

Analysis of Factors Influencing Consumer Trust in Live E-commerce

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Abstract. With the application of 5G technology in the commercial field, live streaming e-commerce is flourishing in the new era of consumption, where consumer trust is the key to winning the market and the future, as well as a rare resource. This article explores the results analysis of consumer trust from three aspects: consumer behavior, enterprise development, and e-commerce ecosystem, and discusses the influencing factors of consumer trust in live streaming e-commerce based on product, consumer psychology, and e-commerce marketing strategies. The conclusion drawn is that the long-term evolution of e-commerce relies on the sustained trust of consumers. If live-streaming e-commerce platforms can establish and maintain high levels of trust, consumers will prefer to make repeat purchases on the platform, thereby promoting the platform's long-term development. On the contrary, if the platform has false advertising, product quality issues, etc., it will seriously damage consumers' trust and lead to user churn. In the operation of live streaming e-commerce, there are also moral risks such as the "popularity of people" being greater than the "popularity of goods", as well as trust crises and risks such as lack of product authenticity and protection of consumer rights, which require corresponding response strategies. Such as establishing strict admission mechanisms, improving the legal awareness and professional ethics of anchors, and strengthening consumer rights protection.

Keywords: Consumer trust; live e-commerce; consumer rights.

1. Introduction

In recent years, digital economy technology has penetrated various fields of society, and e-commerce has rapidly risen into a new era, becoming a new model of China's retail industry. Since 2016, e-commerce platforms such as Taobao, JD.com, and Vipshop have successively launched live-streaming functions and started live-streaming shopping guidance models. Kwai, TikTok, and other live broadcast platforms cooperate with brands to develop live broadcast e-commerce businesses. As a tool with real-time, diverse, and rich social functions, live-streaming marketing has actively attempted to provide diverse expression spaces, optimize social structure and patterns, and enrich the content and methods of dissemination [1]. Sales anchors usually have a strong affinity and certain professional knowledge, can stimulate others' shopping desires, and have strong traffic conversion and monetization abilities. Live streaming sales, due to their real-time interaction and strong entertainment value, quickly spread product information in a short period and rely on the traffic foundation of social media platforms to attract audience attention and promote product sales. Consumer trust is an important factor that determines whether consumers are willing to establish long-term relationships with a brand or enterprise. It plays a crucial role in brand building, market development, consumer satisfaction, and long-term profitability. Consumer trust has characteristics such as long-term, gradual, cross-platform, and interactive. Long-term performance is reflected in the gradual formation and sustained development of consumers' trust in a certain platform after a period of communication and experience; Progressiveness refers to the gradual increase in trust over time; Cross-platform compatibility indicates that consumer trust has a certain degree of adaptability and scalability across different platforms; Interactivity emphasizes the impact of consumer platform interaction on trust. Due to the inability of consumers to personally feel and identify the overview of the product on online platforms, it is crucial to establish a transaction trust system between hosts and consumers and strengthen perceived value. Live streaming sales increase the frequency of interaction with consumers through bullet comments, timely and detailed answers to consumer doubts, and the

display of product function details without editing throughout the process to reduce consumer-perceived risks. It builds an emotional hub between consumers and live-streaming manufacturers, resonates with users, enriches purchasing scenarios and product experiences, and enhances consumer trust [2]. But at the same time, there are also problems such as impulsive consumption by consumers, false advertising and data fabrication by internet famous anchors, and difficulty in returning and exchanging goods due to incomplete after-sales service. So what are the influencing factors and roles of consumer trust of consumer trust in live commerce, and what are the derivative problems and countermeasures in consumer trust? This article will discuss them.

