

## **Table of Contents**

Foreword	03
Experts	04
Introduction	05
What is UGC	08
Benefits of UGC	10
Types of UGC	14
Social Media Posts	15
2 Ratings & Reviews	15
3 Photos and Videos	16
4 Testimonials and Case Studies	16
5 Live Shopping	17
UGC Trends to Watch Out in 2024	18
Video Content Surge: Activity Boost on Video Centric Platforms	19
2 The Role of Generative Al in Catalyzing Customer Feedback Analysis	26
3 Authentic Content: The New Buzzword	32
The Rise of Dedicated In-house UGC Teams	39
UGC Infused Ads - Elevating CTR and Lowering CPC	43
Nano Influencers – The New Game Changers	49
Betting Big on the Future of Live Shopping	54
8 Unlocking UGC's Mastery in Web3 and Metaverse	60
How UGC Will Affect Modern Commerce	68
Conclusion	71

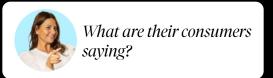
#### FOREWORD

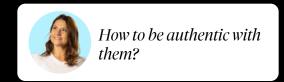
#### Welcome to the pivot point.

In 2024, we venture into the landscape of modern marketing where the consumer continues to be at the centre of the spotlight. As a matter of fact, consumer behaviour does not change with a quick switch or a Thanos snap , and it definitely does not change at the end of a calendar year. It evolves. It evolves to a point where consumers and brands are faced with improved challenges and new expectations.

As we turn another page this year and reality settles in, the growing clarity is that the world of marketing is no longer what it used to be. New trends emerge every season, consumer's quest for authenticity takes precedence, and new technologies come to the fore.

## As modern marketing embraces User Generated Content (UGC), brands are faced with two big questions:





As we step into 2024, consumers are seeking the truth, the real picture. Time has come to make a strategic move to match consumer needs while going beyond the paths of past success. Methods that were once successful may have lost their edge. Long-trusted platforms and practices might yield different results. Relationships with consumers, once seemingly unshakable, might require a fresh perspective and re-evaluation.

We, at Skeepers, created this eBook to exclusively guide you in redefining consumer connections amidst evolving demands, preferences, and expectations. We sought insights from industry experts, influencers, executives, and visionaries to unravel trends shaping the UGC marketing landscape in 2024. Within these pages, you will discover expert opinions, tips and real-world examples showcasing how brands are achieving remarkable success through the power of UGC.





# Experts

A big shoutout to the experts for their participation and for sharing their valuable knowledge with us and our readers.

# It has significantly enhanced our eBook making it rich in content.



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## Introduction

We live in the consumer age, where authenticity takes the forefront and peer recommendations carry more weight than any creative ad. Consumers have evolved becoming empowered.

In the era of traditional marketing, consumers were passive recipients of brand messaging, and their trust was often anchored in the authority of the brand itself.

However, with the rise of **User Generated Content (UGC)** marketing, consumers have become active participants in the brand narrative. They now demand authenticity and seek peer recommendations. They rely on the experiences and opinions of fellow consumers, valuing reviews, social media endorsements, and user-generated content. This shift has made consumers more influential and discerning in their purchasing decisions, and they expect brands to engage with them on a personal level. In the digital landscape, content saturation is multiplying as everyone strives to secure a larger slice of the pie.

According to Forbes, since 2017, Americans, encounter an estimated 4,000-10,000 advertisements daily.

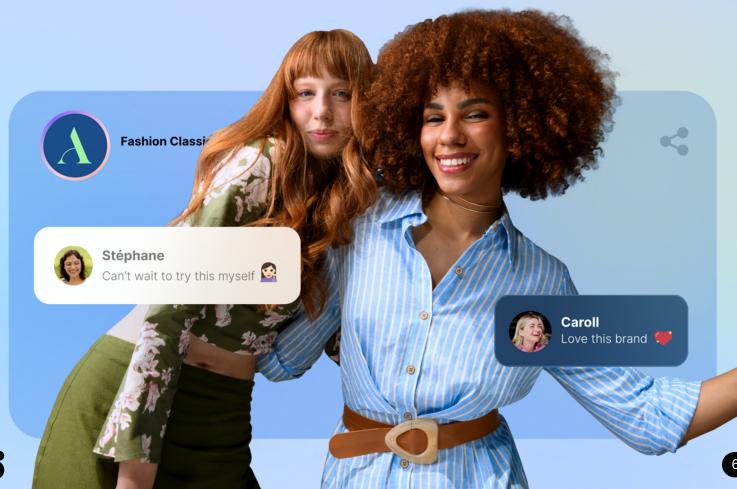


Most brands face recurring challenges, including being consistent with their messaging, finding an edge over their competitors, offering an enhanced customer experience, and finally, increasing the recall value. This is where UGC comes to play.

It offers a solution to these challenges by injecting authenticity and relatability into the brand-consumer relationship. Brands can harness this power to maintain a consistent and trustworthy image. Furthermore, they gain a competitive advantage by leveraging the personal touch of genuine customer experiences. Not to mention, UGC provides valuable insights into customer preferences and behaviours, allowing brands to fine-tune their offerings and enhance the overall customer experience.

Today, consumers possess the ability to distinguish between authentic content and overly embellished brand claims while social validation takes precedence over traditional advertisements and promotional messaging.

Remarkably, a substantial 81% of individuals are not only willing to pay a premium but, they are willing to patiently wait in line for brands communicating with authentic content <u>says</u> <u>Inbeat (2023)</u>.



We find ourselves in the era where the influence of user-generated content is undeniable. Traditional marketing tactics like catchy jingles, holiday ad copies, and text-heavy web pages have become outdated. Platforms like Facebook and Instagram, once primarily used for establishing brand identities, have now evolved into a hub for tutorials, testimonials, reviews, live performances, influencer reels, viral challenges, etc.

**Social commerce** presents a distinct view from traditional e-commerce, seamlessly integrating buying and selling into the tapestry of daily life, fostering genuine community bonds and connections. It is poised to transform the shopping landscape, creating fresh avenues for individuals to engage in the global economy as consumers, creators, influencers, and sellers. This shift in dynamics, from larger entities to smaller ones, is expected to influence every brand, retailer, and platform business. Ignoring this transformative trend is not an option for anyone in the market.

An increasing number of individuals are getting real with the content they consume and share. When consumers come across genuine individuals discussing brands, products, or services without any sponsorship, they become members of an authentic community that cannot be created through monetary means.

Ultimately, this shift from traditional marketing to leveraging UGC represents a mutually beneficial evolution, where brands and consumers share the stage inchaping the landscape of modern commerce.













# Whatis

UGC?

#### Call it User Generated Content or Earned Content, but the power of UGC is undeniable.

As the name suggests, it is content generated by users. But it is so much more. It is about creating a community of like-minded people, sharing the same values, challenges, goals, and looking for similar results.

It is about creating an emotional bond with the audience, with real people, real content and real stories. Some might even say it is the digital word-of-mouth. Imagine this, you see an ad for a speaker, but your friend recently spoke about a possibly better electronics brand on social media.

# Who would you trust more? The well-crafted ad or your well-trusted friend?

According to Stackla (2019), consumers are 2.4x more likely to say that UGC is most authentic compared to branded content. UGC makes the audience connect personally with your content. It is not just authentic, but also credible. It rears empathy and familiarity which makes it your voice of reason.

For brands this is an art of communication. It allows them to tap into the creativity of their audience and create a positive brand image. This is one of the reasons why **the concept of UGC has spread across like wildfire** and why so many brands are now including this in their marketing strategy to increase sales.

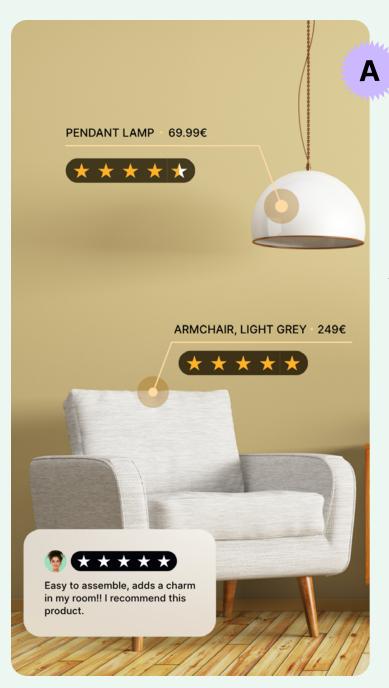




#### **Benefits of UGC**

The modern consumer is facing economic challenges and growing options. The more crowded the marketplace, the more distractions they face. It's underrated to say that consumer behaviour today has never been seen before. They are attentive, well informed, and well researched.

# They value experience over purchase and an emotional connection over price.



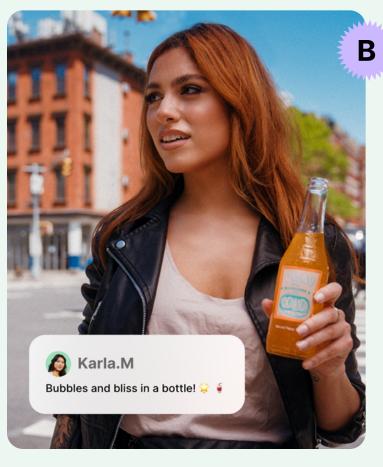
#### **Credibility Booster**

From times immemorial, brands have tried to win the trust of people and make themselves more credible.

According to Nesto (2022) visual UGC secured the highest position, gaining the trust of customers by 33%.

UGC allows your audience, community or potential customers to view your brand through the lens of a happy customer, raising your credibility levels. Ecommerce brands are crushing social marketing with real content from real people.

A great example is **IKEA**, the world's largest furniture retailer that calls its users to share their IKEA stories and hacks. **The key to their success is that they do not control the content too much** but allow the creators space to be innovative in their own way.

