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Research on the Impact of E-commerce Livestreaming on Consumer Decision Making in the Era of Internet Celebrity Economy

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Abstract: Under the dual promotion of social media and e-commerce platforms, a group of internet celebrities with massive fan followings have emerged. This article aims to investigate the impact of e-commerce livestreaming on consumers in the era of internet celebrity economy. With the rapid development of the internet, the internet celebrity economy has flourished and become a significant digital economic model. At the same time, e-commerce livestreaming, as a crucial monetization method in the internet celebrity economy, has also experienced rapid growth in the e-commerce industry. This research delves into the influence of e-commerce livestreaming on consumer purchasing behavior and consumption habits.

Keywords: Internet Celebrity Economy; Livestreaming E-commerce; Consumer Behavior.

1. Introduction

Introduction With the rapid development of the internet, China's social media and e-commerce industries have experienced flourishing opportunities. In this digital age, the rise of internet celebrities has become a remarkable phenomenon. Internet celebrities attract significant attention and followings from a large number of fans due to their personal charm, high-quality content, and strong social influence. Meanwhile, e-commerce platforms, as global sales channels, provide a vast stage for product promotion and sales. In such a context, the collaboration between the internet celebrity economy and e-commerce becomes increasingly crucial and interconnected.

In the research conducted by Cai Ning (2021), a theoretical model was constructed to demonstrate the interrelationships among livestreaming characteristics, perceived value, and consumer purchasing behavior. Specifically, the study indicates that product attributes such as price and product characteristics, as well as the performance of the livestreaming host during the broadcast, all have a certain degree of influence on consumer purchasing behavior. Livestreaming, as a form of instant interactive communication, exhibits high real-time and participatory features, allowing consumers to experience the product display and demonstration process more authentically. Perceived value refers to the actual and expected value felt by consumers when purchasing a product, encompassing factors such as product utility, quality, and cost-effectiveness. The combination of livestreaming characteristics and perceived value provides consumers with more comprehensive and intuitive purchasing information, thereby influencing their buying decisions. Wu Ke-liang (2016) points out that all monetization models of the internet celebrity economy can be summarized as "content + community + e-commerce." This model has been widely applied in various fields, including internet platforms, Weibo, Meipai, WeChat, Douyu, e-commerce, retail, real estate, as well as entertainment, fashion, and gaming. The research by Zeng Ling-tao (2021) further emphasizes the emergence of a new e-commerce model driven by the internet celebrity economy. Internet celebrities establish a strong fan base through the management of their fans, creating highly adhesive user groups. With the growth in the number of fans, internet celebrities gradually transition from social sharing to e-commerce, transforming these loyal fans into potential consumers. By engaging and establishing trust with their fans, internet celebrities successfully convert them into consumers, thus achieving traffic monetization.

2. Development Status of Internet Celebrity Economy and E-commerce Livestreaming

2.1. Development Status of the Internet Celebrity Economy

The internet celebrity economy has risen rapidly with the widespread adoption of social media and the internet. Internet celebrities attract a large number of fans and followers through their unique personal charm, high-quality content creation, and strong social influence. From beauty bloggers, gaming streamers, and comedy personalities to knowledge sharers, internet celebrities cover various fields, forming a diverse ecosystem of the internet celebrity economy. The core of the internet celebrity economy lies in the formation of the fan economy. Internet celebrities establish close connections with their fans through social media, creating a powerful fan base. These fans are not just consumers but also loyal supporters and brand advocates of internet celebrities. Leveraging the fan economy, internet celebrities monetize their influence through brand collaborations, sponsored content, and advertising, becoming an emerging marketing model. The internet celebrity economy is no longer limited to the domestic market, as more and more internet celebrities have a significant international fan base. The development of cross-border e-commerce and globalization platforms further expands the international influence of the internet celebrity economy.

2.2. Development Status of E-commerce Livestreaming

E-commerce livestreaming, as a sales method that integrates e-commerce and live interaction, has rapidly gained

popularity in recent years. Numerous e-commerce platforms and social media have introduced livestreaming features, offering consumers and businesses a novel shopping experience. E-commerce livestreaming's visual and interactive nature has made it an effective sales tool. During livestreams, consumers can watch real-time product demonstrations, interact with internet celebrities or hosts, ask questions, and receive immediate responses, thus enhancing confidence in their purchase decisions. The application of e-commerce livestreaming is no longer limited to specific industries. Various products, including clothing, cosmetics, home goods, food, electronics, and more, can be sold through e-commerce livestreaming, providing consumers with diverse shopping choices.

