

MEGA GUIDE:

CHINA E-COMMERCE AND DIGITAL MARKETING

Q2 2021

HELLO!

China's swift economic recovery continues to shape the new normal. The rapid recovery and support of Chinese government accelerate trends, offering endless new opportunities for existing and new businesses in China. This report is bringing you the latest insights to help brands and companies ace marketing in China for Q2 of 2021. We've also interviewed over 50 China experts to support brands with the exhaustive insights and share collective wisdom of the China watchers. A big thanks to all of them. Let's go get them!

Ashley Galina Dudarenok

Founder, Alarice and ChoZan, LinkedIn Top Voice



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Sign up to my bi-weekly China Digest

<https://chozan.co/>
<https://alarice.com.hk/>
<https://ashleydudarenok.com/>



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OUR CHINA MARKETING SOLUTIONS



● MARKETING RESEARCH AND STRATEGY

Our China marketing research and strategy team gives you a detailed framework that will allow you to start and grow your business in mainland China.

● SOCIAL MEDIA MARKETING

We help you to localize messages, strengthen your brand image and reach out to target audiences through Chinese social media.

● INFLUENCER MARKETING AND CAMPAIGNS

We help you to establish goal-specific social marketing campaigns and fruitful collaboration with Chinese KOLs and influencers.



● CORPORATE TRAINING

We can increase your expertise on the Chinese market, Chinese consumers and Chinese social media with tailor-made masterclasses that put your team at the forefront. We do this by running courses around the world that you can join and creating corporate training programs for your team.

● CHINA INSIGHTS: CHINA MARKETING CRICLE

A private community on WhatsApp / WeChat that delivers the most relevant, up to the minute information, much of which can't be easily found online or in English. Join us if you're looking for curated insights, trends, strategies and case studies.

● KEYNOTE SPEECHES

Our founder, Ashley, is a well-known speaker and can deliver keynotes full of energy, insight and inspiration that will transform your event, motivate you and help you achieve your goals.

● CONSULTING CALLS

The quickest way to get your specific, urgent China marketing questions answered. Speak with Ashley or her team if you're under time pressure and need to get on the right track fast.

● CHINA MARKETING VIDEO COURSES

An 8-module masterclass available to anyone with an internet connection to get them up to speed on China's market, its modern consumers and Chinese social media marketing and selling.

● BOOKS AND MARKETING GUIDES

The most comprehensive books on the market about China's e-commerce landscape, Chinese social media influencers and New Retail. You can also buy our highly detailed WeChat and Weibo guidebooks to gain confidence with China's two most powerful social apps.

**GOT A QUESTION?
DROP US AN EMAIL BY
SCANNING THE QR CODE**





AN OVERVIEW OF CHINA'S ECONOMY

INTRODUCTION

EXPERT BITES



ASHLEY DUDARENOK

Founder of Alarice and ChoZan,
LinkedIn Top Voice, 3x best-selling author

Q: WHAT ARE THE MOST SIGNIFICANT CHANGES THAT HAPPENED IN CHINA IN Q1?

In Q1, the most discussed situation, and the most important one for foreign brands, was related to Xinjiang cotton and the reaction of Chinese authorities and consumers. This wasn't a PR crisis caused by poor marketing, a poorly worded statement or an accident. That was the result of a perception Chinese consumers have had for years. **Chinese consumers are no longer willing to simply be an opportunity for foreign brands to make money. They want brands to build trust with them and understand more about their country and them.**

GOT A QUESTION? DROP ASHLEY AN EMAIL BY SCANNING THE QR CODE



EXPERT BITES

Q: WHAT'S YOUR VIEW OF PREDICTIONS BY THE BANK OF AMERICA THAT CHINA'S ECONOMY COULD DOUBLE IN SIZE BY 2035?

I agree that China's economy will be a bright spot in global economic growth for years to come. However, I **have specific issues about economic projections. Namely, they tend to be straight-line extrapolations of past growth rates.** In China's case, **any economic projection must take into account the impacts of China's shrinking working age population and rising levels of debt across all sectors** (household, government, and corporate).



MICHAEL NORRIS

Research and Strategy Manager
at AgencyChina

EXPERT BITES

Q: WHAT'S YOUR VIEW ON PREDICTIONS BY THE BANK OF AMERICA THAT CHINA'S ECONOMY COULD DOUBLE IN SIZE BY 2035?

China is a nation of symbols and 2020's GDP growth topping 100 trillion yuan (US\$15.4 trillion) for the first time ever, is a major milestone of great symbolic importance that happened despite a global pandemic. Doubling the economy by 2035 is also a milestone that China's policymakers and government officials want to see. **What makes me believe it's possible? By the end of 2020, extreme poverty has been eradicated, per capita disposable income has reached 32,189 RMB and China has created 11.86 million new jobs just in 2020.** China has also increased its focus on energy efficiency and the government is offering incentives such as reduced corporate income tax for energy conservation projects.



NISHTHA MEHTA

Founder and Corporate Innovation
Coach at CollabCentral

EXPERT BITES

Q: WHAT'S YOUR BIGGEST TAKEAWAY FROM CHINA'S LATEST 5-YEAR PLAN?

The data economy, cybersecurity, semiconductors, e-commerce, the blockchain, agriculture, the digital yuan, automated vehicles, electric vehicles and many other things are big for the next 5-year plan in China. But **my favourite one is ecology - ecotech, the environment, clean tech etc. We paid attention to this sector in 2017 and started working there in the beginning of 2019. Now we're happy the government is backing big changes in this field.** It's a huge technology sector which includes ecotech, agrotech, industrial biotech, construction, energy, vehicles, waste recycling, packaging and many others.

Just to reduce its carbon emissions, China will need to invest at least \$16 trillion in the next 4 decades. There's huge potential for foreign companies in a bunch of industries.



ANDREI PROKHOROVICH

Founder and CEO
Eurasia Development Ltd.

EXPERT BITES

**Q: WHAT'S YOUR TAKE ON CHINA'S NEXT FIVE-YEAR PLAN?
WHAT ARE THE MOST IMPORTANT HIGHLIGHTS BRANDS SHOULD
BE AWARE OF?**

**Advanced manufacturing, high tech, new technology, energy
conservation and environmental protection play a key part in China's
14th Five-Year Plan.**

For brands to tap into the technological innovation boom and reap the rewards, they need to beef up their investments in Chinese social media campaigns, livestreaming, and be on top of new and rapidly emerging apps such as the Chinese versions of Clubhouse.



MARTINA FUCHS

TV Anchor and
Business Journalist

EXPERT BITES

Q: WHAT'S YOUR TAKE ON CHINA'S NEXT FIVE-YEAR PLAN? WHAT ARE THE MOST IMPORTANT HIGHLIGHTS BRANDS SHOULD BE AWARE OF?

The Chinese government keeps increasing its support of high tech and innovation, so they're welcoming any companies in these fields.

Another important thing is growing urbanization. More people from villages are coming to cities. They probably won't be that sophisticated and their income will be lower. Brands need to think about what they can offer people in the lower middle class.

But the main thing is stimulating consumption while most Chinese people aren't ready to travel abroad. This means that now is the best time in history to enter the Chinese market.



ARTEM ZHDANOV

Founder of
LaowaiMe, Cultural
Marketing Agency

OVERVIEW

CHINA'S ECONOMY

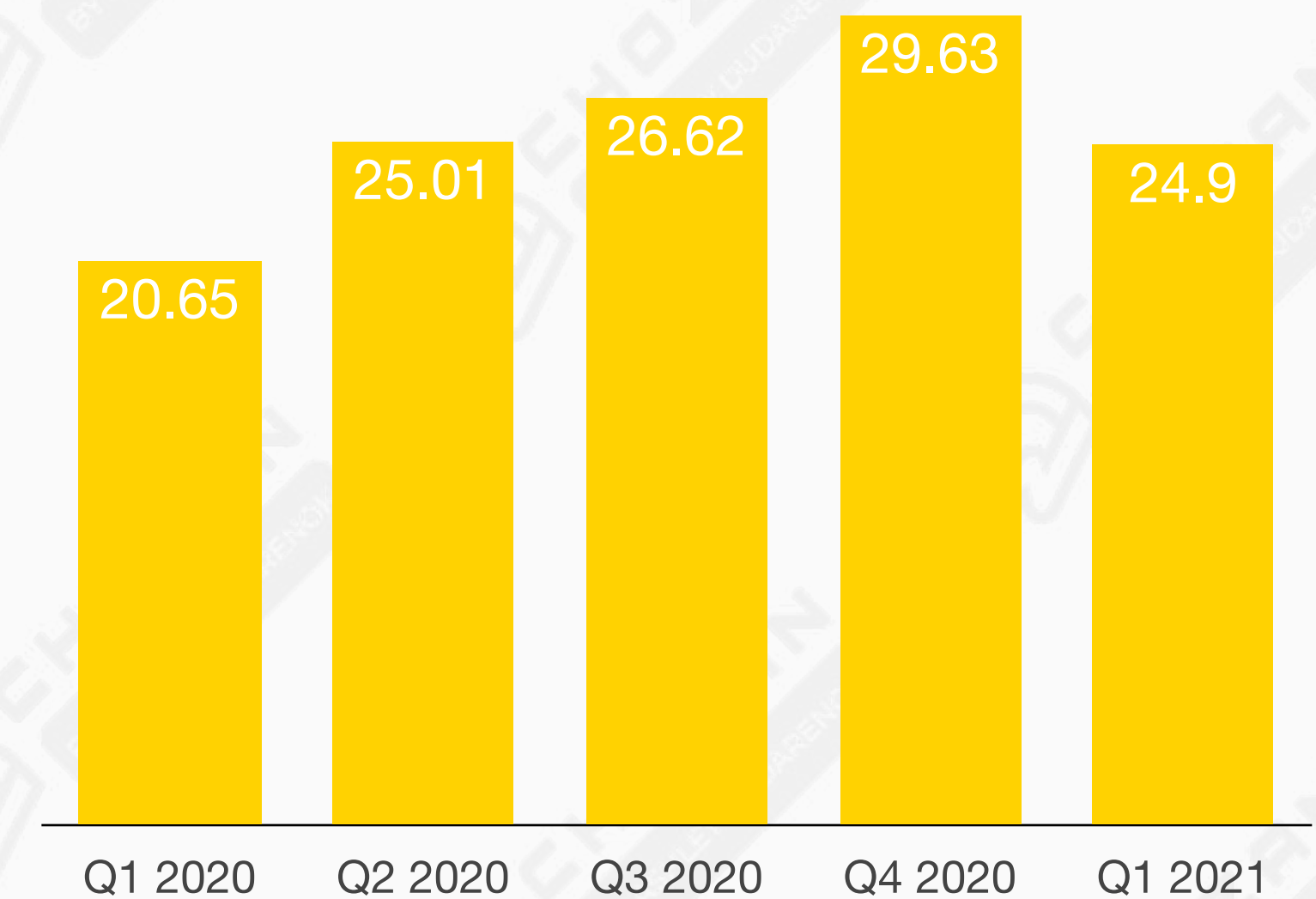
Since 1978, China's GDP has risen from US\$223 to US\$7,603 per capita, while its population grew by almost 400 million people.

From 1970 to 2010, the country's export economy grew 954%. According to the World Bank data, exports accounted for less than 3% of its GDP in 1970 and over 26% in 2010, down from a high of 36% in 2006.

CHINA'S GDP GROWTH, 1992-2021



CHINA'S GDP (TRILLION RMB)

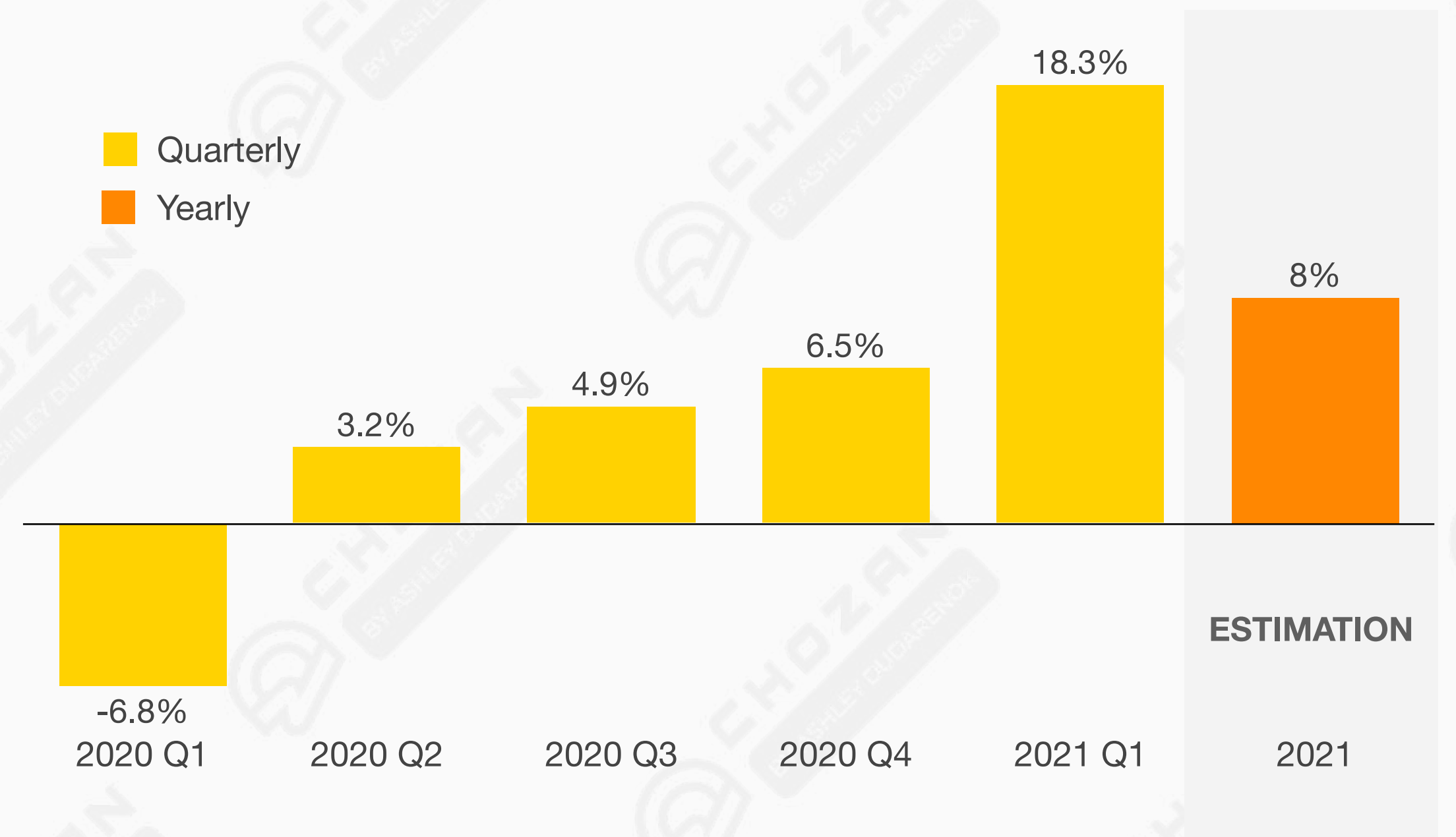


OVERVIEW

CHINA'S ECONOMY

China's economy is recovering quickly and the GDP is expected to grow 8% in 2021

CHINA'S QUARTERLY AND YEARLY GDP GROWTH

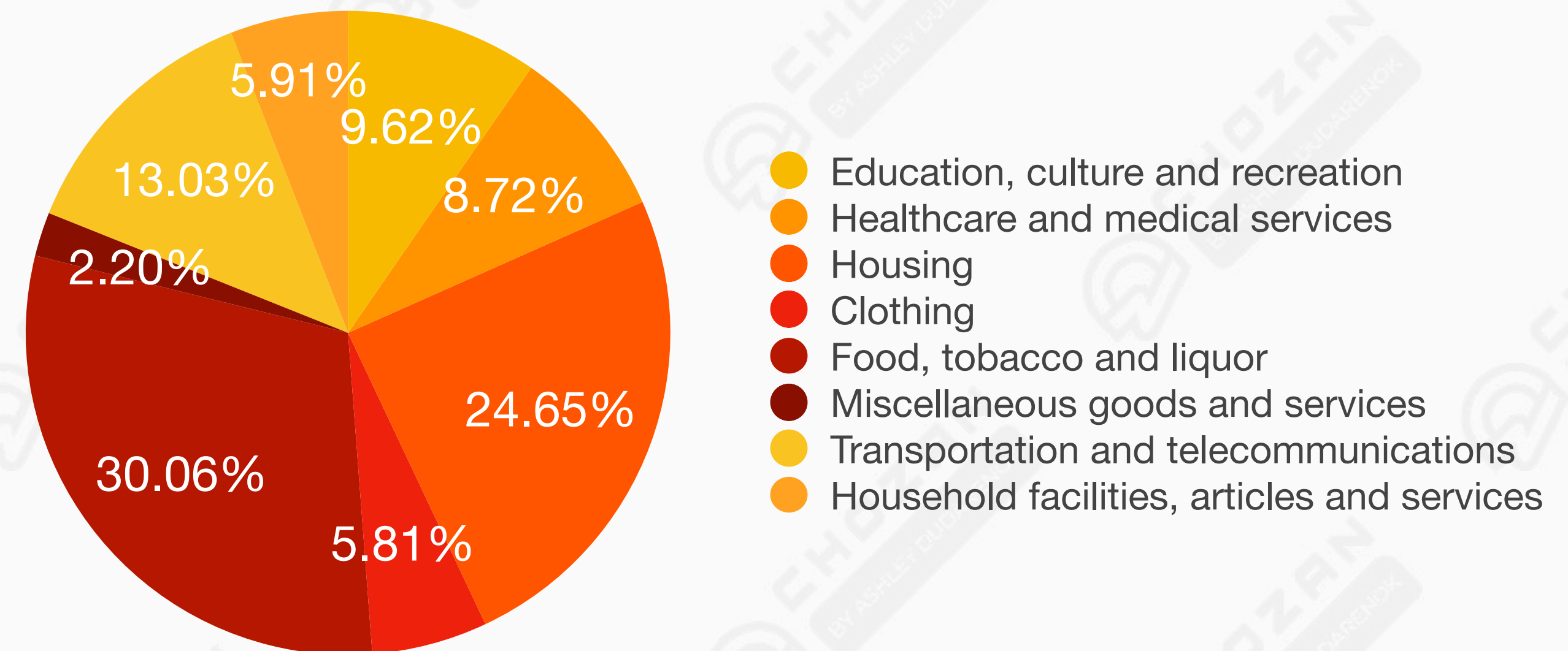


OVERVIEW

CHINA DIGITAL SPACE AT GLANCE

Due to Covid-19 per capita consumption expenditure was reduced for the following categories: Clothing, Household, Transportation, Education, Healthcare and medical.

CHINA'S PER CAPITA CONSUMPTION EXPENDITURE IN 2020

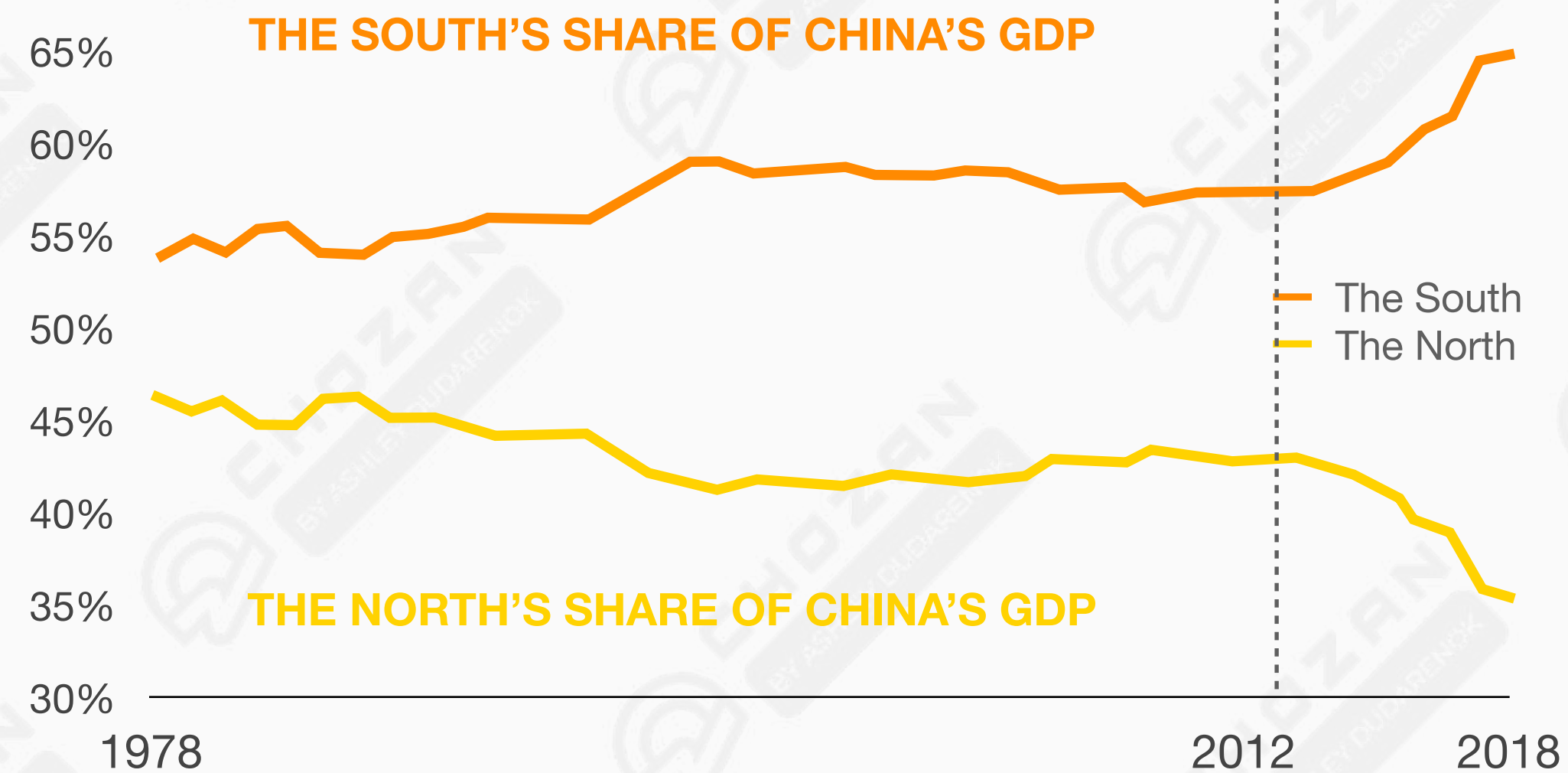


OVERVIEW

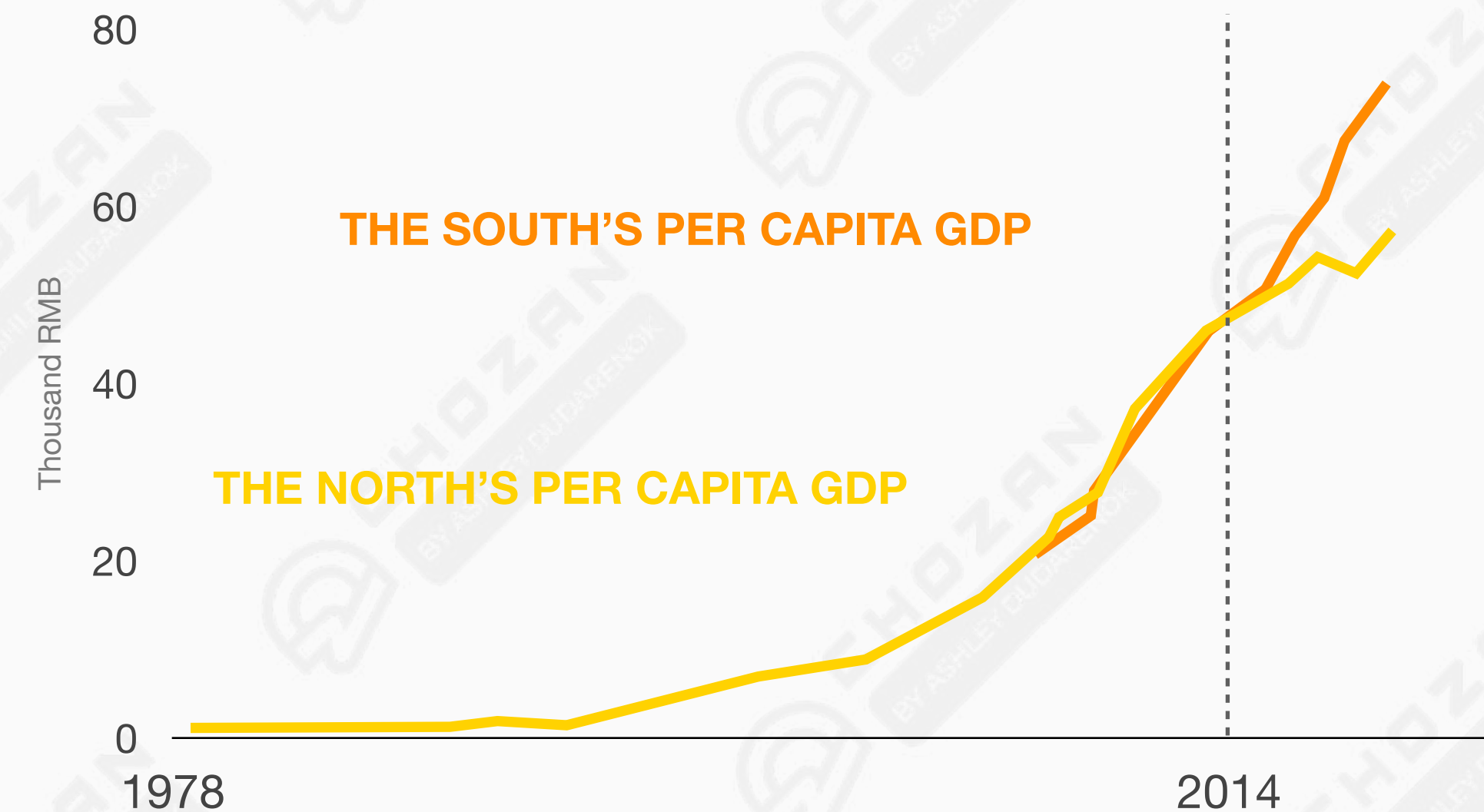
CHINA'S ECONOMY

The gap between aggregate and per capita GDP is widening between the north and south of China, with the south of China advancing in both metrics.

A WIDENING AGGREGATE GAP BETWEEN THE NORTH AND SOUTH OF CHINA



A WIDENING PER CAPITA GAP BETWEEN THE NORTH AND SOUTH OF CHINA

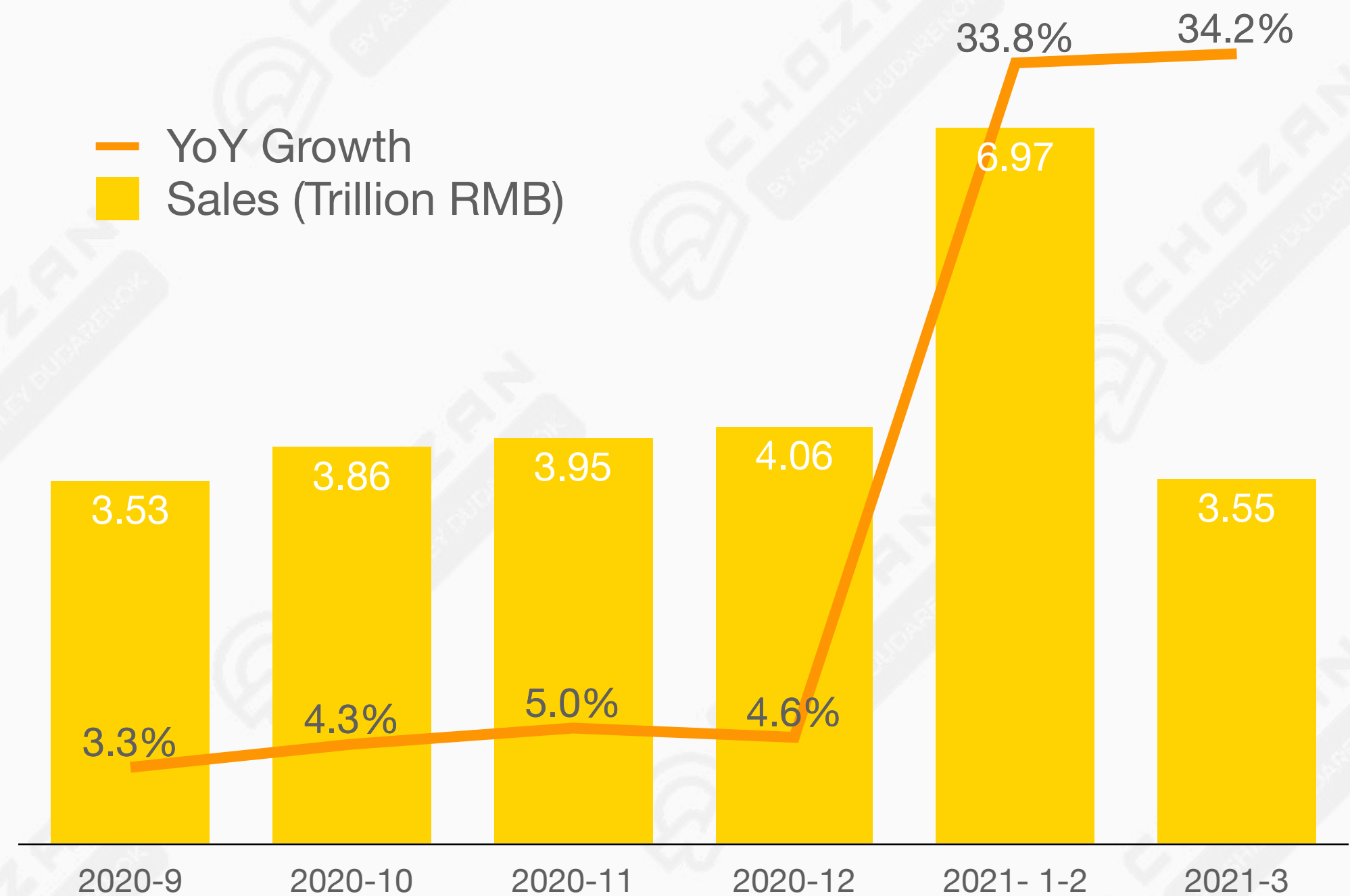


OVERVIEW

CHINA'S ECONOMY

China's domestic consumption demand is rapidly recovering and, in comparison to previous years, even showing positive YoY growth. The total online retail sales of consumer goods reached 10.5 billion RMB, with 33.9% YoY growth in 2021 Q1.

TOTAL ONLINE RETAIL SALES OF CONSUMER GOODS IN CHINA, 2020 SEP TO 2021 MAR



3.5 TRILLION RMB

ONLINE RETAIL SALES OF CONSUMER GOODS IN Q1 2021

OVERVIEW

CHINA DIGITAL SPACE AT GLANCE

China's economy is recovering quickly and the GDP is expected to grow 8% in 2021

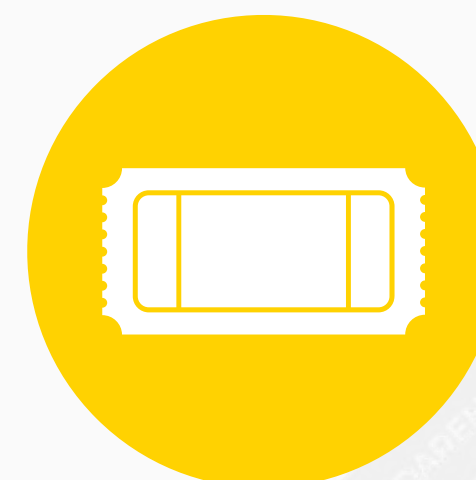
MAIN MARKET ECONOMIC PERFORMANCE, Q1 2021 (RMB)



10.5 TRILLION
CONSUMER RETAIL INCOME, **+33.9% YOY**



1.05 TRILLION
F&B INCOME, **+75.8% YOY**

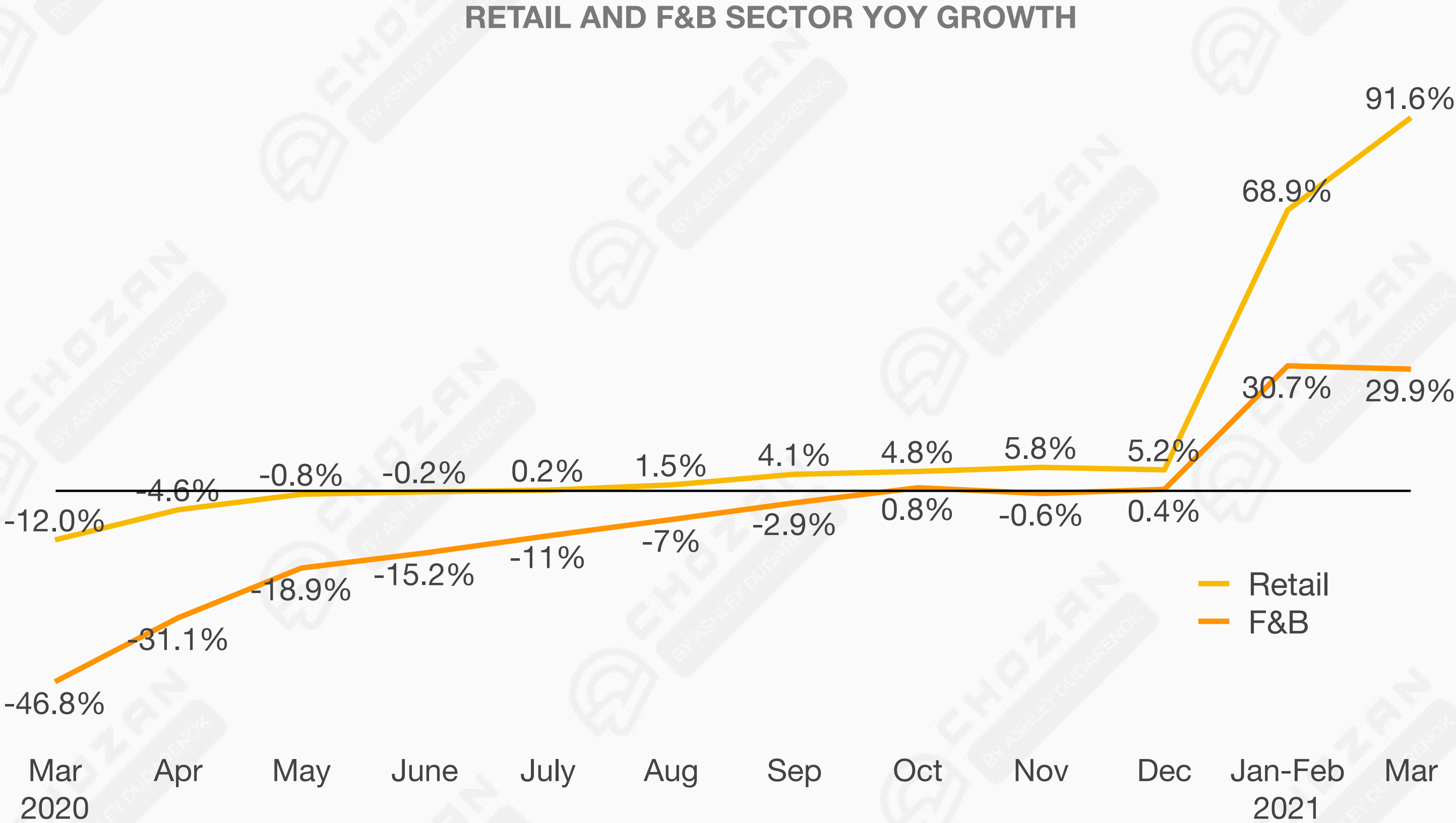


7.82 BILLION
CINEMA SALES FROM CNY, **RECORD HIGH**

OVERVIEW

CHINA DIGITAL SPACE AT GLANCE

Retail sales and F&B income is growing.
Income in retail and f&b sectors has reached 3.1974 trillion and 351.1 billion RMB respectively.

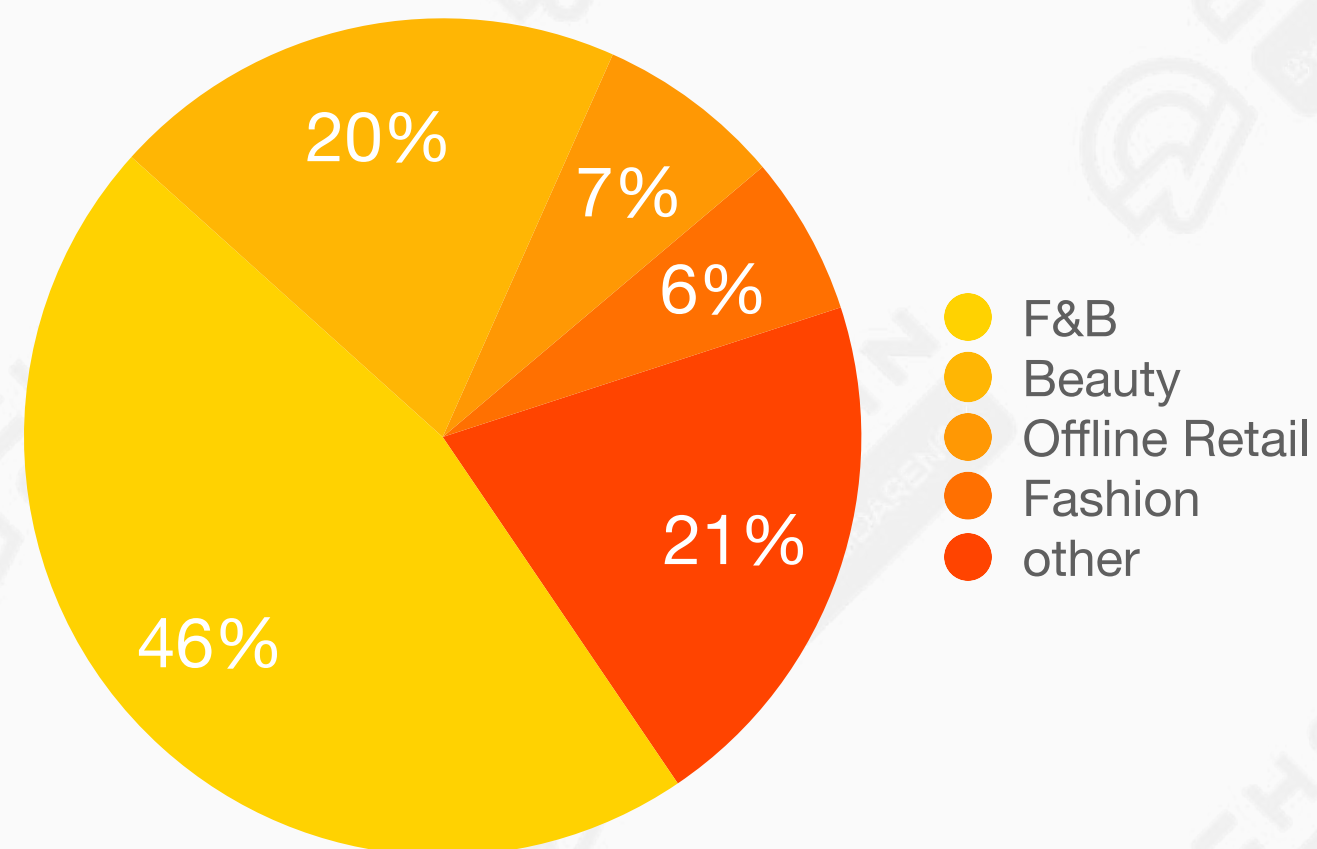


OVERVIEW

CHINA DIGITAL SPACE AT GLANCE

Food and beverage is the leading industry among new retail brands.

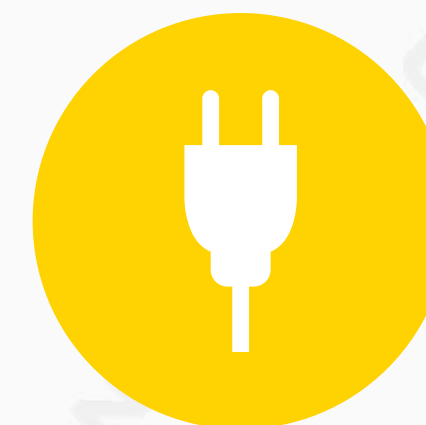
2020 NEW RETAIL FINANCIAL DISTRIBUTION



TOP 1 : 21%
FOOD AND BEVERAGE BRANDS



TOP 2 : 19%
BEAUTY BRANDS



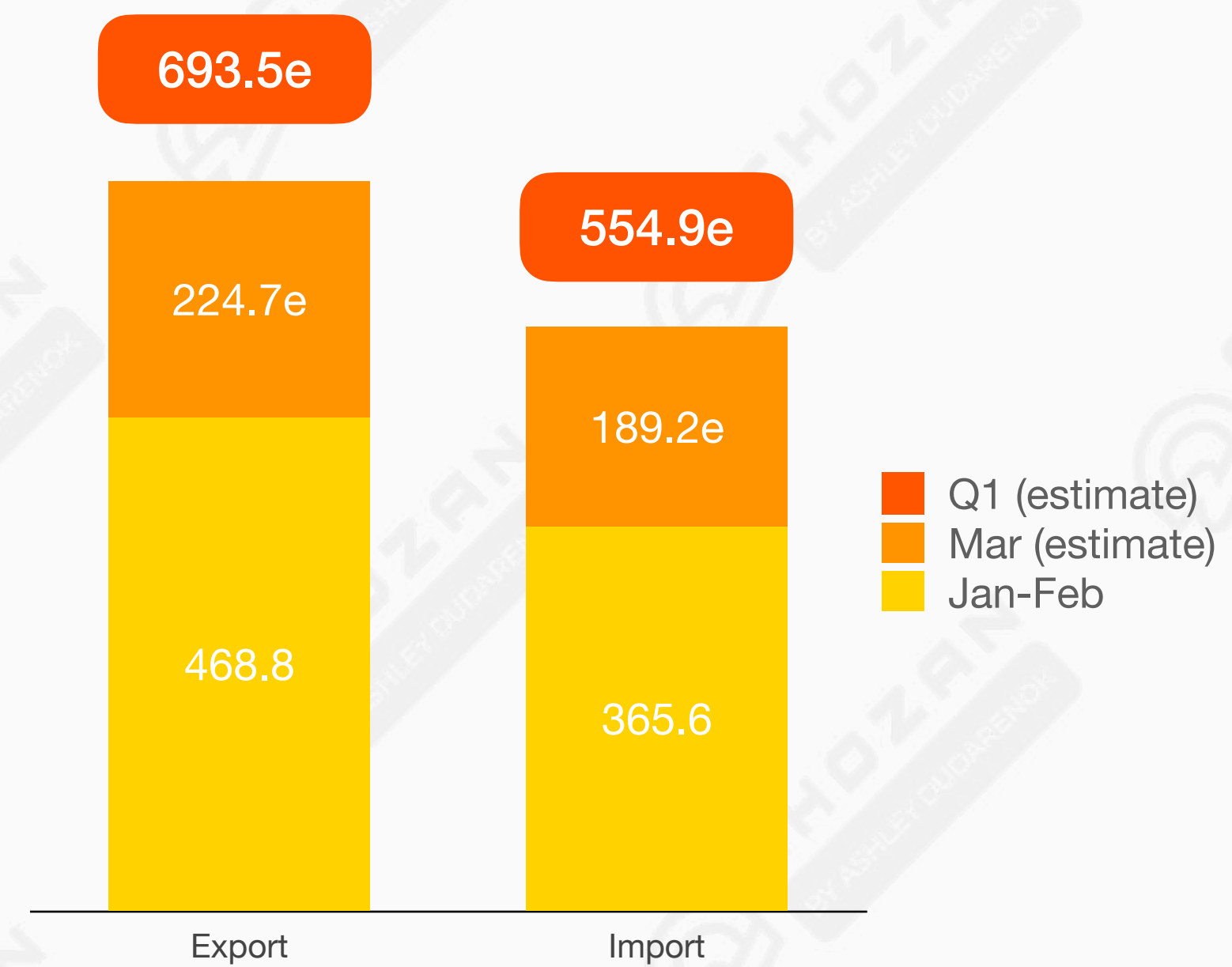
TOP 3 : 19%
HOME APPLIANCES

OVERVIEW

CHINA DIGITAL SPACE AT GLANCE

China economy continues to show positive recovery.

**TOTAL IMPORT AND EXPORT VOLUME IN Q1 2021
(BILLION USD)**



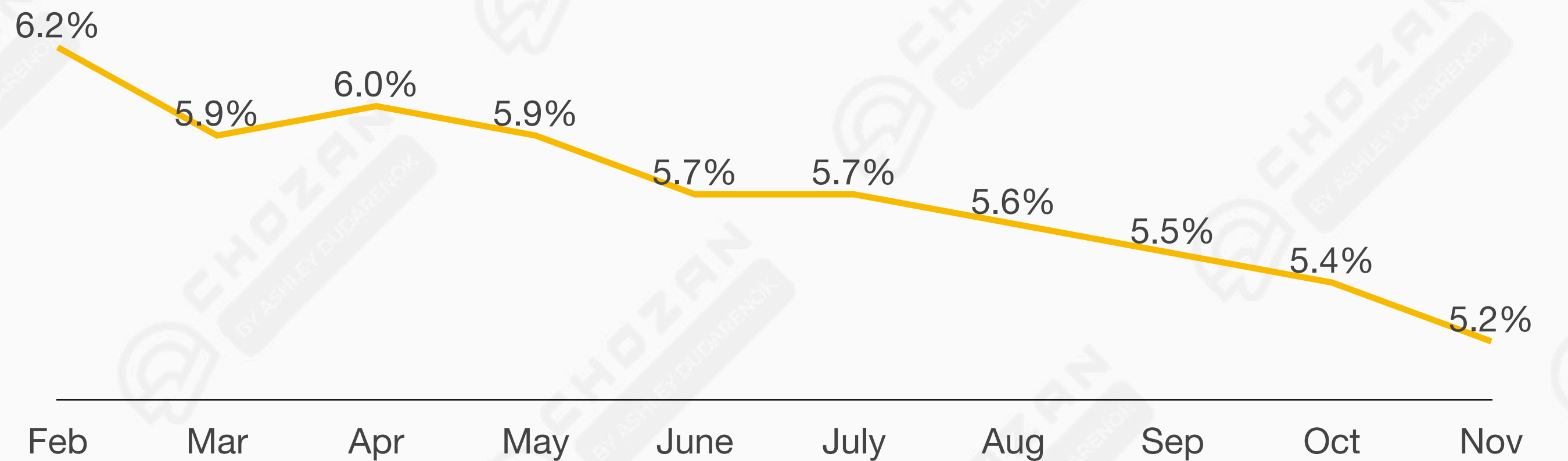
OVERVIEW

CHINA'S ECONOMY

The unemployment rate has dropped for four months in a row, as the Chinese economy continues to recover from its COVID-19 slump. China's 2020 unemployment rate dropped from 6.2% in February to 5.2% in November.

A total of 10.99 million new urban jobs were created in the first 11 months, completing 122.1 percent of the target set for the whole year, according to China's National Bureau of Statistics.

CHINA CITY UNEMPLOYMENT RATE, 2020

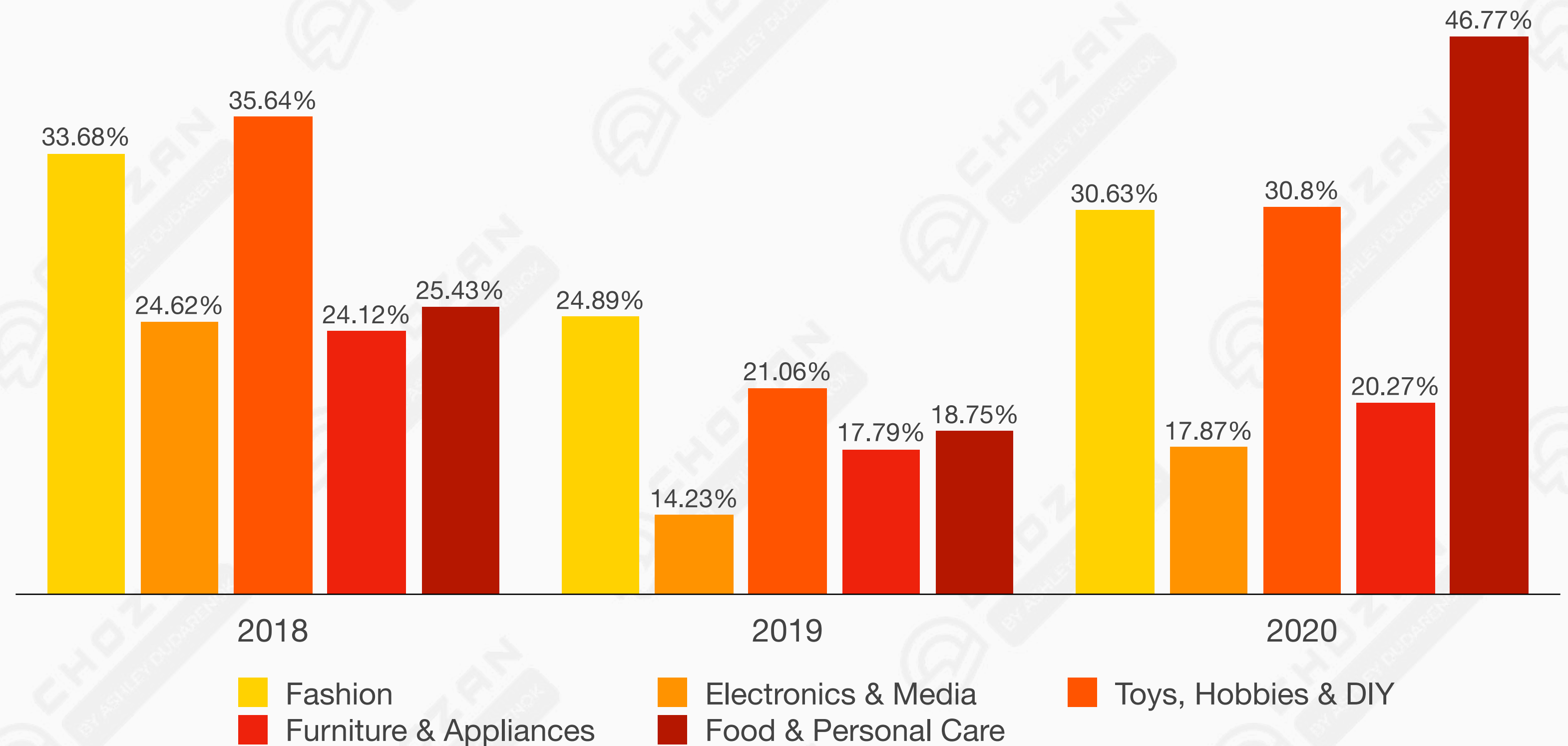


OVERVIEW

REVENUE GROWTH

Covid-19 meant that people started caring more about personal hygiene so food and personal care revenue rose rapidly in 2020.

REVENUE GROWTH FOR DIFFERENT INDUSTRIES IN CHINA, 2018-2020

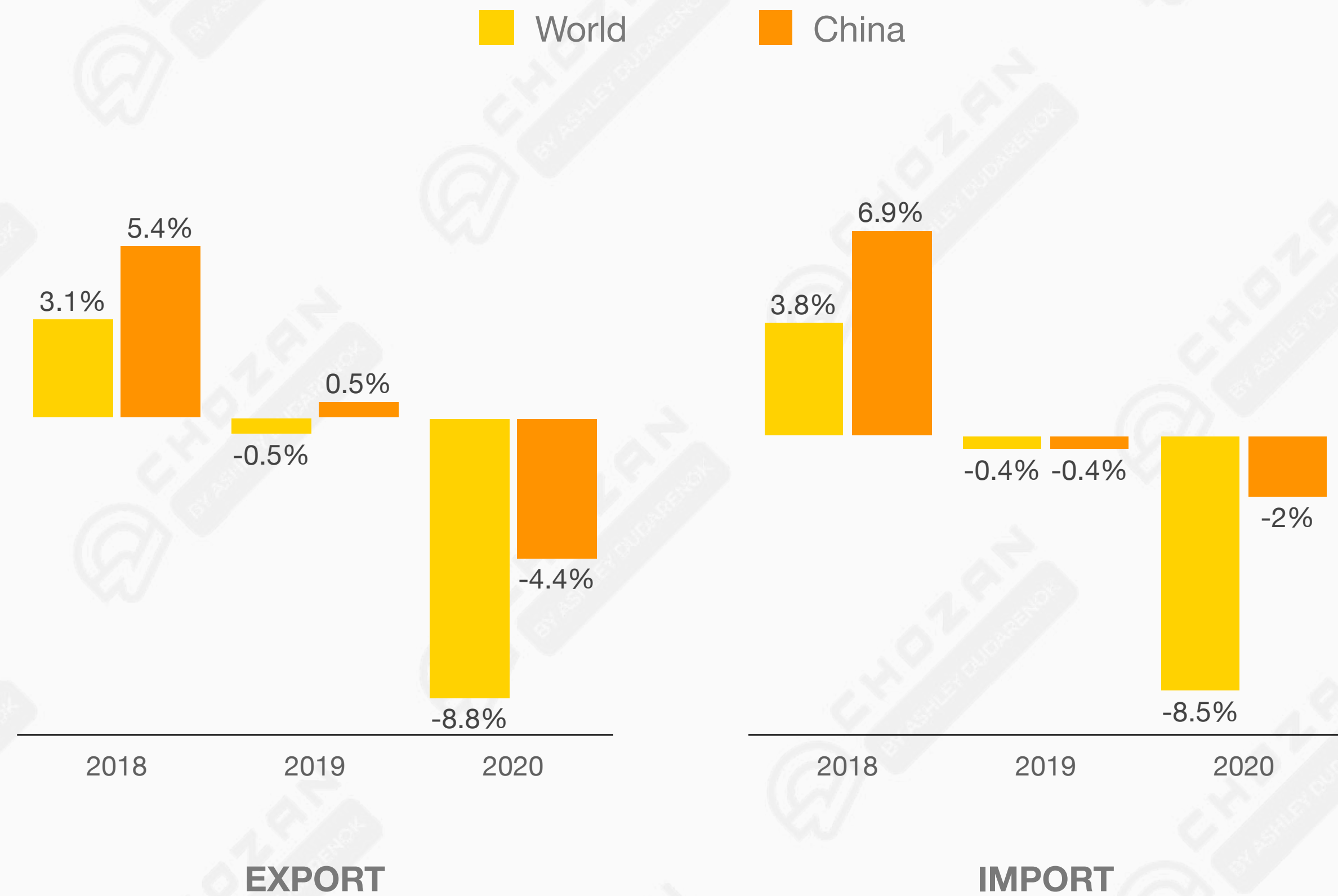


OVERVIEW

CHINA'S ECONOMY

Covid-19 significantly affected not only economic growth, it also negatively impacted trade relationships.

2018-2020 GLOBAL TRADE VOLUME GROWTH RATE

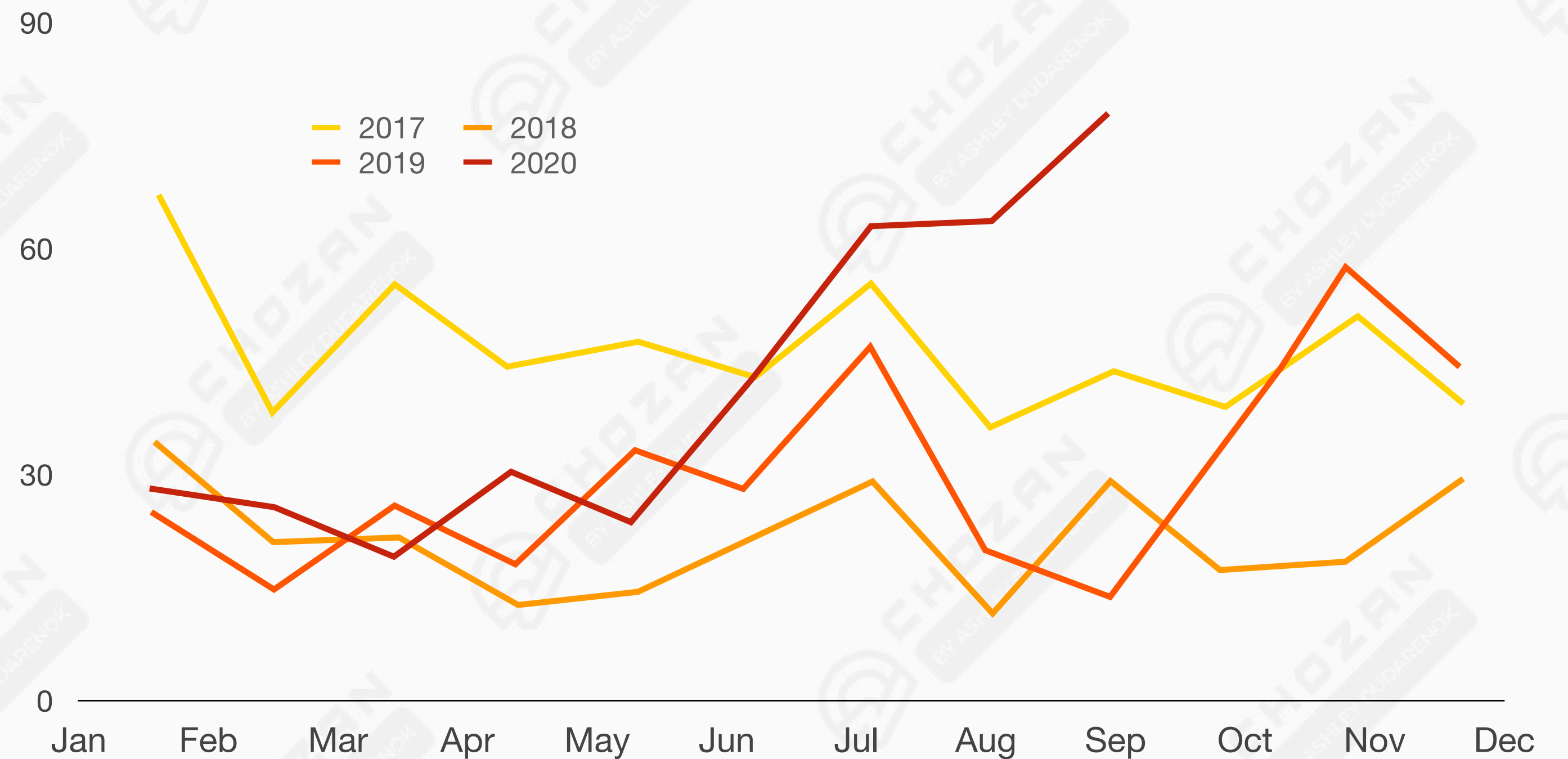


OVERVIEW

IPOs FOR CHINESE COMPANIES

Starting in June, there was a new wave of Chinese companies filing for IPOs. And this boom will stay high in 2021. According to Ernst and Young, the average first-day return rate for IPOs in 2020 was 187% for the Shanghai Stock Exchange's Nasdaq-style STAR Market.

NUMBER OF LISTED COMPANIES IN CHINA

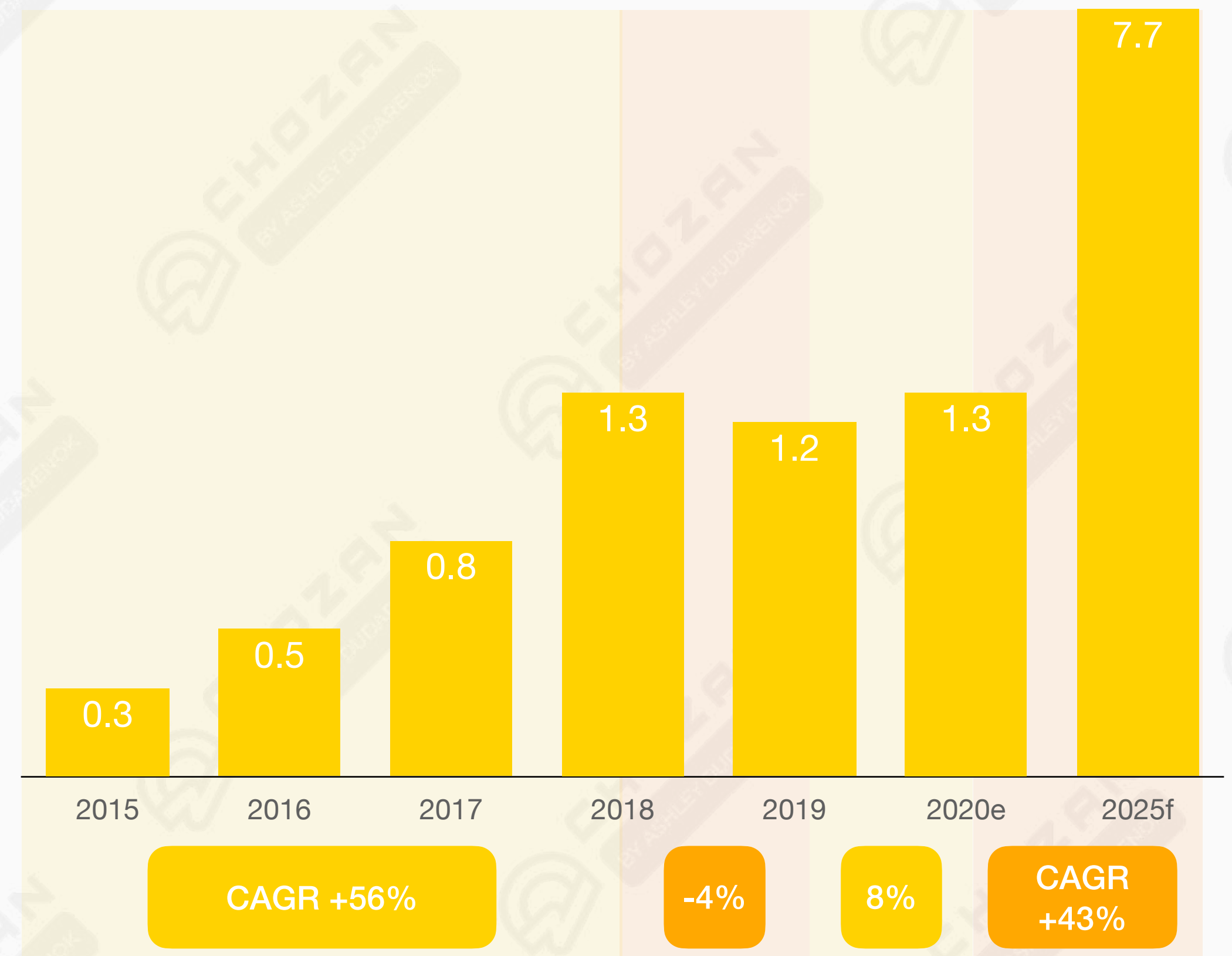


OVERVIEW

CHINA'S ECONOMY

China's neighbourhood electric vehicle sales has a maintained strong growth in the previous years. It is estimated the growth will continue to increase.

CHINA E-MOBILITY SALES VOLUME (MIO UNITS)

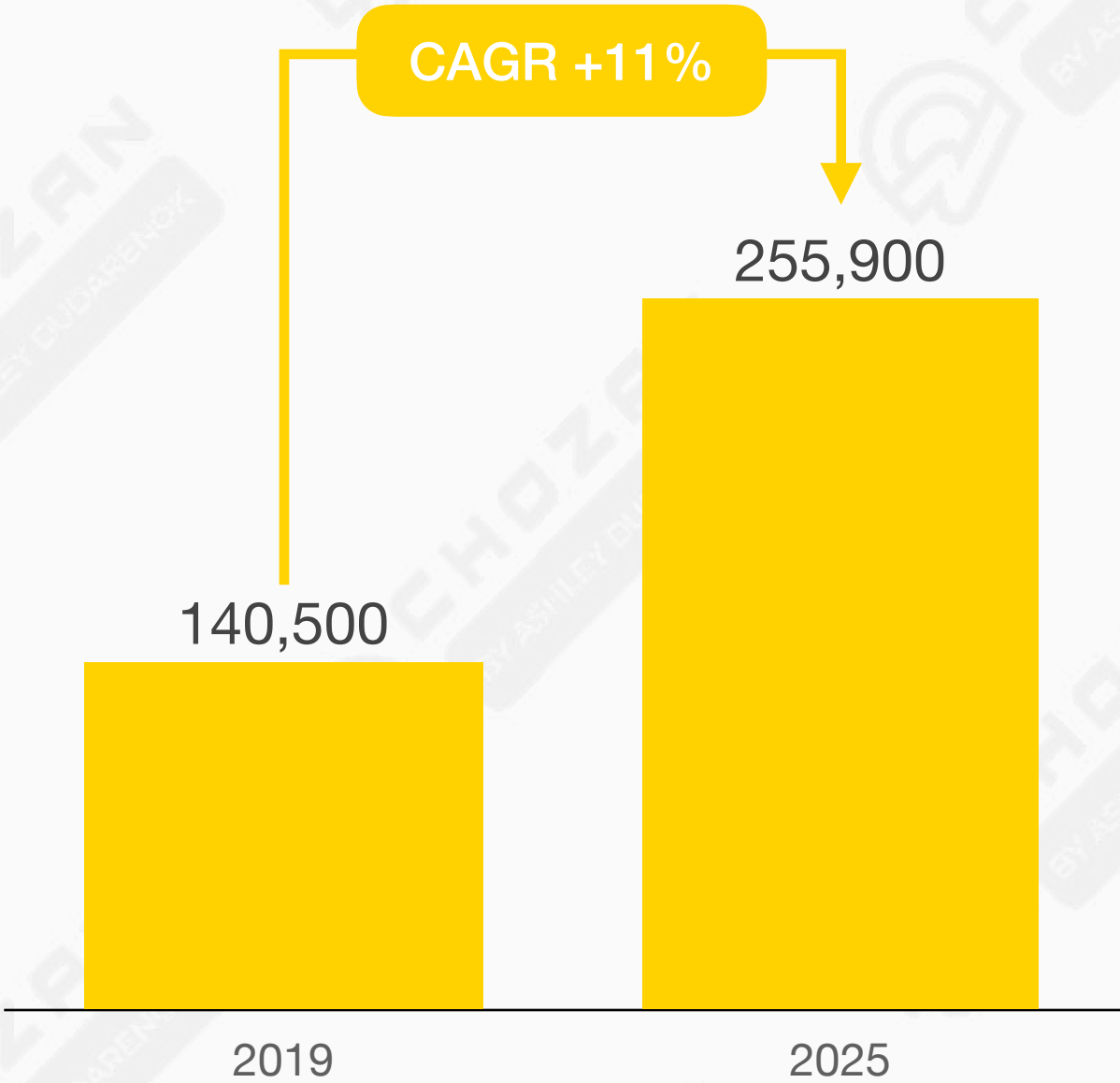


OVERVIEW

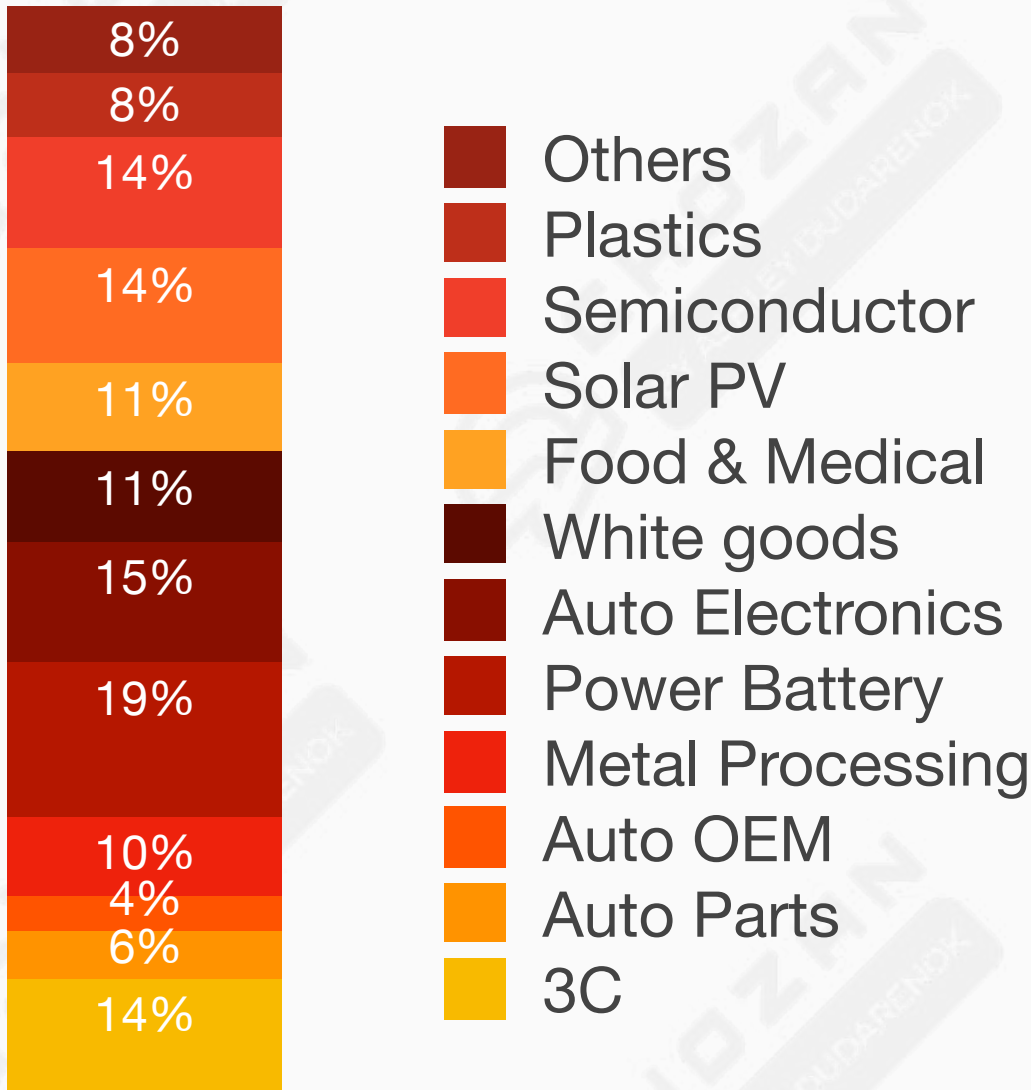
CHINA'S ECONOMY

Chinese robotic market is continue growing with the rise of 5G technology. The demand for power, batteries and automotive electronics market is also expected to grow further due to the accelerating speed towards E-mobility.

INDUSTRIAL ROBOTS MARKET SIZE (NEW UNITS)



CAGR 2019-2025

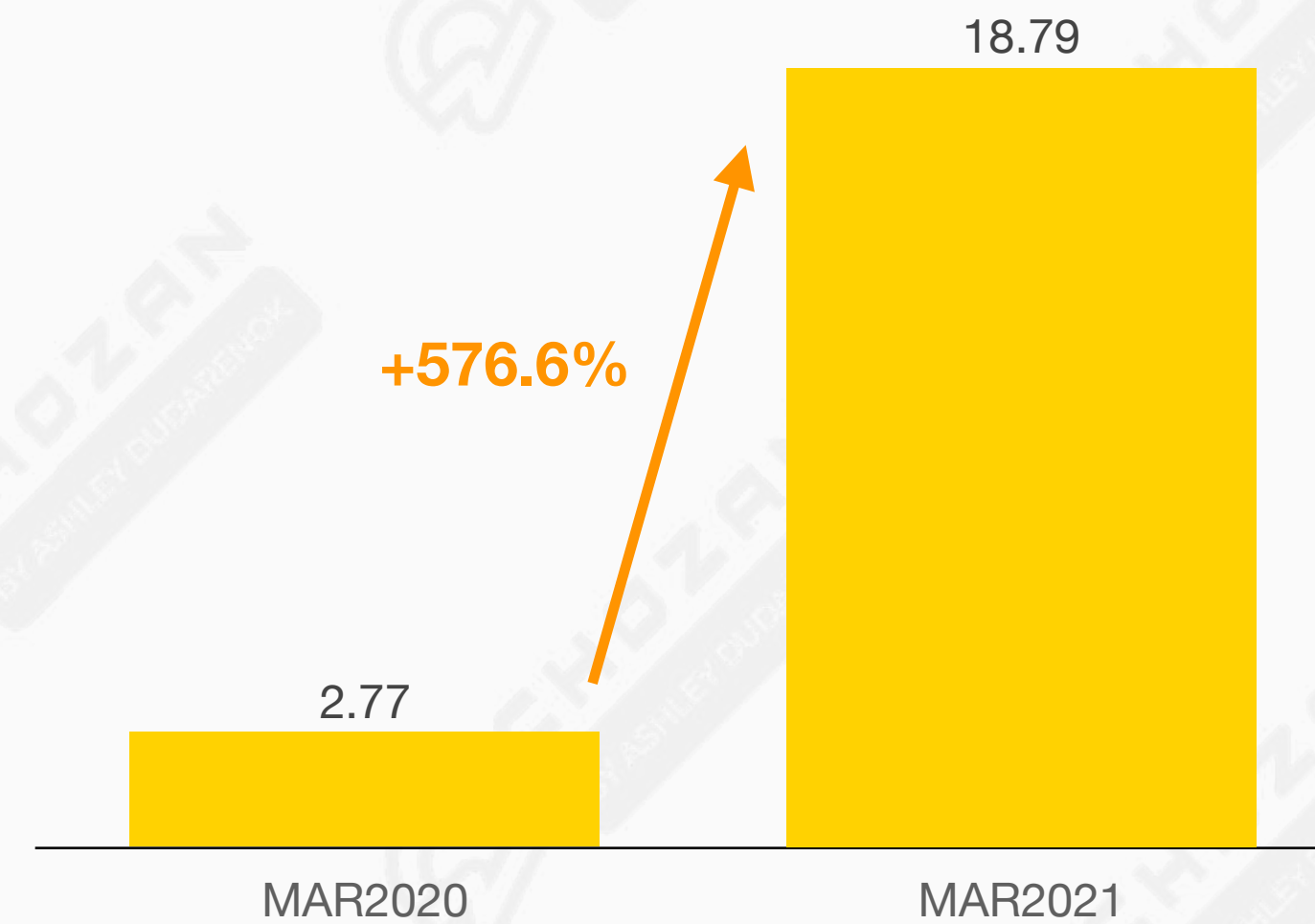


OVERVIEW

CHINA DIGITAL SPACE AT GLANCE

China 5G mobile Users significantly growing over the last year

5G MOBILE USERS IN CHINA (MILLION)



EXPERT BITES

Q: WHAT'S YOUR VIEW ON PREDICTIONS BY THE BANK OF AMERICA THAT CHINA'S ECONOMY COULD DOUBLE IN SIZE BY 2035?

I believe that this will potentially happen. In addition to doubling its economic size, I also believe that China is on track to surpass the U.S. as the world's largest economy by around 2027.

During the Two Sessions in March, Chinese Premier Li Keqiang announced target growth of over 6 percent for 2021.

This is supported by the rapid recovery from Covid-19, new policy measures and financial reforms, and the unstoppable rise of the technology and innovation sector.



MARTINA FUCHS

TV Anchor and
Business Journalist

EXPERT BITES

Q: WHAT SHOULD PEOPLE WATCH OUT FOR IN 2021 IN THE TECH AND STARTUP SPACE IN CHINA?

Enterprise software and SaaS will continue to take off from a low base as Chinese companies become more and more open to leveraging third party tools to remain competitive. **Look to see turmoil around government anti-monopoly campaigns attacking the siloed Tencent and Alibaba ecosystems.**



WILLIAM BAO BEN

General Partner SOSV MD
Chinaccelerator and MOX

EXPERT BITES

Q: WHAT TECH EXCITED YOU MOST IN Q2 2021?

It's not really about Q2 2021 or 2020, because most technology development follows a different cycle, but if we talk about the most exciting for me, **I'd say 6G satellite, which was launched in September, 2020. It'll change many industries in the next 2 decades.**

Data storage in DNA, in which China invested more than 10B USD in 2019, lasts longer than 2 decades. The potential and impact of this technology on humanity is colossal.

Semiconductors. **The U.S. share of semiconductor manufacturing capacity fell from 37% in 1990 to 12% last year, while Europe saw a 35 percentage point drop to 9%. China increased its share from nearly zero to 15% over that period,** a figure that is expected to rise to 24% in the next ten years.



ANDREI PROKHOROVICH

Founder and CEO
Eurasia Development Ltd.

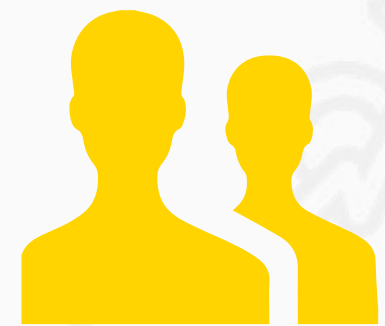


AN OVERVIEW OF DIGITAL CHINA

OVERVIEW

CHINA'S DIGITAL SPACE AT GLANCE

The number of active internet users increased during the recovery as well. From January to September 2020, the increase in users exceeded that of 2019 as a whole.



68.7%

OF CHINESE POPULATION IS ONLINE



79.1%

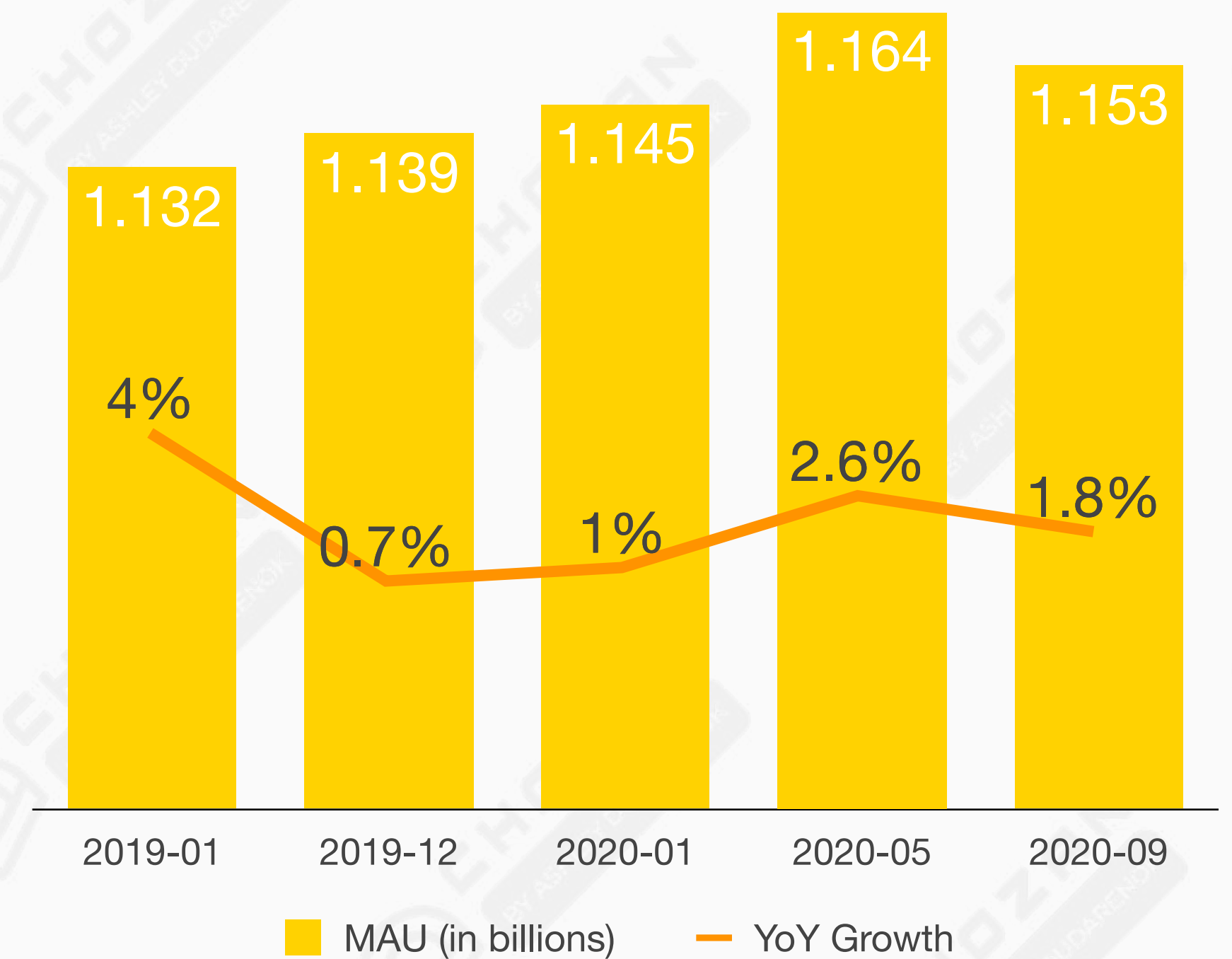
INTERNET USERS SHOPPED ONLINE



1/3 (346 MILLION)

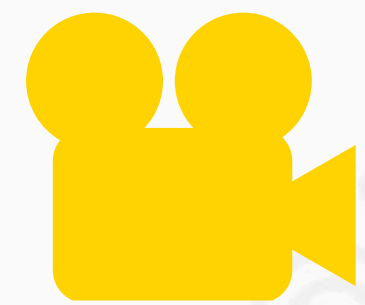
OF INTERNET USERS WORK REMOTELY

CHINESE INTERNET MONTHLY ACTIVE USERS



OVERVIEW

CHINA'S DIGITAL SPACE AT GLANCE



927 MILLION

VIDEO WATCHING, +76.33 MILLION OVER 9 MONTHS



30%

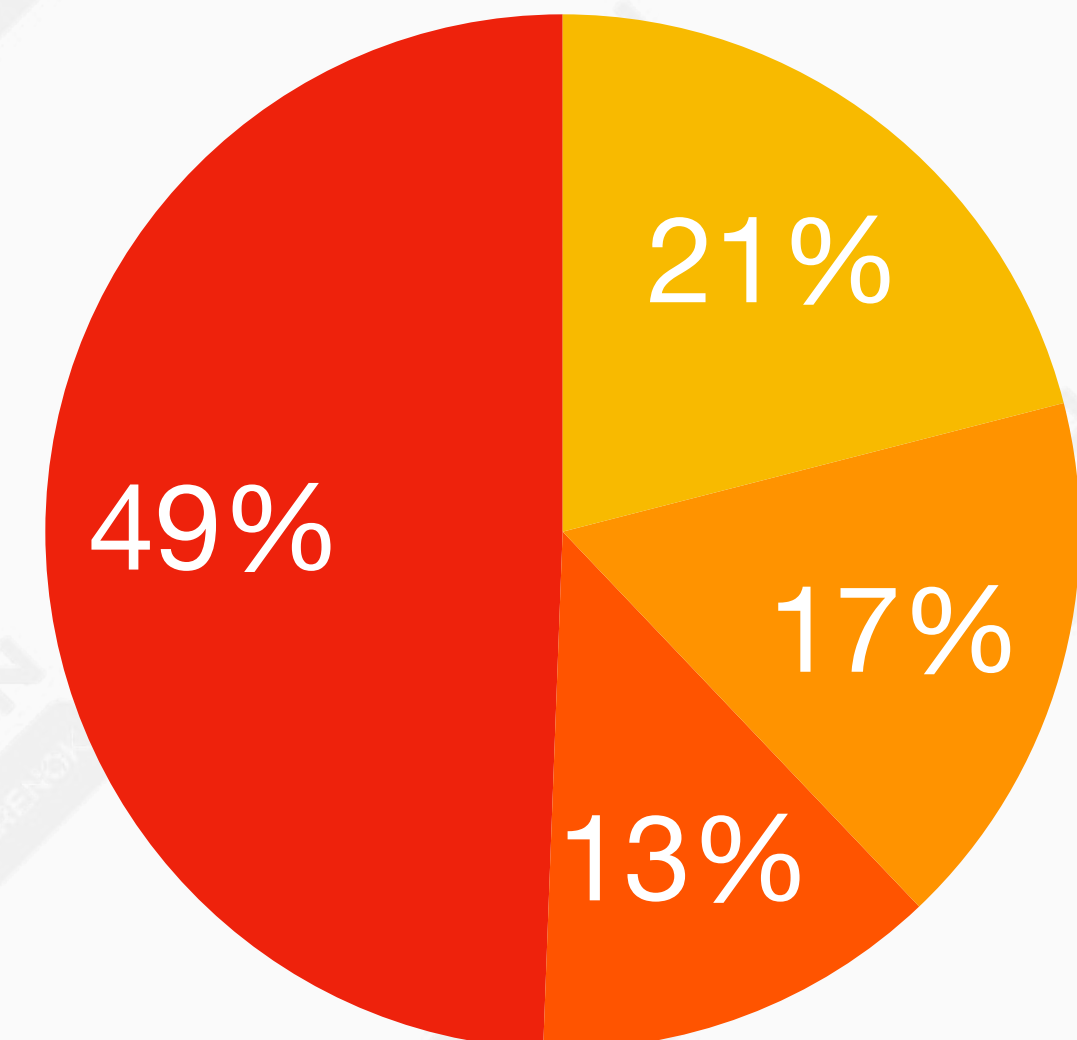
OF INTERNET MADE 5000 RMB OR MORE A MONTH



21%

INTERNET USERS ARE STUDENTS

CHINESE INTERNET USERS OCCUPATION



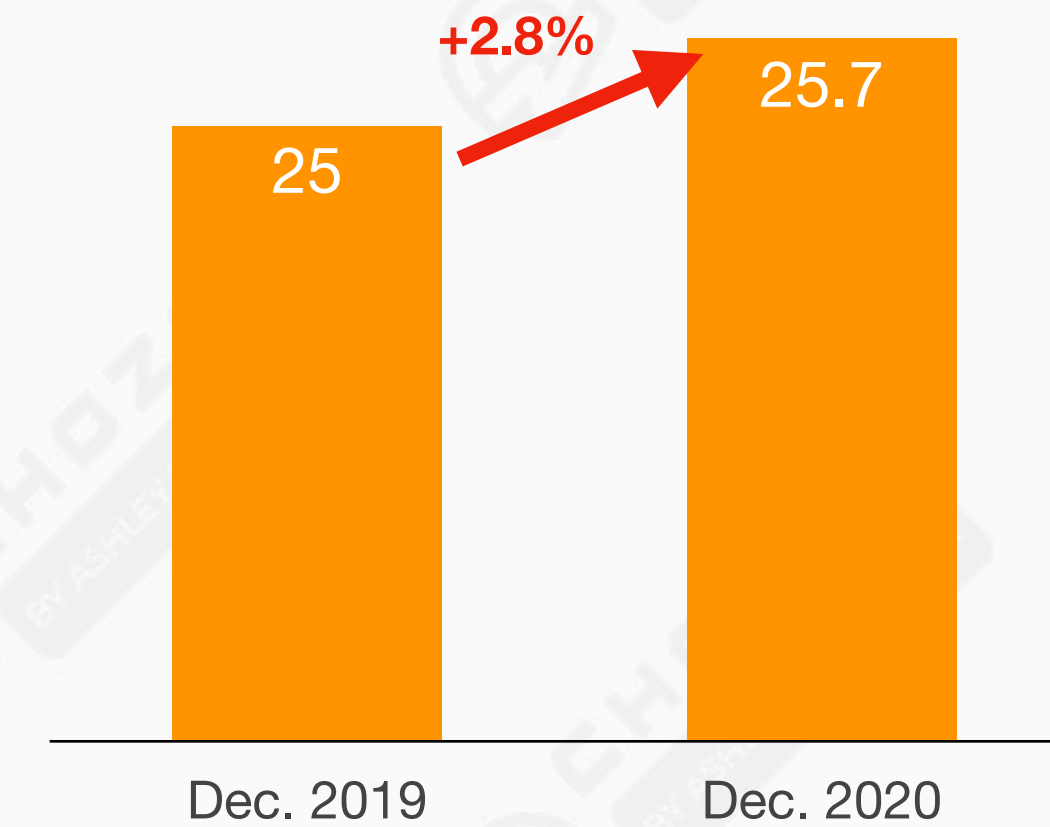
- Students
- Individual business owners
- Migrant workers
- Others

OVERVIEW

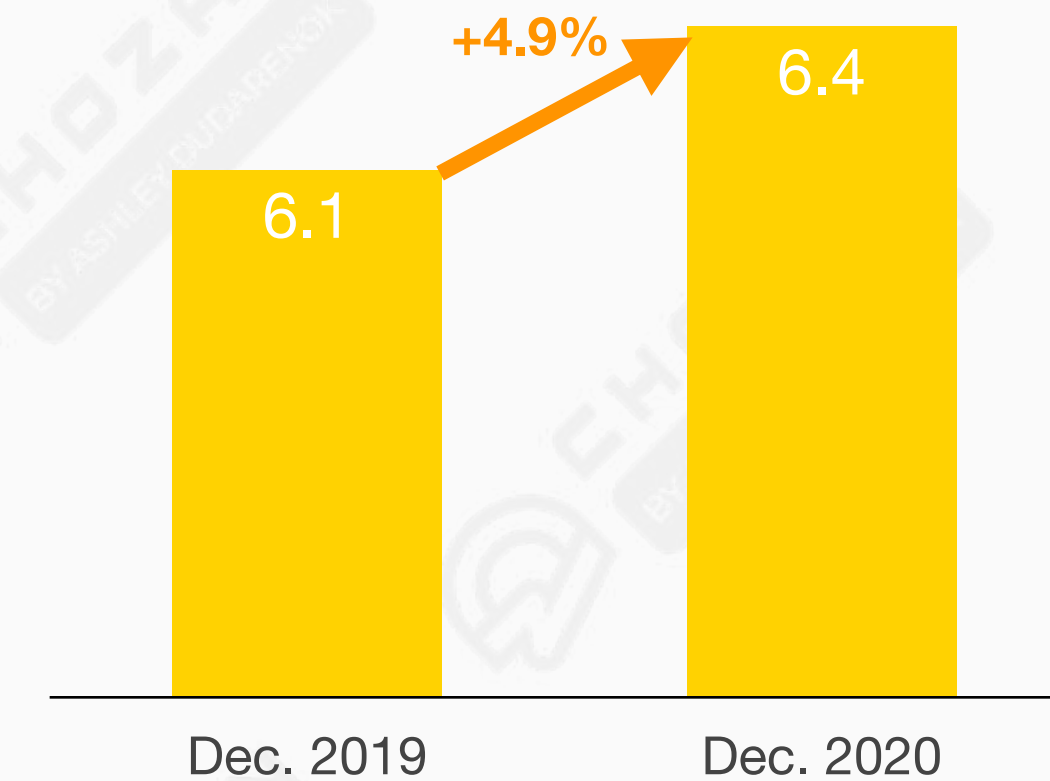
CHINA'S DIGITAL SPACE AT GLANCE

Covid-19 changed consumer habits and increased their reliance on the internet. From January to May, 2020, stay at home policies led to a peak in daily internet users, usage time and the number of apps used every month.

MONTHLY NUMBER OF APPS USED PER USER



AVERAGE DAILY APP USAGE (HOURS)



OVERVIEW

CHINA'S ONLINE CONSUMERS AT A GLANCE

In March 2020, China's internet penetration rate reached 64.5%, covering nearly two-thirds of the country's citizens.

In June 2020, the number of independent devices reached 1.426 billion units.



64.5%

INTERNET PENETRATION RATE IN CHINA



+43%

IN RURAL INTERNET USERS SINCE 2014



285 MILLION

RURAL INTERNET USERS

Sources:

1) iResearch 2020 H1 China Mobile Internet Semi-annual Traffic Report

2) Hootsuite China Digital Report 2020

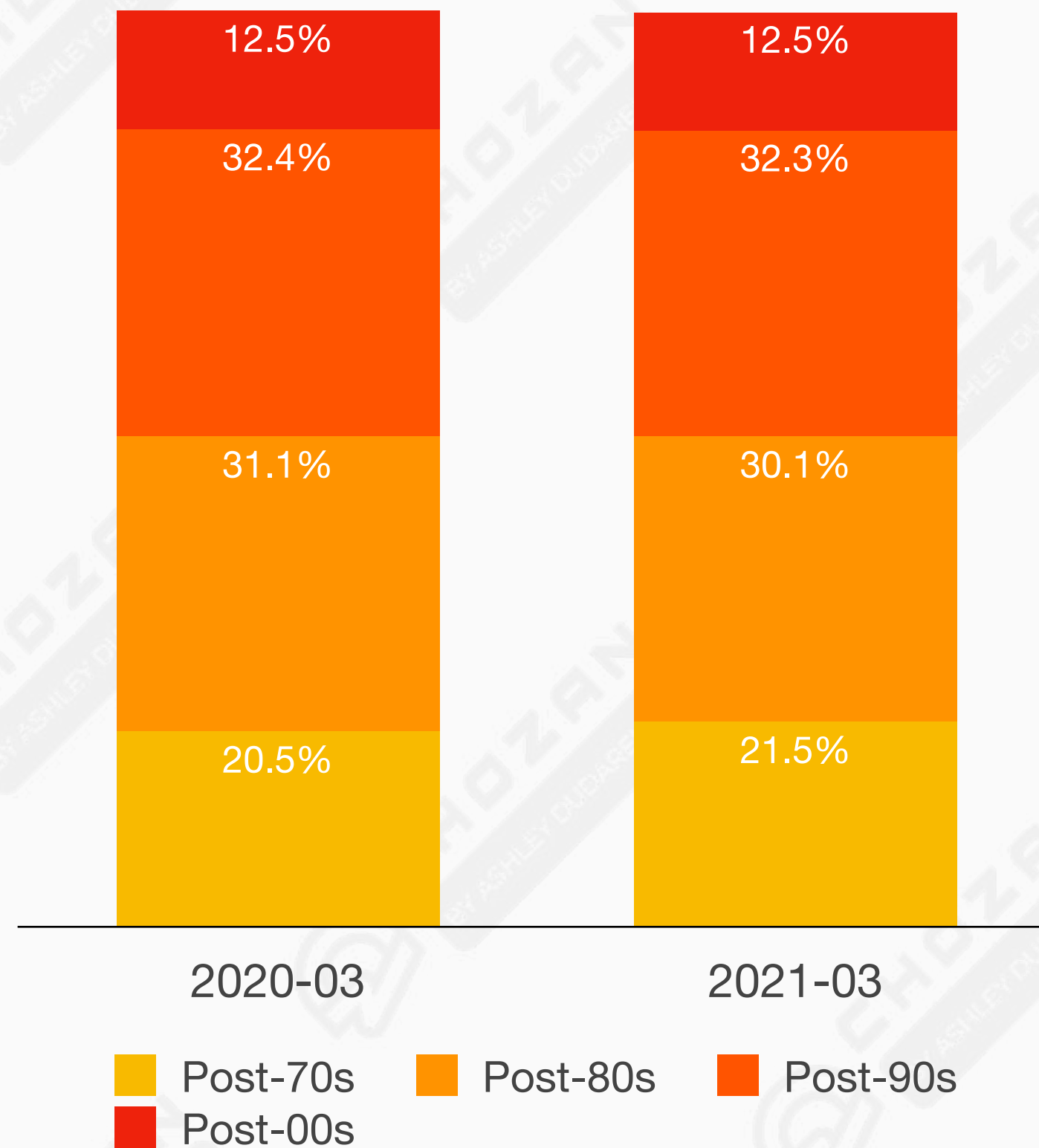
3) CGTN / CINIC, Oct. 5, 2020

OVERVIEW

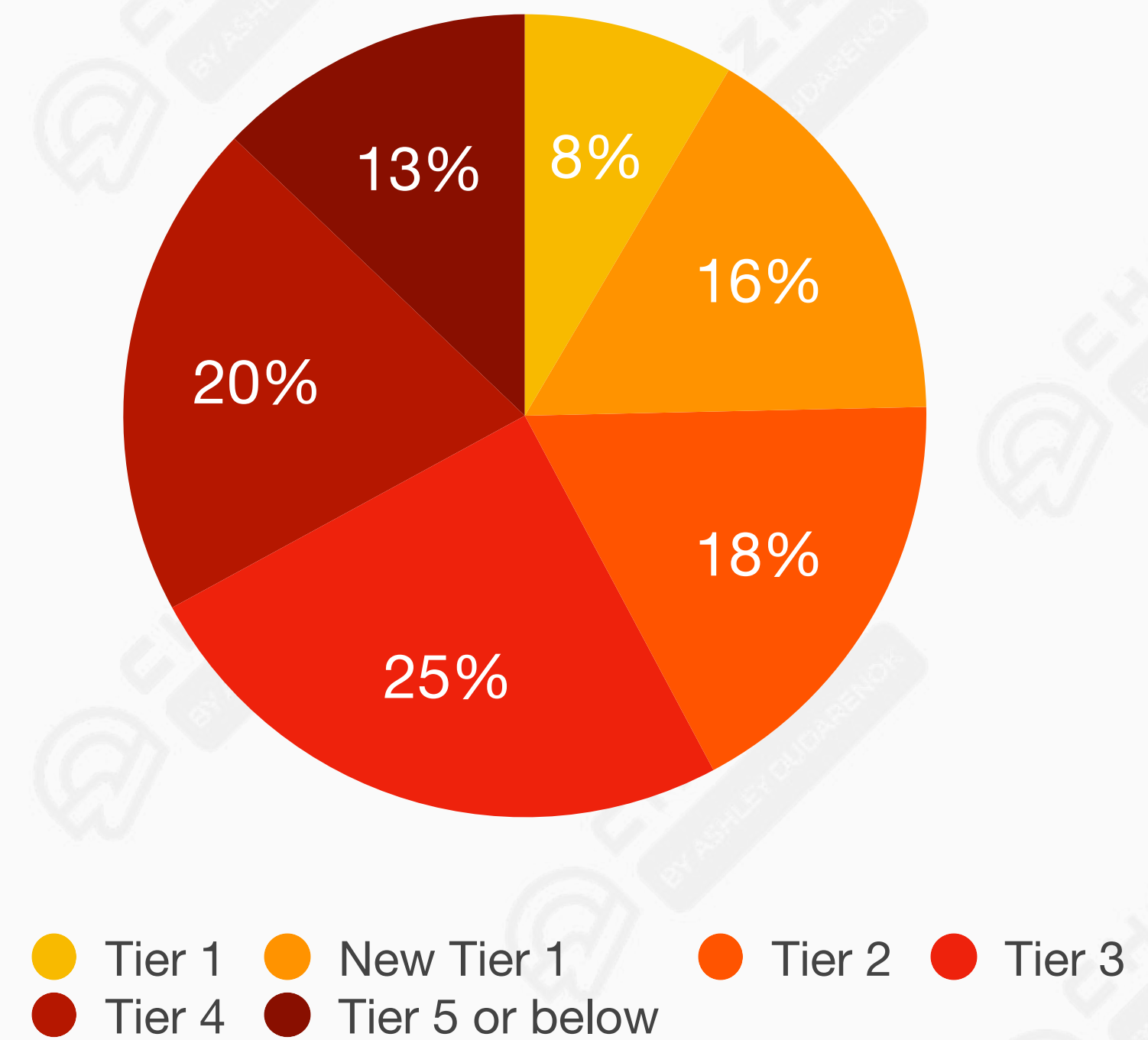
CHINA'S DIGITAL SPACE AT GLANCE

The number of Post-70s internet users keeps growing as does the number of users from higher tier cities.

AGE GROUP DISTRIBUTION



CITY DISTRIBUTION (AS OF MARCH 2021)

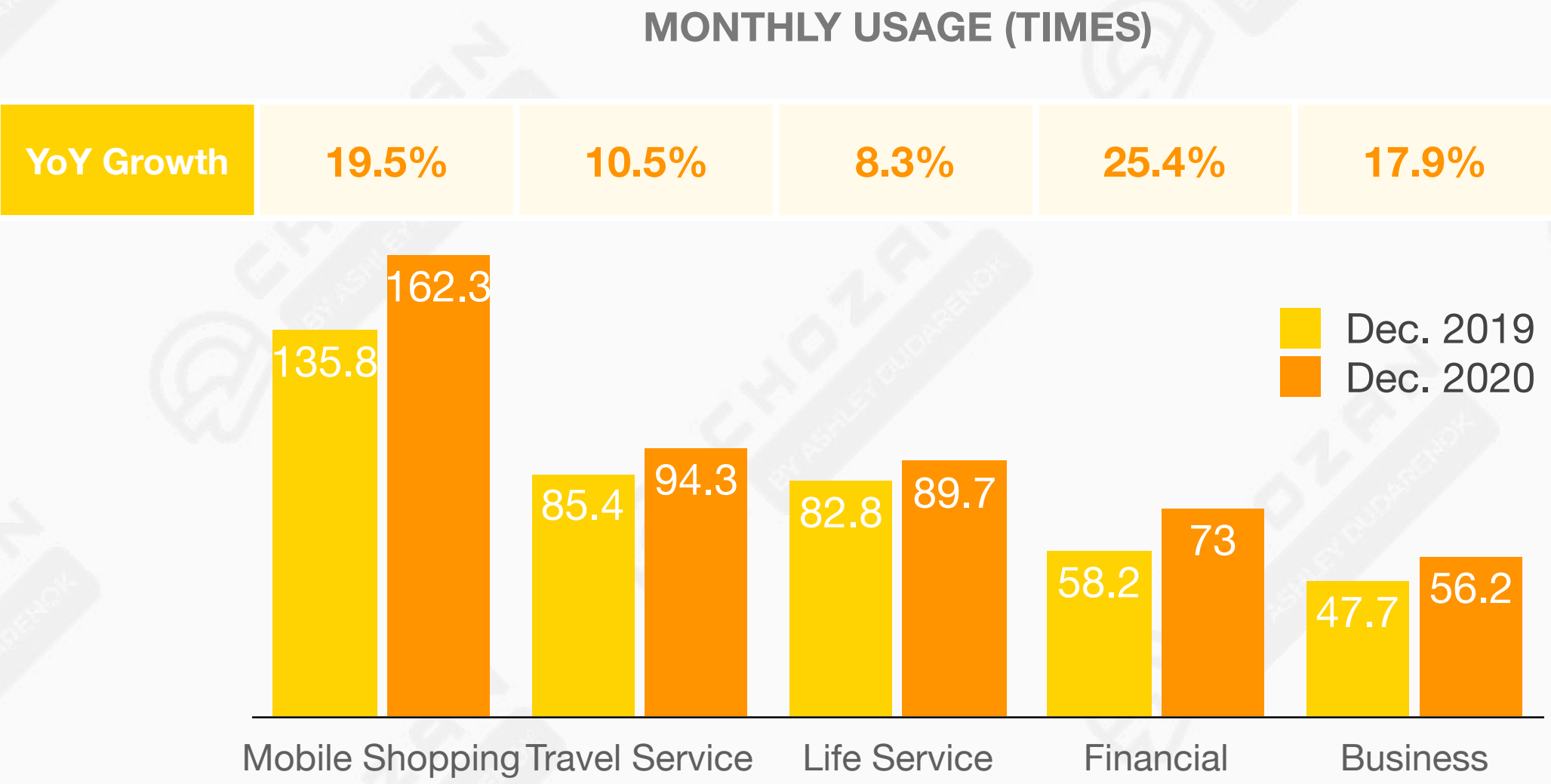
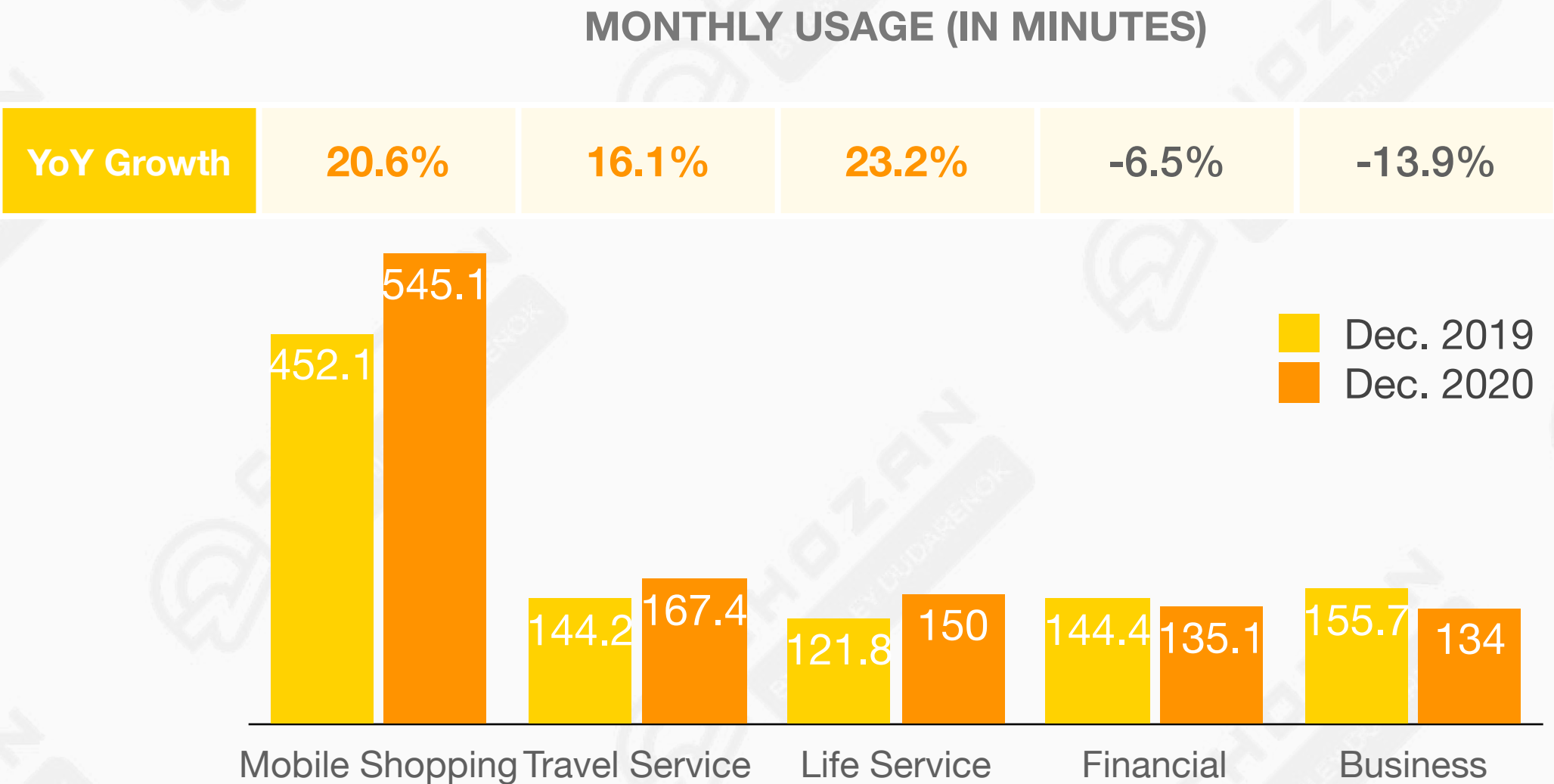


OVERVIEW

CHINA DIGITAL SPACE AT GLANCE

Reliance on the internet is growing among users. In comparison to 2019 Chinese consumers start spending more time on online shopping.

MONTHLY ACTIVE USERS PORTRAIT AMONG TOP 5 INDUSTRIES

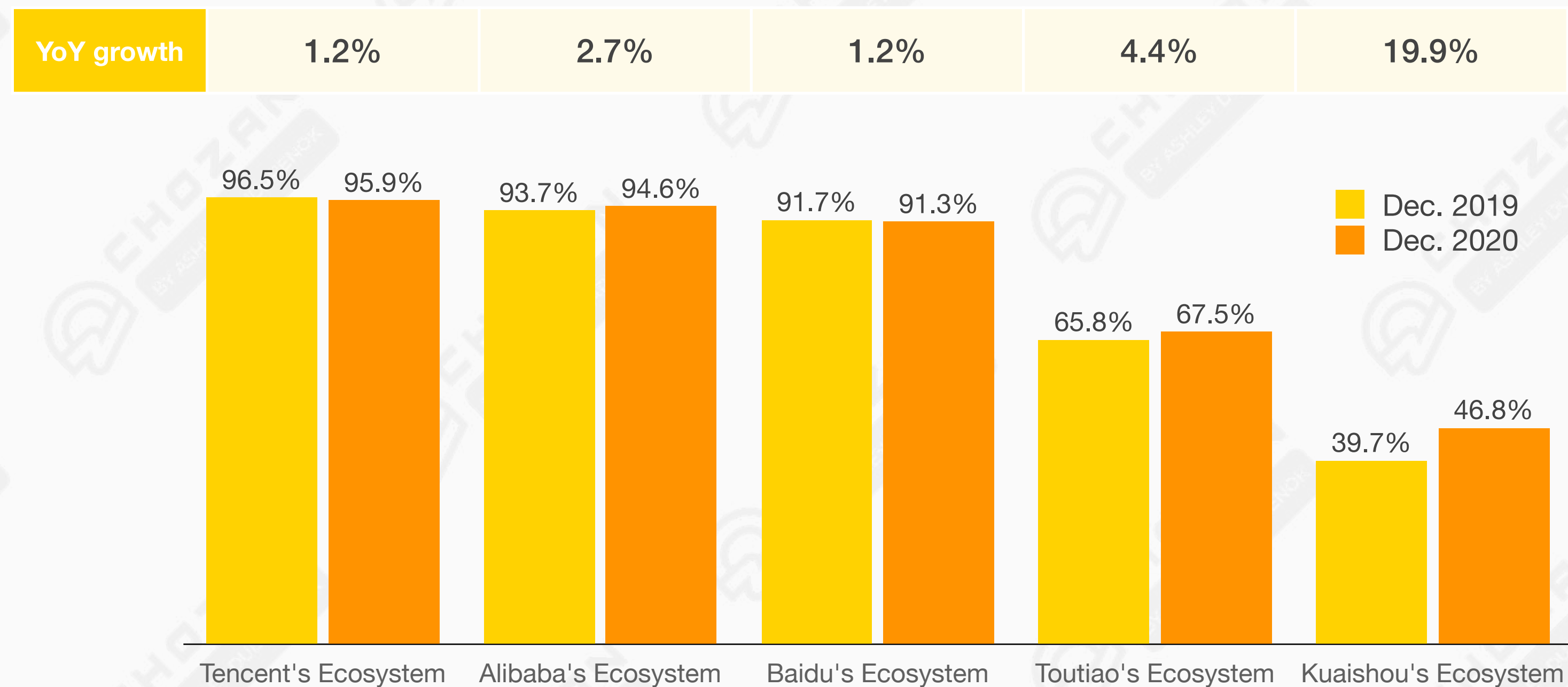


OVERVIEW

CHINA'S DIGITAL SPACE AT GLANCE

BAT - Baidu, Alibaba and Tencent - are at saturation point and their user growth has slowed down. Short video platform ecosystems are gaining momentum and user growth was most noticeable for Toutiao and Kuaishou.

CHANGES IN THE PENETRATION RATE FOR CHINA'S INTERNET GIANTS

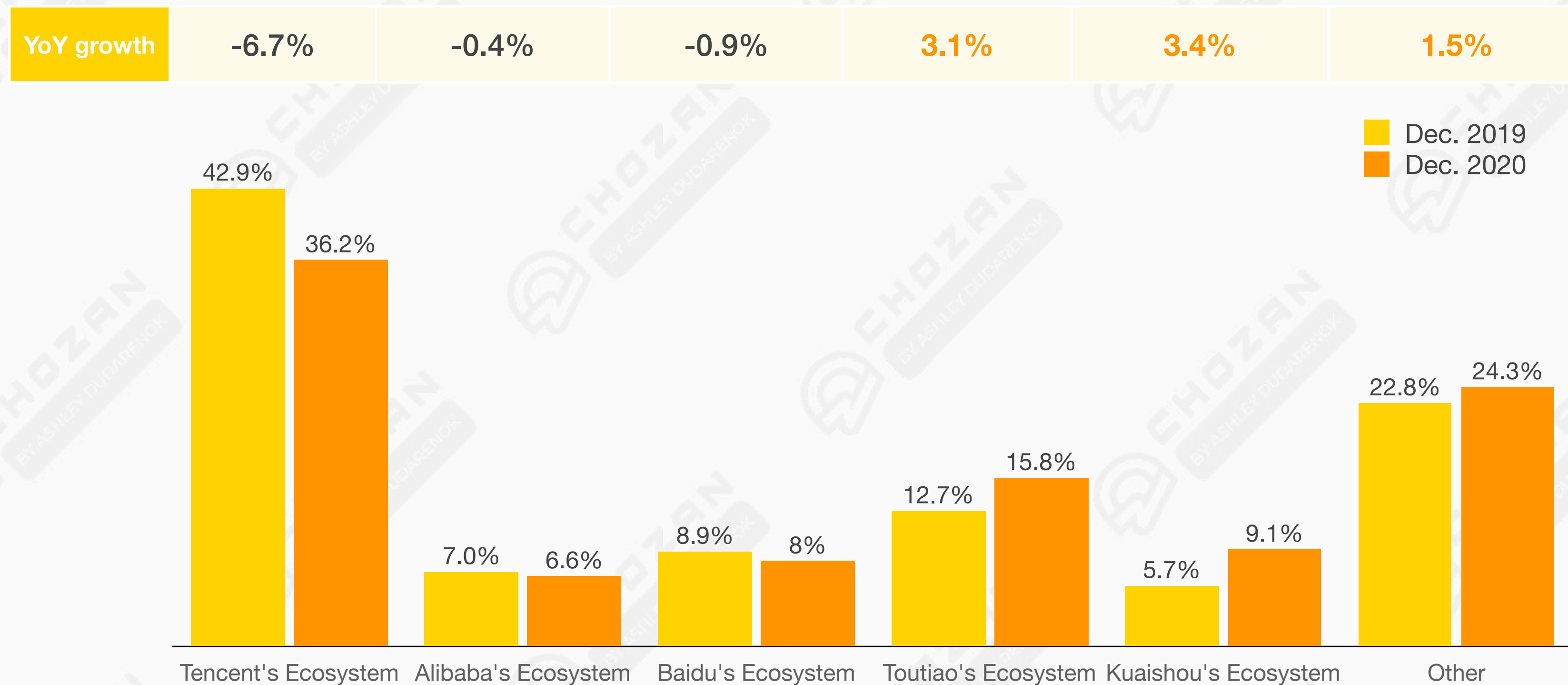


OVERVIEW

CHINA DIGITAL SPACE AT GLANCE

Competition for user remain intense , while ecommerce is slowing down in YoY growth, short videos are gaining drive due to advancing livestreaming sessions.

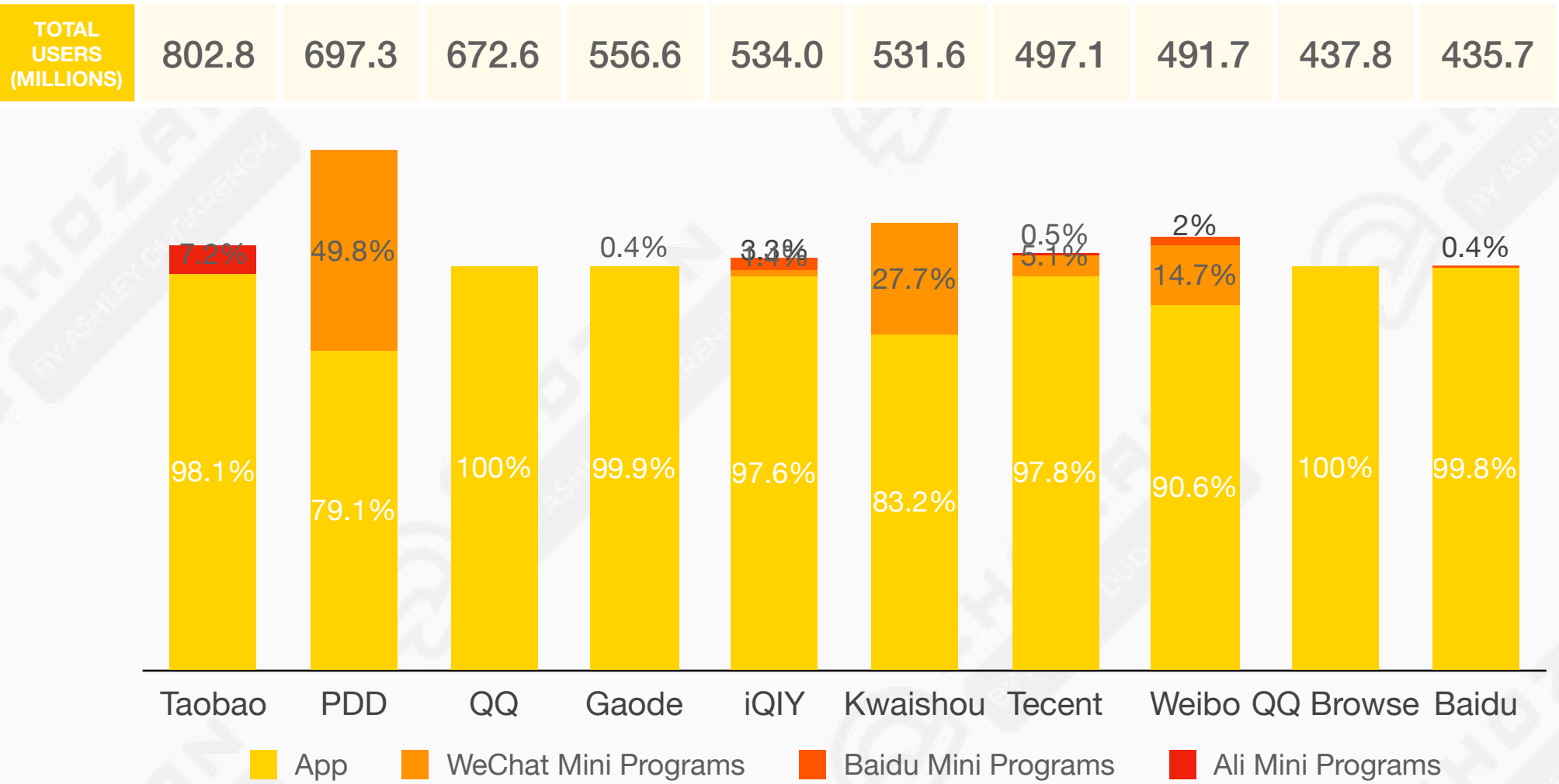
CHINA'S INTERNET GIANTS APP USAGE (TIME)



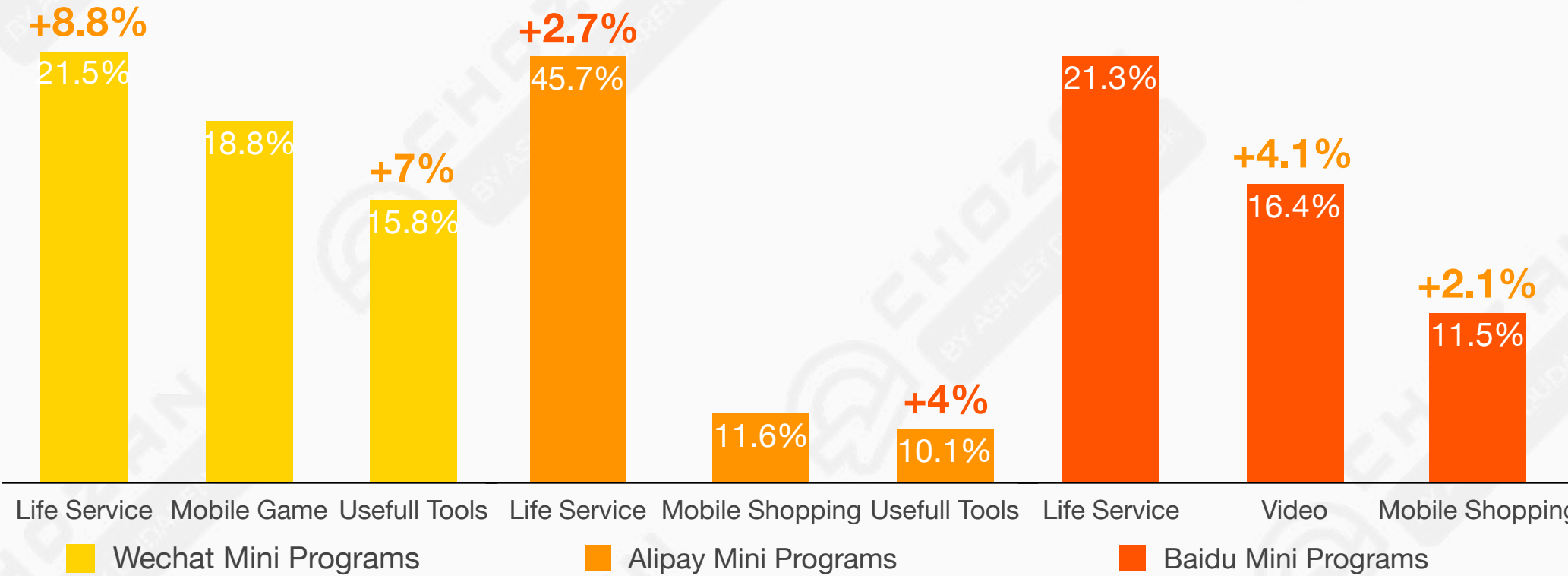
OVERVIEW

In addition to the apps, mini programs become an important part of customer journey in China.

TOP 10 E-COMMERCE APPS TRAFFIC AMONG MINI PROGRAMS AND APPS, DEC 2020



TOP 3 INDUSTRIES AMONG BAT MINI PROGRAMS, DEC 2020

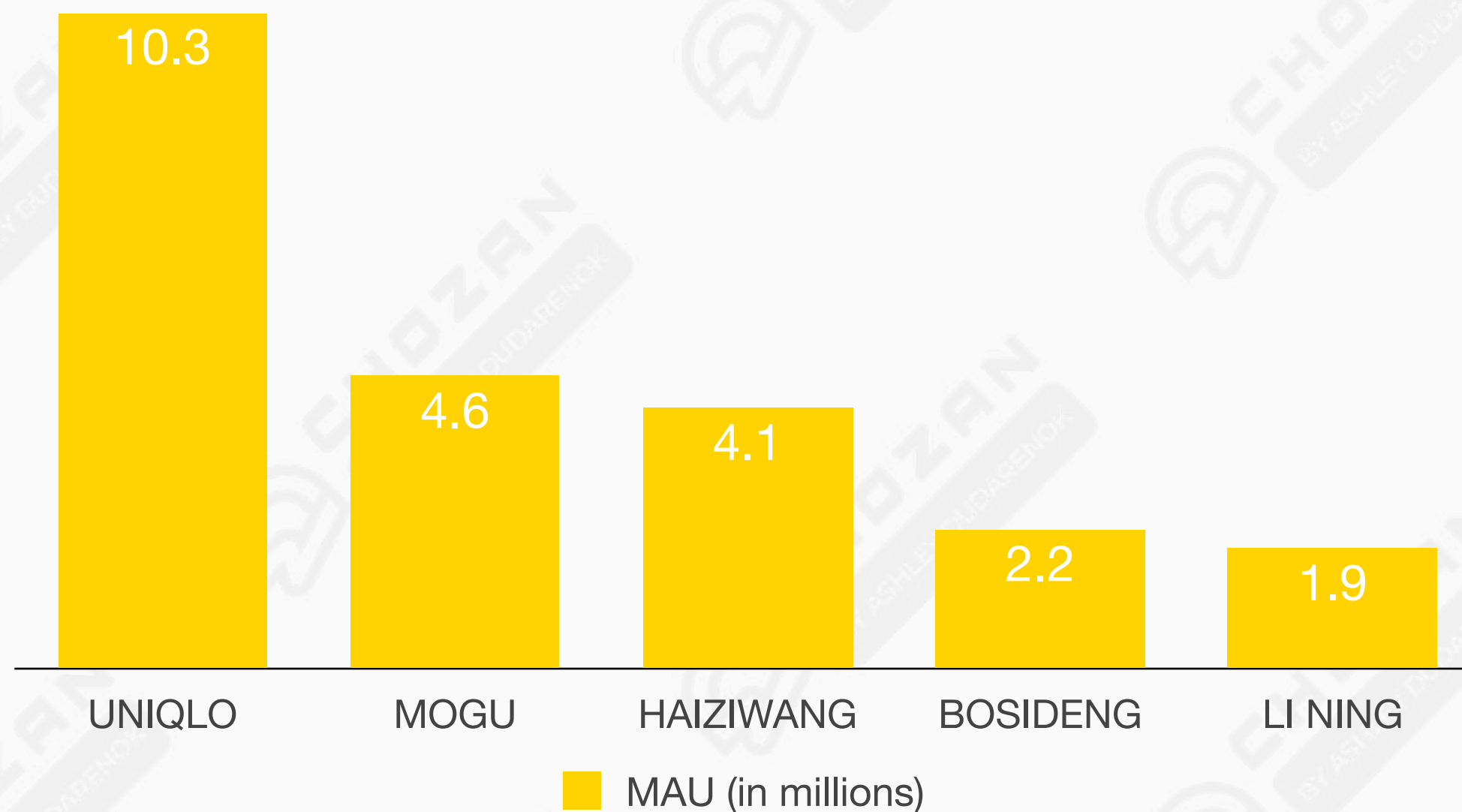


OVERVIEW

E-COMMERCE MINI PROGRAMS ON WECHAT

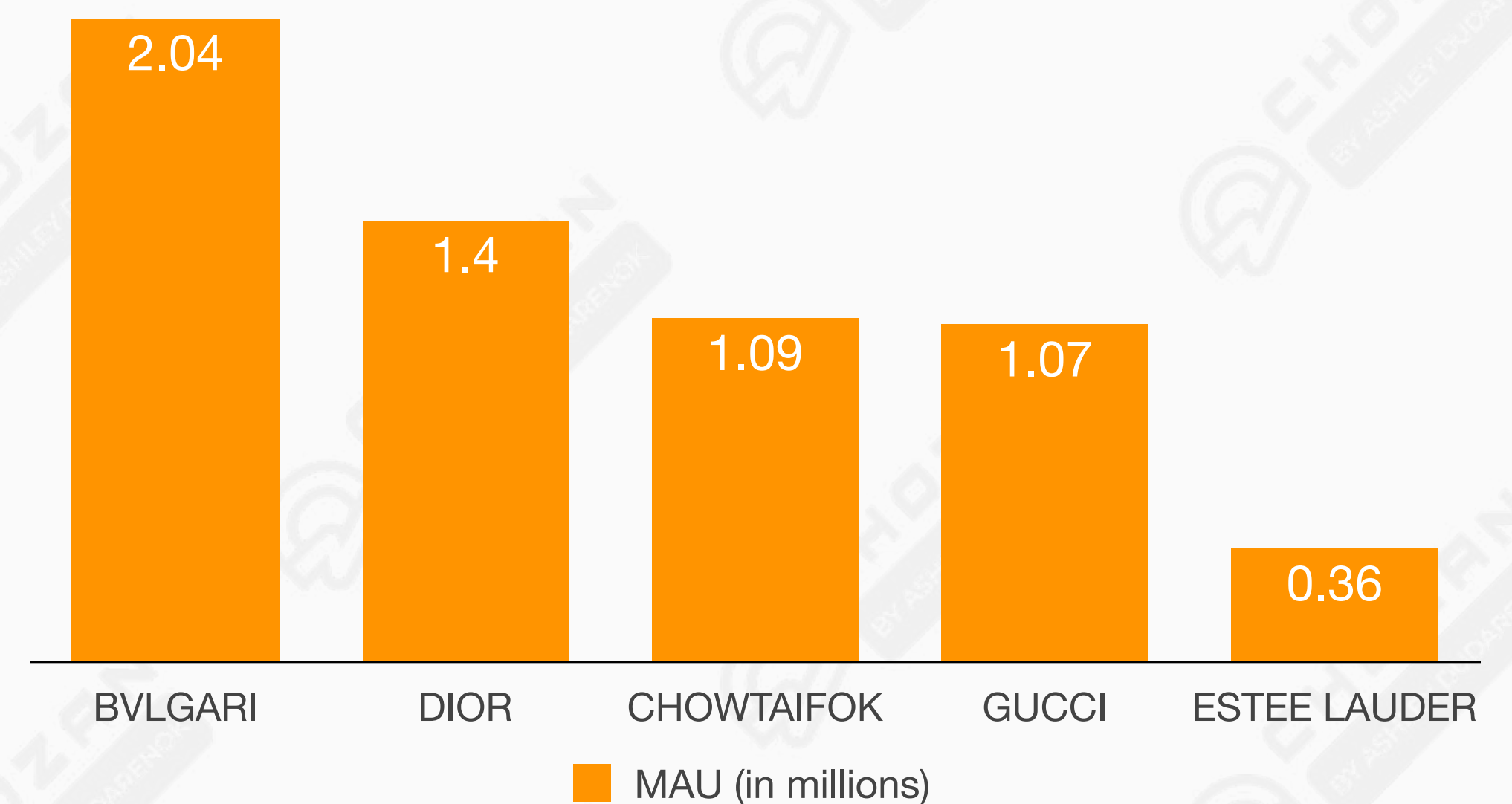
314.4 MILLION MAU
IN FASHION E-COMMERCE MINI PROGRAMS

TOP 5 FASHION E-COMMERCE WECHAT MINI PROGRAMS



165 MILLION MAU
IN LUXURY E-COMMERCE MINI PROGRAMS

TOP 5 LUXURY E-COMMERCE WECHAT MINI PROGRAMS



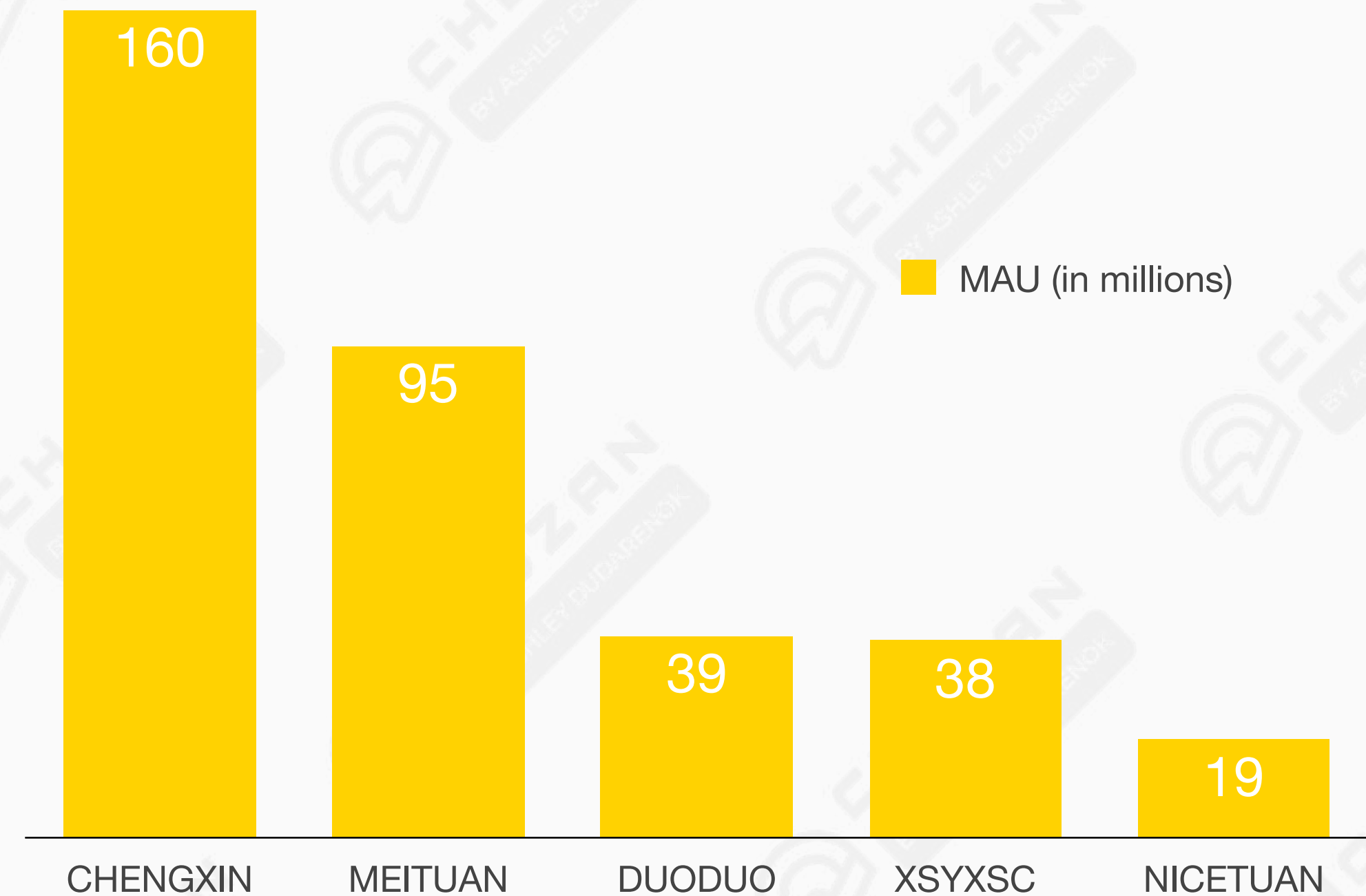
OVERVIEW

GROUP BUYING MINI PROGRAMS ON WECHAT

Community Group buying is in the process of rapid development in China.

253 MILLION
MAU IN DEC2020

TOP 5 GROUP BUYING WECHAT MINI PROGRAM

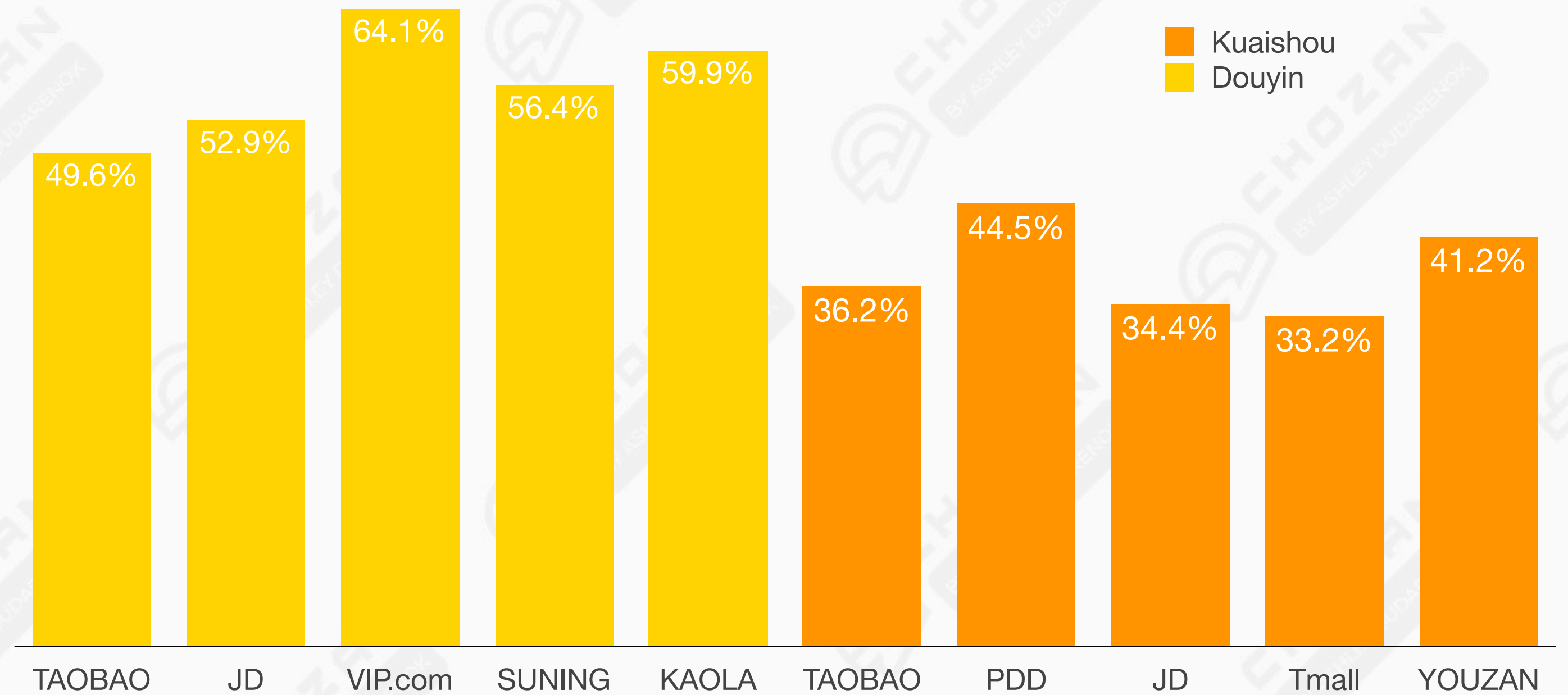


OVERVIEW

CHINA DIGITAL SPACE AT GLANCE

Short Video platforms became an important source for the traffic to ecommerce.

THIRD PARTY E-COMMERCE PLATFORM USERS IN SHORT VIDEO PLATFORMS, 2020 DEC

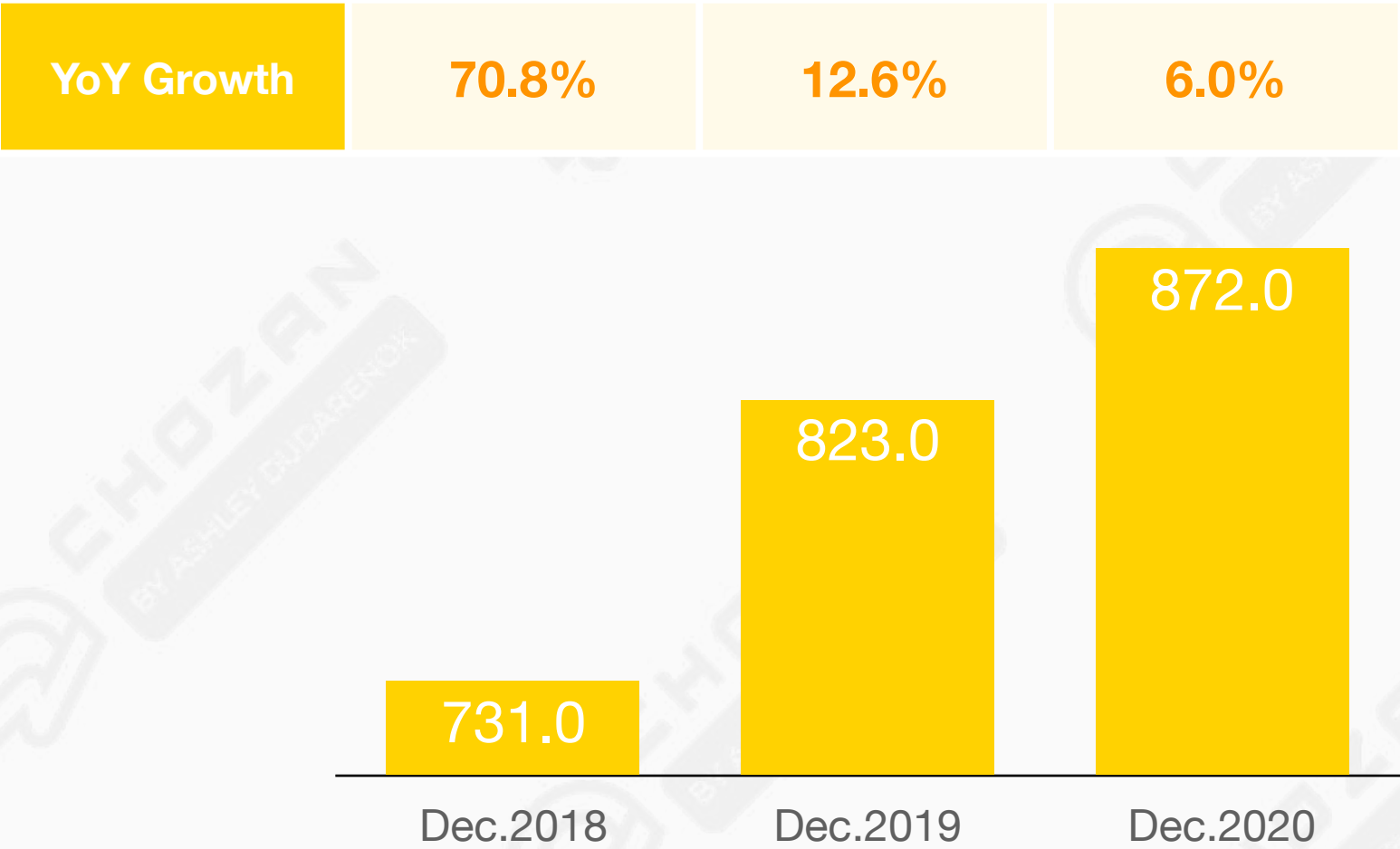


OVERVIEW

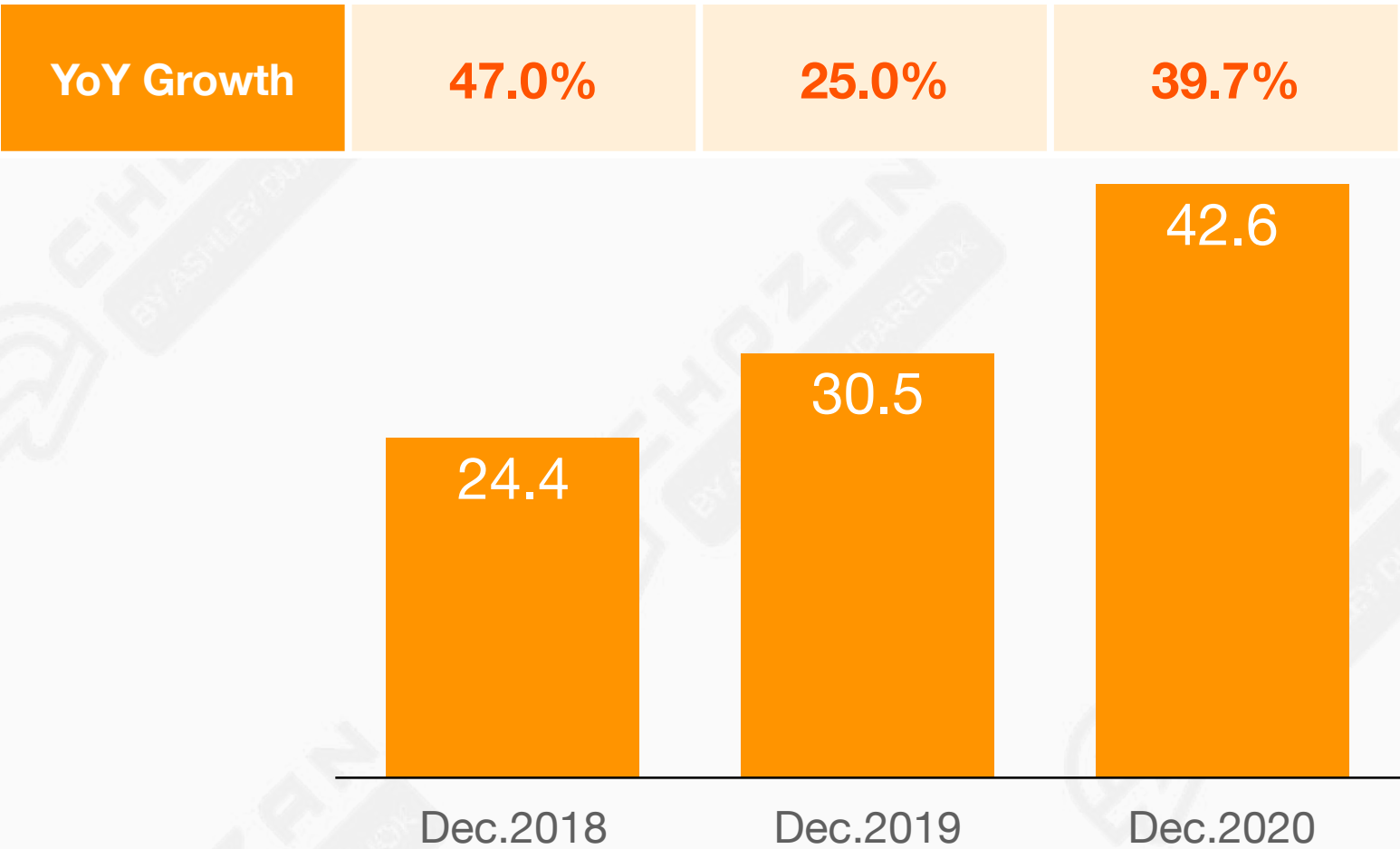
CHINA DIGITAL SPACE AT GLANCE

While netizens still spend a lot of time on short video platforms, the growth of users has slowed down.

MAU USING SHORT VIDEO APP (MILLION)



MAU USING SHORT VIDEO APP (HOURS)

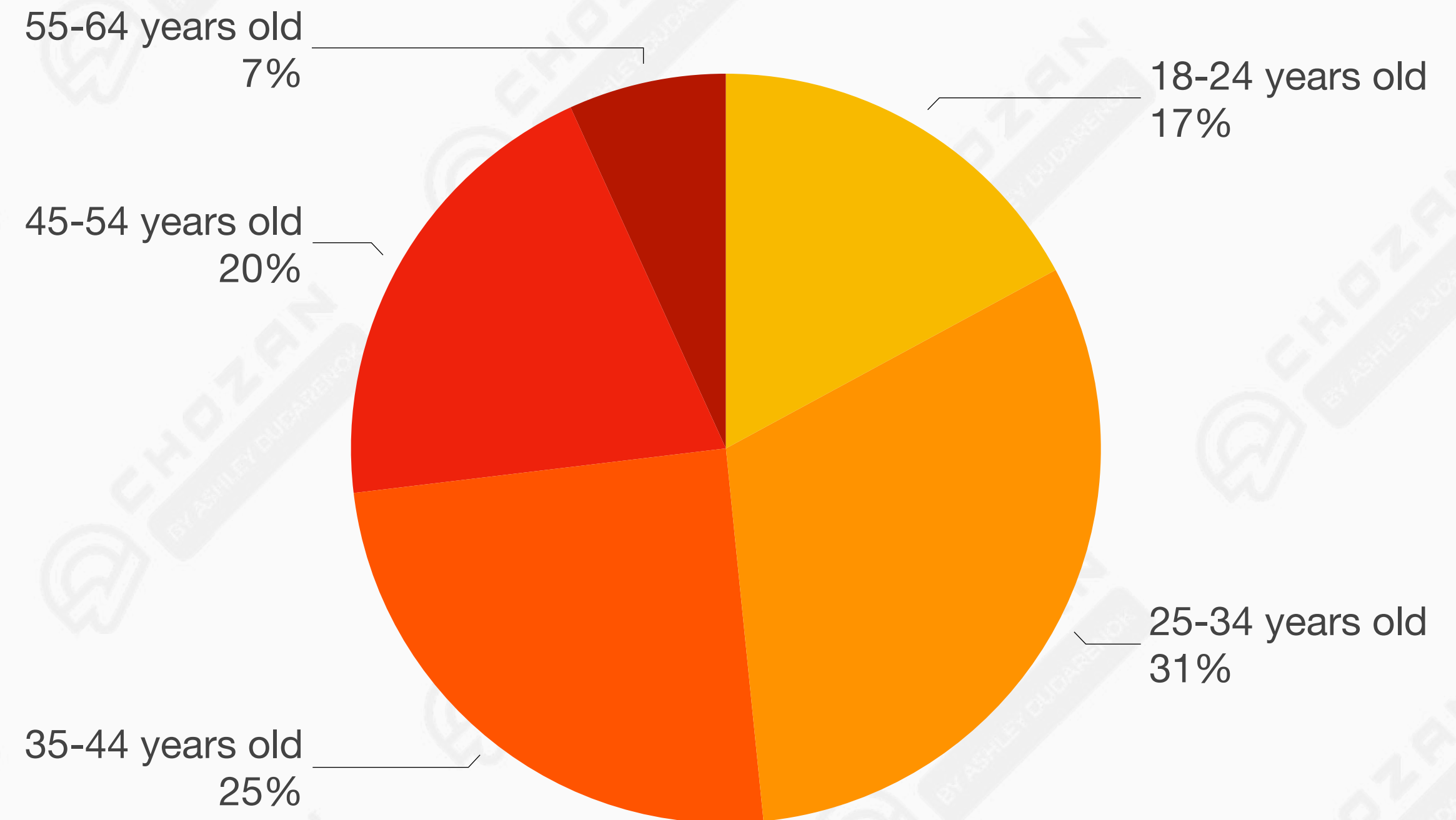


OVERVIEW

CHINESE E-COMMERCE USERS

The most popular e-commerce age group are those from 25 to 34 years old because they're young with enough financial resources to enable them to spend.

CHINESE E-COMMERCE USERS BY AGE GROUP



OVERVIEW

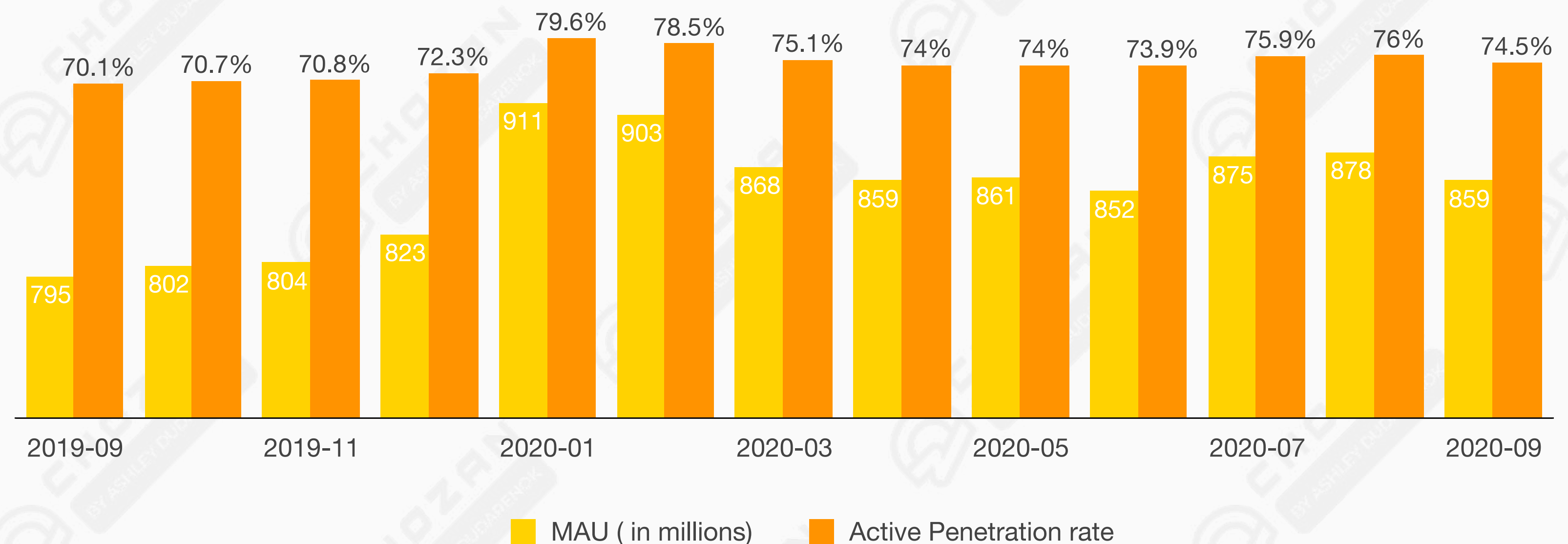
CHINA'S DIGITAL SPACE AT GLANCE

The number of short video users increased rapidly from December 2019 to February 2020 when the pandemic hit the hardest. More people at home with limited access to physical stores led to increased demand for online services and entertainment.

However, the numbers dropped right after the government had contained the outbreak in Wuhan in March. Businesses then started to promote more products and content on short video platforms to increase their monthly active users.

MONTHLY ACTIVE SHORT VIDEO USERS IN CHINA,

SEPT 2019 TO 2020



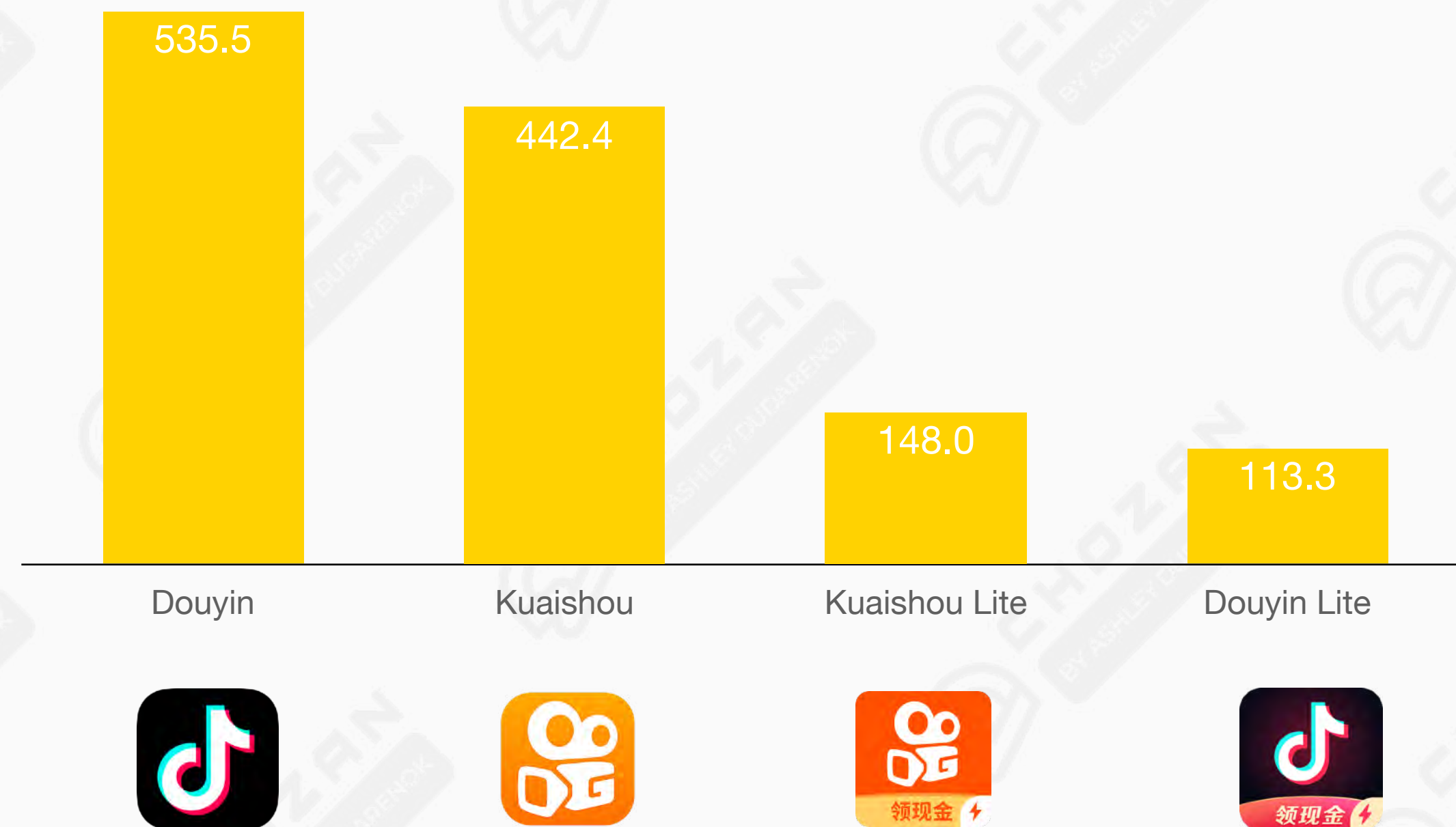
OVERVIEW

CHINA'S DIGITAL SPACE AT GLANCE

SHORT VIDEO APPS MONTHLY ACTIVE USERS

YOY INCREASE (IN MILLIONS)	46.2	63.3	64.8	72.4
-------------------------------	------	------	------	------

The competition between Douyin and Kuaishou became even fiercer in 2020.





CHINA'S TRENDS IN Q2 2021

1 TECH GIANT ANTI-MONOPOLY PROBES AND NEW REGULATIONS

**IN Q1, ALL MAJOR
PLATFORMS WERE
INVESTIGATED.
ALIBABA GOT A
RECORD FINE WHICH
SIGNALLED THE
FURTHER TIGHTENING
OF INDUSTRY
REGULATIONS.**

EXPERT BITES



ASHLEY DUDARENOK

Founder of Alarice and ChoZan,
LinkedIn Top Voice, 3x best-selling author

Q: HOW DO YOU THINK NEW RULES AND REGULATIONS WILL CHANGE CHINA'S DIGITAL SPACE?

New regulations for the major players involved in e-commerce have just come in. **As data is the new oil of our generation, we can expect tightening regulations for data usage.** The new protection law already highlights increasing fines for personal data breaches by tech companies. On the other side we can expect tech companies to become more transparent. **Falsification of sales data and selling fake products will mean penalties not only for sellers, but for the platforms as well.** Small merchants will probably get more opportunities, as, according to the most recent rules, platforms can't force them to make exclusive products for them and have to create an easier entry process.

GOT A QUESTION? DROP ASHLEY AN EMAIL BY SCANNING THE QR CODE



EXPERT BITES

Q: IN YOUR VIEW, WHAT KIND OF DIGITAL TRANSFORMATION IS HAPPENING IN CHINA TO FIT 2021'S NEW MARKET REALITIES?

During the 2 sessions, the Chinese government expressed a desire to integrate the real and digital economies. **The Personal Information Protection Law will add a range of compliance requirements for all digital platforms and service providers, along with tighter scrutiny for big tech giants. There will be stricter guidelines for what user data can be captured, stored, integrated and used.**

For emerging spaces like autonomous driving and online medical services, new ethical frameworks are being developed. **Staying on one's toes in regard to data regulations is the number 1 priority for all major organizations.**



NISHTHA MEHTA

Founder and Corporate Innovation
Coach at CollabCentral

2

DIGITAL CURRENCY FURTHER IMPLEMENTATION

**DIGITAL CURRENCY
BECAME AVAILABLE
FOR AUDIENCE ON
THE PLATFORMS.
SOME EMPLOYEES
ALSO RECEIVE
SALARY IN DIGITAL
YUAN**

EXPERT BITES

Q: RECENTLY MANY TECH GIANTS HAVE GONE INTO THE DIGITAL PAYMENTS SECTOR. HOW DO YOU THINK IT WILL RESHAPE E-COMMERCE?

This is the most exciting space to watch and participate in! China's Central Bank announced at the end of March, 2021, that its planned digital currency will co-exist with tech platforms like Alipay, WeChat Pay, which together make up close to 98% of the mobile payments market in China. All 6 major banks now are expanding its trial, including ABC, ICBC, PSBC and CCB, and deploying their digital RMB wallets. JD and Meituan are amongst the first ones to join and **I foresee more e-commerce platforms joining in to stay competitive and build smoother omnichannel shopping journeys.**



NISHTHA MEHTA

Founder and Corporate Innovation
Coach at CollabCentral

3

NEW SHOPPING FESTIVALS

**LOCAL
GOVERNMENTS
STIMULATE
CONSUMPTION
THROUGH NEW
SHOPPING FESTIVAL,
SUCH AS DOUBLE 5
FESTIVAL WHICH WILL
TAKE PLACE FOR A
SECOND TIME.**

4

EV IS ON THE RISE

**IN Q1 TECH GIANTS
ANNOUNCED EITHER
THEIR OWN EV OR
THAT THEY ARE IN
COLLABORATION
DEVELOPMENT OF EV.**

5

**HAINAN AND
DUTY FREE**

**WITH NEW
GOVERNMENT
INITIATIVES HAINAN
WILL BECOME A
CONSUMPTION
PARADISE.**

EXPERT BITES

Q: HOW OPTIMISTIC ARE YOU ABOUT THE ECONOMY IN CHINA IN 2021? WHICH SECTORS ARE YOU PARTICULARLY BULLISH ABOUT?

Economic momentum will continue to build at the start of 2021 and throughout the year. **China, alongside the US, are the two economies that are showing growth that is not contingent on government stimulus packages – that is, real consumer-led growth.** Personally, I'm confident that **we'll continue to see a strong level of personal investment in health and wellness.** Importantly, this **will continue to be weighted towards international brands in terms of premium ingredients and products, supplements, skin care products and dedicated products for children.**



JERRY CLODE
Founder of The Solution



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FOR LATEST CHINA INSIGHTS

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ABOUT YOUR CHINA PLAN



CONSUMER INSIGHTS

UNDERSTANDING CHINESE CONSUMERS

EXPERT BITES



ASHLEY DUDARENOK

Founder of Alarice and ChoZan,
LinkedIn Top Voice, 3x best-selling author

Q: WHAT'S YOUR FAVOURITE CONSUMPTION TREND IN CHINA RIGHT NOW?

There are so many interesting and emerging trends happening in China right now, that it's really hard to pick just one. Among my favourites that have been there for a while are **the Guochan economy, the home economy, the pet economy and guilt-free consumption**. For emerging trends, **I like the popularity of health food and meal replacements, the increasing interest in niche perfumes, the promising growth of the smart fitness industry, and the extension of the blind box model to services**.

GOT A QUESTION? DROP ASHLEY AN EMAIL BY SCANNING THE QR CODE



EXPERT BITES

Q: WHAT CONSUMPTION TRENDS DID YOU SEE DEVELOPING IN SPRING 2021?

Though global travel remains restricted for most Chinese consumers, the demand for and consumption of international brands continues to grow, especially among Millennial and Gen Z consumers. **A 2020 report stated that 70-75% of Chinese luxury purchases are being made inside mainland China. That's up 32% from the previous year and we expect the growth to continue. Another trend was the rise of domestic luxury travel. Luxury shoppers are flocking to duty-free shopping centers in Hainan.** We anticipate more and more luxury brands to target consumers who are unable to travel overseas. We're also seeing huge spikes in demand for new and imported goods bought online. Goods such as scented candles, skincare, beauty tools, probiotics, low-calorie snacks and liquid soap have become the most popular products.



MICHELLE LAU

Senior Strategic Partnership Manager,
Alibaba

EXPERT BITES

Q: WHAT'S YOUR ADVICE FOR BRANDS SELLING IN CHINA IN 2021?

Chinese consumers buy brands not products. Building more brand equity and creating brand demand is the only game. Most new brands focus on what they know - SEO, SEM, PPC, etc. - but those strategies will NOT bring big rewards in China.

Q2 is the 6.18 shopping festival and it can make or break your 11.11

plans. Your brand needs to outperform on 6.18 in order to get the maximum level of support from the major e-commerce platforms.

Without a lucky break that makes you suddenly popular, be prepared to out-hustle, out-spend, and out-brand all of your competitors. Most aren't prepared to run, spend and operate at the speed necessary to compete.

Established brands need to find brand collaboration opportunities outside of their category to boost brand equity and visibility with a new customer demographic.



RON WARDLE

Incredible Media, Founder and
Yooma Wellness Inc, CEO

EXPERT BITES

Q: WHAT HAVE YOU LEARNED ABOUT CHINA OR CHINESE CUSTOMERS IN THE PAST QUARTER THAT HAS SURPRISED YOU?

In Q1 2021, the Chinese government added restrictions, offered incentives, and appealed to a sense of filial and national responsibility, in an effort to prevent about 300 million migrant workers from going home for the holiday.

However, **not being able to travel home wasn't bad for the economy.**

Jewellery, in particular, saw a substantial increase in sales - up 161%, which was probably due to Chinese New Year overlapping Valentines Day.

Some international brands even focused their marketing more on Lover's Day than Chinese New Year. Good move indeed!



ALBERTO ANTINUCCI

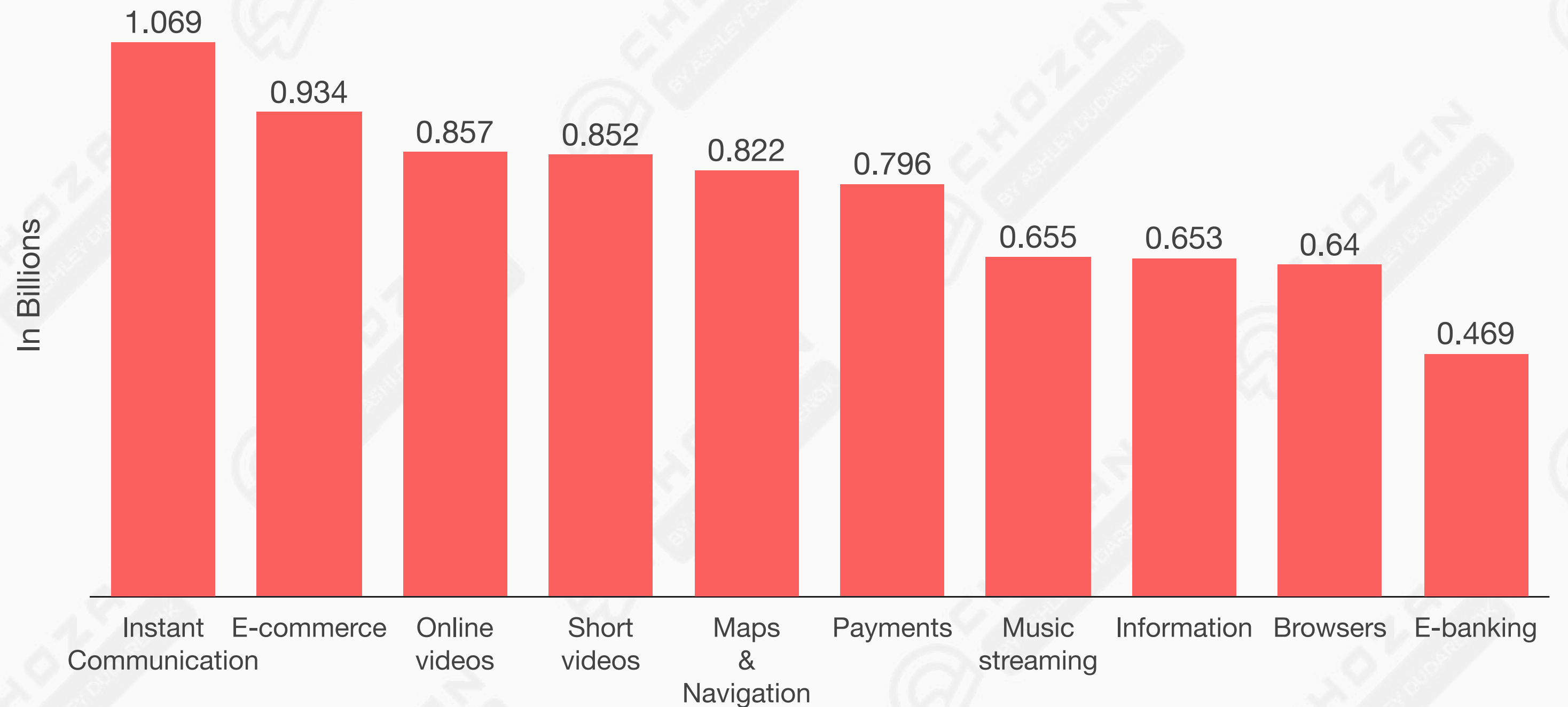
Digital Innovation Strategist
and China Expert

CONSUMER INSIGHTS

MOBILE INTERNET AS A PRIORITY

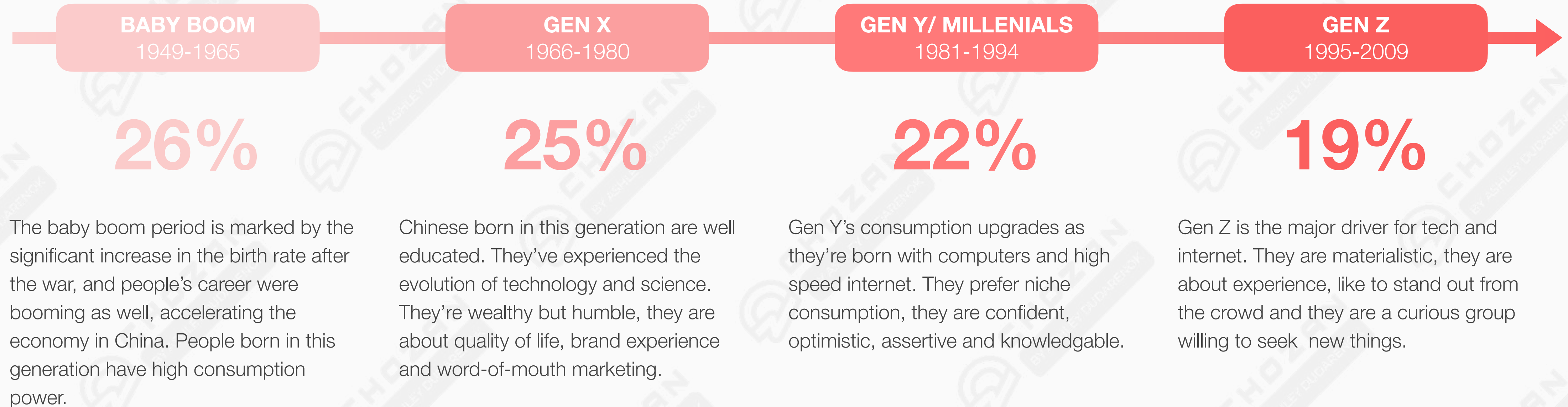
With access to instant, diversified communication, social media, and entertainment, mobile internet users embrace mobile communication and e-commerce thanks to their accessibility, mobility, and ease-of-use.

