

Live Streaming and Live Shopping in China and the US

-- Take Apple as Example

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Abstract. With the advancement of time, the popularity of live streaming throughout the world has triggered a lot of attention from people across the globe. This paper uses a literature review, data analysis, and other methods. In this paper, the adoption of live-streaming strategies by multinational companies in China and the United States is examined using Apple as an example. It is a reference for the adoption of live streaming strategies for similar companies and the development of multinational enterprises.

Keywords: Live Streaming; Livestream Shopping; Apple; Marketing Strategy.

1. Introduction

1.1 Background

1.1.1 Definition and Characteristics of Live Streaming&Shopping

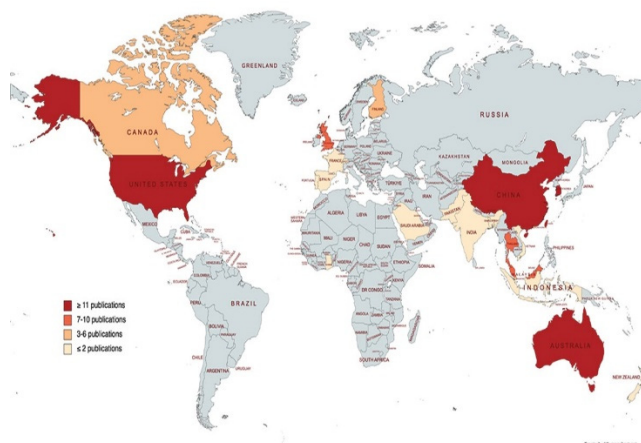
Livestream shopping involves brands showcasing and selling their products via live broadcasts on digital platforms, frequently partnering with influencers for promotion [1]. In the United States, we can find something similar to livestream shopping, that is teleshopping, it has many similarities with live streaming shopping, but the most significant difference between live streaming is that it uses mobile terminals and is more digital, so live streaming has developed rapidly.[16]

1.1.2 Characteristics of Livestream Shopping

Viewers can watch live streams and engage by asking questions, chatting, or purchasing products directly from the stream. This transforms the shopping experience from a physical setting into a digital environment. The goal is to ensure that consumers can fully participate in live sales events happening anywhere in the world, without needing to be physically present. [1]

1.1.3 Trends of Livestream Shopping Around the World

Table 1. Shows the Geographic coverage of the live shopping research [2]



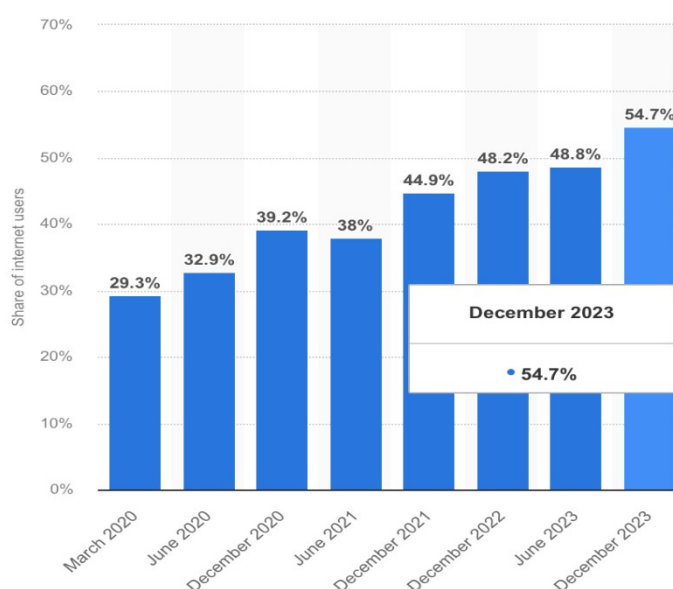
Statistics show that there has been a strong interest in live streaming shopping in recent years, especially in Asian countries. This shows the power of live streaming commerce, and it has been proven worldwide that the use of live streaming commerce for marketing is a trend [2]

1.1.4 Live Streaming and Live Shopping in China and the United States

In the US, Livestream shopping is emerging as a powerful sales channel, where it is still gaining traction compared to more established markets like China [3].

