

The Impact of User-Generated Content on Consumer Trust and Brand Loyalty

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Abstract: Traditional advertising strategies rely heavily on the brand generation and one-way communication, such as media advertisements, where messages and images are created by the brand with limited interaction. Unlike the traditional brand-driven advertising, user-generated content (UGC) allows consumers to share real-world experiences of products and services, thereby deepening engagement and building relationships. And it is increasingly important in increasing consumer trust and brand awareness within the modern marketing framework. In order to analyze the impact of UGC on consumer attitudes and loyalty, this paper draws on the theoretical frameworks of social cognitive theory and self-determination. The study highlights the importance of emotional resonance in UGC, emphasizing that shared experiences foster a sense of community among consumers that leads to sustained engagement, while also exploring the practicalities of implementation, which has led brands to integrate UGC to increase customer loyalty. The results indicate that UGC has the potential to markedly enhance brand trust and purchase intention, and that brands that proactively engage in UGC are more likely to be perceived as relatable and to foster stronger consumer relationships. In addition, potential directions for further research are indicated, including studying the long-term effects of UGC on different populations, investigating the emotional connotations associated with UGC, and analyzing cultural differences in UGC influence.

Keywords: User-Generated Content, Consumer Trust, Brand Loyalty, Content Marketing.

1. Introduction

In the evolution of marketing, traditional advertising strategies rely on brand-generated messages and with one-way communication and weak interactivity. Therefore, to enhance consumer engagement and trust, user-generated content (UGC) has emerged as an important marketing tool that allows consumers to share their real-life experiences with a brand's products or services. In short videos on social media platforms such as TikTok and Instagram Reels, UGC has demonstrated a high degree of interactivity and peer influence, giving new life to content marketing and brand trust strategies. Relevant studies have shown that potential customers tend to trust reviews and feedback from their peers more, and this trust can significantly enhance brand image and purchase intention [1]. UGC can positively influence consumer trust, attitudes, and loyalty by sharing real user experiences. And this ability to boost brand trust and the credibility of information sources changes the relationship between consumers and brands, resulting in a stronger commitment to products and services, which promotes

increased purchase intent [2]. In today's market environment, companies are increasingly focusing on integrating the voice of the consumer as an important strategy for building lasting relationships with brands [3]. This shift not only reflects consumers' expectations of brand engagement, but also opens up new directions for the future development of brand marketing. The paper employs a literature review approach to investigate the potential impact of new possibilities on consumer trust and brand perception. In particular, it seeks to differentiate these forms from traditional marketing and advertising content to boost consumer loyalty. The paper aims to investigate how brands can best express these UGC formats to enhance brand loyalty and engagement.

2. The Impact of UGC on Consumer Trust and Brand Loyalty

2.1. The Positive Role of UGC in Building Consumer Trust

The positive influence of UGC on brand trust has been demonstrated [2]. As more consumers turn to the internet to make online purchases, brands are leveraging UGC as a strategic tool to connect with customers and tap into their preferences. Internet is a platform where consumers seek information about a product and share information to peers. Consequently, consumer purchase intentions are often shaped by peer actions and comments [3]. According to Krcmar, social cognitive theory suggests that human actions are influenced by observation and learning from others' behaviors [4]. This is reflected in the growing trend of companies partnering with influencers to produce videos showcasing their views on products, which are then posted on social media platforms. Consumers are attracted to these influencer endorsements, as their comments and feelings about the product affect consumer behavior. In addition, integrating social movement theory explores social, economic and political issues that impact movements grow and impact society [5]. To describe the relationship between UGC and social movement theory, UGC allowing individuals to create and share personal opinions, which increase awareness in social movements. Through platforms like Instagram and TikTok, UGC provides a space where individuals can post opinions, share information, and give feedback, enabling information to spread rapidly across global audiences. The motivation theory underscores the emergence of collective motivations driven by a shared evaluation of group objectives, which often mirror underlying social ideologies [6].

2.2. Motivations Behind UGC and Its Impact on Brand Loyalty

The creation of UGC is frequently rooted in intrinsic motivations, as highlighted by Self-Determination Theory, which emphasizes the importance of autonomy, competence, and relatedness. Users who create UGC experience a sense of contribution and self-determination, which fulfills their psychological needs and strengthens their connection to the brand. Despite the crucial role of motivation in daily life, maintaining health depends on choice and sustained change, with autonomy among the three basic psychological needs enhancing motivation. It was found that individuals who exhibit greater autonomy in their behavior and motivation are more likely to implement changes to achieve their goals. In particular, autonomy allows UGC creators to produce and share distinctive content while expressing their personal opinions, thereby fulfilling users' need to control their own narratives and perspectives. In addition, participating in the UGC process allows users to feel a sense of accomplishment and skill enhancement, a sense of efficacy that is especially reinforced when their contributions influence the decisions of others. Finally, UGC fosters a sense of community and belonging by allowing users to connect with like-minded individuals, fulfilling their need for relevance and further motivating them to remain engaged with brands and communities.

