

# How China's Tech Titans Are Pushing the Red Envelope

Some users will have a chance to have their purchases paid for

## ARTICLE |

**Man-Chung Cheung**

**T**ech giants are pulling out all the stops this Lunar New Year. The gifting of red envelopes—also known as *hongbao*—stuffed with cash has been an essential part of the Chinese New Year celebration. And in **past years**, the country's digital giants have given this age-old tradition **a virtual twist**.

This year is no different. WeChat parent Tencent is running a couple of campaigns, including one for its QQ chat app. Based on motion-tracking data, QQ users can win either cash prizes or virtual coupons for every 100 steps they take.

The company is also taking its *hongbao* efforts to brick-and-mortar stores with its "Spring Festival Shake-Shake Fun" campaign, in which WeChat Pay users will have a chance to have their purchases paid for, or win money toward future purchases, at offline retail locations when spending over RMB2 (about 30 cents) on their purchases.

The company already saw a lot of traction for virtual gifting. Tencent reports that 688.0 million WeChat users sent out red envelopes digitally on the eve of Chinese New Year—a 15% jump from a year ago.

State TV broadcaster CCTV, which had a tie-up with Alibaba, is also seeing a lot of enthusiasm. Viewers of its "Spring Festival Gala"—a

staple for New Year's Eve television that draws hundreds of millions of viewers annually—had a chance to win cash and other prizes while simultaneously interacting with Alibaba's Taobao mcommerce app. Over 100 million households in China reportedly participated.

And Suning, one of China's largest retailers with both an online and offline presence, launched its own digital campaign called "Expanding Red Envelope"—a RMB500 million (about \$74 million) giveaway. The promotion entices shoppers to charge up their Suning virtual red envelopes, which could randomly grow between 10% and 1,000%. The amount can be cashed out, spent or sent to friends.