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# **BACHELOR THESIS**

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**User Generated Content in the  
Communication  
Strategy of Marketing  
Departments:  
Opportunities and Risks from a  
Business Perspective**

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## **User Generated Content in der Kommunikationsstrategie von Marketingabteilungen: Chancen und Risiken aus Unternehmensperspektive**

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**Abstract**

This study explores the opportunities and risks associated with user-generated content (UGC) in the communication strategies of marketing departments from a business perspective. With the rise of social media and online platforms, UGC has become a powerful tool for brands to engage with their audience, build trust, and enhance brand awareness. However, implementing UGC also comes with inherent risks, including the loss of control over brand messaging, potential negative user-generated content, and legal implications.

To investigate these dynamics, an empirical mixed-methods approach was employed, including expert interviews and a comprehensive literature review. The findings indicate that UGC offers significant opportunities for marketing departments, such as increased customer loyalty, enhanced authenticity, brand awareness, as well as a diverse set of possible content. However, the study also reveals the potential risks associated with UGC, highlighting the importance of managing these risks effectively.

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## Abbreviations

UGC User-generated content

UCC User-created content

EGC Employee-generated content

BGC Brand-generated content

ROI Return on investment

B2B Business-to-business

B2C Business-to-consumer

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## Preface

First and foremost, I would like to express my appreciation to the individuals who generously participated in the interviews for this research. Their willingness to share their experiences, thoughts, and perspectives has been the lifeblood of this thesis. Through their words, I have been granted a window into their unique stories, offering invaluable insights that have enriched my understanding of the subject matter.

I would also like to extend my heartfelt thanks to my academic advisors and colleagues, whose support, expertise, and guidance have been instrumental throughout this thesis. Their keen insights and critical feedback have pushed me to delve deeper, question assumptions, and refine the focus of this thesis.

Additionally, I'd like to express my gratitude to my mother for her unwavering support throughout the journey of completing this bachelor thesis.

As I present this thesis, it is my hope that this work contributes to the existing body of knowledge, inspires further exploration, and serves as a testament to the importance of amplifying diverse voices and perspectives.

# 1 Introduction

In today's digital era, the landscape of marketing communication has undergone a significant transformation. Traditional methods of advertising and brand promotion are no longer sufficient to capture the attention and trust of consumers. (Bourbon, 2023, par. 8-10) In this dynamic environment, user-generated content (UGC) has emerged as a powerful tool in the arsenal of marketing departments. The rise of social media platforms and online communities in the Web 2.0 has provided individuals with the ability to create and share content that influences the perceptions and behaviors of others. (Santos, 2020, p. 5-6)

Taking in consideration that consumers have a growing desire for control and are asserting their influence in the marketplace. (Kitchen & Tourky, 2021, p. 77) This is evident through the rise of user-generated content, which emphasizes the significance of personalized and authentic marketing communication messages; these factors play a crucial role in establishing consumer trust and fostering engagement with marketing initiatives. (Kitchen & Tourky, 2021, p. 77)

UGC can be broadly understood as any user-generated content, such as reviews, comments, images, and videos, that is shared on social media sites or other online platforms. (Montecchi & Nobbs, 2018, p. 299) UGC can also be generated manually by companies, by sponsoring content creators and tasking them with creating content for the brand. (Beveridge, 2022) The term UGC will be further defined in the following paper.

As consumers increasingly seek authentic and relatable experiences, UGC has become a vital component of marketing strategies for organizations across industries. (Stackla, 2019, p. 4) By incorporating UGC into their communication strategies, marketing departments can amplify brand awareness and enhance the overall brand experience. (Stackla, 2019, p. 4-13)

However, with the immense potential UGC holds, there also may come potential inherent risks that marketing departments could need to navigate. While UGC can generate positive buzz, it can also result in negative publicity if mishandled or misrepresented and may pose legal complications in certain cases. (LexisNexis, n.d., p. 1-8)

It is therefore crucial for marketing managers to recognize the potential opportunities and challenges that arise from the proliferation of UGC and develop effective strategies to leverage the diverse contributions made by consumers. (Montecchi & Nobbs, 2018, p. 298)

This Bachelor thesis therefore delves into the dynamic realm of UGC and explores the opportunities and risks it presents from a business perspective.

To understand the full spectrum of opportunities and risks associated with UGC, this thesis draws upon an extensive range of sources. Academic research, industry reports, and case studies are analyzed to provide a comprehensive overview of the current landscape of UGC. The examination encompasses both the benefits and risks of UGC implementation, while shedding light on best practices for marketing departments to maximize its potential while mitigating associated risks.

The findings of this thesis contribute to the existing body of knowledge on UGC in marketing communication strategies and provide practical insights for businesses aiming to optimize their marketing efforts in the digital era. By delving into the multifaceted nature of UGC, this research aims to provide a well-rounded perspective that enables marketing departments to harness its power effectively.

## **1.1 Relevance**

The study of UGC in the communication strategy of marketing departments holds significant relevance in today's digital landscape. As the world becomes increasingly interconnected and technology continues to advance, UGC has emerged as a powerful force shaping consumer behavior and influencing brand perceptions. (Yang, 2018, p. 1-3) Overall, spending for social media by global marketers will increase by 53% within the next year from global marketers. (Nielsen, 2022a) Around 75% of marketing professionals in the United States intend to incorporate content creators into their marketing strategies, prioritizing the goals of fostering engagement, enhancing brand awareness, and ultimately boosting sales. (Piga, 2022, par. 12) Therefore, knowing the opportunities and risks associated with UGC from a business perspective is crucial for marketing departments to effectively engage with their target audience and optimize their marketing efforts. (Montecchi & Nobbs, 2018, p. 298)

In this context, the present bachelor thesis aims to explore the opportunities and risks of UGC in the communication strategy of marketing departments from a business perspective. By examining the latest research on this topic and conducting expert interviews, this thesis seeks to provide insights into how businesses can leverage UGC to build stronger relationships with their customers and achieve their marketing objectives. By exploring the impact of UGC on consumer behavior, this research will provide insights into how marketing departments can tap into this trend and tailor their strategies to meet the evolving expectations of their target audience.

The topic of UGC in the communication strategy of marketing departments is a relatively modern area. With the rapid development of social media platforms and the increasing importance of consumer involvement in marketing communication, the usage of UGC has become more prevalent in business marketing strategies. (Santos, 2020, p. 5-6)

In conclusion, the relevance of studying UGC in the communication strategy of marketing departments lies in its ability to transform consumer behavior, amplify brand awareness, harness the power of social media, mitigate risks, and shape evolving communication strategies. By understanding the opportunities and risks associated with UGC, marketing departments can navigate the digital landscape with confidence, effectively engaging with their target audience and maximizing their marketing impact in the digital era.

## **1.2 Research question and objective**

Taking in consideration the points made above, the research question for this bachelor thesis is: What are the risk and opportunities of the use of UGC in marketing communications?

Overall, this bachelor thesis aims to contribute to the understanding of the opportunities and risks of UGC in the communication strategy of marketing departments from a business perspective. The findings of this study can be of interest to marketing professionals, business owners, and academics interested in the field of marketing communication.

By conducting a thorough review of the literature and conducting expert interviews, the thesis aims to provide insights into how businesses can effectively leverage UGC to achieve their marketing objectives while minimizing the risks. The thesis also explores

the various strategies that marketing departments can use to incorporate UGC into their communication strategies and how to measure the effectiveness of these strategies.

Ultimately, the goal of this thesis is to contribute to the body of knowledge on UGC and provide practical recommendations for marketing departments to use UGC effectively in their communication strategies. By doing so, the thesis can help businesses improve their marketing efforts and build stronger relationships with their customers.

### **1.3 Overview of the Thesis Structure**

For this bachelor thesis a quality empirical research method is used. The thesis is commenced by examining existing literature to understand the concept of user-generated content, its significance in marketing communication, and the advantages and disadvantages of using UGC from a business perspective and then follows with experts' interviews which then are compared to the found knowledge in order to build a complete picture.

First, in the theory section a thorough literature review of several books, articles, statistics and websites is researched in order to provide a baseline for the following.

The methodology section outlines the specific research design, methods of data collection, and techniques of data analysis that are employed in the study. To gather valuable insights on the subject of user-generated content in the business industry, multiple interviews are conducted with experts and individuals who hold knowledge and interest in this area.

The results section provides a comprehensive overview of the interview results and its identified themes.

Finally, the discussion section compares the findings with the information gathered from the literature review and the interviews, and explores the implications of these results for marketing departments.

## 2 Theory of User-Generated Content

The following theoretical part of this thesis builds the ground work for the thesis. The information gained through this research can help develop the research questions for the expert interviews and thereafter offer a comparison of the information gained.

First and foremost, it is crucial to provide an in-depth understanding of user-generated content by delving into its definition and looking at its historical development. This introductory knowledge serves as a solid foundation for conducting subsequent research endeavors.

### 2.1 Definition of User-Generated Content

The term user-generated content can fall under many different definitions. “The phrase ‘user-generated content’ is a catchall that can mean different things to different people, even those working in the same newsroom.” (Hermida & Thurman, 2008, p. 2) Therefore, it is critical to take in consideration the several definitions to come to a conclusive definition of how UGC can be understood.

On one hand, UGC can be understood as, “Content that is voluntarily developed by an individual or a consortium and distributed through an online platform.” (McKenzie et al., 2012, p. 2) However, on the other hand UGC can nowadays even be understood as sponsored content that task creators with creating content for a brand. (Beveridge, 2022). As well as that it can really be broadly defined, just as the BBC simply refers to UGC as, “[...] anything made by people using our service.” (BBC, n.d., par 9) Santos took several sources into consideration and proposed the following definition, “User-generated content is any kind of text, data or action performed by online digital systems users, published and disseminated by the same user through independent channels, that incur an expressive or communicative effect either on an individual manner or combined with other contributions from the same or other sources.” (Santos, 2020, p. 14) Similarly, Bauer (2011) proposed that "user-generated content" refers to the entirety of perceptible electronic media content intentionally created by internet users, which is directly and independently made accessible to the public via the internet, without prior editorial selection, as long as it does not involve professionally created content published for commercial purposes. (Bauer, 2011, p. 26)

Also, taking in consideration that nowadays there are plenty of platforms that offer “UGC creators” to be hired to create content, this can be defined more specifically as sponsored UGC, as opposed to the more commonly referred to organic, or non-sponsored UGC. (Beveridge, 2022) Non-sponsored or organic UGC refers to the management of naturally occurring brand-related UGC, which includes user-generated content that is created and shared by users on social media independently from the company. (Meffert et al., 2023, p. 646) In contrast, sponsored UGC refers to the management of deliberate or stimulated brand-related UGC. (Greener, 2023, p. 15) Staged and sponsored UGC appears authentic, but is intentionally arranged, practiced, or coordinated by a brand with the purpose of promoting a product or service. (Greener, 2023, p. 15) This type of content can be created within a professional brand environment. (Meffert et al., 2023, p. 646) Here, often people with no significant following, can offer up their service to brands and companies to create seemingly organic videos. Many UGC creators also opt to freelance their work, offering up content creation to brands on their own accord. However, this shouldn't be confused with BGC, brand-generated content. BGC can be understood as the content produced by generated by the employees of a brand within a professional brand environment. (Meffert et al., 2023, p. 647)

In addition to this information, to help develop a more concrete understanding, the individual words that put together UGC should also be taken into consideration.

Starting with the term “user”: this word can be attributed to anyone who actively participates in generating content, such as consumers, online community members, or social media users. (Alhabash & Ma, 2017, p. 1) This can generally be understood as it being “produced by consumers and (that) did not have an apparent commercial objective.” (Smith, 2012, p. 106) In the current context, where exclusive access to traditional media as the sole platform for content dissemination is no longer privileged, the perspective of UGC recognizes that there are alternative paths to make content visible. (Santos, 2022, p. 10) Ordinary individuals, with an average number of followers, now have the opportunity to play significant roles within digital social networks and in fact, they can be equally valued and influential as celebrities when it comes to creating and sharing content. (Santos, 2022, p. 10)

The term “generated” refers to the act of creating or producing content, which in this context is done by users themselves, which can include writing blog posts, posting product reviews, creating videos, or sharing content on social media platforms. (Núñez-Barriopedro et al., 2022, p. 591) According to Ostman (2012), a distinction is made

between UGC and UCC, or User-Created Content, in which UCC refers specifically to content that is originally created by users and on the other hand, UGC encompasses a broader range of creative activities, including various forms such as writing encyclopedia entries on platforms like Wikipedia, blogging, and sharing music videos on platforms like YouTube. (Ostman, 2012, p. 1,006) Ostman's definition highlights the evolving nature of user-generated content in the age of social media, capturing its diverse manifestations and creative expressions. (Santos, 2020, p. 10) Consequently, when referring to UGC, the term "generated" inherently suggests the act of publishing or disseminating as an essential part of the process. This highlights a mutually beneficial relationship that is unique to the digital realm in the post-Web 2.0 era, giving UGC its distinctiveness and defining characteristics. (Santos, 2020, p. 11)

Finally, the term "content" can therefore be understood as, the information, media, or material that users create and share online. (Brake, 2013, p. 4) The common aspect among these formats is that they are typically stored in databases. (Santos, 2020, p. 12-13) As observed, UGC can arise from a variety of sources, encompassing individuals, groups of people, a diverse range of perspectives, specific topics (such as through hashtag searches), or even automated mechanisms like bots, crawlers, algorithms, and feeds. In other words, UGC can be a product of diverse contributors and generation methods, resulting in a rich and multifaceted content landscape. (Santon, 2020, p. 13) According to Jenkins (2013), in a culture of convergence, the traditional notion of content as the final product of cultural production undergoes a transformation. (Jenkins et al., 2013) It shifts to being just one element among many within the realm of transmedia activity. (Jenkins et al., 2013) However, these user-generated contents are generally referred to as UGC by the online community only when they find their way into the public sphere through the internet, which is considered the new democratic mass medium but at the same time, they are not solely limited to the internet, as they are increasingly being disseminated through other media channels as well. (Bauer, 2011, p. 24)

Taking these definitions in consideration and combining and reformulating these for the sake of this paper, the following can therefore be concluded: UGC can be understood as content that is voluntarily created by individuals or groups, whether sponsored or organically generated, and shared through online platforms or services. It encompasses a wide range of media forms and reflects the contributions and perspectives of everyday users, providing an alternative to traditional professionally-generated content.



The types of possible media forms of UGC will be also further examined in the following sections.

## 2.2 History of User-Generated Content

To even further understand just how UGC came to be, the background and history of the term is also examined.

The concept of UGC content is not entirely new. Before, the internet came along, users could create content using tools such as typewriters, cameras, and recorders. The difference, however, is that the internet has democratized the process of content creation, making anyone with an internet connection a potential content creator. (Blank, 2013) The rise of Web 2.0 in the early 2000s paved the way for this, as previously, the internet was mainly a one-way street, with websites providing content for users to consume, however Web 2.0 ushered in a more interactive and participatory internet in which users could create and share their content. (Montecchi & Nobbs, 2018, p. 300)

Due to its colloquial origin and its development primarily driven by societal discussions, it is not possible to make an exact statement today about the exact point of origin or the first usage of the term. (Bauer, 2011, p. 7) However, there are a few theories. One theory is that, the term likely originated in the mid-1990s in relation to the early interactive formats on the Internet, such as "chat rooms," where the principle of user participation first came to the forefront. (Bauer, 2011, p. 7) Another theory is that the first mention of UGC itself, as we understand it today, only dates back to 2001. (Santos, 2020, p. 4) This theory originated from two articles, written by Rhine and Figall (2001) and Crawford (2001), in the journal *Econtnet*, in which they referred to the term. However, no consensus can be met to where the term originally originated from. The emergence of UGC, specifically the acronym, has gained widespread recognition thanks to the advancement of digital technologies and the rise of Web 2.0 and social media platforms, where ordinary users are encouraged to create and interact with socially relevant media content in a variety of user-friendly formats. (Santos, 2020, p. 5-6)

In parallel, the World Wide Web was developing during the early 1990s primarily consisting of simple static HTML pages where predominantly text and a few images were found. (Bauer, 2011, p. 9) Over time, it transitioned from being a mere source of information to a communication and interaction medium, allowing users today not only

to search for available information but also to create and communicate content themselves without requiring specialized knowledge. (Bauer, 2011, p. 9)

Emerging social media platforms, including Facebook, Twitter, and Instagram, observations showed that they have revolutionized the concept of UGC. On various social media platforms, the user counts reach hundreds of millions, surpassing the population of even the largest countries in the world, as seen in the case of Facebook. (Alhabash & Ma, 2017, p. 1-5) Social platforms have not only provided a space for individuals to connect and communicate but have also empowered users to actively contribute their own content and shape the digital landscape. (Bauer, 2011, p. 7-9) (Montecchi & Nobbs, 2018, p. 300) Looking at statistics, media sharing platforms ranked within second place of all social media types within the USA as of march 2023. (Statista, 2023)

Not only that, they also offered businesses and brands an avenue to engage with their audience through UGC, as seen with the following source. Companies began leveraging the power of UGC to build brand awareness, foster user engagement, and tap into the authenticity and social proof associated with content created by their customers. (Benwait, 2023) Through this shift in marketing strategies UGC propelled to the forefront of communication strategies for marketing departments, acknowledging the immense potential and impact of UGC.

In addition to that, traditionally, UGC primarily garnered attention in the context of business-to-consumer (B2C) companies, where it consisted of content directly produced by passionate consumers and fans of their products or services. (Kunsman, 2022) However, in recent years, business-to-business (B2B) companies have also embraced UGC, expanding its scope to include content generated by employees, with this shift proving to be highly impactful in terms of expanding a company's reach and influence, therefore employee-generated content has become a valuable asset for organizations, contributing to their overall marketing strategy and enhancing their visibility and impact in the market. (Kunsman, 2022)

In conclusion, the advent of social media platforms like Facebook, Twitter, and Instagram has sparked a profound shift in how individuals engage with the digital world. The empowerment brought about by social media platforms and UGC cannot be understated. Individuals now have the agency to shape and influence public conversations, challenge established norms, and drive societal change. (Santos, 2022, p. 9-10) Consumers are

“bypassing domestic choke-points of censorship and reach for global attention.” (Tufekci, 2013, par. 20) By empowering users to become active participants in shaping the online narrative through UGC, these platforms have unleashed a wave of creativity and connectivity. The transformative potential of social media platforms can be observed to continue to evolve, opening up new possibilities for individual expression, community building, and societal impact.

## **2.3 Media Types of User-Generated Content**

UGC encompasses a diverse range of media types, reflecting the creativity and expression of individuals in various formats. The emergence of digital platforms and social media has facilitated the creation and sharing of UGC across multiple media types, transforming the way content is produced, consumed, and shared. (Bauer, 2011, pp. 7-11) While there are many types of media used for UGC, the following summarizes the key media types associated with UGC.

