



Encouraging Purchase Intention in TikTok Live Streaming: The Role of Live Streaming Shopping Attributes

Syafruddin Chan^{1*}, Kurnia Asni²

¹*Universitas Syiah Kuala, Indonesia*

²*Universitas Abulyatama, Indonesia*

*Corresponding author: syafruddin.chan@usk.ac.id

Abstract

Objective –This study aims to delve into the factors that impact consumers' purchase intention when shopping on the platform, namely Live Streaming Shopping Attributes, Low Price Appeal, Trust in Sellers, and a Guarantee Return Policy as a moderating variable.

Methodology –The research design includes a survey of 170 participants selected through purposive sampling and analyzed using PLS-SEM statistical analysis.

Results –The results of this study show that Live Streaming Shopping Attributes and Low-Price Appeal significantly impact purchase intention, and that Guarantee Return Policy plays a significant role in moderating their effects. The findings of this study will provide valuable insights for companies and managers looking to increase purchase intention through live-streaming shopping.

Novelty/Originality –This study breaks new ground by using the Guarantee Return Policy as a moderating variable, whereas prior studies have only explored it as a mediating factor.

Keywords: Live streaming Shopping Attributes; Low Price Appeal; Trust in Sellers; Guarantee Return Policy; Online Purchase Intention

1. Introduction

The use of TikTok Live Streaming Shopping has risen to prominence in recent times, particularly among small businesses looking to conduct online sales transactions. The novel shopping experience offered by live streaming shopping, where customers can interact directly with the anchor, has contributed to its popularity (Apasrawirote & Yawised, 2022; Syci, 2021; Zhu et al., 2021). The establishment of a relationship between the customer and the anchor, built on trust and a shared appreciation of the product being sold, plays a key role in the success of live shopping (Chan & Asni, 2022).

Moreover, according to Kozinets (2022), the algorithms and big data capabilities of TikTok have revolutionized the online shopping experience. Customers are constantly presented with products that align with their interests and preferences; a phenomenon referred to as the retargeting of advertisements. This is achieved by showing ads to individuals who are already familiar with the brand in some way, much like retargeting which transpires on other platforms such as Facebook, Instagram, and Google. This statement is enhanced by (K. Liu, 2022). His articles discuss how TikTok's algorithms and big data capabilities have revolutionized the online shopping experience by providing personalized recommendations and retargeting ads to individuals who have interacted with the brand in some way. They also examine the role of social media influencers and user-generated content in shaping consumer behavior on the platform.

The use of TikTok Live Streaming Shopping has now become a phenomenon, due to the rapid growth in the use of this platform in conducting online sales transactions (Xue & Liu, 2023), especially for small businesses. Many people have a hobby of shopping. Live streaming shopping gives customers an easy and novel

shopping experience. This is one of the reasons why online shopping methods like this are getting more popular lately (Billewar et al., 2022) and (Sciences, 2022). Their articles discuss the rise in popularity of live streaming shopping and the reasons behind it, including the new and unique shopping experience it offers to customers. They also explore the potential of live streaming shopping as a tool for building brand engagement and its future directions in the field of social commerce.

Another reason for the uptick in popularity is society's consumption habits. In live streaming shopping, the customer talks directly to the anchor. At the same time, they also speak to other members of the audience. Livestreams can be a valuable tool to build rapport between anchor and customers, as long as the review being given is trustworthy, and thus the product being pushed satisfactorily meets the consumer's needs (Lin et al. 2022; Apasrawirote and Yawised 2022).

Another prominent reason behind the rise in popularity is big data and algorithms inherent in the TikTok environment. Customers are continuously shown products that they are predicted to like based on their past activities and interests on the platform. This is also called retargeting of the ads. Retargeting on TikTok is no different than retargeting on other platforms like Facebook, Instagram, or Google (Aliyah & Nurdin, 2019; Biagiola, 2022). Advertisements are therefore shown to audiences whose preferences and interests are already known to the advertiser (Xiao et al., 2023). This is in direct contrast to traditional advertising when the goal is to find a broad, cold audience and filter them from there (Dengler, 2021).

The primary concern for the brand revolves around the concept of Direct-to-Customer (D2C) sales, which entails selling products directly to consumers. In the past, entering this industry posed various challenges. Companies were required to establish their brand and then approach manufacturers with a proposition such as, "I would like to purchase your product in large quantities, add my brand label, and sell it as my own." Customers remained unaware of the actual manufacturers behind the products they purchased under specific brand names (Prasad & Ghosal, 2022). These articles emphasize the significance of D2C sales and how it has transformed the conventional retail industry by enabling businesses to sell their products directly to consumers without intermediaries. They also examine the impact of D2C on customer relationships, brand loyalty, and the overall retail landscape. Additionally, they discuss the challenges and opportunities of D2C sales for businesses, such as establishing brand identity and managing supply chains (Chandrruangphen et al., 2022a).

