

MARKETING STRATEGY: FLASH SALE AND LIVE STREAMING ON IMPULSE PURCHASE DECISIONS ON E-COMMERCE PLATFORMS

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ABSTRACT

The phenomenon of using flash sales and live streaming has increasingly dominated marketing strategies in the digital world, especially during the pandemic which has forced many activities to switch to online platforms. This study aims to explore more deeply the influence of these two factors on impulsive purchasing decisions on e-commerce platforms. The study population consisted of Shopee platform users in Makassar City, with a sample of 100 respondents selected using the non-probability sampling method. The results showed that partially and simultaneously, Flash Sale and Live Streaming have a significant effect on impulse buying decisions on e-commerce platforms.

Keywords: *Flash sale, Live streaming, Impulse Buying Decisions*

Introduction

The rapid development of digital technology has had a major impact on changes in consumer behavior, especially in the realm of e-commerce. One trend that stands out is the increasing use of flash sales and live streaming as effective marketing techniques to attract shoppers' attention (Adibah & Sufiati, 2024). Flash sales, which offer deep discounts within a limited period, as well as live streaming, which allows direct interaction with the audience, are now popular strategies on various online shopping platforms (Z. Zhang et al., 2022). These two methods not only change the way consumers shop, but also encourage faster and more personalized purchasing decisions.

Flash sales have proven to be an efficient marketing strategy in increasing sales in a short period of time. The offer of deep discounts available for a limited time creates a sense of urgency, prompting consumers to make immediate purchases (Dilme & Li, 2019). This phenomenon is not only applicable in the domestic market, but also extends to the global market, where various e-commerce platforms hold flash sales to attract consumers looking for the best deals. Although flash sales attract many consumers, their influence on purchasing decisions still needs to be studied further, as other factors such as perceived value and product quality also influence the decision (Shi & Chen, 2015).

Meanwhile, live streaming, which is often used for live product promotion on social media or e-commerce platforms, has become one of the fastest growing marketing trends (Wongkitrungrueng & Assarut, 2020). In live streaming, sellers or influencers can show products live, provide explanations, and answer consumer questions interactively. This approach allows consumers to feel more connected to the product and the seller, providing a higher sense of trust in making a purchase decision (Buckley et al., 2024). Some studies reveal that live interaction in live streaming can strengthen the emotional connection between consumers and brands, ultimately influencing purchase decisions.

However, despite the popularity of these two strategies, the influence of flash sales and live streaming on product purchase decisions has been minimally discussed in the research

literature. Most previous studies have emphasized on specific aspects, such as the impact of price on purchase decisions or the influence of influencers in live streaming. In fact, these two factors can interact with each other and influence purchasing decisions simultaneously. Therefore, more in-depth research is needed to understand how flash sales and live streaming play a role in influencing consumer purchasing decisions directly.

Literature Review

Flash Sale

Flash sale is a sales promotion strategy that aims to attract consumer attention and encourage purchases in a short time. (Lamis et al., 2022) explain that flash sales are a form of sales that offer products at prices below normal prices, with limited quantities and time. (Agrawal & Sareen, 2016) call flash sales a “daily deal,” which is part of a sales promotion that provides special offers or discounts for certain products for a limited time. (M. Zhang et al., 2018) define flash sale as an innovative business model that offers products at discounted prices for a short period of time. This strategy is usually implemented by e-commerce platforms to promote various products from various brands, with the aim of increasing brand awareness while driving sales. Flash sale indicators (Martínez-de-Albéniz et al., 2020) are as follows: 1) Frequency, 2) Quality, 3) Quantity, 4) Time, and 5) Target Accuracy.

live streaming

Live streaming is a platform that allows live broadcasts in the form of images and sound in real-time, using certain communication technologies so that viewers can experience the experience as if they were present in person (Lin & Chen, 2019). live streaming as a form of e-commerce transaction that takes place through a real-time streaming platform, creating a virtual space with a high level of interaction between streamers and consumers (Xu et al., 2020). Meanwhile, (Lu et al., 2023) live streaming is an internet-based multimedia feature that allows live online interaction between streamers and users through text, sound, and video. Live streaming indicators (Song & Liu, 2021) are as follows: (1) Credibility; (2) Interactivity; (3) Information Quality.

Impulse Buying Decision

Purchasing decisions are part of consumer behavior, which includes how individuals or groups determine, buy, use, and evaluate products, ideas, or experiences to meet their needs. (Kotler et al., 2018) explain that purchasing decisions involve consumers directly in the process of purchasing and using the desired goods. Meanwhile, (Darwipat & Syam, 2020) defines impulse buying decisions as consumer actions taken spontaneously or without planning, where decisions are made quickly without considering the possible consequences. Indicators for measuring impulse buying decisions (Sanapang et al., 2024), are as follows: 1) Emotional Impulse, 2) Lack of Planning, 3) Spontaneous Response, and 4) Environmental Influence.

