Spanish wine in Sweden

Master Thesis
Spring Semester 2007

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ACKNOWLEDGEMENTS

First of all, we want to thank our supervisor, Per Nilsson, for his help during all the process of the Master Thesis because without him, we had not been capable to conduct this study.

We also want to thank all the respondents who have made our questionnaire since they have been important in our study.

Finally a special thanks to our respective families and friends, especially those from Umeå, since they have helped and supported us through this year.

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1st of June, 2007.
Umeå University, Sweden.

ABSTRACT

The new century has provoked the liberalization of the world economy and market globalization. International marketing has opened the borders for all countries, which can compete with the same competitive tools, increasing the rivalry among them. This thesis deals with the wine sector and the changes that this sector has suffered in previous years, due to the entrance of new producer countries and the recession that has been produced by European wines, called “Old World” producers.

In this study we will make an analysis of the Swedish wine market, describing how the different players act; from consumers to the special system of alcohol distribution that is controlled by the government, all the way to the producers and kinds of wine that compose the market.

Among the different wine producers we will make a thorough study of the Spanish case, given that we come from Spain, where the wine industry has a special relevance. Furthermore, Spain is one of the most important wine exporters to Sweden, but in the last years it has suffered a small decrease in its market share.

So apart from studying the current situation of the wine sector in Sweden and how consumers perceive the wine of “Old World” countries, such as France, Italy and Spain and “New World” countries, such as Australia, Chile and South Africa, our main objective is to make some strategic recommendations in order to improve the situation for Spanish wine.

The study will focus on a quantitative research through a self completion questionnaire, measuring the main features of wine (quality, price, nationality, etc.) and also on different theories that compose the marketing and strategic fields.

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1. INTRODUCTION

In this chapter we will give insight to the problem background by describing the wine from Spain and focusing on how the market growth and competitiveness in Sweden is. Then, since here we will try to make the statement of the problem and to identify our objectives to solve the problem.

1.1. Background

First of all we will define the wine to introduce a general view of this product and then start talking about the wine production in the world. "Wine is defined as a natural beverage that is obtained exclusively through total or partial alcoholic fermentation, from squeezed or not fresh grapes, or from grape juice"[1].

The most important wine producer countries on the world are France, Italy and Spain with a production share of 51.2%[2]. These countries are called "Old World" producers but now are coming into view new countries called "New World" producers. These countries are Argentina, South Africa, Australia and others that are obtaining an important production share on the world[3]. This sector demonstrates a massive competitiveness, since there are many actors in this setting and thus each country should make a continue review of its strategy.

Furthermore this happens in a crucial moment, where international wine market is in a continue change in the industry (whole beverage sector is professionalized and the big companies are expanding), distribution (big distribution channels are increasing their sales volume and the market is dominated by few number of agents), demand (current customers prefer wines of quality) and brands (it is a decisive factor for identifying one wine)[4].

Once given a briefly idea about wine and how the international market is we will focus on Spanish market. Spain has sixty-three appellations of origin. The most important ones are Jerez-Xéres-Sherry, Rioja, Ribeiro and Penedés[5]. Annual production of wine in Spain was 42,136 miles of hectolitres in 2004 with a growing of 3.38% over 2003[6]. Nevertheless the consumption of Spanish wine in the domestic market is decreasing because nowadays, this market is saturated since it is a mature product according to the life cycle[7]. So it is very important to maintain a good exporting strategy for selling Spanish wines.

Spain is trying to adjust to the new skills that are required for competing in global settings. Spain continues exporting an important quantity of wine to low prices; this trend has been notably increased in 2003, due to shortage of French and Italian wines[8].

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1 Law 24/2003, 10th of July, from vintage and wine in Spain – www.eurocare.org
2 www.winesfromspain.com
3 (2007). *El vino. Nuevo atlas mundial*- www.culturadelvino.org
4 Moguillansky, G., Salas, J.C., Cares, G. (2006) *Innovación en la industria del vino* – www.eclag.org (Comisión Económica para América Latina y el Caribe)
5 *España y sus vinos* – www.viavinum.es
6 www.winesfromspain.com
7 Del Rey, R., Manager of Spanish Wine Federation
8 Ibid.

However wine exports are not being up to the forecast level since this sector in Spain is not achieving the guidelines marked by the market that we have explained above.

The main countries where Spain exports are[9]:

- Germany: in 2004 sold 309,098.36 (thousand Euros) and it represents 20.23% of total exports for Spain.
- United Kingdom: 279,804.78 (thousand Euros) and 18.32% of total exports for Spain.
- United States of America: 145,398.77 (thousand Euros) and 9.52% of total exports for Spain.
- France: 127,198.03 (thousand Euros) and 8.33% of total exports for Spain.
- Netherlands: 74,093.29 (thousand Euros) and 4.85% of total exports for Spain.
- Sweden: 52,489 (Thousand Euros) and 3.44% of total exports for Spain.

So we have chosen Sweden for making a study of the wine sector in Spain and its exports because Sweden is a priority country for Spain (taking into account its relative size). In addition to this, Swedish Wine Market Volume (million litres) from 2000 to 2004 had an average growth of 6.3% and Market Volume Forecast for 2007-2009 will be an average growth of 4.6% per year[10].

Furthermore Sweden represents for Spain a high percentage of its sales (3.44%) on the abroad and also Spain is the leader of wine imports by Sweden (17.3% of market share in Sweden on 2005).We show it in the following chart[11]:

Graph 1: Systembolaget´s sales of wine

Systembolaget's sales of wine (ex. fortified wine), 1996–2005 (thousand litres)

Country	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	Share 2005	Percentage change 2005/2004
Spain	29 902	27 266	30 633	32 501	30 288	31 379	31 439	27 454	23 996	23 840	17.3%	-0.6 %
Italy	12 013	15 454	14 826	15 344	17 498	21 250	28 627	28 311	23 106	22 473	16.3%	-2.7 %
South Africa	2 297	2 747	3 086	3 555	4 494	5 527	5 999	11 172	15 184	19 679	14.3%	29.6 %
Australia	6 334	5 028	3 827	4 692	5 601	5 817	7 287	11 011	13 666	14 768	10.7%	8.1 %
France	9 487	11 490	13 263	14 281	15 728	16 676	18 487	18 639	15 069	13 952	10.1%	-7.4 %
Chile	4 962	5 206	4 697	6 265	7 788	10 143	12 165	12 586	12 527	11 018	8.0%	-12.0 %
USA	5 661	5 917	5 101	5 468	4 825	4 254	4 345	5 110	8 329	9 304	6.8%	11.7 %
Germany	9 785	8 679	8 299	8 462	8 634	8 179	7 631	7 040	6 537	6 395	4.6%	-2.2 %
Hungary	2 059	1 859	1 661	2 108	2 592	3 821	5 846	6 310	5 785	5 613	4.1%	-3.0 %
Portugal	2 380	2 697	3 371	4 108	4 051	3 088	1 960	2 275	3 126	3 328	2.4%	6.5 %
Argentina	425	607	1 050	1 011	1 139	855	634	891	1 137	2 200	1.6%	93.5 %
Bulgaria	2 963	2 746	3 022	2 461	2 352	2 391	1 999	1 461	1 453	2 141	1.6%	47.4 %

Source: Systembolaget

At the same time, this chart shows how Spain maintains its leadership position in Sweden in 2005, but how their sales in thousand litres were in 2005, 24% lower than in

[9] www.winesfromspain.com
[10] Datamonitor (2006). *Wine in Sweden, p. 10,17*
[11] www.systembolaget.se

2001. These data demonstrate how the "New World" countries are emerging (South Africa, Australia, Chile and others) and how Spanish wine firms need to adjust to the new global skills for this market.

Several theories can be used to analyse the situation of a specific sector, in this case the wine sector; one of them is the consumer behavior. Regarding to the wine consumption and in order to know the reasons why some countries are decreasing the wine export rate to Sweden, is important to take into account the consumer behavior, since finally they are the ones who buy the wine that other countries export.

Consumer behavior is "the study of the processes involved when individuals or groups select, purchase, use, or dispose products, services, ideas, or experiences to satisfy needs and desires"[12].

This field is one of the most important fields of marketing science since it studies the consumers in a pre-purchase, purchase and post-purchase stages about their needs and desires[13].

In a consumer behavior there are different groups of people with the same needs and desires. To make homogeneous group in marketing is usually used segmentation. With segmentation is possible to differentiate different groups of people with the same attributes such as gender, age, social class, level of income, religion, etc[14].

After knowing how customers perceive wine, other theories can be used to take out some strategic findings. Some of them are the Five Forces of Michael Porter and the Boston Consulting Group Matrix. Once the current situation is known, there are different competitive strategies that wine producers can develop in order to achieve and maintain a relevant competitive advantage and to reach a leader position in the wine market. A successful competitive strategy improves the relative power of a company regarding to the Five Forces of Porter.

A specific country can choose a competitive strategy of differentiation, in which the company develops some differences in its product or service supply that are perceived by the customer as a unique attributes, providing customers with more value-added; these features can be brand image, technology and customer service, among others[15].

Another competitive strategy that a company (in our case a country that produces wine) can carry out is the cost leadership. This strategy is obtained by decreasing the economic costs more than the competitors; some sources to achieve the cost leadership are the economies of scale, the learning curve and minimization of expenditures in activities such as R&D or product promotion[16].

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[12] Solomon, M. (2006). *Consumer Behaviour: Buying, having and being*, Prentice Hall, p. 7
[13] Ibid., p. 8
[14] Ibid., p. 10-11
[15] Trout, J. (2000). *Differentiate or die: Survival in our era of killer competition*, John Wiley and Sons, p. 1-10
[16] Jaquier, B., Professor in Economics and Finance, Ecole Hôtelière de Lausanne, Switzerland. (2003). *What is strategy?* - www.ecofine.com

Finally there is the option of specialization strategy. The firm that chooses this competitive strategy focuses on a specific market niche that is different to the others in the sector. Within that market niche, the company can develop a strategy of differentiation or cost leadership, but not in the whole market such as in the cases we have explained above, but in the market segment[17].

1.2. Statement of the problem

The new global changes in this market due to new competitive strategies and consumer behavior for searching a product of better quality, makes that Wines from Spain should take a new market strategy to compete in the wine sector in Sweden, focusing in other factors that in the past these brands did not take into account.

The way that these firms should take in the future regarding to new market strategy is the key issue that we want to solve in this thesis.

1.3. Research Question

How Spanish wine could improve its position in the Swedish market through new models in competitive strategies and consumer behavior?

1.4. Research objectives

Our main objective is to get a model in which we can describe the strategy that Spanish wine firms could take in the future for obtaining a better goals to maintain a leading position in the Swedish Market. To reach this objective we will assess how *consumer behaves* and thinks about Spanish and competitors' wine, which the weaknesses of Spanish wine are and why is very important to develop a unique *strategy to compete* against other countries.

The practical objective is that this model could be applied by wine sector in Spain and even by other sectors that have a relationship with perishable products like Olive Oil or Cold Cured Meat.

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[17] Dess, Gregory G. and Lumpkin, G.T. (2003). *Dirección Estratégica. Creando ventajas competitivas,* McGraw-Hill, p. 194

2. SCIENTIFIC APPROACH AND RESEARCH DESIGN

This step is focused on developing a research strategy that we will follow in our thesis. It is very important to decide at the beginning of the thesis the research strategy because depending on the election of which strategy we follow for answering the research question, the method and tools will be different.

First of all we will describe our preconceptions linking them to the epistemological and ontological orientation. From that information, we will develop the scientific approach and the method that we will use for our empirical study. Finally we will discuss the research design, to conclude with the secondary sources.

2.1. Preconceptions

Preconceptions are ideas or theories that are formed without a critic judgement and without taking into account the data from the experiences[18].

Regarding to the wine, our preconceptions about this topic come from the fact that we are Spanish and Spain is an important country for wine, being one of the most important product for the ICEX (Instituto Español de Comercio Exterior). In addition to this we come from two regions where this industry is relevant as Andalusia and Basque Country, where there are important references of wine and appellations of origin, such as Jerez-Xéres-Sherry and Rioja respectively.

Once we chose one topic in relation with wine, we decided to focus on the external market of Spanish wine because we read some articles about Spanish wine on the world that gave us a briefly knowledge about the current situation of this sector.

These reasons made us to think that this topic could be a challenge for us and that we could help with some strategic recommendations to this sector in Spain. So finally we decided to study the Spanish wine in another country and given that we are exchange students in Umea University, the election of Sweden was the best one, since the empirical study and the several methods that we wanted to use, such as marketing research or consumer behavior were more feasible for us.

Our background made us to think about this topic because it is related with key aspects that we will analyze in this Master Thesis, such as marketing research, competitive strategies and consumer behavior.

Both of us have been studying last years in Business Schools; one of us, Gorka Insagurbe, in Deusto (ESTE) Business School and the other one, Jorge Castillo, in ETEA Business School, affiliated to University of Cordoba. Gorka is specialized in Strategic Management which has relationship with competitive strategies (he have taken some lectures, such as “Special Competitive Environments”, which are related to this area); in addition to this, in Umea University is taking the Master in Entrepreneurship and Dynamic Business Context in order to improve his knowledge in this area. Jorge is specialized in Marketing Management, where marketing research is an area inside it; moreover in Umea University is taking a Master in Marketing Research and Analysis

[18]Dictionary of the Spanish Language Academy - www.rae.es

Management, where he has attended some lectures that are quite closed to the field of our study, such as “Consumer Behavior” and “Consumer Analysis”.

In addition to the above paragraph, Gorka is interested in strategic consultancy and he would like to work in this area and Jorge is interested in international marketing and in the future he would like to work in an international Spanish company. Because of that we have chosen a topic that has relationship with our careers, that is almost a real work and that could be useful for us.

Our preconceptions about Spanish wine as the best wine on the world could bias our findings and recommendations, especially in the fact that we can modify the results of the marketing research in order to improve the situation of this wine. However we would mislead ourselves and the worst, we would not put the Spanish wine in the place that really should be. So we will try to make the study as objective as possible and the findings will be solid arguments.

In relation to the epistemological orientation, that is, the knowledge that should be accepted in one discipline and if social world should or not be studied with the same patterns that natural world, our preconceptions and our background are linked with a interpretivism position since the main point of our study is to know how the Spanish wine is perceived by Swedes, that is, to understand the human behaviour and the social action[19]. And to achieve this information, our experience tell us that the marketing research is a key issue, which tries to understand the human behavior and separates people from the object in order to make the strategic recommendations. So our background and preconceptions about the social world are linked with this epistemological orientation that is interpretivism more than with positivism.

Regarding to the ontological orientation, whose main point is to decide if the social setting has an external reality or if it is built by perceptions and experiences of people that compose the setting, our preconceptions are linked with a constructivism position more than with an objectivism position[20] since our knowledge about social sciences tell us that one sector, such as wine sector, changes continuously due to the different actions of actors that are in this setting. In addition to this, our background in strategic and marketing management teach us that strategic recommendations can be used to change a social setting and that marketing research can be modified due to the different cultures of actors that compose the social environment.

2.2. Scientific Approach

There are two methods that can be used in the Scientific Approach. These methods are quantitative and qualitative research strategies. For describing these alternatives we want to focus in the main criteria that bring us to the knowledge of them. These criteria are the relationship between theory and research, epistemological orientation and ontological orientation.

According to these criteria, the main features of quantitative research are: firstly, a deductive approach between theory and research where the empirical study is used to

[19] Grinnell, R.M, Jr. and Unrau. Y.A. (2004). *Social Work, Research and Evaluation,* Oxford University Press, p. 76
[20] Bryman, A., Bell, E. (2003). *Business Research Methods,* Oxford, p. 19-21

take out some findings and test some theories and hypotheses. Secondly, the epistemological orientation follows a positivism approach where the study of social world is made taking into account procedures of natural world. Finally, the ontological orientation is objectivism, where the social setting is studied without relation between the social world and agents that participate in it.[21]

Now a qualitative research is focused on the following features: firstly, an inductive approach between theory and research because the empirical study is used to generate new theories. Secondly, the epistemological orientation is interpretivism, where the key factor is to understand the interpretation of the social world by the respondents and not only to explain the features that make up the social setting. Finally, the ontological orientation is constructivism, which tries to explain how the social setting is continuously in change due to agents that form the setting.[22]

Once we have commented both theories, in practice, these two research strategies are not mutually excluded but we can use features of one research strategy to develop them in the other one. This is our case since we will develop a quantitative research strategy, using a deductive approach with an interpretivism epistemological orientation (perception of Spanish wine for the Swedes) and a constructivism ontological orientation based in the social context of the Swedish culture.

So we will do a quantitative strategy with an epistemological and ontological orientation that is closer to a qualitative approach.

From these features developed above for getting a research strategy, the most important one is relation between theory and research. Now we will describe the steps for obtaining the process of quantitative research[23].

1. To develop a theoretical framework about current situation of the Spanish wine in Sweden.
2. To formulate the hypothesis according to the theory that has been explained.
3. To develop a research design. This step comprises: where we will make the study, who will be the respondents and how we will conduct the empirical study.
4. Once realised the research design, we have to collect, process and analyse data to test the hypothesis we have formulated before.
5. At the end we have to extract the relevant information for making the conclusions. And finally there is a feedback loop (inductivism stage) for testing the theory and the possibility to modify it.

The relation between theory and research is mainly deductive, since we start with theory and after it we develop the empirical study. However at the end of our study, we will use an inductive approach for testing the theories that we have explained. In our study we do not follow all the steps of deductive approach since we do not have formulated

[21] Bryman, A., Bell, E. (2003). *Business Research Method,* Oxford, p. 25
[22] Ibíd.
[23] Grinnell, R.M. Jr. and Unrau, Y.A. (2004). *Social Work, Research and Evaluation,* Oxford University Press, p. 62-73.

hypotheses. We only have formulated the research problem and research objectives and after it we have developed the theoretical framework and empirical study.

2.3. Choice of method

Regarding to the link between the scientific approach and the problem statement that we have formulated, we have chosen a quantitative scientific approach since in our research problem we have mentioned that we want to describe how the wine is perceived among Swedes, that is, to make a marketing research in order to understand the perception of wine in general and specifically the Spanish wine; from this information we will make some strategic recommendations to wine producers in Spain.

We have chosen quantitative research strategy because the collection and process of data are more structured and easier to find conclusions than in the qualitative research since the last one uses opener questions whose objective is to focus on the detail and context about the research. So for obtaining a clear comprehension and finding conclusions, we want to measure several variables with close questions (kind of wine consumed, packaging, election over price-quality ratio, etc.) which will be more difficult through qualitative research.[24]

Thus the reason for doing a quantitative research is because we can measure the concepts and measuring them we have some important advantages[25]. First of all, we can obtain fine differences about behavior and perception that Swedes have about wine; in addition to this, we have a consistent device to measure these differences. Finally, we can obtain a relation between variables, which would be complicated through qualitative research and easier across quantitative research such as univariate analysis, contingency tables, etc.

2.4. Research Design

Once we have explained the scientific approach, we will focus on the research design. A research design provides a framework for the collection and analysis of data, that is the different procedures that are used to collect the information needed[26].There are five different types of research design that are experimental design, cross-sectional design, longitudinal design, case study design and comparative design. Each one is used according to the kind of research strategy and objectives for each study.

In our case we want to study several cases (each case is one person) at a single point in time to obtain quantitative data and to make patterns of associations between variables that explain the situation of wine in Sweden and its perception by the Swedes.

So our research design is a cross-sectional one, in which we will do a survey research through a structure questionnaire by which we will collect the data[27]

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[24] Bryman, A., Bell, E. (2003). *Business Research Methods*, Oxford, p. 302-303
[25] Ibid., p. 72
[26] Green, P.E. and Tull, D.S. (1975). *Research for marketing decisions*, Prentice Hall, p. 89
[27] Ibid., p. 108-109

2.5. Secondary sources

Apart from the primary study that we will make in order to obtain information about the perception of Swedes about wine, we need some secondary sources to improve our study, that is, one secondary analysis. The secondary analysis is the one that is made by people that hardly ever participate in the collection of data and whose final objective is different from the one that people want with the collection of data[28].

We have included the use of this kind of analysis since there are some advantages associated with it. The most relevant ones are the cost and time because we do not have to spend time and money collecting data and the high quality of data since the samples are usually selected randomly and they are national samples in most of the cases[29].

The secondary sources that we have used in this thesis are scientific articles that we have obtained mainly through the library of Umea University (databases such as Business Source Premier and Emerald), some reports from magazines and newspapers, books about consumer behavior, marketing research and competitive strategies and Internet web pages as Systembolaget, ICEX and Spanish Wine Federation ones.

As we have said, secondary sources have helped us to obtain these pieces of information and the key words that we have used to search them have been varied, from general terms such as competitive strategies, consumer behavior, Michael Porter or BCG matrix to more concrete ones focusing in the wine industry and in exports, such as Systembolaget, Spanish wine, exports of wine, “Old World” and “New World” countries or consumption of wine in Sweden.

Although these terms seem to be quite easy to find, some information has been difficult to obtain, such as references of wine in Sweden in the web page of Systembolaget (it is impossible to obtain some information in English so we have needed the help of people that knew Swedish) or the data about exports of wine for the years that we wanted.

2.5.1. Criticism of secondary sources

We have tried to find scientific articles that are per reviewed in the databases of the library of Umea University although sometimes it has been impossible. So we have had to find some information in newspapers and magazines, where the authors do not always say the truth and these articles are hardly ever per reviewed. However in the theoretical framework we have taken care about this, trying to make it as objective as we could, although the reality of the authors is always created by personal experience; so a piece of subjectivity always exists, even in scientific articles that are per reviewed.

Regarding to whether the secondary sources are or not of first hand, we have always tried to search the articles that were written by the original author, although sometimes when we were looking in Internet the articles were referred to other authors. In these cases, when we were not able to find the primary source we have always mentioned the author and the book that used the source for the first time.

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[28] Grinnell, R.M. Jr. and Unrau, Y.A. (2004). *Social Work, Research and Evaluation,* Oxford University Press, p. 292
[29] Bryman, A., Bell, E. (2003). *Business Research Methods,* Oxford, p. 213-214

Finally, we have searched articles and books that were as new as possible because they have more reliability and are more linked with the current situation than others that are older. However it has not been possible in all cases, such as in the criticism of the matrix of BCG, where we have used two secondary sources from 1981 and 1991 respectively; that is because we did not only want new secondary sources but also sources that were acceptable according to our objectives.

3. THEORETICAL FRAMEWORK

Regarding to the problem and objectives that we have mentioned in the introduction, now we will make a theoretical approach to identify the key issues about the competitive strategies in Swedish wine sector.

First of all, we will define the key words that we have used or we will use in this thesis that have relation with our topic to make easier the comprehension of them for the reader. Then we will compare the evolution of the old and new world countries in the setting of wine exports. After it, we will develop the theory of consumer behavior that is the starting point that will lead us to make a strategic overview of the wine sector in Sweden through several authors such as Michael Porter and Boston Consulting Group.

3.1. Definition of key words

"Old World" and "New World" countries: "The wine-world market is characterized by two different types of organization, namely the European one based on the Appellation of Origin (AO) and the other wines, mainly promoted by new countries, based on the type of grapes. Indeed, the wine producers of Australia, California, Chile, and other emerging wine producing countries, are challenging the AO European leadership in world markets"[30].

Appellation of origin: "The specific area a wine comes from"[31]. "Many of the major wine-producing countries have legally enforced systems of classification of wines based on grape varieties used and regions of production. Other countries have a system of denomination of origin for wines grown in defined regions which may or may not reflect quality"[32].

Consumer: "A person whose wants are satisfied by producers; a person who consumes (uses or uses up) the products and services that he buys, and who does not resell that"[33].

Product quality: "The ability of a product to perform its advertised functions in the minds of the consumer. A product's quality includes its durability, reliability, precision, ease of operation, and its ability to be repaired if it goes wrong. Some of these quality attributes can be measured objectively, while others can only be assessed in terms of consumers' perceptions. It is important that companies should achieve consistency of quality.[34]"

Product variety: "Number of products that can be designed into given product line. The product family usually presents the customer with a variety of choices to satisfy their individual needs"[35].

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[30] Marette, S. UMR Economie Publique INRA-INAPG, Paris and Zago, A. University of Verona – Italy. (2003). *Advertising, collective action and labelling in the European wine markets*
[31] Beard, T. and Hawkins, A. (2002-2006). *Wine Dictionary: A glossary of wine terms* - www.vino.com
[32] Bender. D.A. (2005). *A Dictionary of Food and Nutrition,* Oxford University Press, Oxford Reference Online
[33] Adam, J.H. (1989). *Longman Dictionary of Business English*, Longman, p. 136.
[34] Law, J. (2006). *A Dictionary of Business and Management*, Oxford University Press, Oxford Reference Online
[35] Rosenau, M.D. Jr. (1996). *The PDMA Handbook of New Product Development*, John Wiley & Sons, p. 230

Packaging: "All the activities of designing and producing the container for a product"[36]. There are different types of packaging: primary packaging, secondary packaging and shipping packaging.

Promotion: "Activities aimed to increase the demand for a product. Sales promotion: the work of selling a product by all useful methods such as powerful advertising; personal persuasion of possible customers by visit, phone and letter; exhibitions displays and demonstrations; competition for prizes; free samples; trading stamps, etc"[37].

Advertising: "A communication that is paid for by an identified sponsor with the object of promoting ideas, goods, or services. It is intended to persuade and sometimes to inform. The two basic aspects of advertising are the message and the medium. The media that carry advertising range from the press, television, cinema, radio, and posters to company logos on apparel. Advertising creates awareness of a product, extensive advertising creates confidence in the product, and good advertising creates a desire to buy the product. Advertising is a part of an organization's total marketing communications programme (i.e. its promotion mix)"[38].

Status: "Your social or professional rank or position, considered in relation to other people. Status symbol: something that you have or own that you think shows high social status"[39].

Exports: "Goods or services sold to foreign countries. Export selling may be achieved by using international marketing middlemen (indirect exporting) or by a company's own overseas branch or sales representatives or by a company's agents abroad (direct exporting)"[40].

3.2. "Old world" market vs. "New world" market

3.2.1. "Old world" market

"Old World" wines come from European countries such as France, Italy, Spain and Germany, among others. These countries possess natural conditions such as weather, topography and fertile land that make them having all required factors to create wines with excellent quality[41].

Usually these wines are associated with the country where they come from and mainly, with the appellations of origin. The wine market in these countries is atomized, that is, there are a large number of wine producers in each country and it is almost impossible that all firms agree in specific issues about marketing, such as advertisement, promotional aspects, etc. This could be a weakness when one of these countries decides to export wine to Sweden, since each firm does not have enough financial resources,

[36] Kotler, P. and Keller. K.L. (2006). *Marketing Management*, Pearson Prentice Hall, p. 393
[37] Adam, J.H. (1989). *Longman Dictionary of Business English*, Longman, p. 416
[38] Law, J. (2006). *A Dictionary of Business and Management*, Oxford University Press, Oxford Reference Online
[39] (1996). *Longman Dictionary of Contemporary English*, Longman, p. 1409
[40] Law, J. (2006). *A Dictionary of Business and Management*, Oxford University Press, Oxford Reference Online
[41] *Los vinos del nuevo y del viejo mundo* - www.vinomistico.com

required to achieve awareness among Swedes. To minimize this weakness, Spain is trying to promote its wine as “Wine of Spain”, since out of Spain, it is not important for the customer the different appellations of origin of the wine[42].

