

The role of live-streaming commerce in moderating the influence of entrepreneurial marketing and e-commerce adoption on the business performance of fashion SMEs

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ABSTRACT

Small and Medium Enterprises (MSEs) are one of the people's economic enterprises that have an essential role in advancing the Indonesian economy. Improving the overall, optimal and sustainable performance of SMEs business increases contribution to the economy in provinces in Indonesia, one of which is Bali Province, the province with the highest absorption of SMEs in Indonesia, namely 10 percent of its population. Denpasar City, as the capital of Bali Province, is the center of trade in Bali, especially the relatively even distribution of SMEs in every sub-district in Denpasar City. This research aims to analyze the role of live streaming in moderating the influence of entrepreneurial marketing and e-commerce on the performance of fashion SMEs in Denpasar City. The research involved 134 fashion SMEs in Denpasar City as samples. Data collection was carried out by distributing questionnaires. Then, the data was analyzed using SmartPLS. The test results of live-streaming commerce moderating the influence of e-commerce adoption on business performance show that live-streaming commerce moderates with a quasi-moderation type the influence of e-commerce adoption on business performance. Live streaming commerce moderates the influence between the independent variable e-commerce adoption and the dependent variable business performance and influences business performance.

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1. Introduction

SMEs need to pay attention to environmental factors that affect them and formulate appropriate responses to the effects that occur to survive and achieve corporate goals, including by paying attention to internal capability factors and external environmental factors of the SME itself (Osmani and Kraja, 2015). Internal factors emphasize entrepreneurial character, management capacity, marketing capability, and technological capacity. In contrast, external factors include legal and regulatory aspects, access to financing sources, and human resource capacity building (Bouazza et al., 2015). Internal and external factors influence factors affecting business performance stability; the current business environment is experiencing rapid changes from information technology and unexpected events. This phenomenon requires special attention to the different characteristics and potential influence of unexpected events from one of the Covid-19 pandemic factors (Erceg et al., 2021). The increase in e-commerce businesses is influenced by the COVID-19 pandemic, where sales using digital platforms have increased significantly during the COVID-19 pandemic era. This pandemic drastically changed consumer behavior, as many people turned to online purchasing to meet their needs without leaving the house or interacting directly with other people. An increase also occurred in the nominal value of e-commerce sales transactions in Bali, whereas of August 2021, the nominal value of sales transactions with e-commerce in Bali was in the range of 250 billion rupiahs, up from the previous condition where the value was only around 50 billion rupiahs more (bisnis.com, 2021). Denpasar City, the capital of Bali Province, is the center of trade in Bali, especially the distribution of SMEs, which is relatively evenly distributed in each sub-district in Denpasar City. The marketing strategy of SMEs in Denpasar City has developed in the digital field, such as being a creative SME market storefront

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with a storefront to sell live streaming commerce (Denpasar City Cooperative and SME Office, 2022). Denpasar City is included in the level of sub-sectors that have excellence in the field of fashion. Based on the decision of the Head of Bekraf RI No. 83 of 2019, Denpasar City was officially named as one of Indonesia's ten creative cities with a leading fashion subsector (Denpasar Kota.go.id). The crowning of Creative City in the fashion sector is an opportunity to build new businesses and develop existing businesses.

The fashion business is a very potential type of business because fashion products are clothing needs for humans, and in the current era, humans have many desires for the model of clothing worn, so fashion products that are traded are always sought after by many people. The use of clothing currently is not only a body protector and body warmer but also a body adornment and social status indicator. The development of fashion has experienced extensive development; it cannot be separated from the influence of modernization, the influence of other countries' cultures, and technological developments that make access to information so fast (Ningrum, 2019). According to Easey (2009), the main product of the fashion business trade is clothing and supporting products in the fashion business are shoes, hats, socks, jewelry, belts, bags, scarves, cosmetics and wigs, so in this study, the fashion SMEs studied were dominated by the leading product in the form of clothing. Data from the Office of Cooperatives and SMEs in Denpasar City from 2017 to 2022 shows that the number of SMEs in the fashion sector fluctuates. There was an increase in the number from 2017 to 2020, showing 8,166 fashion businesses in the Denpasar City area. Still, in 2021, there was a decrease in the number of fashion SMEs, then again experienced an increase in 2022, totaling 7,896 SMEs. The development of the number of fashion SMEs in Denpasar City from 2017 to 2022 can be seen in Table 1 below.

