

How ecommerce marketers are embracing UGC to boost their online sales

This study surveys over 200 ecommerce marketers across the UK and North America, investigating the value of user-generated content (UGC). It explores the key ways that UGC is being put to use by ecommerce brands, including critical challenges it solves for their online stores, the most impactful places they're finding the best UGC, and the business benefits they're achieving by leveraging it.



Contents

- 01** —> Introduction
- 02** —> Methodology
- 03** —> The challenges today's marketers are facing with visual content
- 04** —> The power of visual UGC
- 06** —> Why UGC is the preferred visual content type
- 07** —> Which social media platforms are the most fruitful when it comes to UGC?
- 09** —> Who is using UGC—and could more ecommerce brands be using it?
- 10** —> Conclusion

Introduction

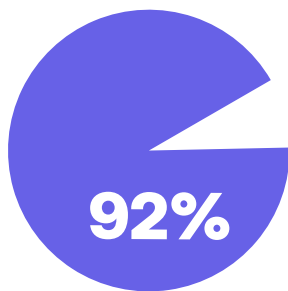
Visual content, in particular user-generated content (UGC), is becoming more important for ecommerce marketers to connect with their audiences. Given how social media platforms are continuing to boom, and Google is now yielding UGC into search results through its new Perspectives feature, it is evermore crucial that brands have a UGC strategy.

Our research shows that ecommerce marketers surveyed are aware of this growing importance, **as over 9 in 10 (92%) agree¹, that people's purchasing decisions today are influenced more by visual content and social proof from real customers**, than they were five years ago, with almost half (49%) strongly agreeing with this. In fact, almost 9 in 10 (85%) go as far as saying visual UGC is

critical to their company's marketing. This is the case for a breadth of industries, too; over 70% of brands from each vertical we surveyed (Fashion & Accessories (85%), Health & Beauty (70%*), Home, Garden, & DIY (79%*), Food & Drink (91%*), Consumer Electronics (90%*)) deemed it critical for them.

This report explores the challenges associated with visual content, the solutions UGC can provide, types of visual content, and top sources of UGC.

**Low sample size*



agree that people's purchasing decisions today are influenced more by visual content and social proof from real customers, than they were five years ago¹



1

How ecommerce marketers are embracing UGC to boost their online sales

Methodology

Nosto commissioned Censuswide to survey 202 ecommerce marketers who use UGC content across the UK and North America (including the US, Mexico, and Canada) between 03/07/2023 - 05/07/2023.

Censuswide abides by and employs members of the Market Research Society which is based on the ESOMAR principles.

The aim of the research was to understand ecommerce marketers' perceptions of UGC in 2023, see how they compare to their perceptions of other forms of visual content and appreciate any challenges marketers may be facing with visual content as a whole.



2

How ecommerce marketers **are embracing UGC** to boost their online sales

The challenges today's marketers are facing with visual content

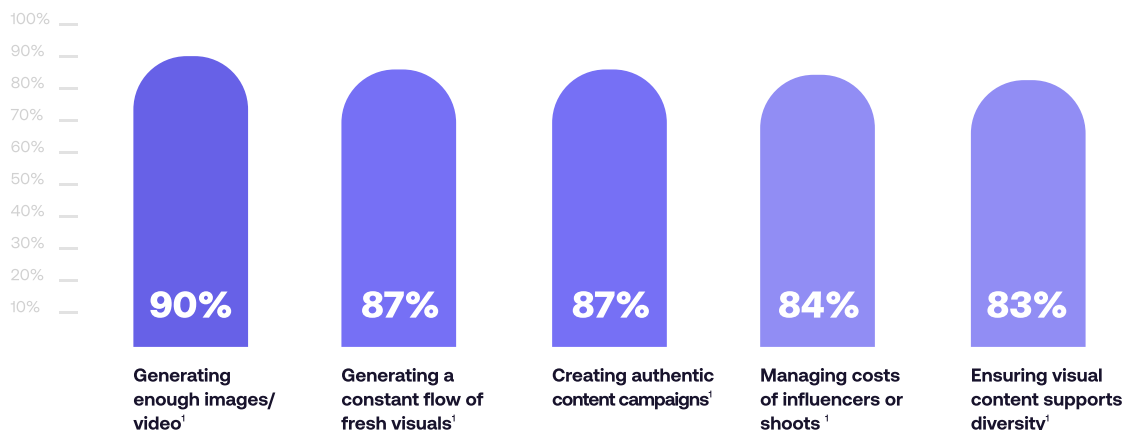
Given the importance of visual content, it is useful to explore the challenges marketers are facing with this. The biggest challenges seem to be related to generating images/videos that help differentiate them from competitors, as ecommerce marketers are most likely to agree¹ that this is a challenge for them (90%), with almost half (45%) saying they strongly agree it is.

