

Competitive Analysis in the Knowledge Payment Market: A Case Study of the “Xuelang” App

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Abstract. Considering the rapid development of information technology and the rise of the knowledge-paying era, this paper takes the Chinese online education platform “Xuelang” App as a case study. It employs SWOT analysis to explore its business model and market competitiveness. The study reveals that the “Xuelang” App exhibits strengths in brand influence, diversified course content, personalized learning recommendations, and a profit model linked with TikTok. However, its weaknesses primarily lie in its status as an emerging platform, lack of competitiveness in the K-12 student market, and absence of free courses. Opportunities for the “Xuelang” App include technological upgrades, collaborations, alliances, and increased public acceptance of knowledge payment, all of which can enhance its development prospects. Simultaneously, it faces threats from numerous competitors and inadequate content competitive advantage. Recommendations to ensure future development include technological upgrades, innovative program formats, module enhancements and updates, collaborations and alliances, premium content and knowledge payment strategies, and a blend of online and offline approaches, including leveraging TikTok’s vast global user base to explore markets beyond China.

Keywords: Knowledge Payment Market; “Xuelang” App; Competitive Analysis.

1. Introduction

In today’s society, with the rapid development and widespread adoption of information technology, the era of knowledge payment has arrived, and learning is trending toward mass and fragmented modes [1]. From an age perspective, the highest proportions lie in the 18-29 and 30-45 age groups, accounting for 40.48% and 54.76%, respectively, indicating a strong inclination toward knowledge payment among young and middle-aged groups [2]. Student populations and working professionals are more willing to engage in online knowledge payment to cultivate specific skills. These individuals are also high-spending consumers, which presents unprecedented opportunities and challenges for the education industry [3]. With the ongoing deepening of media integration and the transformation of internet knowledge dissemination from a knowledge-sharing model to a knowledge payment model, the development of the digital economy has profoundly impacted knowledge payment consumption behavior [4, 5].

Various online education platforms have emerged in this context, offering users more convenient, efficient, and personalized online learning and educational services through innovative business models and technological means [6, 7]. “Xuelang” App, a domestic Chinese online education platform, has rapidly risen in the market with its unique business model and technological strength. Aligned with current learning habits, the platform focuses on short video-based courses and has become a prominent brand in the online education sector. This paper aims to explore new models of teaching and learning in the era of knowledge payment by studying the successful business case of the “Xuelang” App. It investigates how online education platforms can enhance user experience, improve market competitiveness, create value for more users and clients, and contribute to the development of the education industry.

2. SWOT Analysis of “Xuelang” App

2.1. Strengths

Brand Influence: Being a product under ByteDance, the “Xuelang” App leverages the user base and brand influence of platforms like TikTok, attracting many users and content creators. This grants the app distinct advantages in user acquisition and market promotion.

Diversified Course Content: “Xuelang” App emphasizes offering practical and up-to-date course content that covers various aspects of vocational skills and hobbies, providing users with rich and diverse learning experiences. This diversified course content gives the app a differentiating advantage in user targeting.

Personalized Learning Recommendations: Leveraging ByteDance’s technological prowess, the “Xuelang” App provides tailor-made learning plans and course content through algorithms and data analysis, achieving personalized learning recommendations. This personalized learning experience enhances user satisfaction and engagement [8].

Profit Model Linked with TikTok: “Xuelang” App generates revenue through direct teaching via live broadcasts or short video recommendations on TikTok, embracing a knowledge payment profit model. This approach bolsters the app’s financial strength, enabling sustained resource investment in product development and market promotion.

2.2. Weaknesses

Emerging Platform: As a nascent platform, the “Xuelang” App is in its early stages and faces fierce competition compared to mature education products. It currently lags behind some established education platforms regarding user scale and market share, placing it at a disadvantage.

Limited Competitiveness in the K-12 Student Market: The “Xuelang” App lacks specialization in K-12 student learning and exam training, resulting in insufficient competitiveness. This deficiency hampers its performance in the education market compared to competitors [9].

Absence of Free Courses: All courses offered by the “Xuelang” App are paid, lacking free content for user experience. This situation might make it challenging to attract users for sustained usage. In the contemporary educational technology market, user motivation to try and assess products often stems from the ability to experience content risk-free. The absence of free content may restrict initial user engagement, making it difficult for them to gauge the quality, teaching methods, and applicability of courses before making a payment. Free content also effectively showcases platform value and attracts user interest, offering a pressure-free way for users to explore the educational resources provided by the platform.

2.3. Opportunities

Technological Upgrades and Personalized Learning: “Xuelang” App could incorporate emerging technologies such as AI-based personalized learning, virtual reality, or interactive learning tools to offer a more customized learning experience. This would help attract more users and improve user retention rates.

Collaborations and Alliances: Strategic partnerships with reputable institutions, industry associations, or academic organizations could enhance the platform’s credibility and expand its influence in the vocational education market. By introducing a “paid channel subscription” function akin to platforms like YouTube, the “Xuelang” App can attract more collaborators and broaden its reach to more highly regarded educational teams.

Increased Acceptance of Knowledge Payment: With societal development and evolving educational perspectives, more people are recognizing the value of knowledge payment. This provides the “Xuelang” App with a larger market space and growth opportunities.

2.4. Threats

Numerous Competitors: “Xuelang” App faces numerous competitors in the education market, including industry leaders like NetEase Open Class and Tencent Classroom, along with emerging online education platforms. These competitors possess brand influence and user bases, posing a certain level of threat to the “Xuelang” App.

