HOW DO DIGITAL INFLUENCERS AND SOCIAL PRESENCE IMPACT CUSTOMER'S PURCHASE INTENTION IN LIVE STREAMING COMMERCE, CONSIDERING THE MEDIATING ROLE OF CUSTOMER TRUST?

Wanda Novita[1], Fransisca Laij[2]
Management Department, Faculty of Economy and Business,
Universitas Jakarta Internasional[1,2]
wanda.novita@uniji.ac.id[1], fransisca.laij@jic.ac.id[2]

ABSTRACT

This research aims to investigate how digital influencers and social presence impact consumer interest in live streaming commerce in Indonesia, with customer trust playing a mediating role. The study utilizes a quantitative approach, collecting data through online questionnaires distributed via Google Form. The population consists of consumers who have engaged in online purchases through live streaming commerce. Purposive sampling yielded 258 respondents. Data analysis employed the partial least squares structural equation model (PLS-SEM) using SmartPls3.0. Findings indicate that digital influencers influence customer trust, social presence affects both customer trust and purchase intention, and customer trust mediates the relationship between social presence and purchase intention.

Keywords: *digital influencers, social presence, purchase intention, live streaming commerce, customer trust.*

I. INTRODUCTION

Online shopping through live streaming commerce is currently a global trend. Ipsos SEA's 2022 survey revealed that a majority of Southeast Asian consumers use live streaming features on platforms like TikTok Live, Facebook Live, Instagram Live, and YouTube Live, as well as on e-commerce platforms such as Shopee, Tokopedia, and Lazada. In Indonesia, a significant percentage of consumers are familiar with and have engaged in purchasing through live streaming, making it a notable trend (Saputra & Fadhilah, 2022).

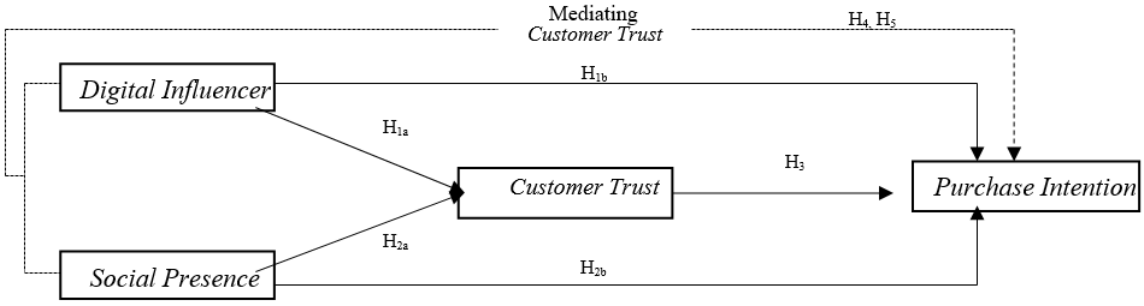
Live streaming commerce leverages real-time video interactions to facilitate shopping, allowing consumers to engage directly with sellers or streamers. This mode of commerce combines video content with instant consumer engagement, unlike traditional social commerce (Li et al., 2018). Digital influencers play a crucial role in this ecosystem by enhancing product visibility and influencing consumer buying decisions (Marketinghub, 2021). Studies highlight the trust-building role of influencers and the psychological closeness fostered through real-time interactions, which significantly influence consumer behavior (Zafar, Qiu, & Shahzad, 2020; Ming et al., 2021).

Another crucial factor that influences consumer purchasing behavior in live streaming commerce is customer trust (Ming et al., 2021). Customer trust can mediate the impact of digital influencers and social presence on consumer buying interest during live streaming commerce. The credibility of digital influencers and their ability to promote products can instill trust in consumers, thereby stimulating purchase intent in live streaming commerce (Ming et al., 2021). Furthermore, the perceived social presence among viewers can also affect consumer trust, leading to eventual purchase intentions during live broadcasts (Rungruangjit, 2022).

