UGC sells more!

Everything you should know about the power of Visual Commerce for selling

Learn brand best practices and how to apply them



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#### Customer journey, now and then

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Activate your content through the different channels



## Customer journey, now and then

Traditionally, businesses operated with the expectation of a linear customer.

which included these three primary phases:

- **1. Awareness:** The customer realizes the need for a desired product, experience, or service.
- **2. Consideration:** The customer conducts product research, discusses options with peers, and determines the right brand for the purchase.
- **3. Purchase:** The client buys the selected brand, completing the journey.

Brands set up programs and campaigns to attract their audiences and move them through the funnel until they became customers. Of course, there was less awareness of the activities that were achieving real results, but there was a plan accepted by the marketing professionals.

Today, again driven by mobile devices, customer travel has become completely fragmented, making the task of capturing customers and learning about buying behaviour much more complex than before and new avenues have to be sought.

To truly thrive in this new visual age, brands must guide consumers from inspiration to action. How? Adopting discovery-driven commerce.

This makes all content "affordable". A way that consumers can easily buy at the point of product discovery. The result? Higher order value, conversion rates and customer loyalty.



"

Today, consumers can find inspiration anywhere, and demand buying opportunities no matter where that inspiration occurs.



#### Modern travel for new customers

A modern customer journey more resembles a zig zag scheme of: inspiration, discovery, enthusiasm, purchase, loyalty... Consumers are going in and out of various phases, through channels, and expect brands to keep up with them, delivering content that fits what they want, when they want it, and in formats appropriate to the place they choose.

They can find inspiration anywhere, and demand buying opportunities no matter where that inspiration occurs. While previous generations may have gained much of their affinity for their parents' brand, younger consumers are looking for brands that align with their values, and are often in and out of a position of loyalty.

In addition, with the social channels that give voice to the customer, the post-buy relationship has also become more important. This new customer journey has put a lot of pressure on marketers, who must generate a lot of valuable and resonant visual content to fill each channel.

Brands that can inspire their customers and attract them beyond the point of sale often make great profits, as these audiences create and share visual content on social channels, generating new UGC content, new audiences and revenue.

And the cycle begins again!

### UGC:

## authentic and free content

We will probably agree that a happy customer is more reliable than a marketing ad that usually lists the qualities of a product. The user relies less and less on perfect ad photos.

That's why we turn to ordinary people for inspiration and recommendations; all the way through the customer's journey, from brand discovery, through product evaluation and finally purchase:

#### **Brand discovery**

The user discovers the brand thanks to friends, influencers, micro influencers or searches for interest and once in the Instagram platform he only needs to enter the payment data once and can start making purchases, without having to leave the application. With the new functionality of Instagram Shopping Checkout, this is now possible, as users no longer have to go out and go to a separate website.

#### **Product Evaluation**

Making a purchase online can be risky, so consumers tend to conduct rigorous research before reaching for their wallets. When it comes to fashion, **consumers check an average of three sources of information** before making a purchase. In the tourism industry, where you have both incredible and questionable photos, this figure rises to four. And while some verticals may be more susceptible than others, no brand is exempt from the critical eye of its consumers.

# 

31%

consumers use social networks to be inspired by the products they buy, reports loyalty analysis company Aimia.

### Purchase data

According to a study by the Pew Research Center, 67% of consumers surveyed consider it totally acceptable for a store to track purchasing behavior if it also offers in-store discounts.

According to an Accenture study, 75% of consumers are more likely to buy from a store that calls them by name, recommends options based on past purchases, or knows their purchase history.

92% of consumers trust an influencer more than an ad or celebrity.

92%

consumers rely more on an influencer than on an ad or a celebrity.

3/4

parts of Internet users regularly or always search for visual content before making a purchase.

As a result, brands are increasing their influencer marketing budgets, spending up to \$255 million each month, as Bloomberg points out. However, brands that don't have such a high budget are controlling costs through the participation of microinfluencers who have smaller, but more united and engaged communities. We'll talk about them later.

