


User-Generated Content in Increasing Consumer Engagement: Opportunities and Challenges

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Article Info	ABSTRACT
<p>Keywords: User-Generated Content, Consumer Engagement, Digital Marketing Strategy, Social Media, Marketing Challenges.</p>	<p>This study aims to analyze the role of User-Generated Content (UGC) in increasing consumer engagement as well as to identify the opportunities and challenges faced by companies in utilizing it as a digital marketing strategy. UGC refers to content created and shared by consumers, such as product reviews, photos, videos, or testimonials, which has now become an important element in building relationships between brands and consumers. This study uses a descriptive method with observations, interviews, and document analysis related to the research. The results show that User-Generated Content (UGC) is effective in increasing consumer engagement with brands through authentic and participatory content. UGC can expand market reach and build stronger trust compared to traditional marketing content. However, the success of using UGC is also influenced by challenges such as fake reviews, the need for proper content moderation, and protection of users' personal data. With good moderation strategies and attention to data security, UGC can become a powerful tool to enhance consumer loyalty and interaction in the digital ecosystem.</p>
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INTRODUCTION

In the midst of the overwhelming flow of information, consumers today are continuously bombarded with advertisements and marketing messages from various brands. The abundance of competing messages often leads to fatigue and causes consumers to lose interest or even tend to ignore conventional marketing content (Hasan, 2010). Modern consumers are more selective in receiving information and tend to trust recommendations coming from fellow users more than messages delivered directly by brands. In this context, interactions among consumers—whether in the form of reviews, testimonials, or content shared on social media—have become increasingly influential (Mahfud & Anwar, 2022). Trust that arises from other people's real experiences feels more authentic and relevant compared to advertising campaigns that seem fabricated or overly promotional.

In the highly competitive world of e-commerce, building consumer trust is a major challenge, especially because consumers cannot see, touch, or try products directly before purchasing (Zebua et al., 2023). This factor creates an emotional distance between the product and potential buyers, which can only be bridged through a convincing and

transparent approach. This is where User-Generated Content plays an important role (Arifin, 2021). Customer reviews, photos of product usage by consumers, and testimonial videos become powerful forms of social proof to convince prospective buyers about the quality and reliability of the product. UGC adds a human and authentic element to the digital marketing process, ultimately helping to increase trust and significantly strengthen consumer purchasing decisions (Nurfarida & Mustikowati, 2014).

Here, User-Generated Content (UGC)—content created by users such as reviews, photos, videos, or testimonials—becomes a very effective solution in building consumer trust. Unlike traditional marketing materials created by companies and tend to be promotional, UGC is considered more authentic and reflects real consumer experiences (Hanindhaputri & Pradnyanita, 2021). According to research, around 85% of consumers trust UGC more than content created directly by brands because it is perceived as more honest, relevant, and unbiased. UGC provides a more personal and human perspective, enabling potential buyers to gain a real picture of the quality and benefits of a product before making a decision. For companies, UGC not only serves as a cost-effective marketing tool but also as a means to build community and strengthen the emotional connection between the brand and its consumers (Widyawati, 2023).

User-Generated Content (UGC) significantly drives increased consumer engagement because it actively involves them in the communication and marketing process of the brand. When consumers are invited to participate, they are not merely spectators but value creators. This participation creates a more meaningful and deeper two-way interaction between brands and customers (Yang et al., 2019). Consumers feel heard, valued, and recognized, which psychologically enhances their sense of attachment to the brand. As a result, UGC strengthens engagement not only quantitatively (through likes, shares, and comments) but also qualitatively, by building an emotional bond that is difficult to achieve through traditional marketing strategies (Thomas, 2020).

Furthermore, consumer contributions through UGC create a sense of ownership towards the brand. When they see their content displayed or appreciated by the brand, consumers feel part of the brand's identity itself. This fosters deeper and more sustainable loyalty because they are no longer just customers but members of the brand community (Boediman, 2022). This community, which is formed organically through user interaction and collective participation, will grow by itself and act as voluntary brand ambassadors. In the long term, community-based loyalty driven by UGC is much stronger than loyalty built through incentives or promotions alone because it is based on emotional involvement and direct experience (Mandagi, 2023).