Ecommerce marketers also face challenges around cost and scalability, with over 4 in 5 agreeing¹ that managing the cost of professional photo shoots (84%) and managing the cost of influencer content (84%) are challenges. Almost 9 in 10 (87%) also agree¹ that generating a constant flow of fresh visuals to use within marketing is a challenge.

There is also a challenge in relation to diversity, as over 4 in 5 (83%) agree¹ that ensuring their visual content supports diversity (in terms of race, gender, age, size, and physical ability) is challenging. Overcoming this challenge will be especially important as almost 9 in 10 (87%) ecommerce marketers surveyed agree¹ that environmental, social and governance (ESG) issues are an increasing factor in people's purchasing decisions (i.e. the impact on the environment, the local community and workers).

Finally, there is a challenge in creating authentic content campaigns that provide social proof and reassurance to customers, as almost 9 in 10 (87%) ecommerce marketers surveyed noted this as a challenge.

To what extent do marketers agree that the following are challenges?



3

How ecommerce marketers are embracing UGC to boost their online sales

The power of visual UGC

Over 9 in 10 (93%) ecommerce marketers surveyed agree¹ that running visual UGC campaigns is a good way to generate more content for their brand to then repurpose and almost 9 in 10 (87%) agree¹ their company has successfully developed a visual UGC strategy

UGC provides an opportunity to solve many of these challenges marketers face when it comes to visual content.

In terms of the challenges associated with cost and scalability, UGC is a potential solution, as almost 9 in 10 (85%) ecommerce marketers agree¹ that using visual UGC (compared to creating professional photography or paying influencers for content) helps minimize costs. In addition, almost 9 in 10 (87%) agree¹ that it's easier to launch and scale marketing campaigns with visual UGC due to the vast pool of freely available, high-quality content. An even higher percentage (93%) agree¹ that running visual UGC campaigns is a good way to generate more content for their brand to then repurpose.

As previously mentioned, marketers surveyed face challenges related to ensuring diversity in their content, but they do recognize that UGC could contribute to being authentic in this space. Indeed, almost 9 in 10 (87%) agree¹ that using visual UGC is an authentic way of ensuring diversity because it comes from an organic sample of people, as opposed to handpicking models/influencers.

UGC can also provide solutions to showcase content that provides social proof and reassurance, as over 4 in 5 ecommerce marketers surveyed agree¹ that visual UGC is more trustworthy and credible than influencer content (84%). Further to this, almost 9 in 10 (89%) agree¹ that, as the demand for sustainable consumption increases, sharing relevant visual UGC can be effective in providing shoppers with social proof of a company's or a product's sustainability.



85% agree

Using visual UGC (compared to creating professional photography or paying influencers for content) **helps minimize costs**¹



84% agree

Visual UGC is **more trustworthy and credible** than influencer content¹

4

How ecommerce marketers **are embracing UGC** to boost their online sales



Ecommerce marketers also note the benefits of using UGC associated with nurturing a brand's customers and community. Indeed, over 9 in 10 (92%) agree¹ that using visual UGC makes their customers feel more appreciated and helps nurture a brand community, and just over 4 in 5 (81%) agree¹ that using visual UGC (as opposed to professional or influencer content) resonates more with their customers.

Furthermore, many marketers think UGC opportunities go further than this and can help from an employer brand perspective too. For example, over 4 in 5 (84%) agree¹ that, by showcasing authentic images of what it's really like to work for a business, visual UGC can help a company build its employer brand to drive recruitment.

