



Comparative Analysis of WeChat Channel and TikTok in China Short Video Clips Market

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Abstract. Under the era background of advanced development technologies, social media has becoming more and more important in people's daily lives. More and more people spend large amount of time on entertainment apps like watching short video clips, games or music.e.t.c. Short video clips as a new expression of internet content has been giving rise and popular, and becoming more and more mature in China Market in the recent years. Especially with the leading software WeChat Channels and Tiktok. This study aims to distinguish the content and narrative mode of short video clips of WeChat Channels and Tiktok, discovers the differences in fans distribution mechanism and customer behavior between this two software, and explores their different commercial profit mode in both producer behavior and customer behavior in order to settle the positions Tiktok and WeChat Channels in China short video clips market. This paper mainly uses the method of comparative approach and literature approach.

Keywords: WeChat Channels · Tiktok · Short video clips · Content and mode · Distribution mechanism · Customer behavior · Commercial profit mode

1 Introduction

Short video clips as a brand-new audio-visual image expression, is contentiously gaining popularity and has already became the mainstream of media communities in both China and global market. Short video clips were derived from 2011, the 'Snapchat' in American and 'Kuai' in China, they are known as the first generation of multimedia instant messaging app. In 2016, 'Tiktok' (DouYin) was launched out which mainly focus on video-focused social networking service. To 2020, 'Channels' was introduced to the public under WeChat functions. This paper will analysis the newly opened 'Channels', take 'Tiktok' as a comparative example, to compare the two leading online short video

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clips social networking platform and positioning their roles in China short video clips market.

In the 47th Statistical Report on the Development of The Internet in China, by December 2020, China has 986 million mobile internet users, short video clips users was reached 927 million, occupied 93.7% of mobile internet users. This situation was led by the mature of Chinese short video clips software [1].

Tiktok (DouYin) is a video-sharing social network app, regard as the second generation of short video clips in China and first released in September 20, 2016 by ByteDance Ltd. User can choose a background music according to their preference to shoot their video clips and share to the public. Moreover, Tiktok has two customer interface, 'following' and 'for you'. And users can enjoyed service such as 'like', 'collect', 'share' to friends and 'watch together' with close friends. According to Tiktok 2022 Revenue, Users and Engagement Statistics, by the end of January 2022, Tiktok has reached 1 billion monthly active users, and each active user spend about 850 min monthly on the software. About 167 million Tiktok videos are watched per internet minutes [2]. These statistics shows the strong competitiveness of Tiktok in the short video clips market. However, the mechanism of story-telling is different from others because customers prefer to design the scripts before produce the video, thus, Tiktok is more entertaining compare with others and there is always exaggerated plots and led to high efficiency of advertisement realization.

WeChat was first launched out in January 2011 as a social media, multipurpose instant messaging app and online transaction payment app by Tencent. Currently, WeChat has 1 billion monthly active users, its functions including moment, public accounts, messaging, enterprise WeChat, WeChat pay, Channels and others. 'Channels' was newly released in 2020, in public's view, it is regard as the third attempt of Tencent to enter the short video clips market. Because Tencent has previously launched out Android Pad and dynamic moment, but these two did not help Tencent to stand within the popularity of short video clips market. 'Channels' is an online short video clips social platform with in WeChat, users can freely choose to create and share short video clips to their own 'Channels' account. This means 'Channels' can benefit from its huge customer base from WeChat. Users can watch what are their 'friends love' and the real time 'hot' content, this has highlight the 'connectedness' of 'Channels'. However, this has led to an relatively fixed mechanism of video recommendation compare with others. The average length of each video usually is keep within 15 s, users can choose to watch the video clips or not by sliding up or down. The high quality content of 'Channels' has lead 'authenticity' became one of the unique selling point.

There were many previous relevant studies on short video clips, Tiktok and WeChat. Based on the study, the storytelling techniques, length, richness of video content, video production process and sound effect of Tiktok is unique and help it to reach 400 million daily active users. However, there are lack of studies on 'Channels'. Besides, there are many articles on the user behaviors but lack of comparative experiments and analysis of their commercial profit mode. This paper is of great significance for nowadays' short video clips and social media development field. Through the comparison between the two software to summarize their positions and roles in China short video clips market, looking for their current problems and give suggestions for improvement.

