Table 1. Optimal 3-Pack for the Wine Example (Consumer B)

	Horizon (t)							
	3	7	14	21	28	35	42	100
Optimal n-pack	$(1,1,1)$	$(1,1,1)$	$(2,1,0)$	$(2,1,0)$	$(2,1,0)$	$(2,1,0)$	$(3,0,0)$	$(3,0,0)$

consumer buy? (We ignore the fact consumer A would probably tend to buy a larger pack size.)

The fact that consumer A always chooses to consume wine is evidence of an intrinsically low value for U_0, one that is exceeded by U_1, U_2, and U_3. We would expect this consumer to always prefer wine compared to the outside option. Indeed, for any $t \geq n$, as $U_0 \to -\infty$, the value function of the generalized model (13) can be well approximated by the value function of the canonical model (up to an additive constant). This is because the dominant term in (13) for any n-pack becomes $(t!/((t-n)!k_1!\dots k_M!))e^{\sum_{j=1}^{M} k_j U_j} e^{(t-n)U_0}$, with the remaining $[\prod_{i=1}^{M}(k_i+1)] - 1$ terms containing additional powers of e^{-U_0}, which diminishes their contribution to V_t as $U_0 \to -\infty$. In consumer A's case, the utility-maximizing 3-pack is therefore three bottles of Chardonnay, which is the same as in the canonical model.

The fact that consumer B chooses to consume wine infrequently is evidence of an intrinsically higher value for U_0: Given they select the outside option 6/7 of the time, their value for U_0 exceeds the values for U_1, U_2, and U_3 (we used $U_0 = -0.1544$, $U_1 = -2.3011$, $U_2 = U_3 = -3.8415$ so that $\sum_{i=0}^{3} e^{U_i} = 1$ in our subsequent calculations). Nevertheless, for large values of t, the results for consumer B are identical to those of consumer A. This is because, as $t \to \infty$; the dominant term in (13)