

Research on the Marketing Strategy of Fast-Moving Food E-commerce Live-Streaming

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Abstract:

With live streaming having brought about constant disruption to digital commerce, the platform, over some time, has become critical for brands to reach out to consumers and ensure the very likelihood of real-time purchasing decisions. Indeed, by incorporating influencer marketing, interactive content, and real-time customer engagement, livestream e-commerce has really had the potential to drive top-of-the-funnel activity in terms of better sales and brand loyalty for FMCGs. This writing discusses how FMCG marketing strategies increasingly change with the rise of e-commerce livestreaming, where live-streaming has driven an inexorable shift in digital commerce and this platform has grown incrementally to become the near-essential way for brands to reach consumers and make sure that real-time purchasing decisions are taken care of. Indeed, with the integration of influencer marketing, interactive content, and real-time customer engagement, livestream e-commerce has proved very capable of raising sales and ensuring brand loyalty in FMCG. It looks into the latest developments in livestream e-commerce, studies specific cases of successful livestream marketing campaigns, and pinpoints essential strategies that Fast-Moving Consumer Goods (FMCG) companies adopt. This also enumerates a set of recommendations on how livestream marketing could be done better by leveraging data analytics and consumer interaction for razor-targeted and impactful campaigns. Understanding these key trends is important in helping businesses take the pole position in the ever-competitive digital marketplace.

Keywords: Fast-Moving Consumer Goods (FMCG), livestream e-commerce, marketing strategies, consumer engagement, digital commerce.

1. Introduction

Livestream e-commerce has emerged to become the front-runner in FMCG and transformed brand-consumer interaction and online product sales. FMCG would naturally be embracing all digital retail innovations due to the nature of the products sold in large volumes, very affordable, and being consumed in no time. That makes live-streaming finally reach a point where brands and influencers can actually show something to the viewer in real time, a reason it's growing in popularity base on immediacy and interactive appeal. Taobao Live and TikTok have become critical in driving this trend; these are platforms that let companies tap into consumer preferences for more engaging, personalized shopping experiences [1]. Blending entertainment with commerce, livestream e-commerce is one of the most dynamic shopping environments that appeals to a young, tech-savvy audience who are looking for convenience and connection in equal parts with the purchase process. Thus, livestreams have grown to be a strong driver of sales, particularly for Fast-Moving Consumer Goods (FMCG) companies dependent on quick turnover and frequent customer purchases. As this channel of marketing is becoming increasingly utilized, the ma-

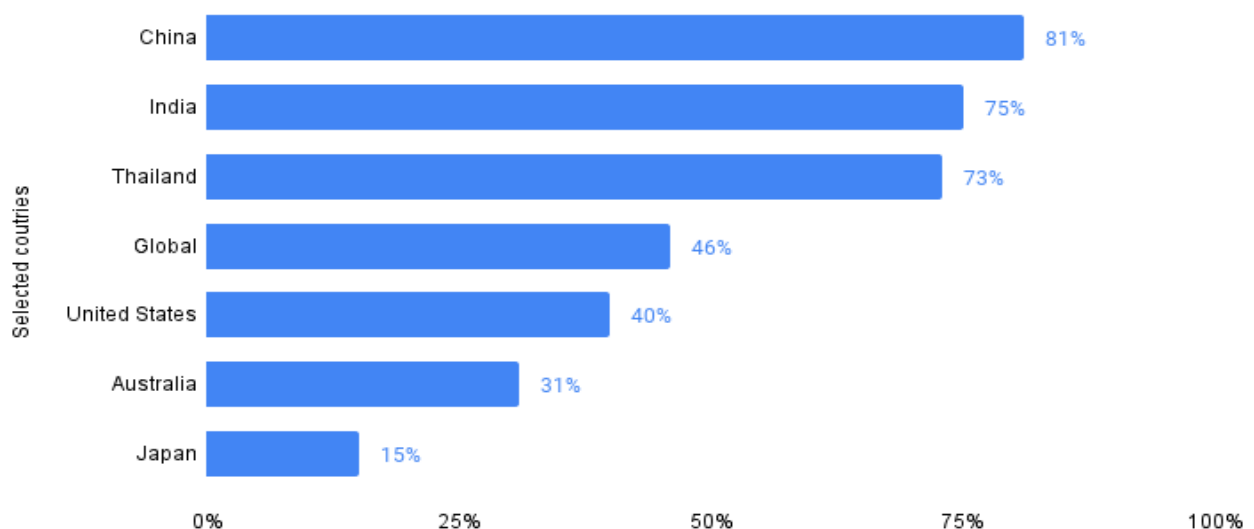
majority of brands are still trying to understand how to more effectively exploit the power of live streaming by using proper strategies appropriate for influencers, flash sales, and interactive promotions [1].