The first media type that UGC could be published as is text. Textual content is one of the foundational forms of UGC, which includes written posts, comments, reviews, discussions, and forums created by users. (“The Marketer’s Guide to User-Generated Content”, 2015) Due to the fact that text content was among the first ways to publish content on the internet, it’s one of the most common. (Bauer, 2011, p. 29) Text-based UGC allows individuals to share their thoughts, opinions, knowledge, and experiences in a written format. (Bauer, 2011, pp. 29-37) This also includes, but is not limited to blogs for example. (Bauer, 2011, p. 32) Reviews and ratings are valuable because they give customers the assurance that the brand is reliable. (Brook, 2023, par. 31) As of June 2019, the most common ways for online shoppers worldwide to research an unfamiliar digital retailer before making a purchase was through customers reviews. (eMarketer, 2019) This signifies just how relevant reviews are when influencing purchasing decisions.

The second media type in which UGC could be created is in image. Images play a significant role, capturing moments, experiences, and visual narratives. (Kanisa, 2020) UGC Images can fall under several categories such as computer graphics, pictures, or virtual content. (Bauer, 2011, pp. 37-40) Platforms like Instagram, Snapchat, and Pinterest are popular for image-based UGC, here users share photographs, illustrations, memes, and infographics to communicate ideas, evoke emotions, and express their

creativity visually. Using the example of social media, specifically Facebook, photos are the most engaging type of content with an 87% interaction rate. (Maranga, 2014)

The third media type is through videos. Video content has gained tremendous popularity in recent years, with a growing trend continuing every year. (Goetzen, 2020) Statistics show that Platforms like YouTube, TikTok, and Vimeo provide space for users to create and share their videos. UGC in video format can include vlogs, home videos, documentations and various other forms of visual storytelling. (Bauer, 2011, p. 42) In fact, 56% of consumers say the content they want to see the most from brands is UGC photos and videos. (Stackla, 2019, p. 4) Video content generates greater interest and engagement compared to static visuals. (Greener, 2023, p. 7) Moreover, video content incorporates dynamic elements like music, sound effects, and motion graphics, which facilitate information more quickly and effectively than written text. (Greener, 2023, p. 7) The relevance of video content will continue to rise naturally as social media platforms like Instagram and TikTok fight for market dominance. (Greener, 2023, p. 7) However, marketers with limited resources and small teams will need to find affordable, reliable, and scalable approaches to bridge the content production gap, one way this can be achieved is by using UGC video content. (Greener, 2023, p. 7)

The fourth media type is audio. Audio-based UGC involves the creation and sharing of sound recordings. Podcasts, for instance, have emerged as a prominent medium for users to share their thoughts, expertise, and stories through spoken content. (Bauer, 2011, p. 40) Users also generate UGC in the form of music, for example. (Bauer, 2011, p. 41) The most current and profitable way for creators to publish user-generated music is through the sale of their music via decentralized music distribution systems. (Bauer, 2011, p. 42) These systems, unlike traditional commercial online music portals which have exclusively collaborated with companies from the recording industry, now allow anyone to offer their music for purchase and subsequent download on the internet. (Bauer, 2011, p. 42)

As can be observed, it is important to note that UGC can often be a combination of different media types, with users utilizing various formats to convey their messages effectively. The diverse range of media types within UGC underscores the multi-faceted nature of user creativity and expression, providing a rich and dynamic digital landscape for content consumption and interaction.

Notable to the type of UGC is a study conducted by Eilers (2014) that reveals that user-generated content that has a stronger impact on the brand image of products are less complex and require less explanation in their technical features; this can be attributed to the credibility of content created by users. (Meffert et al., 2023, p. 648) For instance, the taste of a food product can be easily judged by others, whereas evaluating an automobile engine requires a certain level of expertise (Eilers, 2014, p. 648).

These are just a few examples of possible media types in which UGC content can be published. It is important to note therefore that user-generated content, “[...] stands for not only standard media creation, but also collaborative content in forms of very small individual contributions - such as metadata, ratings, “thumbs up” – and even unintended contributions to some unnoticed or opaque database for its cumulative result might be meaningful in different ways for different people or organizations.” (Santos, 2020, p. 13)

### **3 User-Generated Content in Marketing Communication Strategy**

As we gathered, in today's digital age, where consumers have become active participants in shaping brand narratives and influencing purchasing decisions, the role of user-generated content in marketing communication strategies has gained significant prominence.

In this section of the thesis, the concept of UGC and its significance in marketing communication is examined. The exploration of how brands are leveraging UGC to enhance brand engagement, build trust, and amplify their reach is looked into. Furthermore, analyzation of the potential benefits and risks associated with incorporating UGC into marketing communication strategies is conducted. By examining successful UGC campaigns and relevant case studies, the aim is to provide valuable insights and recommendations for marketers seeking to leverage the power of UGC effectively.

#### **3.1 Aspects of Marketing Communication Strategy**

Marketing communication, involves the strategic planning, development, execution, and evaluation of promotional campaigns across multiple channels to effectively communicate brand values, products, and services. (Dragilev, 2022) Traditionally, marketing communication strategies heavily relied on controlled and branded content produced by the company itself. (Parente & Strausbaugh-Hutchinson, 2015, p. 13-25) However, the rise of social media platforms and the increasing accessibility of digital content creation tools have revolutionized the way brands communicate with their audiences, as can be observed. Even with that in consideration, the objective remains consistent, to effectively transmit a concise and cohesive message to a defined target audience in the most optimal manner (Brannan, 1998, p. 24). Generally, marketing communication employs continuous communication techniques (such as building the brand) that are consistently appreciated. (Duralia, 2018, p. 93) Therefore, marketing communication can be understood as the overall plan and approaches that a company or organization takes to communicate its marketing messages effectively. It encompasses the content of your message, the channel through which it is conveyed and the intended audience. (Dragilev, 2022)

Therefore, an essential aspect of communication strategies is the understanding that it is not enough to just have the right product; a company must effectively communicate what is right about the product. (Parente & Strausbaugh-Hutchinson, 2015, p. 19) Just like with other marketing strategies, the communication strategy begins with identifying what the consumer needs, wants, interests or its problems. (Parente & Strausbaugh-Hutchinson, 2015, p. 19) "To be effective, the messenger creator has to have a solid understanding of the social and physiological makeup of the target market." (Parente & Strausbaugh-Hutchinson, 2015, p. 19) Conveying messages effectively is needed therefore finding the right messenger for the communication is essential.

The importance of integrated marketing communications is therefore also not to be understated. Companies recognize the need to blend their messages together to achieve interconnected objectives in order to compete effectively in an increasingly sophisticated marketplace, in comparison to previously, companies often delegated advertising to ad agencies, public relations to PR agencies, and sales promotion and e-commerce assets to their own marketing departments. (Parente & Strausbaugh-Hutchinson, 2015, p. 21) These efforts often operated independently, resulting in potential disjointed outcomes and therefore challenges this approach by encouraging all parties involved in a campaign to combine their efforts and create seamless marketing communications. (Parente & Strausbaugh-Hutchinson, 2015, p. 21)

The essential idea behind this being that not only sales but also every interaction with a brand is considered valuable, making time and energy spent with a brand a significant achievement. (Parente & Strausbaugh-Hutchinson, 2015, p. 21) This signifies just how much UGC interaction play a role among communications nowadays.

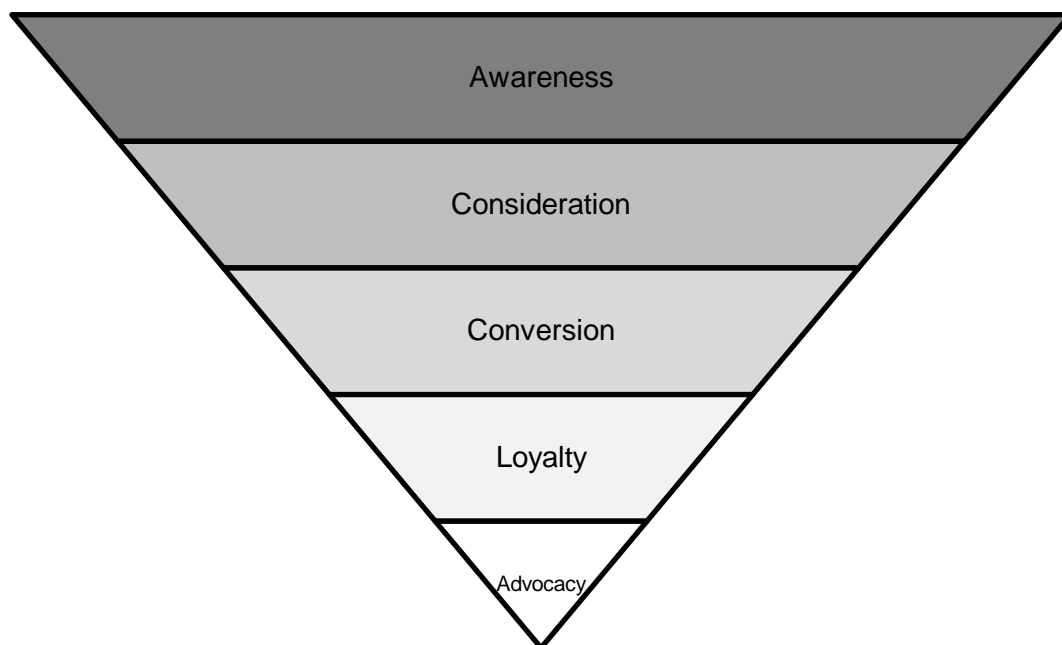
This shift in consumer behavior has not only disrupted traditional marketing practices but has also presented brands with new opportunities and challenges. (Parente & Strausbaugh-Hutchinson, 2015, p. 19) In harnessing the power of user-generated content to drive their marketing communication strategies companies could keep up with this shift. (Montecchi & Nobbs, 2018, p. 298)

Despite the remarkable evolution of the integrated marketing communication concept from the late 20th century to the present, there is no consensus or unanimous agreement regarding the approaches discussed in the literature. (Duralia, 2018, p. 94) As seen in Figure 1, it is crucial to note that irrespective of the organization's campaigns or messages conveyed to the target audience, all elements must be aligned with the

comprehension of the "hierarchy of communication effects." (Duralia, 2018, p. 94) Since the creation of the hierarchy of effects, a more commonly used marketing funnel was created in order to better illustrate the necessary aspects, this can be seen in Figure 1. (Greener, 2023, p. 16) However, the basics of the marketing funnel have stayed the same since then, but no single model is universally accepted by all companies. (Sprout Social, 2023, par. 6)

**Figure 1**

*Different Stages of the Marketing Funnel*



Note. Adapted from *State of Social & User generated content*, Greener, M., (2023), p. 16, published by TINT

The marketing funnel operates as an “entity”, where the seamless functioning of each section is crucial for a successful customer journey and therefore the marketing communication. (Sprout Social, 2023, par. 8)

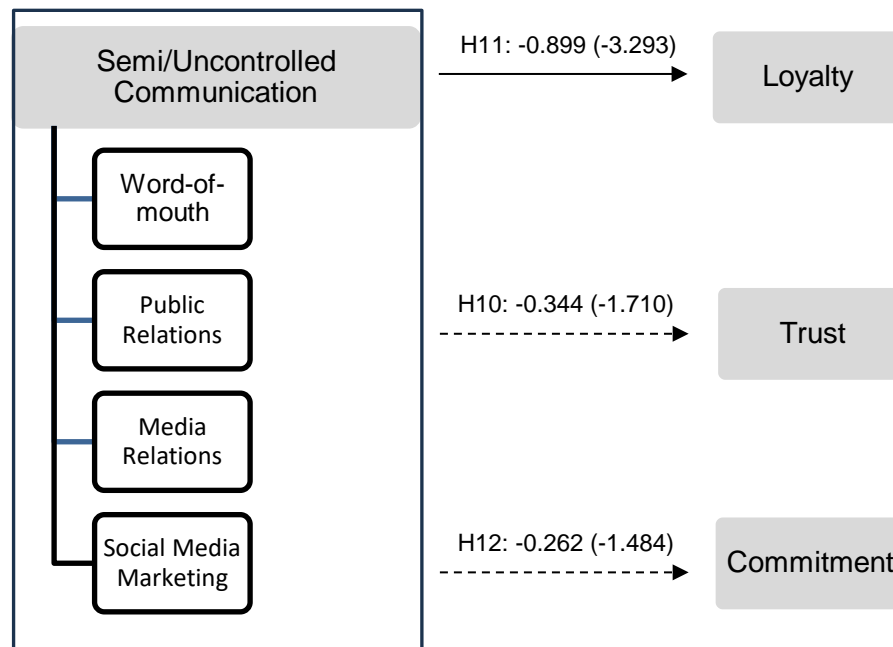
The first stage of the marketing funnel is awareness, where branded content strategies are employed to appeal to audiences and make them receptive to future interactions. (Sprout Social, 2023, par. 9) During the consideration stage, brand advocates and social proof play a vital role in assisting customers as they compare your offerings against competitors. In the conversion stage, a simple and straightforward purchasing process is crucial to reduce the perceived risks associated with making a purchase. (Sprout Social, 2023, par. 9) To foster loyalty, implementing a comprehensive loyalty program



that includes regular discounts, personalized email interactions, and active engagement on social media is essential for maintaining a strong connection with customers. (Sprout Social, 2023, par. 9) Lastly, receptive individuals within loyalty programs for example, become advocates who support future marketing funnels, amplifying the brand's reach and impact. (Sprout Social, 2023, par. 9)

As depicted in the model above, it becomes evident that there is direct correlation to the consumer decision-making process. (Hausman, 2023, par. 5) A superficial assessment of ROI reveals that it only captures the final step in the sales chain, which is the purchase stage, ignoring previous stages which are crucial to marketing communications. (Hausman, 2023, par. 5) These metrics and the associated goals are referred to as terminal goals, however, evaluating marketing efforts solely based on ROI assumes that the preceding stages in the hierarchy of effects are inconsequential in achieving future sales, which is fundamentally incorrect since each stage contributes to the progression towards the next stage. (Hausman, 2023, par. 5) Therefore, it is important to establish goals for each stage in the conversion process and monitor metrics aligned with each stage in order to properly set up a marketing communications strategy. (Hausman, 2023, par. 5) In end effect this aspect becomes essential to be understood when integrating UGC within the communication strategy.

Additionally, the following Figure 2 highlights that a company employs both controlled and uncontrolled means of communication to establish its unique identity; hence, public relations and corporate advertising initiatives are aimed at enhancing brand recognition and familiarity, rather than focusing solely on individual promotions that convey the company's corporate identity. (Melewar et al, 2017, p. 576) The study followed a measure validation procedure through a two-step approach, and had presented the following correlations in Figure 2. (Melewar et al, 2017, p. 584) The model shows the standard errors (SE) and critical ratios (CR), the t-values of each relationship.

**Figure 2:***The Structure Model of Semi/Uncontrolled Communication*

Note: Simplified adaption from *Integrating identity, Strategy and Communications for Trust, loyalty and commitment*, Melewar et al, (2017), p. 586, published in *European Journal of Marketing*

According to Figure 2, UGC falls in communication under semi/uncontrolled communication. Semi/uncontrolled communication has the ability to impact consumers' perceptions and expectations as they actively seek information and engage in the purchasing process, as well, it plays a significant role in shaping their attitudes when evaluating different brands for future purchases. (Melewar et al, 2017, p. 578)

The study conducted using the framework of Figure 2 found a significant relationship between uncontrolled communication and loyalty, indicating that this aspect can play a role in fostering loyalty. (H11) (Melewar et al, 2017, p. 578) However, the findings from the analysis did not support the expected connections between uncontrolled communication and trust, as well as uncontrolled communication and commitment, suggesting that it might be challenging for companies to effectively design communication strategies that positively influence trust and commitment. (Melewar et al, 2017, p. 578)

Therefore, a significant finding of this study is that implementing an integrated marketing communication program can enhance brand loyalty. (Melewar et al, 2017, p. 587) When

controlled communication elements such as the brand's visual identity, design, website, and promotional activities align harmoniously with uncontrolled communication, the marketing communication becomes more effective, leading to exceptionally strong brand loyalty. (Melewar et al, 2017, p. 587) Accordingly, "Every individual in the company is responsible for the firm's marketing communication efforts." (Melewar et al, 2017, p. 587)

"Marketing managers are now facing a different marketing landscape where traditional communications with distinct, identifiable corporate spokespeople are giving way to a messy tangle of market-based communications consisting of multiple authors including customers, competitors, observers, employees, and interested collectives." (Montecchi & Nobbs, 2018, p. 295)

Therefore, by understanding each relevant channel, companies can enhance their ability to integrate marketing communication, and consequentially UGC, effectively. This comprehensive understanding allows for better coordination and alignment of efforts, resulting in a cohesive and impactful communication strategy across departments.

Looking at the example from Figure 3, originally by Kitchen and Tourky (2021), makes it clear that marketing communication can be understood as the process between, "how and where and in what ways, customers and prospects come into contact with the brand and the organization." (Kitchen & Tourky, 2021, p. 94)

This highlights that in certain instances, the departments and channels exercise control over its communication activities, while in others, it may not have direct control but can still exert influence to support the brand. (Kitchen & Tourky, 2021, p. 94) The crucial aspect lies in comprehending and familiarizing oneself with the operational framework of the organization and its potential impact on the organization's overall success. (Kitchen & Tourky, 2021, p. 94) Essentially meaning that all relevant departments and channels can, in some shape or form, have an influence on the brands image.

This enlightens the possible extend to which UGC can be used to affect the brand, not only in strictly marketing, but also across different departments, areas, and uses.

**Figure 3:***Marketing Communication as a Process*

Note: Adapted from *Integrated Marketing Communications: A Global brand-driven approach*, Kitchen & Tourky, (2021), p. 95, published by Springer Nature Switzerland AG

Whether that be for employer branding in order to build interest in prospect hires or in external training in order to effectively train and communicate with employees.

Highlighted therefore is the importance of integrating marketing communication and henceforth also emphasizes the importance of collaboration and communication among departments and channels to ensure a unified brand message and consistent customer experience.

### 3.2 Examples of UGC in Marketing Communication

In this section, a range of examples that illustrate the diverse applications of UGC in marketing communication is shown. These examples showcase how brands have successfully integrated UGC into their strategies to amplify their reach, engage their audience, and drive brand awareness. By harnessing the power of content created by users these brands have tapped into the inherent credibility and relatability that comes from real customer experiences and perspectives.