3.2.2. “New world” market

“New World” wines come from European emigrants who carry to these countries (the main ones are Australia, South Africa, Argentina and Chile) the knowledge to produce wine. The main features of these types of wines are not the natural conditions or specific country where wines come from, but variety of grapes and brand names. These features are not only important for producers but also for consumers.[43]

In contrast to the “Old World” countries, the number of firms that are involved in wine production is lower in each country and in addition to this, the size of them is much higher that in the previous case. So they have more resources to make promotional activities, taking an important advantage comparing to “Old World” countries[44].

3.2.3. Other countries

There are other countries from Central and Eastern Europe and from North Africa that are not included in the two categories we have explained above. These countries are not too important in the global market, being just mentioned without an analysis of their features and factors.

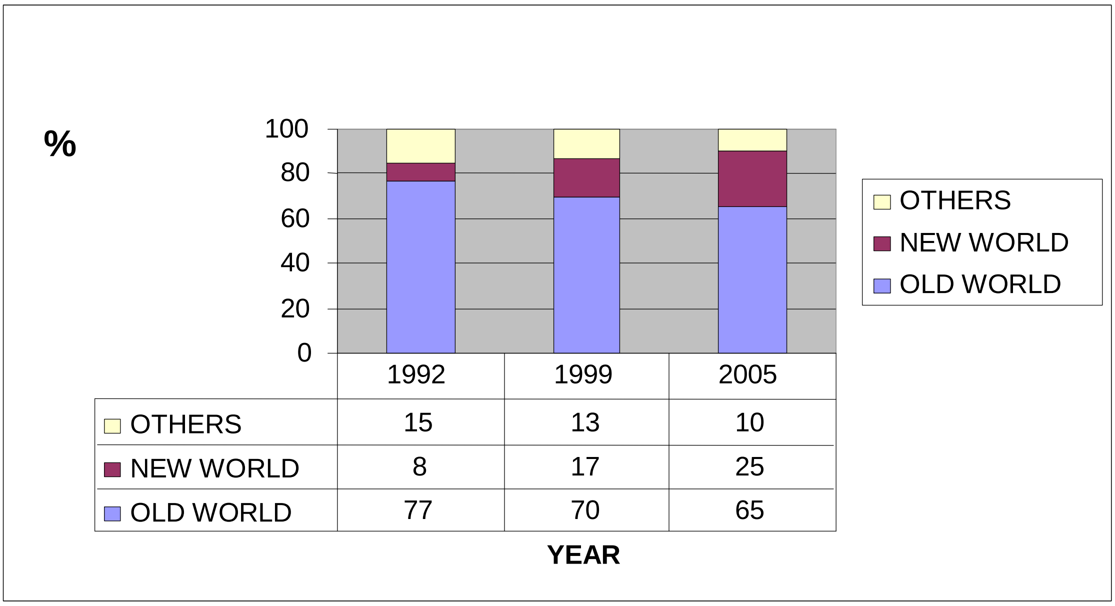
3.2.4. Current situation of the sector in the global market

After explaining what “Old World” market and “New World” market are, we will compare the evolution of the exports in the last years until nowadays.

In the following chart, we can see how exports in the “Old World” market have decreased from 1992 to 2005 and how “New World” market has gained market share.

[42] Olavarría Jaraba, B. Economic and Promotional analysis. Spanish Wine Federation
[43] *Los vinos del nuevo y del viejo mundo* - www.vinomistico.com
[44] Olavarría Jaraba, B. Economic and Promotional analysis. Spanish Wine Federation

Graph 2: Evolution of Wine Exports



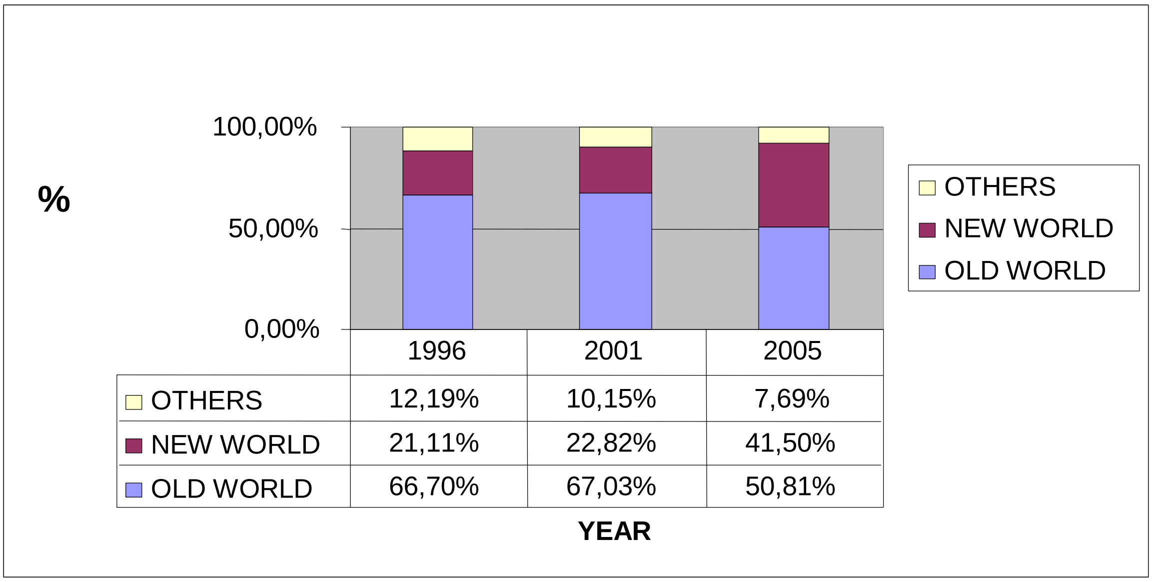
	1992	1999	2005
OTHERS	15	13	10
NEW WORLD	8	17	25
OLD WORLD	77	70	65

Source: MERCASA, Nacional Spanish firm (data extraction for own elaboration)

As we can see in this chart, "New World" market has increased its percentage of exports more than 300% from 1992 to 2005. It says that in few years, these countries have stolen exports market share from "Old World" market and "Others". So this is a key issue to take into account for "Old World" countries and in our case for Spain.

Although this is a good analysis to see the evolution of global exports, our case is focused in Sweden. Thus we will study the evolution in the Swedish Wine Market, to see whether results in Sweden are the same that in the Global Market.

Graph 3: Evolution of Wine Exports to Sweden



	1996	2001	2005
OTHERS	12,19%	10,15%	7,69%
NEW WORLD	21,11%	22,82%	41,50%
OLD WORLD	66,70%	67,03%	50,81%

Source: Systembolaget (data extraction for own elaboration).

In this graph we can see that although in Sweden the entrance of "New World" market arrived later, during last five years the importance of "New World" has been higher than in the whole world, achieving an exports market share of 41.50% in 2005.

This shows that Spain, as other "Old World" countries must make some strategic actions for fighting against this trend.

Before going to analyse these strategic actions through several methodological sources, we will analyse the Swedish wine sector. First of all, it will be the consumer behaviour of Swedes about wine in general and about Spanish wine.

After it, we will use Michael Porter's Five Forces analysis and then Boston Consulting Group matrix. Finally we will develop the different competitive strategies that the companies can make.

3.3. Consumer Behaviour

According to the American Market Association, consumer behavior is "the dynamic interaction of affect and cognition, behavior and environmental events by which human beings conduct the exchange aspects of their lives."

Another definition of consumer behavior: "It is the study of the processes involved when individuals or groups select, purchase, use, or dispose of products, services, ideas, or experiences to satisfy needs and desires"[45].

Consumer behavior is a process that develops certain stages. In these processes there are two players: consumers and marketers. Consumer is a person who identifies a need or desires, makes a purchase, and then disposes the product during the three stages in the consumption process. The three stages that compose consumer behavior are[46]:

1. Pre-purchase issues. Perspective of consumers is to search the best sources of information and learn about optimal alternatives of chosen product. Marketers try to find attitudes of consumers toward products.

2. Purchase issue. Marketers try to find a response through the consumer in situational factor, such as time pressure or store display, affecting the purchase chosen decision. So marketers can see how consumers in this situation behave in a stressful or pleasant experience or what they say about the purchase.

3. Post-purchase issue. In the last stage marketers want to find whether a consumer is satisfied with a product and will repeat the purchase.

These stages of consumer behavior base their relation among players in an exchange of goods or services. Two or more organizations of people can be in an exchange if both give and receive something of value.

So for managers, advertisers and other marketing professionals, whether they are capable to understand consumer behavior, they can probably make better businesses. When marketers know this consumers behavior perhaps they will satisfy the consumer's needs better.

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[45] Solomon, M. (2006). *Consumer Behaviour "Buying, having and being,* Prentice Hall, p. 7
[46] Ibid., p. 8

We have to take into account that in consumer behavior usually the consumers are not the same, but each consumer has a different purchase behavior. When we want to identify the different groups with different features in needs or desires, we use segmentation[47].

For our case of wine in Sweden probably we must use segmentation. Mainly segmentation is made to know homogeneous groups of costumers with same attributes. This attributes are demographic variables that make consumers similar or different to others. The most important attributes in consumer behavior are age (usually needs and wants will be different for consumers of different age groups), gender (in many products, there are different products for men or women, from fragrance to footwear), family structure (a single or married person is as well an important demographic variable; for example in the cars sector, many products are targeted depending on family structure as sport or sedan cars), social class and income (many groups have the same behavior with equal account of incomes and social standing in the community; usually they also tend to socialize with another one, and share the same ideas and values), race and religion (there are different groups that have big differences in their behavior; so Catholics and Muslims will have different behavior about alcohol beverages and for one company will be an unsuccessful business to introduce this kind of beverages in Islamic countries) and geography (many local or national companies offer products to international level; one problem for some of them is that they deal with equally all of them but probably the Norwegian consumers do not have the same behavior that Ethiopian ones).

Since to geographical level we are going to take Swedes population and concretely people that live in Umea, we are going to use demographic variables such as age, gender and level of income to get homogeneous groups that permit us differentiate groups in the wine sector wine and later can make a strategy of market.

3.4. Analysis of Michael Porter's Five Competitive Forces

Michael Porter's Five Competitive Forces give us a global view of how the sector that we are analysing is. These forces are:

1. Rivalry among existing firms.
2. Threat of New Entrants.
3. Bargaining Power of Suppliers.
4. Bargaining Power of Buyers.
5. Threat of Substitute Products.

Several authors add the Government as the sixth force in some sectors. In the wine sector and specifically in Sweden the Government plays an important role, since all the alcohol with more than 3.5 % of alcohol is only sold in Systembolaget, a company that is regulated by the Government. In addition to this, the monopoly in the Swedish alcohol sector leads to an important barrier of entrance for foreign producers of wine, such as Spain, since the Government policy is based not only in the distribution monopoly but also he decides which products enter in the market. Another action of the Swedish Government about alcohol is the fact that it establishes high taxes in the

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[47] Solomon, M. (2006). *Consumer Behaviour "Buying, having and being,* Prentice Hall, p. 10-11

alcohol for reducing its consumption. However in last years, an important pressure against this policy has appeared in order to reduce alcohol taxes; this pressure comes from tax reductions in neighbourhood countries and it leads to growths of wine imports from other countries[48]. Furthermore, the European Union is trying to push Swedish Government to make additional reductions of taxes, since in opinion of European Union the taxes that are nowadays imposed by the Government create a disadvantage for countries that export wine to Sweden[49]. This is the reason why we have added the Government in the analysis of the wine sector.

6. Government[50]

Each force affects to the firm capacity in terms of competing in a specific market and all of them together set the potential profitability of a specific sector[51].

We will use this tool to analyse wine sector focusing on our topic, Spanish wine in Sweden. The most important variables in our case are Rivalry among Existing Firms, Threat of New Entrants, Threat of Substitute Products and Government.

3.4.1. Rivalry among Existing Countries

As we have mentioned several times, rivalry in wine sector is increasing because "New World" market is entering strongly thanks to new international competitive strategies that these countries are developing. One example comes from UK, whereas in 1990 almost all the most popular brands were "Old World" wines, the competition has increased to incorporate about 26 wine-producing countries; the most popular brands currently come from the "New World". This trend can be applied to our case as we can see in the previous charts[52].

Some international competitive strategies that "New World" market is carrying out are: rapid vertical and horizontal integration, industrial approach that uses technology to develop new cultivars, improve existing cultivars and obtain standardised products and finally, development of strong marketing strategies aimed to appeal to the widest possible spectrum of consumers[53].

Next we will describe the strategies that the main countries of the "New world" are realizing.

South Africa is currently the third wine exporter in Sweden, after Spain and Italy and the forecast is to get the first position next year. One reason of this success is the fact that the producers are making medium and premium quality wines with a different package. So over half of the wine that is sold in Sweden is packaged in 3-litre bag-in-box and the consumers have a good awareness between value for money that they pay

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[48] The Economist Intelligence Unit. (2005). *Food, beverages and tobacco forecast*, p. 419 - www.eiu.com
[49] Dahlbacka, B., Agricultural Marketing Specialist. (2005). *Sweden Wine Annual 2004*, USDA Foreign Agricultural Service, p. 7 - www.fas.usda.gov
[50] Porter, M. E. (1998). *Competitive Strategy*, The Free Press, p.28-29
[51] Dess, Gregory G. and Lumpkin, G.T. (2003). *Dirección Estratégica. Creando ventajas competitivas*, McGraw-Hill, p. 63
[52] Campbell, G. and Guibert, N. (2006). *Old World strategies against New World competition in a globalising wine industry*, British Food Journal, p. 236
[53] Ibid., p. 239

and quality of the product. Also another important factor to explain this success is that consumers buy this format for everyday consumption.[54]

Australia is focused on the technological process to obtain wine of the best quality and with price according to this quality level. Also this country tries to get low costs in this technological process. This improvement is due to the investments in research and development and innovation in the manufacture process[55]. So the main competitive priorities of Australian wine are the product cost, the product quality and finally the product price.[56]

During 2006 Chile has made an important advance in its wine industry to improve its competitiveness in the international market. So, one of the main actions that Chile is making, is the joint work to create a large company among public, private and academic sectors.[57] For Jorge Gutiérrez, manager of Wines of Chile, "the challenge for the wine industry in Chile is to see how we enter in the Swedish wine market with the highest prices without losing our current market share that is 10%"[58]. To summarize, Chile is looking for a unique brand to obtain a better positioning in "European Wine" market and thus better outcomes.

These are some examples about how "New World" countries are increasing competitive rivalry in wine industry doing efforts in the value chain from production to marketing strategies such as promotion in trade shows, creating a unique brand, etc. This is an important threat for the "Old World" countries, since the increase of the competitive rivalry leads to an overproduction of wine in a world level[59].

3.4.2. Threat of new entrants

As we have commented, several countries are entering in Sweden as wine exporters, increasing the competitiveness rivalry. However, some of these countries, such as Argentina, Bulgaria and Hungary (with high percentages of growing during last years) do not have right now, a high weight in wine exports volume in Sweden[60]; so nowadays these countries are not real competitors for Spain. Nevertheless these countries and some new ones that could appear in this setting might have an importance in few years if the trend of "Old World Countries vs. New World Countries" continues. Given that, Spain has to take into account the threat of new entrants as a negative aspect for its wine exports to Sweden. One example is China, that nowadays is the sixth producer of wine on the world and in few years the prediction is to start producing more quantity of wine and also wines of high quality, due to the growth of the vineyards[61].

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54 Horstman, M. (2005). *Bring SA to an eager Swedish market*, Wine of South Africa - www.wosa.co.za

55 Stuart C. Orr., Department of Business Management, Monash University, Australia. (1999). *The role of technology in manufacturing strategy: experiences form the Australian wine industry*, Integrated Manufacturing Systems, Volume 10, Number 1, p. 45-55

56 Ibid.

57 (2005). *Un paisaje hacia la investigación y el desarrollo científico-tecnológico* - www.vinasdechile.cl

58 Comunicaciones Direcon Department, Prochile. (2003). *Gran aceptación de alimentos y vinos chilenos en Suecia* - www.prochile.cl

59 The Wine Academy of Spain. (2006). *Interview to Jancis Robinson: Master in wines* – www.thewineacademy.com

60 www.systembolaget.se

61 The Wine Academy of Spain. (2006). *Interview to Jancis Robinson: Master in wines* – www.thewineacademy.com

In addition to this, the progressively expansion of European Union, in which Central and Eastern European countries are entering during last years (Bulgaria and Rumania are members since 2007-01-01[62]) could be a key issue to increase the threat of new entrants, because the exports between European Union countries are managed by free movement principle[63], so the restrictions that countries like Bulgaria used to have in the past are now eliminated.

"New World" countries that are not from Europe (and thus, they cannot benefit of European Union principles) are making some commercial agreements with Sweden in order to get better terms in their exports. An example of this is the case of Chile, where commercial agreements with Sweden, among other types of contracts, are common[64].

These agreements increase the threat of new entrants in the Swedish wine market, or at least, allow countries that have a marginal wine export volume to become predominant countries, since the wine marketing in Sweden is easier and cheaper for them.

3.4.3. Bargaining power of buyers

In this case we will divide the buyers in two types. First of all, we have Systembolaget, the Swedish Alcohol Retail Monopoly, which is regulated by Swedish Government. The purpose of Systembolaget is to avoid particular profit in alcohol sales[65]. Thus all of wine that other countries exports to Sweden for the end consumer is bought by Systembolaget, which takes the final decision regarding to the type and the origin of wine it buys. So it seems to be a high bargaining power of buyers. It is true, but we have to keep in mind that there is another type of buyer, that is, the end consumer.

The end consumer has a high bargaining power of buyers in many sectors, specially, where there are a lot of producers. This is the case of wine industry, since a lot of countries are exporting wine to Sweden. The customer can choose between more than 4000 different wine references all over the world[66].

These issues support the state of high bargaining power of buyers, who can change very easily from one wine to another if they disagree with the quality and price that one specific country offers them.

3.4.4. Bargaining power of suppliers

In the Spanish wine industry, almost all the wine producers have their own vineyards, so they can directly obtain the grapes, which they later produce the wine with. This is important to reduce the bargaining power of suppliers, since wine producers do not have to buy too much volume of grapes from single farmers.

Furthermore, there are a lot of single farmers because the farming sector is broken down, so they do not have the chance to demand the best conditions for them from the

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[62] European Central Bank. (2007). *Map of EU expansion since the 1950s* - www.ecb.int
[63] The European Union on-line, Activities of The European Union. (2005). *External trade: Common rules for exports,* – www.europa.eu
[64] www.fondochilesuecia.cl
[65] www.systembolaget.se
[66] Ibid.

wine producers, who have a bigger structure and can impose their conditions (and if farmers do not agree, it is easy for them to find new ones). Nowadays, there are some farming cooperatives, whose objectives are to increase the bargaining power of suppliers and improve the actual conditions of farmers in a sector that is declining rapidly because of the few aids they receive from public sector[67]. In spite of everything the bargaining power of suppliers continues being very low.

3.4.5. Threat of substitute products

Although wine does not have substitutive products, we have to take into account other types of beverages that increased its market share from 2004 to 2005. In 2005 Systembolaget sold alcohol-free with a growth of 17.1% over 2004[68].

This can be because people are more conscious about the problem of alcohol and they are decreasing the consumption of beverages with high percentage of alcohol (for example, the demand of wines and beers with little percentage of alcohol is increasing).

These types of beverage have more benefits for the health and security; so maybe in the future we could say that is a substitutive product, but nowadays alcohol-free is only a 0.4% over wine sales in Sweden[69].

3.4.6. Government

Swedish Government has an important role for selling alcohol in Sweden because only a state-owned company, called Systembolaget sells alcohol of more than 3.5% to end consumer and has 420 stores and 550 agencies. The motivation for Swedish Government is not to get more profits, but others such as minimize alcohol-related problems, create a model whose objective is not to help the consumer to buy alcohol easily (there are not stores opened all night and neither in every corner), establish high alcohol taxes, being one of the highest of the European countries and reduce blood alcohol levels for driving.

The monopoly’s function of reducing the damage caused by alcohol is primarily achieved by reducing overall consumption levels. Some actions that Swedish Government made in order to obtain its wishes are a detachment of the private profit motivated from sales, an absence of advertising or sales-promotional measures, limitations in the number of stores and in their opening hours, fidelity to laws and regulations without efforts to bring about liberalisation and a verification of customer age[70].

Among the different tools that government uses in order to regulate the consumption of alcohol, for our study is especially relevant the fact that the promotion and advertising is limited and alcohol producers cannot promote their beverages as much as they want. This is relevant since we will make some strategic recommendations to Spanish wine producers and within these recommendations the promotion is an important aspect that

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[67] Confederación de Cooperativas Agrarias de España. (2007). *Características y ventajas de las cooperativas* - www.ccae.es
[68] www.systembolaget.se
[69] Ibid.
[70] Ibid.

we want to study. Because of that we will explain deeply the legislation of alcohol beverages promotion in Sweden.

In the past the direct advertising of alcohol beverages in Sweden was forbidden. However, in March 2001 the European Court of Justice challenged the Swedish legislation because in its opinion this regulation was an important obstacle to free movement of services in the European Union. The European Court recommended some measures less restrictive for the promotion of alcohol beverages[71].

The Swedish Market Court made a verdict on February 2003 establishing the way for alcoholic advertising in Swedish newspapers and magazines. This fact provoked controversy in the Swedish government but finally the government had to give and the law was modified, allowing the advertising of alcoholic beverages lower than 15 percent by volume[72].

3.4.7. Criticism to the theoretical model

This model developed by Michael Porter has three assumptions that the author made but several authors have questioned. The first assumption is that one industry is formed by a set of buyers, sellers, substitutes and competitors that are not interrelated and do not interact. The second one is that the source of value to achieve a competitive advantage is structural advantage where a company creates barriers to entry. Finally, the prediction of our competitors' strategies is sufficiently known so the participants in the market can react and respond easily[73].

The Porters' assumptions have been corrected by some authors that have a different point of view about this strategy.

Firstly, this model is based on a rational industrial structure where all competitors have to fight against all the stakeholders (competitors, costumer, suppliers, etc.). However some authors do not agree with this assumption and they say that the different players of the market often develop cooperation strategies (alliances, networks and economic webs among others) rather than compete among them (co-dependent systems) [74]. In our case, one example could be the cooperation among "New World" countries in the technological process to get better wines than "Old World" countries ones. Furthermore, the opponents say that in many markets there are not the same treatments for all companies, as Porter assumed. So in the same market could be firms that support other companies with a special treatment because of financial or other interests[75]. We can reflect in our case the problem that many countries give subventions to companies, so directly the cost of the product is sensitive lower. When these countries start to export to Sweden, could exist a big different on sale price.

[71] Dahlbacka, B., Agricultural Marketing Specialist. (2005). *Sweden Wine Annual 2004,* USDA Foreign Agricultural Service, p. 10 - www.fas.usda.gov
[72] Ibid.
[73] Coyne, K.P. and Subramaniam, S. (1996). *Bringing discipline to strategy,* The McKinsey Quarterly, No.4. p. 16
[74] Ibid., p. 17
[75] Ibid.

Second assumption said that the source of value is a structural advantage; the authors discuss that this kind of source of value is created through frontline execution, that is, the competitive advantage is also created by day-to-day tasks and so some companies outperform others in the market and by insight/foresight, which means that some companies can have a competitive advantage in the market because of their knowledge and other insights that others do not have[76].

Finally the third assumption argue that really does not exist low uncertainty and we cannot do predictions easily, but sometimes in the market is difficult to forecast one strategy. So we have to know how the market behaves and according to this, try to develop a convenient strategy for that environment[77].

3.4.8. Our point of view of the theoretical model

Our point of view of the Five Forces of Michael Porter is that it is a good theoretical model to describe the different competitive strategies and because of this reason we have decided to include in our theoretical model. With this model, we can know all the interest groups that compose a specific sector.

However we have found some weaknesses that this model usually has. First of all, it is based in a static space and does not make future forecast in a dynamic context; this is an important weakness since nowadays all the players in one sector should get ahead of competitors' strategies. Nevertheless we do not agree with Porter in the fact that he says that the strategic movements of the competitors are easy to predict, since as the critics say sometimes the environment where industries are, is difficult to forecast.

3.5. Boston Consulting Group Matrix

This matrix invented in the 1970's, helps us to see in graphic way where the different countries that export wine to Sweden are positioned according to the Relative Market Share and to the Growth of the Market (Appendix 1: BCG Matrix).

So the main "Old World" countries such as Spain, Italy and France are in Cash Cows Square, which mean that they have still a good position in the market but their growth is lower than the market average. It means that probably these countries are not making enough investments and only are picking up profits from the market.

On the other hand, countries like South Africa and Australia are in a Star position because their growth and market share are both over-the-average. It means that "New World" countries only in few years have achieved to be on the top of the market with the "Old World" countries. Only Spain and Italy export more wine to Sweden than these countries.

Third, there are other "New World" countries as Chile, USA and Argentina that are still in continuous growth although nowadays they have a minor position in the Swedish Market. For these countries, their position is in Dilemma square because the future for

[76] Coyne, K.P. and Subramaniam, S. (1996). *Bringing discipline to strategy,* The McKinsey Quarterly, No.4. p. 18
[77] Ibid.

them is uncertain. We believe that in few years we will know which is their real position in the market and if they are serious competitors for Spain.

Also in this square we have to talk about Hungary. The new Eastern European countries that are entering in the European Union are already making business with the Old European Union Countries. So Hungary in only five years has doubled its exports of wine to Sweden and we have to take into account it for the next year as we are doing with the "New World" countries.

Finally, there are other countries like Germany and Portugal, belonging to "Old World" countries that could not follow the push of the "New World" countries and nowadays are in the Dog square with a marginal position. Whether these countries do not change their strategies maybe in the future they will be outside the market.

Summarizing, Spain should take into account the countries that are in the Star and Dilemma position because they are entering in the wine sector quickly and with much effort in their marketing and business strategies.

3.5.1. Criticism to the theoretical model

This model, which was developed in the sixties by Boston Consulting Group firm, had a high level of success in its beginnings. From 1972 to 1982 it was used by around 45% of the companies that formed the *Fortune 500*[78].

However, in the first decade of the 21st century, this model has entered in a decline phase for several reasons. The model uses only two dimensions to classify the different firms and to evaluate the competitive position; these dimensions are "Relative Market Share" and "Growth Rate". It also prioritizes the balance of cash flow instead of other variables. The model focuses on the strength and power of being the cost leadership in the market rather than other competitive advantage as differentiation. Finally, there is a low correlation among both variables, that is, Relative Market Share and Rate Growth[79].

3.5.2. Our point of view of the theoretical model

In our opinion this model is good because it offers the possibility for representing in one matrix the situation in one period about the different players in one industry, according to two key variables, that is, Growth Rate and Relative Market Share.