However, the utilization of UGC also presents its own challenges. Not all user-generated content aligns with the image or message the company wants to convey (Chandra, 2017). Additionally, issues such as copyright, ethical use of content, and the potential spread of negative information become challenges that marketing managers need to anticipate. Therefore, appropriate strategies and good risk management are required in integrating UGC into digital marketing campaigns (Apriananta & Wijaya, 2018).

This phenomenon shows that UGC is not merely a promotional tool but an integral part of marketing communication strategies that require deep understanding (Muktamar et al., 2023). Companies are required to be able to facilitate consumer participation while maintaining brand image quality and consistency. This creates a need for research that can explain how UGC can be optimally utilized and what challenges need to be addressed in its implementation.

This study was conducted to analyze the role of UGC in increasing consumer engagement as well as to describe the various opportunities and challenges that arise in practice. By understanding these aspects, companies can formulate more effective and responsive digital marketing strategies to the dynamics of consumer behavior in the digital era. This research benefits business actors and digital marketers by providing a deeper understanding of how User-Generated Content can be strategically utilized to increase consumer engagement and loyalty. Additionally, this study can serve as a reference for designing more participatory, authentic, and relevant marketing campaigns aligned with current consumer behavior, while also helping to identify challenges that need to be anticipated in managing UGC.

METHOD

The research method used in this study is descriptive qualitative with data collection techniques through observation, interviews, and documentation (Sugiyono, 2010). Observation was conducted to directly observe how business actors and consumers interact with User-Generated Content (UGC) on digital platforms, especially social media and e-commerce sites. In addition, in-depth interviews were carried out with several informants, such as marketing managers, social media administrators, and active consumers who contribute to the creation of UGC. These interviews aimed to explore experiences, perspectives, and strategies applied in utilizing UGC to increase consumer engagement. Documentation was conducted by collecting and analyzing various secondary data in the form of articles, industry reports, case studies of UGC campaigns, and user-generated content on social media. Data from observations, interviews, and documentation were then analyzed qualitatively using content analysis techniques to identify opportunities and challenges that arise in the utilization of UGC. The combination of these methods is expected to provide a comprehensive and in-depth overview of UGC practices as well as their implications for consumer engagement and loyalty.

RESULT AND DISCUSSON

User-Generated Content (UGC), or content created by users, is very effective in increasing consumer engagement with a brand. UGC, which can take the form of reviews, photos, videos, or testimonials, provides consumers with trust due to its authenticity and naturalness. By leveraging UGC, businesses can build stronger relationships with consumers, increase trust, and encourage purchases (Handayani, 2023). The implementation of User-Generated

Content offers great opportunities to enhance consumer engagement but also presents challenges that need to be addressed.

Opportunities

a. Increased Reach

One of the main opportunities offered by User-Generated Content (UGC) is the ability to significantly expand audience reach. Content created by consumers tends to be more easily shared across various social media platforms, such as Instagram, Facebook, Twitter, and TikTok, allowing the brand message to spread to a much wider audience compared to content created exclusively by the company. This organic distribution not only increases brand visibility but also introduces products or services to consumer groups that were previously difficult to reach through traditional marketing channels.

Additionally, UGC leverages the interconnected social networks of users, who often hold influence within their respective communities. When someone shares a positive experience or recommends a product through self-created content, it indirectly becomes a form of endorsement trusted by their followers or friends. This viral effect enables brands to reach a broader audience at relatively low cost, as content distribution is voluntarily done by users without large investments in paid advertising.

Furthermore, the increased reach gained from UGC helps brands build more authentic and credible brand awareness. Content sourced from users is considered to have a higher trust value compared to promotional content created by companies. Thus, the broad reach not only increases the number of people who see the content but also strengthens the brand image through genuine testimonials and real experiences. This positively impacts consumer decision-making processes, who tend to choose products based on recommendations from fellow users they consider trustworthy.

b. Increased Trust

One of the main advantages of User-Generated Content (UGC) is its ability to build consumer trust more effectively than traditional advertising. Content created directly by other consumers—such as reviews, testimonials, or photos of product use—is considered more authentic and honest because it comes from real experiences, rather than marketing narratives crafted by companies. Consumers tend to be skeptical of advertisements that seem overly promotional or manipulative, while UGC provides strong and trustworthy social proof, thereby reinforcing their confidence in the quality of products or services offered.