Table 1
Number of SMEs engaged in the Fashion Sector by sub-district in Denpasar City

No.	Sub-district	Year					
		2017 (Unit)	2018 (Unit)	2019 (Unit)	2020 (Unit)	2021 (Unit)	2022 (Unit)
1	South Denpasar	1.845	1.864	1.845	1.851	1.701	1.908
2	North Denpasar	2.156	2.172	2.187	2.195	1.685	1.892
3	West Denpasar	3.126	3.149	3.094	3.115	2.726	2.933
4	East Denpasar	836	851	975	1.005	930	1.163
	Total	7.963	8.036	8.101	8.166	7.066	7.896

Source: Denpasar City Office of Cooperatives and SMEs (2023)

Table 1 shows that the number of fashion SMEs in Denpasar City is highest in West Denpasar, followed by North Denpasar, South Denpasar, and East Denpasar. The increase in the number of fashion SMEs that occurred from 2017 to 2020 was 203 SMEs. There was a decrease in the number of fashion SMEs in 2021 by 1,100, then an increase again in 2022 by 830 SMEs. Entrepreneurial marketing is an aspect of marketing that focuses on the need to create and develop networks that can support companies, including suppliers, managers, investors, advisors, trade associations, local governments, and public authorities that are important for consumers as well as small business success (Sadiku-Dushi et al., 2019). The concept of entrepreneurial marketing uses a conceptual framework that is based on four principles. The first principle is entrepreneurship, which explains the opportunity appreciation procedure. The second principle is resources that generate value for consumers. The value is formed by collaboration between various actors that increase consumer value. The third principle is the procedure, in which the conception of value takes a position. The last principle is that the actors, organizations, or individuals create consumer value and carry out the procedures (Bjerke & Hultman, 2002). Morris et al. (2002) state that entrepreneurs' nonlinear, unplanned, and visionary marketing actions are also known as entrepreneurial marketing.

Empirical evidence from previous research shows that entrepreneurial marketing can improve SME performance (Presutti & Odorici, 2018; Hoque et al., 2018), but other studies show that not all dimensions contained in entrepreneurial marketing have a significant relationship in improving SME performance. Research by Sadiku-Dushi et al. (2019) revealed that the proactive and risk-taking dimensions had a negative relationship with SME performance. Other research conducted by Rashad (2018) also revealed that the dimensions of proactivity, consumer intensity, and increased resources insignificantly affect the performance of SMEs. Other research conducted by Abdissa et al. (2021) shows risk-taking has a significant negative relationship with SME performance. In addition to the importance of implementing entrepreneurial marketing, SMEs use various strategies to market their products, including online marketing.

In the post-Covid-19 pandemic period, the trend of SMEs has progressed from conventional sales to SME digitalization. Companies must consider technological changes and consumer shopping styles. Changes outside the company's environment can be overcome using dynamic capabilities by the Dynamic Capabilities theory, where companies need to create and maintain a competitive advantage over other companies by responding to and creating environmental changes (Tecee, 2007). Information Technology (IT) in today's world acts as a foundation for innovation to improve services and assist companies in providing better services to consumers and achieving competitive advantage (Noorani, 2014). According to the official website of the United Nations Conference on Trade and Development (2021), businesses engaged in the digital realm have contributed significantly to saving the world economy during the Covid-19 pandemic. This popularity is proven by the significant transaction achievements obtained by e-commerce companies during the pandemic, both from developed and developing countries. The strategy of change used by SMEs to market their products after the pandemic is through the E-Commerce platform (Hussain et al., 2022).

Empirical evidence from previous research shows that e-commerce adoption is significant to business performance, allowing it to reduce operational costs, increase speed and accuracy, and improve communication between internal and external parts (Sedighi & Sirang, 2018). E-commerce adoption is proven to have a positive impact on small business performance. Small businesses that adopt e-commerce feel that profits are increasing, product sales volumes are increasing, and marketing areas are expanding (Mahliza, 2019). The use of e-commerce improves the business performance of SMEs due to business transformation that changes how companies carry out their business activities (Octavia et al., 2020). Research conducted (Hussain et al., 2022) revealed that the use of e-commerce by SMEs can improve business performance. SMEs that use e-commerce can do their business better and benefit by accessing new markets and suppliers at low costs. Research by Hussain et al. (2022) also shows that e-commerce adoption has a significant relationship with business performance. Technology adoption and digitalization are vital to improving SME performance. Many SMEs are changing their business models by utilizing online platforms, e-commerce, and digital marketing to reach more customers. Research by Harland et al. (2019) shows that the use of e-commerce has an insignificant effect on the performance of SMEs. The lack of knowledge about the internet is one factor affecting the correlation.

