

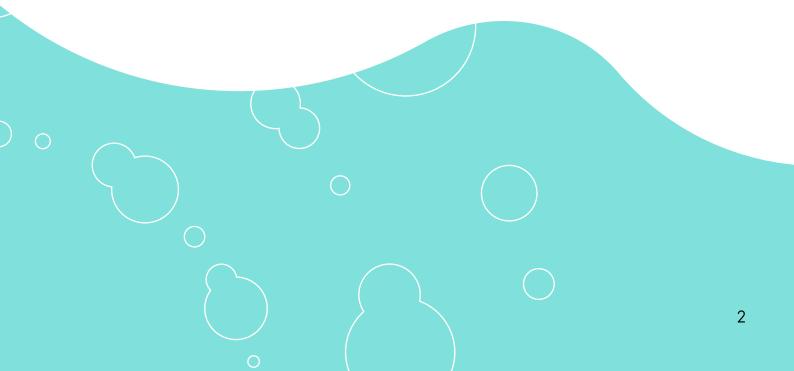
# THE ROI OF (OMR) REVIEWS

# THE ROI OF REVIEWS

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# PREFACE

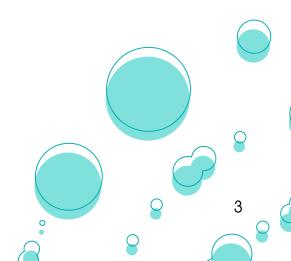
The software market is booming. It is expected to grow to almost 39 billion Euros in Germany in 2023<sup>1</sup>- an increase of 9% compared to the previous year - despite the current difficult market situation. A wide range of software products has contributed to an enormous market volume. However, this huge range of solutions is making it increasingly difficult for companies to make the right purchasing decisions.

This is where user reviews come into play: before deciding to make a purchase, 86% of software buyers look online for the opinions of other users<sup>2</sup>. In particular, 25- to 44year-olds use comparison platforms to identify the best products<sup>3</sup>. But good reviews don't just happen. Many software providers are therefore asking themselves whether generating reviews is worth the effort and how they can accurately measure the benefit of them.

One thing is clear, however: reviews are incredibly important. They not only increase the visibility and reach of a product, but also improve a brand's image. They build the trust of potential buyers and provide vendors with valuable market insights. The value of reviews is therefore by no means limited to generating direct leads on review platforms.

# The value of assessments is often difficult to quantify - especially when multiple stakeholders are involved in different capacities.

It's important for software vendors to recognize the true value of reviews and understand how to measure it. In our guide to ROI (return on investment) from OMR Reviews, we'll show you the often hidden value that reviews can add. So take this opportunity to gain deep insights and take your marketing strategy to the next level with the potential of reviews!



**OM REVIEWS** 

# THE ROI OF REVIEWS

# 1. THE TRUE POWER OF REVIEWS PLATFORMS: MORE THAN JUST LEAD SUPPLIERS

### **MORE THAN JUST LEAD GEN**

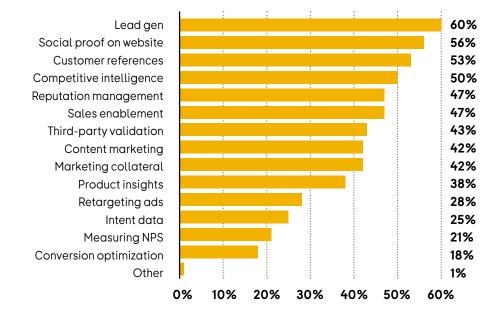
#### SaaS companies use review platforms for an average of 7 use cases<sup>1</sup>

Review platforms are much more than lead generation tools. TrustRadius reports that B2B software vendors use these platforms for an average of seven different use cases<sup>1</sup>. Among them:



Each of these use cases has its own value, sometimes difficult to quantify. But it's essential for software vendors to understand and be able to explain the ROI of their investments.

