

The Relationship Between Live Streaming and Consumer Behavior

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ABSTRACT

Live streaming usually refers to the use of live broadcast technology for online display of goods, consulting and answering questions and other new service methods through the Internet platform. In recent years, with the rise of live broadcasting, consumers will also choose new ways of purchasing. At the same time, different factors will also affect consumer behavior. This paper mainly discusses the relationship between live streaming media and consumer behavior. Through the design of the questionnaire, online recycling questionnaire survey data, using SPSS reliability and validity test and multiple regression model. The results show that watching commodity live broadcasts significantly affects consumers' purchasing power, and women are the main consumers watching commodity live broadcasts.

Keywords: relationship, live streaming, consumer behavior

1. INTRODUCTION

At the beginning of 2020, the country's economy trended towards negative growth in the first quarter due to the epidemic, causing offline spending to stagnate across the country for a time. Consumers had to opt for online shopping during the home quarantine period due to China's domestic quarantine, city closures and other prevention and control policies, and merchants and brands were left with a serious backlog of inventory. According to research data from Colliers International, 85% of food and beverage retail tenants reported a year-on-year drop in customer traffic of more than 80% following the outbreak of the new crown epidemic, with 60% of them having suspended operations. Based on the

development of modern information networks and the arrival of the 5G era, many celebrities are live-streaming goods on various live-streaming platforms such as Taobao, and live-streaming with goods has become a new sales model under the epidemic (see Figure 1). According to data from the Industrial Securities report on the live e-commerce industry, by the end of 2020, the scale of live streaming users has reached 620 million, while the number of online shoppers reached 780 million. In Taobao, for example, according to the Taobao Live 2021 Annual Report, the total amount of merchandise transactions brought by Taobao Live in the 12 months ending 31 December 2020 exceeded RMB 400 billion, with an annual transaction growth rate of over 100%.



Figure 1 A host in Live streaming

The rise of live streaming with goods is based on three characteristics: strong instant interactivity, wide distribution, and unique marketing methods. At the same time, the high level of popularity can also lead to a variety of problems, the most important of which is the potential for blind and herd consumption by consumers during the live-streaming process. In addition, there are several motivations of consumers to consume during live banding:

(1) The celebrity effect of the anchor makes consumers have blind trust in the anchor netizens, and the brands recommended by the anchor have a certain popularity, which makes consumers rely on the anchor and brand-name products.

(2) discount offers, live with the goods will shout the lowest price of the network slogan for publicity makes the price of goods than the same product offline store prices are much cheaper, without too high labor costs, sellers earn money, buyers also save money, to achieve a win-win situation.

(3) Today's life with the goods sold by the system, most consumers are likely to rigid demand for goods, and the anchors are more for the rigid demand appliances used by everyone straightforward to impulse consumption of psychological state, leading to attracting many consumers.

The aim of research in this article is therefore to identify the problems with live banding and to provide suggestions for improvement. The contribution of this aim to consumers is to make their consumption behavior more rational and rational, and to help reduce the generation of herd consumption. In addition, as the selection of herd consumption and impulse consumption based on four basic consumer behaviors, it will also be useful for future researchers who want to study consumer psychology and consumer behavior.

2. LITERATURE REVIEW

The 2020 outbreak prompted the explosive growth of live e-commerce. On the supply side, online sales, especially live-streaming platforms, have become the main sales channel as offline consumption across the country has come to a standstill and merchants and brands have a serious inventory backlog due to China's domestic quarantine, city closures and other prevention and control policies. According to Colliers International's research data, 85% of restaurant and retail tenants reported a year-over-year drop of more than 80% in customer traffic following the outbreak of the new crown epidemic, of which 60% have suspended operations. On the demand side, consumers had to choose online shopping during home quarantine. According to data from the Industrial Securities report on the live e-commerce industry, the scale of live users has reached 620 million by the end of 2020, while the number of online shoppers reached 780 million. In Taobao, for example, according to the Taobao Live 2021 Annual Report, the total amount of merchandise transactions brought by Taobao Live for the 12 months ending December 31, 2020, exceeded 400 billion RMB, with an annual transaction growth rate of more than 100%.

3. BODY PARAGRAPH

3.1. Consumer trust attitudes positively influence consumer herd consumption behavior

In the process of live broadcasting, the consumer's trust level in the current live room will directly or indirectly influence the consumer's herd consumption. Based on S-O-R theory, i.e., "stimulus-individual physiological, psychological-response". For example, the consumer's herding psychology or the external broadcast environment will influence the rise and fall of the consumer's trust attitude, thus leading to herding

consumption. On the one hand, the herd mentality of consumers will lead them to "follow the herd" for various behaviors. With the rise of the live-streaming model - the stimulus - consumers with a herd mentality are more likely to be attracted to live-streaming and make the decision to consume, as their trust in it is relatively high. On the other hand, the live streaming environment also influences the level of consumer trust, which ultimately leads to a positive movement of herd consumption. In detail, the number of online viewers and the number of orders placed on major live streaming platforms (e.g., Jitterbug, Racer, etc.) will greatly influence the level of consumer trust, and the questionnaire shows that people are more willing to buy from the live streams with more viewers and more orders. Therefore, the high level of trust of consumers due to the influence of internal psychology and external environment will promote the creation of herd consumption.

