

Chinese Spirits - China - June 2016

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“The Chinese spirits market developed slowly but is now resilient and shows signs of recovery. Price reduction is not a sustainable tactic for premium baijiu market players to deal with the pressure of anti-extravagance; companies and brands should concentrate on the uniqueness of baijiu to differentiate it from other spirits.”

– Lei Li, Research Analyst

This report looks at the following areas:

- How to stimulate consumer interest in the declining premium baijiu market?
- How to utilise customisation and personalisation for baijiu?
- How to make baijiu to appeal to younger consumers?

In the post anti-extravagance era, mass market is a clear prospect for Chinese spirits. The mid-end market has a beneficial balance between two extremes of the high-end market and low-end market. However, price dropping should not be the sole solution for premium brands trying to move away from their high-end positioning, and likewise, the buzz created from the use of new packaging should not be the only strategy used to attract younger consumers. Maintaining the existing customer base of baijiu – senior drinkers – is as important as acquiring the new customer base of young adults.

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DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

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- Product innovation through ingredient varieties
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