

Trust in the Stream: How Sales Promotions and Followers Drive Impulse Buying in E-Commerce Live Streaming

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Abstract: The purpose of this study is to determine how much the number of followers and sales promotions might affect consumers' trust and impulsive purchases while live streaming in e-commerce. Subsequently, it is also intended to understand whether trust can act as a mediator in the relationship between the promotion of sales and the closing of impulsive purchases. The study sample consisted of 200 spontaneous buyers during a live-streaming session. Data collection is done by using an online questionnaire that may be filled out using a Google Form and given to impulse buyers. Purposive sampling is the technique used for data collection. Using Smart PLS, data is analyzed quantitatively. The study's findings indicate that live-streaming promotions for viewers and sellers have a positive and significant impact on viewers' trust and spontaneous purchases. Furthermore, trustworthiness might mitigate the relationship between sales promotions and follow-up in impulsive buying.

Keywords: sales promotion, followers, trust, and impulse buying

1. Introduction

The current technological developments have brought significant changes to consumer behavior. The advancement of technology has facilitated transactions between providers and consumers. One notable change is the rapid growth of internet usage, which has significantly accelerated the sale of both goods and services through e-commerce. E-commerce refers to the buying and selling transactions conducted between sellers and buyers via the internet. One of the most recent and rapidly growing developments is sales conducted through live broadcasts, or live streaming platforms, which have become increasingly popular. This phenomenon allows direct interaction between consumers and sellers, creating a more interactive and real-time shopping experience.

One interesting aspect of shopping via live streaming is the tendency for consumers to make impulse purchases. Impulse buying refers to spontaneous decisions made without prior planning, often triggered by external factors such as sales promotions and recommendations from others. Many factors can influence impulse buying, including sales promotion, electronic word of mouth (e-WOM), product forms, website design, security, and others. Additionally, Yu and Lo (2020) found that buy intentions during live streaming purchasing are influenced by variables such product quality, pricing, customer service, and brand reputation. These elements support the development of buyer trust, which in turn fosters consumer confidence and encouragement. Additionally, Yu and Lo (2020) found that buy intentions during live-streaming purchasing are influenced by variables such product quality, pricing, customer service, and brand reputation. These elements support the development of buyer trust, which boosts customer confidence and promotes impulsive purchases.

Sales promotions through live streaming have proven to be an effective strategy in driving impulse buying. Discounts, special offers, and time limitations often push consumers to make immediate purchases. On the other hand, the influence of electronic word of mouth (e-WOM) or recommendations from other consumers also plays a crucial role in building consumer trust towards products and sellers, ultimately affecting purchasing decisions.

2. Literature Review

2.1. Impulse buying

Impulse buying, according to Rook (1987), is an unplanned purchase made spontaneously in response to a particular stimulus. Li, L., Chen, X., & Zhu, P. (2024) reveal that the emotion of pleasure is the primary factor influencing the drivers of consumers' impulsive buying, which is facilitated by the similarity, attractiveness, professionalism, and interactivity of the participants. Impulse buying is driven by personality factors and external stimuli, moderated by personal, social, demographic, and situational factors (Mittal et al, 2015). Impulse buying is a significant phenomenon in consumer behavior, accounting for approximately 50% of total expenditures (Thakur et al., 2020). It is influenced by various factors, including social media, bundle offers, and top reviews (Zafar et al., 2020). Understanding impulse buying is crucial for marketers to develop effective strategies (Sharma et al., 2019).

2.2. Sales Promotion

Kotler and Keller (2016) define sales promotion as a transient financial incentive used to promote the purchase of a good or service. Sales incentives like discounts, direct presents, or time-limited offers can make products more appealing and encourage impulsive purchases when used in conjunction with live broadcasting. (Wang et al., 2020). Numerous studies have shown that sales promotions have a positive and significant impact on trust in live streaming. Research by Cuong (2023) and Rahmawaty et al. (2023) found that sales promotions and discounts positively impact online trust and impulse buying. Based on this, the following hypothesis can be formulated: Sales promotion positively and significantly affects consumer trust in live streaming.