The Chinese live commerce market is the largest in the world, with the highest number of users and a market size projected to reach 5.86 trillion yuan (approximately US\$800 billion) this year.[4] In China's huge live streaming e-commerce market, Taobao Leads, Followed by Douyin [8]. Regarding the reasons why China's live streaming market is developing China's e-commerce live streaming started earlier and established market scale earlier.

Table 2. The proportion of netizens watching live commercials in China from March 2020 to December 2023[7]



The origin of entertainment live streaming can be traced back to the early 2000s [5], China's live streaming e-commerce was launched in 2016 by the fashion e-commerce platform Mogujie.[6] The popularity of live streaming shopping in China can be attributed to several key factors: 1. Engagement and Interaction 2. Influencer Marketing 3. Instant Gratification 4. Entertainment Value 5. Convenience** 6. Diverse Product Offerings 7. Cultural Shift[17][18].

The development of the first and second main factors is key to the success of China's e-commerce livestream shopping, and it is also the main form of live streaming in China.

The Engagement and Interaction, Live streaming allows for real-time interaction between hosts (often Key Opinion Leaders or KOLs) and viewers. This engagement creates a sense of community and personal connection, which enhances the shopping experience.

Furthermore, in influencer Marketing, KOLs play a significant role in driving sales through their established trust and rapport with followers. Their recommendations can significantly influence purchasing decisions, making the shopping experience more relatable and trustworthy.

There are also factors affecting the success of China's live broadcast e-commerce. For example, the global epidemic in 2020 has allowed the e-commerce live broadcast market to increase rapidly, and there is also the government's support for the industry.

These factors that affect the growth of live streaming shopping in China are highlighted in 3.3, the comparison between Chinese and American live streaming e-commerce.

1.2 Research Questions and Objectives

Compare the differences between China and the United States in live streaming and live shopping (target audience, format, preferences, etc.)

Estimate whether American e-commerce can increase its audience popularity in China through live streaming and other marketing methods

2. Overview of Research Methodology

2.1 Data Collection Methods

The main source of data for this article is an Internet survey: Public Resources, Published Papers, from South China Morning Post, Western Pacific, and other official websites.

