



The Anatomy of 1-Star and 5-Star Home-Services Reviews: 146,430 Reviews Examined

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EXECUTIVE SUMMARY

To help home-service companies better understand customers that write online reviews, the Zion & Zion research team conducted a multifaceted deep-dive into the review ecosystem.

1. We conducted a statistical analysis of 146,430 Yelp home-service company reviews to understand prevailing review sentiments, frequency of posting, and whether having online Yelp “friends” affects reviewing behavior.
2. We then performed a manual content analysis of more than 1,000 of these reviews to reveal commonalities of negative and positive reviews.

We found that the vast majority of online reviews are overwhelmingly positive and that the home-service technician and customer making a personal connection spills over into the online reviews that customers post.

AN EXAMINATION OF YELP REVIEWS

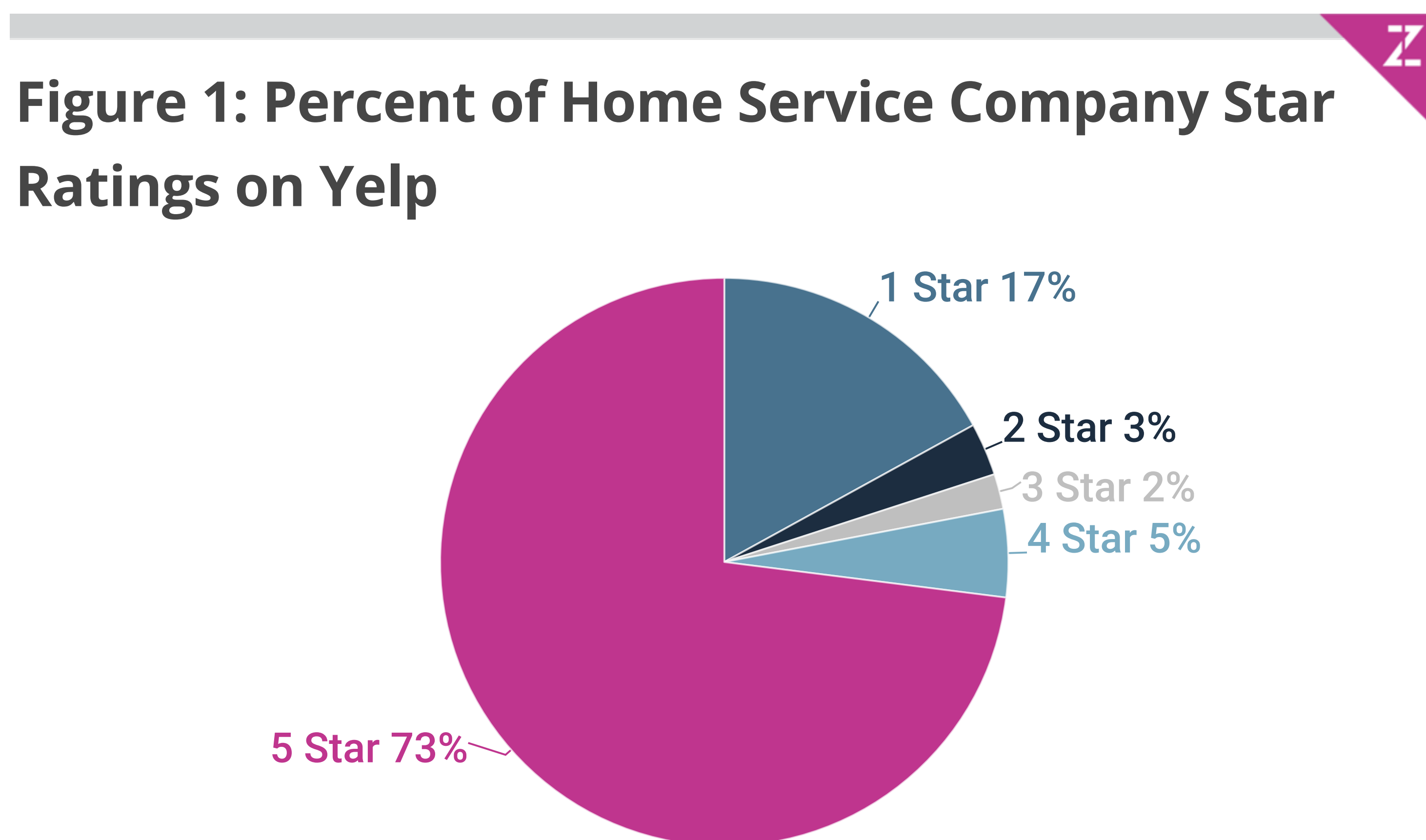
To fully understand the review community, we conducted a detailed exploration of Yelp, one of the largest repositories of online reviews.

We analyzed 146,430 home-service company Yelp reviews from more than 3,800 cities throughout the U.S., with particular concentrations in Arizona, California, Colorado, Florida, Illinois, Nevada, Texas, and Washington. The reviews represented public consumer feedback on 6,376 separate home-service companies. In addition to analyzing the text of the reviews, we captured how many stars were given and other data such as how many reviews each reviewer had posted.

While Yelp reviews aren’t a perfect portrait of customer satisfaction (because most service calls go unreviewed), Yelp reviews reflect customer sentiment among those driven to publicly praise or scold a company. You might guess that Yelp would be flooded with negative reviews of companies. Anger and dissatisfaction are strong emotions that could drive consumers to warn potential customers about offending companies. Right? Not exactly.

Our data definitively shows that most consumers who post home-service company reviews do so when they are happy (see Figure 1).

Figure 1



An astonishing 73%—nearly three of every four reviews in our wide-ranging study—were given the highest rating: 5 stars. Lagging far behind at only 17% were 1-star reviews. The remaining 10% were divided between 2-, 3- and 4-star reviews. Clearly, people have a strong agenda when posting a review—it’s a black-and-white world when it comes to posting about an experience with a home-services provider.

While some consumers only rarely post a Yelp review, these consumers are in the minority. The average Yelp contributor in our sample has posted 28.4 reviews. It is interesting to note that while 9.3% of customers have only posted one review, 5.0% of customers have posted over 100 reviews. Call them “serial posters”—they’re very active on Yelp and, for a variety of reasons, regularly communicate publicly about their experiences.

ELEMENTS OF POSITIVE AND NEGATIVE REVIEWS

Our team performed a random sample of just over 1,000 of the reviews.

Predictably, most 5-star reviews are characterized by praise of professionalism, excellent service, and reasonable prices. Notably, approximately 40% of 5-star reviews mentioned that the home-service company provided services characterized as being quick and efficient.

When it comes to 1-star reviews, the biggest take-away is the overwhelming theme of “time.” A full 39% of these reviews complain that home-service companies are late, never arrive, or change appointment times.

However, our research team found that when it comes to 5-star reviews, more than 75% mentioned the home-service company technician by name. Statements such as, “Eddie was great and took care of the problem,” and, “Paul was extremely friendly and knowledgeable,” are common in 5-star reviews, demonstrating the importance of a personal connection between the home-services technician and the customer.

PUTTING THE DATA TO WORK

Most home-service companies already value the skills of individual technicians with respect to their ability to generate revenue. And some home-service companies pay close attention to the ratings that their technicians receive from customers. However, our research highlights that positive customer experience lies mostly in the hands of the technician, while negative customer experience is shared between the home-service company technician and the home-service company itself.