

Project Dissertation Report on

A study on User Generated Content Behaviour

and its impact on purchase decision

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CERTIFICATE FROM THE INSTITUTE

This is to certify that the Project Report titled “A study on User Generated Content Behavior and its impact on purchase decision” is a bona-fide work carried out by Tushar Kalra of MBA 2017-19 and submitted to Delhi School of Management, Delhi Technological University, Bawana Road, Delhi–110042 in partial fulfillment of the required for the award of the degree of Master of Business Administration.

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Declaration

I Tushar Kalra, Student of MBA 2017-19 of Delhi School of Management, Delhi Technological University, Bawana Road , Delhi-110042 declare that Major Project Report on “A study on User Generated Content Behaviour and its impact on purchase decision” Submitted in fulfillment of Degree of Masters of Business Administration is the original work conducted by me.

The Information and data given in the report is the authentic to the best of my knowledge.

This report is not being submitted to any other university for award of any other Degree, Diploma and Fellowship.

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Place:

Delhi

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I have prepared this project for the “**A study on User Generated Content Behaviour and its impact on purchase decision**”. I have derived the contents and approach of this study paper through discussions with colleagues who are also the students of this course as well as with the help of various Books, Magazines and Newspapers etc.

I would like to give my sincere thanks to Assistant professor Mohit Beniwal and host of friends and the teachers who, through their guidance, enthusiasm and counseling helped me enormously. As I think there will always be a need of improvement. Apart from this, I hope this study paper would stimulate the need of thinking and discussion on the topics like this one.

Also I am very grateful to my entire faculty guide for his kind support & guidance for the accomplishment of this project work.

EXECUTIVE SUMMARY

Consumers are now the producers. This is the most striking characteristic of user generated content. A customer who used to be traditionally confined to passive consumption now takes on an additional and active role and becomes himself a producer of content. User generated content can therefore be interpreted as a result of the integration of the user into the process of media production. UGC is mass media orientated content. User generated content is produced for an uncertain number of recipients, which enables us to differentiate between user generated contents and those traces of data left behind wittingly or unwittingly as well as those intended for individual communication.

Would it be a good idea for you to purchase the Apple iPad, or the Amazon Kindle? What sort of fridge is best to conserve energy? Would it be advisable for you to fly on Indigo or SpiceJet Airlines? What improves one than the other? These are all inquiries that consumers are confronted with when settling on major buying choices. Prior to the advent of the Internet, consumers had restricted assets to help with their basic decision making. Some depended on word of mouth; others depended entirely on data that came straightforwardly from the makers, also called advertising. Word of Mouth limited the consumers to a little number of assessments, while advertising gave them just one-sided data. What they required was a bigger database of reviews to help with their decision making.

Methodology adopted

The research design will be used in this study is both ‘Descriptive’ and ‘exploratory’.

The data will be collected using both by primary data collection methods as well as secondary sources.

Primary Data: Most of the information will be gathered through primary sources. The methods that will be used to collect primary data are:

- Questionnaire

Secondary Data: The secondary data will be collected through:

- Journals
- Websites
- ResearchReports

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CHAPTER -1

1. INTRODUCTION

In its simplest form, user-generated content, or UGC, is media that has been made and additionally shared online by a person. That content can then "make engagement and additionally drive discussion." As advertisers move far from viewing individuals as "users," the industry's terminology has extended to incorporate terms like "companion made content" and "consumer-generated content" (CGC). Progressively, user-generated item reviews, pictures and labels fill in as an important source of data for customers making product choices online.

Would it be a good idea for you to purchase the Apple iPad, or the Amazon Kindle? What sort of fridge is best to conserve energy? Would it be advisable for you to fly on Indigo or SpiceJet Airlines? What improves one than the other? These are all inquiries that consumers are confronted with when settling on major buying choices. Prior to the advent of the Internet, consumers had restricted assets to help with their basic decision making. Some depended on word of mouth; others depended entirely on data that came straightforwardly from the makers, also called advertising. Word of Mouth limited the consumers to a little number of assessments, while advertising gave them just one-sided data. What they required was a bigger database of reviews to help with their decision making.

With the development of the Internet came another period: Web 2.0. Abruptly, web users had the capacity to impart data to each other through the Internet. Product reviews are currently on a large number of sites in several distinct languages. Consumers can search any item name into a web search tool and quickly have admittance to reviews from different consumers. Nitty-gritty and thoroughly considered reviews can be found with the snap of a mouse, permitting consumers to learn more about an item or administration before settling on any choice.

Individuals have been sharing stories about brands for a considerable length of time. What has changed are the vehicles through which verbal messages travel. The ascent of

the Internet, and later, online networking, discussions shifted to computerized spaces where they could be made and partaken out in the open form. User – generated content (UGC) or otherwise called electronic word – of – mouth (eWOM) works precisely like basic word–of–mouth aside from that it spreads contribution through an online medium. Potential consumers believe the content generated by different users with respect to brands and items predominantly in light of the fact that they see the users don't have any business intrigue.

Consumers are now the producers. This is the most striking characteristic of user generated content. A customer who used to be traditionally confined to passive consumption now takes on an additional and active role and becomes himself a producer of content. User generated content can therefore be interpreted as a result of the integration of the user into the process of media production. UGC is mass media orientated content. User generated content is produced for an uncertain number of recipients, which enables us to differentiate between user generated contents and those traces of data left behind wittingly or unwittingly as well as those intended for individual communication.

The sorts of media under the umbrella of UGC fluctuate, with small scale positions moving into the standard because of the ascent of portable first online networking channels, for example, Snapchat, Instagram and Vine. Standard types of UGC incorporate straightforward content posts (e.g. notices or Tweets), remarks, photographs, recordings and online appraisals and reviews. Teens and Millennial are driving another era of content showcasing that mirrors a general democratization of the media scene. Inside computerized, miniaturized scale organizations are developing and customary media channels are disintegrating. Rising stages are ruled by identities and genuine individuals — not brands or media organizations — and these content makers command gigantic followings and more impact than a portion of the biggest brands and media properties around.

The UGC scene covers an extensive variety of makers, from high-achieve topical specialists to regular associate influencers who share updates with their close networks via social channels.

Expert Content Creators: Elite group of professional or semi professional. Makers who make content inside particular classifications and themes

Peer Influencers: Everyday consumers who are media enabled and share user-generated content by means of social channels

Obviously, master content makers contain a little fragment of the aggregate UGC pie. Actually, the consumer content scene reflects a blend of high-achieve, master makers and regular peer influencers who are making and sharing content to their own networks of family and companions. Casual observation recommends there is a colossal arrangement of brand-related UGC over the diverse web-based social networking sorts; for instance, a YouTube video does not resemble a Facebook wall post. Better understanding of these distinctions is conceivably imperative for advertisers who are worried with the co-formation of their brands in various online networking platforms.

UGC is powerful for three key reasons:

- It's ubiquitous among digital natives (Millennial, in particular, are prolific content creators)
- It's compelling as it incites more trust and is more significant than other media groups
- UGC is a proven driver of brand metrics such as awareness, favourability and purchase intent.

Considered together, these supporting focuses underscore UGC's undiscovered potential for brands. With consumer trust in conventional media falling and time went through with UGC on the ascent, an ever increasing number of advertisers are moving money to projects and openings that drive earned media affect. Past the business result of informal exchange as a standalone strategy, a recent study found that WOM projects can open up the effect of paid media.

1.1 Utilizing UGC as Part of Your Earned, Owned & Paid Content Strategy:

Table 1: Type of Channels with examples

<u>Type of Channel</u>	<u>Examples</u>
<p>Earned Channels</p> <p><u>THIRD-PARTY CONTENT SHARED BY CONSUMER CREATORS</u></p> <p>By inspiring real people to create and share content about your brand in earned channels, marketers can shape conversations and maintain Ongoing, always-on conversations in social.</p>	<ul style="list-style-type: none"> •Product ratings and reviews that can be syndicated across social channels or featured on brand and retailer websites • Social media content that aligns your brand with a specific theme or topic (e.g. DIY or health) • Branded content created by a topical influencer that reaches a targeted lifestyle group
<p>Owned & Operated Channels</p> <p><u>WEBSITES, NEWSLETTERS, SOCIAL MEDIA PAGES</u></p> <p>Employ UGC to infuse personality and authenticity into your content strategy</p>	<ul style="list-style-type: none"> •Websites that feature real life product usage via photo & video content (e.g. a CPG brand showcasing creativity in the kitchen) • Websites that include consumer photos, ratings & reviews within individual product pages

in owned channels. Create and curate a library of content that can be leveraged across brand and agency teams — and even across markets

- Curated micro sites that celebrate consumers' creativity around a specific campaign or initiative

Paid Channels

- TV or print ads that feature fan-created content or showcase an influential content creator (vs. a celebrity endorser)

PRINT, TV & DIGITAL MEDIA

FORMATS, INCLUDING PAID

SOCIAL

- Display ads that showcase a consumer-created meal vs. A professional product shot

Inject authenticity into your paid media strategy. Using UGC helps marketers maintain reach and employ targeting while delivering content that resonates with consumers who are increasingly wary of traditional advertising.