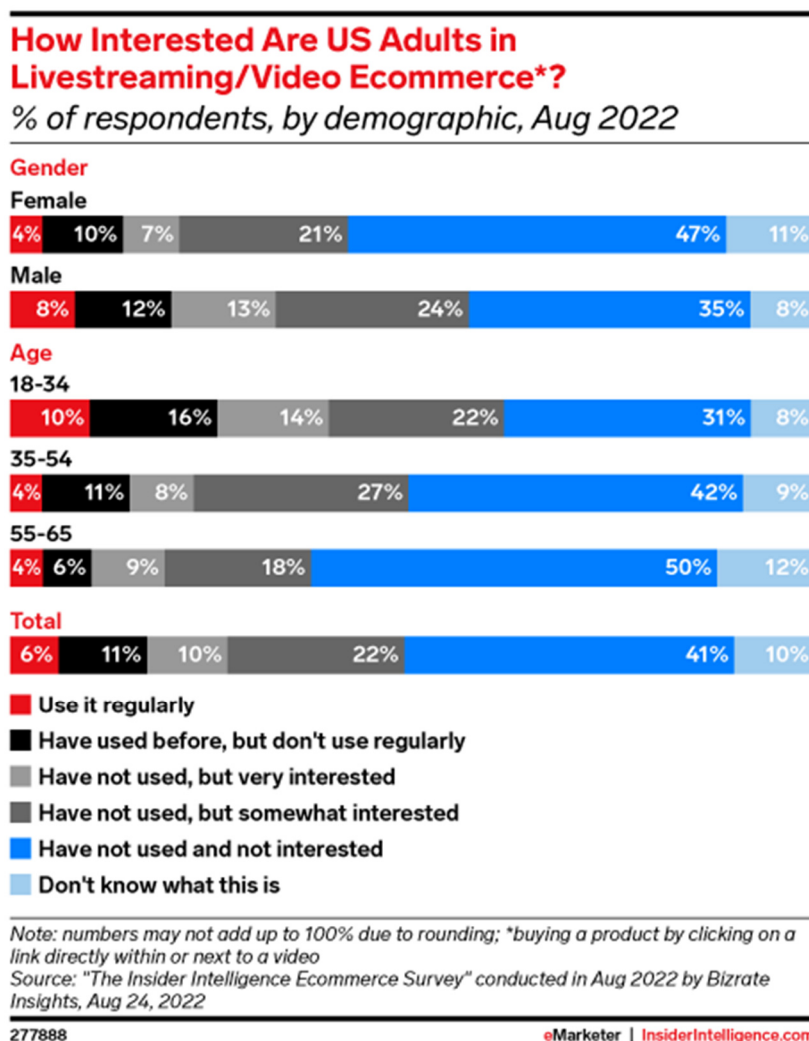
2.2 Data Analysis Methods

This paper collects some various kinds of data about live shopping in China and the United States and draws the corresponding opinions by analyzing these data.

3. Market Comparison

3.1 Why Did it Take Years to Start to Develop in the US?

Table 3. The majority of US e-commerce users' understanding of live streaming shopping [28]



Live streaming e-commerce in the United States faces several challenges that prevent it from developing as fast as China. These challenges are very representative. They are not customer-centric enough, not interactive enough, and limited market needs.

According to Marketplace Pulse, it reveals the reason why U.S. Livestream Shopping Is Not Consumer-Centric Enough, it used Amazon's e-commerce live broadcast as an example, which had very few viewers because there was no reason to watch the live broadcast. They're not interesting or well-made. Even though they mainly shop, they are too focused on selling. The challenge for Amazon is that its website and app work best for shoppers who know what they're looking for. The search bar is its core feature. It is not a destination for browsing, inspiration, or entertainment. The experience-led features it had rolled out over the years were ultimately shelved. Most Amazon shoppers may not be interested in or aware of the many things it can do.[19]

Another finding is that U.S. Livestream Shopping is not Interactive. Many retailers, such as Jared Jewelers, now offer one-on-one video appointments with sales associates for customers who choose not to visit a physical store according to Forbes.[20]

Lastly, a lack of livestream shopping appetite in the U.S

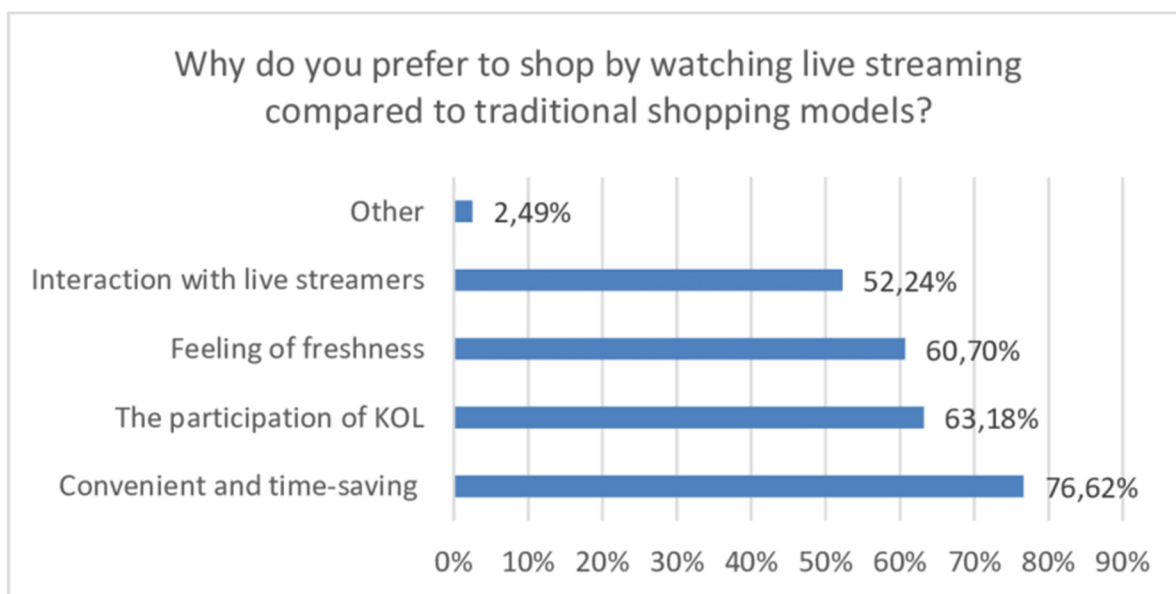
In essence, the scale of live broadcast is much smaller, because people only watch at the moment of live broadcast. Compared with China, which has sufficient KOL teams, American live broadcast hosts do not have a certain audience base.[15] In addition, Americans are not interested in live broadcasts. The concept of shopping is also rarely understood (see Table 2), so it is difficult for them to change viewing trends. As a result, each piece of content produced has a much smaller audience in the United States.

