CASE STUDY: REPUTATION.COM VS. OTHER VENDORS

Study Overview

We wanted to assess the real-world effectiveness of our Online Reputation Management (ORM) platform when utilized by automotive dealerships. To achieve this objective, we looked at dealerships at a large U.S. automotive retailer with over 200 locations across the country. Some dealerships were managed by us, the rest by two other vendors.

The retailer has been a Reputation.com client since 2012, but certain dealerships were prevented from using our platform due to pre-existing contractual obligations. As such, we could compare a relatively similar group of automotive dealerships, one utilizing our platform and the other not.

We found a significant difference in the online reputations of Reputation.com dealers and the others. Reputation.com dealerships improved across all metrics over the course of the study period, but only in one metric did the other dealerships see positive change. In fact, the other dealerships fell short of the baseline values in several metrics, showing regression for these dealerships even as their peers enjoyed substantial improvements.

We can thus conclude that the Reputation.com ORM platform is highly effective in improving the online reputations of automotive dealerships.

Summary of Findings

Prior to starting with Reputation.com, both groups of dealerships had roughly equivalent online reputations. By the end of the first year, the Reputation.com dealerships significantly outperformed their counterparts in every important indicator of online reputation. In fact, the non-Reputation.com dealerships fell short of the baseline measure in all metrics except one.
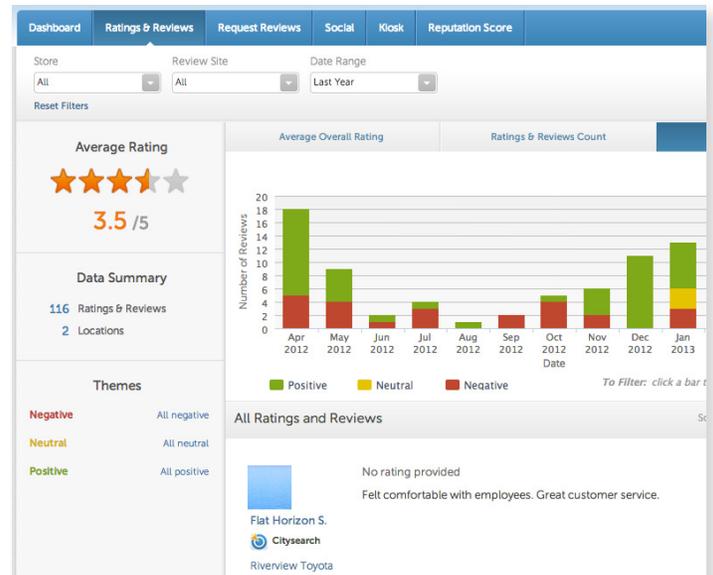
Overview of Key Metrics, Best Value in Bold

Metric	Baseline*	Rep.com	Others
Average reviews per location per month	4.3	**8.4**	2.5
Median review volume	29	**64.5**	26
Average review volume	55	**82**	31
Proportion of reviews that are negative	16%	**10%**	15.5%
Percentage of reviews on top 3 sites	85%	**72%**	77%

* Average of year prior for all dealerships

These findings were broad based, with the median Reputation.com dealer achieving results surpassed by only the #1 highest performing non-Reputation.com dealership. ***In other words, the best non-Reputation.com dealer is only about average compared to its Reputation.com peers.***

METHODOLOGY

The Reputation.com platform collects review data on all of the retailer's dealerships on the following review sites:

- Cars.com
- Citysearch
- DealerRater
- Edmunds

- Google+ Local
- Insider Pages
- MerchantCircle
- Superpages

- Yahoo! Local
- Yellow Pages
- Yelp

We used the platform's built-in analysis functionality to compare Reputation.com dealerships to the others across all of these reviews sites, looking at the one-year period after signing up with Reputation.com, and using the year prior to this as a baseline reading for the online reputation of all of the retailer's dealerships.

