The Mechanisms & Optimization Strategies for Building Consumer Trust in Agricultural E-commerce Live Streaming

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Abstract: This article delves into the mechanisms and optimization strategies for building consumer trust in agricultural e-commerce live streaming in China. E-commerce live streaming has emerged as a novel and effective business model for promoting agricultural products, especially after three years of the pandemic. However, building and maintaining consumer trust remains a critical challenge in this rapidly evolving industry. This study synthesizes existing literature and empirical studies to identify key factors influencing consumer trust and discusses strategies to enhance trust in agricultural e-commerce live streaming. The findings suggest that consumer trust can be effectively built through host credibility, product quality, platform reliability, and interactive engagement. Optimization strategies include enhancing host training, strengthening product quality control, improving platform features, and leveraging data analytics for personalized marketing. This research aims to provide actionable insights for stakeholders in the agricultural e-commerce live streaming industry to foster a more trustworthy and engaging shopping experience for consumers.

1. Introduction

E-commerce live streaming has become a significant business model for selling agricultural products in China. This model integrates real-time interaction, product demonstration, and immediate purchasing options, creating a dynamic and engaging shopping experience. After 3 years' pandemic, E-commerce live streaming played a crucial role in maintaining economic activity and supporting agricultural sales. However, building and maintaining consumer trust remains a critical challenge in this rapidly evolving industry.

At present, E-commerce Live Streaming has formed a complete industry chain, including the upstream (brand owner/advertisers) who needs advertising and marketing service; The Key Opinion Leader (KOL) and MCN (Multi-Channel Network)for internet content creation at the midstream, and the content sharing E-commerce and social media platforms as well as the downstream user groups who finish the final paying chain through online shopping and host-rewarding. In addition,

there are companies that provide professional service support for all aspects of E-commerce Live Streaming, such as those supply chain companies that provide goods supply services for MCN, docking professional marketing platforms for MCN and brand vendors, and provide professional services for brand expansion and professional hosts for the live performance training, etc. In the entire industry chain, the three most important chains are the upstream brand owners, the midstream content production MCN, and the midstream content sharing social media platform. Together, they have completed the whole processes of E-commerce live content producing. The whole industry chain can be seen in the figure 1 below:
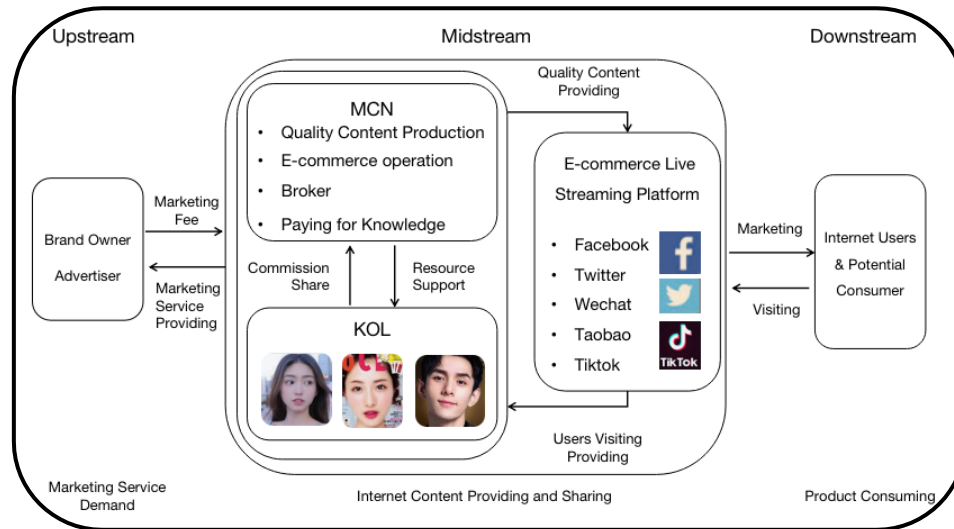

Figure 1 The whole industry chain of E-commerce Live Streaming

Currently, E-commerce Live Streaming business can be mainly divided into two types according to the attributes of the E-commerce platform, and both of these modes can help brand vendors and platforms achieve the purpose of attracting traffic in the live broadcast and converting it into a consumer[5] .Seeing the Table 1 for details.

