

The Impact of Social Networks on Consumer Behavior in Tiktok E-commerce Live Broadcast

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Abstract: Chapter 9 in 'Social Media' written by Humphreys introduce a topic called Social Networks, which includes the social network in word of mouth communication, the role and influence of strong and weak relationships, the role of hubs and the powerful resource impact that the activation of social capital will bring. It is meaningful to have a deep understanding and exploration of the impacts, roles, advantages, and disadvantages of these contents in Tiktok's e-commerce live broadcast. The study explores the impact of social networks through some methods, such as literature analysis, data comparison and case studies. These methods can use the ideas of some researchers to study similar aspects of the market, such as live broadcast and social media, and cite real-life cases of some companies to explore the impact of social networks. In this article, we raised some questions, such as how the positive and negative effects of social networks will play important roles in the Tiktok's e-commerce live broadcast, how social networks will have an impact and how a key hub will play an essential role in social networks. We have also reached some conclusions through research, focusing on the spread of official media, using strong relationships to increase user loyalty, and using weak relationships to develop new users. The e-commerce team should actively seek operational strategies and marketing methods to optimize its impact.

Keywords: Social Networking, Social Media, E-Commerce, Integrated Marketing, Consumer Behavior

1. Introduction

In this passage, we will talk about some concepts like 'tie strength' and 'hubs'. By using the method of case analysis and taking Pinduoduo social network platform as an example, the concept of social fission is introduced to show the power of social networks. Taking Oriental Selection as an example, discussing the role of social networks in the development of e-commerce and consumer behavior in this context will be the next research topic. There will be two research significance, first of all, taking the transformation of New Oriental as an example, which can be used as a reference by enterprises, and using the strong or weak relationship and social capital in social networks to promote word-of-mouth communication and the fission effect. Second, promoting the live broadcast team and e-commerce team to start from consumers and pay more attention to the role and value of 'people' in the marketing process, such as promotional discounts for friends circle, discounts for inviting friends and so on.

2. Social Network and E-Commerce

2.1. Important Concepts in Social Networks

Tie strength usually represents the closeness between nodes. If two people communicate often and communicate through more than one medium, they are said to have strong, or close ties. Strong ties, take it into a simple example, when we want to talk about something private or more intimate, the strong ties may help, just like a concept 'Social distance' or 'Intimate distance'. But it is weak ties which can enlarge your social circle, for example, the prototype of 'public comments' is Yelp, which is the largest review website in the United States. Merchants in restaurants, shopping centers, hotels, tourism and other fields are included. Users can rate merchants, submit comments, and exchange shopping experiences. You can search for a restaurant or hotel and see its brief introduction and comments from Internet citizens. How many stars will the reviewers give? Usually, the reviewers are consumers who have experienced the merchant's service, and most of the comments are detailed. Depending on the weak ties, we can explore different kinds of worlds.

Hubs, we called some people who knows more acquaintances or have a relevant fans or follows, hubs more like centers. Based on a Chinese popular question-and-answer website Zhihu, many people announce their opinions there, this paper found a person called 'Bi Dao' , through data analysis, this paper finally got a conclusion that he has 30 hubs and 83 concerns, its social network seems like a big circle.

2.2. Social Network Application in E-Commerce (Pinduoduo's Social Fission)

As a platform based social e-commerce, the success of Pinduoduo lies in its low formation of massive rate of flow based on WeChat cost user fission, seizing the needs of third and fourth tier users for low prices, seeking the real pain point, and then to find 'hot' products to complete a closed loop of sales. It also use WeChat to develop social shopping, occupy the 'sinking market' and activate a large number of people at low cost[2]. When a user likes a product, he or she can send an invitation to their friends and relatives to buy the product at a lower price. Through sharing, the shopping list was completed, and with the help of WeChat social network, the shopping list was split again. This social concept formed through communication and sharing has formed Pinduoduo's unique new social e-commerce thinking. That's also the power of hubs [1].

2.3. Significant Impact of Social Networks (Case of United Breaks Guitars)

Now, let's focus on a news in 2009, 'United Breaks Guitars'. On March 31, 2008, Carroll and members of the band were flying from their hometown of Halifax, Canada, for a week of shows in Omaha, Nebraska. During a connection in Chicago, other passengers aboard the flight noticed some very rough handling of cargo, and Carroll's bandmates watched helplessly as Dave's \$3, 500 Taylor guitar was mishandled by United's baggage handlers. On July 7th, Carroll's friend posted the video to Youtube, before any blogger or mainstream news medium had reported the story. A staff member was trying to contact Carroll, but he didn't really consider it a crisis situation, he also used the words 'make it right', when they contacted Carroll successfully, they just want to use money to appease the incident. In this case, social media is only a limited way for people to focus on this incident, the official media, the bloggers, mainstream news medium's report's made it a viral game mechanics, based on networks, it caused a fission propagation.