- Paid social media that amplifies fan photos and/or videos

1.2 Business Model of UGC

Looking across UGC platforms, there are three principle ways by which UGC s generate income.

The first and most regular approach to produce income is to sell advertising, which is the approach taken by Facebook, Twitter, Yelp, and many others. One advantage of this approach is that UGC platforms often know a ton about contributors and users, including what they are keen on.

The second way to generate revenue is to sell subscriptions to users who need to get the content. For example, many website charge an annual membership fee to users. While

this approach can dispose of a portion of the difficulties of depending mainly on advertisements, it can likewise confine the quantity of contributions (since less individuals will see the content) and eventually the reach of the platform.

The third way to revenue generation is to sell analytics and data. For example, Facebook can presumably predict fashion trends across the country better than most other organizations can, by studying changes in user behavior and network data. Similarly, Yelp can presumably predict food trends better than other organizations. Such analyses could potentially change the way that businesses optimize their operations.

A fourth alternative is not to pursue profit at all. Some UGC platforms—such as Wikipedia—have opted to pursue a non-profit approach, relying on donations and fundraising drives to stay afloat.

1.3 Stakeholders in UGC

There are many types of stakeholders on any given UGC platform. First, there are *contributors* who provide content. Second, there are *consumers* of content. A novel feature of UGC is that a platform's end users are both contributors and consumers. Since users are creating content, the measure of content and its incentive to any given user relies on upon the quantity of aggregate users. There are significant network effects on all UGC platforms, and the value of the platform depends on the number of users. Of course, some users will primarily produce, while others will primarily consume. You may like to watch YouTube recordings, for instance, yet have a companion who posts them yet once in a while watches them.

A third set of actors is the set of *advertisers*— individuals and associations that are attempting to achieve users. For example, Facebook earns four billion dollars per year through advertising. Advertising is also a central source of revenue for Yelp and many other UGC platforms. In addition to advertisements that are displayed on UGC webpage, advertisers sometimes use other channels to influence content. For example, there have been reports of staffers being paid to maintain Wikipedia pages for politicians.

Fourth, UGC platforms have *bystanders*—people or organizations that are essentially the subjects of content. A person being discussed on Twitter is a bystander, as is a restaurant being reviewed on Yelp. Bystanders may or may not be users, and in some cases are not allowed to be. They are sometimes advertisers as well, and may more generally try to shape the content users create – through both legitimate and illegitimate means.

Finally, every UGC platform has a *designer* who sets the rules that shape contributions and interactions on the platform. Ultimately, the designer decides which users are allowed to interact on the platform and the incentives the users will face. The designer creates the market for advertisements to be sold, and decides whether the platform should intervene at the request of a bystander. Ultimately, these choices determine the impact and quality of UGC.

1.4 Online Web Communities

A web community is defined as a group of people that share a common purpose and interact with each other through a community platform. Members of a web community interact with each other either directly through the community platform by personal communication or in discussion threads. Indirect interaction is performed when one user consumes content that was uploaded by another user or several users are collaboratively editing a wiki page.

Community Types:

Web communities that allow the creation of user-generated content have different foci of the functionality they provide. The reason for this is the different goals of the platforms and the different types of content.

Social Media is the most obvious category of web communities, that allows generation and sharing of user-generated content. In Social Media platforms, user-generated content is the most important concept. Based on the way how singular content items are created within the community, we can distinguish three subcategories:

- Collaboratively created content has no single creator but is created, modified, and improved by different users (e.g., Wikipedia)
- Non-collaboratively created content has one single creator who is responsible for it (e.g. Flickr, YouTube)
- Interactively created content documents the communication of different users (e.g., the Question/Answering Platform Answers")

Editorial News platforms are not primarily focused on user generated content. The main content is created by professionals and provided by the platform itself as articles or multimedia content (e.g., Yahoo! News). Nevertheless user-generated content is an additional functionality that allows the consumers of the edited content to actively participate in discussions and to provide feedback.

Social Reviewing functionality in platforms allows community members to express their opinion about a service or product. Typically, user ratings consist of a rating score and a review text. (e.g. IMDB, Amazon, eBay)

Content Assessment:

There are various ways by which content can be assessed in web communities.

Ratings: Ratings are means for users to express their opinion about content intentionally in an abstract way. The user opinion about a content item can concern specific aspects like quality, interestingness, or a mixture of all subjective relevant aspects in a single score ("like", rating). A rating can be expressed in a variety of different metrics. In the simplest case, the rating is expressed as a flag ("like", awarding a "star").

Text Reviews: Users can express their opinion about content items as text. Although an automated aggregation of these opinions is not naturally possible, a text allows the user

to address aspects that are not predefined. Review texts are pieces of user-generated content themselves and therefore also subject to user supported governance

Abuse Reports: Abuse reports are different from normal rating. While the purpose of rating is to assess the quality while keeping the content, abuse reports have the goal to remove unsuitable content by flagging it as abusive content. Although this information is never displayed to other users it is an indication for the administrators of the platform to oversee the content and delete it, if it violates the terms of usage.

Bookmarks: Bookmarks are a means of indirect rating. Although the intended purpose of bookmarks is to ease the access to subjective important content, a bookmark is also a statement of the user that expresses a positive opinion about the content item.

1.5 Popular User Generated Content Platforms

Table 2: Types of User Generated Content

Types of User-Generated Content	Prominent Platforms
Pictures	Pinterest, Instagram, Flickr, Snapchat
Services and Product Reviews	Rotten Tomatoes, Amazon, Yelp,
Networking and Personal Updates	Facebook, LinkedIn, Twitter
Encyclopedia and Reference Sites	Wikipedia
Comments on News Articles	WSJ Online, NY Times Online
Videos	YouTube, Vine
Sharing Platforms	Airbnb, Couchsurfing

Social Payments	PayTm, Square
Discussions/ Questions and Answer	Quora, Reddit, StackOverflow
Blogs	Wordpress, Tumblr

1.6 Quality of User Generated Content and Challenges

Quality can be assessed of two dimensions: completeness of information and usefulness of content. Usefulness refers to the timeliness, accuracy, relevance and benefit of information provided. A consumer's perceptions of the usefulness of an informational environment are strongly related with the quality of the information. Completeness refers to whether information is perceived to be comprehensive and complete. Some platforms are filled with excellent content and other equally good platforms are virtual ghost towns. In a world with little to no payment for content, generating an optimal *quantity* of content is a major challenge in the digital age. Even when incentives are put in place to generate a high quantity of content, it is also important to understand the quality of content. Overall, there is evidence that online reviews are generally consistent with expert reviews.

Perhaps the most frequently cited concern about UGC platforms is that they could become overrun by fraudulent or misleading operators seeking to boost their own reputations or plug their own products. After all, with the click of a button, virtually anyone can leave an anonymous review, post a video, write a Wikipedia entry, or indicate that they "like" a product or service. Promotional content arises in virtually every form of UGC. Concerns abound about firms providing fake positive reviews to boost their own reputations and providing fake negative reviews to harm their competitors' reputations.

Another determinant of the quality of UGC is the fact that later content may be influenced by earlier content. UGC, including Yelp reviews, Wikipedia posts, tweets, Facebook posts, comments on news articles, and YouTube videos, is not created in a vacuum. Rather, each contributor decides what to contribute taking into account all other contents that they see. This type of social influence can influence the final content generated.

User Reviews :

In the case of user reviews, there are two levels of self-selection. First, the potential reviewer selects whether to purchase a given product. Second, the potential reviewer decides whether or not to leave a review.

Because people are more likely to purchase a product if they think they will like it (e.g., Game of throne fans are most likely to see the series' final instalment), people who buy a product will rate the product more highly, on average, than those who don't. This can lead to an upward bias in its review. Moreover, early buyers may be systematically different from late buyers. For example, if early buyers are the biggest fans – like in the case for most books on Amazon – the upward bias will be exacerbated.

The second source of selection bias is the decision to leave a review after purchasing. The impact of this decision on the final content depends on the factors that drive someone to review. We might assume that people are most likely to review when their opinions are extreme, but they also might want to leave a review to promote a product they consider to be relatively obscure. Clearly, the first type of motivation would lead to a different type of bias than the second.

One issue that has come up in the context of online marketplaces is that sellers often review buyers and buyers review sellers. This can lead to strategic incentives for upward biased reporting if reviewers fear retaliation. For example, even if a renter on Airbnb has a bad experience, she might be hesitant to leave a bad review if the landlord were to see the review before leaving feedback for her. There are several possible solutions to this type of reciprocal reviewing. For example, a platform can simply withhold ratings until both sides have left a review. Reciprocal reviewing has been explored in settings such as eBay.