About three-quarters of Internet users regularly search for visual content before making a purchase, according to eMarketer. Only 3% never do.

#### How does UGC affect sales?

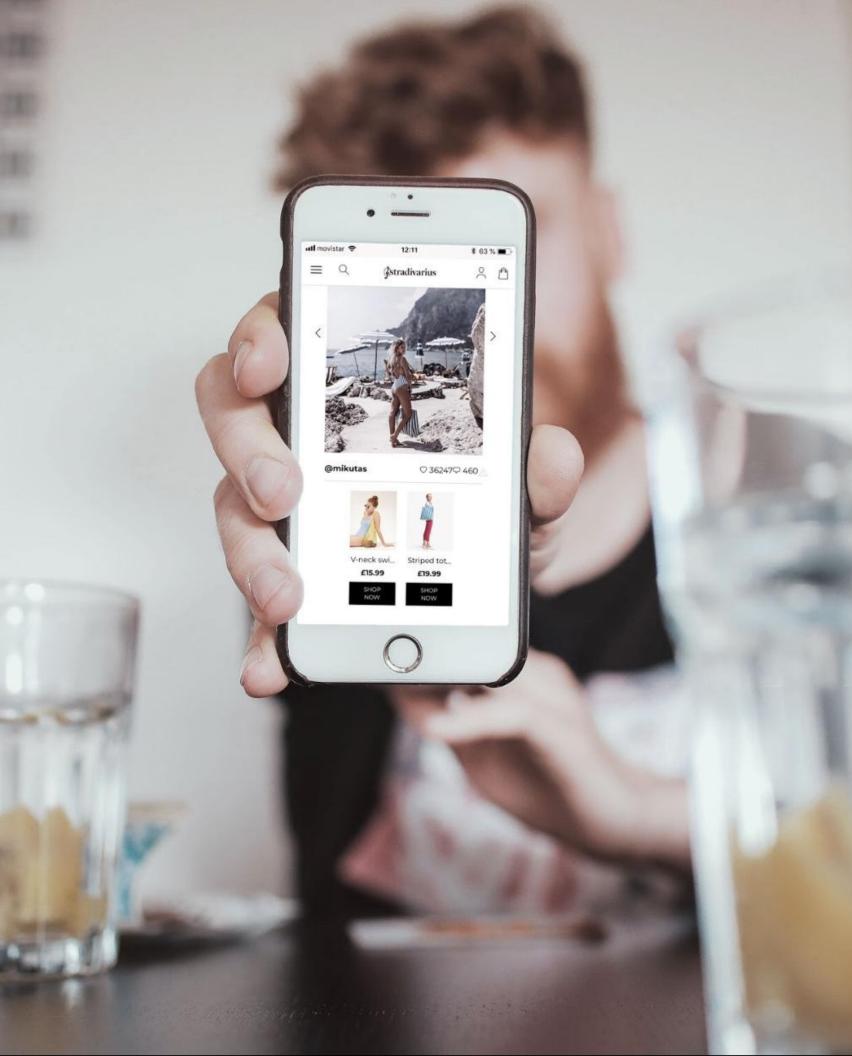
UGC also impacts the bottom line, with 70% of Americans and 53% of Europeans saying they are more likely to buy a product after seeing it in a post generated by another user or influencer. It can also prevent dissatisfied consumers from requesting refunds. 9% of consumers say they have returned items because they were different from the featured photos. The use of images consistent with user expectations will reduce lost sales. And it will prevent these consumers from losing confidence in the brand.

#### Harnessing the power of UGC

It is clear that UGC imports through the sales funnel. So how can brands make the most of images and harness the power of that content? Let consumers discover your brand. With so many consumers looking for UGC every day, brands can create awareness and win advertising by displaying the content earned in all their visual communications, both online and offline.

#### Become a trusted source of content.

Because consumers trust UGC seven times more than traditional ads, adding UGC on your website or in your ads can help boost customer confidence and boost sales. Maintaining consistency between channels by distributing this content through channels, whether owned, organic or paid, you can ensure that stories are consistent.



