Project to Open up Sales Channels in China through Cross-border E-commerce

Ehime Prefecture

Background

Ehime Prefecture established a sales headquarters in 2012 and has been working to revitalise the local economy by actively creating business opportunities and serving as a 'sales assistance engine' for businesses within the prefecture.

In addition, as the domestic market inevitably shrinks due to the declining birthrate, ageing population and overall population decline, we are striving to open new avenues overseas, particularly in the rapidly growing East and Southeast Asian regions, rather than remaining confined to the slowing domestic market. As part of our initiatives to support the overseas expansion of businesses in the prefecture, we have intensified our efforts in China—the world's largest e-commerce market—since FY 2022, in response to the global surge in e-commerce demand brought about by the COVID-19 pandemic.

Objectives

- Open sales channels for Ehime products in China through Chinese cross-border e-commerce.
- Raise awareness of Ehime Prefecture and its products through digital promotion
- Expand business-to-business sales channels for Ehime products using e-commerce

Project Outline

We are seeking to promote the development of sales channels for Ehime products via cross-border ecommerce in China, which has the world's largest ecommerce market. In cooperation with the Rakuten Group, which jointly operates the domestic e-commerce Ehime Department Store, and others, we are diversifying sales channels by setting up special Ehime pages on several e-commerce sites, approaching Chinese consumers from various angles.

Additionally, to raise awareness of the prefecture's products and attract more visitors to these special pages, we are conducting digital promotions, including videos featuring leaders such as our governor. We are also leveraging live commerce and organising real-world events at the Embassy of Japan in China, integrating both online and offline promotions to stimulate demand.

[Setting up special Ehime pages on multiple e-commerce sites]

- We have set up special pages on Jingdong, Tmall and Wandou Gongzhu
- We are utilising Douyin's live commerce function

[Promotion to raise awareness of and promote sales of Ehime products]

- Our governor and Chinese singer Ye Li co-starred in a promotional video showcasing the unique appeal of Ehime Prefecture and its products, which was primarily shared on Weibo
- We hosted a live commerce event featuring the governor

The Embassy of Japan in China organised an inperson event, inviting Chinese influencers who shared their experiences by showcasing and tasting samples. They then shared this content on social media and other platforms

Features and Innovations

In a first for a local government, Ehime set up a special page within the Rakuten flagship store on the major Chinese e-commerce site Jingdong, launching the sale of items such as pearls and Imabari towels. In addition, a promotional campaign was carried out under the theme of 'song', a universal language. An Ehime promotional video featuring a duet between the governor and a popular Chinese singer was shared primarily on Weibo, China's largest social media platform, to raise awareness of Ehime and its products and encourage traffic to the special Ehime page.

Furthermore, to diversify sales channels and reach Chinese consumers from all angles by leveraging the know-how and data acquired through Jingdong, a special page called 'Ehime Rakukatsu' has also been set up within Rakuten's flagship store on Tmall, China's largest e-commerce platform. We are also utilising the live commerce features of Wandou Gongzhu, which specialises in Japanese products, and Douyin, which is experiencing rapid user growth.

Results of the Project

In FY 2022, the first year of the project, a promotional video featuring the governor, which garnered over 10 million views, significantly raised awareness of the prefecture and its products, driving traffic to our special page. As a result, we achieved sales of 48.49 million yen, surpassing our target.

In FY 2023, the second year of the project, we set up special Ehime pages on several e-commerce platforms to reach Chinese consumers from various angles and actively utilised live commerce. As a result, we achieved sales of 111.62 million yen, more than double the amount from the first year, significantly contributing to the expansion of sales channels for local products.

Issues, Problems and Responses

(Issues and problems)

To encourage customers to make purchases in the Chinese e-commerce market, which features products from around the world, it is essential to first promote our products and increase their visibility. Additionally, new sales channels are emerging in China one after another, each with its own distinct user base. Therefore, it is crucial to conduct a thorough analysis of the alignment between products and the target audience.

(Responses)

Ehime Prefecture has been engaged in digital marketing since 2018, and with the expertise of our partner Rakuten, we have been carrying out promotions based on a target profile derived from an analysis of buyers of the prefecture's specialty products, such as Akoya pearls.

Furthermore, we have steadily built up sales by closely monitoring consumer behaviour from product recognition to purchase, and by implementing promotions that align with the timing of this behaviour.

Future Developments (expected effects and project vision and issues)

Through our initiatives so far, products featuring Akoya pearls, a specialty of the prefecture, have gained significant recognition among Chinese consumers and achieved strong sales.

However, our prefecture is home to many other exceptional products, such as Imabari towels, used in luxury hotels around the world, and processed foods made from a wide variety of citrus fruits, fitting for a region known as 'the citrus kingdom'.

To create additional bestsellers like Akoya pearls in the future, we will collaborate closely with businesses in the prefecture. Our goal is to expand business-to-business sales channels by leveraging the expertise and distribution networks developed through cross-border e-commerce.

Websites for Reference







Jingdong

Tmall

Wandou Gongzhu

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Meaning of Any Specialist Terms or Neologisms Used







Tmall 'Ehime Rakukatsu'



Wandou Gongzhu 'Shikokukan'