CHAPTER 2

2. LITERATURE REVIEW

Christy M.K. Cheung, Matthew K.O. Lee and Neil Rabjohn in the Research paper "*The adoption of online opinions in online customer communities*" talks about how Web-based technologies have created numerous opportunities for electronic word-of-mouth (eWOM) communication. This phenomenon impacts online retailers as this easily accessible information could greatly affect the online consumption decision. This paper focussed upon the extent to which opinion seekers are willing to accept and adopt online consumer reviews and which factors encourage adoption. The paper found comprehensiveness and relevance to be the most effective components of the argument quality construct of the research model, making them key influencers of information adoption.

The paper outlines ways to effectively promote one's business or cause through online customer communities, as well as general tips for web site and forum moderators for facilitating such presentation in a manner useful to the members of their online communities research model was built upon the information adoption model (Sussman and Siegal, 2003). It examines individual relationships between argument quality, source credibility, information usefulness, and information adoption.

Information adoption is a process in which people purposefully engage in using information. Information adoption behaviour is one of the principal activities that users seek to conduct in virtual communities. An example would be users scanning the opinions and comments posted by others before they make a buying decision. Perceived usefulness refers to the individual's perception that using the new technology will enhance or improve his/her performance. It is a fundamental predictor of user adoption, with significant correlations to both current and future self-reported system usage. Therefore, if others think that a comment within an online community is useful, they will have greater intention of adopting the comment.

Paper proves the hypothesis that “Messages perceived to contain information of high usefulness will result in higher levels of information adoption than messages perceived to contain information of low usefulness” and “The higher the perceived relevance of a message, the more useful the message will be perceived to be.”

Source credibility (Source expertise and Source trustworthiness), Accuracy and Timeliness were not found to impact information usefulness as much as Relevance and Comprehensiveness. Source credibility did not play a significant role in influencing information usefulness in this study.

Andrew N. Smith, Eileen Fischer & Chen Yongjian in the Research paper “*How Does Brand-related User-generated Content Differ across YouTube, Facebook, and Twitter?*” talk about differences in brand-related user-generated content (UGC) between Twitter (a micro blogging site), Facebook (a social network) and YouTube (a content community). Comparisons are drawn across six dimensions of UGC; the dimensions were drawn from a priori reading and an inductive analysis of brand-related UGC.

- 1) Promotional self-presentation (Did the UGC self-promote the consumer as well as the brand?)
- 2) Brand centrality (Was the brand central or peripheral to the UGC?)
- 3) Marketer directed communication (Did the UGC direct communications toward the marketer?)
- 4) Response to online marketer action (Did the UGC respond to an online marketer action?)
- 5) Factually informative about the brand (Did the UGC present factual information about the brand?)
- 6) Brand sentiment (Did the UGC convey, a positive, negative, or neutral sentiment toward the brand?).

This research provides a general framework for comparing brand-related UGC, and helps us to better understand how particular social media channels and marketing strategies may influence consumer-produced brand communications. No difference is hypothesized to exist between brand-related UGC from Twitter and Facebook on the self-promotion

variable. YouTube, however, is hypothesized to host more self-promotional brand-related UGC than the other two sites. Its slogan, 'Broadcast Yourself', encourages users to be the star of their video posts, and its architecture and culture support the development of micro-celebrities.

José van Dijck in the article – *“Users like you? Theorizing agency in user-generated content”* emphasised on the Time issue when it hailed you as the 'Person of the Year', the magazine paid tribute to the millions of anonymous, productive contributors to the web. This powerful but contrived metaphor has come to define the concept of user agency as it dissipated into academic and professional discourses. Notions of 'participatory culture' tend to accentuate the emancipation of the engaged citizen, who unleashes her need for self-expression and creativity onto the digital spaces created expressly for this purpose. Economists and business managers applaud the rise of 'wikinomics', hailing the surge of producers and co-creators whose contributions add substantial economic value.

Bruno Schivinski and Dariusz Dabrowski in the research paper: *“The effect of social media communication on consumer perceptions of brands”* covers user-generated social media communication had a positive influence on both brand equity and brand attitude, whereas firm-created social media communication affected only brand attitude. Both brand equity and brand attitude were shown to have a positive influence on purchase intention. It suggested that consumers contribute to the process of content creation for reasons such as self-promotion, intrinsic enjoyment, and desires to change public perceptions. Research shows that consumers involved with UGC are likely to be brand advocates, sharing opinions about brands and products with other consumers. UGC is also perceived by consumers as trustworthy, which makes this type of communication more influential than traditional advertising.

Azlin Zanariah Bahtar, Mazzini Muda in the research paper: *“The Impact of User – Generated Content (UGC) on Product Reviews towards Online Purchasing – A Conceptual Framework”* covers the importance of Feedbacks, reviews of product for any online purchasing. Feedbacks or also known as User – Generated Content (UGC) happens when previous buyers share their experiences online, which allows others including the potential buyers to read. This paper proposes a framework to investigate the influence of UGC on consumer's online product purchase intention consumers have a

great bond with social media, thus, in making an online purchase decision, consumers rely more on information generated by other users in the social media and networks. Online consumers believe users will not only speak the good sides of a product but the negative sides as well. This study aims to investigate whether the user – generated content (UGC) can influence online buyers’ intentions. This is based on the premise that the usage of UGC might aid and assist the buyers’ decision-making and sellers’ Performances. The way consumers receive news has changed just as quickly. People read news and commentary via blogs and tweets, which supplement—and in some cases replace—more traditional media. Even the fabric of our day-to-day interactions is changing, with online social networks such as Facebook, LinkedIn, and WhatsApp complementing, and at times replacing, offline networks. Clearly, in the digital age, how we interact with friends and family, learn about products, services, and jobs, and think about news, politics, and religion are dramatically changing. *Social media platforms* such as YouTube, Wikipedia, Yelp, WhatsApp, and Twitter enable users to interact with each other through the generation and sharing of content. The common thread across these platforms is that they contain *user-generated content* (UGC). UGC is material that a platform sources from its own end-users. Part of the crowd sourcing movement, UGC ranges from videos on YouTube to posts on Wikipedia to reviews on Yelp. All social media platforms contain UGC. However, not all UGC is contained on traditional social media platforms. Virtually all online platforms—ranging from online newspapers to online marketplaces—rely to some extent on UGC.

Sue Vaux Halliday – “User-generated content about brands: Understanding its creators and consumers” This research paper delves into the intentions and emotions of young adults (between age group of 20-25) creating and consuming user-generated content (UGC) about various brands. Service-dominant logic suggests that resources are operant rather than operand and so used/re-used by consumers, eventually breaking down the provider/consumer dichotomy to see the entire logic as working in an actor-to-actor network. This study establishes these two theoretical advances empirically. For the participants, the key issue within the UGC interactions is who to trust i.e. the credence of the source as the resources were used as a part of the ongoing identity project of the young adults participating. The findings support this research being within the frame of persons re-using operant resources as part of their wider lives as individuals, and not merely as consumers of the brand. In this process, actions creating and consuming UGC

also underpin potential for personal transformation as the movie quoted in the research paper, *Leaving Pleasantville* proposes. Therefore, the study here contributes a person-centric metaphor of the journey that individuals can be understood as participating in as they interact with brands on the Internet for personal formation and even transformation. The study provides insight and a metaphor to explain a key driver of UGC creation of the modern day consumer, by understanding him/her as an individual.

Guosong Shao: *“Understanding the appeal of user-generated media: a uses and gratification perspective”* User-generated media (UGM) like YouTube, MySpace, and Wikipedia have become tremendously popular over the last few years. The purpose of this paper is to present an analytical framework for explaining the appeal of UGM. The research methodology adopted in this paper is mainly theoretical due to a relative lack of empirical evidence. After an introduction on the emergence of media, this paper investigates in detail how and why people wish to use it, and what factors make UGM particularly appealing, through a uses and gratifications perspective. Finally, the key elements of this study are summarized and the future research directions about UGM are discussed.

Conclusions drawn through this paper argue that individuals consume this media in different ways for different purposes: they understand contents for fulfilling their preliminary research, entertainment, and mood management needs; they are involved through interacting with the content as well as with other users for enhancing social connections and virtual communities; and they produce their own contents for self-expression and self-actualization. The three separate utilities are individually and analytically different but interdependent in reality. This paper proposes a model to describe such interdependence. Furthermore, it argues that two usability attributes of UGM, “easy to use” and “let users control,” enable people to perform the aforementioned activities efficiently so that people can derive greater gratification from their UGM use.

CHAPTER -3

3. RESEARCH METHODOLOGY

Based on the theoretical research and analysis presented in the Literature Review section this research aims to investigate whether the user generated content (UGC) can influence online buyers' intentions. This is based on the premise that the usage of UGC might aid and assist the buyers' decision-making and sellers' Performances.

