

Globalization in the U.S. Wine Industry: Implications for Export Service Providers

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Abstract

In the Spring of 2000, questionnaires regarding the export assistance needs of all 1012 wineries in California, Oregon, Washington and Idaho were mailed. These surveys, one for current exporters and one for non-exporters, were based upon over 25 in-depth interviews with wine industry executives as well as public and private sector export service providers. Each questionnaire included a section specifically designed to identify and prioritize the assistance needs of exporting and non-exporting wineries. The robust 24% return rate enhances the validity of the survey results.

The purpose of this research effort is to provide export service providers with an empirically-based analysis of the exporting needs of wineries so they can improve the effectiveness of their export assistance programs to enhance the global competitiveness of US wineries. Results suggest that managers in exporting wineries see great value in “advanced” export assistance needs. Managers of non-exporting wineries place the highest value on more “fundamental” export assistance. Non-exporters and new exporters place higher value on assistance in finding distributors than experienced exporters. Lastly, venues in which there is an opportunity to network with experienced exporters is seen as a valuable assistance tool by both exporting and non-exporting wineries.

Introduction

The US wine industry is in the midst of a radical transformation which will dramatically alter its competitive landscape. Until a few years ago, the US wine industry was largely a domestic market, with some imports from France, Italy and Spain competing with US wineries. Recently however, imports have risen to 20% of the US market share, which is seven percentage points above where it was in 1995 (Love, 2000). This has been fueled particularly by the tremendous gains in the market share made by Australian and Chilean wines in the US market.

The forces of globalization in the US wine industry have arrived as evidenced by 1) the increasing level of industry consolidation (e.g. Foster's, an Australian beverage company, recently acquired Beringer, a well known California winery), 2) a maturing and increasingly competitive domestic market and 3) the move to a more professional (versus family) style of management for many US wineries. The February 2000 naming of Lewis Platt (former Chairman and CEO of Hewlett Packard) as CEO of Kendall-Jackson winery in Napa Valley provides an appropriate example. How effectively the US wine industry transforms itself into a strong global player is yet to be determined.

This research effort will examine the export assistance needs of exporting and non-exporting US wineries. The purpose of this research agenda is to provide public and private sector export service providers with an empirically-based analysis of the exporting needs of wineries so they can improve the effectiveness of their export assistance programs to enhance the global competitiveness of US wineries.

The US domestic market has grown from a retail value of \$12.2 billion in 1995 to \$18.2 billion in 1999, however, the US market share of importers has also grown during the same period. For example, during 1995-1999, Australia and Chile increased the value of their exports to the US by 243% and by 152% respectively. Since 1995, the unfavorable balance of trade for wine in the US has increased by 78% (Wine Institute 2000).

In terms of international markets, wine is produced commercially in over 60 countries. While each wine producing country's domestic market consumes much of the wine they produce, overall 23% (by volume) of the wine is exported to international markets. The leading wine producers include the 'old world' wineries in France, Italy and Spain and these three countries are also the leading exporters. 'New world' producers, such as the US, Australia, Chile, Argentina and South Africa have been making production and export inroads globally over the past few decades. Illustrative market shares of the world export market by various countries in 1999 are presented (IVIE International 2000):

<u>WINE PRODUCING COUNTRY</u>	<u>VOLUME SHARE OF WORLD EXPORT MARKET</u>
Italy	25.3%
France	25.1
Spain	15.7
United States	4.2
Chile	3.5
Portugal	3.4
Australia	3.0
Others	19.8
TOTAL	100%

The US has only 4.2% (by volume) of the world export wine market, while producing 8% (by volume) of the wine produced in the world (Wine Institute, 2000). Please see Exhibit 1 for a profile of US exporting wineries compiled from survey data. Furthermore, the US wine industry exports only 13% of the wine it produces, while other countries have more intensely developed their export markets. For example, France, Italy and Spain all export more than 25% of the wine they produce, Australia exports over 40% and Chile over 80% of their production (Wines and Vines, July 1999). One might posit accurately that these countries export more intensively because of the small size of their domestic market. In fact, this need for them to focus on winery sales growth through exporting makes these countries even more dangerous competitors in the US market.

