



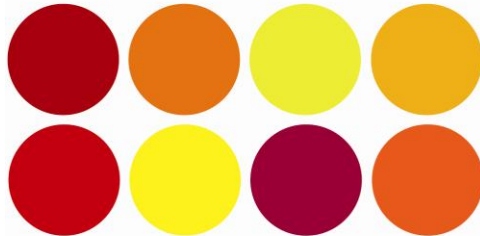
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wine economics

SEVENTH ANNUAL CONFERENCE

Spier, Stellenbosch  
South Africa

JUNE 26 - 29, 2013



National Agricultural  
Marketing Council

Promoting market access for South African agriculture

VinPr<sup>2003 - 2013</sup> 10

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## PROGRAMME

<b>WEDNESDAY 26 June 2013</b>		
1500-1830	Registration	
1830	Welcome reception: Spier <i>Sponsored by ABSA Bank</i>	Guest: Premier Helen Zille
<b>THURSDAY 27 June 2013</b>		
0800-0900	Registration	
<b>0900-1000</b>	<b>PLENARY SESSION 1</b>	
	<b>Chairperson</b>	Karl Storchmann, New York University
	Welcome and announcements	Karl Storchmann, New York University
	Wine Sciences and innovation in South Africa: Potential game changers?	Florian Bauer, Stellenbosch University
1000-1030	Tea and coffee	
<b>1030-1230</b>	<b>CONTRIBUTED PAPER SESSION 1</b>	
1230-1400	Lunch	
<b>1400-1600</b>	<b>CONTRIBUTED PAPER SESSION 2</b>	
1600-1630	Tea and coffee	
<b>1630-1810</b>	<b>CONTRIBUTED PAPER SESSION 3</b>	
1930	Conference function: Hofmeyr Hall, Church Street, Stellenbosch <i>Sponsored by Standard Bank</i>	

See next pages for details of contributed paper sessions.

## PROGRAMME (CONTINUED)

<b>FRIDAY 28 June 2013</b>		
<b>0900-1030</b>	<b>PLENARY SESSION 2</b>	
	<b>Chairperson</b>	Karl Storchmann, New York University
0900-0945	Modeling global wine markets to 2018: exchange rates, taste changes, and China's import growth	Kym Anderson, University of Adelaide
0945-1030	Wine tasting feedback	Elliott Morss, Morss Global Finance
1030-1100	Tea and coffee	
<b>1100-1300</b>	<b>CONTRIBUTED PAPER SESSION 4</b>	
1300-1400	Lunch	
<b>1400-1600</b>	<b>CONTRIBUTED PAPER SESSION 5</b>	
1600-1630	Tea and coffee	
<b>1630-1700</b>	<b>PLENARY SESSION 3</b>	
	<b>Chairperson</b>	Karl Storchmann, New York University
	An evening with Washington State wines: an invitation to AAWE 2014 Walla Walla	Pete Parcels, Whitman College
1900	Conference function: 5 Apostles Terrace, Moyo at Spier	
<b>SATURDAY 29 June 2013</b>		
0900-1800	Post-conference tour of the Stellenbosch Winelands	

