How The Livestream Marketing Model Influence the Consumer Decision-Making Process Amid the COVID-19?

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Abstract. The emerging of new media platforms and technology advancements is changing the landscape of online retailing and "touchpoints" in the consumer journey. How does the livestream marketing model influence the consumer decision-making process, and why it achieves exponential market growth within years are significant to answer? This article utilized the Five-Stage Model of the Consumer Buying Process, content, and data analysis method to conduct an in-depth case study of Alibaba's Taobao T-mall "Double 11" livestream marketing campaign amid COVID-19. The result shows that livestream marketing plays as an amplifier and filter that stimulates consumers to make the most cost-efficient purchase choices and largely shortens decision-making time. It undertakes the responsibilities of simultaneously entertaining the audience with intriguing digital content and providing consumers with seamless purchase experiences. The high integration degree between supply chain and livestreamers, showrooms and online e-commerce stores, brands and consumers empowers livestream marketing to convert public traffic pools into precisely segmented private traffic communities. Supported by a mature ecosystem, livestreaming will help create a multi-win situation for brands, consumers, online retailers, livestreamers, and e-commerce platforms with a lower barrier to entry and higher conversion rate across niche markets. This article is applicable to further studies in the academic fields of digital marketing, online retailing, psychology, economics, business, and sociology. It will also provide marketers and brands with strategic tools to better understand consumers' decision-making process, adapt to new alternations of "moment that matters", precisely target segmented audience groups, and enhance overall business performance.

Keywords: Livestream marketing; Decision making; Consumer behavior; Online retailing; COVID-19.

1. Introduction

The knowledge of consumer behaviors is the root of all kinds of marketing decisions [1]. Knowing and predicting how consumers behave and why they make buying decisions are significant for companies and brands to improve marketing strategies and achieve business success in the market [2]. With the emergence of technological advances and new shopping platforms, the COVID-19 pandemic has deeply changed consumers' shopping and buying habits with new regulations and procedures [3]. The boundaries between stores and homes have been blurred, deeply influencing consumers' shopping habits and consumption experience. Statista stated in the U.S. Consumer 2020 Report that 88% of consumers used digital video content in the past 12 months, and most consumers will conduct online research before making major purchases [4]. To capture the increasing demand for online shopping and home entertainment, marketers are thinking about new ways to better engage in consumer decision-making. The accelerated development of digital marketing catalyzed the thrive of new marketing models: livestream marketing strategy.

As Craig and Lv defined, "Livestreaming is broadcast video streaming services provided by web-based platforms and mobile applications that feature synchronous and cross-modal interactivity" [5]. Livestream marketing is an evolution of digital marketing strategy that connects anchors, brands, and consumers to achieve the value exchange between enterprises and customers [6]. It helped thousands of companies survive during COVID-19 and created a business breakthrough in the e-commerce industry. Taobao T-mall 2020 "Double 11" shopping festival hit the highest gross merchandise volume (GMV) of 498.2 billion yuan in history [7]. Thirty-three Taobao livestreaming showrooms
reached the gross merchandise volume of 100 million Yuan or higher, and almost 500 studios achieved a GMV of at least 10 million Yuan during "Double 11" [8].

The livestream marketing model has become a new economic engine driving revenue growth from big companies to small brands. It intertwines brands and consumers with livestreamers and digital technology. The mechanism and strategies behind livestream marketing deeply influence how consumers perceive, learn, access, and purchase products and services, which may also change some traditional recognition of consumers' decision-making process.

The consumer decision-making process is a hot research topic in marketing, economics, business, and psychology. As B Mullen and C Johnson described, consumers are the individuals who use the products, goods, or services of some organization or company [9]. The stimulus situation is the complex of conditions that collectively act as a stimulus to elicit responses from the consumers, and the consumer behavior can be described as the consequence of patterns or constellations of stimuli [9]. The consumer decision-making process starts from the beginning of any possible stimulus situation that consumers try to satisfy their needs, then flows across different stages until purchase, and continues to exist even after consuming products or services.

