

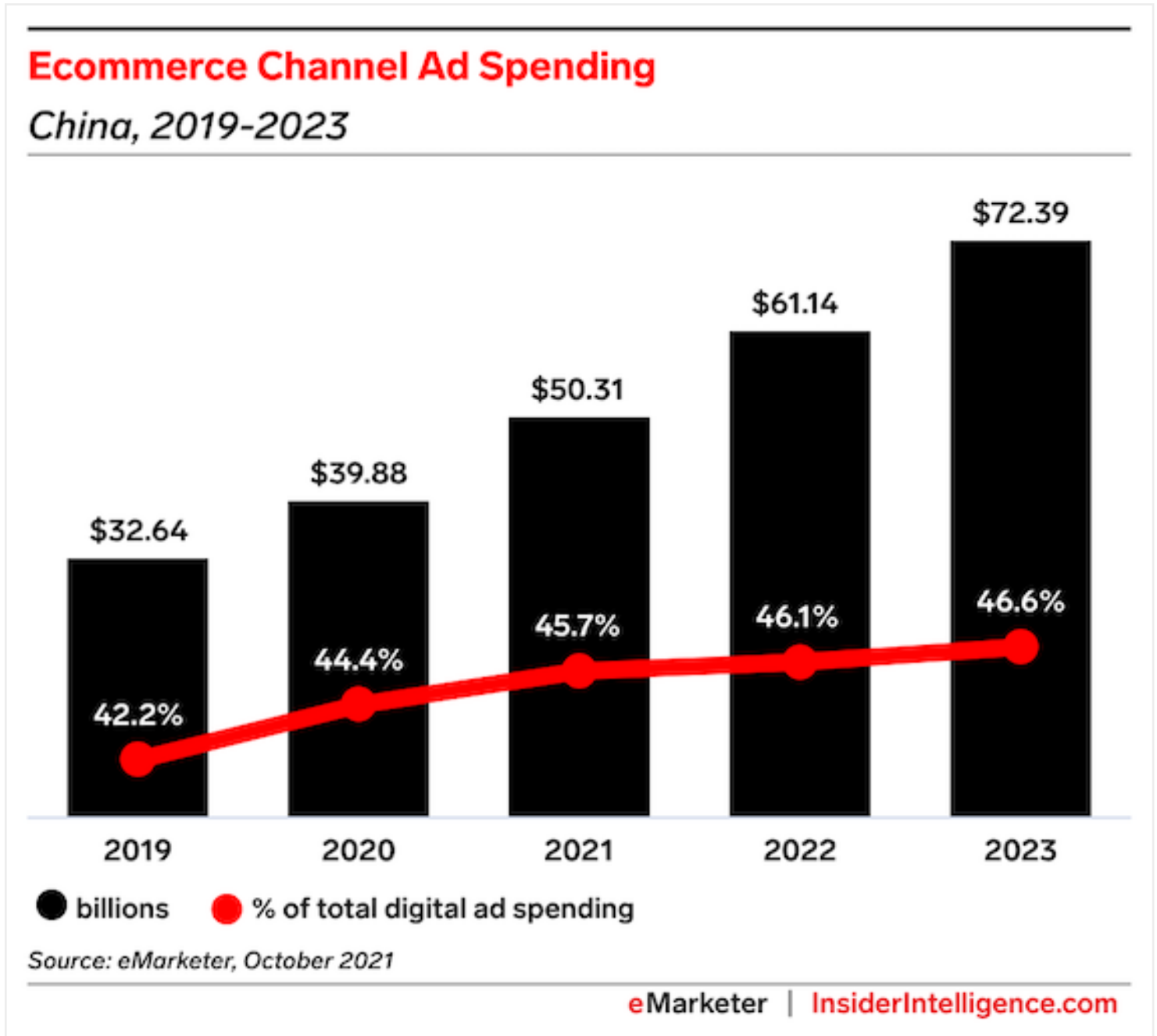
# Ecommerce ad spending edges closer to a 50% share of China's digital ad spending

Article

**The forecast:** China's ecommerce ad spending will reach **\$50.31 billion** in 2021, which is nearly double that of the US. This represents **45.7%** of China's digital ad market, compared with the

US, where ecommerce ad spending's share of total digital is 13.4%.

As retail ecommerce sales in China are expected to reach **\$2.564 trillion** in 2021 and continue to grow by double digits through 2023, advertisers will increasingly shift their attention to the vast potential of that market.



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- A major reason for this growth is because **Alibaba**, which single-handedly takes up **67.4%** of China's ecommerce ad spending, has always emphasized ad revenue growth in its business model. It is estimated that Alibaba's retail customer management revenues (where ad revenues reside) take up a much bigger share than commissions revenues.
- Alibaba, **JD.com**, and **Meituan** will account for **83.7%** of China's ecommerce ad spending, while much of the remaining share belongs to other ecommerce companies such as **Pinduoduo** and **Suning**.