3.2 What Chinese Methods can be Used in the US?

Several methods could be effectively adapted for the U.S. market. Here are some key methods summarized in a survey report conducted by Feifei Liu, an international user experience researcher at the Nielsen Norman Group, who uses quantitative and qualitative research methods to study a wide range of design issues. Her research interests include cultural differences and user experience, children's user experience, and e-commerce.[20]

3.2.1 Leverage Key Opinion Leaders (KOLs)

Table 4. The reasons why live streaming shopping audiences in China are heavily influenced by KOLs [29].



Collaborating with influencers who have a strong following can help brands build trust and reach a broader audience. KOLs can host live shopping events to engage their followers and promote products.

3.2.2 Interactive Live Streaming

Implementing features that allow real-time interaction between hosts and viewers can enhance the shopping experience. This could include live Q&A sessions, polls, and immediate feedback channels.

3.2.3 Entertainment-Driven Content

Integrating entertainment elements, such as games, challenges, or performances, can make shopping more engaging. This approach can attract viewers who may not be actively looking to shop but are drawn in by entertaining content. It also shortens the customer's decision-making process from awareness to purchase. You can use limited-time strategies like one-time coupons to create a sense of urgency. The company reports conversion rates of nearly 30%, ten times higher than traditional e-commerce. [30]

3.2.4 Seamless Integration of E-commerce and Social Media

Developing platforms that combine social interaction with shopping can enhance the user experience. This could involve features that allow users to purchase products directly within social media apps or during live streams.

Western users gravitate toward different platforms for different goals. E-commerce sites like Amazon and eBay have grown independently of social media sites like Facebook, Instagram, and Twitter. Entertainment websites such as YouTube and TikTok are independent of information websites such as Google and Wikipedia. In the West, users view these platforms as belonging to different categories—one site for business, another for social media, and another for entertainment. These platforms have tried to bridge the gap, such as Facebook's move into e-commerce or Google's launch of a social media site, but have largely failed. It is not surprising, then, that people might object to the mixing of business and entertainment.

In contrast, there is a lot more bridging among services in China.

3.2.5 Diverse Product Showcasing

Offering a wide range of products during live streams can cater to diverse consumer preferences. Highlighting unique or niche products can attract specific audience segments.

3.2.6 Community Building

Fostering a sense of community among viewers can enhance loyalty and repeat business. Brands can encourage viewers to engage with each other and the host during live streams.

