

The Influence of Affiliate Live Streaming on Shopee in Consumer Buying Interest

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ABSTRACT

Objective: This study aims to determine the effect of live streaming affiliates at shopee in consumer buying interest to see how Live Streaming and Affiliate Marketing have an impact on Consumer Purchase Interest at Shopee. **Method:** The method used in this research is quantitative descriptive method, by distributing questionnaires and processing data in this study using the Partial Least Square (PLS) method. **Results:** The results showed that live streaming and affiliate marketing have a positive influence on consumer buying interest, but this influence is not statistically significant. This suggests that both strategies need to be further optimised to have a greater impact on customer purchasing decisions. **Novelty:** The study examines the specific role of live streaming and affiliate marketing on Shopee – a combination of digital strategies not yet extensively studied together in the context of consumer purchase interest – offering new insights into the nuanced impact of these tools on online shopping behavior.

INTRODUCTION

Technological and information advances in this area of renewal are very fast and significant. This situation causes major cultural changes in human life, one of which is the growth of the internet and technological advances and technological advances that produce E-Commerce. The growth of E-commerce is currently very dominant in Indonesia as many companies compete to provide mobile access that allows customers to make transactions from the comfort of their homes. Shopee was originally founded by Garena, which is now renamed SEA Group. It first used the E-Commerce model of the customer (C2C), and later evolved into a customer business (B2C) by inaugurating the shopee mall feature, which is now an E-Commerce platform for a collection of well-known brands. To determine the number of internet users that will increase by 1.17% or 215,625,156 people in 2023 a survey has been conducted by APJII (Asosiasi Penyelenggara Jasa Internet Indonesia) this gives us the opportunity to continue to grow the shopee business. According to the momentum works article "E-commerce In Southeast Asia", the top nine E-Commerce platforms in Southeast Asia will deliver a total gross merchandise value (GMV) of \$99.5 billion by 2022, contributing 5% or %51.9 billion of the total GMV. In a normal scenario, momentum works also estimates that GMV in Southeast Asia will reach \$175 billion by 2028 with %232 billion in a more favourable case.

Table 1. Ranking of Indonesian e-commerce by market share.

E-Commerce	Market Share
Shopee	36%
Tokopedia	35%
Lazada	10%

Bulapak	10%
Tiktok Shop	5%
BLIBLI	4%

Shopee has an additional feature called live streaming, which allows sellers to interact directly with potential buyers through the internet network. Live streaming is also known as a type of E-Commerce that allows sellers to display their products directly through live video broadcasts, so that potential buyers can see them directly. Shopee also does various kinds of advertisements besides live streaming. For example, they can create interesting video content that shows the product, besides that, they also work with famous users or can also work with creators who have many followers to increase the audience or followers of the product. One of the ways shopee works together in marketing is affiliation. Affiliate marketing is also known as affiliate marketing, which is where the business process uses third parties to promote their products through internet platforms such as shopee, which is a new innovation in the marketing industry. The first party or shop owner has to pay a commission to the third party as per the agreement during the promotion. The affiliate marketing system is available to everyone. An affiliator usually buys the item and gets a link to go to the video. After the customer opens the link and makes a transaction, the affiliator will receive a commission from the store (Adil et al., 2023).

Live Streaming

According to Faradiba and syarifuddin (2021), there are five indicators for live streaming, namely, promotion time, product description, discount, and marketing visul. The live host's ability to convey information in an engaging way usually affects the number of viewers when watching live streaming on platforms such as shopee. Attention-grabbing hosts are able to provide in-depth and convincing product descriptions and offer various additional bonuses such as vouchers, free shipping, or the opportunity to take part in a quick auction at an affordable price. This marketing strategy aims to attract consumers to buy the goods they sell.(Aji et al., 2024)

Affiliate Marketing

E-commerce like shopee makes it easy for people in many ways, such as shopping, searching for items, comparing prices, and even selling items. The platform has many unique features, such as product search, customer reviews, and discount offers. In addition, some shopee features support more practical transactions such as, shopeepay, shopee mall for official products, and flash sales that attract consumers. Affiliate marketing in shopee affiliate live streaming is a marketing strategy in which live streaming hosts promote certain products from shopee and earn commissions on purchase transactions made through special links provided by the audience during the live streaming session. (Ningrum & Umaroh, 2024) When the viewer clicks on the link and makes a purchase, the shopee affiliate live streaming webpage will become a better page about the product. Buyers can evaluate whether the product meets their needs and is worth buying by viewing the content presented in the live stream. They can also

