

# How Live Streaming Commerce Took Off in China During the Pandemic

**ARTICLE | JUNE 25, 2020**

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**L**ive streaming commerce—a form of online shopping that is interactive and takes place in real time—is creating new and innovative ways for brands and retailers to connect with consumers. The format has gained wide popularity in China particularly.

Retail ecommerce giant JD.com is one of several digital platforms in China that has adapted live streaming commerce, giving brands a way to engage consumers while also bolstering sales. Man-Chung Cheung, eMarketer research analyst at Insider Intelligence, recently spoke with Ella Kidron, senior manager of global corporate affairs at JD.com, about how the pandemic has changed the way brands in China use live streaming and why having an omnichannel strategy is essential to the country's retail landscape.

## **How has COVID-19 changed the way in which brands leverage live streaming?**

During the pandemic, especially at its peak, merchants really needed to find a way to connect with consumers. A lot of brands, and even some local government officials, turned to live streaming to promote their goods and services.

We recently collaborated with music service provider Taihe Music Group to launch an online clubbing event for promoting products from our brand partners. A DJ came in, played music, and created an online club experience. At the same time, someone—who could be a key opinion leader, brand representative, or someone from JD.com—promoted their product. In this case, we worked with alcohol brands.

Since a lot of alcohol consumption takes place offline at bars, clubs, and restaurants, this event not only created a way for people to have fun in a social atmosphere, but also allowed brands to reach consumers.

### **Are there plans to continue these online club experiences?**

The initiative was so popular that we extended the sessions beyond the original stop point, and we're looking to offer more of these experiences in the future, outside of the alcoholic beverage category. What started as a solution to a set of problems during the pandemic has taken on a life of its own for brands and consumers to connect with each other—and also for us to connect with consumers in a more social way.

We also did something similar with museums, where there was a virtual tour and promotions for the museum store on JD.com. That's another example of something that started amid the pandemic but has become more of a long-term trend.

### **What has the response been like from brands that are incorporating live streaming into their efforts?**

One florist said it brought new aspects of service that he hadn't experienced before. In the past, he would just sell flowers online, and that was it. But with live streaming, you're interacting with consumers who are asking you, "How do I take care of this plant?" or "What do I do if this happens?" He said it brought up questions that his business hadn't dealt with before. And it also opened the door to a much bigger market, which he might not have had otherwise.

### **Many brands have had to pivot their operations due to the pandemic. How should others, particularly traditional retailers, adapt to this new normal?**

It comes down to two things. The first is to either embrace an omnichannel model or work with a partner who can provide an omnichannel solution.

The second is finding creative ways to connect with consumers, because so many are still avoiding physical stores. People have already experienced living their entire lives online, and I don't think the effects of that go away overnight. With a variety of online activities like the clubbing and museum tours, consumers are able to engage with brands in new ways. And that's revamping how brands tell their stories.