

BUSINESS

Social commerce raises revenues

GOING GLOBAL | Online shopping diversifies due to COVID-19, looks to boost foreign trade

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With the idea of making online shopping experiences more interactive and pleasant gathering steam in many parts of the world in recent years, DHgate Group, a Beijing-based cross-border business-to-business e-commerce company, plans to boost sales revenue generated by MyyShop — its social commerce platform — to \$3.8 billion and cultivate up to 1 million overseas content creators over the next three years.

Many opportunities come from the fast-growing trend of diversification and fragmentation of shopping channels after the impact of the COVID-19 pandemic caused many challenges for the world economy in 2020. The reality has raised the penetration rate of cross-border e-commerce of Chinese companies in many foreign markets and boosted the country's foreign trade volume in recent years, said Diane Wang, founder and chairperson of DHgate Group.

According to Guangzhou, Guangdong province-based market consultancy iiMedia research, the revenue of China's e-commerce livestreaming sector amounted to 1.2 trillion yuan (\$172 billion) in 2021, up 25 percent year-on-year, and the figure is projected to reach 2.1 trillion yuan in 2025.

"If the decentralized cross-border e-commerce model can be successfully expanded from China to overseas markets in the coming years, there is a huge market space behind it," said Wang.

Eyeing new opportunities in industries driven by social media, DHgate launched MyyShop, a social commerce software-as-a-service business that connects Chinese supply chains with people who have substantial private domain traffic or influencers on social networking platforms worldwide.

The platform aims to facilitate export-oriented companies, especially small and medium-sized enterprises, with access to global private domain channels. It is designed to empower Generation Z consumers — those born between the mid-1990s and the early 2000s — and content creators, including internet celebrities, key opinion consumers, drop shippers and brand owners.

"As the first generation in the mobile internet era, they are the dominant voices on social media, leading popular culture and greatly influencing consumption. Their strong and high-frequency willingness to consume is leading the global consumption trend and bringing notable changes to the world economy," she said.

"Unlike the domestic market, the



A woman promotes and sells Chinese clothing via livestreaming at MyyShop, a social commerce platform owned by Beijing-based DHgate Group, in Los Angeles, the United States, in August. PROVIDED TO CHINA DAILY

lion's share of influential livestreamers are led by multi-channel networks or e-commerce livestreaming companies. They are normally supported by a team. It is rare to see foreign content creators work individually for MCNs or other companies, indicating our decentralized platform fits the reality of many countries," said Wang.

According to global consultancy Accenture, the growth rate of global social commerce will be triple that of traditional e-commerce in 2025, reaching \$1.2 trillion, with Generation Z consumers accounting for 62 percent of global e-commerce spending.

To build a technical edge and reach more businesses, MyyShop offers social media-based services such as artificial intelligence-powered smart product selection and smart logistics services. It also helps SMEs, especially entry-level merchants and individuals with social influence, to run their online stores as direct sellers.

With the cross-border e-commerce industry entering the next growth stage, it is practical and vital for capable platforms such as MyyShop to connect China's powerful supply chain with influential livestreamers on social media, helping them start businesses and participate in global trade, Wang said.

As watching e-commerce livestreaming has gradually become an online habit for many consumers globally, a total of 1.66 million content creators worldwide had registered on MyyShop, boosting sales of more than 4 million types of products by June 2022, while a total of 147.3 billion short videos had been played, according to DHgate.

The number of active users on MyyShop increased 76.3 percent year-on-year in the first quarter of this year, while the number of paying users rose 65.6 percent year-on-year.

As logistics is a key factor in cross-border e-commerce services on timeliness and stability, Wang said

MyyShop has created a niche for itself in the drop-shipping services sector by collecting products directly from suppliers and shipping them from warehouses in the United States, Europe and Mexico to the customers' doorstep to ensure delivery efficiency.

In addition to rolling out a completely hassle-free and smooth system for both businesses and buyers, the platform also connects suppliers with online influencers, assists them with convenient tools and services including logistics, marketing and finance, and provides the guarantee for reliable delivery, she added.

Headphones, LED lights, phone cases, scooters, yoga wear, wedding dresses, party supplies, cosmetic bags, string lights and drones were the most popular products among its overseas buyers last year, according to DHgate.

In some developing markets such as Africa, people have moved to social commerce directly, surpassing the PC-dominated e-commerce era and smartphone-dominated e-commerce era. In developed markets, social commerce also develops faster than traditional e-commerce, said Wang.

