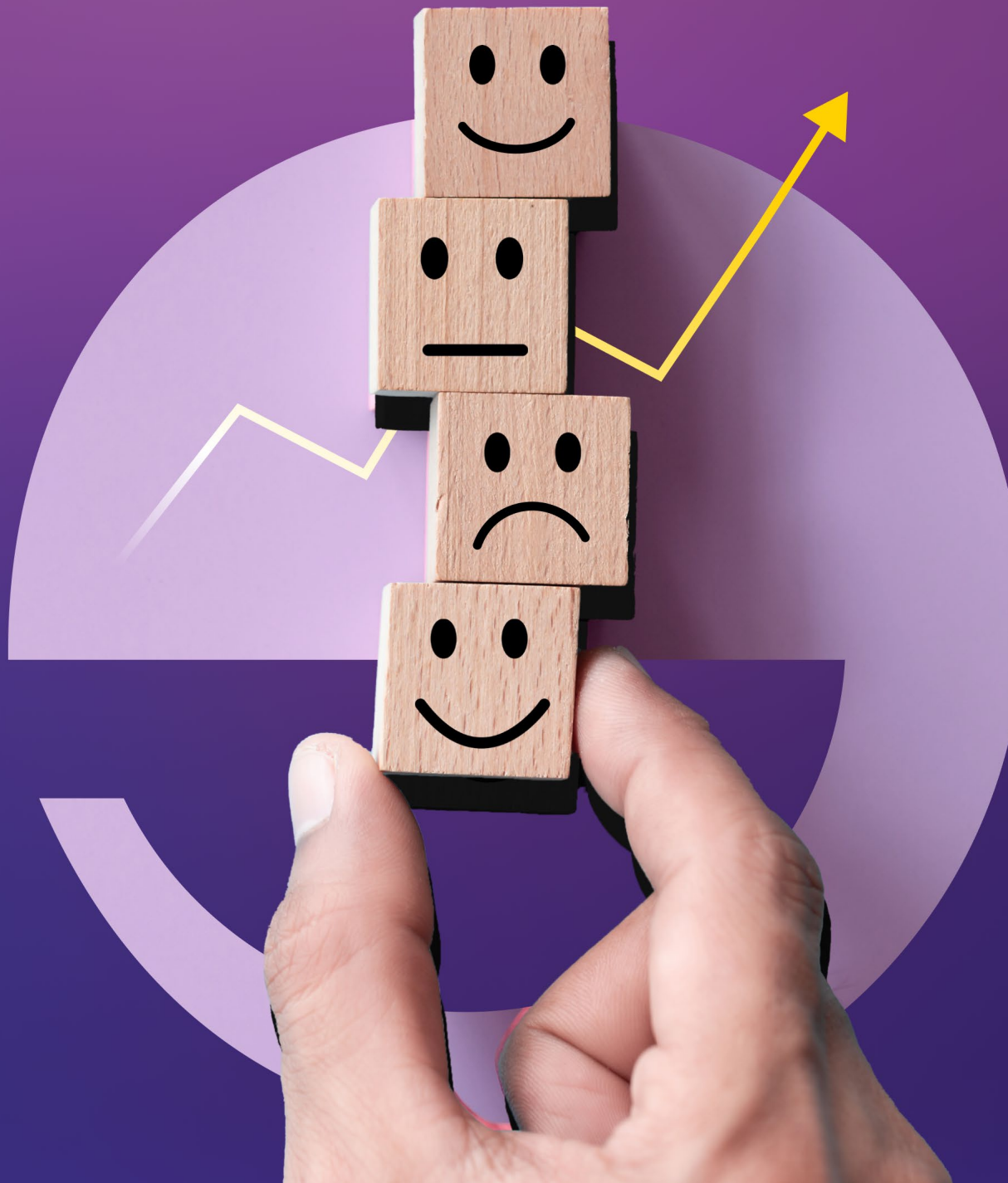


The Consumer Benchmark: From Transactional to Value

How consumer expectations and
brand relationships are shifting

2024





Welcome

The Consumer Benchmark report was put together by a dedicated team of people at Feefo, who are passionate about helping brands navigate a frenetic landscape.

It draws insight from over 21.7 million reviews, collected on behalf of more than 6,500 brands over a seven year period; uses primary consumer research conducted via Censuswide in March 2024 with 2,002 participants; and looks at consumer trends reports from trusted organisations.*

Feel free to use our insights to find moments or opportunities to drive your business forward.

Responding to consumer trends is just one part of learning how to weather an ever-shifting consumer climate and become a successful brand. Knowing when and how to do it is invaluable for smart brands.

***For methodology turn to page 68.**

Source key

- † *Feefo July 2023 Consumer Research via YouGov*
- ‡ *Feefo March 2024 Consumer Research via Censuswide*
- ± *Feefo reviews analysis from 2018 to 2024*
- ¹ *Numbered footnotes refers to third party insights*

For full source data see back page.

