The Promoting Effect of E-commerce Live Streaming on Import Cross-Border E-commerce

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Abstract. The popularity of e-commerce live streaming has gradually spread to the field of import cross-border e-commerce. In the future, with the further expansion of import cross-border e-commerce scale, the competition of import cross-border e-commerce live streaming will be more intense. Combined with the characteristics of import cross-border e-commerce and e-commerce live streaming, this paper analyzes the promoting effect of e-commerce live streaming on import cross-border e-commerce from four dimensions: information transmission, service efficiency, social interaction and entertainment, system function. The analysis shows that live streaming can effectively promote the purchase of import cross-border e-commerce consumers in these four aspects. In information transmission, information asymmetry can be reduced and the trust of import cross-border e-commerce consumer can be effectively increased. In service efficiency, it can efficiently solve the numerous and different inquiries of import cross-border e-commerce consumers and reduce customer churn. In social interaction and entertainment, the interest in consumption of import cross-border e-commerce goods can be increased. In system functions, the purchase process is simplified and the time cost of import cross-border e-commerce consumers is reduced.

Keywords: import cross-border e-commerce · live streaming

1 Introduction

E-commerce live streaming was first launched by Mushroom Street in 2016. In the same year, Taobao also launched a strategy of e-commerce live streaming. In 2019, the rapid development of e-commerce live streaming entered an outbreak period in China, with turnover reaching 451.29 billion yuan, an increase of 200.4% compared to 2018. In recent years, e-commerce live streaming has soared, and many internet celebrities, stars, anchors, entrepreneurs and officials have begun to join the e-commerce live streaming to sale goods [1]. As a new marking model of digital economy, e-commerce live streaming is effectively used for all-round display of products and increasing the real sense of virtual scene and the immersion of users. It has becomes a popular shopping method for consumption. Under the fast pace of life, e-commerce live streaming is increasingly becoming the backbone of commodity sales [2].

At present, although the scale of the import cross-border trade e-commerce in China is smaller than the export scale, it is increasing year by year. According to the data

of China e-Business Research Center, the import cross-border e-commerce accounted for only 8.80% of the total import and export in 2011, while the proportion reached 27.27% in 2021. With the gradual control of the novel coronavirus epidemic, the release of the effect of Chinese steady growth policy, the improvement of acceptance by import cross-border e-commerce consumers, the optimization of logistics infrastructure and the policies and laws of the import cross-border e-commerce, the proportion of the import e-commerce will steadily increase in the future.

The popularity of e-commerce live streaming of goods has gradually spread to the field of the import cross-border e-commerce, which has become a new trend. Understanding the promoting effect of e-commerce live broadcast on import cross-border e-commerce can provide some reference for the live streaming marketing strategy of import cross-border e-commerce sellers. Therefore, this paper will explore and analyze the promoting effect of e-commerce live streaming on import cross-border e-commerce, combined with the characteristics of the import cross-border e-commerce and e-commerce live streaming.

2 Literature Review

Although e-commerce live streaming has developed rapidly in the area of import cross-border e-commerce, the research on the import cross-border e-commerce live streaming is quite limited. However, with the rise of e-commerce live streaming in recent years, more and more scholars began to focus on the impact of e-commerce live streaming on consumer behavior.

E-commerce live streaming is a newly arising marketing method used to show how to use and recognize products, not only show different perspectives of products, but also answer questions of customers in real-time and organize online activities to entertain and encourage customers to buy [3]. The existing literature mainly explores the driving factors of consumer behavior during the process of e-commerce live streaming, such as motivation, perceived value, platform technical factors, swift guanxi and trust to verifies the impact of e-commerce live streaming on consumer behavior [4].

Therefore, this paper believes that the combination of e-commerce live streaming and import cross-border commerce can be beneficial to improve consumer purchases and promote the development of import cross-border e-commerce. Based on the definition of e-commerce live streaming in the existing literature, this paper defines the import cross-border e-commerce live streaming: through e-commerce live streaming, the import cross-border e-commerce sellers socially interact with customers, display the import cross-border goods in a comprehensive and real-time manner, assist in the sales and promoting of import cross-border e-commerce goods, finally promote consumers' purchase behavior. Import cross-border e-commerce sellers refer to online shop merchants that import goods directly through bonded warehouses, BC direct mail or CC direct mail to sell import cross-border goods to consumers. They can be purchasing agents (individuals or enterprises), cross-border brands or their agent sellers (enterprises), or platform own-operated sellers (enterprises).