Through the examination of these real-world cases, an insight into the various ways in which UGC will be provided that can be utilized effectively across different marketing channels. From social media campaigns to customer testimonials on websites, the innovative approaches taken by brands to leverage UGC and the outcomes they have achieved are shown. Marketers can adapt those ideas and apply them to their own campaigns.

UGC has altered the way consumers travel. When planning for travel, the majority are referencing UGC on review sites and social networks in addition to the professional photos from hotels or resorts, with only 12% saying they'd reference celebrity or influencer photos when planning travel. (Stackla, 2019, p. 11) National Geographic successfully executed a UGC campaign, resulting in a significant increase in followers, participants, and overall engagement. (Bojkov, 2023, par. 22-24) What makes their approach truly unique is the way they accomplished it. National Geographic's Wanderlust Contest is a brilliant method of engaging people in outdoor experiences. (Bojkov, 2023, par. 22) To participate, users were required to share their finest nature photographs using the designated hashtag #WanderlustContest, with the winner of the contest being rewarded with a seven-day trip for two adults to explore Yosemite National Park. (Bojkov, 2023, par. 24)

UGC is also used for recruitment purposes. Take the University of Wisconsin for example, who share their social media feeds directly onto their homepage, therefore contributing to their social proof and online presence with the hopes of enticing prospective students. (Hopponen, 2023, par. 19) Not only is student recruitment at play, UGC can also be vital to recruiting new workers. (Pixlee Turnto, 2022, par. 4) When it comes to attracting talent, company culture plays a vital role. While any organization can mention perks and benefits on their careers page, displaying genuine content from employees and customers significantly contributes to attracting individuals who desire to be part of that specific culture. (Pixlee Turnto, 2022, par. 4) Another UGC recruitment example would be Vogues open casting on Tiktok; using the hashtag #VogueOpenCasting, any aspiring model could post a video of themselves with the opportunity to end up modeling for Vogue. (Vogue, 2023) These uses also highlighted that UGC has the potential of being used for more diverse content than just traditional product marketing.

UGC has transformed the way consumers shop for furniture. Sohome stands among numerous e-commerce platforms that have adopted the practice of making UGC

purchasable directly from their website. (Hopponen, 2023, par. 11) The company actively involves its customers by encouraging them to share their product reviews and include the branded hashtag, some submissions are then selected to be showcased on the website through an Instagram carousel. (Hopponen, 2023, par. 11)

UGC influences what consumers wear. "In a sector like fashion, where consumers' decisions are influenced by the interplay between opinion leader and opinion formers, leveraging consumers' contributions and UGC can be a very powerful influencing mechanism." (Montecchi & Nobbs, 2018, p. 212) Take the campaign from Calvin Klein for example. Calvin Klein reintroduced the tagline #MyCalvins on Instagram, encouraging individuals wearing their briefs to share a photo with the caption: "I [...] in my Calvins." (Bojkov, 2023, par. 27) This challenge quickly went viral and within a few months, the hashtag #MyCalvins had over 190,000 photos tagged by UGC creators. (Bojkov, 2023, par. 28) Calvin Klein witnessed the remarkable success of this campaign, as it struck a deeper connection with young people compared to influencer posts or paid advertisements and consequently, they swiftly gained millions of followers on Facebook, Twitter, and various other social media platforms. (Bojkov, 2023, par. 28)

The most influential content when purchasing beauty, health or wellness products is UGC, with up to 54% of people having purchased a beauty product after seeing content created by users. (Stackla, 2019, p. 18) One example of this was created by the beauty brand Glossier, which effectively engages its audience through its social media content by encouraging customers to embrace vulnerability and share their personal photos and then reposting them. (Greenbaum, 2023, par. 16-18) Instead of relying heavily on models and product images, Glossier prioritizes customer-submitted visuals, attributing a significant portion of its revenue, about 90%, to its enthusiastic fans who eagerly showcase themselves using Glossier products on social media. (Greenbaum, 2023, par. 16-18) One notable instance is when Glossier introduced its Mega Greens Galaxy Mask. The brand received an overwhelming response as thousands of users shared selfies wearing the mask, accompanied by the hashtag #maskforce. (Greenbaum, 2023, par. 18) This works so well because one of the primary motivations for posting on social media is to gain recognition, and UGC provides followers with the opportunity to shine in the limelight. (Leung, 2013, p. 7)

UGC not only influences what we buy, but also where and what we eat. 49% of Gen Z consumers and 44% of Millennials say that UGC influences the restaurants they decide to dine at every time or most of the time. (Stackla, 2019, p. 14) By launching the

interactive platform [doritoslegionofthebold.com](http://doritoslegionofthebold.com), Doritos has provided a creative space where users can unleash their imagination and create branded images and videos that Doritos eagerly shares on its social media channels. (Greenbaum, 2023, par. 8) The [doritoslegionofthebold.com](http://doritoslegionofthebold.com) website has become a vibrant hub of user-generated content, showcasing the diverse and imaginative contributions from Doritos enthusiasts; from snack-centric weather forecasts to playful images of individuals lounging amidst piles of nacho chips, users have embraced the opportunity to express their love for the brand in a visually captivating manner and in end effect receive thousands of likes and awareness. (Greenbaum, 2023, par. 8) By actively encouraging user participation through public challenges, such as the "oddly satisfying challenge", Doritos entices creators to produce mesmerizing videos that have the chance to be featured in the brand's highly popular Instagram stories. (Greenbaum, 2023, par. 9) Another dining example would be in 2014, Starbucks initiated the #WhiteCupContest campaign, inviting customers to showcase their artistic and creative skills by drawing on their white cups as seen in Figure 5. (Bojkov, 2023, par. 13-16) The winning designs would be used as templates for future cup designs, offering a unique opportunity for participants to have their art featured on ceramic ware. (Bojkov, 2023, par. 13-16) By allowing anyone to participate and directly connecting it to customers' favorite products, this strategy becomes easily accessible for individuals who have a strong affinity for the company. (Bojkov, 2023, par. 13-16)

**Figure 4:**

*Starbucks UGC Campaign #whitecupcontent Example*



Note: photo from zenspiredesigns ,(2019), (*Starbucks UGC Campaign*) retrieved from [instagram.com/zenspiredesigns](https://www.instagram.com/zenspiredesigns)

As seen in the examples above, UGC is most commonly employed in product marketing as a means to showcase and promote simple products. However, its potential extends beyond this and can be harnessed effectively for service marketing and recruitment. (Pixlee Turnto, 2022, par. 4; Bojkov, 2023, par. 22-24) While UGC has traditionally been associated with tangible products, such as consumer goods or fashion items, it possesses the versatility to encompass a wide range of industries and subject matters as seen above. While, a study conducted by Eilers (2014) reveals that user-generated content has a stronger impact on the brand image of products that are less complex and require less explanation in their technical features, the successful campaigns that didn't follow this scheme speak for themselves. For instance, the taste of a food product can be easily judged by others, whereas evaluating an automobile engine requires a certain



level of expertise (Eilers, 2014, p. 648). However, that doesn't take it out of the realm of possibilities as shown by the examples above.

In the realm of service marketing, UGC can play a pivotal role in capturing and conveying the intangible aspects of services. Customers can share their experiences, feedback, and recommendations, providing valuable insights for potential consumers as seen by the example above. (Bojkov, 2023, par. 22-24)

Moreover, UGC has the potential to be employed in marketing efforts related to complex topics. In areas such as education, healthcare, or finance, where intricate concepts and processes are involved, UGC can help demystify these subjects, as observed. Through user-generated reviews, testimonials, or tutorials, individuals can share their knowledge, experiences, and perspectives, making complex topics more accessible and relatable to others, as seen with the example above. (Pixlee Turnto, 2022, par. 4)

In summary, these various examples showcase just to what extent UGC can successfully be implemented, and while UGC has traditionally been associated with simple product marketing, it possesses the potential to extend its reach to service marketing and complex topics. By embracing content generated by user in these areas, businesses can leverage the authenticity and relatability of user experiences to enhance their marketing efforts and establish meaningful connections with their target audience.

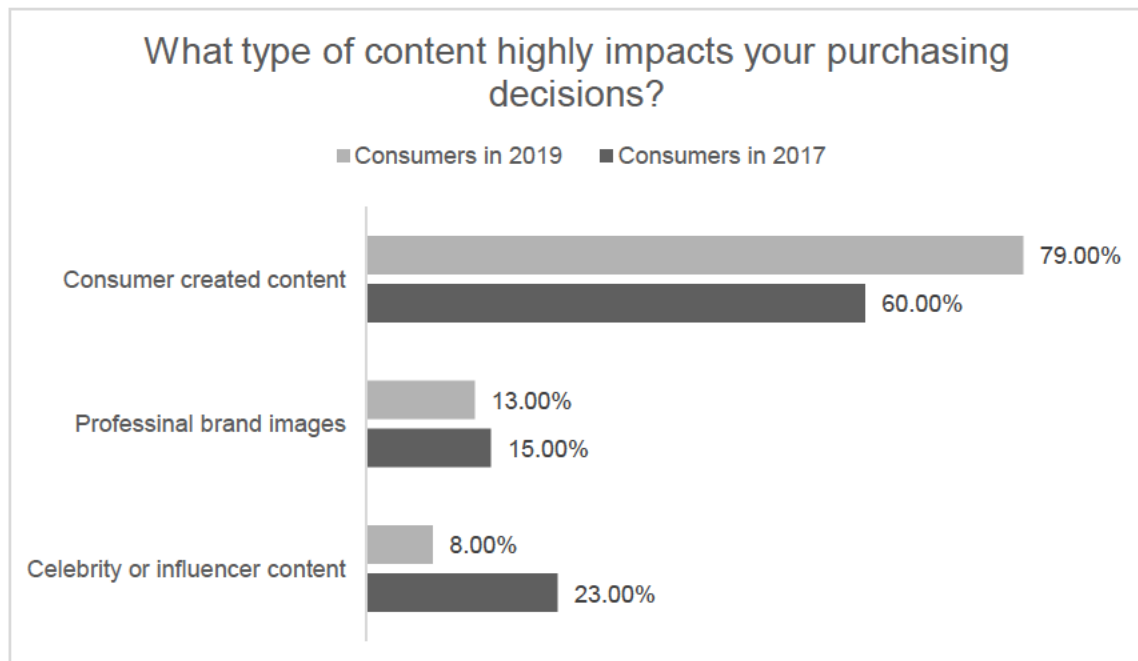
Due to the online nature of the given examples, the necessity for online sources was therefore essential for this section of the thesis.

### **3.3 Opportunities of User-Generated Content from a Business Perspective**

UGC can be perceived as more authentic than traditional marketing methods. UGC gives the idea of authenticity and therefore offers customers a more believable brand experience. (Montecchi & Nobbs, 2018, p. 212) A study conducted by Stackla (2019) showed that 90% of consumers consider authenticity a crucial factor when choosing and endorsing brands, with user-generated content being regarded as the most authentic form of content by 58% of consumers. (Stackla, 2019, p. 6) While brands have made modest improvements in presenting genuine content to their audiences, up to 51% of consumers still perceive that less than half of brands produce content that truly resonates as authentic. (Stackla, 2019, p. 7) In comparison 92% of marketers hold the belief that

the majority or all of the content generated by their brand connects with consumers on an authentic level. (Stackla, 2019, p. 7) This therefore highlighted the divide between consumer and marketers when it comes to the believe behind authentic content, and demonstrates that although marketers have made gradual advancements in recent years, their confidence in the authenticity of their content is not true to fact. (Stackla, 2019, p. 7) Important to note with sponsored UGC is that utilizing it can provide businesses with the advantage of shaping the story and communication related to their products or services. (Greener, 2023, p. 15) Nonetheless, if it is perceived as staged, it may be looked as less trustworthy compared to genuine and organic UGC. (Greener, 2023, p. 15) However, when employed in a strategic manner, sponsored UGC can serve as a catalyst in encouraging customers to generate valuable and authentic UGC. (Greener, 2023, p. 15)

UGC can be more trustworthy than other information on a brand or product. Consumer-generated content is perceived as more credible and authentic compared to official brand messages, as consumers tend to trust each other more than they trust the messages directly from the brand. (Montecchi & Nobbs, 2018, p. 212) Based on the survey conducted by Baazar voice (2012), a majority of Americans place greater trust in UGC compared to information found on a company's website or news articles about the company when seeking information about a brand, product, or service. (Baazar voice, 2012, p. 4) The study conducted by Stackla (2019) also found that when comparing travel, beauty, and food images, three UGC, three stock photos, the majority perceived the brand which posted the UGC as more trustworthy than the stock photos brand. (Stackla, 2019, p. 13) Additionally a study conducted by Nielsen confirmed this claim by showing that 92% of the interviewed consumers trust peer recommendations above all forms of advertising. (Nielsen, 2022b, par. 2) Even when considering sponsored creators who create UGC, they ranked higher than both brand content and influencers when it comes to trust. (Greener, 2023, p. 14)

**Figure 5:***Which Type of Content Highly Impacts Your Purchasing Decision*

Note: adapted from *Consumer & Marketer Perspectives on Content in the Digital Age*, Stackla, 2019, p. 9, published by Stackla

UGC can aid in increasing brand awareness. The study conducted by Crowdtap and Millward-Brown Digital (2015) showed that UGC exceeded the Millward-Brown Digital norms for the ad units across all brand metrics measured, especially in aiding brand awareness, reaching the highest metric “excellent” on the scale. (Crowdtap, 2015, p. 14) UGC can therefore also significantly influence purchase decision. A large majority of Millennials (84%) indicate that UGC found on company websites holds some level of influence over their purchasing decisions. (Baazar voice, 2012, p. 4) Additionally another study found that 79% of people say that user-generated content highly impacts their purchasing decisions, with a significant increase since 2017, as seen in Figure 4. (Stackla, 2019, p. 9) Also highlighted in this study was the substantial loss of impact on purchasing decision that celebrity and influencer content has; falling from 23% to a mere 8%. (Stackla, 2019, p. 9)

UGC can be the cost-saving alternative to traditional means of marketing. “One of the key benefits of authentic UGC is that it is free to use, which can alleviate budget constraints.” (Greener, 2023, p. 22) Marketing departments tend to rely on expensive and resource-intensive content sources. (Stackla, 2019, p. 31) “Over 19% of B2C marketers spend an average of over \$1 million on content annually, 41% spend over \$500,000 and 69% spend north of \$300,000 per year.” (Stackla, 2019, p. 31) For brands

that don't have substantial budgets for advertising campaigns, user-generated content presents an opportunity to gain wider exposure and generate digital buzz for their marketing initiatives, this may be a particular advantage of UGC and social media for smaller or new brands, as these tools allow for a relatively swift establishment of a presence. (Montecchi & Nobbs, 2018, p. 212) A study conducted by TINT showed that up to 69% of marketing employees at least somewhat agreed that they did not have enough resources for the amount of content that they need. (Greener, 2023, p. 22)

Finally, UGC can foster customer relationships. Engaging customers in the world of the brand can lead to highly influential brand advocate. (Montecchi & Nobbs, 2018, p. 212) As previously mentioned and shown in Figure 2, UGC can even encourage customer loyalty. (Melewar et al, 2017, p. 578)

### **3.4 Risks of User-Generated Content from a Business Perspective**

While UGC presents numerous opportunities for businesses, it is crucial to acknowledge and understand the potential challenges and drawbacks that come with it. By exploring these risks, an analysis of the implications and considerations that businesses should be aware of when incorporating UGC strategies is presented. By doing so, business can effectively navigate potential pitfalls and develop strategies to mitigate any negative impact that may arise.

The potential loss of control over the brand message is one risk a business may face with organic UGC. Several individuals interviewed by Montecchi and Nobbs (2018) also emphasized the importance of transparency in light of the readily available and rapidly disseminated information online, posing new challenges for both external and internal information management. (Montecchi & Nobbs, 2018, p. 312) Moreover, these individuals expressed the view that maintaining control over brand messages across various communication touch points becomes even more challenging for luxury brands, given their concerns about brand exclusivity, when the viral nature of social media can also undermine the perceived value and exclusivity of luxury brands. (Montecchi & Nobbs, 2018, p. 312) As anyone with any idea can post about the brand or product, often with no regards to the brands image or brand message. Therefore one can conclude that it is nearly impossible for businesses to control what is put out in content, whether that reflects the message they'd like or not; monitoring this content to such a degree is

therefore not within the realm of possibility for businesses. This could result in 'brand hijacking', which can be broadly defined as when consumers take control of the brand marketing communications and therefore leave the potential for negative return in terms of word-of-mouth in the realm of possibility. (Montecchi & Nobbs, 2018, p. 310) The negative impact of this is further intensified by the amplifying effect known as the "network effect." (Montecchi & Nobbs, 2018, p. 310) Montecchi and Nobbs (2018) mentioned the example of such an effect, the UGC campaign of McDonalds, MCStories, where the outcome wasn't as hoped but rather filled with a series of unwanted comments and stories shared by users. (Montecchi & Nobbs, 2018, p. 310)

There may be legal risks when using UGC. One considerable one being the ownership and license of the content posted by the users. If the content generated by users is used in advertising for a business, consent must be had in order to stay in line with copyright laws. (MacDonald, 2023, par. 4-6) However, if the UGC is used in other ways not specifically for direct advertisement, the company can use the content without permission. If advertisement with the UGC content is however the intent, and since the brand does not own this content, implied consent and explicit consent need to be considered. (Podnar, 2017, par. 3) Through implied consent, a brand can reasonably infer that the individual who uploaded a photo intended for the company to utilize it, being fully aware of the company's intended purpose for the photo, often evidenced by the use of a specific hashtag associated with the company's campaign, indicating the consumer's awareness. (MacDonald, 2023, par. 17) In the case of explicit consent the business has asked for and received specific permission to use the content. (MacDonald, 2023, par. 18)

Sponsoring UGC carries the potential risk of creating a perception that the content is staged and lacks authenticity, which can have detrimental effects on the trustworthiness and credibility of the brand. When UGC is identified as being contrived or manufactured, it diminishes the ranking of trust that consumers place in the content; this shift in perception, as highlighted by Greener (2023), can cause UGC to plummet from its initial position of being highly trusted to the least trusted source of information. (Greener, 2023, p. 16) Consumers, particularly in today's digital age, value authenticity and genuine experiences. They seek content that reflects real user opinions, experiences, and perspectives. Therefore, when UGC is perceived as staged, it loses the inherent qualities that make it compelling and trustworthy. The authenticity that users expect from UGC can be eroded when they suspect that it is influenced or manipulated by brands for promotional purposes. (Greener, 2023, p. 15) It can lead to negative perceptions of the

sponsoring brand, as consumers may question its transparency, honesty, and commitment to genuine engagement with its audience. (Greener, 2023, p. 15)

Another substantial risk that may occur is when business use social media and UGC as a self-standing tool, rather than integrating it into their communication channels. (Montecchi & Nobbs, 2018, p. 18) The importance of integrating UGC into several channels was highlighted in 3.1., which made clear that in order for the marketing communications to truly work, they must be integrated properly among different departments and channels.