In selecting a baseline, we needed to take into account the seasonality of the automotive industry as well as the increasing popularity of online consumer reviews. Looking at the average value for the year prior to implementing the Reputation.com solution strikes a balance between the natural growth in review volume over time and the seasonal variation in automotive reviews.

In addition, we decided to use data from the entire year that the retailer's dealerships had access to the Reputation.com platform, even though it took a few months for a majority of dealerships to fully implement our solution. As such, the values provided are representative of what an automotive company could expect in the first year of implementation, factoring in the period required to train dealerships and familiarize them with the platform as well as the subsequent improvement in online reputation.

DETAILED FINDINGS

Finding 1: ORM boosts review volume

We saw a significant increase in the volume of new reviews for Reputation.com locations during the study period but not for the other dealerships. Both the mean and median number of reviews per location were higher for Reputation.com dealerships.

Furthermore, while the median value for non-Reputation.com dealerships stayed roughly constant, the average fell significantly from the baseline value, suggesting that higher achieving non-Reputation.com dealerships saw a general drop in review volume over the study period.

Review Volume per Location

Median loc   Avg vol/loc
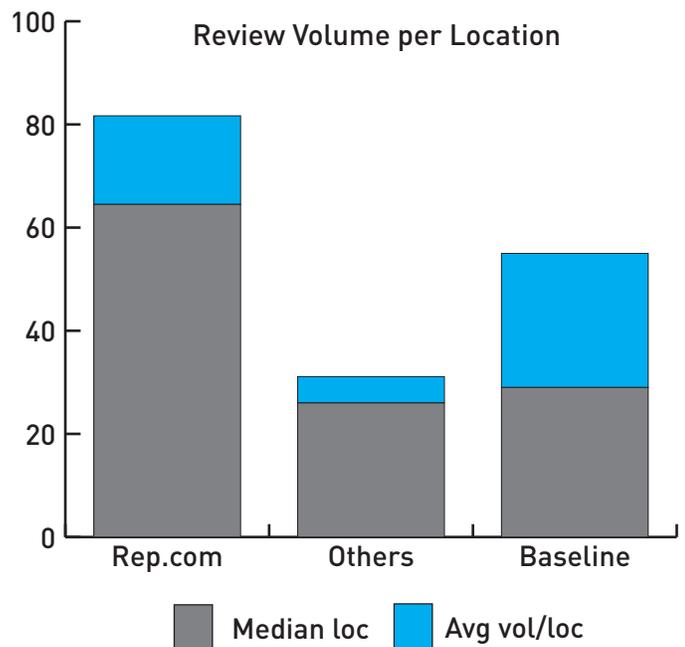
Finding 2: ORM amplifies positive trends

We would expect to see a gradual increase in review volume for any business, online reviews have steadily grown in popularity over the past decade. However, over the study period we saw a much more dramatic jump review volume for the Reputation. com dealerships.

