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SOFTWARE AND TECHNOLOGY

WeChat Pay helps digitize retail in Europe

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In the time of coronavirus, WeChat Pay helps digitize European retailers. Image credit: WeChat

By LUXURY DAILY NEWS SERVICE

China's all-in-one app WeChat saw strong year-over-year growth in transactions from the EMEA region as retailers shift to ecommerce in the midst of a global pandemic, showing a growing trend of Chinese consumers making global purchases before they could make global trips.

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During a webinar hosted by WeChat, experts discussed how the WeChat ecosystem helps retailers reach Chinese consumers. More than 200 brands from 14 countries attended the webinar, covering diverse sectors ranging from retail, luxury goods, ecommerce, travel and food and beverage.

"It is likely that the countries that reopen first will see a spike in tourism expenditures even above pre-COVID levels," said Jeff Hu, EMEA regional director of WeChat Pay, in a statement. "Therefore, the time is now to double down on investment to be online ready for ecommerce and offline ready for the tourism rebound."

WeChat Pay

WeChat mini programs, which give users instant access to enterprise services without having to download separate apps, were pioneered by WeChat in 2017 and today boast over 400 million daily active users. Mr. Hu revealed at the webinar that the number of WeChat mini programs from the region with active transactions more than doubled in November compared with a year ago, while the peak transaction volume jumped 300 percent.

WeChat's built-in payment service WeChat Pay offers users a seamless online-to-offline shopping experience within the app and handles over 1 billion daily transactions. It continues to grow its international reach with the growth of Chinese outbound tourism, offering cross-border payment services in more than 64 markets and 24 currencies.

WeChat may significantly help European retailers reach Chinese consumers. Image credit: WeChat

By setting up cross-border direct-mail online stores via WeChat mini programs, and leveraging products in the WeChat ecosystem including such as Official Accounts, WeChat Groups and livestreaming, more and more European retailers have successfully connected with Chinese consumers, bringing much needed relief and recovery to businesses in the time of coronavirus.

In a similar move, Milan's official promotional agency teamed with Tencent's WeChat in 2019 as the Italian city catered to Chinese consumers with luxury appetites. The partnership included the debut of YesMilano's own mini program (see story).

According to a 2019 study by McKinsey & Company released in April, Chinese consumers spend as much as 44 percent of their time on social media apps 33 percent of which is attributed to those of a more social nature including WeChat and Weibo. As the amount of time users spend on these platforms continues to grow, so does the potential of these channels to inspire purchase behavior (see story).

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