

# Tech players in China eye the metaverse

## Article

The “metaverse” has become one of the hottest topics among marketers globally, especially after some major investments into the hardware and software segments by **Apple**, **Facebook**, and **Microsoft**. And in China, tech companies are already staking their claim in the trend.

- **Xiaomi**, known for its internet of things (IoT) devices, has been developing its ecosystem, including augment and virtual reality and cloud gaming.
- **Tencent** and **Roblox** have teamed up to develop a next generation of content creators and programmers in the “gaming and education” genre.

- **Soul**, a social media platform, has plans to create a metaverse for young people.
- **MetaApp**, a mobile app aggregation tool, received \$100 million in series C financing in March, the largest funding in such area to date in China.
- **RCT AI** is betting on AI-generated content to build its own virtual world.

Social media and gaming are all perceived to be fundamental in building out a metaverse, where avatars—digital versions of ourselves—socialize, play, and even work together. And some already see this type of technology as helpful when it comes to making or improving relationships.

In China, 84% of respondents ages 16 and older said they think technology has deepened their relationships with friends and family, and 87% agree technology helps create and promote empathy, according to a July 2021 Wunderman Thompson survey. The same survey found that respondents in China take digital craftsmanship more seriously than anywhere else, as 90% said it takes the same amount of talent and expertise as physical craftsmanship.

**Teens/Adults in China, the UK, and the US Who Agree Digital Craftsmanship Requires Same Amount of Talent/Expertise as Physical Craftsmanship, July 2021**

% of respondents



Note: ages 16+

Source: Wunderman Thompson, "Into the Metaverse," Sep 16, 2021

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Though it is still a young technology, we are already seeing glimpses of how marketers will tap into the metaverse:

- **Nintendo's Animal Crossing** (which is banned in China) offers branded islands.
- **Fortnite** has been hosting virtual concerts with real-life artists.
- **QQ Speed**, a mobile game developed by Tencent, lets brands, such as **Rolls-Royce**, design their own virtual cars.

Elsewhere, the crisscross between virtual and the real world is already happening in small yet telling ways:

- Virtual influencers, such as **Ling** and **Ayayi**, have garnered millions of followers on social media in China, while endorsing real brands and selling real products on livestream commerce sessions.
- **Aurora Mobile**, a mobile developer service provider, recently launched a product that let Roblox gamers send in-game messages that show up on mobile phones as text messages.

A word of caution: Platforms like Fortnite and Roblox have a very different look and feel within China than outside the country. Metaverse content creators and platforms operating in the market need to pay attention to the strict content regulatory regime in China, where the leash for violence and anything deemed “vulgar” is extremely short.