Individuals and small sellers worldwide increasingly use live streaming commerce as a new sales channel with live interactive to sell products, ranging from clothing and electronics to furniture, jewelry and food (Wu et al., 2021). Some previous survey research found that consumers are interested in shopping live streaming commerce because consumers perceive utilitarian value (real-time communication and information), hedonic value (fun), and social value (sense of belonging), which in turn can increase sales leads, improve consumer experience and build consumer engagement (Wang & Wu, 2019; Wongkitrungrueng & Assarut, 2020). E-commerce in Indonesia, such as Shopee and Tokopedia, has increased the use of live streaming features. E-commerce Shopee recorded an increase in sales by an average of 3.5 times from before using live streaming on shop live. In Tokopedia e-commerce, the adoption rate of shopping through the live streaming commerce feature grew by double digits or more than 10 per cent (Katadata.co.id, 2022). Here is an overview of live streaming that takes place on e-commerce platforms:

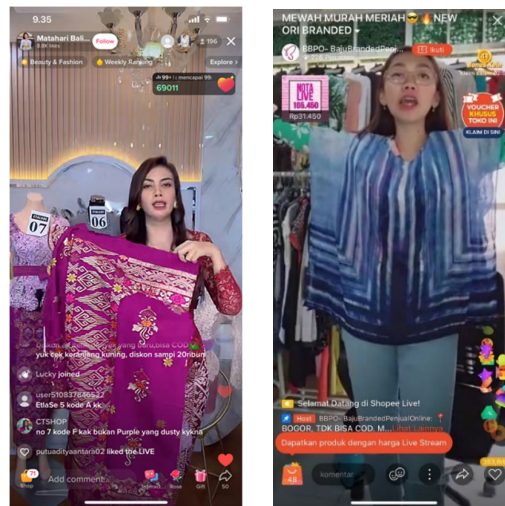


Fig. 1. Photo of SME Live Streaming on E-Commerce Platform
Source: Tokopedia and Shopee platforms, 2022

Recent research on live-streaming commerce has focused on the actual behavior collected on live-streaming commerce platforms. Zhang et al. (2019) compared daily sales of identical products from live-streaming commerce sellers with non-live streaming sellers and compared sales of products sold on live streaming with those not on live-streaming commerce from the same seller. The study's results found that the average sales of products in live-streaming commerce were much higher than those in live-streaming commerce. Chen et al. (2019) used difference-in-differences matching and propensity score methods to test the causal relationship between live streaming commerce adoption and sales. Adopting live-streaming commerce significantly increased sales volume, especially for items such as clothing, which had 28 per cent greater sales than items requiring prior evaluation before purchase (e.g. laptops). The development of sales through live streaming commerce has become the center of attention for SMEs, especially in the Fashion sector, in developing e-commerce adoption because it can show how products are sold face to text and interaction occurs with many consumers online, then switch to sales through e-commerce with text to text to interaction occurs with one-by-one consumer through the chat feature (Wongkitrungrueng & Assarut, 2020). Live streaming commerce is considered a creative entrepreneurial job that triggers SMEs to improve their entrepreneurial marketing skills to increase consumer attractiveness and sales (Törhönen et al., 2021). The creativity of entrepreneurs in utilizing live-streaming commerce features increases their competitive advantage because they dare to show their products directly to consumers online compared to just selling without live-streaming commerce (Merritt & Zhao, 2022). Live streaming commerce is expected to moderate, namely by influencing the strength of the direction of the relationship between e-commerce adoption and entrepreneurial marketing on business performance.

A competitive advantage is the company's ability to offer benefits that are different from competitors. Generating added value rather than the value offered by its competitors is one of the competitive advantages (Haseeb et al., 2019). Based on the Resource View theory, company capabilities such as entrepreneurial marketing and e-commerce adoption can indirectly secure sources of competitive advantage and, in turn, provide superior performance to the company. Competitive advantage can be defined as aggregating various items that differentiate SMEs from their competitors and provide a unique and superior position in the market (Udriyah et al., 2019). Based on previous empirical studies Competitive advantage can be influenced by entrepreneurial marketing (Xuhua et al., 2019; Hidayatullah et al., 2019), e-commerce adoption (Xuhua et al., 2019; Hariandi, 2019), Competitive advantage is also said to improve business performance (Haseeb et al., 2019; Hidayatullah et al., 2019; Udriyah et al., 2019; Xuhua et al., 2019; Lestari et al., 2020).