## 4 Methodology

The previous literature-based findings of the study will be examined and compared in the following section in relation to the research question using the empirical method of expert interviews.

### 4.1 Research Design

The research design is a crucial component of any study as it provides a systematic plan for collecting and analyzing data to address research questions and test hypotheses. In the context of exploring the use of UGC in the communication strategy of marketing departments, a well-designed research approach is essential to gain insights into the opportunities and risks from a business perspective. This section outlines the key elements of the research design, including the research approach, data collection methods, and data analysis techniques, that are employed to achieve the objectives of this study.

From the theoretical part of the thesis, the following hypotheses can be made:

H1: Incorporating UGC into the communication strategy of marketing departments will lead to increased customer loyalty and foster customer relationship. UGC has shown the potential to nurture customer relationships and create influential brand advocates (Montecchi & Nobbs, 2018, p. 212). Additionally, UGC has been found to foster customer loyalty, as illustrated previously in Figure 2. (Melewar et al., 2017, p. 578)

H2: UGC offers a level of trust and authenticity that other marketing methods cannot provide. Consumers tend to trust each other more than direct brand communications. (Montecchi & Nobbs, 2018, p. 212) According to a survey by Baazar voice (2012), a majority of Americans trust UGC more than information from a company's website or news articles when seeking brand, product, or service information. (Baazar voice, 2012, p. 4)

H3: Effectively integrating UGC will have the potential to increase brand awareness. According to a study by Crowdtap and Millward-Brown Digital (2015), user-generated content (UGC) outperformed traditional ad units in all measured brand metrics, particularly in enhancing brand awareness, reaching the highest rating on the scale. (Crowdtap, 2015, p. 14)

H4: UGC has the potential of being used for more diverse content than just traditionally observed. As seen by the examples of UGC shown above, it's clear that the content isn't restricted to more traditional simple product markets but can also be used for more complex services and recruitment purposes.

H5: UGC can be an affordable alternative to traditional forms of marketing. UGC offers a cost-saving alternative to expensive and resource-intensive content sources commonly relied upon by marketing departments. (Stackla, 2019, p. 31) With a significant percentage of marketers spending substantial amounts on content annually, UGC presents an opportunity for brands with limited budgets to gain wider exposure and generate digital buzz for their marketing initiatives. (Stackla, 2019, p. 31; Montecchi & Nobbs, 2018, p. 212)

H6: UGC also carries risks such as loss of control over brand messaging and potential negative user-generated content as well as legal risks. The risk of losing control over the brand message is a concern with organic user-generated content as transparency and managing information become challenging due to readily available online information. Businesses struggle to control the content reflecting their desired message, leading to potential "brand hijacking" and negative word-of-mouth. (Montecchi & Nobbs, 2018, p. 310-312) When advertising with UGC, the legal ramifications must be considered, such as implied and explicit consent since the brand doesn't own the content. Implied consent suggests that individuals who uploaded photos intended for the company to use them, often indicated by specific hashtags associated with the company's campaign. Explicit consent, on the other hand, involves the business seeking and receiving specific permission to use the content. (MacDonald, 2023, par. 4-6, 17-18; Podnar, 2017, par. 3)

To support or deny these hypothesis claims, experts' interviews are conducted. The selection of expert interviews as the primary research method for this study is justified based on several key reasons. Expert interviews offer the opportunity to gather in-depth insights from professionals who possess specialized knowledge and expertise in the field of UGC and marketing strategies. These individuals have practical experience and valuable insights that can contribute significantly to a comprehensive understanding of the topic.

By conducting expert interviews, it is possible to gain a deeper understanding of the opportunities and risks associated with UGC in marketing communication strategies from a business perspective. Experts can provide real-world examples, practical advice, and



industry-specific insights that may not be readily available in existing literature. Their expertise can shed light on the effective integration of UGC and help identify best practices and potential pitfalls.

Moreover, expert interviews allow for the exploration of diverse perspectives. By engaging with experts from various backgrounds, such as a founder of a UGC platform, several marketing managers, and a few UGC creator this study can capture a range of viewpoints and experiences. This diversity of perspectives enables a comprehensive analysis of the topic, taking into account different stakeholder interests and viewpoints.

Finally, expert interviews also provide access to tacit knowledge that may not be available in published literature. Experts often possess insider knowledge, industry trends, and practical know-how that can enrich the study and offer valuable insights beyond what can be obtained through secondary sources alone.

In summary, expert interviews are justified as the primary research method for this study due to their ability to provide in-depth and specialized insights, explore diverse perspectives, offer flexibility and adaptability, access tacit knowledge, and provide qualitative richness. By employing expert interviews, this research aims to enhance the understanding of UGC in marketing communication strategies from a business perspective, providing valuable insights for theory and practice in the field.

## **4.2 The Interview Questions**

The interview questions are conducted in a semi-structured format, allowing for a combination of predefined questions and the flexibility to explore new themes that emerge during the conversations and therefore allow the possibility for a deeper understanding of the answers. The interview questions are created to address the research question, focusing on the opportunities and risks of UGC in marketing communication strategies from a business perspective. The questions also slightly differed between each profession, since their individual expertise vary somewhat. For the founder of the UGC Platform and marketing managers, a more business centric approach to the questions is included. For the UGC creators the questions are more focused on the individual experience making the content. However, throughout all questions a common theme is held.

The first goal, specifically only for the marketing managers, is to clarify what kind of previous personal interaction the interviewee had with UGC. This helps to further clarify to what degree and extend the person is involved with UGC. To achieve this the interviewees are asked the following question: “Have you already used UGC in your marketing strategy?”

Additionally, another goal is to identify the advantages and opportunities UGC can offer for business. In order to reach this understanding, the following questions are asked to the marketing managers, “What specific advantages does UGC offer companies compared to other forms of marketing?” and “From a business perspective, what opportunities do you see in integrating user-generated content into marketing departments' communication strategies?” The following questions are asked to the UGC Creators, “How do you think your work as a UGC creator influences the brand perception and image of a company?”, “Are there specific advantages that UGC offers compared to other forms of content creation?”, and “How do you rate the importance of UGC in corporate communication strategies and what opportunities do you see from a business perspective?”. Finally, the following questions are asked for the founder of a UGC Platform, “What are the specific advantages of UGC for companies?” and “From a business perspective, what opportunities do you see in the integration of user-generated content into the communication strategies of marketing departments?”

Another goal is to identify the possible disadvantages of UGC from a business perspective, as well as how these disadvantages could be avoided. This information is reached through the following questions, that are similar for all participants, “What specific disadvantages or risks might UGC have compared to other of marketing methods in the company?” and “How can marketing departments manage the risks of UGC?”

Additionally, a further goal is to understand the extend of the potential use of UGC. Therefore, all participants are asked if UGC is useful in different marketing departments, specifically service and product, with the following question, “Do you think it makes to use UGC for both product marketing and service marketing?”, as well as for the potential usefulness of UGC in recruitment, the following type of question is therefore asked, “Do you think using UGC is useful in the recruitment process?”. Furthermore, the participants are asked in which industry and company size UGC would particularly make sense, through the following question, “Do you think there are specific industries or company

sizes for which the use of UGC in communication strategies would be particularly advantageous?”.

Finally, the last goal is to gather recommendations for how business can successfully implement UGC into their marketing strategies. Therefore, the marketing managers and Founder of the UGC Platform are asked the following question, “What do you see as the success factors for effectively incorporating UGC into communications strategy and achieving long-term business benefits?”. The UGC creators then are asked as well, from their perspective, for recommendations to ensure the collaboration between UGC creators and marketing managers more successful with the following questions, “Do you have any advice for the marketing department to fully use the potential of UGC and to achieve long-term business benefits?”, “Are there any other strategies as a UGC creator to effectively work with marketing departments and really get the results they want?” and, “How could companies improve their collaboration with UGC creators to ensure such high-quality and authentic content?”.

### **4.3 Sampling**

The method of sampling used is convenience sampling. Convenience sampling is chosen as the sampling approach for this bachelor thesis due to practical considerations, including limited time and resources. The aim is to select participants who were easily accessible and willing to participate in the study within the given timeframe. Convenience sampling allows for a more straightforward recruitment process and facilitates the collection of data in a timely manner.

The following criteria are however still crucial. For one, some experience with UGC is mandatory. Participants are selected based on their experience and involvement with UGC, whether that be in marketing, managing, or creating content themselves. This criterion ensured that the insights and perspectives shared by participants are relevant and informed. In addition to that a diverse background between individuals is also taken into consideration. To capture a range of perspectives, efforts are made to include participants from diverse backgrounds. This diversity encompassed various industries, company sizes, and roles within the organization, such as marketing managers, founders of UGC platforms, or UGC creators.

A total of seven individuals are selected as participants for this study. While a larger sample size could provide more comprehensive insights, the resources and time constraints of a bachelor thesis necessitated a smaller sample size. Despite the limited sample size, efforts are made to ensure diversity and representation across different industries and roles.

It is important to acknowledge that the use of convenience sampling and the relatively small sample size may limit the generalizability of the findings. The results may be specific to the chosen participants and may not represent the broader population of businesses utilizing UGC in their communications strategies.

By employing convenience sampling and selecting seven individuals based on their experience and diversity of backgrounds, this sampling approach aims to provide valuable insights into the success factors for incorporating UGC into communications strategies.

In the following the seven experts are briefly introduced in order to provide further background on the qualifications of them. All experts gave informed consent prior to their participation in the interviews.

The first interview is conducted with Sarah Fütterer, the founder of a UGC platform. She has a bachelor's degree in business administration and also has a background in marketing management. The second interview is conducted with Christian Leupold, who has a background with marketing management as well as a bachelor degree in applied media. The third interview is conducted with Evelyn Collins, a marketing manager with a bachelor degree in business studies. The fourth interview is conducted with Leila Demircelik, who is a content creator for a business as well as a freelance UGC creator. She also possesses a bachelor degree in communication design. The fifth interview is conducted with Lena Hoffmann, a marketing manager with a bachelor degree in business studies. The sixth interview is conducted with Isabella Wong, a freelance UGC creator currently pursuing a bachelor degree. Finally, the seventh interview is conducted with Laura-Helen Westphal, an influencer and social media manager and UGC creator, who has a bachelor degree in media and communication management, as well as a master's degree in brand management.

## **4.4 Data Collection Method**

As aforementioned the data collection method chosen for this bachelor thesis is semi-structured interviews. The following procedure is followed during the process. First, an interview guide is developed to ensure consistency across interviews while allowing for flexibility in exploring relevant topics. The guide consisted of a set of open-ended questions and prompts that covered various aspects of incorporating UGC, such as strategies, challenges, benefits, and long-term business outcomes.

Thereafter, before conducting the actual interviews, a pilot test is conducted with a small number of individuals who were not part of the final sample. The pilot test aims to assess the clarity and effectiveness of the interview guide, identify any potential issues or ambiguities, and make necessary adjustments to improve the overall quality of the interviews.

Individual interviews are conducted with each participant. The interviews are scheduled at mutually convenient times and conducted either in-person via video call depending on the participants' preferences and geographical constraints. Each interview session lasts approximately 30 to 60 minutes, allowing for a detailed exploration of the participants' experiences and insights. With the participants' consent, the interviews are then audio-recorded to ensure accurate data capture and facilitate later transcription and analysis.

The recorded interviews are transcribed verbatim, ensuring accurate representation of participants' responses. Thereafter, if necessary, they are manually translated into English by the author for this thesis. Thematic analysis is conducted to identify recurring patterns, themes, and insights across the interview data. This involves organizing the data, coding relevant sections, and iteratively identifying and refining themes that emerged from the participants' narratives.

The data collected through the expert interviews consists of qualitative information. It includes detailed responses to the interview questions, as well as additional insights, anecdotes, and examples provided by the experts. The data from the interviews form the basis for the subsequent data analysis phase.

## **4.5 Method of Data Analysis**

This section provides an overview of the method employed for data analysis in the context of the bachelor thesis. The primary objective of data analysis is to derive meaningful insights and draw conclusions from the collected data, ensuring a systematic

and rigorous approach to address the research questions. The following paragraphs outline the specific techniques and procedures used to analyze the data, ensuring transparency and clarity in the analytical process.

By following this methodological framework, a clear and systematic account of the data analysis process is presented, allowing readers to evaluate the validity and reliability of the research outcomes. The subsequent sections present the results and interpretations derived from this rigorous data analysis, contributing to a deeper understanding of the research topic and addressing the research questions.

For the analysis of expert interviews, the method of thematic analysis is used. Thematic analysis highlights the focus on discerning, examining, and comprehending patterns of significance or themes present in qualitative data, therefore delving into both explicit and implicit meanings inherent in the data. (Braun & Clarke, 2006, p. 77)

The first step to analyse the data is to transcribe the interviews into text form. Then following that, all text that were originally recorded in German are translated as accurately as possible by the author. Subsequently all interview data is familiarized to gain a comprehensive understanding of the participants' perspectives and the overall context.

Now the data is read through again, identifying and assigning initial codes to meaningful units of text that represented important concepts, ideas, or patterns. This process involves systematically coding the data while remaining open to new insights. This also involves tagging relevant sentences and information. Based on the initial coding, a codebook was developed, which consists of a list of colored codes and their definitions and meanings. The codebook serves as a reference guide for consistent coding throughout the analysis process. This process is repeated several times in order to code all relevant information.

Furthermore, these colored codes are then ordered, organized and collated to similar codes to form themes. Themes are identified based on shared meanings and patterns within the data. This process is also repeated and refined till the data set was coherent. These themes are presented in the results section.

Then, the refined final themes are examined and considered for the relationships between them and their coherence. The themes are defined and named to reflect their content, providing a clear representation of the analyzed data.

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Then a matrix is used to visualize the relationships between themes. This allows for a deeper analysis of how the themes interconnected and contributed to the overall understanding of the research topic. Within each theme, selected exemplar quotations from the interview data that support the represented the theme are selected to represent it. These quotations were carefully described and used to support the interpretation and findings in the following section.

Finally, each theme is interpreted to the meaning and its significance within the context of the research objectives. The findings are synthesized by integrating the interpretations from all the themes, providing a coherent and comprehensive analysis. The findings are then reported in a clear, structured, and organized manner in the following sections of the thesis.

## 5 Interview Results

This section presents the results derived from the interviews conducted as part of the research study. The interview results in a structured manner, organized according to the themes and patterns that emerged during the data analysis process. Each theme represents a significant aspect related to the research questions and hypothesis and provides meaningful insights into content that is generated by users. By presenting the interview results sorted by theme, this section aims to contribute to the overall understanding of the research topic and provide a solid foundation for the subsequent discussion and conclusion sections. These themes closely resembled the previous hypothesis made.

The findings are presented using direct quotes or paraphrased statements from the participants to ensure transparency and authenticity. The interpretations and analysis of the findings are supported by the interview data, allowing readers to evaluate the credibility and validity of the results.

It is important to note that while the interview results contribute valuable insights, they represent a specific sample and may not be generalizable to the entire population. However, they provide rich qualitative data that can inform future research, guide decision-making, and contribute to the existing knowledge in the field.

The interviews were abbreviated to their interview number (I1, I2, I3, I4, I5, and I6) for the sake of readability.

The following themes were identified while analyzing the data:

1. Consumer Engagement through UGC
2. Authenticity and trust associated with UGC
3. UGC's impact on brand awareness and image
4. The versatility of UGC
5. Affordability of UGC in comparison to other forms of marketing
6. Challenges in UGC management



Starting with the first identified theme, of consumer engagement through UGC was identified among the interviews. With UGC the company has the opportunity for much more intensive interactions with their customers. (I2, par. 6) Highlighted also was the fact that customers were inspired by UGC to create their own content of the brand. (I3, par. 2) Therefore building an engaged community was an opportunity that could arise. (I3, par. 2) UGC “[...] helps make our marketing efforts feel less like a one-way conversation and more like a genuine conversation.” (I3, par. 7) UGC nurtures a deeper connection between the brand and its customers, as they actively engage and share their personal experiences, which creates a sense of relatability and identification, fostering a strong bond between individuals and the brand. (I5, par. 4) People therefore develop a feeling of personal connection, forging a meaningful and enduring relationship with the brand. (I5, par. 4) “They become our brand advocates, even if they aren’t paid by us, and essentially choose to spread the word and share their excitement.” (I3, par. 6) For the user creating the content, the contribution to brands can also be fulfilling. (I6, par. 6)

Following that, the most commonly referred to point in the interviews, the authenticity of UGC and therefore it’s associated trust factor. Six of the seven experts came to the consensus that a significant factor of UGC was that it was considered to be more authentic than other forms of marketing. (I1, I3, I4, I5, I6, I7) Reflecting upon the fact that the creator in the video isn’t an influencer or brand, but simply a peer like the consumer, the content comes across as more authentic. (I1, par. 4) Customers generally place more trust in the opinions and recommendations of fellow customers rather than traditional advertising messages, therefore, incorporating user-generated content into your brand strategy enhances trustworthiness and authenticity. (I5, par. 6) Similarly, “the advantage (is) that it is actual testimonials that the customers create and we simply have more trust for other people like us.” (I4, par. 4) Also highlighted was the fact that this relatability was able to resonate better with the customers. (I6, par. 2) This relatability of having the same problems as you may have, has the potential to reach the community even better and more intimately. (I7, par. 2) With this authentic content, credibility follows. (I3, par. 6) Having someone who looks like they could be your “neighborhood” friend can make the videos appear more trustworthy. (I3, par. 8)

Another theme that was identified was the theme of the impact UGC has on brand awareness and image came up several times. “[...] through UGC you increase your visibility and, in the end, you have a higher chance to win more potential customers.” (I2, par. 4) Highlighted as well was the fact that UGC can therefore be used to create buzz

around the brand. (I3, par. 18) As well as help expand the brand's reach. (I5, par. 4) Fundamentally, "UGC, especially in the form of social ads, simply sparks the attention of people even better." (I7, par. 2) Sympathy for the brands image and product can also be strengthened. (I4, par. 2) Essentially, UGC was contributed to have a general positive impact on the brand image. (I4, par. 14) Creators agreed that their work, had impact on a company's brand image. (I6, par. 12) (I4, par. 14) They also help create awareness for the companies. (I7, par. 14)

Furthermore, another theme identified was the versatility that UGC can be used for, which accounted for many different topics of diversity. UGC was concluded to be suited for all company sizes. (I1, par. 16, I3 par. 18, I5 par. 14) However, some extra points were made as to why UGC was especially beneficial to smaller companies. For one, in smaller companies there are simply too few people in the company who are willing to fully take on the task to manage and create content regularly. (I1, par. 2) As well as when it comes to affordability as previously mentioned, smaller companies really benefit there. (I1, par. 16) This essentially opens up the opportunity for startups to quickly generate reach and get attention to their brand with little budget. (I2, par. 16) (I3, par. 18) (I5, par. 14)

