



## The ROBO economy:



How reading reviews impacts offline sales

# Introducing the ROBO economy

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In our increasingly connected world, consumer-generated content (CGC) provides more than just the digital proxy for the in-store shopping experience — it is the primary influence over our discovery, evaluation, purchase, and ongoing engagement. More so than ever, consumers place their faith in the opinions of peers based on the content they are producing online—across brand and retailer websites, social media, and an ever-growing mix of new and emerging platforms.

The degree to which CGC influences *online* sales is a well-documented and widely understood concept. The ability to quantify the impact of *online* CGC to *offline* sales, however, has largely remained elusive—or directional at best. Despite our industry’s penchant for analyzing consumer behavior at length, there have been very few published studies that quantify the “research online, buy offline” (ROBO) phenomenon. Until now.

Because Bazaarvoice works with more than 4,900 of the world’s leading brands and retailers, we have access to an enormous amount of shopping trend data. With direct access to millions of consumers on a daily basis, we’ve leveraged our partnerships to more precisely discover the influence that online CGC has on in-store sales.

Since kicking off this research in 2015, we’ve already collected over two million data points across hundreds of product categories. This data is sourced from consumer purchase behavior within global retail stores, so brands and retailers can be confident that the ROBO impact that we calculate is not a mere academic exercise, but comes directly from the retail channel where, for many of our clients, the majority of sales occur.

In this guide, we examine how shopping has evolved, the role of CGC in the offline buyer’s journey, and how online CGC is increasingly translating to in-store sales.

Read on to explore our findings and recommendations, and to discover new opportunities to apply these insights to your own marketing programs. Then, give us a call to get your own calculation of impacted in-store sales from online research (ROBO Multiplier). As always, I hope you enjoy this guide and thank you for reading.

**Sara Spivey**  
CMO





# Welcome to the modern state of CGC

Today, people express their opinions about products and brands freely in the form of reviews, social media posts, pictures, videos, and even within messaging apps.

Consumer-generated content refers to all forms of digital content that people create about a product or service they have experienced, used, purchased, or considered.

Forms of content can include everything from a critical rating or a comprehensive review, to a picture, a video, or a brief comment. It can be a rich experiential story, or an uncontrollable emotional outburst. Far more often than not, the time and effort to create and share this content is driven by the will of people to help, inform, protect, entertain, or inspire confidence in other consumers.

These are the people we know, love, and specialize in: the advocates and detractors. Their voices ultimately help brands and retailers to connect with their customers—wherever they're shopping.



# Shopping continues to change

The complex world of interconnected devices, experiences, and feedback-loops has changed retail forever. With new channels to engage shoppers, the proliferation of mobile, and the ability to access content on-demand, purchasing power has made a clear and definitive shift from the brand and retailer to the consumer. Price Waterhouse Cooper released results of their global multi-channel consumer survey<sup>1</sup> reinforcing that consumers today want “their shopping needs met in a way that minimizes uncertainty and inflexibility and maximizes efficiency, convenience, and pleasure.”

Increasingly, consumers consult CGC to make decisions prior to shopping in-store, with many doing their research directly in the aisle. With their evolving preferences and habits, consumers are no longer using CGC just to research products during the consideration phase; they are now using it at any

time, in any space, due to its easy accessibility on mobile devices. *In fact, mobile has brought the experiences of millions into the shopping aisle, bank, dealership, and more.* CGC’s influence now extends well beyond the product page online. Real-time access to CGC offers plenty of opportunity for both shoppers and retailers alike.

Although the physical store remains their primary touch point, consumers today want and expect a seamless experience across all channels. While the mobile-wielding shopper who researches, reviews, and compares prices online may have once been seen as a threat, retailers must seize the opportunity and provide helpful, targeted CGC content—wherever the shopper is.

