IS LIVE SHOPPING THE FUTURE?

TRANSFERRING AND ADAPTING CHINESE LIVE SHOPPING TO THE SWEDISH MARKET

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Abstract:

During recent years, live shopping has thrived in China. The variation of e-commerce implies promoting products in real-time during a live stream, allowing viewers to purchase the items while interacting with the promoter as well as other viewers. As of today, the phenomenon of live shopping has gotten foothold on the Swedish market. Based on the theories of liability of foreignness and social construction of markets, this qualitative study aims to research the implementation of this phenomenon on the Swedish market, and research possible adaptions that must be made for live shopping to become successful in Sweden. To answer the research question, the landscape of Swedish e-commerce has been mapped. The study also researches how live shopping is performed in China and the contributing factors to the growth of live shopping in China. Semi-structured interviews were conducted with experts on China, experts on e-commerce in Sweden, and individuals with experience from live shopping in Sweden. The interviews resulted in five recurring themes including technology, infrastructure, sociology, political landscape and demography that formed a foundation for a narrative analysis. The findings suggest a hybridization of the two markets for the concept to be successful in Sweden. The most important finding suggests a need of adaptation towards a more seamless digital experience in the Swedish market, comparable to the Chinese experience.

Keywords:

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Contents

Definitions

E-commerce: Refers to a transaction, selling or buying products or services online. Can also be referred to as online commerce or electronic commerce (Shopify, 2021).

Influencer: A person that can affect other peoples' behavior. In the context of e-commerce, an influencer is a person paid by a company to promote their products and services to potential buyers on social media (Cambridge University Press, n.d.).

Influencer marketing: Compensation of influencers promoting products or services on social media (Campbell & Farrell, 2020).

Live shopping: Variant of e-commerce that allows shoppers to buy what's being pitched live on air, often with special deals promoted during the stream (Young, 2021). Can also be referred to as livestream shopping or live streaming shopping.

1.   Introduction

This section provides an introduction to the background of the study as well as a definition of the phenomenon. Furthermore, the aims and purposes with the research as well as the research gap is presented. The limitations of the study are presented in the last section.

1.1.   Background

1.1.1.   What is live shopping?

Live shopping allows the audience to watch a live streamed shopping experience, chat with other viewers and purchase a product – all at the same time. Thus, live shopping is an opportunity for merchants to reach out to potential customers in a live format in a social media setting. Often, influencers are hosts during the live shopping event, promoting different products that can be purchased immediately. Even though the scene of influencer marketing is dominated by clothes and cosmetics, live shopping is not limited to that. In China, even cars and houses have been sold through live streams (Hong, Zhang, Wan & Paskin, 2020).

While online shopping is not new, new technologies have given brands more interactive ways to connect with consumers. The distinction from earlier forms, like TV shop, is that live shopping is attracting a larger age span, ranging from Millennials to seniors (Vogue Business, 2020). This live format of e-commerce is vastly increasing worldwide and is now being introduced on the Swedish e-commerce market as well. As live shopping is breaking through, many e-commerce platforms and brands produce their own live shopping experiences and content. This enables a closer relationship between brands and the end-consumer. Live shopping can be considered as a combination of entertainment, information exchange and shopping.

1.1.2.   Influencers facilitate live shopping

The surge for live shopping is closely connected to influencer marketing, since an influencer is often the host during a livestream. The global influencer marketing market size has increased from $1.7 Billion in 2016 to approximately $13.8 Billion in 2021 (Statista, 2021b). The three main components within influencer marketing are the audience, the endorser, and the social media manager (Campbell & Farrell, 2020).

Brands turn to influencers when printed media has been replaced with online media (ibid.). Furthermore, consumers are averse towards overt advertising, resulting in a premiering of subtle and authentic online advertisement (Cho & Cheon, 2004). It has been shown that social media prolong the evaluation in consumer decision making (Lindsey-Mullikin & Borin, 2017). Implying the need of a frequent relationship since

influencers heavily rely on the followers' stickiness, as it affects the conversion ratio for converting followers into paying customers (Hu, Min, Han & Lu, 2020). In China, influencers pay a big role in the live shopping trend.

1.1.3. E-commerce and live shopping in China

E-commerce in China is massive. According to estimates, Chinese e-commerce is estimated to reach $1 trillion in 2020, with over 700 million Chinese online shoppers (Greenwald, 2020). The Chinese shoppers have quickly adapted live shopping. According to projections, 39 percent of China's population will view live stream as of 2020. Out of these, more than a third made livestream purchases. Even though the growth has mainly been driven by Gen-Z and Millennials, also the middle-aged population and seniors are embracing the trend (ibid.).

In order to understand why live shopping has boomed in China, the background of e-commerce in China needs to be outlined. The fact that China is the largest e-commerce market in the world depends on several factors (Neurath, Ljungwall, Lewin & Cho, 2021). Firstly, Chinese consumer spending is set to double by 2030. The growth in spending can be explained by greater governmental support for the domestic economy, increased household income, demographic shifts and changes in technology (Cheng, 2021). Furthermore, the technological development in China has been different than in Western countries. As China's technology sector has grown rapidly during the past two decades, the Chinese naturally have skipped some steps on the way. For instance, the Chinese skipped payment cards and instead adopted mobile payment solutions immediately (Neurath & al., 2021). Lastly, consumer behavior is different in China compared to Sweden, and therefore the Chinese consumers need other ways of consumption. Chinese consumers tend to trust people that are close to oneself, rather than companies or the government. They have an urge to interact with the seller, which is why influencers have achieved great power (ibid.). The growing economy, advanced technology and sociocultural factors have enabled the Chinese market of e-commerce being the largest in the world.

The potential for livestreaming is evident in China, where the maturation suggests that it can become a deeply embedded habit for consumers as well as an important tool for retailers. Chinese customers spend a lot of time inside so-called "super apps" (Hong et al., 2020). Super apps can be defined as a single portal to a wide range of virtual products and services, such as the Chinese e-commerce giant Alibaba that offers a social platform with an integrated system for shopping, payments and logistics (Huang & Siegel, 2019). Even though Western technology is not quite there yet, it seems to be on the horizon. Companies like Amazon, Instagram and Facebook are currently working on integrating their entertainment offerings with shopping and payment solutions (ibid.).

The fact that there are over 200 live shopping platforms in China lays the foundation for the success of the phenomenon (Parulis-Cook, 2020). Taobao and Tmall, owned by Alibaba, has jointly 60 percent of the e-commerce market share in China, making their livestreaming channel Taobao Live one of the leading players (Cannet, 2020). Another leading social media platform is Weibo, equivalent to Instagram, that provide Weibo Wallet and Weibo Credit through which users can make purchases. Weibo offers a plug-in for e-commerce merchants that allows users to browse and purchase products and services on Weibo, as well as Yizhibo, an integrated live shopping platform on Weibo (Weibo, n.d.). Tencent is a world-leading tech conglomerate that offers services ranging from video games to live shopping (Kleinman, 2020). Kuaishou is a social media app, backed by Tencent, for sharing content such as short videos and livestreams. Douyin is the Chinese version of TikTok owned by the same media and tech company, ByteDance (Schwedel, 2018). The app is particularly big among teenagers and the short videos often focus on dance, lip-syncs, music and other movement-based activities or different challenges (ibid.). In comparison to TikTok, Douyin have a more mature audience as well as shopping features and its own store.

The mature e-commerce market and the early adaptation of live shopping makes the Chinese market a perfect example to study to gain more knowledge about live shopping. The Chinese market is geographically far away from the Swedish market and that is not the only factor that differs.

