Market entry strategy and export destination in the Spanish wine industry

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Abstract: This paper analyses the market entry strategy of the Spanish wineries and their destination markets. For this purpose, channel adjustment was analysed. The novel aspect of this research is the use of exports on a winery level, basing the explanation of their export performance on a combination of internal decisions of the companies, and characteristics of the wine destination markets, in accordance with the purchasing patterns of their consumers. The results revealed the importance of strategic adjustment between winery and market destination, even though the importance of adjustment depends on the level of exports. Thus, channel adjustment is important for the probability of export and export intensity.

Keywords: channel adjustment; wine companies export strategies; wine exports; wine firms' strategy; wine international market

One of the decisions firms must make when they decide to internationalise is to determine which market to enter (market selection) and how they want to enter that market (market entry mode). In the early stages of market selection, companies are conditioned by physical and cultural distance. After evaluating a group of potential markets, the opportunities vary between one company and another, depending on their size, their marketing mix policy and their adjustment to the destination market, enabling them to use their previous knowledge and obtain economies of scale (Helm and Gritsch 2014; Wood and Robertson 2000). The companies that best adapt to the preferences of the distributors and intermediaries and the tastes of the

consumers have better opportunities in their internationalisation process (Gangurde and Akarte 2013; Vanegas-López et al. 2020).

In terms of entry modes, there are different possibilities (exporting, licensing, joint venture, greenfield investment), each with its benefits, costs, and necessary resources (Hessels and Terjesen 2010). In terms of exports, there are two export mode possibilities: direct or indirect export. The former refers to exporting directly to foreign clients, while the latter uses intermediaries to help the business in the export process (Peng and York 2001). In an interconnected world in which the market is global, it is particularly difficult for very small wineries without resources to adapt their strategy and product to each of the markets they serve. However, Spanish wineries, most of which are small, have been exporting more than 60% of their wine volume (Anderson et al. 2017).

The objective of this study is to find empirical evidence to show the importance of adjustments between the strategies of the wine company and the characteristics of the destination market when improving export performance. However, the truly novel aspect of this research is its approach to studying the adjustment between origin and destination. Research articles usually analyse origin and destination market factors and evaluate the probability of wineries' export. Other studies analyse the characteristics of the firm, its strategies or resources and capacities, and how they can influence its probability of export. However, to the best of our knowledge, no articles combine these two elements in the same study, how the individual decisions of the firm and microelements that give rise to its strategies are adjusted to the characteristics of the destination market, that is macro factors. Therefore, the econometric model combines data from the destination market and the consumer's purchasing decisions with an adjustment to the company's decisions and its channel adjustment with internal factors within it, such as resources and capabilities.

To do this, channel adjustment was analysed, together with its influence on export performance, using a representative sample of Spanish wineries and the principal destination markets. The data were extracted from a survey conducted among all the wineries in Spain and importers from 49 countries.

MATERIAL AND METHODS

Literature review and research hypotheses. When companies consider internationalisation, in their de-

cision to export, they must take into account the differences that exist between the market in the country of origin of the firm and that of the destination country. These differences may oblige them to change the characteristics of the product to be sold in order to adapt to the preferences of the destination country, which implies an additional cost of adaptation. Therefore, differences between the origin and destination markets influence the decision to enter a market and the cost of fulfilling these internationalisation objectives (Dunning 1980). This leads firms to seek destinations suited to their products' characteristics (Baena-Rojas et al. 2021). In order to determine these characteristics and select the market to enter, firms must analyse macroeconomic factors (Papadopoulos and Martin 2011; Castillo et al. 2016; Dal Bianco et al. 2016; Erdil and Özdemir 2016; Ayuda et al. 2020a, b; Deaza et al. 2020; Macedo et al. 2020; Puga et al. 2022; Bargain et al. 2023). These factors are external to the firm, affect all companies in the same way, and firms cannot interfere with them. We refer to protectionist policies and cultural distance, among others. However, the performance of the firms that decide to internationalise depends not only on macroeconomic factors but also on microeconomic ones. The latter may explain the reasons why different firms have different results when internationalising towards the same country (Deaza et al. 2020), as they also analyse the different characteristics and strategies of different firms, which are the reason why firms might obtain different results in the same country (with the same macroeconomic variables affecting them). On the other hand, they must also consider microeconomic factors, which refer to characteristics owned by the company and its capacity to adapt to the specific competitive environment of its product in the destination market (Erdil and Özdemir 2016; Deaza et al. 2020). The interaction between macroeconomic and microeconomic factors defines the export decision (Cunningham 1986).

