

Article

Price Quality Cues in Organic Wine Market: Is There a Veblen Effect?

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Abstract: Italian wine consumers show a progressive shift in favor of organic wine. Sustainability is an important driver for the emerging consumers who tend to adopt eco-friendly behaviors, avoiding food waste and respecting the environment. In this scenario, it is of interest to understand the profile of organic wine consumer, the cues that are used in the process and their impact on purchasing choice. The results from a regression on data from a sample survey showed that price is an important factor driving perceptions of organic wine quality. We found an asymmetry in the impact of price as a quality cue: while high prices may be in fact able to elicit a positive perception, low prices do not lead to non-positive perception necessarily. In addition, consumers who value sustainable consumption, have a vegan lifestyle, purchase their wine directly from wineries are more likely to have a positive perception of organic wine. Similarly, elder, educated consumers could have a higher probability to exhibit a positive perception of organic wine. This research shows that the Veblen effect can also exists for food markets in particular with the product with the greatest evocative charge, such as in the wine market.

Keywords: organic wine; quality cue; Veblen; consumer preferences; consumer choices



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1. Introduction

Italian organic wine dominates the market with numbers that place Italy at the top of the world production ranking. The case study is of general interest because of the importance of Italian market of organic wine. To confirm this leadership, the data of the latest Mipaaf-Ismea report “The organic wine production chain” highlights the progressive shift in favor of organic wine, which has become established in recent years, especially among small-medium producers [1]. In addition, this report shows that Italy plays a leading role, with almost 19% of vineyards cultivated according to the principles of organic agriculture. In fact, the booming of organic wine is a worldwide trend. The increase in organic vineyards has been tumultuous: +600% in the last 20 years and +114% in the last 10 years. Europe is the leader with 85% of the total organic area. Spain, France and Italy alone account for 74% of the extension of organic vineyards. In 2019, our country reported 107,143 hectares of organic vineyards, of which just a quarter (23%) are surfaces in conversion. In this scenario, it become of primary importance to understand which are the trends of consumer demand for organic wine.

These production trends confirm that sustainability is perceived as an important driver of wine choices especially for the new generation consumers who tend to adopt responsible behaviors, avoiding food waste and respecting the environment. It is of interest to understand the profile of organic wine consumers, and which are the factors that could increase the consumption.

In recent years, the consumer, when faced with a choice, is pushed to take into consideration his health and the environment. For this reason, wine lovers are now willing to

pay a higher price for a quality and sustainable product according to many studies conducted using the Choice Experiment methods. A recent study has identified the two most important elements taken into consideration by careful consumers: the quality of wine and an organic certification [2]. The research conducted by Lanfranchi et al., investigated how wine lovers are prepared to pay a premium price for a wine obtained through sustainable production processes and the outcome consists in the fact that the methods of production are the first thing taken into consideration when evaluating wines [3]. In addition, few studies that examine consumer attitudes towards organic wines, provides little information about the consumers' perception of sulphite and willingness-to-pay (WTP), even if consumers are unaware of the differences between non-added sulphite wines and organic wines and sometimes it could be confused in consumers' mind [4]. However, these studies address consumers' WTP for organic wine, but they neglect the possible role of high prices as quality cue. Noticeably, overlooking the issue may lead to biased regression results due to endogeneity problems.

In addition, technical refinements, in terms of sustainability in the wine sector, are leading to improve processing strategies and it is possible to create different varieties of organic wine also reducing the use of pesticides [5]. As a result, interest in organic wine is growing and Maesano et al., investigated what consumers value most about this type of wine, focusing on consumers' behaviour, motivations, and preferences [6]. Wine consumers in recent years prefers organic wine because it is healthier and because it avoids a negative impact on the environment.

The type of cues that are used in the process and their impact on purchasing choice varies with products and consumer types (for example, [7]). The information environment and social media can affect the use of quality cues as well [8–10].

