



# NAMUR 2009

## Wine Ratings and Prices for Red Bordeaux

**Denton MARKS**

Department of Economics, University of Wisconsin-Whitewater, USA  
*marksd@uww.edu*

The growing literature on the price determinants for fine wine often includes consideration of the role of so-called expert ratings. Examination of wine merchant websites and premises, with their proliferation of advertising touting the appeal of a wine as evidenced by its score, reinforces the prediction that “scores sell”. Perhaps because of the proliferation of experts and scores and their varied locations, research on the price implications of scores usually focus upon one expert or one rating system (e.g., Robert Parker, Wine Spectator). This paper expands the analysis of this relationship by comparing the estimated impacts upon prices for red Bordeaux for six different international ratings sources, some of whom are individuals and some of whom are panels. The focus is not only evidence of a significant impact of ratings upon prices but also the magnitude of the impact and any evidence of differential impact in both size and significance of the different sources. The analysis also tests whether additional scores have value. The data allow an examination that controls for vintage and appellation so that one can examine, for example, (a) whether impact varies with the quality of the vintage and (b) whether impact varies with the various parts of Bordeaux (e.g., left bank vs. right bank). The analysis also examines the correlation among the different rating sources.