



Trust and Customer Engagement With E-Commerce Sellers Through The Role of Shopee Live Streaming

ABSTRACT

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With videos being broadcast in real time, live streaming services are increasingly popular in Indonesia, and many merchants have used them as a way to increase their sales. This study proposes a complete framework to examine the relationship between customer perceived value of live streaming, customer trust, and engagement based on literature in retail, adoption behavior, and e-commerce. The research method uses a quantitative approach with a survey method that results in 200 samples that have been distributed in Indonesia. This research was analyzed using PLS-SEM. The results showed that customer trust related to utilitarian value has a positive effect on live streaming. However, on hedonic values, the role of live streaming on customer trust only affects product trust, not their trust in the seller. The results of research related to customer engagement found that the role of live streaming can create utilitarian value and hedonic value, thus impacting customer trust and generating customer engagement in the process. However, this customer engagement only has a significant impact on customer trust in the seller, not with customer trust in the product. Implications of the results of this study. The implication results of this study provide insight into how e-commerce sellers can implement live streaming technology that attracts and retains customers. In addition to the function of live streaming, sellers should carefully design the atmosphere so that customers feel the utilitarian and hedonic values of shopping through live streaming, and in turn can affect customer demand.

Keywords: Live Streaming; Utilitarian Value; Hedonic Value; Customer Trust; Customer Engagement

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INTRODUCTION

In January 2024, the number of individual internet users worldwide reached 5.35 billion, as reported by (Annur, 2024a). Indonesia is the seventh most populous country in the world, with 93.4 million people using the internet in 2024 (Annur, 2024b). The internet, which was originally utilized for the sole purpose of information retrieval, has undergone a significant transformation, becoming a platform for conducting transactions and a fundamental component of contemporary Indonesian society (Hayati & Mutaqin, 2023).

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This presents a potential opportunity for businesspeople to enter the electronic buying and selling market. This activity is commonly referred to as e-commerce, which encompasses all transactions conducted online by the parties involved in the buying and selling process. Since the advent of e-commerce in Indonesia, there has been a notable inclination towards online purchases (Naufal & Nalurita, 2023).

The proliferation of e-commerce platforms in Indonesia has resulted in a notable surge in online shopping activities. According to data from SimilarWeb Ahdiat, (2024), Shopee is the e-commerce platform with the largest market share in Indonesia, based on the number of visits it received throughout 2023. One method sellers employ to promote their goods via e-commerce is through the use of live streaming features. Live streaming offers a unique advantage as an effective and interactive online marketing tool in real-time (Shen et al., 2022). The prevalence of live streaming as a source of product information among consumers (40.5%) underscores the significance of live streaming in e-commerce (Shih et al., 2024).

Shopee Indonesia offers a diverse range of products tailored to the Indonesian consumer, ranking among the top five e-commerce platforms in Indonesia (Putri & Zakaria, 2020). Shopee's growth and success are not solely attributable to its business model; the company has also distinguished itself as a pioneering platform and a forward-thinking enterprise, continuously striving to enhance customer experiences in the realm of online shopping. One notable example is the introduction of the Shopee Live feature. (Sari & Habib, 2023).

The utilitarian value of a product or service is determined by its functional benefits and operational characteristics. The practical benefits, efficiency, and effectiveness of a product or service are included in meeting specific needs or solving problems for users (Kelly, 2024). In the context of online shopping, consumers tend to prioritize utilitarian benefits, such as ease of use and the ability to achieve desired outcomes, including enjoyment from the shopping experience (Atulkar & Kesari, 2017). Hedonic value pertains to the enjoyment, pleasure, and emotional satisfaction that individuals derive from an experience, product, or service. This concept places greater emphasis on the sensory and emotional aspects of consumption than on its practical benefits (Kelly, 2024). Hedonic shopping value has been demonstrated to enhance customer loyalty, yet it appears to have no impact on repatronage intentions (Atulkar & Kesari, 2017).

It seems probable that customers' attitudinal (trust) and behavioral (engagement) responses will be influenced by direct streaming with potential utilitarian, hedonic, or symbolic shopping value (Wongkitrungrueng & Assarut, 2020). A customer who trusts a service provider will demonstrate a high level of commitment and confidence in the value of the provider's offerings, and will be less likely to consider alternative options (Huang et al., 2024). Customer engagement behavior is in fact an instinctive response to specific social stimuli. The social interactions and internal psychology that encourage clients to behave consistently in society are crucial for the generation of societal well-

being (Kang et al., 2021). The strength of a bond is an important metric that indicates the proximity and scope of the relationship between social members (Luo et al., 2016).