A continued focus on the domestic market may place the US wine industry at a long-term disadvantage in developing the requisite skills for competing in the increasingly competitive global market place. Moreover, there is also a geopolitical dimension to be considered. Tariffs and trade barriers play a pivotal role in obstructing US wineries' access to various country markets. As these barriers are reduced under the auspices of the World Trade Organization, greater export opportunities will open up. US wineries must be positioned competitively to exploit these new opportunities. Thus, for defensive and offensive strategic reasons, many wineries need to develop and sharpen their export skills now. Public and private sector export service providers can play an integral and important role in improving winery export performance. The results of this empirical study will provide recommendations for assistance providers to help them develop more effective export service programs to better serve the US wine industry.

Literature Review

A number of empirical studies (Moini 1998, Kotabe and Czinkota 1992, Howard and Herremans 1988, Kedia and Chhokar 1986) have explored the efficacy of export assistance programs, implicitly offering guidance to export assistance providers regarding the allocation of their resources and the content of their programs. Key aspects of these studies are portrayed in Table 1.

A number of the studies found that export assistance needs vary by stage of export development (Moini 1998, Kotabe and Czinkota 1992), leading them to conclude that government assistance programs need to be developed and targeted based on whether firms are non-exporters, low level, moderate level or high level exporters. Both Moini (1998) and Kedia and Chokar (1986) found low levels of awareness of export assistance programs, implying that public assistance providers are not doing an adequate job of promoting their programs. Usage of export assistance programs was very high for firms that were aware of the services. Kotabe and Czinkota (1992) found that assistance providers were not targeting their resources consistent with the export assistance needs of firms and Howard and Herremans (1988) found that successful exporters did not find government assistance providers to be particularly helpful.

These studies have focused on small and medium-sized manufacturers across many different industries. As a result, the applicability of the findings to a single manufacturing industry is unclear. As pointed out by Moini (1998):

Unfortunately, small and medium sized manufacturing firms do not constitute a single homogeneous group. Therefore, it is essential that policy-makers fully understand the kinds of differences that occur among them if they are to provide programs that effectively move these firms into successful exporting. (p.1)

One way to obviate the problem of designing generic export promotion programs for heterogeneous firms is to target specific industry sectors. The former editor of the *Journal of International Marketing* noted that "...given this diversity of approaches to globalization, it is important for researchers to carry out investigations that target specific industries" (Cavusgil 1997, p.3).

Dess, Ireland and Hitt (1990) present the use of single industry studies as one method to control for potential industry effects and they cite research studies that used this method successfully. The major limitation with single industry studies is that they lack generalizability. However, since the purpose of this research effort is to assist public and private sector export providers design more effective export promotion programs within the US wine industry, this lack of generalizability is not problematic.

In their analysis of public sector export promotion programs, Cavusgil and Yeoh (1994) recognize the importance of focusing on specific target clients to design effective export programs. They state:

...the government also could design export assistance programs tailored to the needs of particular industries...export promotion officials are discovering that by focusing their assistance on selected sectors more tangible results can be expected (p.80).

This conclusion was also supported by Moini's (1994) study of government agency export assistance programs which they summed up by noting "These findings suggest that export assistance programs should be designed and carried out with clear target audiences in mind." (p.76). Thus, a research design utilizing a single industry approach was used because of the high level of intra-industry reliability of the findings that it engenders.

Research Methods and Data Collection

Separate survey questionnaires for exporting and non-exporting wineries were used to collect the study data. Based on over 25 field interviews with wine industry owners and managers, export personnel and industry association executives, along with a review of the relevant literature, a survey instrument was designed, developed and pre-tested.

A directory of US wineries compiled annually by Wines & Vines was used to generate the sampling frame. A list of all the wineries in California, Oregon, Washington and Idaho was compiled. These 1012 wineries accounted for well over 95% of the wines produced and exported by US wineries. In March of 2000, questionnaires were mailed to all 1012 wineries. Wineries were classified as exporters if they had exported in the 'past three years'. Thirty-four surveys were returned as undeliverable, resulting in a reduced sampling frame of 978 wineries. Thus, the number of usable returned surveys was 238, representing 103 non-exporting and 135 exporting wineries which results in a robust 24% response rate.

