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Unveiling the Tapestry of Chinese Wine Consumers: A Quantitative Investigation of Influencing Factors and Consumer Segmentation

Albert Stöckl*, Denise Kleiss, Stephanie Tischler, Markus Walter Eitle, Florian Teurezbacher and Yu Song

Program Director of "International Wine Business" (Bachelor), IMC Krems University of Applied Sciences, Austria

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***Corresponding author:** Albert Stöckl, Program Director of "International Wine Business" (Bachelor), IMC Krems University of Applied Sciences, Piaristengasse 1, 3500 Krems, Austria

Abstract

Purpose: This study investigates the key influencing factors of wine purchasing behaviour of the Chinese wine consumer market and explores the relevant parameters influencing cluster building among Chinese wine buyers.

Design: The data for this study was obtained through a survey distributed to wine company followers from the Changyu Pioneer Wine Co. Inc., on WeChat resulting in the collection and analysis of 1,535 useable valid responses.

Findings: Six clusters are identifiable; they differ significantly with various individual characteristics and wine purchasing behaviour. The choice between foreign and domestic wine is a significant factor in understanding wine preferences. The importance of wine attributes (colour, taste, and distribution channels) varied among different groups, indicating that these factors operate differently across populations. Variables pertaining to having experience abroad distinguished and separated younger cohorts. Participants from metropolitan areas, female participants, and younger age groups provided valuable insights into the preferences of the younger generation.

Practical implications: Our findings emphasize the importance of considering factors beyond initial wine brand and individual characteristics when studying wine consumer behaviour. Elements such as taste preferences, distribution channels, cultural influences, and personal experiences play a substantial role in shaping wine preferences. Understanding the impact of these factors enables the development of strategies and offerings that better align with the diverse needs and preferences of Chinese wine consumers.

Keywords: Chinese Wine Market; Wine Consumption; Consumer Purchasing Behaviour

Introduction

In the wake of the country's economic slowdown, the prolonged US-China trade war, and the ongoing pandemic, there was a visible decline in wine consumption, marking a downward trend from its peak in 2017 [1]. Despite these challenges, China's wine consumption remained resilient in 2021, with the population consuming an estimated 1.05 billion litres of wine, making China the sixth leading wine consumer worldwide [2]. The consumption and appreciation of wine goes beyond pure beverage consumption, it is also a reflection of social dynamics, economic growth, and cultural influences [3]. The country's biggest wine producer is Changyu Pioneer Wine Company. Changyu is also the most popular domestic red wine brand in China, yet wine consumers still prefer foreign brands, particularly French wine. Since China joined the World Trade Organization, the growing demand for wine has attracted many foreign investments targeting the Chinese high-end wine consumer [4].

As one of the fastest growing and expanding economies, China is an attractive destination in international trade, that has created an enormous economic value and distinct cultural characteristics, which make it interesting and favourable to divers marketing segments [5]. A company that wants to export to China must consider the unique features like its history, culture, and values; attributes that differ from western consumers and what western wine companies have traditionally been accustomed to [6]. However, the diversity of demographics and the fast-changing environment make conducting business in China complicated. Wine companies must conduct continuous market research to fully understand and keep up with trends, especially since different consumers have different behaviour towards wine [7]. Previous studies have investigated country of origin effects, wine consumption and consumer characteristics [8,9], perception of wine labels by Hong Kong Chinese consumers and wine consumption popularity [9,10], Chinese import demand for wine [11], effect of wine knowledge type in wine purchasing [12], personal values and choice drivers with Chinese wine consumers [13].

Although wine consumption has dramatically decreased since 2021 [2], it is important to consistently assess consumer preferences and purchasing intentions, to stay informed about shifting consumer behaviours. This posts a need for well-planned and implemented strategies for anyone who is wanting to take market share in the growing Chinese wine market, gaining insights into the key factors that influence Chinese wine consumers purchasing and consumption decisions is fundamental for prospective market entrants to facilitate with improved consumer targeting, and building more successful brand loyalty strategies. This paper focuses on the Chinese wine consumer market and addresses the Chinese wine consumers perception and preference of wine that influence the purchasing decision.

In specific, this study aims to address the following research questions:

a) What are the primary factors that influence purchasing decisions of Chinese wine consumers?

b) What are the relevant parameters that make up different clusters among Chinese wine buyers?

