

Percentage of Online Shoppers Who'd Trust a Company Based on Its Number of Customer Reviews

NUMBER OF REVIEWS

1,011 Customer Reviews
★★★★★ 3.4 out of 5 stars ⌄

101 Customer Reviews
★★★★★ 3.4 out of 5 stars ⌄

11 Customer Reviews
★★★★★ 3.4 out of 5 stars ⌄

1 Customer Review
★★★★★ 3.4 out of 5 stars ⌄

No Customer Reviews Yet
★★★★★ 0 out of 5 stars ⌄

PERCENTAGE WHO'D TRUST COMPANY

OVERALL **66.9%**

U.K.	U.S.	EUROPE	AUSTRALIA
71.0%	62.3%	63.5%	80.6%

OVERALL **63.0%**

U.K.	U.S.	EUROPE	AUSTRALIA
67.7%	60.6%	61.5%	60.0%

OVERALL **65.9%**

U.K.	U.S.	EUROPE	AUSTRALIA
63.6%	72.1%	60.0%	71.9%

OVERALL **59.9%**

U.K.	U.S.	EUROPE	AUSTRALIA
69.4%	54.4%	54.5%	65.0%

OVERALL **9.3%**

U.K.	U.S.	EUROPE	AUSTRALIA
8.6%	4.4%	16.3%	8.3%

SOURCE: Survey of 1,627 European, British, American, and Australian Online Shoppers

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Reviews are the backbone of a brand's reputation

Reading reviews is almost always part of the customer research process. Today, **93% of customers read reviews before buying online**, so it stands to reason that reviews are one of the best channels for building trust with consumers.

When brands collect reviews and make them public, consumers see that as an indicator of transparency and trustworthiness. Even just one customer review can drastically increase trust. Indeed, only **9.3% of people would trust a company with zero reviews, whereas nearly 60% would trust a company with only one review**.
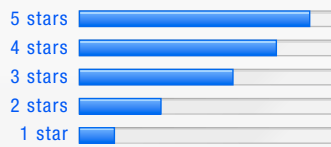
How Customer Reviews Shape Trust in Companies

Percentage of Online Shoppers Who'd Trust a Company Based on Its Distribution of Customer Reviews
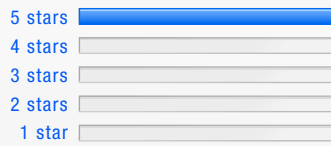
DISTRIBUTION OF RATINGS

1,377 Customer Reviews

- 5 stars
- 4 stars
- 3 stars
- 2 stars
- 1 star

1,377 Customer Reviews

- 5 stars
- 4 stars
- 3 stars
- 2 stars
- 1 star

1,377 Customer Reviews

- 5 stars
- 4 stars
- 3 stars
- 2 stars
- 1 star

1,377 Customer Reviews

- 5 stars
- 4 stars
- 3 stars
- 2 stars
- 1 star

No Customer Reviews Yet

- 5 stars
- 4 stars
- 3 stars
- 2 stars
- 1 star

PERCENTAGE WHO'D TRUST COMPANY

OVERALL 77.5%

U.K.	U.S.	EUROPE	AUSTRALIA
79.2%	81.1%	70.1%	81.3%

OVERALL 75.8%

U.K.	U.S.	EUROPE	AUSTRALIA
83.3%	75.5%	68.1%	77.8%
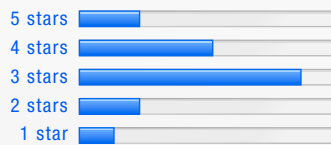
OVERALL 41.4%

U.K.	U.S.	EUROPE	AUSTRALIA
45.8%	37.8%	35.8%	58.3%
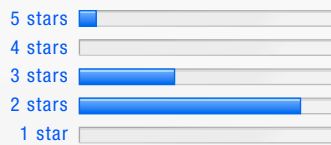
OVERALL 4.7%

U.K.	U.S.	EUROPE	AUSTRALIA
2.9%	6.4%	5.2%	3.3%

OVERALL 7.6%

U.K.	U.S.	EUROPE	AUSTRALIA
6.5%	2.9%	14.0%	9.1%

Trustpilot

The growing importance of transparency and openness

When considering reviews, **customers can see through fake or fabricated feedback**, and trust ratings that look more authentic. In fact, customers are slightly more likely to trust a brand with a range of reviews than a brand that has only positive reviews.

