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WECHAT LUXURY INDEX.

2021

**THE DEFINITIVE WECHAT BENCHMARK
FOR LUXURY BRANDS**

FOREWORD
WECHAT LUXURY INDEX.

As the focus on China continues to grow amidst the pandemic, brands are picking up pace when it comes to digital and investing in a wide range of channels. Being the most ubiquitous social platform in China, WeChat has been at the core of many of these changes. But as the platform grows increasingly saturated, how can brands stand out and continue to **engage and reactivate their WeChat communities**?

The **only industry report offering insights based on non-public data**, the WeChat Luxury Index 2021 allows luxury brands to benchmark their performance in the industry against indicators that really matter.

Besides taking a closer look at metrics related to content, follower acquisition and engagement, the report also presents **key frameworks and recommendations to improve follower engagement and retention rates**, as well as new opportunities within the WeChat ecosystem that brands can consider leveraging.

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WECHAT
IN BRIEF.

Launched in 2011 as a social messaging and media platform, WeChat has since vastly expanded its areas of service to include everything from payments to e-commerce solutions. With its fast growing user base – it now boasts more than 1.225 billion monthly active users (MAU) as of March 2021 – it has become more than a mere marketing tool. WeChat is now an integral part of every brand's digital strategy in Mainland China.
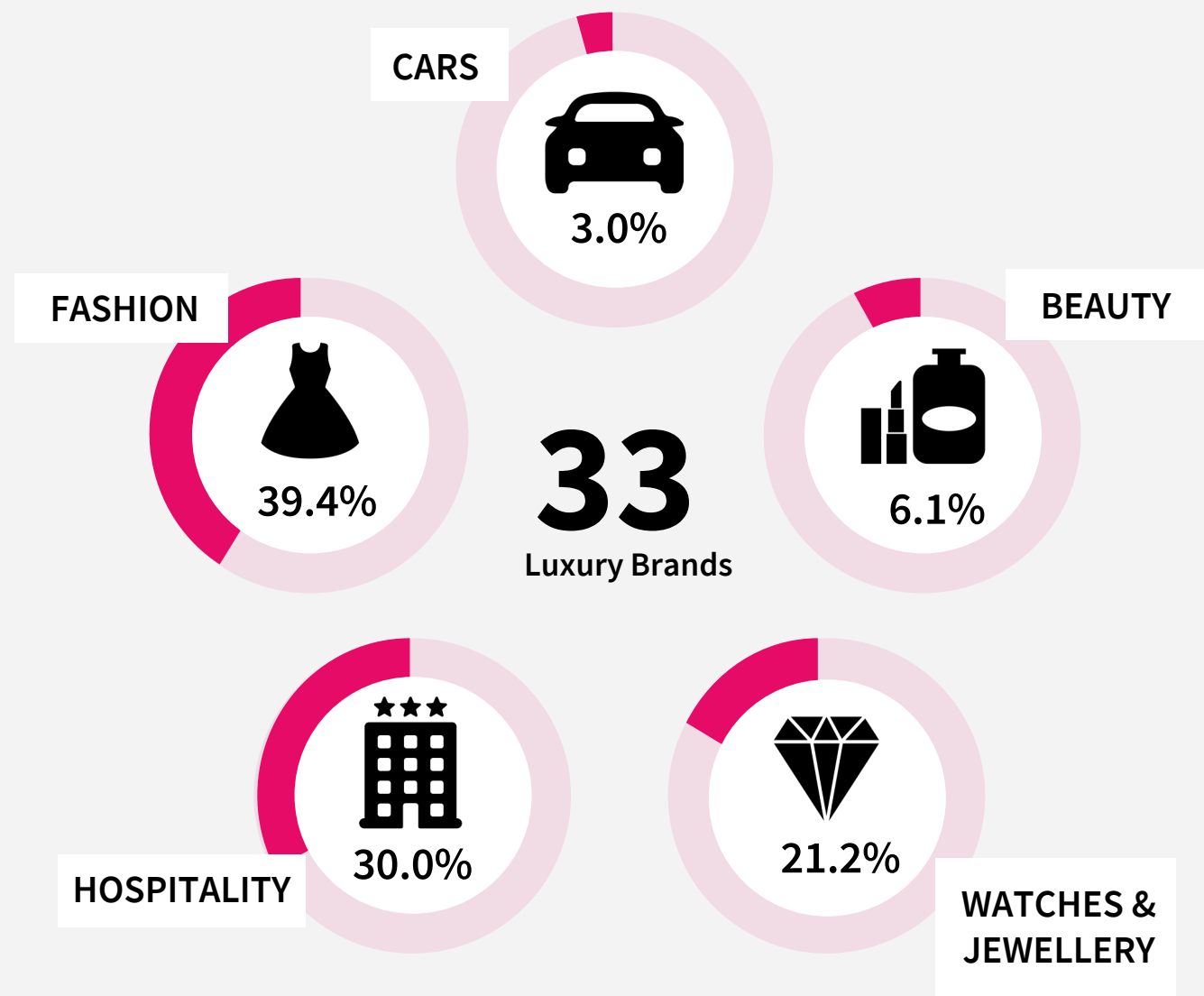
2019

1.16 billionMAU

2020

1.2 billionMAU

2021

1.225 billionMAU

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METHODOLOGY
SCOPE OF STUDY.

Community sizes of
7,000 to
>4.9 million

CARS
3.0%

FASHION
39.4%

BEAUTY
6.1%

33
Luxury Brands

HOSPITALITY
30.0%

WATCHES & JEWELLERY
21.2%

Data collected: Jan – Dec 2020
Data comparisons with 2018 and 2019 taken from previous editions of the WeChat Luxury Index

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REPORT STRUCTURE
CHAPTERS.

ACQUISITION
This section covers all follower recruitment-related metrics

ENGAGEMENT
This section examines both fan and post engagement statistics

CONTENT
This section delves into the frequency of posts, opening rates and content performance

KEY OPPORTUNITIES 2021
This section delves into new functions in the WeChat ecosystem that brands can leverage

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CHAPTER 1
ACQUISITION.

ACQUISITION

This section covers all follower recruitment-related metrics

○ **1.1 GROWTH RATE**

○ **1.2 RECRUITMENT SOURCES**

○ **1.3 UNFOLLOW RATE**

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GROWTH RATE
OVERALL GROWTH.

While the overall growth of large accounts has slowed (from 41 per cent to 34 per cent) year-on-year, the growth of small accounts has picked up pace (from 34 per cent to 50 per cent). This shows that **in general, brands experienced growth in their WeChat communities in 2020 – just at different rates.**

The general growth trend could be a **direct consequence of COVID-19**, as brands significantly stepped up their investments in China and Chinese digital platforms (such as WeChat) in 2020, especially as other markets globally continued to experience lockdowns, restrictions and store closures.

However, larger accounts appear to be facing a general slowdown in terms of growth since 2018. As WeChat communities grow larger in size, and as the market grows more saturated with brands, it is clear that brands are finding it harder to attract new followers. As such, **brands need to be even more aggressive and innovative in their fan acquisition and retention strategies**.
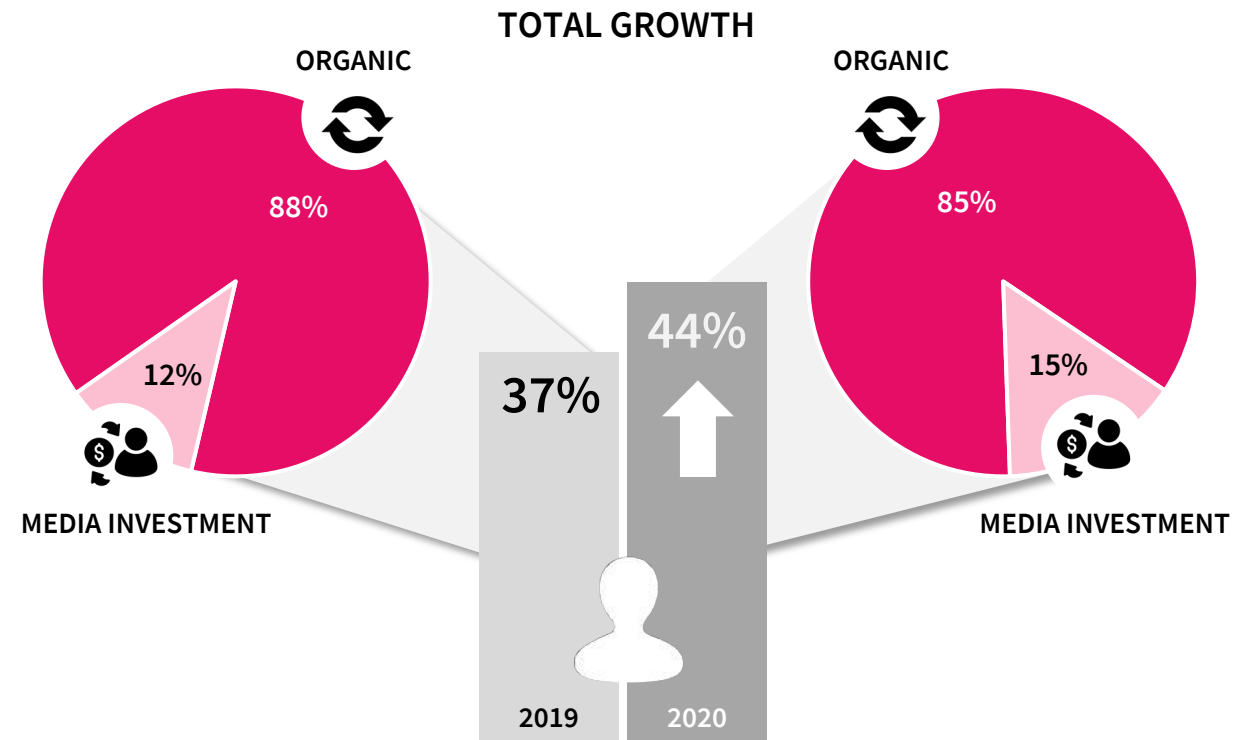
COMMUNITY GROWTH RATE

+ 44%

| 2018 | 2019 | 2020 |

66% 68% 41% 34% 34% 50%
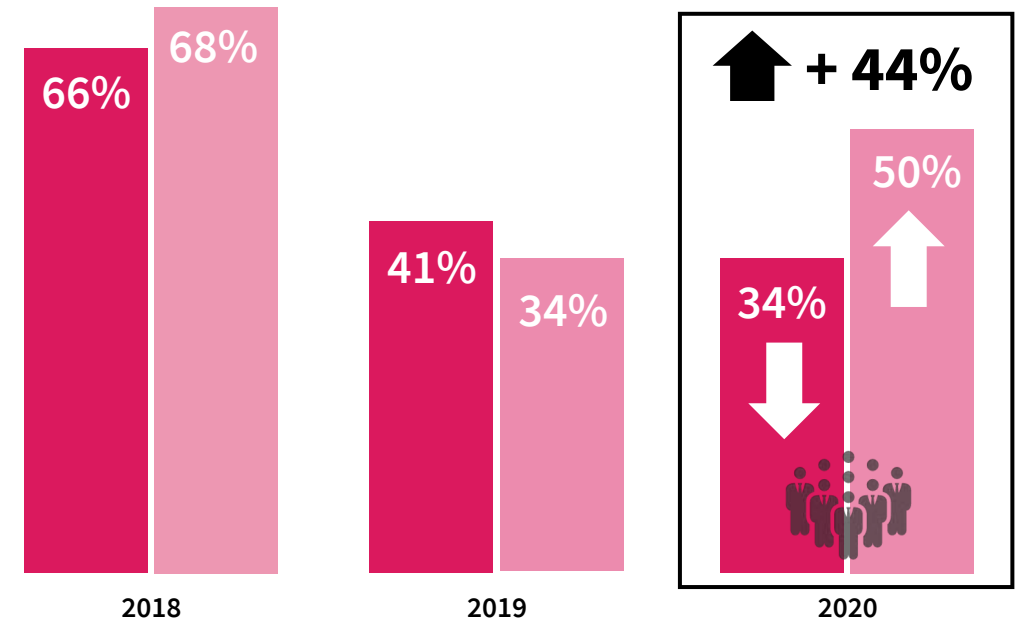
Large Accounts: >100k followers
Small Accounts: <100k followers

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GROWTH RATE
SOURCES OF GROWTH.

The total growth of brands' WeChat communities has been on the rise overall, with a **reported 44 percent increase in 2020 against 2019's 37 per cent increase.**

While media investment continues to form a small portion of the new followers recruited, there is a noted **16 per cent rise in the number of followers recruited through paid channels** in 2020 (from 12 per cent to 15 per cent of total new followers). This could be direct result of the increased spending by brands on digital in 2020, in light of the pandemic.

Despite that, **organic channels remain the key driver of community growth for brands**, indicating that efforts should be focused on developing and refining the recruitment strategy on these channels for maximum growth.
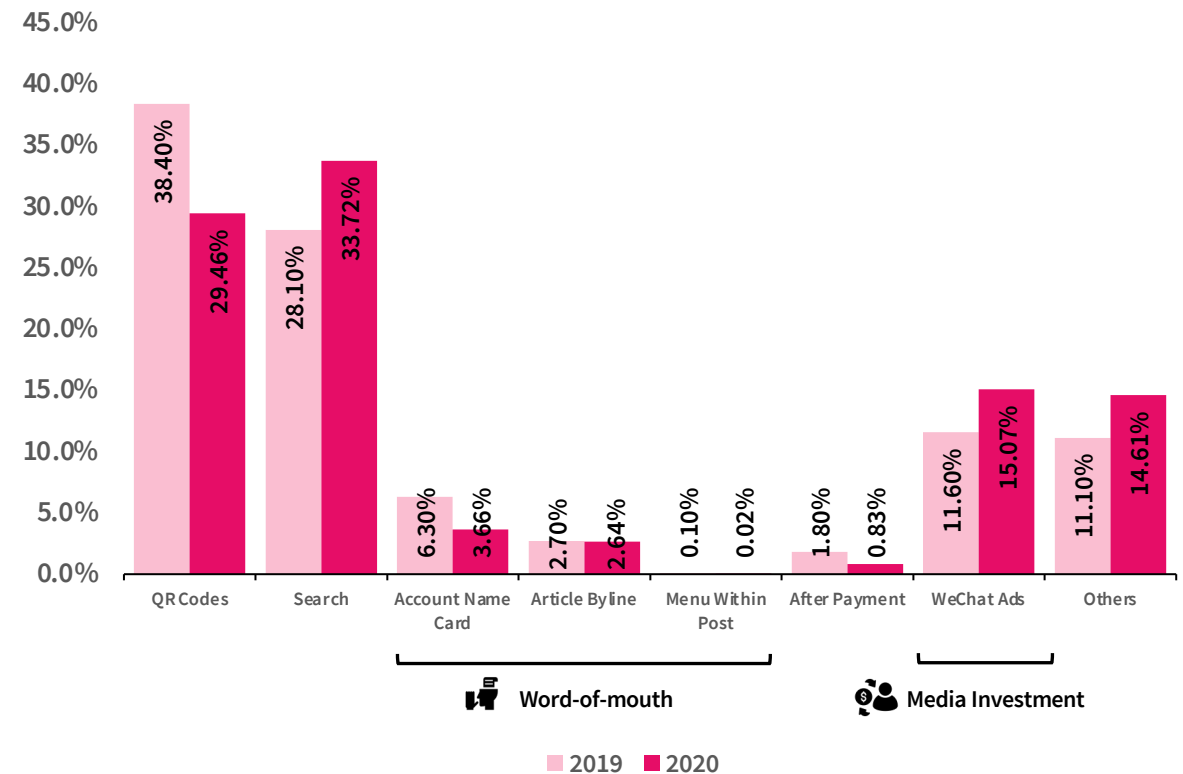
TOTAL GROWTH

ORGANIC

88%

12%

MEDIA INVESTMENT

ORGANIC

85%

15%

MEDIA INVESTMENT

37%

44%

2019

2020

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RECRUITMENT SOURCES
ALL CHANNELS.