The research question analyzed in this paper will target on the following aspects: the narrative mode and content, the fans distribution mechanism, users behaviors, the commercial profit model and development mode of these two short video clips software. The research will conduct through comparative approach starting from Tiktok, and then the Channels and last is the conclusion.

2 Tiktok

2.1 Content and Model

TikTok's videos are mostly 30-s long, covering a wide range of content areas, including entertainment, education, comedy, game, food, sports, fashion, and music. By the end of July 2020, the 3 most popular categories are entertainment (535 billion), dance (181 billion), and pranks (79 billion). Users can select their interested categories when they first sign in with the TikTok app. After using a while, algorithms will analyze the users' habits, favorite content, comments, keyword research, playback completeness, etc. to intelligently recommend similar videos. Therefore, they generate a business model based on the algorithms, as all advertisements and content are recommended according to the algorithms. According to Fig. 1, the overall business model of TikTok can be divided into three main categories: content monetization, commercial profit model, and MNC course teaching.

For content monetization, the platform provides a creation bonus to the users to encourage the creation of short videos. For instance, they got a push bonus for those new creators. The platform will give you a certain amount of traffic according to the label of your video, and then analyze the number of likes and comments in the first round of push, judging the quality of the video and deciding whether to push the next round of traffic. This insures the pop videos demonstrate the public's opinion. This will also creates an incentive for those video creators to produce higher quality videos continuously in exchange for more tweets and generate profit for both platform and merchants in the future. They also got a TikTok topic challenge that usually begins with celebrities and well-known influencers, and The platform also got recent events or festivals. For instance, 'home quarantine diary', 'my friend's photography skills', 'tutti challenges' etc. This form of the topic challenge will encourage more people to join in. There will always be challenges in different fields that meet the needs of users which make them keen to participate in and start releasing videos.

2.2 Distribution Mechanism and User Behavior

2.2.1 Distribution Mechanism

The distribution mechanism for TikTok is mainly focusing on algorithms and builds strong data analysis systems to push the right content and ads to users. One feature is that content or keywords that appear in a video a user is watching will immediately appear in the "Guess what you want to search" section of the search screen. For example, if you are watching an introduction to a movie, relevant information such as the protagonist, actor or the name of the movie will appear directly on the search home page, saving a

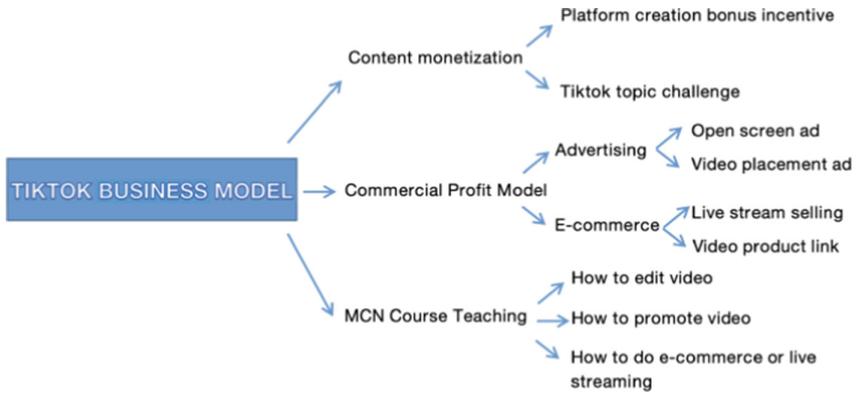


Fig. 1. The framework of TikTok business model [3]

lot of time and making users want to explore more content and leads to a distribution circle. Meanwhile, hot-lists and share with friends functions are established to keep users abreast of hot topics so that more users can participate in the interaction.

