JWE online appendix for

Willingness-To-Pay for Reshuffling Geographical Indications

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March, 2020

The material contained herein is supplementary to the article named in the title and published in the *Journal of Wine Economics*

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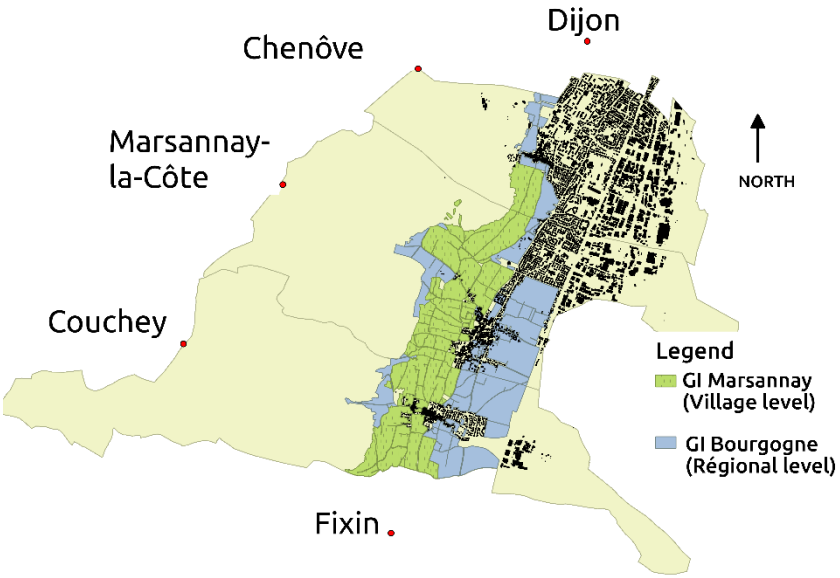
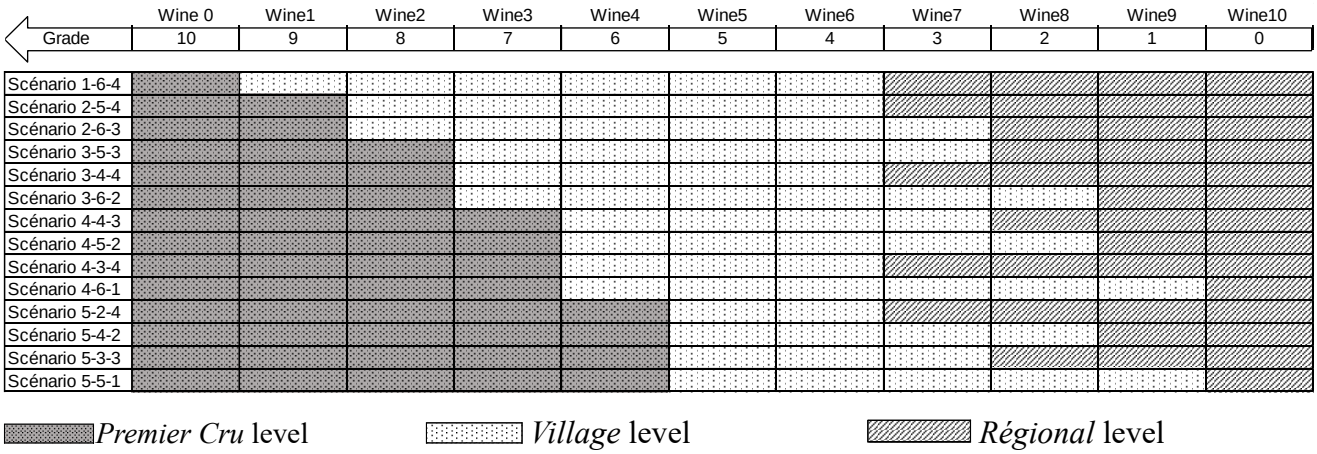


Notes: The figure shows the current GI scheme at the vineyard plot level for the Marsannay area. It currently includes three municipalities (Chenôve, Couchey, and Marsannay-la-Côte) representing the horizontal dimension of GIs and two vertical levels (Regional and Village).

