Analysis of the Influencing Factors of Netroots Carrying Goods

Xi Guo^{1,a,*}

¹Communication, Fujian Normal University School, 1 Keji Road, University Town, Fuzhou, China a. pows@usf.edu *corresponding author

Abstract: Live streaming sales by web celebrities is a hot topic that is receiving increasing attention in today's society. Some scholars believe that it is mainly developed by the combination of web celebrity economy and e-commerce live streaming. Based on the literatures search and the concepts summary, this article mainly focuses on the factors which affecting the live streaming sales by web celebrities. Nowadays, with the popularity of e-commerce live streaming, a lot of enterprises are hard to survive in the cruel market just rely on traditional sales methods, they began to explore a new way to sell goods by e-commerce live streaming. On the other side, live streaming sales with web celebrities received very significant results, as a result, nowadays more and more enterprises choose to cooperate with web celebrities. Factors affecting live streaming sales by web celebrities have multiple dimensions, such as personal qualities of web celebrities, business cooperation strategies etc. The author hope that the conclusion of this article can provide some ideas to the entrepreneurs who choose to sell goods by live streaming.

Keywords: Live streaming sales, Web celebrity, influencer economy.

1. Introduction

1.1. Background and Motivation for the Research

With the development of the society, sale models for stores are more diversified. The evolution of marketing in China has seen a shift from traditional offline marketing to online transactions, and now, to the increasingly prevalent livestream e-commerce. This signifies a diversification of sales models employed by businesses. Simultaneously, advancements in internet technology have propelled the "influencer (refer to web celebrity, the same in the following text) economy" to become a cornerstone of the current consumer market. The opinions of influencers carry increasing weight in shaping the purchasing decisions of a vast number of consumers. Recognizing this trend, a growing number of businesses are leveraging the personal intellectual property (IP) of influencers as a key strategy for brand marketing. Furthermore, many companies are actively cultivating their own influencers' intellectual properties to bolster their brand presence and influence within the digital consumer landscape.

In this backdrop, the influencer economy and e-commerce livestreaming have become increasingly intertwined. However, the quality of influencer-driven sales is far from consistent. Many brands, initially prioritizing follower count when collaborating with influencers, invest significant resources

[©] 2024 The Authors. This is an open access article distributed under the terms of the Creative Commons Attribution License 4.0 (https://creativecommons.org/licenses/by/4.0/).

in these partnerships. Yet, they often find the conversion rates disappointing. In other words, despite high viewership during livestreaming sessions, the actual number of consumers purchasing the brand's products falls short of expectations.

Conversely, more far-sighted brands are shifting their focus beyond mere follower count when selecting influencers. They prioritize alignment between the influencer's audience and their own target market. For instance, a brand promoting a new skin oil might favor collaboration with a niche influencer specializing in skincare over a general celebrity with a massive but less relevant following. This targeted approach often yields higher conversion rates. Therefore, this paper aims to analyze, through multiple dimensions, the factors influencing the effectiveness of influencer marketing. By examining the elements impacting the quality of influencer-driven sales, this research seeks to provide insights and recommendations for brands engaging in influencer collaborations.

1.2. Literature Review

There are many factors affecting the effect of live steaming sales by web celebrity and many scholars have studied this topic in different dimensions and come up with conclusions. T ill and other scholars believe that the congruence between spokesperson attributes and product characteristics is positively correlated with the persistence of favorable consumer attitudes. In other words, a higher degree of alignment between the two leads to a longer duration of positive advertising attitudes among consumers [1]. Moon and Kim, focusing on the quality of influencer-generated content, demonstrated in their research that online consumers effectively utilize cues like word-of-mouth and sales figures to discern the usefulness of marketing content. Moreover, their findings highlighted that high-quality online marketing content significantly influences consumer product perceptions [2]. The research by Lou and Yuan confirms that the utilitarian and hedonic values of information shared by influencers can also impact consumer trust levels [3]. Numerous other factors can influence consumer purchase intention, which will be elaborated upon in the main body of this paper.