2.3. The Role of the Internet Celebrity Economy and E-commerce Livestreaming in Consumer Behavior

Influencing Purchase Decisions. The internet celebrity economy and e-commerce livestreaming provide more comprehensive and intuitive product information through content displays, interactions, and demonstrations, thus influencing consumers' purchase decisions. The personal charm and influence of internet celebrities, along with the real-time and interactive nature of e-commerce livestreaming, enhance consumers' awareness and trust in products, prompting purchasing behaviors.

Shaping Consumer Habits. The internet celebrity economy and e-commerce livestreaming are shaping consumer habits through innovative shopping experiences and social interactions. Consumers are gradually getting accustomed to shopping in e-commerce livestreams, enjoying the entertainment and social aspects, thereby changing traditional shopping methods.

Brand Promotion and Recognition. The internet celebrity economy and e-commerce livestreaming provide new channels for brand promotion. Internet celebrities, as brand ambassadors, promote products through livestreams, conveying brand messages to fans and audiences, thus increasing brand awareness and recognition.

3. The Impact of E-commerce Livestreaming on Consumer Purchase Behavior

3.1. Factors Influencing Consumer Purchase Decisions in E-commerce Livestreaming

Internet Celebrity's Personal Charm: As livestreaming hosts, internet celebrities play a crucial role in influencing consumer purchase decisions. Their unique characteristics, popularity, fan base, and social influence attract consumers' attention. Consumers may become interested in products showcased during livestreams due to their admiration for a particular internet celebrity, positively impacting their purchase decisions.

Product Display Method: E-commerce livestreaming stands out with its real-time product displays and demonstrations. During livestreams, internet celebrities can visually showcase product appearances, functions, and usage, enabling consumers to gain a better understanding of the products. The product display method directly affects consumers' product awareness and trust, thus influencing their purchase decisions.

Livestreaming Interactivity: E-commerce livestreaming emphasizes interactivity, allowing consumers to interact with internet celebrities in real time, ask questions, and receive immediate responses. This interactivity enhances consumers' understanding of products and boosts their confidence in making purchase decisions. By engaging in livestreaming interactions, consumers can obtain more information, reducing uncertainty during the purchasing process and facilitating purchase behavior.

User Comments and Reviews: In e-commerce livestreaming, consumers can express their opinions and experiences regarding products in real time through bullet comments or comments sections. These user comments and reviews have a certain level of influence on other viewers. Consumers often refer to other users' opinions, particularly those with similar needs, which can impact their purchase decisions.

3.2. The Impact of E-commerce Livestreaming on Consumer Purchase Intention, Frequency, and Amount

Purchase Intention: E-commerce livestreaming provides consumers with an intuitive, real-time, and interactive shopping experience, enhancing their product awareness and confidence. Viewing authentic demonstrations of products during livestreams, understanding product features and advantages, increases consumers' interest and purchase intention. Therefore, e-commerce livestreaming has a positive impact on consumer purchase intention.

Purchase Frequency: E-commerce livestreaming offers a more convenient and diversified shopping method, allowing consumers to shop anytime and anywhere through livestreaming platforms. The interactive nature and fan economy features also enhance user stickiness, making consumers more inclined to participate frequently in livestream shopping activities. As a result, e-commerce livestreaming positively impacts consumer purchase frequency.

Purchase Amount: Through vivid and engaging product displays, e-commerce livestreaming increases consumers' product awareness and trust. When consumers have a better understanding of a product, they are more willing to pay a higher price for it. Additionally, internet celebrities' personal charm and interactivity often motivate consumers to purchase recommended products, thus increasing the purchase amount. Hence, e-commerce livestreaming has a positive impact on consumer purchase amount.

In conclusion, as an emerging sales method, e-commerce livestreaming plays a significant role in influencing consumer purchase decisions and behaviors. Factors such as internet celebrity's personal charm, product display method, livestreaming interactivity, and user comments collectively influence consumer purchase intention, frequency, and amount, driving the continuous development of e-commerce livestreaming and the flourishing of the internet celebrity economy.

