

IMPACT OF USER-GENERATED CONTENT (UGC) ON THE PURCHASE INTENTION OF CHINESE GEN Z CONSUMERS REGARDING LUXURY FASHION

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Abstract

Purpose: The main purpose of this research is to analyse the impact of UGC on the purchase intention of Gen Z consumers in China, concerning the purchase of luxury fashion.

Methods: The main method adopted in this research for addressing the aim is quantitative, wherein the primary data collection method has been selected. Surveys have been conducted in this study with 143 consumers of luxury fashion in China who belong to the age group of 18 to 25 years. These participants have been selected for the study using a convenience sampling strategy and for analysing the survey data, correlation and regression analysis have been performed using SPSS software.

Findings: It has been identified that UGC has a significant impact on the purchase intention of Gen Z consumers in China towards luxury fashion. This exists due to attractive content available on social media platforms, such as in the form of photos or written content. Moreover, UGC develops trust and helps in identifying original and fake products in the market.

Limitations: The main limitation of this study is that this study has relied on a statistical form of information to carry out the results, which has reflected a lack of qualitative information and its in-depth analysis.

Keywords: User-Generated Content (UGC), Purchase Intention, Gen Z, Luxury Fashion, China

1. Introduction

At present, the changing behaviour of consumers can be observed concerning their consumption of luxury products. The article by Kowalewicz (2022) asserted that the usage of social media has proven to be powerful for both brands and consumers because of the awareness created, relationships developed, and loads of content available. There is a wide range of potential customers available online, which helps brands to engage them and boost their sales. Moreover, the article highlighted that 80% of consumers online make purchase decisions based on their friend's posts and word-of-mouth experiences online. Some of the major social media platforms around the world include Instagram, Facebook, and YouTube (Wong & Jain, 2023). When considering the Chinese market, major social media platforms based on the share of internet users are WeChat, Douyin, QQ, and Baidu Tieba (Thomala, 2023). Out of the major social media platforms around the world, it is found that 4.9 billion are active at present and on average, a person spends around 145 minutes on social media (Wong

& Jain, 2023). It is also found that the most engaging type of content on social media platforms is short videos because it is able to gain the attention of around 66% of consumers online and it is appreciated more for its authenticity and attractive content. Additionally, 78% of consumers are found to be using their smartphones to tap into their social media accounts (Wong & Jain, 2023). This reflects the growth of social media platforms and growing numbers of social media users around the world.

With the growth of social media and the number of active users on these platforms, it can be found that UGC is also increasing. UGC is regarded as original content that is posted online by users or consumers of any product or service in the form of reviews, blogs, or videos (Duke, 2023). Presently, people are very passionate about posting their content on social media to gain views or increase their fan following, or to present their honest reviews. This leads them to make review recommendations or small videos, such as unboxing videos, which help other customers in the market to make selections (Duke, 2023). When young consumers in the market are considered, it is found that social media usage has a significant impact on their purchase intention through social commerce websites. A study conducted among 2058 international students coming from 135 different countries revealed that there exists a positive relationship between social media usage and the purchase intention of the users; however, this relationship is mediated to some extent by the cultural intelligence of the users (Hu & Zhu, 2022). From these findings, it can be asserted that social media usage in terms of the content posted on social media influences the users towards making purchases.

In relation to the above findings, it can be stated that the main purpose of this present study is to analyse the impact of UGC on the purchase intention of Gen Z consumers in China, concerning the luxury fashion industry. Through this aim of the study, this study establishes the relationship between UGC and the purchase intention of Chinese Gen Z consumers. Considering the aim, three objectives have been framed, wherein the first objective is to analyse ways by which UGC increases attraction of consumers towards a product or service on social media. This objective is to identify the relationship of UGC with customer attraction of products and services, to establish the fact that UGC has significant impact on customer decision-making. The second objective is to identify the impact of UGC on Gen Z consumers on social media platforms. This objective has been designed to determine the ways UGC impact Gen Z people within China and outside China. The third objective is to determine the impact of UGC on purchase intention of Gen Z consumers towards luxury fashion in China. This objective has been developed specific to the research topic.

2. Review of Literature Studies

2.1 Concept of UGC and Purchase Intention

Within the wide topic of social media, UGC is a niche topic that has come to light in recent times. Defining the term UGC, Santos (2022) asserted that as the name itself suggests, UGC can be stated as the content that is created by users. As the use of social media increased, people started interacting with other people on social media platforms, presented their opinions, and expressed their feelings online, which contributed to UGC. The study also asserted that UGC is one of the aspects related to inter-consumer communication. This is because UGC can contribute to word-of-mouth on social media platforms. For instance, when individuals visit a

hotel, they tend to present their experience in the form of feedback, which acts as word-of-mouth online (Santos, 2022). Another study by Bahtar and Muda (2016) stated that UGC is e-word-of-mouth, which helps in spreading information or views on online platforms. It is found that UGC is updated on social media and has a great influence on the consumption of individuals. In general, UGC can be found on social media platforms, such as Instagram and Facebook, wherein it includes any positive or negative views or comments about a product, service, or brand, which is accessible to a large customer base online. Similarly, Baccarella et al. (2018) opined that UGC is the content that is posted by social media users on different platforms, such as videos posted on YouTube. This content usually is shared by users, to express themselves or write about their experiences upon usage of any product or service.

