The Power of User-Generated Content: Elevating Consumers' Brand Perception, Purchase, and Post-Purchase Behavior in the Food and Beverage Industry

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ABSTRACT

The aim of this research is to assess the importance of user-generated content (UGC) in the food and beverage sector, examining its impact on brands, consumers, and loyalty. User-generated content (UGC) has proven to be an effective and useful tool for brands seeking to reach people, particularly as conventional advertisement becomes less effective. The qualitative part incorporates interviews with business owners, food bloggers, and customers of such businesses, and the quantitative part includes surveys, to gain a rounded view of the problem. Important findings uncovered that UGC has a high level of 86% trust amongst consumers. UGC is more widely accessible to consumers on Instagram and YouTube, where interesting and easy-to-connect-with content has been able to help retain consumers. UGC also has a positive economic effect, as businesses have reported increased sales when consumers are effectively engaging with the content. It is clear from the research that brands need to change their marketing approaches in order to take advantage of the UGC effect, especially those that target younger people who are more willing to engage with them. This paper has specific relevance in terms of enabling businesses to utilize UGC in an efficient manner; it also makes a general contribution through a series of recommendations that are aimed at enhancing the marketing image of the businesses and fostering customer loyalty in view of the ever-changing digital environment.

Keywords – User-Generated Content, Brand Perception, Loyalty, Trust, Social Media, Digital Marketing.

INTRODUCTION

User-generated content (UGC) has emerged as a pivotal element in the contemporary marketing landscape, reshaping how brands engage with consumers and influence purchasing behaviours. UGC encompasses any form of content—be it images, videos, text, or audio—created and shared by users rather than brands themselves. This shift towards consumergenerated content arises from the increasing demand for authenticity in marketing communications. In an era where traditional advertising often faces scepticism, UGC offers a refreshing alternative that resonates more deeply with audiences. Research indicates that UGC significantly enhances brand trust and credibility. For instance, 86% of consumers are more likely to trust brands that share UGC, viewing it as more authentic than brand-generated content.

This authenticity is crucial; it not only fosters a sense of community among consumers but also acts as a form of social proof that can accelerate the decision-making process. In fact, studies reveal that UGC can lead to a 29% increase in web conversions compared to campaigns devoid of such content. (Kunsman, 2024)

Moreover, UGC serves as a cost-effective marketing strategy. Brands can leverage content created by their customers without the substantial expenses associated with traditional content production. This not only maximizes return on investment but also allows brands to tap into the creativity and experiences of their user base.

As consumer engagement continues to evolve, understanding the dynamics of UGC becomes imperative for brands aiming to maintain relevance and drive sales in an increasingly competitive marketplace. In summary, the integration of user-generated content into marketing strategies is not merely a trend but a fundamental shift towards more authentic and engaging brand-consumer relationships. As this research explores further, the implications of UGC on purchase intention and brand loyalty are profound, warranting deeper investigation into its mechanisms and effectiveness across various platforms and demographics. (n.d)

It has become one of the most essential and critical factors in developing the digital environment of marketing and consumer relations. Since marketing messages from brands are no longer trusted as much as messages created by their consumers, UGC has changed the way brands and consumers engage. This transition is observable in sectors like fashion, as the non-commercial and virtual nature of user content builds a stronger bond to brands. Research indicates that usergenerated content (UGC) enhances brand trust and plays a crucial role in influencing consumer purchasing decisions by providing credible and valuable information. (Gou-Fong Liaw, 2022)

BUILDING CUSTOMER LOYALTY

Positive engagement with user-generated content allows brands to easily form a long-lasting bond with consumers, resulting in a strong association that leads to customer loyalty. Studies have shown that customers who feel acknowledged by brands through a tweet, like or share, are more likely to feel emotionally attached to the brand and remain loyal, as a result. And this connection is essential in the food and beverage industry, where previous positive experiences often underpin repeat business.

For example, campaigns, such as Coca-Cola's "Share a Coke" and Starbucks' "White Cup Contest," demonstrate how UGC can engage customers and foster brand loyalty. UGC not only familiarizes consumers with the brand story and its narrative, but also enables them to identify with the brand when they feel an intense connection or bond to it, to the point where it becomes an integral part of their own identity. While UGC offers a wealth of opportunities for increasing brand identity and loyalty, it also has its issues. (Udoka, 2024)

SIGNIFICANCE AND RELEVANCE OF THE RESEARCH

Customers who use products provide a decidedly more authentic and relatable point of view through UGC, which serves as a mechanism to build trust around a brand. In fact, 88% of consumers believe online reviews to be as trustworthy as personal recommendations, demonstrating the strong effect of UGC on brand trust.

