

Research on the Impact of Social Media Live-Streaming on Consumer Purchasing Behavior and Its Coping Strategies

Xuehui Ding^{1,2}, Rosidah Musa^{1*}

¹City University Malaysia, Selangor 47600, Malaysia

²Binzhou Polytechnic, Binzhou 256600, Shandong Province, China

*Corresponding author: Rosidah Musa, rosidah.musa@city.edu.my

Copyright: © 2024 Author(s). This is an open-access article distributed under the terms of the Creative Commons Attribution License (CC BY 4.0), permitting distribution and reproduction in any medium, provided the original work is cited.

Abstract: Due to the rapid development of network technology and the popularity of live-streaming, more and more businesses and individuals are using live-streaming to promote their products, giving rise to a new marketing model of social media live-streaming. Based on the social media live-streaming market, businesses or enterprises focus on tapping into new consumer demand, and social media live-streaming marketing has gradually expanded into various fields. Based on the SOR theory, this paper discusses how to improve the coping strategies of consumer purchasing behavior through social media live-streaming by analyzing the representative factors affecting consumer purchasing behavior such as anchors, brands, and live-streaming content in social media live-streaming. The results of this study will contribute to a better understanding of the relationship between social media live-streaming marketing models and consumer purchasing behavior and will help to reveal the potentials and limitations of social media live-streaming, thus providing valuable ideas and scientific basis for social media live-streaming marketing strategies.

Keywords: SOR theory; Anchor; Brand; Live-streaming content; Coping strategy

Online publication: July 10, 2024

1. Introduction

Under the background of the highly developed Internet, unimpeded speeds and cheap data traffic prices have laid the foundation for the vigorous development of social media live-streaming. New technologies and new modes of business have promoted new quality productivity, By December 2023, the Chinese market had a user scale of 915 million online shoppers. Online retail sales reached RMB 15.42 trillion, and the retail market recovered relatively rapidly ^[1]. As can be seen from the statistics, the scale of China's webcast shopping and consumption has entered a period of rapid expansion. With the prevalence of live-streaming, more and more businesses and individuals are beginning to utilize social media live-streaming marketing methods to promote and increase the sales of their products and create a stronger connection with consumers. The development of China's e-commerce industry towards live social media has become an inevitable choice.

Social media live-streaming has huge potential to capture the attention of users. However, how social media live-streaming influences consumer purchasing behavior and what strategies to adopt in social media live-streaming to increase merchandise sales has become the top priority for the social media live-streaming industry. If consumers perceive that the anchor is not competent, the brand is not reputable, the content of the live-streaming is inappropriate, etc., this will reduce consumer engagement and trust in the live-streaming, and they may be skeptical about whether or not to purchase the product, which ultimately reduces consumer purchasing behavior.

In summary, by using SOR theory and collecting and analyzing materials using the literature research method and individual interview method, the article aims to analyze the representative factors of social media live-streaming affecting consumer buying behavior, explore the factors of social media live-streaming affecting consumer buying behavior and propose coping strategies, thereby putting forward effective development suggestions for social media live-streaming.

2. Concepts related to social media live-streaming and consumer purchasing behavior

Social media live-streaming is real-time video broadcasting on social media platforms. The anchor carries out real-time content broadcasting so that the audience can watch, participate, and interact with the anchor in real time. Live streaming has distinctive features that are different from video, including intuition, interactivity, entertainment, etc. There are three elements of live broadcasting: one is “anchor.” Live streaming requires anchors to complete the presentation of content. Enterprises generally choose anchors with strong carrying power, high matching degree, and suitable cost performance. The second is “goods.” The choice of goods or services is very important for live marketing. The live-streaming team selects categories of goods that benefit more and have higher profit margins from the perspectives of economic efficiency, specialization, and consumer groups. The third is “scenes.” To improve the efficiency and conversion rate of live-streaming, live-streaming chooses the rich and diversified live broadcasting scene.

Consumer purchasing behavior is the purchasing behavior of consumers to meet the needs of life or production. Purchasing activity is the psychological, physiological, and other substantive activities that occur in the purchasing process, including a series of activities such as forming demand motives, collecting information about goods or services, evaluating and selecting goods or services, making purchasing decisions, and evaluating them after purchase. In live social media streaming, the only way for anchors to win the competition in the live market is to master the characteristics of consumer buying behavior. With the development of the era and the improvement of people’s consumption level, consumer purchasing behavior presents the characteristics of dispersion, high frequency, differentiation, era, and development. In the live-streaming, it is of great significance for anchors to grasp the characteristics of consumers’ purchasing behavior. It helps anchors analyze consumer needs based on consumer purchase profiling, find consumer concerns, and bring valuable information to consumers. It helps businesses or enterprises to develop appropriate marketing strategies to provide consumers with satisfactory goods or services.