This is a gap we try to fill in this article, as we included in our analysis of the internationalisation of the firm both types of variables together (macro and microeconomic variables), both in the decision to internationalise as well as in the firm's performance due to internationalisation; and this was complemented with another truly new aspect we introduced in this research, which included the study of the adjustment between origin and destination, how firm's decisions and microelements that determine its strategies were adjusted to the macroeconomic factors (characteristics of the destination market).

When entering a new market, the company should decide whether to carry out a strategy to standardise the product or adapt it to the new market. Adapting the strategy will imply the designing of a new marketing mix strategy (product, price, distribution and promotion). Then, from an international marketing point of view, there are three important approaches when determining how to enter a market (Vrontis and Thrassou 2007; Da Silva and Santos 2020): adaptation, standardisation or a contingency strategy.

The adaptation strategy considers the differences between the countries of origin and destination and seeks to adapt its mix strategy to these characteristics. However, some authors (Theodosiou and Leonidou 2003; Vrontis et al. 2009; Da Silva and Santos 2020) consider that even though globalisation has reduced differences between countries, there are still distances that could be very large, and it is not possible to adapt the marketing mix strategy to each of the countries in which the company wishes to enter (export), given the differences in aspects such as, for example, consumer needs, the culture or the legislation. Therefore, companies prefer a standardisation strategy, as, due to the high degree of globalisation, markets are increasingly homogeneous, and there is a greater convergence in consumer needs, tastes and preferences (Theodosiou and Leonidou 2003; Vrontis et al. 2009; Da Silva and Santos 2020), which would enable companies to carry out standardisation of their marketing mix strategies in the country of origin and that of the destination. Finally, the contingency strategy consists of companies conducting a mixed standardisation and adaptation strategy (Vrontis and Thrassou 2007; Vrontis et al. 2009). These studies have led to establishing which is the level of adaptation, depending on the different marketing mix variables and, as Da Silva and Santos (2020) have synthesised from their review of the literature, it is shown that the less adapted are quality, design and features related to the product; whereas distribution was the most adapted factor. This leads us to centre our study, particularly on channel adjustment.

The decision to export (export propensity) is a strategic decision for a firm, and it is different from the decision to determine the extent to which the firm is involved in exporting (export intensity), which depends on how the firm manages the process once it has decided to export (Ganotakis and Love 2012). Therefore, different resources may be needed to accomplish these two decisions.

We think it is not always realistic for the company to assume that all markets are globalised and that a standardisation strategy will prove fruitful. The product-market adjustment concept explains how the product is adapted (price, distribution, channels). This adaptation depends on the company's experience in its marketing and the characteristics of its positioning to enter foreign markets, its supply chains, the characteristics of its clients, suppliers and the institutional context. These are the key factors of internationalisation (Erdil and Özdemir 2016; Deaza et al. 2020; Vanegas-López et al. 2020;). Companies select markets taking into account the segments that they are targeting, the products and/or services and the price at which they offer them, the channels they use and the potential customers to whom they aim their campaign (Papadopoulos and Martín 2011; Górecka and Szałucka 2013; Vanegas-López et al. 2020).

Companies prefer to enter markets that are highly attractive and have low market risk, in which they can enjoy a competitive advantage (Górecka and Szałucka 2013; Vanegas-López et al. 2020). They select markets taking into account the segments that they are targeting, the products and/or services and the price at which they offer them, the channels they use and the potential customers to whom they aim their campaign (Papadopoulos and Martín 2011; Górecka and Szałucka 2013; Vanegas-López et al. 2020). To date, research on the degree of adaptation of the product has generated contradictory results. Some authors found a positive relationship between the adjustment of the product to the local market and export performance (Cavusgil and Zou 1994; Calantone et al. 2006;), while others found that better results can be obtained with standardised products (Christensen et al. 1987; Zou et al. 1997). For example, Calantone et al. (2006), in a study in which three countries were compared, found that export performance is positively related to product adaptation. Zou et al. (1997) analysed the positive and negative aspects of standardisation and considered that the main benefits were related to cost savings and distribution, whereas the negative aspects included that in order for standardisation to be taken into account, there are some conditions that must be achieved, such as the existence of a global market segment or synergies.

