

SOCIAL INTERACTIVITY: INFLUENCE OF USER-GENERATED CONTENTS ON PERCEIVED USEFULNESS AND PERCEIVED RISKS

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Abstract

The importance of user-generated content is now pronounced in content marketing. This is based on the fact that it influences consumers' behaviour, as they are products of their actual perceptions and interactions with a brand. To this end, this research was conducted to assess the influence of user-generated contents on perceived usefulness and perceived risks. 400 responses were gathered through an online survey. Findings from the analysis show that user-generated contents positively and directly influence perceived usefulness and perceived risks. Essentially, the research concluded that brands should be conscious of the UGC being shared across platforms about their products or services, as such can influence consumers' buying behaviour through perceived risks and perceived usefulness.

Keywords: Social Interactivity, Perceived Risk, Perceived Usefulness, User-generated Contents

1. Introduction

One of the main features that Web 2.0 brought is that it created a new round of consumption upgrading, as consumption structure moved from subsistence to enjoyment and development (Geng & Chen, 2021). For modern consumers, their purchase paths are defined via search engines. Information from businesses is no longer passively accepted by consumers; instead, they actively consult information that other consumers have created (video, text, pictures, and so on.) and reference it when making purchase decisions (Thoumrungroje, 2014). This new dimension in consumers' information search and acceptance created the concept of user-generated content (UGC). Generally, UGC refers to pictures, texts, videos, and other contents that the users create in any form that are published via different networks. It also includes the purchase experiences that other users share via websites or social media platforms, a clear decentralisation of new media, and manifestations of empowerment (Vickery & Wunsch-Vincent, 2007).

In line with these changes, numerous e-commerce platforms are now moving away from the conventional model of search and retail, as they now utilise pull strategies through content marketing to create and sustain relationships with customers (Geng & Chen, 2021). Content marketing is a relatively new technique that is utilised for the creation and distribution of relevant or valuable contents to a defined market segment with the intention of obtaining profitable market actions (Steimle, 2014). As such, it is essential that brands recognise the importance of content marketing and have a clear understanding of the factors that influence its success and the outcome of its application.

While there seems to be an increase in attention being accorded to content marketing as a modern tool in marketing, only limited studies have focused on the influence of UGC on the purchase intentions of customers (Geng & Chen, 2021), especially when viewed from the angle of interactivity (Müller & Christandl, 2019). UGC is a key feature of social e-commerce, as it is a product of interactions between customers (users). For instance, customers can share their overall experience about a product via the platform, and other customers can comment and exchange information, leading to a two-way flow of information. These positive interactions between users and networks on social media represent the real source of content marketing. As such, it is imperative to assess how UGC influences perceived usefulness and perceived trust, with the finding capable of shaping how marketers influence consumers' purchasing behaviour. Aside from being beneficial to marketers, it will also lay the foundation for the production of more engaging content. Finally, it will help in developing models and theories within the academic setting, especially in the areas of Web 2.0 and how it influences purchase behaviours.

2. Literature Review

2.1. User General Contents and Perceived Usefulness

Many user-generated content (UGC) platforms were created with the development of Web 2.0. It made it possible for users to interact and exchange information, therefore providing a varied medium for social media marketing (Deng et al., 2015; Felix et al., 2016). The diversity of UGC is also known, as it comes with strong media properties. To enhance interaction quality, communities have been discarding single-text discussions and making use of more advanced forms of video, audio, pictures, and other related resources (Zhao et al., 2011). To this end, communication between members has become more intuitive, making the information more reliable and richer, as well as clearer. Also emphasised in the interaction quality of UGC is the notion that the content generation process is a good source of interpersonal interaction (Geng & Chen, 2021). Featured in this process are not only feedback and interactions between customers but also a form of partnership between the retailers and customers (Geng & Chen, 2021).

On the other hand, perceived usefulness is the extent to which a consumer believes that one's performance would be improved by making use of a particular product or service (Davis, 1989; Karahanna & Straub, 1999; Muslim et al., 2014). For the purpose of this study, perceived usefulness is considered to be the overall usefulness of information or a message that is shared via social media platforms. Due to the open, virtual, anonymous, and weak group relationships between customers, it is difficult to rely on acquaintance introduction and identity recognition to create perceived usefulness. Sufficient information resources about a given product can only be obtained through online interactions (Wu, 2007). Through UGC interactions, one is able to effectively deliver information by engaging the attention of users, increasing their overall involvement, and making their experience more meaningful (Lee et al., 2011). The positive side of the interaction does show that users can quickly update information in real-time and actively control how this information is acquired on the platform (Animesh et al., 2011; Felix et al., 2016; Geng & Chen, 2021). When users interact, it provides a conducive environment for information collection and transmission, helping other members of the community create key resources and opportunities (Felix et al., 2016).