54%
**of consumers
are more likely to
repeat purchase
when they feel
personally valued
by a brand.‡**

‡ Feefo March 2024 Consumer Research via Censuswide

What's the story?

Key takeaways from the data, for the short-on-time, high-on-demand stat seeker.

Consumers will seek more value from brands and buy less in 2024.

Despite steady consumer confidence, there's a notable shift towards tentative spending, reflected in decreased purchases per trip across various categories.

Consumers are becoming cautious spenders - and when every purchase becomes a weighted decision, each transaction comes with greater expectations.

Consumers expect more from brands across the board; from value for money to acknowledgement and engagement.

54% of customers are more likely to buy again if they feel personally valued by a brand.‡

But what does value look like to a customer, aside from transactional?

It can look like loyalty schemes, personalised services and feeling connected to a brand.

Want to know more? Read on.

‡ Feefo March 2024 Consumer Research via Censuswide

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Editor's Note

You may be asking; how can I better understand my customers and deliver more value back to them?

If that's a question you ask yourself often, you've come to the right place.

At Feefo, we're keen to lead the way on customer obsession and prove why we believe listening to your customers through authentic feedback and insights is a smart game for businesses.

Consumers are more cautious than ever, less loyal and have higher standards for the brands and businesses they buy from.

So, whether you're a retailer or service provider, it's critically important to understand your customers' expectations and gain valuable insights to provide real value.

Tony Wheble
CEO, Feefo



Feefo Introduction

Consumers are more cautious than ever in their spending habits. Many elements pull them in all directions: value for money, affordability, sustainability and brand reputation. They're less willing to take chances when it comes to spending money.

How can brands navigate such a landscape?

The data says: a value exchange.

This report explores consumer attitudes towards value and answers the following question: What will make consumers choose one brand over another and become repeat customers?

The report explores:

- What does it mean to feel valued by a brand?
- How can brands use a value exchange to nurture customers and advocates?
- Are consumers more willing to exchange their data, money or insights if they feel personally valued?

We already know it pays to be customer centric. Brands that have their customers at the heart of what they do are more likely to succeed.

Many are still learning how to do this authentically and listen to their customers.

When brands listen to their customers and truly put them first by offering an authentic value exchange, everyone's a winner.

If you want to know what makes consumers feel valued and how that can affect their behaviours, keep reading.

The team at Feefo
Insights and review specialists

The Consumer Landscape 2024: Value-driven Customers

**Consumers will
seek value and
buy less in 2024.**

The Value Hunters

It's a challenging landscape for brands...

41% of people feel less financially secure than at the start of 2023.¹

74% are concerned about the rising cost of everyday items.²

As a result, 44% plan to buy less in 2024.³

And 57% of people plan to switch to less expensive brands.⁴

Price remains king.

1, 2, 3, 4 Third Party Insights

Consumers have become cautious spenders and are seeking more value beyond the price tag...

They're skimping on essentials while increasing spend on indulgent items such as travel and holidays (up 34%).⁵

They're learning how to stretch their wallets, expecting the best deals while seeking crafty ways to spend without compromising quality.

They're set to increase their search for feigned products, early-bird offers, all-in-one complimentary services, credit card points, and the ability to pay with loyalty points.

45% of consumers say that a brand who offers loyalty reward schemes influences / would influence them to stay loyal.[‡]

The leading themes in reviews are value for money, affordability and convenience of experience.

Money is clearly on people's minds, though they're not willing to stop spending altogether.

They're adapting to tough financial times by skimping on essentials yet planning to spend more on treat items.

63% of Gen Zers and 38% overall say they plan to spend on indulgent items in the next three months, including travel, holidays, dining out or going to bars.⁶

⁵ Third Party Insights
[‡] Feefo March 2024 Consumer Research via Censurwide

⁶ Third Party Insights



Consumers want to adapt to tough financial times, but they don't want to miss out on a good time.

And who does?


How can brands respond?

53% of companies say they plan to escalate promotional initiatives in the coming months.⁷

68% say they plan to build or enhance their customer loyalty programme.⁸

39% say they plan to offer promotions following an event.⁹

Brands need to offer incentives and loyalty schemes – tangible value – while balancing cost with quality to satisfy the new value hunters.



Read more about
[how to respond to seasonal trends using insights](#) →

What do consumers care about?

