

The Impact Of Live-Streaming E-Commerce On Cross-Border Consumer Behavior: A Policy And Trade Perspective

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Abstract

This paper examines how live-streaming e-commerce influences cross-border consumer behaviour in terms of trust, interactivity, and regulatory disparities. It uses the theories of Transaction Cost Economics and platform economics through a qualitative approach which will combine literature review, policy analysis, and case studies of TikTok Shop, Lazada and Shopee Live. The results indicate that authenticity, interactivity, and open regulation lead to consumer trust and buying intentions. The contribution of the study is the association of digital trust systems with models of cross-border trade and providing effective recommendations to platforms and policymakers to enhance consumer trust in international digital commerce.

Keywords: Live-streaming e-commerce, cross-border trade, consumer behavior, policy frameworks, TikTok Shop, Lazada, Shopee Live, digital platforms, trust formation, localization.

1. INTRODUCTION

1.1. Background

Live streaming e commerce In China, around 2016, fashion ecommerce platform Mogujie became the first to do e commerce using a live stream format where hosts present, demonstrate and interact with consumers in real time. The same year Alibaba adopted the model by Taobao Live which significantly launched its debut during the shopping festival of Singles' Day and quickly came to represent a core element in Chinese digital retail (Lau, 2025). To a small scale start-up, live streaming e commerce grew into a business of awe-inspiring proportions. In China, more than 388 million of consumers were involved in live-stream shopping by 2020 that is almost 40 percent of all internet users in the country and the industry had reached over one

trillion renminbi as gross merchandise volume (GMV) (iResearch, 2021). It further increased to 2021 as live streaming users had reached 464 million, which is a growth of 75 percent since the beginning of 2020. As of 2019, live commerce recorded 200.4 percent year on year GMV growth to reach 451.29 billion yuan an indication of speedy growth among the population and product lines (Wang et al., 2021). As of 2024, the market size had hit about 5.86 trillion yuan, and the forecasts suggest that it will rise to 8.16 trillion yuan in 2026 (Lau, 2025). Additionally, China represented a more than 78 percent share of the total live shopping market and the Global GMV was projected to be approximately USD 4.9 trillion by 2023 (Ozdoruk, 2023). This does not just happen in monetary terms. Live stream shopping is now being viewed by around 600 million Chinese consumers on a regular basis and the top hosts can make USD to USD 100 million in just one session (Lau, 2025). Growth of the sector is also encouraged by the good infrastructure of the platforms, where MCNs (multi channel networks) control and train and link high traffic live-stream anchors (KOLs) like Austin Li and Viya with brands and audiences (Li, 2021). Live streaming e-commerce is already a well established dominance of China, but the model is gaining traction across the world. In Southeast Asia 15 TikTok Shop influencers earned more than USD million GMV within two months (September-October 2023) (ECOMBI, 2025). Meanwhile, TikTok Shop also increased its global GMV by 2X to USD 26 billion in the first half of 2025, which is an indicator of the explosive international traction (Bennet, 2025).

Even with this growth the adoption in the western markets is decreasing. In the United States, 2023 sales of live commerce totaled just about USD -918.9 million, which is however anticipated to grow to USD -3.1 billion by 2031 (Lalljee, 2024). North America and Europe North America and Europe have been dragging behind due to cultural differences and consumer preference of fast and convenient shopping instead of long form presentations of live content. However, the concept of live commerce developed by China with its potent entertainment, trust building, and direct buying provides a strong template to the world market. The fact that platforms such as TikTok Shop have been expanding into Latin America, Southeast Asia, and Japan shows how easy it is to scale and how complicated the model is to fit various regulatory and cultural settings.

1.2. Research Problem

Although live-streaming e-commerce is a quickly growing phenomenon, the current studies tend to analyze it through distinct lenses the psychology of consumers, platform strategy, or regulation without combining the two dimensions. This gap constrains the knowledge of the simultaneous effect of live-streaming on cross-border consumer interaction, policy adjustment, and digital trade regulation.

1.3. Research Objectives

This article aims to bridge that gap through three interconnected goals:

1. To examine how live-streaming e-commerce affects cross-border consumer behavior, with emphasis on trust and purchasing intentions.
2. To analyze how regulatory and policy frameworks in China, Southeast Asia, and Western markets shape live-streaming development.
3. To evaluate how major platforms; TikTok Shop, Lazada, and Shopee Live; adapt their business strategies across different cultural and regulatory contexts.

