How user-generated content advertising influences consumer attitudes, trust and purchase intention of products and services

ABSTRACT

Due to the rapid advancement of new technologies in business, marketers’ dependency on user-generated content (UGC) is rising. This study therefore seeks to elucidate the importance of user-generated content in creating sales and establishing relationships with customers. Convenience non-probability sampling was adopted in selecting 330 participants. In addition, structural equation modelling was used in testing proposed hypotheses. Findings reveal that there is a positive relationship between the use of UGC, brand trust and purchase intention. However, it is observed that subjective norms, information quality and source credibility affect the use of UGC for decision making. The main recommendation is that it is imperative for marketers to be cognisant of their online audience and engage with customers online. Overall, this study will aid marketers in the comprehension of the factors associated with brand trust and purchase intention in relation to UGC advertising.

INTRODUCTION

Marketers are converting to consumer-generated content (CGC) through social media which acts as an advertising tool in generating awareness and promoting their brands (Pattison, Venter & Chuchu, 2016; Shao, 2009). The success of a business relies on different internal and external factors contributing to the creation of profit, and an important internal contributor to businesses success is the ability to retain and attract new consumers through the use of marketing strategies (Gupta, Guha & Krishnaswami, 2013). Marketing strategies have been evolving due to the development of new technologies influencing societies and behaviours (Barthel & Baeyens,
Organisations are integrating electronic strategies in their business models in order to create growth (Court et al., 2009) and responding to an increase in the number of people using the internet in their daily tasks, whether it is to read an email, interact on social media or buy online. Alongside these changes, companies have been making use of pull strategies through content marketing to build relationships with customers and prospects. Content marketing is described as a relatively new technique used to create and distribute valuable content or relevant information in order to acquire a defined target with the intention of obtaining profitable customer action (Steimle, 2014).

Content marketing is a trend that keeps on growing in the marketing environment, as brands increasingly use digital platforms and data gathered from consumers to create relevant content, to bolster brand engagement and brand loyalty (Marsland, 2015). It is therefore important for brands to acknowledge the significance of using content marketing as a strategy and understand the factors leading to a successful content marketing strategy as well as the consequences of applying this strategy. Within content marketing there has been a growing trend, namely user-generated content, which will be underlined in this study. Consumers are more exposed to different products and more inclined to make their decisions not based on what brands are being promoted, but rather based on what others say about the brand (Gesenhues, 2013). Indeed, the internet has enhanced the participation of internet users and empowered them to contribute, create and develop electronic content. This last point can be associated with what is known as customer-generated content.

Customer-generated or user-generated content (UGC) is described as content made publicly available, delivered with certain creativity and outside of a professional set-up without necessary expectation of financial reward (Vickery & Wunsch-Vincent, 2007). Thus, not only are businesses sharing content but power has also been handed over to internet users at the expense of traditional media which are losing their status as gatekeepers of published content (Balasubramanian, 2009). Consumers are increasingly perceived as collaborators and co-creators of brands' products' strategies in different areas, including the electronics sector, which is fast growing in Africa (SouthAfrica.info, 2013)

Despite the increasing attention on content marketing as a modern marketing tool, research on it is sparse (Müller & Christandl, 2019). This article therefore seeks to investigate possible uncovered potential advantages from user-generated content advertising in terms of trust, purchase intention and consumer attitudes. More specifically, the article reviews literature on subjective norms, information quality, source credibility, user-generated content, brand trust and purchase intention.

1. USER GENERATED CONTENT AND THE CONSUMER

The study is based on the theory of planned behaviour (Ajzen, 1991), which is widely regarded as one of the most influential models for the prediction of human social behaviour (Prapavessis, Gaston & DeJesus, 2015). At its foundation, the theory of planned behaviour is concerned with the
prediction of intentions (Ajzen, 2011). In addition, Ajzen (2011) posited that normative and control beliefs, attitudes and perceptions are all antecedents of behavioural intentions. To this end, the study therefore adopted the theory of planned behaviour to help in explaining and predicting human behaviour towards acceptance of UGC advertising.

