1. Introduction
2. Overview of China’s Market
3. The Rules for Chinese Publishing Deals
4. A Look Inside Tencent, China’s Giant Success
5. Entering China’s Mobile eSports Arena
6. How China’s Censors Affect New Game Releases
7. China’s Ad-Supported Game Market
8. How to Successfully Advertise in China
9. Chartboost in China
he Chinese dragon is fully ascendant, after years of fast-paced growth. Chinese mobile gamers now account for 25 percent of worldwide in-app purchase and in-app advertising revenue, according to App Annie. There are more Chinese smartphone users than there are in the European Union: about 775 million, by researcher Newzoo’s latest estimates.

But China isn’t an easy market — even for local developers. In March 2018, the government began a 9 month freeze on new mobile games approvals. In August 2018, the government further punished its largest game company, Tencent, by blocking sales of Monster Hunter: World only eight days after the game’s release. The Middle Kingdom is marked by fierce competition, and even fiercer regulators.
Despite the challenges, nobody wants to be left out. Luckily, as with so many things in China, regulations can’t completely halt business. Just as there are ways around the Great Firewall, there are still ways to thrive in the Chinese mobile market.

For foreign developers seeking a way in, partners abound. The largest publishers, Tencent and NetEase, are always on the hunt for games that can excite audiences of millions. Smaller niches such as strategy or anime-based games have their own sets of publishers. Even mobile eSports, which remain a niche market elsewhere, are full blown in China. There are more than 10,000 eSports teams for a single mobile hit, Arena of Valor.

Advertising in China is similar, in some respects, to the game market: a partner or agency is almost a necessity. The government also regulates ads. In mobile advertising, the market is still in its early stages: most inventory is confined to a few apps, and within those apps, engagement data can be lacking. Brands may feel lost about who to target, or how to control advertising budgets that sometimes seem to disappear into unfamiliar networks and analytics tools. But just as in publishing an app or game, getting advertising right can result in huge rewards.

Chartboost’s first China report, 2016’s China Rising, tracked the rapid growth of China. In this edition, we look beyond growth to strategy: where, and how, can Western developers, publishers and advertisers enter this enormous market? This report includes exclusive interviews with analysts at Niko Partners, Newzoo and PwC, as well as China market consultants, publishers and advertisers, on how to tame — or at least survive — the Chinese dragon.
Mobile app developers already know that China is the world’s most fragmented market. Multiple app stores compete for users. Publishers abound, helped along by the fact foreign companies are required to work with a local partner. The country’s landscape has looked like the Wild West of mobile gaming for years.

Apple, which has a single store, claims only a quarter of Chinese smartphone users. Meanwhile, Android’s nearly 600 million users are split into multiple stores — over 400, according to an oft-repeated statistic.

But the huge diversity of distribution is only the tip of the iceberg: popular to talk about, but not as relevant as it seems. “At a high level, fragmentation has historically been a positioning point for Chinese companies. They hype up fragmentation because it justifies the need to work with them,” says Josh Burns, the founder of consulting firm DigitalDevConnect.

In this section, we’ll take a look at how the Chinese market has consolidated as it matured—and why it’s more necessary than ever to find a local partner.
The two largest stores, Tencent’s MyApp and Qihoo’s 360Mobile Assistant, take a third of the market by themselves. Both companies are experts in publishing, with their own apps ranging from games and social to security, and offer access to a majority of the market. Of the remaining stores, most are owned by hardware manufacturers, who pre-install their own stores on their phones.

By releasing on just the top 5 Android stores, an app developer can reach over half of the addressable market. As a result, the most pressing issue for foreign developers is ensuring their app receives sufficient promotion on a handful of stores — or even just a single store.

Each store tends to have its own strategy and policy. For instance, since Huawei is looking to increase their female user base, games popular with women, like dating sims, might find a welcome reception in the Huawei store.

However, Western companies are unlikely to get placement on any store without help. “In these stores it’s based on track record and relationships, not because an app is innovative and interesting,” says Burns.