interact directly with the host to ask about the specifications of the affiliate. There are several advantages of the shopee affiliate live streaming programme. Firstly, hosts or affiliates do not need to produce their own goods, resulting in lower capital costs. Secondly, they don't need to rethink the products to be sold, because shopee provides a wide selection of ready-to-sell products. Thirdly, hosts do not need to spend on new products, so they can focus on effective promotional strategies, such as providing interesting reviews, providing discounts, or holding interactive sessions. Shopee affiliate live streaming is an effective marketing tool that attracts both sellers and buyers. As for buyers, the Shopee Affiliate Live Streaming programme really helps them understand the product better. For example, when an affiliate or live streaming host reviews a product through a live session, buyers can see the details of the product they are interested in firsthand. Hosts usually explain the features, benefits, and how to use the product clearly, so that buyers get an understanding of the advantages of the product, which ultimately helps them make better purchasing decisions. (Wardhani & Purwanti, 2025) Shopee Affiliate Live Streaming is a useful tool for providing an informative and interactive shopping experience with this strategy. The indicators of affiliate marketing according to Jamaluddin (2018) are trust, convenience, quality of information (Cahyani, 2024).

Consumer Purchase Intention

Consumer buying interest in the context of affiliate live streaming on shopee is the tendency and desire that encourages people to buy something after viewing live streaming content featuring certain products. In this case, consumer purchase intention is influenced by internal drives as well as various external factors, such as reviews and testimonials provided by live streaming hosts and special offers. Consumers have an interactive shopping experience with shopee affiliate live streaming where they can see live product demonstrations, interact with hosts, and get answers to their questions in real-time. (Elviana et al., 2024) Interest in information about the products presented, trust building through interactive communication, and emotional encouragement from exclusive discounts or promotions during live streaming sessions are some of the ways in which this drives purchase interest. According to research by Saputra and Mahaputra 2022, purchase intention in the context of affiliate live streaming can be measured through several indicators, including the desire to seek information about the product, consideration to buy, interest in trying, desire to find out more about the product, and desire to own it. (Permana et al., 2024)

Conceptual Framework

The conceptual framework is a brief explanation and as a link between the independent variable and the dependent variable. Namely the independent variable (X1) as live streaming and (X2) as affiliates and consumer buying interest (Y) as dependent.

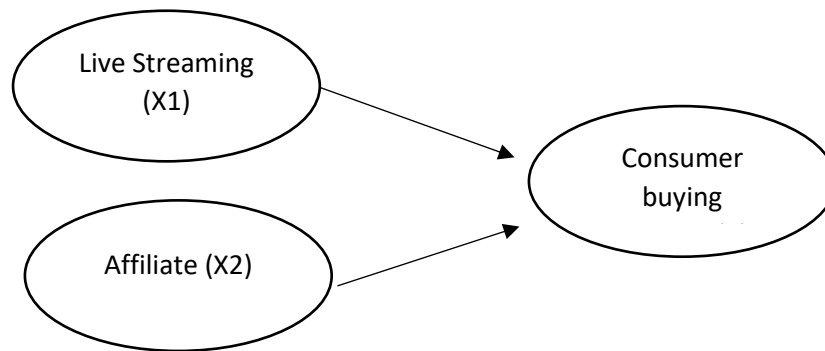


Figure 1. Conceptual framework.

Hypothesi

It can be concluded, the hypothesis of this study is :

H1 : Live streaming (X1) affects consumer buying interest (Y)

H2 : Affiliate (X2) has an influence on consumer meli interest (Y).

RESEARCH METHOD

Type of research and description of the population

This research uses quantitative methods. According to Sugiyono (2009: 14) this research is a process of collecting and analysing data that is carried out systematically and logically. Quantitative research usually collects quantitative data from research studies through statistical techniques. In this research method, researchers and statisticians use a mathematical framework and quantity theory. Researchers chose the quantitative type to examine two independent variables, namely Live Streaming (X1) and Affiliate (X2) and one dependent variable (Y) consumer buying interest. In order to produce quantitative, it uses a measurement scale called an ordinal scale using the Likert scale technique. The population in this study are consumers who often shop at shopee affiliates. The sampling technique was 34 respondents. To achieve the research objectives, the partiali Leasti Squarei (PLS) method and the validity and reliability test approach (Hafizhoh et al., 2023).

Data Collection Technique

This data collection method uses the distribution of questionnaires. The purpose of distributing questionnaires is to collect data and be used for this research. The questionnaire sent has several statements that must be answered to obtain relevant information. The author uses a Likert scale to determine the respondents, opinions, and perceptions of a person or group towards social phenomena. This scale is given five answer options, each of which indicates number 1 (strongly disagree), number 2 (disagree), number 3 (neutral), number 4 (agree), and number 5 (strongly agree). The measuring scale makes it easier for the author to collect data from respondents and helps answer the questionnaire (Fernandy, 2024).

