Factors Influencing Consumers Purchase Intention on The Live Streaming Shopping Platform in China

Di Wu*

Department of Management School, Lancaster University, Lancaster, LA1 4YW, United Kingdom

*Corresponding author: woodyjames@163.com

Abstract. Live streaming shopping has become more and more popular in recent years, so it is quite necessary to illustrate how we can increase the customers’ purchase intention. A mixed-method study is developed, including an interview of broadcaster’s perspective and a survey of customers’ perspectives to learn about consumers’ concerns when shopping on live streaming platforms. The research was approached interactively, adapting the method in response to the findings discovered from the interviews. Few consumers have a habit of watching live streaming shopping regularly. Consumers want to try something new on the live streaming platform no matter bought this product or have seen this brand before. Broadcasters’ identification has not affected consumer’s purchase intention much. However, the consumer would trust broadcasters and choose to buy products from their live room. From the broadcaster’s perspective, they need a platform to teach them from zero to one, and network traffic is a big problem for them. In addition, product trust is more effective than broadcaster trust for the moment. Therefore, sellers are needed to improve their communication and describing skills. This paper also emphasized that the e-commerce approach should not only be competitive in terms of pricing but also in terms of quality in order to meet client demand. Furthermore, many customers believe that false propaganda should not be broadcast on live streaming platforms. As a result, broadcasters should be professionally and skillfully trained. This paper will give broadcaster and e-commerce companies suggestions on the affection of purchase intention during live streaming shopping. In addition, this paper gives future studies some basic studies and suggestions.

Keywords: List the; Live streaming shopping, Product information, Broadcaster trust, Purchase intention.

1. Introduction

1.1 Research background

Live streaming is an instrumentality for recording and broadcasting in real-time [1]. Since 2011, live streaming has been a popular type of participatory internet-based multimedia entertainment worldwide [2]. Unlike prior streaming services like television and YouTube, live streaming allows for real-time human interaction between the network anchor and viewers, making it easier to interact [2]. Live streaming retail e-commerce buyers in China will be 43.1% of total digital buyers in 2021[3]. According to (CNNIC) [4], the number of people who shop online has reached 710 million, accounting for almost 80 percent (78.6%) of overall internet users. In contrast, the number of people who shop live streaming has reached 265 million, accounting for nearly 40 percent (37.2 %) of total online shoppers. It demonstrates the importance of live streaming shopping in e-commerce. Therefore, this study looks through the number of studies and discusses the findings.

1.2 Literature Review

Previous studies have demonstrated that live chat served as a vital tool in reducing uncertainty and establishing relationships by delivering information and boosting presence [5]. It is shown that the importance of a live video streaming strategy could increase consumers’ online purchase intention by decreasing psychological distance and perceived uncertainty [6]. It has been conclusively shown that consumers’ final decisions were influenced by live chat usage, response speed, response frequency, and information type [5]. Recent evidence suggested that attitude products had a positive effect on product purchase intention [7]. In previous studies, Addo analyzed 1726 datasets from two e-
commerce platforms, indicating that customer engagement was importantly affiliated with followership and purchase intention in live streaming digital marketing [8]. What we know about the emotional connection was best described by the social dynamics of the live-stream setting (i.e., sense of community, social interaction, and meeting new people), and a need for entertainment and information seeking [2]. One of the most intensive research areas in the existing literature was customer online purchase intention. The strength of a consumer’s desire to carry out a specific purchasing behavior via the internet will be determined by their online purchase intention in the online shopping environment [9]. It has been proposed that e-retailers might provide special discounts to potential online customers for a limited time to promote customer impulse purchases [10]. The perceived risk associated with online purchasing stems from the lack of face-to-face interaction, which might be mitigated in the environment of live streaming shopping. Customers could submit questions directly via the bullet screen during live streaming shopping and receive a timely response from streamers, which would influence customer purchase behavior [11,12]. Consumers could acquire extensive information from the streamer’s presentation, product information page, and other consumers’ remarks at the same time through live streaming, as opposed to typical internet purchasing, which relies solely on text, picture, or video. The streamer’s vivid introduction of the products also built the customer’s trust and prompted a higher purchase intention level [13].

So far, there has been little agreement on how best to measure purchase intention during live streaming shopping. Surprisingly, live-streaming purchase intention has not been extensively investigated. There is a relative paucity of empirical research focusing especially on online purchase intention. Very few studies have focused on live streaming’s purchase intention. Little is known about live streaming purchase intention, and it is not clear what factors might measure it. Most of these studies have only been carried out that the factors of online purchase intention might be online trust, shopping orientations, prior online purchase experience and online environment [14,15].