While QR codes might have been the top recruitment channel in 2019 (38.4 per cent), **Search was the clear leader in 2020 with 33.72 per cent**. This shift could have been caused by a combination of factors, including the impact of COVID-19 on offline retail channels (which was one of the largest platforms for brands to recruit followers via QR codes in the past), and the evolution of WeChat's Search function. Consumers are increasingly making use of WeChat as a search engine, especially with its enhanced search options (by tags, Mini Programs, etc.), and this has helped boost the organic traffic to brand accounts.

Word-of-mouth channels remain limited in terms of their ability to recruit fans (6.32 per cent) in 2020, once again reiterating the notion that WeChat is not a traditional social media platform on which brands can rely on the virality of content to drive interest. The proportion of followers recruited through WeChat Ads saw an increase, **from 11.6 to 15.07 per cent year-on-year**, likely as a result of brands ramping up their media budgets in 2020.

RECRUITMENT SOURCES

Channel	2019	2020
QR Codes	38.40%	29.46%
Search	28.10%	33.72%
Account Name Card	6.30%	3.66%
Article Byline	2.70%	2.64%
Menu Within Post	0.10%	0.02%
After Payment	1.80%	0.83%
WeChat Ads	11.60%	15.07%
Others	11.10%	14.61%

Word-of-mouth

Media Investment

■ 2019 ■ 2020

Note: "Others" refers to non-trackable parameters

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RECRUITMENT SOURCES
SETTING KPIS.

ORGANIC FOLLOWERS	PROSPECTS
Current Fanbase × Linear Organic Annual Growth	# POS in China × AVG Daily Foot Traffic × 365 days × Conversion Rate (%)

PAID FOLLOWERS	CLIENTS
Marketing Budget ÷ AVG WeChat Advertising CPF (Moments or Post)	(Existing CRM Customers × Onboarding Rate) + (New Customers × Onboarding Rate)

Instead of setting growth targets arbitrarily, brands can derive a **realistic growth target to work towards** based on the following formula (left).

By breaking down potential followers into segment types, brands will be able to identify **key growth opportunities** across segments and develop specific strategies to target each consumer group as well.
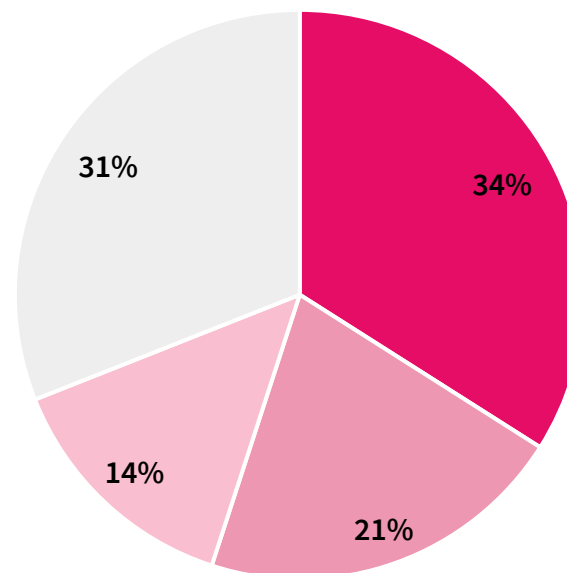
$$\Delta = \text{ORGANIC FOLLOWERS} + \text{PAID FOLLOWERS} + \text{PROSPECTS} + \text{CLIENTS}$$

RECRUITMENT SOURCES
SETTING KPIS.

EXAMPLE

Brand X has been operating in China for a while, and is now looking to understand what would be a reasonable KPI to set in terms of community growth.

Current Situation:

- 400,000 followers
- 3 million RMB WeChat media budget for next year
- 60 stores across China, with an average of 40 visitors per day, 10 per cent captured on WeChat
- With the help of a WeChat loyalty programme, the brand will on-board 40 per cent of its current CRM database and 90 per cent of future customers

34%

31%

21%

14%

- Clients
- Organic Followers
- Paid Followers
- Prospects

Organic Followers		60,000	21%
Current Fanbase			400,000
Annual Organic Growth			15%

Paid Followers		40,500	14%
WeChat Media Budget	¥		3,000,000
% Allocated to Post Ads			30%
AVG Post Ad CPF	¥		30.00
% Allocated to Moment Ads			70%
AVG Moment Ad CPF	¥		200.00

Prospects		87,600	31%
# of Stores			60
AVG Foot Traffic per year			876,000
Onboarding Rate			10%

Clients		98,840	34%
Existing CRM contacts			50,000
CRM Onboarding Rate			40%
Average New Customers per year			87,600
Onboarding Rate			90%

Assets		
Sales Ceremony Onboarding		Yes
Loyalty Programme		Yes

Current Followers	400,000
Δ	286,940
KPI	686,940

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UNFOLLOW RATE
PER ARTICLE PUSH.

The average unfollow rate in the 48 hours after a content push stood at **0.99 per cent** in 2020, which is almost double what was recorded (0.4 per cent) in 2019. This indicates a higher level of sensitivity in consumers when it comes to content quality.

However, it should be noted that such an attrition rate is natural, as brands typically attain new followers while losing some existing ones with every content push.

One way to minimise the unfollow rate after a content push is to implement **audience segmentation**. With content better tailored to their interests, audiences are less likely to find the weekly pushes intrusive and annoying, leading to longer follower lifespans.
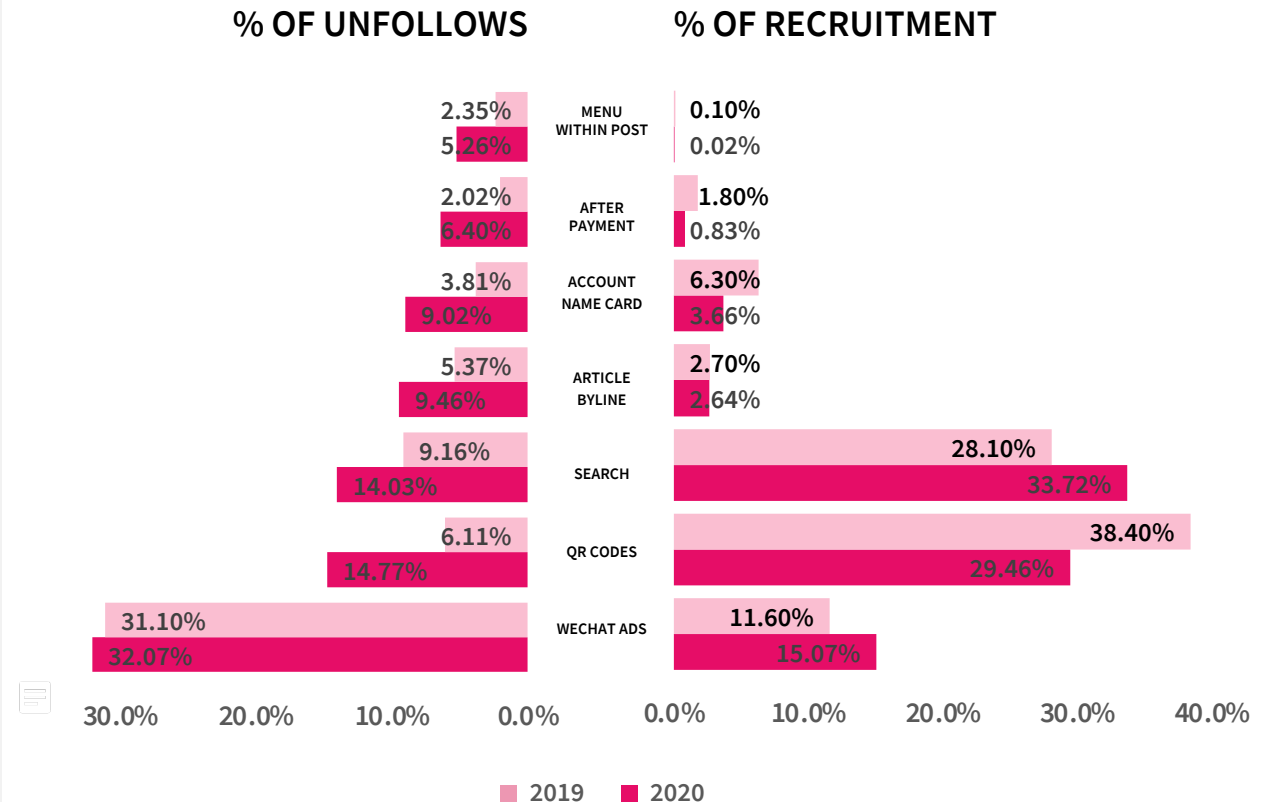
2019 **0.4%** UNFOLLOWS

2020 **0.99%** UNFOLLOWS

Follows   Unfollows   Total   Article Pushes

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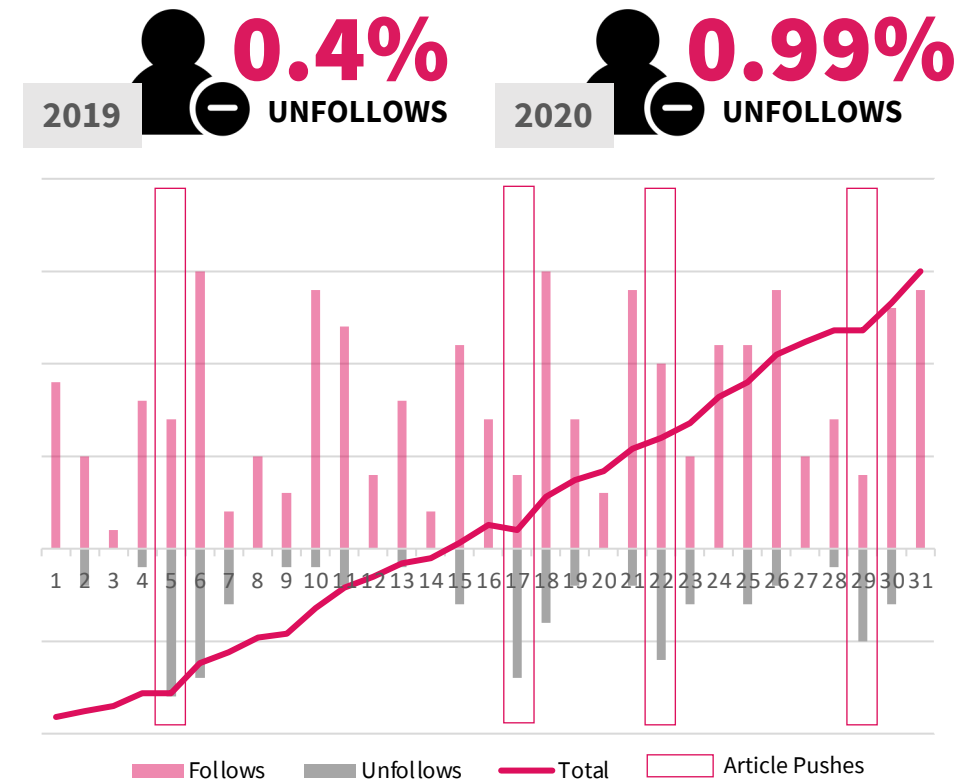
UNFOLLOW RATE
RECRUITMENT CHANNELS.

The study shows that about **32.07 per cent of users recruited through paid channels** (i.e. WeChat Ads), or approximately one in three users, **unfollow the brand**. This number does not vary much year to year, and is significantly higher than that of any other recruitment channel, displaying the limitations of acquiring fans through paid advertising.

While Search and QR Codes have increased unfollow rates of 14.03 and 14.77 per cent respectively in 2020, both channels continue to have **fairly high follower retention rates** based on the percentage of fan recruitment they are responsible for.

Based on the data, fans acquired through organic channels exhibit higher levels of stickiness, suggesting that brands should develop stronger strategies on this front and **work on building a base of quality followers** and avoid over-investing in paid options that only bring short-term growth.

% OF UNFOLLOWS

% OF RECRUITMENT

Channel	% of Unfollows 2019	% of Unfollows 2020	% of Recruitment 2019	% of Recruitment 2020
MENU WITHIN POST	2.35%	5.26%	0.10%	0.02%
AFTER PAYMENT	2.02%	6.40%	1.80%	0.83%
ACCOUNT NAME CARD	3.81%	9.02%	6.30%	3.66%
ARTICLE BYLINE	5.37%	9.46%	2.70%	2.64%
SEARCH	9.16%	14.03%	28.10%	33.72%
QR CODES	6.11%	14.77%	38.40%	29.46%
WECHAT ADS	31.10%	32.07%	11.60%	15.07%

30.0% 20.0% 10.0% 0.0%   0.0% 10.0% 20.0% 30.0% 40.0%

■ 2019   ■ 2020

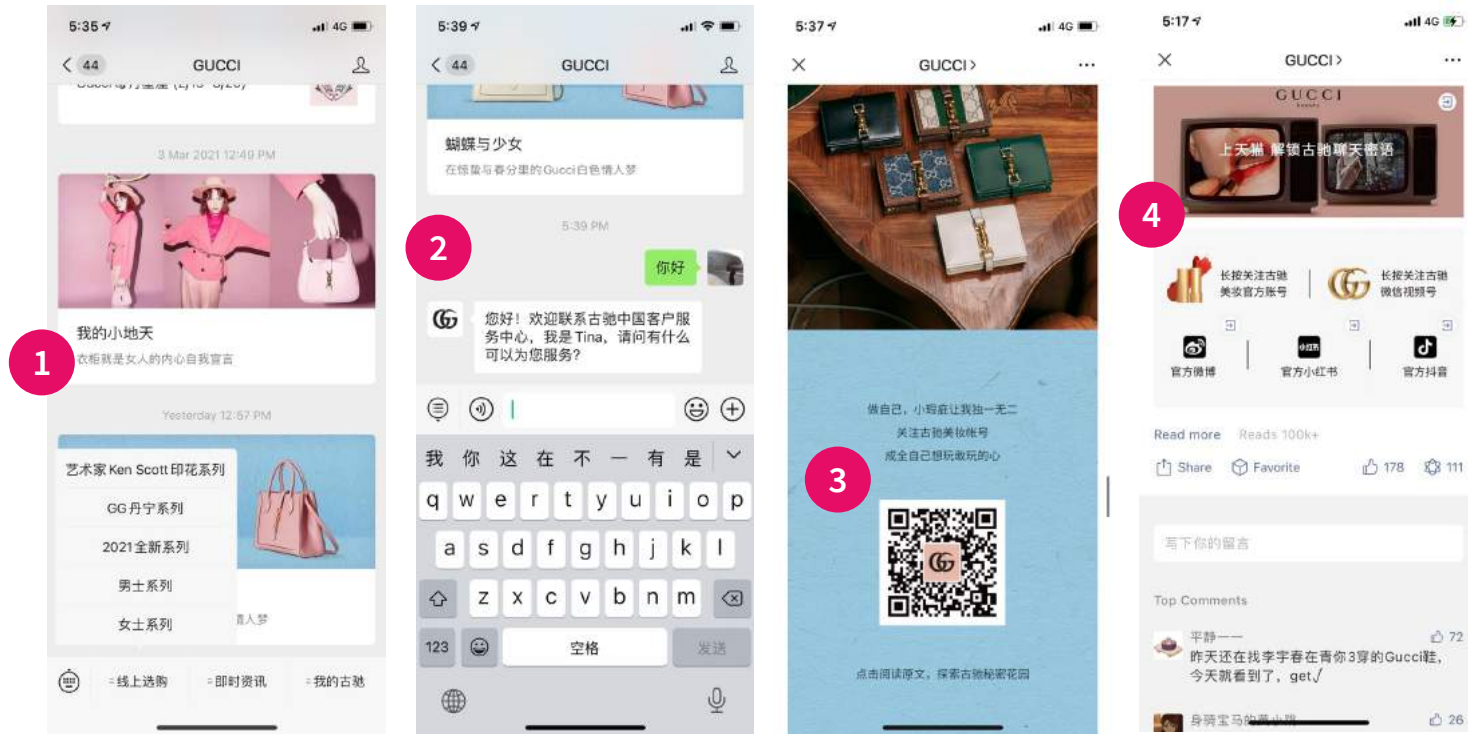DL G. JINGDIGITAL

CHAPTER 2
ENGAGEMENT.