1.4. Research Significance

The study offers a multidimensional knowledge that can benefit the theoretical, policy, and practical fields of knowledge through the combination of theory, policy, and practice. At the theoretical level, it leads to the creation of knowledge regarding consumer behavior in digital and cross-border contexts and offers helpful explanations of the impact of the trust, decision-making, and purchasing behavior on the live-streaming e-commerce. The research to policy makers demonstrates that regulatory frameworks can be

capable of supporting cross border trade and consumer interests in a manner that offers a tradeoff between innovation and protection. The pattern demonstrates to platform managers how Chinese live-commerce patterns that are already known to be large and successful in terms of size and effectiveness can be strategically adjusted to dissimilar regulatory environments and cultural settings to achieve international expansion sustainability and at an ever-growing efficiency in reaching international consumers.

2. Literature Review

2.1. Theoretical Foundations of Cross-Border E-Commerce

Theories such as the Transaction Cost Economics (TCE) that assume the digital platforms will reduce the search, negotiating, and enforcement costs of cross-border e-commerce have significantly enhanced the theoretical knowledge about cross-border e-commerce and have also facilitated the simplification of the process of trade and entry of firms into foreign markets. In a predictive manner, Wang, Wang and Lee (2017) demonstrates that the mechanisms have been instrumental in the erosion of the old trade barriers to pioneering future consumer markets worldwide.. At the same time, platform economics and network effects also emphasize the value created as more parties in a digital marketplace join the platform. Every additional user makes the platform more useful to all users as shown by Teece et al. (2021), however, the effect is specifically true with live streaming e-commerce platforms because the interactions between the creators and consumers generate positive feedback loops that increase engagement and transactions.

In addition to these perceptions, the notion of the digital value chains is concerned with the integration of logistics, payments, and information systems within the cross-border environment. Lundquist and Kang (2021) deduce that the increased connectivity generated by the opportunity to share data freely and speeding up logistics infrastructure is a significant factor of competitiveness and reduces risks of transaction in the emerging markets. The combination of TCE, platform economics, and the digital value chain theory forms a uniform framework as per which live streaming e-commerce redefines the cross-border trade by increasing transparency, reducing costs, and enriching user experience. Transaction Cost Economics (TCE) is an implicit model that is applied to understand how digital platforms can reduce the search costs, negotiations, as well as enforcement costs of cross-border transactions (Wang, Wang and Lee, 2017). Platform economics represent an addition to TCE since network effects build up value with more users joining (Teece et al., 2021). The theory of the digital value chain is also concerned with logistics, payments, and data merger to increase competitiveness and efficiency (Lundquist and Kang, 2021). Altogether, these theories suggest why live-streaming services enhance transparency and minimize transaction risks and promote the international market participation.

2.2. Consumer Behavior in Digital Commerce

At consumer level, the environmental psychology-based Stimulus-Organism-Response (S-O-R) model has been modified to discuss the behavior in live streaming commerce. According to the findings of the empirical research by Lin et al. (2023), the following stimuli are useful to arouse emotions and provoke thinking: the vigor with which the hosts present themselves and the real-time interaction that, in turn, leads to the desire to buy. Additional to this point, Gan et al. (2025) incorporated Cognitive Affective Systems Theory (CAST) to this model and revealed that perceived streamer expertise and attractiveness enhance trust and impulsivity, which worsen live session purchases. Liu, Abdul Hamid and Yaakub (2024) give further empirical data and transparency decreases the perceived uncertainty, and enhances perceived value in cross border contexts, where consumers can be more decisive about quality and authenticity of products. These results suggest that live streaming triggers psychological processes that transcend rational thought, which causes consumers to act without thinking, such as buying a product impulsively when they feel guided and reassured by the streamer. The Stimulus-Organism-Response (S-O-R) model describes this consumer psychology interpretation of how interactivity and sensory stimuli trigger emotional involvement,

which triggers purchase behavior (Lin et al., 2023). As viewers have a feeling of trust and excitement in a live session, it is more probable that they will act in an impulsive way. This is supported by the Cognitive-Affective Systems Theory (CAST) which is a theory that indicates that the expertise of streamers and their attractiveness affect both trust and impulse purchase (Gan et al., 2025). Uncertainty is also minimized with transparency and authenticity of the product especially in cross-border environments where uncertainty is more likely to be perceived (Liu, Abdul Hamid and Yaakub, 2024). These observations directly contribute to Research Objective that will be exploring the role of trust and emotional attachment in determining consumer decisions in the context of international live-streaming.