Many researchers have wondered if wine lovers were WTP a higher price for this new type of wine (the organic one) and if so, which elements they would consider when choosing as for example Di Vita et al., explored the context of organic wine consumption in these terms and according to their results, consumers are WTP an additional price for organic wine compared to conventional one [11]. Most of the consumers surveyed replied that they are willing to pay up to 20% more to buy quality organic wine, while only 1% of the respondents replied that they would be willing to pay up to 50% more. Looking at the attributes taken into consideration to make this choice, that were sensory attributes such as aroma, color, flavor, etc. they do not seem to affect the WTP a higher price. Differently the "label and origin attributes" are taken into consideration choosing organic wine because they are perceived by consumers as indicators of quality and reliable information.

Mauracher et al., investigated in the same context with the same purpose, but with a difference: they wondered whether socio-demographic characteristics of consumers are also capable of influencing the price premium for organic wine and also the role of organic attributes in driving consumer choice [12]. The results display differences in the WTP among different market segments. Younger people have a more positive attitude towards wine with sustainable characteristics and they found that the ones aged under 50 have a higher WTP. The study addresses the role of price as a quality cue finding that consumers who state that price is a very important factor in the choice of a bottle are less willing to pay for organic wine. Young people are more educated and sensible to environmental issues. This is in line with other studies suggesting that eco label on the wine bottle might be useful to increase consumers' attention, but not enough to be purchased if the product is perceived of low quality or too expensive [13]. They conclude that because some target of consumers might be interested to buy and value sustainable wine, this claim might become a central concern in the marketing strategies and consumer communication as it has already occurred in the past for grape's variety and geographical indication.

Bernabeu et al., analysed wine differentiation strategies to understand the commercial success of new wine producers compared to traditional ones [14]. They identify consumer segments that differ among them because some consumers shops for wine mainly by price, the second typology of wine consumers shop by origin and the third segment by a

combination of price and type of wine. In this sense, except for the first segment, possible strategies would be to emphasize origin in a traditional approach and to search for a new wine differentiation constructed on organic production.

With reference to socio-demographic characteristics some studies found that variables could influence consumer behavior through attitudes [15]. In particular, as regards to gender, several authors found a significant relationship between this variable and behavioral intention: females are willing to pay a higher price premium [16].

Lago et al., explore the determinant attributes for the behaviour of young consumer sustainable food purchases and to understand the rules during pre-purchase assessment processes [7]. The results showed that cleaner production, quality product and price are the determinant instrumental attributes valued by young people.

Pomarici et al., showed that the segment concerned with consuming wine with lower water footprint is the smaller [17]. At the same time the study showed that individuals with a strong involvement with environmental issues, individuals which have a higher wine experience and that are on average purchase wines belonging to higher prices ranger.

Steinhart et al., examine how an environmental statement—an eco-label with a claim about a product causing less loss to the environment—differently affects consumers' assessments of utilitarian products and of luxuries [18]. Moreover, the environmental claim may increase assessments of luxury products by offering available reason to use luxuries. This effect is boosted when the environmental claim stresses personal-social benefits, associated to the user's social status.

All consumers prefer higher quality to lower quality products, but they may diverge in their WTP for quality attributes. Each price-signal exceeds the marginal cost of producing the quality it signals and such a mark-up depends on the nature of the product- information received by consumers—the higher is the information, the lower is the mark-up [19].

Another interesting result that emerges from the literature is that even if most consumers claim to consider sustainability issues generally important and desirable, this does not necessarily translate into manifest sustainable consumption [20,21]. In fact the intention expressed by respondents to consume wine with a reduced water footprint is not very high [17].

Looking at the economic theories, the positive price elasticity of goods can be justified by the "Veblen effect" or the fact that sometimes prices could be perceived as signals of product quality [22].

