Trust Me, Trust Me Not: Credibility of Consumer-Generated Ads in YouTube and their Impact on Consumers' Purchase Intention

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Abstract

YouTube, largely recognized as the world's greatest video-sharing network, has seen significant transformations since its launch in May 2005. As a result of its development, the platform is now used by the so-called Youtubers who share their day-to-day activities and even help businesses to promote their products. This study examines the credibility of Consumer-Generated Ads in YouTube by assessing the responses of the participants who actively use the said platform and to identify if the videos they watch have something to do on how they decide to buy a product. A virtual focus group discussion was conducted with a sample size of only 15. The findings indicate that people who watch product reviews are more likely to affect their buying behavior since most of them are watching it as a way of evaluating the product they have in mind. Furthermore, participants do not believe that everything in YouTube is credible as long as it shows deep understanding and formal judgment. This study adds to the understanding of the factors that might influence how trustworthy a YouTube video is.

Keywords: *consumer-generated ads; product reviews; purchase intention.*

1. Introduction

The global development of social media has given people the ability to create and share online videos about brands with a large audience. A video promotion could previously only be created and disseminated by companies. Now, product review videos can be shared with millions on social media and video-sharing platforms like YouTube. These social media platforms have evolved into one of the most important venues for businesses to communicate with their customers, paving the way for new levels of participation, connection, and even promotion (Munnukka et al., 2019). A study from Schwemmer and Ziewiecki (2018) stated that former amateurs began sharing their own ideas on YouTube, and as their credibility grew, they were able to reach out to large online viewers. Given their expanding prominence, these social media influencers are still seen as genuine and trustworthy by their peers. Consequently, viewers of product reviews are no longer able to distinguish true and honest opinions published by YouTube influencers. The findings from Who (2017) show that the more product reviews participants view, the more likely they are to be persuaded by product review opinions on YouTube. This suggests that people who rely on customer reviews on e-commerce sites, web forums and social media platforms are more prone to change their minds about product perception and make a purchase after watching YouTube product review videos. According to Yüksel (2016), user-generated videos on YouTube have a considerable influence on consumer purchase intentions, and the effectiveness varies depending upon various instances. The findings show that the perceived relevance of feedback shared in YouTube videos has a substantial impact on customers' attitudes toward purchasing intentions. Consumers will find YouTube content valuable if they believe it is effective. The information provided in the reviews will improve their purchasing performance and lower the chance of making a bad decision, and thus usefulness perception will influence their attitude and intention to buy. Consumer views of source credibility are positively influenced by exposure to a CGA video on YouTube. Viewers were more enthusiastic about the promotional video and said they were more likely to use YouTube features that are relevant to the consumer-generated ads (CGA) contents such as liking the product review video, commenting on it, and searching for other similar videos. The study also implies that the credibility of the CGA was sufficient to attract viewers to trust the product review, but not enough to persuade them that both the product and the personal view about it were indeed acceptable (Hansen et al., 2014).

The purpose of the study is to comprehensively examine the credibility of Consumer-Generated Ads (CGA) including their influence on the purchase intention of consumers. Hence, factors affecting the credibility of CGA will be qualitatively measured in order to determine the general standard of consumers in considering the specified advertisement as trustworthy. In correlation to this, the research will also determine whether CGA positively or negatively creates an impact on consumer buying behavior. Thus, these are the research questions the paper is trying to answer:

- How do Consumer-Generated Ads affect the consumers' purchase intentions?
- What are the relevant factors in terms of informativeness that influenced the value of YouTube advertising?
- What are the effects of watching Consumer-Generated Ads on YouTube on the buying behaviour of the customer?

2. Research Method

The researchers adopted a qualitative approach to understand the different opinions and experiences of the participants regarding the influence of watching sponsored product reviews on YouTube and to know if it affects their buying behavior. This study will use qualitative data analysis using the framework analysis which entails identifying, examining, and interpreting themes and codes and determining how it contributes to answering the purpose and the research questions of the study (Dye, 2021).

The sampling technique that the researchers will use is a non-probability sample which is the purposive sampling that is chosen based on the interests of the participants and the purpose of the study (Crossman 2020). This paper aims to know the personal views of the participants when it comes to product reviews, which is the reason why the researchers selected participants having the same interests to make the study more reliable.

The chosen age range to participate in the focus group discussion (FGD) are between 20 to 25 years old, preferably Filipino college students who are born in the Z Generation who watch product reviews in a distinguished social media platform called YouTube. The number of participants for this study are only 15 people as stated by Ritchie et al. (2003 as cited by Legard et al., 2003) which says that the sample size between 15-25 is not classified as uncommon and considered valid for a qualitative study.