2.3. Live-Streaming as a Distinctive Retail Format

Live streaming e-commerce extends beyond the confines of the online shopping process due to its high interactive nature, entertainment value, and its ability to respond to the customers in real-time. Interactive, live product demonstrations, live messaging, and immersion give it that feel of urgency and immersion that causes a consumer to be more engaged with the process than a non-interactive e-commerce environment. Vogue Business (2024) suggests that live-streaming is easy, can be emotional and this is why in China alone USD 150 billion was generated in live-streaming industry in one year, and will be two of five transactions in e-commerce in two years by itself, which speaks to the potentially transformative nature of live-streaming. Moreover, feedback (number of purchases shown, countdown timer, live comments, etc.) also reinforces social proof and scarcity effects and is another conversion driver. This engagement is interactive, easy and instantaneous; it provides the consumer with a powerful experience that no conventional e-commerce model can facilitate. It is also enhanced by the presence of Key Opinion Leaders (KOLs) or, simply, of the influencers, who create one-directional and, at the same time, emotionally appealing para-social connections with their followers. As Chen and Yang (2023) remark, their influencers cultivate trust through face-to-face, in-the-moment interaction. On the contrary, the credibility of the influencers, in particular, when they are culturally similar, suggests that the level of uncertainty is considerably reduced when it is obligatory to conduct business on the opposite side of the border since the consumer can physically see products and ask questions face-to-face (Vogue Business, 2024). These para-social interactions are especially important in foreign situations where the issues of unfamiliarity, language barriers and logistics are even more acute.

Live streaming is unlike the traditional e-commerce because it combines entertainment, socialization, and immediate buying. Live comments or live purchase counter, interactive product-demonstration, and social proof (social proof) stimulate consumer interest and build urges (Vogue Business, 2024). One important influence is needed by influencers or Key Opinion Leaders (KOLs), who create parasocial relations that establish trust, particularly in case there is a familiarity between cultures (Chen and Yang, 2023). All these characteristics make live-streaming a cross-cultural trust system lessening the uncertainty in making purchase abroad, and underpinning the aim of the study, which is to understand the psychological and cultural motivation behind cross-border buying behavior.

2.4. Global Cross-Border Shopping Behavior

2.4.1. Rising Global Participation in Cross-Border Shopping

The cross-border e-commerce landscape is changing at a very high rate and consumers are increasingly taking part in it as more people gain access to digital platforms and their preferences evolve. The DHL Global Online Shopper Survey (2024) states that one out of every five online shoppers in the world buys with international retailers today, and half of them purchase from international companies at least once a month (FreightConnections, 2024). Such figures are indicative of the increasing normalization of global online purchasing, especially among digitally savvy customers in both developed and the emerging economies. One of the reasons that promote this trend is the quest to acquire better prices, product diversification and exclusivity which they are unable to find in their home markets. Pitney Bowes (2023)

revealed that the most prevalent reasons why customers purchase internationally were available products and better offers. Moreover, ease of online payment systems, straightforward refunding mechanisms, and reliable logistics has helped in lowering traditional barriers to overseas shopping, especially in areas like fashion, electronics and cosmetics.

2.4.2. Consumer Optimism and Future Growth

It is projected that there will be further expansion of international e-commerce across borders in the world, with enhanced consumer confidence and superior logistics. Airwallex (2024) reports that half of the consumers believe they will be making more cross-border purchases in the 6 to 12 months to follow and 61 also consider international merchants as reliable. This growth is fueled by younger generations: McKinsey (2023) points out that Generation Z in Asia-Pacific spends significantly more time on their phones and pays much attention to authenticity and uniqueness, which can be found in niche or trend-oriented products available on the global market via AliExpress or Amazon. Effective market research verifies that online shopping has become the norm since one in five consumers across the world are already shopping with foreign retailers (Freight Connections, 2024). The others include better prices, merchandise mix, and access to special brands (Pitney Bowes, 2023). This growth in mobile commerce and digital payments has lowered the barriers, and this is where cross-border live-streaming will be the ideal platform to access younger consumers such as Gen Z who put a great emphasis on authenticity and interactivity (McKinsey, 2023). This global shift is the direct basis of Research Objective, but it emphasizes why live-streaming is a strategic process through which a business can expand internationally because it will transform the policies and strategies of platforms to suit the various policy and cultural contexts.

2.5. Market Scale and Strategic Importance

To put these theoretical insights into perspective, one can refer to the empirical scale of the cross-border and live-stream commerce. In 2025, the global cross-border B2C e-commerce market is estimated to be USD 1.47 trillion with an annual growth rate of about 18.4 per cent. by 2032 (Shevgan, 2025). This expansion highlights the urgent need to learn about cross-border processes. In the meantime, the size of the global live-streaming e-commerce market is estimated to be USD 22.75 billion in 2024, and is projected to grow to USD 75.57 billion in 2033 (CAGR 14.3) (MarketGrowth Report, 2025). There is also another estimate that the live-streaming e-commerce market will be USD 20.77 b in the year 2024, and it is expected to reach USD 70.25 b in the year 2033 (CAGR +15.2) (Verified Market Reports, 2025). These data support the importance of live-streaming to become an emerging trend in the world shopping.

