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QUALIFYING MASTER'S THESIS

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Analysis of the factors affecting China's mobile Economy

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SUMMARY

Ren Cheng. **Analysis of the factors affecting China's mobile Economy.**
(Scientific supervisor: Ph.D., assoc. prof. Bitkova T. V.).

China's mobile economy has rapidly evolved into one of the most advanced and integrated digital ecosystems in the world. This thesis investigates the core factors that have contributed to its development, including technological innovation, shifting consumer behaviour, infrastructure investment, and supportive government policies.

The study aims to evaluate the relative influence of these variables using a mixed-methods approach that includes case studies (Tencent, Alibaba, ByteDance) and statistical analysis of macroeconomic indicators.

Findings reveal that mobile user growth, e-commerce volume, and digital infrastructure expansion are among the most significant contributors to mobile economic performance. The Chinese government's active involvement in shaping the digital environment, along with consumers' high adoption rates of mobile services, form a unique foundation for innovation and economic expansion. Case analysis further shows that major tech firms are key drivers of ecosystem integration, localized services, and data-centric growth strategies.

This research contributes to the broader understanding of how digital technologies reshape economic systems, especially in emerging economies. The insights presented here may be applicable to policymakers, business leaders, and scholars interested in the global dynamics of the mobile economy.

Keywords: China, mobile economy, digital infrastructure, e-commerce, policy, innovation, consumer behaviour

АНОТАЦІЯ

Жень Чен. **Analysis of the factors affecting China's mobile Economy**
(Керівник: к.е.н, доцент Біткова Т. В.).

Мобільна економіка Китаю стрімко перетворилася на одну з найрозвиненіших та найінтегрованіших цифрових екосистем у світі. У цій магістерській роботі досліджуються основні чинники, що сприяли її розвитку, зокрема технологічні інновації, зміна споживчої поведінки, інвестиції в інфраструктуру та підтримка з боку державної політики. Метою дослідження є оцінка впливу цих чинників за допомогою комбінованого підходу, що включає case studies (Tencent, Alibaba, ByteDance) та статистичну обробку макроекономічних показників.

Результати дослідження показують, що зростання кількості мобільних користувачів, обсяг електронної комерції та розвиток цифрової інфраструктури є найважливішими чинниками мобільного економічного зростання. Активна участь уряду Китаю у формуванні цифрового середовища разом із високим рівнем прийняття мобільних послуг споживачами створюють унікальні умови для інновацій та економічного розвитку. Аналіз кейсів підтверджує, що великі технологічні компанії є рушіями інтеграції екосистем, локалізованих сервісів та стратегій, зосереджених на обробці даних.

Це дослідження робить внесок у ширше розуміння того, як цифрові технології трансформують економіку, особливо в країнах, що розвиваються.

Представлені висновки можуть бути корисними для державних органів, бізнесу та науковців, зацікавлених у глобальній динаміці мобільної економіки.

Ключові слова: Китай, мобільна економіка, цифрова інфраструктура, електронна комерція, державна політика, інновації, поведінка споживачів.

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INTRODUCTION

In recent years, China's mobile economy has undergone a remarkable transformation, becoming a cornerstone of the country's broader digital revolution.

With the rapid spread of smartphones, high-speed internet infrastructure and mobile payment systems, mobile technology has evolved from a convenience into a necessity – reshaping how people communicate, shop, work, and access services.

This growing reliance on mobile platforms has significantly contributed to the modernization of China's economy and has had far-reaching effects on both consumers and businesses.

The term mobile economy refers to the ecosystem of economic activities that revolve around mobile technology – ranging from mobile commerce (m-commerce) and payments to app-based services and content platforms. In China, this economy has expanded rapidly, largely driven by a tech-savvy population, a proactive government stance on digitalization, and fierce competition among domestic tech giants. Companies such as Tencent, Alibaba, and ByteDance have created highly integrated ecosystems that allow users to handle nearly every aspect of daily life via mobile applications.

Several critical factors have propelled this rapid growth. On the technological front, China has made significant advancements in the areas like 5G infrastructure, AI integration, and cloud computing. Meanwhile, consumer behaviour has shifted dramatically – with mobile payments becoming the norm, and e-commerce adoption continuing to surge across all demographics. In parallel, the Chinese government has played a strategic role by encouraging digital innovation through national programs like “Internet Plus” and investing heavily in telecommunications infrastructure.

The influence of China's mobile economy is not confined within its borders. It plays a central role in the global digital economy, shaping international trade, setting standards in mobile payment systems, and exporting mobile applications to global

markets. However, with this rapid growth come notable challenges – such as data privacy concerns, market regulation, digital inequality, and the risk of over-concentration among a few dominant players.

This thesis seeks to explore the main forces that drive and influence the evolution of China's mobile economy. The core objectives are threefold:

- ✓ To identify and classify the key internal and external factors shaping mobile economy development;
- ✓ To assess the degree to which each factor contributes to the economy's growth and transformation;
- ✓ To evaluate the broader economic and policy implications of China's mobile economy, both domestic and international.

Studying these dynamics is particularly relevant at a time when digital transformation is redefining global economic structures. Understanding how China has built one of the world's most advanced mobile economies offers valuable insights for policymakers, entrepreneurs, and researchers interested in the intersection of technology, economics, and public policy. Moreover, analysing these trends can help other nations benchmark their own digital strategies and better engage with China's expanding digital ecosystem.

In the chapters that follow, this study will first examine the conceptual foundations and development history of the mobile economy in China. It will then analyze relevant literature and outline the research framework and methods. Lastly, the empirical sections will present case studies of leading firms and use data analysis to evaluate how specific factors influence the mobile economy's trajectory.

Qualifying Master's thesis contains 47 pages, 14 figures, 5 Tables, 31 references.

SECTION 1. OVERVIEW OF CHINA'S MOBILE ECONOMY

1.1. NOTIONS AND DEFINITIONS

The mobile economy represents a broad and continuously evolving segment of the digital economy that is primarily driven by mobile technologies. It encompasses a wide range of economic activities enabled through mobile devices such as smartphones, tablets, wearable technology, and wireless broadband networks. These activities include – but are not limited to – mobile commerce (m-commerce), mobile financial services, digital content consumption, mobile marketing, location-based services, and app-based platforms for transportation, healthcare, and education.

What distinguishes the mobile economy from the broader digital economy is its emphasis on mobility, immediacy, and ubiquitous connectivity. Unlike desktop-based digital services, mobile technologies allow consumers to interact with digital platforms anytime and anywhere, enabling real-time decision-making, on-demand service access, and personalized user experiences. This shift from static to mobile access has fundamentally changed how individuals, businesses, and governments operate and engage with one another.

In the Chinese context, the mobile economy is not just an emerging trend – it is a transformative force that underpins much of the country's economic modernization and social innovation. Mobile devices in China are deeply integrated into the daily lives of citizens, functioning not only as communication tools but also as digital wallets, identity verifiers, public service portals, and entertainment centres. From scanning QR codes to pay for street food to accessing real-time transport updates, mobile technology has permeated all layers of society.

China's mobile economy benefits from scale, speed, and state support. With over 1 billion Internet users, and more than 99% of them accessing the internet via mobile devices (CNNIC, 2023), mobile platforms have become the dominant interface for digital interaction. Tech giants such as Tencent, Alibaba, ByteDance, and Meituan have built extensive mobile-based ecosystems offering everything from e-commerce and digital payments to cloud services and AI-powered recommendation engines.

Additionally, China's mobile economy is characterized by super-app ecosystems, where multiple services are bundled into a single application – WeChat being the most prominent example. These platforms blur the lines between communication, social media, shopping, banking, and even public health. This level of platform integration and service consolidation is a distinctive feature of the Chinese mobile economy model.

Beyond consumer interactions, the mobile economy also plays a significant role in enterprise digitalization. Businesses increasingly rely on mobile solutions for logistics management, customer engagement, workforce coordination, and supply chain monitoring. The integration of mobile technology into business processes boosts efficiency and competitiveness, especially for small and medium-sized enterprises (SMEs) looking to scale operations through digital means.

Moreover, mobile government services (or m-Government) have expanded access to healthcare, social welfare, tax filing, and administrative procedures, especially in rural and underdeveloped areas. These initiatives are in line with the Chinese government's broader strategy of promoting digital inclusion and smart governance.

In summary, the mobile economy refers to a dynamic system of economic activities facilitated by mobile technologies that allow for real-time, location-independent access to goods, services, and information. In China, this system has matured into a robust digital infrastructure that influences not only consumption and business models but also public administration and societal norms. As such,

understanding the concept of the mobile economy in China requires a multidimensional perspective that considers its technological, institutional, and socio-cultural foundations.

1.2. HISTORICAL CONTEXT: DEVELOPMENT OF MOBILE TECHNOLOGY IN CHINA

The development of mobile technology in China has followed a distinctive path marked by rapid adoption, government support, and mass-market innovation. From its modest beginnings in the late 1990s to its current status as a global leader in 5G deployment, China's mobile technology landscape has undergone transformative growth over the past three decades.

Early Stage: 1990s – Early 2000s

China's mobile journey began in the late 1990s, when feature phones were first introduced and adopted primarily by business users and affluent urban residents.

