

Chinese Consumers' Perception of Live-Streaming Shopping: A Review

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Abstract:

Live-streaming shopping has become the first choice of Chinese consumers for shopping, and more and more merchants are joining the e-commerce live-streaming shopping team. However, due to the many major links involved in live e-commerce, the mechanism that affects consumers' purchase intention is not very clear, resulting in the development of many merchants involved in live e-commerce is not smooth. Therefore, for live e-commerce merchants, the study of live e-commerce and the factors that affect consumers' purchase intention is important for their success in this activity. The purpose of this paper is to examine the influencing factors affecting consumers' purchase intention in a live-streaming shopping environment based on the research of Chinese scholars. Based on the literature review, scholars agree that consumers' perceptions of live-streaming shopping affect consumers' purchase intention. Therefore, it is necessary to understand consumers' perceptions of live-streaming shopping to increase consumers' purchase intention. In addition, it has been observed that although scholars have conducted some studies on consumer perceptions of live-streaming shopping, few scholars have measured it through its three dimensions based on Song and Liu's (2022) study. Measuring consumers' purchase intention through these dimensions allows merchants in the live-streaming industry to understand consumers' purchase intention more accurately.

Keywords: Chinese consumers, Credibility, Interactivity, Live-streaming shopping, Media richness

Introduction

Since Taobao appeared, via live-streaming with goods in 2016, the live-streaming with goods model officially entered the public's view (Gong et al., 2023). Subsequently, content platforms such as Shutterhands and Jittery Voice, as well as e-commerce platforms such as Pinduoduo and Xiaohongshu have opened e-commerce live broadcasting functions one after another (Ji et al., 2020). "Live broadcast + e-commerce" has become an emerging way to attract online shopping, and more and more consumers are placing shopping orders by watching live broadcasts (Ding et al., 2018). According to the "China Live Streaming E-commerce Market Data Report 2023" released by the E-commerce Research Center of Nethersole (2024), China's live streaming e-commerce market reached 4.9 trillion yuan in 2023, with a year-on-year growth rate of 35.2%. During the first wave of "Double Eleven" in 2023, the sales of live-streaming e-commerce platforms amounted to 98.9 billion yuan (IiMedia Research, 2023). This shows that there is huge room for the development of live-streaming shopping.

Live-streaming shopping is based on an e-commerce platform, with webcasting as the means, the anchor shows the goods to the user in a comprehensive way through the form of live broadcasting and uses a variety of ways to stimulate the user's purchasing power (Wang, 2020). Live-streaming e-commerce utilizes its advantages to bring consumers an intuitive and vivid shopping experience (Chen, 2024). Live broadcast e-commerce has the characteristics of authenticity, visibility, real-time interactivity, entertainment, etc., which can trigger consumers' interest in watching, and then generate the willingness to buy (Liu, 2020). In live broadcasting, anchors conduct high-frequency real-time interactions with viewers through pop-ups, likes, etc., and display their distinctive personalities (e.g., humorous style, unique talent, iconic language, etc.) to attract consumers and increase trust in the anchors and their recommended products, thus prompting consumers to generate purchase intentions (Chen et al., 2018). Compared with traditional web-based e-commerce, live broadcast e-commerce can enable consumers to obtain product information and usage feelings more quickly and directly and understand the products more realistically and three-dimensionally, and the virtual experience in the live broadcast will bring consumers a sense of pleasure and increase their willingness to buy (Ha J., 2015).

Live-streaming shopping has now become the preferred choice of Chinese consumers for shopping, and many merchants have joined the live e-commerce, but due to the many links involved in live e-commerce, the mechanism of the elements affecting consumers' willingness to buy is not clear, and the development of many merchants participating in live e-commerce has not been smooth, therefore, live e-commerce merchants need to study the influencing factors affecting consumers' willingness to buy. By summarizing the existing literature, it is valuable to study the influence of anchor credibility, interactivity, and media richness on consumer purchase intention from the perspective of consumers' perception of live shopping.