2.6. Gaps in the Literature

Despite the fact that the theoretical and empirical bases of live-streaming e-commerce have been well-developed, there are still a number of critical gaps in the knowledge base. To start with, most of the studies have majored on domestic environments particularly in China, where live commerce is most developed. Though these studies are informative, their results cannot easily be extrapolated to cross-border markets where regulatory, cultural and logistical forces might influence consumer behavior in a different way. Second, the strands of scholarship that are dealing with consumer psychology, policy environments, and platform strategies are clearly disconnected. The majority of studies look at these dimensions separately and ignore the interplay between regulatory structures like customs, data governance, content moderation and consumer perceptions and platform-level adaptations. Third, although live-streaming has gained increasing popularity as an innovative technology in digital retail, it has not been incorporated into the larger discourse of cross-border e-commerce. Models of real-time interaction and platform-level mechanisms, though currently being increasingly explored, have not been placed in a comparatively trade or consumer behavior framework that spans over a number of regions.

3. Methodology

The proposed study utilizes a qualitative exploratory research design with a systematic literature review, policy analysis, and comparative case studies as its research design to study the phenomenon of cross-border live-streaming e-commerce as it evolves. This multi-faceted design is especially suitable in the case of developing research fields, in which empirical, large-scale primary data is limited, but an abundant source of secondary data can provide helpful information. According to Xu (2022), qualitative methods are especially useful in investigating multidimensional and multi-layered problems, as the strict quantitative models do not always reveal the contextual peculiarities of digital trade and consumer behavior. This methodological decision is aimed at building a unified, integrative perception of the intersection of consumer psychology, trade policies, and platform tactics in the context of creating cross-border live-streaming trade.

3.1. Research Design

The exploratory design also allows the researcher to investigate the interaction of the consumer behavior theory, regulatory environment, and industry practice that do not depend on the accessibility of survey or experimental data. This is not aimed to measure consumer responses and thus just to interpret patterns, themes, and meanings among a wide sample of materials. The incorporation of the case study methodology into this design gives it depth in the context in terms of the specific platforms and markets. Case studies can be used to provide a more detailed analysis of modern business practices in their natural settings, where the distinction between phenomenon and context can frequently be obscured. Such a strategy aligns with the claim by Viera (2023) that the case study research is especially effective in exploring modern phenomena where the researcher can hardly influence the events but is able to gather evidence of different sources. This study will utilize an embedded multiple-case design by combining literature, policy texts and case examples to strengthen both validity and depth of findings.

3.2. Data Collection

The data collection is facilitated into three streams that are interrelated. The former one is a systematic literature review that has already been done in Chapter 2 and relies on peer-reviewed articles, working papers, institutional reports, and reputable online sources of data published in 2020-25. The main academic databases (Web of Science, Scopus, and ScienceDirect) were searched, and reports provided by the international entities (World Trade Organization, WTO) were also used to complete the search. This will guarantee a holistic integration of academic and policymaking orientations. An example is provided by Luo (2025), who illustrates the usefulness of systematic reviews to integrate the dispersed knowledge on live-streaming commerce to provide a basis of theory development.

The second stream consists of policy analysis. This includes systematic examination of official government documents, trade regulations, and regional frameworks relevant to cross-border e-commerce. Examples include Chinese cross-border e-commerce pilot zone regulations, ASEAN digital trade cooperation frameworks, and Western policy instruments such as the European Union's Digital Services Act and the United States' evolving digital trade rules. Document analysis is employed here as an established method in policy research to interpret the meaning, intent, and impact of formal texts. Kayesa and Shung-King (2021) emphasize that such document analysis offers systematic procedures to ensure that interpretations are rigorous, transparent, and replicable.

The case studies on Tik Tok Shop, Lazada and Shopee Live are chosen because they are very relevant to the cross border live-streaming e-commerce scenario. The three platforms are different but complementary market frameworks that can be used in a combination to offer a balanced regional and strategic orientation. The example of Tik Tok Shop is an example of a social media-based live-commerce system that started in China and is currently operating in Western and Southeast Asian markets. An example of regionally integrated marketplaces with developed logistics facilities and localized live-streaming campaigns in

Southeast Asia is Lazada, which is supported by the Alibaba Group. Sea Group's Shopee Live displays an entertainment-driven business model that has a strong impact on the consumer impulsiveness and buying habits in the developing economies. Together, the platforms embody a variety of operational, regulatory and cultural contexts, which can be analyzed comparatively in a holistic manner, in accordance with the aims of the study.

