

# Research on Marketing Mode of Live Broadcast with Goods based on Tik Tok Platform

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## Abstract

Since the covid-19 outbreak, the way of shopping under the line has been unprecedentedly affected. Tik Tok, Fast Hand and other short video platforms are highly sought after. With the development of digital media technology, the continuous development of online e-commerce marketing mode has gradually formed a wave of live broadcast with goods. Through the analysis of data from the platform, we can see that the product content and packaging, the source of the customers, the main audience and the star effect will have an impact on the sales performance. The specific contents of the impact mechanism of the live selling mode of the live broadcast on the sales performance are discussed, and the development status of the live marketing mode of the live broadcast and the challenges in the future are analyzed, and reasonable suggestions are put forward.

## Keywords

Live Broadcast with Goods; Online Retailers; Marketing Strategy.

## 1. Introduction

Tik Tok and other short video platforms have been popular since the outbreak of COVID-19 in 2019, and have formed a wave of live broadcast with all the products, stimulating the flow potential of platforms such as social networking and e-commerce. Whether from the supply side or the demand side, the live broadcast and delivery of goods have effectively promoted the internal circular economy. Since the third meeting of the Twelfth National People's Congress, Premier Li Keqiang proposed the Internet plus action plan. The integration of Internet and industries has become increasingly close. The live broadcast business is a new star in the Internet. It not only provides new opportunities and ideas for the main marketing models and brand building methods of the various industries, but also brings new vitality and momentum to the traditional industries. However, under the rapid development of network marketing economy, there are many deficiencies in the marketing mode of live broadcast with goods, and there may be slow development in the future [1]. Therefore, based on the concept of live goods, this paper analyzes the impact mechanism of Tik Tok marketing mode on sales performance, discusses its current development and shortcomings, and puts forward reasonable proposals.

In 2020, driven by the epidemic, live broadcast marketing collided with more and more different industries, and there was even the phenomenon of "whole industry participation in live broadcast marketing". Therefore, the discussion of live broadcast marketing in the industry and academia is also in full swing. Scholars have analyzed the new opportunities and new development brought by this new way from the live broadcast marketing activities of different industries. Han Xihong (2020) pointed out that direct marketing of agricultural products is an important practice of "Internet plus agriculture" in the sale of agricultural products, and it is a

transformation and upgrading of traditional agricultural production, operation and consumption process, [2]. Liu Yang (2020) pointed out that live broadcasting with goods will become the core mode of live broadcasting marketing of publishing institutions, social live broadcasting will become the daily means for publishing institutions to maintain their emotions with readers, and knowledge service-oriented live broadcasting will establish brand effect for publishing institutions [3]. In addition to the agriculture and publishing industry mentioned above, live broadcasting has cooperated with the food industry, entertainment industry, education industry and even tourism. From this kind of papers, we can see that the data of live broadcasting marketing activities show that the new model is indeed conducive to the progress and development of some industries, and more importantly, it has significantly buffered the economic depression caused by the epidemic.

## **2. Connotation and Characteristics of Live Broadcast with Goods**

### **2.1. Connotation of Live Broadcasting with Goods**

Live broadcasting with goods is a new marketing model. With the development of electronic technology and the increasing improvement of functions, the sales of goods break through the traditional barriers, combine marketing with technology, and customers can buy according to their own needs under the detailed introduction of shopping guide or anchor, as well as the demonstration of try on and trial effect. There are many and complex commodities. Bringing goods through live broadcasting has greatly increased the product exposure, and customers' choices are more diversified and targeted. Different from the traditional "face-to-face" offline marketing mode, the live delivery marketing mode is based on the e-commerce platform and adopts diversified strategies to stimulate customers' consumption psychology and meet consumer demand. This new marketing mode makes consumers have a greater leading position in information collection, product selection and purchase decision-making.

### **2.2. Characteristics of Live Broadcast with Goods**

(1) High quality of content. In recent years, with the rapid development of science and technology, people's information search level has made continuous progress. Under such background, the live broadcast with goods marketing mode has more room for expansion, and the commodity sales is no longer limited to the offline marketing mode of attracting customers. In the process of live delivery, the anchor is required to have a deep understanding, unique insights or show its unique charm of the products he brings, and be able to attract customers to buy with high-quality content.

(2) Encourage the diversity of customer purchase mechanisms. Due to the advantages of online discount, on-time discount and incentive mechanism of "full and reduced delivery" on holidays, customers are more willing to choose online consumption channels and consume in the live broadcasting room. Under the guidance of anchor and shopping guide speech and action, diversified marketing modes such as discounts, discounts and gifts stimulate customers to increase their purchase.

(3) Real time interaction. Based on the powerful function of the Internet, during the live broadcast, the anchor and shopping guide can communicate with customers in real time, understand customers' psychology, concerns and needs, provide corresponding guarantee, and increase customers' determination to buy. At the same time, even if there are any problems after the live broadcast, customers can contact the merchant customer service in time. In the live broadcast with goods marketing mode, the real-time interaction can increase the stickiness of customers.