2. The Concept of Influencer Marketing and Market Status

2.1. The Concept of Influencer Marketing

Internet celebrities, the emergence and growth of influencer marketing can be attributed to the rise of entertainment-driven social interaction, the orchestration of online promoters and capital, and the technological advancements propelled by internet development.

The concept of "influencers," initially proposed by Brown et al. and referred to as Social Media Influencers (SMI), broadly encompasses individuals who leverage social media platforms for self-expression and exert influence within their respective communities [4]. "Livestream e-commerce," often referred to as "live selling" or "live commerce", typically describes the use of live streaming or short-form video advertising on various platforms for electronic commerce transactions. The transition from traditional retail to influencer marketing has expanded the dimensions of value interaction from a two-sided to a multi-dimensional model. It has disrupted the traditional buyer-seller dichotomy and ushered in a tripartite structure involving "brand - platform - consumer." Within this framework, influencers cultivate consumer trust by generating valuable content on social media, fostering a form of "para-social interaction." This perceived social connection has prompted brands to embrace influencers as novel channels for driving traffic, solidifying influencer marketing, particularly through livestream e-commerce, as a prominent marketing communication strategy. For the purpose of this paper, "influencer-driven sales" specifically refers to the participation of influencers in e-commerce livestreaming activities.

2.2. Analysis of the Market Situation

2.2.1. Internet Shopping Penetration Rate

According to the 49th Statistical Report on the Development of China's Internet, by December 2021, the number of internet users in China reached a staggering 1.032 billion, with over 800 million engaging in online shopping. This continuous expansion of the online shopping demographic signifies a profound shift in the consumption habits of Chinese citizens. The widespread adoption of online shopping has undoubtedly provided a vast user base for influencer-driven sales, with e-commerce livestreaming emerging as a popular manifestation of this trend.

Within this context of widespread online shopping, e-commerce livestreaming has also witnessed remarkable growth, with online e-commerce transactions reaching an astounding 2.23 trillion yuan in 2021. Influencer-driven sales, in their current form, represent a compelling convergence of e-commerce livestreaming and the influencer economy. Essentially, the pervasiveness of online shopping, mediated by the popularity of e-commerce livestreaming, has laid a fertile ground for the widespread adoption of influencer-driven sales [5].

2.2.2. The Development of the Influencer Economy

From the network writers who attracted public attention with their writings and graphics since the 1990s, to the self-media personalities who became famous by outputting personalized content through short video platforms and Weibo, to the network anchors who gained huge traffic by means of live streaming due to the rise of live streaming. During these two decades, netizens transformed from personal behavior to Intellectual Property (IP), teamwork and capital intervention at the core of the economy, embarking on the path of professional generation, and gradually becoming the focus of discussion in the whole society.

2.2.3. Analysis of the Current Situation of Live Streaming Sales by Web Celebrities

The advent of the era of live video, to promote the number of fans and influencers into a new level. The advent of live streaming propelled both the reach and influence of web celebrities to unprecedented heights. This fertile ground, coupled with the convergence of e-commerce and the influencer economy, led to the explosive growth of live commerce, with web celebrity driven sales becoming a cornerstone of this phenomenon.

Essentially, the personal brand, or IP, of these influencers becomes a key opinion leader, directly shaping consumer behavior. This symbiotic relationship between the influencer economy and live commerce fuels the continued success of web celebrities driven sales [6]. The case of Li Jiaqi exemplifies this power. During Taobao's "618" shopping festival on June 18th, 2021, data from the third-party live streaming platform "Pang Qiu" revealed Li Jiaqi's remarkable performance. He showcased 72 products, selling a total of 839,000 items, generating approximately 217 million yuan in sales. At its peak, his live stream attracted 2.226 million concurrent viewers, with a total reach (UV) of 10.9867 million. These figures speak volumes about the sheer impact and potential of influencer-driven sales in the current landscape.

3. Influencing Factors of Internet Celebrities' Personal Characteristics

3.1. Personal Influence

Personal influence is popularly known as the fan base, the number of fans. For example, the number of followers on the platform, and the number of loyal fans.