3.3. Inclusion and Exclusion Criteria

Inclusion and Exclusion criteria involves:

Table 1: Inclusion and Exclusion Criteria

Criteria Type	Details
Inclusion	<ul style="list-style-type: none"> • Sources published in English between 2020 and 2025 • Directly address e-commerce, digital trade, live-streaming, or consumer behavior <ul style="list-style-type: none"> • Peer-reviewed academic works • Credible institutional or policy documents
Exclusion	<ul style="list-style-type: none"> • Sources published before 2020 • Unverified media commentary • Opinion pieces lacking empirical grounding • Sources without methodological transparency

3.4. Data Analysis Approach

The framework analysis approach has been chosen in the analysis and it is more appropriate in applied qualitative research where the investigation follows predetermined objectives. The literature, policy documents, and case studies were structured and coded into three groupings that are consistent with the objectives of the study: consumer behavior (trust formation, decision-making and impulse purchases), policy and regulatory frameworks (customs, data governance and consumer protection), and platform strategies (localization, live engagement, and trust-building mechanisms). Framework analysis helps to tabulate data in an organized way and compare it across all of these dimensions so that the data remains consistent and at the same time permits the discovery of some new information (Goldsmith, 2021). In the quest to get depth, a comparative synthesis was done as well to investigate similarities and differences among regions China, Southeast Asia and Western economies. This approach emphasizes the fact that the regulatory and cultural contexts are different in the way of platform adaptation and consumer reactions. Furthermore, the cross-correlation of various types of data enhances the validity of the results and makes the study less dependent on one type of evidence. The framework analysis would be particularly valuable to the present study as it is highly efficient where the research question is connected to the policy and industry issues, as Kodithuwakku (2022) highlights.

3.5. Ethical Considerations

This research follows a high level of ethics, especially since it will utilize secondary data. Since no human subjects would be used, there would be no risk to the subjects and thus no formal ethical clearance was required. However, ethical integrity will be preserved by transparency in documentation of the source selection, coding and interpretation procedures. Full referencing and recognition of original authorship achieve intellectual honesty. Moreover, the bias was minimized by including academic, policy, and industry

sources of information. The resulting benefit of this inclusive strategy is the avoidance of favoring the opinion of one stakeholder and instead providing the audience with a balanced and evidence-based perspective on the topic.

4. Policy Analysis

This section examines legal and regulatory tools in China, Southeast Asia, and Western economies, and shows how these policies have a direct impact on the structure, transparency, and consumer performance of cross-border live-streaming e-commerce.

4.1. China

The strategic utilization of the Comprehensive Cross-Border E-Commerce (CBEC) Pilot Zones initiated by the State Council are crucial in facilitating the expansion of live-streaming commerce across the borders. By mid-2020 it had implemented this effort across 105 zones in most of the coastal provinces including an export tax exemption and simplified custom clearance and simplified VAT regimes with small and micro enterprises using no invoice tax exemption, and reduced corporate income tax at a standard rate of 4% with an eligibility requirement (Zhang, 2020; Huang, 2024). The outcome is better consumer confidence in order delivery schedules and price visibility, which is critical in the intention to purchase in cross-border livestream contexts. Additionally, in 2024 the State Administration of Market Regulation also published draft regulations on live-streaming e-commerce requiring hosts to confirm their real names, label the contents they intend to promote, and to have stronger consumer protection policies in place (Digital Policy Alert, 2024). These standards aim to fortify authenticity and trust addressing common consumer concerns about false claims and opaque sales practices. Together, CBEC zones and new livestream-specific rules constitute a dual-engine framework: one that empowers live-streamed commerce with export capacity and logistics efficiency, and another that supports consumer confidence via regulatory oversight.

4.2. Southeast Asia

In Indonesia, Minister of Trade Regulation No. 31/2023 amended earlier rules (No. 50/2020), explicitly prohibiting social media platforms from facilitating in-app transactions they may only serve promotional functions (Sipayung, Togatorop and Tambunan, 2025). This policy led to the ban of TikTok Shop, thereby limiting consumer access to foreign livestreamed product offers. In response, TikTok partnered and merged operations with Tokopedia, allowing marketplace functionality under local regulation. For consumers, this shift affected trust and behavioral patterns initial bans disrupted cross-border access, but adaptation through a trusted local partner restored usability and confidence.