1.3 Research framework

The central thesis of this paper is to find out the influence factors of live streaming purchase intention. This work will generate fresh insight into the key elements of purchase intention on the live streaming platform. The aim of this paper is to critically examine the claim that how product information [16], product trust [17,18], broadcaster identification [19] and broadcaster trust [17, 18] measure purchase intention during live-streaming shopping. This research was performed to learn why consumers have wanted to buy when they live-streaming shopping. Understanding users’ purchase intention would allow people to identify the current advantages and disadvantages of existing live-streaming websites and modify the platform in the future.

This paper begins by reviewing the past literature on the constructs taken for the study. It will then go on to empirically test the role of product information, brand trust, network anchor characters and network anchor trust on the customer live streaming purchase intention among Chinese. The next section is a case study to give an example.

2. Method

2.1 Survey

A mixed-method study was conducted, involving interviews and a survey (N =150) to understand consumers' concerns when shopping on the live streaming platform. In addition, an interactive way was taken to the research design, modifying the methods as was learned from the interview data.

(1) Questionnaire design

This study’s questionnaire was developed in two sections. The first section of the questionnaire had some questions on demographic characteristics of the potential respondents, including gender, age group, education level, frequency of live-streaming shopping, location, marital status and income level. The second section of the questionnaire had 10 questions about independent and dependent variables of the research.
(2) Item of Variables

The independent variable “products trust and broadcaster trust” items are adapted from several studies [17,18]. The item for the independent variable “product information” is adapted from Chang [16]. The item for the independent variable “broadcaster identification” is adapted from Hu [19]. The dependent items of “online purchase intention” were adapted from Kim et al. [17, 18, 20].

<table>
<thead>
<tr>
<th>Variables</th>
<th>Product information</th>
<th>Product trust</th>
<th>Broadcaster identification</th>
<th>Broadcaster trust</th>
<th>Purchase intention</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item 1</td>
<td>Concerned about product information explanation</td>
<td>Repeat product</td>
<td>Field of the expertise</td>
<td>Loyalty</td>
<td>Whether watch live streaming shopping before</td>
</tr>
<tr>
<td>Item 2</td>
<td>Product information demonstration</td>
<td>Brand trust</td>
<td>Segmentation</td>
<td>Relationship trust</td>
<td>Frequency of watch Live streaming shopping</td>
</tr>
</tbody>
</table>

(3) Instrument of Data analysis

The research utilized statistical analysis and excel software to determine the relationship between the independent and dependent variables. A web-based questionnaire was used, with pupils completing the questionnaire on WeChat. Questionnaires were distributed to 144 people. And it was conducted from August to September.

2.2 Interview based on broadcaster’s perspective

Interviewing has so pervaded popular media that we have become “the ‘interview society,’ where everyone gets interviewed and gets a moment in the sun” [21] DeMarrais defines a research interview as “a process in which a researcher and participant engage in a conversation focused on questions related to a research study” [21].

The participants of this interview were live-streaming broadcasters who are using TikTok or Taobao to sellers the goods. We used internet interviews through WeChat. Our question will be to discover what the broadcaster did well in the past live streaming selling process, the failure or success experience, and the suggestion or advice to the live streaming platform.

3. Result

3.1 Data analysis based on Customer’s perspective

Our survey data collection has 144 participants who are Chinese and tend to have to use live streaming shopping before. In all, 118 useable questionnaires were collected and analyzed. The participants were asked to complete a 20-question survey about live streaming purchase intention. For the survey, the first step in this process was to complete 18 closed questions and then write down two open questions in the end. One of the questions is whether participants have watched live streaming shopping (LSS) before. And the participants who don’t have watched LSS were deleted. This is why the questionnaire was reduced from 144 to 118, which is the screening criteria for valid questionnaires.
The first set of questions were designed, aiming to find out female is the majority consumer in the live streaming shopping process. This reason lies in that female is more likely to use the live streaming shopping, as shown in Figure 1.

The overall response to the survey was 21 to 30 years old. This part of the participant may not graduate or work for a few years or want to try the new shopping approach. And the other reason is that the questionnaire was thrown in the WeChat, the users of which are more likely 21-30 years old, as shown in Figure 2.

