

Research on the Cross-cultural Marketing Planning of Kweichow Moutai

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Abstract: *This article takes Kweichow Moutai as the research object and uses the copywriting research method to analyze the cross-cultural marketing environment of Kweichow Moutai. And based on the results of the analysis, a cross-cultural marketing plan was proposed in terms of market channels, products, price, branding etc.*

Keywords: *Cross-culture marketing, Market planning, Kweichow moutai*

1. Introduction

Kweichow Moutai Co. Ltd. is a partial publicly traded, partial state-owned enterprise in China, specializing in the production and sales of Maotai liquor, together with the production and sale of beverage, food, development of anti-counterfeiting technology, and research and development of relevant information technology products. Kweichow Moutai products are well-known among Chinese domestic and overseas Chinese, but Kweichow Moutai is a very unfamiliar brand to people from other cultural backgrounds.

2. 5C analysis and buying process

2.1 5Cs analysis of the market

2.1.1 Customers

Canada is a country of immigration. Customers preference are variable. Canadian customers are concentrated in the three major cities of Toronto, Montreal and Vancouver. There are many Chinese in Vancouver and they have a high degree of acceptance of Moutai, but other local Canadians believe that this is a drink from a developing country. They have no knowledge of white wine and have a low acceptance.

2.1.2 Competitors

There are many local alcohol and foreign alcohol in Canadian market, such as Whiskey. They occupy a majority of the market, so our company face very heavy competition.

2.1.3 Company

Moutai is the strongest state-owned liquor company in China. It has a good economy of scale, stable development and good technical innovation capabilities.

2.1.4 Collaborators

Moutai is made from Chinese specialty raw materials. Imported raw materials must be considered when selling in Canada.

2.1.5 Context

- a) China and Canada have stable political relations, but some differences have recently emerged.
- b) China and Canada develop better foreign trade, which is good to the sale of Moutai in Canada
- c) Canadian society is relatively free, people like to drink in bars and clubs

2.2 *Buying process*

Moutai is a kind of alcohol. People only purchase it when they have needs of relaxing and socializing. Customers' behavior is Low-involvement.

Through the analysis of the situation, we found that entering the Canadian market is highly competitive and the Canadian market does not have a high awareness of Chinese products, so we decided to change our name "Starry sky" and design to make it more suitable for the Canadian market.

3. Segment, target and position

3.1 *Segment*

a) Age 20~45 years old.

Middle-income population.

Canadians.

b) Age over 40 years old.

High income.

Chinese people who live in Canada.

3.2 *Target*

Our target is age 20~45 years old, middle-income population, Canadians.

Because the weichow Moutai is the most famous alcohol brand in China. The profit we make from Chinese is stable. We would like to expand brand awareness and make more profit from Canadians.

3.3 *Position*

For Canadian young people who love new things, Starry Sky is the only brand among all alcohol that is fashion and can bring you new flavors and experiences. Because our alcohol is improved from ancient Chinese recipes which you have never tasted.

4. Product

4.1 *Creating value*

a) Functional value: provides alcohol

b) Experiential value: tastes new and good

c) Symbolic: makes me look fashion and I have good taste

4.2 *Product line*

We choose broad product lines because We want to increase local awareness of our products through different products. So, our products includes:

a) Baijiu: Our main product (The degree and the taste will has a little bit difference.)

b) Cocktail: Our important product.

c) Liqueur Chocolate: Let people who love chocolate inadvertently taste our products.

d) Lady wine: Low in alcohol and fruity.

5. Promotion

5.1 Promotion method

- a) Sample taste: Give people free wine tastings in licensed location.
- b) Social media: Place ads in Facebook and Twitter
- c) Billboard: We designed this poster to let people see our products on big billboards. Our billboards are available in French and English, as Canada's official local language is English and French.

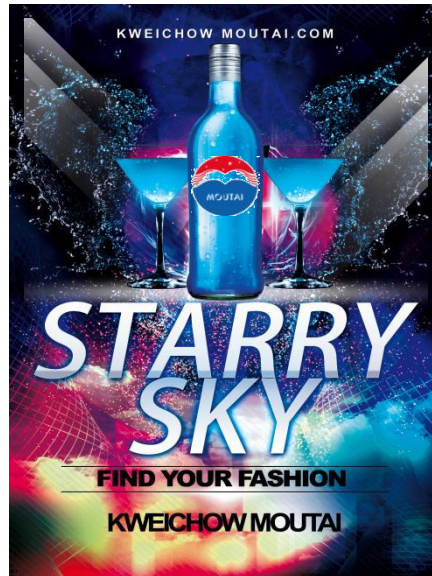


Figure. 1 Billboard design of Kweichow Moutai

- d) Product linkage. Link with familiar games and replace some elements in the game with our products.



Figure. 2 Brand linkage of Kweichow Moutai

5.2 Message and objective

Our ads inspire people's desire for fashion by comparing old-fashioned and fashionable lifestyles. And link fashion to our products.

Our target audience is young and middle-aged Canadians who think and love fashion.

Our promotional objectives are to allow more new generations of Canadians to change their perception of liquor traditions and try and buy our products.

6. Branding

To help Canadians avoid difficult pronunciations, we changed our brand name to “Starry Sky”.

We use emotion and feelings to build a relationship with our customers. When it comes to our brands, we want people to think of fashion and reliability.

There are many Chinese live in Canada, they can introduce our products to their local friends.

7. Market channels

We choose agent channel because selling liquor directly in Canada takes a long time to apply for a license and high taxes. Local agents help sales can reduce costs. Our products are sold in supermarkets, bars, and direct store.

Agent Channel



Figure.3 Sales channel design of Kweichow Moutai

Moutai company(producer) will create demand for customers. We use advertisement and social media to promote our products.

Retailer will fulfill demand. We choose to sell our products in supermarkets, bars, and direct stores to meet customer needs. We choose to sell our products in supermarkets, bars, and direct stores to meet customer needs. On direct stores or bars customer can experience samples, shopping experiences. It is easily to ensure satisfaction. Gathering customer feedback is more difficult than selling online. However, we can still request customers to fill in feedback online by giving customers a QR code or a link to the official website. And analyze data through social media to get feedback.

8. Pull tactics

We choose pull tactics because we have just entered the Canadian market, we need to open up sales. Also, we want to keep consumers following our products through our marketing and product quality, because we value brand reputation. So for example we can work with well-known video creators on YouTube to use their platform to promote our products.

9. Price strategy

9.1 Customary Pricing

Consumers are used to Canadian wines of the same quality and are only willing to pay a similar price. The pricing of these products should generally be determined according to habits, and do not change the price casually, so as not to cause customer dislike.

9.2 Psychological Pricing Strategy

We price our products at \$19.99

10. Conclusion

This paper studies the cross-cultural marketing of Moutai. Through the research of the Canadian

market environment and Moutai Company, it is concluded that Moutai must reformulate its marketing plan to adapt to the new market environment. And based on the relevant conclusions, suggestions on positioning, branding, channels, etc. are given.

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