

BUSINESS

Music for world, no strings attached

GOING GLOBAL |
Guitar capital
Zheng'an county
strikes the right notes
online to boost exports

By **ZHU WENQIAN** in Beijing
and **YANG JUN** in Guiyang

Zheng'an, a small county in Guizhou province of Southwest China, is the world's largest guitar manufacturing center from where locals export the instrument globally.

In all, 56 producers of guitar and related spare parts are based out of the guitar industrial park in Zheng'an. The county has developed 34 independent brands, according to the local government.

Zunyi Shenqu Musical Instruments Manufacturing Co Ltd, a major guitar retailer in the county, has developed three independent brands. It also does processing work for some top global music instrument brands such as Japan's Ibanez and US' Fender. So far, it has exported its products to the United States, Brazil, Spain, Germany, and Japan.

"The main consumer groups who buy guitars are schools, art training centers and guitar lovers. Compared with overseas markets, we have relatively lower costs and prices. The prices of average products range from 1,500 yuan (\$214) to 5,000 yuan each. Higher-end guitars can cost over 10,000 yuan each, depending on their quality, features and craftsmanship," said Zheng Chuanjiu, general manager of Zunyi Shenqu.

The firm has two production lines, one for electric guitars, the other for wooden instruments. The company's annual output value has exceeded 400 million yuan. To expand production scale and operational efficiencies, Shenqu will add more production lines, its executives said.

This year, some companies from South Korea and the United Kingdom have visited the plant and tried out sample products of Shenqu in Zheng'an. They are exploring further cooperation.

From January to September, the export value of Shenqu reached \$14.31 million. The company said it expects the full-year export value to reach \$18 million, up 25 percent year-on-year.

"We import raw materials and export the finished products. The cheap land and labor costs are the advantages in Zheng'an," Zheng said.

In 1995, Zheng and his brother, both natives of Zheng'an, went to Guangzhou, capital of Guangdong province, to work at a guitar plant, where they were later promoted to management positions. In 2013, the two brothers started their own factory in Zheng'an, sowing the seeds of what turned out to be a booming business in guitars.



A worker strings guitars at the production center of Zunyi Shenqu Musical Instruments Manufacturing Co Ltd in Zheng'an, a small county in Guizhou province of Southwest China. ZHAO YONGZHANG / FOR CHINA DAILY



Workers test guitars at Zunyi Shenqu Musical Instruments Manufacturing Co Ltd in Zheng'an county. ZHAO YONGZHANG / FOR CHINA DAILY

Last year, Zheng'an produced more than 6 million guitars, and the output value reached 6 billion yuan. More than 3.6 million guitars were exported to more than 30 countries and regions globally, including the US and Brazil, and the export value accounted for nearly one-third of the export value of guitars made in China.

With nearly 15,000 employees working there, the industrial park in

Zheng'an expects sales to exceed 7 million units by the end of this year, with an output value of more than 7 billion yuan, according to the local government.

Guizhou Baikai Musical Instrument Co Ltd, another major guitar producer in Zheng'an, has developed two independent brands, and has sold its products nationwide through e-commerce platforms.

Its daily sales reach about 3,000 to

4,000 guitars, the largest nationwide, on online marketplace Taobao of Chinese e-commerce giant Alibaba Group.

"The user groups of guitars online are much broader, and the market potential is bigger. It's not difficult to tap the market by selling high-quality but inexpensive instruments to entry-level guitar players," said Zhao Shan, general manager of Guizhou Baikai.

"We import raw materials and export the finished products."

Zheng Chuanjiu, general manager of Zunyi Shenqu

Zhao has put in more efforts to sell guitars online. He aims to promote sales using the marketing strategy of "internet plus". The company has launched its products on major e-commerce platforms such as Tmall and JD, and sells its products domestically and overseas using its person-to-company, or P2C, business model.

Last year, the company sold more than 600,000 guitars online, with an average monthly sales of 53,000, it said. With strong sales, and demand rising, the production volume of Baikai is inadequate. But the six other guitar producers in the industrial park help meet the demand somehow.

In China, Zheng'an has come to be associated with guitar. Fittingly, the county has also built the world's largest guitar sculpture, a guitar street, a guitar-themed park, and a guitar-themed hotel.

The Weiwei in Guiyang contributed to this story.

Contact the writers at zhuwenqian@chinadaily.com.cn

The 'dark' side of consumption

REPORTER'S LOG

By ZHENG YIRAN

11 pm. With light music playing in the background, I light a fragrant candle, drape my face with a moisturizing mask, and rub lotion on my body. This is no daily bedtime ritual but a wake-up call of sorts. For a busy 'day' awaits. The night's young, as they say — it's time to shop. Online, that is.

Taobao is the first app I hit to check on the day's hot deals. My shopping record on the app shows I spent roughly 2,000 yuan (\$285) in October. About 80 percent of the purchases were made during evenings. My top three favorites are: clothes, skincare products and cosmetics.

Money also flows out into online orders for food. With a few quick taps on my nifty smartphone, I can choose from a variety of delivery apps. Within minutes, my favorite foods arrive in thermal packaging boxes, hot, aromatic, and fresh.

Call me an old-fashioned couch potato, if you must, but I'd not like to move an inch on my cozy sofa while watching movies at home. This is my favorite time of the day. I am the sole owner, boss, manager of this time-slot. Me-time, as they call it these days. I love spending quality time with myself every day. Thank heavens for nighttime e-commerce.