This paper attempts to discuss how livestream marketing strategies are being implemented within the FMCG industry and further assess the effectiveness of such strategies in improving consumer engagement and sales. It also aims at outlining areas for optimization by way of suggestions on how brands can use data-driven insights and interactive features to enhance the holistic effectiveness of their livestream campaigns. By looking both at the current trends and possible future developments in the live stream e-commerce area, this research offers rich insights into how Fast-Moving Consumer Goods (FMCG) companies can adapt to and thrive in a rapidly evolving digital marketplace.

2. Current Development of Livestream E-commerce in FMCG

2.1 Overall Trends in Growth

Share of livestream commerce shoppers by country, 2023



Share of livestream commerce shoppers by country, 2023

Fig. 1 the share of livestream commerce shoppers by country in 2023 [2]

In the last couple of years as shown in figure 1, Fast-Moving Consumer Goods (FMCG) have been integrated into digital marketing tools, and the most impactful innovation could be livestream e-commerce. That mainly happened due to high mobile internet usage, popularity, and an increase in preference for interactive shopping experiences

through social media. From Taobao Live to TikTok, these have been the catalysts that made livestreaming a mainstream e-commerce channel. Livestreaming integrates real-time interaction with immediate purchasing options. This enables brands to offer consumers limited-time discounts, flash sales, or exclusive products as part of the in-

stant gratification model perfectly aligned with consumer behaviour commonly observed in Fast-Moving Consumer

Goods (FMCG): frequent purchases and swift buying decisions [2].

Market size of livestreaming ecommerce in China, 2019 - 2026 (in billion US\$)

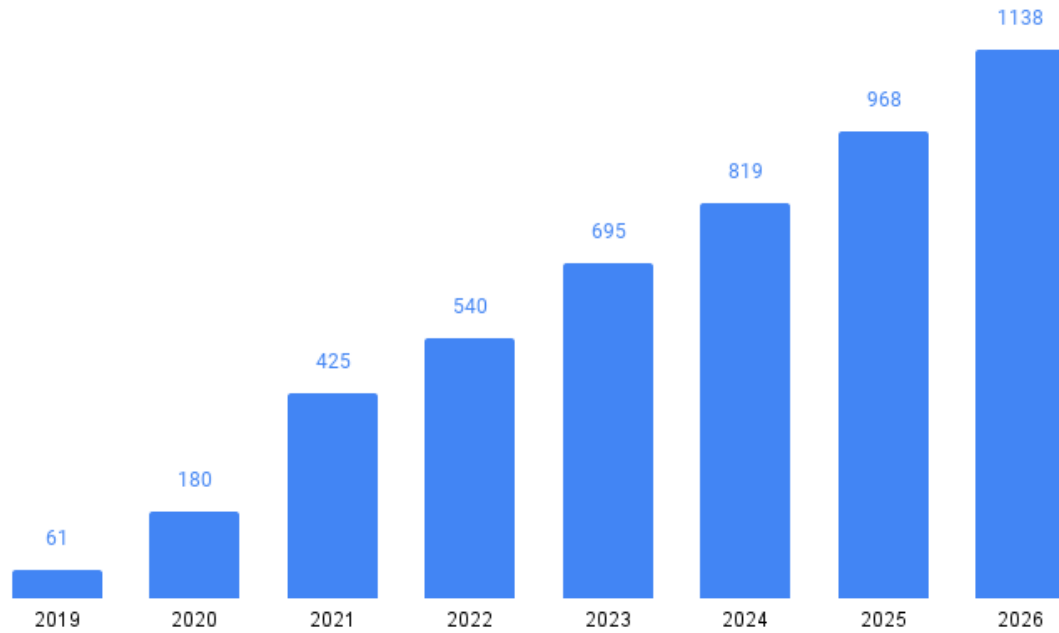


Fig. 2 market size of livestreaming commerce in China from 2019-2026 [2]

