

Creators and sellers of the fun, colorful symbols look to retail, IP rights to brighten their profit outlook

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As an increasing number of people turn to emojis to spice up their everyday electronic messages, businesses are exploring new ways to turn the fun, colorful characters into some serious profits.

Facepalm, one of the most popular emojis ever developed by China's WeChat group, has to date been used by over one-third of the country's population, Tencent recently told *China Daily*.

In China, emoji symbols are so widespread that they have become a flourishing beneficiary of intellectual property, or IP, spawning huge business for their creators and sellers.

Tencent, the world's leading gaming company, has been involved in the IP field for a long time. Another profitable example is the company's venture with the Forbidden City, or the Palace Museum, to develop IP based on emoji images of ancient Chinese people.

The two parties are also working together to host emoji competitions, in which the company will offer a selection of the special emojis to users of QQ, one of its instant messaging services.

"The Palace Museum itself is a huge IP," said Pony Ma Huateng, chairman and CEO of Tencent.

"Tencent expects to link traditional culture with young people as well as to link China-made IP with the global stage," he added.

Emoji symbols, which have evolved from character-based emoticons, are today almost inseparable from the millions of messages exchanged daily by users of instant-messaging apps, social media and email.



Nearly 1,000 people holding emoji signs party in Fuyang, East China's Anhui province, on May 27. WANG BIAO / FOR CHINA DAILY

## Emojis become big business

The sector is attracting not only big tech companies, but also creative startups like Block 12, a Beijing-based internet developer.

The firm owns more than 100 such popular emoji symbols, including Freeze Girl. It employs over 50 emoji artists to create images, comics and videos and the like. Once its artists create an emoji, Block 12 promotes it on social media.

Then it authorizes the use of the emojis by companies in such products as themed dolls, or in other forms of merchandise including cosmetics, accessories, jewelry, fashion and bank cards.

One example is its partnership with Chinese jeweler Chow Tai Fook

to develop six sets of pendants in the image of Budding Pop, an adorable kid sporting a couple of green leaves in the place of hair.

Such IPs can translate into huge profits. StarMoly, another IP developer that owns the IP rights to more than 30 emoji symbols — including Moer the raccoon, Quby the baby, Waang the egg and Xiao the cat — has developed its own derivative products including smartphone cases, coin purses and books. These products alone generated total revenue of 500,000 yuan (\$72,000) in just four months at the end of last year, according to the developer.

However, Wang Biao, founder of Block 12, pointed out that custom-

ers who become enamored with an emoji can move on to the next craze just as quickly.

To make an emoji IP last longer, Wang said that Block 12 strives to develop a complete industry chain.

"Unlike traditional IP, our emojis change their costumes and status in different seasons and festivals," he said. "This makes their fans or users feel they are accompanied by the emojis all the time. Users identify with their favorite emojis."

When Freeze Girl was created in 2014, she was cast as a student. Most of the character's emojis portrayed scenes of school and study. With time, Freeze Girl has grown up, becoming a working woman.

Now many of the images are about work.

Block 12 has also extended its business by combining retail with emojis. It installed a claw game machine that dispenses dolls, in Beijing's Sanlitun, a trendy business and lifestyle district. All of the toys and dolls in the machine use Block 12's IP.

Wang said that this was an example of Block 12 testing the water to develop a wider emoji-based IP business, to increase the value of the firm's IP rights.

"We will try to integrate more online and offline business, to create more opportunities in the future," Wang added.

## WeChat Pay extends reach in Japan

Payment app teams up with popular messaging platform to provide Chinese travelers with more services

By HE WEI in Shanghai  
and WANG XU in Tokyo

Tencent is making its WeChat Pay mobile payment app more accessible for Chinese travelers in Japan through a partnership with popular Japanese messaging app Line, a move that accelerates WeChat's overseas outreach. The cooperation, which was announced on Nov 27, will allow Japanese brick-and-mortar merchants with a Line Pay terminal

to process WeChat Pay transactions directly without the inconvenience of currency swaps.

Tencent said in a news release that the partnership can help small and medium-sized local businesses adopt mobile payments at rather low costs because it omits the need to purchase extra QR code scanners.

"The strategic cooperation will allow WeChat Pay to further penetrate into local and daily scenarios and provide Chinese tourists with

more in-depth services," said Li Peiku, vice-president of WeChat Pay.

The strategy is "in line with an upgraded demand from Chinese people to travel like locals, rather than serving Chinese people only at traditional tourism hot spots," said a WeChat Pay spokesperson.

After announcing the partnership in Tokyo, Hisakuhi Nagafuku, chief operating officer of Line Pay, said: "There is almost no reason for Japanese stores not to introduce Line Pay

right now," adding that his company will move from a domestic payment service to become the No 1 company for inbound payment.

The Chinese tech giant did not disclose how many new access points it is expected to gain as a result of the partnership. But it said that WeChat Pay, which entered Japan two years ago, had registered a sixfold increase in the number of transactions between June 2017 and 2018.

WeChat Pay is currently available

in main shopping areas in Japan, including airports, chemists and amusement parks. The partnership also ramps up competition between WeChat Pay and Alibaba's payment service Alipay, as the two attempt to boost their market share outside China. Alipay recently announced a partnership with Yahoo Japan and Softbank to offer payments services.

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