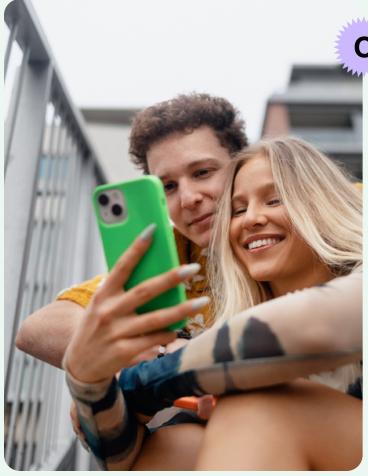


#### **Pocket Friendly**

Brand content can be time consuming and cost heavy. Whereas, tapping into the creativity of content creators can bring together people of shared passion at a much lower cost.

Creators do most of the job – content creation, editing, uploading, etc. The brands just have to seek the creator's permission to feature their content on the brand channels.

This saves marketers and in house teams time and money spent on creating high quality assets, allowing them to focus their resources on other marketing efforts.

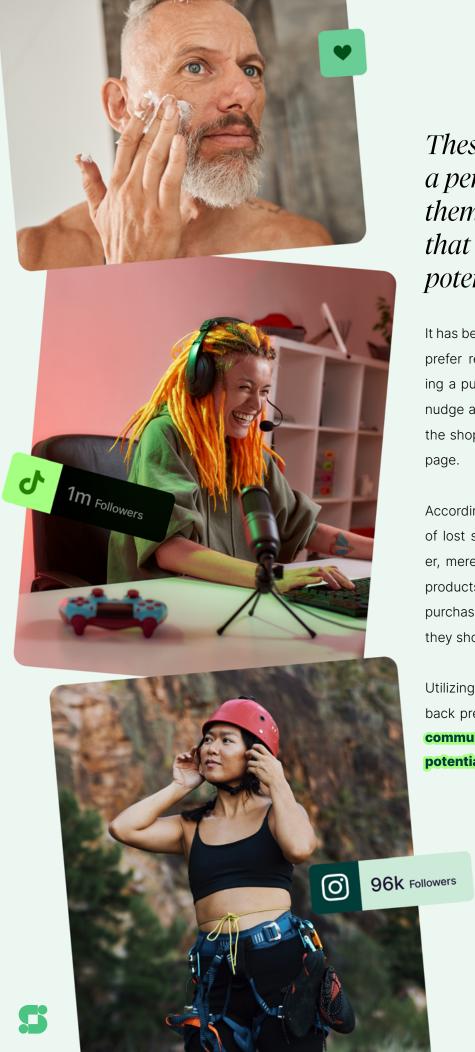


#### **Simplifies Purchasing Decision**

UGC has the power of social proof to influence people and win their trust when making a purchasing decision.

According to <u>a study by</u>
<u>Cloudinary (2020)</u>, 70% of
GenZ and 78% of millennials
find reviews helpful in making
purchase decisions.

In the awareness stage of the buyer journey, brands are trying to make a solid first impression. While consumers are discovering your product/service, establish credibility by showing how your customers use your products including real life examples.



These pictures or videos add a personal touch, and feed them with genuine content that turns someone from a potential buyer into a buyer.

It has been found by <u>Statista (2023)</u> that 32% of people prefer reading reviews and testimonials before making a purchase. It has been found extremely useful to nudge a shopper to buy a product in the final stage of the shopper journey when UGC is on the 'Add to Cart' page.

According to a <u>Klaviyo report</u>, brands can reclaim 14% of lost sales through abandoned cart emails. However, merely sending these emails featuring abandoned products may not provide sufficient motivation for a purchase. Hence, it is crucial to illustrate to buyers why they should complete the purchase.

Utilizing UGC with ratings, reviews, or consumer feedback presents an excellent opportunity to **effectively communicate with consumers and capitalize on this potential.** 



#### **Increase in Conversion Rates**

The authenticity of UGC functions as a trust emblem, serving as compelling social proof that endorses a product from the customer's vantage point.

Integrating UGC into websites effectively involves streamlining the process for customers to leave reviews, respond to feedback, and prominently showcase positive reviews on the website.

Customers can directly add-to-cart a product while watching an influencer video or post, making the buying process effortless and efficient.

A study by Northwestern University suggests that quality product reviews increase the likelihood of purchase by 79%.

As technology forges ahead, the future of UGC in e-commerce and conversion rate optimization appears promising, particularly with the application of AI and machine learning for the analysis and comprehension of UGC.

# Types of UGC



#### **Social Media Posts**

Creators have found a home in social media to share their views, opinions, and experiences. Companies then share this on their own channels through paid or organic methods to tap into the engagement rate and the audience of the creators. Photos, videos, captions, and hashtags by real people is the UGC that offers a genuine look for a brand or its product.

Benefit cosmetics in collaboration with <u>Skeepers</u> <u>influencer platform</u> partnered with beauty content creators regularly to naturally engage them on social media through beauty and cosmetics. Beauty is one of the most discussed topics on social networks.

Benefit has managed to create within this realm a strong brand image, stemming from the spirit of its Californian founders, combining a very girly aesthetic with humor and lightness. Benefit's communication campaigns, always inventive, focus on authenticity and trust.





# 02 **Ratings & Reviews**

Consumer ratings and reviews are a major form of UGC. These can be found on e-commerce sites, social media, and retail websites. Ratings and reviews not only inform companies about customer satisfaction levels, but also serve as effective marketing tools.

Google also uses these reviews as a sign of your business' credibility and trustworthiness. Moreover, it is extremely valuable for SEO as it boosts your authority and social standing. Positive reviews may encourage potential sales, while negative feedback provides important insights for improvement.

Glasses Direct uses this in the most efficient manner on their website on different checkpoints of the customer journey. The homepage features its rating and the number of reviews received. It is followed by a bar that showcases a few of the many reviews they received on Trustpilot.

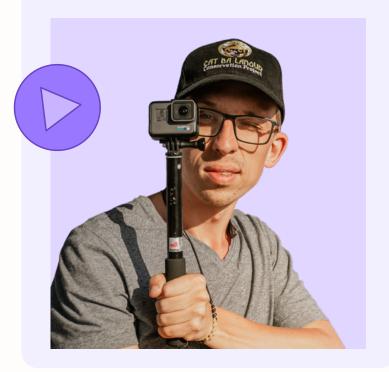
#### **Photos and Videos**

User-generated content such as photos and videos can be a powerful tool for companies to drive their marketing efforts.

**Companies can collect and curate this content on their website or channels,** and even use it in
promotional campaigns to show the real-world applications of their offerings.

The sport's camera maker GoPro naturally creates UGC just by the nature of their products to cultivate a powerful community, they provide a platform for their users to share images and videos they captured using their GoPro devices.

Their loyal fanbase generate over 6,000+ videos online everyday leading to a highly engaged community and a ton of user generated content.





#### 04

## **Testimonials and Case Studies**

Testimonials and case studies are customer experiences that express their satisfaction, appreciation, or recommendation of the products or services.

They are powerful because they show that the product lives upto its promise and delivers what it commits to.

Moreover, it helps build trust, credibility, and authority in your niche or industry. B2B messaging service Slack competes in a tough space. To win customers, they carved out a niche amongst tech-savvy, future-minded, trendy companies. They became known as a customer-minded business that would fix problems fast and provide solutions that customers really asked for. Slack's testimonials page highlights this effort, featuring customer quotes that are all about moving fast and communicating clearly.



#### **Live Shopping**

Live Shopping, a dynamic form of User-Generated Content (UGC), transcends traditional online retail experiences by bringing products to life in real-time. This interactive approach leverages live-streamed video content, creating an immersive and engaging platform where hosts showcase products, answer audience questions, and provide real-time demonstrations. Viewers actively participate through comments, likes, and even direct purchase options, fostering a sense of community and immediacy.

# Live Shopping transforms the traditional customer journey by blending entertainment, social interaction, and shopping seamlessly.

It harnesses the power of authenticity, as viewers witness first-hand how products perform in various scenarios, building trust and confidence in their purchasing decisions. This emerging trend is redefining the way brands connect with consumers, offering a personalized, interactive, and visually compelling experience that goes beyond static product listings.

IKKS, a ready to wear brand for women, men and children wanted to create a real and recurring fashion event. They brought together fashionistas on <a href="Skeepers Live Shopping platform">Skeepers Live Shopping platform</a> to discover their collections and leave room for impulse buying. They garnered more than 30% add to cart rate, 2X conversion rate and 2 out of 3 purchases were by new consumers.







# UGC Trends to Watch out in 2024

#### Video Content Surge: Activity Boost on Video Centric Platforms

Step aside traditional ads and make way for video content.

In the dynamic realm of modern marketing, the spotlight has decisively shifted to video content – an unstoppable force reshaping the landscape.

The rise of User Generated Content (UGC) in video is not merely a trend; it's a transformational journey that has redefined the very essence of brand-consumer interaction.

As we navigate the intricate maze of 2024, one fact remains crystal clear: video UGC is the veritable fusion of authentic voices and captivating storytelling, offering audiences an unparalleled experience.





#### Why is Video UGC Gaining Popularity?

# A report by <u>Cisco(2020)</u> confirms, 82% of all content will be video in 2024.

This trend is fueled by video's ability to captivate, engage, and emotionally connect with audiences like no other medium, making it the preferred choice for brands aiming to make a lasting impact on its audience.

#### Why is Video UGC Gaining Popularity?

- Visual Appeal: Humans are inherently drawn to visuals. Videos stimulate multiple senses, making them a more immersive and engaging medium compared to text or static images.
- Authenticity: Video captures genuine moments and emotions, fostering trust and credibility. This authenticity resonates with audiences, who seek genuine experiences with brands.
- Mobile Dominance: The proliferation of smartphones has made video consumption on-the-go effortless, driving the demand for bite-sized, user-generated video content.



## Upcoming Trends in Video-Based UGC

# <u>Statista predicts</u> that video ad spending will reach over €172.5 billion in 2027 through mobile alone.

The trajectory of video based UGC shows no signs of slowing down, with several notable trends on the horizon:

#### **Live Streaming**

Real-time engagement is gaining momentum. Brands will leverage live streaming to interact with audiences, answer questions, and provide exclusive access to events.

