



# The Influence of Live Commerce on the Impulsive Consumption of Young People

Zhixuan Huang<sup>1a\*</sup>, Jingqi Zhang<sup>2b</sup>

<sup>1,2</sup>Guangdong Experimental High School

<sup>\*a</sup>1175102843@qq.com

<sup>b</sup>1175102843@qq.com

## Abstract

With the popularity of social media, live commerce has come into our lives. Yet a series of problems of impulsive consumption caused by live streaming have also come along, which young consumers are the group that being affected the most severely[1]. With the goal of reducing the economic burden of young consumers and their families, as well as contributing for the positive development of the economy, this research first analyzed the impact of young consumers' cognitive needs on impulsive consumption during live streaming from consumer's perspective[2]. Follows along, it also analyzed the impact of various promotion methods on impulsive consumption during live streaming from the perspective of the external environment, as well as the problems that occurs after these abnormal consumption. Results showed that: cognitive needs inhibits impulsive consumption; different promotion methods influences consumer's impulsive consumption; and impulsive consumption positively affecting the return behaviors[3]. The findings of this research can help consumers to effectively identify the promotion traps in live streaming, meanwhile, to provide advice for the government in formulating rational policies for such and related phenomenon.

**Keywords:** *live commerce, impulsive consumption, Internet economy*

## 1. Introduction

With the popularity of social media, live streaming brings goods into people's lives and injects new vitality into the real economy. However, as an emerging sales model, it is still in the early stage of development, and consumption chaos occurs frequently[4]. If these chaos are not resolved It will affect people's concept of consumption, which will lead to chaos in the market, and trigger multiple contradictions among merchants, live broadcast platforms, live broadcasters and consumers[5]. The variety of promotional methods in live streaming has increased people's desire to consume, but at the same time, the proportion of consumers' impulsive consumption has gradually increased[6], which will lead to a series of chain problems, such as: increased financial burden on individuals and families, difficulty in returning goods, consumers The rights and interests are not guaranteed, but it is not conducive to the healthy development of the economy[7]. Since most young people are students and newcomers in the workplace with limited income, the above-mentioned problems have a more serious impact on this group[8]. The youth is

defined as between 14-35 years old, and the impulsive consumption behavior of this group in the live broadcast delivery is studied in Guangdong Province, so as to provide a social management level plan, from the source to make the live broadcast platform more standardized[9], and at the same time Strengthen young people's awareness of preventing impulsive consumption and make efforts for sound economic development[10].

## 2. Research method

### 2.1 Data collection method

In order to verify the cognitive needs (whether the product is needed or not and whether the promotion method is well recognized), the impact of promotion methods on consumers' impulse consumption and the impact of impulse consumption on return behavior, this subject designed a survey. questionnaire. Then, 30 people were selected for a trial survey, the questionnaire was revised according to the problems found in the trial survey, and the 30 people were re-tested with a sample to ensure the validity of the questionnaire, and finally a formal survey was conducted. To collect data within 5%

error, the required sample size is:

$$n = \frac{z^2 \hat{P}(1 - \hat{P})}{e^2} = \frac{1.96^2 \times (0.5) \times (1 - 0.5)}{(0.5)^2} \approx 385$$

The values of  $\hat{P}$  and  $e$  are both 0.5. Assuming that the sample recovery rate is 80%, 500 questionnaires are planned to be distributed, and 435 valid questionnaires will be recovered in the end. The above consumers set up jump questions, only asking their opinions on impulse consumption, without making specific analysis.

### 2.2 data analysis method

After obtaining the questionnaire data, it is planned to use descriptive statistical analysis, cross analysis, chi-square analysis and other methods to study the relationship and difference between different variables according to the problem hypothesis of the project plan, and use the collected data to carry out the research hypothesis. analysis to draw relevant conclusions.