In this study, nine questions were posed. The objective of this study is to examine the relationship between utilitarian value, live streaming, and customer trust in a seller and product. Specifically, the following research questions will be addressed: (1) Does utilitarian value and live streaming have a positive relationship with customer trust in the seller? (2) Does utilitarian value and live streaming have a positive relationship with customer trust in the product? (5) Does customer trust in a product have a positive relationship with customer trust in a seller?; (6) Does the utilitarian value of live streaming have a positive relationship with customer engagement?; (7) Does the hedonic value of live streaming have a positive relationship with customer engagement?; (8) Does customer trust in a seller have a positive relationship with customer engagement?; (9) Does customer trust in a product have a positive relationship with customer engagement?

This research is a replication study that examines the relationship between customer-perceived utilitarian and hedonic value of live streaming, customer trust in the product as well as the seller, and customer engagement. The objective of this study is to analyze the relationship between the role of live streaming, utilitarian, hedonic, and symbolic values, customer trust in the product and seller, and customer engagement. The researcher aims to make several contributions to the field. First, it provides concrete evidence and theoretical insights that can be used as reference material for information, discussion, and future research related to live streaming. Secondly, it contributes to the existing literature on utilitarian value, hedonic value, customer trust, and customer engagement. Thirdly, it provides guidance to sellers on the development of sales strategies through live streaming e-commerce platforms. Finally, this research is expected to provide practical insights for sellers in live streaming e-commerce, streamers, and Shopee in determining the factors that can influence utilitarian value, hedonic value, customer trust, and customer engagement at Shopee Live.

LITERATURE REVIEW

Utilitarian Value

In e-commerce platforms, utilitarian value is defined as the extent to which the features, price, and quality of a product or service correspond to the utility consumer expects. Consumers experience the utilitarian value of products and services when the requirements they expect are met (Wu & Huang, 2023). When customers buy utilitarian goods, they collect information about the product by focusing on material features and knowledge, considering other options, and performing information analysis processes. Consumers tend to concentrate on product knowledge and objectivity, when deciding to buy a variety of utilitarian products (Kivetz & Zheng, 2017).

In live streaming e-commerce, a mentor-oriented streamer helps customers understand and evaluate available information thoroughly through a professional and customer-understood presentation, thereby reducing customer uncertainty when making decisions. As a result, a partner-orientated streamer usually has limited knowledge of product information and related fields, so they cannot provide professional, reliable, and comprehensive product information. As a result, mentor-oriented para-social interactions can enhance consumer perceptions of product quality and increase consumer confidence in utilitarian products, thereby increasing their willingness to buy. As a consequence, mentors-focused para social interactions compared to partner focused interactions will boost consumer trust in utilitaristic products in live-streaming, resulting in higher purchasing intentions (Liu et al., 2024).

Hedonis Value

The hedonist shopping value is described as a buyer who gains excitement and pleasure, because the word hedonis has meaning pleasures, enjoyment, excitement, and entertainment. Therefore, hedonic shopping value was the most important element in unplanned purchases and is considered the primary motivation for impulsive purchases. It shows that customers, especially women, describe their shopping experience as a form of love. Hedonistic individuals tend to stay in a positive mood and avoid negative mood. Therefore, a better clarity of mood encourages people to strive more to shop to improve or improve their mood (Parsad et al., 2021).

Live streaming feels very entertaining, and customers can easily a psychological state of excitement and pleasure while shopping, thus attracting viewers and encouraging them to keep watching. Text chat rooms in live streaming enhance social bonds, and this social bond enhances consumer positive emotions such as satisfaction and attachment, which produces emotional commitment (Fazal-e-Hasan et al., 2017). Consumers get hedonistic value from interactions and activities while they watch live streaming, it improves the shopping experience and psychological intimacy between streamer and customer, thus creating closeness between customer and streamer. In addition, it can encourage greater confidence in the ability, charm, and character of the streamer in providing services and growing confidence to the customer (Zhang et al., 2024). At the same time, streamer creates a new way to display products, which can affect customer emotions and feelings, build confidence in the product and encourage purchasing behaviour (Wu & Huang, 2023).

Customer Trust

Live streaming offers users interactive and dynamic opportunities (Alam et al., 2023). Customer satisfaction and trust are the two main factors that determine customer loyalty and willingness to buy the product back (Javed & Wu, 2020). Live streaming provides live interaction that not only eliminates the routine of getting information through text and images, but also solves blurred information problems and gives

customers a near-real social shopping experience (Liu et al., 2024). This is demonstrated by the increased level of engagement and customer confidence with real-time broadcasts. Interactive mode in live streaming increases customer trust in decision-making and solves e-commerce credibility issues (Tong, 2017).