ENGAGEMENT

This section examines both fan and post engagement statistics

2.1 LEVEL OF ENGAGEMENT

2.2 TYPES OF ENGAGEMENT

2.3 AUDIENCE SEGMENTATION

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ENGAGEMENT
# **METHODOLOGY.**

ENGAGEMENT ACTIONS

For the purposes of this study, only actions made within the Official Account environment have been tracked. Tracking such interactions is only possible with a social CRM back-end in place.

Actions tracked include:
1. Menu Clicks
2. Messaging
3. QR Codes
4. Post Interactions
   • Link Clicks*
   • Comments
   • Likes
   • Shares
   • WOW

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ENGAGEMENT
EXTENDED WECHAT TRACKING.
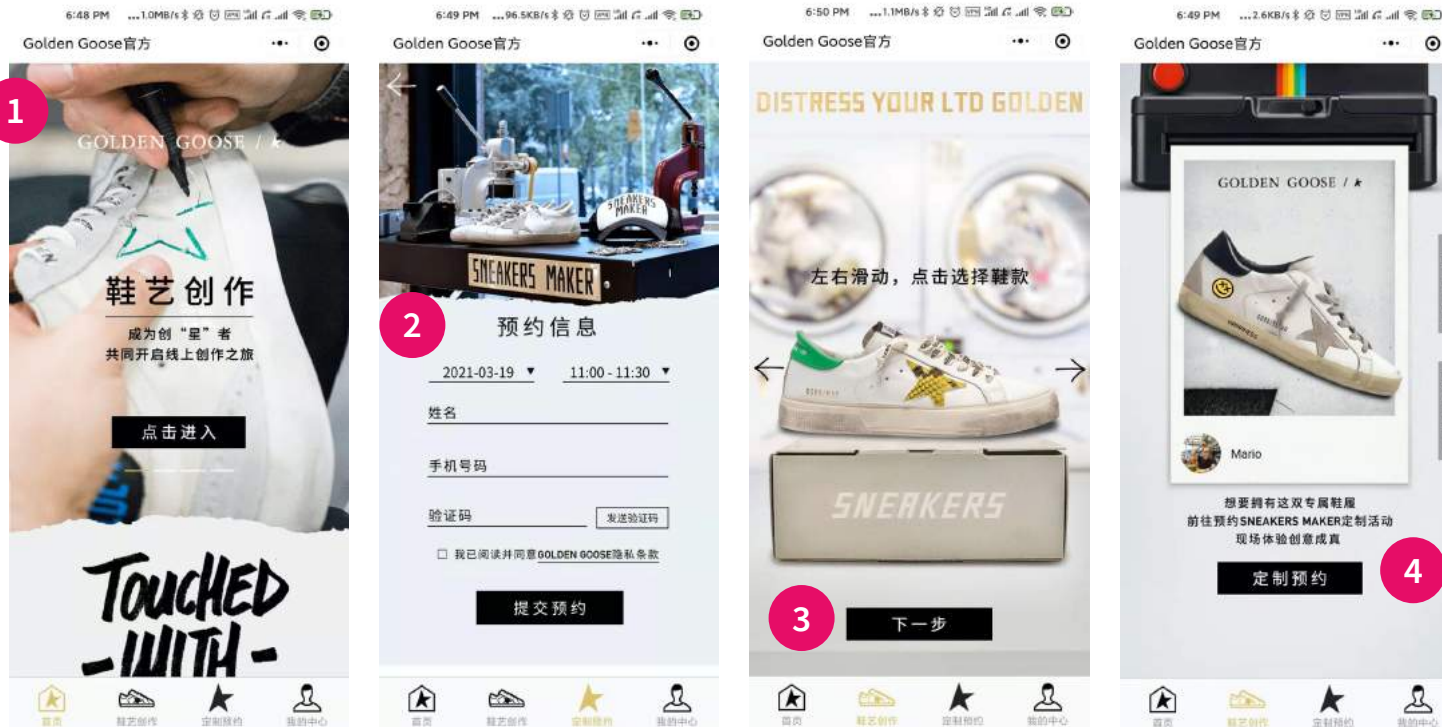
OTHER ENGAGEMENT INDICATORS

On top tracking actions within the Official Account, brands also have the option of tracking behaviours on **Mini Programs and other web assets** using the WeChat JSSDK. These actions are not included in this study.

Examples of other trackable actions include:

1. Mini Program activity
2. Follower data collected via forms
3. Product preferences based on interactions
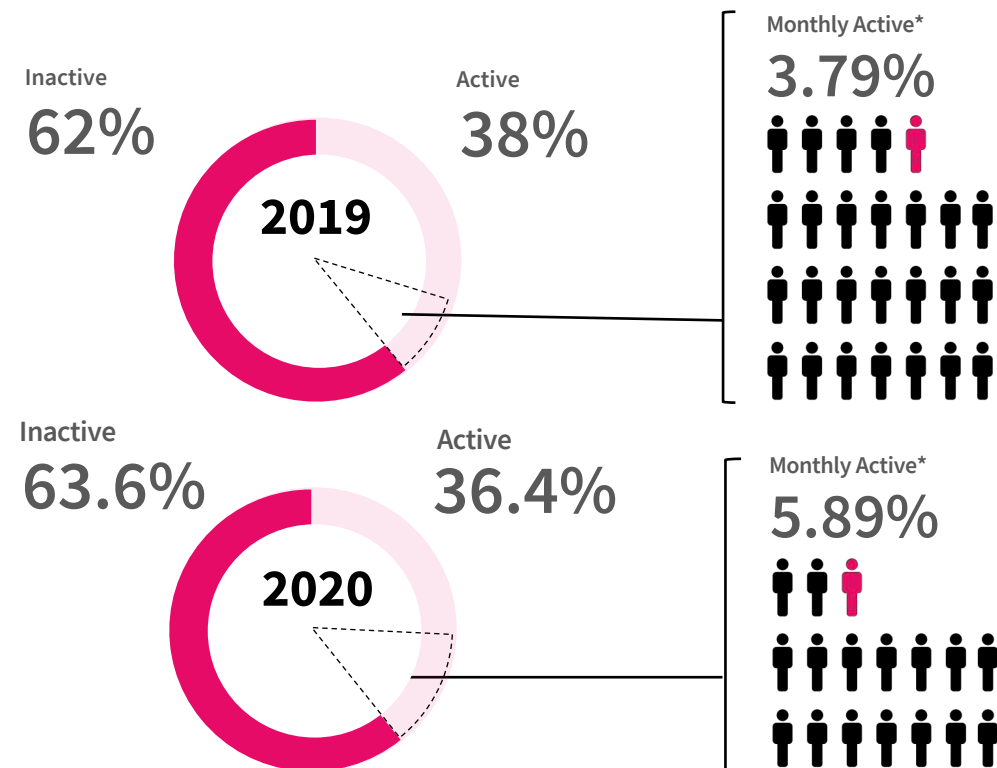4. Conversions on Mini Programs

LEVEL OF ENGAGEMENT
FOLLOWER RATES.

At **63.6 per cent, more than half of a brand's WeChat community is inactive**. This marks a small increase compared to 2019. Active follower numbers have also dipped slightly year-on-year, with figures at about 36.4 per cent in 2020.

However, the percentage of brands' average monthly active followers has increased from 2019's 3.79 per cent to 5.89 per cent – indicating that **about one in 17 of a brand's followers are active on a monthly basis.**

This could be a result of the increased focus brands placed on developing both service and e-commerce offerings on WeChat in 2020. Users **typically visit brands' WeChat accounts to fulfil specific needs** (such as finding out certain information, or accessing a service), **instead of merely browsing content.**

Inactive
62%

Active
38%

2019

Monthly Active*
3.79%

Inactive
63.6%

Active
36.4%

2020

Monthly Active*
5.89%

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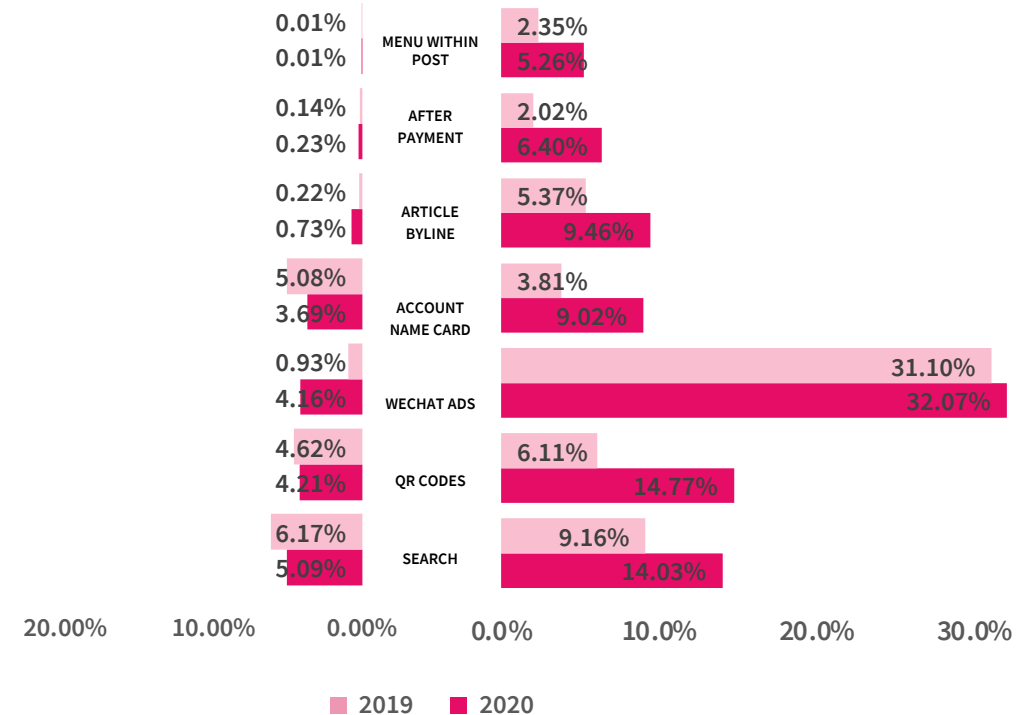
LEVEL OF ENGAGEMENT
FOLLOWER SOURCE.

Compared to 2019, **the level of engagement of followers recruited across most channels declined in 2020**. As an increasing number of brands flock to WeChat, followers are overwhelmed with information, and keeping them engaged is now an even bigger challenge.

Followers recruited through **Search and QR Codes display the highest engagement rates in 2020**. Unlike Search, recruitment through QR Codes is something that brands can directly impact. By developing a robust QR Code recruitment strategy and tagging followers according to their interests, brands would be able to effectively reactivate and engage with them later on.

While followers recruited through WeChat Ads appear to have high engagement rates (4.16 per cent), they also have the highest unfollow rates. This is likely because campaigns are often designed to highly engage followers at the start of their consumer journey – but often do not follow up after that initial interaction.

% OF FOLLOWER ACTIVITY   **% OF UNFOLLOWS**

	% OF FOLLOWER ACTIVITY		% OF UNFOLLOWS	
MENU WITHIN POST	0.01%		2.35%	
	0.01%		5.26%	
AFTER PAYMENT	0.14%		2.02%	
	0.23%		6.40%	
ARTICLE BYLINE	0.22%		5.37%	
	0.73%		9.46%	
ACCOUNT NAME CARD	5.08%		3.81%	
	3.69%		9.02%	
WECHAT ADS	0.93%			31.10%
	4.16%			32.07%
QR CODES	4.62%		6.11%	
	4.21%		14.77%	
SEARCH	6.17%		9.16%	
	5.09%		14.03%	

20.00%   10.00%   0.00%   0.0%   10.0%   20.0%   30.0%

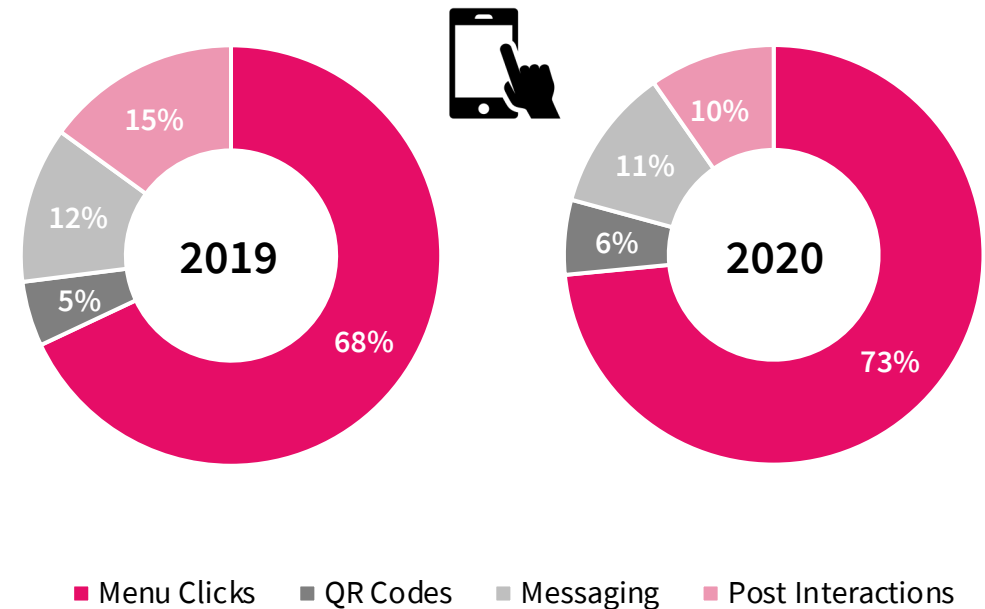■ 2019   ■ 2020

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TYPES OF ENGAGEMENT
ACTION TYPES.

Of all the engagement activities carried out by followers, Menu Clicks ranks the highest at **73 per cent**. A significant rise in this percentage has been observed year-on-year, suggesting that it the most popular type of engagement action by far. Users tend to engage with brands on WeChat when they are are looking for specific types of information or services, which are generally accessed through the menu tabs. As such, brands should **develop comprehensive menu options** to ensure consumers keep browsing and discovering their WeChat content and service offerings.

