

B2C Brands Embrace UGC To Spark Interest, Build Trust, And Drive Sales

Marketers Want New Tools, Practices, And Technology To Sustain The Shift To Greater Relevance And Resonance

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User-Generated Content (UGC) Has Become A Must-Have For Brands To Connect, Sell, And Serve

In the age of the customer, consumers value what others say when considering a brand, researching a product, and making a purchase. B2C marketers and CX professionals have noticed.

To explore this, Forrester surveyed 213 social media/marketing, influence, and customer experience leaders involved in their organization's creator-, influencer-, and user-generated content. According to the survey, this content has become one of the top-invested categories, and spending has spread to all points of consumer decision-making journeys.

Marketers have great expectations of the content produced by creators and consumers who share their experiences through reviews, and as a result, their organizations are investing in or upgrading their content management solutions. But to fully benefit, processes and people must also evolve.

Key Findings



Investments in content is sizable but dispersed. Respondents said their organizations' cumulative share of spend on content is 35% to 70% of their annual marketing budgets across seven content categories.



Marketing and CX professionals deploy content at every stage: when attracting new communities, driving sales and improving conversion, solving customers' problems, and encouraging them to create content.



Most respondents said their organization will expand or upgrade its UGC management solution and 14% will invest for the first time.

Customers, Creators, And Influencers Have Taken Seats On Marketing Teams

B2C marketing and CX professionals readily engage with customers, influencers, and creators to hone products and to create and publish relatable, relevant content. That collaboration offers the professionals we surveyed access to a multitude of voices and access to their communities.

Outside-in perspective and consumer insights have always been key to effective marketing. Only a small handful of respondents (6%) said their company doesn't consult customers during new product development. But the link between market and product is even tighter as more than 80% of respondents said their organization collaborates with creators on products. These are individuals who make and monetize social media content and offer the results to their followers.

More than 80% of respondents said once their brand is in market, it activates creators and influencers to develop and share original content with their communities. Most also drive customers to share their experiences via product reviews and ratings. And sampling or gifted reviews are also common.

“To what extent do you agree with following statements about how you work with creators, influencers, and users on brand content?”

(Showing “Strongly agree” and “Agree”)

● Strongly agree ● Agree

We consult customers regularly when planning new products.



We encourage our happy customers to create reviews.



We've identified and work with creators who already love our brand.



We've collaborated on products with creators.



We've collaborated with customers on products.



We activate all types of influencers under a coherent strategy.



We do sampling or gifted reviews to get reviews of our products.



We consistently include customers when we launch an influencer campaign.



Base: 213 social media/marketing, influence, and customer experience leaders involved in their organization's creator-, influencer-, and user-generated content
Source: A study conducted by Forrester Consulting on behalf of Skeepers, December 2023

Users' Real Experiences Build Trust, Relatability, And Connection

Consumers reward brands they trust by doing business with them. When they have trust, their likelihood to purchase increases, they prefer the brand over competitors and are more open to trying other products and services from the same company. That's why 80% of the marketers and CX professionals surveyed said they turn to consumer-generated content to build trust.

Here, the real experiences of customers are especially prized: 87% of respondents said customers are their organization's best advocates, and 89% said it's important for those customers to tell it like it is through comments, stories, photos, reviews, and ratings.

Respondents believe authenticity and relatability are desired characteristics for their businesses, and they said their organizations fuel these perceptions and build trust by enlisting customers, influencers, and creators to speak on their behalf.

“To what extent do you agree with following statements about your creator-, influencer-, and user-generated content strategy?”

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree



Base: 213 social media/marketing, influence, and customer experience leaders involved in their organization's creator-, influencer-, and user-generated content
 Note: Percentages may not total 100 because of rounding.
 Source: A study conducted by Forrester Consulting on behalf of Skeepers, December 2023

