

Economists explore 'loca-pouring' of wines

October 16 2013, by Amanda Garris

(Phys.org) —The 2013 grape harvest is in full swing, but when this vintage is bottled, will it appear on a wine list at your favorite restaurant? According to a team of researchers from Cornell's Charles H. Dyson School of Applied Economics and Management, the décor and menu are the most useful predictors of whether restaurants across the state will offer New York wines.

"The locavore movement has encouraged restaurants to focus on local and seasonal," said assistant professor Brad Rickard. "Yet, as Wine Spectator senior editor James Molesworth noted in an op-ed two years ago, 'locavores don't always loca-pour.' Given the number of restaurants and the emerging wine industry, it's an important phenomenon for New York state wineries and consumers to understand."

In a study published as a working paper by the American Association of Wine Economists, Rickard, graduate student Joseph Perla and associate professor Todd Schmit mined the Zagat Survey – an online reference for [restaurant](#) reviews and information on cuisine, food quality, décor and cost. This data was combined with information on wines offered in 1,500 restaurants and analyzed to identify the attributes that went hand in hand with a willingness to buy local wines.

"When we looked at all New York state wines, restaurants that serve New American cuisine were far more likely to serve local wines than other cuisines," Rickard said. "A focus on natural or organic ingredients and a high Zagat décor rating were also correlated with a willingness to buy local."

What does the décor score have to do with local wines? Rickard hypothesizes that décor is perhaps a proxy for the restaurant's attention to detail, aesthetics and emphasis on the consumer experience.

A telltale regional impact emerged when New York state reds were compared to New York state whites. A consumer is more likely to find New York state wines on the menu in restaurants in the wine-producing regions of the Finger Lakes and Long Island, but in the Finger Lakes, only [white wines](#) were featured.

"It's kind of an intuitive result, given the production of white wines in the Finger Lakes and the reputation of Long Island for producing both red and white wines," Rickard said.

New York City was another story altogether: Restaurants in the four boroughs were less likely to list New York state wines. In Manhattan, the more expensive the restaurant, the less likely it was to offer New York wines. However, in the four outer boroughs, casual restaurants, according to Zagat scores, were more likely to include local wines.

Should wine producers looking to expand their market downstate target new American restaurants with casual service and good décor in the Bronx, Queens, Brooklyn and Long Island?

"I think it's really important to get people talking and thinking about this in general, but there are two ways to look at the marketing implications, based on this information," Rickard noted. "We've identified the type of restaurants that are more likely to currently carry New York state wines, which can help streamline marketing. On the other hand, there is clearly room to break into other segments of the restaurant markets, depending on how ambitious a winery is and just how steep the barriers to access are."

Provided by Cornell University

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