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How User-generated Content Can Improve Visual Brand Communication on Social Media

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Abstract

The study aims to analyze the difference in performance between two types of visual content that companies may use in their brand communication – user-generated content and stock images.

This research provides insights on the main concepts related to the chosen topic such as social media, visual brand communication and user-generated content. In order to compare two types of visual content, ten Facebook A/B tests were implemented in cooperation with a global company that is active on social media.

The results show that user-generated content obtains higher engagement rates and lower costs per result and that such content is more efficient for the brand use on social media. This means that by incorporating more user-generated images into the companies' social media feed, they not only increase engagement with their content but also become more cost efficient.

Keywords: user-generated content, brand communication, visual communication, social media

Table of Contents

Appendices

1   Introduction

In the era of information and online media, many brands decide to take advantage of being active on social media. This opens a great opportunity for companies and makes it possible to reach billions of people through the social media platforms ("Hootsuite", 2020). This research indicates the importance of visual communication and shows that companies have to take it into consideration while elaborating their brand communication strategies. The main focus of this study is on user-generated content and identifying the difference in its performance compared to using stock images. The results of the research aim to determine which type of visuals is more beneficial to use in order to enhance content efficiency for brands and individual social media users.

The study is based on existing literature about social media, visual communication, brand communication and user-generated content, and reveals key concepts related to the chosen topic. The practical part of the research is executed with the help of a global transportation company, which operates in the travel sector. The brand name is not mentioned and the company's identity is intentionally concealed due to the data security matters, however, the research results are published in this study. In order to conduct this research, it was decided to implement Facebook Split tests (A/B testing) and compare the difference in content performance between user-generated content and stock images. Based on the quantitative data and results of the tests, it is possible to prove or disprove the hypothesis of the thesis.

1.1   Background of the study

Nowadays, people live in the world of information. Newspapers, television, social media and many other sources of information surround us in our day-to-day life. There is more and more content produced on a daily basis and it becomes difficult to stand out of this noise. As for businesses and brands, it is almost a necessity to be present on social media. According to the recent Hootsuite research (2020), in January 2020, 3.8 billion people (49% of all Internet users) were recognized as active social media users and the annual increase of social media users is +9.2%. The most successful social media platforms include Facebook, YouTube, WhatsApp, Facebook Messenger, WeChat, Instagram and TikTok ("Hootsuite", 2020). If messengers are not considered, it shows a high appeal for people to use visual social media platforms.

In order to reach as wide audience as possible, companies have to go on social media and try to overcome the main obstacle of how to obtain the attention of the users. In fact, the recent study of Hootsuite (2020) shows that 140 million businesses already use Facebook and apps related to it such as Instagram, WhatsApp and Messenger. Therefore, in order to gain visibility and reach the best possible outcomes of being active on social media, it is very important for companies to understand what factors affect the engagement and make people interact with a social media post.

According to a research implemented by 3M Corporation, people process visuals 60,000 times faster than a text. It can be explained by different ways of processing information: images are processed simultaneously and texts – in a sequential fashion, therefore, processing images first and then the text is a natural way of consuming information (Armstrong, 2008). It makes it clear that visualization is a crucial factor whether a person would pay attention to a post or not while scrolling through the social media feed. If companies knew what images attract people to engage more with their posts, they would be able to produce more efficient content and generate more profit by increasing brand awareness, selling their products and services or reaching other goals that they aim to achieve through social media.

This is where it comes to visual communication. This term is relevant to many fields of studies, for example, graphic design, psychology, communication, art and science. (Smith, Moriarty, Kenney & Barbatsis, 2005). It represents information distributed to recipients through images, which are created and framed in order to communicate a specific message through a selected medium whereas each viewer of the image understands and interprets this message through individual filters that, in addition to personal experiences are based on social and cultural backgrounds and attitudes (Jamieson, 2007; Smith et.al, 2005). Visual communication may affect a person affectively (emotionally) or cognitively (logically) or may also cause both reactions at the same time (Sojka & Giese, 2006). It is highly important for marketers to understand how people consume visual information and what are the obstacles that may arise when communicating a particular message through visualization. Therefore, it is necessary to consider the terms of brand communication and visual communication together, which evolves a new term of visual brand communication that focuses specifically on the visual part while analyzing and elaborating marketing communication strategies.

There are many types of visual content that companies may use in their marketing; however, this study aims to compare only user-generated content and stock images. According to the Urban

Dictionary (2020), a stock photo or image represents a photograph that can be found and purchased online and that is usually created in staged scenarios. As for user-generated content, it represents any content such as images, videos, text or reviews created by people rather than brands ("Hootsuite", 2020). In this thesis, user-generated content will imply only images created by online users due to the chosen focus of the research.

1.2   Research question

Based on the previously mentioned information and facts about the use of social media, it is very important for organizations to understand what visual content they should provide. Therefore, this research aims to clarify why businesses should not ignore user-generated content if they are active on social media. According to a study conducted by Hootsuite (2020), there are three main factors why user-generated content suits properly for brand communication: authentic content, creating trust and driving purchasing decisions. These aspects make it clear that the user-generated concept is highly beneficial for organizations; however, according to the recent research, in 40% of the cases businesses use stock images when creating their content, which is followed by other types of visuals such as infographics, charts, videos, and presentations. (Moore, 2020).

During the analysis of the theoretical background, such an assumption occurred that user-generated content performs better compared to stock images. Therefore, the hypothesis of this study is that user-generated content performs better compared to stock images when referring to visual brand communication on social media.

In order to prove or disprove the hypothesis, it was decided to implement Facebook Split tests (A/B testing), which would be the best solution to convey such research, collect reliable data and obtain a clear picture of which type of content performs better.

Therefore, the research problem of this thesis is to analyze the difference in performance between user-generated content compared to stock images. The results of the research will help to provide recommendations for organizations and individual social media users of how to improve their visual brand communication and enhance content efficiency as well as provide the numeric proof of what content demonstrates better results by implementing Facebook Split tests (A/B tests).

1.3   Objectives

The main objective of this study is to provide insights into the field of brand communication with the focus on visualization and to be more specific – the use and benefits of user-generated content in visual brand communication. This study aims to analyze whether user-generated content is more effective compared to stock images based on the example of a transportation company and implementing Facebook Split tests (A/B testing) in cooperation with the same organization in order to support assumptions with real numbers.

The secondary objective of the study is to provide recommendations for businesses to learn which visual content performs better compared to another (user-generated or stock images) based on the results of implemented A/B testing.

1.4   Limitations

The focus of this thesis is on visual brand communication on social media; therefore, the research is limited to the chosen topic. The main concepts, such as social media, brand communication, visual communication and user-generated content, will be described as well as current trends and statistics related to social media usage will be presented. In the current research, user-generated content will imply only images and photographs created by the web users (if other information is not specified) due to the chosen focus of the study.

The number of different social media platforms is very large; therefore, this thesis will essentially focus on Facebook and Instagram due to the fact that these are the top social media platforms used by international brands ("Hootsuite", 2020).

In the practical part, two types of visuals will be compared – user-generated and stock images. This study will not compare the performance of other types of visual content due to the fact that the topic is very broad and comparing the effectiveness of more types of visual content would require a larger number of implemented A/B tests, which also requires higher budget. Therefore, this study will provide recommendations based on the implemented tests and will not elaborate assumptions for other types of content.

1.5 Structure of the thesis

For implementing this study, it was decided to follow a deductive research method. The study starts with the general overview of the theoretical background revealing why utilizing social media is important for brands in the modern reality, what social media are the most popular and what are the tendencies in terms of consuming content. Then the research narrows down to explaining such concepts as brand communication, visual communication and user-generated content with examples of how different brands incorporate it into their social media activities.

The research is followed by the methodological part, which explains the research method, provides in-depth understanding of implementing Facebook Split tests (A/B testing) and presents the results of the tests. The analysis of the results and discussion are shown in the findings section.

The final part of the thesis concludes and summarizes the whole research, whether the research question was answered and objectives were met as well as provides recommendations for the future use for different brands and individual social media users.

2   Theoretical background

This chapter reveals the main theoretical concepts of the thesis. It starts with explaining theoretical framework and statistics related to social media in 2.1 section. Visual brand communication is discussed in the following part 2.2 and reveals two essential concepts of brand communication and visual communication as well as shows why these terms have to be considered together when evaluating the role of visualization in brand communication efforts. The final section of the study 2.3 describes the theoretical background and existing knowledge regarding user-generated content and shows an example how different brands incorporate this concept on their social media accounts.

2.1   Social media

This part of the study includes general overview of what social media is, the current social media trends, what platforms are the most popular and what types of content are generally provided on social media. Facebook and Instagram are discussed more in detail.