Investment In UGC Is Multifaceted, Sustained, And Growing

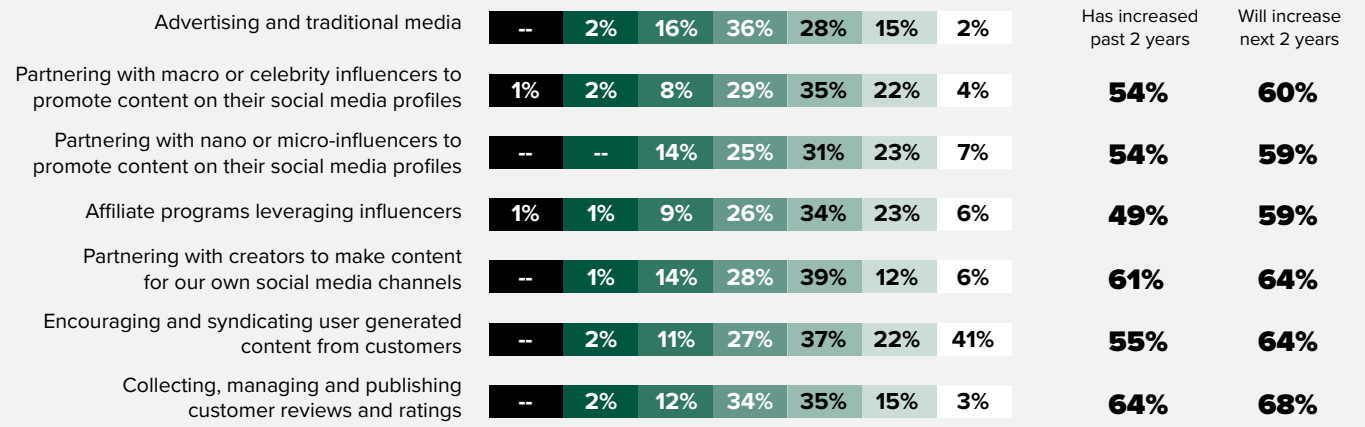
CX and marketing teams invest in many of the different flavors of creator-, influencer-, and user-generated content to connect with consumers throughout their decision-making journeys. While investments are dispersed (the mean investment falls between 5% and 10% for each of the seven categories), the cumulative share of spend on content is sizeable (35% to 70% of annual marketing budgets).

Reviews and ratings capture the biggest part of the pie thanks to trust-building and conversion-driving powers. Organizations are also embracing UGC syndication and testing creator/influencer partnerships.

Investment on all fronts has increased during the past two years. The most cited were customer reviews and ratings from creators, and respondents expect that growth to continue across the board during the next 24 months.

“What share of your annual marketing budget do you invest in the following areas?”

- Don't know/does not apply
- More than 50%
- 26% to 50%
- 11 to 25%
- 5 to 10%
- Less than 5%
- None



B2C BRANDS EMBRACE UGC TO SPARK INTEREST, BUILD TRUST, AND DRIVE SALES

Base: 213 social media/marketing, influence, and customer experience leaders involved in their organization's creator-, influencer-, and user-generated content
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 Source: A study conducted by Forrester Consulting on behalf of Skippers, December 2023

Brands Have Too Many Great Expectations For UGC

When we asked about about aligning marketing goals with expectations for UGC, three things stood out:

- Marketing and CX professionals are juggling many priorities: driving sales and conversion, keeping customers involved, and helping them solve problems. The average number of objectives respondents cited was just shy of five.
- Respondents expect creator-, influencer-, and user-generated content to support each of those priorities in nearly the same order. On average, respondents expect UGC to deliver on more than three marketing objectives.
- Organizations deploy UGC to connect with consumers at all stages of the customer lifecycle.

Driving sales and improving conversion at the point of sale are the top priorities for both marketing and UGC. The next are to accompany customers: keep them interested, solve their problems, and show how to best use products. In turn, this encourages them to create content.

“Which of those marketing objectives will be met through your creator-, influencer-, and user-generated content strategy?”

🕒 Critical objective for marketing

Drive product sales



Improve conversion at point of sale



Keep customer excited about the brand with relevant content



Solve customer problems and help customers use products



Generate awareness with potential customers



Encourage customer sharing and facilitate community



Celebrate customer stories and experiences



Drive consideration with potential customers



Cost, Consistency, And Coordination Are Top Challenges

Creating resonant content at scale can be expensive. Survey respondents were divided on the question of cost, and their responses varied dependent on their organization’s practices and UGC ambitions. For example, it may be more cost-effective to enlist creators instead of creative agencies to make social media content because creators know what works, which can result in more effective content than marketers could make themselves.

Content needs have also risen exponentially, which increases the risks of inconsistency and incoherence. Marketers and CX professionals are faced with more fragmented, diverse audiences that respond to tailored content along with increased channels, opportunities, and expectations for connection.

This increase brings challenges in coordination, process, and ownership, especially when multiple actors and departments are involved.

“To what extent do you agree with following statements about the challenges you face with creator-, influencer-, and user-generated content programs?”