2.3. Follower

Followers in social commerce play a crucial role in influencing purchase intentions (Hairudin et al., 2019). Smith (2018) explains that followers are individuals who voluntarily follow and subscribe to live-streaming users. They are usually actively involved in all programs during live streaming, including conversations, comments, and interactions, thereby generating a broader reach. Additionally, Rainie and Wellman (2012) suggest that followers in social networks play a vital role in expanding communication networks and strengthening user engagement with content.

Many factors influence online impulse buying, such as website features, marketing tactics, and affective stimuli, with the level of economic development moderating some relationships. Zhao et al. (2021) further explain that the main drivers of impulse buying are driven by perceptions of enjoyment, usefulness, value, influence, scarcity, and impulsive buying tendencies (Paul et al., 2022).

2.4. Trust

Trust is a customer's belief in a company, supervisor and seller or a particular platform that can be relied on to meet their expectations. (Gefen et al., 2003). Trust is also an important factor that can mediate the relationship between sales promotions and followers on impulse buying in live streaming activities. (Kim & Peterson, 2017). Other research results include that trust has a positive and significant influence and relationship on purchasing decisions (Kim & Peterson, 2017).

3. Research Hypotheses:

1. In live streaming, trust and impulsive purchases are positively and significantly impacted by sales promotion and followers.
2. Impulsive purchases made during live broadcasting are positively and significantly impacted by consumer trust.
3. In live streaming, trust acts as a mediator in the relationship between followers and sales advertising for rash purchases.

In the context of live streaming, this study is anticipated to offer business practitioners information regarding the significance of sales promotions and followers in fostering consumer trust and boosting impulsive purchasing decisions.

4. Method

Data was gathered via distributing Google Forms questionnaires to respondents. The respondents in this survey were customers who made live-streaming purchases on a range of e-commerce platforms, including Shopee, TikTok, Lazada, Bukalapak, etc. According to Hair's (2019) criteria, the number of indicators multiplied by 10 was used to determine the number of responders. The entire sample size for the study consisted of 200 respondents. The sampling technique used was called purposeful sampling. After conducting some preliminary testing, including validity, reliability, and hypothesis testing, Smart PLS will be utilized to evaluate the data.

5. Results

5.1. Characteristics of Respondents

This study outlines the characteristics of respondents, including gender, occupation, the platform used, and the products purchased. A more detailed breakdown of the respondent characteristics is presented in the following table:

Table 1. Characteristics of Respondents.

Gender	Male	63	31,5
	female	137	68,5
Employment	Government employee	54	27
	Private employee	34	17
	Self employee	10	5
	Student University	88	44
	Other	14	7
Site Used	Shopee	148	74
	Tiktok	38	19
	Lazada	6	3
	Other	8	4
Product Purchases	Clothes	113	56,5
	Household equipment	28	14
	Cosmetic	34	17
	Other	25	12,5

Processed Data 2024

The study results show that most of the 200 respondents, who were impulse buyers in live streaming on e-commerce sites, were female, totaling 137 respondents or 68.5%. The remaining 63 respondents were male, making up 31.5% of the total.

Regarding the occupations of the respondents, it was found that most live streaming buyers were university students, with 88 respondents or 44%. This was followed by civil servants, with 54 respondents or 27%, and private employees, with 34 respondents or 17%. The majority of respondents preferred to shop via live streaming on Shopee, with 148 respondents or 74%. TikTok was the next most used platform, with 38 respondents or 19%. The most purchased product by consumers was clothing, with 113 respondents or 56.5%, followed by cosmetics with 34 respondents or 17%, and household appliances with 28 respondents or 14%. Additionally, 25 respondents, or 12.5% purchased products outside of these three categories.

5.2. Measurement, Analysis, and Evaluation of Quantitative Data

During live broadcasting, validity, reliability, T-tests, and hypothesis testing were used to determine how followers and sales promotions affected trust and impulsive buying decisions. The results of these tests are as follows:

Validity Test

To determine whether all indicators have validity for each variable, the outer loading values are examined, as presented in the following table:

Table. 2. Table; Outer loading

	FOLLOWERS	IMPULSE BUYING	SALES PROMOTION	TRUST
F1	0,789			
F2	0,800			
F3	0,838			
F4	0,727			
IB1		0,886		
IB2		0,920		
IB3		0,926		
IB4		0,882		
SP1			0,885	
SP2			0,869	
SP3			0,919	
SP4			0,869	
T1				0,881
T2				0,939
T3				0,847
T4				0,861

Processed Data 2024

It is clear from the preceding table that the outer loading values of the "Follower" variable are over 0.7 and range from 0.727 to 0.838. This suggests that the "Follower" variable's indications are all highly valid.