4. The Impact of E-commerce Livestreaming on Consumer Consumption Habits

4.1. Influence of E-commerce Livestreaming on Consumer Shopping Experience and Habits

Convenience in Shopping: E-commerce livestreaming provides consumers with a more convenient shopping experience. Consumers no longer need to visit physical stores; they can simply shop online through their smartphones or computers. During livestreams, consumers can directly purchase products in the livestreaming room, eliminating cumbersome shopping processes and enhancing shopping convenience.

Entertainment Value: E-commerce livestreaming emphasizes interactivity and entertainment, often incorporating humor and interesting elements during broadcasts, making consumers experience fun while shopping. This entertainment value makes the shopping process less dull, increasing consumers' interest and enthusiasm in shopping.

Social Interaction: E-commerce livestreaming emphasizes interaction and social engagement. Consumers can interact with the hosts and other viewers in real time during livestreams, expressing opinions and sharing shopping experiences. This social interaction enhances consumers' sense of participation and belonging, making shopping more social and enjoyable.

4.2. Changes in Consumer Behavior and Shaping of Shopping Habits by E-commerce Livestreaming

Shift in Consumer Behavior: E-commerce livestreaming has transformed traditional shopping patterns. Previously, consumers often needed to physically visit stores to select products, but now, through e-commerce livestreaming, they can directly watch product displays and demonstrations in the livestreaming room and make real-time purchases, making the shopping experience more immediate and intuitive. This change simplifies the shopping process, improving consumers' decision-making efficiency.

Shaping Shopping Habits: E-commerce livestreaming has shaped new shopping habits for consumers. In e-commerce livestreams, consumers gradually become accustomed to online shopping through their smartphones or computers, reducing the frequency of physical store visits. Consumers also begin to get used to watching product displays and demonstrations during livestreams and actively participating through bullet comments or comments. This shaping of shopping habits makes consumers more receptive to and fond of the shopping approach offered by e-commerce livestreaming.

Increased Consumer Loyalty: E-commerce livestreaming establishes emotional connections between consumers and hosts through the fan economy and the personal charm of internet celebrities. Consumers form loyalty to specific internet celebrities or livestreaming platforms and habitually shop in their livestreaming rooms. This increased loyalty is crucial for the long-term development of e-commerce livestreaming.

Diversification of Purchase Behavior: E-commerce livestreaming provides more diverse shopping choices. During livestreams, consumers can see displays of multiple products and choose according to their interests and needs. This diversification in purchase behavior enables consumers to shop more flexibly, satisfying the personalized needs of different consumers.

In summary, e-commerce livestreaming has a positive impact on consumer shopping experience and habits. The enhancement of shopping convenience, entertainment value, and social interaction alters consumers' shopping methods and attitudes. Meanwhile, e-commerce livestreaming shapes consumers' new shopping habits, improves shopping efficiency, and enhances satisfaction. Consumer loyalty to e-commerce livestreaming continues to grow, encouraging more diversified and personalized purchasing behavior. These factors collectively drive the continuous development of the e-commerce livestreaming industry.

5. Advantages and Challenges of E-commerce Livestreaming.

5.1. Advantages of E-commerce Livestreaming

Interactivity: E-commerce livestreaming emphasizes interaction, allowing consumers to engage with hosts in real time through questions, comments, likes, and more. This interactivity enhances consumers' understanding and trust in products, leading to informed purchase decisions.

Real-time Experience: E-commerce livestreaming is immediate, enabling consumers to watch product demonstrations in real time. This real-time experience provides consumers with a more intuitive and authentic shopping experience, reducing time and space costs.

User Stickiness: E-commerce livestreaming establishes emotional connections between consumers and hosts through internet celebrities' personal charm and social interaction. Consumers form loyalty to specific internet celebrities or livestreaming platforms, increasing user stickiness and continuous participation in livestreams.

Convenience in Shopping: E-commerce livestreaming allows consumers to shop from the comfort of their homes without the need to visit physical stores, enhancing shopping convenience. Consumers can easily shop online through their smartphones or computers.

Brand Promotion: E-commerce livestreaming provides a new channel for brand promotion. Internet celebrities serve as brand ambassadors, promoting products during livestreams and conveying brand information to fans and viewers, increasing brand awareness and recognition.

5.2. Challenges Faced by E-commerce Livestreaming

Authenticity of Information: In e-commerce livestreaming, hosts may engage in false advertising and exaggerate product advantages. Consumers may find it challenging to determine the authenticity of the information presented during livestreams, leading to potential misinformation and influencing purchase decisions.