ACTIVE MOBILE INTERNET USERS IN CHINA, 2020



CONSUMER INSIGHTS

MOBILE INTERNET AS A PRIORITY



CONSUMER INSIGHTS

CONSUMER GROUPS

There are dozens of distinct consumer groups in China and lots of analysts believe that they're the most sophisticated and demanding consumers in the world. Here are a few of our favourite Chinese consumer groups:

Our Personal Favourites

- The Silver Haired Generation (65 and up)
- Gen Z
- Super Moms

Dynamic Internal Progress in 2020-21

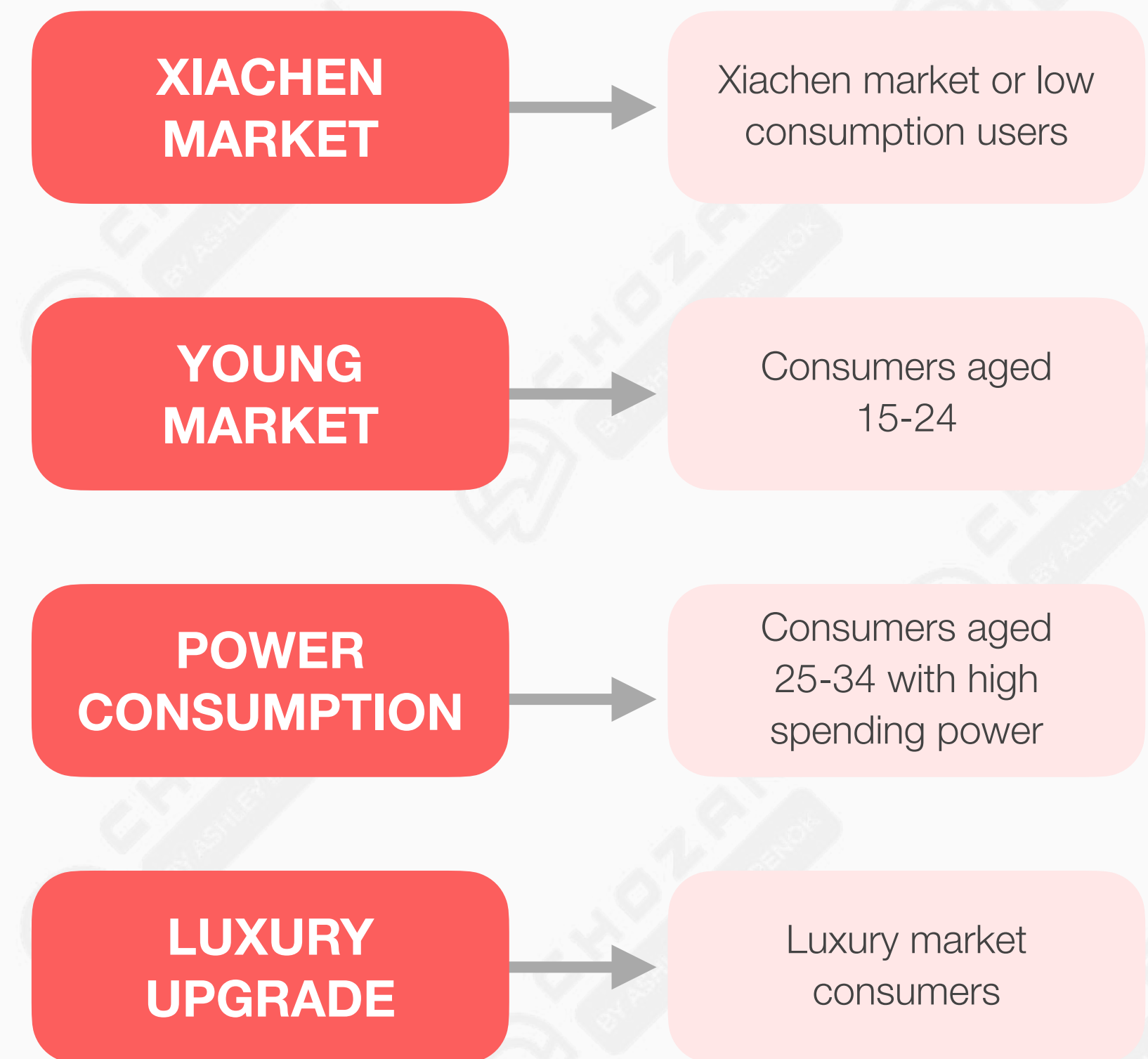
- Singles From Higher Tiers Cities (Tier 1-2)
- Patriotic / Domestic Brand Lovers
- Guilt-free Consumers (Eco-conscious)
- Night Owls
- New Consumption brand's fan

CONSUMER INSIGHTS

CONSUMPTION POWER

The beauty, personal care, cleaning and pet industries have been leading and growing in the past three years. Consumer behaviours and market trends are changing with the Xiachen Market, Young Market, Power Consumption and the Luxury Upgrade consumer groups foreseen to be the core market.

CORE MARKET



EXPERT BITES

Q: IN GENERAL, WHAT DO YOU THINK CHINESE CONSUMERS WILL FOCUS ON IN 2021? WHICH SECTORS ARE YOU PARTICULARLY BULLISH ABOUT?

Consumers focus on quality not just for products but also experiences. **Brands and platforms that offer a unique experience to consumers, whether it's in-store or online, have a unique opportunity for interaction.** New products, especially ones developed through big data analysis initiatives, such as through JD's Consumer-to-Manufacturer (C2M), are attractive to consumers, who have increasingly precise needs. **The demand for high quality logistics services remains high, while changing consumer habits are driving innovation in delivery formats, shopping formats and more.** Chinese New Year gifting has become more diversified, providing another good opportunity for brands across categories from electronics, to fashion, cosmetics and more.



ELLA KIDRON

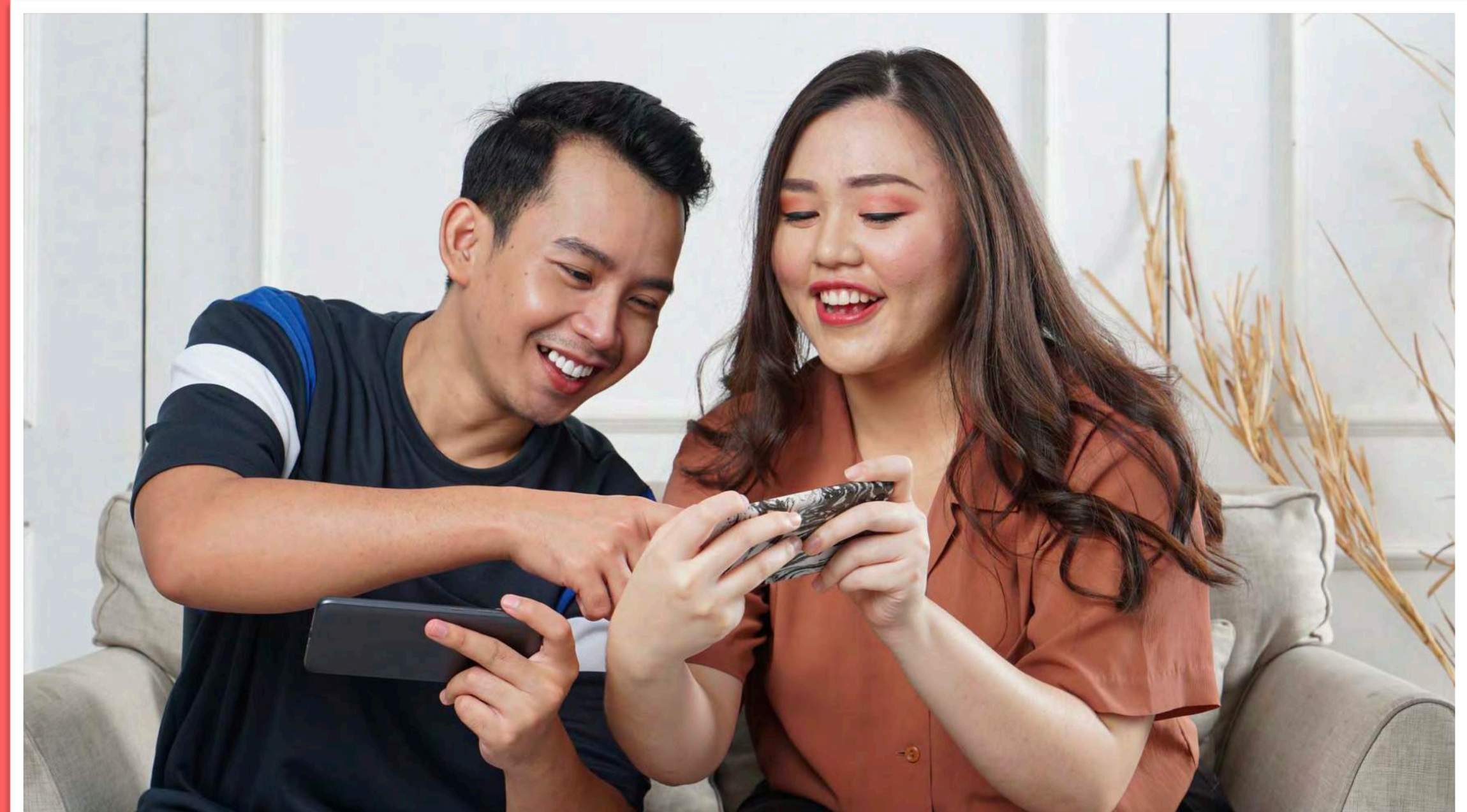
Global Corporate Affairs,
JD.com

1 MILLENNIALS

China's 400+ million millennials represent a huge and emerging consumer group with a large impact on the economy. Most millennials own smartphones that are constantly in use and used in more versatile ways than their counterparts in the West.

Millennials enjoy luxury brands. Forecasts expect them to make up 40% of global luxury goods sales by 2024, with around 58% of that group aged 18 to 30.

It's key for brands to understand the consumer behaviours of millennials.



EXPERT BITES



ESTELLE SUEN

Marketing Executive at
Alarice and ChoZan

Q: WHAT ARE IMPORTANT CHANGES YOU SEE IN THE CONSUMPTION BEHAVIOUR OF MILLENNIALS?

Generation Z has unique consumption characteristics influenced by their interests in animation, comics and gaming (ACG). They're highly digitally literate but have strong social needs. **They're also exposed to a lot of advertising messages so true personality stands out for them and can attract their attention. They're also willing to pay for experiences, excitement and social currency.** Pop Mart's blind boxes take advantage of this by creating a suspenseful, fun, consumer experience that can be easily shared and compared. Cross-border co-branding could be a great shortcut to reach Gen Z.

GOT A QUESTION? DROP ESTELLE AN EMAIL BY SCANNING THE QR CODE



CONSUMER INSIGHTS

MILLENNIALS - INTRODUCTION

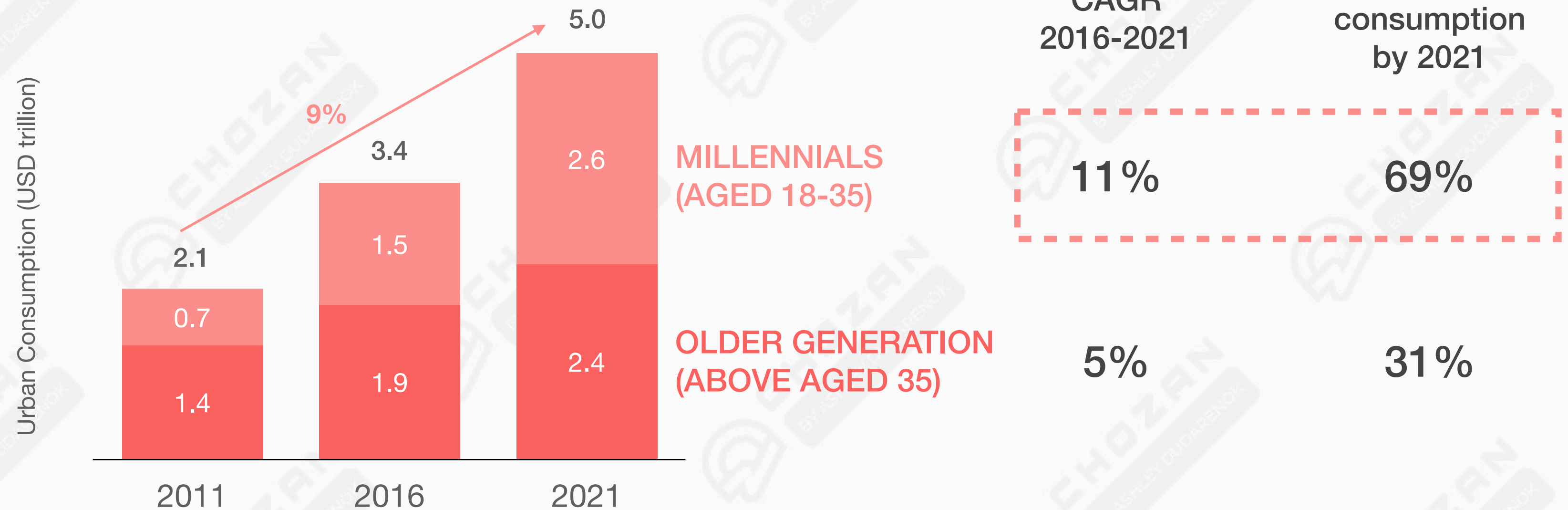
Interesting facts	Shopping attitudes and behaviours	What are they interested in purchasing?
<p>Chinese millennials are the country's largest consumer group with over 350 million people. 54% of Chinese millennials are internet shoppers.</p>	<p>Chinese millennials are digitally savvy and the major driving power behind luxury products. They rely heavily on community recommendations. In the next few years most of them will have families and it's expected that they will be a major consumer group for family consumption as well.</p>	<div><div>1) Services</div><div>2) Educational training</div><div>3) Health supplements</div><div>4) Pet products</div><div>5) Small home appliances</div></div>

CONSUMER INSIGHTS

MILLENNIALS

Chinese millennials are set to become the dominant consumer force and most influential consumer segment.

MILLENNIAL'S AND THE OLDER GENERATION'S SHARE OF CHINA'S URBAN CONSUMPTION

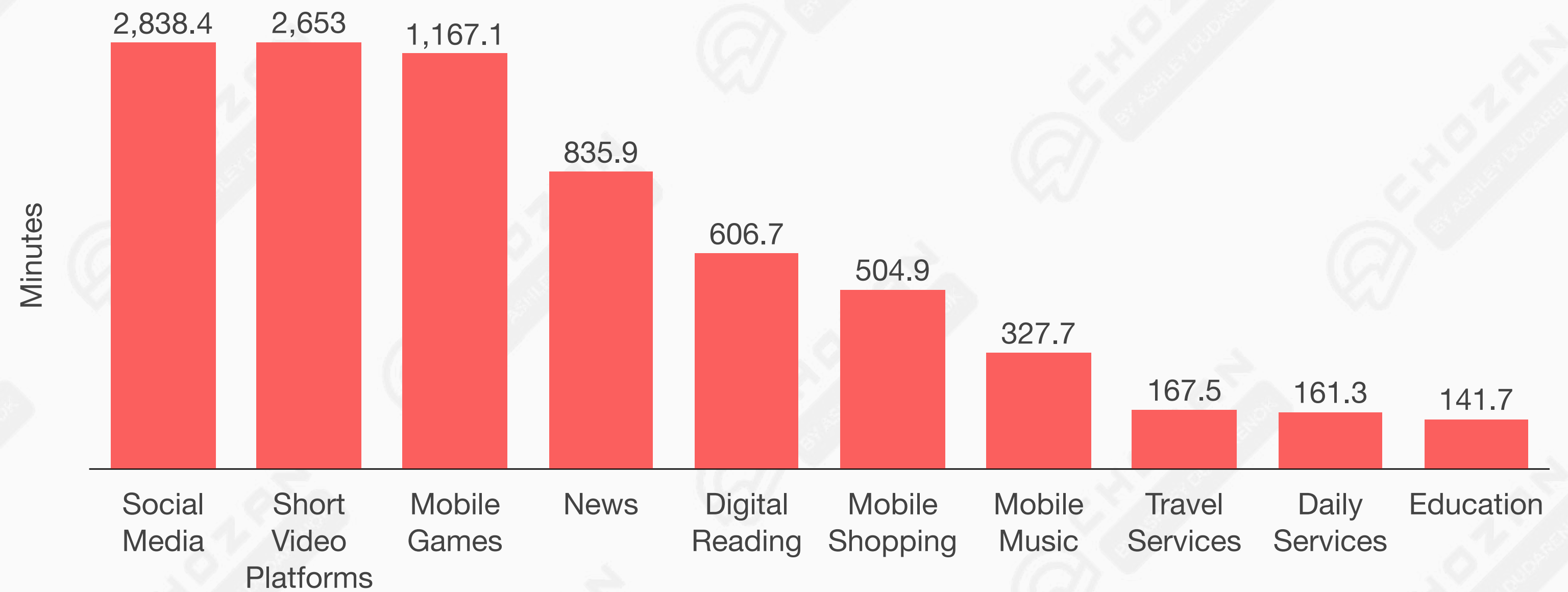


CONSUMER INSIGHTS

MILLENNIALS

Post-90s mainly spend their internet time on social apps, short video platforms and mobile games.

**POST-90s AVERAGE MONTHLY USAGE TIME PER PERSON
BY CATEGORY (SEPT. 2020)**

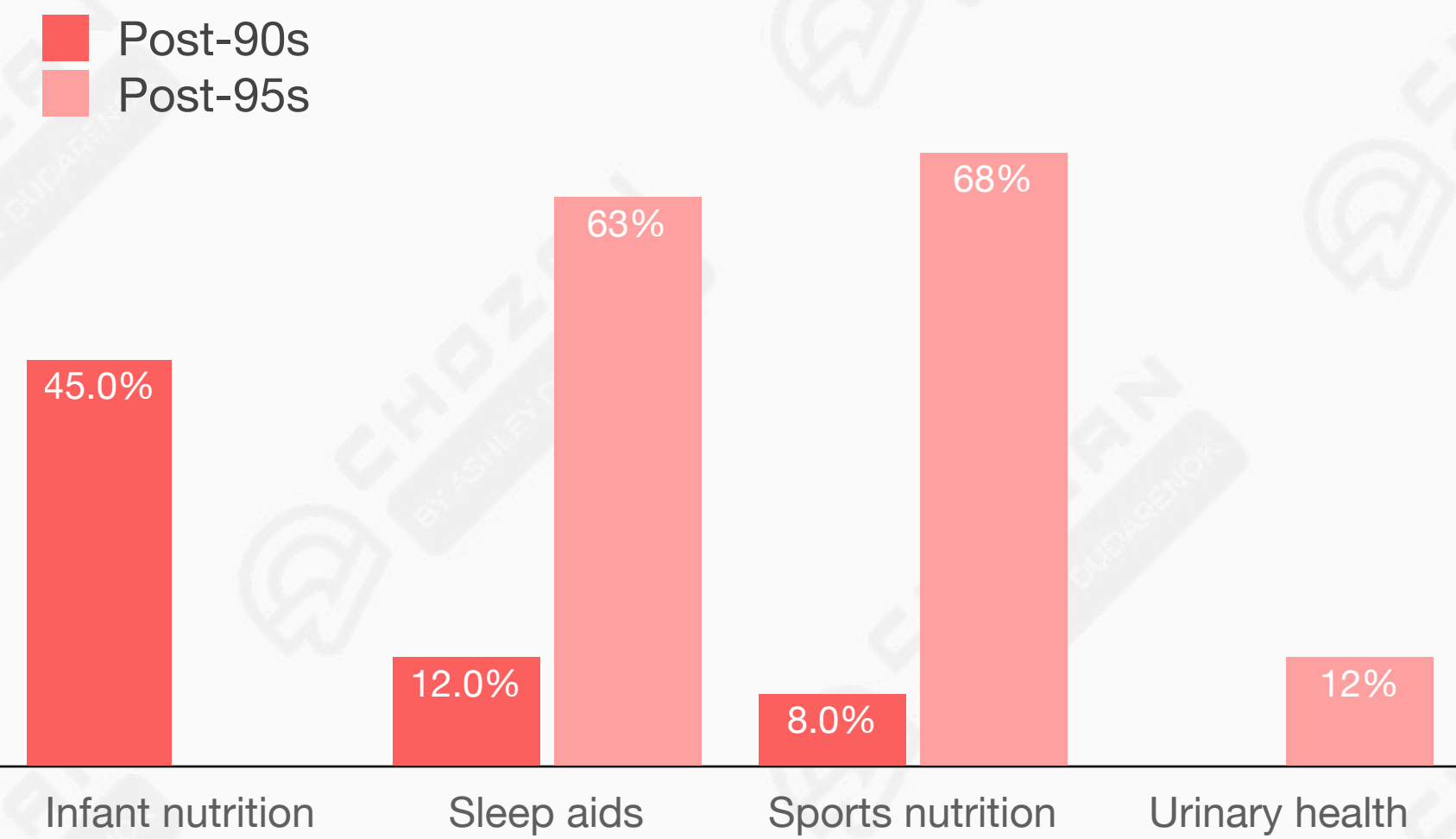


CONSUMER INSIGHTS

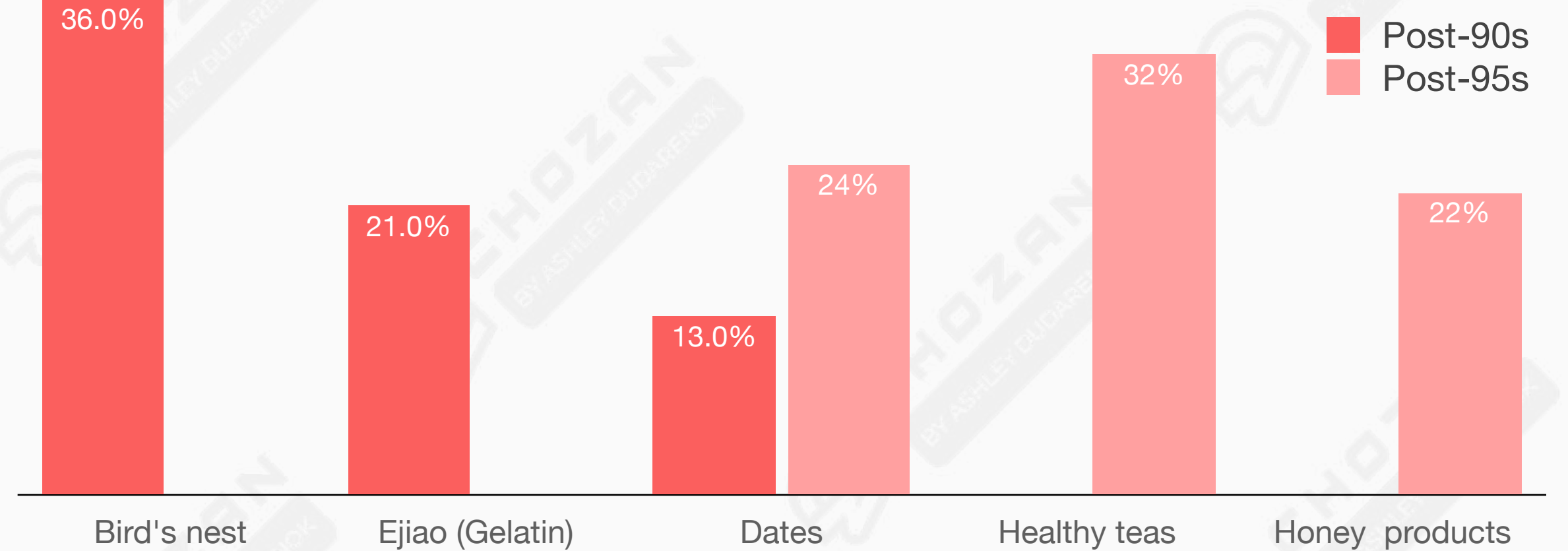
MILLENNIALS

Chinese consumers have become more Interest in Gym. As a result, some consumption habits have been transformed. Post-90s and Post-95s are driving the consumption of health related products.

**THE TOP 3 ONLINE HEALTH PRODUCTS FOR POST-90s AND POST-95s
MAT 2020**



**THE TOP 3 ONLINE TRADITIONAL SUPPLEMENTS FOR POST-90s AND POST-95s
MAT2020**



CONSUMER INSIGHTS

MILLENNIALS - TOP 4 CHARACTERISTICS IN 2020

1 Lifestyle Upgrade

With rapid growth in service consumption and the pursuit of healthy lifestyles, millennials **demand premium goods and services** that enhance their personal sense of well-being, and are **inclined to spend on travel experiences**.

1 Prefer premium products and services

2 A growing interest in healthy lifestyles

3 Rapid growth in service consumption

4 Spending on travel is on the rise

2 Demand for Uniqueness

Their demands for quality give millennials a sense of superiority as they purchase more personalised products.

CONSUMER INSIGHTS

MILLENNIALS - TOP 4 CHARACTERISTICS IN 2020

3 Experience-oriented

With a larger portion of discretionary income spent on “retailtainment” compared to older generations, millennials are **convenience-driven** in the social, entertainment and e-commerce sectors. Their main purpose and motivation for spending are experiences.

4 Locked in to Social Media

Social media and **mobile shopping** are millennials' **major consumption channels**. They're the heaviest social media users from livestreaming to photo sharing with a lot of trust in influencers and KOLs.

EXPERT BITES

Q: WHICH CONSUMER GROUPS, IN YOUR VIEW, HAVE THE MOST SPENDING POWER RIGHT NOW? ARE THEY SAVING OR SPENDING?

Chinese Millennials, born in the 80s and 90s, have the highest spending power, are the most tech savvy and are the most adventurous in their product choices and selections. They're spoiled for choice in terms of products, platforms and consumer experience **and they are spending like crazy!**



DAVID THOMAS

China Expert and author
of *China Bites*

EXPERT BITES

Q: WHICH CONSUMER GROUPS, IN YOUR VIEW, HAVE THE MOST SPENDING POWER RIGHT NOW? ARE THEY SAVING OR SPENDING?

Millennials have the most spending power in China, but the pandemic changed their spending habits. In 2020, they began to spend less on looking good and spend more on feel-good products and services. **Many are now saving for a rainy day or looking for more conscious purchases.** Many became more cautious with credit cards and some even started looking into second-hand products.



PASCAL COPPENS

Partner at nexxworks, author
of *China's New Normal*



2 GEN Z

Post-95s, Gen Z, or Dotcom kids. They go by many names and are a truly global generation, shaped by the technology of the 21st century.

- Gen Z will make up 27% of the population by 2025
- About half will earn an university degree
- They'll have an average of 18 jobs across 6 careers and 15 homes
- Around 2,000,000,000 Gen Zs globally



EXPERT BITES



SYCA JIANG

Head of Strategy at
Alarice and ChoZan

Q: WHAT IMPORTANT CHANGES DO YOU SEE IN GEN Z'S CONSUMPTION BEHAVIOUR?

With trends around health and green consumption deepening, **Gen Z's demand for health products and services has greatly increased.** For example, they prefer more than other age groups to buy products that market themselves as low in sugar, fat and calories. Domestic drink brand Genki Forest was successful despite fierce competition because it accurately identified Gen Z's demand for healthy, tasty products in fresh, attractive packaging.

Meal replacement foods are expected to become the next focus of consumption. Making purchases for enjoyment and increasing spending to pursue higher quality and new experiences are also trends for Gen Z.

GOT A QUESTION? DROP SYCA AN EMAIL BY SCANNING THE QR CODE



EXPERT BITES



STELLA ZHAN

Marketing Executive at
Alarice and ChoZan

Q: WHAT'S TRENDING WITH GEN Z RIGHT NOW?

Generation Z is more willing to pay for a sense of fun during the consumption experience. For example, purchasing blind boxes has suspense, fun, excitement and social sharing built right into the experience. Buying merch from their favorite idols and supporting their endorsements is enjoyable for fans and social media hosts online communities for fan clubs. They'll also spend for niche hobbies they love, mostly related to anime, comics, gaming (ACG) and Hanfu.

Aesthetic promotion. They pay attention to design. Brands featuring attractive packaging and good design are perfect for photo-sharing on social media and popular with Gen Z.

**GOT A QUESTION? DROP STELLA AN
EMAIL BY SCANNING THE QR CODE**



CONSUMER INSIGHTS

INSIGHT 01

Interesting facts	Shopping attitudes and behaviours	What are they interested in purchasing?
<p>This group of young consumers represent the fastest-growing consumer segment in many product categories, from skin care and cosmetics to fashion to daily necessities.</p> <p>According to McKinsey, China's young generation will account for over 20 percent of total spending growth in China from 2017 to 2030.</p>	<p>Because of the pandemic, there's been a change in the purchase intentions of Post-95s. More than 70% of them are now buying for their families instead of just for themselves. According to JD's sales statistics, young consumers mostly spent on their kitchens during last year's 618 Shopping Festival. There was a big increase in sales of kitchen towels as well as cleaning and disinfecting products.</p> <p>Data also shows that Post-95s are the major consumers of cosmetics and skin care products in China. Anti-aging concepts are popular these days, and there's growing demand from Post-95s for anti-aging skin care products, facials, and hair treatments.</p> <p>In terms of shopping behaviours, many Post-95s are willing to spend on their interests and entertainment, such as sports, gaming, and ACG. They, and their purchase decisions are mostly influenced by their idols and KOLs. For instance, they want to have the same T-shirt that their idol wears.</p>	<ol style="list-style-type: none"> 1) Travel products and services 2) They love to try new products 3) The same products as stars and KOLs 4) Animation 5) Foreign products 6) Guochan products

CONSUMER INSIGHTS

GEN Z - UNIQUE PERSONALITIES

Gen Z (born in 1995-2009) has the rooted idea that **everyone is unique and their uniqueness should be accepted**. This idea is reflected from their consumer behaviours with a strong demand in personalised, unique and cool products that can highlight their distinctive personality.

Care free Stay home Expressive
Trend leaders
Pets Alone but not lonely Creative
Appearance
Seeding Lazy Why not? Personalized
Hobbies Sharing
Unique

CONSUMER INSIGHTS

GEN Z

248
CELEBRITY TGI

174.9 HOURS
MONTHLY AVERAGE DEVICE

320 MILLION
NUMBER OF USERS



74.5%
E-COMMERCE SPENDING

133
GAMES TGI

183
ANIME TGI

CONSUMER INSIGHTS

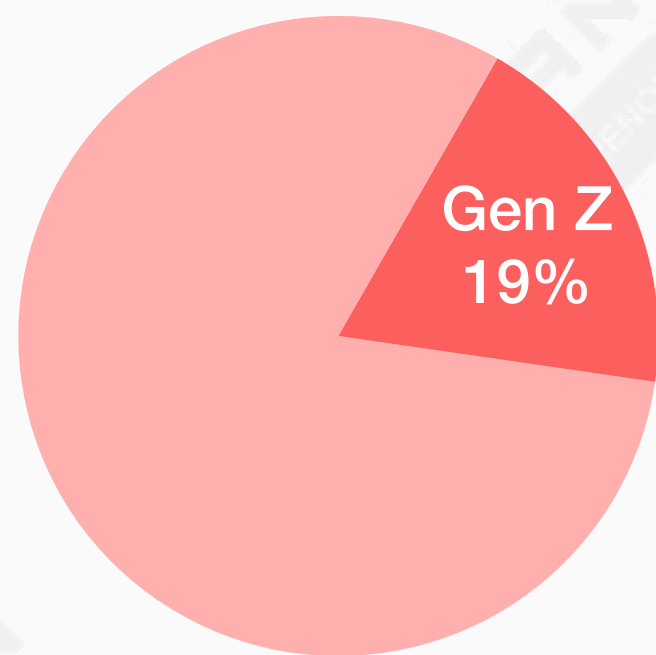
GEN Z - HIGHER CONSUMPTION POWER

Gen Z in China are more carefree in terms of spending compared to other generations. Their disposable income is higher, therefore lead higher consumption power especially in luxury products - they like spending to pleasure themselves.

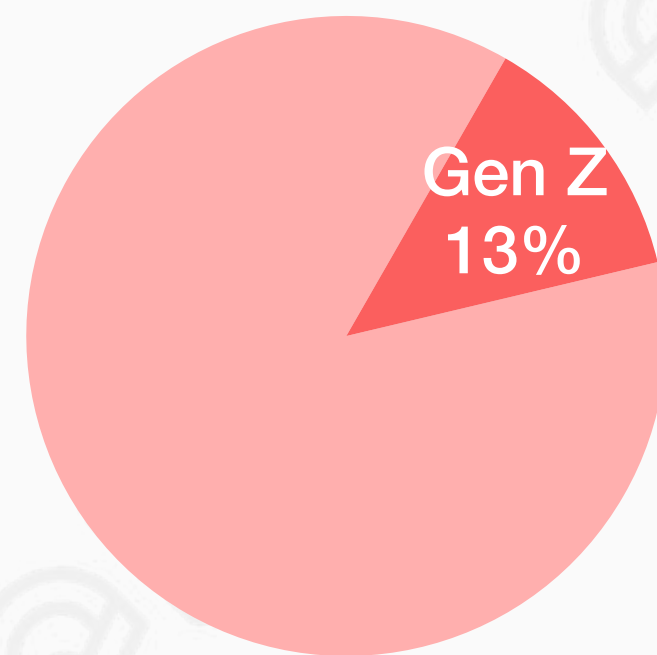
19% OF POPULATION
IN CHINA'S ARE GEN Z

51.3 THOUSAND
RMB SPENT YEARLY PER GEN Z

CHINA'S POPULATION



CHINA'S EXPENDITURE



4 TRILLION
RMB SPENDING

CHINA'S GEN Z DISPOSABLE INCOME

3501 RMB
PER MONTH

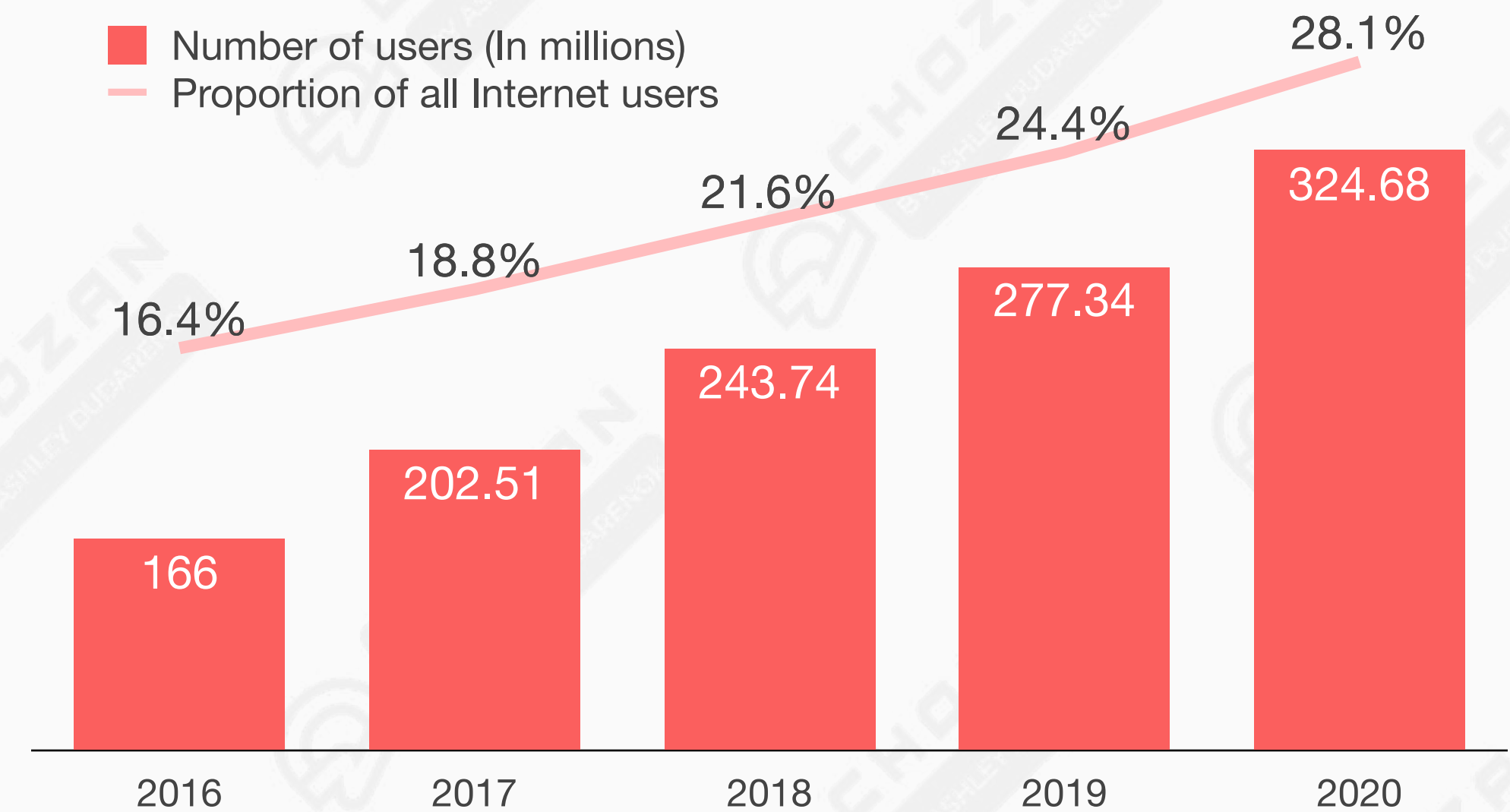
↑ 49.36%
THAN OTHER CHINESE CONSUMERS

CONSUMER INSIGHTS

GEN Z - INTERNET USERS

Gen Z is one of the fastest growing internet user groups.

**THE NUMBER AND PROPORTION OF GEN Z INTERNET USERS
(2016-2020)**

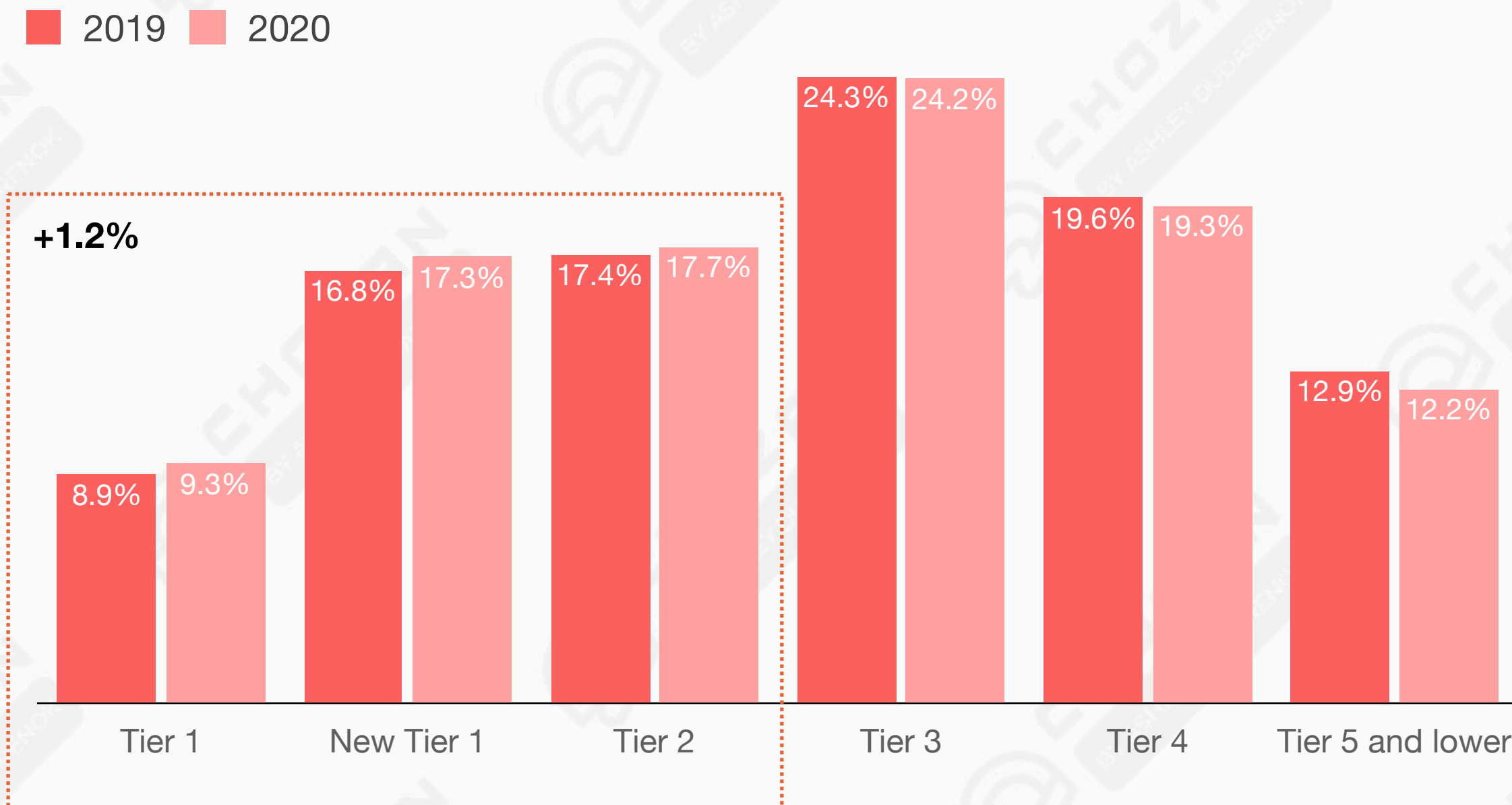


CONSUMER INSIGHTS

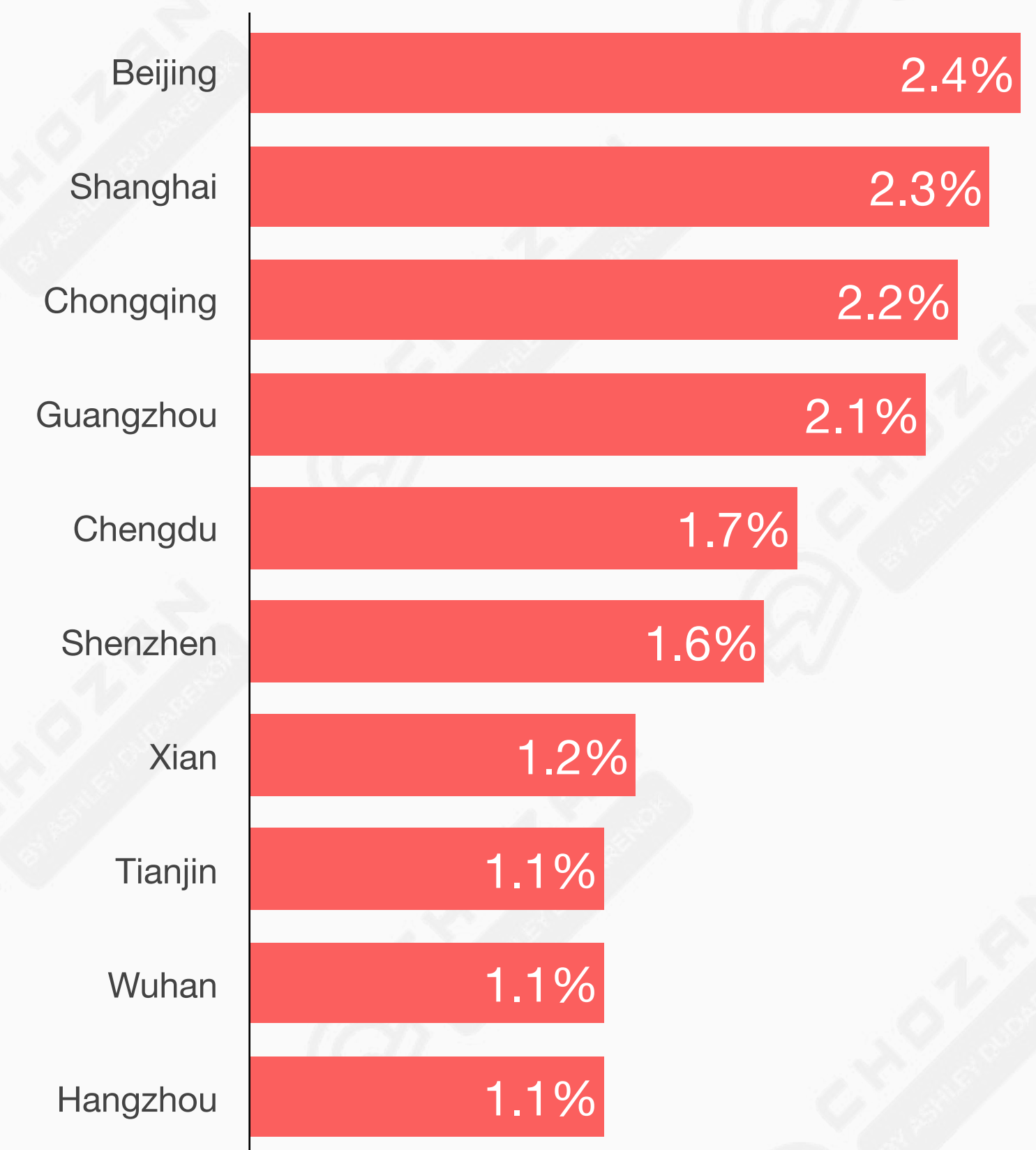
GEN Z - USER LOCATIONS

While a lot of Gen Z e-commerce and social media users are in Tier 1 cities like Beijing, a growing number are in lower tier cities.

**RATIO OF GEN Z MOBILE INTERNET USERS BY CITY TIER
(NOVEMBER 2020)**



THE TOP 10 CITIES FOR POST-90s USERS (JULY 2020)

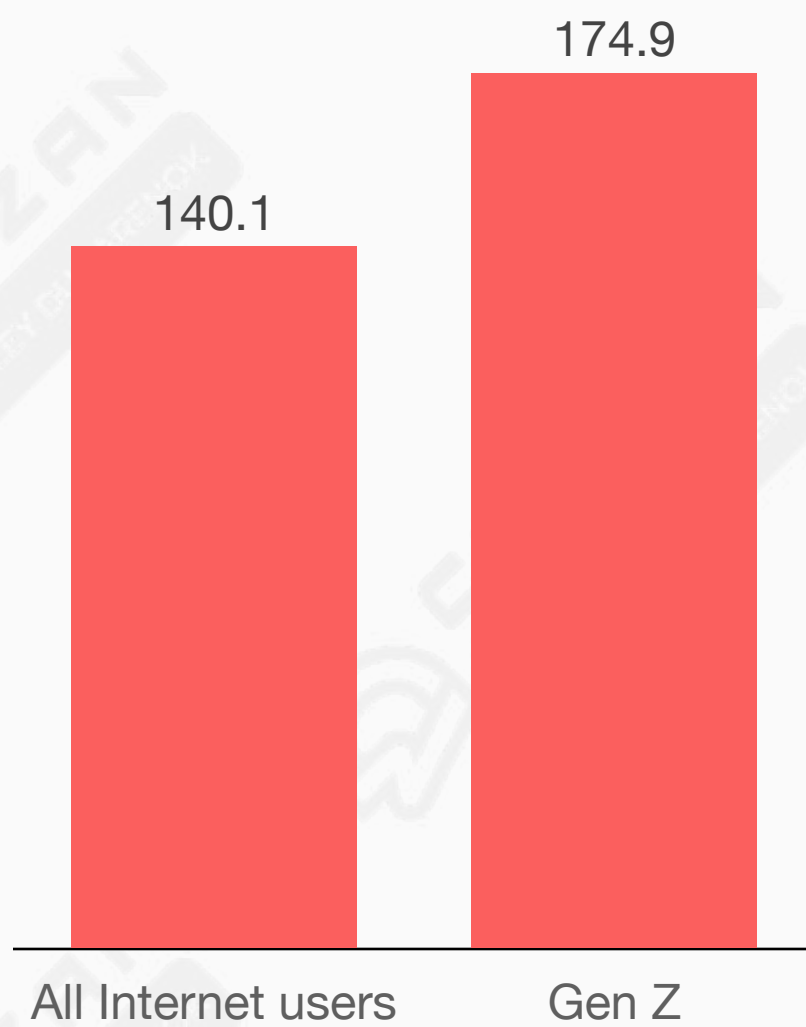


CONSUMER INSIGHTS

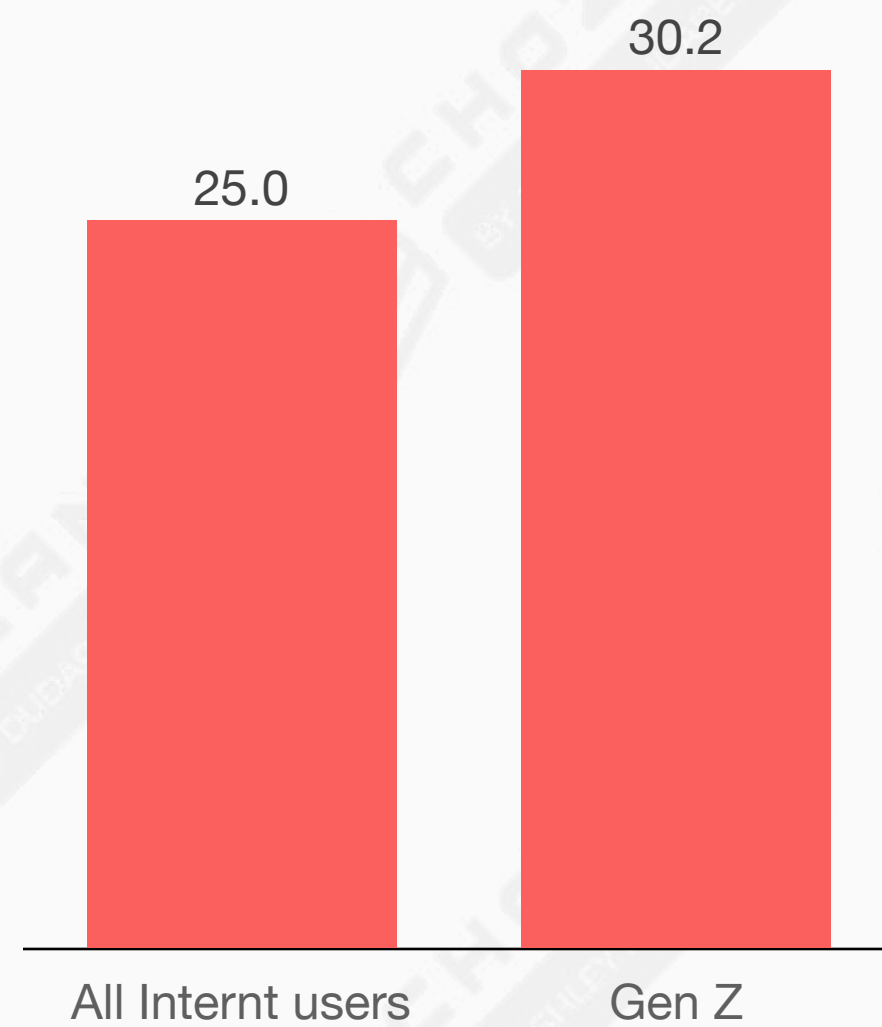
GEN Z

Gen Z are some of the most active internet users and their interests are reflected in the apps they use.

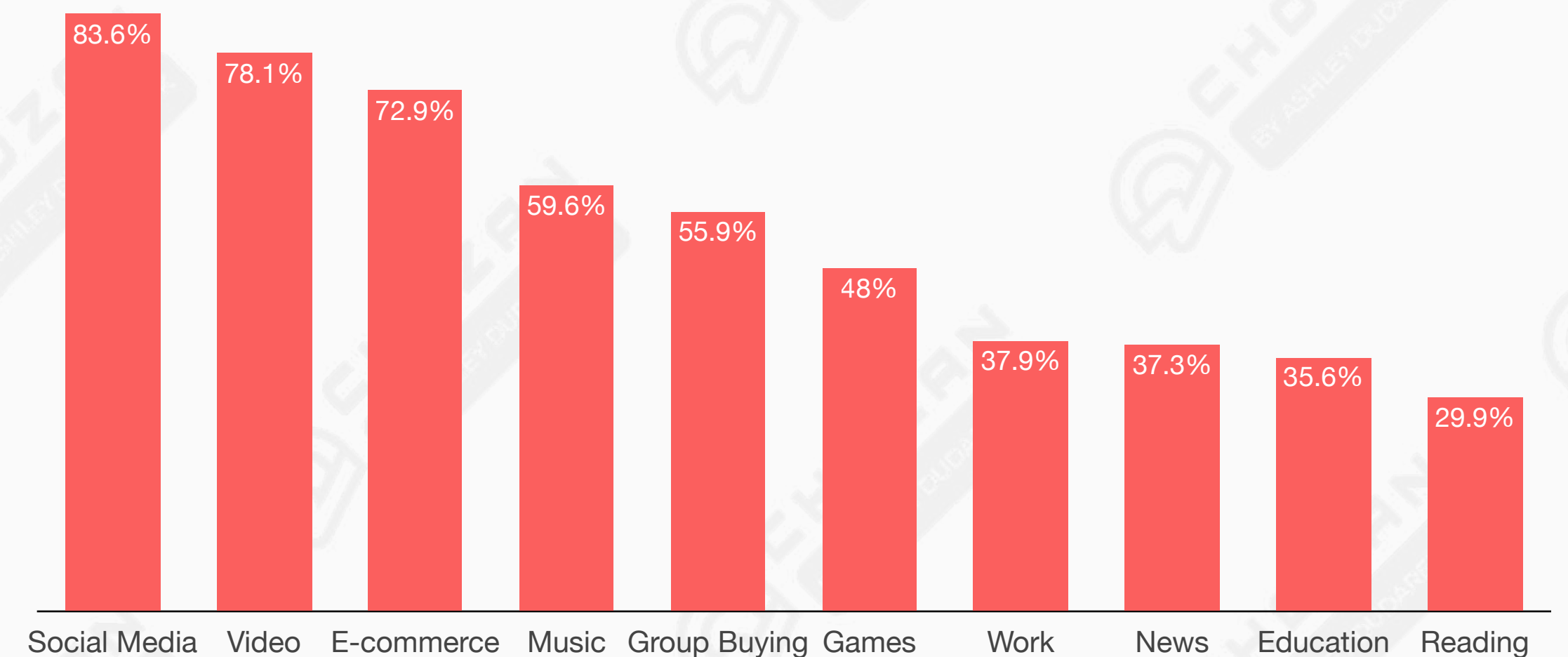
**AVERAGE MONTHLY INTERNET TIME
2020 (IN HOURS)**



**AVERAGE NUMBER OF APPS USED PER
MONTH 2020**



GEN Z'S TOP TEN INTERNET INTERESTS AND PREFERENCES (2020)

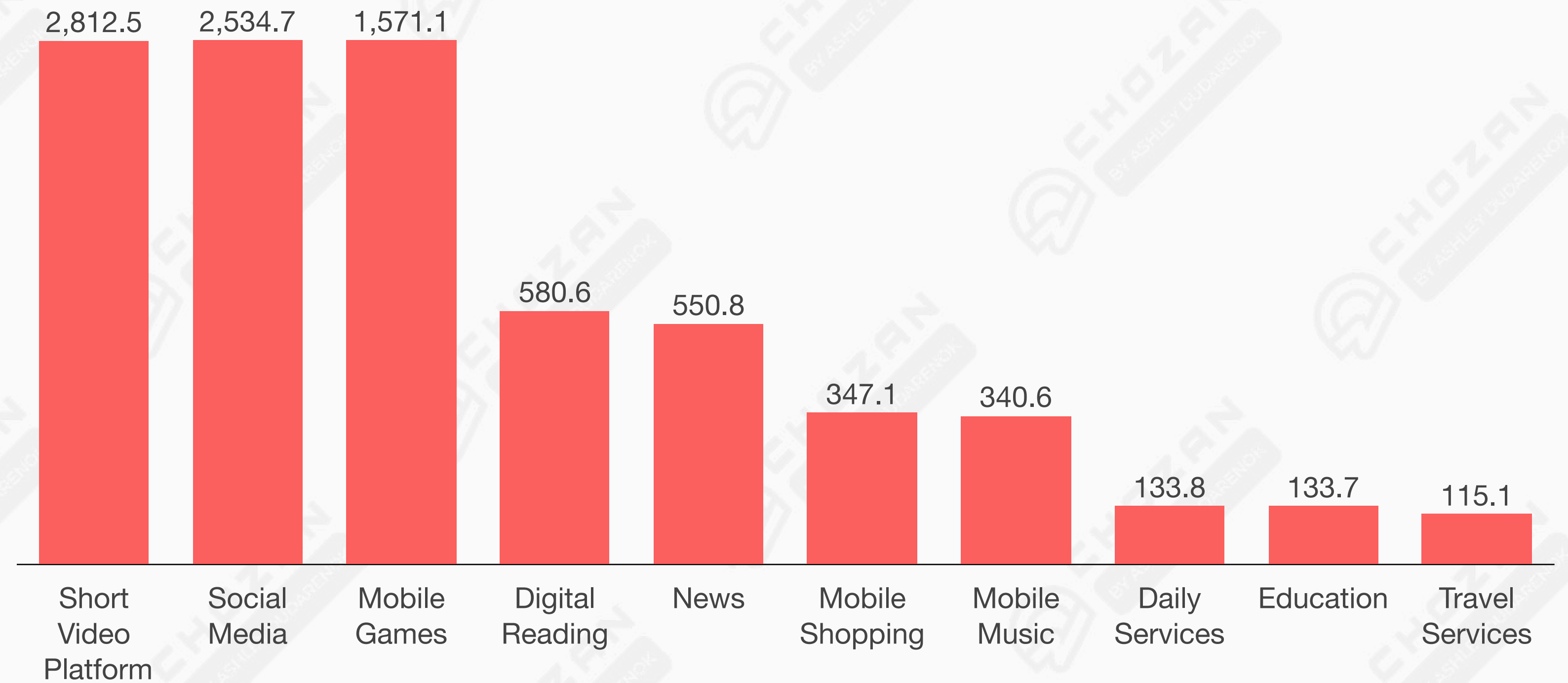


CONSUMER INSIGHTS

GEN Z

Post-00s mainly spend their time on short video platforms.

POST-00s AVERAGE MONTHLY USAGE TIME PER PERSON BY CONTENT TYPE
(SEPT. 2020) (IN MINUTES)

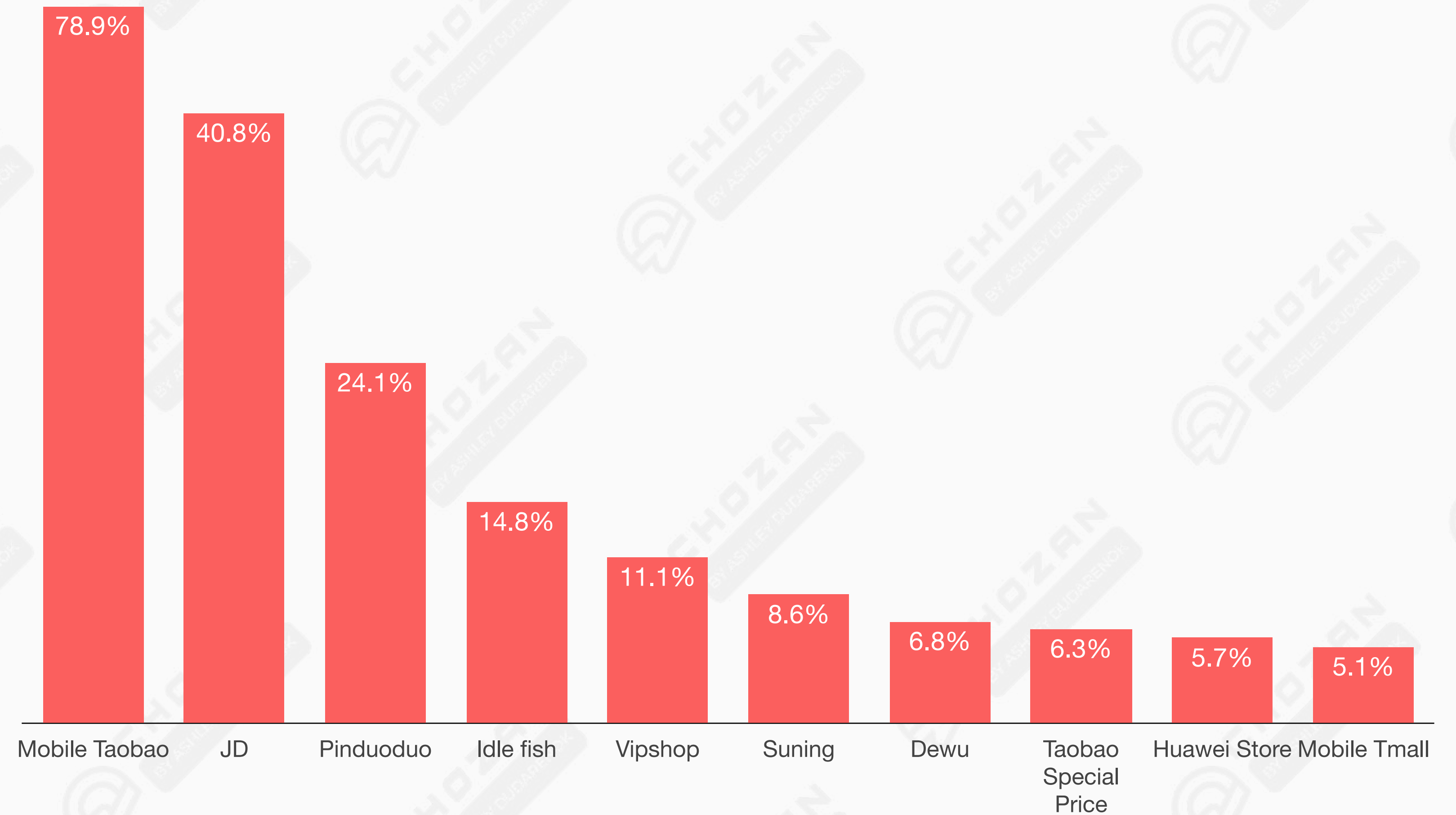


CONSUMER INSIGHTS

GEN Z

THE TOP TEN E-COMMERCE APPS BY GEN Z USER RATIO, 2020

Like most other internet users, Gen Z prefers integrated e-commerce platforms to do their online shopping.



CONSUMER INSIGHTS

GEN Z - ATTRACTIVE APPEARANCES

Gen Z has a strong focus on appearance. More than 50% of post 90s will spend on medical beauty to enhance their appearance. Appearance of the product is also a key to Gen Z consumption with attractive appearances as one of the top five buying factors of small electronic appliances.

MEDICAL BEAUTY INDUSTRY IN CHINA



50%
OF CONSUMERS ARE GEN Z



200 BILLION
RMB MARKET SIZE

EXPERT BITES

Q: WHAT CONSUMER GROUPS, IN YOUR VIEW, HAVE THE MOST SPENDING POWER RIGHT NOW? ARE THEY SAVING OR SPENDING?

The post-90s and post-00s. **As post-90s become the backbone of the labor force with stable incomes and the post-00s enter the workplace, the new generations shows substantial purchasing power.**

According to a report by the Research Institute of the Ministry of Commerce, post-90s accounted for nearly 50% of tourism consumers. Among Chinese catering consumers, those born after 1990 and 1995 account for 51.4%.

The young generations are more individualistic and open-minded in their consumption, but they also know how to manage their income reasonably.

For example, saving money with Yue Bao, Ant Financial's online spare money management platform. Also, more Chinese young people have engaged in purchasing funds as financial management and investment.



SHINE HU

ChemLinked
Market Research Analyst

EXPERT BITES

Q: WHAT CONSUMPTION GROUPS DO YOU ADVISE MARKETERS TO MONITOR IN Q2 2021?

Generation Z, i.e. young Chinese born after 1995, are the most influential consumers in the luxury sector. Growing up with the internet and social media, young people are the ones who are pushing brand digitization the most. **Gen Z seek limited, customizable collections and carefully choose the brands they trust.** They prefer sustainable brands and second-hand products. They expect brands to have specific goals and to take a political stance. However, young Chinese people are very patriotic and tend to support local brands.

By 2030, this consumer segment is expected to occupy the highest level of luxury shopping, not only in China but globally. A successful strategy for attracting Gen Z consumers must include social media and livestreaming.



ALBERTO ANTINUCCI

Digital Innovation Strategist
and China Expert

EXPERT BITES

Q: WHAT CONSUMER GROUPS, IN YOUR VIEW, HAVE THE MOST SPENDING POWER RIGHT NOW? ARE THEY SAVING OR SPENDING?

With sales of luxury goods in China doubling in 2020, 2021 is expected to see 30% growth. **Millennials dominate the luxury fashion and lifestyle market (currently 70%), with Gen Z consumers becoming the fastest growing group** when it comes to seeking designer editions and cross-brand collabs. It's no longer about Covid-19 revenge-spending, and **these key segments will continue to spend rather than save as consumer optimism continues to grow in China.**



MICHELLE CASTILLO

Director of Content and Insights
at Nuguru Wellness

EXPERT BITES

Q: WHAT CONSUMER GROUPS, IN YOUR VIEW, HAVE THE MOST SPENDING POWER RIGHT NOW?

Gen Z. At first I thought it might be Millennials, but then it occurred to me that **as a Millennial, I'm not a generous spender because at our age, we have to start being really independent and not ask for money from our parents.**

For Gen Z, most of them are still students, which means that it's okay to have parental financial support. Gen Z is also a generation that actively obtains information online and formed a habit of online shopping at an early age. **They know what they like, and they're very willing to pay for it. If there's something that can help them stand out among their peers, they'd love to get it.**



KEJIE YI

Content Manager at
China Marketing Insights

3 THE SILVER-HAIRED GENERATION

Chinese seniors are eager to benefit from China's fast-growing mobile technology. Accounting for 13% of the population in 2015 and with 255 million in 2020, the senior group is expected to account for 25% by 2050. With such eagerness to adopt new technology and tools, brands should look to meet the needs of the older generations, who desire experiences, social connections and learning opportunities.



EXPERT BITES



SEAN FAN

Marketing Executive at
Alarice and ChoZan

Q: WHAT IMPORTANT CHANGES DO YOU SEE IN THE CONSUMPTION BEHAVIOUR OF THE SILVER-HAIRED GENERATION?

Seniors are more active online than one might expect. They're often at home, have more free time, and want to stay connected to the community and society. That's why they like cell phones, cameras and other electronic devices. They're also willing to adapt to internet culture so they increasingly prefer to use information apps like Toutiao, short video apps, such as Kuaishou and Douyin, as well as mobile payment apps like Alipay. The proportion of online consumption by seniors is growing. **According to second-hand sales platform Xianyu, in 2020, cell phone and tablet transactions reached 1.46 million units among users over 50 years old.**

GOT A QUESTION? DROP SEAN AN EMAIL BY SCANNING THE QR CODE



CONSUMER INSIGHTS

THE SILVER-HAIRED GENERATION - INTRODUCTION

Interesting facts

Seniors represent one of the fastest-growing segments of mobile netizens in China.

Among these senior netizens, there are significantly more female users than male (57.1% v.s. 42.9%). Around 43% of the active senior netizens are from Tier 1 and Tier 2 cities.

These senior netizens use a variety of applications for social networking (WeChat and QQ), videos (iQiyi), and information gathering. More than 40% of them also use Taobao and Alipay.

Shopping attitudes and behaviours

More and more senior consumers are becoming a part of the online shopping force, especially during the height of the epidemic in China. Most of them use Taobao for online shopping, followed by JD and Pinduoduo.

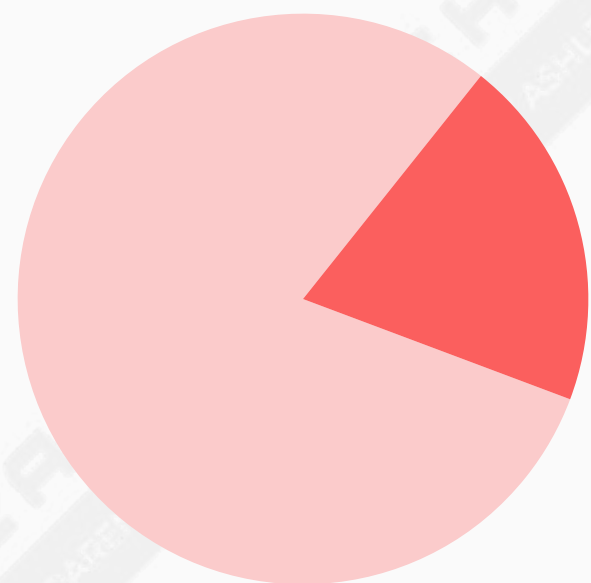
What are they interested in purchasing?

- 1) Home appliances
- 2) Health supplements
- 3) Travel products and services
- 4) Insurance and financial products

CONSUMER INSIGHTS

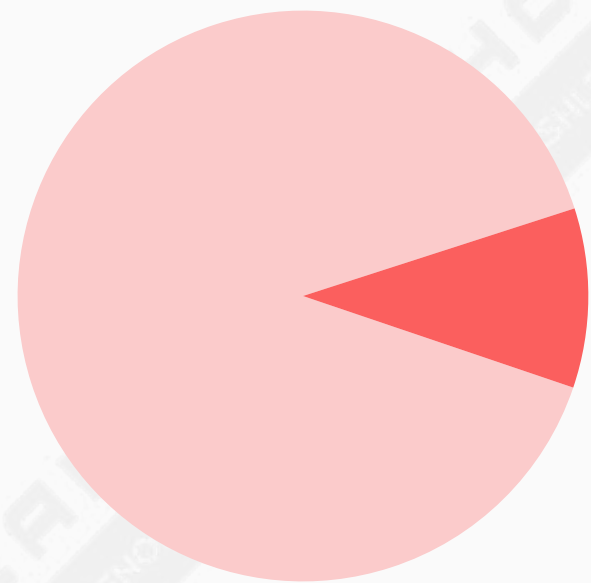
THE SILVER-HAIRED GENERATION

According to forecasts from the World Health Organization, by 2050, 35% of China's population will be over 60 years old.



254 MILLION

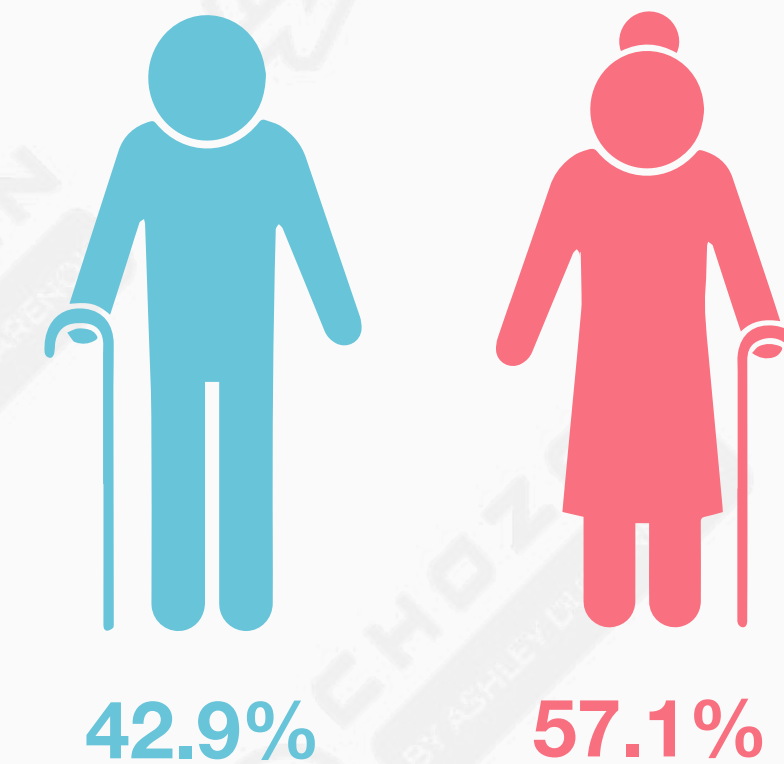
18% OF CHINA'S POPULATION WAS OVER 60 BY THE END OF 2019



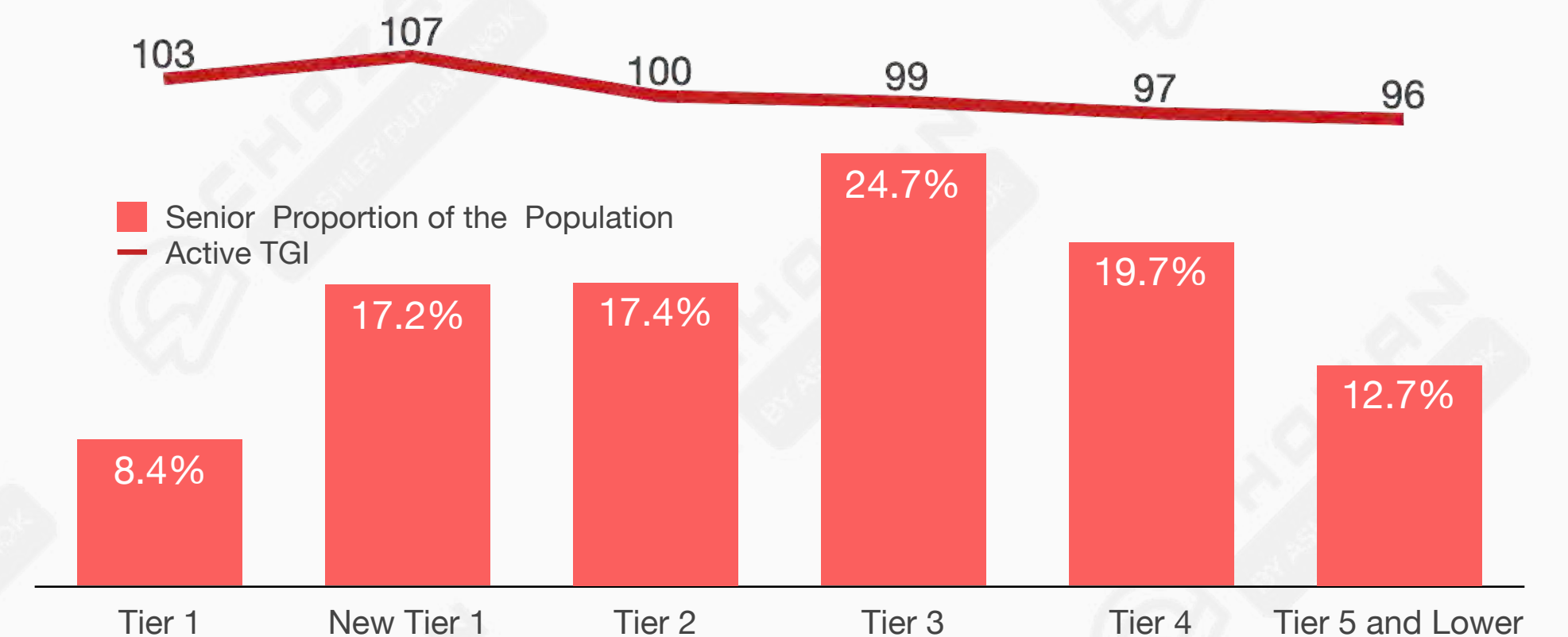
10.3%

OF INTERNET USERS WERE OVER 60

GENDER RATIO OF OLDER NETIZENS (MAY 2020)



SILVER-HAIRED NETIZENS BY CITY TIER (JUNE 2020)

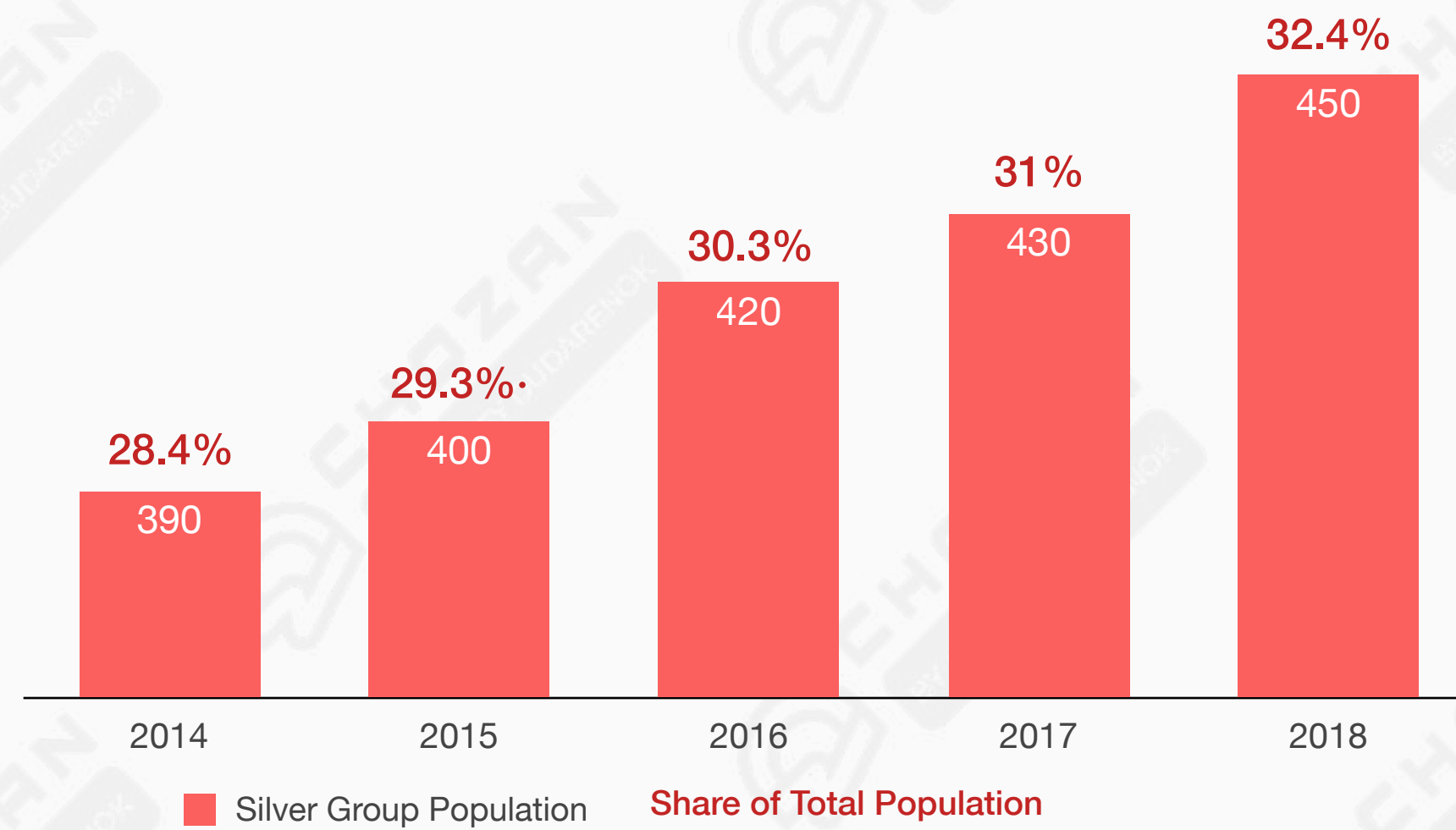


CONSUMER INSIGHTS

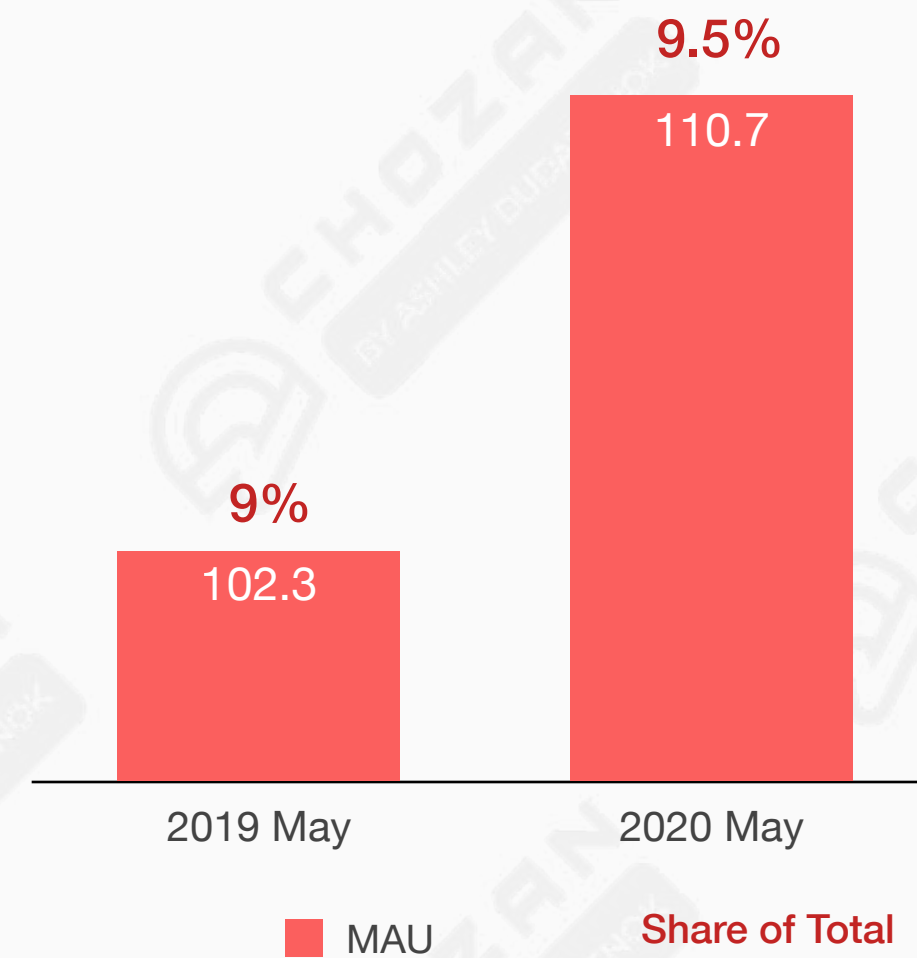
THE SILVER-HAIRED GENERATION - GROWTH

With a third of the population reaching over the age of 50, China's senior population is fast-growing and a solid source of online opportunities for the elderly economy.

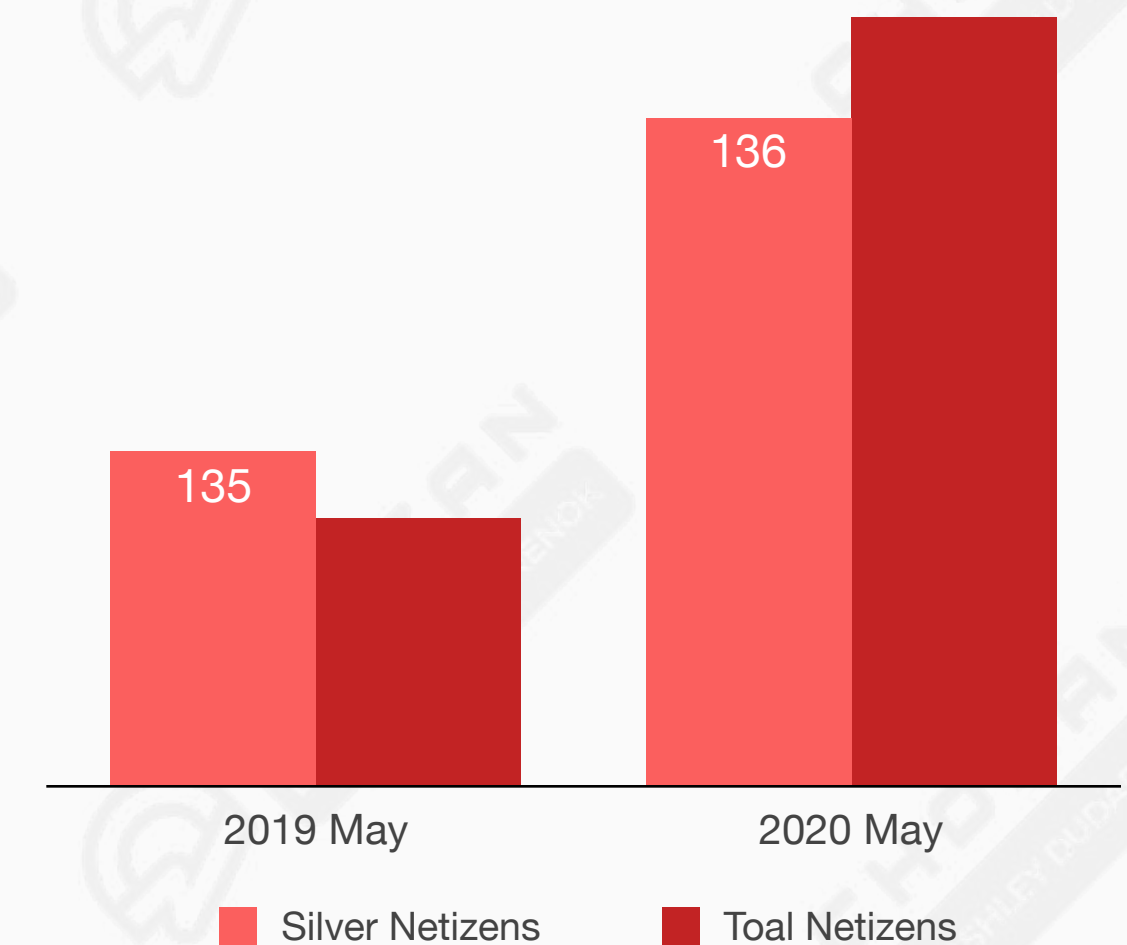
THE SENIOR POPULATION (2020, IN MILLIONS)



SENIOR NETIZENS WHO ARE MONTHLY ACTIVE USERS (2020, IN MILLIONS)



SENIOR NETIZENS' AVERAGE USE TIME (IN HOURS)

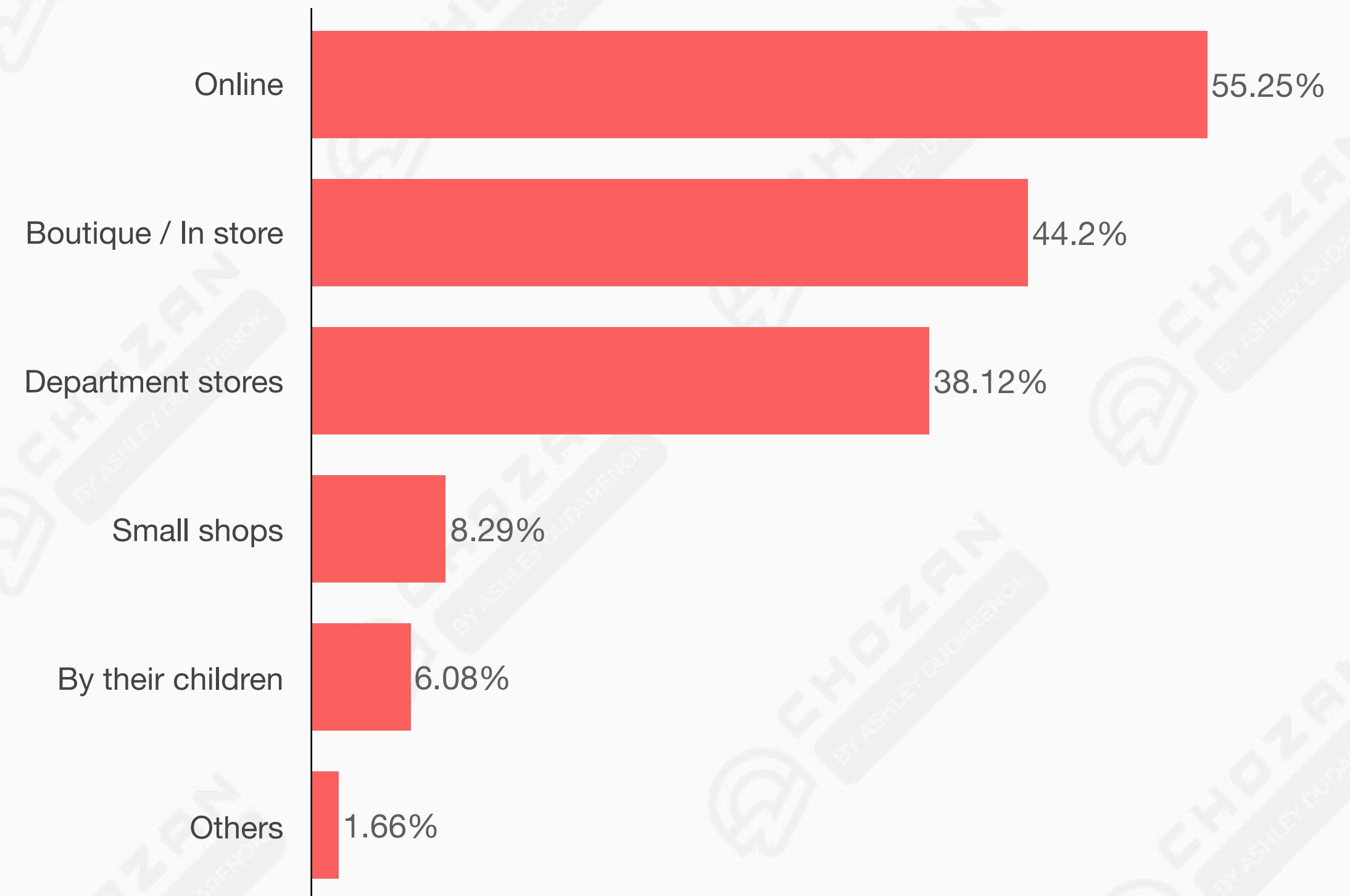


CONSUMER INSIGHTS

THE SILVER-HAIRED GENERATION - ONLINE LUXURY SHOPPING DOMINATES

Chinese seniors are performing a significant portion of their Chanel purchases online. It's indicative of an overall preference among silver-haired netizens to shop online for luxury brands and products.

CHINESE SENIORS' APPAREL PURCHASE METHODS - CHANNEL, H1 2020



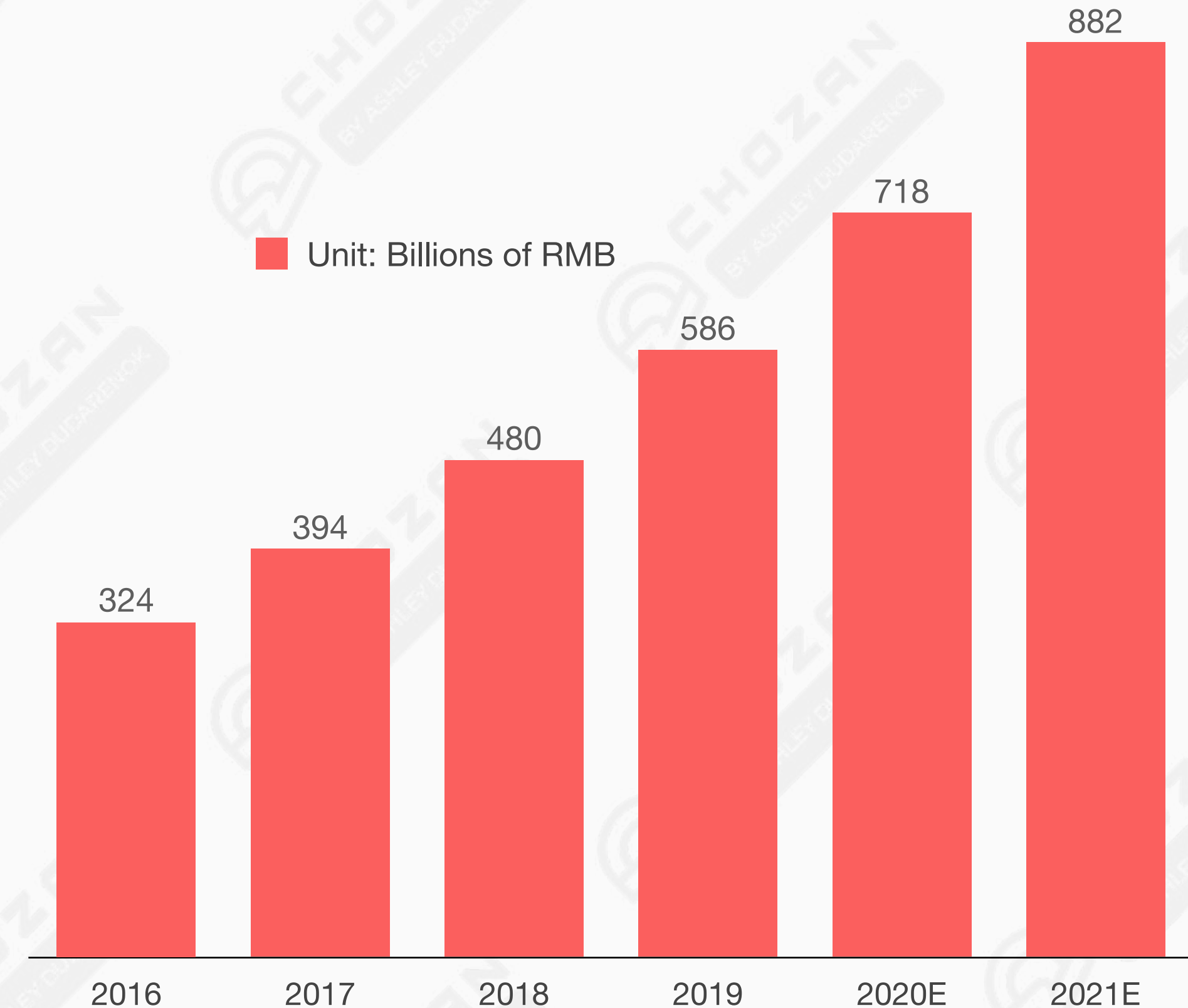
CONSUMER INSIGHTS

THE SILVER-HAIRED GENERATION - SOCIAL ENTERTAINMENT

SOCIAL ENTERTAINMENT FOR SENIORS

MARKET SIZE AND FORECAST (2016 TO 2021)

China's seniors' social entertainment market was 324 billion RMB in 2016 and is expected to reach 882 billion RMB in 2021. iiMedia Consulting analysts believe that as the aging of the population gains pace, the level of entertainment consumption and needs of the elderly will no longer be limited to basic care. Brands will pay more attention to seniors' physical and mental needs in the social entertainment sphere.



CONSUMER INSIGHTS

THE SILVER-HAIRED GENERATION - PURCHASING TRENDS

MONTHLY CONSUMPTION EXPENDITURE STRUCTURE FOR THE ELDERLY (H1 2020)

In addition to daily necessities such as clothing and food, the elderly in China also consume health products, electronic products and educational services. Their average monthly consumption is predominantly in the less than 500 to 1,000 RMB range. iiMedia Consulting analysts believe that with an improvement in the living standards of the elderly and changes in consumption habits, their future consumption will diversify, increasing their consumption expenditures.

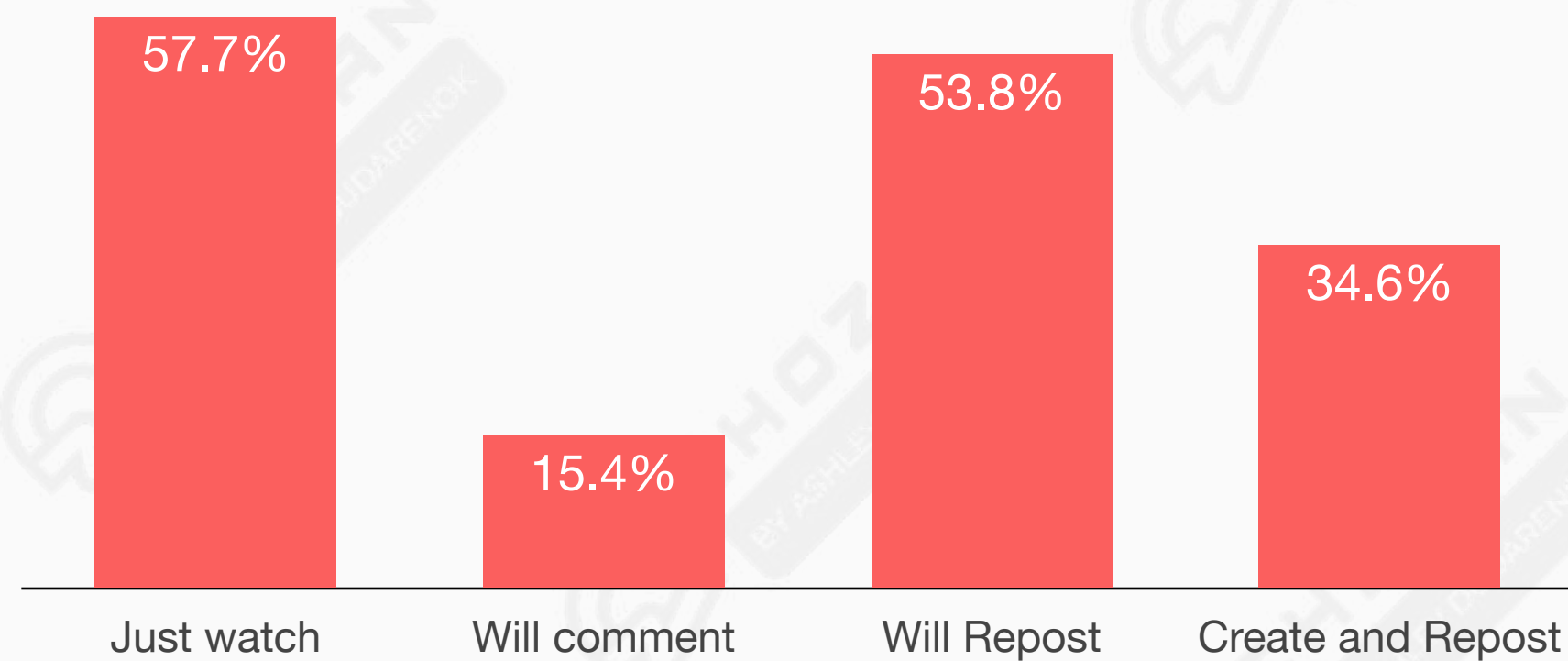
	< 500 RMB	500-1,000 RMB	1,000-2,000 RMB	> 2,000 RMB
Apparel	42.7%	25.47%	26%	2.8%
Food	21%	38.7%	29.8%	8.8%
Supplements	35.4%	21%	12.7%	3.3%
Electronics	35.4%	28.7%	14.9%	12.2%
Elderly Education	21.6%	18.2%	11.1%	3.3%
Other	34.8%	24.9%	8.8%	3.3%

CONSUMER INSIGHTS

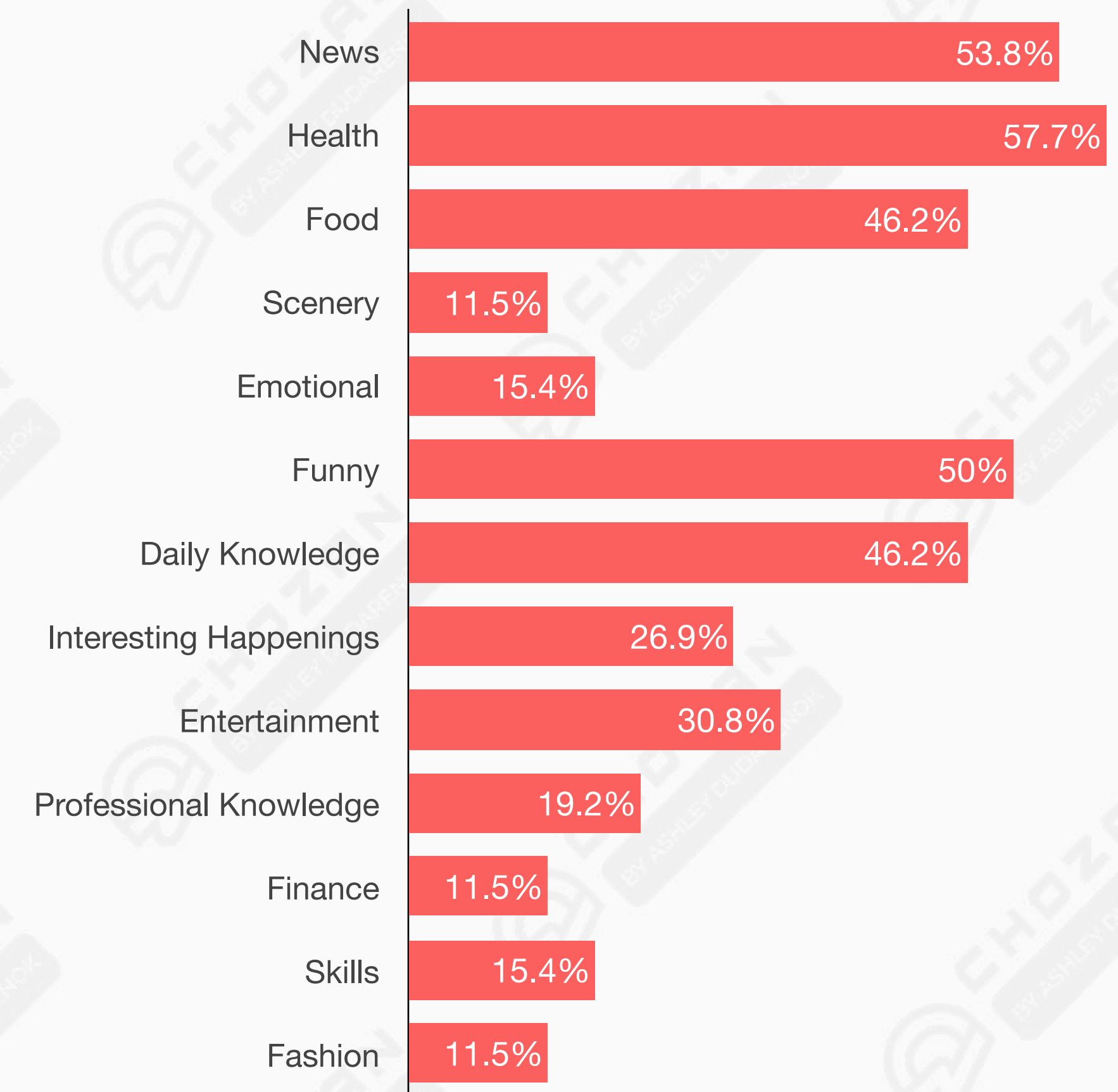
THE SILVER-HAIRED GENERATION - SHORT-VIDEO PLATFORMS

More than half of senior netizens in China will watch and repost short-video content. Their favourite content categories are health, funny videos and news.

SENIOR NETIZENS BEHAVIOURS IN SHORT-VIDEO PLATFORMS, 2020



CHINESE SENIORS' FAVOURITE SHORT-VIDEO CONTENT, 2020

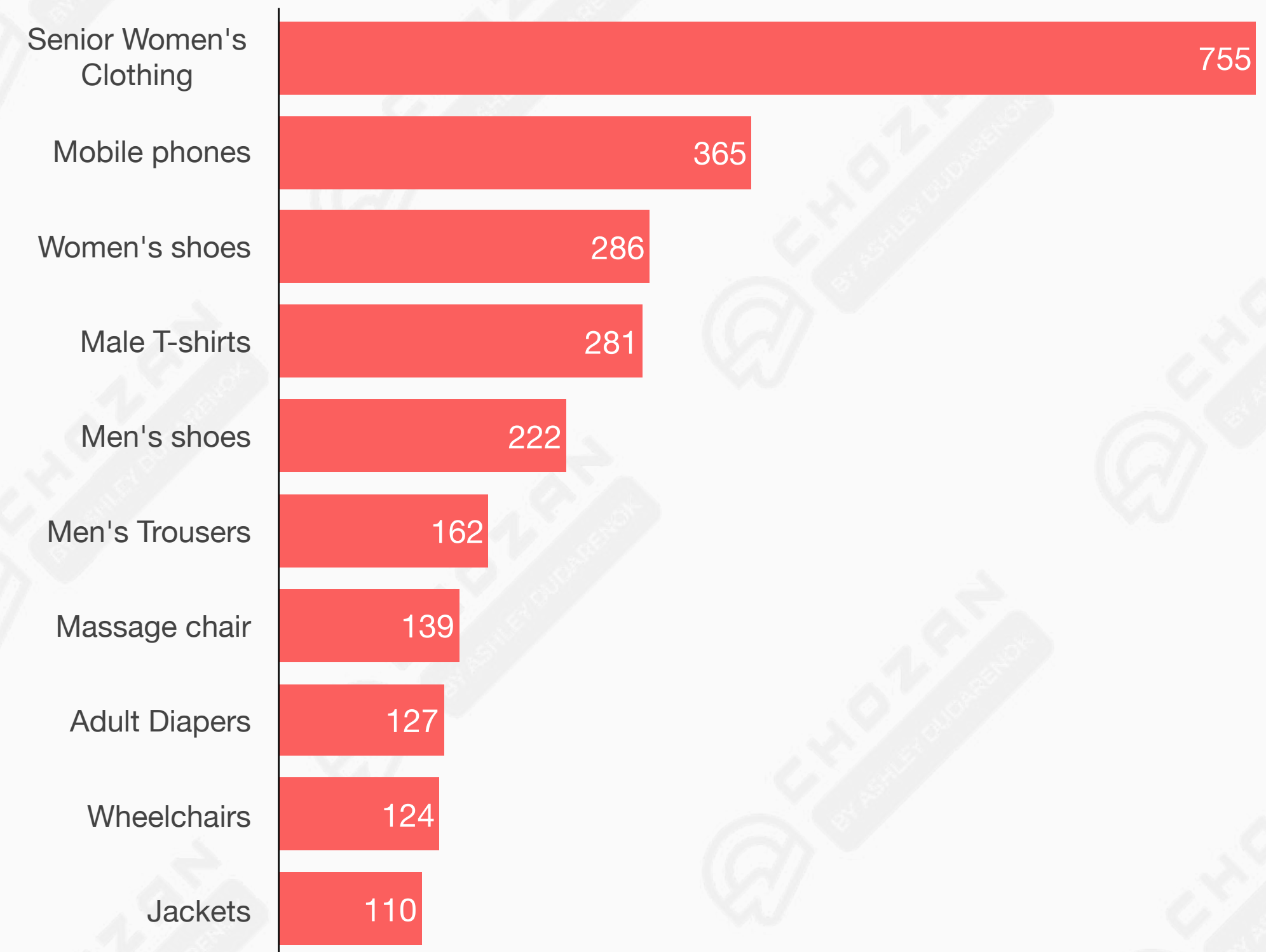


CONSUMER INSIGHTS

THE SILVER-HAIRED GENERATION - CONSUMER GOODS SALES

Senior women's clothing is the most purchased product among other senior associated consumer goods.

CHINESE SENIORS CONSUMER GOODS SALES, APR 2020 (MILLION RMB)



EXPERT BITES

Q: WHAT CONSUMPTION GROUPS DO YOU ADVISE MARKETERS TO MONITOR IN Q2 2021?

We'd like more brands, particularly in nutrition, to begin understanding China's pre-retirees and retirees. These groups lead physically active lives which are poorly understood and poorly met by existing nutrition propositions. Further, **China's pre-retirees and retirees have embraced personal comfort and personal fulfilment in retirement, leading to a new array of travel, dining, spending and gifting habits.** This will bend or break longstanding stereotypes about China's retirees being penny-pinchers.



MICHAEL NORRIS

Research and Strategy Manager
at AgencyChina

4 CHINESE MEN

Chinese men are starting to care more about their appearance and this trend will continue in 2021. In 2020, about 30% of cosmetic medicine consumers in China were male.



CONSUMER INSIGHTS

CHINESE MEN (OVER 40) - INTRODUCTION

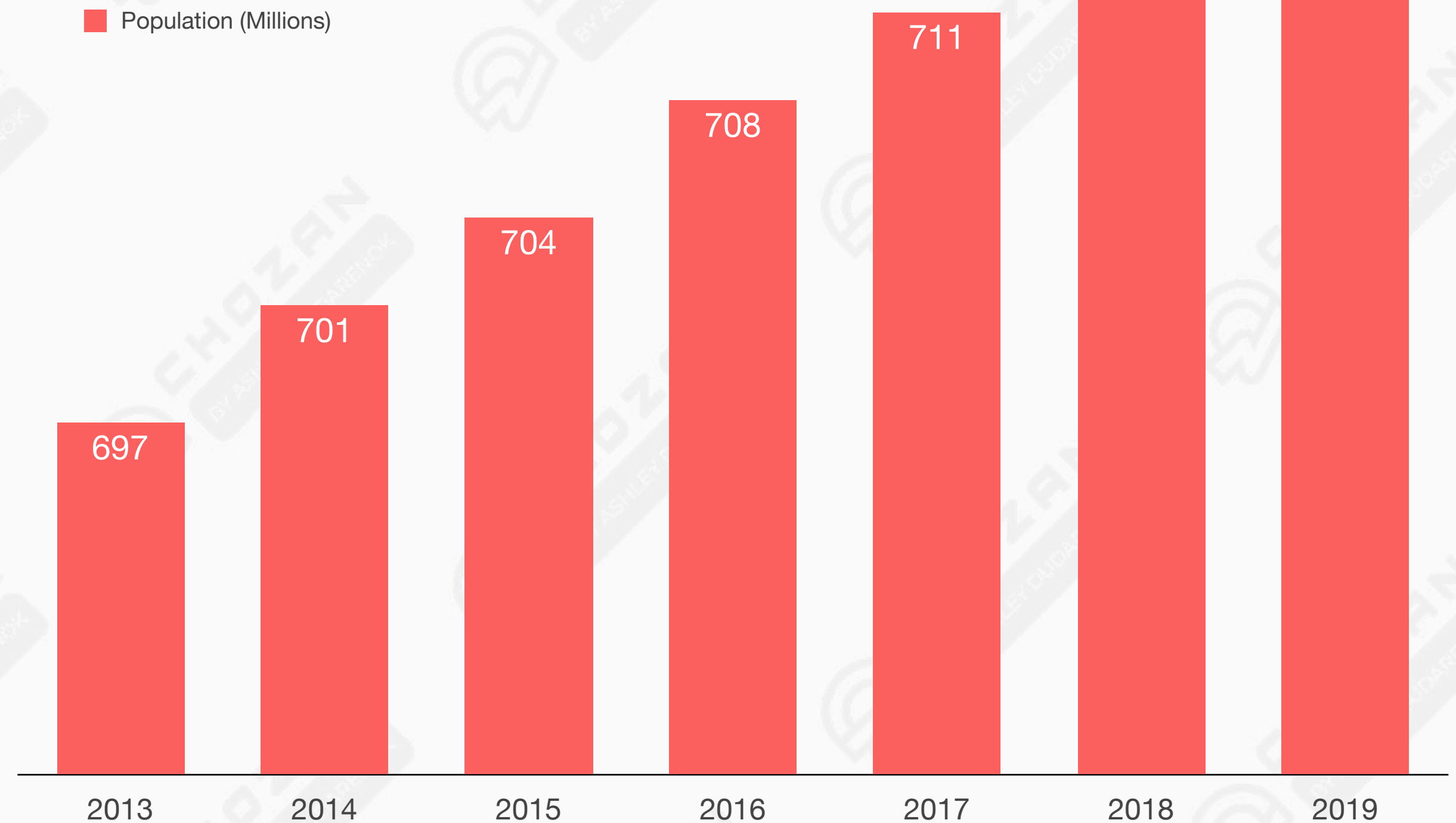
Interesting facts	Shopping attitudes and behaviours	What are they interested in purchasing?
<p>Men are keen on advanced consumption and are the major consumers of high-end products.</p> <p>Whether its PCs or mobile phones, there are more male consumers than female consumers.</p>	<p>Male consumers have varied and detailed consumption preferences that change with age. Men of different ages desire different types of products.</p> <p>Male consumers are more curious about new brands and products than their female counterparts.</p>	<ol style="list-style-type: none">1) 3C products2) Home appliances3) Auto accessories4) Tobacco & alcohol5) Skin care products

CONSUMER INSIGHTS

CHINESE MEN (OVER 40) - POPULATION

The number of older men is growing as the population ages and, because they outnumber women, they're a more diverse group.

OLDER MALE POPULATION FROM 2013-2019



CONSUMER INSIGHTS

CHINESE MEN (OVER 30) - SELF-IMAGE

Over 60% of older male netizens have a positive attitude when it comes to improving their appearance and there's been a lot of promotion for products and services to help men maintain or improve their appearance. Personal image management and appearance enhancement for men in China is a huge space to tap, but current market development is still relatively slow. As image management acumen increases, the market will continue to develop.

MALE WEB USERS' ATTITUDES TOWARD IMPROVING THEIR APPEARANCE (Q1 2020)

Support	%
Aged 25 or below	74.4%
26-35 years old	65.4%
36-45 years old	63.6%
Aged 46 or above	61.1%

MALE WEB USERS' POSITIVE ATTITUDES TO BUYING APPEARANCE-RELATED PRODUCTS (Q1 2020)



76.8%

Aged 25 or below



52.1%

25-35 years old



55.6%

36-45 years old



38.2%

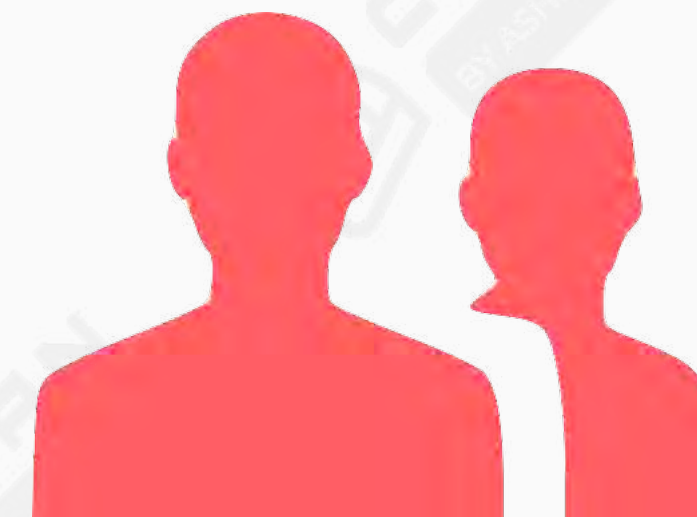
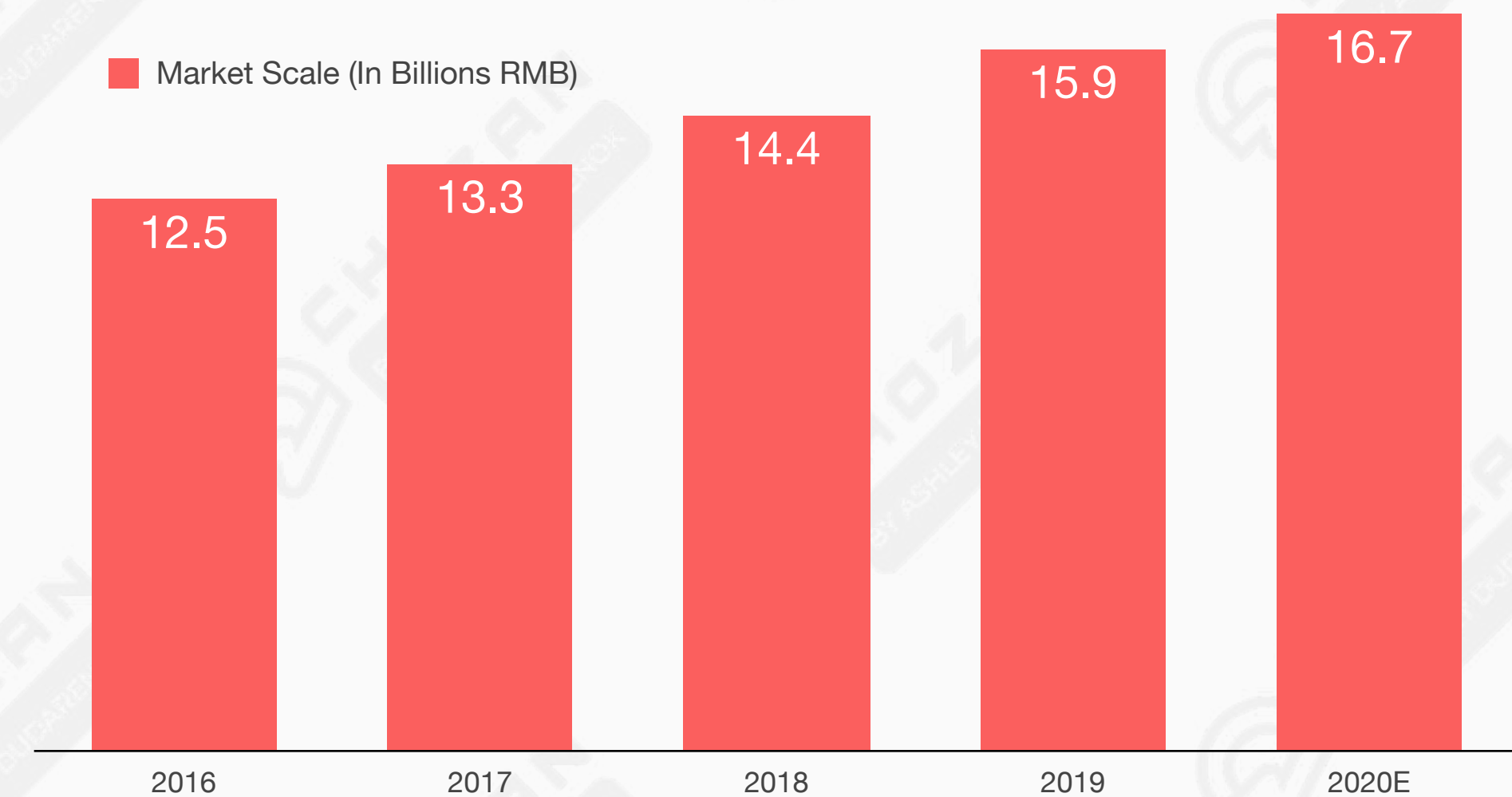
Aged 46 or above

CONSUMER INSIGHTS

CHINESE MEN (OVER 30) - SELF-IMAGE

The male grooming sector reached 15.89 billion RMB in 2019 and is expected to reach 16.72 billion RMB in 2020, according to data from iiMedia Research. iiMedia Consulting analysts have found that men's willingness to consume grooming and skin care products has increased, and beauty products for men are appearing in the market. However, market growth is still relatively slow. For the grooming market to fully take off, concepts of male image management and trends for male self care need to take deeper hold.

MARKET SCALE AND FORECAST FOR MALE GROOMING RETAIL SALES (2016-2020)



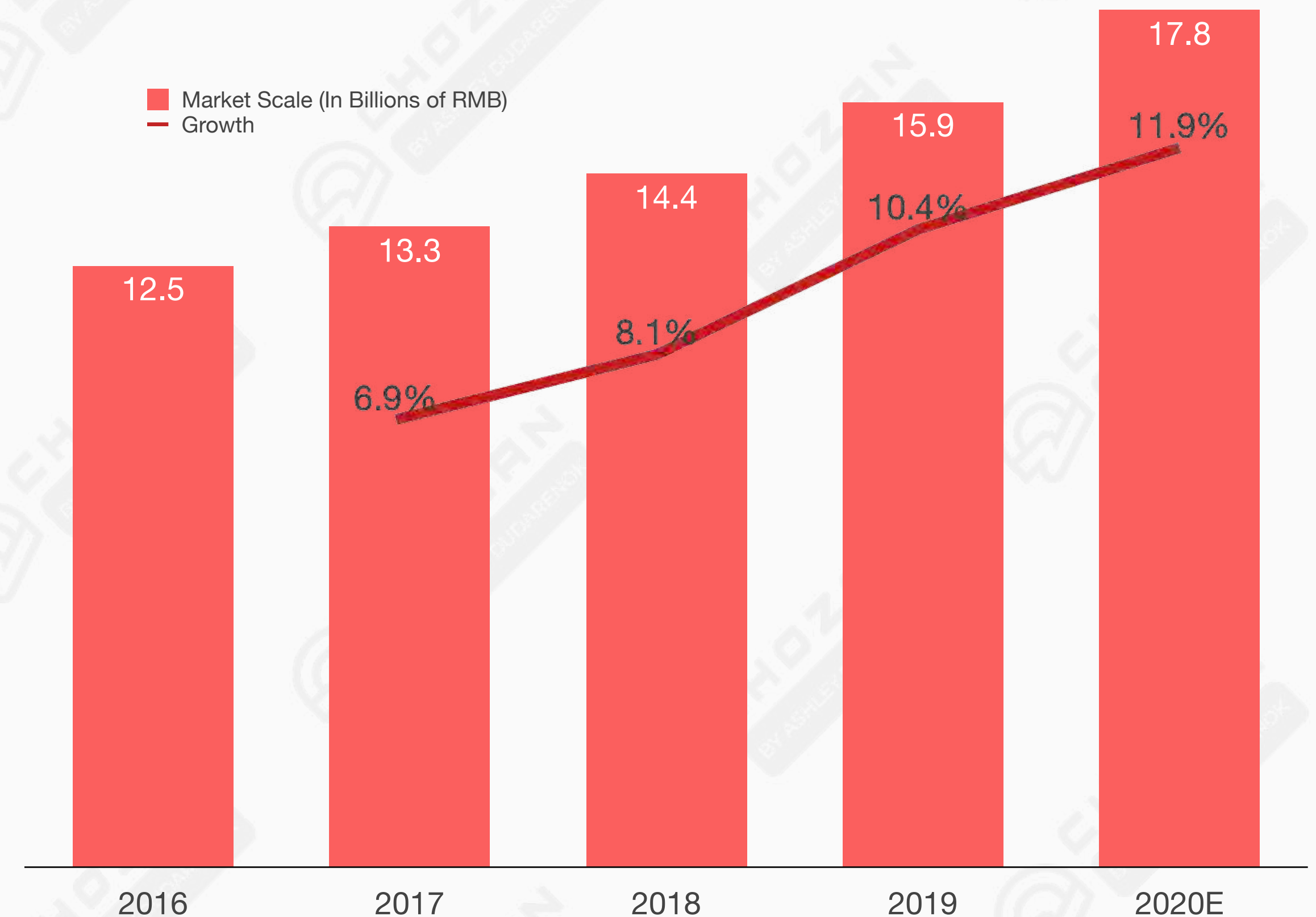
65.1%
OF MEN HAVE A POSITIVE
ATTITUDE TOWARD
IMPROVING THEIR
APPEARANCE

CONSUMER INSIGHTS

CHINESE MEN (OVER 30) - THE GROWTH OF GROOMING

What's often referred to as the "male beauty" sector in China has a new dad group that's been paying more attention to personal care, grooming and skin care products. Sales for these kinds of products has increased year by year. This is clearly reflected in an increase in the number of new personal care products labelled for and targetting this group of new dads. This upward trend also reflects the vitality and development potential of the overall market.

CHINESE MEN'S GROOMING RETAIL SCALE AND FORECAST (2016-2020)



CONSUMER INSIGHTS

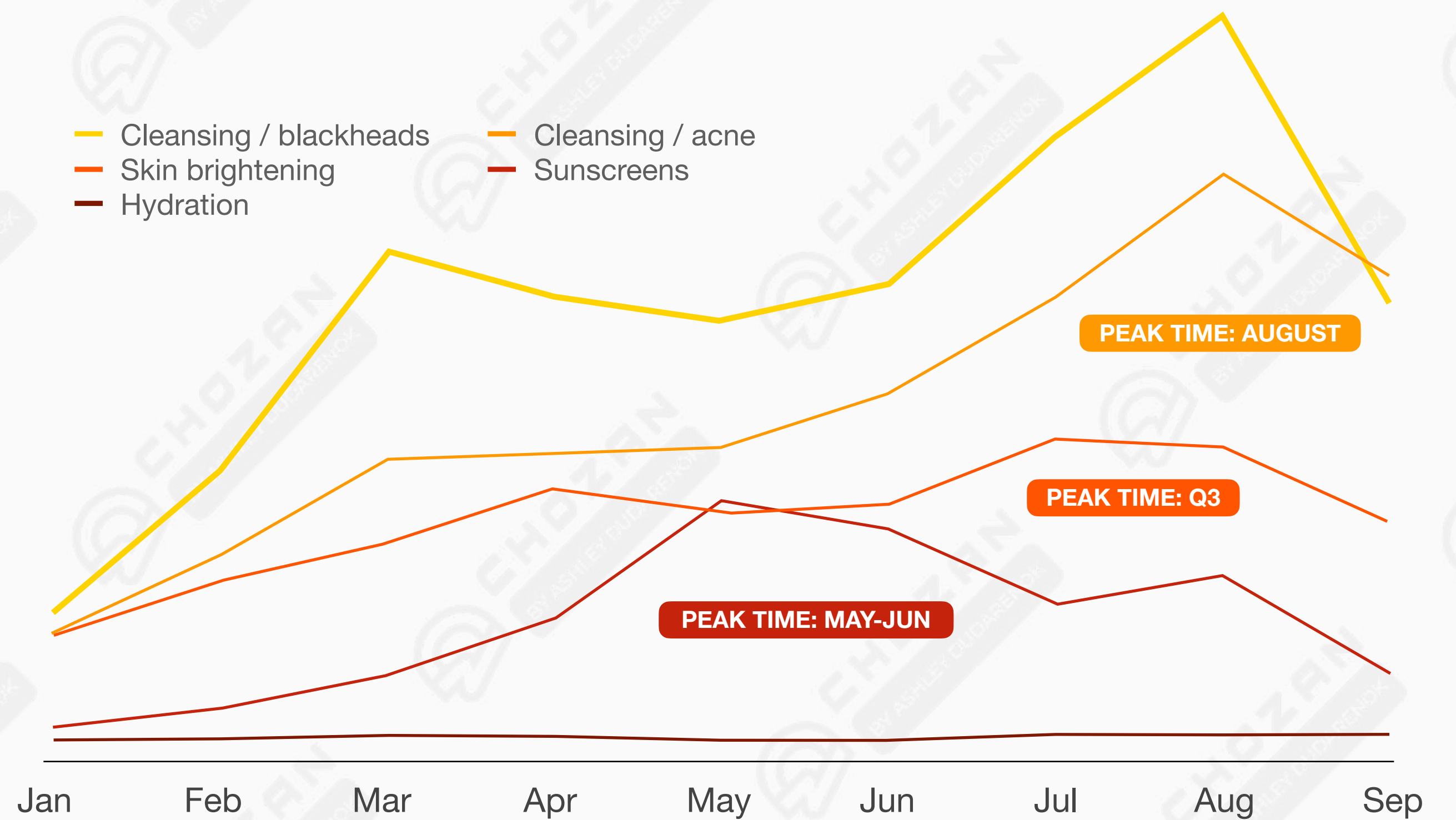
CHINESE MEN - SKINCARE

Men's skincare is trending and brands should target their marketing for peak shopping months to maximize results.

YOY GROWTH IN SUBSCRIPTIONS AND TRAFFIC FOR BEAUTY CONTENT BY GENDER (Q3 2020)

	MALE	FEMALE
Skincare	+58%	+28%
Cosmetics	+12%	+37%

SEARCH TRENDS FOR MEN'S SKINCARE TOPICS ON DOUYIN (JAN.-SEPT. 2020)

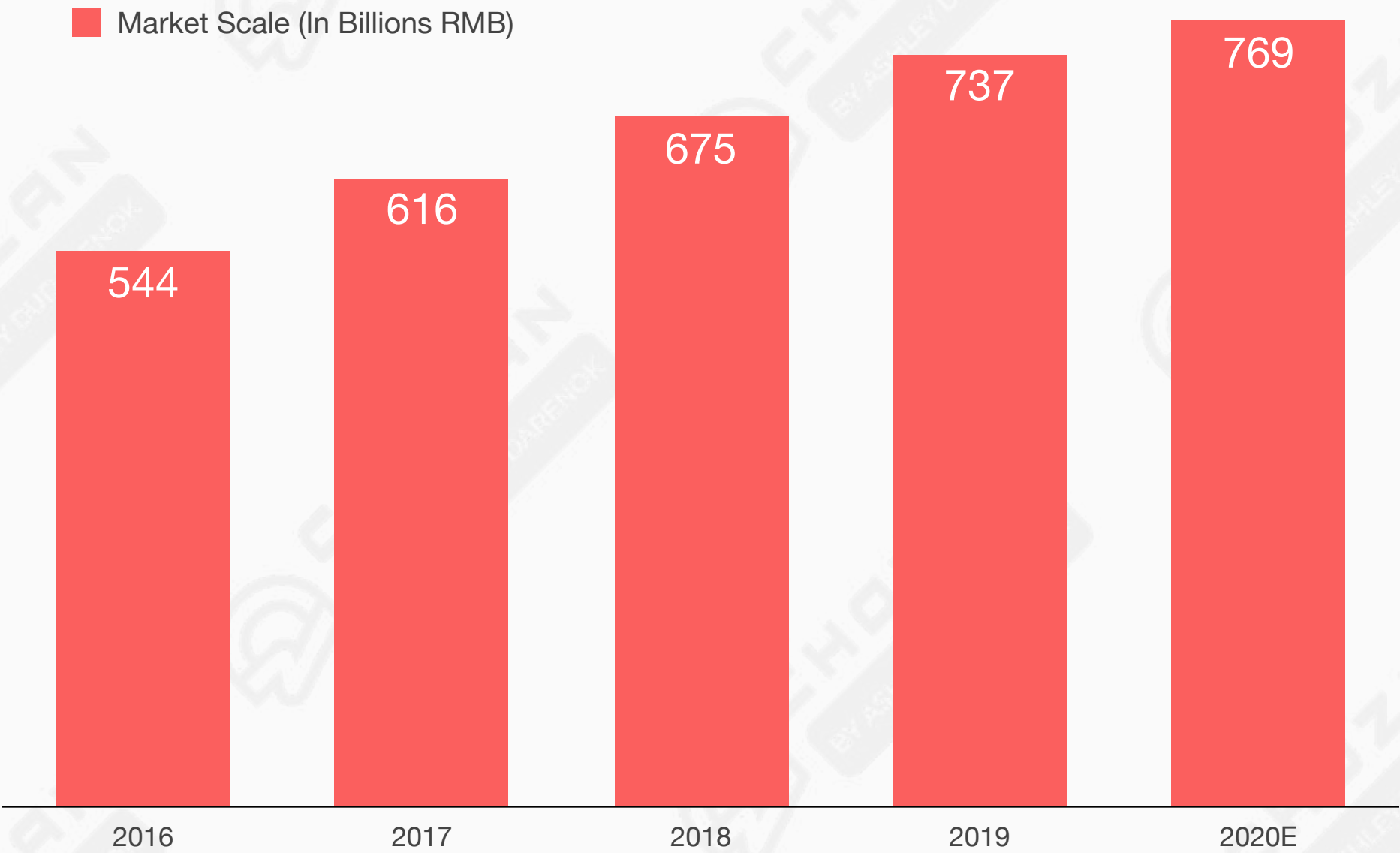


CONSUMER INSIGHTS

CHINESE MEN (OVER 30) - CLOTHING PREFERENCES

There's steady growth in men's clothing sales, with brands such as Heilan Home and Youngor experiencing the highest demand.

MENSWEAR SALES VOLUME (2016-2020)



REVENUE OF CHINA'S TOP MEN'S AND SPORTSWEAR COMPANIES (H1 2019)

	Revenue (RMB)	Revenue Growth	Business
Heilan Home	10.7 Billion	7.07%	Menswear
Youngor	4.6 Billion	27.8%	Menswear
Semir Garment Co	8.2 Billion	48.6%	Sports
Anta Sports	14.8 Billion	40.3%	Sports
Li-Ning	6.3 Billion	32.7%	Sports

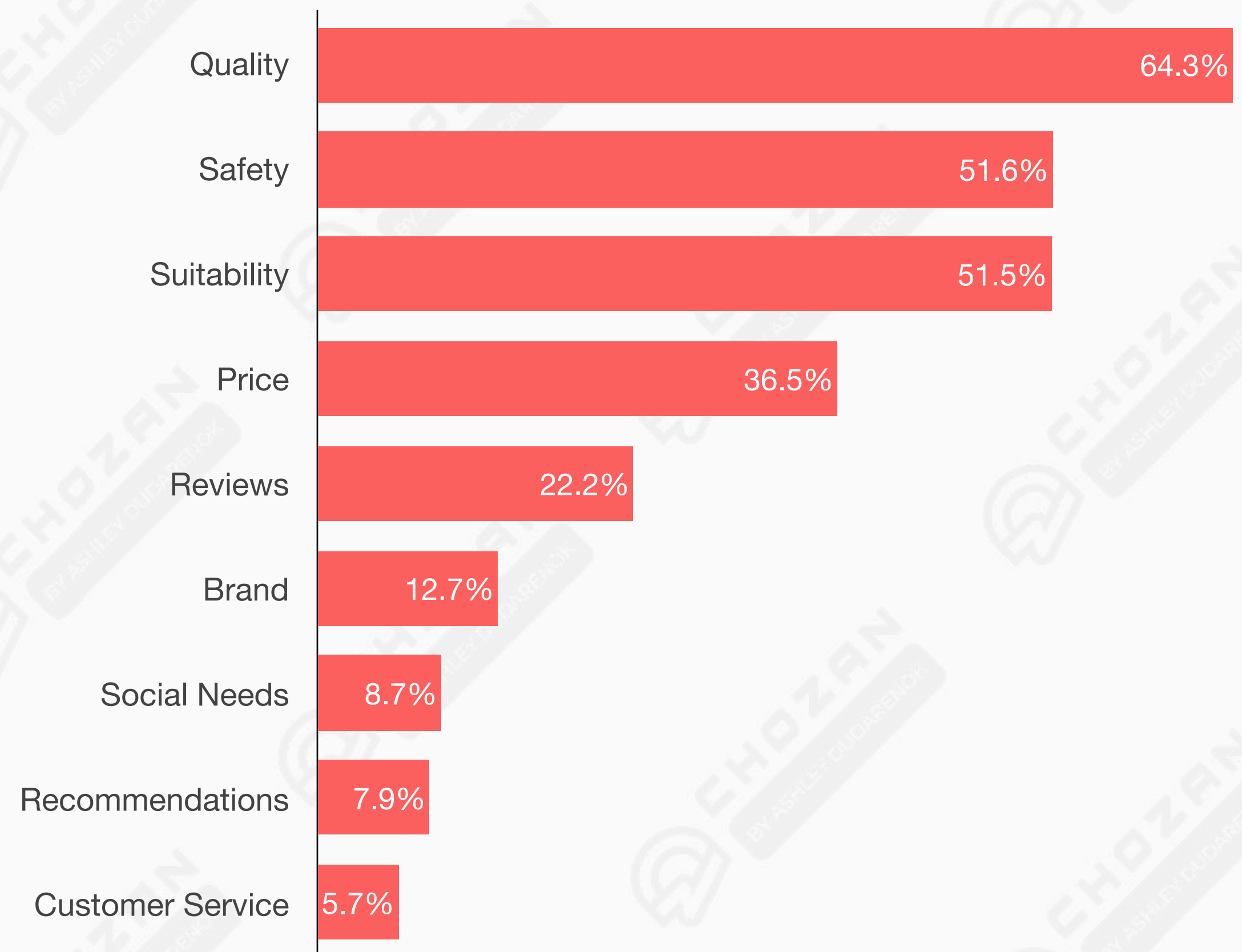
CONSUMER INSIGHTS

CHINESE MEN (OVER 30) - FORMING DEMAND

Young men have a great desire to improve their appearance. In a survey, 74.4% of male netizens under the age of 25 have a positive attitude toward improving their appearance and 76.8% want to buy male grooming products.

Male netizens over the age of 45 have the lowest demand conversion rate. Although over 60% have favourable attitudes toward improving their appearance, less than 40% are willing to buy grooming products. Young male consumers are the main force in this sector and pay more attention to their image. Companies should keep a close eye on young consumers while actively exploring the middle-aged male market.

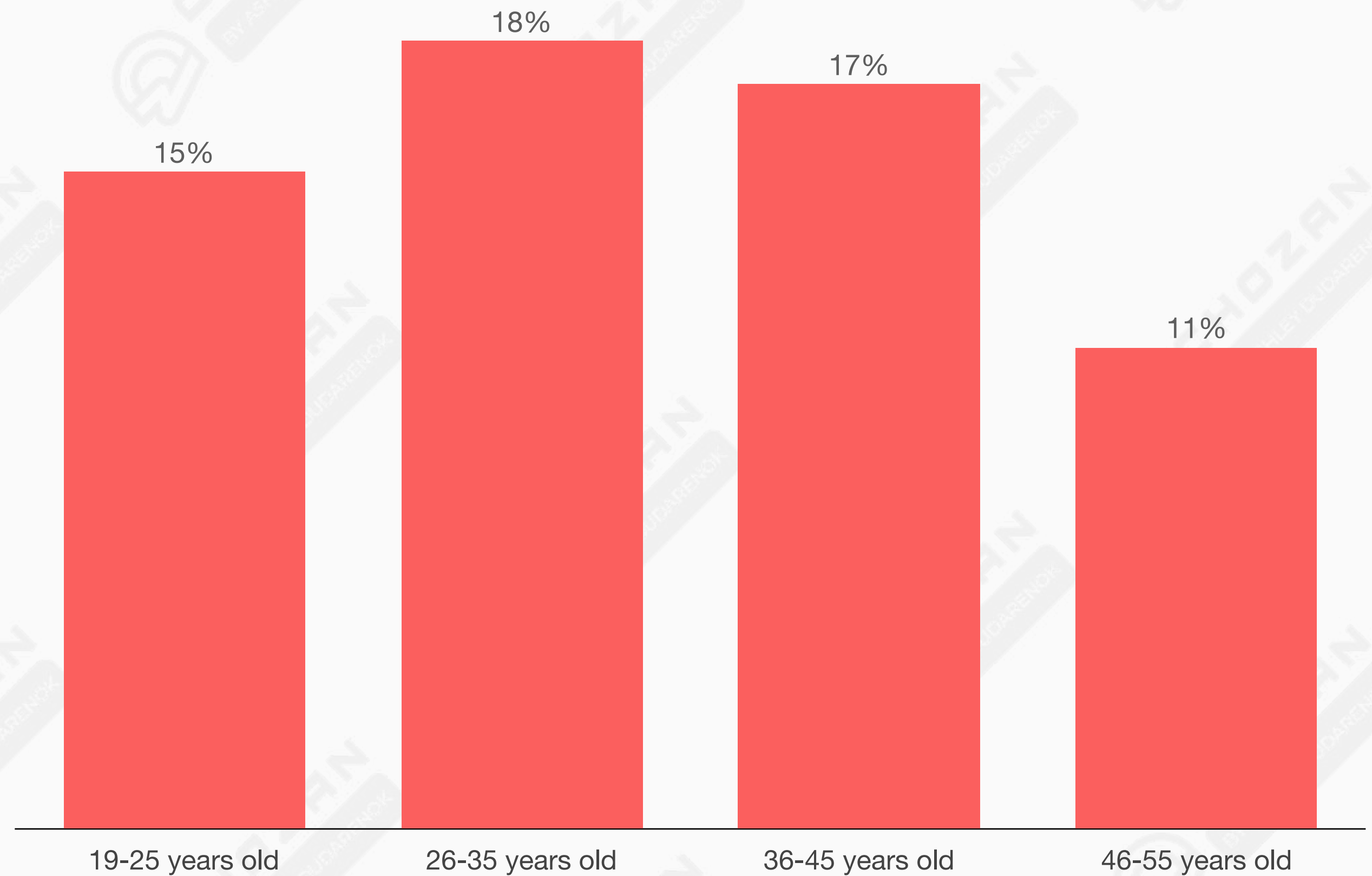
FACTORS INFLUENCING THE CHOICES OF MALE WEB USERS FOR GROOMING PRODUCTS (Q1 2020)



CONSUMER INSIGHTS

Men older than 36 years old are active online shoppers who account for around 28% of online e-commerce activity.

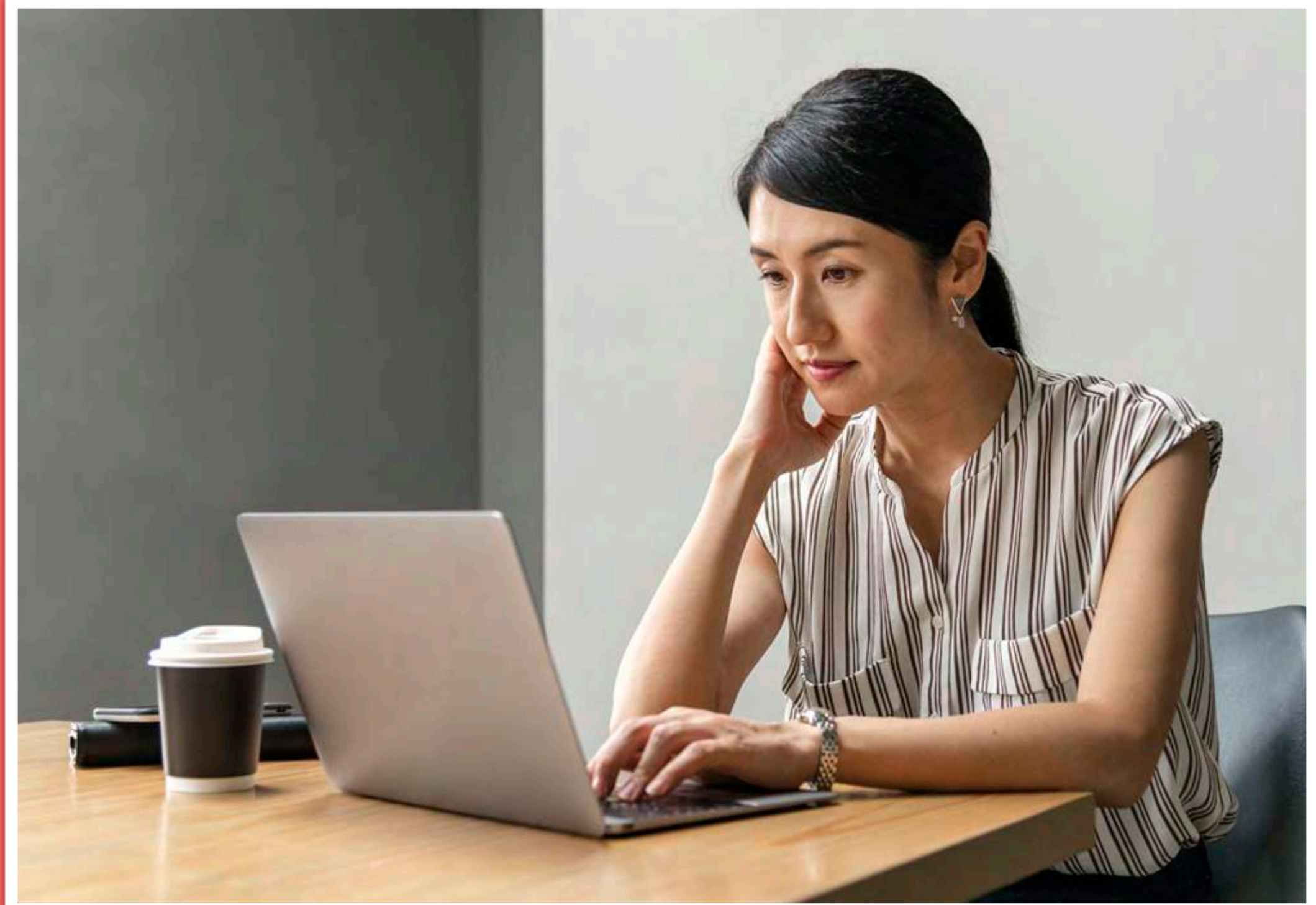
E-COMMERCE ACTIVITY BY AGE GROUP



5 FEMALE INTERNET USERS

Chinese women with higher education and greater participation in the workforce have more financial autonomy and personal freedom. 56% of the female population completed secondary school and enrolled in tertiary education, while only 46% of men do so.

Women are spending more on themselves. Cosmetics sales rose 13% in 2019, while aesthetic medical services have grown 24% in five years. Not only are women spending on themselves, but they're also responsible for three quarters of household purchasing decisions. Women represent a significant power in China's market.



CONSUMER INSIGHTS

CHINESE WOMEN - INTRODUCTION

Interesting facts

The number of female Internet users has been growing. According to QuestMobile, in February, the average amount of time women spent on the internet also increased 43% YoY, 5% higher than average.

The apps most commonly used by women focus on social networking, videos and e-commerce. Among them, women are very interested in short videos, and the amount of time spent on Douyin is second only to WeChat.

The female user portrait has changed. There's an increasing number of female users from Tier 3 cities and lower. The age structure is becoming more balanced, with more teenagers and senior women using the mobile internet.

Shopping attitudes and behaviours

Women have increasingly extensive channels to understand merchandise. Recommendations, promotions, group buying and livestreaming have great influence on female consumers.

They love social-sharing shopping, which is fully reflected in WeChat mini-programs. Female users account for more than a half of Jingxi and Pinduoduo WeChat mini-programs, both of which are famous for group buying.

What are they interested in purchasing?

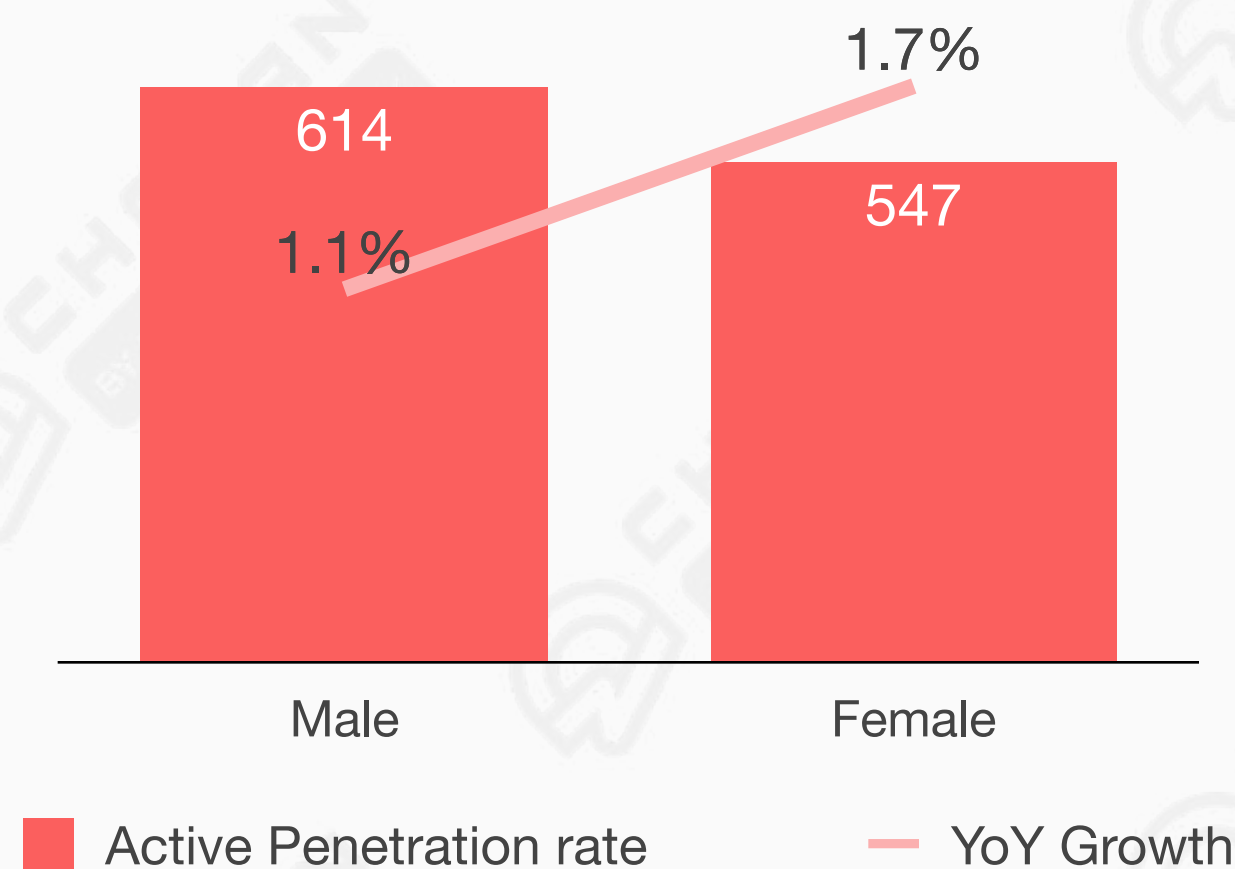
- 1) Luxury products
- 2) Products that improve quality of life
- 3) Small home appliances
- 4) Educational courses
- 5) Fitness-related products

CONSUMER INSIGHTS

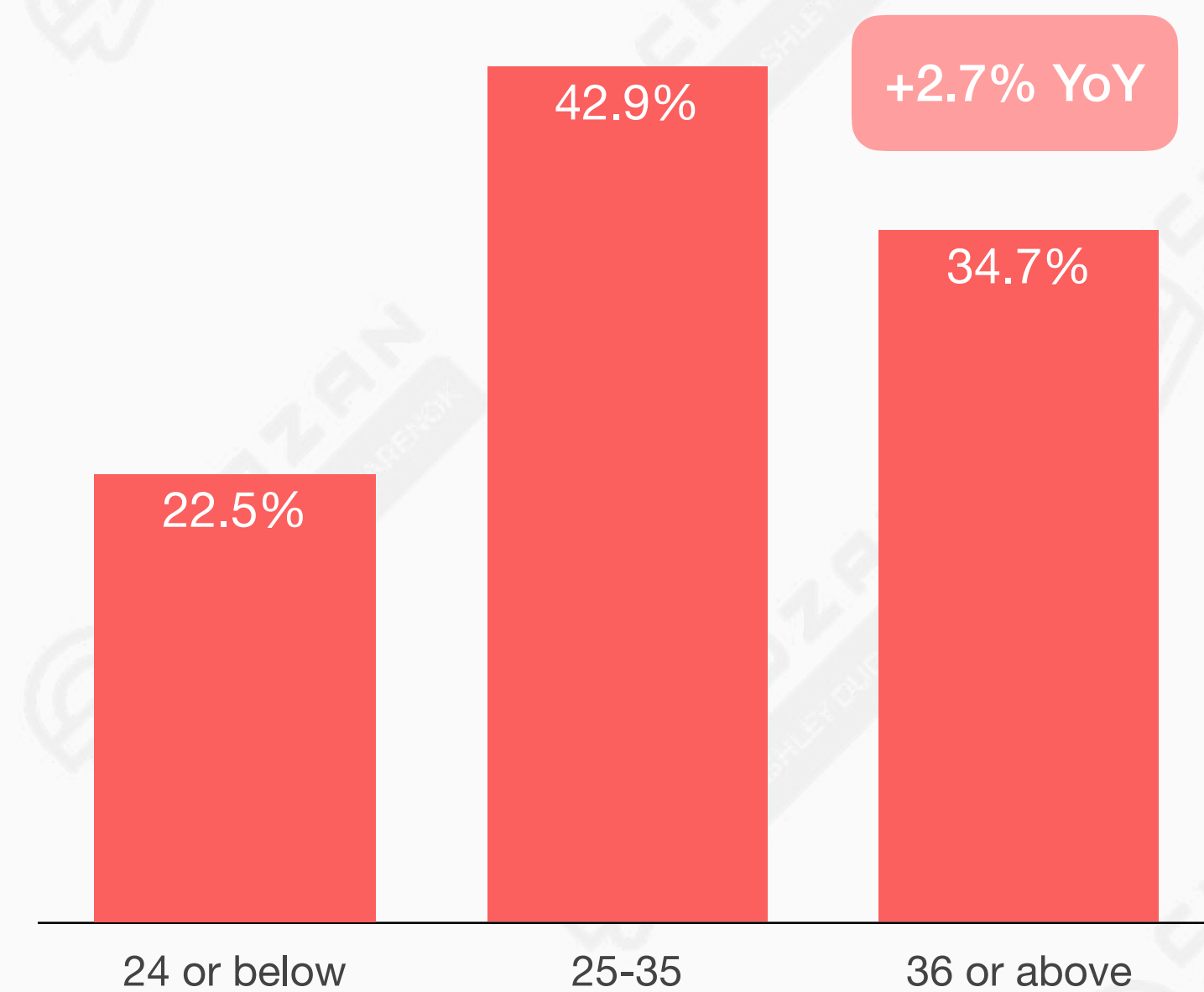
FEMALE INTERNET USERS - AGE GROUPS

Female internet users in China reached 547 million in 2021, female users are mainly those aged 25-35 and female users aged 36 and above is increasing.

INTERNET USERS AMONG GENDER, JAN 2021 (MILLION)



FEMALE INTERNET USERS AMONG AGE GROUP, JAN 2021

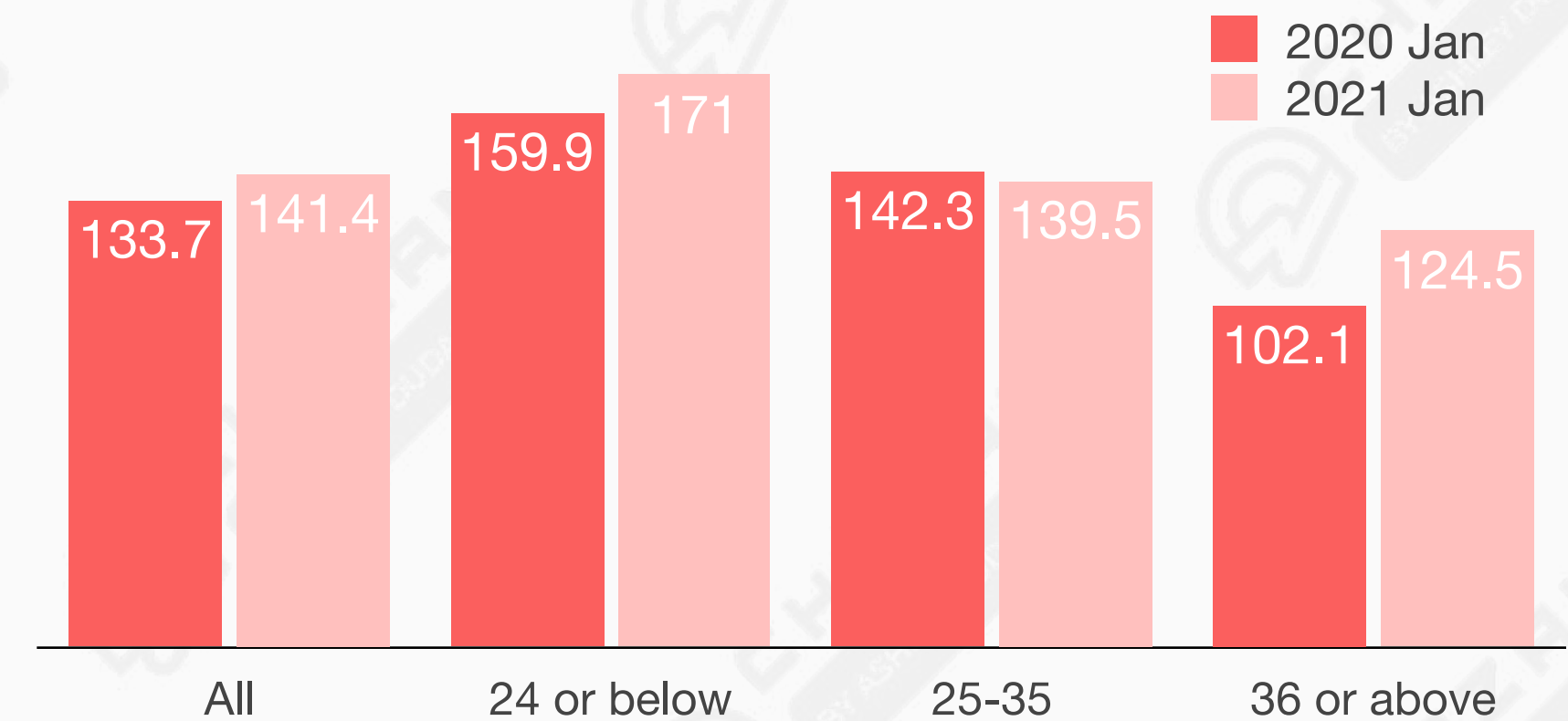


CONSUMER INSIGHTS

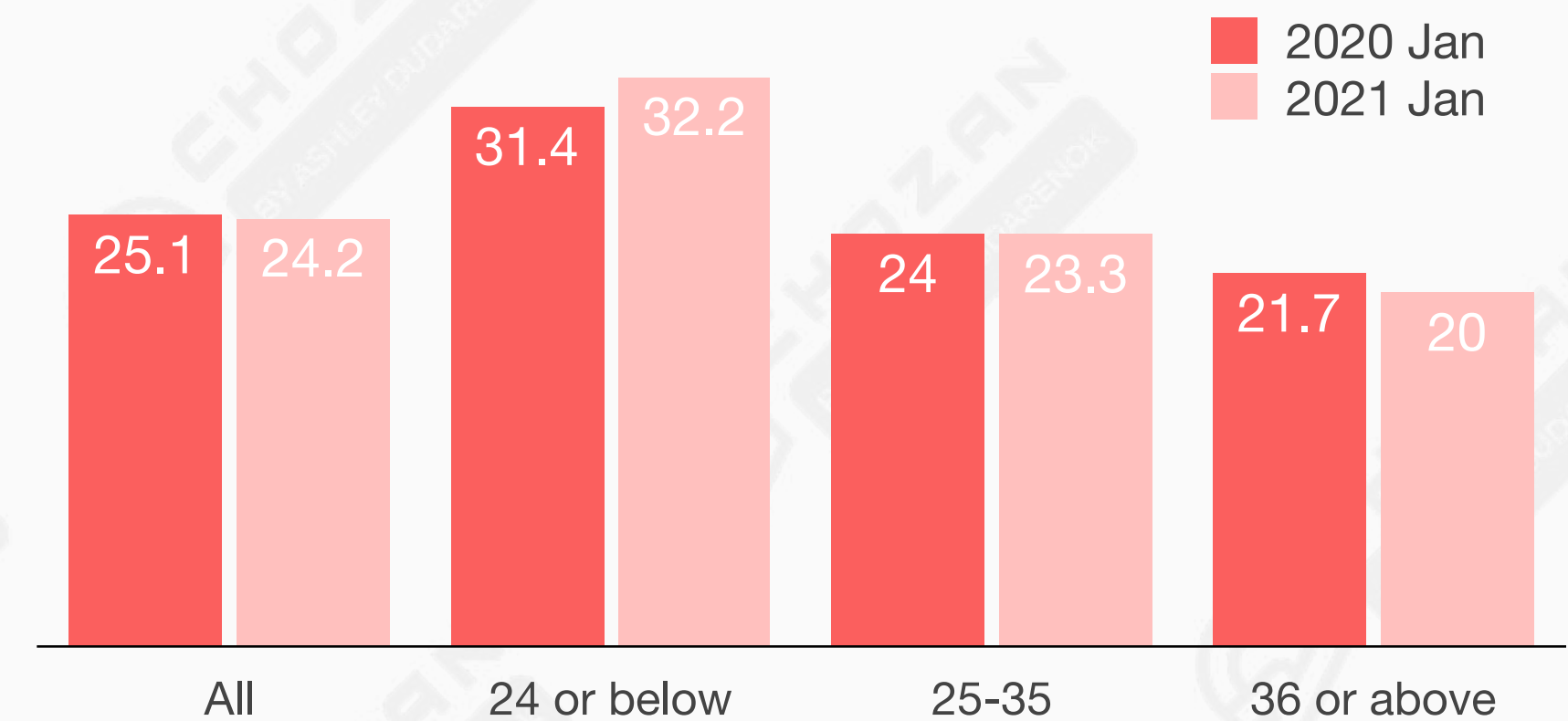
FEMALE INTERNET USERS - USAGE

Chinese female consumers are becoming more dependent on the internet, especially for female users aged 24 or below. The average internet usage per month reached 171 hours and their number of apps used reached more than 30.

MONTHLY INTERNET USAGE AMONG DIFFERENT AGED GROUP FEMALE USERS (HOURS)



NUMBER OF APPS USED PER MONTH AMONG DIFFERENT AGED GROUP FEMALE USERS

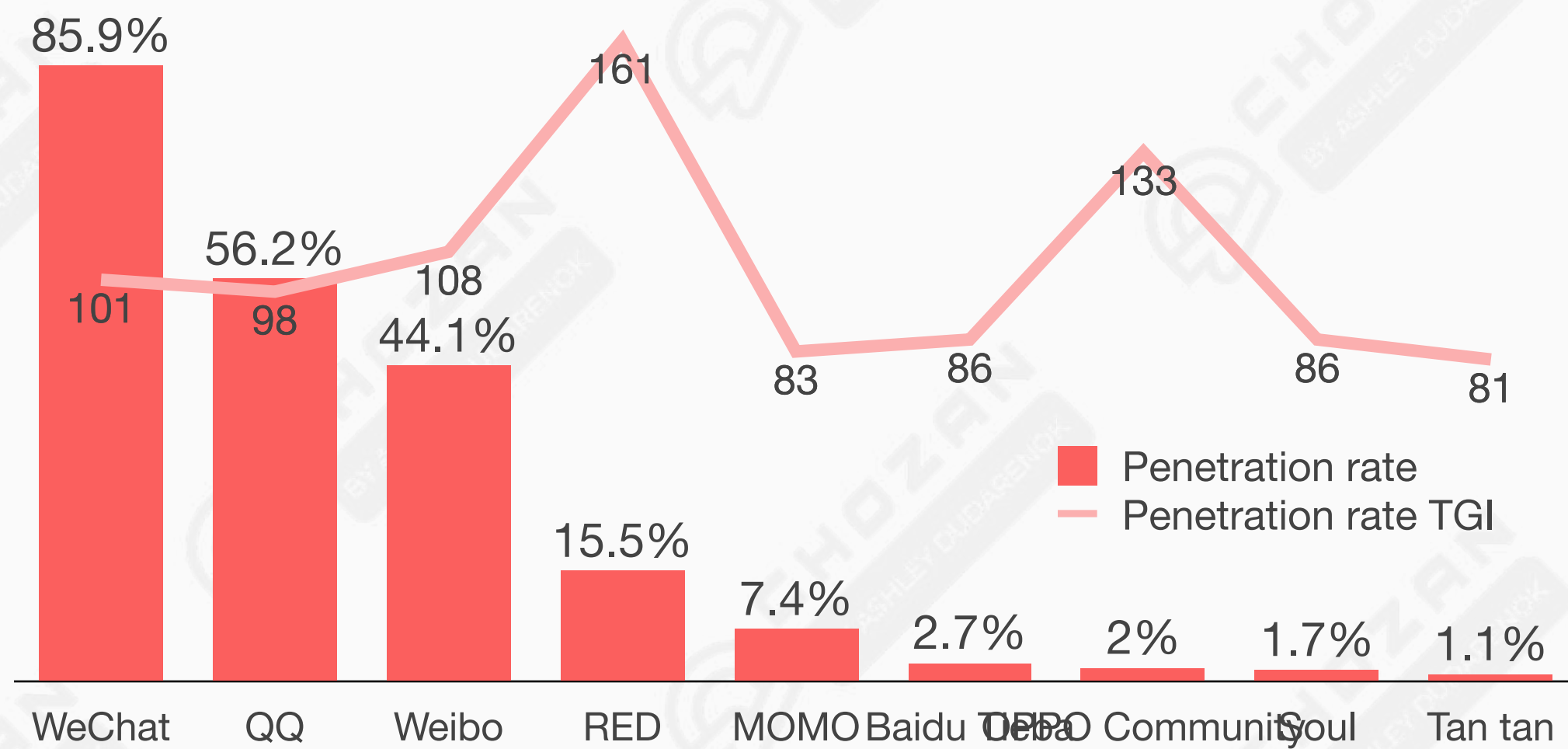


CONSUMER INSIGHTS

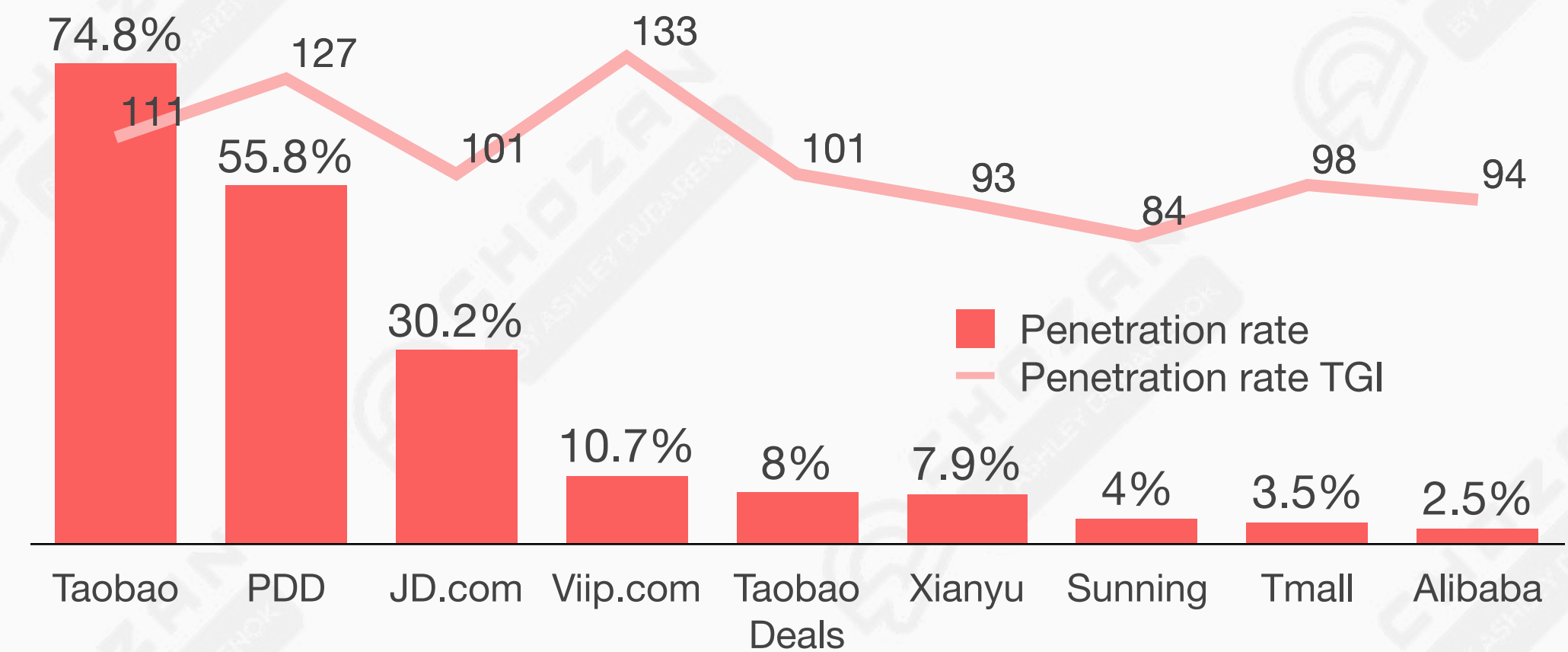
FEMALE INTERNET USERS - ACTIVE USERS

Chinese female consumers are actively spending time on social media platforms and purchasing goods online.

TOP SOCIAL APPS PENETRATION AMONG CHINESE FEMALE USERS, 2021 JAN



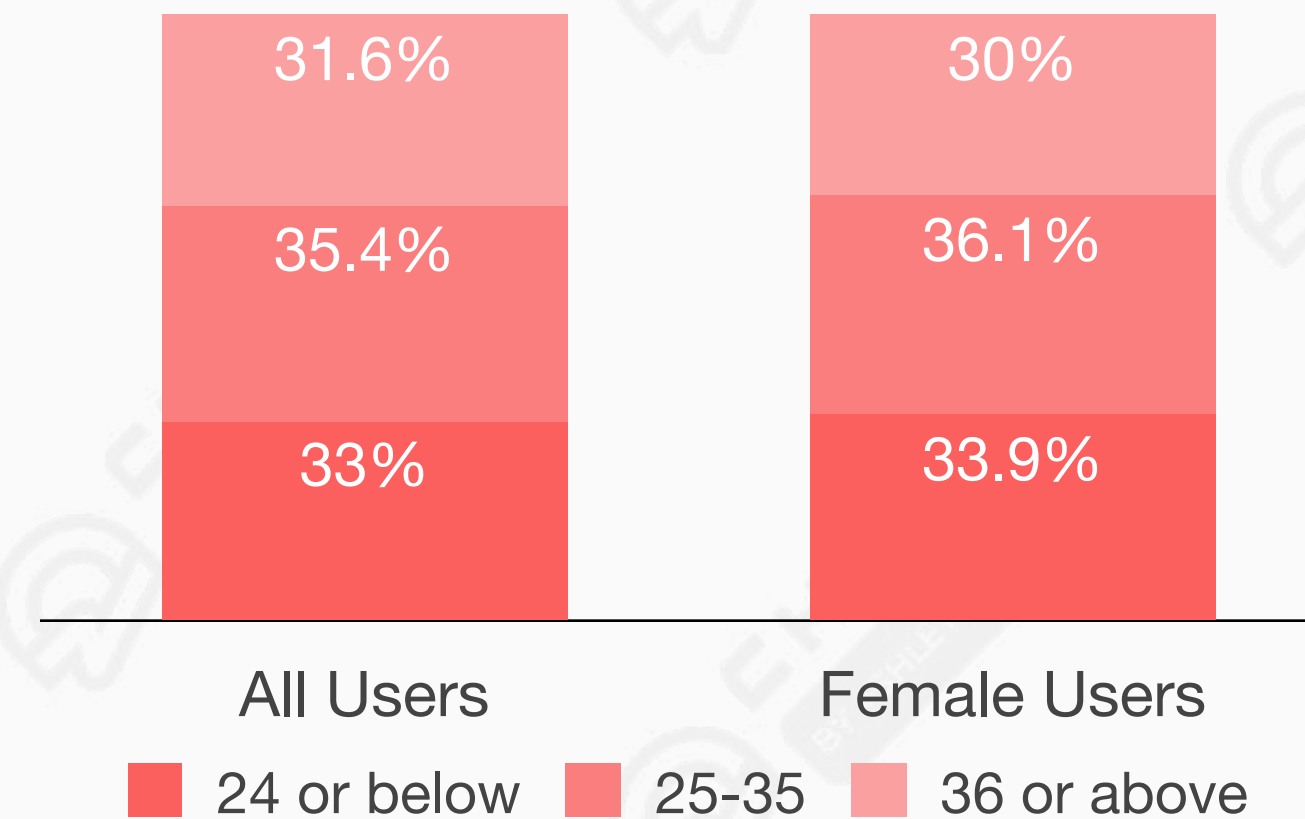
TOP E-COMMERCE APPS PENETRATION AMONG CHINESE FEMALE USERS, 2021 JAN



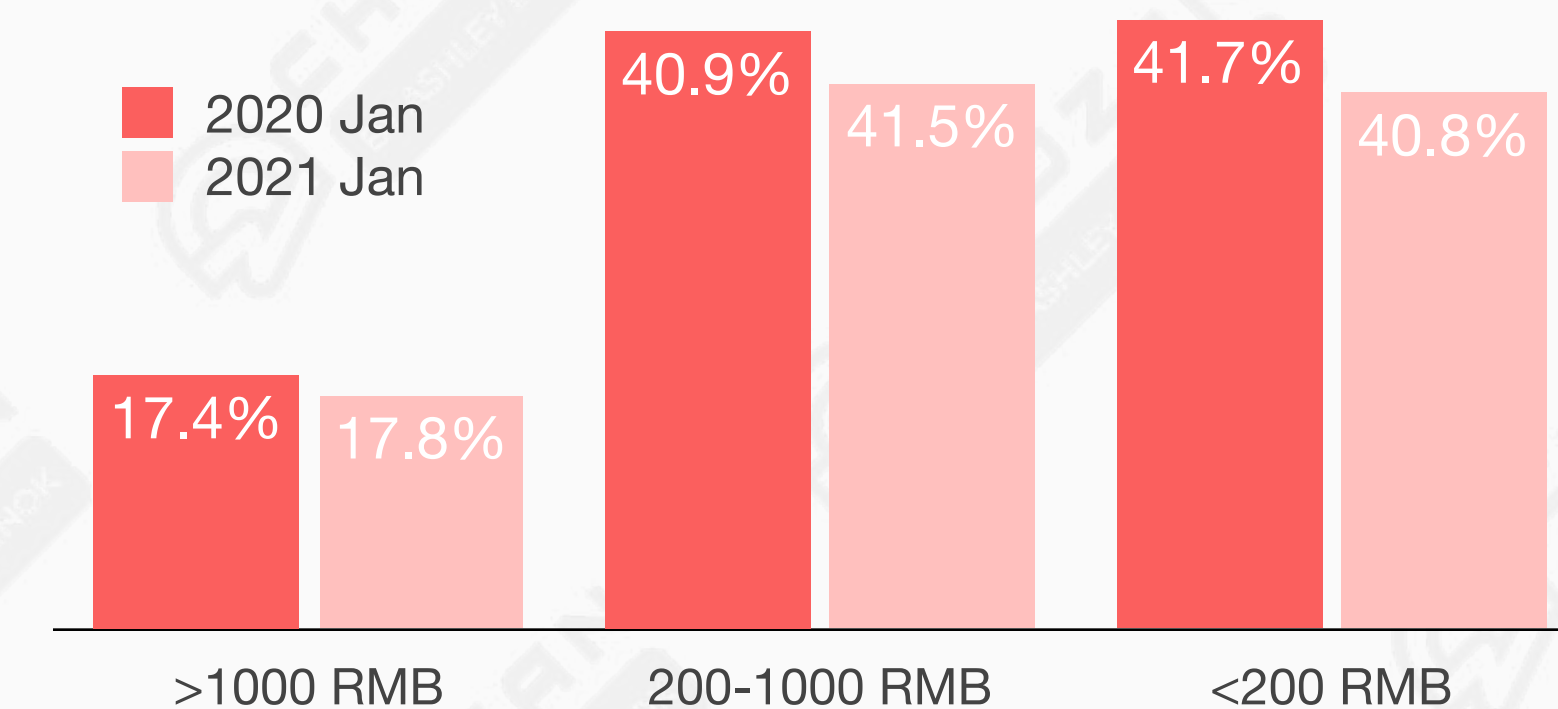
CONSUMER INSIGHTS

FEMALE INTERNET USERS - CONSUMPTION GROWTHUSERS WHO ARE WILLING TO SPEND MORE, 2021 JAN

With the rise of she-economy, already high levels of online consumption continues to rise among Chinese consumers, especially younger female consumers.



