



Yodle's Small Business and Online Reviews Survey

February 2014





EXECUTIVE SUMMARY

Online reviews are significantly impacting consumer behavior. For example, a study recently conducted by Dimensional Research Survey found that the buying decisions of 90% of consumers are influenced by positive online reviews. There is plenty of other similar data that shows how much consumers care about online reviews but very little information about what businesses, particularly small businesses, are doing to respond to this phenomenon.

Yodle wanted to better understand what small businesses owners' approach is to online reviews and how seriously they're taking them. We commissioned an online survey in December 2013 with 300 small business owners through a third party research firm. The respondents from across the country are in a variety of white and blue collar industries ranging from financial services to construction.

Among other things Yodle's Small Businesses and Online Reviews Survey examines whether small business owners think online reviews are important, the extent that they ask for and get reviews, if they monitor for and respond to reviews, and whether they think reviews are fair. As you'll see, our study has found a significant disconnect between the small business owner's approach and the consumer's attitude to online reviews.

Yodle has served small businesses for nine years and is proud to reveal the results of its first extensive survey on a subject matter that is so critical for small businesses.

WHO WAS POLLED?

Yodle's Small Business and Online Reviews Survey includes a sample of 300 small business owners across the United States that work in services industries.

Here's a breakdown of the small business owner respondents by gender, age, blue/white collar, amount of time they've owned their own business and number of employees.

GENDER

Female	36%
Male	64%

PROFESSION

Blue Collar	33%
White Collar	67%

AGE

18-29	1%
30-39	7%
40-49	18%
50-59	33%
60+	41%

NUMBER OF EMPLOYEES

1-5	90%
6-10	8%
11-15	1%
16-20	1%

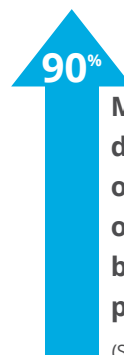
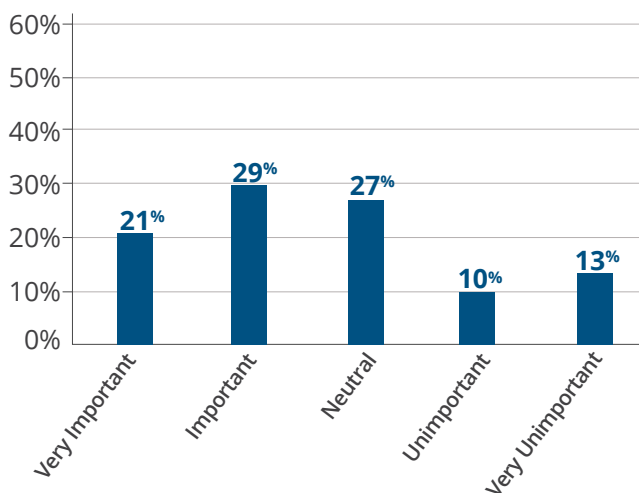
YEARS THEY HAVE OWNED THEIR BUSINESS

0-2	4%
3-5	8%
6-10	22%
11-15	16%
16-20	13%
21+	37%

IMPORTANCE OF ONLINE REVIEWS

Only half of the survey respondents state that it's important or very important for their business to receive positive online reviews. Almost 1 in 4 of small business owners (23%) think that it's unimportant or very unimportant to get positive online reviews.

IS IT IMPORTANT FOR YOUR BUSINESS TO RECEIVE POSITIVE ONLINE REVIEWS?



Many small business owners don't recognize the importance of online reviews despite 90% of customers' buying decisions being influenced by seeing positive online testimonials.