Furthermore, defining the term purchase intention, Li et al. (2022) highlighted that it is a conscious effort that is made by consumers in a market regarding the selection of products or services, wherein these efforts are generated when aspects or impressions provided by a brand meet consumers' expectations. Brands can see the positive purchase intention of consumers when they are provided with correct product information, perceived quality, and trust. This study explores these two concepts defined and establishes a relationship between them; thus, further review of the literature is focused on the main topic of the study.

2.2 Impact of UGC on Gen Z Consumers

At present, Gen Z consumers around the world can be termed as digital natives because of the fact that they are growing with digital communication as the main communication source. The study by Shetu (2023) asserted that 32% of the world's population is made up of Gen Z consumers, which makes a huge impact on global sales. With the growth of online marketing, e-commerce, and technology, online sales have increased. Among Gen Z consumers, it is found by the study that with the help of UGC posted on social media platforms, intention to search and intention to purchase online is significantly influenced. However, Gen Z consumers require authentic UGC on online platforms so that quick choices can be made. However, considering Gen Z consumers of China, Tseng et al. (2022) opined that 149 million consumers of China are Gen Z who are highly connected with technologies at present. Gen Z consumers in China are highly concerned with their community people and community interactions, which makes them like and trust UGC on online platforms. UGC acts as word-of-mouth for these Chinese consumers and reflects their loyalty towards a product or brand. On the other hand, the article by Simpson (2023) highlighted that Gen Z is the largest generation around the world having a powerful influence on the economy. They are more emphasised on online experiences, rather than in-person experiences. Gen Z is more focused on UGC when considering products or services for purchase because it generates trust among the individuals, along with having community-led information. As a result, it is found that consumers are highly consuming content in the form of social media posts, videos, and blogs to be connected to their online communities and influence their purchase behaviour.

Concerning the consumption of UGC, Deloitte (2022) stated that around 70% of Gen Z people are emphasised towards watching UGC on social media platforms. Further, looking at online behaviour, it is found that they spend more time towards UGC than watching movies or TV. At present, the UGC has been fuelled by influencers online as based on the views and opinions

of influencers on social media platforms, the purchase intention of consumers is influenced. Further, as per Clara (2020), the main reason behind the consumption of UGC by Gen Z and Millennials at present is that the content is beneficial in gaining complete information on the products or services, they want to purchase, to search online. Gen Z relies on the UGC, wherein mainly the photos of products are a prominent way to attract consumers and influence their purchase intention. However, it is found that due to COVID-19, the reliance on UGC has increased. Based on the findings it can be stated that when the impact of UGC is considered on Gen Z consumers, it is found that UGC helps in influencing the purchase behaviour of consumers because of the fact there is increased consumption of UGC among Gen Z.

2.3 Impact of UGC on Purchase Intention of Luxury Fashion

When concerned with fashion products, it is found that UGC plays a crucial role in influencing the purchase intention of consumers. The study by Vazquez et al. (2021) asserted that when looking at the fashion industry, UGC is concerned with the looks and designs of the products. Thus, the consumers are motivated to consume UGC, which specifically fulfils their expectations towards gaining an opinion on the looks of a product. In this regard, for fashion products, the UGC is present on social media platforms in the form of images and videos mainly because it helps in displaying the style and taste related to fashion products, which might be liked by consumers online. Further, the study explored that with the help of UGC for fashion products, customers are able to receive aesthetic experiences, relational experiences, and emotional experiences. All of these experiences ensure to influence a positive purchase intention among consumers online (Vazquez et al., 2021). In relation to purchase intention, UGC is considered to be an impacting factor and for this relationship, the social cognitive can be implemented. which is affected due to UGC, the social cognitive theory can be explored. As per the theory, there exists a relationship between cognition, environment, and behaviour. Based on this relationship, it can be stated that an individual is focused on performing a specific behaviour when they have confidence in their behaviour. This confidence is usually developed through the expectations that can lead to certain outcomes. In this manner, it can be stated that with the help of UGC, a certain level of trust is developed among consumers online, which leads them to make purchases.