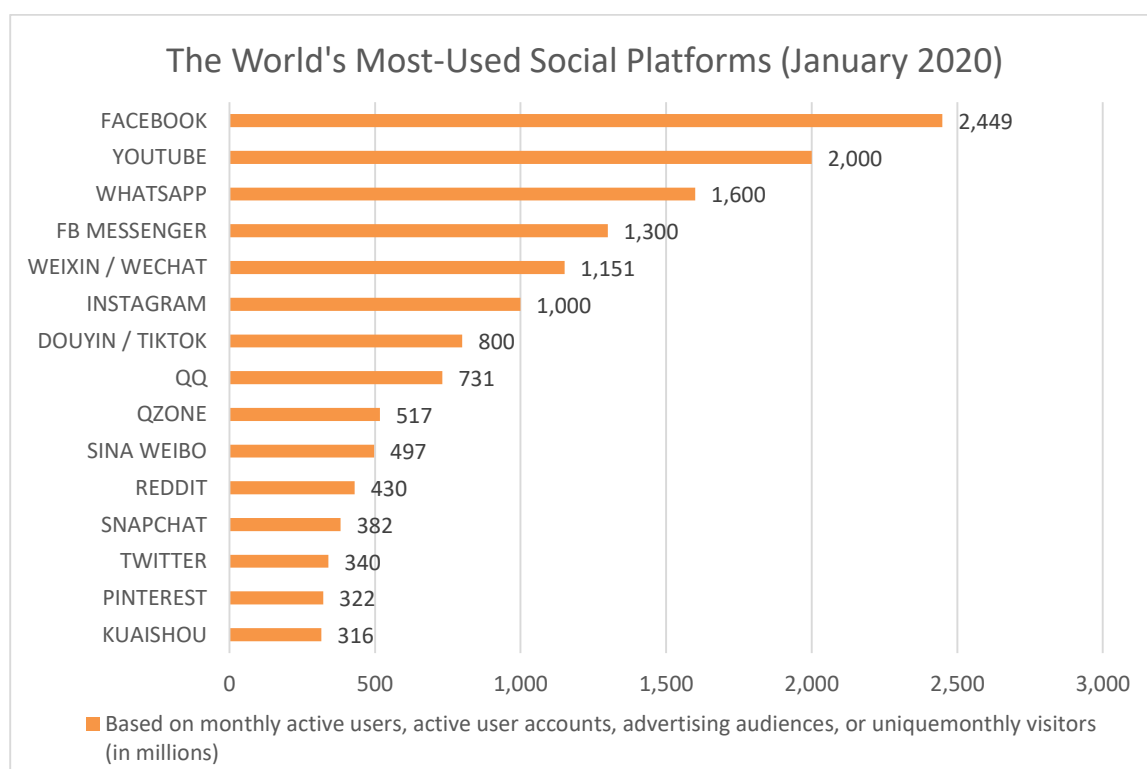#### 2.1.1   Overview of social media

As communication devices become more accessible, the main factor that makes such devices useful is an active human element. With occurrence of the Internet, it is clear that information reaches consumers considerably faster compared to traditional media, e.g. television, newspapers and magazines. People got used to the fact that they have access to multiple communication technologies at the same time, which subsequently formed a shift in the behavior of consumers who want to have an influence and control over the content they receive through their communication devices (Langmia, Tyree, O'Brien & Sturgis, 2013). For the online users, this reflects in being able to regulate where and when they consume content, to create content themselves, and to provide feedback to other content creators (Langmia, Tyree, O'Brien & Sturgis, 2013), that became possible with development of social media.

There are many definitions of the social media term due to the fact that its role and nature continue to evolve. In simple terms, they represent platforms for communication that give people

access to a large number of other users at once, and the internet have scaled the process (Coles, 2015). According to Business Dictionary (2020), social media indicate mainly internet or mobile phone applications and tools that are invented to share information between people. Another definition of the term reveals social media as a group of internet-based applications that make creation and exchange of user-generated content possible (Kaplan & Haenlein, 2010). From a branding perspective, social media platforms can be described as online tools that enable engaging with customers at any given time, revealing their preferences and receiving feedback regarding a product or service, and that also relate to such terms as brand awareness, which can be applied to a business or a personal brand, and networking, which represents building relationships online (Coles, 2015).

The current trends indicate that more and more people become active on social media and organizations should not ignore this fact. The recent study of Hootsuite (2020) shows that in January 2020, 3.8 billion people or 49% of all Internet users were recognized as active social media users and the annual increase in social media users is +9.2%. Furthermore, the average time that people spend using mobile devices equals 3 hours 40 minutes per day and half of that time people spend in social and communication applications ("Hootsuite", 2020).

Table 1. The World's Most-Used Social Platforms. ("Hootsuite", 2020)

The World's Most-Used Social Platforms (January 2020)

Platform	Users (millions)
FACEBOOK	2,449
YOUTUBE	2,000
WHATSAPP	1,600
FB MESSENGER	1,300
WEIXIN / WECHAT	1,151
INSTAGRAM	1,000
DOUYIN / TIKTOK	800
QQ	731
QZONE	517
SINA WEIBO	497
REDDIT	430
SNAPCHAT	382
TWITTER	340
PINTEREST	322
KUAISHOU	316

Based on monthly active users, active user accounts, advertising audiences, or unique monthly visitors (in millions)

As it is shown in Table 1, the most successful social media platforms include Facebook, YouTube, WhatsApp, Facebook Messenger, WeChat, Instagram and TikTok ("Hootsuite", 2020), which shows that people tend to use visual social media more compared to other platforms if not considering the messengers mentioned in the list.

There are many benefits of using social media for organizations, they include such aspects as: it does not require any budget to present on social media, it gives access to a vast audience, it is an additional communication tool along with traditional methods of communication, it makes it possible to engage easily with customers, it provides online visibility, and it helps to receive immediate response and feedback (Coles, 2015). Another very important advantage of being active on social media is arranging both-ways conversation with a customer, which turns a traditional process of organizations finding customers into a new more effective approach, when customers can find a company by themselves (Arora & Predmore, 2013). All these factors make it clear that it is highly beneficial for businesses to present on social media. The way a firm communicates publically affects the perception and the image people have about the brand and its values. Thus, providing strategic and meaningful content leads to a positive impression and helps to involve new individuals into a conversation about the brand, its values and products or services that it offers. Having such kind of conversation is very important and valuable due to the fact that it leads to brand recognition and winning credibility (Arora & Predmore, 2013).

The value of traditional word-of-mouth cannot be overestimated. It represents a general notion of marketplace interaction between individuals (Walsh and Mitchell, 2010). This process occurs between non-commercial communicators and receivers of the information about a product, service or brand in general (Levy and Gvili, 2015). People tend to trust more to other people's experiences and opinions than companies' advertising (Lorenzo-Romero, Constantinides & Alarcon-del-Amo, 2013) and are more willing to try their products or services if they see positive feedback. Organizations cannot control this process, however, they can enhance and facilitate it (Chaffey and Ellis-Chadwick, 2012). In the era of social media, it comes to online word-of-mouth, which gains significantly larger reach and which is carried out substantially easier – just a like or comment of a customer (Arora & Predmore, 2013). In order to receive positive feedback, companies have to be strategic about what content they publish and how they respond to different types of comments including criticism. In fact, being responsive leads towards loyalty, which is significantly quicker and visible in the era of social media (Arora & Predmore, 2013).

The social platforms aim to complement or even substitute traditional media and communication tools, and nowadays such platforms continue evolving (Kaplan & Haenlein, 2010). Table 2 demonstrates examples of how new social media marketing tools replace time-consuming and costly traditional marketing tools.

Table 2. Application of new marketing tools. (Coles, 2015)

New marketing tool	Application	Traditional marketing tool
Facebook	Expanding customers' database and building relationships Increasing brand exposure Engaging with customers	Telephone Networking events Static website Newsletters
YouTube	Demonstrating and promoting products Recording seminars Engaging with customers	Real-life demonstration Telephone Newsletters Television
Instagram	Demonstrating products Increasing brand exposure Expanding customers' database Engaging with customers	Real-life demonstration Static website Telephone Newsletters
Twitter	Publishing articles Short conversation posts News updates	Magazines Newspapers Telephone
LinkedIn	Business-to-business networking Promoting useful articles Building business database	Networking events Static website Newspapers Magazines

In order to reach as wide audience as possible, companies have to go on social media and try to overcome the main obstacle of how to obtain attention of the users. In fact, according to the

Hootsuite research (2020), 140 million organizations already use Facebook and related to it applications such as Instagram, WhatsApp and Messenger for business purposes; and taking into account social media advertising statistics, it is anticipated that social ad spending will grow on 20% in 2020. These tendencies make it clear that companies should pay more attention to the content they share online and seek for the ways to stand out and distinguish themselves from other brands if they want to pretend to higher engagement rates and acquire new customers.

2.1.2 Current social media trends

Based on the previously mentioned information, Facebook and Instagram are listed at the top-five of the most popular social media platforms (Table 1) as well as remain at the top of the most used social platforms for businesses ("Hootsuite", 2020). As it is mentioned previously, more than 140 million businesses use Facebook apps to reach their customers ("Facebook", 2020). Therefore, this research will mainly focus on Facebook and Instagram. Subsequently, it is important to understand the current trends related to these two social media marketing tools.

Facebook

Facebook stays at the top of the most used social media platforms. There is 1.95 billion people that can be reached with advertising on Facebook, and more than 100 billion messages and 1 billion stories are shared through Facebook on a daily basis ("Facebook", 2020). According to Hootsuite research (2020), Facebook counts 44% of female and 56% of male profiles; an average user likes 1 Facebook page, likes approximately 13 posts within a month and clicks 12 Facebook advertising posts within the same time period (any click type).

As for the advertising reach, it determines +1.0% quarter-on-quarter rise whereas 26.7% of Facebook pages use paid media; the average post reach equals 7.01% compared to page likes when the average organic reach represents 5.17% compared to page likes, and the average paid reach equals 28.1% compared to total reach ("Hootsuite", 2020).

Considering different types of content and the engagement rates related to them, an average engagement rate for any type of Facebook post is 3.39%; the engagement rate for video posts equals 6.09%, 4.42% is passed on image posts, 2.72% – link posts, and 1.44% – status posts ("Hootsuite", 2020).

Instagram

Instagram is a platform where people want to be inspired, connect with other users and discover new trends and information. More than 1 billion Instagram accounts are registered as active within a month and more than 500 million accounts are seen active every single day ("Facebook", 2020). There is 928.5 million people that can be reached with advertising on Instagram; and considering gender distribution, the numbers are almost equal – 50.9% of female and 49.1% of male accounts ("Hootsuite", 2020). Also, 90% of the accounts follow a business on Instagram ("Facebook", 2020).

Considering statistics of Instagram business accounts, there is an average increase in account followers that represents +2.5% per month, whereas the number of main feed posts is equal of 1.7 per day ("Hootsuite", 2020). Moreover, 21% of all main feed posts is allocated to video content and 79% represent photo content; the average monthly number of Instagram stories published per account is 13.1 ("Hootsuite", 2020) while generally more than 500 million accounts use stories feature every day ("Facebook", 2020).

