**Title: Supplementary Interview Data on Virtual AI Live Streaming**

**1. Background of the Interviews** To enhance the credibility of our research findings, we conducted a series of semi-structured interviews with key stakeholders in the live-streaming e-commerce ecosystem, including brand operators, MCN (Multi-Channel Network) agencies, and platform representatives. Given the lack of publicly available quantitative data on the efficiency of AI-powered virtual streamers, these interviews provided critical insights into their economic impact, platform policies, and strategic decisions.

These interviews were part of a broader study on AI in live-streaming commerce. During the research process, we explored various aspects of AI-driven live streaming, including operational strategies, consumer perceptions, and regulatory challenges. The content presented here represents a curated subset of interview responses that are directly relevant to the focus of this study—specifically, the economic implications of AI streamers, platform regulatory strategies, and brand-MCN-platform interactions. These insights were used to support the parameter selection in our evolutionary game model, ensuring that the theoretical framework aligns with real-world market dynamics.

Our primary objective was to gather real-world data to estimate the range of key parameters used in our evolutionary game model. Since certain data points were unavailable from secondary sources, we adopted a range-based approach. For instance, if one brand reported a revenue increase of ¥3000, while another observed an increase of ¥1000, we selected a value within this range [1500,3000] (e.g., ¥1500) to ensure consistency with the evolutionary stable strategy (ESS) conditions in our model. This method ensures that our analysis remains grounded in practical business scenarios while aligning with theoretical requirements.

**Interview Period**: December 2024 – February 2025

**Interview Method**: Face-to-face semi-structured interviews

**Participants**:

**Brand operators**: Responsible for e-commerce marketing and live-streaming strategies.

**MCN executives**: Managing the adoption of AI streamers and compliance strategies.

**Platform representatives**: Overseeing policy regulations and market governance.

The interviews focused on the revenue impact of AI streamers, platform regulations, and the strategic decisions of brands and MCNs under different regulatory conditions. The insights collected were used to estimate key parameters in our evolutionary game model.

**2. Interview Transcript**

### ****Interview 1: Brand Perspective****

**Interviewer (I):** Have you observed a noticeable increase in revenue when adopting virtual AI streamer? If so, could you share some specific figures?

**Brand Representative (R):** The impact varies significantly across different brands. For instance, one of our partnered chain restaurants used AI streamers for online meal promotions, and within three months, the GMV (Gross Merchandise Volume) per store increased by 22%. However, this success was largely due to their well-established operational team. In contrast, some newly established beauty brands struggled—despite lower hosting costs, their conversion rates dropped by 15% due to a lack of effective content planning.

**I:** Besides a brand's own operational capabilities, do platform policies also affect profitability?

**R:** Absolutely. Platform policies play a crucial role. Last year, Taobao launched an “AI Host Support Program,” where compliant accounts received a 30% traffic boost, effectively subsidizing AI adoption. However, these incentives were discontinued this year. On Douyin (TikTok China), the policy is even stricter—if the platform detects a fully AI-powered live stream, it not only removes traffic support but also reduces visibility by over 50%.

**I:** How do these platform policies affect traditional live streaming revenue?

**R:** On weakly regulated platforms, AI streamers benefit from additional exposure, which can indirectly reduce traffic to traditional human-hosted live streams. For example, in 2022, Kuaishou provided “double exposure pools” for top-tier AI accounts, which was equivalent to ¥20,000 worth of free promotion per month. This led to a noticeable decline in traditional streamers’ audience reach. Conversely, on strictly regulated platforms like Douyin, traditional live streaming is prioritized, ensuring consistent traffic distribution.

**I:** Does this mean that traditional human streamers face a structural disadvantage in weakly regulated platforms?

**R:** It depends. While AI streamers enjoy cost advantages (e.g., operating 24/7 without additional labor expenses), their performance is still highly dependent on content quality and audience preferences. Some brands have found that human streamers still outperform AI streamers in categories requiring real-time emotional interaction—such as luxury goods, high-involvement purchases, or personalized recommendations. However, for standardized product promotions, AI streamers have become a viable replacement, especially under relaxed regulatory conditions.

### ****Interview 2: MCN Agency Perspective****

**Interviewer (I):** As an MCN agency, how do you compare the profitability of AI live streaming versus human live streaming? Do you recommend brands adopt AI streamers?

**MCN Executive (R):** It depends on the platform and its regulations. On platforms with no regulations, AI live streaming can be 20-30% more profitable than traditional streaming due to its lower operational costs. However, on strictly regulated platforms like Douyin, conversion rates can drop by 10-15% because of traffic suppression policies.

**I:** Can you elaborate on how platforms regulate AI streamers? Are there specific penalties for non-compliance?

**R:** Yes, regulations vary by platform. Douyin enforces the strictest penalties—first-time violations result in a seven-day account suspension and a minimum ¥5,000 security deposit deduction. A second violation leads to permanent account termination. Kuaishou is relatively lenient; the first offense typically results in a 40% reduction in exposure, with the requirement to submit a manual review request before regaining full access.

**I:** You mentioned earlier that platform incentives for AI streaming were stronger in the past. What kind of support did platforms previously provide?

**R:** In 2022, Kuaishou offered top-performing AI accounts “double exposure pools,” granting up to ¥20,000 per month in free advertising resources. However, due to a surge in low-quality AI content, this program was discontinued within six months. Now, most platforms prefer compliance-based incentives, such as Taobao’s 10% rebate on service fees for AI accounts that pass quality inspections.

### ****Interview 3: Platform Perspective****

**Interviewer (I):** How do platforms differentiate between regulating AI and traditional live streaming? Do you offer incentives for AI streamers, or are there stricter restrictions?

**Platform Policy Representative (R):** Our regulatory approach evolves based on market needs. Initially, we supported AI streamers to encourage adoption—this included relaxed content review standards and additional exposure incentives. However, as AI streamers became more widespread, we adjusted our policies based on user feedback. While AI streamers help brands lower costs, excessive AI content can reduce audience engagement and trust. Additionally, some companies massively deployed AI streamers in bulk, introducing thousands of AI streamers (e.g., 1,000–2,000) onto the platform at once. These companies adopted a ‘lottery-style’ approach, where they saturated the platform with AI-generated content, hoping that even a small fraction of users would make purchases. Since the cost of deploying digital humans has become extremely low, this strategy disrupts platform operations and content quality, leading to an influx of low-quality or highly repetitive live streams. As a result, we have significantly tightened regulations to curb such exploitative practices, strictly detecting and removing AI-driven live streams that fail to meet platform standards.

**I:** How does platform regulation impact AI streamer profitability? Do stricter policies reduce AI-based revenue?

**R:** Absolutely. For instance, since Q4 2023, Douyin has implemented stricter AI content controls, increasing CPM (Cost Per Mille) from ¥15 to ¥28. This has directly reduced AI live stream profit margins by 5-7 percentage points. To mitigate this, we now advise brands to adopt a “hybrid live streaming” model—AI streamers handle 60% of standardized presentations, while human streamers manage 40% of audience engagement. This ensures compliance while maintaining profitability at around 12-15%.

**3. Conclusion** These interviews provide critical insights into the economic and regulatory landscape of AI live streaming. The data collected confirms the dynamic interplay between platform policies, brand adoption strategies, and MCN compliance behaviors. By integrating these real-world observations into our model, we ensure that our findings are grounded in industry realities.