3.1 Research Questions

- To examine what motivates the users to create and share digital content, or content related to any brand
- To examine the role of consumer reviews and how heavily do they rely on it to assist with certain purchasing decisions
- To examine the reliability of User generated content and what makes users trust them
- To examine the preference of users for Traditional advertisements v/s User Generated Content
- To examine in which sector User Generated Content impacts the most
- To examine the socio-economic profile of the contributors and consumers of User Generated content

3.2 Primary Research Design and Research Instrument

Since the research questions are focused on identifying which combination of independent variables produce positive effects on attitudes and purchase intentions, a quantitative study will be conducted. Primary data will be collected through an online survey that will be passed online via social media, as this is the best medium to reach as many respondents as possible in the shortest amount of time. Given that social media is now widely used by most age ranges, it was considered the most appropriate way of gathering responses from different types of demographics, psychographics and geographic area. The survey was done with the help of Google forms to produce a **twenty-question** survey in which participants were asked about their Internet use for

purchasing. The research was completed by using a **Descriptive research** design which deals with various factors obtained from secondary research.

The Sample size which was taken for this survey was 70.

3.3 Research Measures

The participants were chosen by **Random Sampling**. The survey, mostly including multiple-choice or short-answer questions, took approximately 10 minutes to complete. Participants were asked to omit answers to any questions that were not applicable to them. The survey was emailed out to participants covering various demographics, such as students, businessman, and other adults. The survey questionnaire has been added in the appendix to this dissertation report. After the data was collected and extracted from the survey software, it was input into SPSS. In order to test the hypotheses and identify interactions between the dependent and independent variables, the following tests have been used: multiple linear regression and independent t-tests. In order to minimize possibility of error and guarantee a high confidence level of 95% in the obtained results, an alpha level of 0.05 for statistical tests was used.

3.4 Secondary Research Design

The secondary data for this study were collected from journals, periodicals, books, publications by various authors.

3.5 Limitation of Study

The benefits to conduct a structured primary research are immense but the way they were obtained in the course of this study, the major limitation is the number of responses. The major limitation of study is small sample size which is 70. The sample size should have been larger to effectively capture the strong and accurate reasons for finding the impact of user generated content on purchase decision and reliability of UGC. Young population is more than fifty percent of total population, so accordingly compared to that figure; this sample size is very small.

Another limitation was access to participants. The survey was send out as an email to a large group of students, but survey was not floated to large-scale database of adults. If the survey was floated to more adults, there would have been more participants in the Generation X and older.

In order to fully understand consumers' perceptions of user generated content and word of mouth, more research could be conducted. Advertisers could look further into this topic and develop solutions for consumers who do not trust them as much as word of mouth content. Researchers could also look into exactly which purchases consumers look to user generated content for help with, which was not covered in this study.

CHAPTER 4:

IMPACT OF UGC ON TRAVEL AND TOURISM SECTOR

In seeking to understand contemporary tourism we are therefore seeking to understand the new trends in traveller behaviour and in tourism models. Therefore, when looking at the evolution of tourism, we need to look beyond the product' debate, and seems more useful to clarify the evolution of the digital platforms as communication vehicles and the effects of social media and Web 2.0 on tourism consumers and producers interrelationship.

Tourism has embraced technology for over three decades, beginning with developments of computer reservation systems, followed by communication with clients, interactivity, tools for research, massive data storage and support to interrelationship management The last path - Web 3.0 - refers to usage of interaction men machine with the objective of deal with large quantity of information that was generate by web 2.0 technology, so the digital content can be processed by users and by advanced applications, too. With both Web 2.0 and Web 3.0, communication flows in bidirectional, because web allows users to interact and share information with each other, creating virtual communities of users and social networks.

4.1 Influence of User-Generated Content Factors on the Behavioural Intentions of Travel Consumers

Because travel products are intangible and cannot be evaluated beforehand, travel consumers tend to rely on social media as an experienced source to lower the perceived risk and uncertainty. Social media are essential to travel consumers as they decide destinations, accommodations and activities for their travel; therefore social media will affect their travel and purchase decision making process. Modern consumers appreciate UGC as the manifestation of individual travel experience, which includes unique insights from their close friends, family members, co-workers, or even a certain stranger locates

around the world, which used a particular tourism product, visited a certain destination, or patronized a property. Additionally, UGC takes on many forms in social media, from Twitter tweets, Facebook status updates, videos published on YouTube, to consumer-produced reviews and advertisements.

In a survey done by Nielsen (2012), after recommendations from friends and family, consumers' reviews in social media are the second most-trusted resource of the brand information. Second, people tend to make choices based on popularity. In a situation that other information is absent; most people would rather stand in a queue at a crowded restaurant than try out an empty one. The attractiveness of popularity has been found significantly relying on the belief that the popularity implies the quality of product or interestingness of information. In social media, information and products are often ranked according to the metrics such as the quantity of views, downloads or purchases.

To encourage the users' engagement, most of social media come along with the functions of 'comment', 'like' and 'forward post (retweet)' that allow users to convey their opinions or ratings towards the content. In general, 'comment' represents discussion, conversation, and interaction among multiple parties; 'retweet' means publicly agreeing with someone or validating his/her thoughts, or an act of friendship and loyalty; and 'like' means appreciating and supporting. Hence, the activeness of the consumers' social media engagement can be easily interpreted, as the more 'comments', 'likes', and 'retweets' mean the more travel consumers being involved in social media. In other words, travel consumers' social media engagement can be seen from how much the consumers would like to offer 'like', 'comment' and/or 'retweet' UGC, and more popular and influential UGC will attract more consumers to engage in social media.

The rise in holiday and hotel research conducted online, and the popularity of social media, presents an opportunity for the hotel industry. **TripAdvisor's 2015 report found that 90% of consumers rely on ratings of accommodation on a review site.** This was the second most important factor impacting booking decisions behind price. Also 85% of consumers also rely on photos and videos online. To take advantage of this trend, hotels should use electronic word-of-mouth and user-generated content to supplement their primary marketing communication messages. Many of the large travel and tourism brands have adopted user generated content. Taking a quick look at the big three UK

online travel agents, Booking.com, Expedia and Hotel.com, all of them have adopted consumer reviews in one form or another.

However, many smaller brands and independent hotels are yet to incorporate user generated content such as rating, reviews and photos on their websites. Why? The main barriers to implementation for many businesses are uncertainty, cost of implementation and ongoing management; especially when costs are on the rise in the travel sector. Managers are sceptical of the positive and negative impact user-generated content may have on their reputation. It is often the case that hotel managers are reluctant to commit to user-generated content because it is likely that both positive and negative content could be published on their own website. According to Reevoo, 68% of consumers trust reviews more when they see both good and bad content. Bazaarvoice also found that 82% of customer reviews are positive.

Who Posts, and Where, and What?

In the case of the tourists, they are not only reading and using information from the Internet during their decision process, but also posting information on the Internet during and afterwards. Therefore, the use of social media networks by tourists can be divided in three different temporal stages:

(i) Pre-trip where the search information is to get ideas about destinations and to see if it is a good choice which means a pre destination choice.

(ii) During Trip the Social Networks are used to seek additional information about the place, events in the local tourist place and also to contact friends and comment about the holiday experience.

(iii) In Post Trip the social media is used with two purposes, one is a called dreaming stage where the user beginning planning future holidays and also to comment his past experience, the other phase called sharing him shared photos with friends.

What motivates tourists to share their experiences and expectations' on social networks?

TripAdvisor is a popular travel web with more than 100 million travel reviews and opinions from tourists around the world, where 1,100,000 are about restaurants. In each reviewer profile have information about total of reviews made, number of restaurants reviews, number of cities reviews and total of helpful votes that his comments had from other tourists. With the increment on number of visitors in TripAdvisor it's clear that reviews are consulted by others tourists. If a traveller is recognized by his pairs as experienced and reliable, then his opinions can have a significant influence on purchase decisions in other tourist destinations travellers.

While trustworthiness is considered an important issue in online consumer's behaviour isn't yet clear his importance compared with others sources. Although it's considered that reviewers don't have nothing to lose during the process of sharing personal experiences, which can be considered a better level of perceived trustworthiness and reliability than traditional information's sources. The increased number of visits to sites like TripAdvisor also is considered a credible source of travel information

Despite empirical and theoretical difficulties in categorizing tourist motivations to post regarding the experiences, self-enhancement appears for most tourists as the driver for sharing consumption experiences and assessing such experiences from others. However, it seems limit to the displaying altruism; initiating personal growth; or displaying superior knowledge/opinion leadership and to construct and express their identity show that if a tourist is recognized by his on-line peers as experienced and reliable, no matter is generation, his opinions can have a significant influence on purchase decisions made by other travellers. Thus, these comments become valuable business assets, i.e. e-WOM valued by peers User generated content sites, like TripAdvisor, become so important that

The literature review shows that travellers' buying process has undergone substantial changes. Tourist tend to buy experiences and to minimize their cognitive cost by reading peers' comments and reviews on digital social networks three different type of reviewers, according to their expertise level:

Newbies, Beginners and Specialist. Newbies experiment more restaurants with higher recommendations level; while the other kind of tourist gradually search restaurants with less level of recommendation, indicating the importance of specialists as opinion maker.