Additionally, no direct consensus was made as to which industry may benefit the most from UGC, however some directions were suggested. One suggestion was that UGC made especially sense for products that are produced for the masses such as shoes, sportswear, or food industries. (I2, par. 16) Another one was that it was suited for industries that naturally have passionate and tight-knit customer communities. (I3, par. 20) Additionally, another suggested that "there's just some sectors where it would make more sense, like when you can really interact or talk about the product and make it exciting." (I5, par. 13)

As well, when asked about the potential behind using UGC for recruitment, the answers from the experts all reflected positive statements. On one hand the organic UGC could have the potential to make the company more inviting for people who may want to work there. (I3, par. 18) Hence, the crucial aspect of application videos lies in projecting a positive and genuine image that evokes the thought, "wow, I'd love to work here." (I4, par. 22) The content serves as the initial impression for applicants, and if someone inexperienced with being on camera appears hesitant and visibly uncertain, it can leave a negative impact, which may even deter potential candidates from pursuing the opportunity. (I4, par. 22) Therefore, the first impression carries substantial weight, and

having a confident, articulate, and authentic individual in front of the camera can be highly impactful and effective. (I4, par. 22) Especially among the younger generation, the traditional process of reading lengthy job ads and writing applications has become less appealing. (I1, par. 12) Social recruiting has introduced video ads as a more engaging alternative. (I1, par. 12) Video content is preferred as users want to be entertained and avoid excessive reading, and for that UGC also holds significant potential. (I1, par. 12)

Furthermore, even though UGC has been seen typically for product marketing, the outlook for service marketing is positive as well. When it comes to service marketing, UGC can be a great opportunity to stand out from the competition. (I1, par. 10) "It could be used to highlight positive customer experiences." (I3, par. 16) The usefulness is further highlighted in the sense that UGC can be used to explain services simply and quickly without the need to have the product shipped to them. (I4, par. 20) Possible testimonial about the service would work well for service UGC. (I5, par. 10) Although it is important to note that it might be more difficult to integrate UGC into service marketing than it would be for product marketing. (I2, par. 12)

Another significant theme that was brought up by most interviews was the affordability that UGC offered in comparison to other traditional forms of marketing. Essentially, for organic UGC you don't actually spend any direct money to create this marketing effort, but you may still go viral, simply on the notion that someone came in and decided to promote the brand's product. (I2, par. 6) Therefore companies have the option to save on marketing cost by using the content generated by users, instead of creating everything themselves. (I5, par. 4) Even when it comes to sponsored UGC the cost tends to be significantly less than other forms. With video agencies you could pay upwards of €10000, in comparison UGC the average stated for one platform was at €140. (I1, par. 16) Essentially, UGC is "simply more cost effective." (I2, par. 6) Also in comparison to influencer marketing, UGC is typically more affordable as well. (I7, par. 4)

Finally, another theme that was significant was the one defining the possible challenges associated with UGC. One challenge with UGC is the lack of control of content that is posted on social media. (I2, par. 8) That risk might arise is if a user that created content doesn't match with what your company wants reflect on social media. (I1, par. 6) Essentially, if someone comes and writes or posts something negative about your brand, you can't simply stop them. (I2, par. 8) The content posted may contradict brand values. (I3, par. 9) Additionally, you run the risk of users even possibly posting false information about your brand or product. (I2, par. 8) This negative content could damage the brand.

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(I 5, par. 8) Therefore, there is simply a certain level of unpredictability since the company can't control everything the community creates. (I3, par. 8) For sponsored UGC the risk that it comes across as unauthentic has also been a central theme. If the video is obviously recorded in a studio, for example, people may not relate to it as much as if it was recorded in someone's home. (I1, par. 16) The risk therefore is that the credibility of UGC might fall as people judge the content as unauthentic due to the more elaborately produced UGC. (I4, par. 10) Additionally, if you're not in the B2C sector but rather B2B, organic UGC may be harder to implement. (I2, par. 2)

## 6 Discussion and Implications

The discussion and implications section builds upon the findings presented in the previous section, analyzing and interpreting the interview results in light of the research objectives and existing literature. This section provides a comprehensive exploration of the key themes, patterns, and insights derived from the interview data, and delves into the broader implications and significance of the research findings. The primary objective of this section is to engage in an in-depth discussion that goes beyond the mere presentation of the interview results. It aims to provide a deeper understanding of the research topic, uncovering meaningful connections and exploring the implications of the findings in relation to the research objectives and the existing body of knowledge.

The discussion begins by summarizing the main hypothesis that emerged from the interview data, highlighting the key insights and perspectives shared by the participants. The findings are then analyzed and interpreted, drawing upon relevant theories, concepts, or frameworks from the literature review. This analytical approach enables a comprehensive exploration of the research topic and facilitates the identification of relationships, discrepancies, or novel contributions. Throughout the discussions, the implications of the findings are explored, considering their relevance to theory, practice, or policy. The practical implications of the research are discussed, addressing how the findings can inform decision-making or guide practitioners in the field. The theoretical implications are also considered, evaluating how the research contributes to existing theories, fills gaps in knowledge, or raises new research questions.

For readability and clarity, the results have been summarized in the following Figure 6. Using the previous hypothesis, a comparison can be drawn whether the interview experts' statements agreed or disagreed with the hypothesis statement. This result will then be further analyzed in the following discussion and implication section. Sections marked with "✓" shows an agreement between the interviewed expert statements and the hypothesis. Sections marked with "✗" shows a disagreement between the interviewed expert statements and the hypothesis. Section marked with "-" display that there was no direct comment made by the expert about this hypothesis that neither agreed or disagreed with the theory.

**Figure 6:**

*Hypothesis and Interview Summary*

		Interviews						
		I1	I2	I3	I4	I5	I6	I7
Hypothesis	H1	–	✓	✓	–	✓	–	–
	H2	✓	–	✓	✓	✓	✓	✓
	H3	–	–	✓	✓	–	✓	✓
	H4	✓	✓	✓	✓	✓	✓	✓
	H5	✓	✓	✓	–	✓	✓	✓
	H6	✓	✓	✓	✓	✓	✓	–

Note: Own representation of interview results

Ultimately, the discussions and implications section aim to offer a comprehensive synthesis of the interview results, contextualize the findings within the broader research landscape, and provide meaningful insights that advance knowledge in the field. It serves as a bridge between the empirical findings and the broader implications, contributing to the overall understanding of the research topic and setting the stage for the conclusion section.

## 6.1 Opportunities of User-Generated Content from a Business Perspective Comparison

In the following two section the interview results are discussed in relation to the existing literature and hypothesis, highlighting areas of convergence or divergence and therefore presenting this thesis concluded results.

Starting with hypothesis 1 (H1), which states that incorporating UGC into the communication strategy of marketing departments will lead to increased customer loyalty and foster customer relationship. The interviews conducted and the comprehensive review of the literature strongly support the hypothesis that incorporating UGC into the communication strategy of marketing departments leads to increased customer loyalty and fosters customer relationships. Through the interviews, participants consistently expressed that UGC plays a significant role in building stronger connections with customers. The literature review displayed a positive correlation between UGC and loyalty. This heightened the level of engagement and positively impacts customer loyalty, as individuals feel a deeper connection and affinity towards the brand as seen in the literature review. Moreover, the literature review also showcased examples of successful UGC campaigns where brands actively incorporated UGC into their communication strategies. As seen in the examples, these campaigns resulted in increased customer loyalty, higher levels of engagement, and enhanced customer relationships. Such findings provide empirical evidence to support the hypothesis that integrating UGC into marketing department communication strategies has a positive impact on customer loyalty and relationship-building. Based on the convergence of findings from the interviews and the literature review, it can be concluded that incorporating UGC into the communication strategy of marketing departments is indeed effective in increasing customer loyalty and fostering stronger customer relationships.

For hypothesis 2 (H2), which stated that UGC offers a level of trust and authenticity that other marketing methods cannot provide, the following was found. The interviews conducted with participants and the comprehensive review of relevant literature strongly support the hypothesis that UGC offers a unique level of trust and authenticity that other marketing methods cannot provide. During the interviews, participants consistently emphasized the significant impact of UGC in building trust and offering perceived authentic content to their customers. They highlighted that UGC, being typically generated by real users and customers, carries inherent credibility and reliability. The literature review further reinforces this hypothesis by providing evidence and scholarly discussions on the trust and authenticity associated with UGC. Furthermore, in comparison to brand and influencer content, UGC ranked much higher. It also showed that consumers tend to rely on UGC to make informed decisions, trusting the opinions and perspectives of fellow consumers over conventional advertising methods. Such findings provide empirical evidence supporting the hypothesis that UGC offers a unique level of trust and authenticity that surpasses other marketing methods. Based on the

convergence of findings from the interviews and literature review, it can be concluded that UGC indeed provides a distinctive level of trust and authenticity that traditional marketing methods struggle to replicate. However, with the rise of sponsored UGC, both literature and interviews supported the fact that there is a potential risk of a loss of trust as people begin to be more critical of such content; as people become more discerning and critical of UGC, particularly when it is sponsored, concerns arise regarding its authenticity and credibility.

The following hypothesis 3 (H3), which states that effectively integrating UGC will have the potential to increase brand awareness, had the following result. The interviews conducted with participants and the comprehensive review of the literature strongly support the hypothesis that effectively integrating UGC has the potential to increase brand awareness. During the interviews, participants consistently emphasized the positive impact of UGC on brand awareness. Additionally, the literature review showcased successful UGC campaigns from different industries where brands effectively integrated UGC to enhance brand awareness. These campaigns leveraged UGC in creative ways, encouraging users to participate and share their experiences. These examples provide empirical evidence to support the hypothesis that integrating UGC has the potential to increase brand awareness. Based on the convergence of findings from the interviews and the literature review, it can be confidently concluded that effectively integrating UGC indeed has the potential to increase brand awareness. By encouraging user participation, sharing authentic user experiences, and leveraging the power of social sharing, brands can expand their reach, attract new audiences, and enhance brand visibility in a more organic and impactful manner.

Additionally, hypothesis 4 (H4), which states that UGC has the potential of being used for more diverse content than just traditionally observed, provided the following results. The interviews conducted with participants and the extensive review of relevant literature strongly support the hypothesis that UGC has the potential to be utilized for more diverse content than traditionally observed. During the interviews, participants consistently highlighted the versatility and flexibility of UGC in various content domains. They expressed that UGC can extend beyond its conventional use in product marketing and simple topics. Participants shared examples of how UGC can be successfully employed in service marketing as well as recruitment. This demonstrates the broad potential of UGC to cover a wide range of content types and industries. The literature review further reinforced this hypothesis by presenting numerous case studies and theoretical discussions. It showcased examples where brands and organizations have effectively



utilized UGC to create diverse content, such as recruitment campaigns and service applications. The review also revealed the positive impact of UGC in capturing and conveying the intangible aspects of services and addressing complex topics through user experiences and authentic narratives. The findings from both the interviews and literature review suggest that UGC offers a dynamic tool for content creation, transcending traditional boundaries. Its ability to engage users and tap into their expertise, perspectives, and creativity allows for a wide range of content possibilities.

The following hypothesis 5 (H5), which states that UGC can be an affordable alternative to traditional forms of marketing, concluded to the following. The interviews conducted with participants and the comprehensive review of the literature strongly support the hypothesis that UGC can serve as an affordable alternative to traditional forms of marketing. During the interviews, participants consistently emphasized the cost-effectiveness of UGC compared to traditional marketing methods. They shared their experiences and perspectives, highlighting how UGC can be generated by customers or fans without incurring substantial financial investments. When it came to sponsored UGC, it was also highlighted that even then it was a more affordable option than other methods. The literature review offered no supporting or conflicting evidence for the financial aspect of UGC, since no studies on the cost of UGC were published at the time this thesis was written. However, the literature review highlighted how UGC can generate organic reach and engagement, further reducing the need for extensive advertising expenditures. Based on the convergence of findings from the interviews and the literature review, it can be concluded that UGC serves as an affordable alternative to traditional forms of marketing. By harnessing the creative potential of their audience, businesses can generate authentic and engaging content at a fraction of the cost associated with traditional marketing methods. This cost-effectiveness makes UGC an attractive option for businesses, particularly those with limited marketing budgets or seeking efficient alternatives to reach their target audience.

## **6.2 Risks of User-Generated Content from a Business Perspective Comparison**

Finally, the last hypothesis 6 (H6), which states that UGC also carries risks such as loss of control over brand messaging and potential negative user-generated content as well as legal risks. During the interviews, participants consistently expressed concerns about the risks associated with UGC. They highlighted the potential loss of control over the

brand message when users generate content, as it may deviate from the intended brand image or messaging. Participants also discussed the possibility of negative UGC, where users share content that portrays the brand in a negative light or spreads misinformation. These risks were seen as potential threats to brand reputation and consumer perception. The literature review further corroborates these concerns by presenting case studies, which outlines instances where UGC campaigns have faced challenges due to the lack of control over the content generated by users. It also discusses the potential legal risks associated with UGC, including copyright infringement, intellectual property disputes, or the misuse of user data. Based on the convergence of findings from the interviews and the literature review, it can be confidently concluded that UGC does carry risks that should be acknowledged and addressed by brands. The loss of control over brand messaging, potential negative content, and legal risks requires careful planning, monitoring, and proactive management. In conclusion, both the interviews and the literature review provide substantial evidence supporting the hypothesis that UGC carries risks, including the loss of control over brand messaging, potential negative UGC, and legal implications. Acknowledging and effectively managing these risks is crucial for brands to leverage the benefits of UGC.

### **6.3 Recommendations for Marketing Departments**

In the following section implications and recommendations derived from the research findings are presented. This section aims to provide valuable insights and actionable guidance for marketing departments seeking to incorporate user-generated content into their strategies effectively.

Drawing upon the analysis of the data collected from interviews, as well as the synthesis of existing literature, this section offers practical recommendations and strategic implications for marketing departments. It explores how the research findings can inform decision-making processes, shape marketing strategies, mitigate the risks associated with UGC, and optimize the integration of UGC within marketing campaigns. The implications discussed in this section are grounded in the identified patterns, themes, and insights that emerged from the research. These implications address key areas of interest, such as enhancing brand awareness, fostering customer engagement and loyalty, managing risks associated with UGC, and capitalizing on the unique advantages UGC offers. Furthermore, the recommendations provided in this section take into consideration the specific context of the research, the characteristics of the target

audience, and the limitations of the study. It is important to note that these recommendations are not meant to be prescriptive but rather serve as a starting point for marketing departments to adapt and tailor to their unique organizational needs and goals.

### **6.3.1 Recommendations for UGC Risk Mitigation**

In the following recommendations for UGC risk mitigation are presented. Building upon the insights gained from the research findings and analysis, this section aims to provide practical recommendations for marketing professionals to navigate the challenges and ensure the effective and responsible use of UGC. The recommendations provided in this section are based on a comprehensive understanding of the risks identified through the research process. They consider the experiences and perspectives shared by participants in the interviews, as well as insights gained from the review of relevant literature.

Starting first with the recommendation that if a loss of content control happens, and, for example, content gets posted about the brand that doesn't align with its values, then it's important to handle it in a timely and factual manner. (I2, par. 10) React objectively and politely and try to find a solution. (I2, par. 10) Open communication with users is important, it should however remain constructive. (I5, par. 8) It is therefore important to find the balance between letting the community share their opinions and maintaining brand integrity. (I3, par. 10) One resolution example would be to leave a comment referring them to customer service, or even clarifying things on the spot. (I3, par. 14) Note that having someone responsible for this kind of action is helpful. (I3, par. 14)

Additionally, if the sponsored content doesn't fit the expectation of the brand, it is essential to brief the creator correctly exactly about what content should be the outcome (I3, par. 12) Consider providing a script, however keep in mind that this might come across as stiff and unauthentic. (I3, par. 12) Alternatively, providing clear guidelines and expectations would be helpful as well. (I6, par. 10) The content can appear to be more authentic and entertaining when the creator has creative freedom to write the content themselves. (I1, par 18) However, it is also essential to give feedback if the results aren't what was expected. (I6, par. 10) Among interviewed experts, communication was highlighted as one of the essential aspects in order to avoid the possible risks associated with UGC. (I5, I6, I7)

To be noted as well, is that it is essential to pick a creator that fits the brand or company. (I3, par. 14) Due to the different mentalities, languages, and optics of every company, not every creator may fit any brand. (I7, par. 8)

### **6.3.2 Recommendations for implementing UGC in Marketing Communication Strategies**

This section addresses this need by presenting recommendations tailored to help marketing professionals successfully implement UGC within their communication strategies. Drawing upon the research findings, interviews, and analysis conducted, this section aims to offer actionable recommendations that can enhance the utilization of UGC to achieve marketing objectives.

As previously mentioned, in order for UGC to be successful it should come across as authentic. Therefore, especially when it comes to sponsored UGC, making sure that the content isn't fully scripted, and offering the creators some creative freedom is essential. (I1, par. 18) Essentially, let the creators incorporate their creative input but include tips and tricks, and a bit of general information. (I4, par. 12)

Communication is the key when it comes to UGC. Creators find it easier to get to know the brand, can clarify questions faster, and figure out a common ground when communication is just simply through emails. (I4, par. 14) Through open and transparent communication possible miscommunications can be avoided and therefore is the key to successful collaborations with creators. (I5, par. 10) Clarify and questions beforehand, talk to the creator in detail, and define the dos and don'ts in order to avoid conflict. (I7, par. 10)

Also recommended is to post UGC regularly. Due to the algorithm of many social media platforms it's important to post content regularly. (I1, par. 18) Create incentives for user to create UGC, like a contest for example. (I3, par. 22) "Trends come and go very fast, there's something new in some new format, new trends, every three weeks." (I4, par. 24) Therefore it is essential to post diverse content regularly. In order to find content that works, it's important to also test the content routinely. (I1, par. 18) Eventually, the content ideas will funnel into a few that work for the brand. (I1, par. 18) Also measuring the impact of our UGC efforts is just as important, so that it becomes clear what is working and what needs work. Lots of trial and error is definitely involved. (I3, par. 22)

Build a community around the content. (I3, par. 22) Diversify the content posted on the brand social media, this keeps the pages fresh and exciting, and through reposted UGC can show that the brand appreciates their users' contributions. (I3, par. 8) Making the content interactable will help build the community. (I3, par.22)

Finally, for sponsored UGC, build a creator pool that works well with the company. (I4, par. 12) Strive for long-term collaboration. (I7, par. 12) If a content creator works well with the brand, then it can save time and hassle if the company chooses to continue working with this creator. (I6, par. 14)

## 7 Conclusion

In conclusion, this bachelor thesis has explored the role of UGC in the communication strategies of marketing departments, focusing on the opportunities and risks from a business perspective. The findings from the expert interviews, and comprehensive literature review provide valuable insights into the potential opportunities and risks associated with UGC implementation, therefore answering the research question of: “What are the risk and opportunities of the use of UGC in marketing communications?”

