Analysis of Factors Affecting Impulse Buying on Shopee and TikTok Live Shopping Platforms: A Conceptual Paper

Helda Widyarani Lutviari1, Arry Widodo2, Anita Silvianita3, Nurafni Rubiyanti4
Telkom University

Corresponding Author: Helda Widyarani Lutviari
heldawidyarani@student.telkomuniversity.ac.id

ARTICLE INFO
Keywords: FoMO, Scarcity Message, Shopping Lifestyle, Price Discount, Impulse Buying

ABSTRACT
The presence of live shopping on e-commerce platforms such as Shopee and TikTok has created a new trend called impulse buying, where customers make purchases spontaneously and without prior planning. Based on trend analysis, several factors have been identified as influences on impulse buying in live shopping, namely Fear of Missing Out (FOMO), Scarcity message, Shopping Lifestyle, Price Discount, and Perceived Enjoyment. This study aims to evaluate the impact of these variables on impulse buying behavior on the Shopee Live and TikTok Live live shopping platforms. The research sample will consist of consumers who have made impulse purchases while watching live shopping on both platforms. This research uses a quantitative approach with the Structural Equation Modeling (SEM) method and the Partial Least Square (PLS) approach using SmartPLS 3.0 software. It is hoped that this research can provide new insights in understanding the phenomenon of impulse buying on Shopee Live and TikTok Live live shopping, and provide recommendations for live shopping platforms to improve their marketing strategies to increase impulse buying.
INTRODUCTION

The e-commerce industry in Indonesia has shown extraordinary development in recent years. This surge was driven by various factors, such as increasing internet penetration, increasingly widespread use of smartphones, and a shift in consumer behavior towards online platforms for shopping activities. Data from Databoks Katadata shows that the gross transaction value (GMV) of e-commerce in Indonesia will reach USD 62 billion in 2023. This figure indicates growth of 7% compared to 2022, and is predicted to continue to increase until it reaches USD 160 billion in 2030 (databoks, 2023).

Currently, in Indonesia, the e-commerce industry is stealing attention with the emergence of an interesting new phenomenon, namely live shopping. This marketing approach allows sellers to directly display and sell their products to consumers via live video broadcasts. The popularity of live shopping in Indonesia continues to increase because it provides a more interactive and interesting shopping experience for consumers. Based on research conducted by iPrice, live shopping in Indonesia has great potential. In 2022, the total transaction value (GMV) from live shopping in Indonesia will reach USD 3 billion. This projection shows a rapid increase, estimated to reach USD 13 billion in 2025. This confirms that live shopping has become a very important sales channel for business people in Indonesia (Ipsos, 2022).
Figure 2. The Most Widely Used Live Shopping Platform

Shopee Live dominates as the main live streaming platform in Indonesia today, with millions of active users. Data from iPrice shows that Shopee commands a 62% share of the live shopping market in Indonesia by 2022, followed by TikTok Live with a 32% market share. The popularity of Shopee Live is influenced by several factors, such as strong integration with Shopee's e-commerce platform, effective marketing strategies, and the presence of leading influencers. Although TikTok Live is second in market share, the platform has great potential for future growth. TikTok has a large user base, especially among the younger generation, who are familiar with the short and interactive video format. The platform also continues to innovate by introducing new features to enhance the live shopping experience, including integration with marketplaces and affiliate programs (Tempo, 2024).

The presence of live shopping on Shopee and TikTok has triggered a new phenomenon known as impulse buying, as stated by Li, et al (2023), who stated that the increased use of live shopping will strengthen the impulse buying phenomenon because viewers are tempted to immediately buy products while watching live shopping. This phenomenon is increasingly widespread on live shopping platforms due to their interactive, engaging nature and limited-time special offers. Survey results by Populix also show that 72% of respondents have made impulse purchases on these platforms. Impulse buying refers to the spontaneous purchase of products without careful planning.

The emergence of live shopping on Shopee and TikTok has resulted in a new phenomenon known as impulse buying, as stated by Li, et al (2023), who stated that the increasing use of live shopping will induce the phenomenon of impulse buying because viewers tend to be unable to resist buying products immediately when watching live shopping. This phenomenon is increasingly
common on live shopping platforms due to the liveliness, attractiveness, and attractive offers offered in a limited time. A survey conducted by Populix also shows that 72% of respondents have made impulse purchases on these platforms. Impulse buying refers to the act of buying products spontaneously without careful planning.