2.4. Successful Case of Tiktok Platform

Now, let's talk about the live broadcasting in Tiktok platform. Take the live broadcast room of 'Oriental Selection' to make New Oriental return to the peak after the loneliness of the K12 education line, and push it to the first and second positions in the ranking list as an example to explore. New Oriental's ways to sell goods by bilingual speaking and knowledge inside have achieved a high level of word of mouth communication. From then on, selling goods online relying on culture has become popular.

Many young people of the Z generation have an old feeling to New Oriental. In those years, the New Oriental's teaching and training spots flooded around schools and communities crisscrossed, not only New Oriental, but also many other similar teaching and training institutions. Students of this age group who have just finished compulsory education and their parents would have a high degree of sensitivity and attention to the transformation of the teaching and training industry, of course the K12 education line. As a 'connector hub', a family will make the communication network interlaced, dense, tight and expanded, which constantly promote the popularity of the live broadcast in Tiktok. After the popularity of 'Oriental Selection', most of the consumers wanted to follow this trend and shared past photos in the teaching classes with those teachers who was selling goods after they ended their teaching career on the social platform to keep up with the popularity, which also led to viral transmission in the live broadcast room.

3. Analysis of the Impact of Social Networks on Consumer Behavior under the Development of Live Broadcast E-Commerce

3.1. Current Situation of Live Broadcast E-Commerce Market

Live broadcast e-commerce refers to the form of e-commerce in which a KOL (a key opinion leader who has more and more accurate product information, is accepted or trusted by relevant groups, and has a greater influence on the purchase behavior of this group) recommends selling goods through live video, short video, and other forms and finally clinches a deal [2]. We would divide the market into two parts: an advantaged part and a disadvantageous part. For the advantage part, because of COVID-19 and depending on government policy support, live broadcast e-commerce has become a new engine to drive consumption and promote double circulation. The audience is widespread, everyone can participate, and they can enjoy the dividends it brings without leaving home. For the disadvantage part, the industry's supervision is not strict enough. There are still live broadcasts that have a negative impact on society. In addition, the quality problems of goods are emerging in an endless stream and need to be addressed urgently [3].

3.2. Domestic Live Broadcast E-Commerce Platform

Among live broadcast e-commerce users, category interest users and KOL talent followers are the most. Younger users prefer the latter, while older users prefer platform followers and brand orientation [4]. In Tiktok, we can found that when some live broadcasting rooms accomplish an order, the consumers can participate in a certain sharing group which only allowed those who have bought goods in their rooms [5]. In this way, the weak tie played an important role, gathering consumers from all directions to share shopping experiences and something they recommend which makes customers spontaneously strengthen the product publicity and also reduce the publicity cost of sellers to some extent. As for the strong ties, do you remember when the 'Double 11 shopping carnival' comes, big spenders and shopaholics also comes out. Last year, in 2021, the transaction volume of the whole network during the Double 11 Festival was 965. 12 billion yuan, with a year-on-year growth of 12. 22%, an interesting phenomenon was that, many live broadcast e-commerce platform built a virtual

team which allowed the teammates can divide the red envelope, which can be deducted on the shopping day, during this time, the strong ties came into play, we can share the links with close family members or friends to invite them to join our team so as to increase the upper limit of red packets, depends on strong ties, the kinds of behaviors become more easily to achieve [6].

4. Discussion

So, how to better apply social network to promote the development of live broadcast e-commerce? Let's take Tiktok platform as an example and make some marketing strategies.

First, focusing on the communication of official media. In the case 'United Breaks Guitars', we can find the importance of using an official media reasonable, as for the live broadcast e-commerce, they should also establish a more timely feedback mechanism to response any similar incident, they should also corporate social responsibility and focus more on the 'human' or 'customer'.

Second, try to use strong relationships to increase users' loyalty, and use weak relationships to develop new users. People always trust people who they related to them, grab those strong ties can form a broadcasting link which can make it more strong and tight. People also like to share opinions and listen to others' advice today, so grab those weak ties not only can implement user's classification but also expand new users with lower cost.

5. Conclusion

In the introduction, we have discussed some questions. First of all, how will the positive and negative effects of social networks play important roles in Tiktok's e-commerce live broadcast? We can draw the conclusion that strong ties may help with "social distance" or "intimate distance." But depending on the weak ties, we can explore different kinds of worlds. Secondly, how will social networks have an impact, and how will a key hub play an essential role in social networks? As a "connector hub," the communication network can be interlaced, dense, tight, and expanded by a family. Through some real-world cases we discussed above, we found that the social concept formed through communication and sharing has formed a new social e-commerce thinking, which could help to strengthen the social networks. This passage also has some shortcomings. Only the Tiktok platform was specifically studied, and the live broadcast room only took Oriental Selection as an example with just a small coverage. But there are also some future measures to improve. The situation on each platform and live broadcast room is different. More live broadcast platforms and live broadcast rooms can be studied in the future.

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