

Long Title: Conspicuous consumption and hospitality at a wine festival in China.

Short Title: Conspicuous consumption in China.

Abstract

The nature of Chinese consumption and hospitality has evolved rapidly since the post-80s middle class adopted new lifestyles and consumption choices after the opening up of the economy and society. This study explores the logics underpinning conspicuous consumption of wine in China by way of an exploratory factor analysis of 253 respondents at a wine festival. The study found that conspicuous tendencies manifest themselves with wine consumption, but are affected by culture and traditional values. The study found social and personal influences mediate how individuals perceive and experience consumption in ways that do not wholly follow western practices. This paper contributes to existing hospitality literature by conceptualizing from a consumer perspective, how a product or brand has the potential to become conspicuous within the Chinese hospitality context and explores implications for hospitality research by generating a thorough understanding of links between conspicuous consumption and hospitality.

Keywords: wine; conspicuous consumption; hospitality; gift giving; China.

INTRODUCTION

Since the late seventies, as its market and society opened, the People's Republic of China has been transformed from a closed agrarian socialist economy where the State regulated consumption and leisure activities to an urban state and a global economic force. This economic growth has created an aspirational middle class of 132 million people which is predicted to increase to 480 million by 2030 (Economist Intelligence Unit, 2016). Many emerging habits of the aspirational middle-class appear to conform to Thorstein Veblen's concepts of conspicuous consumption (referred to from here on as CC). With nearly one-third of all prestige (luxury) goods sold worldwide bought by Chinese consumers (Economist, 2014), studies routinely invoke the explanation, that the new middle-class are following western society in selectively trading up to higher levels of quality, taste and aspiration (Truong et al. 2009). While Chinese middle class consumers have been associated with public and visible material goods, conspicuous consumption and conspicuous leisure in 'experiential' sectors, such as hospitality has gained the attention of analysts, practitioners and academics. While consumption was governed by the

Communist Party until the 1980s, citizens now enjoy freedoms unimaginable to previous generations. Within this context, hospitality choices, such as the provision of food, drink and accommodation (Lynch et al. 2011) have grown considerably. While evidence of CC is not difficult to identify in certain domestic hospitality experiences (Cheal 1988), and enclaves such as hotels, the rapid economic growth in China and its growing middle-class population has instigated both academic and industry research to better understand the consumption of experiential luxuries in the context of hospitality. Existing studies tend to replicate theories and models from western literature and have not been able to provide profound understandings that truly and fully capture the deep-seated cultural values underpinning Chinese consumption and behaviors and the practical and conceptual links between CC and hospitality in China.

While wine consumption and wine festivals have been explored widely within hospitality literature in the west (Camillo 2012) as wine is an intrinsic part of everyday gastronomic experience, wine remains an out-of-reach luxury in China for many, if we term luxury as ‘any expenditure that goes beyond the necessary’ (Sombart [1913] 1988: 97). It’s greater accessibility and status amongst the middle class has helped to rapidly drive up wine production and consumption. China is the world’s third largest wine consuming country with approximately 10% of wine consumed and with French wines occupying a 40% market share in 2016 (Wu 2017). As a differentiated product that has only recently entered the Chinese society, wine consumption has rapidly spread through society (Yap and Chen 2017). Government and cultural elites in China have channeled wine’s exchange value as a status symbol and created what many scholars call a ‘Veblen good’ (Maguire and Lim 2016) where demand increases as the price increases. However, we do not know whether its consumption is based on Veblen’s universal theory of CC and linked to status as it might be in the west. Neither do we know whether wine festivals are used for CC or whether the western-centric explanations and implications of CC apply to China. Finally, conceptually, there is a lack of critical discussion on the link between CC and understandings of hospitality within a Chinese context. Therefore, this study seeks (1) to provide a profile of wine festival participants and Chinese wine consumers, (2) to measure the conspicuous consumption of wine given it is a construct of the respondent’s behavioral manifestation and (3) explore an alternative reading to the western-centric explanation of Chinese consumption culture(s) and its links to hospitality. Through these objectives, we use the (conspicuous) provision and consumption of wine to explore the social dynamics and cultural values that drive hospitality and hospitality provision in China.