In a similar vein, the table displays outer loading values for the "Impulse Buying" variable that are likewise over 0.7 and range from 0.882 to 0.926. This suggests that the validity of each indication for this variable is good.

The table displays outer loading values for the "Sales Promotion" variable that are over 0.7 and range from 0.869 to 0.919. This suggests that the validity of each indication for this variable is also good.

For the "Trust" variable, the outer loading values range from 0.847 to 0.939, which are above 0.7. This demonstrates that all indicators of this variable also have good validity. This means that all indicators of each variable studied have good values, with outer loading values above 0.7.

Table 3. Construct reliability and validit

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
FOLLOWERS	0,804	0,814	0,868	0,623
IMPULSE BUYING	0,925	0,934	0,947	0,817
SALES PROMOTION	0,908	0,915	0,936	0,784
TRUST	0,905	0,908	0,934	0,779

Processed Data 2024

From the table above, it can be seen that Cronbach's Alpha values for all the variables studied follower, impulse buying, sales promotion, and trust — are above 0.7. This means that each construct has good internal consistency and is reliable.

Next, for Composite Reliability (CR), which measures the reliability of a construct by considering the indicators that contribute to it, a good CR value is above 0.7. The results show that the CR values for all variables are above 0.7, indicating very good reliability.

The Average variation Extracted (AVE) values are also displayed in the preceding table. These numbers indicate convergent validity, or the degree to which the indicators inside a construct can explain the variation. When the AVE value is more than 0.5, it suggests that the construct is able to account for over 50% of the variance. This study's variables all had AVE values over 0.5, indicating strong convergent validity for the constructs.

Table 4. R. Square

	R Square	R Square Adjusted
IMPULSE BUYING	0,251	0,239
TRUST	0,356	0,349

Processed data 2024

It is evident from the preceding table that the R Square and R Square Adjusted values show successful outcomes. The variables follower and sales promotion can account for 25.1% of the variance in impulse buying decisions, according to the R Square value of 0.251 for impulse buying.

Additionally, the R Square value for trust is 0.356, indicating that 35.6% of the variance in trust can be explained by the variable's sales promotion and follower.

Table 5. Total effect direct

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
FOLLOWERS - > IMPULSE BUYING	0,230	0,230	0,078	2,944	0,003
FOLLOWERS - > TRUST	0,353	0,365	0,072	4,929	0,000
SALES PROMOTION - > IMPULSE BUYING	0,254	0,256	0,071	3,595	0,000
SALES PROMOTION - > TRUST	0,325	0,319	0,073	4,451	0,000
TRUST -> IMPULSE BUYING	0,327	0,327	0,072	4,541	0,000

Processed data 2024

From the table above, we can see that the research results for the direct relationships between the variables studied are as follows:

1. With a coefficient value of 0.230, the "Follower" variable has a positive and significant impact on impulsive purchase, as can be seen from the above table. The T-statistic value of 2.944 indicates that this

relationship is significant ($P < 0.05$), meaning that the more followers there are, the higher the likelihood of impulse buying. Zhang (2022) explains in his research that audience presence positively influences impulse buying in live streaming. Furthermore, Huang (2021) also states that the number of viewers and their interactions encourage impulse buying in live streaming. Research findings by Rajput & Gandhi (2024) suggest that perceived benefits, influencer credibility, and positive interactions enhance consumer-perceived entertainment, thereby increasing impulse purchases.