**Is your business ready for this omnichannel shopper?**



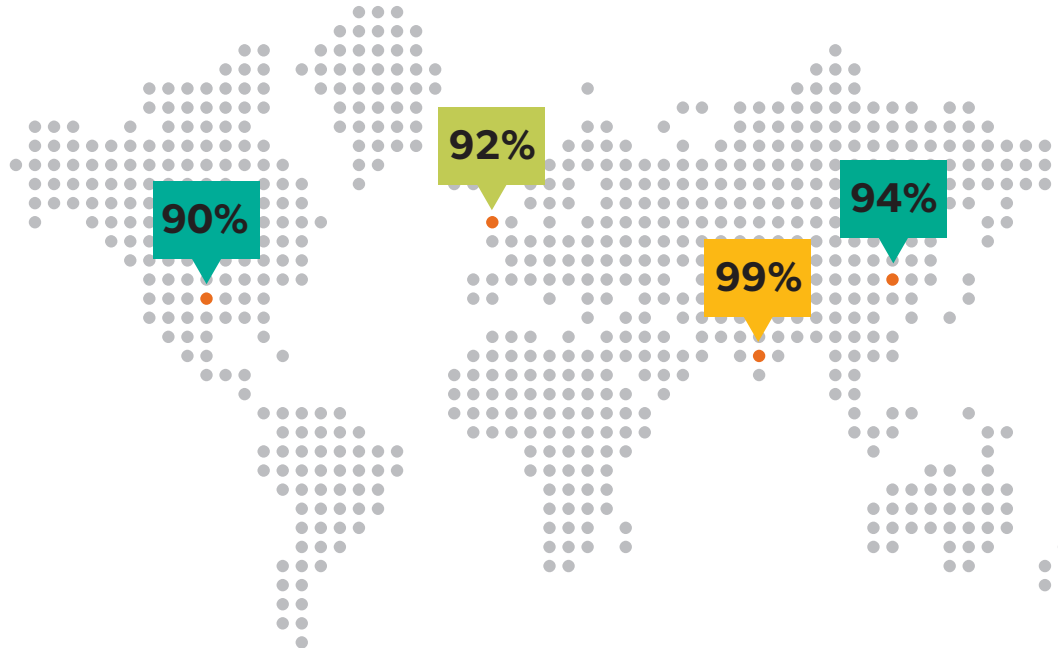
**36%**

of our product page views  
are being pulled up on a  
**mobile device**  
(phone or tablet)<sup>2</sup>

# The importance of offline

The e-commerce industry may be growing, but offline commerce remains important.

*In fact, the majority of global purchases still happen in a physical store.*



A man in a dark suit, white shirt, and grey tie is looking down at his smartphone in a grocery store. The background is blurred, showing shelves and signs, including one that says "CONG S".

**82%**

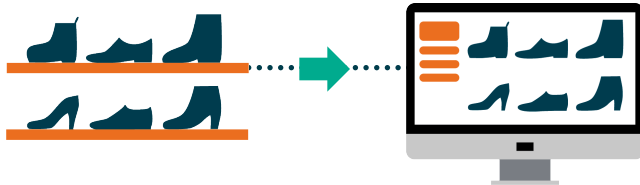
**of shoppers say they  
consult their phones  
about a purchase they're  
about to make in-store.<sup>3</sup>**



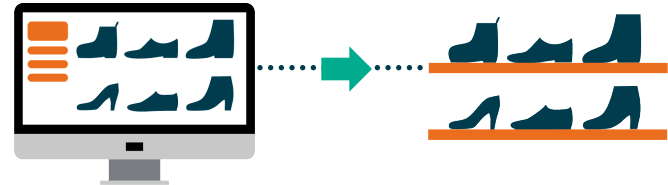
# A reverse in the showrooming trend

Retailers used to fear showrooming — the process of consumers using brick-and-mortar stores to touch and feel an item before making that purchase online for less. While that still happens on some high ticket items like electronics, reverse showrooming (when consumers go online to research products, but then head to a bricks-and-mortar store to complete their purchase) has now passed up showrooming with more consumers saying they have used online sources to research an in-store purchase.<sup>4</sup>