Mobile technology was at this time considered a luxury, with limited network coverage and high service costs. The mobile market was fragmented, and most devices and services were imported.

However, the turning point came with the Chinese government's decision to strategically develop its telecommunications industry, including support for state-owned enterprises such as China Mobile, China Unicom, and China Telecom, which laid the groundwork for national infrastructure development. The early 2000s saw the rapid rollout of 2G (GSM) networks, enabling basic voice and SMS services.

Expansion Era: 2009–2014 (3G and 4G)

The introduction of 3G in 2009 was a pivotal moment for mobile technology in China. It marked the beginning of widespread internet access via mobile devices. For the first time, users could browse the internet, watch videos, and access emails on their phones. Around this time, domestic smartphone production began to flourish, with companies like ZTE and Huawei gaining traction.

The real explosion in mobile internet usage, however, occurred with the launch of 4G services in 2013, based on the TD-LTE standard. This upgrade has dramatically improved connection speeds and data capacity, enabling app-based ecosystems to emerge and expand. The timing coincided with the mass adoption of affordable smartphones, especially from local manufacturers such as Xiaomi, OPPO, and Vivo, which brought internet access to lower-income consumers and rural populations.

During this period, mobile applications reshaped everyday life in China. Services such as WeChat (launched in 2011) and Alipay quickly evolved from simple communication or payment tools to full-fledged platforms encompassing social media, financial services, e-commerce, and government services. The concept of the “super app” – a single application serving multiple functions – was pioneered in this era, fundamentally transforming user behaviour.

Maturity and Innovation: 2015 –Present (5G and Intelligent Applications).

By the mid-2010s, China had become the world’s largest mobile internet market in terms of users and digital service volume. The focus shifted from simply providing access to optimizing speed, service diversity, and user experience. Innovations in cloud computing, artificial intelligence (AI), and edge computing enabled a new wave of intelligent mobile services.

The deployment of 5G networks, beginning in 2019, has been another landmark in China’s mobile evolution. With government backing, major cities were rapidly equipped with 5G base stations, followed by expansion into smaller towns and even rural regions. As of 2023, China accounts for more than 60% of the world’s 5G base stations, providing the infrastructure needed for emerging industries such as:

- ✓ Autonomous vehicles;
- ✓ Smart manufacturing;
- ✓ Telemedicine and remote surgery;
- ✓ Real-time cloud gaming and AR/VR experiences.

Furthermore, state-driven strategies such as the “New Infrastructure” plan and “Digital China” initiative have reinforced the central role of mobile technology in national development, emphasizing not only connectivity but also digital sovereignty and innovation leadership.

In 2024 Greater China was a leading region in the world by its mobile Internet connectivity covering 80% of the population (figure 1).

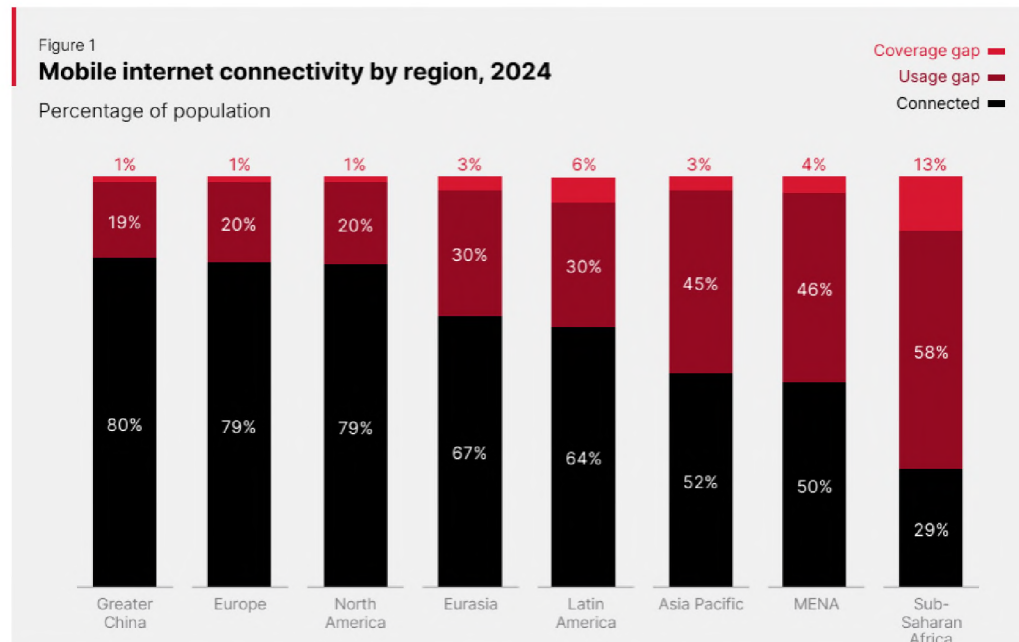


Figure 1. Mobile Internet connectivity by regions, 2024

Source: *The Mobile Economy 2025*.

Local Adaptation and Global Impact.

China’s mobile technology development has also been characterized by local customization. From payment systems that work seamlessly with QR codes to government service mini-programs embedded in WeChat, mobile services have been uniquely adapted to Chinese user behaviour and cultural preferences. This domestically driven innovation model has allowed Chinese tech companies to leapfrog legacy systems and, in some cases, outpace counterparts in more developed economies.

At the same time, China’s mobile platforms and hardware manufacturers are increasingly active in global markets. Companies such as Huawei and ByteDance (TikTok’s parent company) have expanded their reach worldwide, exporting both physical devices and digital platforms. This global expansion reflects not only China’s technological maturity but also its influence on shaping the international digital economy.

Figure 2 illustrates world tendencies in mobile technologies’ contribution to GDP by industries till 2030.

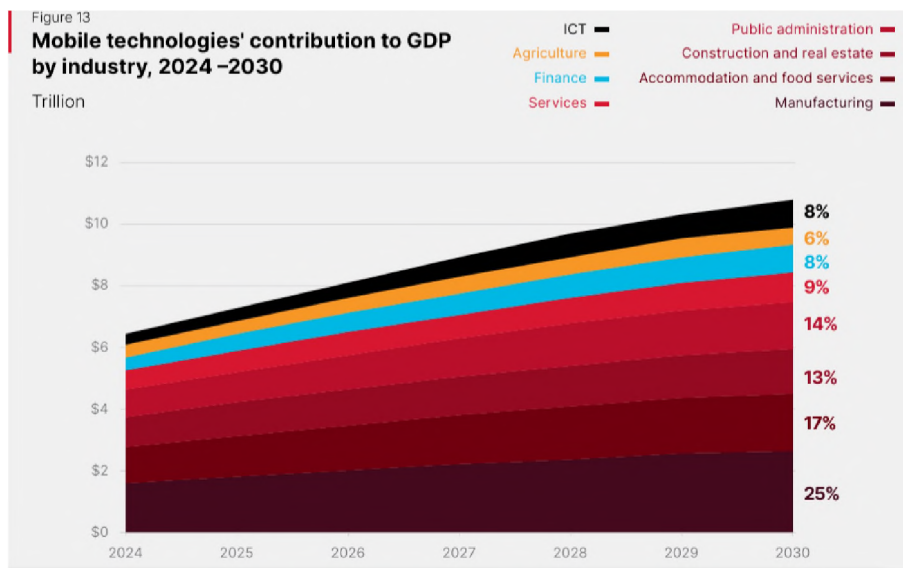


Figure 2. World tendencies in mobile technologies’ contribution to GDP by industries
 Source: *The Mobile Economy 2025*

Chinese economist and politician, professor Jiang Xiaojuan stated that according to the latest data from the China Academy of Information and Communications Technology (CAICT), countries with the top ten proportions of the digital economy in GDP can be divided into three tiers: Germany, the UK, and the US are in the first tier, with a share exceeding 60%. China’s digital economy accounts for 36.4% of GDP, placing it in the third tier. Professor noted that during the 13th Five-Year Plan period, the growth rate of the digital core industries was 1.3 times that of GDP growth, merely keeping pace with economic expansion. The proportion of digital core industries in GDP increased from 6.9% to 7.4%, a rise of only 0.5 percentage points. According to the 14th

Five-Year Plan, by 2025, the added value of core digital industries as a share of GDP is expected to increase from 7.4% to 10%. To achieve this target, the growth of our digital core industries must be 2.1 times that of overall economic growth, Jiang emphasized.

According to (rankingroyals.com, 2022) China came in second with a value of \$5.4 trillion. In addition, the country’s digital economy grew to 39.2 trillion yuan accounting for 38.6% of GDP.

Professor Jiang further highlighted that the 14th Five-Year Plan does not set explicit growth targets for the entire digital economy’s scale or proportion. However, by referencing the growth rate targets for digital industrialization, the proportion of industrial digitization is projected to rise to 40.4% by 2025. Combined with the 10% share of digital industrialization, the total proportion of the digital economy in GDP would reach 50.4%. If growth proceeds smoothly, the digital economy will account for half of the national economy”, – Jiang stated. She added that achieving this goal would require the digital economy to contribute over 70% of incremental economic growth, making this target particularly challenging. (CNNIC 52nd Report, 2023; Jiang Xiaojuan, Digital Economy and China’s Development, 2021).