#### **Short-Form Videos**

The popularity of platforms like TikTok and Instagram Reels will lead to a surge in short-form video UGC. Brands will craft concise and engaging content to tap into this trend.

#### **Interactive Video**

Interactive elements within videos, such as polls, quizzes, and clickable links, will enhance viewer engagement, driving more meaningful interactions.

#### **Augmented Reality (AR) and Virtual Reality (VR)**

AR and VR technologies will enable immersive brand experiences within user-generated videos, creating a new realm of possibilities.





4 Tips for Brands to Create Successful, Engaging, and Authentic Video UGC

- **Encourage User Participation:** Actively invite your audience to create video content through Contests, challenges, and giveaways.
- **Provide Clear Guidelines:** Offer simple and concise instructions to ensure that user-generated videos align with your brand's messaging and values.
- Highlight User Stories: Showcase authentic user stories and experiences. This humanizes your brand and builds trust among potential customers.
- Engage with Contributors: Interact with users who contribute video content. Respond to comments, share their content, and make them feel appreciated and valued.



#### Why is Video UGC Gaining Popularity?

Stalwarts like Instagram and TikTok continue to dominate the video-sharing space in 2024. It is estimated by Statista (2023) that Instagram will see a rise in its user base by 50 million users in 2024 to become a community of 1.4 billion and TikTok is expected to increase by 8% to account for 900 million users. Keep an eye on platforms like Facebook Watch, IGTV, Vimeo, and Twitch, as they offer unique opportunities to tap into niche audiences. These platforms thrive on creator content because it is authentically human.

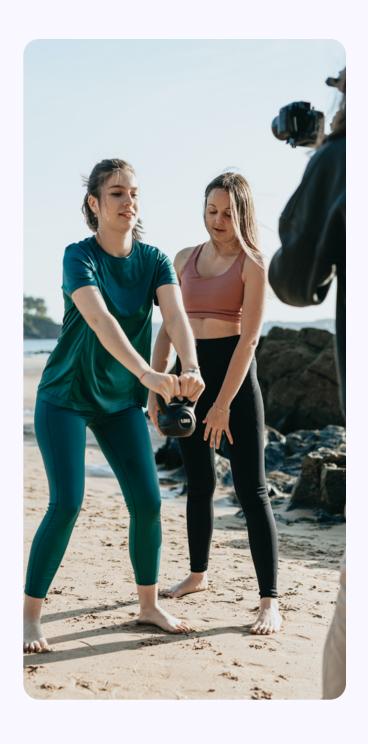


Video Content allows creators to connect on a much deeper level with their audience through interactive media, polls, and video blogging. Previously, creators turned to photo-based content to interact with their audience, but the recent surge in video content has allowed audiences to gain a deeper understanding into a creator's daily life.

Through video blogging and online journaling, audiences can engage with their favourite creators and gain a glimpse into their lives, thus bridging the gap between brands and followers.



**Kiana Parvizi**Formula1 Content Creator



## How to Collaborate with Creators for Video UGC?

#### **Identify the Right Influencers**

Choose creators whose values and audience align with your brand. Authenticity is key.

#### **Set Clear Expectations**

Clearly define the scope of collaboration, expectations, and compensation terms in a written agreement.

#### **Empower Creativity**

Allow creators creative freedom while ensuring their content aligns with your brand's message and guidelines.

#### **Amplify and Share**

Promote the creator's content on your brand's channels to extend its reach and impact.





# How Decathlon Gives Real Cyclists a Platform to Showcase their Van Rysel Road Bikes by Video?

Cycling is a specialized sport, bringing together a strong community of expert athletes. Decathlon Van Rysel aimed to enhance the visibility of this sport and showcase the quality of its products through an innovative approach.

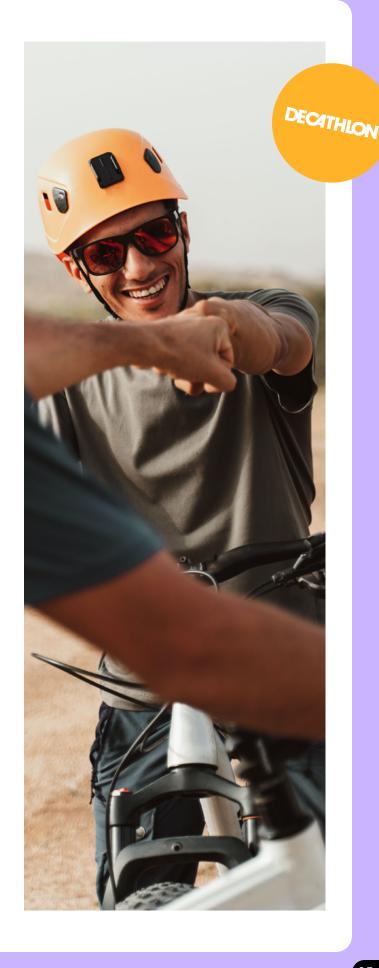
# The brand decided to give a voice to real cyclists to share their experiences and opinions through videos.

The goal was to place these passionate experts at the center of its communication strategy to boost brand awareness and increase sales.

Van Rysel used Skeepers' solution to engage its customer community and invite them to create videos, which were then posted on the product pages of the website and optimised for e-commerce.

The rise of video-based User Generated Content on video-first platforms signifies a remarkable shift in the digital marketing landscape.

As brands increasingly recognize **the power of authentic user-generated videos**, staying ahead
of the curve and leveraging the latest trends will
be pivotal for success.



# The Role of Generative Al in Catalyzing Customer Feedback Analysis

If you see a revolution in customer feedback analysis, Generative AI will be at the forefront. It has emerged as a game-changer in the dynamic landscape of marketing. Picture this: Generative AI struts into the room, shades on, setting the stage for an era where customer feedback analysis is more engaging than ever before. **That's exactly how 2024 looks.** The role of Generative AI in catalyzing customer feedback analysis is more pivotal than ever before.



#### **How Does That Work?**

According to a recent survey by Gartner (2022), by 2027,

30% of customer interactions will be facilitated by conversational AI technologies, like chatbots and virtual assistants.

Generative Al brings a transformative edge to customer feedback analysis with:

#### **Natural Language Processing (NLP)**

Generative Al's advanced NLP capabilities enable it to sift through vast volumes of unstructured customer feedback, extracting meaningful insights at an unprecedented speed and accuracy.

#### **Personalization**

Al-driven algorithms can identify patterns and preferences within feedback, allowing brands to tailor responses and improve the overall customer experience.

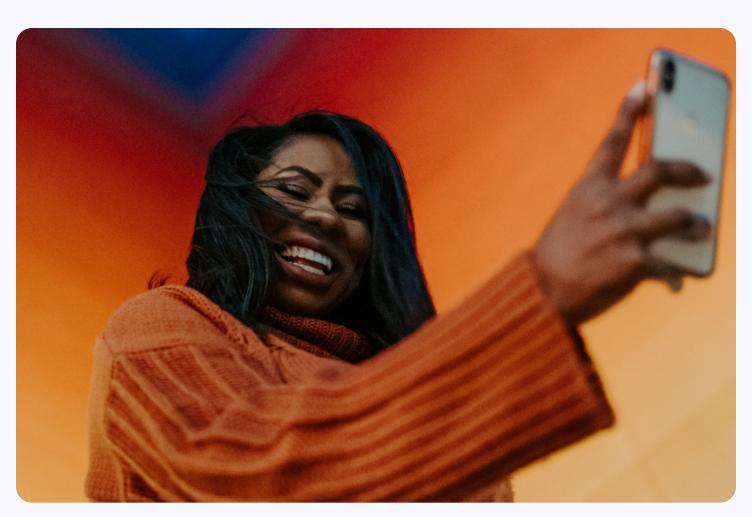
#### **Efficiency**

Generative AI automates the process of feedback analysis, saving valuable time and resources for brands while providing real-time insights.



4 Tips to Use Generative Al for Gaining & Analyzing Customer Feedback

- Implement Chatbots: Use Al-powered chatbots to engage with customers, collect feedback, and address queries promptly.
- Sentiment Analysis: Leverage Al algorithms to perform sentiment analysis on customer comments, enabling your brand to gauge customer emotions and concerns.
- Predictive Analytics: Utilize Al-driven predictive analytics to anticipate customer needs and behaviors based on historical feedback data.
- Customized Responses: Train AI models to generate personalized responses to customer feedback, fostering a sense of genuine care and attention.





#### **Future of Customer Feedback X Generative Al**

The future of customer feedback management with Generative AI is brimming with possibilities:

#### **Hyper-Personalization**

Al-driven feedback analysis will enable brands to offer hyper-personalized experiences, addressing customers by name, and recommend products based on individual preferences.

#### **Real-Time Response**

Al will provide instantaneous responses to customer feedback, resolving issues proactively, and enhancing customer satisfaction.

#### **Improved Products and Services**

With deeper insights, brands will refine products and services, aligning them more closely with customer expectations.

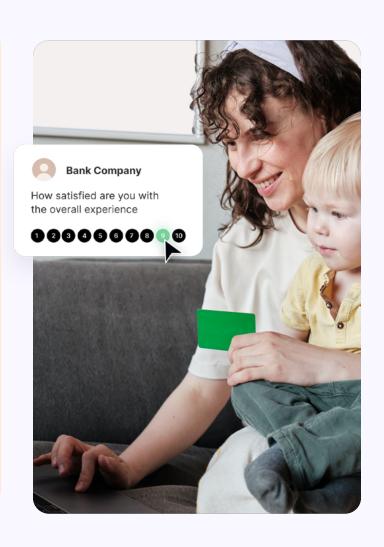


Generative AI is the catalyst that propels customer feedback analysis to new frontiers.

It empowers businesses to unlock valuable insights from the wealth of data available, ultimately shaping more informed strategies.