This questionnaire included a section asking winery managers to indicate the extent to which they would value various forms of export assistance, as follows:

If outside assistance was being offered by industry trade associations, public sector organizations (e.g. Commerce or Agriculture Department) or local universities, please indicate the degree to which your winery would value the following export services:

- 1 = Very low level of value to my winery
- 2 = Low level of value to my winery
- 3 = Average level of value to my winery
- 4 = High level of value to my winery
- 5 = Very high level of value to my winery

- a) Assistance in finding appropriate distributors or agents to sell your wine in export markets.
- b) Opportunities to participate in foreign trade shows.
- c) Opportunities to participate in wine tastings in export markets.
- d) A databank pertaining to wine distributors or agents in export markets.
- e) Information about consumer wine preferences in specific export markets.
- f) Information about overall wine market size and growth rates in specific export markets.
- g) Information about competitors' products and prices in specific export markets.
- h) Information regarding competitors' promotional activities in specific export markets.
- i) Opportunities to learn about the export experiences of other wineries.
- j) Assistance in assessing readiness to export.
- k) Training in the basics of exporting (e.g. letters of credit, documentation).
- l) Assistance in developing an export strategy and plan.
- m) Understanding business practices and cultures in specific country markets.

The survey data were analyzed in two ways. First, the rank order and mean score indicating the perceived importance of each of the 13 export assistance needs, as determined by winery managers, of exporting and non-exporting firms are discussed. Second, tests of significance were conducted to determine if there were differences in the perceived value of the 13 export assistance needs based upon an analysis of :

- 1) exporting versus non-exporting wineries.
- 2) level of satisfaction with current export program.
- 3) years of export experience.

Results and Recommendations

This section will present the results and discussion of the data analysis regarding the export assistance needs reported by managers of exporting and non-exporting US wineries. Specific recommendations for export service providers to the wine industry are also proffered based upon this data analysis.

Export Assistance Needs of Current Exporters

Information regarding competitors, consumers and distributors/agents in specific export markets represent six of the seven most highly valued export assistance needs of exporters. Exhibit 2 presents the rank order and mean score for each of the 13 export assistance needs as perceived by the 135 wine exporters who responded to the survey.

While interest in learning from other exporting wineries rated highest (and will be addressed later in this paper), the exporter's need for competitor, consumer and distributor/agent information, "advanced" export needs, dominated the next six highest rated export assistance needs as each had a mean score of 3.32 and greater (1 = low, 5 = high perceived value) and are presented below:

- 1) Information about competitors' products and prices in specific export markets.
- 2) Information about consumer wine preferences in specific export markets.
- 3) A databank pertaining to wine distributors or agents in specific export markets.
- 4) Information about overall wine market size and growth rates in specific export markets.
- 5) Information regarding competitors promotional activities in specific export markets.
- 6) Assistance in finding appropriate distributors or agents to sell your wine in export markets.

The results of this study strongly support the efficacy of the creation and development of a database containing competitor, consumer and distributor information as a critical success factor in efforts by wine industry export service providers, both public and private, to assist wineries in their future export endeavors. Moreover, it is recommended that this set of six information needs become part of the framework of any planned database of export-related information. In constructing such a database it is critical to collect and disseminate the most useful data available and these survey results present

specific information needs which managers of current wine exporters believe is most valuable to them to increase the effectiveness of their export endeavors.

Export Assistance Needs of Non-Exporters

Perhaps not surprisingly, managers of non-exporting wineries placed high value on 11 of the 13 export assistance needs that were evaluated as each had a mean score of 3.22 and greater (1 = low, 5 = high perceived value). These highly valued export assistance needs fall into two sets of “fundamental” and “advanced” export service needs.

Training and assistance in understanding the fundamentals of developing a successful winery export program are perceived as valuable needs. Exhibit 3 presents the rank order and mean score for each of the 13 export assistance needs as perceived by the 103 wineries that are not currently exporting. Six of their most highly rated assistance needs can be considered as components of a “fundamentals” of exporting set of needs. In order of perceived value they are:

- 1) Training in the basics of exporting (e.g. letters of credit, documentation).
- 2) Assistance in finding appropriate distributors or agents to sell your wine in export markets.
- 3) Assistance in developing an export strategy plan.
- 4) Information about consumer wine preferences in specific export markets.
- 5) Assistance in assessing readiness to export.
- 6) Understanding business practices and cultures in specific country markets.