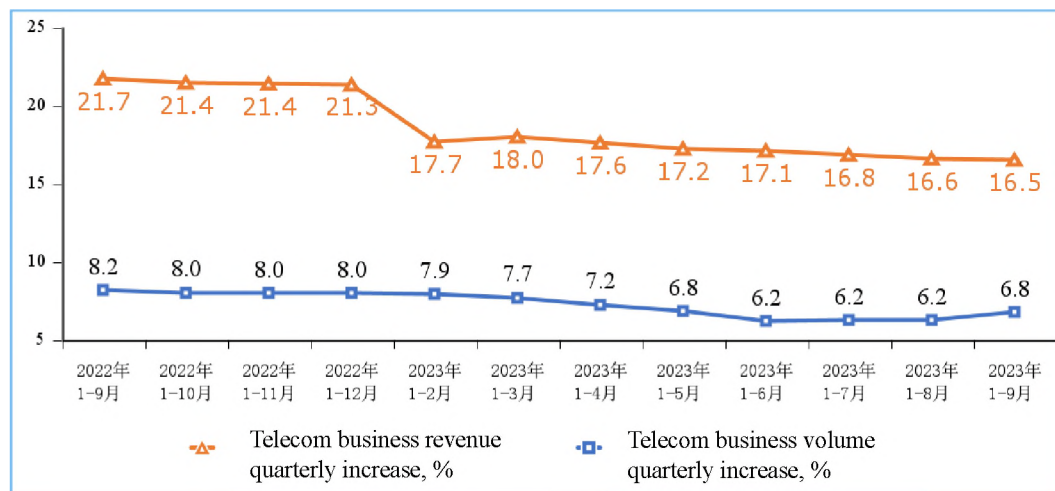


Figure 3: Cumulative Growth Rates of Telecom Business Revenue and Telecom Business Volume

Source: Ministry of Industry and Information Technology releases, 2022; Communication Industry Statistical Bulletin.

Data Highlights:

- Telecom business revenue growth rebounds slightly: in the first three quarters of 2023 cumulative telecom business revenue has reached 1.2813 trillion yuan, a year-on-year increase of 6.8%, with growth accelerating by 0.6 percentage points compared to the first half. Telecom business volume, calculated at constant prices from the previous year, rose by 16.5% year-on-year (fig. 3).

- Fixed Internet broadband revenue steadily rises: in the first three quarters, the three major telecom operators generated 196.2 billion yuan in internet broadband revenue, up 8% year-on-year. This accounted for 15.3% of total telecom revenue, a 0.3 percentage point increase from the first half, contributing 1.2 percentage points to telecom revenue growth.

- Mobile Data Traffic Revenue Growth Remains Slow: Mobile data traffic revenue totaled 492 billion yuan, a marginal increase of 0.4% year-on-year, accounting for 38.4% of telecom revenue and contributing 0.2 percentage points to its growth. revenue grew by 24.1% (fig. 4).

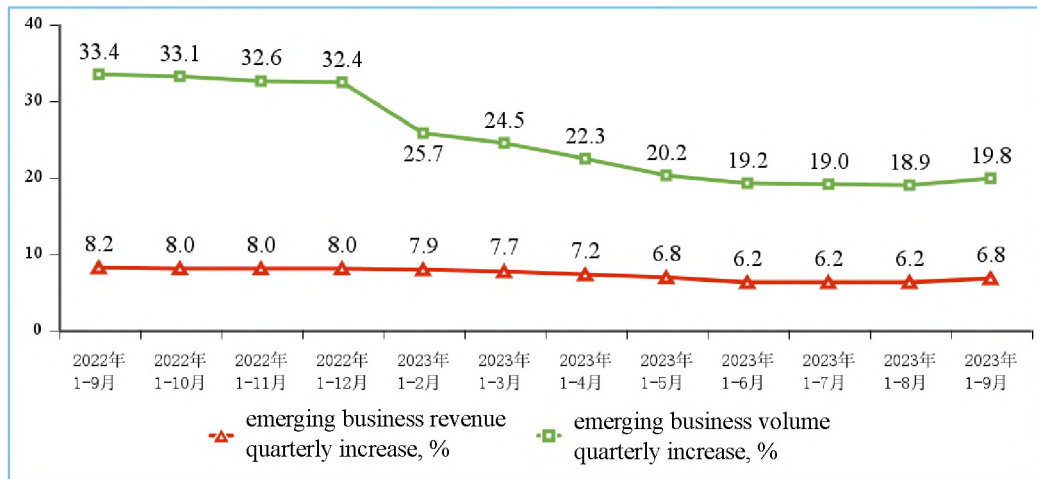


Figure 4. Emerging Business Revenue Growth

Source: Ministry of Industry and Information Technology releases, 2022; Communication Industry Statistical Bulletin

- **Emerging Business Revenue Continues Rapid Growth:** The three operators actively expanded emerging businesses such as IPTV, internet data centres, big data, cloud computing, and IoT. Emerging business revenue reached 270.2 billion yuan in the first three quarters, up 19.8% year-on-year, representing 21.1% of telecom revenue and driving 3.7 percentage points of its growth. Cloud computing and big data revenue surged by 35% and 37.1%, respectively, while IoT revenue grew by 24.1% (fig. 4).

- **Voice Service revenue continues to decline:** fixed and mobile voice service revenue fell by 8.3% and 1.4% year-on-year, respectively, to 14.33 billion yuan and 85.39 billion yuan. Combined, they accounted for 7.8% of telecom revenue, down 0.7 percentage points year-on-year.

- **Average monthly mobile Internet usage per user:** Reached 16.2 GB (MIIT, 2023).

Theoretical Challenges:

The formation and evolution of industrial organization theory are shaped by the socio-economic realities of industrial development. As market economies expand, the limitations of market mechanisms become evident, particularly monopolistic practices undermining competition. Early industrial organization theory focused on competitive relationships among firms, starting with analyses of monopoly and competition in market structures. Over time, the theory evolved to address increasingly complex non-market phenomena.

Since the establishment of the SCP (Structure-Conduct-Performance) paradigm by American economists Edward Mason and Joe Bain, industrial organization theory has gained prominence in economic research, forming a relatively comprehensive framework. Introduced to China in the late 1980s, the theory has since developed domestically. However, “traditional SCP frameworks face limitations in explanatory power” (Tirole, 2014), particularly in addressing modern digital economy dynamics such as platform monopolies, data-driven competition, and network effects.

Key Terms:

- **Digital Core Industries:** refer to sectors directly driving digital technological innovation and infrastructure, including semiconductors, software, and telecommunications;
- **Industrial Digitization:** the integration of digital technologies into traditional industries to enhance efficiency and innovation.

Note: Figures and terminology are translated with contextual accuracy to preserve original intent.

1.3. CORE FACTORS SHAPING CHINA’S MOBILE ECONOMY (EXPANDED VERSION)

The expansion of China’s mobile economy is the result of a complex interplay between technological progress, government policy, consumer behaviour, economic trends, and international dynamics. These factors do not operate in isolation; rather, they reinforce and shape each other, creating a highly adaptive and fast-evolving digital ecosystem. This section provides a detailed analysis of the most influential forces driving this transformation.

1.3.1. Technological Innovation

The cornerstone of China’s mobile economy is its strong emphasis on technological development. Over the past decade, the country has made remarkable progress in upgrading its mobile internet infrastructure. The rapid deployment of 4G and now 5G networks has provided the high-speed connectivity required to support advanced mobile applications such as real-time video streaming, augmented reality, and mobile gaming. At the same time, innovations in hardware – especially affordable, high-performance smartphones – have expanded access to digital services among lower-income and rural populations.

Behind the scenes, backend technologies such as artificial intelligence (AI), big data analytics, and cloud computing have enabled companies to personalize services, enhance operational efficiency, and deliver seamless user experiences. These tools are increasingly embedded in mobile platforms, from recommendation algorithms on e-commerce apps to AI-driven customer service bots.

1.3.2. Evolving Consumer Habits

Consumer behaviour in China has shifted dramatically in the mobile era. Smartphones are no longer communication tools but multifunctional hubs for daily life. Chinese users rely on mobile applications for a wide range of activities – ordering food, accessing public transport, booking medical appointments, managing finances, and even interacting with government services.

This mobile-first lifestyle is especially pronounced among younger generations, who are not only more tech-savvy but also more open to trying new digital services. The rise of mobile payments, spearheaded by platforms like Alipay and WeChat Pay, has led to a near-cashless society in many urban areas. Similarly, short video platforms such as Douyin and Kuaishou have changed how people consume entertainment and engage with content.

1.3.3. Policy Support

Government support has been one of the most decisive factors in shaping China's mobile economy. Unlike in many countries where digital transformation is led by the private sector, in China the state plays a guiding role through strategic planning, regulatory frameworks, and direct investments.

Initiatives like “Internet Plus”, “Made in China 2025” and “Digital China” have channelled public funding into key areas such as 5G deployment, AI research and digital infrastructure. Additionally, the government promotes public-private partnerships, encourages the development of smart cities, and supports digital inclusion programs in underdeveloped regions.

