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Report Highlights:

Although China is the world's largest market for alcoholic beverages, imported spirits currently account for a very small percent of domestic consumption. Younger adult consumers in China are a key target demographic for imported whiskey and brandy. U.S. spirits have a niche but stable consumer base, while opportunities exist in consumer education and differentiation. In 2025, China’s imported spirits market showed stable volumes but declining value, as consumers traded down to lower-priced products amid economic pressure, with whisky remaining resilient, brandy weakening significantly, and other categories gradually diversifying demand.

Market Overview

China's spirits market continues to be dominated by *baijiu* (a Chinese distilled liquor made from sorghum and other grains) which accounts for over 90 percent of the market. Imported spirits account for around 5 to 8 percent of the market which includes Whiskey, Brandy, Vodka/Liqueurs. Middle-aged consumers remain the core demographic for baijiu while younger consumers, particularly those born after 1990, generally prefer beer, ready-to-drink cocktails, and whisky.

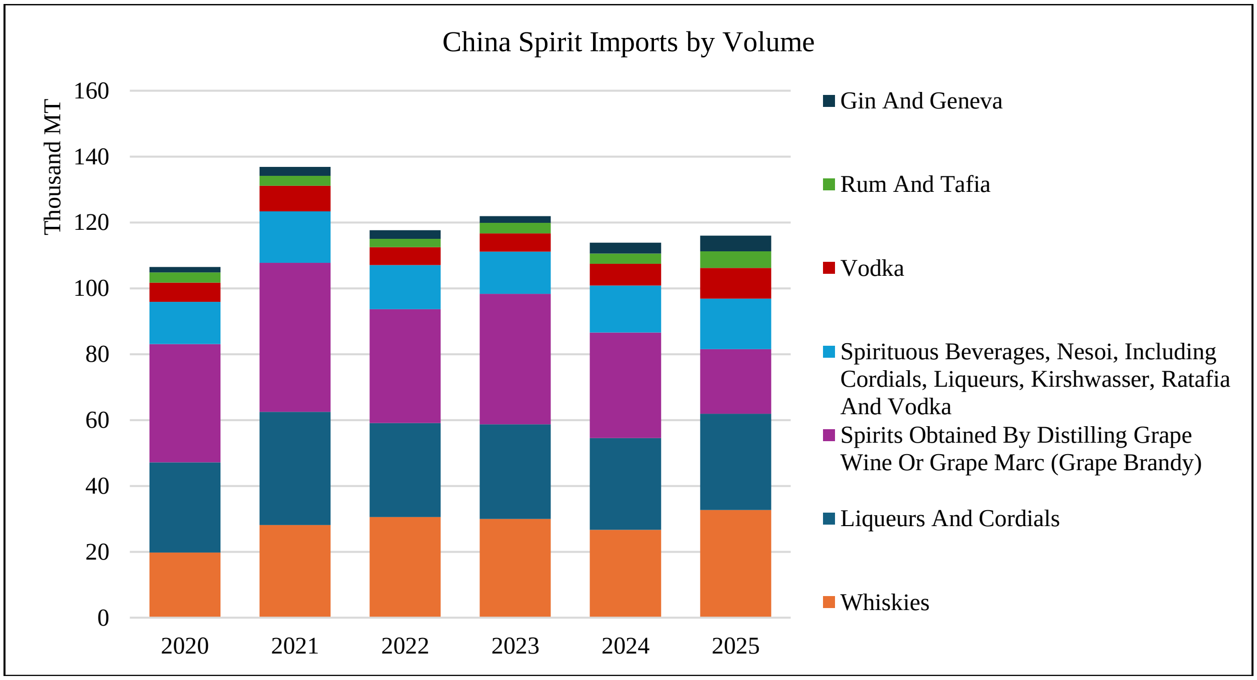
The Chinese spirits market is undergoing several key changes that are reshaping the industry. Product polarization has emerged, with premium spirits serving collection and gifting purposes while mass-market bottles upgrade in quality and experience surging sales. Products are developing in two directions: premiumization/sub-premium and lower alcohol content/simplified packaging. The youth market is driving demand for lower alcohol content, fruit-flavored options, and smaller bottle sizes. Brand concentration is accelerating as leading brands expand their market share and smaller brands become increasingly marginalized.

