The Influencing Factors of Live-streaming on Consumers' Purchase Intention

Fang Li1,2,a, Manuelita G. Valencia1,2

1Graduate School, Angeles University Foundation, Angeles, 2009, Philippine
2Management School, Zhejiang Industry & Trade Vocational College, Wenzhou, 325003, China
afang.li@auf.edu.ph, bvalencia.manuelita@auf.edu.ph

Abstract: The rapid advancement of the Internet and information technology has facilitated the emergence of live-streaming as a novel business model in recent years (Wongkitrungrueng & Assarut, 2020)[1]. Comprising elements of "live-streaming + social networking + e-commerce," this model has garnered increasing attention due to the escalating competition within the online retail sector and the growing consumer demand for enhanced shopping experiences (Ma et al., 2022)[2]. Consequently, many e-commerce platforms and sellers integrate "live-streaming" into their marketing strategies to adapt to the evolving commercial landscape. This approach drives significant sales increases for businesses and fosters stronger brand loyalty among consumers (Liu et al., 2022)[3]. Moreover, live-streaming has evolved beyond merely satisfying consumers' online shopping needs. It extends its reach into philanthropy and rural development, attracting extensive scholarly interest (Yu & Zhang, 2022)[4]. However, despite its significance, academic study on the impact of live-streaming on consumer behavior remains in its nascent stages, and most of the research mainly explores the influence of live-streaming on online purchase intention from the perspectives of platforms, streamers, and consumer psychology. As live-streaming represents a complex interplay of various stimuli, it is imperative to explore how consumers' perceptions of value under multiple live-streaming stimuli affect their online purchasing intentions.

Keywords: Live-streaming, Influencing factors, Online purchase intention

1. Introduction

Since its emergence in 2016, the live-streaming shopping model has experienced rapid growth, mainly propelled by shifts in consumer information needs and purchasing habits amidst the COVID-19 pandemic (Ma, 2021)[5]. With online shopping gaining popularity, live-streaming has expanded significantly, accelerating transaction volumes (Hu & Chaudhry, 2020)[6]. Live-streaming broadens product distribution channels across diverse sales environments, and live-streaming shopping has emerged as a pivotal force driving consumer advancement, facilitating rural revitalization, and fostering national economic development (Li et al., 2022)[7].

The considerable success of live-streaming, alongside its pivotal role in economic growth, has drawn the attention of many scholars to investigate this phenomenon. According to Sun et al. (2019)[8], live-streaming represents an innovative form of online shopping that seamlessly integrates real-time video and electronic commerce. Hosts utilize live video to present products to customers in real-time, engaging in efficient interaction to stimulate online sales. Live-streaming employs virtual face-to-face technology to facilitate effective social interaction, significantly expanding upon traditional e-commerce practices (Xu et al., 2020)[9]. It enables a more comprehensive and intuitive dissemination of product information, fostering dynamic real-time interaction between sellers (hosts) and viewers (consumers), incorporating hedonic elements to attract consumers, thereby creating a purchasing environment that ultimately enhances conversion rates (Zhou & Tong, 2022)[10].

As an emerging business activity, live-streaming shopping still needs to be explored. Prior research has investigated various factors influencing consumers' propensity to purchase during live streams from distinct perspectives, including IT availability (Sun et al., 2019)[8], product compatibility (Park & Lin, 2020)[11], consumer-host interaction (Zhong et al., 2022; Chen et al., 2021)[12][13], and influencer endorsements (He & Jin, 2022; Wang et al., 2022)[14][15]. However, more analysis is needed regarding live-streaming as an integrated stimulus. A comprehensive examination and synthesis of
existing literature are warranted to explore the potential of live-streaming as an emerging marketing strategy, serving as an integrated stimulus to elicit consumer responses and drive purchase intent.

2. Main Discussion Points

With the widespread adoption of live-streaming, scholars have turned their attention to this medium and initiated relevant research endeavours. Earlier researches on live-streaming primarily centred on gaming, sports, and e-sports (Zhao et al., 2018; Xu et al., 2021)\[16]\[17], as well as delving into the motivations behind user viewership and participation in live streams (Hilvert-Bruce et al., 2018; Xu et al., 2020)\[18]\[9]. A growing number of academics are focusing on studies examining the variables influencing consumers' intentions to purchase online. There is a need to investigate other domains, and this study would like to explore the impact of live-streaming on online purchasing intentions from the perspectives of platforms, streamers, and consumer psychology.