However, with the advancement of technology, manufacturers now can sell directly to customers, bypassing the need for intermediaries (Q. Chen, 2021) This is a huge advantage for customers because they can buy the product at a much cheaper price by eliminating costs associated with intermediary elements. In the past, manufacturers found it difficult to reach and compel the market on their own. In contrast, live streaming shopping provides them the opportunity to open the live stream and say "Watch us make brushes" "This is straight from the factory"; "Do you like it" and; "I'll show you the quality of the product". As such, it will be possible for new players to join various industries, such as cosmetic brush products, that the customer can purchase directly from the manufacturer at a lower price.

Although there are many advantages of shopping using TikTok live streaming, there are also many risks inherent to the platform which may harm the users, such as cyberbullying and harassment (Everson, 2022). Some users have reported receiving threatening messages during live streams, leading to a fear of physical harm. There are also issues about inappropriate content, addiction, and privacy concerns as some users may not be aware that their live streams are publicly accessible and can be seen by anyone, including strangers. Personal information, such as addresses and phone numbers, can also be disclosed during live streams, which can put users at risk of identity theft and other forms of cybercrime (Jamal & Zain, 2022). There are serious concerns regarding the potential risks to users of TikTok live streaming, including

cyberbullying, harassment, inappropriate content, addiction, and privacy concerns. The first reference highlights the specific risk of sexual predators using the app to target and groom children, while the second reference discusses the impact of social media on mental health and well-being, including the potential negative effects of live streaming on users' self-esteem, body image, and relationships.

Due to the relatively recent launch of TikTok Streaming in Indonesia, the progress and growth of the platform have fallen short of expectations. Despite a significant increase in traffic on TikTok, particularly in Indonesia where it is popular but still lags behind the United States in terms of user base, the entry of new competitors like Instagram Live, Twitch, and Periscope (a live video streaming service associated with Twitter) has led TikTok Live streaming users to potentially switch to competing platforms that offer superior live features.

There are many reasons behind the desire for users to turn to competitors. Users may seek alternatives due to several reasons. One of these reasons is the Trust in Sellers, as revealed by a study by (Zhu et al., 2021), which showed that consumers' decisions to follow the suggestions and recommendations of live stream anchors depend on the anchors' physical appearance, social appeal, and professional ability. Another factor is the Live Streaming Shopping Attributes, such as Background Ambiance, Broadcast Timing Announcement, and Product Trendlines (Chandrruangphen et al., 2022a). Additionally, the Low-Price Appeal can also drive consumer intention to purchase. Despite the relatively low prices offered by live-streaming shopping, the cost of shipping can sometimes outweigh the savings and make the overall cost of the product more expensive (Taleizadeh et al., 2018).

The study of purchase intention has been a subject of interest in the field of marketing and consumer behavior for many years. Previous research has primarily focused on analyzing the determinant factors that contribute to problems related to purchase intention. However, to the best of the author's knowledge, no studies have placed a guarantee refund policy as a mediator variable that also increases the influence of antecedent variables on purchase intention. Many studies have shown that refund policies are critical in increasing customer interest in making decisions about the products they want to buy (Li et al., 2013). The reason behind this is the inability to physically touch or feel the product in an online environment, making refund policies play a significant role in consumer purchase behavior. According to (Li et al., 2013) return policies have become an important strategic tool in enhancing sales, increasing customer loyalty, and driving incremental revenue. (Li et al., 2013) found that a clear and attractive refund policy is one of the most important tools to attract customers. Placing a guarantee refund policy in this study adds to the novelty and contributes to the development of concepts related to purchasing intention, especially in the context of online shopping streaming platforms.

The rapid growth of TikTok Live Streaming Shopping has not gone unnoticed, and it is an area ripe for academic inquiry. The objective of the study is to analyze the factors that influence the purchase intention of customers utilizing Tiktok Livestreaming, including Live Streaming Shopping Attributes, Low Price Appeal, Trust in Sellers, and the role of a Guarantee Return Policy as a moderating variable.

In contrast to previous studies, this study breaks new ground by using the Guarantee Return Policy as a moderating variable, whereas prior studies have only explored it as a mediating factor. A Guarantee Return Policy is an important aspect of live streaming shopping because it helps to build trust with customers, reduces risk for customers, and encourages sales. By offering a Guarantee Return Policy, live streaming shopping platforms such as Tiktok can attract more customers and increase customer satisfaction (Taleizadeh et al., 2018) have reviewed existing literature on live streaming shopping and identified Guarantee Return Policy as one of the key factors that can enhance consumer trust and reduce perceived risk. They argue that live-streaming shopping platforms should implement clear and transparent return policies to increase customer satisfaction and build trust with their audience.