Scenario segmentation has also become prominent, with specialized products developed for distinct occasions including business meetings, gifting, personal consumption, light drinking, and banquets. Baijiu's market dominance will persist in the short term, with men aged 35-55 remaining the core consumer base while youth and women represent new growth opportunities. Sub-premium baijiu and mass-market bottles are leading sales, while imported spirits and low-alcohol fruit spirits demonstrate high growth potential. Overall, the trillion-yuan market is evolving toward branded, quality-focused, youth-oriented, and scenario-specific products that cater to increasingly diverse consumer preferences and consumption occasions.

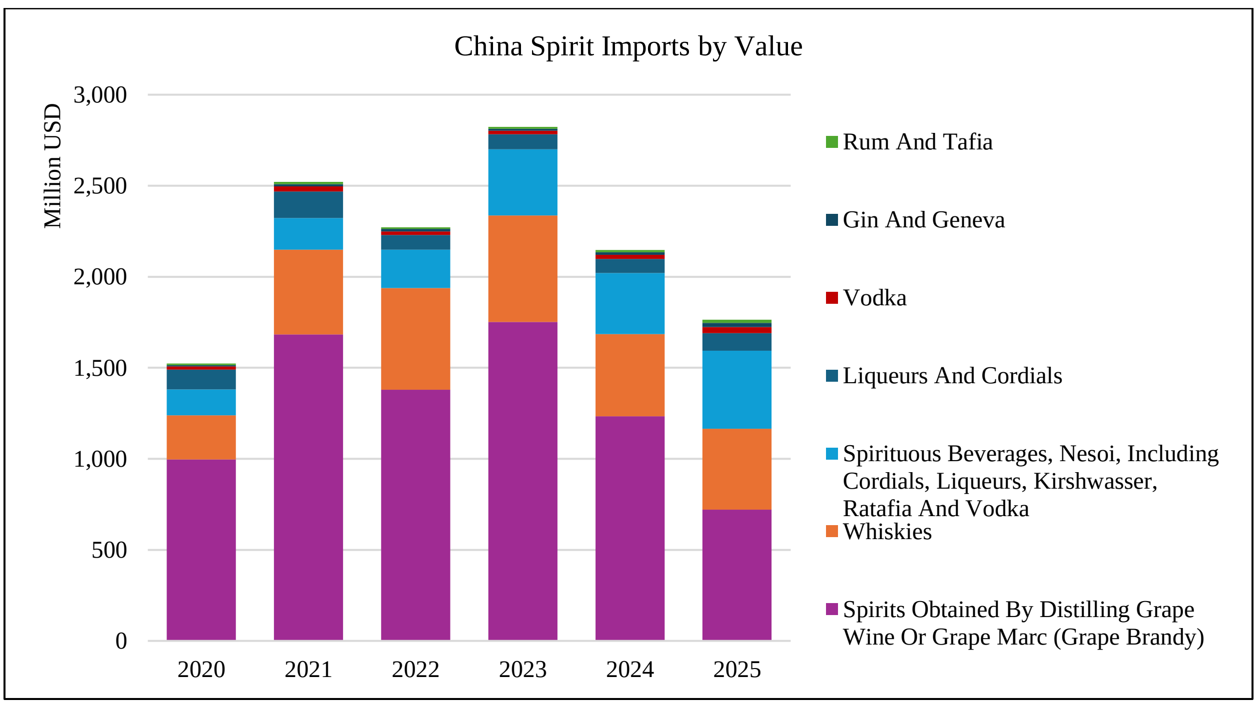
Imports – Volume Steady, Value Down

China's imports of spirits by volume remained stable in 2025, reaching 116 million metric tons, but remaining below the 2021 peak of 137 million MT. The market is led by whiskies which rebounded to 32.7 million liters and accounted for the largest share at 28 percent, reflecting strong and resilient demand. Liqueurs and cordials remained relatively stable across the period at 29.2 million MT, maintaining a significant 25 percent market share and suggesting consistent consumption patterns. In contrast, brandy declined sharply to 19.7 million MT in 2025 from a peak of 45.3 million MT in 2021, reducing its share to 17 percent and indicating a substantial contraction in this category. Meanwhile, smaller categories such as vodka, rum, and gin recorded notable volume growth in 2025, particularly vodka, which increased to 9.3 million MT, pointing to a gradual broadening of consumer preferences. Overall, the data suggest a shift in China's imported spirits market toward more diversified categories, with continued strength in whiskies and stable demand for liqueurs.

While China's imported spirits by volume remained stable in 2025, the overall dollar value of imports contracted, highlighting a divergence between quantity and pricing dynamics. Total import value declined sharply from its 2023 peak, with the most notable drop in brandy, which fell to $720 million in 2025—less than half of its 2021 high—despite remaining the dominant category at 41 percent market share. In contrast, whiskies, which led in volume, recorded relatively stable value at $445.5 million and maintained a 25 percent share, suggesting more resilient pricing and sustained demand for premium products. Meanwhile, liqueurs and cordials held steady but underperformed in value relative to their strong volume share, reinforcing the perception of lower unit prices in this category. Overall, the divergence between rising or stable volumes and declining values reflected downward pressure on unit prices due to trading-down by consumers and a shift toward lower-priced products, even as demand for imported spirits remains broadly intact.