### 6 definitive arguments

### to convince your boss

If you want to convince yourself (and your team) that increasing sales with UGC content is a reality within everyone's reach, we recommend you take advantage of these 6 indisputable arguments.

01.

## **50% increase in Conversion Rate** (watch out, as long as it's done right)

#### Surf for the highest quality content

(NOTE: Since this document is a list of reasons and not just a guide on how to do it, we will assume that you have or will contract a Visual Commerce platform.)

Once you have obtained a considerable amount of relevant consumer-generated content, you will be able to moderate it to ensure that it is of sufficient quality for incorporation into your content library. The most effective thing is that the curing of images is done with a combination of Artificial Intelligence (the real, the demonstrable) and human moderation.

The usual barrier from here is how to use images whose property is not the brand or product that appears in them.

#### **Rights Management & Autoapproval**

When a brand is interested in using a UGC image it must get their consent. This process must be automated in order to be scalable and get a large number of images.

#### **Improving Conversion Ratios**

The behaviour of a user compared to a traditional (studio) product photograph or a UGC photograph is very different. It generates greater interest, reliability and familiarity. And this in turn increases the click rate.

Many UGC platforms do not link these photographs to the products that appear in it or link it badly (errors, no stock, wrong product ...). If done well, the conversion ratio

## You can duplicate the Time on site because the confidence level is 92%.

Consumers believe and trust other people much more than brands. In particular, 92% of consumers trust UGC more than a brand ad (Forrester).

The aim of this Forrester study was to investigate whether user-generated content (UGC) could influence online shoppers' intentions. Faced with such a devastating statistic, Visual Commerce tools have gone a step further, transforming it into a sale.

#### Behavior and trust

We all connect to social networks to find information about the products and ratings of others who have previously purchased that product.

This behavior is linked to trust in the authenticity of UGC content. This will greatly help potential buyers to discover, be interested without misgivings, and make the final purchase decision.

At the same time, this confidence lies in the fact that consumers consider that users will speak well of the positive aspects of a product and badly if there are any.

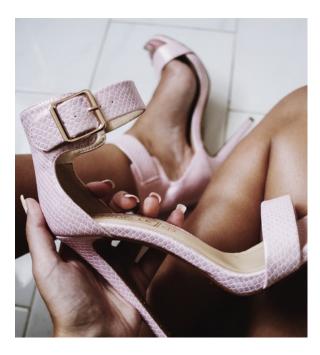
Therefore, photographs are real, truthful and functional statements.

#### Time on site

When UGC content is presented on an eCommerce website, the degree of trust increases, and with it the time that users are on that website.

More time means more pages visited and / or more attention, increasing the likelihood of purchase and / or the number of items in the basket.

In Adsmurai's internal studies, the difference in time on the web between users who interact with the Visual Commerce gallery vs. those who don't, can represent twice as much. If this is extrapolated to sales... we can already see that the impact is more than considerable.



### 75% of consumers

### share their experience with the brand

Discovering what UGC is and applying it will allow you to take advantage of one of the major contemporary trends in content marketing. But how can it be applied to your business? What results attributable to UGC can you achieve?

Whether through micro-influencers, brand ambassadors or other types of brand sponsors, digital marketing strategies increasingly rely on user-generated content, regardless of the social networking platform used.

User-generated content improves organic reach on these platforms. The social networks you use must be based on the ease with which you can achieve your goals by reaching your target audience. A SproutSocial study confirms that approximately 75% of consumers share their positive experiences with a brand.

The inherent authenticity of user-generated content (UGC) is kryptonite for even the most important brands.

Honest consumer perspectives deflate brand mythologies and reveal previously hidden defects. But marketers are learning that this same content also creates brands.

The authentic and ambitious UGC drives some of the best brand creations of recent years, including NYX Cosmetics, Nike, Vans and YouTube campaigns by Procter & Gamble. This guide provides B2C marketers with the ability to turn the untapped potential of UGC into a strength, with a specific methodology for strategically leveraging the UGC supported by documented use cases and best practices.