The outcome is that Live Streaming Shopping Attributes and Low-Price Appeal have a significant impact on purchase intention, with Guarantee Return Policy playing a crucial role in moderating this relationship. By understanding these factors, this study hopes to provide valuable insights for marketers and retailers who use the TikTok Livestreaming platform for sales and marketing purposes.

The rest of the paper is structured by explaining the literature review, method, results, analysis, and discussion, providing a clear and systematic organization for presenting research findings.

2. Literature Review, Theoretical Framework, and Hypothesis Development

2.1 Live streaming Shopping Attribute (LSSA)

How does live streaming affect purchase intention? Livestreaming can reach a wider audience in the form of video interactions (Chandrruangphen et al., 2022a). Shopping attributes can be broadly categorized into 3 types, namely shopping attributes in traditional stores, shopping attributes in online stores, and shopping attributes in live-streaming shops. Shopping attributes in traditional stores and online stores have been investigated, but research related to attributes in live streaming is still limited. There is a greater amount of similarity between attributes in live-streaming and attributes in traditional stores, as opposed to in online stores (Chandrruangphen, 2021). In live streaming shopping, some of the important shopping attributes studied in previous literature include the physical attractiveness of sellers, the interactivity of sellers (Chandrruangphen et al., 2022a) as well as the interactivity, humor, and sex appeal of the hosts (Wang et al., 2021); presentation of sellers' products, ability to answer questions, skills of shopping guides (Liu, Li, and Hu 2013; Kim, Kim, and Lennon 2006); product information, product interactivity, quality of communication, enjoyment, trend-setting, and social presence (Wongkitrungrueng & Assarut, 2020). Chandrruangphen et al. (2022) found additional factors including the seller's speed or the speed at which the seller moves from one item to the next, the product's appeal, price transparency, background atmosphere, broadcast time announcements, viewership, and the seller's Facebook page. Based on previous works, we summarize a list of shopping attributes in live streaming that can motivate shoppers to shop.

H1. The impact of LSSA on Sellers in Sellers or Anchors.

H2. The impact of LSSA on Purchase Intention Description.

2.2 Low Price Appeal

I-SCF is the offering of securities by MSMEs or start-up issuers to investors through a digital service-based crowdfunding service system that operates openly and under Sharia principles. MSMEs and start-ups that need capital to develop their businesses can issue sharia securities such as sharia stocks or sukuk, which are later purchased by investors through the I-SCF application or website platform.

E-commerce has proven to be a boon for many entrepreneurs who have successfully sold their products online. Registering products in marketplaces such as Shopee, Lazada, and Tokopedia is a way to reach customers located in many places with a wider reach. Selling in an online store using an e-market is cheaper than building a traditional store or physical store. Even those with little knowledge regarding IT issues can build an online store with reasonably small investments in time and effort. Many conveniences are obtained when sellers join an e-marketplace such as Shopee or Lazada. Sellers also get help to guide sellers when they encounter difficulties in their operations. Furthermore, because the setup and operating costs of an online store can be minimized, it will have an impact on lower selling prices as compared to traditional brick & mortar stores. In its development, sellers began to switch to live streaming shopping to get a larger quantity of sales in a short time like TikTok Livestreaming (Bolitho, 2022). Because the goal is to get the number of goods sold as much as possible

in the shortest time, attractive pricing becomes a must. Therefore, the prices offered on TikTok live streaming are much cheaper than traditional stores and also still cheaper than online stores in e-marketplaces. Only by setting very competitive prices can live streaming sales be successful (Taleizadeh et al., 2018).

H3. The Influence of Low-Price Appeal on Trust in Sellers.

H4. The Influence of Low-Price Appeal on Purchase Intention.

2.3 Customer Trust in Seller or Anchor

When customers trust a seller in a live streaming environment, they perceive the seller as credible and trustworthy enough to make future purchases. This not only means they are making repeat purchases but also later able to become brand ambassadors to the people around them (Zhu et al., 2021). This is the first step to creating a new funnel by initiating offering feeds to new potential customers to convert them into loyal customers. Trust is a magic word that sellers want their customers to perceive, to have an impact on greater sales growth. Therefore, the key is never to let them down. Once they are disappointed, not only will they not repurchase, but they will spread bad news for the brand which will also negatively influence the intention of others to buy from the seller.