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

Creating content at scale is expensive.



Different departments are in contact with different influencers.



It’s challenging to have a coherent content strategy.



It is difficult to find the right creators.



It’s complicated to reuse feedback and content from our customers.



Working with influencers and creators is risky.



Blurry Objectives And Shifting Partnerships Can Limit Success

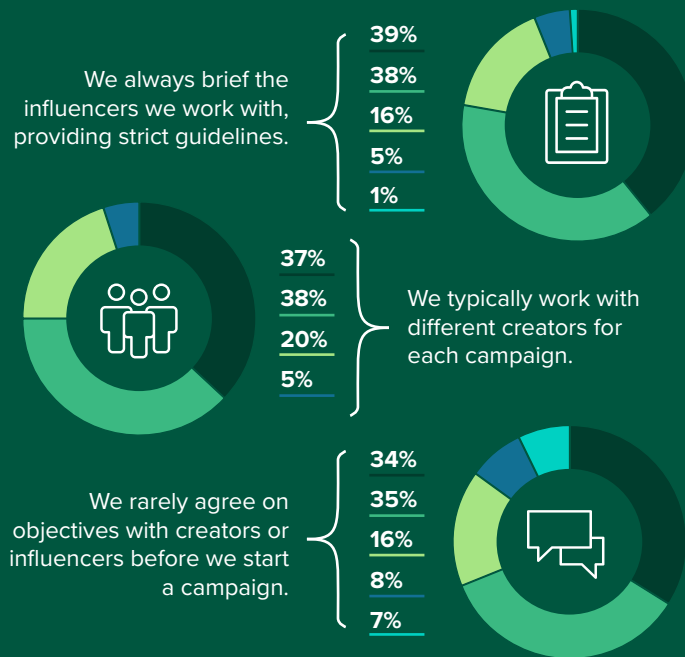
The marketing and CX leaders surveyed said their organizations have space to improve the ways they work with influencers and creators. Their main barrier to success is not formalizing clear objectives: Only 15% agree with influencers how a campaign or project will be evaluated when kicking off.

Marketers must clearly define expectations and KPIs at the start and then stick to them. Misaligned objectives make it difficult to measure whether a campaign was successful, and having discipline will help internally, too.

Seventy-five percent of respondents said they work with different creators or influencers for each project because a one-and-done approach gives partners little opportunity to understand the brand, expectations, and how the team works. Familiarity builds compatibility, and by engaging in durable partnerships with creators, marketers can also build more capital with their audiences.

“To what extent do you agree with following statements about how you work with creators, influencers, and users on brand content?”

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree



Marketers And CX Leaders Want To Consolidate Strategy, Upgrade Measurement, And Practices

As marketing and CX teams do more with UGC, leaders must set clear objectives, formalize how to develop and deploy UGC, and standardize KPIs and measurement practices.

For example, we surveyed a customer services lead who packages best practice templates for his global organization to be used by all brands in all markets. UGC is aligned to specific tasks and objectives (e.g., seeding a product launch) with tested and clear how-to instructions and winning examples. Many respondents want to do the same.

Many also said they are at ease with how their organization measures its content. Only 12% find it difficult to understand the impact, but most want better visibility on results going forward.

Simplifying management and orchestrating content programs is a growing need, both externally and internally.

“What will enable you to ensure the success of your creator-, influencer-, and user-generated content programs?”



61% Better visibility on how content delivers results



56% Developing new skills and ways of working amongst our team



51% Identifying and deploying proven best practices for our marketing objectives



51% Simplifying interactions with customers, influencers, and creators



49% Accessing new creators and communities



49% Having the ability to orchestrate customers, influencers, and creators around a common objective



