



# Analysis of the Effect and Changes of Social Media Live Streaming

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**Abstract.** Along with the development in digital marketing, social media live streaming has become a significant method of direct marketing for brands and organizations. This practice enables marketing organizations to make closer connection and more direct interaction between their consumers, which also provides them opportunities to create more detailed and effective marketing approaches for internet advertising. Align with this concept, the author will provide analysis of how social media live streaming impacts and changes the market environments in Chinese economy, culture, and politics. Through identifying the difference of schemes in the three categories before and after the introduction of live-streaming, the author would like to highlight the profound transformation in those fields and suggest possible application of this practice in other domains.

**Keywords:** live streaming · social media marketing · new media platform · traditional media · new media · social media

## 1 Introduction

The prosperity and thriving of social media marketing made businesses understand the significance of adequately applying social media to their strategy and business structure. Therefore, a comprehensive understanding of the relationship between a company and social media determines the future of a company in the era of social media. Social media should be considered a valuable tool for businesses that changes the fundamental structure of marketing in modern industry by strengthening the consumer-supplier relationship. Thus, the birth of live streaming turns out to be natural as marketers consider it an efficient integration of contemporary technology and contemporary methods in marketing. By looking into the practical application of live-streaming in different fields, including economy, culture, and politics, this study provides a comparison between traditional media and social media and furtherly discusses the analysis of the influence of live-streaming services in those marketplaces as mentioned above.

### 1.1 Traditional Versus New

The media has undertaken changes over time with the developing technology and informatization progression in society. According to Dr. Humphreys, social media is

defined as creating collaborative communication, which is visible to more than one person.[1] Some people take media as a modern implement that only benefits electronic media; however, it does not limit to the stereotype of recent social media. Therefore, a conclusion can be drawn that separates media into two different forms: traditional media and social media. One point worth noticing is that it is defined as a set of practices that can be applied to any platform or any means, and thus it is not restrained to one specific form of technology. On the condition of this, it is reasonable to place the comparison between media before any social media that heavily depends on modern technology with the old-fashioned ways like the newspaper.

Three distinct practical differences exist between traditional media and social media. The first significant difference is whether the audience can respond within a reasonable time limit, which can be expressed as active and passive audiences. By using new media, users or audiences (in the larger context) can respond with prompt responses, like retweeting on Twitter or leaving a comment on platforms like Facebook and Instagram. These instantaneous responses strengthen the communication within the network itself, which means the users also generate content other than the message. On the contrary, the traditional media, like newspapers, is duller because it is one-sided. People receive information in the newspaper, but they are not able to make widely spread comments. The second difference is the equality of status among users. New media allows users, no matter who they are, to communicate with others which has no limits to other factors. Compared to traditional media, audiences are potentially more narrowed, and there is less hierarchy exists in the communication model. It is much easier to target one specific group of audiences now by using social media, whereas traditional media is more likely to be open to all. The last one is the ownership or control over messages. Back in the old days, the information on media like newspapers flew in one way, and this characteristic gives more power to control the delivered message. Nowadays, it is getting harder to trace the reliability of the information because it can be a comment, short video, or anything. These three major differences are critical to understand how media has changed over time.

As Chan-Olmsted and Wang from *Making Media* outlined in *Shifts in Consumer Engagement and Media Business Models*, consumer engagement is defined as the string of connection and participation in media, and they regarded it as the essential element in the media business [2]. Live streaming is an experimental implement as it serves the goal of success in the modern world. Not only limited to the media industry, live streaming plays a critical role in the economy and politics as well, and it has also changed how marketing is applied in these domains.

## **2 Body Paragraphs**

### **2.1 Economics**

The 21st century has been widely recognized as the era of technology, and technology has already penetrated our daily life through a multi-dimensional influence. People developed and learned how to deal and live with the conveniences brought along with the evolution of technology, like using technologies at workplaces, schools, homes, and so on. For many businesses, to be specific, the rise of social media is a life-changing

technology that can be seen as a modification to the whole industry. The most significant effect of social media on business is that it brings tremendous change to one's marketing strategy. Before the rise of social media, businesses, especially media companies, had gone through some serious economic recessions, which decreased their revenues by a critical amount [3]. However, the introduction of social media and other digital platforms accelerated the adjustments to the business model. To illustrate, the media industry is an inextricable part of the markets under the influences. The media industry started to form a closer relationship with digital media, and they have become more convergent, especially in matters of content. This significant change has affected the traditional identities of platforms that were considered independent and separated. The authors of *Making Media* explain that the traditional media market was "enlarged" by digital media, including regional newspapers, national television companies, and telecommunication systems.