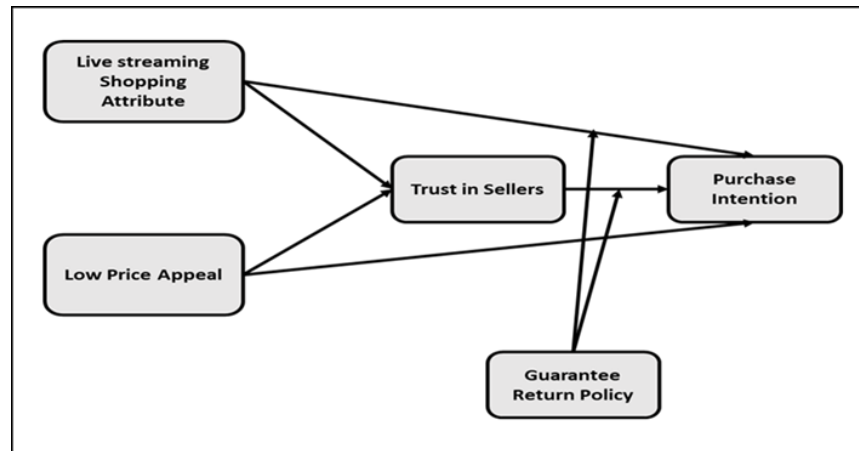
H5. The Impact of Seller Trust on Purchase Intention

2.4 Purchase Intention

Purchase intention is the tendency of consumers who are interested in taking actions related to purchases through various stages and levels of possibility up to the ability to buy certain products, services, or brands (Apasrawirote & Yawised, 2022). The shift in consumer interest from shopping at the pleasure centers to shopping through online media is because there are many advantages offered in online shopping, including being practical, ease of transaction, saving energy and costs, not being limited by place and time, the variety of products offered, the ease with which information can be obtained about the company or manufacturer, and competitors when compared to shopping offline. With the various advantages obtained in online buying and selling transactions, producers and marketers can take advantage of the advantages to get what they want. In addition to the several advantages offered in online transactions, there are also risk factors that must be faced by consumers. Risk factors that often occur are fraud, the inability of consumers to directly check the goods they want to buy, damages and defects in the goods received, differences between the final goods and their description in online shopping sites, lengthy delivery processes, and security problems in transactions. Consumers are attracted by low prices or the elegant appearance of goods without taking into account the safety factor. In this study, the authors add the Guarantee Refund Policy variable as a control variable or a dummy variable. The aim is to see how respondents perceive the guarantee refund policy (GRP) in encouraging them to make purchases. Is there a real difference in the implementation of this policy on intention to purchase? Attached to the questionnaire are two statements, one of which must be chosen by each respondent, so that we can divide the sample into two groups, namely those who have hopes for the GRP and those who do not expect the GRP (Li et al., 2013). Furthermore, a comparison will be made between these two groups on the sensitivity of Trust in Sellers to Purchase Intention.

H6. The Role of Guarantee Refund Policy on the Influence Trust in Sellers on Purchase Intention (Comparison between two groups).

This research model describes the influence of the independent variable, in this case, Livestreaming attributes and Lower Price Appeal as dependent variables, Trust in the Seller as a mediating variable, Guarantee Refund Policy as a moderating variable, and Intention to Purchase as a dependent variable. A Guarantee Return Policy is a type of customer service policy offered by businesses where they guarantee to accept returns of their products and offer a refund or replacement in case the product fails to meet the customer's expectations. This policy is meant to assure customers that they can

Figure 1.
Theoretical
Framework

3. Research Method

3.1 Research Instruments

The measurement items were taken from various previous studies. The six items for Live Streaming Shopping Attribute measurements are taken from (Wongkitrungrueng & Assarut, 2020). Furthermore, the four items of Customer Trust in Anchor are taken from the opinions of (Zhu et al., 2021), while the four items used to measure Purchase Intentions were adopted from the opinions of (Song & Liu, 2021). Finally, the three items used to measure Price Appeal was taken from (Li et al., 2013). A questionnaire with a 5-point Likert scale was used to collect data. The data was processed using the Structural Equation Model (SEM) approach.

Table 1.
Validity and
reliability for
constructs

Name of Variables	AVE	CR
Live streaming Shopping Attribute		
The level of seller interactivity positively influences me to do the purchase		
The background ambiance of a store affects my perception of the shopping environment.		
Seller politeness has a significant impact in increasing my willingness to buy		
Using appropriate humor by sellers can improve my engagement	0.621	0.907
A timely and well-crafted broadcast timing announcement can increase the willingness to buy		
Product trendlines can provide valuable insights into my preferences to use this marketing channel		
Trust in Products		
I think the products I order from the live stream will be as I imagined.		
I believe that I will be able to use products like those demonstrated on the live stream.		
I trust that the products I receive will be the same as those shown on live streaming	0.722	0.912
I prefer buying from live streaming then that online marketplace		
Purchase Intention		
I will consider the seller as my first shopping choice.	0.647	0.879

I intend to purchase products or services through the seller

I expect that I will purchase products or services through the seller

I plan to continue to watch the seller live stream frequently

Price Appeal

I am easily attracted by price promotions.