3   Background of Import Cross-Border E-commerce Live Streaming

3.1   External Environment

Import cross-border e-commerce live streaming is a kind of e-commerce live streaming. The rapid development of e-commerce live streaming is inseparable from the influence of external environmental factors. First, the upgrading of mobile communication technology and the decline of traffic pricing have optimized the user experience. Second, the scale of users who use mobile shopping is huge, and people are gradually used to using fragmented time for mobile shopping. Third, the popularity of short videos has created a good external environment for e-commerce live streaming, which constitutes a driving factor for the rapid development of e-commerce live streaming [1]. Fourth, the epidemic has stimulated the development of the stay-at-home economy, making e-commerce live streaming usher in new business opportunities.

3.2   Development Status

At present, the biggest problem affecting the purchase of import cross-border e-commerce consumers is to doubt the quality of goods, followed by after-sales service and long-term logistics and delivery [5]. The crisis of trust is considered to be the key reason restricting the development of import cross-border e-commerce businesses [6]. Analysts from iiMedia Research believe that compared with domestic e-commerce, Chinese import cross-border e-commerce consumers are less sensitive to price and tending to pursue certified products and service quality.

The combination of live streaming and import cross-border e-commerce can enhance the immersive experience of customers, reduce uncertainty. [7] and facilitate online shopping [8]. Take the import cross-border e-commerce live streaming of Ocean Terminal as an example. Buyers of Ocean Terminal broadcast in shopping malls, outlets, department stores, boutiques and other places around the world every day, sharing high-quality goods all over the world. Through the e-commerce live streaming channel, consumers experience the real overseas shopping scene across time and space and increase purchases. In 2021, the market share of the import cross-border e-commerce in China was mainly occupied by large import cross-border e-commerce platforms such as Tmall International, Kaola Overseas Purchase, JD Global Purchase, Suning International, Vipshop International, and Ocean Terminal. Some import cross-border e-commerce platforms have started e-commerce live streaming, such as Tmall Internationa, JD Global Purchase, Ocean Terminal, Vipshop International, etc. With the gradual increase in the scale of the import cross-border e-commerce in China, it will become more intense on the e-commerce live streaming of import cross-border e-commerce.

4   Promoting Effect

The value of import cross-border e-commerce live streaming is closely related to the marketing advantages of e-commerce live streaming. During the live streaming, anchors

display the goods, and viewers who are willing to buy will leave messages on live pages and ask questions about products. After being answered face-to-face, if they are satisfied, they can directly click on the live page to buy. In addition, it can also continue to provide consumers with replay videos at any time after the live streaming is completed, effectively extending the time and space of live streaming. E-commerce live streaming has many advantages in improving consumers' purchase intention. The following analysis is made from the aspects of information transmission, service efficiency, social interaction and entertainment and system function.

4.1 Information Transmission

Deliver higher-quality product information to facilitate users' purchasing decisions. It is difficult for consumers to rely on the information described by static pictures on traditional e-commerce websites to make purchasing decisions, mainly due to information asymmetry. Most non-standard, creative and functional products have hidden information, and consumers relying on naked eyes cannot get effective recognition. Besides, consumers cannot communicate with sellers and other consumers face-to-face. The information obtained is mainly limited by static pictures and indistinguishable consumers' comments, which makes the transaction highly of uncertainty [9]. Even an intelligent algorithmic recommendation mechanism can only transmit limited information about products to target customers through short videos, pictures and texts, which is not enough to solve the problem of information asymmetry and cannot prompt customers to make purchasing decisions quickly. While e-commerce live streaming is an effective way to show the uniqueness of products to consumers, [10] e-commerce live streaming provides a more direct, real, comprehensive, and non-editable form of information to help consumers understand products through sight, sound, action, etc. In addition, the exposure and interaction of information in e-commerce live streaming can also enable consumers to obtain first-hand information from other consumers to facilitate consumers to make decisions [11]. The characteristics of e-commerce live streaming in information transmission can build customer trust [12, 13].

The import cross-border e-commerce industry has a long industrial chain, from manufacturers to suppliers, import cross-border e-commerce platforms, logistics providers, warehouses and other service providers, and finally to users. The supplier is a critical link, controlling the quality of products. The main suppliers include foreign brands, large retailers and agents. B-end sellers, C-end sellers and platform self-operated sellers of import cross-border e-commerce often have different suppliers, so the supply channels are also different. If businesses cannot obtain the authorization and agency right of the brand, they may sell fake goods. In addition, although there are large quantity of import cross-border e-commerce commodities, the single scale is small. It is more difficult to supervise than general trade, which makes fake goods breed [14]. Traditional e-commerce sellers usually display overseas shopping receipts or photos of shopping in overseas shopping malls in order to gain the trust of consumers. However, technologies such as copying and PS are popular in the online world, and those methods are also difficult to eliminate the doubts of consumers.