In a similar manner, the study by Hasbullah et al. (2020) opined that UGC on social media plays a vital role for both consumers and brands online. This is due to the fact that UGC helps in spreading the brand messages. Thus, there is a need for both consumers and brands to realise and recognise the power of social media and UGC on it. Based on the self-determination theory, the study has highlighted that there are motivational drivers, which help in making purchases of luxury fashion based on UGC. These motivational drivers include the focus on sustainability, developing trust, and the perceived quality of products. It can be inferred from the findings that UGC has an impact on the purchase intention of luxury fashion.

H₁: UGC on social media has a significant impact on the purchase intention of Gen Z consumers

At present, the market is filled with both original and counterfeit luxury fashion products, to which it can be found that there are different drivers that lead to their purchase among young consumers in the market. In this regard, Morra et al. (2018) opined that when social media

marketing communications are considered, it is found that UGC is part of these communications, which have a significant impact on the purchase intention of consumers. However, when original and fake luxury products are considered, it is found that UGC increases the intention of consumers to purchase the products, which may be original or fake. This may affect the luxury fashion brands focusing on original products. Thus, there is a need for creating differentiation and generating trust among consumers towards original products. When the term UGC is discussed in studies, the term brand-generated content is also analysed. It is found that on social media platforms, both of these types of content is available that promote a brand among consumers. However, it is found that the content posted by brands helps consumers to have symbolic and experiential values, while with the help of UGC, consumers can generate trust towards a brand and perceived value can be generated, leading to purchase intention (Venter et al., 2016).

On the other hand, it is asserted by Haigh and Wigley (2015) that brands usually tries to delete negative reviews or content online posted by consumers because of the fact that it can tarnish their brand image. Other reason for deleting these online negative content is that brands are not able to handle the negative comments well by addressing them, leaving them to delete it. Thus, brands focus on leaving only positive reviews and content on social media platforms so that young consumers can be attracted and their purchase decision can be influenced. This reflects that brands often mislead their consumers online through UGC. Furthermore, in the article by Chan (2023), it is highlighted that content creators are being paid online for collaborating with brands on social media platforms so that they can post good reviews online and consumers can be attracted. This often misleads the consumers by avoiding accurate content online.

On the basis of the studies explored it can be stated that there is ample research conducted on UGC and its impact on Gen Z consumers and purchase intention. However, when specifically considering the impact of UGC on the purchase intention of Chinese Gen Z consumers towards luxury fashion, there is little data available, which reflects the literature gap. This reflects that this study holds significance in the field of research because it bridges the literature gap and will also help future research scholars understand the importance of UGC in influencing the purchase intention of Gen Z in China towards luxury fashion. Other than this, brands of luxury fashion in China can benefit from the results of this study because they can know the importance of UGC for Gen Z consumers and ways UGC can influence their purchase intention.

3. Methodology

For establishing the relationship between UGC and the purchase intention of consumers, considering the Gen Z consumers of China and their purchase intention towards luxury fashion, there is a need for gathering data from the real world so that behaviours and experiences can both be understood and included in this research work. Thus, the present methodology has been presented, focusing on the justification of the methods used to gather data and analyse it. For this purpose, the research onion framework has been used.

This research has focused on deductive approach as it allows the testing of the theory or hypothesis with the help of the data (Pearse, 2019) and this research developed a hypothesis from the existing theory and tested it from the specific data acquired from the selected

respondents about the influence of UGC on purchase intention of Gen Z for fashion products. The emphasis of this research is on Gen Z and how they are influenced by UGC for purchasing luxury fashion products; thus, for addressing this question, gathering the views of Gen Z consumers is crucial. Hence, the survey seems the best strategy here, which is adopted for the collection of the data. The use of a survey is considered vital for data collection because it allows to collection of data from large sample sizes and directly related people who can provide accurate information (Rahi, 2017). Similarly, this research used the survey strategy that helped in selecting the Gen Z consumers, which helped in better understanding how their purchase intention influences UGC for fashion products.

3.1 Research Method

Considering the fact that this research is focused on testing the relationship between UGC and purchase intention, it can be stated that the most suitable research method is a mono method. The main reason for the inclusion of the mono method is that a single method can be used in this research study to carry out data collection and analysis. Similarly, Molina-Azorin (2012) asserted that the mono method in research studies are method wherein a single technique is used for data collection and analysis. In this regard, the mono method that has been adopted in this research is the quantitative method. The main aspect of the quantitative method is that factual data is gathered, which is in a statistical manner and helps in gaining accurate results. Thus, with the help of the quantitative method in this research, statistical and factual data have been collected to test whether UGC influences the purchase intention of Gen Z consumers in China, or not concerning the purchase of luxury fashion. This quantitative method of research has helped this study to include statistical information and carry out statistical analysis, to have accurate conclusions.