**Itziar Tros**Co-founder, Kitlify





Generative AI has emerged as a disruptive force in the realm of content creation, compelling us to redefine our methods and mindsets. In this transformative landscape, adaptation is key. While it enhances content diversification and personalizes user experiences, AI depends on our insights for authenticity and relevance.

This integration is crucial for crafting immersive, interactive UGC that not only resonates with audiences but also redefines digital engagement and community building. In this new era, our role is to direct AI's potential, innovating without losing the human touch that drives meaningful connections.



**Kirthigan Vijeyakumar**Digital Transformation Expert, Hub Institute





# Why Bet on Generative AI for Customer Feedback Management

Brands in their quest to capture market share and customer loyalty are adapting cutting-edge technologies.

# As per <u>Dialpad survey in 2023</u>, 79% of sales and customer service professionals using AI have seen a positive impact in their work.

Compared to traditional AI, Generative AI uses complex algorithms to understand data and patterns to give unique outputs. This technology has opened the floodgates to uncharted possibilities and opportunities.

#### Generative AI is a strategic investment for several reasons:

#### **Scalability**

All can handle vast amounts of feedback data at scale, identifying trends, behaviors, and habits. It segments consumers based on characteristics, buying behavior, interests, and interactions, accommodating the growth of your brand and customer base.

#### Consistency

All ensures consistent responses and analysis, eliminating the risk of human error and bias. It can understand customer queries and complaints while giving accurate human-like responses.

#### **Competitive Edge**

Embracing Al for customer feedback, positions brands as a forward-thinking and customer-centric company, giving them a competitive advantage. It plays a crucial role in understanding customer expectations and providing personalized experiences that would significantly improve customer satisfaction levels.





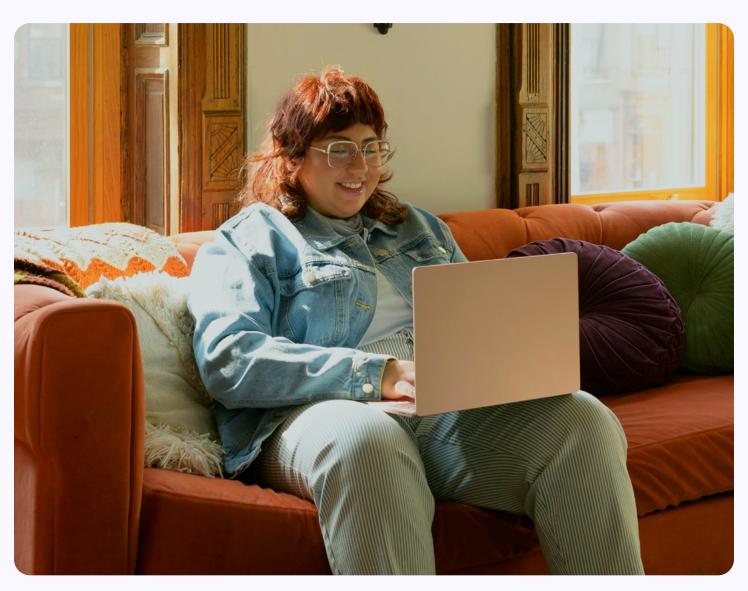
# Brand Example of Using Generative Al in Customer Feedback or Reviews Management

Amazon utilizes Al to generate personalized product recommendations based on customer feedback and browsing history.

Amazon exemplifies the potential of Generative AI in customer feedback management.

Their recommendation engine employs AI algorithms to curate product suggestions tailored to individual customer preferences, a strategy that has played a pivotal role in their success.

# Generative AI is poised to revolutionize the realm of customer feedback analysis in 2024 and beyond.





## **Authentic Content: The New Buzzword**

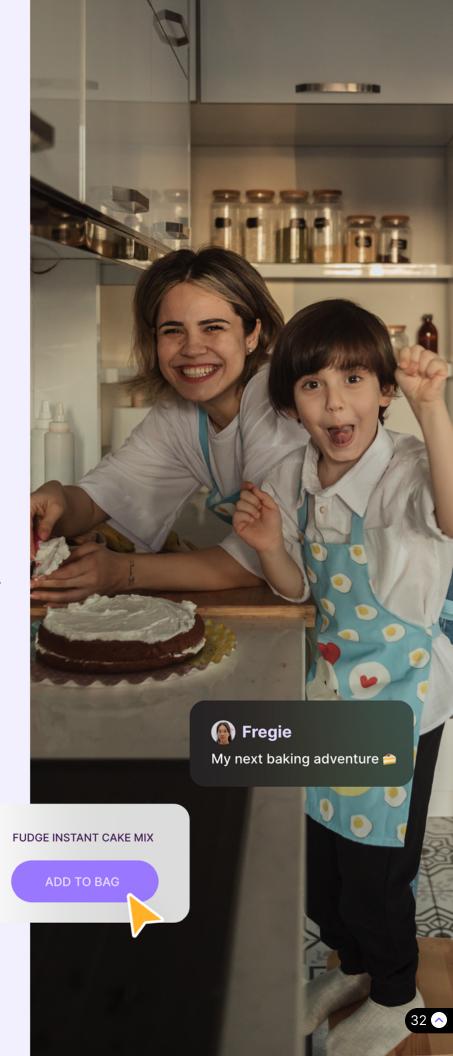
At the beginning of social media, the only objective for brands online was to build a social presence.

The next goal was to start conversations with their followers and build an engaging community. As social media evolved, more and more brands started understanding the importance of audience engagement and the changing consumer behavior.

Today's marketing is not just about connecting with your audience – it's about cultivating a tribe of loyal supporters.

Brands are on a mission to deliver authentic content that strikes a chord with their audience, fostering genuine connections with real people.

The key here is authenticity, and that's precisely where User-Generated Content (UGC) takes center stage.





#### The Role of Authenticity in Building Customer Trust

According to Edelman's Trust Barometer (2019), 63% of consumers trust what influencers say about a brand more than what the brand says about itself. Consumers are not short of brands to choose from, and cutting through that noise is not easy. And neither is building trust.

# But authentic content proves to your audience that you are transparent, genuine, and true to your words.

It helps your customers feel seen and heard, thereby building loyalty.

Authenticity is the linchpin of trust in the digital age. It plays a crucial role by:

#### **Building Relatability**

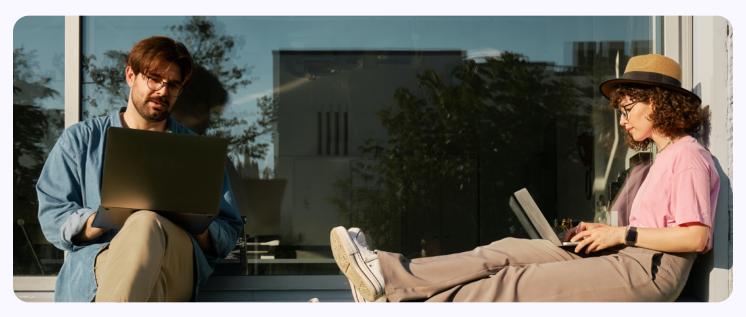
Authentic content bridges the gap between brands and consumers, making them relatable and approachable.

#### **Fostering Transparency**

Brands that are authentic in their UGC showcase transparency, which fosters trust by showing the real people and stories behind the products or services.

#### **Strengthening Loyalty**

Authenticity builds a sense of belonging and connection, leading to stronger customer loyalty and advocacy.





## What Type of Authentic Content Will Customers Want to See in 2024

A survey by <u>Stackla (2021)</u> found that **88% of consumers consider authenticity** important when deciding which brands they like and support.

### As we step into 2024, customers are yearning for specific types of authentic content:

#### **Behind-the-Scenes**

Customers want a peek behind the curtain. Authentic content that showcases the inner workings of a brand, its team, and production processes is highly engaging.

#### **User Testimonials**

Genuine user reviews and testimonials are gold. Customers trust the experiences and opinions of their peers more than anything else.

#### **Storytelling**

Narrative-driven content, where real stories of triumph, challenges, and transformations are featured captivate and hold the audience.

#### Defining Authenticity in Brand Engagement

Authenticity in brand engagement encompasses several essential elements. It starts with consistency, where brands align their actions, messaging, and values across all touchpoints.

Genuine dialogue is crucial, as brands actively engage with customers, addressing their concerns and taking their feedback seriously. Ethical practices, upholding responsible business standards that reflect brand values, are integral in the pursuit of authenticity.











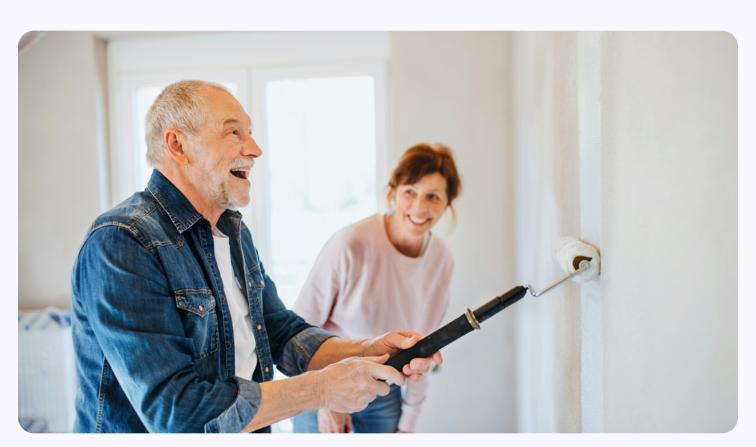


It's a fact that everything we see on the internet is at least partially fake. Obviously, people are becoming bored with it. Why? Their inability to relate makes them feel alienated. The emergence of authentic content came as a result of people being able to relate to it on a deeper level. New generation of viewers love anything that's authentic, whether it's seeing real people and their imperfections exclusively promoting brands!

Basically, audiences want content that speaks to their own feelings, so connecting through authentic content is the way to go. Superficial perfectionism is no longer trendy! Shallow perfectionism has gone out of fashion!"