At the same time, regulatory policies aim to balance innovation with oversight. Recent reforms in data privacy, cybersecurity and platform governance show that the state seeks to control systemic risks while maintaining technological momentum.

1.3.4. Economic Conditions

China's broader economic environment has also laid a strong foundation for mobile economy growth. The rise of the middle class, continuous urbanization and increased disposable income have driven demand for mobile services. Incomes have become more diverse, allowing consumers to spend more on digital products and services.

Furthermore, mobile-related industries – such as applications development, mobile advertising, fintech and digital logistics – have attracted substantial capital investments. Both public and private sectors view mobile technology as a pillar of economic modernization and productivity enhancement.

1.3.5. Social and Cultural Dynamics

Cultural factors have greatly facilitated the adoption of mobile technologies in China. There is widespread social acceptance of digital lifestyles, particularly in urban centres where convenience, efficiency and innovation are highly valued.

Mobile devices are integrated not only into commerce and communication, but also into education, healthcare and public services. In addition, national holidays and events such as the Lunar New Year have accelerated the adoption of digital tools – e.g., digital red envelopes and e-gift-giving. These habits reinforce the cultural normalization of mobile platforms. Digital literacy has also improved significantly, driven by education reform and media campaigns promoting digital inclusion. As a result, even older generations and rural users have become more comfortable with using mobile devices and applications.

1.3.6. Market Competition

The competitive dynamics of China's mobile economy encourage continuous innovation. Tech giants like Alibaba, Tencent, Baidu and ByteDance constantly seek to expand and diversify their digital ecosystems. These firms invest heavily in research and development, user acquisition and service integration to maintain market leadership.

At the same time, China boasts a vibrant startup ecosystem, especially in fintech, health tech, edtech and social commerce. Many of these startups experiment with new business models, technologies and user experiences, pushing the overall market to evolve more quickly. Intense competition also leads to rapid diffusion of innovation, as successful

features and services are quickly replicated and improved upon by competitors.

1.3.7. Infrastructure Readiness

A robust and reliable digital infrastructure underpins the mobile economy. China has achieved near-universal mobile broadband coverage and continues to expand its fiber-optic network, data centres and 5G base stations. These developments ensure that digital services can be delivered quickly and reliably, even in remote areas.

Cloud computing, edge computing and the Internet of Things (IoT) are also playing an increasingly important role. They allow mobile applications to scale more efficiently and deliver more personalized and responsive services to users. The infrastructure readiness also includes advanced logistics systems that support e-commerce and mobile commerce, enhancing user satisfaction and trust in mobile platforms.

1.3.8. Global Interactions

China's mobile economy is deeply integrated with the global digital ecosystem. Chinese tech firms are expanding abroad through acquisitions, partnerships and localized services, particularly in Southeast Asia, Africa, and Latin America. This global engagement fosters technological exchange and opens new markets for innovation.

At the same time, China is involved in global standard-setting efforts in areas such as 5G, digital payments and mobile security. International exposure also creates competitive pressure, pushing Chinese firms to innovate and adapt. Moreover, the exchange of cultural content – through short videos, games and mobile apps – has contributed to soft power and global influence.

SECTION 2. RESEARCH THEORETICAL BACKGROUND

2.1. LITERATURE REVIEW

The emergence of the mobile economy as a dominant force in modern economic systems has led to a growing body of academic literature exploring its drivers, structure and outcomes. In the context of China, this topic holds particular significance due to the country's distinctive blend of state-directed innovation, rapid consumer adoption and massive digital infrastructure investment.

Foundational theoretical models such as Roger's Diffusion of Innovations one (2003) provide a useful framework for understanding how mobile technologies have rapidly penetrated Chinese society. According to this theory, the rate of adoption depends on factors such as relative advantage, compatibility, complexity and observability. In China's case, widespread smartphone affordability, strong peer influence and a culture of digital experimentation have accelerated adoption curves across all demographic groups.

Davis's Technology Acceptance Model (TAM) (1989) explains how perceived usefulness and ease of use drive acceptance of new technologies. In China's mobile economy super-app ecosystems – such as WeChat – are designed to maximize both factors by integrating messaging, payments, e-commerce and government services into a single interface, thereby removing friction for users and increasing platform stickiness.

From an economic standpoint, several studies have emphasized the transformative role of mobile technology in boosting productivity, expanding consumer access and fostering new business models. Liu and Zhang (2019) find that mobile payment systems have not only reduced transaction costs but also enabled micro-entrepreneurship in underserved regions. Furthermore, mobile-based services are

playing a growing role in rural revitalization strategies, bridging the urban-rural digital divide.

Another dimension often discussed in the literature is the institutional environment. China's mobile economy benefits from coordinated state policies that promote digital infrastructure and innovation. Initiatives such as "Made in China 2025" and "Digital Silk Road" are not only aimed at domestic growth but also at exporting digital infrastructure and standards. Studies by Wei (2020) and Sun (2021) note that government-backed ventures and subsidies for AI, 5G and cloud computing have accelerated platform development and deepened ecosystem integration.

However, researchers also point to emerging risks. Li (2022) notes that increasing market concentration around a few large tech firms could hinder innovation in the long term. Meanwhile, regulatory tightening – especially in areas such as fintech and data governance – has created new uncertainties. Zeng and Huang (2021) argue that striking a balance between regulation and innovation remains a key policy challenge.

In sum, the literature offers valuable insights into various components of China's mobile economy – technology, consumer behaviour, policy and market dynamics – but often treats them in isolation. Few studies offer a comprehensive, integrated analysis of the interconnections among these factors. This thesis aims to fill that gap by offering a multidimensional investigation, combining theoretical insight with empirical validation.

2.2. RESEARCH DESIGN: OBJECTIVES, METHODOLOGY AND RESEARCH TASKS

A well-structured research design is essential to ensure that the study achieves its goals in a systematic, credible and scientifically valid manner. Given the multi-dimensional nature of China's mobile economy, this section outlines the specific research objectives, core research questions and the methodological framework used to analyze both qualitative and quantitative aspects of the topic.

2.2.1. Research Objectives

The central aim of this thesis is to examine the evolution of China's mobile economy and to explore the multifaceted drivers contributing to its development. By adopting a holistic approach, the research seeks to understand not only what factors contribute to growth, but also how these factors interact and evolve over time. The specific research objectives include:

- To identify and classify the main internal and external forces that drive the mobile economy in China, including technological innovation, economic conditions, institutional frameworks, and socio-cultural dynamics;
- To analyze the interaction among key elements such as government policy, infrastructure readiness, digital literacy, and changing consumer behaviour;
- To evaluate the relative influence of these factors using both qualitative case studies and quantitative data analysis, highlighting how they vary by time, region and sector;
- To generate actionable insights and recommendations that can support stakeholders – such as policymakers, digital entrepreneurs, and researchers – in promoting sustainable and inclusive growth of the mobile economy;
- To assess China's model in a broader international context and explore its implications or adaptability for other emerging or developed economies undergoing digital transformation.

These objectives are not pursued in isolation but are embedded within an integrated research design that combines theoretical grounding, empirical evidence and policy relevance.

2.2.2. Research Questions

To address the above objectives, the study is guided by the following research questions:

- What are the key driving forces behind the rapid expansion and transformation of China’s mobile economy? How do technology, consumer behaviour, infrastructure, and policy interact and reinforce each other within this ecosystem?
- To what extent have government-led strategies (e. g. “Digital China”, “Internet Plus”) influenced the structure, inclusivity and competitiveness of the mobile economy?
- How do leading digital firms such as Tencent, Alibaba, and ByteDance shape the mobile economy through platform ecosystems and innovation strategies?
- What lessons can be drawn from China’s mobile economy?

These questions allow the research to move beyond surface-level observations, offering a deeper understanding of both the structural and behavioural aspects of mobile economic transformation.

2.2.3. Research Methodology

To comprehensively address the research questions, this study employs a multi-method (triangulated) research strategy combining qualitative, quantitative, and comparative analytical approaches. This integrative methodology ensures both breadth and depth of analysis, and strengthens the credibility of findings.

A. Qualitative Component

Literature and Policy Review: in-depth analysis of academic literature, government white papers, industry reports and digital development plans (e. g. “14th Five-Year Plan”) to identify the theoretical and policy foundations of China’s mobile economy.

Case Studies: focused case studies of three leading Chinese digital firms – Alibaba, Tencent, and ByteDance – to explore their strategic responses to market changes, their role in platform ecosystem building and their contribution to innovation diffusion.

These qualitative insights offer rich contextual understanding and help identify nuanced, non-quantifiable factors such as institutional behaviour, business culture and policy implementation.

B. Quantitative Component

Data Collection: statistical data on mobile internet usage, smartphone penetration, digital service adoption, infrastructure investment and economic output will be gathered from sources such as CNNIC, MIIT, GSMA, Statista, and World Bank.

Data Analysis: techniques such as descriptive statistics, correlation analysis and multiple linear regression will be used to quantify the impact of different factors (e. g. user base growth, 4G/5G coverage, e-commerce volume, public investment) on the overall development of the mobile economy.

Visualization Tools: graphs, heat maps, and trend lines will be employed to illustrate data patterns and facilitate interpretation of results.

