



# Web Celebrity Economy under the Background of E-commerce Live Streaming with Goods Marketing Model —Take Tiktok as an example

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**Abstract.** Under the background of the gradual development of the web celebrity economy, the mode of live streaming with goods provides great convenience for people's lives. Both businesses and consumers make profits in the e-commerce industry. In recent years, live streaming on the TikTok platform has achieved a high trading volume and become a high-profit marketing means. This convenient and fast online marketing has promoted the development of new situations and trends in major industries. Online shopping is now dominant, and the prospects for e-commerce and live-streaming will remain very optimistic in the next few years, as different periods of users will have different shopping preferences. But behind these high profits are product quality problems, consumers' inability to safeguard their rights and interests, and excessive deification emerging while driving rapid economic growth. The rise of the Internet celebrity economy is so fast that the model of commodity live streaming is not fully mature, and the problem still needs to be solved. This paper uses literature exploration and data survey methods to discuss several directions of commodity e-commerce live broadcast mode in TikTok. From the basic development of commodity live broadcast, the characteristics of the mode and the analysis of representative cases, the problems to be solved are proposed, and the corresponding suggestions are put forward for these problems.

**Keywords:** Online celebrity economy, Live with goods, Situation analysis, Consumer rights and interests

## 1 Introduction

### 1.1 Research background

The rapid development of the Internet era has affected every moment of people's life. With the rapid development of many social media and shopping platforms such as WeChat, TikTok, Weibo, and Taobao, online marketing has become a new marketing model for merchants. The output of interesting and distinctive activities and opinions

on social media has attracted many fans and capital investment and realized the traffic with the help of live streaming, forming a huge web celebrity economy. In this context, the marketing model of e-commerce live streaming with goods has emerged. In recent years, live streaming on the TikTok platform has achieved a high transaction amount and become a highly profitable marketing means, with the number of viewers reaching more than 100,000. According to the cicada mother data report in the first half of 2022, TikTok electricity core indicators show that in the first half of 2022, sales rose 150%. With live games to more than 50 million, anchor replacement, and brand broadcast continuously. This makes the industry grow new vitality, niche industry growth rise, strength brand strong market, talent with goods selection trend gradually localization [1].

TikTok live broadcast through mobile phones or computers and different live broadcast devices have different configurations. There are many ways to realize TikTok live streaming: receiving gifts from fans, completing official anchor tasks, realizing e-commerce (earning commission for selling goods to the audience) or realizing advertising (charging advertising fees from merchants). However, the opening conditions are very simple that you only need to post more than 10 videos and have more than 1,000 fans after the real-name authentication. Most Internet celebrities and influencer have detailed live broadcast planning before starting broadcasting, which have sufficient preparations for the live broadcast environment and atmosphere. The form of “live broadcasting + e-commerce” will inevitably become an important course in the development of The Times. Still, the rise of the web celebrity economy is so fast that the mode of live streaming with goods is not fully mature, and problems still need to be solved. By analyzing the current situation of this model, taking the TikTok platform as an example, it analyzes the problems existing in the model of e-commerce live streaming. With goods from consumers’ purchase intention, market share of various brands, sales volume, talent with goods, and product selection, and gives effective solutions to these problems.

## 1.2 Literature review

Shao Qian pointed out that live streaming with goods has become an important channel for enterprises to sell goods. With the further improvement and development of 5G technology, shopping on live streaming platforms will be a new trend in future shopping development. The background of the COVID-19 epidemic has further increased people’s online consumption and reduced the frequency of people going shopping out. In today’s rapid development of information technology, we should correctly realize the disadvantages and benefits brought by such a platform to people’s life. In contrast, making full use of the live streaming platform with goods to solve China’s employment problems, industrial transformation problems to develop new exports, and promote the more rational development of China’s consumption platform [2]. TikTok is working hard to improve its weaknesses. Building a shopping mall is an important step. Previously, TikTok has only had a live broadcast and a short video push to interact with users. With the mall, users may only take the initiative to go to the TikTok mall to