In parallel with the reduced number of important platforms, there are also fewer potential partners to evaluate — although enough remain to serve developers of all types. “A lot of the smaller publishers are merging with larger ones or being closed down. There is still a healthy middle ground of publishers,” says Daniel Ahmad of Niko Partners.

**ANDROID: FEWER MAJOR PROBLEMS**

Many small Android stores continue to cling to life — but this isn’t a fact to get hung up on. Only 10 important stores remain, and even among these, a publisher may choose just a handful. In general, these stores fit in two categories: large publishers, and hardware manufacturers.

**ON THE TOP 5 ANDROID STORES, AN APP DEVELOPER CAN REACH OVER HALF OF THE ADDRESSABLE MARKET.**
iOS, THE “LOOPHOLE” MARKET

While the platforms mentioned above represent the majority of the Chinese market, developers still have access to an alternative that bypasses the need for government approvals and partners. This “loophole” is iOS, where releasing games is the same as in any other country.

Only a quarter of Chinese users are on iOS. However, these users are on the lookout for new games. “There’s still huge demand from gamers. Not just from new games being released, but legacy titles. Four to five games coming out recently in the iOS store have jumped right into the top of the charts,” says Daniel Ahmad, an analyst at Niko Partners.

The easier standard for success on iOS leads some developers to stop there. “These days I push people to explore focusing on iOS and what they can do on their own. The reality is there’s a lot of effort you can put into finding a partner and even if they execute they may not be that profitable,” says Burns. But be warned: if you later decide to expand to Android, the initial iOS release may become a point of contention. “Local publishers don’t like publishing games where they only retain rights to the Android version, because it becomes more complicated revenue-split and marketing-wise,” said Jeff Lyndon Ko, founder of iDreamSky, during a talk with Chartboost.

For now, the iOS “loophole” remains. But the special status may not last forever. Ahmad suggests that the government may be in the process of formulating new rules more tailored to the mobile market. If that’s true, including iOS in the regulatory regime may be part of the plan — finally, if perhaps regrettably, creating a single landscape for foreign developers to enter.
Finding a partner or publisher in China has always been a good idea. Before Android games required government approval, before the market was intensely competitive, China still required local relationships and knowledge for games to thrive.

Now, having a publisher is nearly mandatory. Approval covers a long list of potential details, down to the wording of buttons and icons in the game. And once your game is approved, it won’t go anywhere without business deals for promotion.

Tencent, the largest publisher, has powerful tools for promotion. WeChat, its social app, is used by 80 percent of smartphone owners in the country — and Tencent isn’t shy about promoting products, including games, to those users. But there are many other choices: game developers, specialist publishers, platform holders, and even seemingly unrelated companies in industries like real estate or mining are all on the hunt for great content. And as competition rises within China, many of these companies are also looking for games to publish outside of the country.
First, Evaluate Your Own Chances

Publishing deals in China can be arduous for both the publisher and the developer. Foreign games require significant changes and updates just to get most titles past censors, before you even work on updates for users. “You’ll find that even really small things you’d think are insignificant are part of the process for approvals. For example, everything must be in simplified Chinese. In some games they’ll have XP for experience points, but Chinese regulators say, it must be in Chinese,” says Daniel Ahmad, an analyst at Niko Partners.

Additionally, publishing deals in China often come with a revenue share much lower than those seen in Western markets. For some deals, less than 20 percent of revenue goes to the developer. Developers must consider whether the expense in time and effort is worth the potential payoff.

Find A Partner Who Can Promise Quality

The massive number of potential players in China can be distracting. You may end up with millions of poorly suited players — or your game may not be able to keep up with their appetites. “A lot of Western devs come to China and ask, how many downloads can you guarantee? Then they would say, the other guys guarantee 50 million downloads, and decide to go with that guy. Commonly, they will not get the 50 million downloads, or they will get 50 million bad quality downloads. The key is that you need a partner to help you operate that 50 million,” founder and president of iDreamSky Jeffrey Lyndon Ko told Chartboost in an interview.