Engagement rates also differ depending on the type of content but not as significant as on Facebook: the average engagement rate for any type of content is 1.49%, whereas on average video posts gain 1.87% engagement rate with 0.06% of comments-to-followers ratio and photo posts gain 1.11% engagement rate with 0.08% of comments-to-followers ratio ("Hootsuite", 2020).

2.2 Visual brand communication

This part focuses on two concepts of visual brand communication: brand communication and visual communication, and each notion is defined in detail. It is also shown why visualization plays an important role in content creation process. The section is concluded with discussion about visual brand communication on social media.

2.2.1 Brand communication

In order to define the term of brand communication, it is necessary to start with describing what is understood by brand. According to the Business Dictionary (2020), brand indicates a unique

sign, design, words, symbol, or a combination of them that forms a specific image related to a product and that differentiates it from other market players. Through the time, such image starts to associate with a quality level, reliability and credibility of the company, fulfillment of the customers, specific values and benefits ("Business Dictionary", 2020). As for brand communication, it indicates a set of company's activities that affect customers' opinions regarding the brand and its products or services ("Cambridge Dictionary", 2020).

In order to establish effective communication, it is necessary for a brand to define its personality, thus, a business has to form core values and a strategy in order to be consistent in communication and that its customers understand what it stands for (Solis, 2011). People value brands not only for the products they provide and benefits that are associated with these brands; they value them for an identity that customers fit on when being loyal to these brands and using them as channels to express who they would like to be (Niemelä, 2019). There is a variety of indications that customers use to evaluate authenticity of a brand (Niemelä, 2019). In the view of online settings, such indications may be presented as visual assets, for instance, colors, logo, shape or graphics. (Rowley, 2004).

Considering brand communication on social media, companies have to identify which social media platform to be active on (Kaplan & Haenlein, 2010). This decision has to base on what social media are generally used by the company's target audience and if this audience is willing to receive brand messages through those media (Kaplan & Haenlein, 2010). It is also possible to establish a cross-platform communication that would enable to reach a wider audience, however, such type of communication requires different approaches for every platform (Kaplan & Haenlein, 2010).

With occurrence of social media, brand communication no longer works in a one-way manner when only a company communicates to its customers, instead of this, social platforms play a role of a medium through which brands can reach customers significantly faster and easier as well as set a dialog between both sides (Peters et.al., 2013; Solis, 2011). Therefore, in order to encourage followers to spread brand messages, it is very important to define key users that are likely to share content with their followers and to be influential within their social network (Peters et.al., 2013).

It is necessary to mention that brand communication on social media also relates to having less control over communicated messages and how much users are willing to share branded content

with their network (Kohli et.al., 2015; Peters et.al., 2013; Solis, 2011). In fact, in order to encourage customers to share brand content, it should align with their values, interests and motives (Peters et.al., 2013). However, in case a user shares the message further, it may be altered from its initial form and companies cannot control this process (Kohli et.al., 2015; Peters et.al., 2013). This means that if customers have feedback or questions or in case a problem occurs, the company has to be responsive and active on social media in order to participate in a conversation with the users because otherwise they will express their opinions about the brand despite the brand's presence (Peters et.al., 2013; Solis, 2011).

When brands decide which social media to present on, they need to remember that there are different types of content that are posted on each social platform and companies have to provide content that fits selected channels. Brands do not have any special privilege to stand out from other users on social media and their content is shown in a similar way as posts of other users (Peters et.al., 2013). Therefore, the fact whether branded content would catch attention of the users solely depends on the provided content (Peters et.al., 2013). This makes it clear that companies have to learn which content corresponds with a particular social medium and what preferences their customers have in terms of an expected interactivity amount on this specific medium (Peters et.al., 2013).

As for the level of customers' responsiveness on social media, it is highly dependent on their motivations why they decide to follow a brand online. According to de Vries, Gensler & Leeflang (2012), people following a brand on social media are more open and committed to receiving information and news from this brand. Although, if people follow a brand because they truly like it, they are more susceptible to its content, whereas, if they follow it only because of some benefits such as winning free products or prizes, the actual value of these followers and engagement they bring is controversial (Hanna et.al., 2011). Hence, it is clear that having a smaller number of dedicated followers who genuinely engage with the content of a brand is more beneficial compared to having large but inactive audience that is not interested in the brand and follow a page only for some benefits, e.g. participating in a competition (Peters et.al., 2013). Referring to such uninterested users, they stay generally unaffected by any type of communication efforts undertaken by firms (Hellberg, 2015), which means that despite the fact that a company can spend large budgets for interacting with such users, they will unlikely engage with the company's content or bring any prospective profit.

2.2.2   Visual communication

Based on the previously mentioned information, companies have to understand what content obtains more attention of the social media users so they can stand out and attract more people to engage with their content. In the research implemented by 3M Corporation, it is seen that people process visuals 60,000 times faster than a text. It can be explained by different ways of processing information: images are processed holistically and simultaneously whereas texts – sequentially and consecutively, therefore, it is a natural way of consuming information when images are processed first and then the textual part (Armstrong, 2008). This fact discloses that visualization is the first aspect that is noticed by a user and it plays an essential role whether a person would pay attention to a post or not when seeing a large number of social media posts in the feed.

Visual communication represents expressing ideas and information in a form of visual presentations in order to demonstrate data or ideas; they can include different forms of visualization, e.g. photographs, graphs, charts or diagrams. ("Business Dictionary", 2020). In simple terms, it denotes everything that is possible to express visually. It also indicates information transferred to people through images that are created and framed with the purpose of communicating a particular message through a selected medium whereas each recipient of the image understands and interprets this message through individual perspectives that in addition to personal experiences are based on social and cultural backgrounds and attitudes (Jamieson, 2007; Smith et.al., 2005).

Visual communication may affect a person cognitively (logically) or affectively (emotionally), or can also cause both reactions at the same time (Sojka & Giese, 2006). Based on scientific research, each hemisphere of the brain has different way of processing information, thus, the right hemisphere is more affective and visual when the left one is more analytical, logical and verbal (Jamieson, 2007; Smith et.al., 2005). Despite the fact that brain activity means the function of both sides, there is always a dominant side depending on the information category that an individual is encountered with (Jamieson, 2007; Smith et.al., 2005).

The majority of people process and store information either verbally or visually, which depends on individual predispositions of cognitive processes, although some individuals react better to a combination of both (Fahmy, Bock & Wanta, 2014). This means that effectiveness of visual communication is very dependent on personal cognitive dispositions and may work differently for each individual (Fahmy, Bock & Wanta, 2014). Figure 1 summarizes the previously mentioned concepts and illustrates the way visual communication process is carried out.
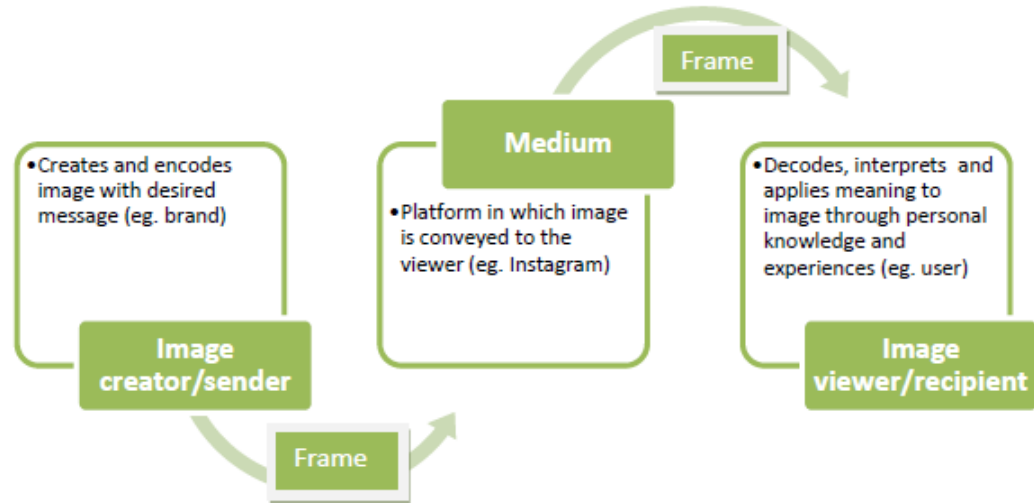
Figure 1. The essential components of visual communication. (Fahmy et.al., 2014; Jamieson, 2007; Smith et.al., 2005)

2.2.3   Visual brand communication on social media

The above mentioned information exposes the importance of visualization in companies' communication activities, therefore, it is necessary to consider the terms of brand communication and visual communication together that is combined in a term of visual brand communication. This term specifically focuses on the visual part when analyzing and elaborating marketing communication strategies.

Even though there is no a universal way to convey a certain message to all viewers in a same way and through similar content, it is crucial for brands to understand how visual information is consumed and what obstacles occur in terms of communicating the message through visual content. Based on the study of Rossiter (1982), it is more beneficial to place images before the text due to the fact that images are more effective for memorizing and recognition of the information as well as they communicate a complementary story. This knowledge is very important for businesses when choosing a social media platform to be active on, for example, Instagram structures its content in a way that pictures are shown before the text. This determines that high imagery visual content will perhaps cause better reaction and take more attention on Instagram than on Facebook, where images are allocated after the text.

Due to the fact that visual brand communication is conveyed through a medium, certain noise and barriers occur between an image creator (sender) and an image viewer (receiver). The meaning of a message may change when such noise presents and the amount of these barriers will directly affect the accuracy of the message received by the viewer (Karkonen, 2014). Table 3 illustrates these barriers and what factors cause them.