## Showrooming



## Reverse showrooming



# A reverse in the showrooming trend



This trend is seemingly to the retailer's advantage, unless you are Amazon. However, a Google study has shown **82% of consumers have consulted their phones in-aisle when deciding what to buy.**<sup>5</sup>



Consumers generally turn to the retailer to find this information, however if they don't find the information they need to make a decision, **32% don't buy the item and another 10% deflect to other retail sites.**<sup>1</sup>

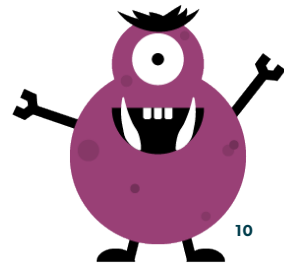
**That COULD expose a lower price, especially if that retailer is Amazon.**



**Almost half of consumers** would abandon an in-store purchase if they found that product at a 2.5% discount online. **When the price discount reaches 20%, 87% of shoppers would leave a store.**<sup>6</sup>

- So, while a consumer may have walked into your store with the intention to buy, a lack of information forced them to look for the same product elsewhere and exposed a price gap that cost you that sale.

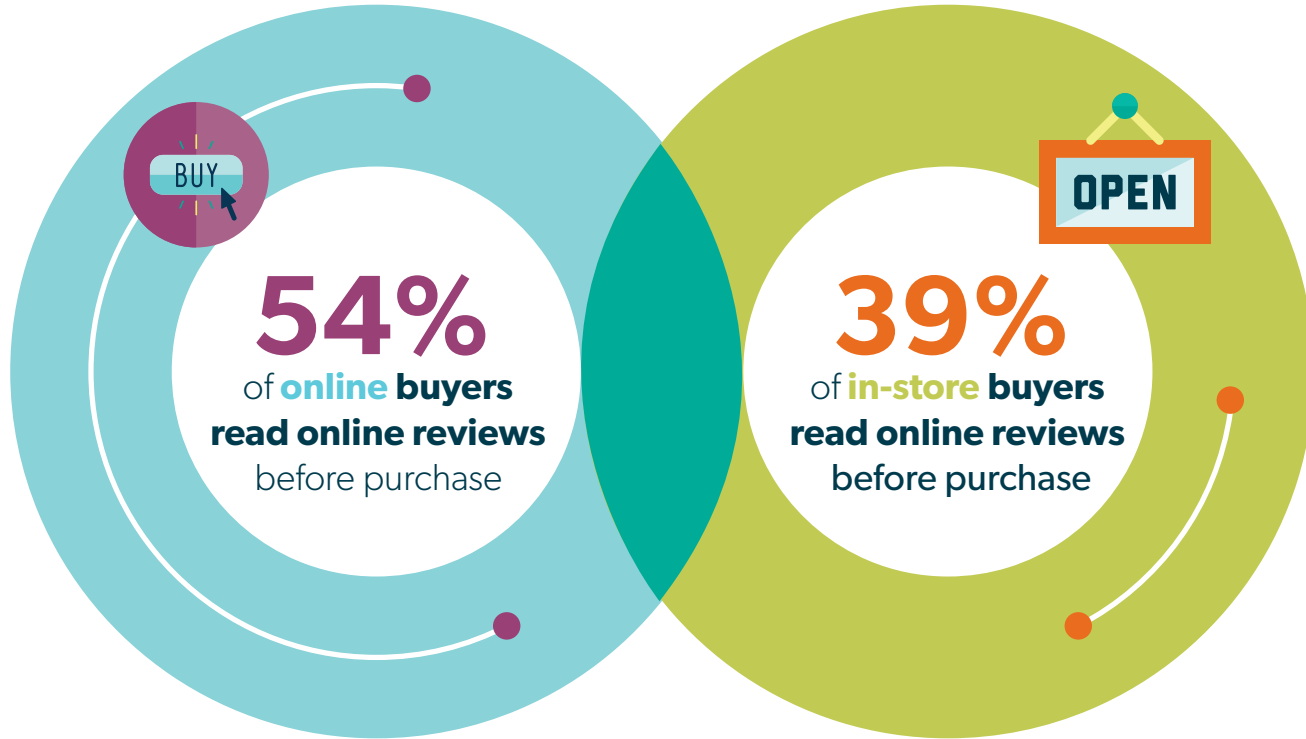
**You created a showrooming monster.**



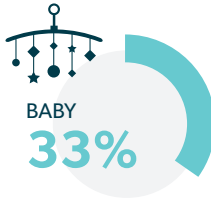
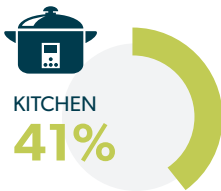
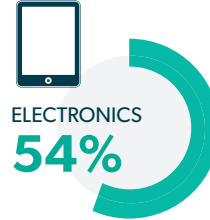
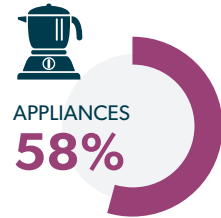
## Bazaarvoice study: CGC usage for online & in-store purchases

We've partnered with **20+ of the world's leading retailers** to research consumer behavior across **100's of brands and categories** to understand how often shoppers seek CGC before buying online or in-store.



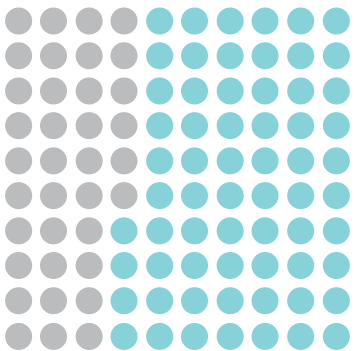


# Products researched online before being purchased offline



# ROBO: A growing influence

A Harris poll found that in 2014, 69% of people were engaging in reverse showrooming behavior. According to a Google report in 2015, 82% of people consulted their phones in-aisle before making a purchase. As the number of consumers who research online and ultimately buy offline (ROBO shoppers) continues to rise, the ROBO shopper — once viewed as problematic for retailers — is now viewed as a significant, new marketing opportunity. The in-store impact of online content has become so substantial, in fact, that it's often *the single largest driver of value from CGC for multi-channel retailers* — relative to other value drivers such as online sales impact from search, sales gains from media efficacy, and product returns.