When the firm has selected the market to enter, it must decide on the channel it is going to use to deliver its products. The lack of knowledge origin firms might have about the destination markets, as well as the lack of the resources needed, might determine the channel used for exporting. Those firms with insufficient resources or insufficient knowledge of the market prefer indirect exporting (Peng and Ilinitch 1998;

Hessels and Terjesen 2010), as it allows them to interact with intermediaries who help them cover the gaps the company has in this field, although it can also increase export costs. On the other hand, direct export is the preferred export channel for those companies with clear competitive advantages from their country of origin (Hessels and Terjesen 2010).

In the case of the Spanish wine industry, Fernández-Olmos et al. (2024) concluded that no evidence shows whether these wineries obtain better performance using direct or indirect export channels. The results of their study with a sample of Spanish wineries showed that although prices were higher when using indirect export, there were no differences between the two channels in terms of export volume, value, diversity, and satisfaction.

According to this literature review, we propose the following hypotheses:

H_1: The export channel adjustment to the destination market increases the export propensity of the Spanish wineries.

H_2: The export channel adjustment to the destination market increases the export intensity of the Spanish wineries.

Sample and variables. As mentioned in the introduction, this study aims to expand upon previous research that analysed the export performance of Spanish wine companies (Ferrer et al. 2022; Serrano et al. 2023). These studies were based on a survey conducted in 2016, targeting all wineries in Spain. However, a gap remained in understanding how the analysis and adjustment to destination markets influenced export performance. Therefore, this study, which can be considered a longitudinal extension of the previous research, gathers more comprehensive information about both origin and destination markets. To achieve this, new surveys were necessary, encompassing not only the wineries but also the characteristics of the destination markets.

The study uses two surveys that study the wine industry in Spain and the selection of export markets conducted by the authors in 2020 and the Vinitrac survey conducted by Wine Intelligence for the years 2019 and 2020. The development of our own survey was carried out within the framework of the European project VINCI Interreg-Sudoe (http://vincisudoe.eu), whose objective was to generate a web application to support the exporting decisions of small and medium-sized companies in the southwestern area of the European Union. The survey results were used to create a product market adjustment matrix to evaluate the alignment of a winery's product with the characteristics of the destination market.

First, a survey was conducted among all the companies in the wine sector. (code 1102 of Spain's National Registry of Economics Activities 2009), during the years 2020 and 2021. The content of the survey was developed by the authors of this article, but it was discussed within the framework of the VINCI project. This discussion involved academics from four universities, as well as stakeholders from the wine industry [see the Electronic Supplementary Material (ESM)]. The information on the target wineries was supplemented with data from wineries belonging to various Protected Designation of Origin (PDOs) in Spain and the business performance database (SABI 2017). After sending the questionnaire by email, a follow-up was conducted with two telephone reminders. 351 valid surveys were obtained, which is 14% of the sample (2 540).

For the characterisation of the destination markets, the Vinitrac survey conducted by Wine Intelligence for the years 2019 and 2020 was used, which provided information from 22 countries. In order to expand the number of countries, a second survey was conducted among importers from different export destination countries. The database was part of the information from the VINCI_SUDOE project and was sent via email, followed by a phone call. The survey was conducted during 2020 and 2021, resulting in a total of 227 responses. Thus, incorporating the survey of importers and the Vinitrac data allowed us to characterise consumer behaviour in 49 countries. The 49 destination markets represent more than 90% of the exports of the wine industry in Spain. Combining the three databases with 351 wineries and 49 destinations gave rise to a maximum possible series of 17 199 observations. As will be explained further in the definition of variables, the novel element that links the three databases – wineries (Survey 1) and destination markets (Survey 2 and Vinitrac) – was made possible by the shared questions across all three datasets. The representativeness of the sample is reflected in Tables 1 and 2, which display a sample distribution close to that of the universe of Spanish wineries.