Adapting to Changing Consumer Behaviours

Consumer behaviours are changing due to rising digital trends and so should brands marketing strategy. UGC is a trend that leans toward growing more interactive and consumer-based marketing methods. Comprehending the impact of UGC on consumer perceptions and behaviours allows businesses to refine their strategies for better engagement with their target customers, an adaptability that is critical for staying relevant in a competitive landscape. (Anderson, 2023)

Leveraging Social Proof Theory

The theoretical foundation of this study is based on Social Proof Theory which is the argument that people will adjust their behaviour based on what they see others doing. In relation to UGC, consumers are more likely to trust brands that their peers have recommended, compared to traditional advertisement messages. This theory can be applied to design campaigns that motivate users to create UGC and display social proof effectively. (O'Riordan, 2024)

Cultural Sensitivity in Marketing

The impact of UGC varies across cultures, which is important for a brand that operates in various markets to understand the nuances. Research reveals that indeed it is those influencers, who share cultural similarities with their audience, produce content that really resonates and speaks volumes about brand loyalty and engagement. This fact really speaks to the importance of culturally sensitive marketing strategies that will resonate with local audiences while promoting inclusivity in diversity. (Paolo Roma, 2019)

Ethical Considerations in UGC Practices

With the increasing reliance of brands on UGC, it becomes critical to do so within ethical boundaries. Thus, the study establishes that there is a need for transparency and authenticity of information in UGC campaigns to protect and ensure the welfare of consumers. To balance such marketers with these challenges in managing negative feedback as they create an environment where genuine consumer voices can be heard. (Paolo Roma, 2019)

Therefore, in today's dynamic digital marketing environment, this research holds particular significance and relevance as it enables businesses to utilize UGC efficiently and effectively, thereby enhancing their brand's image and fostering customer loyalty.

RESEARCH OBJECTIVES

- 1. To analyse the impact of UGC towards brand perception.
- 2. To determine the effect of UGC over purchase behaviour.
- 3. To study the influence of UGC in post-purchase behaviour and fostering customer loyalty.

RESEARCH METHODOLOGY

1. Qualitative Research - Conducting in-depth interviews with the owners of restaurants, chefs to get insights into their strategies and to understand how they leverage the UGC to enhance their brand perception. Interviews with food bloggers to get their opinions on UGC, their motivation to create the content, and their perceptions on the UGC. Observe online food communities to understand the perception of consumers on UGC, and how UGC influence their purchase decisions.

- Quantitative Research: Designing and distributing questionnaires to a selected and random population of consumers with the purpose of their understanding with UGC such as food blog posts, influencer posts, reviews and ratings, and attitude. Understand their purchase intention, and loyalty towards food and beverage brands and how UGC influences sales, brand attitude and repurchase intention.
- **3. Gathering and Analysing Data**: Data collected from sources such as interviews, observations, and surveys will be analysed. Triangulating the findings from qualitative and quantitative data to derive comprehensive insights.
- 4. Understanding and Sharing Findings: Interpreting the findings, drawing conclusions about the impact of UGC on brand perception, purchase behaviour, and customer loyalty in the food and beverage sector. Developing recommendations for food and beverage brands on leveraging UGC effectively in their marketing strategies.

REVIEW OF LITERATURE

User-generated content (UGC) has revolutionized the digital marketing landscape, offering brands unique opportunities to engage with consumers in authentic and impactful ways

The research by Azman focuses on consumers' engagement with branded content on Facebook, where companies not only post advertisements but also stimulate UGC. This proved that UGC does not activate persuasion knowledge or negative feelings among users, thus making users have higher purchase intentions than disclosed advertisements and posts from brands. Notably, participant attention to an advertisement post was significantly associated with a lesser likelihood of negative emotional reactions as compared to those on brand posts. Based on the study, policymakers could recommend that commentary and endorsements need to carry disclosures to enhance clarity and knowledge to clients. (Azman, 2023) The article by Xiangyi Li about user-generated content (UGC) in brand marketing, in which the author proves how it has revolutionised consumer-brand relationship and brand performance. With brands growing more rivalry within the digital platform, UGC become an important factor towards the improvement of authenticity and trust among customers. The study underscores the point that UGC to the social media is more effective than corporate promotions which seems more forced. It is important because consumers are inclined to interact with brands that share real-life experience, not overproduced commercials. (Xiangyi Li1, 2022)

Today's reviews, testimonials, and posts on social networks that represent UGC are considered more credible in comparison with traditional advertisement content. This is the reason that it gives people a closer deal of emotional aspect with brands and leads to more credibility of brands. The paper reveals that UGC plays the social proof role which contributes to purchase intentions and brand legitimacy. The inclusion of UGC in the marketing mix not only enhances customers' attention and interest but also creates a users' community. UGC yields in consistent results depending on the industry to which the consumer belongs, meaning that it requires different approaches to different groups of consumers (Jain, 2024)

There's no doubt that UGC has changed how marketing works in the digital world. It's given brands new ways to connect with customers in real and powerful ways. Researchers Tyrväinen, Karjaluoto, and Ukpabi have looked at how well UGC and company-made content work in building brand loyalty. Their findings show that while UGC is great at connecting with customers, content made by the organization may work better at creating long-lasting brand loyalty. (Olli Tyrväinen, 2023)