Efficiency (484,000 mentioning quick, efficient or speedy) and values (124,000 mentioning value, values or valued) were mentioned often in customer reviews over the last year.[‡]

Repeat customers who leave positive reviews express feelings of appreciation, praise, excitement, satisfaction, trust and confidence in a brand.[‡]

4568 reviews over the last year mentioned trust:[‡]

- Reviews that were **positive** mentioned value for money, affordability and convenience of experience
- Reviews that were **negative** mentioned untrustworthiness, poor customer service, failure to honour commitments and feeling deceived or wary to engage with a business

Trends of people mentioning personalisation in reviews are in decline following a peak in 2020.[‡]

Are consumers less concerned with a personalised service and more concerned with a valuable experience?

^{7, 8, 9} Third Party Insights

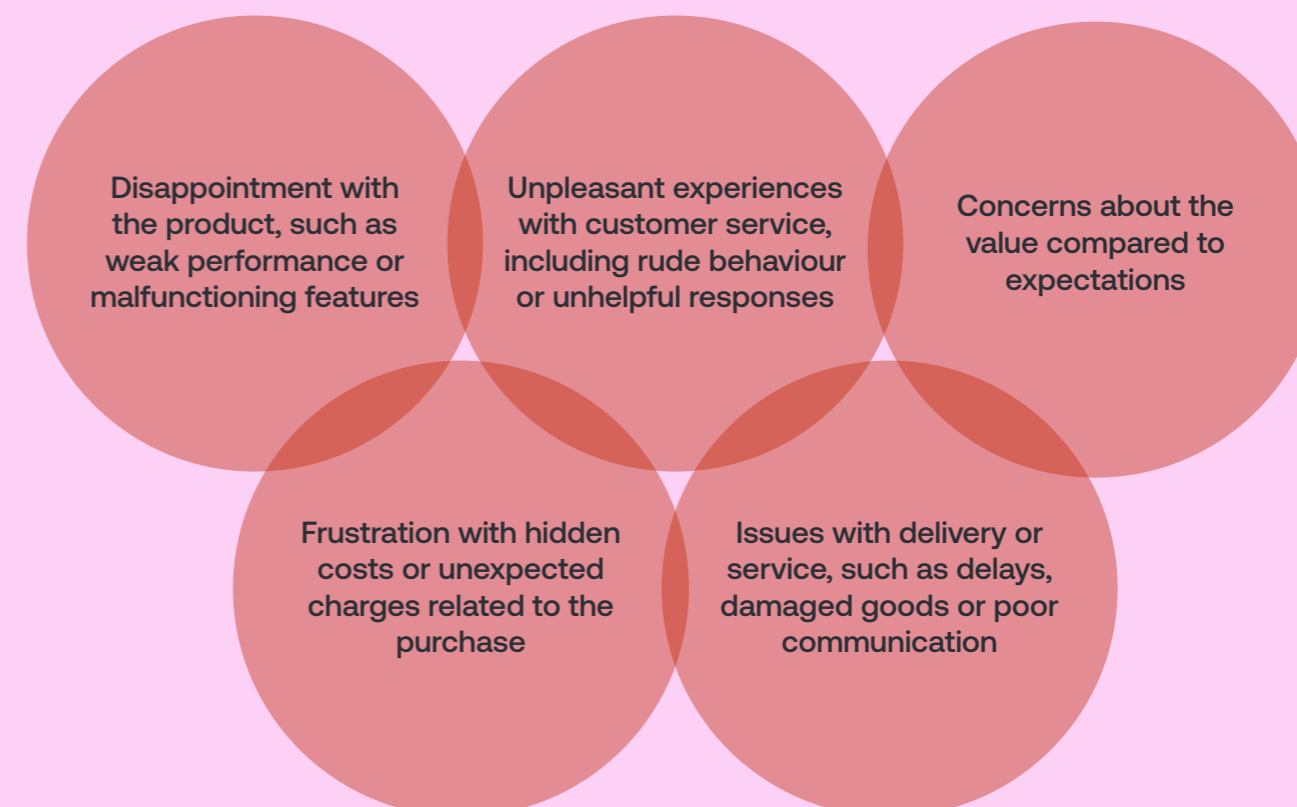
[‡] Feefo reviews analysis from 2018 to 2024

What motivates consumers to tell their friends and family about a brand?

Reasons people recommend a brand to their peers[±]:



Reasons people **do not** recommend a brand to their peers[±]:



What motivates people to share their reviews or provide feedback to a brand?

34%

of people would leave more reviews if they knew it helped the business.¹⁰

54%

of UK consumers who read and leave reviews say they mainly leave reviews to help other consumer like them make a decision before buying.[†]

People are willing to help out brands and their community – the key is to show them that their time and opinion have been acknowledged and valued.

¹⁰ Third Party Insights
[†] Feefo July 2023 Consumer Research via YouGov

If consumers are more reluctant to spend their money

every aspect of a transaction comes with greater expectations.

Great expectations

Consumers have higher demands from the brands they choose to purchase from. They are increasingly choosing a brand for its values.