3. Theoretical perspectives on the impact of social media live-streaming on consumer purchasing behavior

This paper applies the SOR theory to explore the impact of social media live-streaming on consumers’ emotional value, which further influences their purchasing behavior. The SOR theory, which is stimuli-organism-response, suggests that social media live-streaming(stimuli) triggers consumer purchasing behavior

(response) by influencing their emotional response (organism). In social media live-streaming, stimuli are usually external to the shopping environment and “something external to the consumer,” for example, factors such as anchor, product branding, and quality of live content. Organism refers to changes in the consumer’s psychological motivation and state of mind and is an “internal consumer process,” e.g., emotion, perception, thought, etc. ^[2]. The response is the result of behavior that consumers tend or avoid and is the “outcome of consumer decision-making,” such as following, liking, sharing, purchasing, etc.

4. Analysis of factors influencing consumer purchasing behavior on social media live-streaming

At present, the social media live channel that continues to develop towards deeper integration is booming. To effectively use social media live-streaming to maximize business value, achieve product marketing purposes, drive transaction generation, realize live-streaming traffic, and gain strong market competitiveness, enterprises need to closely integrate social media live-streaming and consumer demand, identify the key influencing factors of social media live-streaming on consumer purchasing behavior, and develop appropriate marketing strategies.

4.1. Anchor

Anchors in social media live-streaming are people who broadcast live on the live-streaming platform. The anchor is the heart and soul of the live broadcast, and the anchor builds the channel and bridge between merchants and consumers. Offline, merchants need guides to promote goods and services. In online live marketing and promotion activities, the anchor assumes the role of the business shopper. To achieve success in live-streaming, anchors need to conduct live events with strong personal charisma, a personalized approach to guide shopping, and a wealth of expertise and experience ^[3]. Anchors with a significant number of followers convert traffic and close deals under their strong content production capabilities and high levels of trust. In the live broadcast, consumers are emotionally driven when making decisions to buy goods. Highly compatible with the commodity audience and anchor fans, the consumer’s desire to buy is easy to be inspired by the anchor, and the live conversion rate and effect will be able to achieve the desired results. The anchor’s display and recommendation of commodities and services in the live broadcast directly affect the perceived value and attention of consumers, which further influences their purchasing behavior.

4.2. Brand

Brand building is very important to the enterprise. The brand forms a unique market image logo that is different from the competitors and can reflect the core values of the company’s product or service. Brands are only attractive when they are consumer-oriented. The foundation of product brand building is to meet consumer demand and promote the sales growth of products or services. The brand’s reputation affects consumers’ stickiness and sense of trust in the brand in social media live-streaming. Dominant branding can build brand trust, precisely attract target audiences, build brand image, enhance audience awareness of the brand, cultivate consumers’ emotional resonance with the brand, elevate brand market value, strengthen brand competitiveness, and further product sales growth. High-quality brands can attract consumers, build brand loyalty, and create a brand advantage over competing products ^[4]. A good brand can stimulate consumers’ perceived value, increase consumer loyalty, and promote consumers’ purchase intention.

4.3. Live-streaming content

The key to attracting effective traffic through social media live-streaming is creative, attractive, and highly

valuable content. There are three common types of live content: one is User Generated Content (UGC). It is the users who provide or share original content with consumers or other demanders on social media platforms. UGC can resonate with other users because its content is more consistent with the needs of the user group. UGC can reduce output costs and improve operational efficiency. However, the content produced by UGC is usually of low commercial value and uneven quality. The second is Professional Generated Content (PGC). In the field of live-streaming, to obtain more traffic to products, PGC makes use of the influence of topic anchors to attract the attention of consumers, improve the sales of products, and obtain more profits. However, PGC is often more expensive to hire anchors. The third is Brand Generated Content (BGC). BGC reflects the brand's original and creative cultural values. At present, PGC live content is more, and creative BGC is rare.

High-quality live content is more likely to retain consumers, engage viewers, and achieve consumer stickiness and loyalty to the brand. Live content with high attraction, lead generation, and conversion rates can increase consumer engagement and stimulate perceived value, thereby improving consumers' purchase intention and behavior, and promoting the scope of live-streaming marketing business. The reverse is also true.