Moreover, Indonesia is introducing a new e-commerce withholding tax policy (2025) that mandates platforms to withhold 0.5% of seller revenue from SMEs, combating the informal economy (Ghosh et al., 2025). While this strengthens tax equity, it may slightly raise final prices or require platform transparency tools, influencing consumer price sensitivity in livestream contexts. Elsewhere in the region, countries such as Vietnam, Thailand, and Malaysia have reinforced e-commerce regulations Vietnam with data localization and cybersecurity mandates; Thailand with mandatory disclosure of seller identities and refund rules through the Direct Sales and Electronic Transaction Acts; and Malaysia with requirements under the Consumer Protection (Electronic Trade Transactions) Regulations 2012 for transparency on business details and return policies. These policies emphasize consumer rights and data safety, which cultivate trust in cross-border livestream purchases.

4.3. Western Economies (EU & Germany)

In the European Union, the Import One-Stop Shop (IOSS) scheme and broader VAT e-commerce package (effective 2021) eliminated the VAT exemption for low-value imports and introduced a unified platform for VAT remittance (European Commission, 2025). These reforms promote price transparency, as

consumers now see tax-inclusive pricing at checkout. Meanwhile, the Digital Services Act (DSA) effective 2022 imposes obligations on Very Large Online Platforms including livestreaming platforms, requiring algorithmic transparency, swift removal of illegal content, and risk assessment obligations (Logo McCann FitzGerald, 2022). Together, these create a regulated environment that ensures safer, fairer cross-border transactions, thereby boosting consumer trust.

In Canada, live-stream commerce is primarily governed through consumer protection and advertising regulations enforced by the Competition Bureau. The Competition Act prohibits deceptive marketing practices, requiring all sponsored content, including live commerce streams, to feature clear and conspicuous disclosure of material connections between influencers and brands (Szentesi, 2011). The Canadian Code of Advertising Standards, administered by Ad Standards, also applies, guiding ethical influencer marketing. Furthermore, the Personal Information Protection and Electronic Documents Act (PIPEDA) regulates how livestream platforms collect, use, and store user data across provinces, ensuring transparency and consent-based data practices (Office of the Privacy Commissioner of Canada, 2024). While no livestream-specific legislation exists, these regulatory layers contribute to building trust in cross-border digital transactions by promoting transparency, fairness, and data privacy in live commerce.

5. Case Study: Cross-Border Live-Streaming Platforms

This section examines how TikTok Shop, Lazada, and Shopee Live shape cross-border consumer behavior through nuanced mechanisms influencing information processing, trust, decision making, and purchasing psychology.

5.1. TikTok Shop

TikTok Shop is a commercial initiative that uses short-video ecosystem and live-stream of Tik Tok in the countries like Indonesia, the United Kingdom, and the United States to intertwine entertainment and commerce. The Indonesian research shows that the quality and interactivity of the streams enhance the perceived value that viewers have, making them willing to make purchases (Oktaviani, Murwani and Hermawan, 2024). Equally, user interaction, responsive communication, and clarity of visuals boost the immersion and especially among the younger audience (Retnosari and Nadlifatin, 2024). Instead of restating the explanations based on trust, these findings focus on how interactivity turns the passive viewing into active participation, which ultimately leads to purchase behavior. Regulatory differences however affect this success. In Western markets, data sovereignty, and localization challenges in Asia have forced Tik Tok to alter its policy on data and content (Whateley, 2024). These changes illustrate why regulatory compliance and customer experience will have to develop concurrently to ensure stable cross-border growth.

5.2. Lazada

Lazada as a subsidiary of Alibaba Group has integrated the concept of live-streaming as a part of its large logistics and market place system in Southeast Asia. According to its internal reports, its LazLive feature resulted in a 45 percent increase in GMV, with in excess of 27 million viewers in a month (Lazada Group, 2020). The power of Lazada is not just in live interaction but a strategic localization - its multilingual hosts, culturally oriented offers (11.11, 12.12, Ramadan sales) and an integrated delivery system. A survey of consumers in 2024 established that 67 percent of Southeast Asian customers consider such localized mega-campaigns to be the primary purchase motivation factors. This represents the capacity of Lazada to transform cultural relevance into commercial success demonstrating that local adjustment and trustworthiness of business operations combine to reinforce customer trust and conversion.