4.2 Reliability of Reviews on the Internet: The Case of TripAdvisor

Given the rampant growth of travel-related user generated content on the Internet, this research seeks to investigate the reliability of reviews in TripAdvisor, a popular travel review site. Among various travel-related sites that support user generated content, TripAdvisor stands out most prominently in terms of usage and content. Since its launch in 2000, it has garnered more than some 75 million reviews. With such dime a dozen opinions, it is no wonder that TripAdvisor is recognized as an important information source among users for travel planning. These sites serve as avenues where users can post reviews to delineate, relive and reconstruct their experiences in hotels to online communities beyond any spatial or temporal constraints. Since potential travellers can browse through experiences of others, it is no wonder that more users are tapping into reviews prior to travel planning.

However, TripAdvisor has been the subject of controversy for allowing unsubstantiated anonymous reviews to be posted about any hotel. Approximately 30 hotels have been blacklisted by TripAdvisor for suspicious reviews, including a hotel that bribed guests to leave positive reviews of the hotel.

Issues with the reliability of reviews on TripAdvisor :

- Intra-reviewer reliability on the other hand refers to the extent to which the star rating given by a reviewer is consistent with the textual comments provided. This is particularly important because instead of being satisfied with star ratings, most users tend to look into the textual comments before making travel plans. Conceivably, if the rating and the comment of a given review are not consistent with each other, users may deem that review unreliable. This suggests that review sites such as TripAdvisor should employ more stringent gate-keeping procedures to render more reliability to the site.

- Different reviewers have varying motivations to contribute reviews. While some hold altruistic commitments to write high quality reviews, others post frivolous or misleading reviews out of mischief
- Different users could have varying levels of expectation from the same hotel. When expectations differ, a hotel appreciated by a user could turn out abysmal for another

4.3 Research on Expedia v/s TripAdvisor : Which is more reliable?

Expedia identifies people who have booked a hotel through its platform and then left reviews; hence it is more difficult to leave a fake review on Expedia than on TripAdvisor, which cannot verify whether users have actually stayed in a given hotel. Unlike sites such as eBay or Expedia that allow users who have completed actual transactions to write reviews, any user can post reviews for any hotels in TripAdvisor. While some reviews could be real accounts of users' post-trip experiences, others could be maliciously contributed with business interests to promote or hurt the reputation of competitor.

Review platforms employ a variety of mechanisms to prevent review fraud. As discussed, Expedia's decision to verify whether the reviewer made a purchase makes it more difficult to leave a fake review. This allows Expedia not only to reduce the amount of fraudulent contributions to the platform but also to reduce legitimate content. For example, if a hotel review platform only allows verified customers to review, it would eliminate many legitimate reviews by people who have stayed at the hotel but booked through a different platform – suggesting that these types of mechanisms present an important trade-off for the platform designer.

Findings:

In order to study more between 2 platforms, we compared hotel reviews written on Expedia to those written on TripAdvisor. Comparing the distribution of reviews within a hotel across the two platforms, we found that independent hotels (which have stronger

incentives than chains to game the system) tend to have a higher proportion of five-star ratings on TripAdvisor relative to Expedia. Moreover, hotels that are near an independent hotel tend to have a higher proportion of one-star reviews on TripAdvisor. Overall, this suggests that businesses with the strongest incentive to leave a promotional review are doing so, and that these reviews are concentrated on platforms where it is easier.

TripAdvisor point of view:

In order to study more between 2 platforms, we compared hotel reviews written on Expedia to those written on TripAdvisor. Comparing the distribution of reviews within a hotel across the two platforms, we found that independent hotels (which have stronger incentives than chains to game the system) tend to have a higher proportion of five-star ratings on TripAdvisor relative to Expedia. Moreover, hotels that are near an independent hotel tend to have a higher proportion of one-star reviews on TripAdvisor. Overall, this suggests that businesses with the strongest incentive to leave a promotional review are doing so, and that these reviews are concentrated on platforms where it is easier.

4.4 Information Aggregation on TripAdvisor

A major question faced by major travel forums is how to aggregate the information (reviews, ratings) on their platform. Consider a town with two hypothetical hotels: the Hotel X and the Hotel Y. Both hotels are quite popular on TripAdvisor, obtaining an average of 3.5 stars from hundreds of reviewers. On the surface, the two hotels seem similar. Yet as you look closer, you see that most of the favourable reviews for the Hotel X were from a long time ago and that the reputation has gone downhill from there. By contrast, Hotel Y has received a lot of favourable ratings over the last couple of years. Which hotel would you pick? Most likely, you would choose the Hotel Y.

Taking this hypothetical a step further, what overall rating should TripAdvisor display for the two hotels to its users to provide an estimate for the true quality of the hotel, and what order should they be listed in? As noted above, the arithmetic average rating for each hotel is 3.5 stars. Yet, it is only under very restrictive assumptions that an arithmetic

average is the optimal way to aggregate this information. For example, an average might be optimal if each review were an independent and identically distributed draw of quality with no peer effects, quality changes, or heterogeneity in quality of reviews.

The idea way to aggregate information on TripAdvisor

A structural approach for aggregation of UGC could be a model which allows for peer effects in content, changes in hotel quality, and reviewer heterogeneity, among other factors. It will derive an optimal aggregation of TripAdvisor ratings, which endogenously provides more weight to later reviews, and to elite reviewers, among other factors.

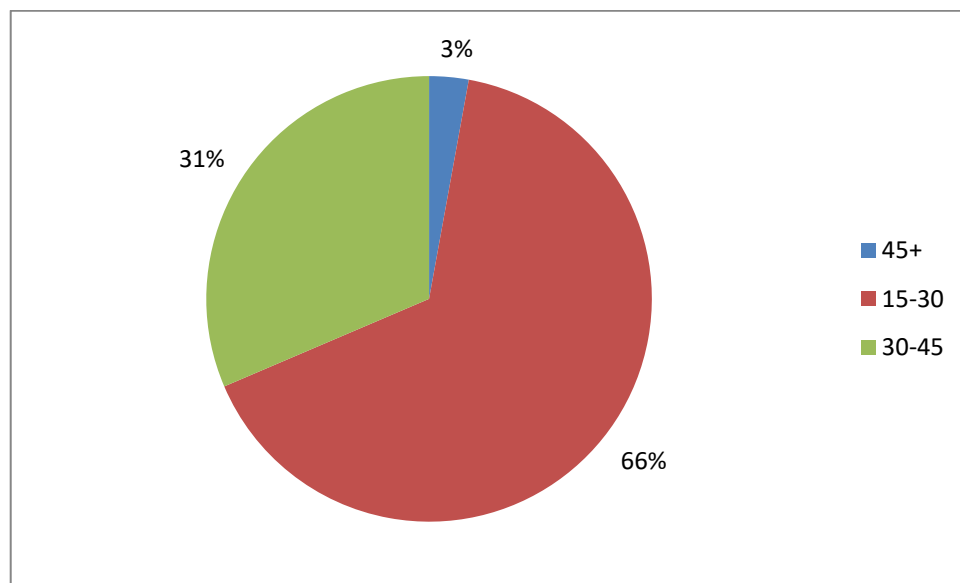
CHAPTER 5

Data Analysis and Hypothesis Testing

Age Distribution and Occupation

A total of 70 people ranging from 15 years old to 45+ years old answered the survey. The majority of participants (66.2%) were between the age of 15-30 and were classified as Generation X, and 30.9% of participants in the study were between the ages of 30 and 45, placing them in the age category of Generation Y. The rest of the participants were over the age of 45+, falling into an earlier generation. 83.7% people who responded were students while rest comprised of servicemen and Businessman.

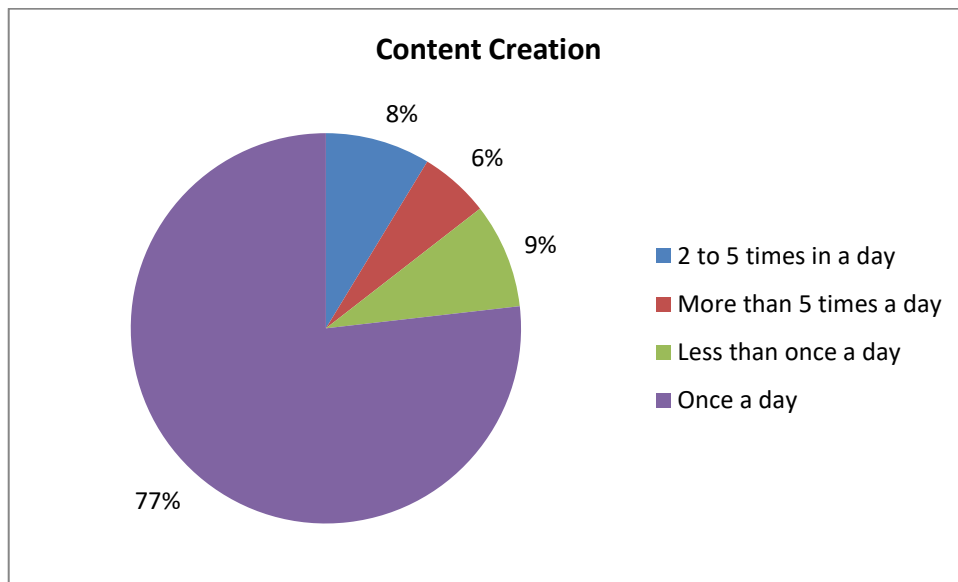
Fig 1: Distribution of Age



Content Creation Frequency

The amount of content created on the Internet each day was not necessarily consistent among different age groups. Among the respondents, 91% reported that they create or share content once a day. 9% reported that they create content less than once a day. Thus, majority of people do share or create content at least once a day.