In 1965, Anderson published the oldest model that comprehensively described the consumer behavior patterns throughout the consumer decision process [10]. This model emphasizes the important roles of intrinsic attributes, extrinsic attributes, and price availabilities in the early decision-making stage and the significance of information in the filtration stage, which may change decision makers' beliefs, feelings, and disposition [11]. Middleton proposed an adapted stimulus-response model of buying behavior based on the communication filters, including learning, perception, and experience across communication channels, and the complex motivation in the dimensions of demographics, psychographics, needs or goals, and attitudes [11].

As Alina Stankevich introduced, after years of research development, marketers then agree on a traditional funnel model and try to reach the "touchpoints" or "moments that matter". The Funnel flows from awareness, familiarity, consideration to purchase and loyalty [2]. With the development of the Internet and media technology, consumers are trying new ways to gather information and complete the purchase action. The traditional funnel model is insufficient to reflect those changes and catch the "touchpoints" in different stages. As Kumar et al. analyzed, "Consumer's decision-making patterns are changing rapidly due to the ease of information transmitted through online facilities, and hence the marketers should keep a unique marketing mix in the process of formulating strategies for consumer attraction, loyalty and retention" [12].

The penetration of the Internet and new technology has provided consumers with tremendous options of searching recommending options that tremendously impact their online buying habits [12]. According to Stankevich, "Researchers are also beginning to understand the role of controlling the information flow about consumers' decisions, as increased control leads to increased performance. These new insights promise to be particularly important in the new online environments, where controlling the information flow can particularly influence the quality of consumers' decisions, memory, knowledge, and confidence" [2]. However, only a few researchers and scholars investigate the consumer-making process behind livestream marketing mechanisms and the influence of COVID-19 on consumer behaviors in the e-commerce and media industries.

Sang analyzed the impact factors of livestream marketing from a perspective of the digital transformation of enterprises. Under the big environment of the digital economy, livestream marketing enables more accurate data collection, more precise client portraits, various private traffic pools, and marketing model transformation with online value exchange [6]. From cultural and economic perspectives, Craig and Lv discussed rising trends of livestreaming, e-commerce, and the wang hong economy in China. The beauty vloggers, livesteamers, and game players, who enjoy a higher degree of economic stability and opportunity than online content creators in the Western countries, are combining their loyal fan communities with multiple e-commerce platforms, such as Alibaba's Taobao and T-mall, to transfer traffic into revenues [5].
However, only a few studies investigate the consumer decision-making process behind the mechanism of livestreaming and explore the significance in media, marketing, psychology, and economics industries. Can traditional decision-making models still be effective in the newly emerged livestream marketing strategy? How does livestream marketing strategy influence different stages of the consumer decision-making process? What kind of effective strategies do livestreamers utilize to attract consumers and encourage the action of purchase? Theoretically, this article will extend the understanding and evaluation of the mechanism of livestream marketing and its influence on the consumer decision-making process. Practically, this study will help marketers and companies better adapt to the new shits of "moment that matters" and create more "touchpoints" during the consumer journey of online shopping. It will empower organizations and brands to achieve revenue growth by improving marketing efficiency and precision, especially amid the COVID-19 pandemic.

2. Methodology

"Five-Stage Model of the Consumer Buying Process" will be utilized to conduct a case study of the 2020 T-mall "Double 11" livestream marketing model with secondary data and content analysis approaches.

The case study of T-mall "Double 11" in 2020 refers to the online shopping festival in China with a timeline from October 21, 2020, to November 11, 2020, which usually was compared as the Black Friday in the U.S. The content analysis will focus on Ya Wei's livestream contents and strategies (viya), who individually created the highest gross merchandise volume among other livestreamers.

Kotler and Keller proposed the "Five-Stage Model of the Consumer Buying Process" model (shown in figure 1) to describes consumer decision-making with five stages: need recognition, information search, evaluation of alternatives, purchase, and post-purchase behavior [13].

