

A Study of Netflix “Bandwagoning” on Consumers Intention to Make Impulse Purchases

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Abstract

China's live-streaming industry quietly emerged in 2016. With the outbreak and spread of the new crown epidemic in 2020, the behavior of residents traveling to buy essential goods was restricted to a certain extent. Contactless shopping was gradually popularized, so China's live-streaming industry flourished, opening up the integration channel between online and offline worlds and carrying more social roles in this period. Under the influence of the new crown epidemic, the new model of "Netflix + e-commerce + live streaming" has won more consumers' favor and is slowly becoming a new way for them to consume online.

This mode of selling goods mainly relies on influential weblebrities. Through these, weblebrity representatives generate instant high-frequency interaction with consumers and demonstrate products to consumers in a comprehensive manner to meet the needs of consumers and give them a friendly atmosphere as if they were there, to make up for the regret of consumers not being able to experience the products from a distance indeed. External marketing environment factors as external stimuli to influence consumer behavior is a marketing method often used by companies. In the context of Netflix live marketing, a team of Netflix anchors match different shopping themes and decorates a distinctive live room. With the prosperity of the Netflix economy and the wide popularity of e-commerce live streaming, Netflix lives streaming with goods has become an unstoppable trend, and the powerful ability of Netflix anchors to bring goods has attracted the attention of all walks of life.

Local governments have seen the huge potential of e-commerce live broadcast as a new mode of the digital economy in promoting the double upgrade of consumption in terms of "quality" and "quantity" and have introduced relevant policies to encourage

the development of the e-commerce live broadcast industry. Academics have also paid attention to e-commerce live streaming and the Netflix economy, but Netflix live streaming with goods is a trend that has emerged in recent years. There are few studies on the factors and mechanisms influencing consumers' willingness to purchase from Netflix live streaming.

In this context, based on relevant literature and questionnaire data, this paper empirically investigates the factors and mechanisms that influence the willingness of consumers to purchase goods through live streaming. The following hypotheses are proposed in conjunction with the current study.

H1: Netflix characteristics positively influence purchase intentions.

H2: Fans' attachment to netizens positively affects purchase intentions.

H3: Live scenarios positively influence purchase intentions.

H4: emotional attachment positively affects purchase intentions.

In this paper, we study the influence of Netflix on consumers' intention to make impulse purchases using a questionnaire and further analyze the results using Smart PLS to verify the above hypothesis.

Keywords: Netflix with goods, direct broadcast, consumer **willingness to buy**

1.1 Introduction

Because of the Internet's rising popularity, the development of big data, cloud computing, artificial intelligence, and other emerging technologies, a new group of people using the Internet has emerged, as has the ongoing development and expansion pattern. The scale of China's online shopping users has increased by 293.5% from 2012 to 2022, and as of June 2022, the scale of China's online shopping users reached 841 million. Along with the development of 5G technology, network speed, and stability have been improved, and the scale of China's online shopping users has been growing explosively.

Those wants started to become more diverse when mobile Internet was developed, cell phones became more widespread, and traffic fares decreased. This was especially true for people with a significant amount of fragmented time, leading to the emergence of a new industry known as live. The live stream is a product of the mobile Internet era, only a cell phone, everyone can open a live broadcast or watch a live video stream at any time and anywhere, and their favorite anchor can "close contact" and interact with viewers, so live broadcast is also increasingly preferred by the general public. The live broadcast is a product of the mobile Internet era. The proliferation of "live+" programming can be directly attributed to the rising popularity of live streaming. According to findings from ii Media Research, "live+commerce" has successfully established itself as the most popular program among the "live+" offerings in 2019, taking 43.7% of the market share.

According to research from Ai Media Consulting, China's live e-commerce industry has shown massive growth in just three years from 2016-2019, with the market size growing 111.11% in 2017 and 600% by 600% growth in 2018, reaching a total size of 433.8 billion yuan in 2019, up 226% year-on-year. Because "Live + e-commerce" is sought after and loved by many young people, it also gives rise to a vast blue ocean market and business opportunities.

2016 is the first year of live broadcasts, and the development of traditional e-commerce platforms into a bottleneck in the traditional online plane marketing model between the user and the merchant information asymmetry, resulting in consumers on the Internet to get the information, can not support their shopping decisions. The explosion of live broadcasts has given new vitality to e-commerce, and platform merchants have joined the ranks of "e-commerce + live" marketing.

According to the latest "2019-2020 China online live industry research report" released by Ariadne Consulting, the number of users in China's online live industry grew to 504 million in 2019, and the user scale is expected to reach 526 million in 2020.

