

THE HONG KONG POLYTECHNIC UNIVERSITY DEPARTMENT OF MANAGEMENT AND MARKETING

Departmental Research Seminar



Product Search, Sourcing and Curation in Live-Commerce: Evidence from a Quasi-Experiment By

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Venue : P307

Abstract

Live-commerce, an interactive online shopping model that combines real-time video streaming with direct purchasing, has emerged as a major shopping channel. Unlike the traditional e-commerce context, where consumers search for products themselves, live-commerce involves influencers searching, sourcing, and curating high-quality and appealing products. This minimizes the consumer's role in the search process, thereby transforming their shopping experience. Therefore, it is important to understand the role of product sourcing and curation, and its impact on live-commerce's success. Leveraging the policy shock of banning external product sourcing channels on TikTok China in 2020, we study how reducing the market thickness of product sourcing pool impacts influencers, consumers, and the platform. Surprisingly, we find that reducing product sourcing channels significantly improves live-commerce performance, especially benefiting mid- and low-tier influencers. This improved live-commerce performance is driven by the fact that the influencers are able to select better products from a smaller product sourcing market. This occurs because limiting influencers to search and source products from a single platform has an unintended consequence, that is, the influencers are now able to learn the distribution of product quality within the single sourcing channel more accurately. Consequently, they can select higher-quality products for their livestream sessions, which are also more appealing to consumers. We rule out several alternative explanations and conduct various robustness checks. Our research generates significant managerial implications for influencers, platforms, and consumers in the live-commerce ecosystem. The findings also provide guidance to platform operators when formulating and implementing policies that govern product sourcing and channel access.

Dr Chu (Ivy) Dang is an Assistant Professor of Marketing at The University of Hong Kong. Her research focuses on the economics of information in the domain of quantitative marketing. She explores consumer information search behaviors, the impact of information on consumer choices, and the information provision strategies employed by firms. Ivy is also interested in digital platforms, social media and influencer marketing. Her publications have appeared in leading academic journals, including *Marketing Science* and *Information Systems Research*.

All interested are welcome.



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