(Source: 2013 Dimensional Research Survey)

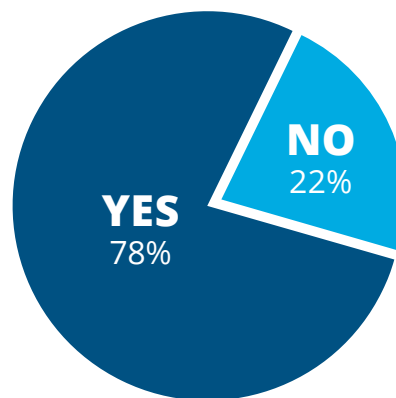
Small business owners think it's most important to get positive online reviews on a website that's specific to their industry (52%). Beyond that, they most care about securing reviews on Facebook (43%) and Google+ Local (39%). Yelp trails in fifth place at 24%.

A vast majority of small businesses care when they get a negative online review (78%).

WHICH WEBSITES DO YOU CARE ABOUT GETTING POSITIVE REVIEWS ON?

Reviews sites specific to my industry	52%
Facebook	43%
Google Local Listing	39%
Angie's List	30%
Yelp	24%
CitySearch	14%
Other	7%

DO YOU CARE IF YOUR BUSINESS GETS NEGATIVE ONLINE REVIEWS?

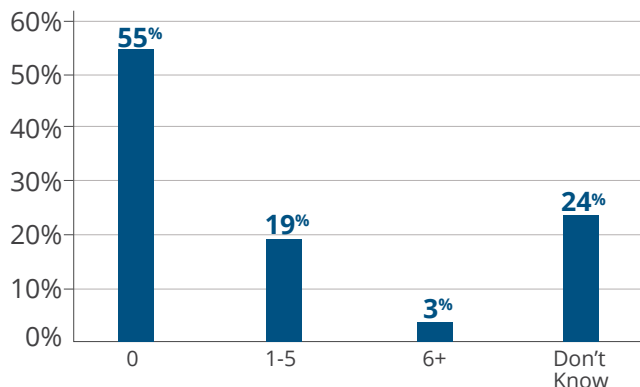


RECEIVING AND ASKING FOR ONLINE REVIEWS

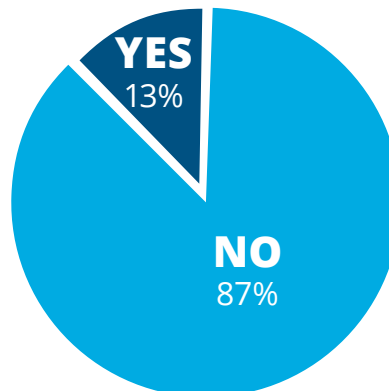
A majority of small businesses (55%) don't receive online reviews. 1 in 5 respondents get an average of 1-5 reviews a month, while only a very small number receive 6 or more reviews a month.

A vast majority of small business owners (87%) don't approach their customers about posting online reviews.

AVERAGE NUMBER OF ONLINE REVIEWS A SMALL BUSINESS GETS PER MONTH



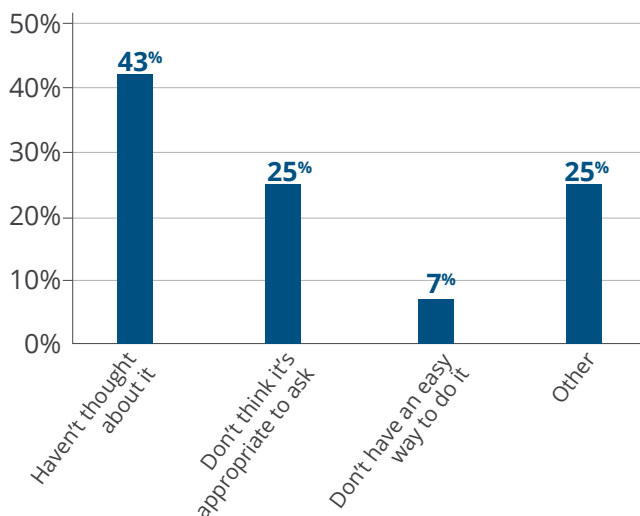
DO YOU ASK YOUR CUSTOMERS TO POST ONLINE REVIEWS ABOUT YOUR BUSINESS?