In our guide, we'll show you how to translate the various aspects of review marketing into concrete monetary values.



#### The Average Tech Vendor Uses B2B Review Sites For 7 Different Use Cases<sup>3</sup>

<sup>2</sup>Competitive Intelligence beschreibt die systematische Erfassung und Analyse von wettbewerbsrelevanten Informationen.

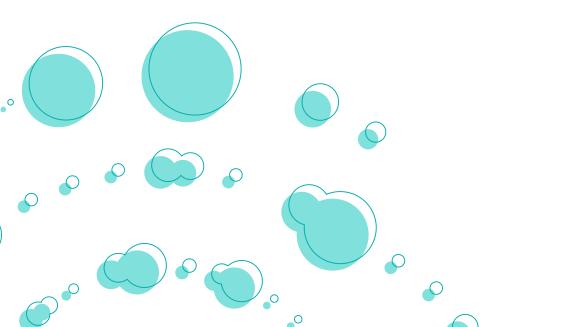
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# MORE THAN JUST LEAD GEN

That many B2B SaaS companies have already recognized the multi-layered value of evaluation platforms is borne out by the figures: The use of software evaluation platforms is increasing by 35 percent annually. Many providers even rely on several portals at once to strategically expand their review marketing.

The use of software evaluation platforms is increasing by 35% annually. Many providers even rely on several portals at once to strategically expand their review marketing.





### LEADS ARE JUST THE TIP OF THE ICEBERG

Much of the value of review platforms does not come from direct leads.



To understand the value of a profile on a review platform like OMR Reviews, you can imagine an iceberg: The visible part - the direct leads through the platform - is easy to measure and often used as the main indicator of the value of the platform. These leads come from contact forms on your profile and clicks to your website, which is commonly known as "Demand Capture" or the skimming of demand.

But that's just the tip of the iceberg. The bigger, invisible part offers you many more advantages: Through the content available on the platforms, you can increase your reach and thus improve your sales opportunities in the long term. In addition, social proof elements such as reviews and badges boost sales and marketing effectiveness. Furthermore, with the help of buyer intent data, you gain valuable insights into the purchase intentions of your (potential) customers.

In the current economic climate, with a strong focus on efficiency and restraint, the 95–5 rule, familiar to many marketers, intensifies into a 99–1 rule: According to Jim Habig, VP of Marketing at LinkedIn, only 1% of buyers are in the action stage, where they are ready to buy a specific tool<sup>1</sup>. The remaining 99% are in various stages of their buyer journey.

With OMR Reviews, you can make potential customers aware of you at all stages of their decision-making process. This ensures that you reach both those who are ready to buy and those who are still in the orientation phase.

### WHO BENEFITS FROM REVIEWS?

#### Value to CMO/VP/Brand Marketer:

- Awareness and preferences
- Average time in consideration
- Size of audience in category
- Share of Voice (SOV)

# Value for Demand Gen Pipeline: Direct Leads Influenced Leads

#### Value for Product/Customer Marketing, Sales Enablement, Customer Success:

- Customer Experiences
- 💠 Testimonials
- Brand Ambassadors

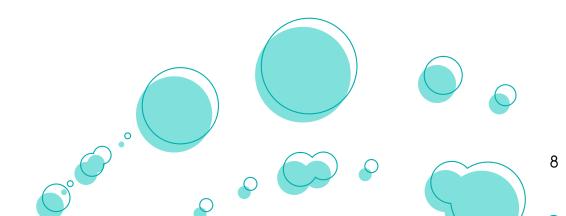
#### Value for CEO/Other Teams: Market-Insights

Reviews are not only a valuable help for your customers when looking for the right software. Different departments of your company can also benefit from them.

In the beginning, many companies focus their review marketing efforts mainly on capturing direct inquiries. This provides an easy way to measure return on investment (ROI) and build the sales pipeline. However, beyond that, reviews can also support your product and customer marketing, driving long-term demand for your product.