The measurement of exports was carried out by calculating the volume exported in thousands of EUR. Our variable of interest, in line with the objective mentioned above, was the channel adjustment to the destination market. A multiplicative variable was created with information about the companies which were asked about their experience in selling their products in hotels, bars and restaurants; supermarkets, hypermarkets, department stores, discount stores or similar;

Table 1. Wineries in Spain, according to the number of employees (Dec 2019) and their percentages, compared to the wineries in the sample.

Source		Type of company					Not available	Total
		micro (< 10)	small (10–49)	medium (50–249)	larger than 250	larger than 50		
SABI	N	2 224	517	71	4	75	0	2 816
	% of total	78.9	18.3	2.5	0.2	2.7	0	100
Survey	N	246	84	14	0	14	7	351
	% of total	71.5	24.4	4.0	0.0	4.0	0.02	100

Source: Author's own elaboration based on our survey of Spanish wineries and SABI database (SABI 2017)

Table 2. Wineries in Spain, according to the income of sales in 10^6 EUR (Dec 2019) and their percentages, compared to the wineries in the sample

Source		Type of company				Not available	Total
		micro (< 2)	small (2–10)	medium (10–50)	larger than 50		
SABI	N	2 005	379	108	18	306	2 816
	% of total responses	79.9	15.1	4.3	0.7	–	–
Survey	N	183	37	15	1	115	351
	% of total responses	77.5	15.7	6.3	0.4	–	–

Source: Author's own elaboration based on our survey of Spanish wineries and SABI database (SABI 2017)

online sales platforms; direct orders from the winery; and other intermediaries. Furthermore, in the destination countries, importers or consumers were asked, in the Vinitrac survey, how important these same channels were for selling wine.

The model included different control variables characterising tangible and intangible firm resources following Dunning (1980). They were technical and financial resources (Barney 1991), marketing resources and network resources (Boehe 2013).

To verify if our results are robust, we proposed a second model in which we consider that export performance was not mainly determined by channel adjustment but rather by the other three common adjustments considered in the marketing strategies of the firms: adjustment in price, adjustment in positioning, and adjustment in product knowledge. Our objective was to verify whether, in this new model, channel adjustment remains a determining factor.

Therefore, a multiplicative variable was created with information about the companies that were asked to provide information about the price at which they sold their products in three price bands. Furthermore, in the destination countries, importers or consumers were asked what price bands the consumers preferred.

Also, a multiplicative variable was created with information drawn from the survey conducted among the wineries, which were asked to identify the five most important elements that they considered motivated consumers to buy wine (country of origin, grape variety, brand recognition, promotional offers, recommendations from friends, family, critics, store staff and finally price positioning). Moreover, in the destination country, the importers or consumers were asked how important the following parameters were in the purchase decision of the consumers in the market in which they operated: country of origin of the wine, grape variety, promotions, brand recognition, recommendations from different agents and, finally, price.

Finally, for the adjustment in the product knowledge in the destination markets, the winery was asked which denomination of origin it belonged to, and in the destination country, the importers or consumers, in the Vinitrac survey, were asked about their degree of knowledge of this denomination of origin.

All the marketing strategy variables are the same in the survey for both the destination and origin markets. The variables considered, along with their description and construction, are presented in Table 3. This table also indicates their sources.

The variables of resources evaluated the position of the company with respect to its competitors, and values were classified on a scale from 1 (much weaker