3.2 Data Collection, Sampling, and Analysis Techniques

To identify the impact of UGC on the purchase intention, there is a need to gather relevant information. Considering this fact, this research uses a primary data collection method. The main advantage of using primary sources in research is that it enables researchers to include real-world experiences and opinions from different individuals so that accurate and reliable findings can be concluded (Driscoll, 2011). Thus, primary data collection has been adopted in this research. With the help of primary data collection sources, real-world information and the latest information about UGC and its impact can be included so that the relationship between UGC and purchase intention can be established. Since the research strategy selected in this research is surveys, which emphasises the quantitative research method, this research has focused on gathering statistical and factual data related to the topic. The main benefit that this research can have due to quantitative methods and surveys in this research is that statistical data can be collected and analysed so that accurate findings can justify the relationship between the two variables (UGC and purchase intention). For the purpose of conducting surveys in the research work, there is a need for an appropriate sample population and size so that relevant information can be included. Thus, for the sample population, consumers of luxury fashion have been included. The main reason for this is that this research focuses on the purchase intention of luxury fashion by Gen Z consumers in China; thus, with the inclusion of Gen Z consumers of luxury fashion, relevant and insightful information can be included.

Furthermore, for the sample size, a sample of 150 participants has been considered for this research work out of the population considered. To select these participants, a convenience sampling technique has been adopted. This type of sampling technique is focused on including a sample that is easily accessible and is relevant to the research nature (Obilor, 2023). In this manner, using the convenience sampling technique, this research has contacted friends and family members who are consumers of luxury fashion and asked for their recommendations for more consumers so that a large sample can be included in the research. However, upon selection of the relevant sample, the researcher was able to contact 152 consumers of luxury fashion. After selecting this sample size, it was found that out of these 152 consumers, only 143 consumers provided their response as others either left the survey in between or did not respond to the questions sent. To analyse the survey responses gathered from 143 participants, this research has adopted statistical means because statistical data was gathered. Thus, for analysis purposes, SPSS software has been used, wherein correlation and regression analysis has been performed. Correlation and regression analysis are performed in the research so that the relationship between UGC and purchase intention can be tested and established in the research. This has helped in identifying to what extent UGC influences the purchase intention of Gen Z consumers in China towards luxury fashion. Along with this analysis, reliability test is also conducted in research as it helped in identifying the reliability of the variables.

4. Data Analysis and Results

On the basis of the survey conducted, statistical data has been gathered, which has been analysed in the study using pie charts and statistical means that is correlation and regression analysis using SPSS. Following are the analyses and results of the data gathered:

4.1 Demographic Data Analysis

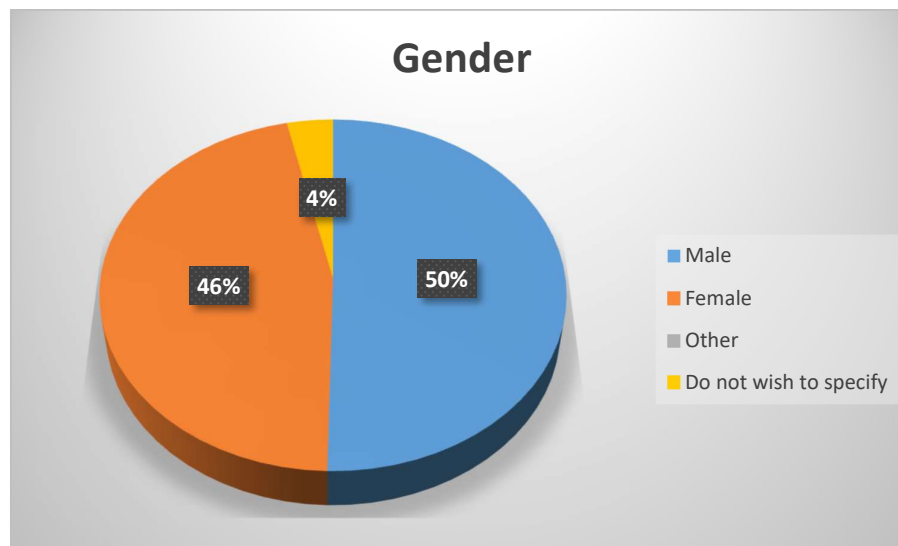


Figure 1: Gender

In the survey, for demographic knowledge about the participants of this research, their gender, age group, and occupation were asked. Considering gender, the survey results revealed that out of all responses received, 50% were male, 46% were female, and the remaining 4% did not

wish to specify their gender. From this result, it can be inferred that the responses were majorly from a male point of view towards the purchase of luxury fashion.

