

The Effectiveness of Live-Streaming Influencers on Consumers: A Case Study in Douyin

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Abstract. In China, live streaming has grown significantly in recent years, and live streaming platforms have allowed companies to interact with their target audience in more profound and engaging ways. Influencers have produced advertising effects and sales through live-streaming platforms such as Douyin. The aim of this study was to find out how viewers' purchase intentions are affected by influencers' attractiveness, expertise, and trustworthiness in Douyin live-streaming videos. This study undertook a review of celebrity endorsement theory. A structured online questionnaire was employed as part of a quantitative research strategy and data from 204 respondents has been examined using SPSS with regression analysis. The results showed that viewers' purchase intention is positively impacted by live-streaming influencers' attractiveness, and expertise, while the influencers' trustworthiness has a positive but not statistically significant effect on viewers' desire to buy. After that, this paper talked about what this means for both advertisers and influencers in terms of live-streaming e-commerce.

Keywords: Celebrity Endorsement Theory; Live Streaming; Influencer.

1. Introduction

1.1 Research Background

Live streaming has grown a lot in China in the past few years because more people have mobile devices with high-quality cameras and fast internet. It is no longer a way of socializing and entertainment but a widely used marketing strategy tool for many businesses. According to a China Internet Network Information Center report, 31.9 percent of China's 309 million Internet users participated in live-streaming e-commerce as of January 2021 [1]. Live streaming platforms have made it possible for businesses to have more meaningful and engaging interactions with their target audiences. Influencers with a large following have produced advertising effects and sales through live-streaming platforms such as Douyin. These online influencers are content producers with influence over others, and through e-commerce or online advertising, they convert web visitors into sales based on the noticeable influence.

The traditional conception of influencer marketing held that having famous individuals pose for photographs or having celebrities make appearances in television commercials would persuade customers to test out a company's products or services by appealing to the customers' particular passions and hobbies. As a result of advances in technology, businesses now have access to a diverse selection of advertising methods from which they may pick to promote their products. Some people in today's society utilize the social media accounts they have in order to promote certain businesses and goods through the use of sponsored content. By taking part in the discussion, customers may also signal to one another their favorite products. Influencer marketing has gained popularity as a strategy for expanding a company's customer base and generating more income, largely due to the fact that it allows firms to build lasting bonds with their clients. Because of this, many businesses are switching to more modern forms of promotion, including influencer marketing, rather than sticking with the tried-and-true ways of yesteryear. The capacity to present oneself as an authority on the internet has been crucial to the rise of internet influencers.

1.2 Research Gap

An increasing amount of academic research examines the advantages of celebrity endorser marketing and the mechanisms underlying celebrity endorser effects on brand perceptions. The majority of research, however, took place in the context of conventional mass media as well as some social media like a blog, a social networking site, or a short video site. Does the celebrity endorser effect still work in the live-streaming context? The study has rarely been studied on the live streaming phenomena and influencers on such platforms. Therefore, this study focuses on live-streaming influencers and e-commerce on Douyin, to examine the effects of live-streaming influencers' attractiveness, expertise, and trustworthiness on viewers' purchase intention to fill in the research gap.

1.3 Structure of This Paper

This study tries to find out how the expertise, attractiveness, and trustworthiness of influencers affect people's intentions to purchase when they watch live-streaming videos on Douyin. Firstly, an outline of the study's background is provided. Secondly, the topic of celebrity endorsement and its consequences on customers' purchasing intentions are examined. At the same time, there is a review of the literature on celebrity endorsement. The next sections explain how the study was done and what it found. After that, the importance of the study for both academics and practitioners is talked about. Based on these findings, the research is anticipated to arrive at solid theoretical research results and then advance more practical marketing recommendations for e-commerce marketers and live-streaming influencers.

2. Literature Review

2.1 Definition of Celebrity Endorsement Theory

A person who is well-known in the community or at the very least among the target audiences of the business is considered to be a celebrity endorser if they like the attention that comes with being in the public eye. This individual has the potential to capitalize on their stellar reputation by launching a product and promoting the product in a manner that would attract buyers [2]. The use of a celebrity's wide appeal, high degree of knowledge among the general public, and distinctive social status in order to increase sales is referred to as the practice of employing celebrity endorsement [3]. A fruitful strategy in marketing, the use of celebrity influence, has emerged as a result of the fact that businesses may profit from the excellent qualities that celebrities possess [4].