Within the context of the internet environment, consumers are not only able to view information about a product but also browse generated contents about other related products. They are able to interact with other brands in order to obtain more comprehensive information about certain product categories and develop their own useful perception of what a product is or should be. Thus, it is hypothesised in this study that:

H₁: *User-generated contents build interaction quality that positively influences consumers' perceptions of product usefulness.*

2.2. User Generated Contents and Perceived Trust

One of the foundations of trust is high-quality interactivity (Wu & Chang, 2005). However, similar to the work of Geng & Chen (2021), trust is defined in this study as the willingness of consumers to be affected by integrity (commitment and honesty), skills (ability to meet requirements), and kindness (thinking for others, caring) in a given product recommendation based on the information published through UGC. Therefore, information exchange and communication are very vital features of interactivity, and they also have an important influence on trust (Selnes, 1998). In the context of social media, the relationship between users creates a weak bond. As users continuously interact via the online platforms, they are able to create and improve their own understanding, as well as generate a sense of trust among themselves (Blanchard et al., 2011; Wang & Chen, 2012).

Thus, effective interactions through UGC make it easier to find groups with common attributes among virtual communities. When groups are identified as having the same values and interests, it becomes easier to create emotional connections among members and essentially build perceived trust (Müller & Christandl, 2019). On the same note, the credibility of information is enhanced through UGC interactions (Geng & Chen, 2021). Usually, the information obtained by consumers through UGC is used to improve perceived trust and reduce perceived risks (Li et al., 2020). The interactivity of social e-commerce platforms creates the background for effective online word-of-mouth communications, and as numerous users are now following the trends of mass consumption, when users see many comments about a product and more people are positively participating and sharing information, they become more likely to develop a positive attitude towards the said product (Ye et al., 2011; Li et al., 2018). With consumers continued participation in UGC, their understanding of UGC increases, which in turn reduces the perceived risks, creating the right room for improved trust in UGC (Dawes & Nenycz-Thiel, 2014). Based on these views, it is hypothesised that:

H₂: *User-generated contents build interaction quality that positively influences consumers' perceptions of the trustworthiness of products.*

3. Methodology

This study adopted a cross-sectional research design with data gathered via a structured questionnaire. A total of 400 valid responses were gathered through an online survey, based on convenience sampling. Cochran's formula was used to determine the sample size. The prerequisite for participation was that the respondents must have engaged in user-created content over the past six months prior to the study. A pilot study was conducted prior to the main data gathering, with issues raised and corrected prior to the formal data gathering phase. A number of ethical measures were also implemented. First, respondents were informed about

the purpose of the research. Secondly, they were free to complete the data gathering process at any stage. Finally, the researchers ensured that respondents' data was properly protected and secured against any third-party access. The gathered data were analysed using IBM's SPSS tool, and the analysis focused on confirming whether relationships exist between the variables being considered in this study. Prior to data analysis, Cronbach's alpha was used to test the reliability of the gathered data. All the alpha values obtained for the variables are above 80%, indicating a high level of reliability for both the data and the data instrument (Song & Sun, 2020).

4. Data Analysis

4.1. Respondents' Profile

The respondents profile showed that the majority of respondents were male ($n = 281$; 70.3%), while the outstanding were female ($n = 119$; 29.25%). The majority of the respondents were Igbos ($n = 115$, 28.75%), followed by Yoruba ($n = 103$, 25.75%), Others ($n = 99$, 24.75%), and finally Hausa/Fulani ($n = 83$, 20.75%). The researchers also sought to understand the academic qualifications of the respondents, and the majority had an undergraduate degree or certificate ($n = 176$, 44%), followed by secondary school certificate holders ($n = 114$, 28.5%), postgraduate degree holders ($n = 71$, 17.75%), and finally those without a certificate ($n = 39$, 9.75%). All the respondents had interacted with UGC in the past six months (either by creating one or being engaged with one), as this was a prerequisite before participation. Those who clicked "no" to the question "have you interacted with user-generated content in the past six (6) months?" were not permitted to participate as the questionnaire would automatically close.