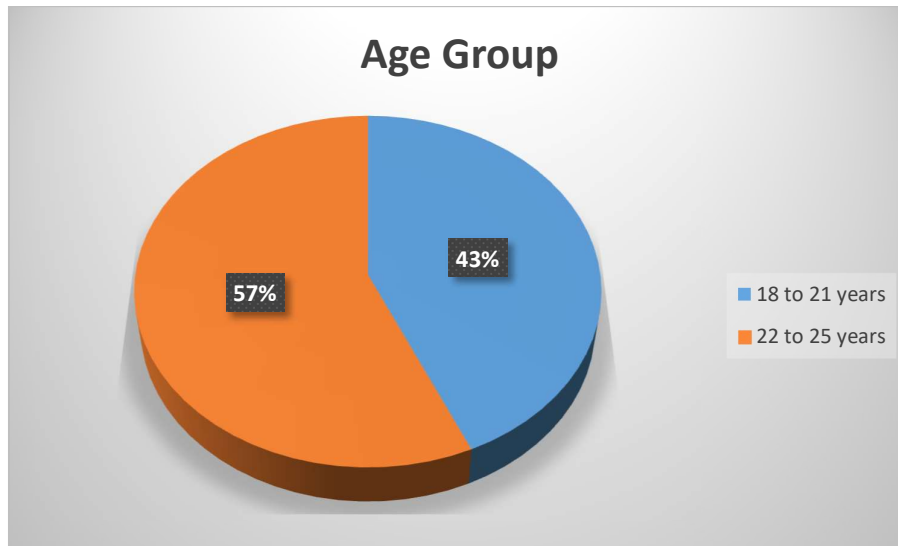


Figure 2: Age Group

Further, considering the age group of the participants of the study, since all the participants considered for this study were Gen Z, thus, only two age groups were included in the study, which were from 18 to 21 years and 22 to 25 years. From the responses, it has been identified that the majority of the participants belonged to the 22 to 25 years' age group as they accounted for 57% while the remaining 43% belonged to the 18 to 21 years' age group.

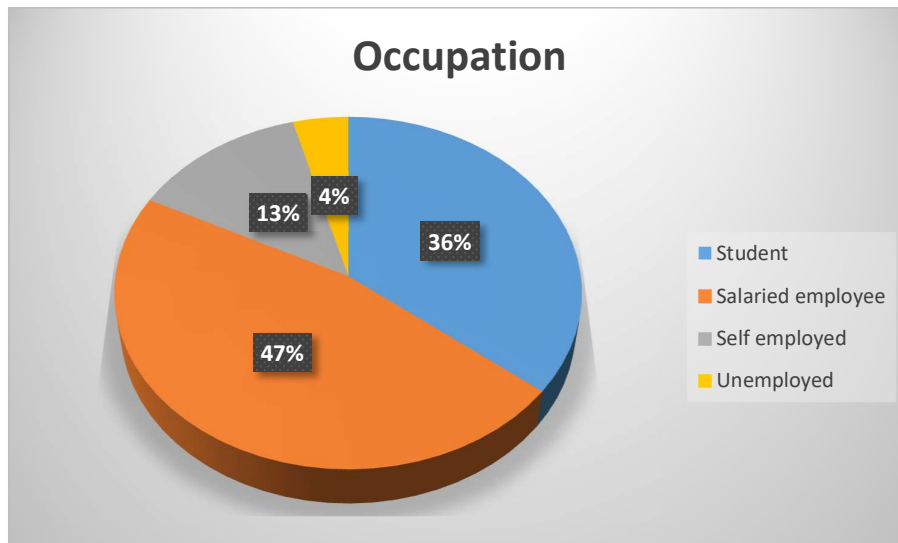


Figure 3: Occupation

Lastly, for demographic understanding occupations of the participants were asked. It was found through the survey responses that the majority of the participants that is 47% were salaried employees while 36% of the participants were students. Additionally, 13% were self-employed and remaining 4% were unemployed. This reflects that the participants of this study were mainly students and salaried employees.