Theoretical Background

Wine Consumption in China

With continued increase of domestic demand in recent years, China has become the World's fastest growing market for wine consumption. Between 1995 and 2018 the wine consumption in China increased by 169% from 6.9 million hl to 18.7 million hl, and the per capita consumption has grown from 0.77 litres in 1995 to 1.69 litres in 2018 [14]. Despite a decline in Chinas wine consumption in 2020, due to the economic slowdown and impact of the pandemic [1,15], the per capita consumption was approximately 1.12 litres in 2022, making China the sixth leading wine consumer in the world [16]. China's 52 million wine drinkers live mainly in the more developed cities such as Shanghai, Beijing, Guangzhou, Shenzhen and Chengdu [1]. There is not only an increase in the amount of Chinese female middle-class wine consumers [17], also in the above mentioned larger Chinese cities, the number of consumers drinking in bars is increasing, and the attention given to wine characteristics in restaurants indicate a growing wine culture and sophistication (New Retail Market Research Report, 2020).

Chinese Consumer Profile

China has over 900 million urban residents with high disposable income and an estimated 52 million wine drinkers according to the market analysis Wine Intelligence. The growing demand for wine in China is driven by improving living standards and evolving lifestyles. China's rapid and sustainable economic growth have led to increased disposable income and a greater demand for luxury beverages [18]. Purchasing power is also important, and the main target for wine marketers includes the upper middle class, members of the younger generation, who live in large cities such as Shanghai, Beijing, Guangzhou, Chengdu and Shenzhen [1, 19]. The rate of increase in per consumer spending on wine includes individuals born between 1990 and 1999 [20]; drinkers aged between 20 and 34 are the main drivers for consumption [1]. With an increasing number who drink wine for health reasons (Research Report on China's Wine Import, 2022), different wine consumer age groups are developing different consumption habits, especially individuals between 20-30 years old, who purchase a greater quantity of foreign wines to be consumed not only at formal dinners, ceremonies, festivities and events, but also at home or during informal dinners, where wine is considered the drink of choice for the wealthier young generation (Sector Trend Analysis, 2016). Chinese wine consumers often associate foreign-made wine as a symbol of social status, gracefulness, enhanced quality of life [21,22], it is also associated with face, which signals dignity, pride, and honour [23].

To gain a full understanding of wine consumer behaviour in emerging wine markets like China, it's necessary to investigate the demographic characteristics, country history and cultural heritages [8]. Goodman [24] was one of the first to investigate the factors driving the choice for wine in China and found that the most important attributes for the Chinese wine consumers were the brand name and tasting wine previously [18, 21, 24], as well as country of origin and grape variety [9]. Whereby wine cannot always be tasted in advance of purchasing therefore consumers must make purchasing decisions based on extrinsic cues related to subjective perceived quality rather than taste [24,25]. Many Chinese wine consumers have less knowledge about wines and their sensory attributes [26,27] and wine quality may therefore be dominated by the influence of extrinsic attributes. Previous studies have revealed significant differences in wine consumption behaviours between Asian and Western wine consumer [21, 28-30]. Unlike Western wine consumers, the majority of Chinese wine consumers drink wine as an alternative to beer or Chinese rice wine and are frequently used as a social lubricant to stimulate social interactions [31]. Furthermore, wine is among the finest choices for alcoholic table beverages [3].

Chinese consumers prefer red wine, which accounts for nearly 95% of all wine consumed in China, as it is trendy, shows good taste, and projects an image of wine knowledge, in addition to the perception that red wine is healthier, resembles good luck, prosperity or to make a good impression [16,21,25]. Somogyi et al. [32] mentioned health, mixing with juice, the sweet taste, and region of origin as main factors consumers consider when choosing wine. The consumption occasion also influences

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consumer preference regarding price, vintage, and country of origin. Hu et al. [30] found that when wine is used for special occasions, the origin is more important than the brand. Origin of wine is often perceived as a quality indicator and used as the basis of decision heuristics regarding wine [7]. Wine consumption reflects an emerging appreciation for the enjoyment and comfort of luxury food, higher social status, and respect of local wine culture [33].

Finally, Chinese wine consumers tend to have limited wine knowledge and therefore prefer wines from renowned wine-producing regions. For many consumers, especially foreign red wine is seen as a symbol of prestige and status [34].