This study will utilize FGD as the research instrument to collect information from the participants. According to Baral et al., (2016) FGD is a type of qualitative research where participants are being asked about certain questions and discussing how they feel, what they think about, their perception and what are their ideas. It includes an assembly of people with common interests. The researchers will find 15 participants who are watching product reviews on YouTube and ask them if they can participate in an FGD. Next, the researchers will send a consent form with the help of Google Workspace to the participants to give a short summary of the study, its purpose and the guidelines on how the data given by the participants will be used for the study. This is also another way to collect the demographics of the participants (Krueger, 2002). After they submit the form, a meeting link will be provided in conducting the FGD through Google meet and Zoom. The researchers decide to conduct a virtual discussion to avoid the risk of getting exposed from the virus as there is still a pandemic. The sample size of 15 was divided into two batches since the ideal number for a focus group discussion is a maximum of 8 people, to produce

a homogeneity that will lead to a comfortable and agreeable environment as mentioned by Prasad (2019).

3. Results and Discussion

Table 1. Presentation of data analysis for research questions number <u>1</u> using codes and corresponding descriptive themes.

Research Question 1	Codes	Themes
Are you aware that there are vloggers who review products on YouTube? What kind of vloggers do you watch on YouTube? (Ex. Celebrities, Social Media Influencers, Unknown People, Users of a specific product)	• Celebrities • Social media Influencers • Make-up artists • Users of specific products • Dermatologists • Travels • Hair care products • Skin care reviews • Gadget reviews	• Types of Vloggers/Content Creators/Youtubers • Product Review Contents

      In research question 1, all participants are aware that there are people which we call "Youtubers/Vloggers/Content Creators" exist. According to them, they watch different kinds of people like celebrities, social media influencers, make-up artists, professionals like dermatologists and some normal people who share their daily lives on the internet. Also, they have seen numerous vloggers in different social media accounts such as Facebook and Instagram. According to Munnuka et al., (2019) platforms like Youtube have grown into one of the most essential sites for businesses to engage with their consumers, creating the path for new levels of engagement, interaction, and even promotional opportunities. This proves that YouTube that started into a video-sharing website can now be a road for another kind of interaction with different people.

Table 2. Presentation of data analysis for research questions number <u>2</u> using codes and corresponding descriptive themes.

Research Question 2	Codes	Themes
What are the reasons why you watch product reviews	• Curiosity • Opinions	• Reasons why people watch product

on YouTube? Do product reviews affect your purchase intentions? How?	• Quality of the product • Intentions • To know if the product is worth buying • Entertaining • Effectivity • Compare products • Customer reviews • Positive reviews • If the vlogger is discussing the overview of the product • Give details of the product • Mouth marketing	reviews on YouTube • Factors that affect people's purchase intention in watching a YouTube reviews

Most of the participants answered that they watch product reviews on YouTube because they are curious about the product's features, quality, prices, advantages or if there is a product in their mind that they want to check while some participants watch product reviews because they find it entertaining. Furthermore, the majority of the participants positively answered that watching product reviews affect their purchase intention as these videos help them to compare prices of the different products, gain awareness and to check if the product they want is good or bad, effective or not. This can support the study from Yüksel (2016) which suggests that CGA on YouTube have a significant impact on customer purchase intentions, and the usefulness of these videos varies depending on the context in which they are used.

Table 3. Presentation of data analysis for research questions number 3 using codes and corresponding descriptive themes.

Research Question 3	Codes	Themes
Do you watch product reviews on YouTube first before buying a certain product? Why or why not? What are the factors you consider in watching a product review? Please	• Entertainment value of the video • If the vlogger is entertaining • How the vloggers talk • Familiarity of the	• Characteristic of the vlog/vlogger

explain. (Ex. Number of likes, subscribers, views, familiarity of the vlogger, comments, communication skills)	vlogger regarding a product • Have knowledge regarding a product • Numbers of subscribers, views and likes • Familiarity of the vlogger	• Factors that decide which product review videos people should watch

Results from research question 3 indicate that most of the participants watch product reviews before buying a product they want for the reasons that they want to hear the different insights of other people, to know the necessary details of the product before deciding to buy, to make sure of the quality and to guarantee that the product they want is worth the price. Moreover, when watching a CGA, participants consider the number of views, likes and subscribers because they presume that the video with a lot of exposure is engaging while some take into account the communication skills of the speaker, how the product is presented, and the familiarity of the youtuber because they believe that content creators should have a proper knowledge when it comes to sharing their thoughts as this might help them in purchasing a product. This can back up the findings from Who (2017) which says that the more product reviews participants view, the more likely they are to be swayed by product review opinions on YouTube. This implies that customers who rely on customer evaluations on e-commerce sites, web forums and social media platforms are more prone to rethink their thoughts regarding product perception and make a purchase after watching YouTube product review videos.

Table 4. Presentation of data analysis for research questions number 4 using codes and corresponding descriptive themes.