The research findings have confirmed that UGC offers significant opportunities for marketing departments. It is observed that UGC enhances customer engagement, fosters authenticity, and expands brand reach. By leveraging the creativity and experiences of users, brands can create meaningful connections with their target audience, resulting in improved brand perception, customer loyalty, and increased brand awareness.

However, the study has also highlighted the risks and challenges that accompany UGC. Loss of control over brand messaging, potential negative content generated by users, and legal implications pose significant concerns for marketing departments. It is crucial for businesses to proactively address these risks. By managing these challenges, marketing departments can mitigate the potential risks of UGC and safeguard their brand reputation.

The recommendations provided in this thesis offer practical strategies and guidelines for marketing professionals to effectively harness the power of UGC while minimizing associated risks. These recommendations emphasize the importance of authenticity, transparency, and ongoing monitoring and evaluation of UGC campaigns. By implementing these recommendations, marketing departments can optimize the integration of UGC within their communication strategies and achieve desired marketing objectives.

It is also essential to acknowledge the limitations that may have influenced the research outcomes. While sample size of the expert interviews conducted for this study was only with seven people, efforts were made to ensure diversity and representativeness, the findings may not capture the full range of perspectives and experiences within the broader marketing community. Additionally, the study primarily relied on self-reported data from expert interviews and existing literature. While efforts were made to ensure

rigor and credibility in data collection and analysis, subjective biases and individual perspectives may have influenced the findings. The reliance on existing literature introduces the possibility of inherent limitations within the selected sources. Despite these limitations, this study contributes to the understanding of UGC in marketing communication strategies, providing valuable insights and practical recommendations for marketing professionals. It sets the stage for further research and exploration of the complexities and dynamics of UGC within diverse contexts and stakeholder perspectives. Addressing these limitations in future research can enhance the comprehensiveness and applicability of findings related to UGC in marketing strategies.

As UGC continues to evolve, it is therefore essential for marketing departments to remain agile and adapt to the changing landscape. Continuous monitoring of trends, user preferences, and legal regulations will enable businesses to stay ahead and effectively leverage the opportunities presented by UGC. With a comprehensive understanding of the benefits, risks, and best practices, marketing departments can navigate the dynamic realm of UGC to create meaningful and lasting connections with their target audience, ultimately driving business growth and success.

Overall, this thesis contributes to the understanding of UGC in marketing communication strategies, providing valuable insights for businesses seeking to leverage UGC effectively. It highlights the transformative potential of UGC in today's digital landscape and the need for strategic planning and proactive risk management. By embracing UGC strategically, marketing departments can create compelling, authentic, and impactful communication strategies that resonate with their audience and drive brand success.





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## Appendix

### Appendix 1: The transcriptions of the Interviews

(I1) Transcription 1: Interview with Sarah Fütterer

Interviewee: Sarah Fütterer

Interviewer: Faith Blangger

Original Language: German

Translated into English

List of acronyms:

SF: Sarah Fütterer

FB: Faith Blangger

FB: From a business perspective, what opportunities do you see in the integration of user-generated content into the communication strategies of marketing departments?

SF: Well, there are many opportunities, for one thing, many companies have the problem of a lack of staff, that there are simply too few people in the company who want to take on this task, which is why they often look for creators elsewhere, for example to platforms like Sweet Spot. Now why would you do that? Why would you even need videos?

It's just a problem – everything has simply changed a lot in recent times. Simply running ads, it doesn't work anymore. That you can just run an advertisement for 2 months straight doesn't work anymore. META for example, constantly wants to see a new creative content every week, it feels like... and now you're trying to keep up with that internally in the marketing department and theoretically you would need a full team just to make sure that creative videos are created on a regular basis and that can just overwhelm companies especially smaller and medium sized companies – they can't really do that.

FB: Okay and what are the specific advantages of UGC for companies?

SF: On the one hand, you can work with UGC creators who create content day in, day out, which means they are real professionals who don't just do it on the side like, for

example, I don't know, a social media manager who has a thousand other tasks. UGC creator focus mainly on creating creative content in front of the camera and know how to move in front of the camera, what to say, and know what the users on the social media channels want to hear. It just makes more sense, of course, if the videos are created by a person who is out and about on social media and who uses social media themselves, than a forty-year-old social media manager from the company who is just trying things out, so that's an advantage. Then also simply the authenticity is another advantage - which is a big issue because of course you can put Claudia, who is forty-years-old, in front of the camera and make her promote protein but let's be honest that's just not authentic. So, you have a large pool of UGC creators and you can therefore also pick out the person who really reflects your target group in the end and that is of course also much more appealing to the end customers.

FB: Yes, that's true. What risks could then possibly arise with the use of UGC?

SF: So, on the topic of disadvantage - I mean you don't know the UGC creator that well, so usually UGC creators are not influencers, there are some that don't have any public social media. UGC creators are very creative minds that love to make videos but, in the end, they aren't influencers. So now you don't know how they might be perceived by outsiders. That could potentially be problematic... maybe they've been in prison or something. You don't know. So, it's you essentially trust that the person really fits in morally with what your company wants to reflect in social media. We've never experienced that ourselves or seen it anytime where that was the case because in the end, they UGC creators are very much under the radar... but the risk is always there.

FB: I see, and how could the marketing department now deal with this risk if this were to occur?

SF: Well, if you get into this misfortunate situation then you have to get creative. So, you can for example, support initiatives organizations that you have harmed with a statement or with your creator. You can also do sponsoring cooperation's or something like that. You can definitely subsequently turn away from your creator and also give a clear statement that you don't represent what the creator has for a mindset.

FB: Okay, exactly. So essentially, do you find the use of UGC useful? As well as for product marketing as service marketing?

SF: So, UGC it is definitely very useful. There are several reasons - I'll just give a few points. For example, if you look at statistics, users trust social media UGC creators much more. It's just that when brands create content themselves then only 12% users trust it,

with influencers it's 9%... because it's influencers, it's just well-known they are paid for ads and they just essentially want that viewers use the discount code - but with user generated content up to 79% trust it, because the person in the video, isn't an influencer, and it also the video does not come directly from the brand, it's just a person like you and me. In fact, it is also statistically shown that on social media people tend to trust strangers more than people they follow who recommend something. So that's definitely a point. You actually see UGC mostly used for e-commerce stores products, there it makes the most sense because, I mean, you have a haptic product which you can show extremely well in videos how it works, how it looks, you can see the emotions of the creator when he uses it, so that's really good, so you can essentially just describe a complete product within 30 seconds. In the meantime, we're also noticing that the demand for UGC for services is getting higher. So, for example, we now have IT companies that offer risk analysis, essentially a risk analysis tool for SAP, where you don't immediately come up with the idea that you could use UGC videos for that. But now they want to try a new way because everything else is old-fashioned and you don't reach people anymore. I think especially for services, it's currently a great opportunity if they use it because it makes them stand out from the competition. So, they build social media channels and use different creators that are dynamic, that simply fit the platform and that can also explain the product compactly. Because this tool is very complex, no one wants to take the time to understand it but if you can get to the heart of it within 30 seconds, then it's just something very cool. I already have the feeling that more and more are going further in that direction. So, for example, in the insurance sector we now also had a customer who approached us and said "I've also seen UGC videos used by my competitors, we want to try that now too", so slowly but surely, it's also arriving at the services, but it may take some time for more conservative companies.

FB: Definitely, it's a new concept. In the area of service marketing, do you also think, for example, that UGC could be used for the employer branding and recruiting process?

SF: I definitely see great potential there, because I mean especially the younger generation, very few people still feel like reading through many job ads, then writing applications and cover letters... that's an elaborate procedure - and if you now look in social recruiting, the newer process is that you place video ads, we are looking for XY and then make a funnel behind it where you directly ask specific questions. I definitely see potential for static ads to be replaced by a video, because that's a lot more appealing because it's simply the case that users want to read less and less, they want to be



entertained, and that's really only possible via video, so there's no other way around it. I also see a lot of potential for UGC for those cases, especially for smaller and medium-sized companies, because if the boss stands in front of the camera and feels uncomfortable and reads statically off of a script, no one wants to apply. Accordingly, you can just get creators who take over and that is simply much better to bring the point across. Of course, it also has disadvantages for employer branding that I personally do not view as bad, but I noticed in conversations that it may have high relevance for companies, that the creators do not come from their own company. So, in the end people apply for a job for the company, but do not interact in the application process with UGC Creators themselves. It's understandable - but I can't imagine that anyone has such a long-term memory, clicks on the video, applies and after days or weeks or months starts working for the company and asks himself "But where is the person from the video now?" I can't imagine that this should be a reason why you don't use UGC for the recruiting process - so I prefer a person who presents the job ad professionally and also renders it in an entertaining way than a static one.

FB: The problem is also therefore that people just don't have the courage to shoot videos?

SF: Exactly, that's the next thing. I mean, even if you have people in the company who would stand themselves in front of the camera, then it is simply very often the case that on the one hand, yes, the person doesn't want to do it in the first place, and secondly, you can therefore tell that they are simply being forced or persuaded. It's not authentic at all, the person doesn't feel comfortable in front of the camera - it just doesn't look good.

FB: Exactly, that's true. We've already talked about different industries, but are there any specific industries or company sizes for which UGC would be particularly beneficial?

SF: So, I would say that the company size doesn't matter for UGC. Of course, you notice that especially larger companies that hire UGC make it more professional, they mainly use studios for it. Which of course makes a big qualitative difference. However, the question is whether the quality plays a big role in social media, because in the end you look at reels and TikTok's, because you want to see other people as they are, at home, so you are then essentially in the end in their safe space and therefore you have a completely different connection than if the video is obviously recorded in a studio. Accordingly, I would say for any size of company definitely for smaller companies, and even medium-sized, of course, have the great advantage that it is cheaper than compared to video agencies. So, if you would calculate what you would pay for a

professional video production agency you could easily get to 10000 €, and if you compare that now with UGC, for example, this would cost on average, including the creator, trimming and scripting, around the 140 €. Therefore, you can calculate how many videos you can get with UGC for 10000€. That's just that's just crazy... so I wonder, just in terms of price, why it hasn't been implemented yet at many companies? I can imagine - give it a few more months then UGC will be pretty established.

FB: Then last question. What do you see as the critical success factors for effectively incorporating UGC into communications strategy and achieving long-term business benefits?

SF: What I definitely notice about the quality of the videos is whether they are also the creator's own words. So, there are companies, especially agencies, that we work with, that give a 1 to 1 script and in the end the creator learns it by heart and gives it back 1 to 1... but when booking with us, for example, the creator can creatively create the script themselves. The results are definitely much more creative, because the creator, as I said, is on the platform, they know what the trends are, they know what goes down well. The bottom line is that it becomes much more authentic and more entertainment when the creator writes the content themselves, so that's definitely a point. It also definitely makes sense that you use UGC regularly because, also as I said before, you just need regular creative content. That doesn't have to be a new video every day... but Meta and TikTok just want that you are active and also the algorithm has to get to know you.

That's why it doesn't make sense to upload a video once and hope that a miracle will happen. That is not the case. You also have to reckon with the fact that UGC videos do not always work, so on average 8 out of 10 creatives do not work. So, it is important that you test many UGC videos in advertising, and also different variants. It's essential that if you have a video that you also make different variants from it. For example, make the beginning of the video different, so to speak, that the first 34 seconds are always a tad different, that the creator says a different sentence, has a different environment, and then invest first just a little budget in the individual variant until you realize, "OK, this works best this video," and then really invest a lot of money - but you must not assume that a big miracle just happens with one video, so definitely post regularly, test regularly, and if you realize that this video works great, then you make a similar video with another creator. You have, so to speak, use a filter in the funnel where you have 1000 ideas at the very beginning, make 1000 tests and gradually realize what appeals to your

community what fits best and also works. But for that to that work you need videos, many videos.

FB: Do you have an example of a successful UGC campaign?

SF: Well, for example, we also work a lot with marketing agencies and have now also recently created some UGC ads for an optician. We had two creators and each three different variants so three different beginnings a total of six videos. They have given us feedback that in comparison to the normal product ads, the UGC ads CTR was 3 to 5 times higher than their other ads. With the UGC ads, the CPI was 5 times lower and they also led to many more landing page views.

## (I2) Transcription 2: Interview with Christian Leupold

Interviewee: Christian Leupold

Interviewer: Faith Blangger

Original Language: German

Translated into English

List of acronyms:

CL: Christian Leupold

FB: Faith Blangger

FB: Have you already used UGC in your marketing strategy?

CL: Because I currently work in B2B now and I was in B2B before, UGC was relatively hard to implement... so essentially, when you're in B2B you're mainly dealing with business partners and you don't have direct customer contact per se - especially not in marketing. Real UGC is therefore difficult. The only thing you can do is something like paying for it through partner business, we're building that right now, so yes and no.... We're building a partner program, which means we work with other partners, for example, system houses, in our industry, and they in turn talk about us. In the end, we work together with them, some of them are also customers of ours, and they spread our information to other customers, so that they in turn become customers of ours, like a triangle. That means they write about us, but everything is actually done in consultation with us. With real UGC it is actually more the situation that a user chooses to say, "hey I will write now about the company / about the product / about the service / or something else," and then spreads it online. With us it's more of a mutual exchange between partners, we ask, "I would like to write about your service XY," and then we communicate

the premises, therefore there are no negative surprises, because you know the text beforehand. So, in B2B it's difficult to really use authentic UGC content. So really more of a yes and no answer, I really only use it when partner business.

FB: Okay. So, from a business perspective, what opportunities do you see in integrating UGC into the communication strategy of marketing departments?

CL: The biggest opportunity, of course, is that you generate more leads, so more potential candidates who have an appetite for your product and/or service. That means you have more marketing outside, therefore more leads come in. Then yes, another opportunity in itself is, simply that you can spread your brand awareness more. Therefore, you generate of course also substantially more traffic on your website and that is in the final result the goal of an enterprise that you all the potential interest in your products have, also on your website land and due to that CTA make. That means through UGC you increase your visibility and, in the end, you have a higher chance to win more potential customers.

FB: Okay, and if you compare that to other forms of marketing, how would UGC offer a greater advantage?

CL: The advantage in end-effect is that it's simply more cost effective. The bottom line is that you often don't pay for it. Because there's may just be someone who says, "Hey that's awesome, yeah that's just a great product, I'll take a picture of that and write "best shoes" or something like that." That means essentially that you don't actually spend a single penny as a company to create this marketing effort, but you still may go viral and get seen simply because someone comes in and decides they're going to take your product and market it for you. That's simply the biggest advantage that you have with UGC. You also have the opportunity for much more intensive interactions with your customers. You can interact with them, which can lead you to basically having a much more positive external image. These are the most essential advantages that are mostly given with UGC. In the best-case scenario, the campaign suddenly goes viral and you haven't spent a single cent yourself. I think it's been a year and a half or even 2 years that, on Instagram at least, that advertising must be declared, like "Attention: paid advertising" for example .... however, the situation may differ, you might want to research into that. If the user essentially buys it themselves, then they may not have to declare it.

FB: I see. What are the other disadvantages or the potential risks that UGC could bring with it?

CL: Well, the two biggest disadvantages are that you often don't have absolute control over UGC. So, basically the bottom line is that if someone comes and writes about your service or product line, you have no control over what they write. Essentially if they write something bad, you can't stop what they write, because they may not write anything offensive that would violate the rights of the company, so now you as a company can't simply go and say "please have this post removed, because it simply doesn't, please us." A second big disadvantage is often that when a user writes something, if they don't know the product or service well, and they write something false or with missing information. That means in the end it may spread wrong information. That means you have the problem that your brand, product or service become well-known out there, but under wrong conditions. It's relatively difficult to clean that up afterwards, and that's the two most difficult disadvantages in my eyes.

FB: How do you react to a situation like that as a marketing department?

CL: For one, if we take the point that you have no control over what is written about you, you have to counteract factually. It's always difficult because you never know where, who, what, is posting about you. You cannot have every Platform in your view. But if you do see someone posting a bad review or video on Instagram, for example, you'd have to go and respond to it in a timely and factual manner. If we take it by an example: Someone comes here and takes a picture of their purchased shoes and says, "Hey the shoes are dirty after two days and now they are no longer white. So, I put them in the washing machine and then all of a sudden all the threads came out." You can't go on there as a company and answer, "It's your own fault if you put it in the washing machine!" Essentially that means that you have to react objectively and try to find a solution so that you are portrayed positively again for your external image. If, on the other hand, you get positive UGCs, then it will always have a positive impact on your company. Nowadays, a lot of people go and look at reviews on Amazon or video reviews on TikTok... and the one that gets the best reviews is the one that the customer interacts with and maybe ends up buying in the end. On the other hand, if you have a bad review, a bad rating, a bad post or something else, then you just have to try to counteract it, to answer politely and objectively, so that you continue being portrayed positively in the external presentation. Counteracting false information is difficult, because in the end you can put all the information as detailed as possible, and users still do not somehow manage to convey the information correctly. You can try to publish more information about the

service or product and make it as detailed as possible. This increases the chance that the information will be passed on as correctly as possible by users.

FB: OK great, that sounds good. Then I would take on a different topic now. Do you think the use of UGC makes sense? Both for product marketing and service marketing?

CL: Well, it makes sense for product marketing, yes. However, weighing up all the risks and the benefits that you may have, for services it's always a bit more difficult to talk about the effective sense. Because, with product marketing, it's relatively simplistic these days. Let's take the example of a shoe. You have a new shoe, you take a sporty and attractive lady, and say, "put on these shoes make a video about it." This way you can essentially market the shoe in an efficient and simple way... but with a service it is more difficult. Another simple example for product marketing would be if, for example, if you release a new shoe, which does not yet have a name, you can ask users to post pictures of their shoe and with a suitable name for it, and the winner then gets the new shoe as a gift. It's just much easier to include people in such games, where you can also win something or can name the product. In the end, it can certainly be useful in product marketing as well as in service marketing, I'm sure of it... but it is much more difficult to integrate it in service marketing.

FB: Do you then are also thinking that UGC can be useful in employer branding or application videos?

CL: So, as an example, if the potential applicants are incentivized to apply with videos, that is basically a pretty good idea. Of course, it depends on the industry, there are some IT people may not be very talented in front of the camera. But if you are looking for someone from marketing then I think that could potentially be a great idea. If you're looking for someone in sales, where you need to be open-minded, then application videos would also make a lot of sense. Also, if you create for example job advertisements with UGC that would probably also be quite useful because you can, especially through the videos, simply get more attention to the job ads.

