

# Research on the Influence of Webcast on Consumers' Purchase Decision

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## ABSTRACT

The results show that the three factors of high quality content, opinion leaders and entertainment have positive effects on trust, perceived functional value and perceived affective value. That is, the more capable the content, opinion leaders or anchors of high-quality e-commerce live broadcasts (hereinafter referred to as "pounds") are. Consumers of PFV (hereinafter referred to as "PFV") and perceived emotional value (hereinafter referred to as "PEV"). The interaction positively affects trust and PFV, that is, the stronger the interaction between e-commerce LBs, the stronger the interaction between consumer trust and PFV. Discount promotion has a negative impact on consumer trust and PFV, that is, the stronger the discount promotion is in the LB room of e-commerce, the weaker the consumer trust and PFV will be. There is no intermediate variable for discount promotion, so it will directly affect consumers' purchase intention. Therefore, discount promotion may lead to consumers' impulsive purchase behavior. Trust, PFV and PEV all positively affect purchase intention. In other words, the higher consumers' trust in the product, the stronger the PFV and emotional value are, and the stronger their purchase intention is.

**Keywords:** *webcast, purchasing decision, consumer behavior analysis*

## 1. INTRODUCTION

In recent years, in order to meet the diversified needs of users, various e-commerce platforms are seeking innovation to break through the bottleneck of insufficient traffic. LB of e-commerce brings consumers a more vivid shopping experience, and the total transaction volume keeps growing, gradually becoming a new growth force for e-commerce platforms. According to iResearch, the total size of China's e-commerce LB industry reached 433.8 billion yuan in 2019 and is expected to double by 2020. New ways of shopping are also gradually entering the public's vision.

## 2. LITERATURE REVIEW AND LB E-COMMERCE INDUSTRY RESEARCH

The live streaming mall system is a product of the development of the market economy, and the development history of the live streaming mall also determines the inevitability of live streaming e-commerce popularity. In the early stage of the LB industry, it attracted a large number of viewers' attention to the LB industry, and the LB mode that received a lot of attention in the early days also determines the inevitability of the LB industry. [1]

### 2.1. Bonus period

At the early stage of LB industry development, the main mobile LBs were game LBs and display LBs. At this stage, there are few platforms trying to develop LB mall systems, so it can be called a bonus period. This kind of network broadcast first appeared on the computer media in the form of live broadcast in 2005. Its main content was talent performances such as singing and dancing of beautiful female anchors. At the early stage of LB industry development, LB was not only a form of entertainment for people, but also a social platform for people to relax and relax. The attention attracted by the early LB platform's new entertainment model also brought considerable profits to the company. [2]

In 2016, traditional e-commerce platforms began to try live e-commerce. Taobao, JINGdong, Mogujie and other e-commerce platforms took the lead in exploring the "e-commerce + LB" model. This novel shopping mode attracted a group of users to experience the convenience of LB mall system. In the early days of live streaming, viewers were keen to buy new ways of shopping. A variety of conditions, regions, equipment

and so on have attracted a large number of audience participation. [3]

## **2.2. Energy storage period**

The development of e-commerce systems in the energy storage period can be divided into three main analyses.

1) Taobao LB, Mogujie and other traditional e-commerce brands have been developing continuously and gradually formed a complete system. Traditional e-commerce platforms have begun to incubate LB star systems, supply chain integration and other development systems. The platform promotes the development of LB mall system by increasing the number of anchors. After several years of development and adjustment, the old e-commerce platform has a specific business model. Taobao Live and other live-streaming e-commerce platforms have formed a "live-streaming e-commerce" mode on the basis of e-commerce. The transaction color of the platform is heavy, and the shopping purpose of users is generally very clear, so the conversion rate of live shopping is high. In addition, e-commerce enriches the platform category, and a stable supply chain can one-stop meet the diversified needs of users and improve their shopping experience.

2) The rise of short video platforms. Short video platforms such as Kuaishou, Douyin and Meipai have started to develop live streaming mall systems. This "test water" has laid the foundation for the popularization of e-commerce live broadcasting systems. The development of short video platforms has given everyone a lower LB limit. As more and more people use short video platforms, LB e-commerce on short video platforms is becoming more and more popular. More and more people are gradually joining the LB e-commerce industry. In short video platforms, a large number of people participate in or conduct live-streaming e-commerce, and the lowering of the threshold has greatly attracted more and more people to participate, which has gradually developed into a large business model.

