

Live Commerce

Taking e-commerce to the next level

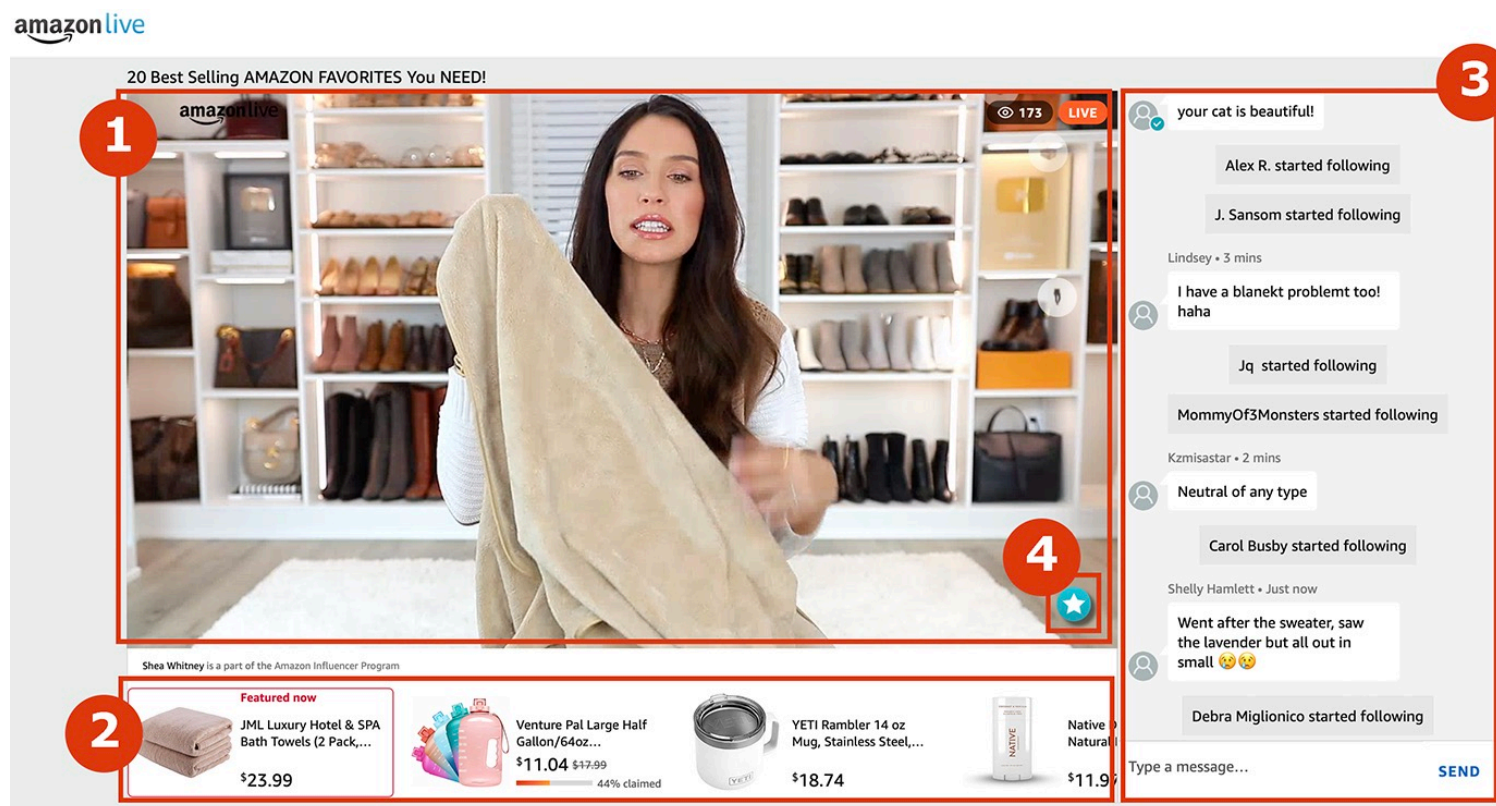


twimbit

The anatomy of a livestream



Basic interface components



1. The video stream
2. The list of products being promoted, with the product currently being shown highlighted
3. A chat area for viewers to submit questions/comments to interact with the host
4. A reaction button that customers can use to convey sentiments to the host

Chinese apps' extra edge



Picture-in-picture view of the livestream on the current product's detail page

Viewers can watch recorded demos of previously shown products; if the products are on the featured product list without any demo, they can request the host to show that product

