Exploring the determinants of wine export performance

Analyzing the importance of non-economic performance

Exploración de los determinantes de los resultados de las exportaciones de vino

Análisis de la importancia de los resultados no económicos

Structured Abstract (en)

Purpose: The wine sector is a growing industry with an important share of the revenue resulting from export markets. Due to its cultural nature, wine exporting requires specific firm and managerial capabilities. As such, traditional approaches to the factors influencing export performance must integrate the specificities of wine as a product.

Design/methodology/approach: This study, based on a sample of 93 wine producers, develops and tests, using structural equation modeling, specifically the partial least squares method, a conceptual model of the influence of internal factors, external factors, and partner relationship capabilities in export performance.

Findings: Results reveal that internal factors and partner relationships have an impact on the firm's noneconomic performance which influences economic performance. It is also shown by the results that external factors do not affect the noneconomic performance or economic performance. Moreover, the results show the moderation effect of the noneconomic variable. Internal factors and relationship capabilities have an impact on economic performance throw the mediation effect of the noneconomic performance. Overall, firms' internal factors and relationship capabilities are crucial to achieving a better export performance for Portuguese wine companies.

Originality/value: This study combines the theories of SCP, RBV and Relational or behavior perspective to present a novel approach to export performance by analyzing the external and internal dimensions of the firm in relation to both financial and non-financial performance.

Structured Abstract (es)

Objetivo: El sector vitivinícola es una industria en crecimiento con una parte importante de los ingresos procedentes de los mercados de exportación. Debido a su naturaleza cultural, la exportación de vino requiere unas capacidades empresariales y de gestión específicas. Por ello, los enfoques tradicionales de los factores que influyen en los resultados de la exportación deben integrar las especificidades del vino como producto.

Diseño/metodología/enfoque: Este estudio, basado en una muestra de 93 productores de vino, desarrolla y pone a prueba, mediante un modelo de ecuaciones estructurales, concretamente el método de mínimos cuadrados parciales, un modelo conceptual de la influencia de los factores internos, los factores externos y las capacidades de relación con los socios en los resultados de exportación.

Resultados: Los resultados revelan que los factores internos y las relaciones con los socios influyen en los resultados no económicos de la empresa, que a su vez influyen en los resultados económicos. Los resultados también muestran que los factores externos no afectan al rendimiento no económico ni al rendimiento económico. Además, los resultados muestran el efecto de moderación de la variable no económica. Los factores internos y las capacidades de relación tienen un impacto en el rendimiento económico que arroja el efecto de mediación del rendimiento no económico. En general, los factores internos y las capacidades de relación de las empresas son cruciales para lograr un mejor rendimiento de las exportaciones de las empresas vitivinícolas portuguesas.

Originalidad/valor: Este estudio combina las teorías de SCP, RBV y la perspectiva relacional o de comportamiento para presentar un enfoque novedoso del rendimiento de las exportaciones, analizando las dimensiones externas e internas de la empresa en relación con el rendimiento financiero y no financiero.

Keywords: Export Performance; Partner Relationship; Internationalization; Non-economic Performance.

JEL codes: L21; L22; Z31

Management area: Marketing

1. Introduction

In the past decade, it is obvious the growing interdependence of the world's economies, cultures, and population, brought about by cross-border trade in goods, services, people, and information. The International Monetary Fund (IMF) identified four fundamental aspects of globalization: trade and transaction, capital and investment movements, migration and movement of people, and disseminating knowledge. It is essential for firms to remain competitive, follow the world trend, and become global or international. The most used strategy by firms to become international is exportation (Leonidou and Katsikeas, 2010). Based on this idea of a global world, we decided to study the principal factors influencing firms' international performance.