Streamers interact with consumers using two different ways. On the one hand, they demonstrate their professional knowledge and skills by explaining product features, performance, and way of use. On the other, they involve consumers in various communication sessions through personal interaction and sharing personal experiences, resulting in rich shopping satisfaction. Live streaming viewers make streamer look like a specialist or an interactive partner. Viewers treat streamer as an expert or an expert because they receive informative support from the live streaming process. They also get emotional support from live streaming, so streamer is seen as a friend or companion. The social presence created by real-time interaction that increases confidence in the live streaming trade has been shown to reduce the psychological gap between customers and streamer, increasing consumer trust in streamer and product (Liu et al., 2024).

Customer Engagement

Often considered as a three-dimensional concept, customer engagement consists of cognitive, emotional, and behavioral components. Cognitive engagement shows the cognitive process and customer mental elaboration of brand-related information. Emotional engagement indicates the extent to which the customer influences their brand related interactions. Behavioral engagement shows how much time, energy, and energy the customer spends in their brand-associated interaction. Social engagement shows to what extent the customer invests in e-commerce live streaming related social dynamics (Luo et al., 2024)

Increased interest in understanding the nature of customer engagement in the context of modern online consumption has been caused by the entry of information technology into our daily lives. Recent research focuses on how modern online consumerism differs from traditional retail experiences (Taheri et al., 2024). Empathic and real-time streamer interactions are more likely to increase customer engagement and encourage customers to make immediate purchases through the mainstream, while consistent comments from fellow viewers help make decisions easier and drive impulsive purchases. Streamer may want to build a fan base or invite users to join relevant interest groups, which can increase customer engagement with their content. It can also increase the number of active fans and strengthen the relationship between streamer and customer. Customers often associate streamer images with the quality of information provided. Product information quality and streamer credibility are also important factors in customer engagement (Luo et al., 2024).

Utilitarian Value and Customer Trust

Prior research indicates that numerous attributes of these values are associated with online commerce and appear to impact various dimensions of trust. Trust can be conceptualized as comprising both cognitive and affective dimensions. The term "cognitive trust" refers to a customer's belief in relying on another party's ability and performance. It can be defined as the buyer's belief that the information they have received is accurate, that they can rely on the seller's recommendations, that they will receive the item they have ordered from the seller, and that the product they have purchased will meet their expectations. The reduction of product identity and uncertainty through live streaming can provide utilitarian value in terms of authenticity, responsiveness, and visualization (Wongkitrungrueng & Assarut, 2020). Therefore, utilitarian shopping value typically indicates the task-related value of the shopping experience, which fosters customer trust as a result of their own shopping experience (Jones et al., 2006).

H1a: The utilitarian value of live streaming has a positive relationship with customer trust in the seller.

H1b. The utilitarian value of live streaming has a positive relationship with customer trust in the product.

Hedonic Value and Customer Trust

In previous research, the concept of hedonic value has been defined as a form of emotional connection between consumers and sellers. Direct observation and monitoring of the seller's activities can contribute to the formation of hedonic value, enhancing the consumer's shopping experience and fostering enjoyment and enjoyment. Such positive sentiments and affect can facilitate an emotional bond between sellers and their merchandise. Streamers who are acting as sellers have the option of using live streaming to showcase their products in real time. Dynamic and interactive live streaming makes the experience more exciting and interesting. Customers will have an exciting and enjoyable shopping experience if sellers utilize live streaming to engage and entertain buyers. As customers gain experience in shopping and making purchases, trust in the seller and product will grow (Wongkitrungrueng & Assarut, 2020). Furthermore, attitudinal loyalty is seen as a moderated mediator, where trust plays a moderating role in the relationship between hedonic shopping values that can give rise to behavioral loyalty (Lee & Park, 2024).

H2a: The hedonic value of live streaming has a positive relationship with customer trust in the seller.

H2b. The hedonic value of live streaming has a positive relationship with customer trust in the product.