Subjective norms refers to the degree to which individuals who are part of a social network influence one another’s behaviour in order to fit into the behavioural patterns pre-established in the community (Venkatesh & Brown, 2001). Subjective norms are recognised for inducing behaviour and are construed as a social pressure sensed by individuals, leading them to purchase certain brands over others or to dress in a certain way (Manning, 2009). Subjective norms take two forms, injunctive norms and descriptive norms, the former referring to social pressure to act as expected (Manning, 2009) and the latter referring to social pressures exerted from the observed behaviour of other individuals (Larimer et al., 2004).

UGC has been described as creative material published on publicly accessible websites created without a direct connection to any commercial interest (Organisation for Economic Co-operation and Development, 2007). UGC is a vital means through which consumers express themselves and communicate with others on the internet (Smith, Fischer & Yongjian 2012). Filieri (2016) found that trust towards UGC has a significant influence on consumers’ intention to follow other users’ recommendations. User-generated content has a self-reliant form that continues to attract large audiences (Shao, 2009).

Information quality refers to the extent to which an informational message is persuasive to an audience (Hua & Wang, 2014). According to Chu and Kamal (2008), information quality refers to the strength of an argument. In addition, information quality is considered to be a multi-faceted construct measured as far as reliability, understanding ability, usefulness and relevance is concerned (Cheung, Lee, & Rabjohn, 2008). Information quality can determine consumers’ purchasing decisions and the overall buying behaviour towards a product or a service online (Jalilvand, Shekarchizadeh & Samiei, 2011). However, others have argued that information is focused on assessing elements such as credibility, timeliness, sufficiency, understanding ability and objectivity (Negash, Ryanb & Igbariab, 2003). Source credibility and brand trust are explored in the following paragraphs.

Hua and Wang (2014) defined source credibility as the degree to which given information by a given source is perceived as believable, trustworthy and reliable. Li (2010) viewed information sourced from credible sources to be key in facilitating the transfer of knowledge among entities. Bahtar and Muda (2016) postulated that perceived credibility has a positive effect on attitude towards UGC. Brand trust is at the core of relationships between a buyer and a seller (Sahin, Zehir & Kitapçı, 2011). Indeed, in an effort to prove the relationship between brand trust and brand loyalty, Sahin et al. (2011) define trust as a consumer's strong belief that the seller will deliver his promised services and product. Hajli, Lin, Featherman, and Wang (2014) considered social media sites as an example of creative practise for brand trust development. Once a brand is purchased based on trust, it is likely to leverage its credibility and hence reinforce consumers repeat buying
behaviour. Sahin et al. (2011) also mention that a brand trust relies on two dimensions, namely: reliability and good intention. Laroche, Habibi, Richard and Sankaranarayanan (2012) argue that brand trust is enhanced through consumers’ interaction with the brand or peers, facilitated by creative practices. Lastly, the research outcome, purchase intention is explored.

Chu and Lu (2007) define purchase intention as the degree to which the consumers would desire to purchase products in the future. In this study it refers to the extent to which customers would want to purchase products in the future after being exposed to UGC advertising. Tan (2002) established that purchase behaviour is influenced by the perceived moral strength, number of consequences, temporal use, and social risk and the perceived commercial value (Ndlela & Chuchu, 2016). Scholars consider purchase intention to have different antecedents; for example, Temesi, Bacsó, Grunert and Lakner (2019) suggested that consumer attitudes lead to purchase intention, while Martins, Costa, Oliveira, Gonçalves & Branco (2019) postulated that advertising value provided by an electronic platform leads to purchase intention.

A conceptual model describing how the above concepts interact can be drawn where subjective norms, information quality and source credibility are proposed as antecedents of attitudes towards UCG use. In addition, attitudes towards UGC use influence brand trust. Lastly, brand trust mediates attitudes and the anticipated outcome (purchase intention).