2.1. Live-streaming Platforms

Existing research suggests that the technological features and information presentation of live-streaming significantly impact consumers' purchasing intentions in live-streaming. Chan et al. (2017)\[19] argue that website stimuli, such as media format, payment features, and website features, influence consumers' cognitive and emotional responses, shaping impulsive online purchasing behavior. Dong and Wang (2018)\[20] have conducted previous studies that explore how six sub-dimensions of information technology affordances related to online social commerce—visibility, meta-voicing, triggered attending, guidance shopping, social connecting, and trading—improve the quality of interactions, influence the social ties that bind buyers and sellers, and encourage consumers to make repeat purchases. Sun et al.(2019)\[8], focusing on IT affordances, confirm that factors like visibility affordance, meta-voicing affordance, and guidance shopping affordance can influence users' online purchase intentions through psychological perceptions such as immersion and presence. Dhingra et al. (2020)\[21] determined that website design, responsiveness, trust, personalization, and reliability are the online service quality characteristics of e-commerce websites. The study also examined how these dimensions affected consumer satisfaction and purchase intention. According to Ma et al. (2022)\[2], social media networks lack the interactivity, visual appeal, and professionalism of e-commerce platforms. These platform characteristics significantly influenced consumers' online purchase intentions. Lin et al. (2022)\[22] showed that the convenience of live-streaming platforms positively stimulates consumers' perceived enjoyment, which in turn affects consumers' purchase intention. The choice of a live-streaming platform and the planning of live content are factors that streamers must carefully consider. Aljabari et al. (2023)\[23] examined the relationship between purchase intention and the quality of live-streaming websites. They found that customer satisfaction, trust, and live-streaming website quality significantly increase eWOM, increasing consumers' intent to purchase in the e-commerce industry.

2.2. Live Streamers

In live-streaming, streamers, commonly called Key Opinion Leaders (KOL), exhibit distinct broadcasting styles, expertise, personalities, and appeal (Zhao et al., 2018)\[16]. Given their central role, there has been a growing focus on analyzing consumers' online purchasing intentions from the perspective of streamers. Xu et al. (2020)\[9] have demonstrated that the allure of streamers significantly influences consumers' cognitive and emotional responses, thereby facilitating their shopping behavior. Moreover, Guo et al. (2021)\[24] and Chen et al. (2021)\[13] have emphasized the impact of consumer trust in streamers on their purchasing intentions. Li and Peng (2021)\[25] have delved into how streamer attributes like credibility, professionalism, and attractiveness influence giving gifts during live-streaming sessions. Additionally, Guo et al. (2022)\[26] have identified streamer characteristics such as beauty, expertise, humor, and passion as pivotal factors influencing consumers' viewership and purchase intentions, underscoring the significance of streamer professionalism. Furthermore, He et al. (2022)\[27] have examined official live-streaming streamers and found that attributes like attractiveness, interaction friendliness, professionalism, and credibility of these streamers impact consumers' participation and purchase intentions.

2.3. Consumer Psychology Research

Some researchers have focused on delving into the underlying psychological processes of consumers
in the live-streaming context. Hu and Chaudhry (2020) investigated the interplay between relational bonds, affective commitment, and consumer engagement, revealing that relational bonds reinforce consumer engagement through affective commitment. Park and Lin (2020) delved into the influence of various matches on consumer attitudes, uncovering that product and content alignment impacts consumers' utilitarian and hedonic attitudes, subsequently affecting their purchase intentions. Wongkitrungrueng and Assarut (2020) investigated the relationship between consumers' perceived value, customer trust, and engagement in a live-streaming context. Their findings suggested that live-streaming services' utilitarian, hedonic, and symbolic value enhances consumer trust in products and sellers, amplifying consumer engagement and bolstering live-streaming sales. Additionally, Zhou et al. (2021) identified hedonic motivation, trust, and habit as pivotal factors influencing consumers' online purchase intentions. Scholarly studies have demonstrated that trust (Liu et al., 2019; Zhong et al., 2022), cognition and affection (Chen & Wang, 2017; Pop et al., 2023), social presence (Li et al., 2019; Zhu et al., 2022) these consumer psychology can have an impact on consumers' online purchase intention.