Utilizing the power of UGC is common among marketers, with almost 9 in 10 (87%) agreeing¹ their company has successfully developed a visual UGC strategy, with over a third (36%) strongly agreeing. In addition, over 2 in 5 (85%) agree¹ that visual UGC is critical to their company's marketing, with almost a third (32%) saying they strongly agree. This positive impact of UGC is also reflected in campaign performance, as over 4 in 5 (85%) ecommerce marketers surveyed agree¹ that, when using visual UGC within their marketing, they see better performance compared to campaigns that use stock or branded content, with almost 2 in 5 (39%) strongly agreeing with this.



92% agree

Using visual UGC makes your customers feel appreciated and helps nurture a brand community¹



85% agree

Visual UGC is critical to my company's marketing¹



81% agree

Using visual UGC (as opposed to professional or influencer content) resonates more with our customers¹



85% agree

When using visual UGC within your marketing campaigns, you see better performance compared to campaigns using stock or brand content¹

5

How ecommerce marketers are embracing UGC to boost their online sales

Why UGC is the preferred visual content type

Ecommerce marketers are most likely to say that images/videos from real customers (UGC) generate the most customer trust (33%) and impact purchase decisions the most (30%).

Not only is UGC noted as being beneficial for generating content, enabling brands to support diversity, and creating a brand community feel, but it's also effective in generating customer trust and impacting purchasing decisions.

When ecommerce marketers surveyed were asked which visual types of content generate the most customer trust, images/videos from real customers (UGC) were most likely to be cited (33%). This is followed by professionally shot images/videos (24%), influencer-generated images/videos (18%), AI-generated photos/videos (16%), and, finally, stock photos/videos (8%).

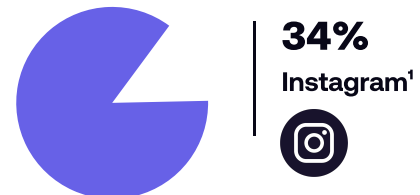
In a similar pattern, when ecommerce marketers surveyed were then asked which visual content types impact purchase decisions the most, images/video content

from real customers (user-generated content) was most likely to be cited (30%), followed by professionally shot images/video (23%), AI-generated photos/videos (18%), influencers-generated images/video (16%) and, finally, stock photos/videos (10%).

It is interesting to highlight that AI-generated photos/videos are two times more likely to be associated with generating the most customer trust compared to stock photos/videos (16% vs 8%). Further to this, AI-generated content (18%) is more likely to be associated with impacting purchase decisions compared to both influencer-generated images/videos (16%) and stock photos/videos (10%).

Looking at country differences, those in the UK are more likely than those in North America to say that images/videos from real customers (UGC) both generate the most customer trust (40% vs 25%) and impact purchase decisions the most (32% vs 28%).

Top three platforms marketers found to generate the best visual UGC:



6

How ecommerce marketers are embracing UGC to boost their online sales

Which social media platforms are the most fruitful when it comes to UGC?

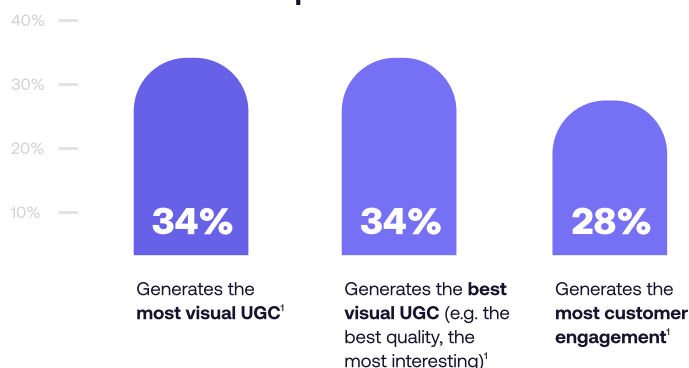
Instagram is most likely to be cited by ecommerce marketers as the platform that generates the most visual UGC (34%), generates the best visual UGC (e.g., the best quality, the most interesting) (34%) and the platform their customers are most engaged with (28%).