Purchasing Determinants for the Chinese Consumers

China has a very different cultural background than the Western World, which causes Chinese wine buyers to have distinct perspectives when they see a bottle of wine [35]. Reputation also plays a major role in the world of wine, as it stands for scarcity of the product. When customers taste wine, it is not just the taste that matters, it is a composition of many facts which make wine distinct [36]. Chinese consumers like exploring different wines and origins, and this increases the competition between suppliers [11]. Yang [37] found that Chinese consumers tend to be in low-involvement purchase situations if the product is to be used for private consumption. Whereby when it is to be used for social symbolic value, there is high level of involvement [37]. In the Chinese Wine market foreign wine is perceived as a luxury product, a symbol of the western lifestyle, of higher quality and healthier, therefor the willingness to pay a price premium for foreign wine is higher than domestic wine [11,18,19,21,38]. Along with the political drive for grape based wine, China is becoming wealthier as earnings increase and private drinking and gift giving become the norm among educated Chinese [39].

Many Chinese wine consumers recommend wine to their friends when they purchase a wine they enjoy and approve of the price and quality ratio; through word of mouth the recommendations to purchase and consume the same wine are followed [40]. Young people who have grown up alongside social media may use new methods to connect with young consumers, including singing social media celebrities, organizing live streaming events, running marketing campaigns, co-branding with trendy brands, and updating product packaging [20]. When purchasing wine, consumers tend to purchase online, on popular e-commerce platforms where one third of Chinese wine sales takes place [1,2]. A larger emphasis is placed on product quality, taste, and image [30] when purchasing in public. External factors become a big part of decision making when purchasing a bottle of wine, especially when purchasing wine as a gift for holidays and celebration purposes [30].

In a study by Liu & Murphy [21] on Shanghai's and Guangzhou's wine consumer behaviour, they found the higher the wine price signals, the higher the social status. Another study on the purchasing behaviour of two Beijing wine consumer groups and the factors that influence their decision making, there is a tendency to pay lower prices for daily consumption, and higher prices for gift purposes. For private occasions the Chinese wine consumers chose Chinese wines and for gift purchases or business dinners, French wines are the first choice [18,35]. Wine from a foreign country is perceived as a luxury good of higher quality than domestic products and a symbol of the western lifestyle, which again is used on special occasions. Gifts can come from good interpersonal relationships between people, for social relationships and important social significance [11,19,30,38, 41]. Wine can play a significant part in social interactions as a gift and luxury expensive wines can demonstrate the hosts generosity and wealth, which caters to the Chinese traditional value "Mian Zi" [42]. Chinese consumers often choose more familiar brands for gifting purposes to minimize the risks of social approval [39].

The perception of origin and the presentation of origin information has an influence on the purchasing decisions in wine sales. In the case of the Chinese wine consumer, traditional labels with Chateau, modern and contemporary labels are generally preferred [9]. France is China's leading wine supplier and its wines, mainly Bordeaux and Champagne are symbols of quality, especially Bordeaux became a favorite among wealthy Chinese for gifting and as a status symbol [1]. Chinese have confidence in their cultural identity, and this has resulted in greater acknowledgement of its own tradition. Consumers have been taking advantage of this and developing marketing campaigns accordingly. A good example is France's Chateau Mouton Rothschild, which released a new label in 2018 designed by the Chinese artist Xu Bing, which uses concepts from traditional Chinese writing to stylize the name of the winery: Mouton Rothschild [20].

Data and Methodology

The aim of this study is to improve knowledge of the factors that influence purchasing decisions by conducting a large-scale survey to produce a statistical analysis. Therefore, a quantitative approach was chosen. An online survey was conducted among Chinese consumers in mainland China. Both socio-economic and structural characteristics were identified as possible determinants of wine consumption behaviour in China. Typical socio-economic characteristics included age, gender, income, occupation, education, personal status (such as marriage and/or children). Typical regional characteristics consisted of the place of residence, the degree of urbanization, the structure of the neighbourhood [43,44]. Structural characteristics should be interpreted in terms of regional disparities [45-47].

Based on these considerations, the questionnaire was designed. The data collection instrument consisted of eleven questions covering demographics, questions on brand awareness, importance of wine attributes when purchasing wines, preferences

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on different taste profiles, frequency of using different channels to obtain wine information and attitudes towards domestic and foreign wine. The questionnaire was originally written in English and translated into Mandarin to ensure that participants understand the content accurately. The survey was published through the official WeChat subscription account of Changyu Pioneer Wine Co. Inc. and pushed to the followers' WeChat account. After excluding responses that show incomplete answers, a total sample of 1,535 useable respondents was achieved. As Figure 1 shows, a stepwise statistical analysis was performed, using SPSS version 27.0.