2. RESEARCH METHODS

This study uses a research design with quantitative methods. This research was conducted on fashion SMEs in Denpasar City, which consists of North Denpasar, East Denpasar, South Denpasar and West Denpasar as research targets because Denpasar City is a city with the highest absorption of SMEs based on population in Indonesia and has been named a Creative City in the fashion sector by BEKRAF. Still, the number of fashion SMEs experienced a significant decrease in revenue and number in 2021. The population of this study is all SMEs in Denpasar City, with the fashion sector dominated by fashion products, totaling 1,513 units. Based on data from the Office of Cooperatives and SMEs, the number of fashion SMEs that have used e-commerce and live-streaming commerce is 134 SME units. The total population that meets the criteria in this study is 134 units of SMEs. The sample in this study were all fashion SMEs in Denpasar City, totaling 134 respondents. In addition to distributing questionnaires, an interview data collection method was carried out where researchers directly dialogued with respondents to extract information from them. An in-depth interview was conducted with several owners of fashion SMEs in Denpasar City to obtain a comprehensive picture and information to obtain actual information and a clear picture of the conditions in the field. Component or variance-based SEM (Structural Equation Modelling) analysis technique, namely PLS (Partial Least Square), is used to test the hypothesis.

3. Results and Discussion

In the measurement model, the relationship between indicators and constructs is evaluated by assessing validity and reliability. Evaluation of the measurement model (outer model) aims to determine the validity and reliability of the indicators used to measure the research variables. This study uses an outer loading value above 0.50. In this study there is a construct on the entrepreneurial marketing variable which is a second order construct. The construct of entrepreneurial marketing as a second order construct consists of seven first order constructs, namely: proactive (X1.1), risk management (X1.2), resource utilization (X1.3), customer intensity (X1.4), opportunity driven (X1.5), innovative (X1.6), and value creation (X1.7). The indicators that reflect the dimensions of entrepreneurial marketing have outer loadings coefficients above 0.50, indicating all indicators are valid.

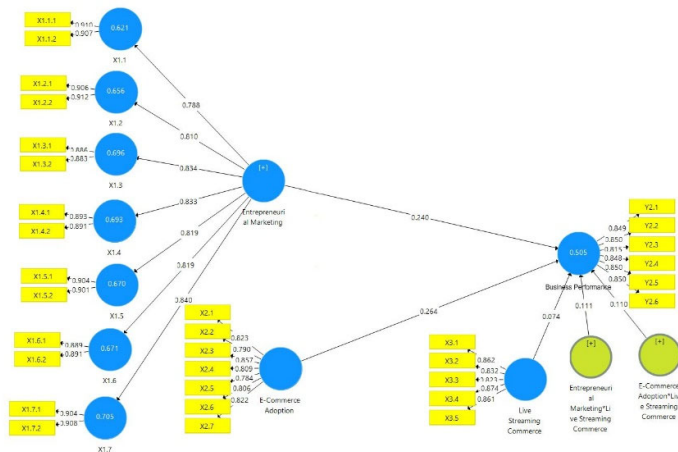


Fig. 1. SMART PLS Result

Tabel 1
Nilai Average Variance Extracted (AVE)

Research Variables	AVE
Proactive (X _{1.1})	0,825
Risk management (X _{1.2})	0,827
Resource utilization (X _{1.3})	0,783
Customer intensity (X _{1.4})	0,795
Opportunity Driven (X _{1.5})	0,815
Innovative (X _{1.6})	0,792
Value Creation (X _{1.7})	0,821
Entrepreneurial marketing (X ₁)	0,544
E-commerce adoption (X ₂)	0,661
Live streaming commerce (X ₃)	0,724
Business Performance (Y ₁)	0,712

Source: Data processed, 2024

Based on Table 2, it can be explained that the AVE value of each variable has an AVE value greater than 0.50, so the model can be said to be valid. Testing the structural or inner model with PLS is done by looking at the R-Square (R²) value, a goodness-fit model test. The R-square value for each endogenous latent variable is the predictive power of the structural model. Changes in the R-square value can be used to explain the effect of certain exogenous latent variables on endogenous

latent variables (Akter et al., 2011; Abdillah & Hartono, 2015). An R-square value above 0.75 shows that the model is robust, 0.50-0.75 is moderate, and 0.25- 0.50 is weak. The R-square values for each endogenous variable are listed in Table 2 below.