Non-Reputation.com dealerships started with a slightly lower review volume overall, though a difference as small as two reviews per month per dealership could easily be attributed to random variation, and indeed we see fluctuations the average monthly review volume that are approximately at the baseline value. It is clear, however, that non-Reputation.com dealerships saw only a modest improvement in volume over the course of the year, equivalent to one extra review every 2½ months.
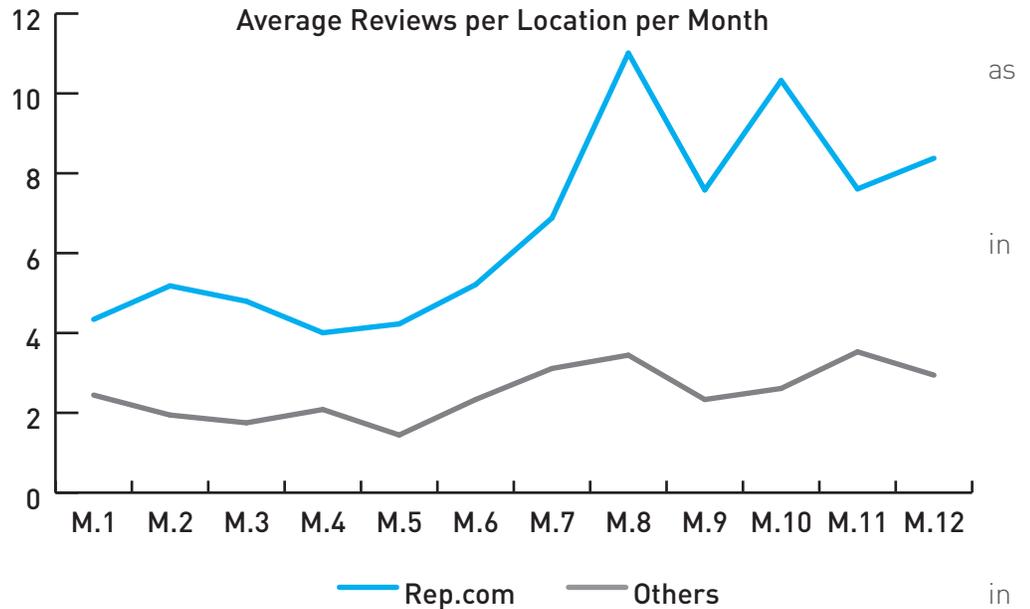
By way of contrast, the Reputation.com dealerships saw their average monthly volume double, with peak months nearly triple the baseline value. Even if we look at the proportional difference between non-Reputation.com and Reputation.com dealerships, those using the ORM platform saw a 2x increase in proportion.

Average Reviews per Location per Month

Legend: Rep.com — Others

Finding 3: ORM gains are broad based

We used both median and mean values to make sure that gains seen through the use of the ORM platform were broad based and not the result of a few exceptional locations pulling up the averages. This trend is further emphasized by looking at the top 20 performing dealerships for each group.

During the study period, the vast majority of Reputation.com dealerships outperformed their non-Reputation.com peers. The top Reputation. com dealer had more than 7x the median Reputation.com dealer, while the top non-Reputation.com dealer only had 3x the median. In fact, only one non-Reputation.com dealership received more reviews during the study period than the median Reputation.com dealership. In other words, the average Reputation.com dealership saw reputation gains greater than that of 97% of all non-Reputation.com dealerships.

Number of Reviews Top 20 Best Performers

Legend: Others — Rep.com
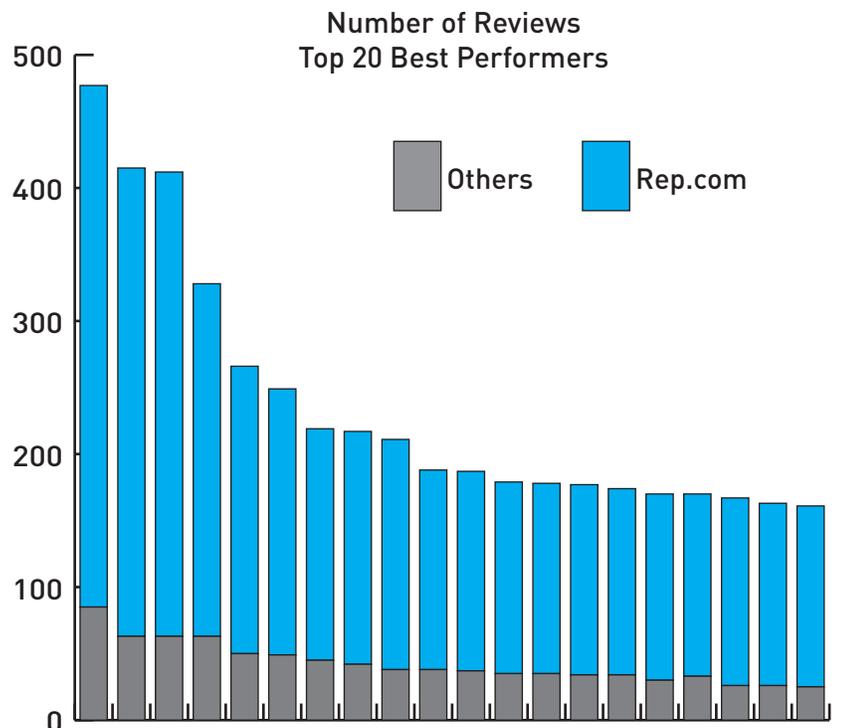
Finding 4: ORM decreases the volume of negative reviews