Trust In Product and Trust In Seller

In previous research, trust in products has been distinguished from trust in sellers. It has been established that trust in products precedes and shapes trust in sellers, given that products form part of the retail mix and therefore affect trust in sellers (Wongkitrungrueng & Assarut, 2020). In the context of live streaming commerce, customers can interact with sellers in real-time, access constantly changing information, and reduce transaction risks, thereby increasing trust. This process has been demonstrated to enhance consumer trust and mitigate customer-perceived risk (Liu et al., 2024). A greater perception of the utilitarian and hedonic value of live-streaming shopping will result in increased trust in products and sellers, which in turn will lead to greater customer engagement in the most important metrics of a company's social media presence (Wongkitrungrueng & Assarut, 2020). Moreover, the function of social and technical systems in the transfer of trust, particularly in regard to streamer trust, can facilitate the establishment of trust in the promoted product. Additionally, the emergence of trust in the streamer represents a significant factor in the extension of trust to the promoted product (Shih et al., 2024).

H3: Customer trust in a product has a positive relationship with customer trust in the seller.

Utilitarian Value, Hedonic Value, and Customer Engagement

Prior research indicates that the shopping value (utilitarian and hedonic) perceived by consumers can influence their decision-making, judgment, purchase, and satisfaction with the shopping experience, which in turn affects customer engagement. Moreover, the correlation between customer engagement behavior and perceived engagement benefits can be affected by re-subscription intentions, which, in turn, can influence relationship outcomes (Wongkitrungrueng & Assarut, 2020). E-commerce platforms, which may be defined as online brand communities managed by companies, are becoming increasingly important for the purpose of improving customer relationships. It is important to note that an e-commerce platform is not simply a physical website; rather, it is a collection of social relationships that connect a brand with other customers, which in turn serves as the basis of the community. Through the use of such platforms, customers are able to easily build relationships and identities through the use of interactive activities (Luo et al., 2016).

Customer Trust and Customer Engagement

In previous research, trust has been identified as a significant factor influencing customer purchasing decisions for online stores. It has also been shown to facilitate communication between sellers and buyers, which in turn leads to customer engagement on e-commerce platforms. Trust can enhance the reputation of online sellers, thereby increasing customer interest in purchasing from the site. The formation

of a buyer-seller relationship requires the establishment of trust and commitment on the part of the buyer (Wongkitrungrueng & Assarut, 2020). If the buyer trusts the seller and their products, the buyer is expected to support the seller. The increased interest in understanding the nature of customer engagement in the context of modern online consumption is due to the influx of information technology into everyday life. Recent research has concentrated on how contemporary online consumption differs from the traditional retail experience (Taheri et al., 2024).

H6a: Customer trust in the seller has a positive relationship with customer engagement.

H6b: Customer trust in the product has a positive relationship with customer engagement.

Hypotheses of the research

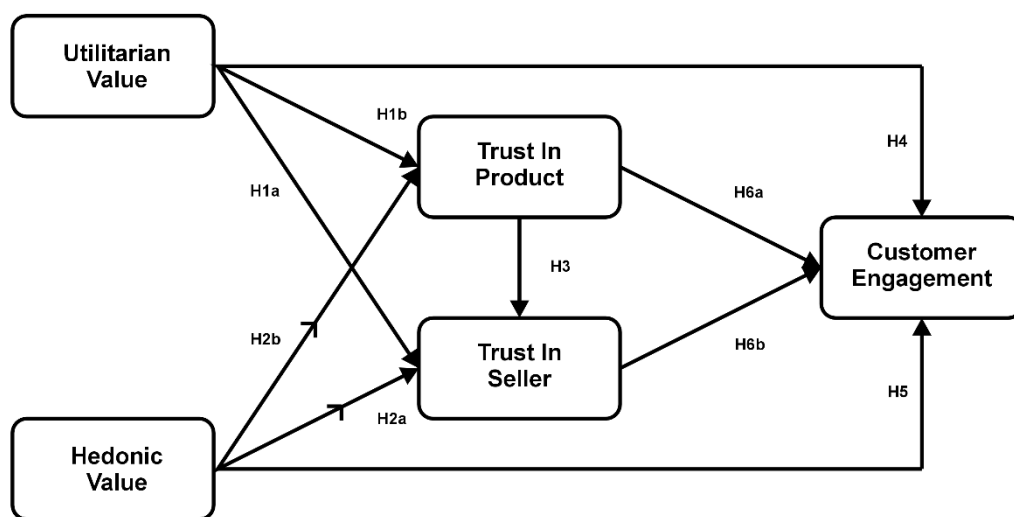


Figure 1. Research Model

METHODOLOGY

This research explores the role of live streaming in fostering consumer trust and engagement with e-commerce sellers. This research employs a causality study to ascertain the causal relationship between two or more variables through hypothesis testing. The objective of this research is to ascertain the relationship between the independent and dependent variables. This study employed a quantitative methodology, utilizing an online questionnaire distributed via Google Forms to collect data. This study examined a number of variables, including two independent variables (utilitarian value and hedonic value), two mediating variables (trust in the product and trust in the seller), and one dependent variable (customer engagement).