Live-Streaming Shopping in China

In May 2016, Taobao officially launched Taobao Live-streaming shopping, marking the rise of e-commerce live-streaming shopping (Jia, 2019). The early research on live-streaming shopping focused on the definition of live-streaming, and researchers in different fields had different interpretations of e-commerce live broadcasting. Tan (2017) believes that live-streaming shopping is a business model, that is based on e-commerce and takes live broadcast as a means and uses live broadcast media to connect users with commodity sales. Meng (2021) believes that live-streaming shopping is a kind of marketing behavior which is the application of real-time communication and interactive characteristics of network live broadcast in e-commerce.

Later, some scholars began to study the characteristics of the e-commerce live platform, and Tang (2020) believes that the characteristics of the e-commerce live platform include the immediacy and interactivity of socialization, the authenticity of the commodity information, and the consumer's shopping experience, etc., which help to strengthen the consumer's comprehensive cognition and psycho-emotional satisfaction of the commodity information. With the continuous development of live e-commerce, scholars' research in live e-commerce focuses on the marketing model of "live shopping +" and the factors that affect consumers' willingness to buy in live e-commerce. Wang (2019) found that the sales of Gannan navel oranges increased after live shopping.

The purpose of live e-commerce is to increase consumer purchase intention and prompt consumers to purchase goods. Currently, there are academic studies on the influencing factors of consumers' purchase intention in live e-commerce, such as Liang (2019), who studied the influence of commodity

characteristics such as price, brand, and the atmosphere (social presence) presented by live e-commerce on consumers' purchase intention. Kong et al. (2023) argued that when the live broadcasting platform can provide more convenient return and exchange services and lower costs, then it will reduce consumers' purchase concerns and thus generate purchase behavior. However, most of the studies have examined the influence of product price, platform characteristics, and live broadcast atmosphere on consumers' willingness to buy, and fewer studies have examined consumers' willingness to buy from the perspective of "overall customer environment interaction". Therefore, in the following section, the influence of streaming media credibility, media richness, and interactivity on consumers' purchase intention from three dimensions will be examined based on the paper of Song and Liu (2021).

Streamer's credibility

Credibility is the degree to which individuals trust the source of information. Stream's credibility refers to the degree to which anchors are accepted and trusted by consumers (Wu, 2021). Combined with the characteristics of live-streaming shopping, scholars have divided the credibility of streamers mainly from their professionalism, trustworthiness, and attraction (Song and Liu, 2021). The professionalism of anchors is reflected in the level of professional knowledge and experience (Meng, 2020). Live anchors with high professional knowledge can usually create high-quality video content and provide rich and reliable knowledge and experience to the audience (Han, 2020). The trustworthiness of streamers refers to the objectivity and authenticity that consumers can perceive from anchors, and real and reliable live anchors are more able to retain consumers (Wu, 2021). The attractiveness of anchors includes physical attractiveness, humorous personality, and athletic ability (Wei, 2022). E-commerce anchors make use of their attraction in the broadcast room to introduce and recommend the products to the audience, and fans will buy the products recommended by the anchors out of their love for them (Zhang et al., 2018).

In terms of the impact on consumers' purchase intention, Soesilo and Arimbi (2020) found that when consumers were exposed to products they trusted, they increased their willingness to buy. Meng (2021) verified through the in-depth interview that the credibility of live broadcasting affects consumers' attention to the products and stimulates purchase intention. Ding (2020) studied the influence of the credibility of agricultural anchors on consumers' impulsive purchase intention. However, the research on the size of the influence of the characteristic factors of the trustworthiness of the streamer on the consumer's willingness to buy needs to be examined thoroughly. At the same time, the research on anchor credibility cannot theoretically answer the deeper reasons for different types of live anchors to attract audiences, which can be researched in this area in the future.

Media richness

The concept of media richness was first proposed by Lunger and Daft, believing that media richness can change users' ability to receive information (Zhou, 2023). The theory of media richness in the early stage is applied in enterprises. With the development of electronic technology and the popularization of electronic information equipment in the later stage, people gradually applied media richness to the communication of electronic media (Dong, 2019). Media richness theory represents the ability of the media to convey various information (Shi, 2017). Since the 21st century, many scholars have introduced media richness into consumer behavior, mobile payment, virtual community user experience, and other fields.