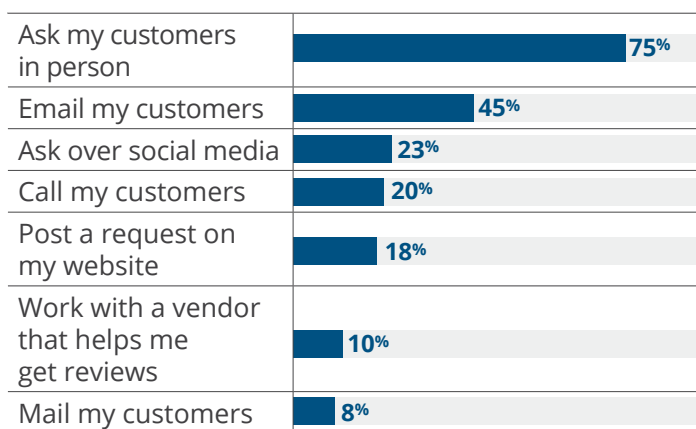
For those survey respondents that haven't asked their customers to post an online review about their business, the biggest reason they cite is "I haven't thought about it" followed by "I don't think it's appropriate to ask".

For those small business owners that have asked their customers to post a review, the most popular ways to broach the topic are to make this request in person, email customers and ask over social media channels.

WHY SMALL BUSINESSES HAVEN'T ASKED CUSTOMERS TO POST A REVIEW



DIFFERENT WAYS THAT SMALL BUSINESSES ASK CUSTOMERS TO WRITE

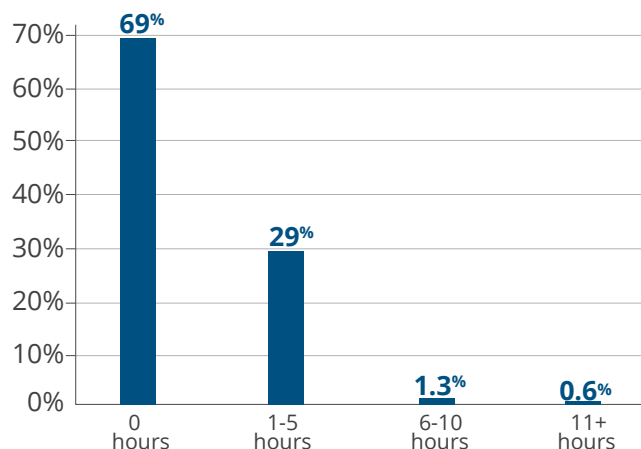


MONITORING FOR AND RESPONDING TO ONLINE REVIEWS

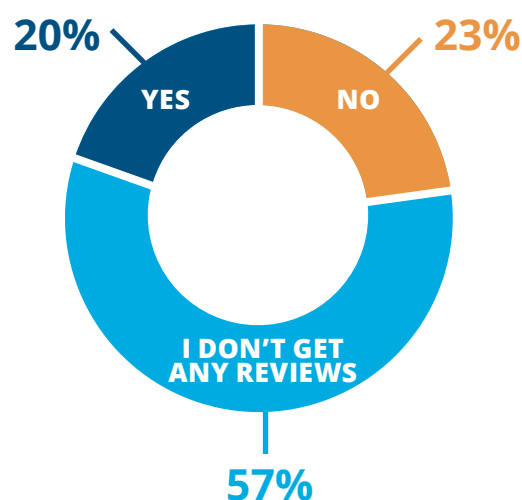
Most small business owners spend little to no time monitoring online reviews. More than 2 in 3 small business owners (68%) don't spend any time on this activity, while another 3 in 10 (29%) only do this for 1-5 hours per month.

Less than half of small business owners who receive reviews respond to them.

AVERAGE AMOUNT OF TIME SPENT PER MONTH MONITORING FOR ONLINE REVIEWS



DO YOU RESPOND TO ONLINE REVIEWS WRITTEN ABOUT YOUR BUSINESS?