The researchers employ an overall variable measurement utilizing a seven-point Likert scale. In questionnaire-based research, researchers will utilize a Likert scale, which is the most prevalent psychometric scale for measuring respondents' responses (Anjaria, 2022). The seven-point scale is employed to enhance rater reliability and yield more accurate results (Taherdoost, 2019). The non-probability sampling method, utilizing purposive sampling techniques, is employed in this study because the objective is to recruit respondents who have purchased items or are otherwise knowledgeable about the Shopee e-commerce platform. The final sample size consisted of 200 respondents.

The research was conducted in Indonesia, as the focus was on the Shopee Indonesia live streaming e-commerce platform, with users dispersed throughout the country. A survey conducted by JakPat revealed that 83.7 percent of Indonesians have engaged with live streaming-based online shopping features. A significant proportion of live streaming users in Indonesia, specifically 83.4 percent, engage in shopping activities while streaming live on Shopee. This finding corroborates the assertion that a significant proportion of the Indonesian population utilizes Shopee Live as a platform for fulfilling their purchasing needs (Annur, 2022).

The relationship between latent constructs in the research model was tested using the Partial Least Square-Structural Equation Modeling (PLS-SEM) analysis model approach, which entailed two stages: the evaluation of the measurement model and the structural model (Hair et al., 2021). The validity and reliability tests in this study were conducted to assess the measurement model, while the structural model was evaluated through the R², Q², and path coefficient tests, as well as hypothesis testing using t-statistics and p-values.

RESULTS

Respondent Profile

The sample data obtained from the results of this study, based on the results of the classification of respondents' purchasing experience through Shopee Live, shows that of the total 200 respondents, the majority of respondents in this study have made purchases through Shopee Live as many as 164 people with a percentage of 82% of the total number of respondents. Meanwhile, as many as 36 people from the total number of respondents have never made a purchase through Shopee Live.

Measurement Model

Validity and reliability tests of the measurement model are included in this process. The measurement model tests tested include reliability tests and validity tests. In the reliability test, it is said to be good and accepted if the value of Cronbach alpha is equal to or more than 0.6. This research uses the Cronbach value with $\alpha \geq 0.60$. Furthermore, with regard to the composite reliability (CR) value, it is recommended that the

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composite reliability (CR) value should be at least 0.6 to indicate that it can still be considered reliable. A higher composite reliability (CR) value indicates that it is more reliable. Therefore, the criterion for the reliability value in this study is to at least achieve a value of 0.6 (Hair et al., 2021). In this study, the CR value ranged from 0.703 to 0.934.

Based on testing the AVE value which is the overall average value of the squared loadings of the indicators related to the construct, namely the sum of the squared loadings divided by the number of indicators. Factor loading values greater than or equal to ± 0.50 are considered significant in practice. In addition, factor loading values above 0.70 indicate a well-interpreted structure. Therefore, this study is considered valid if it has a factor loading of at least 0.50 or more (Hair et al., 2021). These results indicate that the construct reliability and validity of all variables are fulfilled and can be declared valid based on the data in Table 1.

Table 1. CR and AVE Value

Construct	Item	CR	AVE
Utilitarian Value	UTV1	0.924	0.635
	UTV2		
	UTV3		
	UTV4		
	UTV5		
	UTV6		
	UTV7		
Hedonic Value	HDV1	0.934	0.671
	HDV2		
	HDV3		
	HDV4		
	HDV5		
	HDV6		
	HDV7		
Trust In Seller	TRS1	0.761	0.761
	TRS2		
	TRS3		
	TRS4		
Trust In Product	TRS5	0.918	0.918
	TRS6		
	TRS7		
Customer Engagement	ENG1	0.703	0.703
	ENG2		
	ENG3		
	ENG4		
	ENG5		
	ENG6		
	ENG7		
	ENG8		

Source: Primary Data Processed, 2024

Furthermore, measuring a construct that is empirically different from other constructs in the structural model using the HTMT test. The HTMT test also needs to be carried out to determine whether the discriminant validity measured in this study supports the results tested in discriminant validity based on the Fornell-Larcker Criterion test (Henseler et al., 2015). The higher the HTMT value in the HTMT test, the higher the discriminant validity problem. Therefore, the HTMT value must be less than 0.85 in order to measure the discriminant validity contained in conceptually different constructs (Henseler et al., 2015). Therefore, the level of uniqueness of the measurement scale between the constructs of this study is considered valid if the value is not more than 0.85 (Hair et al., 2021). The results in Table 2 show a value below the threshold that indicates acceptance and all variables of this study have been declared valid. In addition, the variables are also reflective of each other.