Live shopping platforms offer various advantages, such as allowing shoppers to directly view the products on offer, interact with the host, ask questions through the comment section, and make purchases live during the live shopping broadcast (Nada, et al., 2023). Despite these advantages of live shopping platforms, consumers' preferences for the platforms they choose vary. This can be seen in the popularity of Shopee and TikTok as the leading live shopping platforms in Indonesia. Shopee has become a major live shopping platform with millions of active users, while TikTok, although relatively new, is experiencing rapid growth in the live shopping world.

This study uses bibliometric analysis method using VOSviewer software to strengthen the analysis. VOSviewer is a data visualization tool capable of identifying trends in individual research or in a field of study. This approach is useful in providing evidence regarding the impact of individual research or in a field of study, as well as assisting in discovering new areas of research and emerging trends. The variables to be analyzed in this study include Fear of Missing Out (FOMO), Scarcity Message, Shopping Lifestyle, Price Discount, and Perceived Enjoyment.

Based on the background information presented above, the research objectives are as follows:

- To analyze the effect of Fear of Missing Out (FOMO) on Impulse Buying on Shopee Live and TikTok Live platforms.
- To analyze the effect of Scarcity Message on Impulse Buying on Shopee Live and TikTok Live platforms.
- To analyze the effect of Shopping Lifestyle on Impulse Buying on Shopee Live and TikTok Live platforms.
• To analyze the effect of Price Discount on Impulse Buying on Shopee Live and TikTok Live platforms.
• To analyze the effect of Perceived Enjoyment on Impulse Buying on Shopee Live and TikTok Live platforms.
• To analyze the effect of FOMO, Scarcity Message, Shopping Lifestyle, and Price Discount on Impulse Buying through Perceived Enjoyment on Shopee Live and TikTok Live platforms.
• To identify the differences in the effect of FOMO, Scarcity Message, Shopping Lifestyle, Price Discount, Perceived Enjoyment, and Impulse Buying on Shopee Live and TikTok Live platforms.

LITERATURE REVIEW

Fear of Missing Out (FoMO)

FoMO (Fear of Missing Out) stands for the fear of being left behind with everything that is happening around you. This term was first expressed by Dr. Andrew K. Przybylski in 2013. According to Przybylski et al. (2013), FOMO is an anxiety that a person feels when other people have valuable experiences. FOMO is characterized by the desire to always be connected to what others are doing. Individuals who experience FOMO feel there is a mismatch between their choices or expectations and reality, which in turn leads to various negative emotions, such as anxiety, disappointment, discomfort, feelings of lack, and the like (Utami et al., 2023). Kaloeti et al. (2021) identified three dimensions of FOMO: missing out on experiences, compulsion, and comparison with friends.

Scarcity Message

A scarcity message, is a promotional strategy that highlights the limitations of the product being advertised (Aggarwal, 2011). The main goal of this strategy is to create a perception of scarcity in goods or services, thus triggering consumer interest and encouraging them to make an immediate purchase. Consumers generally have a tendency to consider rare goods as more valuable and special compared to other products that are easily available. Therefore, scarcity messages have proven effective in attracting consumer buying interest. According to Cialdini (2009), there are three main indicators in conveying scarcity messages, namely: time limitations, limited quantity and out of product.

Shopping Lifestyle

Shopping lifestyle, as defined by Prastia, F.E in Hamdani et al (2022), is an individual's tendency to allocate part or all of their income to meet their needs for goods. It reflects an individual's consumption patterns and includes their decisions on spending time and money. Furthermore, Hamdani et al (2022) identified three main dimensions of shopping lifestyle, namely: activities, interest and opinion. A deep understanding of these dimensions can help marketers develop more effective marketing strategies to reach target consumers appropriately.

Price Discount

Discounts, according to Kotler and Keller in Sari, et al (2022), are a marketing strategy that offers product prices that are lower than the price stated on the label. The main goal of this strategy is to increase consumer interest and
According to Sutisna in Firmansyah and Nalurita (2022), there are three main dimensions in implementing a discount strategy, namely: amount of price discount, price discount period and type of product discounted.

**Perceived Enjoyment**

Perceived enjoyment is the feeling of satisfaction and comfort that an individual experiences when using a particular system. This makes participation in the use of technology considered a fun activity. When using this system, consumers feel comfortable and like they are using something they like. Based on this concept, perceived enjoyment leads individuals to believe that using this technology is a fun activity. (Monica & Japarianto, 2022). Furthermore, Li. Y in Monica & Japarianto (2022) divides perceived enjoyment into three dimensions, namely: pleasure, enjoyment and fun.