CHINESE FEMALE CONSUMERS ONLINE SPENDING POWER

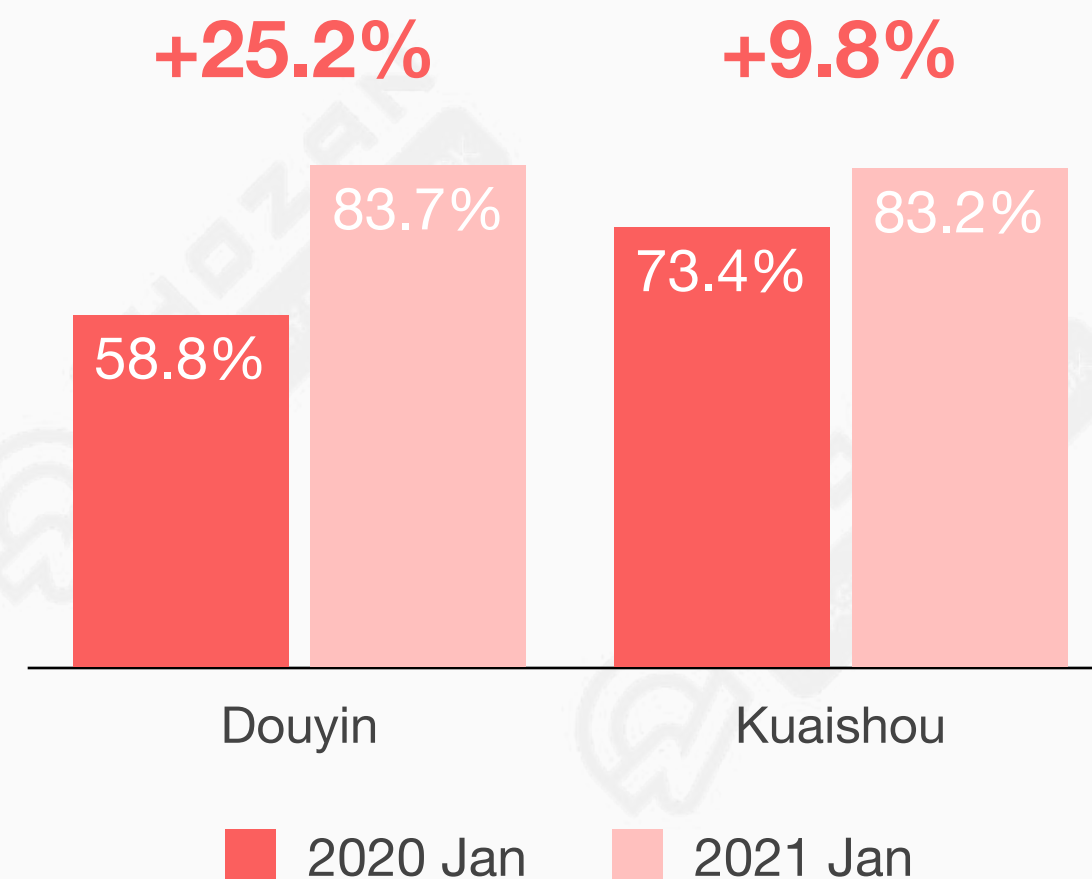


CONSUMER INSIGHTS

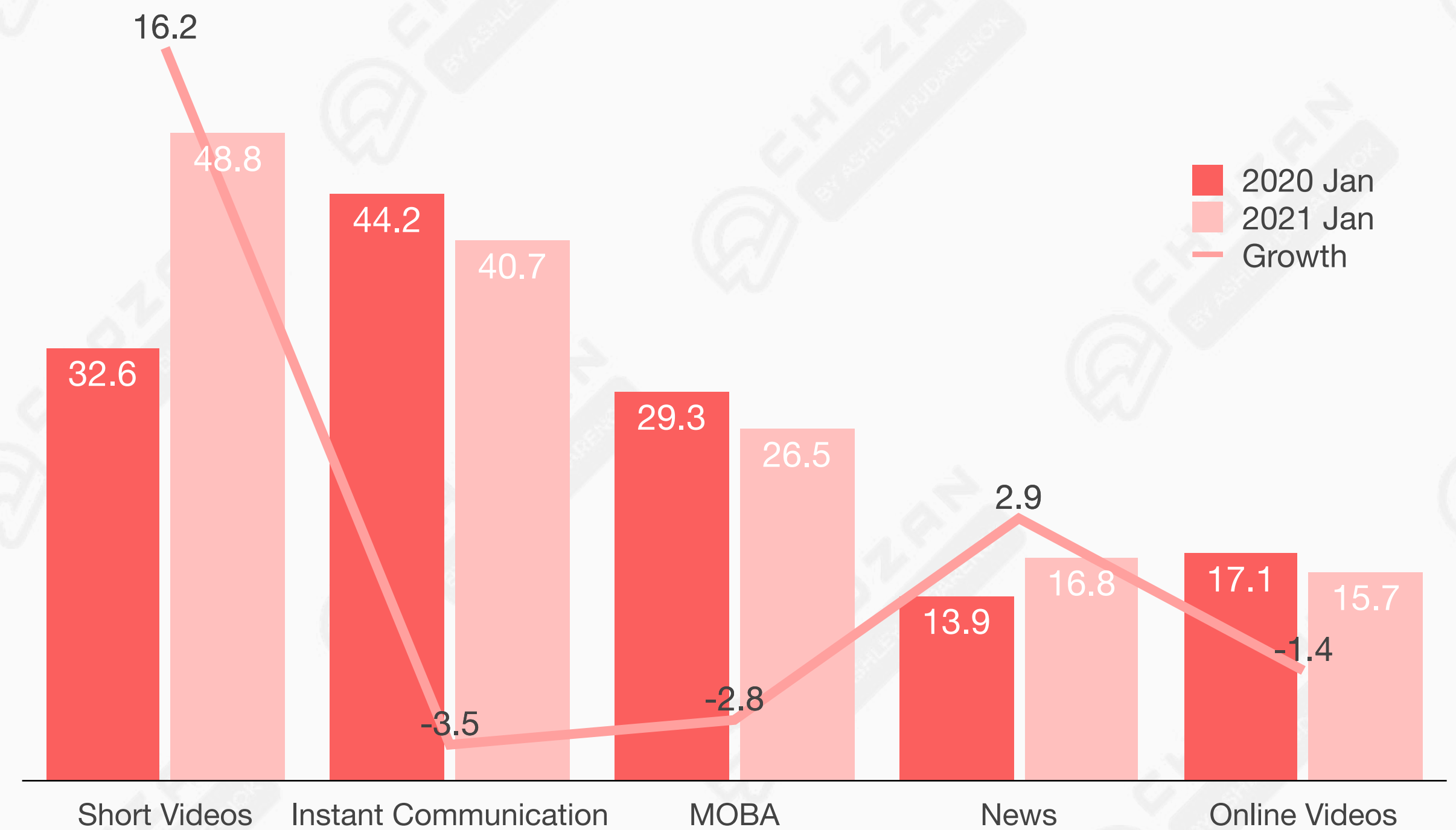
FEMALE INTERNET USERS - LIVE-STREAMING

The amount of time watching short-videos raised due to the variety of content and the integration of e-commerce and live-streaming.

FEMALE LIVE-STREAMING AUDIENCE ON DOUYIN AND KUAISHOU



TOP 5 CHINESE FEMALE CONSUMERS MONTHLY TIME USAGE ON DIFFERENT INDUSTRIES APPS (HOURS)

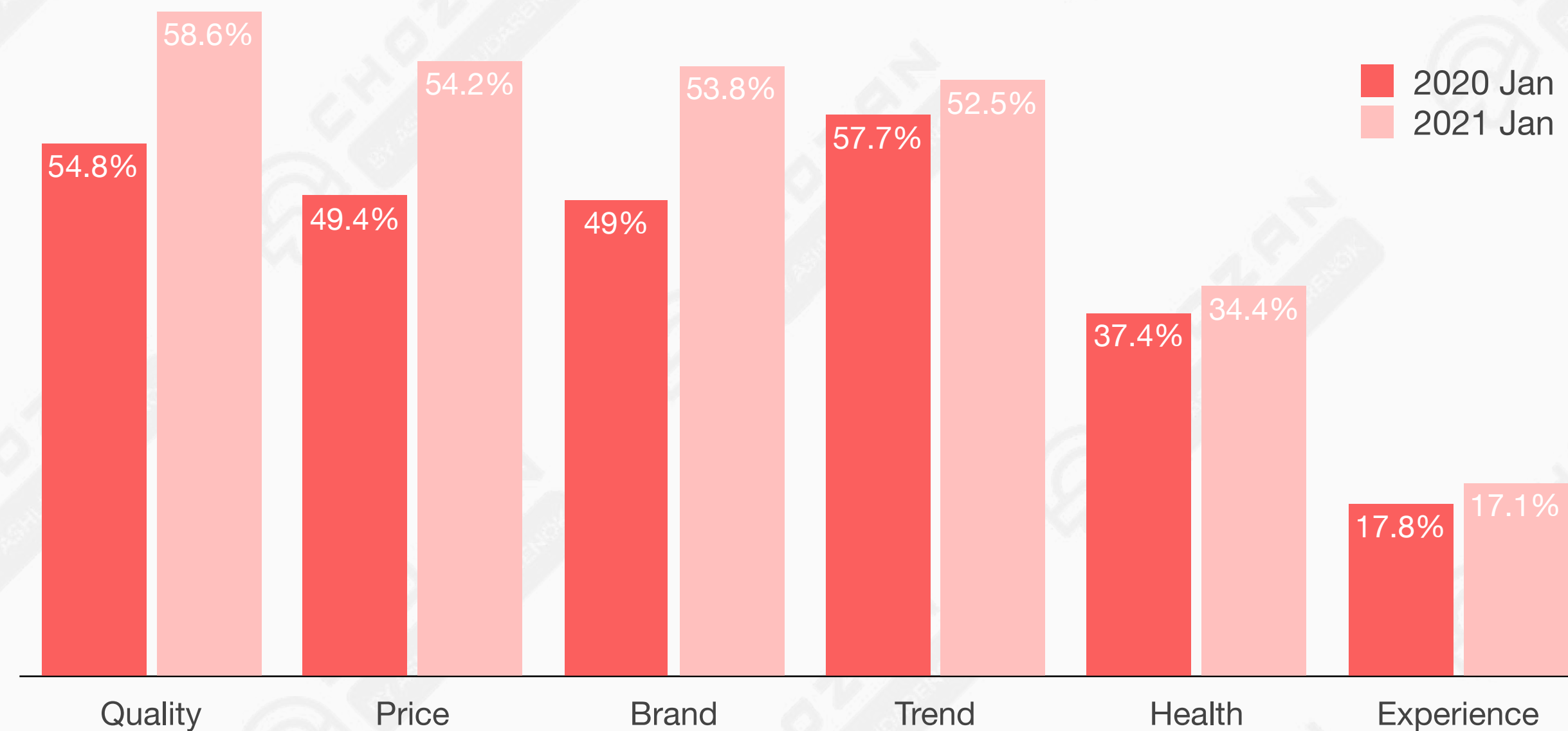


CONSUMER INSIGHTS

FEMALE INTERNET USERS - PREFERENCES

Chinese female consumers value quality/price relation in products. With rising consumption power they want to choose only the best for themselves.

CHINESE FEMALE CONSUMERS SPENDING AWARENESS



CONSUMER INSIGHTS

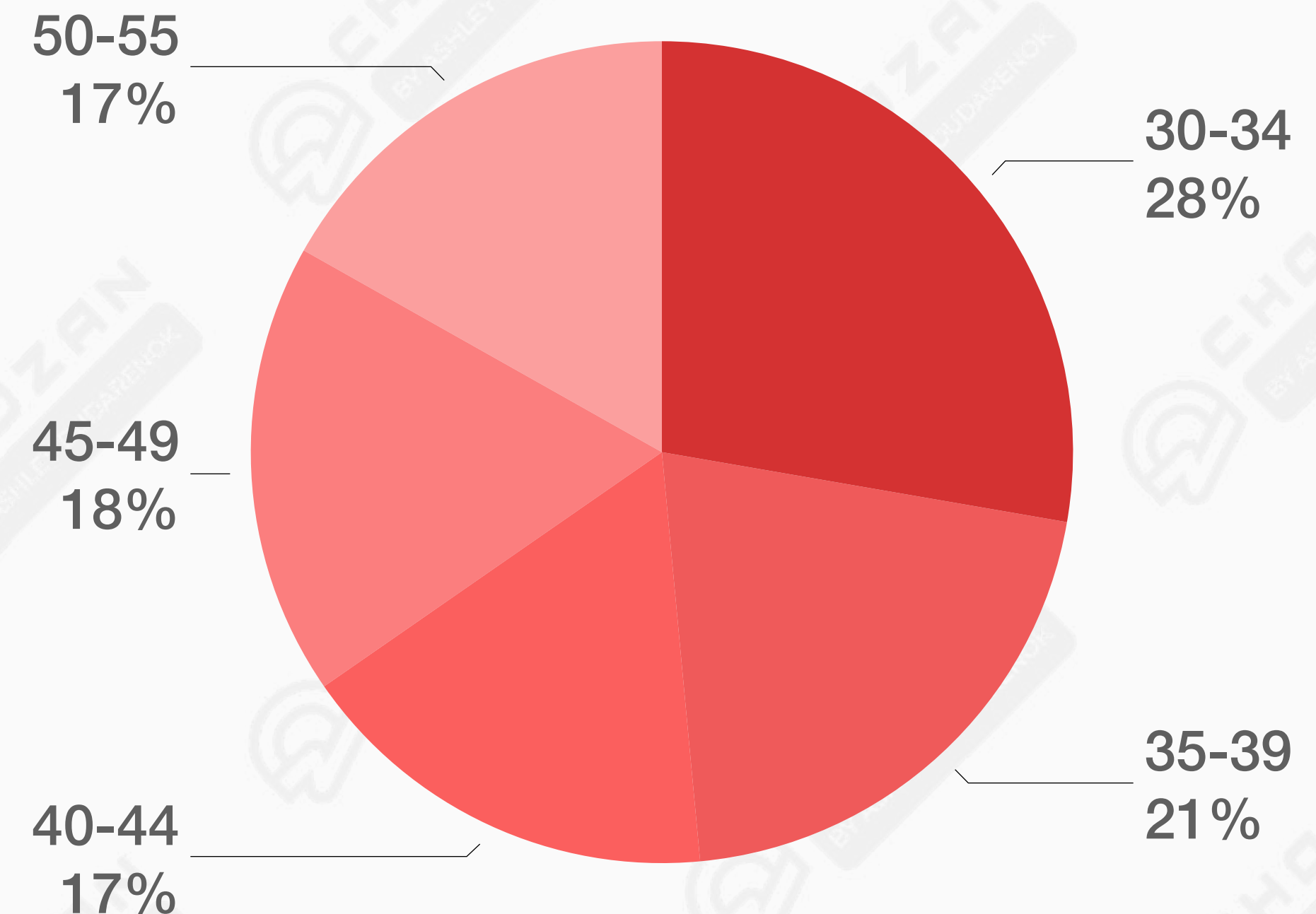
FEMALE INTERNET USERS - INTRODUCTION

According to 2019 population data, there are around 278 million women in the 30-55 age range.



278 MILLION
WOMEN AGED 30-55

WOMEN FROM 30-55 BY AGE GROUP



CONSUMER INSIGHTS

FEMALE INTERNET USERS - FINANCIAL FREE

China has produced the highest number of self-made female billionaires in the world. The Julius Bar Group describes the face of wealth in China as "young, self-made, and female". Brands can expect a positive future as more women achieve financial freedom.

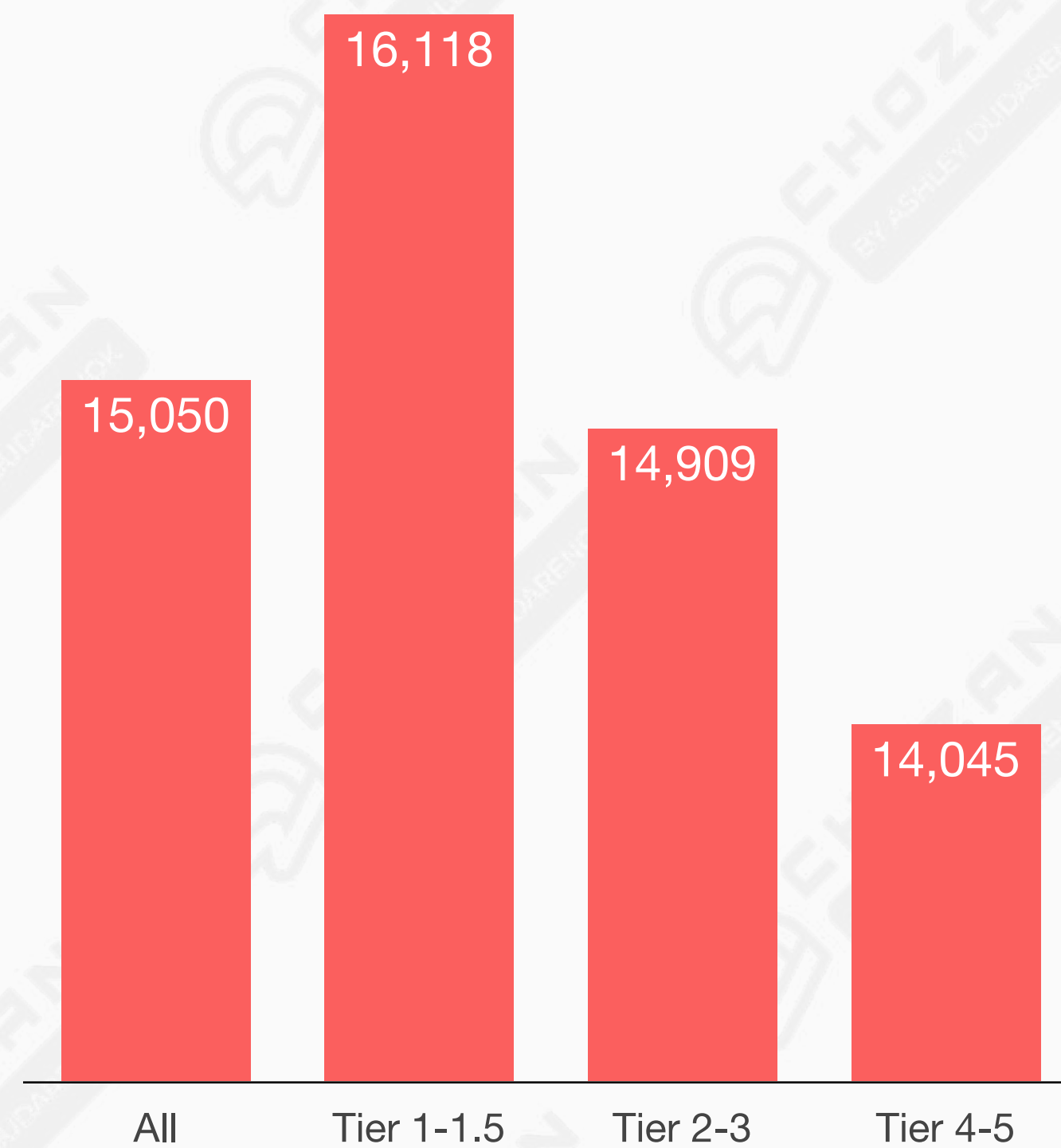


**CHINESE WOMEN MAKE UP 57%
OF THE SELF-MADE FEMALE
BILLIONAIRES GLOBALLY**

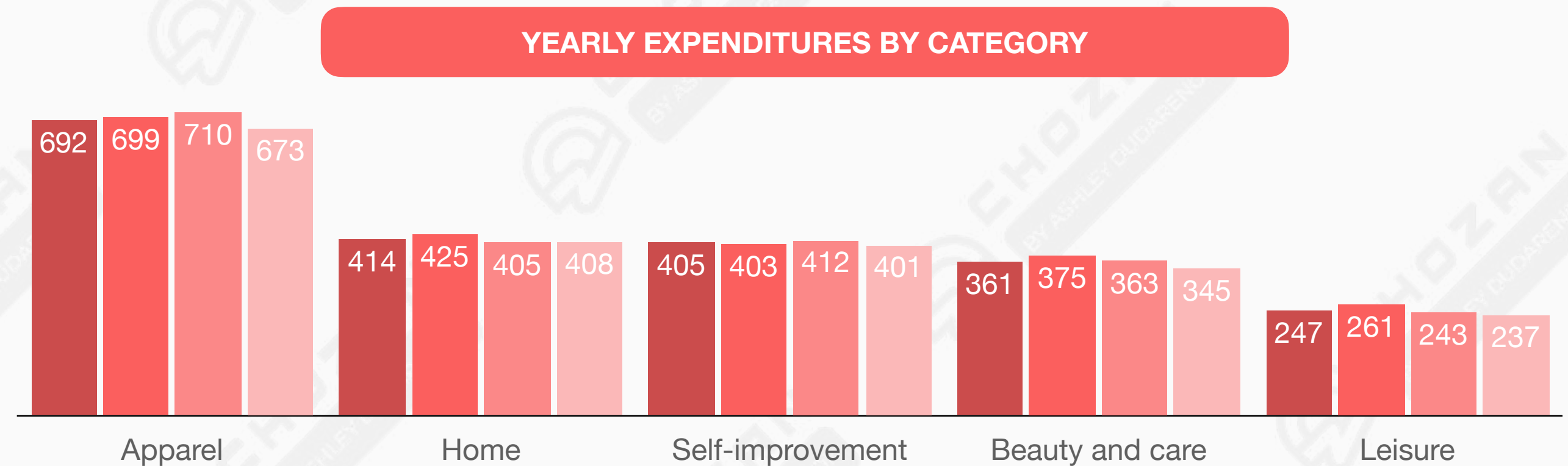
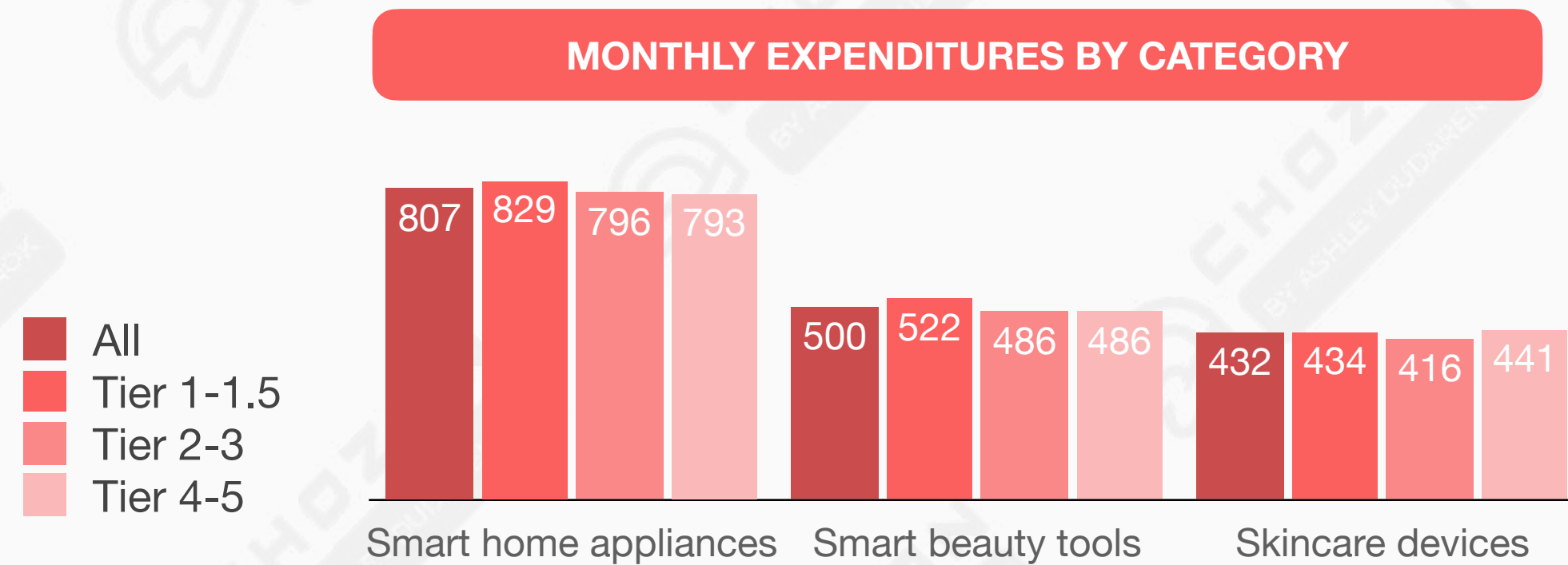
CONSUMER INSIGHTS

POWER WOMEN - FINANCIAL FREE

AVERAGE MONTHLY SPENDING FOR WOMEN OVER 30 YRS OLD (IN RMB)



EXPENDITURE ON DIFFERENT CATEGORIES BY WOMEN OVER 30 BY CITY TIER

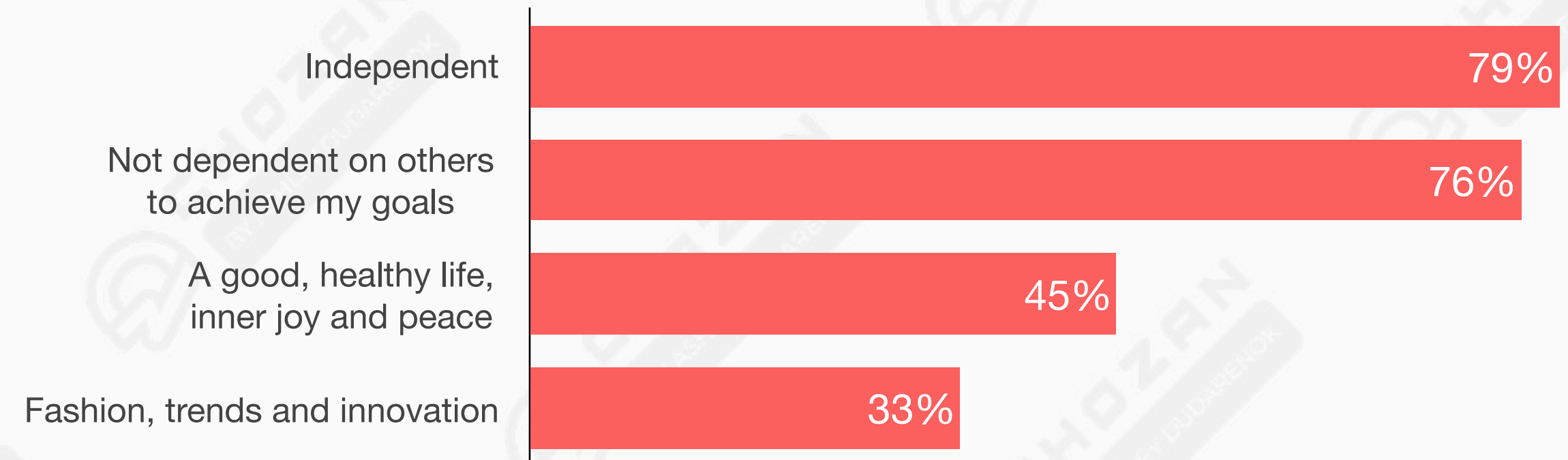


CONSUMER INSIGHTS

POWER WOMEN

Compared to women in their 20s, women over 30 are focused more on self-love, and elevating all aspects of their life.

VALUES AND ATTITUDES OF WOMEN OVER 30 IN CHINA



MONTHLY SPENDING FOR WOMEN OVER 30



692 RMB
FASHION/ APPAREL



414 RMB
HOUSEHOLD



405 RMB
SELF-IMPROVEMENT



361 RMB
BEAUTY AND CARE



247 RMB
LEISURE/ ENTERTAINMENT

CONSUMER INSIGHTS

POWER WOMEN - SOPHISTICATED QUEENS

Sophisticated queens are consumers who strive for quality and status. They pay particular attention to details and are willing to spend more on any product that makes them happy or improves their life.

PERSONAL CARE APPLIANCES
Index 105 (83%)

HOUSEHOLD APPLIANCES
Index 106 (69%)

BEAUTY TECH APPLIANCES
Index 126 (54%)



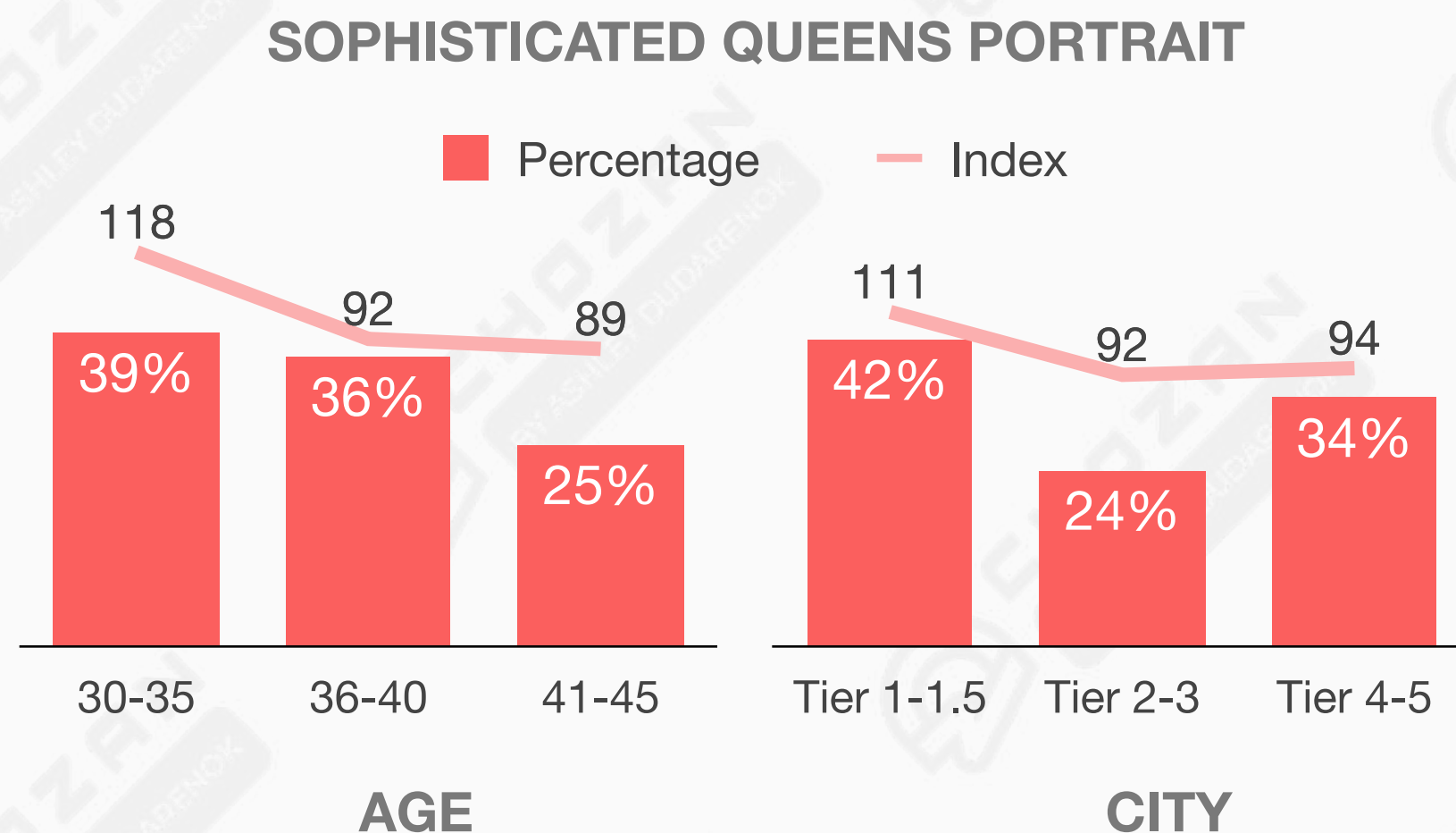
12,128 RMB
MONTHLY AVERAGE INCOME

RECENT APPLIANCE PURCHASES BY SOPHISTICATED QUEENS

Oral care	Massage	Hair care
Index 105 63%	Index 118 47%	Index 118 15%

Smart floor cleaners, mops, air fryers, blenders etc
Index 106 69%

Body care	Cleaning	Care	Cosmetics
Index 142 37%	Index 140 28%	Index 156 14%	Index 163 13%

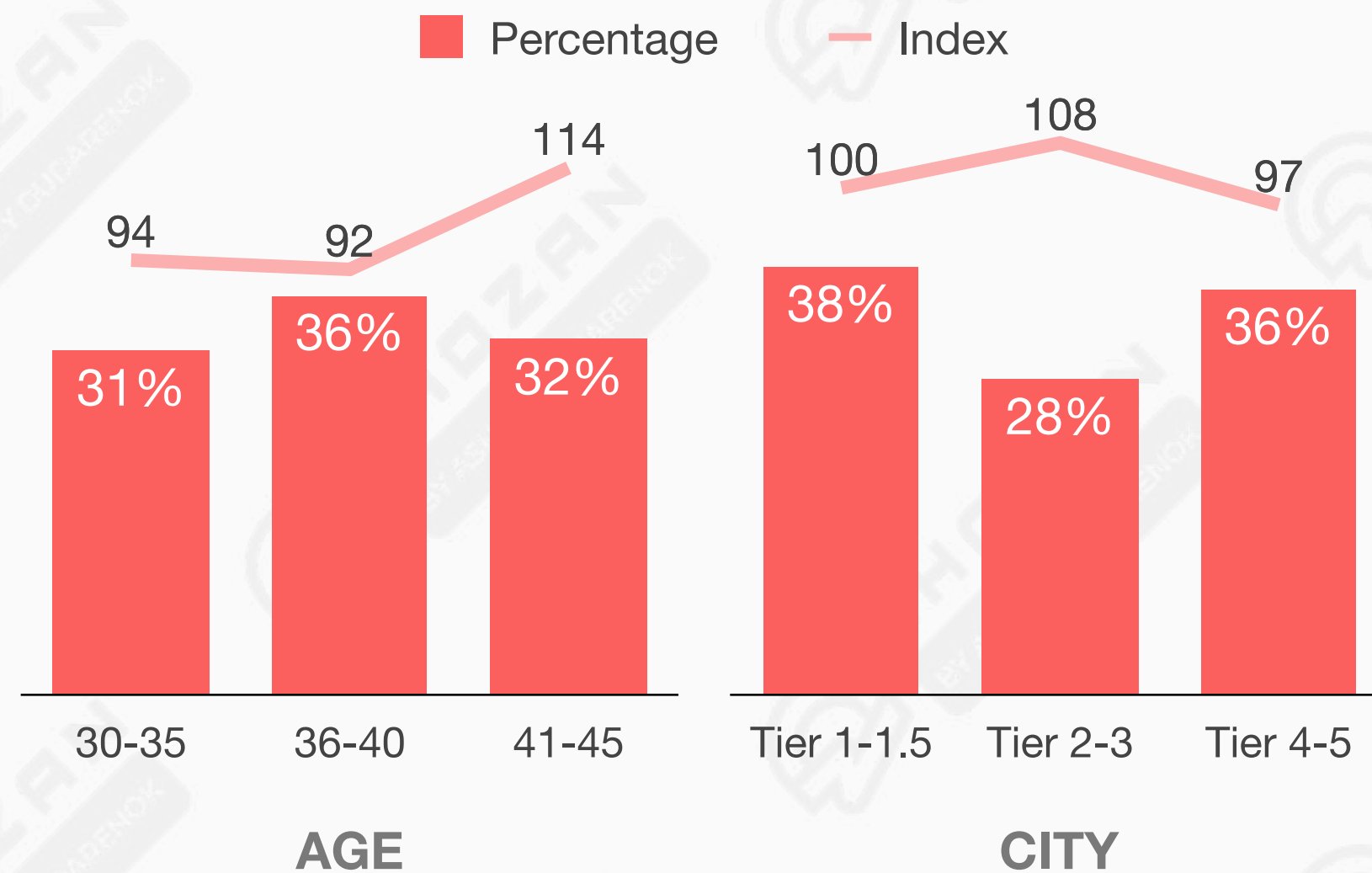


CONSUMER INSIGHTS

POWER WOMEN - CAREFREE WOMEN

Carefree women are consumers who strive for a healthy lifestyle (养生). They have a stable financial status and a lot of leisure time. They tend to focus on products that improve the comfort and health of the family.

CAREFREE WOMEN PORTRAIT



8.1 HOURS

OF WEEKLY ONLINE ENTERTAINMENT

RECENT APPLIANCE PURCHASES BY CAREFREE WOMEN

**BEAUTY TECH
APPLIANCES**
Index 98 (42%)

Body care	Cleaning	Care	Cosmetics
Index 92 24%	Index 95 19%	Index 100 9%	Index 100 8%

**HOUSEHOLD/
APPLIANCES**
Index 97 (63%)

Smart floor cleaners, mops, air fryers, blenders etc
Index 97 63%

**PERSONAL CARE
APPLIANCES**
Index 96 (76%)

Oral care	Massage	Hair care
Index 98 59%	Index 95 38%	Index 88 7%

CONSUMER INSIGHTS

TARGETING POWER WOMEN

Although both sophisticated queens and carefree women fall into the same ‘power women’ consumer group, they're very different and brands should market to them differently

SOPHISTICATED QUEENS	PERSONAL CARE APPLIANCES	HOUSEHOLD APPLIANCES	BEAUTY TECH APPLIANCES
CONSUMER JOURNEY	Brand reputation-> recommendations from community-> content seeding-> purchase	Brand reputation-> video content seeding-> direct to e-commerce platforms-> purchase	Content seeding on social media platforms-> direct to e-commerce platforms-> purchase
FOCUS	Brand reputation, consumer preferences, content comparing and testing products, practicality	Brand power, brand IP, prefer well-known brands	Brand exposure, KOL/influencer/celebrity recommendations, video content
CAREFREE WOMEN			
CONSUMER JOURNEY	Seeding through social media content and post discussions from friends/official accounts-> direct to e-commerce platforms-> purchase	Brand reputation-> video content seeding-> direct to e-commerce platforms-> purchase	Content seeding on social media platforms and official accounts-> direct purchase through links or WeChat friends
FOCUS	Brand reputation, information from social media, affordability	Modernity and features, content comparing and testing products, practicality	Video content, spokesperson, KOL/influencer/celebrity recommendations, innovative products

CONSUMER INSIGHTS

POWER WOMEN - FOREIGN BRAND PREFERENCES

Foreign niche brands are mostly consumed by a population of young, active, women, mostly students and makeup enthusiasts, who have low income and independence to make purchase decisions.

While consumer profiles differ for brands, expensive brands from Europe and America, like Charlotte Tilbury, attract young, high earning consumers from Tier 1 cities. Lower maintenance brands are popular among lower tier city groups who are older with lower incomes.

Young women under 30 mostly students and makeup fans

LOHAS-minded, with extensive interests including food, travel and sports

Over 80% focus on pleasure when shopping

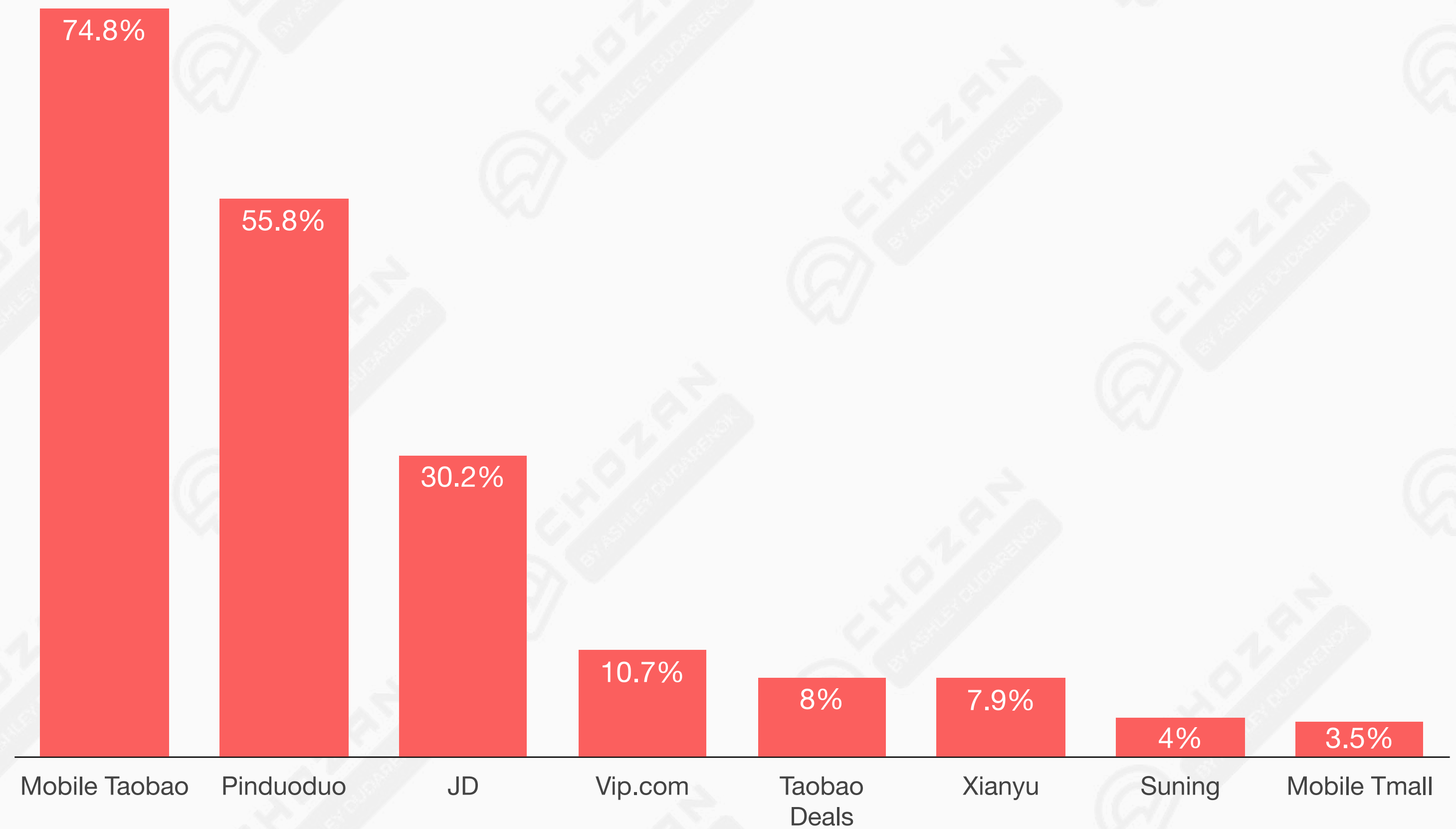
Prefer niche brands with distinctive style

CONSUMER INSIGHTS

FEMALE INTERNET USERS - FEMALE CONSUMPTION

JAN.2021 THE TOP TEN E-COMMERCE APPS BY FEMALE INTERNET USER RATIO

Chinese female consumers mostly purchase goods on the mobile Taobao app followed by Pinduoduo and JD.

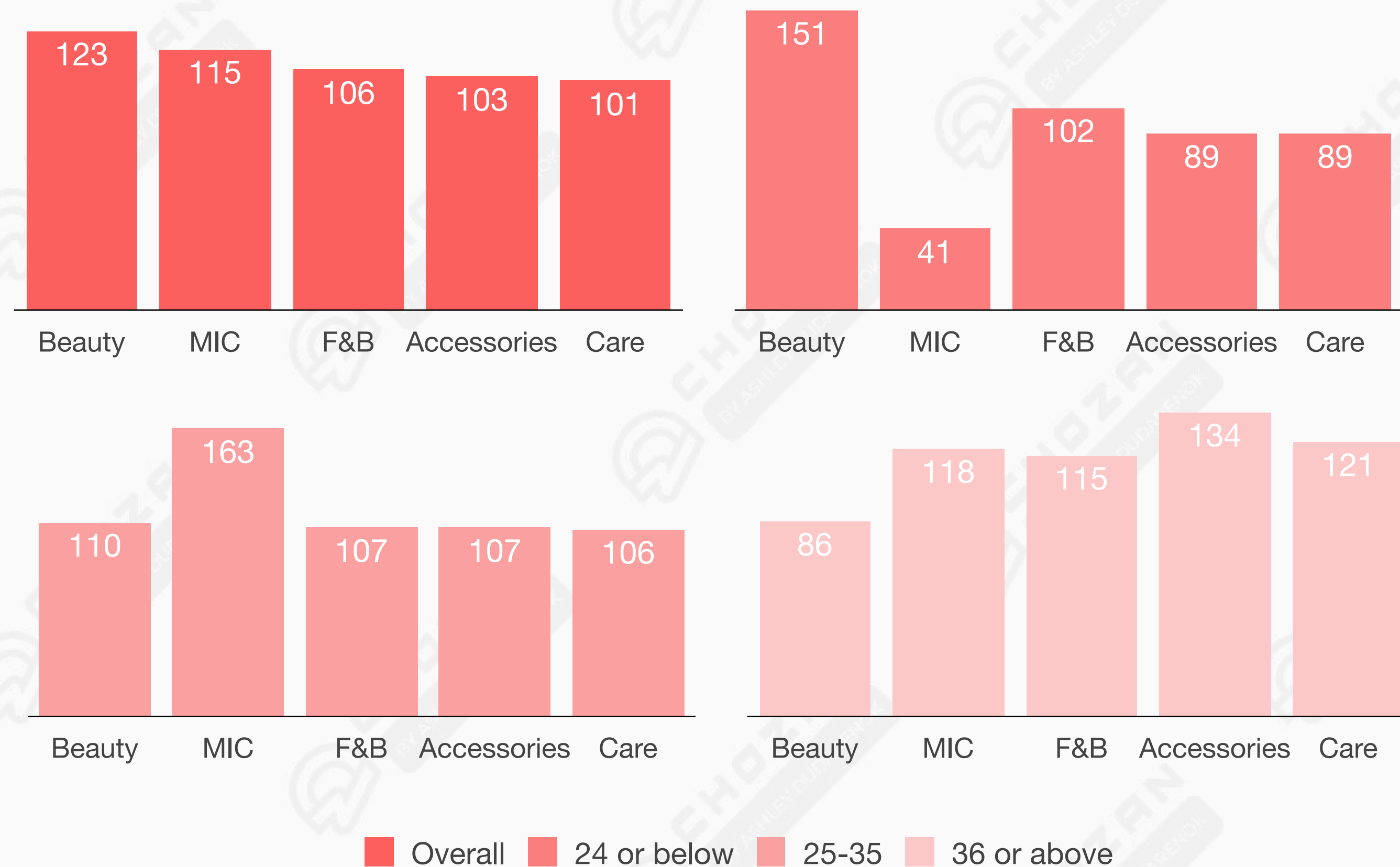


CONSUMER INSIGHTS

FEMALE INTERNET USERS - FEMALE CONSUMPTION

JAN 2021 CHINESE FEMALE CONSUMPTION CATEGORIES (TGI)

Beauty consumption is a leader among all female age groups., followed by mother & infant care as the groups get older.



EXPERT BITES



YVONNE WU

Marketing Executive at
Alarice and ChoZan

Q: WHAT IMPORTANT CHANGES DO YOU SEE IN THE CONSUMPTION BEHAVIOUR OF WOMEN OVER 30?

Women over 30 years old are more inclined to buy things to please themselves. **Important changes in their consumption behaviour include broadening their knowledge through education and training, drinking wine to relieve stress, trying medical beauty treatments and buying apartments.**

Data shows that more and more female white collar workers over 30 in Tier 1 and Tier 2 cities are independently buying apartments and make up 86% of house buyers.

**GOT A QUESTION? DROP NATALIA AN
EMAIL BY SCANNING THE QR CODE**



6 SUPER MOMS AND DADS

The replacement of China's one child policy with the two child policy in 2015 has created an organic push for the maternity and baby products market. The sector is expected to maintain an annual growth rate of 20-30% for the next ten years.

Post-90s super moms account for 70% of related product categories, according to JD platform data. They have become a major market force, preferring trendy products while being less price-sensitive.



EXPERT BITES



WENDY CHEN

Sr. Marketing Manager at
Alarice and ChoZan

Q: WHAT ARE YOUR MARKETING RECOMMENDATIONS FOR THE MATERNITY SECTOR IN CHINA?

With around 17 million newborns and young parents each year, it's a big market and the rapid development of integrated online e-commerce platforms has become the main driving force for the sector's development. **The sales growth rate for Tmall Global's imported mother and baby products was higher than for brands on Tmall so it's a good time for foreign brands. Male consumers shouldn't be underestimated. The number of maternity and infant products purchased by men increased significantly on Tmall International.**

GOT A QUESTION? DROP WENDY AN EMAIL BY SCANNING THE QR CODE



CONSUMER INSIGHTS

SUPER MOMS AND DADS - INTRODUCTION

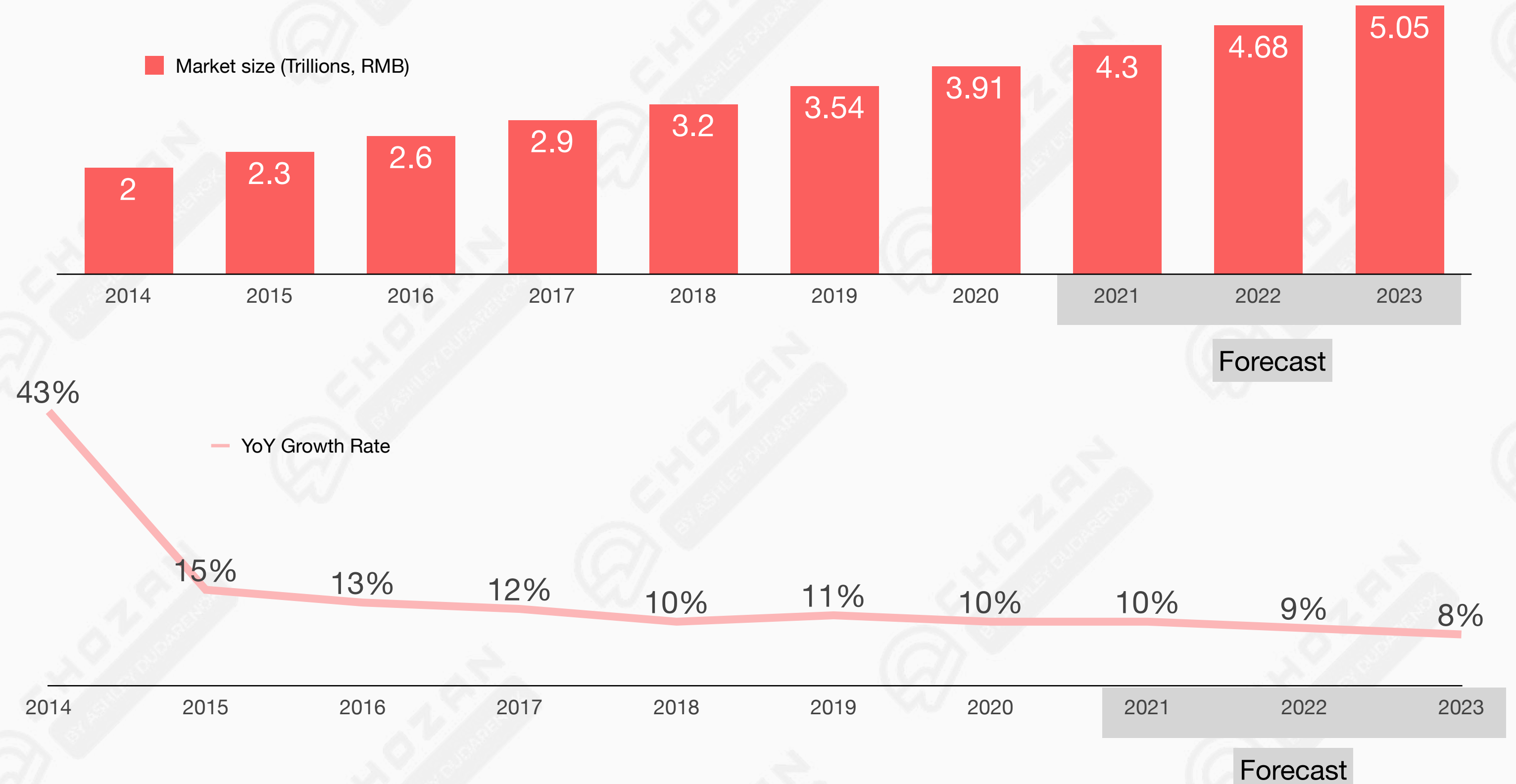
Interesting facts	Shopping attitudes and behaviours	What are they interested in purchasing?
<p>Parents aged 25-40 with kids aged 0-12 are one of the biggest groups of mobile internet users, with 300 million active users online. According to QuestMobile, in April, the average monthly time spent on the Internet by parents with kids aged 0-12 rose 13.1% YoY.</p> <p>Similar to other internet user groups, more than half of parents with young children live in Tier 3 cities or below. Most of these parents were born in the 1980s and 1990s.</p>	<p>Expenditures related to their children account for a huge portion of family spending. Most families spend 1,000-5,000 RMB on their children monthly. The amount spent on daily necessities and education is almost the same.</p> <p>These parents usually purchase children's products through e-commerce. Word-of-mouth and quality assurances are essential factors in purchasing decisions for children's products.</p>	<ol style="list-style-type: none"> 1) Children's clothing 2) Food supplements 3) Educational products 4) High-tech wearable devices 5) Fitness-related products

CONSUMER INSIGHTS

SUPER MOMS - MATERNITY AND INFANT CARE (MIC) MARKET GROWTH

MATERNITY/INFANT PRODUCT MARKET SIZE AND YoY GROWTH RATE, 2020 MAY

The market for maternity and infant care (MIC) products is expected to maintain steady growth and reach approximately 3.91 trillion RMB in revenue by the end of 2020.



CONSUMER INSIGHTS

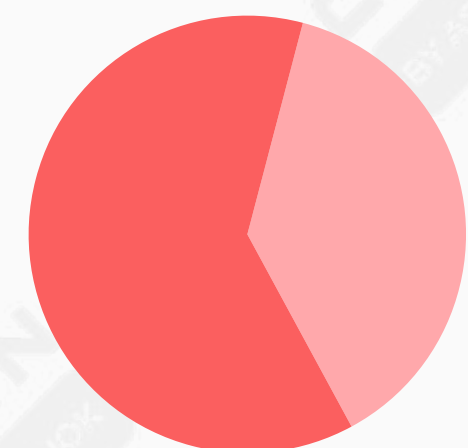
SUPER MOMS AND DADS - DEMOGRAPHICS

The mother and infant care (MIC) group in China reached 278 million families in 2019. The majority of the MIC group are post 85s and post 90s located in middle tiered cities. A majority of MIC group consumers have highly educated backgrounds who work and take care of their child after work.



95%

WORKING PARENTS

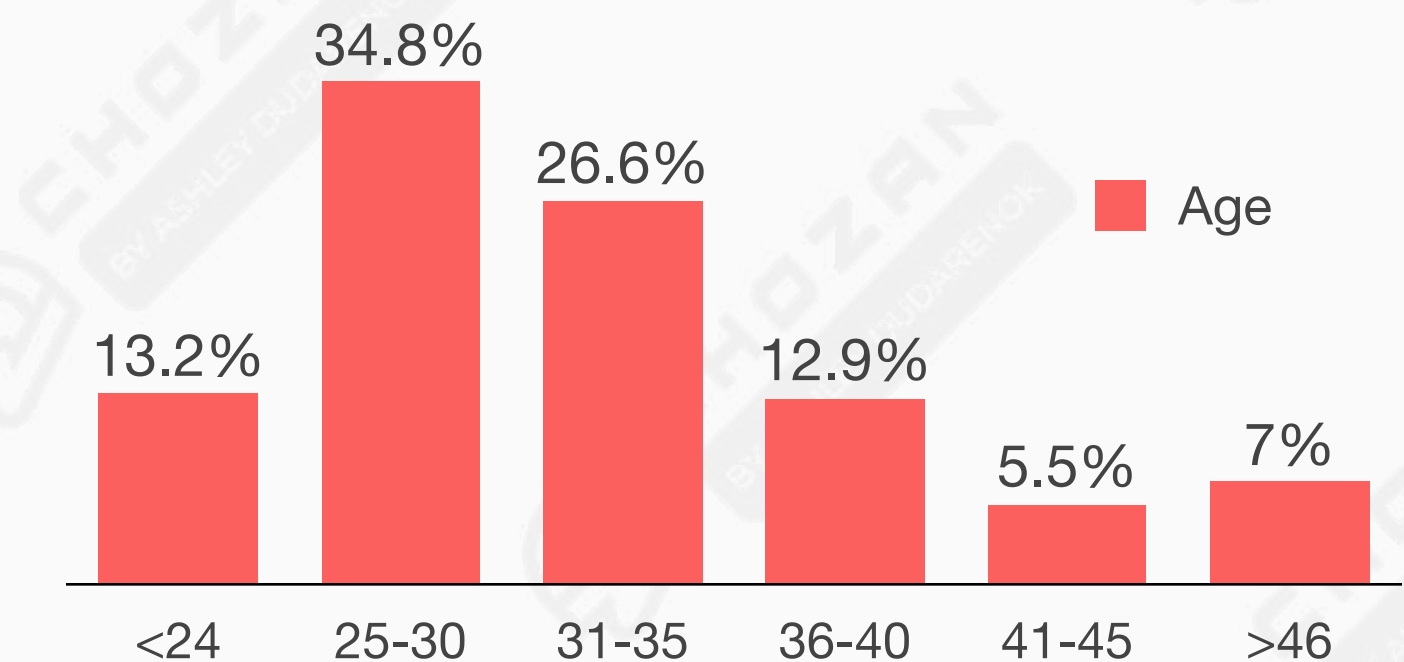


62%

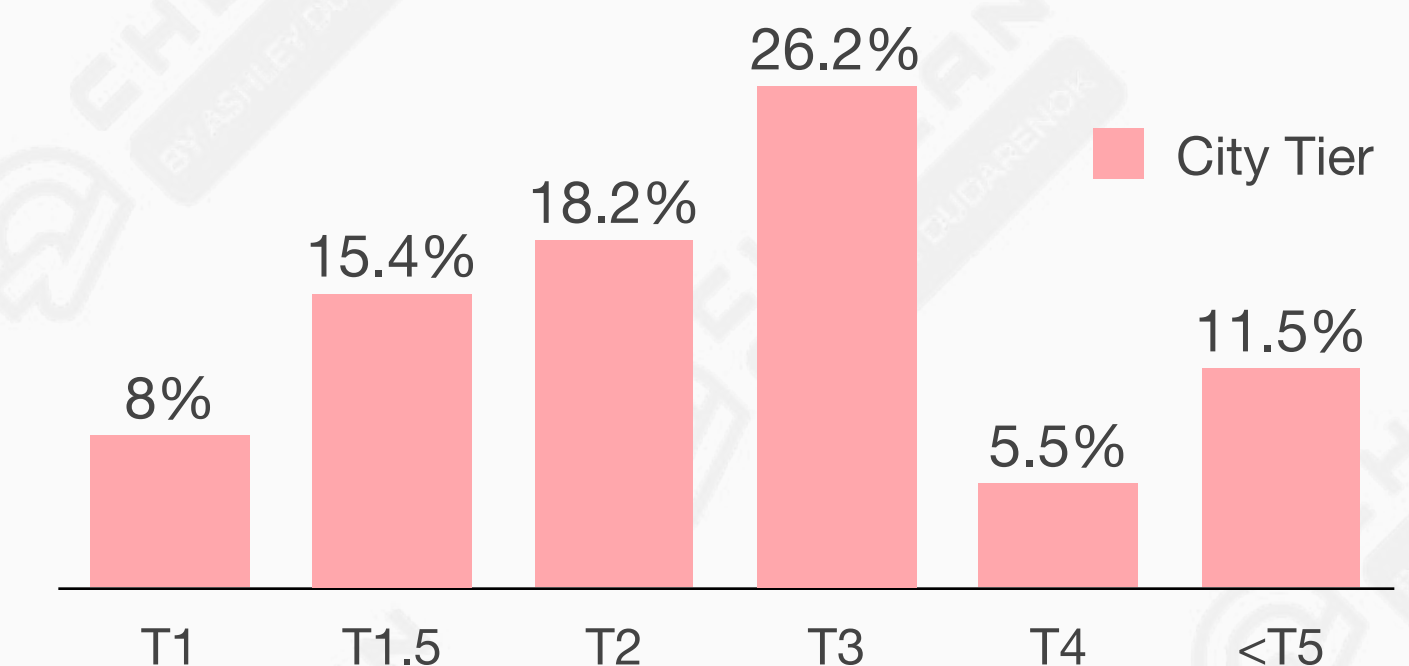
UNIVERSITY GRADUATES

MIC GROUP CONSUMERS PORTRAIT

TGI	53.9	152.9	151.5	109.7	60.4	49
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TGI	53.9	152.9	151.5	109.7	60.4	49
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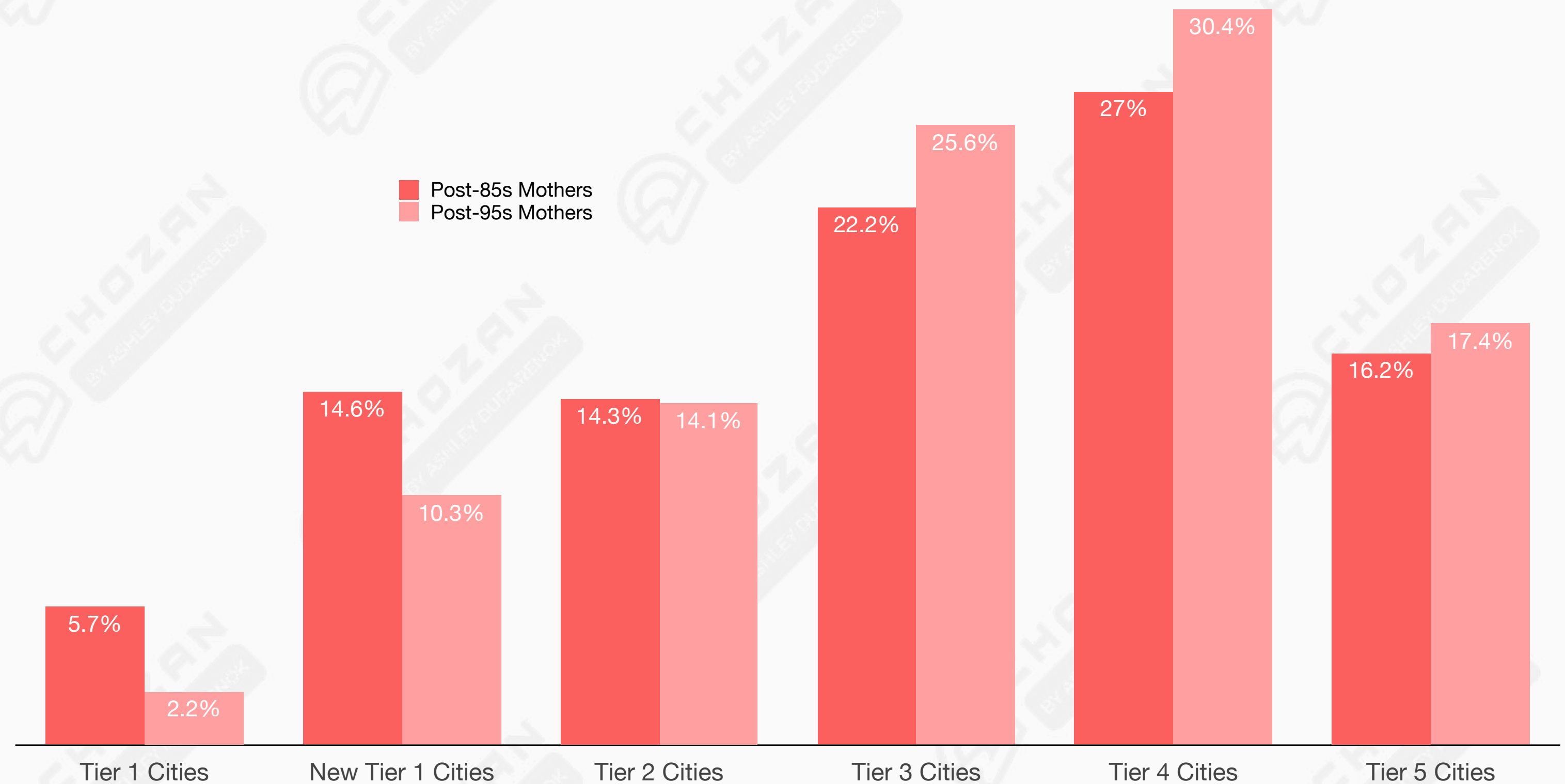


CONSUMER INSIGHTS

SUPER MOMS - CITY DISTRIBUTION

As a result of lower costs of living in lower tier cities and a recent switch to the more lenient two child policy, there are more mothers and more young mothers in lower tier cities.

POST-85s AND POST-95s MOTHERS BY CITY TIER



CONSUMER INSIGHTS

SUPER MOMS AND DADS - HIGH POTENTIAL CONSUMERS

POTENTIAL CONSUMERS GROUP AMONG BABY CARE MARKET



90'S CONSUMERS

56% OF THE WHOLE BABY CARE MARKET



LOWER TIERS CITIES YOUTH

227 MILLION, OVER 3 TIMES OF 1 & 2 TIERS CITIES



SECOND BABY FAMILY

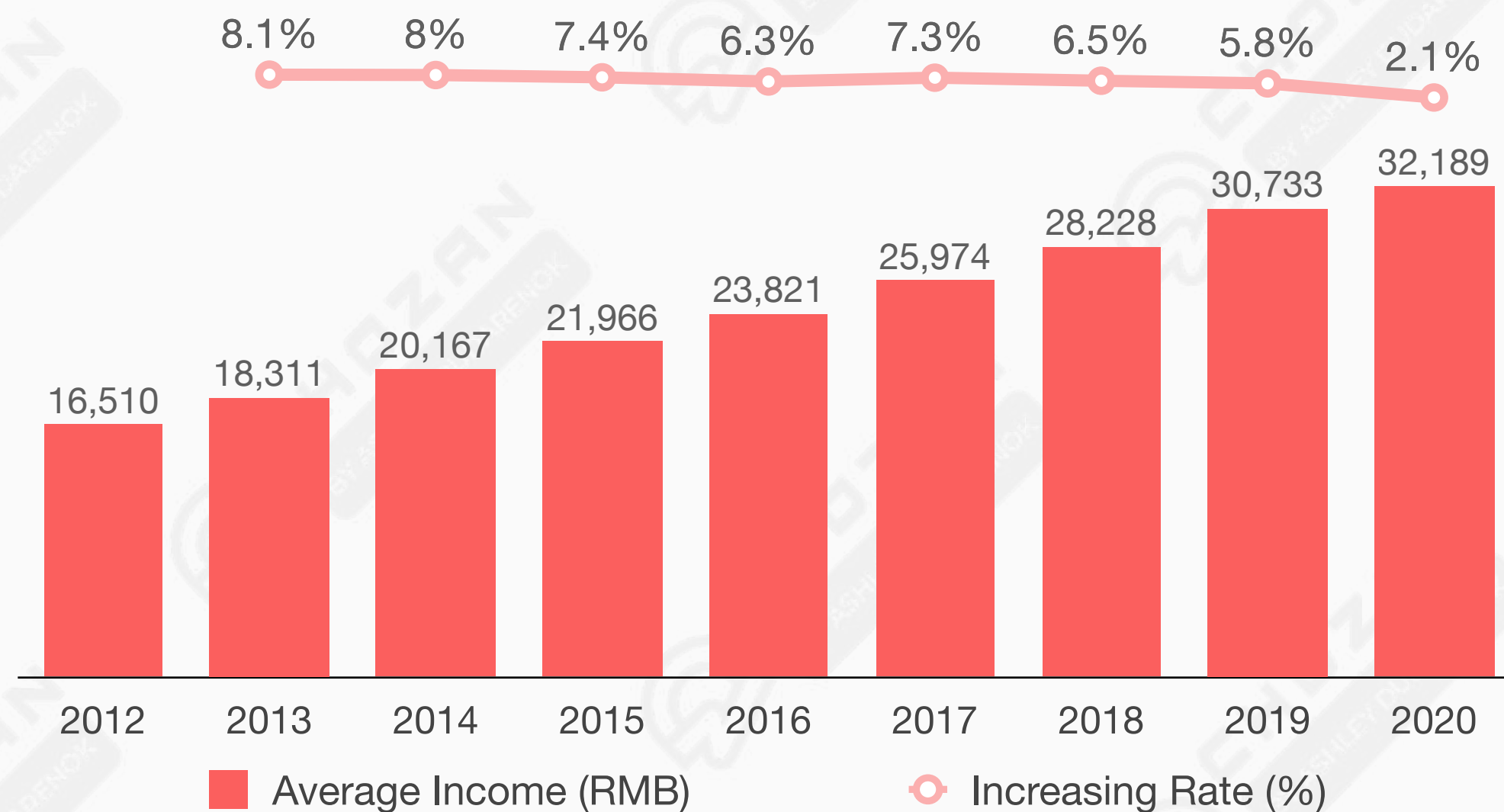
>57% OF FIRST BABY FAMILY IN 2019

CONSUMER INSIGHTS

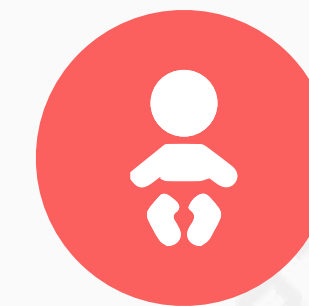
SUPER MOMS AND DADS - QUALITY FOCUS

They care about the **quality of baby supplies** more than the **price** of the product.

AVERAGE INCOME OF CHINESE PEOPLE FROM 2012-2020



MONTHLY OUTCOME PER EACH FAMILY INCOME



3,456 RMB
SPENDING AMOUNT PER MONTH



26%
OF FAMILY INCOME

95s: 30%



90s: 27%



85s: 26%



80s: 25%

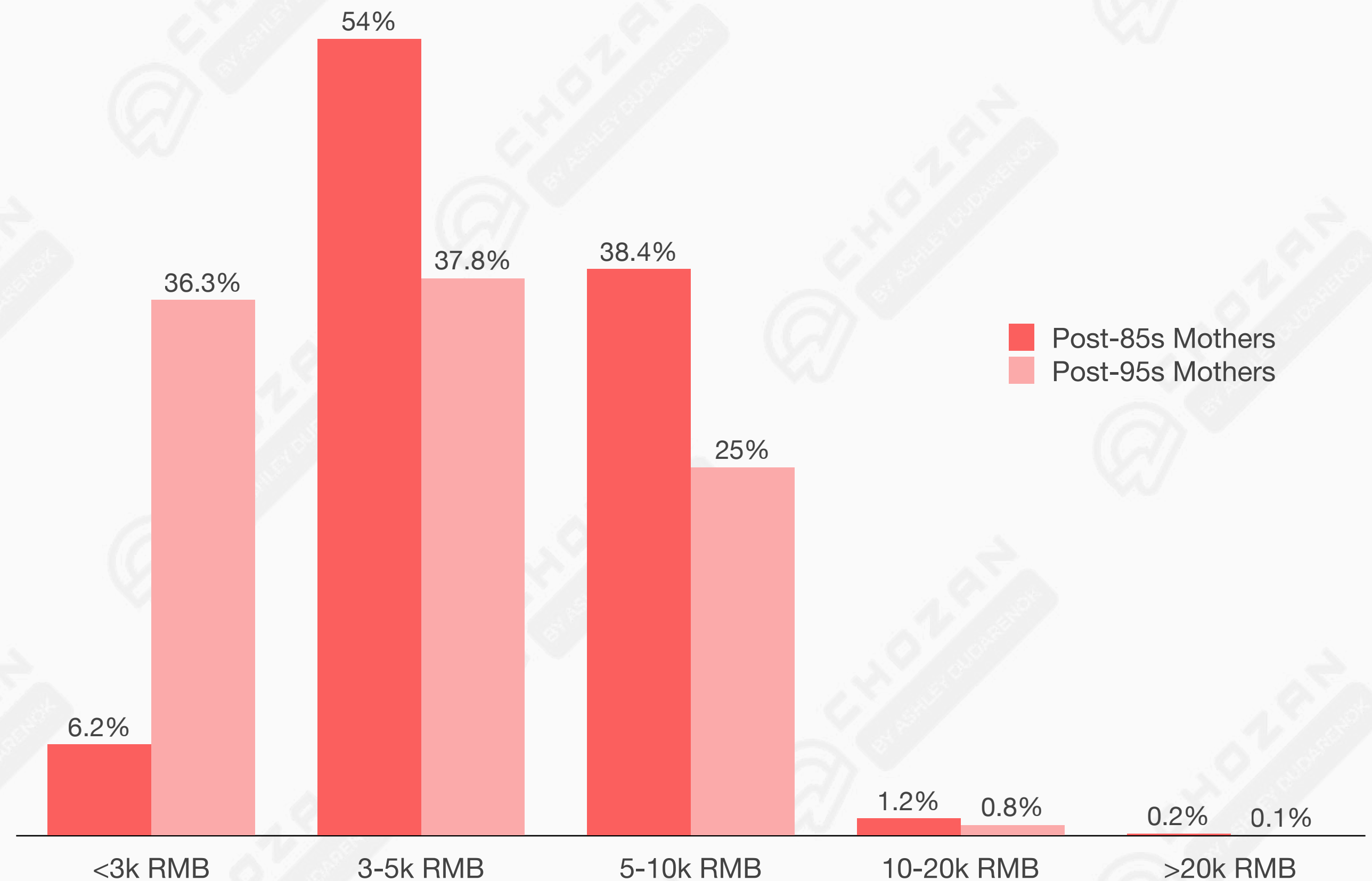


CONSUMER INSIGHTS

SUPER MOMS - INCOME

While Post-85s mothers have higher incomes, Post-95s mothers are catching up in some income brackets.

POST-85s AND POST-95s MOTHERS' MONTHLY INCOME

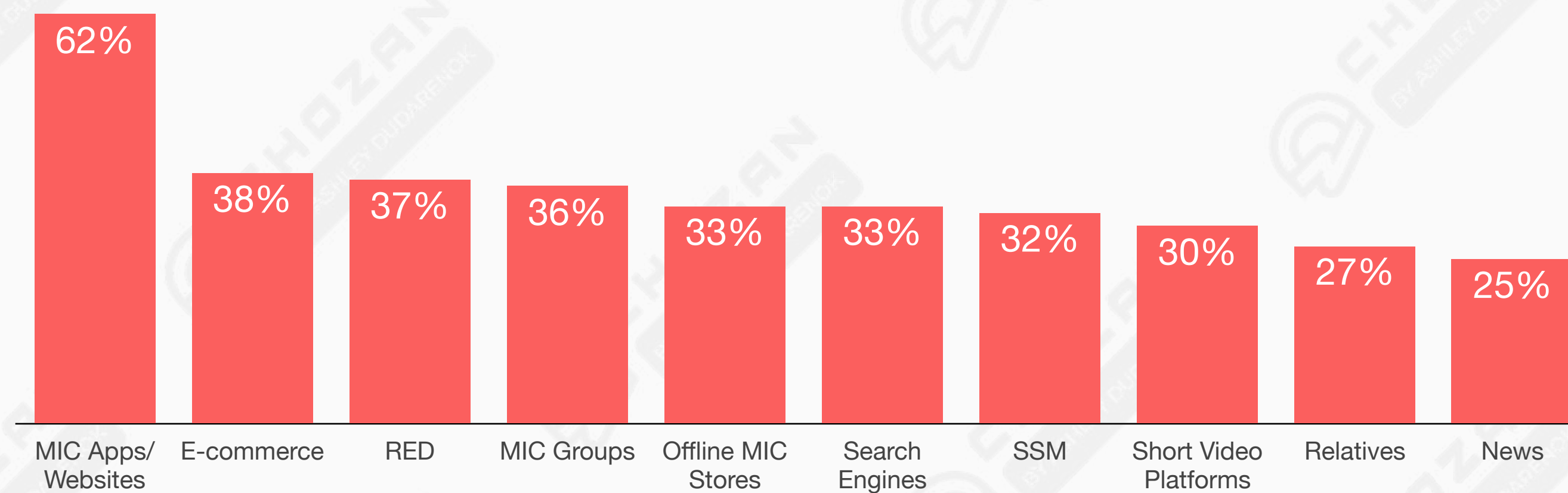


CONSUMER INSIGHTS

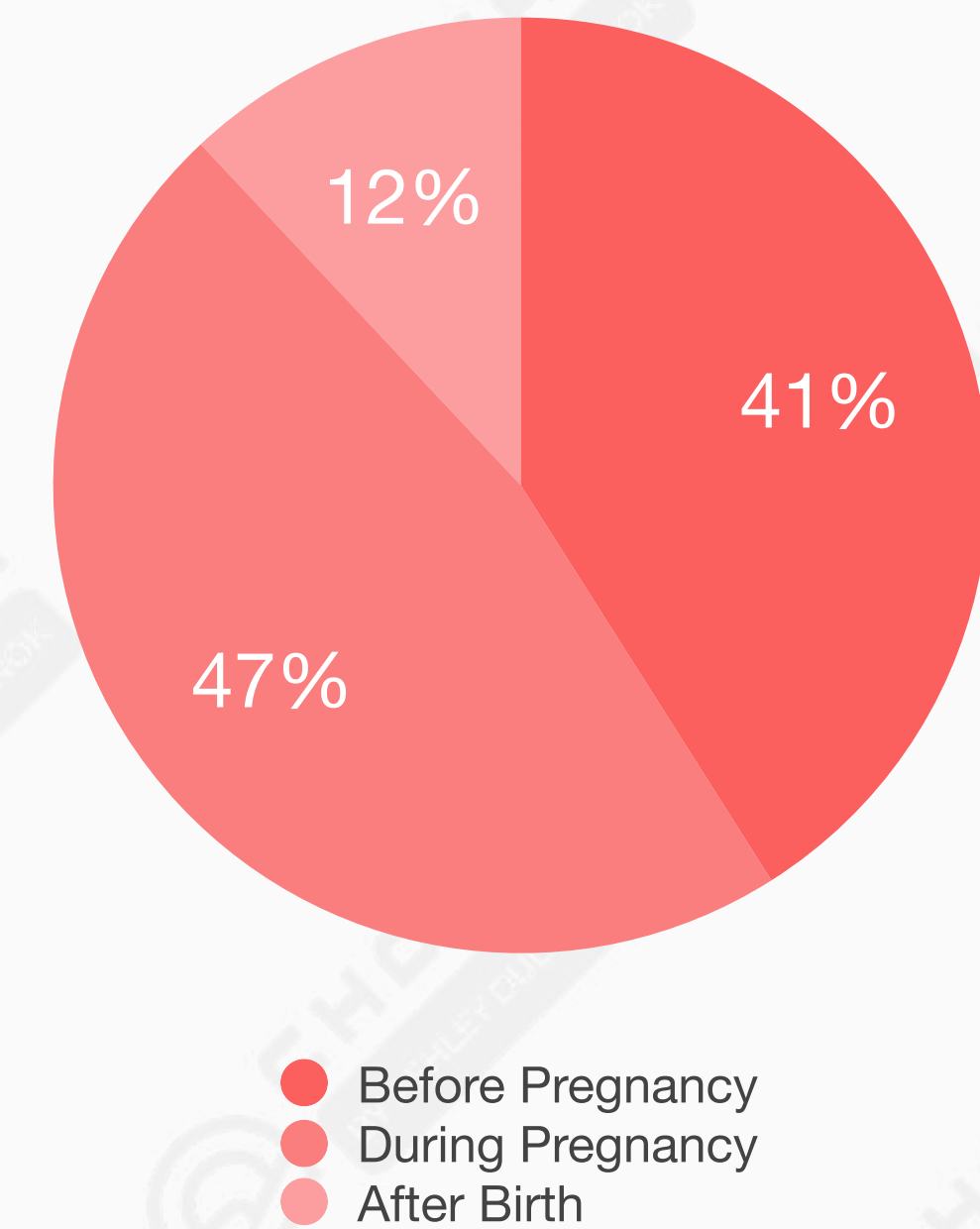
SUPER MOMS AND DADS - EDUCATION

MIC group consumers will start to educated themselves about parenting during pregnancy through MIC apps or websites.

WHERE MIC GROUP LOOK FOR PARENTING INFORMATION



WHEN MIC GROUP START LEARNING ABOUT PARENTING

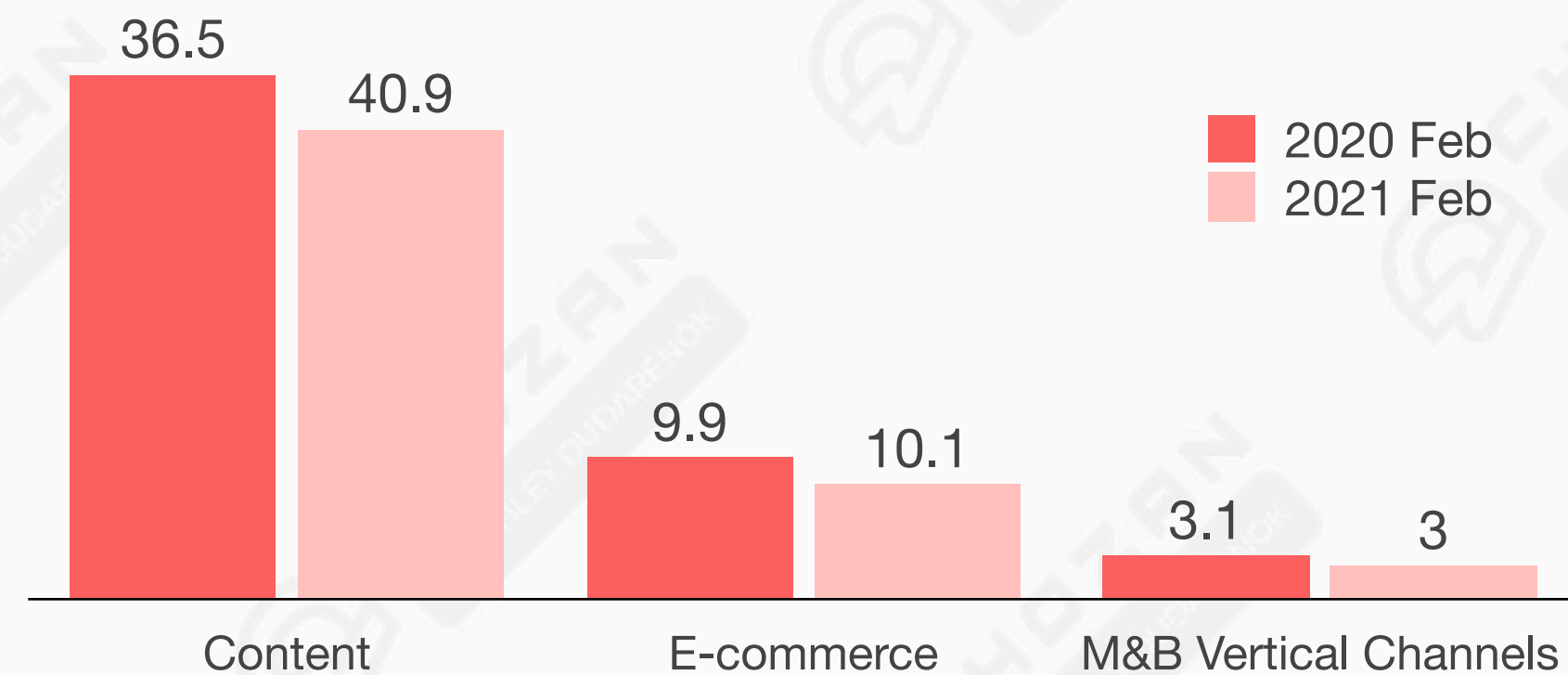


CONSUMER INSIGHTS

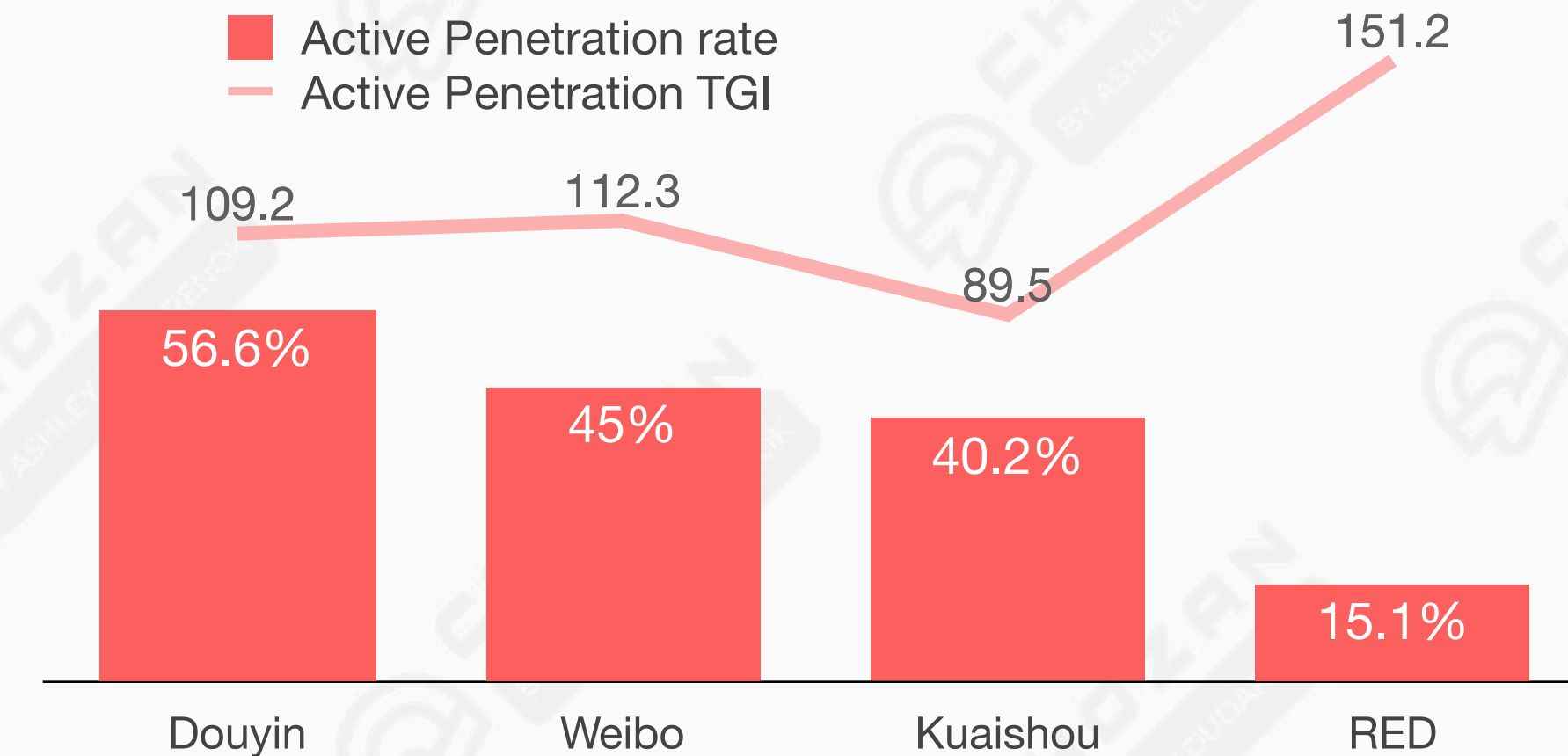
SUPER MOMS AND DADS - CONTENT PLATFORMS

Content platforms, especially Douyin, are most popular among the MIC group. They spend more than 40 hours per month - 400% more than other on platforms.

MIC GROUP CONSUMERS MOST USED PLATFORM CATEGORIES (HOURS PER MONTH)



MIC GROUP CONTENT PLATFORM PENETRATION RATE, FEB 2021

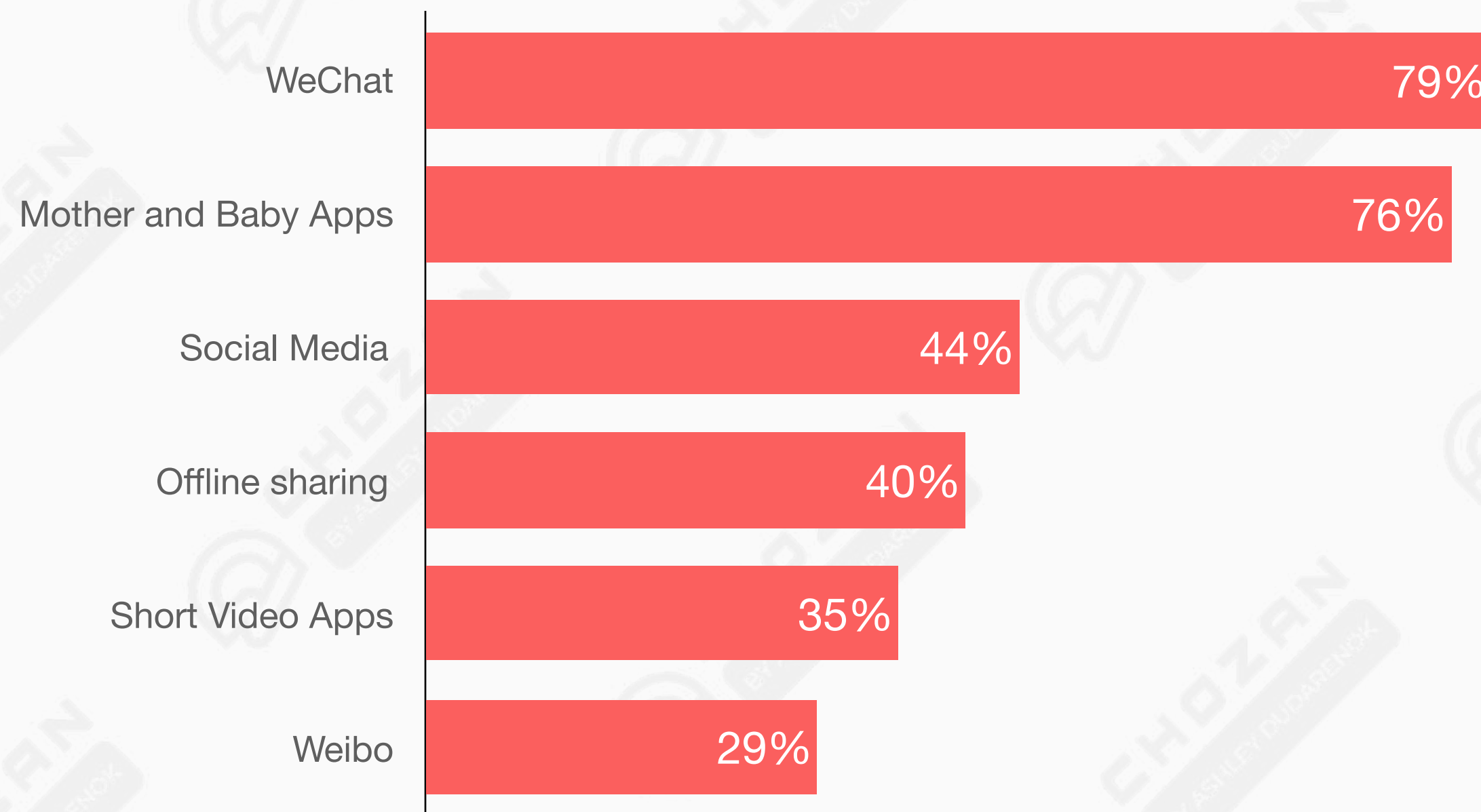


SOCIAL MEDIA INSIGHTS

SOCIAL CHANNELS

MIC consumers mainly use WeChat and apps for mothers and parents to share information, mainly maternity questions and pregnancy experiences. 64% of parent consumers share information.

2020 SOCIAL CHANNELS FOR MIC CONSUMERS



2020 MIC CONSUMERS SOCIAL SHARING BEHAVIOUR

79%
ASK PREGNANCY
QUESTIONS AND
GET ADVICE

60%
SHARING FEELINGS

64%
PREGNANCY
EXPERIENCE
SHARING

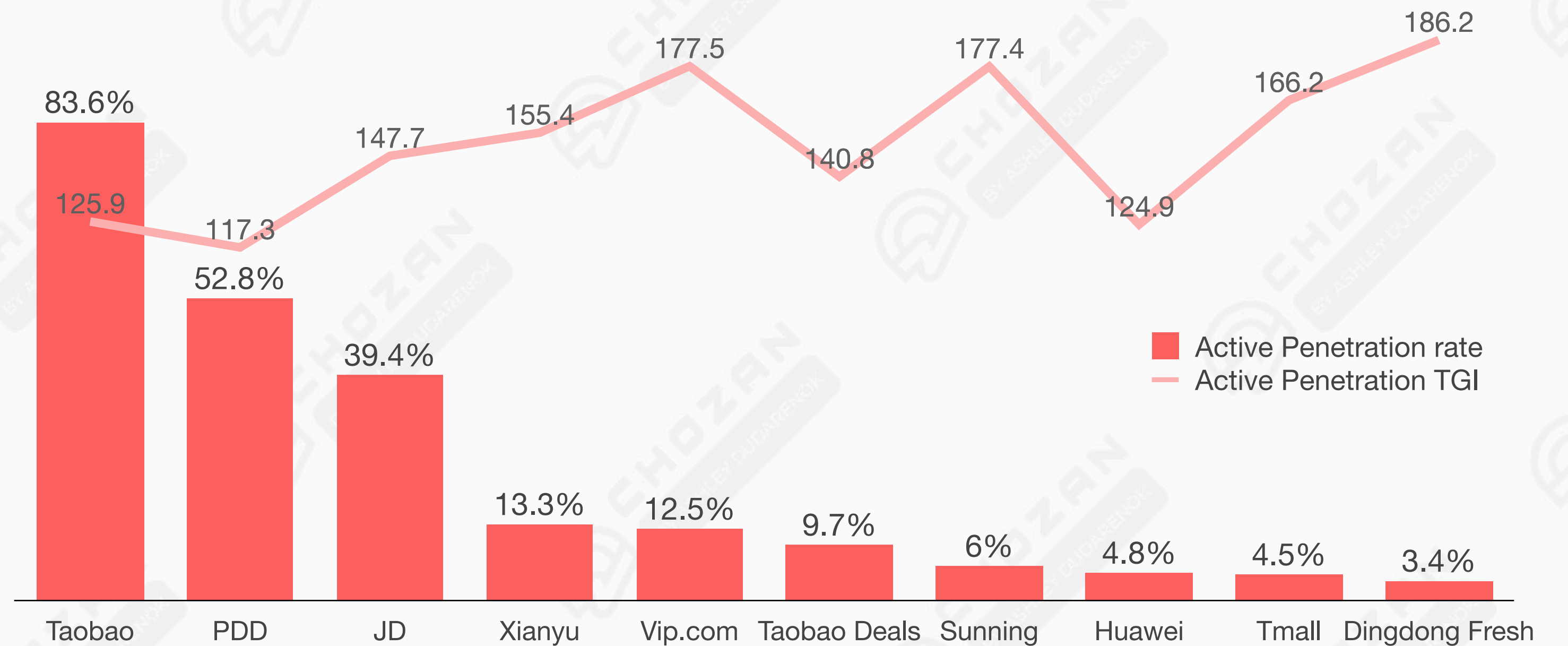
57%
"SHARENTING"

CONSUMER INSIGHTS

SUPER MOMS AND DADS - PLATFORM PENETRATION

Taobao has the highest penetration rate among all other e-commerce platforms, followed by Pinduoduo and JD.

MIC GROUP E-COMMERCE PLATFORM PENETRATION RATE, FEB 2021

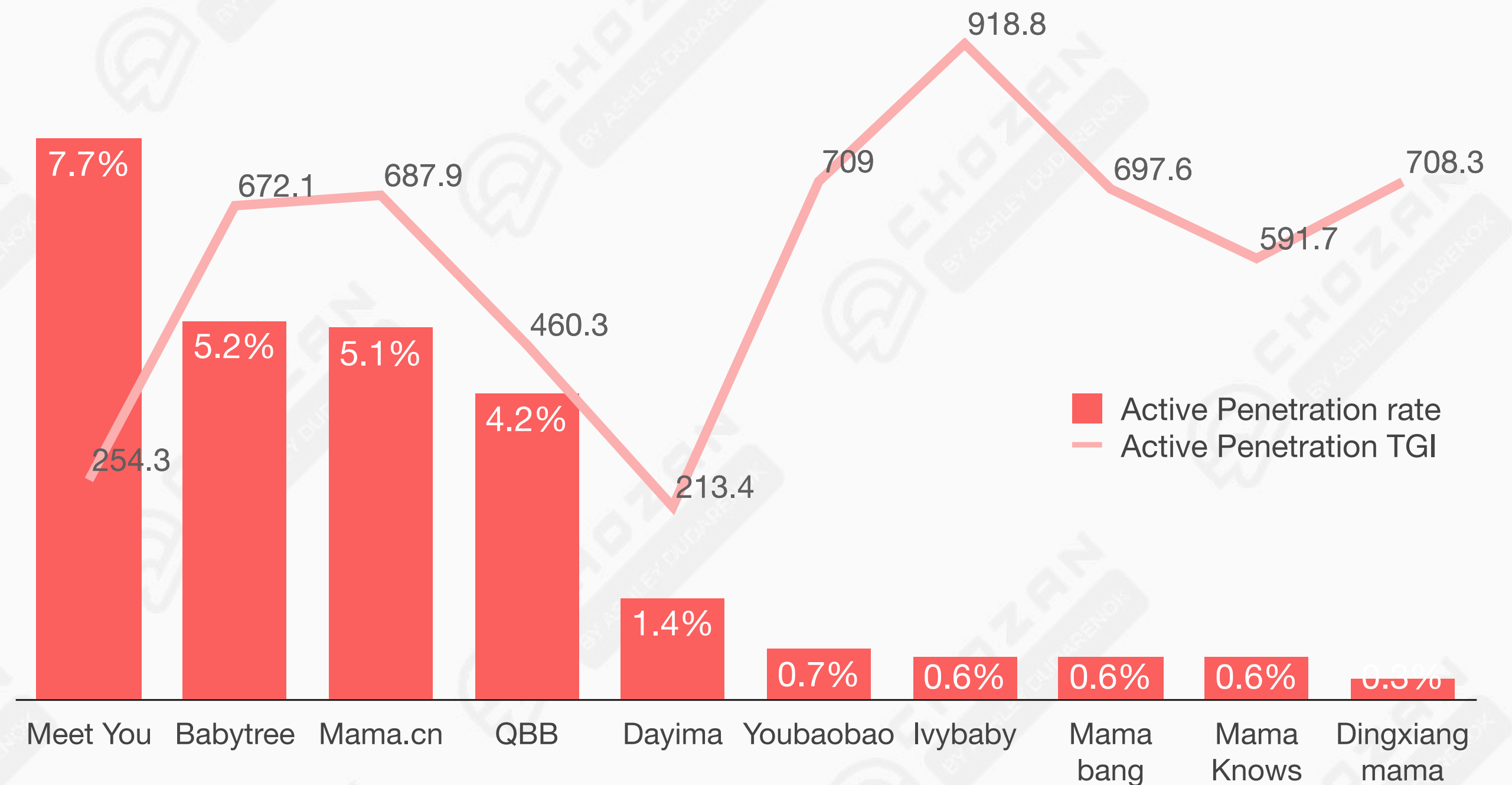


CONSUMER INSIGHTS

SUPER MOMS AND DADS - PLATFORM PENETRATION

Meet You (美柚) app is most popular among all MIC e-commerce platforms with a 7.7% penetration rate.

MIC GROUP E-COMMERCE PLATFORM PENETRATION RATE, FEB 2021



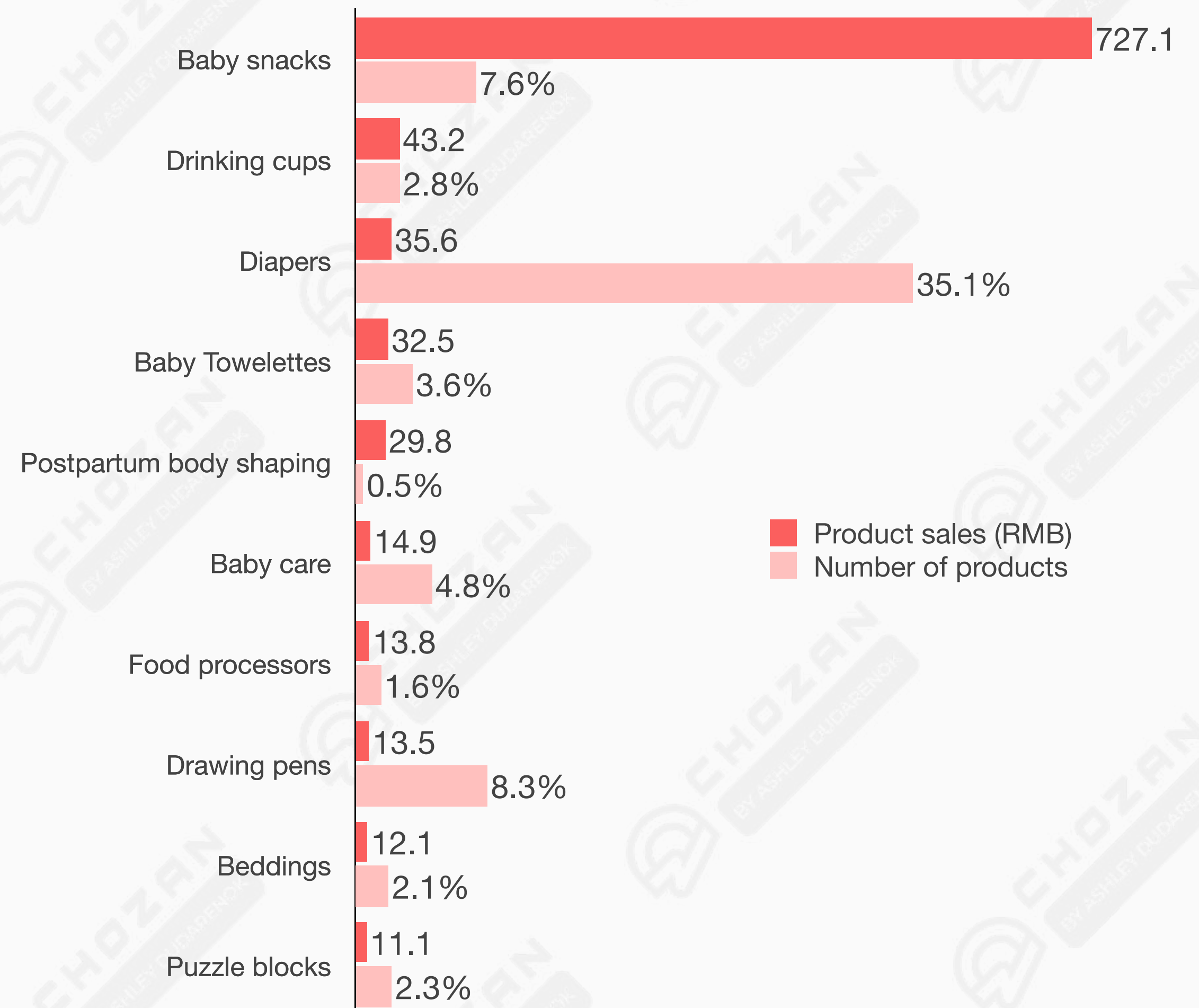
CONSUMER INSIGHTS

SUPER MOMS AND DADS - PRODUCTS

The relative price of baby snacks during live-streaming commerce was the lowest, making it the best selling product during live-streaming due to the cost-effectiveness.

Source: Quest Mobile, 2021 Maternal and Child Industry Report

MIC PRODUCT SALES ON DOUYIN AND KUAISHOU
LIVESTREAMING COMMERCE, 2021 FEB

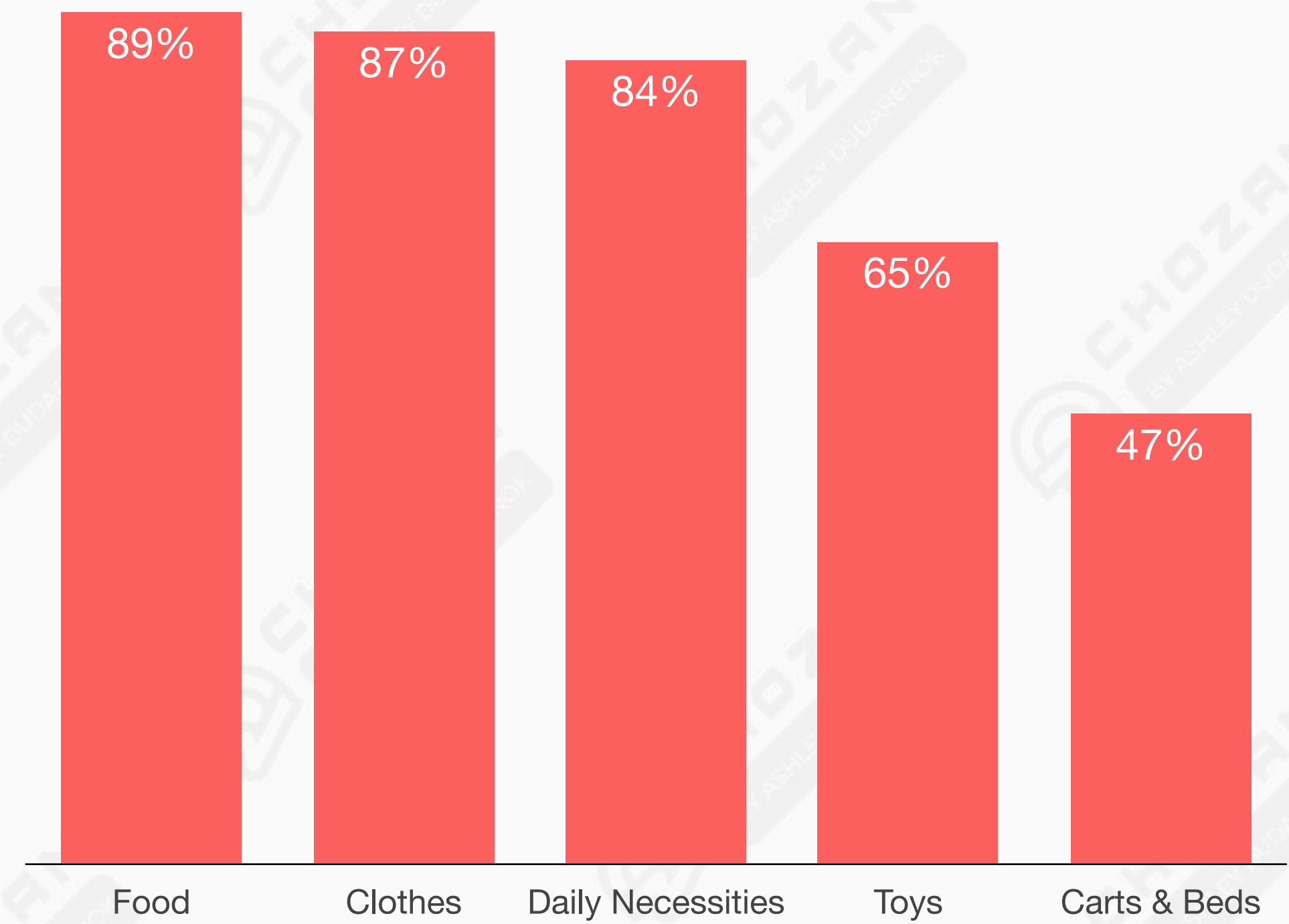


CONSUMER INSIGHTS

SUPER MOMS AND DADS - PRODUCTS

Food, clothing and daily necessities for babies are the main product categories MIC consumers focus on.

TOP PURCHASES WITHIN MIC CATEGORY



CONSUMER INSIGHTS

SUPER MOMS AND DADS - BABY FOOD

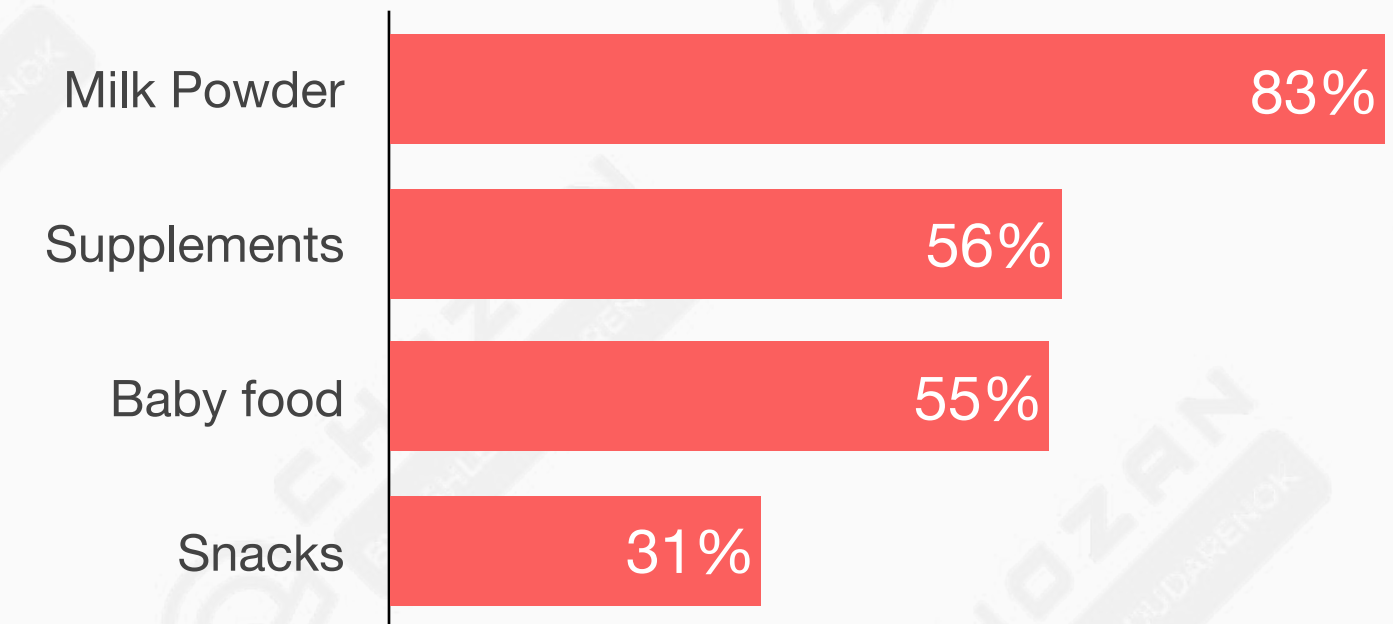
MIC consumers purchase milk powder the most in the food category and the nutrition of products is their main reason to purchase.



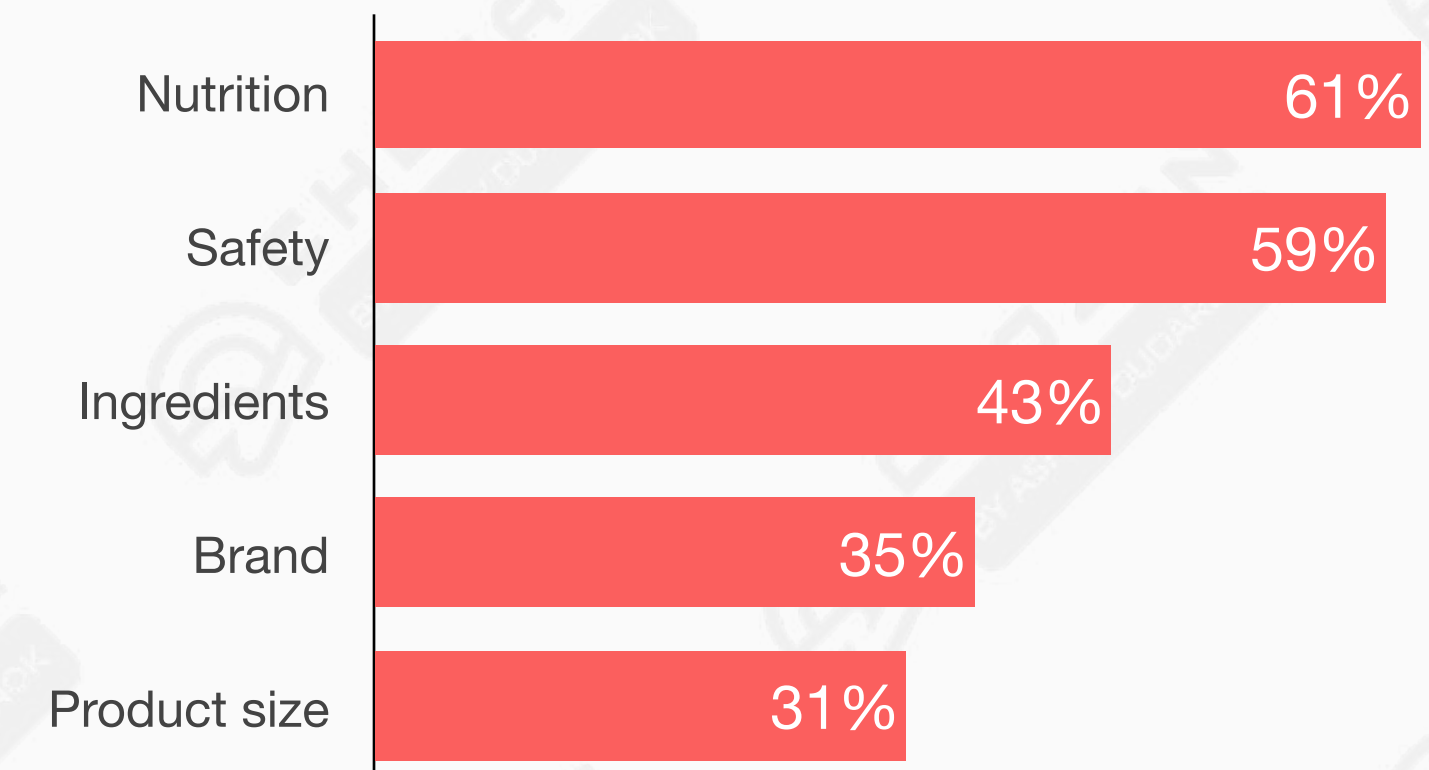
83%

BUYS MILK POWDER
NUTRITION IS KEY

TOP PURCHASES IN BABY FOOD CATEGORY



TOP CONCERNS IN BABY FOOD CATEGORY



CONSUMER INSIGHTS

SUPER MOMS AND DADS - BABY CLOTHING

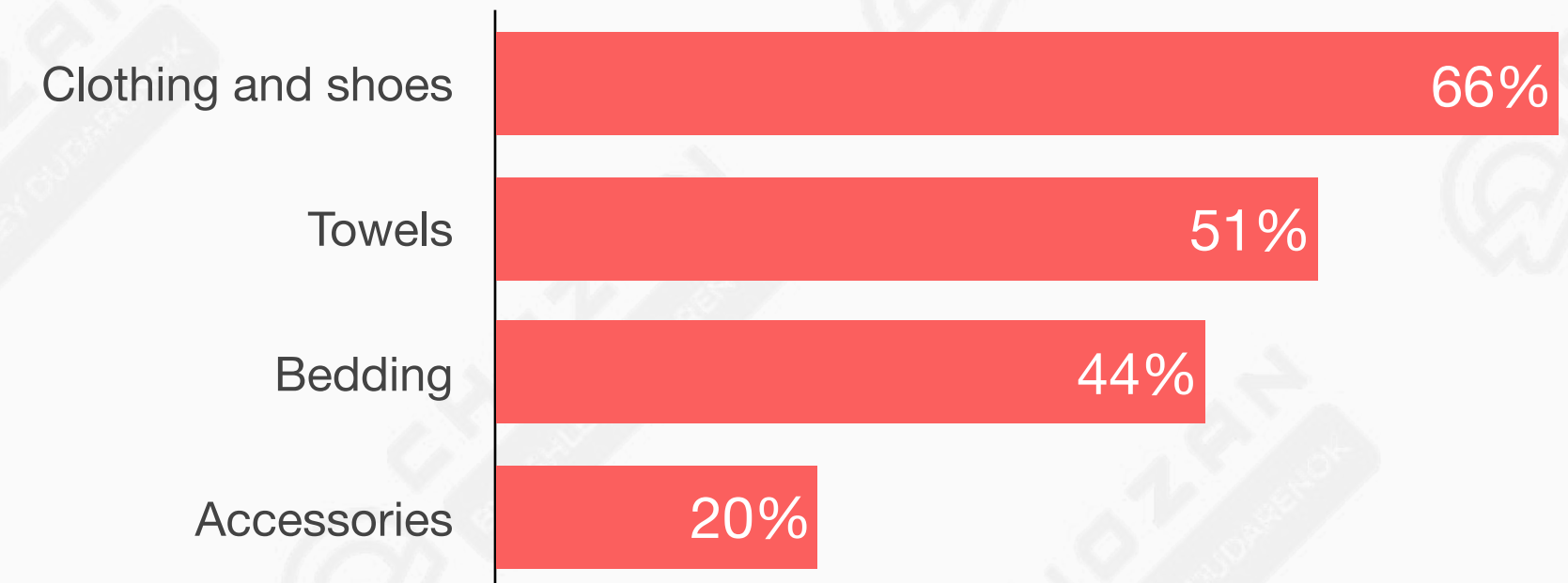
MIC consumers purchase clothes and shoes the most in the clothing category and the comfortability of products is their main reason to purchase.



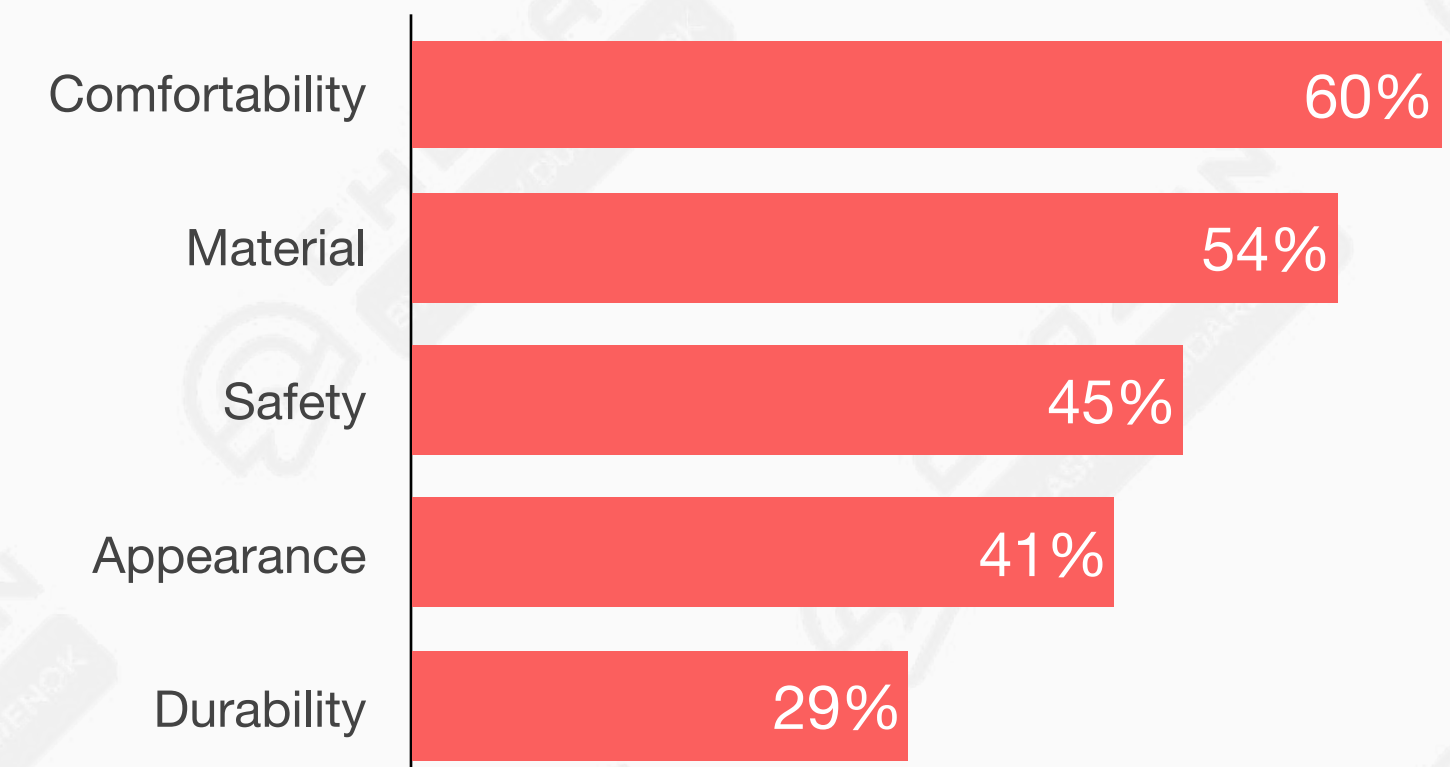
66%

**BUYS CLOTHING AND SHOES
COMFORTABILITY IS KEY**

TOP PURCHASES IN BABY CLOTHING CATEGORY



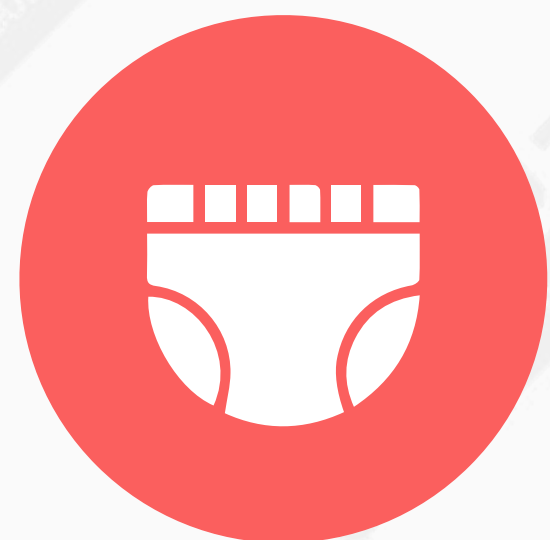
TOP CONCERNS IN BABY CLOTHING CATEGORY



CONSUMER INSIGHTS

SUPER MOMS AND DADS - BABY DAILY NECESSITIES

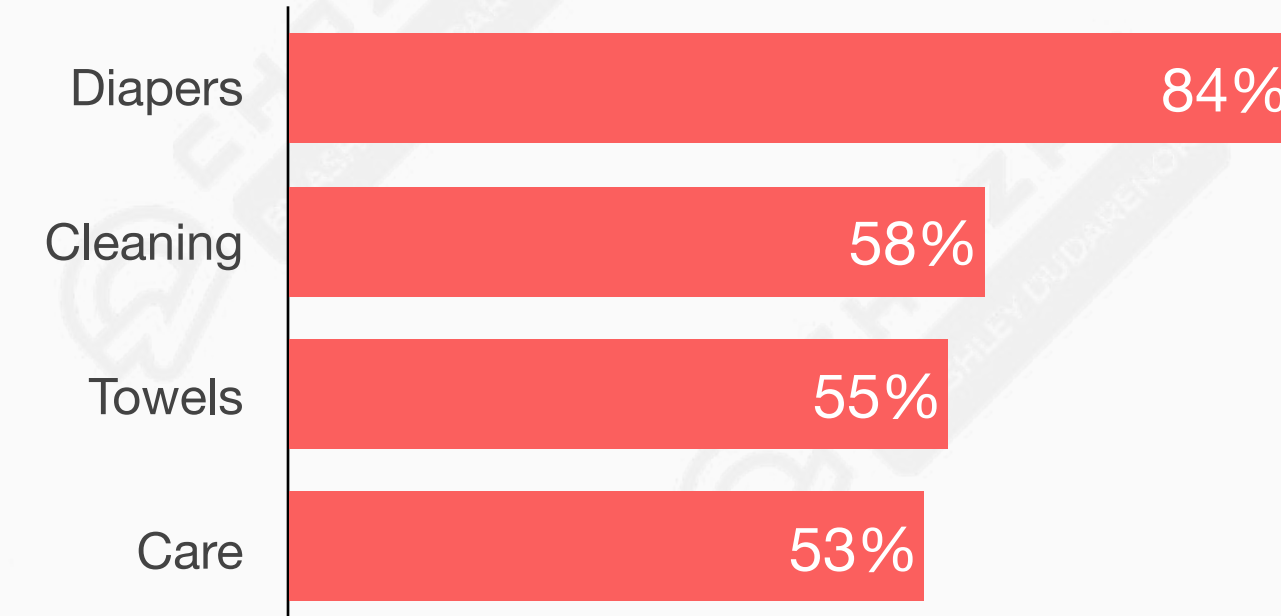
MIC consumers purchase diapers the most in the daily necessities category and the safety of products is their main reason to purchase.



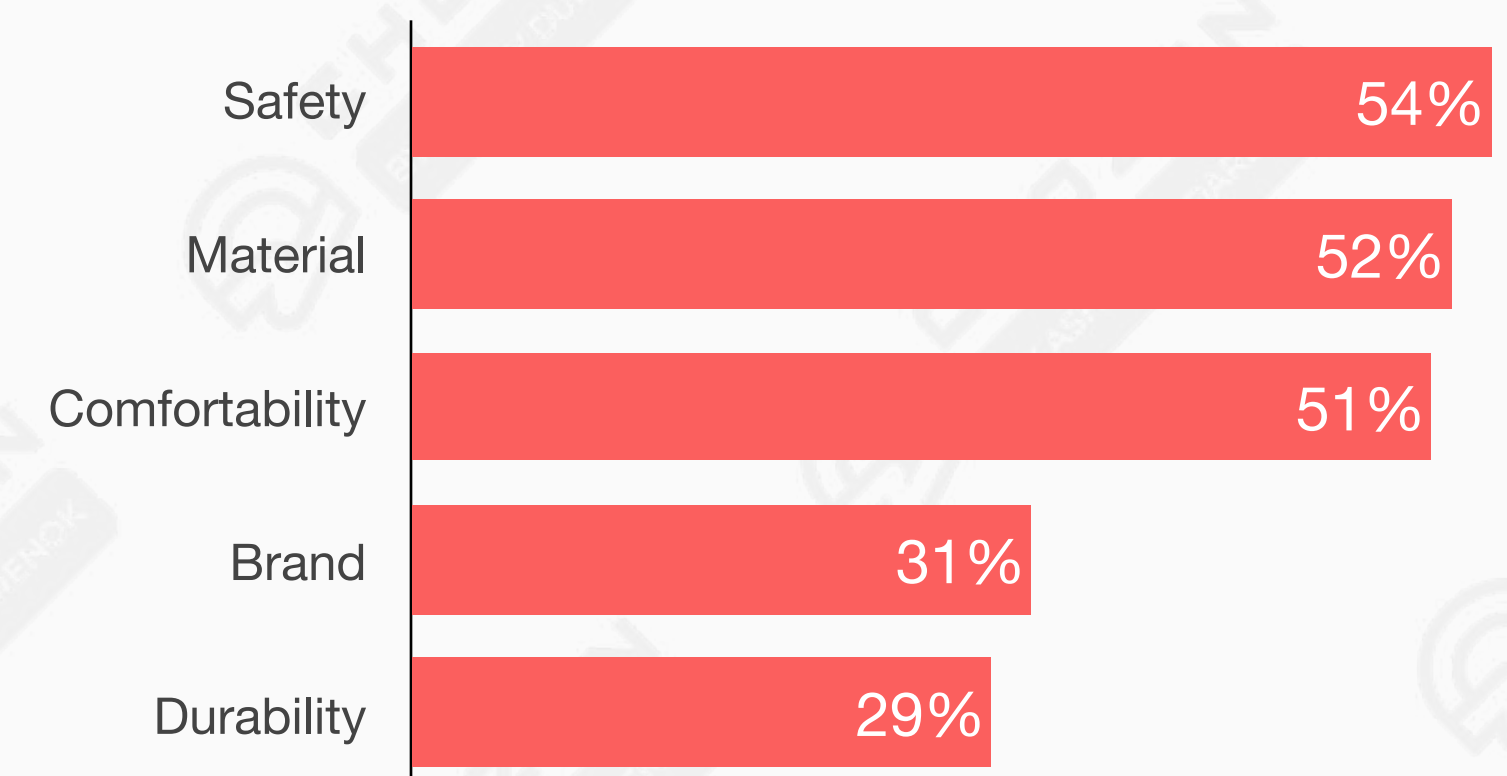
84%

**BUYS DIAPERS
SAFETY IS KEY**

TOP PURCHASES IN BABY DAILY NECESSITIES CATEGORY



TOP CONCERNS IN BABY DAILY NECESSITIES CATEGORY



CONSUMER INSIGHTS

SUPER MOMS - E-COMMERCE

Horizontal E-commerce



Vertical E-commerce



Brand E-commerce



Content E-commerce



O2O E-commerce



Social E-commerce

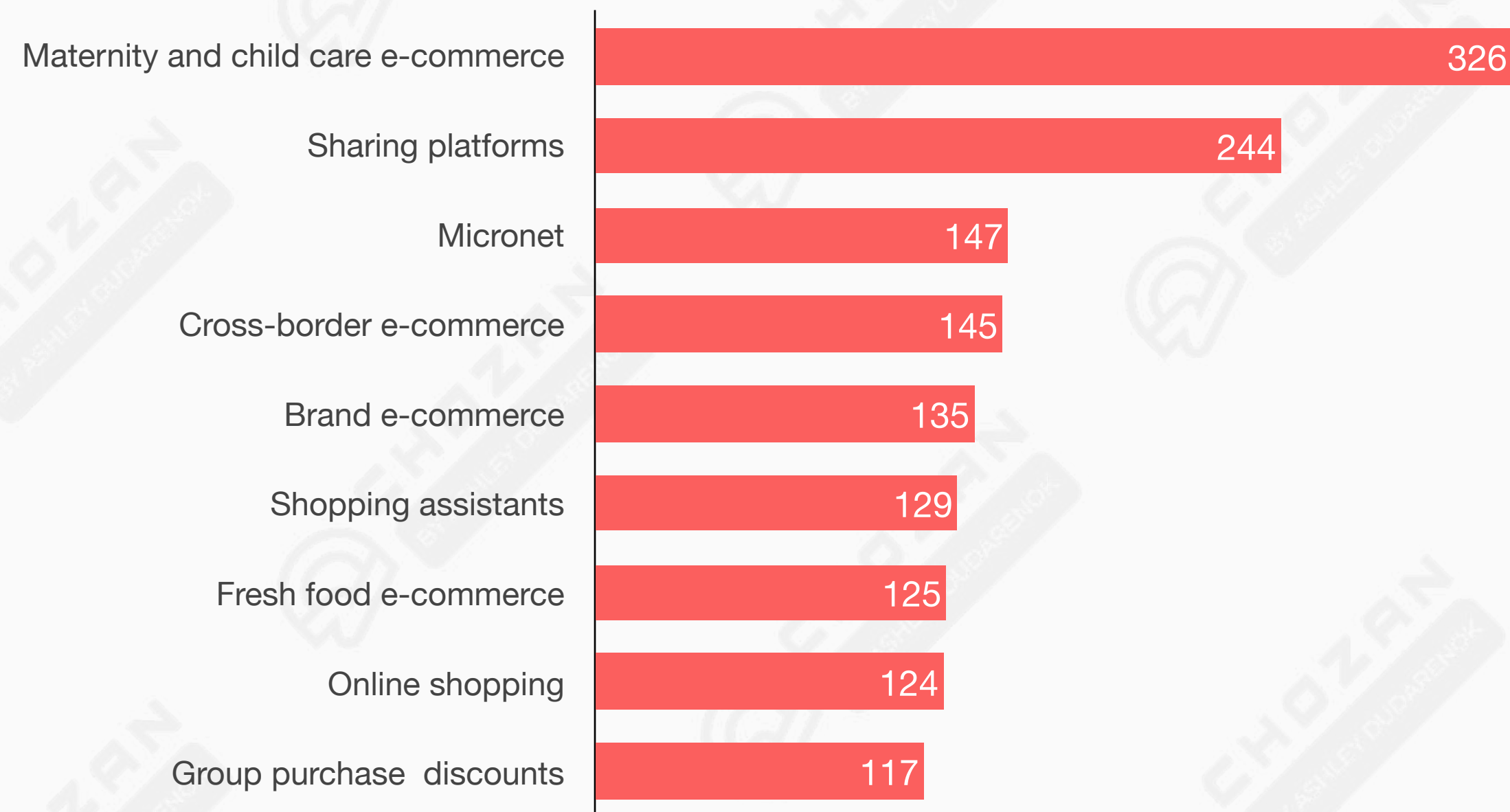


CONSUMER INSIGHTS

SUPER MOMS - E-COMMERCE PREFERENCES

Post-95s mothers prefer international, high quality, fresh products, as opposed to Post-85s mothers who prefer social opinions and maternity and child care e-commerce retailers.

POST-85s MOTHERS E-COMMERCE PREFERENCES



POST-95s MOTHERS E-COMMERCE PREFERENCES



CONSUMER INSIGHTS

SUPER MOMS: KEY FACTS ABOUT AFFLUENT MOTHERS

1

Affluent mothers in China live by the word of mouth they read in trusted WeChat groups. They're keen to be in a WeChat group with their social peers. There's usually a leader who makes recommendations based on what celebrities are doing.

2

Education and betterment is everything. Everything is upgrading and looking for a way to display the elite standing of oneself and one's child/children. This creates a reason to make luxury purchases.

3

For the right investment in their child's experiences, there's no limit for affluent Chinese parents. No price is too great if it will deliver a truly elite, WeChat post-worthy moment for their child.

CONSUMER INSIGHTS

SUPER MOMS: EMERGING DEMOGRAPHICS

China is approaching a boom of Millennial mamas or, in their own words, Spicy Moms(辣妈) or Hot Mamas. These terms don't have the racy connotations that their English translations do and are more about mothers who don't conform to traditional norms or feel obligated to give up their hobbies, interests or fashion sense just because they're mothers. They're the new generation of Post-90s moms.

To understand this new demographic of affluent, modern Chinese parents, luxury brands need to understand the size of the social shift. Imagine the difference in parenting in the West between the 1950s and the 1970s. We're talking about the first generation of parents that are asking new questions about parenthood, rather than simply accepting what was done before.

MILLENNIAL MAMAS



EXPERT BITES



OSCAR LIN

Marketing Executive at
Alarice and ChoZan

Q: WHAT IMPORTANT CHANGES DO YOU SEE IN THE CONSUMPTION BEHAVIOUR OF PARENTS?

According to the data, Post-90s and Post-95s moms and dads account for about 60% of parents. 30% have an income of 20K or higher and 80% have attained a Bachelor's Degree or higher. **These parents are also spending more than 40 hours on Douyin, Kuaishou, Weibo and Red and it's usually mom who makes the purchasing decisions.**

Most parents prefer getting information on short video apps and mobile shopping apps at the same time. **35.5% prefer Douyin and Taobao and 25.5% prefer Douyin and Pinduoduo so I think running campaigns on Douyin is important.**

GOT A QUESTION? DROP OSCAR AN
EMAIL BY SCANNING THE QR CODE



EXPERT BITES

Q: WHAT IMPORTANT CHANGES IN BEHAVIOUR DO YOU SEE IN SUPER MOMS RIGHT NOW THAT WILL IMPACT THE WAY THEY LIVE AND SHOP IN 2021?

In terms of Super Moms, I'm seeing from my ethnographic interviews that they've adopted a **"no compromises" mindset for certain products focussed on their children**. This set of must have products is now **extending to skin care, washing powder and dedicated nutrition**. For marketers, it's essential to understand the current benchmark of being a Super Mom and how **brands can become a psychological assurance in terms of meeting this ever-expanding definition of what it means to be a successful modern parent**.



JERRY CLODE
Founder of The Solution

7 CHINA'S PET LOVERS

China's pet lovers share overlaps with millennials and happy singles. The pet industry is growing but there's still lots of untapped potential. Pet lovers are creating unique lifestyles and communities that include socializing and accessorising. Additionally, pet owners are willing to pay for quality products.



CONSUMER INSIGHTS

PET LOVERS - INTRODUCTION

Interesting facts	Shopping attitudes and behaviours	What are they interested in purchasing?
The market for pet products in China reached 202.4 billion RMB in 2019. A YoY increase of 18.5% with online sales exceeding 30 billion RMB.	The pet economy is thriving in China. If companies want to succeed in this market they need to pay attention not only to pet related products, but also to special collaborations producing products for pet owners with animal images.	Chinese pet lovers are buying all kinds of pet related products, including luxury products for pets.

CONSUMER INSIGHTS

PET LOVERS - PET OWNERS AND LOOKING FORWARD

Due to the trend of late marriage, more Chinese are getting pets as companions. 41% of pet owners in China are young singles.

According to EO Intelligence, as the five single trends wave hits, the pet economy is expected to rise in the coming years.



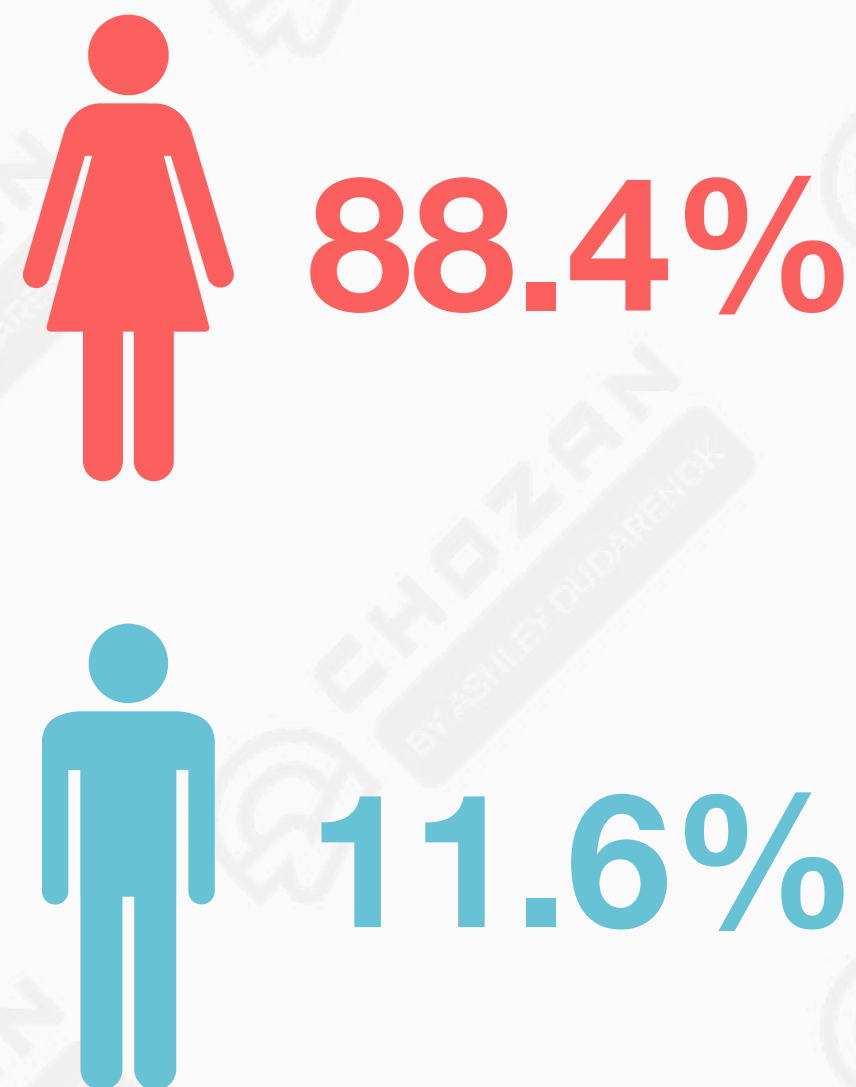
41%

PET OWNERS ARE SINGLES

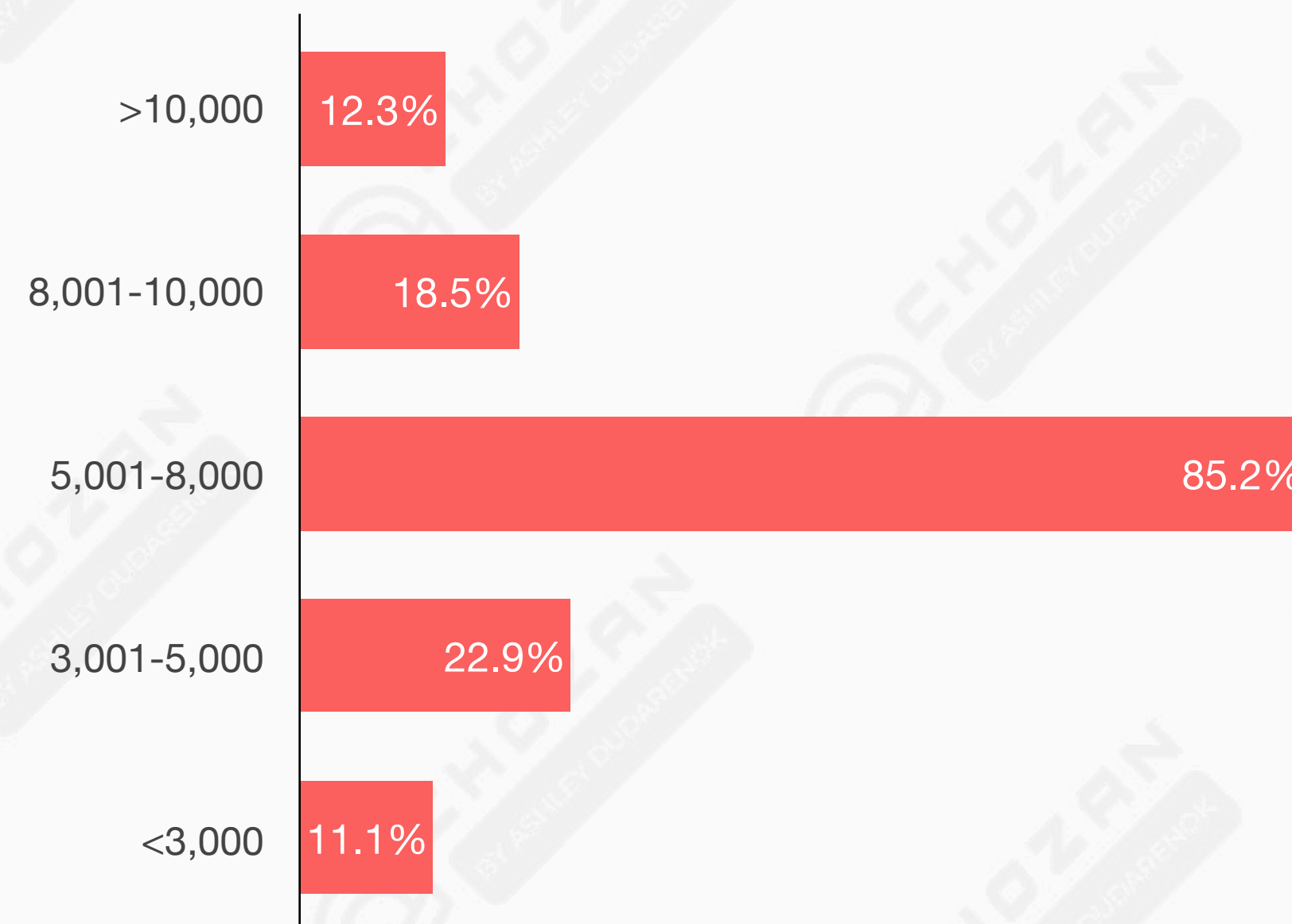
CONSUMER INSIGHTS

USER PORTRAITS OF CHINESE PET OWNERS IN 2020

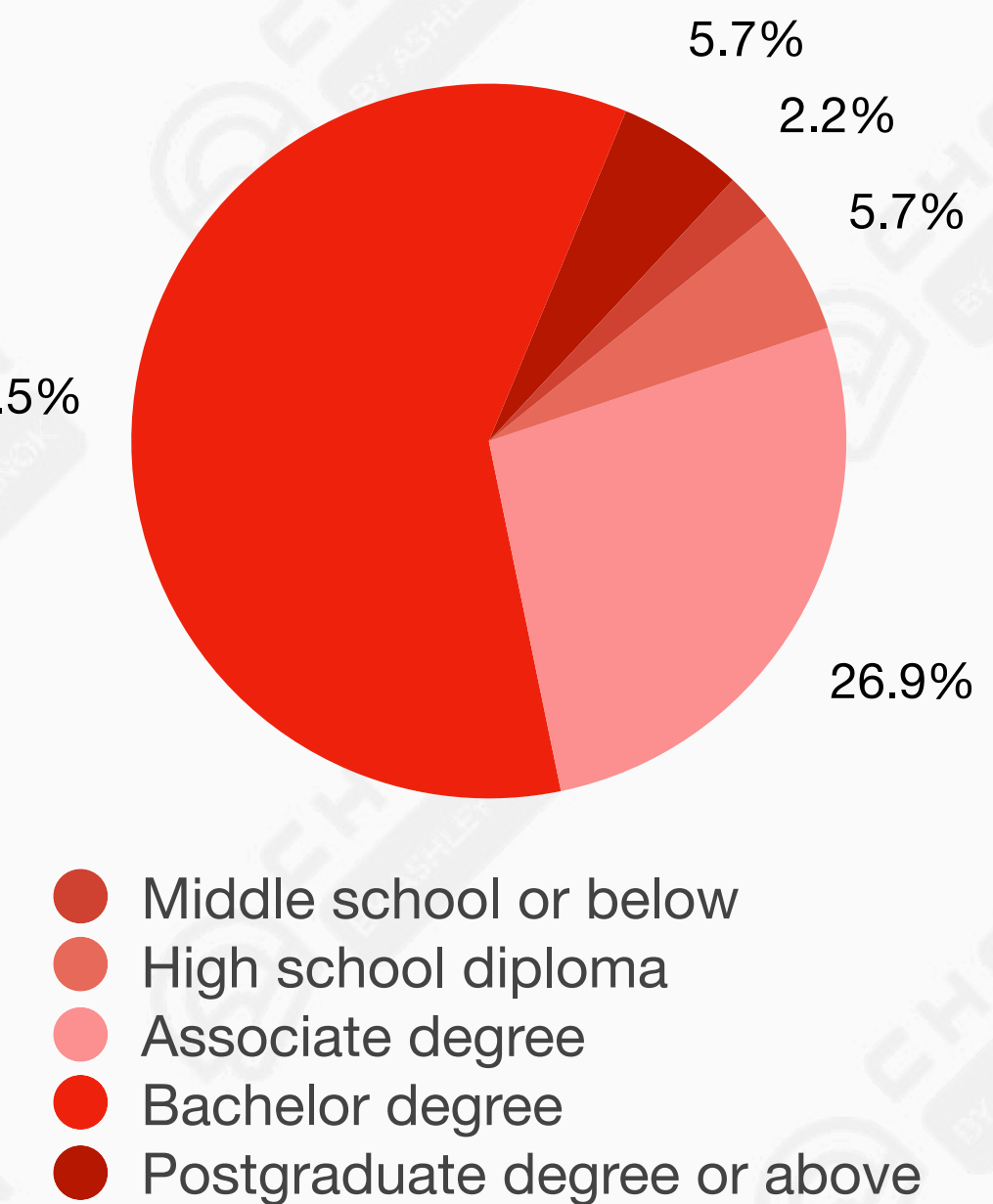
Pet owners have higher incomes and higher education levels. About one third of them make over 8,000 RMB per month. 59.5% and 5.7% pet owners are bachelor and postgraduate degree holders respectively. Pet owners are predominately women and those with high incomes and high education levels are more committed to taking good care of their pets.



MONTHLY INCOMES OF PET OWNERS (IN RMB)



THE HIGHEST LEVEL OF EDUCATION ATTAINED BY CHINESE PET OWNERS IN 2020



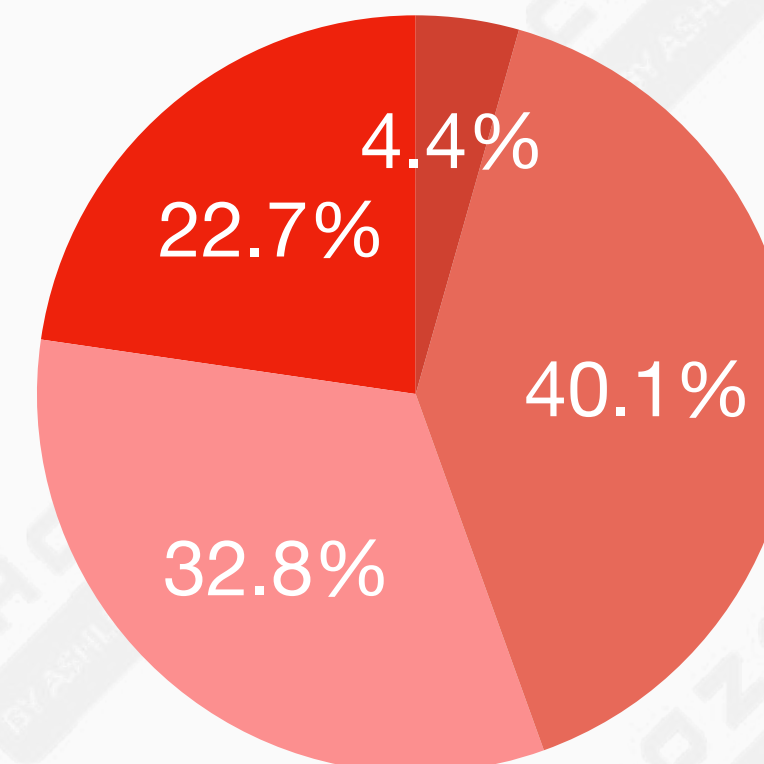
CONSUMER INSIGHTS

PET LOVERS - FEMALE PET OWNERS

Young women are key driver of the pet market in China, almost half of pet app users are post 95s and post 00s (44.1%).

DISTRIBUTION OF PET APP USERS

BY AGE



● Post 00s
 ● Post 95s
● Post 85s
 ● Others

BY GENDER



56.8%



43.2%

CONSUMER INSIGHTS

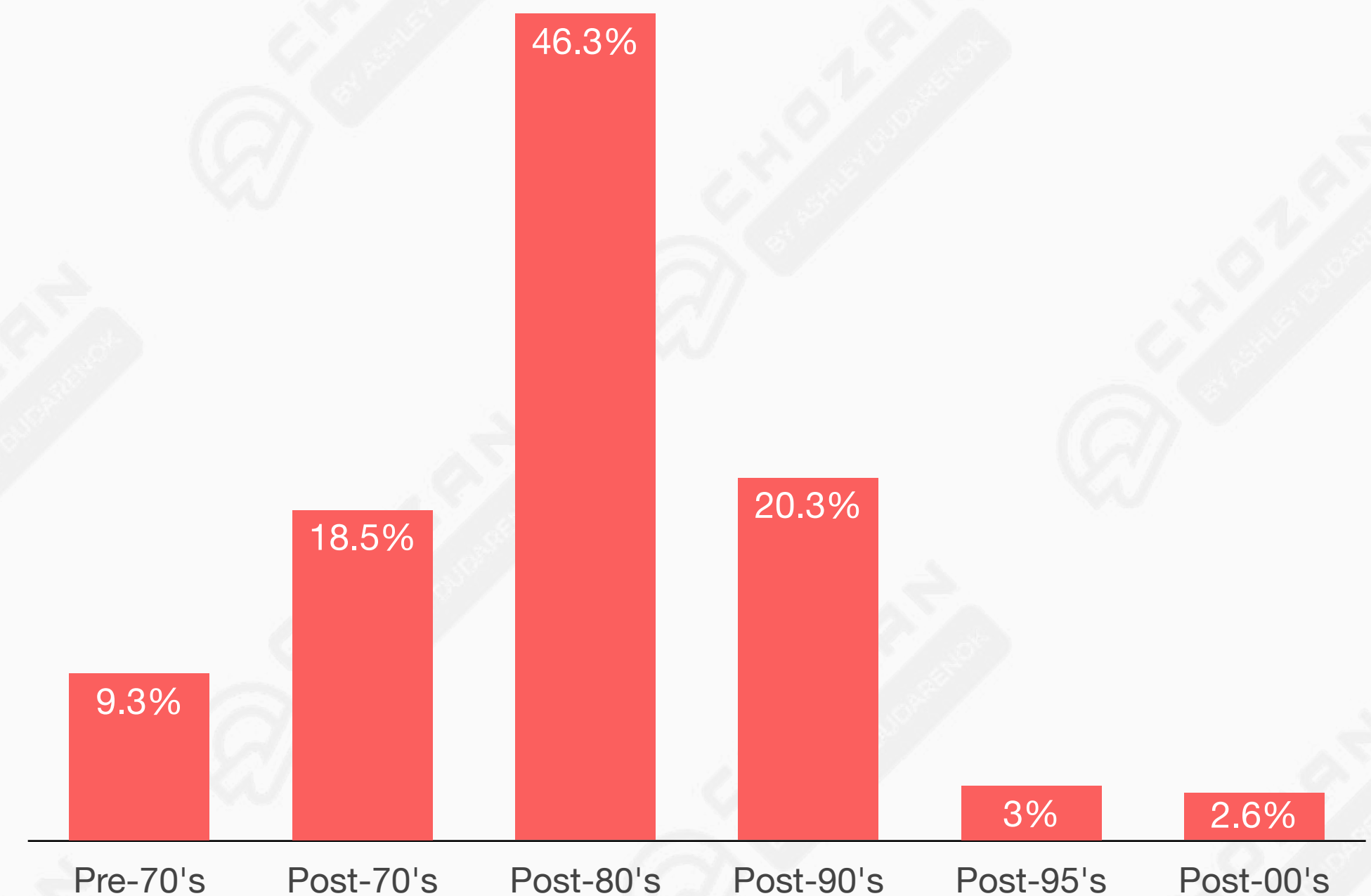
USER PORTRAITS OF CHINESE PET OWNERS IN 2020

Chinese pet owners are becoming younger. 46.3% are Post-80s and 20.3% are Post-90s. The age distribution of pet owners shows that more young consumers are entering the market. Post-95s consumers will soon be the key drivers of market growth.

Young pet owners focus on being caring "parents" to their pets and older generations put a priority on pet companionship. They prioritize animal welfare, with almost 40% of pet adoptions completed by individuals under the age of 24, as found by CBNDData.

Other than time, these young pet-owners are eager to spend money on products they trust to provide the best lifestyle for their pets.

PET OWNERS BY GENERATION

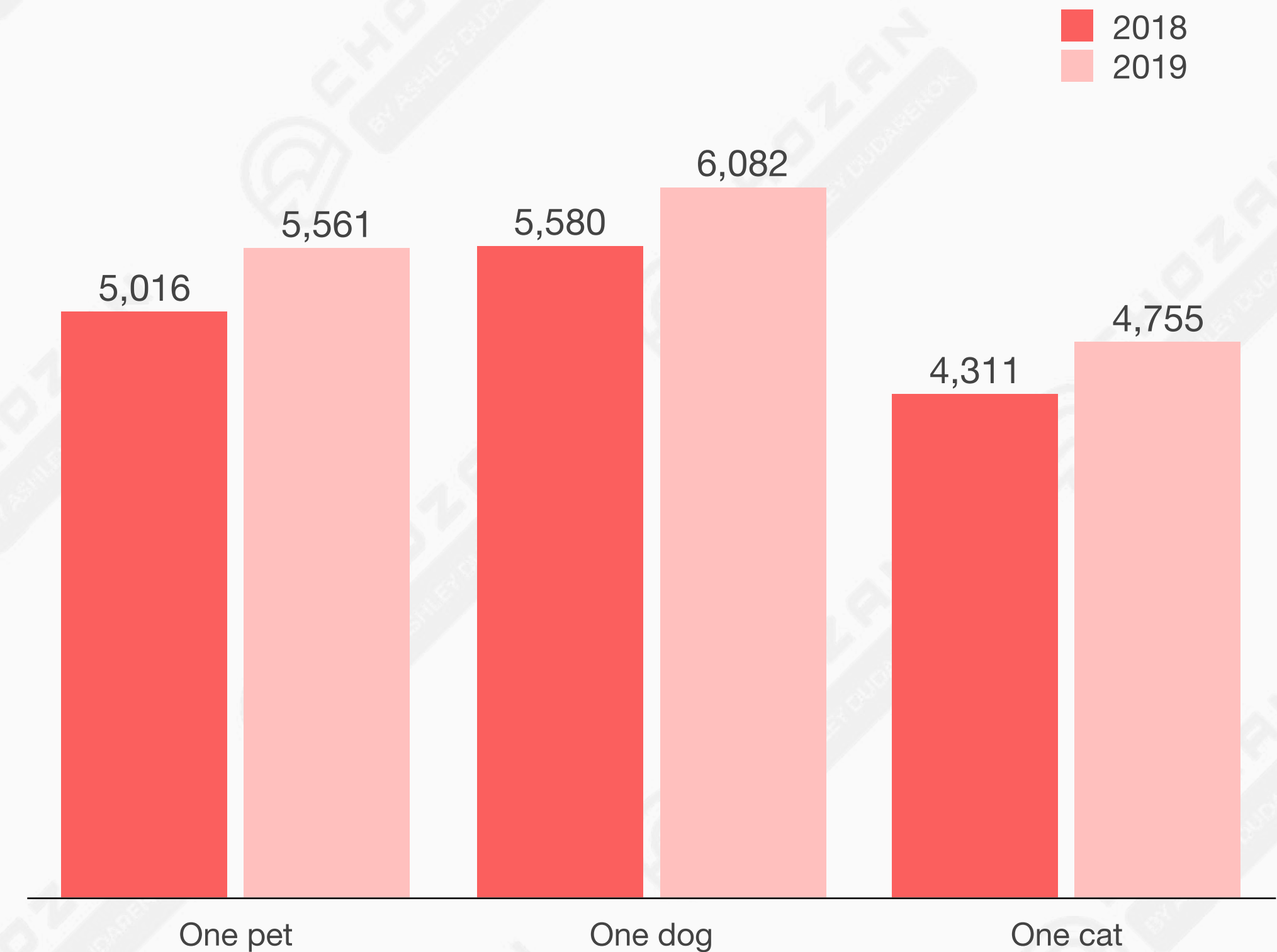


FORWARD LOOKING

EXPENDITURE ON PETS

According to Youzan Research, the average yearly spending on each pet increased by 545 RMB, a 10.9% growth rate from 2018 to 2019. Dog owners' yearly spending grew 9.0% in 2019 while cat owners' spending increased 10.3%. The average monthly spending on each pet in 2019 was 463.4 RMB. Dog owners spend more than cat owners on average.

YEARLY EXPENDITURE ON PETS (RMB)



MARKET INSIGHTS

THE DRIVERS IN THE PET ECONOMY

Changing perceptions of pet ownership:

The development of the pet economy rode on consumers' patterns of delayed marriage or plans to stay single. More and more pet owners now consider pets as their life companions. 41% of Chinese pet owners are singles.

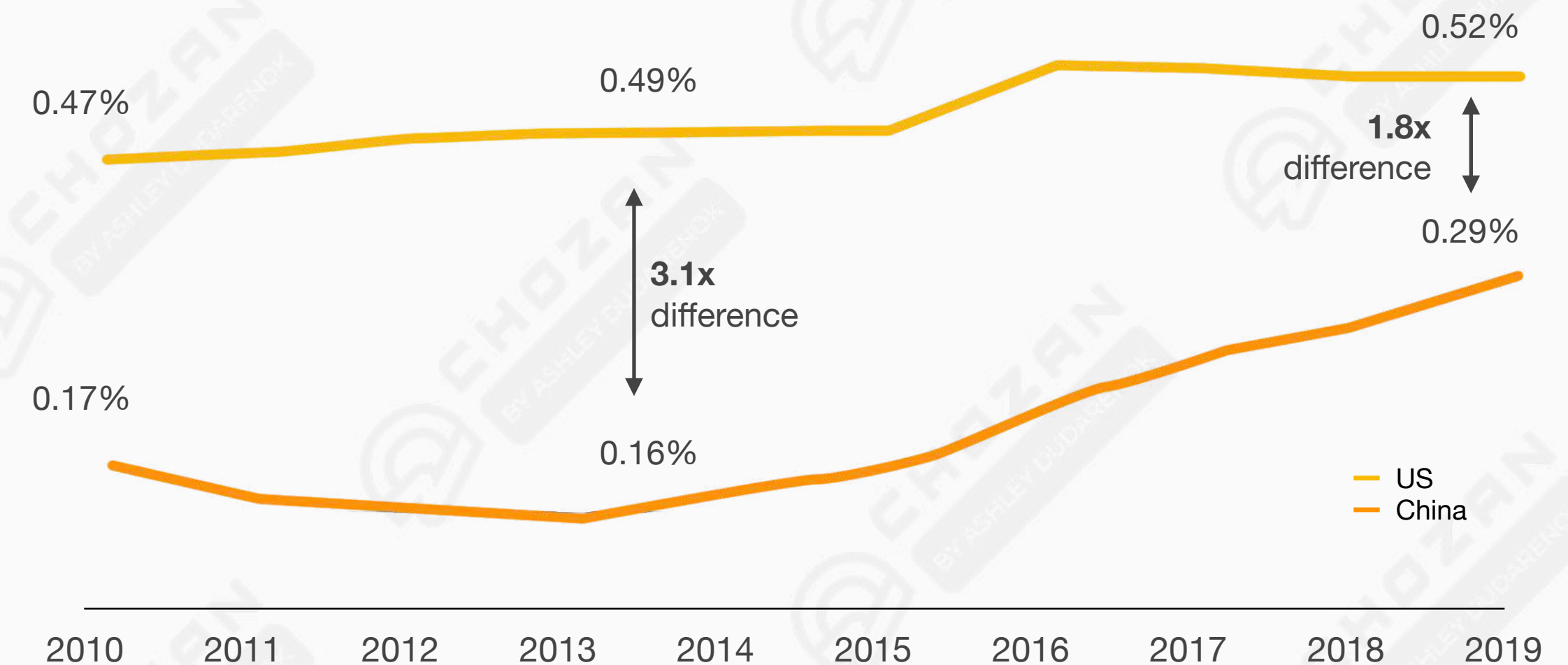
The rising popularity of pet ownership:

The pet ownership rate in China is still very low compared to other countries. On average, only around 4-5% Chinese families own pet(s), so pet ownership is still expected to increase.

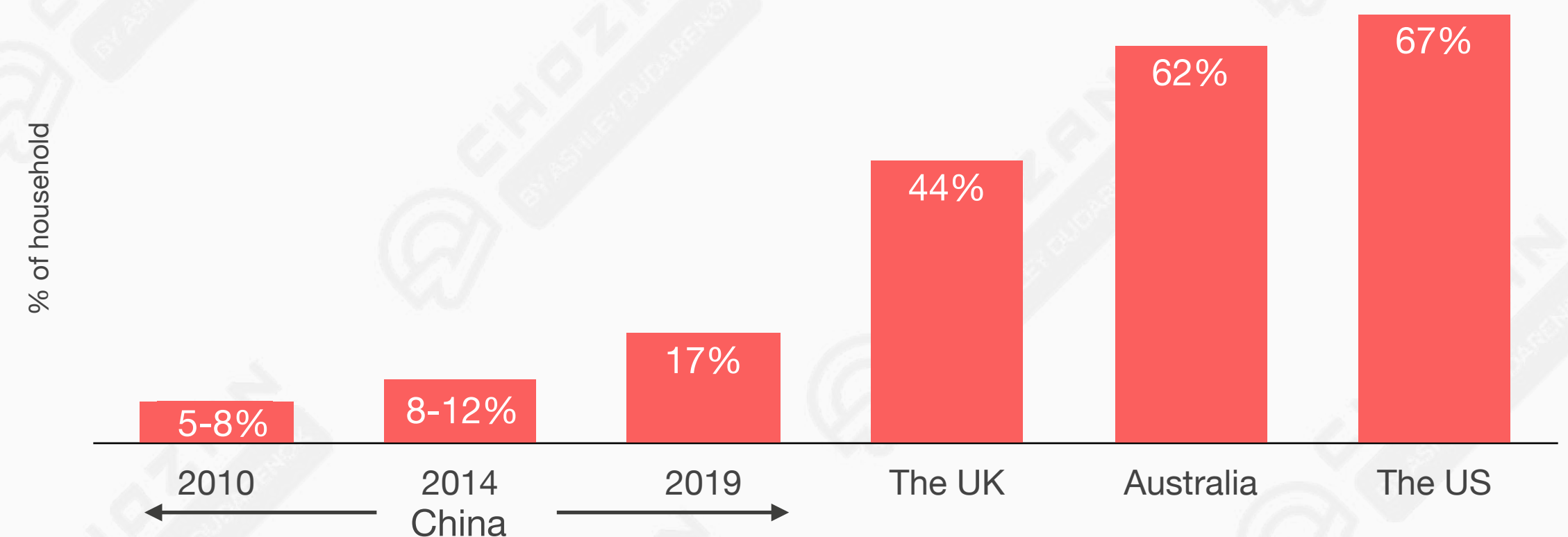
The willingness to increase spending on their pets:

The ratio of pet spending to household expenditures in China is gradually catching up with the US, but there's still room for growth.