2.2 Important Results

Erdogan argues that there are many factors beyond physical appearance that contribute to one's attractiveness [5]. A celebrity endorser's attractiveness may include a wide variety of positive traits, such as intelligence, personality, lifestyle, and physical prowess [5]. To capitalize on the impact of both celebrity status and physical beauty, celebrities have traditionally been chosen as endorsers based on their physical appearance [5].

Endorsers are more likely to positively impact customers' purchase intention if they possess a high level of attractiveness [3]. Liu et al. examined the connections between the match-up, buying intention of customers, and the attractiveness of athlete endorsers in China [6]. The study shows that consumers' intentions to make purchases are significantly influenced by attractiveness, which means they typically want physical appeal from brand or product endorsers [6]. Consumers tend to accept very attractive endorsers unless the endorser's remarkable expert performance is so excellent that they can disregard his or her attractiveness [6]. Frank et al. applied hierarchical linear modeling in a study to analyze 1319 customer opinions about athlete-endorsed advertisements in Japan [7]. The results show that athlete achievement appeal, and personality appeal, but not sex appeal, both significantly boost consumer equity drivers [7].

Van der Walddt et al. say that the basic definition of expertise is how much the endorser is thought to have the knowledge, experience, or skills to sell the product [9]. The knowledge that endorsers have can have a big effect on how engaged consumers are and, as a result, how much they want to buy [8]. Lafferty et al. looked at how the expertise of an endorser affects how people feel about a brand, how likely they are to buy it, and how much they are willing to pay for a new cell phone. They also looked at how customer innovation affects that effect [9]. According to the findings, there is a strong relationship between innovativeness and endorser competence for each of the three dependent variables [9].

There is strong evidence that trustworthiness has an impact on how people behave. Onu et al. conducted a study to investigate how customer purchase intentions for a certain type of telecommunication in Nigeria are influenced by a celebrity's physical attractiveness and trustworthiness, and the results showed that celebrity trustworthiness has a favorable and considerable impact on consumers' inclination to purchase from specific Nigerian telecommunications providers [10]. Evidence from Weismueller et al.'s study on German Instagram users showed that trustworthiness significantly increases the probability that a consumer makes a purchase [11].

2.3 Summary

Previous studies have shown that a celebrity's attractiveness, trustworthiness, and level of expertise are the three characteristics that have the greatest impact on a consumer's choice of whether or not to make a purchase based on that celebrity's endorsement. Additionally, previous studies have shown that buyers are more inclined to purchase a product if the celebrity who endorses it is beautiful, trustworthy, and has a great deal of knowledge of the item in question. In this study, the context of the live stream online interactive platform Douyin was used to set up the following hypothesis: the three demotions of the influencer who always showed up in the live stream Douyin could have a significant and positive impact on the consumers' intention to make a purchase.

3. Method

3.1 Research Design

Within the scope of the study, a quantitative analysis approach was utilized to successfully complete the research objectives. In order to collect information from respondents who had watched live-streaming videos on Douyin and purchased merchandise from the channel, a survey that included a structured questionnaire was devised. The information that was gathered was fed into the SPSS software, and a regression analysis was carried out to determine the extent to which factors such as attractiveness, knowledge, and trustworthiness influence the desire to make a purchase.

This research, which seeks to establish the relationship between live streaming influencers' endorsement impact on live streaming viewers' buy intention, is striking in its closeness to the two studies that were discussed earlier. It is possible that the research could benefit from employing the quantitative method based on questionnaires.

3.2 Data Collection

Participants in this research were going to be asked to fill out a survey after they had used Douyin to watch live-streaming videos or purchased things through the platform. Respondents were asked to recall their experiences with watching live-streaming videos and purchasing products through the channel at the beginning of the questionnaire. They were required to recall these experiences while responding to questions about the characteristics of influencers and crucial factors in triggering their purchase intention. The initial portion of the survey consisted of collecting four fundamental figures from the participants. The second section of the questionnaire was crafted by making use of earlier frameworks and studies, such as the four dimensions and the desire to purchase. Wenjuanxing, a website that allows users to create online questionnaires and conduct surveys, was utilized in the

compilation of the results of an anonymous survey that was carried out online (equivalent to Qualtrics or SurveyMonkey).