1.1.4.   The market of e-commerce in Sweden

In Sweden, the transition towards a digitalized shopping behavior and internet has been more gradual than in China. The access of internet in Swedish households has increased from 2 percent in year 1995 to 98 percent in 2019 (Internetstiftelsen i Sverige, 2020). This major shift has been elevated by internet broadband expansion, the mobile revolution and social media (Internetmuseum, 2020). The 3G technology and the popularity of smartphones enabled a constant connection to internet. In 2012, Sweden was reported to have entered the mobile phase (Internetstiftelsen i Sverige, 2012). This shift conjectured with the ability and willingness to share your private life in social media platforms, and this initiated user generated content and elevated the progression towards influencer marketing (Internetmuseum, 2020).

In recent years, Sweden have had a steady increase in online shopping as well as the use of digital payments. Swish and mobile bank identification is used by 83 respectively 89 percent of internet users in 2019 (Internetstiftelsen i Sverige, 2020). The global pandemic has further increased the use of internet as a tool for shopping in Sweden, where 9 out of 10 internet users has bought something online during the pandemic. E-commerce in Sweden has grown with 40 percent in 2020, and elderly people have started to shop online (Postnord, 2020).

Live shopping has started to emerge on the Swedish market, even though it is not as common as in China. In 2019, Bambuser was the first to launch a live shopping platform in Sweden (Lund, 2019).

Live shopping is highly intertwined with influencer marketing. The culture of influencer marketing was early adopted in Sweden with strong e-commerce brands investing in influencers (Neurath & al., 2021). Almost one fifth of Swedish consumers find recommendations in social media as important or very important when shopping online (Postnord, 2021). 44 percent of Swedish e-commerce merchants uses Instagram for marketing, which includes both paid ads as well as sponsored content. Furthermore, Swedish consumers states that Facebook and Instagram are the most important channels for discovering new products or services (Postnord, 2021).

Even though live shopping has been tremendously successful in China in terms of both sales as well as adoption by consumers, there are certain differences in culture, demographics, consumer behaviors and psychological factors that may have an impact in how well live shopping is received in Sweden in comparison to China. By analyzing macroeconomic and sociological factors such as consumer behaviors, the aim is to discover the future adaptation of live shopping on the Swedish market.

1.2.   Problem area

As a result of the vast growth of live shopping, several studies have been conducted on the phenomenon in China. However, as this variation of e-commerce is new in Sweden, research on the Swedish market is limited. The researchers thoroughly searched through different databases but did not find any research on how live shopping has been received or its future potential on the Swedish market. Thus, the research gap of the study was identified. By utilizing the theory of liability of foreignness and the model of social constructions of markets, the study aims to research if and how the phenomenon of live shopping needs to be adapted to the Swedish market.

The study reflects the researchers' interest in e-commerce, new technology and the power of influencers. The foundation of the topic is built upon the researchers' observation of the growth of live shopping in China, followed by the spread to the rest of the world including Sweden. Thus, the question of whether this innovation needs to be adjusted to fit the Swedish market or if it can be implemented as it is, arose. With these thoughts as a starting point, the research gap was identified, which lead to the formulation of the research question.

1.3.   Purpose and research question

The purpose of this study is to investigate and conceptualize if and how the Chinese e-commerce concept of live shopping needs to be adjusted and adapted to the Swedish

market in order to be successful. In order to do so, the researchers must gain an understanding of why live shopping has grown immensely in China and how it is executed, as well as the characteristics of the Swedish e-commerce market. The study's primary research question and its associated sub-questions are defined as below.

- How does the Chinese live shopping concept need to be adapted to the Swedish market?

  - Which factors contributed to the trend of live shopping in China and how is it performed?
  - How would the Swedish landscape of e-commerce need to adapt for live shopping to become successful?

1.4.   Delimitations

Due to the scope of the bachelor thesis, a geographical delimitation was applied. The geographical limitation has been set to the Chinese and the Swedish market. With China being the biggest market for e-commerce in the world, as well as leading in the market of live shopping, the Chinese focus is unavoidable when studying the phenomenon (Cramer-Flood, 2021). As Sweden is known for its innovativeness, and thus can be insightful to study when it comes to adaptiveness of new innovations (Business Sweden, n.d.). Furthermore, as both researchers live in Sweden and therefore can observe the market, it appeared as a natural choice.

The limitations can be motivated by the scarcity of time and resources. Given that the research was conducted during the time period January to May 2021, the time restraint was a consequence of the scope of the study.

1.5.   Expected contributions

The objective with this study is to give insight into the phenomenon of live shopping and the potential it has on the Swedish market. By mapping out the Swedish e-commerce landscape as well as how live shopping is performed in China, the aim is that this study can be used as a tool to gain a more comprehensive understanding of how live shopping can be adapted to the Swedish market.

Since very little previous research on live shopping in a Swedish setting exists, this thesis aims to provide insight to individuals or organizations that strives to apprehend live shopping or the future of retail and e-commerce in general.

2. Theoretical framework

The following section outlines previous research on the area. Thereafter, the motivation of applied theoretical frameworks is presented, followed by a thorough presentation of the theoretical frameworks. Lastly, the framework is reviewed in the context of live shopping.

2.1. Literature review

Previous research has been done on the field of live shopping. For instance, Turra (2020) has done research on the potential of live shopping, highlighting the fact that it is a combination of technology that stimulates purchases, while building relationships with consumers. Furthermore, Sun, Shao, Li, Guo & Nie (2020) have researched the implications live streaming have on consumers' purchase intentions but considered that more rigorous empirical methods were needed in order to draw conclusions.

As previous research on live shopping primarily have studied consumer behavior and purchase intentions, the researchers' have not found any previous research on the topic of this study. After thorough searches in databases[1], no previous research on either live shopping on the Swedish market nor research on what factors that have contributed to the rise of live shopping on the Chinese market have been discovered.

2.2. Motivation of theoretical framework

After reviewing a variety of research related to which factors could impact the implementation of live shopping on the Swedish market, a selection of theories was chosen to represent the theoretical framework of the thesis. The theory of liability of foreignness outlines the additional costs firms face when doing business abroad and how to overcome these (Zaheer, 1995). Samuels (2004) defined a model of how markets work, and states that markets are a social construction and created by the actions of governments, firms, and group of firms. These theories were considered to be supportive in order to answer the research question.

Since the theories were an outcome of an observation by the researchers, the relationship between the research and theory can be considered inductive (Bryman & Bell, 2011). The theories presented below have therefore been chosen to obtain a deeper understanding of what factors that have led to the rise of live shopping in China, and what may impact the adaption of live shopping in Sweden.

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[1] Search terms used including "live shopping", "livestream shopping", "live stream shopping", "live streaming shopping", "live stream" and "live streaming".

2.3. Liability of foreignness

The theory of liability of foreignness (LoF) research what costs economic, political and cultural differences may have on a multinational firm doing business abroad. According to Zaheer (1995), LoF can arise from at least four sources. These are costs associated with spatial distance, firm-specific costs due to a company's unfamiliarity to a local environment, costs related to the host country environment and costs from the home country environment.

Zaheer (1995) presents two hypotheses to overcome the liability of foreignness. A firm should either have firm-specific advantages or try to imitate the advantages of successful local firms, also called local isomorphism. Firm-specific advantages can be attributes that are similar to traditional sources of competitive advantage, such as economies of scale. Furthermore, firm-specific advantages can also be derived from organizational capabilities such as the ability to learn or to transfer organizational practices and managerial skills across a multinational network. Firm-specific advantage is more effective in order to overcome the liability of foreignness than an imitation of local practices.

Furthermore, research has been done on how foreignness liability relates to small firms' international entrepreneurial orientation. Li, Qian, Qian & Lu (2018) examined how small firms' performance relative to historical and social aspirations is related to its international entrepreneurial orientation (IEO). IEO is defined as the tendency to chase innovative strategies and fearlessly enter new foreign markets despite potential strategic and financial risks. The study combines IEO with behavioral theory of the firm. Findings show that in small firms, the managers' psychology impact the firms' strategic decisions since they have decision power when choosing strategies. Even though LoF implies higher costs of doing business abroad, it does not affect the IEO. LoF does not moderate the correlation between entrepreneurs' ambitions and their behavior. Furthermore, their findings have important managerial implications. The role of IEO in promoting a firm's competitive advantage depends on the firm's ownership and location advantages. Managers should be attentive about internalization if a firm does not have significant firm-specific advantages.