TikTok also launch with two platforms, Jianying and Xingtu, which provide the creators and users an easier and more accessible way to start video creation, and bundled distribution has brought huge revenue to all three platforms. Video production platforms depend on video publishing platforms, and video publishing platforms need video production platforms, which form an ecosystem of the short video market, a win-win strategy.

What makes TikTok unique compared to other platforms is that the background music source is displayed below each video. TikTok’s video content also includes the creation of video background music. Through the brainwashing transmission of hot audio, more users can participate in the production of video as background music can be collected and used. Some users even create templates for related background music, users can simply plug into the photo to create a video. This greatly promoted the spread of the video.

2.2.2 Consumer Behavior

To study the relationship between content creators and consumers on TikTok, I created a graph. According to Fig. 2, we can see that TikTok’s users are divided into video creators and content consumers, but the two can coexist, posting videos and participating in platform events at the same time. In Fig. 2, the triangle arrow in the inner circle shows the starting point of the TikTok platform and provides support to the creators and finally brings data feedback from the consumers to the platform. The arrows in the outer triangle circle show the profit brought to the platform from users to creators.

To promote that new users will become creators, and original creators can continuously release videos and get hits, the TikTok platform has formed a creative mode combining PGC (professional generated content) and UGC (user-generated content). PGC is a library of materials provided by the TikTok platform, including a music library, filters, and stickers. PGC is mainly aimed at ordinary users and can also be used by

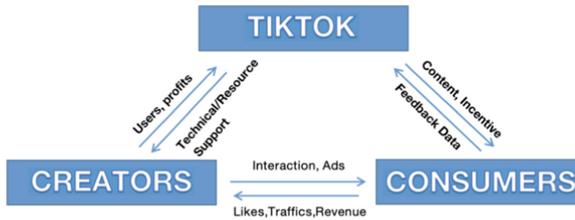


Fig. 2. Relation between platform, creators and consumers

creators, which greatly reduces the threshold of video shooting and rapidly enriches the video content of the TikTok platform, focusing on mass production. UGC is a library of materials created by TikTok content creators, including following music, co-shoot videos, topics, and challenges. The creators of these topics usually took a long time to create, but are of high quality, generally can start a new heat, and provides creators an original homepage as a reward. Follow-up music and co-shooting videos can also be incorporated into the PGC material library for ordinary users. Topics and challenges can continue to generate new hot spots. Therefore, the creation mode of TikTok is the result of cooperation between the platform, creators, and other users [4].

2.3 Commercial Profit Model

The commercial profit model of the TikTok platform mainly combines advertising, e-commerce and MCN course teaching as shown in the last two parts of Fig. 1. There are 2 forms of advertisement, an open screen ad where the ad appears on the home page of TikTok, and a video placement ad where brands create a short video of a series of products with a product link below that can be push to every user. There is 2 ways of e-commerce, live stream selling and video product link. TikTok has invited many celebrities and influencers to settle on TikTok and opened live stream broadcasts to sell commodities that can attract more consumers. Plus, some merchants pay video creators to advertise their products in their videos and place a product link in the comments section, so customers can purchase them directly from TikTok, which is a more natural and practical way to advertise. Lastly, MCN courses offered by TikTok platforms, content includes how to edit and promote a video, and how to do e-commerce and live streaming. These classes are the basics of the short video market business model and are a way for creators to get traffic. Tiktok is not only trying to collect fees but also to encourage more people to create videos.

3 Wechat Channel

3.1 Content and Model

The WeChat video channel was launched in early 2020, which is a new short video platform within WeChat itself. Users can share either short videos with texts or pictures with texts to their WeChat channel. Their WeChat accounts are linked to their channel accounts, but one WeChat ID can only create one account.

In the videos that users shared, have an aspect ratio which is either 3:3:5t or 16:9. Also, users can create tags, locations and a link to their WeChat official accounts. For an official account, this allows the video to combine with more information, articles and the videos can be complementary to each other. Moreover, they can attract more audiences to read their official accounts by putting the links on channels. For a personal user, they can link their channels with their WeChat moments, so they have a basis natural flow, and a closely link to their WeChat account.