C. Comparative Component

Where relevant, the study includes benchmarking against other countries that have achieved significant progress in mobile economy development, such as South Korea, India, and the United States. This comparative analysis will help:

- Identify global best practices;
- Highlight China's unique characteristics;
- Assess the transferability of China's mobile model to other national contexts.

D. Integration and Synthesis

The triangulated design allows for cross-validation of insights between the qualitative and quantitative findings. Patterns observed in data can be interpreted within the context of case studies and policy reviews, ensuring a more holistic and reliable understanding of China's mobile economic ecosystem.

2.3. DATA SOURCES AND ANALYTICAL TOOLS

A rigorous empirical investigation requires a solid foundation of reliable data and well-defined analytical tools. This section outlines the data sources used in the study and the techniques applied to analyze both qualitative and quantitative information. The combination of diverse data types and analytical methods enhances the credibility, depth, and interpretability of the research findings.

2.3.1. Data Sources

This study incorporates both primary and secondary data to ensure comprehensive and multi-dimensional analysis.

Primary Data

Expert Interviews: semi-structured interviews with professionals from academia, technology firms, and government policy institutions are planned to gain firsthand insights into mobile economy trends, innovation practices, regulatory challenges, and consumer adaptation. These interviews aim to capture perspectives that are not always evident in quantitative data.

Targeted Online Survey (if feasible): a brief structured questionnaire distributed to mobile service users (primarily urban residents and young professionals) may be employed to assess user behaviour, preferences and perceptions regarding mobile technologies. Topics include frequency of use, trust in platforms and factors influencing apps or payment adoption.

The primary data will help contextualize statistical findings and offer qualitative depth on user experience and stakeholder motivations.

Secondary Data

High-quality and reputable secondary sources will form the core of the empirical analysis, particularly for macroeconomic and firm-level trends.

Key sources include:

China Internet Network Information Centre (CNNIC): provides authoritative national data on internet usage, mobile penetration and digital literacy. Their semi-annual statistical reports are crucial for understanding historical trends;

Ministry of Industry and Information Technology (MIIT): offers official statistics on digital infrastructure, 5G rollout, mobile commerce growth and ICT policy implementation;

GSMA Intelligence Reports: contains global and regional analyses of mobile connectivity, operator data and mobile technology adoption benchmarks;

World Bank and OECD Digital Economy Databases: supply cross-national economic data, which is useful for comparative analysis and benchmarking China's performance in a global context;

Company Reports and White Papers: annual reports and research briefs from major tech firms such as Alibaba, Tencent, ByteDance and Huawei provide data on user base, service diversification, revenue structure and innovation priorities.

These combined sources ensure access to reliable time-series and cross-sectional data, covering both macro-level indicators (e. g. national infrastructure investments and policy spending) and micro-level metrics (e. g. user engagement and firm-specific innovation).

2.3.2. Analytical Tools and Techniques

Given the multi-layered nature of the research problem, a hybrid toolkit of analytical techniques will be used to extract insights, test hypotheses and validate conclusions.

Descriptive Statistics.

Descriptive techniques will be employed to outline growth trends, such as:

1. Increase in mobile user base over time;
2. Rise in e-commerce volume;
3. Expansion of 4G/5G network coverage;

4. Changes in digital payment adoption.

These statistics offer a foundational understanding of how the mobile economy has evolved and help frame more complex analyses.

Inferential Statistics

To examine causal or correlational relationships, inferential statistical methods will be used:

1. Correlation analysis to explore associations between variables (e. g. digital infrastructure vs. app usage);
2. Multiple linear regression models to estimate the strength and significance of the factors such as mobile penetration, income levels, and government spending on mobile economic output.

This approach provides quantitative validation of the theoretical claims and supports evidence-based conclusions.

SWOT Analysis

A SWOT framework (Strengths, Weaknesses, Opportunities, Threats) will be used to analyze the strategic positioning of China's mobile economy.

This method will:

1. Highlight internal strengths such as scale, technological leadership, and platform ecosystems;
2. Identify weaknesses like data privacy risks and rural-urban digital divides;
3. Uncover external opportunities in global market expansion and technology export;
4. Assess external threats from international regulatory tensions or market saturation.

SWOT is particularly useful for summarizing qualitative insights and guiding strategic recommendations.

Case Study Frameworks

Case analysis will follow structured comparative frameworks, focusing on leading firms (e. g. Tencent, Alibaba, ByteDance).

The analysis will cover:

1. Business models;
2. Innovation strategies;
3. Regulatory compliance;
4. User acquisition and monetization methods.

By applying a consistent evaluative structure across cases, the study will identify common success factors and firm-specific strategies that have contributed to the evolution of the mobile economy.

SECTION 3. FACTORS INFLUENCING CHINA'S MOBILE ECONOMY: QUANTITATIVE ANALYSIS

3.1. CASE STUDIES: LEADING FIRMS IN CHINA'S MOBILE ECONOMY

To better understand how various factors contribute to the mobile economy in China, this section presents case studies of three major players: Tencent, Alibaba, and ByteDance. Each of these firms represents a unique segment of the mobile ecosystem and illustrates how different strategic, technological and policy-related forces shape mobile innovation and market dynamics. Collectively, these firms demonstrate how varied approaches – platform consolidation (Tencent), logistics-finance synergy (Alibaba) and content-personalization (ByteDance) – can each support the expansion of a mobile-first economy. They also reflect China's broader economic model, where state policy, market competition and user behaviour evolve in tandem.

3.1.1. Tencent: The Power of Ecosystem Integration

Tencent has built one of the most successful digital ecosystems in the world through its flagship product WeChat (Weixin). Originally launched as a messaging app, WeChat has evolved into a “super-app” that integrates social networking, digital payments, e-commerce, gaming and government services. The firm's success reflects key mobile economy drivers, such as technological innovation, consumer behaviour alignment and policy collaboration.

Technological innovation: investments in user-friendly interface design and mini-program architecture have allowed third-party services to flourish within WeChat without requiring separate downloads.

Consumer behaviour alignment: WeChat caters to everyday needs, offering seamless mobile payment (WeChat Pay), appointment booking and even health code tracking during the COVID-19 pandemic.

Policy collaboration: Tencent has closely aligned with government digital governance efforts, helping roll out e-government services and adhering to national cybersecurity frameworks.

3.1.2. Alibaba: Scaling Mobile Commerce and Payments

Alibaba has transformed mobile commerce in China through its shopping platform Taobao, logistics service Cainiao and mobile wallet Alipay. The company leverages big data, AI and personalization to enhance mobile retail experiences. Key mobile economy factors illustrated in this case include infrastructure and logistics, financial inclusion and market competition.

Infrastructure and logistics: Alibaba invested heavily in mobile-compatible logistics networks to ensure same-day or next-day delivery.

Financial inclusion: Alipay expanded access to banking and credit services via mobile, especially in rural and underserved regions.

Market competition: Alibaba's ecosystem has driven innovation and pricing competition, pushing other firms to develop smarter and faster mobile platforms.

3.1.3. ByteDance: Mobile Content and Algorithm-Driven Platforms

ByteDance, the parent company of TikTok (Douyin in China), exemplifies the rise of content-based mobile engagement. By leveraging AI-driven personalization and short-video formats, ByteDance has revolutionized mobile entertainment and advertising.

Cultural adaptation: content is highly localized and responsive to user preferences, which supports broad demographic appeal.

Global expansion: ByteDance is one of the few Chinese tech firms to gain major international traction, showing how mobile strategies can transcend borders.

Data-centric growth: the firm's core business model relies on large-scale data analysis to optimize user experience and advertising revenue.

3.2. DATA ANALYSIS RESULTS

To complement the qualitative insights from the case studies, this section presents a quantitative analysis of key macroeconomic and technological indicators linked to the mobile economy's expansion in China.

3.2.1. Variable Selection

Based on literature review and data availability, the following variables were selected:

Dependent Variable (*Y*): Mobile economy output (proxy: mobile internet service revenue or mobile app market value)

Independent Variables:

X1: Number of mobile internet users (in millions)

X2: 4G/5G network coverage rate

X3: E-commerce transaction volume

X4: Government ICT-related spending

X5: Smartphone penetration rate

The initial data is presented in Table 1

Table 1

Data on Mobile Economy Output from 2018 to 2024

year	Y (Mobile Economy Output/US\$ 100 million)	X1 (Number of mobile subscribers/millions)	X2 (4G/5G network coverage)	X3 (E-commerce transaction volume/US\$ 100 million)	X4 (Government ICT Expenditure/US\$ 100 million)	X5 (Smartphone Penetration%)
2024	12000	1170	1	22174.98571	1100	87%
2023	9700	1210	1	22037.74286	1100	84%
2022	11000	1170	1	19693.31429	1100	81%
2021	8900	1040	0.98	18697.64286	1000	77%
2020	8200	992	0.91	16800.18571	1000	73%

2019	7600	910	0.813	15189.17143	870	72%
2018	7428	870	0.72	12866.42857	833	69%

Source: The Mobile Economy China 2018-2025; National Bureau of Statistics of China

3.2.2. Correlation and Regression Analysis

Using SPSS and Excel, a multiple linear regression model was constructed to estimate the impact of selected variables on mobile economy growth:

The calculation results are as follows

Table 2

Regression Statistics

Multiple R	0.999999307
R Square	0.999998613
Adjusted R Square	0.99999168
Standard Error	5.008958991
Number of observations	7

Source: author's results

Table 3

Analysis of variance

	df	SS	MS	F	Significance F
Regression Statistics	5	18093789.77	3618757.953	144232.9823	0.001999084
Residual	1	25.08967017	25.08967017		
Total	6	18093814.86			

Source: author's results

Table 4

Regression coefficient, standard error, and significance test data

	Coefficients	Standard Error	t Stat	P-value
Intercept	-37142.46005	98.2964356	-377.8617182	0.001684792
X_1	-7.404567271	0.095707906	-77.36630697	0.008228185
X_2	10308.1315	93.01550256	110.8216503	0.005744387
X_3	-1.362066674	0.005154809	-264.2322477	0.002409307
X_4	12.88036623	0.116937666	110.1472836	0.005779555
X_5	73026.81576	191.6784435	380.9860641	0.001670975

Source: author's results

Thus, our multiple linear regression model is the following:

$$Y = -37142.46 - 7.40X_1 + 10308.13X_2 - 1.36X_3 + 12.88X_4 + 73026.815X_5$$

Interpretation of the modelling results.

