

Research on the User-Generated Content in Brand Marketing

Xiangyi Li^{1,*}

¹Franklin & Marshall College, Lancaster, 17603, The United States

*Corresponding author. Email: xli5@fandm.edu

ABSTRACT

The high degree of connectedness of consumers to the Internet and social media provides for their better interaction with owners of numerous brands, which may result in the emergence of brand-related content visible to the general public. Its presence can influence brands in a variety of ways that remain to be defined and assessed comprehensively. Thus, the topic of the study is the evaluation of the significance of the said content for brand marketing and the discovery of the potential ways of its utilization by business entities. The primary research method was the systematic review focused on the relevant scholarly articles procured for electronic databases, with the target audience of the study including a wide variety of consumers that are capable of producing content that affects brands in one way or another. The conduction of the research has allowed concluding the significant yet ambiguous impact of user-generated content on brand performance and its considerable marketing potential. The obtained findings also established a basis for the provision of recommendations for brand owners seeking to use the said content in their activities and provided a direction for further studies in this field.

Keywords: social media, user-generated content, brand, marketing, performance.

1. INTRODUCTION

Under the conditions of a highly competitive business environment, the presence of a well-developed brand that is viewed positively by consumers is one of the most important prerequisites of the company's profitability and survivability. The effectiveness of measures aimed at achieving this outcome, i.e. brand marketing, depends on a wide variety of factors, including the company's ability to respond to the needs of consumers, the positioning of the brand, the choice of communication channels used to convey the message, and so on. However, some of those, particularly the user-generated content (UGC) are out of direct control of the company, which makes their significance somewhat problematic to assess. The current research in this field demonstrates that the impact of this factor on brand performance can be quite noticeable, especially in the scenario the users rely upon well-established communication channels (e.g. Twitter, Facebook, etc.). However, the importance of UGC in this context remains to be properly evaluated, with this gap presenting a problem that is the primary focus of the current study. In this research, the study will be focused on the role played by the UGC in brand

performance and image, and how the former can be used to enhance the latter. It will be answered in the course of a systematic review of the relevant scholarly works on the topic and the consequent synthesis of the findings for the establishment of meaningful connections between them. The significance of the following study stems from the fact that it seeks to address the gaps identified earlier, provide an insight into the possible ways of utilization of UGC, and lay the foundation for additional research in the field of brand marketing that will help the entrepreneurs to utilize the said type of content for the achievement of positive outcomes and establish meaningful relations with its creators.

2. ANALYSIS

2.1 Impact of UGC on brand performance

The question regarding the impact of UGC on brand performance has become particularly relevant nowadays due to the significant degree of connectivity of consumers to the Internet in general and social media in particular, which opens the new ways of their interaction with the companies.

For example, the consumers associating themselves with a particular brand (especially the luxury one, which is associated with the provision of unique and valuable experience to buyers) receive an opportunity to not only repeat the official messages and statements presented in the advisement but also complement those with personal opinions that are intertwined with those of other customers[1]. Consequently, the image of the brand becomes particularly unique and difficult to imitate, which may improve its overall competitiveness in the market.

2.2 The authenticity of UGC

Additionally, in the scenario the business entities encourage the said interaction (e.g. by providing the consumers with the ability to leave reviews and other forms of feedback), it becomes possible to speak of improved brand quality and loyalty [2]. The primary reasons for such an outcome include not only the openness of the brand owner (the company willing to engage in dialogue with buyers is likely to be confident in the quality of products and services it provides) but also the fact that UGC usually does not have a hidden persuasive message that is common for the conventional advertisement and often irritates the consumers [3].

This aspect of UGC contributes to its positive perception by the connected consumers (particularly young adults) and has the ability to facilitate their purchase decisions, thus directly affecting the performance of the brand it is associated with [4]. In other words, the said type of content can be associated with sincerity rather than paid promotion, being the reflection of the user's true attitude towards the particular product or service.