3.3 Will the US Livestreaming Shopping Market Grow Proportionally with China's?

Table 5. Comparisons between China and the US

Country	China	US
Socio-cultural	Chinese customers care about general feelings like the whole atmosphere of the live broadcast and so on.	American customers are more cautious in their purchases and care more about the details of the product than anything else.
Policy Impact	China's government policies are more supportive of electronic commerce.	U.S. has implemented restrictions on consumer privacy protections that are not beneficial to the growth of live shopping.
Economic Development	China has continuously ranked as the world's largest online market, and the scale of the new economy in the business sector is growing rapidly.	In the U.S., COVID-19 has led to the development of online shopping, but people resumed their offline shopping habits after the COVID-19.

Because of the population differences, maturity of streamers, different e-commerce platforms and differences in buying habits make differences in these factors make the gap between China and the U.S. live streaming market suggesting that it will be difficult for the U.S. live streaming market to overtake China's live streaming market in a short period of time.

4. Companies in China and the United States as Examples

Based on the previous analysis, the impact of the pandemic on Chinese enterprises has accelerated the development of the live-streaming industry. However, there are differences in live streaming and live shopping trends between China and the U.S. For example, Apple is a global leader in technology and electronic products. Therefore, Apple is holding a key position in the worldwide market. Apple has different sales strategies, especially in its China and U.S. operations. Apple sells the same core products in both the U.S. and China. However, there are significant differences in its marketing and sales strategies in these two markets, particularly regarding live streaming and live shopping. The impact of the COVID-19 pandemic, which changed people's shopping habits. The following section will provide a detailed discussion of the differences in live streaming between China and the United States.

4.1 Impact of COVID-19 on Live Streaming and Live Shopping

4.1.1 China

The COVID-19 pandemic started at the beginning of 2019. Until January 2023 when the Chinese government announced the end of the "Dynamic Zero-COVID" policy [17]. The government implemented multiple lockdown measures to maintain social distancing. These lockdowns accelerated the popularization of live streaming and live shopping in China. As people were unable to shop offline during lockdowns. Consumers turned to online platforms for entertainment and shopping needs. It is leading to a surge in live streaming activities. For example, user engagement and transaction volumes on platforms like Taobao Live, Douyin, and Kuaishou increased exponentially. In 2022, China's live streaming market size reached \$308 billion, a 384% increase compared to 2019's live streaming sales [18]. Many Chinese actors, celebrities, and internet influencers promoted products through live streaming [19]. Live commerce enabled real-time interaction between consumers and sellers, attracting millions of viewers and generating considerable sales revenue.

4.1.2 United States

As the differences in pandemic policies, the adoption of live streaming and live shopping in the US is relatively slower. Social distancing measures and pandemic policies varied across different U.S. states. As a result, changes in consumer behavior were less noticeable than in China. However, the pandemic did accelerate the growth of e-commerce sales in the U.S. According to data provided by ARTS in 2020, U.S. e-commerce sales increased by 43%, reaching \$244.2 billion [20]. The major U.S. social media platforms have introduced live shopping features, with TikTok being the most popular.

American consumers tend to prefer traditional e-commerce methods. For example, browsing online catalogs and reading product reviews, rather than participating in interactive live shopping experiences. Although online shopping increased during the pandemic, live streaming did not become a mainstream shopping channel as it did in China. U.S. livestream e-commerce sales grew from \$6 billion in 2020 to \$11 billion in 2021 [21]. It is showing a significant increase but still considerably lower in overall scale compared to China. These differences reflect the disparities in pandemic policies and consumer behaviors between the two countries, which have directly impacted the development of the live-streaming industry.

4.2 Differences in Apple's Live Streaming Strategy in China and the US

4.2.1 Apple's Live Streaming Strategy in China

Live streaming has become an important part of e-commerce in China. Consumers see it as the primary way to discover and purchase products. Therefore, Apple has actively participated in live-streaming events to promote its products and enhance customer interaction.