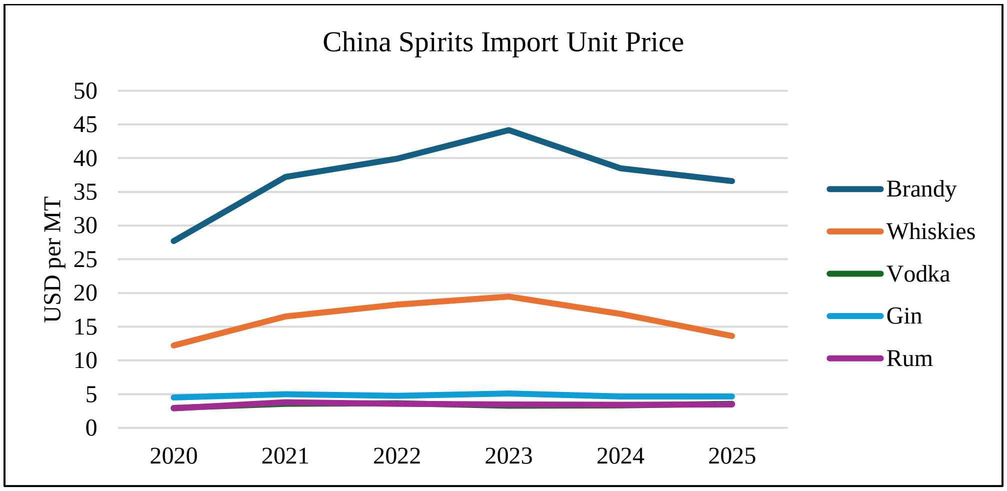


Source: China Customs, Trade Data Monitor



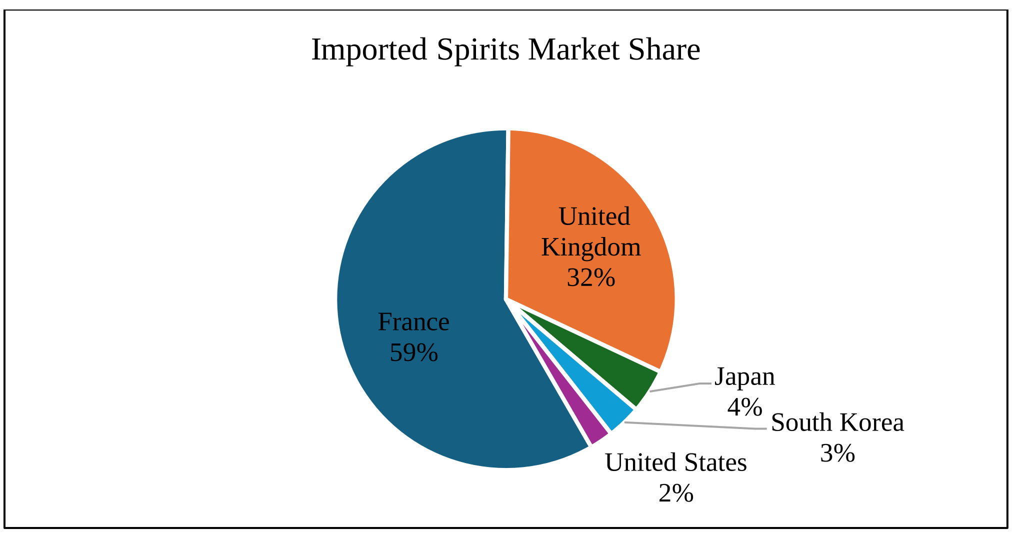
Source: China Customs, Trade Data Monitor

The gap between volumes and values is reflected in unit price data which shows that the average values of both imported brandy and whiskey have declined since peaking in 2023. Industry sources report that general economic sluggishness in China is pushing consumers to look for lower priced items and importers are gradually adapting to this demand.



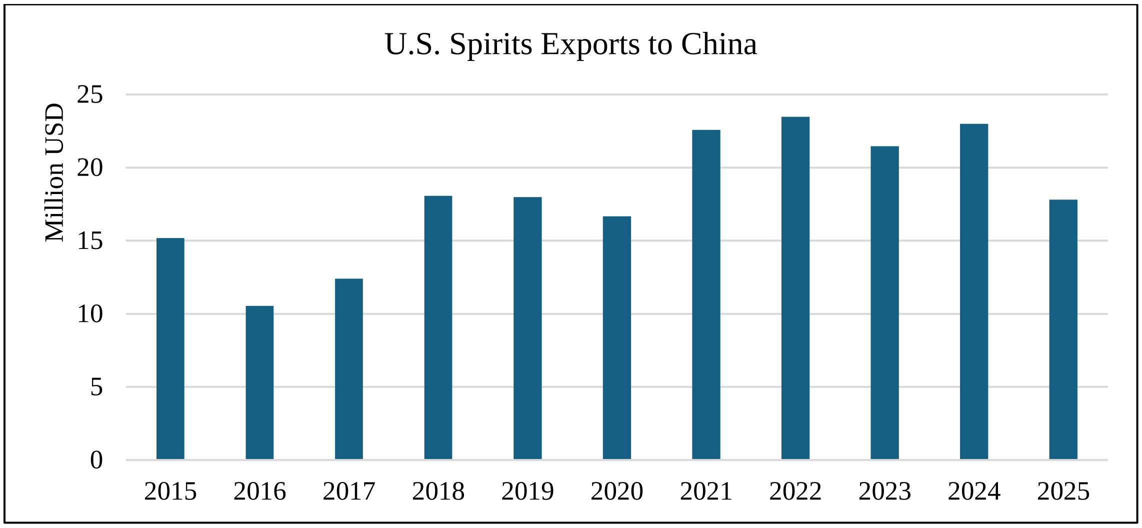
Source: China Customs, Trade Data Monitor

For the past five years, France has consistently led China's imports of spirits (brandy), followed by the United Kingdom (whiskey). The United States has maintained a niche but reliable presence in the market. Chinese consumers generally continue to favor European alcoholic beverages due to their association with luxury and tradition while U.S. brands are well positioned to promote quality, sustainability, and regional diversity.



Source: China Customs

U.S. exports of spirits to China have grown over the past decade despite periodic volatility. Exports declined from $15.2 million in 2015 to $10.5 million in 2016, before recovering steadily to reach $18.1 million in 2018 and holding relatively stable through 2019–2020. Growth accelerated in 2021 and 2022, with exports rising to $22.6 million and $23.5 million, respectively, reflecting strengthened demand and improved market access conditions. Although exports dipped to $21.5 million in 2023, they rebounded to a peak of $23.0 million in 2024. In 2025, exports declined to $17.8 million, suggesting renewed headwinds, but levels remain above the pre-2021 average, indicating sustained underlying demand for U.S. spirits in the Chinese market.