When exploring which platform is best suited for UGC in create effective content, Instagram reigns supreme over other platforms. Indeed, Instagram is most likely to be cited by ecommerce marketers as the platform that generates the most visual UGC (34%), generates the best visual UGC (34%), and the platform their customers are most engaged with (28%).

Despite the rising popularity of TikTok, Instagram and YouTube are more likely to be seen as platforms that generate the most visual UGC (Instagram 34%, YouTube 24%) and generate the best visual UGC (Instagram 34%, YouTube 23%) over TikTok (most visual UGC 21%, best visual UGC 21%). However, in terms of popularity from customers, it is Instagram (28%) and Facebook (23%) that marketers' customers are most engaged with, over TikTok (19%) and YouTube (17%).

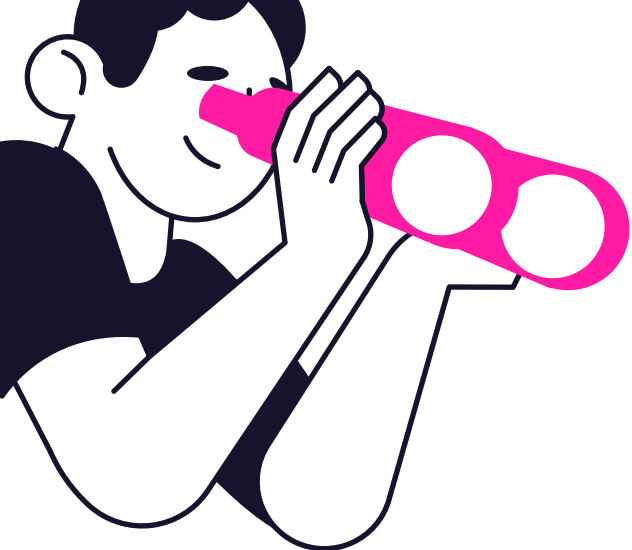
When looking at country differences, it is interesting to note that ecommerce marketers surveyed from the UK follow this pattern, with Instagram being most likely to be cited across the three mentioned categories (visual UGC 43%, best visual UGC 36%, customers most engaged with 32%). Those in North America are also most likely to say Instagram generates the best visual UGC (32%), however, this pattern differs for the most visual UGC and customer engagement. For example, those in North America are most likely to say YouTube (28%) is the platform that generates the most visual UGC, ahead of Instagram (25%) and those in North America are most likely to say Facebook (29%) is the platform their customers are most engaged with.

Instagram is most likely to be seen as the platform which:



7

How ecommerce marketers are embracing UGC to boost their online sales



Perceptions of these platforms' performance in terms of UGC also differs depending on the company's revenue. Indeed, ecommerce marketers surveyed from a company with \$50M-\$999M revenue (mid-size enterprise) are most likely to say Instagram generates the most visual UGC (36%) and generates the best visual UGC (37%), which is much more likely than those from a company with \$1B or more revenue (large enterprise) (26%, 16%). In contrast, those from a large enterprise are most likely to say either TikTok (29%) or YouTube (29%) generates the most visual UGC, and that TikTok (48%) generates the best visual UGC.

Perhaps it could be suggested these perceptions of performance in terms of UGC are likely to change as platforms progress and develop with the changing online world. There is an overwhelming agreement that the quality of UGC will improve, as the majority (88%) of ecommerce marketers surveyed agree¹ that the quality of visual UGC is increasing, with almost half (45%) saying they strongly agree with this.

For mid-size enterprises:



36% agree

Instagram generates the most visual UGC¹



37% agree

Instagram generates the best visual¹



30% agree

TikTok generates the most customer engagement¹

For large enterprises:



30% agree

TikTok and Youtube generates the most visual UGC¹



48% agree

TikTok generates the best visual UGC¹



29% agree

Facebook generates the most customer engagement¹

8

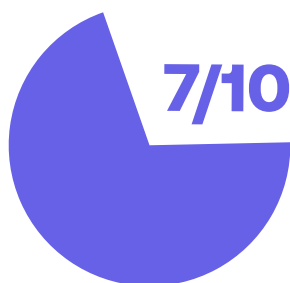
How ecommerce marketers are embracing UGC to boost their online sales

Who is using UGC—and could more ecommerce brands be using it?