When it comes to price promotions, I cannot help buying 0.604 0.821

The price promotion gave me a strong impulse to buy

3.2 Sample Design and Data Collection

In this study, the target population is consumers who often buy products through live-streaming shopping on TikTok. Determination of the sample is carried out through a purposive method. According to (Hair et al., 2006), the number of samples can be a multiplication of the number of indicators and numbers between 5-10. In this study, researchers took a sample of 17 (number of indicators) x 10 = 170 respondents. Data was collected by using questionnaires. Respondents are comprised of individuals who actively use TikTok and have made purchases during live-streaming shopping sessions on the platform at least twice. Their ages are between 15 to 40 years, which is considered an active online shopping group.

4. Results

4.1 Characteristics of Respondents

The following information presents data on the profiles of respondents involved in this study, viewed from several aspects such as sex, occupation, and education.

Description	Percentage	Frequency
Gender		
Man	44.44%	80
Woman	50.00%	90
Total	100.00%	170
Age		
< 25 Years Old	27.78%	50
26 - 30 years old	33.33%	60
31 - 35 years old	22.22%	40
36 - 40 years old	5.56%	10
> 40 years old	5.56%	10
Total	100.00%	170
Marital status		
Single	54.44%	98
Marry	36.67%	66
Widow-widower	2.22%	4
Total	100.00%	170
Education		
Senior High School	25.00%	45
Academy/Diploma	24.44%	44
Bachelor	38.89%	70
Postgraduate	6.11%	11
Total	100.00%	170
Profession		

Table 2.
Characteristics
of respondents

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College student	44.44%	80
Civil Servant	16.67%	30
Self-employed	10.00%	18
Private employees	12.22%	22
Others	11.11%	20
Total	100.00%	170

The number of respondents who are male is less than the number of respondents who are female; the number of male respondents is 80 people while the number of female respondents is 90 people. In terms of age, it seems that most respondents are in the age group of 26 to 30 years, namely 60 people. After that, the group of respondents who are less than 25 years old numbers 50 people, followed by respondents in the 31 to 35 years group, which numbers 40 people. From the aspect of marriage, most respondents were unmarried, namely as many as 94 people while those who had been married were 66 people, and those who were widows or widowers as many as 4 people. From the aspect of education, most are those with a bachelor's education, numbering 70 people, senior high school at 45 people, and then graduates from the Academy or Diploma at 44 people. From the aspect of the profession, most respondents declare themselves as students, namely 80 people, then self-employed and private employees, which are 18 and 22 people respectively. In addition, there are also 30 civil servants.

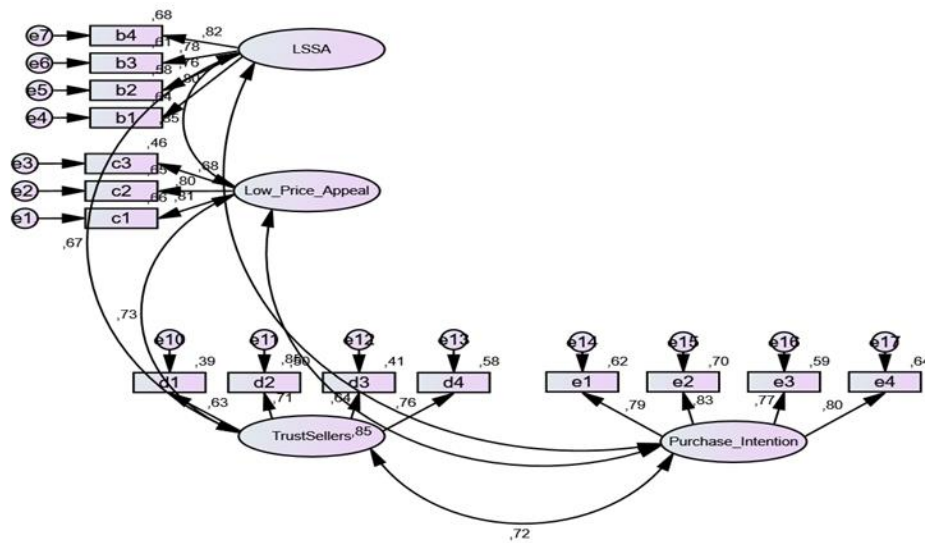
4.2 Instrument Test Results

Testing for the instrument is done by employing validity and reliability tests. The approach used in testing the validity of this questionnaire item is through convergent validity to confirm the indicator's contribution to the variable (CFA) by looking at the loading factor figures of each indicator using AMOS SEM. If the indicator has a loading factor coefficient > 0.50 , then it is said to be valid. On the other hand, if the value is less than 0.50, it is said to be invalid and must be eliminated from this research model.