Of those small business owners who respond to reviews, **the vast majority (more than 3 in 4) generally respond to all reviews.**

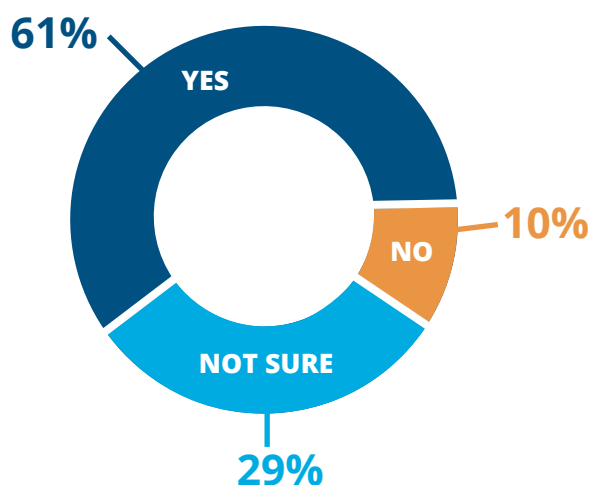
TYPE OF REVIEWS THAT SMALL BUSINESS OWNERS RESPOND TO

Generally respond to all reviews	77%
Respond to negative reviews only	10%
Randomly choose which reviews to respond to	5%
Only respond to reviews if they cover specific issues that I really care about	5%
Respond to reviews only when I have time regardless of whether they're negative or positive	3%

FAIRNESS OF ONLINE REVIEWS

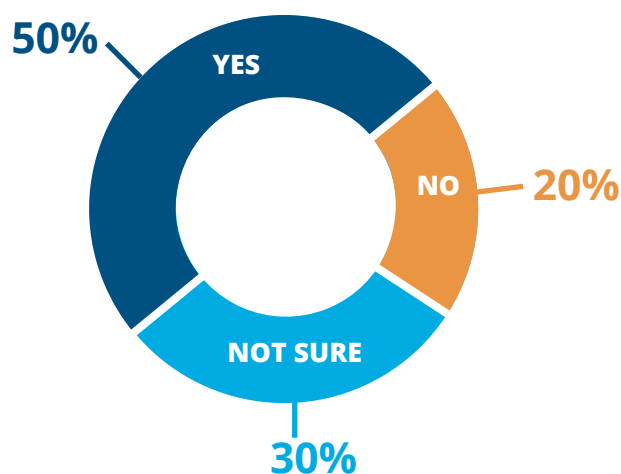
A majority of small business owners believe that review sites favor businesses that advertise with them. Only 1 in 10 don't believe there's any favoritism.

DO YOU THINK THAT REVIEWS SITES FAVOR BUSINESSES THAT ADVERTISE WITH THEM?



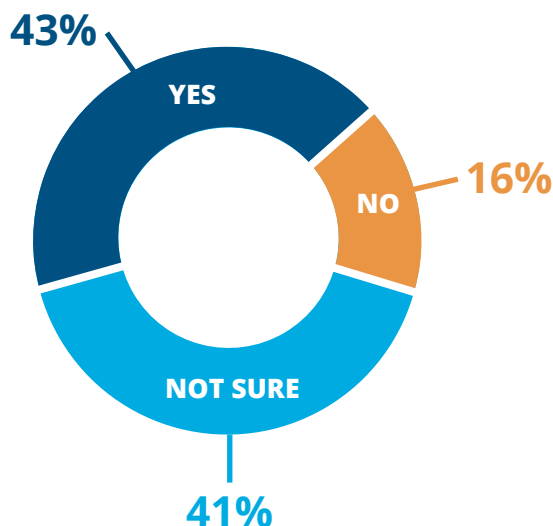
Half of the respondents believe that small businesses are unfairly impacted by negative online reviews compared to larger businesses. Only 1 in 5 don't think that's the case.

DO YOU BELIEVE THAT SMALL BUSINESSES ARE UNFAIRLY IMPACTED BY NEGATIVE ONLINE REVIEWS COMPARED TO LARGER BUSINESSES?



Almost half of respondents (43%) state that online reviews are unfair because they do not verify that people who leave reviews are actual customers. Less than 1 in 5 SMB owners (16%) believe online reviews are fair.