Post interactions and messaging are on par in terms of engagement actions in 2020, indicating that it is as important for brands to produce good content as it is for them to properly manage their WeChat customer service messaging channel. While some luxury brands have installed dedicated customer service officers on WeChat, others have introduced chatbots to address common inquiries.

ENGAGEMENT ACTIONS

2019
- 68%
- 15%
- 12%
- 5%

2020
- 73%
- 10%
- 11%
- 6%

■ Menu Clicks   ■ QR Codes   ■ Messaging   ■ Post Interactions
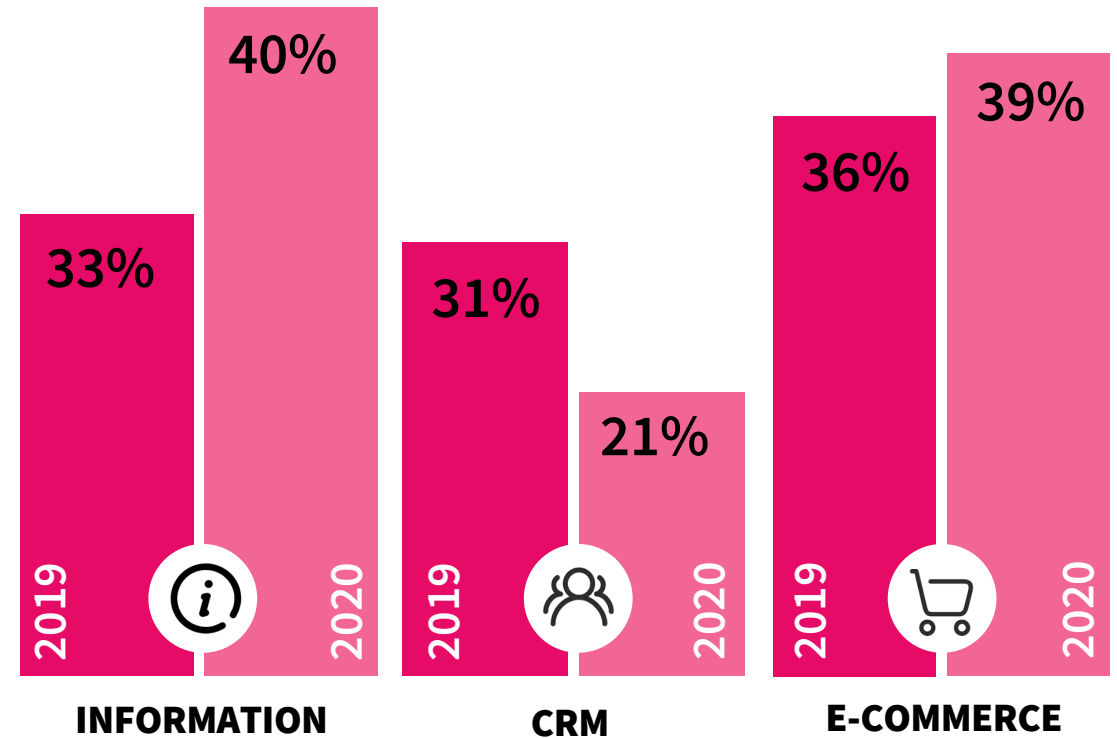
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TYPES OF ENGAGEMENT
MENU CLICKS.

Based on the menu button items followers interacted with on brand Official Accounts, **accessing information related to the brand** formed the top engagement action type. This surged to **40 per cent** of all menu clicks in 2020, compared to the 33 per cent in 2019. This shows that consumers are increasingly making use of WeChat Official Accounts as a brand information source.

E-commerce-related menu clicks **have risen to 39 per cent**, up from 36 per cent in 2019, likely as a result of brands stepping up their e-commerce activities because of the pandemic. However, engagement actions related to **CRM on Official Accounts fell to 21 per cent in 2020**, down from 31 per cent in 2019.

As the situation in 2020 made it necessary for brands to focus their investments in content and e-commerce, CRM-related elements naturally took a backseat. However, developing strong CRM and membership programmes remains a huge opportunity for brands.
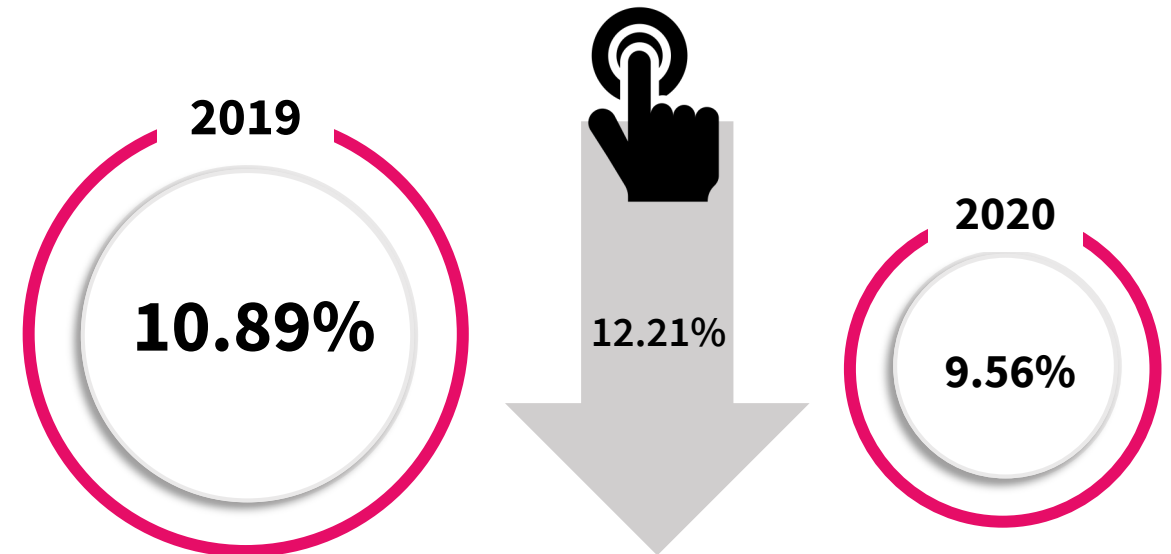
INFORMATION
- 2019: 33%
- 2020: 40%

CRM
- 2019: 31%
- 2020: 21%

E-COMMERCE
- 2019: 36%
- 2020: 39%

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TYPES OF ENGAGEMENT
POST ENGAGEMENT.

The average in-article engagement rate of users per WeChat push stands at 9.56 per cent in 2020, indicating a **drop of over 12.21 per cent** from last year's average engagement rate of 10.89 per cent.

As an increasing number of brands are now present on WeChat, consumers are constantly bombarded with content pushes, making it **harder for brands to capture their attention and engage with the content published**. This means that not only do brands have to make sure the content is of high quality, they need to ensure that content that arrives in a consumer's WeChat inbox is in line with his or her preferences and interests.

However, it should be noted that while in-article engagement actions appears to have slipped, overall consumer engagement within the Official Account environment has grown, indicating that consumers are **visiting brand accounts for more than just content.**

ENGAGEMENT RATE

2019

10.89%

12.21%

2020

9.56%

21 Note: Only brands that regularly made use of links in articles, and tracked these links, were included in the 2020 sample
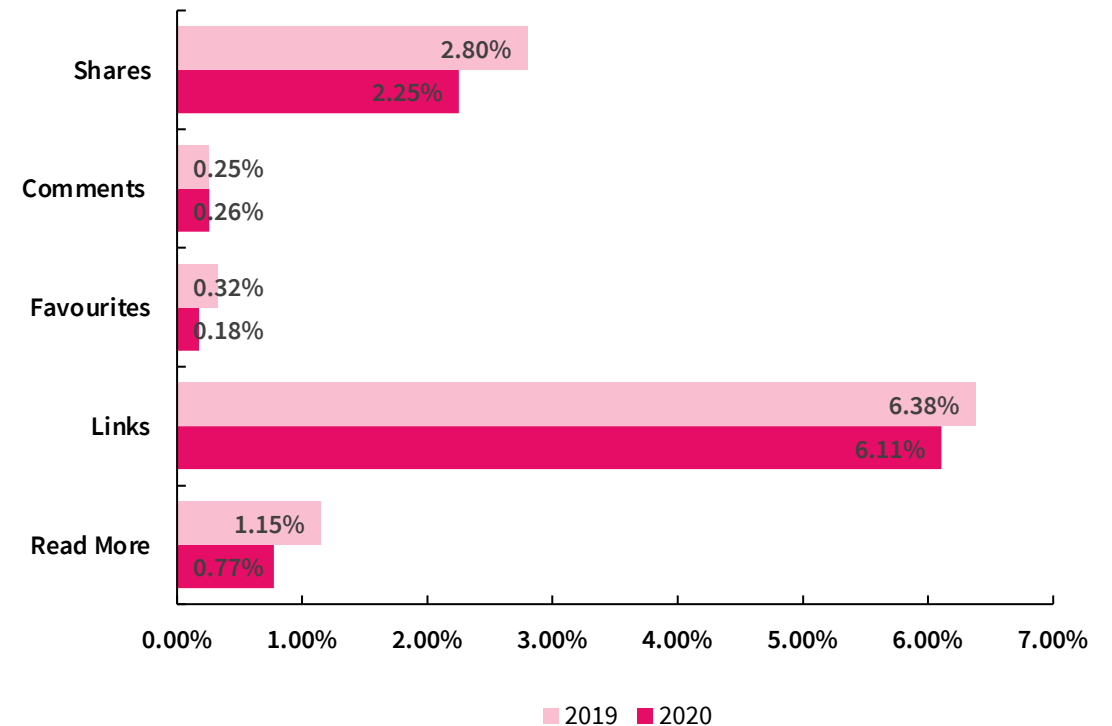
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TYPES OF ENGAGEMENT
POST ACTION TYPES.

The most popular engagement type within articles in 2020 is that of link clicks, with an **engagement rate of 6.11 per cent**. While this figure might have undergone a small decline year-on-year, it is still the most significant of all the possible post interactions. As such, brands should focus on developing **a clear linking strategy, and ensuring that clear calls-to-actions** are inserted at optimal spots within articles. By making use of a **social CRM back-end and setting up proper link tracking,** brands can also better identify the links that work and appeal to their audience.

Interactions including comments, favourites and shares all demonstrate fairly low engagement rates, indicating that the word-of-mouth potential of WeChat remains low, and that brands should not be overly fixated on these indicators.

POST ENGAGEMENT ACTIONS

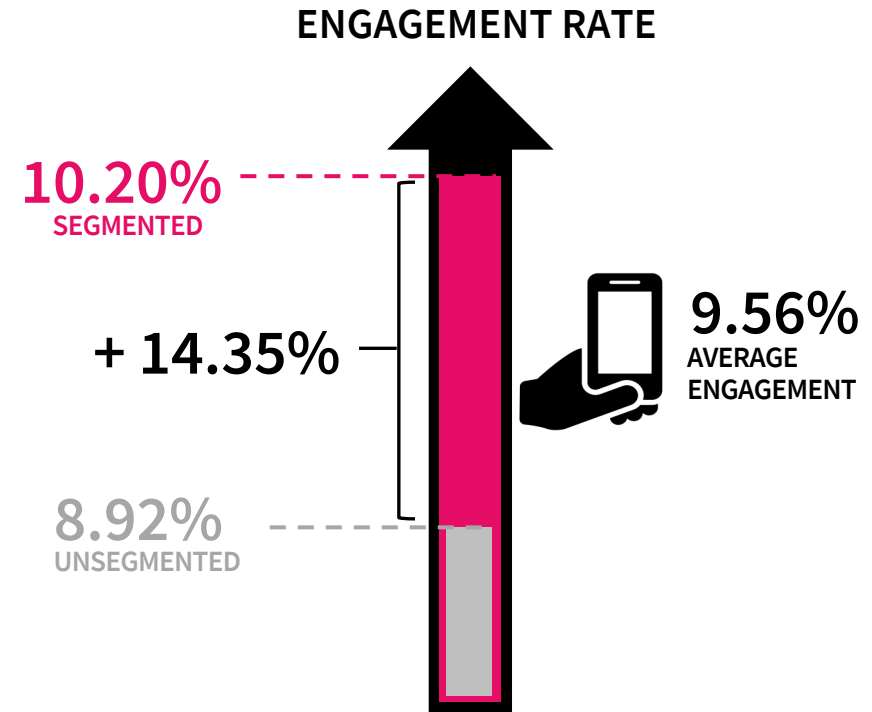| Category	2019	2020
Shares	2.80%	2.25%
Comments	0.25%	0.26%
Favourites	0.32%	0.18%
Links	6.38%	6.11%
Read More	1.15%	0.77%

■ 2019 ■ 2020

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AUDIENCE SEGMENTATION
AN OVERVIEW.

The engagement rate for articles sent to **segmented audience groups is at 10.20 per cent**, which is **higher** than the average in-article engagement rate of 9.56 per cent.

Articles that were sent to all followers and **not segmented audiences performed below average,** with a 8.92 per cent in-article engagement rate. Based on this, it is observed that by making use of audience segmentation, brands can potentially increase the in-article engagement of their followers by up to 14.35 per cent.

As the WeChat ecosystem grows increasingly saturated with brands and information, being able to **customise and optimise the content that arrives in a user's chat feed** will help the article push to stand out more, increasing the chances of audiences interacting with it.

ENGAGEMENT RATE

10.20%
SEGMENTED

+ 14.35%

9.56%
AVERAGE ENGAGEMENT

8.92%
UNSEGMENTED

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AUDIENCE SEGMENTATION
BEST PRACTICE.

1

STAGE	NOT CUSTOMER		CUSTOMER	
	LEAD	**PROSPECT**	**NEW**	**RECURRING**
DEFINITION	Follower	+ Purchase Intention	+ Purchase	+ Recurring Purchase
GOAL	Drive Engagement	Drive First Purchase	Drive Recurring Purchase	Reward

In order to efficiently segment followers and maximise the value derived from the data collected, brands need to (1) clearly **define the stages and goals** along the consumer journey and (2) identify what **information is required from consumers to communicate effectively**. After clearly outlining all of this, brands will be able to draw up clear parameters and consumer behaviours to track.

2 FOLLOWER INFORMATION

IDENTITY
Who are our followers?

TASTE
What do they like?

PURCHASE INTEREST
Are they looking to buy?

PURCHASE TRIGGER
Why did they buy?

BENEFITS
Why do they keep buying from me?

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AUDIENCE SEGMENTATION
BEST PRACTICE.

	NOT CUSTOMER		CUSTOMER	
	LEAD	**PROSPECT**	**NEW**	**RECURRING**
Why do we communicate?	Drive Engagement	Drive First Purchase	Drive Recurring Purchase	Reward
Who are they?	**IDENTITY** Gender / Location / Source			
What do we communicate about?	**TASTE** Asset Interests / Content / Products / Campaigns			
When do we communicate with them?		**PURCHASE INTEREST** Occasion / Budget / Channel Interest / Loyalty Programme		
How do we communicate with them?			**PURCHASE TRIGGER** Personal Occasions / Novelty / Promotion / Gift	
				BENEFITS Tangible / Emotional

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AUDIENCE SEGMENTATION
BEST PRACTICE.