The export assistance findings of this study provide a clear message that non-exporting wineries desire assistance in training in understanding the fundamentals of developing a successful exporting program. It is recommended that export service providers direct resources to further support the development of such export assistance programs for non-exporting wineries. These programs should address all of the six “fundamentals” of exporting set of needs empirically identified and perceived as valuable by managers of non-exporting wineries.

A second set of four “advanced” export assistance needs for non-exporters also emerged as having high value. This set of export assistance needs focuses on foreign market and competitor information requirements. In order of perceived value they are:

- 1) Understanding business practices and cultures in specific country markets.
- 2) Information about overall wine market size and growth rates in specific country markets.
- 3) Information about competitor’s products and prices in specific export markets.
- 4) Information regarding competitor’s promotional activities in specific export markets.

Similar to their export-experienced counterparts, managers of non-exporting wineries also see a need for foreign market and competitive information. Thus, export service providers to the wine industry could be of great benefit to both exporters and non-exporters by dedicating resources to address these foreign market and competitive information needs which are so highly valued by all winery managers.

Export Assistance Need Common To All Wineries

“Opportunities to learn of the export experience of other wineries” was rated as the most valuable need for exporters and the second most valuable assistance need by managers of non-exporting wineries. There certainly would be great benefit to hear about the successes and problems experienced by wine industry peers in their export endeavors. Exporting wineries represent a wealth of cumulative experience that could help other US wineries go further down the export learning curve at a much faster rate. While some wineries may be reluctant to share any aspects of their export experience in a public forum, evidence suggests they will be in the minority. Furthermore, sharing does not have to be at the level of proprietary information. For example, descriptions and stories regarding labeling issues, documentation, how to go about finding distributors, problems encountered in certain export markets, etc. are all helpful to new and experienced exporters.

US wineries are now realizing they are in intense competition with the wine industries in other producing nations, and thus their US counterparts can be viewed as allies and a resource in the fight for global market share. International trade service providers need to provide support and direction for the creation of forums where exporters and potential exporters can get together. These forums will foster synergistic benefits for participating wineries in the form of learning, skill building and in the development of strategic alliances. It is important to note that exporting wineries, including the ones that said

they had successful export programs, were among those survey respondents who were most interested in learning from other exporting wineries. This suggests that they would also be willing to share their experiences in the appropriate setting.

Tests of Significance

The export assistance needs of exporters were tested against the export assistance needs of non-exporting wineries to determine if there were significant differences between these two groups of the US wineries. The results of this significance testing are presented in exhibit 4.

The significant results ($P \leq .05$) that emerged from this analysis was consistent and supports the prior results comparing the mean scores and rank order of the 13 export assistance needs between exporters and non-exporters. Non-exporting winery managers rated three “basic” export assistance needs as of significantly higher value than managers of exporting wineries. These needs in order of perceived importance to non-exporters are:

- 1) Training in the basics of exporting (e.g. letters of credit, documentation).
- 2) Assistance in developing an export strategy and plan.
- 3) Providing assistance in assessing readiness to export.

Also consistent with the prior analysis is the result that managers of both exporting and non-exporting wineries place high value on the “advanced” assistance need regarding

“Information about competitors’ promotional activities in specific export markets”.

Although both exporters and non-exporters rated this need as having high value (3.62 versus 3.25) the exporters rating was found to be significantly ($P \leq .05$) higher.

The export assistance needs of exporting wineries were also examined in relation to their years of experience as exporters. The results of this significance testing are presented in exhibit 5. Significant results ($P \leq .10$) emerged regarding three of the export assistance needs. Two of the “basic” assistance needs, “Training in the basics of exporting” and “Assistance in developing an export strategy and plan” were rated as less valued assistance needs as export experience increased. In fact, exhibit 5 indicates that after five years of exporting, these two assistance needs were of no real value to winery managers.

Conversely, the “advanced” export assistance need of having “Information regarding competitors’ promotional activities in specific export markets” was rated significantly ($P \leq .10$) and progressively higher as export experience increased. Thus, the longer you export the more you value this assistance need. These results regarding export assistance needs and export experience also are consistent with the prior analysis of the assistance needs of the exporters and non-exporting wineries. That is, the less export experience you have, the more value is placed on “basic” assistance needs and the more export experience you have, the more value that is placed on “advanced” assistance needs.