Livestream e-commerce has really been an enabler where in the growth of a brand’s GMV is quite significant and considered to be the metric of success. This is truly an important trend in China, where livestream e-commerce is considered one of the major drivers of consumer engagement. Brands use the platform for product demonstrations,

engaging the audience, and stimulating purchase decisions with immediate influence. As shown in figure 2, in 2020 alone, GMV surged 196% to reach an approximate value of \$180 billion. This continued in 2021 as GMV surged 136% to touch \$425 billion, while in 2023, the market size further increased to \$695 billion [2].

Most used live commerce platforms in china, 2022

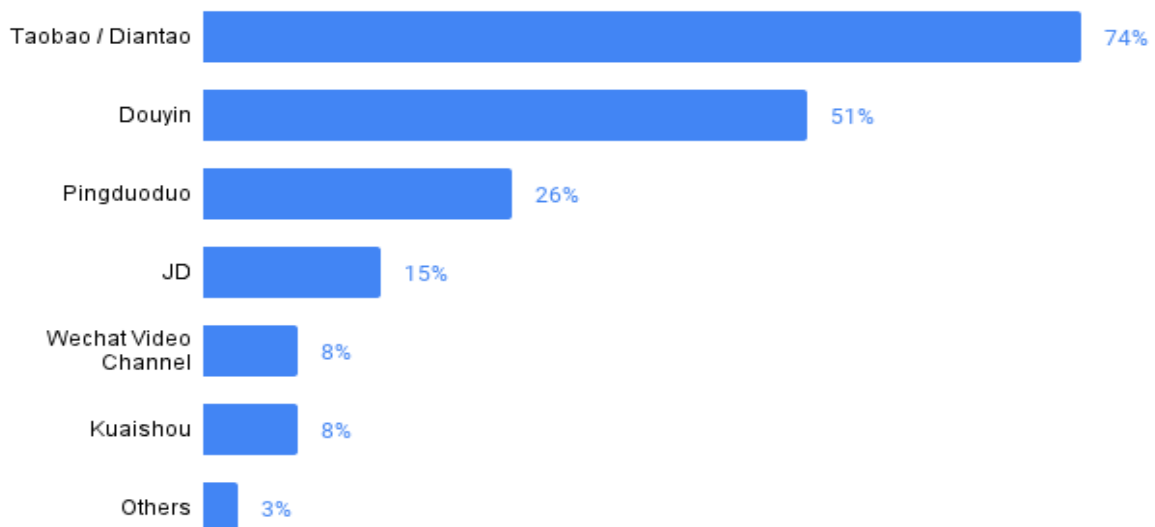


Fig. 3 most used live commerce platforms in China in 2022 [2]

Growth driven by platforms, leading in popularity among Chinese live commerce users, as shown in figure 3 with a usage rate of 74%, are Alibaba's well-rooted eCommerce platform Taobao, and its flagship livestream app Diantao, which used to be called Taobao Live. It is followed by TikTok, whose usage rate is 51% of the total. Pinduoduo and JD.com also exhibit double-digit usage rates, while WeChat Video Channel and Kuaishou are relatively smaller at 8% each [2].

2.2 Key Platforms and Players

E-commerce livestreaming platforms power so much of the growth and success of FMCG marketing strategies. A few players monopolize the market, enjoying their own unique features and attracting their own kind of consumer. The dominant four are Taobao Live, Douyin, also known as TikTok in China, Kuaishou, and Pinduoduo. Each of them has different positioning, targeting different consumer bases, using different ways of marketing [2].