In the analysis of the impact of consumer cognitive needs on impulsive consumption, the subject first uses cross-analysis to make a column chart to observe whether the two are related, and then uses the chi-square test to further test the impulsive consumption of consumers with cognitive needs Whether the situation of consumers with no cognitive needs is different from that of consumers without cognitive needs, so as to determine the relationship between cognitive needs and impulsive consumption.

In the analysis of the impact of promotion methods on consumption impulse consumption, the subject uses a cross table to make a column chart between the two to observe the difference between consumers' impulse consumption and non-impulse consumption under different promotion methods, so as to determine the two The relationship between.

In the research on consumer return behavior after impulsive consumption, the subject first used the cross analysis to make a column chart to observe whether the two were related, and then used chi-square test to further test whether impulsive consumption would have an impact on their return. So as to determine the relationship between impulse spending and return behavior.

## 3. Data analysis and research

### 3.1 Analysis on the influence of cognitive needs on impulsive consumption

Cognitive need means that consumers realize that a certain commodity is lacking in real life and hope to obtain the commodity through purchase. In order to facilitate the respondents to answer, the question is replaced by whether there is a plan before purchasing, and whether there is a plan before purchasing. The

equivalent is a number ("Plan before buying" is set to 1, "No plan before buying" is set to 2), and the two options of whether people are impulse purchases are equivalent to numbers ("No impulse purchase" is set to 0, "Impulsive spending" is set to 1). First, we use the cross-analysis of observations, as shown in Figure 1.

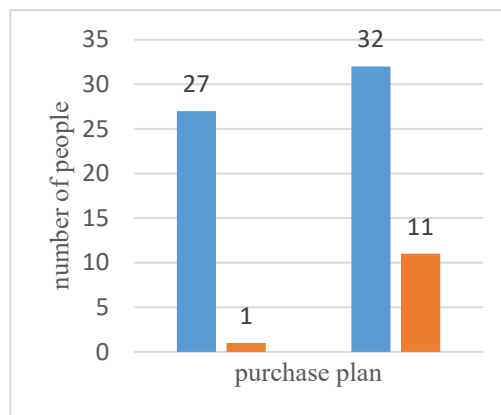


Figure 1 Cross-analysis diagram between consumers' impulse consumption and purchase plans

It can be seen from Figure 1 that when consumers have no plans before purchasing, the number of impulsive consumption is 11, and the number of non-impulsive consumption is 32. When consumers have a plan before purchasing, the number of non-impulsive consumption is 27. The number of people who have impulse purchases is only 1. It can be seen that having a plan before purchasing will greatly reduce the behavior of consumers' impulsive consumption. In order to verify this result, this topic uses cross-tabulation and chi-square test for verification, and the verification results are shown in Table 1:

Table 1 Cross-tabulation of cognitive needs and impulsive consumption and chi-square test results

Unit: Number of people

Impulse spending	Have a purchase plan		total
	1	2	
0	27	32	59
1	1	11	12
total	28	43	71

Pearson chi2 ( 1 ) = 5.8491 Pr = 0.016

The Pearson chi-square value is 5.8491 calculated by the chi-square test. When the degree of freedom is 1, the asymptotic significance value is 0.016, indicating that this result is significant at the 5% and 10% levels, indicating two problems. There is a significant correlation between young consumers' cognitive needs and impulsive consumption, which means that young

consumers' cognitive needs can effectively inhibit their impulsive consumption behavior.

### 3.2 Consumers of different ages whose expected purchases are affected by live streaming

In order to further analyze whether consumers' cognitive needs are affected by the same age, and to verify that the inhibitory effect of cognitive needs on impulsive consumption is not limited by age groups in the youth group, this study equates the age option as a number ("under 18 years old" Set to 1, "18-26 years old" is set to 2, "27-35 years old" is set to 3,), the option of whether there is a plan to purchase goods in the live broadcast is equivalent to a number ("No plan" is set to 1, "Planned" is set to 2), and Figure 2 is obtained by cross-analysis.