Finally, the export assistance needs of exporting wineries were examined in relation to their satisfaction with their current export program. The results of this significance

testing are presented in exhibit 6. The significant ($P \leq .10$) results that emerged from this analysis was also consistent and supports the prior results comparing the mean score analysis of the 13 export assistance needs between exporters and non-exporters. Exhibit 6 shows that winery managers of exporting firms with low levels of satisfaction with their current export program rated four “basic” assistance need as being significantly ($P \leq .10$) more important than their exporting counterparts who had higher levels of satisfaction with their export program. These findings are almost parallel to the prior results which indicated that non-exporters place highest value on more “basic” (rather than “advanced”) export assistance needs. The export assistance needs rated as having high value are presented below in order of their perceived value:

- 1) Assistance in finding appropriate distributors or agents to sell your wine in export markets.
- 2) Training in the basics of exporting (e.g. letters of credit, documentation).
- 3) Understanding business practices and cultures in specific country markets.
- 4) Assistance in developing an export strategy and plan.

Overall, the significance testing which examined the export assistance needs of exporters and non-exporters, those with export experience and also with their level of satisfaction with their current export program all provide additional support to the prior analysis of the 13 export assistance needs. That is, non-exporters and more recent exporters, along with exporters who are dissatisfied with their current export program, all place high value on more “basic” type of export assistance needs. Moreover, the more experience that a

winery has in export markets, the higher the value they place on more “advanced” export assistance needs.

Conclusions

The forces of globalization have arrived in the US wine industry as we continue in the new century. The competitive landscape has radically and rapidly changed as no longer is it largely a domestic industry with little global competition. Wineries from countries in the “old world” like France, Italy and Spain continue to increase their international export efforts. Likewise, “new world” wine producing countries, Australia and Chile in particular, have proven to become formidable international players in the wine industry. These exporters currently account for 20% of the US wine market share which is more than double what it was ten years ago. Furthermore, the domestic market is maturing and US wineries need to look globally to countries that have double-digit growth potential for their future growth.

The purpose of this research agenda was to better understand the export assistance needs of US wineries so public and private export service providers to this industry can improve the effectiveness of their export assistance programs. This in turn, will enhance the global performance of US wineries in an increasingly competitive environment.

Currently, ten US wineries account for approximately 90% of all exports (Wine Institute, 2000) yet hundreds more wineries currently have a small export program or wish to enter the global marketplace. Export service providers can play an integral and important role

in assisting many of these wineries develop and enlarge their current international trade efforts. This empirically-based study of the exporting needs of wineries provides export service providers needed directions and recommendations for developing more effective export assistance programs.

One major advantage of this study is that it utilizes a single-industry research design. Previous studies attempting to help export service providers included firms from a wide array of industries, thus results of those studies cannot be applied to the wine industry with the high level of confidence and validity attained by this study. The lack of inter-industry generalizability inherent to this design is not problematic given the purpose of assisting service providers in developing more effective export assistance programs for the US wine industry.

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TABLE 1**PARTIAL LITERATURE REVIEW**

Study	Industry	Firm Size	Sample Size	Findings
Moini (1998)	Manufacturers	Less than \$50m in sales	62 non-exporters 49 exporters	Low level of awareness of export programs. Awareness and effectiveness of government. export assistance programs varies by degree of internationalization.
Kotabe and Czinkota (1992)	Manufacturers	Average sales \$140m	162 exporters	Found a gap between exporters' priority assistance requirements and the level of government assistance allocated. Problems faced by exporters and types of assistance desired varies by stage of export development.
Howard and Herremans (1988)	Manufacturers	Less than \$10m in sales	101 successful exporters	Most important activities for success in exports are (1) selecting agents / distributors and (2) maintaining agent / distributor relations. Successful exporters did not rate government assistance providers as being helpful.
Kedia and Chokar (1986)	Food processors and machinery manufacturers	Less than \$50m in sales	49 exporters 47 non-exporters	Low level of awareness of export programs but high level of participation among those that were aware.