5. Coping strategies for social media live-streaming to improve consumer purchasing behavior

5.1. Anchor capacity improvement

When determining their live-streaming style in social media live broadcasting, anchors should consider the varieties and categories of marketing goods and services. With the help of big data analysis, they should identify their target audience groups, create a differentiated persona, and enhance their overall live broadcasting capabilities. Anchors should use skillful, compelling, and logical language to inspire consumers to buy. Their ability to control the scene should be excellent, enabling them to comfortably handle unexpected situations and maintain the rhythm of the broadcast for optimal effect. Anchors must be mentally strong, and able to calmly and rationally face negative consumer feedback and inactive comments. They should enhance their credibility in the minds of consumers by improving their comprehensive abilities. Anchors should analyze consumer psychology and attention to products and services, addressing aspects such as planning, publicity, product display, introduction, interaction, and after-sales follow-up. This approach meets the needs of the target group, stimulates consumer participation, enhances the willingness to buy, and ultimately achieves both consumer purchasing behavior and merchants' sales goals.

5.2. Brand marketing strategy

To develop an effective brand marketing strategy, a business or enterprise needs to conduct market research to understand consumer market demand, conduct market segmentation and brand positioning, set the target audience, identify the target market and potential market, highlight the brand personality and core values, formulate and implement as well as continually monitor and optimize, strengthen the consumer brand experience, and regularly evaluate and update the brand marketing strategy. Branding needs to be supported by marketing expenses. A brand's ability to innovate is crucial for live market competitiveness and consumer purchasing behavior. Brands can only attract more consumers if they continue to produce new products. Consumers usually believe that the credibility and quality of products of quality brands are more guaranteed. Brands deepen consumers' perceptions, satisfy their emotional needs, influence their decisions, increase their purchasing behavior, and drive sales growth.

5.3. Live content optimization

5.3.1. Delivering live content that meets consumer needs

The starting point and focus of high-quality live-streaming content should be “consumer demand.” Explore the points that consumers are most concerned about, find the rigid needs of consumers, explore the interests of consumers, make the content of the live-streaming meet the needs of consumers, and then affect the feelings of consumers, let consumers continue to follow and pay attention to live-streaming, and improve the conversion rate of fans. To make consumers resonate, anchors should use the principle of empathy, stand in the consumer’s point of view to think about the problem, pay attention to the consumer’s feelings during the live broadcast, and interact with consumers in real time. The live-streaming content starts with the details so that consumers can gain additional gains beyond their psychological expectations, and bring a touch and surprise to consumers^[5].

5.3.2. Live content that enhances professionalism

In the face of social media live-broadcasts, rational consumers need real cost-effective goods. The content of the live broadcast should pay more attention to the professional introduction of the information of the goods, thereby meeting the demand of consumers for the functionality of the product and the production process and other information. The product itself is the focus of consumer shopping. Therefore, the anchor should have a professional background or master product expertise, so that the live content is more professional. Only in this way can the social media live broadcast gain the trust of consumers, and ultimately make the transaction truly realized.

6. Conclusions

This paper reviews and combines domestic and foreign research on social media live-streaming, consumer purchasing behavior, and the relationship between the two. Based on the SOR theory, the study clarifies the social media live-streaming factors influencing consumer purchasing behavior, focusing on three key elements: the anchor, the brand, and the live-streaming content. The impact of these factors on consumer purchasing behavior is explored, and strategies for enhancing anchor abilities, shaping brand strategy, and optimizing live content to improve consumer buying behavior are proposed. The study’s results suggest that analyzing the key factors influencing consumers’ buying behavior and adopting corresponding strategies are fundamental to facilitating consumers’ purchasing behavior and achieving merchants’ sales goals in social media live-streaming. This research is crucial for understanding the relationship between social media live-streaming and consumer purchasing behavior and provides direction for effective social media live-streaming marketing strategies.

Disclosure statement

The authors declare no conflict of interest.

References

- [1] China Internet Network Information Center, 2024, The 53rd Statistical Report on Internet Development in China.
- [2] Shang Q, Ma H, Wang C, et al., 2023, Effects of Background Fitting of e-Commerce Live-streaming on Consumers’ Purchase Intentions: A Cognitive-Affective Perspective. *Psychology Research and Behavior Management*, 16: 149–168.

- [3] Huang HC, Li CH, Hsu CL, 2021, The Effect of Influencer Attractiveness and Credibility on Purchase Intention. *Journal of Business Research*, 126: 1–10.
- [4] Parris DL, Guzmán F, 2023, Evolving Brand Boundaries and Expectations: Looking Back on Brand Equity, Brand Loyalty, and Brand Image Research to Move Forward. *Journal of Product & Brand Management*, 32(2): 191–234. <https://doi.org/10.1108/JPBM-06-2021-3528>
- [5] Xin M, 2024, Live Content and Communication Optimization Strategy of Live News in the Financial Media Environment. *Media Science and Technology of China*, 2024(2): 91–94.

Publisher's note

Bio-Byword Scientific Publishing remains neutral with regard to jurisdictional claims in published maps and institutional affiliations.