The boom of "live streaming" has fueled the development of the e-commerce industry, providing a convenient and direct way of communication for the outstanding shortcomings of the traditional e-commerce platform of one-way output, compensating for the marketing disadvantages brought about by information asymmetry, making users get a real three-dimensional experience in the virtual network environment, and increasing the adhesion and trust between users, merchants, and platforms. The adhesion and trust between users, merchants, and platforms. The huge advantage of "e-commerce + live" attracts significant e-commerce platforms to push forward, aiming to improve the attractiveness of the platform and sales conversion rate, such as cell phone Taobao, Jingdong Mall, Vipshop, and other large e-commerce platforms are open live function.

Live marketing has become an important means of attracting consumers through real-time video and audio-visual communication with consumers, striving to be realistic and intuitive and significantly increasing the probability of impulsive purchases under merchant marketing methods. Instead of comparing and judging products through text, pictures, and recorded videos, e-commerce live streaming allows consumers to experience the types of products, the atmosphere, and the marketing methods of the merchant through real-time introductions, comparisons, fittings, and answers from the anchor, all of which may have an impact on consumers' impulse buying decisions.

Therefore, based on the background of e-commerce live broadcast, this paper conducts research on the impact of impulse purchases of consumers and takes the perspective of e-commerce platform merchants as the entry point from a large amount of domestic and foreign literature reading and analysis and provides scientific and effective marketing solutions for e-commerce live broadcast merchants.

This paper takes consumers who have participated in e-commerce live broadcasts as the research object, and starts from the research hypothesis of the relationship between the purchase intention of consumers based on the characteristics of e-commerce live camp netizens, fans' attachment to netizens, live scenario, and emotional attachment.

This paper synthesizes relevant literature and theories and conducts empirical analysis based on the results of a large number of questionnaires from Netflix live-streaming audiences with goods to study the factors and internal mechanisms affecting consumers' purchase intention in Netflix live-streaming e-commerce, hoping to enrich relevant theoretical studies and provide Netflix e-commerce anchors and related subjects with practical suggestions.

1.2 Research Objectives

This paper takes consumers who have watched online: live streaming of weblebrities or experienced purchasing goods in live streaming and guides consumers to establish the correct consumption concept for reasonable consumption. Also, it provides a theoretical and empirical basis for improving the marketing strategies of related enterprises and platforms cooperating with weblebrities. The specific research objectives are as follows:

- 1) To examine the factors that influence the formation of consumers' immediate purchase intention in the context of online live streaming of weblebrities
- 2) To study the fan's attachment affects purchase intention
- 3) To examine the Live scenarios that influence purchase intentions.
- 4) To study the emotional attachment that affects purchase intentions

1.3 Significance of the Study

Theoretical significance: the cross-sectional reliability analysis table shows that the reliability of this study's constructs is above 0.7. It can be inferred that this study's scale is highly reliable, i.e., the study variables have good internal consistency across the construct variables. These studies discuss the influence of their factors on consumers and have important conceptual and practical implications for consumers' purchase buying behavior.

Relevance: The results of this study also help business owners to understand how to choose the right weblebrity to endorse their products. The results of this study show that in addition to professionalism, the most important thing for a live-streaming weblebrity is to have the qualities of interacting with consumers and providing utilitarian messages in order to strengthen consumers' attachment behavior and influence their purchase intentions and the results of this study can be provided to weblebrities as well as enterprises for reference.

1.4 Research Innovation

Live broadcasts emerged in 2016, and with the sudden outbreak of Covid-19 in 2020, the production life of residents was once affected. In this situation, the live broadcast of Netflix set off a wave of national live broadcasts. In the study of Netflix live broadcast, there are relatively few studies on the formation of consumers' willingness to buy and behavior in this scenario. Among them, there are also fewer studies on the online live-streaming of Netflix on consumers' consumption psychology, consumer behavior, and willingness to deepen. This study focuses on the most familiar field of "Netflix + e-commerce + live streaming" in the vertical segment of live streaming as the background of this study, focuses on the Netflix online live streaming context, and divides it into three dimensions: task fit, visual presentation, and sociality. The study has certain timeliness and novelty and has certain practical significance.

Conceptual Framework of Study

This study attempts to construct a theoretical model that can be used as a reference for industry and academic research. This model is constructed from the research hypotheses of Netflix characteristics, fans' attachment to Netflix, live streaming scenarios and emotional attachment, and their relationship to consumers' purchase intention. Based on the above research variables, a research structure, and

research hypotheses are proposed, and the following research model is shown in Figure 3.1, and the following research hypotheses are proposed:

H1: Netflix characteristics positively influence purchase intentions.