***Figure SM1**:* **The vineyard area of *Marsannay* under study**

Notes: These 2 scans illustrate the sheets distributed to participants. They represent two scenarios among the 14 scenarios considered. The current distribution is reported at the top, and the 3-5-3 scenario at the bottom of the figure. All participants received the same pictures of wine labels.

Figure SM2: **Pictures of wine labels from 2 scenarios presented to participants**



Notes: Each row correspond to a different scenario, with different classification of 10 wine bottle (in columns) among the GI levels. As presented in Table 1 of Section 4.1, the first scenario 1-6-4 corresponds to the current GI designation scheme, in increasing quality from the right to the left. In the other scenarios, some high-quality Village wines are designated as Premier Cru and high-quality Régional wines are designated as Village.

Figure SM3: **The 14 proposed scenario of GI reshuffling between the 10 wines considered**

Table SM1: The effects of GI levels and bottles of wine on WTP

	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
(Intercept)	6.77***		12.06***		6.63***	
	(0.41)		(0.91)		(0.43)	
VILL	2.71***	2.71***			2.80***	2.80***
	(0.20)	(0.20)			(0.25)	(0.26)
PCRU	6.25***	6.22***			5.43***	5.41***
	(0.40)	(0.40)			(0.78)	(0.55)
WINE 0			1.70	1.73**	1.70	1.73**
			(1.26)	(0.61)	(1.26)	(0.61)
WINE 1			-0.14	-0.14	-0.14	-0.14
			(0.15)	(0.15)	(0.15)	(0.15)
WINE 2			0.13*	0.13	0.13*	0.13
			(0.07)	(0.07)	(0.07)	(0.07)
WINE 3			0.02	0.02	0.02	0.02
			(0.06)	(0.06)	(0.06)	(0.06)
WINE 4			0.02	0.02	0.02	0.02
			(0.07)	(0.07)	(0.07)	(0.07)
WINE 5			-2.63***	-2.61***		
			(0.67)	(0.38)		
WINE 7			-0.04	-0.04	-0.04	-0.04
			(0.10)	(0.11)	(0.10)	(0.11)
WINE 8			0.02	0.02	0.02	0.02
			(0.11)	(0.12)	(0.11)	(0.12)
WINE 9			0.16	0.16	0.16	0.16
			(0.22)	(0.23)	(0.22)	(0.23)
WINE 10			-5.43***	-5.41***		
			(0.78)	(0.55)		
Num. obs.	1815	1815	1815	1815	1815	1815
Fixed Effects	No	Yes	No	Yes	No	Yes
R2 (full model)	0.16	0.89	0.16	0.89	0.16	0.89
R2 (proj model)	0.16	0.59	0.16	0.60	0.16	0.60

***p < 0.001, **p < 0.01, *p < 0.05

Notes: Regressions are from pooled data with WTP as the dependent variable with clustered standard errors in parentheses. Independent variables are dummy variables describing the batches of bottles. The dummies *WINE 0* (*Fixin Premier Cru*) to *WINE 10* (the wine from the *Régional* level at the bottom of the hierarchy) equal 1 if the wine is present is the corresponding batch and 0 otherwise. *WINE 6* dummy (representing the presence of Wine no. 6 in the batch) is omitted because this wine is systemically present in the same batches as *WINE 5* and collinearity prevents identification of the respective effects (see Figure SM3). *WINE 0* presents a positive premium of €1.7, which is only significant with fixed effects. The value of €1.7 is a raw estimate of the umbrella effect of the *Premier Cru* from the neighbouring municipality of *Fixin*. The statistically significant effects of *WINE 5* and *WINE 10* do not estimate well-identified individual premiums, because of the collinearity between these dummies and the dummies about GI levels (Figure SM3). *WINE 5* and *WINE 6* dummies are mutually redundant and are also redundant with respect to the GI *Village* dummy variable.