The nuances of Chinese users’ tastes can also be hard to distill. Ko advises developers to look for a partner that can get hands-on with their game. “You have time delays, and a lot of the updates that Chinese user needs don’t apply to your Western needs. Find a partner that can handle that development for you.”

Be Ready To Weather Changing Conditions

Due to the freeze in government approvals and the fast-paced competitive landscape in China, many publishers in the country are constantly tweaking their strategy. As a result, they can be expected to occasionally change their mind about what they want to publish. Try to catch them at the right time, or follow up on a regular basis to see if anything has changed.

Lastly, Bargain For More Than Just China

As Chinese publishers look for ways to grow into the international market, they’re becoming more selective about what they choose to publish at home — and more interested in deals abroad.

EVERYTHING MUST BE IN SIMPLIFIED CHINESE. IN SOME GAMES THEY’LL HAVE XP FOR EXPERIENCE POINTS, BUT CHINESE REGULATORS SAY, IT MUST BE IN CHINESE.

“The government will eventually help to resume the game industry. However, publishers won’t make game acquisition deals as easily as in the past,” says Mantin Lu, general manager and vice president of product at Seasun, a Chinese publisher. “My advice to Western developers who want to approach publishing with a Chinese company is to not only talk about publishing rights in China, but also include districts like Southeast Asia, Japan and Korea.”
Twenty years ago, Ma Huateng founded Tencent with a single product: a free instant messenger, made for the PC. Despite gaining a million users, the service remained unprofitable until three years later, when it was adapted for mobile phone.

By the mid 2000s, Tencent made games its cash cow, licensing CrossFire, a game that one Western critic called “a cheap, aging Counter-Strike clone”. Aesthetics aside, Crossfire made a billion dollars a year. In 2011 Tencent acquired Riot Games, the maker of League of Legends, then the mobile giant Supercell in 2016.

Most Western developers are familiar with these details, as well as the fact that Tencent is the world’s largest game company, generating almost $4 billion in profit each quarter from mobile games. Yet much of Tencent’s special genius for gaming in China has gone untold in the West. In this section, we look into what were Tencent’s best moves in recent years.
No other game company in the world has the power that Tencent exercises over its home market. Take eSports for example: the company owns both League of Legends, the top PC game, and Arena of Valor, the top mobile game. It has been so successful with Arena of Valor that it’s adapting the game into novels and a TV series.

Newer game genres are no exception. In battle royale games, Tencent is attempting to corner the market as the sole Chinese licensor of both Playerunknown’s Battlegrounds, which represents the more realistic end of the market, and Fortnite, which is more casual. Only Netease, another major company, has been able to mount a credible offense with its game Rules of Survival.

Where the West has the hyper casual trend, Tencent has its WeChat Mini Program, which publishes small, arcade-style games on the social platform. Even indie games are increasingly under Tencent’s thumb, through initiatives like the ACE program, which sponsors local indies. Spotlighter Interactive, the most successful indie developer to come out of China this year, is just one of the indies that Tencent is helping to catapult to the world stage.

Tencent’s domination of every market vertical in gaming is the reason that the company is the number one partner of choice for both domestic and foreign game developers — even as many complain that Tencent’s contract terms can be harsh.
League of Legends is perhaps the world’s leading multiplayer PC game, so it has made sense for dozens of mobile companies to try to copy its success. But all have failed. All, that is, except Tencent, which had made $3.5 billion by September 2018 with Arena of Valor. By comparison, major competitor Mobile Legends has only made $200 million, despite leading in Europe and North America. Vainglory, a much-hyped mobile MOBA, has made just $50 million.

Arena of Valor doesn’t get much notice in the West, because its success is mostly confined to China. In fact, the game was designed to appeal mostly to Chinese players: the original game had a roster of over 60 heroes inspired by figures from Chinese mythology and history. "Its characters are named after famous ancient Chinese figures, rather than translations of foreign names. People will feel more familiar with the game and it is easy for them to talk about it together," posits iResearch analyst Chen Xiaohuan in the South China Morning Post.