	NOT CUSTOMER		CUSTOMER	
	LEAD	**PROSPECT**	**NEW**	**RECURRING**
Segment Value	Leads × Lead Conversion Rate (%) × Prospect Conversion Rate (%) × First Purchase ATV	Prospects × Prospect Conversion Rate (%) × First Purchase ATV	New Customers × New Customer Conversion Rate (%) × ATV	Recurring Customers × Recurring Customer Conversion Rate (%) × ATV
EXAMPLE				
Followers in Stage	75,000	20,000	10,000	3,000
Conversion Rate	15%	1%	2%	3%
First Purchase ATV	5,000	5,000	-	-
ATV	-	-	4500	4,500
Formula	(75,000) × (15%) × (1%) × (5,000)	(20,000) × (1%) × (5,000)	(10,000) × (2%) × (4,500)	(3,000) × (3%) × (4,500)
Segment Value	**562,500**	**1,000,000**	**900,000**	**405,000**

By tracking user behaviours, brands can also calculate the **value of a stage** along the consumer journey, or a particular consumer segment.

Through this, brands will be able to **assign values** to and have a clear and more concrete idea of their **sales pipeline** and the **segments they can focus on to make a bigger impact.**

AUDIENCE SEGMENTATION
BEST PRACTICE.

FOLLOWERS IN SEGMENT

69%
19%
9%
3%

VALUE BY SEGMENT

20%
35%
31%
14%
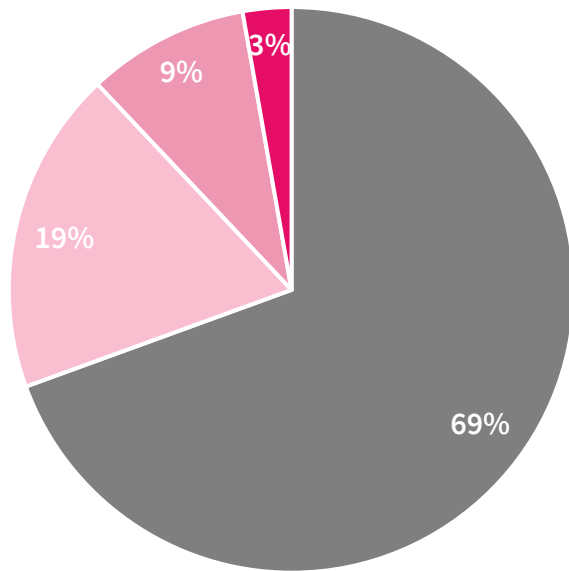
Leads   Prospects   New Customers   Recurring Customers
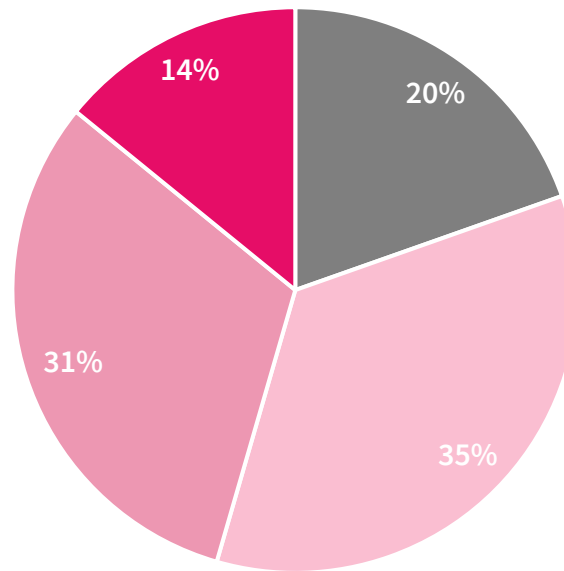
While Leads are the most relevant segment in terms of numbers, the segment with the **highest potential monetary value is actually the Prospect segment**. This indicates that brands should not be purely focused on quantitative growth, but also consider the qualitative growth of key segments. While Clients and Prospects might present a smaller opportunity in terms of absolute numbers, they are **likely to have far higher conversion potential** than Leads.

That said, this also highlights the need for brands to have appropriate assets and content that targets the different segments, with the purpose of **driving conversions along different stages of the consumer journey**.

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AUDIENCE SEGMENTATION
CASE STUDY.

Segmentation Dimensions

To improve open rates and engagement rates, a beauty brand segmented its WeChat followers based on three key dimensions. The brand then customised the content sent to each of the segments, placing articles that corresponded with each group's product preferences at the top.

1 MENU CLICKS

Based on the their clicks on the different tabs on the Official Account's menu, followers were sorted into different groups (e.g. skincare, make-up and perfume)

2 FOLLOWER SOURCE

Based on where the followers were recruited from. Special focus was placed on those recruited though offline stores

3 CAMPAIGN ENGAGEMENT

Based on how they engaged with the campaign. Followers that registered for its product trial were segmented into groups based on the product type selected as well

↓ **33%**
UNFOLLOW RATE

↑ **82%**
AVG. PRODUCT CLICK RATE

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CHAPTER 3
CONTENT.

CONTENT

This section covers the frequency of posts, opening rates and content performance

3.1 FREQUENCY AND TIMING

3.2 OPEN RATES

3.3 CONTENT PERFORMANCE

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FREQUENCY AND TIMING
NUMBER OF PUSHES.

56.8 per cent of luxury WeChat Official Accounts studied made four pushes a month in 2020, indicating a decrease from the 67.5 per cent of brands that did so in 2019.

However, the **proportion of brands pushing content three, two and one time(s) a month has also gone up to about 16.2 per cent, 10.8 per cent and 16.2 per cent respectively** compared to 2019. In general, brands seem to be **publishing content less frequently than they used to.**

This could be an indicator of brands to **choosing quality over quantity** and opting to optimise their resource allocation when it comes to content production.

NO. OF PUSHES PER MONTH

2019

8.6%
9.0%
15.0%
67.5%

2020

16.2%
10.8%
16.2%
56.8%

■ 1x   ■ 2x   ■ 3x   ■ 4x

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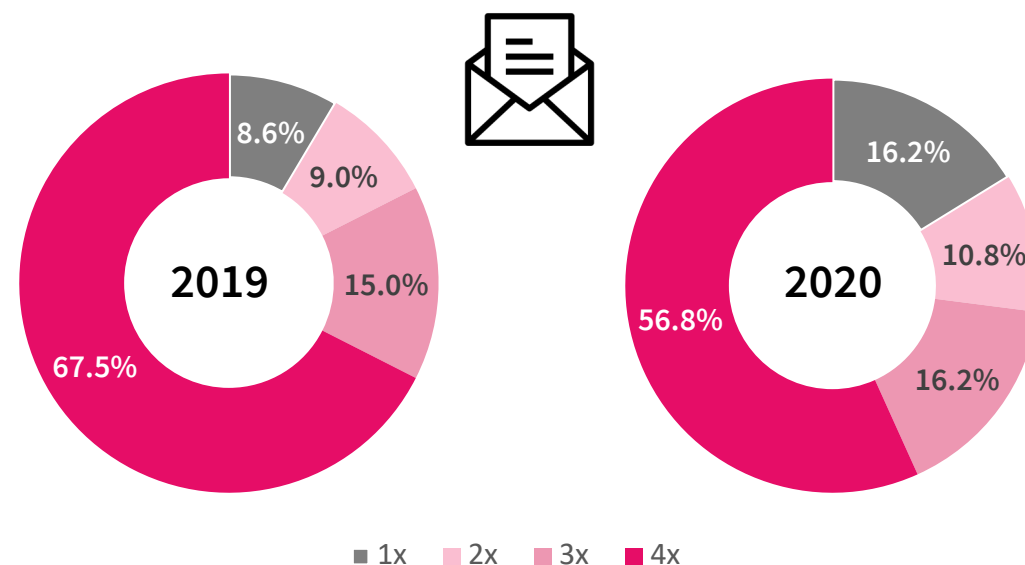
FREQUENCY AND TIMING
NUMBER OF ARTICLES.

More than half the brands studied (63.1 per cent) are pushing between **one to two articles per push** in 2020. This shows that while brands might be slightly reducing their push frequency, they continue to focus resources on producing one or two pieces of quality content for each push.

Very few brands are publishing between 2 to 3 articles per push, and even fewer yet choose to release more than 3 articles in each content push.

As the competition for eyeballs and engagement on WeChat intensifies, brands appear to be **focusing their efforts on creating higher quality, and fewer pieces of content** in general.

ARTICLES PER PUSH

Range	2019	2020
1 ~ 1.5	48.6%	44.7%
1.6 ~ 2	22.9%	18.4%
2.1 ~ 2.5	2.9%	7.9%
2.6 ~ 3	11.4%	13.2%
3.1 ~ 3.5	2.9%	10.5%
3.6 ~ 4	2.9%	2.6%
4.1 ~ 4.5	2.9%	2.6%
4.6 ~ 5	5.7%	0.0%

■ 2019 ■ 2020

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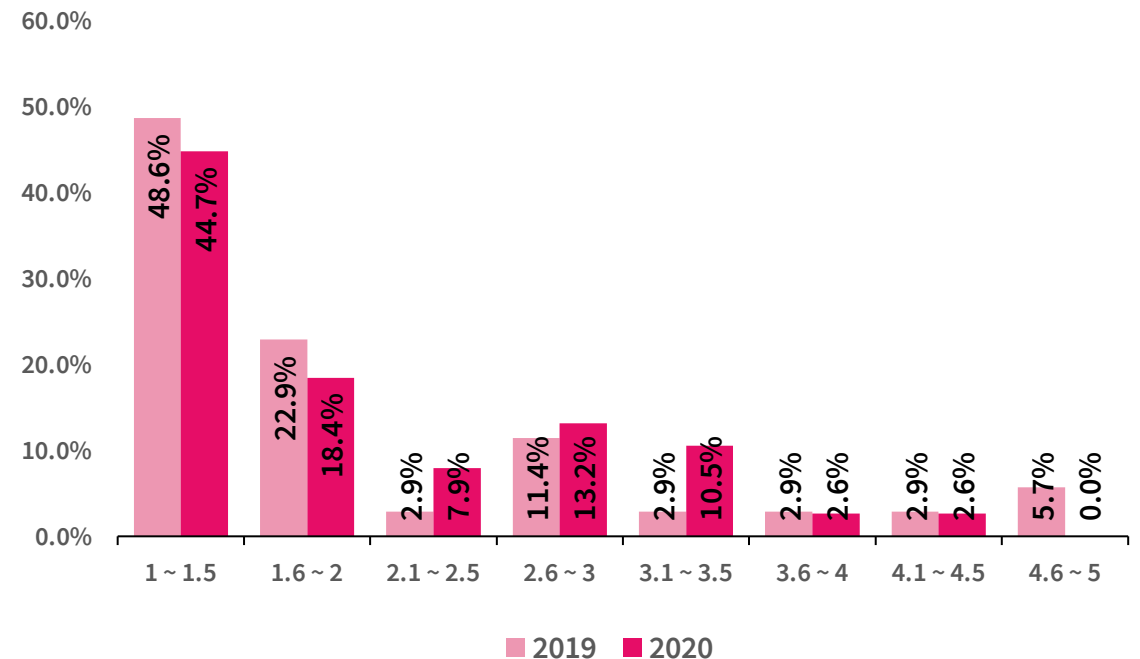
OPEN RATES
NUMBER OF ARTICLES.

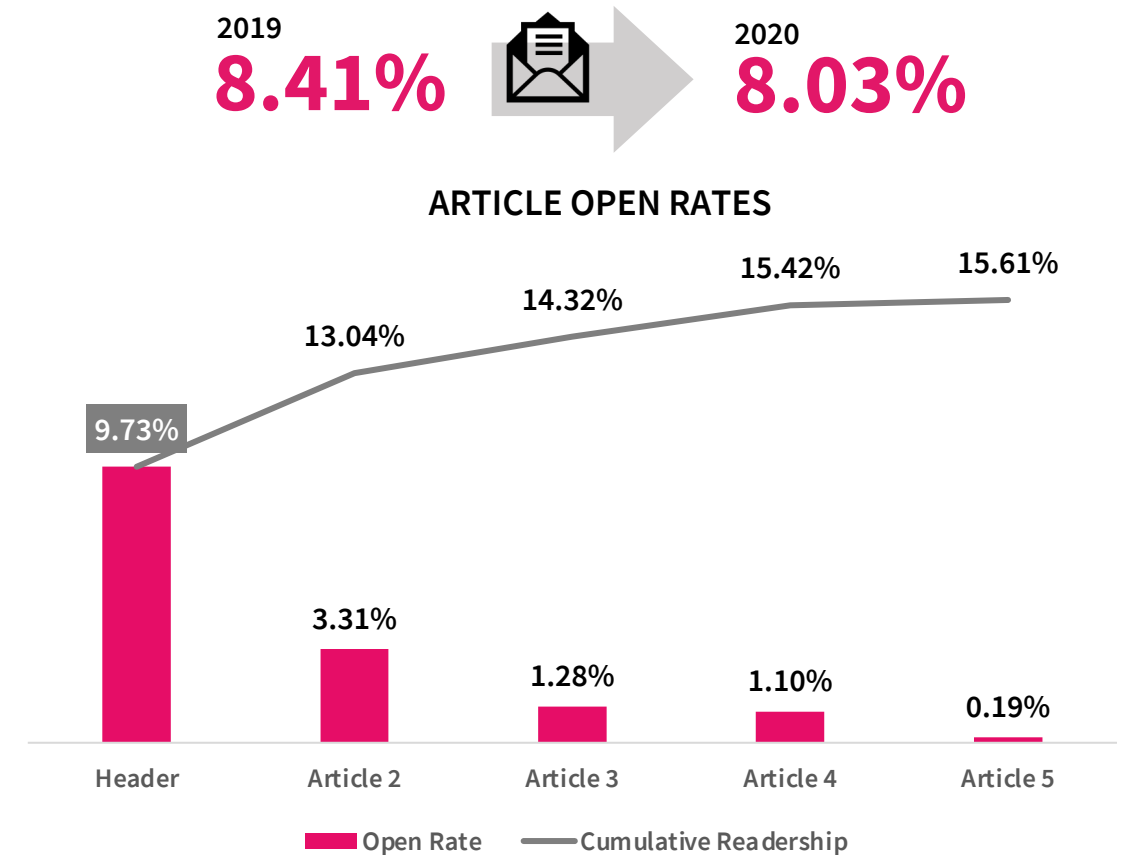The average open rate for all articles pushed by luxury brands on WeChat dropped from **8.41 per cent in 2019 to 8.03 per cent in 2020**. The average top article open rate is 9.73 per cent.

While many brands continue to publish only one article per push, it has been observed that the cumulative open rate of multiple article pushes are significantly higher than single article pushes. However, it should be noted that while the spike in cumulative open rate is significant for pushes with two articles (instead of one), the difference is far less substantial from the third article onwards.