This research was divided in four sections in order to drive consumers to focus to the topic of each part that were:

- consumer habits: wine consumption, importance of the brand and place of origin, attention to particular attributes, choice based on the label, the history of the brand, certifications, (limited editions) exclusivity.
- attention to the environmental and social aspects of wine production: attention to sustainable production, natural and traditional processes, knowledge of organic wine attributes, perception consumption and preference for organic wine; no pesticides, low environmental impact.
- attention to price and willingness to pay for organic wine; perception of price quality ratio on the wine market; willingness to pay for wine at a dinner at home, in a restaurant, willingness to pay to bring wine to friends.
- demographic data and some personal information about consumption habits of each respondent.

The purpose of our empirical analysis is to investigate the association between the use of price as "quality cue" and consumer perception of organic wine. According to cue utilization theory, consumers who are unable to observe and assess credence or experience attributes of a product use cues (i.e., a mix of perception and information stimuli) to infer food quality [23]. In general, quality cues are divided into intrinsic cues referring to search attributes and physical product characteristics and extrinsic cues referring to all other cues such as brands, labels, certifications, store outlet and price [24].

Therefore, the relevance of a specific cue such as price is an empirical question.

The objective of this paper is to assess whether consumers use price as a quality cue when purchasing organic wine. The question is of importance in the design of pricing strategies for organic wine. In fact, if price is a quality cue, lowering prices may result in a decrease in demand, because consumers associate lower prices to lower quality (a sort of Veblen effect driven by quality perception). We address the study question with a sample survey of 309 Italian consumers. A regression of a variable measuring the quality perception of organic wine on a set of explanatory variables confirms the importance of price signals in purchasing decisions supporting the study hypothesis.

2. Materials and Methods

The following analysis was conducted to study the attitudes of wine consumer towards organic wine in order to understand their choices since the impact of quality cues on purchasing choice varies with products and consumer types. The questionnaire was administered by social network and we collected totally 309 questionnaires.

The survey was administered online through Google form platform from January to May 2021. The link to the questionnaire was sent to the participants through social media: Instagram, Facebook, Whatsapp.

We collected data about consumers' perception of organic wine with a question asking whether they consider organic wine to be "of higher quality" than a similar (i.e., same grape variety) wine or not. Although we acknowledge that quality and "positive perception" are not perfectly overlapping concepts, for the sole purpose of this study, we conclude that respondents agreeing with the statement have a positive perception about organic wine quality, otherwise we conclude that they have a non-positive perception (either negative or indifferent). A binary variable y was set equal to 1 if the respondent has a positive perception and equal to 0 otherwise.

We measured the importance of price as quality cue with four items, asking respondents to agree or disagree with the following statements on a 1 (strongly disagree) to 5 (strongly agree) scale:

1. An expensive wine is surely of high quality (S1)
2. Often a wine is costly because of fancy branding only (S2)
3. A cheap wine can be good too (S3)
4. A cheap wine is surely of poor quality (S4)

For each statement, respondents were asked to agree or disagree with the following statements on a 1 (strongly disagree) to 5 (strongly agree) scale. The first step of our analysis is a test of independence between the use of price as quality cue and perception of organic wine. To this purpose a pairwise χ^2 test of association is run testing for independent distribution of each statement and organic wine perception (e.g., [25]). The test assumes a null hypothesis of independence between the variables. If the test statistics are higher than the critical value, it is possible to reject the hypothesis of independence.

The four statements provide an assessment of response to a price information stimulus considering possible asymmetries in information stimuli related to high and low prices. Statements S1 and S2 assess the impact of high prices while statements S3 and S4 consider the impact of low prices. To simplify the discussion, we summarize the four statements into two constructs: response to high-price information stimuli (H) and response to low-price information stimuli (L). The constructs are computed as follows: $H = S1 + (6-S2)$ and $L = (6-S3) + S4$. In this way, high values of H indicate that the respondents associate high prices with high wine quality and high values of L indicates that respondents associate low prices with low quality wine. The use of the two constructs allows us to provide a concise representation of the importance of price as quality cue. T-test is used to assess any statistical difference in the mean values of each construct between consumers with positive or non-positive perception of organic wine.