**Model 1: The user-generated content advertising model**

The following section explores the proposed relationships of the study’s conceptual model presented as Model 1. The development of hypotheses based on subjective norms, information quality, source credibility, attitudes, brand trust and purchase intention. Literature on each of these constructs and their links is provided in detail followed by the statement of the hypothesis.
2. HYPOTHESES

Based on the conceptual model a number of hypotheses can be drawn.

Hypothesis 1: There is a positive relationship between subjective norms and attitude toward UGC use

Han, Hsu and Sheu. (2010) established through their study that there is a strong causal relationship between subjective norms and attitude. Subjective norms are considered to positively influence attitudes (Tarkiainen & Sundqvist, 2005). As far as Ajzen (1991) is concerned, subjective norms and attitudes have a two-way relationship, suggesting that they both affect each other directly and equally, with attitudes leading to intention. However, Yakasai and Jusoh (2015) proposed that subjective norms and attitudes were not directly related but both were antecedents of intention to use. Therefore, inferring from the literature and the empirical evidence abovementioned, the study hypothesises that there is a positive relationship between subjective norms and attitude towards UGC use.

Hypothesis 2: There is a positive relationship between information quality and attitude towards UGC use

Information sharing and interactivity influence attitudes through perceived usefulness (Pai & Yeh, 2014). Furthermore, Pai and Yeh (2014) postulated that intention to use was the outcome of consumer attitudes. According to Bhattacherjee and Premkumar (2004), communication impacts beliefs, which in turn influence satisfaction and ultimately consumer attitudes. It was postulated by Bock and Kim (2002) that attitude towards sharing knowledge directly and positively affected intention to share knowledge. This assumption thus suggests that the better the quality of information provided, the more positive the attitudes towards sharing that information become. Therefore, inferring from the literature and the empirical evidence abovementioned, the study hypothesises that there is a positive relationship between information quality and attitude towards UGC use.

Hypothesis 3: There is a relationship between source credibility and attitude towards UGC use

Attitudes towards content generated by other users are becoming more positive as this information is considered more credible in comparison to the content provided by sellers/marketers (Bahtar & Muda, 2016; Jonas, 2010). Source credibility directly influences consumer attitudes, which in turn leads to the adoption of products (Chung, Han & Koo, 2015). Source credibility can directly influence users’ attitude and perceived usefulness of new technology and systems, as mentioned by Bhattacherjee and Sanford (2006). Wu and Wang (2011) postulated that a positive message with a high source credibility results in better attitudes with regard to electronic word of mouth (eWOM) or UGC. Therefore, inferring from the literature and the empirical evidence abovementioned, the study hypothesises that there is a relationship between source credibility and attitude towards UGC use.
Hypothesis 4: There is a positive relationship between attitude towards UGC use and brand trust

This study will try to demonstrate that attitude, under some circumstances, can influence the level of trust in a brand as suggested by some studies (Jung, Soohyun, & Soyoung, 2014). However, Cheung and To (2017) argue that in fact trust is what influences attitudes when technology is concerned. Consumers’ attitudes towards online group buying directly impact website trustworthiness (Suki & Suki, 2017). Therefore, inferring from the literature and the empirical evidence abovementioned, the study hypothesises that there is a positive relationship between attitude towards UGC use and brand trust.

Hypothesis 5: There is a positive relationship between brand trust and purchase intention

Cheng, Rhodes and Lok (2015) portray brand trust as a mediating variable between online customer reviews and willingness to buy which also stands for purchase intention. Brand trust which was considered to be made-up of cognitive and affective states by Hsin Chang and Wen Chen (2008) was seen as directing influencing purchase intention. Additionally, Hsin Chang et al. (2008) postulated that website quality and brand were antecedents of brand trust and that brand trust also was impacted by perceived risk and vice-versa. Therefore, inferring from the literature and the empirical evidence abovementioned, the study hypothesises that there is a positive relationship between brand trust and purchase intention.

