

Consumption in Virtual Entertainment: A Conceptual Analysis of the Influencing Factors of Purchasing in Live Broadcast Economy

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Abstract: With the surge in the number of online shopping consumers in China and the continuous development of online shopping platforms, live broadcast marketing has become a major factor in supporting the China's economic development. In the field of e-commerce, webcasting has been favored by more and more people as an effective marketing strategy to attract consumers and promote products. However, consumer intention analysis of e-commerce live shopping is a relatively young research field, and theoretical research is still needed to fill in the gaps. The main purpose of this study is to analyze the factors that affect consumer purchase intentions in the live broadcast economy. This paper proposes a conceptual framework, that is, anchor characteristics, social interaction, and perceived value will affect consumers' purchase intention in the context of live shopping. This study draws conclusions on the factors affecting consumer purchase intention, and provides suggestions for future research to promote the standardization, efficiency and reliability of live streaming e-commerce.

Keywords: Live Broadcast Economy, Online shopping platform, Purchase intention, Chinese consumers

1. Introduction

With the development of today's Internet technology, the application scope of the Internet has expanded, not only widely used in the field of e-commerce, but also penetrated into online education, government, business management and many other fields. Webcast is an emerging Internet application model, which proposes a new consumption mode for consumers, which also reflects the changes in consumers' habits and preferences [1].

The growth rate of the live broadcasting economy has been rapidly, its user base in China is also huge, reaching 716 million. That's 68% of all Internet users, indicating that the live broadcasting economy is in a stage of continuous and stable growth [2]. China's Internet users are using the Internet more and more frequently, showing a trend of youthfulness and personalization [3].

In the post-pandemic era, live online marketing, known as "new retail", is a popular way to exchange goods and is hailed as the fifth revolution in retail [4]. A study by IIMedia's Dazhong Entertainment Industry Research Center [5] shows that the number of Chinese consumers participating in live shopping will reach 635 million by 2021 and will continue to grow steadily,

reaching 660 million by 2022. Among the users who participated in the live streaming of e-commerce, 66.2% of them made purchases through live streaming. A large number of Internet users have provided a strong user base for the development of live broadcasting industry, forming an increasingly large consumer market in China [6].

The popularization of mobile communication equipment and the progress of Internet technology are an inevitable trend in the current market. As a popular social and entertainment tool, live streaming platforms have quickly integrated into the daily life of the public, changing people's online social and consumption habits [7].

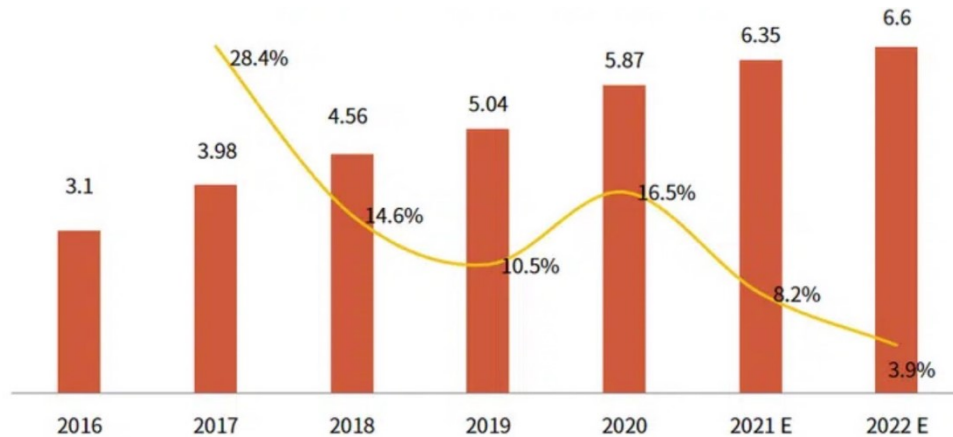


Figure1: Scale and forecast of online live streaming users in China

The livestreaming economy, a relatively new form of shopping (which emerged in 2016), is less than 10 years old. Most of the former studies attached importance to on the traditional form of e-commerce, and there are still some research gaps in the field of live shopping and consumer intention research. This study aims to explore multiple indicators affecting the consumers' purchase intention in live streaming industry. A deeper knowledge and understanding of these factors will allow policymakers and business people to appropriately tailor industry goals to the mutual benefit of both parties.