EXHIBIT 1**PROFILE OF EXPORTING WINERIES**

<u>Years in Business</u>	<u># of Firms</u>	<u>% of Firms</u>
Five or less	11	8.3%
6-10	19	14.3
11-15	23	17.3
16-20	30	22.5
20+	<u>50</u>	<u>37.6</u>
TOTAL	133	100%

<u>Winery Size (Cases)</u>	<u># of Firms</u>	<u>% of Firms</u>
5,000 or less	31	23.5%
6,000 - 10,000	15	11.4
11,000 - 25,000	27	20.4
26,000 - 100,000	24	18.2
101,000 - 1 million	26	19.7
1 million+	<u>9</u>	<u>6.8</u>
TOTAL	132	100%

<u>Years Exporting</u>	<u># of Firms</u>	<u>% of Firms</u>
5 or less	37	29.3%
6 - 10	36	28.6
11 - 15	34	27.0
15+	<u>19</u>	<u>15.1</u>
TOTAL	126	100%

EXHIBIT 1 (Continued)

PROFILE OF EXPORTING WINERIES

<u>% of Revenue from Exports 1999</u>	<u># of Firms</u>	<u>% of Firms</u>
2% or less	35	27.8%
3 - 5%	37	29.4
6 - 10%	30	23.8
10%+	<u>24</u>	<u>19.0</u>
TOTAL	126	100%
<u># of Countries Exported To</u>	<u># of Firms</u>	<u>% of Firms</u>
1	20	15.7%
2 or 3	31	24.2
4 - 10	41	32.0
10+	<u>36</u>	<u>28.1</u>
TOTAL	128	100%
<u>% of Wines Sold from Own Vineyards</u>	<u># of Firms</u>	<u>% of Firms</u>
0	14	10.7%
1 - 25	21	16.0
26 - 50	32	24.4
51 - 75	16	12.2
76 - 99	25	19.1
100	<u>23</u>	<u>17.6</u>
TOTAL	131	100%

EXHIBIT 2

RATINGS OF EXPORT ASSISTANCE NEEDS: EXPORTERS

Types of Assistance	Mean Rating
Opportunities to learn about the export experiences of other wineries.	3.70
Information about competitors' products and prices in specific export markets.	3.62
Information about consumer wine preferences in specific export markets.	3.61
A databank pertaining to wine distributors or agents in specific export markets.	3.55
Information about overall wine market size and growth rates in specific export markets.	3.47
Information regarding competitors promotional activities in specific export markets.	3.32
Assistance in finding appropriate distributors or agents to sell your wine in export markets.	3.32
Opportunities to participate in wine tastings in export markets.	3.13
Understanding business practices and cultures in specific country markets.	3.13
Training in the basics of exporting (e.g. letters of credit, documentation).	3.04
Opportunities to participate in foreign trade shows.	2.86
Assistance in developing an export strategy and plan.	2.77
Providing assistance in assessing readiness to export.	2.76

1 = Low perceived value

5 = High perceived value

EXHIBIT 3

RATINGS OF EXPORT ASSISTANCE NEEDS: NON-EXPORTERS

Types of Assistance	Mean Rating
Training in the basics of exporting (e.g. letters of credit, documentation).	3.76
Opportunities to learn about the export experiences of other wineries.	3.75
Assistance in finding appropriate distributors or agents to sell your wine in export markets.	3.61
Assistance in developing an export strategy and plan.	3.51
Information about consumer wine preferences in specific export markets.	3.50
Providing assistance in assessing readiness to export.	3.47
A databank pertaining to wine distributors or agents in specific export markets.	3.39
Understanding business practices and cultures in specific country markets.	3.35
Information about overall wine market size and growth rates in specific export markets.	3.35
Information about competitors' products and prices in specific export markets.	3.25
Information regarding competitors promotional activities in specific export markets.	3.22
Opportunities to participate in wine tastings in export markets.	2.92
Opportunities to participate in foreign trade shows.	2.85