Table 3.
Estimated
Loading
Factor

Items		Variables	Estimate
c1	<---	Low Price_Appeal	,810
c2	<---	Low_Price_Appeal	,805
c3	<---	Low_Price_Appeal	,674
b1	<---	LSSA	,802
b2	<---	LSSA	,765
b3	<---	LSSA	,779
b4	<---	LSSA	,827
b5	<---	LSSA	,468
b6	<---	LSSA	,227
d1	<---	TrustSellers	,625
d2	<---	TrustSellers	,712
d3	<---	TrustSellers	,642
d4	<---	TrustSellers	,763
e1	<---	Purchase_Intention	,788
e2	<---	Purchase_Intention	,835
e3	<---	Purchase_Intention	,765
e4	<---	Purchase_Intention	,802

From Table 2 we can indicate two items to have an LF value < 0.50 , namely b5 and b6. Thus, these 2 indicators must be eliminated from the model.



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Figure 2. Confirmatory Factor Analysis (CFA)

			Estimate
c1	<---	Low_Price_Appeal	,811
c2	<---	Low_Price_Appeal	,804
c3	<---	Low_Price_Appeal	,675
b1	<---	LSSA	,802
b2	<---	LSSA	,760
b3	<---	LSSA	,782
b4	<---	LSSA	,825
d1	<---	TrustSellers	,626
d2	<---	TrustSellers	,709
d3	<---	TrustSellers	,643
d4	<---	TrustSellers	,764
e1	<---	Purchase_Intention	,788
e2	<---	Purchase_Intention	,835
e3	<---	Purchase_Intention	,766
e4	<---	Purchase_Intention	,802

Table 4. Estimated Loading Factor Netto

4.3 Reliability Test

In addition to the validity of the instrument, testing is also carried out using a reliability test. The author uses the Cronbach Alpha approach. The cut-off value is 0.60. If the value of the CA coefficient > 0.60 is said to be reliable. Conversely, if it is less than 0.60 then it is said the variable is not reliable (Kahle & Malhotra, 1994).

Variable	Cronbach Alpha	Items	Information
Live streaming Shopping Attribute	0.800	6	Reliable

Table 5. Reliability Test Using Cronbach Alpha

Low Price Appeal	0.700	3	Reliable
Trust in Sellers	0.709	4	Reliable
Purchase Intention	0.805	4	Reliable

Source: Primary Data 2022 (processed)

4.4 Hypothesis Testing

Hypothesis testing on the following structural model is done to test direct and indirect hypotheses, involving the variable Live Streaming Shopping Attribute, Low Price Appeal, Trust in Sellers, and Purchase Intention, which are respectively treated as independent, dependent, and mediating variables.

Figure 3.
Structural
Model for
Proofing
Hypotheses

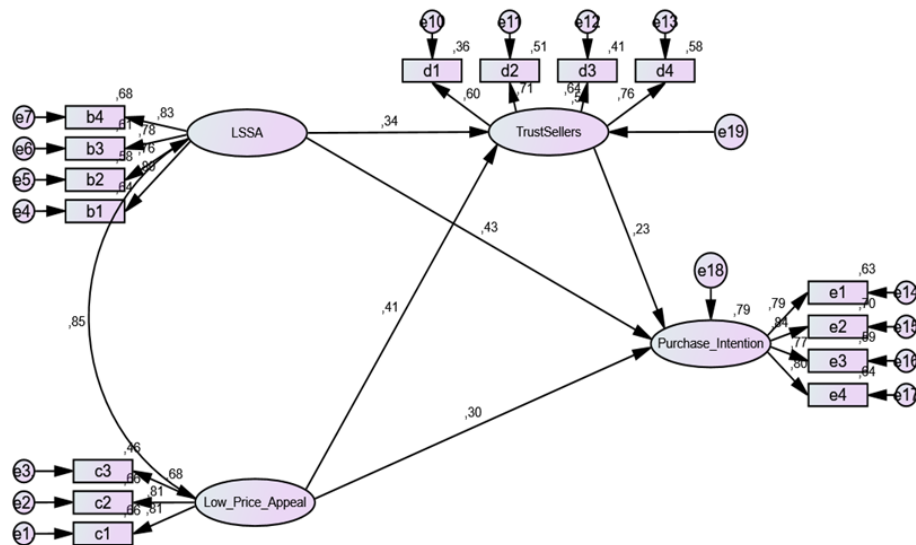


Table 6.
Regression
Weight
Structural
Equation Model

Dependent		Independent	CR	P	Beta
TrustSellers	<--	LSSA	2,556	,011	,338
TrustSellers	<--	Low Price Appeal	3,964	***	,407
Purchase Intention	<--	TrustSellers	3,965	***	,235
Purchase Intention	<--	LSSA	3,632	***	,432
Purchase Intention	<--	Price Appeal	2,478	,013	,301

H1 The Effect of LSSA on Trust in Sellers

Testing the effect of LSSA on Trust in Sellers shows a CR value of 3,964 and a probability of 0.011. So, the effect of LSSA on Trust in Sellers is significant. The Coefficient value of the effect of LSSA on Trust in Sellers is 0.338. Thus, the impact of the effect of LSSA on Trust in Sellers is significant at 33,8%.