### **3. The Impact Mechanism of Marketing Mode of Tik Tok on its Sales Performance**

#### **3.1. Product Content and Packaging**

In the marketing of live broadcast with goods in Tik Tok, consumers usually choose the product live room to stimulate their interests and meet the needs of the products, browse the product profile, and then further understand the product itself through product details. The overall content of the product will have an impact on whether consumers search, click and browse. At the same time, under the influence of the "first cause effect", high-quality product packaging and attractive publicity will promote consumers to make purchase decisions. High quality product quality and after-sales service will increase customer loyalty and attract them to buy again, thus increasing the positive impact of repeat customers on their sales performance.

#### **3.2. Source and Main Audience of Customers**

According to the Questmobile user portrait data, we can see that the male users who are Tik Tok live with goods are almost the same as the female users. The proportion of female users is slightly higher than that of App. From age structure, Tik Tok accounts for 47.7% of the population aged between 25 and 35. We speculate that the user age structure of live broadcast of live shaking is likely to be slightly higher than that of App users, and that the proportion of people aged 25 to 35 may be slightly higher. This group has a strong purchase intention and a higher purchasing power, and has relatively larger contribution to Tik Tok. By improving Tik Tok short video quality and expanding the user volume, more consumers will recognize the live broadcast function of the jitter and do online shopping to meet their actual needs, so as to improve the sales performance of Tik Tok.

#### **3.3. Star Effect**

Stars can bring topics to products, improve the efficiency of product information dissemination, bring fan economy to the live broadcasting platform, and even have a certain impact on the trend of the market. During the opening ceremony of "double 11" Hunan Satellite TV, the well-known stars attracted a large number of fans into the live broadcasting room to watch the live broadcast with goods, indirectly increasing the potential consumers in the live broadcasting room. For example, the Tik Tok Festival is over three yuan, but the top three of the non star list is between 70 million yuan and 80 million yuan. Thus, the star effect can bring potential consumer attention and traffic value that can not be underestimated for the live delivery platform.

#### **3.4. Enterprises' Response Behavior to Accidental Events**

The response of enterprises to accidental events will also have a certain impact on consumers' purchase decisions. We take Hongxing Erke's "rush to aid Henan" as an example. In July 2021, after hongxingerke announced on the Internet platform that it would donate 50 million yuan of materials to the disaster area, it attracted the attention of tens of millions of netizens overnight. The donation aroused public favor and set off a wave of "wild consumption" boom. Some netizens turned their national brand feelings into actual purchasing power. According to the data, Hongxing Erke's sales increased by 52 times compared with the same period last year. The sales of Taobao Tik Tok exceeded 100 million yuan in 48 hours, and the sales of goods sold in the live room 36 hours were over 67 million yuan, and the number of live broadcasting rooms increased by 8 million people in one week. Therefore, the benign response of enterprises to accidental events will cause consumers to praise and support them, so as to attract more consumers to make purchase decisions.

## **4. Deficiency of the Marketing Mode of Live Broadcasting with Goods**

New consumption modes such as live broadcasting have greatly promoted the expansion and quality of consumption. Even under the influence of the epidemic, the online retail sales of physical goods still increased by 1235.1 billion yuan in 2020, a year-on-year increase of 14.8%. Webcast has become a new digital economy model of "online drainage + physical consumption" and achieved vigorous development. Live e-commerce has become a popular shopping method among users. With the continuous development of the digital economy of live broadcasting with goods, the marketing mode of live broadcasting with goods has gradually exposed some urgent problems to be solved.

### **4.1. The Change of Consumption Psychology is Accompanied by Irrational Consumption**

With the continuous development of China's economic level, the consumption structure is also gradually transformed. People's consumption concept has changed from paying attention to the substantive utility of goods to paying attention to the spiritual value of goods, and the consumption mode has also changed from living needs consumption to diversified development consumption [4]. For consumers, consumption is not only an activity to meet the basic needs of life, but also a cultural activity to express the interest of life, obtain psychological satisfaction and reflect daily beliefs. Therefore, in the process of live broadcasting with goods, some anchors will use marketing skills to "export culture" and "implant values" to consumers and give some added value to goods to stimulate consumption. In addition, based on the mass effect, a large number of products are highly praised in the live broadcasting room, and the consumption personality of some consumers will be reshaped, resulting in impulsive orders. Due to the influence of consumerism culture and other factors, consumers' psychology changes, and it is easy to produce irrational consumption tendency under the collaborative guidance of platforms, merchants and anchor with goods, so as to make corresponding irrational consumption behavior.

### **4.2. There is Potential Manipulation of Capital behind Some E-commerce Live Broadcasts**

With the development of Internet technology, algorithm technology can gradually achieve the degree of accurate delivery. The algorithm of the live delivery platform realizes the tagging classification of users according to the monitoring of users' historical search click records and other data, and accurately pushes the live rooms or anchors similar to or related to the tag, and filters the live rooms and anchors that users are not interested in, so as to realize "personalized push". However, the logic behind the algorithm is the capital logic of the platform. Once users are surrounded by a large number of homogeneous goods and information for a long time, their sense of identity for such products will be strengthened non actively, so their willingness to buy the product will be passively enhanced, and invisible capital manipulation will achieve the purpose.