CONSPICUOUS CONSUMPTION AND HOSPITALITY

In his book *Leisure Class*, Thorstein Veblen (1899) proposed and critiqued the idea of ‘conspicuous consumption,’ which describes consumer activity intended to display one’s high social status. Veblen describes the two motives for conspicuously consuming goods as ‘invidious comparison’ and ‘pecuniary emulation’ where invidious comparison refers to ‘situations in which a member of a higher class consumes conspicuously to distinguish himself [sic] from members of a lower class’ (Bagwell and Bernheim 1996: 350) and pecuniary emulation, which ‘occurs when a member of a lower class consumes conspicuously so that he [sic] will be thought of as a member of a higher class’ (ibid). While in some societies, each social class ‘tries to emulate the consumption behavior of the class above it’ (Trigg 2001: 101), consumption varies from person to person depending on social position and societal norms for what are considered luxuries and necessities (Csaba 2008). While Mason (1998: 130), for example, argues group identities, freed from the old restrictions imposed by social class and fixed status groups are ‘secured by adopting appropriate patterns of consumption,’ McIntyre (1992: 55) instead notes that ‘consumption is now the duty of the individual.’ Notwithstanding the varying competing interpretations, the connection between conspicuous consumption and status has been well established (Chaudhuri et al. 2011).

Research around the concept of CC has not been static, given it is seen to be seminal (Stone and Luo 2016). Trigg (2001), for example, relates Veblen’s ideas to Pierre Bourdieu’s analysis of distinction (Bourdieu ([1979] 1984), which includes both ‘aesthetic consumption’ and ‘ordinary consumption.’ He links consumption with cultural capital, wherein people with capital can become trained to appreciate fine art and music, as well as certain products. There has also been fruitful research on CC’s contradictions, such as the concept of inconspicuous luxury consumption, whereby consuming is done without overtly displaying wealth and social status (Wu et al. 2017). Less explored is the links between CC, hospitality and the cultural values outside a western context. CC has long intersected with the established cultural field of hospitality, showing that historically, hospitality allowed aristocrats and nobles in the west to demonstrate their rank and raise their social status. While private hospitality space initially functioned for CC and display, commercial venues later incorporated cultural values, beliefs, and norms of behavior as mechanisms for attracting capital and upper-income people to reclaim space for conspicuous consumption. Values, beliefs and behavior such as personal fulfillment and self-indulgence came to be linked to hospitality spaces in more individualized, western societies rather than values such as kinship and friendship (Belbağ et al. 2018).

CONSPICUOUS CONSUMPTION AND HOSPITALITY IN CHINA

Veblen's theory of CC emerged to explain the success of the capitalistic economic system which revolutionized consumption in eighteenth century England (Page 1992). In the mid-19th-century colonialist era in China, the veracity of the CC model is deemed to have emerged when the direction of trade shifted after Beijing, the new capital of the Republic of China (1911–28) bustled with shops and entertainments. As expatriates in China's port cities imported Western brands, Wang (2000: 22) argues that adoption of these goods by local elites 'engendered a revolution in the consciousness.' Imports of consumer goods outstripped exports and commercial advertising took off as those seeking to elevate their social standing sought out imported consumer goods with symbolic and communicative value.

Disrupted by the advent of communist rule, it was not until the death of Mao in 1976, and subsequent foreign investment and economic reforms that a significant surge in the consumption of western-style prestige goods re-emerged. As consumers looked to the West as a means to 'catch up' with the rest of the world, Veblen's theory re-emerged to explain the growing demand for Western products, with discourses depicting the transformation of China's citizens from 'comrades to consumers' (Croll 2006). While the consumption habits of a new aspirational middle class are transforming China, questions have emerged to suggest that China's aspirational classes may not reflect western ideas of consumption. Differences in conspicuous tendencies are not yet clearly understood as consumption is both dynamic and evolutionary in China given the rapid social, political and economic changes. For example, if hospitality is a function of CC, the practice of buying wine may merely replicate the west, by providing status for the buyer. As we were based in China, we had some understanding as to how 'conspicuous gifting' and hospitality has resonance in China (Bronsert et al. 2017). In addition to more recent Western values of materialism, traditional values such as *guanxi* (relationships), *mianzi* (face), *renqing* (human sentiments) (Yao, 1988) may serve as justification for CC epitomized in hospitality. While CC has become an indispensable concept, it is a product of its time (Stone and Luo 2016), and was designed to understand life in western cultures rather than CC in other cultures and contexts. While CC of wine has been found in western historic contexts (Hori 2008), little research has taken place in Asia.