**Enamul Hasan Jim**Startup Culture Consultant, Deloitte





With 62%(\*) of users claiming to receive false or misleading information online on a weekly basis, authenticity has become an irrefutable pillar of today's digital age. "Authentic Content" goes beyond being a trend; it is a direct response to consumer demand for genuine connections with brands and receiving honest narratives that resonate on a personal level. Truthful, relevant and human stories are not only part of a vital strategy to establish trust, but also allow brands to meaningfully position themselves with their audience in a crowded digital ecosystem.

Beliefs, views and ideas are increasingly polarized and, with the layer of Artificial Intelligence covering more and more sectors, companies around the world need genuine insight into how to communicate authentically, in line with their purpose and also what people expect from them.

\*Global information literacy study by Google, YouGov, MediaWise and Poynter.



**Natalia Marin** Editor in Chief, Reason Why





### **How Creators and Influencers Can Be Used to Create Authentic Content**

A study by Matter Communications Agency (2023) revealed that 81% of consumers trust influencer marketing more than traditional advertising. Creators and influencers are powerful allies in crafting authentic content.

## Together you can tap into a new set of audience, widen your reach, and potentially nurture a group of loyalists.

#### But here's what you need to do:

#### Collaborate

Partnering with creators who align with brand values and resonate with the target audience adds credibility.

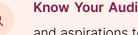
#### **Incorporate User-Generated Content**

Encourage influencers and creators to incorporate user-generated content (UGC) into their posts, showcasing real customer experiences.

#### **Narrate Authenticity**

Influencers can share personal anecdotes that relate to the brand, creating an emotional connection with their followers.

Tips for Brands to Be Authentic with Their Content



Know Your Audience: Understand your audience's needs, values, and aspirations to create content that genuinely resonates.



Embrace Imperfection: Authentic content doesn't need to be overly polished. Embrace the realness and imperfections that make your brand unique.



Listen and Adapt: Continuously listen to customer feedback and adapt your content strategy accordingly.



# How Airbnb Creates Authentic Content and Gets High Engagement

Airbnb's "Experiences" platform allows hosts to offer unique, personal experiences, and has been a hit among travelers looking for authentic adventures.

# Airbnb has mastered the art of authentic content.

Through its "Experiences" platform, hosts world-wide curate unique, personalized activities for travelers. By facilitating authentic interactions between hosts and guests, Airbnb has fostered meaningful connections that go beyond traditional accommodation bookings. This approach not only differentiates the brand but also generates high engagement by delivering **genuinely authentic travel** experiences.

# Authenticity has become the North Star in the world of User Generated Content in 2024.

As customers crave sincerity and connection, brands must embrace authenticity as a guiding principle, weaving it into their content strategy and collaboration with influencers. By doing so, they can not only build trust but also create lasting and impactful connections with their audience.



04

## The Rise of Dedicated In-house UGC Teams

With the rise of User Generated Content (UGC), one trend is making waves in the marketing sphere – the rise of **dedicated in-house UGC teams.**Brands are increasingly recognizing the importance of having their own teams to manage, curate, and leverage UGC.

As we stride into 2024, the importance of these teams cannot be overstated.

### What do they do?

A decade ago, brands were not seeking social media managers or brand specialists. They were heavily invested in their website and search engine marketing. But times have changed. Brands now have the need to inflate their social presence authentically and connect with their audience like never before.

As the objectives change, so does the role of the person in charge. Brands now need UGC marketing teams to manage the load of creators and the campaigns. This team is involved in discovering, motivating, curating, and repurposing valuable feedback and content from fans, customers, and employees. A UGC Specialist focuses on engaging audiences internally and externally in multiple ways such as Halloween contests, 'Share Your Experience' campaigns, customer polls, etc. An ideal candidate excels at repurposing this content into various formats, stays current with marketing trends, and maintains a relationship with creators.



# Why In-House Teams for UGC Are Important

A survey by <u>Nielsen</u> found that 92% of consumers trust organic, user-generated content more than traditional advertising.

# Authenticity and meaningful engagement with customers have become central to brand success.

In this context, in-house UGC teams play a pivotal role, serving as the bedrock for forging authentic connections between brands and their audience. These teams offer numerous advantages that extend beyond content creation.

## Here are some key reasons why in-house UGC teams are the driving force behind brand authenticity and customer engagement:

#### **Immediate Response**

With in-house teams, brands can respond swiftly to UGC, fostering real-time interactions and building trust.

#### Consistency

In-house teams ensure that UGC aligns with the brand's messaging and values across all channels.

#### **Content Ownership**

In-house teams have a deeper understanding of the brand's identity, allowing them to curate and create UGC that resonates more authentically.





# How Many Team Members Are Needed In-House to Manage UGC

The size of an in-house UGC team depends on various factors, including the brand's scale and UGC volume. A small team may consist of a UGC manager, content curator, and community manager, while larger brands may require additional content creators, analysts, and legal experts.

# The key is to strike a balance between team size and efficiency, ensuring that all UGC can be managed effectively.



The rise of dedicated in-house UGC teams is a clear example that the growth trend of influencer marketing continues to increase every year, and more companies see the potential of investing in these strategies. When your brand runs a few campaigns a year, it's not worth it having your own team. However, when implementing long-term strategies, many of these companies decide to incorporate an internal team to manage the campaigns.



**Itziar Tros**Co-founder, Kitlify



## Tips for Hiring In-House UGC Teams



**UGC Manager:** Appoint a UGC manager responsible for overseeing the team, setting strategies, and ensuring seamless UGC integration.



**Content Curator:** Employ a content curator with an eye for identifying and curating the most impactful UGC.



**Community Manager:** Employ a content curator with an eye for identifying and curating the most impactful UGC.

## **Rising Trends in UGC Teams**

#### **Specialized Roles**

In-house UGC teams are diversifying with specialized roles like UGC data analysts, legal experts for compliance, and UGC strategists focused on content planning.

#### **UGC AI Integration**

Teams are increasingly integrating Al-powered tools for UGC analysis, content moderation, and personalization.

In-house UGC teams are emerging as pivotal players in the world of marketing, driving authenticity, engagement, and brand loyalty. As the UGC landscape continues to evolve in 2024 and beyond, brands that invest in dedicated in-house teams are poised to reap the rewards of genuine connections and impactful UGC strategies.





05

## UGC Infused Ads -Elevating CTR and Lowering CPC

In the dynamic world of digital marketing, strategies that dominate today may evolve or fade away tomorrow.

As we step into 2024, one trend is gaining ground and reshaping the advertising landscape - User Generated Content (UGC) infused ads.

# These ads generate 5X greater click-through-rate as mentioned by <u>Salesforce in 2022</u>.

Customers feel seen and represented when UGC is used in ads. They can relate to them more than a model or stock image, making your ads a huge hit.

It also matters where you are placing these ads on the **customer journey map**. Trying to convert potential customers at the product page and in abandoned cart campaigns is a surefire win.

12% of global consumers and 24% of <u>GenZ shoppers say</u> that they won't purchase a product unless they see photos or videos of real people using it.



#### The Power of UGC Infused Ads

According to <u>Stackla (2019)</u>, UGC is 9.8xmore impactful in driving conversions compared to branded content. You don't have to create the content and yet you receive better results.

## It cannot get any better!

Increasing ROI is directly proportional to an increase in CTR and decrease in CPC. UGC infused ads wield the power of authenticity and relatability to check all boxes.

#### So, what does it bring to the table?

#### **Authenticity**

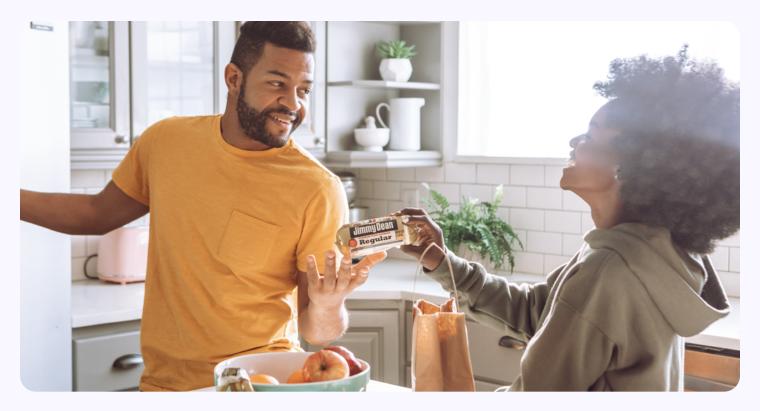
UGC brings real customer experiences and voices to the forefront, resonating with audiences on a genuine level that traditional advertising often struggles to achieve.

#### Relatability

Customers trust their peers. When they see UGC in ads, they are more likely to relate to the content, fostering a stronger connection and boosting conversations.

#### **Engagement**

UGC-driven ads are inherently engaging, capturing viewers' attention and encouraging interaction.



## **Strategies for Leveraging UGC in Ads**

Brands can employ various strategies to harness the potential of UGC in their advertising campaigns:

#### **UGC Collage Ads**

Compile a collage of user-generated images or videos that showcase your product or service from various perspectives. This approach offers a dynamic and visually appealing way to capture attention.

#### **UGC Testimonials**

Highlight authentic customer testimonials in your ads to build trust and credibility. Real voices sharing positive experiences can significantly influence potential customers.

#### **Incorporate Social Proof**

Showcase social media mentions, reviews, and ratings to demonstrate the popularity and positive reception of your offering. This not only validates your brand but also fosters a sense of community among potential customers.



We all know it: consumers are overwhelmed by ads. An ad that doesn't look like one but feels like a peer recommendation has a greater potential to capture viewers' attention and enhance ad efficiency. This organic look and feel also empowers it to thrive beyond the confines of a paid media ecosystem—an invaluable advantage in a macroeconomic context that has adversely affected the budgets of most marketers. Ultimately, when harnessed effectively, UGC becomes a treasure trove for brands to craft engaging and thumb topping creatives. This, in turn, fosters greater brand love and attribution, driving efficiency at every stage of the marketing funnel.