However, research on the influence of social presence on shopping behavior through live streaming features is still limited. Hence, there is interest in further exploring whether social presence influences consumer purchase decisions in live streaming commerce. Another factor under examination is the role of digital influencers. This study will test customer trust as a mediating factor to determine its impact on consumer buying interest in live streaming commerce. Additionally, this research aims to expand understanding and knowledge for readers and future researchers regarding factors that influence consumer buying interest in live streaming commerce.

The framework used in this research is outlined as follows:

Picture 1 : Research Framework



Source: Author's data analysis.

II. RESEARCH METHODOLOGY

This research falls under explanatory research type. According to Sugiyono (2014), explanatory research is a research method that explains the relationships and influences between variables. In this study, we will examine how the independent variables (digital influencer & social presence) influence the dependent variable (purchase intention). Data collection in this research employs a quantitative approach by analyzing responses from respondents who have made purchases through Live Streaming Commerce to determine the factors influencing consumer purchase intention. The population in this study consists of consumers who have previously shopped online in Tangerang.

The sample employed purposive sampling technique. The first criterion was consumers in Tangerang aged 18 years and above, deemed capable of filling out online questionnaires. The second criterion was consumers in Tangerang who had previously purchased products online through live streaming commerce channels. A total of 258 respondent answers met these criteria and were eligible for further analysis.

Scale and Measurement:
The measurement scale utilized in this study is a 5-point Likert scale (1=Strongly Disagree to 5=Strongly Agree). The questionnaire items were written in formal Indonesian language, ensuring clarity and ease of understanding for respondents. The questionnaire was created using Google Forms and distributed via social media and among acquaintances.

Digital Influencer variables were measured using 7 indicators adopted from studies by Lu, He, & Ke (2023) and Wang & Huang (2023). Social Presence variables were measured using 6 indicators adopted from research by Ming et al. (2021). Customer Trust variables were measured using 6

indicators also adopted from Ming et al. (2021). Purchase Intention variables were measured using 6 indicators adopted from Lu, He, & Ke (2023) and Rungruangjit (2022).

Data Analysis Method:

The data analysis method employed in this study is Partial Least Squares Structural Equation Modeling (PLS-SEM), which is used to estimate complex cause-and-effect relationships among latent variables (Cepeda-Carrión et al., 2022). The analytical tool used for this purpose is SmartPLS 3.0

III. RESULT AND DISCUSSION

Demographic Characteristics

According to Table 1, the majority of participants in this study are female, comprising 132 individuals, while there are 126 male participants. The age distribution shows that most participants are between 20-29 years old, totaling 94 individuals, followed by 10-19 years old with 85 individuals. In terms of income, most participants earn less than Rp 5,000,000,- with 78 individuals, and 69 individuals earn between 5 million to 9 million rupiah. Regarding marital status, the study primarily includes unmarried participants, totaling 134 individuals. Therefore, it can be concluded that the participants in this study are predominantly young adults aged 10 to 29 years, unmarried, with incomes ranging from below 5 million rupiah to 9 million rupiah. Young adults show a preference for shopping through live streaming commerce features.

Table 1
Demographic Characteristics

	N	%		N	%
Sex			**Employment**		
Male	126	48,80	Not Employed	96	37,21
Female	132	51,20	Employed	125	48,45
Total	**258**	**100**	Own Business	37	14,34
			Total	**258**	**100**
Age					
10 – 19 Years Old	85	32,95			
20 – 29 Years Old	94	36,43			
30 – 39 Years Old	66	25,58			
40 – 49 Years Old	13	5.04	**Monthly Income**		
Above 50 Years Old	0	0	No Income	96	37,21
Total	258	100	Less Then Rp 5.000.000	78	30,23
Marital Status			Rp 5.000.000 - Rp 9.000.000	69	26,74
Married	124	48,06	Rp 20.000.000 – Rp 29.000.000	10	3,88
Single	134	51,94	More Than Rp 30.000.000	5	1,94
Total	**258**	**100**	**Total**	**258**	**100**

Source: Author's data analysis.