A latest report from market consultancy iiMedia Research showed that China's nighttime economy, or business activities between 6 pm and 6 am in the services sector, reached 22.9 trillion yuan in 2018, up 11.5 percent from 2017. With an average annual growth rate of over 16 percent, the sector is estimated to surpass 42 trillion yuan by 2022.

Besides food and personal products, my nighttime consumption includes services of a neighborhood beauty salon, which I visit every Friday evening, after the work week. For facial and body care, I pay around 10,000 yuan for a half-year subscription.

Saturday and Sunday evenings, I often hang out with my friends. Our regular routine is to eat out — Japanese, South Korean and Thai restaurants are our preferred haunts. Dinners are followed by visits to a KTV center or a sober bar. We chat, sing, drink, or just sit in silence, taking a breather to relax.

Compared to daytime, I prefer evenings to go out, which invariably involves spending some money. Why? I don't know. Maybe it is the dazzling lights, the serene atmosphere, and the fact that there is no work pressure weighing on my mind at that time. Whatever it is, I think evenings are more romantic.

Perhaps, Fu Yifu, a senior researcher at the Suning Institute of Finance, knows more. "In modern society, with the development of global economy and the accelerated pace of work of urban populations, people need more space to find release, and nighttime provides that with recreation and entertainment."

With the general increase in household income and the rise of the young generation, more and more people want to free themselves from the clutches of modern hectic lifestyles. So, nighttime activities are gradually becoming a fashion trend and economy-boosters in Asia, he said.

Fu suggested that cities should develop the sector based on local cultural elements, with support from local governments. Besides, urban public transportation system should be improved, to meet people's transport needs, so that they are willing to go out and consume during nights.

Contact the writer at zhengyiran@chinadaily.com.cn

Catering, tourism, shopping, retail shine after sunset

By **ZHENG YIRAN**

The allure of active night life is prompting consumers to spend 1,600 yuan (\$228) on a return flight to and from certain tourist destinations in China just to savor popular late-night dishes.

For instance, Changsha in Central China's Hunan province recently attracted Wu Yi, a senior university student in Beijing, for a quick weekend trip.

"I didn't plan the trip in advance. Content about a crayfish restaurant in Changsha went viral on the internet, so I wanted to give it a shot. I really wanted to experience Changsha's famed night life," she said.

Wenhoyou crayfish restaurant that Wu visited boasts a record of serving over 7,000 diners on a single night. Thousands of foodies had lined up just for a late-night bite. According to Wenhoyou, its sales revenue surpassed 100 million yuan last year.

In recent years, Changsha's nighttime consumption boomed, contributing greatly to the city's economic development. For instance, in the first half of this year, its Furong district saw 274 commercial establishments stay open for business until midnight, and raked in 432 million yuan in total sales. For some food

streets, nighttime sales accounted for one-third of total sales, according to local government officials.

"Our busiest time everyday is from 6 pm to midnight. Last year, nearly 3.7 million tourists came to the restaurant," said Li Mingyue, assistant to chairman of the Hunan-based Wenhoyou Group.

A report on China's nighttime economy from the Yaok Research Institute showed that in 2017, total sales revenue of Changsha's nighttime industries grew 12 percent year-on-year. The number of people involved in the city's nighttime economy was 49.2 percent more than that of 2016.

"Nighttime economy has extended the consumption duration, serving as a new breakthrough point in consumption growth, a potential bonus," said Mao Zhonggen, director of the Western China Economic Research Center at the Southwestern University of Finance and Economics in Chengdu, Sichuan province.

Apart from the catering sector, commodity retail involving household provisions and consumer goods is an important driving force for nighttime economy. According to Yin Zhixin, from the Guangzhou Development and Reform Commission, the most profitable part of



Since the start of the 2019 Chongqing night market cultural festival in August, Chongqing's five "strange, elegant, fashionable, beautiful and spicy" night market blocks have attracted 6.7 million visitors. TANG YI / XINHUA

Guangzhou's nighttime economy is commodity retail, with an annual sales revenue of over 280 billion yuan, accounting for roughly 30 percent of the total retail sales.

Nighttime catering ranked second, with around 80 billion yuan in annual sales revenue, which took up two-thirds of daily catering sales.

Food, tourism and shopping top the nighttime economy areas, but

new avenues like nighttime exhibition, nighttime reading and nighttime running are becoming popular. Industry experts noted that innovative businesses that focus on mental health and a healthy lifestyle are proving to be new growth points.

This year's Lantern Festival on Feb 19 attracted 570,000 visitors to the photoelectric fireworks show on Sichuan Tower of China in Chengdu.

The operator of the tower attributed the new rush to the booming nighttime activities in the city. Fashion bars and museums stay open till late, attracting tens of thousands of young consumers who spend liberally.

Nighttime economy may be booming now but many problems could pose problems in the future. Zhu Dejun, a government official from the Tianxin district in Changsha city, said: "With the rise of people's living standards, demand for night life has increased, and the future of nighttime economy is promising. However, the range of businesses in the sector tends to be predictable and monotonous. Catering alone won't suffice. More innovations are needed."

Yang Jirui, head of the China Consumer Economics Society, said sales during day and night differ, but so do costs, because nighttime operations require lighting, public transportation, public security management, food safety, logistics and emergency management. Such requirements test the efficacy of a city's urban management systems.

"These support services must keep pace with the evolution of nighttime economy and be offered constantly," Yang said.