Table 1 The Types of E-commerce Live Streaming

Type	Main Platform or APPs	Business Model Detail
E-commerce + Live Streaming	Mogu.com, Taobao, JD, Pinduoduo Inc, Suning.com Tesco, Koala.com, Xiaohongshu, etc.	Add a Live Streaming shopping feature to traditional E-commerce platforms or add a live streaming portal to eligible stores for sellers to hold promotion shopping carnivals
Live Streaming + E-commerce	Facebook, Tiktok, Kuaishou, WeChat, Weibo, Momo, Baidu Tieba, etc.	Add a live broadcast portal under short video, social, entertainment or other content platforms to start promotion shopping carnivals, or post a shopping link during the live streaming to attract users flow visiting the E-commerce platform

2. E-commerce Live Streaming 4-Key-Element Model

The theoretical framework for this review is based on the E-commerce Live Streaming 4 Key Element Model proposed by Musheng in 2015. This model identifies four key elements that influence the effectiveness of E-commerce live streaming: host, product, consumer, and scene & script. Each element plays a crucial role in shaping consumer trust and engagement:

2.1 Host

The host serves as the connection between the product and the consumer. A credible and knowledgeable host can significantly enhance consumer trust. Hosts who are professional, unique, and natural in their communication can simplify consumers' cognitive understanding of products and build strong relationships with viewers [4]. For example, Li Jiaqi, a well-known E-commerce host in China, has built a strong reputation for his expertise in beauty products, which has significantly enhanced consumer trust in his live streaming sessions.

2.2 Product

Product quality and authenticity are essential for building consumer trust. Agricultural products that are presented as high-quality, authentic, and backed by reliable suppliers can foster consumer confidence. Transparency in product information and consistent quality are key factors influencing trust [6]. For instance, Xu Zewei, a local entrepreneur in Guangzhou, successfully promoted his local specialty, oily eggs, through live streaming by demonstrating their unique flavor and cooking methods.

2.3 Consumer

Consumer behavior in E-commerce live streaming is influenced by their trust in the host, product, and platform. Trust can be enhanced through positive experiences, social proof, and personalized interactions. Understanding consumer needs and preferences is crucial for tailoring effective marketing strategies [2]. For example, the "short video live streaming + internet celebrity" model in Guangzhou has successfully leveraged social proof to build consumer trust and enhance engagement.

2.4 Scene & Script

The live streaming environment and the script used during the broadcast play a significant role in shaping consumer trust. A well-designed scene and engaging script can create a sense of realism and authenticity, making consumers feel more connected to the product and the host [1]. For instance, the Guangzhou Department of Agriculture and Rural Affairs has organized multiple training courses for hosts to improve their professional skills and enhance consumer trust.

3. Mechanisms for Building Consumer Trust

3.1 Host Credibility

Host credibility is a critical factor in building consumer trust. Hosts who are knowledgeable, charismatic, and transparent can significantly enhance consumer confidence. Research indicates that hosts with a strong online presence and a reputation for honesty and reliability are more effective in converting viewers into buyers [4]. For example, Li Jiaqi, a well-known E-commerce host in China, has built a strong reputation for his expertise in beauty products, which has significantly enhanced consumer trust in his live streaming sessions.

3.2 Product Quality and Authenticity

Consumers are more likely to trust products that are presented as highquality and authentic. Agricultural products, in particular, benefit from detailed descriptions of their origin, cultivation

methods, and quality certifications. Live streaming allows for realtime demonstrations and interactions that can reassure consumers about the product's authenticity [6]. For instance, Xu Zewei, a local entrepreneur in Guangzhou, successfully promoted his local specialty, oily eggs, through live streaming by demonstrating their unique flavor and cooking methods.

