

MARKETING

## UGC can be crucial to a brand's bottom line: Bazaarvoice

August 12, 2022



*Specific UGC content packs quite the punch in terms of getting sales. Treasure Data*

By KATIE TAMOLA

User-generated content can contribute to a mammoth return on investment (ROI), according to a new report from ratings and review provider Bazaarvoice.

Subscribe to **Luxury Daily**  
Plus: Just released  
State of Luxury 2019 **Save \$246 ▶**

The Total Economic Impact **study** conducted by Forrester Consulting, commissioned by Bazaarvoice, found that potential brands may receive a 400 percent ROI with Bazaarvoice, a \$4 return for every \$1 spent on the brand's solutions and services. Bazaarvoice assists brands in increasing UGC, which ultimately leads to better conversions on product pages.

"Luxury brands can utilize UGC solutions like Bazaarvoice in a variety of ways, but can especially garner great value in finding and utilizing high-quality images from their customers on social media," said Zarina Lam Stanford, chief marketing officer at Bazaarvoice.

"Bazaarvoice provides the capability for its customers to include visual content from their social media accounts throughout their marketing efforts."

Forrester interviewed 10 key decision-makers at five brands and four retailers using Bazaarvoice across Europe, Middle East and Africa and North America.

Like, rate, comment

User-generated content is defined as any content text, photo, video, audio that has been posted to a platform, which could include a brand or retailer's website, social media, et cetera.

Bazaarvoice found that when UGC is increased, this can lead to better conversions on product pages, up to 100 percent improvement from 2 to 4 percent.



*UGC can help boost in-store sales as well, as shoppers tap solutions like Bazaarvoice to take in reviews and conduct additional research. Image credit: Shutterstock*

Specific UGC content packs quite the punch as well in terms of getting sales.

Bazaarvoice, among other solutions, allows brands to invite consumers to leave questions for their CX and customer service teams to respond to.

Question and answer content assisted in increasing conversions by 150 percent.

Conversion rate also reached 200 percent improvement with social and visual content, proving how beneficial it can be for brands and retailers to allow consumers to include photos or link to their social media accounts.

When shoppers engaged with this content, in conjunction with other ratings and reviews, the conversion rate increased to 6 percent for the composite organization.

UGC can help boost in-store sales as well, as shoppers tap solutions like Bazaarvoice to take in reviews and conduct additional research. Select retailers surveyed consumers after making a purchase in-store, revealing the value of the UGC the consumers had previously taken in.

The power of UGC

It is becoming increasingly clear that sometimes, UGC can become a deciding factor in whether or not a consumer will make a purchase.

Consumers continue seeking out authentic reviews regarding their purchases, thus UGC continues to grow in popularity.



*User-generated content is defined as any content text, photo, video, audio that has been posted to a platform. Image credit: Shoploop*

According to the [Bazaarvoice 2022 Shopper Experience Index \(SEI\)](#), 71 percent of U.S. consumers say that photos from other shoppers on a product page increase the likelihood of making a purchase. Customer reviews, as opposed to content like professionally shot brand photos, are more important than ever, as other concepts like social commerce continue growing in popularity ([see story](#)).

According to earlier Bazaarvoice research, when shopping directly on a brand or retailer's ecommerce site, 42 percent of shoppers will not purchase a product if there is not UGC available on the product page ([see story](#)).

Leveraging UGC on social media platforms for instance, by crowdsourcing videos can help brands engage with shoppers. According to a new report from TikTok, brands such as Gucci and Ralph Lauren found success on the

platform in 2021 through partnerships or leveraging user-generated content ([see story](#)).

"User-generated content, especially consumer photos and videos, help shoppers to visualize themselves using or wearing a product," Ms.Stanford said.

"Enabling this experience is especially important for luxury brands, which shoppers might find unattainable," she said. "Seeing visuals of consumers just like themselves utilizing luxury products allows them to more easily envision themselves doing the same thing, encouraging them to press purchase."

---

© 2022 Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your [feedback](#) is welcome.