![Figure 1. The Five Stage of Consumer Decision Making Model](image)

The first stage of problem recognition will describe triggers and stimuli that help consumers recognize unsatisfied mental or physical needs in certain products or services, including current and potential problems. The information search is when consumers take advantage of personal sources, commercial sources, public sources, or experimental sources to gather information and consider the feasibility of purchase options. Evaluating alternatives will analyze a significant stage of selecting "the best one" from different dimensions, such as qualities, performance, user experiences, discounts, recommendations, or comparisons with other brands. The purchase decision is a critical moment when consumers find the most promising and cost-effective product or service and accomplish the buying action, influenced by product stories, brand reputation, quantity set, timing, shipping, and payment options. The post-purchase behavior reflects consumers' post-purchase satisfaction and advocacy possibility and contributes to forming a close loop and repeat purchases.
3. Result and Discussion

Supported by advanced technology and media platforms, livestreaming market is connecting the brands, consumers, and digital content creators in an organic way that people may never imagine in the previous decade. The data of Market Research Future shows that the global market of livestreaming is expected to surpass 247 billion dollars by 2027 [14].

Alibaba's Taobao Double 11 Shopping Festival was launched on T-mall e-commerce platforms from midnight on October 21 to 11:59 pm on November 11 in 2020. In the 22 days of the marketing campaign, more than 90% of core retailers on T-mall platforms utilized the live showrooms to broadcast their products and attracted a total number of 300+ million users crowded into their live streaming showrooms [8]. The livestreaming offered various product categories, including cosmetics, food and beverage, apparel and accessories, floral and pet products, home appliances, luxury brands, electronic products, automobiles, and real estate. The Double 11 catalyzed nearly 500 live showrooms with a 10 million yuan or above gross merchandise volume. The marketing strategies of livestreaming have become a critical booster to the total gross merchandise volume of 498.2 billion yuan in 2020 T-mall Double 11, which is 85.6% higher than the 2684 billion yuan in 2019 Double 11 shopping festival in China and more than 7 times 2020 U.S. Black Friday online sales of $9 billion. In sum, the research question of this article is:

How does livestreaming market strategy effectively impact the five stages of the consumer decision-making process and achieve an exponential market growth rate?

This article conducted an in-depth analysis of the 2020 Taobao T-mall "Double 11" based on the "Five-Stage Model" consumer decision-making model. The content analysis approach was utilized to investigate the impact of a livestreamer with the highest gross merchandise volume in China, Weiya (known as Viya), on consumer behaviors and marketing outcomes.

3.1 Problem Recognition

The problem recognition stage starts when livestreamers help the target audience recognize the current symptoms of certain issues and provoke the potential consuming needs. Influenced by the nature of livestreaming, the best sellers usually fall into categories of cosmetics, women clothing, electronic device, home appliance, and food, as shown in Table 1. The best-selling products all share important characteristics of a lower price, high frequency of usage, and shorter decision-making time. Before livestreaming begins, digital content creators will conduct market research on those retail categories and collect consumer feedback. They are responsible for filtering great products for consumers and adopt the business strategy of assuring the quality and variety of product lists.

<table>
<thead>
<tr>
<th>Top 9 Categories in Total Gross Merchandise Volume</th>
<th>Top 9 Categories in the Growth Rate of Gross Merchandise Volume</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cosmetics</td>
<td>Watch &amp; Eyeglasses</td>
</tr>
<tr>
<td>Women Clothing</td>
<td>Floral and Pet Supplies</td>
</tr>
<tr>
<td>Consumer Electronics</td>
<td>Local Life/Events</td>
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<tr>
<td>Major Appliances</td>
<td>Luggage and Accessories</td>
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<tr>
<td>Food and Beverage</td>
<td>Underwear</td>
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<tr>
<td>Jewelry and Accessories</td>
<td>Shoes</td>
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<tr>
<td>Small Appliances</td>
<td>Small Appliances</td>
</tr>
<tr>
<td>Mom and Baby Care Products</td>
<td>Outdoor and Sports Goods</td>
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<tr>
<td>Personal Care Products</td>
<td>Food and Beverage</td>
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</tbody>
</table>