2.4. Online Purchase Intention

<table>
<thead>
<tr>
<th>Influencing Factors</th>
<th>Variable</th>
<th>Conclusion</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Live-streaming Platforms</td>
<td>Information Technology Affordance</td>
<td>Significantly impact consumers' online purchasing intentions.</td>
<td>Dong and Wang (2018); Sun et al. (2019)</td>
</tr>
<tr>
<td></td>
<td>Platform Characteristics (Visual Appeal; Convenience)</td>
<td>Significantly influenced consumers' online purchase intentions.</td>
<td>Lin et al. (2022)</td>
</tr>
<tr>
<td></td>
<td>Quality of Live-streaming Websites</td>
<td>Significantly increase eWOM, increasing consumers' intent to purchase.</td>
<td>Dhingra et al. (2020); Aijabari et al. (2023)</td>
</tr>
<tr>
<td>Live Streamers</td>
<td>Professionalism and Credibility</td>
<td>Pivotal factors influencing consumers' viewership and purchase intentions.</td>
<td>Chen et al. (2021); He et al. (2022)</td>
</tr>
<tr>
<td></td>
<td>Humor and Passion</td>
<td>Significantly impact consumers' participation and purchase intentions.</td>
<td>Guo et al. (2022)</td>
</tr>
<tr>
<td>Consumer Psychology Research</td>
<td>Trust</td>
<td>Amplifying consumer engagement and bolstering live-streaming sales.</td>
<td>Wongkitrungrueng and Assarut (2020); Zhou et al. (2021)</td>
</tr>
<tr>
<td></td>
<td>Cognition and Affection</td>
<td>Significantly impact consumers' online purchasing intentions.</td>
<td>Park and Lin (2020); Zhu et al. (2022)</td>
</tr>
<tr>
<td></td>
<td>Social Presence</td>
<td>Significantly influenced consumers' online purchase intentions.</td>
<td>Liu et al. (2019); Zhu et al. (2022)</td>
</tr>
</tbody>
</table>

Purchase intention denotes the likelihood of consumers purchasing products or services within marketing endeavors (Zhang et al., 2019). As per Ajzen (2020), consumers with a robust motivational inclination toward a specific product are likelier to act in the future, like making a purchase. Online purchase intention refers to consumers' willingness to procure products or services in online shopping, predicated upon Internet platforms and steered by emotional and cognitive assessments. Unlike traditional purchase intentions, the factors influencing online purchase intention fluctuate due to shifts in the purchasing landscape. Technological attributes of shopping websites (Dhingra et al., 2020; Qalati et al., 2021), characteristics of live streamers (Li & Peng, 2021; Guo et al., 2022), consumer perceptions (Park & Lin, 2020), and product features (Trivedi & Sama, 2019; Lu & Chen, 2021) all exert an impact on consumers' online purchase intentions. A comprehensive understanding of the significance of each factor and their pathways of influence plays a crucial role for online sellers regarding information dissemination and consumer retention. Hence, it is imperative to investigate the factors influencing online purchase intention. Chen et al. (2020) posited that within the e-commerce milieu, the extent to which customers intend to make specific online purchases is contingent upon their purchase intentions. Guo et al. (2021) discovered that live-streaming features greatly reduced consumers' perceived uncertainty while significantly increasing their perceived value and buy intention. Zhu et al. (2022) showed that customers' perceived value would be positively impacted by information-task fit, visualization, and sociability. Perceived utility and enjoyment would also favorably impact customers' purchase intentions. Fülöp et al. (2023) found that information search is an essential predictor of online purchase intention, which utilitarian and hedonic motives will positively influence. In practical research, scholars frequently use online purchase intention to predict purchasing behavior. Chen et al. (2021) contended that the degree of a customer's intention to make a particular online purchase is determined by their purchase intention in an e-commerce setting. Researchers often use online purchase...
intentions in practical studies to predict purchase behavior.