For top management positions like CMOs and VPs, as well as brand marketers, review platforms are especially useful because they help identify and increase a product's awareness and reach. They provide valuable insights into a software's market share or share of voice, as well as customer preferences and buying behaviour, which is essential for strategic decision-making.

Product and customer marketers can also use success stories and positive feedback from customers to intensify sales promotion. Additionally, CEOs and product management, support and customer success teams also benefit from customer reviews by gaining valuable insights for individual customer care and the strategic direction of the company. Reviews should therefore not be missing from any marketing and sales strategy.

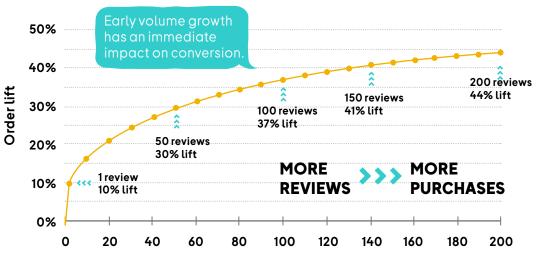


### MORE REVIEWS = MORE SALES

#### Positive impact of reviews

#### MORE REVIEWS MEAN MORE ORDERS

No matter the industry, review volume shows a positive correlation with number of orders – even at very high volume levels\*



On average, product page visitors who interact with review content show...

+58% conversion rate +62% revenue per visit

+3% average order

...compared to those who do not interact with reviews.

#### **Reviews per product**

\*Based on statistical modeling of transactional data from numerous product categories. \*TrustRadius

We know from the B2C environment that more reviews mean more sales. Today, most buyers rely on online reviews - especially millennials and younger generations, who now represent the majority of decision makers in a software buying process. And this applies not only to online shopping, but can also be applied to B2B SaaS: studies show that even software products with ten or more reviews receive three times as much traffic on information portals as products without reviews<sup>1</sup>. Especially, the first reviews lead to a significant increase in traffic<sup>2</sup>. In addition, positive user testimonials in advertising campaigns can increase sales by up to 20%.

This underscores the importance of reviews and their effectiveness in driving traffic and ultimately sales. Therefore, companies aiming for growth should develop a strategy to actively promote and make the most of positive reviews. **OMX REVIEWS** 

# THE ROI OF REVIEWS

# HOW TO MEASURE THE ROI OF OMR REVIEWS

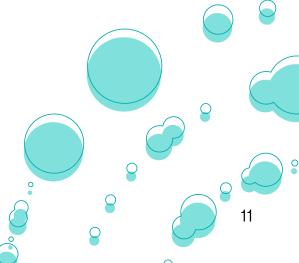
## HOW TO MEASURE THE ROI OF OMR REVIEWS



To determine the ROI of OMR Reviews, you need to consider several factors. These break down as follows:

- Value of performance and demand capture: these include direct leads as well as influenced leads via review platforms.
- Value of branding and social-proof-elements: these increase sales and marketing effectiveness.
- Value of customer reviews themselves: Here, the direct benefit of the reviews is taken into account.
- Value of traffic generated: it refers to the quantity and quality of traffic generated by the platform.

To calculate ROI, you add up these values and relate them to the investment you've made in the platform. This way, you get a comprehensive understanding of the ROI of OMR Reviews. In the following sections, we will explain in detail how to calculate the individual value elements. This way, you'll be well-prepared to quantify the full benefits of OMR Reviews for your business.



**OMX REVIEWS** 

# THE ROI OF REVIEWS

# 2. THE ROI OF PERFORMANCE AND DEMAND CAPTURE

#### HOW OMR REVIEWS HELPS YOU FILL YOUR PIPELINE WITH QUALITY LEADS AND DRIVE DEMAND.

To evaluate the ROI of OMR Reviews, many SaaS vendors look at performance, or lead generation. However, direct leads make up only a small part of the performance of review platforms. It is therefore all the more important to also have a look at the influenced leads.

