

The Impact of UGC on Consumer Decision Paths

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Abstract: In the digital era, user-generated content (UGC) is pivotal to consumer decisions, with over 70% of buyers referencing UGC pre-purchase. While prior research emphasizes static impacts, this study dynamically examines UGC's role across decision stages (awareness, interest, consideration, purchase, after-sale) via literature review. Findings reveal UGC reshapes decision paths through "information-emotion-social identity" mechanisms: capturing attention via authentic visuals (awareness), fostering emotional engagement (interest), reducing risk through comparisons (consideration), leveraging social proof (purchase), and amplifying loyalty via post-purchase sharing (after-sale). Key contributions include a dynamic UGC model and critiques of fragmented cross-platform analyses, sample biases, and overlooked negative feedback. Future research should integrate cross-cultural comparisons and AI-driven sentiment analysis. Practically, brands must adopt an "incentive-audit-analysis" framework to balance authenticity and engagement, optimizing decision journeys. This study advances UGC theory with a dynamic, holistic lens, offering insights for Web3.0-era multi-scenario marketing strategies. Future research directions are proposed to guide subsequent investigations in this evolving field.

1 INTRODUCTION

In the digital era, where technological advancements are continuously transforming consumer ecosystems, user-generated content (UGC) has become a pivotal source of information, profoundly shaping brand perception and purchase decisions. UGC encompasses a wide range of content formats, including reviews, videos, images, and social media challenges, contributed by ordinary consumers, key opinion leaders (KOLs), and celebrities. According to Statista (2023), global social media users surpassed 4.8 billion in 2023, with over 70% of consumers referencing UGC before purchases. For example, on Xiaohongshu, more than 80% of beauty product consumers reviewed UGC prior to purchases in 2023. Sharing product recommendations and authentic experiences not only boosted sales but also enhanced brand-consumer interactions, underscoring UGC's pivotal role in modern marketing (Qin et al., 2024). Despite its recognized importance, existing studies predominantly focus on UGC's static impacts within isolated stages, leaving its dynamic mechanisms across the entire consumer decision journey underexplored. This study addresses the core question:

How does UGC continuously influence consumer behavior across decision stages?

By systematically examining UGC's mechanisms throughout the consumer decision journey, this study investigates its role in the key stages of awareness, interest, consideration, purchase, and post-purchase behavior. Through a comprehensive literature review, it synthesizes current findings on UGC's impact and provides an in-depth analysis of its mechanisms in shaping consumer decision-making. The study's findings offer theoretical insights for brands to refine UGC strategies, enhance consumer engagement, and strengthen brand loyalty.

2 MOTIVATION FOR UGC GENERATION

2.1 Social Demand Drives Content Creation

According to Tajfel and Turner (1979), individuals derive self-esteem from group membership, which aligns with users' motivations to share UGC on platforms like Xiaohongshu to reinforce social

identity. The core driving force behind UGC generation stems from users' deep needs for social identity and self-expression (Ferreira et al., 2022).

Consumers build their personal identity and cultivate a sense of community by sharing product experiences and lifestyle narratives on social media. Xiaohongshu, with its "marking life" community culture, exemplifies how platform design can stimulate UGC production. Its interactive mechanisms, such as likes, comments, and follower-based social engagement, create a positive feedback loop, reinforcing content creation and sustaining continuous UGC generation and interaction.

2.2 The Double-Edged Sword Effect of Economic Incentive Strategies

Economic incentives are an important guarantee to promote the continuous output of quality UGC. With the development of the content creator economy, platforms and brands have greatly boosted creators' motivation through the establishment of diversified economic incentives such as creator funds, business share, and incentive programs for quality creators. Business-led economic incentives can boost the number of UGC in the short term, but may weaken the authenticity and credibility of the content, or even false content. Studies have shown that monetary incentives may negatively affect the contribution of user-generated content (Liu & Feng, 2021). For instance, e-commerce platforms such as Xiaohongshu and Taobao encourage users to post positive reviews through cash incentives (e.g., "Xiaohongshu Creator Fund") and points-based rewards (e.g., Taobao's cashback for positive reviews). However, such incentives often lead to homogenized, superficial content (e.g., "swipe reviews"), diminishing the diversity and depth of user insights. The phenomenon of false comments triggered by economic incentives has systematic characteristics. Luca and Zervas (2016) pointed out that businesses are more likely to post fake reviews when their reputation is damaged or competition intensifies, and the extreme nature of such reviews (such as a high proportion of 1-star or 5-star ratings) is significantly higher than the real content. For example, on the Yelp platform, independent restaurants have more than three times the proportion of false reviews compared to chain restaurants due to a lack of brand endorsement. This phenomenon reveals the deep contradiction between economic incentives and content authenticity, that is, incentive strategies may distort user motivation, leading to the 'bad money driving out good money' effect of the information ecology.