Wine consumption figures, auction prices, and accounts by analysts on the ground indicate the significance of foreign wine consumption and lifestyle to the identification of the middle class in China (Goodman 2014; Jiang and Cova 2012), and point to it as a 'Veblen good' (Jefford 2014). Subjective accounts of the CC of wine in commercial hospitality spaces in China are not hard to find. Other evidence includes accounts that

70% of wine purchased in China is counterfeit (Amber 2017; Shen and Antonopoulos 2016), and reports of the rise in conspicuous investment in wine (Overton and Banks 2015) such as Château Lafite Rothschild. Despite these accounts, little is known about how wine consumption is linked to conspicuous tendencies, or whether wine consumption is merely a reflection of a lifestyle that emulates western tastes. As a more nuanced understanding behind consumption is often missing, our choice of a product central to emerging hospitality sectors in China, and what it means to be hospitable, means we can explore what conspicuous tendencies, if any, are sustaining that demand.

METHODS

A self-administered survey (N = 253) of 28 items related to conspicuous consumption was collected at the International Wine and Dine Festival between the 4th and 7th of July 2013 in Dalian, China. Jointly organized Dalian Haichang Land Limited, the Municipal Government of Dalian and the Bordeaux Chamber of Commerce and Industry, it is the first and only wine festival in the second-largest city in Northeast China's Liaoning Province. Dalian has been identified as being a future dynamic city of the coming 'urban revolution.' It is growing rapidly with continuous double-digit increases in GDP and with a growing population of approximately 6.7 million people.

As CC is commonly invoked in discussion on Chinese wine consumption, Veblen's concept was tested at the event under the reasonable assumption that visitors to an international wine festival could be stereotypically assumed to place considerable emphasis on wine consumption. Because of the difficulty of determining the criterion that defines the CC phenomenon (Campbell 1995) for particular times and contexts, this study utilizes 28 scale items derived from items in seven CC studies (Chaudhuri et al. 2011; Chung and Fischer 2001; Nguyen and Tambyah 2011; Tian et al. 2001; Tsai 2005; Truong 2010; Wiedmann et al. 2009). Therefore, we were not testing one particular scale, but ensuring no important domains were missed from the literature measuring the same construct given it was a novel context (China) and product (wine). We addressed item inclusion and exclusion based on redundancy, uncorrelation, content ambiguity (Hardesty and Bearden 2004) and scale representativeness of the construct (Zaichkowsky 1985). The items were broadly related to the following themes: conspicuous consumption and face consumption (SO) with 5 items, behavior intention (BI) with 3 items, need for uniqueness (NU) with 5 items, personal oriented: self-directed pleasure (PO) with 3 items, self-identity value (SI) with 3 items, hedonic value: self-gift giving (SGG) with 3 items, hedonic value: life enrichment/ personal meaning (LE) with 3 items and gift giving as investment (GG) with 3 items. In a process called 'translation - back translation,' the

questionnaire was developed in English, translated into simplified Chinese, before being translated back to English to ensure accuracy before the Chinese version was printed.

Respondents were asked to indicate how much they agreed with each item statement by using a 5-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). Six research assistants, who were undergraduate students, were trained to distribute and collect the self-administered questionnaire over two days of the festival. A non-probability, purposive sample was used, which represents a specific portion of the population. By using trained research assistants at multiple distribution points in the festival grounds, the study succeeded in administering 253 questionnaires. The study passed university ethical clearance. The survey data was analyzed with SPSS 20.0. The factor analysis was conducted to reduce the number of variables and to detect structure in the relationships between variables. One-way ANOVA procedures were conducted with a chosen level of significance at 0.05 to evaluate differences between gender, age, education, and income and visitors' scores on the identified factor domains. A post-hoc analysis was utilized to clarify the nature of any significant differences.

RESULTS

Sample characteristics of the respondents are presented in Table 1. The results indicate that there were slightly more male respondents (55.4%) than female (44.6%), with the majority of participants aged between 18 and 44 years old (67.2%). The majority of respondents were married (53.6%) with a bachelor's degree or above (87.4%).