Recent research showed that 30 videos are counted as a group, after users browse 30 videos, another 30 videos will be shown depending on the refreshed data. If the users slide to the top of the interface, the videos are also refreshed [4]. The sense when users slide the videos and refresh the content, is like the theory when people pull the rod in casinos, both give the users a sense of refresh, which caused them addicted, which makes the users keep browsing the videos.

When they are watching a video over 10 s, '+follow' bottom is showing beside the name of the publisher, users can simply click that bottom to follow the publisher. If the users keep watching over 30 s, the bottom texts will be switched to the hot comments with the number of likes. It allows more interaction and make the users spend more time on one video.

When the channel is just published, the maximum time limit of a video was one minute, but after a few updates, the maximum time limit was changed to 1 min 30 s. After the update on September 7, 2021, maximum to 1 h is allowed. However, the RAM should be smaller than 2 GB. The larger RAM, the lower picture quality.

According on the hot list statistics of WeChat channel, the top 50 accounts had 36% focused on affection, 18% on music, 14% on lifestyles, 8% on each education and amusement, 4% on each food and traveling [4], it shows that the WeChat channel is comprehensiveness, because it does not have a specific target audience, which included both mainstream media and entertainment with people's lifestyle.

3.2 Distribution Mechanism and User Behavior

3.2.1 Distribution Mechanism

Recent research showed that the algorithm is refers to 'interested tags + locations + hot topics + randomly picked'. The distribution methods were in the ratio of 1:2:10, '1' was the followed accounts, '2' was the videos watched by friends, '10' was the mechanism distribution. However, according to the data from WeChat team, the videos that depending on the likes of friends, bring twice more play rate than the mechanism distributed [6].

A cause of this phenomenon is that there is an interface called 'friends'. In this interface, the system recommends the videos which are published, liked, commented or shared by friends. This is based on the initial social attributes of WeChat. Further research has proved that based on the effects of acquaintance, users are more likely to play the videos completely and in favor of the videos. Furthermore, this allows more fissionabilities and uniformity in a relationship circle [4]. For the WeChat channel and the video publisher, this system can ensure the basic amount of flow is made and give the publisher more confidence.

On top of that, distribution by friends benefit the social functions of WeChat. Since all the friends are included in the channel, it can breakdowns the barriers between each other, for example, users can see the favor of a friend who did not even talk to each other regularly. It breaks down the barriers between ages, groups and social circles. Furthermore, the channel infiltrated into users' life by breaking down the barriers between time and space. Users can watch the videos from anywhere and anytime, which make them feel in a real world, in order to improve their experiences, so the users are more likely to spend more time on channel.

Base on this function, WeChat create the 'pattern of difference sequence', and led to the decentralization [5]. Which means the distribution is started by a single account, and the distribution channel is from the private to the public, through the 'likes' from friends, and then to the public. These distribution stages are interlocking with each other closely.

3.2.2 Publisher's Behavior

The WeChat channel has a similar aim as the WeChat moment, both are aimed to let users share their daily life, but the channel is shared to public instead of users' friends. Therefore, the users care more about their public characteristics and public images when they are publishing the videos on channels. This means the videos in channel are not very reliable, because the users are trying to fabricate and embellish their videos in order to meet their public image.

However, the 'live' function provides a more reliable environment. For example, the 'live' function shows the actual location, actual appearance and sounds of the video publisher, even though they can beautify themselves by the technology, this function still revealed their real situation. The audience can get a lot of information from their tone and their backgrounds. Also, they are more likely to build cordial relationships with the publisher due to the real-life atmosphere.

3.2.3 Viewer's Behavior

The main concern of the viewers is the 'like' function, they are always hesitated to 'like' the videos. Since the 'like' function is forced to share the videos in 'friends', many viewers are also trying to build their social image through the channel. The videos that they 'like' are often the videos that they want the others to know they liked, which are always related to their social images.

According to the recent research, the 'like' function will increase the difficulty to maintain the relationships and increase the risk of an unstable social image, which confused the users of the real world and the online world. Although there is a function to 'like' the videos by anonymous, the users are still trying to restrain themselves, because the operation of 'like' in anonymous is more complicated than a simple 'like' [6].

