When <u>Huawei Technologies</u> released its new smartphone in China, the company chose Chinese messaging app WeChat as one of its main sales channels.

While many businesses use Tencent's WeChat for marketing and customer service, the idea of actually selling products through WeChat is only starting to take off, after a virtual store run by online retailer JD.com was integrated into WeChat in late May.

JD, China's second-largest e-commerce company after Alibaba Group, said that in its WeChat store, 550,000 customers either preordered <u>Huawei</u>'s new Honor 6 smartphone or participated in its sales campaign before the handset became available July 1.

This shows WeChat is recognized by Chinese consumers as a shopping channel, JD said. In March, Tencent, the Internet company that developed WeChat, unveiled a deal to buy a 15% stake in JD, and the two firms became strategic partners.

In June, JD and <u>Huawei</u> launched a promotional event in which WeChat users tried to win a free Honor 6 phone by correctly guessing its price ahead of its release. The store also had been running ads for the Honor 6, which comes with a 5-inch screen, a 13-megapixel camera and a mobile processor made by <u>Huawei</u>'s own chip unit. It went on sale for 1,999 yuan (\$322) in China.

For Tencent and JD, providing the main venue for <u>Huawei</u>'s product launch is a way to get more Chinese consumers to view WeChat as a place for shopping. For <u>Huawei</u>, which has relied mainly on telecom carriers to distribute its handsets in China, WeChat offers an opportunity to broaden its customer base.

WeChat has about 400 million monthly active users, most of whom are in mainland China. Chinese users not only send text and voice messages -- they also share photos and updates, play games and even hail taxis using WeChat. Tencent added an electronic-payment function to the app last summer and has been trying to turn the communication tool into a platform for online shopping and other services that can make people spend money.

Credit: By Juro Osawa