

Li Zhang*School of Business of BSU, Minsk, Belarus, Zl13972787126@163.com***DIGITAL ADVERTISING TRENDS IN CHINA**

Since 2020, China's online advertising has developed slowly due to the impact of the new coronavirus, and the online advertising platform pattern has basically taken shape, showing an overall intelligent development trend. Digital advertising has built a new development pattern, search advertising has formed an involution situation, and video advertising has become social and digital. However, the current problems and challenges such as economic recovery after the COVID-19 epidemic, oligopoly, and user privacy and security risks have greatly affected the development of advertising technology and industry. Therefore, the development of digital advertising in China should adapt to changes in the new development trend, deepen 5G mobile construction, and develop innovatively.

Keywords: *China's digital advertising; intellectual trend; involutional form; innovations in advertising*

Ли Чжан*Институт бизнеса БГУ, Минск, Беларусь, Zl13972787126@163.com***ТЕНДЕНЦИИ ЦИФРОВОЙ РЕКЛАМЫ В КИТАЕ**

С 2020 г. китайская онлайн-реклама развивалась медленно из-за влияния нового коронавируса, и платформа онлайн-рекламы в основном сформировалась, демонстрируя общую интеллектуальную тенденцию развития. Цифровая реклама построила новую схему развития, поисковая реклама сформировала инволюционную ситуацию, а видеореклама стала социальной и цифровой. Однако текущие проблемы и вызовы, такие как восстановление экономики после эпидемии COVID-19, олигополия, риски конфиденциальности и безопасности пользователей сильно повлияли на развитие рекламных технологий и индустрии. Поэтому развитие цифровой рекламы в Китае должно адаптироваться к изменениям в новой тенденции развития, углублять строительство мобильной связи 5G и развиваться инновационно.

Ключевые слова: *цифровая реклама в Китае, интеллектуальный тренд, инволюционная форма, инновации в рекламе*

Since the 21st century, emerging science and technology such as big data and cloud computing have developed rapidly, integrated with traditional business models, and greatly increased their participation in the economy. This has given rise to a variety of business models in the digital economy, such as E-commerce, payment services and digital advertising, etc. As a new economic form, the digital economy is increasingly becoming the driving force for the transformation and upgrading of various industries around the world, and is also the commanding heights of a new round of industrial competition [1]. According to IDC's forecast, by 2026, China's digital transformation expenditure is expected to exceed US\$600 billion, with a five-year compound growth rate of 17.9 %. The digital economy will become an important engine leading the world's economic development [5].

Various emerging digital business models have had a certain impact on the traditional economy. Among them, digital advertising challenges traditional economic rules and profit distribution methods. The whole year of 2022 will be greatly affected by the COVID-19 epidemic, and the Internet advertising market will fluctuate with the trend of the epidemic. However, in the medium to long term, the economy is stable and improving, and the fundamentals of long-term improvement have not changed. According to the «2022 China Internet Advertising Data Report», the structural

adjustment of the Internet advertising market has further strengthened, the market size has corrected for the first time, the growth rate of advertising revenue of industry giants has slowed down, and short video forms have become the mainstream (figure 1).



Fig. 1. Overall Internet advertising revenue in the Chinese market from 2017 to 2022

Data source: Beijing Zhongguancun Interactive Marketing Laboratory

The report shows that China's Internet advertising revenue for the whole of 2022 will be 508.8 billion yuan, a year-on-year decrease of 6.38 %, a decrease of 34.7 billion yuan. The size of China's Internet marketing market in 2022 is expected to be approximately RMB 615 billion, a decrease of 0.37 % from the previous year. The total size of the advertising and marketing market is approximately RMB 1,123.8 billion, a decrease of 3.19 % from the previous year. In terms of media platform type, video platforms accounted for 23.03 % of the market, making it the second largest advertising platform; in terms of advertising forms, video advertising market accounted for 22.19 %, making it the third largest advertising form. Among the video categories, short videos such as Douyin, Kuaishou, Xiaohongshu, etc. are the only category that has shown growth in both media platforms and advertising forms, and it is also the only category that will grow in 2022 (figure 2, figure 3).