**Clémentine Saussier**Media Strategy Lead & Brand Manager, LinkedIn





UGC has become a great tool for building trust and loyalty with your audience. People trust other people more than brands, according to the 2022 PWC trust report that showed only 30% of consumers trust companies highly. On the other hand, 70% of consumers find customer testimonials more believable than brand claims.

Also, social media platforms favour content creators over brand content, leading to lower CPCs and higher CTRs. These factors make UGC more genuine and appealing, and it's no wonder that brands are turning to users to create captivating and relevant content for their audience (and they should!)



**Jessica Mayoral**Digital & Social Media Marketing, Microsoft



# How Airbnb improved their CTR by 300%

Airbnb's UGC-based ads featuring user-generated property images outperformed their traditional ads by 300%. Airbnb, embraced UGC-infused ads with remarkable success.

They tapped into the wealth of user-generated property images and integrated them into their advertising campaigns.

#### The Results?

Airbnb's UGC-based ads significantly outperformed their traditional ad counterparts, boasting a staggering 300% improvement in CTR and a substantial reduction in CPC.



## Tips for Brands to Maximize UGC in Ads



- Maintain Quality Control: While authenticity is key, it's important to maintain some level of quality control. Ensure that the UGC used in your ads aligns with your brand's image and values.
- Leverage Emerging Platforms: Keep an eye on emerging social media channels and content-sharing platforms where UGC is thriving. These platforms can offer fresh opportunities for engagement and visibility.

### **Trends to Watch in UGC-Infused Advertising**

#### **Short-Form Video Content**

Platforms like TikTok and Instagram Reels are witnessing explosive growth. Brands are experimenting with short-form video ads infused with UGC to capture the attention of younger, mobile-centric audiences.

#### **Interactive UGC**

Brands are increasingly exploring interactive UGC campaigns, such as polls, challenges, and user-driven contests. These strategies encourage active participation and engagement from the audience.

#### **Micro and Nano Influencer Partnerships**

Collaborations with micro and nano influencers, who have smaller but highly engaged audiences, are becoming a trend. These influencers often create authentic UGC that resonates with niche communities.

# Staying ahead requires innovative approaches that resonate with audiences.

UGC-infused ads have emerged as a potent strategy in 2024, elevating CTR and lowering CPC. As brands harness the authenticity and relatability of UGC, they not only capture attention but also build trust and drive engagement. The integration of **UGC in ads is more than just a trend;** it's a dynamic shift in the advertising landscape that promises substantial returns for those who embrace it.





06

# Nano Influencers – The New Game Changers

Why was word of mouth an important part of marketing for decades? It's because people trust other people. Influencer marketing is now the digital word of mouth, **the crux is still the same – trust.** 

It is predicted that companies will now gravitate from micro to nano influencers – a wing of influencers with less than 10,000 followers. The fact that these influencers can be your friends, classmates, neighbours, reveals that they hold a greater power to cast their influence than anyone else.



#### The Power of Nano Influencers in UGC

According to a report <u>by Influencity (2021),</u> Nano influencers have an engagement rate of 7%, higher thanmacro-influencers. Their small community brings greater value because they are much closer to their audience.

## Nano influencers have become game-changers in the UGC landscape for several reasons:

#### **Authenticity**

Nano influencers are perceived as more authentic and relatable than their larger counterparts. Their content often feels more like a recommendation from a friend than traditional advertising.

#### **Niche Expertise**

Nano influencers tend to focus on specific niches, allowing brands to tap into highly targeted and engaged audiences.

#### **Cost-Effective**

Collaborating with Nano influencers is often more cost-effective than partnering with celebrities or macro-influencers, making it an attractive option for brands with smaller budgets.



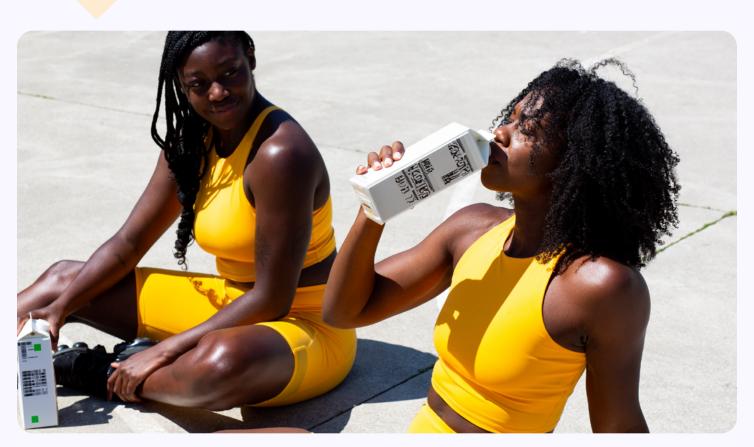


A company's optimal strategy is to forge close connections with its most valued customers, often referred to as power users. These loyal advocates naturally endorse your products, offer insights into new initiatives and messaging, and steadfastly support your brand, especially in times of doubt. They are not only devoted practitioners but also experts in your market.

In a business landscape increasingly focused on personalization in product development, communication, and post-sales service, firms fortunate enough to count nano influencers among their allies will outperform competitors and emerging players lacking such initiatives.



Nicholas White
Marketing Strategist, Ivy Worldwide



## Strategies for Effective Collaboration with Nano Influencers

Hiring nano influencers as brand ambassadors could be a great way to start a long-term collaboration. They are champions at reaching out to hyper-local and niche audiences.

#### While partnering with nano influencers this is what you should do:

#### **Identify the Right Influencers**

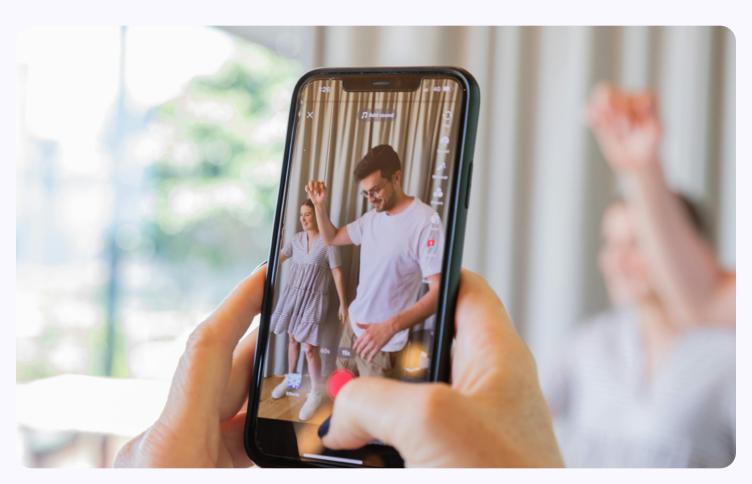
Look for Nano influencers whose niche aligns with your brand. Ensure they have an engaged and genuine following.

#### **Build Real Relationships**

Approach Nano influencers with a genuine interest in their content and values. Building authentic relationships can lead to more fruitful collaborations.

#### **Allow Creative Freedom**

Nano influencers excel when given creative freedom. Provide guidelines, but don't stifle their unique voices and styles.







Nano influencers are critical component to every organization's influencer marketing strategy. By working with content creators of all levels you can expand your brand's reach and build long last relationships. Collaborating with nano influencers allows you to hear from your day to day users in an authentic and honest way.

Working with platforms like Skeepers, allows nano content creators to start their relationships with brands, grow their communities, and learn how to create the level of content brands are looking for over time.



**Samantha Sickles**Head of Community, Skeepers

## Tips for Collaborating with Nano Influencers

- Clear Communication: Establish open and transparent communication from the outset. Clearly define objectives, expectations, and compensation.
- Content Guidelines: While granting creative freedom is important, provide basic content guidelines to ensure alignment with your brand's values and messaging.
- **Compensation:** Compensation can include monetary payments, free products, or other incentives. Ensure the compensation is fair for the influencer's work.

## **Boosting Brand Credibility with Nano Influencers**

Brands have realised that influencer marketing is more than just reach and views. It is about relevance, it is about relatability, it is about remembering the brand. Sure, 2M reach looks good on that quarterly review but what looks better is reaching **10K genuine people** out of which 5K possibly become your customers and loyal followers.

## Nano influencers can make that happen.

#### They enhance brand credibility in several ways:

#### **Authentic Recommendations**

Nano influencers provide authentic recommendations, building trust with their genuine enthusiasm for your product or service.

#### **Peer Influence**

As peers, nano influencers carry significant influence among their followers, who often view them as relatable and trustworthy sources of information.

#### **Niche Authority**

Nano influencers are experts in their niches. Their endorsements demonstrate your brand's authority within specific markets.

In the fast-evolving landscape of UGC, nano influencers have risen as powerful advocates for brands. As we move forward in 2024, the rise of nano influencers in UGC is more than just a passing trend; it's a transformative shift that holds immense promise. By staying attuned to the evolving role of Nano influencers and leveraging their unique strengths, brands can continue to thrive in the world of User Generated Content.











07

# **Betting Big on the Future of Live Shopping**

Live Shopping is in its early stages of exploration. Predictions say it will soon take over the retail industry and **reshape modern commerce**.

As consumers look for more influencer content and recommendations before making purchase decisions, this turns out to be a perfect platform for shoppers to buy digitally.

# It is quite popular among GenZ and millennial shop-pers.

They are drawn to the immersive and engaging experience of Live Shopping making it more and more popular. While the format is sought after, what makes it more appealing is pulling in influencers and creators to present products.

The next wave of ecommerce deals with stale content, value for money, and unconventional digital experiences.

Live Shopping shows great promise to pass this and uproot barriers between brands and its consumers.



## The Promise of Live Shopping in UGC

Live Shopping fuses the best of e-commerce and real-time video content. It offers interactive engagement, allowing viewers to interact with hosts and products in real time, replicating the in-store experience online.