Characteristics	Number	Percentage (%)
Gender (N=249)		
Female	111	44.6
Male	138	55.4
Age (N=253)		
18 to 24	44	17.4
25 to 44	126	49.8
45 to 64	73	28.9
65 and over	10	4
Marital status (N=248)		
Single	90	36.3
Married	133	53.6
Other	25	10.1
What is the highest level of education you have obtained? (N=246)		
High school graduate or lower	31	12.6
Bachelor's degree or equivalent	170	69.1
Graduate degree	45	18.3
What is your current employment Status? (N=250)		
Working	144	57.6
Currently not employed	42	16.8
Retired / on a pension	33	13.2
Studying	30	12

Other	1	4
What is your monthly income (Renminbi – RMB/ British Pound)? (N=239)		
Under 3000 / £338	72	30.1
3,001-5,000 / £339 - £565	51	21.3
5,001-8,000 / £566 - £903	51	21.3
8,001-15,000 / £904 - £1694	35	14.6
More than 15,000 / £1694	30	12.6

Table 1: Profile of Respondents

As detailed in Table 2, more than 80% of respondents indicated they had wine knowledge; with 51.4% of respondents consuming wine several times a week or daily. Wine festival attendees had broad wine knowledge and had embedded wine into their daily lives. Participants attended the wine festival primarily with their family members (35.3%) or friends (26.1%). While 28.6% of the respondents attended as a couple, 31.7% indicated they attended with three to four people in their group.

Table 2: Descriptive of frequencies

Characteristics	Number	Percentage (%)
How would you personally assess your wine knowledge? (N=249)		
No knowledge	42	19.6
Limited knowledge	94	37.8
Knowledgeable	71	28.5
Highly Knowledgeable	42	16.9
How often do you consume wine on average? (N=243)		
Daily	35	14.4
Several times a week	90	37
Several times a month	59	24.3
Occasionally	59	24.3
Never	0	0
Who are you attending the festival with? (N=244)		
Alone / Self	39	16
With family members	88	36.1
With friend(s) only	65	26.6
As a part of an organized group	48	19.7
Other	4	1.6
How many in your group including yourself? (N=252)		
One	43	17.1
Two	72	28.6
Three to Four	80	31.7
Five or More	57	22.6

Exploratory Factor Analysis and Anova

Factor analysis was conducted to reduce the number of variables and to classify domains. To determine the factorability of the data, the Kaiser- Meyer-Olkin (KMO) measure of sampling adequacy and Bartlett's Test of Sphericity was checked. According to Kaiser (1974), an acceptable minimum KMO value is .50. The Kaiser-Meyer-Olkin Measure of Sampling Adequacy was .870, with values between with .8 and .9 considered great

(Hutcheson and Sofroniou 1999). Therefore, the sample size is adequate for factor analysis. The Sig. value leads us to conclude that there are correlations in the data set that are appropriate for factor analysis.

The researchers conducted an exploratory factor analysis (table 3) using principal component analysis with Varimax rotation and a factor extraction according to the MINEIGEN criterion (i.e. all factors with eigenvalues of greater than 1); accounting for a cumulative 63% of the variation in the data (table 3). A five factor solution resulted, with three of the original themes identified in the literature (BI, SI, LE) eliminated. One BI scale item moved to NU and one SI scale item moved to PO. Aside from these differences, the five remaining constructs retained their integrity, although they did not, with the exception of GG, retain the same number of items. The reasons for the elimination of three constructs are not overly surprising given discrepancies are an inherent problem with the composition of previous scales as well as the novel context for this study. The elimination of items with poor construct reliability as well as reassigning items to domains based on factor analysis to ensure items factor together is both a standard and justified procedures (Bagozzi 1981). Thus, the factor analysis classified the scale variables into coherent subsets that are relatively independent of one another. The identified domains were: (1) social oriented - face consumption (2) need for uniqueness (3) personal oriented - self-directed pleasure (4) conspicuous gift giving as an investment (5) hedonic value – self-gift giving.

While the Cronbach’s Alpha across the 28 statements was .910, the minimal Cronbach alpha value of 0.6 suggested by Hutcheson and Sofroniou (1999) means four constructs are acceptable. Although Cronbach’s alpha values for the SGG construct was low, Sproles and Kendall (1986) argue that that Cronbach’s alpha coefficient values of 0.4 or higher should be considered acceptable. Hence, the constructs indicate internal consistency and the precision of the measurement instrument and satisfy adequacy and reliability.