48% Consolidating all the communities our brand interacts with



46% Bringing management of these communities in-house

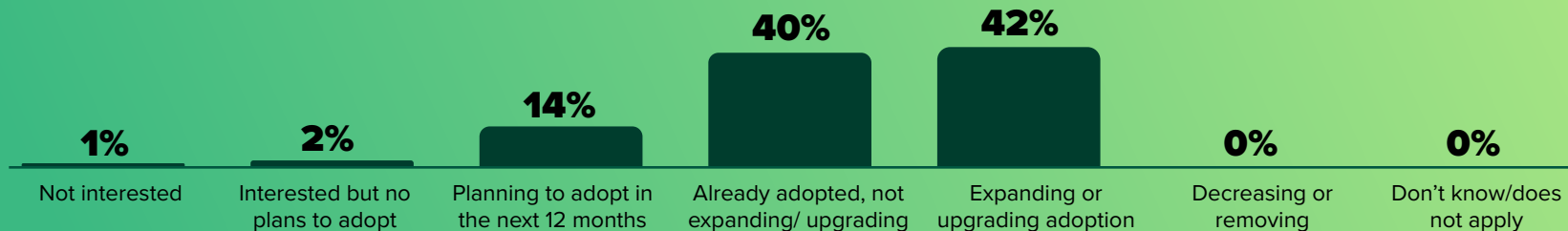
Most Brand Teams Have Already Adopted Or Expanded Solutions To Manage UGC Or Will Do So In The Next Year

Social media, creators, influencers, and UGC are growing into must-haves for marketing, sales, and customer experience, and content management solutions deliver value at each stage of the lifecycle: from finding and connecting with creators or influencers to publishing and responding to customer reviews everywhere a product is sold.

The majority of respondents said their organization will expand or upgrade its current solution, which reflects the growing sophistication of the market. Fourteen percent said their organization will invest for the first time in the next year.

While a single, companywide solution offers a strong base for common practices, priorities, and KPIs, coming together won't happen by magic. Teams must invest time and resources to untangle differing dashboards and align ways of working. Process and people must evolve, too.

“Which of the following best describes your organization’s plans to invest in a dedicated solution to support and streamline management of creator-, influencer-, and user-generated communities and content?”



Teams Welcome Technologies That Anticipate And Capture Opportunities For UGC

The emergence of generative AI has triggered interest and experimentation among marketing and CX professionals, especially for content creation and social media management. Forrester’s “Global AI Software Forecast, 2023 To 2030” ranks content marketing as the third-largest category for specialized genAI software spend.¹

Marketing and CX leads want technology providers to offer assistance and support that make them and their teams more efficient and smarter and keep a human in the loop. On their wish list: converting data insights into recommended actions, scenario planning, content and plan optimization, and better reporting.

“How much you agree with following statements about how technology should support and facilitate the creation and management of creator-, influencer-, and user-generated content marketing?”

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree



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Conclusion

Influencer-, creator-, and user-generated content has become a must-have for marketing and CX leaders to build trust, and investments are sizable and growing. This content supports a multitude of marketing and sales objectives and adapts to different channels and potential consumers. But that adaptability can mean teams struggle with unclear objectives and unstable partnerships.

Nearly all respondents said their company has embraced or will soon invest in a content management solution as a platform for supporting its ambitions and realizing its goals, and they envision AI as a helper to make them and their teams more efficient and smarter as content grows more complex.

To get the most out of technology and other investments in UGC, marketers and CX leads must consolidate strategy and upgrade their organizations' measurement and working practices, especially cross-functional coordination.

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Endnotes

¹ Source: "Global AI Software Forecast, 2023 To 2030," Forrester Research, Inc., September 5, 2023.



Methodology

This Opportunity Snapshot was commissioned by Skeepers. To create this profile, Forrester Consulting supplemented this research with custom survey questions asked of 213 social media/marketing, influence and customer experience leaders involved in their organization's creator-, influencer-, and user-generated content. The custom survey began and was completed in December 2023.

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Demographics

REGION	
France	11%
Germany	13%
Italy	12%
Spain	15%
United States	50%

INDUSTRY	
Advertising and/or marketing	14%
Agriculture, food, and/or beverage	13%
Consumer product goods and/or manufacturing	19%
Electronics	9%
E-commerce	15%
Retail	29%

COMPANY SIZE (EMPLOYEES)	
500 to 999	8%
1,000 to 1,999	14%
2,000 to 4,999	49%
5,000 to 19,999	23%
20,000+	5%

DEPARTMENT	
Social media	14%
Influence	10%
Advertising/media	7%
Marketing	33%
Sales/e-commerce	19%
Digital	2%
Customer experience	15%

TITLE	
C-level executive (e.g., CEO, CMO)	1%
Vice president (in charge of one/several large departments)	12%
Director (manages a team of managers and high-level contributors)	34%
Manager (manage a team of functional practitioners)	54%

Note: Percentages may not total 100 due to rounding.

The image features the Forrester logo centered on a dark green background with abstract, flowing shapes. The logo is rendered in a white, serif typeface. The background consists of several overlapping, organic shapes in various shades of dark green, creating a sense of depth and movement.

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