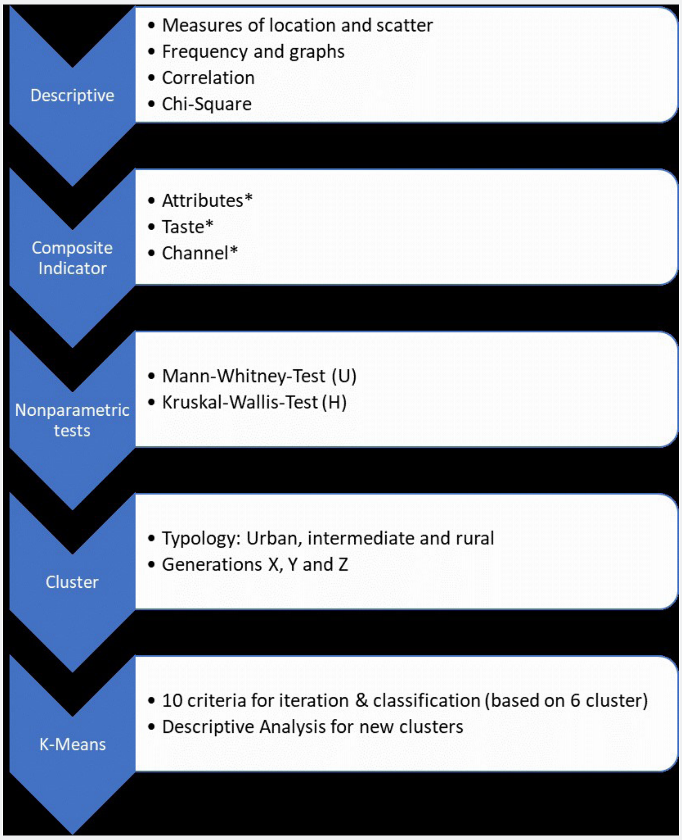

Figure 1: Guideline for the statistical analysis.

Descriptive statistics

Explanatory variables that are commonly mentioned in the literature such as age group, region, and gender were investigated initially. Parameters regarding wine consumption and purchasing behavior in China were analyzed. Already during this first descriptive analysis, gender was not considered a good indicator to show any differences. Age group, frequency as well as experience abroad, lead to significant results. Next, variables investigating preferences beyond the individual characteristics were built. A composite indicator to cover all sub-questions regarding attributes, also for taste and for channel were made [44,48].

Composite indicators

All composite indicators include several aspects of the corresponding category. These are weighted equally. Attributes* (covering taste, country of origin, famous brands, bottle and package design, value for money, recommendation from friends, aging potential), taste* (covering bold in flavor and color, crisp and thirst-quenching, flowery and crisp, fruity and light, full-body and rich in flavor) and channel* (covering TV advertisement, social media, recommendation from friends or salesperson, the internet, wine fairs/wine tasting events, recommendations from opinion leaders or from streamers, wine by the glass at specialist wine stores or bars) form continuous variables. The original sub-questions were based on an ordinal four-level scale, ranging from very important (1) to not important (4). A lower value consequently means that a consumer values that certain aspect more. Chi-square-tests refine the first insights; again here gender is not significant to some extent - considering attributes*, taste* or channel* -, whereby the age group is significant on taste*. Frequency is significant for all three composite indicators and typology is significant on frequency.

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Nonparametric tests

Based on the central significant characteristics (age group, gender, frequency, oversea experience, and urban-rural-typology) resulting from the first two steps, nonparametric tests on the three composite indicators attributes*, taste* and channel* were performed. Kruskal-Wallis-test (H-test) and the Mann-Whitney-test (U-test) is used here. Observations are pooled and ranked [49-51]. The intention of these specific tests is to define similarities and dissimilarities between the other variables on the composite indicators and should help form clusters like in step 4. The results of the H-test and the U-test underline the relevance of frequency and oversea experience as well as age group. These variables have different appeals on the three composite indicators, but not on gender or on the urban-rural-typology. Urbanization is only used for the dichotomy of urban versus non-urban regions, thereby giving a better separation for the cluster analysis.

Forming clusters

The nonparametric tests indicated that the focus on age as well as on the degree of urbanization is reasonable. Otherwise, gender is not a useful indicator to separate our sample into different clusters. By using the urban-rural-typology (urban versus non-urban) and the aggregated age groups into the typical groups of generation "X", "Y" and "Z" [32, 52-56], six clusters can be formed. At the end, the three generations are divided into an urban and a rural group. After several rounds of optimization, six clusters were the ideal size. These initial clusters are generated manually.