31% of consumers expect a response to their review of a brand – regardless of if it is a positive or negative review.[‡]

24% of consumers say that authenticity is important to them when purchasing essential items.[‡]

74% say that sustainability practices is important* to them when choosing a brand.[‡]

*Respondents who answered 'Very important' or 'Somewhat important'.

76% say that ethical practices are important* to them when choosing a brand.[‡]

*Respondents who answered 'Very important' or 'Somewhat important'.

And their expectations of brand values affect buying habits too....

Customers who mention sustainability in their reviews are twice as likely to buy again, and three times more likely to become a frequent buyer.[‡]

[‡] Feefo March 2024 Consumer Research via Censuswide
[±] Feefo reviews analysis from 2018 to 2024

A missed opportunity?

Sustainability-conscious consumers are a small but passionate group with untapped potential. They are more likely to repeat buy and buy more frequently.

Brands can choose to learn from this insight in many ways:

- By making products and delivering services that meet their customers' ethical expectations
- By being transparent with their values, no matter where they are in their ethical journey
- And, most importantly, by learning what their customers' specific expectations are

Trends may point in a certain direction, but is that what your customers care about? Do you know what traits they value in you as a brand?

Understanding the people you serve is vital for building a customer-centric brand that can anticipate and respond to shifting trends.

Consumers are still willing to part with their money, as long as they see value in the brand.

Feefo verified reviews and add-on features enable you to learn more about your customers' attitudes and behaviours.

Get a deeper understanding of your customers' desires, above and beyond industry trends.

feefo.com

How brands can respond to shifting consumer trends



Listen to your customers and know which data to analyse when it comes to looking for brand opportunities.



Ask your customers for feedback across the customer journey, not just post-purchase.



Use insights from trends to gauge your customers' interest in topics, and display reviews on your website by themes.

Value

Consumers are being cautious with their spending, so it's more important than ever for brands to prove value to their customers.

The impact of value

Consumers are 54% more likely to repeat purchase when they feel personally valued by a brand.[‡]

27% of people say that feeling valued by a brand would motivate them to become an advocate.[‡]

47% of people say that excellent customer service would influence them to stay loyal to a brand.[‡]

To the consumer, value is about more than receiving a quality product or service – it's about building a connection with a brand..

[‡] Feefo March 2024 Consumer Research via Censuswide

So, the big question is: what makes a customer feel valued?

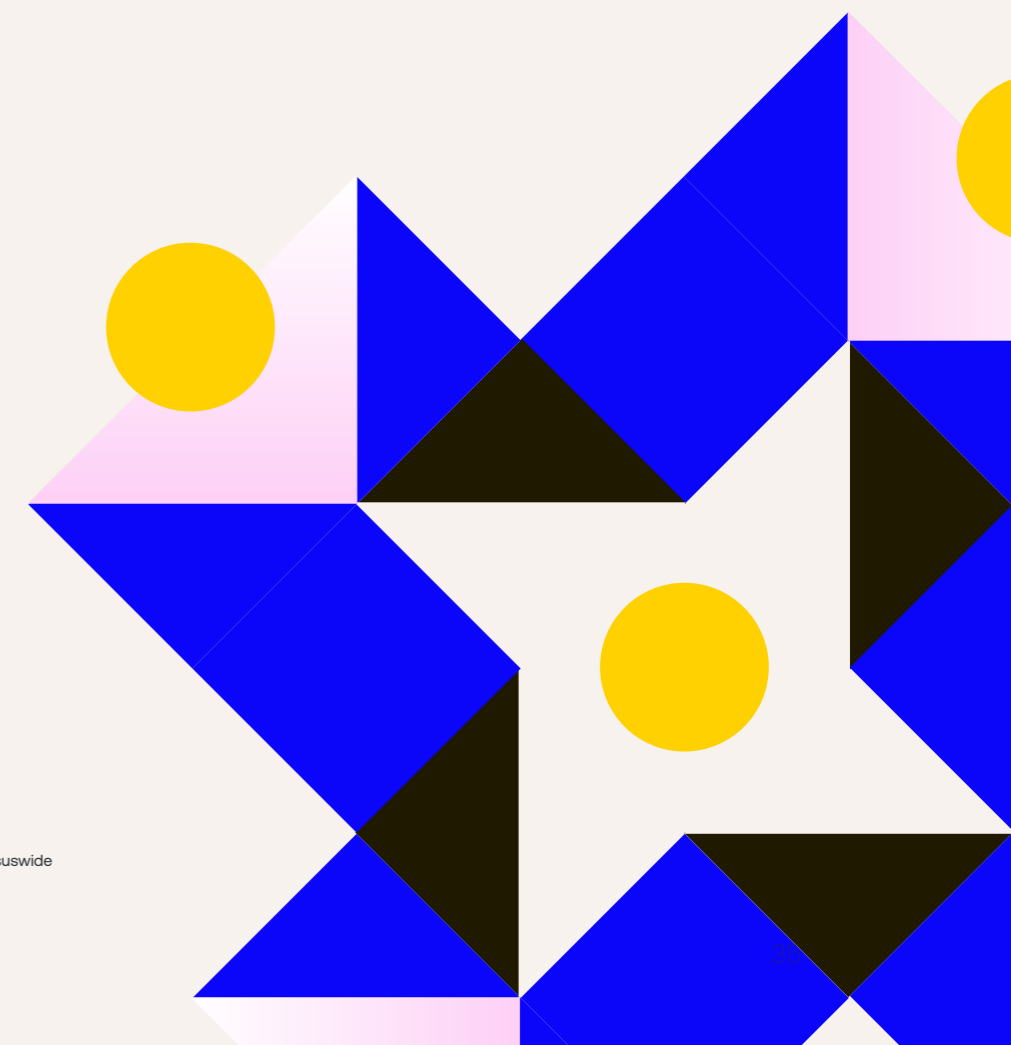
They want recognition – whether that’s through tangible means such as monetary rewards, or emotive means such as receiving thanks.