3 REFINING THE FIVE STAGES OF CONSUMER DECISION PATH

3.1 Cognitive Stage: Attracting Attention and Establishing Preliminary Cognition

The cognitive stage is the stage when consumers first come into contact with a brand or product, and its main task is to obtain information and form a preliminary impression of the brand or product. Consumers obtain information through multiple touchpoints during the cognitive stage, which emphasizes their importance (Lemon & Verhoef, 2016). Modern consumers in the digital age increasingly rely on peer-generated information, with 82% of shoppers considering UGC crucial during initial brand discovery phases (Bazaarvoice, 2022). At this stage, UGC plays a pivotal role in three key areas: sharing authentic experiences, providing entertaining content, and utilizing engaging visual formats (Pop et al., 2022). Research demonstrates that graphic-textual UGC enhances information retention through dual-coding mechanisms (Houts et al., 2006), while short videos leverage dynamic stimuli to capture attention (Cheng et al., 2010). For instance, unboxing videos allow consumers to quickly grasp product functionality and key features, while humorous, creative, or emotionally engaging content, such as TikTok's challenge videos and real-life scenarios, further enhances brand visibility. Additionally, high-quality visuals, compelling animations, and attention-grabbing headlines amplify the impact of UGC, distinguishing it from traditional advertising and fostering a more personalized consumer-brand connection.

3.2 Interest Stage: Emotional Resonance and Enhanced Sense of Participation

The cognitive stage is the stage when consumers first come into contact with a brand or product, and its main task is to obtain information and form a preliminary impression of the brand or product. Lemon and Verhoef (2016) emphasized the importance of consumers obtaining information through multiple touchpoints during the cognitive stage. UGC, as one of the key touchpoints, plays a role in this stage through three main ways: sharing real experiences, entertaining content, and visual presentation, quickly capturing consumers' attention

(Pop et al., 2022). For example, ordinary users can help other consumers quickly understand the basic functions and features of the product by sharing unboxing videos or pictures of their first use experience through short videos. Meanwhile, the humor, creativity, or emotional content of UGC, such as "challenge videos" or "real-life scenarios" on TikTok, can effectively attract consumers' attention. In addition, high-quality graphics, dynamic effects, and attractive titles also add visual impact to UGC. These contents break the stereotypes of traditional advertising and promote consumers to establish a preliminary understanding of the brand or product through personalized and life like forms.

At this stage, UGC plays an important role through emotional content, interactive content, and entertaining content. Users resonate emotionally with consumers by telling personal stories and showcasing how products can improve their lives. For example, Barta et al. (2023) analyzed TikTok influencer campaigns and found that humorous and relatable UGC content (e.g., comedic skits about daily struggles with skincare routines) generated higher emotional engagement, with viewers reporting 32% stronger brand affinity compared to non-humorous content. Similarly, De Veirman et al. (2017) observed that Instagram influencers with substantial followings could stimulate brand interest effectively by sharing lifestyle-related content, particularly when incorporating high levels of interactivity. Engagement mechanisms such as interactive comments, user challenges, and brand-driven UGC campaigns further strengthen consumer participation. Barta et al. (2023) also highlighted the effectiveness of combining humor with interactivity in TikTok marketing campaigns, citing L'Oréal's #WorthSaying challenge as an example—where humorous self-affirmation videos led to significantly higher click-through rates than traditional advertising. Collectively, these engagement strategies not only deepen consumer interest but also foster a stronger emotional connection between brands and their audiences.

3.3 Consideration Stage: Evaluating Value and Reducing Decision Risk

As consumers transition from initial interest to a more evaluative stage, they critically assess product attributes, comparing alternatives to determine the best fit for their needs. This stage is characterized by in-depth analysis of product benefits, trade-offs, and potential risks (Zhang and Benyoucef, 2016). During

this phase, consumers exhibit a preference for detailed reviews and image-based content to inform their decisions (Zhang and Luo, 2023). UGC helps consumers make more informed choices at this stage through product evaluation videos, comparative content, and authentic feedback. Detailed product evaluations showcase the actual performance of the product, such as analysis of advantages and disadvantages, functional demonstrations, etc. For example, unboxing videos (e.g., unpacking and testing new products) provide consumers with visual and experiential insights, reducing uncertainty about product quality. Research indicates that consumers who watch unboxing videos for information-seeking purposes show higher purchase intent, as these videos offer tangible evidence of product features and usability (Kim, 2020). Comparative reviews (e.g., side-by-side analysis of competing brands) enhance decision-making by highlighting differences in performance, price, and user experience. While not explicitly mentioned in the current literature, the "consumerism" motive identified in influencer marketing studies supports this behavior: consumers actively seek brand comparisons through SMIs to discover new products and evaluate value propositions (Lee et al., 2022). Authentic feedback from ordinary users (e.g., positive and negative reviews) provides reliable references. The authenticity of UGC, such as unfiltered user testimonials or candid experiences shared on social media, significantly enhances trust in product information. Studies on social media influencers emphasize that perceived authenticity directly correlates with trust in brand-related posts, which in turn reduces purchasing uncertainty (Lou & Yuan, 2019; Lee et al., 2022).