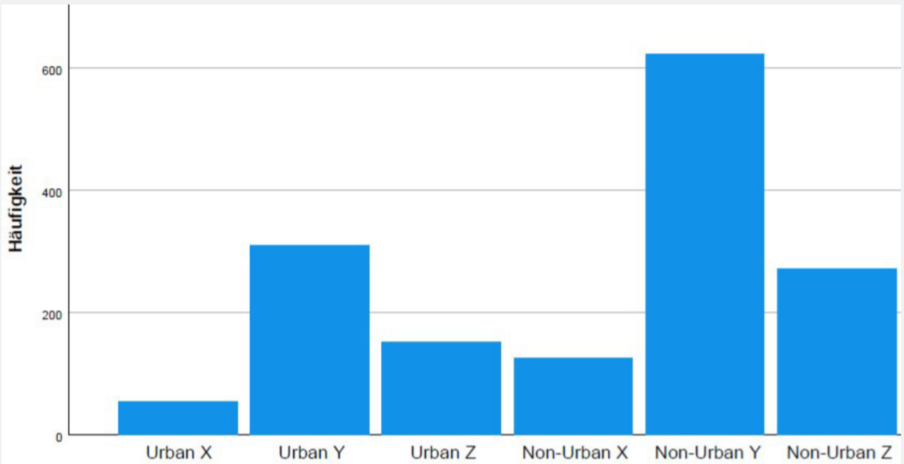

Figure 2: Distribution of the initial cluster.

Table 1: Initial Cluster Centroids.

	Urban X	Urban Y	Urban Z	Non-Urban X	Non-Urban Y	Non-Urban Z
Gender	1	2	2	2	1	1
Age group	4	5	2	1	1	2
Oversea experience	1	2	2	2	2	2
Frequency	1	3	5	3	1	5
Wine for gifting purposes	1	3	1	1	4	4
Wine for home consumption	1	4	4	4	4	1
Attributes*	1,00	3,71	3,71	1,14	3,86	1,00
Taste*	3,60	1,80	4,00	1,00	3,80	3,00
Channel*	3,38	1,50	3,75	1,50	3,50	1,50
Urban-rural typology	1	1	3	1	2	1

As Figure 2 reveals, the number of objects in each cluster varies a lot. Generation Y is overrepresented, especially from non-urban statistical areas. (Table 1) indicates that the initial clustering process, which is based on the differences found in the descriptive analysis and the nonparametric tests. Each cluster has at least one single variable that differentiates itself from the other five. For example, the "Urban X" cluster has the most oversea experience, so wines from abroad play a very important role in their consumer preferences.

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K-means clustering

These six clusters are analyzed via K-means clustering to check whether the initial clusters make sense regarding the consumption and purchasing behavior. Based on the input from step 4, a local optimization takes place, where the heterogeneity between groups is maximized and the homogeneity within groups is maximized [57-60]. K-means clustering classifies by ten ordinal and continuous variables of the survey (age group, gender, frequency, oversea experience, urban-rural-typology, wine for home consumption, wine for gifting purposes, attributes*, taste* and channel*).

The six clusters are classified by the characteristics which differentiate the subgroups and give insight into the consumption and purchasing behavior. At the beginning groups consisting of 55 "Urban Generation X" up to 622 "Non-Urban Generation Y" people, afterwards the range was from 136 (group 4) to 385 (group 3). The descriptive analysis of our final cluster reveals that cluster centroids became more compact; and smaller differences in the means is noticeable (compare Table 1 and Table 2). The impact of these details is that the relevant consumer groups are less different than originally expected, but significant differences still exist.

Table 2: Final Cluster Centroids.