As well as seeking extra value in transactions, 24% of people say loyalty benefits influence them when considering a brand.^{††}

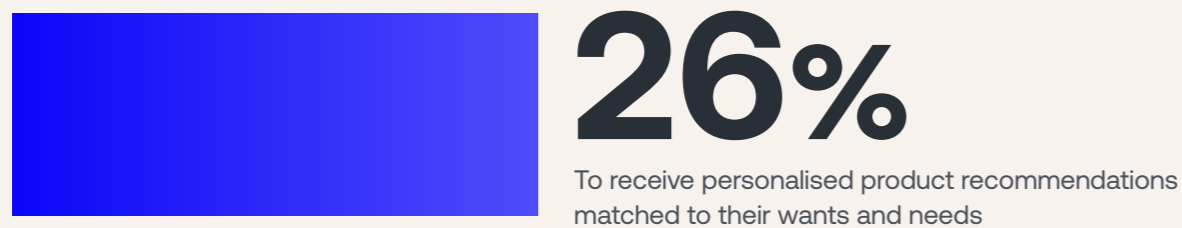
Interestingly, only 15% of people say ethical practices motivate them to advocate for a brand.[‡]

While a brand's ethical value may influence purchase decisions, it's clearly not a driver when it comes to advocacy.

^{††} Third Party Insights
[‡] Feefo March 2024 Consumer Research via Censurwide



64% of people are willing to share their personal data with brands in exchange for:‡



And many consumers expect connection from a brand, whether that's via:‡



‡ Feefo March 2024 Consumer Research via Censuwide

‡ Feefo March 2024 Consumer Research via Censuwide

Let's take that one step further: what motivates a customer to advocate for a brand?

We asked consumers what would motivate them to advocate for a brand in terms of leaving feedback, telling their friends and family, or writing a review on social media.‡

38% of people say that high-quality products or services would motivate them to advocate for a brand

36% say positive customer service experiences

23% say exclusive rewards or benefits

16% say transparency as a brand trait

The Power of Advocacy

Your most important advocates are your customers. Discover:

- What brand advocacy is and how it can boost your bottom line
- How to incorporate advocacy into your marketing strategy
- How a reviews platform can help you build a community of advocates

[Download the guide](#)



27%

of people say feeling valued by a brand would motivate them to advocate.‡

What motivates customers to become advocates? A feeling of being valued or recognised by a brand.