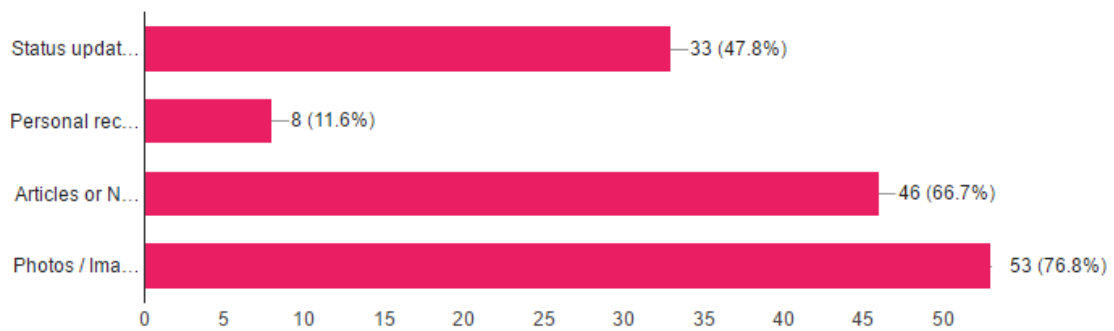
Fig 2 : Distribution of frequency of content creation



Type of Digital Content Shared

A whopping 76.8% of participants share Photos/Video Clips/Images while 66.7% participants were likely to share content related to an article or News. The interesting outcome was that only 11.6% of participants share content related to personal

recommendation about the brand or service



Reliability on User Generated Content

The most important aspect of UGC is its reliability. As there is no cross check mechanism, people sometimes don't rely on UGC. However, as it is not directed from producers or brand owners some people consider them to be reliable.

Hypothesis Testing :

- **H1:** As information receiving process is free from being interfered by salespersons is UGC more reliable

Hypothesis – No interference from salespersons increases the reliability on UGC

H₀ (Null Hypothesis): No Interference from salespersons does not increase the reliability of UGC (Mean < 3)

H_A (Alternative Hypothesis): No Interference from salespersons increases the reliability of UGC (Mean < 3)

Test Value: 3 (As the rating 3 is neutral, One-tailed will provide results above 3)

One-Sample Statistics

	<u>N</u>	<u>M</u> <u>ea</u> <u>n</u>	<u>Std.</u> <u>Deviat</u> <u>ion</u>	<u>Std.</u> <u>Error</u> <u>Mean</u>
<u>No Sal</u> <u>esman</u> <u>Interfer</u> <u>ence</u>	<u>70</u>	<u>3.</u> <u>23</u>	<u>.871</u>	<u>.104</u>

One Sample T-Test

	<u>Test Value = 3</u>					
	<u>t</u>	<u>Df</u>	<u>Sig.</u> <u>(2-</u> <u>tailed)</u>	<u>Mean</u> <u>Differe</u> <u>nce</u>	<u>95% Confidence</u> <u>Interval of the</u> <u>Difference</u>	
					<u>Lower</u>	<u>Upp</u> <u>e</u>
<u>No Sal</u> <u>esman</u>	<u>2.</u> <u>19</u> <u>6</u>	<u>69</u>	<u>.031</u>	<u>.229</u>	<u>.02</u>	<u>.44</u>

T value (Observed) = 2.196

T value (Calculated) = 1.661

As the $T_{Cal} < T_{Obs}$ value is for the test, therefore, the Null hypothesis (H_0) cannot be rejected. Therefore, No interference from salesperson does not increases the reliability on UGC

- **H2:** Consumers put a lot of effort to write even though they are not paid , hence they are more honest which makes UGC reliable

Hypothesis – As UGC is voluntary, not incentivised and consumer takes a lot of effort, it increases the reliability on UGC and is considered to be more honest

H₀ (Null Hypothesis): Effort of consumers does not increase the reliability of UGC
(Mean < 3)

H_A (Alternative Hypothesis): Effect of consumers increases the reliability of UGC
(Mean < 3)

Test Value: 3 (As the rating 3 is neutral, One-tailed will provide results above 3)

One-Sample Statistics

	<u>N</u>	<u>M</u> <u>ea</u> <u>n</u>	<u>Std.</u> <u>Deviat</u> <u>ion</u>	<u>Std.</u> <u>Error</u> <u>Mean</u>
	<u>70</u>	<u>3.</u> <u>11</u>	<u>.755</u>	<u>.097</u>

One-Sample Test

<u>Test Value = 3</u>						
	<u>t</u>	<u>df</u>	<u>Sig.</u> <u>(2-</u> <u>tailed)</u>	<u>Mean</u> <u>Differe</u> <u>nce</u>	<u>95% Confidence</u> <u>Interval of the</u> <u>Difference</u>	
					<u>Lower</u>	<u>Upper</u>
	<u>1.</u> <u>18</u> <u>7</u>	<u>69</u>	<u>.240</u>	<u>.115</u>	<u>-.08</u>	<u>.31</u>

T value (Observed) = 1.187

T value (Calculated) = 1.661

As the $T_{Cal} > T_{Obs}$ value is for the test, therefore, the Null hypothesis (H_0) is rejected.

Hence as UGC is voluntary, not incentivised and as consumer takes a lot of effort, it increases the reliability on UGC and is considered to be more honest

Impact of User Generated Content on buying decisions

When asked how much of an impact specific websites have on their buying decisions, participants certainly showed reliance on review websites. With the help of the survey responses, we performed a multiple linear regression model with one dependent variable and 3 independent variables.

Dependent Variable

Independent Variable

Purchase decision

Quality of UGC

Reliable and sufficient information

Brand/Product bought by other users

Independent Variable

Items

User generated reviews Quality

Contributor is a subject area expertise

Quantity of reviews are high in number

When reviews are not too opinionated and there is consistency between text review and star ratings

UGC provides reliable and sufficient information

Provides good efficiency in information searching

Information provided is reliable and convenient

Information provided is credible

Brand/Product Involvement by other users

If positive recommendation about brand/products, will buy product

Hypothesis Testing :

- H1: User Generated reviews quality impacts the buying purchase decision

- H2: If UGC provides reliable and sufficient information then it impacts the buying purchase decision
- H3: Brand/ Product involvement by other users impacts the buying purchase decision

Reliability of Independent Variables:

1. Quality of UGC

Reliability
Statistics for
Quality of UGC

<u>Cronba</u> <u>ch's</u> <u>Alpha</u>	<u>N</u> <u>of</u> <u>Ite</u> <u>ms</u>
<u>.742</u>	<u>3</u>

2. Reliable and sufficient information

Reliability Statistics for
Consistent Information of
UGC

<u>Cronba</u> <u>ch's</u> <u>Alpha</u>	<u>N</u> <u>of</u> <u>Ite</u> <u>ms</u>
<u>.833</u>	<u>3</u>

3. Brand/Product bought by other users

Reliability
Statistics for
Brand/Product
brought by other
Userse

<u>Cronba</u> <u>ch's</u> <u>Alpha</u>	<u>N</u> <u>of</u> <u>It</u> <u>ems</u>
<u>.704</u>	<u>2</u>

Cronbach's alpha is used to measure the internal consistency or reliability. The Cronbach's Alpha is 0.742, 0.833 and 0.704 respectively for the three independent variable thewhich indicates a high level of internal consistency for our scale.

Descriptive Statistics of Independent Variables:

Descriptive Statistics

	<u>M</u> <u>ea</u> <u>n</u>	<u>Std.</u> <u>Deviat</u> <u>ion</u>	<u>N</u>
<u>Purchase D</u> <u>ecision</u>	<u>3.</u> <u>2</u>	<u>.468</u>	<u>70</u>
<u>UGR Quali</u> <u>ty</u>	<u>3.</u> <u>53</u> <u>96</u>	<u>.69784</u>	<u>70</u>

<u>Information</u>	<u>3.</u>		
	<u>48</u>	<u>.68370</u>	<u>70</u>
	<u>36</u>		
<u>Brand_invol</u>	<u>3.</u>		
<u>vement</u>	<u>56</u>	<u>.59282</u>	<u>70</u>
	<u>00</u>		

For all the 3 independent variables which we have taken, the Mean is close to 3.5.
As per the Likert scale conversion, respondents agree that due to these factors it
impacts their purchasing decisions.