Today's customers are also more aware that some fake reviews are out there. A recent research study on reviews found as many as **52% of reviews on Walmart.com and 30% of the reviews on Amazon.com were fake, inauthentic, and unreliable**. This is why it's important for reviews to be on a platform that customers know is actively working to flag and remove fake feedback.

Some review platforms have even started to address these concerns through a variety of best practices and new features, including investing in machine learning to identify fake reviews, the ability for customers to see how many reviews a company has flagged as fraudulent, and encouraging a more open dialogue between reviewers overall.

Authentic, accurate, and truthful reviews lead to more brand trust — even negative reviews can allow you to rebuild relationships with your customer base, identify areas of development, and improve customer experience in the long run.

That said, our study found that reviews aren't the only factor that can substantially change customer opinions and alter their buying decisions.

Percentage Who Said Social Responsibility Increases Their Trust in Companies

By Country

	EUROPE	UK	USA	AUSTRALIA
Company is transparent about how it sources its products	81.2%	77.6%	82.8%	79.6%
Company seems to prioritize the wellbeing of its employees	68.2%	71.7%	80.8%	73.7%
Company's website and social media are clear about its mission and values	68.7%	66.3%	70.2%	70.8%
Company takes initiative on social responsibility	54.5%	59.0%	60.3%	62.0%
Company is based in my community	49.6%	47.2%	51.7%	57.7%
Company takes a position on social issues	44.5%	44.3%	41.5%	43.8%
Company remains silent about social issues	7.6%	4.2%	7.2%	2.9%

SOURCE: Survey of 1700 European, British, and American Online Shoppers

Trustpilot

A brand's stance on social issues can change customer opinion

Whether it's leading the charge on large ethical issues (Patagonia), or simply reimagining makeup as skin care (Glossier), brand reputation and values can impact customer buying decisions and brand affinity.
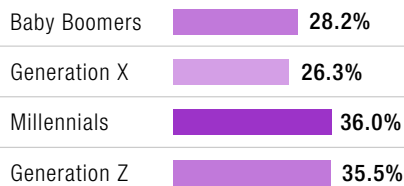
In our study, 44.3% of British shoppers and 41.5% of American shoppers said their trust in a brand increased when it took a position on social issues. Younger generations, in particular, were more likely to care about a brand's stance on social issues. Millennials were most likely to make purchases based on a company's social stance, followed by Gen Z-ers (which are the two youngest demographics of buyers).
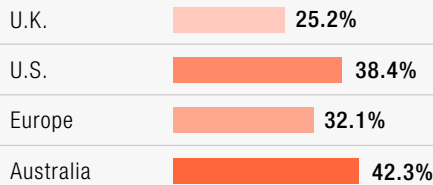
Taking a Stand on Social Issues

▶ Percentage making a purchase because of the company's stance on social issues

BY GENERATION

Baby Boomers	28.2%
Generation X	26.3%
Millennials	36.0%
Generation Z	35.5%

BY REGION

U.K.	25.2%
U.S.	38.4%
Europe	32.1%
Australia	42.3%

47.5% of online shoppers had **recommended a company** to others because of its **stance on social issues**.

▶ Percentage recommending others stop buying from a company due to its bad reputation

BY GENERATION

Baby Boomers	59.6%
Generation X	67.6%
Millennials	73.3%
Generation Z	82.8%

BY REGION

U.K.	63.4%
U.S.	75.6%
Europe	71.9%
Australia	78.8%

90.2% of online shoppers had opted **not to purchase** from a company that had **a bad reputation**.