Table 2

R-Square test results

Variable	R-Square
Business performance	0,505

Source: Data processed, 2024

Tabel 3

Direct Influence between Variables

Relationship between variables	Direct effect coefficient	Indirect effect coefficient	Moderating	t-statistics	P values	Description
<i>Entrepreneurial marketing</i> → Business Performance	0,240			3,998	0,000	Significant
<i>E-commerce adoption</i> → Business Performance	0,264			3,988	0,000	Significant
<i>Live Streaming Commerce</i> → Business Performance	0,074			2,021	0,044	Significant

Source: Data processed, 2024

The test results show that entrepreneurial marketing has a positive and significant effect on business performance. This is based on the path coefficient between the entrepreneurial marketing variable and the business performance variable of 0.240 with a t-statistic value of 3.988 > t-table 1.96 and a p value of 0.000 < 0.05. The results of this test prove that hypothesis 1 (H1) proposed in this research which states that entrepreneurial marketing has a positive and significant effect on business performance is acceptable. This means that the better the entrepreneurial marketing value possessed by fashion SMEs, the more the fashion SME business performance will improve in Denpasar City. The test results show that e-commerce adoption has a positive and significant effect on business performance. This is based on the path coefficient between the e-commerce adoption variable and the business performance variable of 0.264 with a t-statistic value of 3.988 > t-table 1.96 and a p value of 0.000 < 0.05. The results of this test prove that hypothesis 2 (H2) proposed in this research which states that e-commerce adoption has a positive and significant effect on business performance is acceptable. This means that the better the ability to adopt e-commerce, the greater the performance of fashion SME businesses in Denpasar City. The test results show that live streaming has a positive and significant effect on business performance. The results of this test prove that the hypothesis proposed in this research which states that live streaming has a positive and significant effect on business performance is acceptable. This means that the better the ability to adopt the use of live streaming, the greater the performance of the fashion SME business in Denpasar City.

Table 4

Indirect Effect between Variables

Relationship between variables	Direct effect coefficient	Indirect effect coefficient	Moderating	t-statistics	P values	Description
<i>Entrepreneurial Marketing</i> × <i>Live Streaming Commerce</i> → Business Performance			0,111	2,358	0,019	Significant
<i>E-Commerce Adoption</i> × <i>Live Streaming Commerce</i> → Business Performance			0,110	2,188	0,029	Significant

Source: Data processed, 2024

The test results of live-streaming commerce moderate the effect of entrepreneurial marketing on business performance; it moderates the effect of entrepreneurial marketing on business performance. Based on the coefficient of the moderator variable, live streaming commerce can certainly affect entrepreneurial marketing on business performance by 0.111 with a t-statistic value of 2.358 > t-table 1.96 and a p-value of 0.019 < 0.05; this statistical proof states that the direct effect shows significant results, while the live streaming commerce variable is significant to business performance by 0.074 with a t-statistic value of 2.021 > t-table 1.96 and a p-value of 0.044 < 0.05. The results of this test prove that hypothesis 6 (H6), proposed in this study, states that live-streaming commerce moderates the effect of entrepreneurial marketing on business performance. The better the use of live-streaming commerce, the more substantial the contribution of entrepreneurial marketing to business performance. This moderating variable pattern is referred to as quasi moderation. This variable can strengthen entrepreneurial marketing variables' influence on fashion SMEs' business performance. It can also become a variable that directly affects business performance, meaning that the live streaming commerce variable is a finding that can be proven statistically significant.

The test results of live streaming commerce moderating the influence of entrepreneurial marketing on business performance show that live streaming commerce moderates with quasi moderation type of entrepreneurial marketing influence on business performance. The results of this test prove that hypothesis 6 (H6) proposed in this study, which states that live-streaming commerce moderates the effect of entrepreneurial marketing on business performance, is accepted.

Live streaming commerce moderates the relationship between independent variable entrepreneurial marketing and the dependent variable business performance and has a direct relationship with business performance. Live-streaming commerce can enhance the positive effect of entrepreneurial marketing on business performance in a more robust way than in the absence

of live-streaming commerce. Through direct interaction with potential buyers, fashion SMEs can more effectively drive sales and improve their business performance. Conversely, live-streaming commerce can also limit the impact of entrepreneurial marketing on business performance if not used properly. If the use of live-streaming commerce is not in line with the entrepreneurial marketing strategy, then the positive impact of this strategy may not be fully achieved. Live streaming commerce is a tool fashion SMEs in Denpasar City can use to increase the positive influence of their entrepreneurial marketing on business performance. This means that fashion SMEs can use live video streaming to interactively promote their products, answer potential buyers' questions, and even take orders directly through the live streaming platform. This can give customers a more direct and personalized shopping experience, increasing customer satisfaction and sales. Live engagement through live-streaming commerce can give customers the impetus to take immediate action, such as purchasing. Thus, live-streaming commerce can moderate the influence of entrepreneurial marketing by creating a communication channel that can convert potential customers into actual customers, positively affecting the performance of fashion SMEs.

