

MARKETING

A luxury brand guide to using WeChat Channels

April 21, 2023



Integrated into the larger WeChat ecosystem and offering access to over a billion users, Channels is becoming an important tool in a brand's marketing arsenal. Image credit: Shutterstock

By Julienna Law



Tencent is betting big on its short video platform, WeChat Channels.

In an internal speech last year, CEO Pony Ma went so far as to call Channels "the hope of the whole company."

There are good reasons to be excited about it.

In the fourth quarter of 2022, Channels' in-feed ads generated \$145 million (1 billion RMB) in sales, becoming a key revenue driver for the company.

In December that same year, the total time users spent on Channels exceeded that of WeChat Moments by 80 percent, signaling the former's growing popularity.

Since its beta launch in 2020, WeChat Channels has flown relatively under the radar compared to established shortvideo platforms such as Kuaishou and Bilibili. But with an estimated 813 million monthly active users, according to QuestMobile, the page connects brands and creators to WeChat's larger ecosystem including its 1.3 billion users and should not be overlooked.

The platform will become even more pertinent as Tencent pushes out new measures to bolster Channels' competitiveness.

To attract and support content creators, the tech and gaming giant announced in late March plans to launch a paid subscription service for videos, in addition to offering copyright protection and priority recommendations for original content.

Below, we break down WeChat Channels and how brands can use the feature to their advantage.

How it works

Think TikTok or Instagram Reels. Simply put, WeChat Channels enables users to record and share photos and videos publicly, unlike on WeChat Moments, where users can only see content posted by their friendship circle. The

page can be found by clicking the "Channels" button within the "Discover" tab, which takes users to an algorithmdriven social media feed.

Videos are sorted into three categories: following (posts by WeChat Channels accounts that the user follows); friends (posts liked by friends); and hot (popular posts recommended by WeChat). Users can look for specific content by using the search bar, hashtags, or trending topics list, much like Weibo or Xiaohongshu.

Setting up an account is as easy as using an existing Weixin account (China's version of WeChat) to register for a Channels profile. Brands can undergo a verification process to link their Channels account to their Official Account and enjoy features like livestreaming and ecommerce.

Advantages for brands

Channels might seem such as a competitor to Douyin and other short-video platforms, but Miriam Dabrowa, China head of strategy at The WeChat Agency, does not see it that way.

"While short videos are the very core of Douyin's existence, Channels is just one of many elements of the whole WeChat ecosystem, an element that is definitely enriching the system and adding an additional dimension," she said.

It is this integration that makes Channels stand out.

As a Tencent spokesperson explains: "Many brands already have Official Accounts on Weixin, which they can seamlessly link to their Channels account, allowing for videos to be embedded in Official Account articles and even linked to Mini Programs. We also have an AI recommendation engine that can present brands' products and services to entirely new consumers."

These features open up a number of creative avenues that can help brands deepen relationships with existing consumers, or introduce themselves to new ones.

"If a picture is worth a thousand words, then what about video? Go figure," Ms. Dabrowa said. "Channels is becoming a discovery touch point with amazing potential just last month, one-third of new official account followers of one of our fashion clients came from Channels."

Livestreaming opportunity

Within WeChat Channels, livestreaming has become a particularly popular and lucrative medium for brands.

In 2022, the number of users watching livestreams on WeChat Channels tripled, while the time spent watching livestreams grew by 156 percent. Likewise, gross merchandise value, a measure of the total value of goods sold on the platform, skyrocketed 800 percent year on year.

Not only can brands interact directly with their audience through live chat or adding a link to WeCom customer service, but they can also seamlessly incorporate ecommerce.

Luxury brands have embraced these services: Dior, for example, has livestreamed fashion shows and pushed promotions to its VIP customers immediately after the events. Others, such as Louis Vuitton, have even put together one-to-one livestreaming sessions with their most important customers to recreate the white-glove experience.

Whether it is a private client session, a KOL-led livestream, a round table or simply live footage of an in-person event, brands have various methods at their disposal to use livestreaming to raise brand awareness.

"With the array of tools like the reservation' button, information about upcoming livestreams on WeChat Channels' brand page and boost options, brands really have quite an interesting arsenal at their disposal and it's up to them how they are going to maximize it," Ms. Dabrowa said.

Future of WeChat Channels

That said, WeChat Channels has room to grow.

As Tencent president Martin Lau mentioned on the company's Q4 earnings call, "the time spent per person [on short video] is actually way below industry standards."

However, Channels has become a powerful in-app feature that supplements WeChat's broader social media and ecommerce structure and supports the brands that use it.

With Tencent's ambitious plans for the page, it is forecast by Zheshang Securities to generate \$3.4 billion (24 billion

RMB) in advertising revenue by 2024. Brands that are not using the feature may want to consider it.

Optimistic about the space, Ms. Dabrowa tells *Jing Daily*, "Channels' development might seem a bit sluggish, but on the other hand Mini Programs also didn't kick off overnight. Now, we can't imagine WeChat without them."

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