CHINA VS US PET SPENDING TO HOUSEHOLD EXPENDITURE
(2010-2019)



PET OWNERSHIP RATE

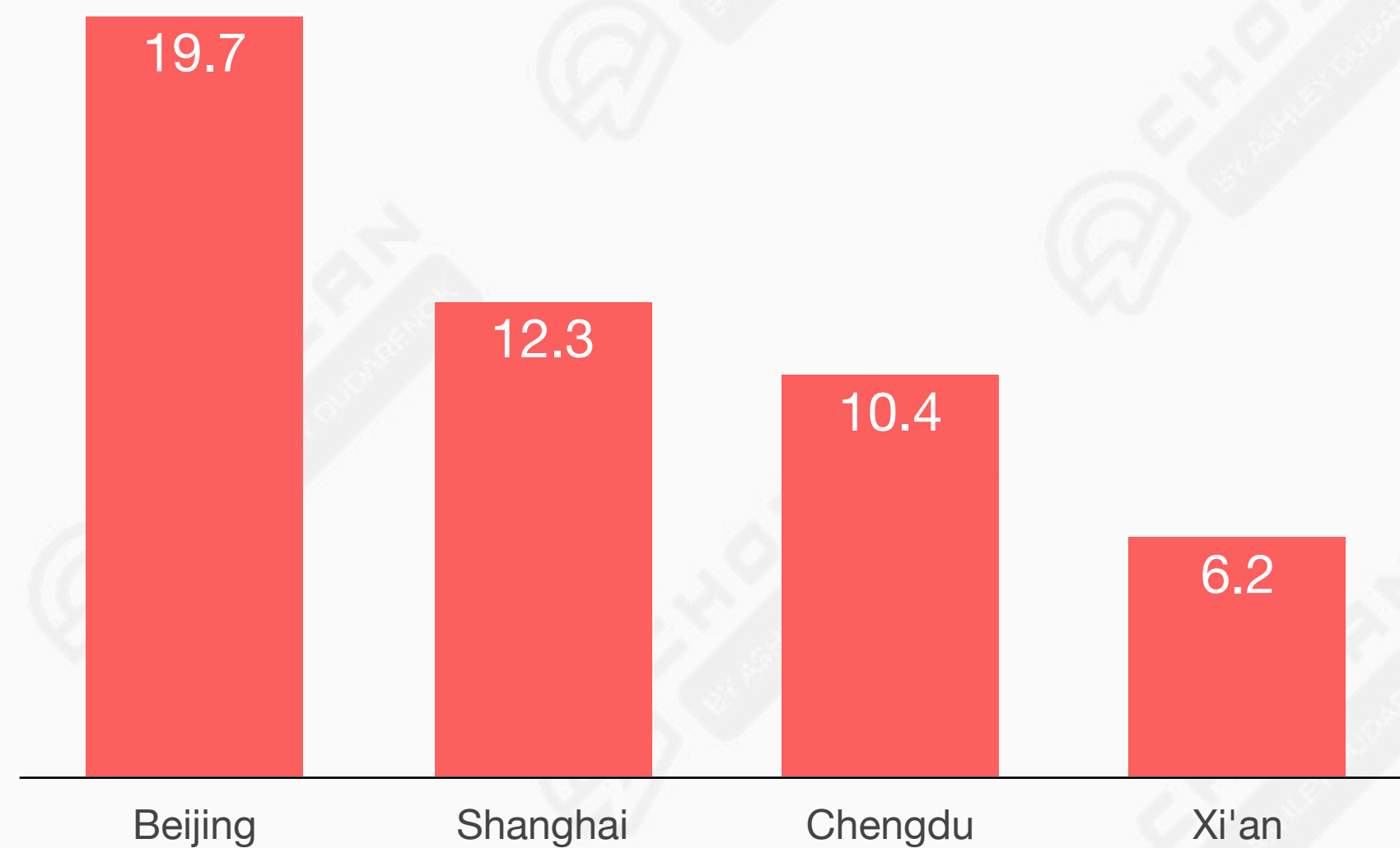


CONSUMERS INSIGHTS

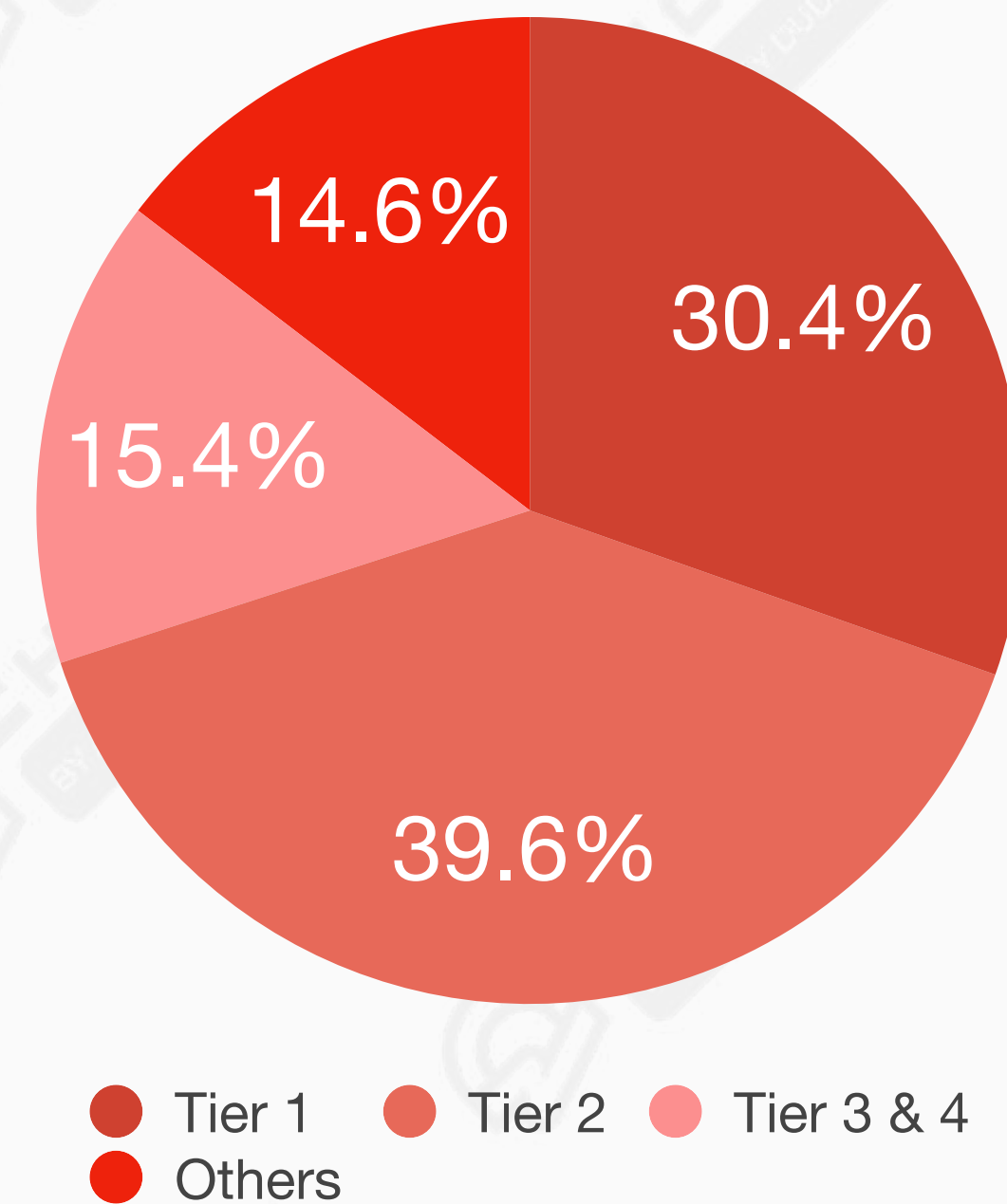
PET OWNERS BY CITY TIERS

In 2019, the combined pet market for Shanghai, Beijing, Xi'an and Chengdu exceeded 50 billion RMB. Over half of pet owners are based in Tier 1 and Tier 2 cities. 39.6% of pet owners are located in Tier 2 cities, while 30.4% are in Tier 1 cities.

PET MARKET SIZE IN MAJOR CITIES (IN BILLIONS, RMB)



DISTRIBUTION OF CHINESE PET OWNERS BY CITY TIER



CONSUMER INSIGHTS

PET OWNERS BY CITIES

The number of pets and pet owners in China are growing. The China Pet Association found that pet owners are typically found in developed cities and provinces along the coast, such as Shanghai (12.4%), Beijing (11.2%), Guangdong (10.1%), Jiangsu (8.1%), Shandong (7.8%), Zhejiang (5.3%), Hebei (4.7%), Fujian (4.7%), Henan (3.6%), and Hubei (2.9%).

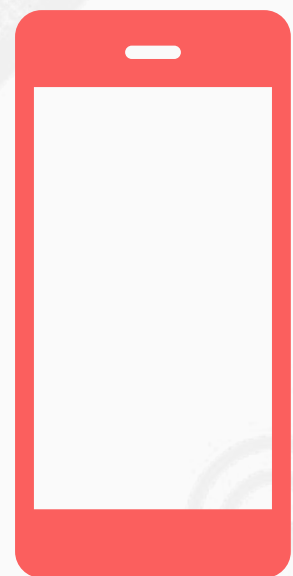


Cities and Provinces	Pet Ownership
Shanghai	12.4%
Beijing	11.2%
Guangdong	10.1%
Jiangsu	8.1%
Shandong	7.8%
Zhejiang	5.3%
Hebei	4.7%
Fujian	4.7%
Henan	3.6%
Hubei	2.9%

CONSUMER INSIGHTS

PURCHASING CHANNELS FOR PET OWNERS

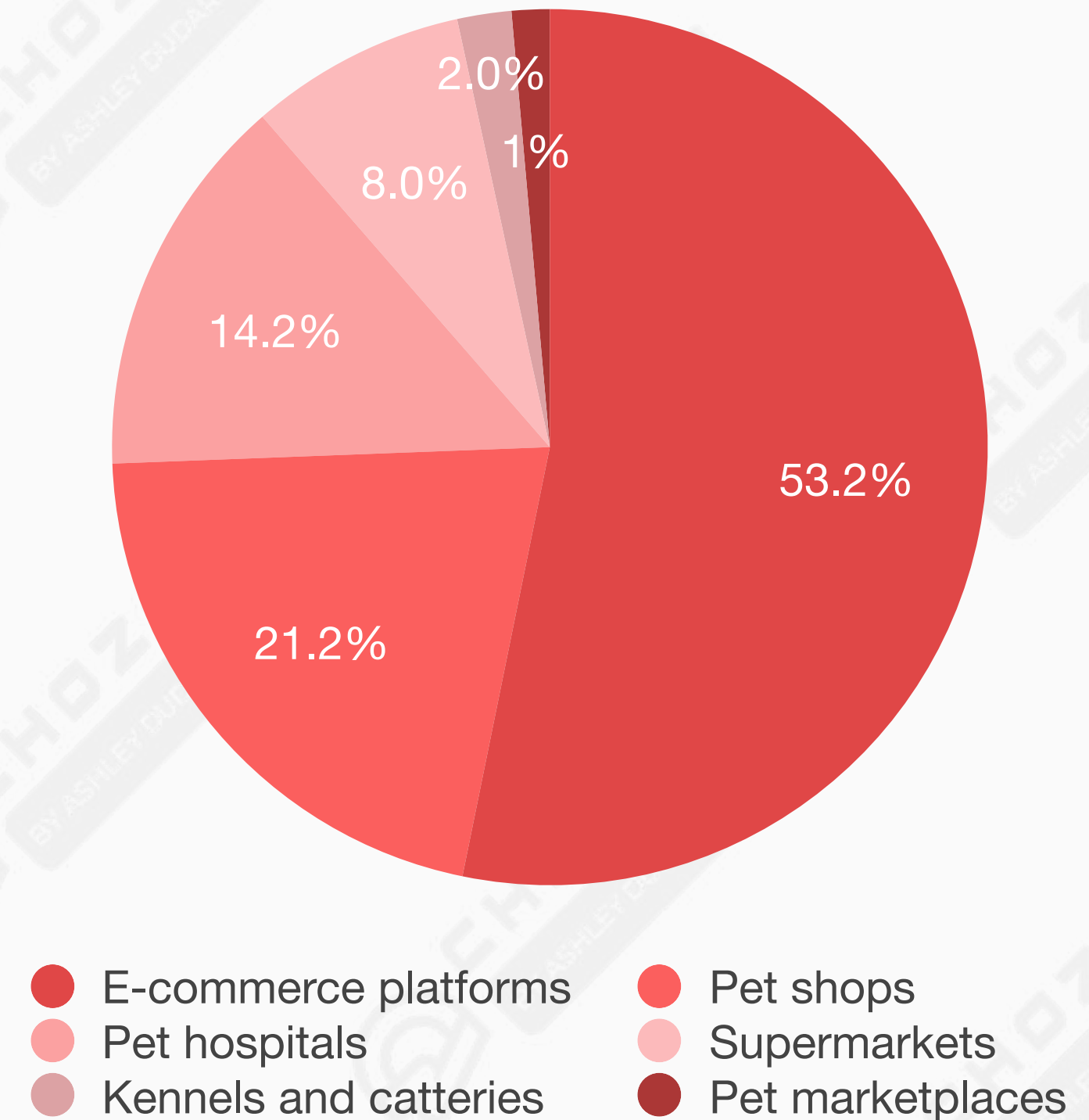
Pet owners are digitally savvy and tend to purchase products from major e-commerce platforms like Taobao, Tmall, JD, etc. They also purchase products from vertical marketplaces such as Boqii Mall (波奇商城) and Epet (E宠商城).



53.2%

PREFER TO BUY PET PRODUCTS FROM E-COMMERCE PLATFORMS

PET OWNERS' PREFERRED PURCHASING CHANNELS FOR PET PRODUCTS



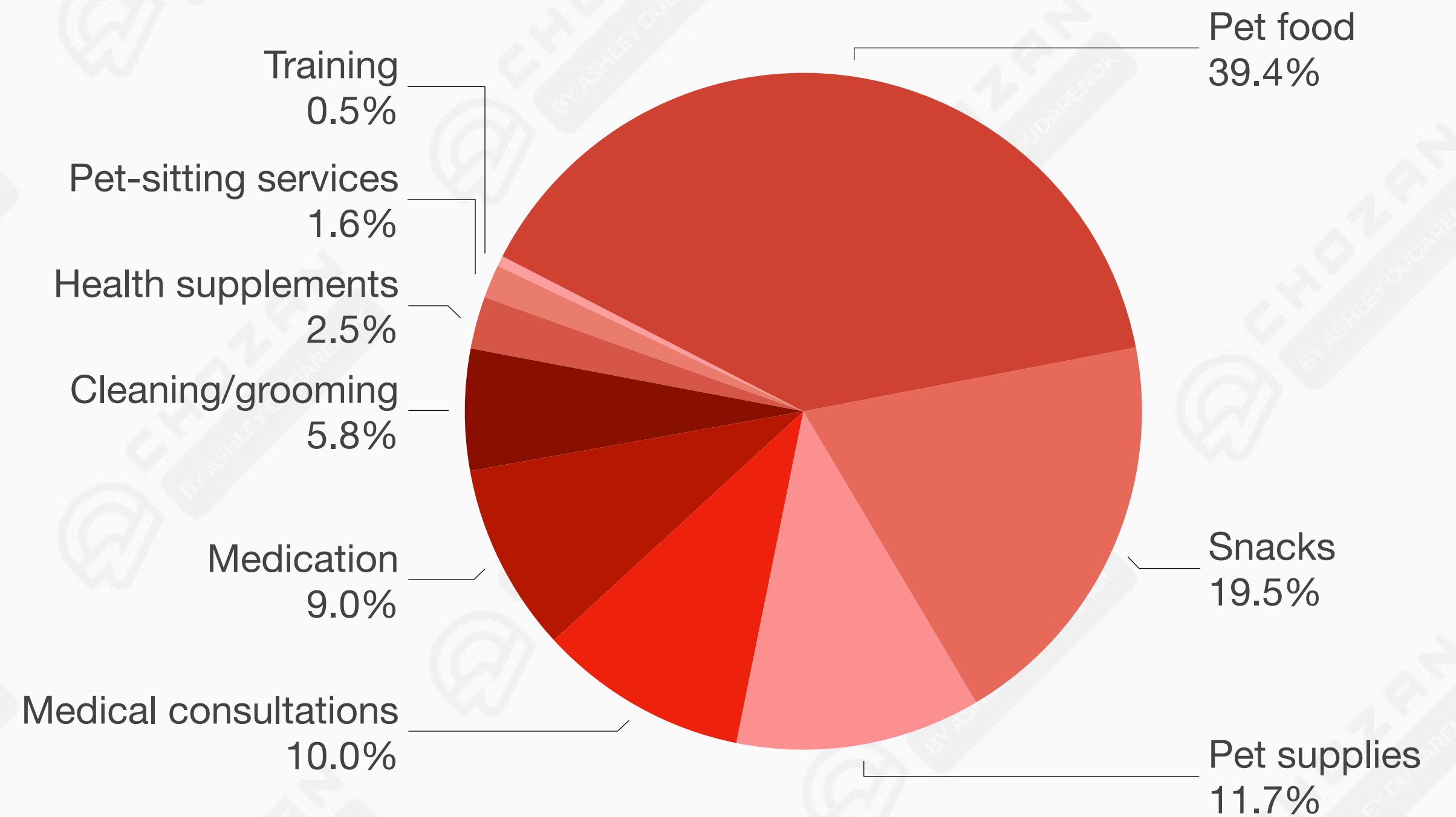
CONSUMER INSIGHTS

PET SPENDING BY CATEGORY

There's a “humanization” trend in the pet market, indicating more sophisticated pet owner purchasing behaviour.

In 2019, pet food (39.4%) remains the biggest pet expense. Snacks (19.5%), supplies (11.7%) and medical consultations (10%) follow.

SPENDING ON PETS BY CATEGORY (2019)

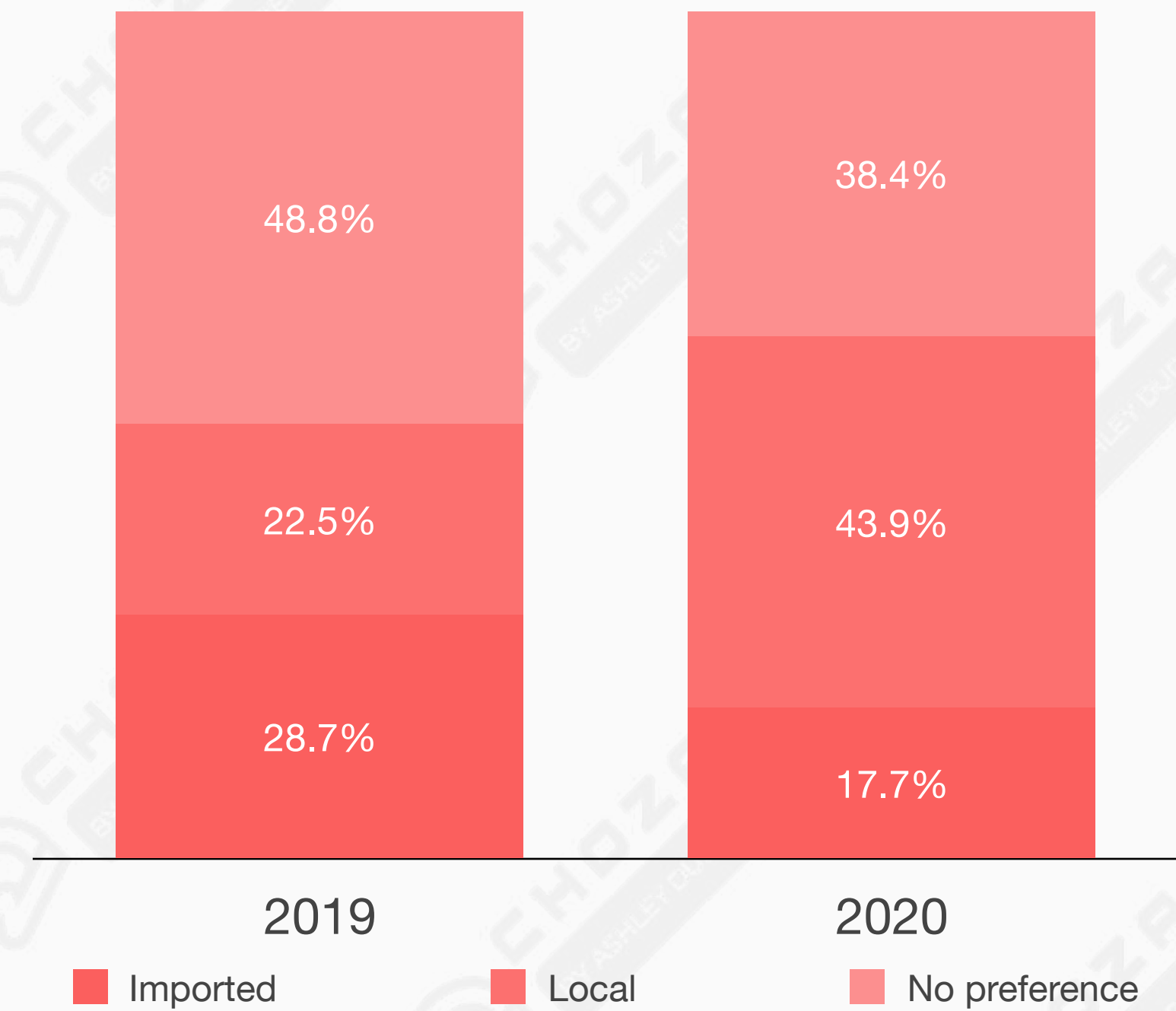


CONSUMER INSIGHTS

PET LOVERS - PET FOOD BRAND ORIGIN

Pet lover consumers are being more aware of brand origins.
More than 43% of consumers prefer local brands and 38.4% have no specific preference to it.

PET FOOD BRAND PREFERENCE



EXPERT BITES

Q: IF I WAS A NEW PET FOOD BRAND, HOW WOULD YOU SUGGEST I SPEND MY BUDGET OUTSIDE OF MARKETPLACES?

If we had a dream budget, I'd suggest 30% on KOLs and community building, 40% on offline events and 30% on distribution marketing. The priority is to identify a minimum viable market and understand the culture and values of pet owners. Step 2 is to craft brand messaging and activities that engage them at an emotional level. Step 3 is to leverage platforms or partners to help the word spread consistently.



JASMINE ZHU

Founder and Head of Brand
at CI Brand Management



8 LOWER TIER CITY YOUNG PEOPLE

930 million Chinese people live in cities designated third tier or lower and in rural areas, but this previously overlooked group has had significant growth in recent years with consumption expected to reach US\$8.4 trillion by 2030.

Lower tier city young people in what the Chinese call "sinking cities" aren't sinking at all. They're spearheading this growth.



EXPERT BITES



STELLA ZHAN

Marketing Executive at
Alarice and ChoZan

Q: WHAT IMPORTANT CHANGES HAVE YOU SEEN IN CONSUMER BEHAVIOUR IN LOWER-TIER CITIES?

- People there tend to buy premium products and are willing to pay for extra services or good customer service.
- People there prefer to buy imported products.
- There's more focus on health-related products.
- People are willing to pay more, even amounts close to their salary, as they don't have strong plans to save money.

**GOT A QUESTION? DROP STELLA AN
EMAIL BY SCANNING THE QR CODE**



CONSUMER INSIGHTS

LOWER TIER CITY YOUNG PEOPLE - INTRODUCTION

Interesting facts

The Xiachen market (literally translated as the "sinking market") of lower tier cities, is the biggest source of new online shoppers. According to Digitaling, the number of internet users in Tier 3 and below increased by 24.61 million in March. 70% of new users on Taobao and JD.com came from Tier 3 cities and below.

The lower tier city market is also a great opportunity for the development of China's luxury market in the future. According to the 2020 China Luxury Report, consumers' confidence in luxury purchases will weaken in 2020, but users from lower tier cities have strong purchasing power, with annual luxury purchases in Tier 3 cities and below coming in around 393,900 RMB, compared to 344,100 RMB in Tier 1 cities and 275,000 RMB in Tier 2 cities.

Shopping attitudes and behaviours

In terms of beauty consumption, young consumers in Tier 3 cities and below prefer domestic brands, and Post-95s are the main consumer group.

The consumption of electric appliances by young people in lower tier cities has been increasing year by year, and the proportion of appliance consumption is obviously higher than that of young people in Tier 1 and Tier 2 cities, and they prefer family appliances.

What are they interested in purchasing?

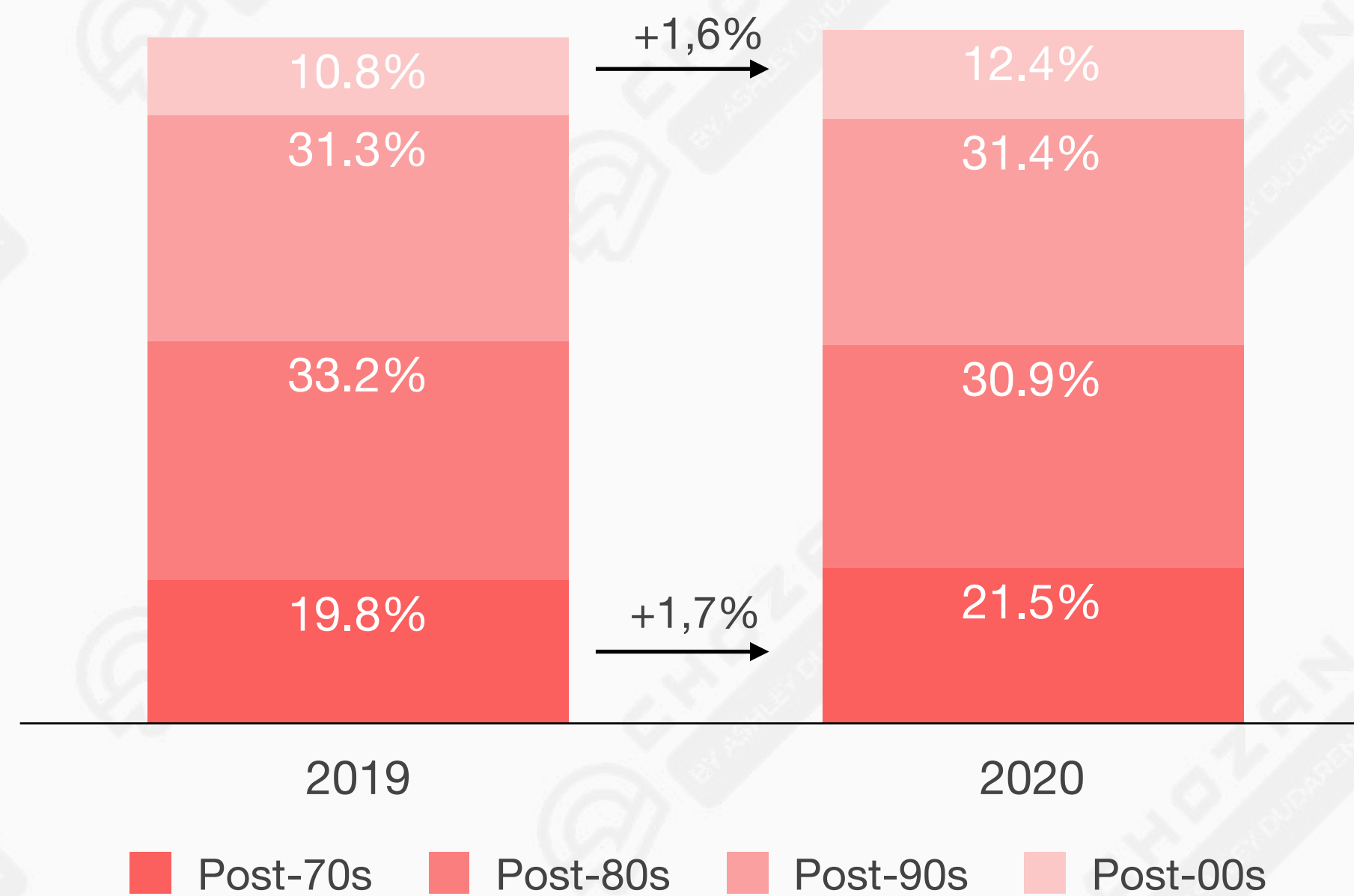
- 1) Entertainment products
- 2) Real estate
- 3) Cars
- 4) Products from short video platforms

CONSUMER INSIGHTS

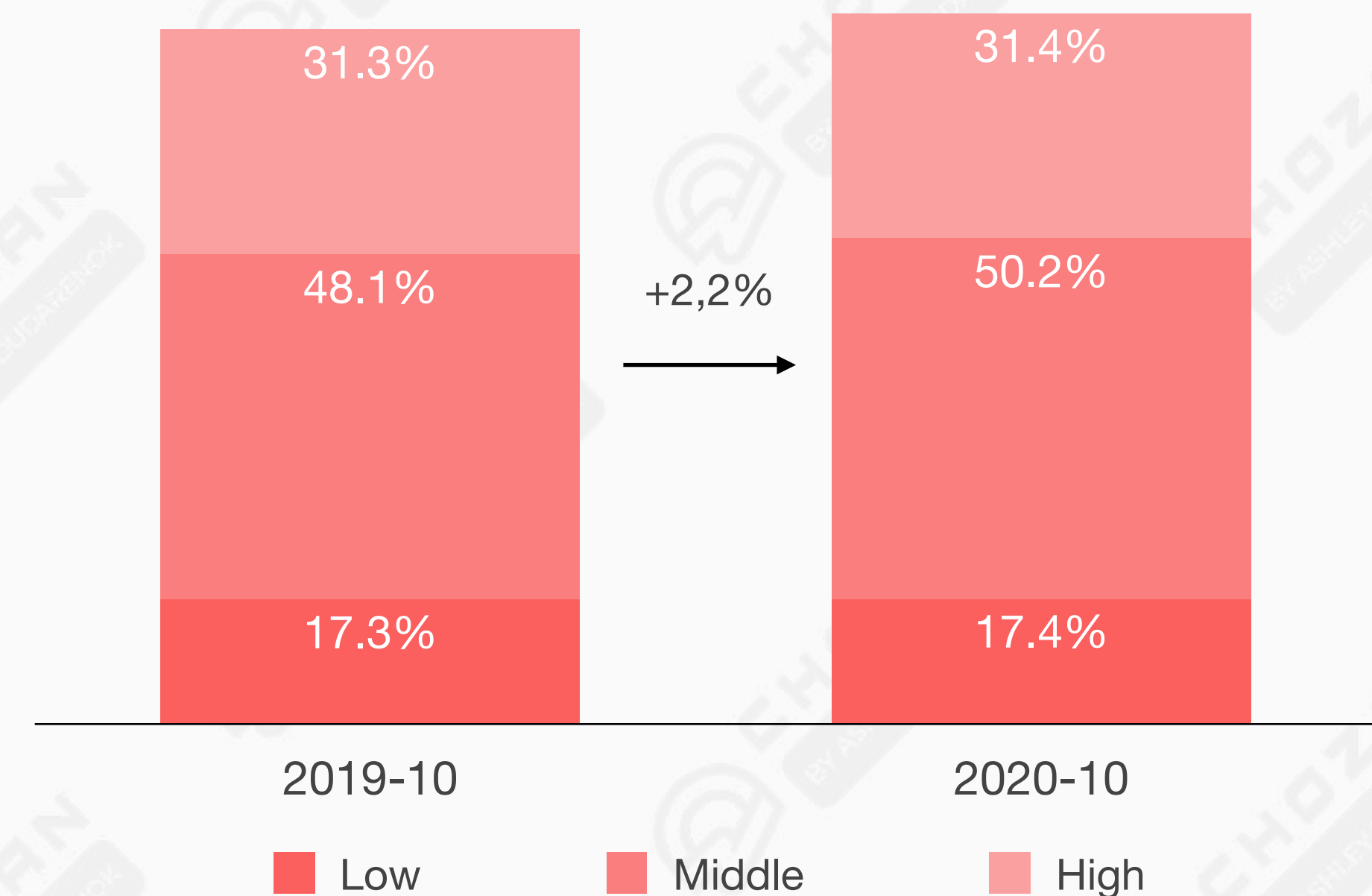
LOWER TIER CITY YOUNG PEOPLE - INTRODUCTION

Post-00s and Post-70s are the fastest-growing potential consumer groups in the lower tier markets.

AGE GROUP DISTRIBUTION



ONLINE SPENDING WILLINGNESS

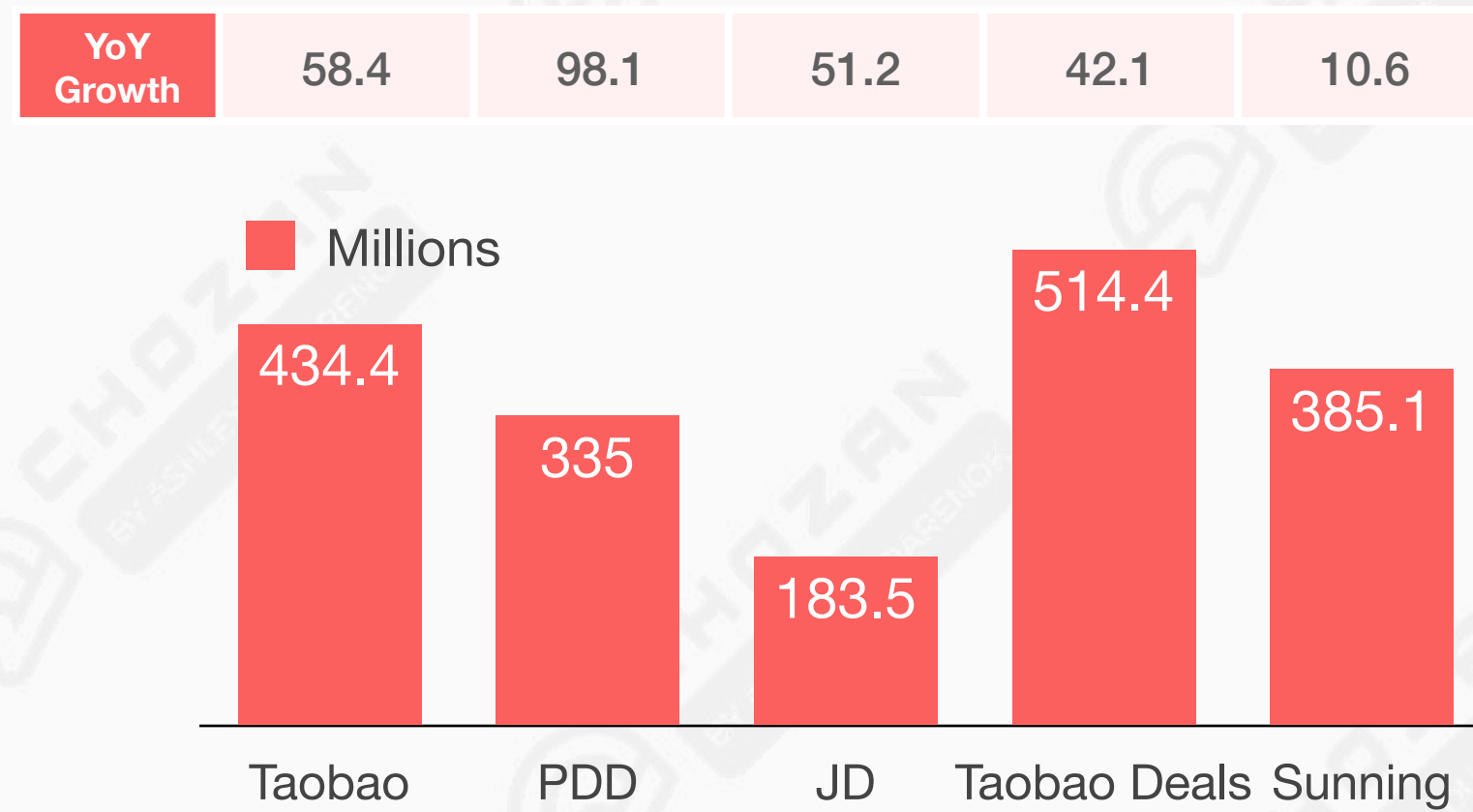


CONSUMER INSIGHTS

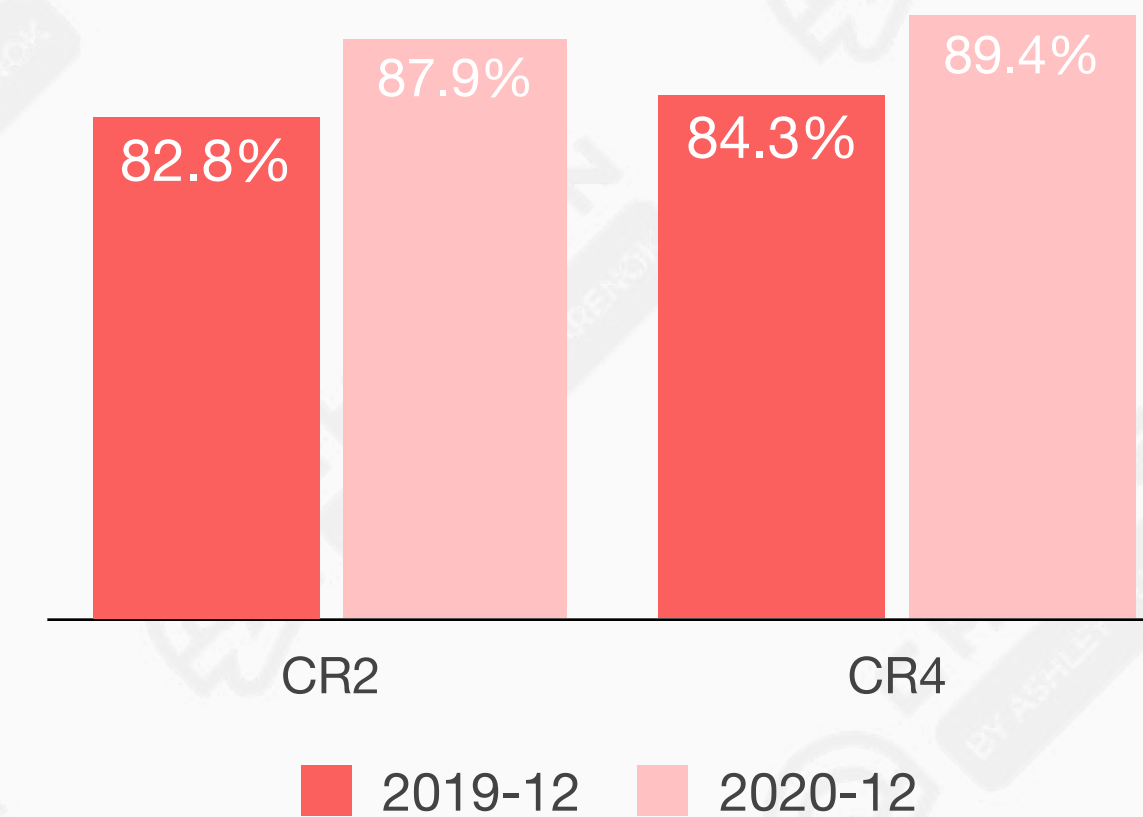
LOWER TIER CITY YOUNG PEOPLE - ACTIVE USERS

Lower Tier city consumers are becoming more active in online shopping. They are willing to try new things.

XIACHEN CONSUMERS USER PORTRAIT IN TOP 5 E-COMMERCE APPS



XIACHEN CONSUMERS CLUSTER IN ONLINE SHOPPING INDUSTRY

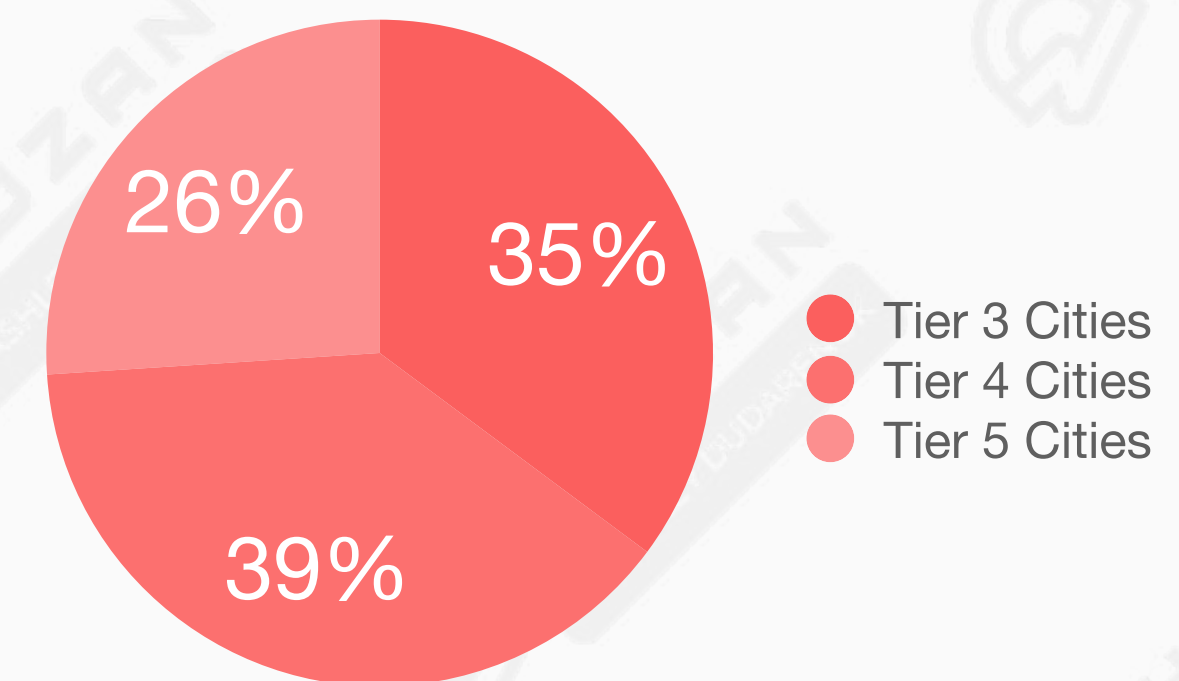


CONSUMER INSIGHTS

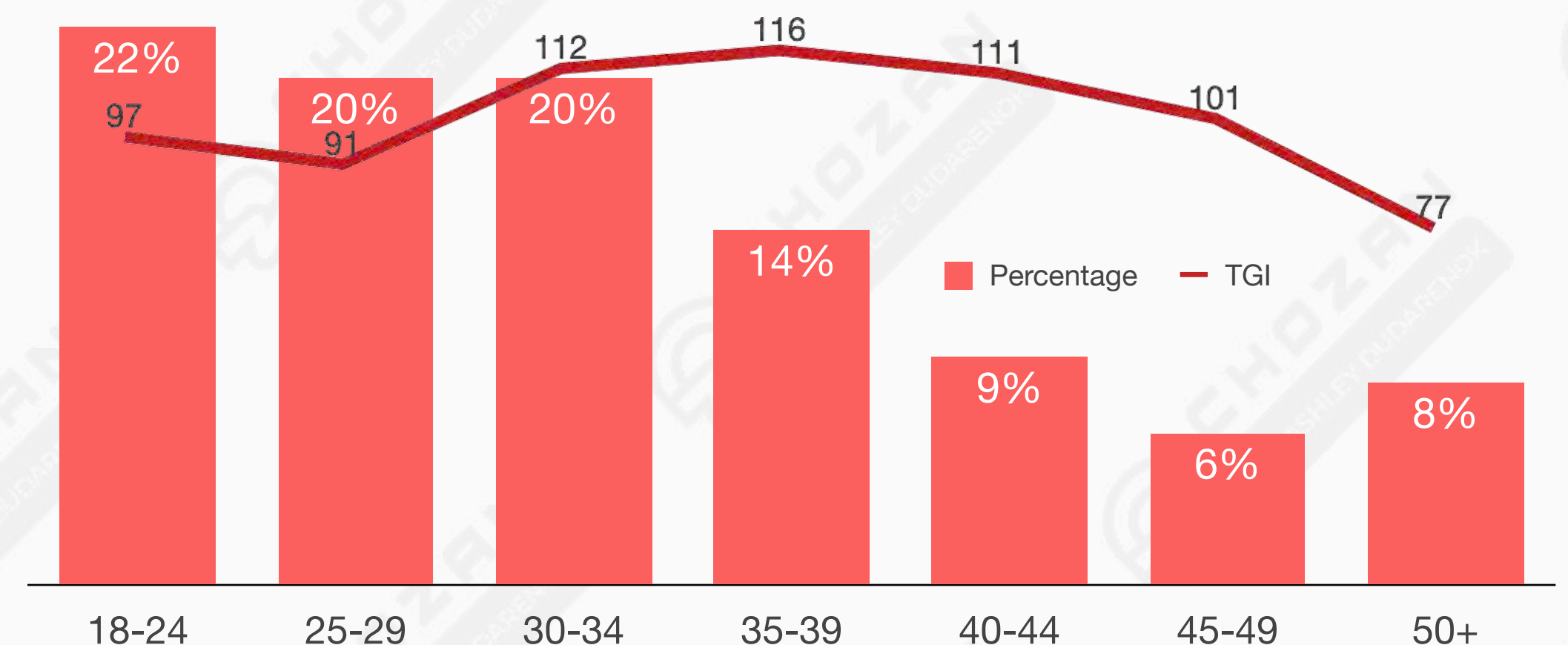
THE YOUNG IN LOWER TIER CITIES - THE XIACHEN MARKET

The Xiachen market is mostly made up of young, single consumers, while middle-aged, married consumers tend to have higher TGIs.

THE XIACHEN MARKET BY CITY TIER



THE XIACHEN MARKET BY AGE GROUP



51.7% (TGI 100)
MALE

48.3% (TGI 100)
FEMALE

44.3% (TGI 106)
SINGLES

55.3% (TGI 96)
MARRIED

28.4% (TGI 121)
HAVE A VEHICLE

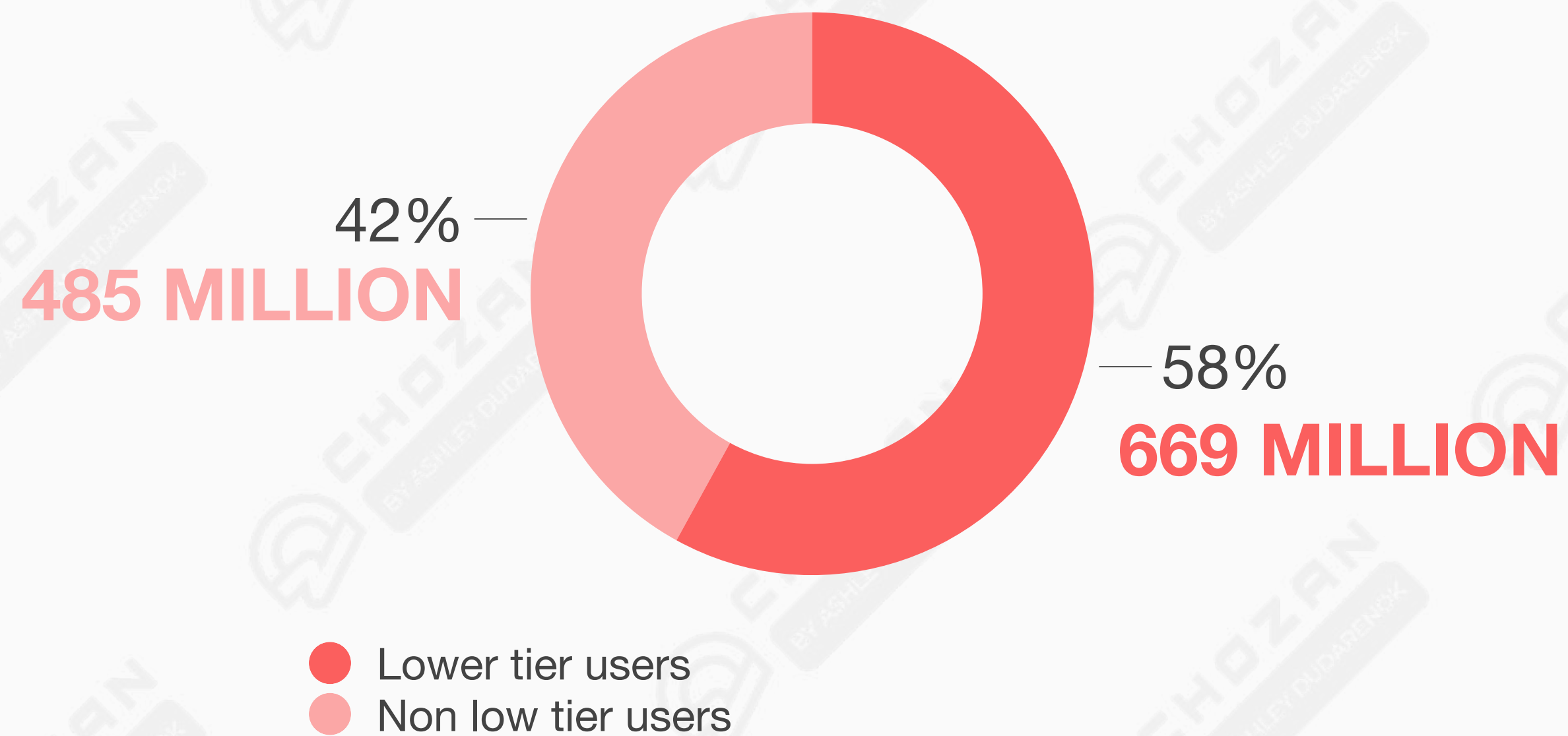
71.6% (TGI 94)
HAVE NO VEHICLE

CONSUMER INSIGHTS

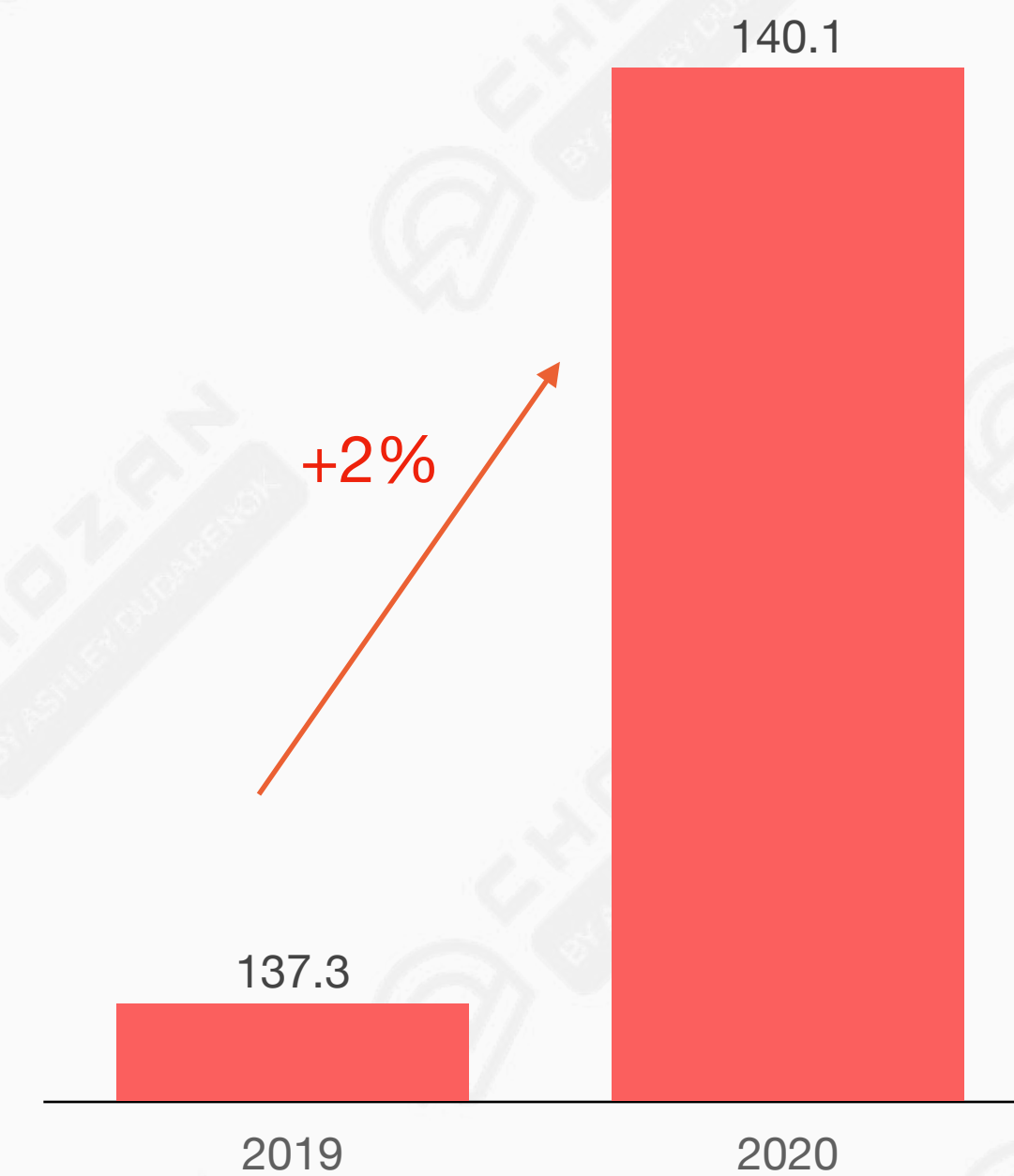
LOWER TIER CITY YOUNG PEOPLE

While users from lower tier cities make up a significant part of the mobile market, there's still lots of potential for development.

RATIO OF USERS BY CITY TIER (2020)



AVERAGE MONTHLY TIME SPENT ONLINE (IN HOURS)

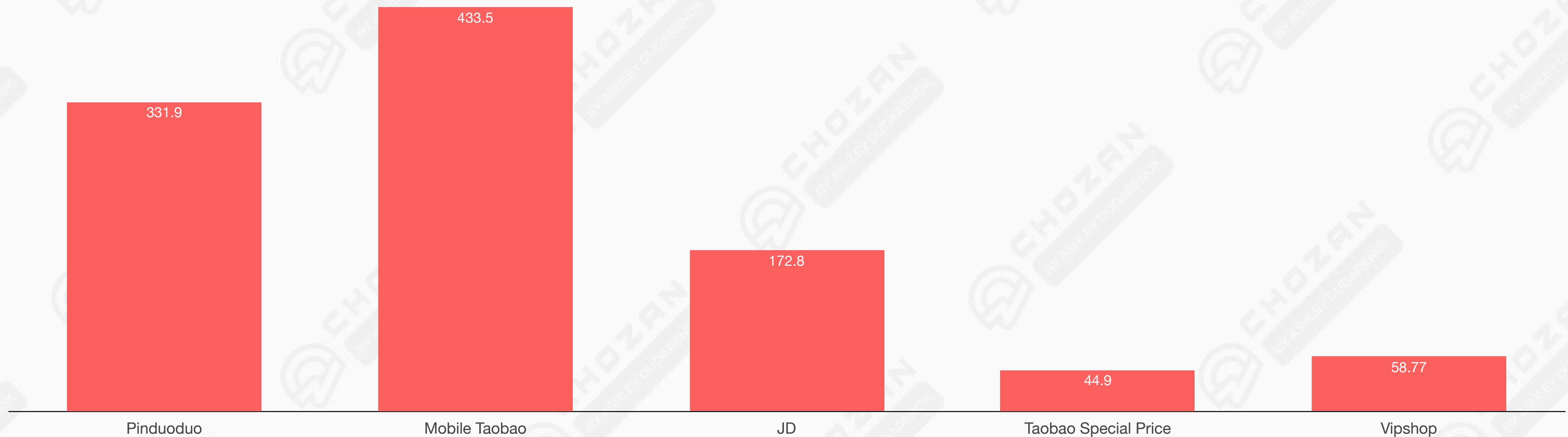


CONSUMER INSIGHTS

LOWER TIER CITY YOUNG PEOPLE

Mobile e-commerce apps are being used more by lower tier city users.

THE TOP 5 LOWER TIER MARKET MOBILE SHOPPING APPS BY MONTHLY ACTIVE USERS (2020)

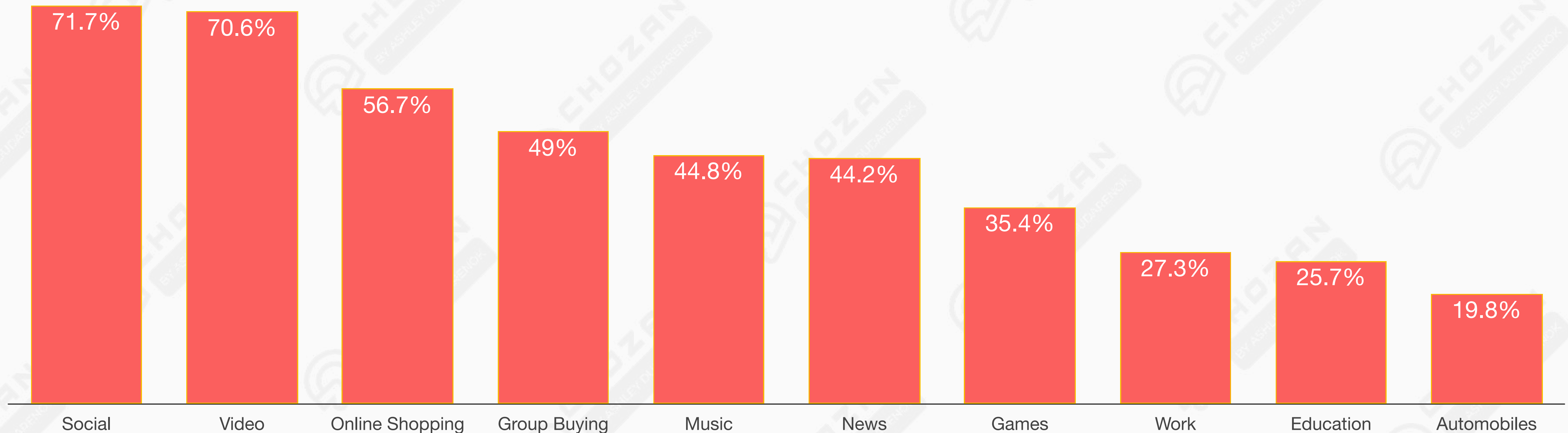


CONSUMER INSIGHTS

LOWER TIER CITY YOUNG PEOPLE

Deepening internet reliance also reflects increasing interest in social media, short videos and online shopping

LOWER TIER CITY USER INTERNET PREFERRED CONTENT TYPES (2020)



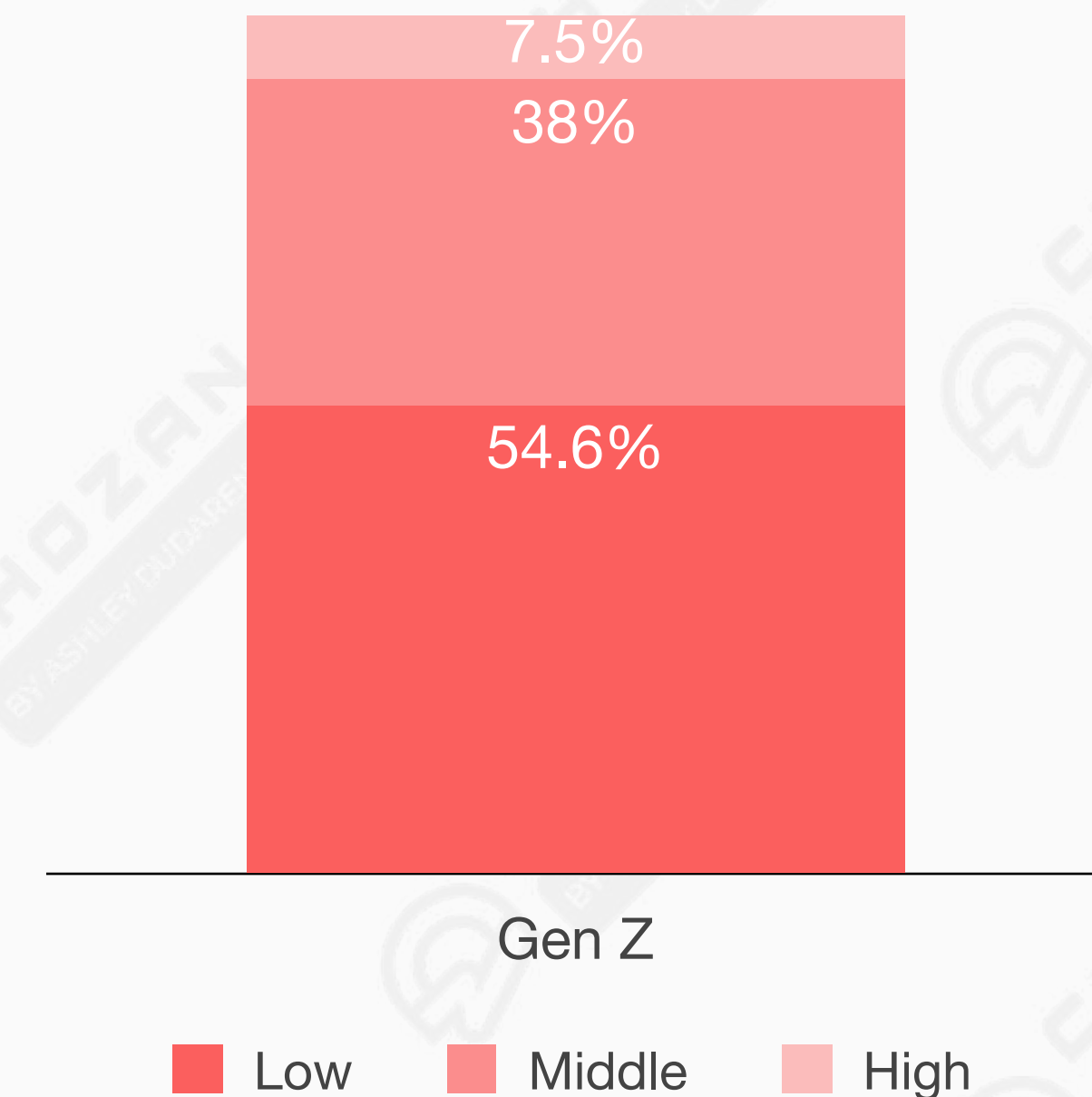
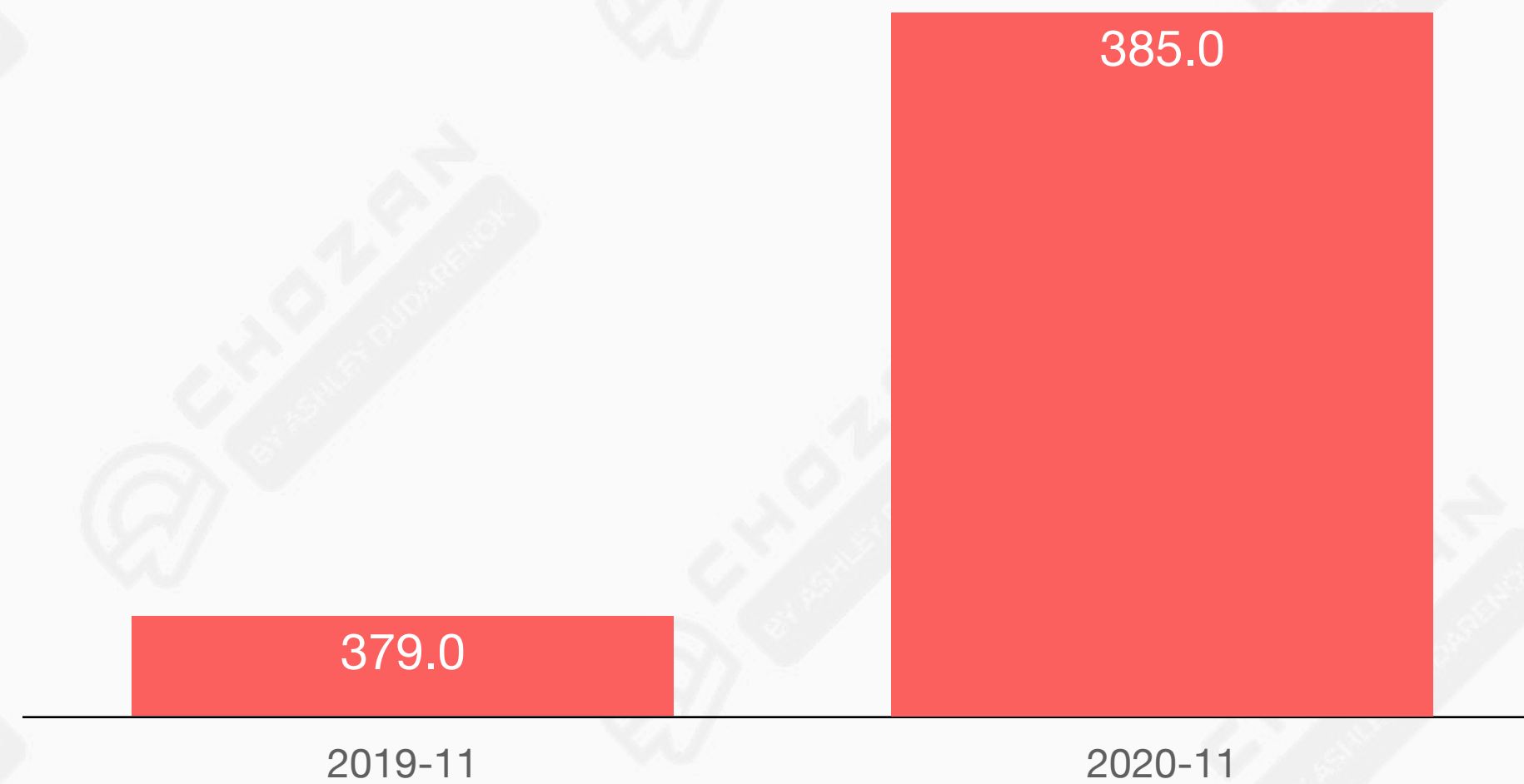
CONSUMER INSIGHT

LOWER TIER CITY YOUNG PEOPLE

Deepening internet reliance is also reflected in increasing interest in social media, short videos and online shopping.

GEN Z AND LOWER TIER CITY YOUNG MOBILE INTERNET USER SCALE AND SPENDING POWER (2019-2020)

NUMBER OF ACTIVE USERS (IN MILLIONS)

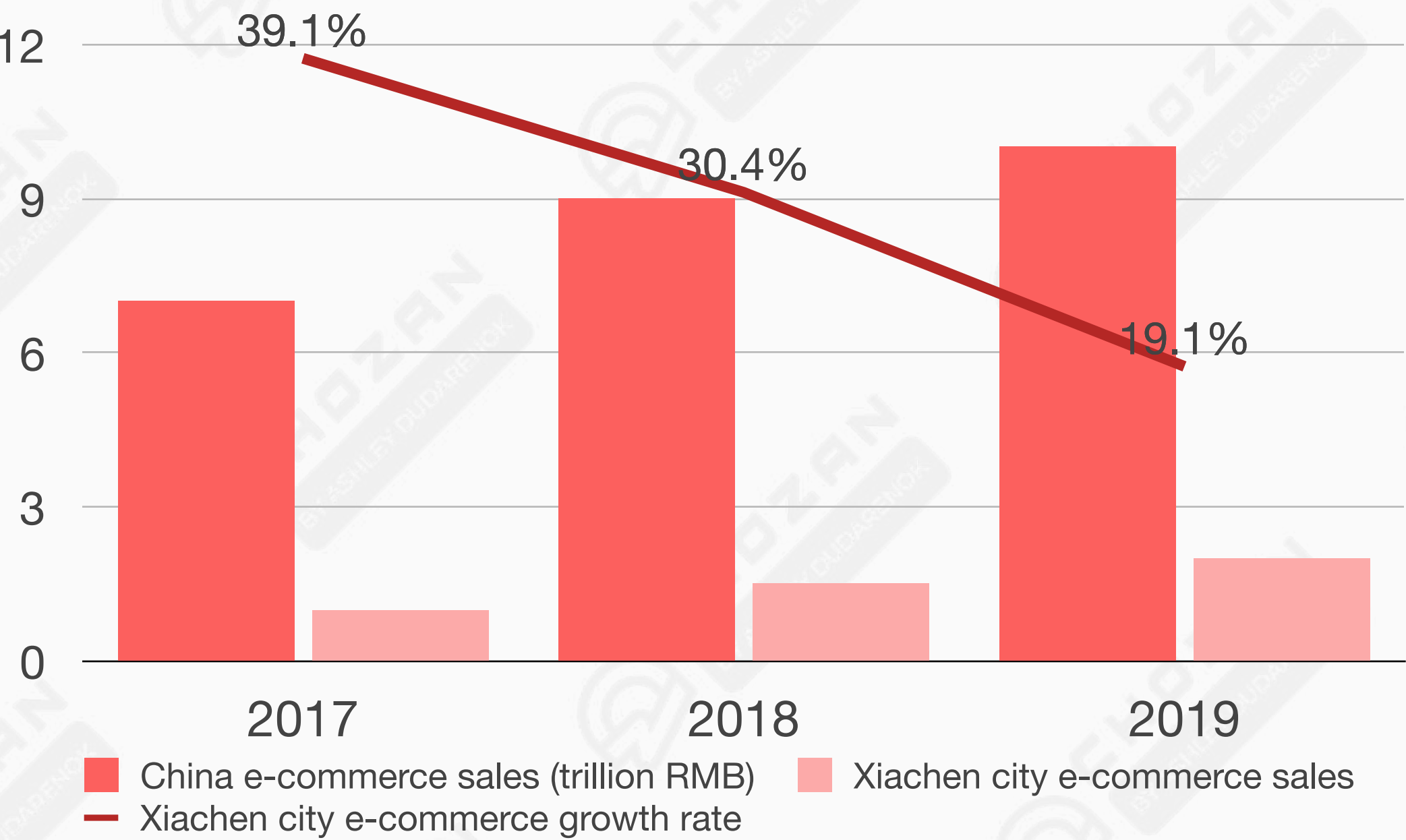


CONSUMER INSIGHTS

LOWER TIER / XIACHEN CITIES

Those in the lower tiers account for 228 out of 257 cities, which means there's very big market potential there.

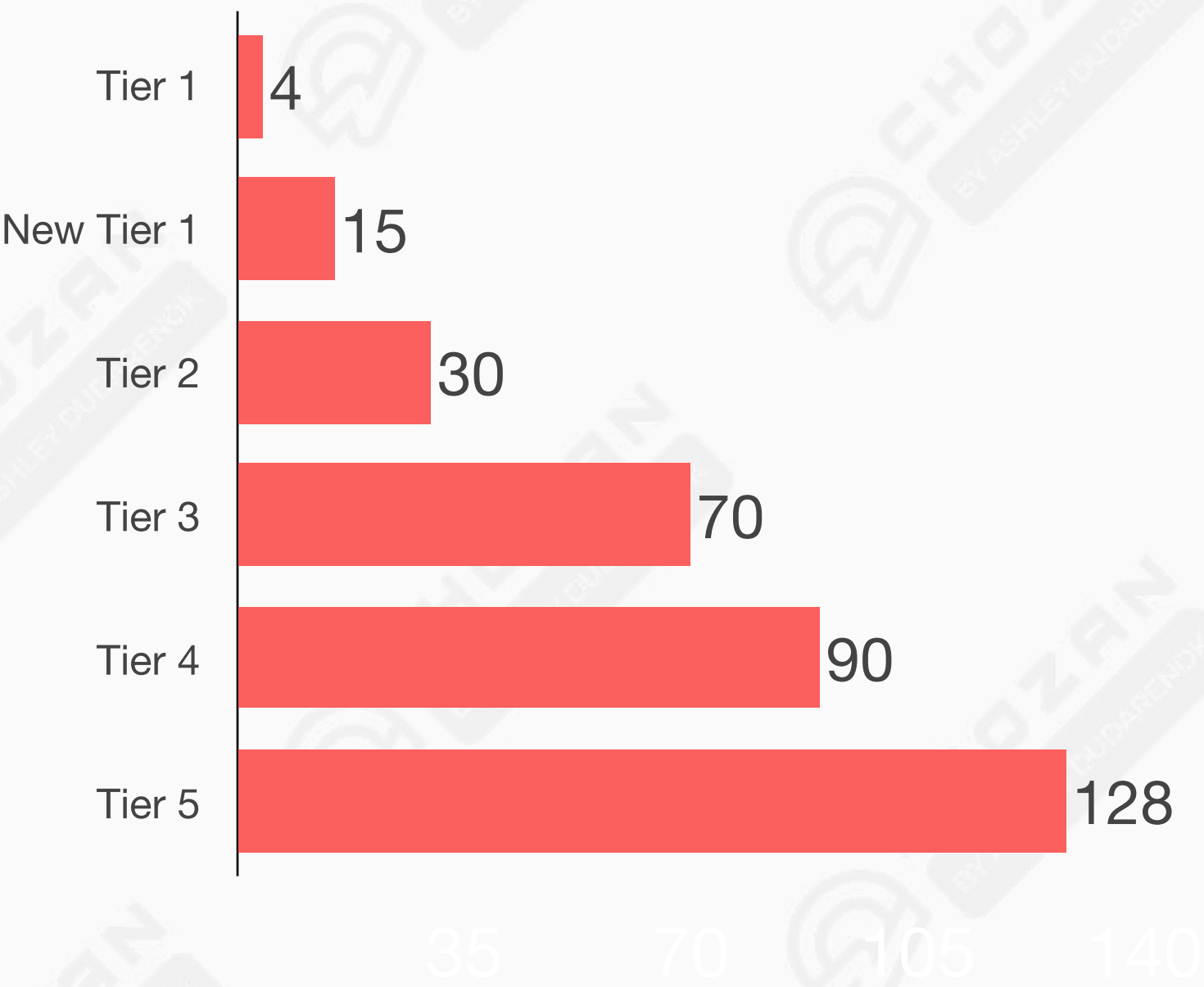
XIACHEN CITY E-COMMERCE SALES AND GROWTH RATE



Source: EBRUN - 2020 XIACHEN CITY CONSUMING REPORT

	NON- XIACHEN CITIES	XIACHEN CITIES AND RURAL AREAS
POPULATION	390 million	1.04 billion
PROPORTION	28%	72%

NUMBER OF CITIES IN DIFFERENT TIERS

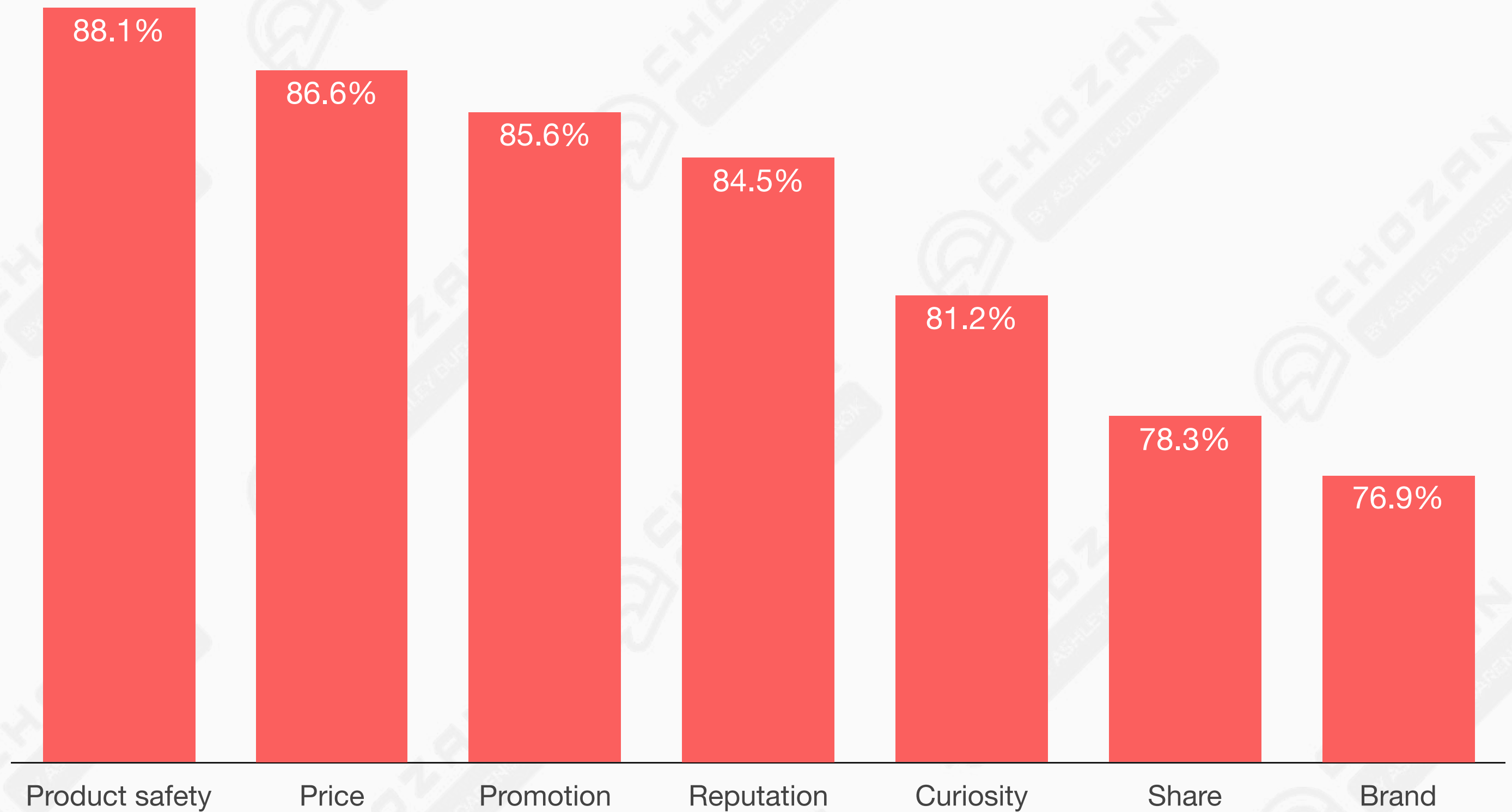


CONSUMER INSIGHTS

LOWER TIER / XIACHEN CITIES

Xiachen residents buy things online based mostly on product safety and price.

XIACHEN CITY CONSUMER SPENDING ATTITUDES

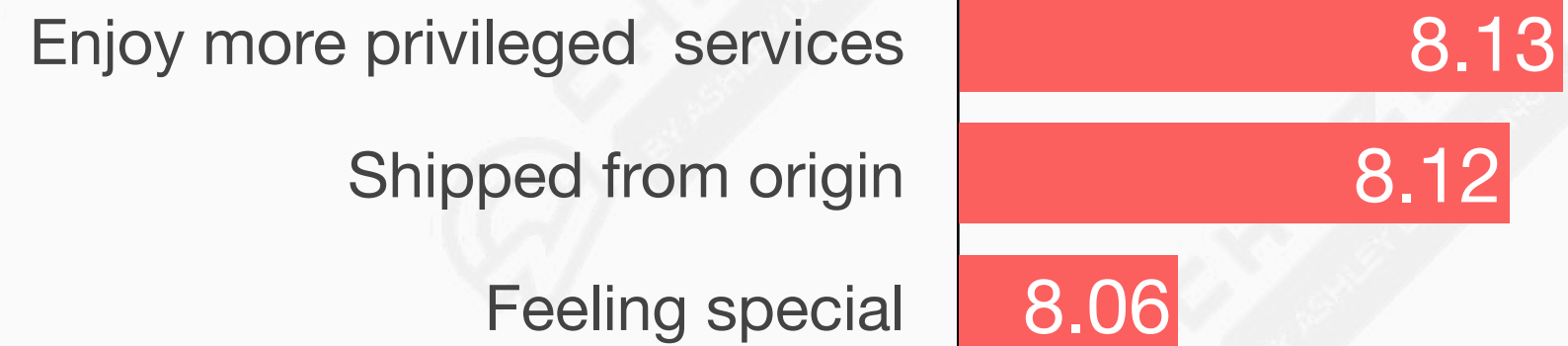


CONSUMER INSIGHTS

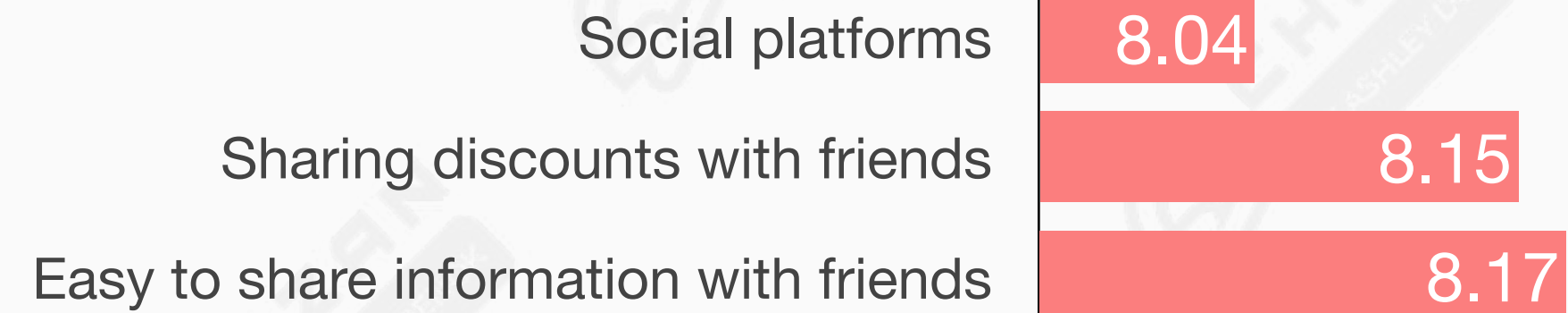
XIACHEN CITY CONSUMER PREFERENCES

XIACHEN CITY CONSUMER PREFERENCES FOR E-COMMERCE SPENDING

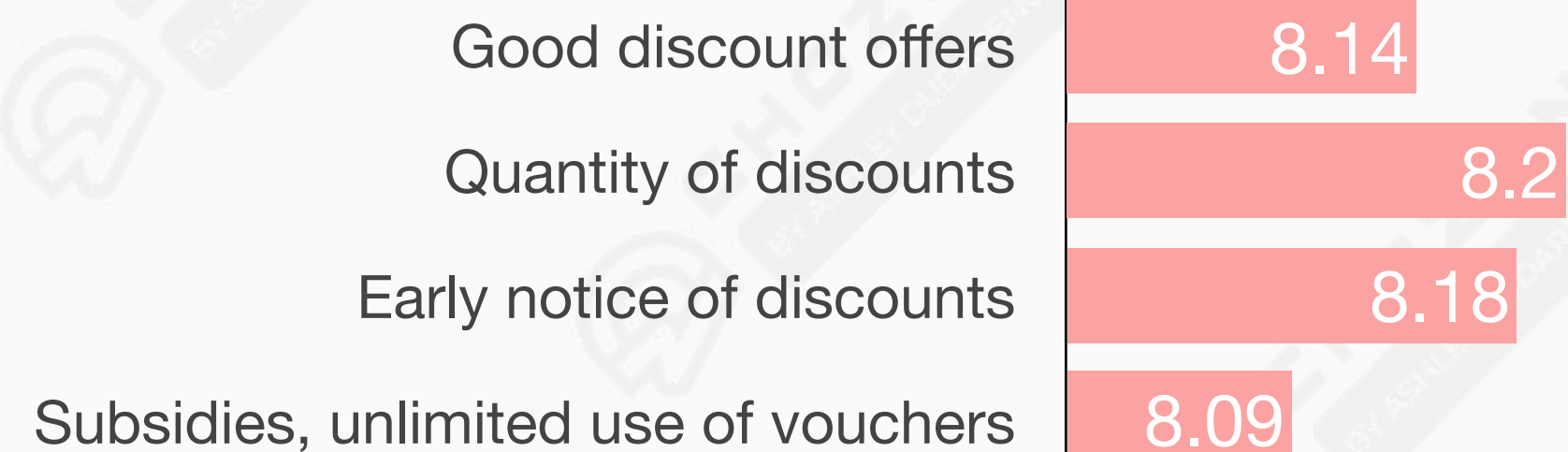
QUALITY



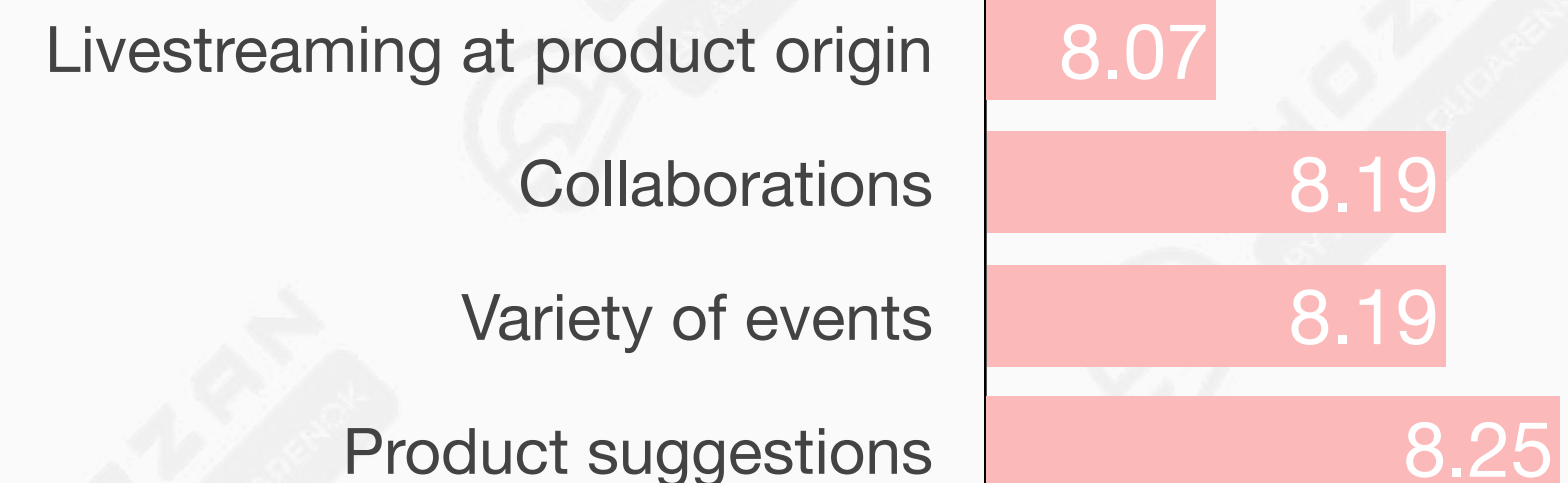
SOCIAL EXPERIENCE



DISCOUNTS



ENTERTAINMENT



EXPERT BITES



SEAN FAN

Marketing Executive at
Alarice and ChoZan

Q: HOW DO YOU THINK CONSUMPTION IN FIRST TIER CITIES AND LOWER TIER CITIES IS DIFFERENT?

Young people living in Tier 3 and Tier 4 cities have more money and time to enjoy life because of lower costs of living, rare overtime and short commutes. They're optimistic and hopeful about the future and spend money generously on trendy things like the latest smartphones, skin care or cosmetics recommended by beauty bloggers on social media. When they travel, they like to hit the places recommended by the vloggers they follow. The pursuit of new trends is a common lifestyle for this group.

Young people living in Tier 1 and Tier 2 cities are more attracted by low prices and savings than quality and brands. They want to scale back their daily expenses to prepare for important future events, such as buying an apartment and marriage.

GOT A QUESTION? DROP SEAN AN EMAIL BY SCANNING THE QR CODE



EXPERT BITES

Q: WHAT CONSUMER GROUPS DO YOU EXPECT TO DRIVE CONSUMPTION IN CHINA IN 2021?

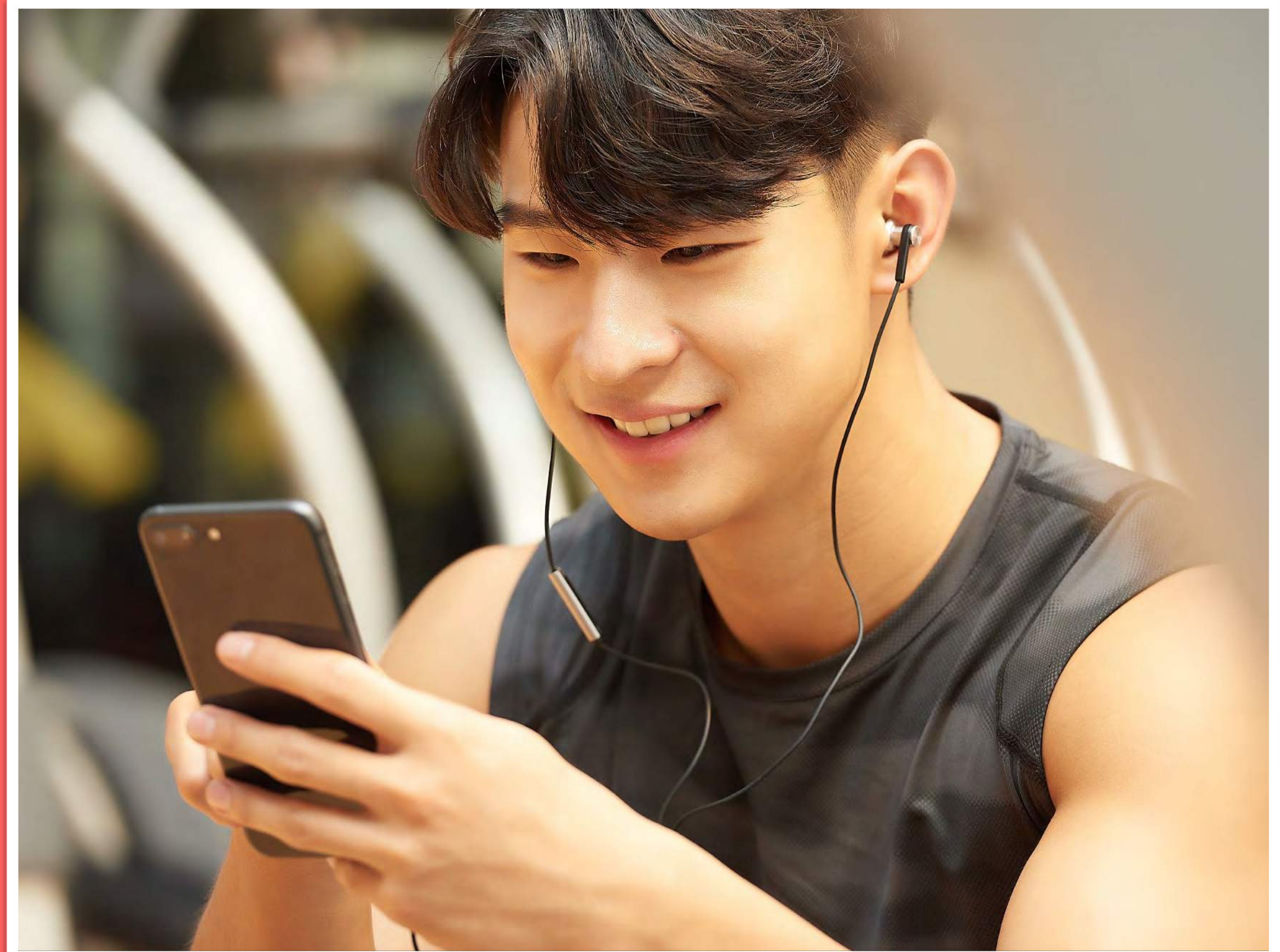
With the development of China's economy and the implementation of the dual circulation policy, we expect to see consumption growth in the next few years from **China's rising middle class's consumption upgrades and increased income for consumers in lower-tier cities.**



EDWARD TSE
Chairman and CEO,
Gao Feng Advisory

9 HAPPY SINGLES

The 260 million single adults in China generally have more disposable income and are spending on shopping, socializing and travelling. Chinese singles are looking for experiences, enjoyment, and fulfilment. Men account for the majority of the single population.

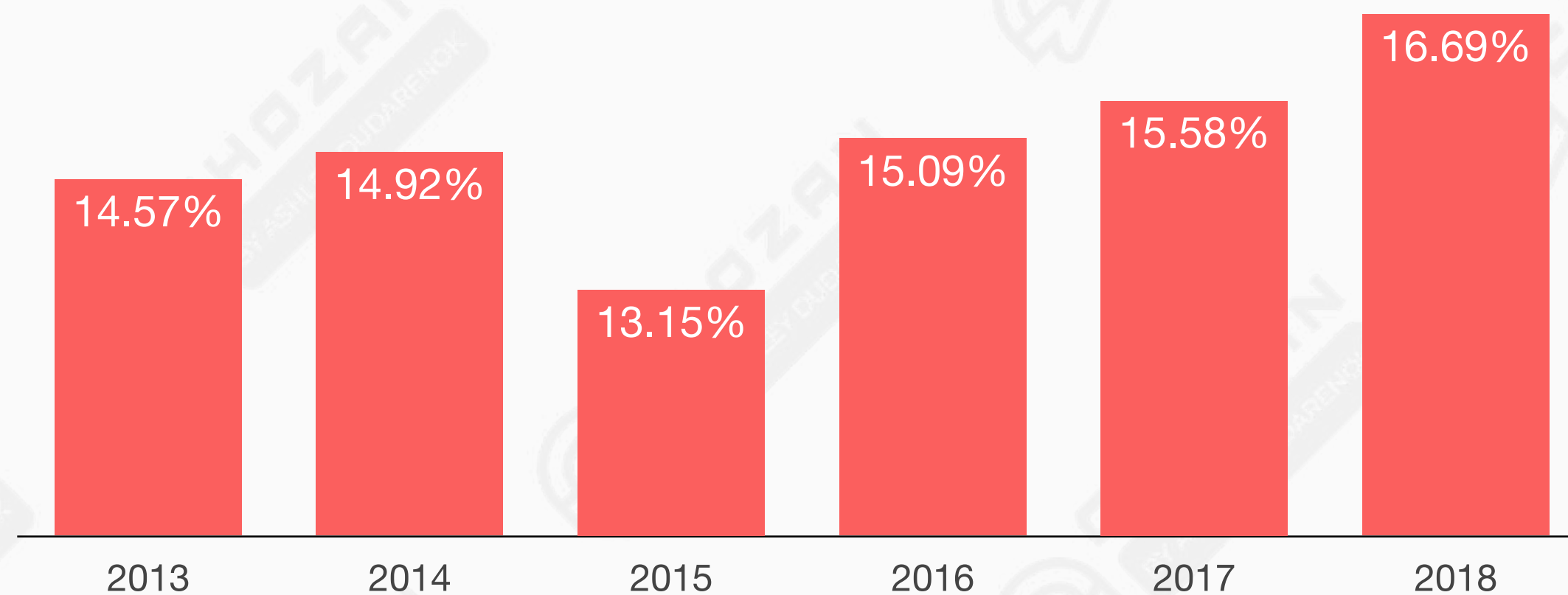


CONSUMER INSIGHTS

HAPPY SINGLES - INTRODUCTION

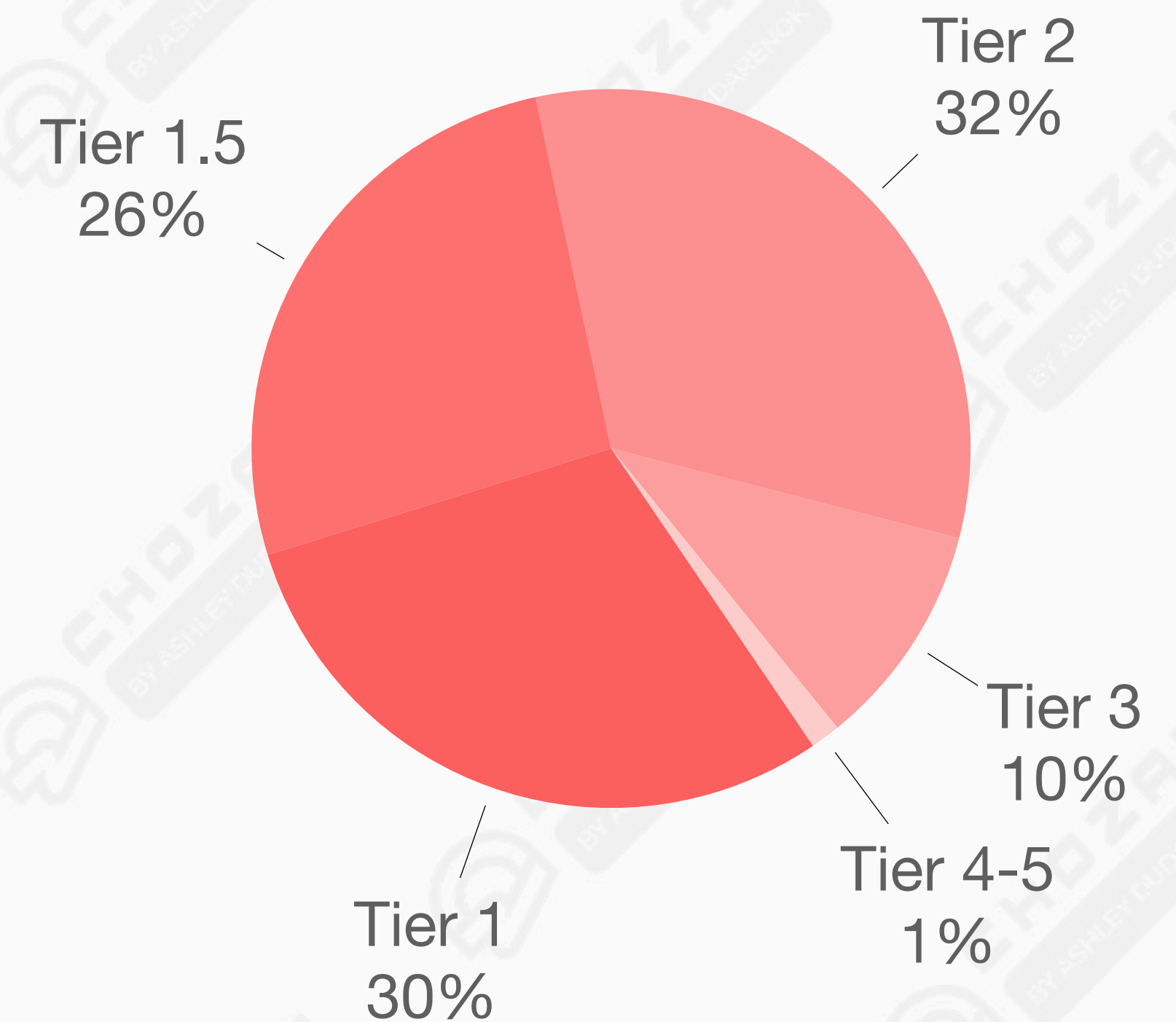
According to Sunning Finance findings, the rise of living alone is trending in China. Since the younger generation enjoys being single, they stay in higher tier cities to pursue better careers, finances and dreams.

CHINESE POPULATION IN ONE PERSON HOUSEHOLDS (2013-2018)



Source: [Sunning Finance, Singles Consumption Report](#)

CHINESE SINGLES AMONG CITIES



CONSUMER INSIGHTS

HAPPY SINGLES - QUALITY DEMAND

Higher disposable incomes mean consumers have more to spend on personal needs and interests. Single people are more willing to buy high-quality products. 75% of singles have plans to buy fashion at higher quality and prices, compared to non-singles at 65%.

75%
SINGLES

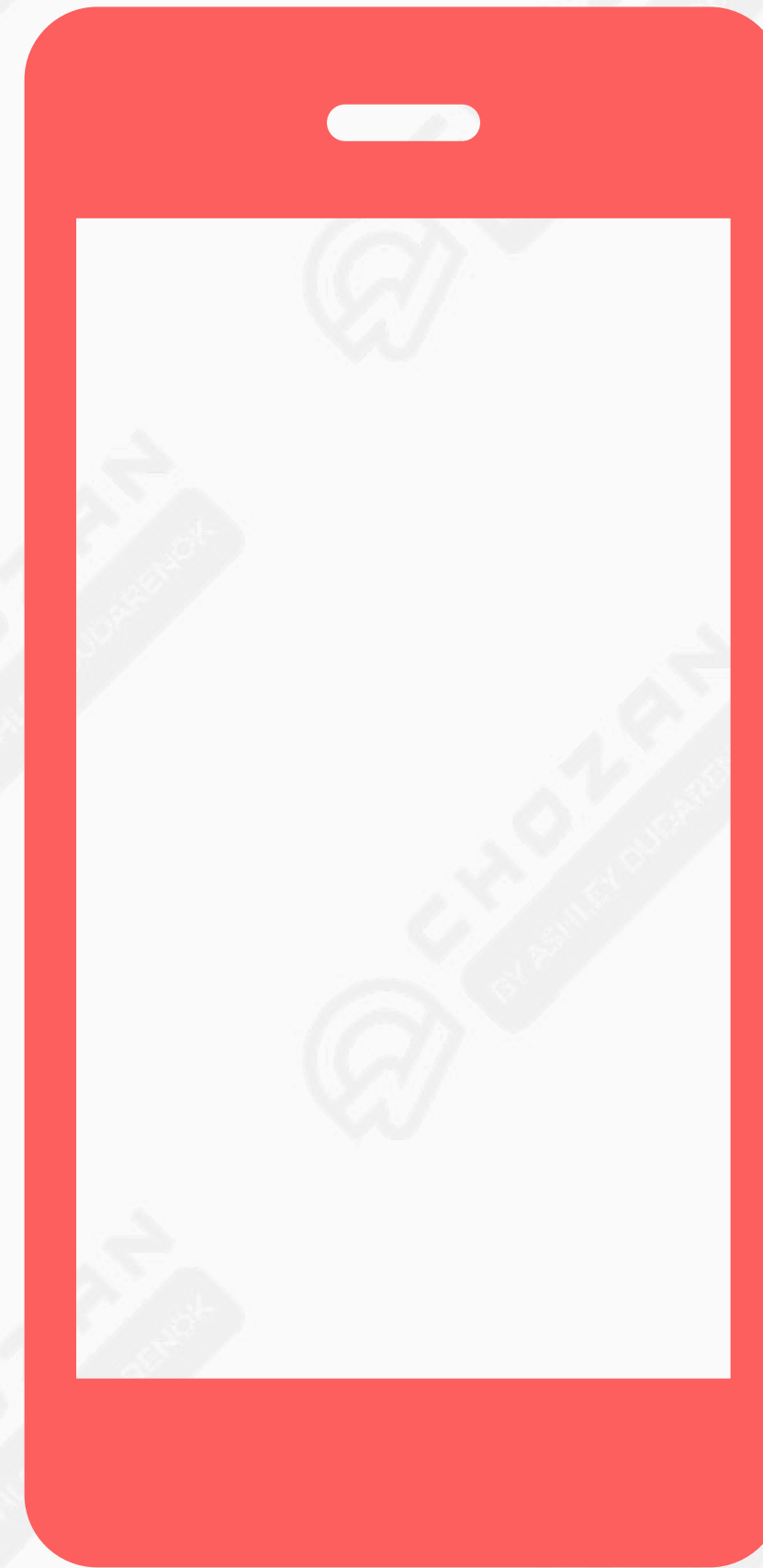
65%
NON-SINGLES

WILLING TO BUY HIGH-QUALITY PRODUCTS

CONSUMER INSIGHTS

HAPPY SINGLES - ELECTRONICS

Chinese singles (50%) also indicate a higher willingness to purchase quality high cost electronics as compared to non-singles (43%).

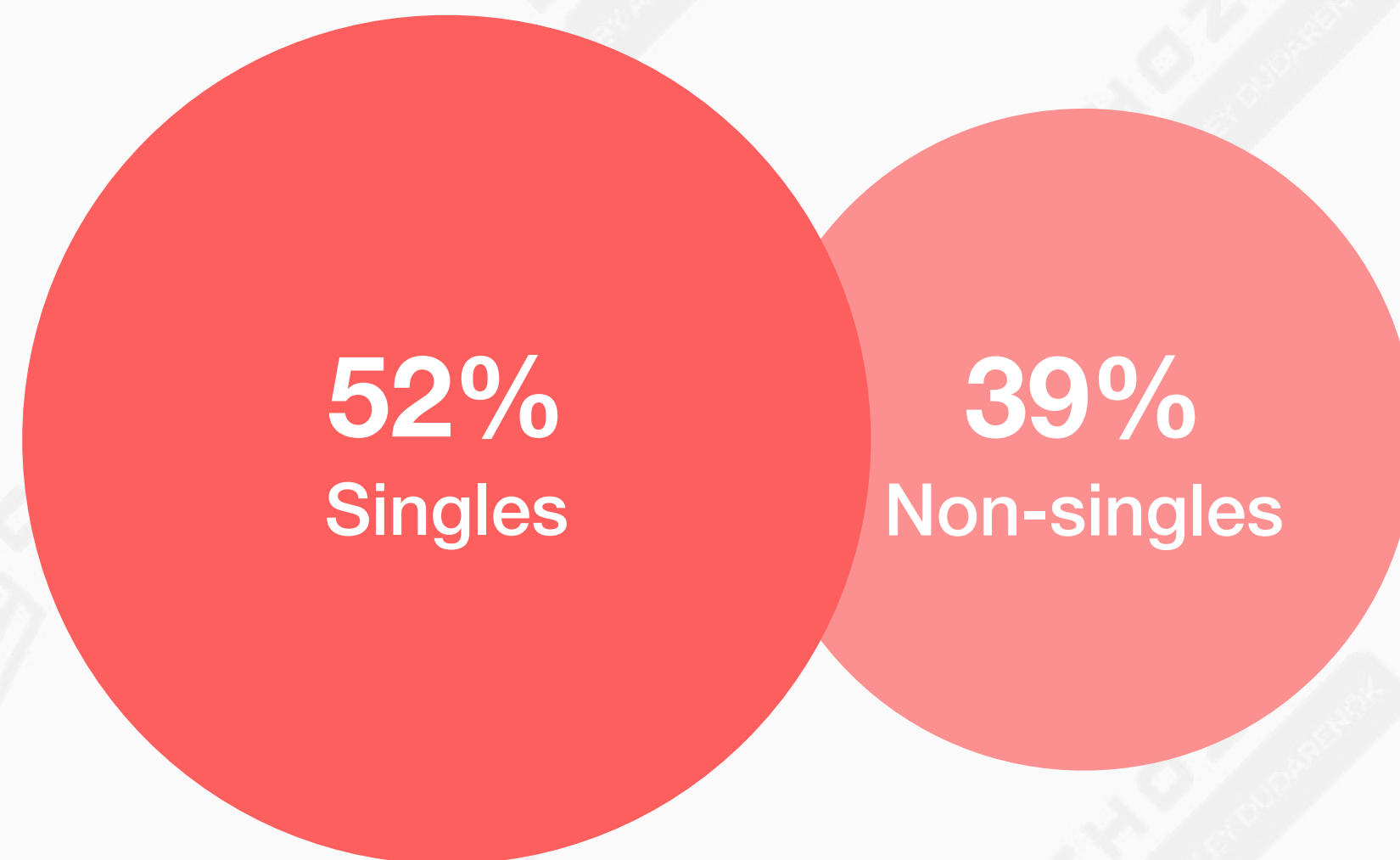


50%
**OF SINGLES ARE WILLING TO
PURCHASE HIGH QUALITY
ELECTRONICS**

CONSUMER INSIGHTS

HAPPY SINGLES - CONVENIENCE

According to Nielsen data, 52% of single people and 39% of non-singles are more willing to pay to make life more convenient and time efficient. Additionally, as a third of single people live alone, they have a strong need for company, which encourages them to pay for pets and socializing activities.



SINGLES ARE MORE WILLING TO SPEND FOR CONVENIENCE

CONSUMER INSIGHTS

HAPPY SINGLES - NIGHTLIFE

Single people are big promoters of the night economy as they are more likely to eat out, spend on outdoor activities, and engage in other cultural and recreational activities.



EATING OUT



**OUTDOOR
ACTIVITIES**



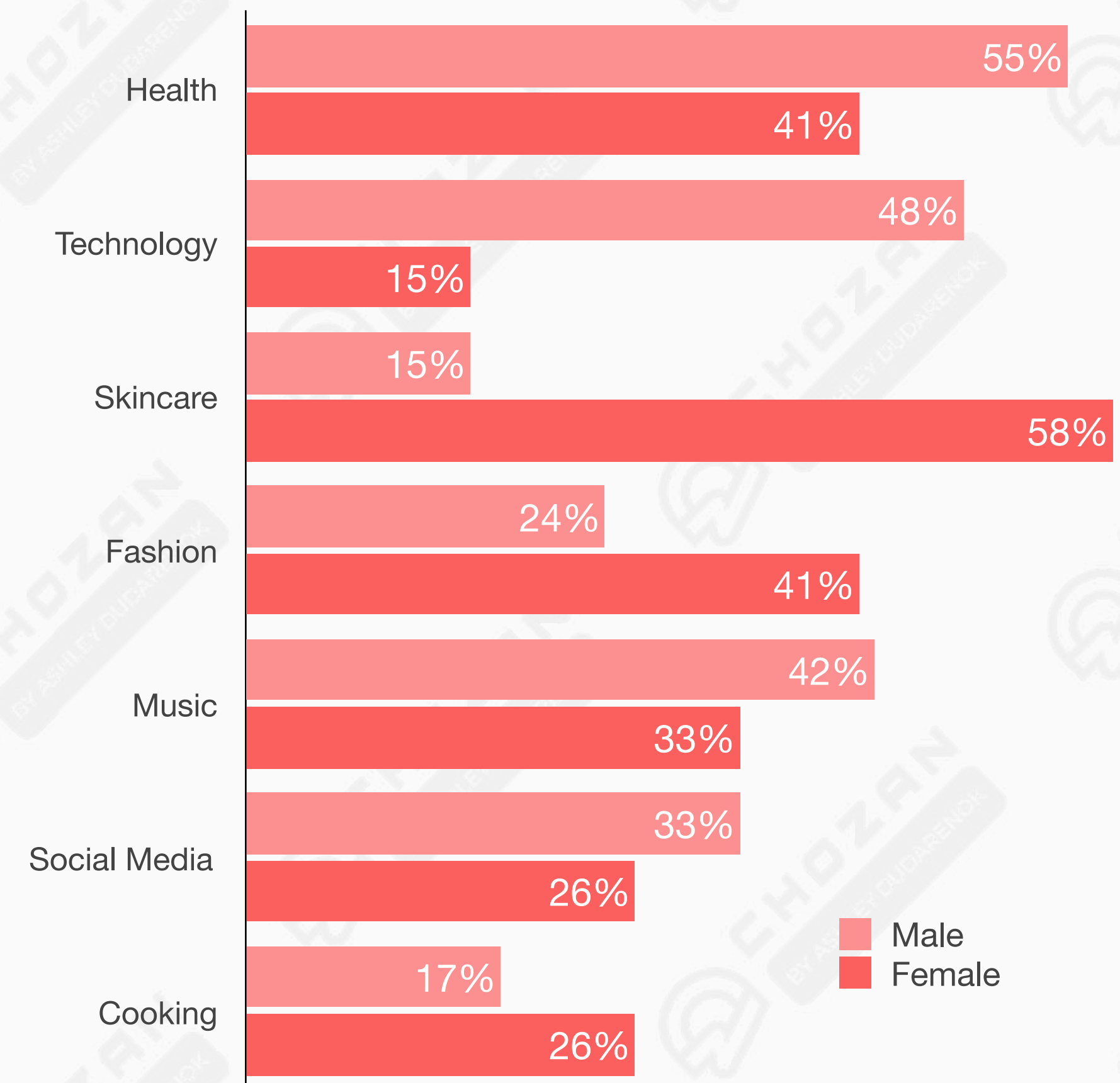
**RECREATIONAL
ACTIVITIES**

CONSUMER INSIGHTS

HAPPY SINGLES - CONSUMPTION INTEREST

Single women like to spend on skincare while single men prefer to spend on health and fitness.

CONSUMPTION INTEREST BETWEEN MALE AND FEMALE SINGLES



CONSUMER INSIGHTS

HAPPY SINGLES - INSTANT MEALS

Eating alone is common among singles in China and more meals of instant foods are released, with instant noodles, instant hot pot and snail noodles being the most popular categories.

MOST POPULAR INSTANT FOOD FLAVOUR AMONG SINGLES

- 1 HOT AND SOUR
- 2 SPICY
- 3 PORK BONE

MOST POPULAR INSTANT FOOD AMONG SINGLES



INSTANT RAMEN



INSTANT HOTPOT



SNAIL NOODLES



ZONGZI



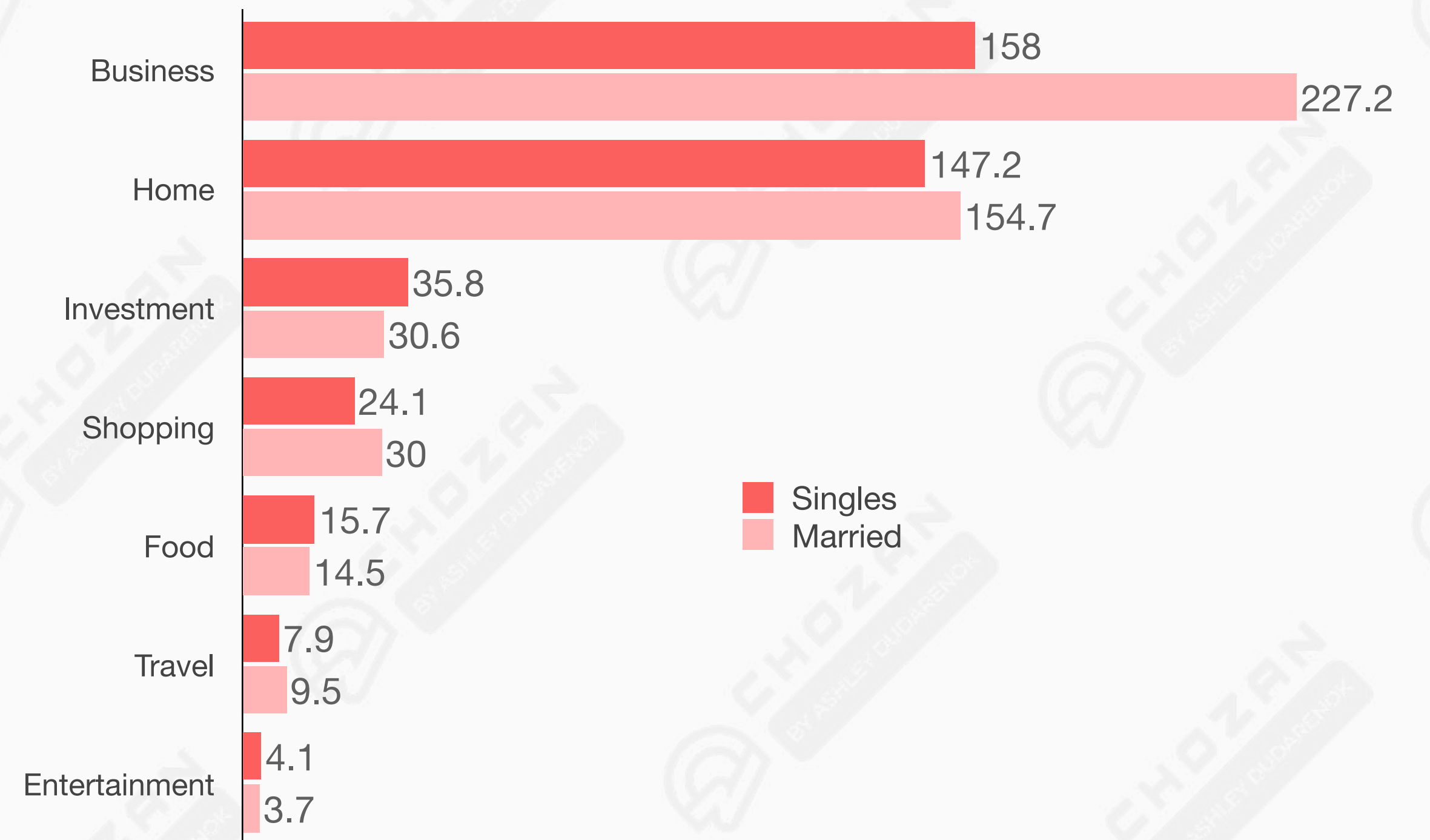
NOODLES

CONSUMER INSIGHTS

HAPPY SINGLES - SPENDING FOCUS

Chinese singles at the age of 30 are willing to spend more on investments, food and entertainment.

EXPENDITURE BETWEEN SINGLES AND MARRIED CHINESE PEOPLE AT THE AGE OF 30 (THOUSANDS RMB)



EMERGING CONSUMER GROUPS

UNDERSTANDING CHINESE CONSUMERS

EXPERT BITES

Q: WHAT'S YOUR FAVOURITE CHINESE CONSUMER GROUP IN 2021? WHY?

Conscious consumers. Chinese consumers are facing lots of buying decisions every day. One of my missions is to influence consumers to consciously choose brands that are good for the planet and good for you. **It's very encouraging to see that this group of consumers is growing in China in 2021.**



CHENYU ZHENG

Founder of Apple Sister Creative
Consultancy

EXPERT BITES

Q: WHAT CONSUMPTION GROUPS DO YOU ADVISE MARKETERS TO MONITOR IN Q2 2021?

Think of "versatile identity" groups who like to play with various personas at work, at home, with friends and change styles **accordingly**. That will be a group with plenty of opportunities for beauty and fashion brands.



MATTHIEU DAVID-EXPERTON

CEO and President
at Daxue Consulting

NIGHT OWLS

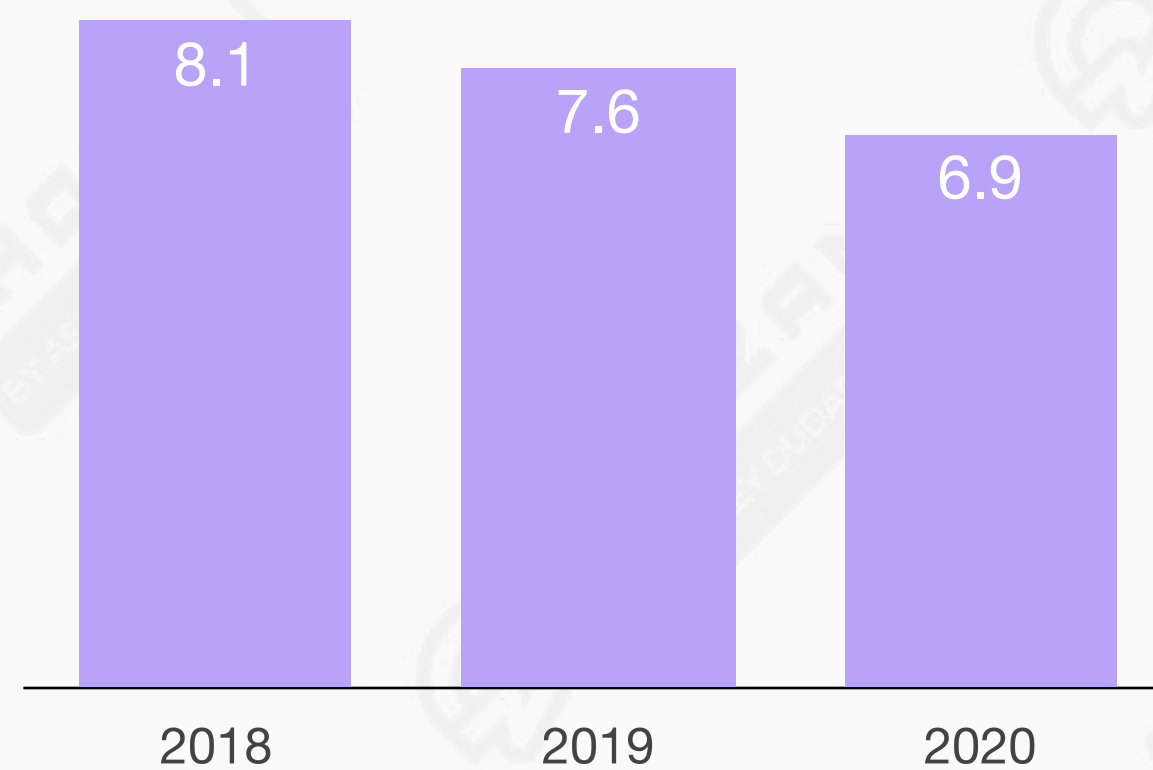


EMERGING CONSUMER GROUPS

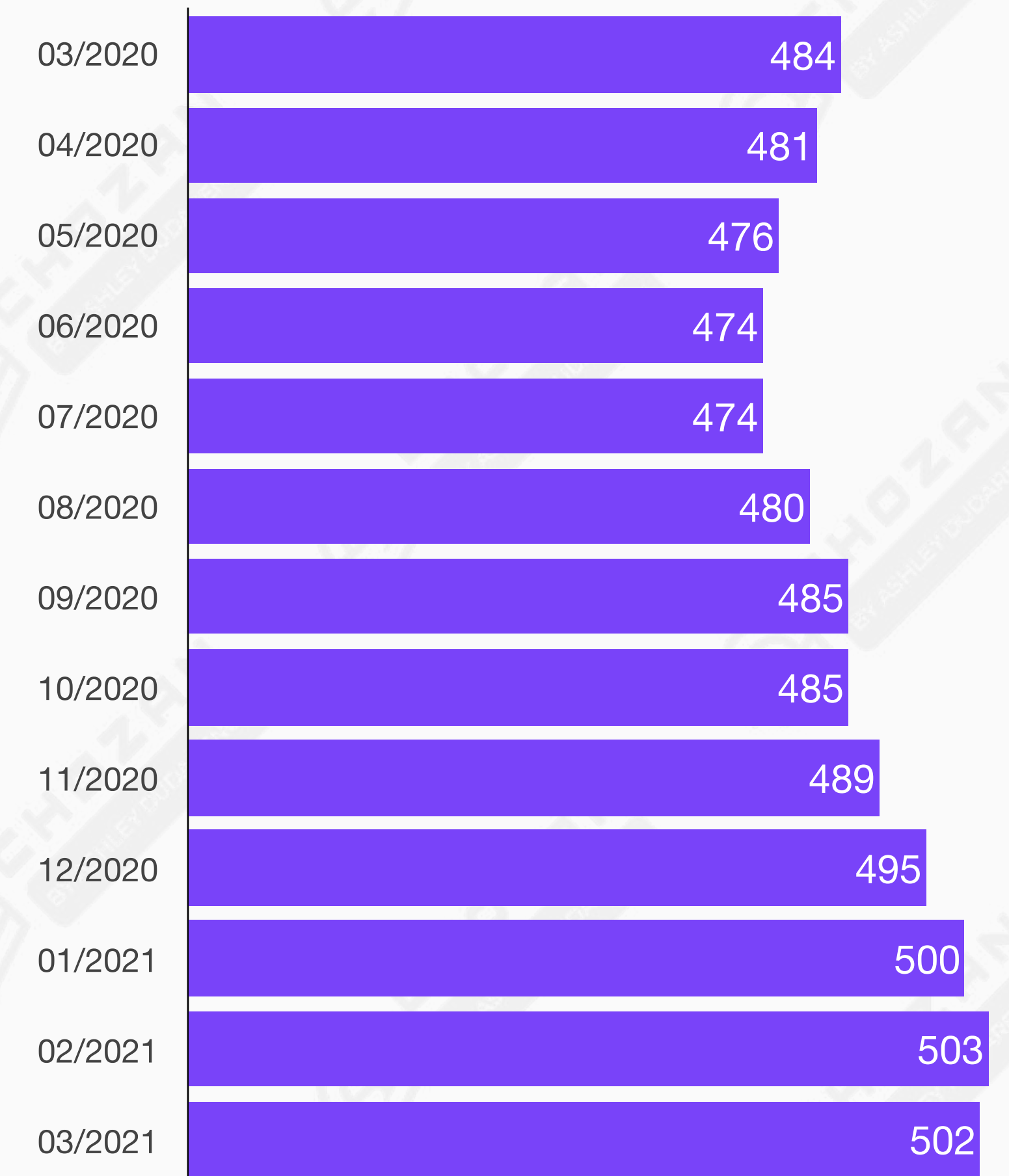
NIGHT OWL - INTRODUCTION

The number of night owls are growing in China reflected by people's average hours of sleep at only 6.9 daily.

CHINESE PEOPLE'S AVERAGE SLEEP (HOURS)



NIGHT OWL USER PORTRAIT (MILLION)

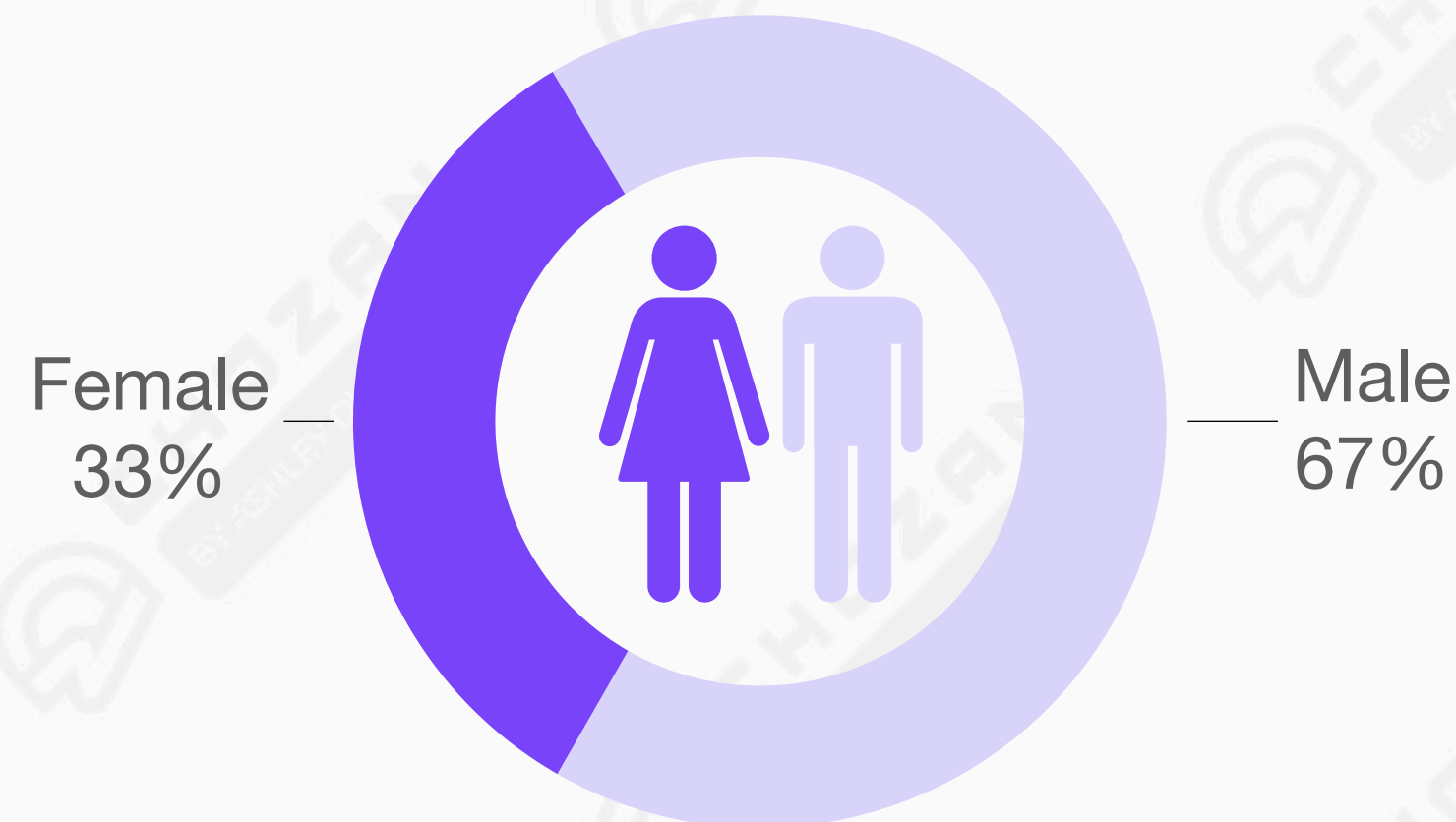


EMERGING CONSUMER GROUPS

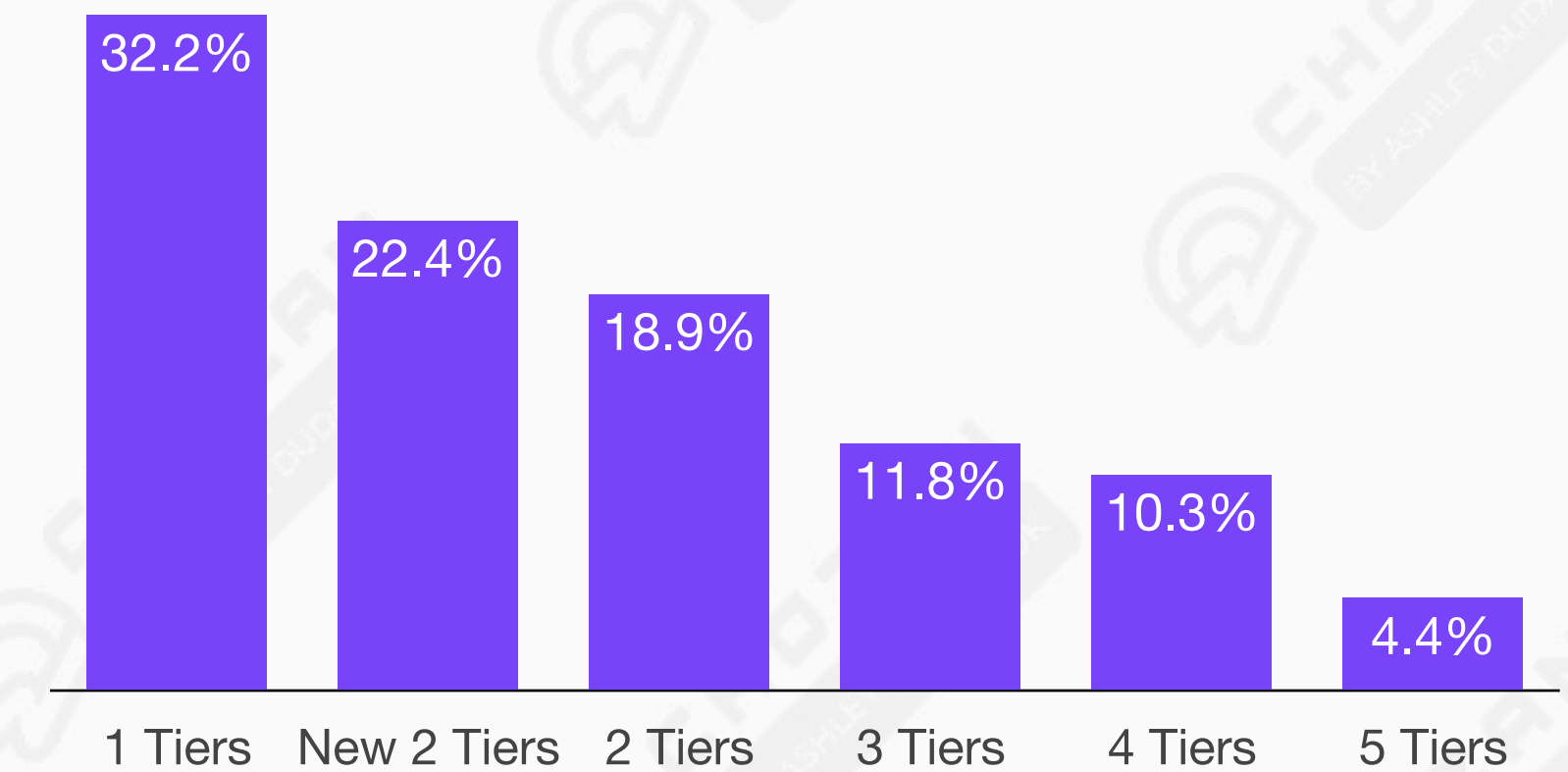
NIGHT OWL - USER PORTRAITS

Most night owls are male consumers, post-95s, and consumers who are located in the higher tier cities.

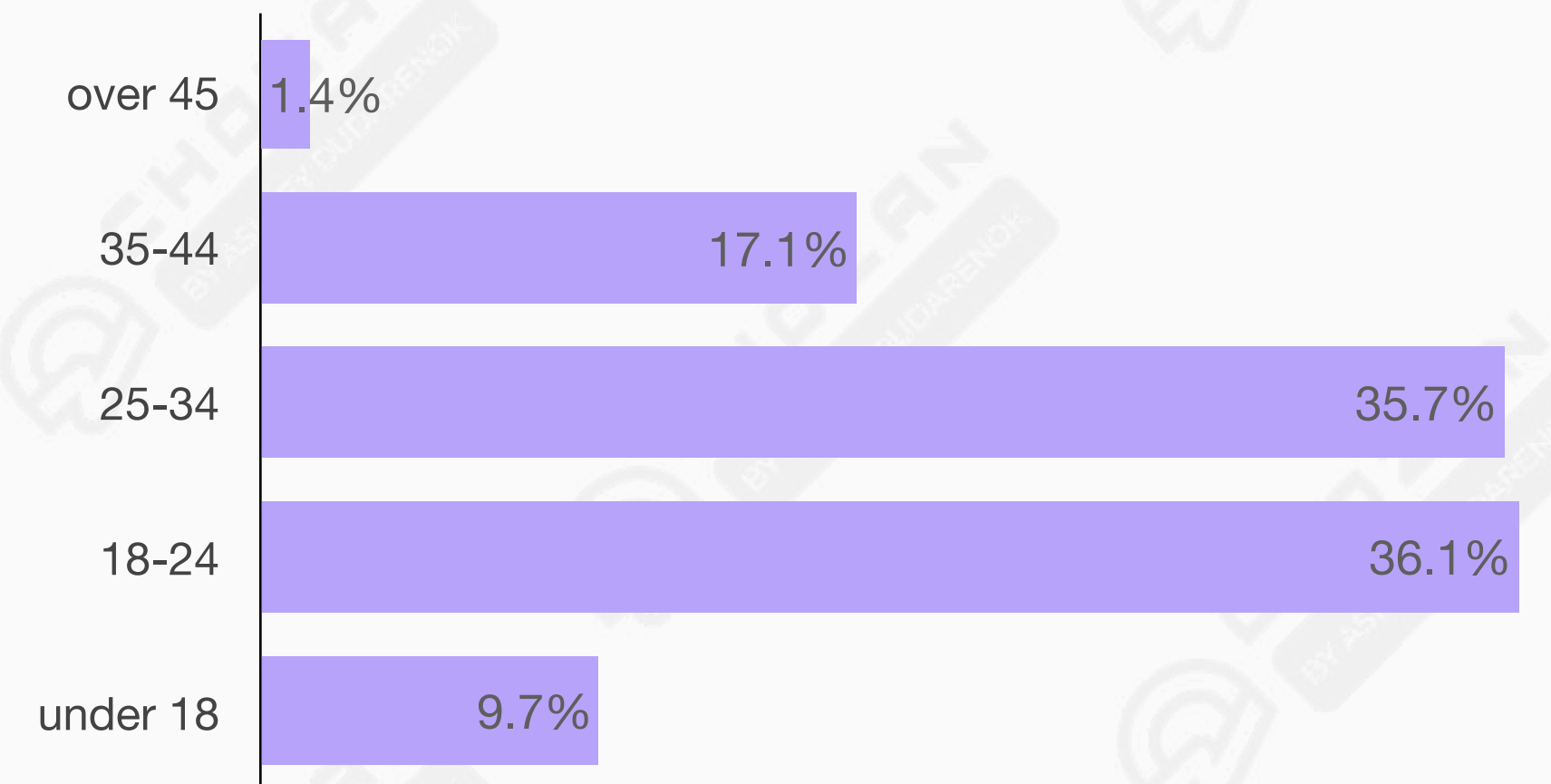
NIGHT OWLS AMONG GENDER



NIGHT OWLS AMONG CITIES



NIGHT OWLS AMONG DIFFERENT AGE GROUP



MEDICAL BEAUTY DEVOTEES

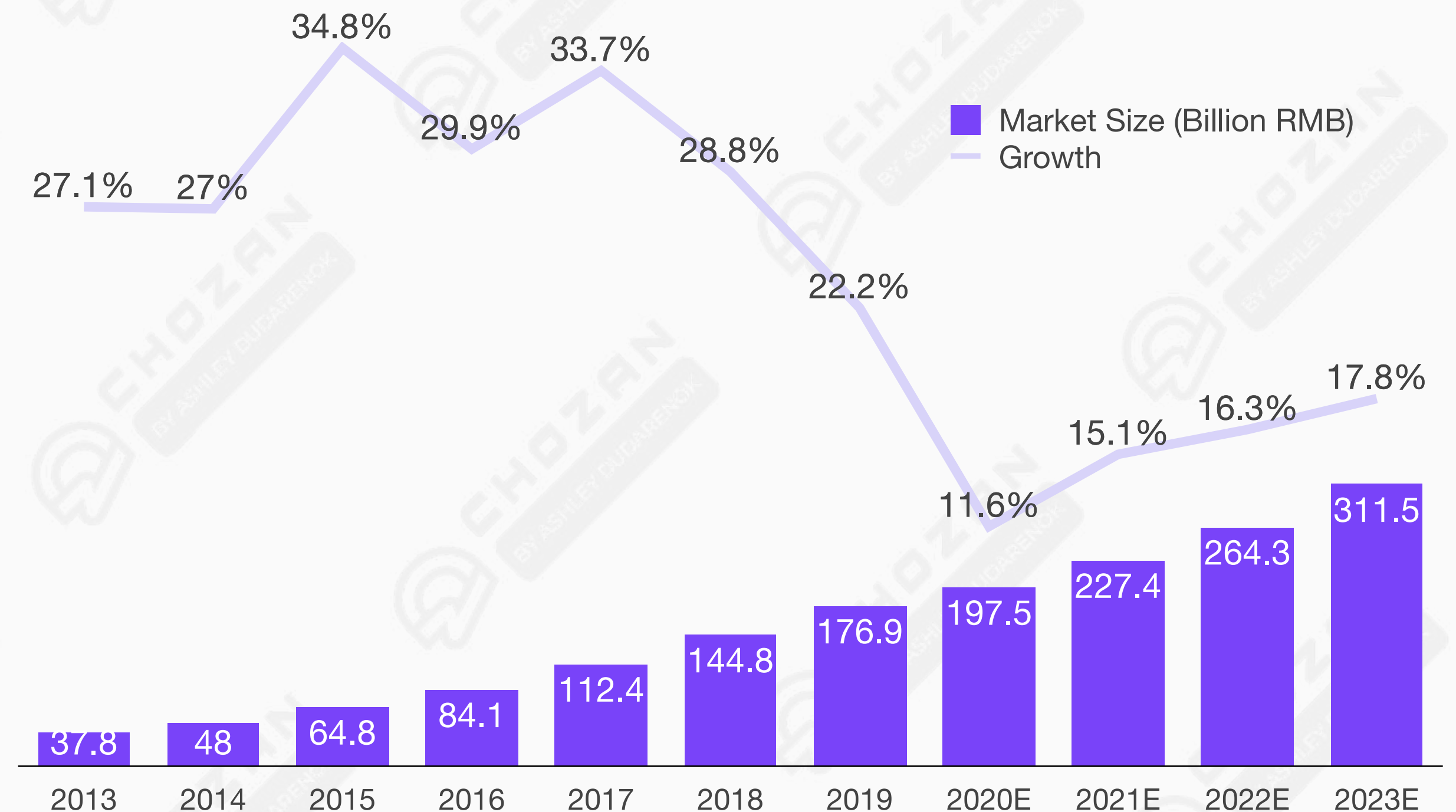


EMERGING CONSUMER GROUPS

MEDICAL BEAUTY DEVOTEES - INTRODUCTION

The medical beauty industry in China is growing. The market size is expected to reach 311 billion RMB in 2023.

MEDICAL BEAUTY MARKET SCALE IN CHINA, 2012-2023

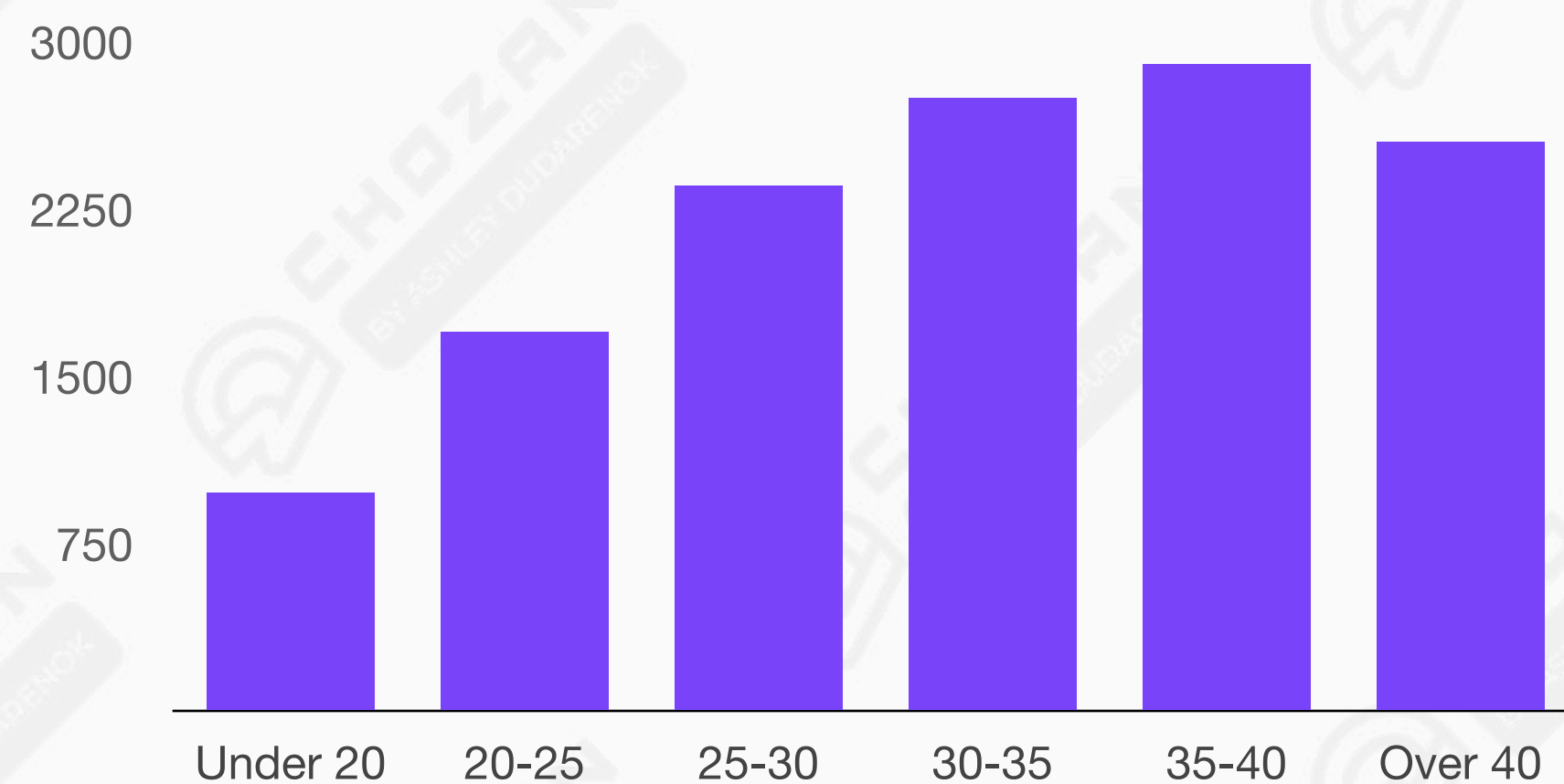


EMERGING CONSUMER GROUPS

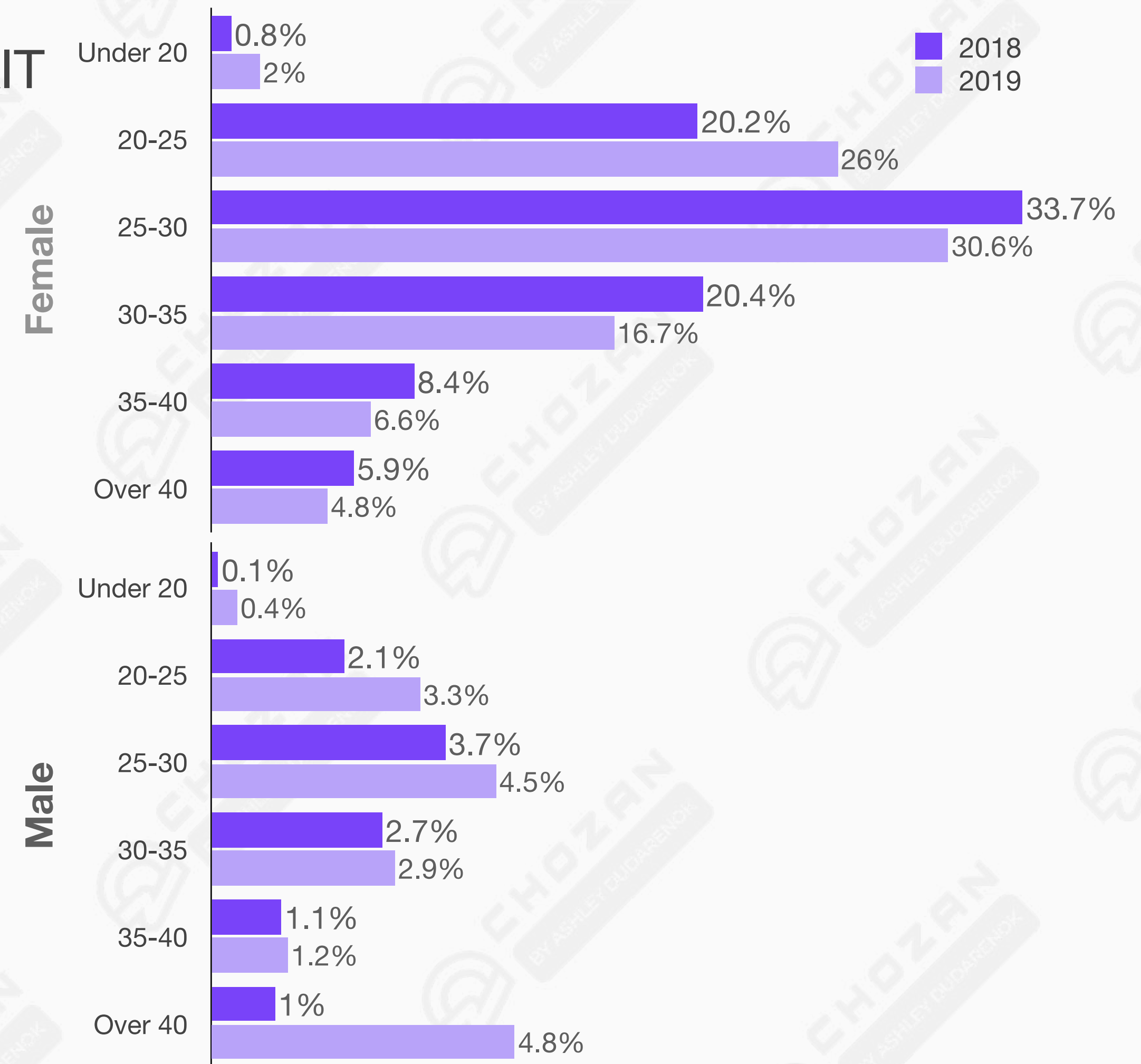
MEDICAL BEAUTY DEVOTEES - CONSUMER PORTRAIT

The medical beauty industry is dominated by female consumers. These devotees aged between 35-40 are willing to spend more comparing to consumers from other age groups. Medical beauty devotees are becoming younger, and male devotees aged over 40 is growing.

AVERAGE SPENDING ON MEDICAL BEAUTY AMONG DIFFERENT AGE GROUP (RMB)



Source: CBNDData, Medical Beauty Market in China

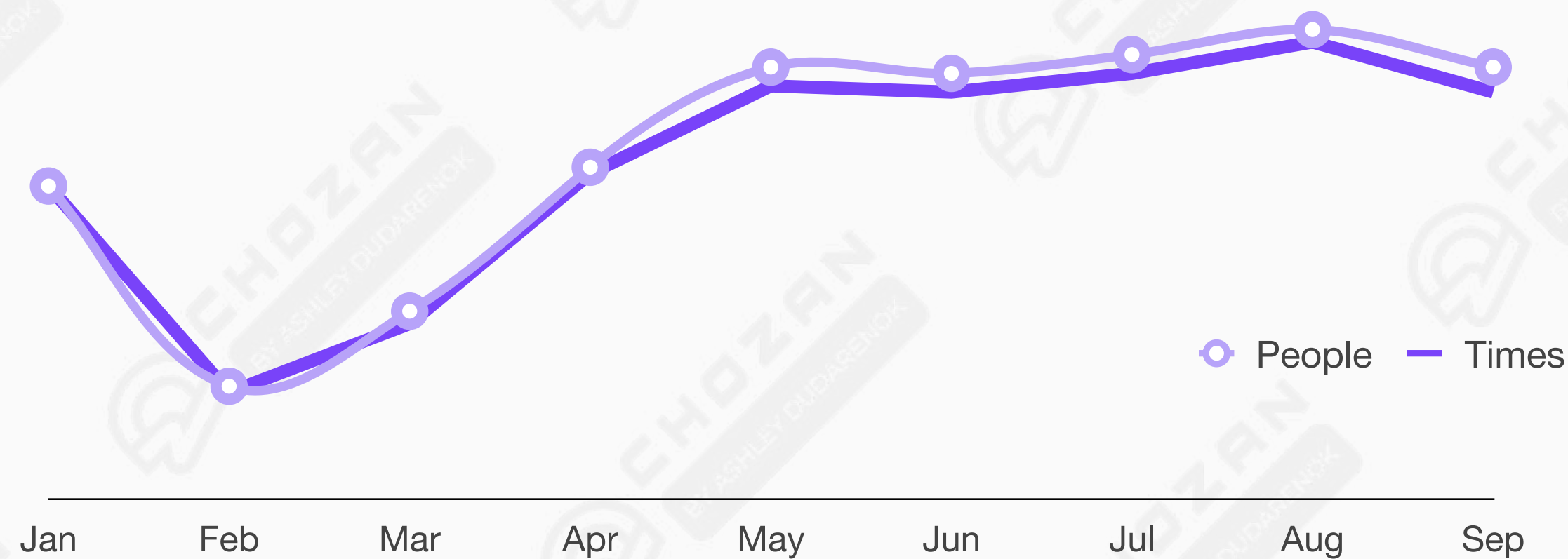


EMERGING CONSUMER GROUPS

MEDICAL BEAUTY DEVOTEES - CONSUMPTION

The medical beauty industry in the first quarter of 2020 was deeply affected by Covid-19 but recovered in Q2 and accelerated in Q3.

SEARCHES ON MEDICAL BEAUTY, Q1-Q3 2020



MEDICAL BEAUTY INDUSTRY CONSUMPTION, Q1-Q3 2020

2020 Q3

Orders YoY +98%
Price per Unit YoY +15%
Total Sales YoY +112%

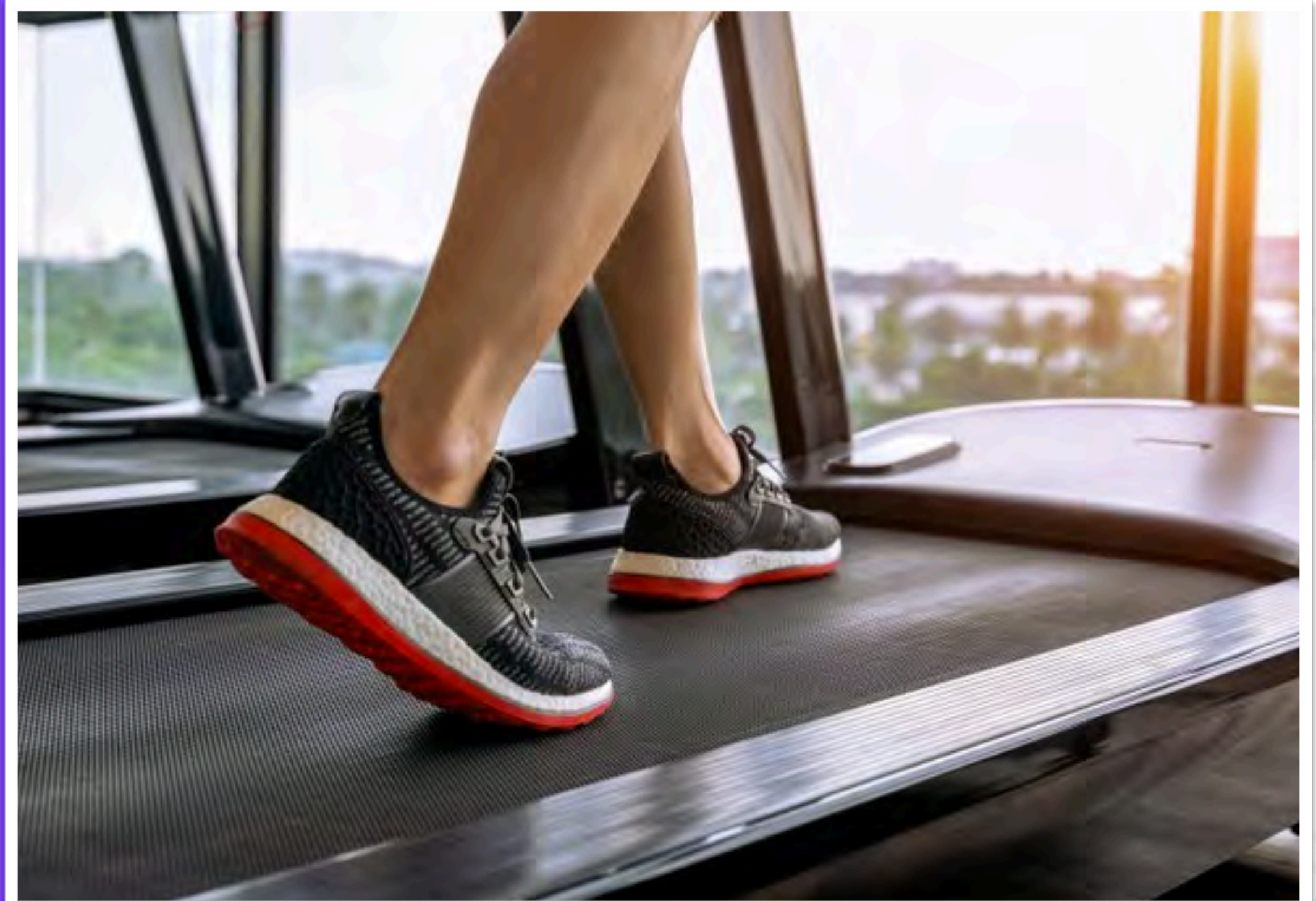
2020 Q2

Orders YoY +39%
Price per Unit YoY +32%
Total Sales YoY +112%

2020 Q1

Orders YoY -15%
Price per Unit YoY +32%
Total Sales YoY +23%

HEALTH-FITNESS FAN



EMERGING CONSUMER GROUPS

HEALTH-FITNESS FAN - INTRODUCTION

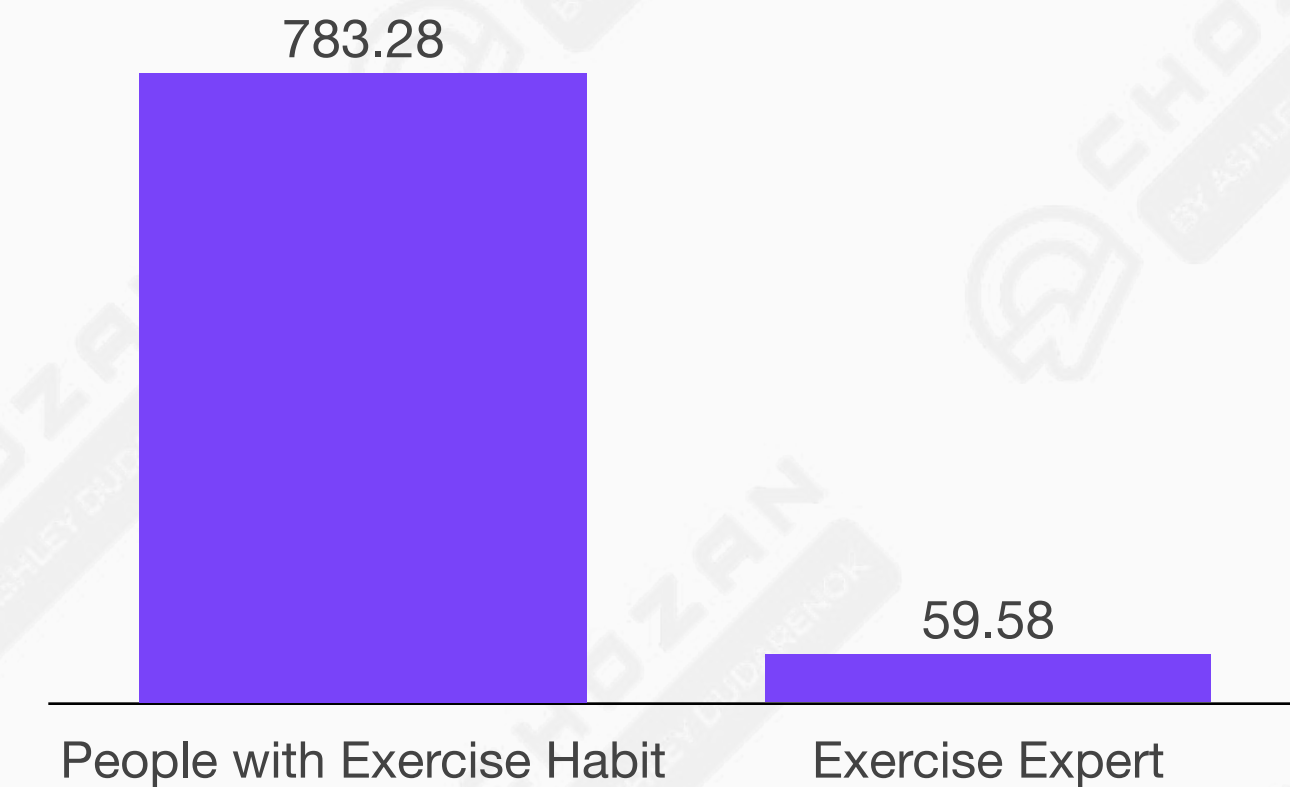
People are becoming more conscious about health due to the impact of Covid-19. Fitness is being intellectualised with more than 780 million people using fitness apps to exercise in 2021.



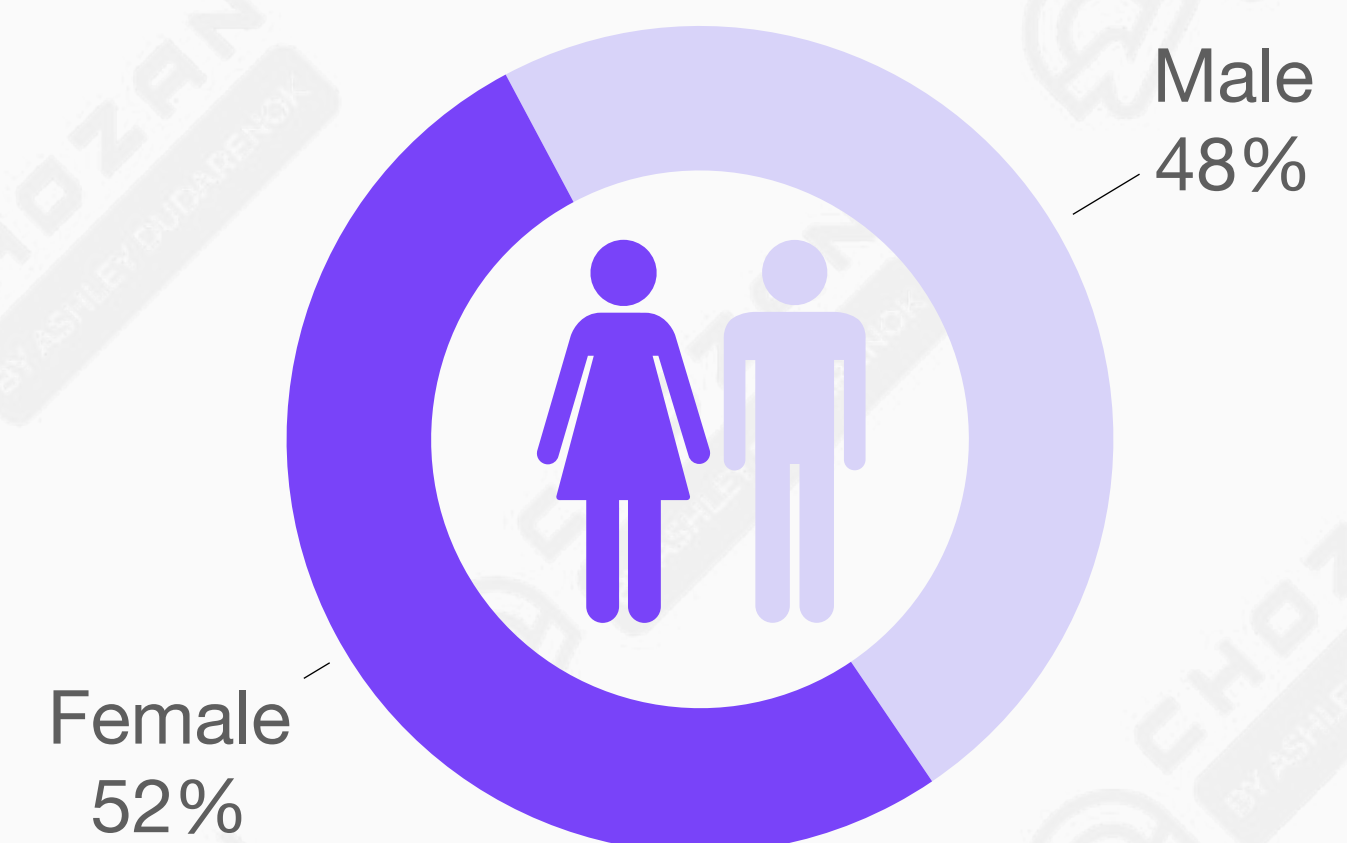
780+ MILLION
ONLINE EXERCISE USERS

Source: CBNDData, Fitness Consumers in China 2021

FITNESS CONSUMERS PORTRAIT FEB2021 (IN MILLION)



FITNESS EXPERT AMONG GENDER

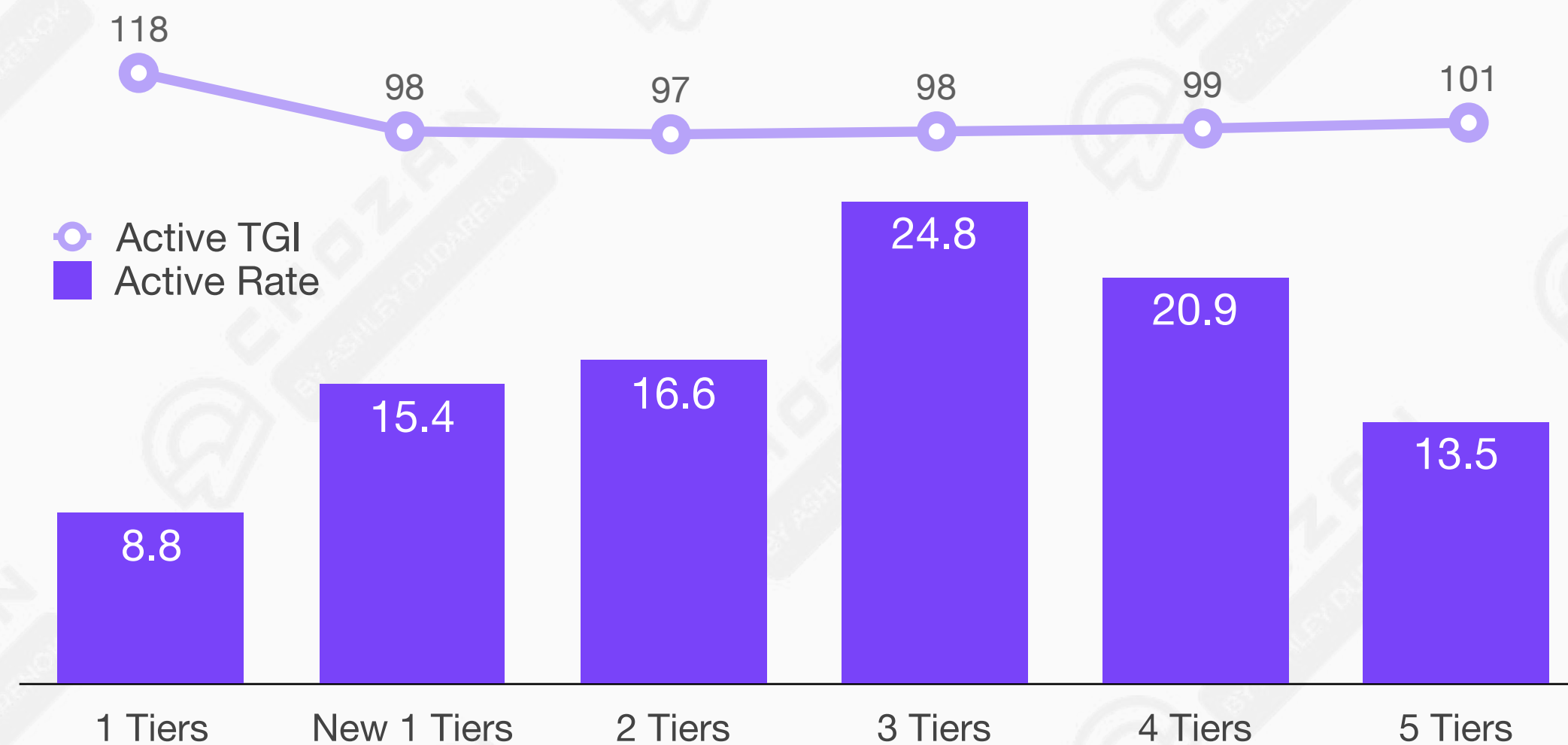


EMERGING CONSUMER GROUPS

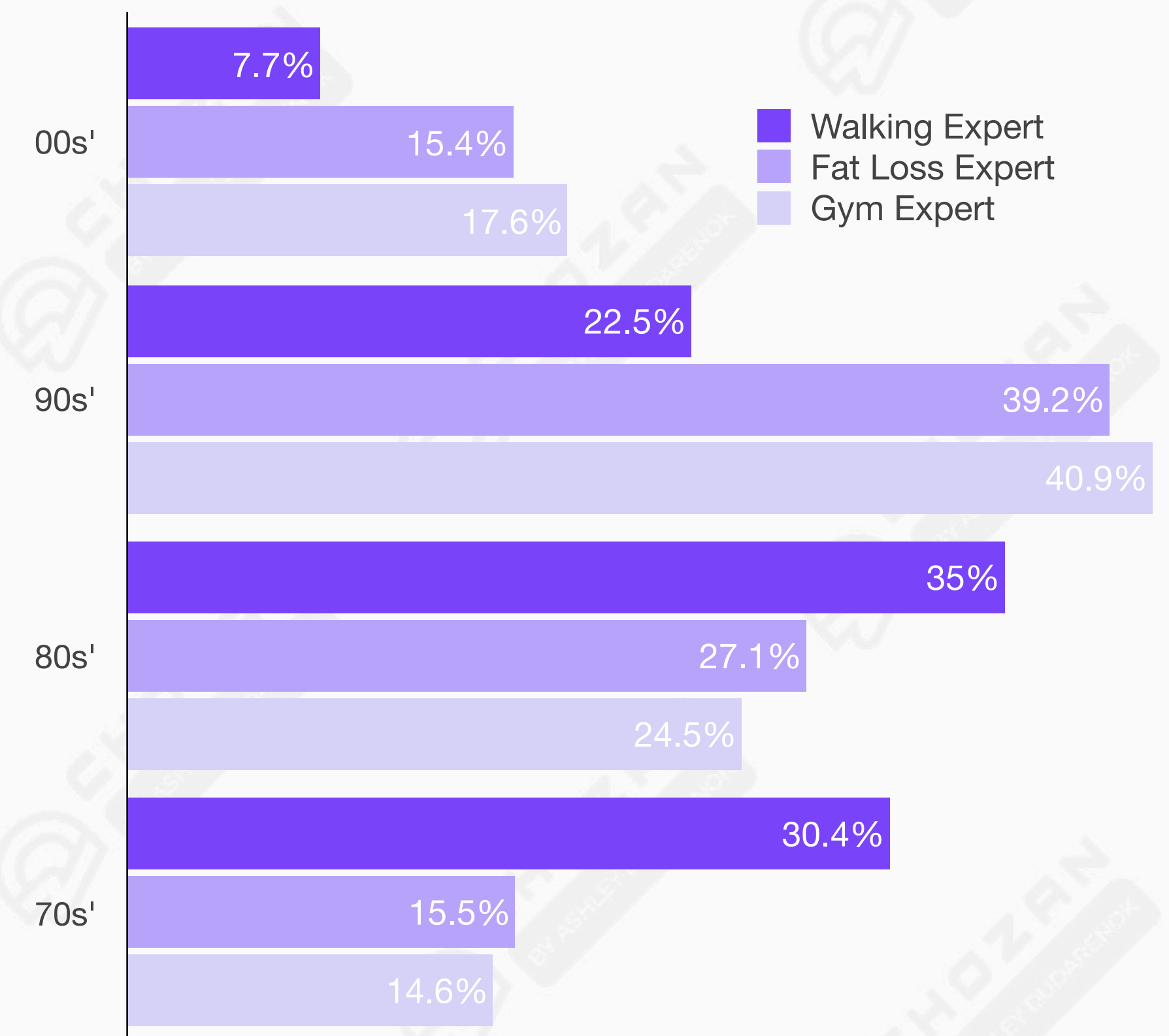
HEALTH-FITNESS FAN - PREFERENCES

Younger generation consumers in China pay more attention to fat loss and gym while older people are more into walking to staying fit.