Another major factor in Arena of Valor’s success is social media. Log onto Tencent-owned WeChat or QQ, and you can see which of your friends are currently in the game, with the option to invite them to another game, or talk strategy. Hop onto Tencent’s streaming service Huya, and you’re met with a scrolling promotion for King Pro League, Arena of Valor’s official eSports league.

PROVING MOBILE MOBAS CAN WIN

Tencent’s League of Legends
WeChat and QQ both have nearly a billion active users, making them the most widely used messaging apps in the country. Huya owns 44 percent of the domestic live-streaming market.

What can Western companies learn from Arena of Valor? One lesson is that social still matters for mobile — even if the going is admittedly tougher for companies that don’t own social platforms. But while Arena of Valor caught attention through social, it held on thanks to its content. Rather than attempting to please all audiences, Tencent focused strongly on China. In today’s market, that may be what it takes to make a breakout hit.

Arena of Valor’s success in China also shows that MOBAs really can succeed in mobile. And since Arena of Valor isn’t popular in most markets outside of China, the field is still open for new competitors.
Being a giant has its challenges. Many wonder whether Tencent will be able to continue growing. Within China, the company has been challenged by the freeze on mobile game approvals. And internationally, it lacks the market advantages that made it a near-monopoly in China.

Within China, the freeze has meant publishers — of which Tencent is one — focus more on the safe bets. That means famous Western IPs: Game of Thrones and Call of Duty are set to hit the Chinese app stores soon, for instance. Getting noticed with a less famous IP is still possible, but not as easy as in previous years.

Internationally, Tencent remains aggressive, despite not always succeeding as much as it would hope. Like other cash-rich Chinese companies, it often favors a shotgun approach: investing in many different ventures. Just in 2018, its major moves included helping Ubisoft fend off a hostile acquisition from Vivendi, purchasing Path of Exile developer Grinding Gear Games, picking up an Asia-wide license for Magic: The Gathering, and starting work on a Minecraft competitor. Western developers, whether or not they intend to enter China, should keep an eye on what Tencent does next.
Last December, the Shenzhen Bay Sports Center hosted one of the biggest events in mobile eSports: the King Pro League finals. Over 11,000 fans flocked to the arena, bright LED sign boards turning both stage and arena into a roiling sea of lights.

But the live crowd was a blip compared to the 19 million people who watched the spectacle on their phones, laptops, and TVs.

The amazing turnout for a mobile game is what sets China apart from eSports markets like South Korea or North America. Arena of Valor, the game behind King Pro, is mobile-only — yet draws crowds just as large as its older cousin in the MOBA genre, League of Legends. Elsewhere, even mobile giants like Supercell struggle for recognition from the eSports community. “They are trying to promote their eSports thing, but it’s never getting as big as in China,” says Tianyi Gu, a market analyst for Newzoo.

Fueled by both PC and mobile, China’s eSports scene is set to become the biggest in the world. Newzoo counts 134.5 million eSports fans in China, of whom 67 million watch professional eSports matches more than once a month. By 2020, Chinese fans will make up half of the global eSports base.

Fans are only half the story. Arena of Valor alone has 10,000 teams across the country.

Even the “casual” scene is ultra-competitive. “Here, eSports happens at [both] a professional and amateur level. There are a lot of cyber cafes that are very popular for amateur eSports events,” says Gu.

But the major benefit mobile holds over PC gaming is that cyber cafes are, of course, not necessary. Budget gaming phones are putting eSports in the hands, and homes, of ever more users. Earlier this year, Huawei released the Honor Play, which was designed to handle heavy graphics requirements. Xiaomi wasn’t far behind with the Black Shark, a gaming phone that comes with its own analog stick.
CASUAL GAMES GET TEAMS TOO

Giant Interactive’s Battle of Balls is, by definition, a casual game. The only goal is to grow bigger by eating other players. The game bears strong similarities to Miniclip’s hit casual web game, Agar.io.

Yet unlike Agar.io, Battle of Balls is a full-fledged eSport. The game has over 300 million players globally, and around 13,000 people watched its first tournament live in 2016. It held its second Battle of Balls Pro League tournament this year.