The presented statement is also supported by the fact that the effect the UGC has on the brand image is directly dependent on the latter's source. For example, the research by Kim & Lee (2017)[5] indicates that the best possible results are achieved when the content is generated by the regular users, especially the ones consumers can trust (friends, relatives, etc.). Conversely, the UGC created by influencers and celebrities is viewed in a more negative manner as the clientele is aware of their material interest in the brand and can doubt the objective of the message they try to convey. Thus, the maximization of the positive influence of UGC requires careful selection of the latter's sources, as well as the establishment of productive relations with consumers.

2.3 Balance between generation and distribution of UGC

It is important to note, however, that the source of UGC is not the only factor that affects its impact on the perception of a brand by consumers as the nature of the message itself can be no less important in this regard.

Specifically, the study by Estrella-Ramon and Ellis-Chadwick (2017)[6] indicates that the users of the Internet and social media seeking information about the brands they are interested in tend to prefer brief reviews to extended and detailed ones. Furthermore, many clients are reluctant to engage in the exchange of opinions, being relatively passive in this regard. One may argue that such behavior is associated with time constraints caused by the fast pace of modern life. Thus, the convenience of content creation and consumption is one of the major factors of its influence on brand performance.

This consumer preference is to be taken into account when utilizing UGC for the promotion of the brand and improvement of its image in the eyes of the existing and potential clients. However, the more complex and technically advanced channels of communication (e.g. YouTube, Facebook, etc.), which provide the consumers with the ability to share not only text-based UGC but also images and videos, tend to contribute significantly to people's trust in the brand[7]. Arguably, the primary reason for this outcome is the more comprehensive nature of the information that incorporates text, audio, and visual components, making it particularly easy to consume. As a result, finding the balance between the communication channels used for the generation and distribution of UGC can be viewed as one of the important tasks of marketing specialists working in the field of brand management.

2.4 UGC may have a negative impact on the image of a brand

At the same time, the UGC may also affect the image of the brand in an adverse manner, contributing to its negative perception by the existing and potential clients. This statement becomes particularly relevant against the background of overwhelming share of negatively worded messages left by consumers on Twitter in relation to such well-known brands as Burger King, Sony, Comcast, Adidas, and many others (approximately 40% of negative responses against 12% of positive ones) [8].

The significant degree of variability of the companies affected by those (e.g. the corporations working in such unrelated industries as fast food, telecommunication, electronics, etc.) indicate that the users are much more likely to share their negative consumer experiences regardless of the type of product or service associated with those. The problem is exacerbated by the fact that UGC focused on complaints tends to receive more likes from the users of social media, which may lead to respective posts attracting additional attention and causing considerable damage to brand name [9].

Furthermore, in the scenario the image of the brand is already tarnished by some type of incident (e.g. security breach, conflict with business partners, plagiarism, etc.) the users' comments tend to be

particularly harsh, making it problematic for the company to rely upon UGC during the development and implementation of its marketing strategy[10]. The primary reason for such outcomes may include the stronger emotions associated with poor consumer experience and the consequent desire to share those with others. Thus, the minimization of the said negativity can be viewed as an important task for the companies seeking to incorporate UGC into their marketing strategies.

As a result of the conducted analysis, it is possible to state that the significance of UGC for brand marketing is indeed considerable, with it having the potential to both improve and undermine the image of a particular brand in the eyes of the consumers. In the first case, it is possible to speak of the increase in brand quality, the loyal attitude of the clients towards it, and its better performance due to the facilitation of purchase decisions. In the second case, the overwhelming negativity, especially after brand-related incidents, can cause considerable reputational damage to the company if not managed correctly. With the effect of the said phenomenon being quite ambiguous in its nature, the brand owners will have to take additional measures to ensure the integrity and positivity of their image in the long run. The potential ways of achieving this goal will be discussed further.