Table 2. HTMT Ratio

Construct	UTV	HDV	TRS (p)	TRS (s)	ENG
Utilitarian Value					
Hedonic Value	0.679				
Trust In Product	0.715	0.618			
Trust In Seller	0.767	0.659	0.874		
Customer Engagement	0.445	0.609	0.586	0.701	

Source: Primary Data Processed, 2024

Structural Model

In testing the inner model, to test for collinearity, the variance inflation factor (VIF) value is observed to determine the level of collinearity of each predictor construct included in this test model. A high VIF value indicates that there is no problematic multicollinearity between the research variables (Hair et al., 2021). This study showed that the study had no collinearity problem as all the VIF values were found to be below the specified limit.

Furthermore, the assessment of item significance of direct effects and indirect effects using the bootstrap technique in the structural model. The coefficient of determination (R^2) and cross-validated redundancy (Q^2) values are used to evaluate the quality of the model (Hair et al., 2021).

If the R^2 value of 0.67 indicates that the model is strong, 0.33 indicates that the model is moderate and 0.19 indicates that the model is weak (Chin, 1998). The results in this study show that R^2 trust in seller and customer engagement is above 0.330 and below 0.67 or in the moderate category ($0.33 < R^2 < 0.67$). The R^2 value of the trust in seller variable (0.449) and customer engagement (0.505). Meanwhile, the R^2 value of the trust in product variable (0.714) is above 0.67 ($0.67 < R^2$) which means it is in the strong category.

In this study, endogenous constructs have predictive relevance if the Q^2 value is greater than or equal to zero ($Q^2 \geq 0$). So, the criterion for endogenous constructs that have

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predictive relevance is the Q_2 value ≥ 0 (Hair et al., 2021). For the Q_2 value, the three endogenous variables, namely, trust in product, trust in seller. and customer engagement have a Q_2 value of more than zero ($Q_2 \geq 0$) so that they are declared predictive.

Table 3. Collinearity Statistics

Construct	UTV	HDV	TRS (p)	TRS (s)	ENG
Utilitarian Value			0.608	2.121	2.335
Hedonic Value			0.608	1.755	1.809
Trust In Seller				1.998	3.145
Trust In Product				3.498	
Customer Engagement					

Source: Primary Data Processed, 2024

Table 4. Structural Model Evaluation

Item	R ²	R ² Adjusted	Predictive Relevance (Q ₂)
Trust In Seller	0.499	0.494	0.531
Trust In Product	0.714	0.710	0.441
Customer Engagement	0.505	0.495	0.348

Source: Primary Data Processed, 2024

Hypothesis testing

The results of hypothesis testing using a two-tailed test are shown in Table 5. All hypotheses are supported except for H2a and H2b. This makes hedonic value does not positively affect trust in seller ($\beta = 0.123$, $t = 1.928$) and trust in product does not positively affect customer engagement ($\beta = 0.148$, $t = 0.405$). For utilitarian value, it positively influences trust in seller ($\beta = 0.247$, $t = 4.593$) and trust in product ($\beta = 0.507$, $t = 5.749$). Hedonic value was also found to positively influence trust in product ($\beta = 0.271$, $t = 2.708$). Then, trust in product also positively influences trust in seller ($\beta = 0.573$, $t = 8.698$). Meanwhile, utilitarian value ($\beta = 0.207$, $t = 2.099$) and hedonic value ($\beta = 0.370$, $t = 5.583$) also positively influence customer engagement. Finally, trust in seller positively affects customer engagement ($\beta = 0.534$, $t = 4.127$) but trust in product does not positively affect customer engagement ($\beta = 0.048$, $t = 0.405$). Figure 2 shows the relationship between the variables tested in this study.

Table 5. Hypotheses Testing Results

Hypotheses	β	T-statistic	P-value	Supported
UTV -> TRS (s)	0.247	4.593	0.000	Yes
UTV -> TRS (p)	0.507	5.749	0.000	Yes
HDV -> TRS (s)	0.123	1.928	0.054	No
HDV -> TRS (p)	0.271	2.708	0.007	Yes
TRS (p) -> TRS (s)	0.573	8.698	0.000	Yes
UTV -> ENG	0.207	2.099	0.036	Yes
HDV -> ENG	0.370	5.583	0.000	Yes
TRS (s) - ENG	0.534	4.127	0.000	Yes
TRS (p) -> ENG	0.048	0.405	0.686	No