5.3. Shopee Live

One of the product lines created by the Sea Group is Shopee Live, which is an entertainment-based live-commerce platform that focuses on senses and visual appeal. A study conducted among Indonesian customers reveals that aesthetic representation, sound effects, and dynamism provide pleasure that stimulates impulse buying (Iswan and Roostika, 2025). Other findings by skincare customers indicate that the discount packages and time-sensitive offers are useful in eliminating doubts about product quality (Maharani and Setyaning, 2025). Instead of trust as the main factor, the hedonic experience and sensual stimulation become the priority of the Shopee tactic demonstrating that consumers are sensitive to pleasure and immediacy even at low levels of familiarity with foreign goods. It has succeeded because it generates excitement and seems to be having value at the same time as it motivates action by emotion rather than persuasion.

5.4. Synthesizing Insights on Consumer Behavior

Marketplaces like Tik Tok Shop, Lazada, and Shopee live serve as examples of how live-streaming e-commerce influences cross-border consumer behavior in a number of different psychological and contextual ways. Tik Tok Shop is an expert at providing immersive, trust-building shopping experiences, especially among younger, more digitally savvy audiences. The latter is found in its combination of short-form video and real-time interaction and can be attributed in part to its global expansion, as several features of the platform must be adapted to different regulatory contexts. Lazada may be an example of strategic localization of live-commerce in China. It also reinvigorates these forms by providing good logistics, content which has a cultural context and provides which change with time such as sales promotions although these have not received much scholarly interest. Coinciding with the Southeast Asian consumeristic inclination in this way, it becomes simple and easy to transform the discovery into a purchase, and consumer confidence in the transnational purchase is high. The secret of purchase in Shopee Live is based on having senses and living in the moment. People buy things on impulse with little information about the products due to the visual effects, great sound, game-like features and real time vouchers. The fundamental objective of the platform that is built on the foundation of trust also enables to defeat uncertainty and reduce the unwillingness to purchase. Combined, these platforms provide a consumer experience that starts with an appeal to the eye, moves through trust and perceived value and culminates in a transactional act. In addition to the structure of the platform on which they base their business strategies, they also base them on local legislation and expectations. This underscores the fact that the models of live streaming must be local-oriented and adaptive to the local demand to attain the success of e-commerce across nations.

In all three platforms, live-streaming e-commerce increases cross-border purchases in various ways: Tik Tok Shop by integrating content globally and making it interactive, Lazada by making it regional and efficient in its logistics, and Shopee Live by engaging with entertainment. Although the theme of trust is common, the platforms apply unique tactics, such as data transparency, cultural resonance, or sensory appeal, in order to impact the international consumer behavior. Such a comparative view supports the idea that platform success requires less consistency around trust building and more situational alignment to cultural and policy settings.

Chapter 6: Discussion

The results of the present research demonstrate that the interaction between the psychology of consumers, regulatory policies, and platform policies differentiates the cross-border live-streaming e-commerce. Combining theoretical perspectives with case studies of Tik Tok Shop, Lazada, and Shopee Live, this study provides a comprehensive view of how the format alters the international retail experience.

6.1 Consumer Behavior and Trust Formation

The discussion upholds argument that consumer trust is the core of success of the cross-border live-streaming e-commerce. Following the Stimulus-Organism-Response (S-O-R) paradigm, immersive experiences; created by energetic hosts, interactivity, and real-time interactions; arouse emotions and lead to impulsive purchasing behaviors (Lin et al., 2023). The perceived quality of streams, as the case of TikTok Shop demonstrates, adds to both trust and purchasing intention to a considerable degree, particularly among younger consumers (Oktaviani et al., 2024). This is in line with earlier research highlighting parasocial networks between hosts and viewers as an important instrumental tool in overcoming uncertainty in cross-border transactions (Chen, and Yang, 2023). Interestingly, it is clear that despite the critical role of trust, in low-familiarity international situations, the influence of hedonic enjoyment and perceived value can surpass hesitation despite relying on sensory-rich stimuli and time-sensitive promotions by Shopee Live. By contrast, Lazada fosters consumer trust using culturally appealing campaigns and extensive logistics infrastructure, which implies that the mechanism of trust-building is context-related and, therefore, may differ depending on consumer expectations, cultural background, and regulatory environment.

