









Understanding the Impact of Perceived Value on Consumers' Continuous Purchase Intention in LiveStreaming E-Commerce Mediated by Consumer Trust and Online Shopping Satisfaction

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Abstract. Live-streaming e-commerce has grown significantly in popularity over the past few years in the online retail sector. However, more research still needs to be done on the psychological factors influencing consumer purchasing decisions in this context. Therefore, this study aims to fill this knowledge gap by analyzing perceived value, consumer trust, and online shopping satisfaction in shaping consumers' continuous purchase intentions. This study uses a quantitative approach by distributing questionnaires to 217 consumers who are active in purchasing through live-streaming e-commerce. The data collected was then analyzed using structural equation modelling (SEM). The results showed that perceived value significantly positively affects consumer trust and online shopping satisfaction. In addition, consumer trust and online shopping satisfaction mediate between perceived value and consumers' sustainable purchase intentions. In other words, consumers who experience high perceived value tend to have greater trust in e-commerce live-streaming platforms and feel satisfied with their online shopping experience, increasing their intention to continue buying in this context. These findings provide important insights for live-streaming e-commerce practitioners to understand the factors influencing consumer purchasing behaviour. By increasing perceived value, platforms can increase consumer trust and online shopping satisfaction, increasing consumers' continuous purchase intentions. The practical implication of this study is the importance of providing a positive online shopping experience and strengthening consumer trust in the context of live-streaming e-commerce.

Keywords: *perceived value, consumer trust, online shopping satisfaction, continuous purchase intention, live-streaming e-commerce.*

1 Introduction

A variety of channels, including the Internet, mobile devices, tablets, social media, and physical stores, have become accessible for customers to communicate with retailers along with the acceleration of technical development and the continuous digitalization trend. 1. Furthermore, research conducted by Purwanto et al. states that various digital technologies are currently utilized for digital transformation 2. For instance, e-commerce has experienced rapid growth in recent years, especially during the pandemic era in Indonesia. As stated by Kusumo, CEO and Co-Founder of an e-commerce company in Indonesia at the Asian Economic Dialogue 2022, the limitation of mobility during the pandemic has made e-commerce services the prima donna in helping consumers meet their daily needs. As a result, e-commerce has grown exponentially in the last two years, and it is anticipated that this trend will last for at least the next five years. 3. Electronic devices linked to the Internet serve as the medium for retailers and customers to exchange products, services, or information through e-commerce. 4. Online shoppers must be able to examine, touch, and feel products physically. However, they evaluate the product description, picture, ratings, and reviews before making a purchasing choice⁵. Therefore, in this increasingly competitive environment, it is not enough to have an online store accessible to customers; consumers want their shopping processes to be accessible, compelling, and uninterrupted⁶. As a result, the retail market has adapted by entering a new phase and adding a new feature, namely Live Streaming. Sellers select the most acceptable broadcasters to promote their items in e-commerce live streaming. The real-time interactivity, visualization, and personalized services fostered by live-streaming commerce have become the unique advantages differentiating live-streaming commerce from traditional e-commerce⁷.

Direct online marketing trends or sales through live streaming on marketplace platforms are becoming a new sales trend in demand. Live Streaming in e-commerce, also known as "live commerce" ⁸, was first popularized in China in 2019. The first live broadcast, presented by influencers during the Single Days 2019 event of Alibaba's Taobao, was watched by 43 million users in the Bamboo Curtain Country. In just 30 minutes, TaoBao successfully generated revenue of USD 7.5 billion through live-streaming shopping. This has led several digital platforms to introduce live streaming services such as TikTok Shop, Shopee, Instagram, and Tokopedia⁹, which business actors use,

not only by big stores that already have well-known brands but also by retailers and SME actors who do not have a physical store and can implement this marketing strategy.

The reason behind the incredible popularity of live streaming is the real-time engagement of thousands of people worldwide. Therefore, streamers can interact with their viewers through live chat, making it very interesting to watch. According to flow theory, factors such as social presence and engagement in the stream and streamer attractiveness and skill serve as flow antecedents that influence viewer behaviour. Additionally, it was discovered that the viewer dimension, or viewers' degree of optimum stimulation, modifies how stream and streamer dimensions influence downstream behaviours and flow experiences.

The prospect of live-streaming sales in the Indonesian market is quite promising. Ipsos research found that 78 per cent of consumers have heard about the alternative of shopping through live streaming, 71 per cent have accessed it, and 56 per cent have purchased products through live Streaming during the pandemic¹⁰.