3.4 Purchase Stage: Inspire Purchasing Motivation and Enhance Confidence

The purchasing stage is the stage where consumers make the final purchasing decision after completing information evaluation. At this stage, consumers need sufficient motivation and confidence to complete their purchasing behavior. UGC drives purchasing decisions through seeding effects and social proof, yet their mechanisms vary across platforms like Instagram and TikTok.

On Instagram, the platform's emphasis on visual aesthetics—curated product photography and aspirational lifestyle posts. It allows influencers to reinforce social proof via engagement metrics such as likes, comments, and shares. For instance, skincare

influencers utilizing swipe-up links to showcase product applications simultaneously highlight product functionality and leverage peer validation (De Veirman et al., 2017; Lee et al., 2022). Furthermore, authenticity plays a pivotal role: micro-influencers who provide unfiltered, behind-the-scenes reviews are perceived as more relatable, enhancing trust and credibility (Casaló et al., 2020). In contrast, TikTok leverages algorithm-driven virality and short-form video dynamics to reshape social proof mechanisms. The platform's "For You Page" algorithm prioritizes discoverability, allowing UGC like unboxing videos or #TikTokMadeMeBuyIt challenges to rapidly gain traction. Unlike Instagram's polished aesthetics, TikTok's unfiltered style (e.g., spontaneous makeup tutorials filmed in natural lighting) reduces perceived commercialization, making UGC appear more organic. This authenticity is further amplified by the platform's trend-centric culture, such as the #GetReadyWithMe trend, where creators integrate products into daily routines, offering practical insights that static ads cannot replicate (Ki and Kim, 2019).

Seeding effects also diverge: Instagram relies on sustained partnerships with niche influencers to build long-term trust (e.g., fashion bloggers sharing seasonal wardrobe staples), while TikTok thrives on ephemeral, user-initiated content. This contrast highlights how Instagram's visual curation and TikTok's algorithmic spontaneity cater to different consumer psychographics. Instagram appeals to users seeking aspirational validation, whereas TikTok attracts those valuing affordability and relatability.

By tailoring UGC strategies to these platform-specific dynamics, brands can effectively harness social proof to reduce perceived risks. Whether through Instagram's envy-inducing luxury narratives or TikTok's democratized "dupe" culture, the goal remains consistent: transforming social validation into purchasing confidence.

3.5 After Sales Behavior and Word-of-Mouth Communication: Enhancing Brand Loyalty and Expanding Influence

The after-sales behavior and word-of-mouth communication stage is the stage where consumers influence other consumers by sharing their usage experience or feedback after purchasing a product. This stage not only affects the brand's reputation, but may also lead to secondary dissemination of UGC. UGC forms a virtuous cycle through user experience

sharing, community interaction, and secondary dissemination at this stage.

UGC fosters brand loyalty by transforming passive consumers into active community participants. Brands leverage platform-specific features to encourage user-generated content creation. For example, Instagram's branded hashtag challenges (e.g., #ShareYourCoke) invite consumers to personalize products and share their stories, fostering a sense of co-creation. Research shows that participation in such campaigns strengthens emotional bonds with the brand, as users perceive their contributions as valued by the community (Vrontis et al., 2021). Additionally, reciprocal interactions in comment sections, such as brands or influencers replying to questions or reposting fan content—mimic interpersonal relationships. A study on Instagram influencers found that followers who received replies to their comments reported higher trust and loyalty, as these interactions mimic interpersonal relationships (Lee et al., 2022).

The amplification effect of UGC extends beyond initial interactions through secondary dissemination. When consumers voluntarily share reviews, unboxing experiences, or product recommendations, they provide implicit social endorsements that enhance credibility. On Instagram, re-sharing influencer testimonials with personalized commentary (e.g., "This serum transformed my skin!") reinforces word-of-mouth marketing (Qin et al., 2024). Finally, authentic UGC that mirrors everyday experiences builds sustained emotional connections and relatability. Instagram's "authenticity motive" research suggests that users trust such content more than polished ads, leading to sustained loyalty (Lee et al., 2022). Similarly, TikTok's trend-driven culture (e.g., #MomHacks) turns practical UGC into community-driven knowledge hubs, where ongoing interaction (e.g., tips in comments) keeps users engaged long-term.