3.3 Data Analysis

The online survey resulted in the collection of 225 questionnaires, from which 204 samples were selected for data analysis following the removal of the replies that were deemed irrelevant. SPSS was used to conduct statistical analysis, including regression analysis, on the data that were obtained.

54.9 percent of the total number of responders are female, while 45.1 percent are male. Twenty-four-point five percent of the respondents polled were between the ages of 18 and 25, more than fifty-four-point nine percent were between the ages of 26 and 35-, and twenty-point six percent were aged 36 or older. The majority of the sample, which makes up 81.4 percent, possesses a bachelor's degree, while 10.3 percent either did not complete high school or held a high school diploma, 7.8 percent held a master's degree, and one respondent, making up 0.5 percent, held a Ph.D. degree. There were 9.3% of respondents whose monthly income was less than CNY 2,000, 20.6% whose monthly income was between CNY 2,000 and CNY 4,000, 34.3% whose monthly income was between CNY 4,000 and CNY 8,000, and 35.8% whose monthly income was greater than CNY 8,000.

4. Results

It was determined whether the data were reliable and whether the variables were legitimate. In order to evaluate the level of internal consistency and dependability, a Cronbach's Alpha test with a minimum value of 0.6 was carried out. The findings of Cronbach's coefficients indicated that the measuring scale has a level of internal consistency that was satisfactory.

According to Sekaran, the Kaiser-Meyer-Olkin (KMO) test has to be more than 0.70. The findings of the study indicated that all components of the test match the necessary value, which demonstrates that the validity of the data was adequate and acceptable.

An investigation into the linear nature of the correlations between the dimensions was the purpose of the correlation study. The results indicate that there is a positive correlation that is both statistically significant and present between all three independent factors and the intention to purchase. In addition, it was possible to deduce from the correlation matrix that all aspects of a variable had significant relationships with other variables at the 1% significance level.

The regression analysis has been utilized, and the correlation study reveals that there is a linear link that is statistically significant between all three dimensions and the desire to purchase. The results of the ANOVA are presented in Table 1. According to the findings, there is a statistically significant relationship between the three independent factors and the dependent variable (p less than 0.01).

Table 1. ANOVA.

	SS	df	MS	F	Sig. F
Regression	22.422	3	7.474	22.182	0.000
Residual	67.388	200	0.337		
Total	89.810	203			

Both the adjusted R square and the adjusted coefficients of determination are changed by this. R-square suggests that about 25% of the variation in the independent variable can be explained by the independent variable, R squared is 0.5, which means that the relationship between the dependent and independent variables is quite strong (see Table 2).

Table 2. Regression Statistics.

R	R Square	Adjusted R Square	Std. Error
0.500	0.250	0.238	0.58046

- a. Predictors: (Constant), Attractiveness, Expertise, Trustworthiness
- b. Dependent Variable: Purchase Intention

The results show that the attractiveness of influencers has a positive and significant effect on the intention to buy ($\beta = 0.223$, $p < 0.01$). The analysis of expertise also shows that it has a positive and significant ($\beta = 0.248$, $p < 0.01$) effect on the intention to buy. When it comes to trustworthiness, there seems to be a small but positive effect on purchase intention ($\beta = 0.102$, $p > 0.05$) (see Table 3).

Table 3. Coefficients.

	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	1.452	0.283		5.139	0.000
ATT	0.223	0.053	0.283	4.178	0.000
EXP	0.248	0.084	0.236	2.959	0.003
TRU	0.102	0.081	0.103	1.265	0.207

- a. Predictors: (Constant), Attractiveness, Expertise, Trustworthiness
- b. Dependent Variable: Purchase Intention

5. Discussion

The purpose of this study was to investigate the effect that live-streaming influencers have on customers' intentions to make a purchase on Douyin, the most popular short video platform in China. According to the findings, an audience member's propensity to make a purchase is favorably influenced by all three aspects of an influencer: their beauty, their competence, and their trustworthiness. The regression analysis also led to the conclusion that attractiveness and expertise play a significant moderating role in the relationship between the impact of a live-streaming influencer and the customer's intention to make a purchase, while trustworthiness has a negligible impact on purchase intention. The research also revealed that a live streamer's level of competence is the single most important factor in determining whether or not a viewer would make a purchase.