2. Literature review

In recent years, live streaming e-commerce has been developed within the scope of China, and this emerging industry has attracted wide attention from the academic community. Scholars have discussed the background and history of the development of live streaming e-commerce and its role in the study of e-commerce consumer behavior from different perspectives.

For example, Wang[4] 's research shows that the live-streaming economy originated in 2016 and has experienced the development process from the beginning of the epidemic to prosperity, and now plays an important role as an important part of China's e-commerce. In the past few years, live shopping has achieved great development and is a great success of China's e-commerce [8]. At present, more and more Internet giants and e-commerce platforms have successively entered the field of live streaming economy and improved their live streaming shopping platforms in terms of technology and practice [9]. At the same time, a large number of consumers are more willing to choose and shop through live streaming platforms, so merchants have obtained new sales channels.

In the field of research on the purchase intention and behavior of live shopping consumers, scholars analyze from the perspective of different influencing factors.

2.1. Anchor characteristics

In the live streaming e-commerce industry, e-commerce anchors are a bridge connecting consumers and businesses, and this key role has been widely recognized. E-commerce anchors play an important role in live network marketing activities. They not only participate in the planning and improvement of live content, but also assume the role of media for the transmission of live information. They can not only introduce the product content to consumers in real time, but also collect real-time feedback on the product to efficiently complete the live broadcast process [10].

Han [11] studied the impact of anchors' characteristics on consumers' live streaming shopping from the perspective that anchors demonstrate product functions and share post-use experience for consumers in live sales. When working, hosts display products to consumers in the broadcast room, share experience in use, and interact with the audience, so as to attract consumers' attention and make them more willing to buy products [12]. Hou [13] established a theoretical model when studying the influence of live broadcast hosts on the live broadcast process of e-commerce, and proved that the reputation of hosts is an influencing factor of consumers' purchase intention. In addition, the highly professional and interactive ability of the host plays an important role in improving the sales conversion rate [14].

2.2. Social interaction

Social interaction in live streaming takes various forms, including a series of activities such as likes, comments, and retweets. These interactions play an important role in connecting live communities and helping to build trust among consumers. Social interaction, as a unique attribute of live shopping, is widely recognized as one of the key factors in consumer purchasing behavior [15].

In the broadcast room, the distance between consumers, anchors and merchants has been greatly narrowed, which makes consumers break the restrictions of time and place when they understand the characteristics and functions of products [15]. This real-time display process not only helps consumers to understand the product, but also provides customers with a more efficient and comprehensive shopping experience.

Live streaming rooms of live streaming e-commerce have interactive functions to provide live interaction, and consumers can share shopping experience and opinions with anchors and other consumers, which is a combination of shopping and social networking [16]. When studying the impact of live content on purchase intention, Chen[17] found that high user stickiness can be achieved by improving the quality of content interaction, thus promoting consumers' purchase conversion. An outstanding feature of live shopping mode is interactivity. Anchors can rely on the real-time and visual nature of live network broadcast to provide consumers with more targeted product suggestions in the process of highly interactive with consumers [9].

2.3. Perceived value

Perceived value is a subjective evaluation used to explain the utility or satisfaction of consumers with goods or services [18]. Customer satisfaction is used to evaluate the overall attitude of consumers towards goods or services. Consumer satisfaction is often used to reflect such important dimensions as consumer loyalty, word-of-mouth and repurchase intention [19]. When researchers explore the differences in perceived value, they find that such differences are caused by the different information environments consumers are exposed to before and after purchase.