Table 3. Barriers in communication process. (Karkonen, 2014)

Psychological	Emotions, e.g. lack of trust or fear Perception, opinion, prejudice, selectivity, judgment
Physiological	Disability, fatigue, low energy
Cultural	Diverse values and behaviors, cultural differences
Technological	Technological failures Slow internet connection
Physical	Poor lightning, bad equipment Environment, distance
Linguistic	Foreign language, jargon, dialect, metaphors

There are also other limitations associated with a medium selected for brand communication. Considering examples of Instagram and Facebook, the images should have particular dimensions, and the allowed number of images displayed per post is also limited. Although, such limitations also open new opportunities for creativity that may help to stand out from content of other users (Jamieson, 2007).

2.3   User-generated content

This part of the thesis reveals what user-generated content is and explains related to it concepts. The key benefits of using visual user-generated content on social media are explained, and examples of brands that adhere to this concept on their social media channels are provided.

2.3.1   Overview of user-generated content

It is crucial for businesses to understand what images attract people to engage more with social media posts. Such knowledge allows to produce more efficient content and generate more profit by increasing brand awareness, selling products and services or reaching other goals that a company aims to achieve through communicating on social media.

As it was mentioned previously, social media can be described as a group of internet-based applications that make creation and exchange of user-generated content possible (Haenlein & Kaplan, 2010). This shows a tight connection between social media and user-generated content, which quickly became the predominant form of global media in the modern world of online searching tools, social platforms and high-speed internet (Moriuchi, 2016).

Due to the fact that this research aims to evaluate the difference in performance of user-generated content and stock images, both terms have to be defined. Thus, as it was defined in the introduction part of the thesis, a stock image represents a photograph that is usually created in staged scenarios and can be purchased online ("Urban Dictionary", 2020). As for user-generated content, it relates to any visual content created by people rather than brands ("Hootsuite", 2020). This implies that such content is not generated by experts but by regular users.

It is important to reveal why user-generated content is suitable for brand communication more in detail. The main benefits of user-generated content contain authentic content, creating trust and driving purchasing decisions ("Hootsuite", 2020). The first benefit relates to the point that user-generated content is perceived to be 2.4 times more authentic by online users compared to branded content ("Hootsuite", 2020). The second benefit can be described by the fact that in the modern reality, people wish to know what they pay for before they get the final product, service or experience. Thus, statistics show that 92% of consumers are willing to trust recommendations of their friends, family or people they know, and 70% tend to trust online recommendations ("Hootsuite", 2020). As for the final benefit, user-generated content is a great tool to influence people's opinions about brands and their products (Campbell et.al., 2011; Lim, Chung, and Weaver, 2012; Ye et.al., 2011). Social media became a great communication instrument which people use for sharing their experiences and which consecutively has influence on their decision making processes (Moriuchi, 2016). Based on the research, approximately 80% of consumers state that they are affected by user-generated content when making their purchasing decisions ("Hootsuite", 2020). The mentioned benefits should not be denied by brands, however, in 40% of

the cases companies use stock images when producing content according to the recent research (Moore, 2020).

When companies decide to adhere to the user-generated concept, consumers become part of their marketing strategies as well as they become co-creators with the brands. Many companies take advantage of using user-generated content and they incorporate it as a new element of their integrated marketing communication (Moriuchi, 2016). This also helps to establish long-term relationships between organizations and their customers.

The other benefits and important reasons why marketers should consider incorporation of user-generated content into their brand communications include creating brand desire, developing brand loyalty and forming a content library ("Hootsuite", 2020). Hence, such content is very helpful for brands in terms of creating a need for their products or services when sharing images of other customers using them. As for building brand loyalty, strong and long-term relationships with clients go along with repetitive sales over time. When new customers and people who are not very familiar with a brand see content produced by other users, they start to have a sense of ongoing loyalty with the brand. This usually results in desire to continue following the brand and see more content with real experiences of other users ("Hootsuite", 2020). Referring to the content library, user-generated content is a great source of continuously updated content. Many companies struggle with trying to find new engaging visuals for their social media channels. By using content that is already created by online users, businesses have a wider choice of available content and, therefore, are able to post more often that as a result also increases engagement.

When sharing user-generated content, it is particularly important to remember about copywriting. It is highly recommended to request permission before posting someone's images in order to avoid legal issues. Moreover, this is beneficial for brands to credit original creators as well. In this way, companies show that other users also have a chance to be featured on the brands' social media channels that consequently increases brand loyalty and the number of shared content as well as results in spreading brand awareness ("Hootsuite", 2020).

2.3.2   Examples of brands using user-generated content on social media

There are many examples of famous brands using visuals produced by their customers. There are three examples how brands incorporate user-generated content into their social media content.

The presented examples demonstrate that different brands use such content in their own ways and this type of content can play various roles in different industries.

As it is seen on Picture 1, a popular travel brand Airbnb, which counts 4.7 million followers on Instagram, uses user-generated content in its feed. This content goes along with the main purpose of this marketing channel and shows content produced by other people who have already stayed with Airbnb before. Furthermore, the images are displayed in a way to inspire customers to try this service and to have a unique experience of living in different types of accommodation all over the world. This is also a great example of a brand that generates desire for the service and that make people want to be featured on its page and as a result to be noticed by millions of other users. Such desire turns into a wave of positive responses about the brand, which as it was mentioned previously, will affect purchasing decisions by online word-of-mouth.
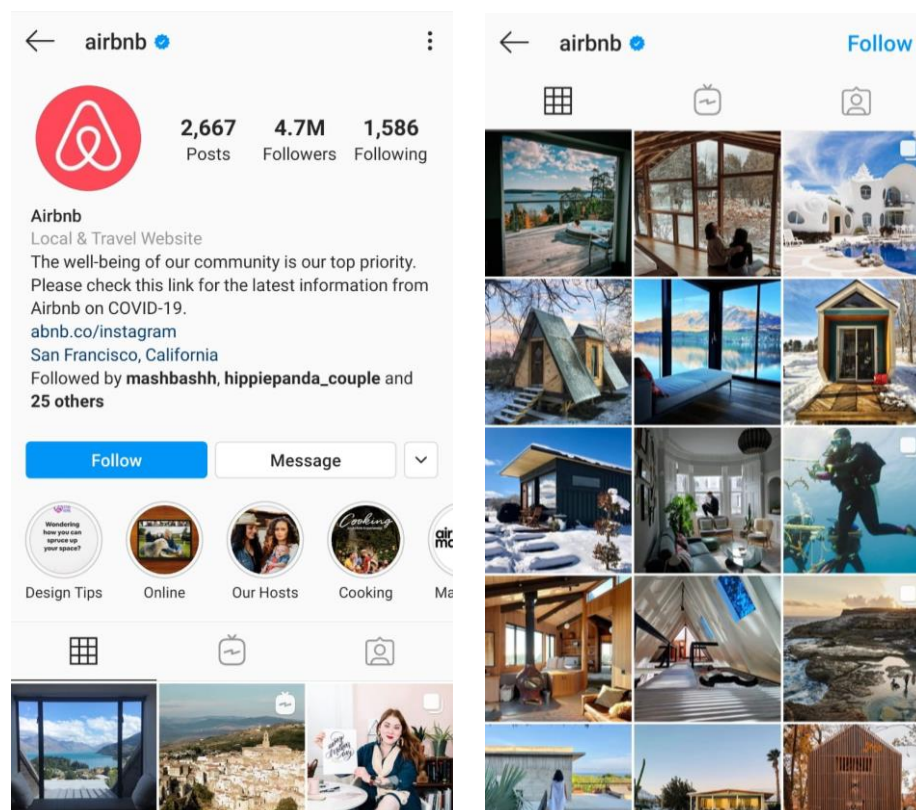
Picture 1. Screenshots from Airbnb official Instagram page. ("Instagram @airbnb", 2020).

Another example of successful implementation of user-generated content concept is Zalando (Picture 2). This clothing brand shares customers' photographs and videos that make the content

more authentic. People can also see how the clothes look on a person and that existing customers are satisfied with their purchases. Such content also makes an impression that this brand is trustworthy and that existing customers are loyal to the brand. These factors increase chances that new customers will more likely consider this company as a good option when they want to buy new clothes online.
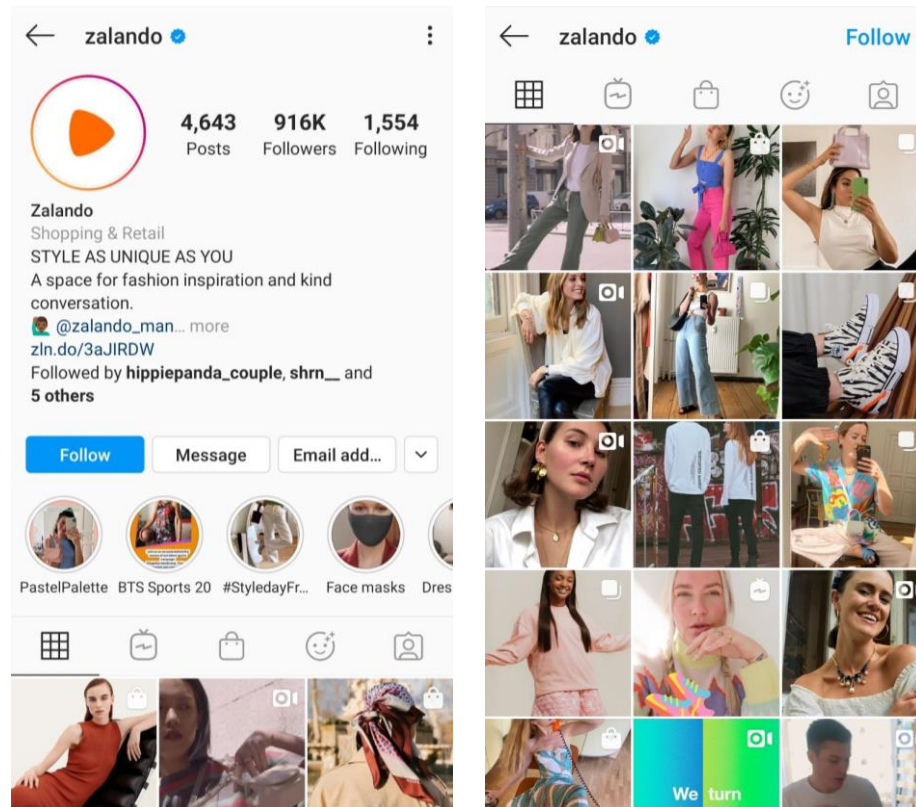
Picture 2. Screenshots from Zalando official Instagram page. ("Instagram @zalando", 2020)