search and do the shopping and then form a re-purchase. The ceiling of TikTok e-commerce still depends on the industry potential of live streaming with goods. Li Chengdong judged that in the future e-commerce form, traditional e-commerce could account for 70%, and live streaming e-commerce can account for 30%. 5 trillion yuan will be the ceiling of live streaming e-commerce, among which Douyin e-commerce may have 3 trillion yuan of [3]. Gai Mengchao and Cui Qiang believe that Douyin e-commerce mainly includes four current forms: e-commerce live broadcast, short video + e-commerce, content payment, and group purchase, which have a high practical value. TikTok e-commerce promotes economic development. In TikTok, GMV has exceeded 500 billion yuan, and the future growth trend is still considerable, contributing great strength to promoting China's social and economic growth. At the same time, it has also greatly contributed to China's poverty alleviation. The specialty products in poor areas have been seen by more people, which has promoted the development of the local economy. It also provides more employment opportunities. TikTok e-commerce has attracted countless people to participate due to its low threshold, simple operation, and other reasons. Many ordinary people have realized life value through we-media creation [4].

Most scholars have studied the advantages and marketing strategies of TikTok e-commerce live delivery and explored a new mode of the live delivery scene. On the contrary, there are many shortcomings behind the rapid rise of the new model on how to strengthen management and consumer rights and interests and conduct in-depth management of the quality protection of online sales. Whether the TikTok platform needs to be further strengthened in logistics, after-sales service, and other aspects to ensure the improvement of the whole sales system in the new mode, the new live broadcasting mode should also be considered under the new mode. The existing mode is almost identical; no scholars have discussed and studied this. Various forms, such as peddling live broadcast, knowledge output live broadcast, and live talent broadcast, are linked to the goods sold, forming a series of marketing models.

### **1.3 Research framework**

This paper discusses several levels of TikTok's e-commerce live streaming mode with goods. First, explore the basic development of live streaming with goods, the characteristics, and the advantages of this model in the web celebrity economic background. Secondly, the representative cases are analyzed to propose the problems and shortcomings to be solved. Then, for a series of problems, literature exploration and data investigation, analysis of the situation, put forward solutions or improvement solutions. Finally, we look forward to the bright prospects of the form of the live broadcast with goods.

## **2 Methods**

### **2.1 Literature research method**

Literature research is the "cornerstone" of academic paper writing, and its role in academic ecology is very important. With the help of the literature database to complete

the literature search and cluster the analysis with optional software, the researchers can finally obtain relatively scientific and effective literature that can be selectively analyzed according to the researchers' ability, workforce, and material resources [5]. In this paper, according to e-commerce live streaming with goods, the data is obtained through investigating the literature to comprehensively and correctly understand the data of the TikTok platform in recent years, the data of each product classification, and the overall change trend. Using the characteristics and advantages of TikTok live streaming explored by some scholars and analyzing the aspects to be improved. A literature survey was conducted from multiple dimensions, such as consumers' purchase intention, market share of various brands, sales volume, and selection of goods with talent.

## 2.2 Case analysis

The case analysis method is a scientific method to make the research more comprehensive and specific through the detailed analysis of the most representative certain phenomenon or thing [6]. The body of the case is the core of the main part of the case, which should introduce the event's character, organization, and history. The main content of the case can be organized in chronological order or in the logical order that things develop. This article, by collecting TikTok platform classic live case, combined with the network talent live audience, thumb up, clinch a deal volume analysis. With web celebrities, star TikTok lives or lives with goods reflect the overall data and analysis of how to crack. And different industries live with goods hot observation to explore the content types of competition pattern. Based on the emerging problems, the characteristics of TikTok e-commerce live streaming are analyzed in detail. The resistance and deficiency of the development are analyzed. The existing problems in developing TikTok e-commerce live streaming are supplemented with the help of specific examples to provide arguments for discussing the development of TikTok e-commerce live streaming. Finally, according to a combination of multiple cases, insight into the development status of the whole platform and the next growth opportunities.