(a) (b)

**Figure 3.** RQ3 Nation and City Tier. (a) The ethnic distribution of the respondents; (b) The geographical distribution of the respondents.
By the end of the survey period, data had been collected from 144 individuals, and 140 of whom were the Han Nationality. Interestingly, participants were almost average separate in the different kinds of city tiers. Therefore, when a broadcaster sells goods on the live streaming platform, they should know about the consumers of different provinces. For example, different provinces have different incomes, purchase attitudes, and brand preferences. And for an e-commerce company, a localized live-streaming shopping (LSS) will be a nice move in the future. In addition, localized live-streaming shopping means that different provinces or cities should have distinct live-streaming shopping strategies. This can help broadcasters to target precise customers, as shown in Figure 3.

Figure 4. RQ4 Education Background

What stands out in Figure 4 is that over 74 percent of participants have reached at least an undergraduate certificate. The reason for this might be high education background more easily to accept live-streaming shopping. In addition, this kind of consumer may be more critical to the products.

Figure 5. QR5&QR6 Occupation & City Tier

Figure 5 shows an overview of over half of those surveyed as professionals or company employees. This could be those people so busy that they have no time to offline shopping. In addition, a broadcaster can match the time of those people to sell more goods to those customers.
When the participants were asked monthly income, the majority commented that they got below 10 thousand RMB per month. This is higher than the Chinese average income per month, which is 2684 RMB [22]. Therefore, consumers on the live streaming platform have good consumption potential.

The frequency of half of the 118 participants who have watched live streaming shopping before was at most one time a week. It is a long way to let customers have the habits of watching live steaming shopping. The platform should have more advanced notices.
The overwhelming majority of participants expressed concerns about the product information during the live streaming shopping. It is suggested that product information should be shown to customers. For example, customers want to know what the product materials are, where the factory is, the function of the product, and so on. In addition, product information is an approach for customers to evaluate its quality, as shown in Figure 8.

![Figure 8: Product information](image)

**Figure 8. Product information**

Near 80% of participants would purchase the product due to the product description from the broadcaster. Therefore, the broadcaster should have a good ability to make the description of products in details. In detail, they should have good communication, good comprehension, great empathy, and so on. In addition, product description may increase the broadcaster trust and product trust, as shown in Figure 9.

![Figure 9: Broadcasters’ influence](image)

**Figure 9. RQ12 Broadcasters’ influence**

Over 60% of participants have heard about the product that they bought during live streaming shopping. Most consumers still want to buy what they have known about; the products should let more consumers see. For example, advertising can be put in the lift and bus station. And also to give consumers free trials in the market or online platforms, as shown in Figure 10.

![Figure 10: Brand awareness](image)

**Figure 10. RQ13 Brand awareness**
Surprisingly, only a minority of respondents have bought this product offline before. This suggests that live streaming shopping make consumers more likely to try some new product. This result is likely related to the less trial and error cost compared to offline purchase, as shown in Figure 11.

Participants who did not buy the products that consumers do not know their brand, and those participants almost neither bought this product offline. It suggested that consumers will attempt to purchase a new product in live streaming shopping, as shown in Figure 12.

What is curious about this result is that over half of the participants did not choose the fixed category live room to buy the product. Therefore, a broadcaster can sell multi categories in their live room. Therefore, consumers can buy anything in this live room. However, multi-category may separate broadcaster’s vigor, and get no advantage in the live steaming shopping, as shown in Figure 13.
More than half of participants would be concerned about whether the broadcaster is good at this category’s products. It is suggested that broadcaster should improve their professional competence. This can help broadcasters to earn more trust from customers and build their identification, as shown in Figure 14.

In addition, more than half of the participants will go to the specialized broadcaster’s live room. This means that consumers would choose a few live streaming rooms for shopping. Therefore, the broadcaster should build a strong trust between the broadcaster and customers, as shown in Figure 15.
And 55.93% of participants went to watch the specialized live-streaming shopping because of the broadcasters’ identification. It is shown that broadcaster’s identification could influence the customer’s choice. So, broadcaster should have their own identity and build trust with customers, as shown in Figure 16.

![Figure 17. Analysis of cross-survey results](image)

In addition, participants who care about the category in the live shop were 76% possible concerned about what is the broadcaster good at—participants who went to the same live room, possibly due to the broadcaster’s identification.

A common view amongst participants of suggestion to the live streaming was that better product quality, lower price, more supervision, no more false propaganda and more interaction.

There were also some suggestions to the broadcaster, improve the broadcaster’s professionalism, do not false propaganda, broadcaster test product by itself and make sure about the quality.