Live streaming commerce conducted with an entrepreneurial spirit generates mental attitudes and characteristics involving innovation, creativity, careful risk-taking, adaptation to market changes, and passion for overcoming obstacles in business. With an entrepreneurial spirit, fashion merchants may be able to face the challenges of live streaming to sell fashion products. A critical factor in live-streaming commerce is the ability to interact directly with potential buyers. Merchants with an entrepreneurial spirit are better at providing good customer service, answering questions quickly, and providing necessary information. This can increase customer satisfaction levels and drive sales. Merchants who livestream fashion products for up to 24 hours show a high commitment and a passion for adapting to new marketing trends. They may be more likely to create strong relationships with their audience and improve their business performance. The entrepreneurial spirit is a critical factor in the success of fashion merchants in live streaming. It includes the ability to innovate, respond well to customers, and be passionate about taking on new marketing challenges, such as live-streaming fashion products.

However, the success of live-streaming commerce in improving the business performance of fashion SMEs in Denpasar City largely depends on how they integrate entrepreneurial-oriented marketing strategies with live-streaming commerce. If used correctly, live streaming commerce can be one way to create a competitive advantage in the highly competitive fashion business in Denpasar. SME owners with an entrepreneurial spirit are likelier to have the intention and passion to livestream consistently. So, the relevance to fashion SMEs in Denpasar is that they can use entrepreneurial marketing strategies and live streaming commerce to improve their business performance and win the competition in the competitive fashion industry in the Denpasar City area.

The fashion SME owners in this study are predominantly female. Women often have strong speaking and communication skills. Women can easily interact with audiences, explain products or services clearly, and answer questions appropriately. The age range of 29 to 39 years old dominates the age of respondents in this study. The age range of 29 to 39 years old has excellent potential to become reliable in live streaming using entrepreneurial marketing skills. Combining experience, creativity, and technological capabilities, respondents aged 29 to 39 can create exciting and compelling content to promote products or services, including fashion. Fashion SMEs with a bachelor's degree dominate this research. Undergraduates utilise the knowledge, skills and connections gained during their college-level education, thereby significantly improving business performance in fashion's dynamic and diverse world.

Uses and Gratifications theory emphasizes that individuals use media to meet their various needs. In this case, fashion SMEs in Denpasar City use live streaming commerce to fulfil their needs in selling online, providing and seeking information about fashion products, or interacting directly with buyers. Live streaming commerce is a form of media that allows direct interaction between sellers and consumers. Uses and Gratifications theory highlights that consumers use live streaming commerce to fulfil the need for social interaction, provide product information that customers need, and feel satisfied with the online selling experience. Uses and Gratifications theory helps understand how customers get satisfaction from shopping experiences that involve direct interaction with sellers. Live streaming commerce is also directly capable of influencing business performance, so live streaming commerce can be seen as a practical implementation of the Resource-Based View theory, where live streaming commerce can be a resource and a company's unique capabilities become vital in creating and maintaining a competitive advantage in an increasingly competitive market and resulting in improved business performance.

The results of further interviews with fashion SMEs in Denpasar City regarding live-streaming commerce related to entrepreneurial marketing on business performance are presented as follows.

NI said that:

“Since we have been using live streaming commerce, our sales have increased; this innovation in making sales has made many consumers who were originally just looking around interested because of the ease of seeing the products they are interested in live. However, this live streaming must be done with care. We must have an entrepreneurial spirit in marketing products when doing this live streaming; we must dare to take risks by preparing enough capital to buy gadgets for quality live so that the live process is not interrupted. In addition to gadgets, we also need space because we have to talk a lot and not disturb customers in the store. We must also have a talented host because the host must be able to interact with the audience. If we don't have an entrepreneurial spirit, the live streaming process will not run smoothly and will be empty of viewers.”

DA said that:

“Live streaming commerce helps me in selling, especially through online. I can pamper consumers by interacting with them together, but they stay at home. They can freely ask questions about the products they want. This can be a valuable source of information for product development, service improvement, and customizing the right marketing strategy. Marketing supported by entrepreneurship often requires speed and responsiveness to market changes or fashion trends. Live streaming allows me to deliver information quickly and effectively, making it a good tool to respond to market needs”.