Zeng Ge, Gao Jiawei with SPSS Descriptive Analysis, head anchor has a strong ability to attract fans, and their studios usually have more people watching, and more people buying. So other conditions unchanged, the higher the number of fans of the anchor, the higher the buyers [7].

3.2. Degree of Professionalism

Let's delve into the concept of expertise within the realm of influencer marketing. Expertise, in this context, encompasses the breadth of an influencer's knowledge, experience, qualifications, and skills related to the products or services they promote. It's about their depth of understanding and influence within a specific niche.

The perceived expertise of an information source hinges on the audience's belief in its ability to provide accurate, relevant, and valuable knowledge or experience. In essence, expert sources provide audiences with a sense of confidence and trust, leading to what's known as psychological compliance. This idea is further supported by the work of Meng Lu et al. Their analysis suggests that expertise plays a crucial role in shaping consumer perception, particularly in how perceived utilitarian value influences purchase intention [8].

3.3. The Characteristics and Content Consistency of Live Streaming Web Celebrity

The concept of congruence, which, in the realm of live streaming, refers to the alignment between an influencer's persona and their content, particularly when it comes to brand collaborations. Essentially, it's about ensuring a harmonious fit between the influencer's image and the brand or product they are representing.

Research by Meng Lu et al. highlights the significance of this alignment. Their findings suggest that a high degree of congruence between the influencer's image and the product's image enhances the perceived expertise and trustworthiness of the influencer [8]. The influencer has a deeper understanding of the product, trusting their presentation of its features and benefits. Further bolstering this notion, a study by Morgan et al. revealed that congruence between influencers and brands contributes to a more effective communication of brand values, resulting in a more positive consumer response [9].

3.4. Perceived Similarity

Perceived similarity refers to the consistency of internet celebrity IP image and consumer self-perceived image. Current research has found that the alignment of social media influencers with consumers' self-image identity can have positive effects on promoting positive brand perceptions, and is positively influenced in the decision-making process [10].

4. The Influence Factors of Content Quality of Web Celebrity Tape

4.1. High Quality Content

High-quality content that is high-quality and accurate advertising content or live streaming room content. High-quality content output helps to satisfy the platform's users' desire for product novelty, motivating them to keep an eye on the live stream and evaluating the fit between the "Hits" and their needs, thus directly affecting the effectiveness of delivery [11].

4.2. The Practical Value of Information

The practical value of information is the practicability of the information given in the live streaming room or advertisement. Practical value helps consumers to make effective judgments on the reliability of information, and indirectly affects consumers' purchasing intention [3].

4.3. The Entertainment Value of Information

The entertainment value of the information is the entertainment value of the information transmitted by the live streaming room and the advertisement to the consumer. Entertainment value can enhance consumers' acceptance of information and willingness to accept, thus indirectly affecting consumers' willingness to buy [3].

5. The Influence Factors of Sponsors

5.1. Co-operation Strategy with Web Celebrities

When it comes to influencer collaborations, bigger isn't always better. Partnering with hinder marketing effectiveness [12]. If brands don't carefully consider an influencer's personal brand (IP) and the demographics of their audience, their campaigns risk missing the mark. Precise alignment between brand identity, influencer persona, and target market is crucial for maximizing the impact of influencer marketing campaigns.

5.2. Multi-platform Layout

This refers to a strategy where brands or businesses leverage various media, such as videos and images, to integrate their brand with an influencer's IP, amplifying their reach across multiple platforms to tap into new markets. However, it's important to note that a multi-platform approach doesn't necessarily guarantee positive results for sales.

Yang Xuan's research highlights this duality: while expanding across multiple platforms can broaden the potential customer base and attract new buyers, the oversaturation of identical information can lead to consumer fatigue. This, in turn, can potentially dampen purchase intent [13].

6. The Technology and Digital Influence Factors

6.1. The Technical Experience of the Platform

Online platforms, through sophisticated technology, create virtual shopping environments that effectively simulate the sensory experience and ambiance of real-world shopping. This technological experience offered by influencer live-streaming platforms is directly related to consumers' willingness to make a purchase. As platforms incorporate more positive technological features – those enhancing user experience – consumer purchase motivation strengthens accordingly [14].