China’s broad eSports demographic also helps brands to find a home. In other countries, traditionally gamer-associated brands like Intel and PepsiCo also tend to be the most visible brands in eSports. But in China, only one stereotype about eSports fans is true: they’re young. “Over 75% of the esports audience in China age 35 or below,” says Gu.

Otherwise, Chinese eSports fans are a heterogeneous mix. Nearly a quarter of them are women, attracting sponsorships investments on female-only teams and tournaments. The diversity allows non-endemic brands to enter more easily than in the West.

“Right now, advertisers are happy to sponsor eSports, because it’s an easy way to connect with the young. For example, if Mercedes wants to promote a specific model to a younger audience, then eSports is how they’ll do it,” says Cecilia Yau, Media Leader at PwC China and Hong Kong. Among the brands that sponsor eSports tournaments and players in China are the country’s oldest beer maker, Harbin, Nike, and beauty brand Sephora. And with the profusion of teams, there is no shortage of sponsorship opportunities to be found.
Getting a game approved in China is like navigating an obstacle course— one that sometimes rearranges itself with you inside. The entire process can take nearly a year, and as seen with the approval freeze starting in early 2018, can sometimes grind to a halt entirely.

Approval is just part of the puzzle, as well. “It is a long process, not just because of the government approval time, but also localization and culturalization,” says Daniel Ahmad of Niko Partners. For a game to truly shine in China, it must feel like it fits in the market.

Delaying has its consequences, too: very popular games may be copied well before the original developer reaches the market, siphoning away their potential.

So what is a developer to do? Start with building an awareness of what matters in China, both to get approved and to attract players. It’s a lot of work. “But bear in mind this is the largest games market in the world,” says Ahmad. Early planning can pay off in a big way later.
To outside observers, China’s regulations on games often look vaguely sinister. The fact that only Chinese companies can enter the process may lead to the belief that China is trying to block foreign companies. Alternately, an outside viewer might decide that China hates the entire game industry, based on moves like the approval freeze.

As is often the case in China, the truth is more nuanced. China’s hyper vigilance does affect locals. Even Tencent, the largest game company in the country, has felt the bite of regulations, blaming the freeze for its first profit dip in nearly 13 years. Yet games aren’t unique: China regulates every creative industry, including advertising and television.

The true root of China’s regulatory atmosphere lies in two things: culture, and protecting citizens from adverse effects, such as school children ignoring their studies in favor of games or senior citizens gambling away their savings. “They’ve always wanted to promote Chinese culture first,” says Ahmad, “they want gaming to grow, but they want to regulate it in such a way that it leads to a healthy gaming environment for citizens in China.”

This dual focus makes more sense in light of the government’s structure for reviewing games: more than one agency is involved. Currently, the newly formed State Administration of Press & Publication (SAPP) heads approvals, although the Ministry of Culture and Ministry of Education also have some level of influence. Out of this bureaucracy has come an exhaustive set of rules.

Yet not all game developers should be equally concerned about the oversight. The key is in the phrase “healthy gaming environment”. Many regulations are part of an attempt to curtail the growing number of mahjong and poker games, says Niko Partners, and are unlikely to have a significant effect on licensing for games in other genres like RPGs or casual mobile games. Reforms in process are likely to have a positive impact, in fact, cutting the time to approval process by a third.

Finally, some developers must be aware of one additional consideration, beyond culture and protecting citizens: politics. China’s censors can, and do, regulate games to ensure that they match up with China’s modern political messaging. For instance, “the country boundaries of China are not as the government would like, so in-game real world maps must be changed. For example including Tibet as a separate country would be problematic,” says Josh Burns, founder of consulting agency DigitalDevConnect.
HOW TO KEEP THE CENSORS HAPPY

Applying for a license is one of the last steps to getting published, not the first. A good publisher will proactively ask for changes or, even better, make minor changes like flipping that “XP” icon into hanzi characters on their own. Working closely during this period is important to avoid conflict about content. “Stay in contact with your Chinese publisher and speak to them through the whole process, because you may find they want to make a change that would change the game from what it started as,” advises Ahmad.