**1030-1230 THURSDAY CONTRIBUTED PAPER SESSION 1**

	<b>Auditorium</b>	<b>Simonsberg</b>
	<i>Determinants of demand</i>	<i>Wine trade and international wine markets</i>
	<i>Chair: Richard Sagala (École In Vino Veritas, Lachine, CA)</i>	<i>Chair: Nick Vink (Stellenbosch University)</i>
1030	Measuring wine consumer preferences using hybrid discrete choice models  <i>David Palma (Pontificia Universidad Católica de Chile), Juan de Dios Ortúzar (Pontificia Universidad Católica de Chile), Gerard Casaubon (ASIS UC Chile), Luis Ignacio Rizzi (Pontificia Universidad Católica de Chile), Eduardo Agosín (Pontificia Universidad Católica de Chile)</i>	An assessment of the Trade and Development Cooperation Agreement: Implications for South African agricultural trade, with special emphasis on the wine trade  <i>Ron Sandrey (Stellenbosch University), Tania Gill (Dept of Agriculture, Western Cape)</i>
1100	When Choosing a Wine Label, Women are from Hollywood and Men are from Boston  <i>Marianne Wolf, Wil Dasovich, Mitch Wolf (California Polytech), Lindsey Higgins (California Polytech)</i>	Communication costs and wine trade in the European Union  <i>Szilárd Podruzsik (Corvinus University of Budapest), Olaf Pollmann (North-West University, South Africa), Imre Fertő (Corvinus University of Budapest)</i>
1130	Generation Y = Generation Wine? - German Millennials and their liaison with wine  <i>Anne Lena Wegmann (Centre for Wine Research, Neustadt, Germany), Edith Rüdiger-Muck (Centre for Wine Research, Neustadt, Germany)</i>	Impact of Trade Agreements with the European Union on Wine Exports from the New-New World  <i>Guadalupe Gonzalez (CEMA University, Buenos Aires)</i>
1200	A pan-European analysis of drinking motives  <i>Klaus Grunert (Aarhus University, Denmark)</i>	

	<b>Stellenberg</b>	<b>Helderberg</b>
	<i>Sparkling wine, beer and food</i>	<i>Notes on wine tasting</i>
	<i>Chair: Jon Hanf (Geisenheim University)</i>	<i>Chair: Annamma Joy (University of British Columbia, Okanagan)</i>
1030	Free-riding on reputation for Prosecco PGI wines in Germany: Who buys in?  <i>Vasco Boatto (Università di Padova), Andrea Dal Bianco (Università di Padova), Bodo Steiner (University of Southern Denmark), Samuele Trestini (Università di Padova)</i>	Evaluation of Wine Judge Performance Based on a Simple T-Test  <i>Jing Cao (Southern Methodist University), Lynne Stokes (Southern Methodist University)</i>
1100	Supply chain accountability and the mislabelling of food products in South Africa: A case study on the Karoo lamb industry  <i>Cerkia Bramley (University of Pretoria), Johann Kirsten (University of Pretoria)</i>	Wine experts rating: A matter of taste?  <i>Jean-Marie Cardebat (Université Bordeaux IV), Florine Livat (BEM Bordeaux Management School)</i>
1130	Beer parlor games: testing the expert powers of beer gurus  <i>Robert Hodgson (Humboldt State University)</i>	The Demand for Expert Opinions: The Case of Wine  <i>Olivier Gergaud (BEM Bordeaux Management School)</i>
1200	Developing a sparkling wine route in South Africa: benefits to the wine and tourism industry  <i>Radu Mihailescu (Stenden University)</i>	Predictability of Robert Parker's ratings  <i>Philippe Masset (Ecole Hôtelière de Lausanne), Jean-Philippe Weisskopf (Ecole Hôtelière de Lausanne)</i>

**1400-1600 THURSDAY CONTRIBUTED PAPER SESSION 2**

	<b>Auditorium</b>	<b>Simonsberg</b>
	<i>Morss tasting session</i>	<i>Wine, wine farms and financial markets</i>
	<i>Chair: Elliott Morss (Morss Global Finance)</i>	<i>Chair: Paul Kenny (Flinders University, South Australia)</i>
1400	Three Vignettes about Wine Tastings and Competitions  <i>Neal Hulkower (McMinnville, Oregon)</i>	Investor sentiments and uncertainty on the market for fine wine  <i>Philippe Masset, Jean-Philippe Weisskopf (Ecole Hôtelière de Lausanne), Mathieu Cossutta (Ecole Hôtelière de Lausanne)</i>
1425	Criteria for Accrediting Expert Wine Judges  <i>Robert Hodgson (Humboldt State University)</i>	Wine as a Long-Term Investment  <i>Elroy Dimson (London Business School), Peter Rousseau (Vanderbilt University), Christophe Spaenjers (HEC Paris)</i>
1450	On the Reliability and Accuracy of Wine Tasting: Designing the Experiment; Selecting the Tasters; and Assessing and Interpreting the Resulting Data  <i>Dom Cicchetti (Yale University)</i>	Optimal Consumption of Cellared Wine  <i>James Wilen (UC Davis)</i>
1515	Do negative ratings mean more than positive ratings?  <i>Robin Goldstein (UC San Diego)</i>	To make wine or to sell the grapes: determinants of on-farm wine-making in Piedmont  <i>Alessandro Corsi (University of Torino)</i>
1540	The Lenox Wine Club: Report on New Blind Tastings  <i>Elliott Morss (Morss Global Finance)</i>	What do we know about wine as an alternative financial asset? A return comparison of several portfolios  <i>Eric LeFur (INSEEC Business School, Bordeaux), Benoit Faye (INSEEC Business School, Bordeaux), Jean-Marie Cardebat (Université Bordeaux IV)</i>