In the study, Chen et al. [20] defined perceived value as a series of subjective perceptions related to value of users, specifically formed in the process of purchasing products or enjoying services. In addition, Fan et al. [21] also hold that perceived value should be characterized by four aspects: subjectivity, hierarchy, multi-dimension and comparability.

When Meng [22] studied the content factors of online live shopping, he believed that the information content included emotional content and informational content. His research further demonstrated that if webcast content can enhance consumers' perceived value of products, it will have a positive impact on consumers' cognition and purchasing behavior. If consumers can perceive higher benefits from products or services, their perceived value will increase accordingly and they will have stronger purchase intention [23]. When the live broadcast process creates satisfactory perceived value for consumers, it will generate positive purchase intention [24].

3. Conceptual framework

From the previous literature review, it is feasible to conduct a conceptual framework, which indicates that anchor characteristics, social interaction and perceived value are the influencing factors of consumer purchase intention in the context of live streaming shopping.

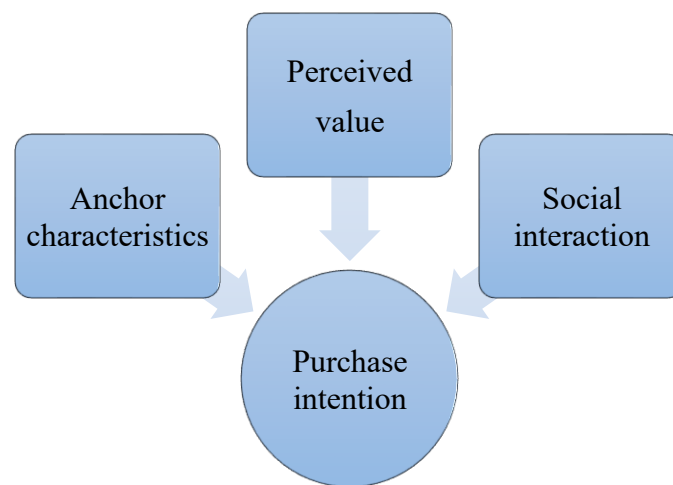


Figure 2: Conceptual Framework

In the e-commerce live broadcast environment, the anchor can interact with the audience in the live shopping rooms and answer real time questions, so that the audience can have a good shopping experience, so as to enhance the perceived value of the audience. This series of processes together promote the purchase intention and behavior of live shopping viewers.

4. Recommendations for future research

Live broadcast technology is a new type of media, which integrates text, image, video and audio. Live broadcasting is an extremely high-quality way to carry information and interact. The progress of media technology makes live broadcasting more convenient to use in our social life [20]. Rapid technological advances, especially the application of technologies such as artificial intelligence (AI), big data analytic, and block chain in the field of live streaming and e-commerce, have had a profound influence on consumer behavior [25]. Through the online transformation of offline consumption scenes, live streaming platforms help various industries realize digital transformation and industrial development while fighting against the epidemic [26]. Future research could explore how these technological advances are changing consumers' path to purchase and their decision-making process. Other than, future research could also focus on emerging consumer trends such as sustainable consumption, personalization, and the use of virtual reality (VR) and augmented reality (AR) in live shopping.

5. Conclusion

Through the literature review and conceptual framework research of this study, it is found that the characteristics of anchors, social interaction and perceived value are the external influencing factors in the process of e-commerce live shopping. Through external stimulation, consumers watching live broadcasts can generate cognition and emotions such as pleasure, satisfaction and identification, thus enhancing the perceived value of products. The increased satisfaction and recognition of products helps to promote the willingness of consumers to buy products in the broadcast room. This review article improves the research on the factors of consumers' shopping intention in the live e-commerce scene, provides a supporting conceptual framework for this field, and provides a theoretical basis for subsequent research. At the end of this paper, future research suggestions are put forward, that is, later scholars can analyze the influence path of e-commerce live broadcasting and its impact on consumer preferences from the development trends of emerging industries such as artificial intelligence AI, virtual reality (VR) and augmented reality (AR).

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