Word of mouth together with reviews, testimonials, images and even videos by the common users have become an essential aspect that defines the brand perception. The study focuses on the fact that UGC is considered much more credible and genuine in comparison with brand-created content. This authenticity makes consumers develop a close emotional attachment to the brands, making brand UGC highly credible and trustworthy. The authors conclude this study by underlining how UGC may revolutionalise marketers' approaches to digital marketing. It challenges marketers to incorporate ethical practice into the campaigns to safeguard consumer interests as much as encouraging consumers' contributions will lead to maximum gains. (Muhammad Naeem, 2019)

A study by Soylemez explores UGC from another angle. The research delves into what influences the creation of different types of content. The research shows the link between personal aspects, such as personal motivations and self-perceptions, and content creation preferences. Therefore, marketers should try to cater to these diverse needs and views. Doing so can help increase user engagement and improve online brand communities. (Soylemez, 2021)

Images shared by users of a product add great value to the brand. This is sensed through how widely known the brand is, the brand's reputation, and perceived quality. The value sees a rise when users start creating content for the brand, leading to more people wanting to buy the brand. Platforms like social media help boost picture sharing by users as customers

engage more actively which builds a community for the brand. This translates to more trust and loyalty. (Bruno Schivinski, 2015)

A study by Aljarah and team delves deeper into how user and firm-created content affects the online support for the brand. This highlights that brands need to work hand in hand with customers in creating content. It also shows that the brand's prior knowledge in the customer's mind has a hand in shaping the way a brand's online content works, giving a detailed understanding of how customers respond to various types of content. (Ahmad Aljarah, 2022)

THE FINDINGS FROM THE LITERATURE REVIEW

The different forms of user-generated content (UGC) and how they benefit the brand:

1. The Content

- Traditional UGC: Mostly written reviews with little or no visuals.
- Modern UGC: Captivating content such as videos, infographics, interactive elements, and memes

2. Interaction with Consumers

- Traditional UGC: Very little interaction from brands with responses often reactive.
- Modern UGC: Brands engage more with the customers by egging them on to create content through fun tasks, hashtags, and getting them involved in campaigns.

3. Trust and Authenticity

- Traditional UGC: Authentic but missed context or proof of experiences.
- Modern UGC: More authentic by sharing of real-time experiences (like live videos) which are more believable for customers.

4. Using Different Platforms

- Traditional UGC: Limited to specific review sites or forums where consumers posted experiences.
- Modern UGC: Shared across various social platforms where the sharing is immediate and can go viral, reaching more people.

GAP ANALYSIS

From the secondary research and literature review, it has been found that, the influence of user-generated content (UGC) on consumer behaviour has become increasingly significant in recent years, particularly within the food and beverage industry.

Several studies have investigated how UGC affects different areas but there is very little research done into how it impacts decisions to buy food and drinks. This is a wonderful opportunity for more research into how UGC like reviews, social media posts, and video blogs shape what consumers prefer and what makes them buy in this ever-changing food and beverage industry. By diving deep into this relatively untouched area, we hope to add useful insights to both the academic research as well as the application of the same to the industry. This paves the way to an understanding of UGC in shaping consumer choices and market trends.

PRIMARY RESEARCH:

The primary research highlights the transformative impact of UGC on brand perception, consumer behavior, and loyalty in the food and beverage industry. It reveals how authentic content, strategic engagement, and platform-specific campaigns drive customer trust, influence purchase decisions, and foster emotional connections with brands.

Primary Research Design: The study adopts a mixed-method approach, integrating both qualitative and quantitative designs. It involves in-depth interviews with business owners, customers, and food bloggers, as well as structured surveys, to comprehensively explore the impact of UGC on brand perception, consumer behaviour and customer loyalty in the food and beverage industry.

Sampling Technique: Participants were selected using a purposive sampling method, targeting restaurant and café owners from Tier 1 city (Bengaluru) and Tier 2 city (Mysuru) with active customer engagement and demonstrated experience in leveraging UGC.

Data Collection: The primary data was gathered using a variety of methods, including structured questionnaires administered through in-person interviews and online surveys with Google Forms, and online interviews.

Comprehensive Analysis of UGC Dynamics in the Food Industry Based on Food Blogger Interviews.

This analysis highlights how food bloggers leverage authentic UGC to build trust, drive engagement, and influence consumer decisions while navigating challenges and fostering audience interaction

1. UGC's Role in Enhancing Brand Perception: UGC significantly enhances brand perception by showcasing authentic experiences that resonate with audiences. For example, promoting Guru Dosa Point through community-driven







Figure 1 Source: Primary Data

Figure 2 Source: Primary Data

Figure 3 Source: Primary Data

campaigns led to a 10x increase in business, illustrating the transformative power of genuine content. Unique dining experiences, like Chittaranjan Palace's conversion into a restaurant called Green Hotel, positioned it as a culturally significant destination in Mysuru, boosting its appeal among niche audiences. Similarly, features on venues like Downtown Cafe created emotional connections by emphasizing their charm and historical significance, fostering deeper engagement with customers.