	<b>Stellenberg</b>	<b>Helderberg</b>
	<i>Determinants of demand</i>	<i>Wine, wine farms and the environment</i>
	<i>Chair: Stuart Mounter (University of New England)</i>	<i>Chair: Robin Back (University of Massachusetts Amherst)</i>
1400	Wine Purchase Intentions: A Push-Pull Study of External Drivers, Internal Drivers, and Personal Involvement  <i>Dennis Reynolds (Washington State University), Jim Taylor (University of Mississippi), Tanya Ruetzler (University of Mississippi)</i>	Mountains, vineyards and SME's – marketing wine from the Floral Kingdom at the southern tip of Africa  <i>Nick Vink (Stellenbosch University), Karin Alant (Stellenbosch University)</i>
1425	Why (some) good wines don't sell: a network failure explanation of South African wines in the U.S. market  <i>William Finlay (University of Georgia)</i>	Success of Co-operatives: Thoughts on German Wine Co-operatives  <i>Jon Hanf (Geisenheim University), Taras Gagalyuk (Ukrainian Agribusiness Club), Erik Schweickert (Geisenheim University)</i>
1450	Wine Brand Personality Transmission: Is the Label Enough?  <i>Lindsey Higgins (California Polytech), Kate Canty (California Polytech)</i>	Counting vines, wines, and slaves at the Cape, 1701-1793  <i>Michael Bonsall (Oxford University), Gavin Williams (Oxford University)</i>
1515	Volatile elements: the dynamics of wine descriptors from 2001-2011  <i>Coco Krumme (MIT)</i>	The Development of Wine Tourism in South Moravia  <i>Martin Prokeš (Mendel University, Brno, Czech Republic)</i>
1540	See, Smell, Sip, Savour, Spit, or Swallow: A Multi-Sensory Understanding of the Wine Consumption Experience  <i>Annamma Joy (University of British Columbia, Okanagan), Eric Li (University of British Columbia), Ying Zhu (University of British Columbia), Jeffrey Wang (City University of Hong Kong), Stephen Charters (Reims Management School)</i>	<i>Between the approved dose and the dose actually applied. A diagnosis of French vineyards</i>  <i>Magali Aubert (INRA-Montpellier SupAgro), Geoffroy Enjolras (Aix-Marseille University)</i>

**1630-1810 THURSDAY CONTRIBUTED PAPER SESSION 3****Auditorium****Simonsberg***Determinants of demand**Innovations in wine marketing*

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*Chair: Johann Kirsten (University of Pretoria)*

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*Chair: Koen Deconinck (University of Leuven)*

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1630 Categorizing a wine rating scale: 2, 3, 4, or more: Is their one we should go for?

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The importance of social media technology of Yarra Valley wineries in Australia

*Dom Cicchetti (Yale University), Arnie Cicchetti (San Anselmo, California)*

*Paul Strickland (La Trobe University)*

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1655 Isolating the non-price and income effects in the demand for red wine in the US

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The Evaluation of Mid-Atlantic Wineries Websites: A Comparative Analysis

*Stuart Mounter (University of New England), Garry Griffith (University of New England), Euan Fleming (University of New England)*

*Gustavo Ferreira (Virginia Tech, Blacksburg)*

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1720 Cluster sources of Wine Competitiveness: Understanding the potential role of tacit knowledge in the case of California

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Direct to Consumer Ecommerce in the Global Wine Industry: Why do some countries lag in adoption?

