Do Wine Bottle Sizes & Shapes and Wine Label Colors & Shapes Matter in Agritourism Wine Prices and Sales?

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What determines wine prices at farm vineyards and wineries involved in agritourism? Is the solution in a simple competitive market model where the prices are the result of supply and demand, or even matching/meeting the price offered down the road at the next agritourism winery? There appears to be more than the mere price or cost of wine in the bottle; consumer appeal attributes apparently add value above and beyond the sensory wine attributes of clarity, taste, aroma, color, translucence, etc. What the eye sees, the eye buys – and what does the eye see: wine bottle shape and size as well as messaging in wine labels and shapes.

Any relationship between sales and prices and the bottles’ shapes and sizes and labels’ shapes and colors is investigated using five north Georgia wineries that market similar types of wines, but in vastly different containers or bottles as well as label shapes and colors. There are over 30 Georgia wineries as members of the Winegrowers Association of Georgia, and many of them are linked via Georgia’s Wine Highway – all competing for agritourism dollars from wine sales at their respective vineyards and wineries. The collaborating wineries ranged from a resort winery along I-85 to small operational wineries on the twisted back roads of the Northeast Georgia Mountains.

Initial observations from the 2009 – 2011 vintages sold at the five wineries suggest that the posted price of wine increased more than proportionally with the size of the bottle, and that wine consumers rely mainly on the bottle’s label to infer the quality of its content, and that there are strong preferences for selected color-shape combinations in label design, and the consumers are willing to pay “premium” prices for those desired attributes of the bottle and its label.

Bottle sizes ranged from the useful half-bottle to the traditional or standard size (0.75 liter) to some ‘large format’ bottles (magnums and double magnums). A relative scaled price index was determined as the ratio of the observed price of the bottle to the normalized price relative to the price of the standard bottle for the same wine, assuming no economies of scale. The relationship between sizes of bottles measured in liters and the price index indicates that whatever the size of the bottle and the perceived quality of the producer was virtually undifferentiated, although the shape of the relationship may be a regional phenomenon.