In order to investigate this relationship further, we use a regression model to explain the effect of the constructs on organic wine perception after controlling for a matrix of addi-

tional regressors X measuring demographic factors (age, sex, education), the importance of sustainable attributes in wine choice, status effect, importance of local consumption and general attitude toward food and beverage consumption (measured with a variable discriminating between vegetarian, vegan and omnivore diet). The questionnaire measured the regressors X with a set of discrete variables in order to minimize the amount of time to fill the questionnaire and to reduce the risk of incomplete answers. The following choices were used as a trade-off between the need for information and the need to reduce respondents' fatigue:

Age was measured into three groups: young consumers (age between 18 and 34), mature consumers (age 35–55) and elder consumers (age over 55).

- Education was measured with the respondent's degree: Middle school, High school and College degree.
- The status effect was measured as average expenditure for a bottle of wine when dining outside as a proxy. A binary variable was used to identify respondents with an average expenditure higher than €25. The threshold was defined as follows: a bottle of Chianti Superiore DOCG of average quality is priced between €8 and €10 per liter (source enosearcher.it) and restaurants on average sell wine for a price that is 2.5 times higher than retail price. Thus, we used a price higher than €25 to identify luxury wines (i.e., more expensive than a typical Chianti Superiore).
- The importance of local consumption was measured using the respondent's the most common location for wine purchase as a proxy. The available choices were supermarkets, specialized wine shops, wineries, or other locations. Only 2.6% of respondents selected the residual category "other locations" suggesting that the available options were appropriate.
- Dietary habits were summarized into three categories: omnivore, vegetarian and vegan. In particular, vegan consumers are expected to have strong preferences for organic wine.

Since our variable of interest (consumer perception of organic wine) is a binary variable, we apply a discrete dependent variable method in our econometric analysis (e.g., [26]).

Following the standard probit approach, we assume that the binary variable y is the discrete representation of an unobservable latent continuous variable y^* measuring the consumer real assessment of organic wine, in this model we observe $y = 1$ if y^* is greater than an arbitrary threshold k that can be normalized to zero without loss of generality if X includes the intercept. In practice, we assume that respondents answer that they have a positive perception of organic wine if their unobservable relative assessment compared to conventional wine is "high enough".

We assume that the unobservable consumer assessment y^* is a function of the demographic factors X , the high and low price stimuli (H and L , respectively) and of a random component ε summarizing all other unobservable factors such as individual preferences, with $y^* = X'\beta + L\cdot\gamma_L + H\cdot\gamma_H + \varepsilon$, where β , γ_L and γ_H are regression parameters and ε is a normally distributed error term.

The probability of observing $y = 1$ given the observed values of X , L and H is equal to the probability that $\varepsilon < X'\beta + L\cdot\gamma_L + H\cdot\gamma_H$ or $\Phi(X'\beta + L\cdot\gamma_L + H\cdot\gamma_H)$, where Φ is the cumulative distribution function of a standard normal.

The regression parameters are estimated by maximum the following likelihood function:

$$L = \prod_{i=1}^n \Phi(X'\beta + L\cdot\gamma_L + H\cdot\gamma_H)^{y_i} [1 - \Phi(X'\beta + L\cdot\gamma_L + H\cdot\gamma_H)]^{1-y_i} \quad (1)$$

The maximization problem can be solved using a Newton-Raphson iterative procedure. Since the information matrix is positive definite, the procedure converges to a maximum regardless of the starting points [26]. The model was estimated using the software Wizard Pro 2.0.

