

Exploring the Success of Live Streaming Commerce in China: A Literature Analysis

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Abstract : Live streaming refers to the video contents generated by broadcasters and shared with viewers in real-time by uploading them to short-video platforms. In recent years, individual KOL broadcasters have successfully made use of live streams to sell a large amount of goods to the consumers. For example, Wei Ya, the Number 1 broadcaster in Taobao Live, sold products worth RMB 2.7 billion (USD 0.38 billion) in 2018. Regarding the success of live streaming commerce (LSC) in China, this study explores the elements of the booming LSC industry and attempts to explain the reasons behind its prosperity. A systematic review of industry reports and academic papers was conducted to summarize the latest findings in this field. And the results of this investigation showed that a live streaming eco-system has been established by the LSC players, namely, the platform, the broadcaster, the product supplier, and the viewer. In this eco-system, all players have complementary advantages and needs, and their close cooperation leads to a win-win situation. For instance, platforms and broadcasters have abundant internet traffic, which needs to be monetized, while product suppliers have mature supply chains and the need of promoting the products. In addition, viewers are attached to the LSC platforms to get product information, bargains, and entertainment. This study highlights the importance of the mass-personal hybrid communication nature of live streaming because its interpersonal communication feature increases consumers' positive experiences, while its mass media broadcasting feature facilitates product promotion. Another innovative point of this study lies in its inclusion of the special characteristic of Chinese Internet culture - entertainment. The entertaining genres of the live streams created by broadcasters serve as down-to-earth approaches to reach their audiences easily. Further, the nature of video, i.e., the dynamic and salient stimulus, is emphasized in this study. Since video is more engaging, it can attract viewers in a quick and easy way. Meanwhile, the abundant, interesting, high-quality, and free short videos have added "stickiness" to platforms by retaining users and prolonging their staying time on the platforms. In addition, broadcasters' important characters, such as physical attractiveness, humor, sex appeal, kindness, communication skills, and interactivity, are also identified as important factors that influence consumers' engagement and purchase intention. In conclusion, all players have their own proper places in this live streaming eco-system, in which they work seamlessly to give full play to their respective advantages, with each player taking what it needs and offering what it has. This has contributed to the success of live streaming commerce in China.

Keywords : broadcasters, communication, entertainment, live streaming commerce, viewers

Conference Title : ICBIR 2022 : International Conference on Business and Industrial Research

Conference Location : Singapore, Singapore

Conference Dates : September 08-09, 2022