*Anil Hira (Simon Fraser University, CAN)*

*Matthew Protti (CEO, BlackSquare Inc.)*

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1745 A Reconsideration of Wine as an "Experience Good"

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Purchasing Wine in the Information Age: The Role of Quick Response (QR) Codes

*Denton Marks (University of Wisconsin, Whitewater, USA )*

*Lindsey Higgins (California Polytech), Mitch Wolf (California Polytech), Marianne Wolf (California Polytech)*



	<b>Stellenberg</b>	<b>Helderberg</b>
	<i>The demand for sustainability in wine buying decisions</i>	<i>Regulating the industry</i>
	<i>Chair: Daniel Moscovici (Richard Stockton College)</i>	<i>Chair: Dirk Troskie (Dept of Agriculture, Western Cape)</i>
1630	Fairtrade Wine Prices  <i>Britta Niklas (University of Bochum, GER), Karl Storchmann (New York University), Nick Vink (University of Stellenbosch)</i>	Classification and re-classification: Oregon's Willamette Valley AVA and its new sub-AVAs  <i>Omer Gokcekus (Seton Hall University), Clare Finnegan (Seton Hall University)</i>
1655	Who is buying sustainable wines and why? A lifestyle segmentation of German wine consumers  <i>Bastian Klohr (Heilbronn University), Ruth Fleuchaus (Heilbronn University), Ludwig Theuvsen (University of Goettingen)</i>	Changing varietal distinctiveness of the world's wine regions: Evidence from a new global database, 2000 and 2010  <i>Kym Anderson (University of Adelaide)</i>
1720	Eco-labels and quality: the wine industry paradox  <i>Magali Delmas (UCLA), Olivier Gergaud (BEM Bordeaux Management School)</i>	Bordeaux wine classifications: scope and limits  <i>Philippe Barbe (BEM Bordeaux Management School), Tatiana Bouzidine Chameeva (BEM Bordeaux Management School)</i>
1745		Wine regulations in Argentina: how they have influenced the industry's performance and insights for the future  <i>Alejandro Gennari (National University of Cuyo), Jimena Estrella Orrego (National University of Cuyo), Leonardo Santoni (National University of Cuyo)</i>

**1100-1300 FRIDAY CONTRIBUTED PAPER SESSION 4**

	<b>Auditorium</b>	<b>Simonsberg</b>
	<i>Determinants of demand</i>	<i>Innovations in wine marketing</i>
	<i>Chair: Lindsey Higgins (California Polytech)</i>	<i>Chair: Jeremy Galbreath (Curtin Graduate School of Business)</i>
1100	The Impact of General Public Wine Education Courses on Consumer Perception  <i>Richard Sagala (École In Vino Veritas, Lachine, CA)</i>	Ethics Training and Education for Workers in the Wine Industry  <i>Leon Geyer (Virginia Tech, Blacksburg), Scott Doroski (Virginia Tech, Blacksburg)</i>
1130	An investigation into the relevance and acceptance of green wines in South Africa: a marketing perspective  <i>Edo Heyns (Stellenbosch University), Frikkie Herbst (Stellenbosch University)</i>	Regional innovation systems, learning and knowledge flows - evidence from the Quebec wine industry  <i>David Doloreux (University of Ottawa), Sarah Ben Amor (University of Ottawa)</i>
1200	What is the value of wine education courses and do they engage the Quebec consumer?  <i>Richard Sagala (Institut de tourisme et d'hôtellerie du Québec)</i>	The Strategic Choice of DOC vs. IGT Rules in Trentino-Alto Adige  <i>Guenther Schamel (Free University Bozen-Bolzano, Italy)</i>
1230	And what about Malbec in Argentina? Consumers' willingness to pay for Malbec wines in Mendoza, Argentina  <i>David Martin (National University of Cuyo, ARG), Alejandro Gennari (National University of Cuyo, ARG), Jimena Estrella Orrego (National University of Cuyo, ARG)</i>	New Markets and New Concepts of Marketing in Argentina's Wine Revolution  <i>Steve Stein (University of Miami)</i>