RESULTS AND DISCUSSION



Figure 2. PLS output.

The figure 2 from the PLS output above shows that the value of the loading factor is above 0.700. In addition, path coefficients are also known as path coefficients which can later be seen above the arrow line between indicator variables. In addition, the R-Square is very large and is right in the circle of endogenous variables or consumer buying interest variables.

Based on the picture above, that all endogenous and exogenous variables are valid. **Average Variance Extracted and Composite Reliability**

Live streaming and its relationship with the dependent variable of consumer buying interest is an independent variable with reflective indicators in this study

Average variance extracted or AVE displays the magnitude of the latent variable indicator variance. For latent variables, convergent AVE values greater than 0.5 indicate adequate validity. The AVE value for each construct (variable) reveals the reflective indicator variable. If the AVE value of each construct is greater than 0.5, a good model is required.

Table 2. Average variance extracted and composite reliability results.

	Composite Reliability	AVE
Affiliate(X2)	0,843	0,645
Live Streaming (X1)_	0,860	0,610
Consumer Buying Interest (Y1)	0,828	0,555

The results of the composite reliability test show that the three variables in this study are acceptable: the affiliation variable is 0.843, the live streaming variable is 0.860, and consumer purchase intention is 0.828.

Average variance extracted test results for affiliate variables are 0.645, live streaming variables are 0.610, and consumer buying interest is 0.555, overall, the three

variables have a value of more than 0.5 which indicates that the three variable results above have good validity or reliability.

Structural Testing Results (Inner Model)

Testing of the structural model is done using the R-Square value which is a *goodness-fit model* test. The iR I-square value in the equation between the dependent variables shows the inner model test. The extent to which the oogenous variables (independent / independent) model can explain the endogenous variables (dependent / dependent) model is determined by the R2 value.

Table 3. Structural testing results.

	R Square
Consumer Buying Interest (Y1)	0,342

The value of $R^2 = 0.342$ hail this can be interpreted that the model explains the phenomenon of consumer buying interest decisions influenced by independent variables including, live streaming and affiliate variants by 34.2%. While the remaining 65.8 is explained by other variables outside the study (other than live streaming and affiliates).

Testing

The results of hypothesis testing are seen from the coefficient results and the T-statistic value of the inner model in the table below:

Table 4. Coefficient results and the T-statistic value

	Path coeffici ents (O)	Sample Mean (M)	Standard deviation (STDEV)	T Statistics (O/STERR)	P Values
Live Streaming (X1) -> Consumer Purchase Intention (Y)	0.183	0.233	0.339	0.540	0.589
Affiliate (X2)-> Consumer purchase intention	0.437	0.439	0.315	1.387	0.166

The results of the table above state that live streaming (X1) to consumer buying interest (Y) has a positive effect, P values on live live streaming (X1) to consumer buying interest (Y) have an insignificant effect.

Affiliate (X2) to consumer buying interest (Y) states a positive effect, P Values on Affiliate to consumer buying interest (Y) have an insignificant effect.

The effect of live streaming on buying interest

Based on the research results, live streaming provides a more informative and interactive shopping experience, but does not influence shoppers' interest. This is due to several things, such as the quality of information delivered by the host, the limited

number of audiences, or the lack of attractive promotions during the live streaming session.

However, this effect is not statistically significant which indicates that live streaming helps to attract in order to increase customers' purchase intention, live streaming should be improved by enhancing the host's ability to communicate, providing exclusive promotions and increasing interaction with the audience.

The influence of affiliates on consumer buying interest

Based on research results, affiliate marketing has great potential to increase customer buying interest. However, its small influence shows that this strategy is not perfect. Factors such as unattractive promotions, limited affiliate reach, or lack of consumer trust in affiliates are to blame.

However, this effect is not statistically significant, indicating that this promotional strategy is effective in expanding the reach of customer buying interest is still lacking. To improve affiliate advertising results, provide more competitive incentives and promote reliable affiliates to build consumer trust.

CONCLUSION

Fundamental Finding : Based on the results of the tests that have been carried out, it can be concluded that live streaming and affiliate marketing have a positive influence on consumer purchase intention, but this influence is not statistically significant.

Implication : This shows that both strategies need to be further optimised to have a greater impact on customer purchasing decisions. **Limitation :** The fact that the influence is not statistically significant indicates potential limitations in the current application or execution of live streaming and affiliate marketing strategies on the Shopee platform.

Future Research : By developing more efficient strategies, Shopee can capitalise on the huge potential of live streaming and affiliate marketing.

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