Apple has been involved in the major shopping festivals in China. For example, Double Eleven and Mid-Year Shopping Festival. Apple holds live streaming events on popular e-commerce platforms such as Tmall (owned by Alibaba) and Jingdong [22]. These platforms have integrated live streaming, which allows Apple to showcase products in real-time. Apple's staff are able to interact with their audiences, and they will offer some special promotions. Moreover, Apple has partnered with well-known Chinese netizens and Key Opinion Leaders (KOLs) [23]). Apple hosts live streaming events on Bilibili to demo their new products. The liver provides tutorials and answers consumer questions. These live events typically offer viewers exclusive discounts or limited-time offers that incentivize them to make immediate purchases.

Apple's use of live streaming in China is not limited to sales events. The company also uses live streaming for product launches and announcements on WeChat for the Chinese market [24]. Apple invites Mandarin-speaking hosts and provides content that is culturally appropriate to China. Apple has strengthened its connection with Chinese consumers. Apple's presence on Chinese social media platforms, such as Weibo and WeChat complement its live-streaming efforts by promoting upcoming livestreams and engaging with fans. Apple has created an integrated marketing strategy that resonates with a highly digitized Chinese audience.

4.2.2 Apple's Live Streaming Strategy in the US

Apple's live streaming strategy in the United States is significantly different from its approach in China. Live streaming has not attracted as much interest from U.S. consumers as a way to shop. However, Apple has introduced one-on-one live video shopping services in the U.S. [25]. This personalized service allows customers to interact directly with Apple Specialists via video calls. It is effectively taking the place of in-store sales personnel. The personalized service provides individualized assistance and real-time product demonstrations. Apple aims to enhance customer confidence in their purchasing decisions. Instead of focusing on direct sales through live shopping platforms. Apple emphasizes product launches and improving the overall customer shopping experience through these one-on-one interactions.

Apple's main live-streaming events in the U.S. are highly anticipated product launches. Examples include the annual Worldwide Developers Conference (WWDC) and the iPhone launch event [26]. These live streams are broadcast globally via Apple's official website, YouTube channel, and other platforms. The launch event targets a wide audience interested in the company's latest innovations.

The Apple events in the US are not designed to be direct sales channels. They are designed to generate interest, provide detailed product information, and enhance brand loyalty. The focus is on demonstrating technological advances and ecosystem enhancements rather than promoting immediate purchases through real-time interactions [27]. This is different from the business model in China.

Apple's retail strategy in the United States is highly dependent on its network of Apple retail shops. The U.S. provides live experience and customer support. While the company has expanded its online retail presence, it has not used live streaming as a primary sales tool in the United States.

4.3 The Success of Apple's Strategy

Apple's different use of live streaming in China and the U.S. exemplifies how the company adapts its strategy to local market dynamics and consumer preferences. In China, live streaming is in dominates e-commerce. Apple is actively involved in live shopping events and partnering with web celebrities to engage consumers. In the U.S., the company focuses on traditional marketing channels

and high-quality campaigns. It reflects the different roles live streaming plays in U.S. consumer culture.

5. Conclusion

In conclusion, China's e-commerce anchor industry is bright and stable and may experience high growth in the next few years.

However, Live streaming e-commerce in the U.S. faces challenges like different shopping habits and concerns about privacy. The concept is also newer in the U.S., and people might need time to adapt to it. In socio-cultural, Apple is popular globally for its innovation and design, while Huawei thrives in China due to national pride and tech advancements. For policy impact, Apple enjoys U.S. support, giving it an international edge, whereas Huawei faces sanctions, mainly from the U.S.

In economic development, Apple dominates wealthier markets, while Huawei's affordable, advanced products are popular in regions like Asia and Africa. Apple has certain advantages in terms of economic development, as well as policy. And Huawei is beginning to see results in social as well as economic development. Both countries have the advantage of live shopping development. The two countries will continue to grow in the future. Moreover, the U.S. would not be able to match China in live shopping in a short time.

For U.S. brands that want to develop the international market more. For example, in China, they can participate in different forms of promotions such as Double Eleven and Mid-Year Shopping Festival.

Overall, companies operating in multiple markets must be aware of regional differences and consider localized behaviors, platforms, and regulatory environments.

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