DO YOU BELIEVE ONLINE REVIEWS ARE UNFAIR TO SMALL BUSINESSES BECAUSE THEY DON'T VERIFY THAT THE PEOPLE WHO LEAVE COMMENTS ARE ACTUALLY CUSTOMERS?

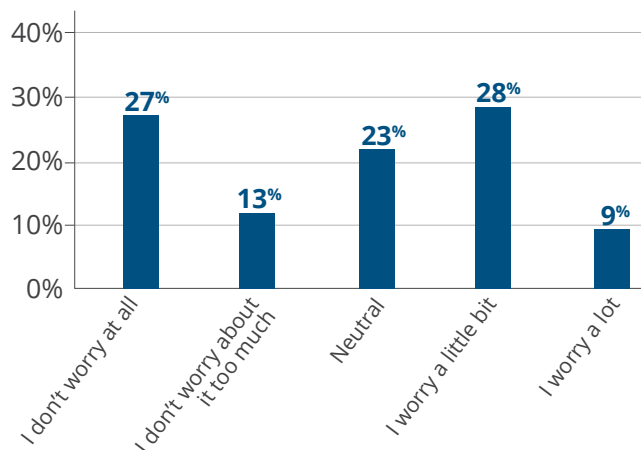


NEGATIVE ONLINE REVIEWS

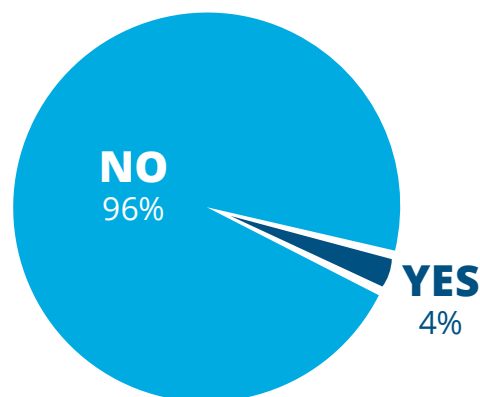
There's an even split between small business owners who worry to some degree about the impact of negative online reviews on their business and those that don't.

Only 1 in 25 SMB owners have been impacted by a negative review.

DO YOU WORRY ABOUT THE IMPACT ON YOUR BUSINESS IF/WHEN YOU GET A NEGATIVE ONLINE REVIEW?

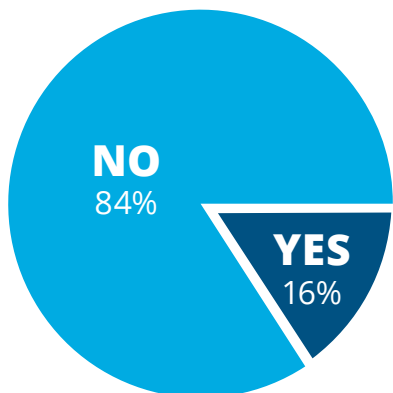


HAS A NEGATIVE REVIEW IMPACTED YOUR BUSINESS?

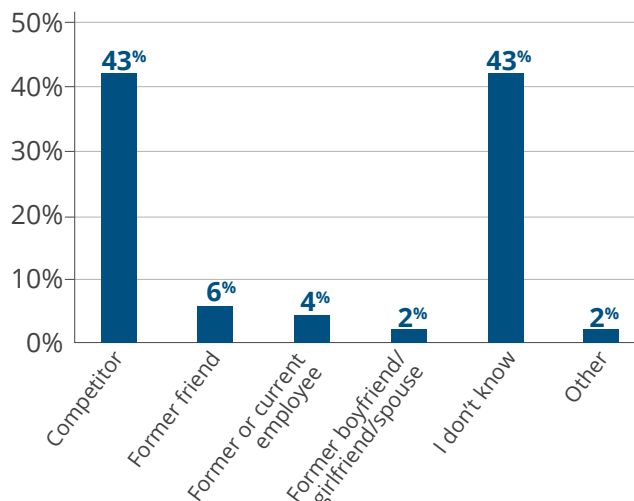


Less than 1 in 5 survey respondents suspect a fake review was written about their business. A competitor was cited as the leading culprit by small business owners who believed they were a victim of a fake review.