Given the amount of work that goes into creating a single piece of WeChat content, brands can consider creating and work with **a pool of sub-articles** that can be easily reused to maximise open rates without significantly increasing costs.
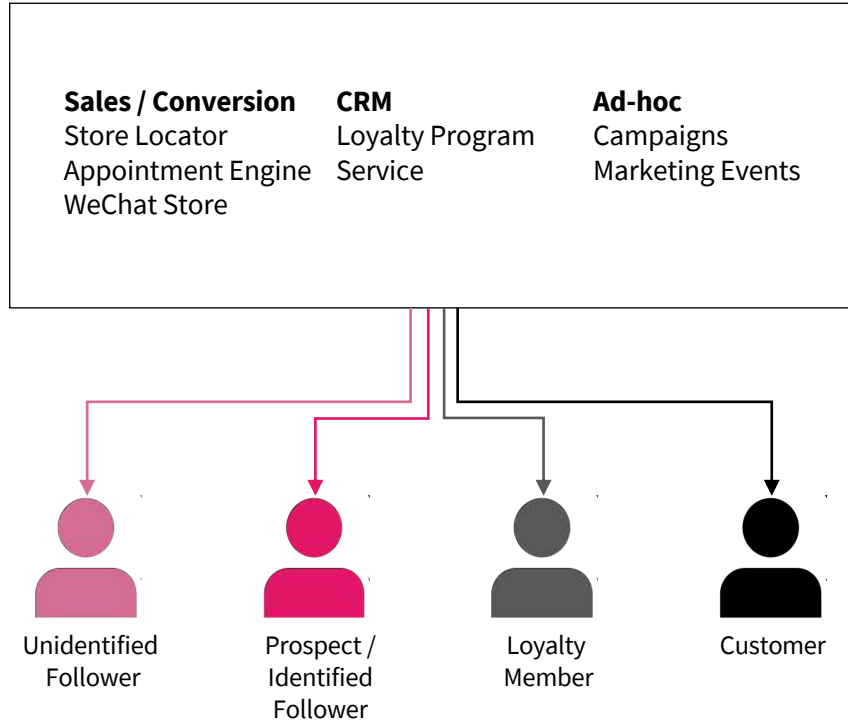
2019
8.41%

2020
8.03%

ARTICLE OPEN RATES

9.73%
13.04%
14.32%
15.42%
15.61%

3.31%
1.28%
1.10%
0.19%

Header | Article 2 | Article 3 | Article 4 | Article 5

Open Rate | Cumulative Readership

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OPEN RATES
SUB-ARTICLES.

**CUSTOMISABLE SUB-ARTICLE POOL
(BASED ON USER SEGMENTS)**

Sales / Conversion	**CRM**	**Ad-hoc**
Store Locator	Loyalty Program	Campaigns
Appointment Engine	Service	Marketing Events
WeChat Store		

Unidentified Follower

Prospect / Identified Follower

Loyalty Member

Customer

Creating a sub-article pool allows brands to make the most of WeChat's multiple article push function to communicate key topics with followers without significantly increasing the workload. Sub-articles can be customised based on specific user segments.

SUB-ARTICLE SEGMENTS

SALES/ CONVERSIONS
Designed to drive conversions and generate sales, such articles typically contain elements such as store locators or e-commerce links.
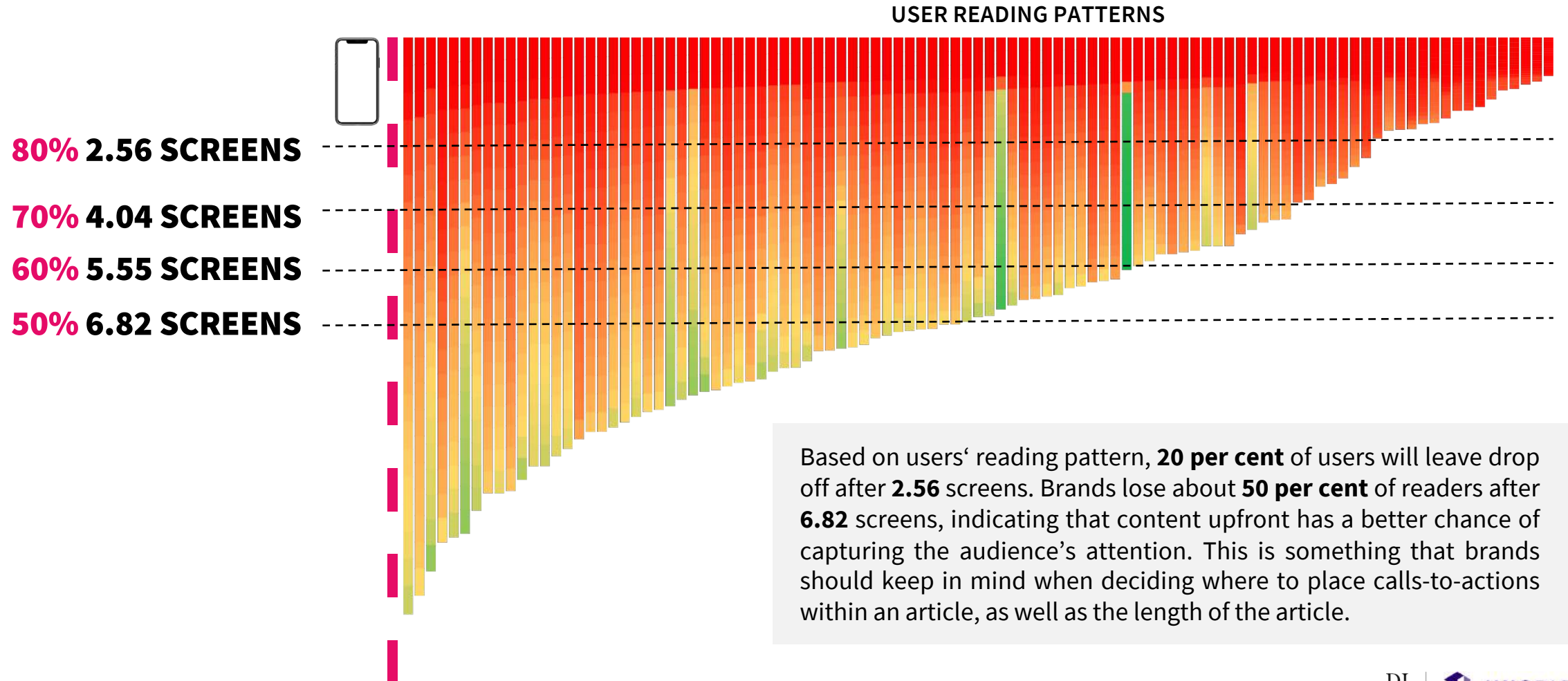
CRM
These articles are focused on reactivation and point customers towards services or a loyalty programme.

AD-HOC
Such articles are formulated as and when the brand has a new launch or event to communicate.

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CONTENT PERFORMANCE
ARTICLE HEATMAP.

USER READING PATTERNS

80% 2.56 SCREENS

70% 4.04 SCREENS

60% 5.55 SCREENS

50% 6.82 SCREENS

Based on users' reading pattern, **20 per cent** of users will leave drop off after **2.56** screens. Brands lose about **50 per cent** of readers after **6.82** screens, indicating that content upfront has a better chance of capturing the audience's attention. This is something that brands should keep in mind when deciding where to place calls-to-actions within an article, as well as the length of the article.
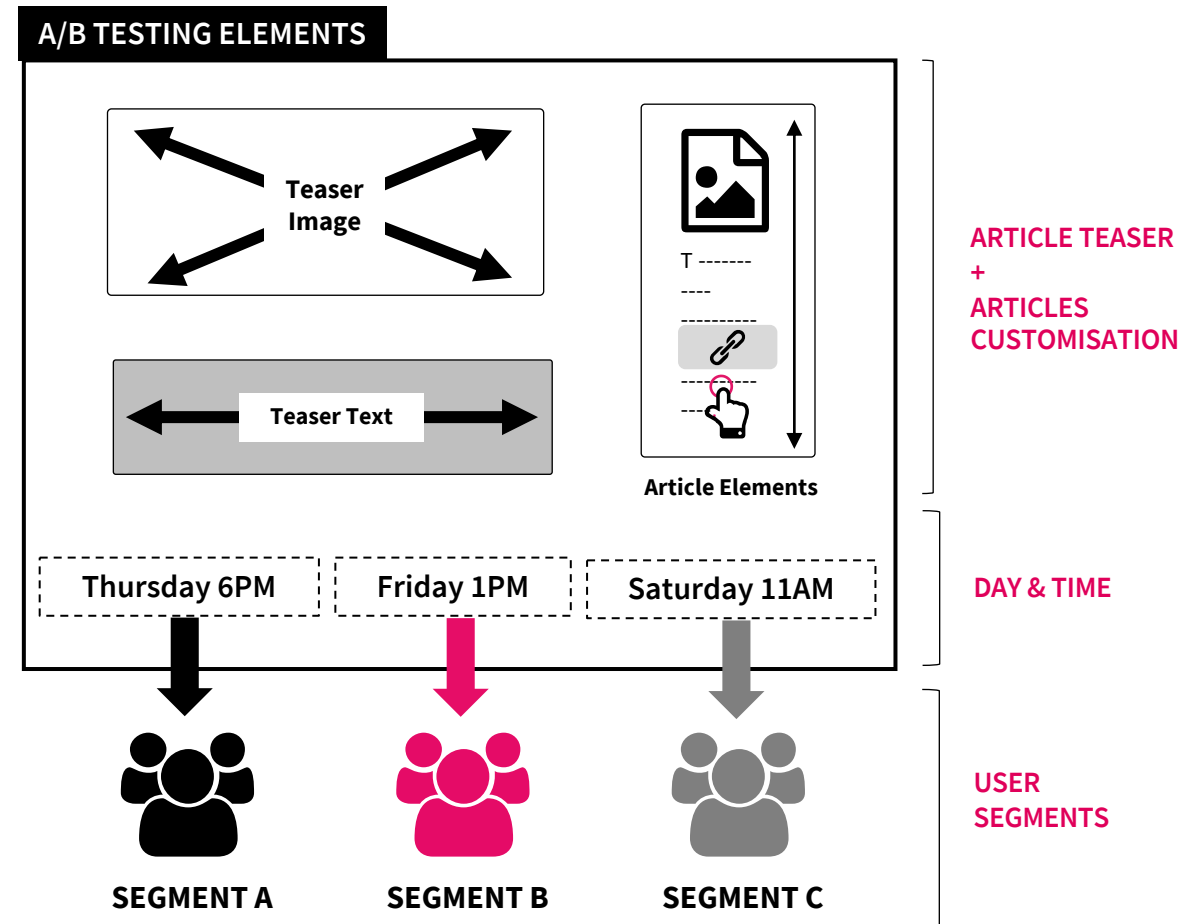
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CONTENT PERFORMANCE
A/B TESTING.

After breaking consumers down into different segments based on their preferences, brands can take things a step further and carry out A/B Testing on these different user groups to determine the best type of content positioning (i.e. the teaser image and teaser text used in the article cover), the best day and time to publish content, or even test out new article layouts.

By developing a robust A/B Testing framework, a brand can narrow down what works and what doesn't for its WeChat community and **adapt its WeChat content development and publishing practices accordingly**. This will help to **improve open rates and engagement rates** in the long run.

A/B TESTING ELEMENTS

Teaser
Image

Teaser Text

T -------

🔗

Article Elements

ARTICLE TEASER +

ARTICLES CUSTOMISATION

Thursday 6PM | Friday 1PM | Saturday 11AM

DAY & TIME

SEGMENT A | SEGMENT B | SEGMENT C

USER SEGMENTS

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CONTENT PERFORMANCE
# CASE STUDY.

A/B Testing Framework

In a bid to improve its content performance on WeChat, a jewellery brand singled out a number of elements it wanted to experiment with created an A/B Testing framework to test out different permutations of it within its WeChat community.

1 OPEN RATE

The elements tested here have a direct impact on open rates, including the article's Teaser Image and Teaser Text.

2 ENGAGEMENT RATE

The elements tested affect the engagement rate within articles, and included the position of Buttons or Calls-to-Actions within the piece of content.

Teaser Image

Teaser Text

T -----------
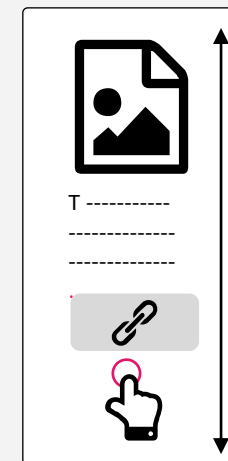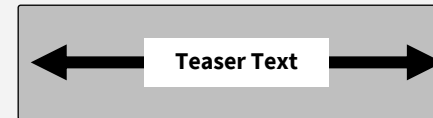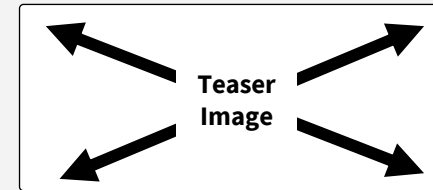
Normal Post
Celebrity and product Images performed 15% better than images with a logo or model

Promotional Post
Articles with Promotion information performed 27% better than the ones featuring product, models or celebrities

Short Titles
Titles with 6 or less characters performed over 23% better than longer titles

Button Placement
Articles with buttons placed on the product links to Mini Programs performed 361% better than articles without links

Standalone Buttons
Buttons that had no animated design elements around them performed 38% better

The Higher the Better
Articles in which calls-to-action were placed within the first three screens performed 49% better than articles that placed them on the within the fifth to eighth screen

CHAPTER 4
KEY OPPORTUNITIES 2021.
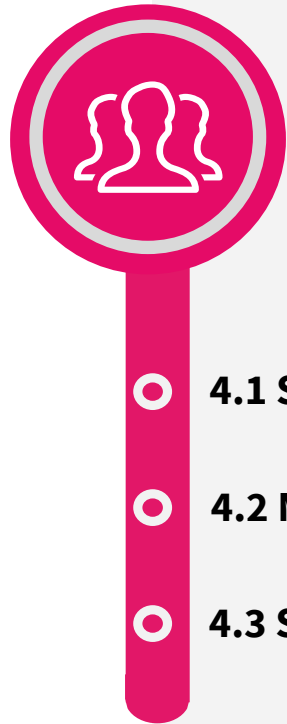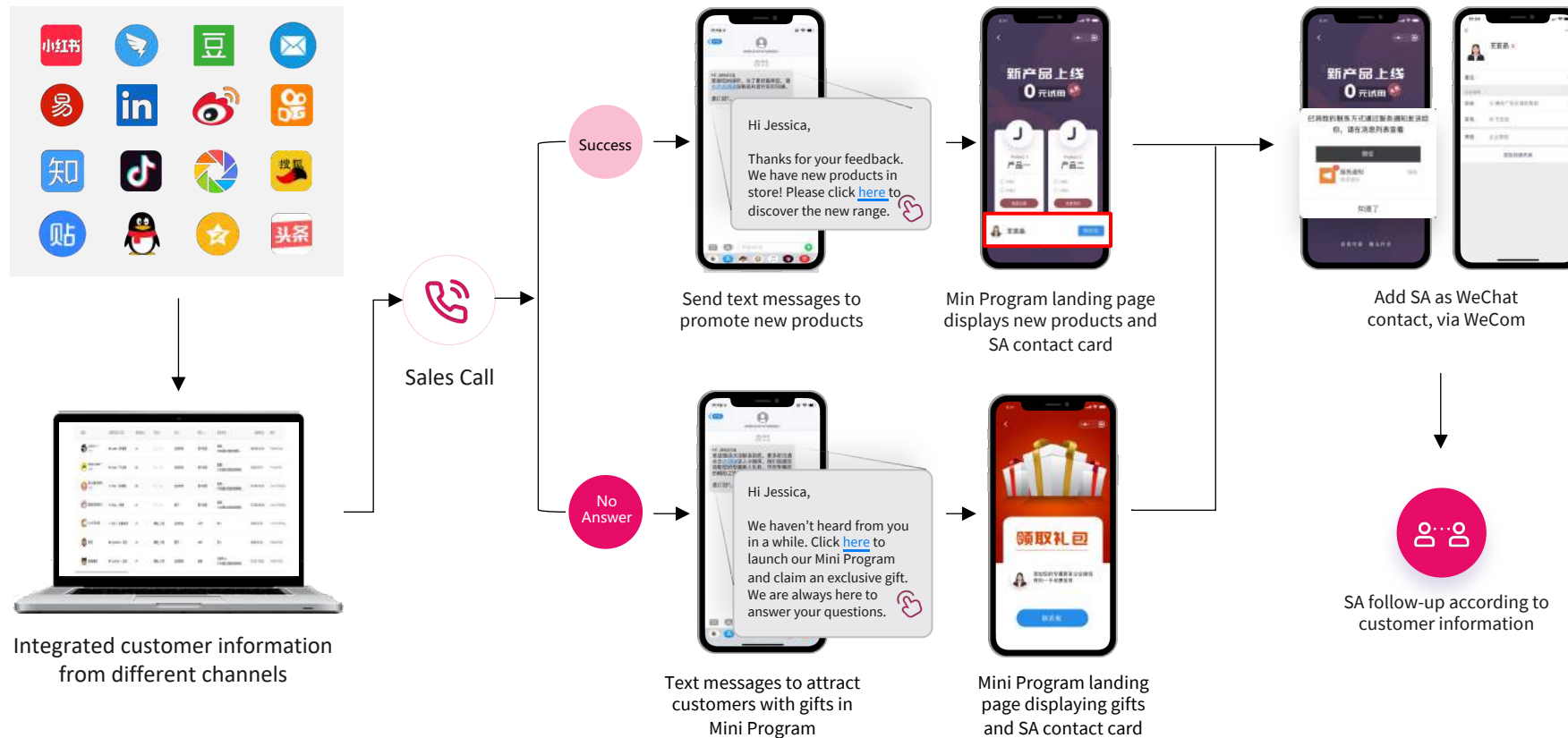
KEY OPPORTUNITIES 2021

This section delves into new functions in the WeChat ecosystem that brands can leverage

4.1 SMS TO MINI PROGRAM

4.2 MARKETING AUTOMATION

4.3 SOCIAL COMMERCE

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KEY OPPORTUNITIES
SMS TO MINI PROGRAM.