Fig. 2. China's top 10 Internet advertising revenue companies in 2022

Data source: Beijing Zhongguancun Interactive Marketing Laboratory

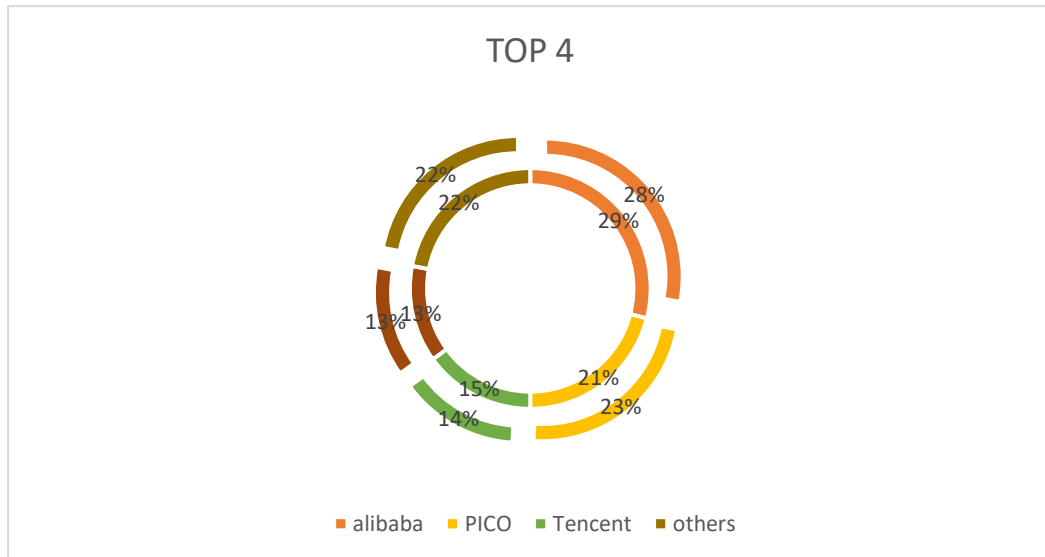


Fig. 3. Changes in the proportion of top 4 and top 10 companies in Internet advertising revenue from 2021 to 2022
Data source: Zhongguancun Interactive Marketing Laboratory

The development pattern of my country's online advertising platforms has basically taken shape. After 23 years of development, e-commerce, video, search, news information and social media have become the main carriers and sources of income for my country's online advertising. Platforms such as portals, search, social networking and e-commerce dominate the development direction, market size and development of my country's online advertising. communication technology (figure 4.).

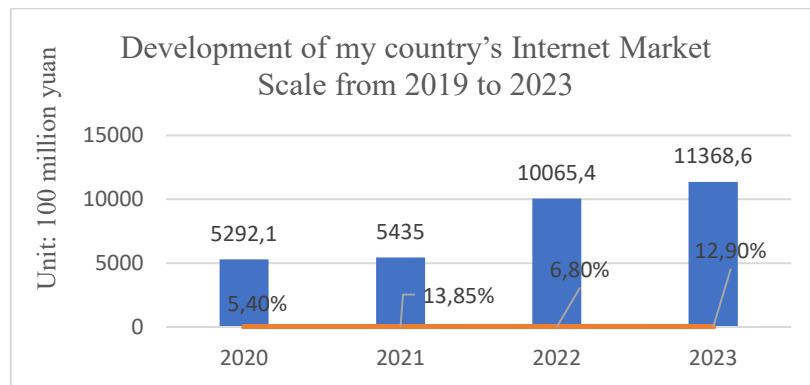


Fig. 4. My country's Internet market scale development from 2019 to 2023

Currently, social media advertising is not at a relative development advantage, but the development trends of social media such as immediacy, live streaming, and short videos will promote the development of social advertising.

Problems faced. In the context of the explosive growth of information and the increasingly complex media environment, digital advertising has provided the industry with a large number of users, while also causing many problems for the development of the industry.

1. Media platforms earn price differences and disrupt the market. Media platforms are key nodes in digital advertising operations. In order to pursue their own interests, they harm the interests of advertising providers and users, resulting in a loss of transparency in digital advertising, difficulties in extracting data value and collaboration, and the prevalence of false traffic and advertising fraud and poor advertising effect attribution, user privacy and interests not protected, etc. As a re-

sult, the industry is trapped in the dilemma of bad money driving out good money, a large amount of advertising budget is wasted, brand management is ineffective, and has a negative social impact.

2. Affected by the COVID-19 epidemic and suppressed by technological leaders

The outbreak of the COVID-19 epidemic in 2020 has severely impacted the global economy and the global Internet economy. The development of digital advertising in our country is facing challenges. TikTok has formed huge advertising advantages and user resources, and has been suppressed by the US government and social leaders. The U.S.'s «Foreign Company Accountability Act» and «Report on Protecting U.S. Investors from Major Risks of Chinese Companies» and other legal and regulatory documents have had a certain negative impact on the overseas development of my country's Internet companies and the online advertising market.

3. Hidden risks of user privacy security. In this era of mobile Internet, big data is no longer just a superficial meaning of data, but more of a resource that can bring huge commercial value and benefits to society. More and more countries and companies are using big data to innovate products and promote economic and social development. At the same time, data disclosure, data sharing and improper use of big data have brought certain negative impacts to our lives, one of which is privacy and security issues [2]. For example, the SDK downloaded from a smartphone APP can illegally obtain users' personal privacy information. In the era of big data, privacy issues have become more acute and difficult.

5G construction, and develop innovatively. In an economic society, the closer you are to consumers, the more opportunities you have to gain market power. Therefore, the advertising industry should follow the trend and shift toward consumers, shifting from helping companies control their impact on consumers to helping companies get closer to and serve consumers. In the 5G Internet era, my country's digital advertising should keep pace with the times and develop simultaneously. Technical innovations should be carried out, algorithms should be updated and improved, and smart payment systems and APPs should be optimized. Pay attention to third-party cooperation to achieve mutual benefit and win-win cooperation. Attention should be paid to cooperation with large overseas corporate advertisers in China, such as Unilever, Procter & Gamble, etc., as well as application programming such as Google and Facebook to jointly promote my country's digital advertising industry to the world.

To sum up, in the current era of change and economic recovery, faced with a market environment of diversified channels, fragmented traffic, and fierce competition, advertisers should adapt to the times and market development, return to the essence of content, and start from the perspective of consumer demand, reduce costs, increase efficiency, and improve marketing efficiency.

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