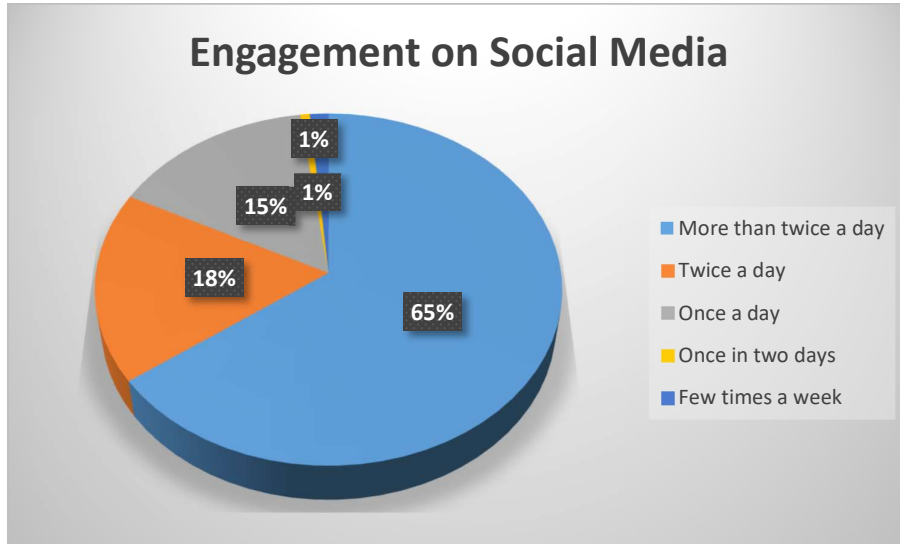


Figure 4: Frequency of Engagement on Social Media Platforms

Other than the demographic information the participants of the research were asked about general information related to the research topic. It is identified through the responses that the majority of the participants that is 65% were highly engaged on social media platforms as they visited the social media platforms more than twice a day. Additionally, 18% of the participants visited social media platforms twice a day and 15% visited once a day. Lastly, 1% of the participants visited social media platforms once in two days and the remaining 1% visited only a few times a week. This reflects that the majority of the participants were engaged in social media at least twice a day. This shows that Gen Z are highly engaged on social media platforms.

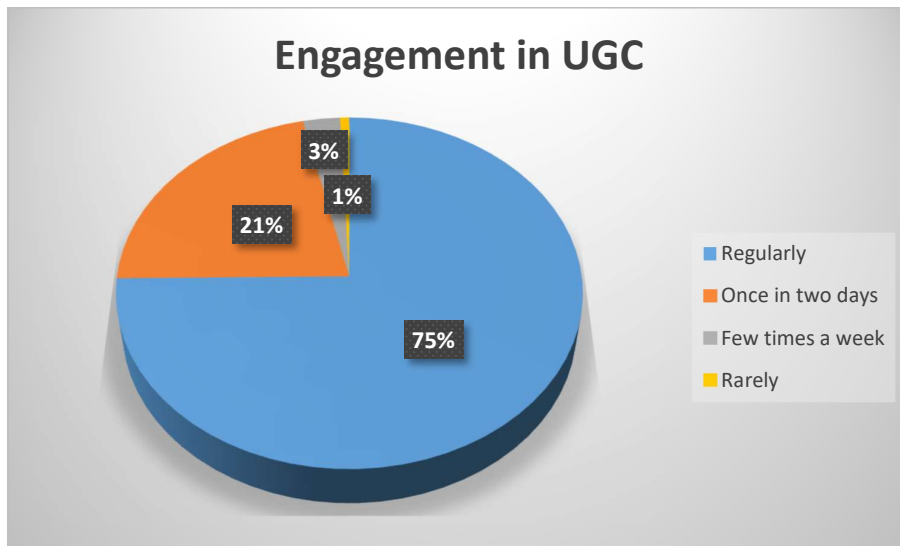


Figure 5: Frequency of Engagement in UGC

Other than social media, the survey also focused on the engagement level of Gen Z people in UGC on social media platforms. The responses to the survey revealed that the majority of the participants that is 75% are highly engaged in UGC as they view it regularly while 21% stated that they engage with UGC once in two days, and 3% of the participants stated that they engage

in UGC few times a week. Lastly, 1% asserted that they rarely engage in UGC on social media. These findings show that the majority of the respondents are highly indulged in UGC on social media platforms.

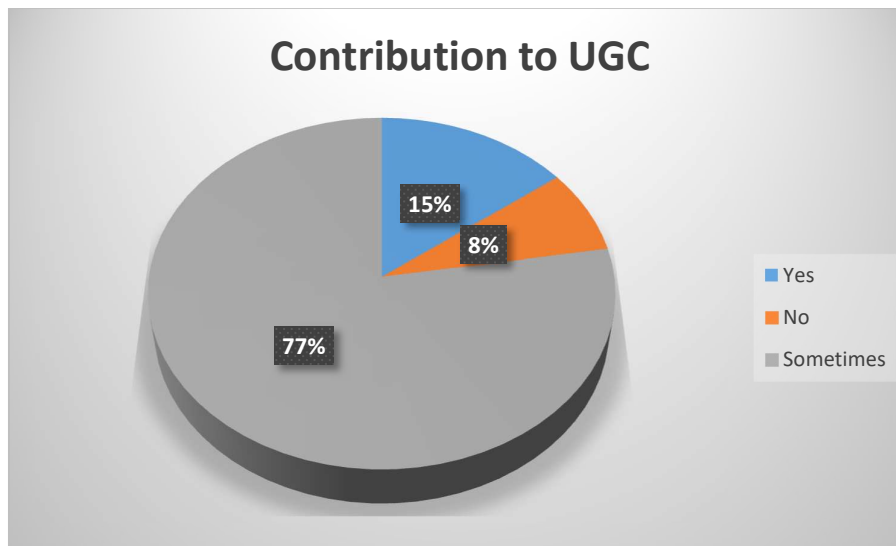


Figure 6: Contribution to UGC on Social Media Platforms

Lastly, considering the contribution of participants in UGC on social media, it is found through the responses that the majority of the participants that is 77% stated that they sometimes contribute to UGC while 15% asserted that they contribute to UGC. However, 8% asserted that they do not contribute to UGC. From the findings, it can be stated that the majority of the Gen Z people in China are contributing to UGC at some point.