1. Enriching Binding Process & Speeding Up Conversions

Integrated customer information
from different channels

Sales Call

Success

Hi Jessica,

Thanks for your feedback.
We have new products in
store! Please click here to
discover the new range.

Send text messages to
promote new products

Min Program landing page
displays new products and
SA contact card

Add SA as WeChat
contact, via WeCom

No Answer

Hi Jessica,

We haven't heard from you
in a while. Click here to
launch our Mini Program
and claim an exclusive gift.
We are always here to
answer your questions.

Text messages to attract
customers with gifts in
Mini Program

Mini Program landing
page displaying gifts
and SA contact card

SA follow-up according to
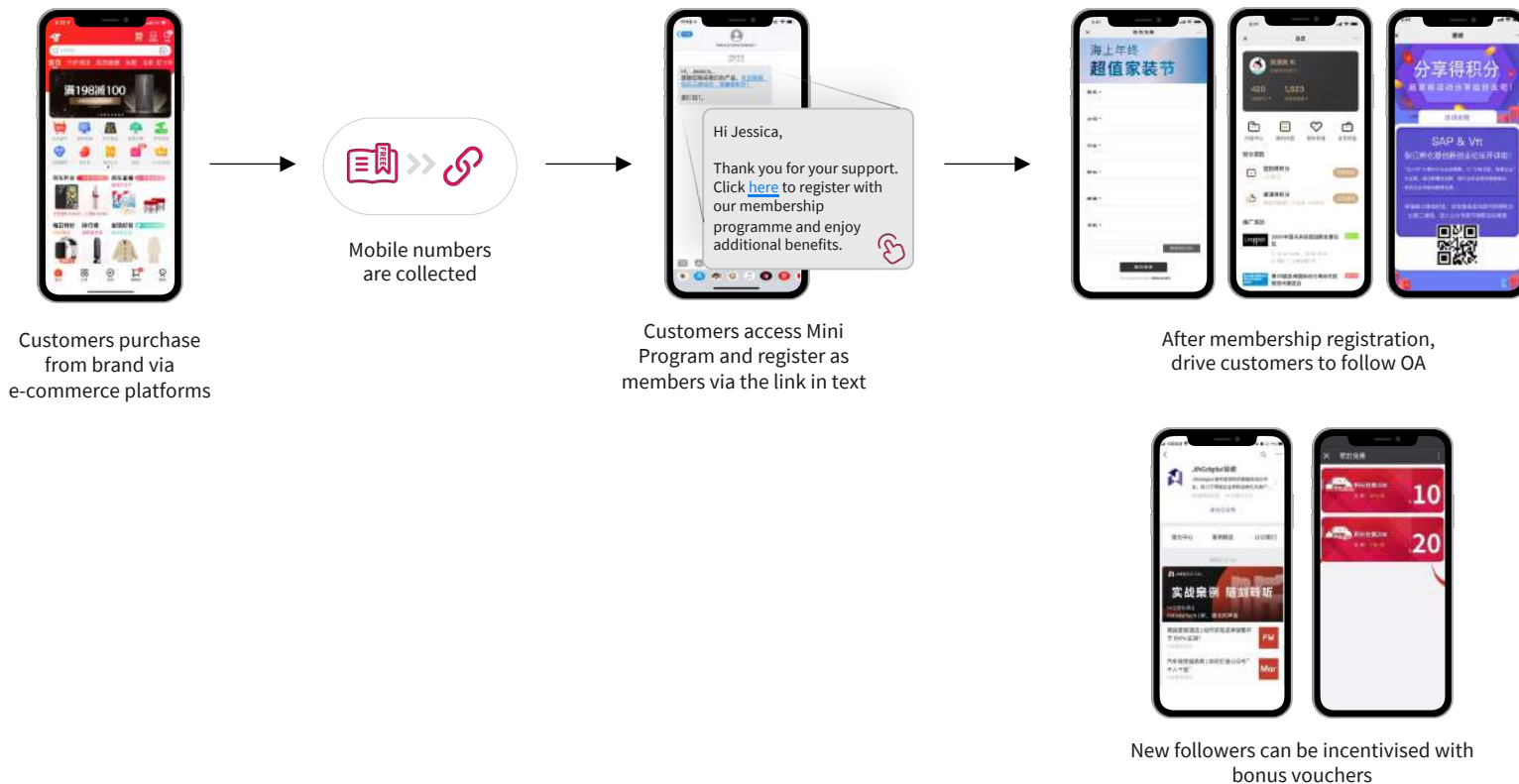customer information

At present, SMSes are **almost only used for advertising purposes** and brands often leverage this channel as a way to **drive consumers to their Tmall stores**.

By opening up the possibility of driving consumers from SMSes to Mini Programs, brands are now able to use this channel for **more than just driving e-commerce sales**, but also to onboard consumers to membership programmes, and even connecting them with sales associates (SA).

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KEY OPPORTUNITIES
SMS TO MINI PROGRAM.

2. Empowering Membership Programmes

Customers purchase from brand via e-commerce platforms

Mobile numbers are collected

Hi Jessica,

Thank you for your support. Click here to register with our membership programme and enjoy additional benefits.

Customers access Mini Program and register as members via the link in text

After membership registration, drive customers to follow OA

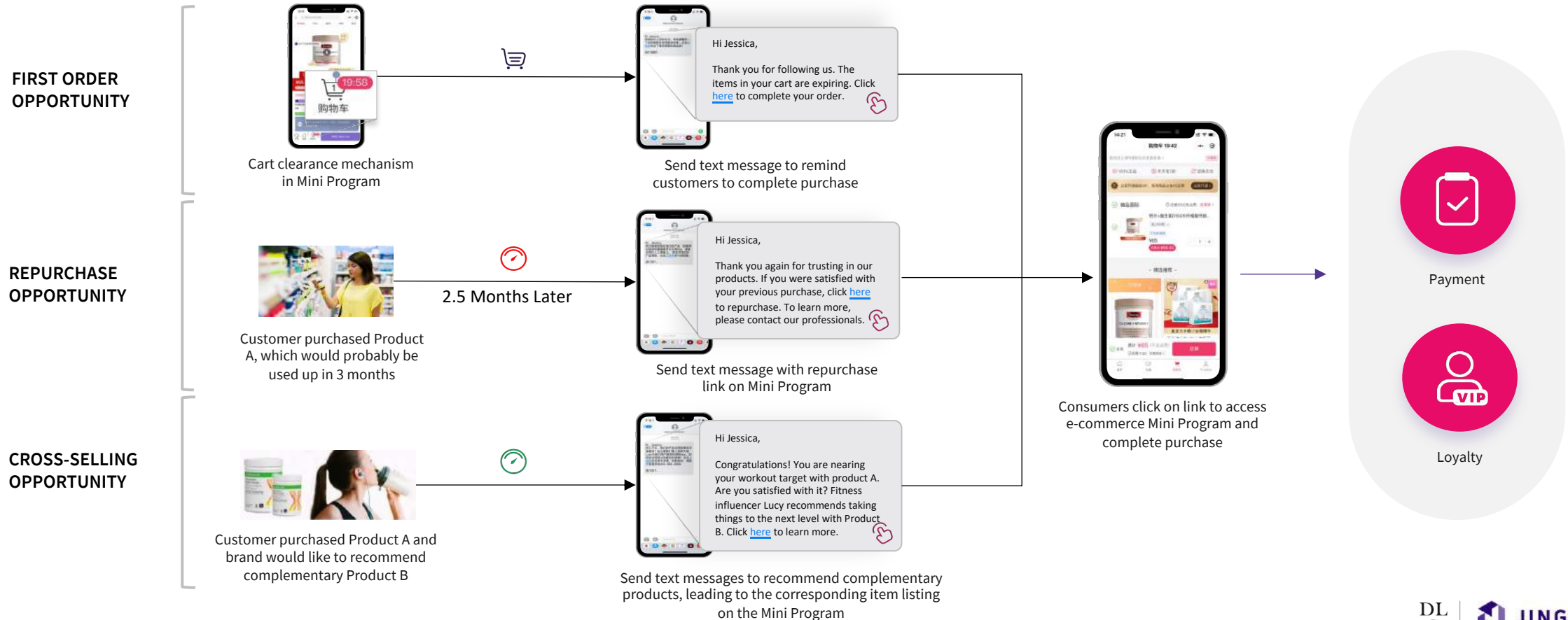New followers can be incentivised with bonus vouchers

This can also be used as a tactic to **increase the membership programme binding rate.**

After directing users to register with its membership programme on the Mini Program, brands can drive them to its WeChat Official Account (OA) to discover more content or become a follower. If the user is converted as a follower, the brand will have even more opportunities to interact with him/her in the future.

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KEY OPPORTUNITIES
SMS TO MINI PROGRAM.

3. Other Conversion Opportunities

FIRST ORDER OPPORTUNITY

Cart clearance mechanism in Mini Program

Hi Jessica,

Thank you for following us. The items in your cart are expiring. Click here to complete your order.

Send text message to remind customers to complete purchase

REPURCHASE OPPORTUNITY

Customer purchased Product A, which would probably be used up in 3 months

2.5 Months Later

Hi Jessica,

Thank you again for trusting in our products. If you were satisfied with your previous purchase, click here to repurchase. To learn more, please contact our professionals.

Send text message with repurchase link on Mini Program

CROSS-SELLING OPPORTUNITY

Customer purchased Product A and brand would like to recommend complementary Product B

Hi Jessica,

Congratulations! You are nearing your workout target with product A. Are you satisfied with it? Fitness influencer Lucy recommends taking things to the next level with Product B. Click here to learn more.

Send text messages to recommend complementary products, leading to the corresponding item listing on the Mini Program

Consumers click on link to access e-commerce Mini Program and complete purchase

Payment

Loyalty

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KEY OPPORTUNITIES
MARKETING AUTOMATION.

Potential Triggers	NOT CUSTOMER		CUSTOMER
	LEAD	PROSPECT	
	Follow Official Account		
	Menu Click Brand		
	Branding/Campaign Mini Program Conversion		
		Recurrent Visits to WeChat Shop	
		Add Item to Cart	
		Checkout failure	
		Loyalty Signup	
			Purchase

Brands can improve consumers' engagement rates with with the Official Account by implementing **marketing automation** to trigger communications after selected actions take place on WeChat by utilising the 48-hour window. Through the WeChat Customer Service API, an integrated SCRM platform will enable **brands to send an unlimited number of unsolicited messages to a follower after within 48 hours of their first interaction with the Official Account**.

At present, **behaviour on a Mini Program does not activate the said 48-hour window**. However, marketing automation can still be used to communicate with users who activated the 48-hour window before entering the Mini Program.