	1	2	3	4	5	6
Gender	1	2	2	2	2	2
Age group	2	4	2	2	2	2
Oversea experience	1	2	2	2	2	2
Frequency	2	4	5	4	2	4
Wine for gifting purposes	1	2	2	2	2	2
Wine for home consumption	1	3	4	3	3	1
Attributes*	2,11	3,55	3,53	2,85	3,54	3,38
Taste*	3,24	3,53	3,57	1,46	3,53	3,54
Channel*	3,16	3,56	3,56	1,42	3,55	3,49
Urban-rural typology	2	2	2	2	2	2

Relevant Parameters Affecting Cluster Building Among Chinese Wine Buyers

In understanding the dynamics of wine preferences, the choice between foreign and domestic wines is significant. Moreover, the importance attached to attributes, taste, and distribution channels is not uniform across all groups. Each group exhibits unique characteristics and patterns, suggesting that these factors operate differently for different populations. It is worth noting that our variables can effectively distinguish and separate younger cohorts. As highlighted earlier, a higher percentage of participants from metropolitan areas, as well as a larger number of female participants and younger age groups, provide valuable insights for drawing conclusions about preferences.

When additionally examining the unaided familiarity with wine brands on consumer behaviour, knowing the biggest Chinese wine brand Changyu has little significance in most groups, i.e., the response behaviour regarding other parameters does not change due to the awareness of the market leader (see Table 3). The exception is cluster 1, the "Globetrotting Connoisseurs" which consists of individuals that show the highest awareness of "other brands". This group could recall 88 other wine brands, while in all other clusters combined only 14 (more) existing brands were mentioned. Apart from this, the first wine brand (Changyu) does not seem to play a significant role in shaping the preference or behaviour of the other clusters. This result suggests that the choice of the biggest Chinese wine brand has limited influence on subsequent consumer decisions within the established clusters.

Table 3: Cluster numbers of the case "Which wine (brand) can you think of?" (unaided).

	Chang Yu	Great Wall	Lafite	No idea	Other	Wine from Bordeaux	Total
1	18	21	51	17	88	12	207
2	72	72	83	0	0	56	283
3	99	97	82	2	2	103	385
4	33	39	27	0	2	35	136
5	70	68	82	3	4	70	297
6	55	49	63	5	6	49	227
Total	347	346	388	27	102	325	1535

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Unsurprisingly, and without influence on other behavioural patterns within the different clusters, the popular brand Great Wall gained the highest recognition among the domestic Chinese wine brands. Changyu has established itself as a leader in the market by delivering high-quality wines to its Chinese customers worldwide, it also uses different brand names in the various distribution channels and price ranges, and Great Wall is marketed exclusively under this well-known brand name.

Findings

The results highlight the importance of considering factors other than initial wine brand and individual characteristics when examining wine consumer behaviour. Other elements such as taste preferences, distribution channels, cultural influences, and personal experiences may play a larger role in shaping wine preferences. By focusing on these aspects and understanding their impact, strategies and offerings can be tailored to the different needs and preferences of wine consumers.

Cluster A is predominantly composed of males, who tend to prefer imported wines for gifting and Chinese wines for home consumption. The most important attributes for this cluster are the taste of wine, the sales channel, and an easy way to compare wines and prices in the selected distribution channel. Members of Cluster 1 are frequent wine drinkers, enjoying wine once a week, and have overseas experience compared to other groups. The name Globetrotting Connoisseurs is best used for this group, as it encapsulates their preference for imported wines as gifts, Chinese wines for home consumption, and their emphasis on taste and distribution channels. The mention of frequent wine consumption and extensive overseas experience suggests a cosmopolitan outlook and a preference for exploring other cultures through wine.

Cluster B has the dominant age range being 41-50. This cluster highly values taste and sales channel, like clusters 3, 5, and 6, nevertheless place little importance on wine attributes. Cluster B consist of less frequent wine drinkers, enjoying wine less than once a month. This group can be referred to as Refined Occasional, reflecting the characteristics of older individuals who prioritize the taste and distribution channels of wine, typically for special occasions.

Cluster C contains the least frequent wine drinkers, typically indulging only occasionally. However, a strong preference for tasteful wines and the sales channels are important. Notably, this cluster does not buy wine for home consumption. This group is best referred to as the Discerning Connoisseurs, emphasizing their infrequent wine consumption, preference for flavourful wines, and their discerning nature when it comes to the taste and distribution channel.

Cluster D representatives find taste profiles and sales channels of relatively little importance. They do not prefer imported wines for gifting, have no strong preferences for home consumption, and are less frequent wine drinkers. However, wine attributes still matter to this cluster. This group is best referred to as Casual Explorers, as they have a casual approach to wine but maintain an interest in different wine qualities beyond taste and distribution channels.

Cluster E consists of frequent wine drinkers who prioritize taste and distribution channels. They do not have specific preferences for gifting or home consumption. The name Devoted Tasters is suggested for this group, highlighting their dedication to exploring and enjoying different wines primarily for the tasting experience.

