

## Developing Marketing Strategy for User-Generated Content: Study Case for Company X

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KEYWORDS	ABSTRACT
online Media; User-Generated Content; Travel; Tourism; Motivation; Incentive	This study investigates strategies to enhance user-generated content (UGC) growth for Company X, a part of Company X, to address the declining trend in UGC contributions and increasing operational costs. The study employs a qualitative methodology, including in-depth interviews with Company X users and content creators, to identify user personas, motivations, and preferences. External analyses such as PESTEL, competitive analysis, and internal SWOT analysis are used to frame the problem. The results suggest that enhancing the reward system, aligning incentives with user expectations, and improving platform engagement can increase UGC contributions. The proposed strategies aim to leverage UGC to reduce costs and boost user engagement and retention, supporting Company X's future growth.

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### Introduction

Digital technology has significantly changed the way we consume media and travel information. In Indonesia, internet usage has proliferated, with over 204.7 million users reported in January 2022, covering about 73.7% of the population (Riyanto, 2022; Rosary, 2020). This widespread internet access has brought opportunities and challenges for digital media platforms, which must constantly innovate to stay relevant and engaging.

Digital media, particularly in news and publishing, has shifted from traditional methods to more personalized and direct interactions with audiences. This change has made it harder for platforms to capture and keep user interest, leading them to explore new strategies like User-Generated Content (UGC) (Beveridge, 2024). UGC, which includes reviews, blogs, videos, and social media posts created by users, has become an essential part of digital media. It offers natural and varied perspectives that resonate more effectively with audiences (Pwc, 2028).

Company X is a significant player in Indonesia's digital media scene, focusing on travel-related content. Despite having about 4 million monthly users and around 10 million monthly page views, Company X faces challenges maintaining and increasing UGC contributions.

However, inadequate UGC strategies-such as ineffective reward systems, complex submission processes, and lack of community building, lead to reduced user participation, impacting platform growth and operational costs.

This research addresses the specific problem of the decline in UGC contributions for Company X, coupled with rising operational costs. Despite an extensive user base, the existing UGC system fails to effectively meet users' motivational needs, resulting in diminished content contributions. The impact of inadequate UGC strategies can be significant, leading to lower user retention, reduced content variety, and increased marketing expenses to maintain platform engagement (Bravo et al., 2021; Hur et al., 2017).

Previous studies on UGC strategies in digital platforms have highlighted the importance of incentives, ease of contribution, and community-building initiatives. Bravo et al. (2021) and Wang et al. (2022) emphasize that UGC incentives aligned with user expectations are essential for sustaining contributions. However, limited research has been conducted specifically on the Indonesian digital media context, and even fewer studies focus on the travel sector, where user experiences and personal motivations vary widely. This research gap reveals a need for customized strategies to address Indonesian users' unique preferences and behaviors in travel-related content creation.

The new aspect of this research lies in developing tailored UGC strategies that directly respond to the challenges faced by Company X. By identifying user personas, motivations, and engagement barriers, this study aims to create a more inclusive UGC ecosystem. The findings offer practical recommendations to enhance the UGC framework, including improved reward systems, streamlined submission processes, and community-oriented engagement models. This ultimately supports Company X's competitive positioning in the digital media and tourism sectors.

This study aims to develop strategies to boost UGC for Company X, addressing the decline in contributions and rising operational costs. Through interviews and analysis, this research seeks to understand user motivations and preferences and propose strategies that will enhance the UGC ecosystem, improve the reward system, and increase user engagement. The goal is to use UGC to reduce costs and support Company X's growth in the competitive digital media and tourism industries.

## **Materials and Methods**

This study uses a qualitative approach to explore what influences user-generated content (UGC) on Company X. The research focuses on understanding the motivations, preferences, and behaviors of UGC contributors and readers and the external and internal factors affecting Company X's operations. A qualitative approach is chosen because it allows a detailed understanding of users' experiences and perspectives (Creswell & Creswell, 2018).

### **Data is collected through both primary and secondary sources**

For primary data, in-depth interviews are conducted with Company X readers and UGC contributors. Twelve participants are selected based on factors like age, gender, socioeconomic status, location, and engagement with Company X. The interviews are semi-structured, allowing for open discussions while ensuring key topics are covered. Questions focus on what drives users to create content, what influences their engagement, and what challenges they face. The participants include six Company X readers and six UGC contributors, categorized by how often they contribute content.

Secondary data comes from internal sources like Google Analytics and the Content Management System, which provide insights into user behavior and UGC performance. External

data, such as market analyses and competitor evaluations, is also used to understand the broader environment. PESTEL and SWOT analysis tools help assess external factors and internal strengths and weaknesses.

### **The data is analyzed using several methods to gain clear insights**

For qualitative data, thematic analysis is used to identify patterns and themes related to user motivations, content preferences, and challenges in contributing to UGC. This involves organizing the data into categories to find common themes. Narrative analysis is also used to interpret UGC contributors' stories and experiences, focusing on what influences their content creation and engagement.

External and internal factors are analyzed using PESTEL and SWOT frameworks. PESTEL analysis helps examine external factors impacting Company X, while SWOT analysis examines the platform's internal strengths, weaknesses, opportunities, and threats. Competitor analysis is also done to see how similar platforms operate and manage UGC, helping Company X identify areas where it can stand out.