The regression coefficients measure the marginal effects of explanatory variables on the latent variable y^* . However, the marginal effect on the observable variable y has the same sign as the coefficients. Therefore, a positive (negative) coefficient indicates that a unit increase in the value of the explanatory variable is expected to increase (decrease) the probability that y is equal to 1 (i.e., that the consumer has a positive perception of organic wine). The regression model is used to identify the factors affecting perception of organic wine, i.e., the variables with an estimated coefficient that is statistically different from zero. The main hypothesis to be tested in this paper is that the regression coefficient of constructs H and L are statistically different from zero and positive, meaning that consumers relying on (high or low) price signals as quality cues are more likely to have a positive perception of organic wine. This is considered as evidence of a Veblen effect, meaning that the high price of organic wine is effective in affecting consumer perception about quality.

3. Results

Table 1 illustrates descriptive statistics of variables in the vector X. They are included in the model to account for possible effects on organic wine perception.

Table 1. Descriptive statistics.

Variables	Categories			
Sex	Male 38.4%	Female 61.6%		
Age	18–34 51.8%	35–55 34.5%	Over 55 13.7%	
Education	Middle School 3.9%	High School 53.1%	College 43.0%	
Type of store	Supermarkets 50.5%	Wine shops 28.0%	Wineries 18.9%	Other shops 2.61%
Average expenditure at restaurant for wine	Up to €25 65.8%	More than €25 34.2%		
Diet	Omnivore 92.2%	Vegetarian 7.2%	Vegan 0.7%	

The 95% confidence interval of share of respondents with positive perception of organic wine is $59.2\% \pm 5.4\%$. Table 2 summarizes the distribution of the two variables by perception of organic wine and reports the results of χ^2 association tests. We find a statistically significant association at 95% confidence level between three statement and perception of organic wine, suggesting that a pairwise association exists.

The constructs H and L range between 2 and 10, with estimated 95% confidence interval of means of 5.48 ± 0.15 and 5.01 ± 0.14 , respectively. A t-test on the equality of means between respondents with positive and non-positive perceptions of organic wine concluded that the average values of both constructs are statistically different at 95% confidence level between the two groups (Table 3). The test concludes that respondents with positive perception of organic wine are on average more confident on price signals (both high and low) as quality cues than the others.

Table 4 reports the results of the regression testing the hypothesis that confidence in high-price and low price signals as quality cues (constructs H and L, respectively) affect the probability of having a positive perception of organic wine, after controlling for possible confounders. In addition, the results in Table 4 can be used to identify the explanatory variables affecting perception of organic wine.

Table 2. Association between variables measuring use of prices as quality cues and organic wine perception.

Perception of Organic Wine	Items Measuring Use of Prices as Quality Cues					
	An Expensive Wine Is Surely of High Quality					
	Strongly disagree	Disagr.	Indiffer.	Agree	Strongly agree	Total
Non positive	24	41	40	18	4	127
Positive	22	36	94	22	8	182
Total	46	77	134	40	12	309
χ^2 test <i>p</i> -value:	0.006					
	Often a wine is costly because of branding only					
	Strongly disagree	Disagr.	Indiffer.	Agree	Strongly agree	Total
Non positive	12	14	47	36	18	127
Positive	8	32	82	48	12	182
Total	20	46	129	84	30	309
χ^2 test <i>p</i> -value:	0.029					
	A cheap wine can be good too					
	Strongly disagree	Disagr.	Indiffer.	Agree	Strongly agree	Total
Non positive	6	22	48	29	22	127
Positive	14	36	72	44	16	182
Total	20	58	120	73	38	309
χ^2 test <i>p</i> -value:	0.214					
	A cheap wine is surely of poor quality					
	Strongly disagree	Disagr.	Indiffer.	Agree	Strongly agree	Total
Non positive	67	44	10	6	0	127
Positive	66	68	36	12	0	182
Total	133	112	46	18	0	309
χ^2 test <i>p</i> -value:	0.006					

Table 3. Association between confidence in high-price (H) and low-price (L) signals as quality cue and organic wine perception.