### **DIRECT LEADS**

OMR Reviews offers you two effective ways to generate direct leads: Through contact forms on the platform and through click outs that lead potential customers to your website.

How to measure direct leads:

- Calculate the monthly traffic of your product detail page (PDP)
- Take into account the average click-through rate (CTR) on OMR Reviews (about 18%)
- Multiply it by the average conversion rate (CVR) of your landing page

Traffic on PDP X	Ø CTR on buttons from OMR Reviews (18 %)	x	Ø CVR on customer landing page	=	Direct leads after clickout
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Assuming you have 300 monthly visits to your landing page and a conversion rate of 5% via the contact form, you can expect 2.7 direct leads.

300 X 18 % X 5 % = 2,7 leads

To calculate the ROI of direct leads, multiply the number of new customers from direct leads by the average deal size and divide by the amount of investment in OMR Reviews:



**Example:** with an OMR Reviews Premium Plan that costs about 12,000 Euros, you close six deals that have an average value of 25,000 Euros. This results in an ROI of 1250% for direct leads if you assign the full value of the deals to OMR Reviews.

6 X 25.000€ \_\_\_\_\_ = 1.250%

### HOW DO YOU MEASURE INFLUENCED LEADS? IT'S SIMPLE: BY ASKING.

Measuring influenced leads can be more challenging than capturing direct leads. But there's a simple yet effective way to find out how many of your customers have used review sites during their buying process: You ask them directly.

Encourage your buyers to give feedback. Ask them how they learned about your product or company, and which information channel was most important to their decision-making. One way to do this is to include such questions as a form in your sales or booking process.

"How did you hear about us?"

Keep in mind, however, that the validity of such surveys can vary depending on the target group. Nevertheless, this method is a valuable addition to your tracking and the results can be effectively combined with other data to paint a comprehensive picture.

**Tip:** Use the insights from these surveys to continually adjust and optimize your strategy to get the most out of your marketing efforts.

#### How did you discover HubSpot?

- O Search engine (Google, Yahoo, etc.)
- O Recommended by a friend or a colleague
- 🔘 Social media
- O Blog or publication
- Software Directory (OMR Reviews)

### MEASURE INFLUENCED LEADS – THESE METHODS HELP:

A more sophisticated and professional way to calculate the number of influenced leads is to use these three methods:



#### 1. FEED BUYER-INTENT-DATA INTO YOUR CRM-SYSTEM: CRM-REPORTING

CRM reporting is probably the most effective way to measure the impact of valuation platforms. Valuation portals provide you with buyer intent reports that you can integrate directly into your CRM system. These reports tell you:

- + How many accounts have visited the review platform
- In which phase of the buyer journey a user is currently in

You can transfer the data from such Unmasked IP reports directly into your CRM system and evaluate it there as a touchpoint. If a new account has been created, you should create it in the CRM system in order to start account-based marketing or lead research activities. If it is an existing account, it could be a warm lead that is currently on a software search. In this case, it makes sense to check if there is already a contact person. Based on such information, you can, for example, more easily arrange appointments with potential new customers.

If a lead leads to a deal, you can see that the evaluation platform has influenced sales. A portion of your sales should then be attributed to the platform (multitouch attribution).

With this method, you can determine exactly how many leads had a touchpoint with a rating platform, and thus better understand the role of the platform in the customer journey. This gives you valuable insights that help you continuously optimize your strategies.

#### HOW DO YOU MEASURE INFLUENCED LEADS? THESE METHODS HELP:

#### 2. MANUAL ATTRIBUTION

Manual attribution is a process that tells you how buyers interact with review platforms. You can better understand the impact of platforms on your customers in three simple steps:

**1.** Get your new customer list: Start with a recent list of your new customers from your CRM system, for example, from last month.