Source: FAS GATS

Market Trends and Consumer Preferences

Regulatory and Economic Pressures

The spirits industry in China is currently facing challenges related to reduced consumer spending and recent regulatory developments. In the third quarter of 2025, the majority of Chinese liquor companies saw a sharp decline in performance, with some experiencing a drop in net profit of more than 90 percent. In 2025, China announced an austerity measure on HRI and alcohol regulation (see GAIN CH2025-0243), which bans alcohol at all official and government-sponsored events and restricts extravagant dining. This has led to a sharp slowdown in the high-end banquet and restaurant sector, significantly impacting premium hospitality venues and alcohol producers.

China's consumer spending also remains weak due to economic uncertainty about future income. As a result, consumers are shifting their preferences towards value-based purchases, where they are seeking affordable, convenient spirits options from trusted retailers, rather than high-end spirits. Some major retailers like Sam's Club and Costco China directly source their spirits, driving significant growth in first-tier cities like Shanghai, Shenzhen, and Beijing where they have store locations.

In response to these market pressures, leading liquor brands have proactively adopted diversified price reduction strategies to stimulate circulation. In the imported spirits sector, actual market transaction prices have continued to fall. The evaporation of price "inflation" has become a core trend throughout 2025 for both whiskey and baijiu, manifesting as a rational return to pricing and a reshaping of the value system. In the whiskey market, the price bubble previously inflated by capital and speculation has burst at an accelerated pace. Channel prices for high-aged products have generally been cut in half, with some whiskies even returning to 2019 levels. The baijiu market is also undergoing a reconstruction of its pricing system.

Digitization

Consumer purchasing behavior is shifting towards digital sales channels, including the use of social media and livestreaming as avenues for education and shopping. Localized storytelling by key opinion leaders (KOLs) using platforms such as Red Note and Douyin are effective ways spirits brands appeal to the enthusiast and younger consumer base. Though traditional e-commerce giants still dominate sales of better-known brands, social commerce and livestreaming are emerging as reliable sales channels. On-demand instant retail is also reshaping the distribution network and consumption habits of the liquor distribution sector. At the beginning of the year, a large influx of capital entered the instant retail track. Vertical platforms such as Jiuxiaoer and Waimasongjiu, as well as comprehensive instant retail services like Meituan and JD, have rapidly expanded nationwide by leveraging fast delivery and the trust endorsement of "platform authenticity."

Domestic Brands

Another notable trend is a nascent but growing domestic whiskey industry. Regions such as Zhejiang, Sichuan, Shandong, and Yunnan have established whiskey distillers, some with investment by major spirits brands. According to industry contacts, domestic whiskey production remains limited in scale and quality and therefore does not directly compete with premium U.S. whiskey brands. At the same time, the broader growth of whiskey culture is increasing consumer awareness and interest, creating favorable conditions for U.S. brands to strengthen their presence and expand over time.

The national standard "Quality Requirements for Distilled Spirits – Part 1: Whisky" (GB/T 11856.1-2025) issued by the State Administration for Market Regulation (Standardization Administration of China) formally took effect on February 1, 2026. The new national whisky standard replaces the 2008 version (GB/T 11857-2008), introducing additional key quality indicators and testing methods. As the number of Chinese domestic whisky distilleries has increased, differences have arisen in production processes and quality evaluation. The release of the new national whisky standard aims to promote a standardized system for Chinese whisky products. The new standards do not apply to imported products.

Consumer Preference Shift: Low Alcohol Options for Gen-Z

According to a February 2026 report released by the China Alcoholic Drinks Association (CADA) the consumption of spirits in China has shifted from large-scale occasions to smaller engagements. Personal enjoyment and small family gatherings have become the core purchasing scenarios. This shift has supported the rise of low-alcohol products and increased demand for health-oriented products, with consumers paying more attention to additive-free and health-related attributes. A refreshing taste is considered important, making these products suitable for occasions such as eating hotpot and barbecue. From January to July 2025, sales in this category grew by 20% year-on-year.