Table 3. Factor analysis

Impact items	Factor loading	Eigenvalue	Variance explained	Reliability coefficient
<i>Factor 1: Social Oriented (SO) - Face consumption</i>		8.232	29.399	.711
It says something to people around me when I buy a high priced wine brand	.702			
I buy some wines because I want to show others that I am wealthy	.683			
I would be a member in a wine appreciation / tasting club	.551			

Factor 2: Need for Uniqueness (NU)	4.082	14.579	.803
I would buy an interesting and uncommon bottle of wine otherwise available with a plain design, to show others that I have an original taste	.646		
Others wish they could match my tongue for taste and nose for wine appreciation	.598		
By choosing a wine product with an exotic look and design, I show my friends that I am different	.743		
I choose products or brands of wine to create my own style that everybody admires	.762		
Factor 3: Personal Oriented (PO) - Self-directed pleasure	1.592	5.565	.770
I buy a luxury wine only because it pleases me, I do not care about what pleases others	.744		
Luxury wines are one of the sources for my own pleasure without regard to the feelings of others	.751		
I can enjoy luxury wines entirely on my own terms no matter what others may feel about them	.695		
I never buy a luxury wine inconsistent with the characteristics with which I describe myself	.425		
Factor 4: Gift Giving as Investment (GG)	1.368	4.957	.779
I may regard luxury wine as gifts for others, to show my status	.701		
I buy wine and gift to others, because it helps create better relationships	.811		
I buy and gift luxury wine so as to reward others	.690		
Factor 5: Henonic Value – Self gift giving (SGG)	1.299	4.640	.539
I may regard wine as gifts I buy for treating myself	.494		
I buy luxury wine in reward for my hard work	.705		

Factor 1 includes one BI item and is labeled as conspicuous consumption and face consumption (SO). It indicates a part of the consumer which is socially oriented, with a desire to impress others in a relational and network context. Factor 2, the need for uniqueness (NU), stems from Snyder and Fromkin's (1977) work on uniqueness theory. It operates on the premise that social consumers adopt various behaviors in order to seek differentiation. The need for uniqueness reflects both the self-image and social image

enhancement process and is dependent on the product becoming a publicly recognized symbol (Snyder and Fromkin 1977; Tian et al. 2001). Factor 3, personal oriented: self-directed pleasure (PO) refers to the internal driven desire to self-fulfill or reward by purchasing products (Tsai 2005; Wiedmann et al. 2009). Factor 4, conspicuous gift giving as investment (GG) refers to that part of the consumer which socially orientates their purchasing motivation to impress others through gifting goods. Factor 5, hedonic value: self-gift giving (SGG) refers to personal oriented motivations that reflect the desire to self-gift oneself by purchasing for self-serving purposes rather than for impression creation or management (Truong 2010; Vigneron and Johnson 1999).

One-way ANOVA procedures were conducted to evaluate differences between income level, employment status, age, educational level and gender, and visitors' scores on the identified factor domains (SO, NU, PO, GG and SGG). A One-way ANOVA was conducted to evaluate whether a relationship existed between respondents income level and the five CC components. The SO component showed significant results, $F(4, 230) = 3.67, p = 0.01$. The dependent variable, income level, included five levels: under £338, £339 - £565, £566 - £903, £904 - £1694 and more than £1694. The independent variable was the SO component. Since there were five levels of income level, a post-hoc analysis was conducted in order to determine the nature of the significance. In the post-hoc analysis using the Bonferroni test, those who marked 'more than £1694' had significantly higher scores on the SO ($M = 3.05, SD = 0.99$) than other groups.

The NU component also showed the significant result, $F(4, 228) = 7.76, p = 0.00$. In the post-hoc analysis, those with 'more than £1694' ($M = 3.47, SD = 0.95$) were higher than those who marked '£566 - £903' ($M = 2.15, SD = 0.90$). All other post-hoc comparisons were not significant. Thus finding significance in the one-way ANOVA of a difference between the score on the NU was due, for the most part, to the significant difference between the groups – 'more than £1694' versus '£566 - £903'. According to the fact that mean score of 'more than £1694' (3.47) was higher than that of '£566 - £903' (2.15), the findings suggest that the respondents income level were strongly related to the NU for wine purchasing at the wine festival.

The GG component also showed the significant results, $F(4, 220) = 3.71, p = 0.01$. In the post-hoc analysis, those who marked 'under £338' had significantly different gift giving scores on CC ($M = 3.23, SD = 1.07$) from those who marked 'more than £1694' ($M = 4.07, SD = 0.86$). The findings suggest that the respondents' income level were strongly related to the GG when purchasing wine. The findings did not show differences between participants' income level and their scores on the pleasure and hedonic self-gift components of the CCS. A one-way ANOVA was conducted to evaluate

whether a relationship existed between the respondents employment status and their scores on the CC. Only GG showed the significant results of the one-way ANOVA, $F(4, 231) = 3.35, p = 0.11$. In the post-hoc analysis, those who marked 'self-employed; owning business' (4.33) showed significantly higher scores than 'retired' (3.01), the findings suggest that the respondents employment status was strongly related to the GG when purchasing wine at the wine festival.