H2: Fans' attachment to netizens positively affects purchase intentions.

H3: Live scenarios positively influence purchase intentions.

H4: emotional attachment positively affects purchase intentions.

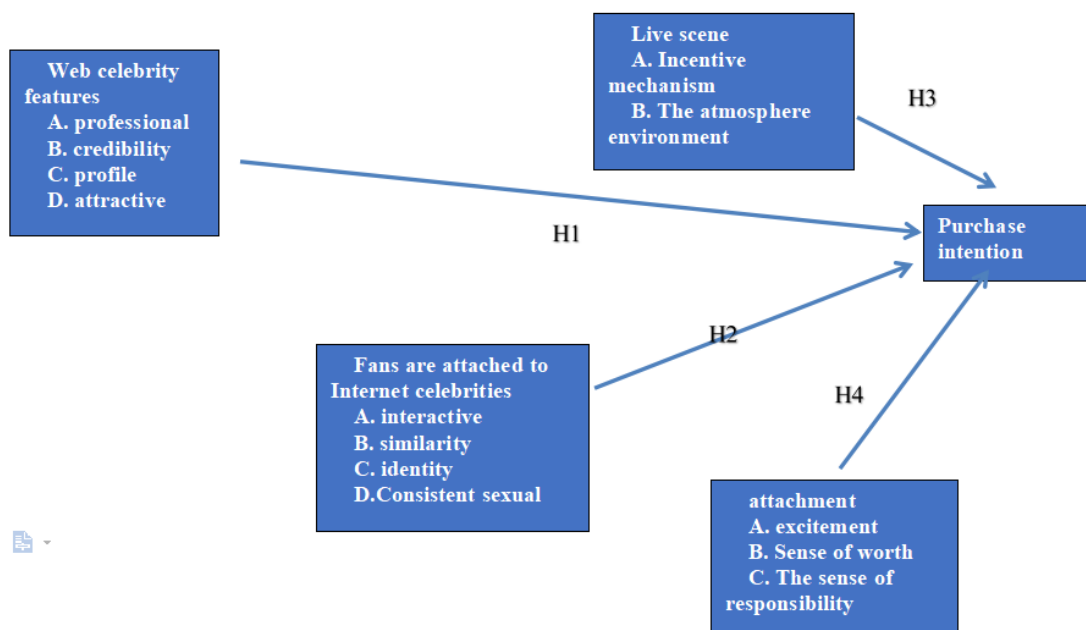


Figure 3-1 Research model architecture diagram

Research findings

In this study, a web-based questionnaire was used to survey those who had watched the live webcast of Netflix shopping, and the following conclusions were made for this study.

Conclusion 1: Netflix features positively influence purchase intention

The theory of opinion leaders in management science emphasizes the role of individual traits in guiding consumer behavior. In the era of digital media, Jitterbug, Racer, Yingke, Douyu, and Weibo have become the main battlegrounds for online celebrities to make their voices heard, attract fans, and market their products. In the live broadcast with goods, the unique characteristics of anchors, such as professionalism, credibility, popularity, and attractiveness, are effortless to spread online. They are regarded as opinion leaders by specific fans. It can be said that attractive weblebrities can influence fans in live streaming, especially by evoking brand identity with personal characteristics preferred by fans and by playing the role of opinion leaders. Thus, the weblebrity characteristics are key variables that facilitate the occurrence of consumers' purchase intentions.

Conclusion:2: Fans' attachment to Netflix positively affects purchase intention

According to the analysis of the regression model table, the coefficient of the judgment table, $R^2=0.736$, indicates that fans' attachment to Netflix can explain 73.6% of the variation in purchase intention. The standardized regression coefficient $\beta = 0.858$ and has significant explanatory power ($p < 0.001$), showing that the higher the attachment of fans to netizens, the higher the purchase intention. Therefore, fan attachment to weblebrity positively affects purchase intention.

Conclusion 3: Live scenarios positively influence purchase intentions

This study designed a research model based on the theory of live scenarios and validated it with SmartPLS. The results of the comprehensive hypothesis testing

showed that the research hypotheses tested showed a positive effect of live scenarios on purchase intention.