2.4. Social construction of markets

The model of how markets arise, work and are worked was outlined by Samuels (2004). Markets are defined as "the price mechanism and analyzed through some definition of competition" and are constructed by the actions of firms and governments (Samuels, 2004). Samuels claims that markets are a social construction and foster some interests rather than others. The social construction of markets includes two models of social control:

> The market-plus-framework model of the economic role of legal and moral rules and the opportunity-set model of power in which actors' respective opportunity sets are a function of their legal rights and obligations, the choices made by other actors, and the impact of those choices on a given actor (Samuels, 2004, p. 359).

The role of the government in the formation and structure of markets is a function of both the strength and weakness of government. The maintenance of a strong government by business enables business to secure its desired market forms. In the Western world, as said by Samuels (2004) "governments have been strong enough – and enough under business influence – to produce, ratify, and reinforce certain consolidations of social power of a business society".

However, it is not only markets that control outcomes. Firms manipulate markets (and governments) to reach the results desired. When markets are forming, predatory and other strategic behaviors are important. Firms operate under conditions of radical uncertainty. Examples of causes of change in markets are technological change, firm strategies, firm goals, supply and demand, and legal factors. Firms take part in forming the markets in which they operate.

The actions of the government and firms results in markets being formed, reformed, manipulated, and restructured. The response by business interests leads to the social construction of markets, which can include both desire for security and animosity. Economic governance includes both firm and market but stretches far wider than that. When analyzing a market political system, the entire "regime of capital", not just the nominal state, should be considered. In other words, markets comprise both freedom and coercion. Private economic interests' impact and channel both market and state.

2.5. Application of theories in the context of live shopping

Usually, the theory of LoF is used when a multinational company is about to expand abroad and examines possible monetary costs. However, it can also provide valuable insight when studying the spread of an innovation or phenomenon. When applied to the context of the adaption of live shopping in Sweden, it can be interesting to see if this study arrives at the same conclusion, that it is more beneficial to have firm-specific advantages rather than imitate Chinese practices. Furthermore, as the majority of current Swedish live shopping platforms are small companies currently forming the market, Li & al. (2018) are expected to provide insight in how they may be affected by LoF and possible ways to overcome it.

By applying the model of social construction of markets, the objective is to gain an understanding of how an emerging market like the market of live shopping will work in Sweden. It has been observed how the market of live shopping has evolved and works in China. However, it remains to reason what the outcome will be in Sweden,

considering the differences in markets in China and Sweden, as the behavior of both firms and the government are widely different.

The theories chosen are expected to support the researchers in understanding if an adaption to the Swedish market is required, and how it should be adapted if that is beneficial. Moreover, the theories are expected to provide insight in how the emerging market will work and be worked, given the role of firms and the government.

3. Methodology

3.1. Choice of research method

The study was conducted through a qualitative approach, which was considered appropriate due to the nature of the research question. Therefore, a research method where words are emphasized, rather than quantification in data collection and analysis, is appropriate (Bryman & Bell, 2011). The research method was further strengthened since a qualitative approach "embodies a view of social reality as a constantly shifting emergent property of individuals' creation" (ibid., p. 27). Considering that this can be applied on the study that explores how the social reality shifts in terms of live shopping, the choice of a qualitative approach was confirmed.

A qualitative research method advocates an inductive approach between theory and research, where theory is a result of the observations made by the researchers (ibid.). The research therefore started with investigating the phenomenon of the rise of live shopping on the Chinese as well as how it should be adapted to the Swedish market, followed by finding applicable theories to explain under what circumstances live shopping will be successful on the Swedish market. Furthermore, as live shopping was unexplored on the Swedish market, an inductive approach was deemed appropriate.

As described by Bryman and Bell (2011), the epistemological and ontological orientation in qualitative research is interpretivism and constructionism. The foundation of interpretivism is a strategy that requires the researcher to understand the subjective meaning of social action. The interpretivist orientation is reflected in the fact that the respondents' social contexts are interpreted. Constructionism argues that social phenomena is a product of social actors. Social phenomena are not solely produced through social interaction, but also in a constantly changing (ibid.). This can for instance be conceptualized through the fact that the study reflects the individuals' knowledge and perception, which varied between participants.

3.2. Data collection

3.2.1. Sampling

The respondents were sampled through purposive sampling. The researchers did a strategic sampling, with the objective that those sampled are relevant for the research question (Bryman & Bell, 2011). The respondents consisted of both men and women in different ages, with different backgrounds and different kinds of expertise in order to achieve a representative sample. The respondents can be grouped into three categories:

1) Experts on China, including respondents with excellence in areas such as Chinese culture, the Chinese industry, politics, and technological landscape.

2) Swedish e-commerce experts.
3) Participants in the Swedish live shopping market, including platform providers and live shopping arrangers.

The persons that were strategically sampled were found through LinkedIn and through recommendations. The people that were approached and that were interested in participating in an interview were relevant for the study.

Except the strategic sampling, snowball sampling has also been used. Snowball sampling implies that the chosen respondents suggest other participants relevant for the study. During the interviews, some of the respondents suggested persons they thought could contribute to the study. Based on these recommendations, the researchers could reach out to twelve persons, and eight interviews were conducted.

3.2.2. Interview design

Within qualitative research, there is an emphasis on greater generality in the formulation of initial research ideas and on the respondents' own perspectives. Therefore, qualitative studies tend to be more flexible since rich, detailed answers are requested (Bryman & Bell, 2011).

Furthermore, Bryman & Bell suggests that studies that have fairly specific topics to be covered should use semi-structured interviews. Unstructured interviews can be insightful when the researchers want to gain a genuine understanding of the interviewees' view on a social setting or people sharing common attributes (Bryman & Bell, 2011). The interviews were predominantly semi-structured but did have elements of unstructured interviews as well. The elements of unstructured interviews were most significant when interviewing experts on China, where the researchers did not want their preconceptions to result in an unconscious bias. However, all interviews can be considered semi-structured, since all interviews followed an interview guide of varying complexity.

By conducting semi-structured interviews, the researchers wanted to get thoughtful, in-depth answers. This was partly achieved through open questions, which encouraged "rambling", which is considered to provide insight into what the respondent finds relevant and important in qualitative research (ibid.). Based on this, the researchers could pose follow-up questions on interesting matters.

A fundamental interview guide was established (Appendix 1). As all interviews except one was held in Swedish, the interview guide was written in Swedish in order to reproduce a correct presentation of interview questions. All respondents were asked background questions. When posing the background questions, the researchers aimed for a uniformity in the formulation of the questions (Bryman & Bell, 2011). Due to the variation in expertise and knowledge among the participants as well as the respondent

categories, three interview guides covering the fundamental questions for each category were formulated. The rest of the interview was conducted according to the participants' expertise, which in most interviews lead to discussions. The questions were posed in approximately the same order, depending on possible discussions that arose. The researchers are aware that the interview design can affect the comparability between the respondents' answers. However, the design of the semi-structured interviews can be regarded as generating an acceptable rate of comparability, while being able to adjust the interview to the specific respondent.

3.2.3. Execution

The respondents were contacted through email and LinkedIn, with an introduction of the researchers, a description of the study and how the researchers believe that the respondent would contribute to the study as well as the objective of the interview. The interviews were conducted during March 2021, where the first one was held March 3rd and the last one March 26th. Due to the situation with the pandemic, all interviews were conducted digitally through Zoom. In total, eight interviews were conducted (Table 1). Since seven respondents are enough to establish a foundation for researchers to analyze data, the eight interviews can be used to establish a picture of the data which is not too affected by the individual (Ahrne & Svensson, 2011). The eight interviews were held with experts within three different groups. Three respondents were experts on China (respondent 1, 2, 3), three respondents were experts on Swedish e-commerce (respondent 4, 5, 6) and two respondents were participants of live shopping in Sweden (respondent 7, 8).