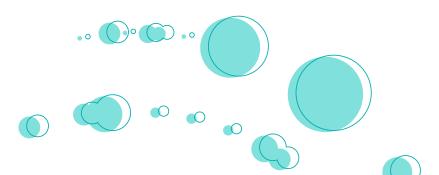
**2.** Check the Buyer Intent Report: look at the latest Buyer Intent Report from the review platform (e.g. OMR Reviews), which contains the data from the last Sales Cycle (the last 6 to 12 months).

**3.** Find matches: Check to see if new customer accounts appear in the Buyer Intent data. This would prove that the review platforms had an impact on customers' decision paths.

**Example:** After a careful analysis of 50 new customers, PartnerStack found that 58% of mid-market buyers used review platforms during their research. Although only 6% of them were directly referred via the platforms, PartnerStack was able to prove with this method that rating platforms were an important touchpoint in the customer journey.

### EXAMPLE: SIMPLE MANUAL ATTRIBUTION

New customer	OMR Reviews activity OMR Reviews ContentHub- activity		OMR Reviews category- or competitor- activity	OMR Reviews product-page- acitvity	Notes	
Customer A	Yes	Yes	No	No	-	
Customer B	Yes	Yes	Yes	Yes	Searched in partner category about 1 year ago, searched for tool XY alternative	



#### HOW DO YOU MEASURE INFLUENCED LEADS? THESE METHODS HELP:

#### **3. ATTRIBUTION TOOLS**

Attribution tools assign a percentage and Euro value to each touchpoint in a customer journey, if possible. This method replaces traditional first-touch or last-touch attribution models and instead relies on more comprehensive multitouch attribution.

#### Advantages:

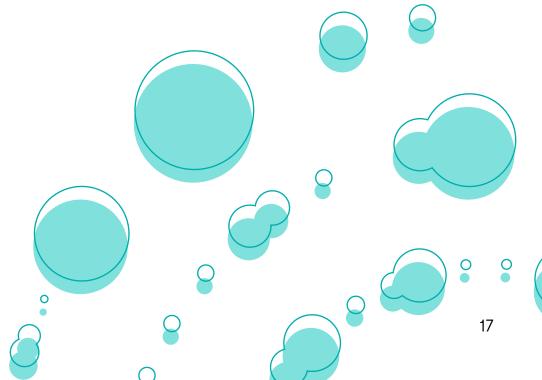
Holistic view: these tools offer the ability to integrate self-attribution (where customers themselves indicate how they learned about you) into the data analysis, providing a more complete view of the customer journey.

#### Disadvantages:

- Often, they can only account for traffic directed directly to your website but this ignores traffic to the review platform itself.
- + High initial investment cost to purchase attribution software.

On OMR Reviews you can find a comparison of different <u>Marketing-Attribution-</u> <u>Tools</u>, such as <u>Tracify</u> or <u>Adtriba</u>.

Ultimately, the most important thing is that you have a clear picture of your customer journey and know what role review sites like OMR Reviews play in it. This way, you can make the right strategic decisions for the use of such sites in your marketing mix.





#### HOW DO YOU MEASURE INFLUENCED LEADS? THESE METHODS HELP:

#### Simplified calculation examples

Around 60% of software buyers include review platforms in their decision-making process<sup>1</sup>. And they often do so at the beginning of their customer journeys - well before they make contact with Sales. So it's a near-certainty that at least 10% of the leads in your pipeline have visited OMR Reviews.

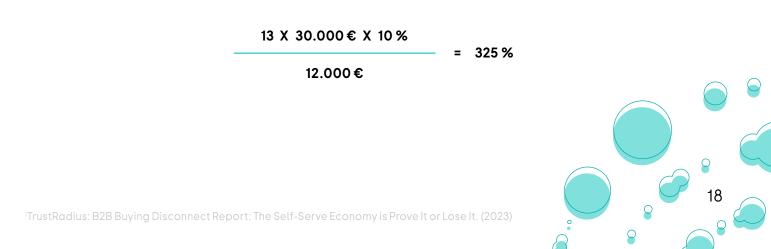


To calculate the ROI of influenced leads, you divide the sum of the number of direct leads, the average deal size, and the attribution key by the OMR Reviews investment.