Table 3. Description of the variables

Variable	Own survey on wineries, own survey on importers and Vinitrac	Description of the construction variable
Export	volume of sales in EUR in each country.	volume of sales in each country
Channel adjustment	channel % of sales (wineries) or buys (consumers) in each place; places: a) hotels, bars, restaurants. b) supermarket, hypermarket, big store, discounter, duty free… c) wine shop d) Internet. f) wine producer's cellars; Scale: 1) none; 2) 0–24.9%; 3) 25–49.9%; 4) 50–74.9%; 5) > 75%.	If the two answers to the same question for wineries and importers coincide in option and percentage, they generate 1, if they do not coincide, they generate 0.
Techno_resources: state-of-the-art equipment and facilities; effective and efficient production department; production volume advantages; experience advantages	evaluates the position of the winery in technological resources with respect to the competition with a response scale from 1 to 5 Likert Scale	
Marketing_resources: market knowledge; control and access to distribution channels; advantageous relationships with distributors; number of consumers who know and/or have tried your products	evaluates the position of the winery in marketing resources with respect to the competition with a response scale of 1 to 5 Likert Scale	1 = much weaker than the competition; 2 = weaker than the competition; 3 = same as the competition; 4 = stronger than the competition; 5 = much stronger than the competition
Financial_resources: easy access to credit and bank loans; financing on own resources; long-term financing of the company	evaluates the position of the winery in financial resources with respect to the competition with a response scale of 1 to 5 Likert Scale.	
Network_resources: group of strategic relations that companies have with their customers, distributors, suppliers, competitors and other legal entities	evaluates the position of the winery in network resources with respect to the competition with a response scale of 1 to 5 Likert Scale	
Positioning adjustment	Your clients' reasons for electing or reasons of consumers to buy (14 items) Options: a) country of origin (France, Spain, Portugal; b) grape variety (cabernet, grenache,..); c) promotional offer; d) brand they are aware of; e) recommendation by friend or family; f) region of origin; g) appeal of the bottle and/or label design; h) whether or not the wine has won a medal or award; i) recommendations from shop staff or shop leaflets; k) recommendation by wine critic or writer; l) taste or wine style descriptions displayed on the shelves or no wine labels; m) alcohol content; n) wine matches or compliments food; o) price Scale: 1) none; 2) 0–24.9%; 3) 25–49.9%; 4) 50–74.9%; 5) > 75%.	If the two answers to the same question for wineries and importers coincide in option and percentage, they generate 1, if they do not coincide, they generate 0.
Price adjustment	What type of wine do you produce or consume? 1) economic (< 8 EUR), 2) commercial-premium (8–13 EUR), 3) premium (> 13 EUR) Scale: 1) none; 2) 0–24.9%; 3) 25–49.9%; 4) 50–74.9%; 5) > 75%.	If the two answers to the same question for wineries and importers coincide in option and percentage, they generate 1, if they do not coincide, they generate 0.

Table 3 to be continued

Variable	Own survey on wineries, own survey on importers and Vinitrac	Description of the construction variable
Knowledge adjustment	Region of origin production or awareness among consumers; % of knowledge of wine-producing regions 0) none; 1) 0–24.9%; 2) 25–49.9%; 3) 50–74.9%; 4) > 75% Options: a) Aragón (Cariñena, Calatayud, Campo de Borja, Somontano), b) Castilla La Mancha (La Mancha, Valdepeñas, Jumilla, Mentrida, Manchuela, Ribera del Jucar, Ucles) c) Catalonia, d) Cava, e) Navarra, f) Ribera del Duero, g) Rioja, h) Rueda	If the two answers to the same question for wineries and importers coincide in option and percentage, they generate 1, if they do not coincide, they generate 0.

Source: Author's own elaboration

than the competitor) to 5 (much stronger than the competitor). Table 4 shows the descriptive statistics of the variables and available data. The matrix of Spearman correlations in Table 5 did not reveal multicollinearity problems.

Econometric model. Heckman-Probit model was used in a two-stage estimation procedure (Heckman 1979). Two equations were estimated. The first equation employed a probabilistic model to analyse the factors influencing the firm's export decision. The second equation examined the determinants of export intensity, defined as the percentage of export sales relative to total sales. The models were tested using the Heckman methodology. The first equation was estimated using a probabilistic model (Probit).

$$D_i^{\exp} \begin{cases} 1(\text{export}) \rightarrow P(D_i = 1) = \\ \quad = f(\text{channel adjustment} + \\ \quad + \text{control variables}) \\ 0(\text{no export}) \text{ otherwise} \end{cases} \quad (1)$$

The dependent variable (D_i^{exp}) is a dummy variable that takes the value 1 if firm i exported and 0 otherwise.

Two models were developed. In the first one, only the channel adjustment was included in order to observe its specific effects (see Results and discussion). In the second model, all of the adjustments were considered jointly (see Results and discussion). In both models, we conducted the estimation for the entire sample of wineries, as well as specifically for those that exported directly more than 25% of their sales. The rationale behind this was that when exports are primarily conducted through intermediaries, the knowledge of sales channels may be limited or insufficient.

