

# **The Sideways Effect: A Test for Changes in the Demand for Merlot and Pinot Noir Wines**

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## Abstract

This paper examines the effect of the movie *Sideways* on US wine consumption. Specifically, we examine the effects of the movie on the consumption of Merlot, which is derided in the movie and the effect on Pinot Noir, which is praised. We examine the trends in consumption before and after the movie and perform statistical tests for structural changes in consumption. We also estimate demand functions for both Merlot and Pinot Noir and test for differences in their demands before and after the movie. Finally, we test for changes in consumption of each varietal by price point.

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