### 3.2 Problems of live streaming based on broadcaster’s perspective

**Problem 1:** The level of broadcasters is uneven and lacks effective supervision

In live broadcasting, the network anchor is the spokesperson of the goods and the actual operator. Due to the lack of effective supervision and distorted values induced by economic interests, some broadcasters mislead consumers by exaggerating product functions and beautifying products excessively. Sometimes accidents such as car rollover occur during live broadcasts. On the one hand, excessive beautification and false publicity make broadcasters lose the trust of the public. On the other hand, they also have a serious negative impact on the development of the e-commerce live broadcast industry.

**Problem 2:** It is difficult to guarantee product quality and consumers' rights protection

Most live-streaming products are from manufacturers or third-party e-commerce platforms, and the live-streaming platforms lack effective supervision over product quality.

Even some anchors and network broadcast platforms unilaterally pursue traffic, which provides opportunities for some fake products and goods without any guarantee to enter the live broadcast e-commerce channels, seriously damaging the interests of consumers.

In addition, the development of live streaming e-commerce, a new type of business, has produced consumer rights issues. According to the China Consumers Association, there were more than 30,000 complaints about e-commerce live streaming in 2020, and nearly 90% of them could not protect their rights. The reason is that the complaints could not be accepted due to the lack of after-sales service after the live streaming.

**Problem 3:** The live broadcasting platform lacks relevant laws and regulations due to vicious competition

In 2020, affected by the epidemic, local governments issued some policies and regulations to encourage the development of Livestream e-commerce to stimulate economic recovery, providing all-round support to Livestream e-commerce from aspects of capital, public opinion, and talent
reserve. In this context, the rapid development of e-commerce live streaming has entered the golden age of development. In addition to kuaisou, TikTok, Taobao, and other top e-commerce live streaming platforms, Wechat mini-program, Xiaohongshu, Pinduoduo, and others have joined the tide of the live streaming economy. In order to obtain traffic, some e-commerce platforms often adopt data falsification, false publicity, excessive rendering of the atmosphere in the live broadcast room, and other ways to induce consumers to place orders, lacking connotation development. As part of the live broadcast platform in the live broadcast, production suppliers do not even need to provide the necessary license information. It leads to some fake products and no-nonsense products flowing into the market through live streaming, causing damage to the interests of consumers. At the same time, some live-streaming products with goods lack after-sales service, making it difficult for consumers to protect their rights. However, the national legislative organs or functional departments lack laws and regulations for standardized management of the e-commerce direct broadcast industry.

4. Discussion

4.1 Strategies analysis based on Survey & Interview

According to the RQ13, one interesting finding is that the majority of consumers buy the products that have never been bought offline before from the live streaming platform. This means consumers are more likely to try something new during the live streaming platform.

According to the RQ13, another important finding was that product information is deeply concerned by the consumers, and the ability of product description will effort to the purchase intention. Therefore, this explains why we need sellers to improve their communication skills and skills of describe.

According to the RQ19, participants need that the product from live streaming shopping have good quality and be supervised by official supervision. It is suggested that the e-commerce strategy can be price competing and need high quality to satisfy customers' demand.

According to the RQ19, participants hope they can have an immediate response from customer service, this means no matter live streaming platform or broadcasters should provide timely service. In addition, these consumers believe that false propaganda should not exist on the live streaming platform. Therefore, the broadcasters should be trained to be highly professional and skillful.

4.2 Optimization measures

4.2.1 Measurement 1: Setting standards for broadcasters and innovating economic forms of live broadcasting

As the number of Internet users increases year by year and the development of mobile terminal technology, it becomes very convenient to register an account "Voice" on a network broadcast platform. Every fan can give a voice to their favorite anchor by giving a thumbs-up. Therefore, broadcasters with more than one million fans are also influential public figures. Their words and deeds in the live broadcast greatly impact fans (consumers), directly affecting consumers' purchase decisions.

Therefore, broadcasters must make laws and regulations as the bottom line in the process of live broadcasting and carrying goods. Select products with good quality and guaranteed after-sales service in line with the principle of being responsible for public interests and social interests to effectively protect the rights and interests of consumers. The training channels of broadcasters can be diversified. Product suppliers can entrust professional institutions to cultivate broadcasters who are suitable to speak for their products to improve broadcasters' professional quality and comprehensive quality. Fans favor broadcasters with high appearance, talent and sweet voice. Still, broadcasters who are familiar with products and stimulate consumers' purchase desire through the professional introduction of products are favored by product suppliers.
While setting professional standards for broadcasters, e-commerce live streaming platforms should also be committed to innovating live streaming forms. A single form of the live broadcast will cause consumers to have aesthetic fatigue. The platform can apply the new media operation strategy to add creative features to the live broadcast content and better display the characteristics of the products sold to consumers. At the same time, the combination of online and offline sales can be carried out according to the product's characteristics to create a multi-mode differentiated marketing model.