Finally, Picture 3 shows an example of how one of the most popular social media platforms such as YouTube structures its content on another marketing channel. YouTube represents a well-known platform by itself, which is created for sharing content produced by online users. By posting content created by its users on additional social media channels, they emphasize the main purpose of their brand – sharing engaging content. Such strategy also invites users to visit the brand's platform for watching more similar content and forms a message that everyone has a chance to be featured if they produce something fun, extraordinary or unusual. Such message

encourages people to be more creative and hence produce more engaging content on the company's platform that will also generate additional traffic and consequently benefits for the brand in the future.
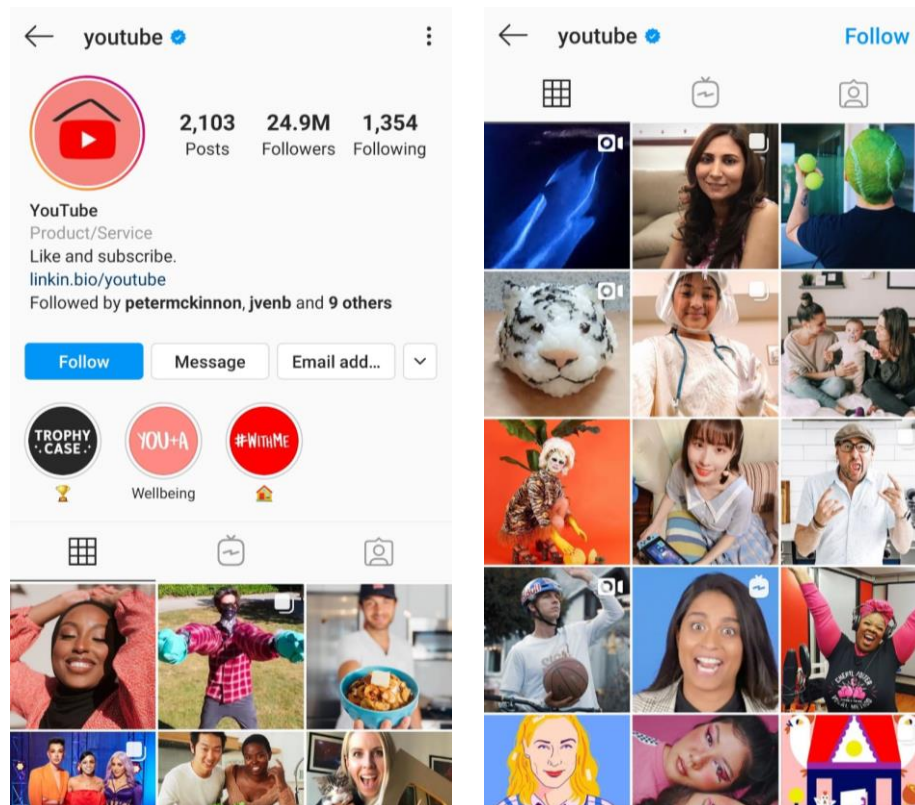
Picture 3. Screenshots from YouTube official Instagram page. ("Instagram @youtube", 2020)

3   Methodology

Based on all the previously mentioned information, it is seen that user-generated content is highly beneficial for brand communication. In order to be able to understand how this type of visualization performs on social media, it is decided to compare it with another type of visual content, which is very popular among marketers – stock images. By comparing these two forms of visuals, it will be seen which one performs better, and as a result fulfills the main purpose of being active on social media for brands – increasing brand awareness, stimulating new purchases and generating higher profits.

The methodology part of the thesis aims to revel the research method that is used to prove or disprove the hypothesis, in-depth information on how the research was implemented and how the results will be analyzed. The hypothesis of the study states that user-generated content performs better compared to stock images when referring to visual brand communication on social media.

In order to compare these two types of visual content, it was decided to execute Facebook Split tests (A/B testing). Implementation of these tests was organized in cooperation with a global transportation company, which operates in the travel segment and is active on social media. The company has a large multinational customer base and provides content in different languages for each market, therefore, it has separate Facebook pages created for each market.

In order to compare two types of visual content, it was decided to create two separate marketing campaigns within different timeframe and implement the tests across various markets, which would help to obtain more reliable results.

3.1   Research method

When choosing a method of implementing the research, the main goal was to find a way to provide reliable results that would show clear difference in performance of two types of content on social media. Following this idea, it was decided to conduct quantitative research in order to avoid subjective and vague outcomes. This approach aims to provide numerical data or present data in a form of usable statistics (Niemela, 2019). Such data would help to measure the real difference between two types of compared visuals.

The most challenging aspect of this type of comparison was to analyze only visual part of a social media post with other things equal. Choosing from different quantitative research methods, it was decided to implement experimental research. This approach refers to a study where all variables are kept under control except one, thus, by manipulating an independent variable, it is possible to examine its effect ("Key Elements of a Research Proposal Quantitative Design", 2020). Due to the fact that the focus of the thesis is on social media, it was decided to search for opportunities to execute such research with the help of existing online tools. As a result, it was decided to implement A/B testing and to be more specific Facebook Split tests.

A/B testing is also known as split testing represents a method, which helps to determine whether a change in a variable affects conversions ("What is an A/B test", 2020). Referring to such tests on social media, the main idea is to show altered variations (e.g. variations A and B) of an ad creative, layout, placement or audience to users and measure the effectiveness of each strategy (Facebook 2020). A/B testing is very beneficial in many aspects: such tests examine customers' behaviors in real-world conditions and help to obtain real picture of which version of a variable performs better; it measures even small differences in performance, which helps to collect more reliable results (Burk, 2020); it allows to yield the most from the existing traffic by optimizing different variables because even small changes influence the conversion rate ("What is an A/B test", 2020); such tests are scalable that makes it possible to examine large groups of people in a short period of time.

The main purpose of split testing is improving user experiences by conducting experiments, gathering data from the results and providing insights on how certain on-site elements influence customers' behavior ("What is an A/B test", 2020). This helps to improve future campaigns and conversions, and subsequently reach higher profits.

Such tests represent a great opportunity to develop a unique knowledge and obtain a clear picture of the campaign results including budget spending. Implementing this research enables to collect quantitative data and gain a numeric proof of which content delivers better results. Thus, it becomes possible to prove or disprove the hypothesis whether user-generated content performs better compared to stock images on social media.

The following section aims to provide better understanding how A/B testing works and how to create such split tests. Then, the description of the conducted research will be presented and the method of data analysis will be explained.

3.2 Facebook Split tests (A/B testing)

Due to the fact that it was decided to conduct the research on Facebook, it is important to provide in-depth insights on how Facebook split testing works and how it helps to compare two types of visuals. The main tools of managing businesses and ad campaigns on Facebook and related to it apps are Facebook Business Manager and Facebook Ads Manager. It is possible to manage many pages related to the business from one account, create and manage ad campaigns, track their performance and implement different tests including A/B testing.

Facebook split tests have a wide range of various options: it is possible to set different objectives, choose which audience to reach and in which locations the ad would be shown, select the format of the ad, edit placements and many other options. The process of creating such tests includes several steps that contain creating a campaign, creating an ad set and creating an ad. Therefore, it is important to revise the whole process of how the research is conducted step by step.

As it was mentioned before, there are two separate marketing campaigns created in order to implement this research. There are five tests created for each campaign, which enables to analyze different markets and collect larger scope of data and therefore obtain more reliable results. Both campaigns have similar settings for all markets except location targeting and budget allocation due to the fact that each market has different priority for the company. The quality of the visual content that is used for the tests is comparable and the main difference of the content is in how authentic the images look – spontaneously taken pictures at different locations compared to staged stock images.

3.2.1 Creating a campaign

Facebook A/B testing is an automated tool that helps to compare different aspects of social media posts, however, in order to obtain reliable results of such research, it is important to adjust the right settings. The first step of creating a split test is choosing a name for the ad campaign. Then it is necessary to turn on the Split test option and turn off budget optimization at the campaign creation stage.

The next step is to decide what should be tested and which variable would be analyzed during the test. It is possible to select one or multiple variables depending on the goal of the test. With

Facebook A/B testing it is possible to test creatives, audiences, delivery optimization, placements, product sets and multiple variables for implementing more complex tests. In order to compare two types of visuals such as user-generated content and stock images, it is necessary to set Creatives as a variable (Picture 4). Comparing creatives allows to test the effectiveness of various visual and textual content forms such as images, videos or texts.

Picture 4. A screenshot of campaign settings for A/B test 1.

After the variable is chosen, it is necessary to define the objective of the test. At this stage, it is important to understand the goals and expected outcomes of the tests. Objectives of the ad refer to anticipated actions that users would take when seeing the ad. When implementing the tests, there are different options for setting an objective, they include awareness, consideration and conversions ("Facebook", 2020).

If the ad objective is awareness, it means that the goal is to engender interest in the company's products or services and increasing brand awareness. When choosing the awareness option, it is possible to optimize is for brand awareness or reach ("Facebook", 2020). When choosing the consideration objective, the goal is to make people to think about the business as a prospect option and search more information about it. Thus, it is possible to optimize this objective for traffic, engagement, app installs, video views, lead generation and messages ("Facebook", 2020). When

the objective is set for conversions, it means the aim is to encourage people who see the ad to make a purchase or take another specific action, for example, downloading the app, adding an item to a cart or subscribing for a newsletter. Thus, this objective can be optimized for conversions, catalogue sales and store traffic ("Facebook", 2020).