SOURCE: Survey of 1,627 European, British, American, and Australian Online Shoppers

Trustpilot

The rise of belief-driven buying

When a brand takes a stand on social issues, it builds trust and increases customer recommendations. Nearly 48% of online shoppers had recommended a company to others because of its stance on social issues. On the other hand, a negative brand image can cause customers to tell others to avoid a company. **Nearly 83% of Gen Z-ers, the youngest generation of customers, said they'd recommended others to stop purchasing from a brand with a bad reputation**.

Brands take a risk when they make a social stand. If they get it right, they can attract consumers, and if they get it wrong, they can risk alienating customers. When Nike took a stand on a social issue and jumped into the controversy surrounding Colin Kaepernick's decision to kneel during the national anthem at NFL games, it took a risk — and, for some customers, it worked.

While some customers did boycott the brand, many others embraced its message. Nike's target customers — teen males — bought more Nike products after the commercial aired, which led to a noticeable spike in its revenue. Nike took a stand on a social issue it believed mattered to its target customers, and it paid off.

More and more brands are taking a stand on social issues and politics, like Jigsaw's pro-immigration fashion campaign. Jigsaw's head of marketing said, "We were conscious we didn't want to approach this with a Pepsi-Kendall Jenner mentality and to make a political statement just for the sake of it."

With that in mind, social stands definitely don't always go as planned. When Pepsi released an ad featuring Kendall Jenner walking across a protest line to offer a police officer a soda, they said they were trying to tap into the movement of protests happening around the world. But, the ad quickly received widespread backlash, ultimately resulting in the ad being pulled.
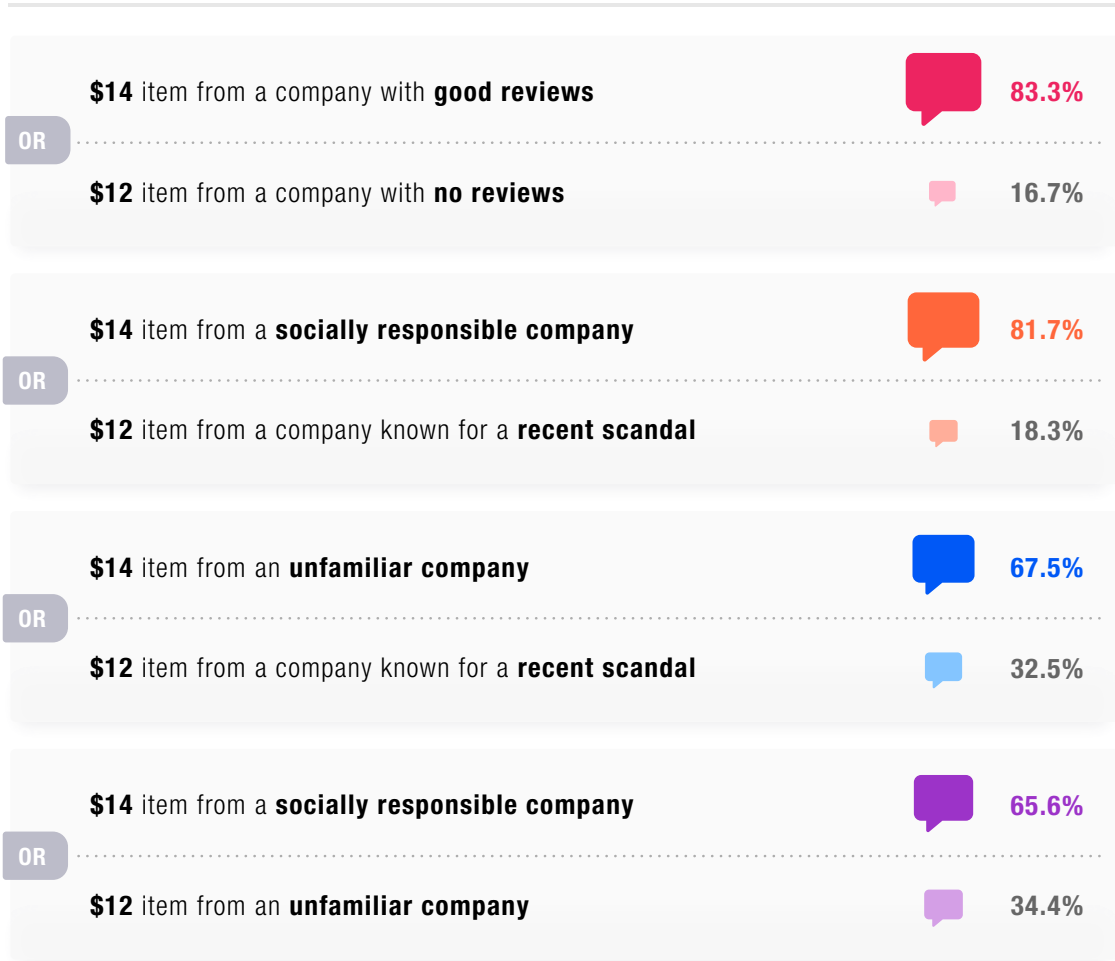
As The Guardian reports, the company released a statement saying, "Pepsi was trying to project a global message of unity, peace and understanding. Clearly we missed the mark, and we apologize." This example shows how important it is to be clear about your messaging and your audience before taking a social stand.