Portugal is a country of strong wine tradition, with excellent wines recognized worldwide, with numerous awards and distinctions won in international competitions. Nowadays, Portugal is the 9th biggest exporter of wine, the 11th biggest wine producer, and the 3rd country with the most consumption per capita of wine globally (Viniportugal, 2022). In the last year, wine exports exceeded 820 million euros, representing an increase of 2,5% compared with the previous year. This growth is mainly due to a price gain of 2,5%, given that the volume had a marginal growth of 0,3% (Viniportugal, 2022).

Export performance has always been a central topic in International Business. It is widely studied by numerous authors and is an area of great interest for marketing and business managers. Many studies approach export performance over the past years, but there is no consensus concerning its conceptualizations and measurement. The literature evidence that export performance is a strategic response by management to the interplay of internal and external forces (Cavusgil and Zou, 1994; Rock & Ahmed, 2014). These authors also establish that export performance is defined as the extent to which a firm's objectives, both economic and strategic, concerning exporting a product into a foreign market, are achieved by planning and executing export marketing strategy (Cavusgil and Zou, 1994). One of the most important factors that impact export performance is the export marketing strategy (Cavusgil and Zou, 1994) and firm-specific characteristics (Diamantopoulos and Schlegelmich, 1994). It is also true that in our modernized world, new competitors appear more often, old competitors change their strategies frequently, and firms need to keep up with these changes in the market. International marketing and export performance literature have been encouraged to be theoretically driven.

Despite the number of theories used by different researchers, there are three theoretical paradigms used most often: the structure-conduct-performance (Cavusgil and Zou, 1994), the resource-based view of the firm (Morgan et al., 2004), the relational or behavioral perspective (Styles et al., 2008). To answer the question of which factors influence the export performance in Portuguese wine companies, we create a model based on the three theories above. We identified three factors: firms' internal characteristics, external factors, and partner relationship capabilities. Then, we divided export performance into non-economic performance (the establishment and maintenance of the stakeholders in the foreign markets (Lages et al., 2009)) and into economic performance (the extent to which firms achieve their results to their competitors in terms of sales, sales revenue, profitability, market share, etc. (Morgan et al., 2004)). A significant number of studies approach theoretical models of export performance like Cavusgil and Nevin, 1981; Cavusgil and Zou, 1994; Morgan et al., 2004, etc. However, despite the research effort in identifying and examining the influence of export performance and its determinants, the literature is characterized by fragmentation and diversity, hindering theory development and practical advancement in the field. (Sousa et al., 2008).

Despite the extensive literature about international marketing and export performance, the connection between non-economic performance and economic performance, and the relationship between relational capabilities and firms' and market characteristics are underexplored. This research aims to provide a conceptual framework in which we identified which are the most important factors that influence export performance and how they do that influence. To achieve these objectives, we conducted a quantitative study based on survey data from 93 wine companies to test the influence of the internal and external factors and the partner relationship in the export performance. The sample was tested by mean of a variance-based structural equations modeling.

Our results illustrate how the internal characteristics, the external factors, and the partner relationship capabilities influence economic and non-economic performance. It is also shown in the study the mediator effect of the non-economic performance variable in the economic performance of the Portuguese wine companies. In line with these research aims, we started with a research context where we contextualize the wine market in Portugal and the current situation of exports in this specific sector. Secondly, we will do an in-depth literature review, representing the main theoretical knowledge that is useful to understand and develop the conceptual model and the research hypothesis. The third step is to explain the methodology used to collect the sample, build the variables, and measure these variables. After gathering all the data from the questionnaire, we will analyze the results using the PLS method and interpret these results in light of our hypothesis. Then, we will discuss the results from the PLS and try to answer our research questions. Finally, we will conclude the results to explain our study's theoretical contribution, the managerial implications, and recommendations for future research.

2. Literature review

2.1. Concept and Determinants of Economic Export Performance

Export performance is a strategic response by management to the interplay of internal and external forces, defined as the extent to which a firm's objectives, both economic and strategic, concerning exporting a product into a foreign market, are achieved by planning and executing export marketing strategy (Cavusgil and Zou, 1994).