1 = Low perceived value

5 = High perceived value

EXHIBIT 4

EXPORT ASSISTANCE NEEDS: EXPORTER VS. NON-EXPORTER

Type of Assistance	Exporters n = 132	Non-Exporters n = 96	F Value
Assistance in finding appropriate distributors or agents to sell your wine in export markets.	3.32	3.61	2.30
Opportunities to participate in foreign trade shows.	2.86	2.85	0.01
Opportunities to participate in wine tastings in export markets.	3.13	2.92	1.71
A databank pertaining to wine distributors or agents in specific export markets.	3.55	3.39	0.93
Information about consumer wine preferences in specific export markets.	3.61	3.50	0.56
Information about overall wine market size and growth rates in specific export markets.	3.47	3.35	0.61
Information about competitors' products and prices in specific export markets.	3.62	3.25	4.92 **
Information regarding competitors' promotional activities in specific export markets.	3.32	3.22	0.34
Opportunities to learn about the export experiences of other wineries.	3.70	3.75	0.10
Providing assistance in assessing readiness to export.	2.76	3.47	19.50 ***
Training in the basics of exporting (e.g. letters of credit, documentation).	3.04	3.76	17.82 ***
Assistance in developing an export strategy and plan.	2.77	3.51	17.94 ***
Understanding business practices and cultures in specific country markets.	3.13	3.35	1.92

Significant at $\leq .01$ ***

Significant at $\leq .05$ **

Significant at $\leq .10$ *

1 = Low perceived value

5 = High perceived value

EXHIBIT 5

EXPORT ASSISTANCE NEEDS: EXPORTING EXPERIENCE

Type of Assistance	Years Exporting				F Value
	0 - 5 n = 35	6 - 10 n = 36	11 - 15 n = 34	16+ n = 19	
Assistance in finding appropriate distributors or agents to sell your wine in export markets.	3.86	3.00	3.21	3.00	2.88 **
Opportunities to participate in foreign trade shows.	2.81	2.92	2.79	3.11	0.35
Opportunities to participate in wine tastings in export markets.	3.08	3.03	3.09	3.58	1.15
A databank pertaining to wine distributors or agents in specific export markets.	3.75	3.64	3.50	3.37	0.54
Information about consumer wine preferences in specific export markets.	3.71	3.58	3.74	3.53	0.25
Information about overall wine market size and growth rates in specific export markets.	3.37	3.42	3.74	3.58	0.86
Information about competitors' products and prices in specific export markets.	3.44	3.71	3.74	4.00	0.98
Information regarding competitors' promotional activities in specific export markets.	2.97	3.47	3.38	3.83	2.47 *
Opportunities to learn about the export experiences of other wineries.	3.53	3.75	3.88	3.63	0.76
Providing assistance in assessing readiness to export.	3.11	2.58	2.71	2.58	1.51
Training in the basics of exporting (e.g. letters of credit, documentation).	3.44	3.08	2.71	2.74	2.51 *
Assistance in developing an export strategy and plan.	3.22	2.53	2.71	2.47	2.54 *
Understanding business practices and cultures in specific country markets.	3.11	3.00	3.06	3.58	1.30

Significant at $\leq .01$ ***

Significant at $\leq .05$ **

Significant at $\leq .10$ *

1 = Low perceived value

5 = High perceived value

EXHIBIT 6

EXPORT ASSISTANCE NEEDS: SATISFACTION WITH EXPORT PROGRAM

Type of Assistance	Satisfaction with export program			
	Low n = 46	Medium n = 43	High n = 43	F Value
Assistance in finding appropriate distributors or agents to sell your wine in export markets.	3.70	3.28	2.95	3.20 **
Opportunities to participate in foreign trade shows.	2.89	2.79	2.91	0.12
Opportunities to participate in wine tastings in export markets.	3.13	3.02	3.23	0.36
A databank pertaining to wine distributors or agents in specific export markets.	3.80	3.57	3.33	1.83
Information about consumer wine preferences in specific export markets.	3.71	3.65	3.47	0.58
Information about overall wine market size and growth rates in specific export markets.	3.61	3.38	3.42	0.55
Information about competitors' products and prices in specific export markets.	3.73	3.70	3.41	0.88
Information regarding competitors' promotional activities in specific export markets.	3.42	3.45	3.07	1.29
Opportunities to learn about the export experiences of other wineries.	3.83	3.72	3.56	0.73
Providing assistance in assessing readiness to export.	3.02	2.67	2.56	1.82
Training in the basics of exporting (e.g. letters of credit, documentation).	3.37	2.88	2.84	2.43 *
Assistance in developing an export strategy and plan.	3.09	2.79	2.42	3.29 **
Understanding business practices and cultures in specific country markets.	3.33	3.21	2.84	2.32 *

Significant at $\leq .01$ ***
 Significant at $\leq .05$ **
 Significant at $\leq .10$ *

1 = Low perceived value
 5 = High perceived value