Research Question 4	Codes	Themes
How do you know when a product review video is genuine and truthful? Do you think that the information given by the vloggers you have watched when reviewing a product is trust-worthy?	• When the review is not biased • If the vlogger do practical application of the product • If the video comes from a legit source • Giving specific details • Shows the actual process of the	• Characteristic of a good product review

	product being reviewed	
	• Genuine • Reliable • Realistic • Trustworthy	• Words that define the product review video

In research question 4, participants have said that a product review can only be valid and credible if it doesn't favor the brand, discusses the pros and cons, explaining the detailed information like the ingredients and characteristics as well as if they have experience or use the product in the first place. Others believe that they cannot differentiate real and fake reviews as some content creators are good at acting and some are paid and only doing it for money. Furthermore, participants negatively answered that words are not enough to make a product review convincing or how famous they are and advised everyone to watch several product reviews to have a proper verdict. This can support the study from Schwemmer and Ziewiecki (2018) which says that despite their growing fame, these content creators are still seen as honest and trustworthy by their peers despite their growing popularity. Viewers of product reviews are no longer able to discern between accurate and honest comments expressed by YouTube influencers as a result of this trend.

Table 5. Presentation of data analysis for research questions number 5 using codes and corresponding descriptive themes.

Research Question 5	Codes	Themes
Do you find YouTube to be a reliable source of product review? What makes a product review video convincing, in terms of enticing its audience in purchasing the product being reviewed?	• Being natural and honest • Doesn't use scripts • Biased content creators • Provide reliable videos • Promote engagements • Learn about different perspective of a product • Shows details about the product	• Types of Content Creators • Purpose of YouTube

Participants' answers about YouTube being a reliable source of product review is both good and bad. Some say that YouTube provides not only music videos but also entertaining videos which helps them to amuse themselves and the platform has numerous content creators they can rely on while some say that not all product reviews are credible because most of the content creators are paid to do product reviews. Moreover, a product review can only be appealing if the youtuber is honest, producing neutral and well-researched opinions, and show a before and after results if the product being reviewed is about skincare essentials or gadgets. This can back up the study of Yüksel (2016) which says that YouTube videos have a substantial impact on customers' attitudes toward purchasing intentions. If consumers feel that YouTube content is effective, they will find it useful. The information offered in the reviews will enhance their purchasing performance and decrease the likelihood of making a bad selection, and therefore their assessment of the reviews' usefulness will impact their attitude and desire to purchase.

Table 6. Presentation of data analysis for research questions number 6 using codes and corresponding descriptive themes.

Research Question 6	Codes	Themes
On a scale of 1-5 (with 1 being the lowest and 5 being the highest), how satisfied are you with the information that the vloggers provide regarding a specific product? Please explain.	• Provide genuine and honest reviews • Explains every details of the video • Reviews are not real • 100% not trustworthy • Not all reviews are believable	• Positive feedbacks of people who watch product reviews • Negative feedbacks of people who watch product reviews

Most of the participants' answers to research question 6 are 4. They believe that several of the product reviews they watch help them to decide whether to buy a certain product or not while some answer that there is always room for improvement. On the other hand, participants answered 3 because most of the product reviews are paid content. This can support the study of Hansen et al., (2014) which says that the credibility of the CGA was adequate to entice viewers to believe the product review, but not sufficient to persuade them that both the product and the CGA's personal opinion about it were, in fact, acceptable to the public.

4. Conclusion

With regards to the results of the focus group discussion (FDG), the participants are aware that Youtubers/Vloggers/Content creators exist; this includes celebrities, social media influencers, professionals and normal people that share their daily lives to its audience. According to the data provided by the participants, they watch product review videos on YouTube before purchasing the product they desire to buy, in view of the fact that they are curious about the products' features, quality, prices, advantages, so on and so forth. Consumer-Generated Ads (CGA) helps consumers to compare products' quality and price, gain awareness and decision-making that will eventually impact the consumers' purchase intentions. Number of views, likes and subscribers are factors to be considered as relevant factors in terms of informativeness. Based on the discussion, the participants identify these factors to be pertinent for the CGA to be valuable for it has a lot of exposure and to be engaging. Participants also presume that the communication skills of the speaker, how it presents the product and the familiarity to the product makes a product review video valuable. Participants also mentioned that a product review video will be valid and credible if the creator of the video does not favor the brand, if the pros and cons are discussed and if they truly used the product being reviewed. Proof should also be shown, for words are not enough to make a video convincing.

Moreover, the effects of watching CGA on YouTube on the participants' buying behavior is major, for they based their pre-existing attitude and perception of a product on the content they've watched. YouTube has a large number of users and product review videos are one of the most popular types of videos. A product review will only be appealing if the youtuber is honest, if they manage to produce a neutral and well-researched content, then it will affect the viewers' will to purchase the product. Also, the participants believed that several product reviews help them to decide whether to buy a product or not. Based on the findings and conclusions presented, this study reveals that there is an impact of watching CGA on YouTube to the buying intentions of the participants. The following recommendations are suggested for further studies in the future:

- Future researchers should conduct a more session of discussion in terms of the participants knowing one another, for the participants to not be shy in expressing themselves.
- A physical interview is also suggested, for a higher level of engagement towards the interviewer and the interviewee.
- Lastly, future researchers also must consider the participants' similarities in terms of the product they want to purchase, for example, interview a sample size who purchases cosmetics and seek YouTube for product review, or a sample size who wants to purchase gadgets who seeks YouTube for product review.

5. Acknowledgement

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