The Value of a Good Reputation

Percentage of Shoppers Who'd Buy Items Based on Price and Reputation

▶ Imagine you are considering similar items from different companies.
All other factors being equal, which item would you choose?

$14 item from a company with **good reviews** — 83.3%

OR

$12 item from a company with **no reviews** — 16.7%

$14 item from a **socially responsible company** — 81.7%

OR

$12 item from a company known for a **recent scandal** — 18.3%

$14 item from an **unfamiliar company** — 67.5%

OR

$12 item from a company known for a **recent scandal** — 32.5%

$14 item from a **socially responsible company** — 65.6%

OR

$12 item from an **unfamiliar company** — 34.4%

SOURCE: Survey of 1,627 European, British, American, and Australian Online Shoppers

★ Trustpilot

When a strong brand reputation becomes more important than a low price

Our study found that customers don't just choose brands, products, and services based on what they think about the features, benefits, and pricing. How someone feels about a brand can also drive him or her to buy or walk away.

For many shoppers, reputation matters even more than pricing. Even when products were slightly more expensive, shoppers tended to opt for the brand with a better reputation.

Over 83% of customers would choose a product with good reviews over a product with no reviews, even if the price was slightly more expensive. And interestingly, 81.7% of customers would choose a product from a company known for being socially responsible over a product from a company known for a recent scandal, even if it meant paying a bit more.

This highlights an opportunity for brands to grow their margins simply by showing off their transparency with customer reviews, and putting themselves out there by taking a stance on relevant issues.

It also proves that belief-driven buying is on the rise, and that even the most competitive pricing can't fix a bad brand reputation. Today's consumers are on the lookout for signs that tell them just how transparent, likable, and trustworthy a company is.

Take Steps to Build Your Brand Reputation

Now that it's become clear that customers are more likely to trust and buy from transparent brands with a good reputation, what can your brand do to build this type of trust with your customers?

1. Aim for radical transparency.

Most customers search for information about brands, so the worst thing you can do is hide the information they seek. Put your brand out there, and give customers something to find when they search for information about your organization. Share details about your brand's values and mission, and openly share reviews that allow customers to learn about your brand from other perspectives.

And whatever you do, don't lie or manipulate information about your brand, as deleting reviews can decrease customer trust by a whopping 95%.

2. Ask customers to talk about your products and services publicly.

As a part of your transparency plan, proactively ask customers to share reviews and feedback about your products and services. Establish one-on-one relationships with customers through open communication channels and review monitoring systems that make it easy for customers to leave feedback.

Don't be afraid that reviews will hurt your brand. Customers want and need to see reviews in order to trust your brand, even if there are bad reviews mixed in with the good. Only 9.3% of people trust a company with zero reviews, whereas nearly 60% would trust a company with only one review. So remember, having no reviews is far worse than having an imperfect rating.