Source: Primary Data Processed, 2024

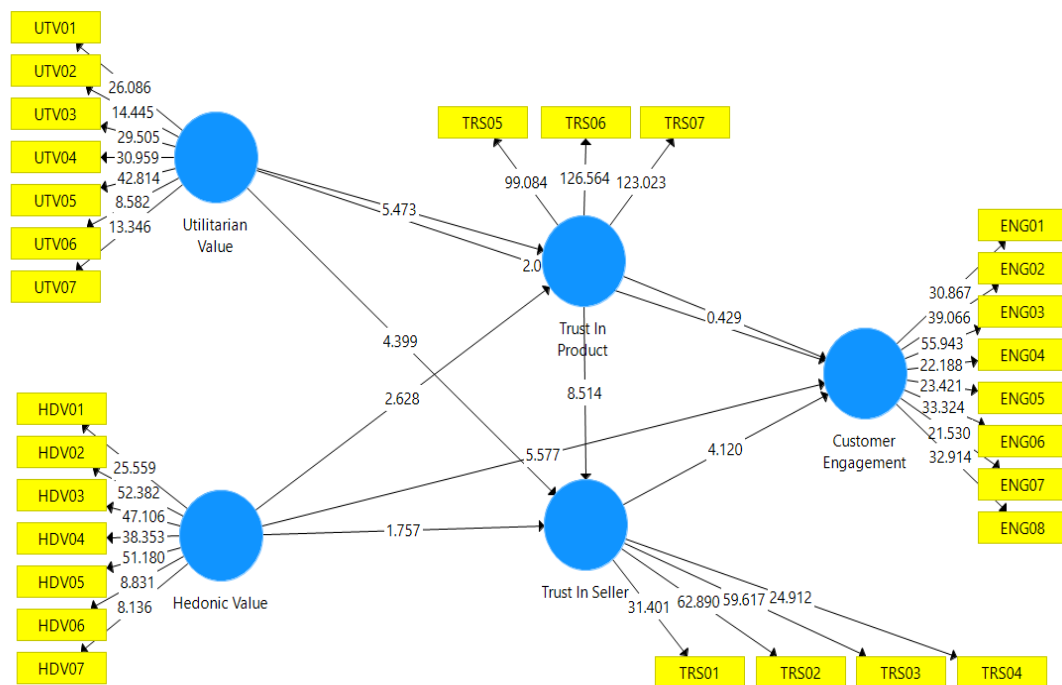


Figure 2. Result Model

Source: Primary Data Processed, 2024

DISCUSSION

The Effect of Utilitarian Value on Customer Trust

From the results of the study, it was found that the utilitarian value variable has a positive and significant effect on the variables of trust in the seller and trust in the product. When shopping through live streaming e-commerce, it allows buyers to see without recording the seller's face and expression, background, and goods offered. This

is in line with the research results which state that overall, authenticity, visualization, and responsiveness will increase with live streaming (Wongkitrungrueng & Assarut, 2020). Consumers seek more utilitarian benefits from online shopping, such as ease of use and satisfying results, as well as satisfaction from the online shopping experience. Utilitarian shopping value specifically increases loyalty and repatronage desire, so consumers will focus more on asking the streamer during live streaming for the desired product, this result is considered efficient to get goods and information consumers seek more utilitarian benefits (Atulkar & Kesari, 2017).

The Effect of Hedonic Value on Customer Trust

The concept of hedonic value is regarded as a potential factor that can exert a positive and significant impact on the formation of trust in products. Nevertheless, hedonic value exerts no discernible influence and is not statistically significant with respect to trust in the seller. This result is at odds with the findings of Zhang et al., (2024) which suggest that streamers can foster customer trust, thereby becoming a driver of greater trust in the ability, charm, and character of streamers to provide services and foster trust in customers. However, streamers have also been observed to employ novel methods of displaying products, which have the potential to influence customers' feelings and emotions, increase trust in products, and encourage purchasing behavior (Wu & Huang, 2023).

This should result in a correlation between trust in sellers and trust in products. However, there may be factors that render trust in the seller inconsequential and trust in the product more significant. This is likely to occur because the streamer who provides the explanation lacks credibility or lacks mastery of product information in terms of delivery, thus reducing the level of customer trust and resulting in a lack of understanding of the product information that is provided by the streamer. In regard to hedonic value, consumers consider the recreational benefits, emotions, and experiences associated with shopping activities Wongkitrungrueng & Assarut, (2020) These factors are expected to influence purchase intentions for products that have hedonic value. Products with hedonic value are typically purchased without prior planning and are considered a primary motivation for impulse purchases (Parsad et al., 2021).