The second stage (2), examined the determinants of export intensity.

Model 1:

$$\begin{aligned} \text{Export intensity}_i = {} & \beta_1 \text{channel adjustment}_i + \\ & + \beta_2 \text{technological resources}_i + \\ & + \beta_3 \text{marketing resources}_i + \\ & + \beta_4 \text{network resources}_i + U_i \end{aligned} \quad (2)$$

Table 4. Descriptive statistics

Variable	Observations	Mean	SD	Minimum	Maximum
Export	17 101	21.353	144.447	0.00	9 000.00
Channel adjustment	17 101	1 043.919	1 560.848	0.00	12 187.50
Positioning adjustment	17 101	16.134	12.791	0.00	56.00
Price adjustment	17 101	19.284	25.894	0.00	137.50
Knowledge adjustment	10 924	1.7209	0.778	0.75	4.00
Techno_resources	16 366	3.059	0.866	1.00	5.00
Marketing_resources	16 464	2.750	0.971	1.00	5.00
Network_resources	16 317	2.958	0.841	1.00	5.00
Financial_resources	16 415	2.979	0.906	1.00	5.00

Source: Author's own elaboration based on Stata software, 2016

Table 5. Spearman correlations for each of the independent variable used

Variables	Export	Adjustment channel	Adjustment positioning	Adjustment price	Adjustment knowledge	Technological resources	Marketing resources	Network resources	Financial resources
Export	1	–	–	–	–	–	–	–	–
Adjustment channel	0.1524	1	–	–	–	–	–	–	–
Adjustment positioning	0.0394	0.1146	1	–	–	–	–	–	–
Adjustment price	−0.0034	0.2731	0.0883	1	–	–	–	–	–
Adjustment knowledge	−0.0901	0.0597	−0.0063	0.1565	1	–	–	–	–
Technological resources	0.1068	0.1255	0.116	0.0056	−0.0263	1	–	–	–
Marketing resources	0.11	0.1675	0.0682	−0.0039	−0.0572	0.3649	1	–	–
Network resources	0.1459	0.1772	0.1171	−0.0098	−0.0525	0.3991	0.5876	1	–
Financial resources	0.0791	0.0892	0.1401	−0.007	0.0268	0.3682	0.2865	0.3835	1

Source: Author's own elaboration

Model 2:

$$
\begin{aligned}
Export\ intensity_i = {} & \beta_1 channel\ adjustment_i + \\
& + \beta_2 positioning\ adjustment_i + \\
& + \beta_3 price\ adjustment_i + \\
& + \beta_4 knowledge\ adjustment_i + \\
& + \beta_5 technological\ resources_i + \\
& + \beta_6 marketing\ resources_i + \\
& + \beta_7 network\ resources_i + U_i
\end{aligned}
\tag{3}
$$

where: U_i – error term.

In the second stage, the dependent variable, export intensity, was calculated as the volume of export sales in EUR. This metric has been extensively utilised in the literature. Within the context of the Heckman model, the use of an exclusion variable is often necessary; thus, financial resources was selected. This variable influences the decision-making process but not the intensity measure. Our tests confirmed that this variable had a significant effect in the probit equation but not in the regression component. In this case, the model has also been estimated for the entire sample as well as for the wineries that utilise intermediaries the least.

RESULTS AND DISCUSSION

Table 6 presents the results of the two models analysed (probability of exporting with uncensored data and intensity of the exports with censored data) with our interest variable, the channel adjustment variable, and the control variables. In the model that explains export propensity and the model that explains export intensity, channel adjustment displayed statistical significance and a positive effect for the entire sample and for the wineries that utilise intermediaries the least for exporting. The impact on exports, probability, and intensity of a good channel adjustment was higher when wineries exported more directly. The results in this first stage of the research revealed the importance of channel adjustment between the origin and destination.

In the first stage, when performing a post-estimation to study the marginal effects of each explanatory factor, channel adjustment was shown to be less important than other types of factors, such as technical or network resources. However, in the second stage, when explaining export intensity, they maintain their positive effect, while other factors lose it (see, for instance, network or marketing resources). In any case, technical resources were also shown to be more important.