WORKOUT EXPERT AMONG TIERED CITIES, FEB2021



WORKOUT EXPERT AMONG AGE GROUP, FEB2021

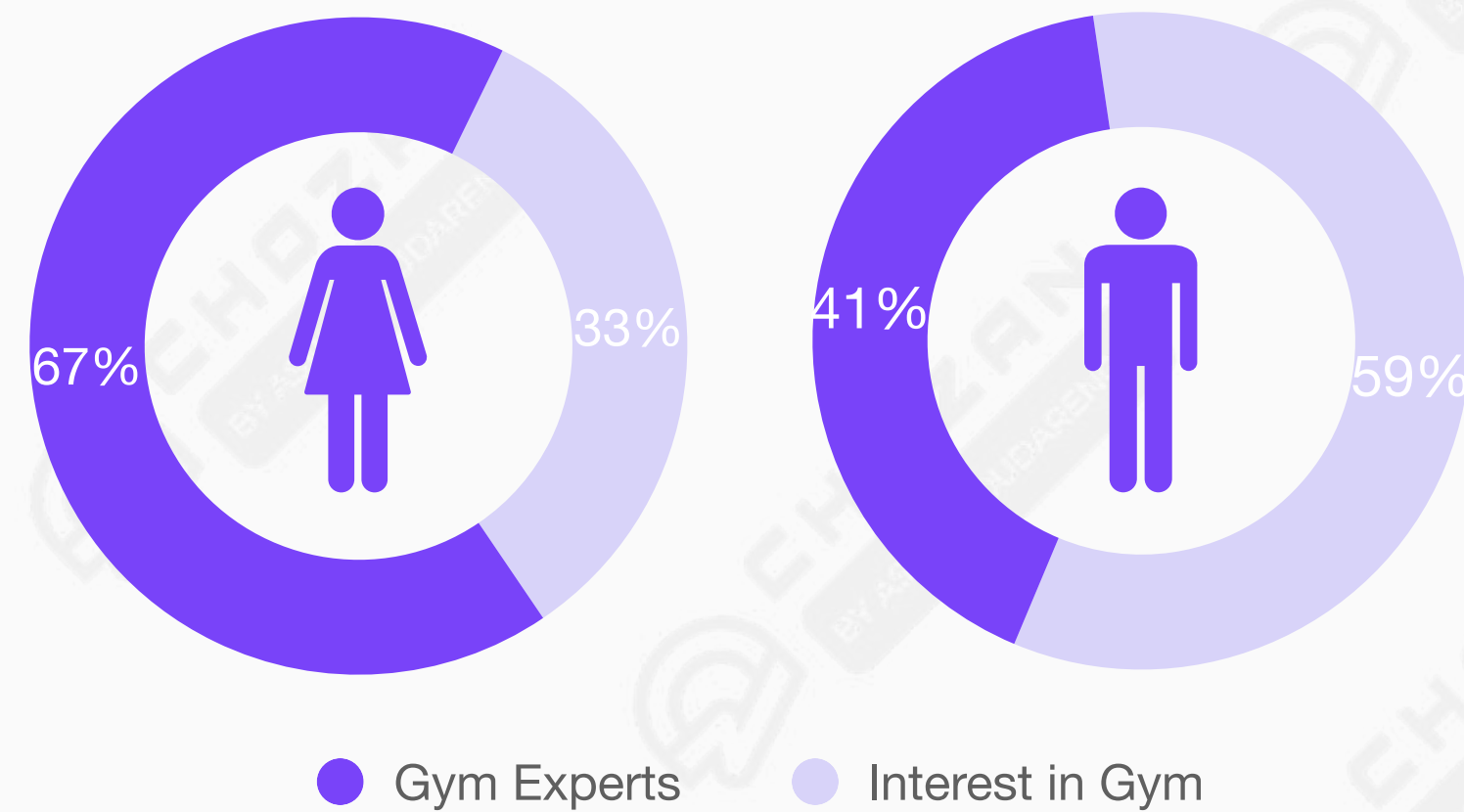


EMERGING CONSUMER GROUPS

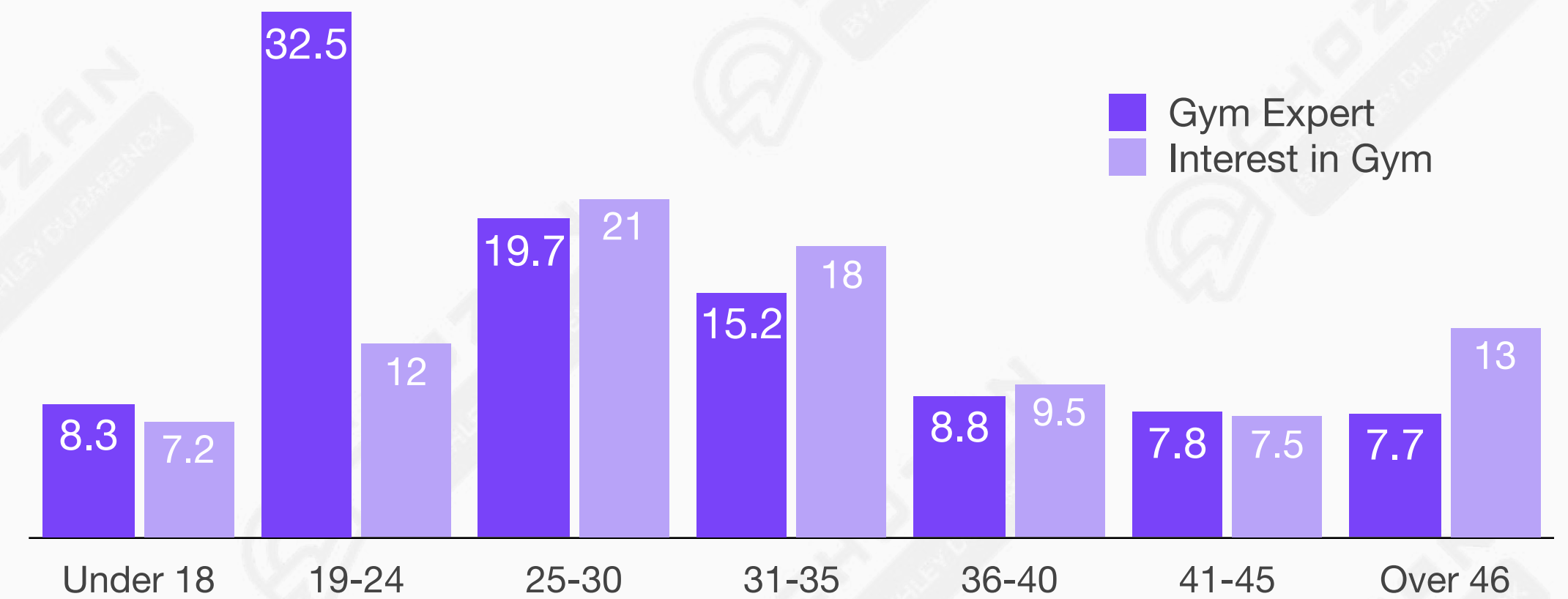
HEALTH-FITNESS FAN - GYM

People who are Interested in gym in China are mostly male consumers, located in lower-tier cities. Gym experts are mainly young female consumers.

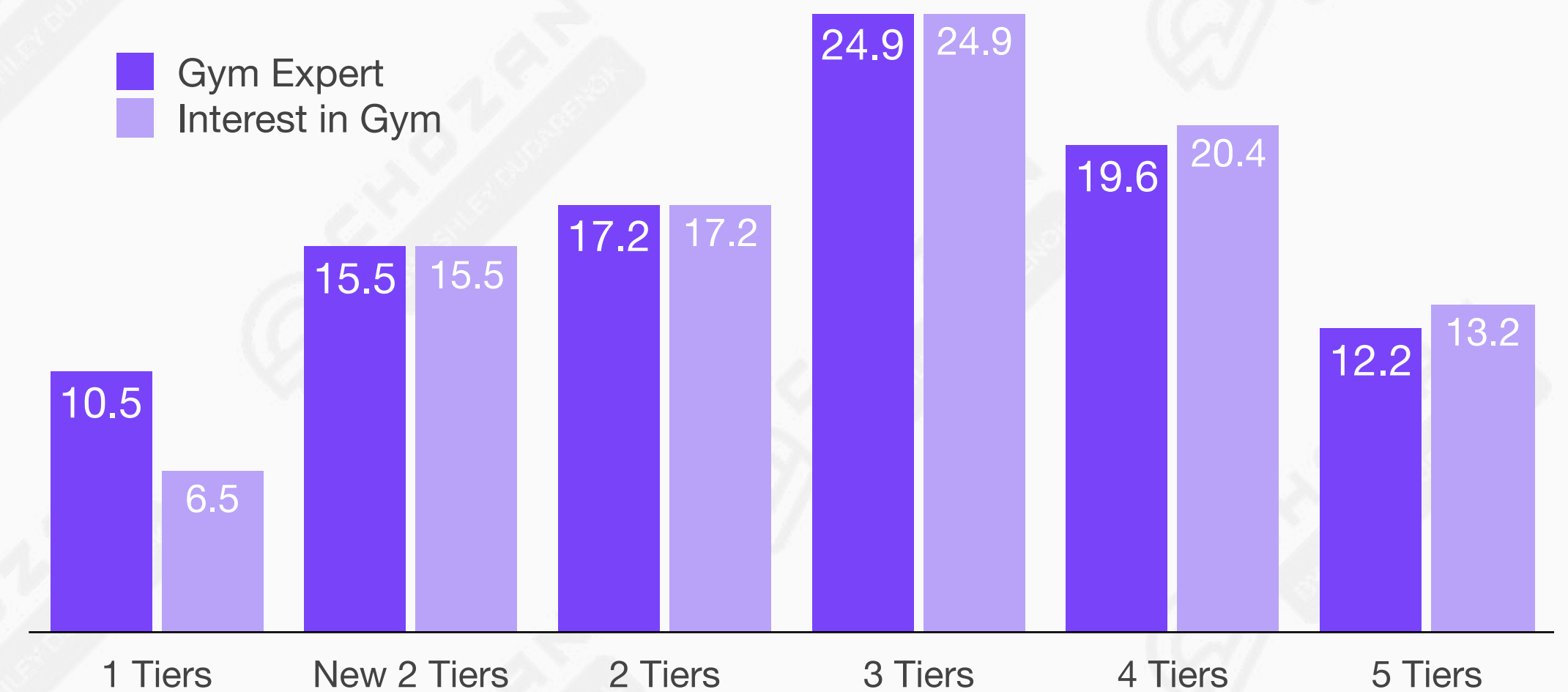
AMONG GENDER



AMONG AGE GROUP



AMONG CITY TIERS





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ABOUT YOUR CHINA PLAN



KEY CONSUMPTION ECONOMIES

YOUR OPPORTUNITIES IN CHINA IN 2021

EXPERT BITES



WENDY CHEN

Sr. Marketing Manager at
Alarice and ChoZan

Q: WHAT CONSUMPTION TRENDS DO YOU SEE FOR SPRING AND SUMMER 2021?

After last year's lockdown, the biggest trends I see for 2021 are domestic travel and an offline consumption rebound.

During the Qingming Festival, in early April, more than 120 million people travelled, likely because of the Spring Festival policy encouraging people not to go back to their hometowns.

On Red, this year's spring picnic trend has been very hot. Everybody's talking about picnics.

GOT A QUESTION? DROP WENDY AN EMAIL BY SCANNING THE QR CODE



EXPERT BITES



JACQUELINE CHAN

Project Director at
Alarice and ChoZan

Q: WHAT EMERGING CONSUMER GROUPS DO YOU SEE IN CHINA RIGHT NOW?

Jiwa Parents (鸡娃) are an emerging group. China has always had parents who encouraged their children to excel academically but these parents are motivational overachievers. **The equivalent of helicopter parents, they constantly arrange activities of all kinds for their children and prioritize achievement.** For after-school classes, the most popular courses are coding and English. Jiwa parents are usually middle class and are most common in Beijing, Shanghai, Guangzhou and Shenzhen. Families with one child and high incomes have higher expectations and invest a lot in education and activities for their children.

GOT A QUESTION? DROP JACQUELINE AN EMAIL BY SCANNING THE QR CODE



EXPERT BITES

Q: WHAT ARE THE TOP TRENDS YOU OBSERVED IN Q1 2021 THAT SURPRISED YOU?

1. Luxury consumption is still growing, especially before CNY because Chinese consumers love buying new things for the lunar new year. Since people aren't travelling abroad, their luxury consumption is switching to the domestic market. According to Bain & Company, it's expected that by 2025, Chinese luxury consumption will contribute over 50% to global luxury consumption.

2. Livestreaming has become very mainstream so, even though it's still a very relevant marketing and sales tactic, it's not as buzzworthy.



KEJIE YI

Content Manager at
China Marketing Insights

EXPERT BITES

Q: WHAT DO YOU THINK CHINESE CONSUMERS WILL FOCUS ON IN TERMS OF CONSUMPTION IN Q2?

There are five key trends I see developing in 2021. I believe the digital acceleration of the Covid era will see total digital sales rise from a projected 54% to the 60-65% range. **Consumers will further embrace home-grown brands, especially in fashion, electronics and food and beverage. Home, home, home. The market for home goods is hot and will get hotter. Local travel.** With life largely back to normal and most international borders closed, I believe this will be a banner year for domestic travel, travel-related products and travel retail. **The night economy is for real and deserves the notice it's getting.** Brands and retailers need to strategize and plan around this trend and meet the consumer not only where they are but WHEN they are.



MICHAEL ZAKKOUR

Founder of 5 New Digital and
China BrightStar

EXPERT BITES



STELLA ZHAN

Marketing Executive at
Alarice and ChoZan

Q: WHAT'S YOUR TAKE ON THE SECOND-HAND ECONOMY IN CHINA? WHY SHOULD MARKETERS PAY ATTENTION TO IT?

Young people are increasingly keen on the second-hand economy. They're willing to pay for their favorite trends, so they have a lot of unused goods. They're also willing to give up their old things so others can use them and they can improve their own and others' quality of life. Young people are the main target audience for brand marketing. Brands can establish their own second-hand trading market or use existing second-hand trading platforms for marketing to get attention, build participation and give users a novel experience.

GOT A QUESTION? DROP STELLA AN EMAIL BY SCANNING THE QR CODE



THE NIGHT ECONOMY

1

PEOPLE WORK LONG HOURS AND START THEIR CONSUMPTION LATE AT NIGHT. THIS TREND PROMOTES EVENING RELATED PRODUCTS AND EXTENDS BUSINESS HOURS.

EXPERT BITES



YVONNE WU

Marketing Executive at
Alarice and ChoZan

Q: WHAT'S YOUR OPINION THE NIGHT ECONOMY AND ITS IMPORTANCE?

In my opinion, the night economy is just a by-product of China's rapid economic development. From 6 pm to 6 am the next day, people are eating, drinking and looking for entertainment. **One of the changes we've seen is that some convenience stores have changed their style so that they look and feel more like a disco after 8 p.m. in order to attract customers.**

Marketers need to pay attention to the night economy as it's been singled out for policy support by local governments and brands can use data gathered from night economy purchases and behavior to better understand the needs of consumers.

**GOT A QUESTION? DROP NATALIA AN
EMAIL BY SCANNING THE QR CODE**



2

THE FAN ECONOMY

**FAN ECONOMY IS THE
CONSUMPTION
DRIVEN BY FANS AND
FOLLOWERS OF
CELEBRITIES AND
INFLUENCERS**

EXPERT BITES



WENDY CHEN

Sr. Marketing Manager at
Alarice and ChoZan

Q: WHAT'S YOUR OPINION OF THE FAN ECONOMY IN CHINA? WHY DO MARKETERS NEED TO PAY ATTENTION TO IT?

China's fan economy is overwhelming and has become an important **source of traffic for e-commerce promotions**. Many brands have already mastered key ways to **use the celebrity effect such as limited edition products made in cooperation with popular personalities**. This technique has always worked well. But **now, instead of buying one item, fans will buy 10 or 100 of the same product**. This makes the products sell out faster and then, they start appearing on second-hand e-commerce websites selling for ten times the original price.

**GOT A QUESTION? DROP WENDY AN
EMAIL BY SCANNING THE QR CODE**



THE PET ECONOMY

3

**MORE PET OWNERS
NOW CONSIDER PETS
AS THEIR LIFE
COMPANION DUE TO
DELAYED MARRIAGE,
ENCOURAGING THE
GROWTH OF PET
ECONOMY**

EXPERT BITES



YVONNE WU

Marketing Executive at
Alarice and ChoZan

Q: WHAT'S YOUR MARKETING RECOMMENDATION FOR BRANDS IN THE PET INDUSTRY IN CHINA RIGHT NOW?

China's pet industry is in a phase of rapid development. In the past few months, several subcategories have become popular including pet insurance, fresh pet food, pet toiletries and more. Brands in these areas would be wise to make an investment in China now. Take pet insurance as an example. 30% of pets have medical expenses of 1,500 yuan a year but China's pet insurance coverage rate is less than 1%.

In terms of fresh pet food, a brand called Mr. Himi uses packaging methods that allow its food to last for 90 days without additives or preservatives. Brands like this can build their reputation as healthy and trustworthy by emphasizing their long shelf life and lack of additives.

**GOT A QUESTION? DROP NATALIA AN
EMAIL BY SCANNING THE QR CODE**



4

THE PERSONAL FINANCES AND INVESTMENT ECONOMY

YOUNG CHINESE CONSUMERS HAVE BEEN INCREASINGLY AWARE AND ACTIVE IN MANAGING THEIR PERSONAL FINANCES AND INVESTMENTS.

EXPERT BITES



ESTELLE SUEN

Marketing Executive at
Alarice and ChoZan

Q: WHAT'S YOUR OPINION ON THE PERSONAL FINANCE AND INVESTMENT SECTOR IN CHINA?

More and more young people are starting to buy funds and social media culture has penetrated the fund investment world. Apart from the low investment threshold and relatively good returns, the popularity of fund investment is due to social currency. For example, in Alipay's Fund Forum, there are lots of young people making friends with like-minded people.

GOT A QUESTION? DROP ESTELLE AN EMAIL BY SCANNING THE QR CODE



THE ACG ECONOMY

5

**ACG (ANIME, COMICS
AND GAMES)
INDUSTRY HAS BEEN
DEVELOPING RAPIDLY
IN RECENT YEARS,
REACHING YOUNG
CONSUMERS WITH
HIGH SPENDING
POWER**

EXPERT BITES



NATALIA DRACHUK

Marketing Director at
Alarice and ChoZan

Q: WHAT'S YOUR VIEW OF THE ACG ECONOMY IN CHINA? WHY DO MARKETERS NEED TO PAY ATTENTION TO IT?

In recent years, the anime, comics and gaming (ACG) sector has gained momentum, mainly because of interest from Gen Z consumers. The ACG market is expected to reach 375 billion RMB by 2025. Seeing the huge potential, food and beverage brands have started using ACG elements in their marketing campaigns. Animated campaigns quickly go viral on short video platforms and resonate with young consumers, a group that consists of around 400 million people. Brand mascots can also be great brand representatives in the long term and build a social language to communicate with Gen Z.

**GOT A QUESTION? DROP NATALIA AN
EMAIL BY SCANNING THE QR CODE**



6

THE LAZY ECONOMY

**A NEW TYPE OF
CONSUMPTION
DEMAND THAT IS
TIME-SAVING,
LABOR-SAVING AND
CONVENIENT.**

EXPERT BITES



SEAN FAN

Marketing Executive at
Alarice and ChoZan

Q: WHAT ARE YOUR VIEWS ON THE "LAZY ECONOMY"?

The lazy economy isn't really about laziness. It's about consumption upgrades and efficiency. **Busy modern lifestyles are the biggest factor behind it.** According to China's National Bureau of Statistics, the average weekly working hours exceed 46 hours, which is higher than the global average of 40-44. At the same time, disposable incomes have increased. **Buying time with money is becoming a habit with young people. For example, instead of spending time cooking, like their parents did, they order takeaway.** According to Qianzhan, China now has 500 million takeaway users. White collar workers account for 48.1% of them and the penetration rate for food and beverage takeaway in first, second and third tier cities in China has reached 96.31%.

**GOT A QUESTION? DROP SEAN AN
EMAIL BY SCANNING THE QR CODE**



THE SLEEP ECONOMY

7

**POST-90S LIKE TO
STAY UP LATE BUT
ALSO WANT TO
MAINTAIN THEIR
HEALTH. THE SLEEP
ECONOMY PROMOTES
SLEEP RELATED
PRODUCTS.**

EXPERT BITES



OSCAR LIN

Marketing Executive at
Alarice and ChoZan

Q: WHAT ARE YOUR VIEWS ON THE SLEEP ECONOMY IN CHINA?

According to the Sports and Sleep White Book 2021, 300 million people in China suffer from insomnia and CBNDData shows that the **sales of sleep aids increased 400% from 2019 to 2020. I think the market size for these kinds of products will continue to grow rapidly.**

Traditional companies like Want Want and MengNiu Dairy are also entering this market and launched sleep aid products in 2019. New companies like BUFF X, founded in 2020 and having gotten huge funding in the tens of millions, also launched sleep aid candy in September 2020. I **think the market needs to pay attention to the sleep economy.**

**GOT A QUESTION? DROP OSCAR AN
EMAIL BY SCANNING THE QR CODE**



8

THE IP AND BLIND BOX ECONOMY

**GEN Z LIKES TO BUY
BLIND BOXES, WHICH
COME WITH TRENDY
TOYS. BLIND BOXES
ARE POPULAR IN THE
SECOND-HAND
MARKET TOO.**

THE GUOCHAO ECONOMY

9

**BRANDS NEED TO
REMEMBER
CHINESE ELEMENTS
AND CULTURAL
COMPONENTS IN
PRODUCT DESIGNS
AND CAMPAIGNS.**

EXPERT BITES



MASON KU

Marketing Manager at
Alarice and ChoZan

Q: WHAT'S YOUR OPINION ABOUT THE GUOCHAO ECONOMY IN CHINA? WHY DO MARKETERS NEED TO PAY ATTENTION TO IT?

The Guochao economy has been on its rise as more Chinese brands emerge and compete with major international players across different product categories. **Chinese consumers, especially young adults, have witnessed the rise of China due to its rapid economic growth and are now looking for unique ways to identify with their Chinese identity through fashionable consumption.** Chinese fashion brands, such as Li-Ning, have become more popular as a result. **International brands need to establish strong communication with their target consumers and make a clear value proposition to them in order to succeed in this highly competitive market.**

**GOT A QUESTION? DROP MASON AN
EMAIL BY SCANNING THE QR CODE**



10

THE FITNESS ECONOMY

**AFTER THE
PANDEMIC, CHINESE
NATIONALS HAVE
BECOME EVEN MORE
KEEN ON FITNESS AS
THEY BECOME MORE
AWARE OF THEIR
HEALTH.**

11

**THE SHE
ECONOMY**

**WOMEN ARE
BECOMING AN
INCREASINGLY
IMPORTANT
CONSUMPTION
FORCE IN E-
COMMERCE.**

EXPERT BITES



NATALIA DRACHUK

Marketing Director at
Alarice and ChoZan

Q: WHAT ARE YOUR THOUGHTS ON CHINA'S SHE ECONOMY? WHY DO MARKETERS NEED TO PAY ATTENTION TO IT?

China's She Economy was evaluated at 4.8 trillion RMB in 2020 and at the end of January 2021, there were 547 million female internet users in China. The vast majority of them are young, sophisticated and want to improve their quality of life. They actively spend time on social media and they're more active online shoppers than men. According to the most recent Questmobile research, 33% of female consumers under 24 and 36% of female consumers aged 25-36 are willing to spend more next year. Their interests cover a variety of industries, from luxury and personal care to pet-related products. It's paramount for brands to identify the right target personas and have a clear communication strategy to win their loyalty.

**GOT A QUESTION? DROP NATALIA AN
EMAIL BY SCANNING THE QR CODE**



12

THE SINGLES ECONOMY

**CHINESE SINGLES
HAVE A MORE SOLID
CONCEPT OF WEALTH
MANAGEMENT, AND
ARE WILLING TO PAY
FOR THEIR INTERESTS
AND OTHER FINER
THINGS IN LIFE.**

13

THE HOME ECONOMY

THE HOME ECONOMY IN CHINA IS A WIDE RANGE OF CONSUMPTION AND COMMERCIAL ACTIVITIES CARRIED OUT BY PEOPLE WHO INCREASINGLY SPEND TIME AT HOME.

14

THE MEDICAL BEAUTY ECONOMY

**WITH RISING
DISPOSABLE INCOMES,
MORE CHINESE
CONSUMERS CAN
AFFORD TO AND
ARE WILLING TO SPEND
ON MEDICAL BEAUTY
TREATMENTS AND
SURGERIES.**

EXPERT BITES



STELLA ZHAN

Marketing Executive at
Alarice and ChoZan

Q: WHAT'S YOUR OPINION ON THE MEDICAL BEAUTY ECONOMY IN CHINA?

The public's desire to look good has stimulated a boom in China's medical beauty economy. **Improved government supervision, more rational consumers and an increasing number of high-quality medical beauty enterprises has enabled China's medical beauty sector to maintain steady, positive development.**

Focusing on the medical beauty sector not only caters to this booming market, but also allows communication with beauty consumers about their needs. This feedback can be help brands in their product development process.

**GOT A QUESTION? DROP STELLA AN
EMAIL BY SCANNING THE QR CODE**



15

THE GUILT FREE ECONOMY

**CONSUMER
AWARENESS OF
“DOING GOOD” FOR
THE ENVIRONMENT,
SOCIETY AND
THEMSELVES TO
MINIMISE THEIR SENSE
OF GUILT FROM
SPENDING.**

EXPERT BITES



SYCA JIANG

Head of Strategy at
Alarice and ChoZan

Q: WHAT'S YOUR OPINION ON THE GUILT FREE ECONOMY IN CHINA? WHY DO MARKETERS NEED TO PAY ATTENTION TO IT?

In December 2020, the Chinese government officially adopted a policy of accelerating the green economy, advocating green and sustainable consumption. This has enhanced the market for environmentally friendly and second-hand items. **If there are two similar products with similar prices and one is seen as more environmentally friendly, there's a high chance consumers will choose it. Keep this in mind when positioning your products and your brand and when communicating with consumers.**

**GOT A QUESTION? DROP SYCA AN
EMAIL BY SCANNING THE QR CODE**



EXPERT BITES



MASON KU

Marketing Manager at
Alarice and ChoZan

Q: IN GENERAL HOW DO YOU THINK CONSUMPTION TRENDS FOR HEALTH PRODUCTS AND SERVICES WILL SHAPE THE SECTOR?

Awareness about nutrition and healthy lifestyles has increased for Chinese consumers because of Covid. People have developed new habits of exercising at home or in their neighbourhood and finding health and fitness information on sports apps.

It's important to pay attention to different groups and their goals. Younger people tend to do more intensive sports with the aim of staying in top shape while the middle-aged focus more on leisure sports to lose weight and relieve stress.

People are paying more attention to niche sports like skateboarding, boxing, skiing and even horse-riding.

GOT A QUESTION? DROP MASON AN EMAIL BY SCANNING THE QR CODE



EXPERT BITES

Q: WILL THE GREEN WAVE IN CHINA CHANGE EXPECTATIONS FOR BRANDS IN 2021, OR IS IT STILL FAR AWAY?

The change is gradual. After the initial phases of the pandemic, **people started to put more emphasis on health, meaning there was more demand for healthy food and more time spent in nature, as shown by more domestic travel and weekend getaways.** This important mindset shift is also reflected in consumer behavior and the demand for specific products.

There's more domestic travel to spend time in nature. More people want to spend time in places like Dali, which has an environment that's more suitable for living and raising kids.

Given the advancement of AI-enabled education platforms and apps, **more parents are willing to give their children a more nature-based education. People are interested in functional food and supplements** like nuts, energy bars, daily vitamins and so on and there's more demand for **healthy, naturally grown food.**



CHENYU ZHENG

Founder of Apple Sister Creative
Consultancy



ALARICE
BY ASHLEY DUDARENOK



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E-COMMERCE

EXPERT BITES



ASHLEY DUDARENOK

Founder of Alarice and ChoZan,
LinkedIn Top Voice, 3x best-selling author

Q: WHAT DO YOU THINK WILL CHANGE IN THE COMPETITION BETWEEN CHINA'S E-COMMERCE GIANTS?

I think we're now witnessing some very important changes. **China's e-commerce and social media have merged.** Social media platforms have added e-commerce functions and e-commerce platforms have added content and communities. **This year's new payment systems will make things even more interesting as we'll see major players operating in new roles. I think that the big battle between e-commerce platforms will be for young people in lower-tier cities** as they have more time and money to spend online on shopping, gaming and entertainment. We'll see new business models, functions and more creative approaches to upgrading existing technologies.

GOT A QUESTION? DROP ASHLEY AN EMAIL BY SCANNING THE QR CODE



EXPERT BITES

Q: WHAT'S YOUR ADVICE FOR BRANDS SELLING IN CHINA IN 2021?

In terms of corporate communications, be very careful about commenting on Chinese internal matters and refrain from any political statements.

We've just seen in the case of H&M how quickly Chinese KOLs can discontinue brand partnerships, online marketplaces can delist products and consumers can boycott a brand if they feel the company does not respect Chinese values or culture.

Secondly when it comes to product development, domestic consumer brands have drastically upped up the ante **when it comes to matching Chinese consumers' tastes and brands need to not only localize but constantly innovate.** Across categories like FMCG, fashion, beauty or food, local rising stars such as Genki Forest, Neiwai, Perfect Diary or Wang Bao Bao are increasingly gaining market share from foreign incumbents.



GEORGE GODULA

Chairman Web2Asia.

EXPERT BITES

Q: MANY TECH GIANTS HAVE GONE INTO THE DIGITAL PAYMENTS SECTOR. HOW DO YOU THINK IT WILL RESHAPE E-COMMERCE?

Alibaba with its digital platforms Taobao and Tmall will remain the world's biggest retail and e-commerce companies for the foreseeable future.

But China's new anti-monopoly rules aimed at stopping e-commerce giants like Alibaba and JD.com from abusing their dominant market position will get tighter as the government takes a firmer line against alleged anti-competitive behaviour.

Nevertheless, digital payments via apps like WeChat Pay will continue to grow exponentially. **98 percent of urban Chinese consumers already use their digital wallet for daily purchases and most consumers don't carry cash anymore.** This will be further supported by China's plan to launch the world's first sovereign digital currency, the e-yuan.



MARTINA FUCHS

TV Anchor and
Business Journalist

EXPERT BITES

Q: WHAT OVERLOOKED MARKETING CHANNELS WOULD YOU RECOMMEND BRANDS PAY ATTENTION TO IN Q2 2021?

Despite so much hype around brands moving their focus to e-commerce and digital platforms, there's been renewed interest in physical stores as businesses are finding a balance between their online and offline

presence. This renewed interest is driven by an oversupply of physical spaces that's resulted in lower rental costs along with increasing online customer acquisition costs and a change in the roles for online and offline channels.

Businesses see the importance of brand experience, especially with younger consumers, and they are now reevaluating their strategies in order to find growth in China.



SAW GIN TOH

Head of Insights,
MediaCom China

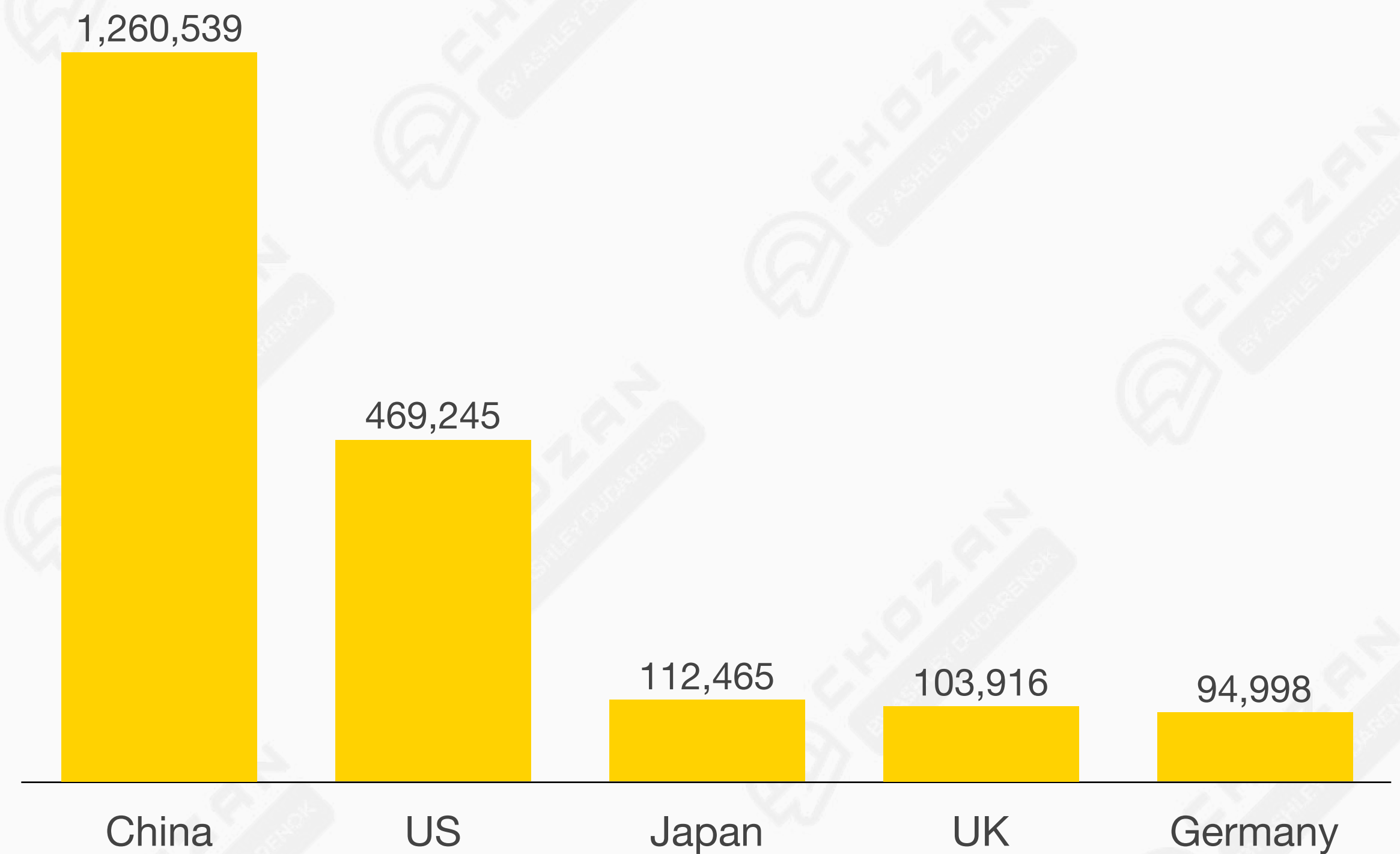
E-COMMERCE

OVERVIEW - 2021 PROJECTION REVENUE IN MILLION

Revenue in the e-commerce market is projected to reach USD 1,260,539 m in 2021.

Far exceeding that of major players The US and Japan.

PROJECTION REVENUE OF DIFFERENT COUNTRIES, (IN USD MILLIONS)



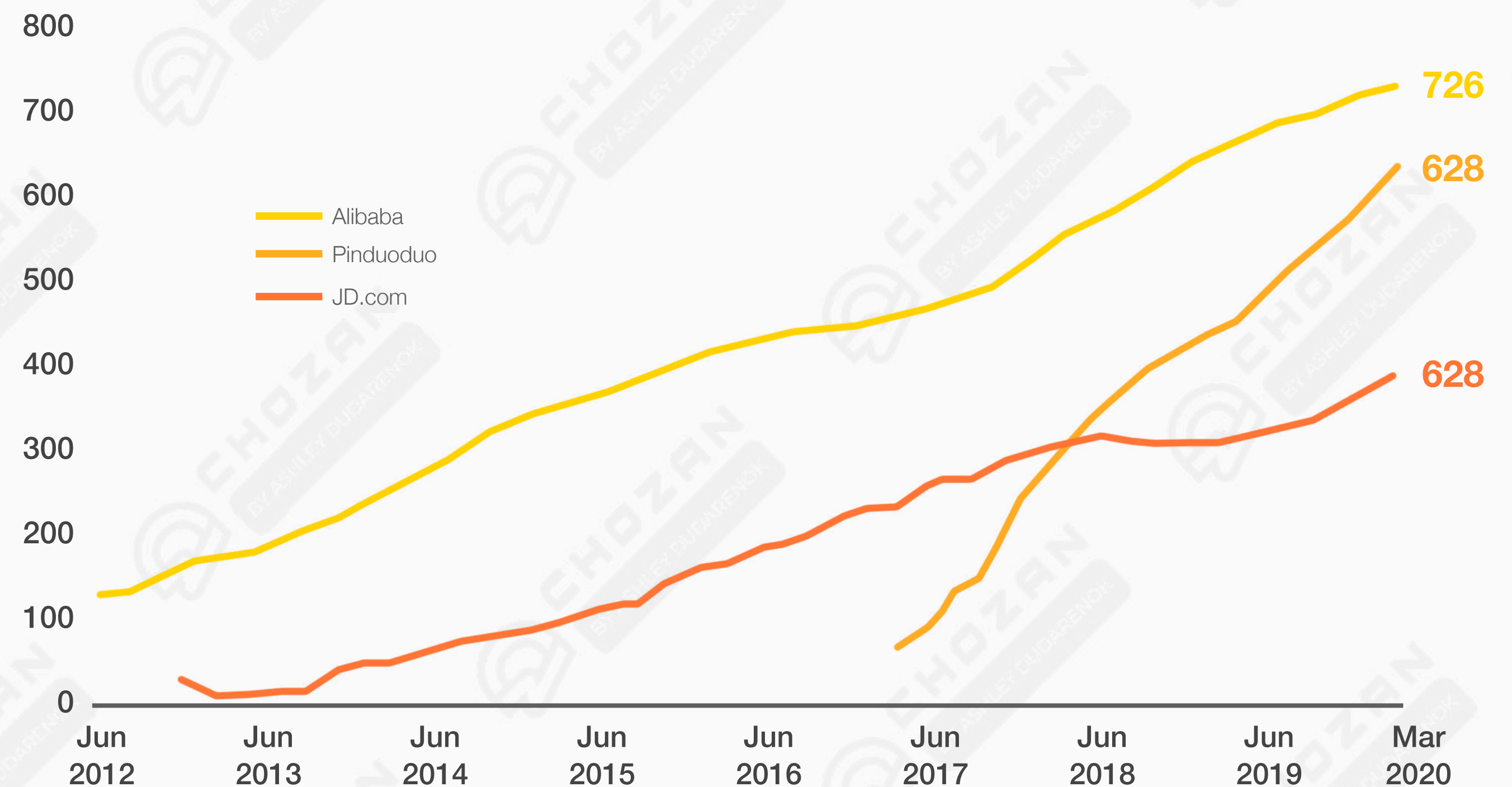
E-COMMERCE

OVERVIEW - CHINA'S NEW RETAIL

New Retail is blossoming in China. Spearheaded by Alibaba, Pinduoduo and JD.com, it involves business models that aim to extensively merge online and offline retail experiences. Specific examples include databases, customer relationship and loyalty, transactions and logistics.

As can be seen in the graph, active buyer numbers are soaring for these tech giants as they, and due to, continue the introduction of *New Retail* models that better attract and retain customers.

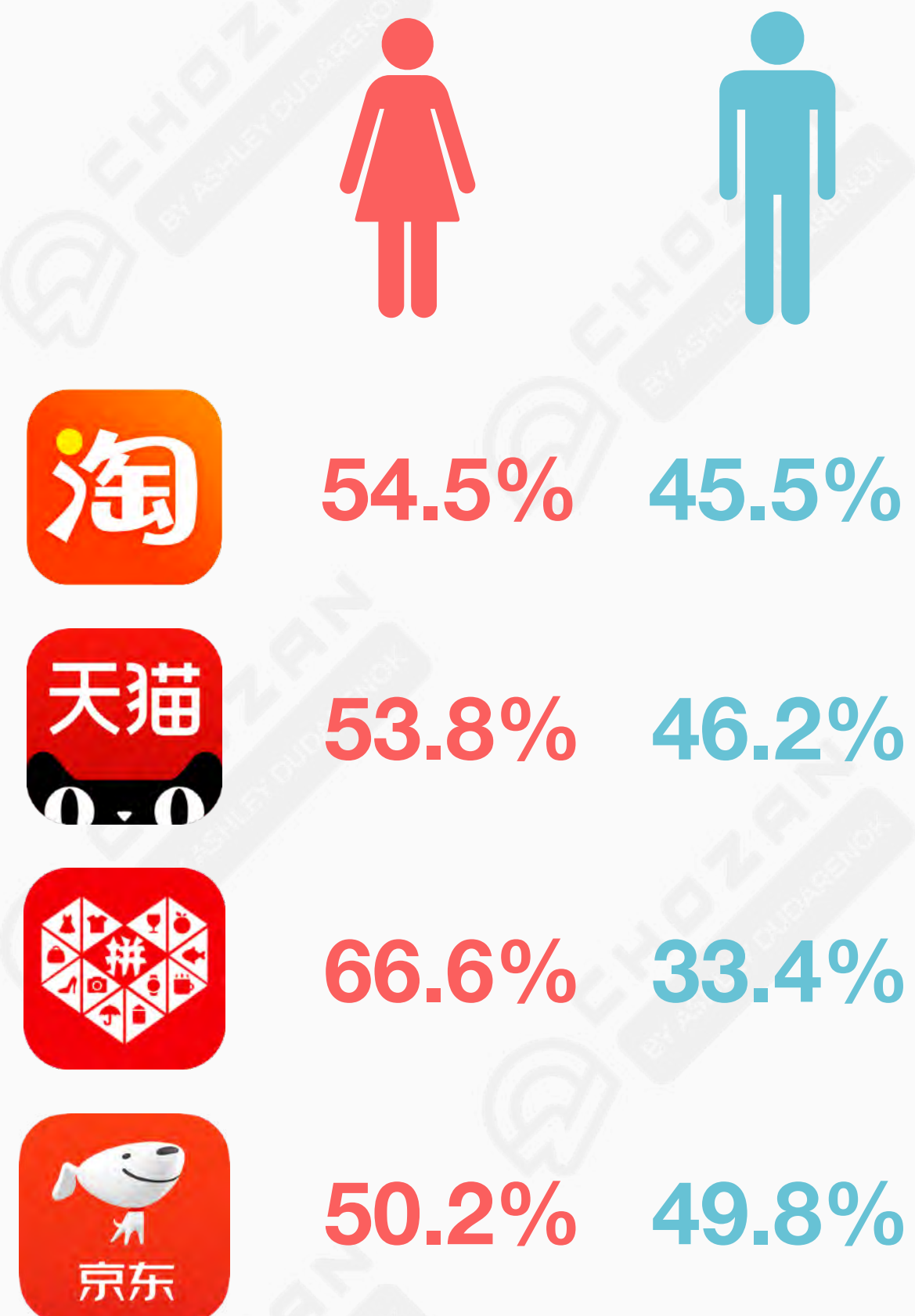
ANNUAL ACTIVE BUYERS



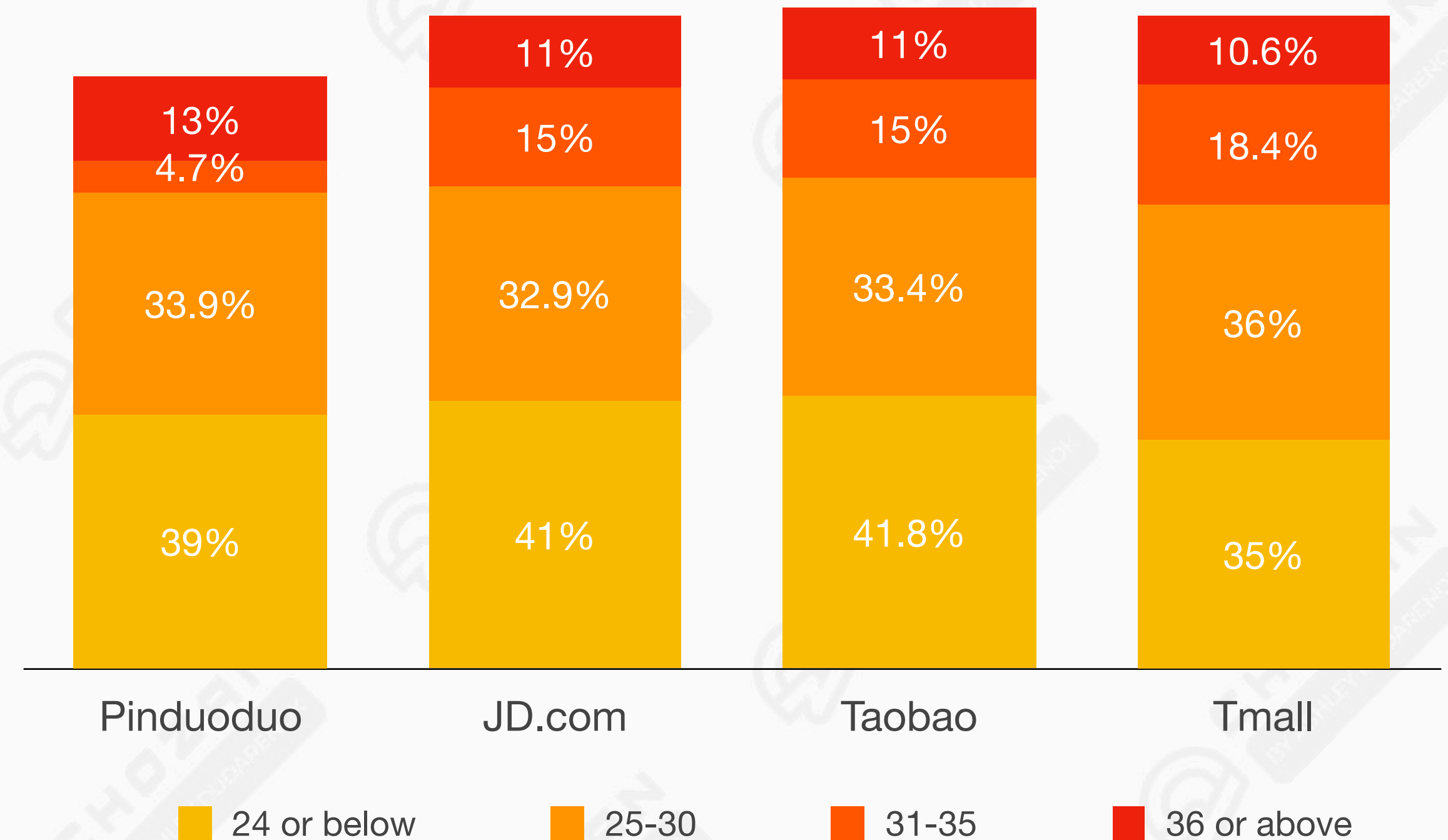
OVERVIEW

OVERVIEW -ECOMMERCE USER PORTRAIT

Female consumers remain to be the major consumption power in China.



AGE DISTRIBUTION

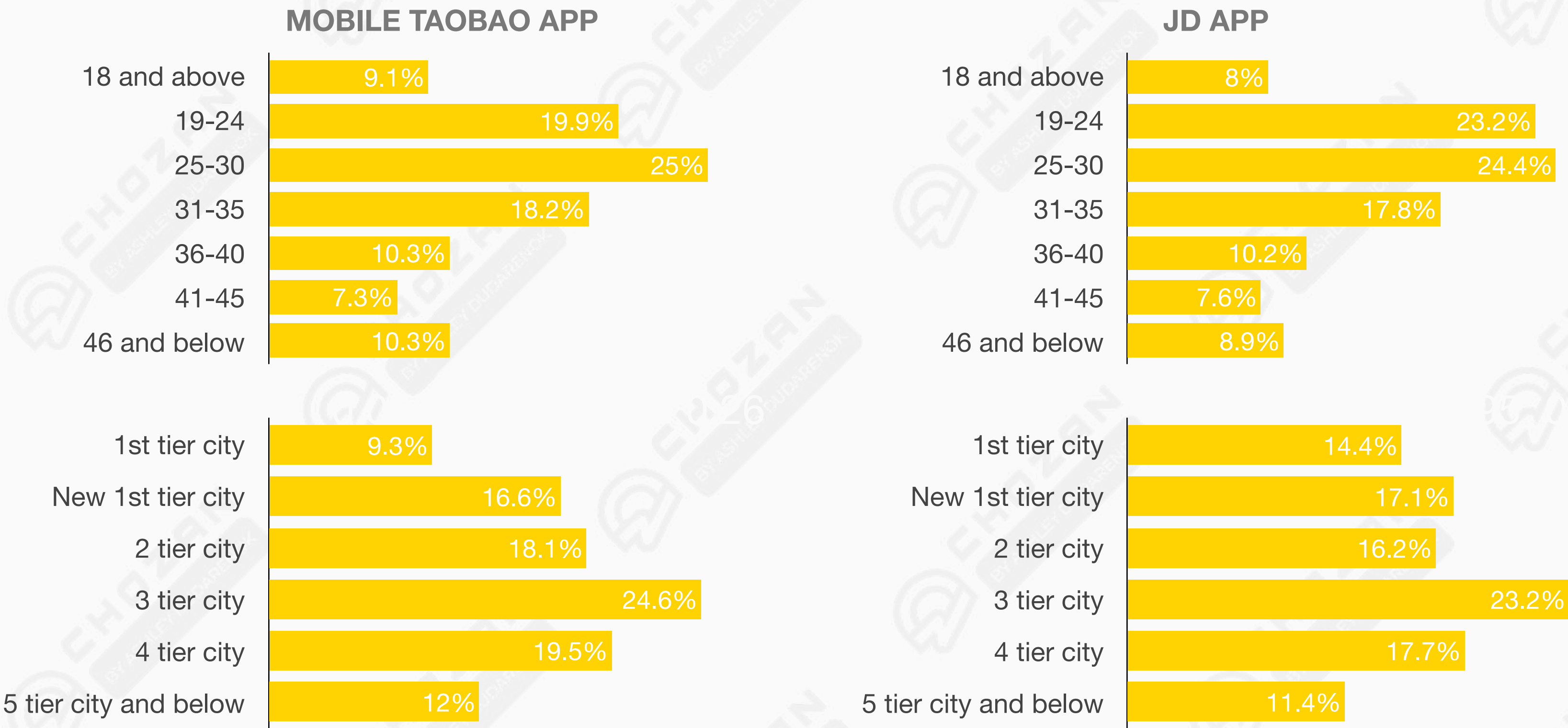


E-COMMERCE

OVERVIEW - E-COMMERCE APP USER PORTRAIT

Lower tier cities have seen significant user penetration - especially among their youth.

2021.3 E-COMMERCE APP USER PORTRAITS



Source: Questmobile, 2020 China Mobile Internet Autumn Report

E-COMMERCE

OVERVIEW - ONLINE RETAIL

GO TO THE CUSTOMERS - ONLINE MARKETPLACES

Online consumption is growing at a rapid rate, but Chinese consumers require trustworthy and accessible shopping destinations. Marketplaces provide verified brand stores that give consumers a one-stop-shop. Brands need to be involved in such marketplaces for exposure and legitimacy.

THE LARGEST ONLINE MARKETPLACES IN CHINA (CHINA VISITS/MONTH)



Taobao

455.1M



Pinduoduo

287.6M



JD.com

284.7M



Tmall

177.1M



Amazon

144.5M



Vipshop

4.9M



Kaola

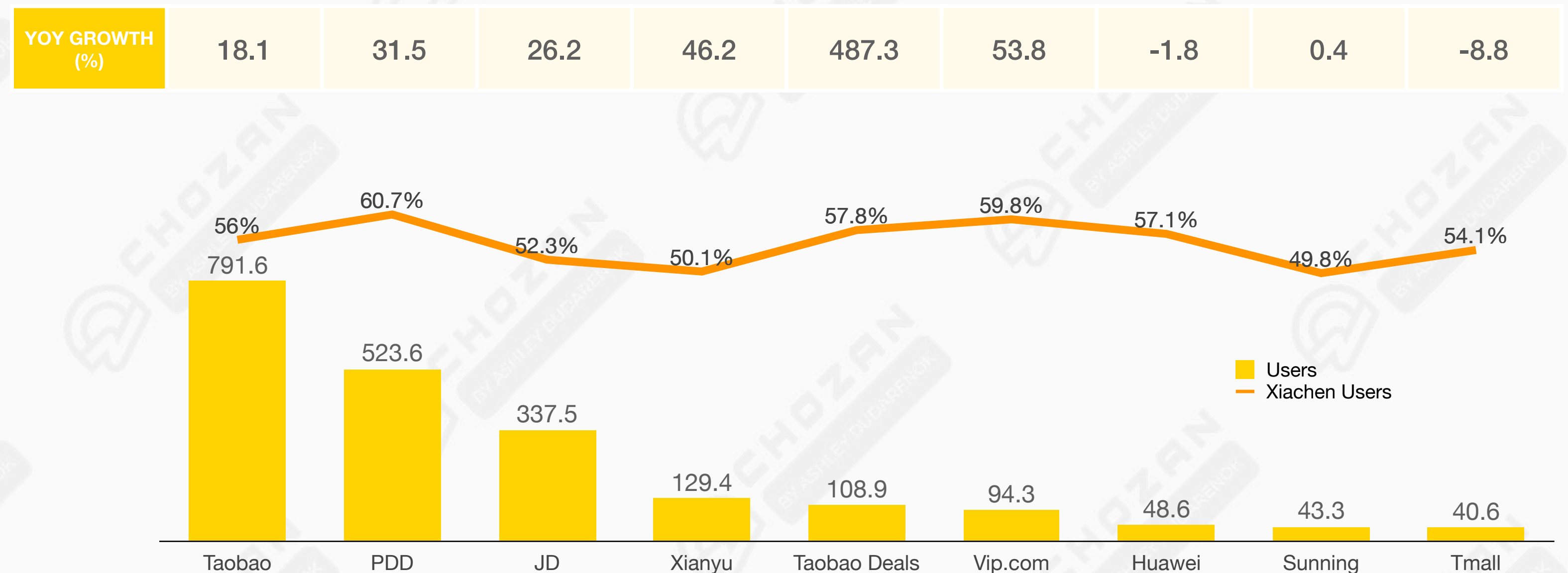
2.5M

OVERVIEW

CHINA DIGITAL SPACE AT GLANCE

Online consumption is growing at a rapid rate, but Chinese consumers require trustworthy and accessible shopping destinations. Marketplaces provide verified brand stores that give consumers a one-stop-shop. Brands need to be involved in such marketplaces for exposure and legitimacy.

E-COMMERCE APPS MONTHLY ACTIVE USERS, MAR 2021

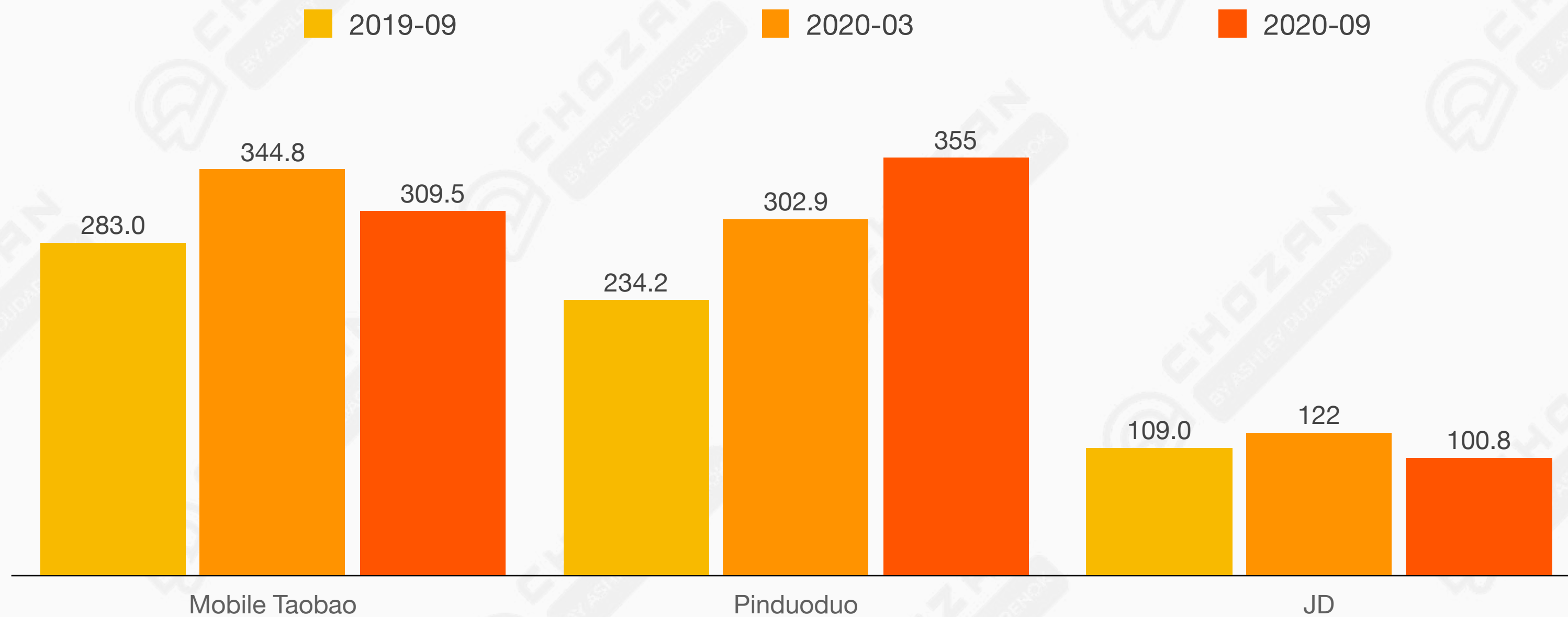


E-COMMERCE

OVERVIEW - MAU E-COMMERCE APP OVERVIEW

In post Covid-19 China, users start spending more time on e-commerce. Pinduoduo is experiencing the most consistent growth in monthly app use time.

AVERAGE MONTHLY TIME SPEND ON E-COMMERCE APP

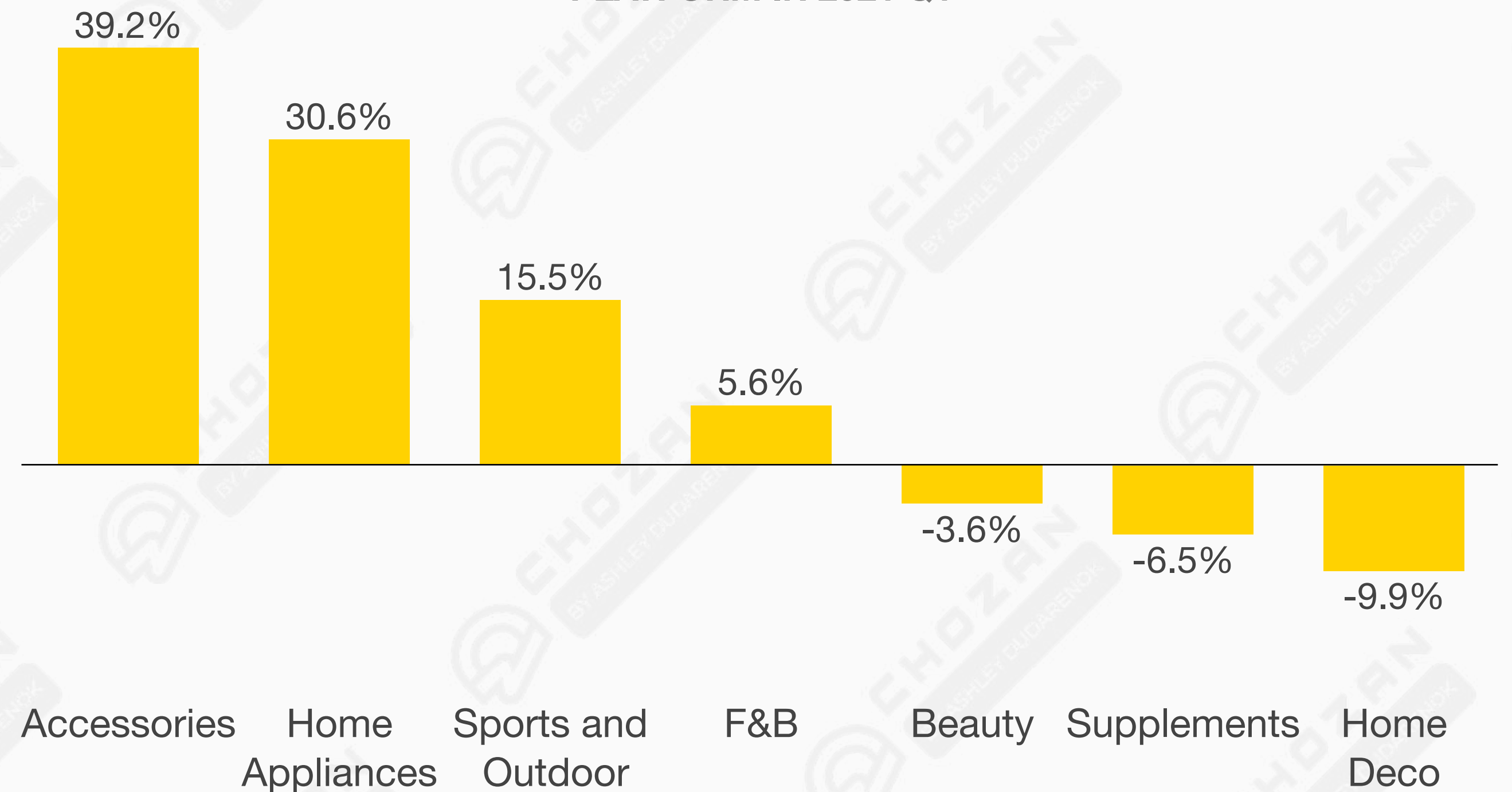


OVERVIEW

OVERVIEW - ONLINE RETAIL

Online consumption for Jewelleries accessories and home appliance are showing significant growth.

YEAR-ON-YEAR GROWTH RATE OF GMV BY INDUSTRIES ON MAJOR PLATFORM IN 2021 Q1

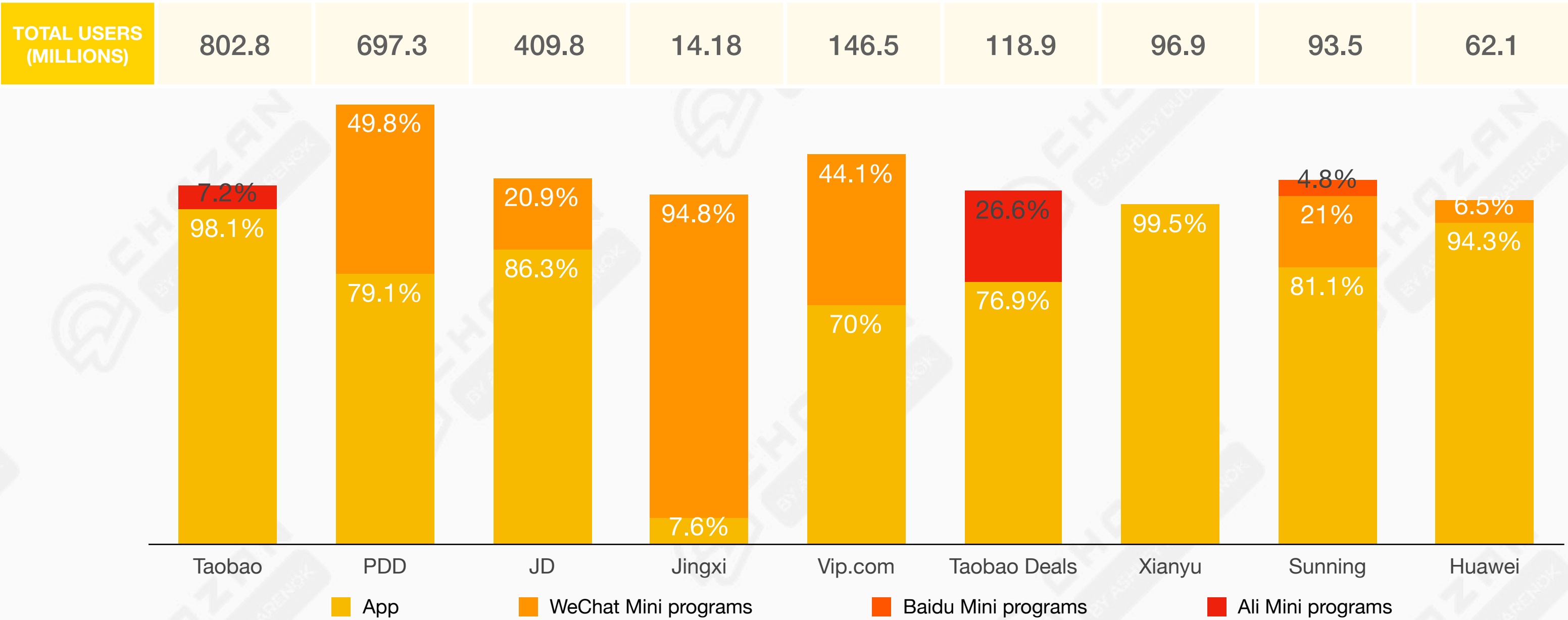


E-COMMERCE

OVERVIEW - CHINA'S NEW RETAIL

The rise of WeChat mini programs supported e-commerce app traffic. The traffic of e-commerce apps such as Pinduoduo, JD.com, Vip.com and Sunning has significantly risen after mini programs from WeChat, Baidu and Ali were introduced.

TOP 10 E-COMMERCE APPS TRAFFIC AMONG MINI PROGRAMS AND APPS, DEC 2020

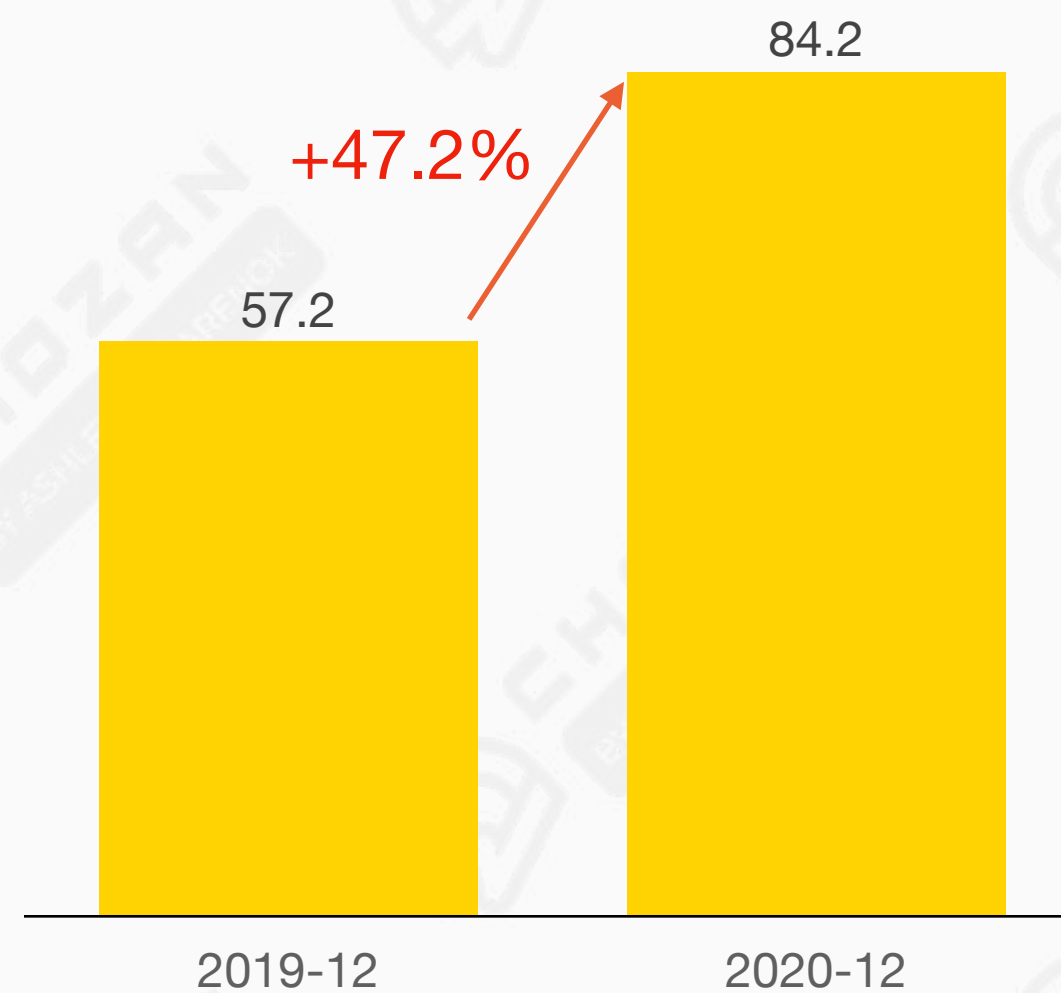


E-COMMERCE

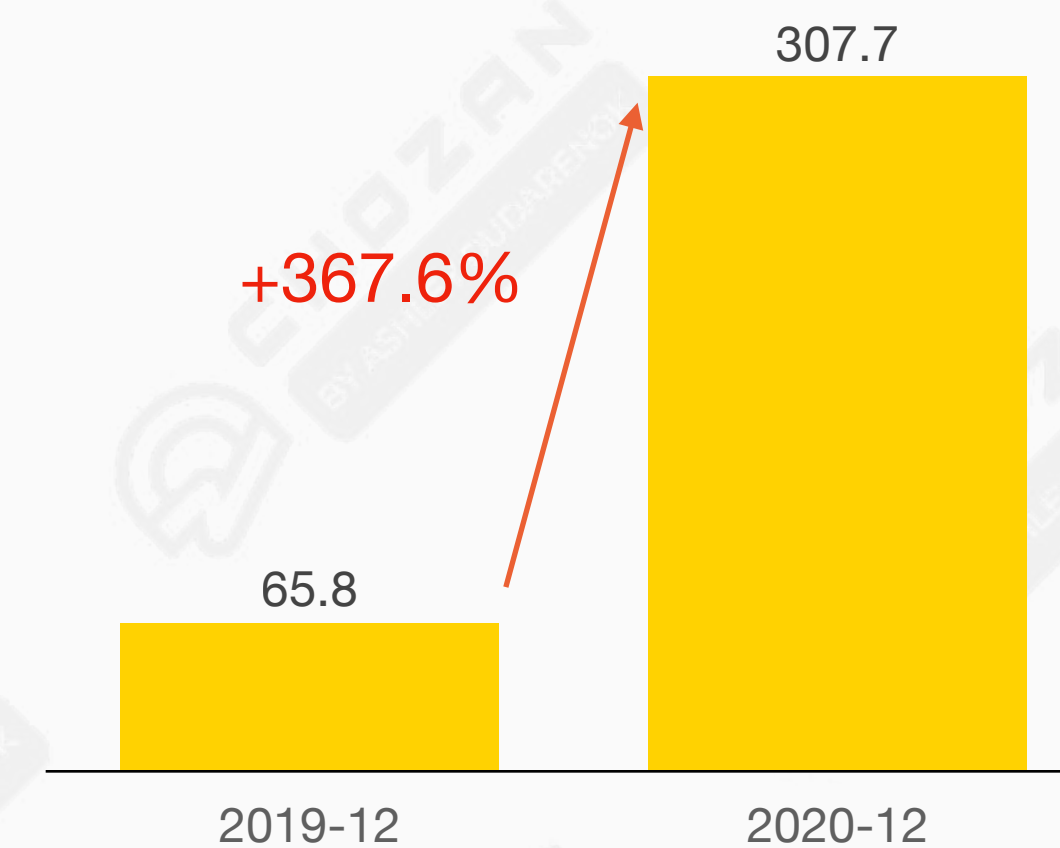
OVERVIEW - FRESH FOOD E-COMMERCE GROWTH

Covid-19 accelerated the fresh grocery e-commerce industry with nearly 370% growth on WeChat compared to the last year. Lockdowns, social isolation, a rapid rise in general health concerns, and a already blossoming delivery economy have culminated in favour of the industry.

MONTHLY ACTIVE USER OF FRESH FOOD E-COMMERCE APP (IN MILLIONS)



THE SCALE OF MONTHLY ACTIVE USERS IN THE FRESH FOOD E-COMMERCE WECHAT MINI PROGRAMS

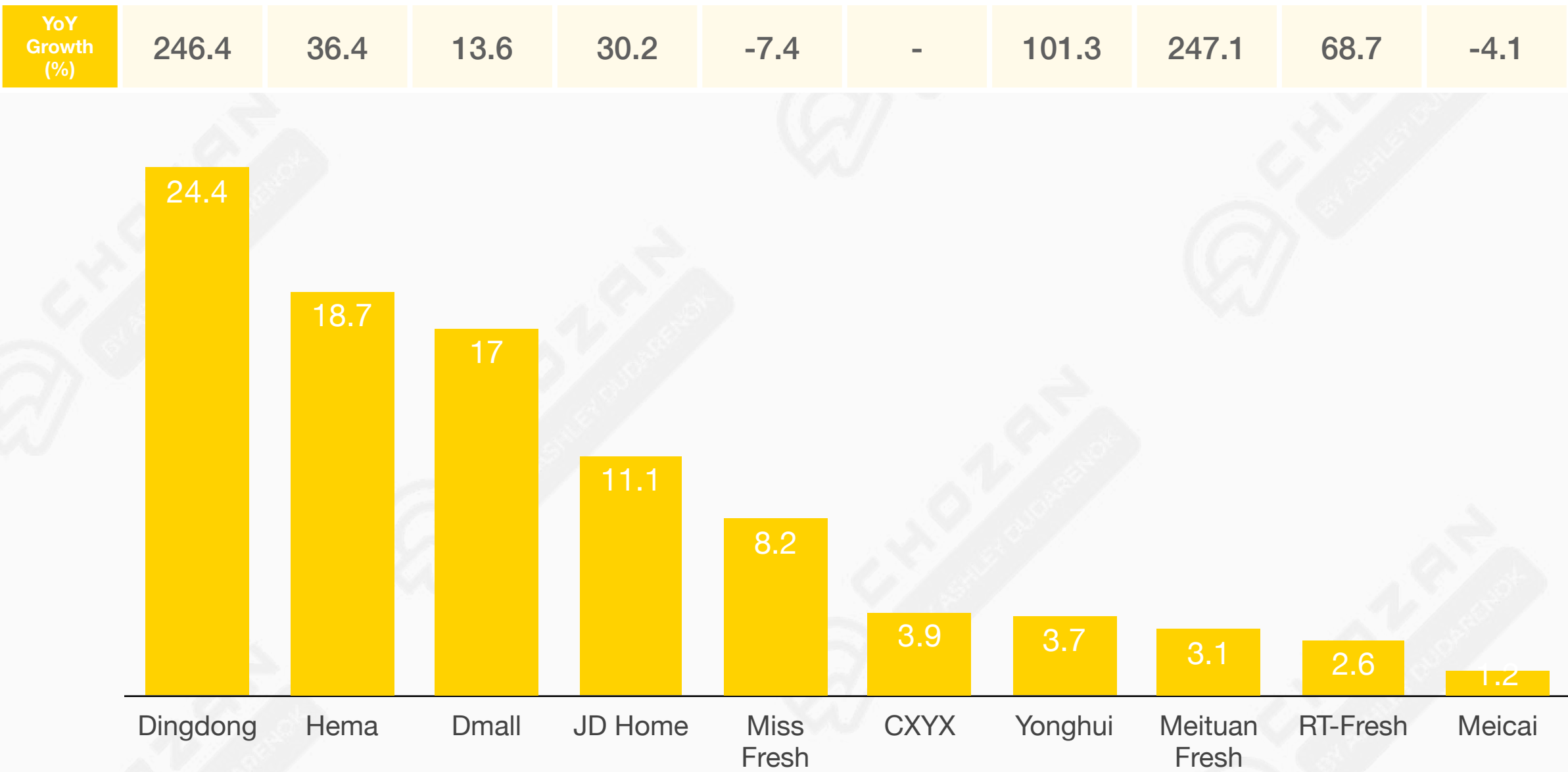


E-COMMERCE

OVERVIEW - FRESH FOOD E-COMMERCE USER DISTRIBUTION

Fresh food e-commerce is growing as e-commerce ecosystems develop.

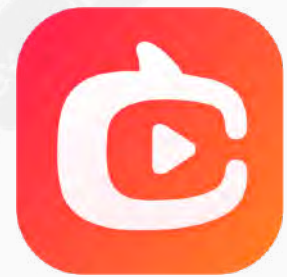
TOP 10 FRESH FOOD E-COMMERCE APPS USER PORTRAIT, DEC 2020



E-COMMERCE

OVERVIEW - LIVE-STREAMING BY PLATFORMS

TOP 5 LIVE-STREAM COMMERCE SALES INDUSTRIES, SEP 2020



Taobao livestream



Douyin



Kuaishou

TOP 1	Jewellery, watches and eyewear	Apparel, shoes and hats	Apparel, shoes and hats
TOP 2	Apparel	Food and beverages	Cosmetics and skincare
TOP 3	Cosmetics	Cosmetics and skincare	Food
TOP 4	Shoes and bags	Home	Home living
TOP 5	Food	Watches and accessories	Home appliances

LIVE-STREAMING FEATURE INTRODUCTION ON EACH PLATFORM

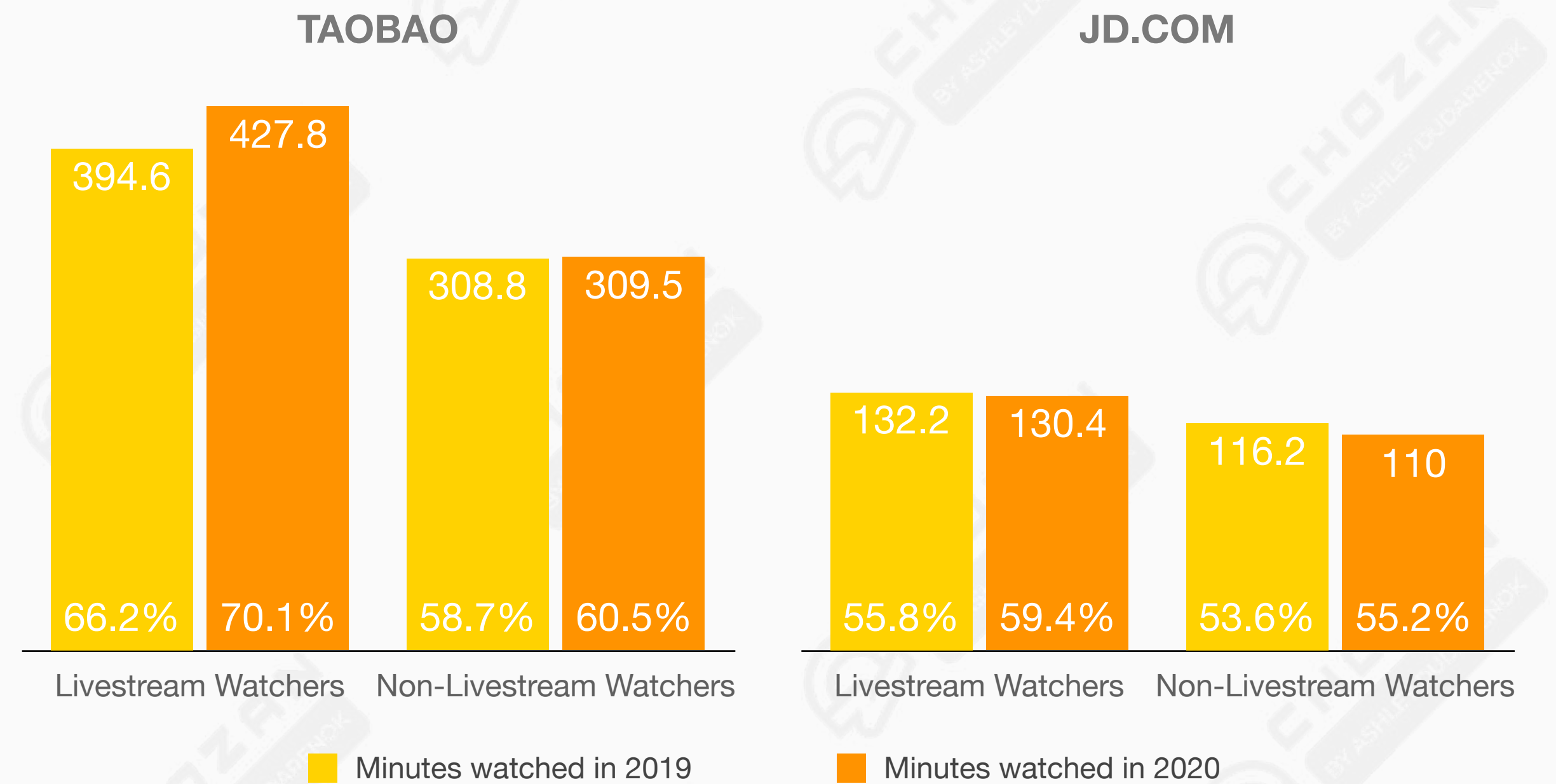


E-COMMERCE

LIVESTREAMING

Live streaming continues to support the growth of e-commerce in China as the conversion rate from live streams to sales increases yearly.

LIVESTREAMING WATCHERS AND NON-WATCHERS PURCHASE RATE AND WATCH TIME (MINUTES)

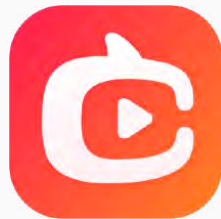


OVERVIEW

CHINA DIGITAL SPACE AT GLANCE

Douyin is the most popular live e-commerce platform with the most yearly sales in 2020.

SALES DATA OF MAJOR LIVE E-COMMERCE PLATFORMS IN CHINA, JAN - FEB, 2021



TAOBAO LIVESTREAM	DOUYIN	KUAISHOU	RED
40.5 MILLION AUDIENCE	20.8 BILLION RMB SALES	12.1 BILLION SHARES	109 MILLION RMB ESTIMATED SALES
83.4 THOUSAND ORDERS	2.1 BILLION RMB YOY GROWTH	207 MILLION LIKES	207 MILLION ESTIMATED SALES UNIT

TOTAL SALES OF E-COMMERCE PLATFORMS, 2020



400+ BILLION RMB

TAOBAO LIVESTREAM



500+ BILLION RMB

DOUYIN



300+ BILLION RMB

TAOBAO LIVESTREAM

Source: iiMedia, Live E-commerce during Chinese New Year

OVERVIEW

OVERVIEW - CHINA CBEC

The new policies and new retail is supporting the growth of cross-border e-commerce trading.



1.69 TRILLION RMB

CROSS BORDER E-COMMERCE

+31.1% YEAR-ON-YEAR GROWTH



2.45 BILLION RMB

WORTH PRODUCTS THROUGH CUSTOM CLEARANCE

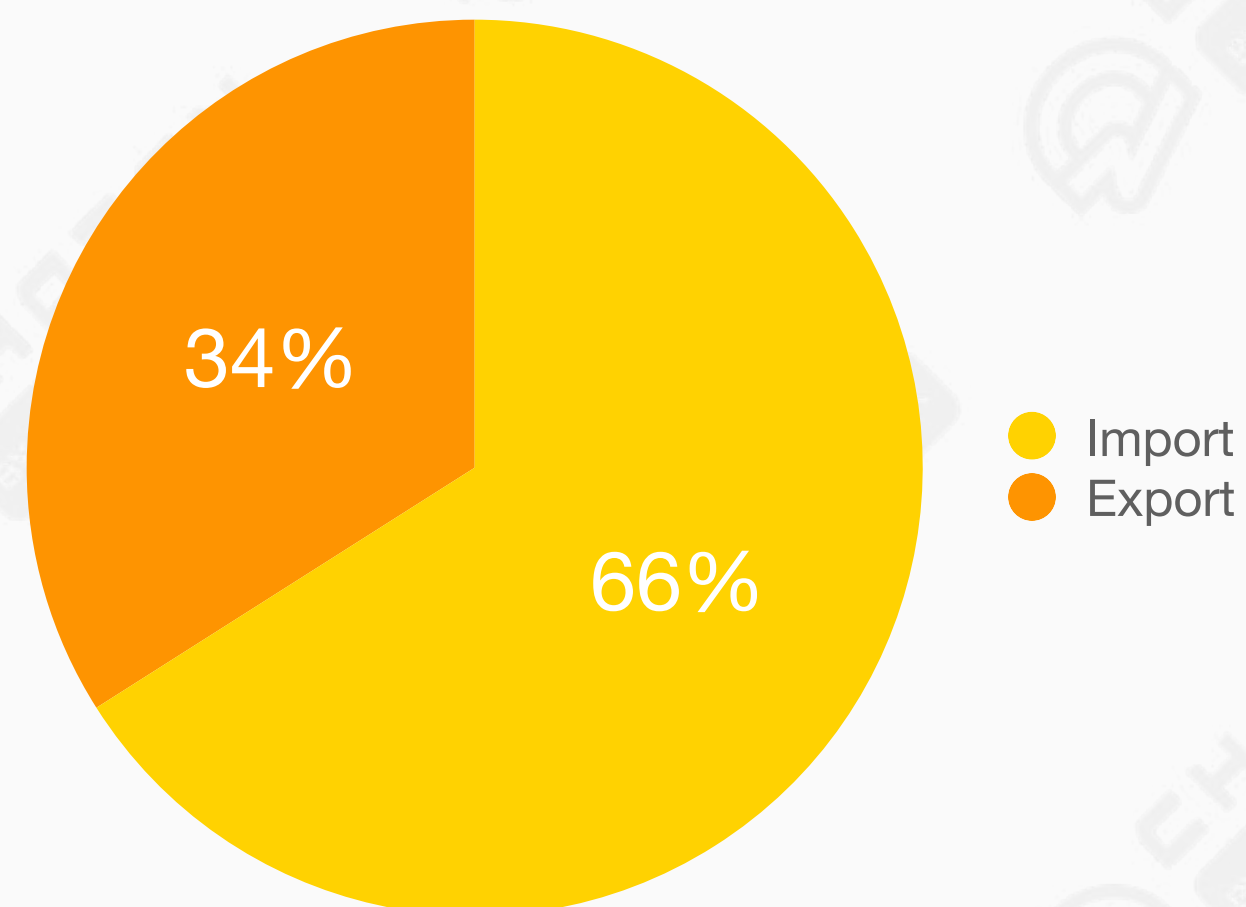
+63.3% YEAR-ON-YEAR GROWTH

OVERVIEW

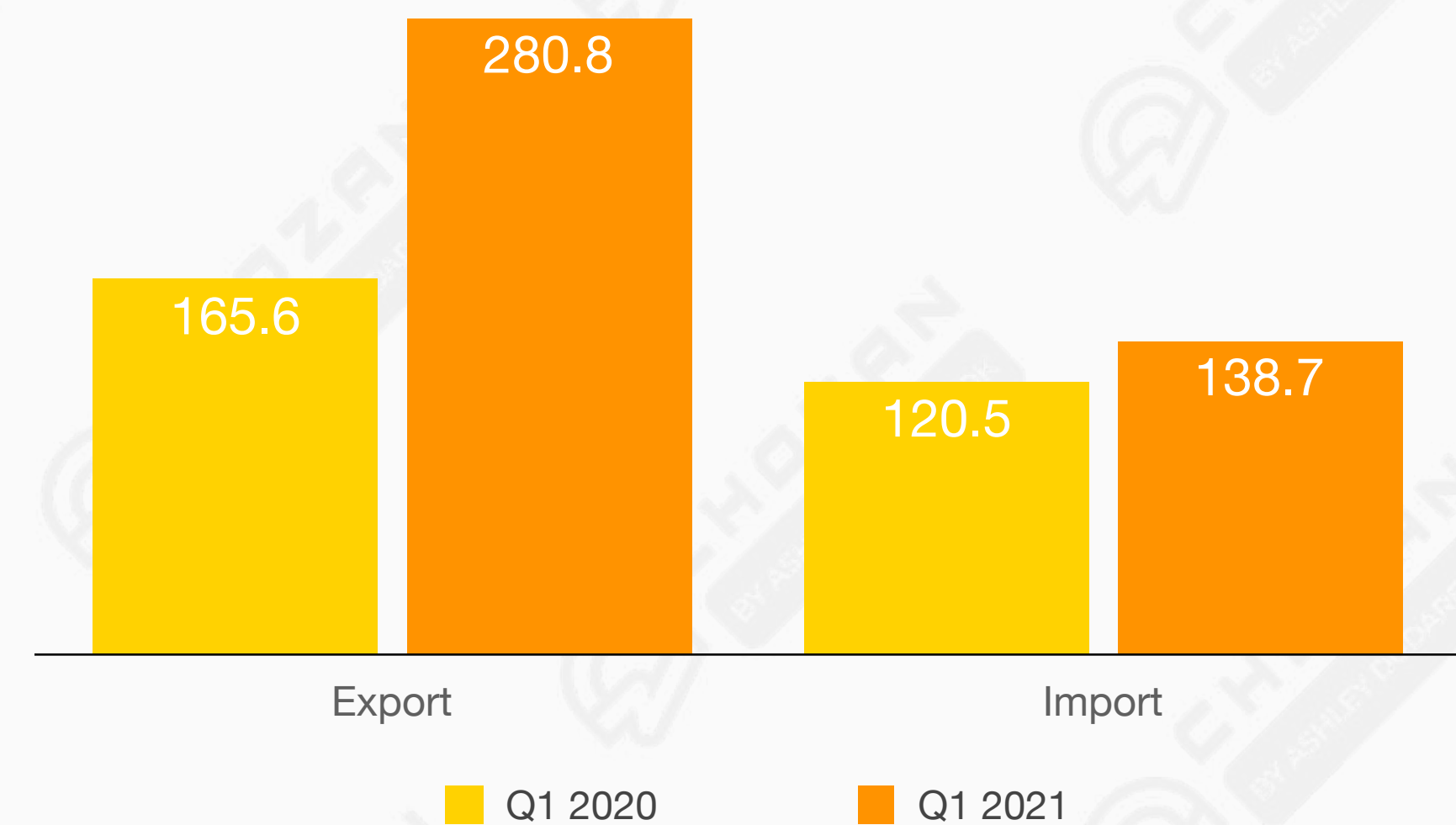
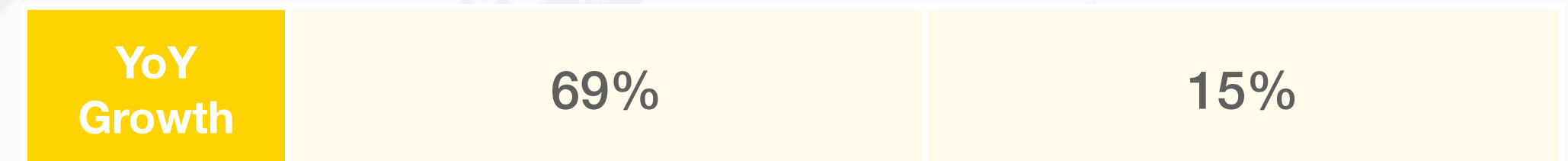
OVERVIEW - CHINA CBEC

Export trading is the main force for cross border e-commerce trading. Both import and export trade in 2021 Q1 has raise significantly since 2020.

CROSSBORDER E-COMMERCE IN CHINA 2020



CROSSBORDER E-COMMERCE TRADING IN CHINA (BILLION RMB)



EXPERT BITES

Q: HOW DO YOU SEE VIDEO CONTENT AND E-COMMERCE LIVESTREAMING DEVELOPING IN 2021 IN CHINA?

2021 will be another year of rapid growth in livestreaming and video e-commerce. **The next leg of growth will come from merchants doing their own direct livestreaming instead of using top KOLs and stars. Short video and livestreaming e-commerce will become a routine method to better engage with customers versus one-off promotions.** Categories that regularly use live e-commerce will expand from clothing, cosmetics, and food and beverage to new categories. Kuaishou and Douyin will continue to develop their e-commerce eco-system and try to keep transactions on their own platforms.



BRUCE LIU

CEO/CIO of Esoterica Capital and
Portfolio Manager of \$WUGI

EXPERT BITES

Q: HOW DO YOU THINK COMMUNITY GROUP BUYING WILL DEVELOP IN Q2?

Pinduoduo continues to generate significant press coverage such as recently when it surpassed 788.4 million active buyers, overtaking Alibaba's 779 million. It's important to keep in mind, however, that PDD, JD's Jingxi or Taobao Deals, which is about to also launch a WeChat mini program, are all more suitable for commodities, factory to consumer products and no name brands that can drive large volumes at the lowest prices. We work exclusively with foreign premium positioned consumer brands. **We advise the majority of our clients to shy away from group buying platforms because they're too promotion and deal driven versus being focused on long-term brand equity building.** That being said, flash sales channels like Tmall's Juhuasuan will continue to be important, especially for lesser known and newly launched foreign brands, to build initial traction.



GEORGE GODULA

Chairman Web2Asia.

EXPERT BITES

Q: HOW DO YOU THINK COMMUNITY GROUP BUYING WILL DEVELOP IN Q2?

China's internet giants are the winners as they harness significant network effects, billions of active users and financial leverage.

Alibaba is hiring loads of talent to ramp up community group buying based on consumer value propositions rather than subsidisation.

Government departments will not leave the market unregulated. **The current policy on strengthening anti-monopoly supervision over platform companies, especially 'low-price dumping,' may slow the industry's pace of growth.** Community group buying significantly impacts participants in the traditional fresh and fast-moving consumer goods industry and even the CPI index.



JOSH GARDNER
CEO of Kung Fu Data



1

ALIBABA

Alibaba started with the goal of becoming an online directory for China's manufacturers and sellers, and has since expanded its product range significantly. The Alibaba Group continues to connect with consumers and sellers in more effective and inventive ways. Two Alibaba market segments include Taobao which is more general and allows consumers to easily search any product they want, while TMall caters more towards premium and high-end product consumers. Tools and infrastructure support are provided by group ecosystem services such as Alibaba Cloud.



EXPERT BITES

Q: WHAT'S NEW ON TMALL AND TMALL GLOBAL SINCE THE BEGINNING OF THIS YEAR?

In 2020, Tmall Global welcomed more than 29,000 brands across 5,800 categories onto our platform, with over 80% of those entering China for the first time. We're always expanding the variety of brands we have on the platform.

To help facilitate rapid brand activation, in 2020, Tmall Global shifted from an invitation-based model to an open platform. There's a great opportunity for brands of all sizes in China, including smaller brands with smaller budgets. In March 2021, we launched our partnership with Farfetch.

The Farfetch store offers items from more than 3,500 of the world's leading fashion brands. 90% of them didn't previously have a presence on the site. This is an additional channel for designer brands to reach Chinese Millennial and Gen Z luxury consumers.



MICHELLE LAU

Senior Strategic Partnership Manager,
Alibaba

EXPERT BITES

Q: WHAT'S NEW ON TMALL AND TMALL GLOBAL SINCE THE BEGINNING OF 2021?

Rich content and deeper engagement is front and centre. **Livestreaming now has its own official channel on Tmall's main landing page.**

Consumers can easily see which stores are “on air” while scrolling and jump into live product shows or conversations with influencers.

Tmall Global is responding to market entry complexity. **They're making the onboarding process easier for brands** and have created a terminal with access to live support.

Alibaba will continue user acquisition efforts. **They will build on Taobao Deal's (特价版) 100 million mobile MAUs and invest in products targeting less-developed markets while simultaneously ramping up community group buying.**



JOSH GARDNER
CEO of Kung Fu Data

EXPERT BITES

Q: WHAT WILL TMALL AND TMALL GLOBAL FOCUS ON IN Q2 2021? HOW IS IT SIGNIFICANT FOR BRANDS?

This March, Alibaba announced its 2020 December earnings highlighting strong revenue growth of 37% YoY and EBITA growth of 22% YoY while Tmall's GMV increased by 19% YoY. Yet, throughout this quarter, and the rest of the year, **Tmall will have to focus on defending its market share and ramping up GMV due to increased pressure from Pinduoduo's organic growth as well as market regulators' actions** to create a more balanced and non-exclusive e-commerce environment, specifically between Alibaba and JD. **Tmall's key measures to address this are new brand onboarding, brand incubation, continued emphasis on content marketing, livestreaming, KOCs, expansion of luxury channels and a focus on the grocery category and local purchases.**



GEORGE GODULA

Chairman Web2Asia.

EXPERT BITES

Q: WHAT'S NEW ON TMALL AND TMALL GLOBAL SINCE THE BEGINNING OF THIS YEAR? HOW DOES THAT IMPACT BRANDS?

The key news on Tmall on the consumer and e-commerce front is that **Alibaba has solidified its place as the #1 ecosystem for consumers, for sales, for marketing, and for brand credibility.**

The big new feature they've added is **Taobao Live, their new livestreaming feature. This is a major move to more “three dimensional” shopping that puts consumers face to face with the brand, the product, the influencer and gives them one more touchpoint** in Alibaba's ecosystem. Livestreaming also offers the opportunity to create greater stickiness for brands through reward systems and gamification.



MICHAEL ZAKKOUR

Founder of 5 New Digital and
China BrightStar

EXPERT BITES

**Q: WHAT WILL TMALL AND TMALL GLOBAL FOCUS ON IN Q2 2021?
HOW IS IT SIGNIFICANT FOR BRANDS?**

Q2 is all about 6.18. This event gets less international fanfare than the highly publicized 11.11. Typically, 6.18 GMV numbers are not far off from 11.11 sales numbers and much more ROI favorable and profitable than 11.11.

Tmall Global will continue to focus on more overseas brands launching on their platform. However, **I see history repeating itself. With so many new brands launching on the platform without existing brand equity and consumer demand, most of the new brands will not have the deep pockets needed to compete and will exit soon afterwards, creating a potential PR headache in the international community.**



RON WARDLE

Incredible Media, Founder and
Yooma Wellness Inc, CEO

E-COMMERCE

ALIBABA - ALIBABA'S 'PETTING ZOO'. HOW MANY DO YOU RECOGNISE?



Juhuasuan
章小聚



Shuqi
小七



Xianyu
Xianyu



Tao Piao Piao
票票



UC
UU



Xiami Music
蝦仔



Youku
Sammi



Alibaba Health
鹿小佳



Alimama
Derdo



Alibaba Cloud
Mini ET



Taobao
Taodoll



Tmall
Tmall Doll



Lazada
Lazzie



Cainiao Network
菜小鳥



B2B
阿牛



Freshippo
Freshippo



Intime
銀小泰



Kaola
考拉



Ant Group
支小寶



Pingtounge
平三勇



Fliggy
Fliggy



Amap
高小德



DingTalk
釘三多



Ele.me
餓小寶



Damai
麥可瘋



Umeng+
友小盟



Alibaba Sports
橙小獅



Lingxi Games
靈小犀

E-COMMERCE

ALIBABA - A COMPANY WITH A BIG VISION

2024 Strategic Goals



Continue to expand **globalization** efforts



Serve more than **1 billion** consumers through our China consumer business



Facilitate more than **RMB 10 trillion** of annual consumption on our platforms

2036 Vision



Serve **2 billion** global consumers



Enable **10 million** businesses to be profitable



Create **100 million** jobs

E-COMMERCE

ALIBABA - BUSINESS OVERVIEW

ALIBABA organises its business into 4 operation segments. ALIBABA the brand steps back and pushes subsidiary brands, such as TMall, to the forefront as the accessible faces of ALIBABA.

1

Core Commerce: Chinese retail and wholesale commerce platforms, logistics, global/local, customer and other services. based on what celebrities are doing on Facebook and Instagram.

2

Cloud Computing: Cloud services to customers worldwide. Including database, storage, network, security, management, analytics and other services.

3

Digital Media & Entertainment: Key media distribution platforms segmented by content type and consumer interests.

4

Innovation Initiatives/others: The innovation initiatives and other segments include businesses such as Amap, DingTalk and Tmall Genie.

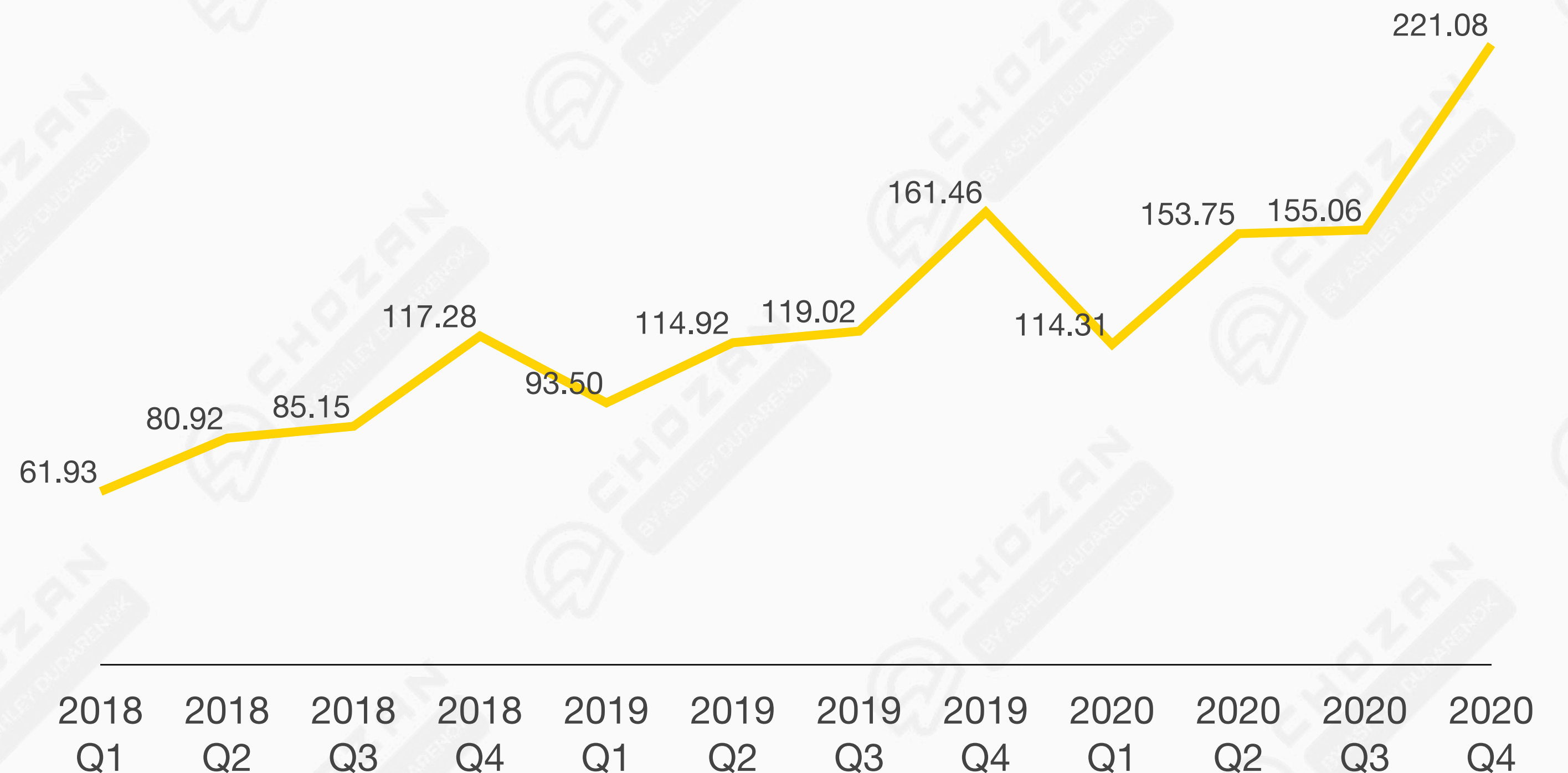
E-COMMERCE

ALIBABA - REVENUE

Alibaba Group's revenue continues to grow despite the hit of Covid-19. Their total revenue in 2020 Q4 exceeded 221.08 billion yuan.

221.08 BILLION
RMB REVENUE IN 2020 Q4, 37% YOY

CONSOLIDATED REVENUE OF THE ALIBABA GROUP, 2018-2020 (IN MILLION RMB)



E-COMMERCE

ALIBABA - IS GROWING 2020



GMV REACHED

7053 BILLION

780 MILLION

CONSUMERS IN CHINA

180 MILLION+

CONSUMERS IN OUTSIDE CHINA



China Retail Marketplace

GMV

6589 BILLION



Total Revenue (2020)

509.7 BILLION



China Retail Marketplace

MOBILE MAUs

902 MILLION



Non-GAAP

Free Cash Flow

130.9 BILLION

YEAR-OVER-YEAR GROWTH

Core Commerce Revenue

35%

Cloud Computing Revenue

6.2%

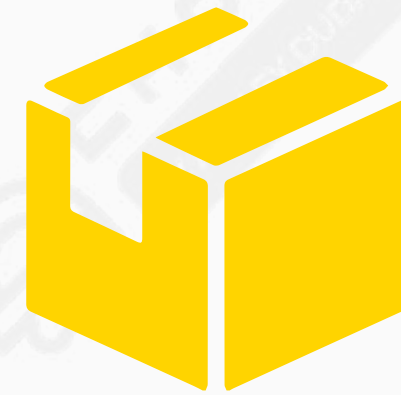
Youku Average Daily Subscriber Base

50%

E-COMMERCE

ALIBABA - IS GROWING

Alibaba continues to grow its business in all aspects.



11.36 BILLION RMB

CAINIAO NETWORK REVENUE IN Q4 2020, 51% YOY



16.16 BILLION RMB

ALIBABA CLOUD REVENUE IN Q4 2020, 50% YOY



400 BILLION RMB

GMV FROM TAOBAO LIVE IN 2020

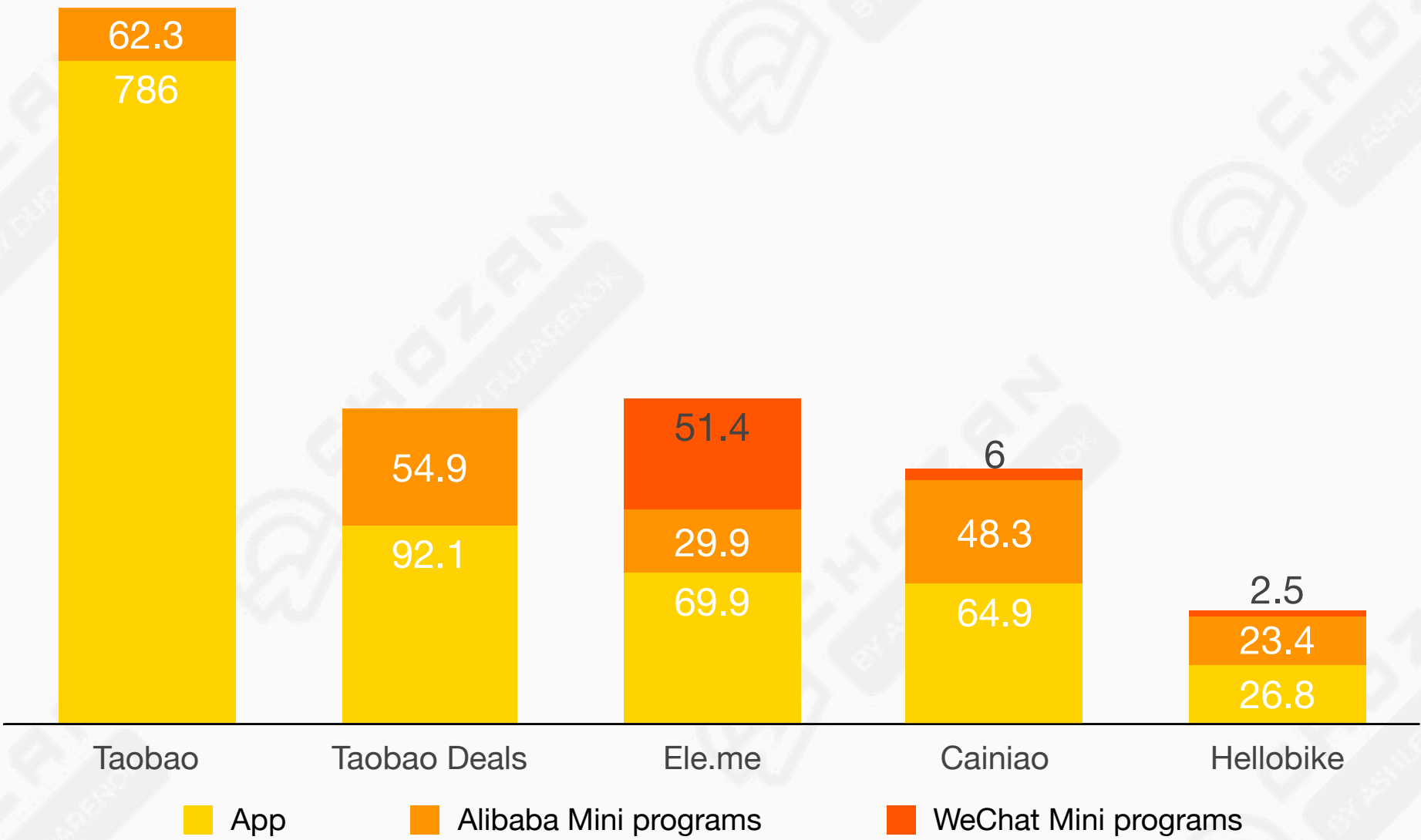
E-COMMERCE

ALIBABA - MINI PROGRAMS

The Alibaba ecosystem is surrounded by Ali mini programs, most Alibaba apps traffic comes from the app itself, followed by Alibaba mini programs.

OVERALL TRAFFIC OF ALIBABA APPS, JAN 2021

TOTAL USERS (MILLIONS)	793.7	659.9	398.1	1571	135
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Source: [Quest Mobile, Chinese Internet Traffic Report, 2021](#)

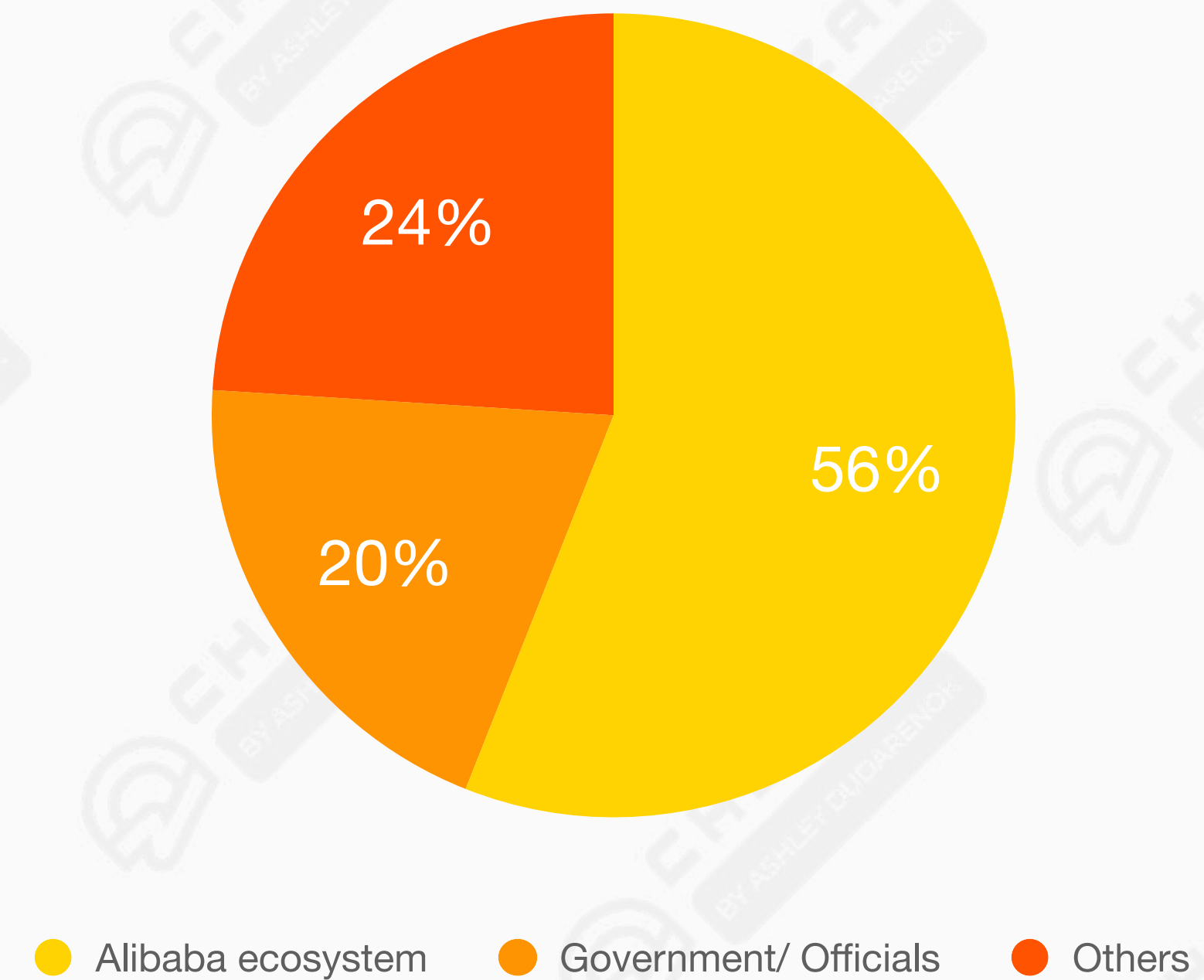
E-COMMERCE

ALIBABA - MINI PROGRAMS

Number of Ali mini programs has increased to more than 200 million and the main source of traffic comes from Alibaba apps.

200+ MILLION
ALI MINI PROGRAMS

ALI MINI PROGRAM'S SOURCE OF TRAFFIC, JAN 2021



EXPERT BITES

Q: WHAT ADVICE DO YOU HAVE FOR BRANDS JUST ENTERING CHINA THROUGH TMALL GLOBAL?

In my opinion, spring is one of the best times to launch on our platforms and enter the China market. Brands have a couple of months before the 618 Festival, and over 6 months before our annual 11:11 Global Shopping Festival. Three vital words of advice for brands looking to take part in 618 and 11.11 - **plan, plan, plan!**

My other advice is:

- 1) Have a clear, dedicated brand-building strategy and marketing plan.**
- 2) Find the right partners for both strategic and operational support.**
- 3) Finally, be flexible and be ready to adjust and change your original plan.**

It's important to be able to adapt to China's fast-changing competitive environment and consumer demands.



MICHELLE LAU

Senior Strategic Partnership Manager,
Alibaba

EXPERT BITES

Q: WHAT WILL TMALL AND TMALL GLOBAL FOCUS ON IN Q2 2021? HOW IS IT SIGNIFICANT FOR BRANDS?

Tmall is all about stickiness. They're pushing for longer and more frequent livestreams and the use of short video throughout the platform.

Merchants who don't support this form of daily retailtainment / shoppertainment risk irrelevancy and a significant drop in their rankings.

Livestreaming is massive. Hey Box, which showcases new products, will feature more brand-produced streams and recruit influencers, including top livecommerce presenter, Viya Huang, to help amplify product launches.

Tmall will also offer more customized launch solutions for brands looking to break into new categories or reach high-end shoppers and trend hunters. A luxury brand, for example, may tap Hey Box's immersive pop-up features to make its big reveal in an exclusive online environment.



JOSH GARDNER
CEO of Kung Fu Data

2

JD.COM

JD.com is the largest competitor to Alibaba, positioning itself as a retail firm (as opposed to a marketplace) with a market dominance on electronic goods. Its end-to-end logistics approach makes it easier for JD.com to verify suppliers/distributors and maintain control over goods sold, while a quarter of its inventory is sold through its own platform.



京东

EXPERT BITES

Q: WHAT'S NEW ON JD AND JD WORLDWIDE SINCE THE BEGINNING OF 2021?

With the vaccine rollout in full swing and the one year anniversary of the lifting of the Covid-19 lockdown at the beginning of April, consumption in China is at an inflection point. There's a gradual acceleration in previously suppressed demand, as well as a reinforcement that **trends that emerged last year, such as online grocery and luxury, and telemedicine, are here to stay. JD is focused on using its supply chain advantage to stay ahead of the curve, and deliver an experience that far exceeds expectations.** Whether that means ensuring a vast selection of products, delivering a new experience or service, or influencing the creation of new products. When brands perform better and consumers are happier with new, innovative products that meet their tailored and precise needs, we all win.



ELLA KIDRON

Global Corporate Affairs,
JD.com

EXPERT BITES

Q: WHAT WILL JD AND JD WORLDWIDE FOCUS ON IN Q2 2021? HOW IS IT SIGNIFICANT FOR BRANDS?

JD and JD Worldwide continue to further develop and progress their logistics businesses with autonomous delivery vehicles, rural drone delivery and 30-60 minute delivery.

JD is a 1P platform and it's not suitable for 3P brands. **For new to market brands without brand equity, steer clear of their platform.** If you're an established brand and JD is willing to run a self-operated shop (自营店) for your brand, you should push forward on this front.



RON WARDLE

Incredible Media, Founder and
Yooma Wellness Inc, CEO

EXPERT BITES

Q: WHAT WILL JD AND JD WORLDWIDE FOCUS ON IN Q2 2021? HOW IS IT SIGNIFICANT FOR BRANDS?

Q2 is traditionally dominated by 6.18 in June - the second largest online sales festival of the year which originated on JD. However, as we observed during Singles Day 2020, both JD and Tmall extended the campaign period to one month and discontinued the emphasis on purely reporting GMV numbers.

While JD hasn't yet released the details for this year's 6.18 campaign, we certainly expect them to be under increased guidance from the State Administration for Market Regulation (SAMR) following recent antitrust measures. This could ultimately benefit brands in the long term as it can shift the focus of these events from pure promotions and mark-downs to more customer engagement and brand building.



GEORGE GODULA

Chairman Web2Asia.

EXPERT BITES

Q: WHAT'S NEW ON JD AND JD WORLDWIDE SINCE THE BEGINNING OF 2021?

They're rolling out celebrity stores where JD Worldwide partners with leading entertainment companies to invite celebrities and KOLs to **open stores** that bring more traffic to the platform and improve the diversity of JD Worldwide's customer base. JD Worldwide has worked with companies including Wanda Cinemas and Taihe Music Group to open celebrity stores, and aims to work with 160 celebrities and other well-known brands and names in 2021.

JD Worldwide will continue to recruit customers who are passionate about recommending products to become in-house influencers. **To appeal to a younger demographic, they'll go to universities to recruit 1,000 key opinion consumers who have strong knowledge in specific sub-categories.**



JOSH GARDNER
CEO of Kung Fu Data

EXPERT BITES

Q: WHAT'S NEW ON JD AND JD WORLDWIDE SINCE THE BEGINNING OF THIS YEAR?

JD is China's biggest retailer by GMV and they've achieved that status by focusing on their core strengths. **They continue to be excellent in supply chains and logistics and have made it easier for brands looking to sell wholesale and let JD be the retailer of record.** But they've also expanded their offerings beyond e-commerce through innovations in services.

They're the best analogue to Amazon, as many incorrectly compare Amazon to Alibaba. Like Amazon, they're now in the healthcare business, **having spun off JD Health with a December IPO** in Hong Kong that raised nearly \$4 billion USD. **Finally JD is going to IPO JD Logistics which will provide logistics services for everyone, not just JD merchants.** I'm extremely bullish on the company's short and long term growth.



MICHAEL ZAKKOUR

Founder of 5 New Digital and
China BrightStar

E-COMMERCE

JD.COM - OVERVIEW OF 2020 FULL YEAR



745.8 BILLION

RMB NET REVENUE IN 2020 FULL-YEAR



29.3% YoY

NET REVENUE



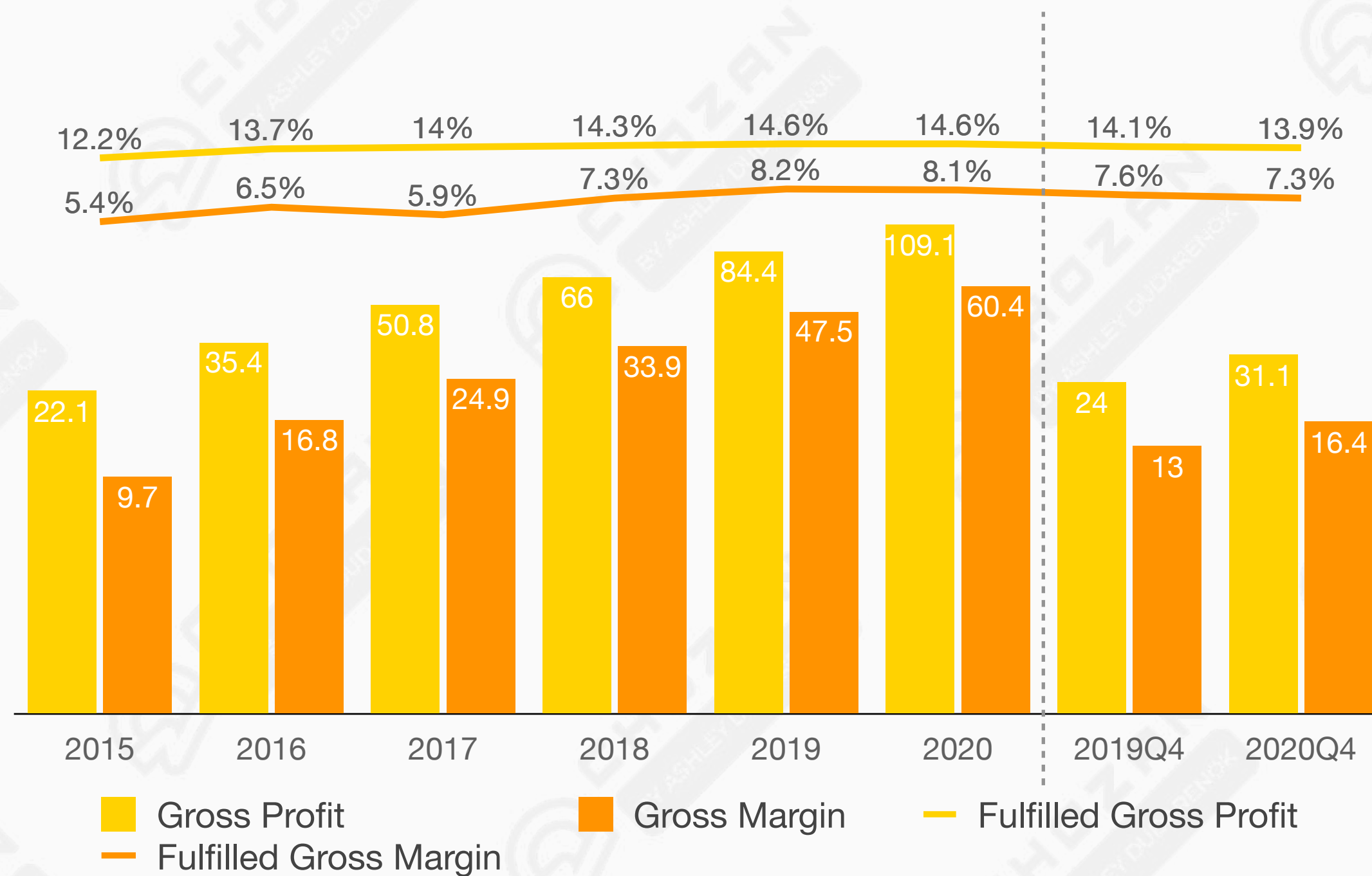
+471 MILLION

ACTIVE CUSTOMERS (30.3% YOY)

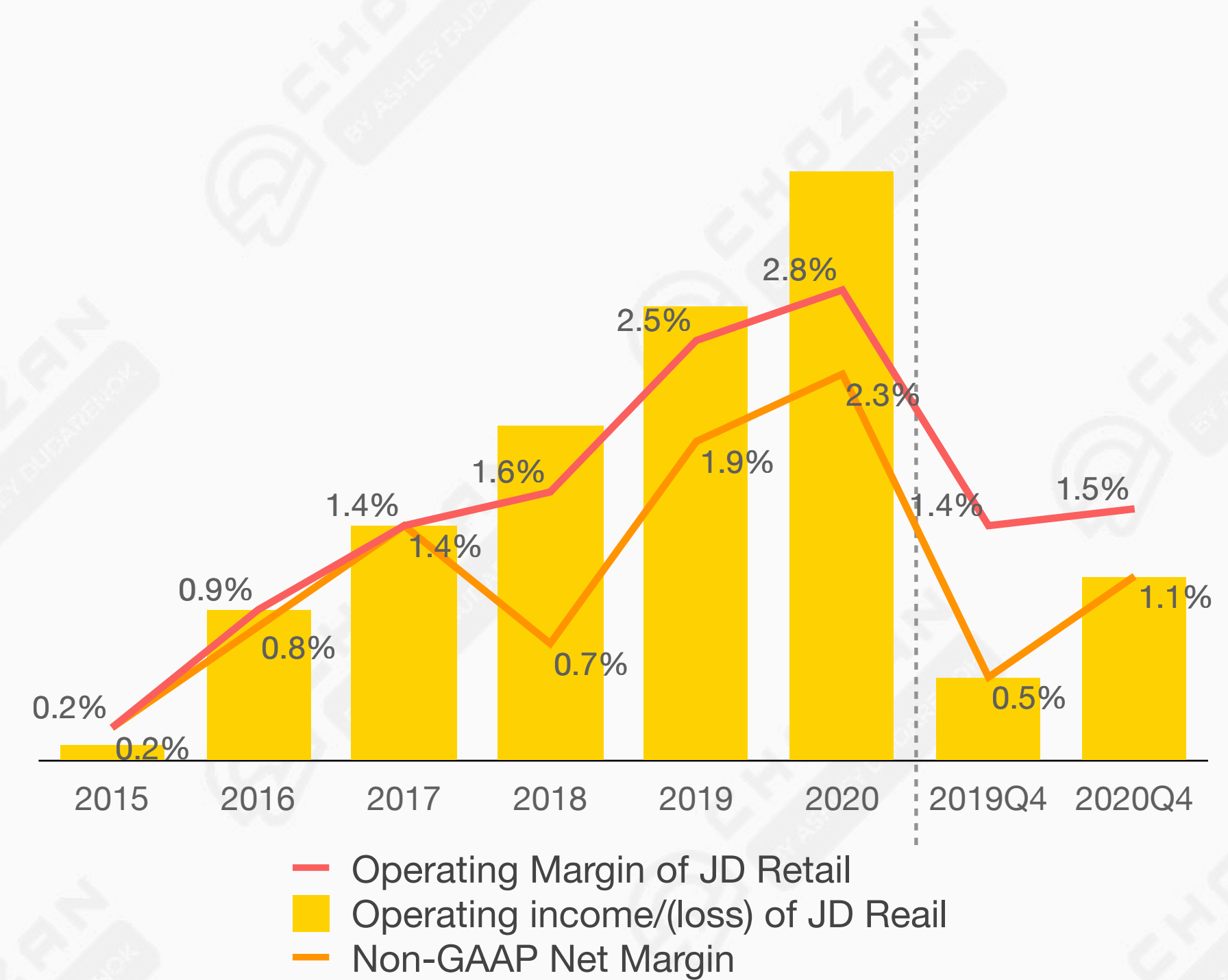
E-COMMERCE

JD.COM - OVERVIEW

GAAP GROSS PROFIT / FULFILLED GROSS PROFIT



SEGMENT OPERATING PROFIT AND MARGINS



E-COMMERCE

JD.COM - THE REAL POWER OF JD: LOGISTICS AND SUPPLY CHAIN NETWORK



	Jun 30, 2020	Dec 31, 2020
FULFILMENT CENTRES	7 cities	
WAREHOUSES	750+	900+
GFA	~18 million sq.m	~21 million sq.m
MEGA WAREHOUSE	28 projects in 18 cities	32 projects in 22 cities
GEOGRAPHIC COVERAGE	Almost all countries and district in China	

Source: Data from JD.com Financial & Operation Highlights (Aug 2020)

JD.COM

RETAIL

JD has been making developments in retail during 2020.

JD's online supermarket (JD Super) is building end-to-end, integrated supply chain for agricultural products from planting to sales.

Following JD's first E-Space store in Chongqing, the most favoured entertainment location among local Chinese, JD has continued to grow numbers of stores throughout China, planning to open the third E-Space store in Xi'an this 2021.



AGRICULTURAL PRODUCT SUPPLY CHAIN



3TH E-SPACE STORE WILL OPEN IN XI'AN



3

PINDUODUO

Pinduoduo is a recommendation based third-party platform. Aggregating demand through team purchases, it socially connects demand products to corresponding potential customers as to avoid searching and scrolling through product options. The platform invests heavily into IP infringement minimisation as a priority to maintain the trust with and between customers and users, as well as associated brands/stores.



拼多多
拼着买·才便宜

EXPERT BITES

Q: WHAT DO BRANDS NEED TO DO IN TERMS ON E-COMMERCE PLATFORMS (PDD) TO SUCCEED IN CHINA IN 2021?

PDD will continue to bring more products that are good value for money as well as fun and interactive experiences to consumers. Given our large consumer base with various preferences and tastes, we're open to all brands that can bring value to our increasing user base in a fun and engaging manner.



ADA YANG

Head of Social Community,
Pinduoduo

EXPERT BITES

Q: WHAT'S NEW ON PDD SINCE THE BEGINNING OF THIS YEAR?

PDD is the #1 group buying platform in China and the top agricultural, farm to table platform. These are two key areas where Alibaba and JD are playing catch up. Their growth in users is impressive as is their GMV.

That said, I'm concerned about PDD's future. They have no CFO, they just lost their CEO, and they're still not profitable. This combined with the fact that while they've innovated and performed in the agri-commerce business, not much else has changed in their model. If Alibaba, JD or another platform gains significant market share from them in the next year, it could spell big trouble for the social commerce pioneer.



MICHAEL ZAKKOUR

Founder of 5 New Digital and
China BrightStar

E-COMMERCE

PINDUODUO - USER PORTRAIT

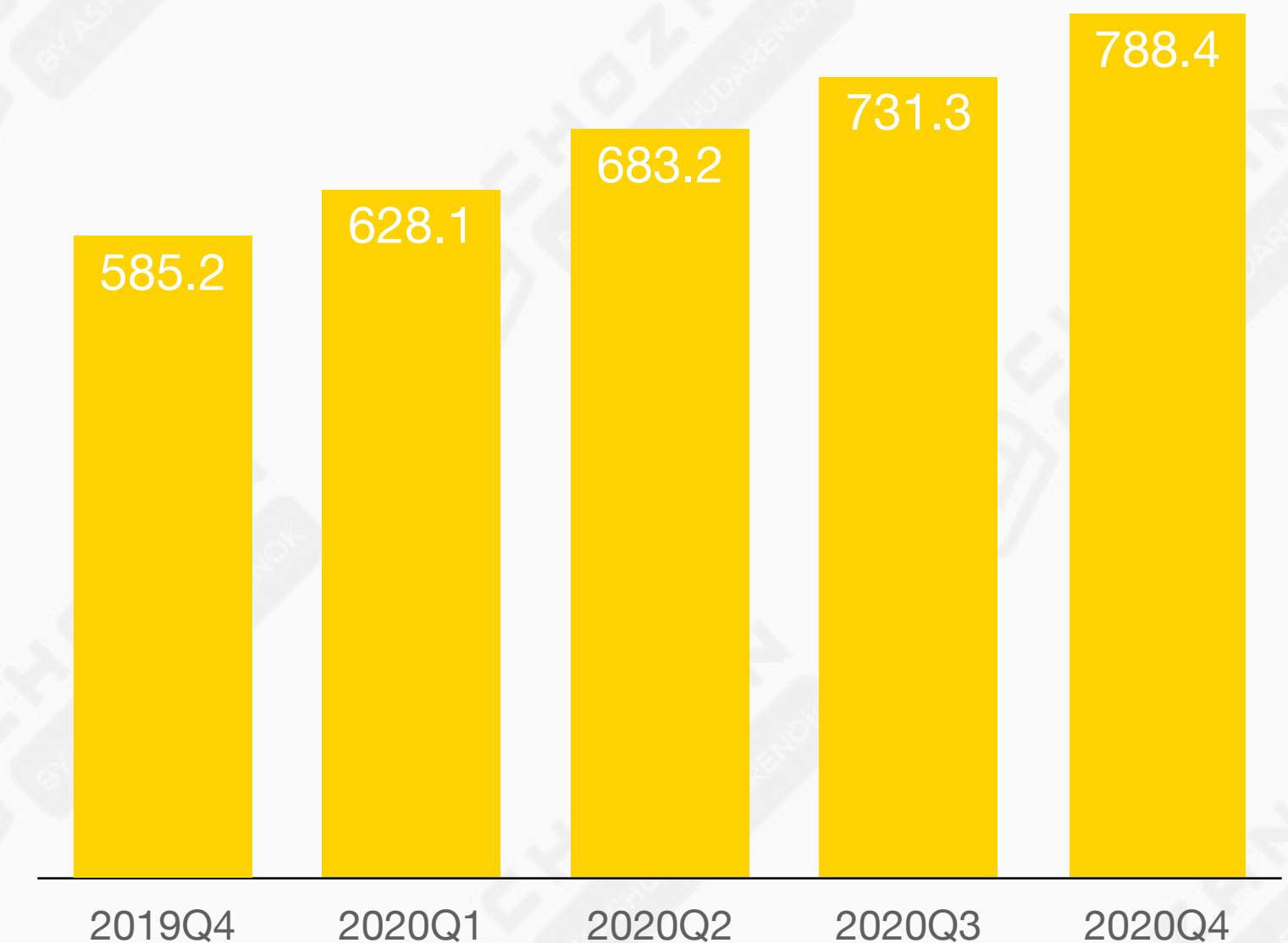
Pinduoduo reached 788 million active users in 2020, being the top e-commerce platform with most active users in China.



719.9 MILLION
MONTHLY ACTIVE USERS, +50% YOY

788.4 MILLION
2020 ACTIVE USERS, +35% YOY

ANNUAL ACTIVE CONSUMERS (IN MILLION)

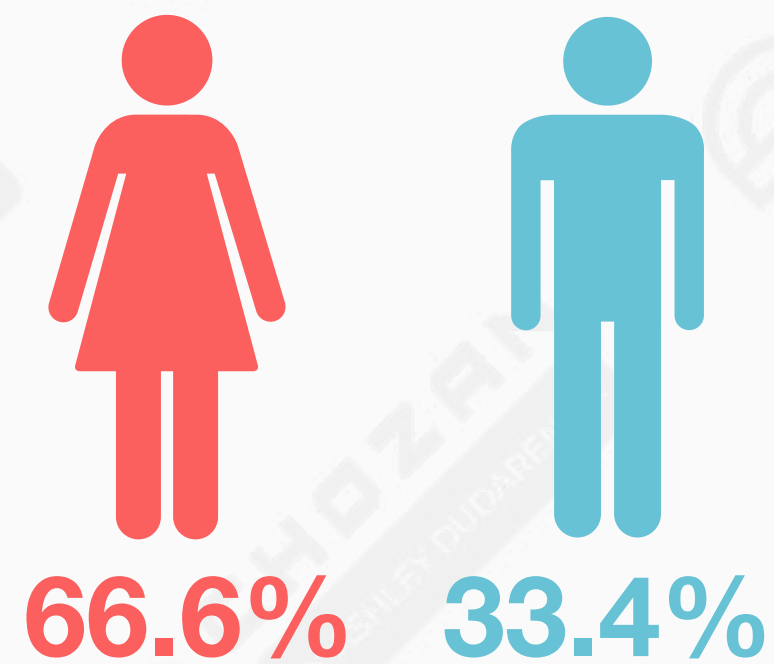


E-COMMERCE

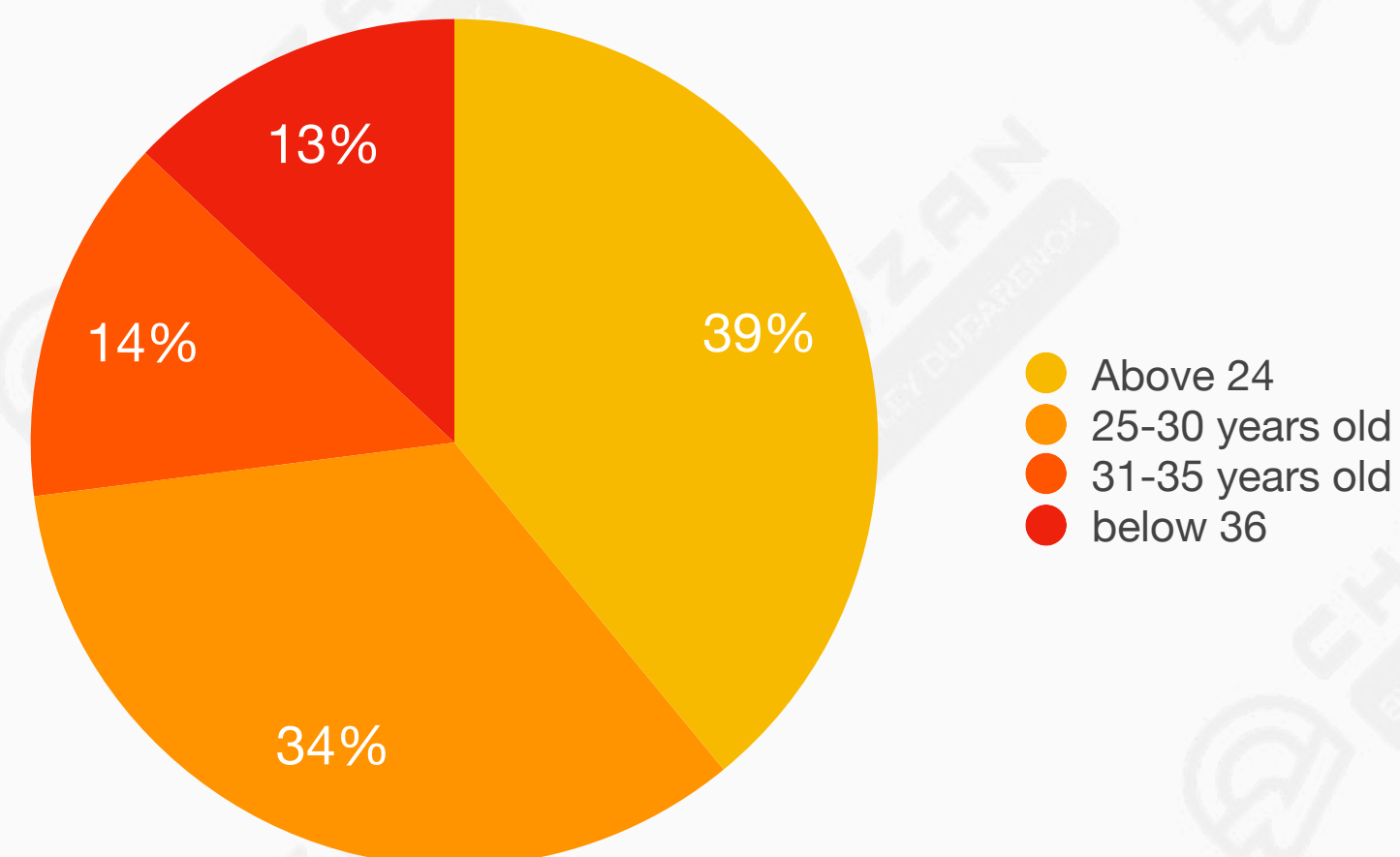
PINDUODUO - USER PORTRAIT

Most of the Pinduoduo users are female

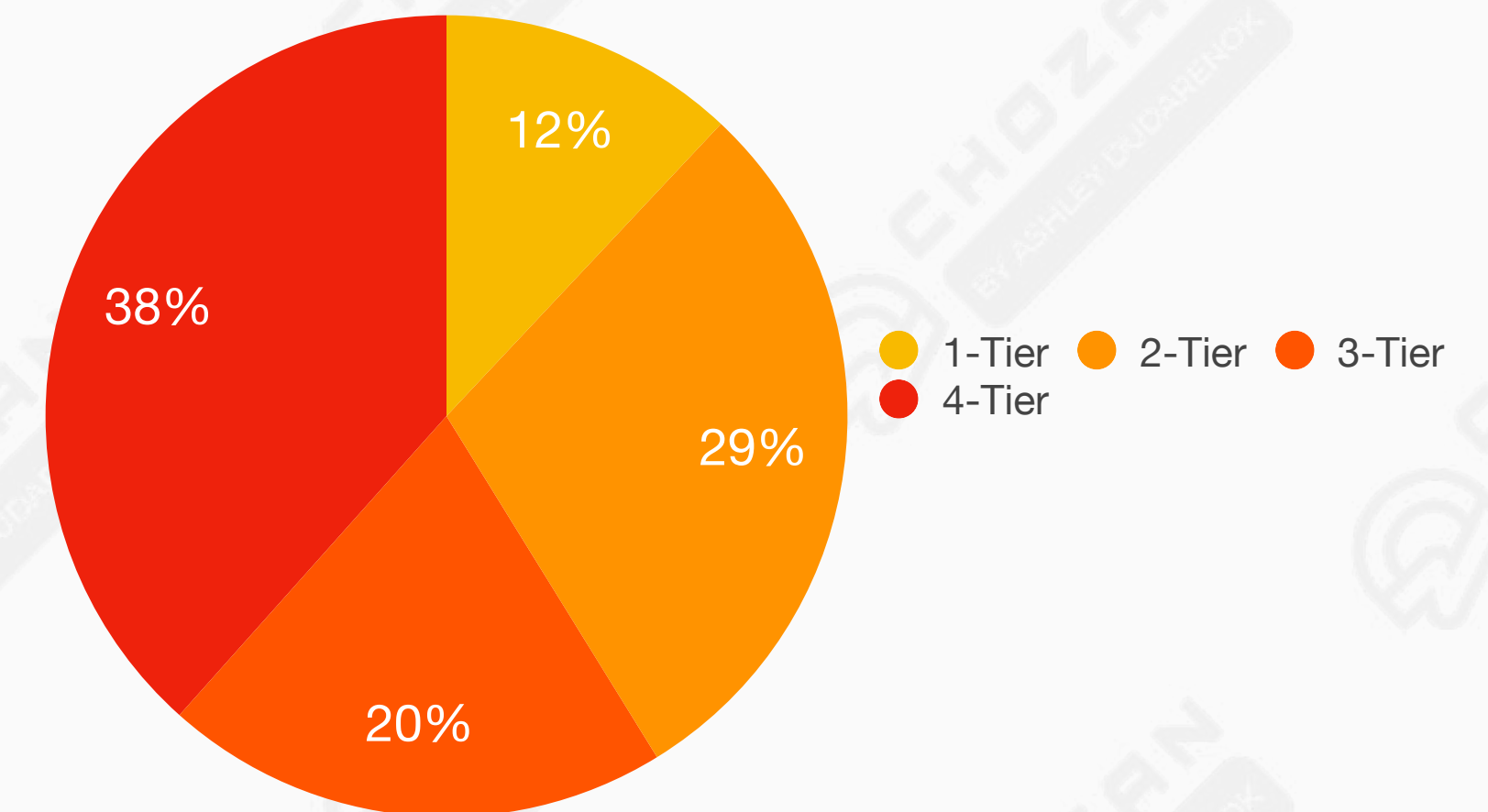
GENDER DISTRIBUTION



AGE DISTRIBUTION



CITY DISTRIBUTION



E-COMMERCE

PINDUODUO - CONSUMER SPENDING AND REVENUE

Pinduoduo users's increase in spending and number of orders helped growth in GMV and revenue.



2115.2 RMB

AVERAGE YEARLY SPENDING PER USER

+23%

YEAR OVER YEAR INCREASE



38.3 BILLION

ORDERS IN 2020, +94% YOY



1.66 TRILLION

GMV IN 2020, +66% YOY



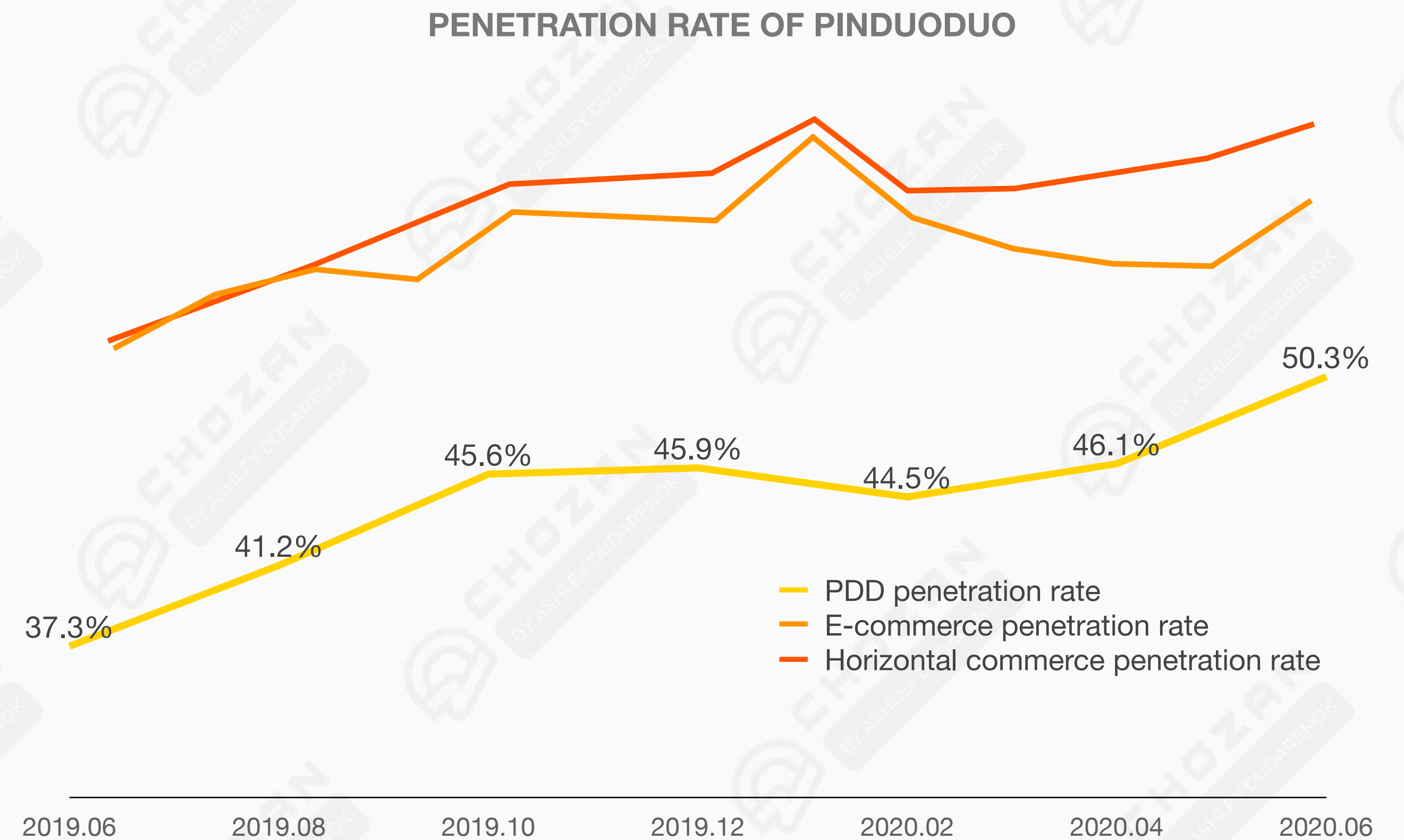
59.4 BILLION

REVENUE IN 2020

E-COMMERCE

PINDUODUO - PENETRATION RATE

Pinduoduo penetration rate has shown gradual constant increase throughout the past two years, with the highest penetration rate increase among all e-commerce.



E-COMMERCE

PINDUODUO - DUO DUO FARM

Last year in 2020, the revenue of agricultural products bought on PDD has doubled since 2019, which was a 270 billion RMB increase and 16.2% of PDD's yearly turnover.

Pinduoduo is estimated to be China's largest agricultural platform by analyst and they are setting the goal to become the world's top grocer.



+270 BILLION
RMB IN AGRICULTURAL PRODUCTS SALES



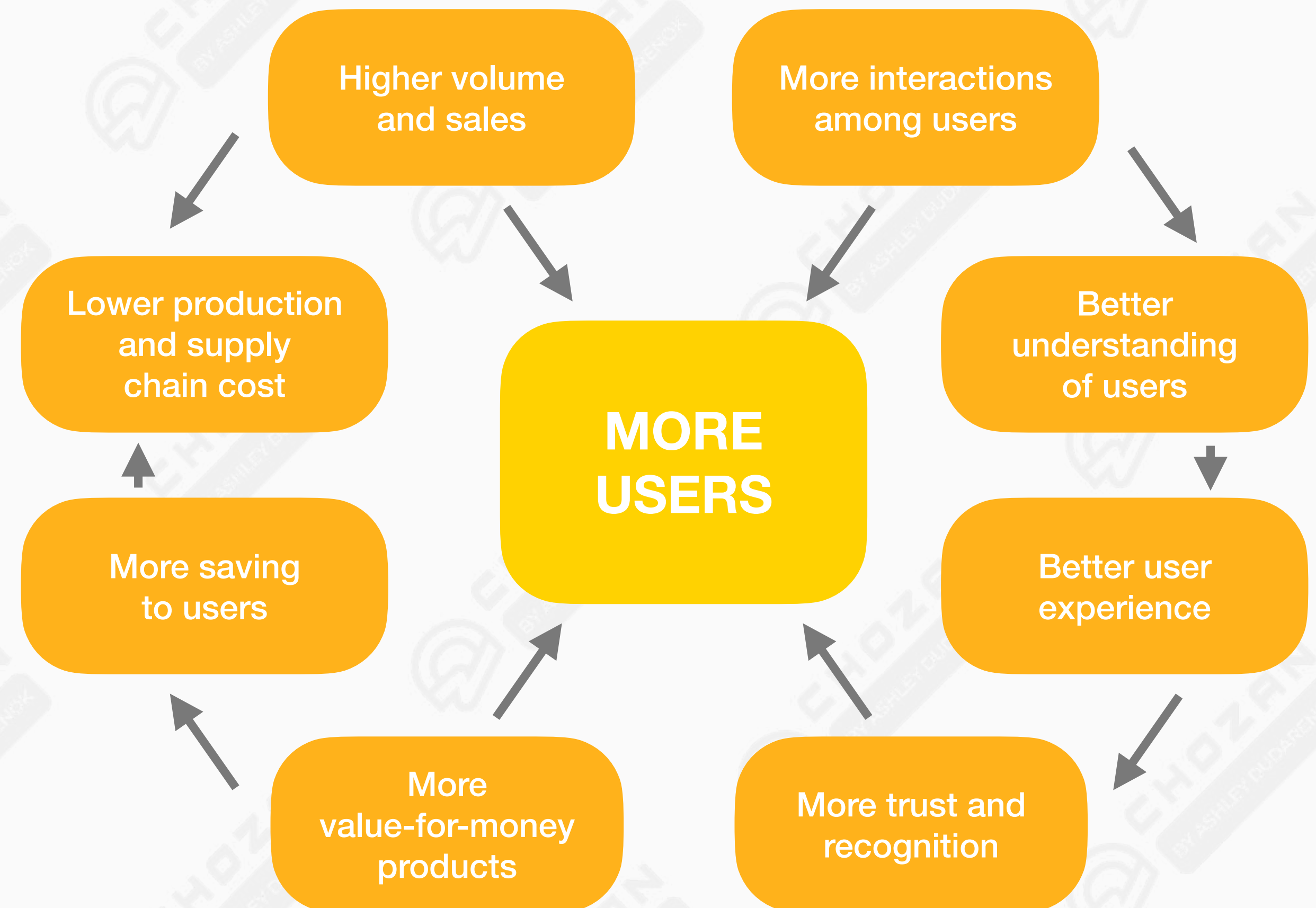
16.2%
OF YEARLY TURNOVER

E-COMMERCE

PINDUODUO - TEAM PURCHASE ADVANTAGE

While most platforms often ignore the needs of the down-market Chinese consumer, the team purchase function and associated deals contain universal appeal across age and income demographics as they provide low-cost necessities, such as household basics and food. The regularity of the deals and the frequently purchased items involved mean that customers are more likely to return to the Pinduoduo platform.

TEAM PURCHASE



EXPERT BITES

Q: WHAT HAVE YOU LEARNED ABOUT CHINESE CONSUMERS OR TRENDS THAT SURPRISED YOU RECENTLY?

Pinduoduo has good quality products. **I noticed that my overseas returnee friends have been buying nicely designed home products on PDD**, which has changed my perceptions of it. **Pinduoduo is becoming another Tmall.**



CHENYU ZHENG

Founder of Apple Sister Creative
Consultancy

EXPERT BITES

Q: WHICH E-COMMERCE FUNCTIONS (ON PDD) ARE YOU MOST EXCITED ABOUT RIGHT NOW?

I'm most excited about the potential changes that technology can bring to farming, food, and food safety. **PDD has made agriculture a strategic priority because food is the most basic of needs and any improvements in its production, distribution, and consumption will benefit the greatest number of people.** We'd like to see how PDD's recent push into **agri-tech** can bring cheaper and better food to our consumers and benefit the livelihood of the growers.



ADA YANG

Head of Social Community,
Pinduoduo

4

KUAISHOU

One of China's most popular short-video sharing and livestreaming social e-commerce platforms. Key opinion leaders (KOLs) control intense fan loyalty and trust, which makes Kuaishou an excellent promoter platform driving traffic to online stores. Recent decisions to massively increase investment by Kuaishou in livestreaming infrastructure and capabilities indicates its increasing success - especially seen during the recent COVID-19 pandemic.



EXPERT BITES

Q: HOW DO YOU THINK KUAISHOU'S E-COMMERCE WILL DEVELOP IN 2021?

I believe that Kuaishou will look to further develop mid-tier livestreamers as they battle Douyin, Taobao streaming and others. The company needs to offer more relevant content for commerce as its short form platform leads to consumers not finding what they want. The company has to grow its revenue as its a public company who have investors who want long term profitability.



HENDRIK LAUBSCHER

Founder and Chief Analyst at
Blue Cape Venture

EXPERT BITES

Q: WHAT WILL KUAISHOU FOCUS ON IN Q2 2021? HOW IS IT SIGNIFICANT FOR BRANDS?

Kuaishou will continue to focus on optimizing its traffic allocation.

Users will be directed even more to view short videos in a single-column format with better advertising monetization efficiency. Brands will find advertising promotion ROI improving on the platform. **The platform will also allocate more user traffic, through an internal bidding system, toward mid-level MCN-backed KOLs and merchant livestreaming instead of top KOLs.** More advertising money will go to Kuaishou directly instead of its top KOLs.



BRUCE LIU

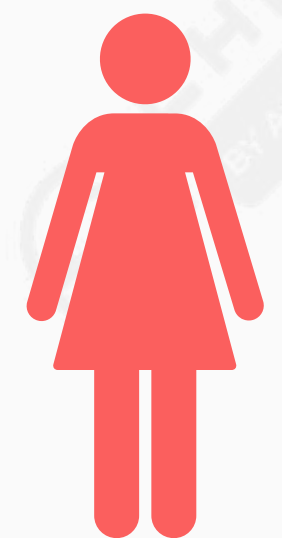
CEO/CIO of Esoterica Capital and
Portfolio Manager of \$WUGI

For Cody

E-COMMERCE

KUAISHOU - USER OVERVIEW

Live-streaming is pushing the growth of Kuaishou with women continuing to be the dominant user group.

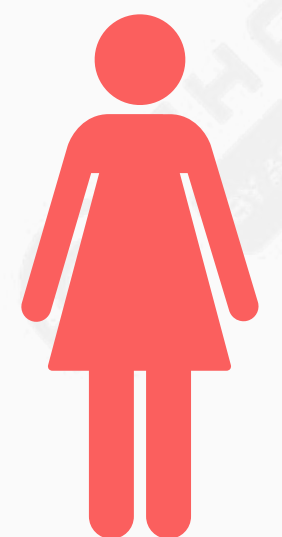


83%

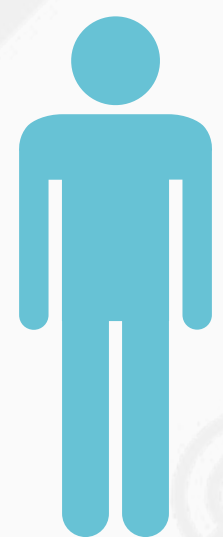


17%

NUMBER OF ORDERS



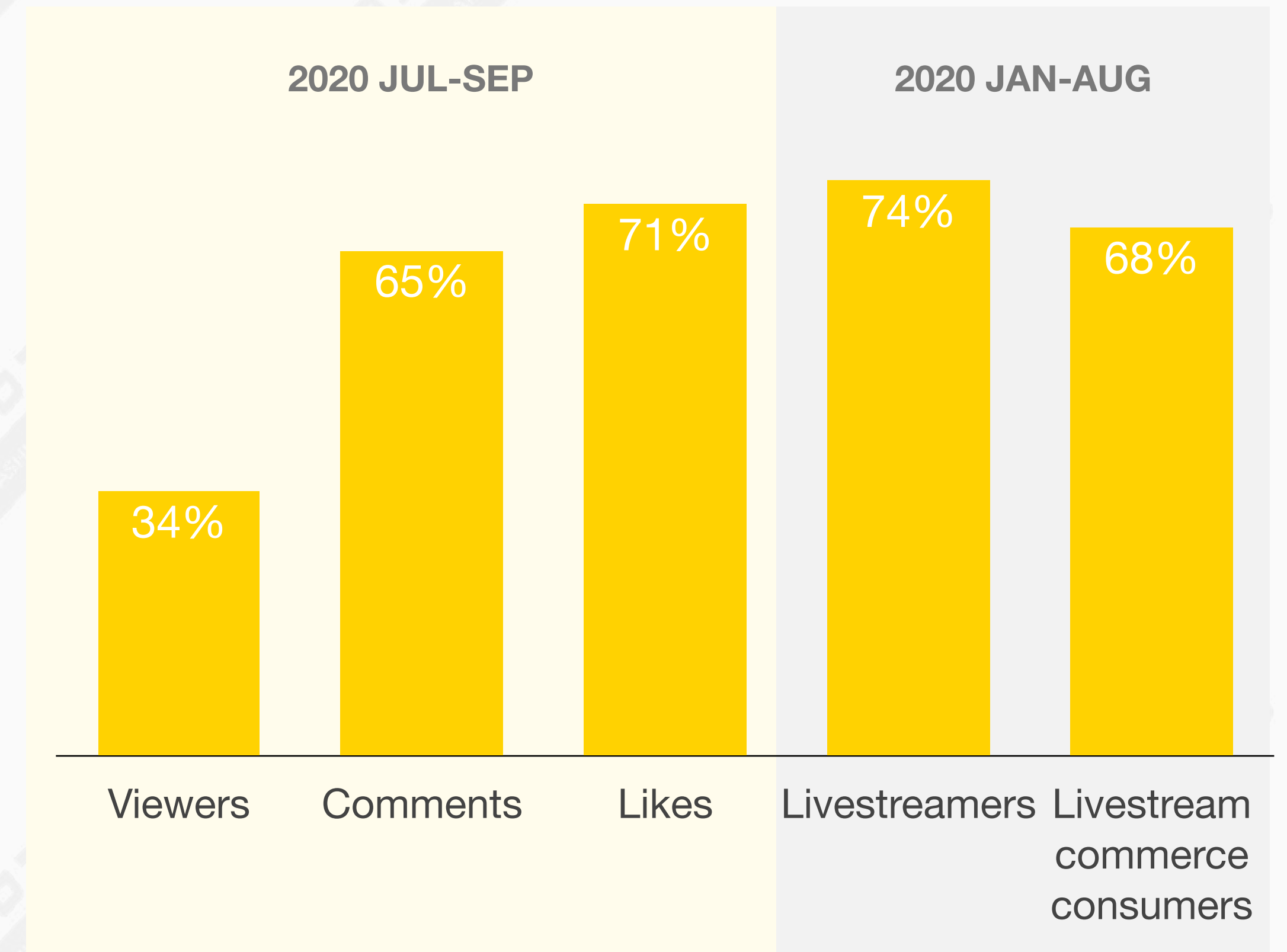
72%



28%

GMV (GROSS
MERCHANDISE VALUE)

GROWTH IN KUAISHOU LIVE-STREAMING, 2020



E-COMMERCE

KUAISHOU - AT A GLANCE

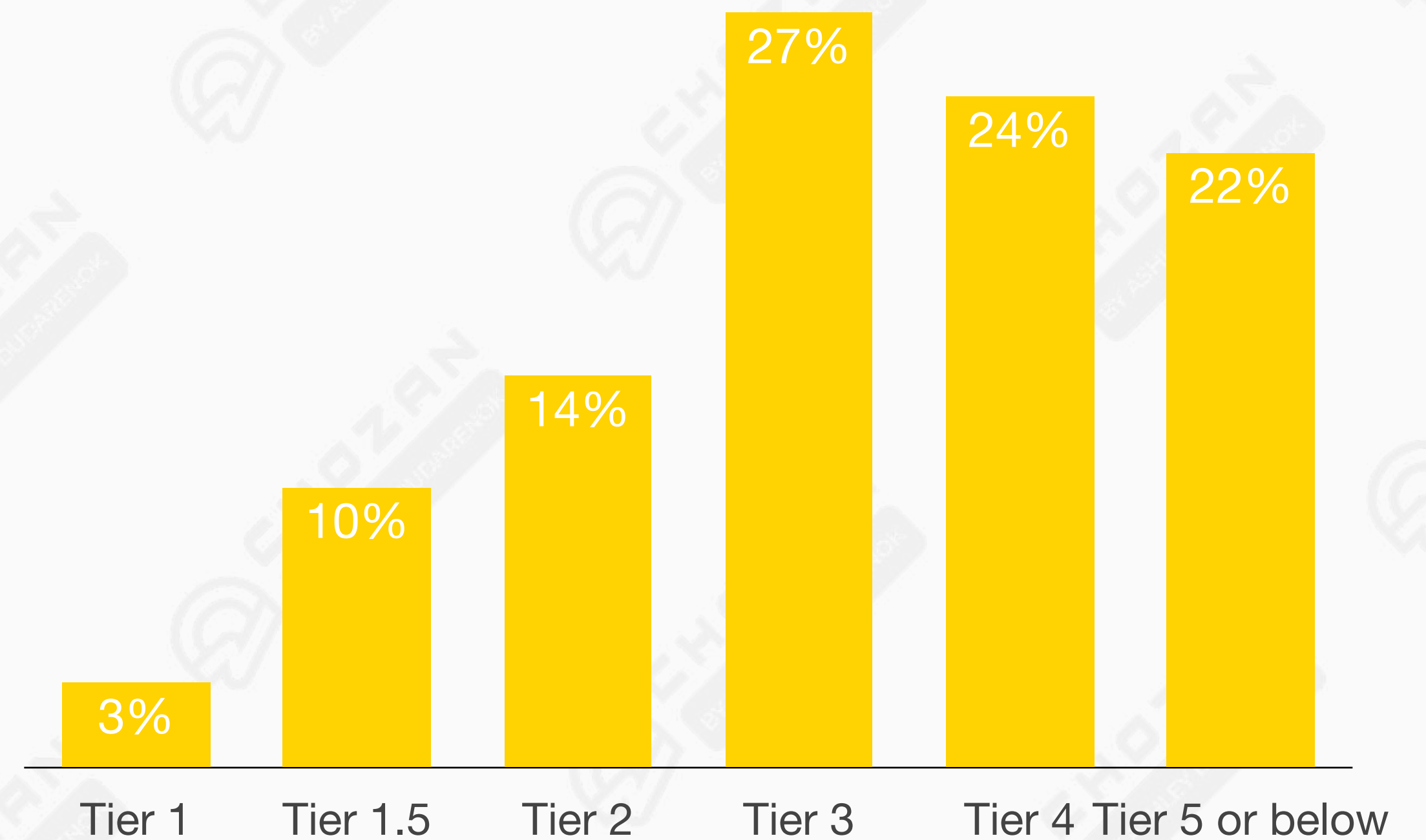
The number of Kuaishou orders has increased more than 254% in 2020. The growth rate was 20% and the majority of these live-streaming sales come from lower tiered cities.



+254%

NUMBER OF ORDERS ON KUAISHOU

NUMBER OF ORDERS ON KUAISHOU AMONG CITY TIERS



E-COMMERCE

KUAISHOU - AT A GLANCE

Many Kuaishou users have positive consumer value and are actively pursuing quality of life, promoting consumption upgrades.

77%

**PURSUE A HIGHER QUALITY OF
LIFE WITHIN THEIR OWN ABILITIES**

71%

**PAY ATTENTION TO LATEST THE
INFORMATION WITHIN THEIR AREA OF
INTEREST**

76%

CULTIVATE HOBBIES TO ENRICH LIFE

55%

ENJOY IN ADVANCE

(Use of credit cards/ pay by instalments)

58%

**CONCERNED ABOUT THE OPINIONS OF
OTHERS**

(What will others think when I use this product)

EXPERT BITES

Q: HOW DO YOU THINK COMMUNITY GROUP BUYING WILL DEVELOP IN Q2?

The model is great, but regulators will put the platforms in check (i.e. PDD) and do more to protect the customer. I see some platform operational changes coming soon that will disrupt the current model.



RON WARDLE

Incredible Media, Founder and
Yooma Wellness Inc, CEO

MEGA ONLINE SHOPPING FESTIVALS

MAJOR ONLINE SHOPPING FESTIVALS

INTRODUCTION

As estimated by China Internet Watch, by the end of H1 2020 e-commerce reached 25% of all retail consumer sales. In order to succeed in this market it's essential brands know about the major e-commerce festivals. Almost every month brands can participate in a variety of campaigns and promotions arranged by platforms, however, most important shopping festivals are:

1 SINGLE'S DAY (DOUBLE 11)

Alibaba's Double 11 Gala is China's most prominent shopping extravaganza. It was first started as a small-scale promotional event organised by Taobao on November 11th, 2009. Now it's world largest e-commerce festival

2 618

Founded on June 18th, 1998, JD, the second largest e-commerce giant in China after Alibaba, rolls out promotions every year on its birthday. JD's 618 has developed into a big affair on a par with Alibaba's Double 11 Festival.

2 CHINESE NEW YEAR (CNY)

The holiday period always start mega-sales 2 weeks prior. China tech giants arrange different kind of activities and red pocket promotions to enhance sales for family gatherings and presents.

MAJOR ONLINE SHOPPING FESTIVALS

OVERVIEW

CHINESE NEW YEAR 2021	SINGLES DAY 2020	JD 618 FESTIVAL 2020
<p>Shipment volume increased 4 times during CNY in 2021</p> <p>As this year people were encouraged to not return home during CNY. delivery for one rose by 100% in top cities like Beijing, Shanghai, Hangzhou, Wuhan.</p> <p>Local tour reservation has increased by 600%</p>	<p>JD 32% YoY and 271.5 billion RMB in GMV</p> <p>Tmall 26% YoY and 498.2 billion RMB in GMV</p> <p>220% increase number of live-streaming merchants on Taobao Live</p> <p>250,000 brands participated in Double 11 in 2020</p>	<p>2000 BRANDS grew by more than 100% year over year</p> <p>187 BRANDS received more than 100M RMB in orders</p> <p>100 MILLION RMB live-streaming orders within 2 minutes</p> <p>500% GROWTH of orders on JD supermarket</p>

Source:

1) Walk the Chat

2) Kr Asia, Splashing 1482 billion in one day, China successfully overwrites “Singles’ Day” with “Double eleven”

EXPERT BITES

Q: WHICH HOLIDAYS DO YOU THINK BRANDS SHOULD FOCUS ON FOR PROMOTIONS IN Q2 2021?

Rather than blindly creating promotions for just any upcoming holiday, marketers should approach holiday campaigns strategically.

Ask, "Is this even relevant for our brand? Does it feel authentic? What's our campaign message? What kind of content will support this message?"

Timing is just as crucial. Avoid posting when all the others are posting.

Look at your own performance stats and get to know when your audience is the most responsive to your content to maximize the results of your input.



KRISTINA KNUT

Marketing Director at
KAWO

EXPERT BITES

Q: WHICH HOLIDAYS DO YOU THINK BRANDS SHOULD FOCUS ON FOR PROMOTIONS IN Q2 2021?

- 1. Labour Day - 1st to 5th May, 2021**
- 2. Mother's Day - 9th May 2021**
- 3. Children's Day - 1st June 2021**
- 4. Father's Day - 20th June 2021**



SALLY MAIER-YIP

Founder and Managing Director at
China PR and Communications
Agency, 11K Consulting

EXPERT BITES

Q: WHICH HOLIDAYS DO YOU THINK BRANDS SHOULD FOCUS ON FOR PROMOTIONS IN Q2 2021?

Covid has strengthened online shopping habits. **618 and Chinese Valentine's Day are the two big online shopping festivals for Q2.** They're a great opportunity to introduce or promote your best-selling products to more customers. **Use them as a needle to penetrate the market and increase customers awareness for your brand.**



ROMAIN HENRIOT

Chief Operations Office,
Splio China

EXPERT BITES

Q: WHICH HOLIDAYS DO YOU THINK BRANDS SHOULD FOCUS ON FOR PROMOTIONS IN Q2 2021?

May 1: Labour Day

May 9: Mother's Day

May 20: Chinese Valentine's Day

June 1: Children's Day

June 14: Dragon Boat Festival

June 20: Father's Day



ARNOLD MA

Founder and CEO
at Qumin

EXPERT BITES

Q: WHICH HOLIDAYS DO YOU THINK BRANDS SHOULD FOCUS ON FOR PROMOTIONS IN Q2 2021?

There are three public holidays in Q2 – Qingming (April 3-5), Labor Day (May 1-5), and the Dragon Boat Festival (June 12-14). Q2 also has one of China’s largest shopping festivals – the 618 Mid-Year Shopping Festival.

It's likely that tourism will be booming and there's already data showing that the number of tourists on Qingming could reach 100 million.

Brands can leverage the opportunity to launch promotion campaigns, especially around the themes of “Spring outings” and “Golden Week.” Food brands can integrate with traditional Chinese festival food to launch limited edition festival products.

Brands can participate in promotion campaigns organized by leading e-commerce platforms like Tmall and JD. Livestreaming is great for brand awareness.



SHINE HU

ChemLinked
Market Research Analyst

EXPERT BITES

Q: WHICH HOLIDAYS DO YOU THINK BRANDS SHOULD FOCUS ON FOR PROMOTIONS IN Q2 2021?

Mother's Day, Children's Day, the Dragon Boat Festival and Father's Day.

Since they're very close to each other, brands should focus on one of them and create related posters or change the Tmall store decoration for the rest.

Mother's Day: **Feminism is a popular topic in recent years in China.** Some women's choice to focus on their kids means that they're giving up promotions at work. This is a topic that brands can tap into.

Children's Day: This is a festival not only for children but for adults as well.

Couples send each other gifts on this day.

Dragon Boat Festival: Zongzi (粽子), rice wrapped in bamboo leaves, is connected to this festival so it could be a good link for food brands.



KEJIE YI

Content Manager at
China Marketing Insights

DOUBLE 5

Double Five is the newest shopping festival in Shanghai featuring both online and offline events and activities supported by e-commerce platforms such as Alibaba, JD, Pinduoduo etc. This is a sale season for Shanghainese, great for brands (especially luxury) who are targeting higher tiered city consumers.



EXPERT BITES



STEPHANIE

Marketing Executive at
Alarice and ChoZan

Q: HOW DO YOU THINK SHOPPING FESTIVALS HAS BEEN CHANGED IN POST COVID-19 CHINA? HOW ARE PEOPLE ENCOURAGED TO PARTICIPATE IN SHOPPING FESTIVALS?

To prevent the spreading of Covid in offline venues, more online events and activities are held during shopping festivals - especially live streaming e-commerce. As part of the Covid stimulus strategy to boost consumption, the Shanghai Municipal People's Government held a completely new themed shopping festival in 2020 - Double 5 Shopping Festival on May 5th. This brand new shopping festival features special offers and discounts like Double 11, and the outcome was very successful with the support from e-commerce platforms.

GOT A QUESTION? DROP STEPHANIE AN EMAIL BY SCANNING THE QR CODE



MAJOR ONLINE SHOPPING FESTIVALS

DOUBLE FIVE

The goal of having Double 5 shopping festival is to upgrade consumption, the 5 main measures include:

EXPAND LUXURY CONSUMPTION

BOOST LARGE QUANTITY CONSUMPTION

MAKE SHANGHAI WORLD PREMIERE LOCATION FOR NEW PRODUCTS

RAISE LOCAL BRAND IP

CROSS-INDUSTRY CONSUMPTION



500+ BILLION RMB

ONLINE AND OFFLINE SALES



68.4 BILLION RMB

SALES FROM 200 ENTERPRISES IN SHANGHAI



500 MILLION

PARCELS DELIVERED IN SHANGHAI, 20.6% YOY

MAJOR ONLINE SHOPPING FESTIVALS

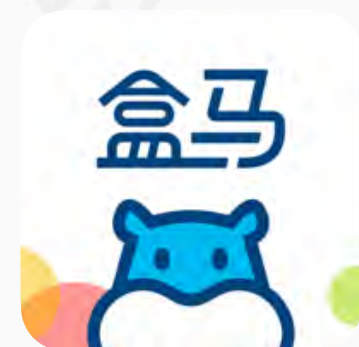
FRESH FOOD AND AGRICULTURAL PRODUCTS

Double five festival in 2020 has boosted agricultural and fresh food sales. There were more than 100 live streaming e-commerce held by Pinduoduo to support the local agricultural industry in China.