Construct	Confidence Interval for Mean Value		<i>t</i> -Test Result <i>p</i> -Value
	Positive Perception	Non-Pos. Perception	
H	5.637 ± 0.166	5.240 ± 0.265	0.009
L	5.145 ± 0.171	4.786 ± 0.228	0.012

Note that in the case of exhaustive and mutually exclusive categorical variables (such as Type of store, Age, Education, and Diet), one of the categories has been omitted in order to avoid perfect collinearities with the intercept (the so-called dummy variable trap, [27]). Therefore, the coefficient of these variables must be interpreted as the relative increase with respect to the omitted category. For example, the positive coefficients of the categories 35–55 and Over 55 of the Age variable imply that those groups have higher probability of having positive perception of organic wine than consumers of age 18–35 (the omitted category).

Table 4. The results of the probit regression results of perception of organic wine on a set of explanatory variables.

Dependent Variable: Perception of Organic Wine (1 = Positive, 0 = Non-Positive)				
Variable	Coefficient	Robust Std. Error	z-Score	p-Value
Importance of sust. attributes	0.247	0.073	3.397	0.001
Type of store:				0.043
■ Other shops	0.068	0.524	0.130	0.897
■ Wine shops	−0.098	0.216	−0.454	0.650
■ Supermarkets	omitted			
■ Wineries	0.610	0.240	2.544	0.011
Construct H	0.135	0.068	1.973	0.048
Construct L	0.079	0.080	0.994	0.320
High expenditure. at restaurants	−0.146	0.202	−0.722	0.470
Female consumer	0.031	0.185	−0.169	0.865
Age				0.035
■ 18–34	omitted			
■ 35–55	0.471	0.198	2.375	0.018
■ Over 55	0.571	0.294	1.940	0.052
Education				0.059
■ Middle school	omitted			
■ High school	1.001	0.444	2.254	0.024
■ College degree	0.812	0.464	1.748	0.080
Diet				0.000
■ Omnivore	omitted			
■ Vegan	5.644	0.401	14.065	0.000
■ Vegetarian	0.206	0.323	0.638	0.524
Constant	−2.655	0.726	−3.656	0.000

The fitting of the regression is acceptable. The area under the curve of the receiver operating characteristics (ROC) is 0.737, with 0.5 indicating random process (no explanatory power) and 1 being perfect fit. The regression identified several variables with coefficient that are statistically different from zero, supporting the hypothesis that the variable is a determinant of organic wine perception. The statistically significant coefficients are related to the following drivers:

- Importance of sustainable attributes for the consumers (the more important the attributes the higher the probability of positive perception is).
- Type of store where the consumers buy wine usually. Consumer buying wine from local wineries are more likely to have a positive perception of organic wine than those buying from supermarkets.
- Construct H. Consumers using prices as a quality cue are more likely to have a positive perception of organic wine.
- Age, with elder consumers being more likely to have a positive perception than younger ones.
- Diet, with vegan consumers being more likely to have a positive perception than omnivore or even vegetarian ones.

It was not possible to reject the null hypothesis of zero value of the regression coefficient for the variables describing sex and the average expenditure for a bottle of wine at restaurants (an expenditure of €25 per bottle was considered to be high).

4. Discussion

The regression found that consumers who value sustainable consumption, have a vegan lifestyle, purchase their wine directly from wineries are more likely to have a positive perception of organic wine [15]. Similarly, elder, educated consumers have a higher probability to exhibit a positive perception of organic wine [28]. The results are consistent with previous literature, for example [12]. In contrast with previous studies, we do not find a statistically significant difference between male and female consumers. Different are the results from the study by Ureña et al., showing that women have a more favorable attitude to the purchase and consumption of organic food than men, whereas men are motivated to pay a higher price for organic food than women [29]. In general, men are willing to pay a higher price than women [30–32].