Getting everything perfect is imperative if you want your game to launch on time. “Some game publishers and developers will make guesses. They’ll pick up on something and say you know what, we probably shouldn’t do this, even though they haven’t been told specifically about it,” says Ahmad.

As for gamers themselves, the good news is that they are, by and large, much less picky than their government. “Most won’t be interested in censorship. Where all that comes from is government led, and it comes from the media, and concerned citizens like parents,” says Ahmad. As a result, developers interested in China can make understanding government approval their main focus.
In-game ads aren’t a big business in China — yet. Major social and retail platforms owned by Baidu, Tencent, and Alibaba support a $50 billion mobile ad business. However, small app developers have largely kept away from ads due to rules on the many competing Android stores that limit advertising. Adding to the difficulties, the Chinese government has more rules for advertisers than Western countries. As a result, almost all developers focus solely on in-app purchases.

But over the last year, ads have quietly been growing, and may now be poised to take off. In this section, we’ll cover 3 trends that may cause more developers to turn to in-game ads in China.
Western developers who focus on tiny, ad-supported games have entered China. On iOS, some familiar faces can be found: Voodoo is competitive with games like Hole.io and Paper.io 2, while Lion Studios has Happy Glass and Big Big Baller.

Among Chinese developers, there’s a similar trend toward small games. WeChat, the social platform owned by Tencent, has won over hundreds of millions of players for its Mini Games program. Some of these games earn money through rewarded video ads, creating a generation of developers in China who favor ad-based monetization.
Beyond the 2018 freeze on new game approvals, the long-term trends show slowing growth for in-app purchases. Growth is no longer as wild as it once was, and competition is stiff for the existing pool of monetizing users. That doesn’t mean Chinese publishers will leap into ads. The prevailing opinion has long held that ads aren’t worthwhile. “It has been a long time since it was proven that the LTV of a paying user is far higher than advertisement on a free mobile game,” says Mantin Lu, vice president of product at Seasun. “It’s painful for the industry to go backwards to what was neglected.”

But the same opinion was widely held in the West — until, suddenly, it wasn’t. Today, major Western developers like King are once again using ads, while newer player like Voodoo raised $200 million for the business model. The proof that ads are working for Western developers, backed up by the success of WeChat Mini Games, present a convincing argument for Chinese developers that ads can compete.
Back when China had dozens of app stores in active contention, the outlook for ads was grim. Developers didn’t want to navigate rules for publishing ads on multiple app stores. And the stores themselves were incentivized to prevent ads — lest their customers find their way onto a competing platform.

Today, the store wars are mostly over, and the few store owners still standing all have ad platforms. Tencent, Qihoo and Baidu, for instance, are all capable of serving ads.

Once again, that doesn’t mean the way is clear for ad-supported games to win in China. Chinese ad networks are technically behind their Western counterparts. Most advertisers, for instance, are forced to rely on demand-side platforms or trading desks. “For China advertisers, it’s rarer to do traffic with a network directly,” says Eileen Keng, an account manager for Chartboost China. “Technically it’s not easy to integrate directly with them.”

But the early days may not last for long. “I wouldn’t say they have good technology compared to outside of China, but they move super fast, and they maximize use of their data and every other resource they have,” says Lydia Chen, general manager of the Chartboost China. And the market needs new sources of demand: by 2021, eMarketer projects that 60 percent of all ad spending in China will be dedicated to mobile. Ad supported games aren’t a reality in China yet — but before long, they may be the new hot trend.
When China lifted a long-held ban on ads in 1978, it became one of the most unique countries in the world for advertising. For nearly twenty years afterward, going into the 1990s, the typical ad often looked like propaganda, featuring images of proud workers and gleaming factories.

But today, for the most part, Chinese ads have become similar to Western ads. Cars, perfumes and phones are sold in glitzy, aspirational commercials. Many Western brands, such as McDonald’s, are active in the market.