A one-way ANOVA was conducted to evaluate whether a relationship existed between the respondents education level and their scores on the CC. The SO showed the significant results, $F(2, 238) = 3.88, p = 0.02$. In the post-hoc analysis, those who had the graduate degree ($M = 2.71, SD = 1.10$) showed significantly higher than others. The findings suggest that the respondent's educational level were strongly related to the NU value when purchasing wine at the wine festival. The NU also showed significant results, $F(2, 237) = 9.58, p = 0.00$. In the post-hoc analysis, those who marked high school graduate or lower ($M = 3.33, SD = 1.03$) showed significantly higher than others. The findings suggest that the respondent's educational level were strongly related to the NU value when purchasing wine at the wine festival.

A one-way ANOVA was conducted to evaluate whether a relationship existed between the respondents age and their scores on the CC. Only GG showed the significant results, $F(3, 234) = 3.19, p = 0.02$. In the post-hoc analysis, those who were '25-44' (3.61) showed significantly higher than those who were '18-24' (3.10); the findings suggest that the respondents' age were strongly related to the GG value when purchasing wine. A one-way ANOVA was conducted to evaluate whether a relationship existed between the respondents gender and their scores on the SO. It showed significant results, $F(1, 241) = 5.12, p = 0.03$. According to the fact that the mean score of male (2.53) was higher than female (2.23), the findings suggest that the respondents gender were strongly related to the SO when purchasing wine. The NU also showed significant results, $F(1, 240) = 11.34, p = 0.00$. According to the fact that the mean score of male (2.90) was higher than female (2.42), the findings suggest that the respondents gender were strongly related to the NU. The PO also showed the significant results, $F(1, 243) = 4.78, p = 0.03$. According to the fact that the mean score of female (3.30) was higher than male (3.01), the findings suggest that Chinese participants' gender were strongly related to the PO when purchasing wine at the wine festival. The GG showed the significant results, $F(1, 232) = 8.49, p = 0.00$. According to the fact that the mean score of female (3.64) was higher than male (3.25), the findings suggest that Chinese participants' gender were strongly related to the GG value when purchasing wine. The findings did not show differences between respondents' gender and their scores on the SGG.

The findings indicated that the SO, NU, PO and GG were strong motivators for purchasing wine. We found significant relationships between socio-demographic characteristics and respondents scores on the CC components. Respondents with high income indicated SO as an important motivator when purchasing wine, while those with high and low income considered the NU as an important value. Respondents with low income indicated the GG as an important motivator. The male respondents indicated the SO and NU as important motivators whilst females considered the PO and GG value as important motivators. Finally, the results of this study indicated no significant relationships between socio-demographic characteristics and respondents scores on SGG.

DISCUSSION

The study results indicate that wine in China has a capacity for fostering CC, but not in the way one would expect given the different context. While wine is a commodity, it takes on a different 'identity' when used to define and enhance oneself, or to become more visible and admirable to others (Finkelstein 2013). The findings show that Chinese consumers purchase not only the actual content of the bottles, but the symbolic value and status wine represents and communicates. As the meaning of CC changes with the evolution of societies and consumption value (Chen et al. 2008), the findings indicate the following themes are present.

Need for Uniqueness (NU): The need for uniqueness reflects not only self-image, but also social image enhancement. Wine is currently a publicly recognized symbol in China. Income levels were strongly related to this need for uniqueness with males having higher scores than females. However, NU does not indicate an individual is driven by independence motivation (Tian et al. 2001) since they remain influenced by the norm behavior of others. However, they behave as if in non-congruence with the norm, so as to appear different from others. In contrast to the west, where luxury brands can communicate self-expression, luxury hospitality consumption in China highlights social meanings and is important in social situations by connecting them with desirable social groups (Zhan and He 2012). The findings indicate that respondents believe wine to be novel, sophisticated, authentic and scarce, with its uniqueness linked to knowledge, appreciation, craft and heritage.