6.2. Interactivity

Interactivity encompasses the communication features available between the live streamer and viewers, such as bullet comments and real-time chat. Research by Meng Lu et al. suggests a strong correlation between interactivity and consumer purchase intention: higher levels of interaction generally lead to a stronger willingness to buy [8].

7. Conclusion

The success of influencer-driven sales hinges not only on the influencer's personal influence and expertise but also on a confluence of factors, including market dynamics, content quality, brand partnerships, and technological infrastructure. The academic perspectives discussed in this paper suggest a positive correlation between personal attributes such as individual influence, expertise, and consumer purchase intention. In other words, holding other variables constant, a stronger personal influence generally leads to a higher purchase intention among consumers. Similarly, higher levels of expertise, congruence between influencer persona and content, and other influencer-specific traits are also associated with increased consumer willingness to purchase. By strategically leveraging the factors outlined in this paper, businesses can potentially optimize their live commerce strategies and enhance sales performance.

However, it's important to acknowledge the limitations of this paper. The research presented here relies primarily on synthesizing existing academic viewpoints and does not involve designing new variable structures, collecting extensive data, or conducting in-depth statistical analysis based on prior scholarly work. Moving forward, further investigation is needed to empirically validate the positive correlations observed between the identified variables and consumer purchase intention. The ultimate goal is to develop a more comprehensive theoretical framework that can better guide practitioners in navigating the evolving landscape of influencer-driven commerce.

References

- [1] Till, B.D., Busler, M. (2000). The Match-up Hypothesis: Physical Attractiveness, Expertise, and the Role of Fit on Brand Attitude, Purchase Intent and Brand Beliefs. Journal of Advertising (3),1-13.
- [2] MOON J,KIM Y. (2001). Extending the TAM for a world-wide-web context. Information and management, (12): 217-230
- [3] Lou C & Yuan S P. (2019). Influencer Marketing: How Message Value and Credibility Affect Consumer Trust of Branded Content on Social Media. Journal of Interactive Advertising (1),58-73.
- [4] Brown D, Hayes N. (2008). Influencer marketing. Burlington, USA: Elsevier Ltd.
- [5] Korsonya. (2023). Master of research on the impact of Internet celebrity anchor characteristics and limited-time promotions on consumers' willingness to buy (dissertation, North China Electric Power University, Beijing). Master.
- [6] Luo Jinlin. (2022). Master of social capital theory-based measurement of the fractal dimension of influencer carrying capacity (Hangzhou Dian Zi University). Master.
- [7] Zeng Ge & Gao Jiawei. (2024). Research on the factors influencing the effect of webcast carrying goods under the background of Internet celebrity economy. Rural · Agriculture · Farmers (a edition) (02), 28-31.
- [8] Meng Lu, Liu Feng Jun, Chen Si Yun, Duan Shen. (2020). The influence of consumer's thinking and decision-making mode on the willingness to participate in green behavior. Psychological Science (06), 1405-1410.
- [9] Morgan R M, Hunt S D. (1994). The commitment-trust theory of relationship marketing[J]. Journal of Marketing, , 58(3): 20-38.
- [10] Jia Weiwei & farewell forever. (2021). Influencer marketing in the perspective of Internet Celebrity Economy: review and Prospect. Foreign Economy and management (01), 23-43.
- [11] Liu Ping Sheng & Shi Yong Dong. (2020). The influence mechanism of the live-streaming band marketing model on the consumer's purchasing decision. China's circulation economy (10), 38-47.
- [12] Wang Ming Xing. (2024). Web celebrity IP marketing sustainability of the predicament and the path to explore. Introduction to news research (07), 252-256.
- [13] Yang Xuan. (2017). Master of video marketing strategy and model research on domestic e-commerce platform (dissertation, China Youth University of Political Science). Master
- [14] The Yellow River. (2022). A study on the influence of live streaming of internet celebrities on consumers' purchasing intention: An analysis based on the technology acceptance model. China (32), 140-142.