Nevertheless this model is not so useful for our study since it is quite old (it was created in the sixties) and could not represent the current situation of the sectors, but anyway is an additional study that works as a help for us, and this is the reason why we have included as a theoretical model.

In addition to this, we have found another weakness in the fact that sometimes the matrix represents as Dilemma, players with very low market share; these players could confuse us because with high percentages of growth should be on the top of Dilemma in

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[78] Bettis, R.A. and Hall, W.K. (1981). *Strategic portfolio management in the multibusiness firm*, California management review, 24 (1) p. 23

[79] Morrison, A. and Wensley, R. (1991). *Boxing Up or Boxed In?: A Short History of the Boston Consulting Group Share/Growth Matrix*, Journal of Marketing Management, 7(2), p. 105-129

the matrix but later the real growth is not as higher as the matrix represents for them (for example; one player that increases its Growth Rate from 3 to 6 will be better positioned in this matrix that a player that increases from 200 to 250). So we think that before seeing the visual map of the matrix we have to analyse the results and the trend of each player in the market.

3.6. Competitive Strategies

Once we have analysed the current situation of wine sector, we will describe the competitive strategies of Michael Porter, focusing on their relation with the Five Forces study. A country that successfully develops one of these strategies can obtain an important competitive advantage, overcoming the results of its competitors within the sector of activity[80].

In the background we have defined the three competitive strategies; remaining:

- Differentiation: The company develops some differences in its product or service supply that are perceived by the customer as a unique attributes, providing customers with more value-added[81].

- Cost leadership: The company decreases the economic costs more than the competitors[82].

- Specialization: The firm focuses on a specific market niche that is different to the others in the sector, in which it takes competitive advantage with a differentiation or cost leadership strategy[83].

The three strategies successfully developed, improve the competitive position against the Five Forces.

The differentiation strategy gives to the firm the protection against the competitors and less threat of substitute products and new entrants because it contributes to create customer faithfulness. It also reduces the bargaining power of buyers because of their fewer alternatives to buy. Finally, the bargaining power of suppliers is smaller, since being the supplier of a firm that is differentiated, it gives certain prestigious. However there are some risks associated with this strategy, such as too much differentiation, a differentiation that can be easily copied by competitors or too high overprice[84].

The cost leadership strategy can also protect a firm against the rivalry among existing firms, since with less costs than other competitors the company can continue earning money even if the margins become narrower. It also protects the firm against the bargaining power of suppliers and buyers because the flexibility against an increase of

[80] Dess, Gregory G. and Lumpkin, G.T. (2003). *Dirección Estratégica. Creando ventajas competitivas*, McDraw-Hill, p. 177
[81] Trout, J. (2000). *Differentiate or die: Survival in our era of killer competition*, John Wiley and Sons, p. 1-10
[82] Jaquier, B., Professor in Economics and Finance, Ecole Hôtelière de Lausanne, Switzerland. (2003). *What is strategy?* - www.ecofine.com
[83] Dess, Gregory G. and Lumpkin, G.T. (2003). *Dirección Estratégica. Creando ventajas competitivas*, McDraw-Hill, p. 194
[84] Ibid., p. 190-193

input costs or a decrease of the output price is higher than in the rest of companies in the sector. Finally, the economies of scale and the cost advantage lead to the creation of entry barriers against new entrants or substitute products. Nevertheless there are also some risks, such as focusing too much on one or in few activities of value chain, all competitors using the same input or the easiness of the strategy that can be easily copied[85].

The firms that make a specialization strategy can also obtain more profitability than the sector average with a differentiation or cost leadership strategy in a specific market niche. So the protection of these strategies (differentiation and cost leadership) that we have commented for the whole market can be applied for the case of specialization. The specialization is also used to choose a market niche where the competitors are less strong or where the threat of substitute products or new entrants is not so high. It also has some risks such as too much specialization to satisfy the customer needs[86].

There is another competitive strategy that is a mix of differentiation and cost leadership, that is, the integration of both to become the best supplier at the best cost. This position leads to a relevant competitive advantage, since it takes advantages from the differentiation and the cost leadership at the same time, against the Five Forces. The most important risk of taking both strategies is the possibility of being a firm trapped in the middle[87].

Finally, is important to take into account the life cycle of the sector, because depending on the stage in which the sector currently is (introduction, growth, maturity or decline), the competitive strategies that are more suitable vary, as well as other issues such as the rivalry of the sector or the number of market segments. In the first two phases of the life cycle of the sector, the most adequate competitive strategy is the differentiation, in the maturity stage the differentiation or the cost leadership and in the decline stage the specialization through cost leadership[88].

Once we have described the different types of competitive strategies, we will explain how the different countries are positioned theoretically according to these strategies. The general perception is that “Old World” countries follow a strategy of differentiation while “New World” countries follow a strategy of cost leadership. However, as Begoña Olavarría, a person in charge of Spanish Wine Federation told us, is almost impossible to classify the different countries according to one competitive strategy and it is not clear which countries follow a differentiation strategy and which ones a cost leadership strategy[89].

3.7. Choice of theories

We have decided to use these theories for our theoretical framework, that is, the consumer behavior, the analysis of Five Forces of Michael Porter, the matrix of BCG

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[85] Dess, Gregory G. and Lumpkin, G.T. (2003). *Dirección Estratégica. Creando ventajas competitivas*, McDraw-Hill, p. 182-187
[86] Ibid., p. 195-196
[87] Ibid., p. 202-203
[88] Ibid., p. 205
[89] Olavarría Jaraba, B. Economic and promotional analysis. Spanish Wine Federation

and the competitive strategies, because we find them the most appropriate ones regarding to our empirical study.
Regarding to the consumer behavior we can say that the study of the behavior of customers, consumers, etc. is very important because although we have a real data of market share, sometimes we do not know really what the customers think and how they act. Because of that, making a marketing research about the perception and awareness of the customers we can refocus a better strategy with the weaknesses that respondents perceive about wine.

We have chosen the other three ones because they are related with the strategic field and one of our objectives is to make some strategic recommendations to wine producers in Spain. Given that these theories are widely known in the business area and many firms have used them for their researches, in our point of view the use of them will be useful and easy to understand in the development of our Master Thesis.

So these theories help us to know which the current situation of wine industry and especially the Spanish wine industry in Sweden is; after this we can compare our empirical study with what these theories say, making the study more realistic.

4. DATA COLLECTION

This chapter deals with the different steps we have made to collect the data from respondents, which are necessary for our empirical study. First of all we will describe the procedure to obtain the sample. After that we will describe the method or tool that we have used to collect the data and we will finish with the discussion regarding the potential biases that could appear.

4.1. Sampling procedure

The collection of data is the process through which we will obtain data from the respondents to make, later, the empirical study. The first step we have to take into account in this process is to define the population and then choose the sample that we will survey for the study. We have defined the population of our study, as Swedes in general and people of 18 or more years, since this is the minimum age for the consumption of alcohol in Sweden.

Nevertheless, we have an important limitation over the population because we do not have enough resources and time to do the whole study in Sweden. So we have chosen Vasterbotten County to make our empirical study since we are studying in Umeå. The consumption of wine in Vasterbotten (14.86 litters per capita per year) is similar to the consumption of the whole country (15.82 litters per capita per year); because of that, we believe that Vasterbotten could represent all of Sweden and the final findings could be generalized to Sweden in general, that is, to the population from which the sample is selected.

We will do a non-probabilistic sampling since although we are aware of the weaknesses of this type of method, we will focus on Vasterbotten County and not the whole of Sweden, and because of that, we cannot use a random probabilistic sampling. On the other hand, the results that we will obtain with this research can be extrapolated to Sweden in general because in our opinion the population of Vasterbotten is representative of the consumption of wine in whole Sweden, as we have explained above.

So among different types of non-probabilistic method sampling, we will use a convenience or availability sampling (this sample is available to us regarding the accessibility we have to it)[90] because we will study general populations who go to Systembolaget. We will go to Systembolaget, and there, we will give questionnaires to people who buy alcohol; in the case that people do not respond with an acceptable response rate, we will make surveys in other environments, such as university (teachers and students) or corridors. We have thought in other places apart from Systembolaget because we have another limitation. We asked in Systembolaget and we are not allowed to stay inside the shop while people are looking for around, so we must be outside waiting until people pay for their purchases; and our experience and other experiences of people who have made questionnaires in similar situations is not so good, since not too many people wait in the street to fill out questionnaire.

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[90] Grinnell, R.M. Jr. and Unrau, Y.A. (2004). *Social Work, Research and Evaluation*, Oxford University Press, p. 164

The number of respondents that we want to compose our sample of is approximately seventy five, since with less people, it could be risky if many of them do not take into account the questionnaire seriously (many questions without a completed answer, errors filling up Likert Scales, etc.).

4.2. Tool that has been used to collect data

We will do a self-completion questionnaire and not a structured interview because the former is cheaper and quicker to administer and as we are students we have a limited time and budget.[91]

The theories that we have used in the theoretical framework (competitive strategies and consumer behavior) help us with the design of the questionnaire and in the objectives that we pursue for developing an adequate tool to extract the data.

The first step of the process is to define clearly what our objectives are because we have to focus only on the information that we want to obtain. So in the design of the questionnaire we mainly use variables that can be directly measured (for example: Likert scale) by our respondents about the product perception and other nominal variables to focus on aspects like gender, age, etc. There are some questions about the consumption of wine (frequency of consumption, preferences in wine type, packaging and expenditure in wine), questions to take out information about competitive strategies (consumption of wine comparing to some years ago, important features about wine in different countries such as price, quality, etc.) and personal data.

An important issue in our study is to make a good design of the self-completion questionnaire, since the responses to this questionnaire are what we will use later, to make our empirical study and take some findings to develop a model in which we will explain the strategy that Spain has to make in the wine exports to Sweden. So according to the recommendations that we have found in books[92], we have designed a questionnaire (Appendix 2: Questionnaire) with these important aspects that make it easier to answer for respondents.

The questionnaire is short (13 questions), taking into account that a questionnaire that is too long leads to a low response rate, but at the same time it has a clear presentation and an attractive layout, with enough space for closed answers and between different questions.

All the questions (except age) have closed answers, which make it easier for the respondent to answer the question, since they do not have to think of an answer that is not printed in the questionnaire.

Almost all the closed answers are vertical; although they need more space and make the questionnaire longer, the vertical closed answers are better, because horizontal ones can lead to confusion perhaps choosing a wrong answer. This risk is even higher when the survey is made on the street, such as, in our case.

[91] Bryman, A., Bell, E., (2003). *Business Research Methods*, Oxford, p. 142
[92] Ibid., p. 146-150

After the questions, there are clear instructions about how to respond; in almost all the questions the respondents only have to choose one alternative, but in one question they have to rank the closed answers from 1 to 5.

Finally, although the study will be written in English, we have translated the questionnaire into Swedish to make it easier to understand for respondents, since all of them are Swedes, and probably some of them do not understand English.

However to find some discrepancies in the design of the questionnaire that could be too risky in the field study if we do not take into account before starting with the research, we have decided to make a pilot study (the pre-test that is made of a research instrument, such as a questionnaire or an interview[93]) through some students in the university, who will not take part, later, in the survey. So we have made ten surveys and we have obtained important information about potential risks, such as questions that were misunderstood or wrong answered.

After the pilot study, we have improved the questionnaire, solving the problems and the potential risks that we have found with the help of the pilot study. So at this moment we have a good design of our questionnaire to start our field study.

4.3. Potential biases

In the data collection we are aware that we have some potential biases. First of all, as we will use a "non-probabilistic sample" there is a risk of selecting some members of the population with more likelihood than others, since the people that will form the sample will be selected from our own judgement. In addition to this, as we have commented before, we will survey people from the region of Vasterbotten, so although we believe that this region is representative of all Sweden, there is the possibility of selecting an inadequate sampling framework. Regarding the biases about the sampling we can find another potential bias that is the fact of members that will not want to fill the questionnaire, since these people can differ in their behavior from the ones that agree to participate[94].

Apart from these potential biases, in our case we have found another one that is linked with alcohol beverages, such as wine, that is, the main concept of our study and survey. The questionnaires that are about alcohol can be biased when they are responded, since people do not usually say the truth; this is due to the taboo that the consumption of this kind of beverage can hold. What we want to say is that if one respondent drinks alcohol quite often or every day, he can answer a different choice (for example, sometimes) to show that he is not an alcoholic, which is seen as negative in our society.

[93] Baker, T.L. (1993). *Doing Social Research*, McGraw-Hill, p.182-183
[94] Bryman, A., Bell, E. (2003). *Business Research Methods*, Oxford, p. 94

5. PREPARATION OF DATA

This chapter includes the different stages and methods used to prepare and process the data obtained through the questionnaire for the presentation and analysis of them. Firstly, there is a brief description about the non valid responses and after that there is an explanation about the software we have used to obtain the results in an easier way in order to facilitate the comprehension of them.

5.1. Non valid responses and non-respond rate

Although we made a pilot study to improve our questionnaire and to solve some problems of comprehension that it had, there has been some that are not valid, since some of the questions are not well responded to. We have made seventy five questionnaires, sixty two of them valid. So the percentage of well answered questionnaires is 82.67%. We cannot obtain the non-response rate because we do not know how many people compose the group of respondents that refused to fill out the questionnaire.

5.2. SPSS for the preparation of data

Once we have finished making the questionnaire, the next step is to introduce and collect data in the program. We will use the SPSS program, a statistical program that will help us make different kinds of analysis.

We are already using SPSS and the first step is to create the pattern for later introducing the data. In the variable view we will create the pattern of the variables among nominal, ordinal and scale type. Also the variables can be labelled and introduced in each type depending on the meaning that we want to give them.

So we will use nominal variables to know which kind of wine, packaging, chosen country and the most preferred wine for the respondents are. Ordinal scales to know which the expenditure is, whether the respondents perceive more wine references of wine in Systembolaget that in the past and level of income of the respondents. Finally we use scale variables to order preferences, regular recurrence of wine purchase and rank the perception of the Spanish wine by the respondents. In scale variables we have used Likert variables of five values (1 to 5). We use the same values in the Likert variables because is easier to find results and homogenise data for the univariate analysis.

After finishing the process of building the pattern in the variable view, we will introduce the different data in the data view. We will introduce numerical data depending on the extension of the values of the different variables. So, only one variable has two digits (age) and the others only one.

The creation of patterns and the introduction of the data in the program are already complete and now we want to see if the data are correctly introduced in the program. It can be made with the missing values test. We have made it and there are not missing values. The last step is to start analysing data of the different variables. The first analysis that we will make is the univariate analysis.

After we have finished the univariate analysis, we will make a multivariate analysis. Multivariate analysis is the last one that we will do with the SPSS program. With this analysis, it is convenient to recode new variables due to many values in each variable. So sometimes it is difficult to analyse all the data in a contingency table. Mainly we have recoded variables in Likert scales by ordinal variables in three values leaving the first two values of “never” and “hardly ever” in one value, “sometimes” in the same one and “quite often” and “everyday” in a new value. With the other Likert scales we have done the same recoded values although the meaning of the variables are not “never” or “everyday”.

6. PRESENTATION OF DATA

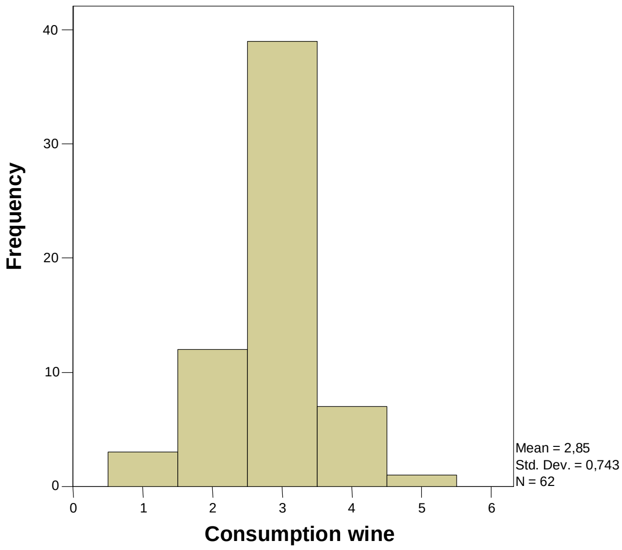
Once we have collected the data about the consumer behaviour of wine in Sweden, we have to present them in order to know what the perception of Swedes about wine in general and especially about what Spanish wine is. This step will be useful to make the analysis of data and draw some conclusions about the consumer behavior and some recommendations to the wine sector in Spain.

6.1. Univariate analysis

This analysis is defined as the analysis of one variable, mainly represented in a frequency table, that is, the number of respondents and the percentage of them in each category of the variable[95]. So, we will analyze the different variables regarding each question of the questionnaire, whose frequency tables and charts have been obtained by SPSS computer program.

6.1.1. Consumption of wine

Graph 4: Consumption of wine

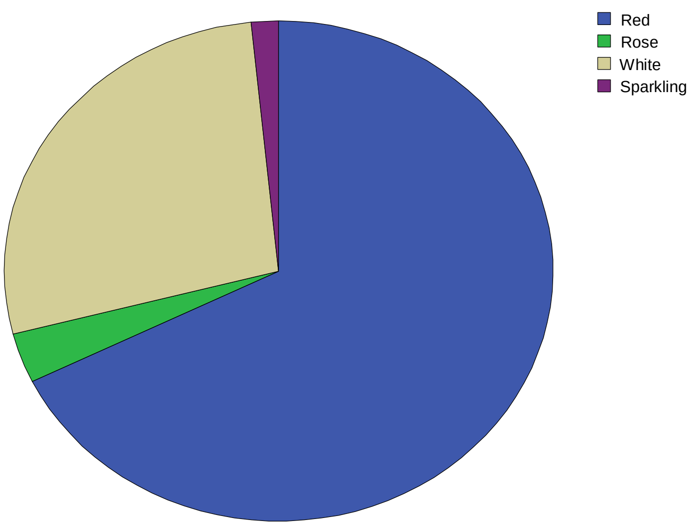


In the consumption of wine, we can say that the majority of people drink wine “sometimes”. So 62.9% of the respondents drink wine “sometimes”. It means that wine is drunk usually but not very often. “Very often” and “everyday” represent only 12.9% and “never” and “hardly ever” 24.2%. To sum up wine is a beverage that in Sweden is drunk for almost everyone but it is not for daily consumption (Appendix 3.1: Consumption of wine).

[95] Bryman, A., Bell, E. (2003). *Business Research Methods*, Oxford, p. 241

6.1.2. Kind of preferred wine

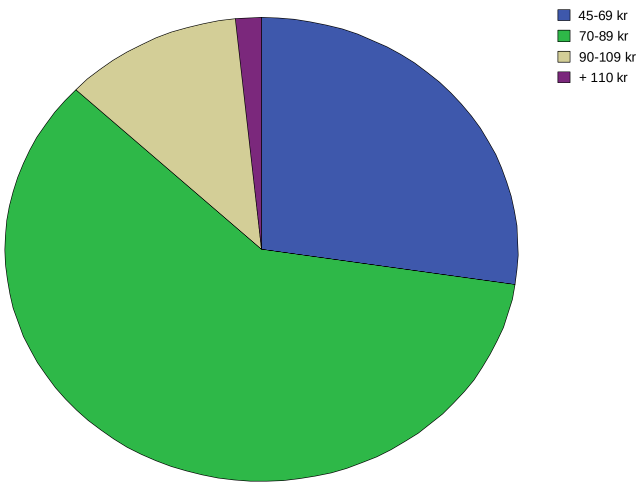
Graph 5: Kind of preferred wine



In this chart we can see how almost everybody prefers “red” and “white wine” (95.2%), being the most preferred one the “red wine”, which is preferred by two over three respondents. So the consumption of “rose” and “sparkling wine” is not relevant in Sweden. (Appendix 3.2: Kind of wine prefered).

6.1.3. Expenditure in wine 75 cl.

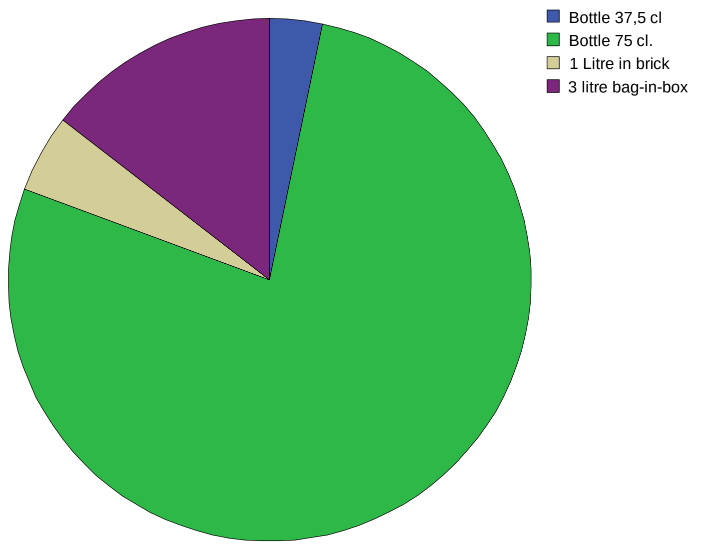
Graph 6: Expentiture in wine



The Swedes usually spend an average price for the wine purchase, since 59.7% of the respondents spend between “70 and 89 kr.” per bottle of 75cl. Also we can point out that 27.4% of people choose cheap wine in the segment of “45-69 kr.” So it is a high percentage of people and we have to focus on them. (Appendix 2.3.: Expenditure in wine).

6.1.4. Kind of packaging

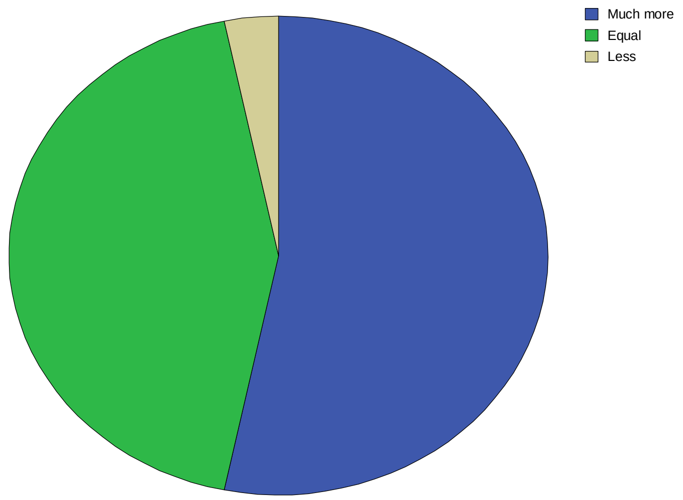
Graph 7: Kind of packaging



Regarding the type of packaging there is also one type that is the main one. The 77.4% of the respondents prefer "the bottle of 75 cl." being the second one "the three litres bag-in-box", which is preferred by 14.5% of the people. (Appendix 3.4: Kind of packaging).

6.1.5.Variation of wine quantity

Graph 8: Variation of wine quantity

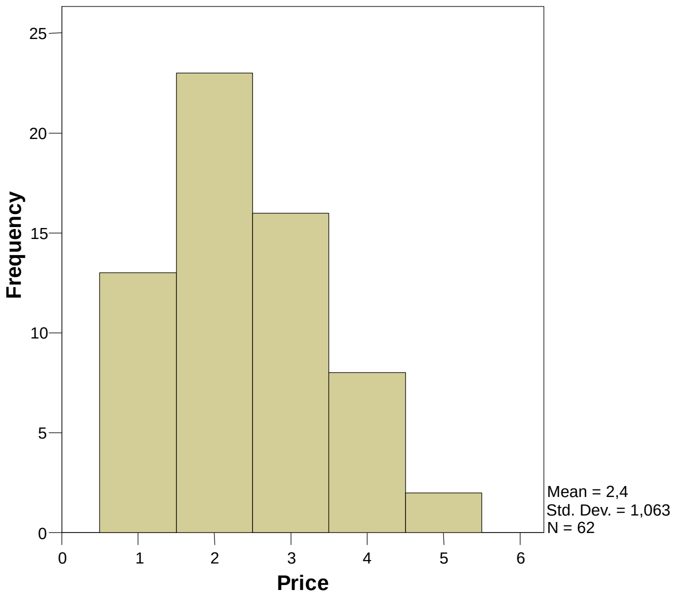


This question means how the customers perceive the wine quantity that there is in the market with respect to the past. Although there is a high percentage of people that perceive "the same quantity" of wine than in the past (43.5%), more than a half of the respondents believe that there are "more references of wine" in the market, due to the players that are coming into the Swedish market. This means that the rivalry among the existing competitors is higher than in the past. Appendix 3.5: Variation of wine quantity).

6.1.6. Key aspects in wine election

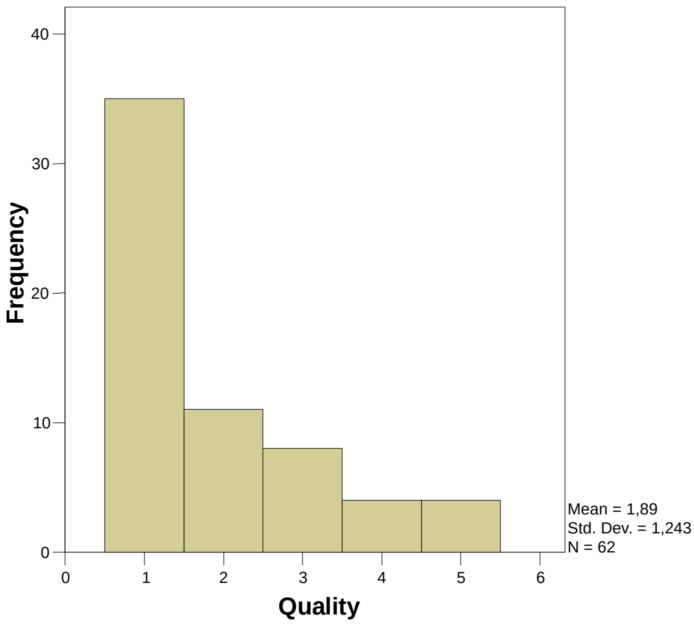
Now we will describe question number six of the questionnaire about how the costumers rank the different wine features (price, quality, nationality, status and packaging).