Face (SO): Our findings indicate that CC in China may reflect collectivistic cultural values. While research has focused on public and visible possessions, since 'publicly visible markers are needed to concretize and communicate financial achievement' (Wong

and Ahuvia 1998: 431), our findings indicate that wine demonstrates wealth, privilege and success and provides benefits, such as increasing opportunities and advancing one's career and social status (Kwek and Lee 2015). The concept of 'face' is extremely important in the collective oriented Chinese society (Bao et al. 2003), and is often 'represented by symbols of prestige or reputation gained through the expectation of, and impression on others' (Podoshen et al. 2011: 18). The loss of face would diminish one's status and functionality in society. The findings indicate that income level is strongly related to the face value for wine purchasing, with those earning more than £1694 per month valuing face more than those who earned between 566 - £903 a month. Gender was strongly related to the face value when purchasing wine, with males reporting higher values than females. While our findings indicate it has become more feminised for self-gifting, wine consumption, as least for face value, is a male pursuit (Lin et al. 2013). The hospitality that Chinese traditionally extend is motivated by their sense of 'face' and to uphold a reputation and make a positive impression. The concept therefore influences the way in which hospitality is consumed and experienced.

Giftng (GG): Unlike commodity transactions, which are dictated by economic motives, gifting in China is central to Chinese hospitality and indigenous concepts such as *guanxi* (maintaining relationships) (Qian et al. 2007). These elements are more broadly described as the interpersonal connection or connection between people and things. Conspicuous gifting shows esteem for the gift recipient with Mok and Defranco (1999) finding that Chinese consumers are more likely to purchase expensive items and spend more money for gift-giving purposes in order to protect not only the gift-givers face, but also the receiver's face. Gifting brings 'honor to the gift giver by displaying his or her ability to afford to give the gift' (Wong and Ahuvia 1998: 430). For the Chinese middle class, 'one's identity lies in one's familial, cultural, professional, and social relationships' (Wong and Ahuvia 1998: 424). Whether for affection, face, or favor, gifting is often part of an economic exchange, in which the value of the object is determined reciprocally. Zhang (2015) describes how in the 1970s, bicycles and sewing machines were considered luxury, only to be replaced by wine, along with other status symbols such as Italian-made shoes. Gift giving and hospitality are the means to establish and maintain *guanxi*, and according to rules of relationships, the Chinese will reciprocate that hospitality. Gifting is central to Chinese hospitality and reflects the reciprocity emphasized in their cultural values. The 'self-employed respondents who owned business, and aged '25-44' indicated 'gift giving as an investment' as an important motivator for purchasing wine. The study found that income and age are important variables with older respondents between 25 and

44 and earning more than £1694 per month valuing the importance of gift giving. Chinese traditional culture, which includes conspicuous gifting, was found to be a key mechanism that drives consumption. Chinese use the structures and spaces of hospitality to accommodate reciprocal obligations, but in ways very different from the west (Lashley et al. 2006).

Self-directed pleasure and self-gift giving (SGG): Even though our study shows extrinsic motivations predominate, the study found that inward, person-oriented and self-directed pleasure was a theme in consumption. Purchasing luxury goods as self-gifts has been growing in China (Gao et al. 2014). Intrinsic, personal aspirations are more strongly related to self-directed pleasure and self-gifting wine can meet an emotional need or to maintain an identity congruent with their ideal self-image. Focused on one's own pleasure rather than on the display of CC, self-directed pleasure (PO) was found to be strongly related to female respondents.

IMPLICATIONS FOR HOSPITALITY RESEARCH

Luxury consumption and therefore hospitality evolves into distinct national types, with the opening up of Japan (1955), Russia (1991) and now China creating new types of consumption mediated by powerful social, political and cultural factors. The study indicates that wine, set in the context of a public wine festival, is a recognized status-conferring cultural object, whose exchange value has implications for hospitality and society. We found that commodities incorporated into an existing culture like China means 'Chinese characteristics' (Lau 2005) can emerge. While there is a constant danger of oversimplifying consumption motives (O'Cass and McEwen 2004), the study found differences in how consumers purchase, use, and give meaning to wine. While this finding might not be generalized, the study found that the consumption and therefore the hospitality behavior of the respondents were not based on an emulative motive to copy western values.

As new commodities become culturally bound, a considerable variation in consumption practices and complexity of exchange occurs. The study found conspicuous tendencies, where social needs predominated over individual needs, and group goals over individual ones. Consumption, we found, reflects social obligation, calculated performances, reciprocity and recognition of relations with others over individual cultivation and distinction (Osburg 2013). Rather than being characterized by personal taste and an individual's intrinsic aspirational level (Truong et al. 2010), the study found conspicuous tendencies tend to be characterized by 'conspicuous conformity,' which

Buckley (1999) argues is an underlying impulse to demonstrate a person's belonging to a certain status group. While consumption in the west is rooted in the belief that distinct individuals are inherently separate, with an 'inner self' regulating behavior, Riesman (1950/1953) distinguishes between the inner-directed conspicuous consumer and a more tradition-directed type. We argue that China counts as one of the tradition-directed cultures where familial and social bonds are strong. By drawing attention to the importance of socio-cultural influences such as face and gifting, we argue that consumption is not primarily motivated by self-fulfillment and self-indulgence (Trentmann 2016). The wine festival tended to act as a form of an obligatory, ritualized consumption practice and calculated performances, where status depends on the cooperation and recognition of others and the blurring of lines between consumption and production.

