Can Live Stream Reduce Fashion Consumers' Uncertainty? Understanding Brick-and-Mortar and Live Stream Shopping Experience

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Introduction

Live stream fashion shopping has recently been receiving more attention in the US as it provides a more authentic shopping experience and alleviates consumer uncertainty caused by limited access to physical stores during the pandemic (e.g., Amazon Live, Walmart collaboration with TikTok) (Bursztynsky, 2020). Extant live stream shopping studies have focused on consumer engagement and enjoyment driven by the technological features (Bründl *et al.*, 2017; Sun *et al.*, 2019). However, there is a lack of understanding of how the live stream fashion shopping experience is associated with the brick-and-mortar store experience and the mechanism that mitigates consumers' uncertainty toward products. Thus, this study investigates the association between the physical store and the live stream fashion shopping experience and identifies live streaming's role in promoting consumers' purchase intention by reducing their uncertainty toward fashion products.

Literature Review and Hypotheses

Product uncertainty occurs in the context of online shopping when the physical separation between consumers and products hinders consumers from evaluating products (Koppius *et al.*, 2004). Although live stream shopping is equipped with authentic technical features, product uncertainty remains as the product information is delivered remotely. The Uncertainty Reduction Theory (URT) introduced three communication strategies (i.e., passive, active, and interactive) that reduce uncertainty (Berger & Calabrese, 1974). According to the URT's application in the online shopping context (Tang & Lin, 2019), each strategy is defined in this study as follows: product evaluation based on the seller's product demonstration (i.e., passive strategy), product information acquisition through direct communication with the seller (i.e., interactive strategy), product information acquisition from third parties (i.e., active strategy). The experiential benefits of brick-and-mortar shopping in acquiring product information are touch and feel, salesperson assistance, and shopping mate's reviews (Arora & Sahney, 2018). Likewise, live stream shopping provides a near-real physical shopping experience by allowing fashion consumers to evaluate products through the seller's product demonstration, direct communication with the seller, other viewers' reviews based on its synchronous two-way communication, and high visibility features (Sun *et al.*, 2019). By adopting the three communication strategies, the study explains the relationship between the product evaluation at brick-and-mortar stores and during live stream shopping (H1-H3) and identifies the live stream fashion consumers' purchase intention mediated through product uncertainty reduction (H4-H6). Moreover, in live stream settings, as consumers are readily exposed to others' purchase actions with limited access to product information, they tend to rely on what they observe when making a purchase decision (Chen *et al.*,2011). Thus, the H7 is additionally proposed.

H1. [Passive strategy] Consumers who value the product information acquisition through touch and feel at brick-and-mortar stores [NT] will perceive the seller's product demonstration in live stream shopping [PD] as beneficial.

H2. [Interactive strategy] Consumers who value the product information acquisition through salespeople's assistance at brick-and-mortar stores [SA]will perceive the interaction with the seller in live stream shopping [IS] as beneficial.

H3. [Active strategy] Consumers who value the product information acquisition through friends' reviews at brick-and-mortar stores [FR] will perceive other viewers' reviews in live stream shopping [OR] as beneficial.

H4-H6. Product information acquisition through seller's product demonstration [PD] (H4: passive), interaction with the seller [IS](H5: interactive), and other viewers' reviews [OR](H6: active) in live stream shopping will positively influence fashion consumers' purchase intention [PI], mediated through product uncertainty reduction [PU].

H7. Observing others' [OL] purchasing actions during live streaming will positively influence fashion consumers' purchase intention [PI].

Methods

This study targeted those who had experienced live stream shopping for fashion products. A total of 319 usable responses were collected through Amazon MTurk. The sample was predominately Caucasians (69%), followed by African Americans (11%), Asians (10%), and Hispanic/Latinos (3%). The survey instruments were adapted from the previous studies and measured on a 5-point Likert scale (Citrin *et al.*, 2003, Dimoka *et al.,* 2012; Tang & Lin, 2019). The study employed structural equation modeling (SEM) analysis using AMOS.

Results

A confirmatory factor analysis (CFA) indicated that the measurement model fits the data well: χ^2= 457.29, $p < 0.01$, CFI = .97, TLI =. 96, RMSEA = .04, SRMR = .05. The path results also demonstrated a good model fit: χ^2 = 704.711, $p < .001$, CFI = 0.92, RMSEA = .06. The findings confirmed that consumers who value the physical store shopping experience perceived a greater benefit of obtaining product information via corresponding live stream features (H2: β = 0.256, $p < .001$, H3: β = 0.136, $p < .05$). This implies that live streaming can provide a similar fashion shopping experience to those who value brick-and-mortar store fashion shopping. However, there was no significant association between consumers' need for touch [NT] and product demonstration [PD] in live streaming (H1: β = -0.108, t = -1.958), which confirmed the irreplaceable element of brick-and-mortar shopping. With respect to product uncertainty, the results indicated that obtaining product knowledge from the seller's product demonstration [PD] (passive strategy) during live streaming positively influenced consumers' purchase intention mediated through the product uncertainty reduction (β = 0.098, $p < .001$). However, the interaction with the seller [IS] (interactive) or other viewers' reviews [OR] (active) did not significantly reduce product uncertainty. This implies that product uncertainty is more likely derived from utilitarian shopping value. Although live stream shopping features live interactions, consumers are still separated from the product physically. Therefore, consumers are inclined to obtain details about a product before purchasing it. Interaction with the seller and other viewers'

feedback were associated with hedonic shopping values that are not necessarily related to product uncertainty. Moreover, observing other consumers' purchase actions [OL] positively influenced purchase intention [PI] (β = 0.424, p < .001). Because of limited access to the product, live stream shoppers desire to observe other consumers' actual purchase behaviors as well as the detailed product information.

Discussion and Conclusion

This study provides scholarly and managerial implications. First, the findings extend URT to understand consumer information processing in the live stream shopping context. Second, this study exemplifies the promising future of live stream shopping by investigating its features that can potentially substitute for the brick-and-mortar shopping experience. Further, this study focused on live stream fashion consumers' difficulties and limitations from a utilitarian perspective, which offers practical insight to live stream retailers in supporting consumers by reducing product uncertainty.

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