To the WeChat channel platform, this is a way to keep the hot videos in mainstream and orthodox, whilst avoiding the vulgar videos. However, the amount of 'likes' might not be reliable, because the views might not 'like' the videos that they wanted to 'like'.

3.3 Commercial Profit Model

3.3.1 Indirect ‘Traffic’ to the Products

Since the videos in channel can link to the WeChat official accounts, the business can ‘traffic’ their audience to follow their WeChat official accounts. After that, the business is more likely to promote their products, the consumers can order directly on their official accounts or order in their local stores. Another way is to put the phone number or email address in the profile, so the customers can contact the business through this information.

3.3.2 Direct ‘Products’ Link

The business can add their own products with a link, it is shown on the bottom of the video. This way gives the business a high profit by selling their own products. However, WeChat needs to deduct a sum of money from the profit and the view counts of the videos are likely to be low, which means the customers that the business can attract is low.

For personal users, they can put the link from other business, so they can get the commission on each sale., this is known as the CPS (cost per sales). However, the commission is lower than the total profit of the product, which is usually between 10% to 40% of the total profit and the view counts are also lower than the videos without a product link.

3.3.3 ‘Live Stream’ Function

The business can use ‘live stream’ function, which combine both ‘traffic’ and product links, but this function also allows the audience to ‘send gifts’ to the business. In this function, the gifts are converted to the money with same values, then WeChat platform takes 50% of total sales.

In the ‘live’ function, the business is still allowed to put the links of the products. A common method is ‘Hunger marketing’, which limit the quantity of the selling products, so the consumers feel the products are more valuable and more likely to pay for it. This also give the consumers a sense of fulfillment and guilty pleasure, so the business might get consumer loyalty from that.

Also, since the ‘live’ function seems more reliable, the consumers are more likely to trust the products and feel more security. The brands attract the consumers by showing their enthusiasm and cordiality in their ‘live’, so the consumers might be addicted without knowing.

4 Comparative Analysis

TikTok and WeChat Channel have some overlap in terms of content, algorithms and commercial profit model, however, there are also some discrepancies in overall missions and operation methods. From the various aspects discussed above, we can conclude that both TikTok and WeChat Channel’s content are based on the combination of personal lifestyle sharing or vlogs, and official account advertisements for entertainment industry

propaganda or commodity. While they both use the algorithm for video push and include live streams channel, there's still a marginal difference in the actual process.

The main difference between TikTok and WeChat Channel is their mission. TikTok mainly focuses on fast, large traffic short-term behaviors. We can see that on the TikTok platform, the number of likes for a single video is often extremely high, reaching ten thousand or millions, but the number of fans of the publisher may only be a few hundred. This shows that the TikTok platform focuses on the popularity of individual topics or the prevalence of individual products, rather than a general business transaction through the establishment of a fan system. Because most of the users of the TikTok platform are strangers, there is no actual connection. By contrast, WeChat Channel pays more attention to long-term interpersonal relationships. As an entrance to trade, WeChat first establishes a long-term and stable "friendship" relationship system and then promotes future transactions. Compared with other platforms, WeChat is more inclined to private social software, so WeChat's commercial activities are more likely to be seen as trustworthy.

More specifically, TikTok's business model is more complete. All their activities are based on the interaction between the platform, publishers, and users, it establishes a triangular circular relationship. Like the PGC and UGC mentioned above, the platform is constantly providing technical support, material libraries and initiating topics, allowing more people to start creating. And the new material created by the creator will also be included on the platform again, so that more people can use it while obtaining they could receive original creator title, thus forming a continuous innovation cycle. There are also topical challenges and other sections to make the TikTok platform more diverse and maintain vitality, thereby promoting future business activities. WeChat Channel otherwise focuses more on the effects of acquaintance, as most of the users know each other, or have some common contacts, therefore, users are more likely to play the videos completely and in favor of it. The platform does not participate much in the release of videos and any content activities but pushes videos to users according to a proportion of 1:2:10 for followed account, friends and mechanism distribution respectively as mentioned above.