3. METHODOLOGY

A quantitative approach following the positivism paradigm was used for the present study and was deemed suitable due to its nature of objectivity. Survey methodology was adopted in which self-administered questionnaires were emailed to potential respondents. Before proceeding with the analysis, a pilot study was run among a sample size of 50 participants in order to test the reliability of instruments selected and to get insight into any potential errors in the instruments. Due to the unavailability of a known population, a sampling frame could not be established. Therefore, non-probability sampling in the form of convenience sampling was used in selecting suitable participants for the research. The main study used a sample of 330 participants who were deemed adults and older than 18 years old. Malholtra (2007), Zikmund and Babin (2010) and Muduku (2011) suggested that adopting a sample size similar to prior literature could be used as a basis for determining sample size. To this end this study followed the sample size of Maduku (2011), who had a sample of 394 participants.

The measurement instrument was based on a 5-point Likert scale in which subjective norms items were adapted from Glass and Li (2010) and information quality and source credibility items were adapted from Cheung et al. (2008). Attitudes towards use of user-generated items were adapted from Ayeh, Au and Law (2013), while brand trust items were taken from Soong, Kao and Juang (2011). Lastly, items for measuring purchase intention were adapted from Ling, Chai and Piew (2010). In terms of data analysis, SPSS 25 and AMOS 25 were utilised for descriptive statistics and hypothesis testing respectively. Hypothesis testing through structural
equation modelling (SEM) was performed in order to produce path coefficients and p-values. Path coefficients were for illustrating hypotheses strengths while p-values revealed levels of significance and whether or not a proposed hypothesis was supported. The research findings are presented in the following section.

4. FINDINGS

The results of the study are presented in this section.

4.1 Sample profile

<table>
<thead>
<tr>
<th>Representation</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>134</td>
</tr>
<tr>
<td>Female</td>
<td>196</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>330</strong></td>
</tr>
<tr>
<td>18-24 years</td>
<td>129</td>
</tr>
<tr>
<td>25-34 years</td>
<td>111</td>
</tr>
<tr>
<td>35-44 years</td>
<td>49</td>
</tr>
<tr>
<td>45-54 years</td>
<td>24</td>
</tr>
<tr>
<td>55 years and over</td>
<td>17</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>330</strong></td>
</tr>
<tr>
<td>Studying</td>
<td>145</td>
</tr>
<tr>
<td>Employed</td>
<td>126</td>
</tr>
<tr>
<td>Self-employed</td>
<td>41</td>
</tr>
<tr>
<td>Unemployed</td>
<td>18</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>330</strong></td>
</tr>
<tr>
<td>Under R5,000</td>
<td>116</td>
</tr>
<tr>
<td>R5,000 to R14,999</td>
<td>99</td>
</tr>
<tr>
<td>R15,000 to R30,000</td>
<td>62</td>
</tr>
<tr>
<td>R30,000 and above</td>
<td>53</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>330</strong></td>
</tr>
</tbody>
</table>

It can be observed in the table above that females represented more than half of all participants. In terms of age, 18 to 34-year-olds accounted for almost two thirds of the sample. Most of the respondents were either studying or employed. Lastly, the largest income group earned less than R5,000 a month. The descriptive, reliability and validity results are presented in the table below. The section that follows discusses these results as well as the model fit for the research.
4.2 Descriptive, reliability and validity results