It provides instant gratification, enabling viewers to make purchases directly during live broadcasts, enjoying immediate satisfaction. Furthermore, it serves as a platform for authentic product reviews and demonstrations, bolstering consumer trust.

#### **Benefits for Brands and Creators**

Live shopping offers a plethora of benefits for both brands and content creators. For brands, it often leads to higher conversion rates and increased sales, as viewers are more likely to make impulsive purchases when engaged in live broadcasts.

Moreover, live shopping fosters a sense of community and engagement, encouraging viewers to become loyal customers. For content creators, live shopping enables them to diversify their content and showcase products in real-world scenarios, adding authenticity to their UGC.





# Strategies for Success in Live Shopping

#### To succeed in live shopping, several strategies are crucial.

- Choosing the right platform is essential. Brands should select a live streaming platform that aligns with their target audience and product offerings. Brand websites and retailer websites are a great place to start. Platforms like Instagram Live, Facebook Live, and TikTok Live have gained popularity for live shopping.
- 2 Engaging charismatic hosts who can connect with the audience and provide engaging product demonstrations is pivotal.
- Making use of interactive features like live chat, Q&A sessions, and polls can enhance engagement with viewers and address their queries effectively.
- The last phase involves repurposing content from your live shopping campaigns. You can reuse the videos on your e-commerce site and social media channels to enhance views and engagement for your products.







Live Shopping emerges as a game-changing solution for e-commerce brands, and this paradigm shift is nothing short of revolutionary. As a proven strategy, it seamlessly integrates the dynamics of real-time interaction, immediate product showcasing, and authentic engagement. The interactive nature of Live Shopping bridges the gap between traditional in-store experiences and the online retail space, offering a unique fusion of convenience and personal connection.

What makes Live Shopping an indispensable move for e-commerce brands is its ability to cater to the evolving consumer expectations in a digital age. Shoppers increasingly crave immersive and authentic experiences, and Live Shopping provides a platform for brands to deliver precisely that. Through live interactions, product demonstrations, and real-time Q&A sessions, brands can establish a direct connection with their audience, fostering trust and authenticity.



**Thierry Aubert**Chief Product Officer, Skeepers

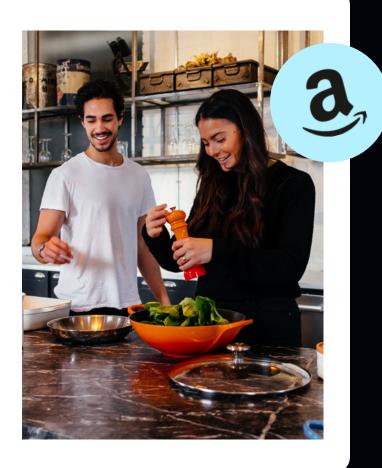


## How Amazon Created an Effortless Shopping Experience with Live Shopping

A prime example of a successful live shopping platform is **Amazon Live.** By integrating live broadcasts into its e-commerce ecosystem, Amazon has created a seamless shopping experience. Viewers can watch product demonstrations, read real-time reviews, and make purchases without leaving the live stream.

#### The Results?

Increased sales and enhanced customer engagement, showcasing the potential of live shopping.



### **Emerging Trends in Live Shopping**

Several emerging trends in live shopping are poised to further transform the e-commerce landscape.

- 360-degree product views are gaining traction, enabling viewers to inspect products from every angle during live broadcasts, enhancing their understanding and trust.
- 2 Expect to see tighter integration between social media platforms and live shopping, allowing brands to reach wider audiences through social commerce.
- Augmented Reality (AR) technology will enable viewers to virtually try on products during live broadcasts, providing a more immersive online shopping experience.



### **Tips for Brands and Creators**

To excel in live shopping, brands and creators should consider a few essential tips.

#### **Thorough Planning**

It is crucial. Invest time in planning live shopping broadcasts, outlining the content, products, and interactions you want to showcase.

#### **Advance Promotion**

Promote your live shopping event in advance through social media and email marketing to build anticipation and maximize viewership.

#### **Audience Engagement**

Actively engage with your audience during live broadcasts by asking questions, sharing your thoughts, and conducting polls to foster a sense of community and interactivity.

As we look ahead to 2024, the future of live shopping in UGC is bright and promising. Brands and content creators are recognizing its potential to revolutionize e-commerce, increase sales, and foster authentic engagement with audiences.

By embracing live shopping, businesses can offer immersive shopping experiences, leverage interactive features, and build stronger connections with their customers. As emerging trends continue to shape the live shopping, those who bet big on this transformative force in UGC stand to reap the rewards.

The time has come to go live, engage and redefine the way we shop online.



80

# Unlocking UGC's Mastery in Web3 and Metaverse

As we stand on the brink of a new era, Web3 and the Metaverse are revolutionizing the way we interact, create, and share content. Within this transformative landscape, **User Generated Content** (UGC) is poised to play a momentous role. Web3 and Metaverse have given influencers incredible opportunities to create and monetize their content.

Brands that jump on this wagon in its early stages are setting themselves up for a win.



#### **UGC in Web3 and the Metaverse**

Web3 and the Metaverse represent a paradigm shift in how we perceive and navigate the digital world.

#### UGC within these domains holds immense promise:

#### **Decentralization and Ownership**

Web3 technologies, like blockchain, offer creators greater control and ownership over their content, allowing them to monetize and protect their creations.

#### **Immersive Experiences**

The Metaverse provides immersive, 3D environments where UGC can thrive, offering users entirely new ways to engage with content and brands.

#### **NFTs and Digital Assets**

UGC can be transformed into valuable NFTs (Non-Fungible Tokens), creating unique, tradable digital assets.



### **Challenges and Considerations**

As the **Metaverse and Web3 pave the way for a new era** of User-Generated Content (UGC), brands and creators encounter both opportunities and obstacles. While the potential for immersive and interactive digital experiences is undeniable, these advancements also bring a set of challenges that demand thoughtful consideration:

#### **Privacy and Security**

As users create and share content in the Metaverse, privacy and security concerns become paramount. Brands must ensure the safety of both creators and consumers.

#### Interoperability

Ensuring UGC can seamlessly move between different Metaverse platforms and technologies is essential for its widespread adoption.

#### **Monetization Models**

Brands need to navigate evolving monetization models in Web3, such as token-based economies and NFT sales.



Remember when the internet first took off? User-Generated Content (UGC) was at its heart. Now, we're on the brink of another revolution: the Metaverse. As we venture into the Web3 era, UGC isn't merely influencing the digital realm but becoming its very foundation. This evolution means more control for creators. They can own their creations and earn from them consistently. Platforms like Somnium Space, The Sandbox, and Roblox are living proof of UGC's potency. But here's the thing: as the digital landscape evolves, so do audience expectations. Authenticity is paramount, it's the new gold in digital engagement.



**Pranav Rishi Sharma**Omnichannel Consumer Strategy Manager, ESPRIT



## Strategies for Brands in Web3 and the Metaverse

As brand strategies continue to evolve with the advent of Web3 and the Metaverse, brands find themselves navigating uncharted territories. Crafting successful strategies in this dynamic environment demands a fresh perspective and an innovative approach.

#### **Build a Digital Presence**

Establish a presence in the Metaverse by creating branded spaces or experiences that align with your values and offerings.

#### **Embrace NFTs**

Explore the creation and sale of branded NFTs as a means of engaging with collectors and enthusiasts.

#### **User-Centric Approach**

Put users at the center of your Metaverse strategy, inviting them to co-create experiences and content that align with your brand's message.

## **Exploring the Impact of Web3 on UGC**

Web3, often hailed as the decentralized internet, represents a revolutionary paradigm shift powered by blockchain technology.

# It champions fairness, transparency, and user empowerment in the digital realm.

Within this emerging panorama, the dynamics of User Generated Content (UGC) undergo transformation, redefining how creators engage with audiences and monetize their contributions.





### A New Dawn for UGC in the Web3 Era

The advent of Web3 technology is reshaping the UGC landscape, offering creators and users unprecedented possibilities. The symbiotic relationship between UGC and Web3 is charting the course for digital interactions in the future:

#### Ownership and Autonomy

Web3 introduces a groundbreaking concept in UGC - ownership and autonomy. Traditional platforms often strip creators of these rights upon content upload. In stark contrast, Web3's blockchain empowers UGC creators with verifiable ownership and absolute control. Content becomes tamper-proof and resistant to censorship, instilling creators with confidence. Users gravitate towards platforms that respect ownership, fostering a vibrant content ecosystem.

#### **Decentralized Content Hubs**

Web3's decentralized architecture paves the way for content platforms free from centralized intermediaries. Traditional platforms often rely on central authorities for content moderation, distribution, and data storage. Web3's decentralized content platforms, however, leverage blockchain consensus mechanisms, eliminating the risk of single points of failure or censorship. These platforms promote freedom of expression, where users can share perspectives without fear of content removal. Trust and authenticity thrive as users engage openly, contributing to a diverse content tapestry.

#### **Tokenization and Revenue Generation**

Web3's tokenization capabilities redefine UGC monetization. Creators can transform their digital creations into unique Non-Fungible Tokens (NFTs), representing ownership of specific content or digital assets. NFTs are tradable on blockchain marketplaces, enabling creators to monetize directly. Creators receive royalties with every sale or licensing of their content, establishing a sustainable income stream. This alignment of interests benefits both creators and audiences, incentivizing the production of valuable content.