The T-mall Double 11 consists of two stages: Presale (October 21 – 31 and November 4 – 10) and Final Sale (November 1 – 3 and November 11). The presale stage has become the best time for livestreaming to draw market attention and pave the way for the next information search step. Weiya,
as one of the most popular livestreamers in China, attracted a total number of 34,580,000 followers and offered 1669 different merchandise available for purchase in her live showroom during the 2020 T-mall Double 11. In early October, she promoted the shopping list of those 1669 products and successfully warmed up discussions across other social media platforms. This strategy can guide consumers to actively think through different goods categories, form initial purchase intent by themselves, and generate their ideal shopping list. The social media sentiments, comments, and topics feedback will also prepare the brands and livestreamers to segment consumer groups and refine digital content.

During live broadcasting, livestreamers utilize special discount and context storytelling strategies to stimulate consumer needs. For example, to promote pop-up sticky notes with pads in various shapes, livestreamers described the consumption context in daily usage and told a persuasive and intriguing story based on personal experience. The small note pads were described as a multifunctional tool for children's study, Mom's kitchen assistant, Father's work reminders, grandma's home notetaker, addons to calendars, or a love message to the one you care about. Consumers then "take a seat" in some of the vivid scenarios of consumption described by the livestreamer and become clear about their unsolved problems. Most special discounts are only available in live showrooms within a short period, which transforms the "potential and future" purchase intent into "strongly related and urgent" consumer needs.

### 3.2 Information Search

The livestream marketing model directly engages in the information search stage by providing consumers with comprehensive product information and price options, which largely shortens the decision-making process. When facing overwhelming information online, consumers will try inner or external channels to gather information and support purchase motivation, including the personal source (friends or families), commercial source (sales or stores), media platforms (TV or social media), and experimental sources (testing results).

Livestreaming marketing can build a communication tunnel between brands and consumers through extracting effective content and summarizing the information of products or services. By analyzing the broadcast contents and performance of Viya, the result shows that in the 22 days of the T-mall Double 11 shopping festival, 30 sessions of livestreaming were launched by Viya, the average length of livestreaming is 4.86 hours per day and a total number of 1.09 billion viewers accumulated in her showrooms. The highest length of daily livestreaming happened on October 21, the first day of presale, and reached a viewership of 140+ million. Unlike the rising popularity of short videos ranging from seconds to minutes, livestream marketing usually takes hours to condense effective information of one or multiple products. The sharing contents will include the following: Product basic function and characteristics, brand introduction, target customers, ways of usage, usage scenarios, price with limited-time special discounts, how to apply the discounts, choice sets, gift options, feedback from current customers, strengths and weaknesses compared with alternatives, etc.

Three important principles are commonly applied in successful livestream marketing: Honest, precise, and intriguing. Livestreamers can also be viewed as the key influencers or celebrities on the live broadcast media platforms. Honesty is the key factor in livestreamers building up a reliable reputation and becoming the best source for consumers' information search. It is the necessary condition because people follow, watch, trust, and buy products they recommend in the live showrooms. For example, when introducing a homemade instant noodle product, Viya conducted the product test from unpackaging, cooking, tasting, and evaluating in front of millions of viewers. Then Viya shared the authentic experience with tons of close friends of consumers. She precisely described the tastes of noodles and soup, and be honest that the noodles might be a great choice for people who dislike spicy flavors. To intrigue more consumers, Viya posted the discount coupons in the beginning, organized lottery activities for lucky audiences, and invited celebrities to join them in different time slots to attract different consumer segments in different time slots.
In this case, livestreamers have become a trustworthy and multifunctional source integrating personal, commercial, media, and experimental information in the information search stage of consumers’ decision-making process.