Graph 9: Key aspects in wine election (Price)



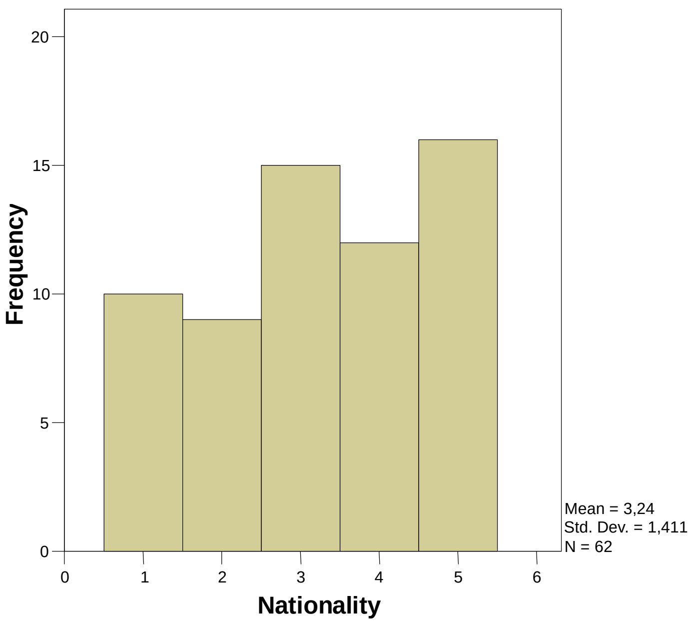
The first feature shows the importance of price for the costumers. For more than a half of the respondents, price is one of “the most important” variables, when they have to choose among the different types of wine. So the price is a”very important” feature for 37.1% of the respondents and one over five respondents considers that price is the ”most important” feature (21.0%). Only 16.1% of the respondents consider the price “not very important” (12.9%) or the “less important” feature (3.2%). (Appendix 3.6.1: Price).

Graph 10: Key aspects in wine election (Quality)



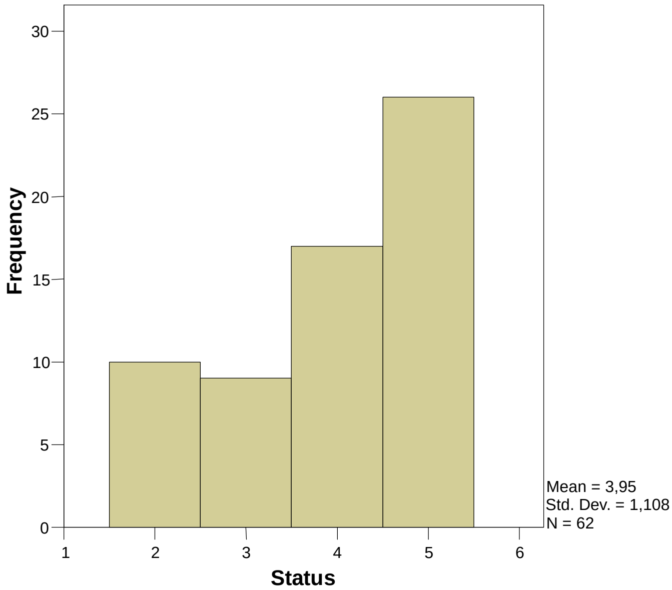
About quality three out of four respondents consider that quality is a “very important” (17.7%) or the “most important” (56.5%) aspect when they have to choose wine. So for the rest it is “important” (12.9%) and “not very important”; “the less important” is only for 12.9% of the people who have answered the questionnaire. So we can conclude that quality is an aspect that Swedish take into account in the selection of wine, as well as price. (Appendix 3.6.2: Quality).

Graph 11: Key aspects in wine election (Nationality)



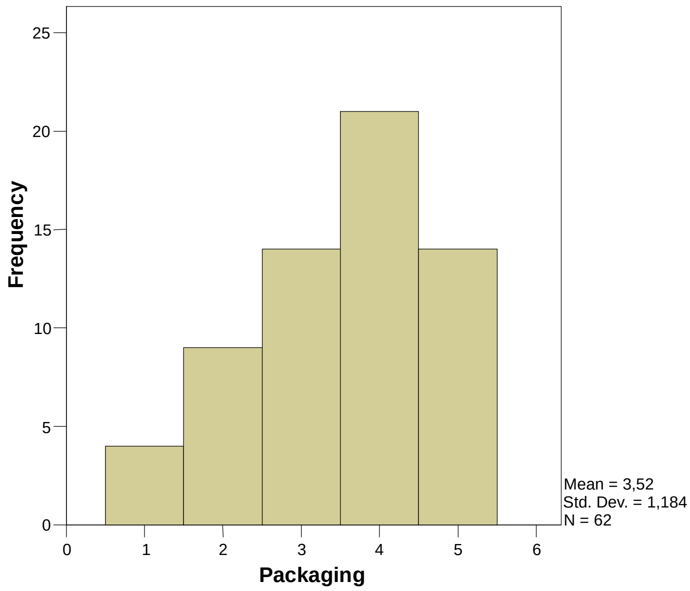
The country the wine comes form is not as important as price and quality, although for 30.6% of the respondents is a “very important” (16.1%) or “the most important” (14.5%) feature. However, the fact that is important to emphasize here, is the one that describes the percentage of the respondents that say that the nationality is the “less important” aspect in the wine choice, which is the highest one (25.8%). (Appendix 3.6.3: Nationality).

Graph 12: Key aspects in wine election (Status)



For nobody status is “the most important” characteristic in the wine election and only 16.1% of the respondents consider status “very important”. The main aspect is the high percentage of people that consider status as a “not very important” (27.4%) or “the less important” (41.9%) feature. (Appendix 3.6.4: Status).

Graph 13: Key aspects in wine election (Packaging)



Just like the two last variables, packaging does not represent a key variable for the respondents, since only 21% of the respondents consider that packaging is “the most important” (6.5%) or “very important” (14.5%) feature. We emphasize that for more than a half of the respondents the packaging is “not very important” (33.9%) or the “less important” (22.6%) feature. (Appendix 3.6.5: Packaging).

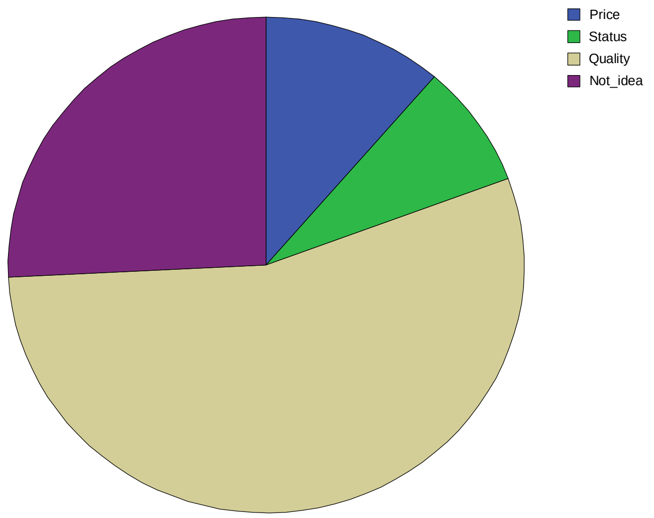
To summarize we can say that quality and price are the two most important features in the wine election for the consumers, being quality “the most important” characteristics for more than a half of the respondents (56.5%) and price “very important” for 37.1% of the respondents. It means that Swedes require a quality wine and after that with an adequate price, basing the buying choice in a good relation among price and quality.

The other characteristics are not important for the majority of respondents according to data that we have obtained in the survey.

6.1.7. Wine characteristics

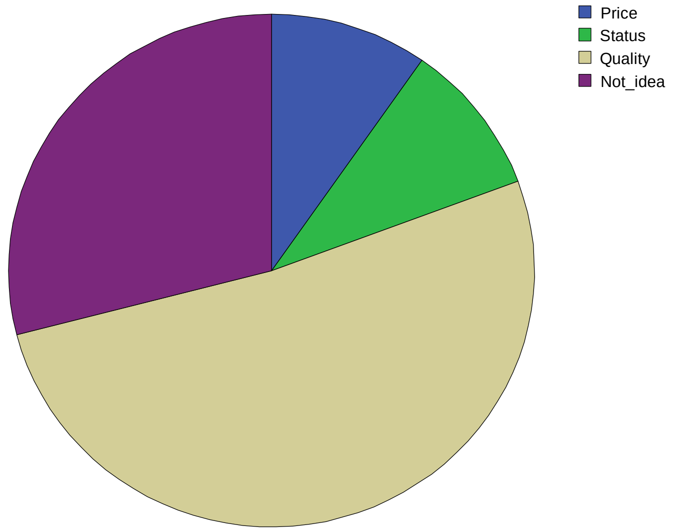
What we want to see with this group of questions is how customers perceive the features of the main countries that compose the Swedish wine market. We have chosen six countries, three from the “Old World” (France, Italy and Spain) and three from the “New World” (South Africa, Australia and Chile).

Graph 14: Wine characteristics (France)



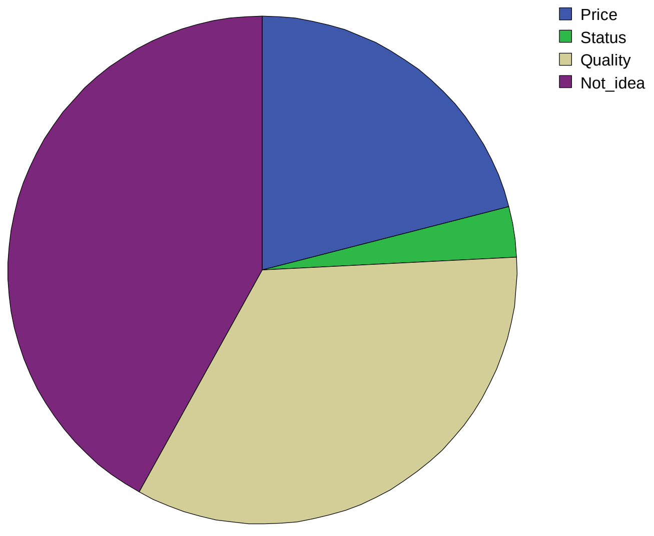
Swedes perceive the French wine mainly as a quality wine (54.8%), but there is also a high percentage (25.8%) of the respondents that do not have any idea about the French wine. (Appendix 3.7.1: Perception of French wine).

Graph 15: Wine characteristics (Italy)



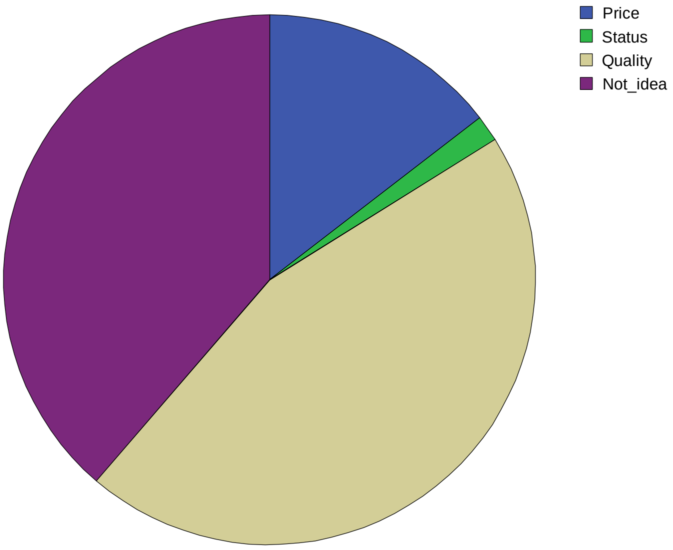
As with French wine, Italian wine is perceived as a quality wine (51.6% of respondents choose quality as the main feature), although there is also a high percentage of people (29%) that do not have any idea about Italian wine. (Appendix 3.7.2: Perception of Italian wine).

Graph 16: Wine characteristics (South Africa)



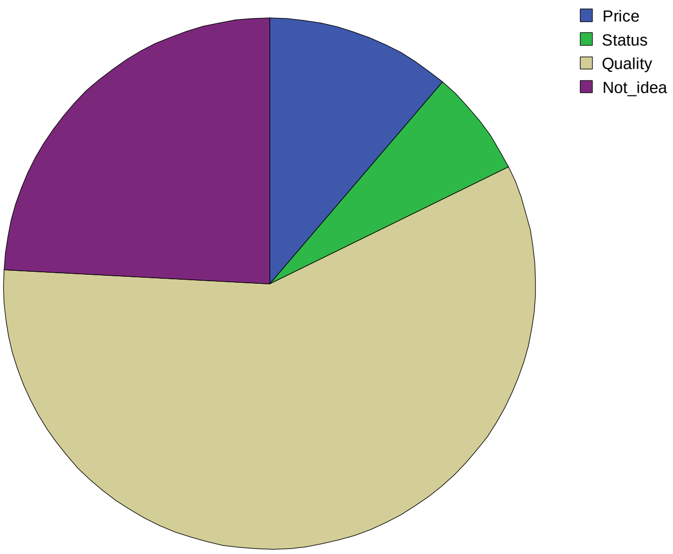
In this case the quality is also an important feature, but is not the most important one as in the above cases, being important for one over three respondents. However, 41.9% of people do not have any idea about South African wine. Finally, the price is a relevant aspect for 21% of the respondents. (Appendix 3.7.3: Perception of South African wine).

Graph 17: Wine characteristics (Australia)



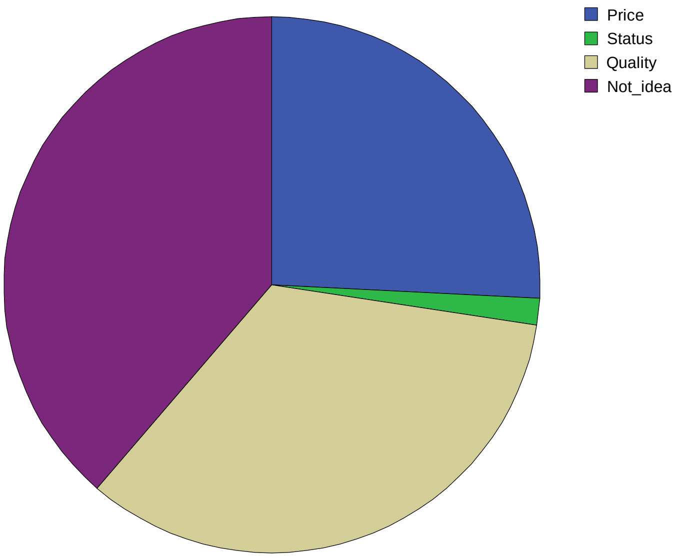
Australian wine is perceived as a quality wine, quality being the main aspect for 45.2% of respondents, although a high percentage of them do not have any idea about the wine of this country (38.7%). (Appendix 3.7.4: Perception of Australian wine).

Graph 18: Wine characteristics (Spain)



Spanish wine is also perceived as a quality wine, being the percentage of respondents that choose quality as the main aspect 58.1%. One out of respondents have no idea about Spanish wine. (Appendix 3.7.5: Perception of Spanish wine).

Graph 19: Wine characteristics (Chile)



Finally, Chilean wine is not well known, since a high percentage of respondents (38.7%) do not have any idea of this type of wine. However, one out of three respondents perceive this wine as a quality one, and also a high percentage (25.8%) believe that this wine is economic. (Appendix 3.7.6: Perception of Chile wine).

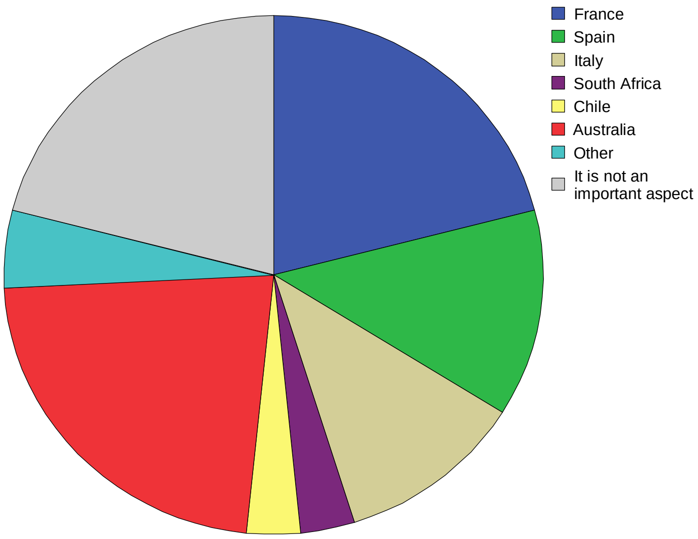
To sum up, we can see how in the “Old World” countries the quality is the most relevant characteristic according to the perception of customers with more than a half of respondents answering the quality as the most important aspect; in the “New World” countries, although the quality is also important, the percentage of respondents that say the quality as the key issue is smaller, around the 33%. This is not the case of Australian wines, which are perceived closer to “Old World” countries wines.

Regarding to price, this feature is more relevant in “New World” countries, as these wines are usually perceived as economic wines; this is not the case of Australia, for the same reason as above.

The wine of the “New World” countries is less known, as a high percentage (around 40%) of people answer that they do not have any idea of these types of wine; in the “Old World” countries, this percentage is around 27%. In addition to this, status is not an important feature for the respondents in any country.

6.1.8. Chosen country

Graph 20: Chosen country



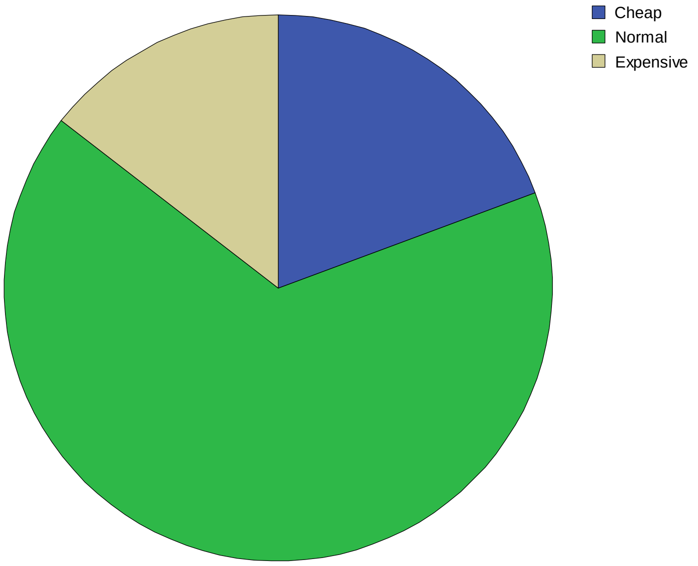
As we can see from the above frequency table, the countries that are most repeatedly chosen are France and Australia with 21% and 22.6% respectively. It means that there is one country from "Old World" and one country from "New World" that are preferred to Swedes. As we have said in the last question, Australia is perceived as the best wine producer of the "New World" countries and it is positioned at the top of these countries with a behavior that is more similar to the "Old World" countries wine. For the rest of the people, it is better the wine from the "Old World" countries (Spain and Italy) than the wine from the New World countries (South Africa and Chile); it means, that when they have to choose between wine from different countries they prefer to buy a known wine and one of good quality (as we have said in the last question, wine from "Old World" countries is better known and is perceived as with higher quality).

However there are a high percentage of people (21%) for whom the country where the wine comes from is not an important aspect. (Appendix 3.8: Chosen country).

6.1.9. Perception about Spanish wine

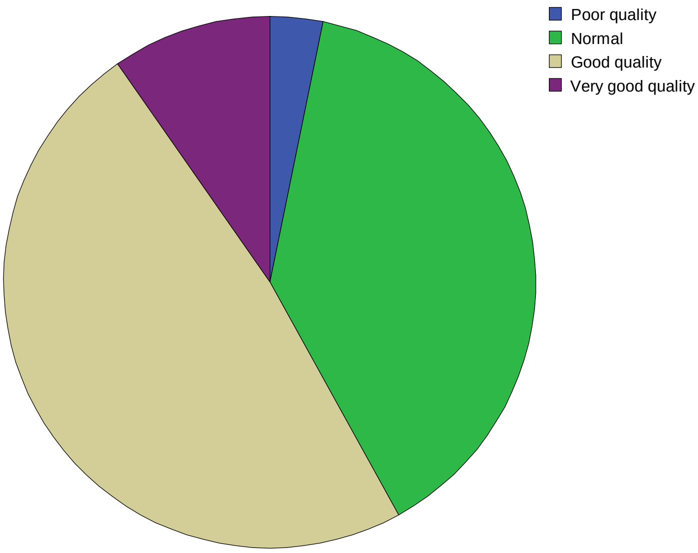
The next groups of variables we will explain are the ones that correspond to the perception of Spanish wine among Swedes, that is, if people in Sweden perceive the wine to be cheap or expensive, of poor or good quality, with much or little promotion and with many or few varieties.

Graph 21: Price of Spanish wine



The respondents do not say that Spanish wine is very cheap or very expensive, the most repeated answer being a "normal" price (66.1%). So we can say that the perception of Spanish wine regarding its price is similar than the one they can have from other countries. (Appendix 3.9.1: Price of Spanish wine).

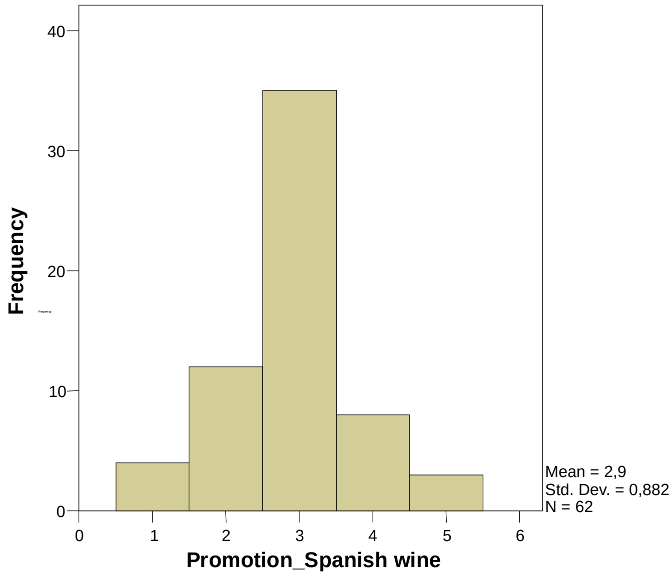
Graph 22: Quality of Spanish wine



As the above feature shows, nobody answers that the Spanish wine is of "very poor quality", being the "normal quality" (38.7%) and the "good quality" (48.4%) the most repeated answers. So we can conclude with this information, that Spanish wine is perceived as a good quality wine, even higher than the average of the wine market in Sweden, since more people think that it is of "good quality" than of "normal quality", meaning the last one similar to the other types of wine. (Appendix 3.9.2: Quality of

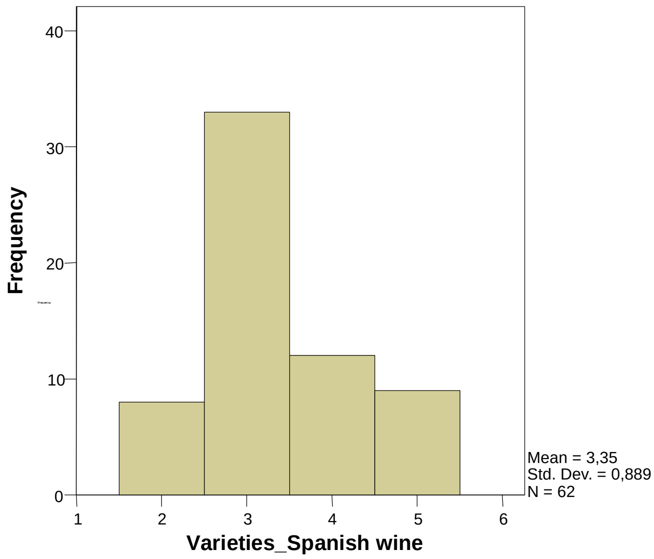
Spanish wine).

Graph 23: Promotion of Spanish wine



The majority of people perceive that the promotion of Spanish wine is similar to the one of other countries; the reason is that there is much obstruction to support the alcohol of high percentage, that is, to make advertising of it. (Appendix 3.9.3: Promotion of Spanish wine).

Graph 24: Varieties of Spanish wine

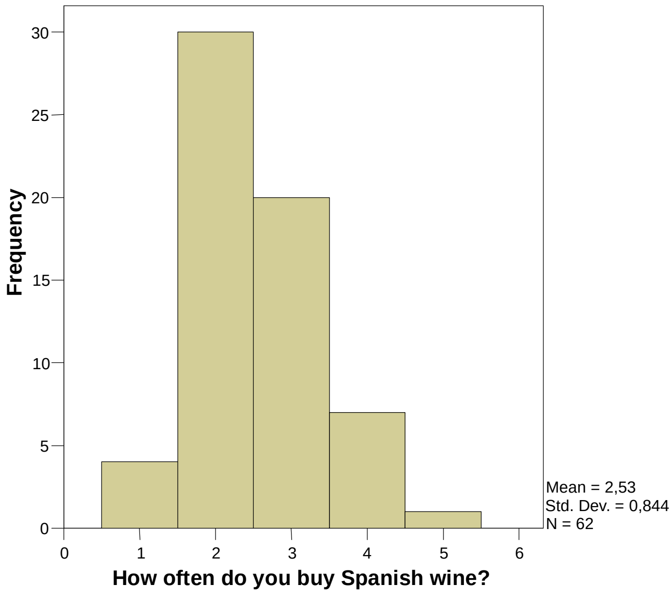


The majority of respondents answer that the varieties of Spanish wine are similar to the ones that can find of other countries wine, since 53.2% of them say "normal varieties". Also, one out of three thinks that the variety of Spanish wine is more than the average, being the "quite varieties" answered by the 19.4% of respondents and the "many varieties" answered by the 14.5% of respondents. So we can say that Spanish wine has enough varieties taking into account the whole market of wine in Sweden. (Appendix

3.9.4: Variety of Spanish wine).

6.1.10. How often do you buy Spanish wine?

Graph 25: How often do you buy Spanish wine?



The results of this question show that Swedes do not buy Spanish wine very often, since more than a half of the respondents "never" (6.5%) or "hardly ever" (48.4%) buy Spanish wine. Only 12.9% of the respondents buy wine "very often" or "everyday". (Appendix 3.10: How often do you buy Spanish wine?).

6.1.11. Personal information

The last three questions of the questionnaire gives us information about personal data of the respondents, which are their gender, age and level of income. These variables are not relevant for our study in an univariate analysis because they are not linked with consumption and perception of wine in general and specifically of Spanish wine. So they are useful for us in a multivariate analysis to understand how people behave according to their gender, age and level of income.

6.2. Multivariate analysis

This kind of analysis refers to the analysis of at least two variables at the same time with the objective of knowing the behavior among the variables. We have used the Spss computer program for obtaining the contingency tables (similar to a frequency table, but including more than one variable) that explain these relationships[96].

[96] Bryman, A., Bell, E. (2003). *Business Research Methods*, Oxford, p. 244-245

6.2.1. Gender - Group of age – Consumption of wine

As we can see in the contingency table (Appendix 4.1: Gender-Group of Age-Consumption of wine) the wine consumption in males and females has a similar behavior, since a high percentage of respondents say that they drink wine "sometimes" (64.5% in males and 61.3% in females). Taking into account the different age groups, the "sometimes" choice is almost in all cases, the most repeated one except in females between 26 and 35 years old where more than a half of them answer that they "never" or "hardly ever" drink wine. Finally, another key issue that we have found is the fact that young females drink more wine than young males, since 21.4% of females between 18 and 25 years old drink wine "quite often" or "everyday" and no males of the same group of age do it.

6.2.2. Gender - Group of age – Kind of wine

Regarding the relation between gender, group of age and kind of wine preferred (Appendix 4.2: Gender-Group of Age-Kind of wine), males prefer "red wine" much more than other types of wine (83.9%). By different groups of age, we can say almost the same, although "white wine" must be taken into account in males from 18 to 25 years and from 36 to 45 years with percentages of preference around 24%.