There are two broad theoretical approaches associated with the determinants of export performance, the resource-based paradigm and the contingency paradigm, that provide the basis to classify the determinants of export performance into two categories: internal factors, justified by the resource-based view theory (RBV), and external factors, justified by the contingency paradigm (Sousa et al., 2008). Contrarily to the RBV and dynamic capabilities approach explained in the previous topic, the contingency paradigm proposes that environmental factors influence the firm's strategies and performance and depend on the firm's specific context (Bouët, et al., 2017; Dias & Renato, 2017). The Cavusgil and Zou (1994) structure-conduct-performance frameworks explain this theory and are based on two premises. Pfeffer and Salancik (1978) premise states that organizations are dependent on their environments for resources. The second premise is that firms can manage this dependence by developing and implement appropriate strategies (Lessoua et al., 2020). In the contingency paradigm, exporting is considered a relationship between internal and external factors. (Robertson and Chetty, 2000). In conclusion, based on the dynamic capabilities approach and following export performance thoughts, the principal determinants of export performance are the internal factors like export marketing strategy, firms' characteristics and management characteristics, and external factors like foreign market characteristics and domestic market characteristics.

2.2. Internal Factors of Export Performance

Cavusgil and Zou reported that export marketing strategy is how a firm responds to internal and external forces' interplay to meet the export venture's objectives. Furthermore, Hoque et al. (2022) highlights the key importance of marketing capabilities in export performance. It involves all aspects of the conventional marketing plan, including product, promotion, pricing, and distribution (Cavusgil and Zou, 1994). Export marketing strategy is also a context-driven discipline and practice (Zinkhan and Hirschheim, 1992; Rock & Ahmed, 2014). Many factors moderate and mediate between marketing plans and programs and desired outcomes such as growth, loyalty, market share, and margins (Katsikeas et al., 2006). Based on this principle, in 2020, Seth created a chart that provides a typology of the international marketing context based on two factors: market scope and external forces. Furthermore, Dong et al. (2022) identified that innovation plays an important role on export performance in emerging markets.

Literature has acknowledged the firm's characteristics have an important factor that influences export performance. As Porter explains (1985), firm key assets and skills constitute sources of sustainable competitive advantage. The resources and capabilities of firms that influence export performance have been studied over time. Most studies indicate some independent variables of a firm's characteristics that influence exports: firm size, international experience, degree of internationalization, market orientation, organizational culture, and firm capabilities and competence (Sousa et al., 2008; Costa et al., 2022).

Management characteristics are another factor that can influence export performance (Cavusgil, 1984). For this reason, variations in export activity can not only be related to management characteristics (Leonidou et al., 1998) but also to organizational capabilities (Dias et al., 2021). Management commitment in exporting appears to be a necessary organizational ingredient to determine export success (Sousa et al., 2008). When managers are committed to the exporting process, they allocate the resources needed to successfully apply strategies that lead to sustained competitive advantage (Cavusgil and Zou, 1994; Etchebarne & Zapata, 2018). This is the most used variable in the literature to explain the importance of management characteristics in export performance. Other variables indicated by literature that can affect export performance are international experience, education, and innovation (Sousa et al., 2008).

In response, and considering the discussion of the internal factors, we propose:

H1a: There is a positive relationship between firms' internal factors and economic performance.

H1b: There is a positive relationship between firms' internal factors and non-economic performance.

H1c: Internal Factors has a positive relationship with economic performance mediated by non-economic performance.