3.3 Evaluation of Alternatives

The livestream marketing filters information of alternatives and offers cost-effective purchase choices to support the consumers’ decision. The digital content creators in the livestreaming showrooms will feature speakers for both brands and consumers and evaluate by following criteria: The performance and unique features of products, the reputation of brands, benefits or discounts offered in the livestreaming, ratings and feedbacks from other consumers, comparison with similar products or brands, add-on values, such as longer warrantee.

The content analysis was conducted on Viya's most popular live sessions during the 2020 Taobao Double 11 presales, introducing the Crema Nera Extrema Supreme Reviving Cream of Giorgio Armani shown in Figure 2.

The interface of live showrooms displays user information of the livestreamer, Viya, with real-time viewers of 102.7 million people. In the middle of the page, official recognition by Taobao and partnered brands indicate the authenticity of products and the credibility of the livestreamer. On the right-hand side, consumers can easily learn detailed information about the Double 11 festival. They can pay a small deposit to preorder the products they like with discounts only available during the presale campaign and then pay the rest between November 1 to 3 to accomplish the purchase action.
At the bottom, the live showroom displays the direct link to the detailed description and purchase page of the products, which largely saves time researching the products or payment page. The original price of the Armani reviving cream is 2950 RMB/50ml. Viya unpackaged the cream and tried it on face to experience the features for consumers. She also calculated the math, compared the discount rate during other shopping festivals, and informed the audience that the final special discount of the product is 2930 RMB/95ml with a free, well-designed cosmetic bag. Consumers can also interact with the livestreamer to ask any concern or problem and receive an immediate response.

The livestreaming strategy aims to find and solve any possible needs for consumers and negotiate a lower price with partnered brands. It can guide consumers through evaluating alternatives stage filtering valid information, and recommending the best value of products in a shorter time.

### 3.4 Purchase Decision

The integration between livestreaming showrooms and e-commerce platforms, brands and consumers, empowers the livestream marketing model to convert the private and public traffic into purchase action. The target audience can accomplish the purchase action with great benefits and quality guarantees from the official brands. Product quality or performance metrics, benefits offered by brands, timing, quantity or choice set, payment methods, and post-purchase services are critical to accomplishing the final buying decision.

In the case study of Taobao Double 11, livestream marketing designed a frictionless and entertaining purchase experience from the following dimensions:

a) Multiple discount waves across different sessions of livestreaming
b) The presale campaign encouraging the early action
c) The final sale campaign completing the traffic conversion and repeat purchases
d) Clear descriptions on how to apply special discounts
e) Special price only available within a limited period
f) Discount rate of 20%-60% offered in a limited amount
g) Celebrities invited to increase the credibility of user experiences
h) Direct website link to the product e-commerce store page in all livestreaming showrooms
i) Discount automatically applied on the final payment page
j) Cashless payment to complete transactions
k) Free 1-3 days shipping option available

<table>
<thead>
<tr>
<th>Airtime</th>
<th>Transaction Value Per Customer</th>
<th>Sales Amount (by unit)</th>
<th>Gross Merchandise Volume</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020.11.10</td>
<td>986.02</td>
<td>4,295</td>
<td>4,235,000</td>
</tr>
<tr>
<td>2020.11.08</td>
<td>440</td>
<td>2,930</td>
<td>1,289,000</td>
</tr>
<tr>
<td>2020.11.01</td>
<td>746.86</td>
<td>13,700</td>
<td>10,232,000</td>
</tr>
<tr>
<td>2020.10.31</td>
<td>1099.08</td>
<td>17,406</td>
<td>19,131,000</td>
</tr>
<tr>
<td>2020.10.23</td>
<td>920</td>
<td>6,232</td>
<td>5,733,000</td>
</tr>
<tr>
<td>2020.10.21</td>
<td>1219.68</td>
<td>60,587</td>
<td>73,897,000</td>
</tr>
<tr>
<td>2020.10.20</td>
<td>645.027</td>
<td>274,846</td>
<td>177,283,000</td>
</tr>
<tr>
<td><strong>Average Transaction Value per customer</strong></td>
<td><strong>Total Sales Amount</strong></td>
<td><strong>Total GMV</strong></td>
<td></td>
</tr>
<tr>
<td>865.24</td>
<td>379996</td>
<td>291.8 million</td>
<td></td>
</tr>
</tbody>
</table>