3. Monitor what your customers are saying and take it to heart.

Don't just collect customer feedback; actively monitor it and act on what you learn. Customer reviews help other customers learn to trust your brand. But reviews can also allow your brand to gain insight into customer perspectives, opinions, needs, and wants. Use the feedback you gather to improve your customer experience, innovate on your offerings, and grow your brand.

4. Remain open about criticism and address it publicly.

When you actively ask for feedback and use open communication channels to collect reviews, you might receive some negative comments. Don't hide from the criticism. Publicly address negative feedback and react quickly, effectively, and in a way that's on brand. Understand the sentiments of your detractors, learn from your mistakes, and never delete unflattering comments. Again, deleting negative customer comments caused 95% of customers to lose brand trust.

5. Consider taking a social stand.

If your target audience includes a young demographic, your brand may want to consider taking a stand on social issues. Because both Millennials and Gen Z-ers are most likely to make purchases based on a company's social stance, your brand could find an opportunity by being more socially responsible. But, if you choose this option, be thoughtful and carefully review your plans before you launch. Social stands can both drastically boost or decrease public option, so be clear on your goals and target audience before your brand takes a stand.

6. Look for tools that can help.

Empower your business to collect authentic customer feedback, read reviews, and respond appropriately by finding tools that help with the process. A platform like Trustpilot can make it easier for customers to leave reviews, and for your brand to internalize that feedback, learn from any mistakes, and quickly respond and engage with customers. Trustpilot also uses technology to fight against fraudulent and fake reviews. As a completely open and transparent review platform, Trustpilot helps you and your customers internalize feedback you can be certain is authentic.

Visit Trustpilot to learn how we can help you build trust through a more transparent and open approach to online reviews and brand reputation management.

Build Trust With Your Customers by Being More Transparent

With 90% of online shoppers in our study ready to walk away from a brand that has a bad reputation, companies simply can't afford to ignore reputation management anymore.

Today's brands need to actively work on building and maintaining trust if they want to attract new customers, keep relationships with existing customers, and drive them to make purchases.

Companies can do that by choosing to build a transparent online presence, actively work to collect reviews from customers, and learn from their feedback.

Trustpilot helps brands build this honest and transparent online presence. Our open, third-party platform shares customer reviews while combating fake and fraudulent comments so that both brands and customers make the most out of accurate, authentic feedback. Customers gain insights that help them get to know and trust the brand, while brands gain insightful feedback that helps them improve and innovate.

Methodology

For this study, we surveyed 1,627 British, European, American and Australian online shoppers. To qualify for the study, respondents had to speak fluent English and shop online at least once a year. 519 respondents lived in the U.K., 516 in the U.S., 455 in greater Europe, and 137 in Australia.

The breakdown of European nations is as follows:

Switzerland	3	Hungary	17
Sweden	7	Greece	22
Spain	54	Germany	45
Poland	86	France	62
Norway	1	Finland	10
Netherlands	36	Estonia	7
Belgium	5	Denmark	1
Latvia	2	Czech Republic/ Czechia	8
Italy	68	Austria	6
Ireland	15		

Participants ranged in age from 18 to 77 with an average age of 35.8. The standard deviation was 11.6.

Two questions in our survey were A/B-test style. Participants were asked how much they'd trust a brand based on the number of reviews and the distribution of reviews shown in two separate sample images. For each question, participants randomly were shown one of five images. Each image in both questions was shown to 20% of the survey population.

Limitations

Many other factors influence trust in brands online. While we included many of these factors, every individual chooses to trust a brand based on his or her personal reasons. This study is based solely on means and self-reported data. It is purely exploratory. None of the data were statistically tested nor weighted.

Fair Use Statement

Know a company leader looking to improve or begin building his or her online reputation? Please feel free to share the results of our study with them for noncommercial purposes. We also ask that you link back to this page to give credit to its authors.

Sources

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Why are businesses taking a stand on political debates?
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Read Here: marketingweek.com

Pepsi pulls Kendall Jenner ad ridiculed for co-opting protest movements
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