3.2. The figure of the anchor influences the consumers Conformity consumption behavior positively

In networked live streaming activities, users can be attracted by the styling and language style of the main broadcasters in the live video for a short period of time, thus forming a following of the live streaming activities, which belongs to a group aggregation behavior on the network. The webcast subject will also act as the opinion leader on the network to form the network opinion about a certain kind of live product. As a real-time media, webcasts can rapidly disseminate images and sounds through various communication technologies, and users rely on instant messaging, likes, and gifts to interact with the hosts and viewers, generating a virtual immersive feeling, which in turn promotes herd consumption behavior among consumers. After reading the literature, it can be concluded that the live streaming environment can influence consumer behavior across time and space, and the anchor strengthens its relationship connection with consumers through image construction, thus making the co-occurrence of presence and social presence have the effect of information trust on users and further promoting consumption. Based on the above analysis, this paper proposes the following hypothesis: anchor image positively influences consumer subordination consumption behavior.

3.3. Brand influence positively affects consumers' herd consumption behavior

In common live, most of the brand side for the live selection and selection of brand links, and live party selection generally contains five kinds: (1) new debut (2) hot explosive (3) special clearance (4) theme products (5) combination selection. These five types of

selection except the third itself has a price advantage, the other four have some relevance to the product brand influence, the brand's original customer base and potential users will be referred to the live party. In addition, based on a particular product, customers tend to buy the market brand image and sales of stores are higher in this phenomenon is reflected in the live broadcast, product visualisation for the brand understanding of this aspect is beneficial, so the crowd consumption will be on the rise because consumers have a certain cognitive recognition of the brand - loyalty, which also indicates an increase in product involvement. Thus, brand influence partially mediates the relationship between product involvement and consumer herd consumption.

3.4. The information integrity influences the consumers Conformity consumption behavior positively

In the process of live broadcasting, users and anchors build a platform for communication and exchange through the communication medium, which realises the unobstructed communication channel and users can quickly understand the product information. As a result, the webcast can better serve the dissemination of commercialised information. Users, led by the opinion leaders of the live broadcast subject, accept the information delivered by the product and, based on a psychological state of reducing the trial-and-error rate, will refer to the group's willingness to buy when making decisions, which means they are willing to accept others' effective information to enhance the commodity purchase experience. The influence of informational integrity is another reason for consumers' herd consumption, which is mainly reflected in individuals' lack of valid information, insufficient judgment, or lack of rational analysis motivation. In addition, informational integrity is also reflected in the fact that consumers trust the opinions of others and that this opinion reflects the true situation [5]. Specifically, when consumers believe that others can truly evaluate the quality of a product, they are likely to comply with others' choices resulting in herd consumption behavior. Based on the above analysis, this paper proposes the following hypothesis: information integrity positively affects consumer herding behavior.

4. METHODOLOGY

Questionnaire design and empirical analysis.

4.1. Questionnaire design

This paper focuses on the relationship between live-streaming and consumer behavior, so the effective survey targets are people who watch live-streaming and have consumption experience in live-streaming. A total

of 102 questionnaires were distributed and collected through the Internet. After excluding those who had not completed the questionnaires on the online platform for a short period of time and those who had not watched live streaming, 90 questionnaires were valid, with a validity rate of 88%, which can meet the needs of this empirical analysis.

4.2. Descriptive statistical analysis

After the statistical analysis of the valid questionnaires, the descriptive statistics of the respondents are as follows. Among the respondents, women and men accounted for 75% and 25% respectively, and women were relatively more, indicating that there were more women in the crowd watching live delivery. In terms of age distribution, the proportion of the tested people aged 19-25 years old reached 53.03%, the proportion of 26-30 years old and 31-40 years old was 22.4% and 15.91%, respectively, indicating that most of the people watching live broadcasts were young groups; in the occupational distribution, students accounted for 67.42%, enterprises and institutions in the staff accounted for 21.79%.

4.3. Analysis of the empirical results of the impact of live banding on consumers' herding consumption behavior

(1) Reliability and validity tests

This paper first analysed the reliability of the questionnaire through SPSS26. The results showed that the Cronbach's alpha coefficient for consumer trust attitude, anchor image, brand influence, information integrity and purchase behavior was 0.79, which ranged from 0.774-0.891 and were all greater than 0.7, indicating that the reliability of the scale was good. The overall KMO value of 0.789 was greater than 0.7, and Bartlett's sphericity test of significance was 0.000. The results of the two tests indicated strong correlation between the variables.

(2) Multiple regression results

Multiple regression analysis was conducted on the data through SPSS26. The question of "how much others' evaluation of the live broadcast affects your purchasing power" was set as the dependent variable, and the frequency of consumption after watching the live broadcast, the credibility of self-evaluation of the live broadcast and the type of anchor were set as the independent variables to construct a multiple linear regression model. The p-value for "frequency of consumption after watching live streaming" was $0.023 < 0.05$, indicating that watching live streaming can significantly influence consumers' herd consumption, but the results were limited by the fact that most of the results collected were from school students, and the

people who watched live streaming with goods were mainly female. The results for both variables were not significant.

5. CONCLUSION

To sum up, through this article, four hypotheses based on live streaming and consumer behavior are proved through the analysis of questionnaires: consumer trust attitudes; figure of the anchor; brand and information integrity can positively affect the consumer behaviors. Due to the rise of this industry, this article may contribute on an increase of efficiency during sale, and hopefully the research on consumer behavior could boost the economic growth with an increase of aggregate demand.

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