Ecommerce marketers surveyed are most likely to be targeting/selling to 35–44-year-olds (65%), followed by 25–34-year-olds (60%).

A smaller proportion of respondents said they are targeting/selling to 45–54-year-olds (38%) or to 16–24-year-olds (23%).

In terms of market-level differences in this sample, the data suggests that brands that are perceived as premium are more likely to be using UGC. This is demonstrated in that, across the sample of ecommerce marketers who use UGC, almost 3 in 5 (59%) said they think their brand is perceived as premium in the market, whereas 3 in 10 (30%) said they think their brand is perceived as mid-market, and 1 in 10 (10%) said they think their brand is perceived as a budget brand.



almost 7 in 10 marketers agree that they understand the value of UGC but struggle to integrate into their marketing¹

It is common for these ecommerce marketers surveyed to experience challenges specifically related to UGC. For example, almost 7 in 10 (68%) agree¹ they understand the value of UGC but struggle to find ways to integrate it into their marketing, with a third (33%) strongly agreeing they experience this difficulty, with those in North America more likely to agree¹ with this compared to those in the UK (75% vs 61%). Further to this, identifying/sourcing visual UGC (84%) and getting the rights/licensing to use visual UGC (87%) are cited as challenges for the majority of ecommerce marketers surveyed.

Although these challenges related to UGC are present for marketers, the opportunities this content brings a brand is clear, given the impactful benefits of UGC discussed and how just over three quarters (76%) of ecommerce marketers agree¹ that brands are not making the most of the opportunities visual UGC provides.

9

How ecommerce marketers **are embracing UGC** to boost their online sales

Conclusion

Creating impactful and effective visual content is crucial for brands and is becoming even more important now that people are doing more research before making purchases due to the ongoing cost-of-living crisis (87%¹). Brands need to inform these purchase decisions and provide the added reassurance that today's shoppers require.

Ecommerce marketers surveyed are experiencing a variety of challenges with visual content, including generating a constant flow of fresh content (87%¹), along with the costs associated with professional photo shoots (84%¹) and influencer content (84%¹). Ensuring content supports diversity is another key challenge (83%¹) and is likely to become even more crucial as diversity is an increasing factor in people's purchasing decisions (87%¹).

The data shows that UGC can provide a solution to many of these challenges. For example, UGC campaigns are seen as a good way to generate more content for their brand to then repurpose (93%¹) and, in terms of reducing costs, using visual UGC (compared to creating professional photography or paying influencers for content) helps minimize costs (85%¹). UGC can also contribute to solving challenges with diversity, as this content is an authentic way of ensuring diversity because it comes from organic people, as opposed to handpicked models/influencers (87%¹).

UGC is also important in relation to macroeconomic consumer constraints. Despite the increasing cost of living, almost 9 in 10 (87%) ecommerce marketers agree¹ that people will continue to spend on discretionary categories such as fashion, beauty, and DIY. The majority of ecommerce marketers do note, however, that the increasing cost of living means people are doing more research before making purchases (87%) and UGC can help inform those purchase decisions and provide the added reassurance that today's shoppers need.

The benefits of utilizing UGC go further and can provide opportunities to make customers feel more appreciated, help nurture a brand community (92%¹), and provide shoppers with social proof of a company's or product's sustainability (89%¹). Benefits can also be felt within the company, such as driving recruitment through using UGC to showcase authentic images of what it is really like to work for a business (84%¹).

Given the opportunities UGC brings a business, the fact UGC is versatile, and the fact its quality is only increasing (88%¹), it is surprising brands are currently not making the most of these opportunities (76%¹). There is a huge opportunity for many brands to elevate their visual content through UGC to solve their current challenges, build trust with their customers, reduce costs, and become more diverse.

1. 'Strongly agree' and 'Somewhat agree' responses combined

nosto 

[Full research data](#)