- 2. UGC's Influence on Consumer Purchase Behaviour: UGC-driven content based on audience recommendations has proven highly effective in influencing consumer behaviour. Reviews highlighting Veena Cafe's fuller pizza and Green Hotel, a palace-turned-restaurant, generated significant interest and boosted footfall. Locations like Idli Bidli in Mysuru saw increased customer engagement and repeat visits, showcasing the power of visual storytelling to drive real-world outcomes. Additionally, relatable UGC featuring affordable dining at street vendors, successfully connected with budget-conscious audiences, fostering loyalty and sustained patronage.
- **3. Supporting Small Businesses Through UGC**: UGC campaigns have effectively promoted businesses with limited marketing resources, driving visibility and growth. Vendors like Mysore Coffee Bar and Prashant Churmuri Chats at Mysuru, benefited significantly from unpaid promotions that expanded their reach. Initially relying on barter collaborations, where bloggers were offered free meals for exposure, these efforts evolved into paid partnerships, showcasing the economic viability and scalability of UGC-driven strategies.
- **4.** Challenges in Maintaining UGC Authenticity: Maintaining neutrality in paid collaborations was essential for preserving trust, with bloggers focusing on highlighting establishments' strengths without exaggeration. Transparency, such as tagging sponsored posts, allowed audiences to differentiate between organic and paid content, reinforcing credibility. Despite challenges like saturation, ego clashes, and competition among influencers in the food blogging space, bloggers overcame these obstacles by prioritizing content diversity and authenticity, ensuring sustained audience engagement and trust.
- **5. Strategies for Effective UGC Content Creation:** Audience engagement played a central role in UGC effectiveness, with active involvement through polls, Q&A sessions, and viewer-inspired content, such as features on Green Hotel and Downtown Cafe, fostering a sense of inclusivity. High-quality visuals combined with compelling storytelling made the content relatable and engaging. Additionally, the use of seasonal trends and thematic narratives, like festival-themed dishes and historically rich locations, ensured the content remained dynamic and relevant to the audience.
- **6. Addressing Negative Feedback:** Bloggers managed conflicts constructively by relying on community support and maintaining transparency in their reviews, even when faced with challenges like threats from restaurant owners. By responding respectfully to audience criticism, they not only reinforced trust but also transformed potential setbacks into opportunities for growth and stronger audience connections.
- **7. Measuring UGC Success:** Key metrics like views, likes, and shares were crucial in evaluating UGC success, with 100,000 views per video signifying strong reach and 50,000 views sufficient for recovering promotional costs. Direct

feedback from restaurant owners confirmed UGC's effectiveness, as many reported increased customer footfalls following campaigns. Emotionally and economically, bloggers found fulfilment in supporting small vendors, with success stories like Guru Dosa Point achieving a 10x revenue increase, underscoring UGC's transformative potential for businesses.

8. Long-Term Impact of UGC: Key performance metrics such as views, likes, and shares were instrumental in assessing UGC success, with 100,000 views per video indicating robust reach and 50,000 views adequate for recouping promotional costs. Feedback from restaurant owners validated UGC's impact, with many noting significant increases in customer footfall post-campaigns. Both emotionally and economically rewarding, UGC empowered bloggers to support small vendors, exemplified by success stories like Guru Dosa Point achieving a 10x surge in revenue, highlighting UGC's transformative power for businesses.

Food Bloggers: A Summary of Key Insights

Parameter	Key Findings from Food Bloggers		
Content Authenticity	Emphasis on genuine experiences.		
Audience Engagement	Polls and interactive sessions foster inclusivity.		
Challenges	Competitive pressures managed through diversity.		

Table 1 Summary Table: primary data

Comprehensive Analysis of UGC in the Food and Beverage Industry: Insights from Business Owners

This analysis provides insights from business owners, showcasing how authentic UGC builds trust, enhances visibility, and drives customer engagement while supporting cost-effective growth strategies

1. Building Trust and Credibility Through UGC: Authenticity is a cornerstone of UGC, significantly shaping brand perception and building consumer trust. For instance, Sutra Bistro's consistently high Google Ratings (above 4.0)







Figure 5 Source: Primary Data

established a strong reputation, boosting customer loyalty and footfall. Similarly, OGMO Foods reported that 86% to 90% of consumers trust UGC over traditional advertising, highlighting its critical influence on purchasing decisions. Visual storytelling further enhances brand alignment, as positive UGC, like photos and reviews, creates relatable narratives. Sutra Bistro's live kitchen videos demonstrated transparency, while Big Daddy's Kitchen emphasized aligning visual content with real-life experiences to maintain credibility.