2.3. External Factors of Export Performance

The external factors that are associated with export performance concern the environmental aspect that the firm are involved, the factors that the firm cannot control (Sousa et al.,2008). Foreign market characteristics are an important factor that companies should consider when they export to other countries. One of the factors that can influence export performance is the legal and political environment. This refers to the government intervention in the market that can affect the export operations of the firm. Laws and pressures from foreign governments can play a considerable role in export performance, reducing or increasing firm capacity and effectiveness (Cavusgil and Zou, 1994). Another essential factor to take into account foreign market characteristics is cultural similarity. If a market is culturally similar to the domestic market, it is easier for a firm to succeed (Lado et al.,2004). According to Lado et al. (2004), culturally similar markets reduce the risk of failure and motivate companies to enter these markets. On the other hand, culture dissimilarity often increases the difficulty in obtaining and processing information about foreign market conditions reducing exporters' ability to respond to the changing environment on time (Lee, 1998). Market competitiveness is also a fundamental determinant of export performance. There are many studies in this area that have different conclusions. O'Cass and Julian (2003) reported that lower competitiveness has a positive impact on export performance, while Morgan et al. (2004) found no link between market competitiveness and export performance. Contrary to these studies, Lages and Montgomery (2005) reported that market competitiveness positively influences export performance. Other factors that can influence export performance are environmental hostility, channel accessibility, and customer exposure (Sousa et al., 2008). In response and in light of the discussion of the internal factors we propose:

H2a: There is a positive relationship between firms' external factors and economic performance.

H2b: There is a positive relationship between firms' external factors and non-economic performance.

H2c: External Factors has a positive relationship with economic performance mediated by non-economic performance.

2.4. Partner Relationship Capabilities

Although the export literature typically proposes a direct relationship between product strategy and market characteristics with economic performance (Lages et al., 2009), we suggest another variable that influences firms' export performance. When firms build a solid relationship with the importers, it is easier to realize their products' full potential. (Ling-yee and Ogunmokun, 2001). This variable appears in the relational model of export performance context. For example, Kalinic and Brouthers (2022) found that firms that are fully aware about institutional distance obtain better performing export channels.

This relationship capabilities presented by firms will influence the non-economic performance in the foreign markets since it is considering a key capability for export relational performance (Hoque et al., 2022). They will also impact, associated with the economic performance in these markets, their export performance in general (Lages et al.,2009). "Relationship capabilities are a set are a set of intangible assets that reflect a series of interactions occurring between the interrelated parties involved in the export venture relationship—namely, the degree of importer involvement, communication quality of the relationship, long-term relationship orientation, and information sharing between the firm and customers." (Lages et al., 2009). These relational capabilities explained by Lages et al. in 2009 are a significant factor for better export performance because, by managing customer needs, firms increase their ability to generate tangible benefits, such as customer acquisition and retention (Krasnikiv and Jayachandran, 2008). In the export performance literature, the authors develop theories and empirical studies examining the importance of various dimensions of the exporter-importer relationships to performance (Styles et al., 2008).

According to Lages et al. (2005), relationship capabilities in exporting include the exporter's ability to share information, communicate and develop long-term relationships with importers and distributors. Brache et al. (2022) also recognizes the importance of research and development interfirm cooperation on export performance. When both parties are involved in problem-solving and can develop effective communication, it will increase the probability of reaching a mutually satisfactory solution (Ferrer et al., 2021). Later studies confirm that one of the benefits of a long-term commitment in a channel relationship is enhancing business performance (Weitz and Jap, 1995). Greater cooperation between exporters and importers/distributors leads to a better export performance (Racela et al., 2007). In 1992, Larson explained how and why the long-term orientation in a business relationship leads to performance-enhancing operational and strategic integration. "More specifically, this integration can manifest in behaviors and attitudes that lead to better and more efficient decision making, long-term planning, product development in response to local customer needs, knowledge sharing, and the integration of logistics systems" (Lages et al.,2009). Based on these investigations lead by the presented authors, we think it is crucial to add the partner relationship capabilities to measure the export performance of the Portuguese wine companies. As such we hypothesize:

H3a: There is a positive relationship between firms' partner relationship and economic performance.

H3b: There is a positive relationship between firms' partner relationship and non-economic performance.

H3c: Partner Relationship has a positive relationship with economic performance mediated by non-economic performance.