H2 The Effect of LSSA on Purchase Intention

Testing the effect of LSSA on Purchase Intention shows a CR value of 3.632 with a probability of ***. It can therefore be stated that the effect of LSSA on Purchase

Intention is significant. The magnitude of the coefficient of the effect of LSSA on Purchase Intention is 0.432 or 43.2%. This significant effect could be because the attributes of LSSA such as Seller Interactivity with the customer during live streaming create a significant impact in increasing the purchasing intent of customers who watch the live stream.

H3 The Effect of Low-Price Appeal on Trust in Sellers

Testing the effect of Low-Price Appeal on Trust in Sellers shows a CR value of 3,964 and with a probability of *** Therefore, the effect of Low-Price Appeal on Trust in Sellers is significant. The coefficient value of the effect of Low-Price Appeal on Trust in Sellers is 0.407 or 40.7%.

H4 The Effect of Low Price Appeal on Purchase Intention

In testing the effect of Low-Price Appeal on Purchase Intention, a CR value of 2,478 with a probability of 0,013 is obtained. Thus, the influence of Low-Price Appeal on customer trust is significant. The magnitude of the coefficient of the effect of Low-Price Appeal on Purchase Intention is 0.301 or 30.1%.

H5 The Effect of Trust in Sellers on Purchase Intention

Testing the effect of Trust in Sellers on Purchase Intention shows a CR value of 3,965 and a probability of *** Therefore, the effect of Trust in Sellers on Purchase Intention is significant. The coefficient value of the effect of Trust in Sellers on Purchase Intention is 0.235 or 23.5%.

H6 The Moderating Role of Guarantee Refund Policy (GRP) on the Impact of Trust in Sellers on Purchase Intention (Group Comparison)

The analysis of moderation in this study is multigroup moderation, which compares groups that want GRP and those that do not expect GRP. On the question sheet, there is a multiple-choice statement to determine what alternative will be chosen by each respondent. Respondents are asked to choose one of the following two statements:

- I will still buy the product as long as I trust the seller, even without a return policy (No Need Refund Policy)
- I will not buy the product even though I trust the seller if there is no return policy (Need Refund Policy)

Respondents are divided into two groups based on their chosen statement, namely the No Need Refund Policy group and the Need Refund Policy group. The opinions of these two groups regarding the influence of Seller's Trust on Purchase Intention are then compared.

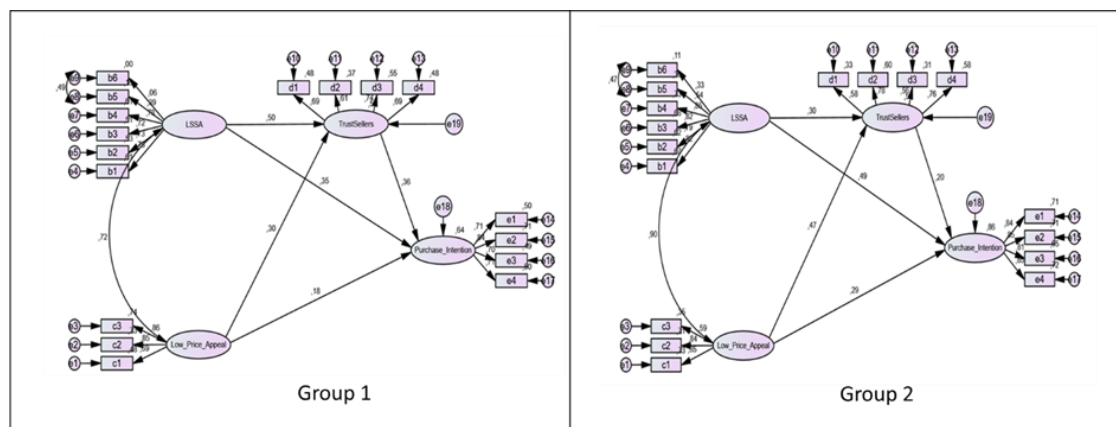


Figure 4. Group Comparison with GRP as a Controller

From the results of the statistical output, there is a significant difference between group 1 and group 2, as shown by the P-Value = 0.040 < 0.050. The effect of

Trust in the Seller on Purchase Intention in group 1 has a coefficient of 0.36 or 36%. Conversely, in group 2, the effect of Trust in the Seller on Purchase Intention is 0.20 or 20%. This means that in the group that does not want the GRP, the influence of Trust in the Seller is greater than in the group that wants the GRP. These results indicate that not all buyers consider GRP to be more important than the Trust in Seller variable. However, other buyer segments still want GRP as an attribute in this live-streaming transaction.