3.3 Platform Trustworthiness

The trustworthiness of the E-commerce platform itself is another critical factor. Platforms that offer secure payment options, positive user reviews, and reliable customer service are more likely to foster consumer trust. Additionally, platforms that provide clear policies and procedures for handling disputes and returns can enhance consumer confidence [3]. For example, Taobao, one of the leading E-commerce platforms in China, has implemented robust security measures and user review systems to build consumer trust.

3.4 Social Proof and Community Engagement

Social proof, such as positive reviews, testimonials, and endorsements from other consumers, can significantly influence consumer trust. Live streaming platforms that facilitate community engagement and provide spaces for users to share their experiences can enhance trust through collective validation [2]. For instance, the "short video live streaming + internet celebrity" model in Guangzhou has successfully leveraged social proof to build consumer trust and enhance engagement.

4. Optimization Strategies for Enhancing Consumer Trust

4.1 Enhancing Training and Development for Host

For solid consumer trust, it is essential to provide comprehensive training and development for hosts. This includes equipping hosts with in-depth product knowledge and effective communication skills, enabling them to accurately convey product benefits and answer consumer questions. Authenticity and transparency should be encouraged, with hosts sharing genuine feedback and experiences with the products, making them more relatable to consumers. Additionally, hosts should be trained in engagement techniques such as interactive Q&A sessions, polls, and real-time demonstrations to maintain viewer engagement and foster a sense of community. Finally, platforms should promote host credibility through endorsements from industry experts or well-known personalities, and by highlighting their expertise and experience in the field.

4.2 Strengthening Product Quality Control

In order to build and maintain consumer trust, live streaming platforms and companies must implement rigorous quality control measures. This involves conducting regular inspections and quality checks to ensure that all products meet high standards and maintain consistency. Additionally, obtaining relevant certifications (e.g., organic, non-GMO) and adhering to industry standards is crucial. These certifications should be prominently displayed during live streams to reassure consumers of product quality. Transparency in sourcing is also vital; platforms and companies should provide detailed information about the product's origin, production methods, and supply chain. This transparency allows consumers to make informed decisions and builds trust. Finally, actively seeking and incorporating customer feedback to improve product quality demonstrates responsiveness to consumer concerns and further enhances trust.

4.3 Improving Platform Features and Security

To enhance consumer trust, platforms must focus on improving user experience and security. Firstly, designing an intuitive and user-friendly interface can facilitate easier navigation, product discovery, and purchase completion for consumers. Secondly, offering secure and reliable payment methods while ensuring the protection of consumer data is essential. Displaying security badges and certifications can further build consumer confidence. Thirdly, providing robust customer support through multiple channels, such as chat, phone, and email, and ensuring quick and effective resolution of issues can significantly enhance consumer trust. Lastly, leveraging data analytics to offer personalized product recommendations and tailored promotions demonstrates that the platform values individual consumer needs and preferences.

4.4 Leveraging Data Analytics for Personalization

Data analytics could also help creating personalized and interactive content. This involves understanding consumer behavior and preferences to tailor live streaming content, including selecting appealing products and designing relevant scripts. Incorporating interactive elements such as live polls, quizzes, and contests can further engage viewers, providing valuable insights into their preferences. Establishing feedback loops to analyze consumer interactions and refine future broadcasts ensures content remains relevant. Additionally, developing compelling storytelling techniques that highlight the product journey from farm to table can create an emotional connection, enhance authenticity, and build trust.

5. Conclusion

This review highlights the importance of consumer trust in the success of agricultural E-commerce live streaming. By understanding the key factors that influence trust and implementing effective strategies to enhance these factors, platforms and producers can create a more trustworthy and engaging shopping experience. Future research should continue to explore innovative approaches to enhance consumer trust and ensure the sustainable development of this emerging industry.

Acknowledgments

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