2.2.1 Taobao live

Launched in 2016, Taobao Live was one of the trailblazers that popularized livestream e-commerce in China. It natively occupies a big chunk in GMV in the live-commerce sector, and when considering the more early days, it was the lion's share. The platform was natively built with Alibaba's wider e-commerce ecosystem to provide a seamless buying experience to viewers. Key Opinion Leaders, or influencers, take over Taobao Live to sell FMCG products to their huge audiences [2].

2.2.2 TikTok

In only a couple of years, Douyin has grown rapidly to become one of the largest players in livestream e-commerce. In 2022, it accounted for 47% of the total GMV in the Chinese live-commerce market and surpassed Taobao Live. The power of Douyin lies in seamlessly transitioning between its short-video format and live commerce. This platform appeals more to a younger, more tech-savvy audience. Through this channel, brands have the opportunity to interact with the Gen Z audience through means of interactive and engaging content as shown in figure 4 [2].

Live commerce and Traditional eCommerce users in China by generation, 2021

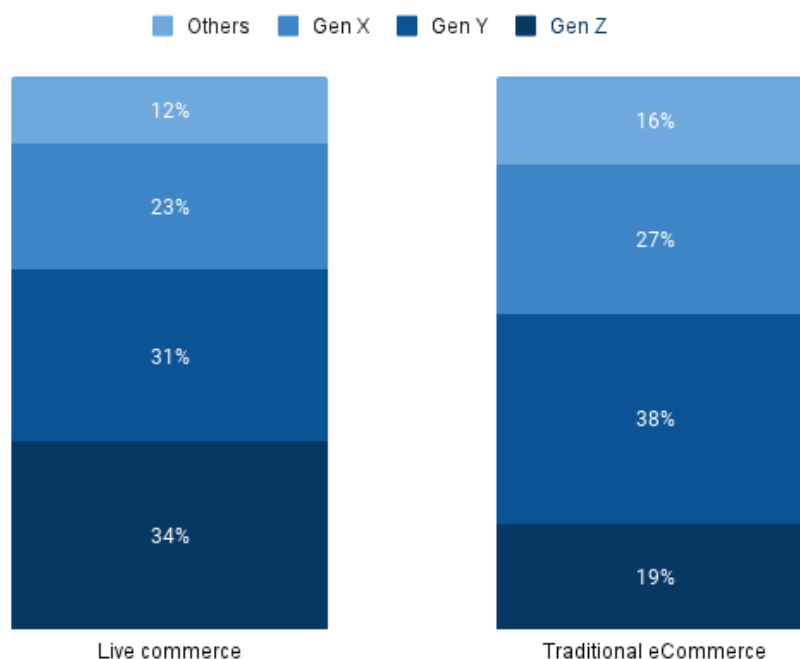


Fig. 4 live commerce and traditional ecommerce users in China by generation in 2021 [2]

2.2.3 Kuaishou

Whereas Kuaishou, another major player, is more attuned to smaller communities and micro-influencers. This platform contributes 27% to the GMV of China's livestream e-commerce market. Still, Kuaishou is noted for its more intimate and personal consumer experience, with its main characteristic being the tight bonding between a host and

his or her viewers. That has made it especially effective in selling FMCG products through trusted micro-influencers [2].

2.2.4 Pinduoduo

Pinduoduo is a rising star in the live-commerce market. Its competitive advantage is the social buying experience

characterized by group buying, discussing products, and buying items in bulk at lower prices. Since it has relatively fewer livestreams compared to Douyin and Kuaishou, its model of group purchase is increasingly mingled with that of live commerce to attract price-sensitive consumers [2].

2.2.5 Type of influencers

In addition to KOLs, large-scale Influencers with millions of followers, other influencers are also playing a critical role in livestream e-commerce, such as micro-influencers. These individuals have relatively small, niche audiences but are much more engaging. Microinfluencers often operate within specific product categories and develop deep trust with their followers; hence, they can be a perfect target for FMCG brands to reach particular groups of consumers. Key Opinion Consumers (KOCs) are regular consumers who recommend products by real feeling and experience. KOCs are good, especially in creating authentic grassroots promotions-very often, brand ambassadors for their friends and family [3].