This research focuses on Company X's operations, particularly its UGC strategy. Due to limited data access, the study does not cover financial or cost analysis. The findings may also be limited by the number of participants interviewed, which could affect how broadly the results apply to all Company X users.

This research methodology outlines a simple approach to understanding user-generated content on Company X. By combining interview data with internal and external sources, the study aims to provide practical insights into how Company X can improve its UGC strategy to boost user engagement and grow the platform.

## **Results and Discussions**

### **In-Depth Interview Results**

The in-depth interviews with Company X users and content contributors offered important insights into the reasons behind their participation and the challenges they face. Many contributors are motivated by the straightforward enjoyment of sharing their travel experiences. They have a passion for travel and want to inspire others. However, rewards like money or recognition were less important to them. Most contributors felt that the current reward system, which mainly includes content showcases and occasional vouchers, does not do enough to encourage regular contributions (Rousseau & ten Have, 2022).

The interviews also pointed out several challenges for contributors. A key issue is the complicated process of submitting content. Many contributors found the user interface difficult to navigate, which made uploading content a frustrating experience. Moreover, the lack of feedback from the platform about the impact or quality of their contributions left some contributors feeling unappreciated, discouraging them from continuing to contribute. There is also a mismatch between the rewards offered and what contributors expect. Many feel that the effort required to produce quality content is not adequately recognized, leading to fewer submissions over time.

Based on these findings, different types of contributors were identified. "The Enthusiast" is a passionate traveler who enjoys sharing detailed stories and photos. "The Casual Contributor" shares content occasionally, usually driven by a specific trip, and is not primarily motivated by rewards.

"The Opportunist" is more focused on potential rewards or recognition and contributes content with those incentives in mind. Understanding these different personas is key to developing strategies to boost participation.

### **External Analysis**

Using the PESTEL framework, the external analysis shed light on various factors affecting Company X's user-generated content strategy (Pröllochs & Feuerriegel, 2020). Politically, regulations on digital content and data privacy could impact how content is managed on the platform. Economically, downturns could lead to fewer people traveling, reducing the amount of shared content. Socially, the growing popularity of social media and the desire for authentic travel experiences encourage more users to contribute content. Technological advances in mobile devices and content creation tools have made it easier for users to create and share content, though the platform must remain user-friendly to take full advantage of these trends (Digital, 2022). Environmentally, the increasing focus on sustainable travel could shift the type of content users contribute, with more emphasis on eco-friendly travel experiences. Ensuring compliance with intellectual property laws is essential to avoid legal issues when managing user-generated content.

### **Internal Analysis**

The SWOT analysis revealed several strengths and weaknesses related to Company X's approach to user-generated content. One of the platform's strengths is its large user base, which provides a solid content-sharing foundation. The focus on travel, a highly engaging topic, naturally encourages users to share their experiences. However, a significant weakness is the current reward system, which is not effectively motivating contributors. The process of submitting content also needs improvement. Growth opportunities include enhancing the reward system and making the content submission process easier. Additionally, expanding partnerships with travel brands could provide new incentives for contributors. However, the platform faces competition from other sites with better user-generated content features, which could threaten its position if it does not innovate (Cheng et al., 2021).

### **Business Solution**

Based on the findings, several strategies are suggested to increase user-generated content on Company X. First, the reward system should be improved to offer more meaningful financial and non-financial incentives. This might include creating tiers of rewards based on how often and how well users contribute. Second, submitting content needs to be made more accessible, and the platform should provide more precise feedback to contributors. This could involve redesigning the user interface and offering guides to help users create content. Third, engagement and retention could be boosted by building a stronger community among contributors through regular activities like contests or highlighting top contributors. Finally, partnering with travel brands could offer rewards and recognition, including co-branded content or sponsored trips for top contributors (Soylemez, 2021).

## Implementation Plan & Justification

The implementation plan involves rolling out these strategies in phases, starting with immediate improvements to the user interface and reward system (Malinova et al., 2022; Zorzetti et al., 2022). Following these enhancements, marketing efforts will promote user-generated content and establish partnerships with travel brands. This plan has the potential to increase user engagement, lower content creation costs, and strengthen Company X's position in the market.

## Conclusion

This study examined ways to improve user-generated content (UGC) on Company X to reverse the decline in contributions and increase user participation. Through in-depth interviews with users and contributors, the research identified the key motivations and obstacles that impact UGC involvement. Contributors are primarily motivated by the personal satisfaction of sharing their travel experiences. However, the current reward system, which mainly offers content showcases and occasional vouchers, does not do enough to encourage regular contributions. Contributors also face challenges with the platform's user interface, which makes submitting content difficult, and the lack of feedback from the platform further discourages them from participating. The external analysis showed that factors like the growing use of social media, advances in mobile technology, and a rising focus on sustainable travel could influence UGC. Internally, the analysis revealed that while Company X has a large user base and a strong interest in travel content, the current reward system and submission process needs significant improvements. Based on these findings, the study suggested several strategies: improving the reward system, making the content submission process easier, building a stronger community among contributors, and partnering with travel brands to offer additional incentives. These strategies aim to increase UGC contributions, lower content creation costs, and strengthen Company X's position in the market. In conclusion, by addressing the challenges identified and implementing the suggested strategies, Company X can boost user participation, improve the quality and quantity of UGC, and maintain its competitiveness in the digital media and travel sectors.

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