Parasuraman & Grewal¹¹ argue that perceived value is the most critical predictor of repeat purchase intention. Compared with traditional e-commerce, live streaming represents higher information quality⁷, which ought to lead to a greater desire to buy. In particular, viewers could gather the primary messages about the product and supplementary cues about the sellers, the selling environment, the portal, etc., in a live-streaming e-commerce context. As a result, they could include more detailed information in their product evaluation¹². Other research has shown that trust, social presence, and mental participation are just a few elements that live streaming may directly affect. Several studies have revealed evidence that trust might lead to purchase intentions because of live streaming.¹³ Other studies have shown that social presence created by livestreaming could impact purchase intention directly or indirectly through trust¹⁴.

Customer satisfaction is a critical factor affecting an e-commerce business's success, as consumer satisfaction becomes the primary stimulant of the intention to make further purchases online^{15,16}. Furthermore, satisfied customers tend to be loyal and recommend products and services to others. Customers are satisfied depending on how much the perceived performance exceeds their expectations. Meeting these expectations generates satisfaction in the purchaser. Customer satisfaction has been identified¹⁷.

Although customer-perceived value has been widely researched, many aspects still need to be fully understood, especially in the context of changing consumer behavior and advances in information technology. Therefore, this article will comprehensively discuss the concept of perceived customer value and provide insight into the factors that influence the value perceived by customers. This article aims to understand better customer perceived value and how companies can utilize it to create added value for customers and increase customer satisfaction and loyalty. Otherwise, the study of live-streaming commerce is still in its early stages¹⁸, and there are a few inconsistent theoretical frameworks and research findings¹⁹.

This study wants to test whether perceived value using Utilitarian Value, Hedonic Value, and Social Value indicators can affect trust in streamers and Trust in Products, resulting in Customer satisfaction and Continued Purchase Intentions.

2 Method

2.1 Questionnaire and Measurements

This research model is built on understanding the effect of Perceived Value on continuous Purchase Intentions directly and through the mediating role of Customer Trust and Customer Satisfaction from a live-streaming perspective on e-commerce in Indonesia. The e-commerce customers in Indonesia who are the target of this survey are those who buy products online through e-commerce applications, such as Shopee, Lazada, and Tokopedia. Therefore, the first question was: "Have you purchased any products?"

Through the live streaming feature on e-commerce Shopee, Lazada, and Tokopedia in the past four months?" If the answer was "no," the questionnaire web link was disabled.

The survey's questionnaire had two parts: (a) the respondents' personal information, such as their gender, age, level of education, and online shopping history from the three e-commerce sites, and (b) measurement items. The Customer Trust variable, which consists of trust in streamer and trust in product, refers to Sweeney and Soutar²⁰, Chiu et al²¹, Wongkitrungrueng and Assarut²², for the Customer Trust variable which consists of trust in streamer and trust in product refers to Gefen and Straub (2004)¹⁴ and Wongkitrungrueng and Assarut (2020)²², while for Customer Satisfaction refers to Fang et al. (2011)²³ and for Continues Purchase intention, refers to Dodds et al. [1991]²⁴ and Dubinsky et al. [2003]²⁵. The conceptual model developed in this study is shown in Figure 1 below.

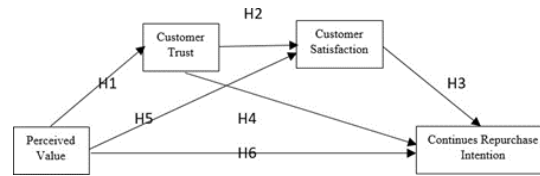


Figure 1. conceptual model

Based on Figure 1, the hypotheses proposed in this study: H1: Perceived Value Affects Customer Trust

H2: Customer Trust Affects Customer Satisfaction

H3: Customer Satisfaction Affects Continues PurchaseIntentions H4: Customer Trust Affects Continues Purchase Intentions H5: Perceived Value Affects Customer Satisfaction

H6: Perceived Value Effects Continue Purchase Intentions

H7: Perceived Value affects Continues Purchase Intentions mediated by Customer Trust and Customer Satisfaction.

Sample

In total, 321 questionnaires could be collected from March to May 2023. Thirty-eight responses needed to be completed, consistent, and ultimately had the same answer. Finally, 217 responses were to be considered for analysis using Structural equation models. Based on gender, the majority are female, with as many as 172 respondents (79.3%); we speculate this may be due to women being more interested in online shopping. In terms of age, education, and income, the results show that the majority of respondents are 23 - 28 years old, as many as 83 respondents (38%) with a majority educational background of S1, as many as 120 respondents (55%), while based on income, the majority are between (35%).