To be specific, the electric commerce in the Chinese market has been growing rapidly during the past decade. Special practices were developed to satisfy the physical needs of experiencing the tangible product, including the live product demonstration technology that is used to help users simulate immerse experiences with the product [4]. This function is widely used in retailing markets in which consumers are likely to benefit from the extensive information; hence, they will be able to make a more deliberated purchasing decision. Retailing companies kept developing and implanting all the up-to-date technologies that can better help their customers to have the same, or even better, experiences in purchasing. For example, the introduction of virtual videos changed the culture of e-commerce, in which originally, purchases were mostly based on pre-arranged photos and short verbal descriptions. According to Xu, Xiaoyu, Wu, Jen-Her, and Li, Qi, the support of such upgrading involvement builds "harmonious and inter-personal relationships between sellers/streamers and consumers," and this is what the author regarded as the key to success in current and future marketing [5]. As in the following time, consumers are not only looking for the quality of the product itself but also the purchasing experiences and the brand that can reflect their ways of living. In addition to the advancement in technical shopping experiences, another change in business is the rising of special participant group influencers. Chinese social media platforms, Weibo, Taobao, Douyin (Chinese version of Tiktok), and Xiaohongshu, are the leading figures in recent years. One common characteristic between them is the number of influencers they have. Influencers are people with a special charisma, skills, or even certain public personas. These influencers play a major role in live-streaming events on social media platforms. However, what they present to their audiences is more than a presentation of themselves; a large proportion of their "performance" is with selling certain products to their audiences. Thus, live streaming turns out to be another form of marketing. Based on the "2019 Taobao Live Streaming Ecological Development Trend Report", Taobao had yielded 100 billion yuan from the products through its live streaming platform, which is a 400% yearly growth [6]. As live streaming is becoming a forceful tool in the Chinese economy, the enormous growth in number is impossible to be ignored for all the administrators and CEOs.

## 2.2 Culture

Due to the growth of influential crowd cultures, social media has come out to be the turning point for many businesses within multi-extent industries. The changes in economics, as mentioned in the economics discussion, contribute to the form of behavioral and cognitive perception in society, which the author recognized as the main reason for its influence on culture. Based on the marketing strategies stated in the previous sections, methods of gaining consumers' interests and consumer retrieving information online have expanded to a more extensive process. Therefore, a clear suggestion can be made from this observation. As consumers, people nowadays are more aware of their role and their decisions which are based on the certainty they formed with the information gathered. People now are looking for "products" that better fit their preferences, and they want to be able to envisage it through multiple forms of media (image, short video, live streaming, etc.) [7]. The adaption of businesses to consumers, and vice versa, draws more attention to the fact that this change is not an individual case by itself, but rather a change within group culture.

The massive, complex, and continuous change in culture does not limit the evolution of consumer behaviors; it also comes with broadened and diversified social networks. The enhanced interpersonal networks can be classified as "one-to-one" and "one-to-more." One-to-one can be a direct communication between two individuals through any online or offline channel, while one-to-more is communication in a group that is more than two people. What social media changes the pattern of communication in culture is that it opens the boundaries between "one-to-one" and "one-to-more." Compared with the use of traditional media, the limitation of approaching others becomes relatively low, and information is transmitted in a less hierarchical environment. The message is sent in the forms of varied mediums, and a larger but specific group of audiences is targeted. For this reason, live streaming plays an important role in lifting the limits of communications. It can be recognized as one practice that is one-to-one because one host of the live streaming can be facing his/her entire audience. In this case, one person is communicating with a group with the same messages. However, taking this from another perspective, it is a "one-to-more" communication. According to the Osgood-Schramm Model of communication, this propagation process will be that more than one audience will receive, decode, and interpret the message sent by the host and then respond to the host with the encoded message [8]. The double-way model can be identified in the practice of live-streaming as it contains both patterns of communication. Thus, people as individuals and as a society in a larger context have changed their ways of communication in order to adapt to the new patterns of communication. Compared to the traditional media, people nowadays are modifying themselves to this more complex communication system, such as the way of retrieving certain information expanded to multiple channels of media. If someone is looking for the size of one product, they can find it in the description on online retailing platforms; or they can access the live-streaming service and video clips of the product to get a sense of the size of the product. In this era of multi-media, information is no longer a flat written description, but it diverges into a multi-dimensional piece for everyone.

