

CUSTOMER REVIEWS

5 CRITICAL

QUESTIONS



Prepared by

**Jackie
Atchison,
Principal
Lawyer.
Founder**

Questions while reviewing? Email hello@lexalia.au or book a 15-min chat

5 Critical Questions About Your Customer Review Practices

Understanding ACL Compliance Before Problems Arise

Customer reviews drive business growth, but managing them under Australian Consumer Law requires more than good intentions. Many business owners believe their review practices are compliant when they're actually creating legal risk.

This guide helps you assess whether your current approach to collecting and displaying reviews meets legal requirements. These five questions address the areas where businesses most commonly run into compliance issues—often without realising it until questions arise.

Use this as a preparation tool for understanding your obligations, not as a substitute for professional legal advice tailored to your specific circumstances.

QUESTION 1

Are your reviews coming from genuine customers with real experience of your products or services?

Australian Consumer Law requires reviews to reflect actual customer experiences. This means more than just avoiding obviously fake reviews—it extends to several practices that might seem harmless but create compliance problems.

Consider whether anyone in your business has posted reviews pretending to be a customer, even with good intentions of "getting the ball rolling" when you had few reviews. Think about whether you've asked employees, family members, or friends to write reviews without disclosing their relationship to your business.

Also examine whether you're collecting reviews from people who received free products or significant incentives. While these can be legitimate reviews with proper disclosure, someone who received your product for free hasn't had the same experience as a paying customer—and that matters for authenticity.

Why this matters: Fake or non-genuine reviews mislead consumers and breach Australian Consumer Law. The ACCC takes review manipulation seriously, and penalties for misleading conduct can be substantial. Beyond legal risk, discovery of fake reviews damages customer trust and business reputation more than any short-term benefit they might provide.

QUESTION 2

How are you handling negative reviews—and could your approach be creating a misleading impression?

Many businesses remove or hide negative reviews believing they're just managing their reputation. The legal issue isn't whether you can moderate reviews—you can. The issue is whether your moderation creates a misleading overall impression of customer satisfaction.

Look at your review display honestly. If you're publishing all positive reviews immediately but negative reviews go through additional "quality checking" or regularly get removed for being "not constructive," you're likely filtering based on sentiment rather than content quality.

Consider whether you have documented criteria for what reviews you'll remove—offensive language, defamatory content, spam, reviews from non-customers. If you're applying these criteria consistently regardless of star rating, that's legitimate moderation. If negative reviews get removed while similar issues in positive reviews stay up, that's problematic filtering.

Why this matters: Selective removal of negative reviews while displaying positive ones creates a misleadingly favourable impression of your business. Consumers rely on reviews to understand what other customers experienced. If you're only showing the good while hiding the bad, you're potentially engaging in misleading conduct under the ACL—even if individual reviews are genuine.

QUESTION 3

Are you properly disclosing incentives, relationships, or benefits you've offered to reviewers?

Disclosure requirements extend beyond just paid reviews. If you're offering any incentive for reviews—discounts on future purchases, free products, competition entries, loyalty points—that relationship needs to be disclosed where the review appears.

Review your review collection process. If you send emails offering "10% off your next purchase when you leave a review," are those reviews appearing with disclosure like "Reviewer received discount for honest feedback"? Or are they displaying without any indication of the incentive?

Also consider less obvious relationships. If you've provided free products to influencers or industry reviewers, if you have affiliate relationships with people reviewing your business, or if you've offered any other commercial benefits, these relationships require disclosure.

Why this matters: Consumers weight reviews differently when they know the reviewer received a benefit. A review from someone who paid full price carries different implications than one from someone who received a discount or free product. Failing to disclose these relationships means consumers can't properly evaluate the reviews they're reading—which makes the overall presentation potentially misleading.

QUESTION 4

Do you have a documented moderation policy that you actually follow consistently?

A written moderation policy serves two purposes: it guides your team on what's acceptable, and it demonstrates to regulators that you're moderating based on content quality rather than sentiment.

Assess whether you have anything in writing about review moderation, or whether decisions are made ad hoc based on how you feel about particular reviews. If you do have a policy, is it specific enough that different people would apply it consistently? Does it focus on genuinely problematic content—offensive language, spam, defamatory statements—rather than vague criteria like "not helpful" that could be applied selectively?

Importantly, check whether you're actually following your stated policy. If your policy says you remove reviews containing profanity, but you've left positive reviews with mild swearing while removing negative ones, that inconsistency creates problems.

Why this matters: *Without documented, consistently applied criteria, it's difficult to demonstrate that you're moderating reviews fairly rather than simply removing negative feedback. A written policy that you actually follow shows you're taking compliance seriously and provides evidence of legitimate moderation if your practices are ever questioned.*

QUESTION 5

What about reviews on platforms you don't control—are you monitoring and addressing misleading content?

Reviews on Google, Facebook, industry platforms, or other third-party sites can still create obligations for your business, particularly if you're actively using these platforms and responding to reviews.

Consider whether you're aware of fake positive reviews on these platforms that make your business look better than genuine customer feedback would suggest. Think about whether competitors or others have posted fake negative reviews that you know are false but haven't addressed.

Also assess whether you're using these platforms selectively—for example, promoting your Google reviews when they're predominantly positive while not mentioning your Facebook reviews where you have more criticism.

Why this matters: While you're not automatically responsible for every review on platforms you don't control, if you're aware of misleading content and have the ability to address it, the law may expect you to take reasonable steps. This might mean flagging fake reviews to the platform, reporting undisclosed paid reviews, or correcting false information in your responses. Selectively promoting only platforms with positive reviews while hiding platforms with negative feedback can also create misleading overall impressions.

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IMPORTANT NOTE

These questions highlight key areas where review practices commonly create legal risk under Australian Consumer Law. Every business situation involves unique considerations that may require professional advice tailored to your specific circumstances and review management approach.

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READY TO DISCUSS YOUR REVIEW PRACTICES?

If working through these questions has raised concerns about your current review collection or display practices, or if you're setting up a new review system and want to ensure it's compliant from the start, I can help you develop an approach that protects your business while building genuine customer trust.

I work with business owners across Australia on day-to-day operations including consumer law compliance. Together, we can review your current practices, identify any areas needing adjustment, and establish systems that work for both your business and your customers.

Ready to ensure your review practices comply with Australian Consumer Law? Contact Jackie Atchison at LexAlia Property & Commercial Law to discuss your specific situation.

LexAlia Law Studio | Northern Beaches, Sydney

Email: hello@lexalia.au | Web: lexalia.au

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