Moving on to the commercial profit model. Product links, live streaming and video placement are commonly used among most social media e-commerce. However, many live broadcasts on TikTok are direct guided consumption, and there are short-term discounts during live broadcasts, allowing users to snap up. In addition to product promotion, the live broadcast of the WeChat Channel also provides more official and formal seminars, aiming to let the audience follow their official account, and establish a fundamental relationship for future transactions. TikTok is also cooperating with two other software, Xingtu and Jianying, each function for photo editing and video editing. Such commercial cooperation has formed an ecosystem of the short video market, allowing users to quickly join short video production, and rely on these three software from now on which can receive vast benefits and brand loyalty in the future (Fig. 3).

	TikTok	Wechat Channel
Content	<ul style="list-style-type: none"> - personal lifestyle sharing + official account advertisements - entertainment, education, comedy, game, food, sports fashion, and music 	
	Topic challenge	
General Model	<ul style="list-style-type: none"> - Short-term behaviors - focuses on the popularity of individual topics/products - Content monetization + commercial behavior + MCN course - Long-term "friends" system - establish interpersonal relationships for future transaction - Following+friends+hot 	
Distribution	<ul style="list-style-type: none"> - Algorithms - video push 	
	<ul style="list-style-type: none"> - hot lists - related words search - launch with Jianying & Xingtu 	<ul style="list-style-type: none"> - effects of acquaintance - the ratio of 1:2:10 regards followed, friends, and mechanism distribution
Consumer behavior	<ul style="list-style-type: none"> - interaction between the platform, publishers and users - PGC & UGC 	<ul style="list-style-type: none"> - independence among users and publisher - "like" function that allows friends to depict your social image
Commercial profit model	<ul style="list-style-type: none"> - Advertisement: open screen ad, video placement ad - e-commerce: live streaming, video product link 	<ul style="list-style-type: none"> - indirect: establish fundamental relationship for future transaction through Wechat account - direct: product link under the video + live streaming

Fig. 3. Compare WeChat channel and Tiktok

5 Conclusion

Overall, although the TikTok and the WeChat channel use different methods to attract users, both of them achieve their targets quite successfully. Therefore, they will be a model for China short video market.

As the technology is improving conspicuously, the e-commerce businesses will be more rely on the algorithm, especially for the short video market. The algorithm is indispensable because this is the most efficient way to find user’s interest, it is fast and cheap whilst it can provide accurate information.

The business model and the distribution of TikTok and WeChat are less likely to change too much. TikTok can include the effects of acquaintance and interpersonal relationships by enhancing their ‘friend’ function like WeChat. But it will be more challenging for WeChat to include popularity and the prevalence of individual products, because this might be in contradiction with their original aim which is improving the interpersonal relationships and encourage every individuals to make videos. Another challenge for WeChat to expand is that they need to preserve their original quality, instead of following the trend inconsiderably. Also, WeChat channel can cooperate with other video-editing apps, just like what TikTok did, in order to consolidate the consumer loyalty and attract more users.

Furthermore, they will have challenges in the market segmentation. For TikTok, their market segmentation is too wide, even though they are using the algorithms to distinguish the type of audiences, it is still difficult to satisfy every types of audiences

in order to keep consumer loyalty. For WeChat channel, it has a challenge to keep their quality during the expansion, because they have to include different types of audiences in future, so the contents will be more similar to TikTok.

The long term objective is fundamentally about attracts more users. They need to enrich their content by adding more functions, so there will be more variations and improve the interest of users [4]. For example, they can provide more add value functions toward the comments and likes to benefit the audiences. They can encourage the publisher to make more valuable videos by adding more shooting and editing functions, such as special effects and beauty cameras.

In conclusion, the future short video market in China will refer to these two models. By comparing the content, model, distribution channel, consumer behavior and commercial profit model, we can predict there future objectives. They should find the extension strategy to keep themselves at the maturity stage of the product life cycle and extending their cycle.

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