Table 7.
Model
Comparison
Between Group 1
and Group 2

Group	DF	CMIN	P	Beta	Description
Group 1	1	1,468	,040	0,36	More Sensitive
Group 2				0,20	Less Sensitive

4.5 Discussion

This study tested five direct hypotheses and one multigroup moderation hypothesis or comparison moderation by placing GRP as the controller variable. Of the five hypotheses tested, all of them showed a significant effect. This means that all the hypotheses built from the research model based on the literature review are in line with the proof of the hypotheses carried out in this study, such as the research conducted by (Chandrruangphen et al., 2022b) and (Song & Liu, 2021).

Nevertheless, though all the direct hypotheses tested showed a significant influence on purchase intention, the magnitude differed from one variable to another. The greatest influence is indicated by the variable LSSA, with a coefficient figure of 0.432 or 43,2%. This is then followed by the variable Lower Price Appeal with a magnitude coefficient of influence of 0.301 or 30,1%. The third position is occupied by the Trust in Sellers variable, with a magnitude coefficient of only 23,5%. The greater the magnitude of the variable, the higher its priority to be intervened. Among those three variables, the most dominant one is LSSA, which has the biggest impact on increasing Purchase Intention. This is in line with the findings of the study done by (Chandrruangphen et al., 2022b; Lv et al., 2022; 조 신 et al., 2018)

One of the components of LSSA is Seller Interactivity. This is one of the advantages of live streaming as compared to other forms of online sales such as e-marketplaces or individual online stores that use a landing page as the closing page. In live streaming, buyers and sellers can interact. The buyer can also ask the seller to demonstrate the product he is interested in. Sellers or anchors are happy to fulfill requests from the audience who were present at the live-streaming event. In this LSSA component, there is also a broadcast timing announcement which not only announces the start and end of the live session but also announces the promotional period they are doing either in the form of price reductions within a certain time duration, or even announcements regarding giveaways for audience members present at that livestream. If this situation continues and purchases through TikTok live streaming become a habit, many people will gradually leave the way of shopping at e-marketplaces and switch to live streaming platforms like TikTok. This statement is in line with the findings of (Aguirre Reid et al., 2022)

In addition, the study's findings, which were discovered through the Guarantee Return Policy (GRP) comparison moderation test, demonstrate a significant contrast between two groups: the "No Need Return Policy" group and the "Need Return Policy" group. The results indicate that in the "No Need Return Policy" group, the Trust in the Seller variable had a greater influence than in the "Need Return Policy" group. These findings suggest that not all buyers consider GRP to be more important than trust in the seller. However, it is important to note that some buyer segments still prioritize GRP as an attribute in live-streaming transactions. This information can be used by

managers to identify which customers the GRP policy should be applied to, as enforcing GRP policies incurs expenses. By identifying which customers want GRP and which do not, the company can save on promotional costs without risking the loss of customers. The novelty of this research is the identification of the varying importance of GRP and Trust in Sellers among different buyer segments.

This study suggests that companies and managers can increase purchase intention by encouraging live streaming shopping attributes and low-price appeal in TikTok live streaming and that a guaranteed return policy can moderate this effect. Specifically, it suggests that a guaranteed return policy can strengthen the relationship between live-streaming shopping attributes and low-price appeal and purchase intention. Therefore, managers and companies should consider incorporating a guarantee return policy in their e-commerce strategies and highlighting this policy during live streaming events on TikTok to increase the effectiveness of their marketing efforts and boost purchase intention.

The unique aspect of this research discovery is the recognition of the distinct significance of Guarantee Return Policy (GRP) and Trust in Sellers among different groups of buyers. The study proposes that companies and managers can reduce promotional expenses by identifying customers who prioritize GRP and targeting them accordingly during live streaming shopping sessions on TikTok. By integrating a guaranteed return policy into e-commerce strategies and emphasizing it during live streaming events, marketing endeavors can become more effective and enhance purchase intention. The study also shows that a guaranteed return policy can strengthen the relationship between Live-Streaming Shopping Attributes and Low-Price Appeal, leading to an increase in purchase intention. Overall, this research provides valuable insights for managers and companies on how to optimize their e-commerce strategies and improve customer satisfaction.

5. Conclusion

Despite all the tested hypotheses are validated, there are additional policies that need to be implemented concerning the priority scale. A higher magnitude of a variable's influence on purchase intention indicates its greater importance in stimulating an increase in purchase intention. Hence, variables with larger coefficient values, such as LSSA, should be given priority for intervention before expanding efforts to other variables. Another key finding from this study pertains to the implementation of the Guarantee Return Policy (GRP). Since not all consumers desire GRP, the company should conduct a re-segmentation to distinguish those who require GRP from those who do not. This aims to streamline the budget allocated for sales promotion. The limitation of this study stems from the nascent nature of the live streaming shopping industry, resulting in a dearth of empirical data. Consequently, the study's comprehensiveness and thoroughness are constrained as the limited data may not fully capture the complexities and nuances of this emerging market phenomenon.

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