In case of the current research, the objective is set for consideration and to be more specific for engagement (Picture 4). The engagement objective stands for reaching people who are more prospective to engage with the ad; in this case, engagement represents all sorts of activities such as comments, likes, shares and even claimed offers from a page. By comparing engagement of the posts it will be clear which visuals take more attention of the users and make them want to engage with the content provided by the company.

3.2.2   Creating an ad set

After the campaign is created, it is important to adjust ad sets for the tested groups A and B. Due to the fact that the posts should look similar and have identical settings except for the visual part, the ad sets duplicate each other. At this stage, such things as budget optimization, scheduling, targeting and placement are adjusted. The first step is setting the budget. When creating split tests, it is automatically evenly divided between the ad sets (Picture 5).
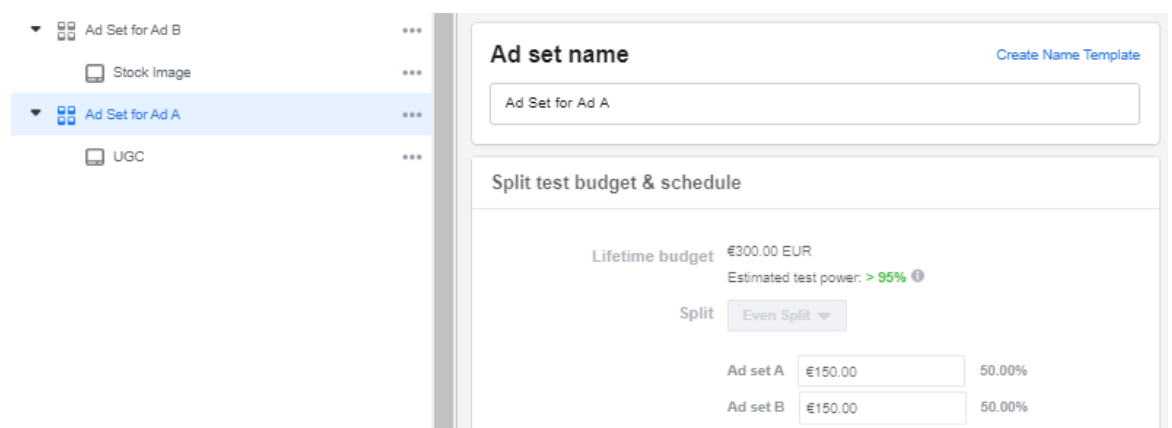
Picture 5. A screenshot of the ad set budget settings for A/B test 1.

As it is shown on Picture 5, it is also possible to see the estimated power of the test, which evaluates how the results would be statistically significant based on the selected settings. It is suggested to have minimum 80% of the estimated power ("Facebook", 2020). This number is also displayed when the ad campaign has finished and it represents a probability of obtaining similar results if the same test will be conducted again in the future.

The next stage of the process is scheduling and defining the audience. It is important to note that the ad campaign is shown only for the duration of the split test. As for the audience settings, there are different options how to optimize them, they include custom audiences and a set of selections such as location, gender, age, language and detailed targeting. These settings are adjusted according to the company's social media strategy and target groups, and therefore are not necessary to be exposed for the comparison.

The following step of the process includes choosing ad placement. During this stage it is possible to decide where the ad will be shown, for example, on Instagram, Facebook or audience network. There are two options how to optimize this setting, they include Automatic placements, which spreads impressions across different online channels automatically and based on the data collected from the users, and Edit placements, which allows to choose the ad placements manually. As it is seen on Picture 6, in the current research the placement setting is set only for Facebook News Feed; it is also possible to see an example of the look of the future post depending on the selected placements (the example is randomly chosen by Facebook and it does not represent the tested content).
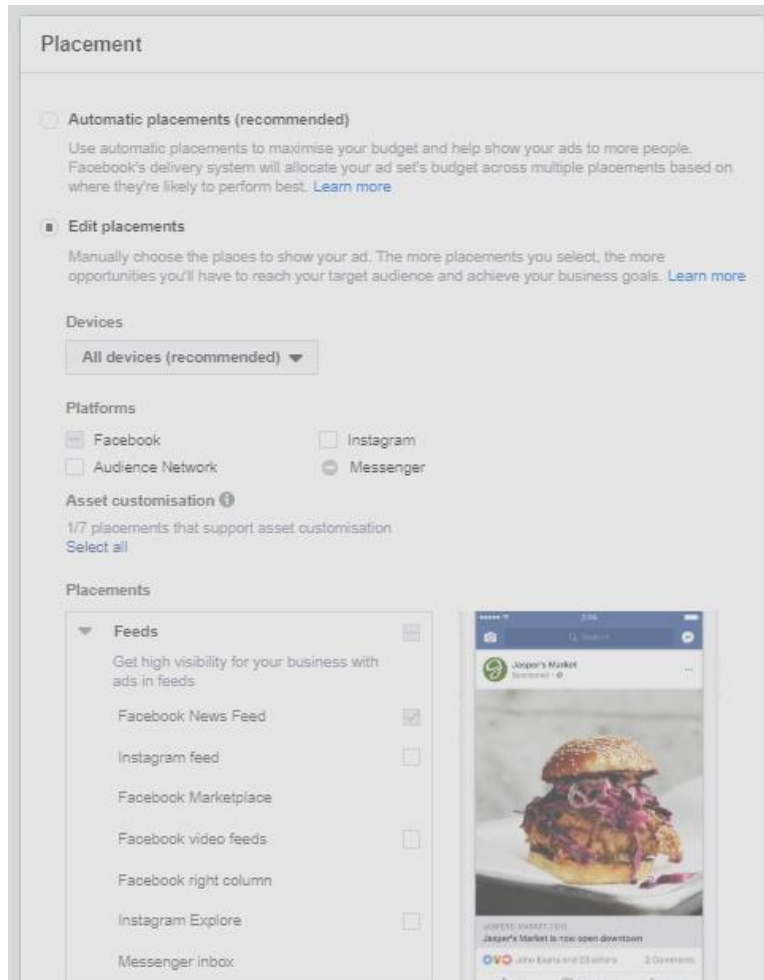
Picture 6. A screenshot of the placement settings for A/B test 1.

3.2.3   Creating an ad

After the campaign and ad sets are adjusted, it is required to create an ad post. The first step relates to choosing a page where the post is planned to appear. It is possible to select a Facebook or Instagram page that is connected to Facebook Business Manager. Due to the fact that the placement was set only for Facebook News Feed, each test was connected to a correct Facebook page of the company depending on the language of the post caption and the market.

It is followed by a possibility to choose a format of the ad, which can be an image, a video, a collection of different creatives or a carousel. The current research aims to compare only images so they should be uploaded to the right ad – user-generated and stock images. Then it is necessary to write the caption and add other options if needed, for example, a call-to-action button (this option was not turned on for the tested posts).

At the final stage of the process, it is possible to see a preview of the ads and make some adjustments if necessary. When everything is set, the test can be confirmed and published. Usually it takes some time for Facebook to review the ads and then they will be automatically published according to the schedule after being approved.

When implementing split tests, the ad's exposure is automatically randomly divided between the A and B ad sets. Therefore, Facebook algorithms enable the creation of statistically comparable audiences that are evenly split without a risk of overlapping ("Facebook", 2020). It means that one person can see only one type of tested visuals. In case of A/B testing, promoted posts look similar to regular Facebook posts so that users do not know that they are being tested. Such method helps to gather accurate results based on typical behaviors of the users.

3.3 Data analysis methods

In order to provide clear difference in performance of user-generated content and stock images, the results of the tests will be compared and analyzed. From the company's perspective, the most important metric of the implemented tests is the cost per result. It this case, the result represents post engagement because it was set as an objective of the split tests. Such metric defines how much money a company should spend for one unit of the anticipated result. Cost per result is automatically calculated after implementing the tests. Therefore, it is possible to evaluate the performance of user-generated and stock images by simply comparing this metric for each type of content to one another.

The algorithm of Facebook split testing ensures that the posts are shown to comparable audiences, therefore, the engagement and reach they obtain also depend on the content effectiveness and to be more specific the effectiveness of visual content due to the fact that this is the examined variable. Thus, another way to compare performance of two different types of visuals is to calculate engagement rates.

Engagement rate determines efficiency of the company's efforts on social media (Yamakuchi, 2014). It is measured as engagement results divided by the number of reached users who potentially could perform the anticipated action (Smitha, 2013).

$$Engagement\ rate = \frac{Engagement\ results}{Reach} \times 100\%$$

By analyzing engagement rates of each type of visual content for all implemented split tests, it is possible to see the general result of how user-generated content and stock images affect the engagement of brand content on social media and therefore support or argue the theory related to the topic.

4   Findings

This section of the study aims to analyze the results of the conducted research. The first part 4.1 shows the actual results of the implemented split tests. Engagement rates are calculated and analyzed as well as the key metric of the tests such as cost per result. The second part 4.2 provides the general results of the implemented research and how they support the theoretical background of the thesis. The final part 4.3 presents the discussion regarding the obtained results.

4.1   Results of Facebook A/B tests

A/B test 1 provides information related to the group of tests executed for the first marketing campaign and A/B test 2 – for the second one. There were five different markets analyzed for both tests. The detailed results of the tests can be found in Appendix 1 and 2 where the results are presented in the same order as on the pictures presented in this section of the thesis. They show such important metrics as Cost per result, Results (post engagement), Reach, Impressions and Amount spent. The key metric of the received results is cost per result, which reflects the amount of money spent for a single action set as an objective.