Table 1 summarizes the factors of live-streaming in the study of consumers' purchase intention.

3. Conclusions

In the burgeoning realm of live-streaming, highly socialized shopping environments significantly enhance consumers' perceptual experiences, enticing an expanding cohort of individuals to partake in online shopping. The rapid ascent of live-streaming has garnered increasing scholarly attention, with researchers delving into motivations for participation and purchase intentions. Scholars have extensively verified the promotion of consumers' online purchase intention from different perspectives, such as online platforms, streamers, and consumer psychology. These investigations introduce diverse theoretical perspectives to decipher the pivotal factors underpinning successful live-streaming implementation, thereby furnishing academic insights and theoretical frameworks to facilitate deeper inquiry into the domain. Recent scholarly endeavors have been predominantly directed towards delineating the determinants of consumer purchase intentions, exploring empirical dimensions ranging from the distinctive attributes of live-streaming (including interactivity, visibility, and convenience) to the personas of live streamers (encompassing professionalism and entertainment value) and consumer psychology (trust, perceived value, and perceived risk). Some scholars have deeply studied the influencing mechanism of live-streaming platform characteristics and streamer attributes on consumers' purchase intention, regarded them as antecedent variables in the live-streaming environment, and explored how they affect online purchase intention. In addition, some scholars have introduced consumer psychology as a mediator in determining the relationship between live-streaming platforms' characteristics, streamers' attributes, and consumers' online purchase intentions. Nonetheless, given the different studies about live-streaming and the burgeoning commercial adoption of live-streaming, there is still a shortfall in its theoretical inquiry. Therefore, it is critical to investigate how live-streaming attributes affect consumers' intentions to purchase online.

4. Future Research Perspectives

Although the marketing prospects of live-streaming are promising, this area has yet to receive the attention it deserves in scholarly research. Currently, research on live-streaming mainly focuses on its impact on customers' purchase intentions, with limited consideration given to specific product categories, such as fresh agricultural products. Furthermore, these studies only superficially explore and summarize the key influencing factors, needing more detailed classification of different influencing factors and path analysis of influencing mechanisms. Significant shifts in shopping behaviors, contexts, and payment methods underscore the importance of investigating factors influencing consumer behavior in live-streaming contexts for the sustainable growth of this industry. Live-streaming expands the sales channels for diverse products across various retail scenarios. To further explore the impact of live-streaming on consumers' purchasing intentions, future live-streaming studies can conduct targeted research on live-streaming scenarios for specific product types, such as fresh agricultural products. Additionally, various factors influence live-streaming service providers' live viewing and participation. Solely studying single stimulus clues cannot explain the dynamic mechanisms behind live-streaming. Subsequent research in live-streaming needs to depart from different theoretical perspectives, categorizing and individually examining various factors influencing live participation and their respective impact mechanisms on user behavior. This is crucial for live-streaming providers to grasp user psychological perceptions, enabling efficient management of user cohorts and targeted enhancement of live-streaming service strategies.

5. Study Paradigm

The research on e-commerce live-streaming is rarely considered from the perspective of specific product types, especially fresh agricultural products. While the behavioral patterns associated with procuring fresh agricultural products through live-streaming have matured, a significant research lacuna is characterized by a paucity of literature on consumer purchasing behavior within the live-streaming paradigm for fresh agricultural products. Future research can adopt the live-streaming e-commerce quality theory as its theoretical cornerstone to address these scholarly gaps. Future research aims to discern how the distinctive features of live-streaming for fresh agricultural products function as stimuli, influencing consumers' purchase intentions. Building upon extant research and considering the unique characteristics of fresh agricultural products live-streaming, future studies will identify information
quality, service quality, telepresence, social presence, and trust as salient features within the live-streaming context for fresh agricultural products. In a future study, empirical data can be collected through a questionnaire survey, and subsequent analysis will be conducted using SPSS to reveal the factors that significantly influence consumers’ online purchase intentions within the framework of fresh agricultural products live-streaming. The research can provide targeted suggestions and marketing strategies for enterprises and streamers of fresh agricultural products live-streaming to improve the live-streaming scenario of fresh agricultural products, enhance customers’ online shopping experience, and increase online sales and profits.

References