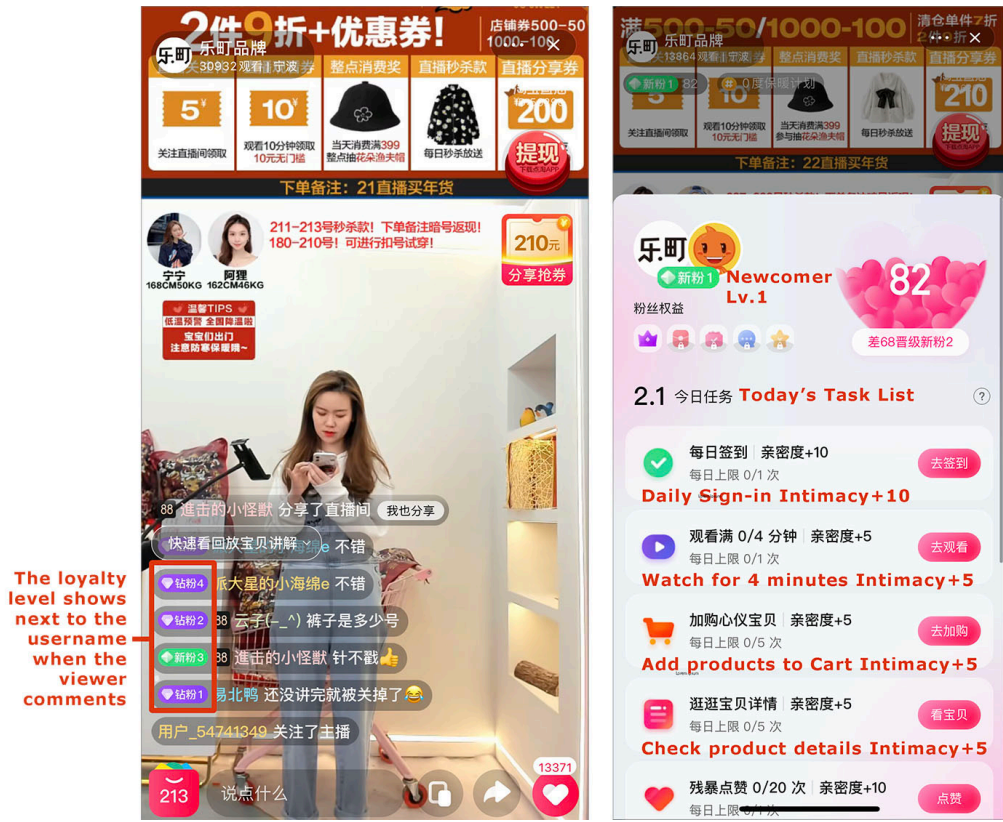
While Western livestreams are typically accessed on desktop/mobile devices, Chinese live commerce is heavily focused on smartphones

Chinese apps' extra edge



Coupon centres

Source: Nielsen Norman Group



Loyalty levels with gamified incentives (watching, commenting, and making purchases can increase the customer's level)

Taobao Live's interface

Browse followed, recommended, and local livestreaming sessions

View personalized recommendations for livestreaming sessions hosted by merchants and KOLs



Personalized livestreaming content and shopping experience

Search for livestreaming channels, KOLs & products

View real-time user comments and interact with KOLs

Purchase link to the recommended products



Real-time interaction between users and KOLs

AI chatbot to answer customers' questions

Chat and interact with hosts

Preview products in upcoming livestreaming sessions

Comment and share



Sign up for next livestreaming sessions, interact with other fans and receive fans-only benefits

Spotlight on Taobao Live

Launched in 2016

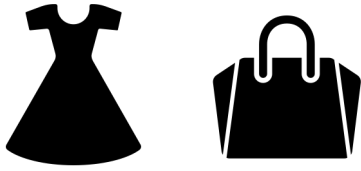
Total sales of the top 2 livestreamers reached >US\$ 1.4 bil in 2 days of pre-sales before Singles' Day 2020

On average, livestreams run for up to 6 hours and showcase around 70 different products

Top KOLs display 1 product every 5 minutes and can attract 266,000 viewers per stream, resulting in ~75,000 orders being placed



Top categories in live commerce



Fashion and apparel



Beauty



Fresh food



Consumer electronics



Furniture and
home decor



Automobile
and online-to-
offline sales

Storytelling sells



Source: Forbes

Instant gratification for consumers

Live commerce empowers the shopper to participate by choice, without having ads forced upon them

A timely boon for those who were craving human connection while confined to their homes during pandemic lockdowns and quarantines

Key Opinion Leaders (KOLs) are crucial touchpoints in building rapport and gaining customers' trust

KOLs: From glamorous influencers...

Austin Li Jiaqi @ Lipstick King

Broke records by selling **US\$ 1.8 billion** worth of goods during a 12.5-hour livestream on Singles' Day 2021, with **250 million viewers**

Widely regarded as a **trustworthy, reliable source of information** by consumers due to his frank and occasionally scathing product reviews

Earns US\$ 10-20 million per month

Net worth is estimated to reach US\$ 15 billion by 2023 by livestreaming alone



... to tech-savvy farmers

>110,000 farmers have turned to livestreaming to reach urban consumers

As of September 2021, Taobao Live has hosted over 2.3 million livestreams, resulting in over **US\$ 786 million** worth of agricultural sales

Nearly 2000 rural participants now generate a monthly income of ~US\$ 1400, 8x the rural average

Taobao offers **free training workshops** for farmers, and JD.com has also launched rural livestreaming initiatives on their platform



What's next for live commerce?



Source: Alibaba, The China Guys, twimbit analysis

Leveraging micro- and nano- influencers

Influencers with a few thousand dedicated followers can generate a more intimate and trusted connection with audiences at a lower cost for brands. Engagement rates for nano-influencers on Instagram can hit 10x those of mega and macro influencers.

Innovative formats

AR and VR are powerful tools to enhance the shopping experience. AI hosts are emerging as a new force in the industry.

Growth in Asia – and beyond

Singapore, India, and Thailand are stepping up, who's next?



Insights **that find you**

The twimbit experience:



Subscriptions



Communities



Advisory

How can we help?

reachus@twimbit.com