Cluster F is characterized by a preference for domestic wines and less frequent wine consumption than Cluster 5. They share similarities with "Devoted Tasters" (Cluster E) in terms of taste and distribution channel preferences. This group also has a higher percentage of participants from big cities, more female participants, and younger cohorts, suggesting a focus on younger age groups. The name Metro Wine Enthusiasts is proposed for this cluster, reflecting the urban lifestyle, passion for wine, and alignment with the preferences of younger age groups.

Discussion

The results show that different wine attributes allow for the segmentation of Chinese wine consumers based on different preferences and behaviours. These attributes include taste, country of origin, brand names, bottle and package design, value for money, recommendations from friends, and aging potential. Various sales channels and promotions are also important factors in the purchasing process. The results of this quantitative survey furthermore confirm Yang and Paladino's [39] study on Chinese consumers' purchasing behaviour and preferences in the context of the wine market. Among other findings, Chinese consumers are willing to pay a premium price for foreign wine compared to domestic options. This holds true especially for our identified Cluster A, the Globetrotting Connoisseurs who show a significant preference for imported wines as gifts, while Chinese wines are preferred for home consumption. The Globetrotting Connoisseurs are highly experienced and knowledgeable wine drinkers who enjoy exploring other cultures through wine, being present at wine expos and international wine events is therefore important to target those consumers to allow building personal relationships and a regular customer base. For Clusters D, the Casual Explorers and E, the Devoted Tasters wine education seems especially important. Offering wine tastings events and seminars to inform these segments about different types of wines, tasting techniques, food pairings, etc. can help support this cluster with their buying decisions, especially in high-involvement situations (e.g., when bought for social symbolic value) and consequently, to create a loyal customer base. Similarly, Yang and Paladino [39] claim that Chinese consumers tend to have low involvement when

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purchasing wine for private consumption, but their involvement increases when the wine holds social symbolic value. Wine education activities therefore seem to be especially rewarding in the aforementioned clusters.

The influence of social factors, such as word-of-mouth recommendations from friends and the use of social media was already highlighted in earlier studies and discussed above. The findings underline the need to connect with young consumers. Specifically, to target the young, urban, and mobile Metro Wine Enthusiasts represented in Cluster F, being digitally present seems to be of great importance. As discussed earlier, Chinese consumers primarily purchase wine online, with popular e-commerce platforms playing a significant role in wine sales. The results show that most of the clusters found among the Chinese consumers seem to be highly e-commerce affine which clearly underlines the importance of providing adequate online distribution channels for all segments. Although there are some noticeable differences between the clusters, an understanding of Chinese culture and traditions is needed regardless of the cluster type to adapt marketing strategies accordingly. As outlined in the literature review section, gift giving, and social status/reputation should not be underestimated as important purchasing determinants. Furthermore, triggering word-of-mouth recommendations appears to be important to attract members of various clusters, especially members of cluster D, the Casual Explorers as they do not have strong individual preferences but value personal recommendations.

It was also found that foreign wine is perceived as a luxury product, symbolizing the Western lifestyle, and associated with higher quality and health benefits. When buying wine in public, factors such as product quality, taste, and image become important considerations. External factors, especially when purchasing wine as a gift for holidays and celebrations, also play a significant role in decision-making. Studies have shown that the perception of higher-priced wines as a symbol of social status aligns with Chinese consumer behaviour. Chinese consumers tend to choose Chinese wines for private occasions and French wines for gift purchases or business dinners, reflecting the perception of foreign wine as a luxury item. France, particularly Bordeaux and Champagne, is the leading wine supplier to China and is associated with quality and status.

Spawton's [61] suggestions on consumer strategies to reduce bad purchasing decisions, such as relying on brand names, peer recommendations, retail assistance, education, pricing, and packaging and labelling can be clearly reinforced by the current study. It further highlights the increasing confidence in Chinese cultural identity, leading to greater acknowledgment of traditions, which marketers have been capitalizing on. The example of Chateau Mouton Rothschild's label designed by a Chinese artist demonstrates this trend. To summarize, the results clearly emphasize the role of social factors, brand perception, and cultural influences. The findings furthermore support the importance of aspects such as taste, origin, brand, and packaging in wine choices, as well as the impact of social interactions and the perception of foreign wine as a luxury product in the Chinese market [62,63].