**FRESH FOOD COMMERCE SALES INCREASED
DURING DOUBLE FIVE, 2020**



+90% YoY
DING DONG



+120% YoY
HEMA

PINDUODUO LIVESTREAMING E-COMMERCE DURING DOUBLE FIVE, 2020



5 BILLION RMB
WORTH OF DISCOUNT COUPONS GIFTED



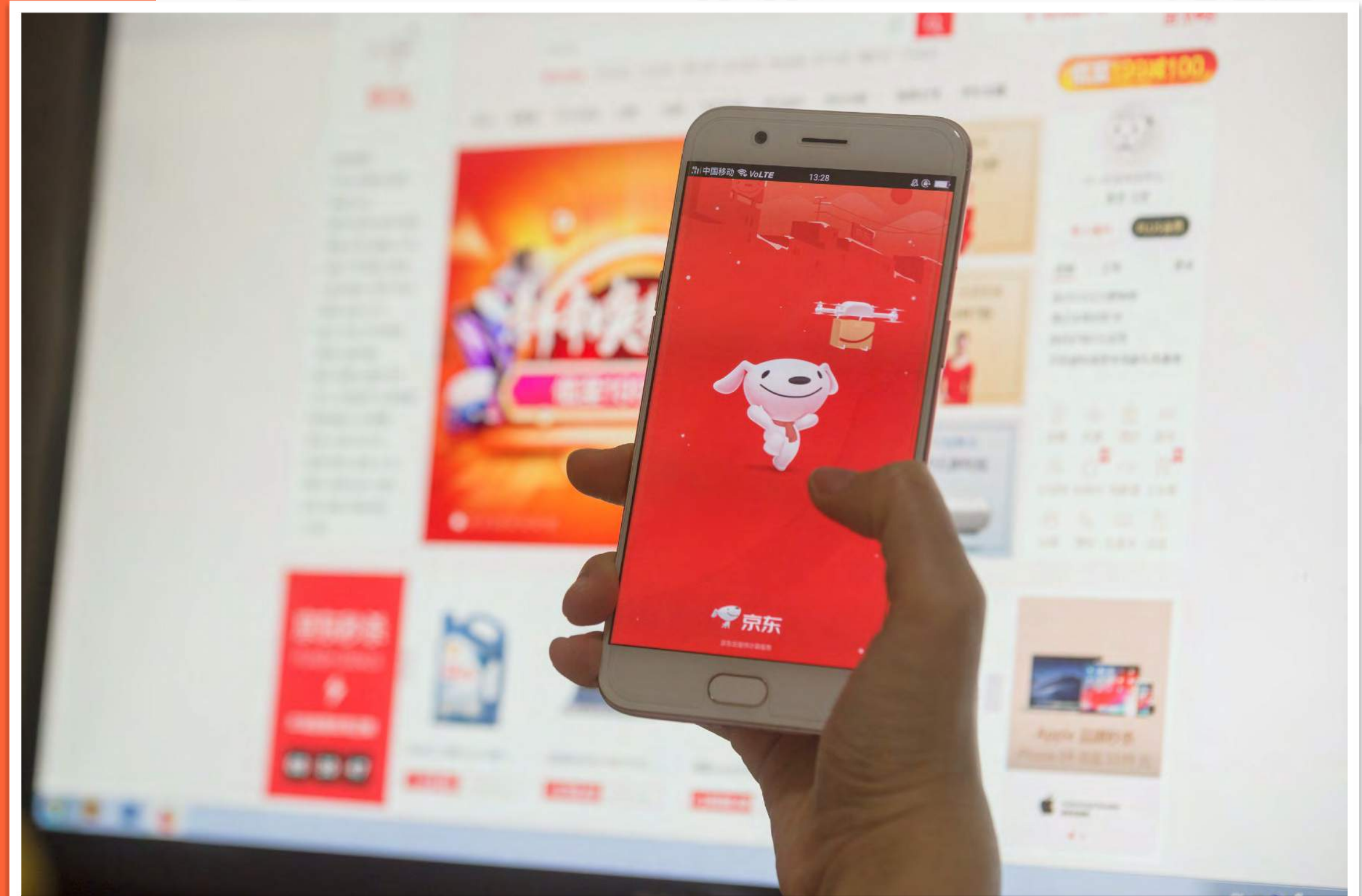
100 AGRICULTURAL
LIVE STREAMING E-COMMERCE



8 THOUSAND
WATERMELONS, RICE, FARMED PRODUCTS GIFTED

618

2020's 618 festival provided plenty of new trends and competitive pressures for JD.com. With sales records broken, livestreaming and short video sharing proved to be a key for success. The rise of video sharing app Douyin had somewhat unexpected e-commerce success and potential.



EXPERT BITES



WENDY CHEN

Sr. Marketing Manager at
Alarice and ChoZan

Q: WHAT DO YOU EXPECT FROM THE 618 SHOPPING FESTIVAL?

Both the health and mother and baby sectors may see big gains. In the past year, online medical consultations have become a new habit for a lot of people, especially for those using JD.com. JD partnered with lots of hospitals to offer comprehensive, authorized services. For the maternity and infant sector, **Double 11, 2020, saw sales of pregnancy supplements increase a lot. This means the category might see a new peak during 2021's 618.** With China's new census data (人口普查) being released, we can check the numbers to see how the trend is going.

**GOT A QUESTION? DROP WENDY AN
EMAIL BY SCANNING THE QR CODE**



EXPERT BITES

Q: WHAT DO YOU EXPECT FROM THE 618 SHOPPING FESTIVAL THIS YEAR?

Last year, as part of its Covid stimulus strategy, the Chinese government launched a new digital coupon program that handed out 5.6 billion RMB to shoppers. Even if the state doesn't offer the same incentives, **the general consumer shift to e-commerce will undoubtedly mean record-breaking sales yet again.**



ELIJAH WHALEY

Chief Marketing Officer
PARKLU

EXPERT BITES

Q: WHAT DO YOU EXPECT FROM THE 618 SHOPPING FESTIVAL THIS YEAR?

I foresee consumer confidence rebounding in 2021, but e-commerce growth should normalize again to pre-pandemic levels. **The 618 shopping festival should see sales increases due to trends that aren't worn out yet,** such as short videos, buying local brands, group buying, 3rd and 4th tier city consumption, new consumer groups and so on. But many consumers will be more cautious about their spending now. **I expect the net result for 618 is that it will maintain positive growth.**



PASCAL COPPENS

Partner at nexxworks, author
of *China's New Normal*

EXPERT BITES

Q: WHAT ARE YOU EXPECTING FOR 618?

Livestreaming will dominate. There will be incentives to get some people back into physical environments. That's the big story. **Where physical used to influence digital, it's now the opposite.**

I believe total GMV will exceed last year's tally by 20%.



MICHAEL ZAKKOUR

Founder of 5 New Digital and
China BrightStar

EXPERT BITES

Q: WHAT DO YOU EXPECT FROM THE 618 SHOPPING FESTIVAL THIS YEAR? WHAT PRODUCTS DO CONSUMERS WANT IN HIGHER VS LOWER TIER CITIES?

Livestreaming e-commerce will gain more traction. Douyin and Kuaishou are likely to put lots of resources into promoting their platforms.

Consumers from lower-tier cities want to buy top brands at discounts. Consumers in top-tier cities may be more interested in trying emerging domestic brands.



BRUCE LIU

CEO/CIO of Esoterica Capital and
Portfolio Manager of \$WUGI

EXPERT BITES

Q: WHAT DO YOU EXPECT FROM THE 618 SHOPPING FESTIVAL THIS YEAR?

A lot of livestreaming and also a lot of Guochao and Chinese brands to look at and understand. It'll be a test year for private traffic. Try to check how many conversions happened on WeChat and outside of Tmall and JD.



MATTHIEU DAVID-EXPERTON

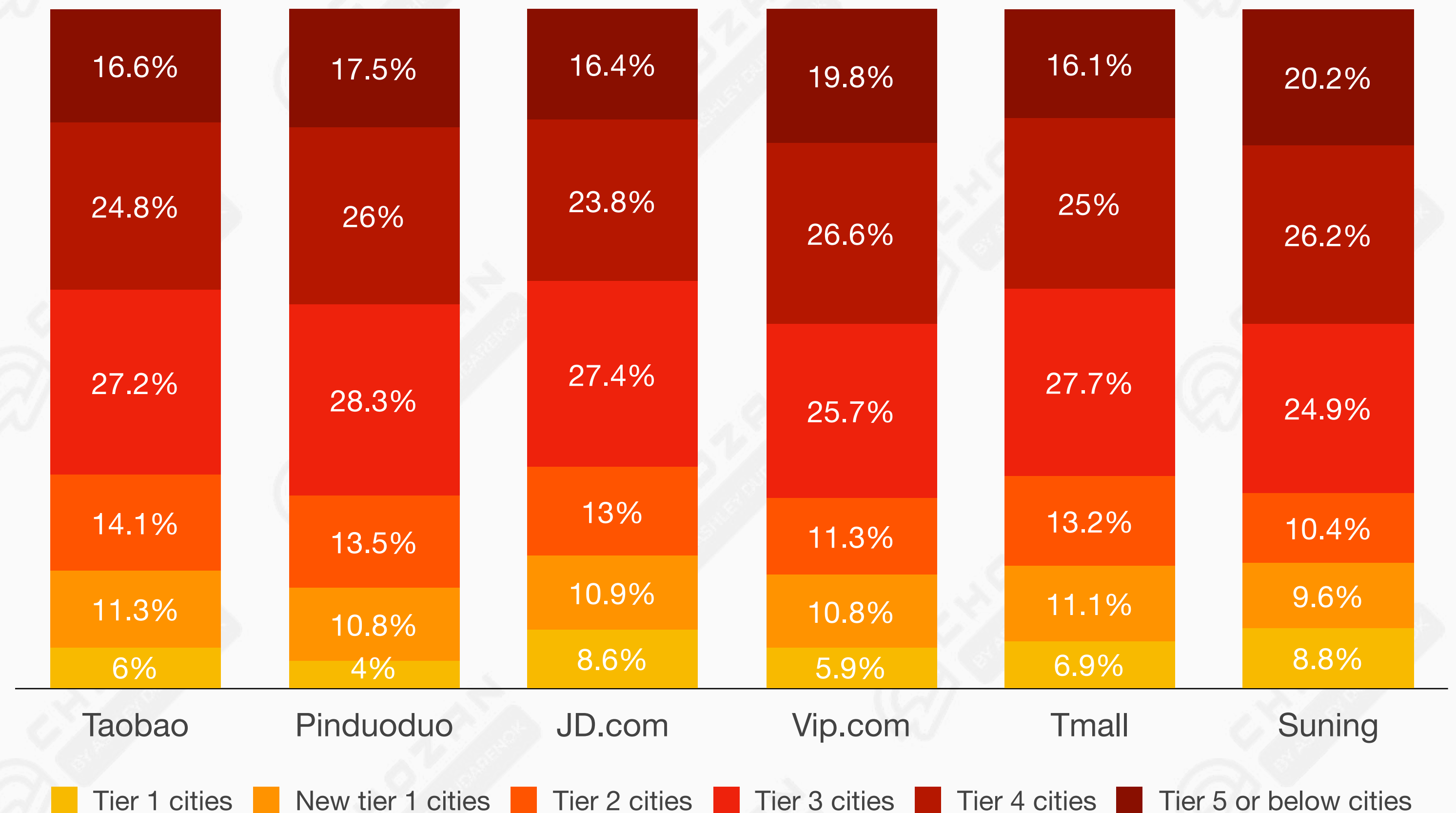
CEO and President
at Daxue Consulting

MAJOR ONLINE SHOPPING FESTIVALS

618 - CITY NEW APP ADOPTION

NEW APPS INSTALLED BY DIFFERENCE TIERED-CITY USERS DURING
“618” (2020.05.20-2020.06.18)

Lower tier cities are having increasing purchasing power and demand. The graph illustrates the high rate of download and adoption of e-commerce apps by lower tier cities in particular.

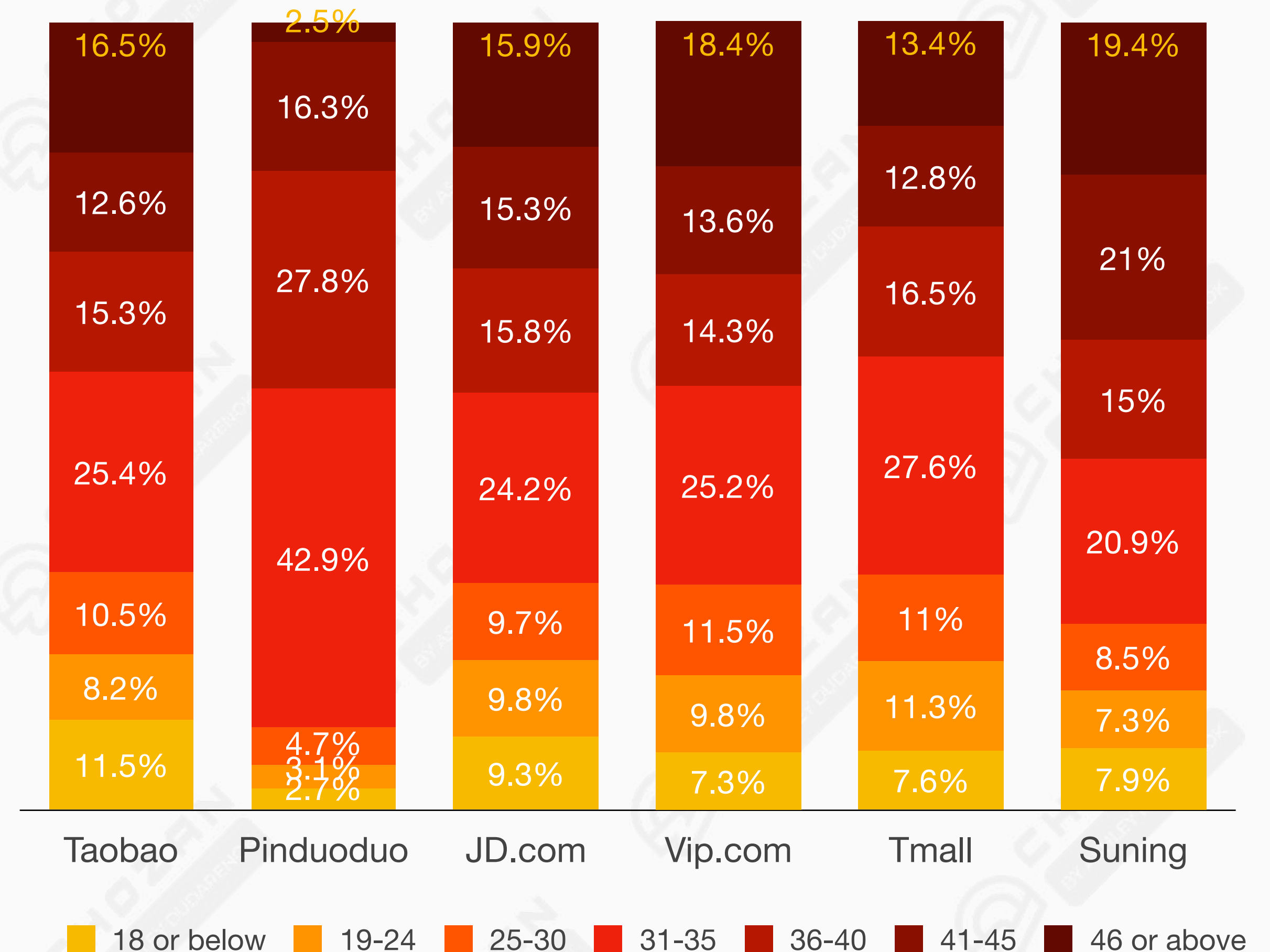


MAJOR ONLINE SHOPPING FESTIVALS

618 - 'SINKER MARKET' NEW APP ADOPTION

Industries continue to dig into the sinking market of mid-older age consumers.
Online spending rose due to COVID-19, with the strategy of price drops, discounts and more, 70% of new app installs during “618” are from the sinking market, while more than 40% are users aged 36 or above.

NEW APPS INSTALLED BY DIFFERENCE AGED USERS
DURING “618” (2020.05.20-2020.06.18)

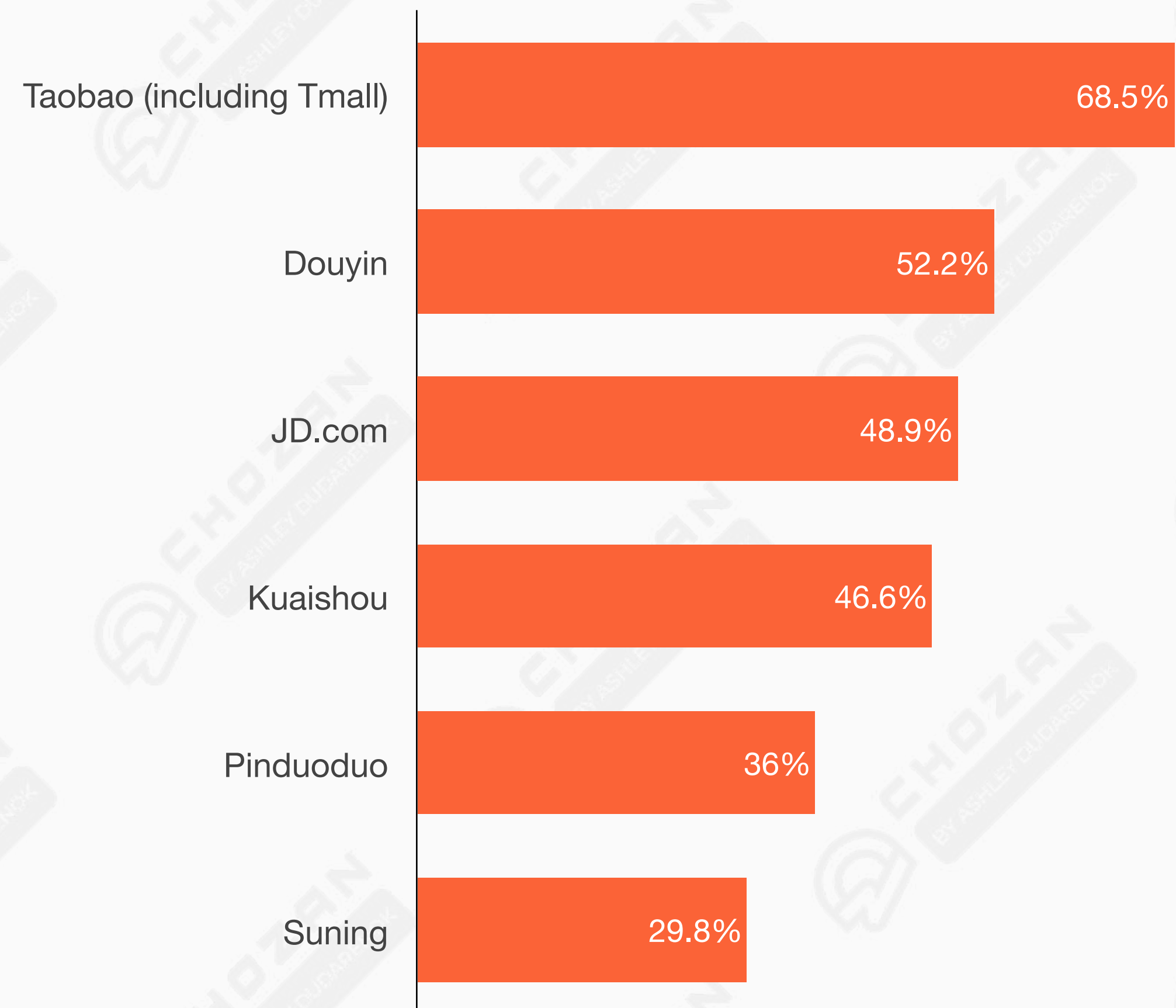


MAJOR ONLINE SHOPPING FESTIVALS

618 - LIVESTREAMING PLATFORMS

Taobao proved to be the most popular livestreaming platform used to watch 618 livestreams. Followed by Douyin and JD.com.

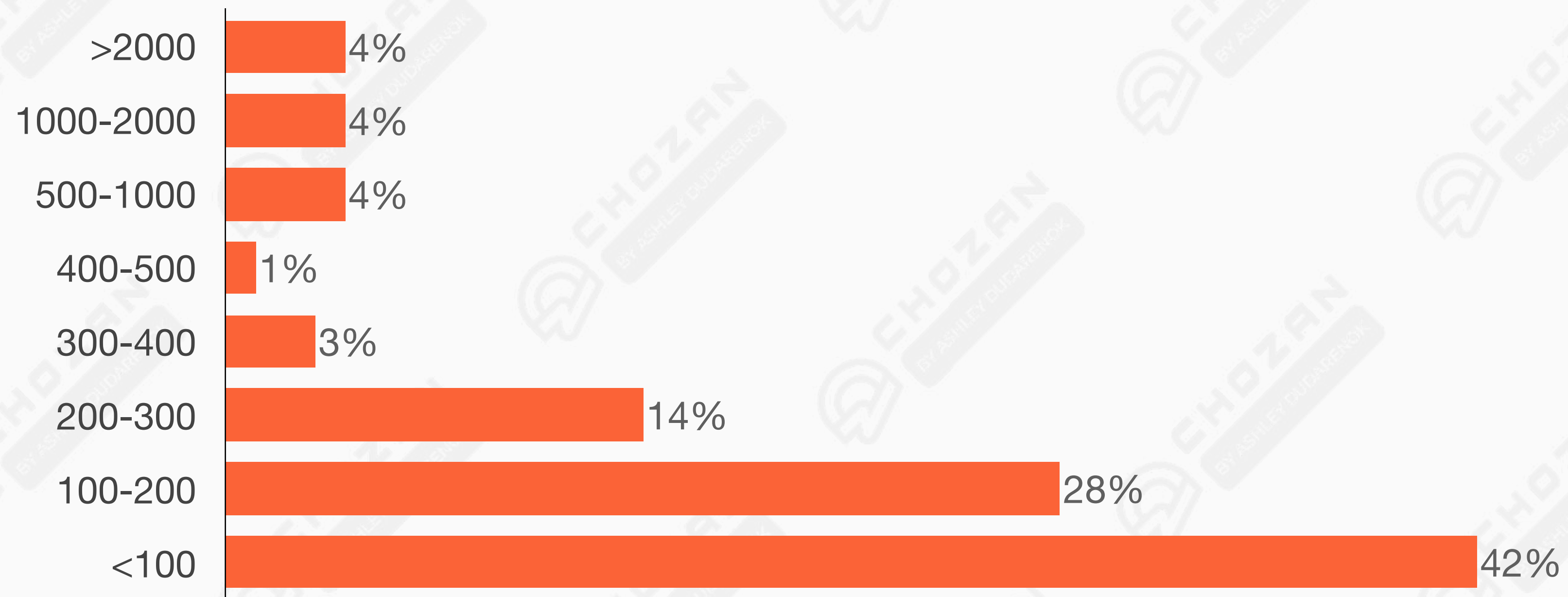
PLATFORMS USED TO WATCH “618” LIVESTREAMS



MAJOR ONLINE SHOPPING FESTIVALS

618 - LIVESTREAMING: DOUYIN UNEXPECTED STAR OF 2020

616-618 DOUYIN LIVE SALES SALES TOP 100 BRAND CUSTOMER UNIT PRICE DISTRIBUTION (RMB)

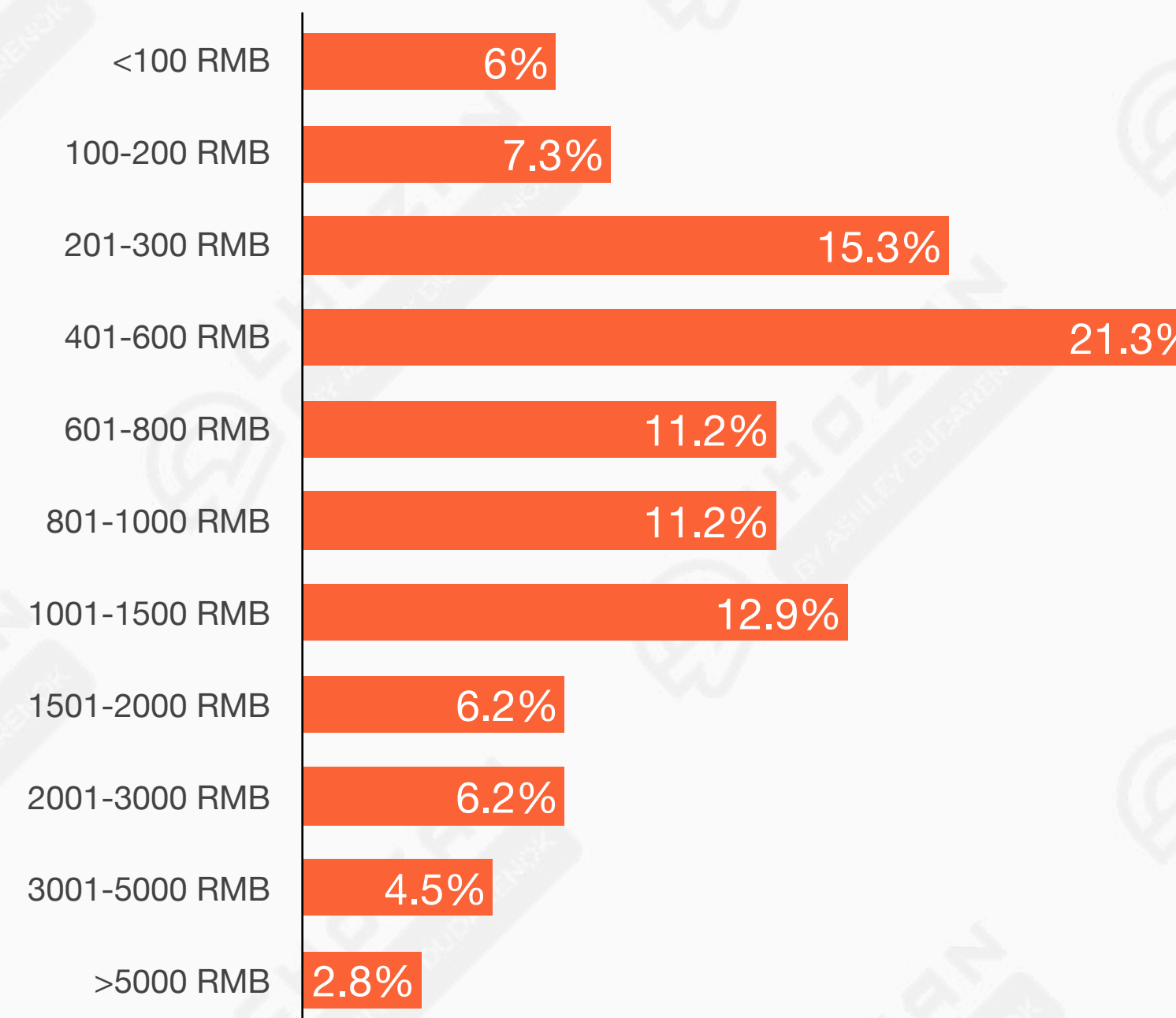


MAJOR ONLINE SHOPPING FESTIVALS

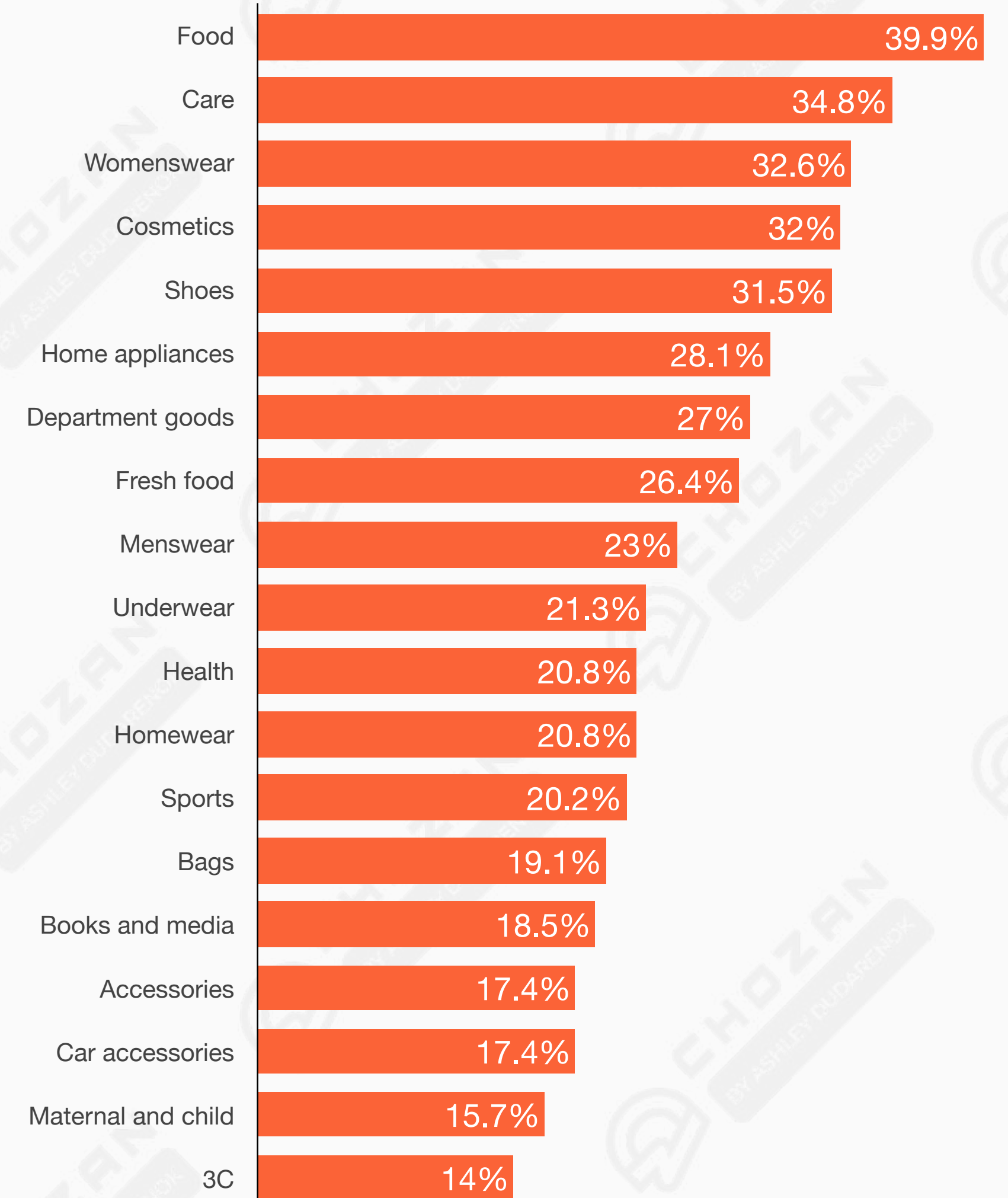
618 - LIVESTREAMING PURCHASES

Food, Care, and Womenswear products were the highest purchased categories from 618 livestreams with 36.6% of user order amounts from livestreams between 201-600 RMB.

**USERS ORDER AMOUNTS
DURING "618" LIVESTREAM**



**TYPES OF PRODUCTS PURCHASED
DURING "618" LIVESTREAM**



MAJOR ONLINE SHOPPING FESTIVALS

618 - LIVESTREAMING OVERVIEW IN 2020

JD.com	Tmall.com
<ul style="list-style-type: none"> - 269.2 billion revenue between June 1-18 on JD - JD livestream reached 100 million revenue in 2 minutes - During JD x Kuaishou special sale on June 16, revenue of influencers such as Zhangyuqi and Xinba reached 1.42 billion - Number of livestreams from JD during June 1-18 reached more than 25 thousand 	<ul style="list-style-type: none"> - 698.2 billion revenue during 618 - Taobao livestreams reached 510 thousand revenue on June 1 - Revenue grew by more than 250% by June 17 - 13 livestreams reached 1 billion revenue - Brands exceeded yearly deals in the first hour of livestreaming - More than 600 CEOs of brands and shops participated in livestreaming

MAJOR ONLINE SHOPPING FESTIVALS

618 - LIVESTREAMING: SHORT-VIDEO SHARING

LIVESTREAMING BROUGHT AMAZING RESULTS TO SHORT VIDEOS PLATFORMS DURING 618



5.1 BILLION+

Taobao livestream GMV

250%

Taobao livestream
GMV growth



14 TIMES

more JD livestream
views daily

21 TIMES

more JD livestreaming
commerce growth



350 MILLION

Douyin stars livestream
GMV

10,000+

numbers of Douyin
livestreams



3.1 BILLION+

Kuaishou stars
livestreams GMV

1.4 BILLION+

numbers of Kuaishou
livestreams during 6.16



140 MILLION

livestreaming record by
Zhoutao during 6.6

390 MILLION

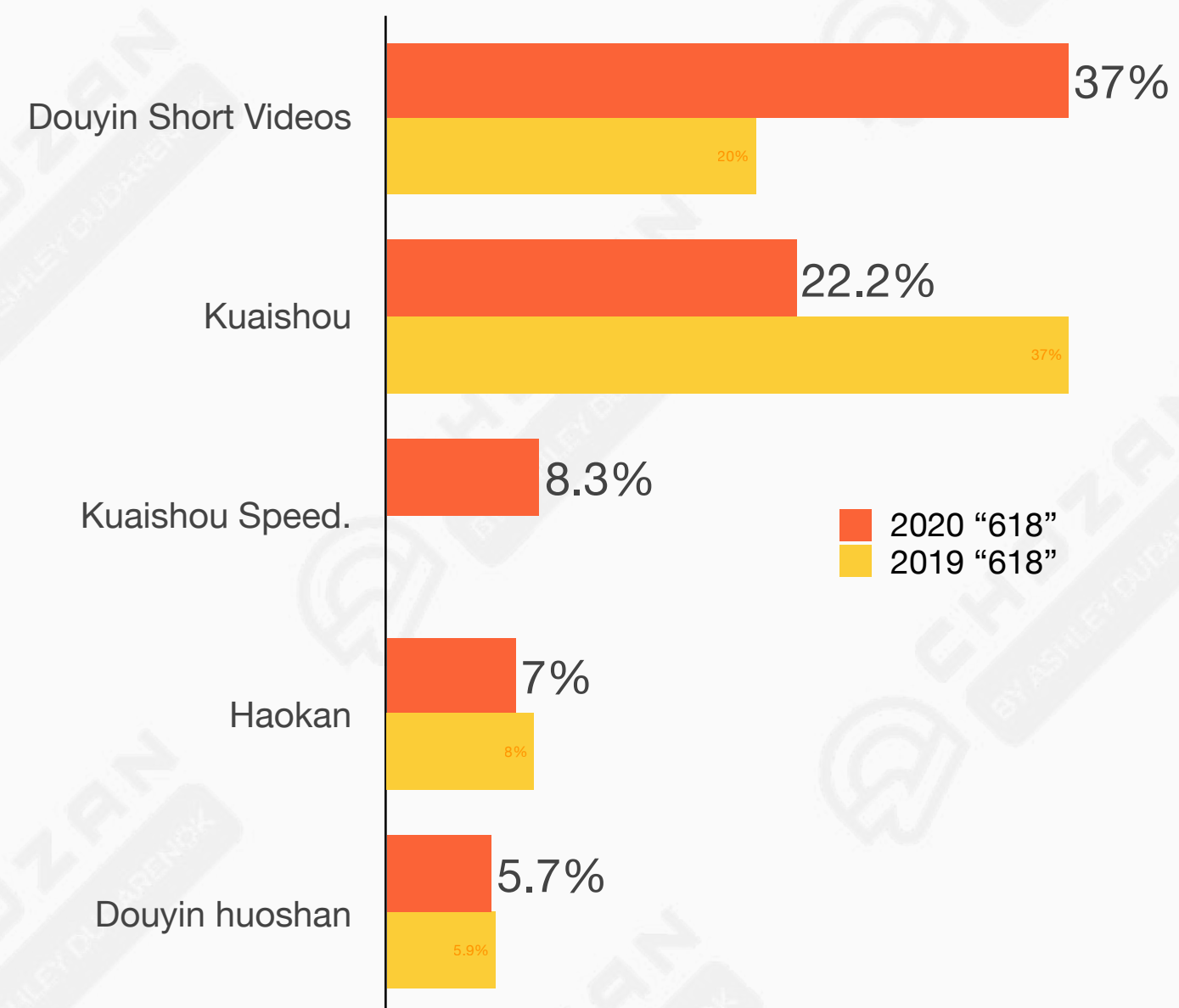
revenue during
Qinhailu's livestream

MAJOR ONLINE SHOPPING FESTIVALS

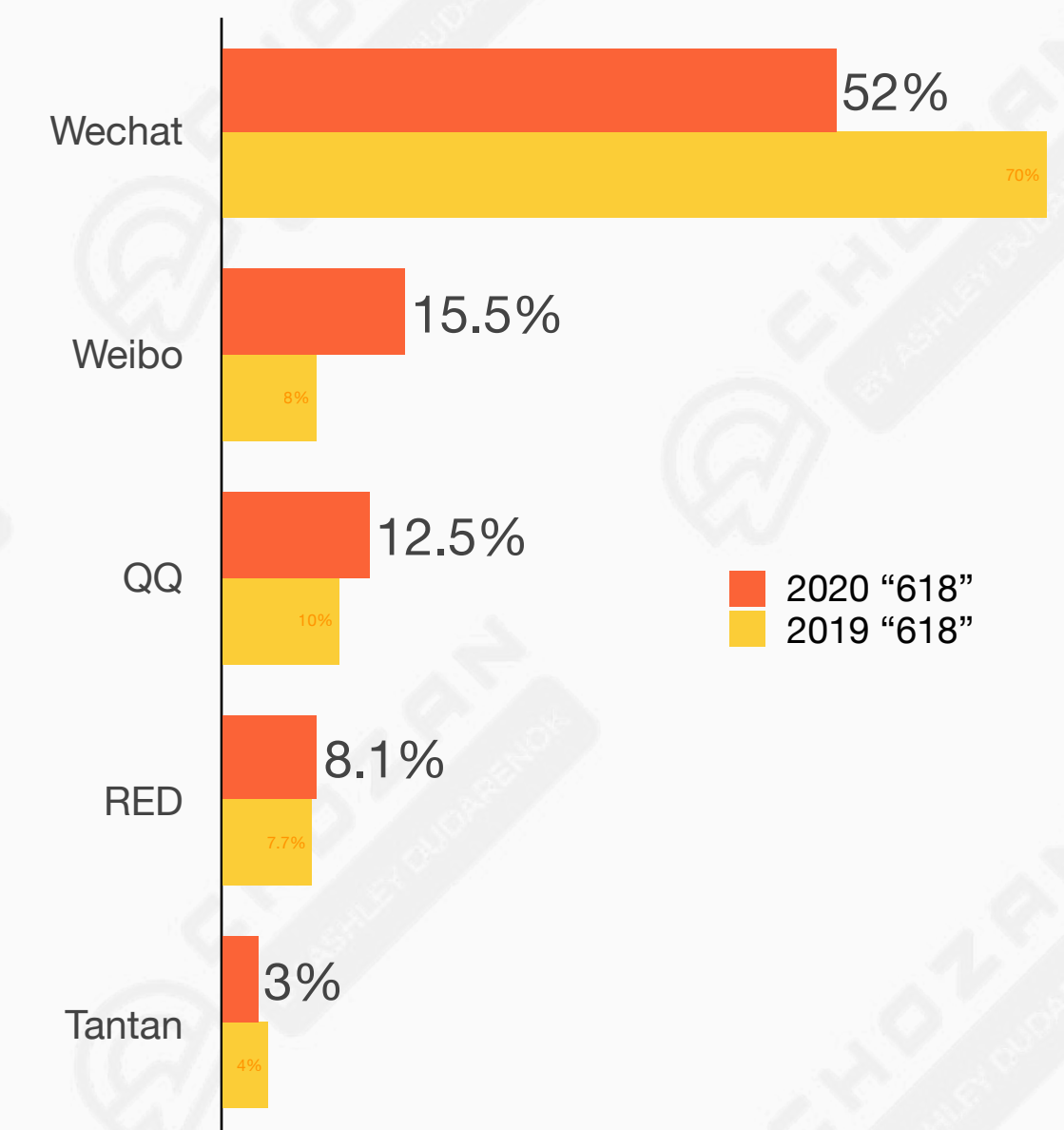
618 - LIVESTREAMING: SHORT-VIDEO SHARING

Social recommendations and Short Videos has become the key to raising the efficiency of the shopping experience.

TOP 5 SHORT VIDEOS APPS DURING
“618” (2020.05.20-2020.06.18)



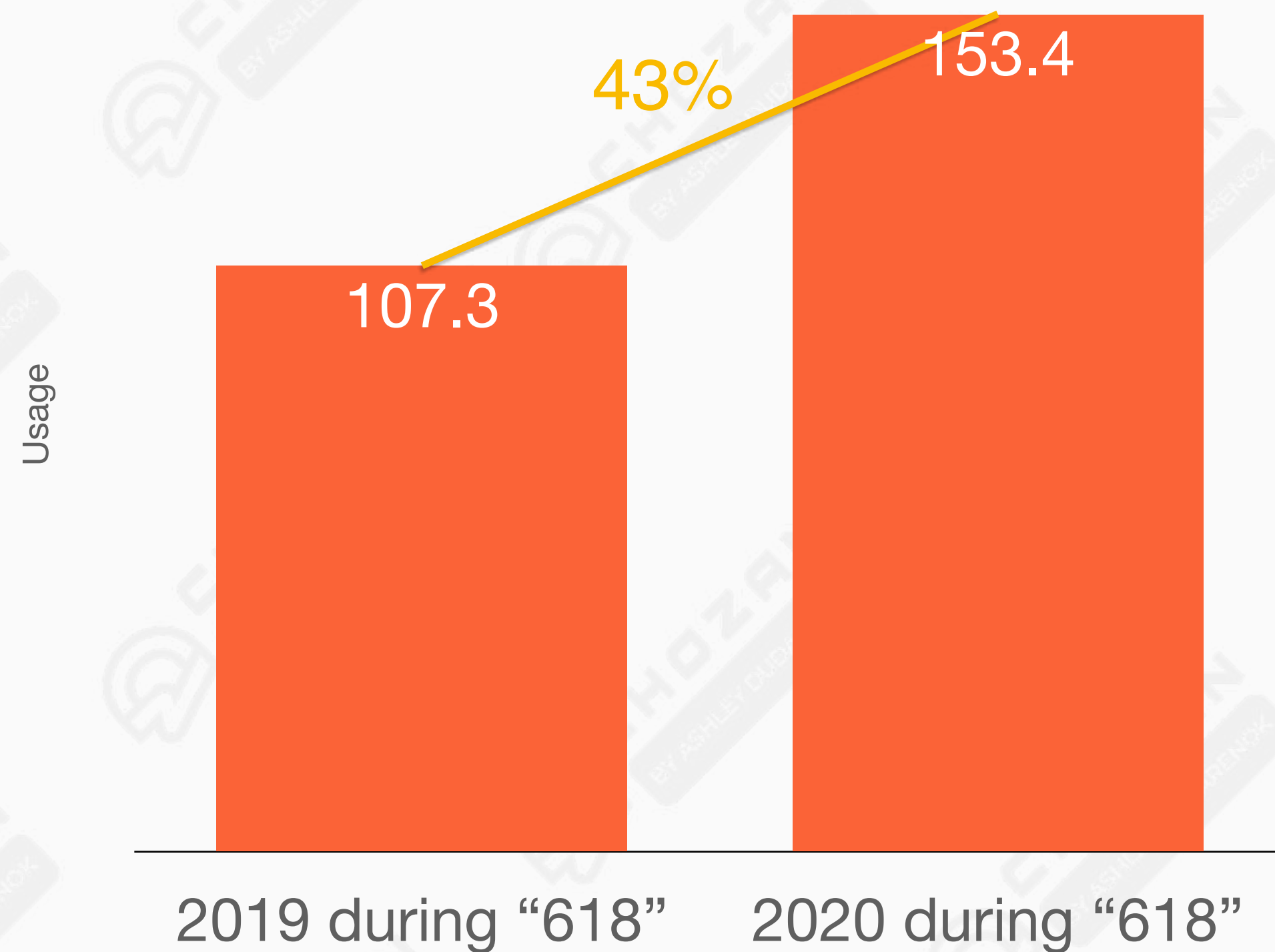
TOP 5 SOCIAL APPS DURING “618”
(2020.05.20-2020.06.18)



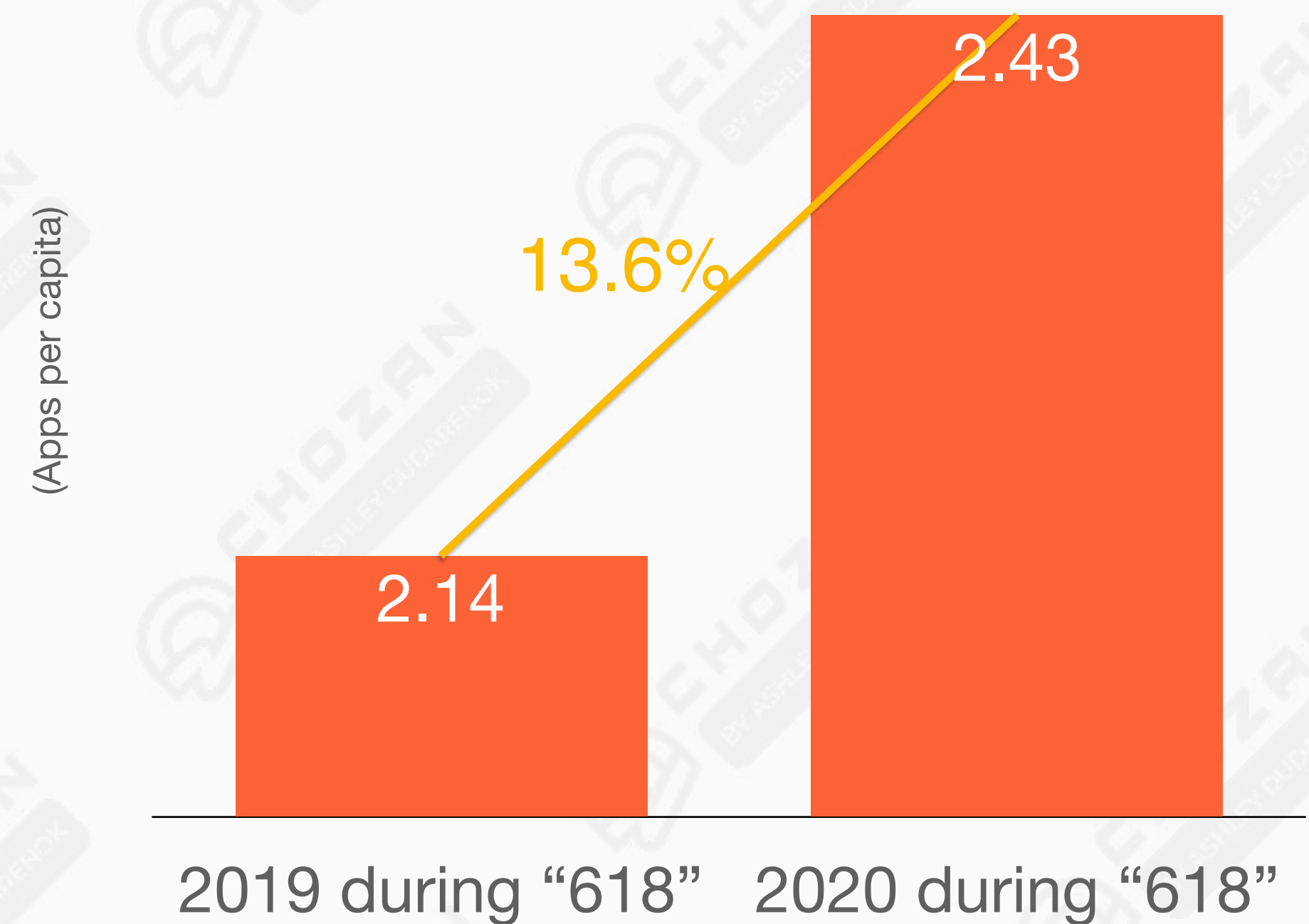
MAJOR ONLINE SHOPPING FESTIVALS

618 - LIVESTREAMING E-COMMERCE VIA MOBILE

PER CAPITA USAGE OF MOBILE SHOPPING APP



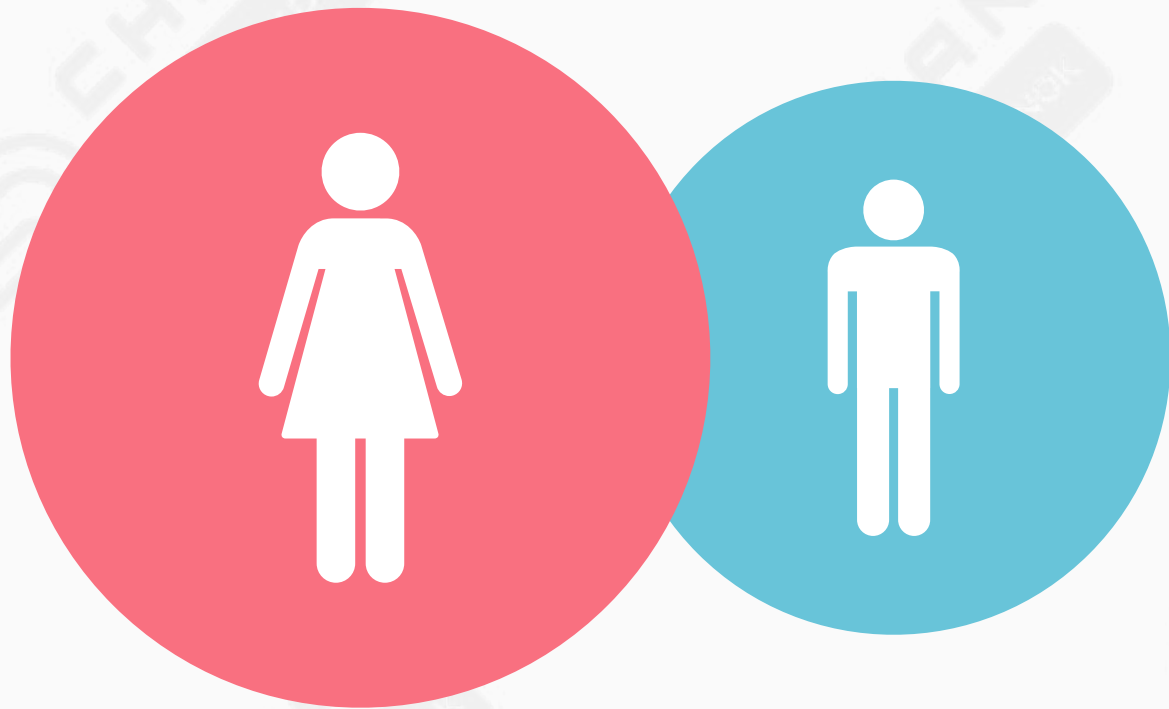
NUMBER OF MOBILE SHOPPING APPS OPENED PER CAPITA



MAJOR ONLINE SHOPPING FESTIVALS

618 - DOUYIN LIVESTREAMER DEMOGRAPHICS

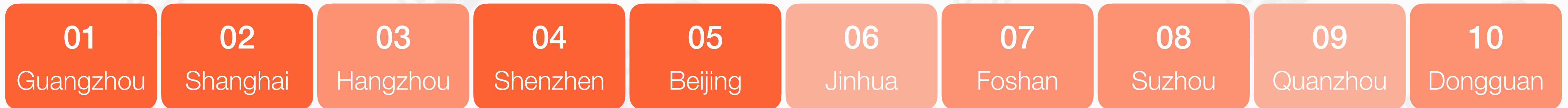
MORE FEMALE DOUYIN LIVESTREAMERS DURING 618



DOUYIN LIVESTREAMERS DURING 618 AMONG CITIES



TOP 10 CITIES WITH MOST DOUYIN LIVESTREAMERS DURING 618



■ Tier 1 cities

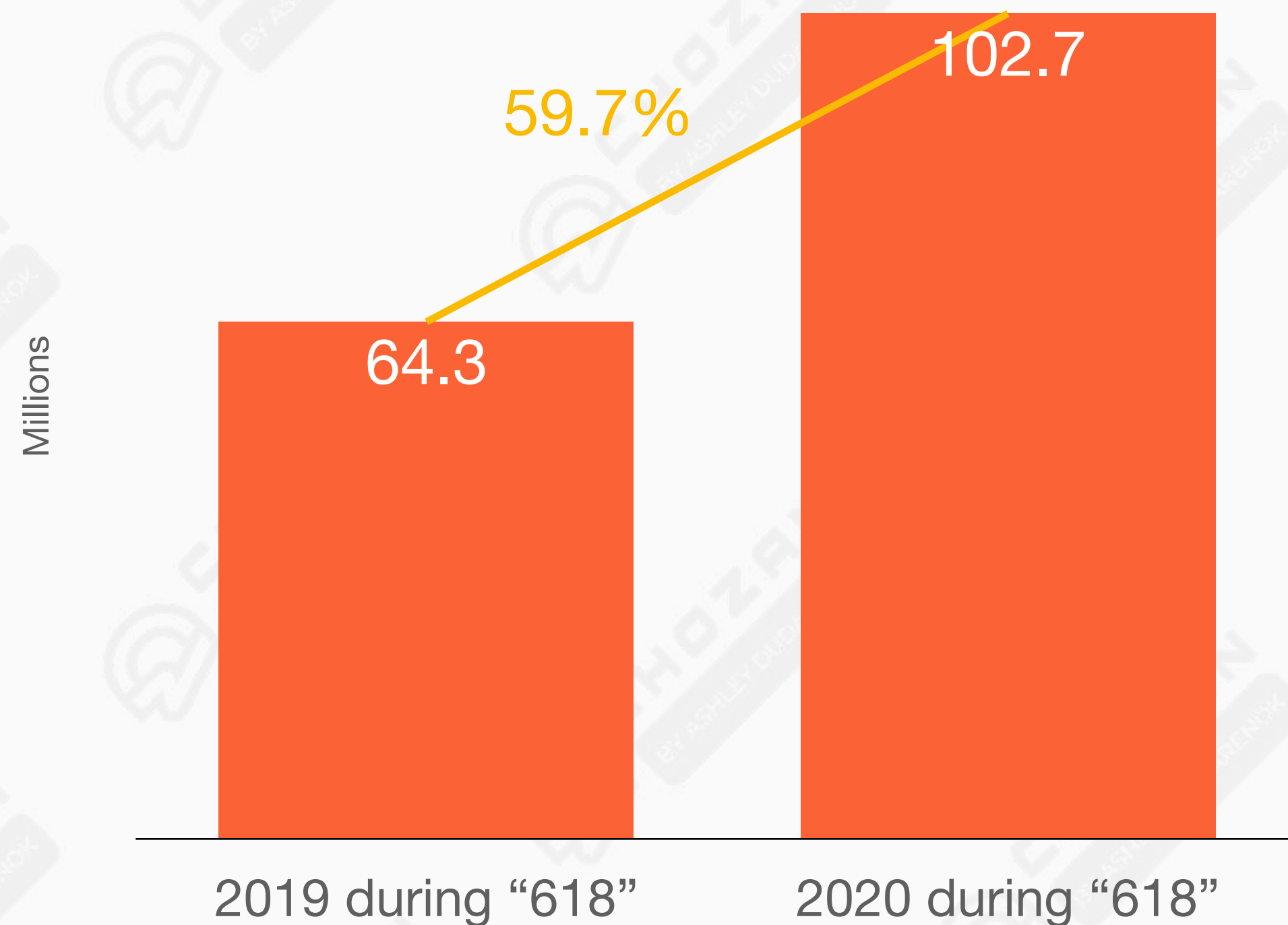
■ New Tier 1 cities

■ Tier 2 cities

MAJOR ONLINE SHOPPING FESTIVALS

618 - LIVESTREAMING: JD.COM

JD & KUAISHOU APP COINCIDES WITH THE USER SCALE



DURING THE "618", JD.COM SOURCES THE TOP5 APP IN THE SHORT VIDEO INDUSTRY



DOUBLE 11

Alibaba's singles' day (or Double 11) is the most popular e-commerce shopping festival in China. It is a day of intense potential for brands and retailers, and enthusiastic involvement by ever growing participants each year. For ALIBABA it is a day for innovation, system potential testing, and future re-adjustment. With pre-sales becoming more profitable in the warm up periods each year, live-streaming will continue to contribute greatly to the market.



MAJOR ONLINE SHOPPING FESTIVALS

DOUBLE 11 - TURNOVER DURING 2020 SINGLES' DAY FESTIVAL

During last year's Double 11, major e-commerce players set new records:

- Tmall - 498 billion RMB in GMV, 85.6% YoY growth
- JD.com - 271 billion RMB in GMV, 32.8% YoY growth

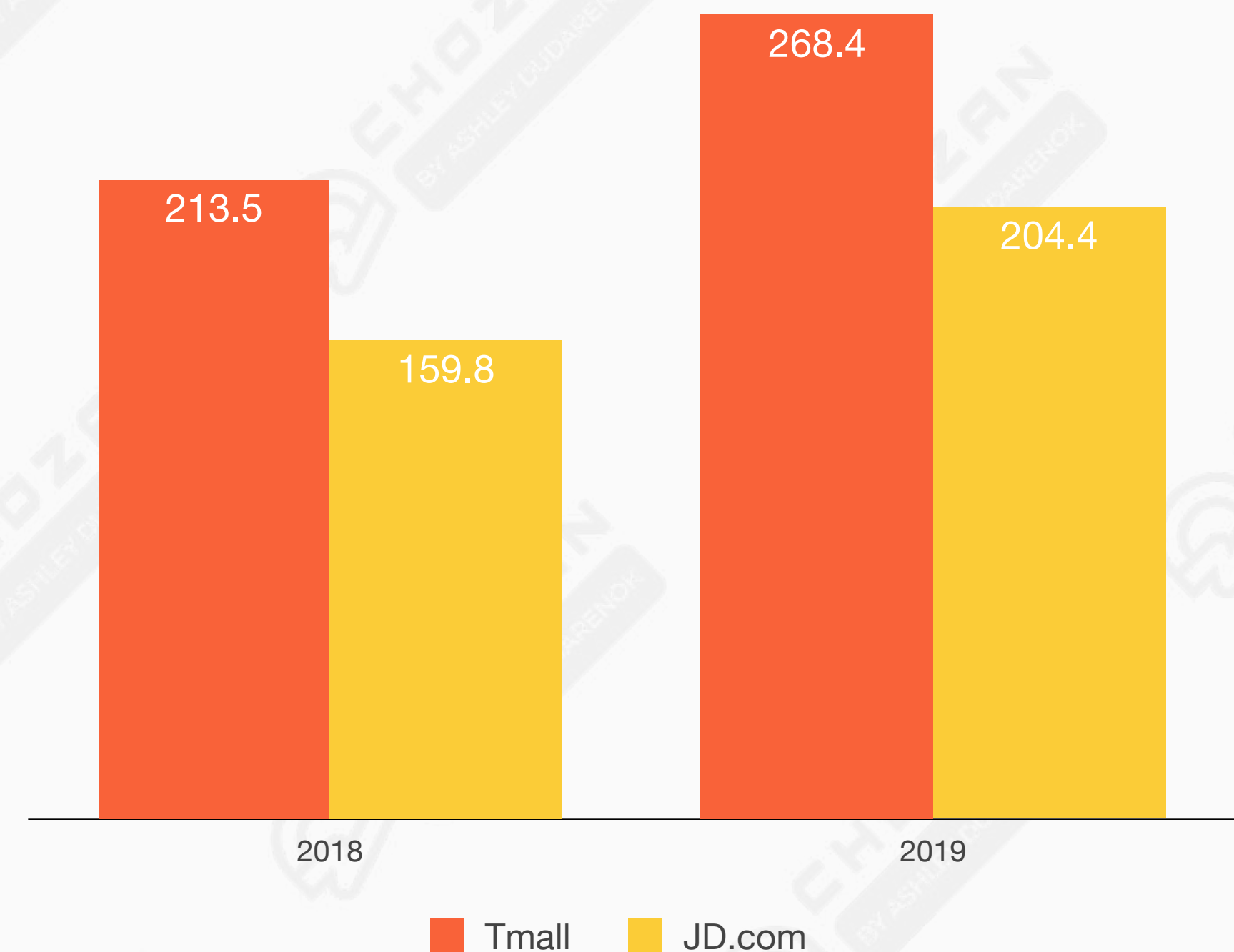


498.2
BILLION
RMB



271.5
BILLION
RMB

**TURNOVER DURING THE SINGLES' DAY FESTIVAL,
2018-2019 (IN BILLIONS RMB)**

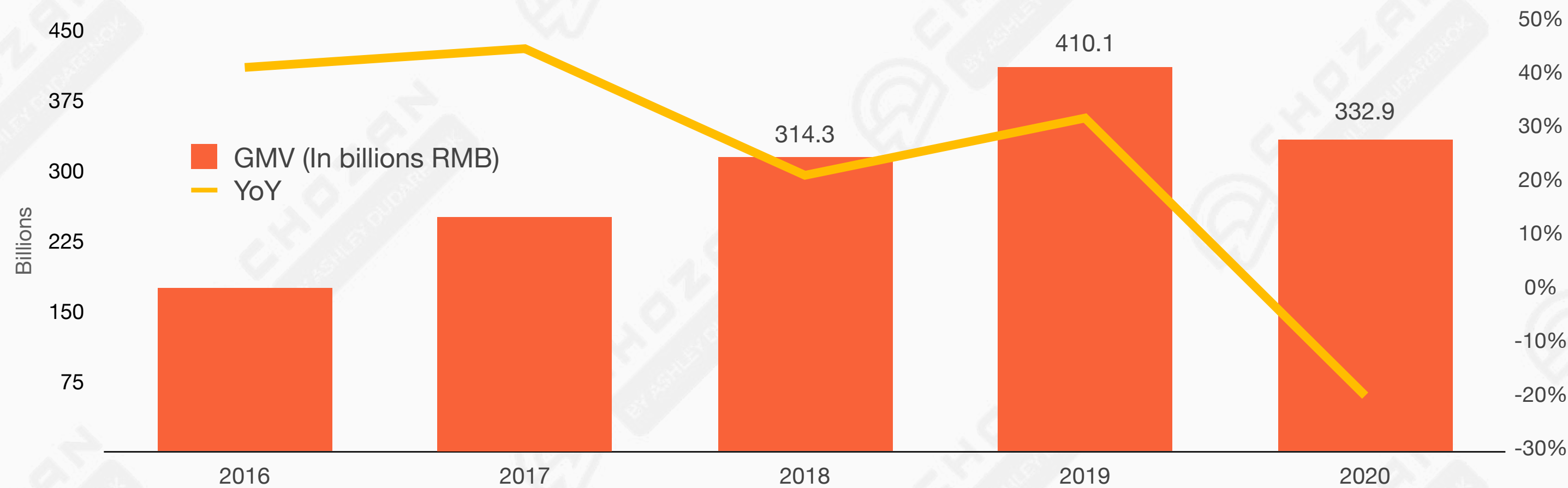


MAJOR ONLINE SHOPPING FESTIVALS

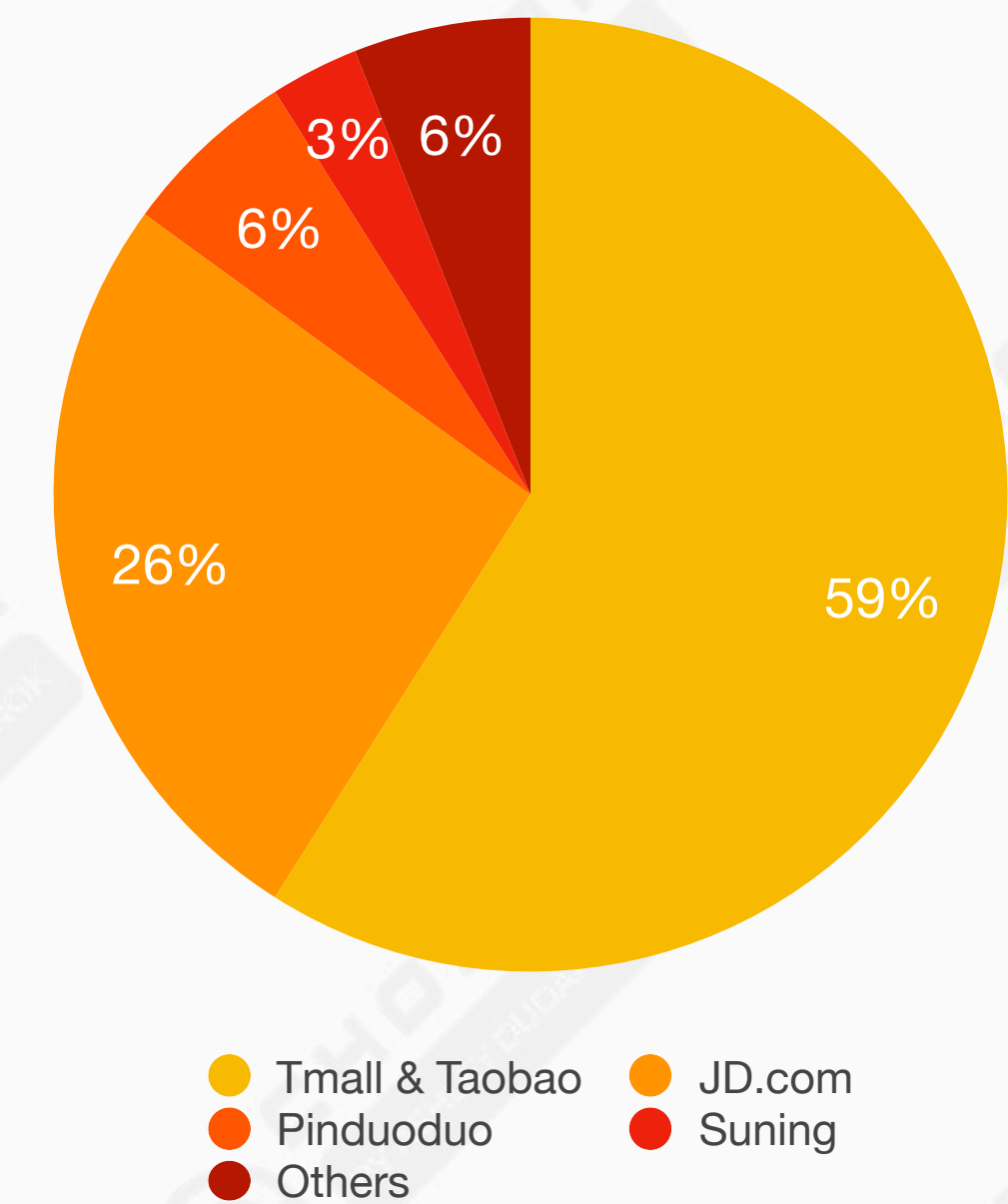
DOUBLE 11 - TURNOVER DURING 2020 SINGLES' DAY FESTIVAL

Last year Singles' Day had a longer shopping period so the one-day sales figures on 11.11 dropped in comparison to previous years.

2016-2020 GMV ON NOV 11TH AND YoY GROWTH



MARKET SHARE AMONG PLATFORMS
DOUBLE 11 2020



MAJOR ONLINE SHOPPING FESTIVALS

DOUBLE 11 - SALES DURING 2020 SINGLES' DAY FESTIVAL



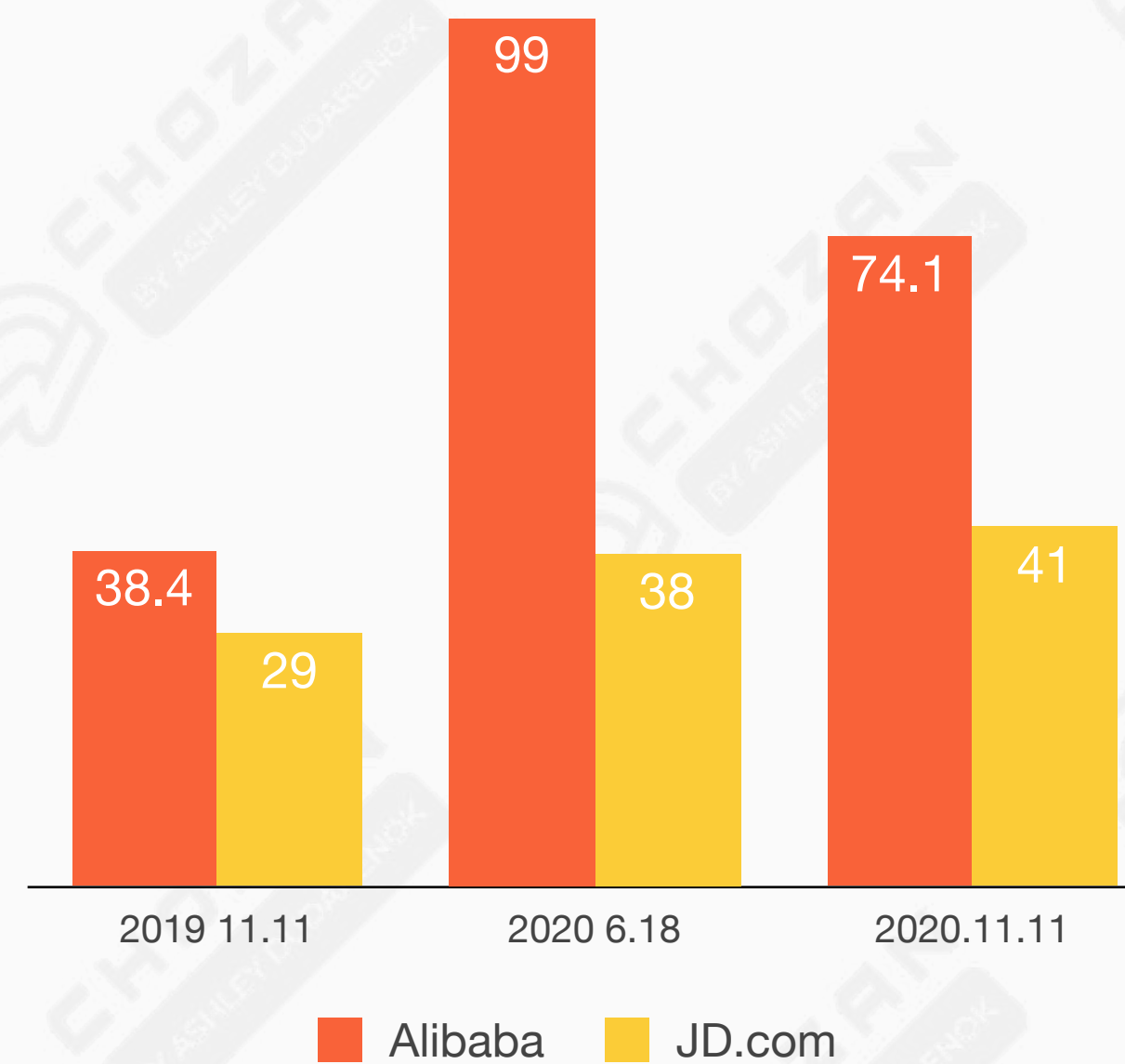
840
MILLION
RMB

TOTAL SALES

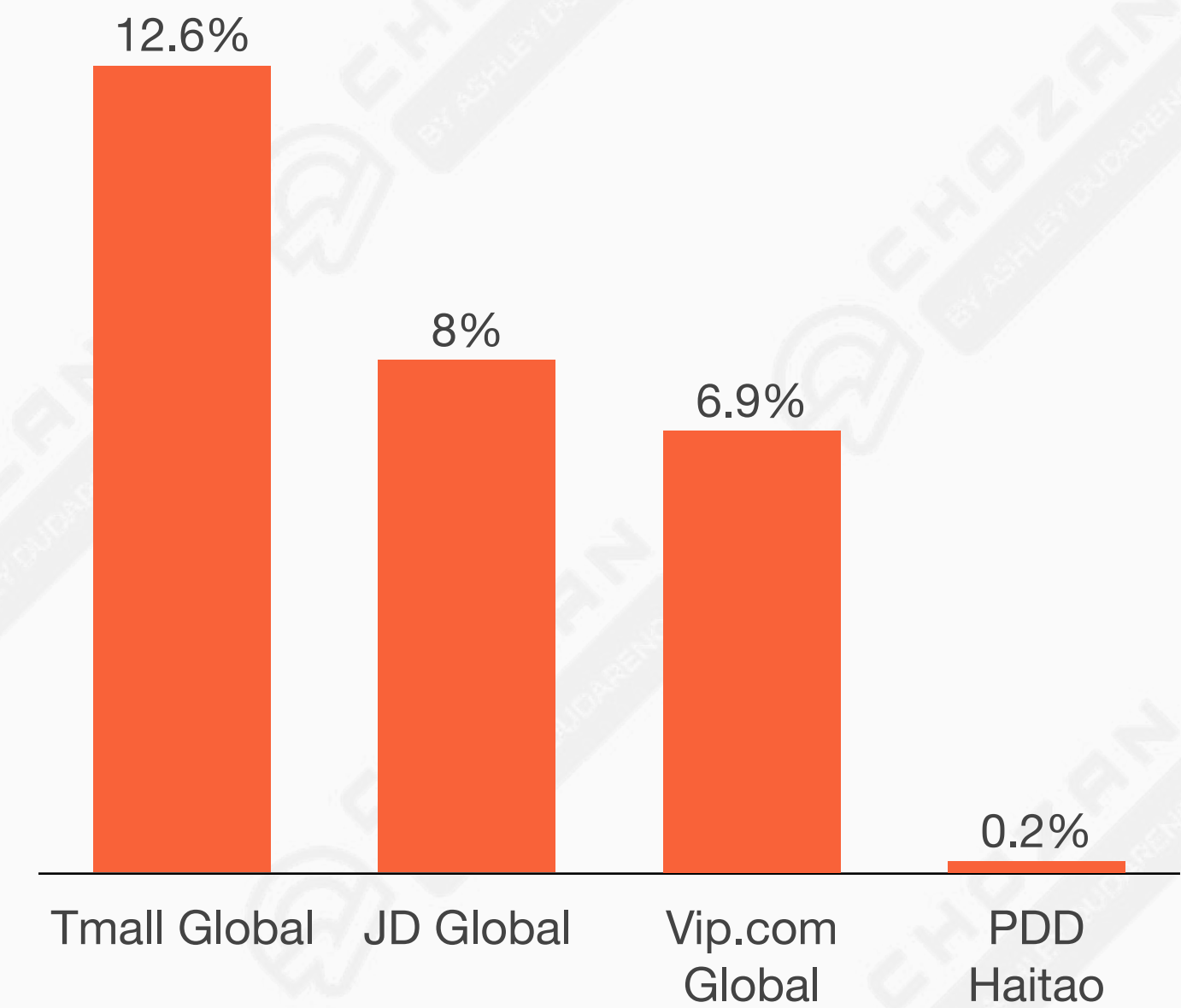


+29%
YOY GROWTH

**BIGGEST ONLINE SHOPPING FESTIVALS BY SALES
(IN BILLIONS, USD)**



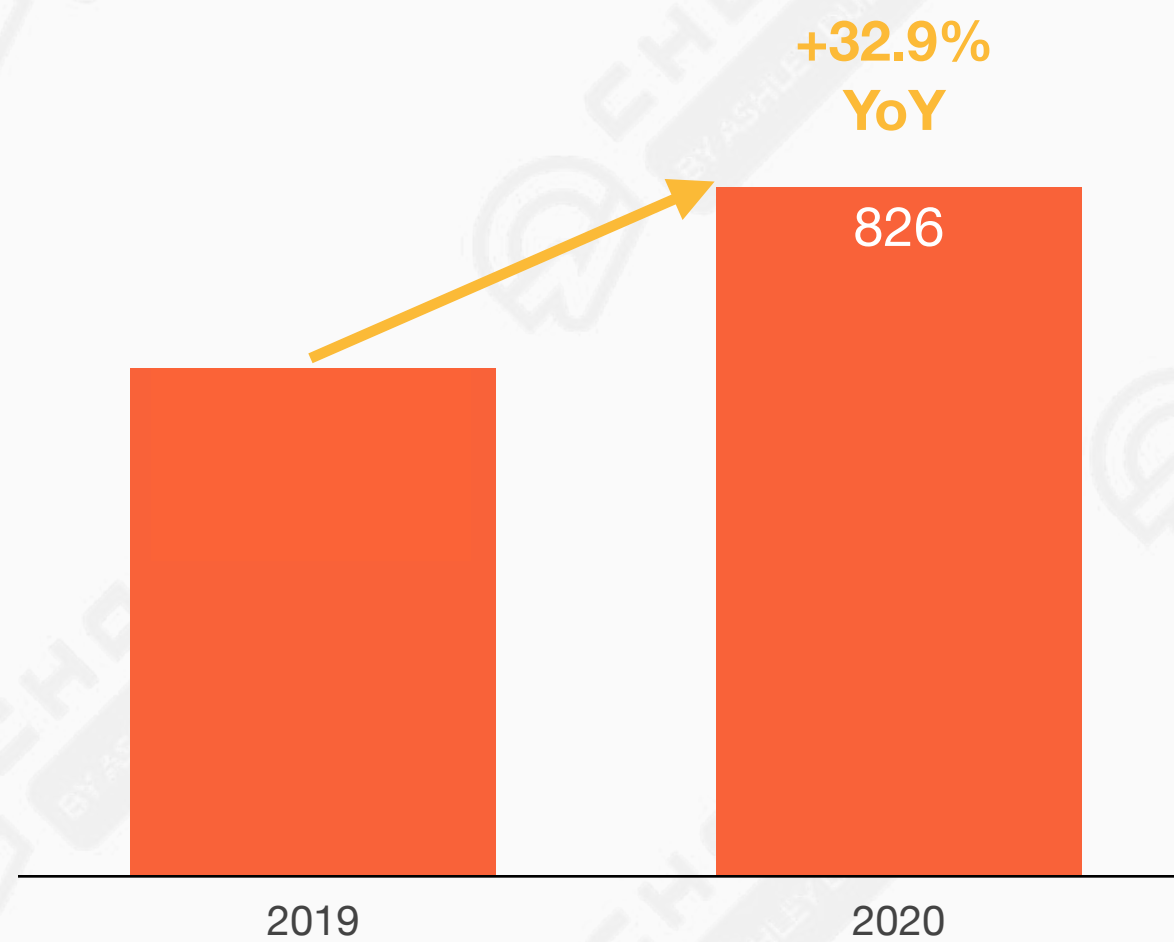
**CROSS-BORDER E-COMMERCE
PLATFORM PORTION OF TOTAL SALES
DURING 11.11**



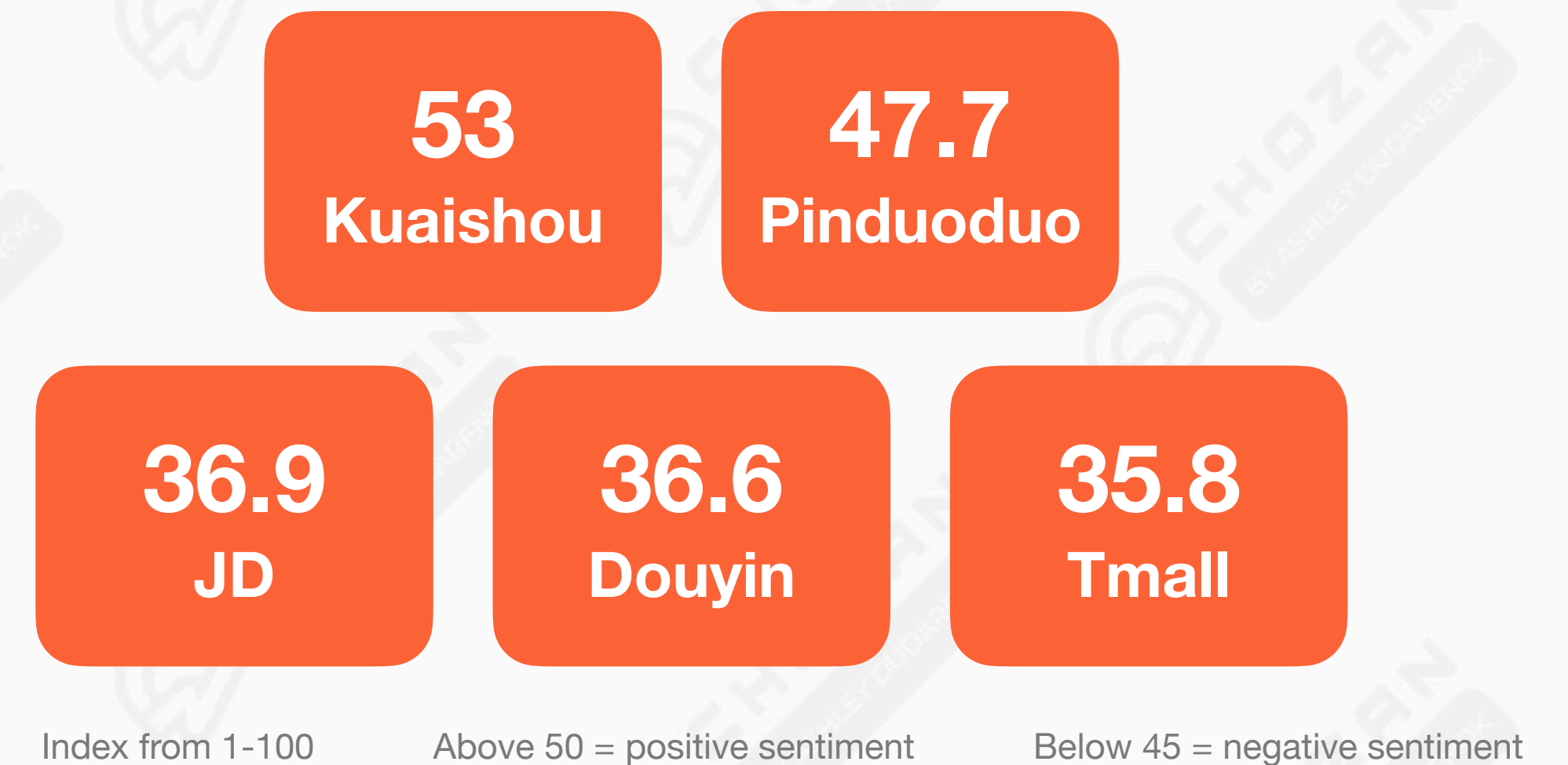
MAJOR ONLINE SHOPPING FESTIVALS

DOUBLE 11 - PARTICIPATION

ACTIVE USERS ON E-COMMERCE DURING DOUBLE 11
2019-2020 (IN MILLIONS)



POSITIVE SENTIMENT TOWARD BIG
PLATFORM PROMOTIONS 11.11 2020



MAJOR ONLINE SHOPPING FESTIVALS

DOUBLE 11 - SALES PERIOD FOR E-COMMERCE PLATFORMS



MAJOR ONLINE SHOPPING FESTIVALS

DOUBLE 11 - SINGLES' DAY RECORDS



TMALL

In 1 hour, more than 1 million smart home devices were sold

On November 1st, over 100 brands exceed 100 million RMB in sales in 2 hours

The number of live-streaming merchants increased by 220%

Over 250,000 brands participated

375 emerging brands became top sellers



JD.COM

JD Plus membership reached 20 million

New JD Plus members increased by 113% YoY on November 1st

JD's international business saw transaction volume increase more than 120% YoY in the first 10 minutes

JD's luxury sales grow 138% YoY on November 1st



SUNING

Suning had sales of 5 billion RMB across all channels 19 minutes after the start of 11.11

It gained 100,000 new Super members in 8 minutes

MAJOR ONLINE SHOPPING FESTIVALS

DOUBLE 11 - TOP INDUSTRIES DURING 11.11

During 2020 the most popular products were home appliances and personal care products.

TOP 10 INDUSTRIES FOR TOTAL SALES

- | | | | |
|----------|-----------------------------|-----------|--------------------|
| 1 | HOME APPLIANCES | 6 | SHOES AND BAGS |
| 2 | MOBILE ELECTRONICS | 7 | FOOD AND BEVERAGE |
| 3 | APPAREL | 8 | OFFICE ELECTRONICS |
| 4 | PERSONAL CARE AND COSMETICS | 9 | BABY TOYS |
| 5 | FURNITURE & DIY | 10 | SPORTS AND OUTDOOR |

TOP 4 INDUSTRIES FOR SALES GROWTH

- | | | |
|---|----------|---------------------------|
|  | 1 | PERSONAL CARE |
|  | 2 | MAKEUP AND COSMETICS |
|  | 3 | COOKING OIL AND SEASONING |
|  | 4 | ALCOHOL |

MAJOR ONLINE SHOPPING FESTIVALS

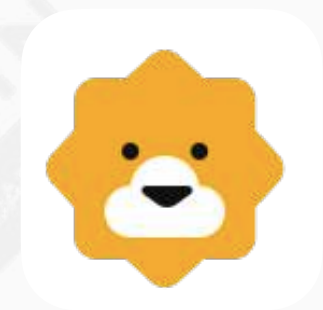
DOUBLE 11 - LIVE-STREAMING DATA

During 2020 Double 11 live-streaming went to the new level.



800 MILLION

RMB IN GMV BY SUPER BUYERS



50,000+

LIVE-STREAMS IN ALL CATEGORIES



70,000+

LIVE-STREAMERS DAILY IN ALL CATEGORIES



1,660 YEARS

WORTH OF TAOBAO LIVE-STREAMING HOURS

60,000+

LIVE-STREAMERS DAILY DURING PRESALE



100,000

LIVE STREAMS WITHOUT KOL SUPPORT

300 MILLION

PEOPLE WATCHED LIVE STREAMS

30+ LIVE ROOMS

EXCEEDED 100 MILLION SALES

+509.34%

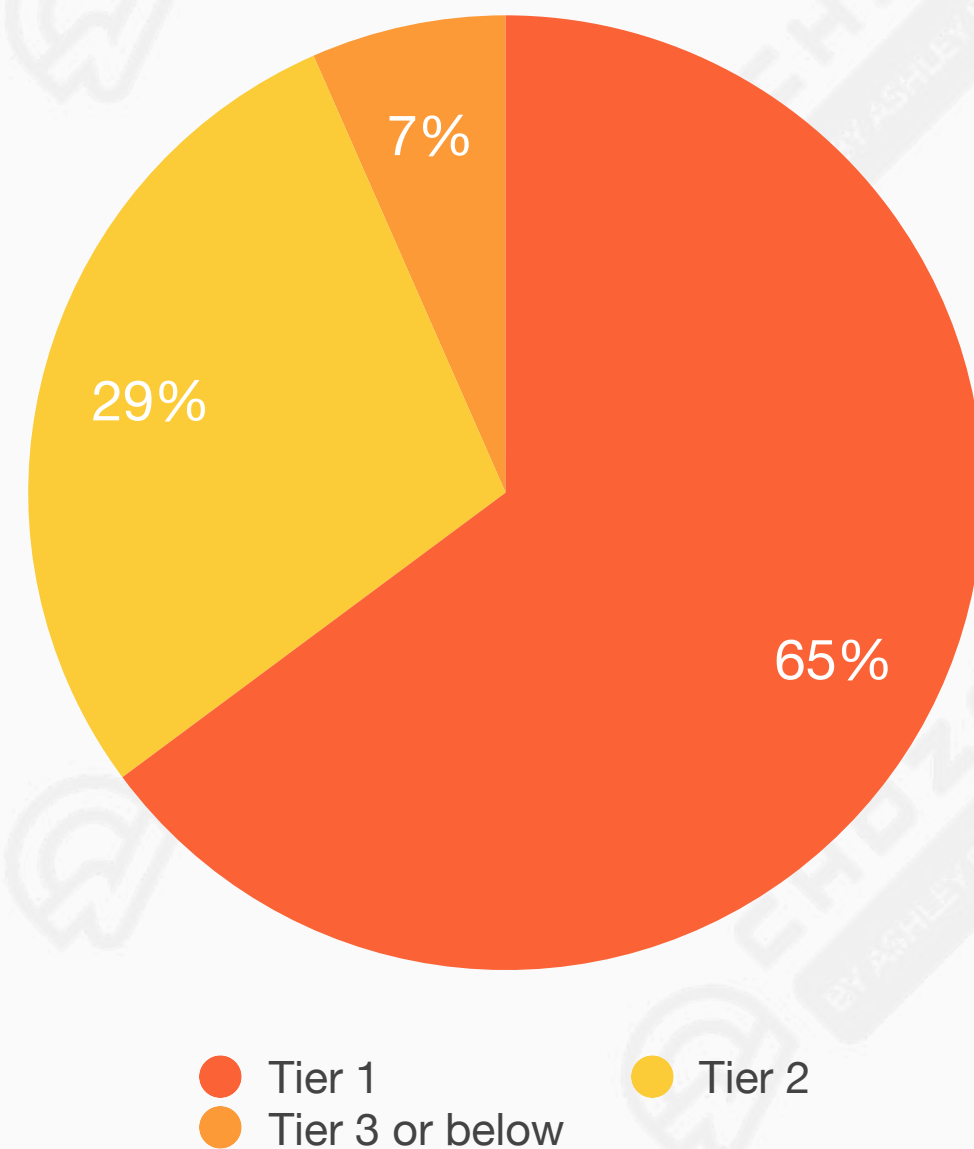
GMV OF STORES OWN LIVESTREAMING

MAJOR ONLINE SHOPPING FESTIVALS

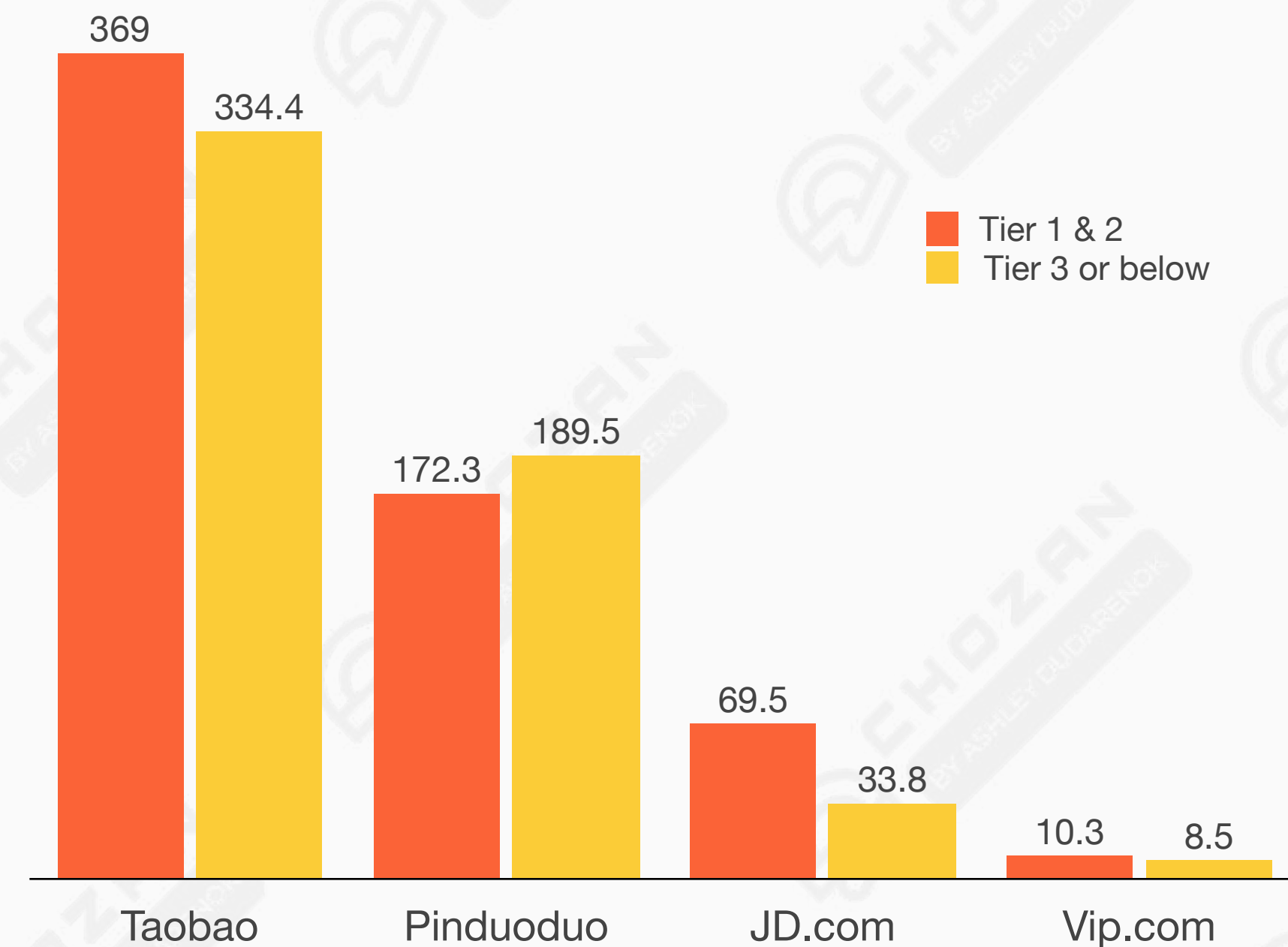
DOUBLE 11 - CONSUMPTION RECOVERY - THE LOWER-TIER MARKET AS A DRIVING FORCE

MAJOR ONLINE SHOPPING FESTIVALS

ACTIVE DOUBLE 11 ONLINE SHOPPERS
BY CITY TIER, 2020



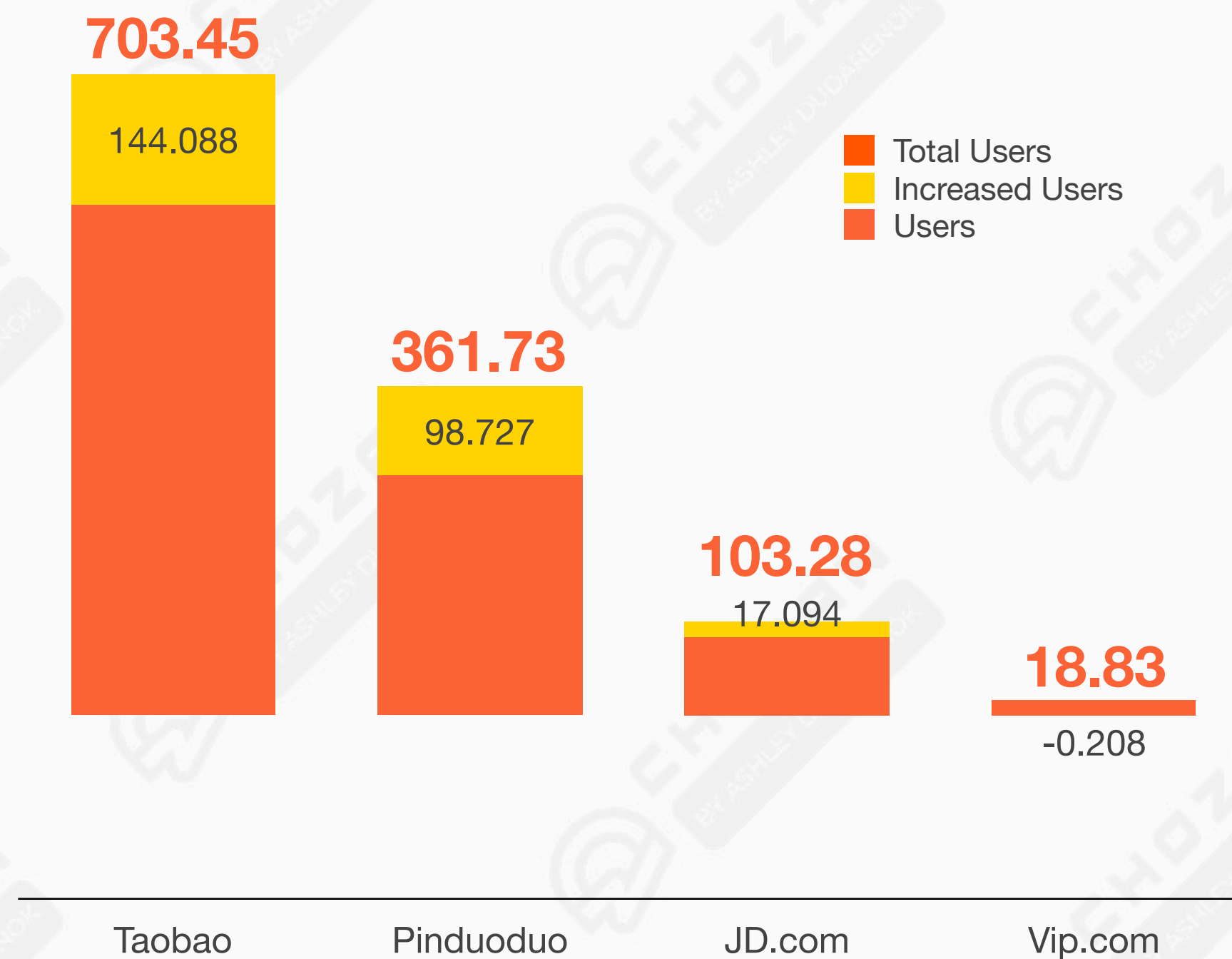
THE DOUBLE 11 ELECTRONICS MARKET BY PLATFORM AND CITY
(IN MILLIONS RMB)



MAJOR ONLINE SHOPPING FESTIVALS

DOUBLE 11 - CONSUMPTION RECOVERY - USER BEHAVIOUR DURING 11.11

INCREASE IN ACTIVE USERS DURING
DOUBLE 11, 2020 (IN MILLIONS)



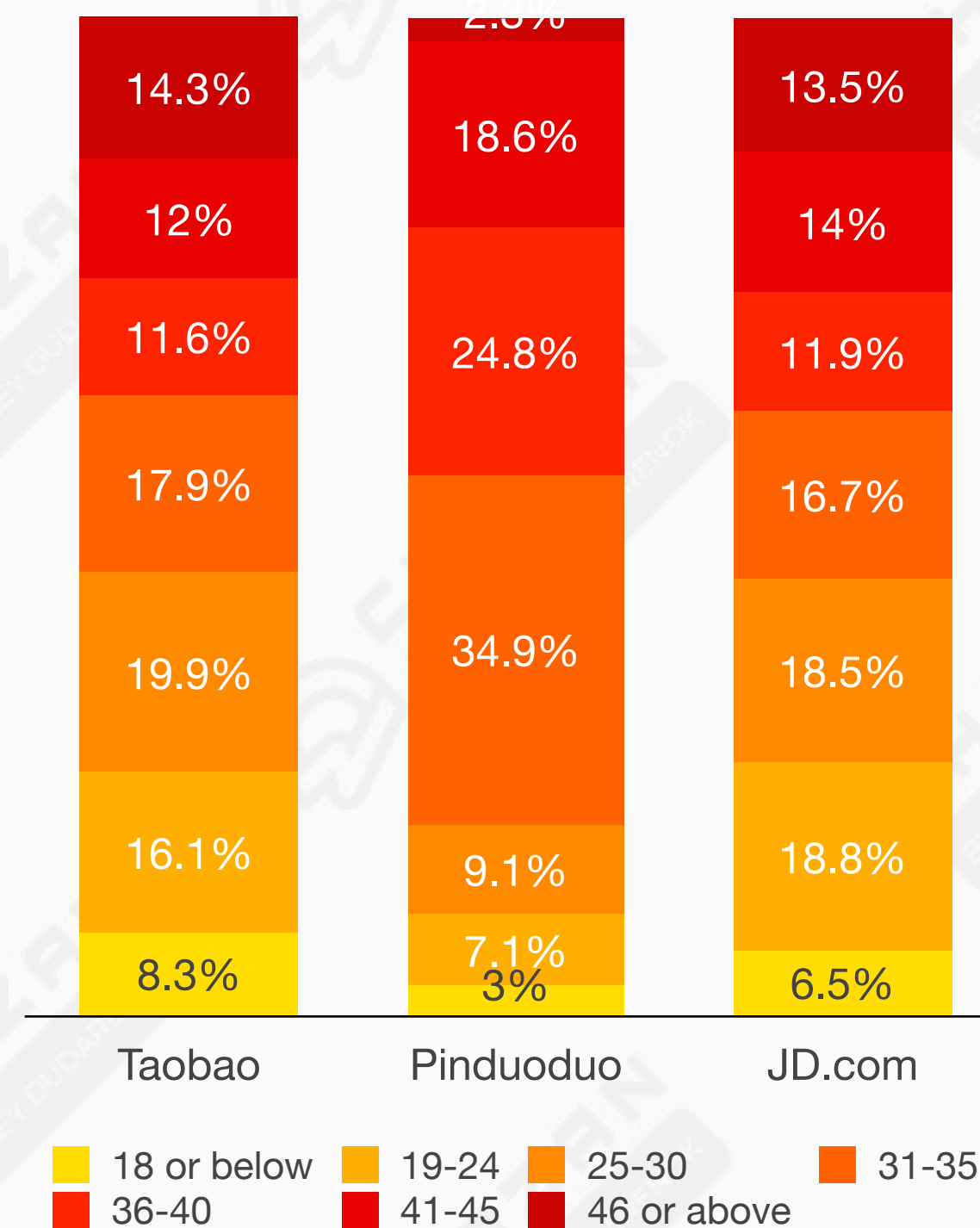
Last year gamification and promotions attracted new users to participate in the shopping festival.

MAJOR ONLINE SHOPPING FESTIVALS

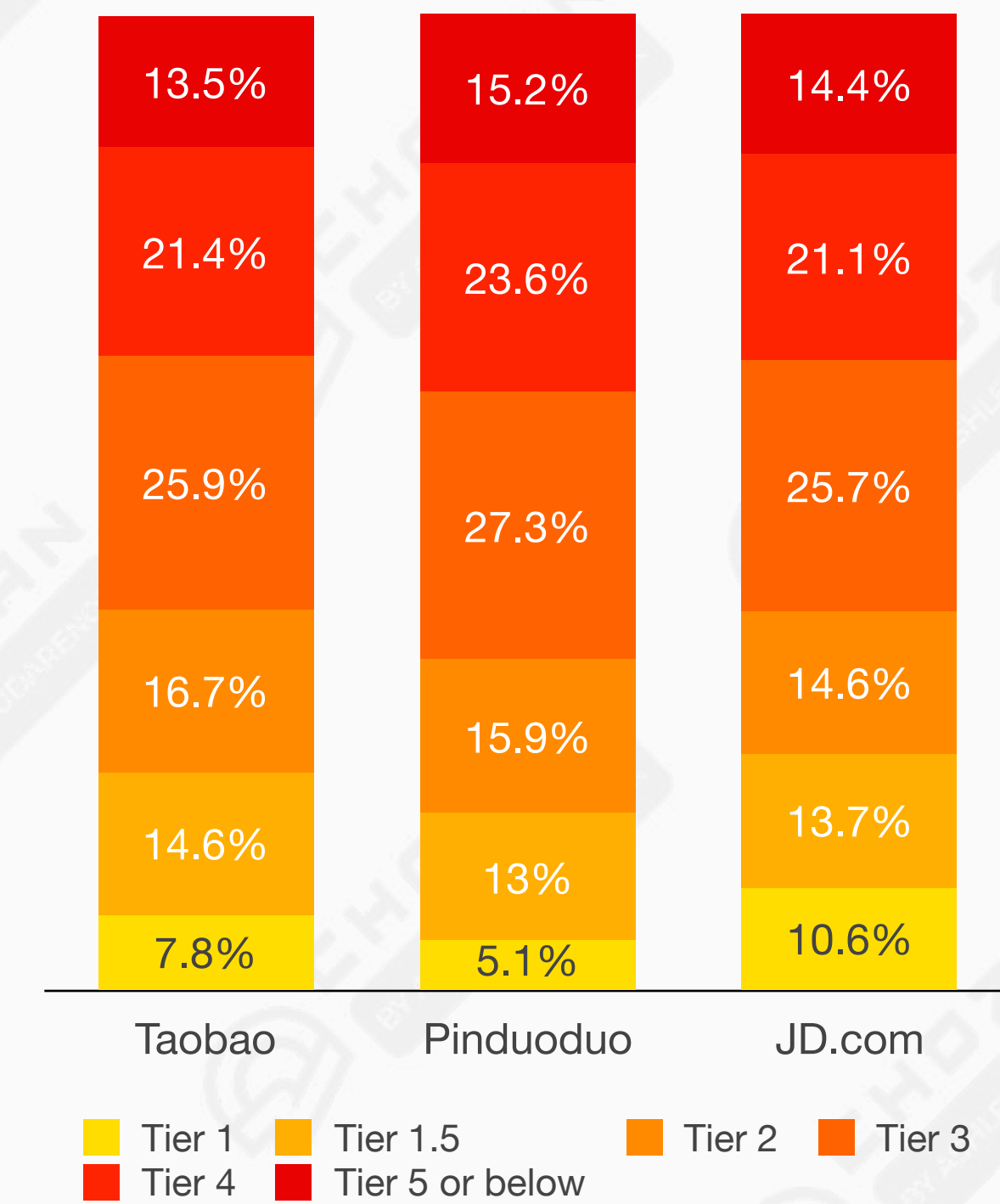
DOUBLE 11 - CONSUMPTION RECOVERY - USER BEHAVIOUR DURING 11.11

NEW APP USERS DURING DOUBLE 11

BY AGE



BY CITY TIER



Lower tier city users are rapidly adopting e-commerce apps.

CNY

Unlike Double 11 and 618, China New Year (or the Spring festival) is predominately a gift giving festival and is China's most important traditional holiday.



EXPERT BITES



MASON KU

Marketing Manager at
Alarice and ChoZan

Q: WHAT TRENDS SURPRISED YOU THIS CNY?

During this year's CNY, lots of platforms and brands adopted more **creative and interactive ways for users to collect digital red packets**. For instance, users on Kuaishou could form teams and collect red packets in a "tug of war" game.

A lot of brands also launched their own red packet covers for users to collect on WeChat. These visually appealing covers could be used when people sent digital red packets to their friends and relatives on WeChat. **Gucci launched its exclusive cover through a limited time lucky draw** which led to lots of discussion on social media and resulted in high brand exposure.

**GOT A QUESTION? DROP MASON AN
EMAIL BY SCANNING THE QR CODE**



EXPERT BITES

Q: WHAT WAS YOUR BIGGEST SURPRISE OR INSIGHT DURING CNY 2021?

I found the juxtaposition of old and new, traditional and modern, nostalgia and novelty more omnipresent this year, especially for Gen Z consumers, who are the fastest growing group of spenders in the Chinese economy. A significant attraction for them, has been novelty and newness, as opposed to utility. But the beginning of the year saw nostalgia, sentimental longing for a past time, classical stories handed down through generations and the return of childhood experiences. **It's like a coping mechanism for us to crave happy memories.**



NISHTHA MEHTA

Founder and Corporate Innovation
Coach at CollabCentral

EXPERT BITES

Q: WHAT WAS YOUR BIGGEST SURPRISE OR INSIGHT DURING CNY 2021?

I didn't expect so many people to stay in big cities and not go back to their hometowns. Travel was down by over 70%. As a result, shopping malls and local attractions were full of people. People flocked to movie theaters in record numbers.

The box office in February broke the 10 billion RMB (\$1.53B US) mark. Since the beginning of 2021, China's takings are estimated at RMB 13.88B (\$2.12B). It's the same as North America for all of 2020!

On the first day of the Lunar New Year alone, more than 34 million people went to the cinema, fueling an unprecedented 1.7 billion RMB (around 260 million USD) in single-day box office takings.



ARTEM ZHDANOV

Founder of LaowaiMe
Cultural Marketing
Agency

EXPERT BITES

Q: WHAT WAS YOUR BIGGEST SURPRISE OR INSIGHT DURING CNY 2021?

China's retail and catering sectors enjoyed a bumper Lunar New Year holiday week.

Staycationing consumers spent a lot, especially on jewellery, as this year's Spring Festival coincided with Valentine's Day on Feb. 14. Jewellery sales jumped by 160.8% from 2020 levels, with sales of flowers, beauty products and communication equipment hitting fresh records.



MARTINA FUCHS

TV Anchor and
Business Journalist

EXPERT BITES

Q: WHAT WAS YOUR BIGGEST SURPRISE OR INSIGHT DURING CNY 2021?

The government was discouraging traveling during CNY 2021, but I was still surprised that travel was down over 70% compared to 2019 numbers. The other pleasant surprise was how it was raining digital red envelopes in China's digital wallets and the fact that China gave away 6 million USD in digital currency (CBDC) in multiple cities during CNY as a test. **CNY 2021 was a confirmation once again of China's strong adaptability.**



PASCAL COPPENS

Partner at nexxworks, author
of *China's New Normal*

CHINESE NEW YEAR

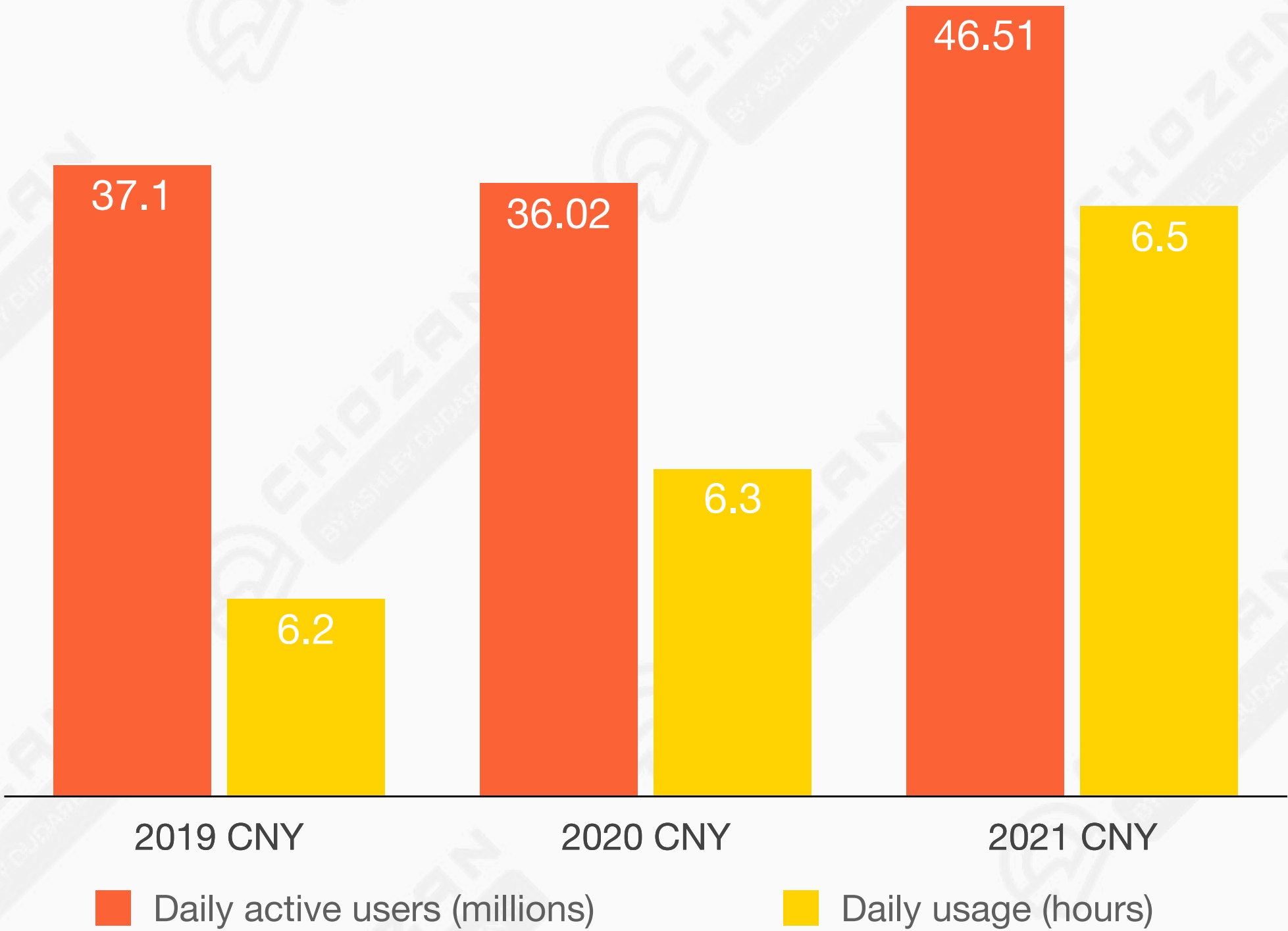
INCREASED USERS AND ACTIVITIES

Number of users during CNY in tier 1 cities continued to rise as the majority of Chinese decides to stay put during this CNY. Therefore platforms are producing more festive content, services and discounts to support the demand of online entertainment and online shopping.

E-COMMERCE ACTIVITIES DURING CNY 2021

		HONGBAO LUCKY DRAW	PREHEAT SALE	DELIVERIES DURING NEW YEAR
TAOBAO			✓	✓
JD.COM			✓	✓
PDD		✓		

TIER 1 CITIES USER PORTRAITS DURING CNY



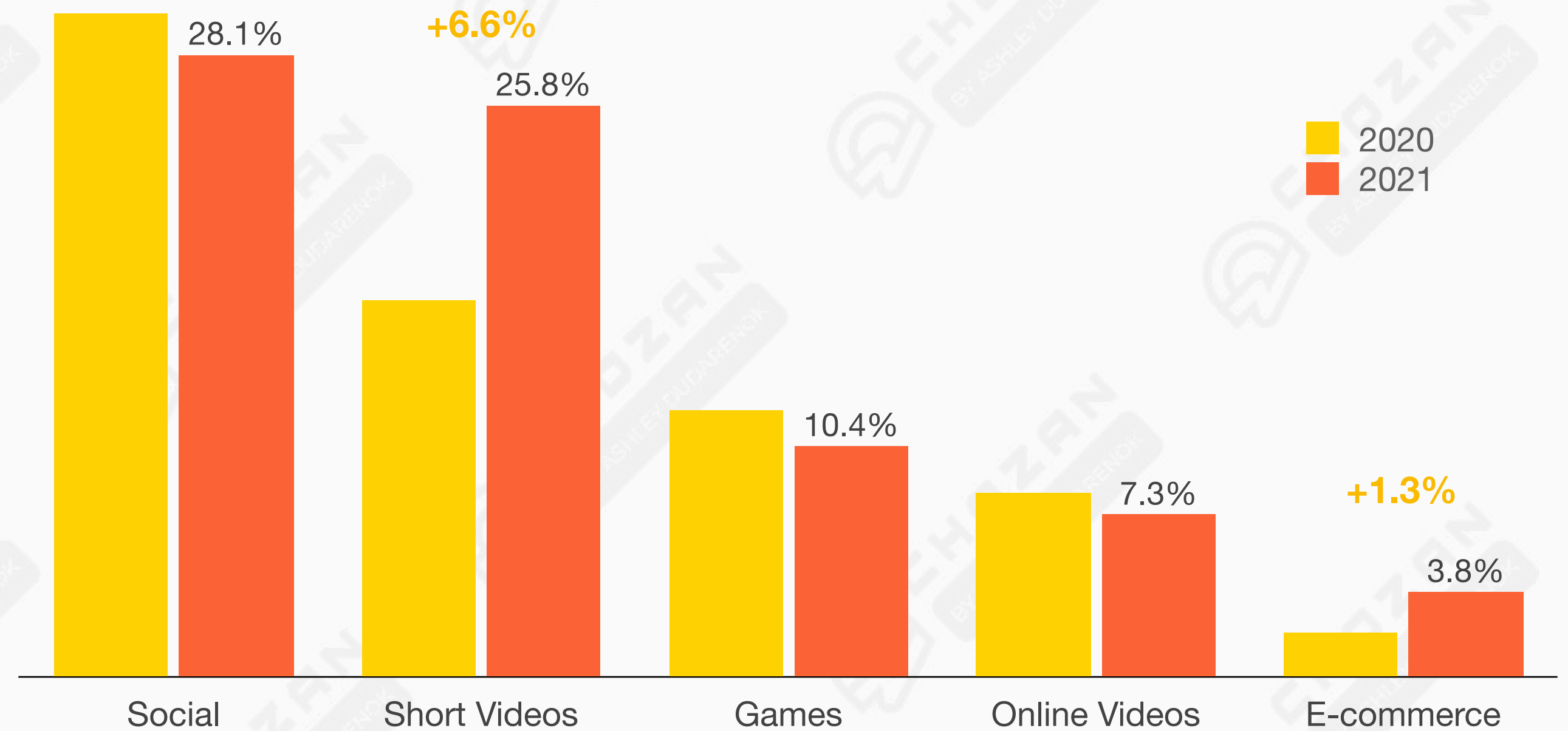
Source: [Quest Mobile, 2021 CNY Report](#)

CHINESE NEW YEAR

INCREASED MOBILE ENTERTAINMENT

The major increase in mobile entertainment usage during CNY are short videos and e-commerce by 6.6% and 1.3% respectively.

INDUSTRIES MOBILE ENTERTAINMENT USAGE DURING CNY

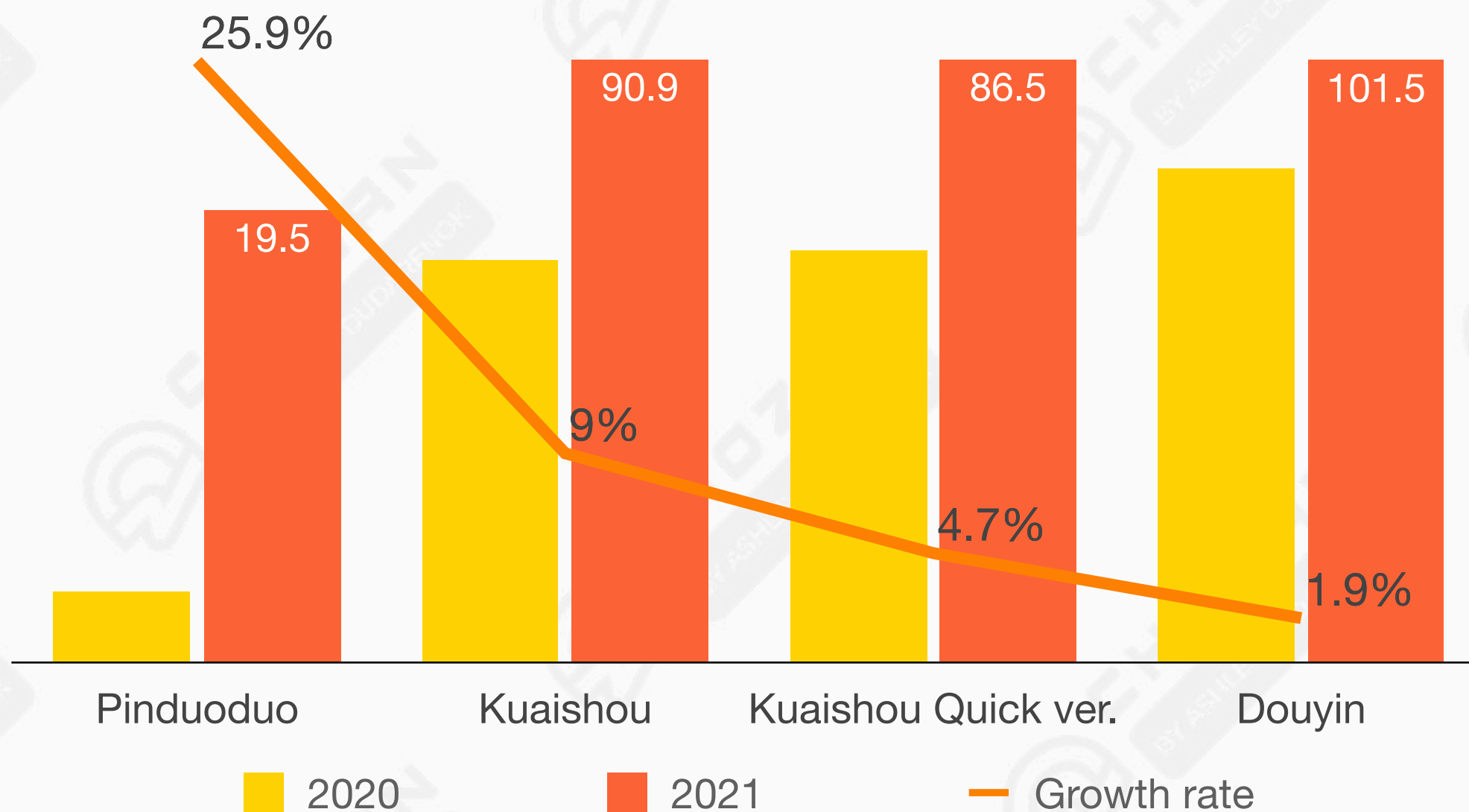


CHINESE NEW YEAR

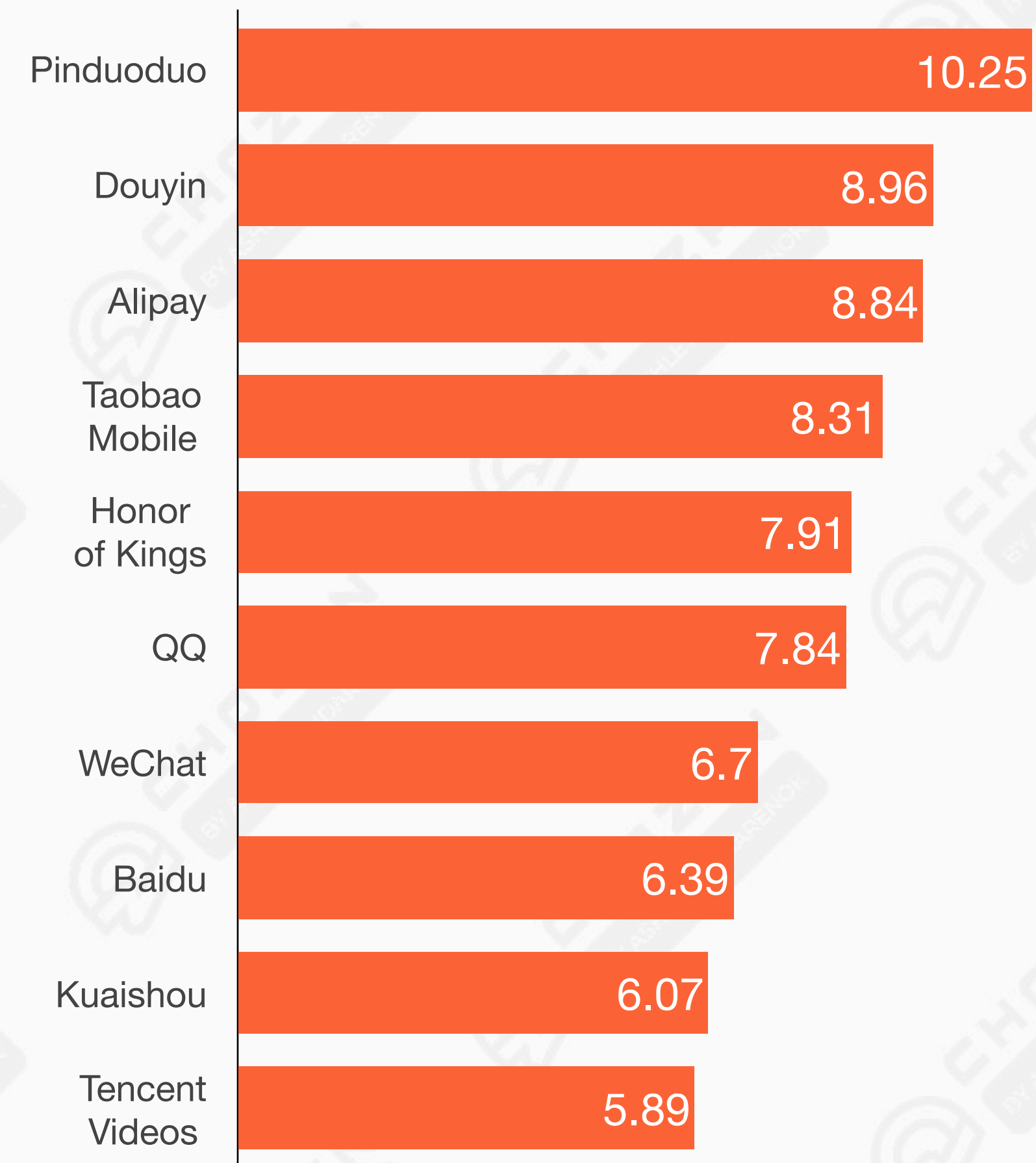
INCREASED MOBILE ENTERTAINMENT

Pinduoduo gained the most new users and increase in app usage during Chinese New Year in 2021, followed by short video apps such as Kuaishou and Douyin.

TOP APPS DAILY USAGE PER USER DURING CNY (MINUTES)



TOP APPS WITH MOST NEW USERS DURING CNY 2021 (IN MILLIONS)



CHINESE NEW YEAR

LESS TRAVELLERS DURING SPRING FESTIVAL

There were 34.8% less travellers during Chinese New Year 2021 compared to 2020 and more than 60% of respondents to a survey decided to stay put this year. Therefore, more Chinese are sending greetings online, increasing number of online Hongbaos being sent.

	MOST HONGBAOS SENT	MOST SHORT VIDEOS CREATED
1	Guangdong	Henan
2	Jiangsu	Jiangsu
3	Zhejiang	Shandong



100 MILLION
CHINESE STAY PUT



98 MILLION
CHINESE TRAVELLED



30 MILLION
WECHAT HONGBAOS SENT

CHINESE NEW YEAR

LOCAL TOURISM

Local tourism is trending this CNY, higher tier cities are becoming hot locations to travel due to more people staying local with travelling.

TOP TRAVEL LOCATION	
1	Hangzhou
2	Shanghai
3	Shenzhen
4	Beijing
5	Chengdu



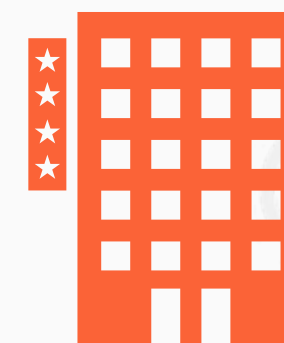
+660%

LOCAL TOUR RESERVATIONS



+180%

LOCAL CAR RENTAL RESERVATIONS



+180%

LOCAL HOTEL RESERVATIONS

CHINESE NEW YEAR

FOOD FOR ONE

Meal for one orders on Meituan has increased 66% YoY during Chinese New Year Eve, more people decides to eat alone at home rather than outside.

 **+66%**
YOY IN MEAL FOR ONE

MOST POPULAR “MEAL FOR ONE” DURING NEW YEAR EVE



1 CRAYFISH



2 DUMPLINGS



3 KUNG PAO
CHICKEN



4 STINKY
MANDARIN FISH



5 BRAISED PORK
KNUCKLES

EXPERT BITES

Q: HOW DO YOU THINK COMMUNITY GROUP BUYING WILL DEVELOP IN Q2?

The strategy focus will start shifting from "scaling up" to "operational efficiency." Community group buying players with low order volumes will be phased out. More investment is required for logistics to improve on-time delivery and the level of product quality when it's delivered. **All major platforms must step up the product quality control as the hot summer is coming. This makes it more demanding to keep groceries fresh and customers satisfied.** In terms of competition, we'll see who wins after the summer.



BRUCE LIU

CEO/CIO of Esoterica Capital and
Portfolio Manager of \$WUGI



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SOCIAL MEDIA

UP-TO-DATE FEATURES OF
DIFFERENT SMM PLATFORMS

EXPERT BITES



JACQUELINE CHAN

Project Director at
Alarice and ChoZan

Q: WHAT'S YOUR ASSESSMENT OF SOCIAL MEDIA DEVELOPMENTS IN Q2 2021?

I still believe in community-building online. In the pandemic era, people need more security, a sense of identity and a sense of belonging.

Community includes interest groups, WeChat groups, member groups, and WeChat Moments pages.

When people constantly see certain images and messages in their WeChat groups and Weibo feed, it affects their emotions and thinking. This effect is amplified in groups and can have a powerful impact.

GOT A QUESTION? DROP JACQUELINE AN EMAIL BY SCANNING THE QR CODE



EXPERT BITES

Q: WHAT ARE YOUR GENERAL MARKETING RECOMMENDATIONS FOR BRANDS IN Q2 2021?

I would say focus more on cause than looks. We have already seen a huge spike in terms of wellness, and sustainability is next. **Connect your brand to something meaningful and valuable to consumers in the Chinese market.**

My next recommendations are to produce **more localized content for China and a more granular communication approach** to connect with your target audience. A one size fits all solution is long gone.



FOLKE ENGHOLM

CEO of Viral Access

EXPERT BITES

Q: WHAT DO YOU THINK BRANDS NEED TO STOP DOING, IN TERMS OF MARKETING AND E-COMMERCE, IN Q2 2021?

I think that brands need to consider limiting the number of digital channels they're actively managing. Most brands have too many channels and aren't focused enough on quality and impact.



CHRIS BAKER

Founder
Totem Media

EXPERT BITES

Q: IN YOUR EXPERIENCE, WHAT'S THE MOST IMPORTANT FACTOR FOR BUILDING AND MANAGING A SUCCESSFUL SOCIAL CRM SYSTEM IN CHINA?

The most important thing is to have a full, inclusive strategy when it comes to data, business intelligence, marketing automation, your loyalty strategy and the different enablers - **WeChat mini programs, apps, websites, social media accounts** and so on. Combining the worlds of branding, marketing, data and tech with the clear goal of learning every day what your existing and future followers are looking for will generate impact, bring additional revenue and make brands relevant.




AURELIEN RIGART

Co-founder and VP,
IT Consultis



SOCIAL MEDIA

OVERVIEW - PLATFORMS AT A GLANCE

	<div> Weibo</div>	<div> WeChat</div>
Platform type	Social media	Social platform
Content production characteristics	Text, pictures, videos, etc.	Voice, text, picture, video, etc.
Product presentation format	Waterfall interface	/
Content recommendation mechanism	Distribution based on social and interest	Based on social and content Based on location
Strong content categories	Entertainment, stars, social intelligence information	Knowledge and life



SOCIAL MEDIA

OVERVIEW - PLATFORMS AT A GLANCE

	 Douyin	 Kuaishou
Platform type	Short video platform	Short video platform
Content production characteristics	Short video: 15 seconds to 1 minute Long video: within 5 minutes, within 15 minutes Transition from UGC to PUGC, PGC	Short video: 11 - 57 seconds, within 5 minutes Long video: within 10 minutes Transition from UGC to PUGC, PGC
Product presentation format	Single split + auto play (information flow interface) Vertical screen	Double column + click to play (waterfall interface) Vertical screen
Content recommendation mechanism	Based on content quality distribution	Distribution based on social and interest
Latest DAU	400 million +	300 million +
Strong content categories	Strong media attributes	Strong community attributes



SOCIAL MEDIA

OVERVIEW - PLATFORMS AT A GLANCE

	<div>Bilibili</div>	<div>Xigua</div>
Platform type	Comprehensive video community	PUGC video platform
Content production characteristics	PUGC-based Long video mainly	PUGC-based Long video mainly
Product presentation format	Click to play (Waterfall interface) Landscape-oriented	Click to play (Waterfall interface) Horizontal screen + Vertical screen
Content recommendation mechanism	Distribution based on social and interest	Distribution based on content and interests
Strong content categories	Two-dimensional, knowledge	Beachcombing, film and television variety shows

SOCIAL MEDIA

OVERVIEW - PLATFORMS AT A GLANCE

	 Haokan	 Xiaohongshu
Platform type	Short video platform	Life sharing community
Content production characteristics	PUGC-based Mainly knowledge-based content	Graphic, short video (within 5 minutes) UGC, PUGC mainly
Product presentation format	Content aggregation square, click to play	Waterfall interface
Content recommendation mechanism	Horizontal screen + vertical screen	Distribution based on content and interests
Strong content categories	Knowledge, positive energy	Beauty, fashion

Source: [CBNData, Content Development for Short Videos, 2020](#)

SOCIAL MEDIA

OVERVIEW - DEVELOPMENT OF MINI PROGRAMS

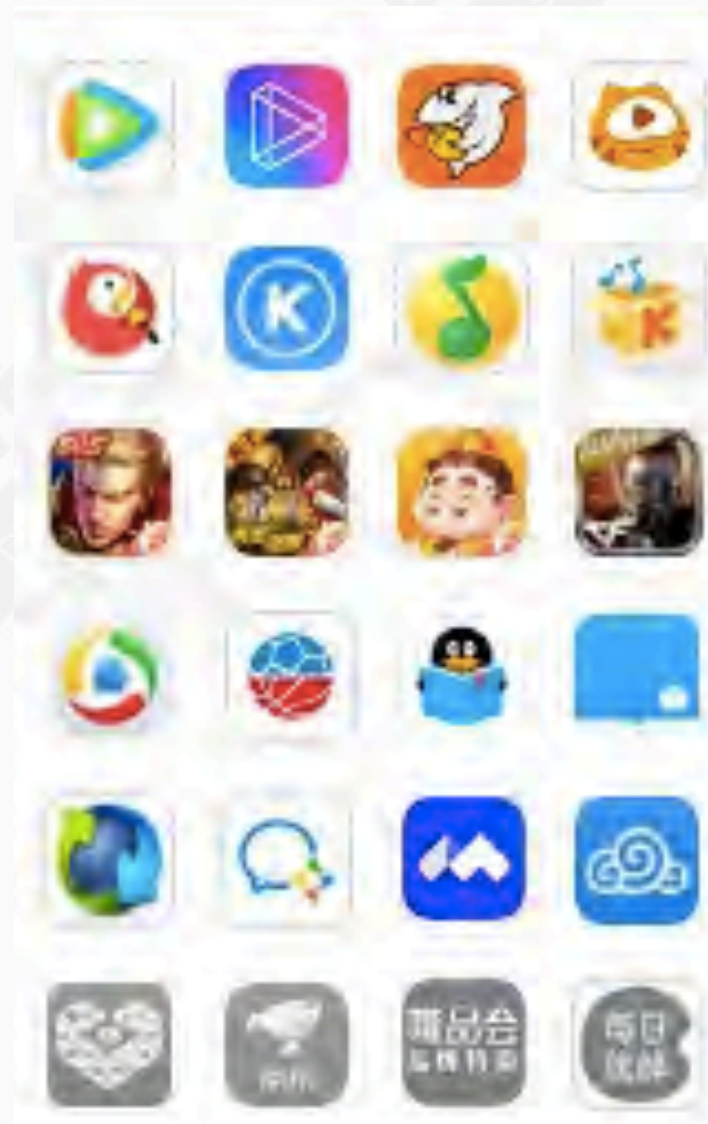
TENCENT +



989 MILLION
MARCH 2021 MAU



647 MILLION
MARCH 2021 MAU



ALIBABA



792 MILLION
MARCH 2021 MAU



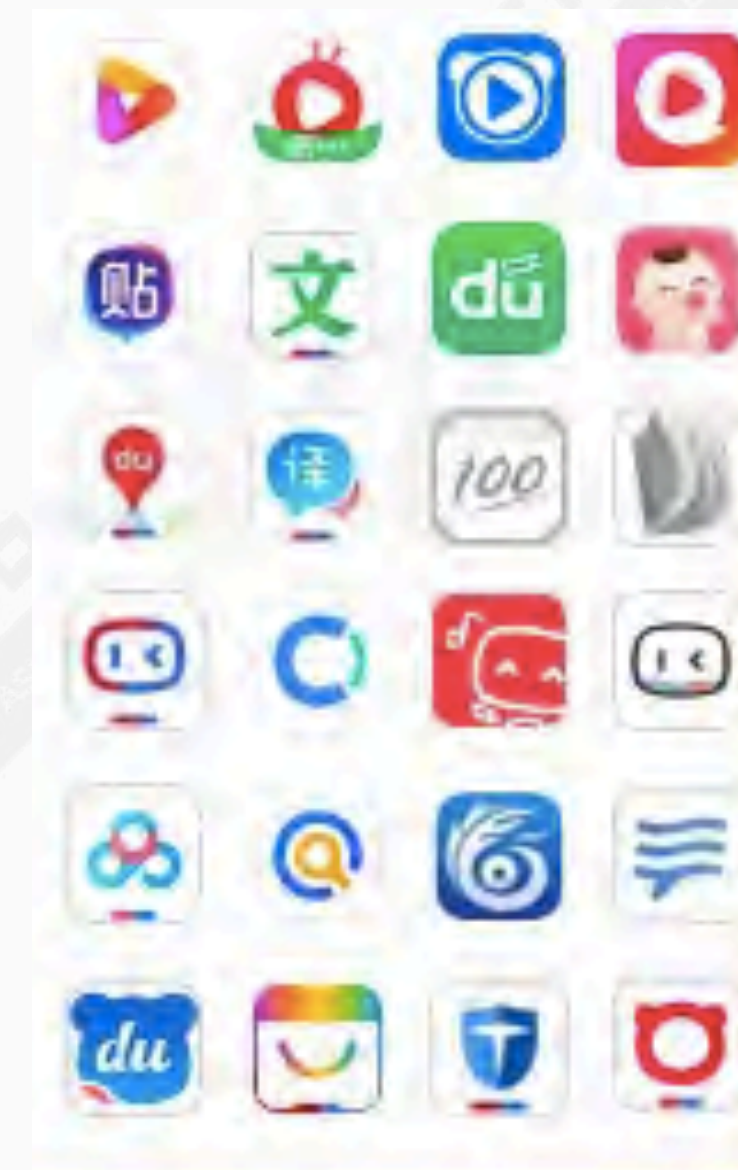
777 MILLION
MARCH 2021 MAU



BAIDU



558 MILLION
MARCH 2021 MAU

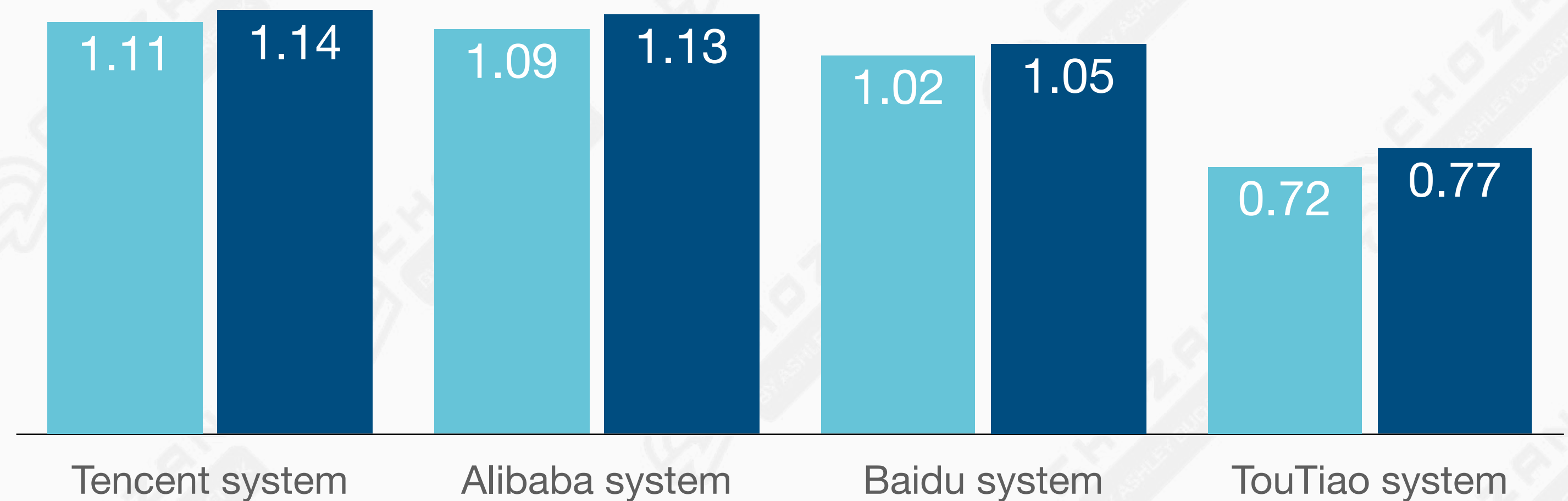


SOCIAL MEDIA

OVERVIEW - DEVELOPMENT OF MINI PROGRAMS

The scale of the three BAT users has exceeded 1 billion, and the TouTiao system has increased by 7.1% year-on-year. The traffic advantage is significant. The mini program has become an important area for the giants to dig deeper into user value and to empower ecological construction.

MONTHLY ACTIVE USERS OF MOBILE APP SCALE (BY BILLIONS)



SOCIAL MEDIA

OVERVIEW - DEVELOPMENT OF MINI PROGRAMS

Growing platform functions allow further commercialisation of Mini Programs.

	PLATFORM FEATURES	BUSINESS EMPOWERMENT UPGRADE
WECHAT MINI PROGRAMS	<ol style="list-style-type: none"> 1. Various entrance methods 2. Social fission 3. Diverse types 	<ul style="list-style-type: none"> • Publish video number, mini program live plug-in • Optimised functions, such as adjusting the “subscribe message” function, adding “favourite”, “add to my applet” and other functions • Enterprise WeChat and WeChat intercommunication upgrade
ALIPAY MINI PROGRAMS	<ol style="list-style-type: none"> 1. Consumption + Finance 2. New retail expansion to enrich offline scenarios 	<ul style="list-style-type: none"> • Open Taobao livestreaming capabilities • Two revisions of Alipay. Home page displays life service applications • Open application centre and upgrade coupons
BAIDU SMART MINI PROGRAMS	<ol style="list-style-type: none"> 1. Search + information flow 2. Open source 	<ul style="list-style-type: none"> • Increase support for live e-commerce • Launched "Baidu Service Center", which aggregates life service functions such as medical and health care, express delivery services, etc. • Launched the "brand new official website" solution

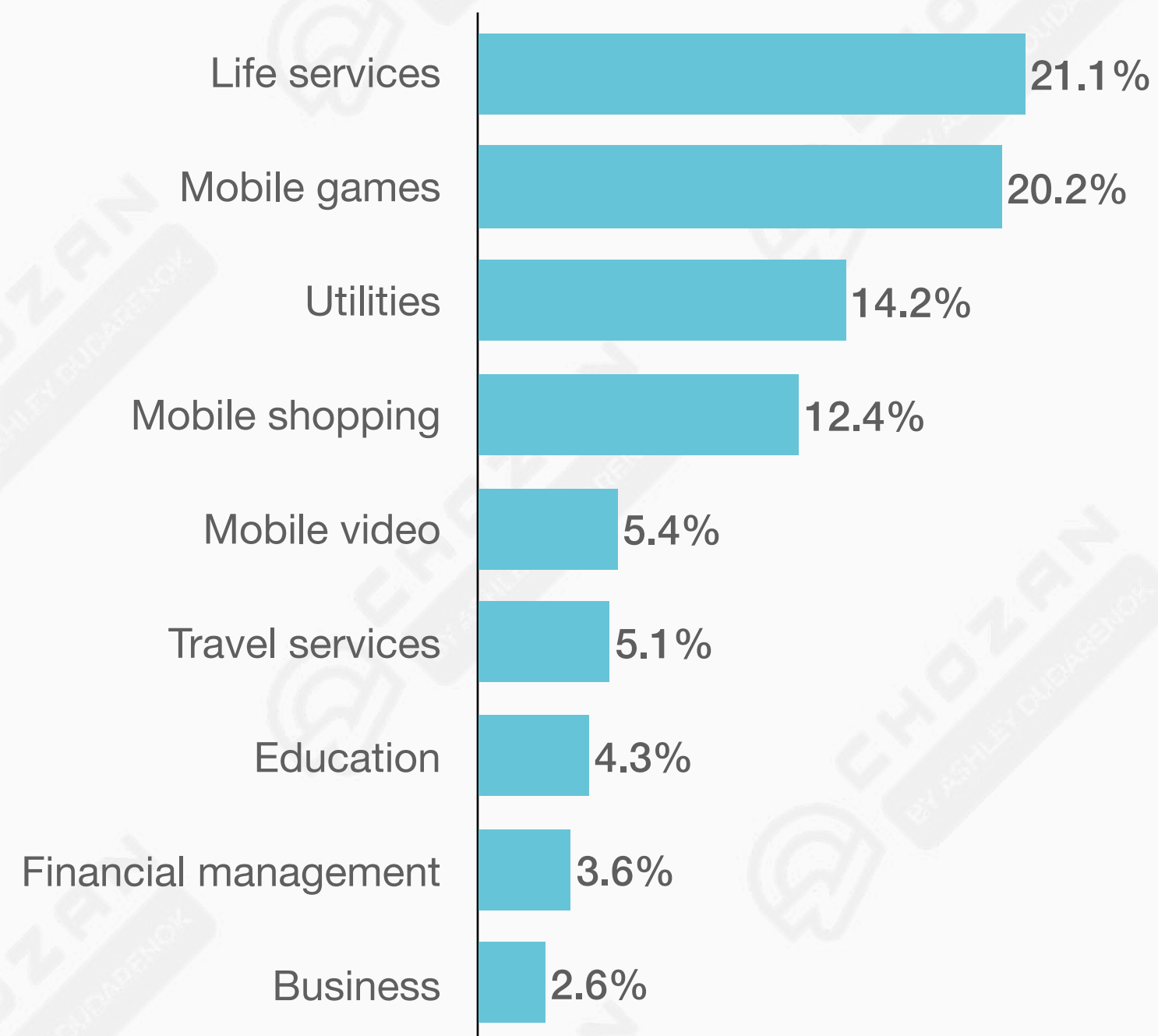
SOCIAL MEDIA

OVERVIEW - DEVELOPMENT OF MINI PROGRAMS

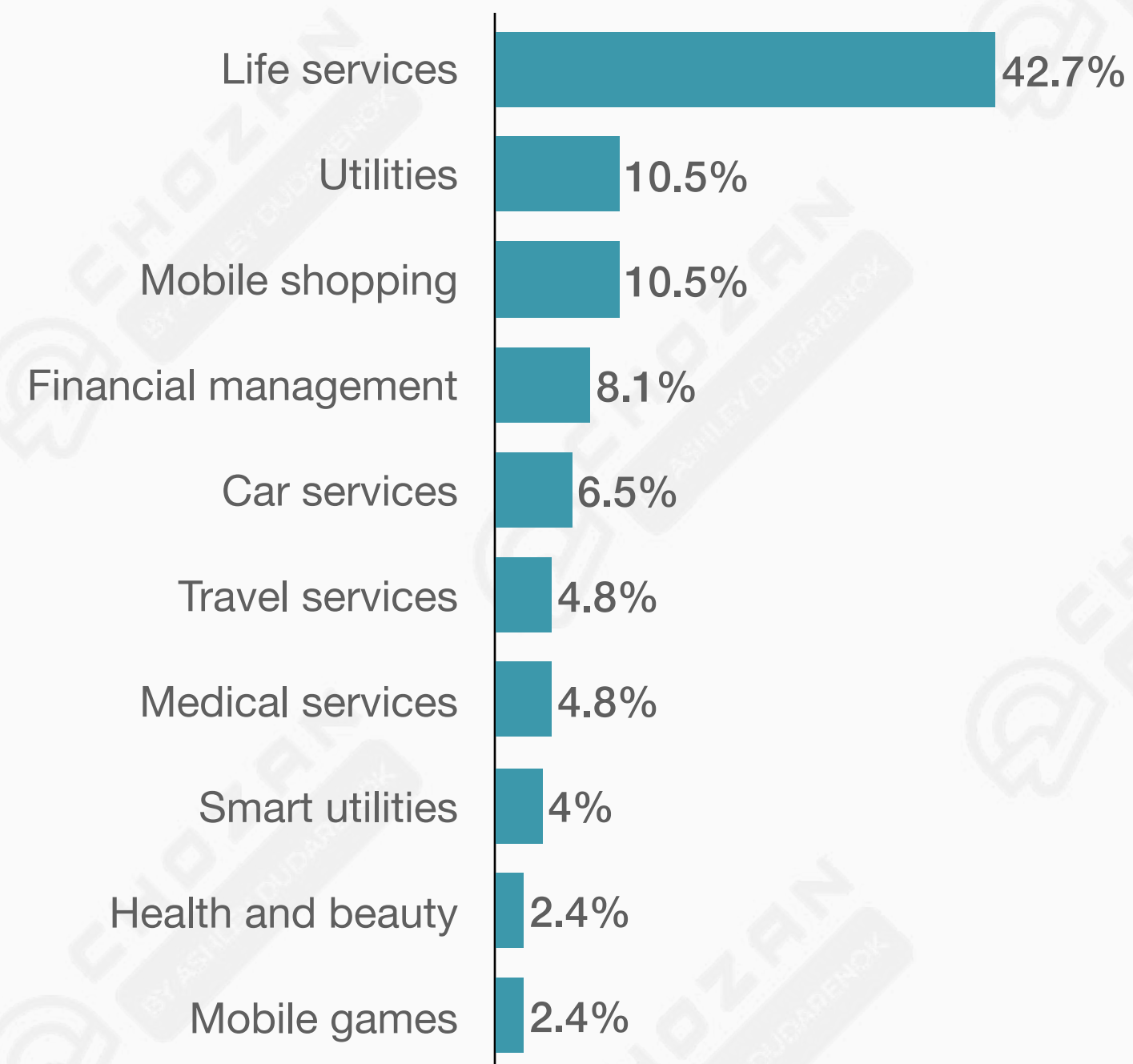
Most popular sections across digital spaces: Lifestyle services and mobile shopping

DISTRIBUTION OF TYPICAL APPLICATION INDUSTRIES OF BAT MINI PROGRAMS IN MARCH 2021

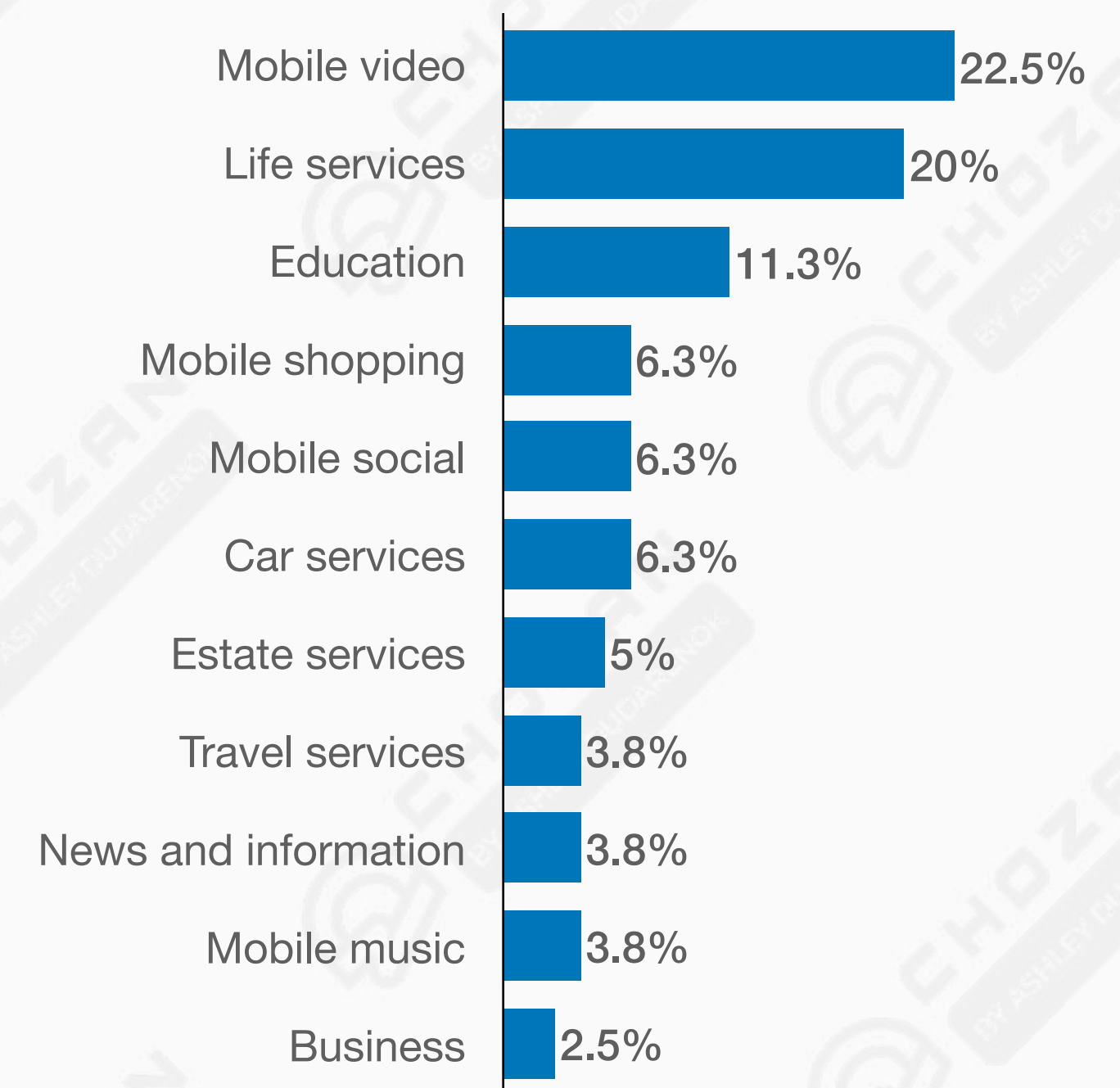
WECHAT MINI PROGRAMS



ALIPAY MINI PROGRAMS



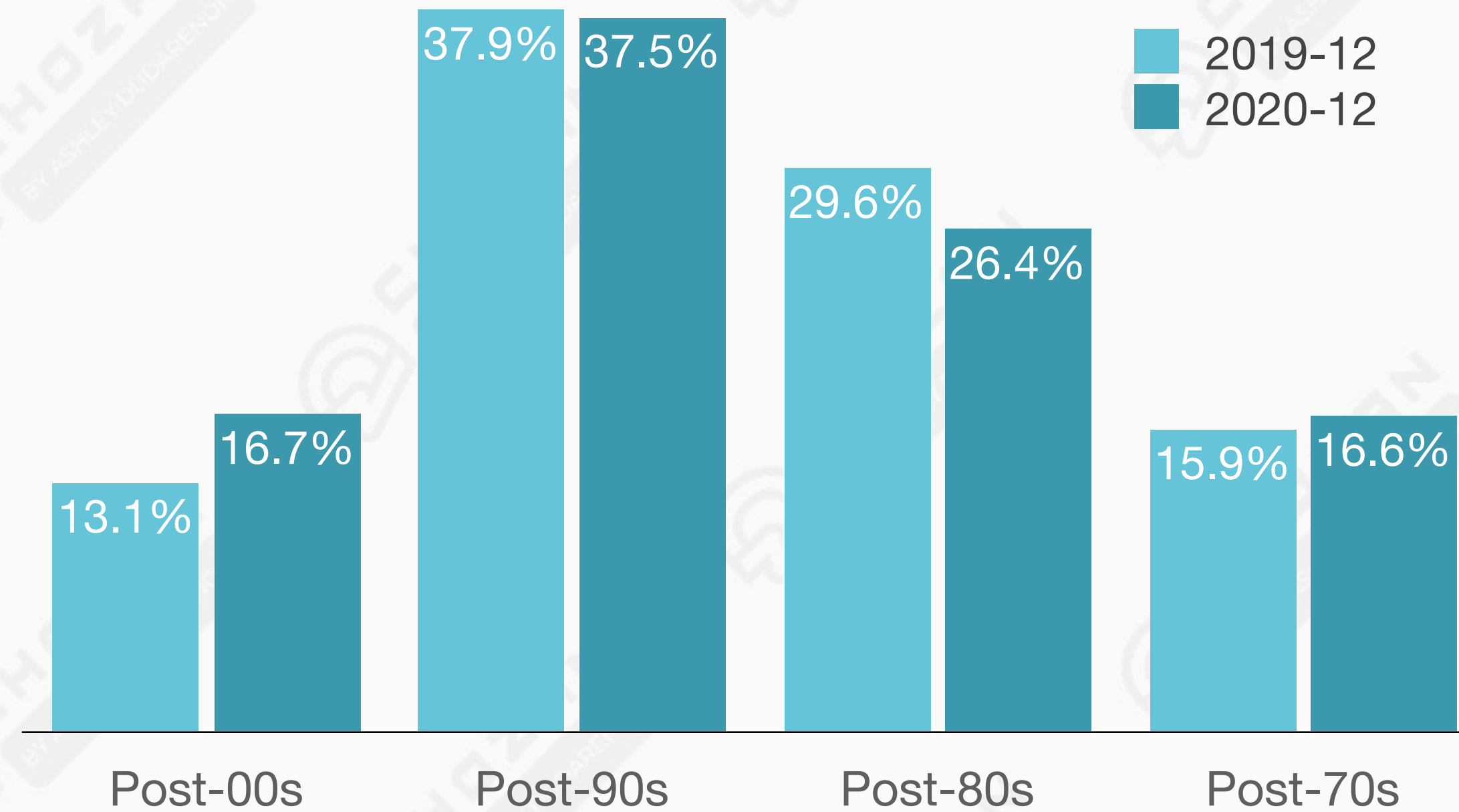
BAIDU SMART MINI PROGRAMS



SOCIAL MEDIA

OVERVIEW - DEVELOPMENT OF MINI PROGRAMS

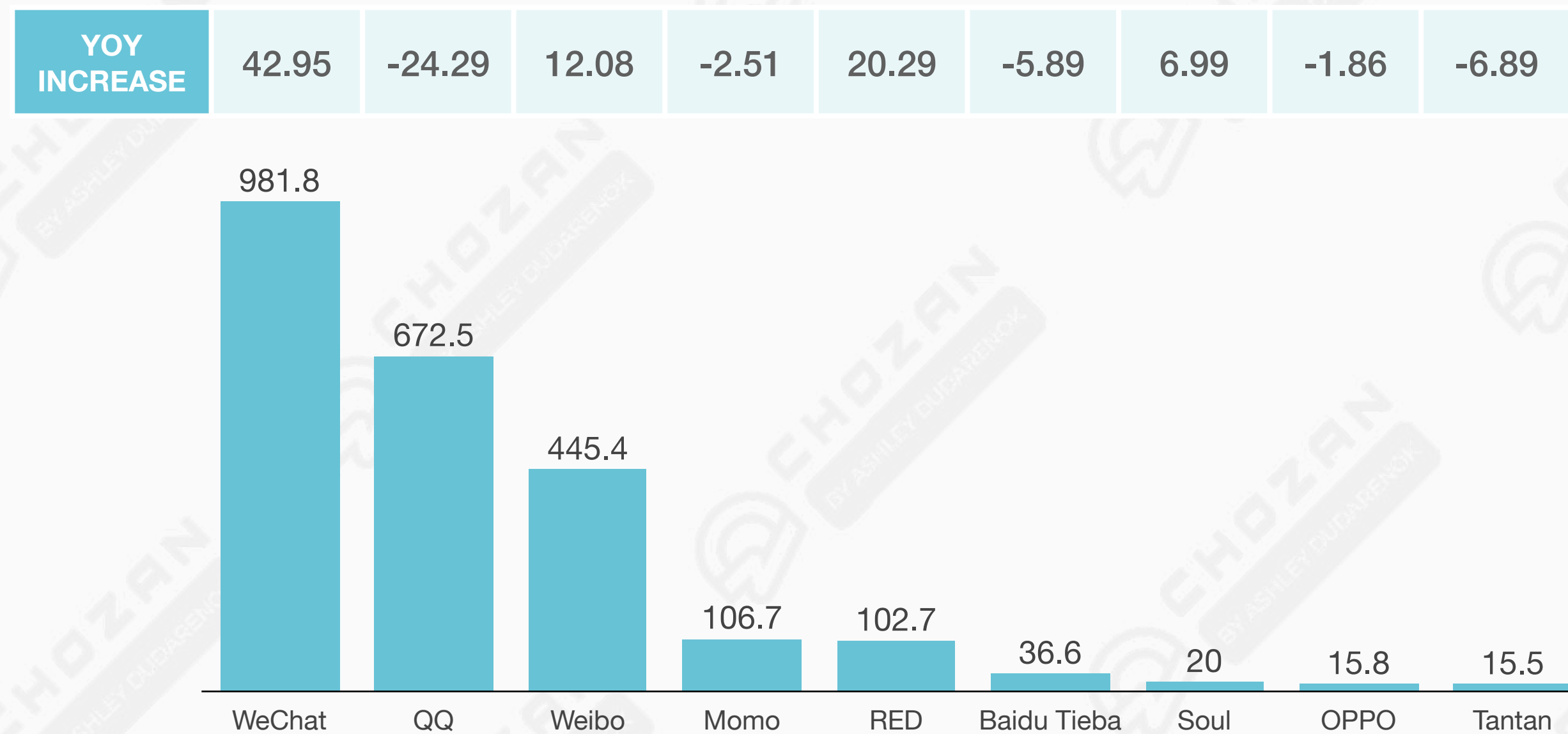
MONTHLY ACTIVE USERS OF SOCIAL DATING APPS AMONG AGE GROUPS



SOCIAL MEDIA

OVERVIEW - DEVELOPMENT OF MINI PROGRAMS

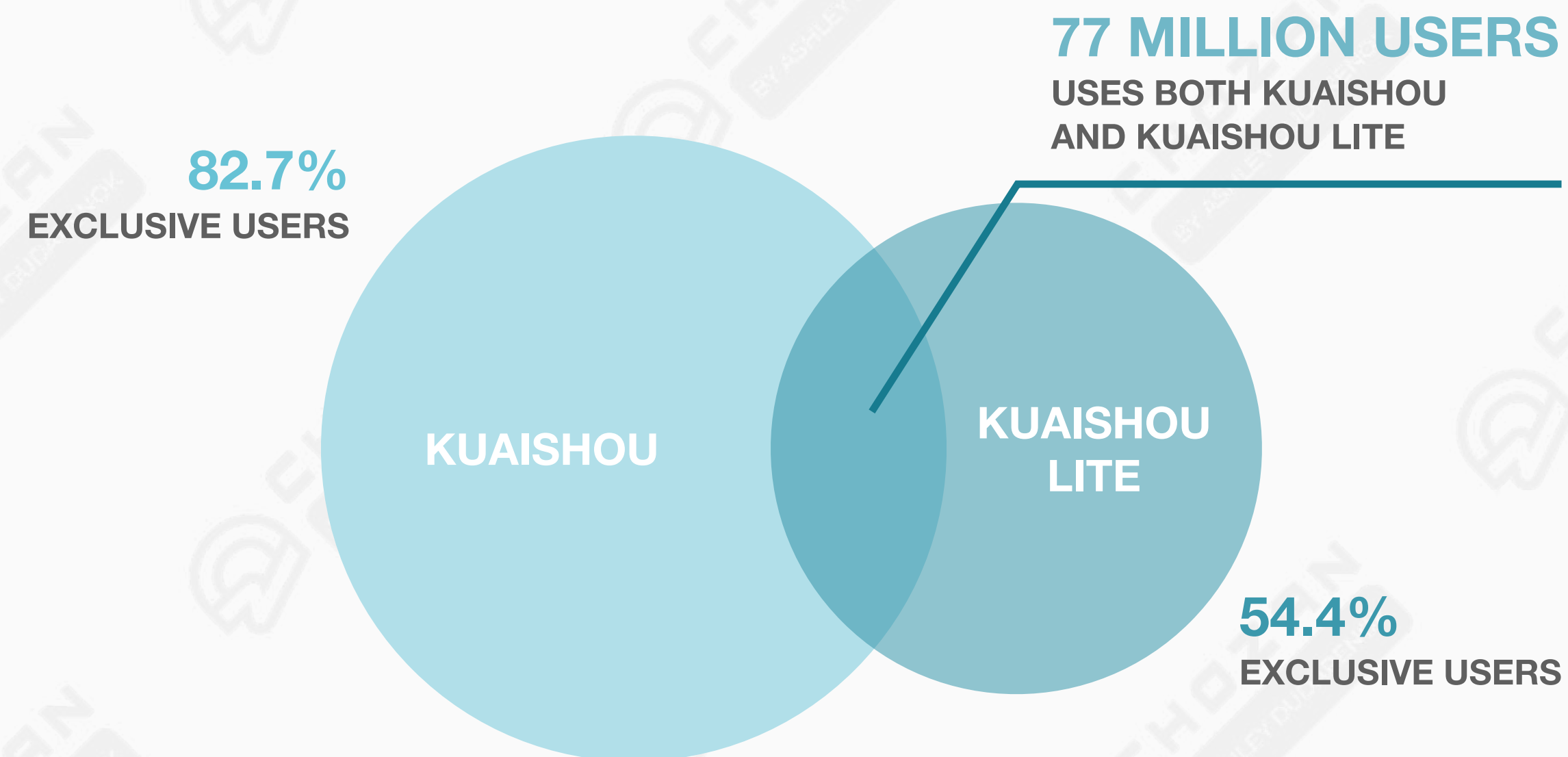
SOCIAL DATING APPS MONTHLY ACTIVE USER PORTRAIT, 2020 (IN MILLIONS)



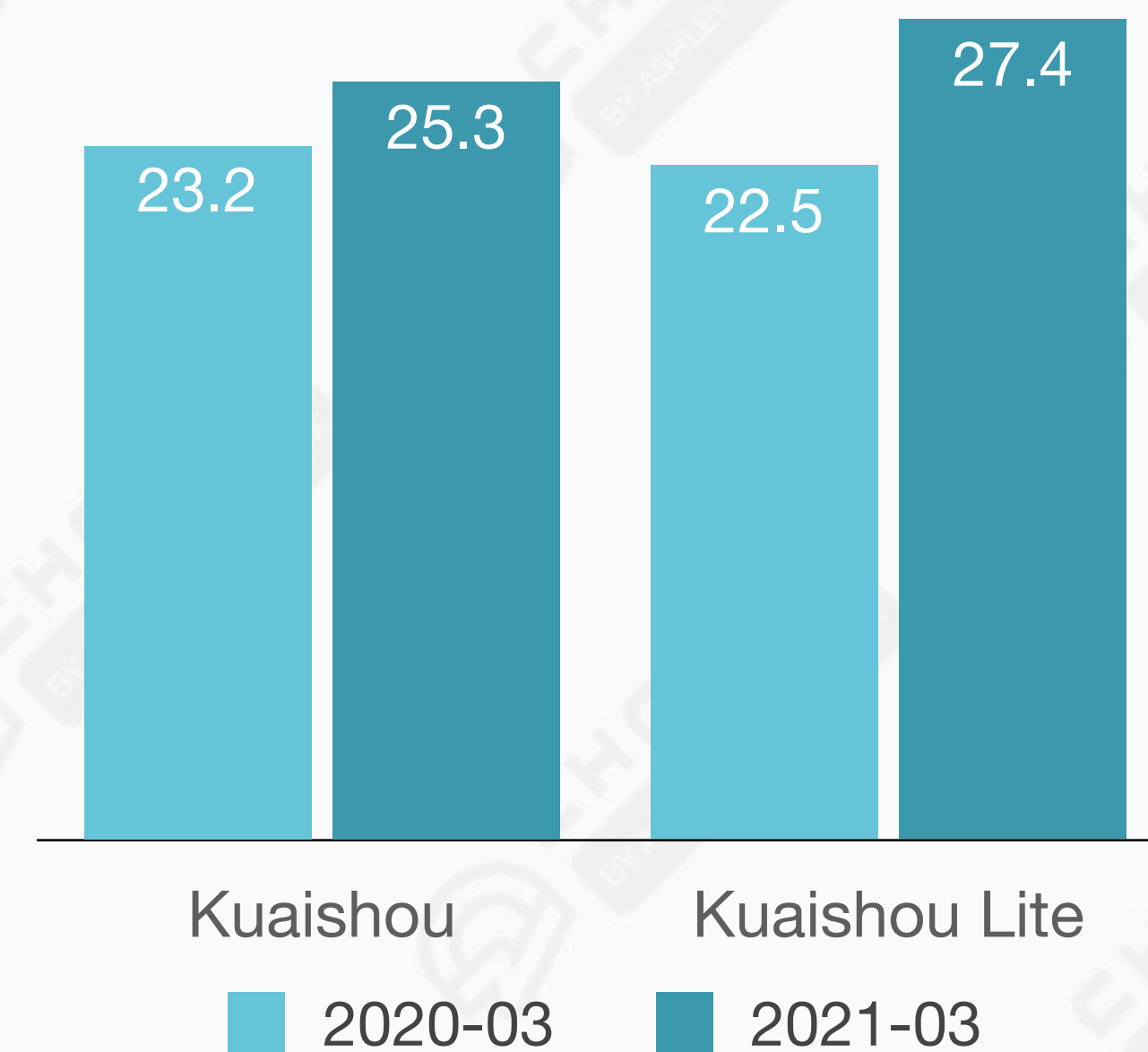
SOCIAL MEDIA

OVERVIEW - DEVELOPMENT OF MINI PROGRAMS

Kuaishou continues to growing among lower-tier cities users entering its ecosystem.