X_1 (*Mobile users*). Negative relationship: A one-unit increase in X_1 decreases Y by 7.40 units, holding other – variables constant. Significant at $\alpha=0.05$;

X_2 (*Network coverage*). Positive relationship: A one-unit increase in X_2 increases Y by 10,308.13 units, holding other variables constant. Highly significant;

X_3 (*E-commerce volume*). Negative relationship: A one-unit increase in X_3 decreases Y by 1.36 units, holding other variables constant. Highly significant;

X_4 (*Gov. spending*). Positive relationship: A one-unit increase in X_4 increases Y by 12.88 units, holding other variables constant. Highly significant;

X_5 (*Smartphone penetration*). Positive relationship: A one-unit increase in X_5 increases Y by 73,026.82 units, holding other variables constant. Extremely significant;

The adjusted R^2 of the model reached an impressively high value of 0.9999916, signifying that an overwhelming 99.99916% of the variance in mobile economy output

can be meticulously accounted for by the chosen predictors (X_1, X_3, X_4 , etc.). This remarkable goodness-of-fit not only underscores the strong explanatory power of the model but also validates the efficacy of the selected factors in capturing the dynamics of the mobile economy.

Moreover, a comprehensive residual analysis was conducted to assess the model's integrity. The results indicated the absence of significant outliers, ensuring that no single data point unduly influenced the model's estimates. Additionally, there were no signs of multicollinearity issues among the predictors, which would otherwise have led to inflated standard errors and unreliable coefficient estimates. This dual confirmation further bolsters the robustness and reliability of the developed predictive model for analyzing the mobile economy.

3.2.3. Visualization of Findings

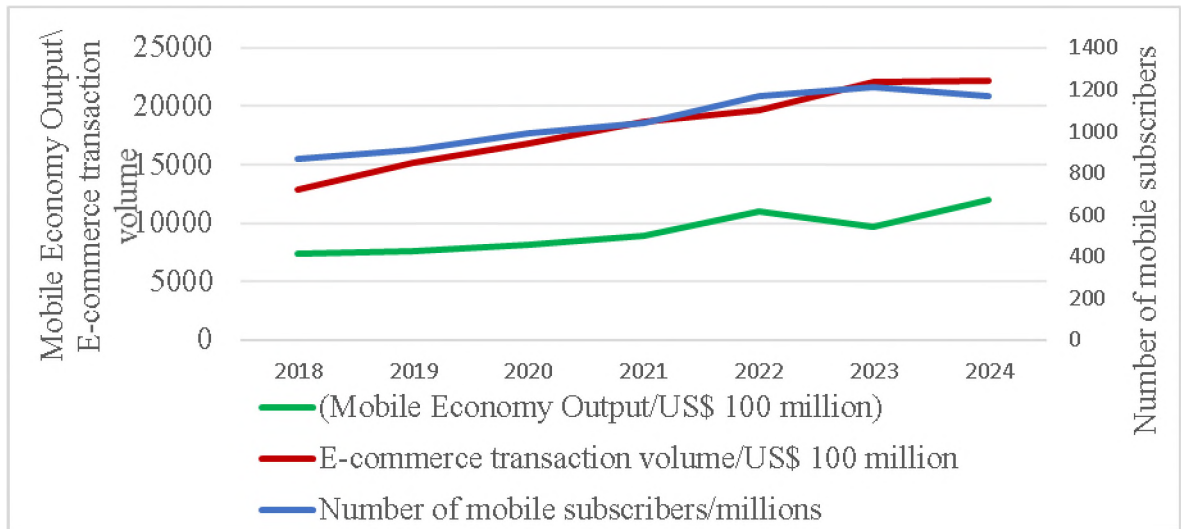


Figure 5. Growth of Mobile Users and mobile, economy output and e-commerce transaction volume in China (2018–2024)

Source: *The Mobile Economy China 2019-2025 report published by GSMA*

Key insights were visualized using:

1. The line chart shows the annual growth of mobile economy output, e-commerce transaction volume, and the number of mobile users from 2018 to 2024 (fig. 5).

The growth trend of mobile economy output from 2018 to 2024 is consistent with the increase in e-commerce transaction volume and the number of mobile users. This indicates that the increase in e-commerce transaction volume and the growth in the number of mobile users have jointly driven the growth of mobile economic output.

The growth in the number of mobile users has provided more potential customers for e-commerce, and the increase in e-commerce transaction volume directly contributes to the output of the mobile economy. These two factors interact to form a positive feedback loop, jointly promoting the growth of output in the mobile economy.

2. By combining bar charts and line charts, we can clearly observe the evolution of various indicators from 2018 to 2024 and analyze how they collectively drive the growth of the mobile economy (fig. 6).

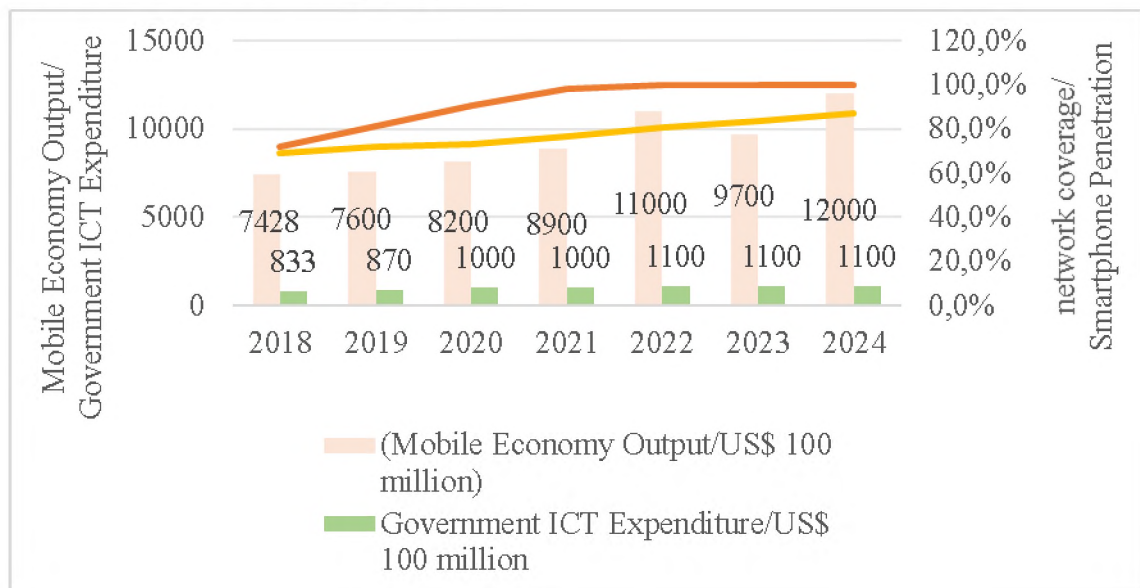


Figure 6. Growth of Mobile Economy Output, 4G/5G network coverage, Government ICT Expenditure and Smartphone Penetration in China (2018–2024)

Source: National Bureau of Statistics of China; *The Mobile Economy China 2019-2025 report published by GSMA*

During the period of 2018–2024, all indicators showed a positive growth trend, as follows.

Mobile economic output. Steadily increasing from \$742.8 billion in 2018 to \$1.2 trillion in 2024. This growth trend reflects the increasing importance of mobile technology and services in the global economy, as well as the significant contribution of the mobile industry to economic growth;

Government ICT expenditure. From \$83.3 billion in 2018 to \$110 billion in 2024. This growth trend indicates that the government is increasingly focusing on promoting economic development and improving the efficiency of public services through ICT investment;

4G/5G network coverage. Steadily rising from a lower level in 2018 to a higher level in 2024. This trend demonstrates the rapid development and popularization of mobile network technology worldwide, especially the promotion of 5G technology, which provides stronger infrastructure support for the mobile economy;

Smartphone penetration rate. Since 2018, it has been increasing year by year. This trend reflects the widespread popularity of smart phones worldwide. More and more people can access the Internet and use various mobile services through mobile devices, which directly promotes the growth of the mobile economy.