Content Competitive Advantage: To establish a strong content competitive advantage, “Xuelang” App needs to enhance its content offering. Without a clear focus on developing proprietary or unique content, it may struggle to differentiate itself from competitors with mature educational research teams and content creators.

Unstable User Acquisition Channels: “Xuelang” App relies heavily on other platforms for user acquisition, posing uncertainty and instability in its channels. If stable user acquisition cannot be maintained, it might impact user growth and market expansion. If the “Xuelang” App is not primarily focused on generating traffic, it could encounter challenges in attracting a substantial user base. Relying solely on TikTok’s user acquisition might be an unpredictable and unsustainable long-term strategy.

3. Competitor Analysis

Most APP platforms in the market tend to adopt "fragmented" advertising strategies, relying on Internet television media to attract consumer users’ attention through advertisements. This approach makes it difficult to achieve targeted promotional positioning [10], as seen in platforms like Tencent Classroom and NetEase Open Class.

Although the “Xuelang” App exhibits strong momentum and determination to catch up with industry leaders, it also faces certain instability and challenges due to its early-stage status compared to more mature education products. With numerous competitors, including industry leaders like NetEase Open Class, Tencent Classroom and emerging online education platforms, it must develop effective competitive strategies to establish a sustainable position.

The following highlights areas where the “Xuelang” App’s shortcomings compared to its main competitors are notably apparent. For an educational product to succeed, it must have relevant offerings in the vast K-12 student market. However, the “Xuelang” App lacks specialization in K-12 student learning and exam training, making it less competitive. Educational collaborators can be divided into two groups: those transitioning from TikTok to "Xuelang," which might result in poor video quality, and traditional educators attempting online teaching, who may lack digital operation skills and see limited income for high-quality courses. As a result, despite having a large user base, the “Xuelang” App struggles to retain users beyond a one-time experience. Thus, partnerships are crucial for the platform’s longevity and enhanced competitiveness. Collaboration with various partners can extend the platform’s lifespan and unlock stronger competitive power, leveraging TikTok’s massive user base to attract educators globally.

A strong content competitive advantage might pose a challenge for "Xuelang." With a clear focus on proprietary development or unique content, it can distinguish itself from competitors with mature research teams.

4. Future Development Recommendations

The “Xuelang” App could consider the following measures to enhance its development prospects.

Technological upgrades: Incorporating emerging technologies such as AI-based personalized learning and virtual reality can provide a more tailored learning experience. This aligns with the personalized learning trend and can be achieved through features like embedding a personal AI assistant.

Innovative program formats: Maintaining a single program format for an extended period might lead to user boredom. Even if the content is excellent, a lack of format innovation could lead to user attrition. Thus, innovative program formats are essential to retain user interest.

Module enhancements and updates: Incorporating various functions into different modules, such as reading and pronunciation in the English module and compiling and note-taking functions in the programming module, can improve the learning experience. Regularly updating the app with new features and innovations can set the “Xuelang” App apart from competitors.

Collaborations and alliances: Exploring strategic partnerships with renowned institutions, industry associations, and academic organizations can enhance the platform’s reputation and expand its influence in vocational education. Additionally, adopting the “paid channel subscription” feature from platforms like YouTube can allow students interested in specific teachers to experience their courses through subscriptions, bypassing one-time purchases.

Premium Content and Knowledge Payment: Emphasizing high-quality content and knowledge payment can enhance brand cohesion. While focusing on knowledge payment, raising content originality standards can also boost platform competitiveness.

Online and Offline Integration: Collaborations with professional partners can lead to experiential learning activities, such as study tours during school breaks. Leveraging TikTok’s IP foundation and credibility can attract more partners, expanding beyond Chinese educators to global teachers and creating highly regarded study teams. Such initiatives depend on TikTok’s vast user base in the global market, an aspect where it surpasses Tencent and NetEase.

These measures can provide robust support for the future development of the “Xuelang” App. The “Xuelang” App can expect outstanding achievements in the competitive educational technology landscape by prioritizing technological innovation, program format innovation, collaboration expansion, and more.

5. Conclusion

The SWOT analysis of the “Xuelang” App shows its strengths in brand influence, diversified course content, personalized learning recommendations, and a profit model linked with TikTok. However, as an emerging platform, it faces competition-related challenges, a lack of competitiveness in the K-12 student market, and an absence of free courses. Especially noteworthy is the absence of free courses, which holds significance in the current educational technology market. The “Xuelang” App has substantial development potential but requires continuous innovation and improvement. In the era of knowledge payment, it should align with market trends, persist in technological innovation and content enhancement, stand out in the competitive environment, and contribute to the education industry’s growth.

To fully harness the potential of the “Xuelang” App, it’s recommended to focus on technological upgrades, innovative program formats, module enhancements and updates, collaborations and alliances, premium content and knowledge payment, and online and offline integration. Incorporating emerging technologies like AI-based personalized learning and virtual reality can elevate user experience and satisfaction. Innovative program formats can maintain content freshness and appeal, fostering sustained subscription intentions. Enhancing different module functionalities and updating app versions can improve the learning experience, distinguishing the “Xuelang” App from the competition. Integrating offline activities and online learning can be achieved through partnerships, creating highly respected study teams beyond China’s borders. Implementing these strategies allows the “Xuelang” App to navigate the competitive environment, offering valuable contributions to users and the education industry.

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