



THE RISE OF ONLINE REVIEWS

Consumer Voices Increasingly Influence Purchase Decisions

By Wine Dialogues Staff

Since the 100-point system first gained traction in the 1970s, wine scores have secured a significant and lasting influence on the industry. Points continue to resonate at the right place and time in a buyer's decision process decades later.

Yet, scores no longer stand alone. A new player increasingly impacts consumer behavior.



THE RISE OF CONSUMER REVIEWS

Online consumer reviews strongly influence decisions shoppers make during the consideration and purchase stages of the buyer's journey for everything from charging cables to luxury vehicles.

With the rise of e-commerce sites and review apps, consumers rely more and more on the reported experience

of other consumers to help them evaluate a product or service. According to a 2017 study by a consumer engagement firm, 93 percent of consumers check online reviews before making a purchasing decision.¹ And they do it often. Fifty-eight percent check online reviews a minimum of once a week.¹

Online reviews by regular people have an impact on the price consumers are willing to pay as well. Sixty-three percent of consumers say they will pay as much as 15 percent more for a product or service if it comes with the assurance of positive customer reviews.¹ Even in the case of brick-and-mortar retail stores, many consumers still seek guidance from online reviews. According to experts, 45 percent of Americans use mobile devices to check online reviews before making in-store purchase decisions.²



With influence this strong on overall shopper behavior, one must assume online consumer reviews already impact consideration and purchasing decisions in the wine and spirits marketplace.

Before heading out to shop or asking a question of your floor staff, you probably already expect wine consumers may have sought out product reviews on wine specialty websites, online delivery services or smartphone apps to determine which wines delight their peers. Some of these sources even now prominently display traditional point scores next to consumer reviews, typically shown on a five-star scale.

POINTS OF CONTENTION?

With consumers having so many more ways to research products, it's important to evaluate how to maximize the effectiveness of both traditional wine scores and new ways to supplement the personal consultations that happen on the floor.

Consider the impact of scores used on point-of-sale (POS) across our industry. Our internal data shows scored wines outsell non-scored wines in retail tests. In fact, most consumers surveyed reacted positively to a score as low as 84 when shown on a shelf-talker – much lower than conventional wisdom would indicate. The impact dramatically increases at 87 points and above.³ This underscores the widely-held belief that scores play a role in helping consumers narrow their consideration set and/or influences their final selections at the point of purchase.⁴

Additionally, points wield greater impact at different price points and wine knowledge levels than you might expect. New internal data shows the influence of a traditional wine score on POS such as a shelf talker climbs as a consumer's average price point does.

ROLE OF PROFESSIONAL POINTS

Reviews by Price and Buyers Journey Stage

COST PER BOTTLE: \$20-\$30

IMPACT: Cautious Consideration

Those who typically purchase bottles in this price segment report ignoring or being very skeptical of wine scores.⁴ That being said, verbatim interviews conducted separately indicate scores play a role in capturing attention and narrowing a broad field at POS. Consumers may therefore not be aware the scores influenced their decisions as strongly as they recalled.

COST PER BOTTLE: \$30-\$50

IMPACT: Increased Consideration

Buyers at this price point use scores as a guide to influence their decisions, but they are not likely to be sold on a point score alone.⁴ They need additional information to make their selection.

COST PER BOTTLE: \$50+

IMPACT: Direct Purchase Driver

Over half of consumers who regularly purchase at the \$50+ price point base at least some of their final decision on ratings/reviews.⁴ While scores are a key resource for this buyer, they are likely to welcome and incorporate additional information.

How is it possible your most informed customers are also the most likely to make final purchasing decisions based on point scores? Subscriptions to top sources of wine scores surge to over 50 percent among buyers of \$50+ wines.⁴ It therefore stands to reason they might give these top publications and personalities greater consideration than someone who hasn't reached – or is not pursuing – the same level of wine knowledge.

In our earlier study of the impact of point scores on POS across price points, one more insight rose to the top during in-store qualitative study portion. The researcher looked at what happened when retailers provided their own recommendations via shelf talker, ranging from staff picks to in-house ratings. While shoppers assumed these endorsements might be a little biased, they were *absolutely* influenced to consider and purchase.⁵ This opens the door to selectively recommending wines in other ways that will reassure skeptics – or show love on shelf to products that simply don't have meaningful point scores – while also reinforcing relationships with your customers.

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HOW THIS HELPS YOUR BUSINESS

As seen in overall consumer trends, buyers increasingly turn to multiple sources. How do you tap into these tools as a supplement to your team's one-on-one advice?

You undoubtedly already have a handle on best practices using point scores in your store environment. Supplementing the power of points with consumer reviews and staff recommendations is easy.

Feature online reviews and staff suggestions on in-store merchandising, such as shelf talkers, for un-scored wines, wine styles that don't tend to land high point scores yet deliver on fine wine taste profiles, and wines priced \$20-\$30.

Consider adding consumer reviews and staff recommendations to product pages or features on your website, to your email newsletter, and/or on social media. (Staff picks are particularly well suited to social media, particularly if you post with a photo or video of willing staff members.)

Above all, **don't stop using point scores** on shelf or on relevant other POS, especially for your luxury items. None of our data indicates showing a point score to your consumer will negatively impact their decision. At worst, they may not notice or care about every score, every time. Such is the life of in-store merchandising anyway. The key is to look for ways to expand your approach to providing this kind of recommendation. Your entry-level fine wine consumer will welcome supplementary guidance through online consumer reviews, staff picks or personal recommendations.

For more about rising trends including online reviews, read our recent interview with outspoken GuildSomm President Geoff Kruth, MS, on winedialogues.com.

1. The Drum, "[Online Reviews Impact Purchasing Decisions for Over 93% of Consumers, Report Suggests](#)," 2017.
2. Pew Research Center, "[Online Shopping and E-Commerce](#)," Dec 2016.
3. Interview with Nicholas Paris, MW, based on independent proprietary research, Jan 2018.
4. E.&J. Gallo Consumer & Product Insights, Fine Wine Consumer Foundational Research data, Feb 2018.
5. Interview with Nicholas Paris, MW, based on independent proprietary research, Jan 2018.
6. Entrepreneur, "[Online Reviews Are the New Social Proof](#)," Sept 2016.

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