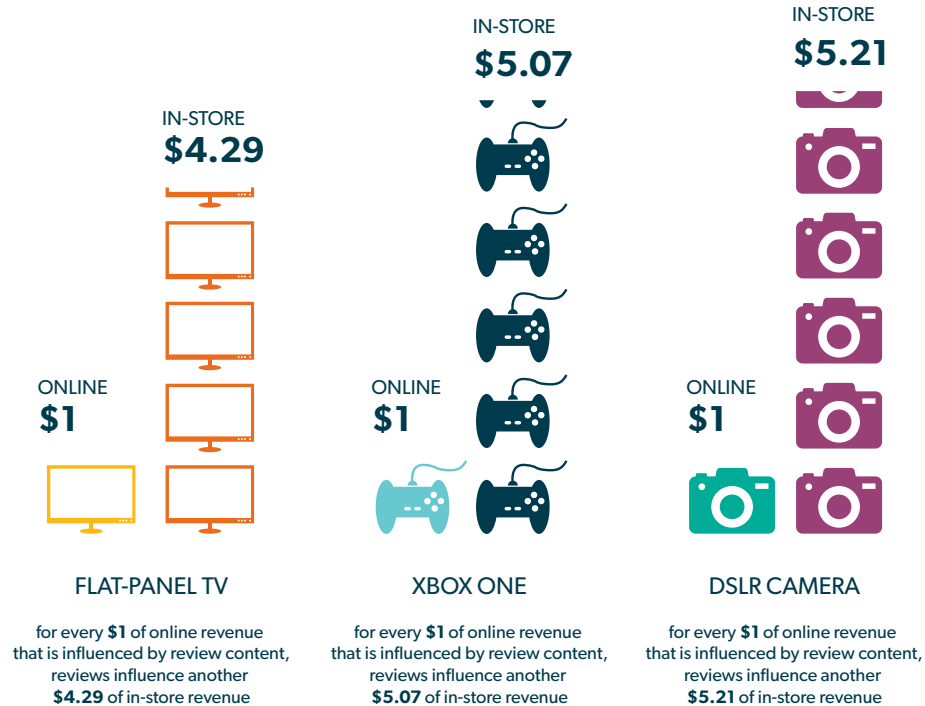
## 64% of U.S. purchases

are researched online, and brands and retailers alike seek to engage this ROBO shopper with easy access to trusted content. The ROBO phenomenon is particularly significant among Millennial shoppers. The use of online content prior to offline shopping has been growing in the ranks of 25-34 year olds, with 54% citing that CGC will influence an in-store purchase.

**In the following sections, we'll explore ROBO influence and insights for several broad categories and offer recommendations to help marketers achieve content volume and reach. With access to such a wide breadth of shopping data, we can provide not only category-level insights, but also sub-category and even brand-level insights for ROBO impact.**

# So what does that mean?

## ROBO Multipliers across select categories



**Now that you understand what access to a ROBO Multiplier could reveal for your bottom line, let's explore how two different consumer journeys and their ROBO Multipliers can provide insights.**





# ROBO insight: A high ROBO Multiplier

With today's changing consumer journey, CGC cannot be ignored.

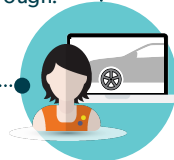
Let's explore Pamela's path to purchasing a car.



Pamela starts by going to Google to search for cars by price, model specs, and vehicle owner reviews.



Because the automotive manufacturer's site has so much fresh and relevant review content, it shows up first in the search results so she decides to click through.