In this case, the behavior of females is not the same and although the consumption of wine is more or less similar in both cases the type of wine preferred differs. The highest percentage of answers is also "red wine" but it is much less than in males, being for females 51.6% and for males, as we have said before, 83.9%; that difference is due to the more females that prefer "white wine" (41.9%).

So summarizing, "red wine" is the main one among Swedes, although for females "white wine" is also important. Finally, neither "rose wine" nor "sparkling wine" are relevant in Sweden.

6.2.3. Gender – Chosen country – Kind of wine

In this contingency table (Appendix 4.3: Gender-Chosen country-Kind of wine), there is more information than in the above table, since apart from the type of wine preferred by males and females there are data about the country that Swedes prefer in their selection of wine.

We can see how males do not prefer so much wine from "New World" countries except from Australia where the percentage is relevant (around 25%); almost all the of rest the males choose "Old World" countries, mainly France, followed by Spain and Italy. As a reminder, the percentage of males for whom the country is not an important aspect is around 13%. Regarding the different types of wines, in all of the countries chosen by males the "red wine" is the most relevant one, although there are differences among them; for example in France the "white wine" has more importance than in other countries of "Old World", such as Italy or Spain, where no males choose these countries as the most preferred ones and "white wine" as the most preferred one.

In the case of females, there are some differences; first of all, although Australia continues being the most preferred country among "New World", there are some females that choose other ones such as Chile or South Africa. So taking into account all countries of “Old World” and “New World”, females prefer the new ones (35%) than old ones (29%), which is different in males. Another difference is the fact that females prefer “white wine” more than males, as we have explained before; by countries, France, Italy and especially Australia are the most preferred ones for “white wine”, with percentages that are higher than for “red wine”.

6.2.4. Chosen country – Consumption of wine

Regarding the most preferred country and the wine consumption (Appendix 4.4: Chosen country-Consumption of wine), the main feature is the fact that people drink wine “sometimes” without taking into account from which country the wine they drink comes from. However there are some countries, such as France and Italy among the “Old World” and South Africa and Australia among the “New World”, which people that choose them for the wine consumption, drink wine “quite often” or “everyday”. It is not the case of Spain, since no one that chooses Spanish wine as the most preferred wine drinks it “quite often” or “everyday” and a relevant percentage of them answer that they drink wine “hardly ever” or even ”never”. Finally, people for whom the nationality of wine is not an important aspect, usually drink wine “sometimes”, although there is also a high percentage in the answers “never or hardly ever”; this information shows how people that drink wine for daily consumption or almost every day is faithful with one specific country.

To sum up, Spanish wine is not chosen by people who drink wine “quite often” or “everyday” and almost all respondents that say that the nationality is not an important aspect drink wine “never”, “hardly ever” or “sometimes”.

6.2.5. Chosen country – Kind of packaging

In the univariate analysis we have said how “the 75 cl. bottle” is by far the most preferred packaging for wine among Swedes, so there are few aspects to comment on this contingency table (Appendix 4.5: Chosen country-Kind of packaging). However there are some features to emphasize; firstly a considerable percentage of people for whom the nationality of wine is not an important aspect, choose “the three litres bag-in-box” packaging. Another aspect, and maybe one of the most important one, is the fact that there are some types of packaging that are not chosen for some countries; “the 37.5 cl. bottle” is only chosen by one person in Australia, the “one litre in brick” by one person in France and another one in Chile and “the three litres bag-in-box” by one person in Spain, Italy, South Africa and Chile and two persons in Australia. The last finding is relevant because some types of packaging are not important for Swedes for some of the nationalities of wine we have chosen for our analysis.

6.2.6. Kind of wine - Chosen country – Kind of packaging

The information from the table among “chosen country” and “type of packaging” is important but in this one (Appendix 4.6: Chosen country-Kind of packaging) we have included the “type of wine” to see if the last finding (types of packaging that are the most important ones in each country and the ones that are not relevant in each country) is solid in all types of wine, especially in “red” and “white” wine, the two that are the most consumed ones.

Regarding the “red wine” the behavior is similar to the wine in general, mainly because “red wine” is the one with more weight in consumption in Sweden. So most of the respondents prefer “red wine” in a “bottle of 75 cl.” except in the case of wine from Chile, where people prefer it, in “one litre in brick” and in “three litres bag-in-box”.

The “white wine” is also preferred in the same type of packaging (with few people that prefer a “bottle of 37.5 cl.” and a “one litre in brick” and no one a “three litre bag-in-box”) although the preferences for it do not cover all the countries; only France, Italy and Australia are selected for consumption of “white wine” in Sweden.

To complete this finding we have to create a list that includes the references of wine in each type of wine, in each country, in each type of packaging and in each range of price (the price will be commented in the next contingency table). With this information we can analyze if the most preferred wines, according to the type of wine and the nationality where the wine comes from are the ones with more references. We have to say that these references are from the Systembolaget shop that is in downtown Umeå, since almost all the respondents have answered the questionnaire in that place.

Graph 26: Number of wine references in Systembolaget

	Australia	Chile	France	Italy	Spain	South Africa	Others	**Total**
Red;75cl;45-69kr(75cl)	16	15	13	35	32	9	25	**145**
Red;75cl;70-89kr(75c)	10	12	14	15	24	18	14	**107**
Red;75cl;90-109kr(75cl)	8	2	5	7	8	5	8	**43**
Red;75cl;+109kr(75cl)	5	1	7	26	7	4	7	**57**
Total Red;75cl	**39**	**30**	**39**	**83**	**71**	**36**	**54**	**352**
Red;Bag-in-box;139-179kr(3l)	1	1	0	1	5	2	0	**10**
Red;Bag-in-box;180-219kr(3l)	5	4	6	7	1	6	6	**35**
Red;Bag-in-box;+219kr(3l)	2	1	0	1	1	3	1	**9**
Total Red;Bag-in-box	**8**	**6**	**6**	**9**	**7**	**11**	**7**	**54**
Total Red	**52**	**44**	**53**	**105**	**91**	**48**	**67**	**460**
White;75cl;45-69kr(75cl)	11	8	11	17	7	12	54	**120**
White;75cl;70-89kr(75c)	7	6	19	6	2	5	14	**59**
White;75cl;90-109kr(75cl)	6	0	9	0	0	2	11	**28**
White;75cl;+109kr(75cl)	4	0	20	2	0	1	6	**33**
Total White;75cl	**28**	**14**	**59**	**25**	**9**	**20**	**85**	**240**
White;Bag-in-box;139-179kr(3l)	2	2	0	0	2	5	15	**26**
White;Bag-in-box;180-219kr(3l)	1	1	1	5	0	6	1	**15**
White;Bag-in-box;+219kr(3l)	0	0	0	1	0	0	0	**1**
Total White;Bag-in-box	**3**	**3**	**1**	**6**	**2**	**11**	**16**	**42**
Total White	**33**	**21**	**75**	**38**	**17**	**32**	**123**	**339**
Total Rose	**3**	**1**	**4**	**1**	**4**	**0**	**3**	**16**
Total Sparkling	**4**	**1**	**50**	**11**	**15**	**1**	**9**	**91**
TOTAL	**92**	**67**	**182**	**155**	**127**	**81**	**202**	**906**

Number of wine references in Systembolaget. Own elaboration.

As we can see in the table, the highest percentage of references is “the red wine” in a “bottle of 75 cl.” (38.9%) that is the one that is preferred by Swedes. The countries Italy and Spain are by far, the two countries that have more references or “red wine” in this type of packaging; although none of these countries are the ones whose “red wine” is preferred by Swedes, since the most preferred ones are France and Australia. Only the 6% of references are of “red wine” in “three litres bag-in-box” while the percentage of people that choose “red wine” in this type of packaging is around 15%. The country with more references is South Africa with a percentage of 20.4% although the references are quite divided among different countries, as well as the consumption of this type of wine.

Regarding the “white wine” in a “bottle of 75 cl.”, France is the one among the countries we have selected for our study that has more references (24.6%) followed by Australia, Italy and South Africa with percentages around 10%. In the preferences of people, Australia is the most preferred “white wine” in a “bottle of 75 cl.” although other countries with a high percentage of references are well positioned, such as Italy and France; however, although South Africa has many references of this type of wine, no one of the respondents selects it as “the most preferred one”, as well as Spain and Chile (although Spain and Chile do not have so many references of “white wine” in a “bottle of 75 cl.”). Finally, there is important data that shows how a high percentage of references of “white wine” in a “bottle of 75 cl.” come from “other” countries, mainly Germany, but then, the preferences of this type of wine are similar to the cases of Italy, France or Australia.

The other references are not as relevant as these ones, because the number is not so high and the preferences of these references are marginal.

6.2.7. Chosen country – Expenditure in wine

According to the relation between the nationality of wine and the “expenditure per bottle of 75 cl.”, (Appendix 4.7: Chosen country-Expenditure in wine 75 cl.) in the countries whose wine is “the most preferred” one in Sweden, such as Australia, France, Spain and Italy, respondents buy it mostly in the price range between “70 and 89 kr.” per “bottle of 75 cl.”, that is, a low-medium price. Then the ranges of price between “49 and 69 kr.” and between “90 and 109 kr.” have a similar distribution although in some countries, such as Australia or Spain is the cheapest one is preferred, that is, wine between “49 and 69 kr.” Finally respondents for whom the nationality is not an important aspect prefer cheap wine, being the same percentages from “49 to 69 kr.” and from “70 to 89 kr.”

Regarding the references of wine that are showed in the table of “number of references of wine”, we can see how there are mainly references of low and low-medium wine prices, being the highest percentage the low price wine one (around 32%). The wine from “70 to 89 kr.” represents around 21% of total references. So the wine that is most preferred (low and low-medium price one) is the most represented one, although the most preferred is the one from “70 to 89 kr.” and the one with more references is the wine from “49 to 69 kr.”

6.2.8. Kind of wine – Expenditure in wine – Kind of packaging

Regarding this contingency table (Appendix 4.8: Kind of wine – Expenditure in wine – Kind of packaging), in “red wine” we can see how the preference that is the most repeated one is the “bottle of 75 cl.” and the price between “70-89 kr.”, being the percentage 62.5%. It is also important that the “bag-in-box” packaging, which is preferred by 21.4% of respondents, being the most preferred price the one that goes from "70 to 89 kr."

The "white wine" follows a similar trend, although no one prefers the "bag-in-box" packaging and higher percentage than in "red wine" prefers the "37.5 cl." packaging; in this last case the respondents prefer the cheapest price, that is, the one that goes from "45 to 69 kr."

6.2.9. Chosen country – Characteristics of wine in each country

The next group of contingency tables (Appendix 4.9: Chosen country- Characteristics of wine in each country) represent the relation between the nationality that is preferred by Swedes for the consumption of wine (divided in "Old World", "New World" and "Other" countries and also in those who do not perceive the nationality as an important aspect) and the features about how the wine is perceived by Swedes in each country.

Chosen country – Characteristics of French wine

In the contingency table (Appendix 4.9.1: Chosen country- Characteristics of French wine) we can see how a high percentage of people perceive the French wine as a "quality wine", regardless of which country they choose for its consumption. However respondents that prefer wine from "Old World" countries make an important percentage in the feature of "economic wine", while people that choose wine from "New World" countries opt for the "status", as well as people that prefer other countries for wine. Finally the percentage of people that do not have any idea about French wine is not so high, except in those for whom the nationality is not an important aspect (69.2%). The last finding could explain how people that do not choose a specific country for the wine purchase is because of their ignorance of the features of each country; however we will see if this aspect carries out in the following countries or if it is only typical in the French case.

Chosen country – Characteristics of Italian wine

We are not going to comment on this table (Appendix 4.9.2: Chosen country- Characteristics of Italian wine), because the findings we have obtained for the French features can be applied for the Italian ones, since the data are very similar among both countries.

Chosen country – Characteristics of South African wine

The wine from South Africa is also perceived as a "high quality wine" by people that prefer wine from "Old World", "New World" or "Other" countries, although the percentage is smaller than in the case of France or Italy for people that prefer wine from "Old World" countries and higher for people that prefer wine from "New World" countries (around 36%). However there are more people that do not have any idea about this type of wine, with percentages that are similar to the ones that are referred to as the quality. In addition to this, there are also more people that associate wine from South Africa to an "economic wine" and almost no one that says that "status" is an important aspect of this wine (Appendix 4.9.3: Chosen country- Characteristics of South African wine).

Finally, the findings that we have commented for the French and Italian wine, about how the percentage of people that do not choose a specific country for the wine and that do not have any idea about the wine features of a country is high, it is also carried out for the wine from South Africa.

Chosen country – Characteristics of Australian wine

The case of Australian wine (Appendix 4.9.4: Chosen country- Characteristics of Australian wine) is quite similar to the country of “New World” that we have analyzed, that is, South Africa, although it has two main aspects to comment that differentiate it. Firstly, a high percentage of people that prefer wine from “New World” countries associate the Australian wine as a “quality wine” (66.7%) while almost half of the respondents that prefer wine from “Old World” countries do not have an idea about the features of Australian wine.

Chosen country – Characteristics of Spanish wine

Spanish wine is also perceived mainly as a “quality wine” (Appendix 4.9.5: Chosen country- Characteristics of Spanish wine), although a relevant percentage of people that prefer wine from “Old World” countries associate it with “economic wine” (21.4%); people who choose “New World” countries for the wine perceive Spanish wine also as a “status wine” and higher percentage than in the case of respondents that choose wine from “Old World” countries do not have any idea about Spanish wine. Finally, there are also a lot of people for whom the nationality is not important and that do not have any idea about features of Spanish wine.

Chosen country – Characteristics of Chilean wine

In this contingency table (Appendix 4.9.6: Characteristics of Chilean wine), we can see how the results about the features of Chilean wine are rather divided; since people that prefer wine from “Old World” countries chose as the main feature “price”, “quality” and no idea with similar percentages. The same thing happens with people that choose wine from “New World” countries, although the percentages of whom that answer no idea are smaller. Finally as well as in other countries, the people with no preferences in the nationality do not have any idea about features of Chilean wine.

6.2.10. Chosen country – Level of income

According to the contingency table (Appendix 4.10: Chosen country-Level of income), the choice of the country when the consumers go to Systembolaget does not have any criteria with the level of income but Spain and France have differences with respect to the other countries. So in the rank of incomes “300,001-450,000 kr.” per year, Spain represents the 50% of the total respondents; also for all of the respondents that choose Spain, this level of income represents the 50% over total.

Another representative case is France since more than 50% of total of respondents that earns more than “450,001 kr.” choose France in their election (60%). The rest of countries are chosen by consumers that earn between less than “150,000 kr. and 300,000 kr.”

6.2.11. Chosen country – Characteristics of Spanish wine

The next group of contingency tables (Appendix 4.11: Chosen country-Characteristics of Spanish wine) refers to the relation among the chosen country for wine by Swedes and the perception that they have about the Spanish wine.

Chosen country – Price of Spanish wine

This table (Appendix 4.11.1: Chosen country-Price of Spanish wine) shows how the customers depending on the chosen country perceive the Spanish wine how cheap or expensive. We have to emphasize that the majority of respondents perceive the Spanish wine similar to the average of other countries. The case of Spanish consumers is exceptional since 37.3% over total consider that is an "expensive wine". Also we have to focus on the consumers of one "New World" countries like Australia, since a big percentage of their consumers (28.6%) consider Spain an "expensive wine". The most common answer for respondents is "normal price", so we can see that consumers do not see Spain positioned neither in "price" nor "status".

Chosen country – Quality of Spanish wine

This contingency table (Appendix 4.11.2: Chosen country-Quality of Spanish wine) shows how the consumers according to the chosen country perceive the quality of Spanish wine. We have to emphasize that for all the respondents, the quality of Spanish wine is "similar to the average", 38.7%, or "good" or "very good quality", 58.1%.

Chosen country – Promotion of Spanish wine

This table (Appendix 4.11.3: Chosen country-Promotion of Spanish wine) shows how the consumers perceive the promotion of the Spanish wine according to the chosen country. Starting by Old World Countries, the respondents that chose Spain believe that Spanish wine has "little promotion" in Sweden. It can be because the consumers are used to buying the Spanish wine and are loyal costumers. The problem is that a big percentage of these costumers that perceive "little promotion" could be lost in the future. If the consumers of the other countries do not think that "much promotion" exists about Spanish wine, it is impossible that Spain can obtain new customers.

None of the respondents that have chosen other countries think that Spain has "little" or "much promotion" but that Spain is on the average of the other countries.

6.2.12. Group of age – Characteristics of Spanish wine

This group of tables (Appendix 4.12: Group of Age- Characteristics of Spanish wine) explain the relation among the different groups of age of the respondents and their perception of Spanish wine.

Group of age – Quality of Spanish wine

This table (Appendix 4.12.1: Group of Age- Quality of Spanish wine) shows how the consumers according to group of age perceive the quality of Spanish wine. So the most important conclusion that we can take out is that for the majority of this group, the Spanish wine is between "normal quality" and "good" or "very good quality". But in the group of "36-45 years", the majority of them think that Spanish wine is of "good" or "very good quality" (87.5%). This shows how it is good potential group of consumers and how the different countries should make a strategy for the future.

Chosen country – Promotion of Spanish wine

This contingency analysis (Appendix 4.12.2: Group of Age – Promotion of Spanish wine) about group of age and promotion of Spanish wine shows how the consumers of "18-25 years" perceive the promotion of Spanish wine as "little" or "very little" (43.5%) and "normal" (43.5%). This means that for an important group, that is, the young consumers think that Spain does not have a "good promotion" with respect to the average of other countries and probably is an important aspect to take into account for the future. Also it is very important to keep in mind that in the last table, for a big group of consumers Spain has a wine of "good" or "very good quality", but now in this table, a big percentage of these respondents think that Spain has "little" or "very little promotion" (37.5%) and "normal promotion" according to the average (37.5%). If Spain produces wines of "good quality" but later is not capable to introduce the wines in the market with an efficient promotion, much effort is made in the productive chain but little in the last steps, the ones that are the most important.

Chosen country – Varieties of Spanish wine

Just like in the table of quality and Spanish characteristics, the age group of "36-45 years" is different in data than the others because in the varieties of Spanish wine, a big percentage of this group thinks that Spain has many varieties and more than the other countries (62.5%). The other groups have the same results and do not give us relevant information for our study (Appendix 4.12.3: Group of Age – Varieties of Spanish wine).

7. ANALYSIS OF DATA

Once we have presented the data that we have obtained through the self-completion questionnaire and the SPSS computer software, we will analyze them for the wine in general and for the Spanish wine specifically in order to take out some findings and to compare the final data with the theories, that will help us make some strategic recommendations to wine producers in Spain.

7.1. Analysis of data for wine in general

In this step we will develop the analysis of data for wine in general comparing them to the theories of consumer behavior, Michael Porter, matrix of BCG and finally competitive strategies.

7.1.1. Relationship between empirical data and consumer behavior

According to the data that we have obtained with the questionnaire (that has relation with consumer behavior), the majority of the respondents focus the wine selection on the quality of the product, being priced the second most important attribute for the chosen wine. So consumers behave in their wine purchase choosing a wine of good price-quality.

Another relation that we have found is that many respondents do not know any characteristic of the main wine producers; when they go to the Systembolaget, they do not take into account any properties as they are not aware of wine sector in general. Due to that, many respondents do not have much knowledge of wine features. The purchase selection is based on other attributes that they consider better, such as quality and price. So as we could see before there are a big percentage of respondents that do not have any preferences about one country or another one (21%).

7.1.2. Relationship between empirical data and theories of Michael Porter

Although in the theoretical framework we have developed the Five Forces of Michael Porter, now we will analyze only the most important ones for our case, that is, the rivalry among existing firms, threat of new entrants, bargaining power of suppliers and the Government.

Regarding the rivalry among existing firms, the empirical study shows the same theory, reinforcing the fact that rivalry among competitors is increasing[97]. We can see it in the empirical study in different features. Firstly a lot of people think that there are more varieties of wine than in the past and in addition to this the number of references that we have found in the Systembolaget web page is large (904 references of wine). Furthermore, the consumption of wine from many countries, such as France, Australia, Italy and Spain is quite divided and similar, so the rivalry is high.

In the theoretical framework we said that the threat of new entrants, nowadays, was not too high but countries that are important in the wine industry in Sweden should take into

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[97] Campbell, G. and Guibert, N. (2006). *Old World strategies against New World competition in a globalising wine industry*, British Food Journal, p. 236

account this threat in the future[98]. The data that we have obtained show that fewer people chose countries that are less relevant for wine consumption and a high percentage prefers countries that are well known. This fact could mean that the threat of new entrants is low since people are faithful with countries that are well positioned in the market. For new countries it can be difficult to enter in the market and displace the current ones, even more so considering that the rivalry among the existing firms is high. However the data show another fact, which is that many people do not care about the nationality of wine when they have to buy it, reducing in some part the strength of current actors in the wine industry in Sweden and making a bit more dangerous the threat of new entrants as the theory says.

The bargain power of buyers according to the theories is high, since they are the ones that finally choose among the different types of wine. In our empirical study we have presented a number of references of wine. According to the large number of references that there are in Systembolaget, the bargain power of buyers is high since there are many suppliers to make the purchase election. In addition to this, there are different market segments according to the kind of packaging, the price of wine, the features that people want in wine, etc.; so if one country does not satisfy the needs of one specific segment, this segment can easily change to another country, even more taking into account the large number of references and that some of the Swedes do not care about the nationality of wine.

Finally we added another force to the traditional Five Forces of Michael Porter; the Government. As we said, Government has a relevant position since Systembolaget is the only place to buy wine by the end customer in Sweden and it is regulated by the Government[99]. In our questionnaire we have not included any question related with this topic, but some of the respondents and our own experience reinforce in practice the position of Government; it is seen as a negative aspect, since the price of the alcohol is high, among other reasons, because of the intervention of Government and taxes that are set.

The last two forces, that is, the threat of substitute product and the bargain power of suppliers have not been analyzed in our empirical study. According to the first one it is difficult to define what the substitute products of wine are and to the second one, it is almost impossible with our short time and budget to collect data about this force, taking into account that the sector of individual producers of wine is very atomized.

7.1.3. Relationship between empirical data and theories of Boston Consulting Group.

According to theoretical framework, we used the Boston Consulting Matrix to obtain a visual map of the position of the different players in the Swedish wine market. The Boston Consulting Group Matrix shows how Spain and Italy are still getting an important market share and France has an important market share but is losing it compared to the other countries. So in the part of "Cows" are the countries that we have mentioned before.
The Boston Consulting Group Matrix also showed how countries of "New World" are obtaining good goals, being South Africa in the best position and later Australia.

[98] www.systembolaget.se
[99] www.systembolaget.se

Analysing the results of the questionnaire, we have obtained that France is the second country in the wine selection (21%) and Australia is the first in the list of favourite wines by the respondents (22.4%). The other countries, as Spain (12.9%) and Italy (11.3%) are in a worse position than the last two ones. Finally Chile and South Africa obtain 3.2% respectively.

Connecting the results of the questionnaire and the Boston Consulting Group Matrix, we can say that the results of both are quite different. The Boston Consulting Group Matrix, the best positioned countries are Spain and Italy in “Cows”, and in “Stars” South Africa; but our respondents have preferred Australian and French wines in their selection.

We can confirm that the Boston Consulting Group Matrix is only an indicator to have a visual map of the different players of the market; however it does not represent exactly the situation of the market; so as we have said before in the theories, this method only uses two variables to make the analyse (Relative Market Share-Growth Market). Also it is very outdated since today the context that companies drive is more complex than in the sixties.

<u>7.1.4. Relationship between empirical data and competitive strategies.</u>

In the theoretical framework we have concluded that it is rather difficult to classify the different countries according to one competitive strategy, that is, cost leadership, differentiation or specialization strategies[100].

However, in our empirical data we have obtained some information about some countries that are focusing on a specific strategy, although it is not so relevant. For example, there are some countries that are taking specialization strategy, such as Germany in white wine, as we can see in the table that we have made about the number of references of wine in Systembolaget. However in the number of references we can see how almost all countries have a high number of references of different kind of wines, packaging, price, etc. so it is difficult that these countries develop a specialization strategy.

In relation to the questionnaire, respondents do not perceive any country with a differentiated characteristic in this sector. However we can observe that for the bulk of respondents exist some countries that are perceived with wine of higher quality than others, which is the case of “Old World” countries followed by Australia. Other countries such as Chile and South Africa are perceived with quality but the respondents also establish that price is an important feature for wine. According to the previous, we cannot say that these results show a clear classification of countries in each competitive strategy, since this is the perception of consumers and not the strategies that countries follow.

So although we can obtain some trends it is difficult to conclude which is the competitive strategy followed by each country, being agree with the theory.

[100] Olavarría Jaraba, B. Economic and promotional analysis. Spanish Wine Federation

7.2. Analysis of data for Spanish wine

Apart from the global features that we have analyzed for wine in general (that can be applied to this case, such as the analysis of Five Forces of Michael Porter and matrix of BCG) there are some aspects that are relevant for this particular case.

First of all people perceive that Spanish wine is of good quality more than as a economic wine, being the perceived price medium-high. So Swedes see the Spanish wine as a differentiated wine according to competitive strategies more than as a cost leadership strategy. This does not mean that Spanish wine producers follow a competitive strategy of differentiation since this is only the perception of consumers.

However, we have found a problem in the promotion of wine, such as many people say that the promotion of Spanish wine is very little or little (25.8%). This is an important weakness taking into account that Spanish wine is an "Old World" producer and it is losing market share. The promotion of this kind of wine is perceived as a lower than the average so it is a disadvantage to compete in this industry, that as we have said, has much rivalry.

Now we will analyze the current situation of Spain according to the different types of wine, that is, red, white, rose and sparkling wine.

In the Swedish wine market there is a high percentage of people (mainly females) that prefer white wine, so this kind of wine is an important market segment that Spain have been forgetting in the last years. According to Systembolaget, the percentage of consumption that represents white wine is 32.53% and the growth from 2004 to 2005 has been 4.5%[101]. There are other countries that are better positioned in this segment and some of them, such as France and Italy are also included within "Old World" countries, so although "New World" countries are increasing their market potential, other countries from "Old World" have more competitive tools for protect their position.

Furthermore, within white wine, the most preferred packaging and price is the bottle of 75 cl. and the price from 70 to 89 kr. respectively; according to the number of references we can continue saying that Spain is poorly positioned since in this segment it only has two references while other countries such as France and Australia have 19 and 7 references respectively.

Spain is well positioned in rose and sparkling wine, with enough references (4 in rose wine, which represents the 25% of the market and 15 in sparkling wine, which represents the 16.48%). These kinds of wines do not have high consumption in Sweden (rose wine represents the 1.51% of the total consumption and sparkling wine 2.79%) but the growth between 2004 and 2005 is significant, being in rose wine 18.2% and in sparkling wine 7.8%[102].