FB: Okay. Is there a specific industry or company size for which UGC would be particularly beneficial?

CL: If you have certain product line that may simply be suitable for the masses, like shoes or sportswear, or even within the food industry... these are all industries where I would say that UGC would make sense. The thing with company size is quite funny, in the end, if you are a startup company that prints funny t-shirts and then send those to UGC Creator or even random people in the hope that it will eventually turn into something

positive, that could work.... And then in the end you pay little or even nothing for it. That means as a startup company you can use this wonderfully to quickly generate reach and get quick attention to a brand.

FB: Okay, let's get right to question seven then. In your view, what are the key success factors for effectively integrating UGC into the communications strategy and, above all, achieving long-term business benefits from it?

CL: At the end of the day, the success strategy has to be that you are fully confident of the product and what you'll be able to produce. Worst case at the end of the day is if you aren't able to deliver and keep up with demand if it so arises, then it is simply not a good use of UGC. Then of course you have no success with UGC in the communication strategy, on the contrary then you have may have lost a significant amount. But what's also essential is that you have to be so convinced of your product that you can thoroughly believe that you'll only get positive reviews back... Without a good product you won't get any good organic UGC.

FB: Exactly. Ultimately, the question is if UGC is just a short-term trend or the future of marketing?

CL: Neither one nor the other actually... it's not a short-term trend nor will it be the future of marketing. Marketing is made up of so many individual actions that can make your business or brand succeed. Yes, UGC can be an important element in your marketing strategy, but not exclusively. UGC is not a short-term trend, you really essentially have to include it because the future is changing - everything is getting younger and more digitalized but at the end of the day it's not only this measure you have to focus on, because as I said, there are industries that can't use it as efficiently as others may. That means in the end, if you have the possibility to use UGC, then you should also include it in your marketing measures.

### (I3) Transcription 3: Interview with Evelyn Collins

Interviewee: Evelyn Collins

Interviewer: Faith Blangger

Original Language: English

List of acronyms:

EC: Evelyn Collins

FB: Faith Blangger

FB: Have you used UGC in your marketing strategy? If so, would you consider it successful?

EC: Oh yeah, we've totally used UGC in our marketing strategy. We've even been using sponsored creators for a bit now... and you know what? It's been pretty darn successful, for the most part. Of course, the level of success can really depend on what we were trying to achieve with the video and who our target audience was. But when the video hits the right spot and connects with our audience, it's like magic. Funnily enough, once one of our sponsored videos went viral, we started seeing much more organic content creation about our products, definitely worked, got their attention. I guess to some extent you could say that our community was like inspired by the video to also create content for us... Or at the very least their attention was definitely won.

FB: That's great. From a business perspective, what opportunities do you see in integrating user-generated content into marketing departments' communication strategies? EC: From a business standpoint... well from a business perspective integrating UGC into the communication strategies opens up a whole bunch of opportunities. First off, it lets us tap into the creativity and authenticity of our customers. When they create content for us, whether it's sponsored or not, it's like having an army of brand advocates. It builds loyalty, engagement, and also just the trust in our brand really. Plus, UGC gives us like valuable insights, helps us build a community, and does in the end save us money.

FB: Now, what specific advantages does UGC offer companies compared to other forms of marketing?

EC: There's definitely a few... UGC really has some advantages compared to other forms. One biggie is credibility or I guess authenticity really. When it comes to UGC, it being authentic is a major advantage that sets it apart from other marketing ways. See, people have somewhat become like savvy consumers, you could say... They've developed a healthy skepticism towards those flashy ads and sales pitches thrown at them. But you know what they do trust?

FB: Their peers?

EC: Yep, you got it... recommendations and content that come straight from other people just like them, whether that's friends, family, or whatever. When someone sees UGC, it's like a little voice inside their head saying, "Hey, if others love this product or service, maybe I should check it out too!" You know? Just having someone that looks like they could be your neighborhood friend telling you and showing you something or some



product can really go a mile. Well, and let me think... It even goes beyond that I would say. It's a way to get people engaged and interacting with our brand. It's like creating a close-knit community of supporters who love what we do and love to interact. They become our brand advocates, even if they aren't paid by us, and essentially choose to spread the word and share their excitement. And let me tell you, that kind of organic word-of-mouth promotion is worth a million. But here's the real kicker, it's isn't just limited to one platform. We can take that user-generated content and sprinkle it across different socials. This diversity and mix of content are what keeps our pages fresh and exciting, just helps mix everything up a bit, you know? Whether it's reposting their content or just like interacting with it in some form, it essentially shows them that we're not just about self-promo, we value and appreciate their videos too. It just helps make our marketing efforts feel less like a one-way conversation and more like a genuine conversation.

FB: I see. However, are there any disadvantages or risks that UGC might have compared to other forms of marketing?

EC: Yes... let's talk about the possible downsides of UGC. Let's start with the organic content created by our community... fact is, we don't have total control over the content. Sometimes, people might create stuff that doesn't align with our brand or, like even worst goes completely against it. Now, don't get me wrong, the whole idea of UGC is to embrace the authenticity and creativity of our customers or users... You know? We want them to share their genuine experiences and perspectives. But, hey, sometimes things don't always go according to plan. Thing is, it could be something as innocent as a difference in tone or style, or it could be more serious, like content that contradicts our brands values... and that's where things can get a bit tricky quite quickly. Or even looking at it from a perspective that there's gonna be a few videos or articles that may be critical of your product. I mean that's all fair, it's all part of the big picture, isn't it? Like, see, as a marketing team, we put a lot of effort into crafting a consistent and cohesive brand image. We have guidelines and strategies in place to ensure that every piece of content we put out really reflects who we are and what we stand for, and to really show our products in a positive light. But with UGC, there's a level of unpredictability. We can't control every single post, image, or video that our community creates, that would simply be impossible. But I suppose that's simply what makes UGC authentic, unless it's sponsored, you're not gonna get something that's a hundred percent CD conform...

FB: How could marketing departments then manage the risks of UGC?

EC: Well... with sponsored UGC you just make sure that you pick the right creator that fits your brand image and such, and revisions are possible. Just make sure that the creator is briefed enough about exactly what kind of content you want to have in the end... I guess scripts do help to some point but you got to take in consideration that that may come across as stiff and unauthentic. We need to strike a balance between empowering our community to share their voices and maintaining our brand integrity.

FB: I see, what about the organic UGC?

EC: That one is a bit trickier. We can't just go around demanding that people delete their posts or TikTok's or whatever because they don't align with what we would like. You don't want to get rid of or even like discourage the creativity of our community, but we also need to ensure that the content we post represents our brand in a positive light. Obviously, we're not gonna repost content that doesn't fit... and like that for example, if someone posts a TikTok that criticizes us, we can turn around and leave a comment referring them to our customer support or even clarify things on the spot. Having someone responsible for that who kind of knows their way around that is super handy.

FB: That definitely makes sense. On the spectrum of UGC, do you find the use of UGC useful for both product marketing and service marketing?

EC: Well, in our case it's essentially just been product marketing. When it comes to products, UGC lets us show off real-life usage, customer reviews, contest and stuff like that. I could definitely see it being used for services too though. It could be used to highlight positive customer experiences and interactions even with the service. It would probably help service business stand out more.

FB: Okay, and what about using it for recruitment videos?

EC: Well certainly, yeah... you got the organic content that just reflects on your company and could make it more inviting for possible people who may be interested in working at the company.

FB: Would you say that there are specific industries or company sizes for which the use of UGC in communication strategy would be particularly beneficial?

EC: You know what? I think UGC can benefit companies in all sorts of industries and sizes. Thing is, it's like a gold mine for industries that naturally have passionate and tight-knit customer communities. Think fashion, travel, food, tech—you name it! Smaller businesses and start-ups can also really work with UGC, using it to create buzz and connect with their target audience in an authentic way without spending big money.

Really wouldn't say it better for either or then, definitely has the opportunity to be used in all kinds of ways.

FB: That makes sense. Now, what success factors do you believe are important to effectively incorporating UGC into the communications strategy and really achieving long-term business benefits?

EC: Alright, let's see. A way to really get organic content going is to give them some sweet incentives to create UGC, like a contest or something similar. Building a sense of community is crucial, so we need to stay engaged, respond to our community, and make 'em feel heard. And of course, in the end, measuring the impact of our UGC efforts is vital, so we know what's working and what needs tweaking. Lots of trial and error is definitely involved. But really you just got to keep at it, post frequently with content the community wants to see and now just a standard commercial after commercial. Make the content fun and interactable and the community will almost build itself around it.

(I4) Transcription 4: Interview with Leila Demircelik

Interviewee: Leila Demircelik

Interviewer: Faith Blangger

Original Language: German

Translated into English

List of acronyms:

LD: Leila Demircelik

FB: Faith Blangger

FB: As a UGC creator, you have experience in creating content for marketing departments. How do you rate the importance of UGC in corporate communication strategies and what opportunities do you see from a business perspective?

LD: The bottom line is that the opportunity is essentially to actually explain products as simply and quickly to the customer. Also, sympathy for the brand and its image is strengthened with the use of UGC. Therefore of course sympathy for your product is also an opportunity that can arise when properly using UGC.

FB: Yes, definitely. Are there specific advantages that UGC offers compared to other forms of content creation?

LD: Yes... well, there is the advantage that it is actual testimonials that the customers create and we simply have more trust for other people like us, or at least it seems that

way. Impulse purchases are also sparked by such videos, because the product can be explained compactly for the user. Products that require explanation are therefore brought closer to the user. For example, what I find exciting, that Joyja does really well, which is more or less a brand for period underwear, they not only say that it's cool, but also explain what's so great about it, and they also test it and show and explain why the product is super strong. It's very exciting to see that many brands also go in this direction. Well and above all also people...there are really very many people out there who know a brand, perhaps have already heard of the products or have seen, but were not yet so sure enough of it yet to buy something, and you can also catch them with UGC them with it. So also, a big advantage of UGC are the possible impulse purchases.

FB: I see. Now a little bit about you. What factors motivated you to get involved as a UGC creator, and what benefits do you personally see in working with marketing departments?

LD: Well, the bottom line is that with influencer marketing works well but if you're just not an influencer, stepping in front of the camera can be more difficult unless you're working for a brand for example. But I've always found it interesting, but I'm not an influencer and I wanted to step in front of the camera, create content... I think it's super cool. That's just a huge advantage, you don't need reach as a UGC creator, you can start it without reach. I purposely have 500 followers Instagram; I don't let anyone else in there except people I know. Simply because it's my private content. Accordingly, I can create content for others without having to create it for myself. Influencers have to make sure that they create content on a regular basis and I don't have to do that. Of course, also that I get to work with the different brands. It's super exciting because I just have the opportunity to get in with brands that I find exciting myself. I have a full-time job at Bauhaus, but also to get the opportunity to see what the other brands are actually doing, and I also find that super exciting. I'm also very grateful for the fact that I get so much input from other brands. As I said, I have no obligations in the sense. So, I can accept orders but I can also determine myself at whatever point to stop. Of course, an influencer can also do that but they are more or less dependent on delivering content on a regular basis and I don't have to do that. It's also a great learning factor, because every brand has different views on content, products and brand perception ... and I can definitely learn a lot from them. I can also learn a lot from the people I interact with.

FB: Since you mentioned that most UGC creators are private and not influencers, do you think that could be an advantage for companies?

LD: Mhm so that is sometimes so and sometimes not. I would see it that way that influencers have the advantage that you sympathize with this person very blatantly and thereby yes, therefore sell products through it. But clearly the risk is of course then there, that they need to be more careful with their contents of course. Because I don't know, let's say they promote vegan food, and declare themselves as a vegan but then in other videos eat meat then it could be that people question their credibility. So, there's less of that risk as a UGC creator, since their private lives are often not in the public eye.

FB: From his perspective, what are the challenges and risks associated with UGC?

LD: So, the bottom line is that I think the biggest risk is actually the credibility of the content itself. In general, because UGC used to be more of a real testimonial, i.e., really customers who weren't paid for it, that was more of a real testimonial, but now it's a bit different. People are often getting sponsored to create this content now. In the meantime, UGC creators are acting to recreate these testimonials and because it is also increasingly high-quality and elaborately produced, it may not come across as authentic. I notice that myself... I sometimes need up to 6 hours for a video. So, I really have a few orders from a few clients that need very much post production efforts and with green screen and all the effects and that's really elaborate. I sometimes have the feeling that if it goes on like this, that it just doesn't seem that real anymore and that's where I think I see a big risk that the credibility will be so questioned at some point. Not many people know about this yet, that they really aren't all real customers, but perhaps people are slowly catching on. That's exactly what I see as a potential challenge. So, in any case, just stay credible. I always try to do it this way: I try not to take orders from products that I don't like myself in any way. For example, I'm really a vegetarian and I would never in my entire life promote a meat product or fish or something like that, because I couldn't bring that across authentically with the best will in the world and that's super important to me personally. That's why I only promote products that I can represent myself in some way, because you can see that some UGC videos are not successful because I notice that it's just read and I can't feel this sympathy and this authenticity.

FB: Exactly. In addition, how could companies improve their collaboration with UGC creators to ensure such high-quality and authentic content?

LD: Definitely better pay. I know that many UGC creators are still poorly paid and not taken that seriously. So, there's just still a lot of room for improvement on that aspect. So, I've already built myself up a little bit, I'm getting better paid now, but many creators suffer a lot from it. Also, there are some agencies that pay a measly 20€ per video. What

I also find very brazen are companies that have set prices, and accordingly you get either creator who are good and still sell themselves below value, or just not credible creators. I am of the opinion that you should just do it right from the start. Choose a creator or creator pool that you can potentially work with in the long term, because then you don't have this stressful switch between new creators all the time. So, you know what content to expect from the creator. Well... I also think it's very important that you let creators off the leash and allow them to incorporate their creativity. I had a single order from a brand that scripted everything I had to read off, so to speak, and you could definitely tell in the final product that that was the case. I could not learn it by heart, because it was just a lot, and you just definitely could tell. I noticed myself how bad the video was. So, in general, you can make scripts with tips and tricks and with just a bit of general info., but not ones that are scripted word for word.

FB: Exactly, that makes sense. Are there any other strategies as a UGC creator to effectively work with marketing departments and really get the results they want?

LD: Mhm. So, what I also find interesting, in most cases brands and agencies don't want to personally talk to you at all, it's all through email contact. Maybe just... I think for the reason that it's just faster because they probably have a lot on their plate. However, I find it difficult to work with brands really well if you don't know them at all, or if you don't even know who the person actually is. I find in a call you can clarify questions so much faster and so much better, and you can also find a common understanding and figure out better what they want to see. That is a huge factor for me. The second factor I just mentioned is to give the creators the freedom and also to take advantage of their expertise. If they are good creators then they will definitely have an opinion about the content. So those two things I think are super important to get good results.

FB: Definitely. In the end, how do you think your work as a UGC creator influences the brand perception and image of a company?

LD: Well, yes, I would say that such videos are quite already influential. The fact that the content is often pushed has a really positive effect on the brand or product. If you then also find a suitable creator, I can imagine that it actually only benefits the brand, and definitely has a positive impact on the brand image. If you have a good brand image you can also bring across authentically then you have a better feeling as a customer. So, you might even in the end have a little better relationship to this brand.

FB: How can UGC creators and companies ensure that the content they create conveys the desired image and messages?

LD: Yes, so I always say it's important that the creator has to be credible, as I said. You can't just talk as if it were reading a script and you have to speak almost exaggeratedly, maybe even very happy and somewhat dynamically fast. So, you essentially have to bring a little bit of a kick into the video and also bring a little bit of energy into it, otherwise no one will believe it. And for the message... yes, you have to be able to identify with the brand. The brand should also look for a person who could fit to their brand. So, for me, a beauty brand is more suitable, for example. I see myself personally there more as a customer.

FB: Have you already had experience with service marketing?

LD: Well, I myself have not yet had such an order actually, but I think that service marketing content can be great for both sides. It's much faster, you don't need any products, you just have the app, for example, that you can download. At Finanzguru I've seen that again and again that they make it really exciting. So, I think it's even better than with products, because tech service or the similar stuff is usually more complicated and then

to have it explained simply and quickly is great for the customer. So, then you have a video in a few seconds that is explained compactly and well and I think that's very important, and I can imagine very well that it's even more important and better in such industries and service companies.

FB: Okay. And do you also see potential to use UGC for recruitment videos?

LD: I think it's great, because in the end the person who applies doesn't know that the UGC creator doesn't work there. So, the most important thing with application videos is that you can come across as positive and authentic, so that the person thinks, "cool, I want to work here." The content is the very first impression that an applicant gets and if someone then stands there, who has never stood in front of the camera, stutters and looks totally insecure, that does not come across well. It could even scare off applicants. So, the first impression counts a lot, and if there's someone in front of the camera who really has it, can speak and seems authentic, I think it's also very effective.

FB: Yeah okay, great. As a final word, do you have any advice for the marketing department to fully use the potential of UGC and to achieve long-term business benefits?

LD: Yes, sure, so it's important to simply follow trends, so to speak, and also to see what they're doing in America for example. Trends come and go very fast, there's something new in some new format, new trends, every three weeks. So, you just have to stay on the ball. Secondly, I would say to also rely on creator pools. If you are in a company that

needs a lot of content, then of course it makes sense to build up a creator pool in this area. So, the bottom line is just creating content that fits the brand, don't go in a different direction just because someone else is doing it. You have to know your brand value and the core of the brand and create content based on that, not just follow every trend that is on the market. Sure, it's important to always look at what others are doing, but the bottom line is that the content should fit your brand.

(I5) Transcription 5: Interview with Lena Hoffmann

Interviewee: Lena Hoffmann

Interviewer: Faith Blangger

Original Language: German

Translated into English

List of acronyms:

LH: Lena Hoffmann

FB: Faith Blangger

FB: Have you already used UGC in your marketing strategy? If yes, would you consider it successful?

LH: So, yes, definitely, I think it's almost impossible to not have some kind of strategy regarding all the content created by users nowadays. And yes, well it's definitely a great tool for content and our social media.

FB: Super. From a business perspective, what opportunities do you see in using UGC in the communication strategies of marketing departments?

LH: There's plenty really... Firstly, it allows us to reduce marketing costs as we can use content from users instead of creating everything ourselves. Even if they're sponsored, it really does cost considerably less. Then also, UGC builds a closer bond between the brand and customers, as they actively participate and share their experiences. People will potentially feel like they can personally identify with your brand, like a bond essentially. Also, it can also help expand the brand's reach as users share and spread the content, for like, essentially free, like I've said.

FB: I see. Now, what advantages does UGC offer compared to other forms of marketing for companies?