Table 2 reveals that all constructs in this study have achieved Composite Reliability (CR) values above 0.70, indicating they meet reliability standards. This is consistent with Hair et al. (2014), who suggest that a CR value above 0.70 signifies sufficient reliability for a construct. Moreover, all indicators in the study also meet reliability criteria, with Cronbach's Alpha values exceeding 0.60. Average Variance Extraction (AVE) values exceeding 0.50 demonstrate adequate convergent validity for the constructs (Fornell & Larcker, 1981). The AVE values in Table 2 are 0.671, 0.755, 0.550, and 0.696, confirming that the study meets the criteria for convergent validity.

Table 2
Validity and Reability

Variables	No. Items	Mean	SD	CA	DG *rho*	CR	AVE	VIF
DI	7	3,786	0,609	0,753	0,795	0,858	0,671	1,64
SP	6	3,945	0,697	0,837	0,838	0,902	0,755	2,17
CT	6	3,491	0,694	0,813	0,851	0,859	0,550	1,98
PI	6	2,997	0,893	0,849	0,898	0,900	0,696	1,55

Note: DI: Digital Influencer, SP: Social Presence, CT: Customer Trust, PI: Purchase Intention, ; SD: Standard Deviation; CA: Cronbach's Alpha; DG rho: Dillon-Goldstein's rho; CR: Composite Reliability; AVE: Average Variance Extracted; VIF: Variance Inflation Factors Source: Author's data analysis.

Discriminant validity in this study, as indicated in Table 3, meets the established criteria. This is because the item loadings for each construct are higher than their respective cross-loadings. According to Hair et al. (2014), discriminant validity in research is assessed through Cross Loading, Heterotrait-Monotrait Ratio (HTMT), and Fornell-Larcker criteria. Based on these criteria in our study, the values satisfy the requirements. Thus, it can be concluded that this study has successfully demonstrated discriminant validity.

Table 3
Dicriminant Validity

	DI	SP	CT	PI
Fornell Lacker Crietion				
Digital Influencer	0,806			
Social Presence	0,710	0,791		
Customer Trust	0,641	0,530	0,837	
Purchase Intention	0,434	0,390	0,507	0,782
Heterotrait-Monotrai Ratio (HTMT)				
Digital Influencer	-			
Social Presence	0,806	-		
Customer Trust	0,719	0,580	-	
Purchase Intention	0,477	0,418	0,549	-

Source : Author's data analysis.

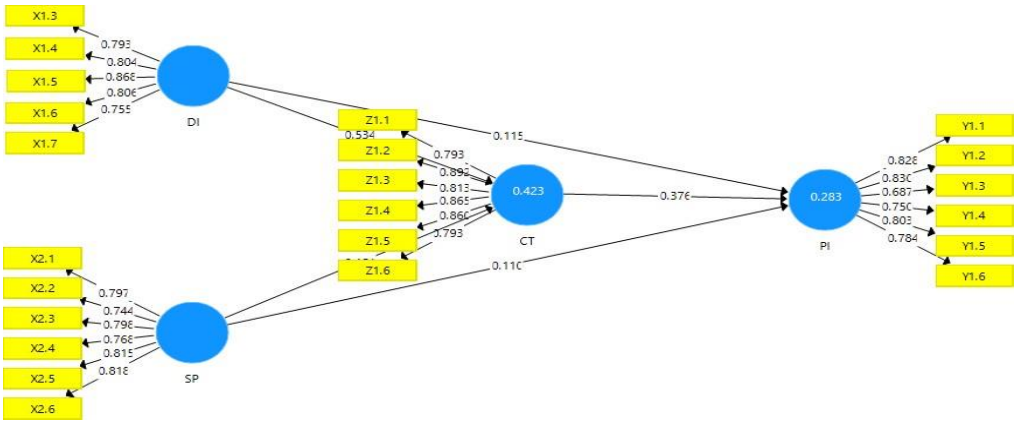
Structural Analysis

Hypothesis	Hubungan	Beta	t	p	r^2	f^2	Q^2	Decision
H1a	DI → CT	0,527	8,664	0,000	0,409	0,233	0,285	Accepted
H1b	DI → PI	0,015	0,203	0,839	0,259	0,000	0,176	Rejected
H2a	SP → CT	0,147	2,235	0,026		0,018		Accepted
H2b	SP → PI	0,208	2,437	0,015		0,028		Accepted
H3	CT → PI	0,356	4,156	0,000		0,101		Accepted