Based on the interview results, fashion SMEs that utilize live streaming can strengthen their entrepreneurial marketing strategy by creating deeper engagement and interaction with customers, improving overall business performance. Live streaming commerce in entrepreneurship is an essential tool for marketing that highlights the importance of expertise and interactivity with consumers (Jiang et al., 2022). According to (Hidayat & Hidayat, 2020), Live-streaming commerce encourages the formation of technology-based entrepreneurship development in Generation Z identity. Companies can quickly realize the electrification of marketing activities if they start live-streaming commerce and fully use the existing live streaming commerce platform technology to take the first step of digital transformation of the marketing mode. Entrepreneurs' creativity in utilizing the features of live-streaming commerce increases their competitive advantage as they dare to display their products directly to customers online compared to just selling without live-streaming commerce (Chen et al., 2019). Live streaming commerce generates many benefits in terms of improving business sustainability through devices that consumers use every day, which simultaneously impacts profits in business and the environment (Merritt & Zhao, 2022).

The development of sales through live streaming commerce has become the center of attention for SMEs in developing e-commerce adoption because it can show how products are sold face to text. Interactions occur with many consumers online, then switch to sales through e-commerce with text-to-text to interact with consumers one by one through the chat feature (Wongkitrungrueng & Assarut, 2020). Businesses that conduct Live Streaming commerce effectively increase sales leads, improve consumer experience, and build consumer engagement (Zhang et al., 2019). The live streaming feature on e-commerce makes it easier for sellers and buyers to determine digital face-to-face interactions. Live streaming commerce has proven successful, especially in Asia, in supporting online retailers such as Alibaba (Merritt & Zhao, 2022).

The results of testing live-streaming commerce moderating the effect of e-commerce adoption on business performance prove that live-streaming commerce moderates as a form of quasi-moderation of the effect of e-commerce adoption on business performance. This is based on the coefficient of the moderator variable, namely live streaming commerce, which affects e-commerce adoption on business performance by 0.110 with a t-statistic value of 2.188 > t-table 1.96 and a p-value of 0.029 < 0.05; it shows significant results, it can be stated that the effect of e-commerce adoption variables on the business performance of fashion SMEs in Denpasar City can be weakened if live streaming commerce is used as a moderating variable. The live streaming commerce variable is significant to the business performance of 0.074 with a t-statistic value of 2.021 > t-table 1.96 and a p-value of 0.044 < 0.05. The results of this test prove that hypothesis 7 (H7) proposed in this study, which states that live-streaming commerce moderates the effect of e-commerce adoption on business performance, is accepted. The better the use of live-streaming commerce, the more substantial the contribution of e-commerce adoption to business performance. This moderating variable pattern is referred to as quasi moderation. This variable can strengthen the influence of e-commerce adoption variables on the business performance of fashion SMEs. It can become a variable that directly affects business performance, meaning that the live streaming commerce variable is a finding that can be proven statistically significant.

The test results of live-streaming commerce moderating the effect of e-commerce adoption on business performance show that live-streaming commerce moderates the type of quasi-moderation of the effect of e-commerce adoption on business performance. The results of this test prove that hypothesis 7 (H7) proposed in this study, which states that live-streaming commerce moderates the effect of e-commerce adoption on business performance, is accepted. Live streaming commerce moderates the relationship between the independent variable e-commerce adoption and the dependent variable business performance and has a relationship with business performance.

Live streaming commerce is a moderating factor that strengthens the effect of e-commerce adoption on business performance. Live streaming commerce is the development of new marketing techniques, and it helps fashion SMEs in Denpasar City get a broader range of customers. Live streaming commerce provides direct and real-time interaction between sellers and customers in e-commerce adoption. It can significantly increase customer engagement, helping to build stronger relationships. Engaged customers have higher retention rates and potentially become loyal customers. In e-commerce adoption, live interaction in live streaming provides more in-depth data on customer preferences and behavior. Analyzing this data can assist sellers in designing more effective marketing strategies and improve overall business efficiency.

The fashion SME owners in this study are predominantly female. Women have many advantages in using live-streaming commerce and e-commerce adoption capabilities in fashion businesses. By combining creativity, market understanding, communication skills and social networks, women can create engaging online shopping experiences and connect with audiences, which can help improve fashion business performance. The age range of 29 to 39 years old dominates the age of respondents in this study. The 29 to 39 age range develops the creativity and innovation skills necessary to create engaging and compelling content. Respondents can use live streaming commerce to showcase fashion products and differentiate their brand from

competitors creatively. Fashion SMEs with a bachelor's degree dominate this study. Undergraduates often develop creative and innovative abilities during their studies. A scholar can use this creativity to design exciting and differentiated live-streaming content and create a unique online shopping experience for customers.