Correlations

		Purchase_Decision	UGR_Quality	Information	Brand_involvement
Pearson Correlation	Purchase_Decision	1.000	.635	.632	.631
	UGR_Quality	.635	1.000	.767	.614
	Information	.632	.767	1.000	.670
	Brand_involvement	.631	.614	.670	1.000
Sig. (1-tailed)	Purchase_Decision	.	.000	.000	.000
	UGR_Quality	.000	.	.000	.000
	Information	.000	.000	.	.000
	Brand_involvement	.000	.000	.000	.
N	Purchase_Decision	70	70	70	70
	UGR_Quality	70	70	70	70
	Information	70	70	70	70
	Brand_involvement	70	70	70	70

As per the results, there is significant correlation with purchase decision and UGR Quality, Reliable and Consistent Information and involvement of other users with brand/product in Social Networking Sites

Regression Analysis :

Model Summary

<u>Model</u>	<u>R</u>	<u>R Square</u>	<u>Adjusted R Square</u>
<u>1</u>	<u>.714^a</u>	<u>.509</u>	<u>.487</u>

a: Predictors: (Constant) : User generated quality, Information, Brand Involvement

The value of R Square explains the percentage of variation in 'dependent' variable due to the factors (independent variables) that are significant. R value represents the simple correlation and this value can range from zero to one. The nearer it is to one; the more the dependent variable is correlated with the independent variable. The regression model has an R square value of 0.509, indicating that 50.9% of the variation of the influence on consumer's purchase decision is accounted by the factors like User generated reviews quality, consistent information and brand involvement of other users with brand/products. To interpret, Thus, 49.1% of variation in consumer's purchase decision is explained by factors that have not been considered in our Hypotheses.

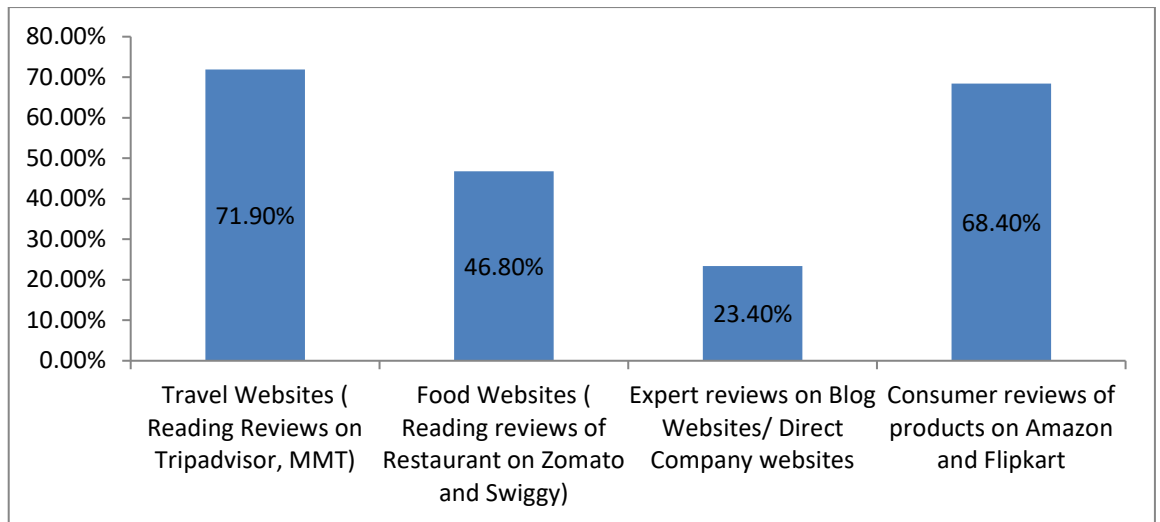
Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-1.368	.256		-5.342	
	UGR_Quality	.192	.092	.287	2.089	0.041
	Information	.133	.100	.195	1.333	.187
	Brand_involvement	.255	.094	.324	2.724	.008

a. Dependent Variable: Purchase Decision

<u>Hypothesis</u>	<u>p-value</u>	<u>Conclusion</u>
User Generated reviews quality impacts the buying purchase decision	0.041	Hypothesis is correct
If UGC provides reliable and sufficient information then it impacts the buying purchase decision	.187	Hypothesis is not correct
Brand/ Product involvement by other users impacts the buying purchase decision	0.008	Hypothesis is correct

Also, as per the survey an emphasis was put on Travel websites, with 71.9% of participants relied on these websites before booking flights, hotels and other vacation activities. Azamon.com was also a as a popular consumer review website, with 68.4% saying that the website positively impacted their buying decision.



7. Motivation to Share or Create Content in Social Media

In order to find out what motivates the users to share/generate content on Social Media, we performed a multiple liner regression analysis. We have defined one Dependent Variable and correspondingly 3 independent variables.

Dependent Variable

Motivation to share/create content

Independent Variable

Social and Financial Benefits

Share Brand/Product Experience

Show Brand/Product Involvement

Independent Variable

There are Social and Financial Benefits involved

Items

There are financial rewards associated with it

Helps me in identification and social integration

I meet nice people with writing

To share Brand/Product Experience

online reviews

It increases my reach to the world

To retaliate against negative
consumption experience

To recommend the brand/product
to others

To get active support in solving the
problems

A genuine desire to help other
customers

To show my brand loyalty

To feel connected with the brand

To show Brand/Product
Involvement

I want people to know that I am fan
of this brand

To give the impression of
possessing inside information and
assert superiority

Hypothesis Testing :

- H1: Social and Financial incentives motivate users to share/create UGC
- H2: Users are motivated to share/create UGC as they want to share brand or product experience
- H3: Users are motivated to share/create UGC as they want to share brand or product involvement

Reliability of Independent Variables:

1. Social and Financial Incentives

**Reliability Statistics for Social
and Financial incentives**

Cronbach's Alpha	N of Items
.765	4

2. Brand/Product experience

**Reliability Statistics for
Consistent Information of
UGC**

Cronbach's Alpha	N of Items
.862	3

3. Brand/Product Involvement

**Reliability Statistics for
Brand/Product brought by
other Userse**

Cronbach's Alpha	N of Items
.814	2

Cronbach's alpha is used to measure the internal consistency or reliability. The Cronbach's Alpha is 0.765, 0.862 and 0.814 respectively for the three

independent variable the which indicates a high level of internal consistency for our scale.

Correlations between Motivation to share/create UGC and Social Financial Benefit, brand experience and brand involvement

Descriptive Statistics of Independent Variables:

Descriptive Statistics

	Mean	Std. Deviation	N
Motivated for UGC	2.45	.432	70
Social_Financial_Benefit	3.7371	.68147	70
Brand_Experience	3.6286	.66793	70
Brand_Involvement	3.4787	.73496	70

For all the 3 independent variables which we have taken, the Mean is close to 3.5. As per the Likert scale conversion, respondents agree that due to these factors they feel motivated to share and create content.

	Motivated	Social_Financial_Benefit	Brand_Experience	Brand_Involvement	
Pearson Correlation	Motivated	1.000	.716	.899	.591
	Social_Financial_Benefit	.716	1.000	.815	.445
	Brand_Experience	.899	.815	1.000	.568
	Brand_Involvement	.591	.445	.568	1.000
Sig. (1-tailed)	Motivated	.000	.000	.000	.000
	Social_Financial_Benefit	.000	.000	.000	.000
	Brand_Experience	.000	.000	.000	.000
	Brand_Involvement	.000	.000	.000	.000
N	Motivated	70	70	70	70
	Social_Financial_Benefit	70	70	70	70
	Brand_Experience	70	70	70	70
	Brand_Involvement	70	70	70	70

Regression Analysis :

Model Summary

Model	R	R Square	Adjusted R Square
1	.904 ^a	.818	.809

The value of R Square explains the percentage of variation in 'dependent' variable due to the factors (independent variables) that are significant. R value represents the simple correlation and this value can range from zero to one. The nearer it is to one; the more the dependent variable is correlated with the independent variable. The regression model has an R square value of 0.818, indicating that 81.9% of the reasons which motivate users to share/create content is accounted by the factors like the social benefit, to share

their experience with the brand/product and to show your involvement with brand/product. To interpret, 18.9% of variation in consumer's purchase decision is explained by factors that have not been considered in our Hypotheses.