4.2. Test of hypothesis

4.2.1. Hypothesis 1

Regression model: $Y = \alpha + \beta X + \mu \dots$ (For all observations $i = 1, 2 \dots n$)

Table 1: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.616 ^a	.565	.524	56.90231

a. Predictors: (Constant), UGC

Table 2: ANOVA^b

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	16221.117	1	19110.019	6.203	.003 ^a
	Residual	7711.221	509	3131.060		
	Total	23932.338	510			

a. Predictors: (Constant), UGC

b. Dependent Variable: Perceived Usefulness

Table 3: Coefficients^a

Table 1: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.616 ^a	.565	.524	56.90231

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constant)	14.112	42.533		1.117	.028
	Documentary production	.667	.312	.819	3.710	.019

a. Dependent Variable: Perceived Usefulness

Tables 1, 2, and 3 reveal the existence of a significant relationship between the variables ($R^2_{calc} = 0.565$, $F = 6.203 >$ at $p < 0.05$). The finding is significant. As such, it confirms the hypothesis that "user-generated contents build interaction quality that positively influences consumers' perceptions of product usefulness." Essentially, through UGC, consumers can build quality interactions about a given product, and this can positively influence their overall decision to purchase the said product as it connotes a positive image and emotions towards a product (Animesh et al., 2011; Felix et al., 2016; Geng & Chen, 2021).

4.2.2. Hypothesis 2

Regression model: $Y = \alpha + \beta X + \mu \dots$ (For all observations $i, = 1, 2 \dots n$)

Table 1: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.630 ^a	.555	.549	57.70231

a. Predictors: (Constant), UGC

Table 2: ANOVA^b

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	16212.117	1	18210.019	6.103	.004 ^a
	Residual	7811.221	590	3113.060		
	Total	25932.338	531			

a. Predictors: (Constant), UGC

b. Dependent Variable: Perceived Trust

Table 3: Coefficients^a

Table 1: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.630 ^a	.555	.549	57.70231

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	15.112	43.523		1.124	.018
	Documentary production	.676	.313	.879	3.800	.029

a. Dependent Variable: Perceived Trust

Tables 1, 2, and 3 reveal the existence of a significant relationship between the variables ($R^2_{\text{calc}} = 0.555$, $F = 6.103$ at $p < 0.05$). The finding is significant. As such, it confirms the hypothesis that "user-generated contents build interaction quality that positively influences consumers' perceptions of trust in products." Essentially, through UGC, consumers can build quality interactions about a given product, and this can positively influence their overall decision to purchase the said product as it connotes a positive image and emotions towards a product (Müller & Christandl, 2019; Li et al., 2020; Geng & Chen, 2021).

5. Discussion

From the onset, this study was conducted to assess the influence of UGC on perceived risks and perceived usefulness. From the review of literature, it was gathered that UGC has changed the paths of communication, with customers more interested in interacting with other customers that have utilised the products or services they want to purchase. In view of this understanding, a quantitative study with 400 responses was conducted via an online survey. Findings from the analysis show that UGC positively and significantly influences perceived risks and perceived usefulness, as customers seem to trust most of the views of other customers who are speaking from experience. Essentially, UGC can be said to have the potential to influence purchase behaviour based on the influence it has on perceived usefulness and perceived risks.

6. Limitation

Although the findings from this study are valid, the research is limited in a number of ways. First, it is limited in scope because, while there are numerous factors in consumer behaviour that UGC can influence, only perceived risk and perceived usefulness were considered. This limits our understanding of how UGC influences other elements of consumer behavior. As an online survey, it also comes with limitations like "repeat biases and qualified candidates responding to the research—anyone that agrees to have been engaged with UGC in the past six months can participate even if the person has never done so." However, these limitations do not undermine the overall value of the findings from this study.

7. Recommendations

Based on the findings above, it is recommended that companies be conscious of the user-generated contents about their products and services, ensuring they pay attention to and address complaints, because such can directly influence how customers perceive the usefulness and risks of their products and services, in the process leading to an influence on consumers' decisions to purchase, repurchase, or recommend their brands. On the side of research, it is recommended that further studies should be conducted to assess how UGC influences other elements of purchase behaviour.

8. Conclusion

In conclusion, UGC has changed the flow of information about products and services, and it is having a higher impact than those coming from the company's official sources. The main reason for this is because UGC is based on actual experience that customers have about a product or service, and these customers engage with each other to further discuss specific elements of the product or service. In essence, these discussions shape how they perceive the product as being useful or risky, and this directly influences their purchase behaviour.

Conflict of Interest

Authors declare no conflict of interest.

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