	<b>Stellenberg</b>	<b>Helderberg</b>
	<i>Wine and the macro-economy</i>	<i>Country studies</i>
	<i>Chair: Alessandro Corsi (University of Torino)</i>	<i>Chair: Boris Bravo-Ureta (University of Connecticut)</i>
1100	An Impossible Dream in a Global Financial Crisis: A Case Study of Australia's Proposed New Wine Tax	Innovation and Learning Dynamics in the Chilean and Argentine Wine Industries
	<i>Paul Kenny (Flinders University, South Australia), Julie Cassidy (Auckland University of Technology, New Zealand)</i>	<i>Fulvia Farinelli (UNCTAD)</i>
1130	Price adjustments in world wine markets: a threshold cointegration analysis	A Strategic Approach to Understanding the Australian Wine Industry Crisis
	<i>J. Sebastian Castillo-Valero (Universidad de Castilla La Mancha, Spain), M. Carmen García-Cortijo (Universidad de Castilla La Mancha, Spain), Cristina Castillo-Masiá (Universidad de Castilla La Mancha, Spain)</i>	<i>Geoffrey Lewis (Melbourne Business School), Tatiana Zalan (University of South Australia)</i>
1200	Economic Impacts of Viticulture and Winemaking on Employment and Income in the Central Ranges Zone of New South Wales, Australia	The Chinese Wine Industry: Current and Future Market Trends
	<i>Jim McFarlane (University of New England), Stuart Mounter (University of New England), Bligh Grant (University of New England)</i>	<i>Tatiana Bouzdine Chameeva, Jacques-Olivier Pesme (BEM Bordeaux Management School), Wenxiao Zhang (BEM Bordeaux Management School)</i>
1230	Do Exchange Rate Variations Matter for French Wines Exports?	Changes in the designation of origin territory: A comparison of the municipal data of the general censuses of Italian agriculture
	<i>Jean-Marie Cardebat (Université Bordeaux IV), Jean-Marc Figuet (Université Bordeaux IV)</i>	<i>Silvia Gatti (University of Bologna)</i>

**1400-1600 FRIDAY CONTRIBUTED PAPER SESSION 5**

	<b>Auditorium</b>	<b>Simonsberg</b>
	<i>Production and efficiency</i>	<i>Wine, wine farms and the environment</i>
	<i>Chair: Christophe Spaenjers (HEC Paris)</i>	<i>Chair: Jean-Marie Cardebat (Université Bordeaux IV)</i>
1400	Technical Efficiency and unobserved Heterogeneity using cross sectional data: an analysis of wine grape production  <i>Boris Bravo-Ureta (University of Connecticut), Victor H. Moreira (Universidad de Talca, Chile), Javier L. Troncoso (Universidad de Talca, Chile), Alan Wall (University of Oviedo, Spain)</i>	The Impact of the Legal System and Incomplete Contracts on Grape Sourcing Strategies: A Comparative Analysis of the South African and New Zealand Wine Industries  <i>Monnane Monnane (Lincoln University), Mark M.J. Wilson (Lincoln University), Ian MacDonald (Lincoln University), Khalid Alsulaiman (Lincoln University)</i>
1425	The technical efficiency of wine grape growers in the Murray-Darling Basin in Australia  <i>Tim Coelli (University of Queensland, Australia), Orion Sanders (Australian Bureau of Agricultural and Resource Economics and Sciences)</i>	Evolution of the concept of "global corporate performance" in the wine industry  <i>Adeline Alonso Ugaglia (Univ. Bordeaux, INRA), Bernard Del'homme (Univ. Bordeaux, INRA), Carole Maurel (Univ. Montpellier)</i>
1450	Applying a 'Chain Goods Solution' to Decisions to Fund R&D in the Australian Wine Value Chain  <i>Euan Fleming (University of New England), Garry Griffith (University of New England), Stuart Mounter (University of New England)</i>	A Cluster of Delights: A Case Study of the Wine Farm as Agritourism Destination  <i>Robin Back (University of Massachusetts Amherst), Linda L. Lowry (University of Massachusetts Amherst)</i>
1515	Contract adoption among Canadian grape growers and wine producers  <i>Bodo Steiner (University of Southern Denmark)</i>	Examining the Purchase Interest for a New South African Wine in the United States  <i>Marianne Wolf (California Polytech), Mitch Wolf (California Polytech), Lindsey Higgins (California Polytech)</i>
1540	Drivers of Eco-Innovation in the Italian Wine Industry  <i>Antonio Stasi (Università degli Studi di Foggia), Alessandro Muscio (Università degli Studi di Foggia), Gianluca Nardone (Università degli Studi di Foggia)</i>	How to deal with the double principal agent problem – a discussion on German wine cooperatives  <i>Jon Hanf (Geisenheim University), Maximilian Iselborn (Geisenheim University), Larissa Jungbluth (Geisenheim University)</i>

