

China's Digital Economy: The Keywords Marketers Cannot Miss

CommPRO.biz Editorial Staff



As the largest and fastest growing digital market worldwide, China is on its way to becoming a global digital innovation leader next to Silicon Valley. The digital-related economic activities account for 30.61% of China's GDP. Digitalization has been a main phenomenon in the country and now appears in every day life of its people.

The fourth quarter of 2015 saw the turning point of China's digital market, for the first time, the video impression generated by mobile devices surpassed that of personal computers.

Many companies, brands and experts are focusing on the exciting business scene in mainland China – some even predict the tech epicenter will gradually shift from that of Silicon Valley to Silicon Dragon. To better understand the power of China's digital economy, here are the three keywords marketers cannot miss: mobile, social and data.

1. Mobile

China has become the world's biggest "mobile" economy, surveyed by the China Internet Network Information Center (CNNIC). Mobile netizens in China reached 724 million in June

2017, with an average of 4.1 devices (mostly mobile) per Chinese netizen.

At the third D20 Sino-German Digital Leadership Forum held in Hamburg, Germany, AdMaster's Chief Operating Officer, Calvin Chan gave a keynote speech on The State of Digital in China: Industry Landscape, Trends and Forecast. Calvin pointed out that the predominant impact of mobile technology becoming common is its influence to consumer behaviors and the ecosystems in business sectors.

"Today's smartphones are powerful tools that go far beyond simply placing phone calls. Smartphones are Chinese consumers' first access to the digital world to look for solutions to what they want to know, where and how to go, what to buy and what to do," Calvin noted.

For example, on the Singles' Day Shopping Event 2016, sales generated by mobile devices made up 82% of purchases on Tmall.com, compared to just 32% in 2013. In China, mobile technology is a gateway to real business.

The fourth quarter of 2015 saw the turning point of China's digital market, for the first time – the digital video ad impressions generated by mobile devices surpassed that of personal computers. Since the first quarter of 2016, marketers have started to place their video ads on connected TV.

AdMaster's 2017 Digital Marketing Trend Report also showed that 87% of advertisers in China expected to increase their expenditure on mobile marketing.

2. Social Media Marketing

The internet is changing all facets of social life in China. As of December 2016, WeChat, QQ and Taobao were China's top three popular social networking online platforms (measured by monthly active users).

After the decline of many traditional marketing strategies, social media marketing is a natural choice for businesses. New marketing strategies, such as brand promotion through the power of Key Opinion Leaders (KOLs) on social media, foster business growth for companies through the consumer network.

WeChat official accounts have emerged as a significant platform for business to target at their customers. AdMaster surveyed how brands used their WeChat official accounts in the first half of 2016.

The survey results showed that 51% of the official accounts invited users to follow other official accounts, 40% attracted users to redeem coupons, 35% encouraged users to search for the brands or their products, 35% increased the number of app download, 30% motivated users to participate in promotion campaigns, 26% directed users to their e-commerce platforms, and 23% generated purchase transactions.

It is important for brands to engage key opinion leaders (KOL) for influencing public opinion, work on content marketing strategies, and assess the impact of KOLs to consumers. AdMaster tracked, integrated and analyzed the data obtained from Paid Media, Owned Media, Earned Media, and Sales (P.O.E.S.), helping businesses to be ahead of the game by providing the data they need for social media marketing.

Creating and nurturing a meaningful relationship with a consumer is key to the ongoing success of a business. Instead of heavily pushing their products, brands are advised to provide services to consumers and engage well with them, taking consumer relationships to the next level and increasing customers' brand loyalty.

3. The Power of Data

China is moving towards to an economy powered by consumer spending. Chinese consumers are becoming more demanding with respect to consumer experiences. How can companies keep pace

with rising expectations? All possible answers are connected with data.

Thanks to the growth of internet, data has been growing at an astonishing rate. However, data is often generated on a great number of “data silos”, which are disconnected to each other. Analyzing the data on these silos is, to a certain extent, challenging, making it more difficult for brands to know their customers, communicate with them, and make business decisions.

Nevertheless, AdMaster has already connected most of the data sources, serving over 80% of the leading domestic and international brands in China. AdMaster provides services to the brands and help them establish and develop their businesses in China.

AdMaster is taking the lead in the industry by cooperating with China’s main data owners. At the end of 2016, AdMaster collaborated with Tencent to launch the People-base Measurement Solution based on behavior data of Tencent’s accounts. This year in June, AdMaster worked with Sina Weibo on another innovation on People-based Measurement Solution by making use of consumer interest tags on Weibo. Last but not least, AdMaster also teams up with Alibaba for a data integration project in 2017.

While the three giant data platforms Tencent, Sina and Alibaba embrace marketing technology, efforts are made from different parties to refine the data hub.

“Our next step is connecting more data sources with brands and our business partners, helping them to capture consumer insights and interaction on their brands, and review their consumer relationships,” AdMaster Founder and CEO Vincent Yan said.