Table 1. Presentation of interviews.

No.	Role	Interview Type	Length
1	China expert, Doctor of Economics	Video call	58:30
2	Journalist, China expert	Video call	25:01
3	Lecturer, China expert	Video call	41:59
4	Digital strategist (Sweden)	Video call	40:42
5	E-commerce advisor (Sweden)	Video call	50:45
6	E-commerce expert (Sweden)	Video call	1:11:05
7	Founder, live shopping platform	Video call	34:25
8	Head of influencer marketing	Video call	21:23

The time reserved for the interviews was 1 hour. However, they were not planned to last longer than 40 minutes. The extra time was reserved with respect to the nature of semi-structured interviews, where the researchers did not want lack of time due to time

constraints. The actual interview time varied between 20 minutes up to over one hour. In the beginning of each interview, the respondents were given information about confidentiality, storage of data and what personal data about the respondent would be processed. In line with the GDPR regulations, all interviewees had to sign a consent form where they acknowledged their participation in the researchers' interview. Furthermore, all respondents were asked to consent to the interview being recorded. The fact that all interviews were recorded enabled avoidance of misinterpretation of responses as well as ensured that the researchers could actively participate in the interview without having to focus on transliteration.

3.2.4. Data analysis

Data analysis was done parallel with the collection of data. The data was analyzed through thematic analysis, which is appropriate for analyzing large sets of qualitative data (Nowell, Norris, White & Moules, 2017). Thematic analysis is argued to be a useful method when examining the respondents' different perspectives, focus on similarities and differences and generating unanticipated insights (ibid.). The process can be divided into six phases. These include familiarization with the data, generation of initial codes, searching for themes, review of themes, definition of and naming themes and finally, producing the report (ibid.).

As soon as possible after each interview had been conducted, the interview was carefully transliterated with the help of the recorded interview. The raw material was rewritten to exclude parts that were not relevant for the study and suit writing better, which resulted in 52 pages of material relevant for the study. In order to avoid misinterpretation of the respondents, all respondents were asked explicitly if they wanted the transcription of their interview. Both researchers read the transliterated interviews and, independently of each other, organized the findings into different themes. After this, the results were discussed, and the final themes and subthemes were defined. These created the structure for analysis of empirical findings. Repetition and frequency of the themes identified were key for the final themes. Furthermore, it was evaluated whether the repeated themes were relevant for the research question (Bryman & Bell, 2011).

Table 2. Thematic data analysis.

	Subthemes	
Themes	**China**	**Sweden**
Technology	Rapid technological development. Advanced technology. Technology enables sales of local products. Adaption of new innovations.	Gradual technological development. Quick adapters of new technology. Skilled social media users.

		Digital maturity.
Infrastructure	Quick logistics. Digital infrastructure Expanded internet connection Integration of systems enables e-commerce Few, state-controlled e-commerce platforms.	Well-functioning logistics. Systems not integrated, can become more customer friendly. Fragmented market. Internet is freedom.
Demography	Increasing income. Large population. Educated population.	Sparsely populated. Difference between age groups.
Politics	Dictatorship. Lack of trust in companies and the government. Trade policies. Censorship.	Democracy. Trust in the government And companies.
Sociology	Influence of entertainment. The role of celebrities. Hard-working, not much leisure time. Outsources chores. Intrusive sales methods. Feelings.	Many hobbies, leisure Time. Household chores are not outsourced. Feelings. Managerial implications customer experience must be top priority.

Based on the themes and subthemes identified, a narrative approach has been applied when presenting the findings. Narrative analysis is characterized by the temporal sequence of the interviewees' stories (ibid.). A narrative approach was considered to contribute to a uniform story, as well as an improved understanding of the causal links between the identified themes.

3.3. Quality of research design

The researchers aimed for a high reliability in the study. Both researchers were present during all interviews and kept a constant dialogue to make sure that their views conformed. Internal reliability refers to if the observers agree on their observations if there is more than one observer present (Bryman & Bell, 2011). The procedure described in section 3.2.3 strengthens the internal reliability.

External reliability refers to the degree to which findings can be generalized across social settings. Since social settings are difficult to freeze, external reliability is hard to secure in qualitative studies (Bryman & Bell, 2011). The replicability of the study can furthermore be hard to secure since many respondents work within e-commerce or can be considered progressive within the area. In order to increase reliability of the study, the method used has been described in detail in section 3.2.3.

The fact that the interviews were recorded and thereafter transliterated to assure correct reproduction of the respondents' answers strengthens the internal validity in qualitative studies (Bryman & Bell, 2011). To ensure an in-depth understanding of the questions "why" and" how", a qualitative approach was used in the study (ibid.). The answers collected were considered to provide answers to the research question in the study. The empirical findings provided insight in how live shopping is to be received on the Swedish market as well as potential adjustments or adaptions that will have to be made. Thereby, the thesis studied the research question that was to be studied.

As previously mentioned, qualitative studies derive a depth rather than a broad perspective of the subject studied. The researchers have therefore not aspired to gain a statistical generalization, but rather a profound comprehension of the phenomenon. The generalizability can however be affected by the interviewees, since they can be considered as progressive within digitalization and e-commerce.

Complete objectivity is impossible to achieve in research, since personal values may influence all parts of the process (ibid.). The researchers have previous experience from live shopping, as well as a private interest of both the phenomenon and social media in general. However, the researchers have strived to avoid influencing the thesis with their own values. To avoid personal values influencing the thesis, it has been discussed consistently during the process. The interviews were conducted without any personal values in the questions and allowed the respondent to reflect over both positive and negative aspects of live shopping and its implications. In the end of each interview, each respondent was given the opportunity to mention something that the interview questions had not touched upon.

4.   Empirical findings

The empirical findings are based on eight in-depth interviews in accordance with section 3. The empirical findings present the respondents' ways of thinking and expertise opinion about the Chinese and Swedish markets within e-commerce and live shopping. Furthermore, their opinions specifically contribute to diagnose the aspects of adaptation needed for the transfer of the live shopping trend from China to Sweden. The empirical findings are based on the study's research questions and the results are presented from these.

4.1.   Contributing factors to the trend of live shopping in China and how it is performed

4.1.1.   From the cultural revolution to super apps

The Chinese society has dramatically changed the last 50 years since the Cultural Revolution between 1966 and 1976, initiated by Mao Zedong (Phillips, 2016). The cultural revolution together with urbanization is described as the reason why the Chinese distrust the government and companies. Furthermore, the widespread corruption and the family structures, described as a clan society, has also been driving forces in the lack of trust.

> "Much of the "social contract" is torn up. People don't help each other anymore and see each other as enemies (…). You usually blame this on the ruined social contract." – Respondent 2

During the 1980's, the Chinese economy was liberalized, which led to a development of the Chinese society and an increased standard of living (Wong, 1998). Before the turn of the millennium, China had bad or nonexistent internet access and the society was characterized by low levels of digitalization. The fact that China was lagging technologically in the early 2000's enabled China to skip evolutionary steps in their digitalization. Hence, China was able to quickly adapt a digitalized behavior, including e-commerce. The big technological shift came around 2011, and thereafter the technological development has continued at a fast pace. China caught up with the West around 2014 and has thereafter continued to advance their technological development.

> "In the early 2000's, China had very bad internet access and no mobile network. Today, there is 4G connection and wireless wherever you go." – Respondent 1

As China was expanding technologically, they built an own ecosystem of digital platforms. This can partly be a subtle strategy for the regime to control what channels the Chinese use, as well as promoting national products to increase growth of the Chinese economy. The fact that China has built their own ecosystem of platforms has

enabled "super apps", that have gathered a number of different services, marketplaces and social media under one umbrella. These apps are important for marketing, socializing, and branding.