Note: DI: Digital Influencer, SP: Social Presence, CT: Customer Trust, PI: Purchase Intention.Source: Author's data analysis.

Source : Author's data analysis.

Picture 2 : Research Framework



Source : Author's data analysis.

In this study, Figure 2 illustrates the path analysis conducted using SmartPLS 3.0. Meanwhile, Table 4 presents the results of the structural model, depicting causal relationships within the research framework. The first hypothesis (point a) in this study is supported, indicating that digital influencers significantly enhance customer trust in live streaming commerce. This implies that a digital influencer's credibility plays a crucial role in boosting consumer trust during live broadcasts, consistent with findings from Zafar, Qiu, & Shahzad (2020).

However, the second hypothesis (point b) is rejected, suggesting that digital influencers do not necessarily influence purchase intentions. This contrasts with previous studies by Wang & Huang (2023) and Rungruangjit (2022), indicating that factors beyond digital influencer skills may drive purchase decisions in live streaming commerce.

Furthermore, the study confirms that both aspects of the third hypothesis are supported: social presence positively and significantly affects both customer trust and purchase intentions. This underscores the importance of fostering warm social interactions among broadcasters and viewers, facilitated by features like chat boxes during live streams, in enhancing consumer trust and purchase motivation. These findings resonate with research by Ye et al. (2020) and Ming et al. (2021), which highlight the impact of social presence on consumer trust and purchase intentions.

Moreover, the study confirms the third hypothesis that customer trust positively influences purchase intentions. This indicates that higher levels of consumer trust during live streaming commerce correlate with increased intent to make purchases, aligning with insights from Ming et al. (2021) and Ye et al. (2020) demonstrating the positive influence of consumer trust on purchase intentions.

	Beta	**T**	**p**	**Decision**
DI → CT → PI	0,188	3,734	0,000	Accepted
SP → CT → PI	0,052	1,823	0,069	Rejected

source :

According to Table 5 in this study, it is evident that Customer Trust acts as a mediator between Digital Influencer and Purchase Intention (with a p-value of 0.000, less than 0.05). However, Customer Trust does not mediate the relationship between Social Presence and Purchase Intention in Live Streaming Commerce (with a p-value of 0.069, greater than 0.05). The research indicates

that Customer Trust mediates the influence of digital influencers on purchase intention. This implies that consumers are more likely to make purchases during live streaming when the digital influencer, serving as the broadcaster, can instill trust in them. This finding aligns with Rungruangjit's (2022) study, which also highlights the mediating role of Customer Trust between digital influencers and purchase intention.

IV. CONCLUSION

The objective of this study is to examine and analyze how digital influencers and social presence influence purchase intention through the mediating role of customer trust in live streaming commerce. Based on the findings above, it can be concluded that digital influencers play a crucial role in consumer purchasing interest in live streaming commerce. Therefore, a recommendation for businesses in Indonesia that utilize live broadcasts is to carefully select digital influencers who possess credibility and influence to persuade audiences to make purchases during live streams. Additionally, for future researchers, it is suggested to include other variables not covered in this study, such as attractive discounts and product quality.

This study also identifies that customer trust mediates the relationship between digital influencers and purchase intention. This indicates that the influence of digital influencers on consumer trust ultimately impacts consumer purchase intentions. The better a digital influencer is at promoting a brand and product, the higher the level of consumer trust they can build, which in turn affects purchase interest. Therefore, it is crucial to choose digital influencers who demonstrate both capability and credibility.

