

Seeing Red¹

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My first experience with Chinese red wine occurred at a banquet a number of years ago; my hosts were executives at a state-owned enterprise. As a frequent, though relatively undiscerning, drinker of red wine in the US, I had been intrigued about Chinese red wine, and was happy to have the chance to finally partake. At the time, in 2008, Chinese wine had a poor reputation, but I was happy to find the wine quite drinkable if unremarkable. More memorable were the cultural flourishes accompanying the wine. First, there was my SOE hosts' insistence that the wine be Chinese. No other wines, not even French, would do. If they were going to drink red wine instead of *bai jiu*, (a concession I suspect they made for my sake), they were certainly going to be drinking something produced in China. Which brings me to the second memorable part: we nonetheless drank from small baijiu cups. Given the amount of "ganbei" toasts we did, I was also grateful for this choice.

I began traveling to China more frequently over the next few years and encountering more opportunities to take part in the growing popularity of red wine. As a student of Chinese business and society, I have found wine to be an interesting window into China's changing market economy. Stories abound of affluent Chinese buying up Bordeaux; China is now the largest market for French wine, and those who can afford it buy high-end European wines as readily as they do purses and sports cars. Whether reported with alarm, admiration, or scorn, such stories about the Chinese nouveau riche are no longer surprising.

More interesting to me are the subtler shades of consumer insecurity and the challenges of domestic production. As my hosts articulated, some consumers, particularly those connected with the governing hierarchy, have a lot of pride in Chinese brands. The growth of brands such as Great Wall, Changyu and Dynasty has been impressive thanks in large part to government support; there have even been rumors that patriotic consumption was so great that some wines labeled as Chinese were actually Chilean or American. If true, this just might be the only reverse case of the more usual Chinese products getting passed off as international imports.

Much more recently, the red wine craze has spread to the middle class, where it seems poised for significant growth. For instance, in 2011, Yao Ming established a winery in California to produce quality wines for Chinese export, with prices starting at 1775 RMB. In the past few months, he has added a lower-priced wine aimed at middle class Chinese – the so-called 小资. Even internet retailer Amazon.com has begun selling select California wines in China. While currently only about 6% of Chinese wine imports are from America, this figure will no doubt rise.

¹English version of 孟睿思。 “国产红酒品牌是一块试金石。” 《人物》2013 年第 12 期，41。

For affluent private-sector buyers, however, Chinese brands are a harder sell. After all, can a country so plagued by food safety problems successfully convince its citizens, let alone the rest of the world, of its terroir? And even if quality wines are produced, will the relatively immature market be able to recognize them? For example, there was a recent well-publicized blind wine tasting in which Ningxia's Grace Winery trumped a number of Bordeaux. Some commentators have likened the event to the watershed moment in 1976, when California wines bested French ones in a Paris tasting. Before that pivotal moment, California wines had a difficult time in selling in the US; today, Northern California is recognized as one of world's great wine regions. There's no reason why Chinese wines cannot also have their moment in the sun: China sits over the 30th and 50th parallel "sweet spot" where wine grapes thrive. In the last year alone, Chinese wine production has grown 77%.

Though wine quality is famously subjective, even at the highest levels, there is a basic difference between good and bad. If the finest Bordeaux is analogous to a Louis Vuitton handbag, then many Chinese still need to be taught how to recognize leather from pleather. My own, less triumphant experience with Grace Winery highlights this need. Not long ago, I ordered a Grace Winery red at a Western hotel restaurant, and found it was obviously corked. When I tried to send it back, the wait staff assured me the wine tasted fine, the problem was that I didn't understand Chinese wine.

As China's wine production ramps up, efforts have also been made to expand oenophile education. No doubt the largest single effort has been the 28 million RMB Shanghai "Wine Residence" built by ASC Fine Wines, the leading importer and also the first provider of Wines and Spirits Education Trust (WSET) qualification classes in China. Import companies may be leading the charge on wine education, but Chinese wineries will also benefit from more knowledgeable consumers. For Chinese vintners to thrive, they must not only match and outperform French and American wines, but Chinese wine lovers must also develop the courage it takes to buy based on taste and expertise, not just blind adherence to reputation.

As I wrote last month, there is a perception issue with Chinese products – the "made in China" stigma still exists. The wine industry, where quality is an illusive concept, is particularly reliant on creative marketing and salesmanship, areas where Chinese companies have historically been weak. As China tries to transition into a sophisticated consumer economy, its domestic wine brands are one litmus test of how well the country is able to conquer these old demons. With President Xi's corruption crackdown cutting into meal and entertainment spending (*bai jiu* distilleries have been particularly hard hit), domestic brands can't count on government customers. They must convince the Chinese middle class that red Chinese soil isn't just a Maoist slogan.