> "The platforms are not only being used for fun and buying things, but also for branding and marketing." – Respondent 3

In order to understand how China went from technologically lagging to super apps, it is important to understand the Chinese consumer. Generally, the Chinese are curious and eager to try and adapt to new technology. This applies to all age groups, also the older generation are eager to try new things. A population that easily transforms to new technology contributes to an easiness of introducing new ways of shopping, such as live shopping.

> "Chinese people are curious and fast to adapt to new things, when I compare to Swedes." – Respondent 3

4.1.2. E-commerce as an enabler for reaching new audiences

The demographic landscape changed along with the positive financial trend in China, as the disposable incomes of households increased. The fact that a large amount of the population moved to larger cities to work disrupted social interactions and the digital world grew more important.

> "Before the urbanization, you were traditionally tied to a place where you knew and trusted each other. In the larger cities with more insecurity, it's easier to resort to a digital platform; ask questions, listen, comment, find a relationship." – Respondent 1

As a result of the urbanization, the Chinese lifestyle changed. A qualitative education as well as the one-child policy resulting in both men and women working increased disposable income. A higher income led to the formation of completely new consumption patterns. The high degree of digitalization in the Chinese economy is enabling people to consume online even though they work a lot with long working hours. Live shopping can then be a way to recede to for entertaining and shopping, especially in the bigger cities.

> "Chinese people work a lot with no time to explore hobbies. Instead, they limit their lives to the city life, shopping and TV, so influencers can thereby do a lot of "influencing"." – Respondent 3

Due to the vastness of the country, the size of the population and recent lifestyle changes, influencers have possibilities to make a great impact. As influencers in China can achieve an immense number of followers, they may even play a big role as a part of democratization.

> "Celebrities are created in a democratic way. They come out of nowhere, and it can happen quickly. In China, influencers have like 100 million followers. Such volumes can overthrow a society. It might have a democratizing impact." – Respondent 2

However, in recent years, an opposite trend has been observed. People are returning to smaller cities or the countryside, either because they feel like the cities have grown too big, or because they have the possibility to work from home and can live outside the big cities. Live shopping and e-commerce have made it possible for farmers to sell their products to a larger audience, and they are reaching out to new customers.

> "There are many success stories with farmers selling their products from the countryside and helping the whole country, which was impossible before." – Respondent 3

Due to China being a geographically large country, e-commerce makes online shopping a convenient option. The technological possibilities, such as live shopping, enables small resellers like farmers or fishmongers to gain access to the digital economy. This also implies income distribution effects where less affluent parts of the country can trade. Some farmers have collaborated with influencers and sold their goods through live shopping in order to reach new audiences.

> "This new chain of logistics makes it possible to buy local specialties directly from the farmers and skip the middlemen. You can even buy seafood and receive it within a day, better quality to a better price." – Respondent 3

In comparison to Sweden's logistics machinery that is relatively slow-moving, the Chinese logistics is a delegated supply chain with less environmental focus. Even though the Chinese supply chain offers fast deliveries, sometimes within the hour, it is said to be characterized by chaos. A usual procedure is that hundreds of parcels are left at an intersection, where the customer can pick it up.

> "My reconnaissance is that China is so chaotic, and there's so much going on, it's not this Swedish machinery." – Respondent 2

4.1.3. Distrust in the government implies potential for influencer marketing

The Chinese history has affected how the Chinese perceive authorities, such as the government or companies. Since the Chinese generally have distrust in official sellers, the consumer behavior has been formed to Chinese people rather buying from somebody you know. As a result of this, influencer marketing has flourished. Influencers are perceived to be someone they know, and therefore consumers feel like they have a relationship to them. From a historical perspective, the Chinese population has been hesitant to consume due to earlier political disruptions and poverty combined with low levels of social security.

> "During the 90s and the early 2000's, people saved everything because they had no security. Now, the state has managed to convince people to consume Chinese goods by building up a bit more social security." – Respondent 2

Part of the Chinese strategy might have been to influence the population to buy Chinese goods, which can indicate that the Chinese government has given Tencent and Alibaba space to grow to drive Chinese innovation in a cost-effective way. Furthermore, it is apparent that the digital transformation in China is not just driven by the private sector, but also an agenda for the state to improve the economy. Due to the non-democratic leadership in China, it is easier for the government to take drastic measures against companies which may have trade policy effects.

> "If you visit an American website, you need a VPN tunnel. The speed decreases and the streaming become more difficult. These are trade policy effects. Does the Chinese state to some extent control the buying behavior to boost the nation's success through the platforms?" – Respondent 1

As mentioned, Chinese influencers can grow big fast, which may be threatening for the Chinese regime. The Chinese state censorship implies that influencers need to keep their focus on politically neutral consumerism. They are therefore strictly handled by the government in order to avoid any possibilities that the influencers gain too much political power that could overthrow the regime.

> "They keep them short, and the influencers know they can't act and do just as they want. They (the state) remind them of that, because otherwise they may become too powerful." – Respondent 2

4.1.4.   Why live shopping is succeeding in China

The factors that have contributed to live shopping becoming successful in China can be summarized as follows. A distrust towards the government builds a society based on close relationships, which enables influencers to build bonds with their audience since the followers perceive them as someone trustworthy.

> "I think China is very special China and that it (live shopping) suits them so well. You don't have faith in the government, because of the trauma from the Cultural Revolution, and not in official sellers because you think you're going to be deceived." – Respondent 2

Furthermore, the quick technological development in China has enabled both the technological and digital landscape needed in terms of super apps that simplifies the customer experience. The rapid development has also led to a quick adaption rate among consumers, which has resulted in a high degree of e-commerce.

As of today, live shopping is not only beneficial for the big tech companies. Live shopping also makes possible for small players to reach out to an audience in a way that has previously not been possible. During live shopping, Chinese influencers have a direct way of talking and telling the viewers to purchase immediately, which may be foreign to Swedes.

> "Swedes are taught to get skeptical if someone is too pushing." – Respondent 2

4.2. Outlining the Swedish e-commerce landscape

4.2.1. A slow-down in technological development

The technological development in Sweden has been gradual. Sweden was one of the first countries in the world to have a nation-wide, fast internet connection. The development of digital infrastructure has stagnated somewhat since then, which can be due to the political inefficiency or low priority. Furthermore, the perceptions on how well Sweden performs in digitalization today differs. While some argue that Swedes collectively are quick adopters of new technology, others state that the previous fast development has stagnated.

> "Looking at Sweden's technological development, we were one of the first countries with 3G. Now we have lost technological momentum." – Respondent 6

OECD (2020) analyses the maturity level of digital government strategies in OECD member and partner countries. The analysis is divided into six dimensions that constitutes the OECD Digital Government Policy Framework (DGPF). The dimensions are digital by design, government as a platform, data-driven public sector, open by default, user-driven and proactiveness. In 2019, Sweden ranks last among the OECD countries when merging the six dimensions (OECD, 2020).

However, almost all Swedes have internet access in their homes as of today. In 2017, 95 percent of Swedish inhabitants had access to internet in their homes (Internetstiftelsen i Sverige, 2017). As a result of decreasing prices on technology, the availability of internet has increased highly. 10 years ago, prices were still high which excluded people from using internet. Today, the last percentage of Swedes that are not online cannot be explained by high prices, but rather that they are not interested.

In other words, the infrastructure and the technology now allow for internet usage that was previously not possible. Looking only a few years back, live was considered advanced, and live streaming in a video meeting required much data usage, high speed and stability. Today, the infrastructure is built out to the extent to make this accessible to a broad range of people. The expansion of the 4G network that took off around 2010 has played a big part in accommodating fast internet to people around Sweden.

"During 2020, software that made live shopping possible and accessible for Swedish brands was introduced." – Respondent 8

The next big thing is the expansion of 5G and what that will make possible. However, exactly what the implementation of 5G on the Swedish market will mean in practice is not yet clear.