2.5. Measuring Export Performance

To quantify export performance, the literature uses two types of different measures: The firm's economic and the non-economic performance (Katsikeas et al.,2000). In this study, we will follow the Lages, Silva, and Styles (2009) approach and use both types of export performance measures. The economic measures are defined by the extent to which firms achieve their results to their competitors in terms of sales, sales revenue, profitability, market share, etc. (Morgan et al., 2004). The non-economic measures are defined by the establishment and maintenance of the stakeholders in the foreign markets. It can refer to the importer's loyalty, solid relationship with the exporters, consumers' satisfaction with the product, etc. (Lages et al., 2009). Thus:

H4: There is a positive relationship between non-economic performance and economic performance

3. Methodology

3.1. Participants

The sampling frame for this study consisted of 93 wine producers from a total of 810 wine producers registered in Viniportugal, a governmental organization of the agricultural ministry founded to promote Portuguese wines in the international markets. In total, the Instituto da Vinha e do Vinho, a governmental entity responsible for monitoring and helping all parts of the wine sector, count in 2019 about 2524 wine producers. Since the Portuguese wine market is very fragmented and composed of many small producers, and a significant part of these producers doesn´t have exportations or intends to export, we decided to follow the Viniportugal database (only composed by companies that export wine). Further detail regarding respondents is presented in appendix (Table 1A).

3.2. Measures

Validated scales were used to measure the five constructs presented in the structural model. The internal factors variable was measured as a high-order construct using Lages et al. (2009) seven-point scale, ranging from "strongly disagree" to "strongly agree." To calculate the internal factors, we divided them into three categories: the export marketing strategy, the firm characteristics, and the management characteristics (Sousa et al., 2008). As in the internal factors, the external factors were measured as a high-order construct using Lages et al., 2009 seven-point scale, ranging from “strongly disagree” to “strongly agree.” Like Sousa et al., 2008 shown in is paper, external factors are divided into foreign market characteristics and domestic market characteristics. In the foreign market characteristics, we identified four measures that could impact the export performance of firms: Legal and political interference, cultural similarity, market competitiveness, and channel accessibility (Sousa et al., 2008). Partner Relationship was measured as a higher-order construct, using Lages et al., 2009 scale, that includes four measures: importer involvement, communication quality of the relationship, and long-term relationship orientation. To measure the firms in terms of export performance, we first based on Morgan et al. (2000), where we divide export performance into two-measure: economic performance and noneconomic performance.

3.3. Procedures

The questionnaire, elaborated with the measures described previously, was pilot tested on a convenience sample of twenty wine companies. They were encouraged to give their comment and feedback on the questionnaire composition. In this first phase, we received ten responses to the questionnaire, and none of the respondents suggest any change in the questionnaire, so we proceed to the final survey. Three hundred of the top Portuguese wine producers, selected form a commercial list were contacted via email and phone. Data was collected between January and Mars 2022. Due to the fact of being difficult to reach this kind of firms, we followed a non-purposive sampling technique. We achieved ninety-three responses, where we have respondents from all the Portuguese wine regions, from companies with different sizes and operating in different markets.

To test our hypotheses a cross sectional data was obtained. To avoid the risk of common method bias several measures were adopted as suggested by Podsakoff et al., (2003) and Chang, Witteloostuijn and Eden (2010). The first procedure consisted of avoiding measures from a single source. Second, the questionnaire was designed to ask for demographics at the end. Third, we tested Harman's single factor by means of SPSS. The estimation showed that the variance of a single factor was 41.23%, below the 50% threshold value, revealing no common method bias (Podsakoff & Organ, 1986).