- 2. Influencing Consumer Decisions and Purchase Behaviour: UGC has been instrumental in driving customer choices by leveraging engaging campaigns and viewer-driven recommendations. Promotions like Sutra Bistro's ₹99 bowls and buy-one-get-one pizza offers garnered significant attention, with positive Google reviews converting online engagement into footfall. Recommendations highlighting Veena Café's fuller pizza and Sutra Bistro's vegetarian offerings showcased UGC's ability to influence consumer preferences. Additionally, businesses like OGMO Foods effectively shaped customer preferences by tailoring UGC strategies to promote niche products, such as millet-based snacks, appealing to health-conscious audiences and building a loyal customer base.
- **3. Amplifying Visibility and Growth for Small Businesses:** UGC has proven to be a cost-effective marketing tool, particularly for businesses with limited budgets. OGMO Foods relied exclusively on UGC, bypassing traditional advertising while maintaining steady sales and strong brand awareness. Similarly, Sutra Bistro and Big Daddy's Kitchen

leveraged organic reviews and customer testimonials to sustain growth without aggressive promotional efforts. UGC also empowered small and niche brands by supporting underserved markets; for instance, Sutra Bistro provided visibility to local vendors and small enterprises by showcasing their offerings on digital platforms.

- **4. Navigating Challenges in UGC Management:** UGC has demonstrated its value as a cost-effective marketing tool, especially for businesses with constrained budgets. OGMO Foods entirely depended on UGC, eliminating the need for traditional advertising while achieving consistent sales and enhanced brand awareness. Likewise, Sutra Bistro and Big Daddy's Kitchen capitalized on organic reviews and customer testimonials to drive growth without relying on heavy promotional strategies. Additionally, UGC empowered small and niche brands by aiding underserved markets; for example, Sutra Bistro boosted the visibility of local vendors and small enterprises by promoting their offerings through digital platforms.
- 5. Strategies for Enhancing Audience Engagement: Interactive campaigns and feedback mechanisms played a pivotal role in driving UGC and customer engagement. Sutra Bistro utilized review boards and actively encouraged patrons to leave Google reviews, while OGMO Foods launched hashtag campaigns like #GlutenFreeRecipes to boost content creation and visibility. Community engagement activities, such as Sutra Bistro's painting classes, fostered organic UGC and strengthened customer interaction. Additionally, leveraging digital platforms like Google Reviews and Instagram proved highly effective; Sutra Bistro reposted content and engaged with customers, while OGMO Foods enhanced visibility through influencer-created testimonials. The strategies followed by Polar Bear to engage audience in the UGC, using QR codes for sharing their experience on google and can earn loyalty points, encouraging customers to tag Polar Bear on social media handles.

Figure 7 and 8 Source: Polar Bear





- **6. Measuring the Impact of UGC:** Businesses used both quantitative and qualitative metrics to evaluate the success of their UGC campaigns. Metrics like likes, shares, and views measured reach, while Sutra Bistro relied on Google Ratings as a success indicator, and OGMO Foods reported sales spikes after influencer posts. Customer feedback also played a vital role in driving continuous improvements, with OGMO Foods introducing energy bars based on UGC-driven insights. The economic impact of UGC was profound, as seen with Guru Dosa Point, which achieved a 10x revenue increase following a UGC campaign, highlighting its transformative potential.
- 7. Fostering Customer Loyalty Through UGC: Building emotional connections through personal engagement and authentic storytelling proved crucial in fostering customer loyalty. Sutra Bistro's face-to-face interactions and OGMO Foods' genuine testimonials created strong emotional bonds with their audiences. Positive experiences shared via UGC further encouraged repeat visits and cultivated long-term loyalty. Additionally, UGC-driven advocacy turned loyal customers into brand ambassadors. For example, OGMO Foods leveraged testimonials from nutritionists, which not only boosted repeat sales but also led to collaborations with prominent institutions like Apollo Hospitals.
- **8. Sustaining Long-Term Impact Through UGC:** Community engagement and transparency were central to building lasting relationships with customers. Sutra Bistro hosted open kitchen sessions and organized college student events, fostering strong community connections. Big Daddy's Kitchen prioritized slow and steady digital growth by organically building their social media presence, ensuring authenticity and long-term sustainability. To stand out in a competitive market, businesses combined organic and sponsored posts in a 70:30 ratio, maintaining credibility while driving monetization. Additionally, the use of historic narratives and visually compelling content further differentiated these businesses, enhancing their appeal and market positioning.

Business Owners: A Summary of Key Insights

Parameter	Key Findings from Business Owners

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Trust & Credibility	Enhanced via high ratings and authentic content.
Consumer Decision Impact	Promotions amplified through UGC.
Cost-Effectiveness	Reduced advertising costs through organic UGC.

Table 2 Summary table: primary data

Comprehensive Analysis of UGC in the Food and Beverage Industry: Customer Insights from Google Form Responses

This analysis highlights customer insights from Google Form responses, revealing how UGC influences trust, purchasing decisions, and loyalty while emphasizing the importance of authentic and relatable content.

Customers Demographics:

Implication: The sample is predominantly younger individuals (aged 19-25). This indicates UGC campaigns for food and beverage brands should target younger audiences.