After consulting the reviews, comments, and alternate recommendations from other consumers, Pamela spends some time at home on her computer, customizing the car of her dreams on the car manufacturer's website.



Aided by the photos and reviews of other car owners, Pamela feels validated that she won't experience buyer's remorse when she purchases her dream car: a new two-door silver coupe with tan interior, but needs to experience driving the car at her local dealer.



Armed with research and opinions about the sales and service experience at her local dealer, Pamela prefers to visit the showroom to touch, feel, and 'try on' the car.



After considering all factors, and feeling confident about the car and the dealer from hearing other buyers' experiences, she decides to purchase the car.



When viewing the inventory at the showroom, Pamela uses her smartphone to confirm a variety of product info.

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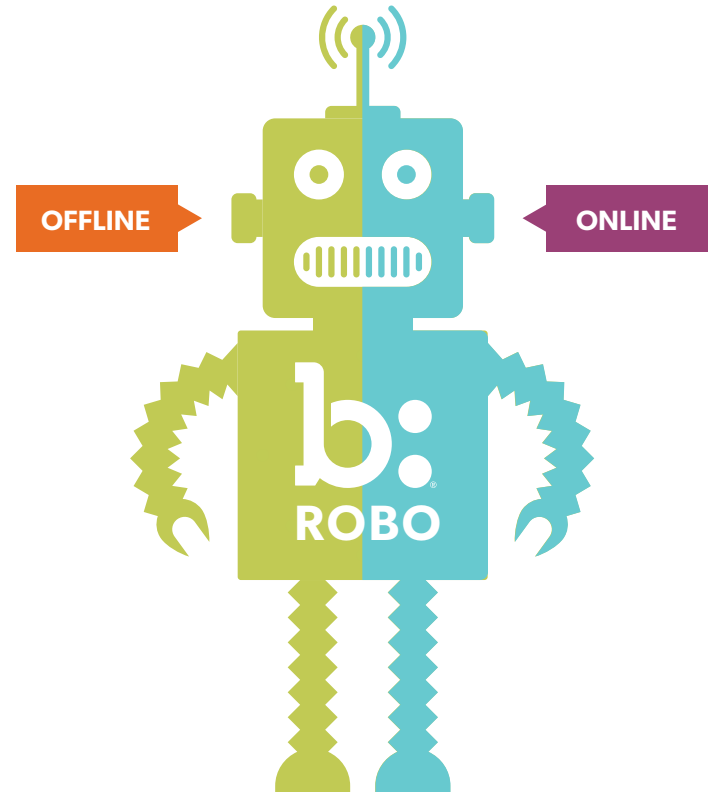
For the car manufacturer who sells very few automobiles online, a ROBO multiplier that is large (large = a ROBO multiplier over 7) indicates that presenting the right CGC during the right portion of the online journey is critical to winning that consumer. The manufacturer should also consider the implications of a newer retail trend, **reverse showrooming** (see page 9).