Table SM2: The effects of GI levels, average quality and quality variance on WTP

	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
(Intercept)	6.07***		6.41***		6.38***	
	(0.42)		(0.41)		(0.41)	
MEAN	0.79***	0.79***	0.32***	0.36***	0.32***	0.36***
	(0.05)	(0.05)	(0.09)	(0.05)	(0.09)	(0.05)
VAR	-0.17***	-0.18***			0.03	0.02
	(0.05)	(0.04)			(0.06)	(0.04)
VILL			1.44***	1.28***	1.42***	1.27***
			(0.39)	(0.26)	(0.37)	(0.26)
PCRU			2.98**	2.69***	3.02**	2.72***
			(0.98)	(0.55)	(1.03)	(0.56)
PCRU x WINE 0			1.46	1.46*	1.45	1.46*
			(1.25)	(0.61)	(1.26)	(0.61)
Nbr. obs.	1815	1815	1815	1815	1815	1815
Fixed Effects	No	Yes	No	Yes	No	Yes
R2 (full model)	0.16	0.89	0.17	0.90	0.17	0.90
R2 (proj model)	0.16	0.59	0.17	0.61	0.17	0.61

***p < 0.001, **p < 0.01, *p < 0.05

Notes: Regressions are from pooled data with WTP as the dependent variable with clustered standard errors in parentheses. *MEAN* and *VAR* are continuous variables representing the average and the variance of wine grades within each batch of bottles. The interaction *PCRU* x *WINE 0* controls for the presence of *Fixin Premier Cru* for umbrella effects. In line with the theoretical model, we found a positive effect of the *MEAN* variable and a significant negative effect for the *VAR* variable for *Premier Cru.* These results are shown to be robust to the inclusion of participant fixed effects.

Table SM3: The effect of GI levels interacting with average quality and quality variance on WTP

	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
(Intercept)	6.42***		6.45***		6.19***	
	(0.47)		(0.47)		(0.45)	
VILL	1.74***	1.74***	1.56***	1.65***	1.88***	1.66***
	(0.35)	(0.37)	(0.33)	(0.36)	(0.43)	(0.43)
PCRU	1.43	1.57	4.24**	3.94***	6.17***	6.04***
	(1.02)	(1.00)	(1.42)	(0.64)	(0.80)	(0.60)
PCRU x *WINE 0*	1.32	1.35*	1.65	1.63**	1.84	1.87**
	(1.27)	(0.61)	(1.25)	(0.61)	(1.26)	(0.61)
MEAN			0.19	0.24***		
			(0.15)	(0.05)		
REG x *MEAN*	0.31	0.46**			4.08	0.06
	(0.24)	(0.16)			(3.89)	(2.36)
VILL x *MEAN*	0.26**	0.29***			0.17	0.23***
	(0.09)	(0.06)			(0.15)	(0.05)
PCRU x *MEAN*	0.51***	0.51***			0.48***	0.47***
	(0.10)	(0.11)			(0.11)	(0.10)
REG x *VAR*			0.09	0.18	-3.29	0.34
			(0.12)	(0.14)	(3.31)	(2.01)
VILL x *VAR*			0.21	0.14*	0.22	0.14*
			(0.20)	(0.06)	(0.20)	(0.06)
PCRU x *VAR*			-0.26	-0.21*	-0.41***	-0.41***
			(0.14)	(0.09)	(0.08)	(0.09)
Num. obs.	1815	1815	1815	1815	1815	1815
Fixed Effects	No	Yes	No	Yes	No	Yes
R2 (full model)	0.17	0.90	0.17	0.90	0.17	0.90
R2 (proj model)	0.17	0.61	0.17	0.61	0.17	0.61

***p < 0.001, **p < 0.01, *p < 0.05

Notes: Regressions are from pooled data with WTP as the dependent variable with clustered standard errors in parentheses. *MEAN* and *VAR* are continuous variables for the average and the variance of wine scores within each batch of bottles. The interaction *PCRU* x *WINE 0* controls for the presence of *Fixin Premier Cru* for umbrella effects.