Conclusion and Practical Implications

This study focuses on understanding the factors that influence consumer behaviour in the Chinese wine market. Previous research in this area has mostly used qualitative methods like surveys and focus groups, but this study aims to provide a statistical analysis by conducting a large-scale quantitative investigation. Our study considers socioeconomic characteristics such as age, gender, income, profession, education, personal status, and structural characteristics such as regional disparities, degree of urbanization, neighbourhood structure as possible determinants of wine consumption behaviour. The analysis reveals that gender does not have a significant impact on these preferences, but age group and frequency of wine consumption do show significant results, while age group has a significant influence on taste preference. Additionally, the results highlight the importance of frequency of consumption, overseas experience, and age group in determining preferences. However, gender and the urban-rural typology do not show significant associations [64-66].

Overall, the choice between foreign and domestic wines is significant in shaping wine preferences, and the importance of attributes, taste, and distribution channels varies among the clusters. Familiarity with wine brands has limited influence on consumer decisions within the established clusters. Our findings provide valuable insights into the diverse preferences of Chinese wine buyers. Wine businesses can use these insights to tailor their offerings, marketing strategies, and sales channels to meet the specific needs and preferences of each cluster, ultimately enhancing customer satisfaction and loyalty.

Based on the clusters identified, the following practical implications arise: Cluster A, the Globetrotting Connoisseurs require a tailor-made wine selection. Businesses need to recognize the preference for imported wines as gifts and Chinese wines for home consumption and, thus, stock a diverse range of both imported and local wines. Businesses should focus on providing wines with exceptional taste and a variety of options for consumers and highlight the unique flavours and characteristics of products. Also, the sales channel should be optimized to ensure a seamless experience for comparing wines and prices. Implement user-friendly digital tools for wine comparison and purchasing and creating marketing strategies that resonate with the cosmopolitan outlook of this cluster, emphasizing the cultural and global aspects of wine. To cater to the taste and occasional preferences of Cluster B, the Refined Occasionals, a selection of high-quality wines with an emphasis on taste and flavour profiles should be offered.

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Ensure that these wines are suitable for special occasions such as seasonal specialties or Chinese New Year and align with the preferences of the 41-50 age group. Strategies to encourage occasional wine consumption, such as wine and food pairing events or special promotions for older consumers should be implemented. To appeal to the Discerning Connoisseurs in Cluster C, firms would need to focus on offering a curated selection of tasteful wines that cater to the discerning palate of this cluster. Highlight the unique and nuanced flavour profiles of wines and feature, as an example, sweet wines made from grapes with noble rot or ice-wine. Businesses must optimize the sales channel to make it more accessible and appealing for this group, even though they don't buy for home consumption. Consider exclusive tastings and events. Engaging Casual Explorers in Cluster D requires marketing strategies that emphasize the casual and exploratory nature of this group and highlight the different wine qualities and attributes.

While taste profiles and sales channels are of relatively less importance, continue to provide options for consumers who value wine attributes. Offer a variety of wine choices to cater to their exploration. When focusing on the tasting experience for Devoted Tasters in Cluster E it is important to ensure that sales channels are optimized for a smooth and enjoyable wine selection and purchase process. Since this cluster prioritizes taste and distribution channels, create experiences that revolve around wine tasting. Organize regular tastings, pairings, and events to engage and retain this group of frequent wine drinkers. Finally, when targeting Metro Wine Enthusiasts in Cluster F, businesses have to recognize the urban lifestyle of this group and engage them through city-centric marketing and promotions. Consider collaborations with city-based events and venues. Given their preference for domestic wines and alignment with younger age groups, focus on promoting local and "younger" vineyard products with creative label designs.

Limitations

Several limitations must be named in the discussion of the results. First, there is a lack of further socioeconomic characteristics and better typologies than the ones referred to in this paper. A dataset including, and respectively based on questions about these parameters would allow us to deepen the discussion and make more pronounced differentiations. Nevertheless, a trade-off had to be made between resources, usability, and the specifications of the Changyu company, which supported us in a great way. Additionally, we also recognize an overrepresentation of some groups, as the dataset is especially lacking older people. The group of retired people is completely missing, as the oldest age group has no entry. The lack of the oldest cohort is a result of the survey design, as it was only provided online. The survey was shared via WeChat in the Chinese internet, but no paper-based survey was implemented. This could not only generate an age bias, but also a regional bias, as the coverage and connection with internet is usually the best in metropolitan areas. Nevertheless, this potential bias towards urban areas is less distinct than the age bias.

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