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# What this means for marketers

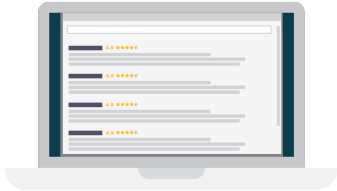
Whether your goal is to drive more in-store sales or online conversions, you must take measures now to increase the volume of CGC for your products. Sufficient CGC volume is paramount— particularly when it comes to high ticket items, those with health and safety considerations, or when introducing a new product or brand. A higher volume of CGC also extends the reach of your content via SEO, as Google loves fresh consumer content.

"56% of survey participants said the first thing they do when researching a purchase is to use a search engine"<sup>1</sup>



# What this means for marketers

In Pamela's instance, there were several critical points in her journey that are common for categories with high ROBO scores.



## Fresh and relevant content

Pamela started her search by using Google. Because of the fresh and relevant content on the automotive manufacturer's site, Google ranked the car manufacturer very high in organic search results. This directly impacted who acquired her at the top of the funnel.



## Consumer content at the local level

When Pamela was investigating what others were saying about the product, the reviews focused specifically around the sales and service experience at each location helped her decide which location would be best to view the car. CGC is very important to help drive traffic to the store environment.



## Prevent reverse showrooming

Pamela was using her phone at the dealership to confirm product information and to reinforce her previous decisions about the car and the dealership. If this information was not present on the local site, she would have gone to another site to find it. Leaving the site opens up the opportunity to lose the sale if Pamela was to find what she feels would be a better car, better dealership, or a better price for the same car.

# ROBO insight: A low ROBO Multiplier

It is imperative that you use every tool possible to replicate the in-store experience in the virtual environment — this is a critical time to drive trial and conquest your competitors.



As an example, Financial Services is moving from a proactive person-to-person (agent or banker) sales model to a digitally-enabled, **self-directed** path to purchase. Banks and insurers cannot rely on their sales teams the way they once did, because consumers are now empowered with countless online resources to determine which financial product is right for them. Compared to other financial services purchases, credit cards have the lowest ROBO multiplier — **but interaction with CGC is still crucial.**

Let's examine Brendan's credit card buying journey. Brendan has been a loyal customer of a major credit card provider for a few years and recently saw a television ad about the rewards program from a competitor of his current provider. Interested in the program, Brendan begins researching the details, the blackout dates, and the bonus rewards, and begins to consider what he could do with the extra points. While Brendan finds this information helpful, it isn't enough for him to defect. He needs to understand more about the company and the way they handle their customers. Brendan begins researching what other customers are saying about the company. He looks at customer service complaints and security issues, and researches the company's reputation with handling fraudulent charges. All of these factors are important to Brendan and are at the top of his mind when considering whether to leave his current credit card provider.

# ROBO insight: A low ROBO Multiplier

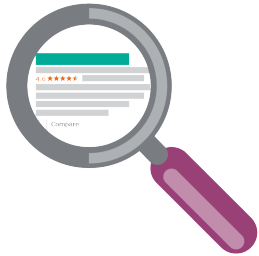
## ROBO insight/trend

Even though there are minimal scenarios for credit cards where the user will be researching a product online while in a store environment, having CGC both online and in-store is important and yields opportunities where consumers may defect from their incumbent providers. Without the information he received from reading CGC, Brendan would have been significantly less likely to consider switching credit card providers. Hearing from other users about the way the company handles customer service and fraud issues was critical to Brendan's decision to defect. Moreover, by already having this content in Brendan's research location, we reduced friction by allowing him to gain the confidence necessary to convert without seeking information on another site.