## 3 Result

In recent years, TikTok live streaming has become more and more popular. Many Internet celebrities with many fans would like to start live streaming to become a live sale to earn more money. Because Internet celebrities have an innate fan advantage over professional anchors, this is a common understanding among these professionals. Relying on short video content, accumulated traffic has also become the net celebrities to take the first step of live streaming with goods. The most obvious is the appearance level bloggers who rely on changing dressing and dancing to become popular. This kind of content is relatively simple. In order to achieve better commercialization, their unified approach is to set up a separate TikTok trumpet to share daily and beauty makeup. For example, an Internet celebrity named "Xunmenglongteleisha" opened her beauty

nickname “Longzai668” in April last year, which has amassed 719,000 followers. According to data from TikTok, the price of the video has reached 40,000RMB. Then there is another TikTok celebrity called Hedantong, whose trumpet “Hedantong Daily” started advertising some products. From content revenue to advertising revenue to certain live streaming revenue, the path for TikTok celebrities to make money seems clear and simple [7].

In addition, to live streaming on TikTok, some Internet celebrity has also set their commercial sights on platforms. Some Internet celebrities think Taobao is a more mature platform to precipitate a lot of goods than TikTok. For example, TikTok celebrity Chenshian has settled in Little Red Book, B station, and TaoBao. Relying on the accumulated business resources in the hands of Chenshian she opened the first makeup shop in TaoBao and began to live to bring goods on TaoBao in November 2021. Nowadays, more and more Internet celebrities have begun to move from one platform to another. It’s also a test of their irreplaceable personality and ability to create content consistently. To achieve a higher level of commercialization, Internet celebrities must balance their entertainment life with commercial interests [7].

China’s e-commerce live streaming started in 2016. In 2018, China’s short-sighted frequency band goods and e-commerce live streaming goods began to develop, and in 2019, live streaming e-commerce witnessed explosive growth. During the epidemic in 2020, live streaming caught the dividend of user traffic and started to let stars join live streaming, which made the transaction scale of live streaming e-commerce grow rapidly. According to the data survey of this study, among the users with the ability to do online live shopping, the users aged 18-22 are the most, accounting for 62, followed by the users aged 23-30, accounting for 46, and the users aged 18-30 account for 80% of the total number investigated. Young people have a high acceptance of new things and are willing to watch and buy live broadcasts online, becoming the main consumption force of live broadcasts with goods. In addition, in terms of consumption amount, the questionnaire survey shows that 86.67% of users spend less than 500 RMB on average each time through live streaming [8].

Live streaming has driven economic growth and the country’s economic recovery after the epidemic. However, the growing live streaming market also brings some problems to the live streaming industry. The study found that the quality of online celebrities’ goods is not always satisfactory. The threshold for live streaming is very low, so some Internet celebrities will inevitably have the low professional ability and moral quality. Also, the quality of goods can not be absolutely guaranteed. 44.44% of the users said that they occasionally encountered, and 22.22% of the users said that they often encountered to increase the sales of products to make up for the usefulness and quality of products. For example, Lijiaqi’s beauty company in Shanghai was punished in December 2020 for publishing false advertisements.[8]

In order to improve the method of live streaming with goods, there are the following points. Government officials must work together to actively supervise a rule established by the country to regulate the live streaming industry after 2021. Regarding professional quality, Internet celebrities should strictly select products, strengthen their understanding of specific vertical fields, and pay attention to consumer market trends. In addition, the host broadcaster should improve the sense of responsibility, be responsible

for the merchants and platforms, and more importantly, be responsible for the consumers, maintain the trust and support of consumers, and maintain the reputation and image of the industry [8].