4. Results

To test the presented conceptual model, we used structural equation modeling (SEM), through partial least squares (PLS) by means of SmartPLS 3 (Ringle et al., 2015). To analyze and interpret the results, we first evaluated the reliability and validity of the measurement model. We will assess the measurement model quality by examining the individual indicators of reliability, convergent validity, internal consistency reliability, and discriminant validity (Hair et al.,2017). The PLS results showed that all items' standardized outer loadings were above 0.6, with a minimum value of 0.625, and were all significant at a $p<0.001$. These valuables provide evidence for individual indicator reliability (Hair et al., 2017). Based on table 1, internal consistency reliability was proven by the Cronbach alphas and composite reliability (CR) values that were higher than 0.6 and lower than 0.95 (Hair et al.,2018). Convergent validity was proven because all items loaded positively and significantly on their constructs, as shown before. The composite reliability (CR) values for all variables were above 0.7 and lower than 0.95 (Hair et al.,2018). In last, as shown in Table 1, the average variance extracted values for all constructs exceeds 0.5 (Bagozzi and Yi, 1988). The model discriminant validity was usually assessed using the Fornell and Larcker criterion. This criterion requires that the AVE square root (Table 1 – bold values shown on the diagonal) is higher than the biggest correlation with any construct. Table 1 shows that this criterion is satisfied for all constructs. But recent studies show that this criterion "does not perform well when indicators loadings on a construct differ only slightly" (Hair et al.,2018). To complement the Fornell and Larcker criterion, we used the heterotrait-monotrait ratio (HTMT) criterion (Henseler et al., 2015), which said that all HTMT ratios are lower than 0.90 (Hair et al.,2018). As table 1 shows, all HTMT ratios satisfied the criterion of discriminant validity.

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To check if collinearity exists, we analyze the VIF values of the model. The VIF values ranged from 1.369 and 2.789, which is lower than the critical value for collinearity of 5 (Hair et al., 2017). In fact, the ideal values that guarantee no collinearity problem should be lower than 3, which is proved by the VIF values of the model (Hair et al., 2018). To assess the structure model, we use the sign magnitude and significance of the structural path coefficients. To evaluate this, we used Stone-Geisser's Q^2 values for each endogenous variable (Economic Performance and Non-Economic Performance), which measure the model's predictive relevance (Hair et al., 2017). We also used the magnitude of R^2 for each endogenous variable as a measure of the model's predictive accuracy (Hair et al., 2017). The Q^2 values for the two endogenous variables (Economic Performance= 0.365; Non-Economic Performance= 0.166) were above zero, which according to Hair et al. (2018), indicates the predictive relevance of the model. The coefficient of determination R^2 for the two endogenous variables (Economic Performance = 51.2%; Non-Economic Performance= 26.9%) exceeded the limit value of 10% (Falk and Miller, 1992). To evaluate the significance of the parameter estimates, we used bootstrapping with 5000 subsamples.

4.1. Direct Effects

The results in Table 2 and Figure 1 show that Internal Factors have a non-significant effect on Economic Performance (β=0.22, p-value> 0.05) and have a significantly positive impact on Non-Economic Performance (β=0.33, p-value < 0.05). These results don´t support the H1a hypothesis and accept the H1b, respectively. External Factors has a non-significant effect on Economic Performance (β=0.07, p-value> 0.05) and has a non-significant effect on Non-Economic Performance (β=-0.05, p-value> 0.05). These results don´t support the H2a and H2b hypothesis, respectively. Partner Relationships have a non-significant effect on Economic Performance (β=-0.22, p-value> 0.05) and have a significantly positive effect on Non-Economic Performance (β=0.26, p-value < 0.05). These results don´t support the H3a hypothesis and accept the H3b, respectively. Non-Economic Performance has a significantly positive effect on Economic Performance (β=0.67, p-value < 0.05). This result supports the H4 hypothesis.

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Insert Fig 1 here

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4.2. Indirect Effects

To test the mediation hypothesis (H1c, H2c, H3c), we followed the Hair et al. (2017) method, where we used a bootstrapping procedure to test the significance of this mediation hypothesis. The results in Table 3 show the indirect effects of Internal Factors on Economic Performance via the mediator of Non-Economic Performance are significant (β=0.22, p value < 0.05). These results support the H1c hypothesis.