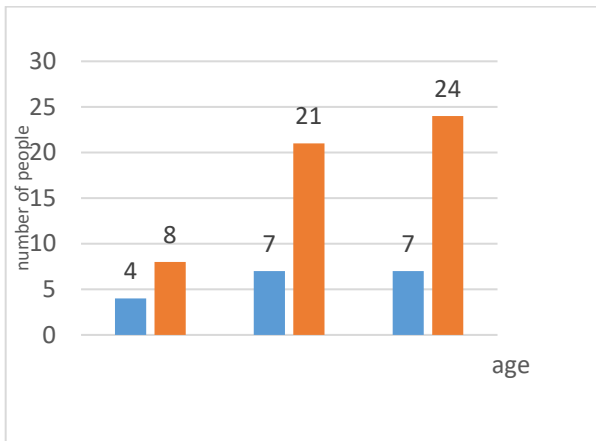


Figure 2 Column chart among consumers of different age groups and purchasing plans

As can be seen from Figure 2, as a whole, among the young consumers who participate in live broadcasts, there are relatively few people who have purchase plans, and most consumers have no purchase plans. Among these groups, the proportion of young consumers under the age of 18 is relatively small. , the proportion of consumers aged 27-35 and over 35 years old is the same. However, the proportion of planned purchases and unplanned purchases of consumers in different age groups is basically the same. In order to verify this result, this study conducted a chi-square test. The test results are shown in Table 2.

Table 2 Cross-tabulation and chi-square test results of cognitive needs of different age groups in live streaming

Age	Have a purchase plan		Total
	1	2	
1	4	8	12
2	7	21	28

3	7	24	31
Total	18	53	71

Pearson chi2 ( 2 ) = 0.5316 Pr = 0.767

Through the chi-square test, the Pearson chi-square value is calculated to be 0.5316. When the degree of freedom is 2, the asymptotic significance value is 0.767, indicating that there is no significant correlation between the two issues. There is no correlation between knowledge needs and age of consumers. This result, together with the previous results, reached the following conclusion: the cognitive needs of young consumers have nothing to do with age, and consumers' cognitive needs can inhibit impulsive consumption, so the relevant recommendations are applicable to all young groups.

### 3.3 Analysis on the influence of promotional methods on impulse consumption

Different promotion methods will make consumers have different degrees of impulse to purchase items. In order to facilitate the respondents to answer, the subject replaces this question with "What are the most preferential activities for items purchased in the past month?" and list it. The options that come out are equivalent to numbers ("Buy one get one free" is set to 1, "With gifts" is set to 2, "Discount" is set to 3, "Pre-sale, you can pay part of the deposit first" is set to 4, "Limited time" is set to 4. "Purchase" is set to 5, and "Lottery activity" is set to 6), and in order to facilitate the respondents to answer the question of whether people are impulsive consumption, the questionnaire is replaced by whether there is a plan before purchasing, and whether there is a plan is equivalent to Number ("No Impulse" is set to 0, "Impulse" is set to 1). First, we use the cross-analysis of observations, as shown in Figure 3.

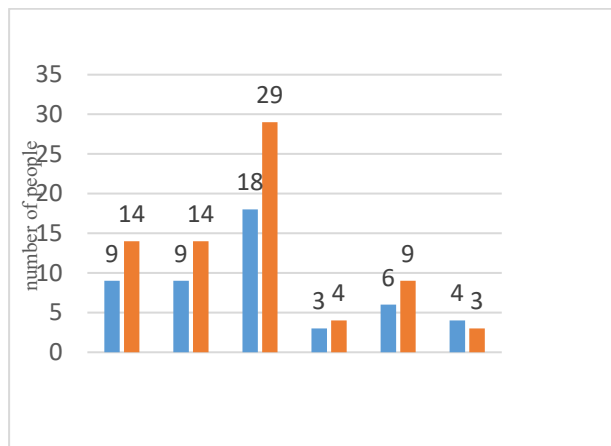


Figure 3 Column Chart Between Promoting Consumption and Impulsive Consumption

As can be seen from Figure 3, except for the lottery promotion, the proportion of young consumers with impulsive consumption is higher than that of non-

