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MEDIA SYNOPSIS

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US Consumer Electronics Association (CEA)

Mobile payments taking off in China

Shopping carnivals initiated by Chinese e-tailers are generating massive sales. China's famous Cyber Monday (11 November) registered record sales of USD10 billion within 24 hours in 2014. Has China entered the age of digital payments? Spire Research and Consulting shared its insights, published on the US Consumer Electronics Association's blog.

Chinese e-commerce giants including Alibaba Group and JD.com offer huge discounts during such e-commerce shopping carnivals to propagate digital payment technology, to the massive acclaim of Chinese consumers.

As China's e-commerce market expands, third-party payment platforms lead the way. This space is dominated by Alipay (Alibaba), UnionPay, 99Bill and Tenpay (Tencent). The potential is evident from Alipay's hike in transaction value to USD9 billion in 2014 in comparison to USD8 million in 2009.

At the same time, payments are not only limited to the e-commerce realm but include mobile payments as well. These include E-wallet, repayments (credit card and loan), electronic funds transfer, utilities (water, TV, electricity and so forth), insurance, as well as charitable donations, to name a few.

Some innovative approaches to mobile payments are Alipay's AA payment which allows the splitting of a single bill amount, as going Dutch in China is

quite common. It helps a user create an Alipay group and sends notifications to other payers (in group) for the total amount to be collected. Tencent's Tenpay launched a similar app by adding a mobile wallet feature to its popular WeChat mobile messenger – keeping in view its wide user base of 500 million in mainland China and 100 million overseas users.

On the other hand, mobile payments are being pushed into the brick and mortar channels through shopping carnivals such as the 'Double 12 (December 12)' with heavy discounts given to customers for purchases via mobile payments in physical retail outlets.

The good news is that this concept is working wonders – more than 20,000 stores from over 100 retail chains including FamilyMart and MerryMart were part of the 'Double 12' in 2014. This carnival became a magnet for thousands of post-60 and post-70 Chinese nationals trying their hand at this technology.

There can be little doubt that mobile payment is taking off in China.

Click [here](#) for the official coverage on CEA's website.

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