**Impulse Buying**

Impulse buying, according to Daulay et al. (2020), is an unplanned purchasing action carried out by consumers. This happens when consumers buy a product that they don't actually need at that time. Before entering the store, consumers have no plans or even thought about buying the product. However, after entering the store and being influenced by various factors, the consumer decides to make a purchase. Yulinda et al. (2022) quotes Engel in explaining the dimensions of impulsive buying, namely: spontanity, compulsion strength and intensity, excitement and stimulation, and indifference to consequences.

![Conceptual Framework](image-url)
METHODS

This research uses a quantitative approach to analyze the influence of factors that encourage impulse purchases on the Shopee Live and Tiktok Live platforms in Indonesia. The population of this research is all consumers who have made impulse purchases on the platform. Considering that the population is large and difficult to identify as a whole, this research uses a non-probability sampling method to collect samples. The data collection technique used is an online questionnaire distributed via social media platforms and other online platforms. Data collection was carried out cross-sectionally, that is, data was collected at one particular time. The data analysis technique used in this research is Structural Equation Modeling (SEM) using the Smart PLS 3.0 SEM-PLS application. SEM was chosen because it is able to analyze relationships between variables in a complex and simultaneous manner, as well as test research hypotheses involving latent variables.

This study uses a quantitative approach with the aim of examining the effect of Fear of Missing Out (FoMO), Scarcity Message, price discount, and shopping lifestyle on impulse buying with perceived enjoyment as an intervening variable.

Independent Variables:
- Fear of Missing Out (FoMO)
- Scarcity Message
- Price Discount
- Shopping Lifestyle

Dependent Variable:
- Impulse Buying

Intervening Variable:
- Perceived Enjoyment

The measurement scale used in this study is the Likert scale. This scale uses answer choices such as "strongly disagree" to "strongly agree" to measure the respondent's level of agreement with the statements given. The population of this study are consumers who have made purchases at Shopee Live and TikTok Live. The exact population size is unknown because the data is not available. The sample for this study was taken using a non-probability sampling method with purposive sampling type. The sample criteria used are:
- Shopee or TikTok users
- Have ever made a purchase through Shopee Live or TikTok Live

Data collection is cross-sectional, that is, data is collected at one specific time. The sampling technique used a Google Form questionnaire. This questionnaire will be distributed to respondents through social media and other online platforms. The data analysis technique used in this research is Structural Equation Modeling (SEM) using the Smart PL application.
RESULTS

Fear of Missing Out (FoMO) is a psychological phenomenon that can be utilized in a marketing context to encourage impulse purchases. This was revealed by Rataningsih and Halidy (2022) in their research. These experts explained that FoMO can influence consumer decision-making through suppression techniques. The higher the intensity of FoMO that a person feels, the greater their tendency to show excessive consumptive behavior. FoMO is a type of emotion that is often unconscious in everyday life. However, its influence can be observed in various situations. Fitriyani (2024) in her research found that FoMO has a positive and significant influence on impulse buying. This finding suggests that FoMO can be a major driving factor for consumers to make impulse purchases.

Scarcity messages, which emphasize a product's limitations or scarcity, have often been shown to have a positive impact on consumers' evaluations and attitudes towards the product. This was revealed by Wu, Yi, et al. (2021) in their study, which showed that scarcity can trigger a sense of urgency among buyers, encouraging them to make purchases faster, and increasing satisfaction with the purchased product. This finding is reinforced by the research of Mahendra, A.L (2021), which shows that scarcity messages have a direct influence on impulse buying. This suggests that scarcity can be an effective marketing strategy to drive sales and increase consumer satisfaction.

Shopping lifestyle is one of the driving factors for impulse buying. This is supported by Meutia's research (2021) which states that a shopping lifestyle, which is described through a person's activities, interests, and opinions, can trigger a positive mood and lead to impulse buying. Fauziah and Rahmidani's (2021) research reinforces these findings by showing that individuals with a high shopping lifestyle tend to make unplanned purchases or impulse buying. This statement is also in line with the research of Maulana et al (2020) which proves that shopping lifestyle has a significant influence on impulse buying.