After controlling for the additional regressors we find that H Construct has a coefficient that is statistically greater than zero at 95% confidence level. Therefore, we conclude that high prices are used as quality cues and the high prices of organic wine can increase the probability that a consumer has a positive perception, keeping all other factors constant. Noticeably, the coefficient of the L Construct is not statistically different from zero, suggesting that there is no evidence that low prices are associated with a lower probability of having a negative perception of organic wine. The regression model finds an asymmetry in the impact of price as quality cue: while high prices may be in fact able to elicit a positive perception, low prices do not lead to non-positive perception necessarily.

These findings may explain why previous studies found a low price-elasticity of organic wine (e.g., [33]). In fact, a change in organic wine price has two competing effects: it affects relative prices (the textbook substitution effect) and it affects quality perceptions. Because the two effects drive consumption in opposite direction, the overall impact of a price change on purchased quantity is smaller than if prices were not used as quality cues. For example, a price increase makes organic wine relatively more expensive than conventional wine, but it improves quality perception at the same time.

Our study showed that consumers who have a positive perception of organic wine are concerned about sustainable consumption and are associated to a vegan regime. They are likely to buy their wine directly from producers. Similarly, elder, educated consumers have a higher probability to reveal a positive perception of organic wine.

In interpreting this result we must consider the evidence from literature which displays that positive consumer attitudes are not always represented in their WTP for organic wine. This divergence falls into the so-called attitude-behavior gap. Consumers' positive attitudes do not always respect an expected behavior [21,34].

5. Conclusions

High prices are used as quality cues and the high prices of organic wine can increase the probability that a consumer has a positive perception, keeping all other factors constant. The main result of our model finds an asymmetry in the impact of price as quality cue: although high prices may be in fact able to elicit a positive perception, low prices do not lead to non-positive perception certainly. Therefore, our study highlights that the Veblen effect can also be considered for food consumption and, in particular, for what the product represents with the greatest evocative charge, like the wine. This can be explained considering above all that the meanings attributed to food and wine in the western world have expanded with the variation of living conditions of the populations, becoming more and more protagonists as an instrument of personal satisfaction, gratification, socialization and aggregation, an element of cultural projection as well as an economic and representative factor of one's identity. This means that today even wine is fashionable.

The "Veblen effect" represents an exception to the "law of demand" according to which "the demand for a good is an inverse function of the price" and highlights how there is also an ostentatious component in consumption which induces some members of the wealthy classes to ask for good as its price increases. Buying a luxury item (so-called "status symbol") allows you to stand out and show off your income (or spending power). Today, even food consumption is increasingly assuming a social and hedonistic role through which the consumer wants to express himself as well as feed and gratify himself. Another exception to the "Law of demand" is represented by the "demonstration effect", theorized by James Duesenberry [35]. In fact, if Veblen draws attention to the behavior of the upper classes who tend to ask for the so-called ostentatious goods, Duesenberry focuses attention on the conduct that characterizes the less well-off classes who tend to imitate the consumption models of the more affluent classes in a spirit of emulation. They tend to buy prestigious goods in order to "demonstrate" that they can tap into levels of consumption similar to those of the upper classes [36].

The results of the econometric model have key implications for the industry. They suggest that marketing strategies based on low prices or price discount may be less effective than expected in the case of organic wine. In fact, lowering prices may result in a lower quality perception by consumers. On the contrary, price increases may reinforce the perception that organic wine is a premium product. The results of the study support the current industry strategy of selling organic wines at a premium price.

Further research may expand the discussion of the Veblen effect using larger sample surveys in an international comparison. This approach can overcome the main limitation of this study, that is the relatively small sample size and convenience sampling. Also, the Duesenberry effect may be investigated, by collecting income data. This effect focuses on the conduct that characterizes the less well-off consumers who might to imitate the consumption models of the more affluent buyers in a spirit of emulation. For those analyses it could be of interest to analyze the promotion of organic wine on the social network in the last decades.

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