The authenticity and relevance of UGC make it an essential source of information in the consumer decision-making process, especially in today's digital era where consumers have broad access to seek various references before purchasing. When potential buyers see content created by other users with similar backgrounds and needs, they feel more confident that the product meets their expectations and requirements. This creates a sense of connection and empathy that traditional advertising, which is usually one-way and more focused on delivering promotional messages alone, struggles to achieve.

Moreover, the trust generated from UGC not only increases the likelihood of purchase but also strengthens long-term consumer loyalty. Consumers who feel confident and satisfied with a product based on other users' experiences tend to provide positive recommendations

to others and make repeat purchases. Thus, UGC acts as a marketing tool that not only builds brand credibility but also forms a closer and sustainable relationship between brands and their consumers, unlike traditional advertising which is more transactional and less personal.

c. Organic Engagement

User-Generated Content (UGC) encourages more organic consumer engagement because the content originates directly from users who have real experience with the product or service. Unlike marketing content designed and controlled by companies, UGC reflects authentic opinions, stories, and expressions from consumers. This makes the interactions more natural and spontaneous, so other consumers feel more comfortable and motivated to participate in conversations or share their own experiences. This organic engagement often results in more active discussions and stronger communities around the brand.

In addition, UGC provides a rich source of information about consumer behavior and preferences. Through user-created content—such as reviews, comments, photos, and videos—companies can gain deep insights into what consumers like, want, or even complain about. This information is highly valuable for understanding market needs more accurately because it is based on real data and direct experiences. By better understanding consumer preferences, companies can make more targeted product and service adjustments, thus improving customer satisfaction and market competitiveness.

Furthermore, insights gained from UGC allow companies to innovate in ways that are relevant and responsive to changes in consumer trends. Data collected from user content can be used to identify opportunities for new product development or service improvements that better align with consumer expectations. Thus, UGC not only serves as a marketing tool but also as a strategic insight source that supports business decision-making. This approach enables companies to remain adaptive and relevant amid rapidly changing market dynamics while strengthening sustainable relationships with customers through open and transparent two-way communication.

Challenges:

a. Content Moderation

In the context of User-Generated Content (UGC), content moderation is a very important aspect to maintain the quality and credibility of a platform or brand. Because user-created content is open and not always directly controlled by the company, there is a risk of inappropriate content appearing, containing negative elements, or even being misleading. Such content can damage the brand image, reduce consumer trust, and potentially cause conflicts or legal issues. Therefore, implementing an effective moderation system is crucial to filter and manage incoming content so it remains aligned with the company's standards and values.

Content moderation can be done manually by a team of moderators or through automated technologies such as machine learning algorithms and artificial intelligence that can identify harmful content, spam, or violations of community rules. This approach must balance between maintaining users' freedom of expression and ensuring the safety and comfort of other users. A good moderation system should also be transparent and provide mechanisms for users to report inappropriate content, making the filtering process

participative and accountable. This helps create a healthy and conducive digital environment for positive interactions between the brand and consumers.

Besides protecting the brand's reputation, content moderation also safeguards consumers from exposure to false or misleading information that could negatively affect their purchasing decisions. In the digital era where information spreads rapidly, without strict moderation, inaccurate or misleading content can quickly become widespread and harm many parties. Therefore, effective content management is not only about complying with regulations but also an important strategy to ensure the quality of interactions and strengthen consumer trust in the brand. With proper moderation, UGC can remain a valuable asset without posing significant risks.

b. Fake Reviews

The potential for fake reviews is a serious challenge in the use of User-Generated Content (UGC), especially in the context of product and service reviews. Fake reviews are usually created with manipulative intentions, either to beautify a certain brand's image or to damage a competitor's reputation. When consumers find dishonest or fabricated reviews, their trust in the authenticity of the information available on the platform can drop drastically. This negatively impacts brand credibility, as consumers begin to doubt both the content's integrity and the associated company.

The most direct impact of fake reviews is on consumers' purchasing decisions. Overly positive fake reviews may mislead consumers into buying products that do not meet their expectations. Conversely, negative fake reviews can reduce consumer interest and decrease sales of products that are actually of good quality. This misinformation causes consumers to feel disadvantaged and disappointed, which can trigger a domino effect of genuine negative reviews, product returns, and even loss of customer loyalty in the long term.