### **4.3. Insufficient Supervision Leads to Frequent Industrial Chaos**

The development threshold of the new industry of webcast delivery is very low and there are no professional requirements. The profit-making drives more and more people to participate in webcast delivery. In the trend of pursuing profits, many stars and online celebrities have joined the ranks of live broadcasting and goods one after another, trying to get a "piece of it". At the same time, due to the insufficient supervision of live broadcast goods and other factors, some criminals sell fake and inferior products and attract consumers with prices far lower than those of genuine products. The increasingly mature means of counterfeiting makes most ordinary consumers unable to judge the authenticity of goods by themselves. In addition, there

are still some problems in the live delivery industry, such as the lack of professional knowledge and quality of delivery anchors, exaggerated publicity of delivery advertisements, fake and shoddy product quality and so on. Some consumers will also encounter difficulties in returning goods and safeguarding their rights, which will give consumers a sense of psychological gap and dissatisfaction. As the chaos of the industry leads to the breeding of relevant gray industries and the damage of consumers' rights and interests, there are certain risks and purification space in the live broadcasting and cargo industry in the future. It can be seen that the supervision of relevant departments on live broadcast delivery needs to be strengthened [5].

## **5. Optimization Strategy of the Marketing Mode of Live Broadcasting with Goods**

### **5.1. Consumers Need to Establish a Correct View of Consumption**

When consumers watch live broadcast with goods on the e-commerce platform, they need to keep rational thinking. Do not be impulsive due to the anchor's personal charm, exaggerated description, consumption incentive mechanism, star effect and other factors, resulting in herd mentality. They buy in a short time without knowing the commodity information in detail and determining the quality and effect of products, thus ignoring the protection of their own rights and interests, resulting in the purchase of products that do not meet the real needs or fake and shoddy products [6]. Therefore, consumers should establish a correct view of consumption, think rationally, consider the value of products in multiple dimensions, adhere to the concept of "shopping around", choose goods suitable for themselves, improve their satisfaction with goods and reduce their own damage to their rights and interests [7].

### **5.2. Improve the Entry Threshold of Live Broadcasting with Goods**

Relevant government departments shall strengthen the supervision of the business qualification of e-commerce platforms and the operation quality of settled enterprises, improve the access threshold of live broadcasting and delivery industry, ensure legal and compliant operation, and cultivate the legal awareness and compliance delivery ability of enterprise principals and anchors. Functional departments should cooperate with the platform to carry out professional training and assessment on the live delivery anchor, and strengthen the crackdown on false advertisements and other behaviors in the process of live delivery [8]. At the same time, the e-commerce platform should actively cooperate with relevant regulatory authorities to strictly review the settled enterprises and the anchor with goods, and seriously treat and severely punish the non-compliance and illegal acts in the live broadcasting process, so as to make those who do not respect the rights and interests of consumers and harm others and social interests bear the corresponding responsibilities and protect the legitimate rights and interests of consumers.

### **5.3. Improve the Construction of the Rule of Law in Live Broadcasting with Goods**

On April 23, 2021, the state Internet Information Office, the Ministry of public security, the Ministry of Commerce, the Ministry of culture and tourism, the State Administration of Taxation, the State Administration of market supervision and administration, the State Administration of radio and television and other departments jointly issued the measures for the administration of webcast marketing (for Trial Implementation), which standardized the healthy and orderly development of the webcast delivery industry. Under the current development situation of live broadcasting with goods, relevant departments still need to continue to formulate and improve the specific regulations of the live broadcasting with goods industry, revise the existing laws and regulations of live broadcasting with goods or make new legislation, define the responsibilities and obligations of each subject in the whole process of live broadcasting with

goods, divide the responsibilities of platforms, businesses and anchors, and stipulate how consumers use relevant laws and regulations to legally protect their rights. Through systematic legal constraints, improve feedback channels, expand supervision channels, regularly strengthen the supervision of e-commerce live delivery market, and establish specific departments to carry out targeted whole process management for different periods and types of live delivery. At the same time, we should do a good job in the full coverage of supervision before, during and after the event, and guide the healthy and orderly development of the live broadcast and delivery industry [9].

## 6. Conclusion

Based on the concept of "live broadcasting with goods ", combining with typical case data, this paper analyzes the marketing mode, development status and challenges of future development of live broadcasting with goods, and discusses the impact of product content and packaging, source of customers, main audience groups and star effect on sales performance. Consumers need to establish a correct concept of consumption and protect their rights legally in accordance with relevant laws; Enterprises participating in live broadcasting and carrying goods should adjust their marketing strategies in time; The e-commerce platform needs to cooperate with relevant departments to strengthen the supervision of anchors and businesses; Relevant departments need to improve the construction of targeted rule of law in the live broadcasting and cargo industry. Under the cooperation of various parties, standardize the order of enterprises and industries in the live delivery marketing, provide standardized new ideas for enterprise marketing, improve the rationality and satisfaction of consumers, reduce the potential risks of the live delivery marketing mode, maximize economic and social benefits, and promote the sustainable and high-quality development of the live delivery e-commerce industry.

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