Table 6. Product-market adjustment for export probability and intensity four specific models

Explanatory variables	Channel adjustment model			
	(full sample)		(low share intermediates)	
d_export (selection equation)	coefficient	SD	coefficient	SD
Channel adjustment	0.0001***	7.76E–06	0.0002***	8.31E–06
Tech_res	0.0528***	0.0480	0.0180	0.0179
Markt_res	0.0058	0.0143	0.0180	0.0178
Network_res	0.1214***	0.0174	0.1525***	0.0219
Finan_res	0.0296**	0.0141	0.0488**	0.0177
Constant	−1.5284***	0.0530	−1.5941***	0.0642
Export (regression equation)	coefficient	SD	coefficient	SD
Channel adjustment	0.0199***	0.0030	0.0402***	0.0153
Tech_res	21.5908***	6.3853	13.9752*	8.1027
Markt_res	−9.6571	6.3064	11.7073	8.1613
Network_res	6.9010	7.4912	35.5628	24.356
Constant	32.4531	42.992	−518.4899	350.33
Number of observations	16 170		10 927	
Censored observations	12 544		8 409	
Uncensored observations	3 626		2 518	
Wald χ² (4)	27.58		12.11	
Probability > χ²	0.000		0.016	

*, **, *** 10%, 5% and 1% of statistical significance, respectively
Source: Author's own elaboration

Table 7. Product-market adjustment for export probability and intensity general model

Explanatory variables	Channel adjustment model			
	(full sample)		(low share intermediates)	
d_export (selection equation)	coefficient	SD	coefficient	SD
Channel adjustment	0.0001***	7.76E–06	0.0001***	9.59E–06
Positioning adjustment	0.0023*	0.0013	0.0009	0.0015
Price adjustment	−0.0006	0.0005	−0.0004	0.0006
Knowledge adjustment	−0.1597***	0.0182	−0.2009*	0.0220
Tech_res	0.0470***	0.0180	0.0090	0.0006
Markt_res	0.0069	0.0179	0.0228	0.0218
Network_res	0.1391***	0.0209	0.1279***	0.0260
Finan_res	0.0072	0.0176	0.0333	0.0213
Constant	−1.1441***	0.0755	−0.9952***	0.0919
Export (regression equation)	coefficient	SD	coefficient	SD
Channel adjustment	0.0201***	0.0036	0.0041*	0.0233
Positioning adjustment	0.4123	0.6143	0.6094	0.8237
Price adjustment	0.1698	0.2355	0.2469	0.3071
Knowledge adjustment	14.7721*	9.0398	−100.92*	56.079
Tech_res	23.1822***	7.9256	11.5441*	10.4031
Markt_res	−10.6740	7.9100	22.2040	12.2902
Network_res	5.8011	9.2329	31.3755	39.3563
Constant	−12.2859	54.831	−511.8857	548.82
Number of observations	10 357		7 143	
Censored observations	7 620		5 188	
Uncensored observations	2 737		1 955	
Wald χ² (7)	57.19		13.16	
Probability > χ²	0.000		0.068	

*, **, *** 10%, 5% and 1% of statistical significance, respectively
Source: Author's own elaboration

Table 7 presents the results of the two analysed models when we included the other three possible marketing adjustments in the same econometric model. The results show how the channel adjustment influenced the probability of export (see positive coefficient and the intensity of exports ($P = 0.000$). This result is robust for all types of models developed (Tables 6 and 7). Therefore, hypotheses H_1 and H_2 were validated.

Furthermore, in order to present more robust results, we checked the results with exports to two subsamples: exports to richer countries and to countries poorer than Spain (Table 8). The results were corroborated in the analyses disaggregated by subsamples, and

the channel adjustment increased the probability and intensity of exports to both types of countries.