In the same hand the indirect effects of Partner Relationship on Economic Performance via the mediator of Non-Economic Performance are significant (β=0.17, p value < 0.05). These results support the H3c hypothesis. The indirect effects of External factors on Economic Performance via the mediator of Non-Economic Performance are non-significant, and by that the results don´t support the H2c hypothesis.

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5. Discussion

As explained in the literature review, internal factors are the intrinsic variables that the firm can control and can be divided into three categories: Export marketing strategy, Firms' Characteristics, and Management Characteristics (Sousa et al., 2008). Considering Economic Performance and Non-Economic Performance as our model outcomes for Export Performance, Internal Factors can be viewed as an important influence of Export Performance.

As mentioned in the Sousa et al. (2008) article, many studies used firms' internal factors as export performance determinants. For example, Zou and Stan (1998) and Cavusgil and Zou (1994) that identified that management commitment and support had been a critical factor to successful business performance. Also, many authors like Morgan et al. (2004) and O'Cass and Julian (2003) identified that Export Marketing Strategy is a crucial factor in export performance. While there is a clear recognition that this area is essential in export performance, we tried to understand how influential they are in the Portuguese wine companies and how they influence the export performance. Contrary to what we expected, the quantitative results of our study showed that there isn't a direct influence of the firm's internal factors on the economic performance in exports. On the other hand, there is a positive relationship between the firms' internal factors and non-economic performance. The most exciting result from our study was that the firms' internal factors influence economic performance via the mediator effect of the non-Economic performance construct variable. These findings went accordingly with the studies mentioned in the second paragraph and confirmed that Internal Factors are an important determinant for general export performance.

In the literature review, we mentioned external factors as the environmental aspect that the firm is involved in, the factors that the firm cannot control (Sousa et al.,2008). These factors can be divided into foreign market characteristics and Domestic Market Characteristics (Sousa et al., 2008). Considering Economic Performance and Non-Economic Performance as our model outcomes for Export Performance, External Factors can be viewed as an important influence of Export Performance.

The existence of trader barriers and legal regulation was found to significantly affect a firm's export performance (O'Cass and Julian, 2003). Lee (1998) concluded that cultural similarity is positively related to export performance, and later, Lado et al. (2004) reported that cultural similarity reduces the risk of failure in export ventures. Regarding the Domestic Market Characteristics, fewer studies research the effect of this determinant on export performance. Robertson and Chetty (2000) reported that, like in the foreign markets, less hostility in domestic markets leads to better export performance. Later, Lages and Montgomery (2005) studied the existence of a positive influence between sponsored government and non-government programs designed to assist firms' exports and export performance. Contrary to what we expected, our study's quantitative results showed that external factors don't directly influence Portuguese wine companies' economic and non-economic export performance. The results have also shown that there is no indirect effect of an external factor in the export performance. To conclude, our results, contrarily to the studies mentioned before, revealed that the Portuguese wine market doesn't impact the companies' export performance.

Following Lages et al. (2009) thoughts, we defined Partner Relationships capabilities as a set of intangible assets like the degree of importer involvement, the communication quality when implementing strategies in foreign markets, and the long-term relationships between the parties involved. These assets are rare and difficult to imitate, and for that reason, are critical to creating a sustainable competitive advantage. Lages et al. (2009) found that these partner relationship capabilities will positively influence the export performance. Other authors like Menon, Bharadwaj, and Howell (1996) studied the importance of communication quality of the business success relationships, which, translated to our theme, will impact economic performance. The long-term relationship and importer involvement were also verified as crucial to the business success by studies like Landazuri-Tveteraas, Asche and Straume (2021).