"With 5G, you can tell that they do not know what to sell in. Nobody knows what we are going to do with this capacity. I am convinced that we will discover use of it, but it is not clear what that is going to be right now." – Respondent 4

4.2.2. In the hands of American tech companies

During the last 10 years, a big shift in the use of technology has happened, partly as a result of the introduction of the iPhone on the Swedish market in 2008. Consequently, people have shifted their behavior from only being online at certain times towards a state where everything is online and where people no longer differentiate their "online" time from their "offline" time.

"The absolutely biggest change in the last 10 years is that we have gone from using internet on certain places (…), to being "always on". And that is mostly thanks to the institutionalization of the iPhone." – Respondent 4

The big role the iPhone has played on the Swedish market of e-commerce illustrates the massive power American tech companies have on the Swedish e-commerce market. Both when it comes to advertisement, but also when it comes to the ecosystem of social media. While China has their own platforms, the Swedish landscape is dominated by American platforms. The three most used social media platforms in Sweden during 2020 was Facebook, Instagram and Snapchat (Internetstiftelsen i Sverige, 2020).

Looking at the landscape of e-commerce in Sweden, a fragmented market can be observed. Sweden has many smaller, independent actors in the market rather than global giants. The fact that Amazon was launched in Sweden as late as 2020 could potentially be explained by the fact that Sweden is such a small player in the digital economy of the world.

"If you look at Germany, UK and France, the market of e-commerce is centralized to the big marketplaces. And that is not the case in Sweden, which can be both a blessing and a curse. More of a blessing, I would say." – Respondent 5

As a result of the Swedish e-commerce market being fragmented, it has primarily been driven by technology. Setting up a website or a web shop has required advanced technological skills.

"If you look at the downside with the development of e-commerce in Sweden, it has been tremendously driven by technology. That makes it hard for a merchant in Hofors, with no knowledge in how to start a web shop." – Respondent 5

Furthermore, as the Swedish market is characterized by smaller players, they lack the logistics chain of bigger companies and economies of scale. The Swedish way of working is described as "silos", referring to separate business divisions that work independently. Without a holistic view, the comprehensive picture is lost. In order to keep up with the increasing demands of the consumers, Swedish companies need to think about consumer experience all the way. A change must be initiated from top management. One way of doing this is to diversify the top management, in order to represent different age groups and different knowledge.

"The reason why we are still working in silos, is because a lot of older people are part of the management boards. But they do not understand e-commerce and the digitalization, which is why we need to incorporate different competencies in the management boards." – Respondent 5

Another managerial aspect is the "last mile", or the logistics, of the supply chain. Sweden has a well-functioning logistics chain, but it can sometimes be frustratingly slow for the customers. Compared to the fast delivery time in other countries, like next-hour delivery in China or the US. However, considering demographical factors that influences this infrastructure, similar solutions are hard to implement in Sweden. To conceptualize, Sweden is a country with few inhabitants and sparsely populated. Labor is expensive, compared to other countries. But the customer experience could be enhanced by a more effective in-house logistics, allowing for faster dispatches of the parcels, which could decrease lead times.

4.2.3. The evolution of e-commerce

In order to understand why people, consume the way they do today, a historical perspective is vital. The development has gone from trading in marketplaces, via stores and mail order, towards e-commerce in different shapes. Even though the interfaces of shopping have differed, it is still the same people and the same products and services being consumed. Live shopping may have emerged in recent years but has similarities with the interface in TV shop.

In order to understand how the landscape of e-commerce needs to be adapted for live shopping to become successful, an understanding of why people prefer a certain interface is needed. The reasons why people shop online is availability and accessibility, price transparency and efficiency. The introduction of e-commerce in Sweden allowed for Swedish consumers to face a whole new supply of products. Since live shopping is often promoted by emphasizing a limited number of products, or a time-restricted offer, a scarcity of supply or a fear of missing an offer triggers the demand of the consumers.

> "Live shopping is all about supply-demand. Live shopping is successful because you tell your audience that when I go live with my shopping stream, I will have these offers. The phenomenon is sales psychology and supply-demand. That is why people are ready to stand in line to buy a pair of sneakers." – Respondent 6

Studying the development of the Swedish e-commerce landscape, three milestones have been identified. Firstly, the development of the display window, or the face of e-commerce. Secondly, the freedom of choice in payment methods. As the Swedish e-commerce market grew, the number of available payment options increased. The third milestone is marketing through e-commerce and how the growth of e-commerce and digital platforms enabled firms to expand their marketing beyond the traditional means such as advertising in magazines or on television. Even though influencer marketing has taken a large share of the budget that was formerly spend on traditional marketing means, in 2020 only 18 percent of internet users state that they have made a purchase based on an influencer's recommendation.

There is a correlation between a country's internet speed and the size of their digital economy. A fast internet connection makes people want to use the internet, which in turn leads to a higher degree of digitalized retail. In 2020, e-commerce accounted for 14 percent of all retail in Sweden (Postnord, 2021). To put this into perspective, Chinese e-commerce accounts for 25 percent of total retail sales (Statista, 2021a). The level of digitalized retail has parallels with people's consumer behavior. If e-commerce accounts for a high degree of retail, then people will also adapt to new ways of shopping. Furthermore, the growth of e-commerce is said to be correlated to the digital transformation between online and offline, which also is connected to the internet speed.

> "So, the countries that were first with 3G, 4G, and 5G, that is also the countries that had the fastest digital transformation. In other words, if you want to be able to do live shopping, then you need a fast internet." – Respondent 6

Sweden is a tiny player in the world's digital economy, as they account for 0.6 percent of the digital economy in the world. This is partly explained by the relatively small population in the country. However, as South Korea with only 50 million people is the fourth biggest e-commerce market in the world, the Swedish market of e-commerce has the potential to grow.

> "Korea is the world's fourth biggest e-commerce market, with a population of only 50 million people. If you look at a macro level, they GDP rank is maybe 11th or 12th, but it is the world's fourth biggest digital economy." – Respondent 6

4.2.4. Lifestyle as a determinant of consumer behavior

In China, people are working long hours and do not have much leisure time. In Sweden on the other hand, working hours are shorter and Swedes have more free time to spend.

The fact that Swedes have more free time implies that they have more time to explore their hobbies. As people in China enjoy watching for instance live streams when they have time off, celebrities achieve a superstar status there. In Sweden on the contrary, celebrities are considered to have less influence on the society.

> "Entertainment, superstars and celebrities play a bigger role in the Chinese society than their European equivalents." – Respondent 3

Furthermore, what can be a result of both shorter workdays as well as higher costs of labor, outsourcing of household chores is not common in Sweden. Because of this, a great amount of time is allocated to for instance grocery shopping, cleaning and cooking on a daily basis.

> "In China, I save lots of time on the daily chores, while in Sweden I need to do them myself: shopping, cooking, cleaning and fixing at home." – Respondent 3

In order to reach the right audience for the livestreams and to convert them into sales, it is important to capture their interest and make the time valuable. This is mainly done in collaboration with influencers that are used to accommodate to their followers' needs and wishes. Suggestions from one livestreaming provider is to match influencer followers with the theme of the livestream and to make co-creation together with influencers.

Although there are differences in lifestyle, emotions are universal. However, there might still be adjustments that have to be made for it to suit the Swedish market. For instance, the Swedes' sense of humor may not equal the Chinese sense of humor. Hence, the approach when designing a Swedish live shopping will have to be appropriate for the Swedish market. The sales approach will also have to be adjusted to the Swedish consumer's mind, as the Swedish consumers are not fond of the intrusive sales approach that is used in China. A feeling that is appreciated regardless of country or culture, is the feeling of belonging somewhere, a community. That is unique for live shopping, the fact that it gives the viewers the feeling of belonging to a community.

Since Sweden is a small country, the possible target group is limited, which increases the importance of segmentation in e-commerce. A Swedish company, providing a live shopping platform, has chosen to target generation Z with their pilot. Since generation Z has been online their entire life, they have been identified as early adopters.