Conclusion 4: Emotional attachment positively affects purchase intention

According to the analysis, the coefficient of the judgment table, $R^2=0.688$, indicates that 68.8% of the variation in purchase intention can be explained by the live scenario. The standardized regression coefficient $\beta = 0.829$ and has significant explanatory power ($p < 0.001$), showing that the higher the live scenario, the higher the purchase intention. Thus, emotional attachment positively affects purchase intention. According to the previous study, the relationship between e-commerce anchors and consumers is essentially one of buying and selling. In this relationship, the anchors show the specifics of products and professionally explain to them so that consumers can quickly grasp the important information regarding relevant products and be prompted to purchase.

In contrast to the role of brand spokesperson, the role of anchor in e-commerce live broadcast is more akin to that of a physical shopper. The purpose of the anchor's existence is to assist customers in making decisions by providing explanations of relevant products and ultimately to accomplish the goal of the transaction. Therefore, the professionalism of the anchor is vital. The anchor needs to improve their business skills continually, do their homework before the live broadcast, comprehensively understand the information about the product, and explain to consumers in-depth, including product quality, performance, effect, and other information, demonstrating the quality of the recommended products. Professionalism will bring consumer trust, the professional explanation will attract consumers, and consumers will be more likely to purchase the recommended products.

The consumers send messages in the comment section to interact with the anchor in real time. The anchor needs to pay attention to user feedback, answer consumer

questions, and better understand consumer needs so that consumers take the initiative to participate in the discussion. This allows consumers to meet the interpersonal interaction while getting more product-related information, which helps achieve high-frequency and efficient interaction. In addition, to live interaction, it also uses multi-platform resources in social software to maintain high-frequency interaction, enhance user stickiness, and create a personal label in addition to creating an excellent live room environment, to encourage consumers to speak actively and interact at the same time pay attention to guide favorable communication and discussion, the anchor in addition to live interaction, but also use multi-platform resources, in social software to guide positive communication and discussion.

Conventional online shopping is based on consumer desire for search shopping; the buying objective is pretty obvious; however, the time cost of traditional online shopping can be increased to some degree by browsing products and comparing and selecting among them. In contrast, live e-commerce functions more as a shopping companion. With high-frequency interaction, visualization, and other characteristics to inspire consumers to watch, consumers watching live e-commerce hedonic value, which refers to whether the live content is entertaining and how the product explanation can bring consumers a sense of pleasure, is essential. The live broadcast of e-commerce possesses the characteristics of entertainment and visualization, which enables customers to recognize the shift from searching to accompanying. In addition, customers are more likely to "plant" the products recommended by the anchor due to the interesting atmosphere created by the anchor. The anchor may also use a number of different forms of entertainment to provide customers with a sense of fulfillment throughout the shopping experience, encourage live purchases as a habit, and maximize the likelihood of a successful conversion.

E-commerce merchants can tap anchors with professionalism, interactivity, and entertainment and reach a partnership with anchors who have these qualities to enhance product sales. In addition, they need to concentrate on cultivating their anchors, creating star anchors, and developing into opinion leaders. Major e-commerce platforms should seize the opportunity for e-commerce development and increase investment in live e-

commerce. E-commerce merchants can tap anchors with professionalism, interactivity, and entertainment. Therefore, retailers need to cultivate anchor professionalism through regular training and assessment, enhance their knowledge of product-related fields, position anchor images appropriately, find the right path for development, and increase the influence of anchors so that e-commerce anchor marketing can be as effective as possible.

At this stage, the low price has become the main selling point of the live launch of e-commerce. The notion that the living price is the same as the low price is profoundly ingrained in people's hearts. Retailers will sometimes employ limited-time seconds, buy-one-get-one-free deals, and other marketing strategies to sell products to pique consumers' interest and encourage them to make impulsive purchases. As a result, retailers can engage in marketing during cost-controlled concessions, in the live broadcast of irregular coupon distribution, limited-time rush and other activities, and the use of e-commerce festivals to promote the momentum, the development of diverse marketing strategies to promote impulse buying.

For the e-commerce platform, the operators of the e-commerce platform should strengthen the platform supervision, set scientific and reasonable access thresholds, regulate the resident merchants, and anchor habits, ensure the quality of live content, avoid excessive publicity, and develop corresponding punitive measures, in addition to safeguarding consumer rights, timely handling of complaints and related issues, to ensure that consumers have convenient and rapid access to their rights, while at the same time ensuring that consumers have access to their rights on time. This is to ensure that In the meantime time, the platform itself can use information technology to strengthen the functionality of the e-commerce platform, to provide consumers with better ways to view product information, to create a pleasant visual experience, to attract consumers to enter the live broadcast room to watch, and finally, the platform itself can also use big data technology to provide consumers with precise push, to reduce the cost of consumers searching for details and products.

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