4.1.1   A/B test 1

The first implemented A/B testing shows that user-generated content performed better compared to a stock image across all markets (Picture 7). Analyzing the results more in detail, the key metric represents the following data (user-generated content vs. a stock image accordingly): €0.24 vs. €0.38; €0.15 vs. €0.31; €0.06 vs. €0.10; €0.21 vs. €0.23; €0.07 vs. €0.11 following the same order of the results presented on Picture 7. In order to see the difference better, the proportions of how many times stock images are more expensive compared to user-generated content are calculated following similar order as the previously presented results: 1.6 times; 2.1 times; 1.7 times; 1.1 times; 1.6 times.
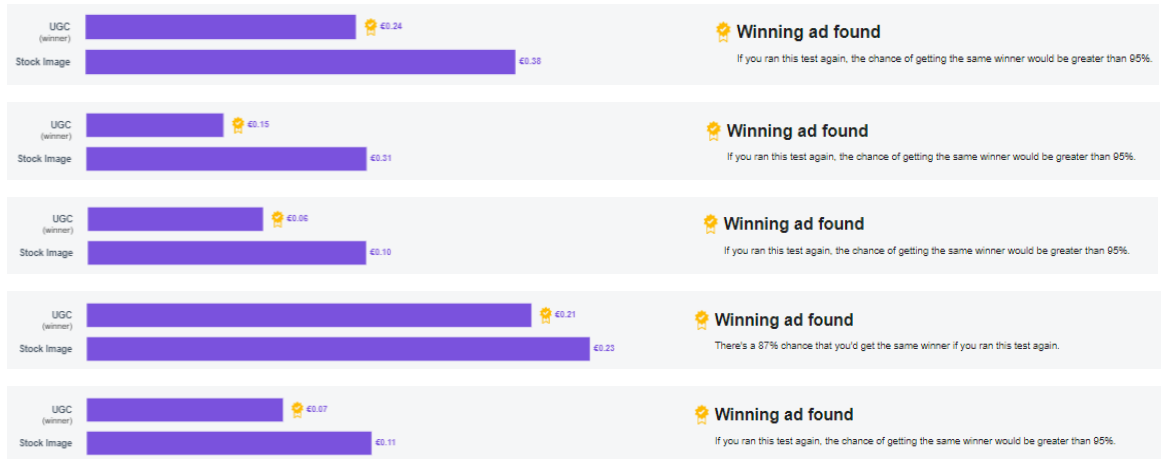
Picture 7. Screenshots of campaign results for A/B test 1 for all markets.

The cost per result metric varies across different markets, however, the difference in performance of two types of visual content stays obvious – user-generated content is more efficient compared to the stock visual. The smallest difference in results represents that using a stock image is 1.1 times more expensive compared to user-generated content, and the most significant difference in performance is 2.1 times.

Based on the data presented in Appendix 1, it is possible to calculate the engagement rates of each type of visuals for every split test. Table 4 summarizes the results for this metric.

Table 4. Engagement rates for A/B test 1.

	User-generated content	Stock image	Winning type of content
Market A	7.61%	5.03%	UGC
Market B	8.49%	4.40%	UGC
Market C	5.75%	3.91%	UGC
Market D	9.86%	9.74%	UGC
Market E	8.66%	8.64%	UGC

It is seen that the winning type of visual content stays the same as when comparing the cost per result – user-generated content. For some markets, the rates are close to each other but regarding the absolute numbers displayed in Appendix 1, user-generated content gained significantly greater reach, which is also one of the crucial metrics on social media.

4.1.2   A/B test 2

The second A/B testing group shows similar results across all markets in terms of the winning type of visuals – user-generated content. This time the tests show more significant difference in performance between the compared types of visual content.

As for the cost per result, the second group of split tests shows the following numbers (user-generated content vs. a stock image accordingly): €0.07 vs. €0.29; €0.03 vs. €0.07; €0.06 vs. €0.25; €0.21 vs. €0.51; €0.08 vs. €0.27 following the same order of the results presented on Picture 8. Calculations exposing the difference in how many times stock images are more expensive compared to user-generated content show the following results: 4.1 times; 2.3 times; 4.2 times; 2.4 times; 3.4 times.
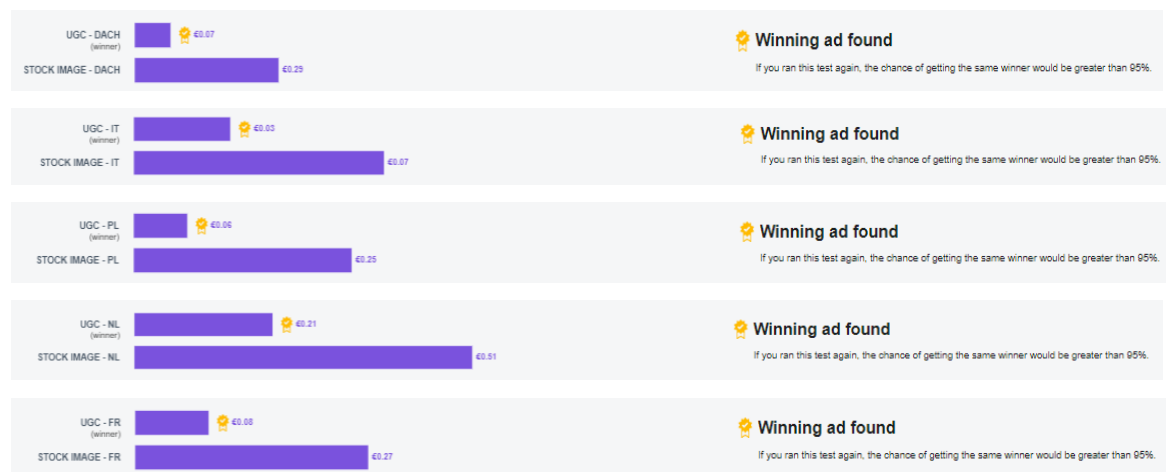
Picture 8. Screenshots of campaign results for A/B test 2 for all markets.

Based on the calculations, the smallest difference in the results between two types of visual content shows that using a stock image is 2.3 times more expensive compared to user-generated

content and the most significant difference in performance exposes that the stock image is 4.2 times more expensive.

The data presented in Appendix 2 enables to calculate the engagement rates for the second A/B testing, they are demonstrated in Table 5.

Table 5. Engagement rates for A/B test 2.

	User-generated content	Stock image	Winning type of content
Market F	19.00%	9.83%	UGC
Market G	12.16%	7.19%	UGC
Market H	19.92%	5.67%	UGC
Market I	24.47%	11.91%	UGC
Market J	24.30%	12.71%	UGC

A/B test 2 shows that the difference in engagement rates is colossal. User-generated content gained impressive results and similarly to the first split testing, the reach was significantly higher compared to the stock images reach.

4.2   Analysis of the results

The results demonstrated in the previous sections show the difference in performance between user-generated content and stock images. Regarding the cost per result metric, it is one of the key indicators of successful ad campaign. The lower is the metric the better it is for the business because it represents how expensive it is to obtain one unit of the result. The current research shows that this indicator is lower for user-generated visuals across all analyzed markets.

Considering the scales of marketing campaigns that many popular brands run, even a small difference in cost per result is significant for the budget. Therefore, based on the conducted research, it is more beneficial for brands to follow the user-generated content strategy when choosing between two types of visuals that were tested in this study.

Considering engagement rates, they represent another important indicator of the quality and efficiency of provided content. By comparing the rates, it is seen which content performs better to one another. Such comparison enables to see the difference not only from the perspective of cost efficiency for the company but also to see which content performs better in general when it is published on social media. This point supports the theory that indicated the benefits of incorporating user-generated content into social media strategies of brands.

As it was mentioned previously, the results are considered reliable if the estimated power of the tests is higher than 80% ("Facebook", 2020). Pictures 7 and 8 show that nine out of ten tests have this metric at the level of 95% and one test – 87%. These percentages indicate chances of obtaining similar results if such tests will be implemented again in the future.

Based on the split tests conducted for this research, the winning type of visuals is user-generated content. This proves the hypothesis that such content performs better compared to stock images when referring to visual brand communication on social media.

4.3   Discussion

The previous part of the thesis revealed that the hypothesis is proved and user-generated content is indeed more beneficial for visual brand communication. However, it is necessary to discuss how reliable and valid the results are.

The main factor that affects the performance of each research related to comparing visual content, is that visual perceptions are subjective. As the existing scientific knowledge indicates, visual communication cannot be similarly efficient for each individual and its effect on consumer behavior is largely dependent on individual inclinations of every person (Fahmy et.al., 2014; Smith et.al., 2005). The implemented tests compared only two visuals in each group of tests. This means that results of the tests highly depend on the specific visual content compared in the tests and individual perceptions of each person towards these images. The results of the tests also show the difference in perceptions across different markets and between two marketing campaigns that were created to test the hypothesis, even though user-generated content won across all markets.

It is also necessary to mention that the implemented tests were adjusted for the post engagement objective, which means that the results of the tests represent that user-generated content performs better compared to stock images in terms of engagement. Therefore, it means that there

is still a room for the future research that could test these two types of visual content but with other ad campaign objectives.

It is very important for brands to learn which content is more efficient for the general audience, although there will always be a number of people that consume information differently or to whom patterns that work for the majority are not as effective. In order to acquire more valid results, it requires implementing more tests with different visuals, which also involves high budgets and willingness of established companies with wide customer audiences to test this particular hypothesis.

As for user-generated content, it includes a large number of various types of content and it is difficult to evaluate the quality of the visuals. It becomes challenging to provide results that would generally apply to every type of user-generated content. Even though the tested visuals can be considered comparable, it is difficult to evaluate what particular aspects affect the difference in the content performance. Therefore, the results are mainly reliant on specific images that are used in a particular context.