Table 9 presents a summary of the channel adjustment and the results for the hypotheses considered,

Table 8. Product-market adjustment for export probability and intensity

Explanatory variables	Low-income countries		High-income countries	
d_export (selection equation)	coefficcent	SD	coefficcent	SD
Channel adjustment	0.0001***	0.0000	0.0001***	8.33E–06
Tech res	0.1060***	0.0246	0.0279	0.0187
Markt res	−0.0137	0.0241	0.0169	0.1813
Network res	0.0547***	0.0291	0.1391***	0.0220
Finan res	0.0245	0.0233	0.0329*	0.0179
Constant	−1.715***	0.0887	−1.4420***	0.0669
Export (regression equation)	coefficcent	SD	coefficcent	SD
Channel adjustment	0.0136***	0.0041	0.0217***	0.0041
Tech res	4.7762	8.9996	31.0379***	8.3356
Markt res	5.2653	8.2472	−16.8369*	8.2475
Network res	0.6319***	9.7653	9.8865**	9.8974
Constant	44.7080	90.0344	23.7852	50.8249
Number of observations	6 600		9 570	
Censored observations	5 514		7 030	
Uncensored observations	1 086		2 540	
Wald χ^2 (7)	11.73		42.94	
Probability > χ^2	0.0194		0.0000	

*, **, *** 10%, 5% and 1% of statistical significance, respectively; low-income countries = GDP lower than that of Spain in 2021; high-income countries = GDP higher than that of Spain in 2021

Source: Author's own elaboration

Table 9. Hypotheses contemplated and their validation

Channel adjustment	Effect	
	H_1 (probability to export)	H_2 (export intensity)
Table 6	+++	+++
Table 7	+++	++
Table 8	+++	+++

Effect +++ for $P < 0.05$; ++ for $P \leq 0.10$

Source: Author's own elaboration

which were validated. Regarding the resources, we can observe that the technological resources had a positive effect on the probability of export and the export intensity; marketing resources had no effect on either the probability to export or the export intensity; network resources had a positive effect on the probability to export, but their effect disappeared in export intensity; finally, financial resources had no effect on the probability to export

CONCLUSION

The scenario faced by wineries, with the intense internationalisation process, the digitalisation of distribution and technological change, means that the resources and skills based on knowledge are key factors for companies. Along these lines, our study placed special emphasis on the extent of knowledge concerning international markets, as in Serrano et al. (2023), and the adjustment of the product to them as a source of international opportunities. We analysed the relationship between the channel adjustment, the probability of export and the intensity of these exports. A representative sample of 351 Spanish wineries and importers and consumers of 49 countries was used to do this. This work complements the study by Ferrer et al. (2022) on the importance of the strategies employed by Spanish wineries and their combinations for the growth of wine exports, using data from 2016.

The results showed that the channel adjustment increased the probability of export and the intensity of exports. That is, the probability that a winery exported in the studied years was higher if the channel adjustment was adequate. Therefore, the wineries that did not achieve this adjustment had a lower probability of exporting. In addition, the channel adjustment also increased the winery's export intensity, that is, the proportion of its production that was destined for the foreign market. This result was robust for all types of models developed. Consequently, both H_1 and H_2 have been validated by our results.

The study highlights the importance of the channel knowledge of the winery to the selected destination market. This adjustment increased the probability of entrance into new markets. This adjustment facilitates the success of the company as it standardises its marketing policies and obtains economies of scale in this respect (Erdil and Özdemir 2016; Deaza et al. 2020). Therefore, the adjustment in the channel seemed to present a robust positive effect for different stages of export. Although it seems obvious, the results reveal how it is necessary to understand consumer behaviour in the destination markets before embarking on an export venture (Papadopoulos and Martín 2011).

Concerning the resources, the importance of technological resources was confirmed, with a positive effect on the export propensity and intensity of the company. Internationalisation requires companies to be able to access the appropriate resources, possess specialised management resources and exploit economies of scale in order to be able to assume the additional costs necessary to sell in foreign markets (Walters and Samiee 1991).

The study also showed the importance of network resources in export success, as previously mentioned, when referring to knowledge adjustment based on the denomination of origin. The importance of the PDOs in the life of the wineries has been indicated as being highly relevant in export success in other studies based on data from 2016 (Ferrer et al. 2021; Serrano et al. 2023), which emphasised the importance of belonging to domestic collaboration networks in the internationalisation process of companies (Montoro-Sánchez et al. 2018).

We believe we have taken the first step in analysing how wineries seek to enter international markets and intensify their exports. A future line of research could involve a deeper exploration of the impact of other marketing strategies (positioning adjustment, price adjustment, and knowledge adjustment). We also aim to explore the impact of innovation on export strategies.

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