“In Vino Veritas”—But what, in Truth, is in the Bottle?  
Experience Goods, Fine Wine Ratings, and Wine Knowledge  
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Fine wines challenge the consumer to know them and form a meaningful willingness to pay (WTP) for them. Recognizing the challenge to the wine consumer’s knowledge of what she is buying, researchers have turned to Nelson’s (1970) idea of “experience goods”—goods that must be “experienced” before they can be accurately evaluated—and measured the relationship between price and measures of quality such as expert opinion as vicarious experience: if unable to know the wine before buying it, consumers use such information to guide their WTP. However, while this information may influence WTP, it does little to improve the consumer’s knowledge: the evidence of correlation is weak. This paper questions whether fine wine is an experience good and whether it can be known vicariously through expert ratings. The idea that one can know a type of fine wine by buying one—like knowing a refrigerator by buying one as suggested by Nelson—seems misplaced, and the experience of others is of limited value. The paper considers and critiques the kinds of information available to the wine consumer, especially experts’ opinions, as well as other factors that complicate the consumer’s knowing what s/he will find in the bottle. The paper closes with a re-characterization of the consumer’s wine purchase decision.

Keywords: wine markets, consumer, quality, fine wine, experience goods, knowledge, expert rating

JEL Code: D12, D83