Regarding red wine, the most significant feature is the fact that in bag-in-box packaging there are few references for medium and high prices. This is a weakness for Spain since Spanish wine is perceived as a good quality and medium-high price. For example, from

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[101] www.systembolaget.se
[102] Ibid.

the 35 references that there are of red wine in bag-in-box of medium price, Spain only has one. The other countries that we have analyzed are better positioned in this market segment. In the case of red wine in a bottle of 75 cl. Spain has more references in low-medium prices so it is not in agreement with the quality wine of medium-high price; however taking into account all the countries, Spain is not badly positioned in medium-high price[103].

Finally, although we have said that Spanish wine is perceived as a high quality wine and in the medium-high price segment, it is not clearly differentiated in any attribute, so for the wine in general, it is difficult to classify Spanish wine in one competitive strategy.

[103] www.systembolaget.se

8. STRATEGIC RECOMMENDATIONS

Once we have analyzed the empirical data and compared them with the theoretical framework we are aware that Spanish wine has some weaknesses. So, in this chapter we will make some strategic recommendations that, in our point of view, should be taken into account in order to improve the current situation or at least to avoid continuing to drop in the market over competitors, especially over "New World" countries.

8.1. "Wine from Spain"

Due to the large number of appellations of origin that there are in Spain (sixty-three[104]) it is difficult to make a global and unique competitive strategy because each one has its own interest. In addition to this, other countries of "Old World" with much tradition in wine sector have also a lot of appellations of origin that could confuse the customer. This reason, linked with the fact that "New World" countries are entering the market, does that the wine industry in Sweden is much atomized.

So our first recommendation is that the different appellations of origin in Spain should be convinced to join and put together their resources in order to create competitive synergies to fight against competitors, that is, export their wine as a "Wine from Spain" and not as a Rioja or Jerez-Xéres-Sherry.

In our opinion this recommendation is adequate, since an important mass of respondents of our questionnaire do not care about nationality of wine, so much less the different appellations of origin.

8.2. Promotion of "Wine from Spain"

The main weakness that we have seen is that the promotion of Spanish Wine is poor compared to other countries. Taking into account that Spanish wine is losing market share and that other countries are making efforts to create awareness of their wines, in our point of view promotion is an aspect that Spain should have in mind.

Nowadays Spain is making some promotional activities, such as trade and tasting wine fairs and some advertisements in specialized magazines[105]. However we have found some problems with this promotion.

First of all, these activities are focused on small groups of people that have much knowledge about wine sector. In our opinion these kinds of activities are positive for wine promotion since they are addressed to people that can have an influence on the common customer; in spite of that, we do not agree that these kinds of activities can be enough for Spanish wine promotion, particularly taking into account that more countries are continuously entering the market with other competitive actions, such as Australian and American wine, countries of "New World"[106].

Furthermore, as we have said before, the problem of appellations of origin continues existing, so our recommendation is to make a promotion as a "Wine from Spain" not

[104] www.winesfromspain.com
[105] García, A. responsible of wine industry – ICEX, Sweden.
[106] Ibid

only addressed to specialized people. The operative action to achieve what we have said is the following one.

Firstly, a global advertising campaign in television and in newspapers about "Wine from Spain" in which the advertisements emphasize the above, that is "Wine from Spain" and also quality and diversity (red, white, rose and sparkling wine). Finally culture and traditions of the wine sector in Spain in order to differentiate this kind of wine from the wine of "New World" countries that do not have this feature. We are aware that this kind of campaign in mass media is too expensive even for an important industry and it is why we recommend making the campaign in specific moments in time, such as just before Easter, the beginning of summer and Christmas, where the consumption of wine is higher[107]. We do not recommend making advertising campaigns for each kind of wine (red, rose, white and sparkling) since nowadays all of them are used for the same objective, that is the daily consumption; in the past sparkling and rose wines were used in special occasions or to celebrate some events but it is not the case of today[108], so we think that it is a waste of money to spend economic resources making special promotions for each kind of wine.

8.3. Other recommendations

In our point of view the two recommendations we have commented on are the most important ones since promotion and diversity of opinions among different appellations of origin are the most relevant weaknesses of Spanish wine. Now we will explain more briefly other recommendations that wine producers can follow in order to improve the position of Spanish wine exports to Sweden.

First of all, we have found how Spain has a weakness in white wine since there are few references of this kind of wine in the Swedish market. In addition to this, there is an important market segment that drinks this kind of wine, that is, females, whose preference for this wine is continuously increasing. Regarding to the launch plan for Spring-Summer 2008 of Systembolaget, the number of white wine references that Spain will introduce in the market are eight, which are around 10% of total references that will be introduced[109]. Countries, such as France, Italy and Germany, "Old World" countries that are competing with Spain will introduce more references in the Swedish market than Spain and we have to take into account that nowadays they have more references than Spain. So they are taking advantage in this segment and they have a competitive tool to fight against actions of "New World" countries. According to this, our recommendation is that Spain should increase its presence in white wine in Sweden.

Another recommendation has relation with research, development and innovation. In all industries the investment to find new ways to make the product efficiently is very important, since nowadays the rivalry among competitors is continuously increasing. Even in the wine industry the production processes are changing and it is advisable to open the mind to look for the improvement in the value chain. So the recommendation is that Spanish wine producers should find out how other countries are producing and marketing wine, especially "New World" countries, such as Chile or Australia and link

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[107] *Annual report 2006* - www.systembolaget.se
[108] Commercial and Trade Office of the Spanish Embassy in Stockholm. (2007). *Market study of wine sector in Sweden*, p. 27 - www.icex.se
[109] *Launch plan 2008*, p. 27-30 - www.systembolaget.se

it with the competitive advantage of the experience that Spain has in this sector, that is, to link new tools with tradition and culture.

Finally, we have found how “New World” countries are more adapted to the customer preferences, which are the offer of kinds of packaging, information about the wine that they are exporting, etc. According to the reform of wine sector, the main proposal is to increase the competitiveness of EU wine producers, strengthening the position of “Old World” countries. One way is to include the grapes variety and vintage on wines, that is, to help consumers in their election of wine and to make it easier for wine producers to compete[110]. So our recommendation is that Spanish wine producers should direct to customer needs, such as kind of grapes or vintage and not only in offer conditions, that is, in appellations of origin.

[110] The European Commission of Agriculture. (2006). *Wine: Profound reform will balance market, increase competitiveness, preserve rural areas and simplify rules for producers and consumers* – www.ec.europa.eu

9. CONCLUSIONS

This chapter includes some conclusions that we have obtained after developing the theoretical framework and analysing the empirical data. We will reiterate the research problem and how we have answered to it in order to fulfil the objectives we have proposed at the beginning of the study. Finally, we will make some suggestions for further studies.

9.1. Key conclusions

9.1.1. Research problem and research objectives

Our research problem was that wine industry is continuously changing because there are more players in the market; furthermore, in the past, "Old World" countries such as Spain were the dominants but new strategies of "New World" countries have made that Spanish wine is losing market share in Sweden. The key issue was to study how Spanish wine could improve its position in this market through new models in competitive strategies and consumer behavior.

So the objectives that we wanted to achieve were:

- Studying consumer behavior.
- Analyzing the weaknesses of Spanish wine.
- Describing a new strategy for Spanish wine in the future.
- Using this model for studying other agrifood industries such as Olive Oil and Cold Cured Meat ones.

9.1.2. The study of Consumer Behavior

The questionnaire that we built was useful for us since we could understand how customers think and behave in wine consumption; thanks to the realization of the survey we have got information about the frequency in wine consumption, kind of product that customers consume, expenditure in wine, kind of packaging, the number of references, key aspects in the wine election, knowledge about main wines, chosen country for wine consumption, the perception of Spanish wine and finally socio-demographic data.

The main aspects we have obtained are that wine consumption is moderate in Sweden, red wine being the most preferred one followed by white wine. Regarding to the expenditure, it is a low-medium one and according to the packaging, customers prefer a bottle of 75 cl. followed by bag-in-box; however the bag-in-box packaging is fewer consumed than the theory said. Consumers perceive that the number of references are much more than in the past, being higher the rivalry among existing firms. The quality and price are the most relevant features in wine selection. In reference to the perception in each country, the quality is the main aspect but still South African and Chilean wine are little known for customers. Australia and France are the most preferred countries for wine consumption; it contradicts the theory of BCG matrix since France and Australia were classified in a worse position than Spain, Italy and South Africa. Finally Spanish wine is perceived as a good quality and medium priced wine with low-medium promotion and with same varieties than competitors.

This study has been useful and practical for us since it has helped us in making use of what could be used as real market research following the necessary steps in order to know how consumers behave about wine industry for making the strategic recommendations more valid.

9.1.3. The weaknesses of Spanish wine and the new competitive strategy

Spanish wine industry has several weaknesses in competing in an international market such as Sweden. So due to the large number of appellations of origin and the individual objectives of each one, the Spanish wine is not sufficiently joined to fight against other countries that compete with a global strategy, like "New World" countries. The recommendation that we give to Spanish wine producers is that they should join their efforts in a global brand ("Wine from Spain") since a high percentage of consumers do not know the Spanish wine and can be confused with many appellations of origin.

Once we have explained the previous paragraph and given that the Spanish wine promotion is individually made by each appellation of origin, promotion is another weakness. This weakness is due to Spain is not operating abroad as a unique brand as "New World" countries are making, so each appellation of origin does not have enough resources to promote its wines. In the case that the different appellations of origin were joined, Spain would have more resources to develop an efficient communication campaign. So our recommendation is to make with the global brand, that is, "Wine from Spain", an advertising campaign in different media to achieve that a higher percentage of the wine consumers are aware of Spanish wine.

Apart from above weaknesses which are the most important ones and where the most amount of resources should be addressed, there are other ones such as the few references of Spanish white wine in Systembolaget, the scarce development in new technologies and in innovation and the lack of adaptation to the demand. The recommendations are to increase the number of references of white wine since it is an important market segment, to invest more resources in research and development looking to what other countries are making and to focus on the preferences of customers and not only in tradition and culture.

9.1.4. Suggestions for further studies

As we have mentioned, one of the most relevant feature of Spanish wine is its weakness in promotion. We have recommended having a global brand to make a more efficient communication campaign to compete against other countries that are entering the market.

In the future, it would be interesting to study more in depth what the most adequate promotion strategy could be, that is, some technical aspects such as the communication objectives according to the available budget.

In our point of view, there are other sectors in Spain that follow the same operation and regulation of appellations of origin that wine industry, such as Olive Oil and Cold Cured Meat ones. This study could be useful for these sectors since nowadays the competence in the international market is increasing and it is important to know what the consumers think. So, further studies could be “Spanish Olive Oil in Sweden” or “Spanish Cold Cured Meat in Sweden”; even they could be applied to other countries.

10. CREDIBILITY CRITERIAS

This final chapter discusses the validity and reliability of the study, that is, it evaluates if the final conclusions we have obtained could be considered valid according to the data we have used in the empirical study. It is important to discuss the reliability and validity of a study much more taking into account that it is a quantitative one.

10.1. Construct validity

The construct validity evaluates if the indicators that are used to explain a concept, measure that concept, that is, if the measures really measure the concept they want to measure[111]. There are different ways to check it, such as face validity, concurrent validity or predictive validity.

We have used face validity, that is, an intuitive process to evaluate whether the measure helps knowing the content of the concept for which it is used[112]. We can conclude that the construct validity of our study is high since we have asked in the Spanish Wine Federation, that is, to people who have experience in the wine industry if the measures of our questionnaire really were valid to obtain information about the different aspects of consumer behavior, such as wine consumption, kind of packaging, etc., obtaining a positive answer from them.

10.2. External validity or generalizability

The external validity refers to whether the results of the study can be applied in other contexts apart from the specific one that has been used to obtain the data, that is, if the findings could be applied to a larger group of people[113].

As we said in the sample selection we had a limitation, since we used a non-probabilistic sampling method and our respondents were selected only from Vasterbotten County. So we cannot ensure that our study can be representative to the whole of Sweden, that is, that it has a high degree of generalization. However, the fact that the wine consumption is similar in this county to the average of Sweden, could increase the fact that these results can be considered valid to extrapolate conclusions for all Sweden.

10.3. Reliability

Reliability of a measure evaluates whether the measure is free from random errors, that is, if the final conclusions are consistent, accurate and predictable[114]. One tool to measure reliability is Cronbach's alpha. It determines the internal reliability of the different variables that are included in a questionnaire. Cronbach´s Alpha should be positive and it is considered a good indicator when its value is higher than 0.7, supporting a good internal reliability[115].

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111 Aaker, Kumar and Day. (1997). *Marketing Research,* John Wiley and Sons, p. 277
112 Bryman, A., Bell, E. (2003). *Business Research Methods,* Oxford, p. 77
113 Ibid., p. 34
114 Kinnear, T. and Taylor, J. (1995). *Marketing Research,* Mc Graw-Hill, p. 232
115 Morgan, G.A. (2004). *SPSS for Introductory Statistics*", Lawrence Erlbaum, p. 122

In our study we have used Spss computer program to calculate the Cronbach´s Alpha coefficient. The result of this measure is 0.485, which indicates that there is not a high degree of consistency among variables. In the table (Appendix 5:Alpha´s Cronbach Analysis) we can see the different variables that we have included to calculate this coefficient; we have chosen the variables we have used in crosstab analysis.

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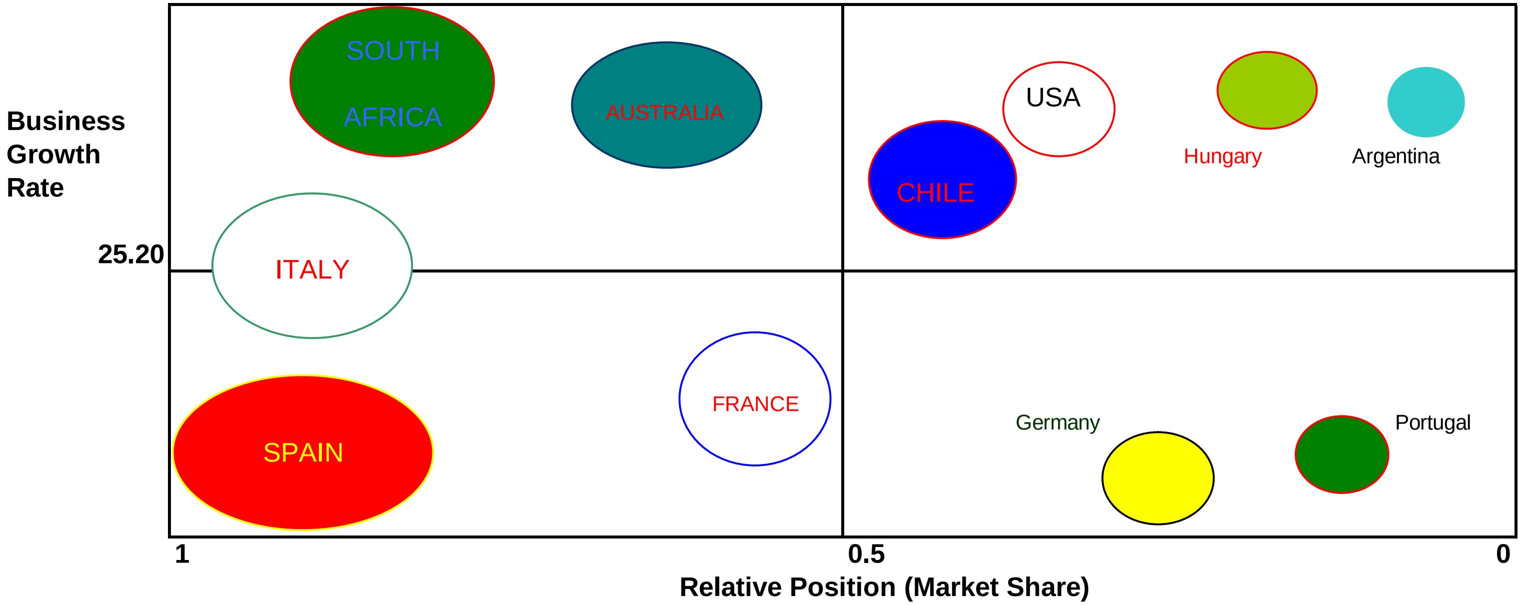
Appendix 1

WINE EXPORTS IN SWEDEN. BCG MATRIX



	2000	2005	% 2000-05	Relative position in the market
Spain	30288	23840	-21,29%	1
Italy	17498	22473	28,43%	94,27%
South Africa	4494	19679	337,89%	82,55%
Australia	5601	14768	163,67%	61,95%
France	15278	13952	-8,68%	58,52%
Chile	7788	11018	41,47%	46,22%
USA	4825	9304	92,83%	39,03%
Germany	8634	6395	-25,93%	26,82%
Hungary	2592	5613	116,55%	23,54%
Portugal	4051	3328	-17,85%	13,96%
Argentina	1139	2200	93,15%	9,23%
TOTAL	**110032**	**137757**	**25,20%**	

$$\text{Relative position in the market} = \frac{\text{Sales one country}}{\text{Sales leader of the market}}$$

Source: Own elaboration

Appendix 2: Questionnaire

Enkät

This questionnaire is made by students of Umeå University. All recollected information will be useful for the realization of Master's Programs Thesis about wine in Sweden. Thank you for your time.

1. Hur ofta dricker du vin?

- ☐ Aldrig
- ☐ Nästan aldrig
- ☐ Ibland
- ☐ Nästan alltid
- ☐ Alltid

2. Vilket sorts vin föredrar du? (Välj ett alternativ)

- ☐ Rött
- ☐ Rosé
- ☐ Vitt
- ☐ Mousserande

3. Hur mycket spenderar du vanligen på vin per 75 cl. (Välj ett alternativ)

- ☐ 45-69 kr.
- ☐ 70-89 kr
- ☐ 90-109 kr
- ☐ .+ 110kr

4. Vilken förpackning köper du vanligen? (Välj ett alternativ)

- ☐ Halvflaska 37,5 cl
- ☐ Helflaska 75 cl
- ☐ En liters förpackning
- ☐ Tre liters boxar

5. Tycker du att du kan hitta fler typer av viner i dag än tidigare ? (Välj ett alternativ)

- ☐ Många Fler
- ☐ Samma som tidigare
- ☐ Färre

6. När du köper vin, vilka aspekter anser du vara viktiga i ditt val av vin?
(markera med siffrorna 1, 2, 3 eller 4, 1= det viktigaste, 4= det minst vikiga)

- ☐ Pris
- ☐ Kvalitet
- ☐ Nationalitet
- ☐ Status
- ☐ Förpackning

7. Från dessa länder, vilken är den viktigaste vin karaktären för dig (Välj ett alternativ)

Frankrike

☐ Pris ☐ Status ☐ Kvalitet ☐ Jag har ingen aning

Italien

☐ Pris ☐ Status ☐ Kvalitet ☐ Jag har ingen aning

Syd Afrika

☐ Pris ☐ Status ☐ Kvalitet ☐ Jag har ingen aning

Australien

☐ Pris ☐ Status ☐ Kvalitet ☐ Jag har ingen aning

Spanien

☐ Pris ☐ Status ☐ Kvalitet ☐ Jag har ingen aning

Chile

☐ Pris ☐ Status ☐ Kvalitet ☐ Jag har ingen aning

8. Från vilket land brukar du oftast köpa vin? (Välj ett alternativ)

- ☐ Frankrike
- ☐ Spanien
- ☐ Italien
- ☐ Syd Afrika
- ☐ Chile
- ☐ Australien
- ☐ Andra länder (skriv ett land)…..
- ☐ Det är inte viktigt när jag ska välja vin

9. Vad tycker du om spanska viner?

Mycket billigt	1	2	3	4	5	Mycket dyrt
Dålig kvalitet	1	2	3	4	5	Hög kvalitet
Dålig marknadsföring	1	2	3	4	5	Bra marknadsföring
Liten variation	1	2	3	4	5	Mycket variation

10. Hur ofta köper du spanska viner? (Välj ett alternativ)

☐ Aldrig ☐ Inte så ofta ☐ Ibland ☐ Ganska ofta ☐ Alltid

11. Ålder

________ år

12. Kön.

☐ Man ☐ Kvinna

13. Inkomst

- ☐ Mindre än 150 000 kr per år
- ☐ 150,001-300,000 kr per year.
- ☐ 300,001-450,000 kr per year.
- ☐ Mer än 450,001 per year.

<u>Questionnaire</u>

1. How often do you drink the following beverages?

Alcohol free

Never 1 2 3 4 5 6 7 Every day

Beer

Never 1 2 3 4 5 6 7 Every day

Wine

Never 1 2 3 4 5 6 7 Every day

Spirits

Never 1 2 3 4 5 6 7 Every day

2. What kind of wine do you prefer? (Rank the most prefer you with number 1 and the less prefer with number 5)

- ☐ Red
- ☐ Rose
- ☐ White
- ☐ Champagne
- ☐ Others

3. How much do you usually spend in consumption of wine per litre? (Select only one)

- ☐ 45-69 kr.
- ☐ 70-89 kr
- ☐ 90-109 kr
- ☐ .+ 110kr

4. Which kind of packaging do you usually buy? (Select only one)

- ☐ Bottle 37,5 cl
- ☐ Bottle 75 cl.
- ☐ 1 L in brick
- ☐ 3 L in Bag-in-box.

5. Do you think that now you can find more types of wine that in the past? (Select only one)

- ☐ Much more
- ☐ Equal
- ☐ Less

6. When you go to buy wine. What aspects do you consider more important in your choice? (Respond all, number 1 with most important aspects and 4 less important)

- ☐ Economic
- ☐ Quality
- ☐ Nationality- Brand
- ☐ Packaging

7. From the following countries, what is the most important characteristic that you perceive among them? (Select only one)

Spain

☐ Economic ☐ Quality-Status ☐ In relation with culture ☐ I do not have any idea

France

☐ Economic ☐ Quality-Status ☐ In relation with culture ☐ I do not have any idea

Italy

☐ Economic ☐ Quality-Status ☐ In relation with culture ☐ I do not have any idea

South Africa

☐ Economic ☐ Quality-Status ☐ In relation with culture ☐ I do not have any idea

Chile

☐ Economic ☐ Quality-Status ☐ In relation with culture ☐ I do not have any idea

Australia

☐ Economic ☐ Quality-Status ☐ In relation with culture ☐ I do not have any idea

8. From what country do you often buy wine? (Select only one)

- ☐ France
- ☐ Spain
- ☐ Italy
- ☐ South Africa
- ☐ Chile
- ☐ Australia
- ☐ Other, select please ……..
- ☐ There is not an important aspect in my selection

9. What do you think about the Spanish Wine?

Cheap	1	2	3	4	5	6	7	Expensive
Poor Quality	1	2	3	4	5	6	7	Good Quality
Few Promotion	1	2	3	4	5	6	7	Good Promotion
Few varieties of wine	1	2	3	4	5	6	7	Many varieties of wine
Not relation with gastronomy	1	2	3	4	5	6	7	Relation with Spanish Gastronomy

10. How often do you buy Spanish wine? (Select only one).

☐ Never ☐ Not very often ☐ Sometimes ☐ Quite often ☐ Always

11. Age (Select please)

________ years.

12. Gender.

☐ Male ☐ Female

13. Level of income

- ☐ less than 150,000 kr per year.
- ☐ 150,001-300,000 kr per year.
- ☐ 300,001-450,000 kr per year.
- ☐ more than 450,001 per year.

APPENDIX 3: Frequency tables of the univariate analysis of data

Appendix 3.1: Consumption of wine.

Consumption wine

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Never	3	4,8	4,8	4,8
	Hardly ever	12	19,4	19,4	24,2
	Sometimes	39	62,9	62,9	87,1
	Very often	7	11,3	11,3	98,4
	Every day	1	1,6	1,6	100,0
	Total	62	100,0	100,0	

Appendix 3.2: Kind of wine prefered

Kind of wine preferred

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Red	42	67,7	67,7	67,7
	Rose	2	3,2	3,2	71,0
	White	17	27,4	27,4	98,4
	Sparkling	1	1,6	1,6	100,0
	Total	62	100,0	100,0	

Appendix 3.3: Expenditure in wine

Expenditure in wine 75 cl.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	45-69 kr	17	27,4	27,4	27,4
	70-89 kr	37	59,7	59,7	87,1
	90-109 kr	7	11,3	11,3	98,4
	+ 110 kr	1	1,6	1,6	100,0
	Total	62	100,0	100,0	

Appendix 3.4: Kind of packaging

Kind of packaging

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Bottle 37,5 cl	2	3,2	3,2	3,2
	Bottle 75 cl.	48	77,4	77,4	80,6
	1 Litre in brick	3	4,8	4,8	85,5
	3 litre bag-in-box	9	14,5	14,5	100,0
	Total	62	100,0	100,0	

Appendix 3.5: Variation of wine quantity

Variation of wine quantity

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Much more	33	53,2	53,2	53,2
	Equal	27	43,5	43,5	96,8
	Less	2	3,2	3,2	100,0
	Total	62	100,0	100,0	

Appendixes 3.6: Characteristics of wine that are preferred by respondents

Appendix 3.6.1: Price.

Price

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Most important	13	21,0	21,0	21,0
	Very important	23	37,1	37,1	58,1
	Important	16	25,8	25,8	83,9
	not very important	8	12,9	12,9	96,8
	Less important	2	3,2	3,2	100,0
	Total	62	100,0	100,0	

Appendix 3.6.2: Quality.