AGE 192 responses

How often do you use social media platform for food and beverages related content? 192 responses

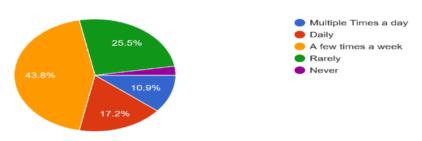


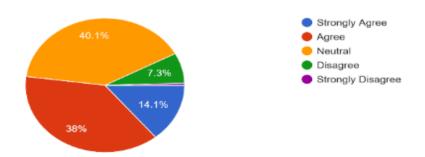
Figure 10 Source: Primary Data

UGC Consumption Patterns.

Implication: As 43.8% use social media a few times a week and 25.5% rarely use it for food and beverage content,

Do you trust user generated content (Review ,Photo ,Video)when deciding on food and beverages brand?

192 responses



brands should develop consistent and engaging content to convert infrequent users into active consumers of UGC.

Implication: only a small percentage (7.3%) express scepticism, brands should prioritize authentic and relatable content (e.g., real customer reviews and photos) to build trust among their target audience

Figure 11 Source: Primary Data

Implication: Since 57.3% positively associate UGC with brand perception, brands can leverage UGC to enhance credibility and trust. Efforts should be made to address the 22.4% unsure respondents by increasing consistency in content quality and authenticity.

Has user-generated content impacted your perception of food and beverage brands?



Figure 12 Source: Primary Data

Do you feel more loyal to a food and beverage brand that actively engages with user-generated content?

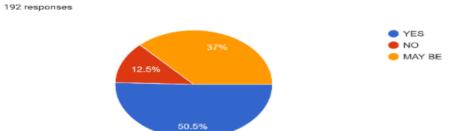


Figure 13 Source: Primary Data

Implication: With 50.5% of respondents feeling more loyal to brands that engage with UGC, actively acknowledging and engaging with user content is vital for building long-term brand loyalty.

Implication: While a significant portion of users (56.8%: 24% Very Likely + 32.8% Likely) are willing to create UGC, brands should incentivize hesitant respondents (28.6%: 18.2% Unlikely + 10.4% Very Unlikely) through strategies like contests, rewards, or recognition to encourage broader participation in UGC creation.

How likely are you to share your own experiences with food and beverage brands on social media? 192 responses

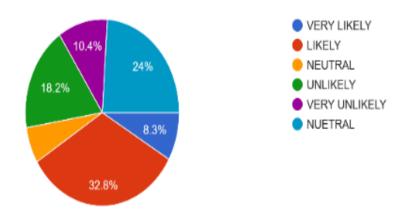


Figure 14 Source: Primary Data

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Implication: **80.2%** of respondents have tried a new product based on UGC, hereby confirming UGC is a powerful tool for influencing consumer behaviour. Brands should focus on amplifying authentic user-generated reviews, testimonials, and visuals to drive product trials and increase brand trust.

Implication: With 79.2% favouring Instagram and 66.1% YouTube, brands should prioritize these platforms for UGC campaigns, such as Instagram Reels for reviews or YouTube tutorials for product demonstrations. Blogs (18.8%), Facebook (10.4%), and Twitter (7.8%) can supplement detailed content but should not be primary channels.

Customers: A Summary of Key Insights

Have you ever been influenced to try a new food or beverage product based on user-generated content?

192 responses

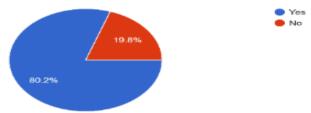


Figure 15 Source: Primary

Which social media platform do you believe is most effective for brand engagement in the food and beverages industry?

192 responses

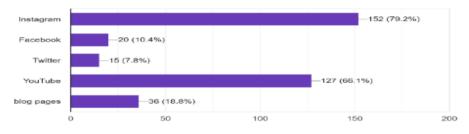


Figure 16 Source: Primary Data

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Parameter	Key Findings from Customers		
Platform Preferences	Instagram (79.2%) and YouTube (66.1%) dominate.		
UGC Influence	80.2% tried products based on UGC.		
Incentivizing UGC	Rewards increase likelihood of UGC creation.		

Table 3: primary data

Do Establishments Meet Expectations Set by User Reviews? Insights from Customer Feedback

The responses to the open-ended google form question, "Have you ever felt that the establishment's atmosphere, service, and offerings fall short of the expectations set by user reviews, and what impact did this have on your experience?" revealed diverse perspectives:

1. Mismatch Between Expectations and Reality:

- A significant portion of respondents expressed that establishments often fall short of the expectations set by user reviews.
- Examples include experiences where food quality and service did not match the premium portrayal in reviews, leading to feelings of disappointment and frustration.
- Instances like overhyped establishments promoted by influencers were highlighted as falling far below satisfactory levels.

2. Impact on Trust in User Reviews:

Many respondents noted that such discrepancies reduced their trust in user reviews and social media influencers.