The fusion of alcohol and tea-based beverages, such as baijiu-infused teas, is another trend. According to a 2023 Nielsen survey, 48 percent of respondents aged 20–29 expressed interest in trying alcoholic tea drinks, citing curiosity and the appeal of novel flavors as primary motivators. Brands targeting this demographic are leveraging these preferences by launching limited-edition flavors and collaborating with influencers.

The data suggests that younger consumers are reshaping the spirits market by prioritizing moderate drinking experiences and innovative products. Recent trends show that brands are trying to adapt to these preferences by offering low-ABV, affordable, and engaging products to capture market share in this evolving landscape.

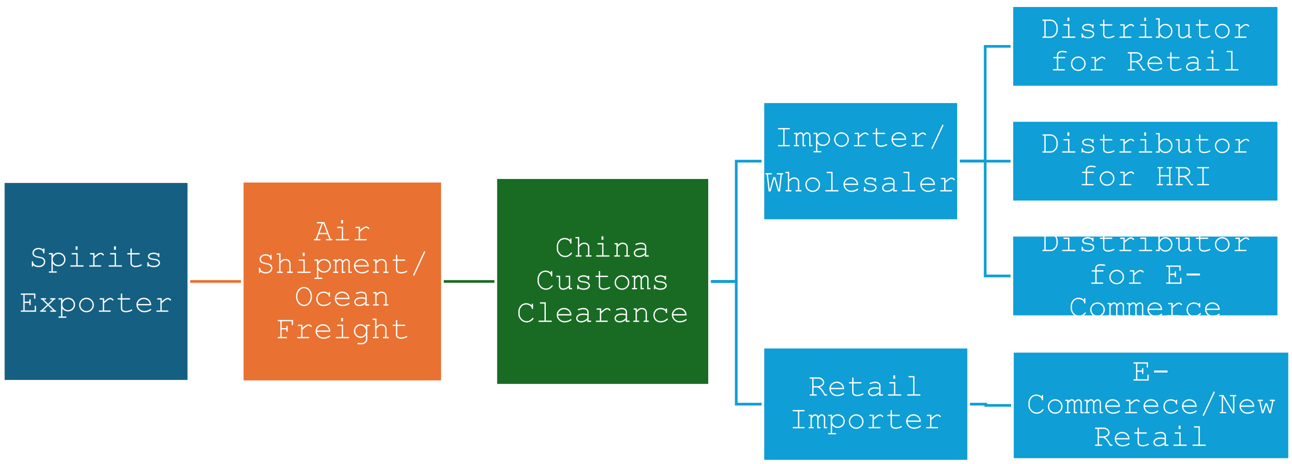
Prospects and Opportunities for American Spirits

Over the past decade, U.S. spirits exports to China have been led by major American brands—particularly bourbon, Tennessee whiskey, and premium vodka—which leveraged strong brand recognition and established distribution networks. These brands accounted for the majority of U.S. spirits entering the Chinese market, often supported by high-profile promotional campaigns.

Recently, many brands have found success in emerging cities by investing in market penetration through repeated engagement such as guest bartending, food pairings, and consumer lifestyle activities. Industry contacts report that marketing support from brand companies plays a crucial role in selling whiskey. For example, American bourbon is frequently used for highballs in local Japanese cuisine restaurants due to promotional efforts by major brands. Higher range American bourbon whiskeys are also used in bars for cocktails.

Market Entry Overview

For entry into the Chinese market, all imported spirits must be registered through the General Administration of Customs China (GACC), China Import Food Enterprise Registration (CIFER) system. The port of entry process for spirits imports into China involves critical logistics, transportation, and customs clearance steps. Upon arrival, many firms utilize bonded warehouses to store their spirits while deferring duties and taxes until distribution. After customs clearance, the spirits are transported domestically to distributors, wholesalers, or retailers. Distribution involves partnerships with local importers and distributors who have established networks in China. Spirits are sold through wholesale channels to restaurants, hotels, and retail outlets, as well as through retail channels such as supermarkets, specialty shops, and e-commerce platforms.