For the long-term and healthy development of TikTok Live, the most important thing is to innovate the development path, get out of the simple logic of low price promotion, and explore a mature and feasible development path in integrating the industrial chain, promoting brand growth, and promoting consumption upgrading. Experts said that with the development of VR, artificial intelligence, and other new technologies, live streaming will continue to emerge in the future. New ways of playing, with more novel modes and richer scenes, will bring new experiences to consumers and play a greater social and economic value [8].

Live streaming is dominant, but it's not enough to replace offline shopping. It is expected that in the next few years, as users in different times will have different shopping preferences, the prospect of e-commerce live streaming with goods is still very optimistic. Now, live streaming can be seen as a means of advertising. And live streaming itself will evolve further. VR, AI, and robotics are future trends combined with live streaming to improve users' experience constantly. In the future, robots may replace anchors. On the other hand, live streaming may combine AI and VR to try on clothes and lipstick colors remotely. Although VR technology has been used in the industry, the current VR is only visual but not tactile. It requires too much hardware configuration, and it isn't easy to restore the material completely [9].

## 4 Discussion

Live streaming has only been around for a few years, but it has gone from being virtually unknown to almost a household name. The live streaming industry has experienced a relatively short period since its birth, but it has brought huge economic and social impacts. Among them, e-commerce platforms as the source of live streaming and commodities, e-commerce platform net celebrities as the leading force of live streaming and commodities, and the most significant influence at present. Since the outbreak of COVID-19 in 2020, the home quarantine policy has forced the development of the e-commerce industry, and the depression of offline business has made the live broadcast of commodities an inevitable choice for many businesses. The addition of multi-party capital and main body makes the live broadcasting industry explosive growth. But at the same time, it also exposes various problems and loopholes in the industry. Under such characteristics, combined with interviews with in-depth users, it can be seen that there are problems, such as a crisis of long-term development power, imbalance of platform ecology, and limited brand communication effect in the live streaming of Internet celebrities on e-commerce platforms. To solve this problem, e-commerce platforms, Internet celebrities, and national legislation must work together to change marketing methods and platform ecology. Improve customers' shopping experience, convey the correct concept, establish a professional image and avoid sub-healthy development. State organs can also clarify their responsibilities and conduct comprehensive supervision over the entire platform and industrial chain. It is hoped that through this study,

the strategic suggestions for e-commerce platform network broadcast and commodity supervision can conform to the industry's current situation and produce practical effects.

The legal responsibility of the platform as the operator of the e-commerce platform should be clarified and compacted, and the law-abiding awareness of the host group as the operator should be enhanced. At the same time, we should continue to increase the intensity of supervision and punishment, effectively enhance the effectiveness and deterrence of supervision, and consumers should also improve their awareness of self-protection [10].

First, we should clarify and consolidate the responsibilities of the platform. Whether a traditional e-commerce platform or an emerging short video platform, as long as it provides service functions such as network business place, and transaction matching. Moreover, information release for live streaming activities, it must fulfill the legal responsibilities of e-commerce platform operators. The platform must not only be in strict accordance with the relevant laws and regulations and policy document requirements but also improve the anchor and the seller's qualifications and the rules of the platform system. At the same time, anchors and businesses within the platform strengthen daily management, significantly warn of risk in private transactions, and open a consumer complaint channel, constantly strengthening the construction of the after-sales service system [10].

The second is to enhance the law-abiding consciousness of the host group. Anchors play an obvious role in the process of live broadcasting and carrying goods. As long as they are engaged in live broadcasting and carrying goods business activities, they must bear the legal responsibilities of operators and strictly abide by relevant business laws and regulations. Otherwise, they will bear the corresponding legal consequences of their actions. Especially the head anchor, every move will have a strong demonstration effect, but also to take the lead in compliance with laws and regulations, follow social order and good customs, do not make false exaggeration and misleading propaganda, do not induce consumers to deal privately [10].