Yet echoes of China’s past remain, and Western brands are sometimes surprised to find that their ads don’t get the expected response. Here’s our view on advertising in China, including tips from Chartboost graphic designer Rick ter Beeke and Neat Interactive, an Asian advertising firm based in Bangkok.
Going Alone is Difficult

Entering the Chinese market, with its hundreds of millions of potential customers and high-energy attitude, feels exciting. But that doesn’t mean success is easy. “A lot of the time it’s necessary to determine what the client’s objectives are — and temper expectations,” says Edgar Salmeron, creative director at Neat Interactive.

A Western company that knows little of China, for instance, may assume that advertising will be cheap, as it is in many emerging markets. Often, it’s the opposite. “A lot of platforms will charge on CPM for different sections of their website, but if you look at a rate sheet they send to you, it’s multiple tabs in Excel, multiple sizes of different places on their website and they all come with different prices. We’re talking $30k to $60k per day,” says Salmeron.

Like games, advertising is also regulated in China. Initial approval often requires a Chinese corporation and local office. Individual ads are subject to review, as well. Small details can catch the eye of a censor: for instance, saying a product is the “best” is prohibited. Major platforms like Sina Weibo or WeChat won’t hesitate to ban a non-compliant advertiser.

In sum, it’s best for a Western advertiser who is new to China to find a local partner or agency.

The Sell that Works

When it comes to Chinese users, surprises can again be found. One of the biggest is that, while Chinese people love their mobile phones, they aren’t necessarily receptive to mobile ads. Salmeron points to a Tencent study that claims 80 percent of users will pay to avoid ads.

Brands that do well often start with a softer sell, through social media. As in the West, companies should set up a social media presence on multiple sites. Unlike the West, both setup and maintenance of this presence can cost money. Multiple social sites, for instance, charge both an initial setup fee and a monthly recurring charge for a business pages. Jing Daily estimates social campaign costs for a small brand at over $15,000, while a large brand may have to spend several hundred thousand dollars. A handy calculator can be found here.

Beyond setting up a presence, influencers are vital to spreading the message. The basics are the same as the West: people or pages with large followings are paid to post about a brand or use a product. The only catch is measuring the results — a particular weak point, for some platforms — and ensuring that the influencer’s audience is legitimate, and that content is really shared. “You just have to do homework to make sure it’s all real,” advises Salmeron.
As described in this Report, Chinese consumers have different behaviors and preferences than their Western counterparts. Both modern and ancient cultures inform ads. For instance, color has traditionally played a much larger symbolic role in China than it does in the West. Here, we’ll consider themes, colors and formats that matter for mobile ads, as related by Chartboost graphic artist Rick ter Beeke.

As for formats, video is dominant, with interactive and static ads far behind. When it comes to length, the most used is 30 seconds, but 15 and 20 second placements are also seen.

### DEVELOPING AN AD

**THEMES THAT MATTER**

- Traditional Symbols, Rituals and Myths
- Historical Heroes, Anti-imperialist History
- Family and Romance
- Adventure and Cosmopolitanism

**COLORS THAT MATTER**

- **Blue — Element: Wood**
  Symbolizes: Spring, immortality, healing, and trust.

- **Red — Element: Fire**
  Symbolizes: Summer, vitality, and good fortune.

- **White — Element: Metal**
  Symbolizes: Purity, but also represents death and is the color of funeral clothes.

- **Yellow — Element: Earth**
  Symbolizes: Royalty, glory and wisdom.

- **Black — Element: Water**
  Symbolizes: formality and serious themes, but also associated with crime.

- **Green — Symbolizes**: wealth and nature, but also negatively associated with anger and infidelity.

- **Purple — Symbolizes**: divinity and immortality. Younger consumers are highly attracted to Purple when it is used in brands and for marketing.

- **Gold — Symbolizes**: wealth. It is a popular color in marketing materials - though too much of it could make things a bit cheap-looking.

26 | CHARTBOOST POWER-UP REPORT | FEBRUARY 2019
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