# UGC in the Retail Metaverse

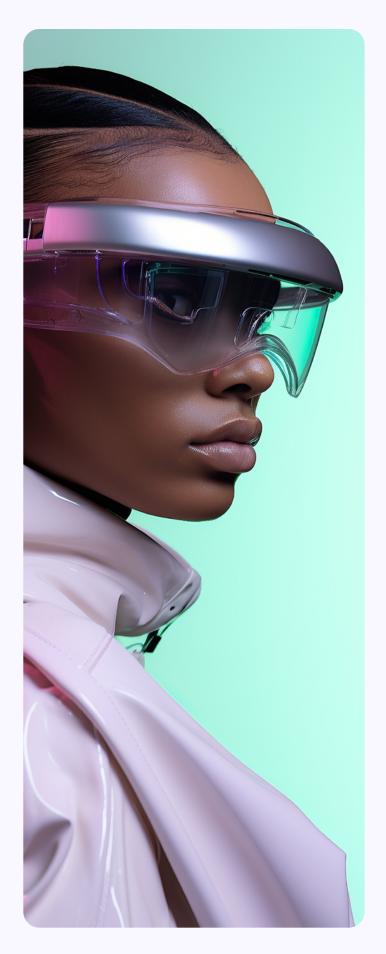
The Metaverse, driven by UGC, AI, and blockchain technology, is a transformative digital world where UGC breathes life into the space. With UGC at its core, the Retail Metaverse fosters unprecedented connectivity, creativity, and collaboration among brands and consumers, reshaping the way they interact in the digital sphere.

Within this virtual world, UGC empowers people to construct intricate landscapes, from crafting small towns in Minecraft to entire universes with Virtual Reality (VR).

It gamifies the entire experience, signing individuals to come together in virtual worlds.

**Nikeland by Nike** exemplifies this concept, inviting visitors to partake in games like tag and dodgeball, all while exploring a comprehensive collection of merchandise. Gartner predicts, as we approach 2026 a significant fraction of the global population will devote a minimum of an hour per day to the Metaverse, whether for work, shopping, learning, or leisure.

For brands and retailers, the metaverse allows for marketing, product discovery, and the ability to offer unique, immersive experiences that tap into AR or VR. It's a new platform for rewarding loyal customers with exclusive opportunities, non-fungible tokens (NFTs), personalized content, and more.



No wonder 30% of worldwide organizations will have products and services in the metaverse by 2026—forever changing the retail landscape.

For brands and retailers, the Metaverse unfolds a vibrant canvas for marketing, product discovery, and unparalleled immersive experiences, infused with AR and VR technologies. It acts as a novel platform for rewarding loyal customers, offering exclusive opportunities, Non-Fungible Tokens (NFTs), personalized content, and more. With no less than 30% of global organizations slated to introduce products and services within the Metaverse by 2026, the retail industry will witness a solid change.

But a prime opportunity brands can't afford to miss in this virtual world is the creation and collection of user-generated content. Brands can invite shoppers to play games, co-create content with your brand, or submit their own unique brand-related content to **drive** and sustain consumer engagement.

However, a big opportunity that brands cannot afford to overlook is the creation and curation of User-Generated Content. Brands have the chance to invite shoppers to participate in games, co-create content that resonates with the brand's ethos, or contribute their distinctive brand-related content, driving and sustaining consumer engagement.

# How Forever 21 is driving engagement in the Metaverse

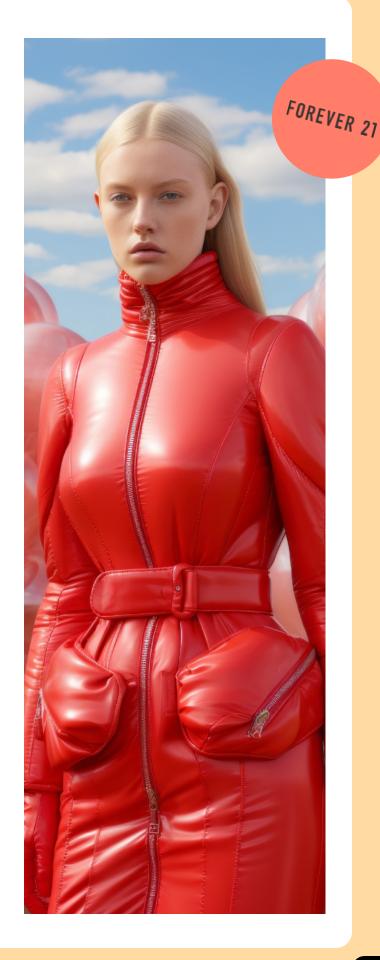
In a ground-breaking move, the fashion brand joined forces with the gaming giant, Roblox, to introduce "Forever 21 Shop City" in December 2021.

This innovative virtual venture opens the door for users, fashion influencers, and imaginative creators to step into the metaverse and bring their own stores to life in the. metaverse.

Within this immersive digital territory, users have the power to buy and sell Forever 21 apparel and accessories, recruit their own workforce, and personalize every facet of their unique shopping experience.

#### What's more?

Forever 21 is forging exciting collaborations with influencers who will curate exclusive collections and unveil their very own stores, adding a **dynamic** and personalized touch to this evolving metaverse shopping journey.





### **Emerging Trends**

Several trends are shaping the future of UGC in Web3 and the Metaverse:

#### **Metaverse Marketplaces**

The rise of virtual marketplaces within the Metaverse, where users can buy, sell, and trade digital assets, including UGC-based NFTs.

#### **UGC-Driven Experiences**

Increasingly, UGC will drive immersive experiences, from virtual concerts to art galleries, and brand-sponsored events.

#### **Interconnected Metaverse**

The development of interconnected Metaverse environments, allowing users to seamlessly traverse different virtual worlds and engage with UGC across platforms.

As we journey further into the realms of Web3 and the Metaverse, UGC's role in shaping this digital frontier cannot be overstated. Brands that harness the power of UGC within these transformative spaces can unlock new levels of engagement, authenticity, and creativity.

While challenges exist, the potential for brands to create **immersive**, **user-centric experiences** and monetize UGC in novel ways is unprecedented.



# How UGC Will Affect

# Modern Commerce



01

#### **Provide Social Proof**

User Generated Content (UGC) is a potent tool in providing social proof, which has a profound impact on modern commerce.

When potential customers see positive reviews, ratings, and testimonials from fellow consumers, it instills confidence in the brand and its products or services. This social proof not only influences purchase decisions but also plays a crucial role in customer support management.

Customer support teams will leverage UGC by monitoring and responding to customer reviews and comments. Positive UGC will be used as endorsements, while negative feedback will be addressed promptly to enhance customer satisfaction.

Support teams will **build trust, resolve issues,** and foster a positive brand image by actively engaging with UGC.





02

#### **Drive Sales**

**UGC** is a powerful driver of sales in modern commerce. As consumers increasingly rely on peer recommendations and reviews, UGC will serve as an invaluable tool for sales teams. Authentic UGC will be strategically incorporated into marketing campaigns to influence purchasing decisions.

Sales teams will stay ahead of the competition by harnessing UGC to highlight the unique selling points of products or services.

By showcasing real customer experiences, sales teams will effectively communicate the value proposition and build trust with potential buyers.

Authentic content will be used across various sales channels, from e-commerce websites to social media platforms, to drive conversions and boost revenue.

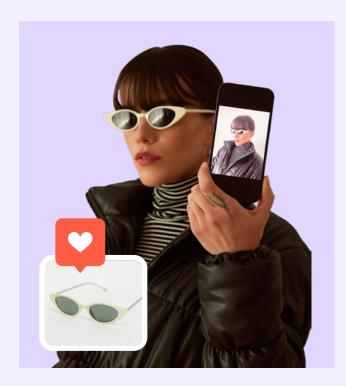


03

# Foster a Sense of Community

UGC plays a pivotal role in fostering a sense of community among brand enthusiasts and loyal customers. Social teams in modern commerce will continue to harness UGC to nurture and grow their community.

User-generated content, such as customer reviews, user-submitted photos/videos, and testimonials, will be shared on social media platforms to engage and connect with customers. Social teams will encourage user-generated content creation by running contests, challenges, or interactive campaigns. This will not only strengthen brand loyalty but also provide a continuous stream of fresh content for social media marketing. Additionally, UGC will be used to showcase the brand's commitment to its community, creating a positive brand image and increasing customer engagement.





04

## **Help Understand Customer Needs**

User-generated content will continue to serve as a valuable source of insights into customer needs and preferences. Product teams will tap into UGC to gather feedback, identify trends, and gain a deeper understanding of what customers value most.

ments and innovations based on real customer feedback. By monitoring reviews, comments, and discussions, product teams will be able to identify pain points, uncover opportunities for product enhancements, and refine their offerings to better meet customer expectations. UGC-driven insights will empower product teams to make data-driven decisions that lead to product excellence and customer satisfaction.

In summary, **UGC** has a multifaceted impact on modern commerce. It will provide social proof, drives sales, fosters communities, and offers invaluable insights into customer needs. By strategically integrating UGC into various aspects of business operations, companies will be able to enhance their brand image, build trust, and stay competitive in the dynamic world of modern commerce.

## Conclusion

The 2024 UGC landscape is characterized by evolving consumer behaviours, technology integration, and a demand for authenticity.

Nano influencers are emerging as pivotal players in this domain, offering genuine and relatable content. Brands will increasingly harness UGC to foster trust, enhance personalization, and optimize conversion rates. Artificial intelligence and machine learning are anticipated to play a more substantial role in analyzing and understanding UGC.

In conclusion, the year 2024 marks a significant shift in the world of User-Generated Content (UGC).

Authenticity is paramount, as consumers across generations, especially Gen Z, seek a more honest and meaningful online experience.

The **trealness movement** exemplifies this desire for genuine content, leading to a preference for UGC over high-production content. Brands must build enduring partnerships with content creators who excel at storytelling while appearing natural and authentic.

Gone are the days when follower count alone determined influencer partnerships; now, it is the quality and authenticity of the content that materiness.















Skeepers is the European leader in shopper engagement solutions. We provide a fully integrated one-stop-shop UGC suite for brands to bond with consumers, amplify reach, boost engagement, drive sales and customer retention.

More than **8,000 clients** across the globe use our Al-based solutions to generate millions of dollars in additional sales annually. Our commitment to provide brands and consumers with trusted, authentic experiences and technology innovation has made us the UGC solution of choice for some of the world's biggest and leading brands.







# Get Real about UGC

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