To support the livestream marketing campaigns, Estee Lauder partnered with Viya during the Taobao Double 11 shopping festival and offered the historical lowest discount rate to Chinese customers. Estee Lauder opened their e-commerce store on Taobao T-mall. Consumers can purchase promoted products in Viya's live showroom with a quick website link directing to the corresponding
T-mall online store. As shown in Table 2, the average transaction value per customer on Estee Lauder products in Viya's livestreaming showroom is 865.24 RMB. The gross merchandise volume of Estee Lauder with Viya during the Double 11 festival is 291.8 million RMB with 379996 units of products sold [7]. All the transactions are supported by a cashless payment system, Alipay, built in the e-commerce platform of Taobao.

3.5 Post-purchase Behavior

The livestream marketing model offers secure post-purchase services and advocacy for repeat delivery to generate a close loop of the consumer decision-making process. Within 7 days after purchase, consumers can return or cancel their order by unconditional return policy (excludes foods and a certain type of cosmetics and personal care products). Further discounts and benefits will also be available for repeat purchases and friend invitations, which largely transforms the public and random traffic into a more private and precise traffic pool. The digital content creators will also collect consumer feedback to optimize the next round of livestream storytelling and gradually build up their fan community.

After the livestreaming on November 10, 2020, Viya attained 450,000 new followers and a gross merchandise value of 110 million RMB. The total number of followers or fans reached 37,913,000 people by the end of November 2020 [15]. From supply chain, brand partnerships, livestreaming contents to e-commerce stores, cashless payment system, post-sale services, and logistic systems, the 2020 T-mall Double 11 shopping festival deeply impacted five stages of the consumer decision-making process and turned the purchase experience into a new option for home entertainment in the 21st century.

In conclusion, livestream marketing strategies can help create a multi-win situation for brands, consumers, livestreamers, streaming media companies, and e-commerce platforms. It shifts consumers from a passively waiting and listening mode to the frontline, actively looking for products and platforms to fill their unsatisfied needs. It plays a critical role of filters to decide the information consumers receive, evaluate the problems and tell the purchase decisions for consumers in interactive and entertaining ways.

3.6 Implications

As Galloway pointed out, we all live in a culture of consumption, and the world economy and prosperity are largely predicted by how and how much we consume [16]. Understanding the stimulus and motivations behind consumer behaviors is beneficial for stakeholders to make effective decisions in the digital economy and information technology age. Scholars and researchers may use this article for further study in consumer behavior, decision-making model, online retailing, pricing model, digital marketing, and new media. The applicable subjects include marketing, psychology, economics, business, and sociology. This article can also be insightful guidance for marketers and companies to practice livestream marketing strategies to lower consumer decision-making barriers and increase purchase conversion rate in a more precise and efficient way.

Figure 3. The Long Tail Curve
More importantly, the overall performance of the livestream marketing model in the 2020 T-mall Shopping Festival breaks a common phenomenon of the Long Tail Curve. Anderson described that the future business is selling less or more because a small number of hits usually attain the majority of popularity or market share. In contrast, digital contents or products in niche markets only attract a little popularity and generate far fewer revenues as heavily-tailed distributions [17], as shown in Figure 3. However, based on a rank of gross merchandise volume, the top three livestreamers achieved 21.34 billion RMB but only occupied 4.28% of the total gross merchandise volume.