3. HOW TO PROPERLY USE UGC TO MAKE ITS BENEFITS OUTWEIGH THE DISADVANTAGES

The results obtained in the course of the conducted research indicate the considerable potential of UGC in the field of brand marketing. Specifically, its presence contributes to the quality of the brand and loyalty of the buyers as it is associated with such positive traits as openness and sincerity. Furthermore, it does not trigger persuasion knowledge in consumers, which is translated into reduced irritation with advertisements that contain it and facilitate purchase decisions.

All these factors make it possible to speak of the importance of UGC for the promotion and marketing of brands, especially in the contemporary business environment that is characterized by a significant degree of rivalry between the different brand owners, a high level of digitization, and the consequent connectedness of consumers to networks and social media that enable them to receive all types of information on the brand or product they are interested in, including the one generated by other buyers.

However, the said potential of UGC can be both positive and negative, meaning that the brand owners seeking to utilize it should utilize a comprehensive approach that mitigates the majority of undesirable effects of the said content. This means the need for the

implementation of a series of measures that provide for the maximization of UGC's effectiveness.

First, the entity should consider improving the overall consumer experience associated with the brand as the buyers are more inclined to share their negative thoughts on the product or service instead of the positive ones, which may harm the brand image considerably. As a result, reducing the number of opportunities for spreading negative information about the brand, as well as conducting a thorough analysis of the latter's history, can be regarded as an important prerequisite for the successful use of UGC as a component entity's brand marketing strategy.

Next, it is important to offer the consumers an opportunity to provide feedback and exchange opinions on the brand in a relatively controlled environment. For example, regular disclosure of brand-related messages and the establishment of effective communication channels between the company and its clientele in social media (e.g., topic groups) can ensure not only the generation of useful content but also the reduction of the risk of incidents that may harm the brand's image and performance (e.g., the spread of false information). During this activity, special attention should be paid to sources of UGC, seeing as the buyers' reaction to brand-related content created by financially interested parties (e.g. influencers, celebrities, and so on) can be less positive than expected, especially in the scenario they use conventional approaches to persuading the audience.

Thus, the messages have to be formulated in a manner that does not rely upon persuasive messages that may irritate the clientele and prioritizes sincerity. Finally, the means for the generation of UGC provided by the company are to be as convenient as possible in the given conditions. For example, the simple rating system can be quite useful in this regard, encouraging the users to both leave feedback and read the messages. However, the more complex communication channels, namely the ones providing an opportunity to share video files and images must also be incorporated into the strategy. In other words, the brand marketing support by UGC requires a considerable degree of preparation from the business to be performed effectively.

4. CONCLUSION

The review of the relevant studies in the field of brand marketing has provided an insight into the importance of UGC for brand performance. Particularly, it was discovered that UGC can contribute to the quality of the brand and loyalty of buyers and is more successful in terms of facilitating the purchase decision in comparison to conventional advertising since it does not contain hidden persuasive messages. At the same time, the UGC is often associated with negativity towards brands, with users being more prone to post complaints and other

similar messages online, which tend to receive considerable attention from the other visitors of social media. These findings have established a basis for the provision of recommendations to business entities seeking to utilize UGC as a component of their marketing strategies. These include the continuous improvement of consumer experience to reduce the share of negative messages and comments about the brand in social media, the overall openness of the brand when it comes to contacts with the clientele, and the focus on users' convenience in terms of provision of feedback. The outlined measures will allow using UGC effectively and with minimal risk for brand image and performance.

At the same time, the conducted study had certain limitations that can affect the applicability of its results to practice, including its rather generalized nature (the perception of different types of UGC by consumers may vary depending on the industry), and the consideration of consumer preferences of young adults as the most connected group of buyers. To address those, it is advisable to conduct additional research focused on specific markets, product types, and users to assess the importance and impact of UGC for each of those and make a statement regarding the feasibility of its utilization for the promotion of brands.

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