Quality

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Most important	35	56,5	56,5	56,5
	Very important	11	17,7	17,7	74,2
	Important	8	12,9	12,9	87,1
	not very important	4	6,5	6,5	93,5
	Less important	4	6,5	6,5	100,0
	Total	62	100,0	100,0	

Appendix 3.6.3: Nationality

Nationality

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Most important	10	16,1	16,1	16,1
	Very important	9	14,5	14,5	30,6
	Important	15	24,2	24,2	54,8
	not very important	12	19,4	19,4	74,2
	Less important	16	25,8	25,8	100,0
	Total	62	100,0	100,0	

Appendix 3.6.4: Status

Status

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very important	10	16,1	16,1	16,1
	Important	9	14,5	14,5	30,6
	not very important	17	27,4	27,4	58,1
	Less important	26	41,9	41,9	100,0
	Total	62	100,0	100,0	

Appendix 3.6.5: Packaging

Packaging

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Most important	4	6,5	6,5	6,5
	Very important	9	14,5	14,5	21,0
	Important	14	22,6	22,6	43,5
	not very important	21	33,9	33,9	77,4
	Less important	14	22,6	22,6	100,0
	Total	62	100,0	100,0	

Appendixes 3.7: Wine characteristics by country

Appendix 3.7.1: Perception of French wine

France characteristics

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Price	7	11,3	11,3	11,3
	Status	5	8,1	8,1	19,4
	Quality	34	54,8	54,8	74,2
	Not_idea	16	25,8	25,8	100,0
	Total	62	100,0	100,0	

Appendix 3.7.2: Perception of Italian wine

Italy characteristics

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Price	6	9,7	9,7	9,7
	Status	6	9,7	9,7	19,4
	Quality	32	51,6	51,6	71,0
	Not_idea	18	29,0	29,0	100,0
	Total	62	100,0	100,0	

Appendix 3.7.3: Perception of South African wine

South Africa characteristics

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Price	13	21,0	21,0	21,0
	Status	2	3,2	3,2	24,2
	Quality	21	33,9	33,9	58,1
	Not_idea	26	41,9	41,9	100,0
	Total	62	100,0	100,0	

Appendix 3.7.4: Perception of Australian wine

Australia characteristics

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Price	9	14,5	14,5	14,5
	Status	1	1,6	1,6	16,1
	Quality	28	45,2	45,2	61,3
	Not_idea	24	38,7	38,7	100,0
	Total	62	100,0	100,0	

Appendix 3.7.5: Perception of Spanish wine

Spain characteristics

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Price	7	11,3	11,3	11,3
	Status	4	6,5	6,5	17,7
	Quality	36	58,1	58,1	75,8
	Not_idea	15	24,2	24,2	100,0
	Total	62	100,0	100,0	

Appendix 3.7.6: Perception of Chile wine

Chile characteristics

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Price	16	25,8	25,8	25,8
	Status	1	1,6	1,6	27,4
	Quality	21	33,9	33,9	61,3
	Not_idea	24	38,7	38,7	100,0
	Total	62	100,0	100,0	

Appendix 3.8: Chosen country

Chosen country

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	France	13	21,0	21,0	21,0
	Spain	8	12,9	12,9	33,9
	Italy	7	11,3	11,3	45,2
	South Africa	2	3,2	3,2	48,4
	Chile	2	3,2	3,2	51,6
	Australia	14	22,6	22,6	74,2
	Other	3	4,8	4,8	79,0
	It is not an important aspect	13	21,0	21,0	100,0
	Total	62	100,0	100,0	

Appendixes 3.9: Spanish wine characteristics

Appendix 3.9.1: Price of Spanish wine

Price_Spanish wine

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Cheap	12	19,4	19,4	19,4
	Normal	41	66,1	66,1	85,5
	Expensive	9	14,5	14,5	100,0
	Total	62	100,0	100,0	

Appendix 3.9.2: Quality of Spanish wine

Quality_Spanish wine

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Poor quality	2	3,2	3,2	3,2
	Normal	24	38,7	38,7	41,9
	Good quality	30	48,4	48,4	90,3
	Very good quality	6	9,7	9,7	100,0
	Total	62	100,0	100,0	

Appendix 3.9.3: Promotion of Spanish wine

Promotion_Spanish wine

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very little promotion	4	6,5	6,5	6,5
	Little promotion	12	19,4	19,4	25,8
	Normal	35	56,5	56,5	82,3
	Quite promotion	8	12,9	12,9	95,2
	Much promotion	3	4,8	4,8	100,0
	Total	62	100,0	100,0	

Appendix 3.9.4: Variety of Spanish wine

Varieties_Spanish wine

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Few varieties	8	12,9	12,9	12,9
	Normal	33	53,2	53,2	66,1
	Quite varieties	12	19,4	19,4	85,5
	Many varieties	9	14,5	14,5	100,0
	Total	62	100,0	100,0	

Appendix 3.10: "How often do you buy Spanish wine?"

How often do you buy Spanish wine?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Never	4	6,5	6,5	6,5
	Hardly ever	30	48,4	48,4	54,8
	Sometimes	20	32,3	32,3	87,1
	Very often	7	11,3	11,3	98,4
	Every day	1	1,6	1,6	100,0
	Total	62	100,0	100,0	

Appendix 4: Contingency table of the multivariate analysis of data

Appendix 4.1: Gender-Group of Age-Consumption of wine

Gender				Consumption of wine			Total
				Never or hardly ever	Sometimes	Quite often or everyday	
Male	Group of Age	18-25	Count	4	5	0	9
			% within Group of Age	44,4%	55,6%	,0%	100,0%
			% within Consumption of wine	50,0%	25,0%	,0%	29,0%
			% of Total	12,9%	16,1%	,0%	29,0%
		26-35	Count	2	5	2	9
			% within Group of Age	22,2%	55,6%	22,2%	100,0%
			% within Consumption of wine	25,0%	25,0%	66,7%	29,0%
			% of Total	6,5%	16,1%	6,5%	29,0%
		36-45	Count	1	2	1	4
			% within Group of Age	25,0%	50,0%	25,0%	100,0%
			% within Consumption of wine	12,5%	10,0%	33,3%	12,9%
			% of Total	3,2%	6,5%	3,2%	12,9%
		46 through highest	Count	1	8	0	9
			% within Group of Age	11,1%	88,9%	,0%	100,0%
			% within Consumption of wine	12,5%	40,0%	,0%	29,0%

			% of Total	3,2%	25,8%	,0%	29,0%
	Total		Count	8	20	3	31
			% within Group of Age	25,8%	64,5%	9,7%	100,0%
			% within Consumption of wine	100,0%	100,0%	100,0%	100,0%
			% of Total	25,8%	64,5%	9,7%	100,0%
Female	Group of Age	18-25	Count	1	10	3	14
			% within Group of Age	7,1%	71,4%	21,4%	100,0%
			% within Consumption of wine	14,3%	52,6%	60,0%	45,2%
			% of Total	3,2%	32,3%	9,7%	45,2%
		26-35	Count	4	1	2	7
			% within Group of Age	57,1%	14,3%	28,6%	100,0%
			% within Consumption of wine	57,1%	5,3%	40,0%	22,6%
			% of Total	12,9%	3,2%	6,5%	22,6%
		36-45	Count	1	3	0	4
			% within Group of Age	25,0%	75,0%	,0%	100,0%
			% within Consumption of wine	14,3%	15,8%	,0%	12,9%
			% of Total	3,2%	9,7%	,0%	12,9%
		46 through highest	Count	1	5	0	6
			% within Group of Age	16,7%	83,3%	,0%	100,0%
			% within Consumption of wine	14,3%	26,3%	,0%	19,4%
			% of Total	3,2%	16,1%	,0%	19,4%

Total	Count	7	19	5	31
	% within Group of Age	22,6%	61,3%	16,1%	100,0%
	% within Consumption of wine	100,0%	100,0%	100,0%	100,0%
	% of Total	22,6%	61,3%	16,1%	100,0%

Appendix 4.2: Gender-Group of Age-kind of wine

Gender				Kind of wine preferred				Total
				Red	Rose	White	Sparkling	
Male	Group of Age	18-25	Count	7	0	2		9
			% within Group of Age	77,8%	,0%	22,2%		100,0%
			% within Kind of wine prefered	26,9%	,0%	50,0%		29,0%
			% of Total	22,6%	,0%	6,5%		29,0%
		26-35	Count	8	1	0		9
			% within Group of Age	88,9%	11,1%	,0%		100,0%
			% within Kind of wine prefered	30,8%	100,0%	,0%		29,0%
			% of Total	25,8%	3,2%	,0%		29,0%
		36-45	Count	3	0	1		4
			% within Group of Age	75,0%	,0%	25,0%		100,0%
			% within Kind of wine prefered	11,5%	,0%	25,0%		12,9%
			% of Total	9,7%	,0%	3,2%		12,9%
		46 through highest	Count	8	0	1		9
			% within Group of Age	88,9%	,0%	11,1%		100,0%
			% within Kind of wine prefered	30,8%	,0%	25,0%		29,0%
			% of Total	25,8%	,0%	3,2%		29,0%
	Total		Count	26	1	4		31
			% within Group of Age	83,9%	3,2%	12,9%		100,0%
			% within Kind of wine prefered	100,0%	100,0%	100,0%		100,0%
			% of Total	83,9%	3,2%	12,9%		100,0%
Female	Group of Age	18-25	Count	7	0	7	0	14
			% within Group of Age	50,0%	,0%	50,0%	,0%	100,0%
			% within Kind of wine prefered	43,8%	,0%	53,8%	,0%	45,2%

		% of Total	22,6%	,0%	22,6%	,0%	45,2%
	26-35	Count	4	1	2	0	7
		% within Group of Age	57,1%	14,3%	28,6%	,0%	100,0%
		% within Kind of wine prefered	25,0%	100,0%	15,4%	,0%	22,6%
		% of Total	12,9%	3,2%	6,5%	,0%	22,6%
	36-45	Count	1	0	2	1	4
		% within Group of Age	25,0%	,0%	50,0%	25,0%	100,0%
		% within Kind of wine prefered	6,3%	,0%	15,4%	100,0%	12,9%
		% of Total	3,2%	,0%	6,5%	3,2%	12,9%
	46 through highest	Count	4	0	2	0	6
		% within Group of Age	66,7%	,0%	33,3%	,0%	100,0%
		% within Kind of wine prefered	25,0%	,0%	15,4%	,0%	19,4%
		% of Total	12,9%	,0%	6,5%	,0%	19,4%
Total		Count	16	1	13	1	31
		% within Group of Age	51,6%	3,2%	41,9%	3,2%	100,0%
		% within Kind of wine prefered	100,0%	100,0%	100,0%	100,0%	100,0%
		% of Total	51,6%	3,2%	41,9%	3,2%	100,0%

Appendix 4.3: Gender-Chosen country-kind of wine

Gender				Kind of wine prefered				Total
				Red	Rose	White	Sparkling	
Male	Chosen country	France	Count	6	1	2		9
			% within Chosen country	66,7%	11,1%	22,2%		100,0%
			% within Kind of wine prefered	23,1%	100,0%	50,0%		29,0%
			% of Total	19,4%	3,2%	6,5%		29,0%
		Spain	Count	5	0	0		5
			% within Chosen country	100,0%	,0%	,0%		100,0%
			% within Kind of wine prefered	19,2%	,0%	,0%		16,1%
			% of Total	16,1%	,0%	,0%		16,1%
		Italy	Count	4	0	0		4
			% within Chosen country	100,0%	,0%	,0%		100,0%
			% within Kind of wine prefered	15,4%	,0%	,0%		12,9%
			% of Total	12,9%	,0%	,0%		12,9%
		Australia	Count	6	0	1		7
			% within Chosen country	85,7%	,0%	14,3%		100,0%
			% within Kind of wine prefered	23,1%	,0%	25,0%		22,6%
			% of Total	19,4%	,0%	3,2%		22,6%
		Other	Count	1	0	1		2
			% within Chosen country	50,0%	,0%	50,0%		100,0%
			% within Kind of wine prefered	3,8%	,0%	25,0%		6,5%
			% of Total	3,2%	,0%	3,2%		6,5%
		It is not an	Count	4	0	0		4

		important aspect	% within Chosen country	100,0%	,0%	,0%		100,0%
			% within Kind of wine prefered	15,4%	,0%	,0%		12,9%
			% of Total	12,9%	,0%	,0%		12,9%
	Total		Count	26	1	4		31
			% within Chosen country	83,9%	3,2%	12,9%		100,0%
			% within Kind of wine prefered	100,0%	100,0%	100,0%		100,0%
			% of Total	83,9%	3,2%	12,9%		100,0%
Female	Chosen country	France	Count	1	1	2	0	4
			% within Chosen country	25,0%	25,0%	50,0%	,0%	100,0%
			% within Kind of wine prefered	6,3%	100,0%	15,4%	,0%	12,9%
			% of Total	3,2%	3,2%	6,5%	,0%	12,9%
		Spain	Count	2	0	0	1	3
			% within Chosen country	66,7%	,0%	,0%	33,3%	100,0%
			% within Kind of wine prefered	12,5%	,0%	,0%	100,0%	9,7%
			% of Total	6,5%	,0%	,0%	3,2%	9,7%
		Italy	Count	1	0	2	0	3
			% within Chosen country	33,3%	,0%	66,7%	,0%	100,0%
			% within Kind of wine prefered	6,3%	,0%	15,4%	,0%	9,7%
			% of Total	3,2%	,0%	6,5%	,0%	9,7%
		South Africa	Count	2	0	0	0	2
			% within Chosen country	100,0%	,0%	,0%	,0%	100,0%
			% within Kind of wine prefered	12,5%	,0%	,0%	,0%	6,5%

		% of Total	6,5%	,0%	,0%	,0%	6,5%
	Chile	Count	2	0	0	0	2
		% within Chosen country	100,0%	,0%	,0%	,0%	100,0%
		% within Kind of wine prefered	12,5%	,0%	,0%	,0%	6,5%
		% of Total	6,5%	,0%	,0%	,0%	6,5%
	Australia	Count	3	0	4	0	7
		% within Chosen country	42,9%	,0%	57,1%	,0%	100,0%
		% within Kind of wine prefered	18,8%	,0%	30,8%	,0%	22,6%
		% of Total	9,7%	,0%	12,9%	,0%	22,6%
	Other	Count	0	0	1	0	1
		% within Chosen country	,0%	,0%	100,0%	,0%	100,0%
		% within Kind of wine prefered	,0%	,0%	7,7%	,0%	3,2%
		% of Total	,0%	,0%	3,2%	,0%	3,2%
	It is not an important aspect	Count	5	0	4	0	9
		% within Chosen country	55,6%	,0%	44,4%	,0%	100,0%
		% within Kind of wine prefered	31,3%	,0%	30,8%	,0%	29,0%
		% of Total	16,1%	,0%	12,9%	,0%	29,0%
Total		Count	16	1	13	1	31
		% within Chosen country	51,6%	3,2%	41,9%	3,2%	100,0%
		% within Kind of wine prefered	100,0%	100,0%	100,0%	100,0%	100,0%
		% of Total	51,6%	3,2%	41,9%	3,2%	100,0%

Appendix 4.4: Chosen country-Consumption of wine

			Consumption of wine			Total
			Never or hardly ever	Sometimes	Quite often or everyday	
Chosen country	France	Count	2	8	3	13
		% within Chosen country	15,4%	61,5%	23,1%	100,0%
		% within Consumption of wine	13,3%	20,5%	37,5%	21,0%
		% of Total	3,2%	12,9%	4,8%	21,0%
	Spain	Count	3	5	0	8
		% within Chosen country	37,5%	62,5%	,0%	100,0%
		% within Consumption of wine	20,0%	12,8%	,0%	12,9%
		% of Total	4,8%	8,1%	,0%	12,9%
	Italy	Count	0	5	2	7
		% within Chosen country	,0%	71,4%	28,6%	100,0%
		% within Consumption of wine	,0%	12,8%	25,0%	11,3%
		% of Total	,0%	8,1%	3,2%	11,3%
	South Africa	Count	0	1	1	2
		% within Chosen country	,0%	50,0%	50,0%	100,0%
		% within Consumption of wine	,0%	2,6%	12,5%	3,2%
		% of Total	,0%	1,6%	1,6%	3,2%
	Chile	Count	0	2	0	2
		% within Chosen	,0%	100,0%	,0%	100,0%

		country				
		% within Consumption of wine	,0%	5,1%	,0%	3,2%
		% of Total	,0%	3,2%	,0%	3,2%
	Australia	Count	4	9	1	14
		% within Chosen country	28,6%	64,3%	7,1%	100,0%
		% within Consumption of wine	26,7%	23,1%	12,5%	22,6%
		% of Total	6,5%	14,5%	1,6%	22,6%
	Other	Count	2	1	0	3
		% within Chosen country	66,7%	33,3%	,0%	100,0%
		% within Consumption of wine	13,3%	2,6%	,0%	4,8%
		% of Total	3,2%	1,6%	,0%	4,8%
	It is not an important aspect	Count	4	8	1	13
		% within Chosen country	30,8%	61,5%	7,7%	100,0%
		% within Consumption of wine	26,7%	20,5%	12,5%	21,0%
		% of Total	6,5%	12,9%	1,6%	21,0%
Total		Count	15	39	8	62
		% within Chosen country	24,2%	62,9%	12,9%	100,0%
		% within Consumption of wine	100,0%	100,0%	100,0%	100,0%
		% of Total	24,2%	62,9%	12,9%	100,0%

Appendix 4.5: Chosen country-kind of packaging

			Kind of packaging				
			Bottle 37,5 cl	Bottle 75 cl.	1 Litre in brick	3 litre bag-in-box	Total
Chosen country	France	Count	0	12	1	0	13
		% within Chosen country	,0%	92,3%	7,7%	,0%	100,0%
		% within Kind of packaging	,0%	25,0%	33,3%	,0%	21,0%
		% of Total	,0%	19,4%	1,6%	,0%	21,0%
	Spain	Count	0	7	0	1	8
		% within Chosen country	,0%	87,5%	,0%	12,5%	100,0%
		% within Kind of packaging	,0%	14,6%	,0%	11,1%	12,9%
		% of Total	,0%	11,3%	,0%	1,6%	12,9%
	Italy	Count	0	6	0	1	7
		% within Chosen country	,0%	85,7%	,0%	14,3%	100,0%
		% within Kind of packaging	,0%	12,5%	,0%	11,1%	11,3%
		% of Total	,0%	9,7%	,0%	1,6%	11,3%
	South Africa	Count	0	1	0	1	2
		% within Chosen country	,0%	50,0%	,0%	50,0%	100,0%
		% within Kind of packaging	,0%	2,1%	,0%	11,1%	3,2%
		% of Total	,0%	1,6%	,0%	1,6%	3,2%
	Chile	Count	0	0	1	1	2
		% within Chosen country	,0%	,0%	50,0%	50,0%	100,0%
		% within Kind of packaging	,0%	,0%	33,3%	11,1%	3,2%
		% of Total	,0%	,0%	1,6%	1,6%	3,2%

	Australia	Count	1	11	0	2	14
		% within Chosen country	7,1%	78,6%	,0%	14,3%	100,0%
		% within Kind of packaging	50,0%	22,9%	,0%	22,2%	22,6%
		% of Total	1,6%	17,7%	,0%	3,2%	22,6%
	Other	Count	0	3	0	0	3
		% within Chosen country	,0%	100,0%	,0%	,0%	100,0%
		% within Kind of packaging	,0%	6,3%	,0%	,0%	4,8%
		% of Total	,0%	4,8%	,0%	,0%	4,8%
	It is not an important aspect	Count	1	8	1	3	13
		% within Chosen country	7,7%	61,5%	7,7%	23,1%	100,0%
		% within Kind of packaging	50,0%	16,7%	33,3%	33,3%	21,0%
		% of Total	1,6%	12,9%	1,6%	4,8%	21,0%
Total		Count	2	48	3	9	62
		% within Chosen country	3,2%	77,4%	4,8%	14,5%	100,0%
		% within Kind of packaging	100,0%	100,0%	100,0%	100,0%	100,0%
		% of Total	3,2%	77,4%	4,8%	14,5%	100,0%

Appendix 4.6: Kind of wine preferred-Chosen country-kind of packaging

Kind of wine preferred				Kind of packaging				Total
				Bottle 37,5 cl	Bottle 75 cl.	1 Litre in brick	3 litre bag-in-box	
Red	Chosen country	France	Count		7	0	0	7
			% within Chosen country		100,0%	,0%	,0%	100,0%
			% within Kind of packaging		21,9%	,0%	,0%	16,7%
			% of Total		16,7%	,0%	,0%	16,7%
		Spain	Count		6	0	1	7
			% within Chosen country		85,7%	,0%	14,3%	100,0%
			% within Kind of packaging		18,8%	,0%	11,1%	16,7%
			% of Total		14,3%	,0%	2,4%	16,7%
		Italy	Count		4	0	1	5
			% within Chosen country		80,0%	,0%	20,0%	100,0%
			% within Kind of packaging		12,5%	,0%	11,1%	11,9%
			% of Total		9,5%	,0%	2,4%	11,9%
		South Africa	Count		1	0	1	2
			% within Chosen country		50,0%	,0%	50,0%	100,0%
			% within Kind of packaging		3,1%	,0%	11,1%	4,8%
			% of Total		2,4%	,0%	2,4%	4,8%
		Chile	Count		0	1	1	2
			% within Chosen country		,0%	50,0%	50,0%	100,0%

			% within Kind of packaging		,0%	100,0%	11,1%	4,8%
			% of Total		,0%	2,4%	2,4%	4,8%
		Australia	Count		7	0	2	9
			% within Chosen country		77,8%	,0%	22,2%	100,0%
			% within Kind of packaging		21,9%	,0%	22,2%	21,4%
			% of Total		16,7%	,0%	4,8%	21,4%
		Other	Count		1	0	0	1
			% within Chosen country		100,0%	,0%	,0%	100,0%
			% within Kind of packaging		3,1%	,0%	,0%	2,4%
			% of Total		2,4%	,0%	,0%	2,4%
		It is not an important aspect	Count		6	0	3	9
			% within Chosen country		66,7%	,0%	33,3%	100,0%
			% within Kind of packaging		18,8%	,0%	33,3%	21,4%
			% of Total		14,3%	,0%	7,1%	21,4%
	Total		Count		32	1	9	42
			% within Chosen country		76,2%	2,4%	21,4%	100,0%
			% within Kind of packaging		100,0%	100,0%	100,0%	100,0%
			% of Total		76,2%	2,4%	21,4%	100,0%
Rose	Chosen country	France	Count		2			2
			% within Chosen country		100,0%			100,0%
			% within Kind of packaging		100,0%			100,0%
			% of Total		100,0%			100,0%
	Total		Count		2			2

			% within Chosen country		100,0%			100,0%
			% within Kind of packaging		100,0%			100,0%
			% of Total		100,0%			100,0%
White	Chosen country	France	Count	0	3	1		4
			% within Chosen country	,0%	75,0%	25,0%		100,0%
			% within Kind of packaging	,0%	23,1%	50,0%		23,5%
			% of Total	,0%	17,6%	5,9%		23,5%
		Italy	Count	0	2	0		2
			% within Chosen country	,0%	100,0%	,0%		100,0%
			% within Kind of packaging	,0%	15,4%	,0%		11,8%
			% of Total	,0%	11,8%	,0%		11,8%
		Australia	Count	1	4	0		5
			% within Chosen country	20,0%	80,0%	,0%		100,0%
			% within Kind of packaging	50,0%	30,8%	,0%		29,4%
			% of Total	5,9%	23,5%	,0%		29,4%
		Other	Count	0	2	0		2
			% within Chosen country	,0%	100,0%	,0%		100,0%
			% within Kind of packaging	,0%	15,4%	,0%		11,8%
			% of Total	,0%	11,8%	,0%		11,8%
		It is not an important aspect	Count	1	2	1		4
			% within Chosen country	25,0%	50,0%	25,0%		100,0%
			% within Kind of packaging	50,0%	15,4%	50,0%		23,5%
			% of Total	5,9%	11,8%	5,9%		23,5%
	Total		Count	2	13	2		17
			% within Chosen country	11,8%	76,5%	11,8%		100,0%
			% within Kind of packaging	100,0%	100,0%	100,0%		100,0%
			% of Total	11,8%	76,5%	11,8%		100,0%

Sparkling	Chosen country	Spain	Count		1			1
			% within Chosen country		100,0%			100,0%
			% within Kind of packaging		100,0%			100,0%
			% of Total		100,0%			100,0%
	Total		Count		1			1
			% within Chosen country		100,0%			100,0%
			% within Kind of packaging		100,0%			100,0%
			% of Total		100,0%			100,0%

Appendix 4.7: Chosen country-Expenditure in wine 75 cl.

			Spend in wine 75 cl.				Total
			45-69 kr	70-89 kr	90-109 kr	+ 110 kr	
Chosen country	France	Count	2	9	2	0	13
		% within Chosen country	15,4%	69,2%	15,4%	,0%	100,0%
		% within Spend in wine 75 cl.	11,8%	24,3%	28,6%	,0%	21,0%
		% of Total	3,2%	14,5%	3,2%	,0%	21,0%
	Spain	Count	2	5	0	1	8
		% within Chosen country	25,0%	62,5%	,0%	12,5%	100,0%
		% within Spend in wine 75 cl.	11,8%	13,5%	,0%	100,0%	12,9%
		% of Total	3,2%	8,1%	,0%	1,6%	12,9%
	Italy	Count	1	5	1	0	7
		% within Chosen country	14,3%	71,4%	14,3%	,0%	100,0%
		% within Spend in wine 75 cl.	5,9%	13,5%	14,3%	,0%	11,3%
		% of Total	1,6%	8,1%	1,6%	,0%	11,3%
	South Africa	Count	1	1	0	0	2
		% within Chosen country	50,0%	50,0%	,0%	,0%	100,0%
		% within Spend in wine 75 cl.	5,9%	2,7%	,0%	,0%	3,2%
		% of Total	1,6%	1,6%	,0%	,0%	3,2%
	Chile	Count	1	0	1	0	2
		% within Chosen country	50,0%	,0%	50,0%	,0%	100,0%
		% within Spend in wine 75 cl.	5,9%	,0%	14,3%	,0%	3,2%
		% of Total	1,6%	,0%	1,6%	,0%	3,2%

	Australia	Count	4	9	1	0	14
		% within Chosen country	28,6%	64,3%	7,1%	,0%	100,0%
		% within Spend in wine 75 cl.	23,5%	24,3%	14,3%	,0%	22,6%
		% of Total	6,5%	14,5%	1,6%	,0%	22,6%
	Other	Count	0	2	1	0	3
		% within Chosen country	,0%	66,7%	33,3%	,0%	100,0%
		% within Spend in wine 75 cl.	,0%	5,4%	14,3%	,0%	4,8%
		% of Total	,0%	3,2%	1,6%	,0%	4,8%
	It is not an important aspect	Count	6	6	1	0	13
		% within Chosen country	46,2%	46,2%	7,7%	,0%	100,0%
		% within Spend in wine 75 cl.	35,3%	16,2%	14,3%	,0%	21,0%
		% of Total	9,7%	9,7%	1,6%	,0%	21,0%
Total		Count	17	37	7	1	62
		% within Chosen country	27,4%	59,7%	11,3%	1,6%	100,0%
		% within Spend in wine 75 cl.	100,0%	100,0%	100,0%	100,0%	100,0%
		% of Total	27,4%	59,7%	11,3%	1,6%	100,0%

Appendix 4.8: Chosen country- characteristics of wine in each country – kind of packaging.