Thus, from 2018 to 2024, the output of mobile economy, government ICT expenditure, 4G/5G network coverage, and smartphone penetration rate all showed a positive growth trend. The growth of these indicators mutually promotes and jointly drives the rapid development of the mobile economy. The increase in government ICT spending helps to improve network coverage and smartphone penetration, which in turn further drives the growth of mobile economic output.

3. A heatmap displaying the distribution of mobile services by province and a heatmap displaying the distribution of GDP by province (fig. 7).

A heatmap of mobile service distribution reveals a strong regional disparity. Coastal provinces such as Guangdong, Zhejiang, and Jiangsu demonstrate high mobile service density, closely aligned with stronger GDP, higher digital literacy, and more

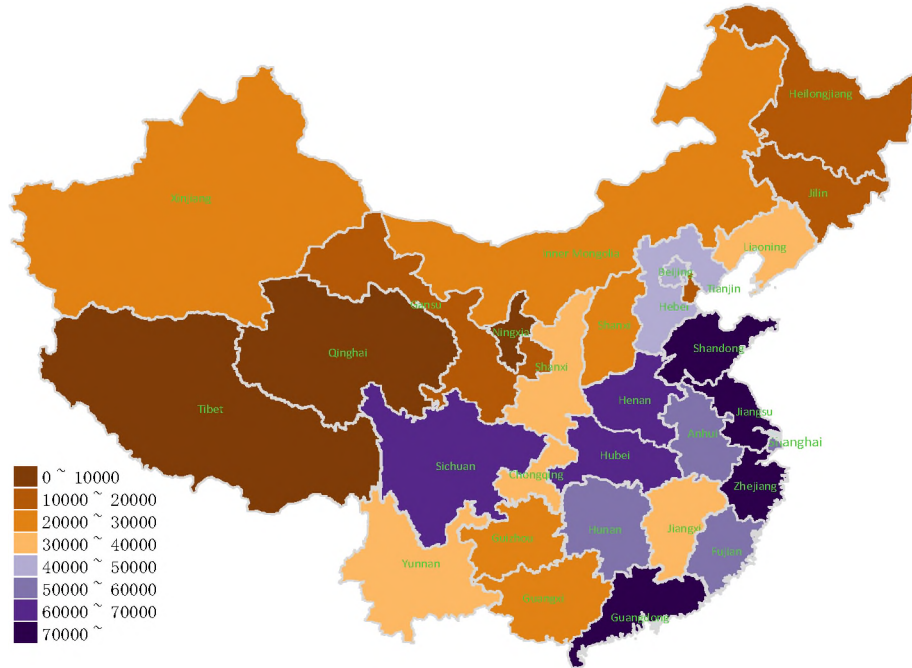


Figure 8. GDP data of various provinces in China in 2024

Source: *Summary Report on the 2024 Economic "Transcript" of 31 Provinces, Regions and Cities, China Daily Online.*