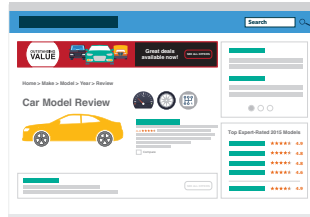
**Place your content  
where your buyers are  
doing their research**

# What this means for marketers



## Provide CGC information where your customers are researching

For brands, this means having CGC on your site is important, but syndicating to your retail partners is just as important. For retailers, this means that you have to make it glaringly obvious where to find this information on your site and specifically on your Product Detail Pages (PDPs).



## Drive category-level traffic

For customers who are performing product searches at the category level, having CGC in the appropriate places on your website will allow for higher rankings in organic search, therefore driving increased levels of traffic. This is paramount for low ROBO products because there is no opportunity to use shelf placement as a tool.



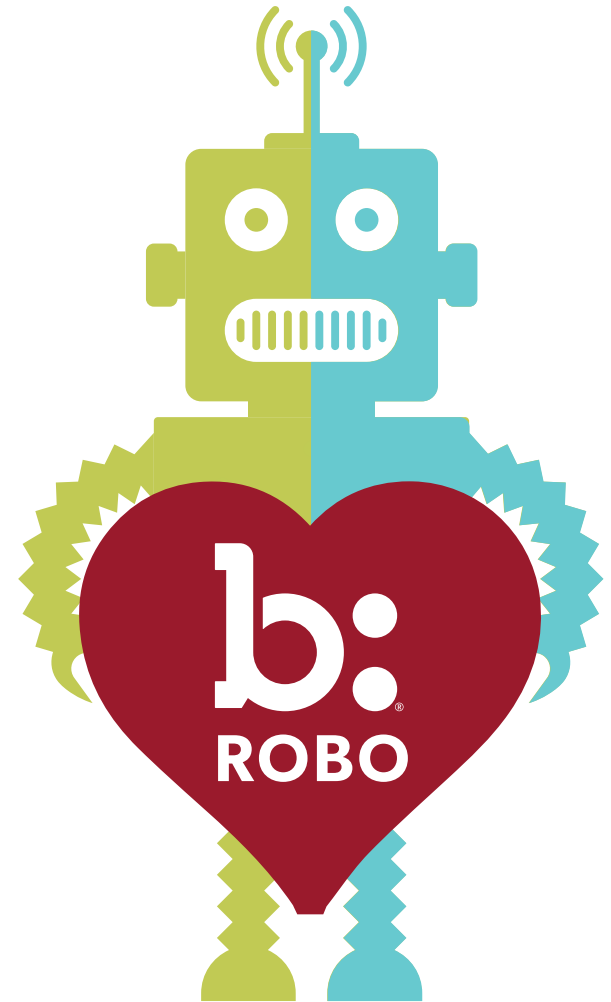
## Use rich content to generate confidence in your customers

With low ROBO products, it doesn't mean the customers aren't interested in learning about the details of the product. Not only do they care about reviews, but they are also interested in learning about the look and feel of the product. The more you're able to replicate the in-store environment in a virtual shopping experience, the higher the likelihood of conversion. Photos and videos are a great way to contribute to this.

# Embrace the ROBO opportunity

Understanding where your brand and products fit in the minds of shoppers can offer critical cues to help optimize your marketing mix. Whatever the price or consideration level of your product is, all purchase decisions require some level of evaluation and investment—of time and money—and with that investment comes risk. CGC helps mitigate that risk and instills the confidence in shoppers that they are making the right decisions.

Moreover, knowing your ROBO multiplier empowers you to demonstrate the overall impact of your digital strategy. The ROBO multiplier is another tool to validate your assumptions and confirm the added value of online marketing activities. Specifically, ROBO allows you to claim in-store sales and contribution and gives you the ability to quantify incremental sales as a result of consumer-generated content.