E-commerce live streaming can solves this problem well. During the live streaming, purchasing agents can broadcast the shopping scenes in overseas shopping mall, users

can interact with anchors online to select their favorite products. The anchor will carry out trials and displays for commodities as required by consumers. If consumers place orders, the anchor will mail purchased products to consumers. The overseas shopping scene is restored in the form of live streaming, and consumers are brought into the scene across the border. It not only gives consumers a sense of participation, but also eliminates consumers' doubts and wins users' trust. For brand merchants and platform self-operated merchants, their channels are more formal and have more customer trust than purchasing agents. Through live streaming, those merchants can teach consumers to identify certified products, show the production process and authorization, share the experience to use and brand stories, so that consumers can better understand the merchants, brands and commodities. Finally obtain consumer recognition and trust. Import cross-border e-commerce carries out information transmission through live streaming, which can help consumers build trust and form purchase intention in a short time. Therefore import cross-border e-commerce live streaming can effectively solve the problem of trust.

4.2 Service Efficiency

E-commerce live streaming improves service efficiency. First, the service mode of e-commerce live streaming has changed from one person to one person to one person to many people, which reduces the burden and cost of online consultation and improves the efficiency of service. The consultation and communication in traditional e-commerce websites rely on chat software, which has a certain delay. Consumers can send text messages on the live streaming interface, then sellers interact and response by capturing customer needs in real time. Second, the live streaming focuses on the process of product selection, price negotiation, trial and consultation for commodities, which effectively reduce the cost of consumer decision-making.

Compared with familiarity with domestic commodities, the relevant information of import cross-border commodities, such as brands, ingredients, using methods, regulatory policies, logistics timeliness, is still relatively unfamiliar to many import cross-border e-commerce consumers and potential consumers. The traditional method in communication is inefficient, it will cause the loss of some consumers. Consumers don't need to waste time and energy on inquiries, because most of the questions will be explained during the import cross-border live streaming. In addition, sellers can also tap the unconscious demands of consumers and actively make adjustments to goods, services and marketing, which improves consumer satisfaction to obtain greater economic benefits.

4.3 Social Interaction and Entertainment

E-commerce live streaming can creates a group buying atmosphere by gathering popularity, thereby improving the conversion rate. When consumers are watching live streaming, they can not only interact with e-commerce sellers, but also with other consumers, which will lead to heart flow experience and conformity psychology of consumers. In addition, various preferential methods can be set up during the live streaming, such as live streaming exclusive coupons, time-limited special price, receiving shopping bonus after focusing on stores, obtaining gifts after placing an order, etc., so that to attract consumers

to watch the live streaming and place orders. Therefore consumers can get a sense of pleasure and satisfaction in the e-commerce live streaming.

Domestic consumers generally know less about import cross-border goods or brands and have a high degree of interest. The social interaction and preferential gameplay in live streaming will make import cross-border shopping more interesting for consumers.

4.4 System Function

IN terms of system functions, E-commerce live streaming simplifies the purchase system and realizes buying while watching compared to traditional e-commerce. The product purchase interface and chat interface of the traditional e-commerce platform are independent of each other. Only the communication with the seller is completed and a clear cognition is generated, will consumers consider whether to buy the product [15]. Due to the switching cost of online shopping is low, this independence of chat interface and purchase interface increases the risk of consumers' switching.

E-commerce live streaming can reduce the risk of consumers' switching by simplifying operating procedures of consumers and realizing buying while watching. Take Tmall International live streaming as an example. It supports consumers to jump directly to the purchase interface during the live streaming. At the same time, the live streaming can still continue to play in the small window. Clicking the small window can in full screen. Besides E-commerce live streaming also increase the time pressure of consumers, shorten the decision-making process of consumers, reduce the rationality of consumers' decision-making, and monetize of passenger flows [16].

As the same of system function of e-commerce live streaming, the system function of import cross-border e-commerce live streaming makes consumers feel convenient to buy import cross-border goods, simplifies the purchase and improves consumption experience.

5 Conclusions

The promoting effect of e-commerce live streaming on import cross-border e-commerce is in information transmission, service efficiency, social interaction and entertainment, and system function. E-commerce live streaming can effectively solve the problem of consumer trust and promote the sales of import cross-border e-commerce. With the further development of the scale of import cross-border e-commerce, the use of import cross-border e-commerce live streaming will become an important form of improving sales and conversion rates for import cross-border e-commerce sellers.

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