Major Spirits Purchasing Channels

E-commerce

China has been the world's largest online spirits retail market for 12 consecutive years. In 2024, China's online retail sales grew by 7.2 percent. New retail models such as livestreaming have significantly contributed to the growth of e-commerce in China. This trend is driven by younger generations, particularly Gen Z, who value convenience and variety in their shopping experience. While Tmall and JD.com continue to dominate the market, emerging platforms such as Douyin (TikTok) and social commerce sites like Xiaohongshu (Red Note) are opening new avenues for brands to engage with digitally savvy consumers.

Livestreaming has developed into a strategic channel for market entry, consumer engagement, and brand communication (see GAIN 2025-0229). According to Douyin e-commerce food and beverage marketing trend reports, food and beverages ranked second by sales volume among the top categories across Douyin's e-commerce platform in 2024. With a growth rate of 36 percent, the food and beverages category is ranked as one of top 10 high-growth major categories leading platform overall growth in 2024.

China's cross-border e-commerce (CBEC) channel removes duties, reduces value-added and consumption taxes, and streamlines customs clearance processes for specific products on the CBEC positive list (see GAIN 2023-0180). In certain categories, such as cognac, the retail prices of certain major brands sold through cross-border e-commerce channels have already fallen below the wholesale prices of the same products in general trade. This is largely due to tax savings. Under the cross-border e-commerce import model, there are no tariffs, and the value-added tax (VAT) and consumption tax are discounted by 30 percent. As a result, the comprehensive tax rate for imported spirits through cross-border e-commerce is only 18 percent, which is 20 percent lower than the comprehensive tax rate for general trade. For smaller brands, these platforms provide visibility and a foothold in the market, however, the annual spending limit of 30,000 RMB per individual for cross-border e-commerce purchases limits scalability through this channel.

On-premise trade

Whiskey is gradually transitioning from traditional business and gifting scenarios to younger, more convenient, and more everyday consumption contexts. On-trade channels, such as bars and restaurants, remain traditional avenues for spirits consumption.

Marketing support from brand companies plays a critical role in driving whiskey sales within the on-trade channel, particularly in foodservice establishments and bars. Effective marketing initiatives—such as staff training, promotional events, and menu placements—help raise product awareness and encourage trial among consumers. These efforts not only enhance the visibility of specific whiskey brands but also equip bartenders and servers with the knowledge and confidence to recommend.

Off-premise trade

Spirits purchases in the retail channel occur through brick-and-mortar stores, including tobacco and alcohol shops, liquor stores (which specialize in selling alcohol), and large supermarkets. All of these outlets require a license to sell alcoholic beverages (liquor license). In mega cities, however, consumers tend to rely on major retailers such as Sam's Club, Costco, Ole', or Hema for sourcing, reflecting a preference for trusted brands and quality assurance.

Marketing and Promotion Opportunities

For craft distilleries exporters and other spirits brand companies, professional spirits shows or other consumer-oriented trade shows offer valuable market promotion opportunities. These events are typically organized by established international industry leaders.

Event Name	Date	Region	Website
SIAL China	November	Nationwide	https://www.prowine-shanghai.com/en/
China International Import Expo	November	Nationwide	https://www.ciie.org/zbh/en/
Whisky L	August	Nationwide	Contact ATO Shanghai for details atoshanghai@usda.gov

If you are an exporter or have an in-country agent, inland trade shows can provide a platform to showcase products and attract regional distributors with limited access to new imports.

Whiskey + Beijing	May 15-17, 2026	North China	An annual whiskey-focused trade show and festival held in Beijing, which features tastings, brand showcases, and educational seminars.
Whiskey Fun Chengdu	TBD	Southwest China	An annual two-day whiskey-themed exhibition and tasting event in Chengdu that brings together domestic and international whiskey and spirits brands for enthusiasts and professionals.

For more information on the market for U.S. spirits in China, please contact atoshanghai@usda.gov.

Attachments:

No Attachments.