The results of the research about the attractiveness dimension and expertise dimension are consistent with the body of existing literature and present evidence for the celebrity endorsement theory's predictions on how the two dimensions work to affect viewers' purchase intention in the context of Douyin live streaming videos. However, the findings did not support the idea that trustworthiness positively impacts purchase intention. The reason might be the difference in the interaction model and trust-building mechanism in live streaming shopping, which vary greatly from offline shopping and other forms of online shopping. The findings also demonstrate the necessity for more empirical investigation into the question because the effects on purchase intention from an endorser might differ in different contexts depending on the environmental traits.

The study's findings have certain implications for both e-commerce marketers and live-streaming influencers. According to the research, it has been proven the value of celebrity endorsement is a powerful instrument in live-streaming e-commerce. Celebrity endorsement may be exploited strategically to attract viewers' attention and raise their purchase intention. To design compelling advertising in live streaming videos, marketers must choose and employ influencers that the target consumers consider to be attractive, expert, and trustworthy. Furthermore, since the study showed that the largest factor influencing viewers' desire to make a purchase is the influencer's expertise, live-streaming influencers may boost knowledge capacity and professional skills to maximize the impact on present and prospective customers. Therefore, as online celebrity live broadcast marketing products has become a new mode of marketing, companies or products should choose appropriate spokespersons to promote products, and find the right spokespersons with a certain level of cognition and professional knowledge of the products, which will have a greater impact on consumers.

Endorsements increase the desirability of a product, making it more likely that consumers will purchase it. On the other hand, users will profit not only from the product itself but also from increased pertinent knowledge and information, which may lead to higher use benefits for the product itself if visitors listen to more fascinating and professional online superstars live as they bring things.

6. Conclusion

Over the past several years, live streaming has experienced explosive growth in China, and the proliferation of live-streaming platforms has enabled businesses to engage in more meaningful and interesting ways with the consumers they are trying to reach. This research focuses on live-streaming influencers as well as e-commerce on the platform Douyin. It investigates how viewers' intentions to buy from live-streaming influencers are affected by factors such as the attractiveness of the influencer, the knowledge of the influencer, and the trustworthiness of the influencer. According to the findings, the attractiveness and expertise of live-streaming influencers have a positive and significant effect on viewers' intentions to make a purchase, whereas the trustworthiness of live-streaming influencers has a positive effect on viewers' intentions to make a purchase, but only on a small degree.

In the context of live streaming, the findings have a few repercussions that might be important for influencers as well as advertisers. According to the findings of the study, the expertise of the influencer has the single most significant impact on the likelihood that viewers will make a purchase during live-streaming e-commerce. As a result, influencers may wish to improve their information capacity and professional abilities in order to maximize their impact on existing consumers and those who may become customers in the future. In order to develop advertising that is engaging for live-streaming videos, it is recommended to marketers that they identify influencers to collaborate with who are beautiful, competent, and dependable in the eyes of their target audience.

This research has a few flaws that need to be addressed. To begin, the majority of this piece is dedicated to discussing Douyin, which is the most popular platform in China for short videos. However, live-streaming influencer endorsements are popular on other platforms, and viewers' attitudes are subject to alter based on their cultural background, the atmosphere of the site, and the amount of time they spend online. As a consequence of this, the findings of this article might not be applicable to other platforms. It is recommended that future research be carried out on other platforms in order to broaden the scope of its implications and expand the diversity of its findings. Second, because this research employs a quantitative methodology, it is possible that future research could make a significant contribution by employing a more qualitative methodology and conducting interviews with live-streaming influencers as well as marketers in order to gain a better understanding of how the attractiveness, expertise, and trustworthiness of influencers affect viewers' intentions to purchase.

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