4.2 Statistical Data Analysis

Reliability Analysis

The main purpose of conducting reliability analysis in this research is to test the variables so as to identify if they are reliable to produce correct results in research. For this, the value of Cronbach Alpha has been tested in the research.

Table 1: Reliability Analysis Using Cronbach Alpha

Total Cases Considered	143
Cronbach's Alpha	0.966
N of Items	12

The value of Cronbach Alpha is being tested in the study, to identify if the variables used in the study are reliable, or not, and also to identify whether the hypothesis established in the research can be tested, or not. Upon identifying the Cronbach Alpha value for the variables, it is found that the value is 0.966, which rounds off to 0.97 and is a closer value to 1. When in general the value of the Cronbach Alpha is considered, it should be equal to or more than 0.7, to assert the variables are reliable and the hypothesis can be tested. Since a closer value to 1

has been determined upon reliability analysis of the variables of this study, it can be stated that they are reliable and the hypothesis developed that is “*UGC on social media has a significant impact on the purchase intention of Gen Z consumers,*” can be tested.

Correlation Analysis

To test the developed hypothesis and understand the relationship between UGC and the purchase intention of Gen Z consumers towards luxury fashion in China, there is a need to conduct a correlation analysis. The main reason to conduct correlation analysis in this research is to identify whether UGC and purchase intention have a relationship or not, and if there exists a certain relationship between the two variables then to identify the magnitude of the relationship between the variables.

Table 2: Correlation Analysis

Dependent Variable (UGC helps make decision for search or purchase) Independent Variables	Pearson Correlation (0.51 to 0.70 moderate correlation and 0.71 to 0.99 strong correlation)	Sig (p)
UGC helps gaining information of products or services	0.78	0.00
UGC helps in gaining authentic and accurate reviews	0.66	0.00
UGC provides misleading comments through intentional comments online	0.66	0.00
UGC helps in gaining community information or views	0.79	0.00
Images in UGC are attractive	0.76	0.00
Videos in UGC are attractive	0.72	0.00
Content written in UGC is attractive	0.77	0.00
UGC develops trust	0.78	0.00
UGC helps in determining product quality	0.77	0.00

Content creators are paid for positive comments or reviews online	0.83	0.00
Brands delete negative UGC, leaving only positive views online	0.87	0.00
UGC helps in distinguishing between original and fake products	0.80	0.00

On the basis of the results attained through correlation analysis conducted using SPSS software, it can be stated that there exists a relationship between UGC and purchase intention. This has been determined because the value of Significance that is p is found to be 0.00, which must be less than 0.05 ideally. This shows that there exists a relationship between the dependent and independent variables of the study; thus, the magnitude of the relationship can be identified.

For the purpose of determining the magnitude of the relationship that has been established using the value of p above, there is a need to understand the value of Pearson Correlation through the analysis conducted. It is found that ten independent variables have a strong correlation with the dependent variable while other two independent variables have a moderate correlation with the dependent variable.

Regression Analysis

The main reason for conducting regression analysis in this research is to identify the independent variables that have a significant influence on the dependent variable. This can also help in proving a hypothesis in a research study. For the purpose of regression analysis considering the independent and dependent variables, using SPSS, the value of R-Square has been determined, along with ANOVA analysis and coefficient analysis.

Table 3: Regression Analysis

Regression Analysis	Value	
R-Square	0.86	
ANOVA Significance	0.00	
Coefficient Analysis	Beta Value	Significance
UGC helps gaining information of products or services	0.07	0.35
UGC helps in gaining authentic and accurate reviews	0.06	0.23

UGC provides misleading comments through intentional comments online	0.04	0.50
UGC helps in gaining community information or views	-0.08	0.34
Images in UGC are attractive	-0.05	0.46
Videos in UGC are attractive	0.01	0.85
Content written in UGC is attractive	0.20	0.00
UGC develops trust	-0.17	0.05
UGC helps in determining product quality	0.09	0.17
Content creators are paid for positive comments or reviews online	0.27	0.00
Brands delete negative UGC, leaving only positive views online	0.44	0.00
UGC helps in distinguishing between original and fake products	0.18	0.01

Considering the regression analysis conducted, firstly there is a need to evaluate the R-Square value identified. It is found that R-Square is found to be 0.86, which shows in this study that any changes made to the dependent variable up to 86% are able to be addressed using the data set of the independent variable.