impulsive consumption in other promotion methods. Among them, the young consumers participating in discount activities are the most, followed by buy-one-get-one-free and Complementary products are given away, while pre-sale, limited-time purchases and lottery draws have little impact on people's impulsive consumption, especially lottery activities, which have little impact on young consumers' impulse purchases. It can be seen that young consumers are more concerned about the degree of profit from live streaming. Marketing methods will promote the impulsive consumption behavior of this group, and different promotion methods will also cause different degrees of impulsive consumption.

#### 4. Conclusions

Through data analysis and discussion, this paper draws the following conclusions: 1. Cognitive needs can effectively inhibit impulsive consumption psychology, and cognitive needs are universal in various age groups. This confirms the second hypothesis in this topic. 2. Different promotion methods have different effects on consumers' impulse consumption psychology. Among them, discounts have the greatest impact on impulse consumption psychology, followed by buy-one-get-one-free and gift-related products. This confirms the first hypothesis of this thesis.

In response to the above conclusions, some effective methods to restrain the impulsive consumption of young consumers have gradually emerged. From the perspective of consumers, they can make a consumption plan in advance and consume strictly according to the plan. From the perspective of businesses, businesses should appropriately remind consumers to consume rationally, reduce waste, and instill correct consumption concepts for consumers.

#### References

- [1] Rao Mengru, et al. "Analysis of the Influencing Factors of Online Live Streaming on Consumers' Purchase Decisions in the New Media Era." *Modern Business Industry* 42.01(2021):56-58. doi:10.19311/j.cnki.1672- 3198.2021.01.024.
- [2] Wang Xueli. "Research on the influence of online celebrity live streaming on consumers' purchase intention based on hierarchical regression analysis." *Gansu Science and Technology* 49.11(2020):76-80. doi:.
- [3] Liu Pingsheng, and Shi Yongdong. "The Influence Mechanism of the Live Streaming Marketing Model on Consumers' Purchase Decisions." *China Circulation Economy* 34.10(2020):38-47. doi:10.14089/j.cnki.cn11-3664/f. 2020.10.004.
- [4] Deng Yanling, and Gao Guiwu. "What does live streaming bring? Opportunities and reflections on online live streaming." *News and Writing*. 07(2020): 95-99. doi:.
- [5] Liao Yijing. "An Empirical Study on the Impact of Expected Regret Right on College Students' Impulsive Consumption." *China Business Review*. 14(2019): 84-86. doi: 10.19699/j.cnki.issn2096-0298.2019.14.084.
- [6] Cheng Xiaoya. Research on the management of small and micro e-commerce returns. 2019. Nanjing University of Aeronautics and Astronautics, MA thesis.
- [7] Liao Yijing. "Influencing Factors of College Students' Impulsive Consumption Behavior." *Business Story*. 04(2019):43-45. doi:.
- [8] Liu Zhenzhen. Research on the Influence of Price Promotion on Consumers' Impulsive Buying Behavior. 2016. Liaoning University, MA thesis.
- [9] Li Haijiao. "The game between live streaming and consumer psychology." *Management and Technology of Small and Medium Enterprises (late issue)* .12(2020):162-163. doi:.
- [10] Wang Tong. Research on consumer purchase intention in the context of e-commerce live broadcast. 2020. Minzu University of China, MA thesis.

**Open Access** This chapter is licensed under the terms of the Creative Commons Attribution-NonCommercial 4.0 International License (<http://creativecommons.org/licenses/by-nc/4.0/>), which permits any noncommercial use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons license and indicate if changes were made.

The images or other third party material in this chapter are included in the chapter's Creative Commons license, unless indicated otherwise in a credit line to the material. If material is not included in the chapter's Creative Commons license and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder.