As we have already learned, the customer journey of software buyers consists of many different touchpoints. The attribution key therefore describes what percentage of the deal value you can attribute to a touchpoint on OMR Reviews.



Let's say you have a premium plan, and you could prove that 13 of your new customers were active on OMR Reviews. With an average deal size of 30,000 Euros and an attribution key of 10%, you would achieve an ROI for influenced leads of 325%.





# THE ROI VON REVIEWS

# **3.** THE ROI OF BRANDING AND SOCIAL PROOF

#### **IT'S ALL ABOUT TRUST**

The effect of social-proof-elements



#### The impact of social proof elements landing pages with social proof elements have on average 35% higher conversion rates.\*

That means for the same number of leads you need on average 35% less media budget.

\* TrustRadius The Roi of Reviews (2020)

Social proof elements like badges, awards, ratings, and personal testimonials that you can get from independent platforms like OMR Reviews are real treasures for your business. Not only do they increase potential customers' trust in your solution, but they also have a valuable branding effect.

The psychological basis for this is simple: many people prefer to make a decision when they see that others have already had a positive experience. This reduces the fear of a possible wrong decision and makes it easier for them to join the positive trend. In plain language: the risk seems lower and the "herd instinct" is activated.

But Social Proof goes one step further: By implementing reviews on your website, you openly deal with strengths and possible weaknesses of your software. This not only ensures transparent and honest communication, but can also significantly increase trust in your offering. This is an essential aspect that influences purchasing decisions.

Studies have repeatedly proven that social proof elements can increase conversion rates. This allows you to generate the same number of leads for less marketing spend. A simple but effective way to achieve your marketing goals without stretching your budget.

Traffic on partner- landing-page	x	Ø CVR "fill out form"	X	1,35 positive social- proof-effect	=	Leads influenced by social-proof	
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**Example:** Let's assume your landing page is visited by 500 people per month and the average conversion rate is 5%. This means that without Social Proof elements, you would generate 25 leads. Implementing these, the conversion rate increases by 35% and you could expect up to 34 more leads.

500 X 5% X 1,35 positive = 33,75 social-proof-effect = 33,75

With social proof, you can generate more leads with less budget.

Media investment of the software provider in performance marketing

X 0,35 Social-proof-effect Potential media savings for the same number of leads

A monthly investment of 120,000 Euros for performance marketing measures that you put into Google Ads or LinkedIn, for example, opens up considerable savings potential. In this scenario, the potential savings amount to an impressive 42,000 Euros.

=

So it's not just a question of effectiveness, but also of cost-effectiveness to use social proof elements wisely and in a targeted manner. Social proof is therefore an indispensable tool in your marketing toolkit, helping you to make the best use of your resources while increasing the trust and satisfaction of your potential customers.

120.000€ X 0,35 = 42.000€ Social-proof-effect

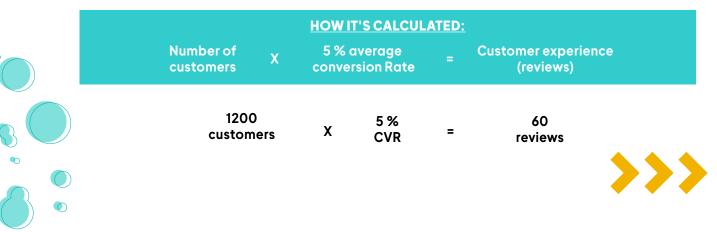
### VALUE OF REVIEWS

#### Reviews also have value

Even reviews themselves have value, they are a powerful tool you can use to build greater trust in your software product among potential buyers. According to a study by G2, an impressive 92% of B2B buyers are more likely to purchase a product after reading a trusted review 1. Customer stories and testimonials are valuable user-generated content (UGC) that can convince potential customers to buy your product. To be able to use them in a targeted way, you first need to build up a solid base of reviews.