<table>
<thead>
<tr>
<th>CONSTRUCT</th>
<th>MEAN</th>
<th>(α) ALPHA</th>
<th>CR</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attitude towards UGC use</td>
<td>3.35</td>
<td>0.896</td>
<td>0.923</td>
<td>0.706</td>
</tr>
<tr>
<td>Brand trust</td>
<td>3.39</td>
<td>0.917</td>
<td>0.932</td>
<td>0.634</td>
</tr>
<tr>
<td>Information quality</td>
<td>3.19</td>
<td>0.901</td>
<td>0.929</td>
<td>0.687</td>
</tr>
<tr>
<td>Purchase intention</td>
<td>3.57</td>
<td>0.908</td>
<td>0.942</td>
<td>0.845</td>
</tr>
<tr>
<td>Social influence</td>
<td>3.33</td>
<td>0.854</td>
<td>0.902</td>
<td>0.698</td>
</tr>
<tr>
<td>Source credibility</td>
<td>2.87</td>
<td>0.873</td>
<td>0.913</td>
<td>0.723</td>
</tr>
</tbody>
</table>

Key: (α) Alpha: Cronbach’s alpha, CR: Composite reliability, AVE: Average variance extracted

4.3 Discussion of reliability, descriptive and model fit

Cronbach’s alpha coefficients were above 0.8 while the composite reliability values ranged from 0.854 to 0.917. Furthermore, it was observed that most of the AVE values ranged from 0.634 to 0.845. The measurement model produced a ratio of chi-squared value over degrees-of-freedom which was acceptable as it fell below 2 as recommended by Tabachnick and Fidell (2007). Other model fit indices that included the GFI, CFI, IFI, NFI, RFI and TLI exceed the required 0.9 as suggested by Hooper, Coughlan and Mullen (2008). All these model fit measures were above the required value of 0.9. The RMSEA was below 0.08 to meet the criteria proposed by (Hooper et al., 2008). The following section illustrates the structural model for the research after hypothesis testing. The hypothesis outcome table is presented thereafter.

4.4 Structural Model Output

SN = Subjective norms; IQ = Information quality; SC = Source credibility; ATT = Attitudes towards UGC use; BT = Brand trust; PI = Purchase intention
4.5 Results of hypothesis testing

<table>
<thead>
<tr>
<th>Hypothesis relationship</th>
<th>P-value</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is a positive relationship between social influence and UGC use (H1)</td>
<td>***</td>
<td>Supported and significant</td>
</tr>
<tr>
<td>There is a positive relationship between Information quality and UGC use (H2)</td>
<td>***</td>
<td>Supported and significant</td>
</tr>
<tr>
<td>There is a positive relationship between source credibility and UGC use (H3)</td>
<td>***</td>
<td>Supported and significant</td>
</tr>
<tr>
<td>There is a positive relationship between Attitude toward UGC use and brand trust (H4)</td>
<td>***</td>
<td>Supported and significant</td>
</tr>
<tr>
<td>There is a positive relationship between brand trust and purchase intention (H4)</td>
<td>***</td>
<td>Supported and significant</td>
</tr>
</tbody>
</table>

Accepted level of significance = (p < 0.01), *** denotes p-value below 0.01

5. DISCUSSION

A discussion of the proposed research hypothesis is presented below:

Subjective norms and attitude toward UGC use

H1: There is a positive relationship between social influence and UGC use

Upon testing of a potential relationship between subjective norms and attitude toward UGC use, findings revealed that subjective norms have an effect on attitude toward UGC use. In this sense, consumers are more likely to be influenced by the existing social pressure and perception of individuals in their environment in developing an attitude toward the use of UGC for decision making. Though there is an existing positive relationship between subjective norms and attitude towards use of UGC, the relationship is relatively weak because of a path modelling estimate equal to 0.31, which is lower than 0.5.

Information quality and attitude towards UGC use

H2: There is positive relationship between information quality and attitude toward UGC use

From the findings of the study, it can be confirmed that there is a positive relationship between information quality and attitude towards UGC even though this relationship can be labelled as moderately weak based on a path modelling estimate of 0.34. The more positive information quality is perceived, the more positive the attitude will be toward UGC use.

Source credibility and attitude towards UGC use

H3: There is a positive relationship between source credibility and attitude toward UGC use

Based on results obtained in the previous studies, the relationship between source credibility and attitude toward UGC use is inevitably positive. Therefore, the more credible a source is in the
eyes of the consumers, the more positive their attitude will be toward UGC use to make decisions. Further to path modelling results, it is evident that despite a positive relationship between the two variables, this relationship is weak due to path modelling estimates equal to 0.28. In other words, source credibility does not affect attitudes toward UGC use very positively, as much as subjective norms and information quality.