## **Direct attribution to sales** connecting the photo with the product

Almost as important as improving sales is being able to prove it. An attribution model that assigns to each sale the weight of each touchpoint through which the user has passed is essential to calculate the ROI of the investment in each touchpoint as well as optimizing the systems in key to maximize this return.

To achieve this, once you have the UGC content, well located, collected, approved and moderated, you have to manage, organize and label the products (SKUs) that appear in each image. Remember that it can be one or several, it is not the same a close-up of a bag than a total look.

The Image Manager in the case of Visual Commerce is a functionality that allows you to easily locate the products that appear in the photographs and link them to a CTA or directly with a "add to basket" button. After this, you will be able to activate the content in all the channels...

Everything fits together step by step to make your online sale, powered by free and available content, an unprecedented success.



## Micro-influencers to power the rise of universal influence

Brands can use these platforms to sell more, measure commitment, and/or understand metrics such as the influence of certain photographs or users and their correlation with increased revenue.

For many brands with eCommerce, Visual Commerce can help identify people with a relatively low number of followers but a lot of commitment, and with high conversion results. These are called **micro-influencers**.

Instagram accounts with less than 100K followers are considered micro-influencers. Although the vast majority of these users have a few thousand followers.

Brands can identify these users by their activity on Visual Commerce platforms and - if they consider it - increase their relationship with products and incentives.

The most remarkable thing is that the identification of those who are considered relevant is not carried out from vague criteria such as the number of followers (their number is not a guarantee that their photographs generate sales), but from indisputable attributions such as -for example- how many sales a photograph has generated, how much differential it contributes to the conversion ratio, or how much traffic it generates towards a product or category page.

Automation is also the only way to manage volume of content, which optimizes itself and bring to light insights translatable in improving ratios.



## 90% of the world's top 100 brands use Instagram

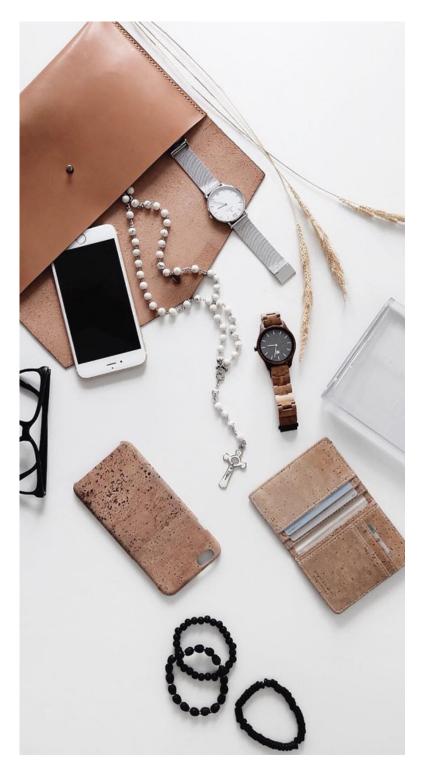
60% of the public say they discover new products on Instagram, according to the study carried out by Instagram itself. There are currently 500M daily users of Instagram and 7 out of every 10 hashtags generated are brand/business related.

#### In a short summary:

- There are 25 million business profiles on Instagram, according to information from Sproutsocial.
- Of these 500M, 80% of users follow at least one of the 25 million business profiles mentioned above. Therefore, we can say that these brands are exposed to about 800 million potential customers.
- **90% of the world's top 100** brands now use Instagram (Flying Sauce Recreative).

This huge market opens up unprecedented opportunities for both business owners and customers. Clearly this online channel has a huge potential for attracting sales.

If you have a business profile on this social platform, you can use the influence of Instagram, its effect on marketing and business statistics to make your company more visible on the internet.



### Case **study**

### **Stradivarius**

www.stradivarius.com

Mickey Mouse is 90 years old and the fashion brand Stradivarius - owned by Inditex with a turnover of €1.5 billion and a presence in 62 countries with 1,000 stores - paid tribute to the celebration with a collection that combines style and the presence of the famous mouse.



