EXPLORING THE WORLD OF DESSERT WINES: A CROSS-COUNTRY COMPARISON BASED ON THE LABEL ATTRIBUTES

Subhadip Ghosh, School of Business, MacEwan University, 10700 104 Ave NW Edmonton, AB T5J 4S2, 780-633-3147, ghoshs3@macewan.ca
Mohua Podder, Alberta School of Business, University of Alberta, 11211 Saskatchewan Drive NW, Edmonton, Alberta T6G 2R6, 780-492-0393, mohua1@ualberta.ca

ABSTRACT

The pricing of wine and the diverse aspects that determine its quality have been a subject of interest ever since we started to consume them. Dessert wines, also known as sweet wines, have a long history dating back centuries and are enjoyed by connoisseurs and casual wine enthusiasts alike. While there is a significant body of research on table wines, research on dessert wines is relatively scarce. This article seeks to address this gap in the literature by investigating the consumer preferences behind dessert wines.

As mentioned above, a significant amount of research examines the relationship between the price of a table wine and its quality characteristics, like Corduas et al. (2013) and Oczkowski and Doucouliagos (2015). Lockshin and Corsi (2012) have provided an extensive review of consumers' behavior about wine purchases. However, to our knowledge, this is the first paper that examines the same for dessert wines. This paper examines the consumer preferences behind dessert wines from five countries: Australia, Canada, France, Italy, and the United States.

Wine is a type of product whose quality becomes evident and can be fully appreciated only after it has been purchased and consumed. As such, consumer decision-making on whether to buy a particular wine is often swayed by quality assessments provided by experts, which are available in wine ratings from sources like Wine Spectator, Wine Advocate, and similar consumer reports, as stated by several researchers, for example, Landon and Smith (1997) and Roberts and Reagans (2007).

In this connection, we describe consumer preferences using the wine rankings collected from close to 4,000 wine samples extracted from the database of the Wine Spectator website, accessible at http://www.winespectator.com. Other than data visualization, we have also analyzed the data using discrete choice models like ordered logit and probit models (Amemiya (1973), Greene and Hensher (2008). We discovered that consumer ratings for dessert wines across the five countries show a similar association with the price compared to common wine varietals, for example, Cabernet Sauvignon (Figure 1).

Figure 1



References:

Amemiya, Takeshi. "Regression analysis when the dependent variable is truncated normal." *Econometrica: Journal of the Econometric Society*, 1973, 997-1016.

Corduas, M., Cinquanta, L., & Ievoli, C. The importance of wine attributes for purchase decisions: A study of Italian consumers' perception. Food Quality and Preference, 2013, 28(2), 407-418.

Greene, William H., and David A. Hensher. "Modeling ordered choices: A primer and recent developments," 2008.

Goldstein, Robin, Johan Almenberg, Anna Dreber, John W. Emerson, Alexis Herschkowitsch, and Jacob Katz. "Do more expensive wines taste better? Evidence from a large sample of blind tastings." *Journal of Wine Economics*, 2008, 3, no. 1: 1-9.

Landon, Stuart, and Constance E. Smith. "The use of quality and reputation indicators by consumers: the case of Bordeaux wine." *Journal of Consumer Policy* 1997, 20, no. 3: 289-323.

Lockshin, Larry, and Armando Maria Corsi. "Consumer behavior for wine 2.0: A review since 2003 and future directions." *Wine Economics and Policy*, 2012, 1, no. 1: 2-23.

Oczkowski, E. and Doucouliagos, H. "Wine prices and quality ratings: a meta-regression analysis," American Journal of Agricultural Economics, 2015, Vol. 29 No. 1, pp. 103-121

Roberts, Peter W., and Ray Reagans. "Critical exposure and price-quality relationships for new world wines in the US market." *Journal of Wine Economics*, 2007, 2, no. 1: 84-97.

Wine Spectator. Wine Spectator, 2023, December 31, http://www.winespectator.com