Moreover, UGC mainly covers diverse data generated on social media and deeply communicated through online platforms. UGC marketing strategies not only actively influence consumers' purchasing decisions but also provide substantial benefits to companies and the market [7]. A

substantial number of online customer reviews significantly influence consumers' purchasing decisions, with both positive and negative reviews recognized as important sources of information. Research shows that the central and peripheral paths of online reviews play a key role in shaping readers' perceptions of credibility and usefulness [8]. The central and peripheral paths represent the two types of persuasion described in the Elaboration Likelihood Model (ELM), respectively. Specifically, the central path involves a thorough analysis of the information, focusing on the quality and strengths of the content, while the peripheral path relies on specific cues and indirect factors, such as the attractiveness, credibility, or visual appeal of the information source, when the motivation to process the information is lower [9].

3. The Strategies for Enhancing Consumer Trust through UGC

3.1. Enhancing the Credibility of User-Generated Content

Enhancing the credibility of UGC is a key strategy for building consumer trust. Brands should build a systematic content review process to ensure that the displayed UGC is of high quality and authenticity, thereby reducing the negative impact of false information on consumer decision-making [10]. The credibility of the source increase the quality, create, and trust toward the content, online consumer receive a trustworthy information from sellers [11]. This review mechanism should contain source verification and authenticity checks, as well as assessments of content compliance, to ensure the accuracy and reliability of the information provided. Moreover, a combined approach using algorithms and manual reviews can boost the comprehensiveness and depth of the review while maintaining efficiency. Strengthening user identity verification is also an important means of increasing UGC credibility. And brands can implement real-name authentication procedures, requiring users to provide their real identity information or links to their social media accounts when sharing content. This not only helps ensure that the shared experiences originate from real users but also increases users' sense of responsibility in the participation process, thus enhancing the credibility of the content. Furthermore, by leveraging the social network influence of users, brands can further validate the authenticity of the content. Encouraging consumers to provide systematic evaluations and feedback on UGC is an indispensable aspect. Brands can design evaluation systems that allow users to rate, comment on, and report UGC. This interaction not only promotes the improvement of content quality but also fosters a positive content ecosystem, making consumers feel that their opinions are valued, which in turn enhances their trust in the brand.

3.2. Encouraging Consumer Engagement and Content Creation

Encouraging consumers to actively participate in and create UGC is an effective strategy for enhancing interaction between brands and consumers. Research indicates that consumers who engage with UGC are more likely to develop positive emotions and attitudes toward brands compared to those who are only exposed to traditional advertising. It is increasingly evident that consumers are eschewing traditional forms of advertising, as UGC has the potential to exert a more profound influence on their brand perceptions and product experiences [12]. In this context, social media influencers and other online content creators facilitate consumer engagement through the use of creative and unique content, thereby reinforcing the emotional bond between brands and consumers.

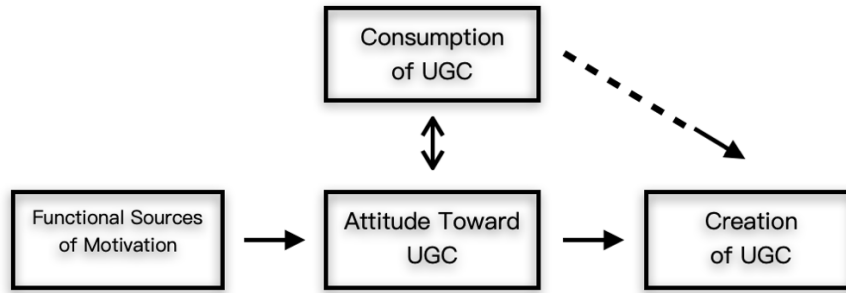


Figure 1: Consumer Attitude Toward UGC [13]

For example, Figure 1 shows the relationship between UGC consumption and creation, emphasizing that positive attitudes can boost the likelihood of participating in UGC, with intrinsic motivations such as personal enjoyment playing a crucial role [14]. Research indicates a significant correlation between users' attitudes towards UGC and their creation behaviors; a favorable attitude not only encourages users to engage in content creation but strengthens their loyalty to the brand. Therefore, brands should leverage these psychological drivers by implementing incentive mechanisms and interactive activities to encourage users to share personal experiences, further effectively capturing consumer attention and fostering deeper engagement. Furthermore, UGC serves as a form of authentic social proof, helping consumers establish a personal connection with the brand, thereby enhancing trust and loyalty [15]. By encouraging customers to share their genuine experiences, brands can cultivate a more relatable image and drive consumer participation, resulting in higher sales and brand awareness. Thus, building a multi-layered incentive system that rewards and recognizes consumers for their participation in UGC is key to achieving successful deep interactions and emotional connections with the brand.