Attitude towards UGC use and brand trust

**H4: There is a positive relationship between attitude toward UGC use and brand trust**

The study’s results support the hypothesis that there is an existing relationship of a positive nature between attitude towards UGC use and brand trust. Based on this study, it can be confirmed that the positive attitude of using UGC can lead an individual to trust a brand. The relationship between attitude toward UGC use and brand trust is a strong relationship because of a high path modelling estimate of 0.68.

Brand trust and purchase intention

**H5: There is a positive relationship between brand trust and purchase intention**

The findings have confirmed that there is a positive relationship between brand trust and purchase intention. In other words, if an individual trusts a certain electronic brand he will be more willing to develop an intention to purchase one of its products instead of a competing brand. Consumers see more value in purchasing from a brand that they trust. The relationship between these two constructs is the strongest in the proposed model as the estimate of the path modelling (0.71) was greater than 0.5.

6. **CONCLUSION**

The study was carried out with the aim of testing five hypotheses. These hypotheses were all successfully confirmed as significant. Hence, subjective norms, information quality and source credibility positively influence attitude towards UGC use and attitude towards UGC use has a positive influence on brand trust. Brand trust ultimately has a positive influence on purchase intention. Even though relationships amongst variables were justified, these relationships’ strength varied from weak to strong.

Referring back to the findings, the relationship between brand trust and purchase intention was identified as the strongest. This means that marketers’ attention should be drawn to building consumers' brand trust. The second strongest relationship is between attitude towards UGC use and brand trust. This study proves that a consumer’s positive attitude towards the use of UGC to collect information about a product can lead the consumer to trust a specific brand. Once the consumer trusts the brand, he can easily become willing to purchase, which is described through the relationship of brand trust and purchase intention. The weakest relationships were found, firstly, between source and attitude, followed by subjective norms and attitude towards UGC use and, lastly, between information quality and attitude towards UGC use.
Due to rapid advancement of new technologies, organisations are encouraged to integrate these new technologies into their business models in order to be competitive and respond to consumers’ quick adaptation. This has led to marketer’s dependency on user-generated content for promotion of products and services. Marketing managers are encouraged to play a part in facilitating interaction of consumers amongst themselves as it was proven in the findings of this study that consumers tend to trust peers more than professional salespeople. In addition, it was established that brand trust and purchase intention were the most closely associated constructs. This implied that managers of organisations especially retailers, should emphasise maintaining the reputation of their brand to employees so as to encourage purchase intention. This means that the stronger the trust that consumers have in a brand the more likely they will purchase that brand.

This research contribution is twofold, first to academia and second to practice and industry. In terms of academia, a unique model was developed and proposed new relationships that were empirically tested. The findings stimulate new interest on constructs such is source credibility and information quality that were added to the model of the theory of planned behaviour. As for practice, the study established that the antecedents of purchase intentions which include attitudes and trust had the strongest impact. This suggests that organisations are thus compelled to instil trust in their consumers’ minds and direct most of their efforts in influencing their attitudes than worrying about subjective norms. Even information quality and source credibility was observed to be less important than trust and attitudes as far as the consumers were concerned.

The main recommendation is firstly that marketers get to know online audiences and learn to engage consumers as well as find an opinion leader or influencer to endorse the brand. This will contribute to improving quality of the information, drive individuals to share information with each other and increase the perceived credibility of the source. Secondly, the firms’ platforms such as the website and social media pages need to be up to date, regularly assessed, measured and promoted through different tools in order to build brand trust and lead eventually to purchase intention. Overall, this study will aid marketers in understanding the factors that lead to brand trust and purchase intention through the influence of UGC and the factors affecting it.

REFERENCES