> "It's the younger audiences, who are early adopters and born digital, that push this further. They are more global than older audiences. This target group is incredibly important for future development and to make it convenient and accessible." – Respondent 5

4.3. The formation of a market for live shopping in Sweden

A key implication for live shopping to have a future in Sweden is that the technology and infrastructure needed exists. During recent years, platforms for live shopping has emerged on the Swedish market. The players in the Swedish market are currently figuring out how they should design their live streams to fit the Swedish market, in close collaboration with other Swedish players in the same industry. As the market is currently forming in Sweden, the platforms on the Swedish market are benefiting from each other, as all players are contributing to promoting live shopping.

> "We are building a new market, so right now I consider the other players as our best friends when it comes to promote live shopping." – Respondent 7

On the fragmented, Swedish market, live shopping is to be considered as an efficient way to reach the end-customer. Even though it is a digital tool it might be a well-needed savior for physical stores if it is integrated into the whole shopping experience. Since the digital development in Sweden is considered to have been driven by technology, a user-friendly way of marketing your products online and reaching out to the customer can be a deal-breaker.

> "I see live shopping as one out of several channels and you have to analyze how your target group wants to shop. Live shopping facilitates and removes friction. It is also a huge opportunity for physical stores to reach out through live streaming." – Respondent 5

Live shopping, integrated into the regular used social media platforms such as Instagram and Facebook, might be a door opener for smaller businesses since it is a digital environment they are already used to. It could entail smaller merchants with limited technological skills to reach out to a bigger audience. Particularly if social media platforms that people are used to and comfortable with, like Facebook or Instagram, introduces live shopping on their platforms. Yet, same challenges will possibly prevail for smaller businesses, as they need to reach out differentiate themselves. Even though a consolidation of players is likely, smaller e-retailers might still exist.

> "There will still be a lot of smaller e-retailers. The big ones are getting bigger, but you do not buy everything on Amazon." – Respondent 5

In China, the super apps combine online shopping with social media. In Sweden, e-commerce and social media have to a large extent been executed on different platforms up until today. It remains to see if the super apps are the future in Sweden as well. Looking at the expansion of for instance Facebook, this trend may be close in time. If the "one-click" principle is achieved, live shopping become the ultimate interface for consumers. But what will be the tipping point for the future to be live?

"Live streaming is going to be a revolution, when there's an integration of channels. But we are going to have to work for it." – Respondent 5

5.   Discussion

As live shopping as a channel is new on the Swedish market, it is yet to distinguish possible adaptions in order to succeed. To learn whether the factors that enabled a success in China can be applied to the Swedish market, crucial moments that enabled the growth of live shopping in China must be deciphered. The discussion is focusing on the implications for the adaptation of live shopping in Sweden from the perspective of e-commerce merchants.

Historically, the Chinese regime has prioritized values that stands in opposite to the current commercial landscape observed in China. The cultural revolution brought a disruption in the social spheres and led to a lack of trust towards their fellowmen. The regime's interference with and control of companies have led to a distrust towards company representatives among the Chinese. The rapid technological and digital development and distrust have shaped a buying pattern that resembles the buying behavior during live shopping, where the immediate family has been extended to include influencers. The fact that a Chinese consumer trusts someone that they can establish a relationship to, rather than a company representative, could illustrate a desire for security as the markets are a construction of the actions of the government and the firms within it (Samuels, 2004). In China, the state and the companies in the market constitutes the regime of capital. As the findings of this study show that the actions of the government and the companies are a prominent factor in working the market, the market can be considered a social construction (ibid.).

Comparing China and Sweden, several differences have been observed. There are political differences, as the Chinese regime exercises more control. The fact that China has built their own ecosystem of social platforms may be one way of controlling the Chinese, compared to the market economy in Sweden. Differences in technology takes form in the usage of technology, digital maturity, and behaviors. The consumer behavior in both countries is influenced by the technological landscape as well as the political landscape. For instance, a large part of the Chinese e-commerce is done through apps, while the Swedish market of e-commerce is fragmented and dependent on individual web shops. The political differences are also reflected in who consumers find trustworthy. In Sweden, no mistrust of the government that would affect consumer behavior has been shown. Both markets have the infrastructure needed for live shopping, which is an enabler for offering live shopping. The observed differences in lifestyle between China and Sweden are not considered to majorly contribute to a further understanding of the research question.

Even though findings show that Sweden is not as digitally advanced as China, Sweden is digital enough. Sweden has the infrastructure and technology needed, as well as a digitally mature population. Nevertheless, the infrastructure is heavily dependent on

American tech companies' development towards live shopping, since Sweden has an almost non-existing digital ecosystem of their own. Thus, the American social media platforms have an extensive indirect power. The growth of live shopping can therefore be assumed to depend on these platforms, and as soon as they integrate live shopping and payment solutions into apps like Facebook or Instagram, live shopping is likely to expand in Sweden. If Instagram or Facebook, where consumers already have set-up profiles and connections, lowers the threshold by integrating their services with Swedish e-commerce, the lock-in effect will triumph. It is especially of importance for smaller merchants that has less resources to invest in technological development.

The fact that there are a few, big players in the Chinese market that are directly or indirectly controlled by the government implies that the Chinese consumers could be more influenced than the Swedish consumer. In other words, if the Chinese government wants the Chinese consumer to consume in a certain way, they can possibly form the market according to their desires. In accordance with Samuels (2004), the social control executed by the Chinese government is substantially larger than the one executed by the Swedish government. On the other hand, the Swedish market can be considered to be controlled by the firms in the market, rather than by the government. Particularly American tech giants have a vast indirect power over the Swedish digital scene.

Firms in the Swedish market are instead facing uncertainty in a market that they are currently forming, trying to create a demand for a phenomenon that their potential consumers do not even know that exist. Therefore, Swedish companies also need to adapt the marketing of their live streams. As mentioned before, live shopping is not revolutionary. It is rather about promoting the products and thereby create a demand. The early players within the industry need to be influenced by Chinese live shopping by removing friction, creating the feeling of a community among the viewers, and thereby creating demand for the products being sold. As Samuels (2004) states, changes in supply and demand leads to changes in a market. Since the market is forming, firms operate under uncertainty.

During the formation of the market, strategic behavior is important (Samuels, 2004). For smaller e-commerce merchants to benefit from live shopping, a certain managerial approach is needed. According to Li & al. (2018), small firms' performance is related to their tendency to pursue innovative strategies. Furthermore, managers should be proactive especially in markets with high perceived market potential. In order to adapt the concept of live shopping to the Swedish market, the areas of focus should be to perfect the customer experience, which is a question of management. Top management needs the right competencies, as well as a holistic viewpoint that implies emphasizing in-house logistics in order to enhance the customer experience also in terms of delivery times. Due to Sweden's demography, next-hour deliveries may not be possible in larger extension. Optimized in-house logistics could however shorten lead times and result in faster deliveries. A holistic managerial approach means taking in consideration the

whole flow of the live shopping customer experience: seamless digital integrations, fast enough deliveries, entertainment qualities and relevant offers. A management approach not taking the customers' demands into consideration may lead to additional indirect costs in terms of not utilizing the window of opportunity.

It remains to reason from which perspective the adaptation should be done. While the theory of liability of foreignness is based on the premise that the channel is the object for adaptation, the new channel might be innovative enough for the market to be adapted to it. The cheer complexity poses the question if the solution lies beyond a binary answer with a Swedish market adaptation or an imitation of Chinese live shopping? Since there are many complex factors for to create successful live shopping market in Sweden, a form of hybridization (Siebers, 2016) might be an option. To create a hybridity, a "third space", with elements from both the Chinese market and the Swedish market (Abo, 1994).