LH: Well... The thing is, customers tend to trust the opinions and recommendations of other customers more than like the traditional advertising messages. So, using UGC just



makes your brand come across as more trustworthy, and authentic. Also like I've said before, UGC just promotes interaction and dialogue with customers, leading to stronger connections with the brand. Also, I think what UGC does so well is provide a variety of perspectives and experiences with the brand or product. It really shows the different ways people use or interact with the brand... and that can possibly help your brand to reach a broader audience that you may have not reached just with your other strategies, yeah.

FB: Okay, that makes sense. However, what specific disadvantages or risks could UGC have compared to other forms of marketing within a company? Also, how can marketing departments overcome the risks of UGC?

LH: Yes... Using UGC involves some potential risks and disadvantages that really need to be considered. One risk ironically enough is the variability in content quality, as customers may have different skills and approaches to content creation. It's really complicated, because that can either be a positive thing or you may run the risk of it reflecting negatively on your company. Yes, if you do sponsor someone, just let them know exactly what you're looking for. We've had a few negative experiences where the end product didn't really suit our standards, and there had to be a lot of back and forth before we really liked it... So just be clear about that stuff from the start. Essentially, that can't be avoided with organically generated user content though, so that's another potential risk... the risk of negative content that could damage the brand. Yes, can't really avoid that though. You can try addressing negative media appropriately, like leaving a comment on a negative review or something. Yes, open communication with customers is important, just make sure it's not an emotional response, but rather constructive.

FB: Yeah, I understand. Do you think it makes sense to use UGC for both product marketing and service marketing?

LH: Well, the potentially is there for sure. I mean we've seen so much successful product UGC. In product marketing it just allows potential customers to see the products in action and read real customer reviews... I think it really can help, with fashion for example, to help the customer envision how they would look in the clothes. As for service marketing, let me think. I mean sure. Yes, maybe like a testimonial about the service. Sure, you don't have a product in hand but like, here's an example, I've seen so many people working from ranches that have current job openings all over my Tiktok. It's funny...have I ever been on a dude ranch? No! Do I suddenly have the urge to apply for the open

position? Yes! Those kind of simple positive videos or reviews, I think, can really bring positive attention to business. So yes, I would definitely say that I makes sense for both.

FB: Okay. Do you think there are specific industries or company sizes for which the use of UGC in communication strategies would be particularly advantageous?

LH: Yes, no. I think it really is useful for any size business. The thing is, for smaller companies, yes, I think for big companies, it really helps keep them authentic and real, in touch with their customers.

FB: What about any specific industries?

LH: Well, yes kind of, I think you're gonna have a harder time creating UGC for, I don't know, a super niche software that helps business keep track of their paperwork or something, do you understand what I mean? Like there's just some sectors where it would make more sense, like when you can really interact or talk about the product and make it exciting.

FB: Yes, I understand what you mean. Now, in your opinion, what are the success factors to effectively integrate UGC into communication strategies and achieve long-term business benefits?

LH: Yes, okay, to effectively integrate UGC into communication strategies and achieve long-term business benefits... there's several key success factors that are essential. I think it's important to have a clear goal for how you're going to use UGC. Are you going to sponsor someone? Or have a community event? ...stuff like that, yes. You really have to define the type of content we are looking for and how we want to integrate it into our marketing campaigns. Sure, there's most likely always going to be someone positing something about your company, but is it gonna be what you're looking for? Maybe, but probably not! Yes... plan to build a community and encourage customers to share their content.

FB: Okay. And finally, do you believe that UGC is the future of marketing or more of a short-term trend?

LH: I think, from my perspective, UGC is definitely an important and long-term aspect. With the rise of social media and the increasing significance of customer recommendations and reviews, the influence of UGC continues to grow. So, social media is really just part of everyday life now. Customers trust other customers and seek authentic experiences to make informed decisions. So yes, it will continue to play a significant role in the future. I think it's really important just to integrate it into the marketing strategy.

(I6) Transcription 6: Interview with Isabella Wong

Interviewee: Isabella Wong

Interviewer: Faith Blangger

Original Language: English

List of acronyms:

IW: Isabella Wong

FB: Faith Blangger

FB: As a UGC creator, you have experience in creating content for marketing departments. How do you rate the importance of UGC in corporate communication strategies and what opportunities do you see from a business perspective?

IW: As a UGC creator, I mean, you know, I've had first-hand experience in creating content for marketing departments, and it's like... it brings this authenticity and relatability to brand messaging that really resonates with the target audience, and just generally getting awareness to your brand. I think also cost saving is a big opportunity you get; it does offer a more budget friendly means of content creation.

FB: Right, and what are the specific benefits of UGC compared to other forms of content creation for businesses?

IW: The benefits of UGC creation, compared to other forms of content creation are quite specific and noticeable. UGC is, like, like I said, it's authentic and relatable, which simply just makes it highly effective in building trust and credibility with people rather than your typical ads that seem to be shoved down people's throats nowadays. People trust recommendations and experiences shared by people like them. And it also, allows for the creation of diverse content, really, yeah.

FB: Yes, I understand. What factors motivated you to get involved as a UGC creator, and what benefits do you personally see in working with marketing departments?

IW: Well, it's a mix of things, really. Just expressing my creativity, and being able to do that without becoming an influencer really. I'm not in the public eye myself, I just offer my work to companies... and I think that's really kind of the charm behind UGC for me. It's not just about creating content; it's about unleashing my imagination and bringing my unique perspective to life through various forms of media, you know? Being able to contribute to several brands social media is incredibly fulfilling. Being involved in campaigns that have a real impact on a brand's success is just super cool. Also, I get to

connect with people from different walks of life through UGC that I wouldn't typically meet. Oh yeah, also working with marketing departments really opens up valuable networking opportunities. Interacting with professionals in the field provides me with insights and knowledge for my own personal and professional growth too, which I think is super important.

FB: Totally. What do you see as a potential challenges or risks associated with UGC?

IW: Right, there's always the risk that the creator doesn't really meet the brands wants, but I feel like that can definitely be avoided if both parties communicate clearly. As a creator just make sure that my content aligns with brand guidelines. Open and transparent communication with the marketing department is key to address this kind of stuff. Right and another risk is that if the content wasn't preapproved that it also maybe has false information about a product or brand. Yeah, I think it's impossible to avoid negative reviews but false information being put out there can be quite critical to the brand.

FB: That makes sense. How can companies then improve their collaboration with UGC creators to ensure high-quality and authentic content?

IW: Right, providing clear guidelines and expectations is a big one. Helps avoid endless feedback loops and generally just makes both lives easier. But don't be afraid to give feedback and constructive criticism if the results aren't exactly what you were hoping for. Access to brand assets is always a bonus if possible... but in the end I just think the most important point is just communication between both of creator and the brand, you know?

FB: Yeah, totally. How does your work as a UGC Creator affect a company's brand perception and image?

IW: Well, I'm aware that my work can really have a significant impact on a company's brand image, which I think is quite exciting but just makes it that more important to really try and convey the message they want without being too overly scripted. I think most UGC creators are aware of this, yeah.

FB: Okay, and finally, what tips or advice would you give marketing departments to use UGC to its full potential and achieve long-term business benefits from it?

IW: One tip I would give is to build a good relationship with a UGC creator, and just keep at it then. It saves the hassle of then of having to reintroduce the brands expectations and all that jazz... and if you already know the UGC creator then you know what to expect from them. Also, another tip is to really clearly define objectives and expectations for

UGC campaigns and provide guidelines without like having a full-on script. I think scripts can seem unauthentic. Yeah, that's about it.

(I7) Transcription 7: Interview with Laura-Helen Westphal

Interviewee: Laura-Helen Westphal

Interviewer: Faith Blangger

Original Language: German

Translated into English

List of acronyms:

LW: Laura-Helen Westphal

FB: Faith Blangger

FB: As a UGC creator, you have experience in creating content for marketing departments. How do you assess the importance of UGC in the communication strategy of companies and what opportunities do you see from a business perspective?

LW: Well, I see the importance above all, I think UGC's importance is growing steadily for companies. On the one hand, because it offers many advantages that comparable things like influencer cooperation don't offer. Since UGC, especially in the form of social ads, simply sparks the attention of people even better, it can reach the community even better and more intimately, because they are not influencer personalities where you think, "hey, I'm being paid to say that", but you have the feeling that they are people from next door who have the same problems as yourself. And the big advantage, especially with paid UGC, is that you can target the ads to people who are interested. So, I also work in an advertising agency, it's difficult with TV campaigns to reach the people who would actually be interested in the product. There are much higher budgets behind those kinds of commercials than with UGC content creation and it simply reaches the right target group faster and in a more direct targeted way. And that's why the importance is growing steadily. But also, in the organic UGC, so to speak, it is simply important, first of all, content is key for many companies. You can't have too much content, and with UGC videos or photos, you have the opportunity to easily prepare various posts, especially those that are simply close to the customer, and thus offer added value for the community and simply reach a larger target group, which is also better exploited by the algorithm, whether on Instagram or on TikTok. Because highly produced videos are simply not played out as well by Instagram. And if it's just really like a do-it-yourself-like content and

people have a better feeling, it's simply played out better by the algorithm. So, in terms of organic, but also for paid social, it has simply become an important pillar for companies, which should simply be expanded. And the chances that result from this are that you can simply reach your target group in a more targeted way. You can reach them faster; you can see it in a more controlled way. You can see what has worked by doing experiments with different hooks at the beginning, for example, you can say what has worked, you can track it faster and it is simply the analysis and reporting afterwards is simply much better comprehensible from the side of the company, what was successful and what was not successful. And you can gather insights much more quickly through simple A -B tests than you can now with the TV campaign, for example.

FB: Yes, definitely. That brings us to the second question. What specific benefits that UGC offers compared to other traditional methods of content creation?

LW: Well, for example, especially in comparison to influencer cooperation, let's start with budget. In my own experience is that the budget for influencer cooperation, especially for macro influencers, is in the thousands. With UGC it starts in much smaller amounts do not only have to be linked to a discount campaign, as it is with an influencer cooperation, but simply generate awareness. With influencer cooperation, this is more difficult to track outside of a swipe-up link, for example, but the social ads, I would say, can be controlled much simpler. This trackability, is of course the case in the UGC social media in general, that's the big plus point. You can control it, you can pull out different KPIs and do a reasonable reporting and draw your conclusions from that, and for me that is simply the advantage for the company side.

FB: Yes, that's right. What factors motivated you to get involved as a UGC creator? And what advantages do you personally see in working with marketing departments?

LW: Well, I have always been very, very creative. I used to play theater for 14 years. That means I've always liked to be creative and I've always liked to, shall I say, flip myself into other roles and things like that. And then, for example, I started a very nice course of study in the social media field and created content for the company myself, but quickly realized that it simply has to be exchanged. You need more diversity, you need other faces, especially TikTok and Instagram. You need different brand faces and to simply generate awareness and simply push the corporate account forward, which is advantageous for playing with UGC. Not only organically, but also on the paid social side. And that's when we started in-house as a company, so to speak, to be a UGC creator for social ads, And I just had a lot of fun doing it. And now, with a full-time job on

the side, I still have this creative balance. I just missed the opportunity to stand in front of the camera myself and simply create content for other companies. I wanted to have the input of how other companies, I just wanted to have even more of this internal insight and to have this closeness to the companies. And that motivated me, I would say, to become a UGC creator on the side and become self-employed. And what I get out of it for the advantage is simply that you never stop learning, both as the user and the business. Every customer is different. So, whether it's a customer who sells textiles, or another customer who sells beauty products, I can show different things, and then I can see for myself what makes sense and can help them, so to speak, but also to push companies forward and also to create greater awareness for a company. And I find it nice to be part of a company or to be part of the success story of a company.

FB: Yes, definitely. Okay, and what are the challenges and risks associated with UGC from your point of view?

LW: First of all, from the view of the creator, of course, self-employment. Of course, it's a huge challenge to get yourself into it and to see through it, be it with product taxation and so on. As a UGC creator, you actually have to pay tax on the products you have to pay tax on the products you receive. You can't just keep them and say, "Cool, I've got the product now." You either have to make a contract, or you can simply make a lot of learnings that you have to gain, that you have to make with agreement. Risks and challenges at UGC, that would be in any case the time management, because you are independent in the way you work, not like at a job or ten times a day when someone asks, hey, what's the deadline, but I divide it up myself. Of course, the deadline has been set by the company, but I arrange it myself, when I shoot, whether I write a script, how I write it and how I go before it. So, it would be a challenge for me to structure everything myself and to do it all at the same time. And above all, to deal with the communication of the company. Every company has its own communication type and its own CI, which you have to convey as a creator. So, I think that's why not every creator fits every company, because every company has its own language, mentality and maybe also optics. And that is, I think, one of the challenges, to find one's own path in the area of UGC Creator, which one wants to take.

FB: Okay, do you have any other advice on how you could minimize those possible negative impacts?

LW: Definitely communication. Communication is simply the key in every area. So, it's about reading the briefing beforehand and not saying, hey, I'll only work on the briefing

when I'm shooting. No, you can't. That's how I see it from a work perspective, but it's not the same for a creator. You have to clarify the questions beforehand; you have to talk to them in detail and ask them again what the do's and don'ts are. For example, whether you can say ceramics or porcelain, that's just a huge question in a certain industry. And if you then have to start all over again to shoot the video or even just change the soundtrack, these are mistakes that you can avoid in advance. So, communication is the be-all and end-all, and it's better to ask too many questions than to ask nothing at all, because that's how you can prevent everything from happening. And above all simply, in order to prevent also perhaps still further review loops simply do research yourself as well. Figure out how to properly pronounce things and make sure to thoroughly research the company.

FB: And how could companies improve their collaboration with UGC Creator to ensure high-quality and authentic content?

LW: Well, I think it's important to create a briefing that still gives some freedom to the creator. So, I'm not a fan of it, if it's predetermined word for word because then it just cannot seem authentic, then it comes across as read material. And then it's just not the words that the creator themselves thought of. There should be a good framework, with the important key facts that need to be mentioned, and perhaps you should also set a priority as to what should be mentioned. And above all, I think that for many people the problem with a briefing is that it can't be too long, because many people think that 30 seconds is even longer than they thought and want to have 3000 pieces of information in it, but 30 seconds is not so long that you can include everything. That's why maybe I'll have a look myself, does it all fit in? Because otherwise the creator will choose themselves and put a different focus on what information is important and what is not important. The priority could then be set on a completely different point, which would of course be a pity if it had not been mentioned. And otherwise, leave the creativity to the creators, have confidence in them. They are content creators because they have the experience, because they are the experts, they know what works, they know the experiences of other companies and like to exchange ideas with them, like to brainstorm, what can be done for other things. Perhaps do an AB test together and in this context also let the creator know, what worked, what didn't work. So, the performance is always the most important thing. Of course, the be-all and end-all is in the performance, I would say, that if the UGC did not work at all it is important to communicate this. If I do not know, if the content worked, I cannot learn from it. If I don't know whether a picture works



better at the beginning or a video, I can't draw any conclusions from it. Then next time maybe prevent a faster correction loop or similar or maybe understand my ideas better myself. Every community is different. Just because the hook works for Brand A, doesn't mean that it works the same for Brand B, so you just have to learn from it, communicate openly and honestly. Maybe you can also show them a few numbers so that they can see what has worked and I think that would help a creator a lot, but of course also the marketing department itself. Also, most of them strive to have a long-term cooperation in order to simply drag less. That also means less work for ideas if you just communicate it openly and honestly and everything moves forward very quickly.

FB: Yes, definitely. How do you think that as a UGC creator you influence the brand perception of the companies?

LW: Well, I create an awareness for the companies that perhaps wasn't created before. Of course, it also depends on the marketing departments themselves, how they set the filters, because it's the marketing department that decides how the ad plays out and to what audience they show it...but I manage to generate the attention of the people, especially through a moving image. Photos are nowadays simply no longer so relevant; we want to see a lot of content quickly. That has happened especially through the TikTok algorithm, that within three seconds, you must be able to catch their attention. And photos simply don't do that anymore. And with a UGC campaign, especially if it's just well done, you just have the feeling, I'm just looking at an Instagram Story for example or I'm just normal in my TikTok feed and then discover incidentally the brand. Sure, maybe you don't buy directly from the brand the first time, but the next time maybe then you remember: "there was some face product, I really wanted to test that, what was it called again?" and then you just switch to the internet again and then just check it and just have

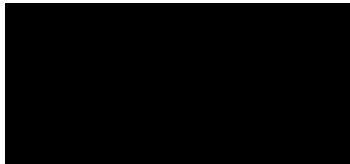
the brand on the screen, which you may not have known before, and UGC has therefore simply created a greater awareness. I think that's the key point, the awareness. Of course, the purchase figures are also increased and products are pushed, I've already seen it several times from campaigns that products are really sold out after a UGC ad and that is of course the nicest compliment that you can get, so to speak, when the products are really sold out through an ad and that's why the influence is of course very, very normal and I would even say often better than from influencers. It's just often better than from influencer campaigns, at least in my experience, depending on the relation to the budget and just what you want the outcome to be, of course.

FB: Okay and finally, what tips or advice would you give to the marketing department to truly use the potential for the UGC, especially to get long-term business benefits out of it?

LW: Deal personally with the creators. So, I think that not only E -Mailing them is important, but above all to personally contact or simply on the phone. So that there's a clear picture of the creator and the other way around too, that the creator has a clear picture of the company. This personal connection is simply important. Above all that it is important to stick with a creator. Not one week having creator A then next week creator B, that is totally confusing. And open honest communication is simply important. Also, simply trust the creators. They are the experts, they have been doing this for several years or months, they have experience with other brands. Sit down together, brainstorm what ideas can be implemented and let the creators be creative, because often they provide a briefing and the creator sometimes doesn't have the opportunity to give his own creative input in the form of a hook or something similar. And simply communicate everything openly beforehand and not afterwards, just have a simple contractual agreement, just define everything beforehand and don't resist and then just have confidence in the creators and consciously select the creators. So, it doesn't make sense, I think, to have 300 creators, to always do a little something with them, but you should stand behind the creators, because they are the face of the company. If they like mispronounce the name of the company in the ad, that doesn't work at all and that shouldn't happen and that's why you should really consciously choose the creators, select them and brief them and also ask them questions again and also like send you a voice message, then you know how the product is pronounced, because some names are a bit more complicated for you or have the influence of another language that you simply don't speak together, that you just really communicate openly, honestly, and that you can understand each other.

## Declaration of Academic Integrity

I hereby confirm that the present thesis is solely my own work and that if any text passages or diagrams from books, papers, the internet or other sources or in any other way used, all references – including those found in electronic media – have been acknowledged and fully cited.



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Nürnberg, 24.07.2023

Faith Blangger