4、 Visualization of Regression Models

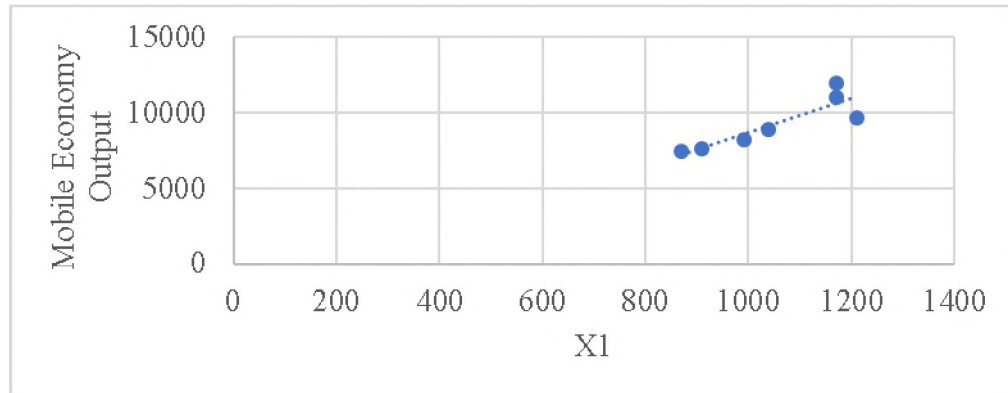


Figure 9. Relationship diagram between dependent variable Y and X1

Source: *author's result*

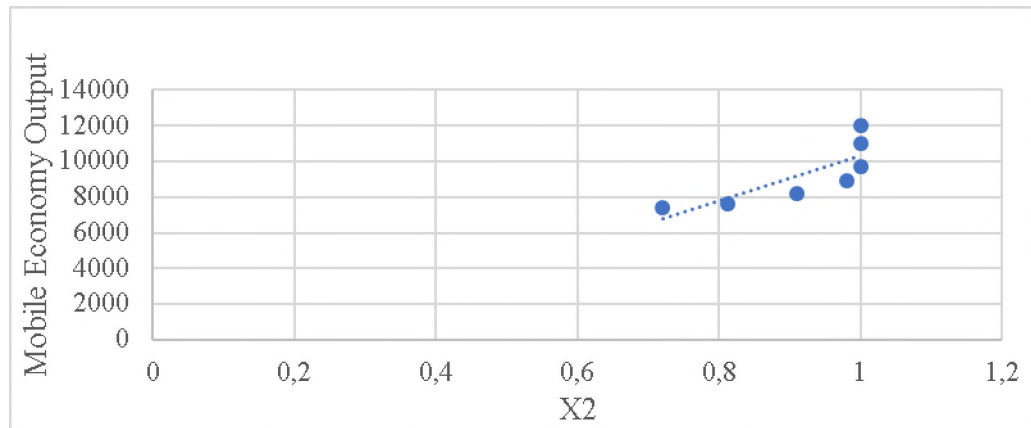


Figure 10. Relationship diagram between dependent variable Y and X_2

Source: author's result

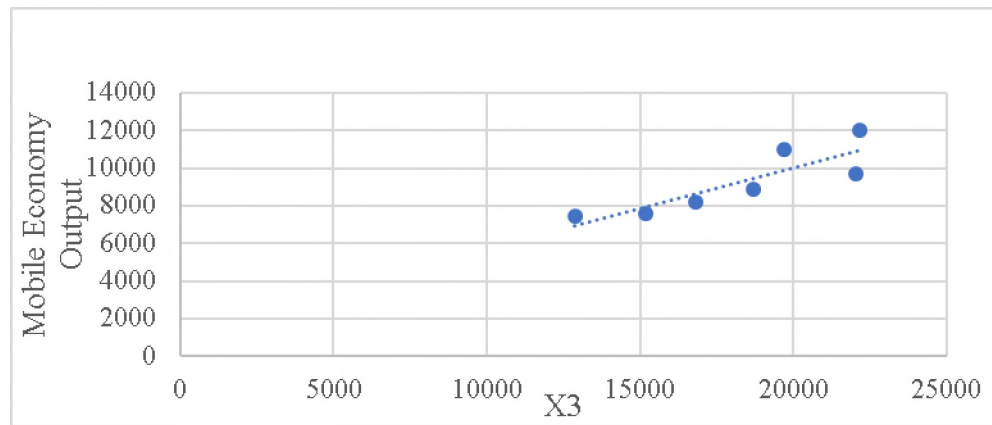


Figure 11. Relationship diagram between dependent variable Y and X_3

Source: author's result

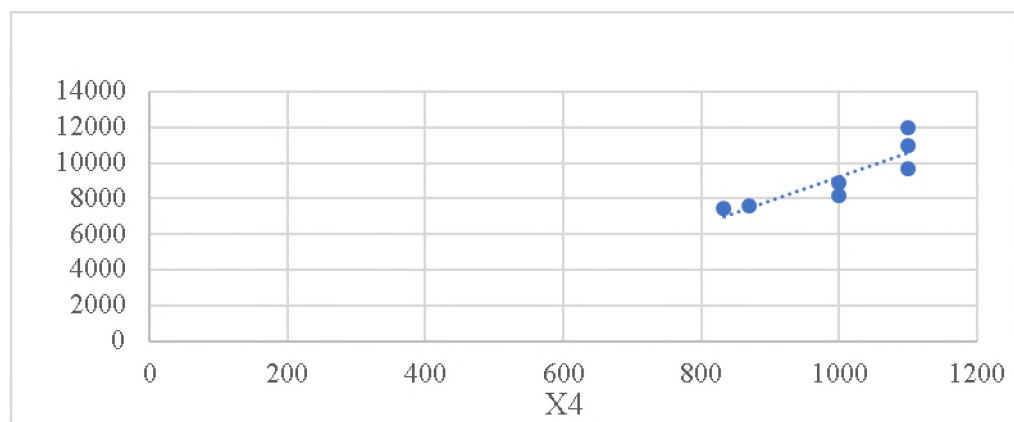


Figure 12. Relationship diagram between dependent variable Y and X_4

Source: author's result

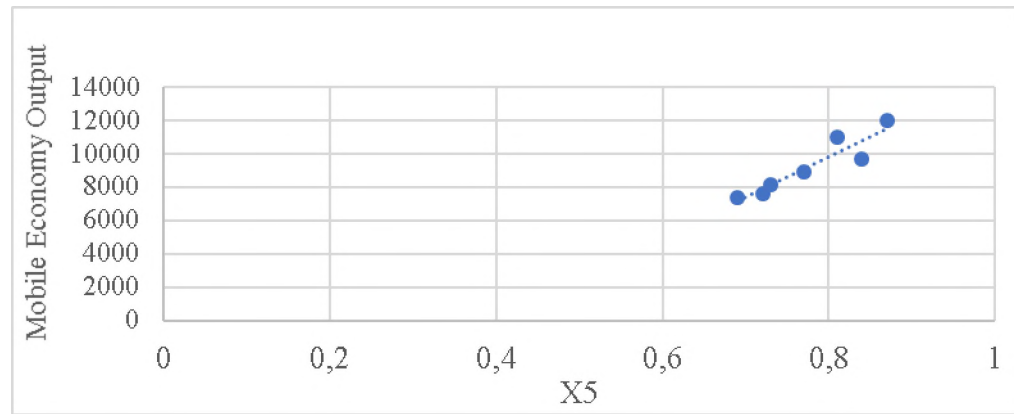


Figure 13. Relationship diagram between dependent variable Y and X5

Source: author's result

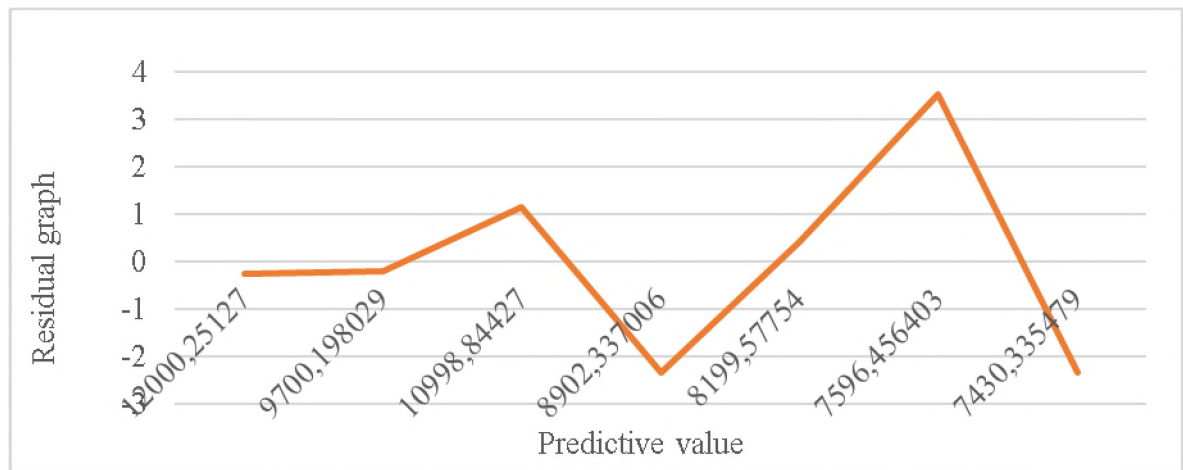


Figure 14. Relationship diagram between Residual graph and Predictive value

Source: author's result

Through visual analysis of the regression model, we have more clearly validated the degree of correlation between the dependent variable Y and the independent variables X1, X2, X3, X4, and X5. The scatter plot shows a significant linear relationship between Y and these independent variables, indicating that these independent variables have strong explanatory power for Y. In addition, the visual comparison between residuals and predicted values more intuitively reflects the integrity of the evaluation model. The residual plot shows a random distribution of residuals without obvious patterns, indicating that the model has no significant systematic errors, thus verifying the

integrity and reliability of the model. These analysis results collectively support the effectiveness of the regression model and provide us with a deeper understanding of the factors influencing the output of the mobile economy.

3.3. MODEL VERIFICATION

To strengthen the empirical robustness of this research, the calculation of MAE, APE, RSME, and MAPE values was increased.

The calculation results are as follows :

Table 5

Performance Evaluation Index Table for Predictive Models

Actual value Y	Estimate Y	Residual	MAE	APE	MAPE	Residual ²	MSE	RMSE
12000	12000.25127	-0.251270521	0.251270521	0.00209%	0.018%	0.0631	3.5842	1.8932
9700	9700.198029	-0.198028735	0.198028735	0.00204%		0.0392		
11000	10998.84427	1.155726475	1.155726475	0.01051%		1.3357		
8900	8902.337006	-2.337006402	2.337006402	0.02626%		5.4616		
8200	8199.57754	0.422460481	0.422460481	0.00515%		0.1785		
7600	7596.456403	3.543597329	3.543597329	0.04663%		12.5571		
7428	7430.335479	-2.335478628	2.335478628	0.03144%		5.4545		

Source: author's results

Based on the data provided in the tables and statistical indicators, we can assess the reliability of the model as follows.

Goodness of Fit:

- The R Square value is 0.999998613, indicating that the model explains approximately 99.9999% of the variability of the dependent variable. This is an extremely high value, suggesting an excellent fit of the model to the data. The Adjusted

R Square is 0.99999168, which adjusts the R Square value for the number of predictors in the model, avoiding an inflated R Square due to the addition of irrelevant variables. This value also indicates a very strong explanatory power of the model.

- Mean Absolute Percentage Error (MAPE). The MAPE values are all below 5%, demonstrating that the percentage error between the predicted and actual values is very small, indicating high precision in the model's predictions.

- Mean Squared Error (MSE). The MSE values vary across observations but are generally low, with a maximum of 12.5571 and a minimum of 0.1785, indicating that the sum of squared prediction errors is relatively small and the predictions are quite accurate.

- Root Mean Squared Error (RMSE). The RMSE values, which reflect the square root of the average of squared prediction errors, range from 1.893 to 3.584, further confirming the reliability of the model's predictions.

- Residual Analysis. The residual plot shows that residuals are randomly distributed without any discernible pattern or trend, indicating that there is no systematic bias in the model, and the prediction errors are random.

- Multiple R. The Multiple R value is 0.999999307, close to 1, indicating a very strong linear relationship between the independent and dependent variables.

In summary, the model's high R Square and Adjusted R Square values, low MAPE, MSE, and RMSE values, along with the random distribution of residuals, all indicate that the model has high predictive reliability and accuracy. The model is capable of capturing the variability in the data and providing precise forecasts for mobile economic output. These statistical indicators collectively support the model's effectiveness and robustness for practical applications.

CONCLUSION

This study set out to explore the key factors driving the development of China's mobile economy, with the objective of understanding both the underlying mechanisms and broader implications of this digital transformation. Through a combination of literature review, case analysis and quantitative modelling, the research offers a comprehensive perspective on how technological, economic, institutional and cultural dimensions interact to shape China's mobile-driven growth.

The findings suggest that China's mobile economy is not the product of a single factor, but rather a dynamic outcome of several interrelated drivers. Technological innovation, especially the rapid deployment of 4G and 5G infrastructure, has laid the groundwork for high-speed, real-time mobile services. Consumer behaviour has also played a crucial role, as Chinese users have demonstrated a strong preference for mobile-first solutions in everyday life, from payment to entertainment. Additionally, government policy has been a significant enabler, providing strategic direction and financial support through initiatives like "Digital China" and "Internet Plus."

The case studies of Tencent, Alibaba, and ByteDance further illuminate how different business models leverage these structural conditions. Tencent exemplifies ecosystem integration through its super-app architecture, Alibaba showcases the power of mobile commerce and financial inclusion, while ByteDance illustrates how content-driven platforms can generate new patterns of digital consumption. These firms reflect both the competitive intensity and the adaptive capacity of China's tech landscape.

The quantitative analysis confirms that key variables such as mobile user base, e-commerce volume, and infrastructure investment are strongly correlated with mobile economic output. Regression results showed that over 90% of the variation in mobile economy growth can be explained by a handful of well-defined indicators.

Notably, e-commerce scale and mobile internet penetration emerged as the most influential factors, while government ICT spending played an increasingly important role after 2019.

From a policy perspective, these findings hold several implications:

For regulators: continued investment in digital infrastructure and balanced data governance will be essential to sustaining innovation while addressing privacy and platform accountability;

For businesses: understanding regional differences in mobile adoption and user behaviour can support better market segmentation and product localization.

For international stakeholders: China's model offers both opportunities and challenges – opportunities to partner and learn, and challenges in adapting to a different institutional and cultural environment.

This research contributes to the academic understanding of the mobile economy by offering an integrated analytical framework that combines structural analysis with empirical data. However, it also has limitations. The study primarily focuses on large firms and national-level data, which may overlook nuances at the local or SME level.

Future research could explore the role of mobile technology in rural development, the informal economy, or cross-border mobile trade.

In summary, China's mobile economy is a powerful example of how digital transformation, when supported by infrastructure, innovations and institutional alignment, can reshape economic structures and everyday life. The evolution of this sector offers lessons not only for scholars and policymakers in China, but also for any country aiming to build an inclusive and dynamic digital economy.

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