All of these platforms and the accumulated effect of the influencers change the whole FMCG marketing landscape since brands can create real-time, interactive, and very personalized shopping experiences.

2.3 Consumer Behaviour and Preferences

The immediacy and engagement in livestream e-commerce serve as an appeal to Fast-Moving Consumer Goods (FMCG) consumer needs. Livestreams build a sense of urgency; more often than not, this is coupled with flash deals, discounts, or limited-period offers to hasten purchases. Consumer preferences include interacting with the host, listening to real-time feedback on products, and the ability to ask questions during a stream. Moreover, personalization of content in the form of either target advertisements or direct interaction with the influencer himself makes shopping more engaging than conventional e-commerce ways. Convenience at buying directly from within a live stream is the other key factor that removes much friction from buying and thus inspires impulsive buying [4].

3. Case Analysis/Analysis of Livestream Marketing Strategies

3.1 Collaboration of P&G and Taobao Live

In July 2020, P&G ran a landmark livestream campaign via Taobao Live, a channel that has shaped China's livestream e-commerce landscape. The campaign was fronted by one of the country's top KOLs, Viya Huang, whose

influence proved critical in driving consumer engagement. This was all about P&G wanting to be associated with a more youthful, tech-savvier base through the live interaction capabilities of livestreaming [5].

During the event, Viya presented a series of personal care and household products manufactured by Procter and Gamble. The features were explained, with special, limited-time discounts announced. Among other things, the campaign included flash sales-a.k.a. the scarcity principle-which is the last important driver of consumer urgency. The result was astounding, while within hours P&G saw its sales rise significantly, it brought out the effectiveness of the use of livestreaming in the FMCG category. The event had sealed in P&G's integration of livestreaming into its e-commerce strategy in the Chinese market [5].

3.2 Coca-Cola's Livestream Marketing during Chinese Festivals

This October 2020, Coca-Cola created an exceedingly innovative livestream activity for China's Mid-Autumn Festival. In partnership with Douyin, the sister version of TikTok, Coca-Cola aimed to sell its limited-edition, festival-themed beverage bottles available only in the Chinese market. The campaign leveraged an effective mix of popular and micro-influencers to try increasing audience interaction with the brand and to connect with local cultural festivals [6].

The livestreams were also interactive, with giveaways, games, and flash sales allowing viewers to buy the limited-edition products in real time. Influencers seamlessly mixed cultural storytelling with the Coca-Cola brand and emphasized what this product would mean during the festival. And just like that, Coca-Cola sold out its limited-edition products in hours. This campaign drove sales and strengthened Coca-Cola's brand presence by hitching its product onto cultural events. Using both KOLs and micro-influencers allowed Coca-Cola to reach a wider audience, yet a more targeted one, showing the versatility of influencer marketing in live stream e-commerce [6].

3.3 Core Livestream Marketing Strategies

With a clear view of integrating brand marketing strategies in the FMCG verticals, livestream marketing has grown its presence phenomenally. This new platform allows businesses to communicate with their audiences in real time and deploy a set of tactics to increase consumer engagement and drive sales. Carefully created tactics amuse, engage, and incentivize viewers to make immediate buying decisions. Among these, content creation, real-time interaction, flash sales, and dynamic pricing models are the most important marketing strategies, each playing an important role in shaping successful livestream

campaigns.

The most basic level of strategy involves content creation, which is all about crafting engaging and entertaining stories for capturing and keeping the audience's attention during the live stream. The ability to seamlessly interweave entertainment into commerce is the magic of content creation. This can be achieved by creating a storyline or theme with which the audience is familiar. In doing so, there will be an emotional bond between the brand and audience that will make the products resonate with the audience. A brand may show, for instance, a product being used in real life or connect it to one of the hot cultural themes at that time. After all, the idea is that the livestreaming must not be seen as a straightforward sales pitch, allowing viewers to stay engaged in the content [7].