Coefficients^a

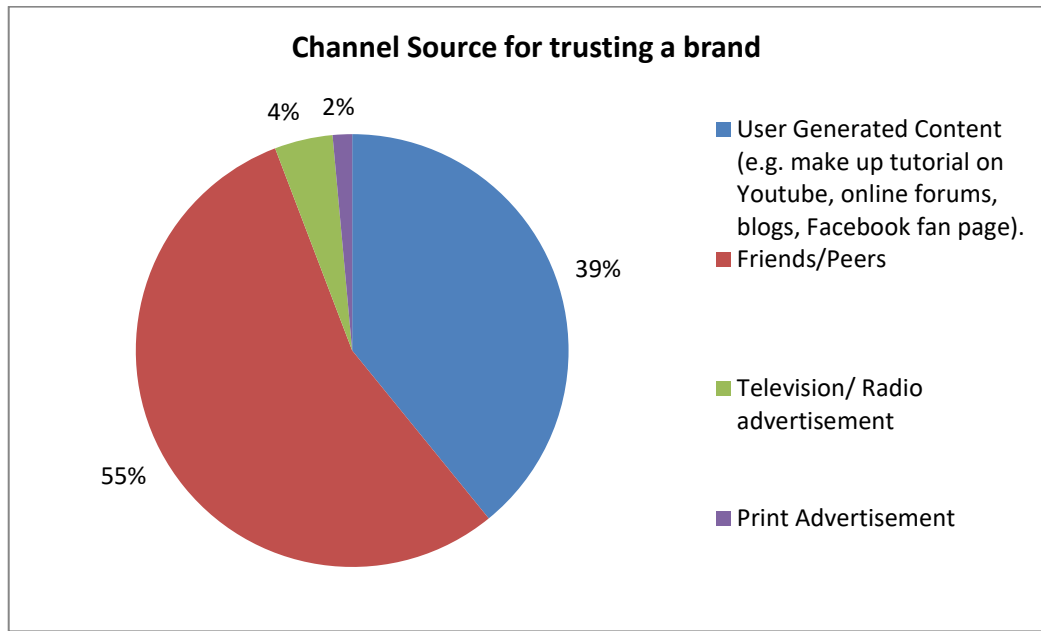
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-1.415	.140		-10.096	.000
Social_Financial_Benefit	-.028	.058	-.045	-.490	.625
Brand_Experience	.561	.064	.868	8.781	.000
Brand_Involvement	.069	.038	.118	1.847	.069

a. Dependent Variable: Motivation

<u>Hypothesis</u>	<u>p-value</u>	<u>Conclusion</u>
Social and Financial incentives motivate users to share/create UGC	0.625	Hypothesis is not correct
Users are motivated to share/create UGC as they want to share brand or product experience	0.000	Hypothesis is correct
Users are motivated to share/create UGC as they want to share brand or product involvement	0.069	Hypothesis is not correct

Channel as Source of Trust

55% of the participants trust Word of mouth from their friends, peers as source of information for any product/brand. 39% of the participants trust User Generated Content (e.g. makeup tutorial on Youtube, online forums,blogs, Facebook fan page) for any product or brand information.



Posting User Reviews and Quality

In terms of turning around and posting on these consumer review websites themselves, participants tended to respond negatively. Only 17.1% confirmed that they actually posted on consumer review websites after purchasing products. Of that 17.1%, 86.4% said that they posted both negative and positive reviews when they did actually post on the sites. 42% of the participants rate any User Generated content on the basis of Quantity of reviews while 36% of the participants rate any User Generated content on the basis of Quality of reviews.

5.1 KEY FINDINGS

The key findings of this research were:

- With 66.3% of members conceding that they do, actually, take a look at customer review sites before settling on buying choices, it is evident that these sites and their content produced by clients are all around regarded by purchasers.
- The reactions from members in this review asserted that they do, indeed, confide in the word of consumers over advertisers. With 65% of members saying that they trust advertisers less, it is clear that trust has stayed in other buyers despite the fact that they are currently strangers on the Internet. Obviously, buyers depend on each other like never before and they are even not reluctant to take the counsel of an outsider. As UGC is deliberate and is not paid, this makes individuals confide in UGC more. Likewise, as Consumers have no personal stake in the offers of the item, subsequently UGC is more reliable
- An astounding 76.8% of members share Photos/Video Clips/Images while 66.7% members were probably going to share content identified with an article or News. Hence, people are more likely to share photos and videos. As per respondents survey, they share any content which they felt it matches with their views or they find it inspiring or informative
- The research conducted in this study found that consumers are as equally likely to post positive reviews as they are negative reviews.
- Importance was put on Travel sites, with 71.9% of members depended on these sites before booking flights, inns and other excursion exercises. Amazon.com was additionally as a prevalent shopper survey site, with 68.4% saying that the site decidedly affected their purchasing choice.
- The reason why people create and share content was they wanted to share their product and brand experience, whether they were satisfied with the product or not. Also, majority of the respondents said they wanted to show their brand/product involvement. There were also social benefits as it helps in social integration
- 91% of the respondents post or share the content at least once a day. This shows the importance of User generated content in today digital's world. UGC is next to Word of mouth or review from friends and peers

5.2 CONCLUSIONS

- Through the findings in this review and already directed research it is apparent that word of mouth via User Generated Content is beginning to take a solid hang on Internet clients in our general public. It is becoming more and more important when we need to make some purchasing decisions.
- Consumers look to websites filled with user reviews to find out more information about the product or service they are considering purchasing. The research also found that consumers put more trust in client produced content than they do in ads. It is clear that consumers feel that producer content are one-sided, while the individuals who post audits on the Internet don't hold any sort of predisposition. They also see certain reliability in opinion leaders who generate content on these review websites.
- Because of the requirements for data and amusement, it is pivotal that the buy motivations of the intended interest group are distinguished, before characterizing the content format and complexity that is relevant for its users.

To conclude, the primary focuses about UGC are:

UGC is the next iteration of WOM: People have been sharing stories about brands for quite a long time. What's changed is that innovation has made it easier to produce more and better content through which to tell these stories.

UGC is multiplying over the range of social impact: Not every substance maker have a similar reach or aptitude level. Brands ought to consider using a blend of ordinary associate influencers and master content makers as a major aspect of their general technique.

UGC is pervasive, compelling and impactful: Consumers are spending up to five hours a day with UGC, and they also say that peer-created content is memorable and more trustworthy than traditional advertising.

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7. ANNEXURE

2/4/2017

Dissertation Survey || User Generated Content

Dissertation Survey || User Generated Content

* Required

1. Age *

Mark only one oval.

- 0-15
 15-30
 30-45
 45+

2. Occupation *

Mark only one oval.

- Student
 Business
 Service
 Unemployed

3. Do you use Social Networking websites for sharing and reading information? (Facebook, Instagram, Twitter etc.)

Mark only one oval.

- Yes
 No

4. What types of digital content are you likely to share? (Select whatever is applicable) *

Check all that apply.

- Status update that reflects your opinion
 Personal recommendation about a brand, product or experience
 Articles or News
 Photos / Images/Video Clips, GIFs

5. What emotion makes you most likely to share content? *

Mark only one oval.

- Laughter or Amusement
 Awe or Surprise
 Anger or Outrage
 Empathy
 Sadness

Motivation to Create/Share Content

<https://docs.google.com/a/ims.edu/forms/d/1wF5ZpX7caKmEN-1KESH5CaHWwIcIotzsz8-P6alwMY/edit>

15

6. How often do you create content in social media? **Mark only one oval.*

- Less than once a day
- Once a day
- 2 to 5 times in a day
- More than 5 times a day

7. Do you post on consumer review websites after purchasing a product or service? **Mark only one oval.*

- Yes - When the product or service exceeds my expectation (Positive Review)
- Yes - When my experience with the product is bad (Negative Review)
- No, I don't post

8. Why do you create content in social media? (Select whatever is applicable) **Mark only one oval.*

- Connectivity: Keeping friends, family, and/or networks up to date
- Creativity
- Self Fulfilment/ Identity
- None of the above/ Something else

9. Which factors do you take into account when sharing digital content? **Check all that apply.*

- It reflects my own beliefs or point of view
- It moved me emotionally
- It's entertaining
- It's inspiring
- It's Informative

10. If you posted about brands in social, what compels you to do so? Rate on the scale of 1-5 **Mark only one oval per row.*

	1	2	3	4	5
I want to inform others about my experiences with brands and/or products	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I want people to know I am a fan of the brand	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
To give the impression of possessing inside information and assert superiority	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I feel connected when I share my experiences about brands or products	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

11. On the scale of 1-5, please rate the motivations to share brand/product experience? *
Mark only one oval per row.

	1	2	3	4	5
To retaliate against negative consumption experience	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
To recommend the brand/product to others	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
To get active support in solving the problems	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
A genuine desire to help other customers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

12. On the scale of 1-5, please rate the benefits of sharing or creating content online? *
Mark only one oval per row.

	1	2	3	4	5
There are financial rewards associated with it	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Helps me in identification and social integration	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I meet nice people with writing online reviews	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
It increases my reach to the world	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Skip to question 13.

Reliability of Consumer Reviews

13. On the scale of 1 to 5, how much do you trust the information that consumers generate on these sites, including their comments? *
Mark only one oval.

	1	2	3	4	5	
Don't trust at all	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Complete trust

14. What source of information makes you trust your brand more? *
Mark only one oval.

Print Advertisement
 Television/ Radio advertisement
 User Generated Content (e.g. make up tutorial on Youtube, online forums, blogs, Facebook fan page).
 Salesperson
 Friends/Peers