2. Analysis of the Role of Consumer Trust in Live Streaming E-commerce

2.1. Consumer Behavior

Trust can reduce search costs, decrease perceived consumer risks, and promote repurchase intentions. Risk perception mainly comes from the uncertainty of purchase results and the losses caused by regretting the wrong purchase [3]. In the live-streaming e-commerce environment, consumers are unable to directly touch and experience products, which can easily lead to uncertainty in product quality, transaction safety, and other aspects. Trust significantly influences customers' willingness to consume through the certainty of relationships, achieving the completion of the entire process of consumption behavior. When users establish trust in a platform or merchant, they will be more targeted in the information filtering process, reducing the comparison cost and unnecessary information evaluation required in the decision-making process. They often have a lower risk perception of technical security, product quality, and disputes in the transaction process of network platforms, which helps to enhance the certainty of purchasing decisions. Specifically, this is reflected in the high repurchase rate of individual products, high acceptance of new products, and the formation of stable purchasing habits. For example, in e-commerce live streaming, consumers who trust the host's recommendations will reduce their concerns about product quality, functionality, and other aspects, and make purchasing decisions faster. On the contrary, if consumers have lower trust in merchants, they will spend more time and effort verifying their authenticity, which not only increases search costs but may also lead consumers to give up purchasing.

2.2. Enterprise Development

Consumer trust affects their purchase intention and frequency, which directly affects the sales performance and market share of the enterprise. If the merchant has good customer stickiness, consumers will have a stronger desire to increase their purchase amount and frequency on the platform, which is beneficial for enterprises to accumulate valuable market resources, promote sales performance growth, and expand market share. Based on digital platforms and existing market resources, live streaming e-commerce utilizes big data and cloud computing to effectively analyze and predict information about existing or potential competitors, and build innovation-oriented strategies to enhance its market competitiveness [4]. In addition, companies with high levels of trust often have higher reputations and market potential in the market, which can attract more high-quality partners to establish close business partnerships, promote diversified development, and enhance market competitiveness.

Consumer trust is a key factor in building a company's brand. Brand image affects consumers' perception of corporate reputation, and the two are positively correlated. Live streaming e-commerce provides consumers with a channel to intuitively experience brand culture and product characteristics, making it easier for them to accept and recognize the brand's products or services, which helps to improve brand awareness and credibility [5]. A good reputation can make it easier for consumers and partners to share and spread the brand's information and experience, convey positive impressions, promote word-of-mouth communication, and further enhance the brand image. In the face of crisis events, consumer trust can help businesses reduce the negative impact of crises on brand image and

business, lower operational risks, and enhance the stability of the enterprise. Therefore, companies can enhance consumer trust by shaping a more positive and proactive brand image.

2.3. E-commerce Ecological Chain

There is a positive correlation between consumer trust and the quality of e-commerce logistics services, which means that increasing consumer trust helps promote technological innovation in logistics operation platforms, the development of e-commerce logistics models, and the transparency of supply chains [6]. E-commerce platforms can use advanced technologies such as blockchain and big data to achieve full traceability and visualization of the supply chain, Providing the source, production process, and logistics links of goods, reducing fraudulent behavior and risks in the supply chain, enhancing consumer trust, and building a highly integrated e-commerce supply chain. The improvement of consumer trust is conducive to the formation of a stable customer base, providing predictable order volumes for e-commerce platforms, prompting merchants to pay more attention to long-term planning and management to reduce the risk of supply chain interruptions, making procurement, production, and logistics operate more stably and orderly, and improving the overall resilience and stability of the supply chain. Merchants can also adjust inventory levels, production plans, etc. according to market demand to reduce inventory backlog and waste and improve the efficiency and flexibility of the supply chain. In addition, e-commerce platforms can establish a high-quality e-commerce operation planning system by strengthening after-sales service, establishing a reputation evaluation system, and establishing complaint and dispute resolution mechanisms.