Another central tactic involves real-time interaction, which makes livestream marketing quite different from traditional advertising. A presenter during a livestream can directly interact with the audience by responding to questions, comments, and feedback. All this in real time creates a bond of intimacy and trust between the brand and its consumers. He might adjust his presentation according to the responses of the viewers, which will make it more interactive and personalized. This personal interaction not only clears up doubts but strengthens the credibility of a brand. For example, once they see how questions will be responded to on the spot, it humanizes the brand and makes the audience feel their opinions are valuable; hence, conversions could be more assured [7].

Another powerful tool used in live stream marketing is flash sales and discounts. These create urgency in that viewers would make purchasing decisions right there and then. These deals, available only in the livestream, drive FOMO for the consumer. FOMO is an incredibly strong psychological driver to impulse buying. Most flash sales tend to offer time-limited discounts, exclusive products, or bundled deals that capitalize on immediacy. Because the offers are contingent on real participation at that particular moment, brands are able to rack up much higher sales, sometimes in record time, as many FMCG livestream campaigns have come to show [8].

Finally, dynamic pricing models enable brands to adjust price, make bundle offers, or give loyalty rewards in real time to the viewers. This model accommodates viewer needs and preferences who participate live. Moreover, by offering flexible pricing within the stream itself, brands can replay viewer engagement to incentivize bulk purchases or introduce special rewards given to loyal customers. This adaptability further enriches the shopping experience and serves to drive higher conversion rates through the personalized shopping experience likelier to resonate with them. For example, a brand can have a price variant

depending on the quantities purchased within the stream; this would incentivize larger amounts to be purchased by using volume-based discounts [8].

3.4 The Power of Influencers in Livestream E-Commerce

Influencers and KOLs play a very important role in Fast-Moving Consumer Goods (FMCG) livestream success. The authenticity and trust they bring to product promotion help overcome consumer skepticism in digitized, crowded spaces. Influencers with sizeable, engaged followings can make or break a campaign since their endorsement directly impacts viewer engagement and purchase decisions. The interactive nature of livestreams lets influencers show the value of the product, answer concerns, and build a direct rapport with potential buyers [9].

3.5 Efficiency for Sales and Engagement

It finds that livestream marketing was more effective in driving immediate sales and increasing consumer engagement than traditional advertising. The fact that the real-time interaction during a livestream event generates a powerful and deep connection between the brand and the consumer is one critical for the development of brand credibility. Influencers have been one of the most effective ways to create brand awareness. A word from them could create a big difference in viewer engagement and purchasing decisions. Live streams often generate higher sales conversions, unlike pre-recorded videos and static digital ads, since they engage users interactively, which includes immediacy in flash sales and live promotions [10].

Besides, the efficiency of livestream marketing gets even better with the very possibility of direct engagement of consumers, when an influencer can present the product, address concerns, and answer questions right away. The interactive approach serves to engage one's audience but also creates trust in the brand and authenticity. Moreover, long-term strategy success involves keeping viewers engaged even after the end of a livestream. Brands that involve follow-up promotions, or social media engagement, and that further plan additional events with livestreams, manage to hold the consumer interest for longer and build their loyalty [10].

4. Optimization Suggestions for Livestream Marketing Strategies

4.1 Enhancing Customer Engagement Strategies

Livestream marketing strategies can be optimized in

one of the major ways: improving engagement. Brands should develop personalized experiences during streams by segmenting audiences based on preferences and behaviours. That could mean personalized shout-outs, product recommendations, or exclusive deals for different groups of viewers. Such interactive elements as polls, question-and-answer sessions, and live contests further enhance the viewer experience and heighten the chances of immediate conversions. The more interactive the livestream is, the more it will create an atmosphere of participation and community [10,11].

4.2 Leveraging Data Analytics for Targeted Marketing

Data analytics can be used intelligently to streamline a brand's livestream marketing effort. It is through the analysis of consumer behaviours, such as identification of which products are most popular during streams, understanding viewer stay time, and where they tune off, that brands can further hone their approach to target the consumers more effectively. Data insights will help a marketer reach out to his audience in a better way and create ads which will be much more likely to culminate in sales. Real-time analytics showing viewer behaviour during the stream can enable course correction in presentation, price, or flash offers based on end-viewer interest [11].

