

# China trend 2022: With the metaverse looming, virtual experiences will come to the fore

Article

The virtual world will change the way consumers in China interact online and shop.

**Companies like Alibaba, Baidu, ByteDance, and Tencent have participated in a wave of trademarks filings and investments in the metaverse space, after Mark Zuckerberg touted it as “the next chapter for the internet” at the October Facebook Connect conference. Even before all of this, China’s digital shopping leaders made online shopping more immersive and virtual using technologies like 3D spaces, virtual personalities, and AR try-ons.**

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**Metaverse-Related Information Technology\*  
Spending in China, 2021-2025**  
*billions and CAGR*

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2025 metaverse-related information technology spending in China	\$200.1
CAGR (2021-2025)	20.2%

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Note: \*Includes AI, big data and analytics, blockchain, AR/VR, gaming, public cloud services, and others  
Source: International Data Corporation (IDC), "Q2 2021 AR and VR Market Tracker," Oct 29, 2021  
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**There now seems to be real momentum behind AR and VR experiences in China.** The necessary ecosystem appears to finally be in place: a supportive regulatory environment toward emerging tech, expansive 5G networks, advances in affordable consumer-ready AR and VR hardware and software, and surging interest among local tech giants. Immersive and virtual tools have already been used in commerce, and in recent years, internet users in China have warmed to avatar-based social platforms, nonfungible tokens (NFTs), AR try-ons, and virtual celebrities, especially after the pandemic drove people to seek more immersive online experiences.

**How much virtual shopping experiences will impact the bottom line is still unknown.** The whole industry seems to agree that online shopping needs to be more real, but most retailers are still grappling with what that actually means and how much consumers want to shop on virtual storefronts versus real ones. Past virtual shopping experiences were introduced to consumers on an ad hoc basis with poor measurement of performance. And though Beijing has shown a supportive stance toward these new technologies and concepts, regulators wary of internet addiction could still crack down on them.

Read the full report.

**Report** by Ethan Cramer-Flood, and Man-Chung Cheung Dec 15, 2021

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