3. Analysis of Factors Influencing Consumer Trust in Live E-commerce

3.1. Product Factors

In the expanding online market, the live-streaming e-commerce industry is transforming from traffic-driven to content and brand-driven, and product quality is a key factor in meeting consumer needs. Product quality generally includes aspects such as performance, lifespan, reliability, safety, economy, and appearance quality. High-quality products can bring consumers a more pleasant user experience, win their trust and recognition, and also help promote consumer repurchase and word-of-mouth communication for the brand, which has a profound impact on brand loyalty, market reputation, and the long-term development of the enterprise [7]. If there are quality issues with the product, such as mismatched functionality, poor materials, etc., it will reduce the shopping experience of consumers and thus lower their trust in the e-commerce platform. Price is the manifestation of goods in monetary form, playing a role in regulating economic relations, transmitting market information, and reflecting the value of goods. It is also an important scale for consumers to measure products, affecting their perception of product quality and social cognition. In the modern market, with the increasing variety of goods, consumers find it difficult to distinguish the quality and value of goods. Therefore, consumers generally believe that "you get what you pay for", that is, high prices may mean higher production costs, better raw materials, and better technology, often associated with high quality and high performance. When the price of a product meets or slightly exceeds consumers' psychological expectations, it is easier to establish trust and purchase intention. Price stability is also an important factor affecting trust, and frequent price fluctuations can make consumers feel uneasy. In addition, a clear and transparent pricing system and precise pricing strategy are conducive to consumers obtaining the true price information of goods, forming a more accurate perception of fairness, and increasing consumer stickiness and trust.

The brand is the core competitiveness of a company, representing its reputation and commitment, and shaping consumers' first impressions. Famous brands often represent high-quality and reliable services, and consumers are more inclined to choose products with brand guarantees. A brand includes visual elements such as name, advertising, and design, as well as intangible attributes such as values, culture, and emotions conveyed by the brand. Brands with unique copywriting, text, and other designs are easy for consumers to identify and select, and live-streaming e-commerce platforms

that promote values based on personality, fun, and interaction are conducive to promoting consumer satisfaction with the brand [8]. Therefore, good live streaming interaction, strengthened trust expectation management, and integrity management construction are conducive to enhancing the reliability and credibility of the brand, increasing consumer stickiness and trust.

3.2. Consumer Psychological Factors

The personality tendencies and psychological characteristics of consumers influence their attitudes and desires towards products, leading to selective attention and misinterpretation, and driving purchasing decisions. Customer perceived value refers to the subjective evaluation of the utility of a product or service by customers after perceiving the benefits of the product and subtracting the costs (including monetary costs, time costs, energy costs, etc.) they incur in acquiring these products or services [9]. In live streaming sales, consumers can visually see the actual effect of the product through live streaming and can inquire about the details and usage experience of the product from the anchor through bullet comments, reviews, and other means. This feedback mechanism is conducive to consumers forming a perception of the value of the product and building trust. Meanwhile, the atmosphere of live streaming, recommendations from hosts, and the reputation of the platform also affect consumers' perceived value. So the construction of product services, communication and feedback of after-sale service, and the establishment of emotional connections all affect consumers' trust.

3.3. Marketing Strategy

The information transmission structure is constantly expanding towards linear and mesh-like structures, and live promotion in e-commerce has become commonplace. Online promotion has cross-regional characteristics, wider coverage, and higher efficiency. Enterprises can use social media platforms such as magazine advertisements, television media, and online websites to promote and advertise to consumers. They can also use big data to analyze consumer preferences and purchasing behavior to detect market dynamics, and then provide personalized products and services for target customers through precise product or advertising placement, enhancing consumer trust. Big data marketing enriches the elements of scene space construction, creates a closed loop of online and offline integrated service marketing chains, realizes the intelligence and automation of marketing processes, and endows consumers with an entertainment experience [10]. The good experience further strengthens consumer trust.

Online celebrity marketing has become a huge industry in the Internet era. Internet celebrities have a strong fan base and loyal audience on social media platforms. Through deep interaction in the comment section, fans can develop a sense of closeness and cultivate long-term trust. This emotional connection is conducive to establishing a stable customer base and market position for internet celebrities and realizing traffic monetization. Internet celebrity live-streaming sales focus on consumer brand experience, with content marketing as the core, personal charm of internet celebrities as the value link, promotion from the user's perspective, and emphasis on consumer emotional experience [11]. In addition, internet celebrities have closely cooperated with major live-streaming platforms to promote customer traffic through technological innovation in live-streaming forms. For example, by introducing technologies such as virtual reality (VR) and augmented reality (AR), the presence of live streaming can be enhanced to strengthen trust perception and attract consumers to participate in brand value-creation activities.