4.3 Improving Interaction between Hosts and Audience

Of all the factors that could make a livestream successful, the relationship between a host and the audience takes top priority. To ensure that each livestream performance goes to the best of its capacity, brands should invest more in building that bond through effective storytelling, authenticity, and great interactivity. It means that the hosts should be well equipped to provide product knowledge and a nice story behind it that the viewers could 'buy into'. Authenticity plays an important role here: If a host can present an enthusiasm for and knowledge of products, credibility can be established with the audience. This rapport can be further established with posts after the stream is complete, either via follow-up social media or in other live streams [12].

4.4 Long-term Brand Loyalty through Live Streaming

The brand livestream marketing approach should aim for longer-term loyalty rather than focusing on immediate sales. A few important practices ensure the brand will develop long-standing relations with an audience [13].

4.4.1 Regular quality livestreams

Streaming on schedule builds anticipation among viewers, and it becomes a habit for audiences to get used to. The brand needs to generate high-quality content that entertains and educates viewers, like tutorials, launches, or storytelling behind the scenes. Such kind of variation keeps the streams fresh and relevant [13].

4.4.2 Efficient follow-up processes

After each livestream, structured follow-up procedures must be planned and implemented in order to keep customer interaction going. Follow-up promotions, customized emails, and surveys are some of the means through which brands can address viewers. Example: Recap emails showing some key moments from the stream can be sent to customers with exclusive discount offers or invitations for the next event. This helps to solidify the brand's presence in consumer minds [13].

4.4.3 Loyalty program and exclusive content

It would be worth considering to incentivize viewers for more extensive engagement with the brand by establishing a loyalty program. The opportunity to earn points for participating in a live stream or interacting with content on social media encourages repeat visits. Besides, providing exclusive content—for example, early access to new products or behind-the-scenes footage—will be one more reason for consumers to return for more [13].

4.4.4 Community building

Building community among consumers is an effective means of habituating brand loyalty. Brands reveal involvement with their audience on social networking sites by creating discussions, polls, and fan groups. This not only keeps consumers connected to the brand but also allows them to share their experiences, thereby amplifying brand visibility [13].

These would help the brands to build a sense of loyalty amongst their consumers for the long run. Emphasizing engagement via quality content, effective follow-up, and community building ensures that customers are not just buyers but live advocates of the brand-sustained success in the competitive landscape of live stream e-commerce.

5. Conclusion

This research reveals actually that livestream marketing is quite amongst the most transformative influences for the FMCG business. It has radically changed consumer engagement with the sector and even the way people make their purchases. According to the research findings, this livestream e-commerce has become an effective tool for driving immediate sales over regular forms of advertising—mainly based on its interactive nature and real-time

connection between brands and consumers. Notably, brands that have integrated various strategies such as engaging content creation, real-time interactions, and the use of influencers have seen fantastic sales and publicity with loyalty to the brand.

The data show that the investment of brands in the relationship with their audience is paramount for sustainable results rather than solely in converting sales on the spot. It encompasses perpetual high-quality livestreams, effective follow-up, and loyalty programs for customer retention. By building community and getting engaged well after the live stream has ended, a brand will be rewarded with loyal customers who will market the products.

This is important research because it cuts to the very core of implications for marketers and brands operating in the digital marketplace. As consumer preferences increasingly lean toward interactive and personalized shopping experiences, nuances related to livestream marketing will be critical to decipher for competitive advantage. The study further underlines integrating data analytics to refine targeting and enhance customer engagement strategies for the maximum impact of livestream campaigns.

Though, this study also has its limitation. Livestream e-commerce findings may not last too long because of the fast-changing nature of the field, since new trends and technologies emerge daily. Long-term influences of livestream marketing on consumer behavior and brand loyalty in diverse cultural contexts are other potential areas of future research related to influence of emergent technologies such as artificial intelligence and virtual reality on the livestream shopping experience.

The paper provides an illuminative insight into the strategies and dynamics of livestream marketing, thus acting as a guide for FMCG brands to succeed in the competitive online space.

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