This study compared visual content, which represents typical examples of the tested content – authentic images produced by general online users compared to staged stock images that are highly popular among marketers. Thus, the implemented tests show the difference in performance of comparable content that represent general idea of user-generated and stock images. The results have reflected the tendencies regarding the engagement levels that each type of analyzed visuals bring, however, there is a need for the further research of the chosen topic.

5   Conclusion

The implemented research raised a very interesting topic that companies have to take into consideration when creating content for their visual brand communication on social media. User-generated content is defined as an essential factor in social media, and it drives the information exchange in the world of internet. The current trends have shown that there are billions of people who are active on social platforms and the fact that the number of the users continues to grow makes it clear that it is highly beneficial for businesses to be active on social media.

Social media enable two-way communication with the users, which is a great opportunity for businesses to build relationships with their customers and receive immediate feedback. By being responsive and providing engaging content, brands increase their chances to obtain positive response from people, which would stimulate online word-of-mouth. This factor is very important for businesses because it helps to attract new customers, increase brand awareness and form a positive brand image.

In the modern world, it is very challenging for businesses to stand out from the content produced by other companies and users. Every day only on Facebook, there are more than 1 billion stories shared ("Facebook", 2020). This makes it clear that marketers have to understand which content performs better in order to obtain the best results of being active on social media. In order to provide such content that would catch people's attention, companies have to understand which factors affect the way people consume content.

As it was indicated in this study, it is known that visual content is processed 60,000 times faster compared to a textual content (Armstrong, 2008). It also relates to the point that despite the fact that the way people process content is conditioned by their individual inclinations (Fahmy et.al., 2014; Smith et.al., 2005), the majority of people still tend to consume content more visually. Supporting this point, the social media trends also show users' high appeal towards visual social platforms. These facts make it clear that understanding which visual content is more effective is crucial when it comes to brand communication.

When analyzing different types of visual content, it was indicated that user-generated content has many advantages compared to other visual forms; however, as it is revealed in the theoretical background of this study, companies prefer to use stock images in approximately 40% of the cases, which also represent the top choice of the marketers regarding visual communication

(Moore, 2020). This fact created a need for such research that would compare these two types of visuals and their effects on visual brand communication for companies that are active on social media. Thus, the hypothesis of this thesis states that user-generated content performs better compared to stock images when referring to visual brand communication on social media.

In order to test the hypothesis, quantitative research was implemented in the form of an experiment. It was decided to execute a comparison with the help of Facebook A/B testing. This tool enables businesses to analyze different types of content, audiences and placements when running social media advertising campaigns. The tests were implemented in cooperation with a global company, which operates in the transportation and travel segment, and which is active on social media and has a wide customer audience.

The research included two separate marketing campaigns executed for different markets, and each of them would compare two types of visuals – user-generated content and a stock image. In total, there were ten Facebook split tests implemented in order to obtain more reliable results. The main metrics that indicate the difference in performance of two types of analyzed visuals are costs per result and engagement rates. The first metric represents the amount of money that a company has to pay in order to receive one unit of the anticipated result. The implemented tests show that using stock images for brand communication on social media is less cost efficient compared to user-generated content.

The other metric calculated in this research is the engagement rate. It demonstrates the quality and efficiency of the content provided by a brand on social media. Such rate not only reflects which type of content is more beneficial for the companies' use but also shows which type of content works better on social media in general. This point closely relates to the theoretical background presented in this study. Processing images faster than the rest of the content is the natural way of consuming information because they are processed holistically and simultaneously (Armstrong, 2008). In fact, visualization is the first aspect noticed by people when consuming content. The engagement rates directly show which type of visualization takes more attention of the social media users.

As it was revealed in this study, the main purpose of visual brand communication is framing and spreading particular messages through selected media, although each individual will understand and interpret these messages through individual perspectives (Jamieson, 2007; Smith et.al., 2005). Thus, by analyzing engagement rates, it can be examined which visual content receives better response from the audience. Such analysis of the split test results has revealed that user-

generated content obtains higher engagement rates compared to stock images. This means that more people find brand content with user-generated images more alike with their interests and values than content with staged stock images. It is very important to provide such content that is align with customers' values, interests and motives because it encourages users to spread the brand content further with their online network (Peters et.al., 2013).

The theoretical framework on user-generated content indicates the following benefits for companies: such content is considered more authentic and authentic content gains higher engagement; it creates trust and it drives purchasing decisions ("Hootsuite", 2020). Indeed, the conducted research supports this theory and shows that posts with user-generated images obtained significantly higher engagement rates.

As the Hootsuite research (2020) shows, approximately 80% of consumers admit that user-generated content influences their purchasing decisions. This means that such type of content not only helps spreading the brand messages and increases engagement but it also helps to achieve higher profits for the businesses. Thus, by providing more engaging content, companies also improve other metrics related to efficient social media presence.

The results of the research support the theory regarding the chosen topic and prove the hypothesis that user-generated content performs better compared to stock images when it comes to visual brand communication on social media.

Such knowledge serves as a basis for recommendations that can be useful for different brands: when creating visual content for communicating on social media, brands should incorporate more user-generated content in order to stimulate a conversation with their customers and increase brand loyalty. When choosing between user-generated and stock images, it is more beneficial to use the ones that are created by regular users rather than staged stock images if the quality is comparable. In order to make more profit, companies have to adhere to the user-generated content strategy due to the fact that such content significantly affects customers' purchasing decisions. User-generated content strategy is very beneficial if brands want to increase engagement rates of their content on social media. These recommendations can be useful not only for brands in creating their social media strategies but also for individual social media users, influencers and large social media accounts.

The research question of the thesis was answered and objectives were met. The study has provided insights in the fields of social media, visual brand communication and user-generated content, has shown the benefits of such content in visual brand communication and compared it with

another popular type of visuals – stock images. Due to the limitations of the research and subjectivity in perceptions of different visual content, this topic requires further research with testing various types of visual content and their effects on visual brand communication on social media.

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Appendices

Appendix 1.

Ad	Cost per result	Results	Reach	Impressions	Amount spent
UGC	€0.24	415	5,451	16.7K	€100.00
Stock Image	€0.38	261	5,189	15.4K	€100.00

Ad	Cost per result	Results	Reach	Impressions	Amount spent
UGC	€0.15	650	7,653	23.9K	€100.00
Stock Image	€0.31	318	7,231	20.9K	€100.00

Ad	Cost per result	Results	Reach	Impressions	Amount spent
UGC	€0.06	2,318	40.3K	75.8K	€150.00
Stock Image	€0.10	1,459	37.3K	65.8K	€150.00

Appendix 2

Ad 1: UGC - IT
Ad 2: STOCK IMAGE - IT

Variable: Creative   Versions: 2 Ads   Total budget: €200.00, Even Split (50/50)   Objective: Post Engagement   Key metric: Cost per result

Results

■ Cost per result

UGC - IT (winner) — €0.03

STOCK IMAGE - IT — €0.07

Cost per result

🏅 **Winning ad found**

UGC - IT is the winning ad with the lowest cost per result at €0.03.

If you ran this test again, the chance of getting the same winner would be greater than 95%. ⓘ

[Run Winning Ad] [Share Link]

Create split test

Metrics

Ad	Cost per result	Results	Reach	Impressions	Amount spent
🏅 UGC - IT	€0.03	3,623	29.9K	52.9K	€100.00
STOCK IMAGE - IT	€0.07	1,395	19.4K	36.9K	€100.00

Ad 1: UGC - PL
Ad 2: STOCK IMAGE - PL

Variable: Creative   Versions: 2 Ads   Total budget: €200.00, Even Split (50/50)   Objective: Post Engagement   Key metric: Cost per result

Results

■ Cost per result

UGC - PL (winner) — €0.06

STOCK IMAGE - PL — €0.25

Cost per result

🏅 **Winning ad found**

UGC - PL is the winning ad with the lowest cost per result at €0.06.

If you ran this test again, the chance of getting the same winner would be greater than 95%. ⓘ

[Run Winning Ad] [Share Link]

Create split test

Metrics

Ad	Cost per result	Results	Reach	Impressions	Amount spent
🏅 UGC - PL	€0.06	1,631	8,188	35.8K	€100.00
STOCK IMAGE - PL	€0.25	400	7,050	28.7K	€100.00

Ad 1: UGC - NL
Ad 2: STOCK IMAGE - NL

Variable: Creative   Versions: 2 Ads   Total budget: €200.00, Even Split (50/50)   Objective: Post Engagement   Key metric: Cost per result

Results

■ Cost per result

UGC - NL (winner) — €0.21

STOCK IMAGE - NL — €0.51

Cost per result

🏅 **Winning ad found**

UGC - NL is the winning ad with the lowest cost per result at €0.21.

If you ran this test again, the chance of getting the same winner would be greater than 95%. ⓘ

[Run Winning Ad] [Share Link]

Create split test

Metrics

Ad	Cost per result	Results	Reach	Impressions	Amount spent
🏅 UGC - NL	€0.21	477	1,949	11.6K	€100.00
STOCK IMAGE - NL	€0.51	195	1,637	8,728	€100.00

Ad 1: UGC - FR
Ad 2: STOCK IMAGE - FR

Variable: Creative   Versions: 2 Ads   Total budget: €200.00, Even Split (50/50)   Objective: Post Engagement   Key metric: Cost per result

Results

■ Cost per result

UGC - FR (winner) — €0.08

STOCK IMAGE - FR — €0.27

Cost per result

🏅 **Winning ad found**

UGC - FR is the winning ad with the lowest cost per result at €0.08.

If you ran this test again, the chance of getting the same winner would be greater than 95%. ⓘ

[Run Winning Ad] [Share Link]

Create split test

Metrics

Ad	Cost per result	Results	Reach	Impressions	Amount spent
🏅 UGC - FR	€0.08	1,181	4,861	13.0K	€100.00
STOCK IMAGE - FR	€0.27	372	2,927	8,232	€100.00