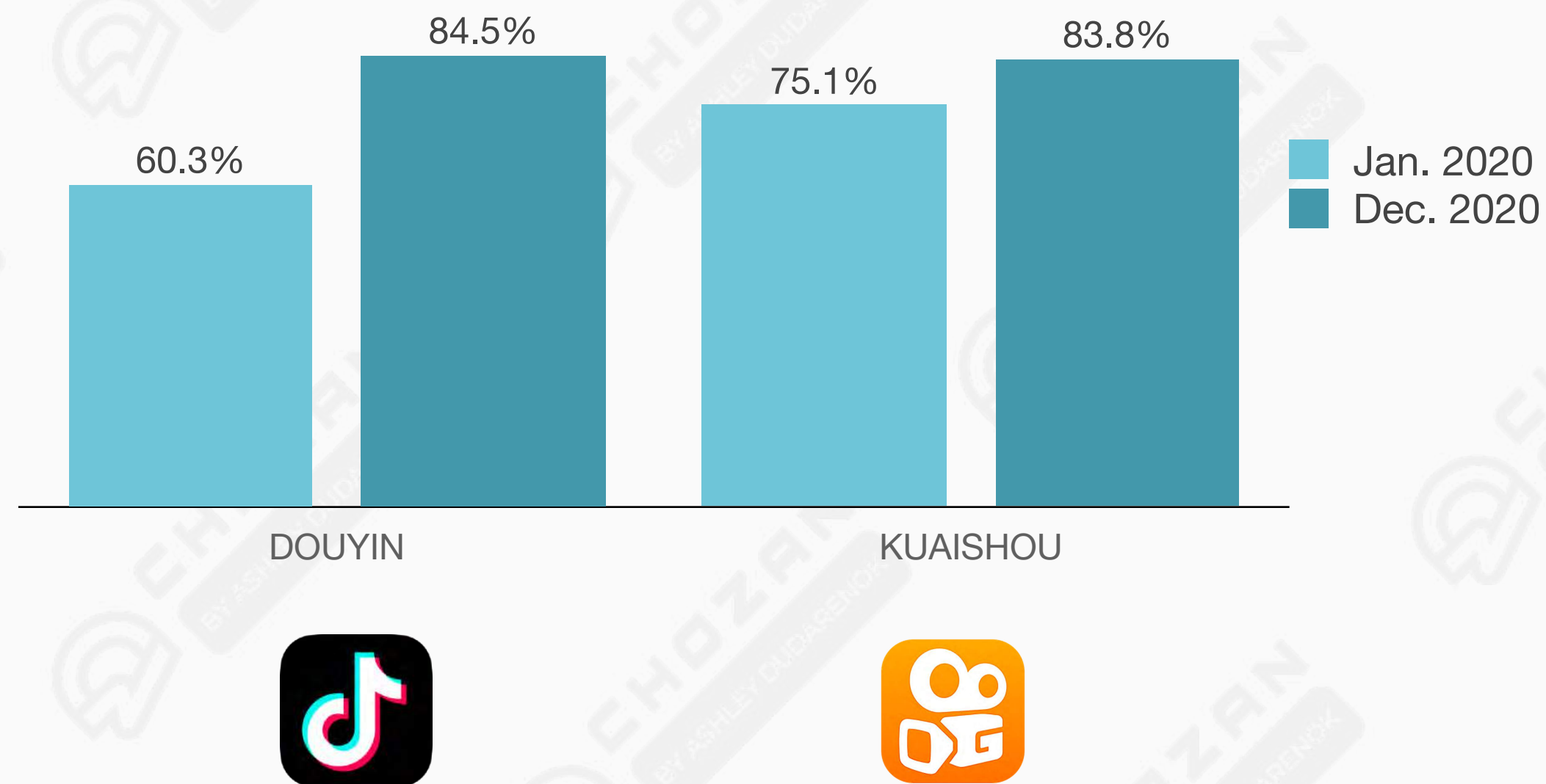
MONTHLY TIME SPENT ON KUAISHOU (HOURS)



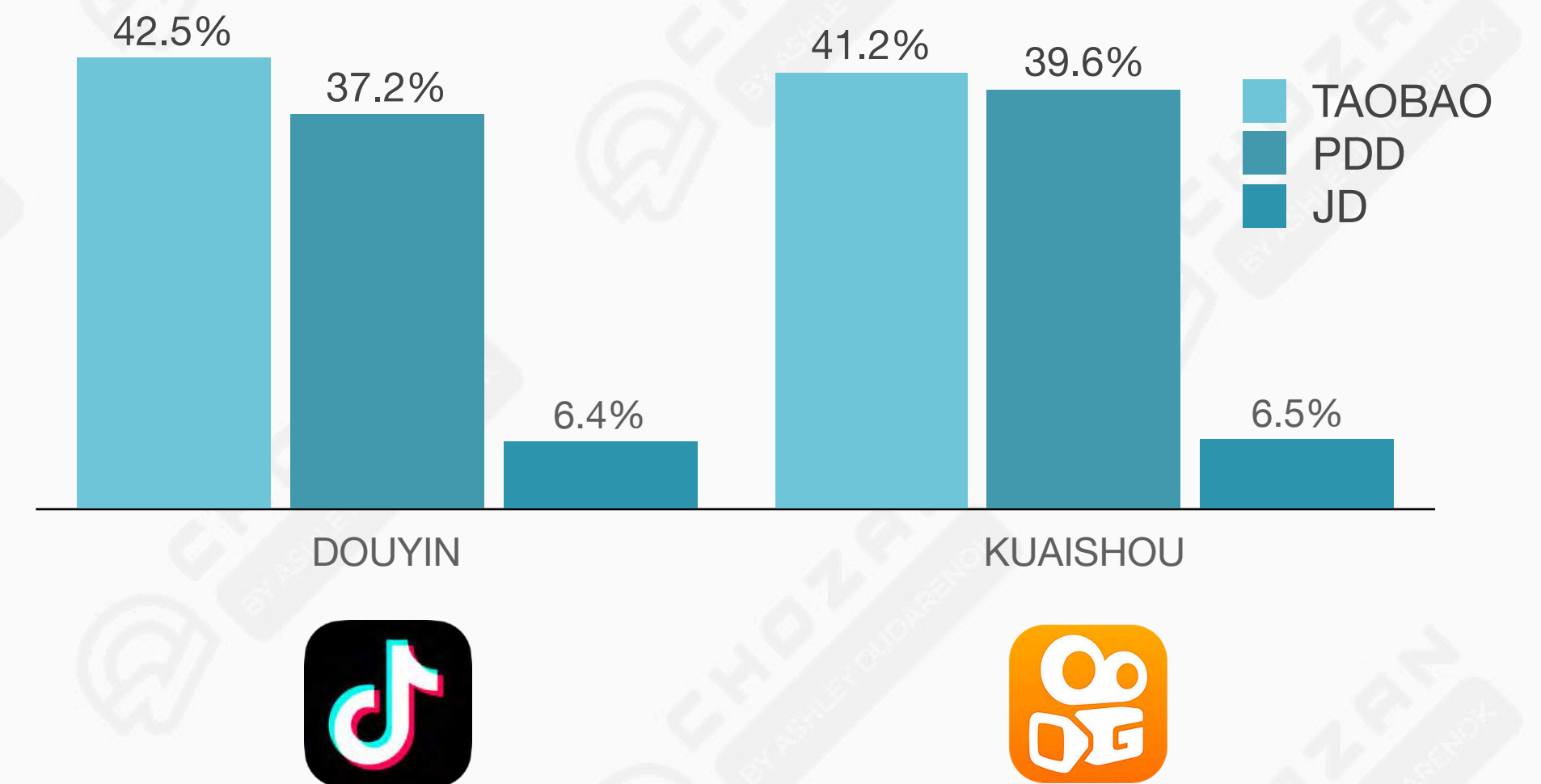
OVERVIEW

SOCIA MEDIA

CHANGES IN THE PENETRATION RATE FOR LIVE STREAMING VIEWS



CHANGES IN THE PENETRATION RATE FOR MOVING TO MOBILE SHOPPING

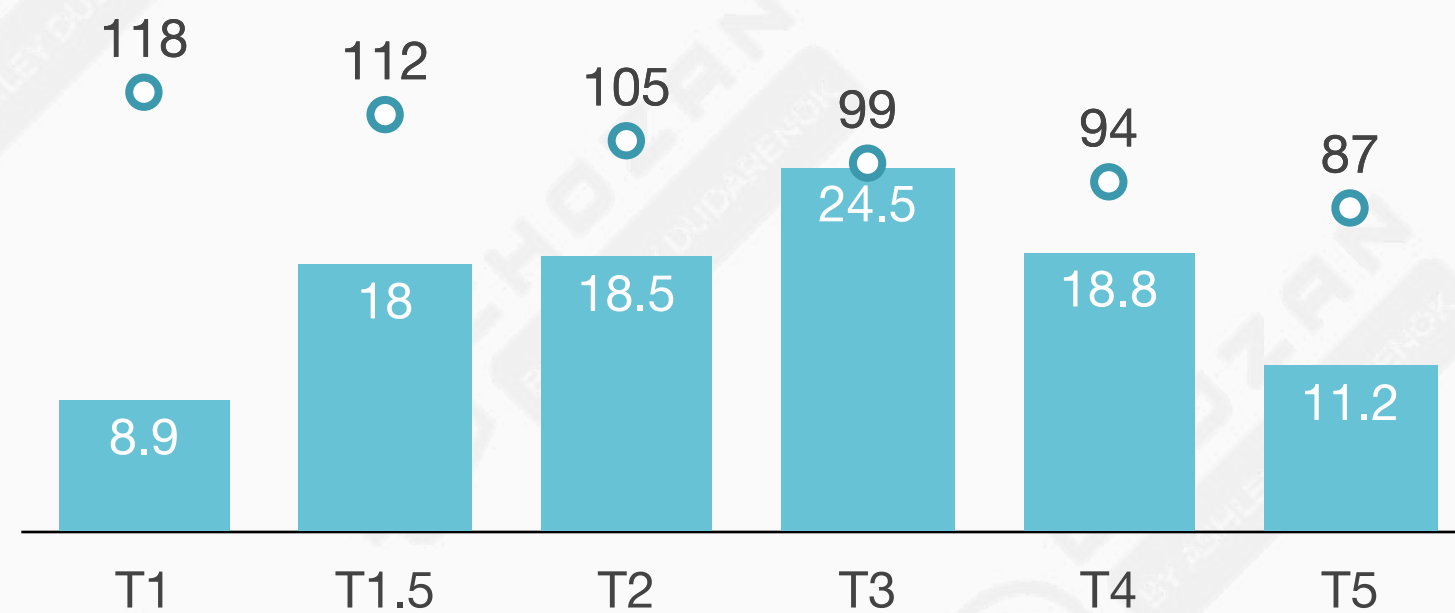


SOCIAL MEDIA

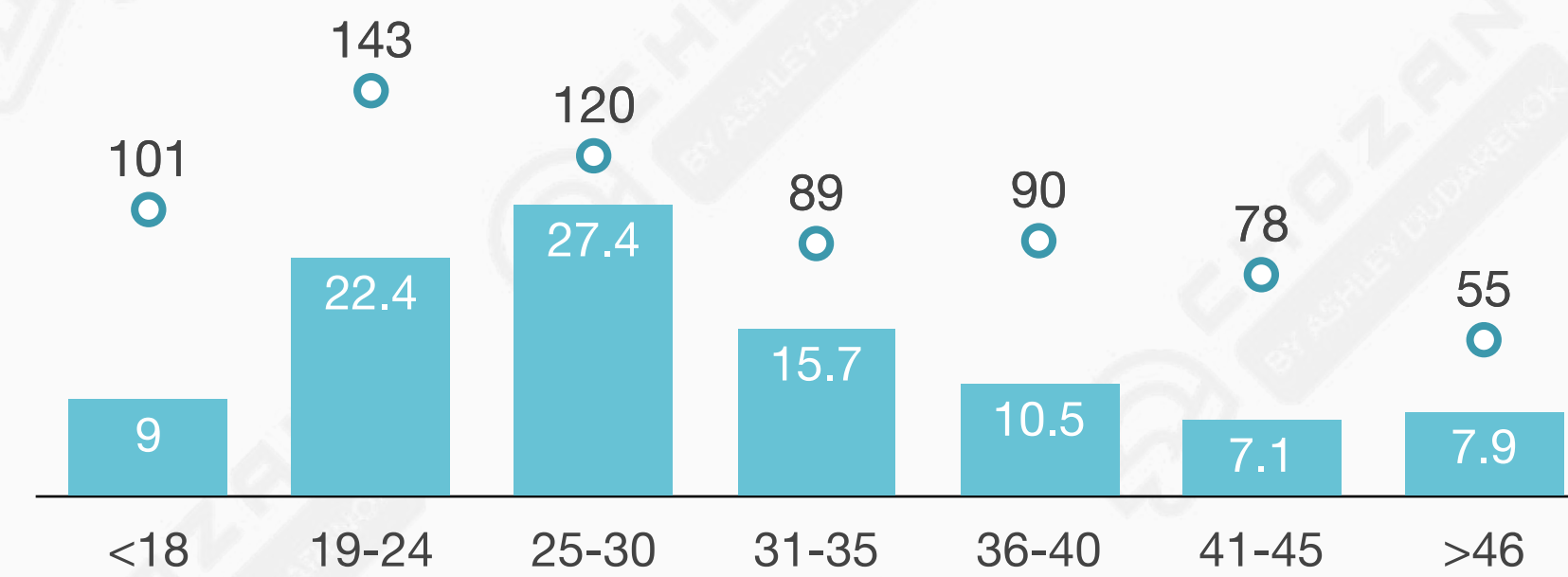
OVERVIEW - DEVELOPMENT OF MINI PROGRAMS

ONLINE VIDEO PLATFORMS PAID MEMBERSHIP USER PORTRAIT, MAR 2021

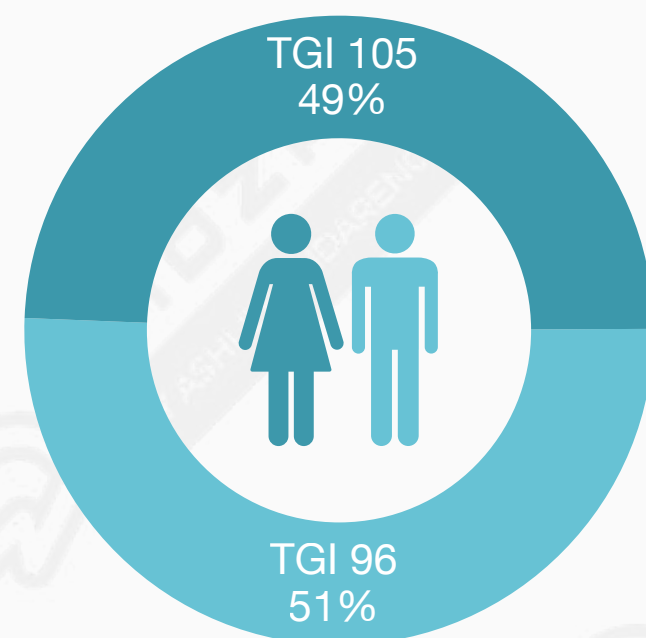
CITY TIER GROUP



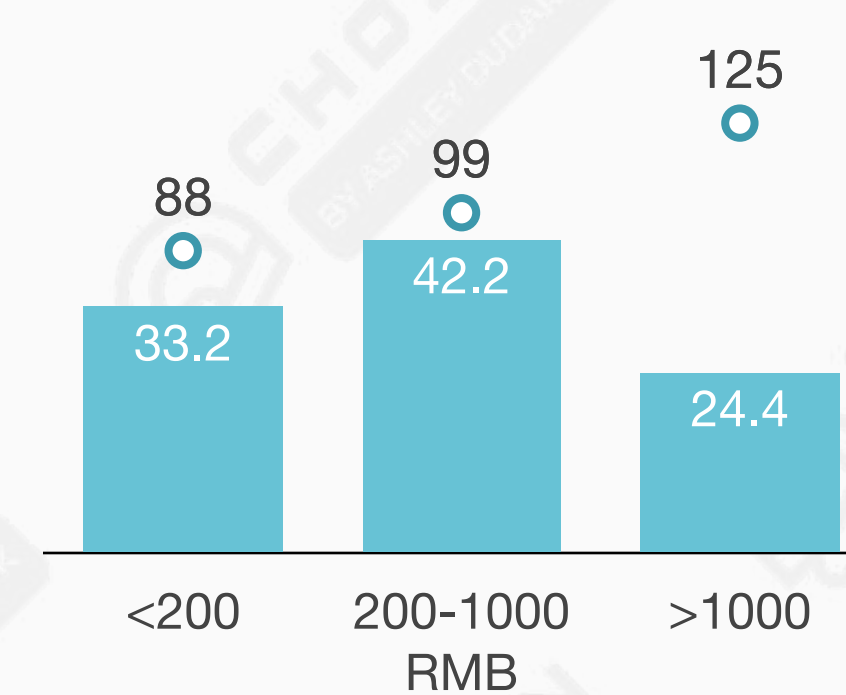
AGE GROUP



GENDER



ONLINE CONSUMPTION

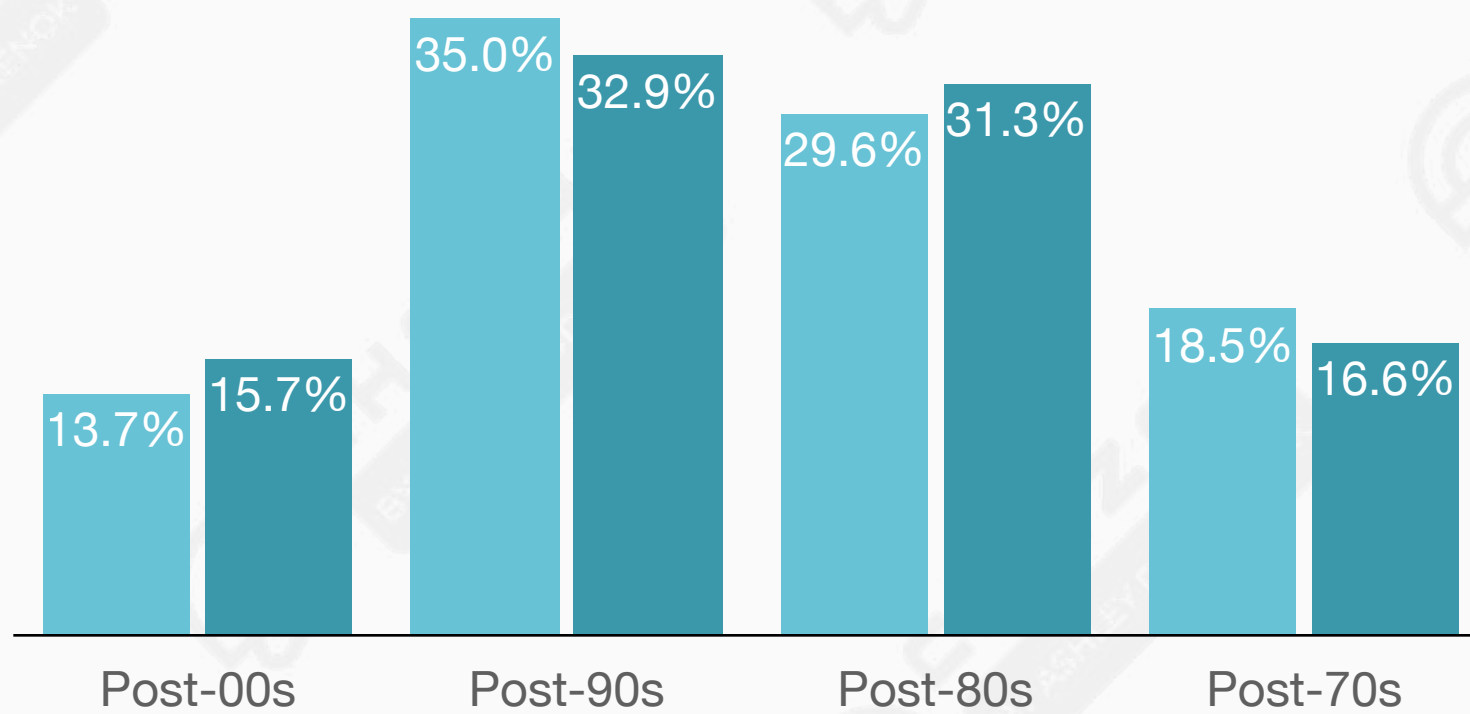


OVERVIEW

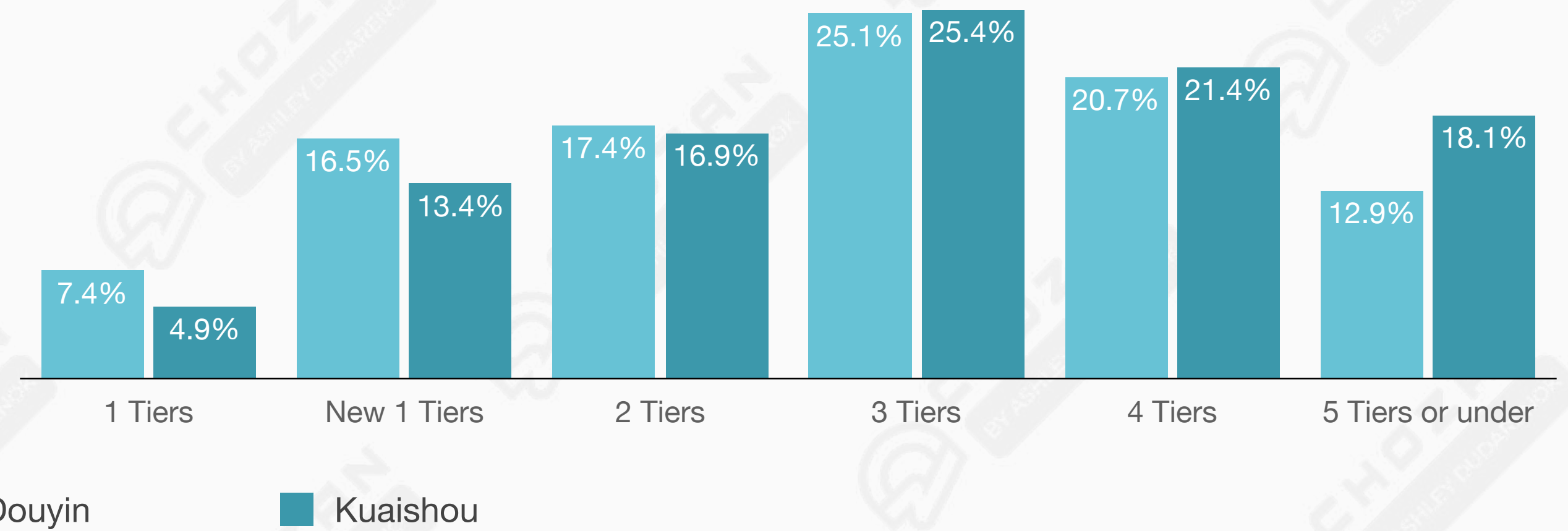
SHORT VIDEO PLATFORMS USER PORTRAIT

DOUYIN AND KUAISHOU USER PORTRAIT, DEC 2020

AGE



CITY TIER



Douyin

Kuaishou

OVERVIEW

KOLS ON DOUYIN AND KUAISHOU

DOUYIN KOLS AMONG DIFFERENT CATEGORIES, DEC 2020



NEWS: 9.7%
+6.7% MoM



MUSIC/ DANCE: 9%
9%, -0.1% MoM



GAMING: 7.6%
-0.7% MoM

KUAISHOU KOLS AMONG DIFFERENT CATEGORIES, DEC 2020



MUSIC/ DANCE: 17.1%
-0.6% MoM



BEAUTY: 11.7%
-1.8% MoM



LIFESTYLE: 6.2%
+0.7% MoM

EXPERT BITES



WENDY CHEN

Sr. Marketing Manager at
Alarice and ChoZan

Q: WHAT DO YOU THINK WILL BE HAPPEN WITH SHORT VIDEO PLATFORMS?

Short video platforms will be incorporated into the e-commerce sector. In particular, ByteDance has officially started an e-commerce department. In 2021, short video platforms like Douyin and Kuaishou will promote sales to seize as much of the e-commerce market as they can. **Community group buying will get consistent heat as well.** Almost all the giants have joined the community group buying movement and this will continue to expand during 618.

GOT A QUESTION? DROP WENDY AN EMAIL BY SCANNING THE QR CODE



EXPERT BITES

Q: WHAT OVERLOOKED MARKETING CHANNELS (IF ANY) WOULD YOU RECOMMEND BRANDS PAY ATTENTION TO IN Q2 2021?

It's not overlooked but it's still not used to its full extent by Western brands - WeChat. **Even though we have seen leading players from different industries shift to WeChat in the past 12 months, many still hesitate to leverage the social features. For example, the livestream possibilities.** WeChat has 1.2 billion monthly active users. In the past 12 months, more than 100 million people have placed orders through its mini programs.



ELENA GATTI

Managing Director, Europe
at Azoya

EXPERT BITES

Q: WHAT WILL RED, KUAISHOU AND DOUYIN FOCUS ON IN Q2 2021? HOW IS IT SIGNIFICANT FOR BRANDS?

Red, Kuaishou and Douyin will continue to focus on the ability to drive **sales conversions for brands on their platforms**. What will be unique and significantly different on these platforms, as opposed to traditional e-commerce platforms, will be their focus on lifestyle led e-commerce verticals, **targeting interest groups and smaller consumer tribes**. This will allow more customized and relevant content to connect with and engage the right audiences.



SAW GIN TOH

Head of Insights,
MediaCom China

EXPERT BITES

Q: WHAT OVERLOOKED MARKETING CHANNELS WOULD YOU RECOMMEND BRANDS PAY ATTENTION TO IN Q2 2021?

I think some brands are still waiting to see if they should join WeChat Channels. But in my opinion, it's something that they should pay attention to in Q2 this year because of WeChat's huge user base and social sharing features. Let's take Proya's International Women's Day campaign as an example. This Chinese skincare brand's IWD video hit 100k+ shares, 100k+ likes and 8.7k comments on WeChat Channels. It was the most shared IWD advert on people's WeChat moments on that day. Brands should use WeChat Channels to launch campaigns that resonate with their audience.



ARNOLD MA

Founder and CEO
at Qumin

EXPERT BITES

Q: WHAT'S THE BEST WAY TO COLLECT CONSUMER DATA AS A BRAND IN CHINA IN 2021?

User interactions through mindfully chosen content and gamification is what will make an impact. Brands asking their future fans to fill out a 20 question form before becoming a member are making rookie mistakes. Those **important data points need to be retrieved step by step**. It's crucial to understand that **each interaction, from mini programs, H5 pages, your official website and social media accounts can be tracked to tag the user to better retarget them**.



AURELIEN RIGART

Co-founder and VP,
IT Consultis

EXPERT BITES

Q: LOTS OF PEOPLE ARE EXCITED ABOUT WECHAT VIDEO CHANNELS NOW. ARE YOU? WHY OR WHY NOT?

WeChat Channels is definitely a big update and is a huge opportunity for brands, both big and small. WeChat has been a notoriously very closed and private social platform, and now it's giving marketers a chance to reach their 1.225 billion MAU through video.



KRISTINA KNUT

Marketing Director at
KAWO

PLATFORM

WECHAT



SOCIAL MEDIA

WECHAT PLATFORM - AT A GLANCE

The WeChat ecosystem was forced to rapidly expand and upgrade software due to COVID-19. Followed by a 30% increase in average usage time, this adaptability and effectiveness clearly indicates why WeChat is a market leader.



WECHAT ECOSYSTEM

Each day, more than 120 million users post in Moments, 360 million users read Official Accounts articles (Q4 2020)

1.2 BILLION+

MONTHLY ACTIVE USERS

60 MILLION+

ACTIVE USERS OF WECHAT WORK

20 MILLION+

OFFICIAL ACCOUNTS

2.5 MILLION

COMPANIES USED WECHAT WORK

3+ MILLION+

MINI PROGRAMS

50 MILLION+

MONTHLY ACTIVE MERCHANTS ON WECHAT PAY

450 MILLION+

DAILY ACTIVE USERS OF MINI PROGRAMS

1+ BILLION

DAILY COMMERCIAL TRANSACTIONS ON WECHAT PAY

SOCIAL MEDIA

WECHAT PLATFORM - MAIN FUNCTIONS

1

A messaging app which provides text messaging, hold-to-talk voice messaging, broadcast (one-to-many) messaging, video calls and conferencing, video games, photograph and video sharing, as well as location sharing.

2

A social media platform with **WeChat Moment** which allows users to post images, text, and short videos taken by users. The Chinese translation of Moment is known as “Friends' circle”, which allows users to share and get access to accepted WeChat friend information, creating an intimate and private communicating circle within the user choice of close friends.

3

A multi-purpose platform with ranging features. **Public Accounts**, which push feeds to subscribers, interact with subscribers and provide them with services. **Mini Program** is an app within an app. Business owners can do their business through a Mini Program, while users can enjoy other functions. **Channels**, a new feature WeChat launched recently where people can enjoy short videos shared by friends and business owners.

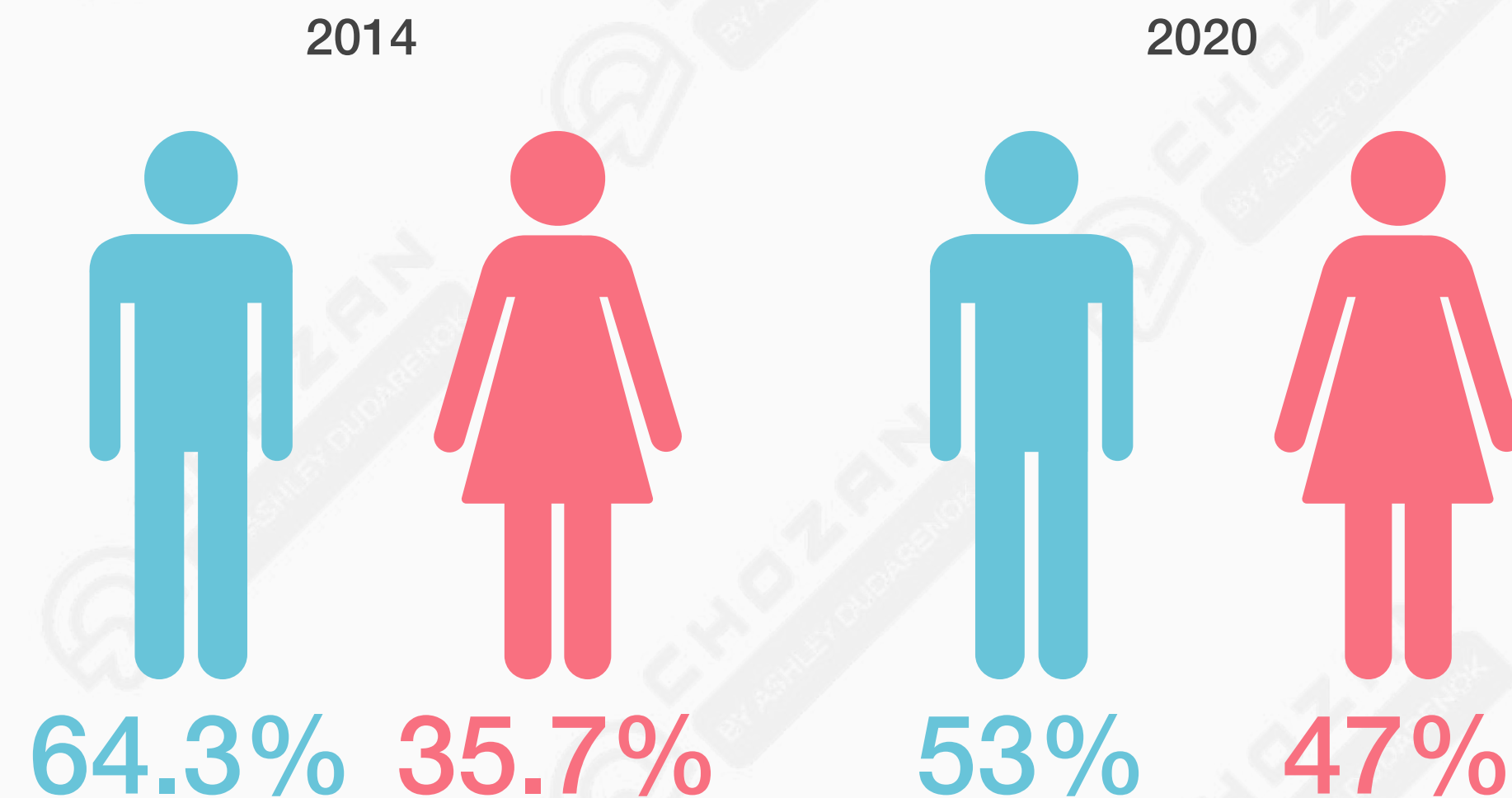


SOCIAL MEDIA

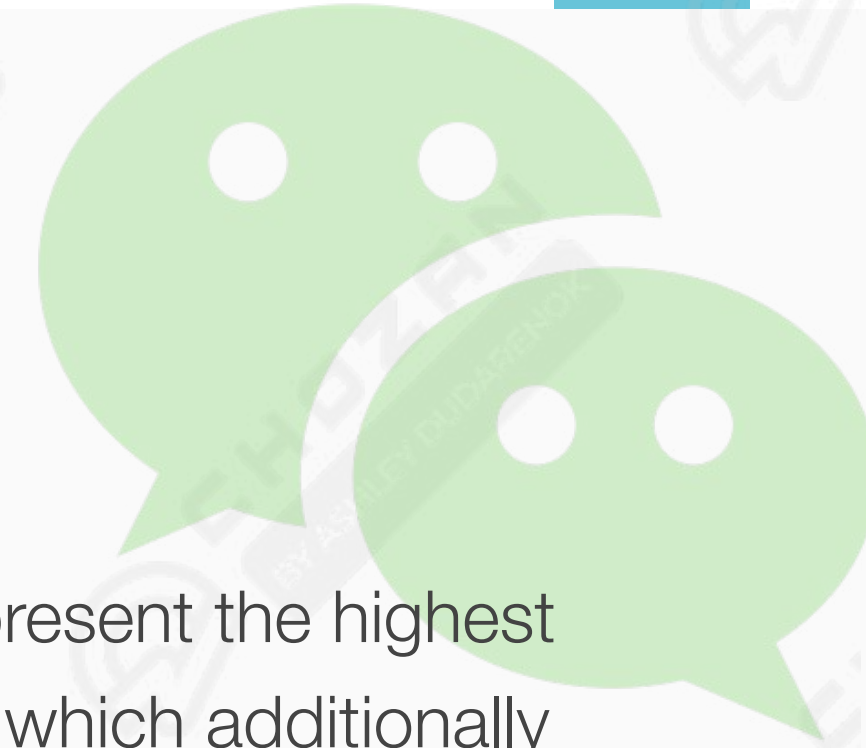
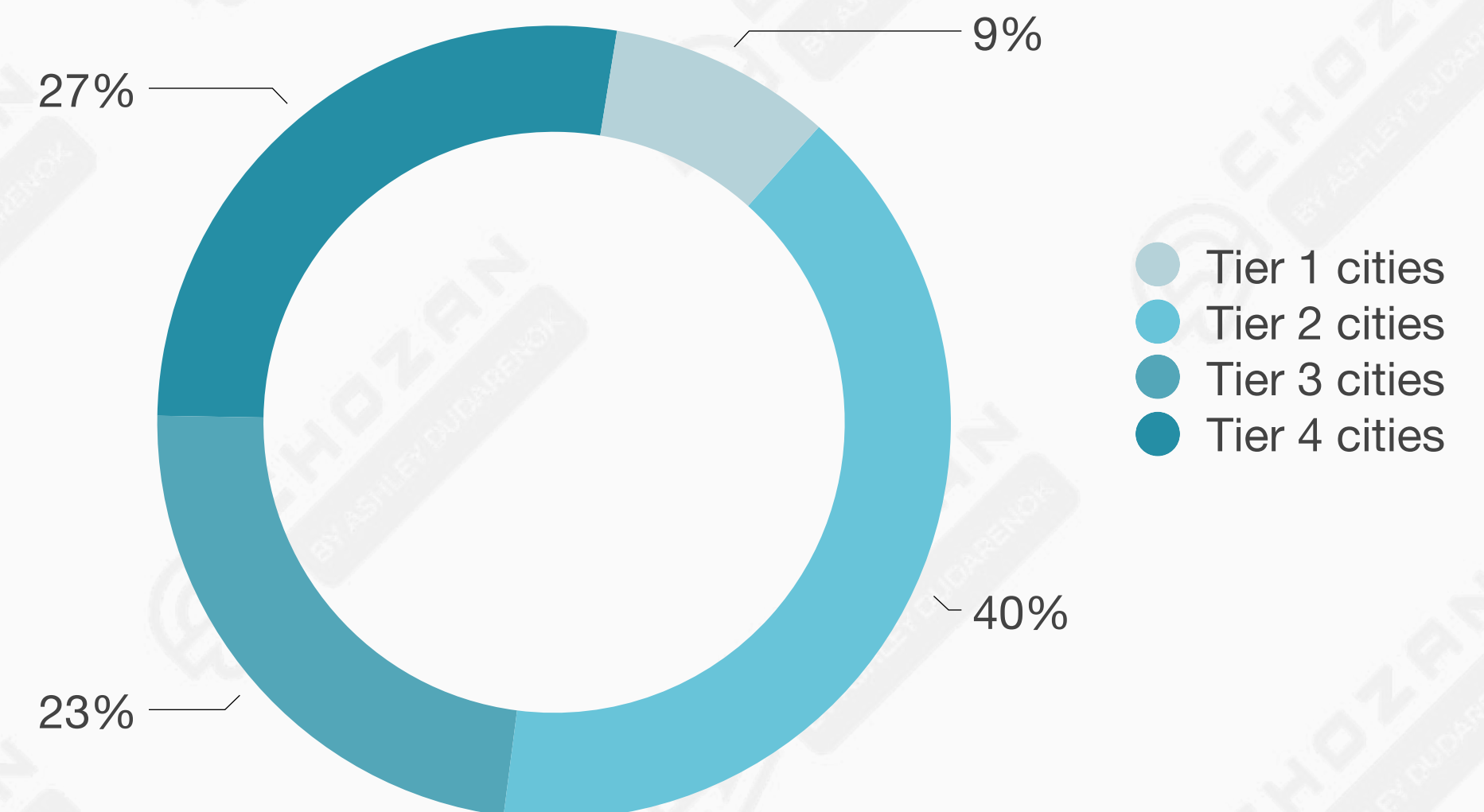
WECHAT PLATFORM - USER DEMOGRAPHICS

Between 2014 and 2020 the gender ratio has included increasingly more females to almost equal male users. Tier 2 cities represent the highest user percentage while tier 1 cities have the lowest. This correlates with the growth in lower tier city app users and customers, which additionally coincides with growth in women driven consumer groups.

CHANGE IN THE GENDER RATIO FROM 2004 TO 2020



WECHAT FOLLOWERS BY CITY TIER

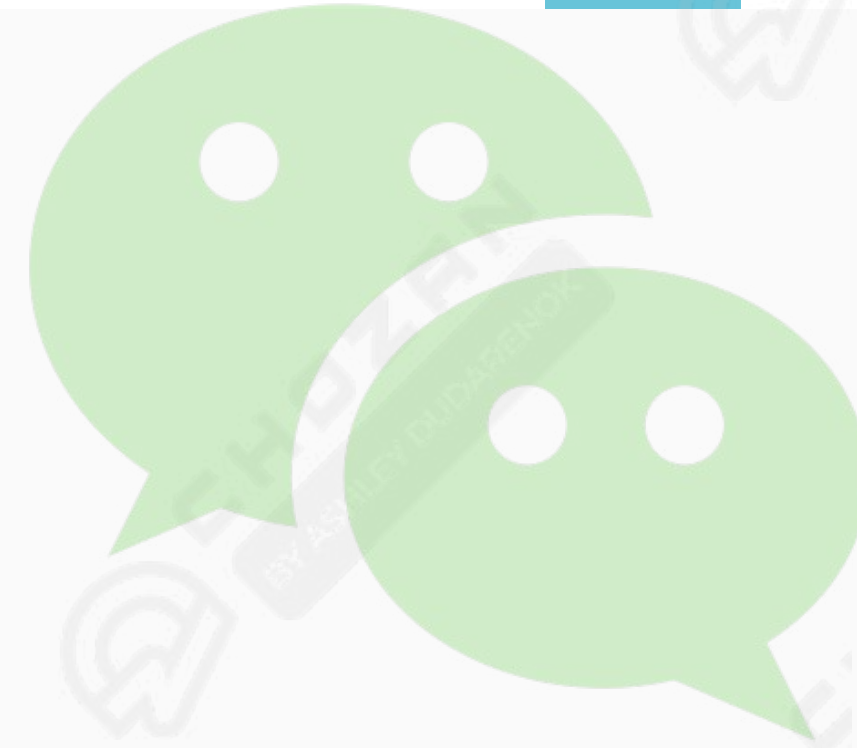
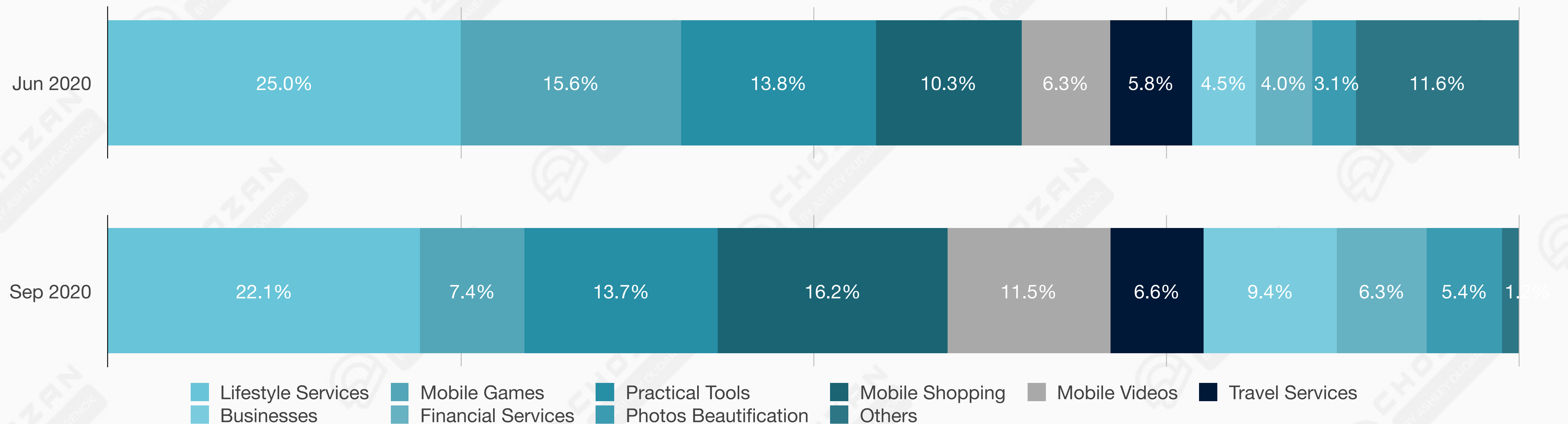


SOCIAL MEDIA

WECHAT PLATFORM - MINI PROGRAM MAU BY INDUSTRY

Mini program industry segments with the highest monthly-active-users are Lifestyle services and Mobile gaming. Additionally, Lifestyle services, Mobile gaming and Practical tools all grew in MAUs from June 2020 to Sep 2020.

MAU>500 WECHAT MINI-PROGRAM INDUSTRIES



SOCIAL MEDIA

WECHAT PLATFORM - POPULAR MINI PROGRAMS

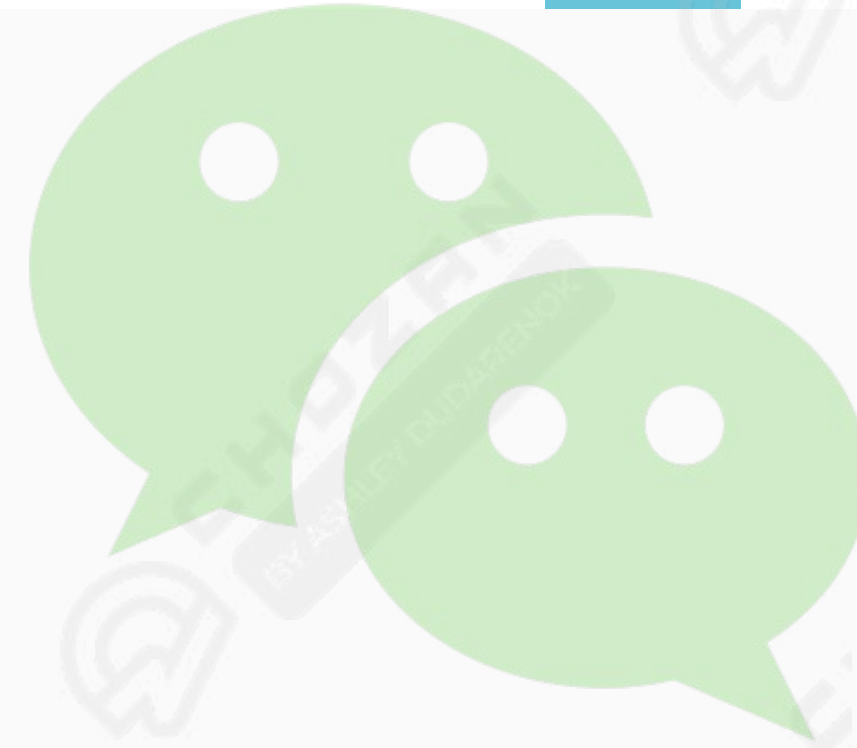


Travel service and Mobile video are the top categories associated with the top ranking Mini Programs.

Ranking	Mini Programs	Categories
1	DIDI CHUXING	Travel service
2	Kan Yi Kan	Mobile video
3	Shenghuo Jiaofei	Piratical tool
4	Tongxing Luxing	Travel service
5	Pin Duo Duo	Mobile Shopping
6	Wechat City service	Lifestyle service
7	Jingxi	Mobile Shopping
8	MeituanWaimai	Lifestyle service
9	SF Express	Lifestyle service
10	Jinshan Wendang	Business

SOCIAL MEDIA

WECHAT PLATFORM - TOP MARKETING METHODS



**Take
Advantage of
Mini Programs**

Work on Customer Engagement

Companies can promote their products through carefully curated campaigns that contain highly shareable keywords.

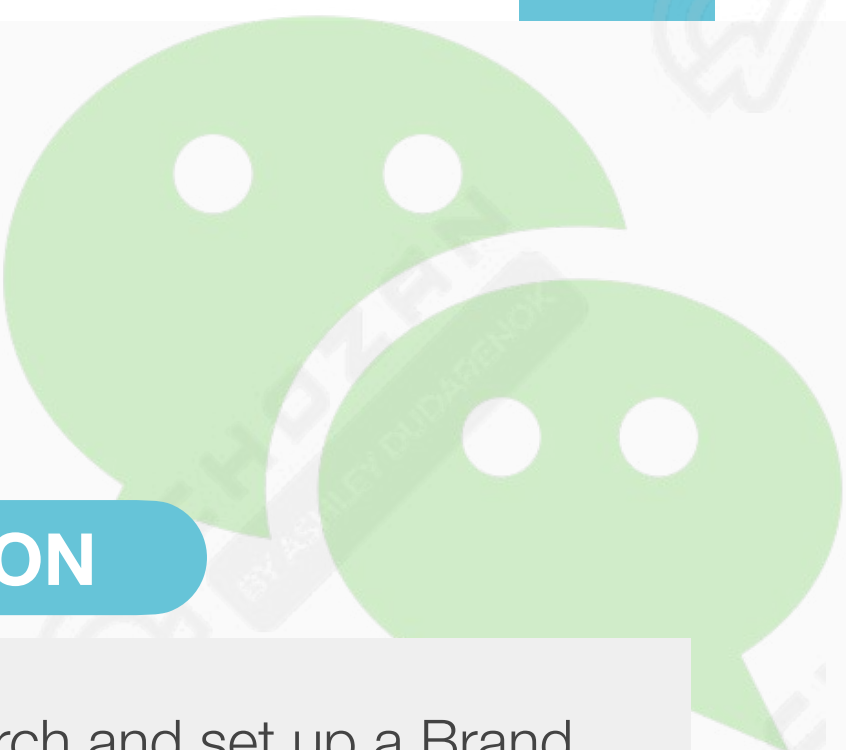
**Build Your
Private Pools**

SOCIAL MEDIA

WECHAT PLATFORM - TOUCHPOINTS

Touch-points represent the two-way methods customers interact with the business within channels, and are critical in building trust.

ITEM	KPI	DESCRIPTION
WeChat Search	+ Acquisition	Optimize how a DMO is found via WeChat search and set up a Brand Zone to showcase all 1st party content. Make sue mini programs are linked in search.
48-Hour Journeys	+ Bindings + Conversions - Unfollow Rate	Create personalised 1:1 journeys based on the follower's status, location, CRM binding, transactions and entry into the account. Drive action such as grabbing a coupon, purchasing a ticket, or checking out an itinerary.
The Menu Bar	+ Engagement Rate + Conversions	Design a menu bar that makes key information easy to find. Link all mini programs for quick access. Create custom menus for different user segment to increase engagement and conversion.
Customer Service	+ Increase visitor satisfaction - Unfollow Rate	Setup and deploy autoresponders to answer FAQs and help consumers navigate the account. Offer a customer service mini program with a combination of live and chatbot support.
Conversions	+ Track Conversions + Provide Incentives - Friction	Offer coupons exclusive to WeChat to be redeemed at various attractions. Offer direct link to ticketing & reservation and the ability to pay with WeChat Pay. Create a UGC mini program or H5 page where visitors can share photos and reviews.



SOCIAL MEDIA

WECHAT PLATFORM - CONTENT BEST PRACTICES

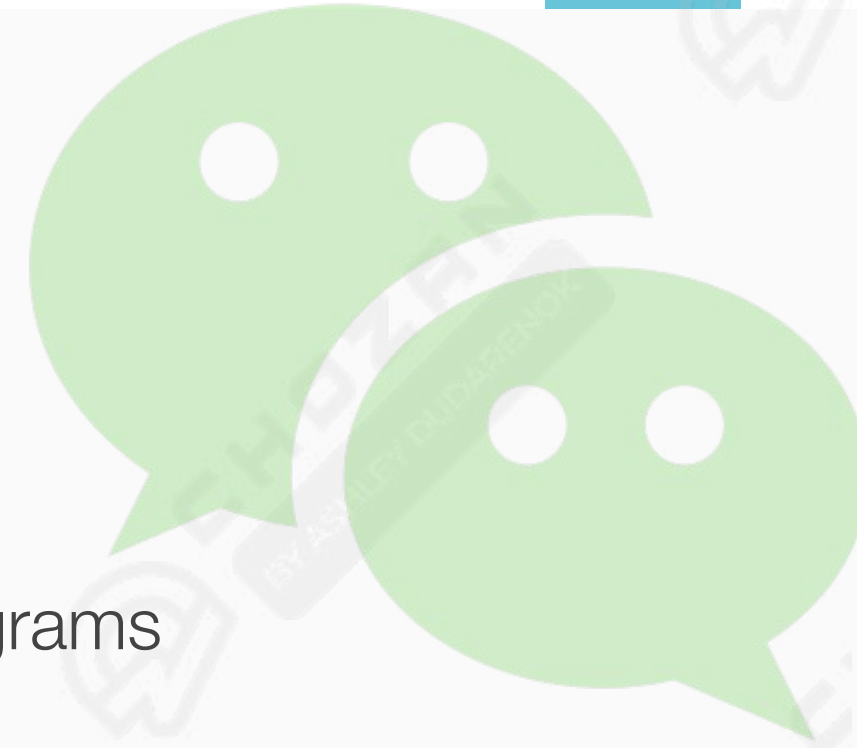
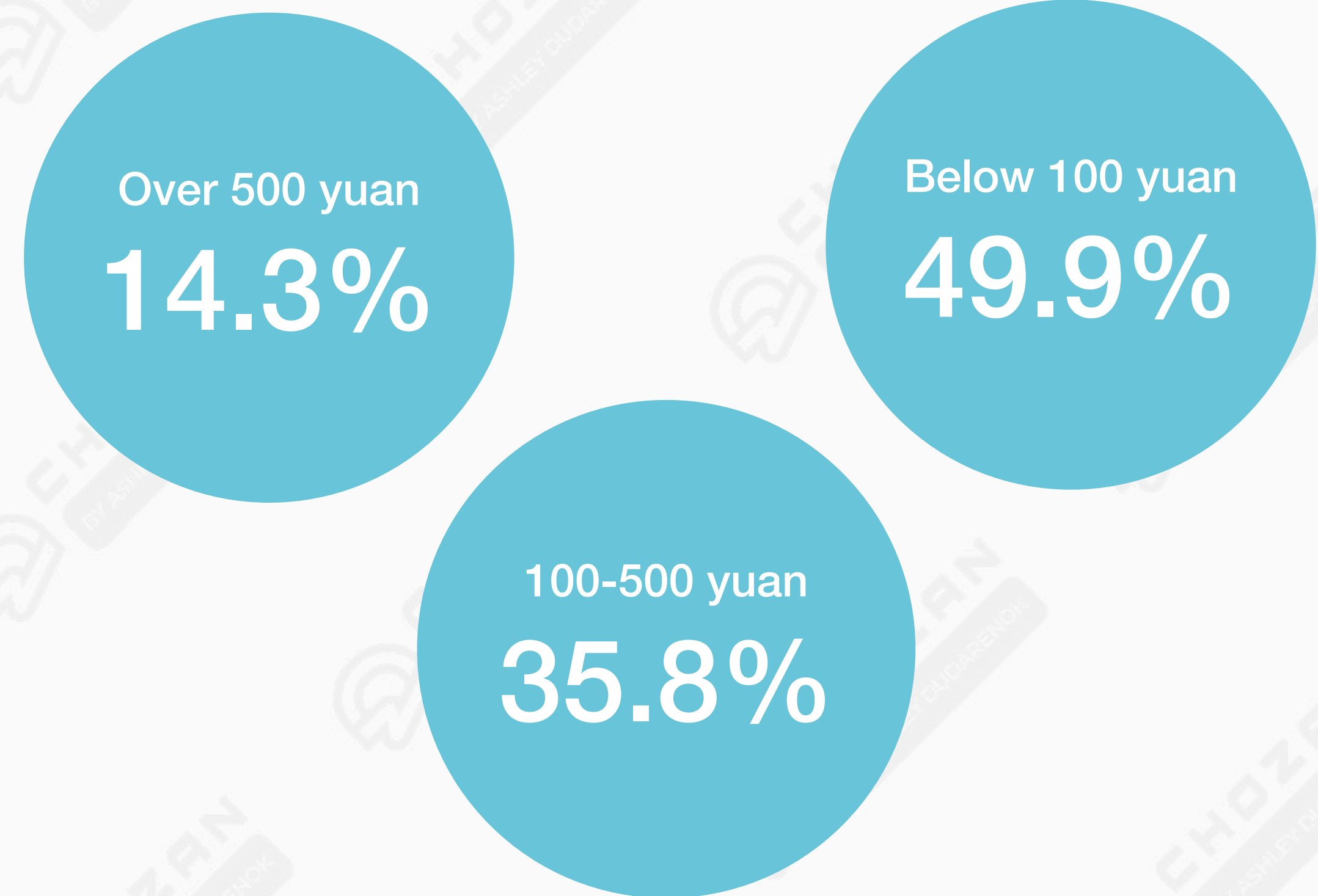
1. Livestreaming in Mini Programs

By March 8 last year, livestreaming in Mini Programs already delivered satisfactory results for business; over 2,000 anchors totalling nearly 900 hours of livestreaming, attracting an average of 280 likes per user, along with 20,000 sharing - the highest number seen in livestreaming. Some brands observed nearly 12 times increase in sales through the impact of Mini Programs, while the transaction value of other brands increased 5 times.

Livestreaming in Mini Program comes with various forms of audience engagement, such as **lucky draws, coupons, gifts, like and comment interaction, friend sharing, WeChat Moment advertising, and brand zone.**

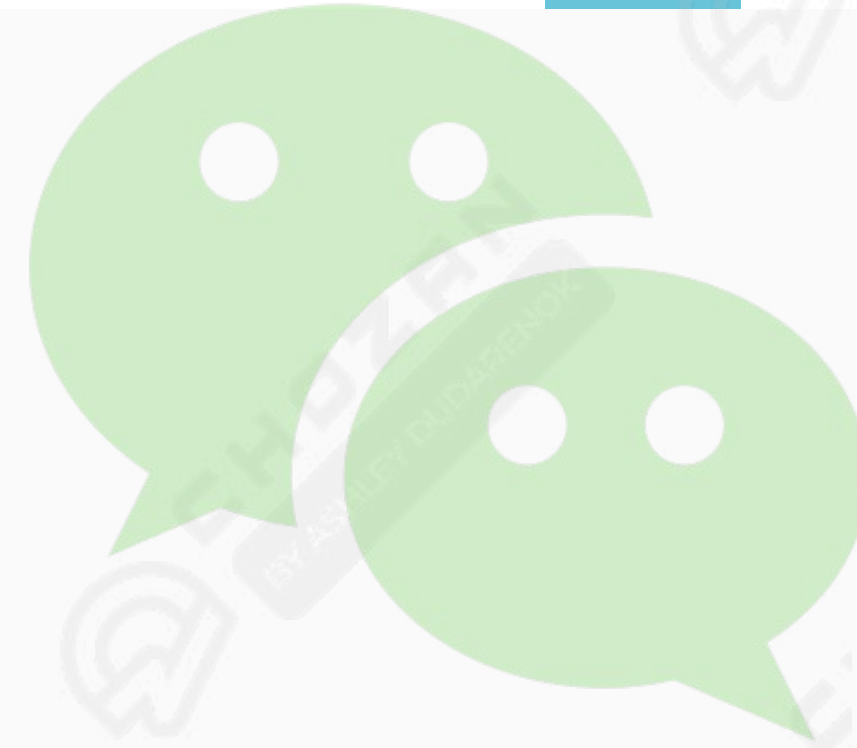
Combined with the social advantages of WeChat, Mini Program can achieve comprehensive consumer reach.

Monthly consumption of users of WeChat Mini Programs



SOCIAL MEDIA

WECHAT PLATFORM - CONTENT BEST PRACTICES



2. Public Account

The era of paid knowledge has arrived. WeChat has long launched rewarding functions - last year, we were seeing **paid reading**.

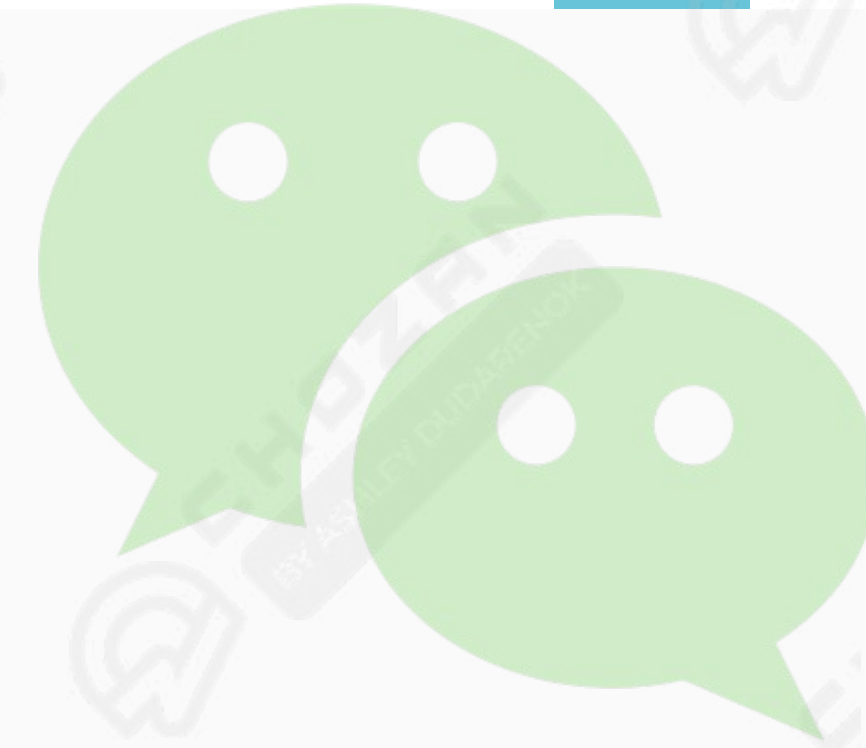
By the end of June, a public account received a total of 1.09 million yuan of income from paid reading alone. In addition, the highest number of people paying for a single article reached 130,000, and the highest single article income reached 260,000 yuan, from the categories of fiction and entertainment movies. The paid reading business model is a prime example of good content ecology where valuable content is rewarded accordingly while kept sustainable.

3. The future of Channels

The future of Channels will not open up a separate function of livestreaming, but instead directly connect with Mini Program livestreaming, and eventually form a closed loop of **Channels + official accounts + Mini Program's live + Community**. Brands and business users will rely on Channels to release live preheating information, connect users through the official accounts, allowing users to buy in Mini Program.

SOCIAL MEDIA

WECHAT PLATFORM - SALES INTEGRATION



Four major segments of e-commerce layout on WeChat:

- 1 Third-party platforms.** Third-party platforms such as Pinduoduo, JD.com, Meituan and others have all entered the market as Mini Programs.
- 2 Business owners who have their own brands.** The birth of WeChat's Mini program has given many business owners the opportunity to "make profits" in this system. These users are mainly in the supermarket, catering and fresh food industries, such as KFC, Carrefour and Multipoint. They have high brand awareness and a good base of loyal user groups, coupled with the high-frequency or cyclical nature of business consumption, making it easier to retain and operate WeChat users.
- 3 SaaS service providers.** Large SaaS service providers, such as Youzan and Weimob, and the hundreds of thousands of small and medium-sized businesses behind them. WeChat's previously owned e-commerce tools have lagged in development, providing room for SaaS service providers to survive. They help merchants to open stores in WeChat in order to gain revenue from technical service fees. 2019 YouZhan financial report shows that more than 8,200 stock paid merchants, a total of 64.5 billion yuan of GMV.
- 4 E-commerce tools owned by WeChat.** The former WeChat small shop and Mini shop now.

SOCIAL MEDIA

WECHAT PLATFORM - REGULATIONS / UPDATES

'MINI SHOP'

As long as users have the certified official account of enterprises they can open a 'Mini shop'.

The ability is currently in beta testing, but it will allow businesses to leverage the advantages of mini programs with no costs or development restrictions.

The main feature of the store is the ability to launch WeChat livestreaming linking to the store.

Right after the release of Mini Shop, Youzan and Weimob's stock fell 10% and 12%. Investors see this feature as a threat to the 3rd party WeChat store business model.

CURRENT PROMOTABLE SCENARIOS ON MINI SHOP

System Access

QR code

Search

LBS

Sharing

Public Account

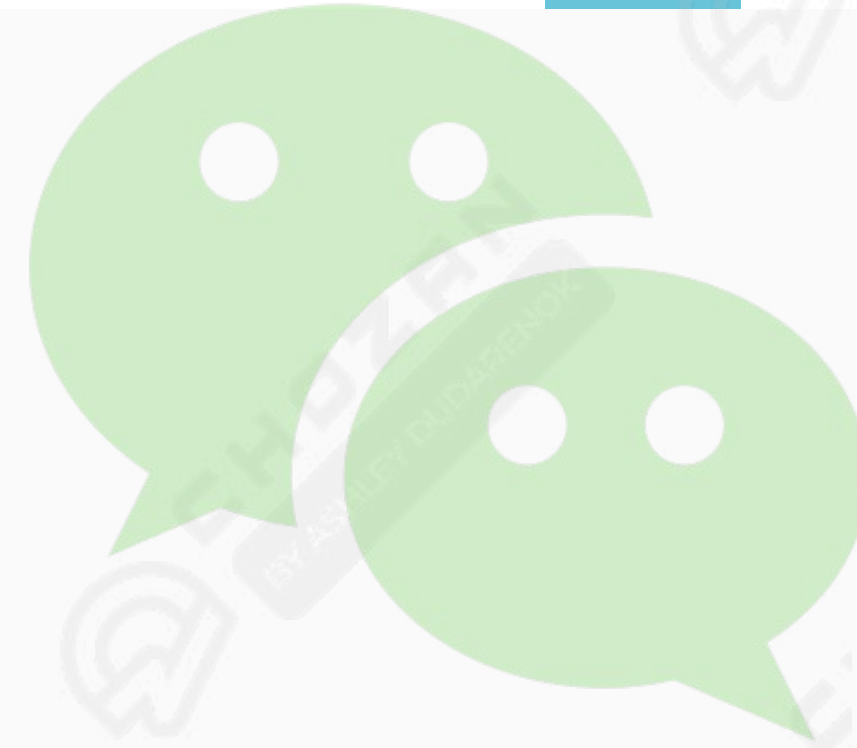
Enterprise
WeChat

Advertisements



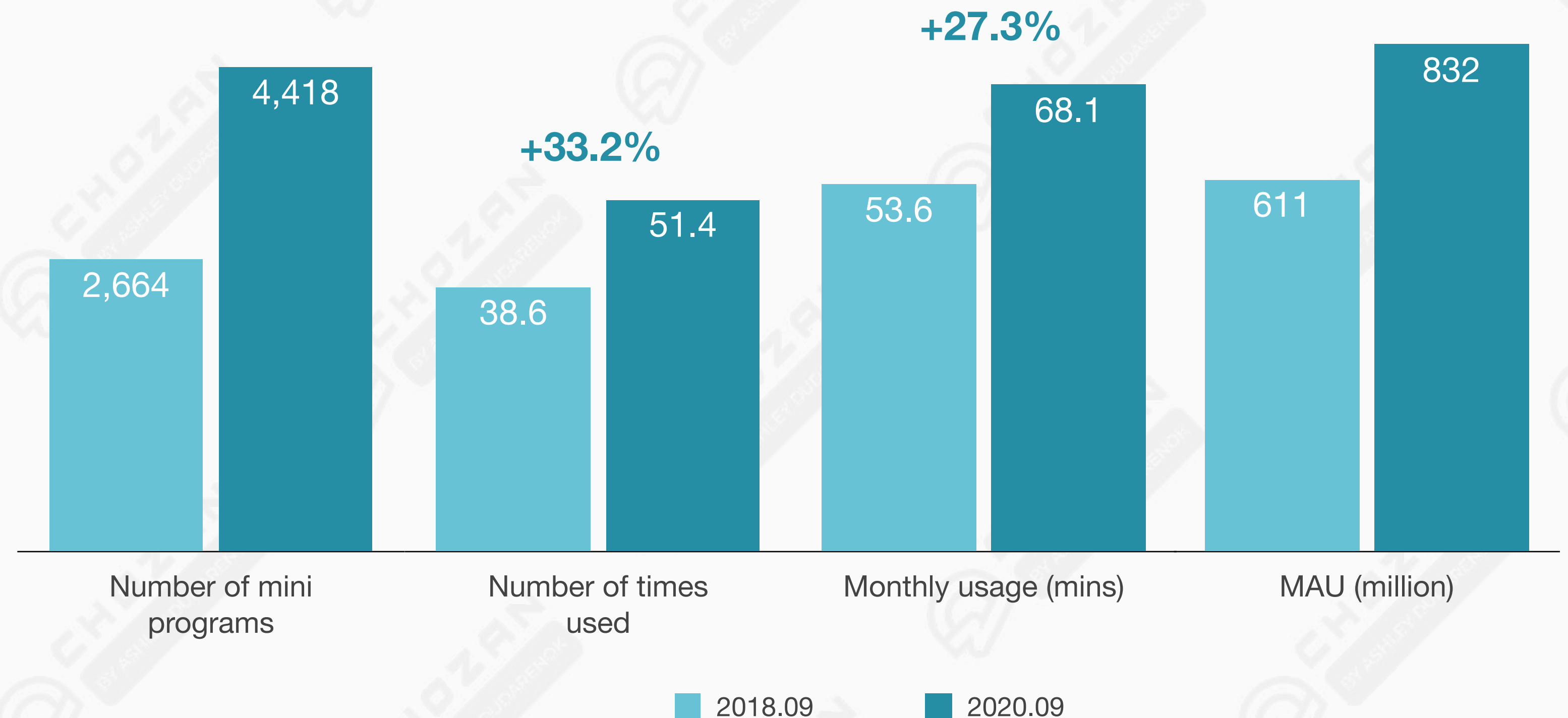
SOCIAL MEDIA

WECHAT PLATFORM - WECHAT MINI PROGRAMS



The trend of using WeChat mini programs is rapidly rising as the number of mini programs and usage has significantly increased.

WECHAT MINI PROGRAMS AND USER USAGE

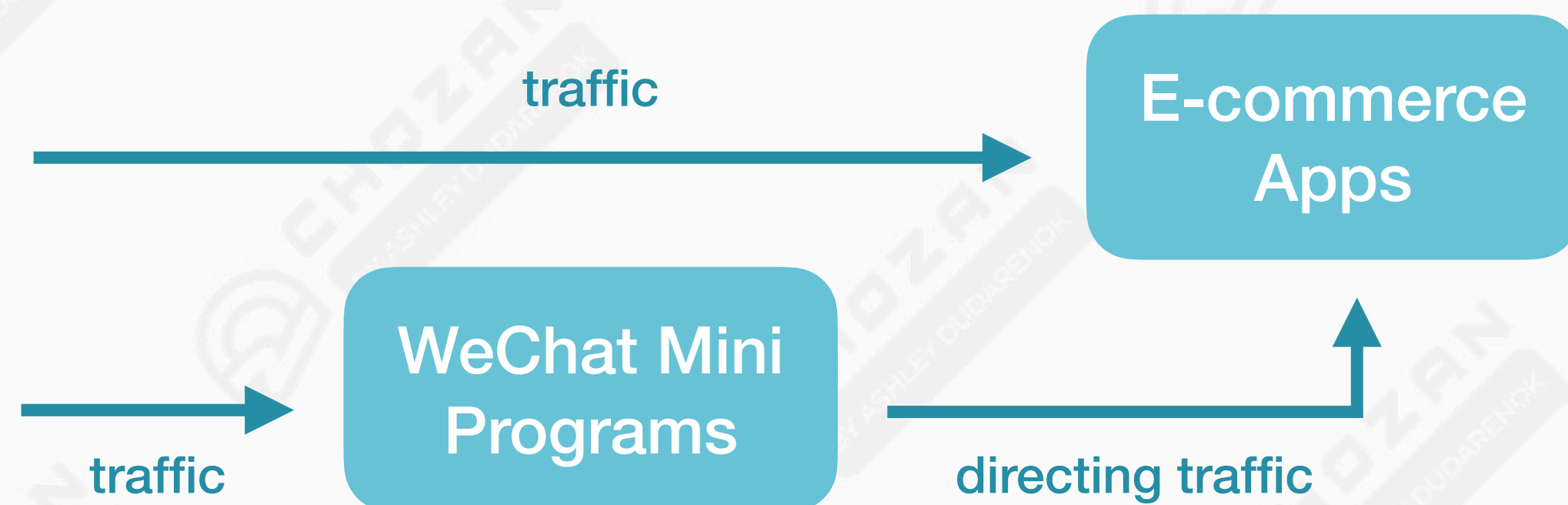


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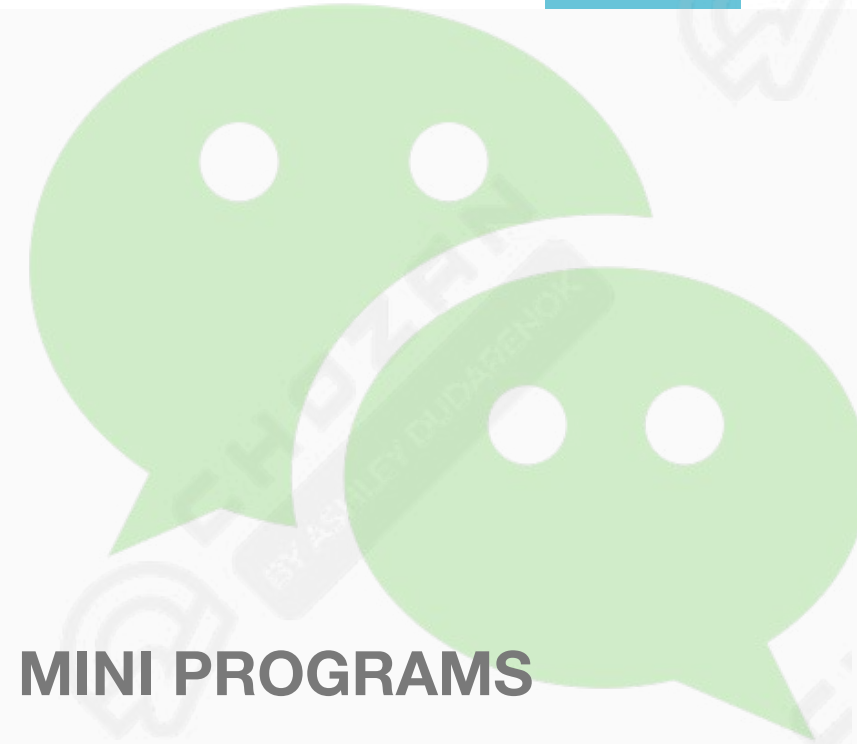
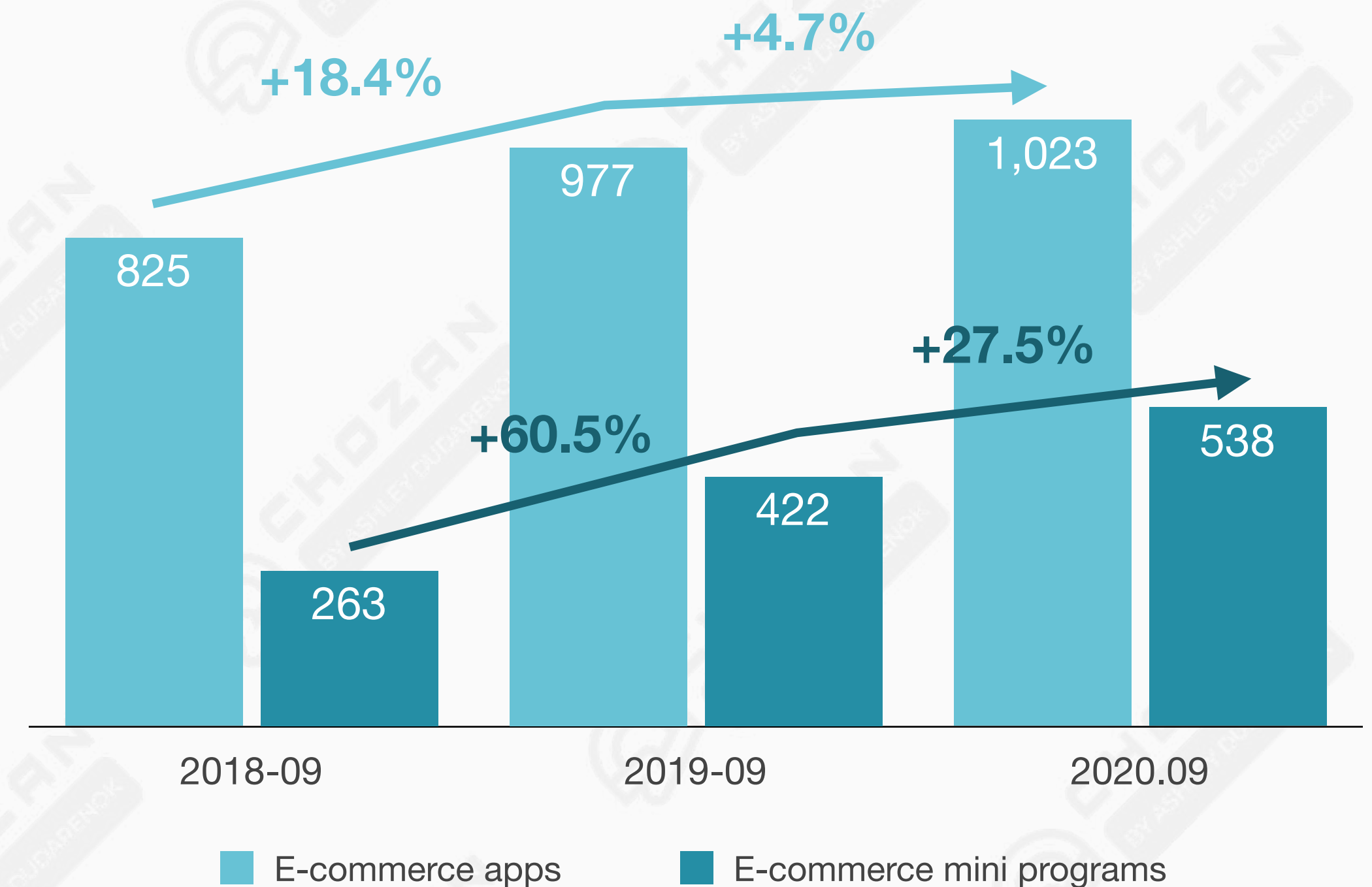
WECHAT PLATFORM - WECHAT MINI PROGRAMS

As the e-commerce industry is growing rapidly, more WeChat mini program are being developed, acting as a supporting tool to increase traffic to e-commerce apps.

WECHAT MINI PROGRAMS DIRECTING TRAFFIC TO E-COMMERCE APPS



E-COMMERCE APPS AND E-COMMERCE MINI PROGRAMS INDUSTRY SIZE



EXPERT BITES

Q: WHAT WILL WECHAT FOCUS ON IN Q2 2021?

I expect that WeChat will focus more on stimulating a freer flow of traffic and creating more visibility for brands. They might also start connecting more to third-party sites and curtail the link blocking. I'm somewhat excited about WeChat's plans to do more livestreaming and video. BUT, **they have a bandwidth and focus problem trying to get their audience to use the multitude of features and functions on what has become a very crowded platform.**



CHRIS BAKER

Founder
Totem Media

EXPERT BITES

Q: LOTS OF PEOPLE ARE EXCITED ABOUT WECHAT VIDEO CHANNELS NOW. ARE YOU? WHY OR WHY NOT?

Yes, I firmly believe that WeChat channels are the least talked about and most effective platform right now. The key advantage is an awareness opportunity in a mid-funnel platform. For example, being able to drive top funnel awareness as well as converting on the same platform.



ARNOLD MA

Founder and CEO
at Qumin

EXPERT BITES

Q: WHAT WILL WECHAT FOCUS ON IN Q2 2021? HOW IS IT SIGNIFICANT FOR BRANDS?

At WeChat's Global Digital Ecosystem Summit held in January 2021, the WeChat team announced that WeChat would focus on following aspects:

- 1) broadening scenarios**
- 2) reducing costs and improving efficiency**
- 3) enriching operations**
- 4) data analysis**
- 5) operational support, and**
- 6) enhancing trust**



ELENA GATTI

Managing Director, Europe
at Azoya

EXPERT BITES

Q: WHAT OVERLOOKED MARKETING CHANNELS WOULD YOU RECOMMEND BRANDS PAY ATTENTION TO IN Q2 2021?

WeChat Channels is still being underutilized by brands. Channels, the content-led video platform within WeChat, is a much more open ecosystem than WeChat accounts. With WeChat account follower and read rates dropping dramatically, it's time to start thinking differently about how to access and engage WeChat's massive existing user base. **Video is an incredibly powerful medium to communicate with consumers, however too many brands remain averse due to a perception of high costs.** What they fail to realize is the increased power of video to impact and convert an audience compared to a WeChat article, making it a much better investment.



OLIVIA PLOTNICK
Founder Wai Social

PLATFORM

WEIBO



SOCIAL MEDIA

WEIBO PLATFORM - INTRODUCTION

"Weibo" means microblog in Chinese. It was launched in 2009 and quickly rose to popularity. Similar to Twitter, Weibo is where fresh news finds its audience any time, anywhere. It's fast paced, allows people to see the world and behind the scene stories, enables self-expression, and helps people share their opinions. These qualities also make Weibo the perfect platform for celebrities, idols and influencers to communicate with their fans.

As of December 2020, Weibo has...

Daily active users:



241 MILLION

Daily active users



34 MILLION

Year on year increase



Monthly active users:



550 MILLION

Monthly active users



85 MILLION

Year on year increase



94%

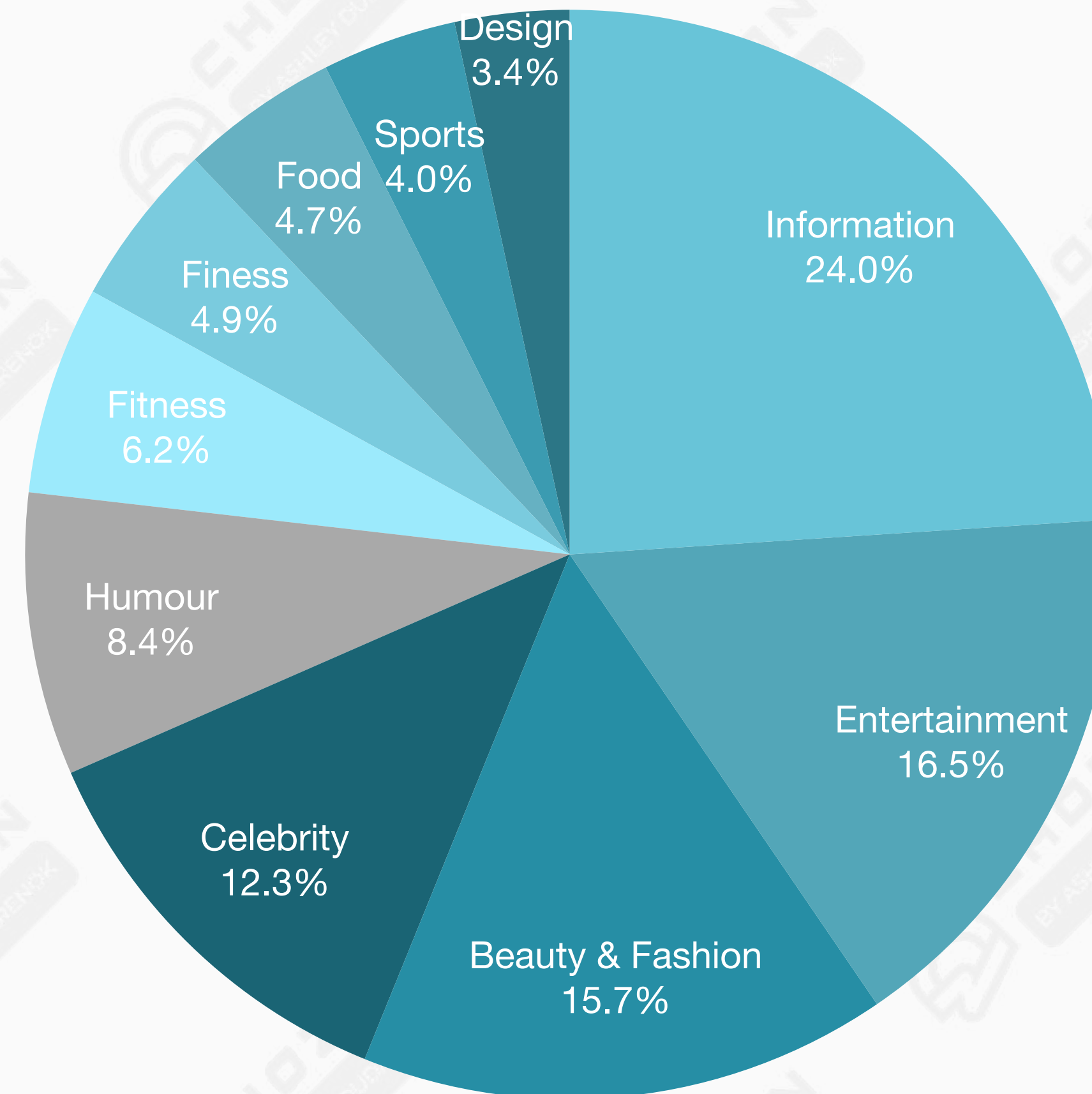
mobile users

SOCIAL MEDIA

WEIBO PLATFORM - POPULAR CONTENT CATEGORIES

Information, entertainment, and beauty & fashion are some of the most popular categories on Weibo. These influencers have higher sensitivity towards trends and can better create viral content.

WEIBO INFLUENCERS BY INDUSTRY



SOCIAL MEDIA

WEIBO PLATFORM - TOP MARKETING METHODS

In the past 10 years, Weibo has remained in a leading position in the industry in terms of number of active users and influence. While the recent rise of the short video market has posed some challenges to the scene, Weibo's highly social nature continues to act as the key channel for trending content and brand exposure. In fact, Weibo remains very effective in increasing brand awareness, product interest, customer loyalty and stimulating conversion.

Weibo influencers

Collaborate with influencers to capture followers outside of your typical follower base. There are lots of active influencers across a wide range of categories. Their number of followers should not be the sole factor you consider when choosing who to work with. You should also consider their follower composition, credibility, expertise and image, etc.

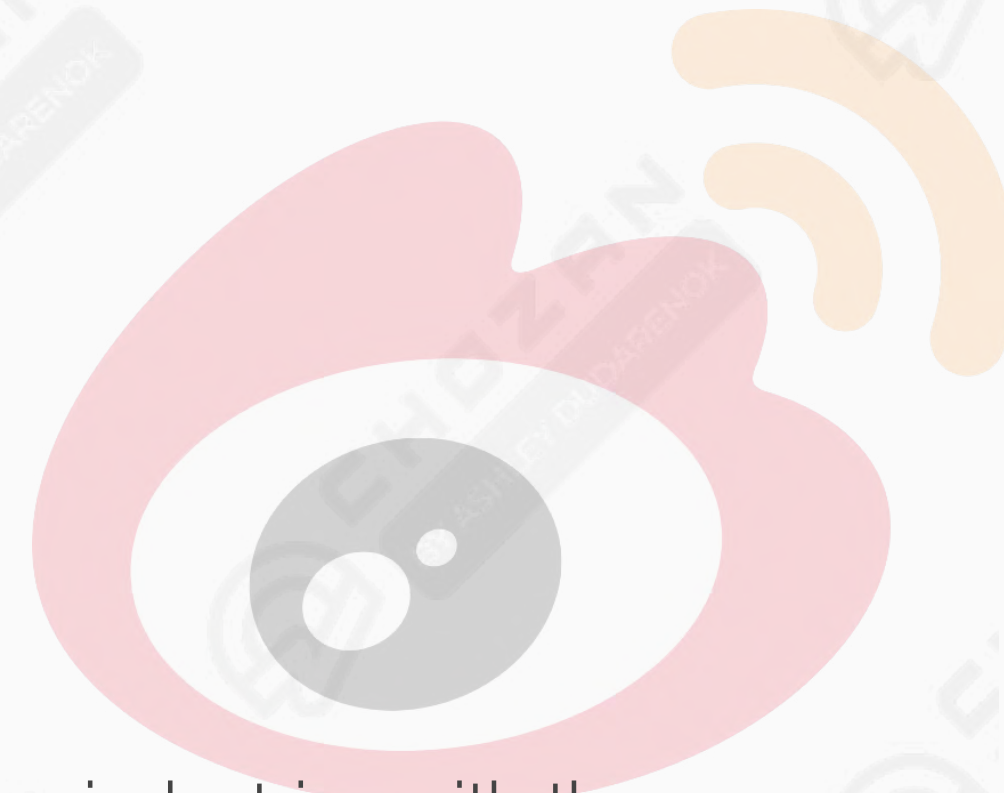
Weibo advertising

There are several advertising options on Weibo to help you expand your reach. Lots of businesses have been active in doing

ads on Weibo. The top industries with the most number of ads in 2020 Q1 are food and beverage, daily products, skincare and cosmetics, and fashion, accounting for over 80% of the total ads.

Weibo lottery

Encourage engagement and generate discussions around your brand by doing Weibo lotteries in times of product launches, offline sales events or just for brand promotion.



SOCIAL MEDIA

WEIBO PLATFORM - CONTENT BEST PRACTICES

Brands on the platform post thousands of articles each day, making it hard to stand out. Most top-performing business accounts have managed to **maintain a regular posting frequency** by **posting interactive content** to **foster a sense of community with its followers**.

Here are some additional points for posting on Weibo:

Utilise the multiple images layout

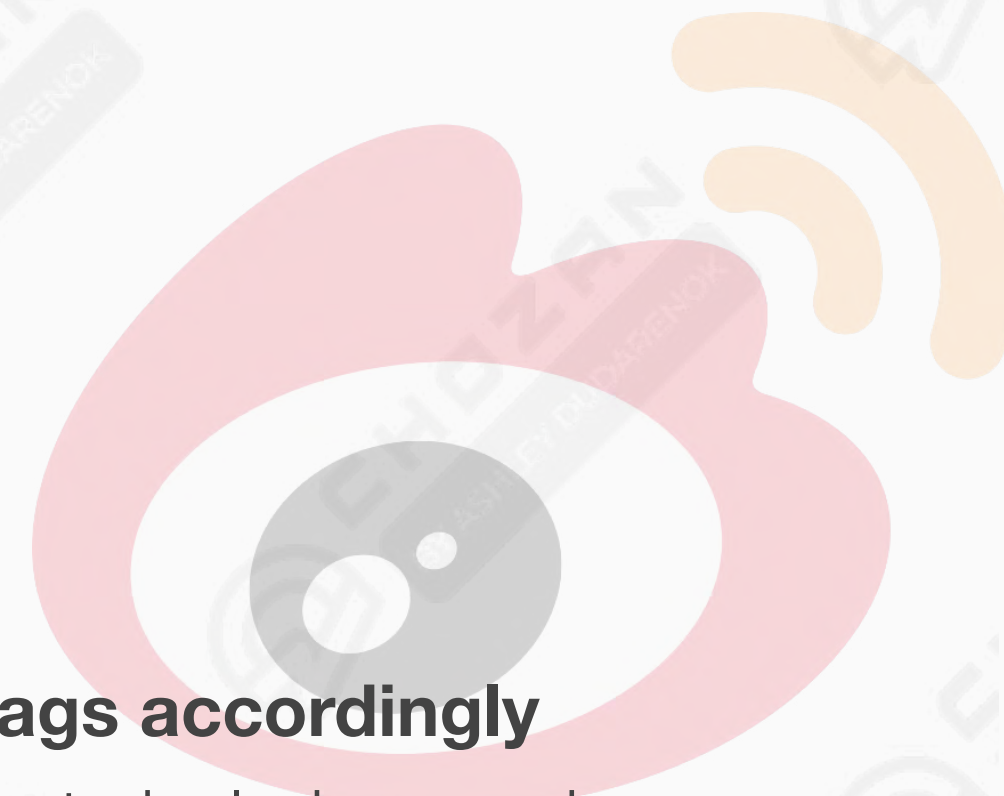
Up to 9 images can be fully displayed on your Weibo post. Uploading 9 high-quality pictures as opposed to just one would make your content more informative, while also better your chances in triggering your reader's interest.

Incorporate videos

More businesses are posting video content on Weibo as videos are engaging to followers. The auto-play function also helps capture the attention of the ones who mindlessly scroll on Weibo.

Use relevant hashtags accordingly

It is never a good idea to include a random trending hashtag just to tag along the traffic. You should only use relevant hashtags, or you may risk jeopardising your brand image as being a clout chaser.



EXPERT BITES

Q: WHAT WILL WEIBO FOCUS ON IN Q2 2021? HOW IS IT SIGNIFICANT FOR BRANDS?

Weibo is focusing less on live and more on e-commerce in 2021. Weibo KOLs now have their own stores, which allow immediate conversions. They have also started to pay KOLs based on views per week. So this means in 2021, **Weibo is looking to make a comeback!**



DAVID GULASI

CEO of DaveGulasi.com
and China KOL

EXPERT BITES

Q: WHAT WILL WEIBO FOCUS ON IN Q2 2021?

With the threats of anti-trust actions in China, specifically directed toward Alibaba, I expect that Weibo will focus more on **building its own e-commerce functions.**



CHRIS BAKER

Founder
Totem Media

PLATFORM

DOUYIN

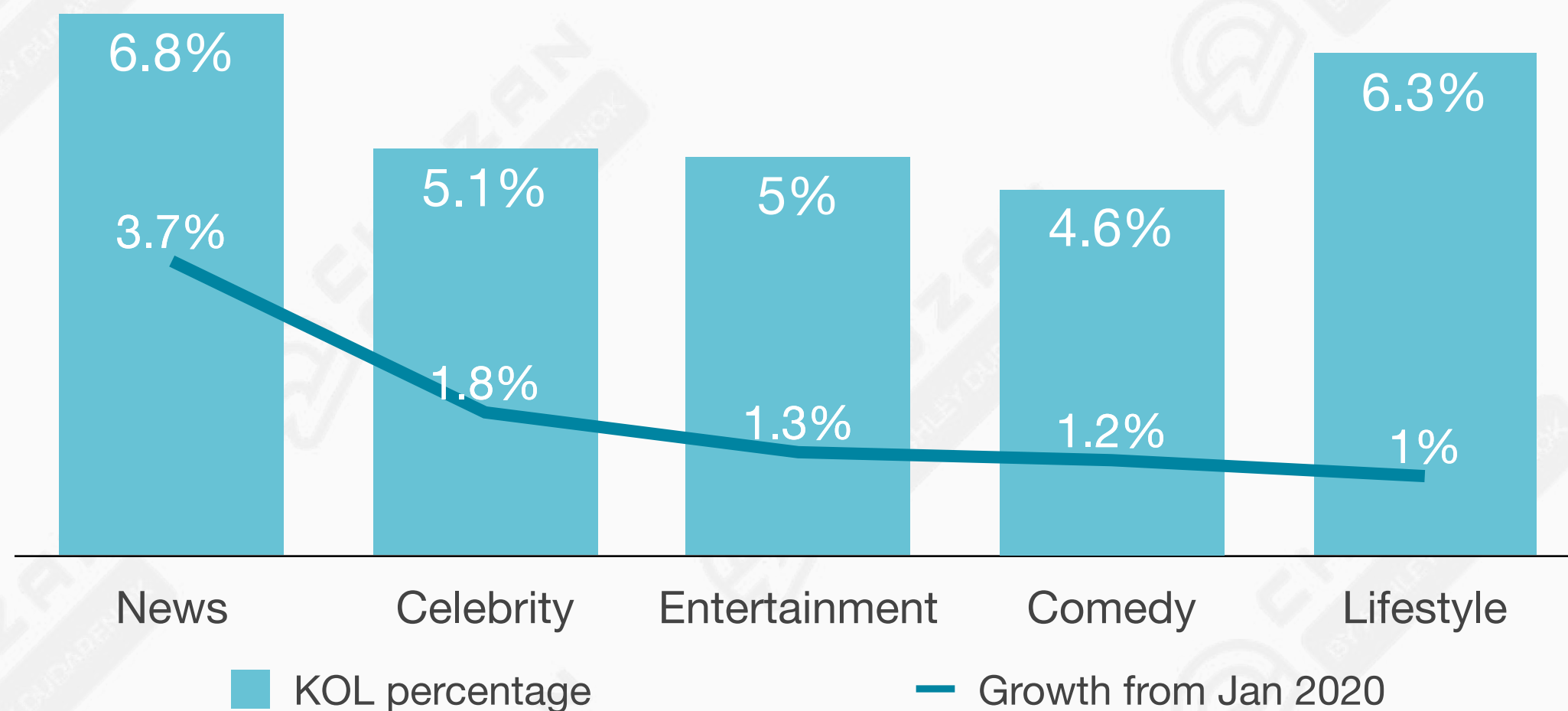


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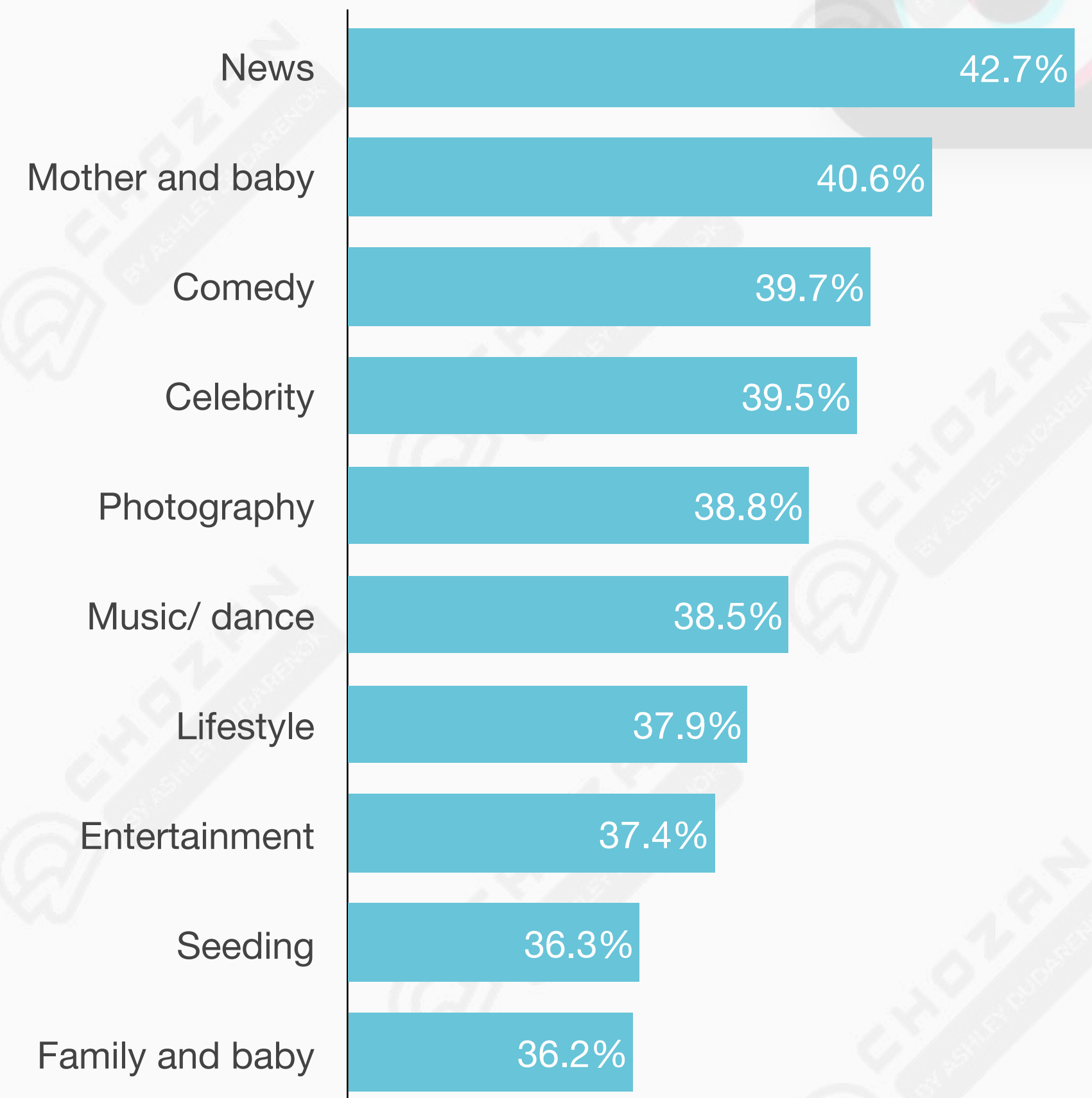
DOUYIN PLATFORM - INTRODUCTION

The short video industry continues to rise due to normalisation of Covid-19 realities. Penetration rates and the increasing number of KOLS in the news industry is showing short video platforms like Douyin becoming one of the major platforms to share the most updated content/ news.

PERCENTAGE OF KOLS IN DIFFERENT INDUSTRIES ON DOUYIN, 2020 SEP



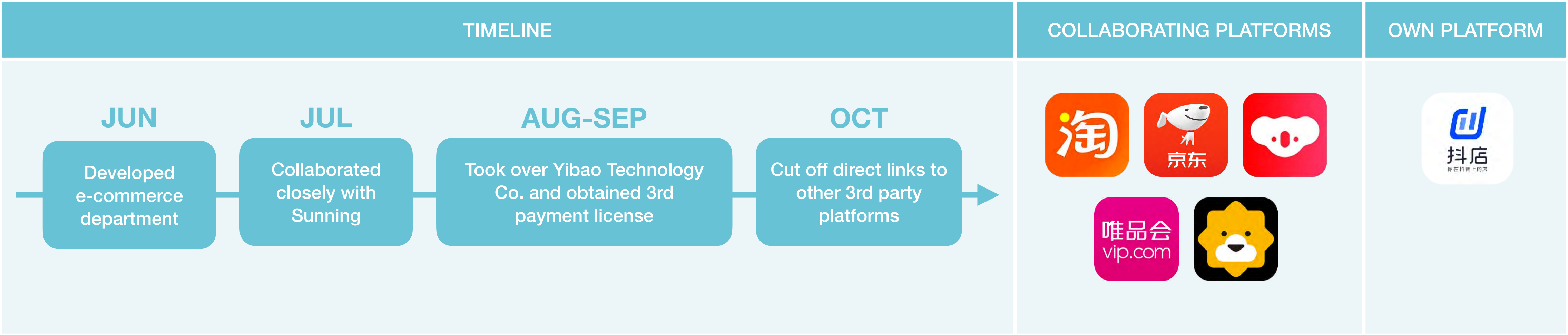
ACTIVE PENETRATION RATE OF DIFFERENT INDUSTRIES ON DOUYIN, 2020 SEP



SOCIAL MEDIA

DOUYIN PLATFORM - ECOSYSTEM

Douyin has been expanding their ecosystem in throughout 2020, collaborating with more platforms to expand their business.



SOCIAL MEDIA

DOUYIN PLATFORM - USER INFORMATION



SUNDAY 8-9 PM

IS USERS FAVOURITE TIME TO USE DOUYIN



600 MILLION

DAILY ACTIVE USERS



400 MILLION

DAILY SEARCHES



DOUYIN USERS CONTENT PREFERENCES

	LIKES TO POST CONTENT ABOUT	LIKES TO WATCH CONTENT ABOUT
POST 00S	Anime	Anime
POST 90S	Cute babies	News
POST 80S	Landscape	Fashion
POST 70S	Food	Wedding
POST 60S	Dance	Cute babies

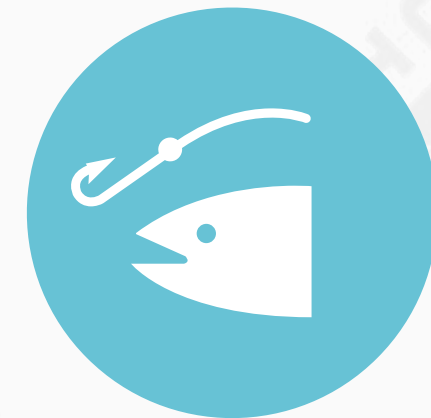
SOCIAL MEDIA

DOUYIN PLATFORM - POPULAR CONTENT



9.3 BILLION

VIDEO PLAYS ON RICE COOKER RECIPES



800 MILLION

LIKES ON FISHING CONTENT



14.46 MILLION

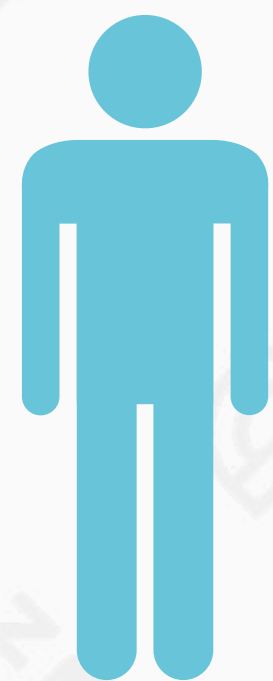
USERS PARTICIPATING IN FITNESS
ACTIVITIES

SOCIAL MEDIA

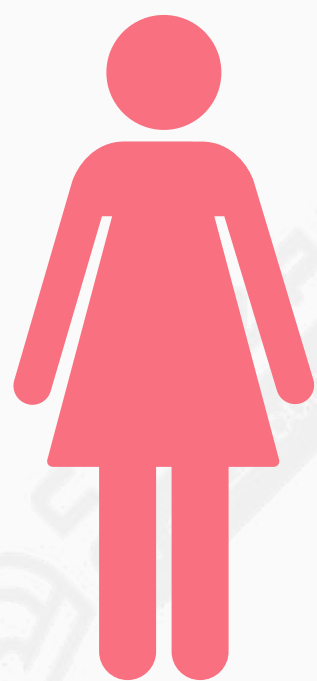
DOUYIN PLATFORM - CONTENT CREATORS

The majority of Douyin content creators are Gen Z (60%) and from lower-tiered cities (tier 4 or below - 44%)

DOUYIN CONTENT CREATORS GENDER RATIO AND INCREASED PERCENTAGE, 2018-2020

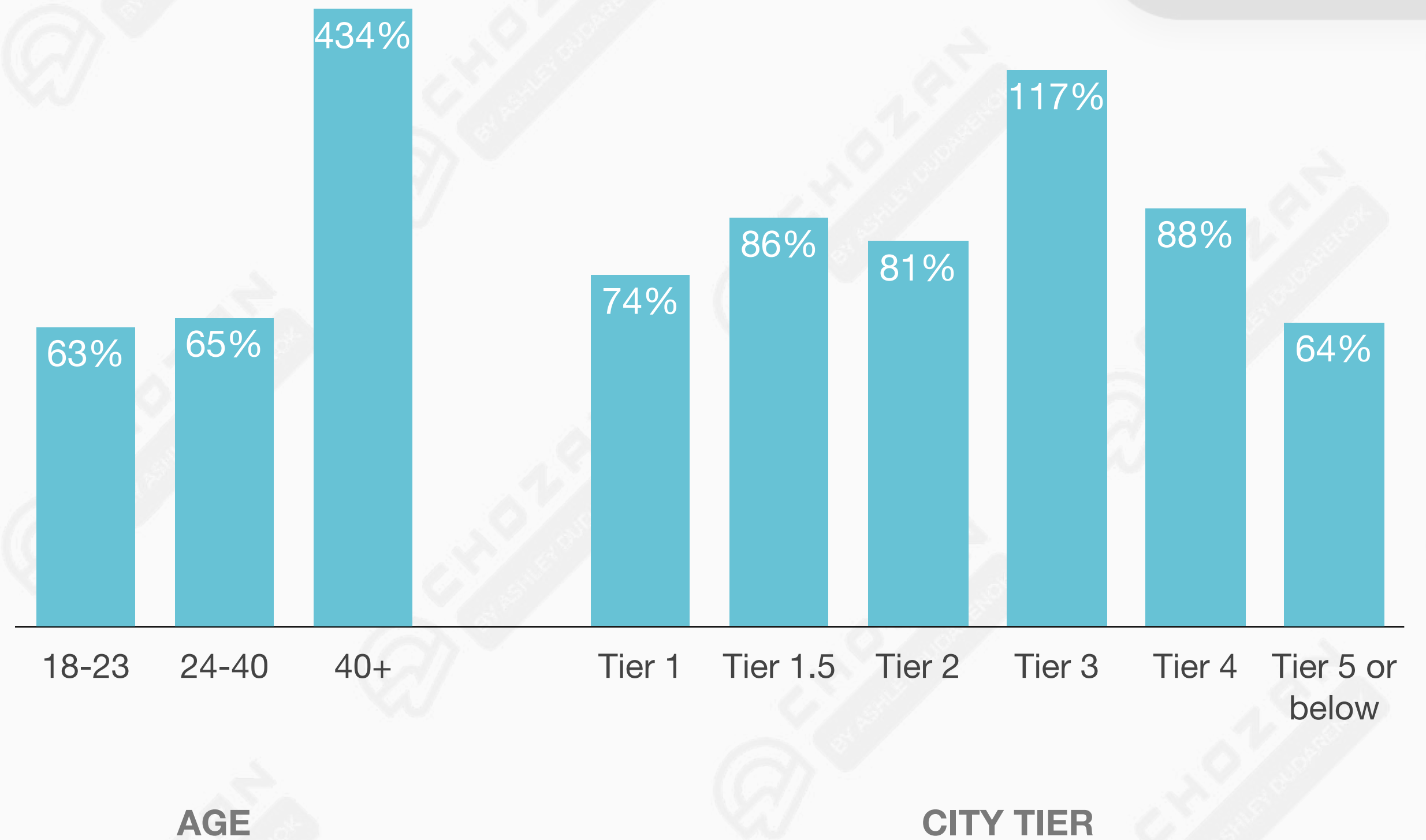


48%
(+120%)



52%
(+70%)

INCREASED PERCENTAGE OF DOUYIN CONTENT CREATORS, 2018-2020



SOCIAL MEDIA

DOUYIN PLATFORM - INTRODUCTION

Douyin is a short video sharing application developed by ByteDance. The application entered the Chinese market in 2016. It then released worldwide with the name TikTok in 2018, after merging with a similar application named Musical.ly. Douyin allows users to create and share videos up to 60 seconds, with most of these videos being related to music, dancing, lip-sync and comedy. Douyin is very popular across the globe; together with TikTok, the application has more than 738 million downloads in 2019.

As of June 2020, Douyin has...



513.4 MILLION

Monthly active users



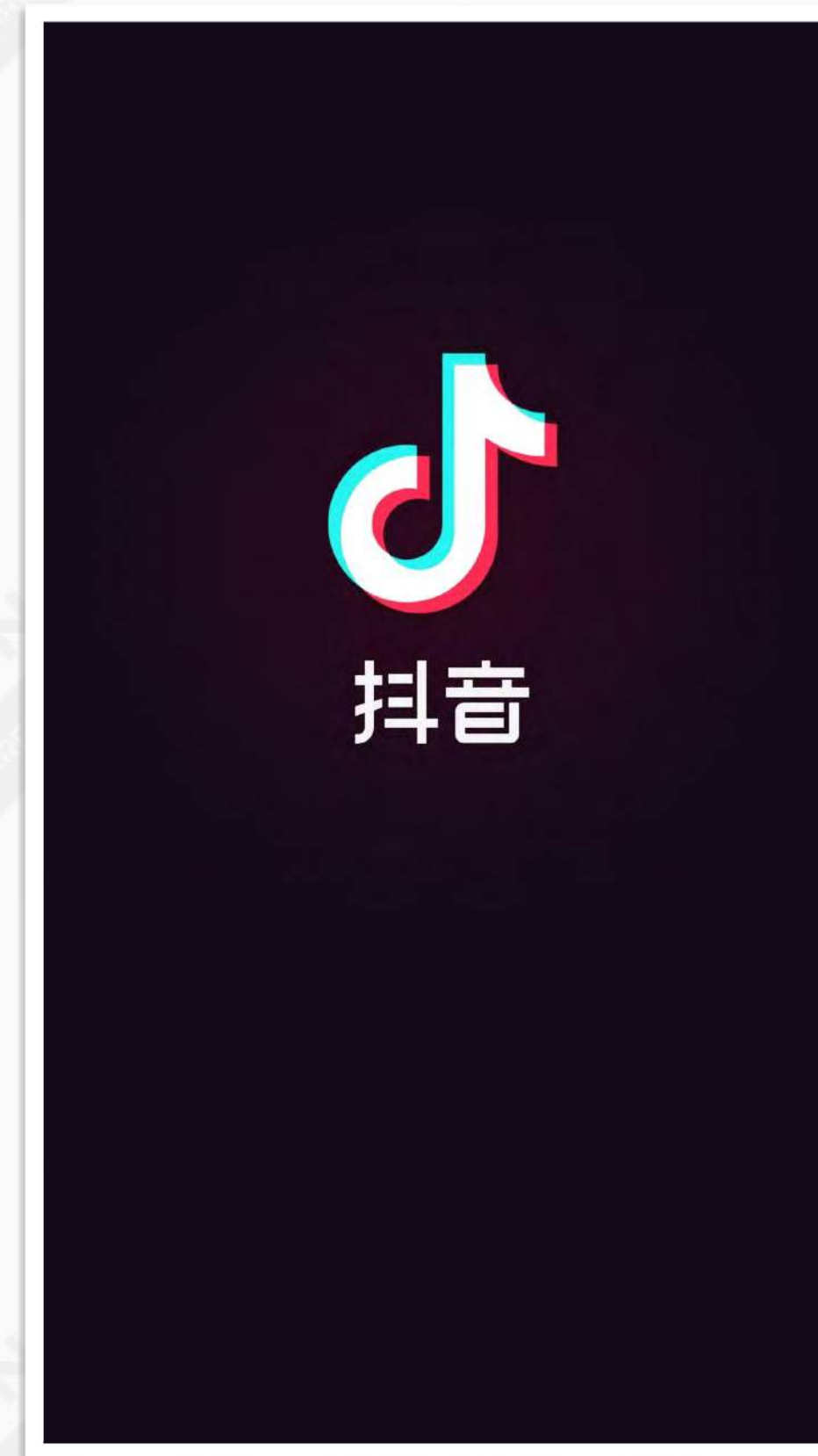
57.5%

Active rate



26.2 HOURS

Monthly average usage



SOCIAL MEDIA

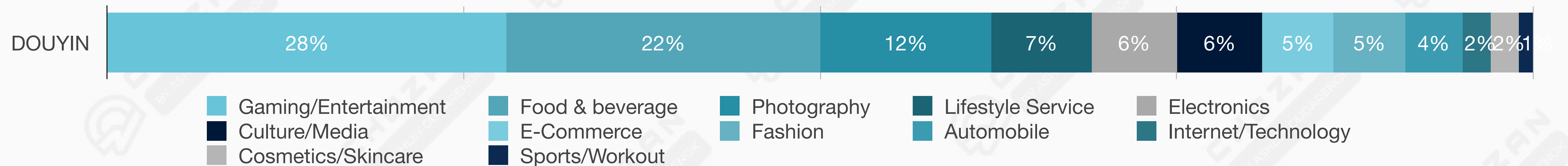
DOUYIN PLATFORM - TYPES OF ACCOUNTS



TYPES OF DOUYIN ACCOUNTS



TOP PROFESSIONALLY-GENERATED CONTENT ON DOUYIN



SOCIAL MEDIA

DOUYIN PLATFORM - TOP MARKETING METHODS

Work with Influencers

Working with Influencers is the most direct way of doing marketing on Douyin. The fame of influencers, including KOLs and celebrities, naturally draws lots of attention on the platform. Large amounts of follows and high views in their account will create promising results through partnerships.

Start a Competition

Numbers of competitions are promoted by Douyin everyday, where brands create specific hashtags, and users participate using the same hashtags. Usually, the videos

with highest views or highest shares win the competition. These competitions allow users to win prizes by creating videos surrounding certain topics, which draw lots of attention to the brands.

Create Stickers

Stickers are a major function on Douyin. Users can add different stickers, such as eyewear, goggles and face expressions, to their videos. Brands can create their own stickers, and therefore more users will know the brands when they use these stickers in the videos.

E-commerce

Douyin has a product sharing function. After activating the function, user's can add products link to their video. This link can direct user's to either a product in Taobao store, or inside Douyin Store.



SOCIAL MEDIA

DOUYIN PLATFORM - TOP MARKETING METHODS

Livestreaming on Douyin

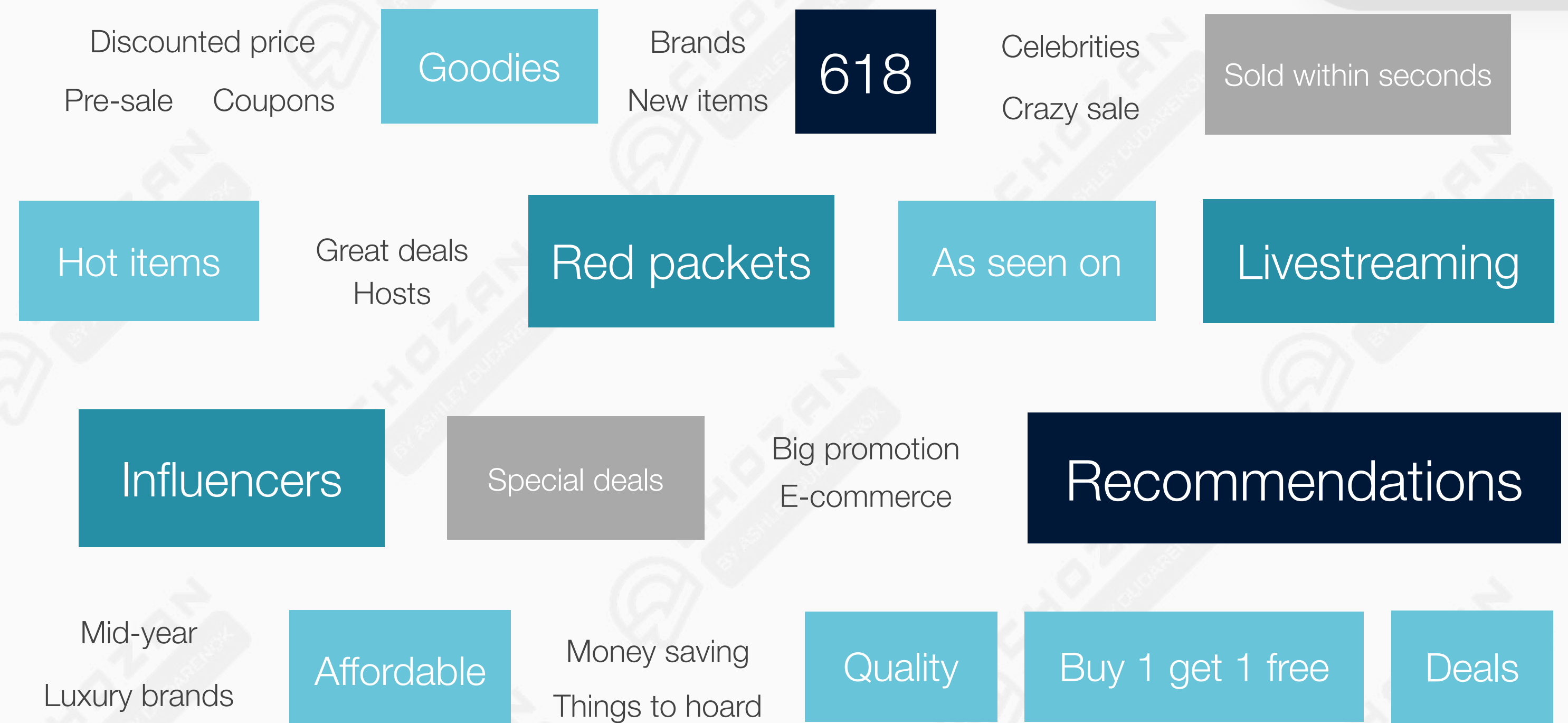
Livestreaming substantially strengthens the e-commerce network and sales cycle.

The number of users after activating 'shopping cart' functions on Douyin showed a 101% increase from December 2019 to June 2020.

The number of short videos on Douyin with 'shopping cart' features showed a 173% increase from June 2019 to June 2020.

The number of livestreaming sessions on Douyin with 'shopping cart' features showed a 876% increase from December 2019 to June 2020.

KEYWORD POPULARITY FOR SHORT VIDEOS ON DOUYIN IN JUNE 2020 - MOST PUBLISHED CONTENT



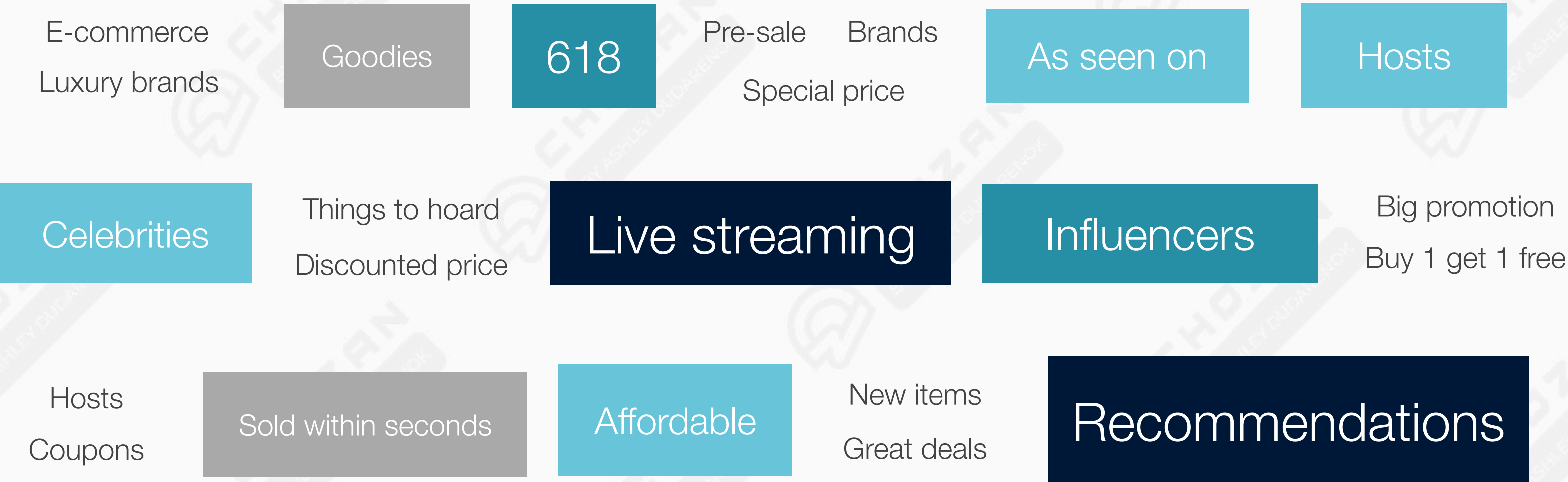
* Font size correlates with the number of videos

SOCIAL MEDIA

DOUYIN PLATFORM - TOP MARKETING METHODS



KEYWORD POPULARITY FOR SHORT VIDEOS ON DOUYIN IN JUNE 2020 - MOST VIEWED CONTENT



Trending video themes & respective views

“Live streaming” 39 billion+ views	“Influencers” 10 billion+ views
“As seen on” 6.5 billion+ views	“Celebrities” 6 billion+ views
“Sold within seconds” 4 billion+ views	

* Font size correlates with video views

SOCIAL MEDIA

DOUYIN PLATFORM - TOP MARKETING METHODS



LIVESTREAMING SHOPPING PREFERENCES FOR DIFFERENT AGE GROUPS

Aged
18 - 23

Prefers purchasing:
beauty products

Category	TGI
Skincare	268
Men's apparel	196
Women's apparel	182

Aged
24 - 30

Prefers purchasing:
baby products

Category	TGI
Children's clothing	229
Men's apparel	199
Fashion accessories	174

Aged
31 - 40

Prefers purchasing:
accessories

Category	TGI
Apparels & accessories	224
Oil & condiments	224
Fashion accessories	134

Aged
41 - 50

Prefers purchasing:
household products

Category	TGI
Cleaning products	219
Daily misc. products	196
Shampoo & conditioner	174

Aged
50+

Prefers purchasing:
gifts & presents

Category	TGI
Gifts & presents	317
Men's shoes	208
Women's apparels	172

TGI is the Target Group Index. A high TGI value indicates the target group has a high shopping preference in that particular category as compared to the reference group.

SOCIAL MEDIA

DOUYIN PLATFORM - TOP MARKETING METHODS



LIVESTREAMING SHOPPING PREFERENCES FOR DIFFERENT CITY TIERS

Tier 1

Category	TGI
Men's apparel	127
Skincare products	124
Women's apparel	120

New tier 1

Category	TGI
Pre-owned luxury products	342
Underwear	278
Leisure food	194

Aged 31 - 40

Category	TGI
Men's shoes	183
Leisure food	170
Gifts	134

Tier 2

Category	TGI
Women's apparels	151
Jades & jewellery	150
Shampoo & conditioner	102

Tier 3 & 4

Category	TGI
Men's apparels	136
Women's apparels	112
Skincare products	112

TGI is the Target Group Index. A high TGI value indicates the target group has a high shopping preference in that particular category as compared to the reference group.

EXPERT BITES

Q: WHAT ARE YOUR GENERAL MARKETING RECOMMENDATIONS FOR BRANDS IN Q2 2021?

Douyin is making a concerted effort to be a real e-commerce contender by establishing v-commerce as the new norm. Traditional e-commerce platforms have been doubling CPM fees for years. Douyin might be a way to subvert these extortionists and find a whole new way to maximize campaign budget ROIs.



ELIJAH WHALEY

Chief Marketing Officer
PARKLU

EXPERT BITES

Q: WHAT WILL DOUYIN FOCUS ON IN Q2 2021? HOW IS IT SIGNIFICANT FOR BRANDS?

To face the challenges of fierce competition and a traffic ceiling, it will start to focus on its internal ecosystem, with more platform-style functions and integrated resources. **This is in order to strengthen its closed loop.**

It will also focus on social commerce to increase customer retention and stickiness. It's important to closely follow their evolution and carefully select the platform that will really bring ROI.

Don't jump on a channel just because of a new innovation. Make sure you have a real channel strategy.



ROMAIN HENRIOT

Chief Operations Office,
Splio China

EXPERT BITES

Q: WHAT WILL DOUYIN FOCUS ON IN Q2 2021?

Douyin as a platform now has to compete with the likes of WeChat and Little Red Book, so **they'll put more effort into livestreaming and social e-commerce. They'll also put more effort into building KOL stores and the Star platform behind Douyin.** The Star platform allows brands to directly connect with KOLs on Douyin.



DAVID GULASI

CEO of DaveGulasi.com
and China KOL

EXPERT BITES

Q: WHAT WILL DOUYIN FOCUS ON IN Q2 2021? HOW IS IT SIGNIFICANT FOR BRANDS?

Douyin will be focusing on community in 2021. This would be a counter to WeChat Channels as they try to bring top funnel awareness to the WeChat ecosystem. Douyin will try to bring mid-funnel attributes to their own platform. You can already use a group chat feature to engage better with your followers.



ARNOLD MA

Founder and CEO
at Qumin

PLATFORM

RED



SOCIAL MEDIA

RED PLATFORM - INTRODUCTION

Xiaohongshu, also known as RED, is a social media and e-commerce platform. This platform allows users to share product reviews, lifestyle stories, as well as creative short videos and photos. RED has updated a new livestreaming, WOW Card, Lucky draw tool and Enterprise Account set up on April 2020.



SOCIAL MEDIA

RED PLATFORM - USER DEMOGRAPHICS

Influential and high-value users are gathered in Xiaohongshu



300 million+
registered users



100 million
monthly active user

90%
of user collect their
consumer information

56%
of user from tier one
and tier two city

72%
of them are Millennials
(Generation Y)

SOCIAL MEDIA

RED PLATFORM - POPULAR CONTENT CATEGORIES



Makeup



Food



Fashion



Health care



Travel



Baby Products

SOCIAL MEDIA

RED PLATFORM - TOP MARKETING METHODS

Enterprise Account

The commercial ecology of Xiaohongshu is based on the closed loop of the "enterprise account"



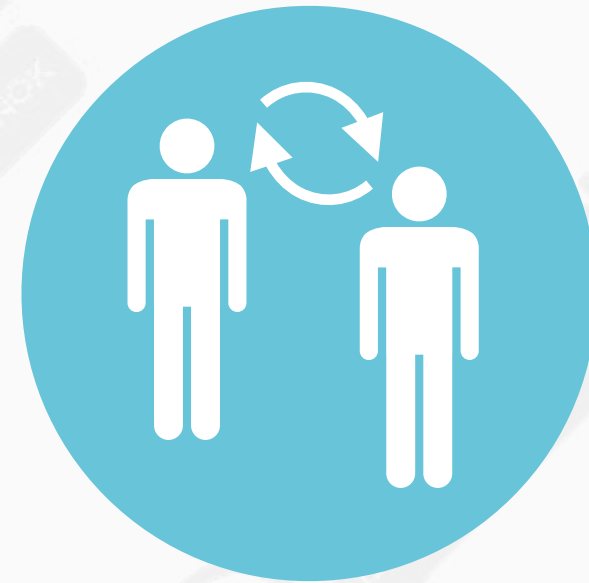
Official Certification

Official certification logo
with more display entrances



Content Release

Content promotion
and commercial cooperation



Fan Interaction

Hashtag, create campaign,
private message to
engage with fans



Data Insight

Multi-dimensional data report
for data-driven operations



Traffic Conversion

Binding malls, etc. to
achieve transaction conversion
POI offline diversion

SOCIAL MEDIA

RED PLATFORM - TOP MARKETING METHODS

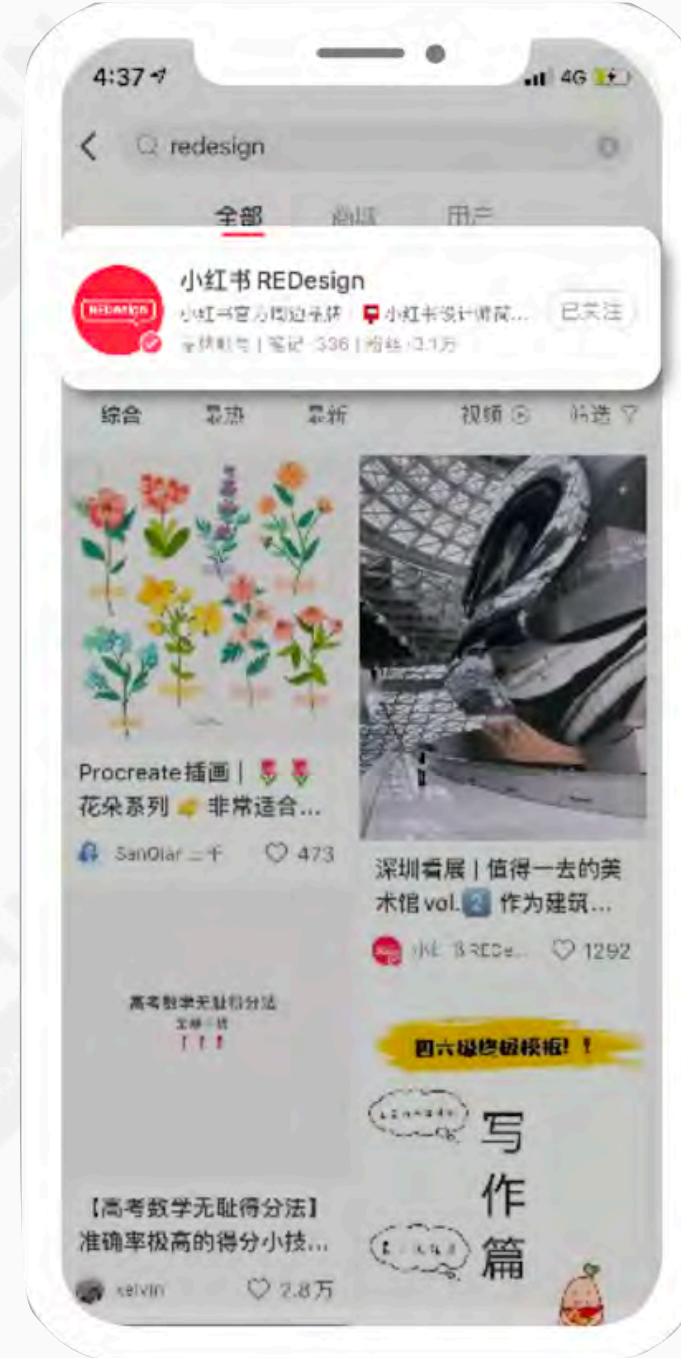
Official Certification - Official certification logo with more display entrances



Search Page
Fuzzy search guide



Search results page
Account follow guide



Brand Page
Account Follow Guide



SOCIAL MEDIA

RED PLATFORM - TOP MARKETING METHODS

Content Release

Content promotion and commercial cooperation

Double Row Posts



Share Brand Story

Share New Product Information

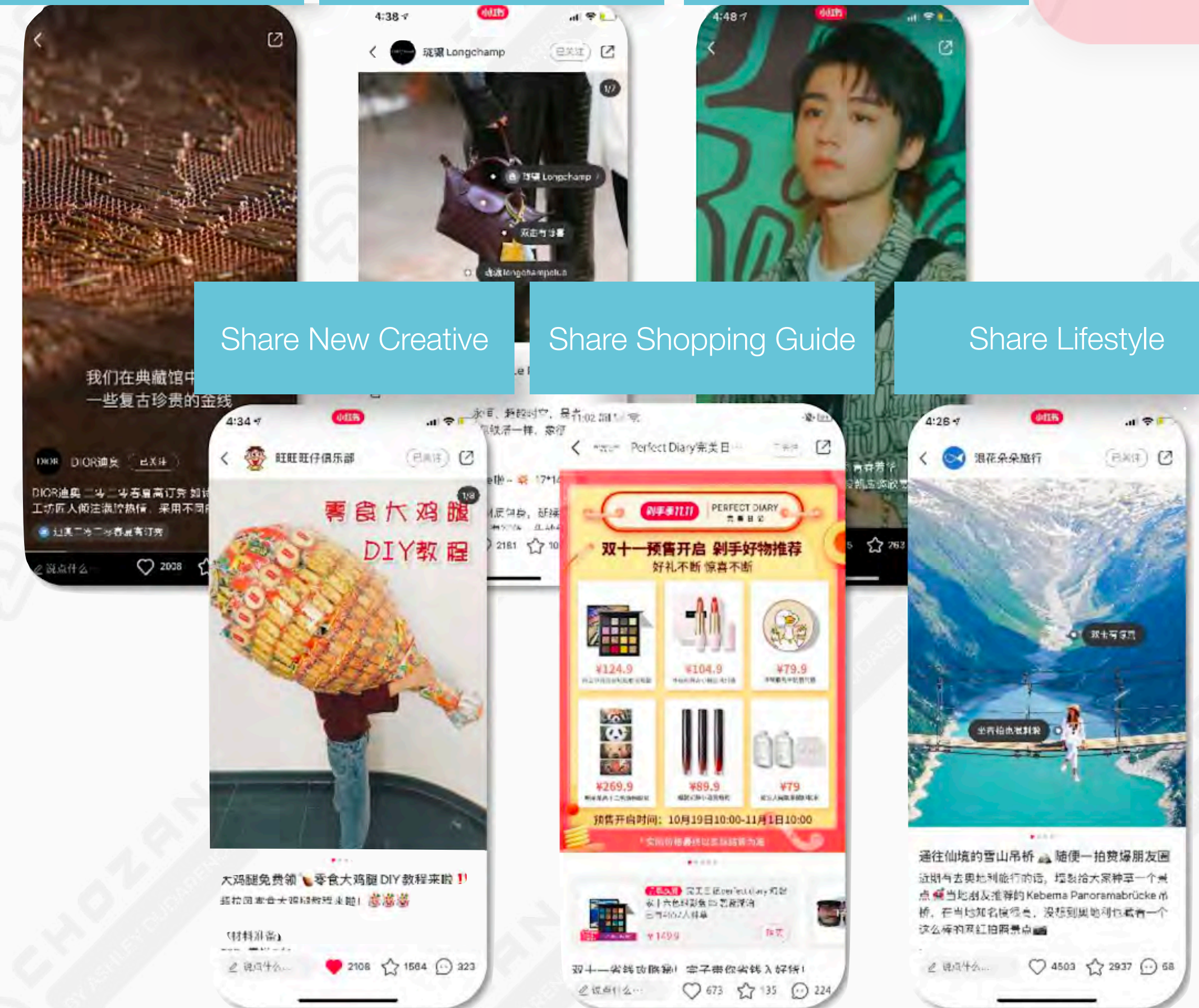
Share the Latest News

Share New Creative

Share Shopping Guide

Share Lifestyle

小红书

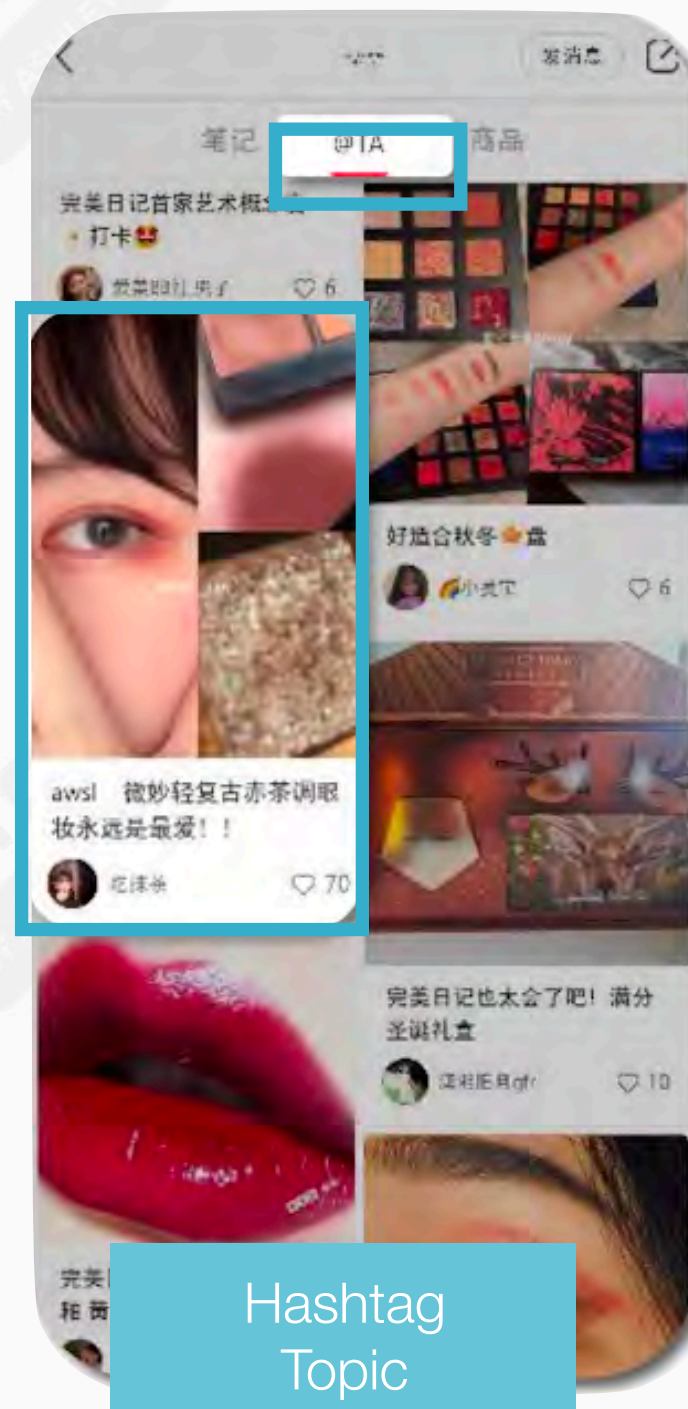


SOCIAL MEDIA

RED PLATFORM - TOP MARKETING METHODS

Fan interaction

Hashtag Topic, create campaign, private message and exclusive fan benefits to engage with fans



SOCIAL MEDIA

RED PLATFORM - TOP MARKETING METHODS

Data insight

Multi-dimensional data report for data-driven operations

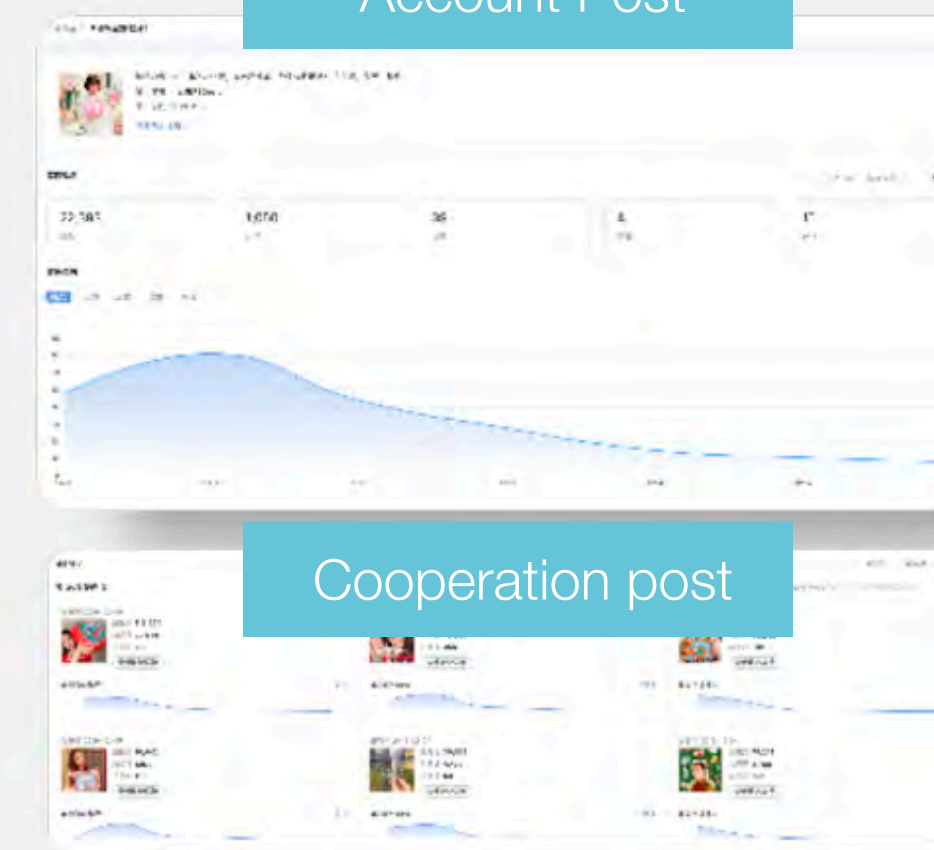
The tool to summarise operations through data functions, and use data insights to correct operational directions



Fan Trend



Account Post



Cooperation post

Hashtag Topic



SOCIAL MEDIA

RED PLATFORM - TOP MARKETING METHODS

Traffic conversion

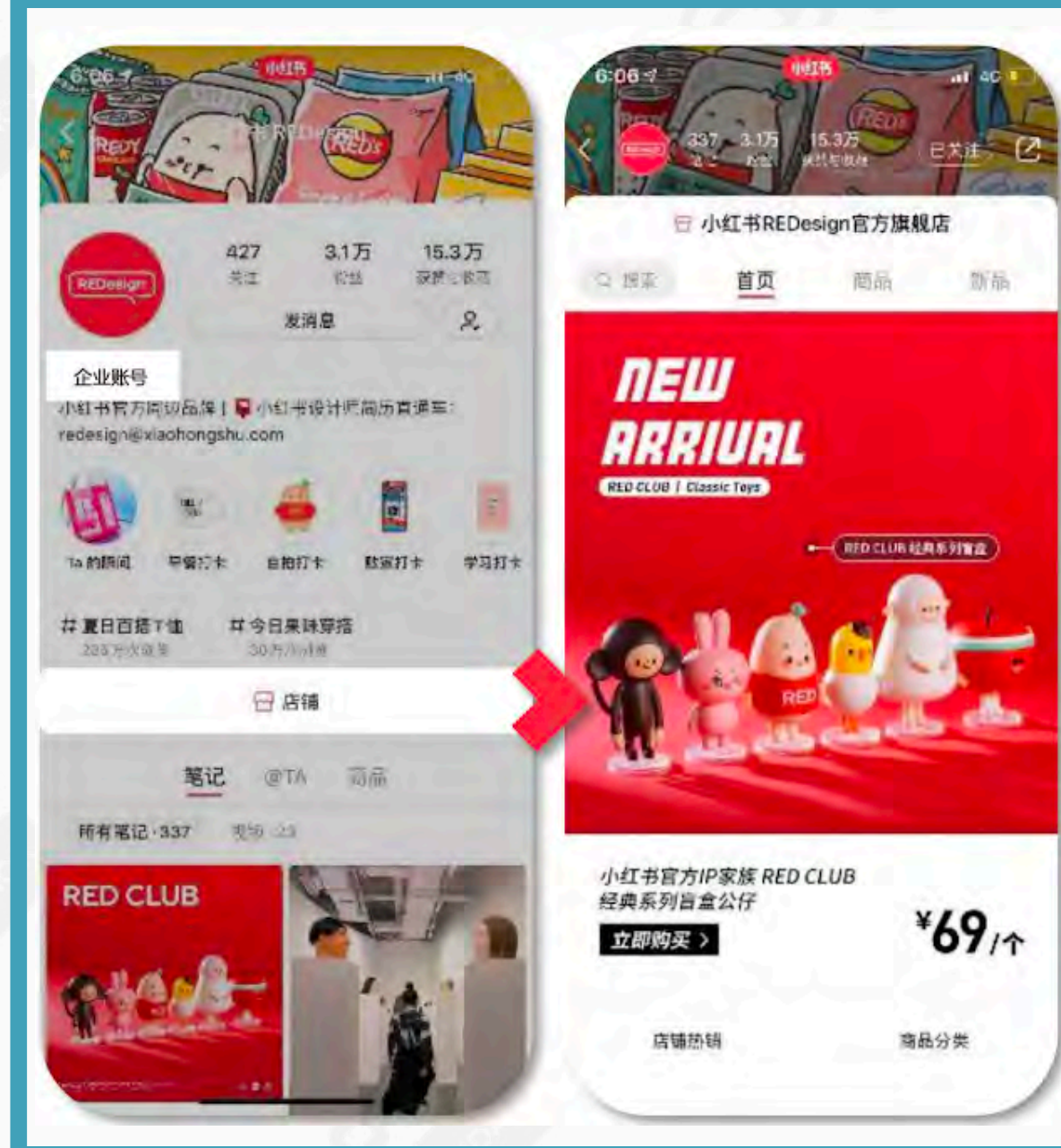
Binding malls, etc. to achieve transaction
conversion POI offline diversion

Draining E-commerce & Offline

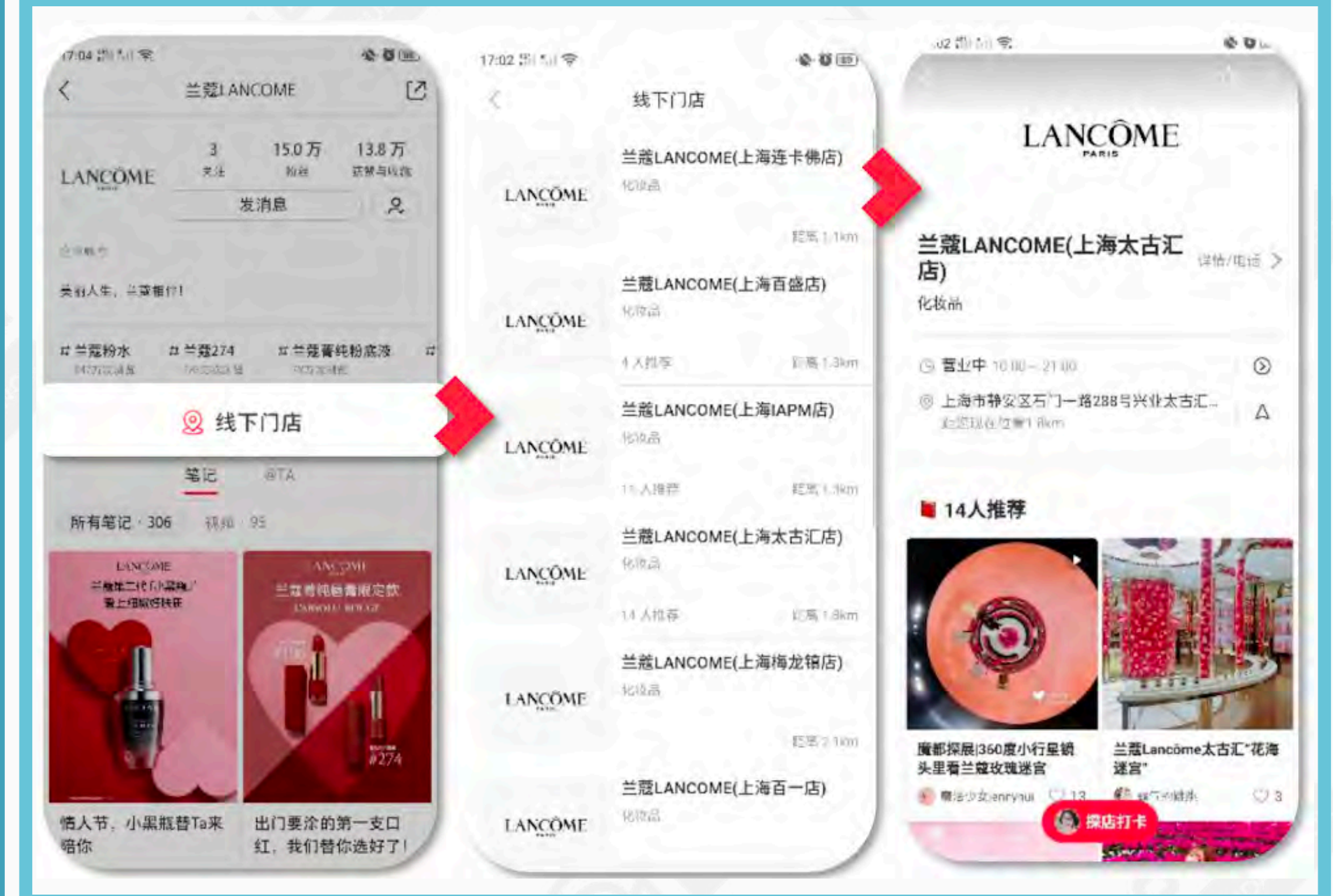
Online to offline store have the shortest
consumption decision chain

小红书

Main page to online store



POI drainage offline stores and check-in notes



SOCIAL MEDIA

RED PLATFORM - REGULATIONS / UPDATES



1. Live Streaming



2. WOW Card



3. Lucky Draw Tool



SOCIAL MEDIA

RED - REGULATIONS / UPDATES

Live + Post linkage

Binding malls, etc. to achieve
transaction conversion
POI offline diversion



Livestreaming Together

Can connect with another host



E-commerce Livestreaming

You can add the online store
link of Xiaohongshu



Lucky draw

Increase the duration of users
watching live broadcasts

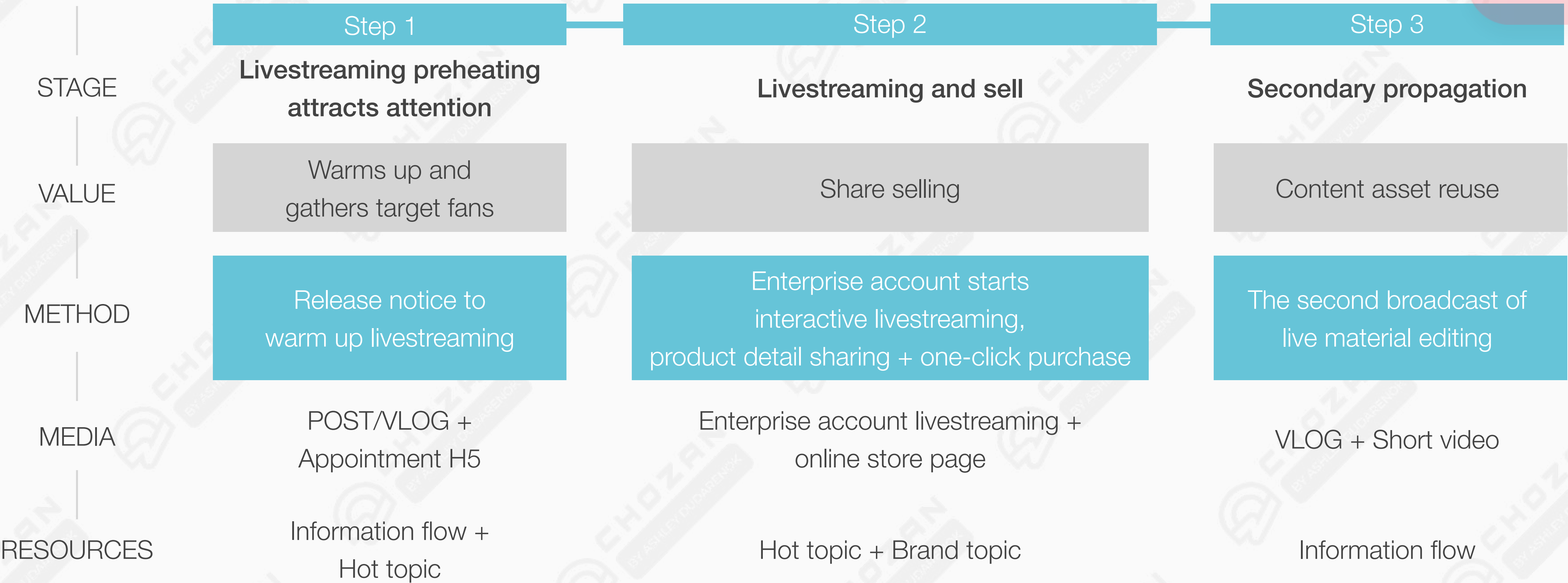


SOCIAL MEDIA

RED PLATFORM - REGULATIONS / UPDATES



Marketing flow livestreaming



SOCIAL MEDIA

RED PLATFORM - REGULATIONS / UPDATES

Livestreaming Case Studies Perfect Diary - Sales break 2 million

Using livestreaming to promote their new product, Perfect Diary sold ten thousand boxes in five minutes.

Step 1: Bloggers to share their product reviews

Step 2 : Release notice to warm up the livestreaming. Use the lucky draw feature to attract people to subscribe to the page.

Step 3 : New product promotion - buy one get the second with a dollar

Step 4 : Live Streamer share their reviews, while the lucky draw interacts with viewers at the same time

Step 5 : Buyers share their invoices and their posts demonstrate the promotion a success



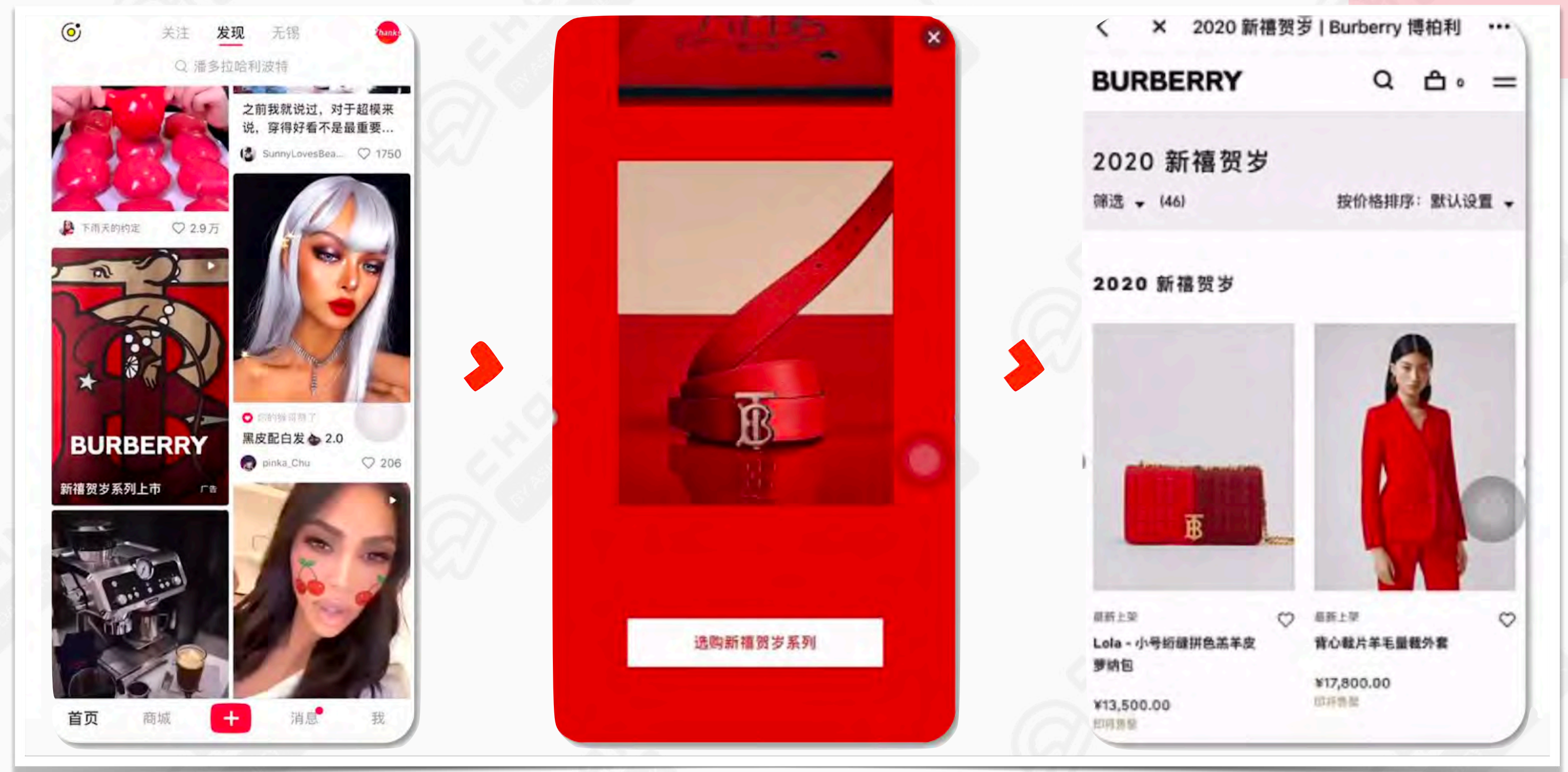
SOCIAL MEDIA

RED PLATFORM - REGULATIONS / UPDATES

WOW Card

- Spokesperson official announcement
- New product launch
- Creative marketing campaign release
- Click to the aggregation page
- Scroll down the page to display the product
- Go directly to the store to reserve funds

小红书



SOCIAL MEDIA

RED PLATFORM - REGULATIONS / UPDATES

Lucky Draw - Invite attention, post, and participate in activities



EXPERT BITES

Q: WHAT WILL RED FOCUS ON IN Q2 2021?

RED is in growth mode, so I suspect they have a plethora of initiatives underway. **I think that it will focus a lot of attention on improving its livestream features, KOLs and supporting resources, to make it a more important part of the mix for brands.**

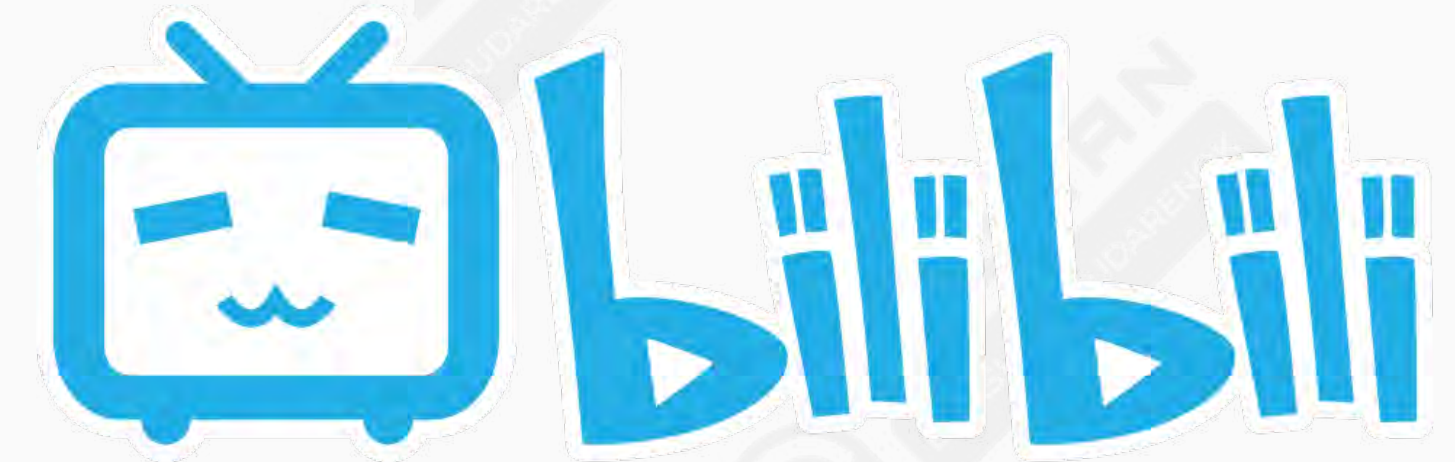


CHRIS BAKER

Founder
Totem Media

PLATFORM

BILIBILI

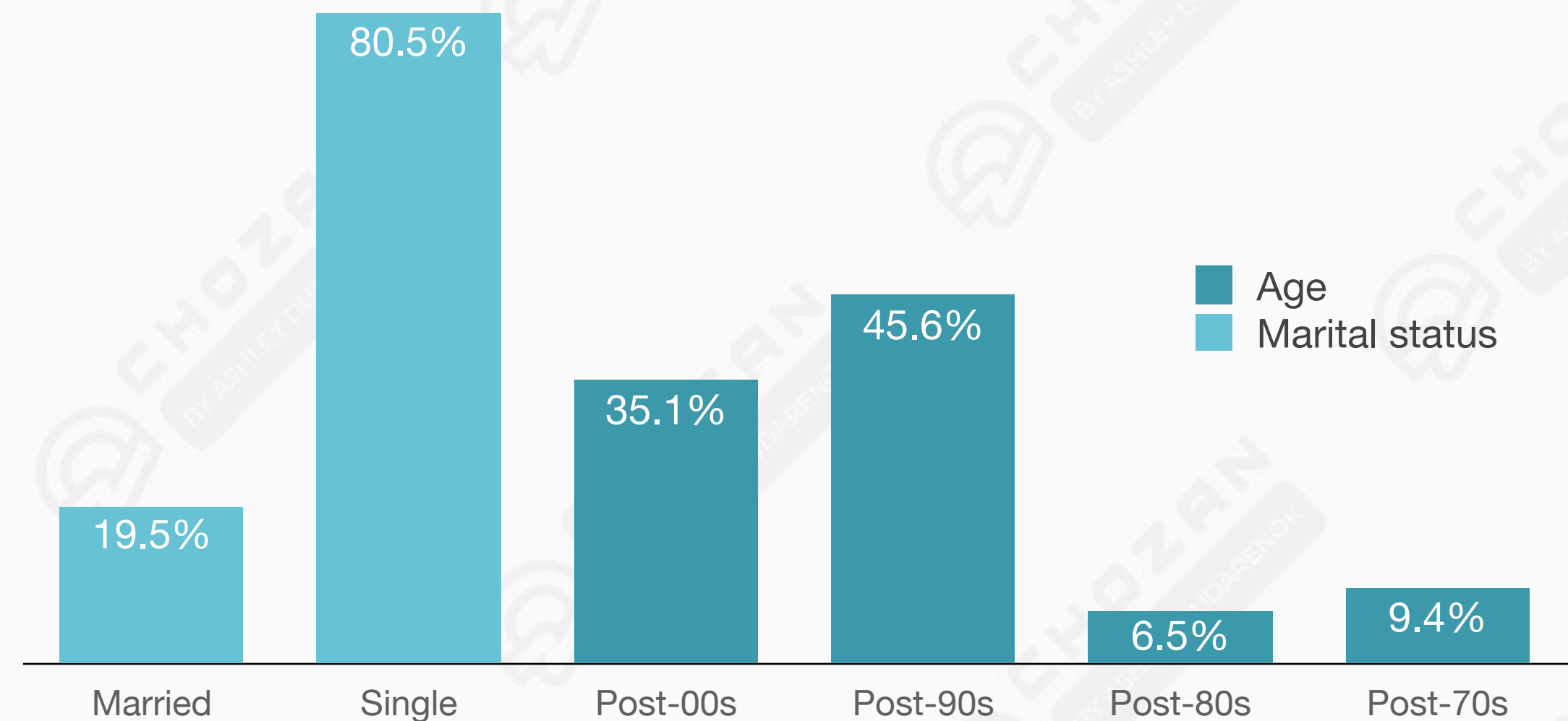


SOCIAL MEDIA

OVERVIEW - DEVELOPMENT OF MINI PROGRAMS

Majority of Bilibili users are young and single.

BILIBILI APP USER PORTRAIT, MAR 2021

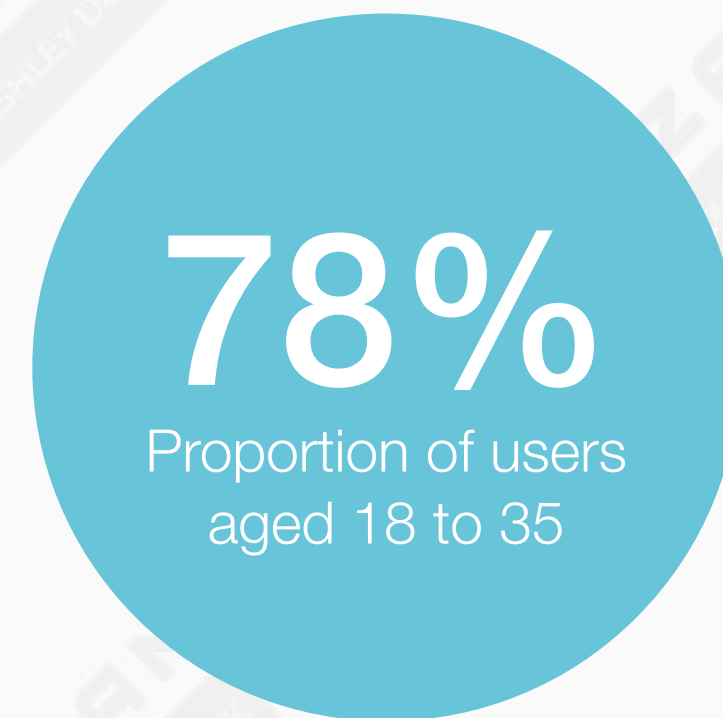
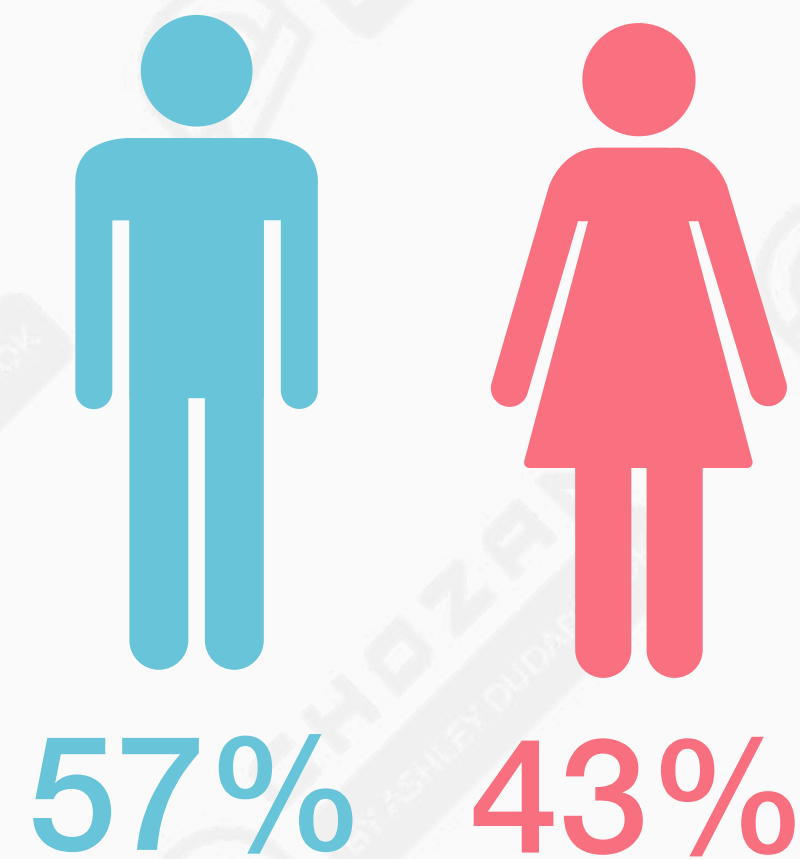


SOCIAL MEDIA

BILIBILI PLATFORM - USER DEMOGRAPHICS

Users are typically high IQ, high knowledge base, and found in economically developed areas.

Ratio of male to female users:

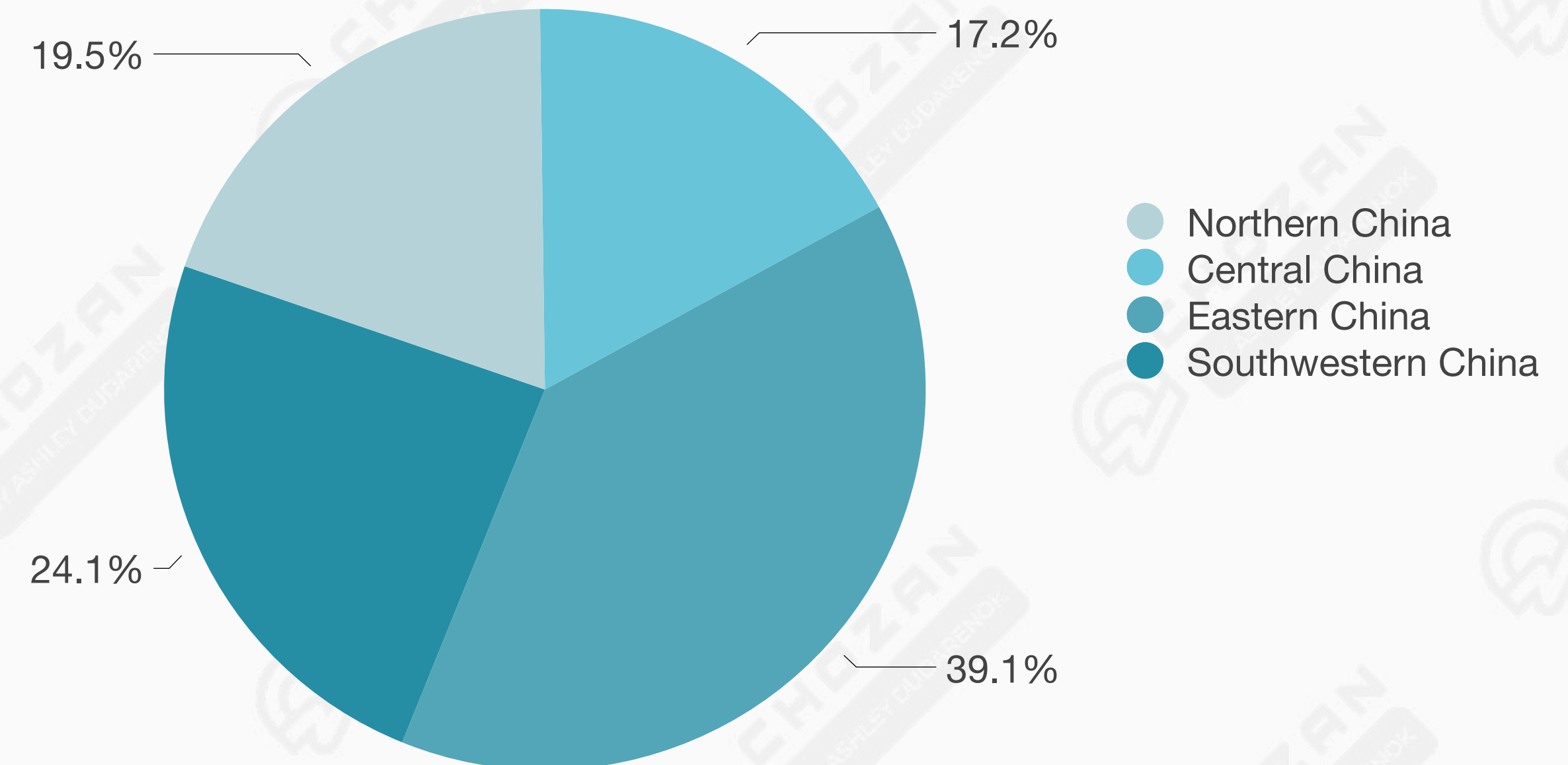


The proportion of users with a bachelor's degree or higher is

10% higher than that of the whole network.