6.2 Policy Frameworks and Regulatory Dynamics

The research equally emphasizes the decisive influence of regulatory settings in determining live-streaming e-commerce results. Cross-Border E-Commerce (CBEC) Pilot Zones in China and livestream-related laws are a combination of infrastructural support with consumer protection that allow scale and protect buyer confidence. Southeast Asia, on the other hand, is a more fragmented policy environment. The Indonesian alternative of banning Tik Tok shop is an example of how limiting regulations can interfere with consumer access, but can be adapted to with a strategy; the alliance with Tokopedia reveals how platforms survive. Meanwhile, the Digital Services Act of the EU and the IOSS scheme demonstrate western systems are more concerned with transparency, data security, and taxation to reduce the likelihood of fraud but can suppress innovation. These findings confirm the importance of policy-practice alignment: platforms are not to be adapted to local regulations but to be used as tools of trust and legitimacy enhancement. Disclosure and data protection regulations in most countries including Canada do accomplish the effect of raising consumer confidence in making cross-border purchases; this is another manifestation of how regulation as a tool of balance can be leveraged to promote and not to prevent the emergence of digital trade.

6.3 Platform Strategies and Localization

The different strategic responses are presented in the comparative case studies. The experience is devoted to Tik Tok shop; the cultural fit and the logistical stability are devoted to Lazada; the sensual stimulations and the advertisement strategies are devoted to Shopee Live. Such kinds of disparities explain why platform economics and network effects matter (Teece et al., 2022): the more utility is achieved through each new interaction, the more important transitioning to cultural norms and policy forms becomes. Moreover, platforms prove that international scalability depends on localization. The use of multiple languages and festival-based advertising in Lazada demonstrates good adaptation, and the difficulties in Western markets in Tik Tok Shop show the dangers of a lack of regulatory alignment. The sensorial design of Shopee demonstrates that immediate satisfaction can help to reduce the specific risks associated with cross-border shopping, whereby product fit and logistics risks are greater.

6.4 Theoretical and Practical Implications

In theory, this research confirms that the combination of Transaction Cost Economics (TCE), platform economics, and digital value chain theory can be used to explain the role of live streaming in reducing international trade barriers. Live commerce puts these theories into practice by lowering the costs of search, transaction and integrating real-time trust mechanisms. In practice, the research demonstrates that platforms cannot use a one-fits-a-platform approach. Adaptive platform models are required to meet regulatory

diversity, cultural norms, and consumer expectations. To businesses, the balance between entertainment and transparency is the key to success in cross-border live commerce and policymakers need to be mindful that consumer protection initiatives should not unintentionally suppress innovation.

The results show that cross-border live-streaming e-commerce works as a dynamic consumer-psychology-platform strategy-regulatory environment interaction. Instead of going back to the particularities of each platform, the focus of this discussion is on the comparative importance and theoretical connotations of each. In any case, the occurrence of trust does not have one variable but rather is a multi dimensional construct, based on transparency, responsiveness, and cultural familiarity. Nevertheless, its expression is different. Tik Tok Shop is an example of global scalability limited by regulatory sensitivity; Lazada shows how local customization and reliability underpinned by infrastructure can replace emotion attraction; and Shopee Live shows that sensory design and fun can make up uncertainty in new product lines. These comparisons imply that one should have trust in live-streaming commerce in contexts, based on regional expectations, on the platform, and on the perceived ability to control data and delivery. Theoretically, these results are the extension of Transaction Cost Economics (TCE) and platform economics, demonstrating that digital interactivity per se serves as a cost-cutting factor that decreases search and evaluation costs in global shopping. At the same time, the findings corroborate the S-O-R model by demonstrating the fact that emotional arousal (stimulus) is then transformed into consumer confidence (organism) then purchase (response). This is a key gap in the past research that structural (policy) and psychological (trust) mechanisms fill.

7. Conclusion

This paper has discussed the role of live-streaming e-commerce in transforming cross-border consumer behavior through the dynamics of trust, regulation and platform strategy. The results indicate that interactive engagement, authenticity, and transparent regulation are the sources of consumer confidence that lead to a decrease in uncertainty and purchase intention. The environments of policy are facilitating and limiting: the integrated frameworks of China facilitate growth, the fragmented regulations of Southeast Asia stimulate adaptive processes, and the Western paradigms focus on transparency and consumer protection. The comparative study of Tik Tok Shop, Lazada, and Shopee Live reveals that technological innovation and its adaptation to the local context and needs in policies and culture is the key to the success of cross-border live commerce: the global platform should correspond with the local setting and needs. On principle, the research expands upon Transaction Cost Economics and S-O-R model due to its emphasis of digital interactivity as a trust-building instrument. In practice, it highlights the importance of balanced strategies involving entertainment, transparency, and compliance in order to promote sustainable digital trade. Primary data to be used in future studies should be through interviews or consumer analytics in order to capture the dynamics of behavior and platform innovations in real time. Comprehensively, the research confirms that live-streaming commerce is a groundbreaking form of retailing as well as a revolutionary paradigm of interpreting global consumer interaction in the digital economy.

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