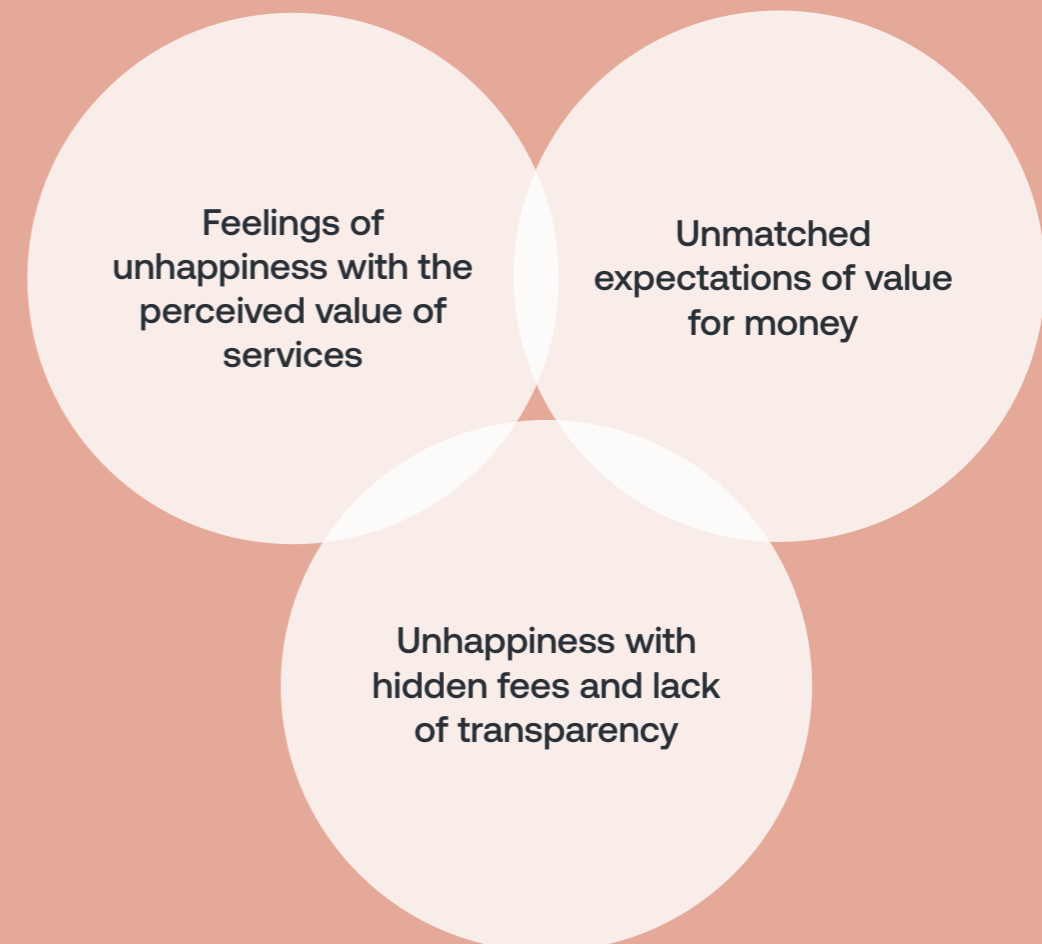
How can brands give their customers that feeling? Tangible reward schemes or positive communication and appreciation.

What about you? How can you adjust your advocacy strategy to make customers feel valued? [Read about how to provide value across the customer journey.](#)

When customers value a brand, they talk about[±]:



Feeling undervalued by a brand can lead to negative reviews, with many dissatisfied customers mentioning[±]:



The results are clear: people expect value for money and an authentic, positive experience.

Consumers are feeling more protective of their money and therefore expect high value when they do spend.

Three tactics for brands to offer customer value



Provide affordable products, reliable communication, and great customer service.



Look for flaws in your service by analysing where satisfaction is at its lowest across the customer journey and ask your customer what expectations were not met at that moment.



Recognise and acknowledge your customers, whether through tangible rewards such as a loyalty scheme or positive communication and thanks.

Authenticity

People value brands when they're transparent, honest, consistent and reliable.

The growing desire for authenticity

People want authenticity from the brands they shop with. That can look like verified reviews from real people; transparent communication of ESG practices; or even traditional ‘human’ customer support.

We’ve seen a 29% increase in reviews mentioning authenticity and trust over the years.[‡]

This could be the influence of a post-pandemic culture – people are continuing to shop online but still crave a human connection with brands.

The main reasons people give for valuing a brand are transparency and honesty, alongside consistency and reliability.[‡]

15% of people say they would advocate for a brand that is transparent in its practices.[‡]

When customers can’t speak face to face, reviews become an incredibly important decision-making tool.

[‡] Feefo reviews analysis from 2018 to 2024
[‡] Feefo March 2024 Consumer Research via Censuswide

Growing reliance on word-of-mouth

With over four in five people in the UK being digital buyers,¹² they're more reliant on word-of-mouth tools to build trust than ever before.

Consumers are doing more pre-purchase research, with 58% claiming to do more now than in the previous year.¹³

39% of all UK consumers use reviews as their main source of research when seeking out further information on a brand, product or service.¹⁴

People like to hear from people like them – so brands need to facilitate that.

^{12, 13, 14} Third Party Insights

Can reviews ever replace a personal recommendation?

85% of consumers trust online reviews as much as personal recommendations.¹⁵

Customers spend 31% more with businesses that have excellent reviews.¹⁶

That said, people need to know they can trust reviews. 70% of UK consumers who read reviews say they would trust them more if they knew they were from verified customers.[†]

^{15, 16} Third Party Insights
[†] Feefo July 2023 Consumer Research via YouGov

The hunt for authenticity

The desire to point out where value doesn't match expectation is on the rise.

96% of people say they specifically seek out negative reviews when considering a purchase.¹⁷

It's evident that consumers are seeking unfiltered, authentic opinions - they don't want cherry-picked reviews from brands.