USER DISTRIBUTION



SOCIAL MEDIA

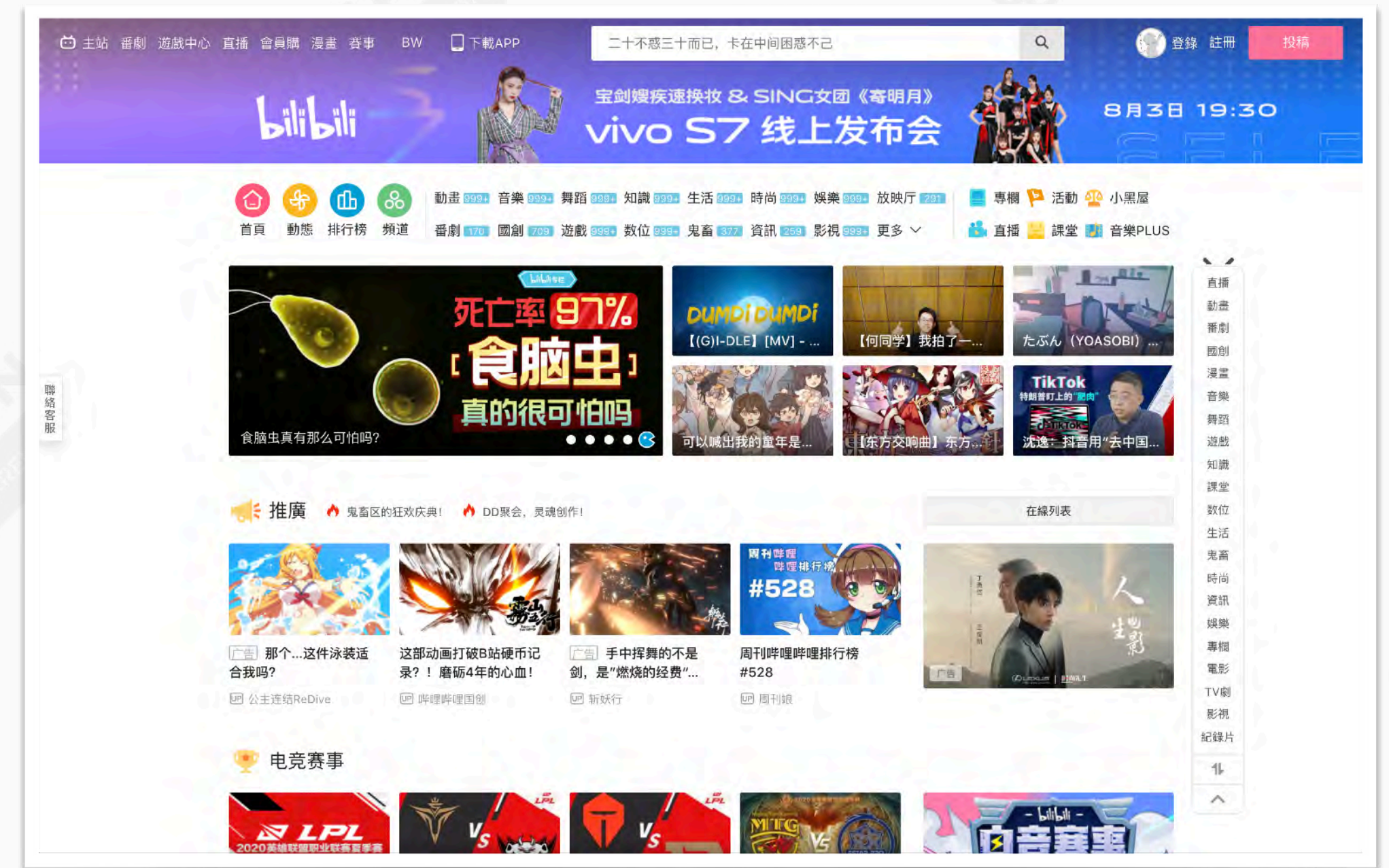
BILIBILI PLATFORM - INTRODUCTION

Bilibili, nicknamed B Site (Chinese: B站), is a Chinese video sharing website based in Shanghai, themed around animation, comic, and games (ACG), where users can submit, view and add overlaid commentary on videos.

Bilibili is a full-spectrum online entertainment world, covering a wide array of genres and media formats, including videos, live broadcasting and mobile games. Bilibili provides an immersive entertainment experience and high-quality content that cater to the evolving and diversified interests

of its users and communities. Bilibili has built its platform on the strong emotional connections of its users to the content and communities on the platform.

Starting from ACG culture, B Station has grown into a cultural community for young people with 15 content zones and over 7,000 cultural circles, with an active user base of 110 million in Q2. Among them, 90% of the plays come from PUGV (Professional User Generated Video) content created by Ups (users who produce content).



SOCIAL MEDIA

BILIBILI PLATFORM - USER DEMOGRAPHICS

In the first quarter of 2020, Bilibili's monthly active users grew 70% year-on-year to 172 million, while mobile monthly active users grew 77% year-on-year to 156 million. Meanwhile, daily active users passed the 50 million milestone, reaching 51 million, achieving 69% year-over-year growth.

Users are typically found in economically developed areas, and they are typically high qualify, intelligent and knowledgeable. The ratio of male to female users is 57:43. 78% of users aged 18-35, and the proportion of undergraduates and above is 10 percentage points higher than that of the entire network.

As B site has a very high threshold for users to enter the site, they must first pass a test of at least half an hour before having the ability to send bullet comments. However, the retention rate of users who passed the test and became full members was over 79% in the twelfth month. This shows that if a video has a high density of pop-ups, users would be interested in and engage with the content. For this reason, when judging the quality of B-site content or the effectiveness of its distribution, it is important to look not only at the number of views, but also at the number of bullet comments.



1.1 BILLION

Average daily video viewership

113%

year-on-year increase

4.9 BILLION

Number of monthly interactions

260%

year-on-year increase

82 MILLION

"official members" who passed the website membership test

66%

year-on-year increase

OVER 80%

Twelfth month retention rate

SOCIAL MEDIA

BILIBILI PLATFORM - USER DEMOGRAPHICS



EVERYTHING CAN BE ON
BILIBILI:

TAKE UPS AS THE CORE,
FOCUS ON THE CIRCLE OF
YOUNG USERS

90%

Share of viewership
of PUGV

93%

Year-over-year growth
in monthly active Ups

83%

Year-over-year
increase in monthly
active Ups'
submissions

SOCIAL MEDIA

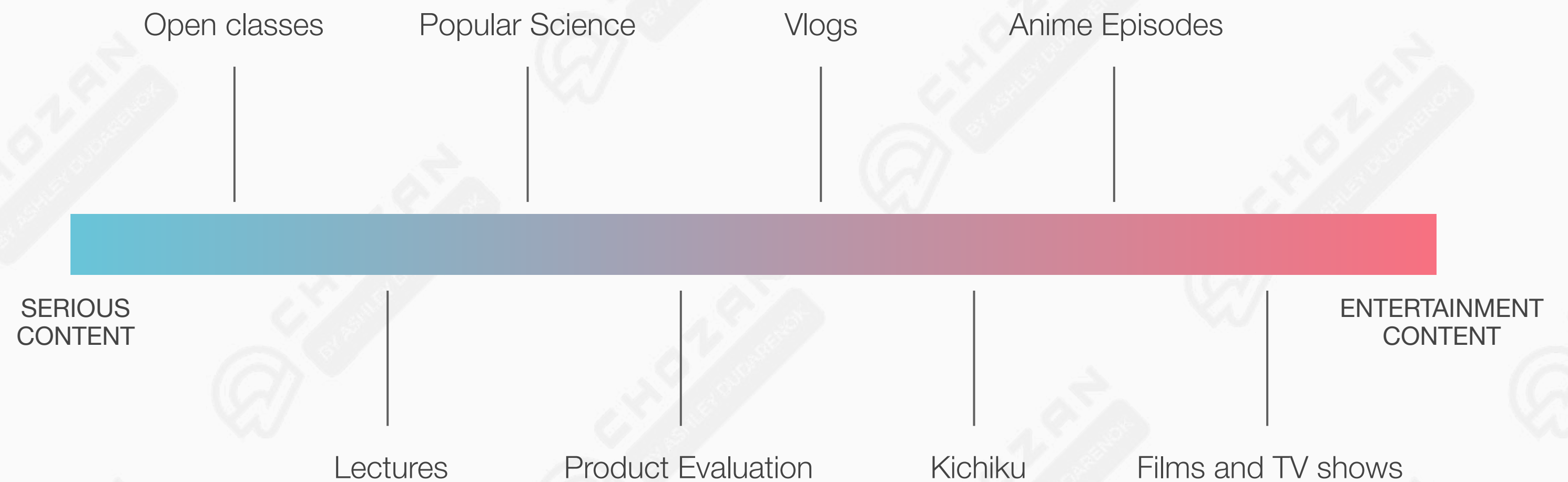
BILIBILI PLATFORM - POPULAR CONTENT CATEGORIES



The top six most-viewed divisions are Games, Life, Entertainment, Movies and TV shows, Drama and Technology. In fact, among the top 6 divisions, except for the drama divisions, all are main contributors of original content for up owners. Brands from all industries can be found in the top 6 divisions

On June 5, Bilibili officially established a knowledge partition with six secondary partitions, including science, social science and humanities, finance and economics, campus learning, vocational workplace, and wild technology association, to share knowledge, experience, skills, opinions, and humanities.

SPECTRUM OF BILIBILI CONTENT TYPES



SOCIAL MEDIA

BILIBILI PLATFORM - TOP MARKETING METHODS



1. Targeting Gen Z. The heavy use of the Internet makes Generation Z more willing to trust user-originated content and the opinions of netizens they follow, such as KOLs. They are more sensitive to online information and are more likely to distinguish between true and false information. Younger consumers are more likely to engage in interactive behaviours related to product consumption, are more willing to interact and share, and are more proactive in their evaluations. In addition to actively seeking and posting information on social media channels, young Gen Z consumers are less brand-loyal and

are more likely to try new products than mainstream consumers.

2. Pay attention to PUGV content cooperation. Keep the content native during the cooperation. Avoid changing the style of the publisher due to commercial cooperation. Ensure the content is valuable, interesting and knowledge-based.

3. Livestreaming + bullet comments. These interactions cultivate a sense of engagement, has been the mainstream way of brand marketing. Durex, millet, Zhihu and other

brands have done livestreaming on Bilibili, such as Durex's "three hundred people for three hours" air broadcast, and Lei Jun's live conference.

SOCIAL MEDIA

BILIBILI PLATFORM - CONTENT BEST PRACTICES

Three Kinds of Marketing Practices on Bilibili:

1. PUGV content cooperation

Users call this kind of videos “Content for Surviving” (for the Ups to survive) : On one hand, users are very tolerant of such videos and want their favourite ups to earn money; on the other hand, they can be very harsh. If the quality of the content is not up to the usual standard, or if there are obvious problems with the products of the cooperating brands, and the owner point out the issues, users will call the owner out for "earning unethically."



SOCIAL MEDIA

BILIBILI PLATFORM - CONTENT BEST PRACTICES



2. The brand's own official account

Brands whose products have content features are applicable.

1 Digital brands

There is a lot of digital product content on Bilibili, and popular digital products come with their own traffic. The videos of evaluation of the products, function explanation are all accessible to these brands.

2 Beauty and fashion brands

Beauty and fashion content is one of the main features of Bilibili. Beauty and fashion is also known as the "video version of Little Red Book". With a large number of young users and unlimited length of content, Bilibili is naturally suitable for the production of beauty and fashion videos.

3 Professional service brands

A brand of online educational tutoring, knowledge services, and professional content output in law and health. Bilibili's users have the habit of browsing long videos and are eager to learn various types of knowledge on it.

4 Entertainment service brands

Game, movie and music brands are all suitable for Bilibili. The game partition has long been one of the most popular partitions on Bilibili.

5 Official OGV content

Copyrighted film and television content purchased by B Station includes anime, documentaries, self-produced web series, and e-sports events. OGV content business cooperation is more suitable for powerful and well-known brands to cooperate.

SOCIAL MEDIA

BILIBILI PLATFORM - SALES INTEGRATION



1

Bilibili's commercial advertising platform, Huahuo has officially launched, and invites MCN agencies and agencies to take part in the "Take Off Plan". Partnered organisations in the "Takeoff Plan" can enjoy the platform's support for its accounts, as well as support for commercial advertisements by providing promotion to help expose commercial content effectively.

2

Bilibili cooperates with Taobao in the field of IP commercialisation and content e-commerce, and supports UPs who sign up with the platform to set up certified Taobao Da Ren accounts, thus directing external traffic and realising business monetisation.

3

Product links can also be added under the personal homepage, dynamic page, column page and video player page of UPs.

SOCIAL MEDIA

BILIBILI - TRENDS / CASE STUDY



1

Interesting Marketing Practice:

Coca-Cola invited Jing Hanqing to review its new Coca-Cola coffee. In the video, up owner Jing Hanqing poured Coke coffee into a humidifier and worked in a humidifier-fumigated office to test whether it would have an invigorating effect. The video has been viewed by over 3 million people and has reached the highest daily ranking of 17 on the site.

2

Knowledge-based marketing

@PaperClip: Flexible marketing through the dissemination of relevant knowledge

EXPERT BITES

Q: WHAT WILL BILIBILI FOCUS ON IN Q2 2021? HOW IS IT SIGNIFICANT FOR BRANDS?

I personally think Bilibili will focus on e-commerce and advertising. According to Bilibili's revenue report in Q4 2020, "E-commerce and others" grew the most. They rose 168% to 740 million RMB. Advertising revenues saw the second largest increase, rising 149% to 722 million RMB. **Brands can take Bilibili into consideration as their advertising partner to increase awareness and create e-commerce opportunities.**



ARNOLD MA

Founder and CEO
at Qumin

PLATFORM

ZHIHU

知乎

SOCIAL MEDIA

ZHIHU PLATFORM - INTRODUCTION

知乎

As of February 2020, Zhihu has...

Zhihu (知乎), launched in January 2011, is a question-and-answer website like Quora. In Classical Chinese, “Zhihu” means “Do you know”. Its motto is “Share your knowledge, experiences and thoughts with the world.” On Zhihu, questions are created, answered, edited and organized by its users. As time progresses, Zhihu has also advanced and become a super community with social tools, media, services and e-commerce capabilities.



420 MILLION+

Registered users



45 MILLION+

Daily active users



1.3 BILLION+

Daily average page views



70 MINUTES

Daily average usage



560K+

Topics



44 MILLION+

Questions



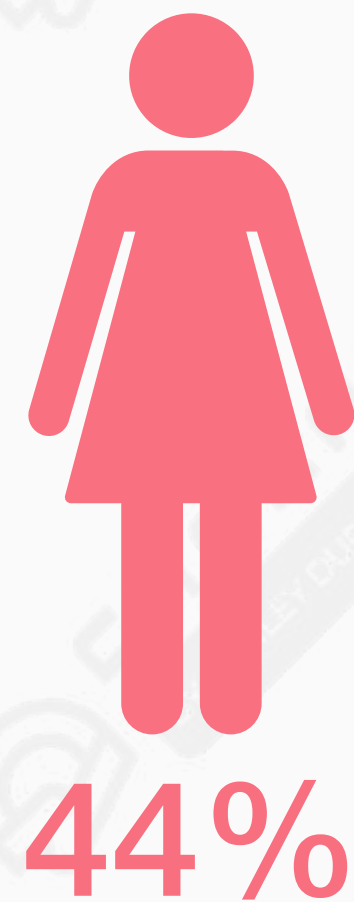
2.2 BILLION+

Answers

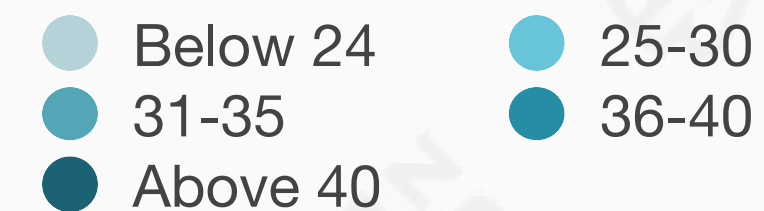
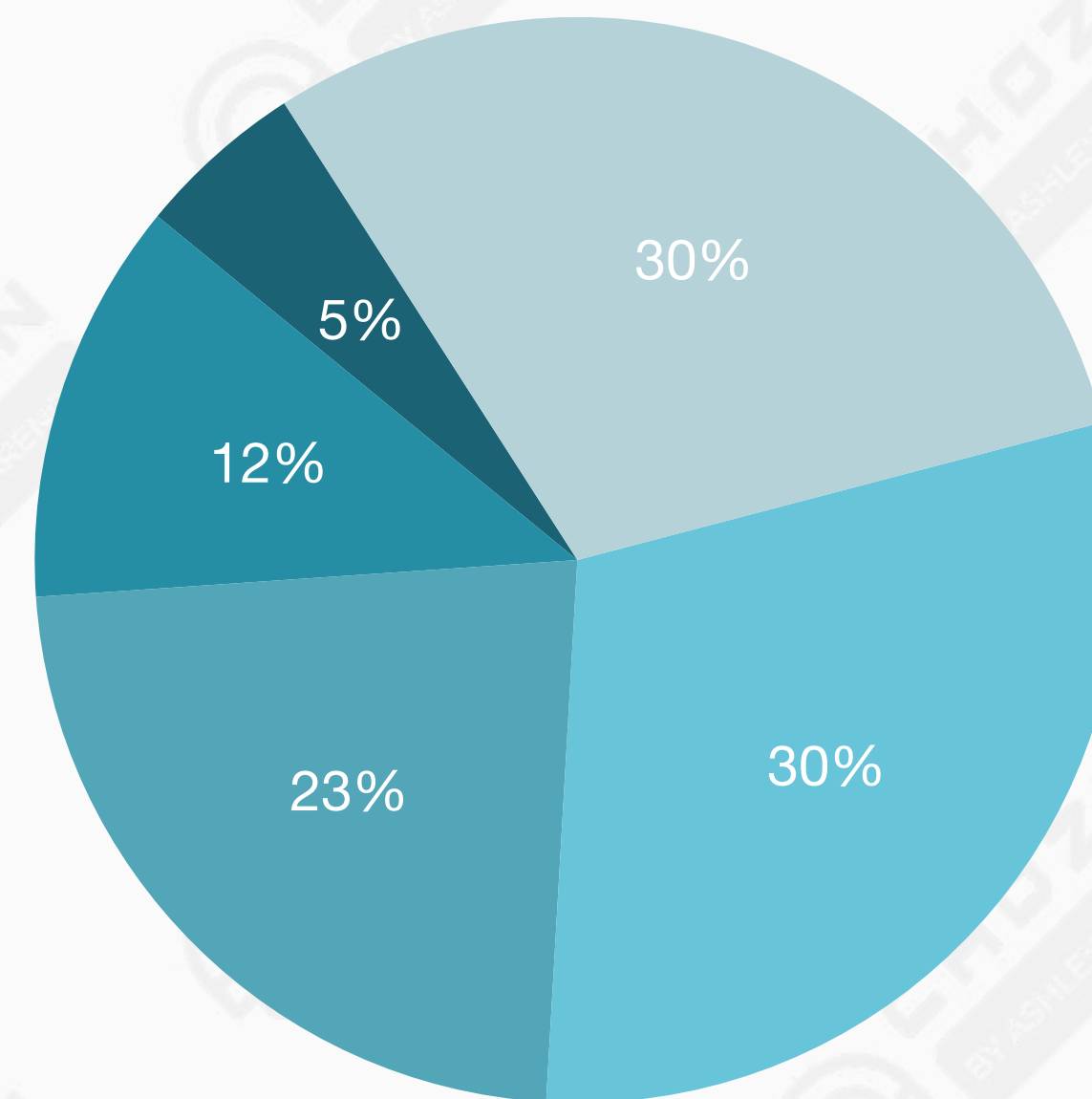
SOCIAL MEDIA

ZHIHU PLATFORM - USER DEMOGRAPHICS

The majority of Zhihu users are degree holders with high incomes and strong purchasing power. They are mostly looking for high-quality, detailed content and insights from the platform.

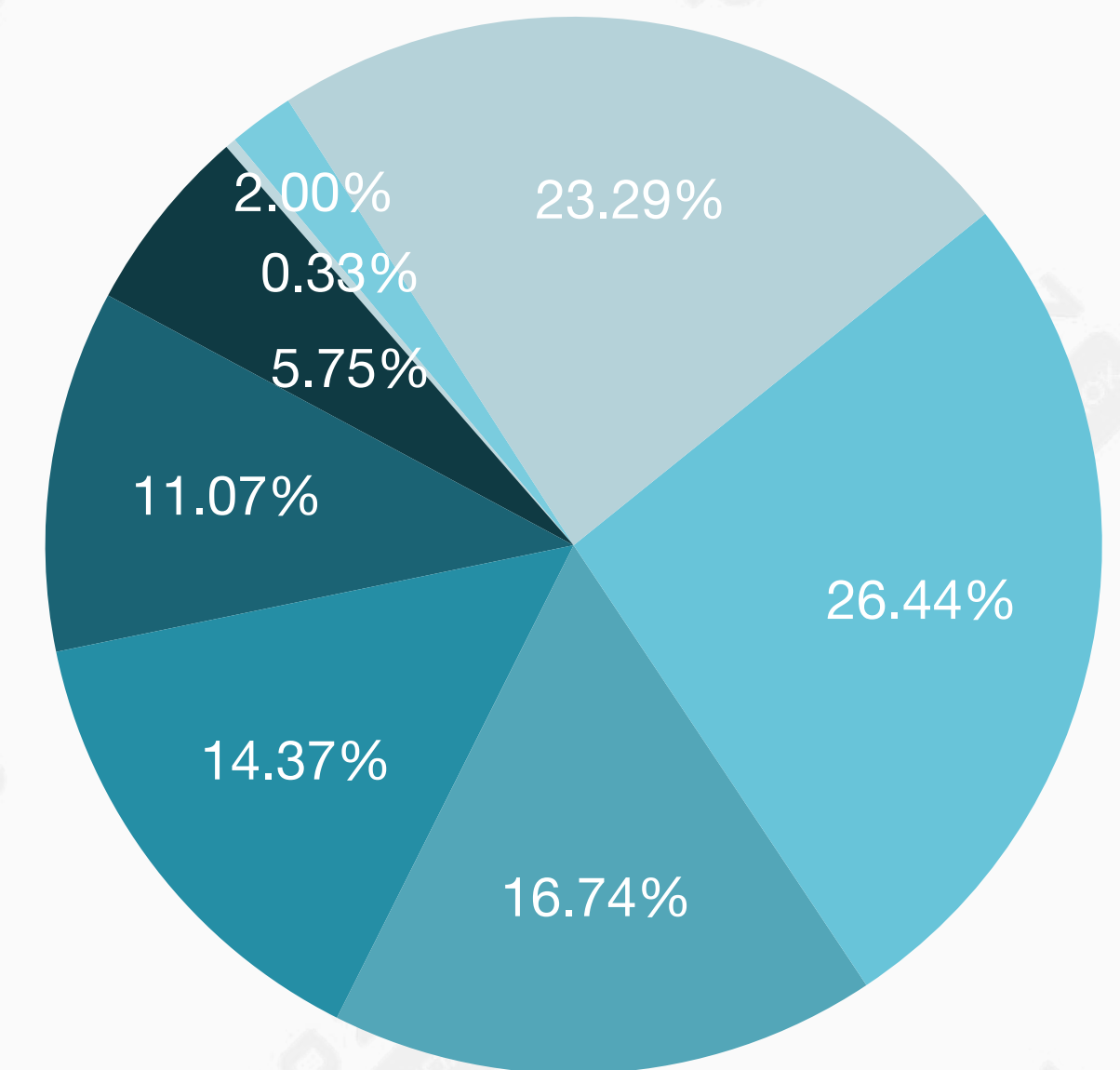


ZHIHU FOLLOWERS AGE DISTRIBUTION



知乎

ZHIHU FOLLOWERS BY CITY TIER



SOCIAL MEDIA

ZHIHU PLATFORM - POPULAR CONTENT CATEGORIES

Many users are searching for useful, practical and reliable information on Zhihu, be it professional insights on certain topics, reviews on new product launches, feedback on trending discussions, etc. It's also important to consider the target audience on Zhihu to determine if it is worthwhile to market your brand on Zhihu.

Zhihu's users highly-educated individuals with high expectations for quality and increased spending power. Some of the more popular topics on Zhihu include social, reading, informational, life-style and career topics.

Zhihu is suitable for



Shopping consumer products that are fairly expensive: Digital, cosmetics, skincare, baby care, electrical appliances, etc.



Speciality consumer products or services: Education, medical, insurance, realty, investment, etc.

知乎

SOCIAL MEDIA

ZHIHU PLATFORM - TYPES OF ACCOUNTS

More brands are starting to notice the value Zhihu brings, and have debuted marketing efforts on the platform.

知乎



SOCIAL MEDIA

ZHIHU PLATFORM - TOP MARKETING METHODS

Zhihu has evolved from a small community for academic elites and professional experts to a large-scale knowledge-sharing platform for consumers. Information on Zhihu does not only consist of textbook facts or industry-specific language, but also includes useful information for everyday lives - information that may affect decision-making processes in consumers' lives.

Unlike other platforms, Zhihu has a loyal user base who is actively searching information to learn more about a wide range of topics. They are highly-educated knowledge-hungry

individuals who have high attention span, who appreciate reading longer-form articles.

These characteristics make Zhihu a great marketing option.

1

Writing articles is a **more cost-efficient** marketing approach than creating a short video.

2

High-quality replies and discussion topics can attract a considerable amount of search and traffic even after a while, creating **a long tail effect** for your marketing message.

知乎

SOCIAL MEDIA

ZHIHU PLATFORM - TOP MARKETING METHODS



1. Q&A Campaigns

Most brands start marketing on Zhihu using its basic question-and-answer function. Brands can establish relationships with users and build reputations. Zhihu also allows brands to promote themselves and [introduce their products in a more professional and technical way](#). Answering questions on Zhihu allows brands to [showcase their expertise and connect with both industry experts and general users](#).



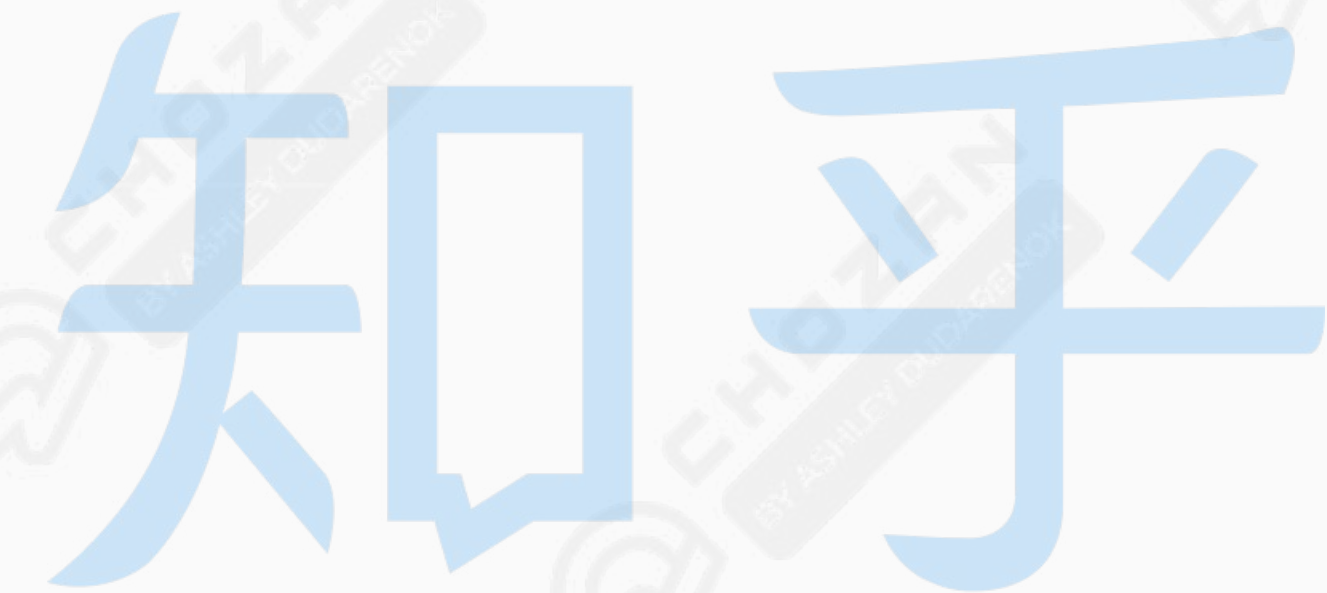
2. In-depth articles

Individuals and brands can [publish articles with in-depth, professional knowledge](#) through Zhihu Column (知乎专栏). A well-designed article published on Zhihu will [see more user engagement](#) than the ones posted on other platforms, as the general public may find niche content boring, or they may lack the kind of professional background necessary to appreciate it.

知乎

SOCIAL MEDIA

ZHIHU PLATFORM - CONTENT BEST PRACTICES



The basic recipe for success on Zhihu is to provide users with helpful, relevant knowledge, along with sustainable communication. Zhihu is a content-intensive platform, it goes without saying that the content you produce has to have high accuracy and quality, regardless of its format. Additional plus to include the following:

Interact with your audience in a timely manner: Show your readers that you are here to engage with them, elaborate on your point, commit to interactions accordingly.

Use images or infographics to help make your point: a picture speaks a thousand words, and a great way to break the text-heavy flow once in a while.

Share professional insights or company statistics: bring unique content to the discussion and gain authority in front of your readers.

Zhihu also offers great support for marketers through their 'Top Charts' (热榜), 'Editors' recommendations' (编辑推荐), ebooks 'Zhihu Weekly' (知乎周刊) and their official WeChat page. Utilise these official data and resources to better build your brand presence on Zhihu.

SOCIAL MEDIA

ZHIHU PLATFORM - SALES INTEGRATION

知乎

Back in 2019, Zhihu launched the brand new 'Little Blue Star' (小蓝星) function. Users can select “recommend” or “do not recommend” on the product listing page and submit their review. The backend algorithm will then present this data in the format of a rankings list. Currently, the Little Blue Star’s list of recommendations covers digital and beauty products, further broken down into over 30 lists for mobile phones, earphones, lipsticks, facial masks, etc., with over 400 products and 750k ranking reviews. Users only need to search “Little Blue Star” in the Zhihu app to access the ranking lists.

Another function is 'Goodies to Recommend' (好物推荐). Accounts that are authorised to use this function can include product links in their replies, articles or videos. This function currently caters product links to e-commerce sites JD, Taobao and Pinduoduo. For each successful conversion, a small commission would be given to the affiliate content creator. Note that links to different e-commerce platforms would have different commission schemes, so content creators may have a preference in featuring products on a certain e-commerce platform.

SOCIAL MEDIA

ZHIHU PLATFORM - REGULATIONS / UPDATES

知乎

In May 2020, Zhihu announced a series of updates regarding Zhihu Columns (知乎专栏).

1. Broadening the Concept of Content

- Previously, Columns only included 'articles'. With the new upgrade, the new Columns can now automatically include the creators' articles, replies and videos.
- Zhihu is working towards including different formats of content under Columns in the future. These individual pieces of content will also include a link to the Columns, bringing more exposure and driving more traffic to the Columns section.

2. Emphasise the Value of High-Quality Content

- Users who have previously liked a Column article will automatically become the follower of the content creator. This direct conversion gives more recognition to creators and acts as an incentive to create more high-quality content in the future.
- The new Column supports a sharing function, facilitating the spread of great content.

3. Complete ownership for Content Creator

- There will be no more limitations on the theme and creative direction on Columns.
- The 'Follow Column' (关注专栏) function will retire, making the Column a sole property of the creator.

PLATFORM

KUAISHOU



SOCIAL MEDIA

KUAISHOU PLATFORM - INTRODUCTION

Kuaishou is from Beijing Kuaishou Technology Co., Ltd. The predecessor of Kuaishou, called 'GIF Kuaishou', was born on March 2011. The original app designed and produced shareable GIF pictures. Beginning in 2015, Kuaishou funny videos became a bright spot, taking the "down-to-earth" route for the public. Unlike Douyin's positioning of "recording a good life and fashion trends", Kuaishou promotes "everyone is worthy of being recorded" and "life cannot be judged high or low", and encourages all kinds of original life style videos for all public users.



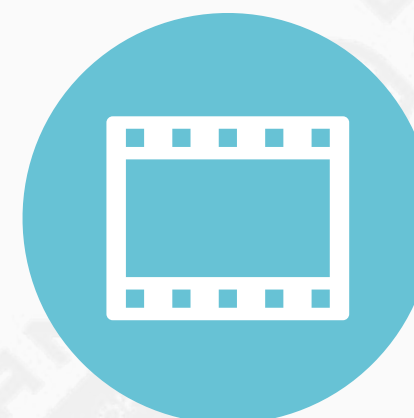
85+ MINUTES
USAGE PER DAY



302 MILLION
DAILY ACTIVE USERS



776 MILLION
MONTHLY ACTIVE USERS



1.1 BILLION
UPLOADS PER MONTH



10 TIMES
APP BEING OPENED DAILY



84%
USERS ARE VIEWERS

SOCIAL MEDIA

KUAISHOU PLATFORM - ECOSYSTEM



Kuaishou is expanding their ecosystem in 2020, collaborating with more platforms to expand their business.



SOCIAL MEDIA

KUAISHOU PLATFORM - INTRODUCTION

The similarities between Douyin and Kuaishou:

- Short video, vertical screen browsing.
 - Can be made with music, mainly UGC content.
- Many short videos are uploaded both on Douyin and Kuaishou. These short videos can be with music and created by ordinary users.
- AI+ big data distribution
- Similar to Douyin, Kuaishou also uses user clicks, likes, comments and other data to personalise recommendations for users. After registration, you can follow others and view videos in the same city. The system can record user habits and customise recommendations.



在快手 看见每一种生活



SOCIAL MEDIA

KUAISHOU PLATFORM - INTRODUCTION



The differences between Douyin and Kuaishou:

- **Kuaishou is not a "full-screen auto-play" type**

Kuaishou displays 4 videos on one page. The video starts to play only after the user clicks to enter, while Douyin video is automatically played, and the user does not click to select. The Kuaishou style makes it easier for users to find the video themes they like.

- **Make the content more related to daily life**

Kuaishou evolved from GIF, where videos of lifestyle (food, beauty, cute pets) and other categories account for a relatively high proportion. Users are concentrated in third- and fourth-tier cities, taking the route of "rural surrounding cities". On that note, Kuaishou does not invite celebrities on a large scale, and brand operators do not favour celebrities and big V. the focus is on ordinary users who create original videos.

- **The brand image is different - Kuaishou is more down-to-earth**

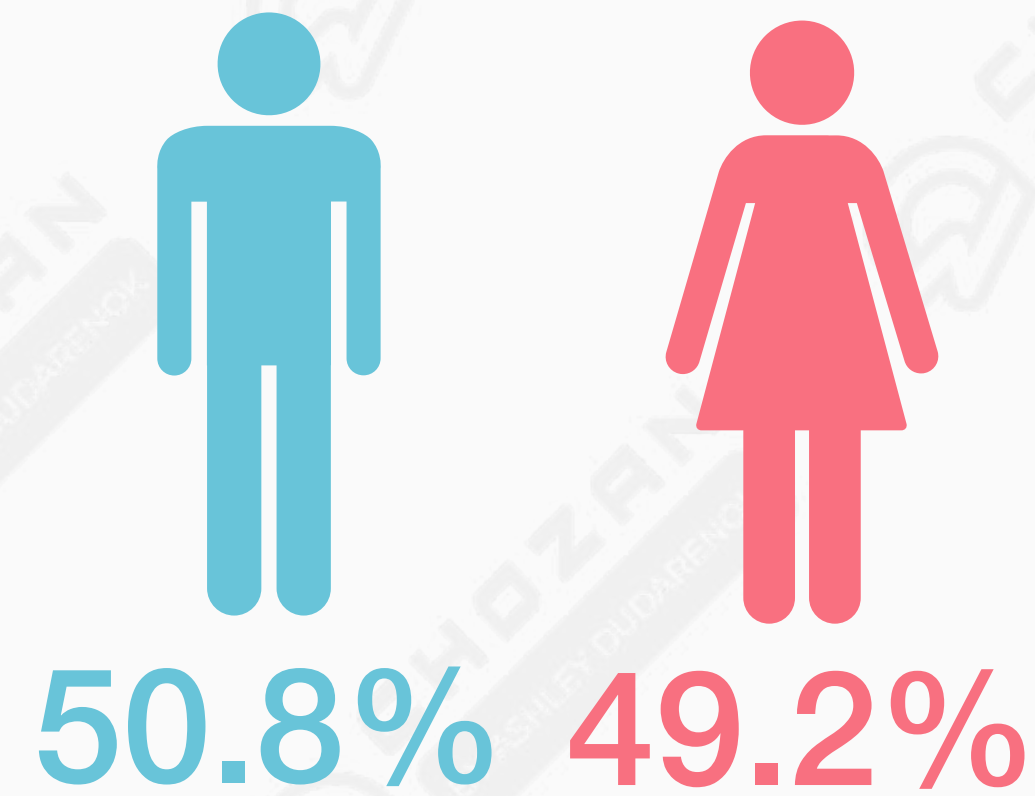
The differences in core user groups, brand marketing and publicity strategies have prompted Kuaishou and Douyin to establish different brand images. Douyin has established a new and fashionable image with star marketing and brand advertising, while Kuaishou has a more daily life centred environment.

SOCIAL MEDIA

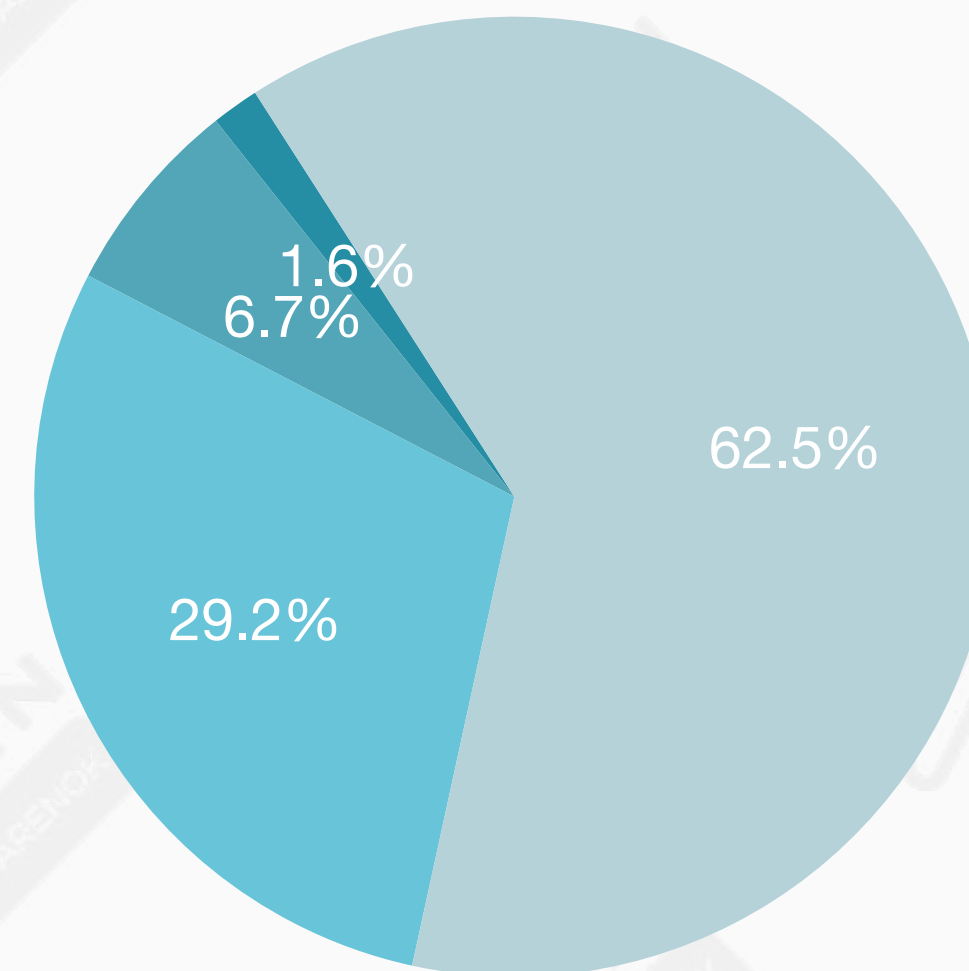
KUAISHOU PLATFORM - USER DEMOGRAPHICS



Gender ratio of Kuaishou users:

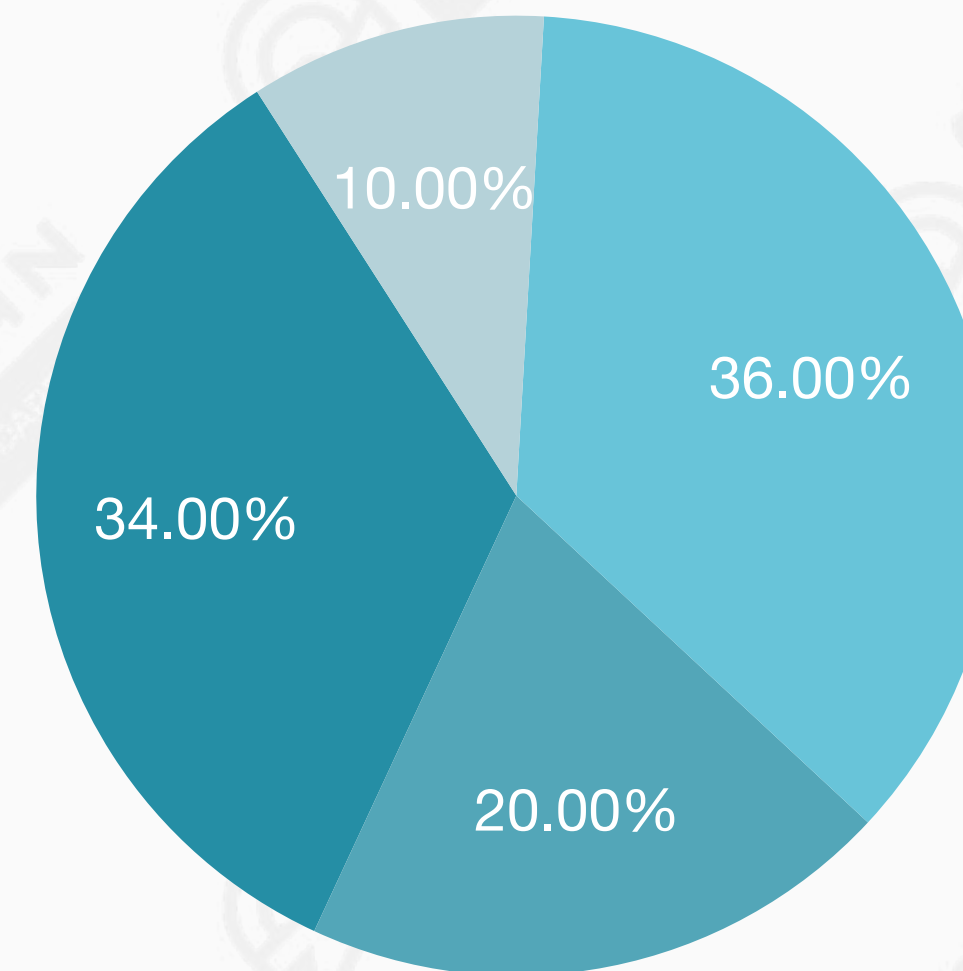


KUAISHOU FOLLOWERS AGE DISTRIBUTION



Below 25 26-35
36-45 Above 46

KUAISHOU FOLLOWERS BY CITY TIER



Tier 1 cities Tier 2 cities
Tier 3 cities Tier 4 or below cities

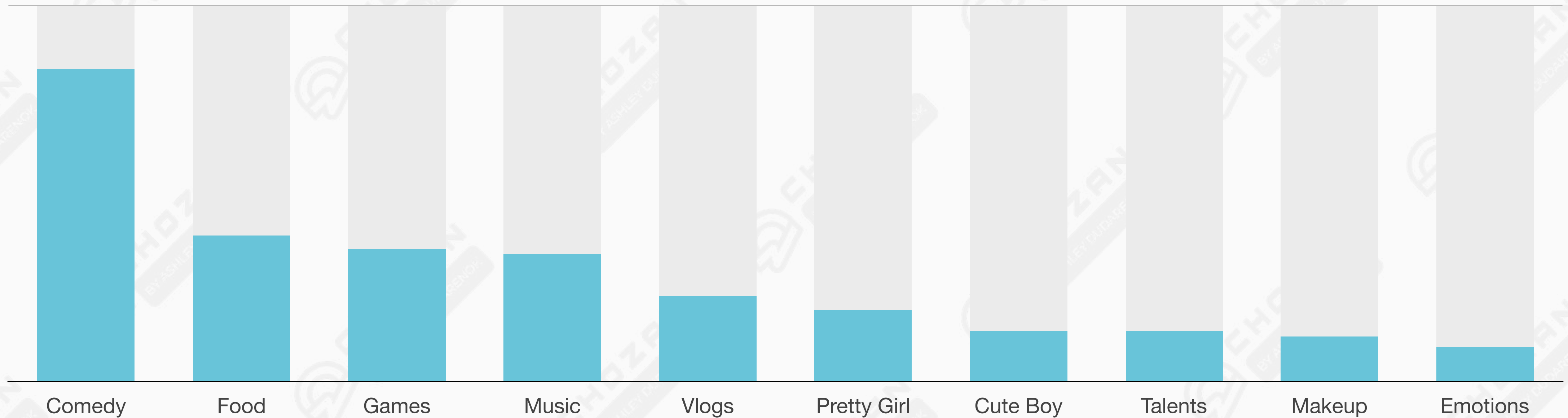
80%+
of the users are Post-90s

SOCIAL MEDIA

KUAISHOU PLATFORM - POPULAR CONTENT CATEGORIES



TOP 500 KOL CONTENT CATEGORIES



SOCIAL MEDIA

KUAISHOU PLATFORM - TOP MARKETING METHODS



1

Decisively and directly do the advertising

The goal of advertising is to achieve brand exposure through payment. This is a very common marketing method, not only for Kuaishou, but also for other short video platforms.

2

Content placement

Content placement is also a very common short video marketing method. Specific manifestations include brand name and logos, oral broadcast implantation, brand exposure, and so on in the KOL and brands' short videos.

3

KOL Promotion

You can also use KOL influence to reach the larger audience that are the fans, by selecting Internet celebrities that match the product. At the same time, KOL partnerships stimulate more engaging participation of users.

4

Content customisation

Content customisation mainly triggers communication by shooting related product content. Compared with long videos, short video customised marketing content pays more attention to stories and plots, typically surrounding the brand product.

SOCIAL MEDIA

KUAISHOU PLATFORM - CONTENT BEST PRACTICES

The viral brand x consumer experience



8.77 MILLION

People taking part in the campaign



30%

sales improving

KUAISHOU X BAIQUELING



SOCIAL MEDIA

KUAISHOU PLATFORM - SALES INTEGRATION



The main features of Kuaishou's e-commerce model are Kuaishou livestreaming and Kuaishou Xiaodian (快手小店).

Kuaishou Livestreaming

Kuaishou's livestreaming e-commerce business has a GMV target of 250 billion in 2020. And the GMV target of Douyin live e-commerce is as high as 200 billion. The GMV of Taobao Live in 2019 is between 200-250 billion, which means that the goals that Douyin and Kuaishou will hit in 2020 can already catch up with the results of Taobao Live last year.

Kuaishou Xiaodian

'Kaishou Xiaodian' is a merchant function launched in the Kuaishou App, which aims to provide convenient merchandise sales services for users of Kuaishou, and efficiently convert their own traffic into revenue.

Cooperation with Jingdong

On May 27, Kuaishou Technology and JD Retail Group formally signed a strategic cooperation agreement. The two parties will conduct in-depth cooperation in the development of the supply chain capabilities of Kuaishou stores, brand marketing and data capabilities, etc., to jointly create a new ecology of short video live streaming e-commerce.

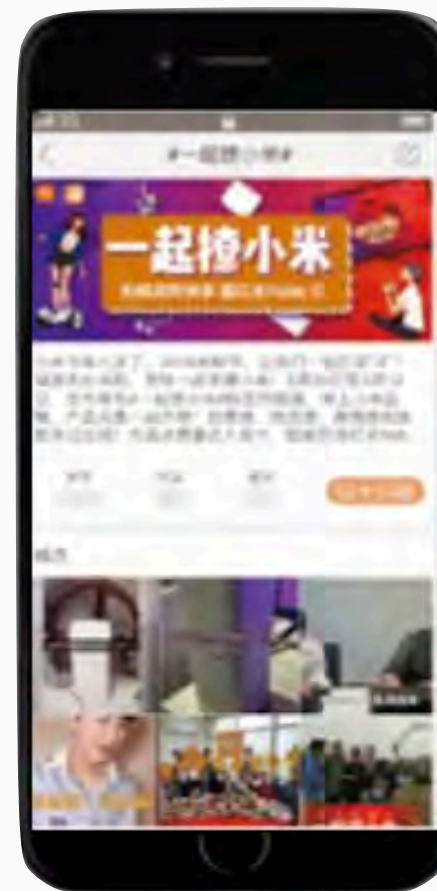
According to the agreement, the two parties will conduct in-depth cooperation in the supply chain. JD Retail will provide superior categories of goods to Kuaishou stores, and the two parties will jointly build a high-quality product pool, which will be selected and sold by Kuaishou anchors. Kuaishou users will be able to purchase JD's self-operated goods directly in the Kuaishou store and enjoy JD's high-quality delivery and after-sales services.

SOCIAL MEDIA

KUAISHOU PLATFORM - REGULATIONS / UPDATES

Hashtags

The hashtag page encourages users to spread hashtags through interactions. This is very suitable for the customised marketing format which allows brands to achieve sales and branding at the same time.



Xiaomi

#Come to play with Xiaomi#



Baiqueling

#Chase your dream#



Haerbin Beer

#Drink Beer together#



Kaidilake

#Just 6.2 seconds you can be famous#



Meilan

#Tell the true story#

SOCIAL MEDIA

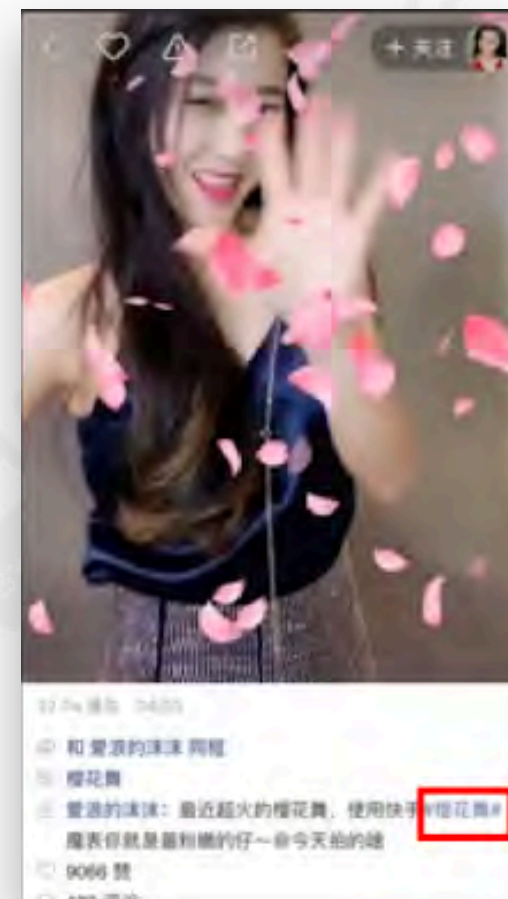
KUAISHOU PLATFORM - REGULATIONS / UPDATES

Hashtags

Using a variety of hashtags makes it more likely to attract the attention of ranging consumer groups and easier to connect them with potential purchases.



News Feeds
Ads



Hashtags in
video



The challenge
page



Hashtags search
ranking 2nd to 5th
place



The hashtag in
home page



SOCIAL MEDIA

KUAISHOU PLATFORM - REGULATIONS / UPDATES

Challenge + sticker interaction

Challenges are started by the top KOLs and brand account content, making it more attractive to users. Magic stickers also encourage people to actively interact with the challenge topic and increase traffic.

Number of participants
94 million+



Number of participants
42 million+



SOCIAL MEDIA

KUAISHOU PLATFORM - PARTNERSHIPS

Cultural and educational content growth

Kuaishou and Zhihu jointly released the '**Kaizhi Project**', introducing the Kuaishou education accounts of related scholars, professors and other groups. The partnership continues the platforms' goals **to provide richer knowledge and education content**.

Cooperation with CCTV and JD

- During the Spring Festival, Kuaishou exclusively cooperated with the CCTV's 2020 Spring Festival Gala. The amount of red envelopes on the **Spring Festival Gala reached 1 billion RMB**, exceeding **Baidu's 900 million** and **Taobao's 600 million**, becoming **the highest amount of red envelopes** in history.
- During the epidemic, Kuaishou and CCTV continued their cooperation and became **the news portal of CCTV**, and **broadcasted official events** such as the construction of the shelter hospital.
- The cooperation with JD.com **represents the further layout of Kuaishou** in the business process.



1 BILLION RMB
SPRING FESTIVAL GALA

PLATFORM

WEITAO



SOCIAL MEDIA

WEITAO PLATFORM - INTRODUCTION

Weitao is Taobao and Tmall's built-in social media platform. It was created to create better connections between sellers and consumers. It is an application similar to Wechat and Weibo with social feeds. Weitao allows sellers to list their products on the feeds where consumers can simply click on the post to land on the purchasing page.

The platform can be divided into the public sphere (公域) where one can reach widely popular content, and the private sphere (私域) where one can read content selected based on user preferences.



SOCIAL MEDIA

WEITAO PLATFORM - INTRODUCTION

What does Weitao mean?

To Customers : Weitao serves as a mobile assistant for online shopping in the digital era, giving customers good advice on what to buy, cost-savings, fashion, convenience, and trustworthiness. It symbolises a new era of online mobile shopping. Also, by using Weitao, customers can closely follow their favourite shops, immediately know about promotion events and gain knowledge about their favourite products.

To Brand Owners : Weitao is a good platform to express brand culture, announce

discount events, interact and enhance relationships with their customers. On Weitao, brands can be in touch with many active loyal fans and be able to make their news be immediately noticed by their fans.

To third-parties : Weitao can be used as an observation ground for third-parties to understand the overview of the market, allowing them to provide more accurate advices and recommendations (導購) to their targeted audience.

E-commerce in China has entered an era of content marketing. Both buyers, Taobao and

sellers are having increased demand for high-quality content. By running a Weitao account, brands can send messages to their customers directly, attracting more audiences and making more noise in the market.



SOCIAL MEDIA

WEITAO PLATFORM - USER DEMOGRAPHICS



Weitao users are consumers on Taobao. The number of active users on the Chinese e-commerce platform reached 755 million, of that active consumers account for 674 million.

Accounts on the platform can be divided into three majority categories:

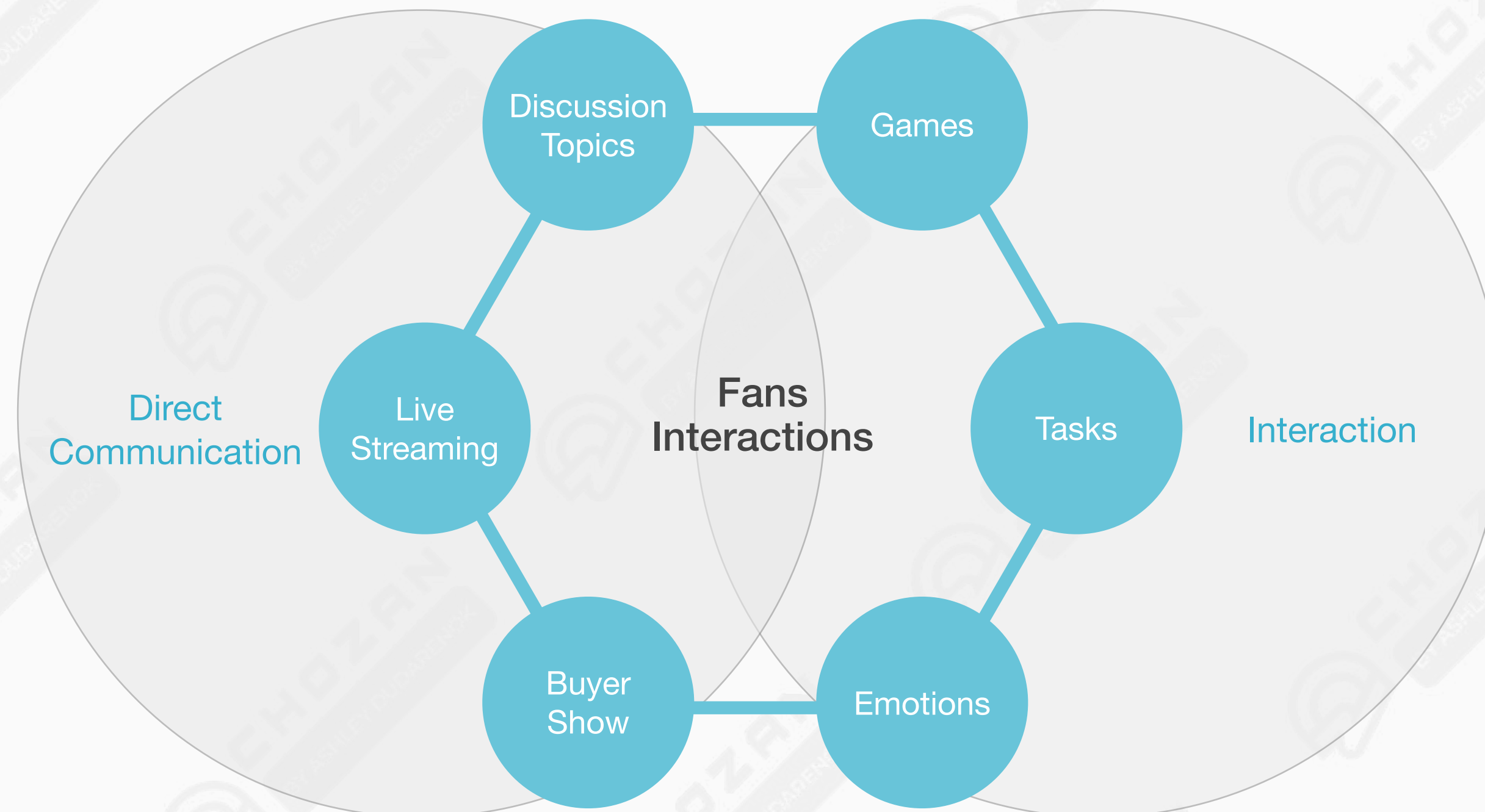
- Business Merchant Account (商家帳號)
- Master's Account (達人帳號)
- Official Account (官方帳號).

SOCIAL MEDIA

WEITAO PLATFORM - TOP MARKETING METHODS

This model shows that fan interactions are achieved by direct communication and interaction.

WAYS TO INTERACT WITH FANS ON WEITAO



SOCIAL MEDIA

WEITAO PLATFORM - TOP MARKETING METHODS

Weitao Levels

Levels range from 0 - 6: The higher the level (indicating the higher quality your Weitao is of), the higher chance your Weitao will be accepted by the public sphere (公域). For more concrete details of the benefits, please take a look on the instructions on the backstage page.

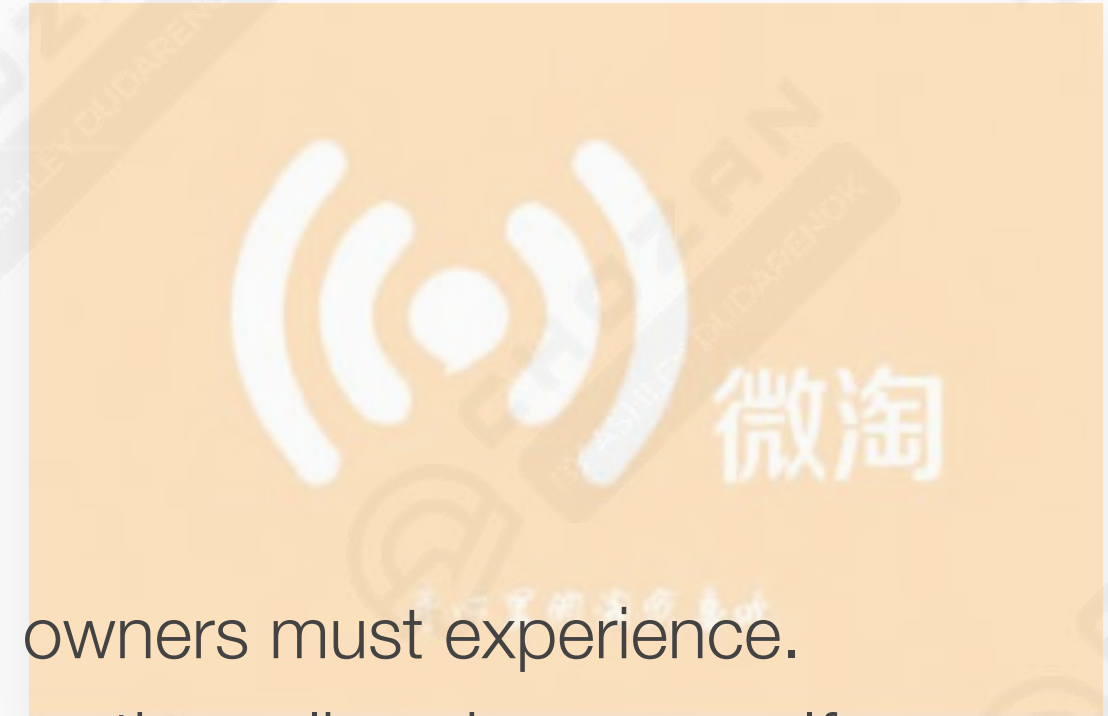
The crucial Weitao levels are L0-L3:

on L1 account owners have access to the Weitao group functions
on L2 accounts are allowed to post 10 Weitao posts
on L3 content on account can be exposed to the public sphere (to those who have not subscribed to you) where more read volume can be rise exponentially.

These 3 levels are essential ones which all owners must experience. New comers shall start at L0 once they open the online shop page. If they persist to write content everyday, keep being active on the platform and get a right sense of ways to run the account in the private sphere, they are very likely to get their level up very quickly after getting a certain amount of fans.

Level Promotion takes time and requires the account owner to have certain skills. They can upgrade and be successful on Weitao quickly if they:

1. Make their positioning and style clear to the fans
2. Persist to write authentic content,
3. Make good use of the tools in Weitao
4. Participate to more activities on the platform
5. Gain more points on the Weitao Merchant Index.



SOCIAL MEDIA

WEITAO PLATFORM - TOP MARKETING METHODS

Weitao Merchant Index (微淘商家指数) reflects the overall performance of the Weitao account in the private sphere. This space can be used to observe the 微淘运营健康度, fans value and content value of the account.

The index is updated every Wednesday, subject to delay on public holidays.

1. Content Value Points (内容价值分)

To attract fan subscription to your page, authenticity is the key. This point system helps with analysing the type of content readers enjoy, and benefit brands whose content entry matches with what is observed.

2. Health Value Points (健康价值分)

This Point indicates the degree of appropriateness shown in the content of the brand's page, which helps businesses avoid some illegal content.

Certain rules must be followed. Merchants can check the management rules of the creation platform in Taobao rules. This is the easiest point to raise on the platform.

3. Fans Value Points (粉丝价值分)

This point indicates the level of connectedness and interaction between your page and your fans. Brand owners should not pose their content only for raising their page level. In-depth analysis must be done in advance (for instance, at what times of the day will users read content 微淘?). To attract more fans, brand owners can organise some promotional events on 微淘. In order to prevent fans from becoming zombies fans (僵尸粉), brand owners should try their best to interact with their fans by, for example, constantly replying to their comments.



SOCIAL MEDIA

WEITAO PLATFORM - CONTENT BEST PRACTICES

Product / Brand New Release (店铺上新)

The strategy can be categorised as New Release and New Release Preview

New Release = List release of new items

Conditions for New Release:

- Must be released on the same day, and the quantity of items released must be 2 or more.
- This must be the first time an item is released on Weibo. Items being put on the shelf for a second time are not applicable.

New Release Preview = notification to fans in the group in forms of pic+text about the release of the new products. It often comes with some new add-ons and discount coupons. Interaction rates with fans increases and attract them to buy by celebrity endorsement of the product (种草).

Conditions for New Release Preview:

- Must release on the same day, and the quantity of items released must be 2 or more.
- Preview show must be placed at least 1 day and at maximum 7 days before the official release time.
- This must be the first time an item is released on Weibo. Items being put on the shelf for a second time are not applicable.



SOCIAL MEDIA

WEITAO PLATFORM - CONTENT BEST PRACTICES

Hot topic (Pic + Products)

Hot topic is likely the most effective way to release your content, via mobile devices.

The best way to conduct this is first to analyse the preference of your group, then release or adjust content accordingly.

You can first discuss the recent hot topics with 3-6 pictures, and add 3 more of your products (altogether in 9). Usage of question sentences can also enhance interactions with fans.

These interactions attract more read volumes, which is a key to successful daily interactions.

Buyer Show

Content release via 'buy show' function is simpler than others. However, one must create content in compliance to regulations from the platform authority, so as to make the release process smoother.

09月23日 10:00

置顶

双十一很快就来啦，各位K星人又想囤什么超好用的产品呢？快快留言分享你的囤货清单，加上走心理由或真实的使用感受，安利给大家，骨头先生将挑选5位小可爱送出神秘奖品哦~

互动规则

留言分享你**双十一必囤的K星好物**，加上走心推荐理由，骨头先生将选取5位小可爱送出**神秘奖品**~

活动时间

即日起至**9月28日截止**，活动结束后将在30天内开奖，记得多留意微淘动态哦

征集 | 晒出9月好物美照...

27 21

SOCIAL MEDIA

WEITAO PLATFORM - CONTENT BEST PRACTICES

Endorsement List (好货种草清单)

You can create authentic content first by writing endorsements or reviewing articles on the products you are promoting. Using reviews which reflect the real experiences of users with the product can create resonance within readers, converting them into potential buyers. These articles also allow readers to have a deeper understanding on the reasons and ways to use the products, in turn building a better awareness and understanding on the product. Experience tells that, 好货种草 is a more accepted way to promote content by the system, via two paths: Multiple 种草 (多品种草) and single (单品种草). As 好货种草 is a more professional review, it requires writers to have a better understanding of the product concerned. The word count requirement is higher, focusing on the advantages and the practical usage of the products.

Listing is a major way to release content on Weitao. As for which products to be chosen to be discussed with the hot topic, it is recommended to include at least one popular product in the selection so as to help raise the awareness to other less popular products.



SOCIAL MEDIA

WEITAO PLATFORM - CONTENT BEST PRACTICES

Beware of posting time

Peak hours for Weitao user visits are:

Conversation rates of broadcast content released during these periods are the highest. You should pay close attention to these hours in order to make the best out of your efforts.

Please also make sure your content is attached with at least an image, in forms of pic+text, so as to make it more attractive to the audience, making a higher chance of causing resonance with the fans.



0000 - 0100

0800 - 1000

1300 - 1400

1600 - 1700

1830 - 1930

2200 - 2300

PLATFORM

TOUTIAO



SOCIAL MEDIA

TOUTIAO PLATFORM - INTRODUCTION

Created by ByteDance Ltd. in 2012, Toutiao (Today's Headlines) is a mobile platform of content creation, aggregation and distribution, featured by machine learning techniques. By March 2018, the Toutiao app DAU (Daily Active Users) reached over 200 million, with an average opening of 9 times per day and use of 76 minutes per day. Known as the No.1 intelligent content distribution platform in China, it has over 1.1 million accounts, which update over 380,000 pieces of content and achieve 4.2 billion views per day. The incredible success of this smartphone app has grown to be known as one of the next generation of Chinese tech giants, challenging the tech trinity of Baidu, Alibaba and Tencent.

Features:



1. Diverse content, not limited to news reports, and includes articles on music, movies, games and online shopping. Recommendations are based on factors like user interests, locations, gender and occupations.



2. High daily usage, long usage period each time



3. Writers can earn money, and grow with the platform.

How to earn money on Toutiao?

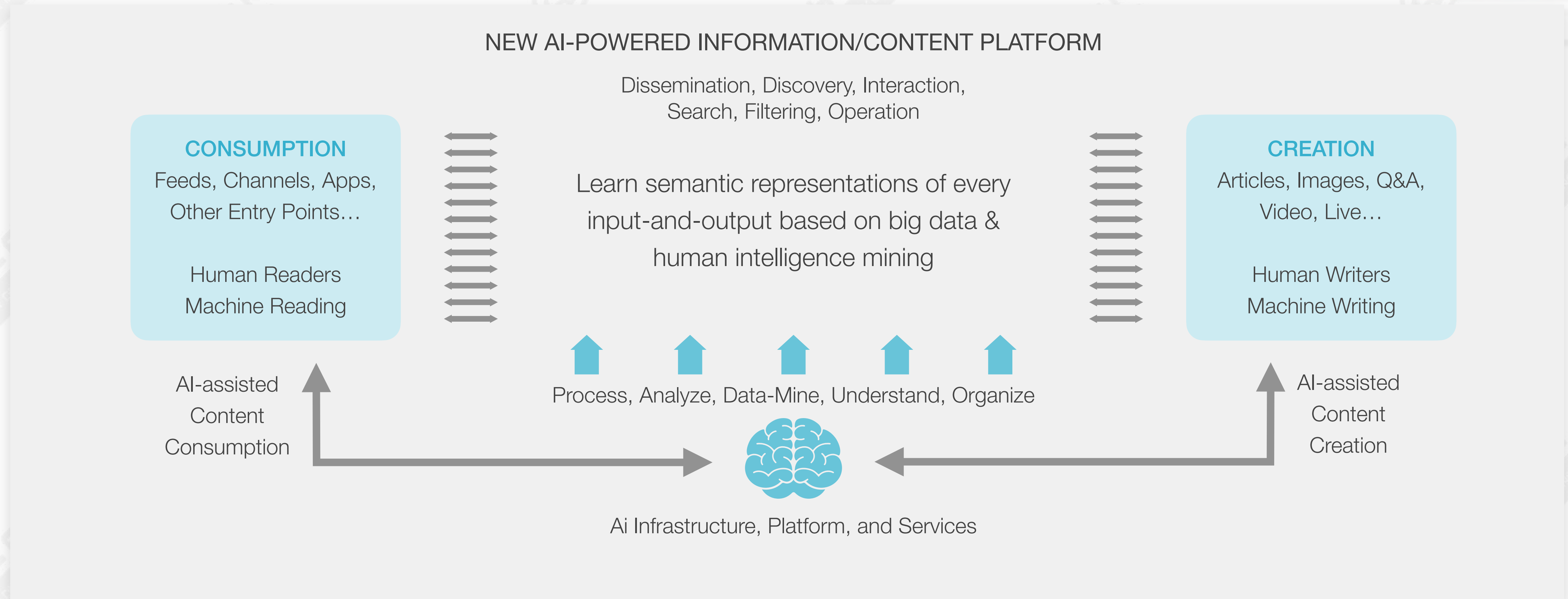
In 5 major ways: Ad Share (广告分成), Signed Authors (签约作者), Ad production, Toutiao E-commerce, Commission.



SOCIAL MEDIA

TOUTIAO PLATFORM - INTRODUCTION

An AI-powered platform surrounding consumption and creation.



SOCIAL MEDIA

TOUTIAO PLATFORM - INTRODUCTION

8 CORE FORMS:

- Graphic Context(圖文)
- Wtoutiao (微頭條)
- Short Video Clip (短視頻)
- Mini Video Clips (小視頻)
- Q & A (問答)
- Live Video Streaming (直播)
- Article Column (專欄)
- Voice Recording (音頻)

ADDITIONAL FUNCTIONS:

- 头条寻人
- 算数功能
- 头条号
- 头条搜索
- 头条百科

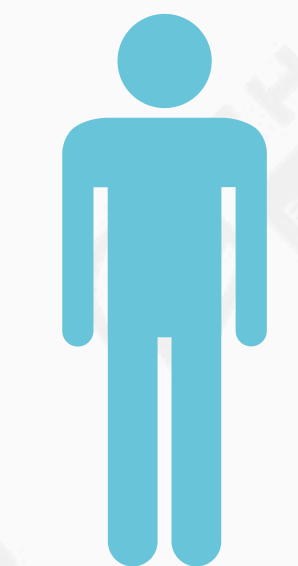


SOCIAL MEDIA

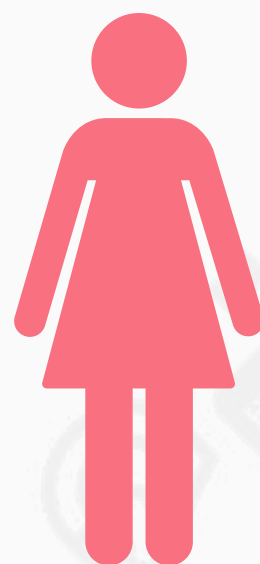
TOUTIAO PLATFORM - USER DEMOGRAPHICS

Enormous User Group: As one of China's most popular content distribution platforms, Toutiao is serving over 120 million of daily-active-users (DAU) and 260 million of monthly-active-users (MAU).

Majority Male Users: Among these users, 62% are male and 38% are female, which is similar to the overall conditions in the Chinese news app market.

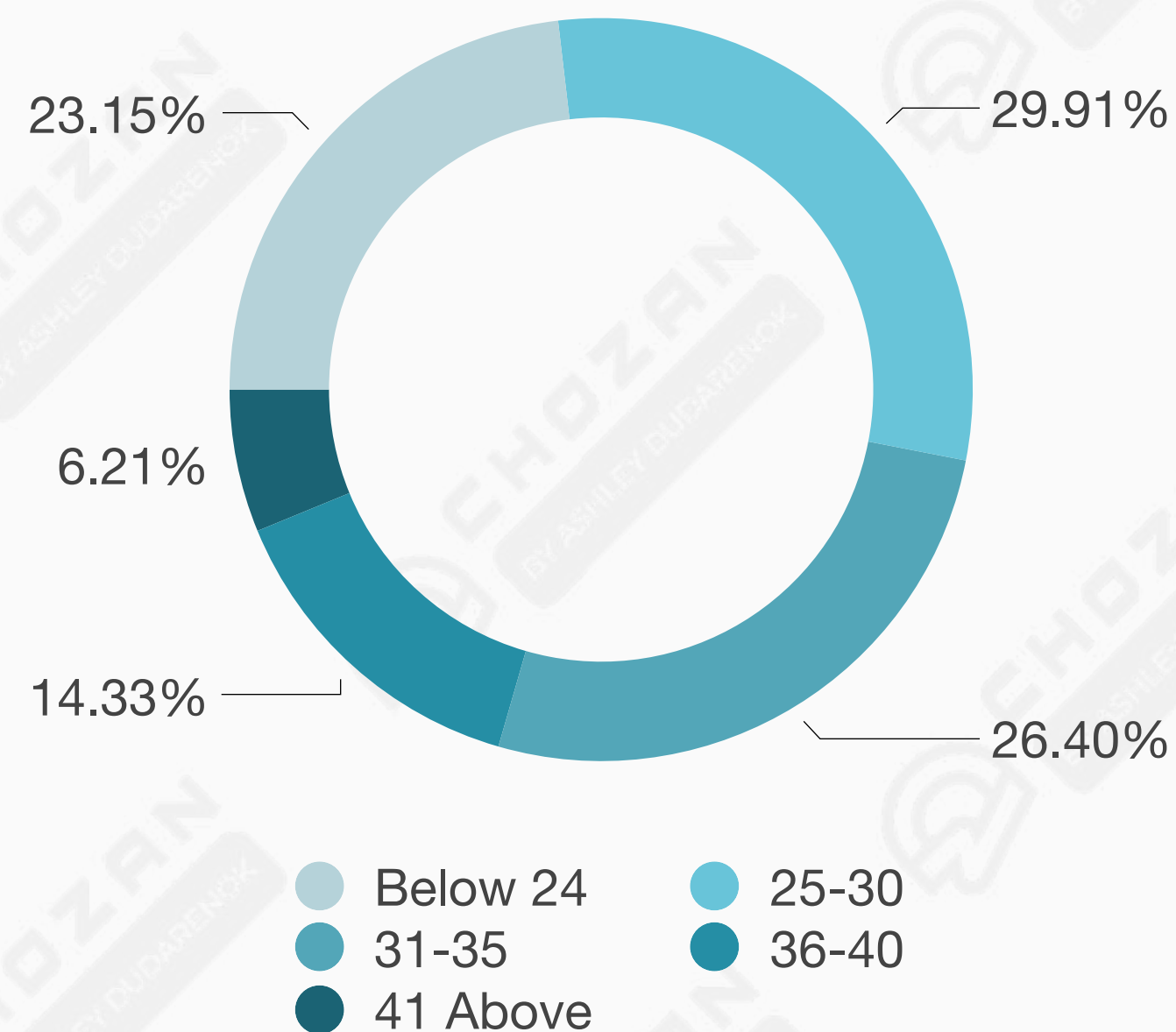


62%



38%

TOUTIAO FOLLOWERS AGE DISTRIBUTION



25-30 is the Largest Age Group:

In terms of age distribution, users on the platform can be divided into the following groups: (Update: 16/Jul/2020)

Concentrated in Eastern Provinces:

Below distribution of users in different regions of the country can be seen.

Guangdong	Jiangsu	Sichuan	
11%	6%	6%	
Shandong	Henan	Zhejiang	
6%	5%	5%	
Hebei	Hunan	Guangxi	Hubei
5%	4%	3%	3%

SOCIAL MEDIA

TOUTIAO PLATFORM - POPULAR CONTENT CATEGORIES

Content on Toutiao can be divided into the following categories:

Humor, Health, Celebrities, Food, Hi-Tech, Sports, Culture, Cars, Travelling, Finance, Household, Military, History, Parenting, etc.

4 popular categories the read rate of which can reach 10 million:



Celebrities



Daily News



Parenting



Social Phenomena

Preferred Content Categories on the platform by Age:

Post-95s = Fashion, Humour, Digital

Post-90s = Current Affairs, Parenting, Cars

Post-80s = Parenting, Health, Cars

Post-70s = Sports, Health, Education



SOCIAL MEDIA

TOUTIAO PLATFORM - TYPES OF ACCOUNTS

Users of Toutiao platform covers:

Government Officials
Commentators
Field Experts
CEOs
Stars

Recommended Industries on Toutiao:

1. Financial Management
2. Exhibition / Events (会展活动)
3. Game
4. App Industry
5. Government

NO. OF ACCOUNTS RELATED TO NATIONAL INSTITUTIONS AND OTHER ORGANISATIONS REACHES 80,000

In Oct 2014, Toutiao introduced the platform for public information release, inviting party and government offices of all levels to establish their own Toutiao account. With the use of advanced message release technologies, Toutiao made sure that the authorial voice and messages from the government offices can be effectively spread and heard by the targeted group, contributing to the better good of society in a precise and effective manner.

18.9 Million+
Total Amount of Posts

77.8 Billion+
Total Read Volume

320 Million+
Total no. of Favourites

53% more than same
period in 2018

94% more than same
period in 2018

25% more than same
period in 2018

Source: 今日头条数据平台, September, 2019.

SOCIAL MEDIA

TOUTIAO PLATFORM - TOP MARKETING METHODS

1. Recommendations by experts (种草内容): In-depth review (深度评测) and Comments from experts (专家科普) are popular ways to attract reader attention. In most cases, the KOL experts are speaking with detailed facts and evidences to support their claims, so that more valuable interactions and likes from the readers can be initiated, helping the associated brand to build up a better image and loyal customer circle.



Example: Testing of OPPOFindX2 Pro by 楠爷, read volume and commentary reach 156 thousand and 1020 respectively.



SOCIAL MEDIA

TOUTIAO PLATFORM - TOP MARKETING METHODS

2. Making good use of Transformation Components: “商品卡”, “小程序” and “图文带长”(图文带长视频) are transformation components recommended by the platform. They are normally in the form of small links at the end of the article. Users will then reach the landing page by clicking on the link.



SOCIAL MEDIA

TOUTIAO PLATFORM - CONTENT BEST PRACTICES



Want to know how to write good content on Toutiao? Here are some hints:

1 Write about your interested field in the simplest form

At the introduction of your account (which should be within 30 words), outline the features of your blog to attract your targeted audience.

5 Diverse Content Expression

Audiences are from all walks of life, their ways of perceiving message are different. To ensure serving the majority, content creators should allow a flexible expression design for their content (like in forms of text, images, videos, etc.)

2 Write Your Own Content

Authenticity is the foundation to uniquely express your brand and attract your targeted audience.

6 Ensure Stable Budget

Content promotion on Toutiao is a long-term effort, thus ensuring a stable budget for the content creation is a key to its success.

3 Write Stories

Customers loves stories, stories can help customers to understand your message and leave a deeper impression to you.

7 Pay Attention to Backend Data

Make good use of the statistics data provided by the platform on your content, which allows you to understand the popularity of your content and make adjustments where necessary.

4 Think for your audience

Knowing your audience is the first crucial step to a successful promotion. Brand owners should try to put themselves into their audience's shoes to understand what the customers like and need, then write content as a response solution. By doing so, their message can better match the market's demand, giving a higher selling chance to their products.

SOCIAL MEDIA

TOUTIAO PLATFORM - SALES INTEGRATION

Toutiao is attempting to develop into a super app.

One of such attempts is the introduction of the 'Play at Home' section which is designed to meet user demands during the COVID-19 quarantine period.

By analysing the location data of the users and receiving click requests on the button shown in the section, the platform system will automatically send users to external websites where their needs can be satisfied.

For example, by clicking “在家做菜”, users can reach to recipes of home dishes; by clicking “在家健身”, users can then have access to fitness courses; by clicking “在家求职”, users can then look for job opportunities in the market.



SOCIAL MEDIA

TOUTIAO PLATFORM - TRENDS / CASE STUDY

IN 2020, WITH TOUTIAO AS THE CORE,

NEW MULTIDIMENSIONAL MARKETING WAYS ARE CREATED

Coordination with other platforms

In order to keep up with the trend, Toutiao

cooperated and combined functions with Tiktok and

Xigua video to further diversify the platform’s models

and attract audiences from the younger generation.

Organising Events in different fields:

To further extend the influence of the platform and

explore wider possibilities, Toutiao has jointly

organised events of different types (like fashion

shows, industry conferences, awards ceremonies,

etc.) with various parties.

Internal Collaborations

Creating Word-of-mouth for the product

Discussion Topics +

Reviews by KOLs + Articles

Thoughts for Brands Collaborations

Input by Advanced Intelligences and

Management

Golden Pairs bring exponential growth

Open Screen Ad + Mini Programs

All-round Livestreaming

New Ways of Livestreaming

External Resonance

Naming IP grounds to raise the noise of products

Toutiao + Xigua Videos

Resonance on both ends Great Creation of Festival

Toutiao + Douyin

Platform and Internet Cooperate

Releasing IP Influential Power

Toutiao + Platform-Side Drama Series

Cross-platform volume combination creating new IPs

Toutiao + E-commerce Platforms

SOCIAL MEDIA

TOUTIAO PLATFORM - REGULATIONS / UPDATES

New Platform regulations:

New regulations has been introduced to the platform on 9 July 2020 in order to tackle the following problems:



Three Major New Updates in 2020:

In order to further assist writers to reach more audiences on the platform, Toutiao has introduced three new functions, namely 頭條加油包, 粉絲必達 and 頭條號外.



SOCIAL MEDIA

TOUTIAO PLATFORM - TOP MARKETING METHODS

Brief Summary on Toutiao Marketing (Concluded by self)			
Tool's Name	Toutiao Extra	Fans-Direct	Toutiao Aid-pack
Production Intro	In the message flow of Toutiao, ensuring content are exposed in a given volume, at a given location and at a given time period	Increasing exposure rates of content to fans	Increasing recommendations of quality conents
Product Impacts	CTR around 3%	Able to reach 65% of the active fans group	CTR 7%+
Advantages	<div>1. Buyable and Savable, how much read volume you buy, how many audience are going to read your content on the platform; in most case, some of the volume shall be wasted, therefore practically speaking, buying more is recommended.</div> <div>2. Ability to set up precise coordination: apart normal categories like locations, gender, business circles, brand owners can also make customized coordination in accordance to their own customer group</div>	Fans brings view base, beneficial to those KOLs with high number of fans	Dou+ on Toutiao has guaranteed authors a given number of read volume as foundation, hoping to bring impacts to promotions at initial stage
Disadvantages	Relatively expensive, need to purchase via cooperative business procurement	Depending on the fans situation of authors, does not bring much benefit to KOLs at middle and lower levels	Currently undergoing internal testing, not yet sold.

Source: [chinaz](#)

SOCIAL MEDIA

TOUTIAO PLATFORM - TOP MARKETING METHODS

1. Toutiao Extra 头条号外

Allows brand owners to buy advertisements at the customer end in order to promote their content to their designated customer group (based on gender, age, location, occupation, brand preference, etc.). The promotion quantity is concrete, depending on how much the brand owner buys from the platform. Applicable to most content on the platform.



SOCIAL MEDIA

TOUTIAO PLATFORM - TOP MARKETING METHODS

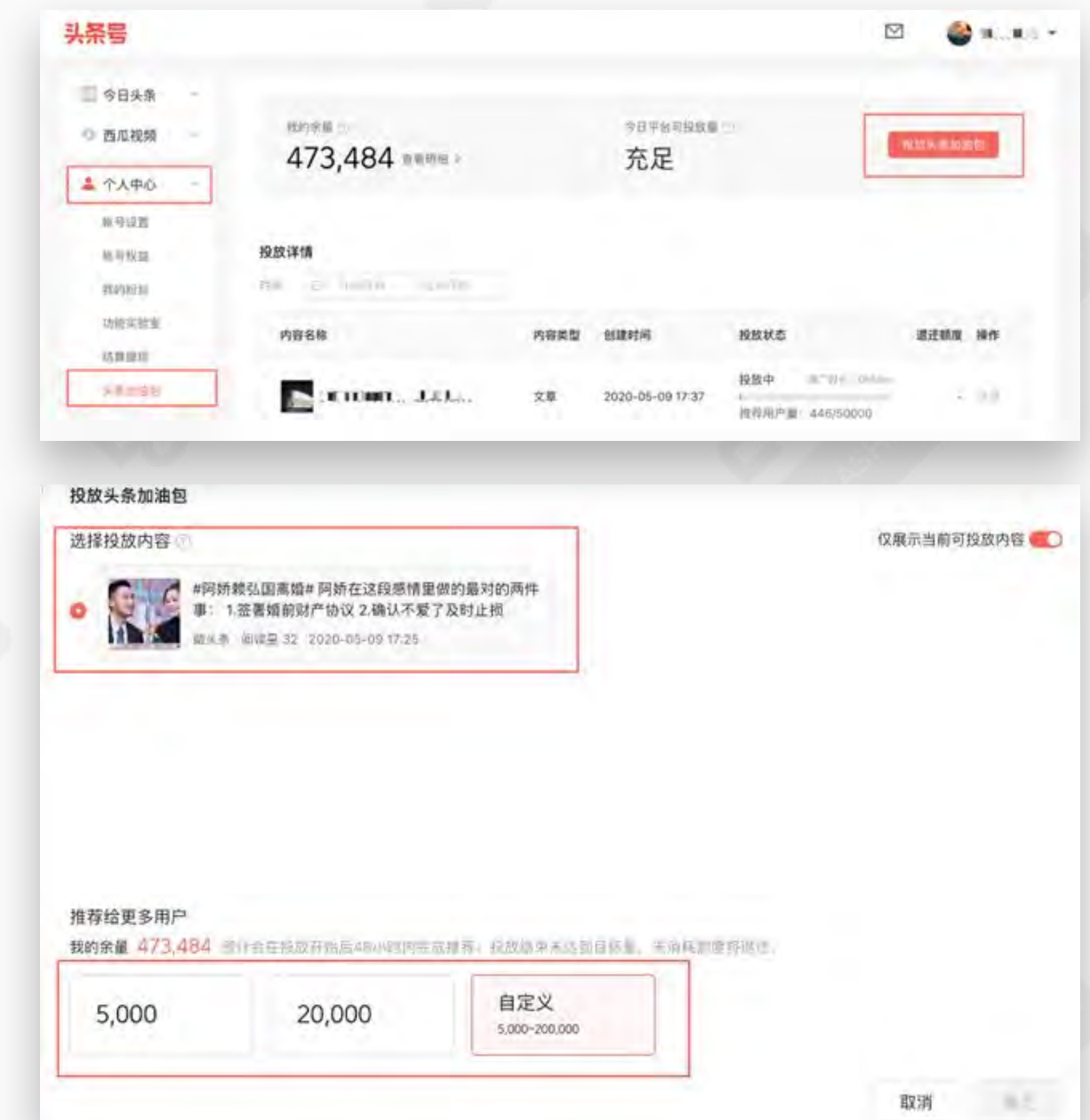
2. Fans-Direct 粉絲必達

Boosts connection rate with fans. Articles which pass verification and with 「粉丝必达」 function activated shall be subject to additional promotion by the system to the writer's fans group. Such promotion can reach more than 65% of the active fans.



3. Toutiao Aid-pack 頭條加油包

加油包 is a new functions of which the platform ensures the writers will gain a given quantity of read volume. For example, if the writer buy a 10M+ package for his/her article, then the article shall be given an additional read volume of 10M on top of its normal volume.





**IF YOU LIKE THIS REPORT
YOU'LL LOVE MY NEWSLETTER**

SCAN THE QR CODE AND JOIN
MY FREE BI-WEEKLY NEWSLETTER
FOR LATEST CHINA INSIGHTS

WANT TO TALK TO MY TEAM?

SCAN THE QR CODE TO
ARRANGE A FREE CONSULTATION
ABOUT YOUR CHINA PLAN






CONCLUSION

CONCLUSION

BELOW IS A QUICK SUMMARY OF THE OPERATING MODELS OF CHINESE SOCIAL MEDIA





ANALYSIS OF THE FEATURES OF CHINA'S TYPICAL NEW MEDIA PLATFORMS IN 2021

Platform	Category	Platform features	Content dissemination features	Main marketing methods
 Sina Weibo	Micro-blogging	Strong content diffusion and media attributes. A lot of pan-entertainment users	A high rate of users participate or interact with platform content, making it easy for secondary dissemination and topic creation	Topic discussion
 WeChat	Instant Messaging	The acquaintance relationship chain has a strong social attribute. Mainly to receive daily social information and in-depth understanding of information through official accounts	For articles and long pictures on the platform, users can easily spread to acquaintances through reposting, sharing in Moments, etc.	Articles and pictures
 TikTok	Short video	Strong pan-entertainment content attribute, rich levels of information expression, and strong information dissemination. Daily leisure is the main need of users.	It is easy for pan-entertainment videos to spread and become memorable among users.	Short video recommendation and evaluation

CONCLUSION

BELOW IS A QUICK SUMMARY OF THE OPERATING MODELS OF CHINESE SOCIAL MEDIA

ANALYSIS OF THE FEATURES OF CHINA'S TYPICAL NEW MEDIA PLATFORMS IN 2021

Platform	Category	Platform features	Content dissemination features	Main marketing methods
 Kuaishou	Short video	The contents are mainly about everyday life and pan-entertainment. Most users have a demand for leisure.	Fans have strong trust in the KOLs on the platform, which make it easy for KOLs to guide users' preference and behaviours	Short video recommendation and evaluation
 Bilibili	Aggregated video	Bullet screen communication atmosphere. Many young users with pan-entertainment demand	The content of videos contains rich information. With the uploaders' fan effect the content is delivered to users	Video recommendation and evaluation
 Xiaohongshu	Content e-commerce	Strong product content sharing attribute. Many users need product recommendation guidance	On the basis of the content sharing attribute, the platform's consumption attribute makes the conversion from production promotion to purchase more efficient	Product promotion and consumption guidance
 Taobao	Comprehensive e-commerce	Prominent consumption attribute. Users have strong shopping needs	Consumption layout and continuously strengthened content layout improve the decision-making efficiency for consumers	Product promotion and consumption guidance

CONCLUSION

BELOW IS A QUICK SUMMARY OF THE OPERATING MODELS OF CHINESE SOCIAL MEDIA

ANALYSIS OF MARKETING STRATEGIES OF TYPICAL NEW MEDIA PLATFORMS IN CHINA IN 2021



Sina Weibo

1. Create brand or product- related topics throughout KOLs or official Weibo accounts to trigger discussions:
2. The KOLs guide consumers to complete consumption through images, text and videos, etc.

Features: Widely spread topic, high consumer participation degree



WeChat

1. Create storylines for brands or products through advertorials, long content images, etc. published by official accounts of KOLs
2. Integrate purchase channels, methods and other information in advertorial to guide consumers

Features: Deep degree of content information presentation, fission effect of acquaintances is strong

CONCLUSION

BELOW IS A QUICK SUMMARY OF THE OPERATING MODELS OF CHINESE SOCIAL MEDIA

ANALYSIS OF MARKETING STRATEGIES OF TYPICAL NEW MEDIA PLATFORMS IN CHINA IN 2021



Bilibili

1. Integrate brand or product promotion into KOL's video content;
2. Realise dissemination of content including brands and product information through the display of kichiku videos and animals and imagination videos.

Features: Deep degree content information presentation, diversified content display models



TikTok

1. Integrate brand or product promotion into shot video content by KOLs;
2. KOLs promote products through in-depth explanation such as product display, component analysis, purchase method, etc.

Features: Deep degree of content information presentation, diversified content display models

CONCLUSION

BELOW IS A QUICK SUMMARY OF THE OPERATING MODELS OF CHINESE SOCIAL MEDIA

ANALYSIS OF MARKETING STRATEGIES OF TYPICAL NEW MEDIA PLATFORMS IN CHINA IN 2021



Kuaishou

1. Integrate brand or product promotion into short video content by KOLs;
 2. Promote products using fan trust in KOLs in down-to-earth methods
- Features:** Deep degree content information presentation, diversified content display models



Xiaohongshu

1. Integrate brands or product in the recommended products by KOLs on platforms
2. Realise promotion in the forms of evaluation, sharing, etc.
3. **Features:** Deep degree of content information presentation. Highly efficient conversion from product promotion to purchase



Taobao

1. KOL integrates brand or product information into platform content communities or livestreaming channels;
2. KOLs promote brands of products using their influence through content sharing or time-limited discount on livestreaming videos.
3. **Features:** Deep degree of content information presentation. Highly efficient conversion from product promotion to purchase



ALARICE
BY ASHLEY DUDARENOK



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BAIDU IN CHINA Q2

BAIDU IN CHINA

INTRODUCTION 2021

Founded in 2000, Baidu is the worlds largest Chinese search engine and a top AI company. As the world largest Chinese search engine, there are more than 1 billion searches from more than 100+ countries daily.



4+ TIMES
APP BEING OPENED DAILY

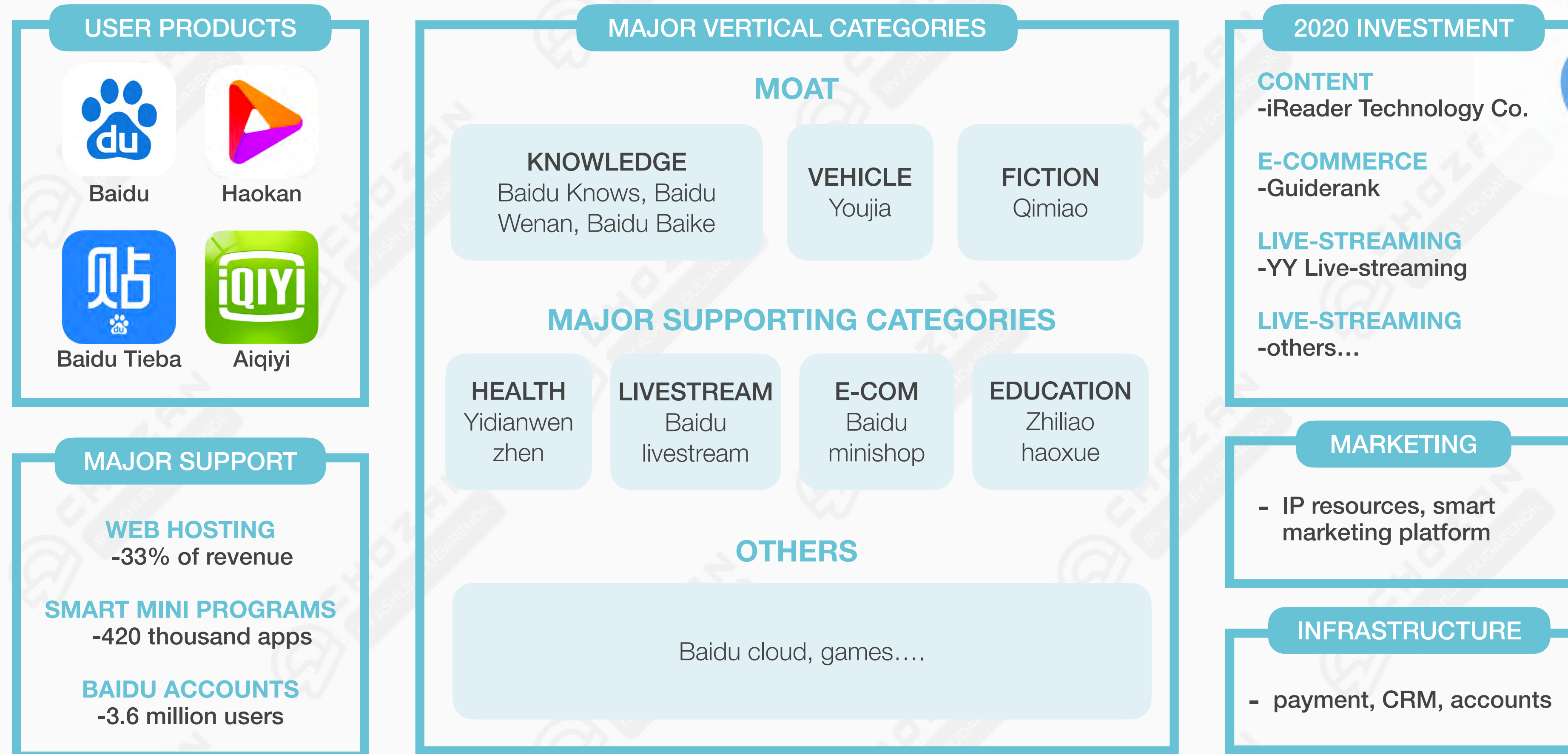


50+ MINUTES
DAILY USAGE



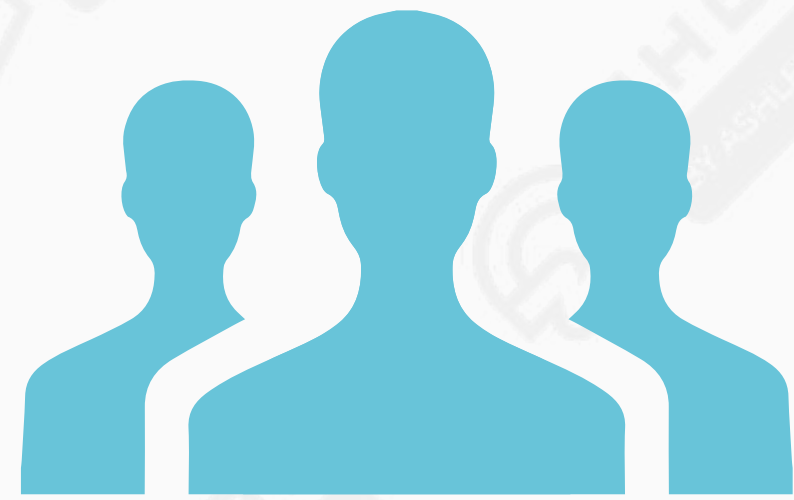
200 MILLION
DAILY ACTIVE USERS

BAIDU IN CHINA ECOSYSTEM



BAIDU IN CHINA

LIVE-STREAMING



+317%
LIVE-STREAMERS

KNOWLEDGE, SERVICES,
CONSUMPTION, ENTERTAINMENT



BAIDU LIVE-
STREAMING
ECOSYSTEM



900 MILLION
PLAYS MONTHLY

COMMENTS, LIKES, SHARES,
SUBSCRIPTIONS, GIFTING

EXPERT BITES

Q: WHAT ARE THE MOST SIGNIFICANT CHANGES IN 2020 THAT THOSE DOING SEO/SEM IN CHINA SHOULD KNOW ABOUT AND ACT ON?

We've seen the big impact of KOLs and livestreaming on social e-commerce and those doing SEO and SEA need to take these things into consideration as well. If a well-known KOL is about to stream for your brand, you should talk about that on your own website as well. **Give the user all information they might be interested in on your website and** make it easy for them to find the right social channels and times for the streams. **This way people using search can find the information more easily and can also join in.**



MARCUS PENTZEK

Chief SEO Consultant at
Searchmetrics

MARKETING CALENDAR

Q2 2021

EXPERT BITES



JACQUELINE CHAN

Project Director at
Alarice and ChoZan

Q: WHAT RECOMMENDATIONS CAN YOU GIVE TO BRANDS PLANNING MARKETING CAMPAIGNS IN CHINA?

It's much easier for brands to get attention during big festivals, such as the 618 E-commerce Festival, the Qixi Festival, the Double 11 Shopping Festival and so on. Brands need to pay attention to these **special festivals and holidays** which are very popular with Chinese audiences who make lots of purchases at these times. And China changes very fast. Before launching a campaign, you need to speak with your marketing agency to understand the most up-to-date situation on the ground, the latest advertising functions, the most current platforms regulations, etc.

GOT A QUESTION? DROP JACQUELINE AN EMAIL BY SCANNING THE QR CODE



EXPERT BITES

Q: WHAT MARKETING ADVICE CAN YOU GIVE FOREIGN COMPANIES ENTERING CHINA IN 2021?

Brand-run livestreams and KOC marketing are no longer just trends.

They're a staple of a well-rounded China marketing strategy. While celebrities are a great way to promote your brand, don't rely too heavily on them and make sure you're building brand awareness through other channels as well. This was how Prada was able to keep itself from being dragged down by a celebrity scandal involving its new ambassador earlier this year.



KEJIE YI

Content Manager at
China Marketing Insights

EXPERT BITES

Q: WHAT TRENDS DO YOU SEE IN TERMS OF KOL AND KOC PERFORMANCE IN SPRING 2021?

Bilibili and Douyin are in a battle for viewers of medium-length content (5-10 minutes). This war will create tremendous opportunities for KOL growth, paid content amplification, and educational content producers. It's a great time to make 5-10 minute videos, especially if it's edutainment.



ELIJAH WHALEY

Chief Marketing Officer
PARKLU

EXPERT BITES

Q: WHAT ARE YOUR GENERAL MARKETING RECOMMENDATIONS FOR BRANDS IN Q2 2021?

China has set its 2021 economic growth target at more than 6%. Naturally, with that comes growth in sales and e-commerce. **More needs to be spent on specific social media channels. Q2 2021 needs sniper marketing campaigns, so that the correct demographic groups and KOLs are engaged.**



DAVID GULASI

CEO of DaveGulasi.com
and China KOL

EXPERT BITES

Q: WHAT TRENDS DO YOU SEE IN TERMS OF KOL AND KOC PERFORMANCE IN SPRING 2021?

The performance for real and authentic KOLs will continue to grow in spring 2021. The trust factor is everything. However, we must be cautious how we use the word performance and remember that KOLs can and should be used for different purposes.

The performance for over-commercialized accounts will continue to drop.

That's not what I signed up for as a follower.



FOLKE ENGHOLM

CEO of Viral Access

EXPERT BITES

Q: WHAT DO YOU THINK BRANDS NEED TO STOP DOING, IN TERMS OF MARKETING AND E-COMMERCE, IN Q2 2021?

Stop relying on influencers or “paying people to say nice things about you”. This model may have worked in the last decade when it was more authentic and less infomercial. I suggest focusing more on building brand owned media assets so you own reach, rather than borrowing reach from influencers.



ARNOLD MA

Founder and CEO
at Qumin

EDITORIAL CALENDAR

Q2 2021

Buzzwords and key themes to pay attention to:

- **Labour Day:** Holiday, life, labour
- **5.5 Shopping Festival:** discounts
- **Mother's Day:** Mother, family, maternal love
- **Taobao Foodie Day:** Foodie, delicious food
- **Network Valentine's Day:** confession, love, I love you, gifts

MAY

S	M	T	W	T	F	S
						1 Labour Day
2	3	4	5 5.5 Shopping Festival	6	7	8
9 Mother's Day	10	11	12	13	14	15
16	17 Taobao Foodie Day	18	19	20 Network Valentine's Day	21	22
23	24	25	26	27	28	29
30	31					

EDITORIAL CALENDAR

CREATIVE REFERENCES

Network Valentine's Day Celebration

Screenshot of Rejoice's
VR boyfriend campaign
promotion during 520



MAY



Screenshot of Tiffany's 520
Special Edition necklace sold
out on official mini program

EDITORIAL CALENDAR

CAMPAIGN REFERENCES

MARKETING CALENDAR

MAY CHINA MARKETING CALENDAR



MARKETING CALENDAR

KEY OCCASIONS

五月						
MON	TUE	WED	THU	FRI	SAT	SUN
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

May 1-5
LABOR DAY HOLIDAY

May 9
MOTHER'S DAY

May 17
TAOBAO FOODIE DAY

May 20-21
NETWORK VALENTINE'S DAY



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Labor Day Holiday

MARKETING KEYWORDS / THEMES:

LABOR

LIFE; HOLIDAY





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EDITORIAL CALENDAR

CAMPAIGN REFERENCES

1

**NETEASE
NEWS X TCL**



MARKETING THEMES:

LIFE; HOLIDAY

Logos © TCL

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- NOWADAYS, THE LABOR DAY HOLIDAY IS AS LONG AS 5 DAYS DUE TO THE ADJUSTMENT. IN ADDITION TO PAYING TRIBUTE TO WORKERS ON LABOR DAY TO DEEPEN CONSUMERS' BRAND IMPRESSIONS, BRANDS SHOULD FOCUS ON **ALL ASPECTS OF CONSUMER LIFE** DURING THE 5-DAY HOLIDAY, AND USE THIS TO INCREASE PRODUCT TRANSACTION CONVERSION RATES.

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- BY ALLOWING USERS TO EXPRESS THEIR INDIVIDUAL CREATIVE **POSITIONING AND CONNECTING LIFE AND CONSUMPTION SCENARIOS**, TCL'S NEW PRODUCTS HAVE SUCCESSFULLY USED THE MEDIA NETEASE NEWS FOR MARKETING.

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EDITORIAL CALENDAR

CAMPAIGN REFERENCES

1 LET USERS EXPRESS THEMSELVES

NETEASE NEWS AND TCL JOINTLY LAUNCHED THE NEW TV XESS PUBLICITY WORK. USERS EXPRESS THEMSELVES AND SHOW THEIR INDIVIDUALITY BY DESIGNING THEIR OWN POSTERS, WITH THE BIG TCL-XESS SMART SCREEN ROTATABLE TV AS THE BIGGEST BACKGROUND ITEM.



Screenshot via WeChat © TCL
Source: [adguider](#)
© 2021 | Prepared by China Marketing Circle | [www.chozan.co](#)



2 LINK LIFE SCENES



THE HIGHLIGHT OF THIS CASE IS THAT IT COMBINES THE CURRENT **POPULAR ELEMENTS** WITH THE USER'S HOLIDAY LIVING CONDITIONS, MAKING PEOPLE FEEL THAT THE TV CONTENT IS RICH AND INTERESTING.

Source: [adguider](#)
Icon made by [Freepik](#) from [www.flaticon.com](#)
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IN ADDITION, THE POSTERS GENERATED BY USERS INCLUDES THE FINAL RENDERING, THE PRODUCER, THE PRODUCT NAME AND THE QR CODE OF THE WORK.

USERS CAN CLICK ON THE CONTACT TO LOG IN TO THE MALL TO LEARN ABOUT THE PRODUCT, OR RE-CREATE THE POSTER. THIS GREATLY IMPROVES THE **CONVERSION RATE OF PRODUCT PURCHASES.**

Source: [adguider](#)
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EDITORIAL CALENDAR

CAMPAIGN REFERENCES

MOTHER'S DAY

MARKETING KEYWORDS / THEMES:

MOTHER; FAMILY
MATERNAL LOVE



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2 XIMALAYA: WRITE A POEM FOR MOTHER



MARKETING THEMES:

MOTHER; LOVE; FAMILY

Logos © 喜马拉雅
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CHINESE PEOPLE LIKE TO EXPRESS THEIR EMOTIONS IN POETRY, BUT **THE PACE OF LIFE** OF MODERN PEOPLE IS FAST.

XIMALAYA HAS INSIGHT INTO THIS, AND THROUGH HIGHLY INTERACTIVE QUESTIONS & ANSWERS GENERATES EXCLUSIVE POEMS THAT EACH PERSON WRITES TO THEIR MOTHER, WHICH AROUSES THE **EMOTIONAL RESONANCE** OF CONSUMERS. LET THEM SHARE WITH THEIR FAMILY MEMBERS IN ONE CLICK, BUT ALSO SPREAD THE **BRAND IMAGE**.

Source: adguider
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EDITORIAL CALENDAR

CAMPAIGN REFERENCES

1 HIGHLY INTERACTIVE QUIZ GAME

THE CASE STARTS WITH "WRITE A POEM FOR MOTHER", TAP "CLICK TO OPEN", AND THERE ARE 4 QUESTIONS RELATED TO MOTHER'S DAILY LIFE THAT NEED TO BE ANSWERED, AND THERE ARE 4-20 INDEFINITE OPTIONS FOR EACH QUESTION.



Screenshot via WeChat © ximalaya
Source: adguider
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2 EMOTIONAL BRAND PROMOTION

AFTER ANSWERING THE QUESTIONS, ENTER YOUR FIRST NAME AND MOTHER'S LAST NAME, SELECT YOUR GENDER, AND THE SYSTEM WILL GENERATE A POEM. THE USER CAN LONG PRESS TO SAVE, OR CLICK THE "MOM RADIO" BUTTON TO JUMP TO THE XIMALAYA PLATFORM.



Screenshot via zhihu © 突突
Source: adguider
© 2021 | Prepared by China Marketing Circle | www.chozan.co



HIGHLIGHTS OF XIMALAYA'S MARKETING:

- ① MAINTAIN INTERACTION WITH CONSUMERS THROUGH QUIZ GAMES, AND SMOOTHLY INSERT APP LINKS
- ② IN-DEPTH INSIGHT INTO THE EMOTIONAL NEEDS OF CONSUMERS, AND AT THE SAME TIME QUICKLY MEET CONSUMERS' DEMANDS FOR SHARING IN THE SYSTEMATIC WAY OF WRITING POEMS

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EDITORIAL CALENDAR

CAMPAIGN REFERENCES

Taobao Foodie Day

MARKETING KEYWORDS / THEMES:

FOODIE

DELICIOUS FOOD



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3 HOW TO PLAY TAOBAO FOODIE DAY



MARKETING THEMES:

FOODIE; DELICIOUS FOOD

Logos © Taobao
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ACCORDING TO TAOBAO'S "FOODIE BIG DATA REPORT", THERE ARE MORE THAN **300 MILLION** FOODIES OUT OF 700 MILLION TAOBAO USERS. AMONG THEM, THE HOMONYM OF 517 IS "I WANT TO EAT", SO MAY 17 IS THE ANNUAL CELEBRATION OF THE TAOBAO FOODIE.

IN 517 LAST YEAR, TAOBAO OFFICIALLY GAVE A SUBSIDY OF **200 YUAN MINUS 15 YUAN** FOR CROSS-STORE PURCHASES TO ATTRACT MERCHANTS AND USERS TO PARTICIPATE IN THE FOOD FESTIVAL.

Source: Digitizing
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EDITORIAL CALENDAR

CAMPAIGN REFERENCES

KOL VIDEO AND LIVE-STREAMING EVALUATION

BRANDS RECOMMEND THEIR PRODUCTS TO CONSUMERS THROUGH KOLS' DIET REVIEWS OR VLOG RECIPE SHARING.



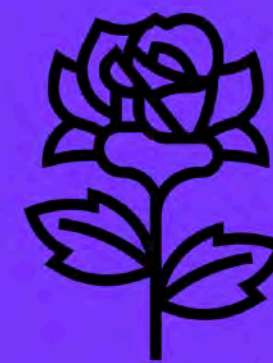
Screenshot via Weibo@ Janna只吃一口
Source: Digitaling
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Network Valentine's Day

MARKETING KEYWORDS / THEMES:

CONFESSION; LIKE
I LOVE YOU



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4 MCDONALD'S X MEITUAN TAKEAWAY



MARKETING THEMES:

CP (COUPLE); PAIR

Logos © McDonald
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EDITORIAL CALENDAR

CAMPAIGN REFERENCES

BIND CP TO PUSH COMBINATION DISCOUNTS

MCDONALD'S AND MEITUAN TAKEAWAY COMBINE THE RIDER HELMETS AS CP TO JOINTLY LAUNCH A **PREFERENTIAL PACKAGE** - GO TO MEITUAN TAKEAWAY TO RECEIVE A MCDONALD'S MEMBERSHIP CARD.



Screenshot via weibo @ 野生戏子
Source: adguider
© 2021 | Prepared by China Marketing Circle | www.chozan.co



5 TIFFANY: 520 REASONS TO LOVE HIM/HER

TIFFANY & CO.
NEW YORK SINCE 1837

MARKETING THEMES:

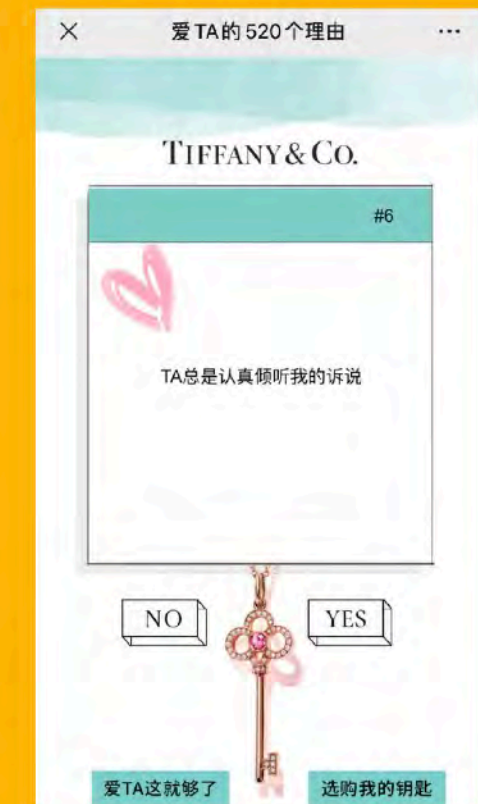
REASON TO LOVE; I LOVE YOU

Logos © Tiffany
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FULLY MOBILIZE THE FIVE SENSES OF THE AUDIENCE

THE AUDIENCE CAN **HEAR** CELEBRITIES YU MENGYU AND XIONG ZIQI'S STATEMENTS ABOUT LOVE, AND THEY CAN ALSO **SEE** THE 520 REASONS TO LOVE HIM/HER WRITTEN BY THE BRAND.



Screenshot via Weibo @ 神评娱乐
Source: CBN Data
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EDITORIAL CALENDAR

CAMPAIGN REFERENCES



WHAT CAN WE LEARN

- WHETHER IT IS BRAND JOINT MARKETING OR BRAND MARKETING ACTIVITIES, IT IS NECESSARY TO **INTERACT WITH CONSUMERS** AS MUCH AS POSSIBLE OR AROUSE THEIR **EMOTIONAL RESONANCE**.



WHAT CAN WE LEARN

- WHEN DESIGNING THE LINK OF INTERACTION WITH CONSUMERS, AS MUCH AS POSSIBLE, USE A VARIETY OF **ELEMENTS FAMILIAR TO CONSUMERS** TO INTERACT, INCREASE THE PARTICIPATION RATE AND BROADEN THE POSSIBILITY OF COMBINATION.



WHAT CAN WE LEARN

- IF BRANDS WANTS TO AROUSE THE EMOTIONAL RESONANCE OF CONSUMERS, IT IS BEST TO **MOBILIZE THE DIFFERENT SENSES** OF THE AUDIENCE AS MUCH AS POSSIBLE.
- FOR EXAMPLE, TIFFANY NOT ONLY USES WORDS TO EXPRESS EMOTIONS, BUT ALSO INVITES THE AUDIENCE TO LISTEN TO THE EMOTIONS EXPRESSED BY OTHERS, FORMING A **CLOSED LOOP** OF EMOTIONAL INTERACTION MARKETING.

EDITORIAL CALENDAR

Q2 2021

JUNE

Buzzwords and key themes to pay attention to:

- **Children's Day:** nostalgic, toys, candies
- **RED Shopping Festival:** discounts, anniversary
- **Dragon Boat Festival:** Zongzi, dragon boat, green
- **6.18 Shopping Festival:** discounts, presale, livestreaming
- **Father's Day:** Dad, masculine,

S	M	T	W	T	F	S
		1 Children's Day	2	3	4	5
6 RED Shopping Festival	7	8	9	10	11	12
13	14 Dragon Boat Festival	15	16	17	18 6.18 Shopping Festival	19
20 Father's Day	21	22	23	24	25	26
27	28	29	30			

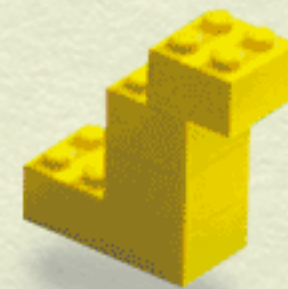
EDITORIAL CALENDAR

CREATIVE REFERENCES

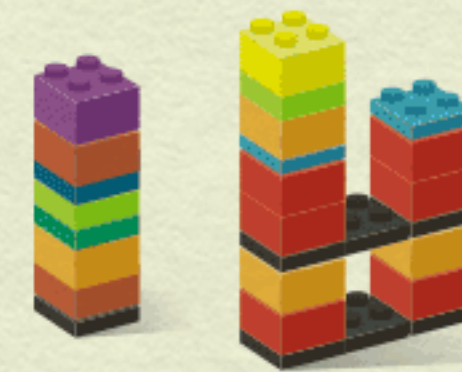
Children's Day Celebration

Screenshot of Tmall x LEGO
Children's Day campaign

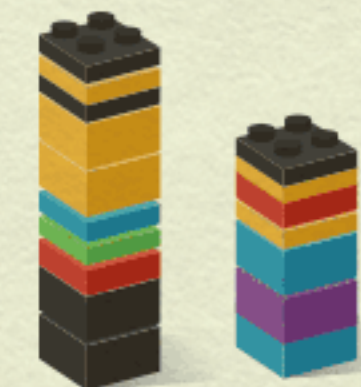
Showcasing people reacting to the phrase:
"You're too old for LEGO"



如何反驳 ↙
“都这么大了还玩乐高”
我不跟你们这些
连积木都不会玩的人
说话!



如何反驳 ↙
“都这么大了还玩乐高”
因为感觉我的智商
要现在研究生毕业了,
才懂怎么玩乐高。



EDITORIAL CALENDAR

Q2 2021

JULY

Buzzwords and key themes to pay attention to:

- **The CPC Anniversary:** country, respect
- **The Great Heat:** summer, heat, cooling drinks

S	M	T	W	T	F	S
				1 The Communist Party of China Anniversary	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22 Greater Heat	23	24
25	26	27	28	29	30	31

EDITORIAL CALENDAR

CREATIVE REFERENCES

JULY

Celebration of Greater Heat

Screenshot of Pepsi Greater Heat Promotion



Macdonald's limited edition cat grip blind box during Greater Heat

EDITORIAL CALENDAR

Q2 2021

AUGUST

Buzzwords and key themes to pay attention to:

- **Qixi:** love, affection, romance

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	18 Qixi (Chinese Valentines Day)
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

EDITORIAL CALENDAR

CREATIVE REFERENCES

Celebration of Chinese Valentine's Day

Limited edition lipstick
by YSL during Qixi



AUGUST



Limited edition makeup gift box by
Pechoin x Chow Tai Fook

EXPERT BITES

Q: WHAT'S THE BIGGEST PROBLEM RIGHT NOW FOR KOLS AND MCNS OPERATING IN CHINA? WHAT PROBLEMS ARE THEY TRYING TO SOLVE?

A lot of KOLs' 3-5 year exclusive contracts will be expiring in 2021. This will turn a lot of disgruntled influencers into free agents, which will further factionalize the market. Whether KOL or MCN, the big focus will be how to generate revenue that's not dependent on the ebb and flow of brand sponsorships.



ELIJAH WHALEY
Chief Marketing Officer
PARKLU

EXPERT BITES

Q: WHAT'S THE BIGGEST PROBLEM RIGHT NOW FOR KOLS AND MCNS OPERATING IN CHINA? WHAT PROBLEMS ARE THEY TRYING TO SOLVE?

The challenge for MCNs and KOLs right now is to keep the balance of being authentic while promoting the right products. **In a booming market its tempting to accept everything, but accounts can rapidly feel too commercial and lose interest from their core followers.**

One other thing that's been a problem since the beginning is the myth of the "one stone" or "silver bullet" approach. Many clients still think that there is such a thing and many KOLs and MCNs cater to that narrative by accepting outlandish KPIs and then using illegal "inflating" data tools. **We now have a market where we see too many fake accounts, fake engagements and fake data in general. This needs to be addressed.**



FOLKE ENGHOLM

CEO of Viral Access



ALARICE
BY ASHLEY DUDARENOK



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BY ASHLEY DUDARENOK

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CHINA MARKET ENTRY IN 2021

EXPERT BITES



ASHLEY DUDARENOK

Founder of Alarice and ChoZan,
LinkedIn Top Voice, 3x best-selling author

Q: WHEN IT COMES TO BRAND PROMOTION IN CHINA, WHAT'S THE WINNING FORMULA?

China is an extremely competitive market. **My first recommendation for brands entering China is to do their homework. The next step is to do your strategy planning right. This will be your winning formula, not in the short term but from a long-term perspective.** It's quite common for newcomers to think that the more social media platforms they get on, the better. Companies need to understand that China operates through ecosystems and it's just impossible to be everywhere. Companies need to carefully plan the customer journey for their target audience, know which channels are needed and get a clear understanding of the marketing tactics and touchpoints needed for their customers. Clear vision in terms of trends and consumer sentiment is also needed.

GOT A QUESTION? DROP ASHLEY AN EMAIL BY SCANNING THE QR CODE



EXPERT BITES

Q: WHAT ARE THE MOST MISUNDERSTOOD PARTS OF CHINA'S BUSINESS SET UP REGULATIONS?

Registered office address: It's clearly written in the law that a virtual office is not permitted, but companies assume this doesn't apply to them and then issues arise, like frozen bank accounts, spontaneous government visits, etc.

Registered capital: There's a lot of confusion about what registered capital is. Companies assume that it is capital owed to the Chinese government but it's the actual working capital to be used by the company to start up operations. It's money to pay for office rents, salaries, social insurance, local suppliers, third party providers, etc.

Corporate management of the Chinese company: People fear being appointed to any of the roles in corporate management simply because it's China without really understanding what the roles and responsibilities mean.



**KRISTINA
KOEHLER-COLUCCIA**

Head of Business Advisory
at Woodburn Accountants
& Advisors

EXPERT BITES

Q: WHAT OPPORTUNITIES DO YOU SEE FOR FOREIGN BRANDS ENTERING CHINA IN 2021?

I've become aware of **the emergence of new e-commerce platforms, designed to compete with Taobao, Tmall and JD.com, which offer new choices to foreign brands in China.** In many cases, these are highly targeted to different locations (e.g. the Greater Bay Area) or specific consumer groups (e.g. senior citizens) providing opportunities for more targeting and segmentation. **While some of these are very new, they're worth exploring because they need early success and traction to survive, and this could work in your favour as they go out of their way to support the early adopters.**



DAVID THOMAS

China Expert and author
of *China Bites*

EXPERT BITES

Q: WHAT ADVICE CAN YOU GIVE FOREIGN COMPANIES ENTERING CHINA IN 2021?

China's manufacturing and logistics infrastructure means that it won't be replaced in the global supply chain easily. China will also be accelerating market reforms so foreign companies will continue to be welcomed.

Study the latest free trade zones and choose the right location depending on your industry. Preferential policies and tax benefits in certain pilot zones can give your company a head start.

Be clear about the situation for your sector, the government regulations and policies and choose the best win-win situation. For example, Chinese companies are now being encouraged to cooperate with overseas research institutes and foreign companies to build R&D centers. Can your company contribute or benefit?



NISHTHA MEHTA

Founder and Corporate Innovation
Coach at CollabCentral

EXPERT BITES

Q: WHAT OPPORTUNITIES DO YOU SEE FOR FOREIGN BRANDS ENTERING CHINA IN 2021?

I see many opportunities in traditional markets, such as agriculture, logistics, education, finance, healthcare, manufacturing, even **construction**. With China's push to upgrade and open up these markets to the world, I believe these Chinese markets are more open now to integrate foreign products, technologies, services and expertise. **The next big opportunity in China will come from enterprise solutions, B2B markets and boring industries.**



PASCAL COPPENS

Partner at nexxworks, author
of *China's New Normal*

EXPERT BITES

Q: WHAT MARKETING ADVICE CAN YOU GIVE FOREIGN COMPANIES ENTERING CHINA IN 2021?

Partner with the right local China market entry expert and move FAST! Applying traditional methods that have worked elsewhere won't equal success in China. The right partner not only navigates strategic planning, brand naming, market research, and trademark laws, but can build brand trust through integration with e-commerce platforms such as Tmall and JD (instead of attempting a D2C strategy). **A KOL marketing strategy is vital for foreign companies, and the right partners can skyrocket brand awareness and activate success.**



MICHELLE CASTILLO

Director of Content and Insights
at Nuguru Wellness

EXPERT BITES

Q: HOW MUCH DO YOU THINK BRANDS SHOULD SPEND ON DIGITAL VS OFFLINE (EVENTS, ETC) IN CHINA IN 2021?

It depends on the brand strategy, sector and sales channels. **Digital spending can be as high as 80-90% for an e-commerce first brand and 40-50% for businesses with a strong offline presence.** In the luxury sector, offline events such as pop-ups are driving the most offline spending. Brands need to be seen, remembered and trusted in both worlds. I believe a balanced and nimble strategy to take advantage of both digital and offline opportunities.



JASMINE ZHU

Founder and Head of Brand
at CI Brand Management

EXPERT BITES

Q: WHAT ADVICE DO YOU HAVE FOR EUROPEAN BRANDS JUST ENTERING CHINA IN 2021?

European brands that aim to enter China need to understand Chinese consumer behaviour and be cautious when ad campaigns involve cultural elements. **Now, as more Gen Zs and Millennials express a preference for Chinese brands, it's even more important for international brands to collaborate with local partners to establish connections with their Chinese consumers.** These partnerships can be with e-commerce platforms, such as Tmall, JD and Pinduoduo, that have access to consumer insights, or with channels that address the target audience through social media, short video, and livestreaming platforms.



JIA SONG

West meets East Business
Consulting, Owner / Founder

EXPERT BITES

Q: WHAT ADVICE WOULD YOU GIVE TO BRANDS JUST ENTERING CHINA IN 2021?

Brands should be careful in choosing their positioning as they face severe competition from both foreign brands who have established themselves in China and promising local Chinese brands who are becoming increasingly popular.

Brands that are entering China in 2021 should examine where the white spaces for their products are and understand the needs of Chinese consumers. They shouldn't just copy-and-paste their products from other places.



EDWARD TSE
Chairman and CEO,
Gao Feng Advisory

EXPERT BITES

Q: HAS ANYTHING CHANGED SIGNIFICANTLY FOR THE LEGALITIES OF SETTING UP A COMPANY DUE TO THE PANDEMIC?

There are 2 updates from 2020 and 2021 which are:

Since August 2020 - **The banks are now required to do a site visit to the registered office address at the point of bank account opening.** They're making sure that you're not giving a fake address and that your soon-to-be operational office is your registered office address. This is a requirement from the PBOC.

Since March 1, 2021 - **An “independent enterprise name declaration system” has been established.** This will essentially transform the business registration process from a pre-approval system to a self-declaration system. The online system will operate by enabling companies to log in and inquire, select, and declare a name that they want to register, and the system will then automatically filter and control those names in accordance with the local rules.



**KRISTINA
KOEHLER-COLUCCIA**

Head of Business Advisory
at Woodburn Accountants
& Advisors

EVALUATE MARKET POTENTIAL

1

**BRANDS NEED TO DO
PROPER
PREPARATION;
RESEARCH INDUSTRY
TRENDS, PRODUCT
TYPES; AND
UNDERSTAND BEST
PRACTICES**

EXPERT BITES



JACQUELINE CHAN

Project Director at
Alarice and ChoZan

Q: IF A BRAND HAS A LIMITED MARKETING BUDGET, WHAT DO YOU THINK THEY SHOULD PRIORITIZE?

If brands have a limited marketing budget, they should clearly identify their KPIs (such as exposure, new followers, sales, or lead generation) and choose the best target audience to achieve these results.

It's also a good idea to use demand side platforms (DSPs) to efficiently spend on ads. They allow brands to manage multiple ad exchange and data exchange accounts through a single unified interface. Essentially, advertisers can bid on ads (banners, video, native and other types) and optimize ad performance based on eCPC (effective cost per click) and eCPM (effective cost per mille).

GOT A QUESTION? DROP JACQUELINE AN EMAIL BY SCANNING THE QR CODE



EXPERT BITES

Q: WHAT ARE THE TOP 3 QUESTIONS YOU GET ASKED FROM BRANDS TAPPING INTO CHINA?

Do I really need to have an entity in China to do business in China?

What's the best business model to lower my risk and increase my profitability?

Can I employ a brand manager without having a company in China?



**KRISTINA
KOEHLER-COLUCCIA**

Head of Business Advisory
at Woodburn Accountants
& Advisors

EXPERT BITES

Q: WHAT ADVICE WOULD YOU GIVE TO BRANDS ENTERING CHINA FOR THE FIRST TIME IN 2021?

Whether you're a global or local brand, new entrants need to **carefully consider the right marketing model to succeed in the cutthroat and complex Chinese landscape.** Recent challenger brand successes like **Perfect Diary** and **Ubras** have grown via a **reaction-led approach that uses private domain traffic (私域流量) and KOLs/KOCs to cultivate a loyal fanbase through whom brands gain invaluable insights and recruit more users.** However, this marketing model is in sharp contrast to the traditional reach-led approach and requires entirely different resources and ways of working. Therefore, **success in China requires ruthless focus in the face of abundant choices – brands need to make tough decisions about exactly who they want to be, where they want to play and who they want to reach in order to stand out and win over consumers.**



MEHA VERGHESE
Growth and Innovation Lead,
MediaCom China

2

**GET CONSUMER
INSIGHTS OF
YOUR
PRODUCTS**

**CHINA IS A HIGHLY
COMPETITIVE MARKET
AND CHINESE
CONSUMERS ARE
USED TO ATTENTION
FROM BRANDS. IT'S
CRUCIAL TO
UNDERSTAND THEIR
PERCEPTION OF THE
PRODUCT.**

EXPERT BITES

Q: WHAT MARKETING ADVICE CAN YOU GIVE FOREIGN COMPANIES ENTERING CHINA IN 2021?

Brands should target the young generation and embrace digitalization.

Short videos and social media have become significant targets of young people's attention. Digital platforms such as Xiaohongshu and Douyin not only bridge brands and consumers, but also play an important role in driving conversions for brands.

Digitalization is backed by algorithms and big data. Technology and algorithms provide insights into consumer behavior and continue to attract attention with efficient content distribution mechanisms. **They can help brands reach more consumers that match them and improve brand marketing efficiency.**



SHINE HU

ChemLinked
Market Research Analyst

EXPERT BITES

Q: WHAT'S YOUR ADVICE FOR BRANDS THAT NEED TO HANDLE A PR CRISIS IN CHINA?

Authenticity and transparency. It's a consumer voice dominated market and there isn't anything that can be hidden because of the power of social media. Mistakes themselves can be forgiven and sometimes, they're unavoidable.

Quite often a PR crisis is actually an “attitude crisis”. If brands have a good track record and are trusted, all it takes is a genuine, timely apology with proper actions to reverse the dynamics. I'm a big believer in a direct and honest approach. At the end of the day, the judges are humans.



JASMINE ZHU

Founder and Head of Brand
at CI Brand Management

EXPERT BITES

Q: WHAT MARKETING ADVICE CAN YOU GIVE FOREIGN COMPANIES ENTERING CHINA IN 2021?

Make sure that your products or services have a real demand or interest in China. What appeals to Western audiences doesn't necessarily appeal to Chinese audiences. To name a few, **workout gear, athletic footwear, lingerie, loungewear and beauty products are some of the loves of Chinese consumers in the aftermath of Covid-19.**

Be really clear about your target audiences in China and then devise a suitable, localized marketing strategy that will resonate with them.

Finally, always be mindful of Chinese culture when devising your marketing campaigns. **Enough mistakes have been made in the past that we can all learn from them and avoid them.**



SALLY MAIER-YIP

Founder and Managing Director at
China PR and Communications
Agency, 11K Consulting

3

**ANALYSE YOUR
CHINESE
DOMESTIC
COMPETITORS**

**LOCAL BRANDS ARE
ON THE RISE, SO IT'S
IMPORTANT TO PAY
ATTENTION TO THEIR
MARKETING
CAMPAIGNS AND HOW
THEY COMMUNICATE
WITH CONSUMERS**

EXPERT BITES

Q: WHAT DO YOU THINK BRANDS NEED TO STOP DOING, IN TERMS OF MARKETING AND E-COMMERCE, IN Q2 2021?

It's hard to tell brands what not to do in China. I would suggest brands need to make more effort to understand cultural differences and adjust to Chinese consumers' needs. **Find the balance between localization and honoring your existing brand image.** Provide a localized content strategy and localize merchandising and marketing. **International brands can still learn much from the success of local leaders.**



ELENA GATTI

Managing Director, Europe
at Azoya

EXPERT BITES

Q: WHAT DO YOU THINK EUROPE CAN LEARN FROM CHINA IN 2021 AND VICE VERSA?

Speed beats perfection. This especially applies to dealing with things affected by Covid. Marketers have to react quickly. **Compared to German retailers, 55% of which have lost business due to the pandemic, many brick and mortar retailers in China rapidly moved their business to digital channels,** amid the lockdown in early 2020. China has been and will continue to be the market with the ideal conditions to turn digital ideas into reality. In February 2020, Taobao Live, a livestreaming platform run by Alibaba, jumped 700% compared with the previous month. It helped Chinese retailers to engage customers in innovative ways through social commerce and livestreaming e-commerce. These channels are estimated to surpass around USD 158 billion in 2020 and are predicted to grow even more in the post-Covid era.



JIA SONG

West meets East Business Consulting, Owner / Founder

EXPERT BITES

Q: WHAT ADVICE WOULD YOU GIVE TO FOREIGN BRANDS JUST ENTERING CHINA IN 2021?

Choose one target group and double down to focus on their needs and wants, rather than trying to be everything to everyone. With travel to China continuing to be challenging in the short-medium term, having trusted feet on the ground has never been more important.

Reduce processes and speed up decision making to better evolve with the constantly changing market and **compete with agile, risk-taking domestic competitors.**



MARK TANNER

Founder and Managing Director
at China Skinny

4

**PERFORM
EFFICIENT
CHINA
BRANDING AND
LOCALISATION**

**WITH THE RISE OF
NATIONAL PRIDE
CHINESE CONSUMERS
BECOME MORE
SENSITIVE TO
BRAND'S
COMMUNICATION
MESSAGE AND
PACKAGES OF THE
GOODS**

EXPERT BITES



ASHLEY DUDARENOK

Founder of Alarice and ChoZan,
LinkedIn Top Voice, 3x best-selling author

Q: IN YOUR OPINION, WHAT CAN FOREIGN BRANDS LEARN FROM DOMESTIC CHINESE BRANDS?

For the last year, both foreign and domestic brands were involved in PR crises caused by the wrong marketing approach. However there are a few things foreign brands definitely need to pay attention to like the rise of **Guochan, China pride and a return to cultural roots. Foreign brands need to learn how to localize content and incorporate Chinese elements properly.** Great examples are local brands doing this well are Florasis and Chicecream. Adjusting new products to trends and consumer demands quickly is another strength of local brands. Their products can cater to immediate market needs. In the F&B sector, there's literally a new product or test launch every month. **Chinese domestic brands also do great cross collaborations, bringing novelty to the market and taking advantage big brand mega-collaborations.**

GOT A QUESTION? DROP ASHLEY AN EMAIL BY SCANNING THE QR CODE



EXPERT BITES

Q: WHAT CULTURAL ISSUES SHOULD BRANDS KNOW TO PERFORM BETTER IN CHINA IN 2021?

They better start with something simple like regional and ethnic differences.

Many brands think about how to adapt their product for the Chinese market, I think it shouldn't just be an adaptation for China, but

regional adaptation: for the north and the south, Tier 1-2 and Tier 3-4 cities, etc. Also, you need to know what your potential customers watch, listen to, how they entertain themselves, etc. It doesn't matter whether you sell juice or educational courses, you must know your customers. **I think**

many foreign companies still underestimate the importance of knowing the culture and history of a country because it doesn't increase the sales immediately. However, in the long term, it helps a lot. A

deeper understanding of cultural codes can help your team with new approaches and will give you an advantage over your competitors.



ARTEM ZHDANOV

Founder of LaowaiMe,
Cultural Marketing
Agency

5

**SET A REALISTIC
MARKETING
EXPECTATION**

**BE PREPARED TO SEE
POSITIVE ROI AFTER
6-18 MONTHS OF
YOUR WORK IN
CHINA. BE READY TO
INVEST IN MARKETING
YOUR REVENUE
MAXIMISATION**

EXPERT BITES

Q: WHAT DO YOU THINK BRANDS NEED TO STOP DOING, IN TERMS OF MARKETING AND E-COMMERCE, IN Q2 2021?

Stop thinking short-term. The pressure to meet unrealistic, and frankly unfounded KPI targets when it comes to followers and sales is driving teams to make ill-informed decisions that result in wasted budgets and zero results.

Invest in proper market research.

Understand the time and budget you'll need to commit to before you can expect to see measurable results.

Think about the messaging more than the numbers.



OLIVIA PLOTNICK

Founder Wai Social

**DEVELOP YOUR
MARKETING
STRATEGY
BEFORE GOING
TO ANY
PLATFORM**

6

**GET CLARITY ON
WHAT YOU ARE
TRYING TO ACHIEVE
ON DIFFERENT
COMMUNICATION
CHANNELS, AND HOW
IT WORKS FOR YOUR
CONSUMER JOURNEY**

EXPERT BITES

Q: IN YOUR EXPERIENCE, WHAT'S A FORMULA THAT WORKS IN CHINA IN 2021 WHEN IT COMES TO BRAND BUILDING?

Seth Godin, the author of *This is Marketing* once said, “Every very good customer gets you another one”. I think brand building is about building a community starting from the smallest viable market.

In China, it's even moreso as the group effect and influencer culture have a big impact on brand perception and purchase decision-making.

My advice for new brands as well as established ones, is to **stick to “customer-centric” formulas, build brand pillars around the core values that matter to your target audience, and do it really well.**



JASMINE ZHU

Founder and Head of Brand
at CI Brand Management

EXPERT BITES

Q: WHAT'S YOUR MARKETING RECOMMENDATION FOR OVERSEAS BRANDS IN CHINA RIGHT NOW?

2021 is all about personal relationships. Choose the right spokesperson for your brand, either Chinese or Western, who genuinely, deeply believes in your brand value and can tell your brand story in an authentic style across different channels consistently.



SALLY MAIER-YIP

Founder and Managing Director at
China PR and Communications
Agency, 11K Consulting

EXPERT BITES

Q: WHAT DO YOU THINK BRANDS NEED TO STOP DOING, IN TERMS OF MARKETING AND E-COMMERCE, IN Q2 2021?

Put less emphasis on vanity metrics like follower numbers and likes. Instead, put more emphasis on data-driven decisions that support business goals.

Brands operating a service account on WeChat need to stop treating 4 posts a month as their marketing goal. Look back at content that performed well, content that didn't, and post when you have something valuable to share with your audience. **In a nutshell, be crystal clear about your marketing objectives and stop posting content for the sake of posting content.**



KRISTINA KNUT

Marketing Director at
KAWO

EXPERT BITES

Q: WHAT ADVICE WOULD YOU GIVE TO FOREIGN BRANDS JUST ENTERING CHINA IN 2021 AND THOSE THAT HAVE ALREADY BEEN THERE FOR SOME TIME?

For brands just entering China, choose 1 or 2 platforms to focus on instead of trying to cover too many. **For brands with a long presence in the market, keep up with the most updated trends and events.** Review and adjust regularly.



MIRO LI

Founder of Double V
Consulting & CHINable
Academy

EXPERT BITES

Q: WHAT ARE YOUR MARKETING RECOMMENDATIONS FOR BRANDS IN Q1 2021?

In an increasingly complex Chinese digital ecosystem, brands must more than ever focus on the mix of channels that work well for their industry and price range. **Luxury brands will focus on** using WeChat as a CRM and official channel and work with targeted Red influencers. **Premium brands will use** WeChat and Tmall as sales channels, and leverage Red and Douyin for exposure. **More affordable brands will focus on** the huge potential of Douyin, Kuaishou and Tmall for exposure and livestreaming.



THOMAS GRAZIANI
CEO of WalktheChat

EXPERT BITES



ASHLEY DUDARENOK

Founder of Alarice and ChoZan,
LinkedIn Top Voice, 3x best-selling author

Q: APART FROM LIVESTREAMING, WHAT YOU THINK IS INDISPENSABLE FOR BRANDS THAT WANT TO SUCCEED IN CHINA?

Video content. **Short video platforms are still gaining popularity and have lots of reamining potential. Most short video platforms users are young and gaining more and more spending power every year.** New generations of Chinese consumers tend to have high engagement rates on these platforms. Working with KOLs for video content is increasingly expensive so brands need to find a way to create great video content in-house.

GOT A QUESTION? DROP ASHLEY AN EMAIL BY SCANNING THE QR CODE





ALARICE
BY ASHLEY DUDARENOK



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596

CHINA MARKETING INDUSTRY ADVICE

EXPERT BITES



JACQUELINE CHAN

Project Director at
Alarice and ChoZan

Q: WHAT MARKETING ADVICE WOULD YOU GIVE COMPANIES ENTERING CHINA?

In order to be successful in China as a newcomer, you need to:

- 1) **Do market research** to understand the culture, the market and your audience.
- 2) **Formulate your China market entry strategy** and brand marketing plan.
- 3) **Consult Taobao Partner (TP) teams** to identify the best e-commerce platforms for your brand.
- 4) Establish your business in China.
- 5) Register your trademark and related documents for your brand's launch.
- 6) Set up your social media accounts and e-commerce stores.
- 7) **Launch campaigns to reach your target audience.**
- 8) **Do content marketing on digital channels** to educate the audience.

**GOT A QUESTION? DROP JACQUELINE AN
EMAIL BY SCANNING THE QR CODE**



EXPERT BITES

Q: WHAT ADVICE CAN YOU GIVE FOREIGN COMPANIES ENTERING CHINA IN 2021?

Don't try to sell too many products to start with. Create a "Hero SKU" based on your most successful and popular product/brand and, once you've got traction, look to introduce other products later. This is the opposite of the "throw mud at the wall to see what sticks" approach - a strategy that often worked in the past.



DAVID THOMAS

China Expert and author
of *China Bites*

BUSINESS TO BUSINESS

EXPERT BITES

**Q: WHAT HAS CHANGED IN B2G SECTOR IN CHINA IN 2020?
HOW ARE THESE CHANGES IMPACTING 2021?**

When you work in the technology B2B sector as a foreign company, B2G goes right along with that. **Not much has changed and not much will change in the next decade. Just pay attention to the plans and strategies of the Chinese government, because business and money in China moves strictly in line with those plans.**



ANDREI PROKHOROVICH

Founder and CEO
Eurasia Development Ltd.

EXPERT BITES

Q: WHAT'S THE BEST WAY TO MARKET YOUR B2B PRODUCT IN CHINA IN 2021?

The 2 great rules of B2B sales are: **1) Clients must see and know about your service. 2) Sales are about listening to your customer. You need to follow those rules, but digitally now.** Your website and presence on different platforms must be localized, not just copy and paste with Google Translate. It's best to have a local copywriter for sure.

Always ask yourself, "Do Chinese buyers have a problem that I can solve?" I see companies bringing solutions to problems that local customers don't have anymore. 98% of B2B buyers are ready to purchase fully end-to-end, digital service models. E-commerce isn't only booming for B2C. It's big for B2B too.

When videoconferencing with potential customers, install local software in advance. People don't want to use Zoom here. They'd appreciate a call using VooV.



SIMON ZAGAYNOV

ExpoPromoter, CEO

EXPERT BITES

Q: WHAT SHOULD FOREIGN B2B COMPANIES PAY ATTENTION TO IN 2021?

China was the first to emerge from the coronavirus crisis. Consumption will continue its growth. **My recommendation for all companies in all sectors is to pay attention to urbanization. In the next 5 years, China plans to move around 62 million people from villages to cities.**

In terms of China's workforce and consumption, it's important to understand and monitor this. Are they moving to Tier 1, 2 or 3 cities or lower? Based on this, you can predict the consumption levels for certain types of products, as well as which regions to invest in when it's time to launch your production or enterprise.



ANDREI PROKHOROVICH

Founder and CEO
Eurasia Development Ltd.

EXPERT BITES

Q: HOW DO YOU SEE THE B2B EVENTS INDUSTRY CHANGING POST COVID-19 IN CHINA AND GLOBALLY?

In 2020, B2B event organizers were expecting that lockdowns would be over soon, and we could quickly go back to events in the format that we used to have before.

In 2021, those organizers have their digital strategy laid out for a few years in advance, even if everything goes back to pre-Covid life today.

We need to stop thinking of digital as a stopgap measure. **Event organizers will have to focus on reskilling because the events industry is evolving into a broadcast medium. We'll also see more and more niche B2B matchmaking events that allow you to meet partners matched explicitly according to your business interests.**



SIMON ZAGAYNOV

ExpoPromoter, CEO

LUXURY INDUSTRY

EXPERT BITES



SYCA JIANG

Head of Strategy at
Alarice and ChoZan

Q: WHAT'S YOUR MARKETING RECOMMENDATION FOR THE LUXURY INDUSTRY IN CHINA RIGHT NOW?

Because China is expected to occupy the largest share of the global luxury goods market by 2025 and young consumers, who prefer online shopping, have gradually become the main buying force, **luxury brands need to accelerate their digital marketing. This includes getting onto key e-commerce platforms, like Tmall, Tmall Global, JD and JD Worldwide, and opening accounts on mainstream social media platforms like WeChat, Weibo and RED.** Accounts on short video platforms are also a good idea, but the brand must maintain their positioning and tone. The most important thing is to make full use of digital platforms to build an effective conversion path. **Brands need to understand what works with young consumers, like fresh, unique experiences and co-branding.**

GOT A QUESTION? DROP SYCA AN EMAIL BY SCANNING THE QR CODE



EXPERT BITES

Q: WHAT'S THE BIGGEST CHALLENGE FOR LUXURY BRANDS IN CHINA IN 2021?

For mature brands that have established digital ecosystems, **with a diversified social media and e-commerce presence, the challenge is the availability of relevant content to fuel all these channels**, especially as the need for content intensifies with the addition of e-commerce milestones. **Keeping pace with the significant content asset requirements calls for a reworking of the creative development process.**



PABLO MAURON

Partner and Managing Director at
China DLG (Digital Luxury Group)

EXPERT BITES

Q: WHAT HAVE YOU SEEN IN THE CHINESE LUXURY SECTOR RECENTLY THAT SURPRISED YOU?

Over the last quarter, we've seen official WeChat accounts (OA) continue to gain importance as a primary customer connection point. **Posts contribute to over 10% of user engagement and the account menu has grown from 68% to 73% of engagement interactions.** So interaction via the menu is very strategic. Here's what we learned from over 30 luxury brands:

More than 70% deployed a full stack of engagement tools in their WeChat menu - membership and customer service, e-commerce, offline store directions, event/product/brand information, etc. **The 30% who didn't had nearly 15% less engagements. Statistics show that those who did more creative campaigns such as city pop-ups, customization events, livestreaming, coupon-related events, new product trials, photo sharing, etc. performed 31% better.**



AARON CHANG
CEO and Founder
Jing Digital

EXPERT BITES

Q: WHAT'S YOUR MARKETING RECOMMENDATION FOR OVERSEAS LUXURY BRANDS IN CHINA RIGHT NOW?

Leverage the e-commerce and marketing features of WeChat to embrace social e-commerce and learn the best practices from industry leaders like Dior, Gucci, Burberry, Prada etc.

Choose a strategy that is more relevant to younger consumers and enhance online social interaction with consumers, including channels such as WeChat ads, livestream campaigns, gamification etc.

And since a lot of sales happen around major holidays, **make sure to prepare limited edition campaigns or products for Chinese festivals.**



ELENA GATTI

Managing Director, Europe
at Azoya

EXPERT BITES

Q: WHAT'S YOUR MARKETING RECOMMENDATION FOR OVERSEAS LUXURY BRANDS IN CHINA RIGHT NOW?

Luxury brands already established in China are doing what Chinese brands have been doing for some time already: Livestreaming commerce.

This is indeed the go-to option to capture the confidence of buyers and close deals. It's all about infotainment.

In 2020, there have been over 20 million livestreaming sessions. In the West, people know three or four of the better known platforms such as Taobao Live, Pinduoduo, Little Red Book, or Douyin, but **the real situation is much more complex with 117 different platforms that offer livestreaming sales services.**



ALBERTO ANTINUCCI

Digital Innovation Strategist
and China Expert

EXPERT BITES

Q: WHAT'S THE BIGGEST CHALLENGE FOR LUXURY BRANDS IN CHINA IN 2021?

Competition is going to be fierce this year. **With most luxury brands increasing investments in marketing and technology this year, in order to succeed, brands will have to flawlessly execute unique experiences and campaigns.**



MICHEL TJOENG

SVP Sales & Marketing,
ChatLabs

EXPERT BITES

Q: WHAT HAVE YOU SEEN IN THE CHINESE LUXURY SECTOR RECENTLY THAT SURPRISED YOU?

Bottega Veneta's decision to delete its social media accounts globally and in China (except WeChat). While the intention of bringing back mystery around the brand and elevating its positioning by being less visible makes sense, it also raises a question around the ability of the brand to activate the Chinese audience at a time when brands' ambitions on Tmall are growing. **It has become increasingly hard to defy the reality that digital is at the centre of daily life and consumption.**



PABLO MAURON

Partner and Managing Director at China DLG (Digital Luxury Group)

EXPERT BITES

Q: WHAT HAVE YOU SEEN IN THE CHINESE LUXURY SECTOR RECENTLY THAT SURPRISED YOU?

Major brands are now truly adapting for the Chinese consumer. **Everything from product development to campaign execution is no longer 'translated', but completely reinvented for this most important luxury market.**



MICHEL TJOENG

SVP Sales & Marketing,
ChatLabs

EXPERT BITES

Q: DO YOU SEE EARLY SIGNS OF A SLOW DOWN IN LUXURY DEMAND IN CHINA IN Q2 2021, OR IS IT GROWTH ALL THE WAY?

In the short term there's no slowdown, as consumer travel outside of the market remains limited. In the mid to long run, there's the question of whether the growth of sales for more entry level lines through e-commerce could impact brand perception and reduce the appeal of higher priced products. **Luxury brands must balance the ubiquity that comes with being active digitally while maintaining their elevated brand positioning, which requires strong channel, merchandising and content strategies.**



PABLO MAURON

Partner and Managing Director at
China DLG (Digital Luxury Group)

EXPERT BITES

Q: WHAT'S THE BIGGEST CHALLENGE FOR LUXURY BRANDS IN CHINA IN 2021?

Considering the new limitations for template messages, I would say **transitioning from official accounts and template messages to WeCom is the biggest challenge.**



AARON CHANG
CEO and Founder
Jing Digital

EXPERT BITES

Q: DO YOU SEE THE EARLY SIGNS OF A SLOWDOWN IN LUXURY DEMAND IN CHINA IN Q2 2021, OR IS IT GROWTH ALL THE WAY?

With international travel still being very limited and additional investments being made in the market, I expect the growth again to be significant. **What was previously spent shopping abroad will be spent domestically, creating a compounded effect on an already growing market.**



MICHEL TJOENG

SVP Sales & Marketing,
ChatLabs

FMCG INDUSTRY

EXPERT BITES



STEPHANIE

Marketing Executive at
Alarice and ChoZan

Q: WHAT'S A TREND YOU SEE IN THE F&B INDUSTRY IN CHINA 2021 Q2?

Alcohol consumption is big in China right now as part of the growth of the night economy. **The term “tipsy”(微醺) is trending, especially among young adults and women. They're looking for trendy ways to consume alcohol such as to-go cocktails, fruit-flavored alcoholic drinks and alcohol infused products like ice cream and mooncakes.** Companies from the food and beverage sector should seek creative collaborations and food+alcohol combinations to market their products in an innovative way that satisfies young, modern consumers.

GOT A QUESTION? DROP STEPHANIE AN EMAIL BY SCANNING THE QR CODE



EXPERT BITES



ESTELLE SUEN

Marketing Executive at
Alarice and ChoZan

Q: WHAT'S YOUR MARKETING RECOMMENDATION FOR FMCG BRANDS IN CHINA RIGHT NOW?

In the last few years, new consumer brands have created products that fit into specialized subcategories and used them as their entry point to **create viral goods**. By using new channels and doing lots of internet-based marketing, their brand voice and sales volume increased rapidly. For fast moving consumer goods, it's critical to transform product consumption into content consumption. In an era of social networking, **the biggest dividend for brands is that they can accumulate users by constantly creating content and turn social media users into customers.**

GOT A QUESTION? DROP ESTELLE AN EMAIL BY SCANNING THE QR CODE



EXPERT BITES

Q: WHAT'S YOUR RECOMMENDATION FOR OVERSEAS COSMETICS BRANDS IN CHINA RIGHT NOW?

The next frontier for global beauty brands is China's lower-tier cities.

Our research with beauty consumers in third and fourth-tier cities suggests that penetration of colour cosmetics in lower-tier cities may increase faster than many industry observers estimate. **Today, emerging beauty aesthetics are rapidly disseminated over short video platforms like Douyin and Kuaishou.** Further, an increasing number of short videos are equipped with purchase links, making it even easier for lower-tier consumers to "shop the look".



MICHAEL NORRIS

Research and Strategy Manager
at AgencyChina

EXPERT BITES

Q: WHAT'S YOUR MARKETING RECOMMENDATION FOR OVERSEAS FMCG BRANDS IN CHINA RIGHT NOW?

I don't think there are any specific changes to what I would have recommended in the past.

In my experience it's important to cater to the customer's demands – be it with the products, the content or campaigns around the product.

KOLs and KOCs are still very good marketing partners and what I also find to be working very well among Chinese consumers are co-branded collections.



ELENA GATTI

Managing Director, Europe
at Azoya

EXPERT BITES

Q: WHAT'S YOUR MARKETING RECOMMENDATION FOR OVERSEAS COSMETICS BRANDS IN CHINA RIGHT NOW?

E-commerce, short videos, livestreaming, content communities and social platforms have become the must have tools for marketing and sales. Brands need to build and nurture a WeChat community in order to develop KOCs (key opinion consumers) and gain ROI on brand private traffic. Loyalty is still a necessity for cosmetics. This market is highly competitive and brands need to stand out with their products but also with their service offerings.



ROMAIN HENRIOT

Chief Operations Office,
Splio China

EXPERT BITES

Q: WHAT'S YOUR MARKETING RECOMMENDATION FOR OVERSEAS COSMETICS BRANDS IN CHINA RIGHT NOW?

Though China recovered quickly from Covid, people still wear masks in many public places and their mouths and noses are still covered.

Consumers aren't as enthusiastic as before about lipstick. They're focussing on eye makeup and effective products to set their makeup, since face masks affect this too. Masks are also causing acne issues and making skin more sensitive. Consumers want products that can calm down their skin and cover pimples and scars quickly.

CBD (cannabidiol) brands will continue to grow in the China market, though it's still in an early educational stage.



KEJIE YI

Content Manager at
China Marketing Insights

EXPERT BITES

Q: WHAT'S YOUR MARKETING RECOMMENDATION FOR OVERSEAS COSMETICS BRANDS IN CHINA RIGHT NOW?

The opening of the market to products that don't do animal testing is a game changer for the cosmetics industry. Be ready for a strong influx of new brands in 2021. If you're selling cross-border, make sure to be present in Hainan and in the the next duty-free spots to open domestically. Don't be shy to explore new touchpoints like WeChat Channels, digital red packet covers on WeChat, next-generation retailers like WeChat Channels, Harmay, Little B, The Colorist, H.E.A.T., Bonny & Clyde or short animated-inspired videos Bilibili, to keep your brand edgy and fresh.



RACHEL DAYDOU

Partner and China GM
at Fabernovel

EXPERT BITES

Q: WHAT'S YOUR MARKETING RECOMMENDATION FOR OVERSEAS COSMETICS BRANDS IN CHINA?

I suggest that overseas cosmetics brands **highlight “gorgeous packaging,” “natural and organic,” “efficacy-based,” and “fresh experience” in their marketing campaigns because these are the factors that consumers are most concerned about right now.**

Also, overseas brands, especially niche brands, should learn to harness the power of seeding (种草) through social media recommendations. On Xiaohongshu, there are over 300,000 notes about Chinese beauty brand Perfect Diary, showing the brand’s substantial social media engagement and traction.



SHINE HU

ChemLinked
Market Research Analyst



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HOSPITALITY INDUSTRY

EXPERT BITES



WENDY CHEN

Sr. Marketing Manager at
Alarice and ChoZan

Q: HOW DO YOU THINK THE RISE OF DOMESTIC TOURISM WILL CHANGE CHINA'S OUTBOUND TOURISM ONCE BORDERS OPEN AGAIN?

China has started promoting Covid vaccinations. This is a big step forward. However, in my view, **travelling overseas will have a really hard time recovering in the short-term. This is related to safety requirements and people's mindsets. It will take time to recover even after the border is open.**

GOT A QUESTION? DROP WENDY AN EMAIL BY SCANNING THE QR CODE



EXPERT BITES

Q: WHAT'S YOUR MARKETING RECOMMENDATION FOR OVERSEAS TOURISM OPERATORS (HOTELS, DESTINATIONS, TRAVEL RETAIL)?

Don't lose your loyal customers because they can't travel overseas. **Embark on co-branding to create your own scents or partner with mattress brands. Learn about trends like the Guochao trend of love for Chinese brands and tie your brand to it.** Express your brand assets through new verticals. When world travel comes back, some brands will have disappeared from the minds of Chinese travellers, and some will have a stronger presence. Don't leave China. Think differently!



MATTHIEU DAVID-EXPERTON

CEO and President
at Daxue Consulting

EXPERT BITES

Q: WHAT'S YOUR MARKETING RECOMMENDATION FOR OVERSEAS TOURISM OPERATORS (HOTELS, DESTINATIONS, TRAVEL RETAIL) IN CHINA RIGHT NOW?

I recommend to my clients that they **be ready for “Revenge Travel”** but, before it happens, I strongly suggest being ready to show customers the services, tours or added value.

Organizing an online tour on a daily basis with livestreaming and answering questions live, would definitely be the real deal!



ALBERTO ANTINUCCI

Digital Innovation Strategist
and China Expert

EXPERT BITES

Q: WHAT'S YOUR MARKETING RECOMMENDATION FOR OVERSEAS TOURISM OPERATORS (HOTELS, DESTINATIONS, TRAVEL RETAIL) IN CHINA RIGHT NOW?

Companies must think with a digital mindset. They can reach customers via marketing campaigns and calls-to-action to retain them for future communications. **Companies can do this through the WeChat ecosystem by leveraging WeChat Groups, WeChat Work, mini programs, and personal accounts to connect companies and consumers.**

Travel retailers should also pay attention to China's duty-free shops.

From February 11th to 17th, 2021, Hainan's duty-free shops' seven-day sales doubled compared to the 2019 Spring Festival holiday, setting a new high for Spring Festival holiday sales in Hainan duty free shops.



ELENA GATTI

Managing Director, Europe
at Azoya

EXPERT BITES

Q: WHAT'S YOUR MARKETING RECOMMENDATION FOR OVERSEAS TOURISM OPERATORS (HOTELS, DESTINATIONS, TRAVEL RETAIL) IN CHINA RIGHT NOW?

The top 5 outbound destination selection criteria for Chinese travellers are unique landscape, safety, ease of visa procedures, friendliness of locals, and affordability. After the stabilization of the travel situation around the world, **I would recommend focusing on selling a "unique" vacation and private tours for Chinese consumers.** For example, a tour for winter fishing and hunting, or a trip to see the northern lights. Expensive, private wildlife tours are becoming more and more popular. **In order to compete with local travel agencies, overseas tourism operators should start selling a tour at the cost of a ticket for a charter flight,** and provide a private guide, who will meet Chinese tourists at the airport.



SOFYA BAKHTA

China marketing and media
strategy analyst at Daxue
Consulting

EXPERT BITES

Q: WHAT CAN EUROPEAN TRAVEL BRANDS, DESTINATIONS AND HOTELS DO NOW IN ORDER TO STAY TOP OF MIND FOR FUTURE CHINESE TRAVELLERS?

First of all, Chinese tourists need to feel safe and welcome. **Apart from offering local tours and excursions in Mandarin, brands should digitally engage with target customers by tailoring promotions, advice, experiences and make themselves visible on Chinese social media** channels such as WeChat, Weibo, Douyin and Little Red. Furthermore, they should accept WeChat Pay, Alipay, and/or UnionPay across the travel and tourism supply chain as their established payment methods.



JIA SONG

West meets East Business
Consulting, Owner / Founder

JEWELLERY INDUSTRY

EXPERT BITES



OSCAR LIN

Marketing Executive at
Alarice and ChoZan

Q: WHAT'S YOUR MARKETING RECOMMENDATION FOR BRANDS IN THE JEWELLERY INDUSTRY IN CHINA?

The jewellery industry has higher product prices and longer repurchase cycles because jewellery has special meaning for consumers and most consumption happens on anniversaries or festivals with special significance.

For instance, **launching promotion campaigns before China's Valentine's Day - May 20th / 520 - is great timing. Because of the high prices and emotional relevance, people consult more before buying jewellery** so brands can soothe doubts and educate consumers and the market during this process.

GOT A QUESTION? DROP OSCAR AN EMAIL BY SCANNING THE QR CODE



EXPERT BITES

Q: WHAT'S YOUR MARKETING RECOMMENDATION FOR OVERSEAS JEWELLERY BRANDS IN CHINA RIGHT NOW?

Make your WeChat posts highly interactive. Luxury brands are type-setting or coding from their WeChat backend to create effects and boost engagement on posts. **Click to unveil, animated GIFs, integrated quizzes, tap to unblur, recorded voice messages and more. These interactions are bringing brand/user engagement to the next level.** Brands who are on a more limited budget can consider using templates from Xiumi (秀米) for example.



RACHEL DAYDOU

Partner and China GM
at Fabernovel

EXPERT BITES

Q: WHAT'S YOUR MARKETING RECOMMENDATION FOR OVERSEAS JEWELLERY BRANDS IN CHINA RIGHT NOW?

China's jewellery market is still dominated by foreign brands that have long histories and customers are eager to know the stories behind both the brands and each product series.

The market can be divided into three segments: gemstone jewellery, metal jewellery, and other jewellery. Gold products are the most popular category and account for more than half of industry revenues, followed by diamonds, jade, and other precious metals such as platinum and silver.

New brands wishing to enter the Chinese market need to focus on two main strategies: 1) Creating brand awareness focusing on a specific target market and customization. 2) Offering cross-border e-commerce solutions with a base in Hong Kong for fast delivery.



ALBERTO ANTINUCCI

Digital Innovation Strategist
and China Expert

EXPERT BITES

Q: WHAT'S YOUR MARKETING RECOMMENDATION FOR OVERSEAS HOME APPLIANCE BRANDS IN CHINA RIGHT NOW?

Brands should explore consumers' nuanced and potential needs in daily scenarios. For example, the air fryer has been sought-after since 2020. It targets urban white-collar workers and housewives. White-collar workers need a convenient appliance for dinner snacks and home parties and housewives need a simple machine to cook healthy alternatives to KFC for their kids. **Brands can invite KOLs to endorse the products by using them in a specific scenario and showing how they make life easier.**



SHINE HU

ChemLinked
Market Research Analyst

HOME APPLIANCES INDUSTRY

EXPERT BITES

Q: WHAT'S YOUR MARKETING RECOMMENDATION FOR OVERSEAS PET AND HOME APPLIANCE BRANDS IN CHINA RIGHT NOW?

Based on a report from CBNData, people's pet-related consumption in 2020 was 1.5 times the scale of 2019. And according to Tmall, the **majority of pet owners are young Millennial and Gen Z females**. The main reason they love pets is that they're seeking companions. Some of them are the only child in the family, and for those who work in another city, they're living alone. **Pet owners need to deal with fur on the floor or sofa and other issues.** This is where home appliances brands come in. **They can tap into these needs and make their lives with pets easier.** A great example of this is American vacuum and floor care product brand Bissell that has seen sales of their products take off among pet owners.



KEJIE YI

Content Manager at
China Marketing Insights

EXPERT BITES

Q: WHAT ARE YOUR MARKETING RECOMMENDATION FOR OVERSEAS HOME APPLIANCE BRANDS IN CHINA RIGHT NOW?

The changing needs of customers are forcing enterprises to rethink their business models and positioning. **Establish a customer-centered system to keep and maintain customers and use member referrals as a new way to play in the retail field.**



ROMAIN HENRIOT

Chief Operations Office,
Splio China

EXPERT BITES

Q: WHAT'S YOUR MARKETING RECOMMENDATION FOR OVERSEAS HOME APPLIANCE BRANDS IN CHINA RIGHT NOW?

For home appliances in China, **the two most important attributes and the leading purchasing factors would be design and brand name.** Also, I would say that **storytelling is a must-have element for an online marketing strategy.** Last but not least, the **innovation level of your brand is essential** for the home appliance market because unique features bring value to Chinese consumers.



SOFYA BAKHTA

China marketing and media
strategy analyst at Daxue
Consulting



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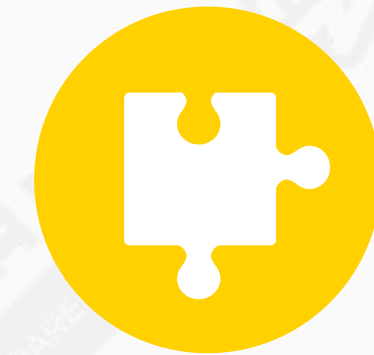
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OUR COMPANY TIMELINE



ChoZan was established as a China Digital Marketing Academy to provide training and education to marketers working in/with China.



Ashley published a book series "Digital China" and became a 3-time Amazon bestselling author.



Ashley was hailed as one of Adello magazine's Top 20 Visionaries of the Media and Technology Industry, and a digital marketing and China trend guru by Thinkers50.

2011



Alarice was founded as a Hong Kong-based digital marketing agency with a focus on Chinese social media.

2016

2017



Our founder Ashley became a China-focused global keynote speaker, media personality and blogger sharing her insights about China's consumers, digital marketing and new retail with global business community.

2018

2019



Ashley was recognized as a LinkedIn Top Voice in Marketing and a Holmes Report Asia-Pacific Top 25 Innovator. Ashley created the self-development program FIRE in 2019.

2020

OUR CHINA MARKETING SOLUTIONS



● MARKETING RESEARCH AND STRATEGY

Our China marketing research and strategy team gives you a detailed framework that will allow you to start and grow your business in mainland China.

● SOCIAL MEDIA MARKETING

We help you to localize messages, strengthen your brand image and reach out to target audiences through Chinese social media.

● INFLUENCER MARKETING AND CAMPAIGNS

We help you to establish goal-specific social marketing campaigns and fruitful collaboration with Chinese KOLs and influencers.



● CORPORATE TRAINING

We can increase your expertise on the Chinese market, Chinese consumers and Chinese social media with tailor-made masterclasses that put your team at the forefront. We do this by running courses around the world that you can join and creating corporate training programs for your team.

● CHINA INSIGHTS: CHINA MARKETING CRICLE

A private community on WhatsApp / WeChat that delivers the most relevant, up to the minute information, much of which can't be easily found online or in English. Join us if you're looking for curated insights, trends, strategies and case studies.

● KEYNOTE SPEECHES

Our founder, Ashley, is a well-known speaker and can deliver keynotes full of energy, insight and inspiration that will transform your event, motivate you and help you achieve your goals.

● CONSULTING CALLS

The quickest way to get your specific, urgent China marketing questions answered. Speak with Ashley or her team if you're under time pressure and need to get on the right track fast.

● CHINA MARKETING VIDEO COURSES

An 8-module masterclass available to anyone with an internet connection to get them up to speed on China's market, its modern consumers and Chinese social media marketing and selling.

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The most comprehensive books on the market about China's e-commerce landscape, Chinese social media influencers and New Retail. You can also buy our highly detailed WeChat and Weibo guidebooks to gain confidence with China's two most powerful social apps.

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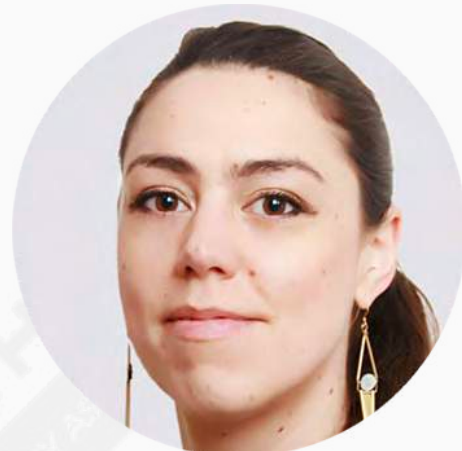
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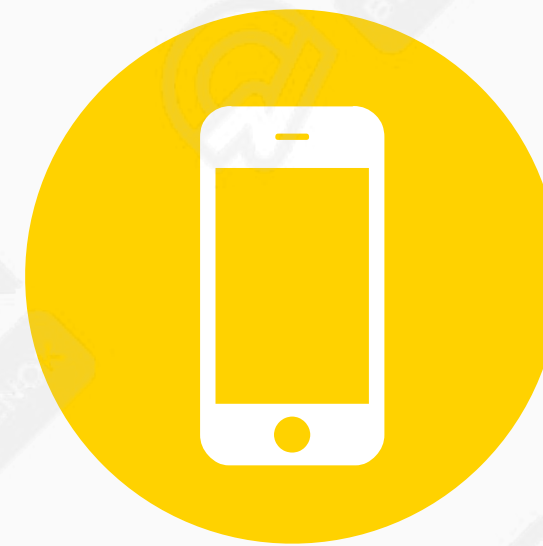
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