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- Overrated and exaggerated content, driven by paid reviews or fake influencers, made some respondents sceptical of UGC as a reliable source of information.
- o This loss of trust often led customers to rely more on personal experience or word of mouth for decision-making.

3. Frequency of Negative Experiences:

- While a few respondents mentioned that most reviews live up to expectations, others shared that mismatches happen frequently, especially with establishments focused more on infrastructure and promotion than taste and service.
- Reviews were sometimes described as "pseudo standards," reflecting dissatisfaction with the current state of influencer-driven promotions.

4. Behavioural Responses to Negative Experiences:

- Many respondents stated they would not revisit or recommend establishments that failed to meet expectations.
- Some mentioned leaving detailed feedback to warn others or relying on their own experiences in the future rather than reviews.

5. Acknowledgment of Overhyped Reviews:

- Respondents recognized that social media often showcases establishments in an overly positive way, creating unrealistic expectations.
- Factors like management pressure for positive reviews and inconsistencies during peak hours or festivals were noted as potential reasons for falling short of standards.

6. Positive and Neutral Feedback:

- o A smaller group of respondents shared that they rarely felt disappointed and found most reviews helpful and accurate.
- Others remained neutral, stating that personal preferences and palates also contribute to differing experiences.

7. Calls for Authenticity in Reviews:

- o Many respondents emphasized the need for honest and transparent reviews, with some highlighting that overly polished content from influencers negatively impacts trust.
- Authentic user feedback and maintaining service consistency were seen as crucial to aligning expectations with reality.

Do You Feel That the Establishment's Atmosphere, Service, and Offerings Fall Short of the Expectations Set by User Reviews?

The following insights are derived from interviews conducted with customers in cafes and restaurants.

Figure 17 & 18: Primary data





- 1. **Consistency with Online Reviews**: Customers often feel that the services and quality delivered by establishments match the positive reviews they see online. User reviews provide a reliable guide when deciding where to go.
- 2. **Positive Experiences with UGC**: Online content, especially visuals shared by other users, accurately showcases unique aspects of cafes and restaurants. Customers value these as a preview of what to expect.
- 3. **Alignment of Expectations**: Most cafes and restaurants deliver services that align with what customers see online, which helps in building trust and encouraging repeat visits.
- 4. Occasional Discrepancies: While customer experiences are mostly positive, there are times when the quality or taste doesn't fully match what reviews had suggested. However, these cases are not frequent.

- 5. **Trust in Reviews for Exploration**: User reviews play a significant role in helping customers explore new cafes or **restaurants**. Most places deliver on what is promised in these reviews, encouraging further exploration.
- 6. **Emotional Connection**: Authentic user-generated content, such as photos or videos, creates a sense of familiarity and **connection** before customers visit, making the experience feel personal.
- 7. Value of Visual UGC: Content on platforms like Instagram and YouTube helps customers know what to expect. The visuals often reflect reality, making it easier for customers to make choices.
- 8. **Feedback on Overhyped Reviews**: Customers sometimes encounter overhyped reviews, but genuine responses from **cafes** help regain trust. Transparency from businesses is appreciated.
- 9. **Long-Term Trust Building**: When cafes consistently deliver what is showcased online, customers feel more confident **recommending** these places to others and revisiting them.
- 10. **Balanced Perspective**: While user reviews help set expectations, customers still prefer forming their own opinions by experiencing places first-hand. Most establishments align well with online representations.

Comprehensive Insights from UGC Stakeholders

Parameter	Business Owners	Food Bloggers	Customers
Authenticity of UGC	Builds trust and credibility via authentic reviews	Focus on transparency in collaborations	Trusts UGC for recommendations and product trials
Preferred Platforms	Google Reviews, Instagram	Instagram, YouTube	Instagram (79.2%), YouTube (66.1%) dominate
Content Expectations	Honest reviews, high- quality visuals	Engaging and authentic stories	Relatable, visually appealing content
Driving Engagement	Promotions like ₹99 bowls boosted footfall	Polls and interactive sessions foster inclusivity	Influenced by recommendations; 80.2% tried new products
Challenges	Limited budgets, reliance on organic reviews	Competitive pressures and maintaining diversity	Hesitant participation; needs incentivization
Economic Impact	Significant sales growth (e.g., 10x at Guru Dosa)	Satisfied supporting small vendors through campaigns	Fosters loyalty and repeat visits via relatable UGC

Table 4 Comprehensive Insights from UGC Stakeholders

The comparative analysis highlights the pivotal role of UGC in enhancing brand perception, driving consumer behaviour, and fostering loyalty among key stakeholders. For business owners, UGC builds trust, boosts visibility, and delivers measurable economic benefits, such as increased footfall and revenue growth. Food bloggers emphasize authenticity and content diversity to maintain audience engagement while supporting small businesses through creative campaigns. Customers rely heavily on authentic UGC to make purchase decisions, with platforms like Instagram and YouTube emerging as dominant channels for consumption. Despite challenges like budget constraints, competitive pressures, and the need for incentivizing UGC creation, the findings emphasize UGC's transformative potential in connecting brands with audiences through authenticity, engagement, and strategic use of digital platforms.