52% of consumers say they only bought from companies or brands they completely trusted in 2023.¹⁸

Negative reviews over the past year commonly mention hidden fees and lack of transparency.

Deinfluencing is a growing trend as consumers seek to expose products they believe are overrated and overpriced.¹⁹

The #deinfluencing hashtag has been viewed on TikTok 322.4 million times.

Deinfluencing creators attempt to persuade audiences from falling victim to overconsumption and social media trends that encourage them to spend hundreds of pounds on products that might not live up to expectations.

It makes sense that in a value-driven climate consumers expect the best, and they'll only purchase if they feel their expectations will be met on all levels.

Consumers want to shop from authentic brands, expect a transparent experience, and will leave honest feedback if they see value in doing so.

^{17, 18} Third Party Insights
± Feefo reviews analysis from 2018 to 2024

¹⁹ Third Party Insights

Three tactics for brands to address authenticity



If you want to prove to your customers that you're trustworthy, make sure you display reviews that are verified to have come from genuine buyers.



People value the negative as much as the positive. Negative reviews provide insight and are an opportunity to show how you deal with all customers' experiences.



Share your values and ideals as a brand - people value honesty.

Connection

**People no longer
want transactional
relationships.**

Connection Seekers

How much do you connect with your customers?

People no longer want transactional relationships; they expect long-term connections with a brand. They want to be valued, acknowledged and rewarded.

54% of people say they are more likely, or much more likely to repeat purchase if they feel personally valued by a brand.[‡]

83% of consumers spend more money after a positive experience.²⁰

[‡] Feefo March 2024 Consumer Research via Censuswide
²⁰ Third Party Insights

It's all in the reply

People are 97% more likely to repeat purchase from a merchant that replies to reviews[±].

We asked people if they expect brands to respond to their reviews. 31% of consumers say they would like a response to any review, whether the review they wrote was positive or negative.[‡]

Customers want to be able to express the negative and connect with a brand. They want to see how you handle a negative situation.

92% of companies say that post-sale engagement increases their credibility with customers.²¹

People want brands to connect with them.

A personal service

When exploring 3.7 million reviews left for 6,500 brands over the past year, we discovered that themes of customer service, friendless and knowledgeable staff were recurrent.[±]

23% of people say they feel valued when brands offer them a personalised product or service.[‡]

How can you give more of a personal experience for your customers?

The answer lies in your data and insights.

29% of consumers say they would be comfortable with brands tracking their emotions and personalising experiences to their moods.²²

There's a desire for brands to understand everyone, and an expectation for experiences to be tailored to them.

± Feefo reviews analysis from 2018 to 2024
‡ Feefo March 2024 Consumer Research via Censuswide
21 Third Party Insights

± Feefo reviews analysis from 2018 to 2024
‡ Feefo March 2024 Consumer Research via Censuswide
22 Third Party Insights

Consumers care greatly about the experience they receive when engaging with a brand

at least as much as the transaction itself.

Being human

Over the last 10 years, there's been a steady increase in reviews talking about AI and automation, and how important human interactions and empathy are[±].

- There's been a 41% increase since the pandemic in reviews talking about the importance of human interaction in customer service[±]
- A 29% increase in reviews mentioning authenticity, reliability, and trust (300k reviews)[±]
- And a 36% increase in reviews about data privacy concerns over the last 10 years[±]

While many brands are adopting AI to help with efficiency and analytics – such as sentiment analysis of reviews – consumers remain keen to maintain human interactions when it comes to customer service.