Du (2018) summarized media richness into three forms: information content, information quality, and the richness of expression mode. According to Ishi (2019), there are four criteria for measuring media richness: (1) timeliness of feedback (2) ability to convey multiple clues (sounds, expressions, etc.) (3) linguistic diversity (4) personal attention. Yang (2023) believes that the characteristics of rich media are: rich clues, timely feedback, and semantic diversity. Numerous studies have shown that media richness can predict customers' choices, purchase intentions, and user satisfaction with communication media (Zhang, 2020). Wang (2020) studied the media richness connected with the emotional experience and thinking experience of short video users, and the results showed that media richness can improve users' two kinds of experience. Song (2021) believes that live-streaming e-commerce is a media with high richness, and watching live-streaming e-commerce can increase the purchase willingness of consumers. At present, very little research on media richness has been conducted. However, with the rapid development of electronic information technology, media richness should continue to expand in the future application field, especially in e-commerce live broadcasting. Therefore, this paper introduces the theory of media richness to explore the influence of the richness of e-commerce live-streaming media on consumers' purchase intention.

Interactivity

Interaction in live-streaming shopping can be understood as a direct communication and exchange between the audience and the anchor or other viewers without time and space constraints, thus forming an open virtual community with the anchor as the core. The anchor explains the product through video, while consumers communicate with the anchor and other consumers by sending pop-ups, and see various dynamic behaviors such as collecting, adding purchases, and settling accounts carried out by other consumers in the live broadcasting room, thus transforming the social nature of social interaction into the economic nature of product transactions (Yuan and Huang, 2022).

Existing research on interactivity has been carried out mainly from two aspects: functional and perceptual perspectives. On the one hand, some scholars have researched the interactivity function of live broadcasting platforms. Liu (2020) takes interactivity as one of the functions of webcast shopping and finds that interactivity can awaken consumers' perceived pleasure and further increase their purchase intention. Conceptualizing interaction as a single variable reveals to a certain extent the characteristics of the live broadcasting scene and distinguishes it from traditional e-commerce, but ignores the existence of multiple subjects in live broadcasting, so Zuo (2021) divides the interaction into three categories of interaction between the consumer and the website, with the seller, and between the consumer, according to the different objects of interaction to construct the interaction and trust model; on the other hand, scholars have explored the perceptual interaction perspective of the users' participation behavior. Hong (2021) divided perceived interactivity into three aspects: bi-directionality, participation, and joint problem-solving, reflecting the intensity and richness of interaction. Zhou, et al. (2021) on the other hand, explored the dynamic interactive behaviors in live e-commerce by considering responsiveness and personalization as two dimensions of perceived interactivity, which affects the strength of social connection and thus user engagement. Existing delineations of interaction reveal the impact of interaction on user perceptions and behaviors in the live e-commerce model. It has been confirmed that interactivity can enhance consumers' shopping experience and thus increase their purchase intention (Yuan and Huang, 2022).

Conclusion and Research Prospect

Through the literature review, it has been confirmed that credibility, media richness, and interactivity of live streamers have positive impacts on consumers' purchase intention from the perspective of Chinese consumers' views on live shopping. However, the current academic research on media richness is not much. With the development of e-commerce live broadcasting, future studies can be done on the impact of the development of e-commerce live broadcasting can be explored in depth from the perspective of media richness, for example, on consumer purchase behavior in e-commerce live broadcasting, etc. Through the literature review, it is found that the current research on the trustworthiness of live broadcasting is relatively rich, but the research on the influence of the characteristics of the factors of the trustworthiness on the consumer's purchase intention The research on the impact of credibility factors on consumers' willingness to buy and comparison needs to be in-depth. At the same time, the research on anchor credibility cannot theoretically answer the deep reasons why different types of live anchors attract audiences, and future research can be conducted in this area.

4. References

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