2. With a coefficient value of 0.353, the "Follower" variable has an even stronger positive effect on trust. This association is very significant ($P < 0.01$), as indicated by the T-statistic of 4.929. This means that the more followers there are, the higher the level of trust built in the brand or product.
3. The "Sales Promotion" variable has a positive and significant effect on impulse buying, indicated by a coefficient value of 0.254. The T-statistic value of 3.595 shows that sales promotion has a significant positive impact on impulse buying ($P < 0.01$). This means that the more frequently sales promotions are carried out, the greater the tendency for consumers to make impulse purchases. Research has shown that sales promotions positively influence consumer purchase intentions, sales volume, loyalty, and attitudes (Santini et al., 2016).
4. Sales promotion, with a coefficient value of 0.325, also has a favorable and noteworthy impact on trust. A highly significant link is indicated by the T-statistic value of 4.451 ($P < 0.01$). This implies that consumers' faith in a product or brand can be raised by successful sales promotions.
5. Additionally, a coefficient value of 0.327 shows that trust has a favorable and significant impact on impulsive buying in live streaming. The T-statistic value of 4.541 indicates a strong relationship between consumer trust and impulsive purchasing decisions ($P < 0.01$). This implies that customers are more likely to make impulsive purchases during live broadcasting if they have a higher level of trust in the product or supplier. Kim and Peterson's (2017) study discovered that trust has a big impact on purchasing. This Sales promotion also has a positive and significant effect on trust, with a coefficient value of 0.325. The T-statistic value of 4.451 indicates a highly significant relationship ($P < 0.01$). This means that effective sales promotions can increase consumer trust in the product or brand.

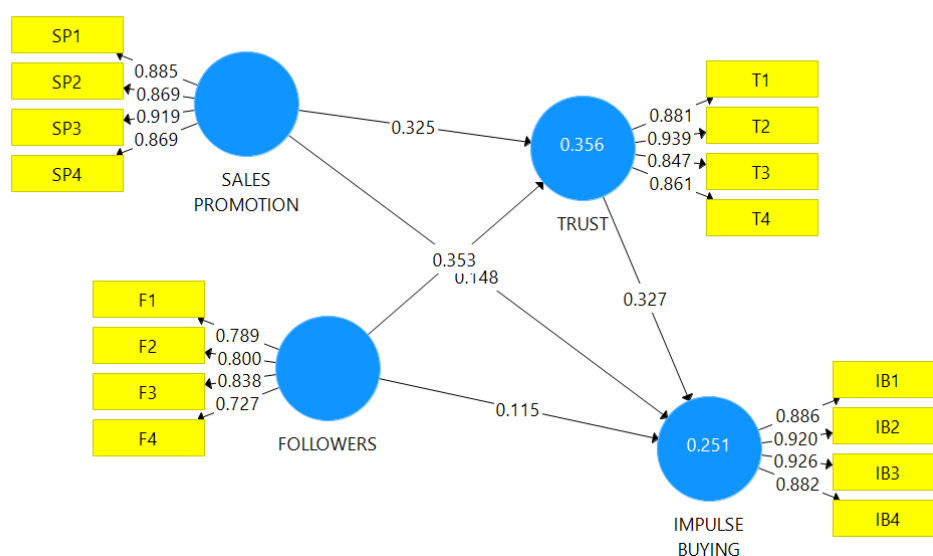
Table 6. Indirect

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
FOLLOWERS -> IMPULSE BUYING	0,116	0,120	0,037	3,119	0,002
FOLLOWERS -> TRUST					
SALES PROMOTION -> IMPULSE BUYING	0,106	0,104	0,033	3,265	0,001
SALES PROMOTION -> TRUST					
TRUST -> IMPULSE BUYING					

Processed Data 2024

Using trust as a moderating factor, the indirect effect is utilized to assess how followership and sales promotions affect impulsive purchases. With a coefficient value of 0.116, the results indicate that followers have an indirect impact on impulsive purchases when trust is used as a moderating variable. This indirect effect is significant, as indicated by a T-statistic of 3.119 ($P < 0.01$). This indicates that trust functions as a mediator in part to explain how the quantity of followers affects impulsive purchases. Additionally, sales promotions have an indirect (coefficient value of 0.106) impact on impulsive purchases. This indirect effect is significant, as indicated by a T-statistic of 3.265 ($P < 0.01$). This suggests that trust acts as a mediator between sales pitch and impulse purchase. Please refer to the following research model for a more thorough summary of the findings:

Research Model



6. Conclusion.

The research results show that sales promotion activities and follower activities can have a positive and significant influence on impulse buying during live streaming activities. Furthermore, customer trust will be able to mediate the relationship and the influence of sales promotions and followers on impulse buying decisions on live streaming. These results show that to increase impulse buying, the site is expected to increase sales promotions and increase followers, so that trust increases.

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