5.1. Conclusion

The empirical data describe two contrasting markets with different digital journeys in terms of speed and adaptation and also two dissimilar political systems impacting the way live shopping is being received. The authoritarian Chinese governmental strategy has digitalized the society quickly and recent demographical and sociological changes may have created a loss in customs and traditions. This has partly created a strong and widespread use of digital channels. Sweden's more gradual and democratic progress towards a digital economy could result in a slower Swedish adaptation of live shopping. Logistically, the two countries differ, as Chinese e-commerce offers flexibility and next-hour deliveries, which could be difficult to implement considering the slower logistics infrastructure in Sweden. As a result of the political differences, the markets in China and Sweden work differently. The distrust in the Chinese society has been a driver for influencer marketing. Although influencer marketing has emerged in Sweden in recent years, Swedes do not have the same credence towards influencers. Since Swedish influencers do not have the same power as in China, a possible adaption could imply for instance company representatives instead.

The findings show differences between the markets, indicating the need of adaptations. This would be in line with Zaheer's (1995) conclusion that firm-specific advantages could be more beneficial than a direct imitation of local practices. In this study, firm-specific advantages can refer to managerial implications, such as diversified management boards with the right competence of the emerging market of e-commerce and specifically live shopping, or the knowledge about the target group. As the market of live shopping is under construction in Sweden, another firm-specific advantage is the tendency to pursue innovative strategies in accordance with Li & al. (2018).

As Zaheer (1995) suggests, live shopping needs some market adaptation in order to be successful in Sweden. Swedish firms need to optimize their firm-specific advantages while some Chinese practices may be transplanted, such as integrating social media and e-commerce into one app. Hence, the conclusion for the research questions suggests a hybridization of the two markets that implies a possible intersection where a cross-filtered adaptation creates a "third space" (Siebers, 2016). This suggests a hybridity inspired by China but adapted to the Swedish market and thereby accommodates to the technology landscape in Sweden, as well as Swedish consumer behavior and demography. Since social media in Sweden is mainly governed by American social media platforms such as Instagram and Facebook, the conclusion is that live shopping will not succeed in Sweden unless these popular social media platforms will be integrated in a seamless online shopping experience. This may imply that the Swedish smaller technological providers of seemingly simple livestreaming solutions will not play a big part in the long-run success of live shopping in Sweden. If the future is live for Swedish e-commerce all lies in the hands of American social media platforms willingness to create easy plug-ins for live shopping.

5.2. Critique and future research

According to Bryman & Bell (2011), there is some general critique towards qualitative studies. This critique includes qualitative research being too subjective, the research is difficult to replicate, problems of generalization and lack of transparency. The fact that the researchers have been aware of these has led to a constant strive to avoid these general pitfalls. However, it is important to highlight all possible critique, as the researchers unconsciously may have interfered in the study in unwanted ways.

Qualitative research has been criticized for being too impressionistic and subjective (ibid.), which potentially could be applicable for this study as well. Particularly the political landscape in China, is a sensitive and complex matter to write about. It is hard to form a completely objective understanding of how the Chinese witnesses it. The respondents that were experts on China all have an extensive knowledge within different areas in China and have lived in China. However, as they also have lived in Sweden, they can view the Chinese regime from another perspective than someone that has lived in China their entire life. Therefore, there may be a possibility that the participants' and researchers' subjective perception of the political landscape in China has affected the study.

Furthermore, the rather unstructured nature of the interviews increase difficulty to replicate the study, as there are not any standardized procedures to be followed (ibid.). This is connected to the fact that it is hard to replicate social situations that occur when interviewing. This also applies to the data analysis method used in the study, as thematic analysis may subconsciously be affected by the researchers' characteristics.

According to Nowell & al. (2017), disadvantages of thematic analysis may include inconsistency and lack of coherence, which must be considered when evaluating the study.

The relatively small number of respondents in the study may impact the generalizability of the study according to Bryman & Bell (2011). Moreover, the generalizability may also be affected by the fact that all respondents are active in the market of e-commerce to some degree, which implies that they are both digitally mature, pro-technology and may even earn their living on the industry. Bearing that in mind, it cannot be said that the study can represent a whole population. As suggested by Bryman & Bell (2011), the scope of the findings in qualitative research is limited.

Lack of transparency is another characteristic of a qualitative study, since it is hard to determine exactly what the researchers' process looked like and how the conclusions have been drawn (ibid.). In accordance with the possible limitations of thematic data analysis described above, parts of the analysis may not be transparent to the reader, as it might have been affected subconsciously by the researchers. In order to optimize transparency of the study conducted, the process has been thoroughly described in section 3.

As this study has not touched upon the consumer perspective of live shopping, suggestions for further research could be to explore the consumers of tomorrow's wishes. Broadening the spectrum from this thesis, it could be interesting to investigate the implications of live shopping on the customer journey and decision-making process.

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8.   Appendix

Appendix 1. Interview guide

Introduktion:

- Introduktion av oss
- Introduktion av vår uppsats, forskningsfråga samt mål med studien
- Förklaring av insamlandet och användandet av data. Tillhandahållande av samtyckesblankett (GDPR) samt underrättelse om att den måste undertecknas.
- Samtycke till att vi spelar in intervjun

Allmänna frågor (ställs till samtliga respondenter):

- Kan du introducera dig själv?
- Vad jobbar du med?
- Har du någon erfarenhet av live shopping?
- Vad tror du live shopping har för förutsättningar i Sverige?
- Vilka faktorer kommer bidra till framväxten av live shopping? Finns det någon faktor som fortfarande måste utvecklas?

Avslutande frågor:

- Finns det något vi inte frågat om som du skulle vilja tillägga?
- Vill du att vi skickar över den transkriberade versionen av intervjun?

Frågor till respondenter med expertis på Kina (respondent 1, 2, 3):

- Skulle du kunna beskriva hur det kinesiska e-handelslandskapet ser ut?
- Vad har bidragit till att e-handelslandskapet i Kina ser ut som det gör?
- Vilka faktorer tror du har varit bidragande i att live shopping blivit så stort i Kina?
- Hur ser det politiska landskapet ut, litar kineserna generellt på myndigheter? Varför tror du det är så?
- Tror du att kineserna generellt anser att internet är frihet?
- Hur har utvecklingen av infrastruktur sett ut historiskt?
- Hur har digitaliseringen sett ut? Har den varit en medveten strategi från kinesiska myndigheter?
- Hur ser kinesernas digitala beteende ut?
- På vilket sätt har du sett att "superapparna" används?

Frågor till respondenter med expertis på den svenska e-handelsmarknaden (respondent 4, 5, 6):

- Hur väl digitalt utvecklat skulle du säga att Sverige är?

- Hur väl har Sverige digitaliserat statliga eller kommunala tjänster?
- Är svenskarna generellt snabba på att ta till sig digital utveckling och prova på t.ex. nya digitala tjänster?
- Skiljer sig benägenheten att ta till sig av nya digitala tjänster mellan olika demografiska grupper?
- Vilka är dom stora milstolparna i det svenska digitala landskapet?
- Hur tror du det svenska digitala landskapet kommer se ut framöver?
- Hur tror du det svenska e-handelslandskapet kommer se ut i framtiden?
- Tror du vi kommer se s.k. "superapps" framöver i Sverige?
- Vad tror du 5G kommer innebära för det svenska digitala landskapet?

Frågor till respondenter med erfarenhet av live shopping på den svenska marknaden (respondent 7, 8):

- På vilket sätt använder ni live shopping?
- När började ni med live shopping?
- Hämtade ni inspiration någonstans? Om ja, varifrån?
- Vad anser ni att fördelarna med live shopping är?
- Finns det något ni funnit utmanande eller svårt med live shopping?
- Har ni gjort live shopping tillsammans med influencers? Om ja, varför just den/dessa?
- Tror ni live shopping kommer vara särskilt framgångsrikt inom någon specifik produktkategori?
- Vilken teknisk lösning använder ni?
- Hur ser ni på det svenska live shoppinglandskapet idag?