Mailing campaigns are a proven strategy for this. To estimate how many reviews you can generate from such a campaign, you need two key pieces of information: The number of customers you want to write to, and the average conversion rate of your emails.

**Example:** Example: If your review mailing campaign reaches 1,200 customers and the conversion rate is 5%, you can expect to generate about 60 new reviews.



Customer reviews are a form of user-generated content (UGC) that you can use in many ways. One example is testimonials for your product, which you can place on your website or in marketing materials. For this purpose, reviews on OMR Reviews offer a great advantage: they are particularly detailed. You can create up to three separate testimonials from a single review. If you estimate the value of such a testimonial from the 60 generated reviews of your mailing campaign at 80 Euros, the monetary value of the testimonials generated from the reviews would be up to 14,400 Euros.

Customer experience	X	3 quotes per rating		Testimonials	
60	х	3	=	180	

But that's not all: reviews also show you which customers are particularly satisfied with your offer. You can win them over as ambassadors for your product, which makes them trustworthy references for your sales process. To put the whole thing into figures: According to TrustRadius, you can assume that one third of the reviewers are real fans of your software. This means that 60 reviews result in 20 potential ambassadors for your product. If you set the value of one ambassador to 500 Euros, the total value of all references gained in this way adds up to a considerable 10,000 Euros.

	HOW IT'S CALCULATED:							
Customer experience	x		30 % average opt-in-rate	x	Value of a brand am- bassador		Number of brand am- bassadors	
	60	X	30 % X	500€	= 10.000€	;		

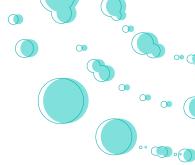
In short, strategic use of customer reviews can create tremendous value for your business - not only in the form of user-generated content, but also for increasing trust and building a community of brand ambassadors who are willing to support and promote your brand.

**OMX REVIEWS** 

# THE ROI OF REVIEWS

# **4. THE VALUE OF CONTENT AND DEMAND GENERATION**

# THE ROI OF CONTENT AND DEMAND GENERATION



# How many potential customers can you reach through OMR Reviews?

With our strong focus on content, at OMR Reviews we target demand generation. Various content formats with strong SEO rankings or social media reach increase demand for your software product.

To measure the value of content and demand generation, we first look at category size and share of voice:

#### CATEGORY SIZE

The category size refers to the number of visitors that can be reached in a given software category over a specified period of time.

**Example:** If 4,000 potential buyers research the HR category on OMR Reviews in a 30-day period, the category size is 4,000.

#### **SHARE OF VOICE**

The Share of Voice (SoV) indicates how many potential software buyers engage with your product in a category. OMR Reviews can help you increase your SoV: The more reviews your software receives, the higher you rank in the respective category, making more potential software buyers aware of your profile. This increases your traffic to OMR Reviews.

> Number of visitors on your profile : Category size = Share of voice (SOV)

For example, if 300 potential software buyers visited your profile on OMR Reviews and the category size is 4,000, your share of voice is 7.5%.

300 : 4.000 = 7,5 %

#### HOW YOU CAN MEASURE THE VALUE OF TRAFFIC (SIMPLIFIED)

Why is the traffic on OMR Reviews so valuable? Search engines are probably the most important channel through which software buyers research products. It is therefore logical that search engine advertising (SEA) is an important marketing tool for many software providers. However, search terms related to software are highly competitive and therefore very expensive. It is not uncommon for a single click on a Google search ad to cost you 10 Euros or more. The trouble is, not every one of those expensive clicks brings quality traffic to your site, so you spend a lot of money but see no results.