Kind of wine preferid				Spend in wine 75 cl.				Total
				45-69 kr	70-89 kr	90-109 kr	+ 110 kr	
Red	Kind of packaging	Bottle 75 cl.	Count	5	20	6	1	32
			% within Kind of packaging	15,6%	62,5%	18,8%	3,1%	100,0%
			% within Spend in wine 75 cl.	55,6%	80,0%	85,7%	100,0%	76,2%
			% of Total	11,9%	47,6%	14,3%	2,4%	76,2%
		1 Litre in brick	Count	1	0	0	0	1
			% within Kind of packaging	100,0%	,0%	,0%	,0%	100,0%
			% within Spend in wine 75 cl.	11,1%	,0%	,0%	,0%	2,4%
			% of Total	2,4%	,0%	,0%	,0%	2,4%
		3 litre bag-in-box	Count	3	5	1	0	9
			% within Kind of packaging	33,3%	55,6%	11,1%	,0%	100,0%
			% within Spend in wine 75 cl.	33,3%	20,0%	14,3%	,0%	21,4%
			% of Total	7,1%	11,9%	2,4%	,0%	21,4%

	Total		Count	9	25	7	1	42
			% within Kind of packaging	21,4%	59,5%	16,7%	2,4%	100,0%
			% within Spend in wine 75 cl.	100,0%	100,0%	100,0%	100,0%	100,0%
			% of Total	21,4%	59,5%	16,7%	2,4%	100,0%
Rose	Kind of packaging	Bottle 75 cl.	Count		2			2
			% within Kind of packaging		100,0%			100,0%
			% within Spend in wine 75 cl.		100,0%			100,0%
			% of Total		100,0%			100,0%
	Total		Count		2			2
			% within Kind of packaging		100,0%			100,0%
			% within Spend in wine 75 cl.		100,0%			100,0%
			% of Total		100,0%			100,0%
White	Kind of packaging	Bottle 37,5 cl	Count	2	0			2
			% within Kind of packaging	100,0%	,0%			100,0%
			% within Spend in wine 75 cl.	28,6%	,0%			11,8%

			% of Total	11,8%	,0%			11,8%
		Bottle 75 cl.	Count	3	10			13
			% within Kind of packaging	23,1%	76,9%			100,0%
			% within Spend in wine 75 cl.	42,9%	100,0%			76,5%
			% of Total	17,6%	58,8%			76,5%
		1 Litre in brick	Count	2	0			2
			% within Kind of packaging	100,0%	,0%			100,0%
			% within Spend in wine 75 cl.	28,6%	,0%			11,8%
			% of Total	11,8%	,0%			11,8%
	Total		Count	7	10			17
			% within Kind of packaging	41,2%	58,8%			100,0%
			% within Spend in wine 75 cl.	100,0%	100,0%			100,0%
			% of Total	41,2%	58,8%			100,0%
Sparkling	Kind of packaging	Bottle 75 cl.	Count	1				1
			% within Kind of packaging	100,0%				100,0%

	% within Spend in wine 75 cl.	100,0%				100,0%
	% of Total	100,0%				100,0%
Total	Count	1				1
	% within Kind of packaging	100,0%				100,0%
	% within Spend in wine 75 cl.	100,0%				100,0%
	% of Total	100,0%				100,0%

Appendix 4.9: Chosen country- characteristics of wine in each country

4.9.1: Chosen country- Characteristics of French wine

			France characteristics				
			Price	Status	Quality	Not_idea	Total
New_or_old_other	Old world	Count	4	1	19	4	28
		% within New_or_old_other	14,3%	3,6%	67,9%	14,3%	100,0%
		% within France characteristics	57,1%	20,0%	55,9%	25,0%	45,2%
		% of Total	6,5%	1,6%	30,6%	6,5%	45,2%
	New world	Count	1	4	10	3	18
		% within New_or_old_other	5,6%	22,2%	55,6%	16,7%	100,0%
		% within France characteristics	14,3%	80,0%	29,4%	18,8%	29,0%
		% of Total	1,6%	6,5%	16,1%	4,8%	29,0%
	Other	Count	0	0	3	0	3
		% within New_or_old_other	,0%	,0%	100,0%	,0%	100,0%
		% within France characteristics	,0%	,0%	8,8%	,0%	4,8%
		% of Total	,0%	,0%	4,8%	,0%	4,8%
	Not idea	Count	2	0	2	9	13
		% within New_or_old_other	15,4%	,0%	15,4%	69,2%	100,0%
		% within France characteristics	28,6%	,0%	5,9%	56,3%	21,0%

		% of Total	3,2%	,0%	3,2%	14,5%	21,0%
Total		Count	7	5	34	16	62
		% within New_or_old_other	11,3%	8,1%	54,8%	25,8%	100,0%
		% within France characteristics	100,0%	100,0%	100,0%	100,0%	100,0%
		% of Total	11,3%	8,1%	54,8%	25,8%	100,0%

Appendix 4.9.2: Chosen country- Characteristics of Italian wine.

			Italy characteristics				Total
			Price	Status	Quality	Not_idea	
New_or_old_other	Old world	Count	5	4	15	4	28
		% within New_or_old_other	17,9%	14,3%	53,6%	14,3%	100,0%
		% within Italy characteristics	83,3%	66,7%	46,9%	22,2%	45,2%
		% of Total	8,1%	6,5%	24,2%	6,5%	45,2%
	New world	Count	0	2	11	5	18
		% within New_or_old_other	,0%	11,1%	61,1%	27,8%	100,0%
		% within Italy characteristics	,0%	33,3%	34,4%	27,8%	29,0%
		% of Total	,0%	3,2%	17,7%	8,1%	29,0%
	Other	Count	0	0	3	0	3
		% within New_or_old_other	,0%	,0%	100,0%	,0%	100,0%

		% within Italy characteristics	,0%	,0%	9,4%	,0%	4,8%
		% of Total	,0%	,0%	4,8%	,0%	4,8%
	Not idea	Count	1	0	3	9	13
		% within New_or_old_other	7,7%	,0%	23,1%	69,2%	100,0%
		% within Italy characteristics	16,7%	,0%	9,4%	50,0%	21,0%
		% of Total	1,6%	,0%	4,8%	14,5%	21,0%
Total		Count	6	6	32	18	62
		% within New_or_old_other	9,7%	9,7%	51,6%	29,0%	100,0%
		% within Italy characteristics	100,0%	100,0%	100,0%	100,0%	100,0%
		% of Total	9,7%	9,7%	51,6%	29,0%	100,0%

Appendix 4.9.3: Chosen country- Characteristics of South African wine.

			South Africa characteristics				Total
			Price	Status	Quality	Not_idea	
New_or_old_other	Old world	Count	6	2	10	10	28
		% within New_or_old_other	21,4%	7,1%	35,7%	35,7%	100,0%
		% within South Africa characteristics	46,2%	100,0%	47,6%	38,5%	45,2%
		% of Total	9,7%	3,2%	16,1%	16,1%	45,2%
	New world	Count	4	0	7	7	18
		% within New_or_old_other	22,2%	,0%	38,9%	38,9%	100,0%

		% within South Africa characteristics	30,8%	,0%	33,3%	26,9%	29,0%
		% of Total	6,5%	,0%	11,3%	11,3%	29,0%
	Other	Count	1	0	1	1	3
		% within New_or_old_other	33,3%	,0%	33,3%	33,3%	100,0%
		% within South Africa characteristics	7,7%	,0%	4,8%	3,8%	4,8%
		% of Total	1,6%	,0%	1,6%	1,6%	4,8%
	Not idea	Count	2	0	3	8	13
		% within New_or_old_other	15,4%	,0%	23,1%	61,5%	100,0%
		% within South Africa characteristics	15,4%	,0%	14,3%	30,8%	21,0%
		% of Total	3,2%	,0%	4,8%	12,9%	21,0%
Total		Count	13	2	21	26	62
		% within New_or_old_other	21,0%	3,2%	33,9%	41,9%	100,0%
		% within South Africa characteristics	100,0%	100,0%	100,0%	100,0%	100,0%
		% of Total	21,0%	3,2%	33,9%	41,9%	100,0%

Appendix 4.9.4: Chosen country- Characteristics of Australian wine

			Australia characteristics				Total
			Price	Status	Quality	Not_idea	
New_or_old_other	Old world	Count	6	0	9	13	28
		% within New_or_old_other	21,4%	,0%	32,1%	46,4%	100,0%
		% within Australia characteristics	66,7%	,0%	32,1%	54,2%	45,2%
		% of Total	9,7%	,0%	14,5%	21,0%	45,2%
	New world	Count	2	1	12	3	18
		% within New_or_old_other	11,1%	5,6%	66,7%	16,7%	100,0%
		% within Australia characteristics	22,2%	100,0%	42,9%	12,5%	29,0%
		% of Total	3,2%	1,6%	19,4%	4,8%	29,0%
	Other	Count	0	0	3	0	3
		% within New_or_old_other	,0%	,0%	100,0%	,0%	100,0%
		% within Australia characteristics	,0%	,0%	10,7%	,0%	4,8%
		% of Total	,0%	,0%	4,8%	,0%	4,8%
	Not idea	Count	1	0	4	8	13
		% within New_or_old_other	7,7%	,0%	30,8%	61,5%	100,0%
		% within Australia characteristics	11,1%	,0%	14,3%	33,3%	21,0%
		% of Total	1,6%	,0%	6,5%	12,9%	21,0%
Total		Count	9	1	28	24	62

		% within New_or_old_other	14,5%	1,6%	45,2%	38,7%	100,0%
		% within Australia characteristics	100,0%	100,0%	100,0%	100,0%	100,0%
		% of Total	14,5%	1,6%	45,2%	38,7%	100,0%

Appendix 4.9.5: Chosen country- Characteristics of Spanish wine.

			Spain characteristics				Total
			Price	Status	Quality	Not_idea	
New_or_old_other	Old world	Count	6	0	19	3	28
		% within New_or_old_other	21,4%	,0%	67,9%	10,7%	100,0%
		% within Spain characteristics	85,7%	,0%	52,8%	20,0%	45,2%
		% of Total	9,7%	,0%	30,6%	4,8%	45,2%
	New world	Count	0	4	10	4	18
		% within New_or_old_other	,0%	22,2%	55,6%	22,2%	100,0%
		% within Spain characteristics	,0%	100,0%	27,8%	26,7%	29,0%
		% of Total	,0%	6,5%	16,1%	6,5%	29,0%
	Other	Count	0	0	3	0	3
		% within New_or_old_other	,0%	,0%	100,0%	,0%	100,0%
		% within Spain characteristics	,0%	,0%	8,3%	,0%	4,8%
		% of Total	,0%	,0%	4,8%	,0%	4,8%

	Not idea	Count	1	0	4	8	13
		% within New_or_old_other	7,7%	,0%	30,8%	61,5%	100,0%
		% within Spain characteristics	14,3%	,0%	11,1%	53,3%	21,0%
		% of Total	1,6%	,0%	6,5%	12,9%	21,0%
Total		Count	7	4	36	15	62
		% within New_or_old_other	11,3%	6,5%	58,1%	24,2%	100,0%
		% within Spain characteristics	100,0%	100,0%	100,0%	100,0%	100,0%
		% of Total	11,3%	6,5%	58,1%	24,2%	100,0%

Appendix 4.9.6: Characteristics of Chilean wine

			Chile characteristics				Total
			Price	Status	Quality	Not_idea	
New_or_old_other	Old world	Count	8	1	9	10	28
		% within New_or_old_other	28,6%	3,6%	32,1%	35,7%	100,0%
		% within Chile characteristics	50,0%	100,0%	42,9%	41,7%	45,2%
		% of Total	12,9%	1,6%	14,5%	16,1%	45,2%
	New world	Count	6	0	8	4	18
		% within New_or_old_other	33,3%	,0%	44,4%	22,2%	100,0%

		% within Chile characteristics	37,5%	,0%	38,1%	16,7%	29,0%
		% of Total	9,7%	,0%	12,9%	6,5%	29,0%
	Other	Count	1	0	1	1	3
		% within New_or_old_other	33,3%	,0%	33,3%	33,3%	100,0%
		% within Chile characteristics	6,3%	,0%	4,8%	4,2%	4,8%
		% of Total	1,6%	,0%	1,6%	1,6%	4,8%
	Not idea	Count	1	0	3	9	13
		% within New_or_old_other	7,7%	,0%	23,1%	69,2%	100,0%
		% within Chile characteristics	6,3%	,0%	14,3%	37,5%	21,0%
		% of Total	1,6%	,0%	4,8%	14,5%	21,0%
Total		Count	16	1	21	24	62
		% within New_or_old_other	25,8%	1,6%	33,9%	38,7%	100,0%
		% within Chile characteristics	100,0%	100,0%	100,0%	100,0%	100,0%
		% of Total	25,8%	1,6%	33,9%	38,7%	100,0%

Appendix 4.10: Chosen country-level of income

			Level of income				
			Less 150,000 kr	150,001-300,000 kr	300,001-450,000 kr	more than 450,001 kr	Total
Chosen country	France	Count	6	4	0	3	13
		% within Chosen country	46,2%	30,8%	,0%	23,1%	100,0%
		% within Level of income	24,0%	16,7%	,0%	60,0%	21,0%
		% of Total	9,7%	6,5%	,0%	4,8%	21,0%
	Spain	Count	2	2	4	0	8
		% within Chosen country	25,0%	25,0%	50,0%	,0%	100,0%
		% within Level of income	8,0%	8,3%	50,0%	,0%	12,9%
		% of Total	3,2%	3,2%	6,5%	,0%	12,9%
	Italy	Count	4	2	1	0	7
		% within Chosen country	57,1%	28,6%	14,3%	,0%	100,0%
		% within Level of income	16,0%	8,3%	12,5%	,0%	11,3%
		% of Total	6,5%	3,2%	1,6%	,0%	11,3%
	South Africa	Count	1	1	0	0	2
		% within Chosen country	50,0%	50,0%	,0%	,0%	100,0%
		% within Level of income	4,0%	4,2%	,0%	,0%	3,2%
		% of Total	1,6%	1,6%	,0%	,0%	3,2%
	Chile	Count	1	0	0	1	2
		% within Chosen country	50,0%	,0%	,0%	50,0%	100,0%
		% within Level of income	4,0%	,0%	,0%	20,0%	3,2%
		% of Total	1,6%	,0%	,0%	1,6%	3,2%

	Australia	Count	4	8	1	1	14
		% within Chosen country	28,6%	57,1%	7,1%	7,1%	100,0%
		% within Level of income	16,0%	33,3%	12,5%	20,0%	22,6%
		% of Total	6,5%	12,9%	1,6%	1,6%	22,6%
	Other	Count	2	1	0	0	3
		% within Chosen country	66,7%	33,3%	,0%	,0%	100,0%
		% within Level of income	8,0%	4,2%	,0%	,0%	4,8%
		% of Total	3,2%	1,6%	,0%	,0%	4,8%
	It is not an important aspect	Count	5	6	2	0	13
		% within Chosen country	38,5%	46,2%	15,4%	,0%	100,0%
		% within Level of income	20,0%	25,0%	25,0%	,0%	21,0%
		% of Total	8,1%	9,7%	3,2%	,0%	21,0%
Total		Count	25	24	8	5	62
		% within Chosen country	40,3%	38,7%	12,9%	8,1%	100,0%
		% within Level of income	100,0%	100,0%	100,0%	100,0%	100,0%
		% of Total	40,3%	38,7%	12,9%	8,1%	100,0%

Appendix 4.11: Chosen country-characteristics of Spanish wine

Appendix 3.11.1: chosen country-price of Spanish wine.

			Spanish cheap rec			
			Cheap or very cheap	Normal	Expensive or very expensive	Total
Chosen country	France	Count	2	10	1	13
		% within Chosen country	15,4%	76,9%	7,7%	100,0%
		% within Spanish cheap rec	16,7%	24,4%	11,1%	21,0%
		% of Total	3,2%	16,1%	1,6%	21,0%
	Spain	Count	1	4	3	8
		% within Chosen country	12,5%	50,0%	37,5%	100,0%
		% within Spanish cheap rec	8,3%	9,8%	33,3%	12,9%
		% of Total	1,6%	6,5%	4,8%	12,9%
	Italy	Count	2	5	0	7
		% within Chosen country	28,6%	71,4%	,0%	100,0%
		% within Spanish cheap rec	16,7%	12,2%	,0%	11,3%
		% of Total	3,2%	8,1%	,0%	11,3%
	South Africa	Count	0	2	0	2
		% within Chosen country	,0%	100,0%	,0%	100,0%
		% within Spanish cheap rec	,0%	4,9%	,0%	3,2%
		% of Total	,0%	3,2%	,0%	3,2%
	Chile	Count	2	0	0	2

		% within Chosen country	100,0%	,0%	,0%	100,0%
		% within Spanish cheap rec	16,7%	,0%	,0%	3,2%
		% of Total	3,2%	,0%	,0%	3,2%
	Australia	Count	3	7	4	14
		% within Chosen country	21,4%	50,0%	28,6%	100,0%
		% within Spanish cheap rec	25,0%	17,1%	44,4%	22,6%
		% of Total	4,8%	11,3%	6,5%	22,6%
	Other	Count	0	3	0	3
		% within Chosen country	,0%	100,0%	,0%	100,0%
		% within Spanish cheap rec	,0%	7,3%	,0%	4,8%
		% of Total	,0%	4,8%	,0%	4,8%
	It is not an important aspect	Count	2	10	1	13
		% within Chosen country	15,4%	76,9%	7,7%	100,0%
		% within Spanish cheap rec	16,7%	24,4%	11,1%	21,0%
		% of Total	3,2%	16,1%	1,6%	21,0%
Total		Count	12	41	9	62
		% within Chosen country	19,4%	66,1%	14,5%	100,0%
		% within Spanish cheap rec	100,0%	100,0%	100,0%	100,0%
		% of Total	19,4%	66,1%	14,5%	100,0%

Appendix 4.11.2: Chosen country-quality of Spanish wine

			Spanish quality rec			
			Poor or very poor	Normal	Good or very good	Total
Chosen country	France	Count	2	2	9	13
		% within Chosen country	15,4%	15,4%	69,2%	100,0%
		% within Spanish quality rec	100,0%	8,3%	25,0%	21,0%
		% of Total	3,2%	3,2%	14,5%	21,0%
	Spain	Count	0	2	6	8
		% within Chosen country	,0%	25,0%	75,0%	100,0%
		% within Spanish quality rec	,0%	8,3%	16,7%	12,9%
		% of Total	,0%	3,2%	9,7%	12,9%
	Italy	Count	0	4	3	7
		% within Chosen country	,0%	57,1%	42,9%	100,0%
		% within Spanish quality rec	,0%	16,7%	8,3%	11,3%
		% of Total	,0%	6,5%	4,8%	11,3%
	South Africa	Count	0	1	1	2
		% within Chosen country	,0%	50,0%	50,0%	100,0%
		% within Spanish quality rec	,0%	4,2%	2,8%	3,2%
		% of Total	,0%	1,6%	1,6%	3,2%
	Chile	Count	0	2	0	2
		% within Chosen country	,0%	100,0%	,0%	100,0%
		% within Spanish quality rec	,0%	8,3%	,0%	3,2%
		% of Total	,0%	3,2%	,0%	3,2%
	Australia	Count	0	6	8	14

		% within Chosen country	,0%	42,9%	57,1%	100,0%
		% within Spanish quality rec	,0%	25,0%	22,2%	22,6%
		% of Total	,0%	9,7%	12,9%	22,6%
	Other	Count	0	0	3	3
		% within Chosen country	,0%	,0%	100,0%	100,0%
		% within Spanish quality rec	,0%	,0%	8,3%	4,8%
		% of Total	,0%	,0%	4,8%	4,8%
	It is not an important aspect	Count	0	7	6	13
		% within Chosen country	,0%	53,8%	46,2%	100,0%
		% within Spanish quality rec	,0%	29,2%	16,7%	21,0%
		% of Total	,0%	11,3%	9,7%	21,0%
Total		Count	2	24	36	62
		% within Chosen country	3,2%	38,7%	58,1%	100,0%
		% within Spanish quality rec	100,0%	100,0%	100,0%	100,0%
		% of Total	3,2%	38,7%	58,1%	100,0%

Appendix 4.11.3: Chosen country-promotion of Spanish wine

			Spanish promotion rec			
			little or very little	Normal	Quite or much	Total
Chosen country	France	Count	3	7	3	13
		% within Chosen country	23,1%	53,8%	23,1%	100,0%
		% within Spanish promotion rec	18,8%	20,0%	27,3%	21,0%
		% of Total	4,8%	11,3%	4,8%	21,0%
	Spain	Count	4	3	1	8
		% within Chosen country	50,0%	37,5%	12,5%	100,0%
		% within Spanish promotion rec	25,0%	8,6%	9,1%	12,9%
		% of Total	6,5%	4,8%	1,6%	12,9%
	Italy	Count	1	5	1	7
		% within Chosen country	14,3%	71,4%	14,3%	100,0%
		% within Spanish promotion rec	6,3%	14,3%	9,1%	11,3%
		% of Total	1,6%	8,1%	1,6%	11,3%
	South Africa	Count	1	1	0	2
		% within Chosen country	50,0%	50,0%	,0%	100,0%
		% within Spanish promotion rec	6,3%	2,9%	,0%	3,2%
		% of Total	1,6%	1,6%	,0%	3,2%
	Chile	Count	0	2	0	2
		% within Chosen country	,0%	100,0%	,0%	100,0%

		% within Spanish promotion rec	,0%	5,7%	,0%	3,2%
		% of Total	,0%	3,2%	,0%	3,2%
	Australia	Count	4	7	3	14
		% within Chosen country	28,6%	50,0%	21,4%	100,0%
		% within Spanish promotion rec	25,0%	20,0%	27,3%	22,6%
		% of Total	6,5%	11,3%	4,8%	22,6%
	Other	Count	1	2	0	3
		% within Chosen country	33,3%	66,7%	,0%	100,0%
		% within Spanish promotion rec	6,3%	5,7%	,0%	4,8%
		% of Total	1,6%	3,2%	,0%	4,8%
	It is not an important aspect	Count	2	8	3	13
		% within Chosen country	15,4%	61,5%	23,1%	100,0%
		% within Spanish promotion rec	12,5%	22,9%	27,3%	21,0%
		% of Total	3,2%	12,9%	4,8%	21,0%
Total		Count	16	35	11	62
		% within Chosen country	25,8%	56,5%	17,7%	100,0%
		% within Spanish promotion rec	100,0%	100,0%	100,0%	100,0%
		% of Total	25,8%	56,5%	17,7%	100,0%

Appendix 4.12: Group of Age- characteristics of Spanish wine

Appendix 4.12.1: Group of Age- quality of Spanish wine

			Spanish quality rec			
			Poor or very poor	Normal	Good or very good	Total
Group of Age	18-25	Count	1	11	11	23
		% within Group of Age	4,3%	47,8%	47,8%	100,0%
		% within Spanish quality rec	50,0%	45,8%	30,6%	37,1%
		% of Total	1,6%	17,7%	17,7%	37,1%
	26-35	Count	1	5	10	16
		% within Group of Age	6,3%	31,3%	62,5%	100,0%
		% within Spanish quality rec	50,0%	20,8%	27,8%	25,8%
		% of Total	1,6%	8,1%	16,1%	25,8%
	36-45	Count	0	1	7	8
		% within Group of Age	,0%	12,5%	87,5%	100,0%
		% within Spanish quality rec	,0%	4,2%	19,4%	12,9%
		% of Total	,0%	1,6%	11,3%	12,9%
	46 through highest	Count	0	7	8	15
		% within Group of Age	,0%	46,7%	53,3%	100,0%
		% within Spanish quality rec	,0%	29,2%	22,2%	24,2%
		% of Total	,0%	11,3%	12,9%	24,2%
Total		Count	2	24	36	62

		% within Group of Age	3,2%	38,7%	58,1%	100,0%
		% within Spanish quality rec	100,0%	100,0%	100,0%	100,0%
		% of Total	3,2%	38,7%	58,1%	100,0%

Appendix 4.12.2: Group of Age – Promotion of Spanish wine

			Spanish promotion rec			Total
			little or very little	Normal	Quite or much	
Group of Age	18-25	Count	10	10	3	23
		% within Group of Age	43,5%	43,5%	13,0%	100,0%
		% within Spanish promotion rec	62,5%	28,6%	27,3%	37,1%
		% of Total	16,1%	16,1%	4,8%	37,1%
	26-35	Count	1	11	4	16
		% within Group of Age	6,3%	68,8%	25,0%	100,0%
		% within Spanish promotion rec	6,3%	31,4%	36,4%	25,8%
		% of Total	1,6%	17,7%	6,5%	25,8%
	36-45	Count	3	3	2	8
		% within Group of Age	37,5%	37,5%	25,0%	100,0%
		% within Spanish promotion rec	18,8%	8,6%	18,2%	12,9%
		% of Total	4,8%	4,8%	3,2%	12,9%
	46 through highest	Count	2	11	2	15
		% within Group of Age	13,3%	73,3%	13,3%	100,0%

		% within Spanish promotion rec	12,5%	31,4%	18,2%	24,2%
		% of Total	3,2%	17,7%	3,2%	24,2%
Total		Count	16	35	11	62
		% within Group of Age	25,8%	56,5%	17,7%	100,0%
		% within Spanish promotion rec	100,0%	100,0%	100,0%	100,0%
		% of Total	25,8%	56,5%	17,7%	100,0%

Appendix 4.12.3: Group of Age – Varieties of Spanish wine

			Spanish varieties rec			Total
			Few or very few	Normal	Quite or many	
Group of Age	18-25	Count	3	16	4	23
		% within Group of Age	13,0%	69,6%	17,4%	100,0%
		% within Spanish varieties rec	37,5%	48,5%	19,0%	37,1%
		% of Total	4,8%	25,8%	6,5%	37,1%
	26-35	Count	3	7	6	16
		% within Group of Age	18,8%	43,8%	37,5%	100,0%
		% within Spanish varieties rec	37,5%	21,2%	28,6%	25,8%
		% of Total	4,8%	11,3%	9,7%	25,8%
	36-45	Count	0	3	5	8
		% within Group of Age	,0%	37,5%	62,5%	100,0%

		% within Spanish varieties rec	,0%	9,1%	23,8%	12,9%
		% of Total	,0%	4,8%	8,1%	12,9%
	46 through highest	Count	2	7	6	15
		% within Group of Age	13,3%	46,7%	40,0%	100,0%
		% within Spanish varieties rec	25,0%	21,2%	28,6%	24,2%
		% of Total	3,2%	11,3%	9,7%	24,2%
Total		Count	8	33	21	62
		% within Group of Age	12,9%	53,2%	33,9%	100,0%
		% within Spanish varieties rec	100,0%	100,0%	100,0%	100,0%
		% of Total	12,9%	53,2%	33,9%	100,0%

APPENDIX 5: Cronbach´s Alpha Analysis

Reliability Statistics

Cronbach's Alpha	N of Items
,485	26

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Kind of wine prefered	57,69	48,150	-,188	,524
Spend in wine 75 cl.	57,45	47,989	-,201	,512
Kind of packaging	57,02	44,803	,118	,478
More types of wine	57,82	46,673	-,053	,494
France characteristics	56,37	40,860	,430	,429
Italy characteristics	56,32	41,402	,385	,437
South Africa characteristics	56,35	39,806	,378	,426
Australia characteristics	56,24	40,055	,439	,422
Spain characteristics	56,37	40,532	,473	,423
Chile characteristics	56,47	38,351	,457	,406
Chosen country	54,85	30,847	,290	,444
Gender	57,82	45,132	,177	,474
Level of income	57,44	43,758	,161	,471
Group of Age	57,08	43,616	,097	,483
Consumption of wine	57,44	47,463	-,150	,505
Price rec	57,74	46,031	-,002	,493
Quality rec	57,94	44,783	,137	,476
Nationality rec	57,18	47,722	-,158	,516
Status rec	56,79	48,988	-,280	,526
Packaging rec	56,97	48,458	-,224	,522
Spanish cheap rec	57,37	46,795	-,069	,496
Spanish quality rec	56,77	45,424	,111	,479
Spanish promotion rec	57,40	45,851	,033	,487
Spanish varieties rec	57,11	47,249	-,122	,504
Buying_spanish_rec	57,74	44,686	,145	,475
New_or_old_other	57,31	37,396	,549	,388