4.2.2 Measurement 2: Consumers consume rationally and safeguard their rights and interests

The audiences of e-commerce live broadcasts are easily affected by the high atmosphere in the live broadcast room and buy the products represented by the most out of their love and trust, becoming consumers. As consumers, to achieve rational consumption while safeguarding their legitimate rights and interests. First of all, consumers should choose the e-commerce live broadcast platform with a good reputation and reliability. If necessary, they can take screen recordings and screenshots while watching live broadcasts so that they can provide the necessary evidence to safeguard their legitimate rights and interests in case of disputes in the future. We can actively report to relevant functional departments the false propaganda involved in the live broadcast of broadcasters with goods and the phenomenon of data fraud and sales amount fraud on the live broadcast platform. Secondly, because of the elimination
Consumers are easily infected by the atmosphere driven by live broadcasters, so consumers should be rational consumption, make a good plan before watching the live broadcast, and do not impulse consumption.

4.2.3 Measurement 3: Functional departments should strengthen policy guidance, and live streaming platforms should strengthen supervision

With the rapid development of the live broadcasting economy, various good and bad live broadcasting platforms exist. Some live streaming platforms are one-sided in their pursuit of traffic and lack effective supervision over the quality and after-sales service of live streaming products. Therefore, it is necessary to scientifically guide the healthy development of the e-commerce live streaming industry, formulate corresponding measures in a targeted manner, and strive to create a positive and energetic live streaming environment. Relevant functional departments should better perform their regulatory duties, introduce scientific and comprehensive policies and regulations, and safeguard consumers' legitimate rights and interests of online live streaming. Because of the phenomenon of chaotic competition and frequent e-commerce live broadcast, relevant functional departments should establish and improve the review mechanism of the e-commerce live broadcast platform and formulate corresponding rules to help consumers effectively protect their rights. At the same time, it is suggested that relevant functional departments establish professional standards for e-commerce live broadcast marketers as soon as possible, and broadcasters must undergo professional training before working with certificates.

As a carrier connecting broadcasters and consumers, e-commerce live streaming platforms naturally assume the responsibility of creating a positive and healthy live streaming environment and are obligated to prevent the wanton spread of bad information. In the great wave of rapid development of e-commerce live streaming economy, some unscrupulous e-commerce companies, with the gimmick of "high quality and low price", collude with broadcasters to sell fake and shoddy products, seriously damaging the interests of consumers.

In this regard, the e-commerce live broadcasting platform should make a move, when necessary, which well performs the responsibility of the "administrator". For example, Kuaishou banned broadcasters who colluded with e-commerce companies to harm consumers' interests and rated broadcasters and e-commerce companies according to their behaviors to safeguard consumers' interests. More e-commerce Livestream platforms should actively follow up and strengthen supervision not to give unscrupulous e-commerce providers and broadcasters soil to survive. For example, the threshold for the recruitment of broadcasters should be raised, and the professional
ethics requirements should be set for the broadcasters already in service, and the good ones should be rewarded and the bad ones punished.

5. Conclusion

This study analyses the influence live electricity consumers purchase intention of relevant variables, including product information (product quality, brand awareness), the host features (professional, interactivity, popularity), anchor trust, trust product related variables, such as consumer self-efficacy as regulating variable, introduced at the same time, in-depth analysis the relationship between each variable. Consumers are more inclined to try something new while watching a live stream. It is proposed that an e-commerce strategy must not only be competitive in terms of pricing, but also in terms of quality in order to meet client demand. Furthermore, many customers believe that false propaganda should not be allowed on live streaming platforms. As a result, broadcasters should receive professional and skillful training. Star broadcasters are something that we can make. Anchor features, such as knowledge, interest, and attractiveness, were particularly important in increasing consumer trust and loyalty behavior.

This paper has limited survey participants, and the participants are all from author’s WeChat friends. Therefore, this may have some limitations. In future studies, (1) Expand the research sample. In the future, studies on e-commerce live streaming can be carried out for consumers in different regions, and a large amount of data can be collected for universal analysis. (2) In-depth study of the impact of cultural characteristics. As an important factor, culture has an important influence on user behavior. For example, many studies have shown that Different cultures deeply influence Chinese groups compared with European and American groups, and the influencing factors may be different under different cultures. In the future, we can study whether there are different influences on consumers' purchase intentions of e-commerce live broadcasts under different cultures.

References