### 2.3 Politics

The openness of social media offers people abundant supply to the satisfaction of daily entertainment, so at this point, it is critical for political parties to examine their engagement with social media as well. For certain people, social media or live streaming is something distant from political issues, and it raises questions about how the dynamic social media form an interaction with the political system. In fact, the media is involved in politics. To illustrate, there is an increasing trend of social media's involvement in the recent American presidential election. The 20th century is widely recognized as the thriving time of the development of media, especially in advertising and new technology. The presidential election turned out to be a media-featured political activity because mass media proved to be a useful tool for politicians' publicity. There were examples of many delegates appreciating media as an opportunity to spread their personal advertising, in which large amounts of money were invested in various media channels. For the reason of effectively boosting the voting population, the investment of television proved to be a successful choice, and television made the presidential election into a national wide center of attention. Research conducted by Cobbett Steinberg reveals that by the year 1946, the rate of households owning a television was 0.02%, with a combined number of 20,000 televisions. Between 1946 and 1955, the number of household-owned television raised to 30.5 million, which was about 64% of all households. Therefore, it is clear how the media would bring a strong impact on the presidential elections. The earliest presidential debate between Richard Milhous Nixon and John Fitzgerald Kennedy caused a heated discussion across the country. The four debates between these two candidates were live streamed through televisions and radio broadcasts from Sep. 26th to Oct.21st in 1960. The four debates' average number of viewing audiences was 70,000,000, and it made a record in history [9]. Since then, the presidential advertisement campaign has remained to be a hotspot issue during the election seasons. The influence media brought to the presidential election, and the political environment itself is undeniable. In fact, we see the power of media keep growing, even today.

The time comes for new media as it is diversified into various branches, and some of them have become major media platforms. When coming to the new media era, live broadcasting is used more extensively through media platforms. Apablaza-Campos, A and Codina, L define some of the major practices. Live streaming on YouTube lives, live stories on Instagram and Snapchat, and live videos on Tumblr are all identified as key channels [10]. In recent years, all of the media channels mentioned above have helped political parties massively increase their presence in online communication. Digital media provides direct benefits to political events as it enhances the consistency and thickness of the communication of messages, especially for journal posts and political news. Therefore, the ability to adapt to the new media environment and effectively use digital media turn out to be the key to modern politicians' strategy. The success of one political party heavily depends on its participation and attention on social media. The delivery of messages through live streaming, photos, or videos strengthens the impression of certain candidates, and it shapes the image of the political party as well. The presence of new media convincingly establishes a more comprehensive and broad representation of politicians. People are learning about their leaders not only through word-of-mouth

and newspapers but also through a multi-dimensional lens that can create an in-depth understanding of the political figure.

Compared to broadcasting and radio, new media allows more advanced publicities because audiences are able to respond with instant feedback. The timely communication would, as mentioned in the advantages of new media, create a more expansive communication within the network. The content related to the original information is generated by an immeasurable number, which directly turns out to be part of the publicity.

### 3 Conclusion

The aim of this paper is to identify the influence of modern technology, it is especially focused on the practice of live streaming, on the adaptive changes in the spectrum of business, social, and also political communities. As live streaming significantly contributes to parts of the new media, as mentioned above, this paper introduces a well-in-depth understanding of the connection and changes live streaming services brought to the world and also its directional development for the economy and society. The analysis of live streaming service's application in those various aspects demonstrates the significance of recognizing, adopting, and eventually taking advantage of it in different contexts.

This study also indicates some potential implications for several purposes. Firstly, the comprehensive experiences and direct consumer engagement live streaming service could provide to any business practice should be placed considerable attention as business owners or social media marketers create their marketing strategy and branding campaigns. In the second section, the engagement of live streaming services in cultural aspects is highlighted by the social communication methods in which communication is no longer limited by the means of it. In particular, the subtle changes in adopted interpersonal communication are derived from the development of modern technologies, and perhaps there should be more subsidiary research to discover the transformation of human communication and its impact on social development. Live streaming, now, is one of the practices that leads the evolution in domains including business, society, and also public affairs, and it not only should be understood the importance of establishing an intimate rapport with customers for any business owners but also for the people whom consumer to recognize their own attachment and relationship with this technological implement.

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