Rather than signaling status through waste of disposable income, respondents understood the festival and consumption as an essential function and a continuation of labor (Bandura 1977). Rather than the type of consumption that Veblen (1994/1899: 83) called 'the great economic law of wasted effort,' the consumption seen from our study is productive as visitors perpetuate social and cultural traditions; consolidate friendships, work and kin networks. As Ger and Belk (1999: 199) suggest: '[e]ach culture finds a culturally appropriate way to justify its own high level consumption behavior and aspiration.' Conspicuous gifting linked to concepts like *guanxi* (Yan 1997) does not conform to what Veblen called wasteful consumption that defeats the achievement of the 'generic ends of life' (Veblen 1994 /1899). We found that Chinese luxury consumers do not purchase luxury products merely for show, with other values sought and captured. The hospitality sector in China is as about belonging with CC acting as social glue and a binding factor. Rather than see CC merely as a boastful, gregarious statement of self-indulgence, or an assertion to belonging to the middle-class; face and gifting are deeply entrenched practices in Chinese culture. For example, gift-giving may have nothing to do with the recipient in the west, since it conveys the givers social status and rise in power. In China, gifting has as much to do with the status of the receiver, with conspicuous gifting, such as the conspicuous presentation of hospitality a means of generating considerable reciprocity and obligation.

While luxury consumption is often tied to communities that have seen a rapid rise in economic status (Podoshen et al. 2014), CC in China is not a lifestyle choice. While we agree with Heisley and Cours (2007) that CC can maintain social order, we disagree that it is about the power of possessions to move into the higher socioeconomic levels. We did not find that only lower social hierarchies engaged in greater levels of CC as

found in Rucker and Galinsky (2008). Neither did we see consumption linked to impulse buying (Podoshen, et al. 2012). As hospitality businesses and researchers seek to understand Chinese consumers at home and abroad, this study makes a significant contribution by exploring how Veblen's analysis might map onto Chinese consumption patterns and spaces of hospitality. There is often negativity about Chinese CC links to hospitality in the western media, with accusations that it turns hospitality spaces such as hotels into inhospitable ones because of too much consumption, noisy interaction, inequality and conspicuous waste (Jin et al. 2015; Zhang and Tse 2018). When mapped onto hospitality spaces, Chinese luxury consumption is often seen as superficial, noisy and flashy. However, we argue that western consumer culture and concepts of hospitality cannot be easily mapped onto Chinese consumers. This study broadens our understanding of hospitality in Chinese society by way of its links to its particular luxury consumer culture. Consumption with Chinese features (Zhang 2015) affects our understanding on hospitality in China, as it is constructed by the culture and society in which it is practiced and made meaningful (Lynch et al. 2011). While researchers should not consider consumption in China or amongst Chinese abroad without considering Veblen's seminal concepts and ideas, we recommend that researchers take note of the anti-corruption campaign currently underway in China. The concern is that CC in China can be purposeful, calculating, coercive and corruptive (Qian et al. 2007) as conspicuous hospitality transcends gift and commodity culture (Mauss 1924/1954). Luxury consumption, gifts, and acts of hospitality seen to undermine Chinese cultural values (Gilady 2018) can be considered bribery in some circumstances. A current campaign that includes a ban on luxury goods advertising on state-run media, and high taxes on the purchase of high-end products and services is having an impact on consumption and officials who indulge in 'inappropriate' hospitality (Chang 2012; Smith 2016).

CONCLUSION

As the wine revolution in China unfolds, this study provides a more comprehensive view of the influences on the purchase of wine and CC within Chinese society and its links to hospitality. Chinese cultural values are vital in understanding both luxury consumption and the nature of hospitality in China, with social needs predominating over individual needs, and group goals predominate over individual ones in the consumption domain. Social value shifts mean consumption also encompasses personal influences and predicts future luxury hospitality consumption behavior as affluent Chinese seek to self-gift experiential luxury. While we found younger consumers

reflect more individualistic and materialistic and personally oriented tastes, further research might explore other social values and other aspects of identity.

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