Stradivarius fans make up a very solid audience on Instagram. To take it one step further in its translation into sales, #stradilooks was created at the time, an experience that brings together all that inspiration, and connects it to the real catalogue and online shopping. For this reason, the brand brought together outstanding fans who wanted to give visibility to the new garments that pay tribute to the Disney universe, along with the content of the first fans who acquired the collection.

With all the UGC material, a 20-day campaign with a global reach was configured. Concentrating everything that was happening was possible thanks to new technologies, in this case, Visual Commerce. This solution, which combines Instagram with Artificial Intelligence, activates the ability to locate inspiration in the form of photos of Instagram, manage its rights and connect it with the product catalogue facilitating online shopping, all in the same experience.

+48%

Conversion Ratio (CR)

**x2** 

time in page

Stradivarius achieved excellent results by putting its fans in the limelight Introducing UGC with a tagueado product in a branding campaign with influencers, helped the brand to improve its conversion rate and double the time on page among those who passed through the gallery. A campaign success!

If you are interested in this case you can download it here



## Activate content through channels

The ideal is to activate content in all communication channels available to the brand. Taking into account the preferences of the audience in each channel and the positioning of the brand.

Brands must think about their consumers and create a brand through attractive, reliable and sales-focused content.

Of course, when building a content strategy, it is important to understand the benefits and limitations of all channels. Here are some ideas to consider for each:

## Social **paid**

As organic traffic is held back by social platforms, to optimize efforts, brands must also invest in paid social activities. Ideally, paid social media represents a significant part of a brand's total digital budget.

Relative to other contact points, social payment offers a cost-effective way to increase commitment to content.

Specifically, paid social services offer the opportunity to drive the desired behavior of a highly focused audience.

Using motion-based content in social pay channels will help brands stand out and create a "thumb-tap, moments for consumers to read their news carefully.

The influencer and customer content can also expand to reach and align your brand with the trendsetters your audience trusts. Remember that audience expectations vary by channel, which means that brands must consider creating content specific to social spaces and audience needs, rather than reorienting longer-term content originally designed for another medium, such as television.

## Social **organic**

At this point, brands recognize the need to participate in social networks, but many have taken a passive attitude to this approach. Brands that are already doing so and are doing social outreach, by delivering motion-based content, including images and animation, to their customers.

Content of products, services or anything relevant to the brand. By humanizing the brand, a relationship is created between brand and consumer that leads to customer loyalty.

Social networks, long known for their ability to increase brand engagement, are now also a significant source of conversion and sale.

### Integration

### with the website

The website of a brand is always one of its most valuable points of contact, but for ecommerce, it is especially important.

While it may be disturbing to change the strategy of the existing site, unless there is a clear opportunity to keep customers engaged. Modern visual content can create more visual stimuli and experiences for customers, and can be used to redirect attention to specific pages.

With the increase of Instagram purchases, "Shop the Look" and other technologies, such as 21Buttons, consumers are targeted directly to the product detail pages (PDPs) or landing pages. This is fundamentally different from the traditional consumer page, which means that brands must engage more in PDPs than was previously required.

Connect your content and ecommerce directly to product pages to redirect traffic to your website, while increasing the average number of orders and total sales. When deployed correctly, brands can also achieve greater page-stay time, page views and commitment to content assets.



Make sure that the mobile web and/or your application are as visually captivating as your website and drive commitment and purchases accordingly. Obviously, mobile telephony has become a critical component of the consumer's life cycle and is therefore considered an essential element of the consumer's life.

It is an excellent opportunity for brands to use stronger visual content to create a consistent experience at all points of contact with the customer.