Research by Hamdani et al. (2022) and Liantifa and Haryono (2022) show that price discounts are an effective strategy to attract consumers who have a tendency to buy impulsively. This is because price reductions can provide a strong stimulus for consumers to buy products immediately. According to Hamdani et al. (2022), a price discount strategy can increase consumer impulse buying because it triggers higher value perceptions. Consumers tend to perceive discounted products as more valuable and attractive, so they are more easily tempted to buy them. Liantifa and Haryono (2022) added that discounts seem to be the main attraction for consumers to buy products.

The increased enjoyment that viewers feel when watching live streaming has a positive effect on impulse buying behavior. This is because with increased enjoyment, consumers will pay more attention to the products offered. The more often they watch, the more trust in the product will increase, so that impulse buying interest will also increase. Interest in the products on display is the main reason why live streaming users feel at home watching it for a long time. They will tend to buy products that are displayed according to their preferences, even if they are not used later (Juliana, H 2023). This is reinforced by Dwitya and
Hartono's research (2023) which shows that perceived enjoyment has a positive and significant influence on impulse buying behavior.

DISCUSSION
This study aims to analyze the differential influence of FOMO, scarcity messages, price discounts, and live streamers on impulse buying behavior mediated by perceived enjoyment: A Comparative Analysis of Shopee Live and TikTok Live in Indonesia. Based on previous research, it shows that FoMO has a positive and significant influence on impulse buying (Fitriyani 2024), scarcity messages have a direct influence on impulse buying (Mahendra, A.L 2021), that shopping lifestyle has a significant influence on impulse buying (Maulana et al, 2020), price discount strategies can increase consumer impulse buying because they trigger higher value perceptions (Hamdani et al, 2022), and perceived enjoyment has a positive and significant influence on impulse buying behavior (Dwitya and Hartono, 2023). This study uses two live streaming platforms, namely Shopee Live and TikTok Live, as research objects to analyze the comparison of each variable studied. The main purpose of this study is to determine the differences in the results of each variable on the two platforms. Thus, it is hoped that a deeper understanding of the effectiveness of these variables in encouraging impulse purchases on the Shopee Live and TikTok Live platforms can be obtained.

CONCLUSIONS AND RECOMMENDATIONS
This research has analyzed the influence of factors that encourage impulse purchases on the Shopee Live and TikTok Live platforms in Indonesia. The phenomenon of impulse buying on live streaming platforms is increasingly common and has the potential to have both positive and negative impacts on various parties. Impulse purchases can provide benefits for consumers, such as ease and speed in shopping, discovery of interesting new products, and shopping satisfaction. However, impulse purchases also have the potential to cause negative impacts for consumers, such as excessive spending, regret after purchase, and accumulation of unused items. For live streaming platforms, impulse purchases can increase transaction volume and revenue. However, live streaming platforms also need to pay attention to business ethics and protect consumers from irresponsible impulse buying practices. For business people, impulse purchases can be an opportunity to increase sales and reach new consumers. However, business people also need to ensure the quality of their products and services, as well as provide clear and accurate information to consumers. By understanding the factors that drive impulse purchases, Shopee and TikTok can develop appropriate strategies to increase impulse purchases on their platforms in a responsible and sustainable manner. The strategy must focus on providing maximum benefits for consumers, live streaming platforms and businesses. It is hoped that this research can contribute to understanding the phenomenon of impulse buying on live streaming platforms in Indonesia, as well as providing input for the development of more responsible and sustainable live streaming platforms.
FURTHER STUDY

This study has several limitations that need to be acknowledged. First, this research only focuses on two live streaming platforms, namely Shopee Live and Tiktok Live. Future research can expand the research object by adding other live streaming platforms, such as Lazada Live, Blibli Live, and Tokopedia Play. This makes it possible to generalize the research findings and gain a more comprehensive picture of the factors that drive impulse purchases on live streaming platforms in Indonesia. Second, this study only tested a few variables hypothesized to drive impulse buying. Future research can examine other variables that may have an influence on impulse buying, such as product characteristics, influencer marketing strategies, and the effectiveness of promotional strategies used by live streaming platforms. It is hoped that further research by expanding the research objects and variables can provide a deeper understanding of the phenomenon of impulse buying on live streaming platforms in Indonesia. In addition, future research could also consider using qualitative research methods to gain a deeper understanding of consumers' experiences and motivations in making impulse purchases on live streaming platforms.

ACKNOWLEDGMENT

The researcher would like to express his deepest gratitude to all parties who have helped in completing this research. Researchers realize that this research still has many shortcomings. Therefore, researchers expect constructive criticism and suggestions to improve further research.

REFERENCES