HAVE YOU EVER SUSPECTED A REVIEW WRITTEN ABOUT YOUR BUSINESS TO BE FAKE?



WHO DO YOU THINK POSTED THE FAKE REVIEW?



MARKETING AND ONLINE REVIEWS

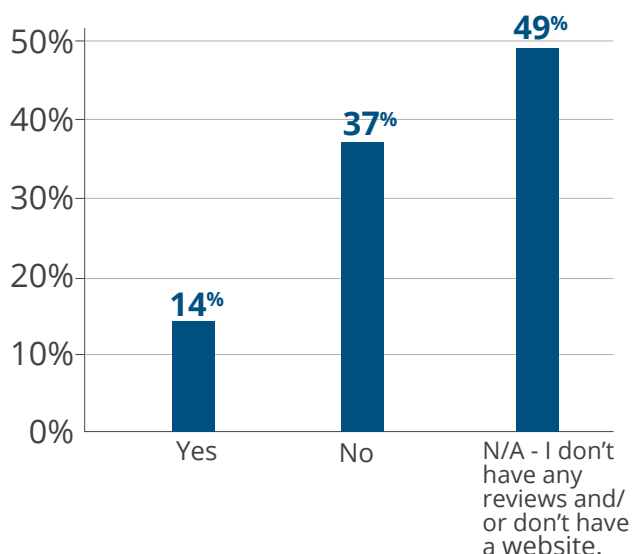
A majority of small business owners believe that positive online reviews are least as important as a website (65%), word of mouth (60%), online listings (59%) and print advertising (51%) for getting new customers. On the flip side, less than half of survey respondents believe that positive online reviews are as important compared to direct mail (45%), Yellow Pages (42%) and paid search advertising (42%).

HOW IMPORTANT ARE POSITIVE ONLINE REVIEWS FOR GETTING NEW CUSTOMERS COMPARED TO OTHER MARKETING APPROACHES?

	More Important	Equally Important	Less Important	Don't Know
Website	22%	43%	15%	20%
Word of Mouth	40%	20%	29%	11%
Online Listings	19%	40%	15%	26%
Print Advertising	17%	34%	28%	20%
Direct Mail	18%	27%	32%	23%
Yellow Pages	20%	22%	37%	11%
Paid Search Advertising	13%	29%	26%	32%

Only just over 1 in 10 of small business owners (14%) post customers' reviews to their website. That means only just over a third of those small businesses that get reviews and have a website are putting reviews on their site.

DO YOU ASK YOUR CUSTOMERS TO POST ONLINE REVIEWS ABOUT YOUR BUSINESS?



A LITTLE ABOUT YODLE...

Yodle empowers local businesses to find and keep their customers simply and profitably. Yodle offers all the online marketing essentials that local businesses need through one easy to use, affordable and automated platform, fully supported by a live customer service team. Today, Yodle simplifies success for 40,000+ local businesses with a comprehensive desktop and mobile web presence, social media automation, reviews management, Search Engine Optimization (SEO), listings distribution to 50+ directories, photos syndication, plus proprietary and optimized paid search technology – transparently reporting results in a performance dashboard. Also offered by Yodle is Lighthouse 360™, an award winning automated patient communications system that improves medical office efficiencies and reduces missed appointments. Additionally, Yodle for Brand Networks™ (YBN™), a division of Yodle, delivers Centermark™, a distributed marketing automation platform that helps network businesses unify, scale, and optimize their local and national marketing strategies.

Yodle is ranked #9 on the 2014 Forbes list of America's most promising companies and has won multiple awards for its business growth, job creation, technology innovation, and workplace and culture. For more information, visit www.yodle.com, www.lh360.com, www.yodlebrandnetworks.com or www.yodlecareers.com.