Findings from the Study on User-Generated Content (UGC): The research highlights the transformative role of UGC in the food and beverage industry, emphasizing its impact on brand perception, consumer behaviour, and loyalty. Below are the key findings:

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1. Building Trust and Brand Credibility

- o Authentic UGC remains critical, with 86-90% of consumers trusting it over traditional advertising.
- o Businesses like Sutra Bistro leveraged high Google Ratings (above 4.0) and live kitchen videos to boost transparency and trust.

2. Influence on Consumer Behaviour

- o UGC campaigns influenced 80.2% of respondents to try new products, showcasing their effectiveness.
- Viewer-driven recommendations, like Veena Café's fuller pizza, demonstrated the impact of relatable content in driving footfall.

3. Economic Impact of UGC

- o Businesses experienced growth, with Guru Dosa Point reporting a 10x revenue increase due to UGC campaigns.
- Small vendors like Mysore Coffee Bar expanded reach using unpaid promotions, proving UGC's costeffectiveness

4. Enhancing Engagement through Campaigns

- o Interactive campaigns, such as Sutra Bistro's painting classes and OGMO Foods' #GlutenFreeRecipes, boosted engagement and UGC creation.
- o Instagram (79.2%) and YouTube (66.1%) emerged as dominant platforms for UGC consumption.

5. Overcoming Challenges in UGC

- Transparency in paid collaborations, maintained trust, while incentives motivated 56.8% of hesitant respondents to participate in UGC.
- o Food bloggers addressed competitive pressures by prioritizing authenticity and content diversity.

6. Driving Long-Term Customer Loyalty

- Emotional connections through authentic storytelling fostered loyalty, as seen with Sutra Bistro's community events.
- UGC advocacy turned loyal customers into ambassadors, strengthening brand ties and encouraging repeat visits.

7. Measurable Success with Metrics

 Metrics like 100,000 video views indicated strong reach; feedback from business owners validated UGC's impact on footfall and perception.

8. Leveraging UGC for Sustainability

- Strategies like Big Daddy's Kitchen's 70:30 ratio of organic-to-sponsored posts ensured credibility and monetization.
- Visual content and historic narratives helped differentiate brands in competitive markets.

Comprehensive UGC Recommendations for All Stakeholders

For Business Owners

- 1. **Integrate Real-Time Customer Feedback Displays**: Showcase live user reviews and ratings on digital screens within establishments to build transparency and encourage trust.
- 2. **Reward User Engagement through Tiered Loyalty Programs**: Offer exclusive rewards or experiences (e.g., chef meet-ups or behind-the-scenes tours) for customers who frequently create or engage with UGC.
- 3. Collaborate with Local Influencers for Micro-Targeting: Partner with regional influencers to create authentic content that resonates with specific local audiences.
- 4. **Develop an In-App UGC Feature**: Enable customers to upload photos or videos directly to a branded app, creating a repository of authentic experiences.
- 5. **Highlight Seasonal UGC Campaigns**: Encourage customers to share content around seasonal or festive themes, increasing relevance and engagement.

For Food Bloggers

- 1. Create "Behind the Scenes" Content: Share unique insights into restaurant kitchens or production processes to generate trust and intrigue.
- 2. **Develop Multi-Platform Content Strategies**: Tailor UGC for diverse platforms, such as short-form reels for Instagram and detailed storytelling for YouTube.

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- 3. **Host Co-Creation Workshops**: Collaborate with audiences to create content, such as recipe creation challenges or interactive Q&A sessions.
- 4. **Engage in Authentic Critiques**: Offer constructive feedback in reviews, balancing positive and negative insights to retain credibility.
- 5. **Promote Sustainability Narratives**: Highlight sustainable practices of establishments, aligning content with the growing consumer demand for eco-conscious choices.

For Customers

- 1. **Encourage Collective UGC Campaigns**: Participate in group challenges, such as dining with friends and sharing collective experiences, to foster community engagement.
- 2. **Create Niche Content for Specific Audiences**: Focus on unique perspectives, like healthy eating or budget-friendly dining, to diversify UGC narratives.
- 3. **Use Personal Rating Systems**: Share individual scales (e.g., taste, service, ambiance) in reviews to provide detailed, relatable feedback for other users.
- 4. Leverage Rewards for Social Media Mentions: Share experiences tagged with brand hashtags to earn personalized rewards or discounts.
- 5. **Advocate for Authenticity**: Share both positive and constructive reviews to maintain transparency and contribute to improving service quality.

CONCLUSION

This research study emphasizes UGC's transformative role in enhancing customers' brand perception, influencing behavior, and fostering loyalty through authenticity and cost-effective strategies. By leveraging platforms like Instagram and YouTube and addressing challenges with transparency, UGC drives sustainable growth and trust.

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