	<b>Stellenberg</b>	<b>Helderberg</b>
	<i>Wine and the environment</i>	<i>Wine value chains</i>
	<i>Chair: Denton Marks (University of Wisconsin, Whitewater, USA )</i>	<i>Chair: Omer Gokcekus (Seton Hall University)</i>
1400	Climate change: economic and social futures for South Africa's wine industry  <i>Nick Vink (Stellenbosch University), Alain Deloire (Stellenbosch University), Valerie Bonnardot (Université Rennes), Joachim Ewert (Stellenbosch University)</i>	Value Chain Analysis: a Case Study of Grape Grower Participation in Chilean Bottled Red Wine Production  <i>Miguel Fierro (Universidad de Concepción), Alejandro Chandía (Universidad de Concepción), Manuel Faúndez (Universidad de Concepción), Ignacio Serra Stepke (Universidad de Concepción)</i>
1425	Learning about climate change: an exploratory study of cluster and extra-cluster effects  <i>Jeremy Galbreath (Curtin Graduate School of Business)</i>	Wine supply chain survey 2012 - Findings and Challenges  <i>Joubert van Eeden (Stellenbosch University), Johan Louw (Stellenbosch University), Esbeth van Dyk (CSIR), Leila Goedhals-Gerber (Stellenbosch University)</i>
1450	Influence of the Characteristics of Weather of Douro Region on Port Wine Vintages Quality  <i>António C. Real (University of Porto), José Borges (University of Porto), J. Sarsfield Cabral (University of Porto)</i>	Agency costs, vertical integration and ownership structure: the case of wine business in France  <i>Julien Cadot (ISG Paris)</i>
1515	Finding a State of Sustainable Wine: Implications for Sustainable Viticulture and Oenology in New Jersey, USA  <i>Daniel Moscovici (Richard Stockton College)</i>	Strategic groups in the German wine industry – an empirical study  <i>Marc Dressler (University of Ludwigshafen)</i>
1540	The Economics of Planting Rights in Wine Production  <i>Koen Deconinck (University of Leuven), Johan Swinnen (University of Leuven)</i>	Outsourcing vs. integration in the wine-making process, does terroir matter for Burgundy? <i>Georges Giraud (AgroSup Dijon, France), Philippe Longepierre (Burgundy Wine Board Beaune, France), Anne-Charlotte Touret (AgroSup Dijon, France)</i>

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Goudini Cellar	<b>Spier</b>
Lutzville Cellar	Stellenbosch Hills
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## **ORGANISATION**

### **Local Team**

Dr Dirk Troskie	Western Cape Department of Agriculture
Ms Bongiswa Matoti	Western Cape Department of Agriculture
Mr Shelton Mandondo	Western Cape Department of Agriculture
Prof Nick Vink	University of Stellenbosch
Dr Cecilia Punt	University of Stellenbosch
Ms Karen van der Bergh	Embassy Conferences
Ms Marion Schoeman	Embassy Conferences
Mr Rico Basson	VinPro
Ms Porchia Adams	Agri Western Cape
Ms Elmarie Rabe	Stellenbosch Wine Routes
Mr Rayner van Wyk	Stellenbosch 360
Mr Dingaan Goodwill	Dept. of Economic Development and Tourism

### **AAWE Team**

Dr Pete Parcels	Whitman College
Dr Karl Storchmann	New York University



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