

DEFINING USER-GENERATED CONTENT IN TODAY'S DIGITAL LANDSCAPE

SUMMARY

The use of user-generated content (UGC) has emerged as an important component of the content marketing mix. Used by publishers, marketers and agencies alike, and driven by the surge of digital platforms, websites and technologies, UGC can provide an effective and compelling way to engage with consumers. The purpose of this document is to provide an overview of UGC in today's digital advertising landscape.

WHAT IS UGC?

UGC is content that is generated by individual users or peers* that has the potential to create engagement and/or drive conversation.

Use of UGC content in marketing has grown significantly in recent years due to social media and platforms such as YouTube, Instagram, and TripAdvisor where “ordinary people” have become avid content creators and publishers/marketers/agencies are taking notice. Technology, largely in the form of social listening, has real-time listening and rapid activation which can lead to enhanced monetization and the ability to scale content.

KEY BENEFITS OF USER GENERATED CONTENT

1. **Heightened Consumer Trust** – Numerous studies have shown that word-of-mouth and other peer recommendations are viewed as being more trustworthy, memorable, and influential than traditional brand copy. Trust is an important factor leading to increased loyalty, conversion, and even purchases. This is particularly important for higher ticket priced items.
2. **Stronger Brand Affinity and Engagement** – Consumers are drawn to UGC opportunities for a variety of reasons including a desire to be a thought leader, a need to be part of a group, a want to show off their creativity, and in some instances a gain of status or financial rewards for participating. An engaging UGC campaign can yield more time on site with higher satisfaction with either the site itself or the brand “sponsor.” For publishers, more traffic can lead to more paid advertising on their site.
3. **More Earned Media** – UGC campaigns are ripe for earned media opportunities which draw more people to your site, either repeat or new visitors.
4. **Stronger SEO** – UGC is proven to be an effective way to increase search engine indexing, particularly in relation to a social SEO campaign.
5. **New Research Opportunities** – Marketing and media plan efforts can be enhanced and strengthened by listening to what consumers have to say in UGC environments. This can inform strategies, media plans, and competitive intelligence. Many tools are available to help publishers/brands listen to the UGC conversation and potentially act on it in near real time. This includes customer service.
6. **Cost-efficient Content Pipeline** – In this era of content marketing it can be challenging to develop enough quality content to fill the pipeline. UGC is both cost-efficient and cost-effective, with the primary cost being labor to monitor the UGC activity. Content can also include UGC output that can be used in advertising campaigns in digital, print, TV or OOH, which can represent significant production cost savings.

* Peers = Individuals who are not “professionals.” Smaller targeted bloggers are included in the peer definition although there is some industry debate regarding at what level a blogger is considered at the professional level.

SOURCES AND TYPES OF UGC

The primary types of UGC include social platforms, photos, video, reviews/forums, blogs, and podcast content.

UGC can come from two sources: “Top down” and “Bottom up.” “Top down” sources refer mainly to bloggers with topic influence, while “Bottom up” sources refer to everyday peers (friends, family, peer with shared topic interests, etc.) The source can be compensated with money or other types of rewards, or the content can be holistically sourced and not paid.

HOW UGC IS BEING USED IN MARKETING CAMPAIGNS TODAY

Marketers are finding new ways to use UGC every day. The main ways include:

- **Marketing Intelligence** - which can inform everything from content creation to distribution and paid amplification
- **Crowd-Sourced Content** - for promotional, advertising or product development purposes
- **Influencer Campaigns/Sponsored Social** – where individuals are typically compensated in some way to share their opinions with their peers
- **User Reviews** – when user reviews are used in marketing materials
- **Enhanced Event Coverage** – where event earned media is shared to generate buzz

TOP LEGAL CONSIDERATIONS

Every UGC use case will be different so it is always best to consult your legal team with any questions prior to engaging a campaign.

- If your company did not create the image or words, regardless of form (photo, video – including Vines and GIFs, review, comment, blog, etc.) or location, it is best practice to consult with your legal counsel about copyright, fair use, creative commons, and public domain image considerations. When in doubt, ask!
- For campaigns/contests, review the specific rules on a site-by-site basis. Best practices include:
 - Clear submission guidelines
 - An established submission review process
 - A process to quickly take down potentially infringing content
- For UGC campaigns where individuals are compensated in exchange for endorsement, comply with the Federal Trade Commission’s 16 CFR Part 255 - [“Guides Concerning the Use of Endorsements and Testimonials in Advertising”](#).
- For use of UGC from review or commenting sites/platforms:
 - Understand that moderation of these sites is at the discretion of the individual site
 - If publishing a review on your own site or in advertising, you need to understand requirements to link back to the original review site and/or acquire permissions needed from that site to use

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About
The Interactive Advertising Bureau (IAB) empowers the media and marketing industries to thrive in the digital economy. It is comprised of more than 650 leading media and technology companies that are responsible for selling, delivering, and optimizing digital advertising or marketing campaigns.

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This IAB: Digital Simplified was created by IAB’s UGC working group chaired by Eryn Ivey from Izea and Rahul Chopra from Storyful. Representatives from CrowdTap, Disqus, Klout, Polar, TimeOut America, TripAdvisor, Twitch, and Unilever also actively participated in the development of this paper.