Third, we will continue to intensify supervision and punishment. For new models such as live streaming, prudent and inclusive supervision should be adhered to on the one hand, and the bottom line of the law should be upheld on the other to ensure their healthy development in the norms. For platforms with poor management and repeated problems, we should urge them to improve and implement them by utilizing interviews and ordering rectification. Anchors and businesses that violate laws and regulations or harm the rights and interests of consumers should be investigated and dealt with promptly according to law and regulations, and listed on a credit blacklist according to the severity of the infringement, to effectively enhance the effectiveness and deterrence of supervision [10].

Fourth, we need to enhance consumers' awareness of self-protection. By carrying out consumer education, consumption guidance, and other activities, consumers are reminded to carefully check the information of merchants, not to trust the publicity and recommendation of anchors and low price promises, and not to engage in private transactions without the platform. We should keep the live video, chat records, payment

vouchers, and other evidence and contact merchants and platforms to negotiate and solve problems in time [10].

In addition, e-commerce products also provide online immersive and realistic experience with 3D display. Through VR panoramic shooting, modeling and other digital twin technology, for the park, factory, real estate, scenic spots, campuses, museums and other offline scenes of three-dimensional real online display to create a new marketing display path.[11]

Breakthrough the enterprise product marketing limitations such as time, space, language, avoiding the shortcomings of traditional media, digital content subverting the traditional enterprise product exhibition promotion way, creating high quality, low cost, the effect of modern science and technology marketing, help enterprises to realize high efficient and convenient communication with customers, establish a leading marketing advantage for the enterprise. 3D display technology and virtual reality technology depth fusion, has the characteristics of high flexibility, usually according to customer demand for interactive design, amplification, narrow, automatic demonstration, manual operation, split, assembling, rotating, decomposition, and so on can add function design, online display interface is very simple and easy to understand, at the same time, Online virtual display can be presented on PC and mobile devices. Virtual online 3D display is full of immersive experience.[11]

## **5 Conclusion**

### **5.1 Key findings**

The form of “live broadcast + e-commerce” is a double-edged sword. Network experts rely on their traffic to cash out through live streaming on the TikTok platform. This low threshold and high-income form give merchants huge traffic effects and benefits. In order to realize the irreplaceability of live broadcasting with goods, various businesses use different live broadcasting modes to create attractive and creative new content continuously. Young people are highly receptive to new things and willing to watch live broadcasts to buy items. They are often attracted by interesting live-streaming methods and big discounts. Live streaming has largely promoted China’s economic recovery and growth against the backdrop of the epidemic. But at the same time, economic growth always has some shortcomings to be improved. The low threshold of live streaming with goods leads to the quality of goods that cannot be guaranteed, increasing people’s willingness to return the goods, which is a huge challenge facing this model. Moreover, the after-sales problem of the live broadcasting platform is a big loophole. If the after-sales channel is not perfect, consumers will have a poor purchasing experience. It should be optimized to take a long-term sales road.

### **5.2 Research significance**

This paper presents several suggestions for these problems to be optimized. First, the government should actively formulate and supervise the implementation of a series of



laws and regulations to protect the rights and interests of consumers in the live broadcasting industry. The network experts should strengthen the selection of products and control product quality. Second, pay attention to innovation and development. In order to achieve the long-term development of the e-commerce live streaming online shopping mode, it is particularly important to explore and integrate the industrial chain. Secondly, it combines the rapid development of artificial intelligence and the metabolic world in the new era. It combines live broadcasting to bring more experience and shopping sense to consumers.

### 5.3 Limitations

In this paper, on how to strengthen the management and consumer rights and interests and how to deepen the management of the quality protection of online sales, there are many deficiencies behind the rapid rise of the new model. The TikTok platform needs to be further strengthened in terms of after-sales service to ensure the improvement of the entire sales system under the new model. In the post-epidemic era, the form of network live broadcast with goods will continue to develop. This paper puts forward optimization suggestions to strengthen the advantages of the live broadcast with goods mode while avoiding its disadvantages and promoting the long-term and healthy development of the e-commerce live broadcast with goods industry.

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