3.3. Optimizing and Implementing Short Video Content Strategies

Developing a short video-based UGC communication strategy is a key measure for brands to enhance market awareness and attract young consumers. Research shows that brands actively promoting UGC achieve higher consumer engagement and loyalty, especially notable in luxury brands [16]. While luxury brands typically possess clear symbolic meanings and unique value positioning, their ability to provide significant advantages still requires further exploration. In social media marketing, active participation is a vital dimension of consumer engagement. When consumers create brand-related content, such as comments, likes, and shares, they often invest more time and effort, and this active involvement can be amplified through short video strategies. In contrast, passive participation, where consumers simply read comments or watch videos, signals a lack of interest in the brand. Thus, brands need to motivate consumers to actively participate in UGC creation to foster a closer relationship with them.

Table 1: Young Internet Users Activities on UGC (n=120) [17]

UGC Activity	Always	Sometimes	Rarely	Never
Manage / update my blog	6.0%	26.9%	29.1%	37.9%
Read blogs	17.0%	39.6%	34.6%	8.8%
Participate in wikis, forums (e.g., Wikipedia, Yahoo! Answers)	5.5%	18.1%	36.8%	39.6%
Upload videos to content sharing sites (e.g., YouTube)	5.6%	28.8%	40.0%	25.6%
Watch videos on content sharing sites (e.g., YouTube)	36.5%	51.4%	9.9%	2.2%

Table 1 shows that young internet users exhibit distinct preferences in their participation activities related to UGC, particularly in video content consumption. Younger audiences increasingly favor watching videos shared by influential users on social media platforms, a trend driven by the engaging nature of video content and the appeal of dynamic storytelling [18]. Platforms like TikTok prioritize short-form content, aligning with young users' demand for quick and easily digestible information. Research indicates that short videos excel at maintaining user attention, whereas longer videos (e.g., 20 minutes) often lead to a loss of focus on specific brands or products. By optimizing their short video content strategies, brands can enhance consumer engagement and UGC generation, while also boosting brand awareness and consumer loyalty in a competitive market. This approach not only improves brand image but also drives sales and market share growth.

4. Future Research Direction

Previous research has shown that the trend of consumers making purchases through social media is steadily increasing, particularly among those attracted by UGC strategies. However, this phenomenon still has its limitations and warrants further in-depth study. Future research could explore the long-term impact of UGC on brand loyalty across different demographic characteristics and industries, as well as analyze how various forms of UGC (such as videos or comments) influence consumer behavior [19]. The research also highlights that future studies should enrich the content of human geography, seeking more valuable data to enhance urban analysis and sustainable planning. Otherwise, research on UGC may fail to comprehensively reveal the challenges and opportunities of future urban development. In addition, future research could investigate the role of emotional connections in UGC and how these connections affect consumer trust and engagement. Understanding the dynamic relationship between active and passive participation in UGC creation will provide important insights for effective marketing strategies. Negative UGC may hinder consumer usage of products or services, especially in the context of cause marketing [19]. It is found that a brand's feedback mechanism can alleviate negative emotions and enhance consumer trust by reducing visual attention to negative comments, ultimately influencing their willingness to share. Finally, examining the impact of cultural differences on the perception and effectiveness of UGC can further boost global marketing strategies. Exploring cultural differences in UGC perception and effectiveness can significantly improve the effectiveness of global marketing strategies. Understanding the responses of consumers from various cultural backgrounds to UGC can facilitate the creation of more effective, customized strategies that resonate with diverse audiences, thereby strengthening global brand engagement and loyalty.

5. Conclusion

This study emphasizes the importance of UGC in modern marketing, demonstrating its transformative role in enhancing consumer trust and fostering brand relationships. As consumers increasingly rely on peer reviews and shared experiences, UGC has become a key tool for brands to attract their target audiences. The findings indicate that UGC not only positively influences consumer attitudes but also significantly enhances purchase intentions, especially when effectively integrated into social media strategies. Brands that actively promote UGC can cultivate affinity and credibility, thereby increasing consumer loyalty. The exploration of social cognitive theory and self-determination theory reveals how UGC meets consumers' needs for autonomy and relatedness, facilitating meaningful brand interactions. Future research should further investigate the long-term effects of UGC across various demographic characteristics and industries, while also investigating the roles of emotional connections and cultural differences within UGC. These studies will provide valuable insights for brands in formulating global marketing strategies. Additionally, considering how user-generated

videos, comments, and other forms influence consumer perceptions and trust will further refine brand strategies.

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