Consumer Rights Protection: In e-commerce livestreaming, consumers cannot physically inspect purchased goods, which may result in challenges when dealing with issues like returns and after-sales service. Protecting consumer rights becomes a significant challenge, necessitating the establishment of robust consumer protection mechanisms.

Intense Competition: The e-commerce livestreaming market is highly competitive, and hosts and platforms may resort to various marketing tactics to attract more consumers.

This competition could lead to price wars among different hosts and an influx of low-quality content, affecting user experience.

Technical Requirements and Costs: E-commerce livestreaming requires stable and efficient live streaming technology, posing higher technical demands and cost pressures on hosts and platforms. Additionally, to maintain user stickiness, constant improvement of the livestreaming experience necessitates more resources.

Regulation and Compliance: E-commerce livestreaming involves various areas such as product sales and advertising, requiring adherence to relevant laws and regulations. Strengthening supervision and standardization for potential violations in livestreaming content is necessary to maintain market order and protect consumer rights.

In conclusion, e-commerce livestreaming offers significant advantages in enhancing shopping experiences, increasing user stickiness, and more. However, challenges such as information authenticity, consumer rights protection, competition, technical demands, and compliance require collective efforts from the industry, platforms, and stakeholders to continuously improve and regulate the development of e-commerce livestreaming, providing consumers with a safer and more trustworthy shopping environment.

6. Future Development and Prospects:

Looking ahead, e-commerce livestreaming under the influence of the internet celebrity economy will continue to have a profound impact on consumers, and the following trends and changes may emerge:

Increased Consumer Engagement: In the future, e-commerce livestreaming will emphasize even higher levels of consumer engagement. Livestreaming platforms may introduce more fun and diverse interactive features, enhancing consumers' sense of participation and further increasing user stickiness and loyalty.

Personalized Shopping Experience: E-commerce livestreaming is likely to focus more on personalized customization. Leveraging intelligent technology and data analysis, livestreaming platforms will recommend products and content tailored to consumers' interests, preferences, and purchase history, providing a more personalized shopping experience.

Cross-Border Collaborations and Expansions: In the future, internet celebrities and livestreaming platforms may become more open to cross-border collaborations and partnerships. This could include collaborations with fields such as music, film, sports, and more, enriching livestreaming content to cater to consumers' diverse needs.

Integration of Social Commerce: The integration between e-commerce livestreaming and social media is expected to become even closer. Livestreaming platforms will further enhance their social attributes, enabling consumers to share their shopping experiences with friends during livestreams, enhancing social interactions, and promoting purchasing behavior.

Technological Innovations: The e-commerce livestreaming industry will continue to drive technological innovations. Livestreaming platforms may adopt more advanced live streaming technologies to improve the quality and stability of livestreams. Additionally, they may develop augmented reality (AR) and virtual reality (VR) technologies to provide consumers with more authentic and immersive shopping experiences.

7. Future Development Recommendations

Ensure Information Authenticity: To enhance consumer trust in e-commerce livestreaming, platforms should strengthen information verification and regulation. Ensuring the authenticity and accuracy of livestreaming content is crucial to avoid false advertising and misleading consumers.

Strengthen User Data Protection: E-commerce livestreaming involves vast amounts of user data, and platforms must prioritize user privacy protection. Adhering to relevant regulations is essential to prevent the misuse and leakage of user data.

Enhance Consumer Rights Protection: Livestreaming platforms should establish comprehensive after-sales service mechanisms, making it easier for consumers to assert their rights and safeguarding their legitimate interests.

Strengthen Regulatory Compliance: Governments and relevant authorities should strengthen oversight of the e-commerce livestreaming industry to regulate market order and prevent the occurrence of false advertising and illegal activities.

Focus on Content Quality: E-commerce livestreaming platforms should emphasize content quality, encouraging the creation of high-quality content to enhance its aesthetic value and entertainment. Attracting more high-quality internet celebrities to participate will improve consumers' viewing experience.

Promote Sustainable Development: The e-commerce livestreaming industry should prioritize sustainable development, avoiding excessive marketing and the proliferation of low-quality content. Platforms and internet celebrities should consider striking a balance between business interests and social responsibilities.

By implementing these recommendations, the e-commerce livestreaming industry can continue to grow sustainably while ensuring consumer trust, data protection, and content quality. Addressing these areas will contribute to the positive development and long-term success of e-commerce livestreaming in the future.

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