The Trust In Product on Trust In Seller

Trust in products has a positive and significant effect on trust in sellers. This is in line with previous research which states that trust in products precedes and shapes seller trust because products are part of the retail mix (Wongkitrungrueng & Assarut, 2020). In addition, the perceived risk over the internet and the effect of product risk and electronic channels on consumer trust, which shows that consumer trust in products and electronic channels are both affected by consumer trust (Pappas, 2016). This refers to the buyer's belief that the information they receive is correct, that they can rely on the recommendations of the seller, that they will get the goods they ordered from the

seller, and that the products they buy will meet expectations (Wongkitrungrueng & Assarut, 2020).

The Effect of Utilitarian Value on Customer Engagement

From the results of the study, utilitarian value has a positive and significant effect on customer engagement. It is found that utilitarian value in terms of authenticity and visualization allows customers to assess whether a product meets their physical or psychological needs and helps increase their trust in the product, which impacts seller trust and customer engagement. Responsiveness is not important, as customers may have various ways to communicate and interact with sellers without time limits, due to e-commerce that can be accessed at any time. In addition, it is explained that engagement does not necessarily mean participating in search, evaluation, and purchase. It can also mean participating in all customer-to-company interactions throughout the customer journey and customer-to-consumer communication about the brand (Vivek et al., 2014).

The Effect of Hedonic Value on Customer Engagement

Hedonic value has a positive and significant effect on customer engagement. The results of this study are in line with and reaffirm previous findings. Hedonic value in live streaming comes from the pleasure and satisfaction generated from the appearance and visualization of the product. So without product trust, hedonic value will not affect customer engagement. However, product trust alone is not enough to influence customer engagement. Because purchasing goods with hedonic value can influence other consumers at the pre-purchase stage such as the need recognition, search, and evaluation stages (Wongkitrungrueng & Assarut, 2020).

The Effect of Customer Trust on Customer Engagement

Trust in the seller has been demonstrated to exert a positive and significant influence on customer engagement. However, trust in the product has no effect and is not significant to customer engagement. In contrast, trust in the seller is able to have a positive and significant effect on customer engagement. This is in line with previous research which identified company reputation and size, quality of information and communication, quality of systems and services, quality of design, transaction security and privacy, perceived benefits, and word of mouth recommendations as the main factors that influence consumer trust in live streaming that directly mentions the name of the seller.

Conversely, trust in the product has no effect and is not significant with respect to customer engagement. This finding aligns with prior research indicating that customer trust in online commerce is largely influenced by company reputation and size. The results indicated that trust in the seller (but not trust in the product) is directly related to customer engagement. Furthermore, the antecedents of the two types of trust are

distinct. Trust in the product is derived from the values associated with the product, including utilitarian and hedonic values.

Furthermore, during live streaming, streamers can address customers by name and recommend products that align with their interests and demands. They can also solicit feedback from live stream participants on prospective products or gifts. These findings indicate that customer engagement plays a pivotal role in fostering trust in the seller, rather than in the product (Wongkitrungrueng & Assarut, 2020).

CONCLUSION

The purpose of this research is to better understand the relationship between customer trust and customer engagement with sellers in e-commerce through the role of live streaming on the Shopee Live platform. From this research, it can be concluded that the majority of what was tested is in line with previous research. As in the test results, utilitarian value has a positive effect on trust in the seller and trust in the product. Hedonic value was also found to have a positive effect on trust in the product. Trust in the product also has a positive effect on trust in the seller. Meanwhile, utilitarian value and hedonic value also have a positive effect on customer commitment. Trust in seller also has a positive effect on customer commitment.

However, there are two hypotheses that are rejected and insignificant, the results of hedonic value does not have a positive effect on trust in sellers due to the possibility of streamer factors that explain information to customers lacking credibility or lack of mastery of product information in terms of providing information, thereby reducing the level of customer trust, resulting in little understanding of the product information explained by the streamer. In addition, trust in the product does not have a positive effect on customer commitment because the two types of trust are different: trust in the seller (but not in the product) is directly related to customer commitment. Thus, trust in the product arises from the values associated with the product, such as utilitarian and hedonic values.

Limitations and recommendations

Finally, this study has limitations that can be improved in future research. This is related to the results of hypothesis testing, which still have insignificant and rejected results. Future research can add variables such as previous research by Wongkitrungrueng & Assarut, (2020) which included symbolic value variables. In addition, future research can also add criteria such as age, gender, regional origin, and occupation to provide a variety of data results to strengthen the robustness of future research results.

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