Methodology

This research uses a quantitative approach with a population consisting of Shopee platform users in Makassar City. The sample is taken as a representation of the population to be studied, with a probability sampling method that does not provide equal opportunities for all members of the population to be selected as samples. The sampling technique was carried

out through purposive sampling, where the sample was selected based on certain criteria, is a Shopee consumer who lives in Makassar City, and has shopped on the Shopee platform in the past year, so that 100 respondents were obtained. Data analysis was carried out using multiple linear regression techniques to identify the relationship between two or more independent variables on the dependent variable.

Results and Discussion

The validity test conducted on respondents in Makassar city where each question used to measure independent variables such as flash sales and live streaming and the dependent variable in the form of impulse buying decisions, has an r value that exceeds r table (0.196), so it can be declared valid. Meanwhile, the reliability test conducted obtained the Cronbach Alpha value, namely flash sale (0.824), live streaming (0.793), and impulse buying decisions (0.869). With these results, it can be concluded that the research tools used are not only valid.

The multicollinearity test results show that the tolerance values for the flash sale (0.637) and live streaming (0.652) variables are all greater than 0.10, indicating no multicollinearity problem. In addition, the VIF value for the flash sale variable is 7.324 and for live streaming is 6.915 where the values are all below 10.0. Therefore, both the tolerance and VIF indicators consistently indicate that the regression model used is free from multicollinearity problems.

Table 1. Partial Analysis

| Model | Unstandardized Coefficients | | Standardized Coefficients | T | Sig. |
|----------------|-----------------------------|------------|---------------------------|-------|------|
| | B | Std. Error | Beta | | |
| 1 (Constant) | 23.873 | 3,149 | | 7,129 | ,000 |
| flash sale | ,496 | ,235 | ,683 | 5,925 | ,000 |
| live streaming | ,652 | ,227 | ,694 | 6,381 | ,000 |

Source: analysis of data, 2024

The results of the analysis displayed in table 1 above show the partial influence of variables such as the flash sale variable on impulse buying decisions because it has a sig value of 0.00 smaller than 0.05. This means that flash sales have a significant impact on impulse buying decisions. Likewise, the live streaming variable has an effect on impulse buying decisions, because it has a sig value of 0.009 smaller than 0.05. This means that live streaming has a significant impact on influencing impulse buying decisions.

Table 2. Simultaneous Analysis

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|------|----------|-------------------|----------------------------|
| 1 | ,623 | ,649 | ,658 | 2,578 |

Source: analysis of data, 2024

Simultaneously, flash sale and live streaming variables affect impulse buying decisions. This result is based on the results of the analysis obtained where the sig value obtained is 0.00 smaller than 0.05. This means that flash sales and live streaming have a significant impact in influencing impulse buying decisions.

Table 3. Coefficient of Determination

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|------|----------|-------------------|----------------------------|
| 1 | .623 | .649 | .658 | 2,578 |

Source: analysis of data, 2024

The analysis results displayed in table 3 above show that the R Square value obtained is 0.649 or 64.9%. This means that the flash sale and live streaming variables have a contribution of 64.9% to the regression model in explaining variations in the impulse purchase decision variable. While the remaining 35.1% is influenced by other factors not included in this study.

Discussion

Flash sales have a significant influence on impulse purchase decisions because they offer products at heavily discounted prices in a very limited time. This strategy creates a sense of urgency and fear of missing out among consumers, which encourages them to make quick purchase decisions without much consideration. Exclusive offers during flash sales often attract consumers with the notion that they are getting the best deal, even though they may not actually need the product (Sharma et al., 2024). As such, flash sales capitalize on the psychological aspects of consumers to encourage impulse purchases in a short period of time.

Live streaming influences impulse purchase decisions by creating direct interaction between sellers and consumers in real time. Through live streaming, sellers can provide product demonstrations, answer questions, and offer special discounts or limited promotions that are only valid during the broadcast (Cheng et al., 2023). This tactic capitalizes on emotional elements and urgency, which encourages consumers to buy immediately without thinking. In addition, the competitive atmosphere among viewers vying for a particular product reinforces the impulse to make a purchase. As a result, live streaming is an effective marketing strategy in triggering spontaneous purchase decisions.

Conclusion

The results show that Flash Sale and Live Streaming have a significant effect on impulse purchase decisions on e-commerce platforms. Flash sales, with their limited-time discount offers, successfully create a sense of urgency that encourages consumers to make spontaneous purchase decisions. On the other hand, live streaming provides an interactive experience that increases consumer engagement, which in turn reinforces impulse purchase decisions through exclusive offers and limited promotions. These two factors indicate that psychological elements, such as the fear of loss and the need to act quickly, play a large role in driving impulse purchases on e-commerce platforms.

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