# Consider the following ROBO opportunities:

1



## Guide consumers from consideration to purchase:

Increase CGC volume to offer more perspective and give shoppers the confidence to convert.

Whether your goal is to drive more in-store sales or online conversions, sufficient CGC volume is paramount — particularly when it comes to high-ticket items, those with health and safety considerations, or when introducing a new product or brand.

2



## Create a seamless experience:

Integrate CGC in-store to help guide shoppers, introduce new products/brands, and encourage alternate brand decisions.

Companies are embracing how CGC makes shopping easier for consumers. Instead of hiding or avoiding what shoppers are saying about their products, retailers are embracing putting CGC front and center to pivot from a conversation based on company branding to one informed by consumer experience, increasing the confidence and trust not only in the product but also in the consumer's shopping experience.

3



## Use photos and videos for discovery:

Prominently feature consumer-generated reviews, photos, and videos throughout your online experience.

Consumers often go to a brand or manufacturer's website to research a product, but then they need to find a retail outlet that sells the product. Now, armed with these product specifications, consumers leverage CGC to help them determine the best retailers for seamless services such as fast and on-time delivery or in-store pick-up.

# What's your ROBO Multiplier?

From traditional word-of-mouth, to photos and videos shared in real-time on social media, CGC is ever present in our world today. It influences millions of shoppers everyday, and whether it's the content that drives discovery or the CGC that influences a purchase decision in-aisle, consumers have come to rely on the recommendations of people like themselves in just about every decision they make.

Leading brands and retailers address this by proactively fostering a CGC ecosystem that continuously fuels consumers' confidence. By asking existing customers and past purchasers to provide feedback on product and services, and distributing this feedback with consumers considering purchase, they are able to create an ever-expanding feedback loop that ultimately spurs trust, business, and loyalty.

In this guide, we examined the role of CGC in the offline buyer's journey and how online CGC is increasingly translating to in-store sales. Whether your business is primarily online or brick and mortar, it's no secret that the world is changing. The incorporation of CGC offers exciting new opportunities to attract shoppers, encourage an engaging and transparent conversation about your products, and ultimately, give them the confidence to buy. Furthermore, finding your ROBO multiplier helps you demonstrate the overall impact of your digital strategy. Having your specific ROBO multiplier allows you to quantify incremental sales as a result of CGC, as well as claim your contribution to in-store sales.

**Ready to know how your sales are influenced by CGC? Knowing your ROBO Multiplier gives you a chance to get ahead of your competition – to move faster and build for the omnichannel consumer.**

**[Click here to get your custom infographic and ROBO Multiplier today!](#)**

Your  
Logo  
Here

# [Your Company] ROBO Multiplier

*The ROBO Multiplier is the amount of in-store revenue influenced by reviews for every \$1 of online revenue influenced by them*

We researched consumer behavior from 20+ of the world's leading retailers in North America, EMEA, and APAC, across 100's of brands and categories to understand how often shoppers seek consumer-generated content (CGC) before buying online or in-store.



% Research online/buy offline

% Research offline/buy online

**Overall ROBO multiplier**

Visit [www.bazaarvoice.com/ROBO](http://www.bazaarvoice.com/ROBO) to learn more

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# About Bazaarvoice

Bazaarvoice is the world's largest network of active shoppers, connecting more than one-half billion consumers to thousands of retailers and brands that represent tens of millions of products and services. Online, in-store, and on mobile devices, Bazaarvoice's technology platform engages consumers, increases sales, and protects loyalty through authentic ratings and reviews, Q&A, and brand-relevant photos, videos, and social posts. Interactions across the Bazaarvoice network yield insights on past, present, and future shopping behavior, enabling marketers to identify competitive advantage.

For more information, visit <http://www.bazaarvoice.com>, read the blog at <http://www.bazaarvoice.com/blog>, and follow on Twitter at <http://www.twitter.com/bazaarvoice>.