3) In addition to the first product reform, MCN, which serves LB ecommerce offline, has developed rapidly and incubated the first batch of leading LB ecommerce stars. [4]

At this stage, the development of LB e-commerce systems gradually became more refined and the operation became more comprehensive and specific. At a later stage of development, commercial companies introduced "spokespersons", including professional or celebrity endorsements. This greatly improves the level of LB e-commerce and gives the audience deeper information. By accumulating popularity and fans, LB

ecommerce stars can greatly increase the sales volume of LB e-commerce products.

## **2.3. Outbreak period**

Driven by various factors such as the right time, the right place and the right person, LB e-commerce has entered a new stage of development and an outbreak period.

1) LB e-commerce GMV surged. With the long-term accumulation of traditional e-commerce platforms, Taobao LB has begun to lead the industry. In 2019, the overall market size of LB e-commerce was 433.8 billion yuan, a year-on-year growth of 210%, and the penetration rate of e-commerce market was 4.1%. In previous singles' Day and Singles' Day events, Taobao's sales exceeded billions. Live streaming e-commerce is not only a new media communication mode, but also a business platform. [5]

2) At the same time, the upgrading of communication technology promotes the arrival of the era of pan-entertainment, and celebrities begin to come to an end. With the upgrading of communication equipment, LB can be watched anytime and anywhere via the Internet, instead of only through computers in the past. The popularity of mobile devices and intelligent communication devices has provided the conditions for people to watch LBs anytime and anywhere. In addition, the introduction of celebrity anchors and the development of LBs in rural areas increase the population, making LB e-commerce more popular. Not only are goods exposed to a great extent, but also more people choose the new way of shopping, which is life e-commerce.

3) Now every platform has begun to increase celebrity training and traffic support, making the effect of top anchors more and more obvious. Like li Jiaqi, a well-known cosmetics promotion expert, the company has provided him with all-round training and flow support. According to statistics, the LB turnover of Li Jiaqi exceeded 100 million yuan during the "Double 11". In the future, people will also see more and more promoters, LB e-commerce will also usher in a real explosive profit. [6]

4) With the success of live streaming e-commerce, more and more software companies have updated the system functions of live streaming malls on their platforms. Pinduoduo, Xiaohongshu, Zhihu and other platforms have successively launched live streaming mall system functions. More and more social platforms have successively introduced LB system functions, which also indicates the current popularity of LB. LB has become a mainstream new media entertainment mode for people today. Different shopping ways and different shopping styles attract a large part of the audience and participate in them.

5) MCN continues to deepen the exploration of the business profit model. Despite a decline in the number of multinationals compared with other countries, China's multinationals have bucked the trend and grown explosively. The main reason is the fierce competition among Short video platforms in China, which also leads to the urgent need for MCN to improve the content quality and realize the monetization of traffic in private domain. Therefore, supportive policies have been issued. In addition, the explosive growth of short video platforms has greatly increased the chances of MCN outbreaks by rapidly expanding the population covered by MCN. [7]

#### **2.4. Sustained development period**

1) LB e-commerce system is still flourishing and has become the mainstay of LB industry. LB e-commerce industry is becoming more and more popular. Currently LB network is developing in full swing, becoming the "pioneer" in the short video wave. 2) Relevant data predict that Taobao LB will drive 500 billion transaction volume in the next three years. 3) Tencent joins the LB army. 4) In the future, the scale will continue to maintain high growth, and the category is expected to be expanded. The new retail has entered a new stage of development. 5) The industry is developing in the direction of platform and industrialization. [8]

Through the development process of LB e-commerce system, we can see that the development foundation of LB e-commerce is very stable. At present LB e-commerce is gradually becoming popular, and the total scale of the industry is also continuously sinking and expanding. Business system development will maintain steady growth for a long time in the future.

#### **2.5. Industry outlook**

During the epidemic in 2020, LBs was in full bloom. Enter the national LB era. From the perspective of live streaming e-commerce, live streaming has become a real industry trend from entertainment projects. Small and medium-sized enterprises began to try live broadcasting and conversion, and at the same time another state appeared is LB professional upgrade. [9]

On the one hand, the threshold for participating in e-commerce live broadcasting is getting lower and lower, and everyone can participate. Taobao Live streaming, for example, will be available for free to all in February. On the other hand, precisely because the threshold has been lowered, the requirements for professionalism will also be higher and higher. One is the competitiveness of the supply chain, because it needs goods; Second, there is a need for real Internet operations and marketing capabilities, both of which are professional. Actually LB is just a form, content is the key. The essence of its

business is whether THE services or products LB provides meet the most urgent needs of users. [10]

### **3. FACTOR ANALYSIS**

#### **3.1. Consumer Decision Theory Model**

1. The Howard-Sheth model The Howard-Sheth model was proposed by Howard in 1963, and was revised and formally formed in 1969 in cooperation with Sheth.