4. Potential Consumer Trust Crisis and Countermeasures in Live E-commerce

4.1. Potential Trust Crisis

Internet and communication equipment are constantly popularized and developed, live broadcast e-commerce has become an important part of the global economy, which has greatly changed people's consumption habits and business operation modes. While the live broadcast e-commerce industry is

booming, it also exposes many problems. In the live-streaming sales model, the formation of consumer trust comes more from the power of the new internet celebrity economy, rather than the products or brands themselves. The phenomenon of "people being more popular" than "goods being popular" is prominent, but the overheated "people being popular" can easily trigger moral hazards [12]. In live streaming sales, there are often problems such as low product quality, difficulty in returning and exchanging goods, and poor after-sales service attitude. Some anchors, in pursuit of higher profits, exaggerate the effectiveness of their products, engage in false advertising, and falsify data to mislead and deceive consumers, leading to a crisis of transaction integrity. Over time, this will reduce consumers' trust in their products and services. The core of live-streaming e-commerce lies in online transactions, which inevitably involve personal information security, payment security, and protection of transaction data. However, some platforms and merchants have loopholes in data protection, leading to frequent incidents of consumer privacy breaches. This not only violates consumers' privacy rights but also raises concerns among consumers about the security of e-commerce platforms.

4.2. Measures

Firstly, a strict admission mechanism should be established. Live streaming platforms should require merchants to provide valid business licenses, product quality inspection reports, and other relevant documents, and regulate and standardize live streaming content. Real-time dynamic supervision should be carried out to address possible violations in live streaming sales, such as the use of prohibited words and malicious price hikes, to ensure that live streaming content complies with legal and regulatory requirements, and to avoid false advertising and misleading consumers. Modern governance can also be achieved through technological innovation, using blockchain technology for live-streaming sales activities. Every live broadcast in each sales room can generate blocks of live video through this technology, which are permanently retained and cannot be changed [13].

Secondly, enhance the legal awareness and professional ethics of the anchor. As a key role in live streaming sales, anchors should enhance their legal awareness and avoid false marketing and exaggerated advertising. By providing training and guidance, it aims to enhance the professional competence and moral awareness of broadcasters, guide them to live in a civilized and honest manner and establish an effective constraint mechanism. At the same time, strengthen the protection of consumer rights and establish effective channels for consumer complaints. Live streaming platforms should establish dedicated channels for consumer complaints, such as customer service hotlines, online complaint platforms, etc., to protect the legitimate rights and interests of consumers. In addition, logistics and after-sales service should be improved to enhance consumer satisfaction. A sound logistics system and after-sales service mechanism should be established to address the possible shortage of weight and product quality issues in live streaming sales. Ensure that products can be safely and accurately delivered to consumers, and provide effective return and exchange services. Live streaming e-commerce platforms need to comply with relevant regulations and policy requirements, strengthen industry self-discipline, and jointly promote the healthy and common development of the e-commerce industry.

5. Conclusion

In summary, consumer trust in the e-commerce industry is influenced by various factors such as products, perceived value, and marketing strategies. The success of live-streaming e-commerce largely depends on consumers' trust in products, platforms, and hosts. From specific transactions to industry development, consumer trust is indispensable. The development of the e-commerce industry is not just a simple combination of "live streaming+e-commerce", but an Innovative Mode of consumer relationship based on live streaming platforms and hosts, and based on users' cloud consumption habits. The E-commerce industry achieves its commercial value by establishing and maintaining a trust relationship with consumers, whose trust is based on recognition of hosts and

platforms, confidence in product quality, and recognition of the positive energy conveyed in live streaming marketing. The two are interdependent. The establishment of a trust relationship requires time and effort, including improving product quality, conveying positive energy, and cultivating consumer trust in the anchor through long-term interaction. To build a trust economy, live streaming e-commerce platforms should adopt a series of mechanisms and regulatory measures, such as actively adhering to customer orientation, strengthening integrity construction, providing a safe consumption environment, etc., to improve their service level, enhance customer loyalty, and achieve stable operation.

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