Our study's quantitative results, contrary to what we expected, shown that there isn't a direct influence of the firm's partner relationship capabilities on exports' economic performance. On the other hand, there is a positive relationship between the firms' relationship capabilities and non-economic performance. The most exciting result from our study was that the partner relationship capabilities influence economic performance via the mediator effect of the non-Economic performance construct variable. These findings aligned with the studies mentioned in the second paragraph and confirmed that partner relationship capabilities are an important determinant for export performance in general. The quantitative results of your study demonstrate a direct influence between non-Economic performance and Economic Performance, which confirms the findings of the Lages et al. (2009) study. It is also interesting to highlight the mediator effect of this variable in the firms' economic performance. As we demonstrate before, non-Economic performance mediates Internal Factors and Partners Relationship Capabilities in Economic Performance.

6. Conclusions

6.1. Theoretical contributions

This research's principal theoretical contribution focuses on the export performance of only one industry – the Portuguese wine industry, which can be considered an emergent economy. This goes according to Sousa et al. (2008) study, where they highlight that the impact of export performance in the emergent economies is not very much studied. With the proposed model presented in this study, we intend to highlight the most critical factors for Portuguese wine companies to have an effective export performance applying the three theoretical approaches to build the model (SCP model by Cavusgil and Zou, 1994; RBV of the firm by Morgan et al., 2004; Relational or behavior perspective by Styles et al.,2008). The main contribution of this study is to apply these three paradigms to a real industry. Based on this, the PLS results shown that in the Portuguese wine companies, the resource-based view and dynamic capabilities approach, and the relation/behavior perspective are the theoretical perspectives that better fit the Portuguese wine companies. The firm's internal factors and the partner relationship capabilities (associated with the relational/behavior perspective) were the variables that impact export performance.

Another contribution of this study is to understand how these factors influence export performance. In the literature review, we explained that export performance is divided into economic and noneconomic performance. This study evaluates how they are influenced by internal, external, and relationship factors. The first conclusion that we can take from the results is the absence of influence by external factors in both export performance dimensions, so this variable doesn't impact the Portuguese wine companies' performance. If we focus only on economic performance, contrary to what we expect, it isn't directly affected by none of the three mentioned factors. Moreover, economic performance is only affected directly by noneconomic performance. Despite the lack of direct relationships within the three variables, the study's most interesting conclusion is the indirect effect of internal factors and relationship capabilities in economic performance mediated through noneconomic performance, confirming the influence of these two variables in the export performance.

6.2. Managerial Implications

From a managerial perspective, to achieve a sustainable competitive advantage in the international markets, managers should focus their attention on the partner relationship capabilities and the firm's internal characteristics. Managers should focus their attention on maintaining long-term relationships with their importers, increasing communication quality by having a clear communication of strategies, and having continuous interaction with them. It is also essential that managers involve the importer in the company's strategy, maintain close contact with them during the implementation, and ask for feedback about the product. It is crucial to achieving a better export performance to build a network with the international partners to maintain continuous communication between the parties and involve the partners in the firm's strategies.

In terms of internal firms' characteristics, we could conclude that they have an important influence on non-economic and economic performance. Based on our findings, managers should focus their attention on creating and implement an effective exporting marketing strategy. Invest in the marketing mix strategy is an important factor to achieve a better export marketing strategy, so an effective marketing-mix (product, promotion, pricing and distribution) are crucial for the firm success in the international market. Firms also should be market oriented, which means that firms need to identify their customers' needs in each market to understand where they need to adapt the strategy and where they can standardize their export marketing strategy. Despite the less importance of the wine tourism effect than the other factors and the pandemic results in tourism in general, it still has some influence on export performance, and managers should take advantage of tourism to increase their export performance. The firm's and manager international experience and the manager's commitment and support in the export strategy are also important contributions to international success.

6.3. Limitations and Future Research

The use of a limited number of participants and extrapolating samples to populations arise the generalization question. The cross-sectional nature of this research's research nature also limits the ability to establish causality and temporal effects. Despite the effort to ensure variability in our sample, by enquiring companies with different dimensions in export numbers, we encourage further research in this area to increase the study's variability. We also use a non-probabilistic convenience sampling procedure for the survey, creating representativeness problems for the population under study.

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