Further, focusing on the ANOVA analysis, it can be stated that when the Significance value in the ANOVA analysis that is p is less than 0.05, it shows that the null hypothesis in the research has been rejected. Considering p value for this study, it is identified as 0.00, which satisfies the criteria, which shows that the alternate hypothesis of the study has been accepted. Thus, it can be stated that “*UGC on social media has a significant impact on the purchase intention of Gen Z consumers.*”

Lastly, from the summary of the coefficient analysis, as presented in Table 1, it can be stated that there are five variables that have a significant impact on the purchase intention of Gen Z consumers towards luxury fashion in China. These five variables include “Content written in

UGC is attractive” which is found to be 0.00, “UGC develops trust” which is found to be 0.05, “Content creators are paid for positive comments or reviews online” which is found to be 0.00, “Brands delete negative UGC, leaving only positive views online” which is found to be 0.00, and “UGC helps in distinguishing between original and fake products” which is found to be 0.01. On the basis of the overall analysis conducted using correlation and regression analysis, it can be stated that there exists a positive relationship between UGC and the purchase intention of Gen Z consumers towards luxury fashion in China. Moreover, the relationship has portrayed a strong influence on the dependent variable. Concerning the regression analysis, it has been determined that UGC in the form of written content is effective in influencing the purchase intention of consumers. Moreover, UGC builds trust regarding a product, service, or brand, and it also helps consumers to distinguish between original and fake, which drives the purchase intention of consumers. However, it is also found that brands make use of content creators online and pay them to write positive reviews online and brands delete online comments or reviews that are negative, to protect the brand image. This affects the level of trust of consumers towards a product or its brand.

5. Conclusions

5.1 Main Findings

From the overall findings of this research, it can be concluded that UGC has a significant impact on the purchase intention of Gen Z consumers towards luxury fashion in China. It is found that UGC is an effective means for attracting consumers towards a product or service. This is due to the fact that UGC in the form of photos, written content, or its combination creates value for consumers, builds trust, and also provides the necessary information, which helps them in searching or considering a product or service for purchase. It can be stated that UGC is an effective means that can be used by brands on social media to attract customers online. Moreover, it has been inferred from the results that UGC is an effective aspect of social media platforms that helps consumers to make purchase decisions. This study highlighted that UGC is a vital aspect for Gen Z consumers in China and around the world because of the positive aspects associated with it. For instance, through UGC on social media platforms, Gen Z consumers can identify the quality of a product and even distinguish if they are original or fake. When specifically focusing on the fact that UGC impacts the purchase intention of Gen Z consumers of China towards luxury fashion, it is found that UGC builds trust towards a product or related brand, and even helps in gaining important information. However, there are certain negative aspects that are also associated with UGC, which must be considered by consumers of luxury fashion. These negative aspects include content creators being paid online to provide positive comments or reviews for a product or a brand, which often misleads consumers. Additionally, there are times when brands are not able to manage the negative comments on social media, due to which they delete them, leaving only positive comments, which also misleads consumers. This reflects that UGC has a significant impact on purchase intention; however, there is also a need for analysing the authenticity of UGC before making a purchase intention.

5.2 Limitations

Every research has certain limitations, which can be either based on the methods selected in the research or concerning the topic area selected. The main limitation of this research study is that it has focused on the mono method, wherein using quantitative research, surveys have been conducted. Thus, it can be stated that this research is limited to statistical data gathered using surveys, to derive conclusions. The use of only surveys for data collection has created a lack of inclusion of qualitative data in the study, which is beneficial in in-depth analysis. Another limitation of this research is that it has a narrow scope, wherein specific Gen Z consumers and luxury fashion is considered in China to test the relationship between UGC and purchase intention. This has limited the results of the study to one region and a particular age group.

5.3 Future Research

On the basis of the limitations identified regarding the research work, there are certain recommendations that can be provided for future research work. The first recommendation is that the future scholars can make use of the results of the current study and conduct the study further by including other data collection methods, such as interviews or secondary data sources, to gather relevant qualitative information in the study. This can help the researcher in including qualitative findings through in-depth analysis. The second recommendation for future scholars is to broaden the scope of the research work. This can be done by adding another aspect to the research topic. For instance, comparison can be done between China and any Western country, or comparison can be done between Gen Z and Millennials consumers of luxury fashion. This comparison will not only broaden the scope of the research but will also help the luxury fashion brands to understand the impact of UGC in different regions or among people of different age groups.

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