INITIAL INTERACTIONS
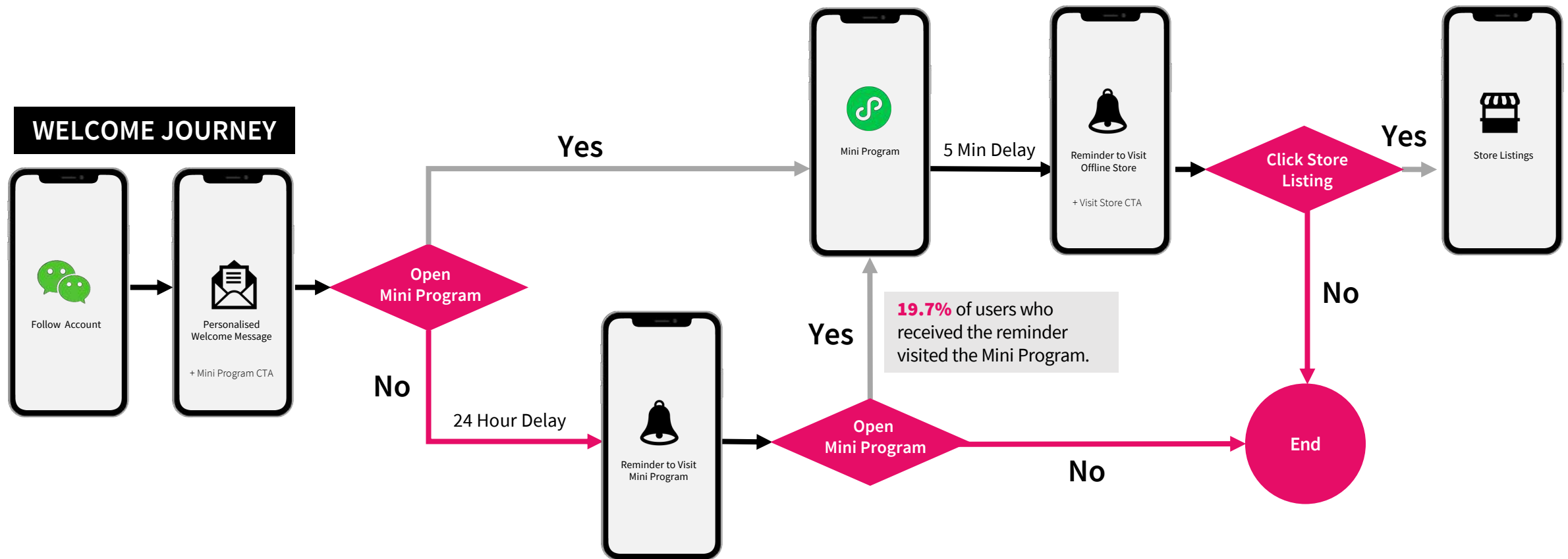
EXAMPLES:
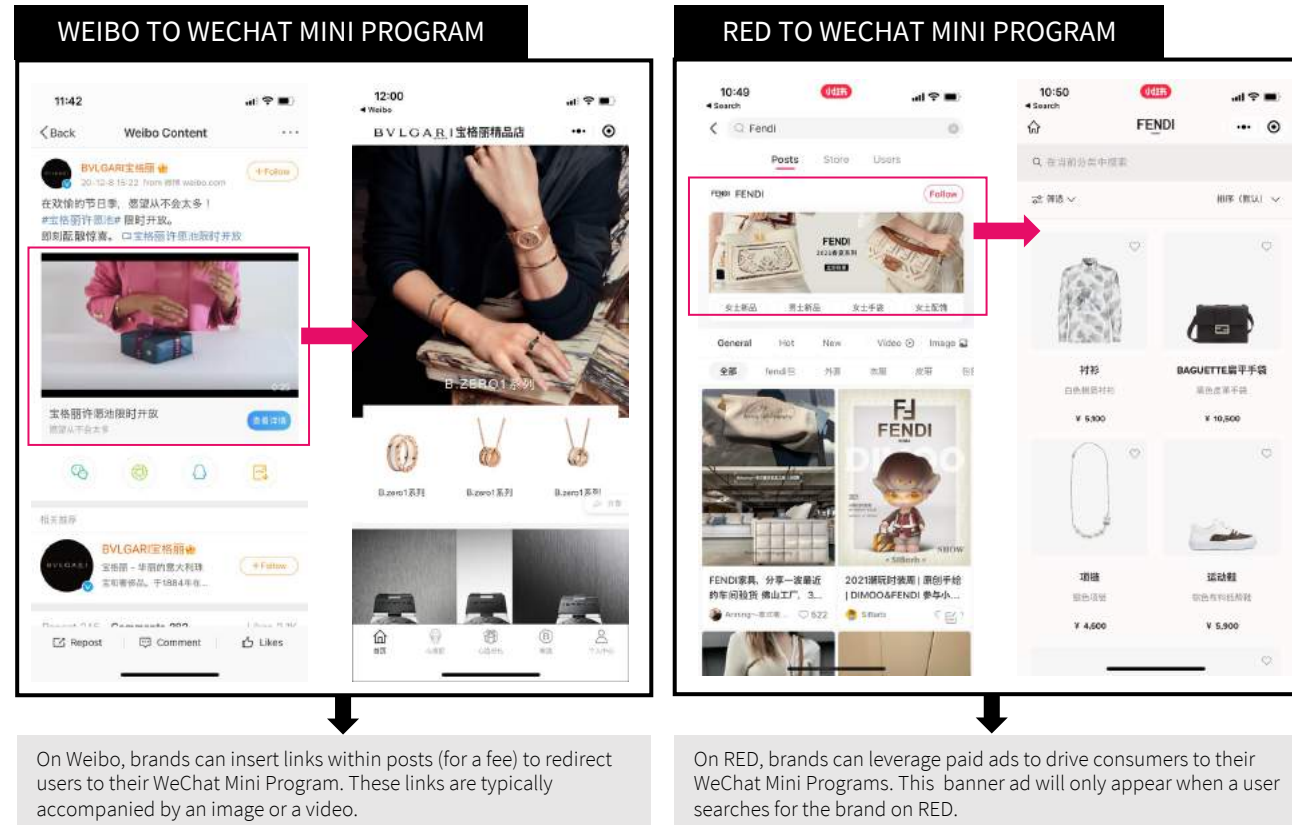
FOLLOWING OFFICIAL ACCOUNT

MENU CLICK

CHAT MESSAGING

SCANNING QR CODE

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KEY OPPORTUNITIES
MARKETING AUTOMATION.

WELCOME JOURNEY

Follow Account → Personalised Welcome Message + Mini Program CTA

Open Mini Program

Yes → Mini Program → 5 Min Delay → Reminder to Visit Offline Store + Visit Store CTA → **Click Store Listing**

Yes → Store Listings

No → 24 Hour Delay → Reminder to Visit Mini Program → **Open Mini Program**

Yes → Mini Program

No → End

No → End

19.7% of users who received the reminder visited the Mini Program.

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KEY OPPORTUNITIES
SOCIAL COMMERCE.

1. Activating Mini Programs Outside of WeChat

WEIBO TO WECHAT MINI PROGRAM

RED TO WECHAT MINI PROGRAM

On Weibo, brands can insert links within posts (for a fee) to redirect users to their WeChat Mini Program. These links are typically accompanied by an image or a video.

On RED, brands can leverage paid ads to drive consumers to their WeChat Mini Programs. This banner ad will only appear when a user searches for the brand on RED.
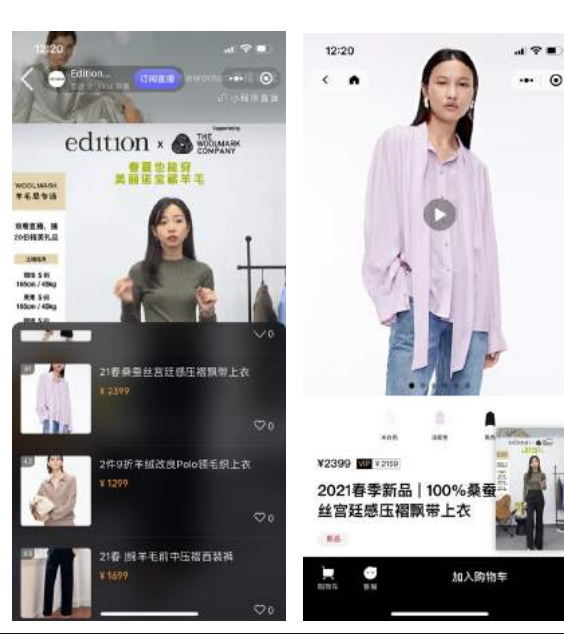
While some social media platforms have been developing e-commerce services in order to discourage platform cross-linking and keep users within their ecosystem, an increasing number of platforms are offering brands the option of including direct links to their Mini Programs on WeChat for a fee.

This includes Weibo and most recently, RED. This new development allows brands to capture customers at the discovery stage and drive them directly to WeChat Mini Programs to discover/ experience more about the brand and directly purchase products.

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KEY OPPORTUNITIES
SOCIAL COMMERCE.

2. Driving Conversions Within WeChat

PERMANENT STORE	PRODUCT DROPS	POP-UP STORE	MINI PROGRAM LIVESTREAMING
Always-on, permanent Mini Program, constantly updated with new products.	The Mini Program is permanently in place, but is only updated and activated when new products are released.	Available for a limited period of time, usually launched in tandem with brand campaigns or marketing milestones.	Livestreams can also be hosted directly within the Mini Program environment, with product links featured. Upon clicking the link, users will arrive on the product listing within the Mini Program store and can seamlessly purchase it.

There are, many ways in which e-commerce Mini Programs can help to drive conversions on WeChat – be it in the **form of a permanent store or a pop-up**, or as a channel for product drops. For brands that are not ready to invest in a full-fledged store, the drop or pop-up store can help to serve as a **good testing ground**.

Brands can also host livestreams on a Mini Program, which allows users to make in-app purchases without jumping to external sites.

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SOCIAL COMMERCE
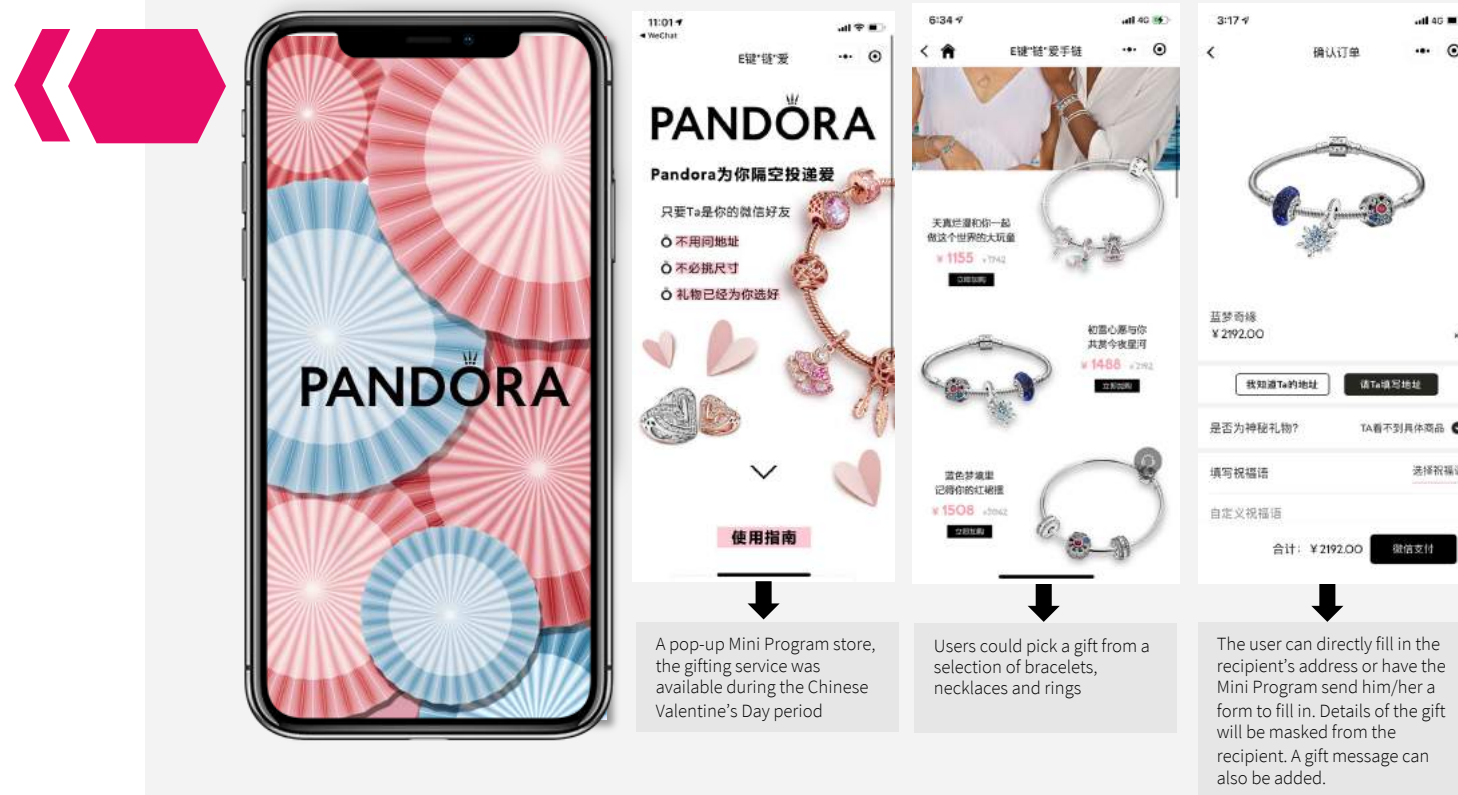# CASE STUDY.

Innovative E-commerce

In a bid to approach WeChat e-commerce a little differently during one of its campaigns, jeweller Pandora developed a gifting Mini Program, separate from its main WeChat store.

1 GIFTING

The Mini Program was designed to make the process of buying a gift for a loved one, seamless. After selecting a gift for the recipient, consumers could either choose to directly input the delivery address, or send the recipient a customised link to fill out his/her delivery details within the Mini Program. Information about the gift or its value is not revealed to the recipient throughout this whole process.

2 PERSONALISATION

Users could choose from a pre-defined list of gift messages for the recipient, or opt to write his/her own personalised message to be sent together with the gift.


A pop-up Mini Program store, the gifting service was available during the Chinese Valentine's Day period

Users could pick a gift from a selection of bracelets, necklaces and rings

The user can directly fill in the recipient's address or have the Mini Program send him/her a form to fill in. Details of the gift will be masked from the recipient. A gift message can also be added.

AT A GLANCE
KEY INDICATORS.

ACQUISITION

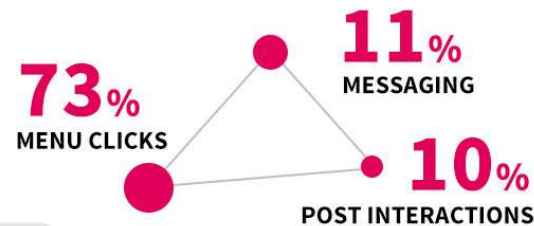BRAND WECHAT COMMUNITIES GREW BY **44**% IN 2020

FOLLOWER RECRUITMENT CHANNELS

OTHERS **15.4**%

WECHAT ADS **15.1**%

WORD-OF-MOUTH **6.3**%

QR CODES **29.5**%

SEARCH **33.7**%
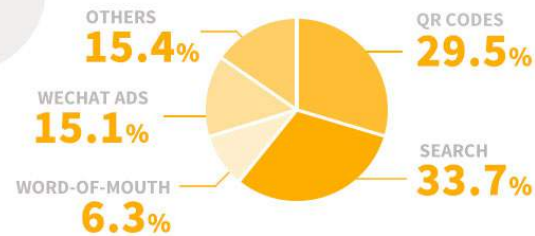
0.99% OF USERS UNFOLLOW THE BRAND WITHIN 48H OF A CONTENT PUSH
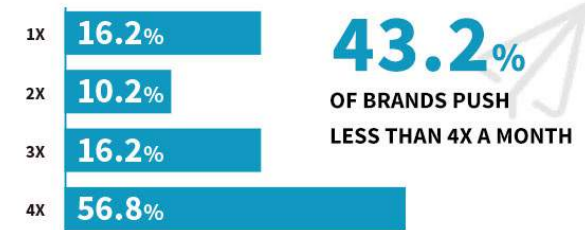
ENGAGEMENT

TOP ENGAGEMENT ACTION TYPES

11% MESSAGING

73% MENU CLICKS

10% POST INTERACTIONS

THE AVERAGE ARTICLE ENGAGEMENT RATE IS **9.56**%

POST ENGAGEMENT ACTIONS

0.18% FAVOURITES

0.26% COMMENTS

0.77% READ MORE

2.25% SHARES

6.11% LINKS

CONTENT

1X	16.2%
2X	10.2%
3X	16.2%
4X	56.8%

43.2% OF BRANDS PUSH LESS THAN 4X A MONTH
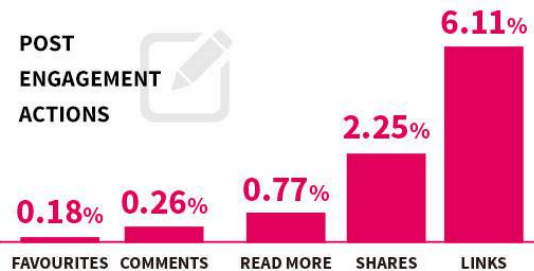
PUBLISHING **>2** ARTICLES DOES NOT SIGNIFICANTLY INCREASE THE OPEN RATE

1ST	9.73%
2ND	3.31%
3RD	1.28%
4TH	1.10%

50% OF USERS WILL NOT READ PAST **6.82** SCREENS

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DLG (Digital Luxury Group) is the digital partner of forward-thinking luxury brands. With offices in New York, Geneva and Shanghai, DLG blends luxury savoir-faire, industry insights, and digital expertise to provide end-to-end services ranging from digital marketing and communication, to e-commerce and CRM.

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JINGDIGITAL

Targeting at enterprises providing high-value goods or services, JINGdigital is the leading MarTech platform in China, which always keeps revenue-driven and customer-nurturing purposes in mind.

Since our founding in 2014, JINGdigital has been providing brands with digital marketing optimization solutions. Our platform enables brands to better understand customers and empowers them to create valuable personal connections at scale.

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