Uses and Gratifications theory emphasizes that individuals use media to satisfy their needs. In live streaming commerce, customers or potential buyers who participate in live streaming have various needs and motivations when interacting with the live streaming content. Live streaming commerce can influence how customers' needs are fulfilled. Some customers use live streaming commerce to get better product information, get direct interaction with the seller, or even for entertainment. The Uses and Gratifications theory helps in understanding this variety of needs. Based on the different needs and motivations of customers affected by live-streaming commerce, the effect on business performance may vary. If live-streaming commerce effectively fulfils customer needs, it may positively impact business performance, such as increased sales and customer satisfaction. Thus, the Uses and Gratifications Theory helps explain how live-streaming commerce can moderate the relationship between e-commerce adoption and business performance by identifying customer needs affected by their interaction with live-streaming. The impact of e-commerce adoption on business performance depends on how live-streaming commerce affects the fulfilment of customer needs according to the Uses and Gratifications Theory framework.

In developing live-streaming commerce implementation against the Resourced-Based View theory, advanced technological resources such as e-commerce adoption that support live-streaming commerce can be considered resources that support competitive advantage and result in improved business performance. RBV theory posits that competitive advantage can be maintained if an organization's resources and capabilities are difficult for competitors to replicate. Successful live-streaming commerce can create experiences that are difficult to replicate, especially if it involves a unique combination of technology and creativity of its human resources. The results of further interviews with fashion SMEs in Denpasar City regarding live-streaming commerce about e-commerce adoption on business performance are presented as follows:

EM said that :

“My sales while adopting e-commerce were outstanding, but since the live streaming feature, sales of my products have increased. Previously, I had to make the photos as attractive as possible to be displayed on e-commerce, but with live streaming, the sales process is much easier because if they see through photos alone, they cannot see the details. It is easier for me to interact with customers directly; I can provide more in-depth product information and explain the product's advantages in more detail. So the audience feels more confident and informed before shopping. Customers are also free to ask questions about the products they want, then get the answers directly, so many checkouts during the live event.”

SB said

“Living live streaming commerce has a strong influence on the adoption of e-commerce. When I do live streaming, I become more recognized than just selling online on e-commerce platforms. This live streaming brings in many new consumers who could have accidentally seen our live. Having live streaming regularly and interestingly is helped by the e-commerce system in getting more viewers. This is related to e-commerce accounts that are also related to product stock. Even though some viewers do not directly shop during the live, they already have a connection to our products so that they can buy them anytime on the e-commerce platform. So sales on e-commerce also increase.”

Based on the interview results, live streaming can drive e-commerce adoption by creating a more dynamic, personalized and engaging online shopping experience. This not only increases e-commerce adoption but can also have a positive impact on overall business performance. Shiu et al. (2023) argue that the dynamic characteristics of live-streaming commerce in e-commerce adoption can directly predict purchases and, at the same time, generate an immersive experience that leads to purchase intentions. Some consumers only consider a few factors but are attracted by intense purchasing activities within a limited time in the live room and place orders following other consumers. Internet celebrities can bring much popularity to live-streaming commerce (Lu and Chen, 2021). The research results by Zhang et al. (2019) found that the average sales of products in live-streaming commerce are much higher than those of products that are not. Chen et al. (2019) found that the adoption of live-streaming commerce significantly increased the sales volume of e-commerce adopters, especially for items such as clothing, whose sales were 28 per cent greater than those requiring evaluation before purchase (e.g. laptops).

4. Conclusion and Suggestion

Based on the analysis results, Live-streaming commerce moderates the influence of entrepreneurial marketing on business performance with quasi-moderation type. The quasi-moderation variable pattern can strengthen the effect of entrepreneurial marketing on the business performance of fashion SMEs in Denpasar City, meaning that the live-streaming commerce variable is a finding that can be proven statistically significant. Live streaming commerce moderates the effect of e-commerce adoption on business performance with the quasi-moderation type. This means that live-streaming commerce is able to strengthen the relationship between e-commerce adoption and SME business performance and interact with the business performance of fashion SMEs.

Based on the findings of this study, suggestions can be given to fashion SMEs and further researchers, including Live Streaming Commerce. Fashion SMEs should be able to provide detailed product transactions in live-streaming commerce so that consumers feel more confident and comfortable in shopping online. Focus on building long-term relationships with consumers. This helps in retaining loyal customers. Business Performance Fashion SMEs should focus on strategies that can increase sales growth. SMEs need to consider new promotions, marketing, or product expansion. Merchants should continue to improve customer service and monitor customer satisfaction. Satisfied customers will likely become loyal customers and develop new products or improve existing ones to meet evolving market needs. Focus on operational efficiency and cost management to improve profit growth.

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