We have been using review volume as a proxy for reputation gains, since the majority of online reviews on the Internet are positive. Upon closer examination, this pattern also held true for the retailer's dealerships.

We looked at the proportion of new reviews generated during the trial period for each group that were negative. As might be expected, the non-Reputation.com group saw no change in the proportion of positive vs. negative reviews. On the other hand, the Reputation.com group saw a drop of nearly 40% in the proportion of negative reviews.

Not only does the ORM platform boost the total volume of reviews, it also increases the number of reviews that are positive.

Finding 5: ORM creates more equitable review distribution

Finally, we looked at the distribution of reviews across sites. Distribution is important because search engines typically display ratings from several review sites in their search results, and businesses with uniformly positive reviews across multiple sites are more trusted by consumers. Focusing exclusively on one or two sites is a common ORM mistake, and our platform defaults to spreading review requests to multiple sites.

Proportion of Reviews that are Negative

In this metric as well, Reputation.com dealerships excelled, with their reviews spread much more equitably among the top-ranking sites. Non-Reputation.com dealerships, on the other hand, have a less balanced profile, with over 75% of reviews on just two sites. This creates a significant blindspot.
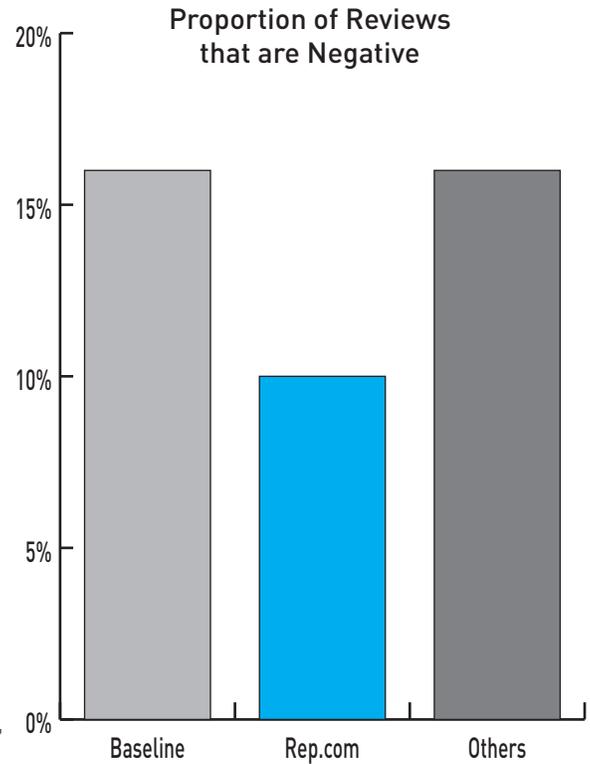
Spread Across Review Sites: Others
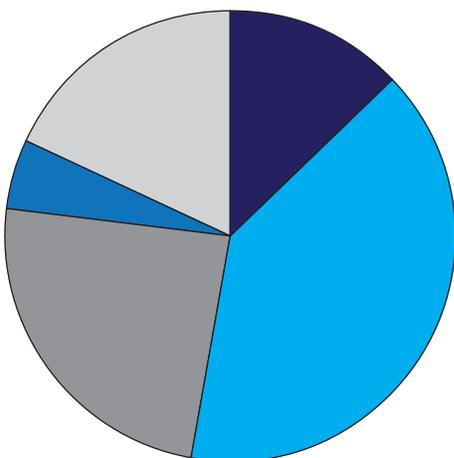
Spread Across Review Sites: Rep.com