Product, content and category pages from OMR Reviews not only rank in the top organic search results, but also qualify this traffic with content, increase the trust factor and thus increase the value of the traffic. You can measure this value by multiplying the category traffic, i.e. the number of sessions in the category, and the average cost per click (CPC) that you pay on Google by the share of voice:



Let's assume that a tool from the HR category with 5,200 monthly sessions has a share of voice of 10%. With an average CPC of five Euros, this results in a category traffic value of 26,000 Euros. Multiplied by the share of voice, this results in a mon-thly traffic value of 2,600 Euros for your tool.

With this calculation, you can easily capture the monetary value of the traffic you generate through your presence on OMR Reviews.



5.200 X 5€ = 26.000€ X 10% = 2.600€



#### HOW LONG DO INDIVIDUAL USERS LOOK AT RELEVANT CONTENT?

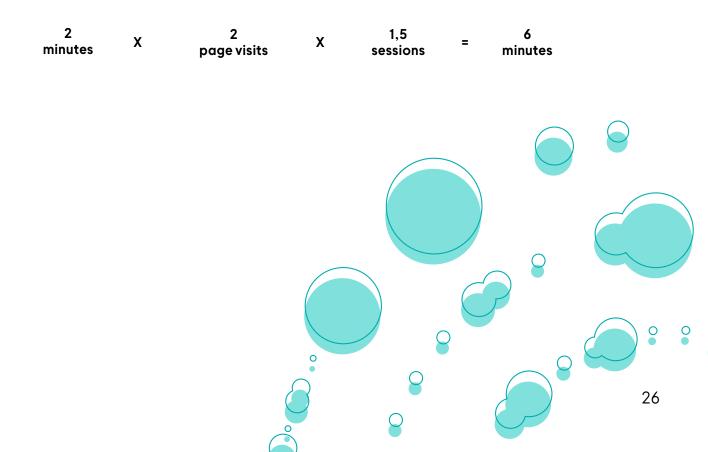
Ø time on pages with product X **Ø page visits** X Ø sessions per = Ø "time in references consderation"

With various content formats and product pages including the most important information and user ratings, OMR Reviews is a high-quality source of information for software buyers. For brand marketers and CMOs, it is particularly interesting to know how long users spend on average engaging with content on the platform. This value is referred to as "time in consideration".

To determine time in consideration, look at the average time spent on product-related pages, the average number of page visits per session, and the average number of sessions per user. By multiplying these values, you get a good overview of a user's engagement with the content on OMR Reviews.

Here's another **example:** let's say the average time a user spends on an OMR Reviews page related to a product is two minutes. If there are an average of two such page visits per session and a user needs an average of 1.5 sessions for his research, this results in an average time in consideration of six minutes.

This value is a valuable key figure that shows you how intensively potential customers engage with the content on your platform. It provides you with a basis for fur-





Review platforms like OMR Reviews offer much more than just the ability to generate direct leads. They allow you to identify influenced leads as well as the positive impact of trust and social proof elements on your marketing and sales effectiveness, generate user-generated content and high-quality traffic. And these are just some of the aspects that create significant overall value. With the help of this guide, you can quantify these elements and understand the many benefits of OMR reviews for your software product. Use your new knowledge and insights to increase the success of your business through reviews and realize the full potential of review platforms.

## **INTERESTED?**

Are you ready to take full advantage of OMR Reviews, the most relevant Germanlanguage software review and information platform? We're here to help you do just that. Let's find out together how you can best integrate OMR Reviews into your marketing mix to achieve a positive ROI.

Just contact us at <u>reviews@omr.com</u>.Together we'll develop strategies to take your review marketing to the next level.

Get in touch with us:







omr.com/de/reviews

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OMR Reviews brings transparency to the SaaS market. Over 50,000 reviews from real users for more than 5,000 B2B software products provide orientation that has been missing for a long time. On OMR Reviews, companies get helpful insights into more than 200 software categories and can thus make independent software purchasing decisions.