[±] Feefo reviews analysis from 2018 to 2024

Recreating human connection online

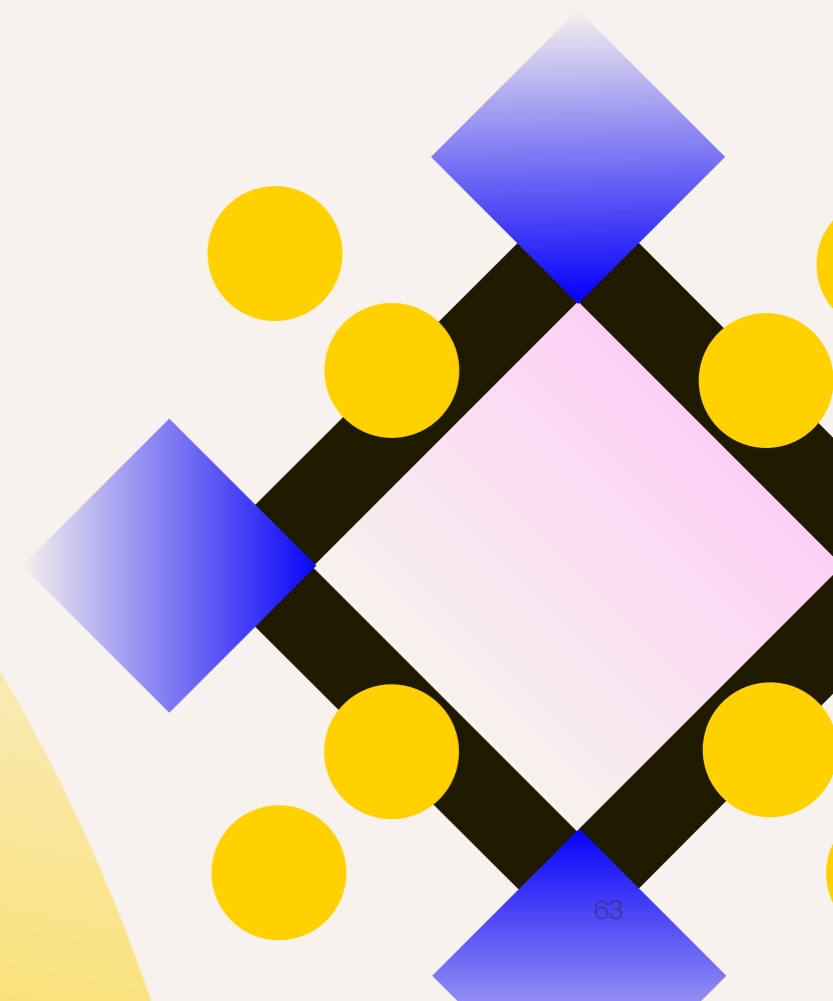
In a post-pandemic world, consumers crave human contact. They've moved away from bricks and mortar, with 41% of UK consumers preferring to shop online.²³ But they still desire that human experience.

The question is, how can brands offer a customer experience that is simultaneously digital and human?

55% of consumers say they shop in stores that create engaging experiences.²⁴

Proving that the journey is just as important as the transaction.

^{23, 24} Third Party Insights



Reviews as a way of connection

In a space where word of mouth is important, reviews can recreate that element of human connection.

79% of customers put as much weight on online reviews as they would on personal recommendations.²⁵

Brands see a 128% uplift in conversions when website visitors interact with review content.²⁶

50% of people would leave more reviews if they knew it helped the business.[†]

76%

of UK consumers say they would leave more reviews if they knew it helped other consumers.[†]

Customers want to know that their time is valued and their opinion has made a difference.

They want to join the conversation.

^{25, 26} Third Party Insights
[†] Feefo July 2023 Consumer Research via YouGov

[†] Feefo July 2023 Consumer Research via YouGov

Three tactics for brands to create a sense of connection with their customers



Your response matters; whether it's to a public review or private feedback, positive or negative.



Honour your customers' experiences throughout their journey with you – they're not just looking for a transactional exchange, they want that human connection along the way.



Invite your customers to share their opinions, and prove their feedback has had a valuable impact by making changes or improvements based on their input.

Methodology

Primary consumer research was conducted via Censuswide, involving 2,002 participants. We used also consumer trends reports from trusted organisations.

This report draws insight from over 3.7 million reviews, collected by Feefo from April 2023 to April 2024, on behalf of over 6,500 brands. A post-pandemic analysis was also conducted, on over 18 million reviews from 2018-2019 and 2022-2023.

Primary research was also conducted by YouGov in July 2023 involving 2143 adults.

Source data

Feefo July 2023 Consumer Research via YouGov

Total sample size was 2143 adults. Fieldwork was undertaken between 25th - 26th July 2023. The survey was carried out online. The figures have been weighted and are representative of all UK adults (aged 18+).

Feefo March 2024 Consumer Research via Censuswide

The research conducted by Censuswide was with respondents aged over 18 years old in the UK between 22 March 2024 and 26 March 2024. The survey was conducted from a nationally representative sample of UK adults. Censuswide abide by and employ members of the Market Research Society which is based on the ESOMAR principles. Censuswide are members of the British Polling Council.

Feefo reviews analysis from 2018 to 2024

The research from Feefo looked at a total of 21.7 million customers reviews collected on behalf of 6,500 brands. It compared reviews from 2018-2019 to 2022-2023, and 2023 - 2024.

Third party insights

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More than just stars



Verified reviews



Customer success team



Meaningful insights and data



Guidance on understanding your insights



User-generated content to boost SEO



NPS scores



Customised branding



Enhanced add-ons

Feefo works with

6,500+ brands
worldwide to collect verified reviews.

That's

62+ million reviews
we've helped clients collect and learn from,
with 125,000+ clicks a day.

We help consumers have confidence in their purchasing decisions, and give brands the insights they need to shine.

Ready to start understanding your customers' needs?

Call: +44 203 362 4209

Email: sales@feefo.com