Predictability of Robert Parker’s ratings

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Robert Parker is by far the best-known wine critic in the world. His expertise, especially regarding Bordeaux wines, is widely recognized. Wine amateurs, collectors and investors consider him as the wine guru. The leading French magazine, La Revue des Vins de France, ranks him as the fourth most influential person in the wine world, well before other critics such as James Suckling (34th) or Jancis Robinson (35th).

A variety of factors may explain Parker’s leading position. He has a long track record as he started rating Bordeaux wines in the seventies. This timing coincides with the massive arrival of American customers on this market. Parker’s ratings are based on blind tastings and are generally consistent with little variation between tastings. He was also among the first to consider 1982 an extraordinary vintage. At that time, many French critics preferred 1983, which 30 years later is far from achieving the greatness of 1982.

In Bordeaux, Parker rates both en primeur and bottled wines. En primeur are marketed in spring following the harvest, 18 months before bottling. For most people, it is difficult to taste these wines and, even if invited to these early tastings, it is difficult to judge these unfinished wines. Thus, there is a huge uncertainty regarding the final quality of each wine. Hence, people heavily rely on the expertise of wine critics to know which wine to purchase en primeur. Parker’s ratings, therefore, have a direct impact on demand and thereby on release prices. Parker also rates wines once they become physically available. His final scores normally have less impact except for wines with final scores significantly differing from their en primeur scores.

To illustrate the impact of Parker on prices, consider two examples: the en-primeur price of Larcis-Ducasse 2005, and the market price of Smith-Haut-Lafitte 2009. Larcis-Ducasse is a great but relatively unknown wine. In April 2006, Parker awarded a huge score for this wine (95-98) and noted that this was “the most profound wine made at this great terroir since the 1945”. Consequently, the property increased its release price by more than 300% relative to the previous vintage. Without Parker such a price hike would have been unjustifiable. In spring 2012, Parker revealed his final scores for 2009 Bordeaux wines. Smith-Haut-Lafitte got a perfect score of 100 points, far above its en primeur score of 96-98. The price jumped by more than 100% overnight.

The key objective of this study is to examine the predictability of Robert Parker’s ratings. We consider en primeur and bottle scores. The influence of Parker on both buying decisions and prices is exceptional. To the best of our knowledge there in no other economic field (except maybe modern art) one single person has such an influence. It is, therefore, highly relevant, to examine Parker’s ratings. This constitutes a first step towards better understanding the wine market and participants’ behavior, who seem to blindly follow the guidance of their guru. From a practical viewpoint, this study is particularly interesting for wine investors as Parker’s ratings have a direct impact on wine prices.

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2 En primeur ratings are always given as an interval (e.g. 91-93). This reflects the uncertainty on the final quality of such wines. On the other hand, final ratings (for bottled wines) are given as a single score (e.g. 92).