Besides damaging the relationship between brand and consumers, fake reviews also present ethical and legal challenges for companies. Many countries are beginning to implement strict regulations to address fake review practices, and violations of these rules can lead to legal sanctions and hefty fines. Therefore, companies must adopt strict and transparent content moderation strategies to detect and remove fake reviews. Protecting content authenticity not only preserves brand reputation but also builds a healthier and more trustworthy digital ecosystem for all stakeholders.

c. Proper Strategy

To encourage the creation of high-quality User-Generated Content (UGC), companies need to implement clear and structured strategies. One effective approach is to create incentives that motivate users to contribute actively and authentically, such as offering rewards, recognition, or special features for the most interesting and useful content. Additionally, companies should provide clear guidelines regarding the expected type of content, including visual quality, relevance of information, and alignment with brand values. This approach not only increases the quantity but also the quality of UGC produced, so that the content can have a positive impact on the brand image and consumer engagement.

Furthermore, companies need to build open two-way communication with users to foster mutually beneficial relationships. By providing space for users to give feedback and

interact with the brand as well as fellow consumers, companies can create a solid and enthusiastic community in generating relevant and creative content. Using user-friendly digital platforms and interactive features such as content competitions, creative challenges, or hashtag campaigns can also organically increase user participation. Such strategies not only maximize the potential of UGC but also strengthen consumer loyalty and emotional attachment to the brand.

d. Bias

Content moderation conducted by humans or automated systems is not free from bias risks that may cause the exclusion of User-Generated Content (UGC) that is actually valid and valuable. This bias can arise from various factors, such as the subjectivity of evaluators in understanding cultural context, language, or user intent. For example, content containing unusual language or communication styles but still relevant and consistent with community guidelines may be mistakenly categorized as inappropriate or spam. As a result, UGC that actually contributes positively to the brand or community can be deleted or not displayed, reducing the diversity of voices and the engagement potential.

Moreover, the use of automated algorithms in content moderation can also reinforce certain biases, especially if the models used are not sophisticated enough to capture contextual nuances or cultural variations. Algorithms trained with limited or unrepresentative datasets may produce discriminatory or inaccurate moderation decisions. This can lead to legitimate content, such as constructive criticism or creative expression, being unfairly filtered out. The impact of bias not only hinders users' creative freedom but can also cause dissatisfaction and distrust toward the platform or brand applying the moderation, reducing the overall effectiveness of UGC strategies.

e. Data Security

Protecting the personal data of users contributing User-Generated Content (UGC) is a crucial issue in today's digital era. When users create content, they often indirectly share sensitive personal information, such as identity, location, habits, or preferences. If this data is not managed properly, the risk of data leaks or misuse becomes very high. This can result in serious losses for users, from identity theft to privacy violations that impact personal reputation and security. Therefore, companies and digital platforms must apply strict data protection standards in accordance with data protection regulations, such as GDPR in Europe or Indonesia's Personal Data Protection Law, to ensure that user data is stored and used safely and responsibly.

Besides security aspects, transparency in managing personal data is also important to build user trust. Users need to be clearly informed about how their data will be used, who can access it, and their rights related to personal data, including options to delete or limit the use of their data. By giving users more control over their personal information, platforms can create a more ethical and sustainable digital environment. Strong personal data protection not only safeguards individual privacy but also strengthens consumer loyalty and engagement in generating UGC because they feel safer and respected when interacting with the brand or online community.

CONCLUSION

User-Generated Content (UGC) plays a strategic role in enhancing consumer engagement and loyalty through authentic and participatory content. UGC can expand brand reach, increase consumer trust, and provide valuable insights into user needs and preferences. However, the success of utilizing UGC is not without challenges such as the risk of fake reviews, the need for effective content moderation, and the potential bias in moderation processes that may overlook legitimate content. Therefore, companies must implement transparent and balanced moderation strategies as well as build incentive systems that motivate the creation of high-quality content. In addition, protecting users' personal data is an important aspect that must be addressed to maintain security and consumer trust in contributing to UGC. Transparency in data management and compliance with data protection regulations are essential to create a healthy and sustainable digital ecosystem. By properly managing these opportunities and challenges, UGC can become a valuable asset that strengthens the relationship between brands and consumers while driving sustainable business growth in the digital era..

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