4 LIMITATIONS OF THE RESEARCH

Current research on user-generated content (UGC) exhibits three critical limitations.

First, cross-platform studies remain fragmented, with most research focusing on isolated platforms rather than multi-channel interactions. For example, the divergent effects of short-form videos on Douyin (TikTok) and long-form textual content on Zhihu remain underexamined. Existing research (Jia et al.,

2023) highlights significant challenges in processing multimodal data, such as textual reviews from Tmall and video content from Bilibili. While the original study employed text sentiment analysis using the SnowNLP library, its framework struggled to capture non-verbal cues in video content (e.g., vloggers' facial expressions and product demonstration scenarios), which accounted for only 41.2% of detectable sentiment information. Furthermore, platform API heterogeneity—such as mismatches between Tmall's product IDs and Bilibili's AV numbering system. It resulted in a 23.7% cross-platform data alignment error rate, potentially undermining the validity of findings.

Second, methodological biases persist, as existing research disproportionately samples younger, digitally active cohorts while neglecting older demographics. Moreover, the rapid evolution of platform algorithms, such as TikTok's 2023 AI-driven content ranking system, outpaces academic research cycles, rendering some findings temporally constrained (Wang et al., 2025).

Finally, insufficient attention is directed toward longitudinal UGC effects and adverse feedback mechanisms. Prevailing research prioritizes short-term conversion metrics while neglecting nonlinear relationships between UGC exposure and brand loyalty. Critical phenomena, such as *marketing fatigue induced by overexposure* ("oversaturation fatigue") or the *long-tail effects of negative UGC* on brand equity, which remain underintegrated into theoretical frameworks (Zhu et al., 2024).

Collectively, these gaps obstruct both scholarly comprehension and practical optimization of the UGC ecosystem, necessitating interdisciplinary approaches to address platform heterogeneity, demographic inclusivity, and temporal-technological interdependencies.

5 FUTURE RESEARCH DIRECTIONS

Future research should enhance the exploration of the mechanisms through which user-generated content (UGC) operates in cross-cultural contexts. Consumers from different cultural backgrounds exhibit significant differences in their information reception, processing, and decision-making strategies. For instance, in collectivist cultures, digital endorsements tend to prioritize emotional appeal, whereas individualistic cultures emphasize rational communication. Studies have shown that endorsers in

individualistic societies are more focused on self-promotion, while those in collectivist societies emphasize interaction and connection (Silva et al., 2023). Therefore, a deeper investigation into the moderating role of cultural factors on the influence of UGC will assist brands in formulating more targeted global marketing strategies.

Moreover, advancements in technology-driven UGC analysis represent a critical avenue for future research. The emergence of artificial intelligence, particularly deep learning and natural language processing, has introduced innovative methodologies for analyzing UGC content (Jia et al., 2023). These AI-powered techniques enable researchers to more accurately identify emotional sentiment, thematic structures, and influence patterns within UGC, thereby offering a deeper understanding of its underlying mechanisms and consumer impact.

6 CONCLUSIONS

6.1 Core Summary of Research Findings

UGC fundamentally transforms consumer decision-making processes through a threefold mechanism comprising information dissemination, emotional engagement, and social identity formation. This influence extends beyond mere information transmission, as UGC fosters deeper consumer-brand connections through social interaction and emotional resonance. The role of UGC evolves dynamically across different decision-making stages: in the early stages, content authenticity is paramount, while at later stages, social interaction becomes increasingly influential. From initial attention capture via short-form unboxing videos to the organic spread of user-initiated post-purchase content, UGC facilitates a multidimensional consumer engagement experience.

6.2 Practical Inspirations for Brand Strategy

For brands, building a healthy UGC ecosystem is crucial. Brands need to establish a three in one UGC management framework of "motivation review analysis", which encourages consumers to continuously produce high-quality UGC through designing reasonable incentive mechanisms, providing high-quality product experiences, and establishing effective interactive platforms. At the same time, brands need to attach importance to the

authenticity management of UGC, establish a scientific content review mechanism, and maintain a good reputation environment. Specific suggestions include: designing a hierarchical incentive system (such as reward rules that distinguish between ordinary users and KOCs), integrating AI false content filtering systems, and establishing a cross platform UGC sentiment database to predict consumer behavior inflection points.

6.3 Academic and Social Value Outlook

Future research needs to integrate communication studies, psychology, and data science to decipher the evolutionary patterns of UGC in the Web3.0 environment. Especially in virtual reality (such as metaverse product reviews) and generative AI (such as AIGC's impact on UGC authenticity) scenarios, reconstructing consumer decision theory models is of urgent significance.

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