V. REFERENCE

Cepeda-Carrión, G., Hair, J. F., Ringle, C. M., Roldán, J. L., & García-Fernández, J. (2022). Guest editorial: Sports management research using partial least squares structural equation modeling (PLS-SEM). International Journal of Sports Marketing and Sponsorship, 23(2), 229–240.

Gao, X., Xu, X. Y., Tayyab, S. M. U., & Li, Q. (2021). How the live streaming commerce viewers process the persuasive message: An ELM perspective and the moderating effect of mindfulness. Electronic Commerce Research and Applications, 49(1), 101087.

Hair Jr, J. F., Sarstedt, M., Hopkins, L., & G. Kuppelwieser, V. (2014). Partial least squares structural equation modeling (PLS-SEM) An emerging tool in business research. European Business Review, 26(2), 106–121.

Hou, F., Guan, Z., Li, B., & Chong, A. Y. L. (2020). Factors influencing people's continuous watching intention and consumption intention in live streaming: Evidence from China. Internet Research, 30(1), 141–163.

https://www.ipsos.com/en-id/livestream-selling-indonesia-market-growing.

https://influencermarketinghub.com/influencer-marketing-benchmark-report-2021/.

Jattamart, A., Nusawat, P., & Kwangsawad, A. (2023). How can hesitation in hotel live streaming payment be overcome?: Examine the role of entrepreneurial performance and viewers' personality traits. Journal of Open Innovation: Technology, Market, and Complexit, 9(2), 100052.

Li, D., Zhang, G., Xu, Z., Lan, Y., Shi, Y., Liang, Z., & Chen, H. (2018). Modelling the Roles of Cewebrity Trust and Platform Trust in Consumers' Propensity of Live-Streaming: An Extended TAM Method. Computers, Materials & Continua, 55(1), 22–30.

Lu, B., Wu, D., & Zhao, R. (2022). An investigation into factors affecting individuals' gifting intention in live streaming: a streamer–content perspective. Journal of Electronic Business & Digital Economics, 1(2), 90–110.

Lu, Y., He, Y., & Ke, Y. (2023). The influence of e-commerce live streaming affordance on consumer's gift-giving and purchase intention. Data Science and Management. Data Science and Management, 6(1), 13–20.

Ming, J., Jianqiu, Z., Bilal, M., Akram, U., & Fan, M. (2021). How social presence influences impulse buying behavior in live streaming commerce? The role of SOR theory. International Journal of Web Information Systems, 17(4), 300–320.

Rungruangjit, W. (2022). What drives Taobao live streaming commerce? The role of parasocial relationships, congruence and source credibility in Chinese consumers' purchase intentions. Heliyon, 8(6), 15–20.

Saputra, G. G., & Fadhilah, F. (2022). The Influence of Live Streaming Shopping on Purchase Decisions through Customer Engagement on Instagram Social Media. Budapest International Research and Critics Institute-Journal (BIRCI-Journal), 5(2), 12126 12137.

Sugiyono, E. I. (2014). Pengembangan bahan ajar menyimak berbasis multimedia interaktif dalam model belajar mandiri untuk sekolah menengah pertama. Seloka: Jurnal Pendidikan Bahasa Dan Sastra Indonesia, 3(2), 155.

Wang, P., & Huang, Q. (2023). Digital influencers, social power and consumer engagement in social commerce. Internet Research, 33(1), 178–207.

Ye, S., Lei, S. I., Shen, H., & Xiao, H. (2020). Social presence, telepresence and customers' intention to purchase online peer-to-peer accommodation: A mediating model. Journal of Hospitality and Tourism Management, 42(1), 119–129.

Zafar, A. U., Qiu, J., & Shahzad, M. (2020). Do digital celebrities' relationships and social climate matter? Impulse buying in f-commerce. Internet Research. Internet Research, 30(6), 1731–17