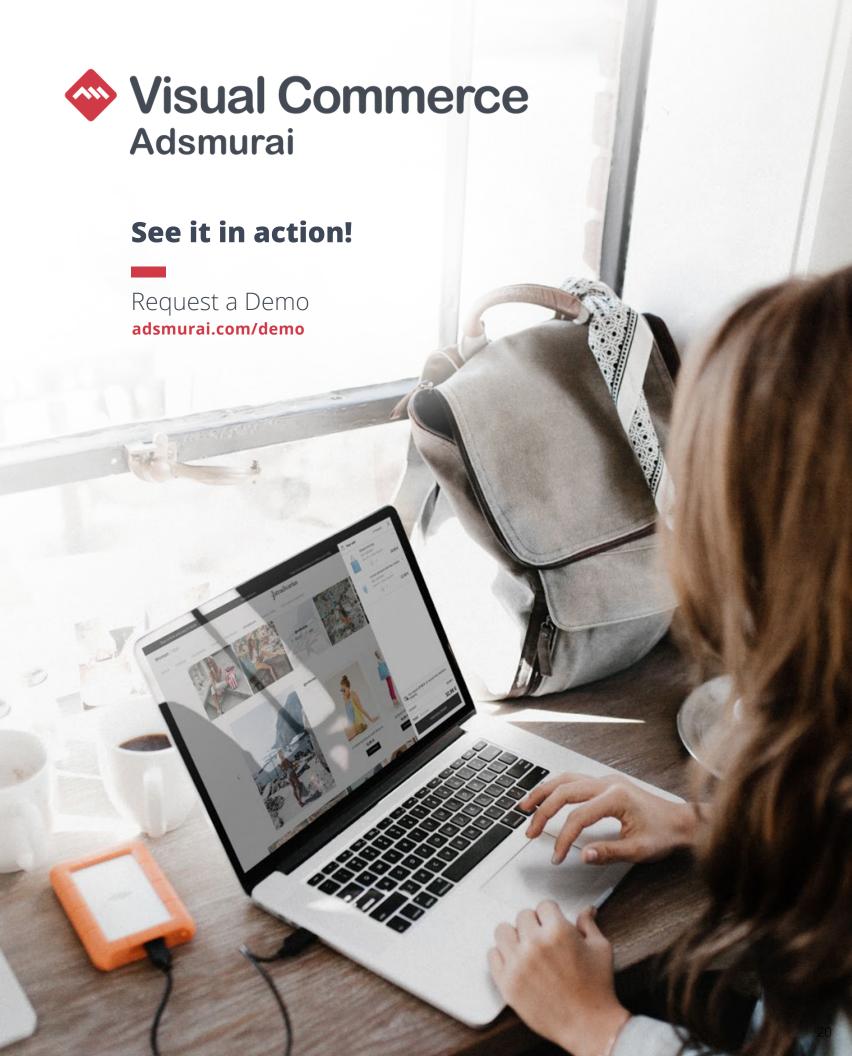
## Email **Marketing**

Put aside for a moment the point of view of Marketing. As a user, how many emails would you say you receive daily? How many do you ignore? Highlighting a consumer's inbox requires a new approach, and brands must find ways to drive buying behavior. One option that works great is animation, gif, video...

## Digital **Advertising**



By activating more modern visual content, we see brand awareness increase, click rates increase, reach is maximized, and acquisition costs are reduced by prospecting and redirecting ads on Facebook, Instagram, and other ad display networks.



### Adsmurai

Adsmurai is the solution for automating and scaling advertising campaigns on Facebook and Instagram. Available for both SaaS and Managed.

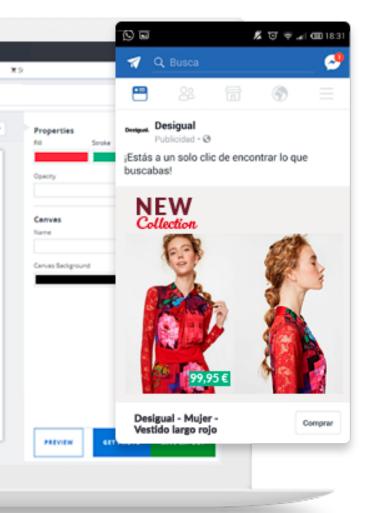
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