The Long Tail Curve may appear after years of intense competition and new evolutions of livestream platforms, but three critical factors prevent the quick forming of Long Tail Distribution. Firstly, livestream marketing provides every product with a relatively equal opportunity to tell stories on their tailored presentation stage (showroom). To a certain extent, consumers determine popularity. They care about quality, function, entertainment, and innovation of products more than brand reputation, which nourishes niche markets to thrive. Secondly, low barriers to entry in the livestream marketing model encourage livestreamers and e-commerce stores to participate. Customers choose showrooms from various categories and become active consumers in a highly segmented traffic pool. In other words, there are abundant information and options for the target audience to decide, and consumers undertake certain responsibilities to segment markets in a more precise way. This kind of consumer behavior is an interesting prerequisite to increase later conversion rate and prepare niche market success. Thirdly, Taobao T-mall has a mature ecosystem to support livestreaming from comprehensive channels. Top livestreamers cannot monopolize the markets because brands also have self-operated e-commerce stories and livestream showrooms, fully independent of livestreamers. Table 3 displays the livestreaming performance comparison between Viya's showroom and Estee Lauder official e-commerce store during Taobao T-mall Double 11 Festival [7]. Undoubtedly, the brand partnership between Viya and Estee Lauder has brought considerable revenues and public interest to Estee Lauder, but it only contributes to 12.14% of the gross merchandise volume of Estee Lauder's official online store on T-mall.

<table>
<thead>
<tr>
<th>2020 Taobao T-mall Double 11 Shopping Festival</th>
<th>Average Transaction Value per customer</th>
<th>Gross Merchandise Volume</th>
</tr>
</thead>
<tbody>
<tr>
<td>Viya's Showroom Performance on Estee Lauder Products (livestreamer-cooperation)</td>
<td>865.24 RMB</td>
<td>291.8 million RMB</td>
</tr>
<tr>
<td>Estee Lauder Official Brand E-Commerce Store Performance on Taobao T-mall (self-operation)</td>
<td>711.42 RMB</td>
<td>2404 million RMB</td>
</tr>
</tbody>
</table>

Taobao T-mall also launched Presale and BigSale campaigns to initiate wider consumer consideration and multiple purchase actions outside livestream showrooms. Social media and search engine advertisements play an important role as an amplifier to spark public discussion, inform livestream plays, enhance conversion rate in consumer decision-making. Those factors and the ecosystem behind the livestream marketing model mutually achieve business success in online retailing and livestreaming industries.

4. Conclusions

COVID-19 has accelerated the development of information technology and the digital economy. The case study on the 2020 Taobao T-mall Double 11 shopping festival demonstrates that the livestream marketing model can deeply affect five stages of consumers’ decision-making process and shift the emphasis that marketers and researchers focus on. Livestream marketing provides consumers with both a frictionless shopping journey and a productive, entertaining experience.
The problem recognition stage begins much earlier than the official launches of livestream showrooms. Social media, e-commerce platforms, and livestream storytelling mutually guide the target audience to recognize current problems in daily life and provoke potential consuming needs. The engagement of the livestream marketing model in the information search stage is to become a competent assistant on condensing comprehensive product information and price options for consumers and reduce time spent on information-search and decision-making processes. Moving to the stage of evaluation of alternatives, digital content creators in livestream showrooms filter high-quality, trendy, and innovative products from a variety of niche markets, which are not commonly available in physical stores. They help consumers make cost-effective purchase choices with advocacy mainly based on creditable user experiences and reliable official brand partnerships. Livestream showrooms are highly integrated with e-commerce platforms to convert audience into followers, public traffic pools into private fan communities, entertaining content consumption into actual purchase action. The majority of transactions are supported by direct linkage back to official e-commerce stores with an authenticity guarantee and a cashless payment system. The mature ecosystem behind livestreaming, such as supply chain, social media, Presale and BigSale campaigns, two-day shipping, reciprocally generate a close loop after purchase action is accomplished and extend the influence of livestreaming outside showrooms.

This article conducted in-depth research on a case study of the Taobao T-mall Double 11 shopping festival in 2020 using the Five Stages Model, which might not be applicable in all situations. The findings and insights may change in other situations, such as different cultures or regions. Newly developed media technologies in the future may change the extent and methods that livestreaming impacts each stage of the decision-making process of consumers as well. Further studies on consumers' decision-making models, global livestreaming strategies and statistical big data analysis are recommended.

References