Reliability and Validity test

In this study, the Reliability Test used two methods, namely Cronbach's alpha and composite reliability. Based on the results of our calculations shown in Table 1, the convergent validity and discriminant validity values are met, so all research instrument items are declared valid for further testing.

Table 1. Analysis of reliability and validity

Contract	Item	Means	SD	Loading Factor	Cronbach's Alpha	CR	AVE
Perceived Value	15	3.122	1.42	0.745	0.877	0.865	0.798
Customer Trust	10	4.271	1.45	0.877	0.975	0.971	0.713
Customer Satisfaction	4	3.162	1.37	0.728	0.891	0.885	0.723
Continuous Purchase Intention	5	4.652	1.46	0.844	0.874	0.876	0.712

3 Results & discussions

Result

Table 2 shows that the t count of each exogenous latent variable is dependent on the endogenous latent variable. A two-tailed test with an error rate of 5% is used to test the hypothesis. Then, the critical value that must be met in this hypothesis test is 1.97 [42]. If the calculated t value is greater than the critical value, namely 1.97, then there is a significant influence between the exogenous and endogenous latent variables.

Tabel 2. Result of t statistic

	Relationship	T Statistic	Parameter Coefficient	Critical Value	Result
H1	Perceived value → Customer Trust	5.128	0.574	1.97	Accepted
H2	Customer Trust → Customer Satisfaction	5.199	0.532	1.97	Accepted
H3	Customer Satisfaction → Continues Purchase Intentions	4.445	0.431	1.97	Accepted
H4	Customer Trust → Continues Purchase Intentions	5.781	0.582	1.97	Accepted
H5	Perceived value → Customer Satisfaction	3.769	0.379	1.97	Accepted
H6	Perceived Value → Continuous Purchase Intentions	4.112	0.422	1.97	Accepted
H7	Perceived Value → Continues Purchase Intentions mediated by	6.345	0.678	1.97	Accepted

Discussion

This study aims to understand the effect of perceived value on consumers' continuous purchase intention in live-streaming e-commerce, with consumer trust and online shopping satisfaction as mediators. The results of this study provide important insights into the psychological factors that influence consumer purchasing behaviour in the context of live-streaming e-commerce.

First of all, the findings of this study indicate that perceived value significantly influences consumer trust and online shopping satisfaction. These results are consistent with previous research identifying perceived value as a critical factor influencing consumer behaviour. Consumers who experience high perceived value tend to have a more positive perception of the e-commerce live-streaming platform, and the products offered, increasing their trust in the platform. In addition, perceived value also contributes to consumers' online shopping satisfaction. This suggests the importance of paying attention to and improving perceived value in the marketing strategy and development of e-commerce live-streaming platforms.

Furthermore, the findings of this study also suggest that consumer trust and online shopping satisfaction mediate the relationship between perceived value and consumers' continuous purchase intention. In live-streaming e-commerce, consumers' trust in the platform and sellers and their satisfaction with the online shopping experience influence their continuous purchase intention. Consumers who feel trust and satisfaction with the online shopping process in live-streaming e-commerce tend to have a higher intention to continue buying on the platform. Therefore, live-streaming e-commerce service providers must build consumer trust by providing a safe, transparent, and quality shopping experience and increasing consumer satisfaction through exemplary customer service and improved product quality.

The results of this study have significant practical implications for live-streaming e-commerce practitioners. By understanding the influence of perceived value, consumer trust, and online shopping satisfaction, practitioners can develop effective marketing strategies to increase consumers' sustainable purchase intentions. Increasing perceived value through product quality, competitive pricing, attractive promotions, and a satisfying shopping experience can positively influence consumer trust and online shopping satisfaction. In addition, it is also essential to optimize the factors that mediate the relationship between perceived value and sustainable purchase intention, namely consumer trust and shopping satisfaction.

4 Conclusion

Based on this study's results, perceived value significantly influences consumers' continual purchase intention in the context of live-streaming e-commerce. Perceived value influences consumer trust and online shopping satisfaction, contributing to sustainable purchase intentions. Consumer trust and online shopping satisfaction also mediate the relationship between perceived value and continuance purchase intention. Therefore, improving perceived value, consumer trust, and online shopping satisfaction is essential in developing marketing strategies and managing live-streaming e-commerce platforms.

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