Established in 2004, DHgate Group to date has provided services to 46 million businesses and buyers around the world. The top five countries importing Chinese goods are the United States, the United Kingdom, Australia, Canada and France. There is also rising demand from emerging markets such as Seychelles, Zimbabwe and Senegal.

Empowered by opportunities brought by the Regional Comprehensive Economic Partnership agreement and the country's new opening-up measures, Wang stressed that China still has the most mature, advanced and accountable supply chain. The country's advantages such as an educated labor force and highly competitive business environment cannot be duplicated by other countries.

Tech giants bank on VR for metaverse opportunities

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HTC Corp will step up popularizing the use of virtual reality technology in both the consumer market and the enterprise market as part of its broader push to better tap into the metaverse, a senior executive said.

As a hot tech buzzword, metaverse refers to a shared virtual environment or digital space created by technologies including virtual reality and augmented reality.

Charles Huang, corporate vice-president of HTC, said there is surging demand for VR devices in a wide range of segments, such as remote conferencing, training, education, healthcare, design and exhibition, with the COVID-19 pandemic bolstering the application of VR equipment.

According to Huang, HTC is banking on the business-to-business segment and attaches great importance to cooperation with industry partners to develop new applications.

"Metaverse is not a slogan or a very distant future," Huang said, adding that HTC is working hard to strengthen technological exchanges and information sharing in the metaverse and striving to build an interconnected, mutually beneficial and compatible metaverse ecosystem.

HTC has unveiled an open metaverse platform called Viverse, which provides seamless experiences that are reachable on any device anywhere and is enabled by VR, AR, high-speed connectivity, AI and blockchain technologies.

Data from market consultancy International Data Corp showed that the investment scale of the global AR and VR market was close to \$14.67 billion in 2021 and is expected to increase to \$74.73 billion in 2026, with a compound annual growth rate of 38.5 percent.

IDC said the IT-related expenditure in China's AR and VR market reached about \$2.13 billion in 2021 and will increase to \$13.08 billion in 2026, making it the second-largest market in the world.

Pedro Palandrani, a technology analyst at research company Global X ETFs, said early versions of metaverse now exist, offering investors a glimpse of its enormous potential. However, a successful metaverse is expected to feature a

decentralized open platform accessed by VR headsets and powered by blockchain technology.

"A truly immersive metaverse experience, for instance, engages all the senses — sight, sound, touch, smell and taste. Today, VR mostly involves sound and images," Palandrani said.

To accelerate the development of metaverse, other Chinese tech companies are also moving fast. Huawei and Alibaba, for instance, are among the first group of companies, along with Meta, formerly known as Facebook, and Microsoft from the United States, to form a standards group that aims to accelerate the development of metaverse.

Participants in the Metaverse Standards Forum include many of the biggest companies working in the sector, from chipmakers to gaming companies, as well as established standard-setting bodies like the World Wide Web Consortium, according to the group.

"Industry leaders have stated that the potential of metaverse will be best realized if it is built on a foundation of open standards," the group said. "Building an open and inclusive metaverse at a pervasive scale will demand a constellation of open interoperability standards."

The move signified that companies are racing to build the concept of a metaverse and want to make their nascent digital worlds compatible with each other, said Pan Helin, co-director of the Digital Economy and Financial Innovation Research Center at Zhejiang University's International Business School.

That could make it easier for developers to build the same content for different metaverse platforms or for users to export data from one service to another, which will help build a thriving ecosystem in the future, Pan said.

Seven of China's big technology companies, including Huawei, Tencent, Baidu, Oppo and Alibaba, are among the top companies that filed the most virtual reality and augmented reality patent applications globally in the last two years, said Singapore-based research and development analytics provider PatSnap.

Bloomberg Intelligence forecasts that metaverse revenue globally could reach nearly \$800 billion in 2024.



A visitor plays a VR game at the exhibition area of HTC Corp during the 2022 World 5G Convention in Harbin, Heilongjiang province, in August. ZHANG SHU / FOR CHINA DAILY

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BREAST DISEASE AWARENESS

EARLY DETECTION AND INTERVENTION CAN SAVE LIVES

VITAL FOR WOMEN

Surveys show that a high percentage of Chinese women suffer from breast disease, and the life-threatening condition is now being found in younger women.

Many breast cancer patients did not recognize the early symptoms of the disease, and thus often receive diagnosis and treatment late. Medical experts suggest women aged above 30 should conduct breast self-examinations monthly and contact their doctor if they notice anything unusual.