1) Stimulus (input factor). The factors that stimulate consumers include product physical stimulation, product symbol stimulation and social stimulation.

2) External factors. Consumers may be affected by external factors in the process of purchasing decisions, such as their culture, personality, time pressure, and financial status on different consumer individuals.

3) Internal factors. Consumers will perceive and learn different products, and also there are different degrees of perception and learning of the product information.

4) Response factors (output factors). After receiving the stimulus, consumers understand the product and form their own attitude towards the product, then form a purchase plan and finally complete the purchase.

#### **2. EKB model**

EKB model, also known as Engel model. Consumers obtain in the shopping process the information, the cognition generated and the attitude formed on the intention of the desired product will all have an impact on the final shopping decision.

#### **3. Nicosia model**

1) Purchasing motivation-survey and evaluation. Consumers have demand motives after forming attitudes, and will actively collect and evaluate relevant information about products of interest.

2) Purchase behavior. Consumers generate purchase motives after conducting surveys and evaluations, then make decisions, and finally consume to complete the purchase behavior. This process may be affected by the quality of goods, prices, services, etc.;

3) Feedback after purchase. After consumers purchase and use the product, they will form the impression and evaluation feedback of the product and store it in the brain, which can affect the consumer's later buying attitude and then affect the purchase decision, or provide valuable information for the company's marketers to improve it based on evidence. Service quality and product-related satisfaction.

### **3.2. Related case analysis: Tik Tok**

In the field of web celebrity promotion, since consumers can only obtain commodity information through narrator's description and simple perception in LB, they often use strategies that affect subjective decisions. Douyin, for example, is the second largest online e-commerce window in the Chinese market. Douyan, as an explosive application, has extremely high traffic and daily active users, and its LB window promotion capability is second to none with a very high rising trend. What douyin does is to analyze individual users' subjective preferences in short videos based on big data, and integrate personal preference data through thumb up, attention frequency and viewing time. In this way, douyin platform will recommend products corresponding to potential consumer groups to users who meet the characteristics. Therefore, controlling users' hobbies and preferences can promote good user experience, and such attractive experience will often bring good user experience. This arouses the users' curiosity about online e-commerce and the potential purchase possibilities. So, the Tik Tok platform understands that consumers make decisions not through some programmed robot, but with a sense of love and hate. Therefore, Douyin accurately captures everyone's curiosity and interest. When users click into the LB Room they are interested in, due to the high degree of satisfaction with the whole Tik Tok, people's perception of the product will subconsciously increase and promote the purchase decision.

### **4. CONCLUSION**

Products are the core of e-commerce LB. In the process of watching e-commerce LBs, the most important purpose of consumers is to understand the product. Communicate with other consumers through intensive questioning of anchors to understand that products are the core needs of consumers. Therefore, in the process of e-commerce, the moderator should understand the product in advance, improve the interpretation ability, effectively display the features and performance of the product, answer the questions of consumers in a timely manner, and provide consumers with more information besides graphic details. Highlighting product highlights can help consumers make better shopping decisions. On the other hand, in the process of E-COMMERCE LB, we should devote ourselves to introducing more knowledge related to the product field to consumers. Consumers can watch LB, not only to meet shopping needs, but also to gain more added value. By providing consumers with high-quality live broadcast content, consumers can enhance their stickiness and trust in brands, products and anchors. Through the introduction of the product by the host, the functional value of the product can be perceived more

effectively and the host can be interested in the product at the same time. Emotional values, such as happiness.

As a result, brands and merchants already have a certain degree of prestige and influence when choosing to head in, anchors and strong professional product areas are more likely to attract consumers. And enhance consumers' trust in products through personal influence endorsement, more powerful products of perceived value, thus increasing the volume of products. In addition, self-broadcast enterprises should also pay attention to the cultivation of anchors and create "star" anchors. First of all, the professional training of anchors should be strengthened to improve their understanding of products and product fields. Secondly, locate the image, taste and other personal characteristics of anchors, and use social media for communication to enhance the influence of anchors. In terms of e-commerce platforms, opportunities for live streaming learning should also be provided to businesses so that the live streaming ecology of the whole platform can develop in a healthier direction. For example, Taobao LB platform launched the Talent College of Taobao University to provide opportunities for small businesses on the platform to learn and promote. This is worth learning and reference for other e-commerce platforms. By exerting the influence of anchors and creating "star" anchors, more attention can be attracted and even more sticky consumers can be cultivated. This will maximize LB's benefits and facilitate the spread of brand image.

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